



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

Stock Symbol	EPLY	JMMBGL	SJ	AMG	CAR
Current Price (\$)	11.04	32.95	45.36	2.20	9.00
Trailing EPS (\$)	0.63	2.44	3.64	0.06	0.73
P/E (times)	17.64	13.49	12.45	35.17	12.40
Projected P/E	18.00	13.28	14.24	28.61	11.72
Projected EPS (\$)*	0.61	2.48	3.19	0.08	0.77
Book Value per share (\$)	3.95	15.38	19.03	0.93	0.28
Price/Book Value (times)	2.79	2.14	2.38	2.37	32.54
Dividend Yield (2018 %)	N/A	2.14%	3.37%	N/A	7.63%
Volumes	NIL	163,949	33,999	22,311	54,687
Recommendation	HOLD	HOLD	HOLD	SELL	BUY



### STOCK OF THE DAY: Epley Limited (EPLY)

#### Audited results for the year ended December 31, 2018:-

Epley Limited for the year ended December 31, 2018 reported interest income of \$319.19 million a 22% or \$57.78 million increase when compared to \$261.41 million recorded for the corresponding period in 2017. Total interest income for the quarter amounted to \$84.77 million a 20% increase when compared to the \$70.44 million recorded for the same quarter in 2017.

Interest expenses for the period amounted to \$170.15 million, a 7% increase when compared to \$158.39 million recorded for the prior year.

Consequently, net interest income for the financial year rose 45% to total \$149.03 million up from the \$103.01 million recorded in the corresponding period of 2017. Net interest income for the fourth quarter amounted to \$42.20 million relative to \$28.59 million in 2017.

Other operating income for the period soared by 155% to total \$93.93 million relative to \$36.89 million booked for 2017.

Administrative expenses rose 57% for the year to close at \$137.94 million up from \$87.90 million recorded the previous year.

Epley recorded a total of \$17.16 million for share of net profit from joint venture accounted for using the equity method for the period relative to the \$16.13 million recorded for the corresponding period in FY2017.

Net impairment losses of financial and contracts assets amounted to 922,000 in 2018 versus nil in the prior year.

As such, pre-tax profit closed at \$121.26 million for the year ended December 31, 2018, 78% more than the \$68.14 million booked in 2017. Taxation of \$776,000 (2017's tax credit:\$1.08 million) was incurred for the period resulting in a net profit attributable to shareholders of \$120.48 million, a 74% increase from the \$69.23 million recorded for the same period in 2017. Net profit for the quarter amounted to \$39.82 million, a 126% uptick when compared with the \$17.63 million recorded for the last quarter in 2017.

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	135.500	98.904	132.4939	149.624	101.000	134.5289
CAN	100.640	77.030	99.0614	109.746	91.500	101.8225
GBP	174.500	134.000	168.8779	190.710	158.000	171.6077
EURO	146.005	111.153	140.1994	166.380	140.500	149.9036

\*Rates as at April 29, 2019

### MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (April 30, 2019) trading session. The over night rate stood at 1.10% to 1.20% while the 30-day rate ranged at 2.20% to 2.40%.

The US dollar fixed income market was also liquid during today's (April 30, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI Global Value Corporate Class

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 7.2% and a 5 year return of 3.7% as at March 31, 2019. The Fund also has a 10 year return of 8.9%.



\*Prices are as at April 30, 2019 \*Projections are made to the company's financial year end

**U.S.: U.S. Negotiators Land in Beijing as Data Show Fragile Economy**

U.S. trade negotiators landed in Beijing Tuesday, seeking "substantial" progress in talks aimed at ending the tariff war, as weak economic data underscored the stakes for the global economy. Earlier, China's first official gauge of the manufacturing sector in April fell, signaling that more work is needed to bed down the economic stabilization seen in the first quarter. Industrial production also tumbled in South Korea and Japan, and gross domestic product growth slowed a notch in Taiwan. U.S Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin are heading into a new round of talks before Chinese Vice Premier Liu He goes to Washington next week. "We're looking forward to productive discussions over the next few days," Mnuchin told reporters at his hotel. "We hope to make substantial progress in these two meetings," referring to the sessions in Beijing and in Washington, he said. Mnuchin refused to comment on specific issues, saying the discussions "have been quite broad," and "we've made a lot of progress." The silver lining in the Chinese PMI data may be an uptick in China's new export orders, which though still contracting in April were much higher than in the first quarter and could signal resilience in the global economy. "Incremental Chinese stimulus will prevent a hard landing there, but will be insufficient to revive global growth," said William Adams, senior international economist at PNC Financial Services Group Inc. in Pittsburgh who previously worked for the Conference Board in Beijing. "For that, the Eurozone and Japan need to shake off their funk and get back to trend."

<https://www.bloomberg.com/news/articles/2019-04-30/china-manufacturing-gauge-unexpectedly-declines-in-april?srnd=economics-vp>

**Europe: ECB Prize for Germany Might Require Plan B If Weidmann Falters**

If Germany wants one of its nationals to clinch the leadership of the European Central Bank above all else, it might need a backup plan. While Bundesbank chief Jens Weidmann is the country's assumed candidate vying to succeed President Mario Draghi, his frequent opposition to the Italian's policies risk making him unpalatable for other countries. So if Chancellor Angela Merkel decides Europe's biggest economy deserves the job, she may require an alternative name just in case. Her list could include seasoned official Klaus Regling, Weidmann's deputy Claudia Buch, or another German waiting in the wings. "It's odd in a way that the biggest nation in the euro zone hasn't had the presidency of the ECB thus far," said Stewart Robertson, an economist at Aviva Investors. "In one sense, it would be odd if it wasn't a German." Nationality shouldn't matter, according to Benoit Coeure, a French candidate for the top job who is already a member of the ECB's Executive Board. But he and his rivals know that the prize of managing the central bank, along with positions on offer at the European Commission and the Council, will be subject to horsetrading that prioritizes passports. Weidmann, now a veteran on the ECB Governing Council and Merkel's former economic adviser, is Germany's most obvious contender. But he might struggle to pass the test set by French Finance Minister Bruno Le Maire, who said the ECB needs someone with similar "courage" to Draghi. The ECB chief stemmed the region's sovereign debt crisis with his Outright Monetary Transactions tool, opposed by the Bundesbank. While it's not yet clear if the chancellor will pursue the ECB job, here are some alternatives if she does.

<https://www.bloomberg.com/news/articles/2019-04-28/ecb-prize-for-germany-might-require-plan-b-if-weidmann-falters?srnd=economics-vp>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at April 29, 2019	
	Percentage (%)
Yield to Maturity	6.00
Weighted Average Coupon	5.526
Current Yield	5.16

The platinum portfolio has an effective maturity of 13.55 years and duration of 4.73 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  
 = POSITIVE TRANSFORMATION FOR OUR CLIENTS  
 MANAGED FUND SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS

**...BULLISH ON JAMAICA**

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