

## LOCAL STOCK MARKET: (JS)<sup>+</sup>

Stock Symbol	MEEG	CAR	CHL	BIL	BRG
Current Price (\$)	7.02	8.44	9.25	73.09	20.01
Trailing EPS (\$)	0.36	0.72	0.34	2.27	0.80
P/E (time)	19.67	11.68	27.53	32.14	25.05
Projected P/E	16.00	10.91	25.67	113.37	28.31
Projected EPS (\$) <sup>*</sup>	0.44	0.77	0.36	0.64	0.71
Book Value per share (\$)	2.05	0.33	1.09	13.09	5.16
Price/Book Value (times)	3.42	25.94	8.51	5.59	3.88
Dividend Yield (2018 %)	N/A	8%	N/A	13%	N/A
Volumes	8,877	626,846	NIL	42,000	25,667
Recommendation	BUY	BUY	HOLD	SELL	SELL

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

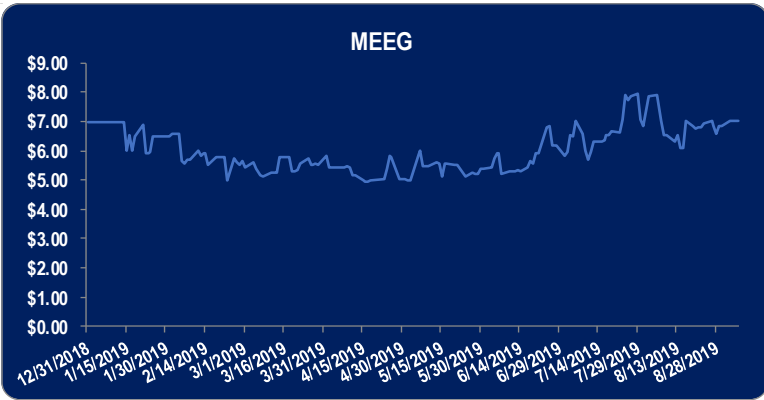
Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	139.000	103.950	136.1897	143.431	103.556	137.792
CAN	105.100	80.360	103.893	106.920	86.176	104.786
GBP	168.300	130.034	164.694	173.448	154.000	167.237
EURO	152.200	113.837	143.917	155.088	143.200	153.603

\*Rates as at September 04, 2019

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 05, 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 05, 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: Main Events Entertainment Group (MEEG)

For the six months ended April 30, 2019:-

Main Events Entertainment Group reported revenue of \$895.83 million, 28% higher than the \$702.05 million booked in 2018. Management attributed the performance to, "higher volumes in the company's core business as well as successes with our new products. \$118.038 million, or 13% of revenues year to date is attributed to the M-Style product offering and our presence in the West." Revenue for the quarter amounted to \$438.14 million compared to \$340.64 million recorded for the six months ended April 30, 2018.

Cost of Sales increased 38% to close at \$490.06 million (2018: \$354.36 million). This resulted in Gross profit increasing by 17%, amounting to \$405.77 million for the period relative to \$347.69 million in 2018. Gross profit for the quarter closed at \$208.66 million relative to \$187.36 million for the comparable quarter of 2018. MEEG noted, "we continue to work our way through a series of price increases in some third party inputs."

Other income for the period, jumped by 230% to close at \$6.64 million (2018: \$2.01 million).

Total expenses amounted to \$309.67 million (2018: \$260.28 million) for the period, a 19% increase when compared to the prior year. Of that, administrative and other expenses rose by 23%, moving from \$199.98 million in 2018 to \$246.34 million. Selling and promotions fell 45% to \$8.55 million from \$15.42 million reported in 2018. Depreciation rose 22% to total \$54.78 million for the period (2018: \$44.88 million). Management noted, "these increases, primarily in salaries and related costs, depreciation charges, transportation expenses, and property related costs; were driven by our growing operations."

As such, operating profit increased by 15% from \$89.42 million in 2018 to \$102.74 million. MMEG's operating profit for the quarter rose 27% to \$67.34 million (2018: \$53.04 million). Finance costs increased by 11% to close the period at \$9.38 million (2018: \$8.49 million).

