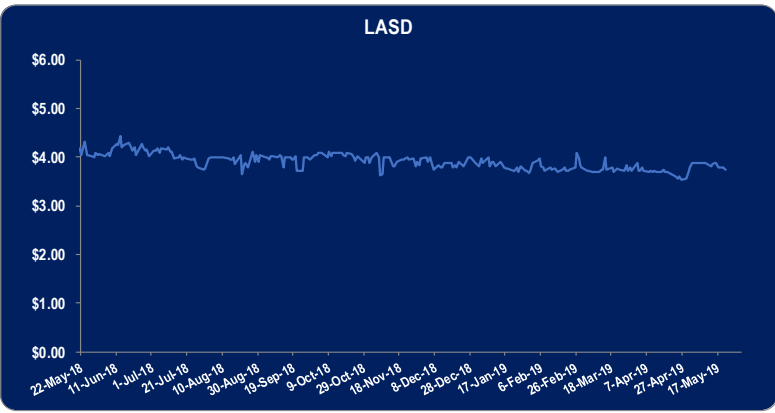


DAILY RECOMMENDATION



LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	LASM	SALF	CAR	PTL	LASD
Current Price (\$)	3.48	31.00	8.99	2.10	3.81
Trailing EPS (\$)	0.18	1.86	0.73	0.02	0.31
P/E (times)	19.54	16.68	12.39	85.95	12.26
Projected P/E	18.02	19.58	11.71	65.12	14.19
Projected EPS (\$)*	0.19	1.58	0.77	0.03	0.27
Book Value per share (\$)	1.34	9.01	0.28	0.47	1.48
Price/Book Value (times)	2.60	3.44	32.51	4.47	2.57
Dividend Yield (2018 %)	N/A	N/A	7.63%	1.30%	3.03%
Volumes	33,085	NIL	17,737	NIL	58,015
Recommendation	HOLD	HOLD	BUY	SELL	BUY



STOCK OF THE DAY: Lasco Distributors Limited (LASD)

For the nine months ended December 30, 2018:

Lasco Distributors Limited (LASD) posted 9% growth in revenue to \$13.33 billion, up from \$12.24 billion in the corresponding period in 2017. For the quarter, revenue increased by 17% closing at \$4.55 billion (2017: \$3.89 billion).

Cost of sales amounted to \$10.70 billion, up 9% on the \$9.85 billion reported in the prior comparable period. Within the third quarter, cost of sales went up by 18% to \$3.70 billion versus \$3.14 billion in the previous quarter in 2017.

Consequently, gross profit recorded an increase of 10% year over year, closing at \$2.63 billion compared to the \$2.39 billion generated for the same period in the prior year. However, gross profit for the quarter climbed 13% totalling \$850.59 million (2017: \$749.48 million).

Other operating income jumped grossly by 150% to end the nine months period at \$173.32 million relative to \$69.41 million in the corresponding period last year. For the quarter, other operating income increased by 39% to \$69.39 million (2017: \$49.84 million).

Operating expenses of \$2.13 billion were booked for the nine months, a growth of 14% on \$1.88 billion recorded for the comparable period of 2017. Operating expenses went up by 14% for the third quarter amounting to \$754.07 million (2017: \$662.40 million).

Operating profit improved by 14% to close at \$668.39 million for the period under review. For the quarter, there was a 21% growth posted closing at \$165.91 million relative to \$136.92 million in the prior comparable quarter in 2017.

Finance cost increased by 34% totalling \$474,000 for the period compared to \$354,000 in the year prior.

Pre-tax profit amounted to \$667.92 million, an increase of 14% from the \$585.77 million in the previous year. Pre-tax profit saw a 21% increase in the third quarter closing at \$165.75 million (2017: \$136.82 million).

Net profit for the period closed at \$620.85 million (2017: \$535.22 million), a 16% climb year over year following taxation of \$47.07 million (2017: \$50.55 million). As for the third quarter, net profit increased by 24% to \$157.13 million (2017: \$126.72 million).

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	136.000	102.800	133.4523	152.273	102.800	135.5661
CAN	100.100	78.623	96.2973	111.025	93.500	101.0013
GBP	172.350	134.640	170.3376	178.000	160.000	171.8526
EURO	152.500	112.098	141.0662	153.300	142.000	151.2346

