

## LOCAL STOCK MARKET: (JS) +

Stock Symbol	MEEG	SALF	BPOW	MDS	LASD
Current Price (\$)	5.20	29.30	6.60	8.00	3.36
Trailing EPS (\$)	0.32	1.89	0.22	0.42	0.15
P/E (times)	16.04	15.46	30.13	19.18	22.32
Projected P/E	14.80	15.57	28.81	20.63	19.60
Projected EPS (\$)*	0.35	1.88	0.23	0.39	0.17
Book Value per share (\$)	2.10	9.14	1.67	2.95	1.53
Price/Book Value (times)	2.47	3.21	3.96	2.72	2.20
Dividend Yield (2018 %)	N/A	9.33%	0.45%	N/A	N/A
Volumes	1,000	2,832	4,771	NIL	1,061
Recommendation	BUY	BUY	SELL	HOLD	HOLD

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

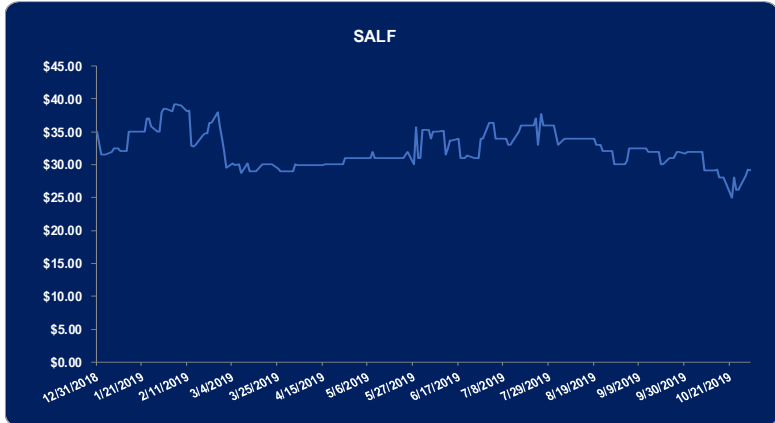
Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	140.750	104.400	137.6765	146.138	103.000	139.6325
CAN	106.680	82.861	105.4184	110.000	99.500	109.0385
GBP	180.400	140.733	171.9287	185.328	168.500	177.9086
EURO	152.500	115.248	145.6208	157.340	145.000	154.8996

\*Rates as at October 30, 2019

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 31, 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 31, 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: Salada Foods Jamaica Limited (SALF)

### For the nine months ended June 30, 2019: -

Salada Foods, recorded a 3% increase in turnover for the nine months to close at \$769.64 million (2018: \$748.70 million). For the third quarter revenue amounted to \$275.14 million (2018: \$266.43 million), a 3% rise.

Gross profit amounted to \$266.66 million, a 9% decrease year over year from the \$292.80 million booked in the prior year. Gross profit for the third quarter fell 3% to close at \$98.99 million relative to \$101.57 million booked for the comparable quarter in 2018.

Administrative expenses rose by 20% to \$107.31 million (2018: \$89.56 million). Also, selling and promotional expense went up by 5% from \$41.11 million in 2018 to \$43.29 million in 2019.

Consequently, this resulted in an operating profit of \$120.98 million, down 27% compared with the \$164.90 million reported for the corresponding nine months period for prior year. Operating profit for the third quarter closed at \$42.65 million (2018: \$57.52 million).

Profit before taxation decreased by 20% to \$145.34 million versus \$180.85 million booked for the previous year's corresponding period. While, for the quarter, pre-tax profits closed at \$77.23 million (2018: \$73.53 million).

