

LOCAL STOCK MARKET: (J\$) +

Stock Symbol	SVL	CCC	SEP	KEX	JBG
Current Price (\$)	14.77	47.95	55.46	6.90	26.20
Trailing EPS (\$)	0.81	1.64	2.21	0.07	1.21
P/E (times)	18.19	29.32	25.10	102.81	21.73
Projected P/E	14.97	20.87	17.81	119.13	23.88
Projected EPS (\$) +	0.99	2.30	3.11	0.06	1.10
Book Value per share (\$)	1.31	10.32	22.18	1.53	13.81
Price/Book Value (times)	11.28	4.65	2.50	4.51	1.90
Dividend Yield (2019 %)	4.46%	N/A	1.67%	0.62%	1.34%
Volumes	120,086	678	15,520	3	20,006
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	146.200	112.995	141.8257	150.660	127.000	143.5413
CAN	107.750	80.000	102.7919	111.632	81.000	107.8876
GBP	184.500	148.985	178.0893	188.256	170.000	184.7788
EURO	172.414	130.000	159.6274	170.170	131.000	168.5478

*Rates as at October 01, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 2, 2020) trading session. The overnight 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 2, 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).

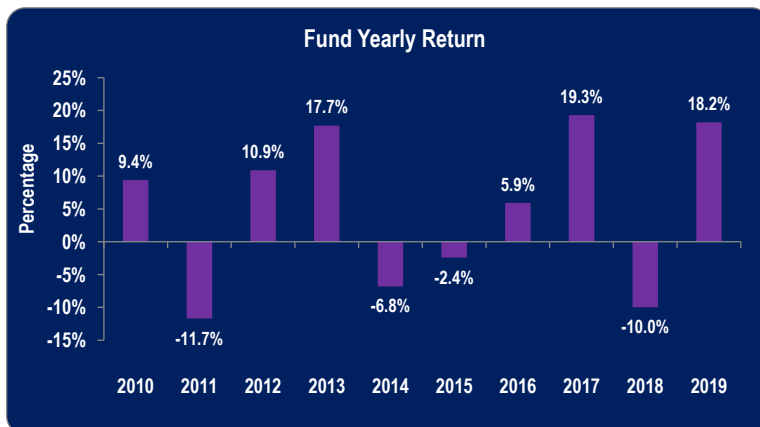
Earnings per share for the six months ended June 30, 2020 amounted to \$1.64 relative to \$0.75 for the corresponding period in 2019. The twelve months trailing EPS is \$2.21

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. Jobs Rise Less Than Forecast as Economic Rebound Downshifts

“U.S. job gains slowed in September and many Americans quit looking for work, suggesting the economic recovery is downshifting as the country struggles without a Covid-19 vaccine or fresh government aid. Non-farm payrolls increased by 661,000 following an upwardly revised 1.49 million advance in August, according to the Labor Department Friday. That compared with the median estimate of economists for a gain of 859,000.”

<https://www.bloomberg.com/news/articles/2020-10-02/u-s-jobs-rise-less-than-forecast-as-economic-rebound-downshifts?srnd=economics-vp>

Europe: Italy Vows to Use EU Money to Finally Alter Its Economic Destiny

“European aid money will help lift Italy’s economy out of a chronic under-performance if it’s targeted properly, according to the country’s minister in charge of industrial policy. “I am convinced that Recovery Fund money will allow Italy to finally make the leap,” Economic Development Minister Stefano Patuanelli said in an interview in Rome Thursday. Italy will be the biggest beneficiary of the aid, and could receive up to 209 billion euros (\$246 billion) in grants and loans. “

<https://www.bloomberg.com/news/articles/2020-10-02/italy-vows-to-use-eu-money-to-finally-alter-its-economic-destiny?srnd=economics-vp>

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, www.bloomberg.com, www.investopedia.com, www.tradewire.com



www.mayberryinv.com

OVER 30 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH

=

POSITIVE TRANSFORMATION FOR OUR CLIENTS

MANAGED FUNDS SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS