

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) +

Stock Symbol	BPOW	NCBFG	SGJ	SALF	TTECH
Current Price (\$)	44.78	88.72	48.60	8.50	6.04
Trailing EPS (\$)	2.18	7.80	3.83	0.86	0.33
P/E (times)	20.59	11.38	12.70	9.87	18.39
Projected P/E	18.66	8.99	12.11	8.39	25.11
Projected EPS (\$)*	2.40	9.87	4.01	1.01	0.24
Book Value per share (\$)	12.56	43.14	30.54	7.58	1.65
Price/Book Value (times)	3.56	2.06	1.59	1.12	3.65
Dividend Yield (2017 YTD %)	0.42%	2.03%	1.85%	N/A	N/A
Volumes	2,100	79,006	47,968	0	174,928
Recommendation	SELL	HOLD	HOLD	HOLD	SELL

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	130.000	100.000	127.9848	147.240	104.300	128.8749
CAN	106.000	73.800	102.9870	113.620	99.000	103.2484
GBP	171.000	122.480	166.5795	196.800	164.000	168.1301
EURO	149.850	50.000	145.2391	174.600	145.000	151.1777

\*Rates as at October 10, 2017

### MONEY MARKET

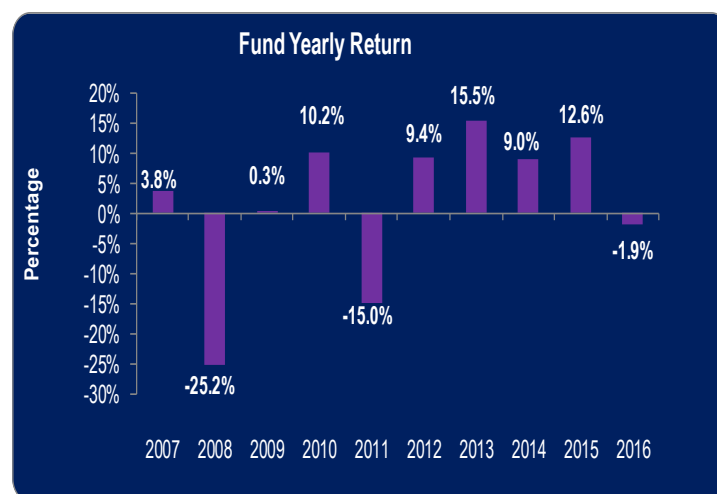
The Jamaican dollar fixed income market was illiquid in today's (October 11, 2017) trading session. The overnight rates were quoted around 2.30% to 3.25% while the 30-day rates were between 5.00% to 5.15%.

The US dollar fixed income market was also liquid during today's (October 11, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.2% to 1.4%.

### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI Pacific Corporate Class

This fund's objective is to obtain maximum long-term capital growth. It invests primarily in equity and equity-related securities of established companies that the portfolio advisor believes have good growth potential. The fund has a 3 year return of 7.7% and a 5 year return of 10.4% as at September 30, 2017. The Fund also has a 1 year return of 9.2%.



### NCBFG



### STOCK OF THE DAY: National Commercial Bank of Jamaica Limited (NCBJ)

For The Nine Months Ended June 30, 2017:

Net Interest Income increased by 5%, relative to the corresponding period in 2016, to total \$22.19 billion (2016: \$21.04 billion). For the quarter, Net Interest Income for improved 9% to close at \$7.56 billion (2016: \$6.92 billion). Interest income rose 8% year over year to \$31.63 billion compared to \$29.21 billion in 2016, while interest expense amounted to \$9.44 billion relative to \$8.17 billion for the corresponding period in 2016.

Total operating income increased 16% to a total of \$44.22 billion (2016: \$38.07 billion). Total operating income for the third quarter recorded a 19% growth to \$15.05 billion (2016: \$12.68 billion).

Total Operating Expenses for the period amounted to \$28 billion, an increase of 9% compared to the \$25.69 billion reported for the nine months ended June 30, 2016. Expenses for the quarter rose 18% to close at \$8.88 billion compared to \$7.55 billion in 2016. The increase within the nine months was due to other operating expenses and staff costs expenses. Of these expenses staff costs increased 18% to \$12.09 billion relative to \$10.21 billion in 2016, while other operating expenses which grew by 11% to \$11.04 billion (2016: \$9.91 billion).

