

DAILY MARKET SUMMARY



VOLUME 3 October 14, 2020

LOCAL STOCK MARKET: (JS) +

Stock Symbol	SVL	WISYNCO	SEP	CHL	JBG
Current Price (\$)	14.69	16.21	55.53	7.03	27.04
Trailing EPS (\$)	0.81	0.75	2.21	0.29	1.21
P/E (times)	18.09	21.69	25.13	24.20	22.43
Projected P/E	14.89	22.27	17.83	26.39	24.65
Projected EPS (\$) +	0.99	0.73	3.11	0.27	1.10
Book Value per share (\$)	1.31	3.46	22.18	1.25	13.81
Price/Book Value (times)	11.21	4.69	2.50	5.63	1.96
Dividend Yield (2019 %)	4.46%	1.55%	3.34%	1.60%	1.34%
Volumes	32,582	53,027	14,820	NIL	15,596
Recommendation	BUY	HOLD	BUY	SELL	HOLD

FOREIGN EXCHANGE MARKET TRADING SUMMARY

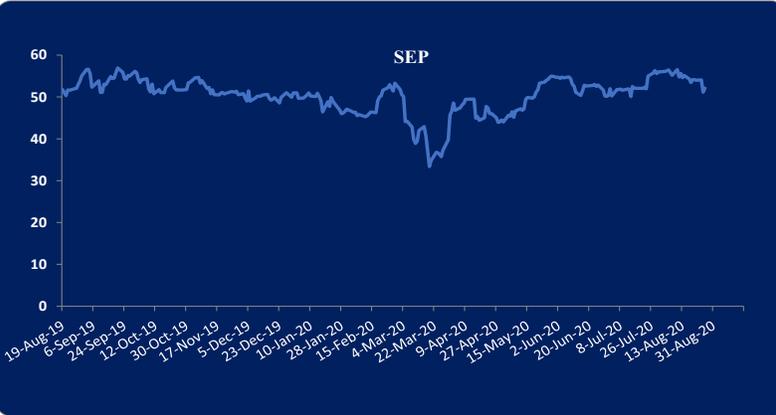
Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	152.000	115.830	144.3991	154.440	116.060	145.3785
CAN	113.800	89.964	112.9736	115.500	100.000	111.7412
GBP	192.000	155.467	183.7809	196.736	177.000	191.7573
EURO	169.200	134.000	166.1446	177.200	162.000	175.2355

*Rates as at October 13, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 14, 2020) trading session. The overnight rate stood at 0.30% to 0.50%, while the 30-day rate was 1.40% to 1.60%.

The US dollar fixed income market was also liquid during today's (October 14, 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).

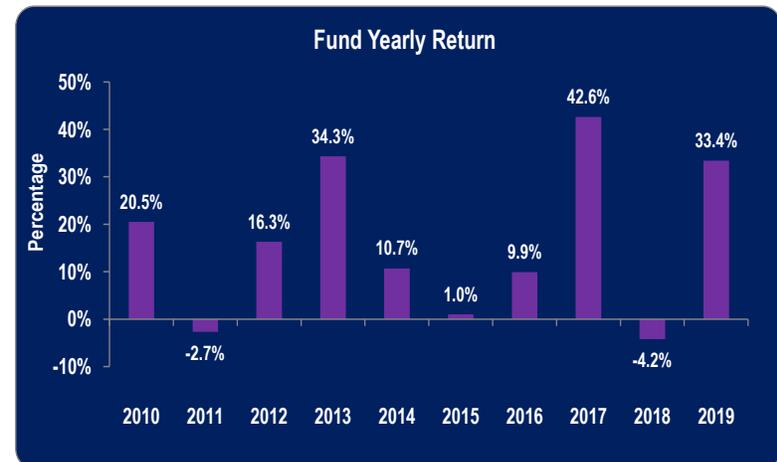
Earnings per share for the six months ended June 30, 2020 amounted to \$1.64 relative to \$0.75 for the corresponding period in 2019. The twelve months trailing EPS is \$2.21

Over The Counter Funds (CI FUNDS)

Signature Global 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 22.1% and a 5 year return of 23.6%. The Fund also has a 10 year return of 17.7%. Rates are as at September 30, 2020



*Prices are as at October 14, 2020 *Projections are made to the company's financial year end

U.S.: Fed's Clarida Says Economic Recovery Has 'Long Way to Go'

"Federal Reserve Vice Chairman Richard Clarida said the U.S. economy faces a long and uncertain road to regaining its pre-pandemic strength despite a faster-than-expected initial rebound from the wreckage of the coronavirus pandemic. "While economic recovery since the spring collapse has been robust, let us not forget that full economic recovery from the Covid-19 recession has a long way to go," Clarida said in the text of remarks he's set to deliver Wednesday at an online event organized by the Institute of International Finance."

<https://www.bloomberg.com/news/articles/2020-10-14/fed-s-clarida-says-full-economic-recovery-has-long-way-to-go?srnd=economics-vp>

Europe: Spain's Calvino Hints at Worry Over Delay to EU Fund Deployment

"Spain's Economy Minister Nadia Calvino said negotiations over the European Union's pandemic recovery fund are "still ongoing," hinting at worries about the quick deployment of billions of euros to member states. Disputes over governance are holding up the disbursement of funds that were intended to jump-start the region's economic recovery as early as the beginning of next year. "We are doing our utmost to accelerate this process so that we can start the implementation of the recovery plan on January 1, 2021," Calvino said in an interview Wednesday on Bloomberg Television."

<https://www.bloomberg.com/news/articles/2020-10-13/timing-of-eu-tariff-strike-on-u-s-may-hinge-on-election-winner?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at October 12, 2020

	Percentage (%)
Yield to Maturity	4.23
Weighted Average Coupon	4.917
Current Yield	4.98

The platinum portfolio has an effective maturity of 13.31 years and duration of 4.86 years.

STRUCTURED PRODUCT

Mayberry Gold
This portfolio is ideal for investors, both retail and corporate, seeking a conservative, short-term investment. The securities in the Gold are directly owned by the client and provide them with a safe investment option. Our Gold portfolio can also provide investors with coupon payments that can generate a positive income stream.

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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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