

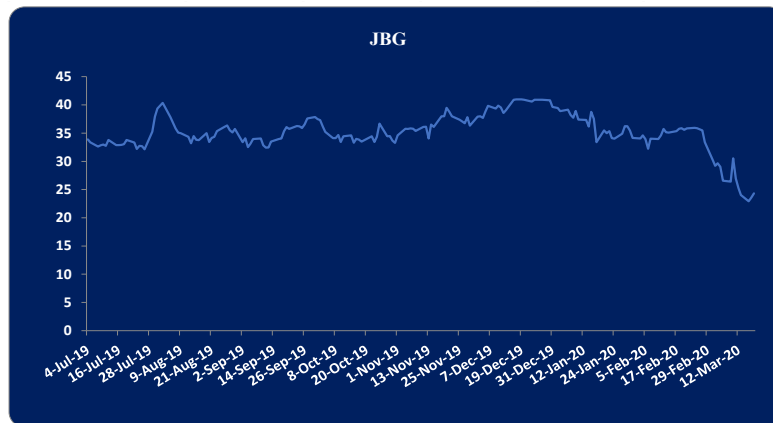
# DAILY MARKET SUMMARY



VOLUME 3 March 23, 2020

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

Stock Symbol	MEEG	LASD	JBG	PTL	GK
Current Price (\$)	3.96	2.54	24.32	2.00	54.83
Trailing EPS (\$)	0.45	0.15	1.81	0.04	4.51
P/E (times)	8.75	16.67	13.46	47.70	12.16
Projected P/E	9.21	13.87	14.24	47.97	11.85
Projected EPS (\$) <sup>*</sup>	0.43	0.18	1.71	0.04	4.63
Book Value per share (\$)	2.16	1.60	13.45	0.51	52.59
Price/Book Value (times)	1.83	1.59	1.81	3.95	1.04
Dividend Yield (2019 %)	0.86%	1.11%	1.34%	N/A	2.44%
Volumes	8,332	9,994	140,257	4,956	80,577
Recommendation	BUY	HOLD	HOLD	SELL	HOLD



## STOCK OF THE DAY: Jamaica Broilers Group (JBG)

### For the nine months ended January 31, 2019:

For the nine months ended January 31, 2020, Jamaica Broilers Group (JBG) reported total revenues of \$40.58 billion, a 1% increase on the \$40.27 billion reported in 2019. The Jamaica Operations contributed \$26.14 billion (2019: \$26.59 billion).

Cost of Sales grew by 1% to \$30.63 billion from \$30.46 billion in 2019. As such, gross profit for the nine months reflected an increase of 1% to close at \$9.94 billion versus \$9.80 billion booked for the corresponding period in 2019.

Other income fell 40% from \$304.26 million in 2019 to \$183.72 million in 2020. Distribution costs decreased by 7% to close at \$1.31 billion relative to \$1.42 billion recorded for the prior year's comparable period, while administration and other expenses increase marginally by 2% to \$6.61 billion (2019: \$6.48 billion).

Operating profit for the period thus decreased by 1%, totalling \$2.20 billion relative to \$2.22 billion for the nine months ended January 2019.

JBG reported a nine months finance income of \$36.46 million (2019: \$328.41 million), a decline of 89% year over year. Profit before taxation for the period decreased to \$1.48 billion (2019: \$1.82 billion). Tax charges for the nine months totalled \$343.23 million (2019: \$408.24 million).

As such, net profit amounted to \$1.14 billion, a 19% decrease compared to the \$1.41 billion booked for the same period in 2019. Net profit attributable to shareholders amounted to \$1.19 billion relative to \$1.38 billion booked for the comparable period in 2019. Net profit attributable to shareholders for the third quarter closed at \$499.96 million (2019: \$754.56 million).

Total comprehensive income for the period amounted to \$1.49 billion relative to \$1.52 billion recorded in 2019.

Consequently, earnings per share totalled \$0.42 relative to \$0.63 booked for the third quarter of 2019, while for the nine months ended January 2020, the EPS amounted to \$0.99 (2019: \$1.15). The trailing earnings per share amounted to \$1.81. The total shares used in our calculation amounted to 1,199,276,400 units.

