

LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	CAR	SIL	CFF	ISP	JP
Current Price (\$)	8.48	3.10	13.00	25.00	23.54
Trailing EPS (\$)	0.72	0.16	0.71	0.50	0.92
P/E (time)	11.73	19.63	18.30	49.77	25.64
Projected P/E	10.96	18.16	17.50	43.10	23.92
Projected EPS (\$) [*]	0.77	0.17	0.74	0.58	0.98
Book Value per share (\$)	0.33	3.09	5.14	3.32	12.02
Price/Book Value (times)	26.07	1.00	2.53	7.52	1.96
Dividend Yield (2018 %)	7.63%	3.48%	N/A	N/A	N/A
Volumes	27,823	20,011	NIL	NIL	8,560
Recommendation	BUY	HOLD	HOLD	SELL	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

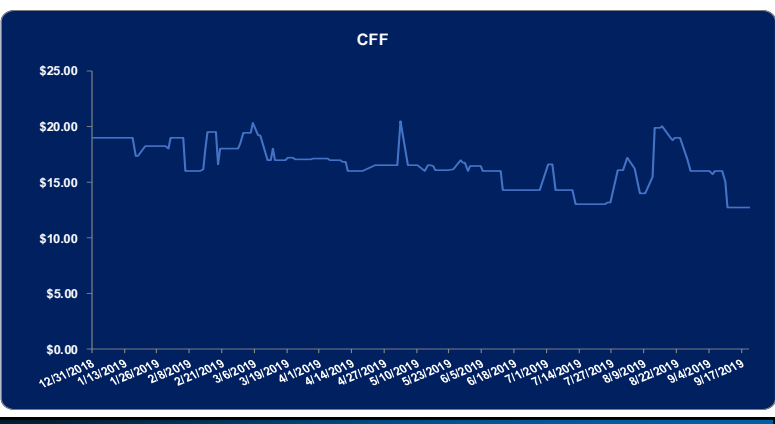
Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	136.778	101.400	134.4844	140.725	101.790	135.8914
CAN	103.500	79.540	102.1591	105.106	94.000	102.5266
GBP	168.630	130.939	164.7290	172.921	155.850	168.3321
EURO	148.400	110.544	148.1078	152.604	118.290	148.6613

*Rates as at September 26, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 27, 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 27, 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: Caribbean Flavours & Fragrances Limited (CFF)

For the six months ended June 30, 2019

For the period ended June 30, 2019, Caribbean Flavours & Fragrances Limited's (CFF) revenue increased by 8% to \$226.33 million relative to \$209.43 million for the comparable period in 2018. For the quarter, the Company generated revenue of \$113.75 million (2018: \$120.71 million), a 6% decrease year over year. CFF noted that, "this was driven by seasonal purchases based on manufacturers demand but we expect to see improvements in sales in the upcoming two quarters of this financial year."

Cost of sales also increased for the period to \$141.83 million, this compares to the prior year's figure of \$125.37 million, representing an increase of 13%. Gross profit increased slightly to \$84.50 million for the period in review and compares to the prior year's amount of \$84.06 million. For the quarter, gross profit closed at \$47.21 million (2018: \$49.37 million). Management stated, "fluctuations in the foreign exchange rate as well as increased logistics costs negatively impacted our gross profit for the reporting quarter."

The company had an 8% year over year increase in total expenses to \$49.74 million, up from \$46 million in 2018. There was a 77% decrease in selling & distribution expenses to \$694,000 (2018: \$2.98 million). Whereas, Administrative Expense for the period climbed to \$49.04 million versus the prior year's corresponding total of \$43.02 million.

Consequently, Profit from Operations for the period decreased to \$34.76 million versus \$38.06 million booked for the period ended June 30, 2019. While for the quarter, there was a 4% decline from \$24.55 million to \$23.61 million in 2019. The company reported a 18% decrease in net finance income from \$6.68 million in 2018 to \$5.48 million in 2019.

Following taxation of \$5.02 million (2018: nil), net profit for the period amounted to \$35.22 million representing a 21% decrease from the comparable period's figure of \$44.74 million, while for the quarter, net profit also decreased by 21% from \$29.32 million to \$23.29 million in 2019. "The marginal reduction in profit is expected given the additional costs incurred which are aligned to the future growth prospects of the Company, CFF stated.

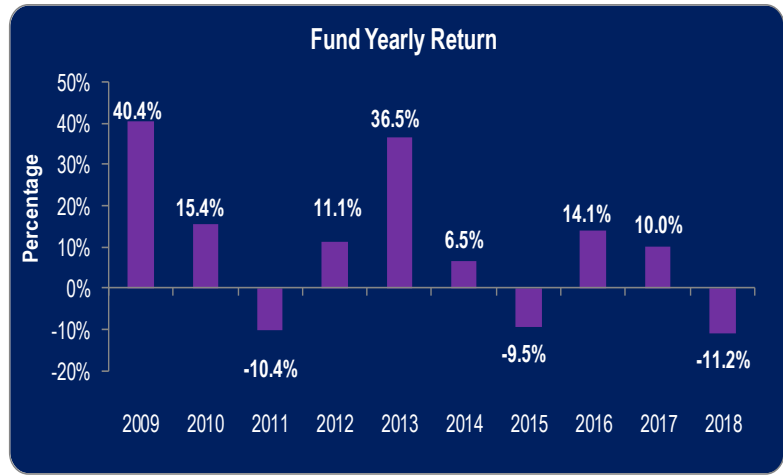
The earnings per share for the period months amounted to \$0.39 (2018: \$0.50). While, the EPS for the quarter amounted at \$0.26 (2018: \$0.33). The twelve months trailing EPS is \$0.71. The number of shares used in this calculation was 89,920,033 units.

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 6.7% and a 5 year return of 3.5%. The Fund also has a 10 year return of 8.1%. Rates are as at August 31, 2019.



[†]Prices are as at September 27, 2019 ^{*}Projections are made to the company's financial year end

U.S: U.S. Stocks Hit 3-Week Low as Trade Tensions Rise: Markets Wrap

“U.S. stocks sank the lowest since early September after a report that the Trup administration is consideraing opening a new front in its trade was with China, fueling angst that the skirmish will derail already fragile global growth Stocks most sensitive to trade and equities linked to China paced the selling in American benchmark indexes, with the tech-heavy Nasdaq measures sliding more than 1.3% The S&P 500 eased of its lows when it hit its 50-day moving average. Officials are discussing sweeping limits to capital-market investments among the nations, forcing Wall Street to assess the impact on potentially billion on American assets.”

<https://www.bloomberg.com/news/articles/2019-09-26/asia-stocks-set-for-mixed-start-treasuries-rise-markets-wrap?srd=premium-asia>

Europe: European Confidence Drops to Four-Year Low as Economy Stumbles

“The outlook for the euro-area economy has taken another hit, with confidence in industry dropping to its lowest in six years in a sign that the impact of uncertainty from trade tensions and Brexit is getting worse. A downturn centered on manufacturing is weighing heavily on the region, with Germany on the brink of recession and most major economies recording slower growth. The latest European Commission survey highlights the damage, with industry managers more worried about demand from customers and showing less enthusiasm for hiring. The decline dragged an overall measure of euro-area sentiment down more than economists had forecast in September, to its weakest reading since early 2015.”

<https://www.bloomberg.com/news/articles/2019-09-27/european-economy-stumbles-as-confidence-drops-to-four-year-low?srd=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 per-sons 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