

# DAILY MARKET SUMMARY



VOLUME 3 July 20, 2020

## LOCAL STOCK MARKET: (JS) +

Stock Symbol	WIG	DCOVE	MTL	LASM*	SML
Current Price (\$)	0.77	8.00	0.16	3.74	4.70
Trailing EPS (\$)	0.06	0.51	0.01	0.24	0.36
P/E(times)	12.78	15.68	13.43	15.71	13.00
Projected P/E	12.12	23.06	20.98	13.98	13.19
Projected EPS (\$)*	0.06	0.35	0.01	0.27	0.36
Book Value per share (\$)	0.31	9.84	0.07	1.63	5.39
Price/Book Value (times)	2.45	0.81	2.16	2.29	0.87
Dividend Yield (2019 %)	N/A	3.64%	1.15%	1.65%	4.50%
Volumes	1,817,494	NIL	NIL	3,230	1,800
Recommendation	BUY	SELL	SELL	HOLD	HOLD

\*-Long Term Buy



## STOCK OF THE DAY: Wigton Windfarm Limited (WIG)

For the year ended March 31, 2020:

Wigton Windfarm Limited, for the year ended March 31, 2020, reported sales of \$2.42 billion, a 1% decline on the \$2.45 billion reported in the prior year. For the quarter, sales amounted to \$588.21 million (2019: \$494.04 million).

Cost of sales went up 3% to close the year end at \$763.85 million versus \$740.16 million booked in the previous year. As such, gross profit fell to total \$1.65 billion (2019: \$1.71 billion). While, for the quarter, gross profit closed at \$416.50 million (2019: \$297.33 million).

Other income amounted to \$220.89 million, a 56% decline when compared to \$502.99 million reported in the same period last year. Other loss for the fourth quarter totaled \$12.68 million compared to other income of \$37.87 million in the previous year's corresponding quarter. In addition, general administrative expenses increased amounting to \$478.58 million relative to \$433.54 million documented last year. General administrative expenses for the quarter went up to \$212.18 million (2019: \$185.43 million).

Consequently, operating profit booked a 21% decline closing the year end at \$1.40 billion versus \$1.78 billion reported in the prior comparable period. For the quarter, operating profit amounted to \$191.64 million relative to \$149.78 million recorded in the previous corresponding quarter.

Finance expense fell 50% from \$1.05 billion in 2019 to \$526.64 million in 2020. While, for the quarter, finance expense closed at \$14.69 million (2019: \$168.49 million).

Additionally, profit before taxation increased by 19% to close at \$868.57 million (2019: \$727.36 million). After taxation of \$205.82 million (2019: \$233.77 million), net profit for the year ended March 2020 closed at \$662.75 million versus \$493.59 million booked in the similar period last year. Net profit closed the fourth quarter at \$137.12 million versus net loss of \$73.42 million in the same quarter last year.

Total comprehensive income totaled \$664.02 million (2019: \$512.70 million). For the quarter, total comprehensive income closed at \$138.39 million (2019 loss: \$54.32 million).

Earnings per share (EPS) was \$0.06 for the year end compared to \$0.05 in 2019. Earnings per share for the quarter amounted to \$0.012 (2019 LPS: \$0.007). The number of shares used in the calculations is 11,000,000,000

\*Prices are as at July 20, 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	148.050	113.805	145.0613	152.280	115.231	146.6989
CAN	106.700	85.000	103.8099	110.164	86.000	107.5834
GBP	184.500	160.000	181.2180	188.675	167.000	181.7264
EURO	169.492	135.000	162.1277	173.282	157.000	168.6075

\*Rates as at July 17, 2020

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (July 20, 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%.

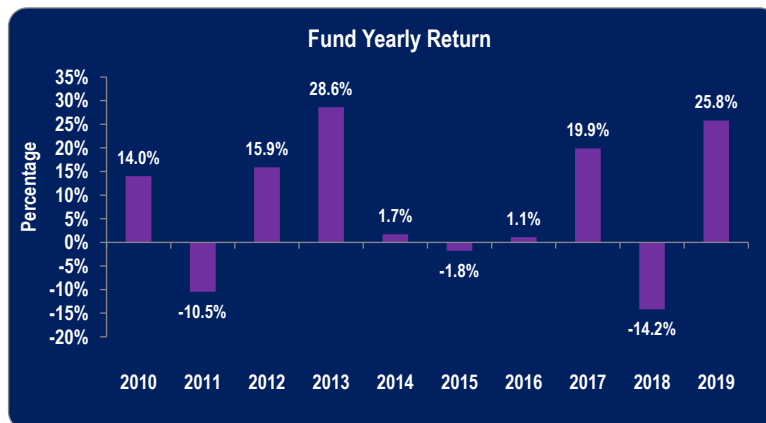
The US dollar fixed income market was also liquid during today's (July 20, 2020) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.70% to 1.90%.

## Over The Counter Funds (CI FUNDS)

### Synergy Global Corporate Class

This fund invests primarily in equity and equity-related securities of global momentum companies situated in developed markets represented in the MSCI World Index - CS.

The fund has a 3 year return of 3.9% and a 5 year return of 3.3%. The Fund also has a 10 year return of 7.5%. Rates are as at June 30, 2020.



“Policy makers in the U.S. will resume contentious talks this week on another round of stimulus that could prove critical to the still-fragile recovery of the world’s largest economy. With much of the last stimulus poised to run out in the coming weeks, the U.S. Senate will return to Washington, D.C. to negotiate legislation about how much and where to spend in additional relief for the coronavirus crisis.”

“The U.K. is about to test the risks of a wider confrontation with China that’s been a long time coming. The next act is playing out Monday when Foreign Secretary Dominic Raab addresses Parliament. The top diplomat has dropped a heavy hint the U.K. will suspend its extradition treaty with Hong Kong, a former colony it handed back to China in 1997. Prime Minister Boris Johnson also weighed in on Monday ahead of Raab’s statement.”

<https://www.bloomberg.com/news/articles/2020-07-19/fiscal-cliffs-threaten-fragile-u-s-recovery-economy-week-ahead?smd=economics-vp>

<https://www.bloomberg.com/news/articles/2020-07-19/u-k-fight-with-china-gets-ugly-over-hong-kong-extradition-pact?smd=economics-vp>

**PLATINUM PORTFOLIO**

**STRUCTURED PRODUCT**

**Platinum Portfolio Yield Measures as at July 20, 2020**

	Percentage (%)
<b>Yield to Maturity</b>	4.57
<b>Weighted Average Coupon</b>	4.944
<b>Current Yield</b>	5.21

**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 than they might otherwise do.

The platinum portfolio has an effective maturity of 12.77 years and duration of 4.47 years.

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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



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