



VOLUME 3 September 2, 2020

## LOCAL STOCK MARKET: (JS) +

Stock Symbol	SVL	CHL	GK	KEX	WISYNCO
Current Price (\$)	13.71	6.00	56.81	6.85	16.13
Trailing EPS (\$)	0.81	0.29	5.25	0.27	0.75
P/E (times)	16.88	20.66	10.82	25.61	21.58
Projected P/E	13.89	22.52	9.67	37.19	22.16
Projected EPS (\$) +	0.99	0.27	5.88	0.18	0.73
Book Value per share (\$)	1.31	1.25	55.19	1.69	3.46
Price/Book Value (times)	10.47	4.81	1.03	4.05	4.66
Dividend Yield (2019 %)	4.46%	1.60%	2.44%	0.62%	1.55%
Volumes	119,524	7,493	52,708	52,708	77,995
Recommendation	BUY	SELL	BUY	SELL	HOLD

## FOREIGN EXCHANGE MARKET TRADING SUMMARY

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	150.000	116.640	147.5450	156.600	121.241	148.6516
CAN	115.850	92.106	112.3324	118.037	106.950	113.5597
GBP	201.000	158.530	193.3109	207.519	183.000	199.8709
EURO	185.185	150.000	173.9550	180.498	170.000	179.2037

\*Rates as at September 01, 2020



## STOCK OF THE DAY: Wisynco Group Limited (WISYNCO)

### For the year ended June 30, 2020:

Wisynco Group Limited for the year ended June 30, 2020, reported total revenue of \$32.17 billion a 19% increase when compared with the \$26.94 billion reported in 2019. Total revenues for the quarter amounted to \$6.98 billion reflecting an increase of 3% over the \$7.19 billion achieved in the corresponding quarter of the previous year.

Cost of sales for the year amounted to \$21.10 billion, up 25% relative to \$16.87 billion reported in 2019. Consequently, gross profit rose 10% to close at \$11.07 billion compared to the \$10.07 billion a year earlier. The Company noted, "Our Gross Margin ratio was impacted by the increased volume of lower margin products being sold in Fiscal 2020, along with the margin being weighed down by reduced Revenues of higher margin products in the final quarter." Whereas, gross profit for the quarter amounted to \$2.29 billion (2019: \$2.35 billion).

Total expenses, for the twelve months ended June 30, 2020, rose 13% to close at \$8.16 billion (2019: \$7.22 billion). Of total expenses, selling and distribution expenses climbed 11% to total \$6.78 billion (2019: \$6.12 billion), while administrative expenses increased 25% to \$1.37 billion (2019: \$1.10 billion).

Finance income amounted to \$320.50 million, up 169% from the \$119.22 million reported in 2019. Finance costs decreased 32% to \$155.84 million for the year from \$230.21 million for 2019. The Company noted, "Included in Finance income are foreign exchange gains for the year of approximately \$182 million as a result of the devaluation of the JAD year over year."

Profit before taxation amounted to \$3.22 billion, relative to \$3.03 billion reported in 2019, a 6% increase year over year. Taxation for the period amounted to \$557.57 million (2019: \$491.72 million). Profit from continuing operation amounted to \$2.66 billion relative to \$2.54 billion booked for the comparable period in 2019. The Company booked a 64% decrease in profit from discontinued operations from \$387.16 million to \$139.74 million for the year ended June 30, 2020.

As such, net profit decreased 4% to \$2.80 billion relative to \$2.93 billion posted in 2019. Net profit for the fourth quarter amounted to \$460.51 million relative to \$691.04 million in 2019. Notably, total comprehensive income for the year amounted to \$2.84 billion (2019: \$2.94 billion).

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 02, 2020) trading session. The overnight rate stood at 0.30% to 0.50%, while the 30-day rate was 1.10% to 1.30%.

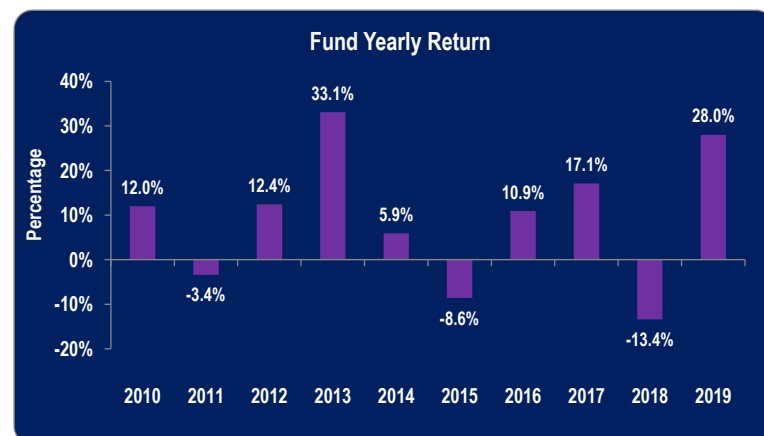
The US dollar fixed income market was also liquid during today's (September 02, 2020) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.70% to 1.90%.

## 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.



+Prices are as at September 02, 2020 \*Projections are made to the company's financial year

“U.S. companies added fewer jobs than expected in August, suggesting the labor market rebound remains gradual, with employment well below pre-pandemic levels. Businesses’ payrolls increased by 428,000 after an upwardly revised 212,000 in July, according to ADP Research Institute data released Wednesday. The median projection in a Bloomberg survey of economists called for a 1 million gain for the latest month.”

“U.K. house prices increased by the most in 16 years in August after a tax cut stoked post-lockdown demand, but the revival could prove-short-lived as the government begins to withdraw its pandemic support. Values jumped 2% from a month earlier to an average of 224,123 pounds (\$300,000), Nationwide Building Society said Wednesday. On an annual basis, prices rose 3.7%.”

<https://www.bloomberg.com/news/articles/2020-09-02/u-s-firms-add-fewer-jobs-than-forecast-in-august-adp-data-show?srnd=premium>

<https://www.bloomberg.com/news/articles/2020-09-02/u-k-house-prices-jump-after-tax-cut-gives-buyers-a-boost?srnd=economics-vp>

**PLATINUM PORTFOLIO**

**STRUCTURED PRODUCT**

**Platinum Portfolio Yield Measures as at August 31, 2020**

	Percentage (%)
<b>Yield to Maturity</b>	4.66
<b>Weighted Average Coupon</b>	4.924
<b>Current Yield</b>	5.09

**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.

The platinum portfolio has an effective maturity of 13.20 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



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