

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

Stock Symbol	CAR	SEP	JP	LASD	JBG
Current Price (\$)	8.56	50.96	23.40	3.90	36.53
Trailing EPS (\$)	0.70	1.30	1.07	0.15	1.95
P/E (times)	12.27	39.31	21.95	26.32	18.76
Projected P/E	11.82	15.61	21.84	24.08	17.43
Projected EPS (\$) +	0.72	3.27	1.07	0.16	2.10
Book Value per share (\$)	0.31	20.66	12.39	1.55	12.67
Price/Book Value (times)	27.20	2.47	1.89	2.51	2.88
Dividend Yield (2018 %)	N/A	N/A	0.72%	3.03%	0.95%
Volumes	38,139	7,451	6,028	7,112,148	24,991
Recommendation	BUY	BUY	SELL	HOLD	HOLD

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	142.000	105.534	137.8253	147.220	106.080	139.899
CAN	105.100	82.574	101.0288	109.000	88.922	105.2651
GBP	182.000	142.379	176.6171	187.380	164.950	180.2361
EURO	153.000	115.875	147.5399	160.164	146.000	153.7263

\*Rates as at November 18, 2019

On November 14, 2019, the Bank of Jamaica sold US\$20 million via B-FXITT, following two consecutive intervention of a total of US\$70 million on November 12&13, 2019, to authorized dealers and Cambios to augment supply in the market.

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (November 19, 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 (November 19, 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 Distributors Limited (LASD)

### For the six months ended September 30, 2019:

Lasco Distributors Limited (LASD), for the six months ended September 30, 2019, posted 7% growth revenues to \$9.41 billion, up from \$8.78 billion in the corresponding period in 2018. For the quarter, revenues increased by 13% closing at \$5.07 billion (2018: \$4.50 billion).

Cost of sales amounted to \$7.51 billion, up 7% on the \$7.01 billion reported in the prior comparable period. Within the second quarter, cost of sales went up by 12% to \$4.03 billion versus \$3.60 billion in the previous quarter in 2018.

Consequently, gross profit recorded an increase of 7% year over year, closing at \$1.90 billion compared to the \$1.78 billion generated for same period in the prior year. However, gross profit for the quarter climbed by 14% totalling \$1.03 billion (2018: \$904.25 million).

Other operating income fell by 56% to end the six months period at \$45.31 million relative to \$103.92 million in the corresponding period last year. For the quarter, other operating loss was \$7.35 million versus an operating income of \$61.23 million in 2018.

Operating Expenses of \$1.50 billion was booked for the six months, a growth of 9% on \$1.38 billion recorded for the comparable period of 2018. Operating Expenses went up by 9% for the second quarter amounting to \$779.01 million (2018: \$716.73 million).

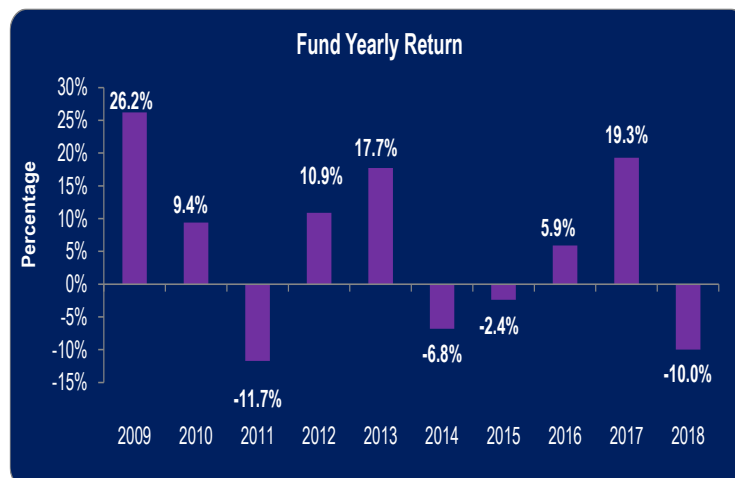
Operating profit fell by 12% to close at \$439.82 million for the period under review versus \$502.49 million. For the quarter, there was a 1% decline closing at \$247.09 million relative to \$248.75 million in the prior comparable quarter in 2018.

## OVER THE COUNTER FUNDS (CI FUNDS)

### CI International Value Corporate Class

This fund invests primarily in equity and equity-related securities of companies whose primary operations are out-side of North America.

The fund has a 3 year return of 6.6% and a 5 year return of 4.3%. The Fund also has a 10 year return of 4.3%. Rates are as at October 31, 2019.



■ U.S: Trump's Dollar Angst Overlooks Trade as a Bigger Factory Concern

'President Donald Trump's complaints that a strong dollar is hurting manufacturing overlook a far bigger concern at America's factories: his trade policies. At a meeting Monday with Federal Reserve Chairman Jerome Powell, "I protested fact that our Fed Rate is set too high relative to the interest rates of other competitor countries. In fact, our rates should be lower than all others (we are the U.S.). Too strong a Dollar hurting manufacturers & growth!" Trump tweeted late yesterday. One reading of Trump's Twitter post suggests he wants the Fed to broaden its practice of targeting monetary policy at the domestic economy to include international competition. Another would be to indicate he's unaware that tariffs and other trade restrictions are a bigger concern than the current level of the U.S. currency."

<https://www.bloomberg.com/news/articles/2019-11-19/trump-s-dollar-angst-overlooks-trade-as-a-bigger-factory-concern?smd=premium>

■ Asia: Taiwan Bid to Lure Firms From China Paying Off, Government Says

"Taiwan's push for its companies to invest in advanced manufacturing at home after decades of focusing on China is helping off-set the effects of Beijing's trade war with the U.S., the government said. Taiwanese companies have pledged to invest almost NT\$1.2 trillion (\$39 billion) at home since the government initiated a program at the beginning of the year to attract investment from local companies with facilities in China. "We will see additional annual investments of NT\$300 to NT\$400 billion a year over the next two to three years thanks to the return of Taiwanese companies," Minister without Portfolio Kung Ming-hsin told Bloomberg News last Thursday. "We are confident that we will see solid growth momentum for the next three to four years."

<https://www.bloomberg.com/news/articles/2019-11-18/taiwan-sees-chance-to-reclaim-high-end-industries-lost-to-china?smd=premium-asia>

■ PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at November 18, 2019

	Percentage (%)
Yield to Maturity	5.25
Weighted Average Coupon	5.427
Current Yield	4.36

The platinum portfolio has an effective maturity of 13.13 years and duration of 4.60 years.

■ STRUCTURED PRODUCT

Mayberry Gold

This portfolio is ideal for investors, both retail and corporate, seeking a conservative, short-term investment. The securities in the Gold are directly owned by the client and provide them with a safe investment option. Our Gold portfolio can also provide investors with coupon payments that can generate a positive income stream.

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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 30 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH

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