

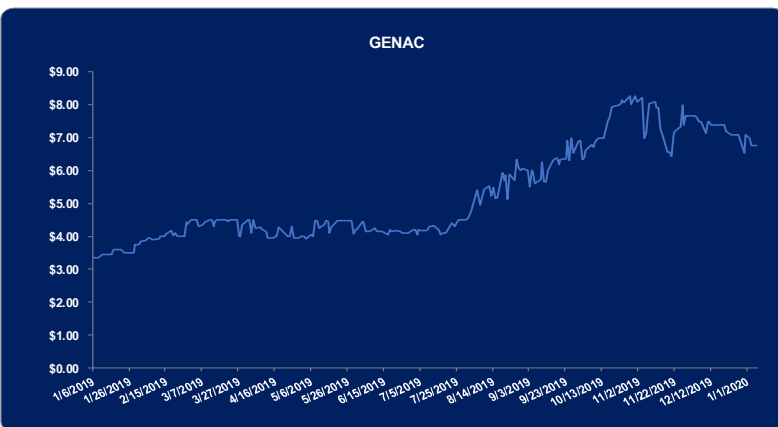
## LOCAL STOCK MARKET: (J\$) +

Stock Symbol	SVL	MEEG	GENAC	GK	KREMI
Current Price (\$)	25.15	6.05	6.45	73.43	3.81
Trailing EPS (\$)	0.89	0.32	0.33	5.09	0.08
P/E (times)	28.33	18.65	19.35	14.44	48.53
Projected P/E	20.09	13.53	17.57	14.25	30.75
Projected EPS (\$)*	1.25	0.45	0.37	5.15	0.12
Book Value per share (\$)	1.31	1.93	2.23	52.53	1.96
Price/Book Value (times)	19.16	3.14	2.90	1.40	1.94
Dividend Yield (2019 %)	4.46%	0.86%	3.91%	2.44%	0.82%
Volumes	44,947	22,255	53,013	40,362	15,187
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	135.500	101.120	130.9018	138.560	100.725	133.6634
CAN	105.500	80.842	98.3587	106.583	84.656	100.4677
GBP	176.400	136.618	169.0469	180.144	161.000	172.0492
EURO	147.100	110.779	140.9579	156.000	140.000	148.5030

\*Rates as at January 06, 2020



## STOCK OF THE DAY: General Accident Insurance Company Limited

### For the nine months ended September 30, 2019:

General Accident Insurance Company Limited (GENAC), for the nine months ended September 30, 2019, reported Gross premium written of \$8.94 billion, 21% higher than the \$7.40 billion reported for 2018. As a result, net premium written increased by 25% from \$1.32 billion last year to \$1.64 billion in 2019. Net premium written for the third quarter amounted to \$595.98 million relative to \$478.73 million booked for the corresponding period in 2018.

Net changes in unearned premiums totalled \$109.94 million, 9% lower than the \$120.45 million recorded the previous year. Consequently, net premiums earned grew by 28% to a total of \$1.53 billion compared to \$1.20 billion for the same period last year. For the quarter, net premium earned totalled \$546.20 million compared to \$430.90 million booked for the similar quarter of 2018.

Commission income grew by 12%, year over year, from \$494.97 million in 2018 to \$554.56 million in 2019, while commission expenses also went up by 22% from \$312.28 million in 2018 to \$380.09 million in 2019.

Claims expenses saw an increase of 14%, closing the period at \$987.60 million (2018: \$865.94 million), while management expenses climbed by 14% to total \$631.40 million (2018: \$553.88 million).

Consequently, Underwriting profit for the period totalled of \$108.64 million, this compares to a loss of \$27.70 million in 2018. The company made an underwriting profit of \$27.67 million for the third quarter when compared to a loss of \$20.02 million in 2018.

As such, profit before taxation amounted to \$231.05 million (2018: \$173.08 million). Net Profit totalled \$192.53 million for the period, a 34% uptick when compared to the \$144.18 million reported last year, subsequent to tax charges of \$38.52 million. However, net profit for the quarter was \$57.26 million, a 17% rise versus the same period of 2018 which had net profits of \$48.73 million.

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 07, 2020) trading session. The over night rate stood at 0.30% to 0.50% while the 30-day rate was 1.50% to 1.70%.

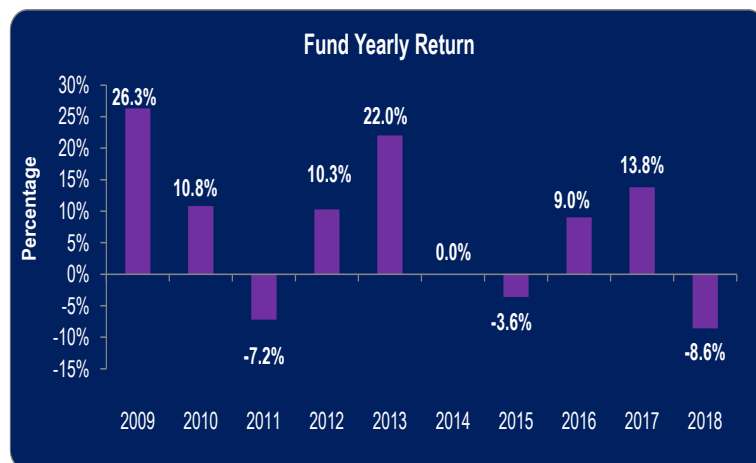
The US dollar fixed income market was also liquid during today's (January 07, 2020) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

## 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. Trade Gap Shrinks to Smallest Since 2016 on Export Gain**

“The U.S. trade gap narrowed in November to the smallest in three years as exports advanced amid a thaw in the trade war with China, while imports fell to the lowest since 2017. The overall U.S. deficit in goods and services shrank to \$43.1 billion in November from \$46.9 billion the prior month, according to data released Tuesday by the Commerce Department. The median estimate of economists surveyed by Bloomberg called for a shortfall of \$43.6 billion. The figures suggest the gap may shrink on an annual basis for the first time since 2013, largely reflecting a steep drop in imports from China following President Donald Trump’s tariffs on goods from the country, along with America’s shift to becoming a net exporter of petroleum.”

<https://www.bloomberg.com/news/articles/2020-01-07/u-s-trade-gap-shrinks-to-smallest-since-2016-on-export-gain?smd=economics-vp>

**Europe: Euro-Area Inflation Edges Higher, Core Remains Stuck at 1.3%**

“Euro-area inflation accelerated to the fastest pace in eight months in December, driven by energy prices. The pickup to 1.3% in December from 1% in November was in line with economists expectations. The core rate, which strips out volatile components such as energy, remained stuck at 1.3%. The figures come as new European Central Bank President Christine Lagarde prepares to launch a review that may include a deep dive into the causes of weak price pressures. The ECB has already resorted to increasingly creative stimulus measures including negative rates, cheap loans and trillions of euros in asset purchases to push inflation closer to its goal of just under 2%.”

<https://www.bloomberg.com/news/articles/2020-01-07/euro-area-inflation-edges-higher-core-remains-stuck-at-1-3?smd=premium-europe>

**PLATINUM PORTFOLIO**

**Platinum Portfolio Yield Measures as at January 06, 2019**

	Percentage (%)
<b>Yield to Maturity</b>	5.10
<b>Weighted Average Coupon</b>	5.403
<b>Current Yield</b>	3.90

The platinum portfolio has an effective maturity of 13.13 years and duration of 4.63 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. We offer a managed equity portfolio for both institutions and individuals. The

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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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