

DAILY MARKET SUMMARY



VOLUME 3 July 6, 2020

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	MAILPAC	MTL	WIG*	DTL*	LASM*
Current Price (\$)	2.14	0.16	0.77	2.18	3.87
Trailing EPS (\$)	0.13	0.01	0.05	0.11	0.24
P/E (times)	16.09	13.43	16.51	18.99	16.25
Projected P/E	15.17	20.98	15.02	16.85	14.46
Projected EPS (\$) ⁺	0.14	0.01	0.05	0.13	0.27
Book Value per share (\$)	0.18	0.07	0.31	0.52	1.63
Price/Book Value (times)	11.74	2.16	2.48	4.16	2.37
Dividend Yield (2019 %)	N/A	1.15%	N/A	0.40%	1.65%
Volumes	1,101,551	5,952	853,642	17,900	7,789
Recommendation	BUY	SELL	BUY	HOLD	HOLD

*-Long Term Buy



STOCK OF THE DAY: Wigton Windfarm Limited (WIG)

For the nine months ended December 31, 2019:

Wigton Windfarm Limited (WIG), for the nine months ended December 31, 2019, reported sales of \$1.83 billion, a 6% decline on the \$1.95 billion reported in the prior year. Revenue for the quarter declined 22% to \$363.38 million (2018: \$465.02 million). WIG noted that, "the lower revenues are directly related to a 25.6% decreased in production in the current reporting quarter due to a decline in average wind speed from 8 meters per second in 2018 to 7 meters per second in 2019."

Cost of sales went up 9% to close the period at \$592.14 million versus \$543.45 million booked in the previous comparable period. As such, gross profit declined to total \$1.24 billion (2018: \$1.41 billion).

Other income amounted to \$233.57 million, a 50% decline when compared to \$465.12 million in the same period last year. General administrative expenses increased for the period amounting to \$266.40 million relative to \$248.11 million documented in the same period in the previous year.

Consequently, operating profit decreased 26%, closing the period under review at \$1.20 billion (2018: \$1.63 billion). While, for the quarter, operating profit amounted to \$189.35 million (2018: \$485 million).

Finance expense decreased from \$881.04 million in 2018 to \$511.96 million in 2019.

As such, profit before taxation went down by 7% to close at \$691.62 million (2018: \$746.07 million). After taxation of \$165.99 million (2018: \$179.06 million), net profit for the period totaled \$525.63 million (2018: \$567.02 million). Net loss for the quarter closed at \$15.87 million versus net profit \$270.96 million booked in the similar period last year.

Earnings per share (EPS) was \$0.05 for the period, the same reported in 2018. LPS for the quarter amounted to \$0.0014 (2018: EPS of \$0.02). The twelve-month trailing EPS amounted to \$0.047. The number of shares used in the calculations is 11,000,000,000

⁺Prices are as at July 06, 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	145.650	110.565	140.4758	147.420	127.000	142.2022
CAN	106.850	84.000	105.5937	107.914	98.500	106.3245
GBP	181.000	141.100	176.9059	182.000	166.000	179.5666
EURO	154.000	125.911	151.5600	163.230	144.000	160.1338

*Rates as at July 03, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (July 6, 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%.

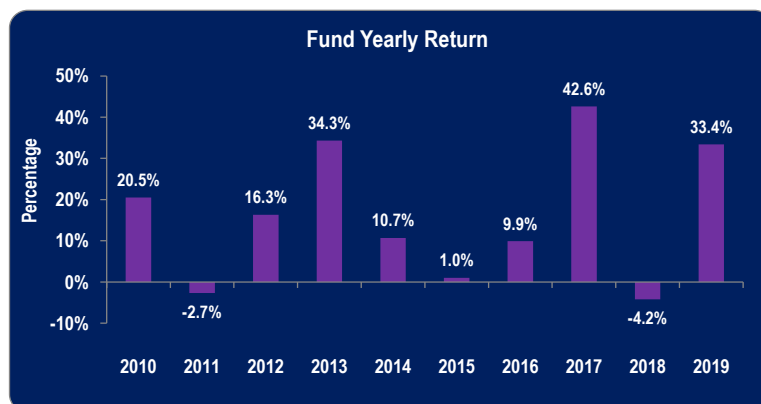
The US dollar fixed income market was also liquid during today's (July 6, 2020) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.70% to 1.90%.

Over The Counter Funds (CI FUNDS)

Signature Global Science & 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 a 5 year return of 15.2%. The Fund also has a 10 year return of 16.3%. Rates are as at May 31, 2020.



“Jerome Powell isn’t “even thinking about thinking about” raising interest rates, but investors still wonder what it would take for the Federal Reserve chair to start taking his foot off the gas. U.S. central bankers dropped some strong hints on the answer to that question this past week. The minutes of the Federal Open Market Committee’s June 9-10 meeting, released July 1, showed “a number” of policy makers favor tying future moves for interest rates and asset purchases to inflation.”

<https://www.bloomberg.com/news/articles/2020-07-06/fed-s-next-policy-move-looks-tied-to-long-run-view-on-inflation?snd=economics-vp>

“Italy plans to dramatically expand public investment, focusing on boosting growth rather than reining in debt as the government plots its way out of the worst recession in a century. State investment will rise above 3% of gross domestic product over the next four years from 2.3% in 2019, according to a draft blueprint for reforms prepared by Giuseppe Conte’s government and seen by Bloomberg.”

<https://www.bloomberg.com/news/articles/2020-07-06/italy-bets-on-public-spending-to-grow-out-of-its-crippling-debt?snd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at July 6, 2020	
	Percentage (%)
Yield to Maturity	4.67
Weighted Average Coupon	4.944
Current Yield	5.32

The platinum portfolio has an effective maturity of 12.77 years and duration of 4.57 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



OVER 30 YEARS OF EXPERIENCE +
CUTTING EDGE MARKET RESEARCH

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SOLUTIONS • RETIREMENT PLANNING SOLUTIONS