

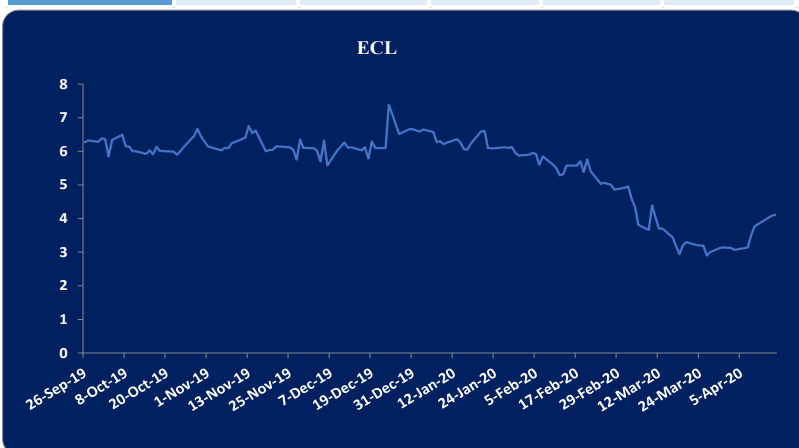
# DAILY MARKET SUMMARY



VOLUME 3 April 15, 2020

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

Stock Symbol	ECL	DCOVE	BPOW	GENAC	LASM
Current Price (\$)	4.11	7.78	4.20	5.13	4.01
Trailing EPS (\$)	0.32	0.54	0.07	0.41	0.28
P/E (times)	12.89	14.28	60.06	12.55	14.32
Projected P/E	12.03	13.88	36.63	11.62	13.34
Projected EPS (\$) <sup>+</sup>	0.34	0.56	0.11	0.44	0.30
Book Value per share (\$)	0.39	9.68	1.68	2.33	1.57
Price/Book Value (times)	10.44	0.80	2.49	2.20	2.55
Dividend Yield (2019 %)	N/A	3.64%	0.40%	3.91%	1.65%
Volumes	182,147	16,026	3,300	193,037	92,976
Recommendation	BUY	HOLD	SELL	BUY	HOLD



## STOCK OF THE DAY: Express Catering Limited (ECL)

### for the six months ended November 30, 2019:-

Express Catering Limited (ECL) for the six months ended November 30, 2019 reported a 9% increase in revenue to US\$7.81 million (2018: US\$7.18 million). Revenue for the quarter advanced 5% to close at \$3.28 million relative to \$3.12 million reported the previous year.

Cost of sales (COS) increased by 10% for the period to US\$2.13 million (2018: US\$1.93 million). As a result gross profit increased year-on-year for the six month period by 8%, from US\$5.25 million in 2018 to US\$5.68 million in 2019. Gross profit for the second quarter improved from US\$2.28 million in 2018 to US\$2.38 million for the six months ended November 30, 2019.

Other income grew by 27% to close the period at US\$173 versus \$136 booked in the previous corresponding period. For the quarter, ECL posted other loss of US\$7,364 versus other income of US\$33 recorded in the prior comparable quarter.

Total expenses increased by 9% for the period in review to US\$3.97 million for 2019, up from US\$3.64 million booked for the six months ended November 30, 2018. This increase was associated with a 9% increase in administrative expenses to US\$3.63 million from US\$3.33 million in the six months ended November 30, 2018. Depreciation and Amortization saw an 8% jump to US\$306,929 compared to US\$285,454 for 2018. Promotional expenses saw a 33% increase from US\$23,017 in 2018 to US\$30,668 documented in the period under review. Total expenses for the quarter rose 4% to close at US\$1.77 million (2018: \$1.70 million).

Consequently, operating profit increased by 7% to US\$1.71 million (2018: US\$1.61 million). Operating profit for the quarter totalled US\$602,996 a 4% rise relative to US\$579,119 booked for the corresponding quarter of 2018.

