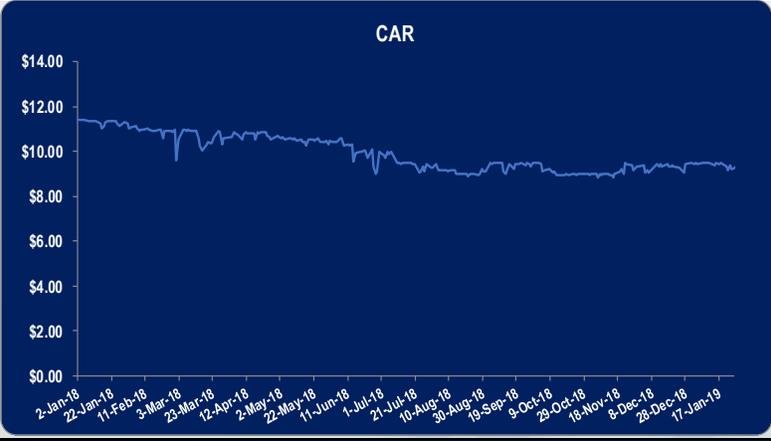




LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	CAR	CAC	SGJ	PTL	JMMBGL
Current Price (\$)	9.50	12.60	51.59	2.40	32.97
Trailing EPS (\$)	0.73	0.58	4.10	0.02	2.40
P/E (times)	12.97	21.75	12.57	103.81	13.73
Projected P/E	12.37	20.86	12.18	101.97	12.70
Projected EPS (\$)*	0.77	0.60	4.24	0.02	2.60
Book Value per share (\$)	0.30	3.78	37.17	0.46	16.36
Price/Book Value (times)	31.86	3.33	1.39	5.19	2.02
Dividend Yield (2018 %)	7.63%	1.23%	3.70%	1.30%	2.14%
Volumes	89,812	NIL	20,694	5,981	408,504
Recommendation	BUY	HOLD	HOLD	SELL	HOLD



STOCK OF THE DAY: Carreras Limited (CAR)

For the six months ended September 30, 2018:

Carreras Limited (CAR) for the six months ended September 30, 2018 reported operating revenue of \$6.31 billion, 4% more than the \$6.03 billion booked in 2017. Revenue for the quarter however declined by 3% compared to the corresponding quarter in 2017 moving from \$3.25 billion in 2017 to \$3.16 billion in 2017. Management noted, “the effective management of the cost base and to a lesser extent the recovery in volumes, which were evident in the first quarter, have continued into the second quarter.”

Cost of operating revenue increased year over year by 5%, amounting to \$3.16 billion from \$3.00 billion. As such, gross operating profit increased by 3% to total \$3.15 billion relative to the \$3.06 billion in 2017. Other operating income declined 52% moving from \$162.04 million in 2017 to \$77.26 million.

Administrative, distribution and marketing expenses declined 8% to total \$906.90 million (2017: \$989.68 million). Management indicated, “this 8% decline in overheads versus the similar period last year, is as a result of continued cost management and cost reduction initiatives implemented to achieve significant savings in the short term.”

Profit before Income tax was recorded at \$2.32 billion relative to \$2.23 billion in 2017. Taxation of \$579.80 million was incurred for the period (2017: \$558.22 million).

Net profit for the six months increased 4% to \$1.74 billion relative to \$1.67 billion booked in 2017. Net Profit for the second quarter saw a 1% increase to \$921.54 million compared to the \$914.39 million reported in the second quarter 2017 period. Total comprehensive income attributable to shareholders for the period closed at \$1.76 billion compared to \$1.67 billion reported for the corresponding quarter in 2017. Total Comprehensive Income attributable to shareholders for the quarter totalled \$921.54 million (2017:\$914.01 million)

Profit attributable to shareholders amounted to \$1.74 billion (2017: \$1.67 billion), while for the quarter CAR booked 921.53 million for the second quarter relative to \$914.36 million for the comparable quarter of 2017.

