

LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	JBG	KREMI	CHL	PURITY	SJ
Current Price (\$)	32.44	4.45	9.61	1.67	70.24
Trailing EPS (\$)	1.95	0.14	0.34	0.03	3.93
P/E (time)	16.66	31.24	28.60	54.58	17.88
Projected P/E	15.48	23.09	26.67	27.74	16.63
Projected EPS (\$) ⁺	2.10	0.19	0.36	0.06	4.22
Book Value per share (\$)	12.67	1.92	1.09	3.31	28.54
Price/Book Value (times)	2.56	2.31	8.84	0.50	2.46
Dividend Yield (2018 %)	1%	1%	N/A	N/A	N/A
Volumes	137,868	NIL	200	5,000	177,219
Recommendation	BUY	HOLD	HOLD	SELL	HOLD

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	138.800	103.506	136.1602	143.973	104.738	137.4343
CAN	105.500	81.508	103.9534	107.892	95.000	103.9899
GBP	171.200	134.231	167.6011	177.444	157.100	170.5325
EURO	151.200	113.602	144.0351	157.464	144.000	151.4246

*Rates as at September 13, 2019

MONEY MARKET

The Jamaica dollar fixed income market was liquid in today's (September 16, 2019) trading session. The overnight rate stood at 0.30% to 0.50% while the 30-day rate ranged at 1.30% to 1.70%.

The US dollar fixed income market was also liquid during today's (September 16, 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 2.60%.



STOCK OF THE DAY: Sagcor Group Jamaica Limited (SJ)

For the six months ended June 30, 2019:-

Sagcor Group Jamaica Limited (SJ) for the six months ended June 30, 2019, Total Revenues increased by 33% to \$42.59 billion from \$32.02 billion in 2018, while for the second quarter Total Revenues improved 39% to total \$22.47 billion compared to \$16.20 billion in 2017. Total revenue year to date was broken down as follows; Net premium revenue increased by 14% to a total of \$21.07 billion compared to \$18.45 billion last year. Net Investment Income increased to \$11.91 billion from \$7.83 billion in 2018, a 52% increase.

Fees and other revenue went up 19% to \$6.81 billion from \$5.74 billion in 2017. Hotel revenue close the period at \$2.80 billion relative to nil in 2018.

Benefits and Expenses totaled \$34.20 billion for the period, increasing by 33% from \$25.63 billion, while for the second quarter Benefits and Expenses were up 36% to close at \$17.75 billion relative to \$13.09 billion in 2018. Of this Benefits and Expenses: Net insurance benefits incurred increased by 3% to close at \$13.13 billion (2017: \$12.70 billion).

Changes in insurance and annuity liabilities rose by 793% to total \$5.04 billion relative to \$564.30 million in 2018. Administration Expenses increased from \$8.77 billion in 2018 to \$10.08 billion in 2018. Commission and related expenses grew by 10% to \$2.87 billion from \$2.62 billion. Amortization of intangible assets and Asset tax both advanced to \$376.78 million (\$342.92 million) and \$641.61 million (2018: \$637.69 million) respectively.

Share of loss from joint venture amounted to \$12.09 million relative to a profit of \$15.57 million a year prior. Share of profit from associate for the period totaled \$909.81 million compared to \$223.20 million last year. As such, Profit before Taxation amounted to \$9.29 billion, a 40% increase when compared to the \$6.63 billion booked in 2018.

Investment and corporation taxes of \$2.16 billion was reported for the period, an increase of 60% which translated into a net profit of \$7.13 billion (2016:\$ 5.28 billion) for the six months period. In addition, profit for the quarter amounted to \$3.63 billion relative to \$2.64 billion in 2018. Net profit attributable to shareholders for the period amounted to \$6.39 billion relative to \$5.28 billion for the corresponding period in 2018."

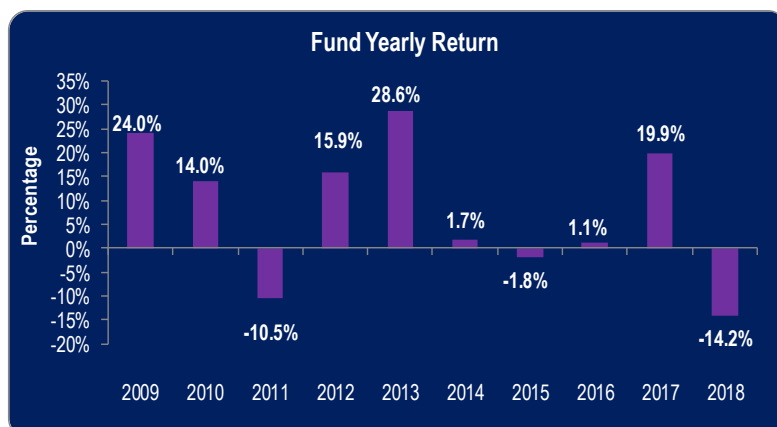
Earnings per share (EPS) for the quarter amounted to \$0.945 (2018: \$0.676), while EPS for the period totaled \$1.64 relative to \$1.35 in 2018. The twelve month trailing EPS amounted to \$3.93 The number of shares used in our calculations amounted to 3,905,634,918 units.

OVER THE COUNTER FUNDS (CI FUNDS)

Synergy Global Corporate Class

This fund invests primarily in equity and equity-related securities of global momentum companies situated in the developed markets represented in the MSCI World Index C\$.

The fund has a 3 year return of 6.8% and a 5 year return of 3.0%. The Fund also has a 10 year return of 7.1%. Rates are as at August 31, 2019.



“A Federal Reserve measure of manufacturing in New York state cooled more than expected in September as capital-spending expectations fell to the lowest since 2016, adding to signs the U.S. factory slump is deepening. The Empire State index, a survey of factories the state, fell to 2 from 4.8 as readings for new orders and shipments deteriorated, according to New York Fed data released Monday. The measure of capital spending expected six months ahead plunged the most in three years, to 4.6 from 23.2. The regional snapshot follows other gauges of American manufacturing that have shown growing weakness amid trade tensions with China and slowing global economic growth. ”

<https://www.bloomberg.com/news/articles/2019-09-16/new-york-fed-factory-gauge-slumps-with-spending-outlook-dimmer>

“Banks in Denmark have seen their aggregate profits sink this year, according to calculations by the industry’s main lobby group, which has repeatedly urged monetary policy makers to provide relief from long-term negative interest rates. Industry profits fell 20% in the first half of this year, Finans Danmark said on Monday. Denmark’s 17 biggest banks and mortgage lenders reported after-tax profit of 15.6 billion kroner (\$2.3 billion), it said in a statement. That compares with profit of 19.4 billion a year earlier. “Banks continue to earn money, but since that peaked in 2017 the trend is clear: banks’ profits are falling,” Ulrik Nodgaard, who heads the Copenhagen-based organization, said in a statement. ”

<https://www.bloomberg.com/news/articles/2019-09-16/bank-profits-plunge-in-denmark-as-negative-rates-take-their-toll?srd=premium-europe>

■ **PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at September 16, 2019	
	Percentage (%)
Yield to Maturity	5.47
Weighted Average Coupon	5.442
Current Yield	4.81

The platinum portfolio has an effective maturity of 13.06 years and duration of 4.57 years.

■ **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.

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, www.bloomberg.com, www.investopedia.com, www.tradewire.com

