

LOCAL STOCK MARKET: (J\$) +

Stock Symbol	SVL	VMIL	SALF	FOSRICH	GK
Current Price (\$)	26.34	7.80	30.00	4.71	67.20
Trailing EPS (\$)	0.89	0.37	1.89	0.18	5.09
P/E (times)	29.67	21.11	15.83	25.52	13.21
Projected P/E	21.04	26.85	15.94	23.53	13.04
Projected EPS (\$)*	1.25	0.29	1.88	0.20	5.15
Book Value per share (\$)	1.31	2.69	9.14	1.53	52.53
Price/Book Value (times)	20.06	2.90	3.28	3.09	1.28
Dividend Yield (2018 %)	7.03%	N/A	9.33%	N/A	3.08%
Volumes	32,600	94,354	NIL	19,574	17,324
Recommendation	BUY	SELL	BUY	HOLD	HOLD

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	143.500	107.016	138.8946	148.844	106.860	141.958
CAN	108.454	83.968	102.4477	111.024	98.000	106.4557
GBP	182.250	143.610	178.0118	188.460	169.000	182.3535
EURO	154.500	117.600	148.3696	162.800	147.500	160.4993

*Rates as at November 11, 2019

Today, November 12, 2019, the Bank of Jamaica sold US\$40 million via B-FXITT to authorized dealers and Cambios to augment supply in the market.

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (November 12, 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 12, 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: 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).

Revenues from the Company's segments were as follows:

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 totalled \$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).

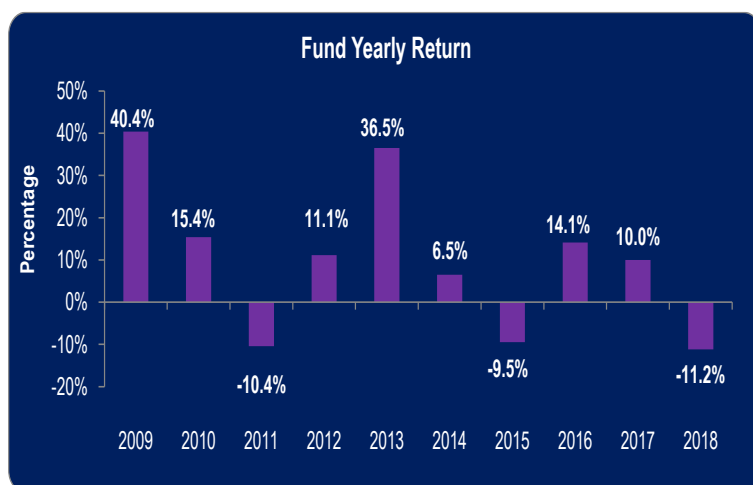
Taxation for the period rose 40% to close at \$742.22 million compared to \$532.04 million in 2018, thus resulting in net profit of \$1.76 billion, a 16% increase from the \$1.52 billion recorded in the prior comparable period. For the quarter, net profit closed at \$526.53 million (2018: \$468.87 million).

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: Fed Likely to Defy History With Rates Steady Through Elections

“Federal Reserve Chairman Jerome Powell is likely to signal again this week that monetary policy is on hold, buttressing the belief that he may steer clear of action through 2020. Surprisingly, that would be an historic anomaly for a U.S. presidential election year. Rather than keeping its head down, the Fed has changed policy in one direction or another in each of the last 10 presidential polling years -- though in 2016 it didn’t act to raise interest rates until after the November election. In 2012 the Fed didn’t move its benchmark rate, which was already at zero, but did announce its third round of large-scale asset purchases in September. “If you look back in history and see what the Fed did in election years, the Fed did everything they had to do,” said Roberto Perli, a partner at Cornerstone Macro in Washington.

<https://www.bloomberg.com/news/articles/2019-11-12/fed-likely-to-defy-history-with-rates-steady-through-elections>

■ Europe: European Earnings Are Pretty Good, Except for Energy

“Not so bad. That’s the view of most strategists examining the European earnings season. As we approach the reporting period’s final stretch, the picture isn’t as grim as initially feared as most sectors are actually delivering growth. But overall, the region is in an earnings recession and looking forward, companies may struggle to meet expectations for the fourth quarter and for next year without some improvement on the macro-economic front. We recently highlighted that Europe might have recorded profit growth in the third quarter if it hadn’t been for the energy sector. Bloomberg Intelligence strategists even show that without a few “bad apples” in each country, companies posted a decent beat. The table below is pretty clear: energy stocks and financials provided the bulk of the earnings drag.

<https://www.bloomberg.com/news/articles/2019-11-12/market-might-not-wanna-dance-to-a-low-quality-beat-taking-stock-k2vj54ax?srnd=premium-europe>

■ PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at November 11, 2019

	Percentage (%)
Yield to Maturity	5.28
Weighted Average Coupon	5.434
Current Yield	4.25

The platinum portfolio has an effective maturity of 13.09 years and duration of 4.56 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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