

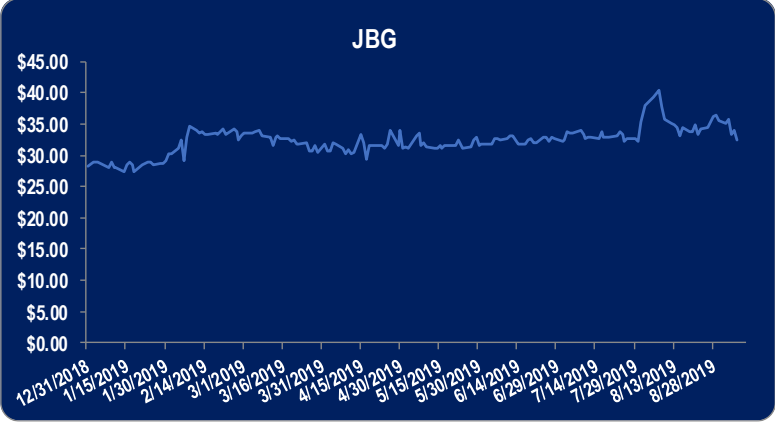
## LOCAL STOCK MARKET: (JS) +

Stock Symbol	JBG	SVL	CAC	PTL	KW
Current Price (\$)	32.52	26.11	15.00	2.00	64.00
Trailing EPS (\$)	1.95	0.80	0.19	0.04	1.60
P/E (time)	16.70	32.78	80.04	49.25	40.06
Projected P/E	15.52	21.69	24.36	45.50	37.20
Projected EPS (\$)*	2.10	1.20	0.62	0.04	1.72
Book Value per share (\$)	12.67	1.31	3.80	0.48	17.86
Price/Book Value (times)	2.57	19.91	3.95	4.16	3.58
Dividend Yield (2018 %)	1%	7%	N/A	1%	N/A
Volumes	77,396	35,776	NIL	NIL	600
Recommendation	BUY	BUY	HOLD	SELL	SELL

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

Currency	PURCHASERATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	139.200	104.344	136.608	143.973	108.158	138.3398
CAN	105.450	81.590	103.7078	108.216	93.000	105.0299
GBP	170.300	133.820	167.4049	176.040	154.000	170.5472
EURO	153.000	114.464	143.7797	157.680	144.000	154.5766

\*Rates as at September 06, 2019



## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 09, 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 09, 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: Jamaica Broilers Group (JBG)

For the three months ended July 31, 2019:-

Jamaica Broilers Group (JBG) for the three months ended July 31, 2019 reported total revenues of \$13.26 billion, a 9% increase on the \$12.16 billion reported in 2018. Total revenue was broken down as follows. Of total revenues: The Jamaica Operations contributed \$8.38 billion, a 2% increase compared to \$8.24 billion for the same period of 2018. US Operations recorded an increase of 31% to total \$4.34 billion relative to \$3.32 billion last year. According to the company, "Our US Operations reported a segment result of \$333 million, which was an 11% increase over the prior year's result of \$300 million. This increase was primarily attributable to earnings from the feed mill, which was acquired after the first quarter in the previous year. Total revenue for this segment increased by 29% over the prior year driven by sales of feed." Haiti Operating contributed \$530.70 million, a decline of 11% when compared to \$594.99 million.

Cost of Sales grew by 11% to \$9.94 billion from \$8.98 billion in 2018. As such, gross profit for the first quarter reflected an increase of 5% to close at \$3.32 billion versus \$3.18 billion booked for the corresponding period in 2018.

Other income fell 60% from \$192.56 million for the first quarter of 2018 to \$76.38 million in 2018. Distribution costs increased 2% to close at \$445.29 million relative to \$436.09 million recorded for the prior year's comparable period, while administration and other expenses grew marginally by 0.3% to \$2.28 billion (2018: \$2.27 billion).

Operating profit for the period thus increased by 2%, totalling \$679.35 million relative to \$664.70 million last year.

JBG reported finance income of \$36.46 million (2018: \$300.06 million) a decline of 88% "from reduced foreign exchange gains and reduction in interest income from the WIP loan, which was sold during this first quarter", while finance costs declined by 7% to \$299.39 million relative to \$323.65 million in 2018.

