

## LOCAL STOCK MARKET: (JS)<sup>+</sup>

Stock Symbol	CAR	MEEG	PJAM	BIL	JS E
Current Price (\$)	8.27	5.60	104.22	79.63	27.16
Trailing EPS (\$)	0.72	0.32	7.01	1.95	0.67
P/E (time)	11.44	17.27	14.87	40.80	40.75
Projected P/E	10.69	15.94	17.30	143.90	38.49
Projected EPS (\$) <sup>*</sup>	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)	25.42	2.66	2.86	7.09	15.84
Dividend Yield (2018 %)	7.63%	N/A	N/A	13.39%	N/A
Volumes	619,760	4,000	6,095	9,701	2,009,880
Recommendation	BUY	HOLD	HOLD	SELL	SELL

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

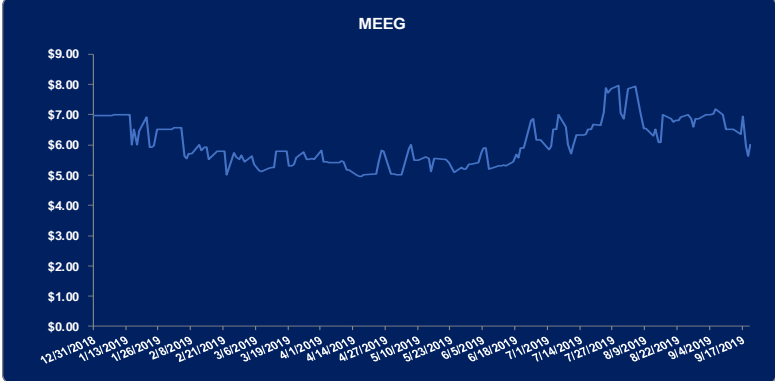
Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	136.500	101.400	133.5671	140.725	101.400	134.8983
CAN	101.500	79.130	97.2945	104.220	94.000	101.5879
GBP	168.720	130.281	165.5661	172.260	155.000	167.3433
EURO	152.273	110.387	144.0637	152.273	140.000	147.9211

\*Rates as at October 3, 2019

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 4, 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 4, 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: Main Events Entertainment Group (MEEG)

For the six months ended April 30, 2019

Main Events Entertainment Group reported revenue of \$895.83 million, 28% higher than the \$702.05 million booked in 2018. Management attributed the performance to, "higher volumes in the company's core business as well as successes with our new products. \$118.038 million, or 13% of revenues year to date is attributed to the M-Style product offering and our presence in the West." Revenue for the quarter amounted to \$438.14 million compared to \$340.64 million recorded for the six months ended April 30, 2018.

Cost of Sales increased 38% to close at \$490.06 million (2018: \$354.36 million). This resulted in Gross profit increasing by 17%, amounting to \$405.77 million for the period relative to \$347.69 million in 2018. Gross profit for the quarter closed at \$208.66 million relative to \$187.36 million for the comparable quarter of 2018. MEEG noted, "we continue to work our way through a series of price increases in some third party inputs."

Other income for the period, jumped by 230% to close at \$6.64 million (2018: \$2.01 million).

Total expenses amounted to \$309.67 million (2018: \$260.28 million) for the period, a 19% increase when compared to the prior year. Of that, administrative and other expenses rose by 23%, moving from \$199.98 million in 2018 to \$246.34 million. Selling and promotions fell 45% to \$8.55 million from \$15.42 million reported in 2018. Depreciation rose 22% to total \$54.78 million for the period (2018: \$44.88 million). Management noted, "these increases, primarily in salaries and related costs, depreciation charges, transportation expenses, and property related costs; were driven by our growing operations." As such, operating profit increased by 15% from \$89.42 million in 2018 to \$102.74 million. MMEG's operating profit for the quarter rose 27% to \$67.34 million (2018: \$53.04 million). Finance costs increased by 11% to close the period at \$9.38 million (2018: \$8.49 million),

Profit before taxation increased by 15% to close the period at \$93.36 million (2018: \$80.93 million). MEEG incurred no taxes for the quarter, thus net profit amounted to \$93.36 million (2018: \$80.93 million). Net profit for the quarter amounted to \$61.76 million, a 29% growth on the \$47.96 million in 2018.

