

LOCAL STOCK MARKET: (J\$) +

Stock Symbol	CAR	SALF	SJ	BPOW	ISP
Current Price (\$)	8.09	29.11	67.79	7.50	25.00
Trailing EPS (\$)	0.72	1.89	3.93	0.22	0.50
P/E (time)	11.19	15.36	17.26	34.24	49.77
Projected P/E	10.46	15.47	16.05	32.73	43.10
Projected EPS (\$) +	0.77	1.88	4.22	0.23	0.58
Book Value per share (\$)	0.33	9.14	28.54	1.67	3.32
Price/Book Value (times)	24.87	3.19	2.38	4.50	7.52
Dividend Yield (2018 %)	7.63%	9.33%	N/A	0.45%	N/A
Volumes	74,060	NIL	37,028	29,379	NIL
Recommendation	BUY	BUY	HOLD	SELL	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

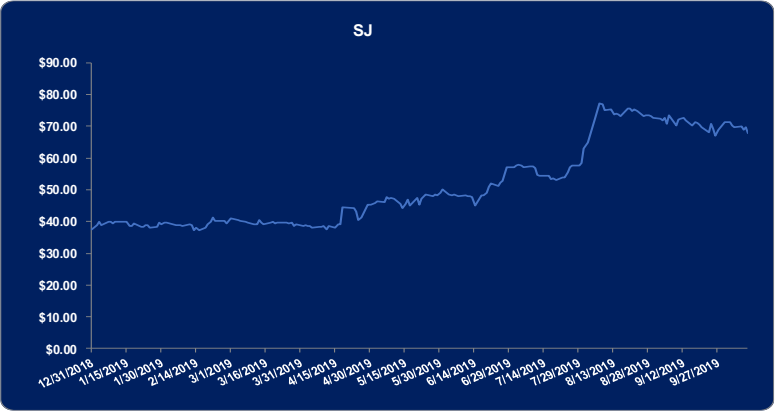
Currency	PURCHASERATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	138.500	102.180	135.3662	142.349	101.400	136.9214
CAN	102.000	79.704	98.7461	105.473	94.000	102.3440
GBP	167.910	130.692	163.4122	172.292	150.000	169.1637
EURO	146.000	111.720	142.3277	153.900	142.100	150.5000

*Rates as at October 10, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 11, 2019) trading session. The overnight rate stood at 0.30% to 0.40% 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 11, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.30% to 2.50%.



STOCK OF THE DAY: Sagico Group Jamaica Limited (SJ)

For the six months ended June 30, 2019: -

Total Revenues increased by 33% to \$42.59 billion from \$32.02 billion in 2018, while for the second quarter Total Revenues improved 39% to total \$22.47 billion compared to \$16.20 billion in 2017. Total revenue year to date was broken down as follows;

Net premium revenue increased by 14% to a total of \$21.07 billion compared to \$18.45 billion last year.
 Net Investment Income increased to \$11.91 billion from \$7.83 billion in 2018, a 52% increase.
 Fees and other revenue went up 19% to \$6.81 billion from \$5.74 billion in 2017.
 Hotel revenue close the period at \$2.80 billion relative to nil in 2018.

Benefits and Expenses totaled \$34.20 billion for the period, increasing by 33% from \$25.63 billion, while for the second quarter Benefits and Expenses were up 36% to close at \$17.75 billion relative to \$13.09 billion in 2018. Of this Benefits and Expenses:

Changes in insurance and annuity liabilities rose by 793% to total \$5.04 billion relative to \$564.30 million in 2018.

Administration Expenses increased from \$8.77 billion in 2018 to \$10.08 billion in 2018. Commission and related expenses grew by 10% to \$2.87 billion from \$2.62 billion.

Share of loss from joint venture amounted to \$12.09 million relative to a profit of \$15.57 million a year prior. Share of profit from associate for the period totaled \$909.81 million compared to \$223.20 million last year. As such, Profit before Taxation amounted to \$9.29 billion, a 40% increase when compared to the \$6.63 billion booked in 2018.

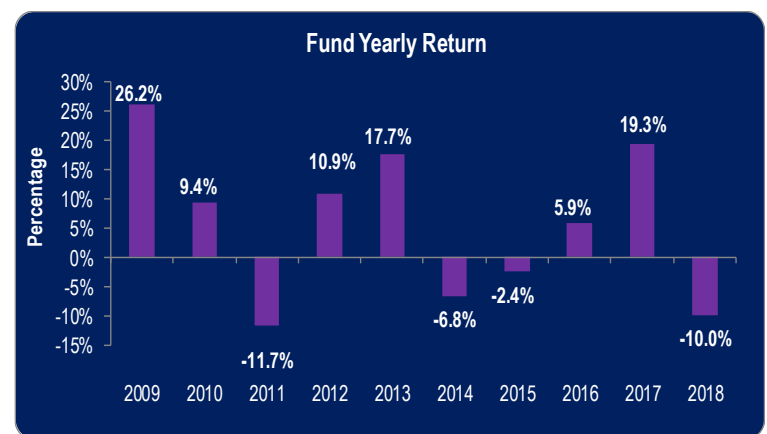
Investment and corporation taxes of \$2.16 billion was reported for the period, an increase of 60% which translated into a net profit of \$7.13 billion (2016:\$ 5.28 billion) for the six months period. In addition, profit for the quarter amounted to \$3.63 billion relative to \$2.64 billion in 2018. Net profit attributable to shareholders for the period amounted to \$6.39 billion relative to \$5.28 billion for the corresponding period in 2018."

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.



*Prices are as at October 11, 2019 *Projections are made to the company's financial year end

■ U.S: U.S. Payrolls Revisions Are More Reliable, Fed Study Shows

“Revisions to monthly U.S. payrolls figures have become more reliable over the short term while those on industrial production have become less so, according to a Federal Reserve study that finds that policy makers could build such evolutions into their real-time assessments of the economy. The volatility of the Labor Department’s revisions to its payrolls count is down by almost by half since the early 1980s -- to about 50,000 currently from 100,000, Cleveland Fed research economist Mark Bognanni wrote in a report released Thursday. Thus, the data provide a more reliable read on real-time changes in employment than in the past. Meanwhile, the typical size of revisions to industrial output figures has trended up over time.”

<https://www.bloomberg.com/news/articles/2019-10-10/u-s-payrolls-revisions-are-more-reliable-fed-study-shows?srnd=economics-vp>

■ Europe: Draghi Urges Governments to Align With ECB to Boost Euro Economy

“European Central Bank President Mario Draghi, battered by criticism over his latest round of extraordinary monetary stimulus, called for “alignment” between governments and central bankers to boost the economy. “Central bank independence is not an end in itself,” the ECB chief said in a speech in Milan on Friday. It “does not preclude communication with governments when it is clear that mutually aligned policies would deliver a faster return to price stability.” Draghi’s final days in office before his term ends on Oct. 31 have been marked by public dissent among Governing Council members over last month’s decision to launch yet another stimulus package.”

<https://www.bloomberg.com/news/articles/2019-10-11/draghi-urges-governments-to-align-with-ecb-to-boost-euro-economy?srnd=premium-europe>

■ PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at October 07, 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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