

DAILY MARKET SUMMARY



VOLUME 3 December 11, 2020

LOCAL STOCK MARKET: (J\$)⁺

Stock Symbol	WIG	HONBUN	SEP	JBG	CAC
Current Price (\$)	0.74	6.21	65.94	28.11	8.43
Trailing EPS (\$)	0.05	0.35	4.196	1.46	0.16
P/E (times)	14.11	17.55	15.71	19.28	53.83
Projected P/E	11.91	16.12	15.21	16.16	48.16
Projected EPS (\$) ⁺	0.06	0.39	4.336	1.74	0.18
Book Value per share (\$)	0.35	1.85	22.55	14.30	2.90
Price/Book Value (times)	2.10	3.37	2.92	1.97	2.91
Dividend Yield (2019 %)	N/A	1.54%	3.34%	1.34%	0.21%
Volumes	1,364,528	81,580	10,394	154,512	NIL
Recommendation	BUY	HOLD	BUY	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	146.484	112.388	142.1157	150.120	113.400	144.5641
CAN	114.300	90.000	112.0059	116.026	91.000	113.1321
GBP	191.500	170.000	186.2572	198.502	168.000	193.6282
EURO	173.500	158.000	169.5872	177.700	167.100	177.3775

*Rates as at December 10, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (December 11, 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 (December 11, 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: Wigton Windfarm Limited (WIG)

For the six months ended September 30, 2020:

Wigton Windfarm Limited, for the six months ended September 30, 2020, reported sales of \$1.36 billion, a 7% decline on the \$1.47 billion reported in the prior year. Revenue for the quarter declined 3% to \$612.85 million (2019: \$632.34 million). WIG noted that, "the decrease in revenue was due to the decrease in sales of electricity which resulted from lower production in the current reporting period."

Cost of sales went up 6% to close the period at \$412.82 million versus \$387.82 million booked in the previous comparable period. As such, gross profit declined to total \$950.92 million (2019: \$1.08 billion). While for the quarter, gross profit amounted to \$407.72 million (2019: \$436.52 million).

Other income amounted to \$108.52 million, a 8% decline when compared to \$118.22 million in the same period last year. General administrative expenses increased for the period amounting to \$201.80 million relative to \$181.34 million documented in the same period in the previous year.

Consequently, operating profit decreased 15%, closing the period under review at \$857.65 million (2019: \$1.01 billion). Operating profit for the quarter totalled \$337.86 million (2019: \$384.68 million).

Finance expense trended downwards from \$301.72 million in 2019 to \$257.98 million in 2020.

As such, profit before taxation went down by 16% to close at \$599.67 million (2019: \$712.50 million). After taxation of \$143.92 million (2019: \$171.00 million), net profit for the period totalled \$455.75 million (2019: \$541.50 million). Net profit for the quarter closed at \$155.04 million versus \$175.10 million booked in the similar period last year.

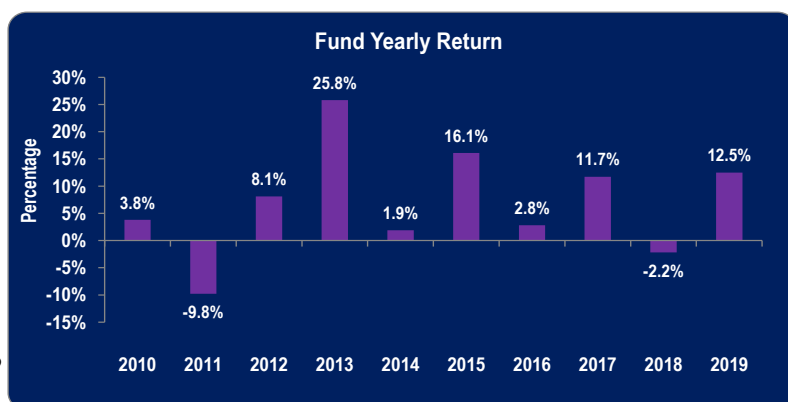
Earnings per share (EPS) was \$0.041 for the period compared to \$0.049 in 2019. EPS for the quarter amounted to \$0.014 (2019: \$0.016). The twelve-month trailing EPS amounted to \$0.052. The number of shares used in the calculations is 11,000,000,000.

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 outside of North America.

The fund has a 3 year return of 1.2% and a 5 year return of 4.2%. The Fund also has a 10 year return of 6.3%. Rates are as at November 30, 2020.



⁺Prices are as at December 11, 2020 *Projections are made to the company's financial year end

“A measure of prices paid by U.S. consumers rose in November by more than forecast as costs of hotel stays, airfares and apparel jumped, though inflationary pressures elsewhere remained subdued as the pandemic continues to curb activity. The consumer price index rose 0.2% from the prior month after no change in October, Labor Department data showed Thursday. Compared with a year earlier, the gauge rose 1.2%. The core index, which excludes volatile food and energy costs, also advanced 0.2% from the prior month and increased 1.6% from a year earlier.”

<https://www.bloomberg.com/news/articles/2020-12-10/u-s-inflation-measure-rose-by-more-than-forecast-in-november?smd=economics-vp>

“Britain’s biggest banks are strong enough to weather the double-blow from the pandemic and Brexit, the Bank of England concluded in its latest health check even as it warned of disruption if the transition period ends without a deal. The BOE said HSBC Holdings Plc, Barclays Plc and other major lenders have sufficient capital to absorb losses in the coming months and the U.K. financial system can cope with the fallout from Brexit even without a trade agreement.”

<https://www.bloomberg.com/news/articles/2020-12-11/british-banks-fit-to-weather-brexit-and-covid-boe-says?smd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at December 7, 2020

	Percentage (%)
Yield to Maturity	3.98
Weighted Average Coupon	4.907
Current Yield	4.84

The platinum portfolio has an effective maturity of 13.31 years and duration of 4.90 years.

STRUCTURED PRODUCT

Mayberry Platinum

The Mayberry Platinum portfolio is ideal for investors seeking a short to medium-term investment with returns denominated in hard currency. The portfolio comprises Investment Grade corporate and sovereign bonds, which provide strong yield and performance. The primary objective of this product is to provide our clients with income as well as capital appreciation. The Platinum portfolio enables the client to take full advantage of a diversified bond portfolio and is ideal for persons who do not have the time to actively manage their own portfolio

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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