Profit before taxation increased by 15% to close the period at \$93.36 million (2018: \$80.93 million). MEEG incurred no taxes for the quarter, thus net profit amounted to \$93.36 million (2018: \$80.93 million). Net profit for the quarter amounted to \$61.76 million, a 29% growth on the \$47.96 million in 2018.

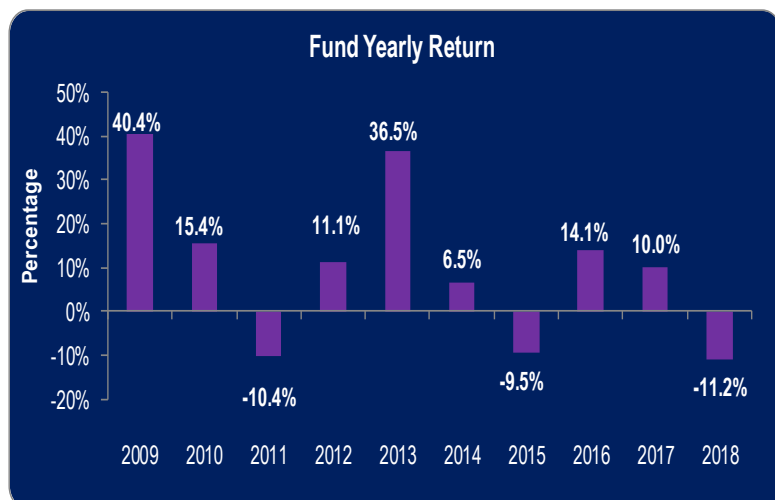
Consequently, earnings per share (EPS) for the period amounted to \$0.31 compared with \$0.27 for the corresponding period of last year. EPS for the quarter amounted to \$0.21 (2018: \$0.16). The trailing twelve months earnings per share amounted to \$0.36. The numbers of shares used in the calculations are 300,005,000 units.

## 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: Fed Officials Warn Consumer Is Alone in Carrying U.S. Economy**

“Federal Reserve officials are weighing two competing forces in the U.S. economy: the resilience of the consumer versus the fallout from uncertainty around trade disputes and weaker global growth. “The consumer is now carrying all of the weight, or much of the weight, for growth going forward,” Federal Reserve Bank of New York President John Williams told reporters Wednesday after giving a speech in New York. “One thing, though, about consumer spending that you have to be careful about is it’s not really a leading indicator.” As threats from U.S.-China trade tensions have chilled business confidence and investment, consumers have been the main drivers of growth. There’s weakness surfacing in manufacturing and concerns brewing in financial markets that the world economy may be heading toward recession. The theme was echoed later on Wednesday by Dallas Fed chief Robert Kaplan, who told an audience in Toronto that he was watching to see if weak macroeconomic data filter into consumer attitudes.”

<https://www.bloomberg.com/news/articles/2019-09-04/uncertainty-playing-important-role-in-fed-policy-williams-says>

**Europe: Investors Pull \$1.5 Billion From U.K. Equities as Brexit Bites**

“Investors are voting with their feet as the Brexit impasse plays havoc with financial markets. Savers jettisoned 1.2 billion pounds (\$1.5 billion) from U.K. equity funds in July, when Prime Minister Boris Johnson took power, according to figures published Thursday by the Investment Association, which represents fund managers. The withdrawals accelerated after outflows of 744 million pounds in June. “Investors reacted to the ratcheting up of uncertainty in the U.K., triggered by the change in political leadership,” said Chris Cummings, chief executive of the Investment Association. “Savers looked to weather the ongoing political and economic uncertainty by diversifying their investments and seeking out safe haven assets.” The outflows came despite a positive month on the equity markets: in July, the CBOE U.K. All Companies Index rose 1.9%. Instead, investors poured money into bonds. There were 2.2 billion pounds in net retail sales in July, the fifth straight month of positive flows.”

<https://www.bloomberg.com/news/articles/2019-09-05/investors-pull-1-5-billion-from-u-k-equities-as-brexit-bites?srnd=premium-europe>

**PLATINUM PORTFOLIO**

**Platinum Portfolio Yield Measures as at September 02, 2019**

	Percentage (%)
<b>Yield to Maturity</b>	5.32
<b>Weighted Average Coupon</b>	5.47
<b>Current Yield</b>	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



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