

## LOCAL STOCK MARKET: (JS) +

Stock Symbol	ISP	SVL	LASM	MEEG	KREMI
Current Price (\$)	25.00	26.17	4.70	5.98	4.31
Trailing EPS (\$)	0.50	0.80	0.27	0.32	0.08
P/E (times)	49.77	32.85	17.20	18.44	54.90
Projected P/E	43.10	20.71	15.67	17.02	34.79
Projected EPS (\$)*	0.58	1.26	0.30	0.35	0.12
Book Value per share (\$)	3.32	1.31	1.43	2.10	1.96
Price/Book Value (times)	7.52	19.96	3.28	2.84	2.20
Dividend Yield (2018 %)	N/A	7.03%	1.01%	N/A	N/A
Volumes	NIL	7,832	230,707	NIL	5,000
Recommendation	SELL	BUY	BUY	HOLD	SELL

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	139.600	104.130	136.5432	144.514	102.570	138.5829
CAN	104.400	82.410	100.1764	108.540	86.089	104.3253
GBP	179.820	140.486	174.5657	184.356	162.000	179.0407
EURO	153.500	115.444	145.5501	159.030	145.850	152.9889

\*Rates as at October 22, 2019



## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 23, 2019) trading session. The overnight rate stood at 0.30% while the 30-day rate ranged at 1.30% to 1.50%.

The US dollar fixed income market was also liquid during today's (October 23, 2019) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

## STOCK OF THE DAY: Lasco Manufacturing Limited (LASM)

### For the three months ended June 30, 2019: -

Lasco Manufacturing Limited (LASM) for the three months ended June 30, 2019 recorded an increase of 3% in total revenue to total \$1.79 billion, relative to the \$1.73 billion recorded for the comparable period in 2018.

Cost of sales amounted to \$1.12 billion (2018: \$1.12 billion) for the quarter, a marginal decline of 0.5% year on year. As a result, gross profit of \$667.89 million was recorded for the period, 10% more than the \$607.43 million booked for the quarter June 30, 2018.

LASM posted other income of \$17.12 million, 476% more than the \$2.97 million reported for the prior year. The company will be contacted to gain further insights on this vast increase.

Operating expenses increased 7% close the period at \$330.19 million versus \$307.57 million booked for the corresponding period last year. Consequently, LASM recorded operating profits of \$354.82 million, 17% higher than the \$302.83 million booked in 2018.

Finance costs for the year increased 3% to \$32.06 million compared to \$31.22 million in the prior year's comparable period.

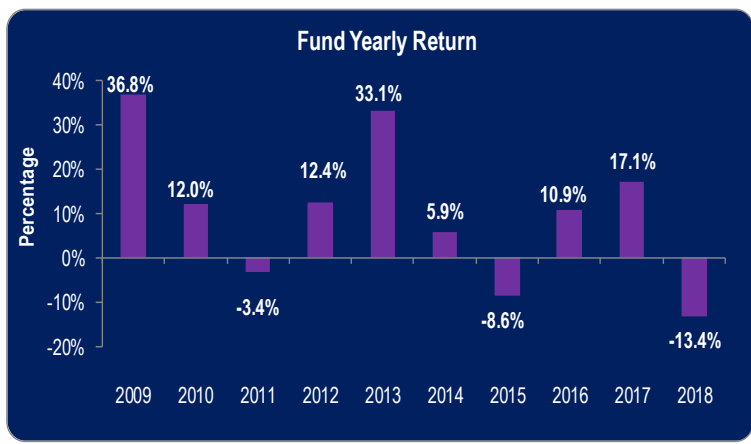
As such, profit before taxation amounted to \$322.76 million, an increase of 19% from the \$271.61 million recorded for the previous year. Taxes recorded for the period amounted to \$40.35 million compared to \$33.95 million incurred for the corresponding period in 2018.

## OVER THE COUNTER FUNDS (CI FUNDS)

### CI American Managers Corporate Class

This fund invests primarily in equity and equity-related securities of companies that are located in countries that have signed the North American Free Trade Agreement (NAFTA) (or its successor).

The fund has a 3 year return of 7.3% and a 5 year return of 3.8%. The Fund also has a 10 year return of 8.8%. Rates are as at August 31, 2019.



\*Prices are as at October 23, 2019 \*Projections are made to the company's financial year end

■ U.S: U.S. Takes Ghana Aid Money Off the Table as Power Deal Collapses

“The U.S. cut the funding of a support program for Ghana’s energy sector after the West African nation terminated a private venture’s deal to operate the country’s power-distribution network. Foreign aid agency Millennium Challenge Corp. reduced its compact for \$498 million in grants with Ghana by \$190 million, the U.S. Embassy in Accra said in a statement on its website. The \$190 million became available in March after the government appointed Power Distribution Services Ltd., a venture in which Philippines-based Manila Electric Co. holds a minority stake, to operate the network on behalf of the state-owned Electricity Co. of Ghana for 20 years.”

<https://www.bloomberg.com/news/articles/2019-10-23/ghana-loses-190-million-u-s-grant-after-canceling-power-deal?srnd=economics-vp>

■ Europe: Brexit May Be Delayed. But Markets Have a Bigger Problem

“If there’s one thing that is relatively clear from last night, it’s that the risk of no-deal Brexit has dropped. While we await to see if the EU will agree to another delay and if there will be a general election, any negative reaction on European equities and U.K. domestic stocks in particular should be contained, judging by the limited retreat in futures this morning. But there might be a bigger problem for investors: the macro landscape is still deteriorating. The market had a pop last week when odds of a no-deal Brexit significantly receded. It has been consolidating within a strong resistance area since then, and the number of Stoxx 600 stocks trading above their 50-day moving average, a bullish momentum signal, has now stalled.”

<https://www.bloomberg.com/news/articles/2019-10-23/markets-are-optimistic-until-they-become-stubborn-taking-stock-k22w1gh6?srnd=premium-europe>

■ PLATINUM PORTFOLIO

**Platinum Portfolio Yield Measures as at October 22, 2019**

	Percentage (%)
<b>Yield to Maturity</b>	5.34
<b>Weighted Average Coupon</b>	5.442
<b>Current Yield</b>	4.60

The platinum portfolio has an effective maturity of 13.04 years and duration of 4.63 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.

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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



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