

LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	GK	WIG	KREMI	SVL	JBG
Current Price (\$)	66.07	0.94	4.43	25.26	34.59
Trailing EPS (\$)	4.89	0.07	0.08	0.89	1.95
P/E (times)	13.52	13.86	56.43	28.45	17.76
Projected P/E	13.10	10.72	35.75	20.17	16.50
Projected EPS (\$) [*]	5.04	0.09	0.12	1.25	2.10
Book Value per share (\$)	51.03	0.30	1.96	1.31	12.67
Price/Book Value (times)	1.29	3.17	2.26	19.24	2.73
Dividend Yield (2018 %)	3.08%	N/A	1.00%	7.03%	0.95%
Volumes	42,106	3,098,078	NIL	51,718	8,560
Recommendation	HOLD	BUY	SELL	BUY	HOLD



STOCK OF THE DAY: Supreme Ventures Limited (SVL)

For the nine months ended September 30, 2019:-

Supreme Ventures Limited (SVL), for the nine months ended September 30, 2019, reported a 16% increase in 'Total Gaming Revenue' from \$24.25 billion in 2018 to \$28.06 billion in 2019. For the quarter, 'Total Gaming Revenue' closed at \$9.45 billion (2018: \$8.13 billion). "Lotteries, PINs, Sports Betting and Horseracing recorded double digit increases whereas VLTs showed a marginal decline when compared to Q3, 2018," SVL noted. The company also noted, "this sustained revenue growth has been a result of several drivers: our strong performance from our lottery portfolio which continues to perform above target due to strategic expansion of our retailer distribution network, ongoing player engagement and growth across our mobile channel, improvement in our horseracing, gaming lounge and sports betting segments".

Revenue from 'Non fixed odd wagering games, horse racing and pin codes' amounted to \$16.70 billion (2018: \$14.44 billion), a 16% increase. Income from fixed odd wagering games, net of prizes totaled \$11.36 billion (2018: \$9.81 billion), a 16% rise.

Direct expenses recorded an increase to close the period at \$22.31 billion when compared to \$19.44 billion for the same period in 2018. As such, gross profit for the period improved 20% to \$5.75 billion (2018: \$4.81 billion). For the quarter, gross profit closed at \$1.87 billion (2018: \$1.60 billion).

Operating expenses grew 10% for the period to \$3.11 billion (2018: \$2.83 billion), while recording 'Other losses' of \$52.27 million relative to 'Other income' of \$127.22 million for the prior period in 2018. For the quarter, operating expenses amounted to \$1.10 billion versus \$967.94 million booked in the previous comparable quarter.

Consequently, operating profit for the period increase 23% to \$2.59 billion relative to \$2.11 billion reported in 2018. While, for the quarter, operating profit closed at \$748.23 million (2018: \$672.24 million).

Finance costs rose to \$81.86 million (2018: \$57.46 million). As such, profit before taxation amounted to \$2.50 billion, up from \$2.05 billion in 2018. For the quarter, profit before taxation totaled \$706.04 million (2018: \$651.91 million).

Taxation for the period rose 40% to close at \$742.22 million compared to \$532.04 million in 2018, thus resulting in net profit of \$1.76 billion, a 16% increase from the \$1.52 billion recorded in the prior comparable period. For the quarter, net profit closed at \$526.53 million (2018: \$468.87 million).

Earnings per share totaled \$0.67 versus \$0.58 in the previous period in 2018, while EPS for the quarter amounted to \$0.20 (2018: \$0.18). The twelve months trailing earnings per share amounted \$0.89. The number of shares used in our calculations 2,637,254,926 units.

⁺Prices are as at November 05, 2019 ^{*}Projections are made to the company's financial year end

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	142.250	106.080	139.3985	147.220	110.568	141.0981
CAN	108.000	83.804	106.0495	110.592	88.403	107.1620
GBP	181.000	143.037	175.1646	187.920	169.000	178.5856
EURO	157.500	117.286	148.8173	161.568	148.700	156.8489

*Rates as at November 04, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (November 06, 2019) trading session. The overnight rate stood at 0.30% while the 30-day rate ranged at 1.30% to 1.50%.

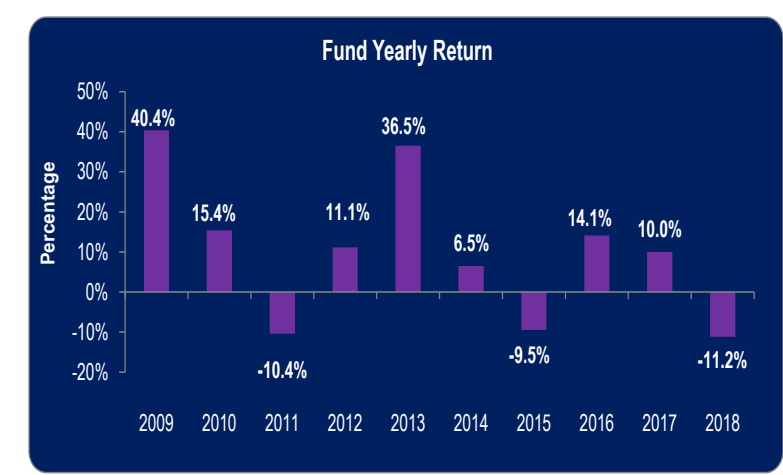
The US dollar fixed income market was also liquid during today's (November 06, 2019) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

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: Trump-Xi Trade Summit May Slip to December, Be Outside U.S.

“President Donald Trump and Chinese President Xi Jinping may not be able to sign a partial trade deal until December, and two U.S. locations have been ruled out for their highly anticipated meeting, according to a person familiar with the matter. The two sides have been trying to negotiate a limited trade deal that would entail the U.S. dropping some tariffs on Chinese imports in exchange for Beijing resuming purchases of American farm goods and other products. The U.S.-China trade war that Trump began has been a drag on both nation’s economies, and the leaders had initially expected to take a step toward resolving it ahead of the 2020 U.S. elections at an international summit in Chile this month. The summit was canceled because of protests in the capital, Santiago.”

<https://www.bloomberg.com/news/articles/2019-11-06/trump-xi-may-push-trade-deal-signing-to-december-outside-u-s?srnd=economics-vp>

Europe: Europe Warned to Prepare for the Worst as IMF Sees Clouds Darken

“The International Monetary Fund warned Europe to prepare emergency plans for an economic slump, as risks to the region’s outlook spread and monetary policy has all but exhausted its arsenal. “Given elevated downside risks, contingency plans should be at the ready for implementation in case these risks materialize, not least because the scope for effective monetary policy action has diminished,” the IMF said in its Regional Economic Outlook for Europe. “A synchronized fiscal response” may be necessary, the fund said in the report, highlighting the dangers from trade protectionism, a chaotic Brexit and geopolitics. The stark warning comes after the latest economic data showed that the euro-area economy is proving more resilient than anticipated, driven by robust expansion in countries such as France.”

<https://www.bloomberg.com/news/articles/2019-11-06/europe-warned-to-prepare-for-the-worst-as-imf-sees-clouds-darken>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at November 04, 2019

	Percentage (%)
Yield to Maturity	5.24
Weighted Average Coupon	5.442
Current Yield	4.32

The platinum portfolio has an effective maturity of 13.08 years and duration of 4.61 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.

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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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