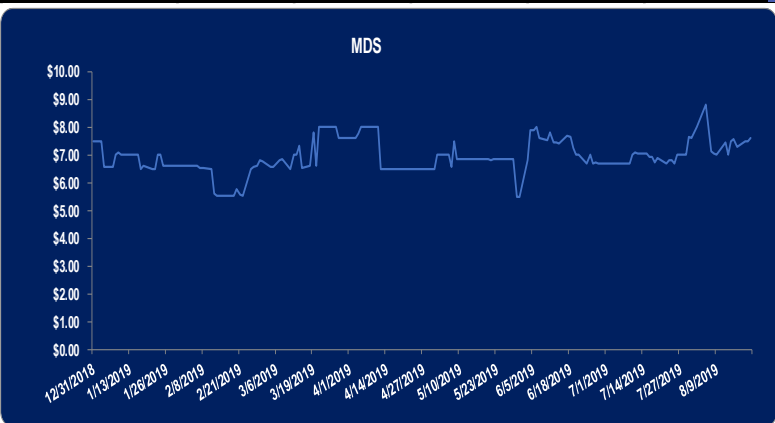




LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	DTL	MEEG	MDS	EPLY	BRG
Current Price (\$)	2.86	6.81	7.60	16.95	18.81
Trailing EPS (\$)	0.12	0.36	0.42	0.79	0.80
P/E (times)	24.70	19.08	18.22	21.42	23.55
Projected P/E	22.76	15.52	19.60	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)	5.64	3.31	2.63	4.20	3.64
Dividend Yield (2018 %)	0.88%	N/A	N/A	2.30%	N/A
Volumes	62,033	19,800	100	5,108	15,640
Recommendation	HOLD	BUY	HOLD	SELL	SELL



STOCK OF THE DAY: Medical Disposables & Supplies Limited (MDS)

For the three months ended June 30, 2019:-

Medical Disposables & Supplies Limited (MDS) for the three months ended June 30, 2019, reported revenue of \$557.23 million, an increase of 3% compared to the \$541.11 million booked in 2018. This according to Management, "reflected modest in sales. This performance was attributed mainly to price adjustments, given a dip in unit sales across our consumer product lines."

Cost of Sales decreased \$8.12 million to total \$416.06 million relative to \$424.17 million in 2018, a 2% decrease. As a result, Gross Profit grew by 21% or \$24.24 million to total \$141.18 million compared to \$116.94 million in 2018.

Total Operating Cost rose 20% to close at \$102.45 million (2018: \$85.61 million). Of this total, Selling and Promotional costs rose 43% to \$46.17 million relative to \$32.25 million in 2018. Administrative Expenses went up by 5% to close the three months period at \$51.16 million (2018: \$48.90 million). MDS recorded Other Operating income of \$606,708 for the first quarter of 2019 relative to an income of \$284,831 for the comparable period of 2018. Depreciation increased by 17% to close the quarter at \$7.14 million (2018: \$6.11 million). Management noted that, the movement in expenses was "due mainly to costs associated with increased business activities, marketing research and promotional activities aimed at the consumer division in particular, and infrastructure needed to be in place to improve the sales growth overall."

As a result, Operating Profit closed the first quarter at \$38.73 million relative to \$31.33 million in 2018, this represents a 24% increase. MDS reported Loss on Foreign Exchange of \$9.40 million versus a loss of \$4.20 million twelve months earlier. This according to MDS was due mainly to, "the devaluation of the Jamaican Dollar in relation to the United States currency."

Finance Cost for the three months amounted to \$10.77 million relative to the \$8.04 million reported in 2018, a 34% increase year over year.

Pre-tax profit totalled \$18.57 million, down from the \$19.10 million booked for the corresponding quarter of 2018, a 3% decline. Net Profit for the quarter amounted to \$16.09 million after taxation of \$2.48 million (2018: nil) relative to a net profit of \$19.10 million booked for the first three months of 2018.

Earnings per share for the first quarter amounted \$0.06 (2018: \$0.07). The trailing earnings per share amounted to \$0.42. The number of shares used in the calculation was 263,157,895.

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	137.500	101.244	134.1114	140.509	102.305	136.1909
CAN	106.000	79.212	98.7304	106.500	95.500	103.0984
GBP	166.350	128.800	160.4388	170.271	153.000	165.2123
EURO	149.000	100.550	137.4459	154.548	140.000	151.4440

*Rates as at August 20, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (August 21, 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%.