Profit before taxation increased for the period amounting to \$416.42 million (2018: \$641.11 million). Tax charges for the quarter totalled \$55.41 million (2018: \$227.73 million). As such, net profit amounted to \$361.01 million (2018: \$413.38 million).

Total comprehensive income for the first quarter amounted to \$361.01 million relative to \$712.75 million.

Net profit attributable to shareholders amounted to \$368.40 million relative to \$398.84 million booking for the comparable period in 2018.

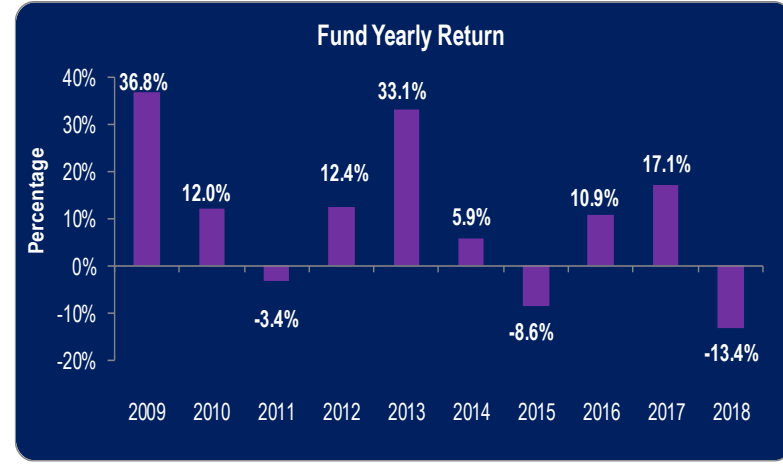
Consequently, earnings per share totalled \$0.31 relative to \$0.33 booked for the first quarter of 2018. The

## 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



\*Prices are as at September 09, 2019 \*Projections are made to the company's financial year end

“The moment usually comes during Greg Petras’s commute through the rolling hills and cornfields of southern Wisconsin. Somewhere between his home near Madison and the factory he runs on the edge of the small town of Brodhead, the news will turn to the trade wars and Donald Trump will again claim that China is bearing the cost of his tariffs. That’s when Petras loses it. “It’s just an outright lie, and he knows it,” says Petras, president of Kuhn North America, which employs some 600 people at its farm-equipment factory in Wisconsin. For Kuhn, Trump’s trade war has produced a toxic mix of rising costs and falling revenues. “You’re slamming your fist on the steering wheel and saying ‘Why would you tell people this?’” About 250 Kuhn employees spent the Labor Day holiday caught in a two-week furlough, and they’re facing another in early October.”

<https://www.bloomberg.com/news/features/2019-09-09/a-manufacturing-recession-could-cost-trump-a-second-term>

**PLATINUM PORTFOLIO**

**Platinum Portfolio Yield Measures as at September 09, 2019**

	Percentage (%)
<b>Yield to Maturity</b>	5.33
<b>Weighted Average Coupon</b>	5.473
<b>Current Yield</b>	4.70

The platinum portfolio has an effective maturity of 13.10 years and duration of 4.65 years.

**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](http://www.jamstockex.com), [www.bloomberg.com](http://www.bloomberg.com), [www.investopedia.com](http://www.investopedia.com), [www.tradewire.com](http://www.tradewire.com)

“The U.K. economy is on track to defy concerns about an imminent recession and grow 0.3% in the third quarter, according to the National Institute of Economic and Social Research. Niesr said that recent surveys indicate flat output in August, with service sector expansion being offset by contractions in manufacturing and construction. Even so, Director of Macroeconomic Modelling and Forecasting Garry Young sounded a cautious note on how long growth can continue. “Only the services sector is expanding, primarily to meet higher demand from consumers driven by increased household incomes fueled by rising real wages. But there is a limit to how much further real wages can grow without a pick-up in investment and productivity, and this seems unlikely in the near term,” he said.”

<https://www.bloomberg.com/news/articles/2019-09-09/u-k-economy-on-course-to-grow-0-3-in-third-quarter-niesr-says>

**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.



**OVER 30 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH**

**POSITIVE TRANSFORMATION FOR OUR CLIENTS**

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