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	139.500	103.490	135.0730	149.340	106.627	136.5076
CAN	96.560	74.886	91.6041	101.528	87.000	94.6908
GBP	180.320	127.986	170.5898	168.000	148.000	161.3651
EURO	145.500	114.144	140.8353	155.904	138.000	146.9208

\*Rates as at March 20, 2020

## MONEY MARKET

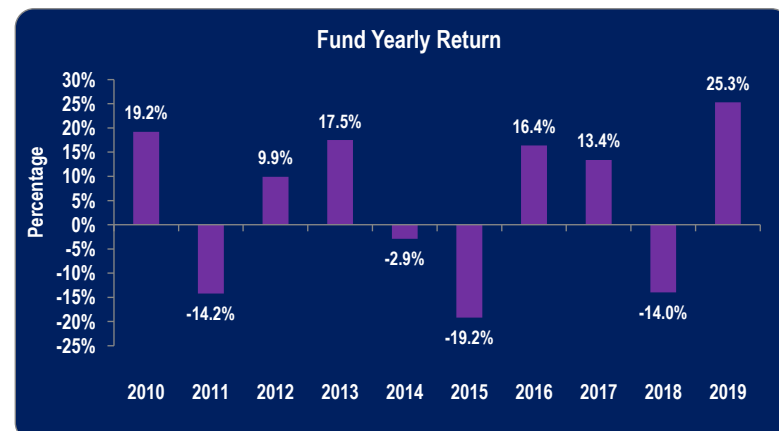
The Jamaican dollar fixed income market was liquid in today's (March 23, 2020) trading session. The over night rate stood at 0.50% to 0.85%, while the 30-day rate was 1.80% to 2.10%.

The US dollar fixed income market was also liquid during today's (March 23, 2020) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.40% to 2.50%.

## Over The Counter Funds (CI FUNDS)

### Signature Global Resource Corporate Class

This fund invests primarily in shares of major Canadian corporations. 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 3.2% and a 5 year return of 1.9%. The Fund also has a 10 year return of 3.2%. Rates are as at February 29, 2020.



<sup>+</sup>Prices are as at March 20, 2020 <sup>\*</sup>Projections are made to the company's financial year end

“The Federal Reserve, racing again to contain mounting economic and financial-market fallout from the coronavirus, unveiled a sweeping series of measures that pushed the 106-year old central bank deeper into uncharted territory. In a surprise announcement Monday before markets opened in New York, the U.S. central bank said it will buy unlimited amounts of Treasury bonds and mortgage-backed securities to keep borrowing costs at rock-bottom levels -- and to help ensure chaotic markets function properly. It also set up programs to ensure credit flows to corporations as well as state and local governments.”

<https://www.bloomberg.com/news/articles/2020-03-23/fed-signals-unlimited-ge-adds-aid-for-companies-municipalities?srd=premium>

“Europe is about to learn how badly the coronavirus has already scarred its economy, with the true extent of the damage still hard to grasp. Large parts of the continent are under lockdown to rein in the disease, affecting everything from mom-and-pop stores to manufacturing giants like Volkswagen AG, and pushing the region into recession. Reports due on activity and sentiment in March could show huge declines, reflecting the unprecedented paralysis of the economy.”

<https://www.bloomberg.com/news/articles/2020-03-23/europe-is-about-to-get-first-glimpse-at-virus-economic-damage?srd=premium-europe>

## PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at March 23, 2020

	Percentage (%)
<b>Yield to Maturity</b>	4.99
<b>Weighted Average Coupon</b>	5.225
<b>Current Yield</b>	4.99

The platinum portfolio has an effective maturity of 13.39 years and duration of 4.33 years.

## STRUCTURED PRODUCT

### Mayberry Individual Retirement Plan (IRP)

IRP is a Retirement Scheme for all persons who are self employed or are employed in non-pensionable positions and do not otherwise contribute to an approved Superannuation Fund or an-other approved Retirement Scheme. The IRP will help some people make substantially greater contributions then they might otherwise do.

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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](http://www.jamstockex.com), [www.bloomberg.com](http://www.bloomberg.com), [www.investopedia.com](http://www.investopedia.com), [www.tradewire.com](http://www.tradewire.com)



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