

# DAILY MARKET SUMMARY

July 7, 2022



## LOCAL STOCK MARKET: (JS)\*

Stock Symbol	CAR	GK	FOSRICH	JAMT	ISP
Last Traded Price (\$)	9.41	102.19	35.25	3.05	17.03
Trailing EPS (\$)	0.84	8.31	0.64	0.17	0.48
P/E (times)	11.13	12.28	57.68	17.78	35.73
Projected P/E	9.90	11.96	36.80	16.49	28.97
Projected EPS (\$)*	0.94	8.54	1.00	0.18	0.59
Book Value per share (\$)	0.43	68.82	3.33	1.07	4.50
Price/Book Value (times)	21.73	1.48	11.04	2.83	3.79
Dividend Yield (2021 %)	10.32%	1.93%	1.14%	N/A	0.03%
Volumes	417,585	30,898	129,935	61,844	NIL
Recommendation	BUY	HOLD	HOLD	HOLD	SELL

## FOREIGN EXCHANGE MARKET TRADING SUMMARY

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	153.0000	118.8495	149.8866	165.2000	140.0000	151.8239
CAD	118.4000	93.5203	113.4495	124.3000	102.0000	118.7406
GBP	183.6000	146.9100	177.3055	198.2400	160.0000	181.8573
EUR	154.6000	125.1790	149.8189	161.0000	147.5000	157.4926

\*Rates as at July 6, 2022

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (July 7, 2022) trading session. The over night rate stood at 5.50% to 6.00%, while the 30-day rate was 5.50% to 5.80%.

The US dollar fixed income market was also liquid during today's (July 7, 2022) trading session; The overnight market rates were quoted at 1.70% to 2.00% while the 30-day market rates stood at 2.00% to 2.20%.

## FOSRICH



## STOCK OF THE DAY: FosRich Company Limited (FOSRICH)

### Financials for three months ended March 31, 2022:-

FosRich Company Limited (FOSRICH) booked a 64% increase in revenue to total \$900.29 million compared to \$549.28 million for the same quarter in 2021. The Company noted that, "These increases were attributed primarily to increased sales in eight (8) of our eleven (11) Product Groups as follows: Control Devices, Industrial, LED, Lighting World, PVC, Solar, Wires and Wiring Devices."

Cost of sales for the year increased 48%, moving from \$357.59 million in March 2021 to \$528.96 million for the period under review. As such, gross profit amounted to \$371.33 million, an increase of 94% when compared to \$191.69 million recorded for the quarter ended March 31, 2021.

Other income, for the quarter totalled \$19.96 million an increase of 32% year over year, when compared to the \$15.12 million recorded for the previous year's comparable quarter.

Administrative and other expenses rose by 43%, to total \$195.16 million (2021: \$136.64 million).

Finance costs of \$37.24 million were recorded for the period, a 17% increase when compared to \$31.80 million for the corresponding period in 2021. FosRich noted, "This increase is being driven primarily by increases in bank financing."

As a result, operating profit for the quarter rose by 314% to close at \$158.89 million (2021: \$38.37 million).

No taxes were incurred for the quarter, thus net profit for the three months ended March 31, 2022 totalled \$158.89 million, a 314% increase compared to \$38.37 million reported for first three months of 2021.

Earnings per share (EPS) for the period totalled \$0.316 (2021: \$0.076). The trailing twelve months earnings per share amounted to \$0.637. The number of shares used in our calculations amounted to 502,275,555 units.

## OVER THE COUNTER FUNDS (CI FUNDS)

### CI U.S. Stock Selection Corporate Class

This fund invests primarily in equity and equity-related securities of companies in the United States.

The fund has a 3-year return of 10.40% and a 5-year return of 7.8%. The Fund also has a 10-year return of 9.40%. Rates are as at May 31, 2022.

### Fund Yearly Return



## BofA Says Consumer Spending Remains Resilient Despite Inflation

Bank of America Corp. said customer spending continues to show signs of resilience despite surging inflation, with pent-up demand for travel and leisure countering rising gas prices and other increased costs.

<https://www.bloomberg.com/news/articles/2022-07-07/bofa-says-consumer-spending-remains-resilient-despite-inflation?smd=premium#xj4y7vzkg>

## Pound Climbs and UK Stocks Rise on Reports of Johnson Resignation

The end of Boris Johnson's run as prime minister may ease the sense of political chaos, but it won't fix any of the issues depressing UK markets.

That's the view from investors and market strategists, who said they're still bearish on British assets as Johnson announced he will step down. The market reaction was positive, with the pound approaching \$1.20. The FTSE 100 Index gained alongside other global stock indexes.

<https://www.bloomberg.com/news/articles/2022-07-07/pound-rallies-as-johnson-s-exit-plan-spells-relief-for-traders?smd=premium-uk#xj4y7vzkg>

## PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at July 4, 2022

	Percentage (%)
Yield to Maturity	5.94
Weighted Average Coupon	4.85
Current Yield	5.33

The platinum portfolio has an effective maturity of 10.11 years and duration of 6.16 years.

## STRUCTURED PRODUCT

### Pension Fund Management

At Mayberry Investments, we can help you develop long-term investment strategies designed to give your retirement account the most value. Whatever your goals are we can help you to achieve them by ensuring that your future is as comfortable as possible. Whether you want to pursue philanthropic interests, acquire new skills or advanced degrees, start new businesses, travel the world, or just relax, our goal is to provide the resources you need to make your time your own. We look at your present capital and expected income spending, and develop a strategy to help you fund your dreams wherever they may take you. Your Financial Advisor will help you choose the mix of investments targeting your particular income goals. No matter how you choose to spend retirement, we strive to help you find investment and income solutions to pay the bills while letting your greatest asset-your imagination do the rest.

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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)