

LOCAL STOCK MARKET: (JS) +

Stock Symbol	GK	CAR	LASM	ISP	BPOW
Current Price (\$)	66.12	8.30	4.83	31.99	5.59
Trailing EPS (\$)	5.09	0.70	0.28	0.55	0.16
P/E (times)	13.00	11.89	17.53	58.13	35.56
Projected P/E	12.83	11.46	16.62	60.39	37.59
Projected EPS (\$)*	5.15	0.72	0.29	0.53	0.15
Book Value per share (\$)	52.53	0.31	1.50	3.44	1.70
Price/Book Value (times)	1.26	26.37	3.21	9.31	3.29
Dividend Yield (2018 %)	3.08%	7.63%	1.01%	N/A	0.45%
Volumes	12,262	78,931	12,995	NIL	2,710
Recommendation	HOLD	BUY	HOLD	SELL	SELL



STOCK OF THE DAY: Lasco Manufacturing Limited (LASM)

For the six months ended September 30, 2019:-

Lasco Manufacturing Limited (LASM) for the six months ended September 30, 2019, recorded an increase of \$50.30 million or 1% in revenue to total \$3.85 billion relative to the \$3.80 billion recorded for the comparable period in 2018. For the second quarter, total revenue closed at \$2.06 billion (2018: \$2.07 billion), a 0.2% decline.

Cost of sales amounted to \$2.43 billion (2018: \$2.47 billion) for the period, a decrease of 2% year on year. As a result, gross profit of \$1.42 billion was recorded for the period, 7% more than the \$1.32 billion booked in September 2018. For the quarter, gross profit grew by 5% to close at \$754.22 million (2018: \$716.08 million).

LASM posted other income of \$13.91 million, compared to other losses of \$4.47 million reported for the prior year. While for the quarter, other losses totaled \$3.20 million versus losses of \$7.44 million in the previous comparable quarter.

Operating expenses closed the period at \$721.99 million compared to \$651.86 million booked for the corresponding period last year. While, for the quarter, operating expenses rose by 14% amounting to \$391.80 million (2018: \$344.29 million).

Consequently, LASM recorded operating profits of \$714.03 million, 7% higher than the \$667.18 million booked in 2018. Operating profits fell 1% to close the second quarter at \$359.21 million relative to \$364.35 million in the prior comparable quarter.

As such, profit before taxation amounted to \$660.07 million, an increase of 9% from the \$603.50 million recorded for the previous year. Taxes recorded for the period amounted to \$97.51 million (2018: \$100.44 million). Thus, net profit for the six months period totalled \$562.56 million compared to \$503.06 million in 2018, an increase of 12%. While, for the second quarter, net profit closed at \$280.15 million (2018: \$265.40 million), up by 6%.

*Prices are as at December 20, 2019 *Projections are made to the company's financial year end

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	136.500	101.910	131.7454	139.643	105.974	131.5312
CAN	104.200	80.925	96.8363	105.624	94.000	101.6263
GBP	179.200	138.182	174.5887	182.063	163.000	177.2913
EURO	147.500	111.798	141.2459	154.332	141.000	150.6490

*Rates as at December 19, 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 20, 2019) trading session. The overnight rate stood at 0.30% to 0.50% while the 30-day rate was 1.50% to 1.70%.

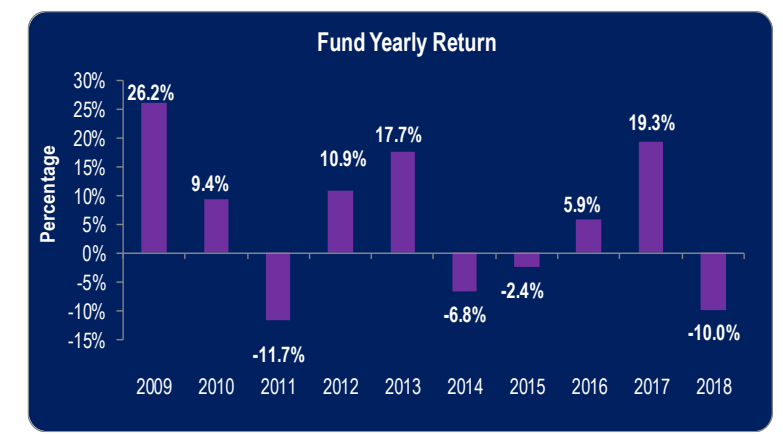
The US dollar fixed income market was also liquid during today's (December 20, 2019) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

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 outside of North America.

The fund has a 3 year return of 7.5% and a 5 year return of 4.2%. The Fund also has a 10 year return of 4.1%. Rates are as at November 30, 2019.



■ U.S: Democrats' Urgency on Trump's Impeachment Tested by Pelosi Delay

“House Democrats who’ve argued for months that President Donald Trump’s impeachment was a matter of urgent national interest are now being forced to defend House Speaker Nancy Pelosi’s delay in handing the case over to the Senate. Pelosi’s top lieutenants, some of whom said they got no heads-up that the speaker was holding back the next step in the impeachment process, brushed aside that there was an intractable stand-off with Senate Republicans. They said the issues would be resolved by Pelosi and Senate Majority Leader Mitch McConnell by early January when both chambers return to Washington from the holiday break.”

<https://www.bloomberg.com/news/articles/2019-12-20/democrats-urgency-on-trump-s-impeachment-tested-by-pelosi-delay?srnd=premium>

■ Europe: U.K. Third-Quarter Growth Revised Higher

“The U.K. economy grew more strongly than previously estimated in the third quarter on the back of the dominant services sector, figures published Friday showed. Gross domestic product rose 0.4% instead of 0.3%, the Office for National Statistics said. Economists had expected growth to remain unrevised. It means Britain easily avoided a recession after a hangover from stockbuilding ahead of the original March 29 Brexit deadline caused output to fall in the second quarter. However, growth remains relatively subdued, with the economy expanding just 1.1% from a year earlier -- the weakest annual pace since the start of 2018.”

<https://www.bloomberg.com/news/articles/2019-12-20/u-k-third-quarter-growth-revised-higher-on-services>

■ 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 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



OVER 30 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH

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