

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) <sup>+</sup>

Stock Symbol	DCOVE	LASD	CHL	GK	SVL
Current Price (\$)	16.10	3.56	10.00	43.41	10.45
Trailing EPS (\$)	1.13	0.18	0.34	4.03	0.63
P/E (times)	14.21	19.40	29.48	10.76	16.62
Projected P/E	10.50	19.04	27.13	9.25	14.49
Projected EPS (\$)*	1.53	0.19	0.37	4.69	0.72
Book Value per share (\$)	9.19	1.24	0.84	44.68	1.56
Price/Book Value (times)	1.75	2.87	11.88	0.97	6.70
Dividend Yield (2017 %)	4.97%	N/A	2.45%	1.73%	6.79%
Volumes	7,745	16,150	0	3,391	1,101,640
Recommendation	SELL	SELL	SELL	HOLD	HOLD

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	125.580	100.010	123.6537	133.800	115.000	125.0332
CAN	100.430	72.000	96.6406	110.740	92.000	98.8357
GBP	173.800	124.730	167.8910	191.830	160.000	172.8587
EURO	149.220	110.250	144.6232	169.560	142.000	153.7557

\*Rates as at January 18, 2018

### MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 19, 2017) trading session. The overnight rates were quoted around 2% to 2.3% while the 30-day rates were between 3.65% to 3.85%.

The US dollar fixed income market was also liquid during today's (January 19, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.0% to 1.2%.

### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI Pacific Corporate Class

This fund's objective is to seek above-average capital growth. It invests primarily in equity and equity-related securities of small to mid-capitalization North American companies. . The fund has a 3 year return of 10% and a 5 year return of 17.3% as at December 31, 2017. The Fund also has a 3 month return of 6.5%.



### STOCK OF THE DAY: Supreme Ventures Limited (SVL)

For the Nine Months ended September 30, 2017:

Supreme Ventures Limited (SVL) reported a 25% in revenues from \$41.24 billion for the 2017 period, up from \$33.06 billion in 2016. While for the third quarter revenues totaled \$13.87 million relative to \$10.90 million in 2016.

Lottery - \$29.75 billion (2016: \$25.87 billion), a 15% increase. Sports Betting - \$516.37 million (2016: \$565.39 million) a 9% decline. Gaming & Hospitality - \$281.04 million (2016: \$264.61 million) a 6% increase.

Horsereading - \$3.27 billion (2016: nil). Pin codes - \$7.40 billion (2016: \$6.28 billion), an 18% increase. Other revenue - \$5.62 million (2016: \$61.37 million) a 91% decline. Unallocated - \$13.54 million (2016: 10.88 million).

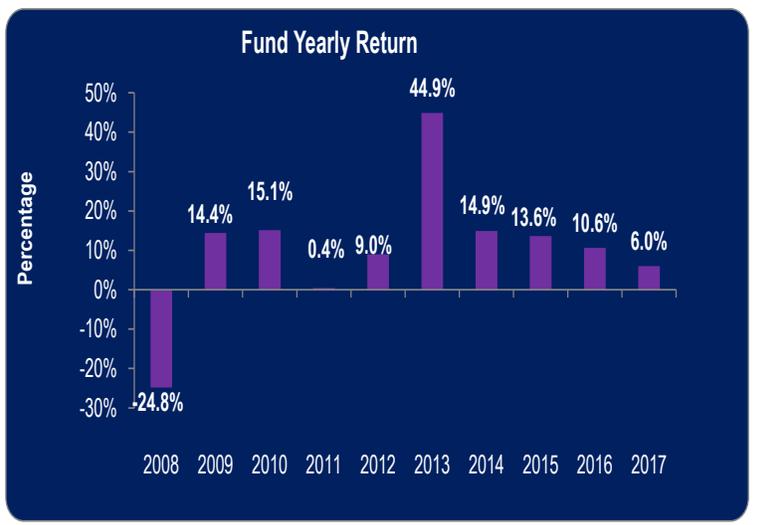
Direct expenses recorded an increase to close the period at \$37.07 billion when compared to \$29.89 billion for the same period of 2016. As such, gross profit for the period improved 32% to \$4.17 billion (2016: \$3.16 billion). Gross profit for the third quarter amounted to \$1.43 billion, 63% higher versus \$869.38 million booked for the corresponding quarter of 2016.

