

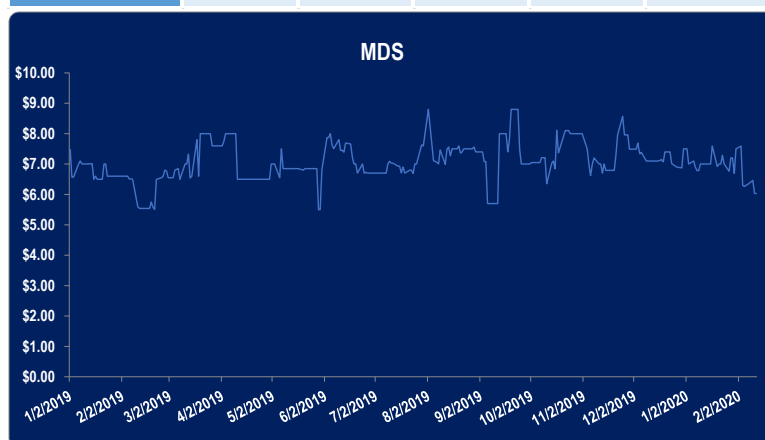
DAILY MARKET SUMMARY



VOLUME 3 February 13, 2020

LOCAL STOCK MARKET: (JS) +

Stock Symbol	MDS	SVL	WIG	FOSRICH	DCOVE
Current Price (\$)	6.03	21.70	0.76	3.97	10.00
Trailing EPS (\$)	0.33	0.89	0.05	0.18	0.58
P/E (times)	18.18	24.44	16.30	21.51	17.32
Projected P/E	17.36	17.33	14.82	19.83	20.63
Projected EPS (\$) +	0.35	1.25	0.05	0.20	0.48
Book Value per share (\$)	2.89	1.31	0.31	1.53	10.25
Price/Book Value (times)	2.09	16.53	2.43	2.60	0.98
Dividend Yield (2019 %)	1.47%	4.46%	N/A	N/A	3.64%
Volumes	NIL	90,508	14,381,492	2,000	973
Recommendation	HOLD	BUY	BUY	HOLD	SELL



STOCK OF THE DAY: MEDICAL DISPOSABLES & SUPPLIES LIMITED (MDS)

For the nine months ended December 31, 2019: -

Medical Disposables & Supplies Limited, for the nine months ended December 2019 reported Revenue amounting \$1.73 billion, an increase of 9%, relative to \$1.58 billion booked the previous year. For the third quarter revenues totalled \$603.36 million up 12% year over year (2018: \$538.67 million). MDS noted, "This improved performance was influenced by increased sales in all three business divisions of the Company."

Cost of sales went up 9% to close the period at \$1.33 billion relative to the \$1.21 billion reported for the same period last year. This resulted in gross profit which increased 9% to a total of \$398.89 million relative to the \$366.08 million for the corresponding period in 2018. This increase "resulted from increased sales arising from the introduction of new product lines and the increase in market coverage", as stated by the Company. Gross profit for the third quarter amounted to \$124.60 million, a 0.03% improvement compared to the \$124.56 million reported in 2018.

Total operating cost closed the period at \$312.25 million, up 18% (2018: \$263.56 million). The Company stated, "This increase was accounted for mainly by increases in the staff complement as well as increased selling and distribution costs which are required to support the increase in business activity." Of this, selling and promotional costs went up 23% to \$126.38 million (2018: \$103.10 million). In addition, administrative expenses increased by 12% to \$163.88 million from \$146.82 million documented in the same period last year. Notably, the company booked other operating income of \$4.33 million for the period ended December 31, 2019 relative an income of \$4.08 million of the same period in 2018. Depreciation for the nine months amounted to \$21.93 million, 20% more than the \$18.34 million reported in 2018.

Consequently, net profit for the period amounted to \$29.17 million relative to \$54.63 million in 2018, a 47% decrease year over year, after a tax charge of \$4.16 million for the period. Net profit for the quarter amounted to \$6.53 million (2018: \$19.79 million).

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	143.500	111.200	140.1224	150.336	114.816	142.5391
CAN	108.000	86.184	107.3320	110.808	98.000	106.7760
GBP	185.700	147.076	181.6812	191.376	170.000	183.9407
EURO	158.730	119.200	149.1038	162.097	144.000	155.8855

*Rates as at February 12, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (February 13, 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%.

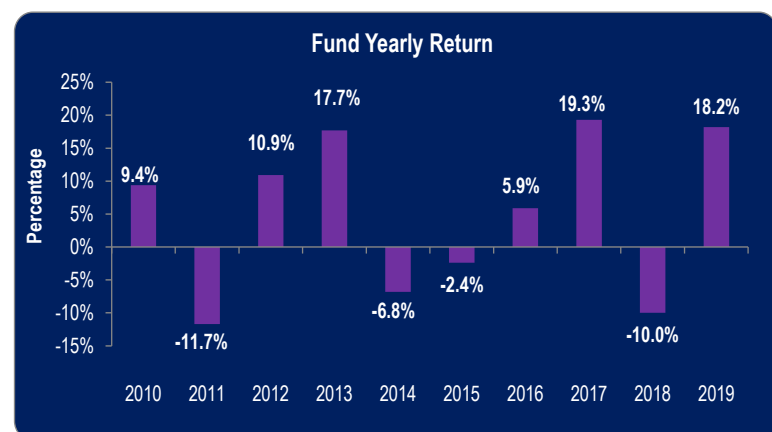
The US dollar fixed income market was also liquid during today's (February 13, 2020) trading session; The over-night market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

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 6.3% and a 5 year return of 4.9%. The Fund also has a 10 year return of 4.4%. Rates are as at January 31, 2020.



“When President Donald Trump signed the U.S.-Mexico-Canada-agreement at the White House in late January, he said a variation of the word “thanks” 54 times in 37 minutes to people in attendance who helped him do the deal. But there’s one more favor he needs from someone who wasn’t in the room: Canadian Prime Minister Justin Trudeau. That’s because USMCA has a final gauntlet to run — Canada’s parliament — before anyone can fully claim credit for updating Nafta.”

<https://www.bloomberg.com/news/articles/2020-02-13/trade-war-latest-trump-s-usmca-deal-goes-next-through-ottawa?snd=premium>

“European weak economic growth is set to continue this year, the bloc’s executive said, warning that a deadly viral outbreak could further damp the outlook. A month after a U.S.-China deal offered hope for global trade and industry, the coronavirus that’s killed more than 1,000 people in China and crippled parts of the country’s manufacturing capacity has pushed the world into a new crisis. The European Commission singled it out as a “key downside risk.”

<https://www.bloomberg.com/news/articles/2020-02-13/europe-s-recovery-from-manufacturing-slump-hit-by-coronavirus?snd=premium-europe>

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 Platinum

The Mayberry Platinum portfolio is ideal for investors seeking a short to medium-term investment with returns denominated in hard currency. The portfolio comprises Investment Grade corporate and sovereign bonds, which provide strong yield and performance. The primary objective of this product is to provide our clients with income as well as capital appreciation. The Platinum portfolio enables the client to take full advantage of a diversified bond portfolio and is ideal for persons who do not have the time to actively manage their own portfolio.

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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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