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	136.250	100.000	133.4337	148.310	105.030	134.8182
CAN	102.500	76.550	100.2487	109.580	93.800	102.1703
GBP	173.600	129.000	171.3744	189.070	161.600	172.8248
EURO	150.000	108.740	144.9776	156.400	141.300	150.2271

*Rates as at February 13, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today’s (February 14, 2019) trading session. The overnight rate stood at 1.90% to 2.10% while the 30-day rate ranged at 2.30% to 2.50%.

The US dollar fixed income market was also liquid during today’s (February 14, 2019) trading session; The overnight market rates were quoted at 2.0% to 2.30% while the 30-day market rates stood at 2.40% to 2.60%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Value Fund

This fund's objective is to obtain maximum long-term capital growth by identifying securities that the portfolio advisor believes are undervalued and have the potential for future growth. It invests primarily in equity and equity-related securities of companies around the world. The fund may make large investments in any country, including emerging markets or emerging industries of any market. The fund has a 3 year return of 6.0% and a 5 year return of 7.8% as at December 31, 2018. The Fund also has a 10 year return of 9.0%.



*Prices are as at February 14, 2019 *Projections are made to the company’s financial year end

U.S: These Are the Signs a U.S. Recession May Be Coming

As headwinds spanning trade wars to slowing global growth buffet the U.S. economy, talk of a possible recession is picking up, leaving investors sifting through reams of data for clues. While almost all economists surveyed by Bloomberg expect growth to stay positive this year -- which would crown the current expansion the longest on record, at more than 10 years -- the risk of a recession is seen at a six-year high. In fact, more than three-quarters of corporate chief financial officers expect one by the end of 2020. Meanwhile, it's getting harder to avoid prominent voices talking about the possibility of a contraction these days, such as Nobel laureates Paul Krugman and Robert Shiller. This may be the most closely-watched market signal of a downturn. The New York Fed has a recession-probability tracker based on the average monthly spread between yields on three-month and 10-year Treasuries. The latest reading showed the chance of a recession at 23.6 percent for the 12 months through next January, the highest since the reading for the year through July 2008. Readings below 50 percent aren't necessarily safe, either: the index hasn't topped that level since the early 1980s, even though there have since been three recessions.

<https://www.bloomberg.com/news/articles/2019-02-14/what-indicators-to-monitor-for-signs-a-u-s-recession-is-coming?srnd=economics-vp>

Asia: Japan's Economic Rebound Fails to Dispel Concerns Over Momentum

"Japan returned to growth in the final quarter of 2018 but that did little to ease concerns about the effects of softening external demand on its export-dependent economy. Business investment and consumer spending did most of the heavy lifting as the economy expanded an annualized 1.4 percent, matching economists' estimates for a modest rebound from a sharp contraction during a natural disaster-hit third quarter. Exports grew only 0.9 percent from the previous quarter, less than the size of the decline last quarter when typhoons and an earthquake hit output. With growth slowing in China and elsewhere, Japan is likely to follow suit. "Exports were supposed to show a big jump after the previous fall but they just limped along," said Yoshiaki Shinke, chief economist at Dai-ichi Life Research Institute. "If you average all the data out, Japan's economy is clearly slowing." With imports rising more than outbound shipments, trade shaved 0.3 percentage point off the overall economic expansion, matching the largest chunk taken out of growth in the last five years. Economy minister Toshimitsu Motegi said slowing growth in China, and in particular its softening demand for tech-related items, contributed to the weakness in exports.

<https://www.bloomberg.com/news/articles/2019-02-13/japan-s-economy-rebounds-moderately-from-natural-disasters?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at February 11, 2019	
	Percentage (%)
Yield to Maturity	6.3
Weighted Average Coupon	5.539
Current Yield	5.56

The platinum portfolio has an effective maturity of 13.55 years and duration of 4.72 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, www.bloomberg.com, www.investopedia.com, www.tradewire.com

OVER 20 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH
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