



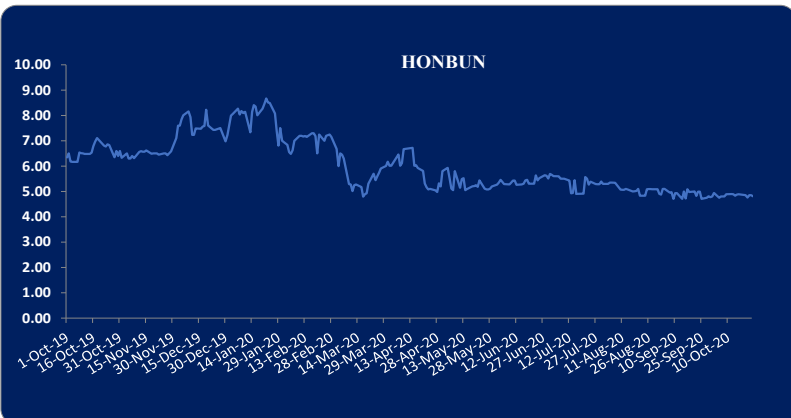
## LOCAL STOCK MARKET: (JS) +

Stock Symbol	SEP	SVL	MAILPAC	HONBUN	SOS
Current Price (\$)	62.52	15.87	2.16	4.81	4.50
Trailing EPS (\$)	4.20	0.85	0.17	0.30	0.20
P/E (times)	14.90	18.74	12.70	15.80	22.88
Projected P/E	18.60	15.62	11.36	15.01	34.15
Projected EPS (\$) <sup>+</sup>	3.36	1.02	0.19	0.32	0.13
Book Value per share (\$)	22.55	1.46	0.19	1.76	2.50
Price/Book Value (times)	2.77	10.84	11.55	2.73	1.80
Dividend Yield (2019 %)	3.34%	4.46%	N/A	1.54%	1.56%
Volumes	37,924	57,381	70,344	35,526	1,000
Recommendation	HOLD	BUY	BUY	HOLD	SELL

## FOREIGN EXCHANGE MARKET TRADING SUMMARY

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	149.500	116.640	146.2456	155.520	136.000	148.5027
CAN	113.800	90.000	110.1152	115.505	91.000	111.8769
GBP	194.000	166.000	189.5242	204.967	171.000	193.6135
EURO	171.800	142.000	168.5319	178.200	169.000	177.1504

\*Rates as at November 19, 2020



## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (November 20, 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 (November 20, 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). As such, gross profit went up 6% or \$34.50 million year-to-date to \$600.03 million relative to \$565.54 million reported in the prior corresponding period. 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. For the quarter, total expenses closed at \$153.96 million (2019: \$153.69 million).

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. Operating profit for the third quarter amounted to \$24.34 million compared to \$33.44 million reported for the same quarter in 2019.

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).

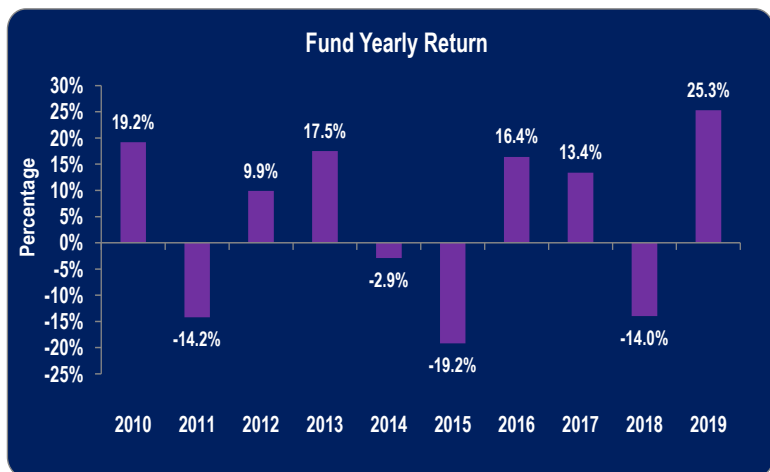
Consequently, earnings per share (EPS) amounted to \$0.24 (2019: \$0.27) year to date. The trailing twelve months EPS is \$0.30. The number of shares used in this calculation was 471,266,950 shares.

## Over The Counter Funds (CI FUNDS)

### CI Canadian Investment Corporate Class

This fund invests primarily in shares of major Canadian corporations. It is currently expected that investments in foreign securities will generally be no more than 49% of the fund's assets.

The fund has a 3 year return of 0.7% and a 5 year return of 4.0%. The Fund also has a 10 year return of 2.2%. Rates are as at October 31, 2020.



“The top two U.S. economic policymakers clashed over whether to preserve emergency lending programs designed to shore up the economy -- a rare moment of discord as the nation confronts the risk of a renewed downturn spurred by the resurgent coronavirus. The disagreement erupted late Thursday when outgoing Treasury Secretary Steven Mnuchin released a letter to Federal Reserve Chair Jerome Powell demanding the return of money the government provides the central bank so it can lend to certain markets in times of stress.”

<https://www.bloomberg.com/news/articles/2020-11-20/mnuchin-powell-split-shows-rare-discord-as-economy-struggles?srnd=economics-vp>

“U.K. retail sales rose for a sixth straight month in October, helped by early Christmas shopping as consumers moved to get ahead of virus lockdowns that closed stores. The volume of sales increased 1.2%, defying economists’ expectations for a modest decline, according to data published Friday. But another report on household confidence gave reason for concern, showing that sentiment is subdued and people are more worried about their personal finances.”

<https://www.bloomberg.com/news/articles/2020-11-20/u-k-retail-sales-rise-as-christmas-shopping-kicks-off-early?srnd=economics-vp>

**PLATINUM PORTFOLIO**

**STRUCTURED PRODUCT**

**Platinum Portfolio Yield Measures as at November 16, 2020**

	Percentage (%)
<b>Yield to Maturity</b>	4.05
<b>Weighted Average Coupon</b>	4.907
<b>Current Yield</b>	4.89

**USD Money Market**

This portfolio is a full discretionary managed bond portfolio, ideal for clients who have short-term USD liquidity needs. Assets within the portfolio can be used as collateral for loans. The product provides a solid short-term investment option in hard currency and allows the individual to hedge against the prevailing devaluation in the local currency.

The platinum portfolio has an effective maturity of 13.35 years and duration of 4.84 years.

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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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