

DAILY MARKET SUMMARY

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	SALF	LASD	HONBUN	JMMBGL	PURITY
Current Price (\$)	10.00	6.82	5.87	18.60	2.70
Trailing EPS (\$)	0.86	0.24	0.26	2.03	0.06
P/E (times)	11.59	28.84	22.63	9.15	42.93
Projected P/E	8.76	35.54	20.47	9.26	29.95
Projected EPS (\$)*	1.14	0.19	0.29	2.01	0.09
Book Value per share (\$)	7.49	1.18	1.14	15.89	2.48
Price/Book Value (times)	1.33	5.80	5.13	1.17	1.09
Dividend Yield (2016 YTD %)	5.18%	0.75%	2.22%	2.76%	N/A
Volumes	NIL	54,671	30,726	301,494	NIL
Recommendation	HOLD	SELL	HOLD	BUY	SELL

LASD



STOCK OF THE DAY: Lasco Distributors Limited (LASD)

For the Financial Year ended March 31, 2017.

Lasco Distributors Limited (LASD) For the year ended March 31, 2017 revenues grew by 9% closing the period at \$15.80 billion, up from \$14.55 billion in the corresponding period in 2016. Cost of sales amounted to \$12.87 billion relative to the \$11.89 billion posted for the same period of 2016.

Gross profits also increased by 10%, closing at \$2.94 billion compared to the \$2.66 billion reported last year. The company highlighted this was due to "positive market-share gains in a number of key product categories, new product launches, expansion in the export market, and significant infrastructural upgrades."

Other operating income increase by 39%, to end the period at \$115.20 million compared to the \$82.79 million in the comparable period a year ago.

Operating Expenses grew by 19% to ending the period at \$2.36 billion (2016: \$1.98 billion). LASD highlighted that this was due to "one off expenses incurred in new product launches, increased logistics costs associated with Whitemar expansion and professional fees of the Pfizer case."

Operating Profit declined by 9% to close at \$689.51 million relative to \$758.93 million for the comparable period of 2016. Finance costs increased by 82%, totaling \$2.62 million for the period compared to \$1.44 million in the year prior.

Pre-tax profits, totaled \$686.69 million, a decline of 9% from the \$757.50 million for the prior year. Net Profit for the year saw a 15% decline closing at \$609.68 million (2016: \$716.75 million).

Earnings per share for the year ended March 2017 totaled \$0.18 (2016: \$0.21). The number of shares utilized in our calculations amounted to 3,424,462,483 units. EPS for the 4th quarter was \$0.056 (2016: \$0.036).

FOREIGN EXCHANGE MARKET TRADING SUMMARY

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	129.400	93.300	128.0015	149.280	108.850	128.8898
CAN	99.143	70.390	95.8415	112.620	91.000	97.3179
GBP	164.800	119.400	160.8709	183.080	157.500	163.7085
EURO	142.000	105.000	137.3284	168.000	138.900	144.8937

*Rates as at June 26, 2017

MONEY MARKET

The Jamaican dollar fixed income market was illiquid in today's (June 27, 2017) trading session. The overnight rates were quoted around 4.00% to 4.50% while the 30-day rates were between 5.5% to 5.9%.

The US dollar fixed income market was also liquid during today's (June 27, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.2% to 1.4%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Health Sciences Corporate Class

This fund's objective is to obtain maximum long-term capital growth. It invests primarily in equity and equity-related securities of companies around the world that specialize in the health care or medical industry. The fund has a 6 month return of 6.1% and a 5 year return of 17.6% as at May 31, 2017. The Fund also has a three months return of 1.2%.

Fund Yearly Return



U.S.: U.S. Consumer Confidence Unexpectedly Rises

An unexpected rebound in U.S. consumer confidence reflects a buoyant labor market and improved business conditions, though Americans are slightly less optimistic about where things will be in six months, data from the New York-based Conference Board showed Tuesday. Americans are drawing encouragement from an economy that continues to provide jobs, rising stock and home prices and steady pay gains, as the share of respondents expecting higher incomes was the second-highest since 2002. At the same time, the easing of the overall expectations index adds to other sentiment figures that suggest mounting skepticism about the ability of Washington lawmakers to enact economic policies that will drive growth.

<https://www.bloomberg.com/news/articles/2017-06-27/u-s-consumer-confidence-unexpectedly-rises-as-optimism-persists>

Europe: Google Gets Record \$2.7 Billion EU Fine for Skewing Searches

“Google’s record-breaking 2.4 billion-euro (\$2.7 billion) European Union fine could end up being just a fraction of the costs from the EU’s demand that it stop skewing search results to favor its own shopping site. While the penalty will barely make a dent in its \$90 billion cash hoard, Google faces the prospect of less ad revenue and a regulatory backlash targeting other services from maps to restaurant reviews as well as the threat of even more penalties. The search-engine giant will have “the sword of Damocles hanging over its head,” said Jay Modrall, a lawyer for Norton Rose Fulbright in Brussels. That’s because it’s no longer Google’s choice on how it makes changes to allay EU concerns. Instead, it’s “under a legal requirement to do so and under notice that if its commitments are not sufficient, it’ll be fined even more.””

<https://www.bloomberg.com/news/articles/2017-06-27/google-gets-record-2-7-billion-eu-fine-for-skewing-searches>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at June 26, 2017	
	Percentage (%)
Yield to Maturity	4.64
Weighted Average Coupon	5.486
Current Yield	5.58

The platinum portfolio has an effective maturity of 9.97 years and duration of 4.03 years.

STRUCTURED PRODUCT

Mayberry Managed Equity Portfolio (MMEP)

We offer a managed equity portfolio for both institutions and individuals. The MMEP is a full discretionary managed portfolio of a diversified group of stocks. The stocks included in the portfolio represent Mayberry’s top recommended stocks. Persons who find it difficult to manage their equity portfolios on a day to day basis should consider the MMEP. Further, the MMEP is for individuals and institutions who would like to pursue a medium to long term equity strategy.

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