Finance cost of US\$160,064 (2018: US\$169,838) was incurred, while foreign exchange loss for the six months amounted to US\$20,588 compared to a loss of US\$16,917 for the corresponding period in 2018.

There was no tax incurred, as such, profit for the period amounted to US\$1.53 million, 8% above the US\$1.42 million recorded for the first six months of 2018. For the quarter, net profit amounted to US\$493,415 versus US\$481,317 booked for the comparable period in 2018.

The twelve-month earnings-per-share was US0.235 cents, while for first six month ended November 2019, EPS amounted to US0.094 cents (2018: US0.087 cents). Earnings per share for the quarter amounted to US0.030 cents (2018: US0.029 cents). The number of shares used in our calculations was

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	140.500	118.000	136.9405	141.300	121.000	138.5093
CAN	100.000	80.000	95.7202	101.500	85.000	99.4573
GBP	177.200	140.000	168.4185	182.000	150.000	174.6695
EURO	146.900	124.000	145.0185	154.700	127.000	153.3156

\*Rates as at April 14, 2020

## MONEY MARKET

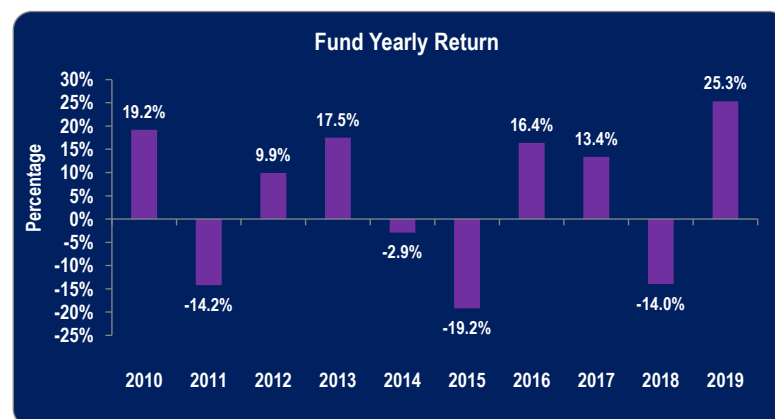
The Jamaican dollar fixed income market was liquid in today's (April 15, 2020) trading session. The over night rate stood at 0.30% to 0.50%, while the 30-day rate was 1.70% to 1.90%.

The US dollar fixed income market was also liquid during today's (April 15, 2020) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.40% to 2.60%.

## Over The Counter Funds (CI FUNDS)

### CI Canadian Investment 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 -4.2% and a 5 year return of -2.0%. The Fund also has a 10 year return of 0.3%. Rates are as at March 31, 2020.



“U.S. retail sales tumbled in March by the most on record as the coronavirus forced thousands of the nation’s merchants to close and left millions of Americans without a paycheck. The value of overall sales fell 8.7% from the prior month, the biggest decline in records dating back to 1992, Commerce Department figures showed Wednesday. Estimates ranged from no change to a 24% drop, with a median projection of an 8% decline.”

<https://www.bloomberg.com/news/articles/2020-04-15/u-s-retail-sales-plunged-by-record-8-7-in-march-amid-pandemic?srnd=premium>

“China criticized U.S. President Donald Trump’s move to temporarily halt funding to the World Health Organization and pledged to support the global health body. Trump on Tuesday said he ordered the move against the WHO because it took China’s claims about the coronavirus “at face value” and failed to share information about the pandemic as it spread. China has “serious concerns” about the decision and called on the U.S. to fulfill its responsibilities, foreign ministry spokesperson Zhao Lijian said at a briefing in Beijing on Wednesday.”

<https://www.bloomberg.com/news/articles/2020-04-15/china-blasts-trump-s-move-to-pull-who-funding-pledges-support?srnd=premium>

## PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at April 14, 2020

	Percentage (%)
<b>Yield to Maturity</b>	5.66
<b>Weighted Average Coupon</b>	5.225
<b>Current Yield</b>	6.09

The platinum portfolio has an effective maturity of 12.79 years and duration of 4.37 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](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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