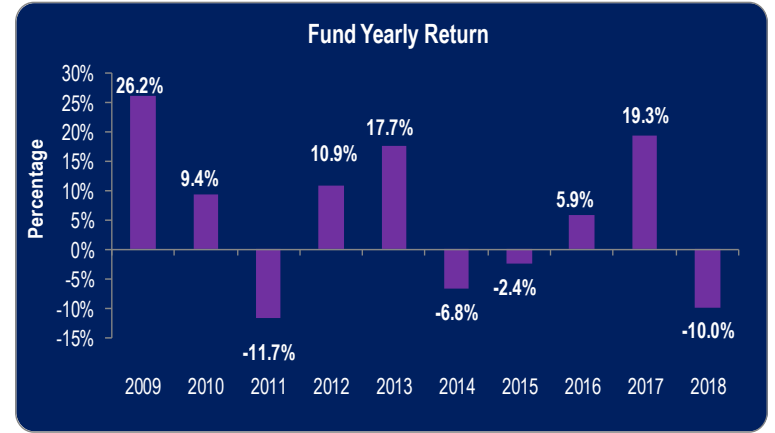
Consequently, earnings per share (EPS) for the period amounted to \$0.31 compared with \$0.27 for the corresponding period of last year. EPS for the quarter amounted to \$0.21 (2018: \$0.16). The trailing twelve months earnings per share amounted to \$0.36. The numbers of shares used in the calculations are 300,005,000 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.



<sup>+</sup>Prices are as at October 4, 2019 \*Projections are made to the company's financial year end

“U.S. hiring missed projections in September and wage gains cooled, offering a warning that the record-long expansion is poised for further slowing even as the jobless rate fell to a half-century low. Private payrolls expanded by 114,000 after an upwardly revised 122,000 advance the prior month, according to a Labor Department report Friday that missed the median estimate of economists for a 130,000 gain. Total nonfarm payrolls climbed a below-forecast 136,000, which was boosted by 1,000 temporary government workers to prepare for the 2020 Census count. Average hourly earnings rose 2.9% from a year earlier, the weakest in more than a year and missing estimates. The jobless rate unexpectedly dropped to 3.5% from 3.7%, for the lowest since December 1969.”

<https://www.bloomberg.com/news/articles/2019-10-04/u-s-payrolls-miss-estimates-as-wages-cool-in-sign-of-downshift?smid=premium-asia>

“Prime Minister Boris Johnson agreed to seek an extension to the Brexit deadline in the event that there’s no accord, a Scottish court was told, in a filing that appears to contradict his earlier statements that he would do no such thing. Johnson made the commitment to request an extension by Oct. 19 as long as all the obligations under the so-called Benn Act are met, said Aidan O’Neill, an attorney for the government’s opponents. They are asking a court in Edinburgh to force him to obey the law. Last month, Johnson said he’d “rather be dead in a ditch” than ask the European Union to delay Brexit again. Having staked his reputation on leaving by that date with or without a deal, Johnson has little room to manoeuvre. He’s lost his majority in Parliament, hasn’t won a vote in the legislature and suffered several court setbacks.

<https://www.bloomberg.com/news/articles/2019-10-04/johnson-commits-to-sending-brexit-extension-letter-court-told>

**PLATINUM PORTFOLIO**

**Platinum Portfolio Yield Measures as at September 30, 2019**

	Percentage (%)
<b>Yield to Maturity</b>	5.40
<b>Weighted Average Coupon</b>	5.442
<b>Current Yield</b>	4.74

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

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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



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