

DAILY MARKET SUMMARY

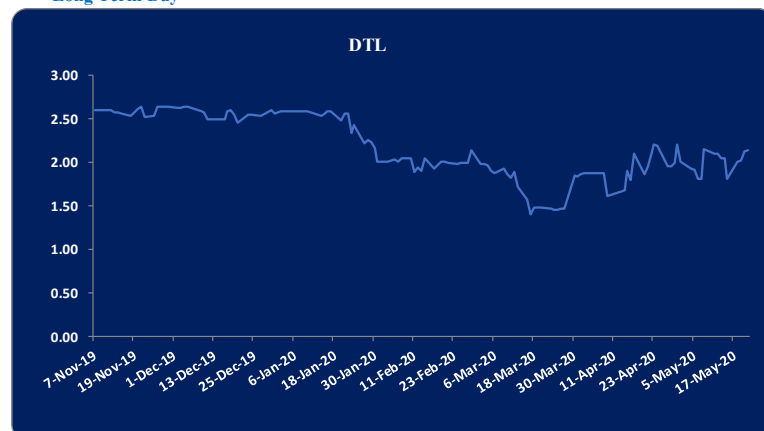


VOLUME 3 June 23, 2020

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	HONBUN	CHL	FTNA	DTL*	MAILPAC
Current Price (\$)	5.31	7.50	4.92	2.30	1.88
Trailing EPS (\$)	0.30	0.34	0.27	0.11	0.13
P/E (times)	17.89	22.09	18.26	20.03	14.14
Projected P/E	16.27	30.82	17.25	17.78	13.33
Projected EPS (\$)*	0.33	0.24	0.29	0.13	0.14
Book Value per share (\$)	1.72	1.23	1.16	0.52	0.18
Price/Book Value (times)	3.09	6.10	4.24	4.39	10.32
Dividend Yield (2019 %)	1.54%	1.60%	N/A	0.40%	N/A
Volumes	103,044	59	11,483,741	15,620	30,777,290
Recommendation	HOLD	SELL	HOLD	HOLD	BUY

*-Long Term Buy



STOCK OF THE DAY: Derrimon Trading Limited (DTL)

For the three months ended March 31, 2020:

Derrimon Trading Limited (DTL), for the 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. Management noted, "The realignment of our debt portfolio from short term to long term amortized facilities continues to have a positive effect on the Group by way of lower interest cost."

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.

FOREIGN EXCHANGE MARKET TRADING SUMMARY

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	143.750	110.565	140.2586	147.420	127.000	140.6510
CAN	106.250	83.622	105.4911	107.856	94.000	106.0827
GBP	178.500	139.025	169.3316	182.592	165.000	175.8393
EURO	154.200	125.000	151.5390	163.276	150.000	162.7299

*Rates as at June 22, 2020

MONEY MARKET

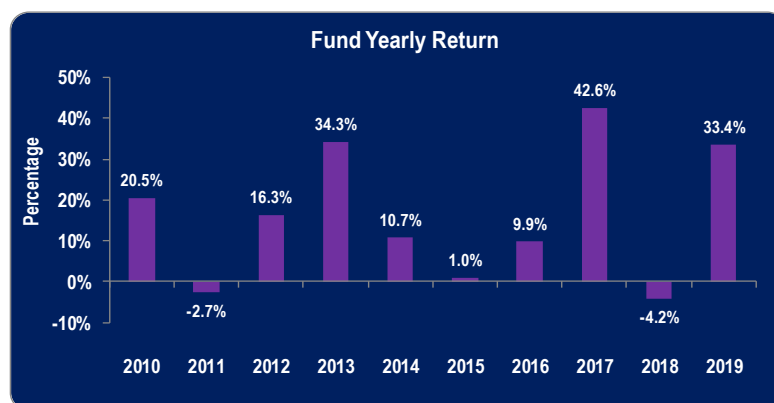
The Jamaican dollar fixed income market was liquid in today's (June 23, 2020) trading session. The over night rate stood at 0.30% to 0.50%, while the 30-day rate was 1.00% to 1.20%.

The US dollar fixed income market was also liquid during today's (June 23, 2020) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.80% to 2.00%.

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 16.9% and 5 year return of 15.2%. The Fund also has a 10 year return of 16.3%. Rates are as at May 31, 2020.



⁺Prices are as at June 23, 2020 *Projections are made to the company's financial year end

"U.S. President Donald Trump said the phase one trade deal with China was "fully intact," after his adviser Peter Navarro sowed confusion and spurred a temporary stock slump with comments interpreted as a decision to end the agreement. "The China Trade Deal is fully intact. Hopefully they will continue to live up to the terms of the Agreement!" Trump said in a Twitter post late Monday."

"Germany will start recovering this summer from its worst recession in recent history and bounce back strongly next year from the pandemic-induced slump, according to the country's leading economic experts. Europe's largest economy will contract 6.5% this year and grow 4.9% in 2021, according to the latest forecast by the Council of Economic Experts, an advisory group to Chancellor Angela Merkel's government also known as the Five Sages."

<https://www.bloomberg.com/news/articles/2020-06-23/trump-says-china-trade-deal-fully-intact?smd=premium>

<https://www.bloomberg.com/news/articles/2020-06-23/german-economic-recovery-to-begin-in-summer-merkel-advisers-say?smd=premium-europe>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at June 22, 2020

	Percentage (%)
Yield to Maturity	4.88
Weighted Average Coupon	4.991
Current Yield	5.52

The platinum portfolio has an effective maturity of 12.70 years and duration of 4.64 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.

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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SOLUTIONS • RETIREMENT PLANNING SOLUTIONS