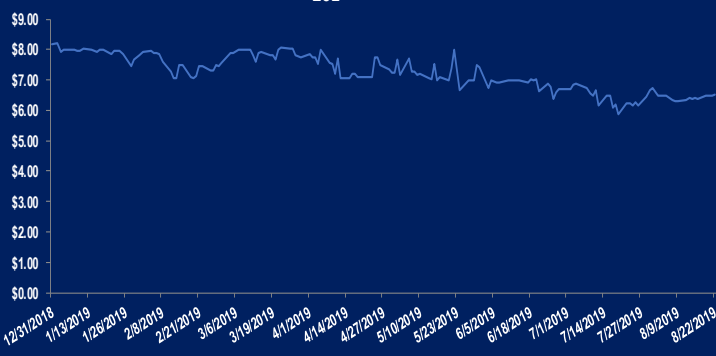




LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	PTL	ECL	PJAM	CHL	SEP
Current Price (\$)	1.69	6.51	105.87	11.00	51.61
Trailing EPS (\$)	0.04	0.30	7.01	0.34	1.59
P/E (times)	41.61	21.51	15.11	32.74	32.45
Projected P/E	38.45	20.61	17.57	30.53	26.26
Projected EPS (\$)*	0.04	0.32	6.02	0.36	1.97
Book Value per share (\$)	0.48	0.26	36.40	1.09	20.48
Price/Book Value (times)	3.52	24.97	2.91	10.12	2.52
Dividend Yield (2018 %)	1.30%	13.14%	N/A	2.45%	N/A
Volumes	NIL	205,935	71,542	NIL	49,815
Recommendation	SELL	BUY	HOLD	SELL	SELL

ECL



STOCK OF THE DAY: Express Catering Limited (ECL)

For the year ended May 31, 2019:-

Express Catering Limited (ECL) for the year ended May 31, 2019 reported a 10% increase in revenue to US\$17.32 million (2018: US\$15.71 million). Revenue for the quarter advanced 17% to close at US\$5.21 million relative to US\$4.44 million reported the previous year.

Cost of sales (COS) increased by 10% for the period to US\$5.07 million (2018: US\$4.60 million). As a result gross profit increased year-on-year by 10%, from US\$11.10 million in 2018 to US\$12.25 million in 2019. Gross profit for the fourth quarter improved from US\$1.62 million in 2018 to US\$1.82 million, a 20% increase year over year.

Total expenses increased by 15% for the period in review to US\$8.23 million for 2019, up from US\$7.15 million booked for 2018's year end. The rise was associated with a 15% increase in administrative expenses to US\$7.63 million from US\$6.61 million. Depreciation and Amortization saw an 8% increase to US\$554,827 compared to US\$511,804 for the comparable period in 2018. Promotional expenses also saw a 33% increase from US\$35,931 to US\$47,794. Total expenses for the fourth quarter climbed 31% to close at US\$2.19 million (2018: US\$1.67 million).

Consequently, operating profit for the period grossly increased by 2% to US\$4.02 million (2018: US\$3.95 million). Operating profit for the quarter totalled US\$1.21 million, a growth of 5% relative to US\$1.15 booked for the corresponding quarter of 2018.

Finance cost of US\$342,047 (2018: US\$341,131) was incurred for the period, while foreign exchange gain amounted to US\$50,565 relative to the loss of US\$44,379 booked in 2018.

Pre-tax profit for the year totalled US\$3.73 million, a 5% increase above the US\$3.56 million recorded for 2018. There was no tax for the FY2019, however, taxation for the FY2018 totalled US\$114,969. Consequently, net profit for the period amounted to US\$3.73 million, an 8% increase above the US\$3.45 million recorded for 2018. For the quarter, net profit amounted to US\$1.18 million versus US\$925,167 booked for the comparable period in 2018, a 28% increase.

Earnings per share (EPS) for the year ended totalled US\$0.23 cents (2018: US\$0.21 cents). Earnings per share for the quarter amounted to US\$0.07 cents (2018: US\$0.06 cents). The number of shares used in the calculation was 1,637,500,000 units.

*Prices are as at August 23, 2019 *Projections are made to the company's financial year end

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	138.100	102.375	134.5494	140.725	102.305	136.7121
CAN	103.000	79.950	97.4541	106.700	95.500	103.8374
GBP	167.150	129.376	163.6878	170.223	153.650	166.7526
EURO	153.846	112.504	142.8819	154.980	142.000	150.8610

*Rates as at August 22, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (August 23, 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%.

