

DAILY MARKET SUMMARY

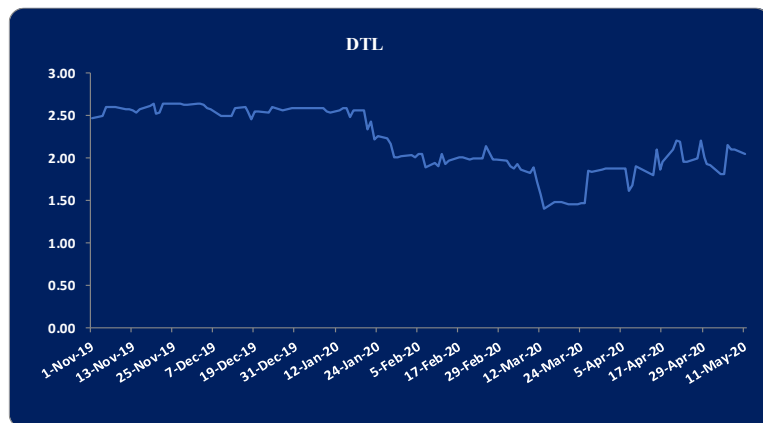


VOLUME 3 May 27, 2020

LOCAL STOCK MARKET: (JS) +

| Stock Symbol | SVL | LASM* | DTL* | MTL | WIG* |
|---------------------------|---------|-----------|---------|--------|-----------|
| Current Price (\$) | 14.97 | 4.10 | 2.52 | 0.18 | 0.86 |
| Trailing EPS (\$) | 0.97 | 0.28 | 0.11 | 0.01 | 0.05 |
| P/E (times) | 15.43 | 14.64 | 21.95 | 15.11 | 18.44 |
| Projected P/E | 15.31 | 13.64 | 19.48 | 23.61 | 16.77 |
| Projected EPS (\$)† | 0.98 | 0.30 | 0.13 | 0.01 | 0.05 |
| Book Value per share (\$) | 1.48 | 1.57 | 0.52 | 0.07 | 0.31 |
| Price/Book Value (times) | 10.10 | 2.61 | 4.81 | 2.43 | 2.77 |
| Dividend Yield (2019 %) | 4.46% | 1.65% | 0.40% | 1.15% | N/A |
| Volumes | 706,234 | 6,099,978 | 211,000 | 23,800 | 5,782,394 |
| Recommendation | BUY | HOLD | HOLD | SELL | HOLD |

*-Long Term Buy



STOCK OF THE DAY: Derrimon Trading Limited (DTL)

For the three months ended March 31, 2019:

Derrimon Trading Limited (DTL), for three months ended March 31, 2020, reported trading income of \$3.32 billion compared to the \$3.15 billion booked for the prior year's comparable period, a 5% increase.

Cost of sales increased by 4% to \$2.71 billion for the period (2019: \$2.60 billion). As a result, Gross profit amounted to \$612.71 million relative to \$552.12 million for the prior comparable period, an increase of 11% year over year.

Other income for the period under review rose 360% to close the quarter at \$22.65 million relative to \$4.92 million booked in the prior comparable period.

Total operating expenses totalled \$473.38 million for the period under review, representing a growth of 14% on the \$414.20 million recorded in the prior year's corresponding quarter. Of this, Administrative expenses amounted to \$373.18 million, 16% higher when compared to the \$320.68 million in 2019. Selling and distribution expenses recorded a 7% increase for the quarter, totalling \$100.21 million (2019: \$93.52 million).

For the quarter, finance cost closed at \$49.30 million versus \$58.28 million in the 2019, a 15% decline year over year.

Consequently, profit before taxation grew to \$112.67 million compared to \$84.57 million in 2019. After incurring tax charges of \$13.85 million (2019: \$10.57 million), net profit amounted to \$98.82 million, a 34% growth when compared to \$74 million reported for the first quarter of 2019. Net profit attributable to shareholders amounted to \$91.62 million compared to \$68.51 million recorded in 2019.

Earnings per share (EPS) for the quarter closed the period at \$0.034 (2019: \$0.025), The twelve months trailing earnings per share amounted to \$0.12. The total number of shares used in the computation amounted to 2,733,360,670 units.