Operating expenses grew by 19% for the period to \$2.42 billion (2016: \$2.03 billion). Despite the increase, profit from operations rose year over year to total \$1.75 billion in contrast to the \$1.13 billion recorded last year, a 54% increase. Interest income grew 45% to \$71.43 million (2016: \$49.25 million), while finance costs totaled \$45.49 million (2016: \$354,000).

A net foreign exchange loss of \$3.18 million was recorded for the period compared to a gain of \$7.99 million booked in 2016. SVL reported \$3.74 million for 'Other gains' during the period compared to \$3.48 million in 2016. Profit before Taxation amounted to \$1.77 billion, up from \$1.19 million in 2016.

Net Profit after tax amounted to \$1.33 billion, a 56% increase from the \$849.70 million recorded for the nine months ended September 30, 2017. This despite the increase in tax charges of \$445.58 million relative to \$343.43 million for the same period last year. Net profit for the quarter totaled \$409.22 million relative to \$200.64 million in 2016.

Earnings per share totaled \$0.50 (2016: \$0.32) for the nine months, while earnings per share for the quarter amounted to \$0.16 relative to an earning per share of \$0.08 in 2016. The twelve month trailing EPS amounted to \$0.63. The number of shares used in our calculations 2,637,254,926 units.



<sup>+</sup>Prices are as at January 19, 2018    \*Projections are for the forward 12 months from the most recent quarter results

**U.S.: Stocks Rise, Dollar Hits Weakest Level in 3 Years: Markets Wrap**

U.S. stocks added to records on a report that regulators are close to further easing banking rules, while the government shutdown drama in Washington weighed on the dollar. Treasury yields climbed to a more than three-year high. Most major equity gauges were higher, led by strength in apparel and durable goods makers. The greenback headed for a sixth straight weekly loss. And the yield on 10-year Treasuries rose above 2.64 percent for the first time since 2014 before falling back. The dollar's weakness rippled across the globe, with the euro, yen, gold and precious metals among the beneficiaries. The risk-on mood that helped drive up Treasury yields this week was still evident, with European stocks following Asian peers higher. Emerging-market equities climbed for a sixth day, and West Texas crude extended a retreat. Optimism about global growth finally seems to be catching up with bond markets, with investors factoring in the prospect of accelerating price increases in the world's largest economy. Thursday's sale of U.S. bonds that offer a hedge against faster inflation attracted strong demand. Better-than-expected growth numbers from China this week added to a slew of recent data releases from across the world supporting the positive outlook, days before two of the big central banks rule on rates.

<https://www.bloomberg.com/news/articles/2018-01-18/asian-stocks-face-mixed-start-treasuries-drop-markets-wrap>

**Asia: China looks to call bluff on Trump trade action**

As influential voices within the U.S. business community warn China that U.S. President Donald Trump is serious about tough action over Beijing's trade practices, there is little sense of a crisis in the Chinese capital, where officials think he is bluffing. In Beijing, many experts think Washington is unwilling to pay the heavy economic price needed to upset prevailing trade dynamics between the world's two largest economies. Hanging over trade relations are several inquiries into whether steel and aluminum imports - including those from China - are harming U.S. national security, possible tariffs on imported solar panels, as well as an investigation into potential Chinese abuse of intellectual property. People in the U.S. business community say this growing gulf in expectations between Washington and Beijing is fueled in part by the dwindling frequency of talks on commercial issues. The resulting vacuum could set the two governments on a collision course over trade. They delivered a message that trade frictions "are not under control" and that there was a high likelihood of "significant actions" coming soon, according to the person who was present at the meetings

<https://www.reuters.com/article/us-usa-china-trade-analysis/china-looks-to-call-bluff-on-trump-trade-action-idUSKBN1F80WP>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at January 12, 2018	
	Percentage (%)
Yield to Maturity	4.89
Weighted Average Coupon	4.928
Current Yield	4.89

The platinum portfolio has an effective maturity of 21.06 years and duration of 5.07 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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