

## DAILY MARKET SUMMARY



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

Stock Symbol	LASD	KREMI	GK	JMMBGL	DCOVE
Current Price (\$)	6.80	5.90	43.03	23.21	16.00
Trailing EPS (\$)	0.18	0.52	3.46	2.05	0.87
P/E (times)	37.24	11.34	12.45	11.33	18.36
Projected P/E	34.78	11.22	10.89	10.40	14.10
Projected EPS (\$)*	0.20	0.53	3.95	2.23	1.13
Book Value per share (\$)	1.23	1.56	44.43	16.44	8.79
Price/Book Value (times)	5.53	3.78	0.97	1.41	1.82
Dividend Yield (2017 YTD %)	0.00%	0.00%	0.70%	0.99%	3.75%
Volumes	281	3,100	11,300	16,843	NIL
Recommendation	SELL	BUY	HOLD	HOLD	SELL

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	131.800	99.200	130.7953	148.800	103.190	131.1804
CAN	106.200	75.000	104.2614	109.500	102.500	106.7464
GBP	178.200	127.500	172.7408	204.000	169.000	177.8210
EURO	155.500	112.500	150.1768	180.000	151.100	157.6176

\*Rates as at September 20, 2017

### MONEY MARKET

The Jamaican dollar fixed income market was illiquid in today's (September 21, 2017) trading session. The overnight rates were quoted around 2.30% to 3.25% while the 30-day rates were between 5.00% to 5.15%.

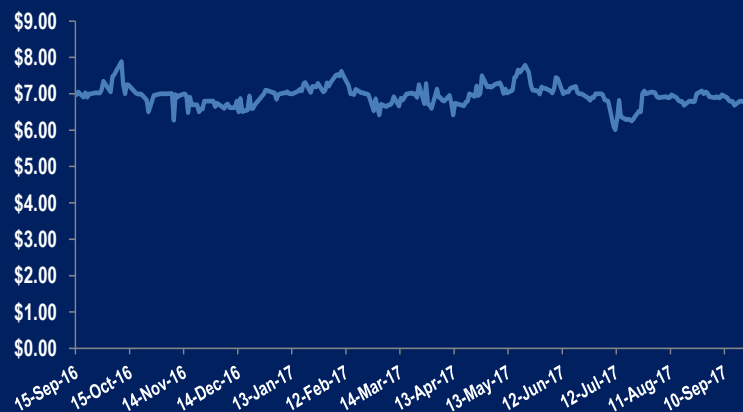
The US dollar fixed income market was also liquid during today's (September 21, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.2% to 1.4%.

### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI Global 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 has a 3 year return of 9.6% and a 5 year return of 13.4% as at August 31, 2017. The Fund also has a 1 year return of 6.8%.

LASD



### STOCK OF THE DAY: Lasco Distributors Limited (LASD)

For the quarter ended June 30, 2017:

Revenues grew by 6% or \$235.53 million to end the period at \$4.13 billion, up from \$3.90 billion for the first quarter of 2016.

Cost of sales rose by \$179.23 billion or 5.6% amounting to \$3.38 billion resulting in gross profits of \$754.42 million, an 8% increase year over year.

Other operating income increased by 86%, to end the period at \$18.43 million compared to the \$9.89 million in the comparable quarter a year ago.

Operating Expenses grew by 10.64% to end the period at \$555.77 million (2016:\$502.34 million). According to the company "the increase was mainly due to expenditure needed to support the route to market of key brands."

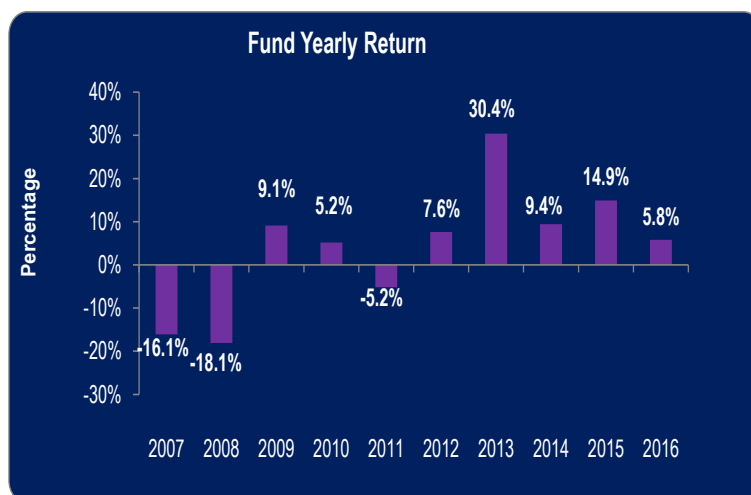
Despite the increase, Operating Profit grew by 5.55% to close at \$216.94 million relative to \$205.67 million for the comparable period.

Finance costs of \$140,000 were recorded for the period compared to \$330,000 in the year prior.

Pre-tax profits totalled \$216.94 million, an increase of 5.65% from the \$205.34 million posted in the same quarter last year.

Tax charges for the period totalled \$20.08 million relative to \$29.90 last year, resulting in 12.21% increase in Net Profit for the quarter to \$196.86 million when compared to \$175.44 million last year

Earnings per share for the quarter were \$0.06 compared to \$0.05 in the comparable period of 2016. The twelve months earnings per share for the period is \$0.18. The number of shares used in our calculations is 3,424,462,483



**US: Trump Orders Sanctions on Companies Dealing With North Korea**

“President Donald Trump Thursday ordered new sanctions on individuals, companies and banks doing business with North Korea as the U.S. increases pressure on Pyongyang for its weapons programs. He also said China’s central bank is ordering financial institutions to stop dealing with Kim Jong Un’s regime, a crucial step by North Korea’s largest trading partner. Trump said the measures are intended to disrupt critical North Korean shipping and trade networks by targeting any entity that does business with the nation. “Foreign banks will face a clear choice: do business with the United States or facilitate trade with the lawless regime in North Korea,” Trump said. “The regime can no longer count on others to facilitate its trade and banking activities.” Trump praised China’s President Xi Jinping for a “very bold move” in acting to cut off financial ties with North Korea and said it was “somewhat unexpected.”

<https://www.bloomberg.com/news/articles/2017-09-21/trump-is-said-to-announce-north-korea-sanctions-at-meeting-today>

**EUROPE: How Theresa May’s Negotiating Position Has Changed**

“The world is still waiting to know what Theresa May meant when she first uttered “Brexit means Brexit ” fifteen months ago. The British prime minister’s soundbite is a statement of the obvious but it’s proved hard to deliver. She’s not only at odds with European Union negotiators, but also with members of her own Conservative Party and perhaps even most of the electorate on what life on the outside will look like and what it will cost. On Friday she heads to Florence, the capital of 15th-century European trade and finance, to clarify her vision and breath life back into gridlocked talks. She will speak eight months since her first Brexit address at London’s Lancaster House and six months after she triggered Article 50 of the Lisbon Treaty that started the clock on two years of talks. June’s disastrous election forced a rethink and a series of position papers came in its wake.”

<https://www.bloomberg.com/news/articles/2017-09-21/may-s-long-road-to-brex-it-from-lancaster-house-to-florence>

**PLATINUM PORTFOLIO**

**Platinum Portfolio Yield Measures as at September 18, 2017**

	Percentage (%)
Yield to Maturity	4.64
Weighted Average Coupon	5.018
Current Yield	4.96

The platinum portfolio has an effective maturity of 13.66 years and duration of 4.36 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](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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 = POSITIVE TRANSFORMATION FOR OUR CLIENTS  
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