

DAILY MARKET SUMMARY

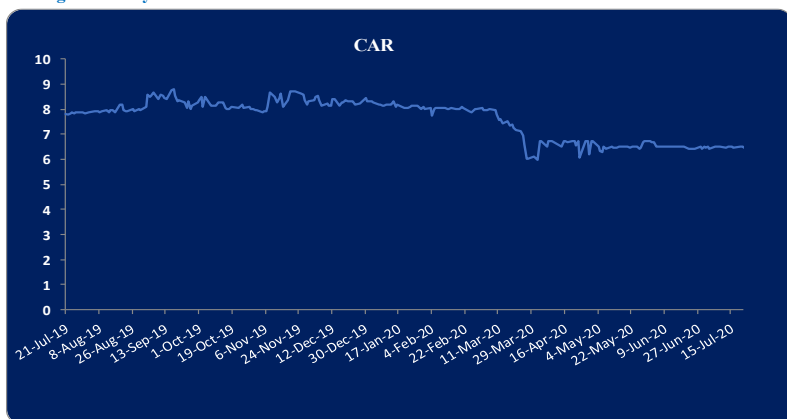


VOLUME 3 July 29, 2020

LOCAL STOCK MARKET: (JS) +

Stock Symbol	CAR	DCOVE	MAILPAC	FTNA	DTL*
Current Price (\$)	6.49	7.59	2.11	5.00	2.39
Trailing EPS (\$)	0.74	0.51	0.13	0.27	0.11
P/E (times)	8.79	14.87	15.87	18.56	20.81
Projected P/E	8.52	21.87	14.96	17.53	18.48
Projected EPS (\$)*	0.76	0.35	0.14	0.29	0.13
Book Value per share (\$)	0.37	9.84	0.18	1.16	0.52
Price/Book Value (times)	17.77	0.77	11.58	4.31	4.56
Dividend Yield (2019 %)	7.07%	3.64%	N/A	N/A	0.40%
Volumes	277,431	NIL	276,499	33,420	4,715
Recommendation	BUY	SELL	BUY	HOLD	HOLD

*-Long Term Buy



STOCK OF THE DAY: Carreras Limited (CAR)

For the year ended March 31, 2020:

Carreras Limited, for the year ended March 31, 2020, reported operating revenue of \$14.13 billion, 9% more than the \$12.91 billion booked in 2019. Revenue for the quarter increased 26% to \$3.84 billion (2019: \$3.04 billion).

Cost of operating revenue, for the year ended March 31, 2020, increased year over year by 10%, amounting to \$7.13 billion from \$6.47 billion recorded in the year prior. As such, gross operating profit for the year ended March 31, 2020 went up 9% to total \$6.99 billion (2019: \$6.44 billion). For the quarter, gross profit closed at \$1.91 billion versus \$1.53 billion reported in the prior comparable quarter.

Other operating income for the year ended March 31, 2020 rose by 35% moving from \$149.90 million in 2019 to \$201.74 million in 2020. For the quarter, other operating income closed at \$173.38 million (2019: \$101.59 million).

Administrative, distribution and marketing expenses increased by 18% to total \$2.37 billion (2019: \$2.01 billion) for the year ended March 31, 2020. Impairment loss on trade receivables and employee benefits expense totalled \$1.77 million (2019: \$5.77 million) and \$44.70 million (2019: \$50.90 million), respectively. Lease interest expense amounted to \$16.79 million (2019: nil).

Profit before income tax was recorded at \$4.76 billion compared to \$4.52 billion in the prior year. While, for the quarter, profit before income tax amounted to \$1.48 billion (2019: \$1.11 billion). Net profit for the year end increased by 5% to \$3.58 billion (2019: \$3.41 billion), after incurring taxes of \$1.18 billion (2019: \$1.11 billion). For the quarter, net profit closed a \$1.13 billion compared to \$853.34 million reported in the same period last year.

Profit attributable to shareholders amounted \$3.58 billion for the year ended March 31, 2020 (2019: \$3.41 billion). Total comprehensive income for the year ended March 31, 2020 amounted to \$3.54 billion (2019: \$3.45 billion).

Earnings per share for the year ended March 31, 2020 was \$0.74 (2019: \$0.70), while for the quarter, EPS amounted to \$0.23 (2019: \$0.18). The number of shares used in the computations amounted to 4,854,400,000 units. CAR closed the trading period on May 29, 2020 at \$6.62.

*Prices are as at July 29, 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	149.400	115.830	146.3943	154.440	131.000	148.1839
CAN	111.750	93.000	111.2045	113.166	102.000	111.5182
GBP	191.000	151.807	187.7705	197.532	179.000	190.7471
EURO	169.700	139.000	166.6326	179.700	162.000	177.1469

*Rates as at July 28, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (July 29, 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%.

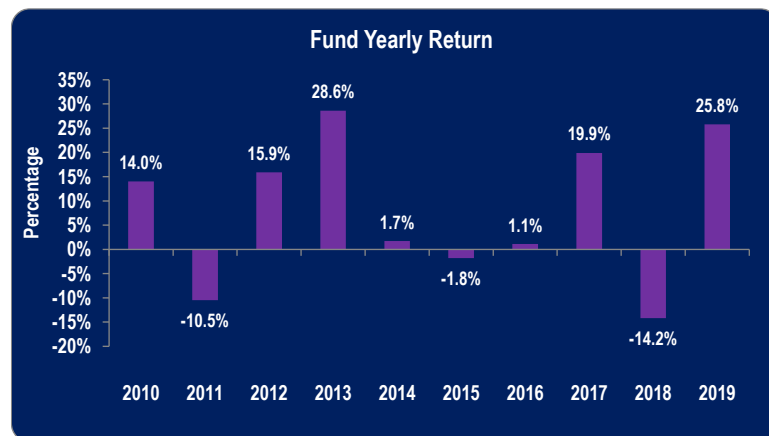
The US dollar fixed income market was also liquid during today's (July 29, 2020) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.70% to 1.90%.

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.



“The U.S. economy ground to a halt for almost the entirety of April. Now the world is about to find out the depth of that contraction. Data due Thursday are forecast to show U.S. gross domestic product plummeted an annualized 34.8% in the second quarter, the most in records dating back to the 1940s, after the spread of Covid-19 prompted Americans to stay home and states to order widespread lockdowns.”

<https://www.bloomberg.com/news/articles/2020-07-29/u-s-is-about-to-unveil-the-ugliest-gdp-report-ever-recorded?srnd=economics-vp>

“China’s economic recovery lost some upward momentum in July, with the effect of stronger market sentiment damped by muted demand in the real economy. The overall indicator for the economy in July was unchanged from last month, after improving in May and June. The calculation of the indicators has been revised from this month to include metrics for car purchases, real-estate sales and the building sector.”

<https://www.bloomberg.com/news/articles/2020-07-28/china-s-covid-19-rebound-lost-momentum-in-july-as-consumers-wary?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at July 27, 2020

	Percentage (%)
Yield to Maturity	4.44
Weighted Average Coupon	4.944
Current Yield	5.22

The platinum portfolio has an effective maturity of 12.93 years and duration of 4.65 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 than 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

