

LOCAL STOCK MARKET: (JS) +

Stock Symbol	SEP	JBG	LASM	CHL	SML
Current Price (\$)	54.31	25.17	3.60	6.16	4.62
Trailing EPS (\$)	2.21	1.21	0.25	0.29	0.34
P/E (times)	24.58	20.88	14.26	21.21	13.57
Projected P/E	17.44	22.94	12.74	23.12	12.97
Projected EPS (\$) +	3.11	1.10	0.28	0.27	0.36
Book Value per share (\$)	22.18	13.81	1.72	1.25	5.47
Price/Book Value (times)	2.45	1.82	2.10	4.94	0.84
Dividend Yield (2019 %)	1.67%	1.34%	1.65%	1.60%	4.50%
Volumes	22,347	23,195	90,451	NIL	NIL
Recommendation	BUY	HOLD	BUY	SELL	HOLD

FOREIGN EXCHANGE MARKET TRADING SUMMARY

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	144.500	110.970	141.2500	148.500	129.000	142.7588
CAN	107.000	93.780	104.4781	112.320	101.000	108.4651
GBP	183.850	160.000	181.9691	191.045	175.000	184.6023
EURO	176.376	134.547	162.1851	171.230	162.300	170.0719

*Rates as at September 18, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 21, 2020) trading session. The overnight rate stood at 0.30% to 0.50%, while the 30-day rate was 1.20% to 1.40%.

The US dollar fixed income market was also liquid during today's (September 21, 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%.



STOCK OF THE DAY: Seprod Limited (SEP)

For the six months ended June 30, 2020:

Seprod Limited (SEP), for the six months ended June 30, 2020, revenue totalled \$18.61 billion compared to the \$16.60 billion recorded for the same period of the prior financial year; this represents a 12% increase year over year.

Cost of Sales rose 14% from \$10.62 billion in 2019 to \$12.10 billion for the six months ended June 30, 2020. Consequently, gross profit increased 9% to close at \$6.51 billion (2019: \$5.98 billion).

However, other operating income for the period totalled \$217.33 million relative to \$324.06 million in 2019, a 33% decline year over year while other operating expenses decreased by 3% to close the six months period at \$4.61 billion (2019: \$4.74 billion).

Consequently, operating profit increased by 36% to \$2.12 billion (2019: \$1.56 billion) for the six months ended June 2020.

Finance costs totalled \$595.22 million (2019: \$552.05 million), an increase of 8% when compared to the same period last year. The company reported share of results of Joint Venture amounting to \$4.97 million relative to \$54.54 million reported in 2019. As a result, pre-tax profits rose 45% to \$1.53 billion in comparison to profit of \$1.06 billion booked in the same period last year.

Taxation of \$316.05 million was reported for the six months period relative to \$198.36 million booked in 2019. Consequently, SEP, for the period under review, booked net profit from continuing operation of \$1.22 billion (2019: \$862.44 million) and net loss from discontinued operations closed at \$16.13 million (2019: \$309.33 million). As a result, overall net profit was \$1.20 billion (2019: \$553.12 million) for the period under review.

The comprehensive income for the six months amounted to \$1.30 billion (2019: \$594.07 million). The company reported total comprehensive income attributable to shareholders of \$1.30 billion (2019: \$688.17 million).

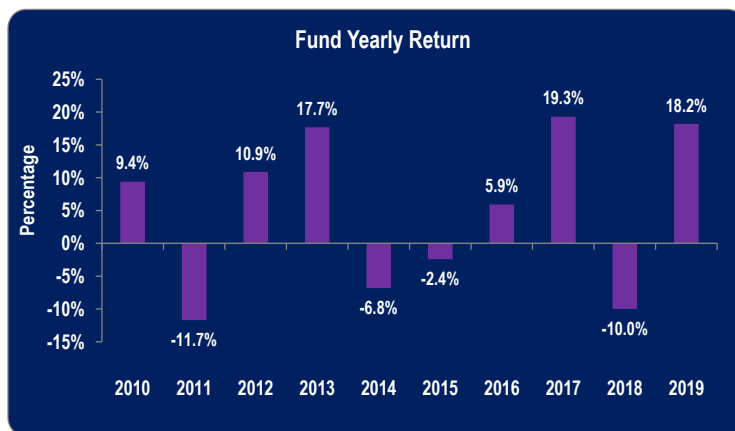
Earnings per share for the six months ended June 30, 2020 amounted to \$1.64 relative to \$0.75 for the corresponding period in 2019. The twelve months trailing EPS is \$2.21

Over The Counter Funds (CI FUNDS)

CI International Value Corporate Class

This fund invests primarily in equity and equity-related securities of companies whose primary operations are out-side of North America.

The fund has a 3 year return of -0.6% and a 5 year return of 3.4%. The Fund also has a 10 year return of 4.2%. Rates are as at August 31, 2020.



U.S.: U.S. Consumer Sentiment Climbed to a Six-Month High in September

“U.S. consumer sentiment increased more than expected in early September to a six-month high as Americans grew more upbeat about the economy’s prospects. The University of Michigan’s preliminary sentiment index for September advanced to 78.9 from a final August reading of 74.1, according to data released Friday. The median estimate from economists surveyed by Bloomberg was 75. The measure of expectations rose 4.8 points to 73.3, also a six-month high, while a gauge of current conditions increased 4.6 points to 87.5.”

<https://www.bloomberg.com/news/articles/2020-09-18/u-s-consumer-sentiment-climbed-to-a-six-month-high-in-september?smd=economics-vp>

Europe: U.K. Retail Sales Continue Rebound

“U.K. retail sales extended their recovery in August as a government initiative to boost the hospitality industry lured locked-down Britons out to the shops. The volume of goods sold in stores and online rose 0.8% from July, the Office for National Statistics said Friday. It marked a fourth month of growth following an unprecedented slump in April, after the government ordered most stores to close to help fight the spread of coronavirus. Sales excluding auto fuel rose 0.6%, stronger than economists forecast.”

<https://www.bloomberg.com/news/articles/2020-09-18/u-k-retail-sales-continue-rebound-even-as-clouds-gather?smd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at September 21, 2020

	Percentage (%)
Yield to Maturity	4.66
Weighted Average Coupon	4.924
Current Yield	5.09

The platinum portfolio has an effective maturity of 13.20 years and duration of 4.75 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.

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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



www.mayberryinv.com

OVER 30 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH

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