

DAILY MARKET SUMMARY



VOLUME 3 November 26, 2020

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	WISYNCO	MAILPAC	LASM	SML	VMIL
Current Price (\$)	15.80	2.15	3.79	5.50	5.56
Trailing EPS (\$)	0.66	0.17	0.28	0.35	0.31
P/E (times)	23.91	12.64	13.51	15.82	18.03
Projected P/E	24.84	11.31	12.16	19.02	22.08
Projected EPS (\$) [*]	0.64	0.19	0.31	0.29	0.25
Book Value per share (\$)	3.70	0.19	1.75	5.52	2.56
Price/Book Value (times)	4.27	11.50	2.16	1.00	2.17
Dividend Yield (2019 %)	1.55%	N/A	1.65%	4.50%	5.05%
Volumes	1,748,563	875,012	18,125	NIL	42,886
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	148.500	116.235	146.1975	154.980	117.000	148.0378
CAN	116.175	91.560	113.1138	116.450	108.000	113.5321
GBP	196.719	166.000	194.4210	202.864	174.980	196.8701
EURO	186.000	142.200	172.0050	179.900	168.695	178.8138

*Rates as at November 26, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (November 26, 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 26, 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: Wisynco Group Limited (WISYNCO)

For the three months ended September 30, 2020:

Wisynco Group Limited (WISYNCO) reported total revenue of \$8.07 billion for the first quarter ended September 30, 2020, a 6% decrease when compared with the \$8.58 billion reported for the same period in 2019.

Cost of sales for the period amounted to \$5.17 billion, down 6% relative to \$5.51 billion reported in last year. Consequently, gross profit fell 6% to close at \$2.90 billion compared to the \$3.08 billion for the same period a year earlier.

In addition, Other Income increased 75% to close the period at \$42.88 million versus \$24.57 million in 2019.

Total expenses for the three months decreased 6% to close at \$1.92 billion (2019: \$2.04 billion). Of total expenses, selling and distribution expenses fell 8% to total \$1.56 billion (2019: \$1.71 billion), while administrative expenses increased 6% to \$354.05 million (2019: \$333.60 million).

As such, WISYNCO booked a 4% decrease in operating profit to \$1.02 billion when compared to \$1.06 billion in the previous corresponding period.

Finance income for the period amounted to \$48.90 million, down 58% from the \$116.59 million reported for the corresponding period in 2019, while finance costs increased 10% to \$43.63 million for the period from \$39.85 million for 2019.

Profit before taxation amounted to \$1.03 billion, relative to \$1.15 billion reported in 2019, an 11% decline year over year. Taxation for the period amounted to \$176.80 million (2019: \$216.53 million). Profit after taxation amounted to \$851.24 million in the first quarter ended September 30, 2020 relative to \$1.18 billion in 2019 due to profit from discontinued operations of \$242.79 million booked in 2019 versus nil in 2020.

Net profit attributable to shareholders of \$851.24 million (2019: \$1.18 billion) was posted for the first quarter, representing a 28% decrease year over year.

Total comprehensive income for the first quarter amounted to \$871.06 million (2019: \$1.20 billion).

Earnings per share (EPS) for the quarter amounted to \$0.23 (2019: \$0.31), while the EPS for the twelve-month trailing EPS amounted to \$0.66. The number of shares used in our calculations is 3,750,000,000.

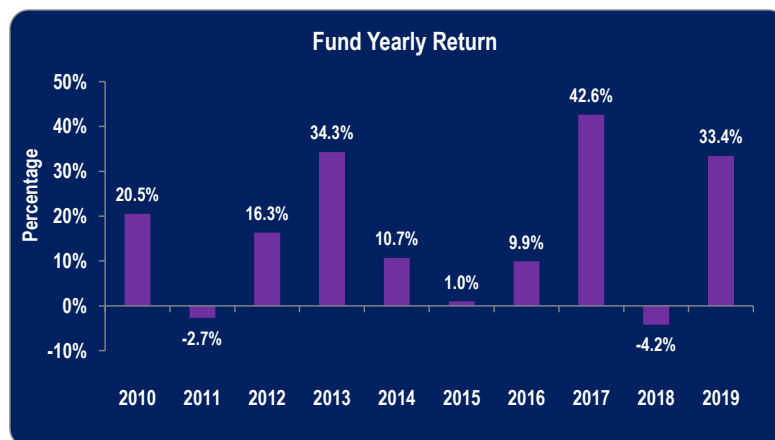
⁺Prices are as at November 26, 2020 *Projections are made to the company's financial year end

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 21.4% and a 5 year return of 22.9%. The Fund also has a 10 year return of 17.6%. Rates are as at October 31, 2020.



"The European Union removed tariffs on U.S. lobster, making good on a pledge meant to improve transatlantic trade ties strained by the "America First" agenda of outgoing President Donald Trump. The European Parliament voted on Thursday in Brussels to scrap the import duties, which range from 6% to 16% depending on the type of lobster. In return, the U.S. is cutting by 50% its levies on a handful of EU goods including crystal glassware (excluding drinking glasses), cigarette lighters, prepared meals and propellant powders.

<https://www.bloomberg.com/news/articles/2020-11-26/u-s-eu-mini-tariff-cutting-deal-clears-final-hurdle-in-europe?srnd=economics-vp>

"The European Union's worst-hit economy in the wake of the global financial crisis is looking like the bloc's least affected during the coronavirus pandemic. Lithuania suffered the deepest recession in 2009 as it became a testing ground for the harsh austerity that later ravaged Greece. This time, the European Commission reckons it will notch the shallowest contraction of all, with forecasts this month pointing to a dip in gross domestic product of just 2.2%."

<https://www.bloomberg.com/news/articles/2020-11-26/best-eu-economy-in-year-of-covid-was-bloc-s-worst-hit-after-2008?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at November 23, 2020

	Percentage (%)
Yield to Maturity	4.02
Weighted Average Coupon	4.907
Current Yield	4.89

The platinum portfolio has an effective maturity of 13.38 years and duration of 4.83 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 than they might otherwise do.

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



www.mayberryinv.com

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