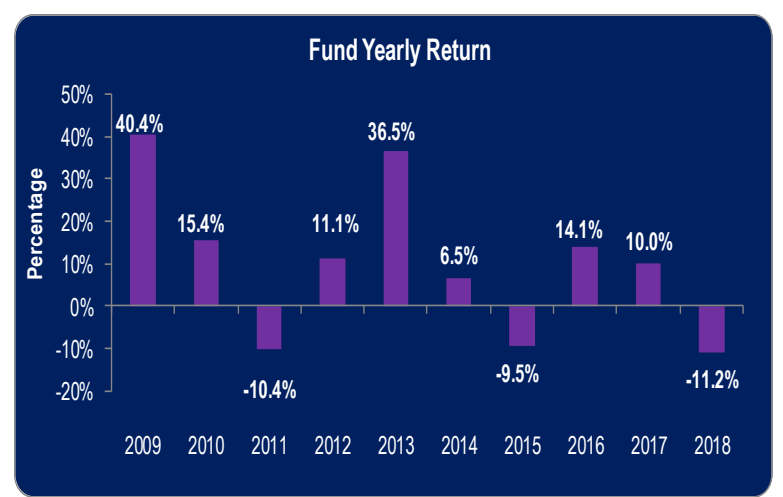
The US dollar fixed income market was also liquid during today's (August 21, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

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.



*Prices are as at August 21, 2019 *Projections are made to the company's financial year end

U.S: Trump Dismisses Recession Risk But Floats Ideas for Stimulus

“President Donald Trump has consistently rejected a growing number of forecasts that his trade war with China and slowing global growth are pitching the U.S. economy toward recession. But he’s also spending a lot of time outlining policies to stave it off. Speaking to reporters Tuesday in the Oval Office, Trump said he’s open to a range of possible actions, including a payroll tax cut or bypassing Congress to reduce taxes by indexing capital gains. He repeated his demand that the Federal Reserve slash interest rates to bolster the economy. Yet he also suggested those actions aren’t necessary. “We’re very far from a recession,” Trump said. His comments Tuesday illustrate the balance the White House is trying to strike between touting growth under the Trump administration and laying the groundwork for possible fiscal stimulus if the economy falters. With the 2020 campaign heating up, the growing odds of an economic contraction threaten to crush Trump’s hopes for a second term. Chances of a recession within the next year have risen to 35%, according to an August survey of economists by Bloomberg News. Trump also defended his trade war with China -- a dispute economists point to as a primary risk for global economic growth. He called any short-term pain the U.S. has to pay from the trade war “irrelevant.” “My life would be a lot easier if I hadn’t taken China on,” Trump said. “But I like doing it because I have to do it.””

<https://www.bloomberg.com/news/articles/2019-08-21/trump-dismisses-recession-risk-but-floats-ideas-for-stimulus?smid=premium>

Europe: U.K. Budget Deficit Soars as Britain Prepares for Brexit

“U.K. government borrowing surged in the first four months of the fiscal year, a reminder of the vulnerability of the public finances as Britain braces for a no-deal Brexit. The budget deficit between April and July stood at 16 billion pounds (\$19.4 billion), 60% more than the same period last year, Office for National Statistics figures published Wednesday show. Borrowing is rising much more quickly than budget officials forecast in March as revenue from taxes fails to keep pace with spending, a possible sign that the economic downturn in the second quarter is taking a toll. That’s an unwelcome fiscal inheritance for Prime Minister Boris Johnson, who has promised 20 billion pounds of tax cuts plus extra money for policing, health care and schools. The public finances could take a further 30 billion-pound hit if he sees through his threat to let Britain crash out of the European Union without a deal on Oct. 31, forecasters estimate. Years of post-crisis austerity have brought down the deficit from almost 10% of GDP in 2009-10, the highest in peacetime history, to a 17-year low of just 1.1% last year. July is typically a good month for the public finances, as the Treasury benefits from larger-than-normal tax payments. But revenue exceeded spending by just 1.3 billion pounds last month, compared with a surplus of 3.6 billion pounds a year earlier.”

<https://www.bloomberg.com/news/articles/2019-08-21/u-k-budget-deficit-soars-as-britain-prepares-for-brexit?smid=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 Platinum

The Mayberry Platinum portfolio is ideal for investors seeking a short to medium-term investment with returns denominated in hard currency. The portfolio comprises Investment Grade corporate and sovereign bonds, which provide strong yield and performance. The primary objective of this product is to provide our clients with income as well as capital appreciation. The Platinum portfolio enables the client to take full advantage of a diversified bond portfolio and is ideal for persons who do not have the time to actively manage their own portfolio.

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

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