

## LOCAL STOCK MARKET: (JS) +

Stock Symbol	SVL	ECL	SGJ	LAS M	ISP
Current Price (\$)	25.51	6.26	52.28	4.51	29.00
Trailing EPS (\$)	0.89	0.32	4.24	0.28	0.55
P/E (times)	28.73	19.43	12.33	16.37	52.69
Projected P/E	20.37	18.58	12.34	15.52	54.74
Projected EPS (\$)*	1.25	0.34	4.24	0.29	0.53
Book Value per share (\$)	1.31	0.36	37.96	1.50	3.44
Price/Book Value (times)	19.43	17.51	1.38	3.00	8.44
Dividend Yield (2019 %)	4.46%	N/A	7.68%	1.65%	N/A
Volumes	18,848	12,779	1,033,100	9,790	NIL
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	137.500	101.515	132.9217	139.320	101.120	135.0344
CAN	104.700	81.008	101.0246	106.500	95.000	105.4633
GBP	178.300	137.606	172.1031	181.247	163.500	177.1173
EURO	147.000	110.936	140.3577	153.360	117.320	150.0526

\*Rates as at January 09, 2020

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 10, 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%.

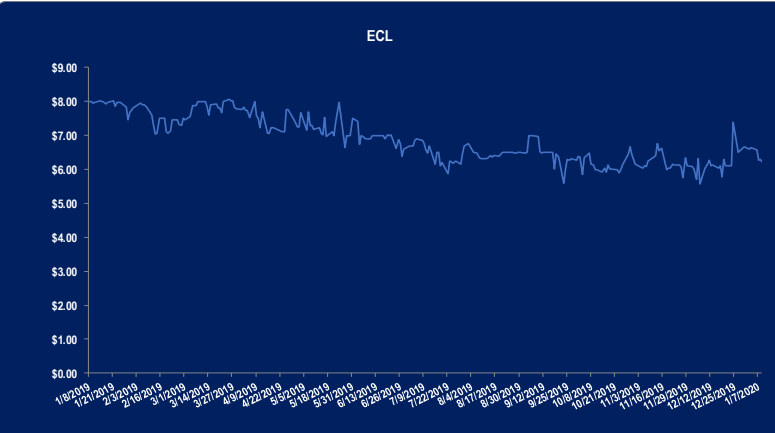
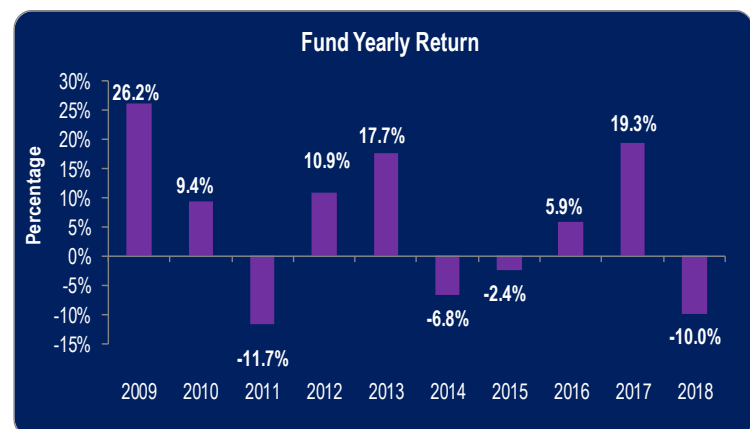
The US dollar fixed income market was also liquid during today's (January 10, 2020) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

## OVER THE COUNTER FUNDS (CI FUNDS)

### CI International Value Corporate Class

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

The fund has a 3 year return of 7.5% and a 5 year return of 4.2%. The Fund also has a 10 year return of 4.1%. Rates are as at November 30, 2019.



## STOCK OF THE DAY: Express Catering Limited (ECL)

### For the three months ended August 31, 2019:-

Express Catering Limited's (ECL), for the three months ended August 31, 2019, revenues increased by 12% for the period to US\$4.54 million (Q1 2018: US\$4.06 million).

Cost of sales (COS) increased by 13% for the period to US\$1.23 million (Q1 2018: US\$1.09 million). As a result gross profit increased year-on-year for the three month period by 11%, to US\$3.31 million in Q1 2019 from US\$2.97 million in Q1 2018.

Total expenses increased by 13% for the period in review to US\$2.21 million in Q1 2019, up from US\$1.94 million in Q1 2018. This increase was associated with a 14% increase in administrative expenses to US\$2.04 million from US\$1.79 million in 2018. According to the company, "a total of US\$2.05 million in aggregate was expended on Administrative and promotional expenses at a rate of 45.18% of revenue compared to US\$1.80 million a rate 44.41% in the prior year. Maintenance rate increase in effect since October 2018 is responsible for the comparative change." Depreciation and Amortization saw an 11% increase to US\$155,291 compared to US\$140,442 for 2018. Promotion expenses also rose 12% for the quarter from US\$9,746 to US\$10,918.

Consequently, operating profit increased by 8% to US\$1.11 million (Q1 2018: US\$ 1.03 million).

Finance cost of US\$83,706 (2018: US\$84,555) was booked for the period. Foreign exchange gain of US\$12,636 was also booked for the quarter compared to a foreign exchange loss of US\$4,398 booked the prior corresponding period. This resulted in total comprehensive profit for the year increasing by 11% from US\$937,891 in 2018 to US\$1.04 million.

## U.S.: U.S. to Impose Sanctions on Iran's Metal Exports and Leaders

"The Trump administration imposed new sanctions on Iran on Friday, including penalties on the Islamic Republic's metals and some senior leaders, following Tehran's attack on U.S. military bases. The sanctions target steel, aluminum, copper and iron, as well as eight senior Iranian officials and sectors of the economy, such as construction, manufacturing, textiles and mining, the Treasury Department said. "This order will have a major impact on the Iranian economy," President Donald Trump said in a statement. "These punishing economic sanctions will remain until the Iranian regime changes its behavior." The move to expand penalties on the Islamic Republic comes one day after Trump said Iran would be sanctioned "immediately" for the airstrikes against two U.S. military installations in Iraq, which resulted in no casualties."

<https://www.bloomberg.com/news/articles/2020-01-10/u-s-set-to-impose-sanctions-on-iran-s-metal-exports-and-leaders?srnd=economics-vp>

## Europe: \$170 Billion and Counting: The Cost of Brexit for the U.K.

"U.K. Prime Minister Boris Johnson wants to "unleash Britain's potential." First the economy has to catch back up with the rest of the world. Research by Bloomberg Economics estimates that the economic cost of Brexit has already hit 130 billion pounds (\$170 billion), with a further 70 billion pounds set to be added by the end of this year. That's based on the damage caused by the U.K. untethering from its Group of Seven peers over the past three years. While growth globally has also cooled in recent years, the analysis by Bloomberg Economics shows the U.K. has still lagged. There is a strong historic correlation between the U.K. and G-7 countries. But they have been diverging since the vote to leave the EU, with the British economy now 3% smaller than it could have been had the relationship been maintained."

<https://www.bloomberg.com/news/articles/2020-01-10/170-billion-and-counting-the-cost-of-brexit-for-the-u-k?srnd=premium-europe>

## PLATINUM PORTFOLIO

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

	Percentage (%)
Yield to Maturity	5.10
Weighted Average Coupon	5.403
Current Yield	3.90

The platinum portfolio has an effective maturity of 13.13 years and duration of 4.63 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](http://www.jamstockex.com), [www.bloomberg.com](http://www.bloomberg.com), [www.investopedia.com](http://www.investopedia.com), [www.tradewire.com](http://www.tradewire.com)

