

# DAILY MARKET SUMMARY



VOLUME 3 October 1, 2020

## LOCAL STOCK MARKET: (J\$) +

Stock Symbol	SVL	WISYNCO	WIG	KEX	JBG
Current Price (\$)	14.94	15.74	0.77	6.82	27.66
Trailing EPS (\$)	0.81	0.75	0.05	0.07	1.21
P/E (times)	18.40	21.06	14.19	101.61	22.94
Projected P/E	15.14	21.62	13.30	117.75	25.21
Projected EPS (\$)*	0.99	0.73	0.06	0.06	1.10
Book Value per share (\$)	1.31	3.46	0.34	1.53	13.81
Price/Book Value (times)	11.41	4.55	2.25	4.46	2.00
Dividend Yield (2019 %)	4.46%	1.55%	N/A	0.62%	1.34%
Volumes	222,950	49,570	885,711	5,020	11,621
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	146.000	112.995	141.0386	150.660	127.000	142.1048
CAN	108.696	80.000	106.0215	112.212	81.000	107.7533
GBP	185.200	150.852	181.4582	190.866	172.000	185.5508
EURO	165.300	155.050	160.8253	173.500	162.500	168.2800

\*Rates as at September 30, 2020

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 1, 2020) trading session. The over night rate stood at 0.30% to 0.50%, while the 30-day rate was 1.30% to 1.50%.

The US dollar fixed income market was also liquid during today's (October 1, 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: 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).

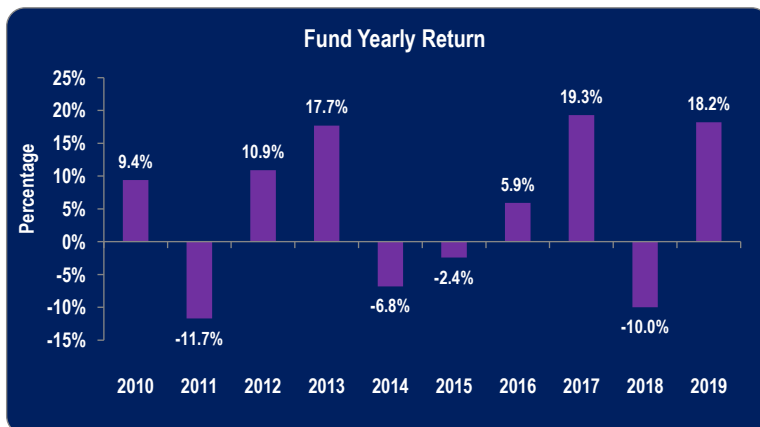
Earnings per share totaled \$0.36 versus \$0.47 in the previous comparable period in 2019, while EPS for the quarter amounted to \$0.08 (2019: \$0.24). The twelve months trailing earnings per share

## 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



\*Prices are as at October 1, 2020 \*Projections are made to the company's financial year end

“Fewer Americans than expected sought unemployment benefits last week, as the slow labor-market recovery grinds on while businesses contend with an increase in coronavirus cases. Initial jobless claims in regular state programs decreased by 36,000 to 837,000 in the week ended Sept. 26, Labor Department figures showed Thursday. Continuing claims, the total pool of Americans on state benefit rolls, fell to 11.8 million in the week ended Sept. 19.”

<https://www.bloomberg.com/news/articles/2020-10-01/u-s-jobless-claims-drop-while-remaining-above-pre-virus-level?srnd=premium>

“European Central Bank policy maker Pablo Hernandez de Cos added his support to arguments for a Federal Reserve-style strategy that allows officials to temporarily overshoot their inflation goal. Echoing comments a day earlier by President Christine Lagarde, the Bank of Spain governor said it’s worth examining a more “symmetrical” inflation target. The ECB should make it clear “that the degree of acceptance for inflation deviations above the target will be the same as when such deviations are below.”

<https://www.bloomberg.com/news/articles/2020-10-01/ecb-s-de-cos-backs-fed-style-strategy-of-inflation-overshoot?srnd=economics-v>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at September 28, 2020	
	Percentage (%)
Yield to Maturity	4.35
Weighted Average Coupon	4.917
Current Yield	5.10

The platinum portfolio has an effective maturity of 13.095 years and duration of 4.68 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 then they might otherwise do.

DISCLAIMER

**Analyst Certification** -The views expressed in this research report accurately reflect the personal views of Mayberry Investments Limited Research Department about those issuer (s) or securities as at the date of this report. Each research analyst (s) also certify that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation (s) or view (s) expressed by that research analyst in this research report.

**Company Disclosure** -The information contained herein has been obtained from sources believed to be reliable, however its accuracy and completeness cannot be guaranteed. You are hereby notified that any disclosure, copying, distribution or taking any action in reliance on the contents of this information is strictly prohibited and may be unlawful. Mayberry may effect transactions or have positions in securities mentioned herein. In addition, employees of Mayberry may have positions and effect transactions in the securities mentioned herein.

**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](http://www.jamstockex.com), [www.bloomberg.com](http://www.bloomberg.com), [www.investopedia.com](http://www.investopedia.com), [www.tradewire.com](http://www.tradewire.com)