

# DAILY MARKET SUMMARY

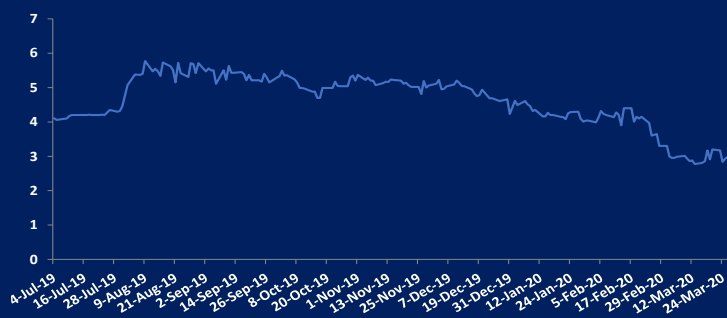


VOLUME 3 March 31, 2020

## LOCAL STOCK MARKET: (J\$) +

Stock Symbol	WISYNCO	HONBUN	BPOW	LASM	GENAC
Current Price (\$)	14.07	6.18	4.00	2.99	5.01
Trailing EPS (\$)	0.84	0.36	0.07	0.28	0.41
P/E(times)	16.79	17.39	57.20	10.66	12.25
Projected P/E	15.14	16.05	34.88	9.93	11.34
Projected EPS (\$)	0.93	0.39	0.11	0.30	0.44
Book Value per share (\$)	3.34	1.66	1.68	1.57	2.33
Price/Book Value (times)	4.22	3.73	2.38	1.90	2.15
Dividend Yield (2019 %)	1.55%	1.54%	0.40%	1.65%	3.91%
Volumes	501,240	43,393	10,020	119,295	36,117
Recommendation	BUY	HOLD	SELL	BUY	HOLD

LASM



## STOCK OF THE DAY: Lasco Manufacturing Limited (LASM)

### For the nine months ended December 31, 2019:

Lasco Manufacturing Limited (LASM) for the nine months ended December 31, 2019, reported total revenue of \$5.84 billion compared to \$5.61 billion in 2018. Cost of sales amounted to \$3.70 billion (2018: \$3.68 billion) for the period, an increase of 1% year on year.

As a result, gross profit of \$2.14 billion was recorded for the period, 11% more than the \$1.94 billion booked for the corresponding period in 2018.

LASM posted other loss of \$2.21 million relative to other income of \$4.61 million for the prior corresponding period.

Operating expenses increased 9% to close the period at \$1.11 billion versus \$1.02 billion booked for the corresponding period last year.

Consequently, LASM recorded operating profit of \$1.02 billion, 11% higher than the \$919.19 million booked in 2018.

Finance costs for the period fell 17% to \$75.13 million compared to \$90.03 million in the prior year's comparable period.

As such, profit before taxation amounted to \$949.36 million, an increase of 14% from the \$829.15 million recorded for the previous corresponding period. Taxes recorded for the period amounted to \$168.67 million compared to \$128.64 million incurred for the corresponding period in 2018.

Net profit for the nine months totaled \$780.69 million, a 11% uptick when compared to \$700.51 million in 2018.

Consequently, earnings per share (EPS) for the period amounted to \$0.19 relative to \$0.17 in 2018. The number of shares used in the calculations amounted to 4,124,913,151 units.

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

Currency	PURCHASERATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	139.500	115.000	134.5920	140.000	124.000	136.0714
CAN	94.300	80.000	90.7659	99.250	75.000	97.9374
GBP	170.000	133.000	158.1262	171.147	144.000	168.2724
EURO	144.000	125.000	140.5300	151.570	136.000	148.3064

\*Rates as at March 30, 2020

## MONEY MARKET

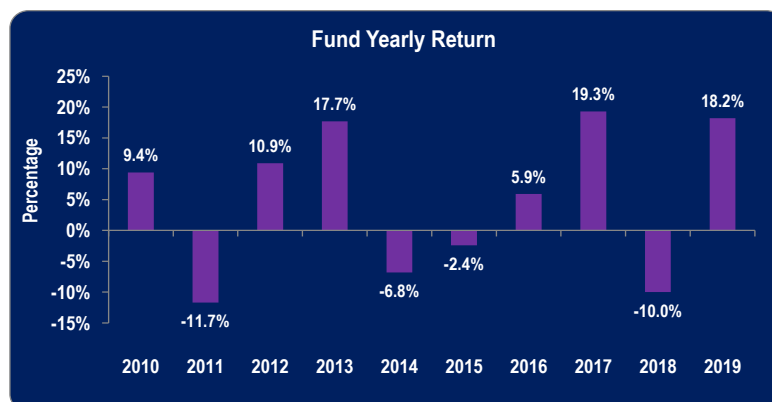
The Jamaican dollar fixed income market was liquid in today's (March 31, 2020) trading session. The over night rate stood at 0.50% to 0.75%, while the 30-day rate was 1.70% to 1.90%.

The US dollar fixed income market was also liquid during today's (March 31, 2020) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.40% to 2.60%.

## Over The Counter Funds (CI FUNDS)

### CI International Value Corporate Class

This fund invests primarily in equity and equity-related securities of companies whose primary operations are outside of North America. The fund has a 3 year return of 1.9% and a 5 year return of 1.6%. The Fund also has a 10 year return of 3.4%. Rates are as at February 29, 2020.



“The coronavirus is guaranteed to throw the world into recession, but economists are becoming less convinced about the potential for a strong snapback in growth. The base case for forecasters is that a recovery, perhaps even a vigorous one, gets under way in the second half of 2020. But as the pandemic spreads through Europe and the Americas, and the wide range of knock-on effects comes into clearer view, caveats to that call are piling up.”

<https://www.bloomberg.com/news/articles/2020-03-31/a-quick-rebound-from-virus-economists-have-reason-to-doubt-it?srnd=economics-vp>

“Two decades since the euro began, one of the principal worries of its founders is materializing as the coronavirus rages through the region’s third-largest economy. The longstanding suspicion that Italy’s profligate borrowing could ultimately become the whole of Europe’s problem was the recurring nightmare of German finance officials throughout the 1990s.”

<https://www.bloomberg.com/news/articles/2020-03-31/nightmare-haunting-euro-s-founders-may-now-be-reality-with-italy?srnd=premium>

## PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at March 30, 2020

	Percentage (%)
<b>Yield to Maturity</b>	4.53
<b>Weighted Average Coupon</b>	5.351
<b>Current Yield</b>	4.13

The platinum portfolio has an effective maturity of 13.77 years and duration of 4.68 years.

## STRUCTURED PRODUCT

### Mayberry Individual Retirement Plan (IRP)

IRP is a Retirement Scheme for all persons who are self employed or are employed in non-pensionable positions and do not otherwise contribute to an approved Superannuation Fund or an-other approved Retirement Scheme. The IRP will help some people make substantially greater contributions than they might otherwise do.

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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)



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