

MAYBERRY INVESTMENTS LIMITED

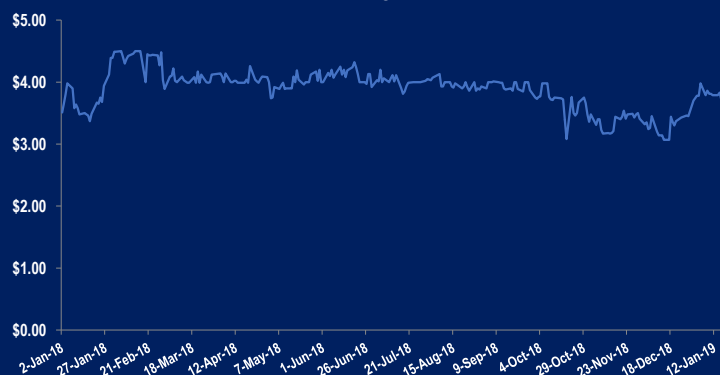
DAILY RECOMMENDATION



LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	SIL	JMMBGL	LASM	JETCON	CAC
Current Price (\$)	3.60	31.54	3.23	3.29	16.00
Trailing EPS (\$)	0.27	2.40	0.18	0.20	0.58
P/E (times)	13.31	13.13	18.19	16.09	27.61
Projected P/E	11.00	12.15	17.03	17.61	26.48
Projected EPS (\$)*	0.33	2.60	0.19	0.19	0.60
Book Value per share (\$)	3.00	16.36	1.29	0.87	3.78
Price/Book Value (times)	1.20	1.93	2.51	3.78	4.23
Dividend Yield (2018 %)	3.48%	2.14%	1.01%	0.73%	1.23%
Volumes	2,500	43,204	58,075	92,655	NIL
Recommendation	BUY	BUY	HOLD	HOLD	SELL

LASM



STOCK OF THE DAY: Lasco Manufacturing Limited (LASM)

For the six months ended September 30, 2018:

Lasco Manufacturing Limited (LASM) for the six months ended September 30, 2018 recorded an increase of \$302.01 million or 9% in revenue to total \$3.80 billion relative to the \$3.50 billion recorded for the comparable period in 2017.

Cost of sales amounted to \$2.47 billion (2017: \$2.39 billion) for the period, an increase of 3% year on year. As a result, gross profit of \$1.32 billion was recorded for the period, 20% more than the \$1.10 billion booked in September 2017. For the quarter, gross profit grew by 15% to close at \$716.08 million (2017: \$624.07 million).

LASM posted other losses of \$4.47 million, compared to an other income of \$18.33 million reported for the prior year. While for the quarter, other losses totaled \$7.44 million versus an income \$4.57 million in the previous comparable quarter.

Operating expenses closed the period at \$651.86 million compared to \$669.71 million booked for the corresponding period last year. While, for the quarter, operating expenses fell by 5% amounting to \$344.29 million (2017: \$361.34 million). Consequently, LASM recorded operating profits of \$667.18 million, 48% higher than the \$450.91 million booked in 2017.

Finance costs for the six months declined by 3% to \$63.68 million compared to \$65.50 million in the prior year's comparable period. In the second quarter, finance costs also fell, declining by 8% to close the quarter at \$32.46 million (2017: \$35.43 million).

As such, profit before taxation amounted to \$603.50 million, an increase of 57% from the \$385.41 million recorded for the previous year. Taxes recorded for the period amounted to \$100.44 million (2017: \$48.18 million). Thus, net profit for the six months period totaled \$503.06 million compared to \$337.23 million in 2017, an increase of 49%. While, for the second quarter, net profit closed at \$265.40 million (2017: \$202.95 million), up by 31%.

Consequently, Earnings per share for the period ended September 30, 2018 amounted to \$0.12 relative to \$0.08 in 2017. For the quarter, Earnings per share totaled to \$0.06 (2017: \$0.05). The twelve months trailing EPS amounts to \$0.18. The number of shares used in the calculations amounted to 4,091,163,151 units. The stock price closed trading on November 08, 2018 at \$3.23.

*Prices are as at January 24, 2019 *Projections are made to the company's financial year end

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	134.600	97.500	130.5509	146.050	100.040	132.5597
CAN	102.000	75.000	97.3526	106.090	90.000	99.5810
GBP	172.000	125.050	168.6767	186.070	159.300	170.3349
EURO	146.400	107.040	141.3599	162.430	133.500	155.1264

*Rates as at January 23, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 24, 2019) trading session. The overnight rate stood at 1.90% to 2.20% while the 30-day rate ranged at 2.00% to 2.50%.

