

LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	SVL	GENAC	CHL	BPOW	INDIES
Current Price (\$)	26.41	6.98	9.51	8.98	3.38
Trailing EPS (\$)	0.80	0.33	0.34	0.22	0.11
P/E (time)	33.15	21.48	28.31	40.99	29.50
Projected P/E	21.94	18.69	26.40	39.19	28.31
Projected EPS (\$) ⁺	1.20	0.37	0.36	0.23	0.12
Book Value per share (\$)	1.31	2.12	1.09	1.67	0.51
Price/Book Value (times)	20.14	3.29	8.75	5.38	6.62
Dividend Yield (2018 %)	7.03%	5.20%	N/A	0.45%	N/A
Volumes	90,426	11,536	NIL	5,978	99,049
Recommendation	BUY	HOLD	HOLD	SELL	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

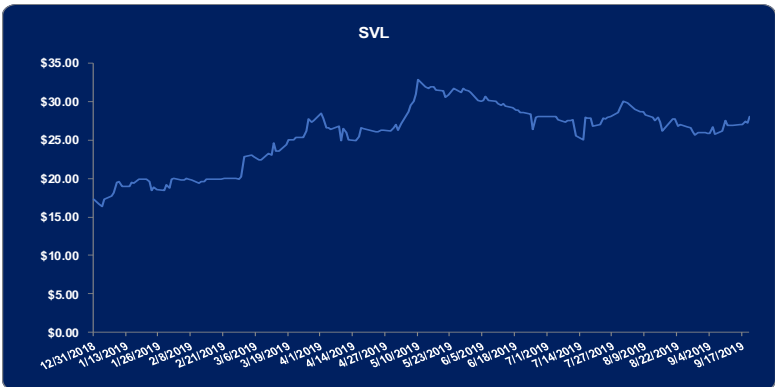
Currency	PURCHASERATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	136.500	101.400	133.9661	141.266	102.180	135.3406
CAN	102.700	79.335	102.2632	106.000	94.000	102.4698
GBP	171.000	132.261	162.5040	174.420	156.000	166.7202
EURO	146.000	110.779	142.2691	151.800	139.000	149.8277

*Rates as at September 25, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 26, 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 26, 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: Supreme Ventures Limited (SVL)

For the six months ended June 30, 2019

Supreme Ventures Limited (SVL), for the six months ended June 30, 2019, reported a 15% increase in 'Total Gaming Revenue' from \$16.12 billion in 2018 to \$18.62 billion in 2019. For the quarter, 'Total Gaming Revenue' closed at \$9.31 billion (2018: \$8.06 billion). "Lotteries, PINs, Sports Betting and Horseracing recorded double digit increases whereas VLTs showed a marginal decline when compared to Q2, 2018," SVL noted.

Revenue from 'Non fixed odd wagering games, horse racing and pin codes' amounted to \$10.90 billion (2018: \$9.60 billion), a 14% increase. Income from fixed odd wagering games, net of prizes totaled \$7.72 billion (2018: \$6.52 billion), an 18% rise.

Cost of sales recorded an increase to close the period at \$14.74 billion when compared to \$12.91 billion for the same period in 2018. As such, gross profit for the period improved 21% to \$3.88 billion (2018: \$3.21 billion). For the quarter, gross profit closed at \$1.97 billion (2018: \$1.55 billion). SVL noted that, "this was attributed to the higher net sales of Cash Pot, Pick 4, Money Time, Super Lotto, PIN codes, horseracing and sports betting."

Operating expenses grew 8% for the period to \$2.01 billion (2018: \$1.86 billion), while recording 'Other losses' of \$16.03 million relative to 'Other income' of \$91.51 million for the prior period in 2018. For the quarter, operating expenses amounted to \$1.06 billion versus \$954.18 million booked in the previous comparable quarter. The Company highlighted that, "the increase is attributed to the activities associated with the launch of Mobile Gaming in March 2019. This expenditure is expected to have a positive return overtime in the form of sales from new segments on the platform."

Consequently, operating profit for the period increase 28% to \$1.85 billion relative to \$1.44 billion reported in 2018. While, for the quarter, operating profit closed at \$907.77 million (2018: \$613.47 million).

