

DAILY MARKET SUMMARY



VOLUME 3 August 25, 2020

LOCAL STOCK MARKET: (JS) +

Stock Symbol	SVL	MTL	LASM*	FTNA	WIG
Current Price (\$)	13.80	0.14	3.89	4.96	0.79
Trailing EPS (\$)	0.81	0.01	0.25	0.27	0.05
P/E (times)	17.00	11.75	15.41	18.41	14.55
Projected P/E	13.98	18.36	13.77	17.39	13.65
Projected EPS (\$) +	0.99	0.01	0.28	0.29	0.06
Book Value per share (\$)	1.31	0.07	1.72	1.16	0.34
Price/Book Value (times)	10.54	1.89	2.27	4.27	2.31
Dividend Yield (2019 %)	4.46%	1.15%	1.65%	N/A	N/A
Volumes	33,159	NIL	20	47,073	2,920,566
Recommendation	BUY	SELL	HOLD	HOLD	BUY

*-Long Term Buy



STOCK OF THE DAY: Supreme Ventures Limited (SVL)

For the six months ended June 30, 2020:

Supreme Ventures Limited (SVL), for the six months ended June 30, 2020, reported a 6% decrease in 'Total Gaming Revenue' from \$18.62 billion in 2019 to \$17.54 billion in 2020. For the quarter, 'Total Gaming Revenue' closed at \$7.42 billion (2019: \$9.31 billion).

Revenues from the Company's segments were as follows:

Revenue from 'Non fixed odd wagering games, horse racing and pin codes' amounted to \$9.70 billion (2019: \$10.90 billion), a 11% decrease. Income from fixed odd wagering games, net of prizes totaled \$7.85 billion (2019: \$7.72 billion), a 2% rise.

Direct expenses recorded a decrease to close the period at \$13.74 billion when compared to \$14.74 billion for the same period in 2019. As such, gross profit for the period fell 2% to \$3.80 billion (2019: \$3.88 billion). For the quarter, gross profit closed at \$1.51 billion (2019: \$1.97 billion).

Operating expenses grew 18% for the period to \$2.38 billion (2019: \$2.01 billion), while recording 'Other income' of \$64.18 million relative to 'Other losses' of \$16.03 million for the prior period in 2019. For the quarter, operating expenses amounted to \$1.08 billion versus \$1.06 billion booked in the previous comparable quarter.

Consequently, operating profit for the period decreased 20% to \$1.49 billion relative to \$1.85 billion reported in 2019. While, for the quarter, operating profit closed at \$427.09 million (2019: \$907.77 million).

Finance costs climbed to \$81.22 million (2019: \$43.06 million). As such, profit before taxation amounted to \$1.41 billion, down from \$1.81 billion in 2019. For the quarter, profit before taxation totaled \$399.91 million (2019: \$896.01 million).

Taxation for the period fell 15% to close at \$479.76 million compared to \$562.70 million in 2019, thus resulting in net profit of \$928.96 million, a 25% decrease from the \$1.25 billion recorded in the prior comparable period. For the quarter, net profit closed at \$192.17 million (2019: \$624.28 million).

Earnings per share totaled \$0.36 versus \$0.47 in the previous comparable period in 2019, while EPS for the quarter amounted to \$0.08 (2019: \$0.24). The twelve months trailing earnings per share amounted \$0.81. The number of shares used in our calculations 2,637,254,926 units.

*Prices are as at August 25, 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	151.500	119.678	149.5350	159.570	129.507
CAN	116.200	90.000	113.4095	119.340	102.000	114.0739
GBP	199.000	158.613	191.6676	206.388	187.000	196.2679
EURO	176.800	150.000	170.7043	181.000	172.000	180.4600

*Rates as at August 24, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (August 25, 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%.

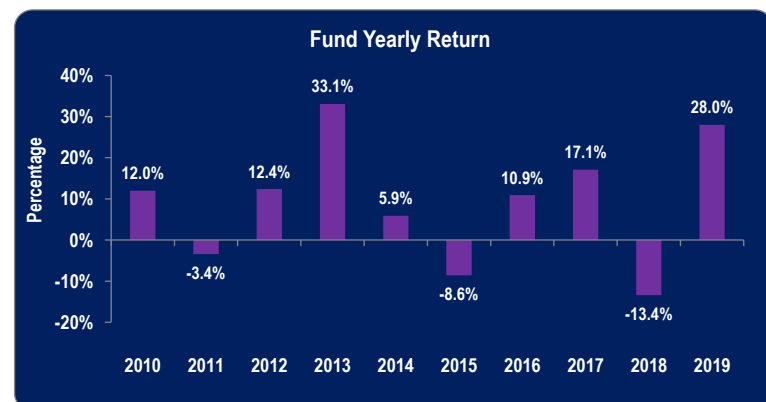
The US dollar fixed income market was also liquid during today's (August 25, 2020) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.70% to 1.90%.

Over The Counter Funds (CI FUNDS)

CI American Managers Corporate Class

This fund invests primarily in equity and equity-related securities of companies that are located in countries that have signed the North American Free Trade Agreement (NAFTA) (or its successor).

The fund has a 3 year return of 5.1% and a 5 year return of 5.6%. The Fund also has a 10 year return of 8.6%. Rates are as at July 31, 2020.



“The U.S. economy will emerge from the recession in the second half of this year or at some point in 2021, and a majority of economists said Congress needs to extend supplemental aid, according to a National Association for Business Economics survey. Two-thirds of panelists said the economy is still in the recession that started in February, while nearly 80% indicated that there is at least a one-in-four chance of a double-dip recession. The NABE survey summarizes the responses of 235 members and was conducted between late July and early August.”

“Rishi Sunak’s tenure as U.K. Chancellor of the Exchequer is reaching a defining moment as he decides whether millions of workers living off government aid should soon begin fending for themselves in a crippled economy. In just over two months, his furlough plan that pays up to 80% of an employee’s salary will finish. Sunak has dismissed mounting pressure to extend the program, whose cost is about 35 billion pounds (\$46 billion), albeit rising more slowly than before.”

<https://www.bloomberg.com/news/articles/2020-08-24/most-in-nabe-survey-see-u-s-recession-ending-late-2020-2021?srnd=economics-vp>

<https://www.bloomberg.com/news/articles/2020-08-23/fate-of-millions-forces-sunak-into-tough-choice-on-u-k-furlough?srnd=economics-vp>

PLATINUM PORTFOLIO

STRUCTURED PRODUCT

Platinum Portfolio Yield Measures as at August 24, 2020

	Percentage (%)
Yield to Maturity	4.04
Weighted Average Coupon	4.924
Current Yield	5.02

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 13.11 years and duration of 4.75 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



OVER 30 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH

POSITIVE TRANSFORMATION FOR OUR CLIENTS

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