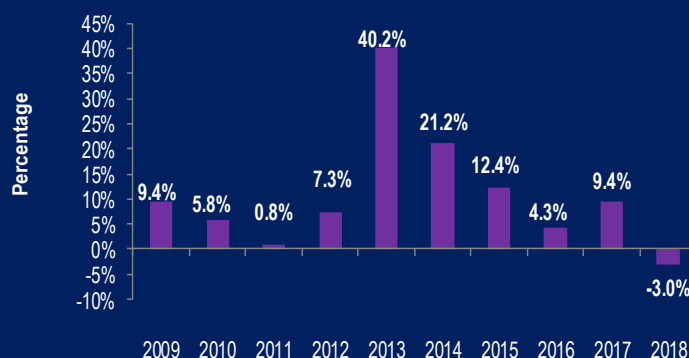
The US dollar fixed income market was also liquid during today's (January 24, 2019) trading session; The overnight market rates were quoted at 2.0% to 2.30% while the 30-day market rates stood at 2.10% to 2.60%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Value Corporate Class

This fund's objective is to provide superior returns with a limited level of risk by investing in a diversified portfolio of high quality undervalued companies. It invests primarily in equity and equity-related securities of companies in the United States. Any change to the investment objective must be approved by a majority of votes cast at a meeting of shareholders held for that reason. The fund has a 3 year return of 3.4% and a 5 year return of 8.6% as at December 31, 2018. The Fund also has a 10 year return of 10.2%.

Fund Yearly Return



U.S: U.S. Jobless Claims Fall to 49-Year Low Despite Federal Shutdown

Filings for U.S. unemployment benefits fell last week to the lowest level since 1969, signaling the labor market remains tight despite the partial federal-government shutdown. Jobless claims declined 13,000 to 199,000 in the week ended Jan. 19, bucking economist forecasts for an increase. Labor Department figures showed Thursday. The four-week average, a less-volatile measure, decreased to 215,000, the lowest since early November. The surprise drop indicates how reluctant employers are to fire workers, with the strength overshadowing the shutdown affecting one-quarter of the government. In any case, the closure is seen reducing economic growth the longer it drags on. Initial filings by federal employees jumped by about 15,000 to 25,419 on an unadjusted basis in the week ended Jan. 12, reflecting the third week of the shutdown that's caused pay to halt for hundreds of thousands of workers. Those figures aren't included in the headline claims number, which reflects state unemployment-insurance programs. Analysts caution that it may take more time for the shutdown to be fully reflected in the report, and data on federal employees are reported with a lag.

<https://www.bloomberg.com/news/articles/2019-01-24/u-s-jobless-claims-fall-to-49-year-low-despite-federal-shutdown?srnd=economics-vp>

Asia: ECB Keeps Policy Unchanged to Battle Economic Slowdown

The European Central Bank pledged to keep interest rates at record lows at least through the summer after policy makers met amid rising concern about the region's growth outlook. The decision on Thursday came just hours after a report signaled the euro area's economic slowdown is set to drag on, with the region beset by political strife and global risks such as mounting trade protectionism. Economists and investors have cut their forecasts, questioning the relative optimism President Mario Draghi expressed last month when he announced the end of bond purchases. "The biggest risk right now is that we talk ourselves into a recession," Natixis Chief Executive Officer Jean Raby said in a Bloomberg interview at the World Economic Forum in Davos. "The environment from the monetary-policy standpoint is likely to stay relatively stable and benign." The euro was little changed near a three-week low after the report. It traded at \$1.1349 at 1:46 p.m. Frankfurt time, down 0.3 percent.

<https://www.bloomberg.com/news/articles/2019-01-24/ecb-keeps-policy-unchanged-as-euro-area-economy-battles-slowdown>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at January 22, 2019

	Percentage (%)
Yield to Maturity	6.53
Weighted Average Coupon	5.539
Current Yield	5.98

The platinum portfolio has an effective maturity of 13.59 years and duration of 4.68 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

Analyst Certification -The views expressed in this research report accurately reflect the personal views of Mayberry Investments Limited Research Department about those issuer (s) or securities as at the date of this report. Each research analyst (s) also certify that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation (s) or view (s) expressed by that research analyst in this research report.

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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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