Finance costs fell to \$43.06 million (2018: \$44.02 million). As such, profit before taxation amounted to \$1.81 billion, up from \$1.40 billion in 2018. For the quarter, profit before taxation totaled \$896.01 million (2018: \$589.41 million).

Taxation for the period rose 61% to close at \$562.70 million compared to \$349 million in 2018, thus resulting in net profit of \$1.25 billion, a 19% increase from the \$1.05 billion recorded in the prior comparable period. For the quarter, net profit closed at \$624.28 million (2018: \$432.42 million).

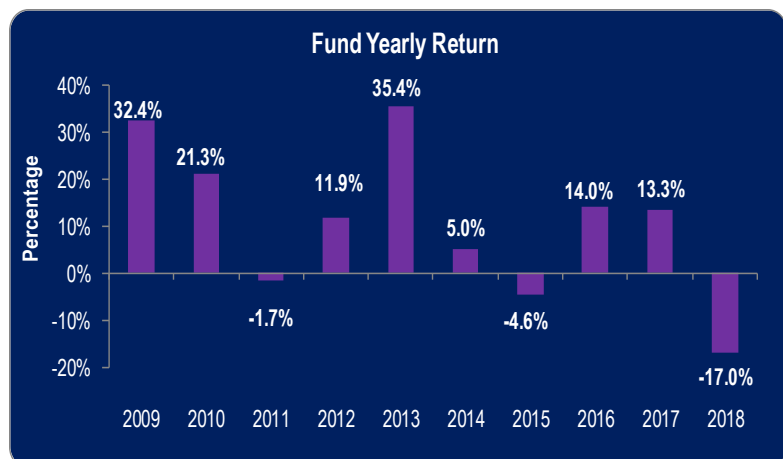
Earnings per share totaled \$0.47 versus \$0.40 in the previous period in 2018, while EPS for the quarter amounted to \$0.24 (2018: \$0.16). The twelve months trailing earnings per share amounted \$0.87. The number of shares used in our calculations 2,637,254,926 units.

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 3.1% and a 5 year return of 2.8%. The Fund also has a 10 year return of 8.9%. Rates are as at August 31, 2019.



“U.S. imports of consumer and capital goods jumped in August by the most this year, suggesting American companies scrambled to beat another round on Chinese merchandise. All other major import categories declined, though, and the overall merchandise-trade deficit widened by less than forecast to \$72.8 billion, according to Commerce Department data released Thursday. The government’s advance report also showed wholesale inventories increased by the most in three months. The data offers a first glimpse of the effects of President Donald Trump’s Aug. 1 announcement of 10% tariff on an additional \$300 billion in Chinese goods. Companies have tended to boost shipments after the announcement or threats of levies, to get ahead of paying higher prices.”

<https://www.bloomberg.com/news/articles/2019-09-26/u-s-goods-trade-deficit-widened-in-august-by-less-than-forecast>

“Boris Johnson sparked uproar during angry exchanges in the House of Commons after he was dragged back to Parliament to explain why he broke the law and tried to suspend the legislature in the run-up to Brexit. The defiant premier refused to resign or even apologize. Instead, Johnson came out fighting. He challenged his political opponents to trigger an election through a no-confidence vote, and accused them of cowardice for twice rejecting one. He also declared that the Supreme Court judges who overturned his decision to suspend Parliament were simply “wrong.” “This Parliament must either stand aside and let this government get Brexit done or bring a vote of confidence and finally face a day of reckoning with the voters,” Johnson told a noisy House of Commons on Wednesday.”

<https://www.bloomberg.com/news/articles/2019-09-25/u-k-s-johnson-comes-out-fighting-and-demands-a-brexit-election?srnd=premium-europe>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at September 23, 2019

	Percentage (%)
Yield to Maturity	5.43
Weighted Average Coupon	5.442
Current Yield	4.66

The platinum portfolio has an effective maturity of 12.99 years and duration of 4.61 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 persons who do not have the time to actively manage their own portfolio.

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



OVER 30 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH

POSITIVE TRANSFORMATION FOR OUR CLIENTS

MANAGED FUNDS SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS