

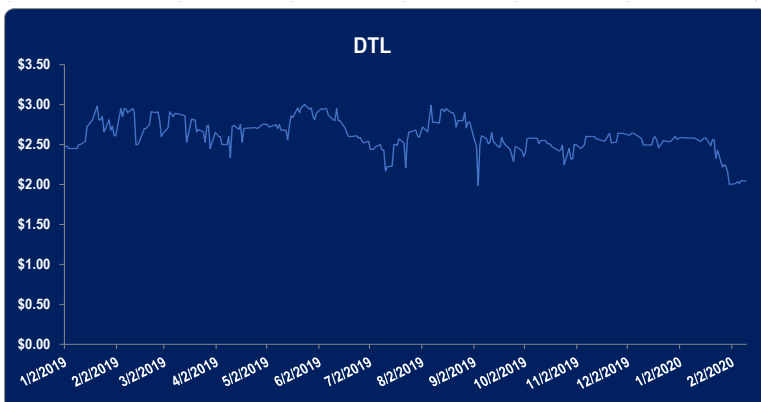
DAILY MARKET SUMMARY



VOLUME 3 February 10, 2020

LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	DTL	WIG	SVL	AMG	INDIES
Current Price (\$)	2.04	0.83	21.69	1.97	2.85
Trailing EPS (\$)	0.11	0.07	0.89	0.11	0.10
P/E (times)	18.66	11.42	24.43	17.52	28.07
Projected P/E	18.71	9.23	17.32	18.16	24.95
Projected EPS (\$) [*]	0.11	0.09	1.25	0.11	0.11
Book Value per share (\$)	0.53	0.31	1.31	1.01	0.53
Price/Book Value (times)	3.87	2.66	16.52	1.95	5.41
Dividend Yield (2019 %)	0.40%	N/A	4.46%	1.05%	N/A
Volumes	35,222	5,123,755	209,490	30,000	69,000
Recommendation	HOLD	BUY	BUY	HOLD	SELL



STOCK OF THE DAY: DERRIMON TRADING COMPANY LIMITED (DTL)

For the nine months ended September 30, 2019:

Derrimon Trading Limited (DTL), for the nine months ended September 30, 2019, reported consolidated trading income of \$9.53 billion, an increase by 50% when compared to the \$6.34 billion booked in 2018. For the quarter, the Company reported a 36% increase in trading income totalling \$2.96 billion relative to \$2.18 billion in the previous corresponding quarter. DTL indicated that, "the improvement was driven by the performance of the core business as well as positive contributions from the subsidiaries, Caribbean Flavours and Fragrances and Woodcats International Limited. Woodcats International Limited and the SM Jaleel distribution portfolio are both now experiencing their first full year of performance."

Cost of sales increased by 51% to \$7.87 billion for the period (2018: \$5.21 billion). As a result, Gross profit amounted to \$1.66 billion relative to \$1.13 billion the year prior, an increase of 46% year over year. Gross profit for the quarter totalled \$484.93 million (2018: \$357.64 million). DTL stated that, "The improvements were primarily attributed to more favourable purchasing transactions as well as the strategic focus on higher yielding products."

Other income for the period fell by 53% to close the nine months at \$20.49 million compared to \$43.75 million in 2018. For the quarter, other income closed at \$3.94 million (2018: \$19.43 million).

Finance cost increased by 43% amounting to \$159.38 million for the period versus \$111.37 million in 2018. For the quarter, finance cost closed at \$58.99 million (2018: \$43.05 million). It was noted that, "The realignment of our debt portfolio from short term to long term amortized facilities, the switching from US Dollar loans to Jamaican Dollar facilities and the re-negotiation of interest rates continued to positively impact the finance cost of the Group."

Net profit attributable to shareholders closed at \$203.55 million (2018: \$153.84 million), up 32% year over year.

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	143.000	109.257	139.8422	149.580	114.400	142.3272
CAN	107.800	85.806	102.3120	110.322	98.000	105.8360
GBP	183.500	146.371	176.8691	190.458	168.000	184.7340
EURO	154.000	119.440	149.1594	161.244	148.250	156.1045

*Rates as at February 7, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (February 10, 2020) trading session. The overnight rate stood at 0.50% to 0.75% while the 30-day rate was 1.60% to 1.80%.

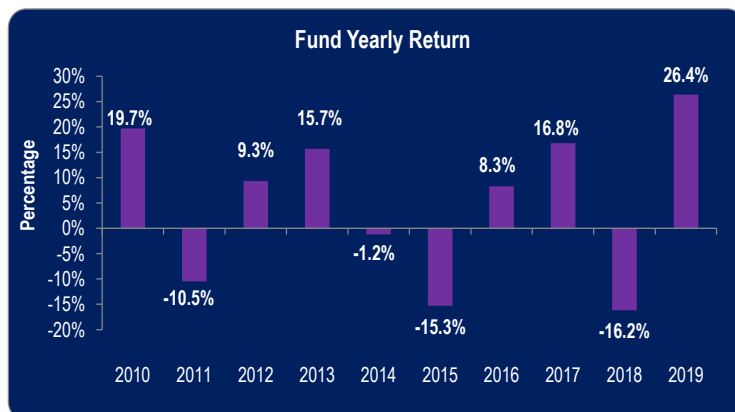
The US dollar fixed income market was also liquid during today's (February 10, 2020) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

OVER THE COUNTER FUNDS (CI FUNDS)

Synergy Canadian Corporate Class

This fund invests primarily in equity and equity-related securities of Canadian companies. It is currently expected that investments in foreign securities will generally be no more than 49% of the fund's assets.

The fund has a 3 year return of 7.4% and a 5 year return of 2.6%. The Fund also has a 10 year return of 4.3%. Rates are as at December 31, 2019.



“The Trump administration is changing a key exemption to America’s trade-remedy laws to make it easier to penalize about two dozen so-called developing countries including China, India and South Africa. The U.S. on Monday narrowed its internal list of developing and least-developed countries in order to reduce the threshold for triggering a U.S. investigation into whether nations are harming U.S. industries with unfairly subsidized exports, according to a U.S. Trade Representative notice.”

<https://www.bloomberg.com/news/articles/2020-02-10/u-s-revokes-wto-subsidy-preferences-for-some-developing-nations?srnd=economics-vp>

“European Union governments ratcheted up their negotiating demands ahead of contentious talks about the bloc’s post-Brexit relationship with the U.K. in a move that risks inflaming tensions with Downing Street. The bloc’s 27 remaining members are seeking stricter conditions on unfair competition, fishing and human rights than those set out last week by the European Commission, according to a draft of the EU’s negotiating mandate seen by Bloomberg News.”

<https://www.bloomberg.com/news/articles/2020-02-10/eu-toughens-negotiating-demands-before-brexit-trade-talks-start?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at February 10, 2020

	Percentage (%)
Yield to Maturity	4.82
Weighted Average Coupon	5.398
Current Yield	3.94

The platinum portfolio has an effective maturity of 13.10 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, www.bloomberg.com, www.investopedia.com, www.tradewire.com



www.mayberryinv.com

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