



### LOCAL STOCK MARKET: (JS)\*

| Stock Symbol              | SEP    | MAILPAC | JMMBGL  | LASM  | CHL   |
|---------------------------|--------|---------|---------|-------|-------|
| Current Price (\$)        | 61.36  | 3.84    | 37.72   | 4.85  | 7.00  |
| Trailing EPS (\$)         | 3.79   | 0.18    | 4.321   | 0.35  | 0.32  |
| P/E (times)               | 16.20  | 21.25   | 8.73    | 13.92 | 21.92 |
| Projected P/E             | 15.92  | 20.48   | 7.79    | 12.29 | 20.23 |
| Projected EPS (\$)*       | 3.85   | 0.19    | 4.842   | 0.39  | 0.35  |
| Book Value per share (\$) | 24.48  | 0.20    | 30.50   | 2.01  | 1.42  |
| Price/Book Value (times)  | 2.51   | 19.39   | 1.24    | 2.41  | 4.92  |
| Dividend Yield (2020 %)   | 1.23%  | 3.24%   | 0.72%   | 1.56% | 2.24% |
| Volumes                   | 31,923 | 919,719 | 233,778 | 3,031 | NIL   |
| Recommendation            | HOLD   | HOLD    | BUY     | BUY   | SELL  |

### FOREIGN EXCHANGE MARKET TRADING SUMMARY

| Currency | PURCHASE RATE |         |                       | SALES RATE |         |                       |
|----------|---------------|---------|-----------------------|------------|---------|-----------------------|
|          | Highest       | Lowest  | Weighted Average Rate | Highest    | Lowest  | Weighted Average Rate |
| USD      | 152.400       | 118.868 | 147.5557              | 165.200    | 121.449 | 147.4194              |
| CAN      | 118.850       | 95.970  | 113.8917              | 125.104    | 109.000 | 118.7818              |
| GBP      | 206.500       | 163.012 | 198.1457              | 211.300    | 194.500 | 201.9190              |
| EURO     | 176.400       | 140.516 | 168.7138              | 181.900    | 169.800 | 174.3731              |

\*Rates as at September 30, 2021

### MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 30, 2021) trading session. The overnight rate stood at 0.40% to 1.00%, while the 30-day rate was 2.00% to 2.20%.

The US dollar fixed income market was also liquid during today's (September 30, 2021) trading session; The overnight market rates were quoted at 1.00% to 1.20% while the 30-day market rates stood at 1.70% to 1.90%.

### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI Canadian Income & Growth Corporate Class

This fund invests mainly in equity, equity-related and fixed income securities of Canadian issuers. 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 7.30% and a 5-year return of 7.60%. The Fund also has a 10-year return of 4.00%. Rates are as at August 31, 2021.



### STOCK OF THE DAY: Seprod Limited (SEP)

#### For the six months ended June 30, 2021

Seprod Limited (SEP), for the six months ended June 30, 2021, revenue totalled \$19.83 billion compared to the \$18.61 billion recorded for the same period of the prior financial year; this represents a 7% increase year over year

Cost of Sales rose 19% from \$12.10 billion in 2020 to \$14.39 billion for the six months ended June 30, 2021. Consequently, gross profit decreased 16% to close at \$5.44 billion (2020: \$6.51 billion),

However, other operating income for the period totalled \$178.26 million relative to \$217.33 million in 2020, a 18% decline year over year while other operating expenses decreased by 20% to close the six months period at \$3.62 billion (2020: \$4.51 billion).

Consequently, operating profit fell by 10% to \$2.00 billion (2020: \$2.22 billion) for the six months ended June 2021.

Finance costs totalled \$501.02 million (2020: \$595.22 million), a 16% decline when compared to the same period last year. The company reported share of results of Joint Venture amounting to \$32.23 million relative to \$4.97 million reported in 2020.

Pre-tax profits fell 6% to \$1.53 billion in comparison to profit of \$1.63 billion booked in the same period last year.

Taxation of \$286.52 million was reported for the six months period relative to \$316.05 million booked in 2020. Consequently, SEP, for the period under review, booked net profit from continuing operation of \$1.24 billion (2020: \$1.32 billion) and net loss from discontinued operations closed at \$37.60 million (2020: \$16.13 million). As a result, overall net profit was \$1.21 billion (2020: \$1.30 billion) for the period under review,

The comprehensive income for the six months amounted to \$1.29 billion (2020: \$1.40 billion).

Earnings per share for the six months ended June 30, 2021 amounted to \$1.65 relative to \$1.77 for the corresponding period in 2020. The twelve months trailing EPS is \$3.79. The number of shares used in our calculations is 733,546,855.

\*Prices are as at September 30, 2021 \*Projections are made to the company's financial year end

#### Fund Yearly Return



## U.S. Initial Jobless Claims Rise Again, Led by California

“Applications for U.S. state unemployment benefits unexpectedly rose for a third straight week, led by another surge in California, and reflecting choppiness in weekly data. Initial unemployment claims in regular state programs rose to 362,000 in the week ended Sept. 25, a seven-week high, Labor Department data showed Thursday. The median estimate in a Bloomberg survey of economists called for a decrease to 330,000 new applications.”

<https://www.bloomberg.com/news/newsletters/2021-09-29/u-s-retailers-make-only-some-progress-on-stocks-before-holidays?srnd=economics-vp&sref=FmvzgEwg>

## U.K. Set to Scrap £80 Billion Lifeline for the Poorest Families

“The U.K. government is ending two of its pandemic-era safety net programs that pumped almost 80 billion pounds (\$107 billion) into the economy, a move that campaigners say will leave more working families in poverty and widen the gap between the rich and the poor. Over the next week, furlough support for wages that helped 8.9 million workers at peak and a temporary increase in benefits for about 6 million people both are due to finish.”

<https://www.bloomberg.com/news/articles/2021-09-30/u-k-set-to-scrap-107-billion-lifeline-for-the-poorest-families?srnd=economics-vp&sref=FmvzgEwg>

## PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at September 27, 2021

|                         | Percentage (%) |
|-------------------------|----------------|
| Yield to Maturity       | 3.18           |
| Weighted Average Coupon | 4.53           |
| Current Yield           | 4.17           |

The platinum portfolio has an effective maturity of 8.48 years and duration of 5.75 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](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)



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