

LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	PTL	ECL	SALF	MDS	KREMI
Current Price (\$)	2.19	6.13	28.00	6.84	4.52
Trailing EPS (\$)	0.05	0.32	1.89	0.42	0.08
P/E (times)	48.60	19.02	14.78	16.40	57.58
Projected P/E	55.24	18.20	14.88	17.64	36.48
Projected EPS (\$) ⁺	0.04	0.34	1.88	0.39	0.12
Book Value per share (\$)	0.49	0.36	9.14	2.95	1.96
Price/Book Value (times)	4.47	17.14	3.06	2.32	2.30
Dividend Yield (2018 %)	1.30%	13.14%	9.33%	N/A	N/A
Volumes	NIL	5,500	1,200	100	52,912
Recommendation	SELL	BUY	BUY	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

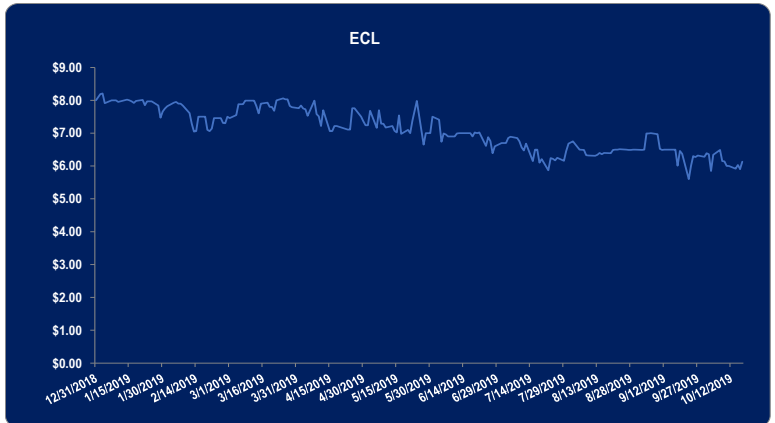
Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	139.300	103.584	136.5465	144.514	108.536	138.6043
CAN	106.200	81.180	100.8168	108.000	98.500	104.9774
GBP	178.700	138.922	169.8887	182.304	155.000	177.1039
EURO	153.000	113.288	144.5649	157.100	144.500	154.6332

*Rates as at October 17, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 18, 2019) trading session. The overnight rate stood at 0.30% while the 30-day rate ranged at 1.30% to 1.50%.

The US dollar fixed income market was also liquid during today's (October 18, 2019) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.



STOCK OF THE DAY: Express Catering Limited (ECL)

For the three months ended August 31, 2019

Express Catering Limited's (ECL), for the three months ended August 31, 2019, revenues increased by 12% for the period to US\$4.54 million (Q1 2018: US\$4.06 million).

Cost of sales (COS) increased by 13% for the period to US\$1.23 million (Q1 2018: US\$1.09 million). As a result gross profit increased year-on-year for the three month period by 11%, to US\$3.31 million in Q1 2019 from US\$2.97 million in Q1 2018.

Total expenses increased by 13% for the period in review to US\$2.21 million in Q1 2019, up from US\$1.94 million in Q1 2018. This increase was associated with a 14% increase in administrative expenses to US\$2.04 million from US\$1.79 million in 2018. According to the company, "a total of US\$2.05 million in aggregate was expended on Administrative and promotional expenses at a rate of 45.18% of revenue compared to US\$1.80 million a rate 44.41% in the prior year. Maintenance rate increase in effect since October 2018 is responsible for the comparative change." Depreciation and Amortization saw an 11% increase to US\$155,291 compared to US\$140,442 for 2018. Promotion expenses also rose 12% for the quarter from US\$9,746 to US\$10,918.

Consequently, operating profit increased by 8% to US\$1.11 million (Q1 2018: US\$1.03 million). Finance cost of US\$83,706 (2018: US\$84,555) was booked for the period. Foreign exchange gain of US\$12,636 was also booked for the quarter compared to a foreign exchange loss of US\$4,398 booked the prior corresponding period. This resulted in total comprehensive profit for the year increasing by 11% from US\$937,891 in 2018 to US\$1.04 million.

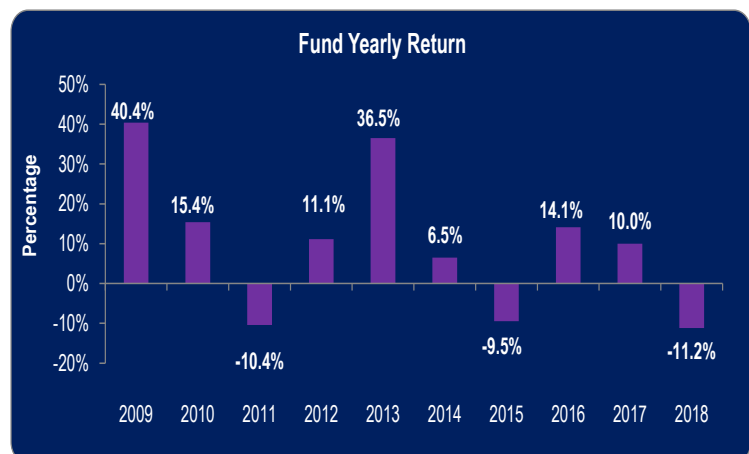
The twelve month trailing earnings-per-share was US\$ 0.23 cents while for Q1 2019, the EPS amounted to US 0.063 cents (2017:US 0.057 cents). The number of shares used in our calculations was 1,637,500,000.

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 6.9% and a 5 year return of 4.5%. The Fund also has a 10 year return of 7.8%. Rates are as at September 30, 2019.



“U.S. equity-index futures fluctuated alongside European stocks as earnings season rolled on and investors reviewed a mixed bag of economic data from China. The dollar edged toward its weakest close since July and the pound drifted. Contracts on all three major U.S. gauges fluctuated in a small range, firming slightly as earnings from both American Express and Coca-Cola beat expectations. Drops in automakers and food shares weighed on the Stoxx Europe 600 Index after some less positive results. Renault plunged as much as 15% after the carmaker cut its full-year forecast, and rival Volvo declined after saying it was preparing for more output cuts for next year.”

“Boris Johnson is battling to sell his new Brexit deal to skeptical members of the U.K. Parliament ahead of a crucial vote on Saturday. The prime minister has no majority in the House of Commons but needs to convince his own Conservatives, as well as opposition politicians, to back the divorce accord he struck with the EU on Thursday. If he fails, he will face the choice of seeking to delay Brexit again or trying to take the country out of the bloc without a deal on Oct. 31. “This is our chance in the U.K. as democrats to get Brexit done,” Johnson told a press conference in Brussels on Thursday.”

<https://www.bloomberg.com/news/articles/2019-10-17/asia-stocks-set-for-mixed-open-before-china-data-markets-wrap>

<https://www.bloomberg.com/news/articles/2019-10-17/after-brussels-win-johnson-returns-to-his-biggest-battle-of-all>

PLATINUM PORTFOLIO

STRUCTURED PRODUCT

Platinum Portfolio Yield Measures as at October 14, 2019

	Percentage (%)
Yield to Maturity	5.34
Weighted Average Coupon	5.442
Current Yield	4.60

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.

The platinum portfolio has an effective maturity of 13.04 years and duration of 4.63 years.

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

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