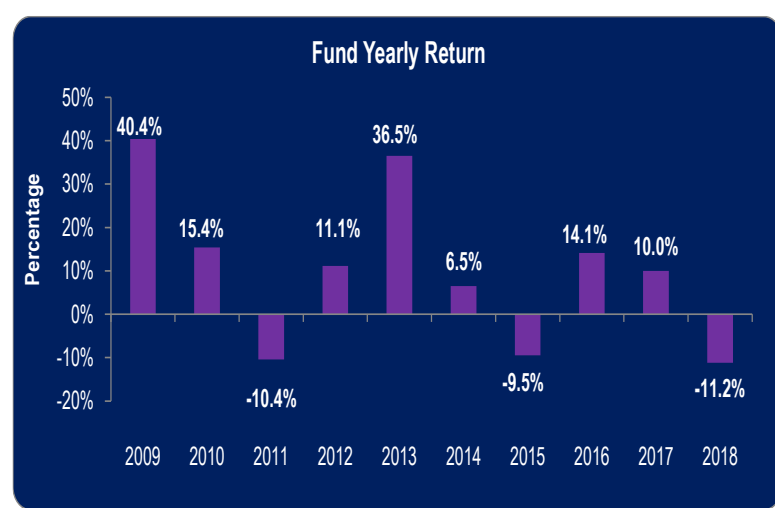
For the nine months ended June 30, 2019, net profit fell by 17%, from \$136.85 million in 2018 to \$114.15 million following taxation of \$31.19 million (2018: \$44 million). Net profit for the quarter rose by 7% to \$60.38 million in 2019 relative to \$56.58 million in 2018.

## 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.



\*Prices are as at October 31, 2019 \*Projections are made to the company's financial year end

■ U.S: U.S. Consumer Spending, Jobless Claims Suggest Some Caution

“U.S. consumer spending trailed forecasts in September while weekly applications for unemployment benefits rose more than projected, offering a note of caution on the economy as Federal Reserve policy makers signal a pause from interest-rate cuts. Consumer outlays for goods and services, which account for about 70% of gross domestic product, increased 0.2% from the prior month after a 0.2% August advance that was larger than previously estimated, Commerce Department data showed Thursday. The report also showed income gains matched projections, while the Fed’s preferred inflation gauge matched the slowest pace since 2016.”

<https://www.bloomberg.com/news/articles/2019-10-31/u-s-consumer-spending-jobless-claims-signal-caution-on-economy?srnd=premium>

■ Asia: China Doubts Long-Term Trade Deal Possible With Trump

“Chinese officials are casting doubts about reaching a comprehensive long-term trade deal with the U.S. even as the two sides get close to signing a “phase one” agreement. In private conversations with visitors to Beijing and other interlocutors in recent weeks, Chinese officials have warned they won’t budge on the thorniest issues, according to people familiar with the matter. They remain concerned about President Donald Trump’s impulsive nature and the risk he may back out of even the limited deal both sides say they want to sign in the coming weeks. Chinese policy makers are gathered in Beijing for a key political meeting that’s set to conclude on Thursday.”

<https://www.bloomberg.com/news/articles/2019-10-31/china-said-to-doubt-long-term-trade-deal-possible-with-trump?srnd=premium-asia>

■ PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at October 28, 2019

	Percentage (%)
Yield to Maturity	5.28
Weighted Average Coupon	5.442
Current Yield	4.27

The platinum portfolio has an effective maturity of 13.07 years and duration of 4.62 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.

DISCLAIMER

**Analyst Certification** -The views expressed in this research report accurately reflect the personal views of Mayberry Investments Limited Research Department about those issuer (s) or securities as at the date of this report. Each research analyst (s) also certify that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation (s) or view (s) expressed by that research analyst in this research report.

**Company Disclosure** -The information contained herein has been obtained from sources believed to be reliable, however its accuracy and completeness cannot be guaranteed. You are hereby notified that any disclosure, copying, distribution or taking any action in reliance on the contents of this information is strictly prohibited and may be unlawful. Mayberry may effect transactions or have positions in securities mentioned herein. In addition, employees of Mayberry may have positions and effect transactions in the securities mentioned herein.

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

MANAGED FUNDS SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS