

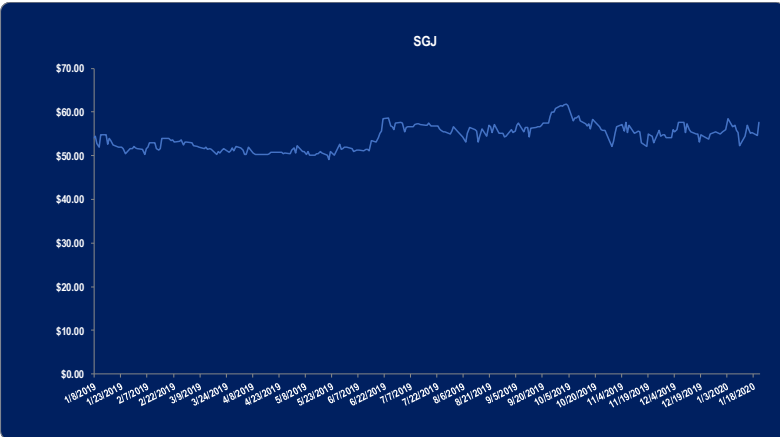
LOCAL STOCK MARKET: (JS) +

Stock Symbol	SGJ	SEP	LAS M	MDS	JP
Current Price (\$)	55.16	49.89	4.20	7.00	23.00
Trailing EPS (\$)	4.24	1.30	0.28	0.38	1.07
P/E (times)	13.01	38.48	15.25	18.31	21.57
Projected P/E	13.02	15.28	14.45	20.37	21.47
Projected EPS (\$)*	4.24	3.27	0.29	0.34	1.07
Book Value per share (\$)	37.96	20.66	1.50	2.86	12.39
Price/Book Value (times)	1.45	2.42	2.79	2.45	1.86
Dividend Yield (2019 %)	7.68%	1.67%	1.65%	1.47%	N/A
Volumes	24,100	284,322	39,572	7,000	1,510,538
Recommendation	HOLD	BUY	BUY	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	141.500	105.860	137.1114	145.260	104.122	138.9728
CAN	108.350	85.260	107.6963	110.322	85.756	108.3662
GBP	183.250	144.254	176.2594	187.704	162.000	182.3855
EURO	152.000	118.560	145.9868	158.900	119.280	156.5007

*Rates as at January 21, 2020



STOCK OF THE DAY: Scotia Group Jamaica Limited (SGJ)

For the year ended October 31, 2019:-

For the year ended October 31, 2018 Scotia Group Jamaica Limited's (SGJ) net interest income marginally declined amounting to \$25.12 billion, relative to \$25.21 billion for the corresponding period in 2018, while interest expenses declined by 19% to total \$2.61 billion (2018:\$3.20 billion). Interest income for the year decreased from \$28.41 billion in 2018 to \$27.73 billion. Net interest income for the fourth quarter rose 6% to \$6.43 billion relative to \$6.09 billion for the corresponding quarter of 2018. The Company noted, "Loan and transaction volumes continued to grow across our business lines, however lower interest rates due to stable macroeconomic environment and increased competition, resulted in margin compression."

Total other revenue increased by 18% to \$20.06 billion (2018: \$17.00 billion).

As such, total operating income for the year increased 6% to total \$42.58 billion versus \$40.29 billion for the corresponding period in 2018. Total operating income for the quarter amounted to \$10.68 billion, 27% higher than the \$8.43 billion booked for the same quarter of 2018.

Total operating expenses for the year amounted to \$24.10 billion, a 10% growth from the \$22.00 billion booked for the corresponding period in the prior financial year. The company noted, "The group's operating expenses were also higher than prior year partially due to increase fraud related expenses, as well as increased investments in technology and business optimization which we believe are necessary investments for the future, as we continue to focus on improving customer satisfaction."

Profit before taxation for the period totaled \$18.48 billion; this represents an increase of 1% from the \$18.29 billion recorded in 2018.

Profit attributable to shareholders for the period totaled \$13.19 billion, a 3% increase on the \$12.77 billion recorded in 2018. Profit attributable to shareholders for the fourth quarter totaled \$3.40 billion compared to \$1.61 billion booked for the comparable period of 2018.

*Prices are as at January 22, 2020 *Projections are made to the company's financial year end

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 22, 2020) trading session. The over night rate stood at 0.50% to 0.75% while the 30-day rate was 1.60% to 1.80%.

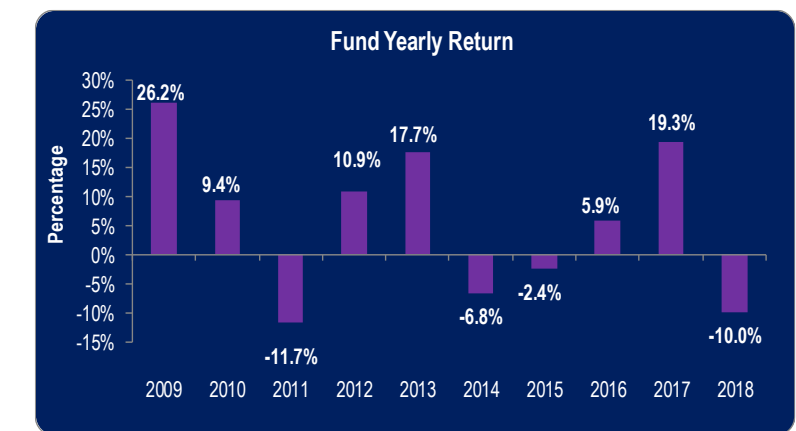
The US dollar fixed income market was also liquid during today's (January 22, 2020) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

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 8.3% and a 5 year return of 5.6%. The Fund also has a 10 year return of 4.4%. Rates are as at December 31, 2019.



“It was this day in 2018 that President Donald Trump fired the first salvo against China by raising tariffs on solar equipment and washing machines. The series of tariff hikes that ensued have slowed growth in the world’s two largest economies and erased \$416 billion from Shanghai shares, or almost \$300 for each of China’s 1.4 billion people. But given the scale of Chinese markets, that loss looks modest, representing just 5% of its current \$7.7 trillion capitalization. Bonds have been even more resilient, with the average yield on yuan-denominated debt falling by a third during this period. A weaker currency has left exports more competitive, while sovereign default risk, measured by credit-default swaps, has eased to a 13-year low.”

<https://www.bloomberg.com/news/articles/2020-01-22/trade-war-turns-two-years-old-but-china-escapes-with-flesh-wound?srnd=economics-vp>

“India may be experiencing the most glaring setback among emerging economies, but its double pain of slowing growth and surging inflation is spreading far and wide. While a debate rages over whether the latest data from India points to “stagflation,” a sixth successive quarter of economic deceleration and fifth consecutive jump in price growth are threatening “buy India,” one of the most popular emerging-market trades of the last decade. An analysis of 30 major emerging economies, based on public data and Bloomberg surveys, shows half of them slowing or stagnating in 2020. Two-thirds are set to experience a simultaneous acceleration in inflation. That’s a potent source of mini-economic crises across the group.”

<https://www.bloomberg.com/news/articles/2020-01-22/india-s-painful-double-whammy-spreads-to-other-emerging-markets?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at January 20, 2020

	Percentage (%)
Yield to Maturity	5.04
Weighted Average Coupon	5.40
Current Yield	4.04

The platinum portfolio has an effective maturity of 13.14 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.

DISCLAIMER

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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