*Rates as at May 21, 2019

MONEY MARKET

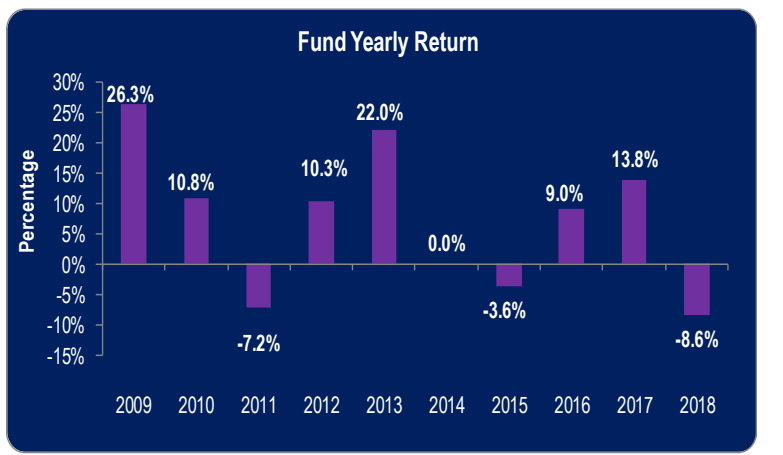
The Jamaican dollar fixed income market was liquid in today's (May 22, 2019) trading session. The over night rate stood at 1.00% to 1.10% while the 30-day rate ranged at 2.00% to 2.30%.

The US dollar fixed income market was also liquid during today's (May 22, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

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 may make large investments in any country, including emerging markets or emerging industries of any market. The fund has a 3 year return of 6.8% and a 5 year return of 4.1% as at April 30, 2019. The Fund also has a 10 year return of 8.2%.



*Prices are as at May 22, 2019 *Projections are made to the company's financial year end

U.S.: Lousy Metric for U.S. Workers May Be Less Worrisome Than Thought

The decline in U.S. labor's share of the economic pie since the turn of the century may be less worrisome for workers than the numbers suggest, according to consultants McKinsey & Co. That's because a portion of the drop is "technical" and stems from increased business investment in such products as software and databases, which depreciate quickly but also can boost lagging worker productivity and wages over time. "The fact that companies are doing that is quite clearly a good thing," James Manyika, chairman of the McKinsey Global Institute, the firm's research arm, said in an interview. In a 62-page report out Wednesday, the institute also concluded that globalization, automation and the declining clout of labor unions have played smaller roles in the fall in workers' share of national income than is widely believed. And it speculated that labor's cut will continue to decline in the future, albeit at a slower pace as the economic benefits of outsourcing wane. The drop in labor compensation as a share of gross domestic product is a big deal. If it had held at the same level as 1998, average worker pay might be roughly \$3,000 per year higher today, according to McKinsey. The report found that about a dozen sectors of the economy, constituting around one-third of employment, accounted for the bulk of decline in labor's share since about 2000. At the top of the list: the wholesale and retail industries where automation has led to consolidation and allowed companies to squeeze workers' wages.

<https://www.bloomberg.com/news/articles/2019-05-22/lousy-metric-for-u-s-workers-may-be-less-worrisome-than-thought?smd=economics-vp>

Asia: Russian Economy Gives Putin Reasons Not to Extend OPEC+ Deal

The OPEC+ pact is hurting the Russian economy, potentially giving President Vladimir Putin a reason not to agree on an extension of the deal. While higher crude prices can bring the Kremlin additional revenue, production cuts are weighing on one of the country's biggest industries. As the Russian leader decides whether to prolong the curbs into the second half, he may have to weigh his desire for faster economic growth against the benefits of his alliance with Saudi Arabia. "The OPEC+ deal was one of the factors behind slower economic growth in Russia in the first quarter," said Kirill Tremasov, a former economy ministry official who's now an analyst at Loko-Invest in Moscow. "Given the oil price is now comfortable for the state budget and that crude producers are willing to pump up more, Russia may not want to extend the deal." Russia's GDP unexpectedly grew just 0.5% in the first quarter, below all 14 estimates in a Bloomberg survey. That compares with a 2.7% increase in the last three months of 2018, which was the highest in more than six years as crude output reached a record 11.45 million barrels a day in December, according to ministry data. In its deal with the Organization of the Petroleum Exporting Countries, Moscow pledged to reduce the country's oil output by 228,000 barrels a day. While many of its OPEC allies, including the group's de-facto leader Saudi Arabia, say they prefer extending the agreement, which expires next month, Russia has talked about relaxing the cuts.

<https://www.bloomberg.com/news/articles/2019-05-21/russia-s-economy-gives-putin-reasons-not-to-extend-opecc-deal?smd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at May 20, 2019	
	Percentage (%)
Yield to Maturity	5.95
Weighted Average Coupon	5.535
Current Yield	5.22

The platinum portfolio has an effective maturity of 13.54 years and duration of 4.68 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

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

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MAYBERRY INVESTMENTS LIMITED
 A Member of the Jamaica Stock Exchange

1 1/2 Oxford Road, Kingston 5, Jamaica. ☎ (876) 929 1908 – 9
 research@mayberryinv.com • sales@mayberryinv.com • www.mayberryinv.com

