



GK

GraceKennedy Limited (GK);

Opening price— \$74.30;

Price to book— 0.87 times;

P/E— 8.76 times

Week to Date: 0.36%



Month to Date: 0.58%



Quarter to Date: 0.38%



Year to Date: -6.45%



Our weekly pick features a stock currently held in the Mayberry Managed Equity Portfolio (MMEP). For more information on the MMEP, please contact your investment advisor today.

GraceKennedy, founded in Jamaica in 1922, is a leading Caribbean conglomerate with a strong presence in both the food and financial services sectors. The company operates across the Caribbean, North and Central America, the United Kingdom, and Africa. GraceKennedy manufactures and distributes a wide range of products under the Grace brand and represents various international brands. In addition to its food operations, GraceKennedy offers a comprehensive suite of financial services, including cambio, remittance, bill payment, insurance, banking, investments, consumer lending, and life and health insurance. This diverse portfolio underscores its robust and integrated business model, serving both local and international markets.

GraceKennedy Group Ltd (GK) reported a 7% increase in revenues for the nine months ended September 30, 2024, totalling \$126.39 billion, compared to \$117.81 billion in the same period last year. Third-quarter revenues saw a 6% rise, closing at \$42.01 billion, up from \$39.58 billion in Q3 2023. Direct and operating expenses amounted to \$119.64 billion, a 7% increase from \$111.47 billion in the previous year. Consequently, profit before other income rose by 5% to \$6.39 billion, compared to \$6.11 billion for the same period in 2023. For the third quarter, the company recorded a profit before other income of \$2.12 billion, up from \$1.91 billion in Q3 2023. Other income increased by 23%, reaching \$3.40 billion, compared to \$2.76 billion last year. As a result, profit from operations for the nine months ended September 30, 2024, amounted to \$9.79 billion, up from \$8.87 billion in 2023. Interest income from non-financial services grew by 34%, from \$474.87 million in 2023 to \$638.68 million in the current period. Meanwhile, interest expense for non-financial services increased by 22%, totalling \$1.48 billion, compared to \$1.21 billion in 2023. The share of results from associates and joint ventures for the nine months ended September 30, 2024, was \$728.25 million, a 14% increase from \$638.41 million in 2023. Profit before taxation totalled \$9.67 billion, a 10% increase from \$8.77 billion in the corresponding period last year. Taxation for the nine months ended September 30, 2024, amounted to \$2.61 billion, a 10% increase from \$2.37 billion in 2023. Consequently, net profit for the period increased by 10% to \$7.06 billion, compared to \$6.40 billion last year. Net profit attributable to shareholders for the nine months amounted to \$6.62 billion, an 11% increase from \$5.97 billion in 2023. For the third quarter, net profit attributable to shareholders was \$2.19 billion, up from \$1.77 billion in Q3 2023.

GK (as at Monday November 11, 2024) closed at \$74.30 and was trading at 0.87 times its book value with a P/E of 8.76 times.