

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

Stock Symbol	JBG	SVL	CAC	PTL	KW
Current Price (\$)	33.10	27.50	15.00	2.00	62.45
Trailing EPS (\$)	1.95	0.80	0.19	0.04	1.60
P/E (time)	17.00	34.52	80.04	49.25	39.09
Projected P/E	15.79	22.85	24.36	45.50	36.30
Projected EPS (\$) <sup>+</sup>	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)	2.61	20.97	3.95	4.16	3.50
Dividend Yield (2018 %)	1%	7%	N/A	1%	N/A
Volumes	38,062	10,047,553	NIL	4,086	3,368
Recommendation	BUY	HOLD	HOLD	SELL	SELL

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

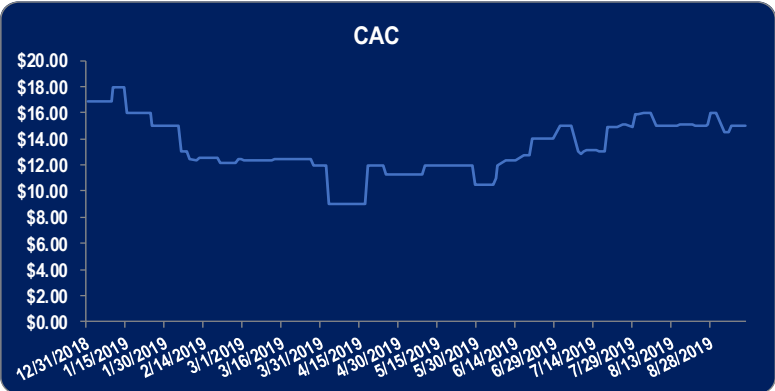
Currency	PURCHASERATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	139.200	103.740	136.3176	143.973	103.950	137.9301
CAN	106.200	82.164	103.8171	108.216	86.089	105.2864
GBP	172.000	134.149	164.3413	176.040	154.000	170.9256
EURO	154.300	114.464	146.5381	157.680	143.000	154.8762

\*Rates as at September 09, 2019

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 10, 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 10, 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: CAC 2000 (CAC)

For the six months ended April 30, 2019:-

CAC 2000 (CAC), for the six months ended April 30, 2019, reported revenues of \$516.48 million versus \$623.44 million booked in 2018. Revenues for the quarter fell by 9% to \$350.06 million (2018: \$383.93 million).

Cost of sales fell by 8% for the period to \$342.83 million (2018: \$374.27 million). Consequently, gross profit for the period declined by 30% closing at \$173.65 million compared to \$249.17 million for the same period last year. For the quarter, gross profit decreased 29% to \$119.09 million (2018: \$166.75 million).

The Company reported a 4% increase in total expenses to \$204.16 million (2018: \$195.50 million). This was as a result of a 8% increase in General Administration to \$193.64 million (2018: \$178.53 million), which was tempered by a downward movement in Selling & Distribution to \$10.52 million (2018: \$16.97 million). For the quarter, the Company reported a 15% decline in total expenses which closed the quarter at \$92.37 million (2018: \$109.25 million).

Other income of \$47.14 million was recorded for the period under review, up from \$4.42 million reported for the same period in the prior year. Consequently, profit before taxation and finance cost fell by 71% to \$16.64 million (2018: \$58.09 million).

Net finance costs went up to \$13.57 million (2018: \$4.43 million). Of this, interest expense for the six months amounted to \$11.35 million (2018: \$11.10 million). Interest income closed at \$134,283 (2018: \$468,005) whereas other gains and losses closed at \$2.35 million versus other gains of \$6.20 million reported in the same period last year.

Profit before taxation amounted to \$3.07 (2018: \$53.65 million). No taxes were recorded for the period (2018: nil) as such net profit for the six months fell by 94% to \$3.07 million (2018: \$53.65 million). Net profit for the quarter was reported at \$40.76 million compared to \$55.88 million booked in the corresponding quarter of 2018.

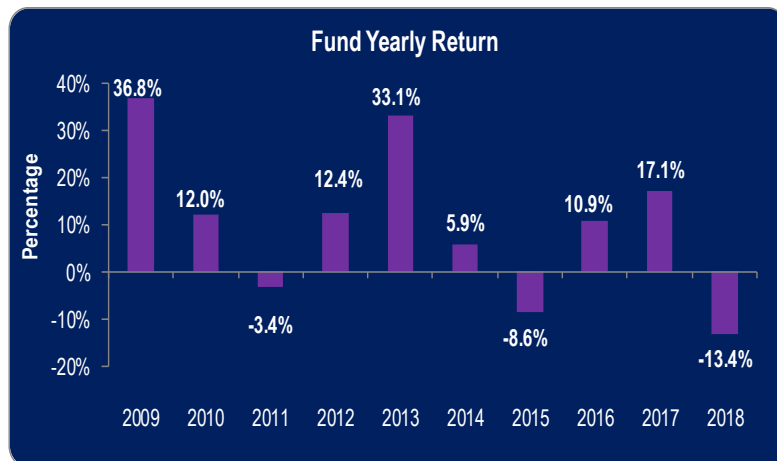
Earnings per share (EPS) for the six months amounted to \$0.02 compared to \$0.42 in 2018, while for the quarter EPS amounted to \$0.32 versus \$0.43 documented in the prior comparable quarter. The twelve months trailing EPS amounted to \$0.19. The number of shares used in our calculations is 129,032,258 units.

