

LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	ECL	DTL	GK	JSE	JP
Current Price (\$)	6.99	1.99	69.99	23.80	26.11
Trailing EPS (\$)	0.30	0.11	4.89	0.67	0.92
P/E (time)	23.09	18.62	14.32	35.71	28.44
Projected P/E	22.13	14.24	13.88	33.73	26.53
Projected EPS (\$) [*]	0.32	0.14	5.04	0.71	0.98
Book Value per share (\$)	0.26	0.51	51.03	1.71	12.02
Price/Book Value (times)	26.81	3.92	1.37	13.88	2.17
Dividend Yield (2018 %)	13%	1%	N/A	4%	N/A
Volumes	6,767	432,332,372	729,082	379,011	NIL
Recommendation	BUY	BUY	HOLD	SELL	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

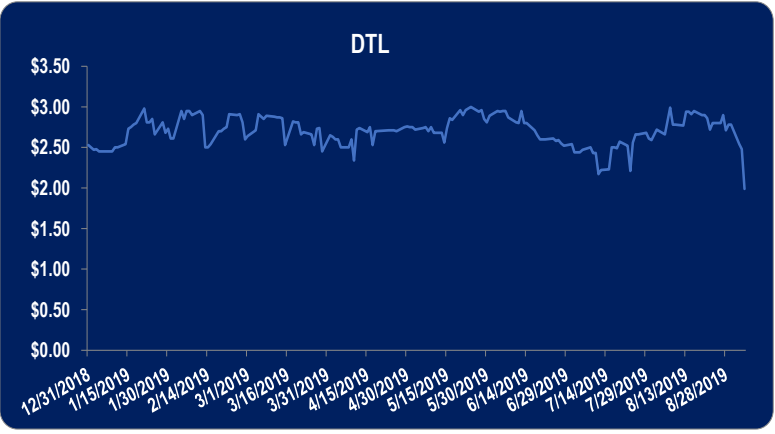
Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	138.800	103.950	135.967	142.890	103.163	137.8452
CAN	103.900	80.360	136.3556	105.840	93.500	137.9605
GBP	167.500	129.376	102.0752	169.600	153.000	103.3947
EURO	163.300	112.347	162.6144	155.000	138.000	165.993

*Rates as at September 03, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 04, 2019) trading session. The overnight rate stood at 0.30% to 0.60% while the 30-day rate ranged at 1.60% to 1.80%.

The US dollar fixed income market was also liquid during today's (September 04, 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%.



STOCK OF THE DAY: Derrimon Trading Limited (DTL)

For the six months ended June 30, 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. DTL mentioned that, "The realignment of our debt portfolio from short term to long term amortized facilities continues to have a positive effect on the Group by way of lower interest cost."

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.

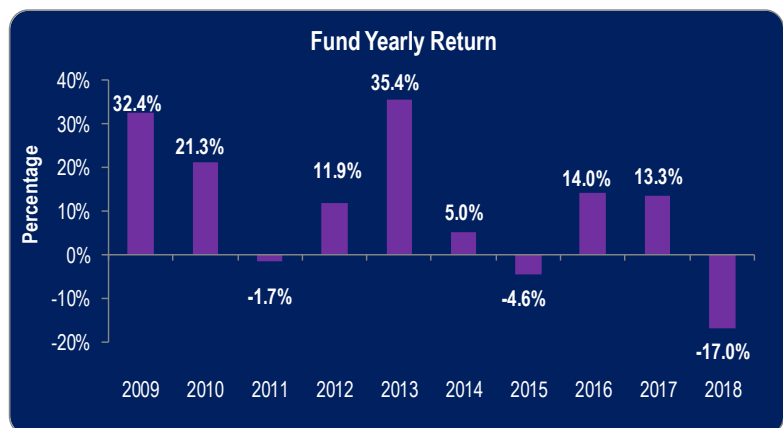
Earnings per share (EPS) closed the period at \$0.06 (2018: \$0.04), while for the quarter the EPS was \$0.03 (2018: \$0.02). The twelve month trailing EPS amounted to \$0.12. The total number of shares used in the computation amounted to 2,733,360,670 units.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Small Companies Fund

This fund invests primarily in equity and equity-related securities of small to mid-capitalization North American companies.

The fund has a 3 year return of 4.3% and a 5 year return of 4.6%. The Fund also has a 10 year return of 9.7%. Rates are as at July 31, 2019.



U.S: Trump Says Dow Would Be 10,000 Points Higher Without Trade War

Donald Trump said his trade war with China has hurt the performance of the U.S. stock market, but that he had to confront the country's economic practices. "Let me tell you, if I wanted to do nothing with China, our stock market, our stock market would be 10,000 points higher than it is right now but somebody had to do this," the president told reporters at the White House on Wednesday. "It was out of control and they were out of control." The Dow Jones Industrial Average stood at 26,332 as of about 1:00 p.m. in Washington, up less than 1 percent for the day. Trump increased tariffs on Chinese imports this week to try to elbow Beijing into resuming talks on a far-reaching trade deal. "We'll see what happens, if they want to make a deal, they'll make a deal, if they don't want to make a deal, that's fine," he said. Trump declined to say whether Chinese negotiators will visit Washington this month. Trump has placed tariffs on some \$360 billion of Chinese imports since the start of the trade war more than a year ago. On Sunday, he enacted a 15% duty on about \$112 billion of Chinese products, mostly electronics and other consumer items.

<https://www.bloomberg.com/news/articles/2019-09-04/trump-says-dow-would-be-10-000-points-higher-without-trade-war?srnd=premium>

Europe: Brexit Chaos Points to a General Election. Here's How It Would Work

The U.K. is poised to hold its third general election in four years, as new Prime Minister Boris Johnson gambles that reshuffling the deck will help him carry out his vision of Brexit. He's locked in a face-off with lawmakers convinced that crashing out of the European Union without any formal agreement would cause Britain vast economic harm. Johnson lost his wafer-thin majority in Parliament after rebels from his Conservative Party moved to thwart his plan to leave the bloc no matter what on Oct. 31. By a simple motion approved by two-thirds of members of Parliament -- or 434. This test may come Wednesday after the chamber votes on legislation to force Johnson to delay Brexit if he doesn't reach a deal with the EU. If he loses, Johnson is expected to bring to a vote a motion for a general election, which he's expected to propose for Oct. 14 or 15. He's now the leader of a minority government, after his party ejected 21 MPs for defying him.

<https://www.bloomberg.com/news/articles/2019-09-04/brexit-chaos-points-to-election-here-s-how-it-works-quicktake>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at September 02, 2019

	Percentage (%)
Yield to Maturity	5.32
Weighted Average Coupon	5.47
Current Yield	5.63

The platinum portfolio has an effective maturity of 13.08 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.

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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 30 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH

POSITIVE TRANSFORMATION FOR OUR CLIENTS

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