

LOCAL STOCK MARKET: (J\$) ⁺

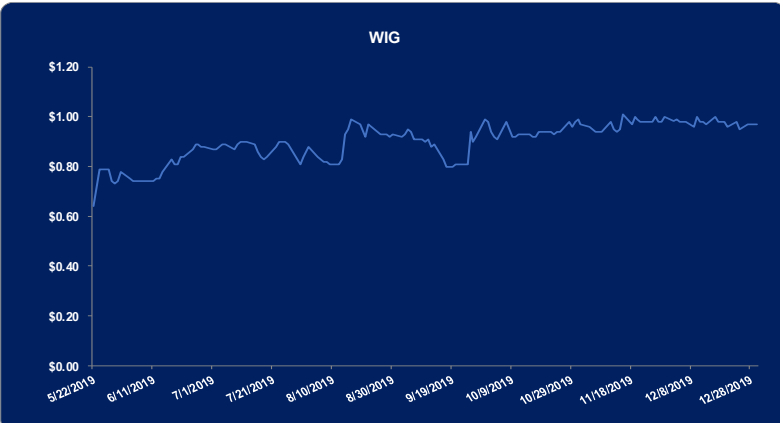
Stock Symbol	CAR	WIG	SGJ	BRG	KREMI
Current Price (\$)	8.16	0.97	55.48	18.01	3.61
Trailing EPS (\$)	0.70	0.07	4.24	0.80	0.08
P/E (times)	11.69	13.34	13.09	22.64	45.99
Projected P/E	11.27	10.79	13.09	23.69	29.14
Projected EPS (\$) [*]	0.72	0.09	4.24	0.76	0.12
Book Value per share (\$)	0.31	0.31	37.96	5.20	1.96
Price/Book Value (times)	25.93	3.11	1.46	3.46	1.84
Dividend Yield (2018 %)	7.63%	N/A	3.70%	2.87%	1.00%
Volumes	73,821	4,764,517	90,476	NIL	23,160
Recommendation	BUY	BUY	HOLD	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY ^{*}

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	136.000	100.330	131.5887	142.650	104.331	133.4762
CAN	103.200	79.348	98.4186	108.000	82.598	100.6991
GBP	177.670	135.096	167.0414	179.000	158.250	170.6359
EURO	153.500	109.525	147.8815	150.876	117.320	145.9031

*Rates as at December 30, 2019

For December 2019, the Bank of Jamaica projects that the value of currency issued by the Bank will increase by approximately \$22.4 billion (17.2%), relative to end-November 2019. This forecast is generally in line with the five-year average growth rate of 17.6% for the month of December.



STOCK OF THE DAY: Wigton Windfarm Limited (WIG)

For the six months ended September 30, 2019:

Wigton Windfarm Limited, for the six months ended September 30, 2019, reported sales of \$1.47 billion, a 2% decline on the \$1.49 billion reported in the prior year. Revenue for the quarter declined 10% to \$632.34 million (2018: \$705.64 million). WIG noted that, "the decrease in revenue was directly related to a 10.7% decrease in production in the current reporting quarter as a result of lower wind regime. Availability of the wind turbines was 8.2% better than the SPLY. Major repairs and maintenance were conducted during this quarter to capitalize on the low wind regime during the quarter."

Cost of sales went up 8% to close the period at \$387.82 million versus \$357.63 million booked in the previous comparable period. As such, gross profit declined to total \$1.08 billion (2018: \$1.13 billion).

Other income amounted to \$118.22 million, a 32% decline when compared to \$174.45 million in the same period last year. General administrative expenses increased for the period amounting to \$181.34 million relative to \$163.24 million documented in the same period in the previous year.

Consequently, operating profit decreased 11%, closing the period under review at \$1.01 billion (2018: \$1.14 billion).

Finance expense trended downwards from \$752.56 million in 2018 to \$301.72 million in 2019. Management stated that, "The main contributor to the decrease was a reduction in finance expense of \$240.5 million or 60.9% as a result of lower exchange losses."

