

# DAILY MARKET SUMMARY



VOLUME 4 December 22, 2020

## LOCAL STOCK MARKET: (J\$)<sup>+</sup>

Stock Symbol	WIG	SML	SVL	HONBUN	CHL
Current Price (\$)	0.74	5.10	17.93	5.98	7.08
Trailing EPS (\$)	0.05	0.35	0.847	0.35	0.27
P/E (times)	14.11	14.67	21.17	16.90	26.00
Projected P/E	11.91	17.64	17.65	15.53	26.58
Projected EPS (\$) <sup>*</sup>	0.06	0.29	1.016	0.39	0.27
Book Value per share (\$)	0.35	5.52	1.46	1.85	1.24
Price/Book Value (times)	2.10	0.92	12.24	3.24	5.73
Dividend Yield (2019 %)	N/A	4.50%	4.46%	1.54%	1.60%
Volumes	3,101,264	9,249	86,771	3,316	134
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	146.000	111.375	142.3241	150.850	113.706	143.9515
CAN	110.750	90.216	106.0803	120.000	102.000	111.5111
GBP	192.830	154.795	190.8259	203.000	180.000	192.1140
EURO	180.000	137.227	170.7085	179.230	166.900	177.6361

\*Rates as at December 21, 2020

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (December 22, 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 22, 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.

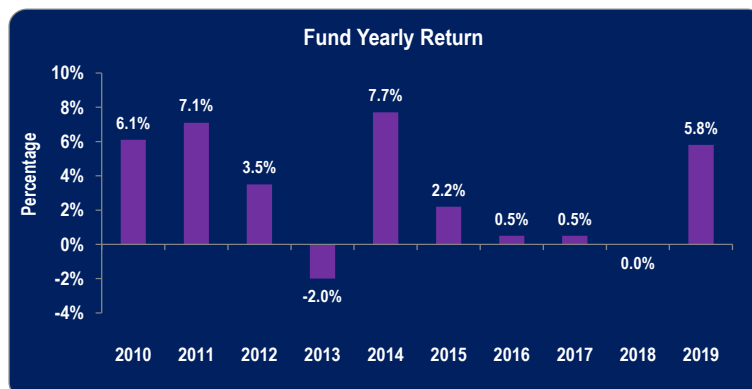
Earnings per share (EPS) was \$0.041 for the period compared to \$0.049 in 2019. EPS for the quarter amounted to \$0.014 (2019: \$0.016). The twelve-month trailing EPS amounted to \$0.052. The number of shares used in the calculations is 11,000,000,000.

## Over The Counter Funds (CI FUNDS)

### Signature Canadian Bond Fund

This fund invests primarily in fixed income securities of Canadian governments and companies. 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 4.5% and a 5 year return of 3.2%. The Fund also has a 10 year return of 3.3%. Rates are as at November 30, 2020.



<sup>+</sup>Prices are as at December 22, 2020 \*Projections are made to the company's financial year end

“The U.S. economy has splintered along state and city lines, with the speed of the rebound largely dependent on the magnitude of local business restrictions to combat an unending surge in Covid-19 cases. California and Illinois, where some of the strictest measures have been imposed, saw jumps in state unemployment filings this month that helped push the weekly U.S. total to a three-month high. Both states also had November unemployment rates above the national level of 6.7%.”

<https://www.bloomberg.com/news/articles/2020-12-22/u-s-economic-rebound-is-patchwork-of-virus-risk-and-rules?srnd=economics-vp>

“U.K. government borrowing climbed to a record 240.9 billion pounds (\$323 billion) in the first eight months of the fiscal year, reflecting the damage inflicted on an economy now at risk of falling back into recession. In November alone, spending exceeded tax revenue by 31.6 billion pounds amid the escalating cost of supporting firms and households through the pandemic, Office for National Statistics figures published Tuesday showed. It leaves Britain facing its largest ever peacetime budget deficit.”

<https://www.bloomberg.com/news/articles/2020-12-22/u-k-deficit-hits-323-billion-with-economy-facing-recession?srnd=economics-vp>

## PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at December 21, 2020

	Percentage (%)
<b>Yield to Maturity</b>	3.98
<b>Weighted Average Coupon</b>	4.903
<b>Current Yield</b>	4.84

The platinum portfolio has an effective maturity of 13.33 years and duration of 4.87 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

**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](http://www.jamstockex.com), [www.bloomberg.com](http://www.bloomberg.com), [www.investopedia.com](http://www.investopedia.com), [www.tradewire.com](http://www.tradewire.com)



[www.mayberryinv.com](http://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