

LOCAL STOCK MARKET: (JS) +

Stock Symbol	CAR	SEP	SIL	PJAM	LASM
Current Price (\$)	8.48	51.23	3.09	102.56	5.07
Trailing EPS (\$)	0.70	1.30	0.17	7.54	0.28
P/E (times)	12.15	39.52	18.24	13.60	18.33
Projected P/E	11.71	15.69	21.28	15.69	17.37
Projected EPS (\$)	0.72	3.27	0.15	6.54	0.29
Book Value per share (\$)	0.31	20.66	3.24	38.78	1.51
Price/Book Value (times)	26.94	2.48	0.95	2.64	3.36
Dividend Yield (2018 %)	N/A	N/A	3.48%	2.33%	1.01%
Volumes	24,231	19,942	9,000	2,730	54,354
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	139.000	105.465	135.9549	145.272	104.910	137.5544
CAN	104.830	82.336	99.1515	107.892	87.106	103.3999
GBP	181.000	140.730	173.8165	184.680	166.300	174.9030
EURO	150.000	114.150	143.4056	157.572	123.680	154.9831

*Rates as at November 25, 2019

On November 14, 2019, the Bank of Jamaica sold US\$20 million via B-FXITT, following two consecutive intervention of a total of US\$70 million on November 12&13, 2019, 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 26, 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 26, 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: Seprod Limited (SEP)

For nine months ended September 30, 2019:-

Seprod Limited (SEP) posted revenue totalling \$24.80 billion compared to \$14.70 billion recorded for the same period of the prior financial year, representing a 69% increase year over year.

Cost of sales increased by 61% from \$9.79 billion in 2018 to \$15.77 billion in 2019, resulting in gross profit increasing by 84% to close at \$9.02 billion (2018: \$4.91 billion). For the quarter, gross profit closed the period at \$2.88 billion relative to \$1.54 billion in the previous comparable period.

Other operating income totalled \$175.03 million compared to \$676.66 million in 2018, a 74% reduction year over year. For the quarter, other operating loss closed at \$149 million versus other operating income of \$451.92 million in the prior corresponding period.

As such, Operating Profit grew 11%, moving from \$1.99 billion in 2018 to \$2.21 billion to close the nine months period of 2019. For the quarter, operating profit went up 2% to total \$650.89 million (2018: \$639.34 million).

Profit before taxation declined to \$1.39 billion in 2019, a 12% reduction on the \$1.57 billion reported a year prior. Profit before taxation for the third quarter amounted to \$310.07 million (2018: \$489.37 million).

Seprod reported net profit of \$1.16 billion, a decline of 6% relative to last year's corresponding period of \$1.24 billion, after incurring taxes of \$223.81 million (2018: \$327.66 million). For the quarter, net profit declined by 33% to \$284.61 million compared to \$423.30 million in 2018.

Net Profit attributable to shareholders amounted to \$895.08 million, a year over year decline from the \$1.13 billion recorded a year earlier. For the third quarter, Net Profit attributable to shareholders totalled \$206.92 million (2018: \$454.86 million).

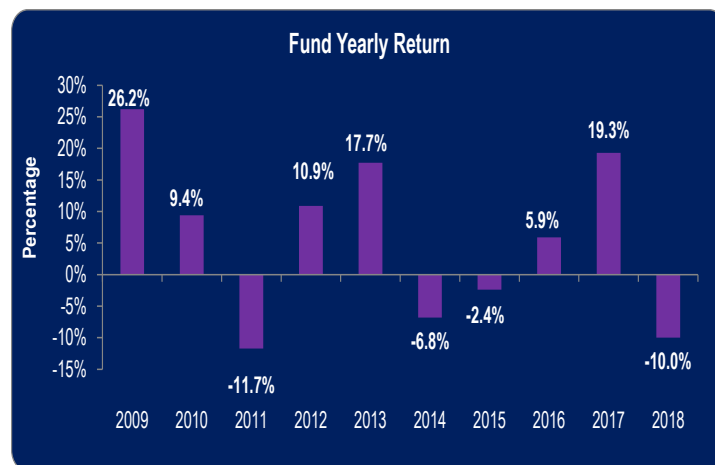


OVER THE COUNTER FUNDS (CI FUNDS)

CI International Value Corporate Class

This fund invests primarily in equity and equity-related securities of companies whose primary operations are out-side of North America.

The fund has a 3 year return of 6.6% and a 5 year return of 4.3%. The Fund also has a 10 year return of 4.3%. Rates are as at October 31, 2019.



“Sixteen years ago, a brash trade lawyer named Robert Lighthizer was nominated to represent the U.S. at the World Trade Organization’s appellate body, which officiates disputes that affect billions of dollars in commerce every year. WTO members, however, chose a different candidate. And now Lighthizer, as the U.S. Trade Representative in Washington, is arguing that the very dispute settlement system he nearly became a part of either needs to be drastically reformed or dismantled. The arc of Lighthizer’s rocky relationship with the WTO is hurtling toward a potentially dramatic inflection point. The pressure he and the Trump administration are applying on the WTO may, in just a few weeks, render the Geneva-based arbiter of trade inoperative.”

<https://www.bloomberg.com/news/articles/2019-11-26/trump-s-trade-threat-brings-world-to-the-edge-of-jungle-rule?srnd=economics-vp>

“The pound slipped as polls showed the ruling Conservative party’s lead narrowing into a December election, with the tightening race raising investor fears about an inconclusive result. The U.K. currency weakened versus all of its Group-of-10 peers as the latest surveys of voting intention showed the opposition Labour party making up some ground following the release of its manifesto last week. The most positive outcome for investors betting the pound will rise is a Conservative win, whereas if no party gains a majority it raises the prospect that an impasse over Brexit will drag on into next year. The pound has acted as a barometer of political risk throughout the Brexit process and has recovered nearly 8% since hitting an almost three-year low in September, on hopes of an end to the uncertainty.”

<https://www.bloomberg.com/news/articles/2019-11-26/pound-weakens-as-traders-question-complacency-over-u-k-election?srnd=premium-asia>

■ PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at November 25, 2019

	Percentage (%)
Yield to Maturity	5.25
Weighted Average Coupon	5.427
Current Yield	4.36

The platinum portfolio has an effective maturity of 13.13 years and duration of 4.60 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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