As such, profit before taxation went up by 83% to close at \$712.50 million (2018: \$389.55 million). After taxation of \$171.00 million (2018: \$93.49 million), net profit for the period totaled \$541.50 million (2018: \$296.06 million). Net profit for the quarter closed at \$175.10 million versus \$121.39 million booked in the similar period last year, "due to a \$208.7 million decrease in total expenses, explained above which offset a \$138.1 million decline in revenues and an increase of \$16.9 million in taxation"

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (December 31, 2019) trading session. The overnight rate stood at 0.30% to 0.50% while the 30-day rate was 1.50% to 1.70%.

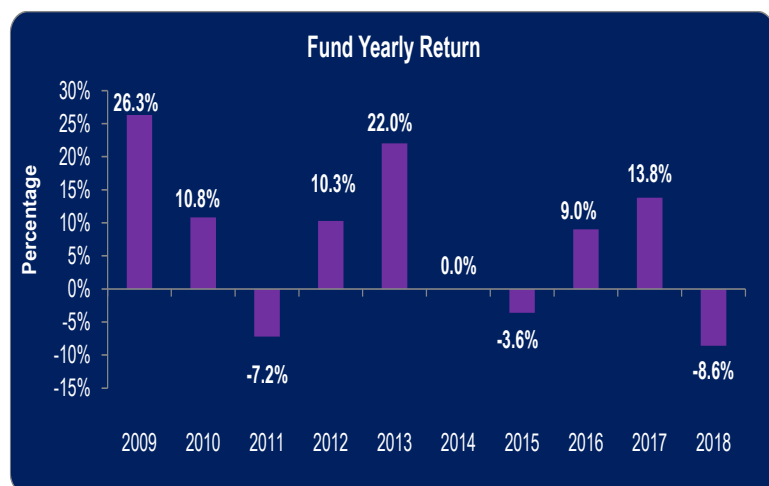
The US dollar fixed income market was also liquid during today's (December 31, 2019) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Value Corporate Class

This fund invests primarily in equity and equity-related securities of companies around the world.

The fund has a 3 year return of 7.1% and a 5 year return of 4.6%. The Fund also has a 10 year return of 6.1%. Rates are as at November 30, 2019.



U.S: U.S. Consumer Confidence Unexpectedly Drops on Muted Outlook

“U.S. consumer confidence unexpectedly dropped for the fourth time in five months in December, as expectations for income and job-market conditions edged down. The Conference Board’s gauge decreased to 126.5 from an upwardly revised November reading, according to data released Tuesday that missed the median projection in a Bloomberg survey of economists. The measure of present conditions rebounded from a five-month low, while economic expectations eased. “While consumers’ assessment of current conditions improved, their expectations declined, driven primarily by a softening in their short-term outlook regarding jobs and financial prospects,” Lynn Franco, director of economic indicators at the Conference Board, said in a statement. “While the economy hasn’t shown signs of further weakening, there is little to suggest that growth, and in particular consumer spending, will gain momentum in early 2020.”

<https://www.bloomberg.com/news/articles/2019-12-31/u-s-consumer-confidence-unexpectedly-drops-on-dimmer-outlook?srnd=economics-vp>

Europe: ECB’s De Cos Says Europe Urgently Needs an Economic Overhaul

“European Central Bank policy maker Pablo Hernandez de Cos issued a strongly worded warning to leaders that they must act to prevent the region sliding into a lengthy period of low economic growth. The Bank of Spain governor, in an end-of-year article, listed a host of challenges including the proliferation of protectionism, the struggles of the auto industry, aging populations and stagnating productivity. “This worrying environment means that a reconsideration of the macroeconomic policy framework in Europe is urgent and necessary, in order for the response to the challenges to be appropriate,” he said. The euro zone has struggled in 2019 with a manufacturing slump, centered on Germany’s car industry as it strives to switch to electric, that threatens to spread into the services sector as it hits jobs. While the U.S.-China trade war has eased and the U.K.’s Brexit plans are moving forward, both remain concerns that have damped business confidence.

<https://www.bloomberg.com/news/articles/2019-12-31/ecb-s-de-cos-says-europe-urgently-needs-an-economic-overhaul?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at December 30, 2019

	Percentage (%)
Yield to Maturity	5.18
Weighted Average Coupon	5.403
Current Yield	3.99

The platinum portfolio has an effective maturity of 13.12 years and duration of 4.61 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

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