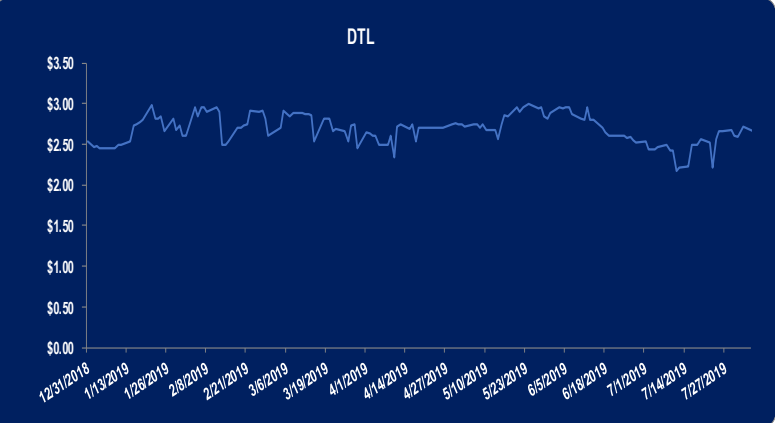


## DAILY RECOMMENDATION



### LOCAL STOCK MARKET: (JS) +

Stock Symbol	DTL	MEEG	MDS	EPLY	BRG
Current Price (\$)	2.90	6.74	7.50	16.95	18.81
Trailing EPS (\$)	0.12	0.36	0.42	0.79	0.80
P/E (times)	25.04	18.88	17.98	21.42	23.55
Projected P/E	23.08	15.36	19.34	21.01	26.61
Projected EPS (\$)*	0.13	0.44	0.39	0.81	0.71
Book Value per share (\$)	0.51	2.05	2.89	4.03	5.16
Price/Book Value (times)	5.72	3.28	2.60	4.20	3.64
Dividend Yield (2018 %)	0.88%	N/A	N/A	2.30%	N/A
Volumes	44,800	21,500	666	339	14,085
Recommendation	HOLD	BUY	HOLD	SELL	SELL



### STOCK OF THE DAY: Derrimon Trading Limited (DTL)

For the three months ended March 31, 2019:-

Derrimon Trading Limited (DTL) Trading Income climbed by 56%, to end the six months to total \$6.29 billion compared to the \$4.04 billion for the prior period. For the quarter, the company reported a 49% increase in Trading Income totalling \$3.14 billion relative to \$2.10 billion. The Group highlighted that, "The distribution and retail arms of the business (core) six (6) months results recorded revenue of \$5.73 billion which was \$1.90 billion (47.05%) more than the \$4.04 billion reported for the corresponding period last year. For this second quarter ended June 2019, revenue generated from core activity was \$2.85 billion representing a growth of \$870.19 million (43.95%) over the \$1.98 billion reported for the similar reporting period in 2018."

Cost of Sales increased by 57% to \$5.19 billion for the period (2018: \$3.31 billion). As a result, gross profit amounted to \$1.09 billion relative to \$731.57 million the prior year period, an increase of 50% year over year. Gross profit for the quarter totalled \$542.07 million relative to \$378.10 million reported the prior period. Other Income for the period fell 50% to close the six months at \$12.15 million relative to \$24.33 million in 2018. However, for the quarter, other income amounted to \$7.23 million (2018: \$17.60 million).

Total operating expenses was \$824.21 million for the period, representing a growth of 47% on the \$559.73 million recorded in the prior year. Administrative expense totalled \$631.17 million, 30% higher when compared to the \$484.90 million in 2018. Selling and distribution expenses totalled \$193.04 million (2018: \$74.83 million). For the quarter, total operating expenses closed at \$410.01 million (2018: \$295.47 million). Finance Cost increased by 30% to total \$95.69 million for the period relative to \$73.35 million in 2018.

Consequently, profit before taxation grew by 52%, ending the period at \$186.45 million for the six months compared to \$122.82 million in 2018. Taxation of \$24.31 million (2018: nil) were reported for the period, as such net profit amounted to \$162.14 million (2018: \$122.82 million), a 32% increase year over year. For the quarter the company reported a 35% increase in Net Profits to \$88.14 million (2018: \$65.25 million).

Total comprehensive income closed the period under review totalled \$148.76 million (2018: \$105.72 million), while for the quarter, total comprehensive income amounted to \$80.25 million versus \$54.12 million reported in the previous comparable period.

Earnings per share (EPS) closed the period at \$0.06 (2018: \$0.04), while for the quarter the EPS was \$0.03 (2018: \$0.02). The twelve month trailing EPS amounted to \$0.12. The total number of shares used in the computation amounted to 2,733,360,670 units.

\*Prices are as at August 20, 2019 \*Projections are made to the company's financial year end

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	136.500	102.305	133.3106	139.860	102.305	135.5470
CAN	102.700	79.294	101.6211	105.700	93.000	103.0719
GBP	164.674	128.923	161.9362	169.182	153.000	164.0625
EURO	153.846	111.955	141.2535	154.548	119.365	151.4982

\*Rates as at August 19, 2019

### MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (August 20, 2019) trading session. The overnight rate stood at 0.50% to 0.80% while the 30-day rate ranged at 1.60% to 1.90%.