†Prices are as at May 27, 2020 *Projections are made to the company's financial year end

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

| Currency | PURCHASE RATE | | | SALES RATE | | |
|----------|---------------|---------|-----------------------|------------|---------|-----------------------|
| | Highest | Lowest | Weighted Average Rate | Highest | Lowest | Weighted Average Rate |
| USD | 147.500 | 125.500 | 143.9027 | 149.000 | 131.000 | 145.1073 |
| CAN | 105.800 | 90.000 | 103.3786 | 108.500 | 91.000 | 105.8185 |
| GBP | 179.700 | 160.000 | 173.6637 | 183.902 | 163.000 | 176.1630 |
| EURO | 155.100 | 137.000 | 150.6860 | 161.663 | 139.550 | 158.7568 |

*Rates as at May 26, 2020

MONEY MARKET

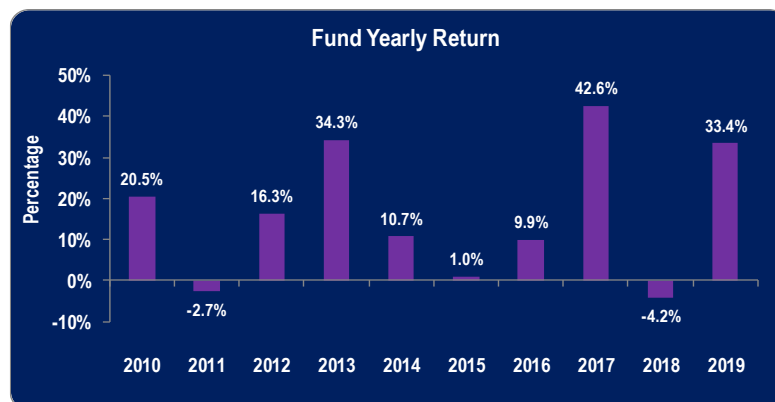
The Jamaican dollar fixed income market was liquid in today's (May 27, 2020) trading session. The over night rate stood at 0.30% to 0.50%, while the 30-day rate was 1.10% to 1.30%.

The US dollar fixed income market was also liquid during today's (May 27, 2020) trading session; The overnight market rates were quoted at 1.80% while the 30-day market rates stood at 2.20% to 2.50%.

Over The Counter Funds (CI FUNDS)

Signature Global Technology Corporate Class

This fund invests primarily in equity and equity-related securities of companies around the world that have developed or are developing technological products, processes or services. The fund has a 3 year return of 15.7% and 5 year return of 14.7%. The Fund also has a 10 year return of 14.5%. Rates are as at April 30, 2020.



U.S.: The Fed Boldly Saves Markets. Now It's Worrying About Main Street Business

"The Federal Reserve's next front in the battle to support the U.S. economy is to prevent millions of American small businesses from becoming the Achilles heel of the recovery. Fed Chairman Jerome Powell told the Senate Banking Committee last week that he's concerned about America's "jobs machine" -- its small and medium sized firms -- tipping into bankruptcy and destroying the "work of many families and generations." If that happens, there will be fewer jobs when state governors declare it's safe for households to go back to work. The central bank is tasked with avoiding that outcome through its Main Street lending program approved by Congress, but it's already proved a harder endeavor than imagined. The Fed is under increasing scrutiny about the facility -- one of its riskiest undertakings ever -- because it's still not operational."

<https://www.bloomberg.com/news/articles/2020-05-27/fed-boldly-saves-markets-and-now-frets-for-main-street-business?srnd=economics-vp>

Europe: EU Aims to Back Struggling South With Fiscal Shock and Awe

"The European Commission unveiled an unprecedented stimulus plan to tackle the worst recession in living memory and underwrite struggling Italy's membership of the 27-nation bloc. The government in Rome stands to receive 82 billion euros (\$90 billion) in emergency grants and up to 91 billion euros in low-interest loans from the package that could be worth as much as 750 billion euros in total, according to an official who asked not to be named. The program, which still needs to win the backing of member states, would be funded by joint debt issuance in a significant step toward closer financial integration, according to details of the proposal posted on the commission's website."

<https://www.bloomberg.com/news/articles/2020-05-27/eu-commission-proposes-750-billion-euro-fiscal-stimulus-package>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at May 26, 2020

| | Percentage (%) |
|--------------------------------|----------------|
| Yield to Maturity | 5.29 |
| Weighted Average Coupon | 4.991 |
| Current Yield | 5.78 |

The platinum portfolio has an effective maturity of 12.89 years and duration of 4.21 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.

DISCLAIMER

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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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