



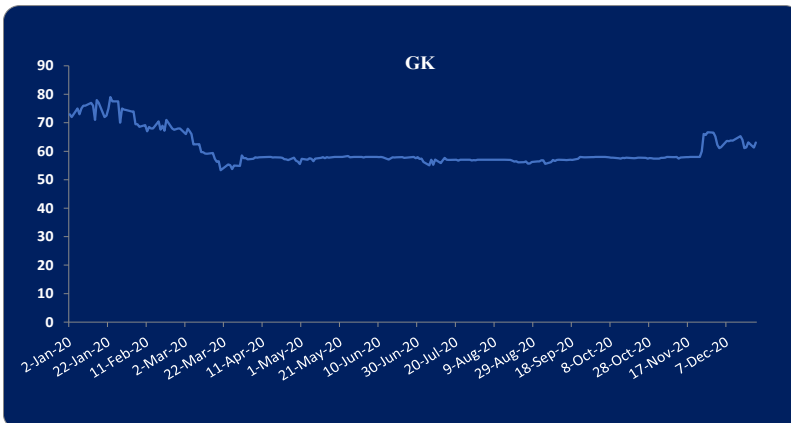
LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	MAILPAC	GK	SEP	FTNA	BPOW
Current Price (\$)	2.83	62.36	65.51	5.55	3.40
Trailing EPS (\$)	0.17	5.67	4.196	0.24	0.10
P/E (times)	16.64	11.00	15.61	22.86	33.35
Projected P/E	14.89	10.32	15.11	21.28	29.56
Projected EPS (\$) [*]	0.19	6.04	4.336	0.26	0.12
Book Value per share (\$)	0.19	56.78	22.55	1.15	1.77
Price/Book Value (times)	15.13	1.10	2.91	4.82	1.92
Dividend Yield (2019 %)	N/A	2.44%	3.34%	N/A	0.40%
Volumes	2,848,891	122,778	38,172	117,820	100
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	147.400	109.755	140.7251	146.780	115.024	142.6168
CAN	110.300	89.124	105.7414	115.029	91.000	109.2929
GBP	194.000	154.284	186.2960	196.769	171.000	190.7535
EURO	172.600	150.000	166.8072	178.150	165.000	176.6857

*Rates as at December 29, 2020



MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (December 30, 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 30, 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: Grace Kennedy Limited (GK)

For the nine months ended September 30, 2020:

Grace Kennedy Limited (GK) recorded total revenue of \$86.13 billion for period (2019: \$77.03 billion), a year over year increase of 12%. Of this, Revenue from products and services amounted to \$82.88 billion (2019: \$73.93 billion) and interest revenue totalled \$3.25 billion (2019: \$3.11 billion).

The biggest contributor to the Group's overall revenue for the nine-month period came from the 'Food Trading' segment which contributed a total of \$67.90 billion (2019: \$61.15 billion), an increase of 11% relative to the prior year's corresponding period. The other segments contributing to revenue are as follows:

'Banking & Investments' went up 2% year over year to total \$4.68 billion (2019: \$4.56 billion). Revenue from 'Insurance' amounted to \$7.07 billion, a year over year increase of 28% over last year's corresponding period of \$5.54 billion. Money Services' brought in \$6.48 billion, 12% more than the \$5.78 billion reported in September 2019.

Direct and operating expenses amounted to \$80.38 billion relative to \$73.79 billion booked in 2019, indicating a 9% growth compared to twelve months earlier. Net impairment losses on financial assets totalled \$629.79 million (2019: \$362.28 million).

As such, gross profit for the nine months amounted to \$5.12 billion relative to \$2.88 billion booked for the similar period of 2019, a 78% increase. Other Income during the nine-month period, rose 18% to total \$2.27 billion (2019: \$1.93 billion). Interest income from non-financial services rose 9% to total \$351.31 million compared to \$322.78 million reported in the prior year's corresponding period. Interest expenses from non-financial services amounted to \$843.87 million versus \$761.38 million a year earlier, an 11% increase.

Pre-tax profits increased 52% to \$7.31 billion, compared to pre-tax profit of \$4.82 billion documented for the nine-month ended September 2019. Additionally, GK incurred taxation expenses amounting to \$2.37 billion compared to \$1.11 billion in September 2019. Consequently, net profit rose 33% to \$4.93 billion from \$3.71 billion booked for the corresponding period of 2019. Net profit attributable to shareholders amounted to \$4.42 billion compared to \$3.27 billion in the previous year's corresponding period, showing a 35% increase.

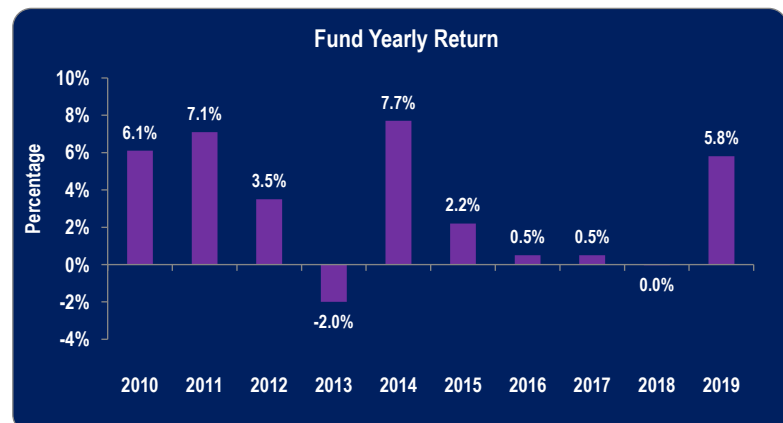
Total comprehensive income closed the nine months at \$5.82 billion (2019: \$9.26 billion). Earnings per share for the nine months GK booked an EPS of \$4.45 (2019: \$3.29). GK's trailing EPS amounted to \$5.67. The number of shares used in our calculations is 995,012,431 units

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.



“Changes to the Federal Reserve’s interest-rate setting panel will make the U.S. central bank even less likely to tighten monetary policy in the new year, no matter how much of a jolt the economy gets from the rollout of Covid-19 vaccines. In the annual rotation of voters on the Federal Open Market Committee, the four regional Fed presidents who receive that privilege in 2021 will be marginally more dovish -- or inclined to favor easy policy -- than the four they replace.”

<https://www.bloomberg.com/news/articles/2020-12-30/fed-s-policymaking-panel-tilts-even-more-dovish-in-2021-rotation?srnd=economics-vp>

“China’s central bank reiterated its pledge to avoid a sudden shift in monetary policy while it maintains necessary support for the economy’s recovery. The main priority is stability, the People’s Bank of China said in a statement late Tuesday after its quarterly policy meeting, vowing to “make no sharp turn” on policy. Monetary policy should be flexible, targeted, reasonable and appropriate, it said, reiterating comments from the Communist Party’s recent Central Economic Work Conference.”

<https://www.bloomberg.com/news/articles/2020-12-30/china-s-central-bank-reiterates-it-will-avoid-sharp-policy-exit?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at December 28, 2020

	Percentage (%)
Yield to Maturity	3.93
Weighted Average Coupon	4.903
Current Yield	4.81

The platinum portfolio has an effective maturity of 13.38 years and duration of 4.87 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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