## 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.



“ROCHESTER, Minn./CHICAGO (Reuters) - American farmers helped elect President Donald Trump in 2016 on hopes he would shake up Washington and turn around a struggling agricultural economy, but many of his policies have actually stung farmers, notably his trade war with China and biofuel waivers for oil refiners. Many farmers are angry, and some are directing their anger not at the Republican president, but at Washington’s bureaucracy. Trump has faced backlash from agricultural groups, ethanol producers and Midwestern politicians upset that his trade war with China has slashed export sales of U.S. soybeans and other crops. Also, Corn futures tumbled after the government forecast a big crop when a flood-ridden spring stalled plantings. Corn-based ethanol plants shuttered after the administration granted waivers to dozens of exempting oil refineries. Yet polls show that while Trump’s support in farm country has slipped, it remains substantial. Instead of directing their anger at Trump, dozens of farmers interviewed by Reuters blasted the U.S. Department of agriculture (USDA) and other Washington institutions they believe are thwarting his true agenda. Unsubstantiated conspiracy theories involving USDA staff are circulating in farm country and gaining traction online. USDA did not respond to Reuters’ questions on Monday. Farmers are struggling with how to emotionally process their pain from the Trump administration’s policies, and anger at the USDA may be a coping mechanism, said Ted Matthews, a Minnesota psychologist who has spent 30 years counseling farmers and rural residents across the Midwest. “The question I hear from farmers who voted for (Trump) is, ‘We believed him when he said he would help make the farm economy better, that we could save our farms. Now, who do we blame?’” Matthews said. Many farmers told Reuters they intend to support Trump again in his re-election bid in 2020. “It’s much easier to be angry at a faceless Washington bureaucracy than at the man you voted for,” said Jere Solvie, 69, grain and hog farmer from west-central Minnesota who voted for Trump and still supports him.”

<https://www.reuters.com/article/us-usa-election-farmers/many-u-s-farmers-fume-at-washington-not-trump-over-biofuel-trade-policies-idUSKCN1VV11U>

“DUBLIN (Reuters) - The European Union will seek to convince U.S President Donald Trump to see “the error of his ways” and abandon some of his reckless trade policies, the EU executive’s incoming trade commissioner said on Tuesday. The new head of the executive, Ursula von der Leyen, named a 27-strong team of commissioners on Tuesday who will take office on Nov. 1, assuming they secure approval from the European Parliament. Irishman Phil Hogan, currently in charge of agriculture, will take up the post of trade commissioner, facing a battle to improve trade ties with the United States and establishing economic future relations with Britain after Brexit. “Mr Trump certainly has indicated his clear preference for trade wars rather than trade agreements. If he keeps up this particular dynamic of protectionism, I expect that the European Union will continue to forge deals around the world,” Hogan told Irish national broadcaster RTE. “But obviously we are going to do everything we possibly can to get Mr Trump to see the error of his ways and hopefully that he will be able to abandon some of the reckless behavior that we have seen from him in relation to his relationship with China and describing the European Union as a security risk.” The EU knows that China has to make certain changes, Hogan added, but said that Trump’s actions were clearly not improving the economic situation in either the United States or China. Hogan, who has not held back in public and pointed criticism of Britain’s approach throughout the Brexit talks, said that even if a withdrawal agreement is struck this year, it would take another six to eight months before EU member states agree a mandate to allow him start future trade talks. He said, however, that a no-deal Brexit would create an even further delay, repeating the EU’s position that the main issues in the divorce proceedings of citizens rights, financial settlement and the Irish border would still need to be agreed. “There are a lot of people in the United Kingdom who have not come to terms that if there is a crash out of the European Union, we still have to deal with the same issues,” he said.”

<https://www.reuters.com/article/us-eu-jobs-trade-hogan/eu-wants-trump-to-drop-reckless-trade-policies-incoming-trade-chief-idUSKCN1VV18Q>

**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.

**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 per-sons who do not have the time to actively manage their own portfolio.

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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)



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