Provision for credit losses fell 45% to \$497.30 million (2016: \$903.63 million) while depreciation and amortization grew by 24% to \$1.72 billion (2016: \$1.38 billion). Policyholders' and annuitants' benefits and reserves decreased by 19% to \$2.65 billion relative to \$3.29 billion for the prior year's corresponding period. Consequently, operating profit increased 31% to total \$16.21 billion (2016: \$12.37 billion). 'Share of profit of associates' surged by 471% to total \$2.22 billion compared to \$389.42 million in 2016. Consequently, profit before taxation increased 44% to \$18.44 billion relative to \$12.76 billion in 2016.

After accounting for taxation of \$3.72 billion (2016: \$2.83 billion), net profit for the nine months totaled \$14.72 billion, an increase of 48% compared to \$9.94 billion for the corresponding period of 2016. The company indicated that "Our nine months results signify the highest net profit performance for the Group, exceeding the full year results for the 2016 financial year". Net profit for the third quarter improved by 33% to close at \$5.26 billion (2016: \$3.94 billion).

Earnings per share (EPS) for the nine months ended June 30, 2017 totaled \$5.97 relative to \$4.03 booked for the comparable period of 2016. The EPS for the third quarter amounted to \$2.13 (2016: \$1.60). The trailing twelve month EPS amounted to \$7.80. The number of shares used in our calculations amounted to 2,466,762,828 units.

**US: Nafta Talks Will Focus on U.S. Demands for More America-Made Content**

“Negotiators from the U.S, Mexico and Canada are preparing to tackle the thorny issue of how much American content should be included in goods assembled on the continent, according to an agenda of talks on a new North American Free Trade Agreement. Officials will discuss so-called rules of origin on Friday, followed by sessions Sunday and Monday, according to the agenda obtained by Bloomberg News. The Trump administration is expected to aggressively push to increase content requirements for cars, which Magna International Inc. has warned could add to complexity and costs for the industry. The U.S. is expected to propose substantially raising the regional requirement to receive the pact’s benefits, from 62.5 percent currently, and to potentially add a U.S.-specific content requirement. Talks resumed Wednesday with increasing signs that the negotiations may fall apart as the U.S. pushes for changes that would reduce its trade deficit and bring back manufacturing jobs. Canadian Prime Minister Justin Trudeau is meeting on Wednesday with President Donald Trump, who this week repeated his threat to pull the U.S. out of the 23-year-old accord.”

<https://www.bloomberg.com/news/articles/2017-10-11/nafta-trio-to-discuss-u-s-demands-for-more-america-made-content>

**EUROPE: Theresa May? PM refuses to say how she'd vote in another Brexit referendum**

“LONDON (Reuters) - British Prime Minister Theresa May refused to say whether she would vote for Brexit if there was another referendum, repeatedly avoiding giving an answer on an issue that will define Britain’s fate for generations to come. Although May has talked up the “promise of Brexit” since gaining power last year, she had, in the run-up to the June 2016 referendum, quietly backed staying in the European Union. She won the top job after David Cameron, who had also campaigned to remain, resigned in the chaos following the shock result of the vote. She has ruled out holding a second referendum on the final deal of the terms of Brexit, despite calls for one from some pro-EU lawmakers. Asked three times in an interview if she had changed her mind since then, she did not answer directly, saying she wouldn’t engage with hypothetical questions and said her job was now to deliver what the people had voted for.”

<http://www.reuters.com/article/us-britain-eu-may/theresa-may-refuses-to-say-how-she-d-vote-in-another-brexit-referendum-idUSKBN1CG0N8>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at October 09, 2017	
	Percentage (%)
Yield to Maturity	4.63
Weighted Average Coupon	4.938
Current Yield	4.80

The platinum portfolio has an effective maturity of 15.50 years and duration of 4.96 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](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)

OVER 20 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH  
 = POSITIVE TRANSFORMATION FOR OUR CLIENTS  
 MANAGED FUND SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS

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