

DAILY MARKET SUMMARY

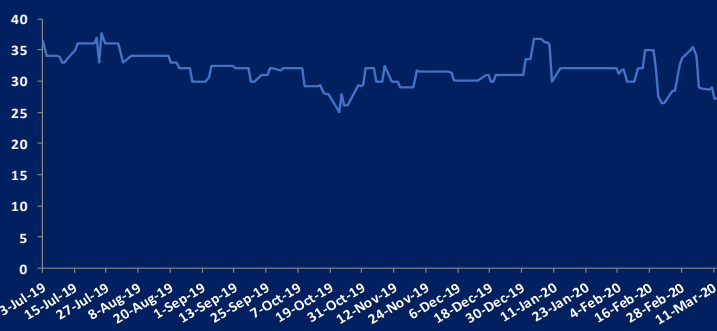


VOLUME 3 March 13, 2020

LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	SALF	SEP	GENAC	LAS M	JP
Current Price (\$)	27.27	41.98	5.39	2.93	20.11
Trailing EPS (\$)	1.64	1.74	0.41	0.28	1.07
P/E (times)	16.68	24.16	13.18	10.45	18.74
Projected P/E	15.73	21.54	12.20	9.73	18.02
Projected EPS (\$)*	1.73	1.95	0.44	0.30	1.12
Book Value per share (\$)	9.12	20.73	2.33	1.57	12.33
Price/Book Value (times)	2.99	2.03	2.31	1.86	1.63
Dividend Yield (2019 %)	3.29%	1.67%	3.91%	1.65%	N/A
Volumes	341	278,094	67,413	115,800	96,263
Recommendation	BUY	HOLD	HOLD	BUY	SELL

SALF



STOCK OF THE DAY: Salada Foods Jamaica Limited (SALF)

For the first quarter ended December 31, 2019: -

Salada Foods Jamaica Limited (SALF), for the quarter ended December 31, 2019, recorded a 67% increase in turnover to \$288.46 million (2018: \$172.34 million). The company stated that, "Revenue improvements were attributed to increased sales in both domestic and export markets."

Cost of sales for the period increased by 61% to close the quarter at \$223.18 million relative to \$138.33 million in 2018. As such, gross profit for the quarter amounted \$65.28 million, a 92% increase year over year from the \$34.01 million booked in 2018. The Company noted, "Increased manufacturing costs attributed to the use of Jamaica Blue Mountain green beans coupled with increased factory maintenances charges in the quarter drove cost of sales upwards reducing profitability."

Other operating income for the first three months amounted to \$501,000 (2018: nil).

Administrative expenses decreased by 12% to \$31.40 million (2018: \$35.59 million). Selling and promotional expense increased 11% from \$14.14 million in 2018 to \$15.63 million.

Consequently, this resulted in an operating profit of \$18.75 million, this compares with the operating loss of \$15.73 million reported for the corresponding quarter for prior year. Despite the decline in administrative expenses, the company noted that "profitability continues to be impacted by the JACRA cess on green beans, of which \$20.71 million was absorbed into production for the quarter."

The company reported net finance cost of \$11.52 million for the quarter; this compares to the net finance cost of \$3.63 million for the same period in 2018.

Profit before taxation amounted to \$7.23 million for the first quarter ended December 31, 2019. This compares with the pre-tax loss of \$19.36 million booked for the prior corresponding quarter. Net profit totaled \$5.42 million for the period, relative to net loss of \$23.08 million reported in 2018.

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	138.000	103.490	134.4592	144.425	102.700	136.2728
CAN	100.400	79.464	96.0501	103.500	92.000	98.6783
GBP	182.390	138.112	176.7826	182.196	163.600	173.4760
EURO	150.500	120.622	146.5004	159.300	143.500	154.6036

*Rates as at March 12, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (March 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 (March 13, 2020) trading session; The overnight market rates were quoted at 1.80% to 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

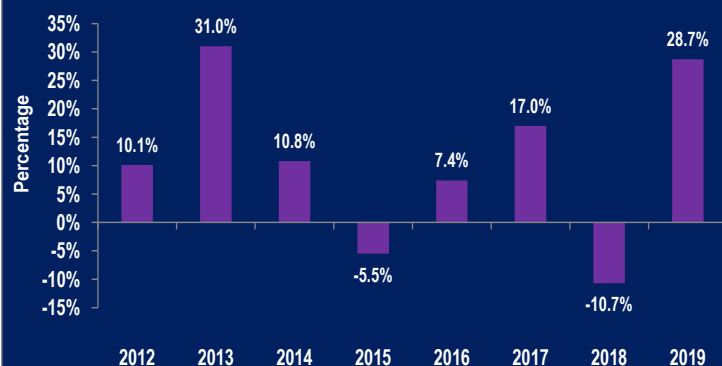
Over The Counter Funds (CI FUNDS)

CI American Value 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 4.8% and a 5 year return of 4.0%. The Fund also has a 10 year return of 8.2%. Rates are as at February 29, 2020.

Fund Yearly Return



“U.S. stock index futures rebounded from the worst sell-off in 30 years, surging to exchange-mandated levels that prevent further gains as hopes for a more robust policy response increase. Contracts on the S&P 500 that expire in June rose to 2,582 as of 8:19 a.m. in New York, hitting the 5% cap on gains from a reference price calculated by in the final 30 seconds of trading. The underlying index sank 9.5% Thursday, leaving it 27% from a record set just three weeks ago and ending the longest bull run in history.”

<https://www.bloomberg.com/news/articles/2020-03-12/u-s-futures-drop-giving-no-reprieve-from-stock-sell-off?smd=premium>

“Sweden’s Riksbank has decided to lend up to 500 billion kronor (\$51 billion) to the country’s banks in an effort to maintain the supply of credit to Swedish companies. The measure “should be regarded as a form of insurance that enables Swedish companies — particularly small and medium-sized enterprises — to feel secure that the credit supply will not fail,” said Governor Stefan Ingves. The loans will be granted at a variable interest rate equivalent to the Riksbank’s repo rate, at present 0%, and will have a maturity of two years, according to a statement on Friday.”

<https://www.bloomberg.com/news/articles/2020-03-13/riksbank-rolls-out-51-billion-loan-plan-to-ward-off-recession?smd=premium-europe>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at March 09, 2020

	Percentage (%)
Yield to Maturity	4.53
Weighted Average Coupon	5.351
Current Yield	4.13

The platinum portfolio has an effective maturity of 13.77 years and duration of 4.68 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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