

LOCAL STOCK MARKET: (JS) +

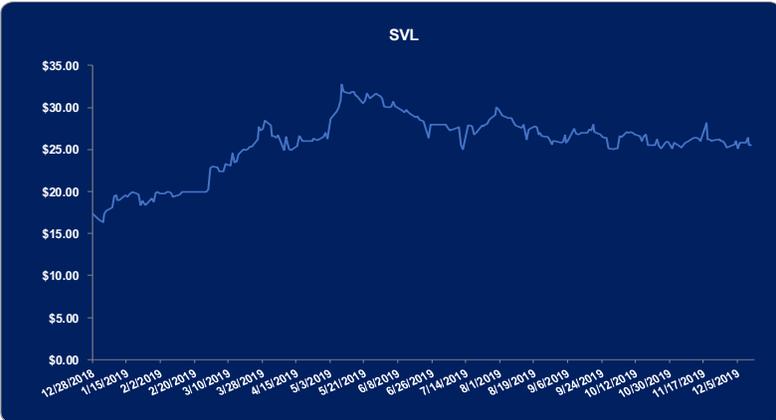
Stock Symbol	SVL	SEP	GENAC	KEX	JP
Current Price (\$)	25.43	50.62	7.40	10.29	23.34
Trailing EPS (\$)	0.89	1.30	0.33	0.30	1.07
P/E (times)	28.64	39.05	22.20	34.71	21.89
Projected P/E	20.31	15.50	20.16	29.25	21.79
Projected EPS (\$)*	1.25	3.27	0.37	0.35	1.07
Book Value per share (\$)	1.31	20.66	2.23	1.65	12.39
Price/Book Value (times)	19.37	2.45	3.32	6.22	1.88
Dividend Yield (2018 %)	7.03%	3.17%	5.20%	0.47%	0.72%
Volumes	14,671	17,900	8,243	NIL	27,809
Recommendation	BUY	BUY	HOLD	SELL	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	138.500	101.673	132.9703	139.318	101.752	134.8111
CAN	104.200	80.012	101.6154	106.000	95.500	103.0329
GBP	181.400	139.316	177.0826	185.994	155.000	180.0036
EURO	148.500	111.328	143.8173	153.360	139.000	150.5781

*Rates as at December 13, 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.



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.

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 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).

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).

*Prices are as at December 16, 2019 *Projections are made to the company's financial year end

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (December 16, 2019) trading session. The overnight rate stood at 0.30% to 0.50% while the 30-day rate was 1.50% to 1.70%.

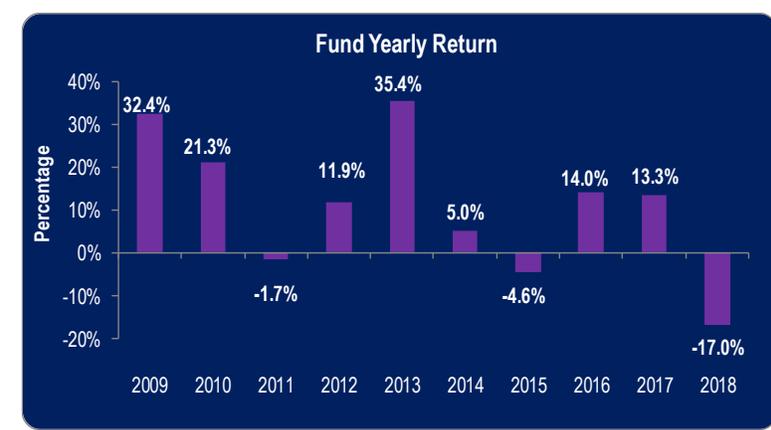
The US dollar fixed income market was also liquid during today's (December 16, 2019) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Small Companies Fund

This fund invests primarily in equity and equity-related securities of small to mid-capitalization North American companies.

The fund has a 3 year return of 4.3% and a 5 year return of 4.3%. The Fund also has a 10 year return of 9.3%. Rates are as at November 30, 2019.



■ U.S: U.S. Stocks Climb to Record on Trade Momentum

“U.S. equities climbed to a new high amid hopes that a partial trade deal between America and China will ease a key risk for investors heading into year-end. Treasuries and the dollar fell. With tech and health-care leading the charge, the S&P 500 Index pushed higher Monday in the wake of the agreement, which will see Washington reduce tariffs and Beijing increase purchases of American farm goods, although many details are still to be ironed out. In another positive sign, the Federal Reserve Bank of New York’s survey measure of general business conditions in the next six months jumped to a five-month high.”

<https://www.bloomberg.com/news/articles/2019-12-15/asian-stocks-set-to-open-mixed-after-trade-deal-markets-wrap?srnd=premium>

■ Asia: China Gets Twin Boost From Trade Deal, Better November Data

“The pickup in China’s economy in November adds to the optimism from the trade deal announced last week, though plenty of downside risks remain as the nation heads into 2020. Industrial output and private consumption were both much stronger than expected, with production jumping 6.2% from a year earlier and retail sales climbing 8%, data released Monday showed. At the same time, fixed-asset investment in the first 11 months of this year grew at 5.2%, the slowest pace since at least 1998. If the trade deal is signed early next year as the U.S. has indicated and tariffs on some Chinese goods are lifted, it would go some way to dispel some of the uncertainty that has been hanging over the economy.”

<https://www.bloomberg.com/news/articles/2019-12-16/china-s-economy-picked-up-in-november-on-industry-output-retail>

■ PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at December 16, 2019

	Percentage (%)
Yield to Maturity	5.20
Weighted Average Coupon	5.427
Current Yield	4.04

The platinum portfolio has an effective maturity of 13.12 years and duration of 4.58 years.

■ STRUCTURED PRODUCT

Mayberry Managed Equity Portfolio (MMEP)

We offer a managed equity portfolio for both institutions and individuals. The MMEP is a full discretionary managed portfolio of a diversified group of stocks. The stocks included in the portfolio represent Mayberry’s top recommended stocks. Persons who find it difficult to manage their equity portfolios on a day to day basis should consider the MMEP. Further, the MMEP is for individuals and institutions who would like to pursue a medium to long term equity strategy.

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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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