

## LOCAL STOCK MARKET: (JS) +

Stock Symbol	CAR	SIL	CFF	ISP	JP
Current Price (\$)	8.13	3.10	13.00	25.00	25.15
Trailing EPS (\$)	0.72	0.16	0.71	0.50	0.92
P/E (time)	11.25	19.63	18.30	49.77	27.39
Projected P/E	10.51	18.16	17.50	43.10	25.56
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)	24.99	1.00	2.53	7.52	2.09
Dividend Yield (2018 %)	7.63%	3.48%	N/A	N/A	N/A
Volumes	85,554	14,184	NIL	NIL	1,126,350
Recommendation	BUY	HOLD	HOLD	SELL	SELL

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

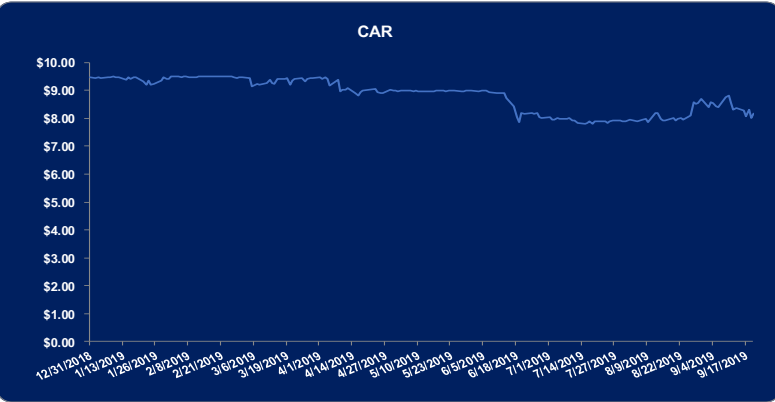
Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	136.700	101.400	133.7978	140.725	101.400	135.1189
CAN	103.930	79.540	101.8048	104.760	94.000	102.0814
GBP	166.700	130.692	163.8386	172.800	156.000	165.5534
EURO	151.520	110.387	147.2888	152.064	139.400	147.4808

\*Rates as at September 27, 2019

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 30, 2019) trading session. The overnight rate stood at 0.30% to 0.50% while the 30-day rate ranged at 1.30% to 1.60%.

The US dollar fixed income market was also liquid during today's (September 30, 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: Carreras Limited (CAR)

For the three months ended June 30, 2019

, for the three months ended June 30, 2019, reported Operating Revenue of \$3.46 billion, 10% increase relative to \$3.15 billion booked in 2018. The company highlighted that, "This positive outturn over the prior period is underpinned by the positive volume trend from current market dynamics and benefits being derived from investment in new route to market structure which was implemented on April 1, 2019. As the business continues to focus on recovery of volumes from the expansion of distribution coverage across the island and providing value to consumers, the Company is encouraged by its positive first quarter performance."

Cost of Operating Revenue also climbed year over year by 10%, amounting to \$1.73 billion from \$1.57 billion. As such, Gross Operating Profit rose by 9% to total \$1.73 billion relative to the \$1.58 billion in 2018. Other Operating Income rose by 26% moving from \$23.15 million in 2018 to \$29.23 million.

Administrative, distribution and marketing expenses increased 10% to total \$537.58 million (2018: \$489.42 million). Management noted that, "this is due mainly to heightened investments in our brands as well as increased route to market costs. The Company remains committed to containing costs and pursuing cost cutting initiatives wherever this is feasible."

Profit before Income Tax closed the quarter at \$1.23 billion relative to \$1.13 billion in 2018. Taxation of \$311.41 million was incurred for the period (2018: \$308.23 million).

Consequently, Net Profit for the three months increased 12% to \$923.29 million relative to \$821.09 million booked in 2018.

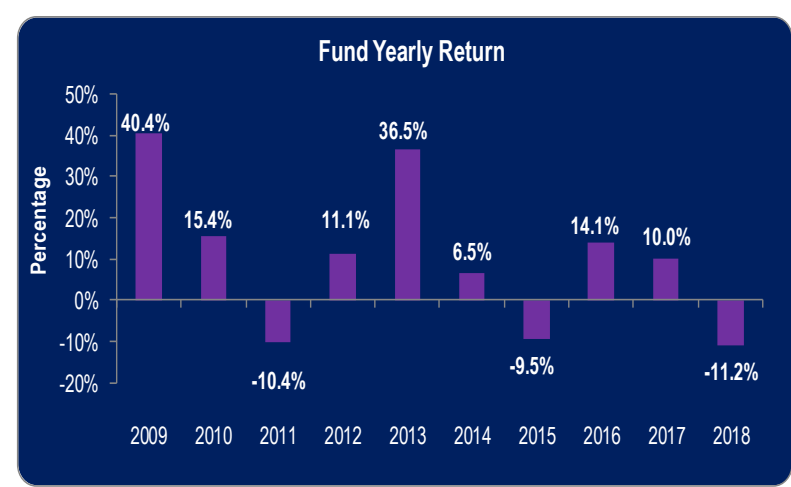
The Earnings per share (EPS) for the period was \$0.19 as compared to \$0.17 for the corresponding period of last year. The twelve-month trailing EPS amounted to \$0.72 (2018:0.73). The number of shares used in the computations amounted to 4,854,400,000 units.

## 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 30, 2019 \*Projections are made to the company's financial year end

U.S: Wall Street Warns Against Bets on October U.S.-China Truce

"The next round of U.S. tariff hikes on China is little more than two weeks away, though equity and foreign-exchange markets aren't signaling any obvious concern. That may set things off to a rocky start in the fourth quarter, a period when thinning liquidity is perceived to increase the risk of volatility. For their part, strategists at some of Wall Street's biggest banks -- including Citigroup Inc., JPMorgan Chase & Co. and Goldman Sachs Group Inc. -- warn against expecting any truce in the upcoming round of U.S.-China trade talks. "We have more conviction that, without a circuit breaker, escalation continues over the medium term, meaning any pause is fleeting," Morgan Stanley strategists including Michael Zezas wrote in a note to clients Monday."

<https://www.bloomberg.com/news/articles/2019-09-30/wall-street-warns-against-bets-on-any-october-u-s-china-truce?srnd=premium-asia>

Europe: U.K. Households Have Comfortable Savings Margin to Handle Brexit

"Fears that British consumers could be forced to slash their spending in a disruptive Brexit were partially allayed by new figures showing households are saving a larger proportion of their disposable income than previously thought. The saving ratio rose to 6.8% between April and June, and averaged more than 6% over the previous four quarters -- two percentage points higher than last estimated. Samuel Tombs at Pantheon Macroeconomics in London said the figures highlighted "the scope to absorb future income shocks without cutting spending." The latest GDP data Monday painted a generally positive picture of British households, which have kept the economy growing though the turmoil since the 2016 Brexit referendum."

<https://www.bloomberg.com/news/articles/2019-09-30/u-k-households-have-comfortable-savings-margin-to-handle-brexit>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at September 30, 2019

	Percentage (%)
Yield to Maturity	5.40
Weighted Average Coupon	5.442
Current Yield	4.74

The platinum portfolio has an effective maturity of 12.96 years and duration of 4.58 years.

STRUCTURED PRODUCT

Mayberry Gold

This portfolio is ideal for investors, both retail and corporate, seeking a conservative, short-term investment. The securities in the Gold are directly owned by the client and provide them with a safe investment option. Our Gold portfolio can also provide investors with coupon payments that can generate a positive income stream.

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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

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