

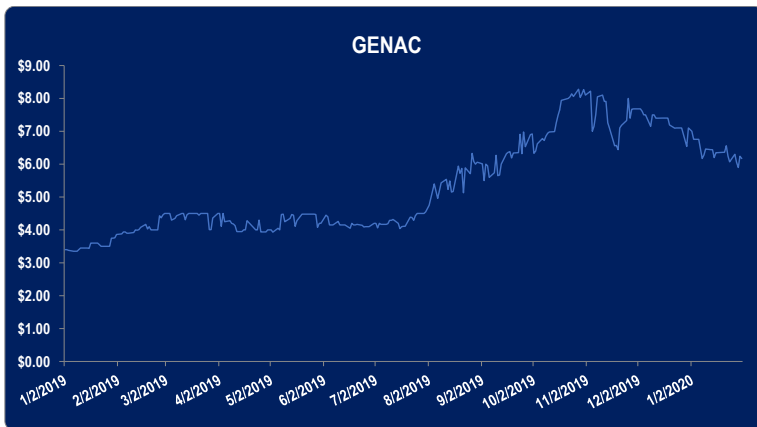
## LOCAL STOCK MARKET: (JS)<sup>+</sup>

Stock Symbol	GENAC	WIG	MEEG	S.G.J	FTNA
Current Price (\$)	6.17	0.93	5.80	55.37	6.89
Trailing EPS (\$)	0.33	0.07	0.32	4.24	0.23
P/E (times)	18.51	12.79	17.88	13.06	30.46
Projected P/E	16.81	10.34	12.97	13.07	27.38
Projected EPS (\$) <sup>+</sup>	0.37	0.09	0.45	4.24	0.25
Book Value per share (\$)	2.23	0.31	1.93	37.96	1.03
Price/Book Value (times)	2.77	2.98	3.01	1.46	6.70
Dividend Yield (2019 %)	3.91%	N/A	0.86%	7.68%	N/A
Volumes	23,349	11,750,861	28,184	31,812	60,065
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	107.045	138.1706	146.340	112.736	140.9165
CAN	108.150	85.512	102.1650	109.944	98.000	107.0928
GBP	184.500	145.416	175.0941	187.750	168.000	184.3894
EURO	157.000	118.520	155.3259	160.002	147.500	157.7204

\*Rates as at January 30, 2020



## STOCK OF THE DAY: General Accident Insurance Company Limited (GENAC)

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. Excess of loss reinsurance went up to \$99.63 million, from \$70.38 million reported in 2018 while Reinsurance ceded amounted to \$7.20 billion relative to \$6.01 billion in 2018, a 20% increase year over year. 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.

Net change in commission totalled \$18.30 million for the nine months compared to \$11.26 million booked in 2018.

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.

Total comprehensive income amounted to \$240.73 million (2018: \$126.15 million), following changes in fair value of equity investments at fair value through other comprehensive income of \$48.19 million (2018: nil).

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 31, 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%.

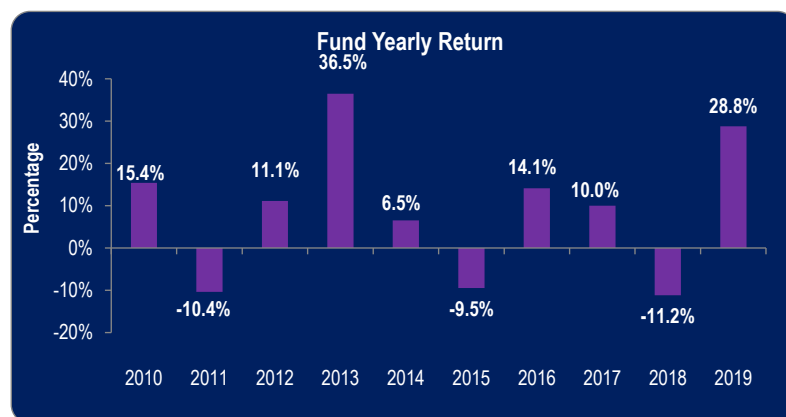
The US dollar fixed income market was also liquid during today's (January 31, 2020) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

## OVER THE COUNTER FUNDS (CI FUNDS)

### Sentry U.S. Growth and Income Corporate Class

This fund invests primarily in equity and equity-related securities of companies in the United States.

The fund has a 3 year return of 7.9% and a 5 year return of 5.4%. The Fund also has a 10 year return of 8.0%. Rates are as at December 31, 2019.



“With just days before the Iowa caucuses, a look at the first four primary states highlights how the nation’s economic might is playing out at the state level. Iowa’s economy, at the forefront of the U.S.-China trade war, continues to grow, albeit modestly. The workforce participation rate in New Hampshire has improved as the strong jobs market lures more Americans off the sidelines. Nevada is seeing its lowest unemployment rate on record. And in South Carolina, more African Americans are finding jobs.”

“The euro-area economy barely grew at the end of 2019 as unexpected contractions in France and Italy dealt the bloc its weakest quarter in almost seven years. The surprise slump in two of the region’s biggest nations is yet another blow for their governments. President Emmanuel Macron is already under fire amid protests over controversial pension reforms, while Italy’s fragile coalition is scarred by internal skirmishes.”

<https://www.bloomberg.com/news/articles/2020-01-31/election-2020-how-the-economy-will-shape-us-primary-voting?srnd=economics-vp>

<https://www.bloomberg.com/news/articles/2020-01-31/euro-area-sees-lowest-growth-since-2013-as-france-italy-shrink?srnd=premium-europe>

PLATINUM PORTFOLIO

STRUCTURED PRODUCT

Platinum Portfolio Yield Measures as at January 27, 2020

	Percentage (%)
Yield to Maturity	4.90
Weighted Average Coupon	5.403
Current Yield	3.99

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.

The platinum portfolio has an effective maturity of 13.15 years and duration of 4.64 years.

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

