

DAILY MARKET SUMMARY



MAYBERRY
INVESTMENTS LIMITED

VOLUME 3 October 15, 2020

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	LASM	HONBUN	SEP	CHL	JBG
Current Price (\$)	3.48	4.87	55.98	7.03	25.97
Trailing EPS (\$)	0.25	0.30	2.21	0.29	1.21
P/E (times)	13.78	16.00	25.33	24.20	21.54
Projected P/E	12.32	15.20	17.97	26.39	23.67
Projected EPS (\$) ⁺	0.28	0.32	3.11	0.27	1.10
Book Value per share (\$)	1.72	1.76	22.18	1.25	13.81
Price/Book Value (times)	2.03	2.77	2.52	5.63	1.88
Dividend Yield (2019 %)	1.65%	1.54%	3.34%	1.60%	1.34%
Volumes	32,849	7,907	43,168	NIL	7,974
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	148.200	114.210	144.6400	154.440	121.765	146.6157
CAN	111.400	90.216	110.6552	114.700	104.000	110.8165
GBP	191.500	152.056	184.3805	196.130	171.000	191.0742
EURO	169.200	153.000	166.9826	176.500	164.500	175.4587

*Rates as at October 14, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 15, 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 15, 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: Honey Bun (1982) Limited (HONBUN)

For the nine months ended June 30, 2020:

For the nine months ended June 30, 2020, Honey Bun (1982) Limited reported revenues of \$1.24 billion, 6% up from \$1.17 billion reported a year ago.

The Company had a 6% increase in cost of sales to close at \$643.37 million (2019: \$ 604.43 million).

The Company documented other gains for the nine months ended June 30, 2020 totaling \$2.51 million relative to gains of \$5.17 million for the similar period in 2019.

Administrative expenses rose 19% to \$275.36 million (2019: \$231.56 million) for the nine months, while selling, distribution and promotional expenses increased 1% to \$191.50 million (2019: \$190.32 million).

Total expenses for the nine months amounted to \$466.87 million, 11% above the \$421.87 million recorded for the same period of 2019.

The increased expenses year to date resulted in a 9% decline in profit from operations from \$148.83 million in 2019 to \$135.68 million for the period under review. Finance income totaled \$808,693 (2019: \$1.04 million), while finance costs rose 13% to \$6.08 million (2019: \$5.38 million).

As such, profit before taxation closed the period at \$130.41 million versus \$144.49 million booked in the same period last year

Taxation for the nine months amounted to \$17.75 million (2019: \$18.78 million), thus resulting in net profit after taxation of \$112.66 million (2019: \$125.70 million).

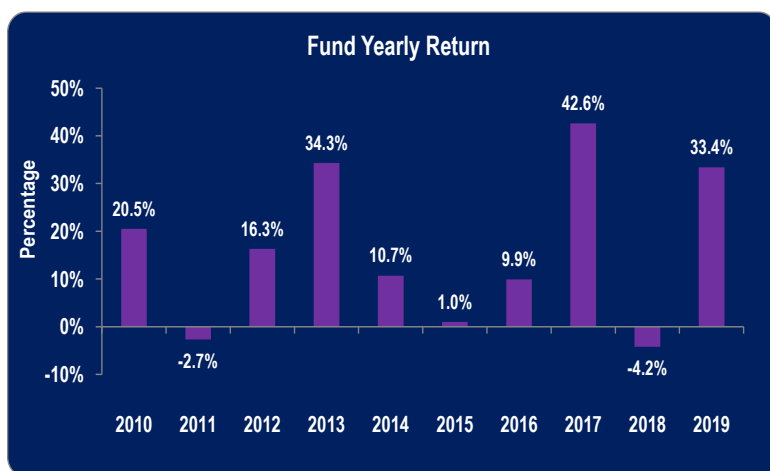
Consequently, earnings per share (EPS) amounted to \$0.24 (2019: \$0.27) year to date. The trailing twelve months EPS is \$0.30. The number of shares used in this calculation was 471,266,950 shares

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 15, 2020 *Projections are made to the company's financial year end

“Applications for U.S. state unemployment benefits unexpectedly jumped last week to the highest since August and more Americans moved to longer-term aid, underscoring a recent slowing in the pace of the labor market’s recovery. Initial jobless claims in regular state programs totaled 898,000 in the week ended Oct. 10, up 53,000 from the prior week, Labor Department data showed Thursday. On an unadjusted basis, the figure posted the largest one-week increase since July.”

<https://www.bloomberg.com/news/articles/2020-10-15/u-s-jobless-claims-jump-americans-move-to-extended-programs?smd=economics-vp>

“Germany put pressure on France to back down on its demands over fishing, one of the biggest obstacles to a post-Brexit trade deal with the U.K., as Boris Johnson warned he is “disappointed” about the progress of the negotiations. European leaders will gather in Brussels for a summit on Thursday as discussions with the U.K. over their future relationship enter a critical phase: the prime minister is waiting for the end of the meeting before he decides whether it is worth continuing to work toward an accord.”

<https://www.bloomberg.com/news/articles/2020-10-14/germany-presses-france-over-fishing-ahead-of-key-brexit-summit?smd=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.

DISCLAIMER

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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

