

DAILY MARKET SUMMARY



VOLUME 1 January 15, 2021

LOCAL STOCK MARKET: (JS) +

Stock Symbol	MAILPAC	KREMI	WIG	FTNA	CHL
Current Price (\$)	3.74	4.52	0.74	5.55	6.95
Trailing EPS (\$)	0.17	0.25	0.052	0.24	0.26
P/E (times)	21.99	17.78	14.11	22.86	26.88
Projected P/E	19.67	16.88	11.91	21.28	31.99
Projected EPS (\$)*	0.19	0.27	0.062	0.26	0.22
Book Value per share (\$)	0.19	2.16	0.35	1.15	1.22
Price/Book Value (times)	20.00	2.09	2.10	4.82	5.69
Dividend Yield (2019 %)	3.24%	0.69%	0.33%	2.12%	2.24%
Volumes	982,100	133,687	521,104	76,181	960
Recommendation	BUY	HOLD	BUY	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY

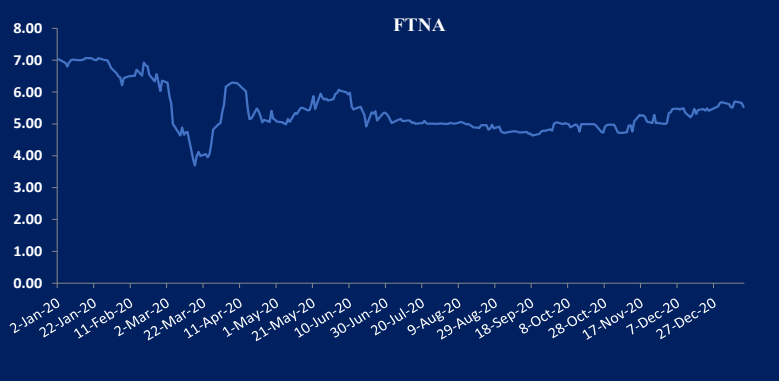
Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	148.000	113.400	143.4838	151.200	116.060	145.6942
CAN	112.050	90.000	108.6473	118.500	91.000	117.8865
GBP	199.000	169.500	191.6835	204.120	180.000	199.7305
EURO	173.000	156.000	171.2363	180.500	168.200	180.1300

*Rates as at January 14, 2021

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 15, 2021) trading session. The over night 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 (January 15, 2021) 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: Fontana Limited (FTNA)

For the three months ended September 30, 2020:

Fontana Limited (FTNA), for three months ended September 30, 2020 recorded a 21% increase in revenues to total \$1.11 billion compared to \$920.68 million for the same period in 2019.

Cost of Sales for the period increased 19%, closing at \$718.69 million, up from \$640.26 million reported the prior year.

As such, gross profit for the three months amounted to \$394.92 million, a 25% uptick when compared to \$316.41 million recorded last year.

Administrative expenses climbed by 5% for the period, to total \$289 million versus \$276.55 million in 2019, while selling and promotion closed the three months at \$20.76 million (2019: \$19.68 million).

As such operating profit saw a 322% increase to \$85.16 million relative to \$20.18 million booked a year ago.

Finance and policy cost for the three months totalled \$51.41 million, an increase of 262% when compared to the \$14.22 million recorded for the same quarter in 2019, while other income amounted to \$11.46 million relative to \$12.41 million the prior year.

This resulted in profit before taxation totalling \$45.21 million compared to \$18.37 million recorded last year, a 146% increase year over year.

There was no income tax for the period as such net profit rose by 146% to end the period at \$45.21 million relative to \$18.37 million recorded for the prior year's corresponding quarter.

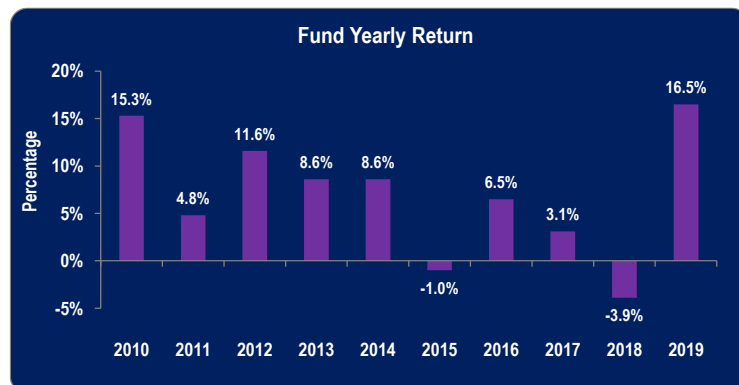
Earnings per share (EPS) for the period totalled \$0.04 (2019: \$0.01). The trailing EPS was \$0.24. The number of shares used in our calculations amounted to 1,249,374,825 units.

Over The Counter Funds (CI FUNDS)

Signature High Income Fund

This fund invests primarily in high-yielding equity securities and Canadian corporate bonds.

The fund has a 3 year return of 4.3% and a 5 year return of 4.5%. The Fund also has a 10 year return of 5.5%. Rates are as at December 31, 2020.



U.S.: U.S. Retail Sales Seen Stagnating in December Due to Virus Surge

“U.S. retail sales probably stagnated in December after declining in recent months as a surge in coronavirus infections led to new business restrictions and limited economic activity during the all-important holiday-shopping season. Economists project Friday’s government report will show that overall receipts at the nation’s retailers were little changed from November, while sales excluding auto dealers fell for a third straight month, according to Bloomberg survey medians.”

<https://www.bloomberg.com/news/articles/2021-01-14/u-s-retail-sales-seen-stagnating-in-december-due-to-virus-surge?srnd=economics-vp>

Europe: ECB Won’t Need Extra Stimulus to Fight Pandemic, Economists Say

“The European Central Bank won’t need to boost its monetary stimulus again to pull the euro-area economy out of its current crisis, according to a Bloomberg survey. The latest pandemic lockdowns and a likely double-dip recession for the euro zone aren’t enough to push officials into revamping the ultra-loose policies they set in December, economists said. That means the 1.85 trillion-euro (\$2.25 trillion) emergency bond-buying program is seen coming to a halt as scheduled in March 2022.”

<https://www.bloomberg.com/news/articles/2021-01-15/ecb-won-t-need-extra-stimulus-to-fight-pandemic-economists-say?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at January 11, 2021

	Percentage (%)
Yield to Maturity	3.96
Weighted Average Coupon	4.903
Current Yield	4.83

The platinum portfolio has an effective maturity of 13.29 years and duration of 4.88 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 then they might otherwise do.

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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



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