

LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	AMG	ECL	LASD	PTL	PURITY
Current Price (\$)	2.10	6.29	3.39	1.67	1.80
Trailing EPS (\$)	0.12	0.32	0.15	0.05	0.03
P/E (times)	18.18	19.52	22.88	37.06	62.71
Projected P/E	20.98	18.67	20.93	42.12	34.18
Projected EPS (\$) [*]	0.10	0.34	0.16	0.04	0.05
Book Value per share (\$)	0.98	0.36	1.55	0.49	3.33
Price/Book Value (times)	2.14	17.59	2.19	3.41	0.54
Dividend Yield (2018 %)	N/A	13.14%	3.03%	1.30%	N/A
Volumes	21,465	129,477	5,958,632	20,000	5,404
Recommendation	HOLD	BUY	HOLD	SELL	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	136.600	101.910	133.0625	139.643	101.673	134.7610
CAN	103.500	80.510	98.9503	108.000	88.504	101.0420
GBP	178.050	138.182	174.4429	182.104	163.000	177.0467
EURO	148.700	111.798	144.5789	153.200	139.000	150.0923

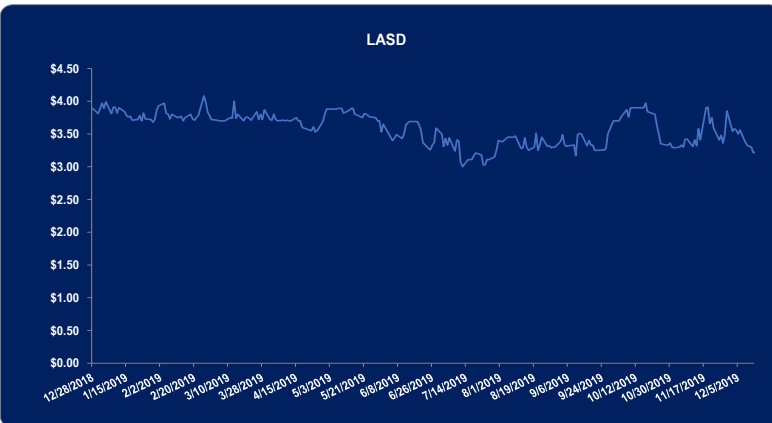
*Rates as at December 18, 2019

For December 2019, the Bank of Jamaica projects that the value of currency issued by the Bank will increase by approximately \$22.4 billion (17.2%), relative to end-November 2019. This forecast is generally in line with the five-year average growth rate of 17.6% for the month of December.

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (December 19, 2019) trading session. The overnight rate stood at 0.30% to 0.50% while the 30-day rate was 1.50% to 1.70%.

The US dollar fixed income market was also liquid during today's (December 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. Cost of sales amounted to \$7.51 billion, up 7% on the \$7.01 billion reported in the prior comparable period. 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.

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.

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 profit fell by 12% to close at \$439.82 million for the period under review versus \$502.49 million.

Finance Cost increased to \$10.06 million for the period compared to \$323,000 booked in the year prior. Pre-tax Profits amounted to \$429.76 million, a decrease of 14% from the \$502.17 million in the previous year.

Net Profit for the period closed at \$385.58 million (2018: \$463.72 million), a 17% decline year over year. As for the second quarter, Net Profit fell 4% to \$221.67 million (2018: \$230.08 million).

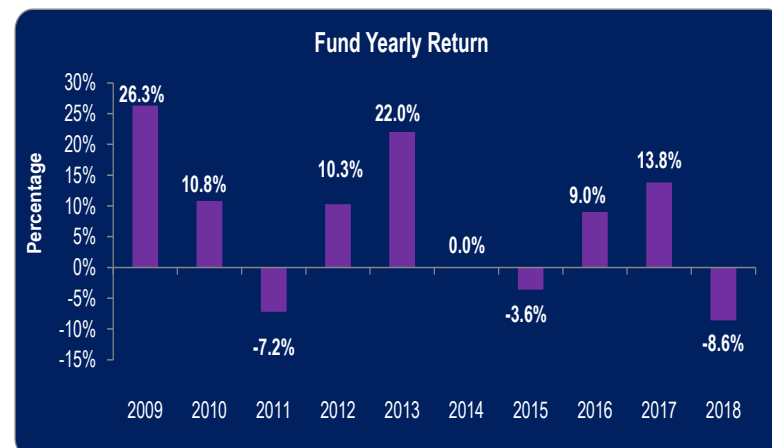
LASD noted that, "the six months comparative decline in profit was heavily attributable to restructuring expenses and legal fees associated with ongoing matters including the Pfizer case and investment in our route to market." Total Comprehensive Income for the first six months totalled \$400.84 million (2018: \$463.72 million).

OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Value Corporate Class

This fund invests primarily in equity and equity-related securities of companies around the world.

The fund has a 3 year return of 7.1% and a 5 year return of 4.6%. The Fund also has a 10 year return of 6.1%. Rates are as at November 30, 2019.



“The U.S. House of Representatives impeached President Donald Trump on charges of abuse of power and obstructing Congress, the culmination of an effort by Democrats that further inflamed partisan tensions in Washington and deepened the nation’s ideological divide. The historic votes on Wednesday evening, which won the support of almost all Democrats in the House but not a single Republican, make Trump only the third president in U.S. history to be impeached -- and likely the only impeached president to win his party’s nomination for re-election. The Senate will hold a trial early next year to decide whether the president should be convicted on the charges and removed from office, though the Republicans who have the majority in that chamber will almost certainly acquit him.”

<https://www.bloomberg.com/news/articles/2019-12-19/trump-impeached-by-u-s-house-on-abuse-of-power-charge?smd=premium-asia>

““The Bank of England signaled it will focus on the next phase of Brexit negotiations as two policy makers continued to push for an immediate interest-rate cut. Officials said it was too early to tell whether the clearer path for the U.K.’s departure from European Union on the back of Boris Johnson’s election win will improve sentiment. They repeated that monetary policy may need to add stimulus if Brexit uncertainty remains entrenched or global growth failed to stabilize. “It was possible that household and business sentiment could pick up in the near term,” the bank said in minutes of its December meeting published Thursday. “Further out, the responses of companies and households would depend on developments in the next stage of the Brexit process, including negotiations about the nature of, and the transition to, the U.K.’s future trading relationships.”

<https://www.bloomberg.com/news/articles/2019-12-19/boe-keeps-powder-dry-as-brexit-moves-into-next-stages?smd=premium-asia>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at December 16, 2019

	Percentage (%)
Yield to Maturity	5.20
Weighted Average Coupon	5.427
Current Yield	4.04

The platinum portfolio has an effective maturity of 13.12 years and duration of 4.58 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



www.mayberryinv.com

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