

LOCAL STOCK MARKET: (JS) +

Stock Symbol	LASD	HONBUN	MAILPAC	SEP	KPRETT
Current Price (\$)	3.25	5.54	2.17	64.25	7.40
Trailing EPS (\$)	0.24	0.35	0.170	4.20	0.40
P/E (times)	13.77	15.66	12.76	15.31	18.44
Projected P/E	12.60	14.39	11.41	19.11	305.80
Projected EPS (\$) +	0.26	0.39	0.190	3.36	0.02
Book Value per share (\$)	1.72	1.85	0.19	22.55	6.28
Price/Book Value (times)	1.89	3.00	11.60	2.85	1.18
Dividend Yield (2019 %)	1.11%	1.54%	N/A	3.34%	1.75%
Volumes	15,177	107,069	253,036	13,119	1,000
Recommendation	BUY	HOLD	BUY	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY

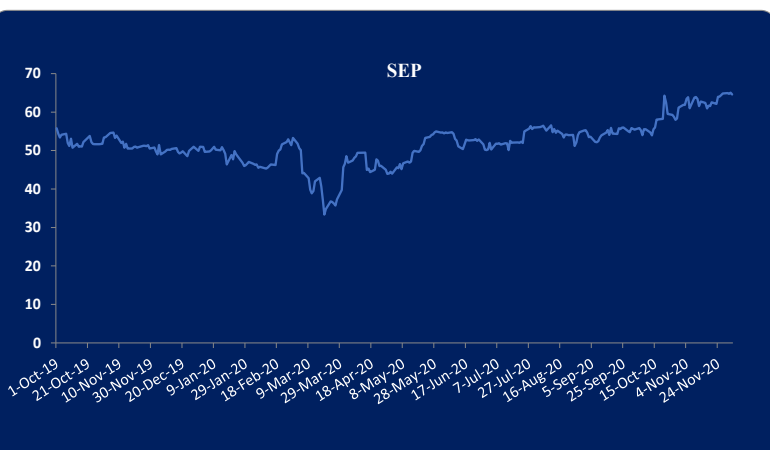
Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	149.000	113.400	143.7169	152.280	118.547	144.9956
CAN	114.950	90.720	113.0736	116.000	102.000	112.5769
GBP	195.500	173.600	194.1190	201.405	180.000	196.0958
EURO	173.400	160.000	171.8471	179.900	170.500	178.0696

*Rates as at December 04, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (December 07, 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 07, 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: Seprod Limited (SEP)

For the nine months ended September 30, 2020:

Revenue, for the nine months ended September 30, 2020, totalled \$28.66 billion compared to the \$24.80 billion recorded for the same period of the prior financial year; this represents a 16% increase year over year.

Cost of Sales rose by 15% from \$15.77 billion to \$18.06 billion. Consequently, Gross Profit increased 17% to close at \$ \$10.60 billion (2019: \$9.02 billion).

Finance and Other Income for the period totalled \$997.70 million relative to \$175.03 million in 2019 a 470% increase year over year.

Other operating expenses increased by 11% to close the nine months at \$7.78 billion (2019: \$6.99 billion). Operating Profit increased by 73% to total \$3.81 billion (2019: \$2.21 billion) for the nine months.

Finance Costs totalled \$866.09 million; a negligible decrease of 0.1% compared \$866.67 million in 2019. Pre-tax Profits more than doubled to end at \$2.93 billion in comparison to profits of \$1.39 billion last year, representing a 111% increase. Taxation of \$401.17 million was booked for the period relative to \$233.81 million in 2019 to result in a Net Profit from continuing operations of \$2.53 billion (2019: \$1.16 billion).

The Company also reported loss from discontinued operation of \$47.30 million relative to last year's loss from discontinued operations of \$786.50 million. As such, Net Profit for the nine months ended September 2020 totalled \$2.48 billion (2019: \$377.75 million).

Additionally, Seprod, for the nine months ended September 30, 2020, reported Total Comprehensive Income of \$2.61 billion relative to \$469.98 million reported in the corresponding 2019 period.

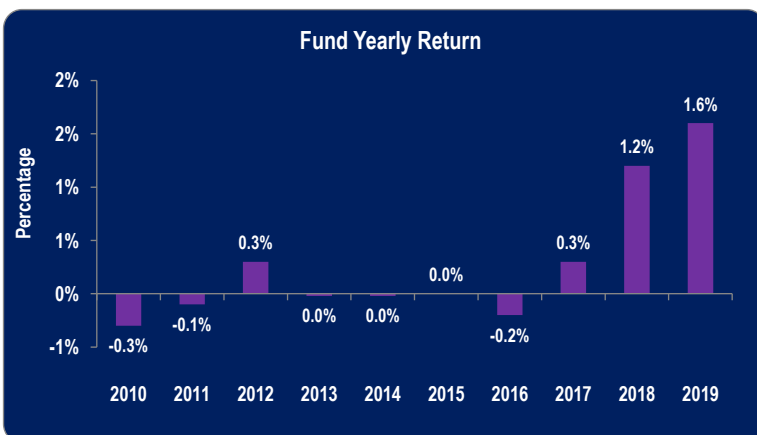
Earnings Per Share for the nine months ended September 30, 2020 amounted to \$3.38 relative to \$0.51 for the corresponding period in 2019. The twelve months trailing EPS is \$4.20. The number of shares used in our calculations is 733,546,855.

Over The Counter Funds (CI FUNDS)

CI Short-Term US\$ Corporate Class

This fund invests primarily in U.S. money market instruments.

The fund has a 3 year return of 1.0% and a 5 year return of 0.6%. The Fund also has a 10 year return of 0.3%. Rates are as at October 31, 2020.



“The story of U.S. inflation in 2021 could very well amount to this: It’s all a mirage. Americans are likely to see prices jump across a variety of sectors next year, thanks in part to Covid-19 vaccines that will potentially turbocharge demand for such pandemic casualties as travel and tickets to sporting events. With prices also climbing for some inputs such as copper and lumber, inflation could very well reach or surpass the Federal Reserve’s 2% target in some months. Financial markets are increasingly pricing in higher inflation in coming years, and debates over whether the central bank should start easing back its record monetary stimulus may intensify.”

<https://www.bloomberg.com/news/articles/2020-12-07/get-ready-for-the-great-u-s-inflation-mirage-of-2021?smd=economics-vp>

“A British official warned that talks over a future trade deal with the European Union could collapse on Monday unless negotiators make progress in the next few hours. Prime Minister Boris Johnson is due to speak to European Commission President Ursula von der Leyen on Monday evening and that conversation will be a make-or-break moment, another U.K. official said. At a briefing in Brussels on Monday, Michel Barnier, the European Union’s chief negotiator, told envoys from the bloc’s 27 member states that it’s up to Johnson to make the next move and denied that the two sides are nearing a breakthrough over their longstanding disagreement over fishing, according to officials with knowledge of his comments.”

<https://www.bloomberg.com/news/articles/2020-12-07/barnier-tells-diplomats-he-s-pushing-for-a-deal-brex-it-update?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 Gold

This portfolio is ideal for investors, both retail and corporate, seeking a conservative, short-term investment. The securities in the Gold are directly owned by the client and provide them with a safe investment option. Our Gold portfolio can also provide investors with coupon payments that can generate a positive income stream.

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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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