

LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	CAR	MEEG	PJAM	BIL	JS E
Current Price (\$)	8.13	5.67	103.81	79.76	27.43
Trailing EPS (\$)	0.72	0.32	7.01	1.95	0.67
P/E (time)	11.25	17.49	14.81	40.86	41.16
Projected P/E	10.51	16.14	17.23	144.13	38.87
Projected EPS (\$) [*]	0.77	0.35	6.02	0.55	0.71
Book Value per share (\$)	0.33	2.10	36.40	11.23	1.71
Price/Book Value (times)	24.99	2.70	2.85	7.10	16.00
Dividend Yield (2018 %)	7.63%	N/A	N/A	13.39%	N/A
Volumes	16,198	24,779	11,310	83,575	51,142
Recommendation	BUY	HOLD	HOLD	SELL	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

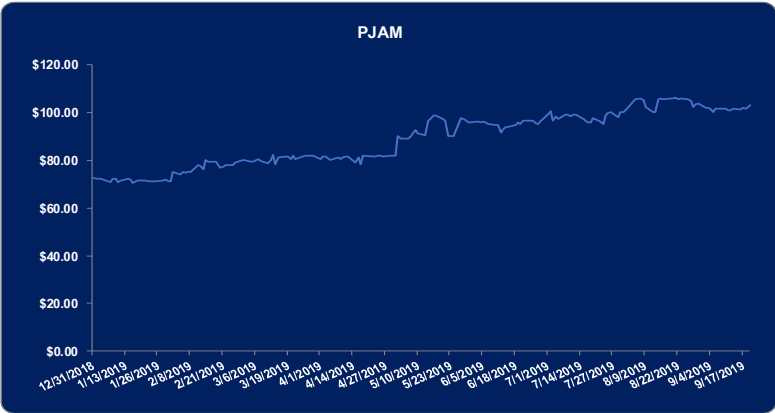
Currency	PURCHASERATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	136.500	101.400	133.1823	140.725	101.400	134.7958
CAN	104.000	79.417	97.2701	104.598	95.500	100.2905
GBP	168.000	129.623	164.2475	170.964	156.000	165.8857
EURO	149.800	110.152	147.7090	150.000	139.500	148.9829

*Rates as at October 2, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 3, 2019) trading session. The over night 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 (October 3, 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: PANJAM Investment Limited (PJAM)

For the six months ended June 30, 2019

PANJAM Investment Limited (PJAM) for six months ended June 30, 2019 reported a 105% increase in total income to \$2.30 billion relative to \$1.12 billion booked for the prior year's corresponding period. For the quarter, total income increased 187% to close at \$1.72 billion (2018: \$600.33 million). Investment increased 710% to close at \$1.28 billion (2018: \$157.86 million). Other income grew 46% or \$28.02 million from \$61.07 million to \$89.08 million.

Operating expenses amounted to \$847.49 million for the first six months ended June 30, 2019 (2018: \$773.03 million), 10% more than its total a year prior. Operating expenses for the quarter increased at 11% to close at \$446.32 million (2018: \$401.43 million). PJAM stated, the movement in operating expenses was "due mainly to higher staff-related and maintenance costs as well as higher electricity and insurance rates."

Consequently, Operating Profits jumped by 330% to a total of \$1.44 billion relative to \$335.30 million a year earlier, while for the quarter operating profit soared to \$1.25 billion (2018: \$183.39 million).

Finance costs for the period rose by 22%, amounting to \$378.34 million compared to the \$310.17 million for the comparable period in 2018. This was attributable to, "higher average debt balances and charges resulting from the prepayment of bonds with funds raised at lower interest rates."

Gain on Disposal of associated company amounted to \$941 million relative to \$47.31 million for the prior year, while the Share of results of associated companies increased 17% to \$2.12 billion (2018: \$1.81 billion).

Profit before taxation increased 119% closing the period at \$4.13 billion (2018: \$1.88 billion). Following taxation of \$170.60 million (2018: \$59.47 million), Net Profits amounted to \$3.96 billion (2018: \$1.82 billion).

Net Profit Attributable to Shareholders for the period amounted to \$3.95 billion, a 118% increase over the \$1.81 billion recorded the year prior. For the second quarter, profit attributable to shareholders amounted to \$3.06 billion relative to \$981.95 million.

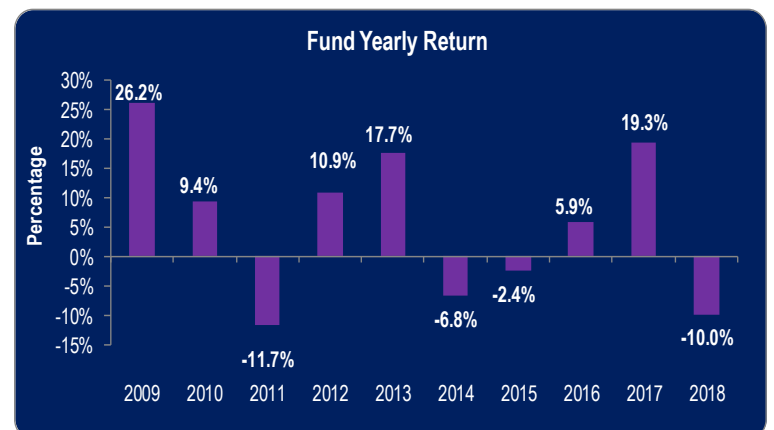
Consequently, earnings per share for the period amounted to \$3.70 (2018: \$1.70), while the second quarter amounted to \$2.87 (2018: \$0.92). The trailing twelve months earnings per share was \$7.01. The number of shares used in the calculation is 1,066,159,890 units.

OVER THE COUNTER FUNDS (CI FUNDS)

CI International Value Corporate Class

This fund invests primarily in equity and equity-related securities of companies whose primary operations are outside of North America.

The fund has a 3 year return of 4.3% and a 5 year return of 2.1%. The Fund also has a 10 year return of 4.1%. Rates are as at August 31, 2019.



U.S: U.S. Jobs Outlook Is So Weak It Echoes Disaster-Hit Months

“The last time U.S. payroll forecasts were this low, hurricanes had slammed the country in 2017, temporarily closing businesses. Or go back to 2013 when there was a federal government shutdown. But for the September jobs report due Friday, Wall Street economists see a more persistent storm at play: The trade war and manufacturing recession. Those factors are starting to permeate the economy at a time when companies are already struggling with a shrinking pool of qualified workers. The combination of forces has pushed down the median estimate for private payrolls to a gain of just 130,000 last month. That’s the weakest projection heading into a jobs report in seven years, outside of months affected by events such as major storms or the shutdown.”

<https://www.bloomberg.com/news/articles/2019-10-03/u-s-jobs-outlook-is-so-weak-it-echoes-months-when-disasters-hit>

Europe: German Recession Risk Rises as Economic Pain Spreads to Services

“Germany’s economic woes are becoming more pronounced, with a sharp slowdown in services suggesting the pain from its industrial crisis is spreading. While the weakness is still largely centered on manufacturing, a downward revision to services in September adds to the negative news coming from Europe’s largest economy. IHS Markit said the figures mean a technical recession “now looks to be all but confirmed.” A similar picture is taking over the broader European economy as Brexit hangs over the region. Euro-area services growth also slowed last month, while the U.K. saw an unexpected contraction, a warning that companies may not be able to take more of the uncertainty that’s already crippling business.”

<https://www.bloomberg.com/news/articles/2019-10-03/german-recession-risk-rises-as-economic-pain-spreads-to-services>

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 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.

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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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