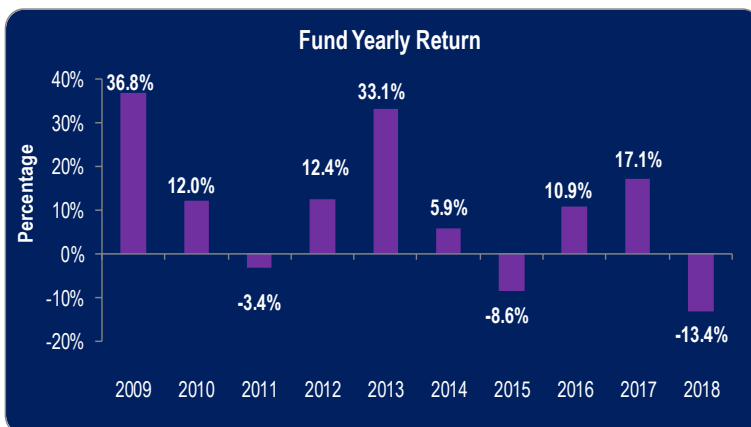
The US dollar fixed income market was also liquid during today's (August 23, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Managers Corporate Class

This fund invests primarily in equity and equity-related securities of companies that are located in countries that have signed the North American Free Trade Agreement (NAFTA) (or its successor).

The fund has a 3 year return of 8.0% and a 5 year return of 5.0%. The Fund also has a 10 year return of 9.3%. Rates are as at July 31, 2019.



U.S: Stock Hedges a Steal as VIX Flashes Calm Ahead of Fed Speeches

“The Cboe Volatility Index, or VIX, has fallen back quickly after spiking earlier this month -- a little too quickly, according to some. And that may spell opportunity. As the Jackson Hole summit looms, Wall Street banks say options are now looking decidedly cheap to hedge a backlash against the Federal Reserve’s interest-rate policy. After spiking as high as 24.59 earlier this month, Wall Street’s fear gauge closed on Thursday at 16.68, below its one-year average. “We are seeing the VIX trade at a notable discount to realized volatility,” said Michael Purves, CEO of Tallbacken Capital Advisors, LLC. “We recommend using this dip in implied volatility to put on incremental equity market hedges.” BNP Paribas SA likes so-called S&P 500 put ratio trades for a Jackson Hole hedge. Strategists there suggest weekly options expiring Sept. 3, such as buying S&P 500 2800 puts while selling 1.5 times that number of 2700 contracts. A large number of VIX options trades from a select few players may have contributed to the decline in implied equity price swings. The knock-on effects of those wagers may be pulling down the gauge and perhaps even boosting the S&P 500 Index in turn, Nomura Securities International Inc. strategist Charlie McElligott said. The VIX has slumped quickly, but “the normalization will be short lived, given that trade, macroeconomic fundamentals, and earnings backdrop continues to deteriorate,” according to Cantor Fitzgerald Global Chief Market Strategist Peter Cecchini.”

<https://www.bloomberg.com/news/articles/2019-08-23/stock-hedges-a-steal-as-vix-flashes-calm-ahead-of-fed-speeches?srnd=premium>

Europe: Pound Could Find a Floor at \$1.17 in Overwhelmingly Short Market

“The pound’s sudden surge Thursday made one thing clear: after an almost 9% tumble from the year’s highs, it may now be close to a floor where value hunters are waiting. In a market that’s overwhelmingly short the currency, a further decline of about 4% may tempt buyers back in, according to some strategists. Such a drop would take it to levels unseen since 1985. For State Street Bank and Union Bancaire Privee, it’s not yet time to make a bet on a pound recovery but further declines into the Oct. 31 Brexit deadline could add to its appeal. Strategists at both institutions point to \$1.17 as a level that looks attractive to enter long positions, although that would depend on their verdict on the extent of the bad news behind the drop. Coutts & Co. is already long sterling assets. “It’s been an incredibly popular trade to sell sterling -- at a certain point, if everybody sold sterling, who else is there left to sell?” Monique Wong, a senior portfolio manager at Coutts & Co., said in an interview with Bloomberg Television’s Matt Miller earlier this week. The pound rallied more than 1% Thursday after French President Emmanuel Macron said he was “confident” that the two sides “could find something intelligent in 30 days” to resolve the Brexit deadlock. The remarks followed similar comments from German Chancellor Angela Merkel Wednesday and prompted some optimism, even as both leaders warned the basis of the Brexit agreement couldn’t be changed.”

<https://www.bloomberg.com/news/articles/2019-08-23/pound-could-find-a-floor-at-1-17-in-overwhelmingly-short-market?srnd=brexit>

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 Gold

This portfolio is ideal for investors, both retail and corporate, seeking a conservative, short-term investment. The securities in the Gold are directly owned by the client and provide them with a safe investment option. Our Gold portfolio can also provide investors with coupon payments that can generate a positive income stream.

DISCLAIMER

Analyst Certification -The views expressed in this research report accurately reflect the personal views of Mayberry Investments Limited Research Department about those issuer (s) or securities as at the date of this report. Each research analyst (s) also certify that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation (s) or view (s) expressed by that research analyst in this research report.

Company Disclosure -The information contained herein has been obtained from sources believed to be reliable, however its accuracy and completeness cannot be guaranteed. You are hereby notified that any disclosure, copying, distribution or taking any action in reliance on the contents of this information is strictly prohibited and may be unlawful. Mayberry may effect transactions or have positions in securities mentioned herein. In addition, employees of Mayberry may have positions and effect transactions in the securities mentioned herein.

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 ½ Oxford Road, Kingston 5, Jamaica. ☎ (876) 929 1908 – 9
 research@mayberryinv.com • sales@mayberryinv.com • www.mayberryinv.com