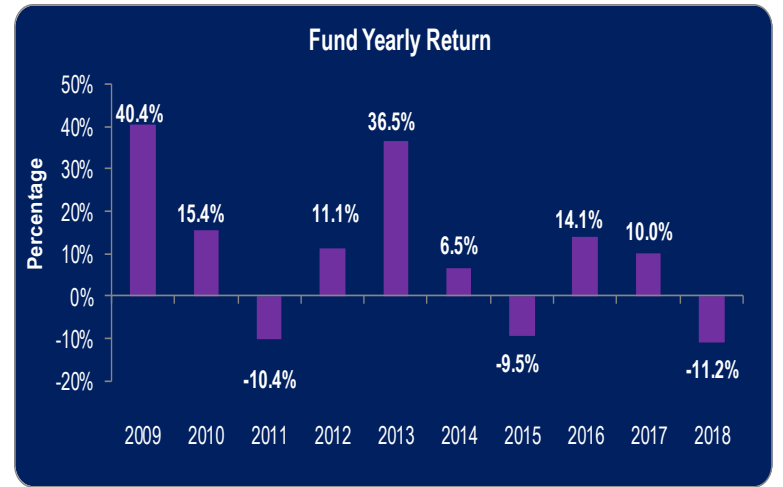
The US dollar fixed income market was also liquid during today's (August 20, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI American Equity Corporate Class

This fund invests primarily in equity and equity-related securities of companies in the United States.

The fund has a 3 year return of 7.9% and a 5 year return of 4.8%. The Fund also has a 10 year return of 8.6%. Rates are as at July 31, 2019.



**U.S: Yes, Trump Can Win Re-Election. But He's Right to Worry**

"Despite a barrage of polls that show him losing to Democratic rivals, Donald Trump's re-election hopes are far from doomed. But he's vulnerable on the two most important predictors: presidential approval ratings and the state of the economy. Trump's approval rating is 43% in two new surveys by NBC/Wall Street Journal and Fox News. Despite low unemployment and record stock market highs, his approval has averaged in the low 40s steadily through his presidency. Set against recent history, that's a dangerous place to be. On the eve of their successful re-elections, Presidents Barack Obama, George W. Bush and Bill Clinton all had approval ratings in positive territory, according to Gallup tracking polls. Worse yet, Trump's inflammatory and divisive style of politics has cemented a high negative rating and left him little room to grow. Despite all that, Trump could very well win in November 2020. He's raising more money than any Democrat and has the backing of a Republican Party apparatus that is working to define his foes as radical and out of touch. His geographic advantage is so strong he could lose the popular vote by 5 million and still win, according to one analysis."

<https://www.bloomberg.com/news/articles/2019-08-20/yes-donald-trump-can-win-re-election-but-he-s-right-to-worry?srd=premium>

**Europe: EU Rebuffs Johnson Bid to Reopen Brexit Deal as Deadlock Remains**

"The European Union poured cold water on Boris Johnson's attempt to renegotiate the Brexit deal, saying the so-called backstop to prevent a hard Irish border -- which the British prime minister wants scrapped -- was a vital part of the divorce agreement. It means that with just over two months to go until Johnson has said the U.K. will leave the bloc "do or die," the two sides are completely deadlocked -- with Britain on course to leave on Oct. 31 without the safety net of an agreement and a transition phase to smooth the process. Still, the EU didn't reject outright Johnson's letter to senior European officials setting out his objections to the plan for the Irish border, which will become the U.K.'s new land frontier with the bloc. That indicates there may be room for the two sides to start talking, but only if Johnson can provide more details. The EU has consistently said the backstop isn't up for renegotiation. "We welcome the U.K. government's engagement," European Commission spokeswoman Natasha Bertaud told reporters in Brussels. "The letter does not provide a legally operable solution to prevent the return of a hard border on the island of Ireland, it does not set out what alternative arrangements could be, and in fact it recognizes that there's no guarantee that such arrangements will be in place by the end of the transitional period."

<https://www.bloomberg.com/news/articles/2019-08-20/eu-rebuffs-johnson-bid-to-reopen-brexit-deal-as-deadlock-remains?srd=premium-europe>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at August 19, 2019	
	Percentage (%)
Yield to Maturity	5.41
Weighted Average Coupon	5.473
Current Yield	4.89

The platinum portfolio has an effective maturity of 13.15 years and duration of 4.61 years.

**STRUCTURED PRODUCT**

**Mayberry Managed Equity Portfolio (MMEP)**

We offer a managed equity portfolio for both institutions and individuals. The MMEP is a full discretionary managed portfolio of a diversified group of stocks. The stocks included in the portfolio represent Mayberry's top recommended stocks. Persons who find it difficult to manage their equity portfolios on a day to day basis should consider the MMEP. Further, the MMEP is for individuals and institutions who would like to pursue a medium to long term equity strategy.

**DISCLAIMER**

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**MIL Ratings System:**

**BUY:** We believe the stock is attractively valued. The company has sound or improving fundamentals that should allow it to outperform the broader market. We anticipate the stock will outperform the market over the next 12 months. The risk factors to achieving price targets are minimal.

**HOLD:** We believe the stock is fairly valued at the current price. The company may have issues affecting fundamentals that could take some time to resolve. Alternatively, company fundamentals may be sound, but this is fully reflected in the current stock price. The risk factors to achieving price targets are moderate. Some volatility is expected. In addition, technically it may be difficult to attain additional volume of the stock(s) at current price.

**SELL:** We believe the stock is overpriced relative to the soundness of the company's fundamentals and long-term prospects.

**SPECULATIVE BUY:** We believe the prospects for capital appreciation exist, however there is some level of uncertainty in revenue growth.

Source: www.jamstockex.com, www.bloomberg.com, www.investopedia.com, www.tradewire.com

OVER 20 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH  
 = POSITIVE TRANSFORMATION FOR OUR CLIENTS  
 MANAGED FUND SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS

**...BULLISH ON JAMAICA**

**MAYBERRY INVESTMENTS LIMITED**  
 A Member of the Jamaica Stock Exchange

1 1/2 Oxford Road, Kingston 5, Jamaica. (876) 929 1908 - 9  
 research@mayberryinv.com sales@mayberryinv.com www.mayberryinv.com

