

LOCAL STOCK MARKET: (JS) +

Stock Symbol	FOS RICH	SEP	SVL	LAS D	BIL
Current Price (\$)	4.15	48.43	23.15	3.16	71.53
Trailing EPS (\$)	0.18	1.30	0.89	0.15	2.08
P/E (times)	22.48	37.36	26.08	21.33	34.45
Projected P/E	20.73	14.83	18.49	19.51	67.77
Projected EPS (\$)*	0.20	3.27	1.25	0.16	1.06
Book Value per share (\$)	1.53	20.66	1.31	1.55	16.57
Price/Book Value (times)	2.72	2.34	17.63	2.04	4.32
Dividend Yield (2019 %)	N/A	1.67%	4.46%	1.11%	4.13%
Volumes	76,788	3,160	35,688	96,444	24,674
Recommendation	HOLD	BUY	BUY	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASERATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	142.000	106.255	139.2768	146.556	105.070	140.5614
CAN	108.000	85.512	107.3638	110.430	100.130	107.8041
GBP	184.500	145.665	175.5338	190.296	171.500	183.3662
EURO	153.000	118.600	146.4717	160.380	146.000	156.9205

*Rates as at January 23, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 24, 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%.

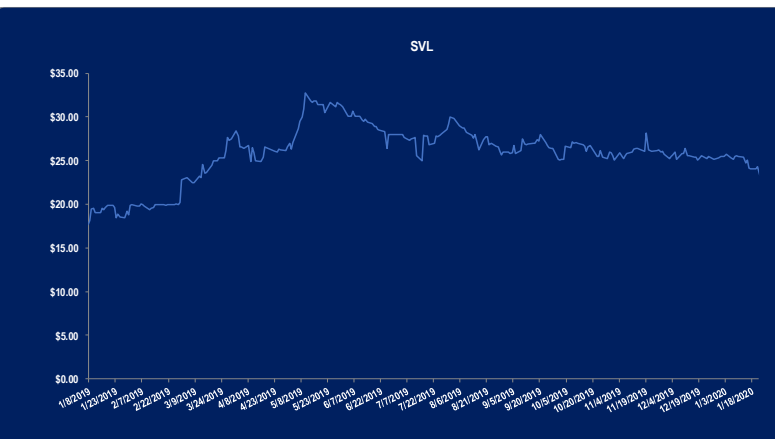
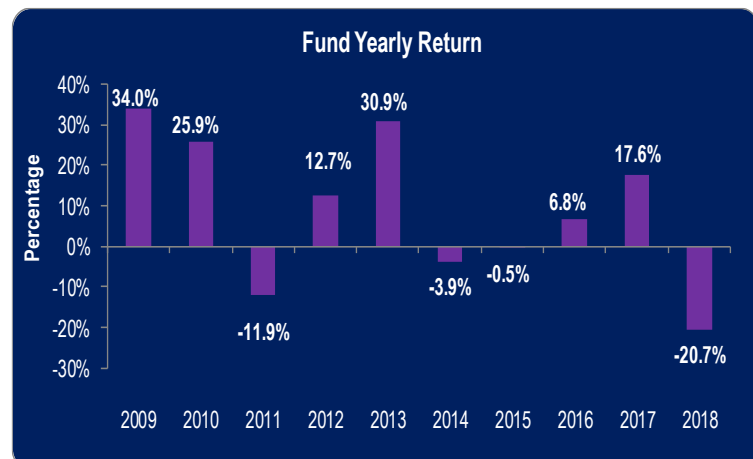
The US dollar fixed income market was also liquid during today's (January 24, 2020) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Small Companies Corporate Class

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

The fund has a 3 year return of 2.4% and a 5 year return of 2.7%. The Fund also has a 10 year return of 6.0%. Rates are as at December 31, 2019.



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).

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. The Company highlighted that, "the increase in the Group's operating expenses of \$132.38 million include Post to Post Betting expenses of \$93.8 million and can be attributed to the activities associated with various initiatives to boost revenue as well as we continue to exercise due care in the management of the operating expenses."

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).

Finance costs rose to \$81.86 million (2018: \$57.46 million). As such, profit before taxation amounted to \$2.50 billion, up from \$2.05 billion in 2018. For the quarter, profit before taxation totaled \$706.04 million (2018: \$651.91 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).

U.S.: Even the Fed Struggles to Nail Down the Meaning of ‘Full Employment’

“The year 2019 was humbling for the Federal Reserve. The central bank was forced to unwind a series of interest-rate hikes it had implemented the year before, citing strains on the U.S. economy from President Donald Trump’s trade wars and a global slowdown. In the process, the central bank appeared to be sacrificing its autonomy by caving in to Trump’s relentless demands for cheap money.”

<https://www.bloomberg.com/news/articles/2020-01-24/fed-struggles-to-nail-down-the-meaning-of-full-employment?srnd=premium-europe>

Europe: Brexit Deal Passes Penultimate EU Hurdle With Committee Approval

“Boris Johnson’s Brexit deal won support from the European Parliament’s most influential members on Thursday, making the agreement’s approval effectively a formality. The assembly’s constitutional affairs committee voted by 23 to 3 in favor of the withdrawal deal agreed between Johnson and the bloc in October. Earlier on Thursday, the agreement passed into U.K. law after being signed by Queen Elizabeth II.”

<https://www.bloomberg.com/news/articles/2020-01-23/brexit-deal-passes-penultimate-eu-hurdle-with-committee-approval?srnd=premium-europe>

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

USD Money Market

This portfolio is a full discretionary managed bond portfolio, ideal for clients who have short-term USD liquidity needs. Assets within the portfolio can be used as collateral for loans. The product provides a solid short-term investment option in hard currency and allows the individual to hedge against the prevailing devaluation in the local currency.

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

