

DAILY MARKET SUMMARY



VOLUME 3 February 14, 2020

LOCAL STOCK MARKET: (JS) +

Stock Symbol	MDS	SVL	ECL	LAS M	KEX
Current Price (\$)	5.03	21.67	5.58	4.28	9.45
Trailing EPS (\$)	0.33	0.89	0.32	0.28	0.26
P/E (times)	15.16	24.41	17.50	15.26	36.01
Projected P/E	14.48	17.31	16.33	14.21	30.52
Projected EPS (\$)	0.35	1.25	0.34	0.30	0.31
Book Value per share (\$)	2.89	1.31	0.39	1.57	1.61
Price/Book Value (times)	1.74	16.51	14.18	2.72	5.85
Dividend Yield (2019 %)	1.47%	4.46%	N/A	1.65%	0.62%
Volumes	10,000	92,468	12,570	200	400
Recommendation	HOLD	BUY	BUY	HOLD	SELL



STOCK OF THE DAY: Lasco Manufacturing Limited (LASM)

For the nine months ended December 31, 2019: -

Lasco Manufacturing Limited (LASM) for the nine months ended December 31, 2019, reported total revenue of \$5.84 billion compared to \$5.61 billion in 2018. Revenue increased \$182.40 million or 10% to a total of \$2 billion in the third quarter, relative to the \$1.81 billion recorded for the comparable quarter in 2018.

Cost of sales amounted to \$3.70 billion (2018: \$3.68 billion) for the period, an increase of 1% year on year. LASM stated, "The margin improvement is primarily the result of improvements in operational efficiencies." However, for the third quarter cost of sales was recorded at \$1.28 billion in 2019 relative to \$1.20 billion in 2018, a 6% increase.

As a result, gross profit of \$2.14 billion was recorded for the period, 11% more than the \$1.94 billion booked for the corresponding period in 2018. Gross profit for the third quarter increased by 18% to \$719.24 million when compared to the \$611.24 million booked for the quarter ended December 31, 2018.

LASM posted other loss of \$2.21 million relative to other income of \$4.61 million for the prior corresponding period. While for the quarter, other loss of \$16.13 million was booked versus other income of \$9.08 million in the similar period last quarter.

Operating expenses increased 9% to close the period at \$1.11 billion versus \$1.02 billion booked for the corresponding period last year. Expenses for the quarter also moved up by 7% to close at \$392.66 million (2018: \$368.31 million).

Consequently, LASM recorded operating profit of \$1.02 billion, 11% higher than the \$919.19 million booked in 2018.

Net profit for the nine months totaled \$780.69 million, a 11% uptick when compared to \$700.51 million in 2018, while for the quarter net profit totaled \$218.13 million (2018: \$197.44 million).

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	143.500	111.360	140.3886	150.336	110.800	142.5844
CAN	108.150	86.352	106.0191	111.240	100.000	108.1270
GBP	188.000	147.076	178.7363	189.747	173.000	186.3062
EURO	153.500	119.200	149.5025	160.920	147.500	157.0239

*Rates as at February 13, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (February 14, 2020) trading session. The overnight rate stood at 0.50% to 0.75% while the 30-day rate was 1.60% to 1.80%.

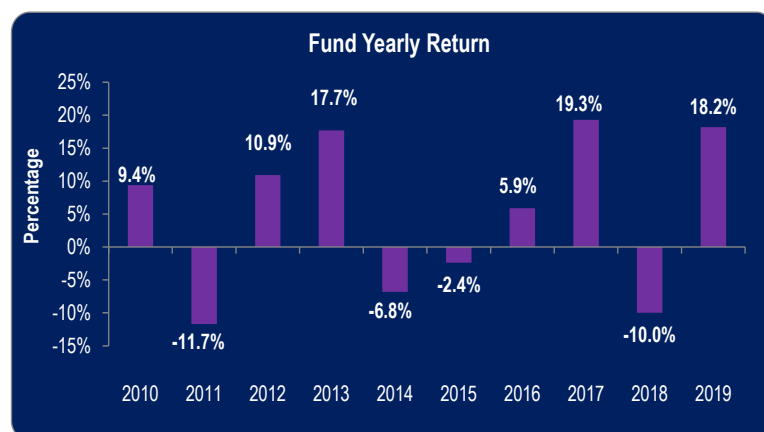
The US dollar fixed income market was also liquid during today's (February 14, 2020) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

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 6.3% and a 5 year return of 4.9%. The Fund also has a 10 year return of 4.4%. Rates are as at January 31, 2020.



“A key measure of retail sales stagnated in January and factory output eased -- an uninspiring start to the year for the U.S. economy. Manufacturing output fell 0.1% from the prior month on Boeing Co.'s production halt for the 737 Max plane, Federal Reserve data showed Friday. The so-called control group subset of retail sales, which is seen as a better gauge of household demand, was unchanged after a sharp downward revision to December, according to the Commerce Department.”

“Germany entered 2020 with a flatlining economy and manufacturers in distress, leaving it ill prepared for continued trade uncertainty and the new coronavirus threat. Europe's largest economy has been battered by multiple forces that have turned it from a growth engine to one of the region's weakest performers. Expansion last year was just 0.6% and 2020 may be little better. The euro-area economy grew 1.2% in 2019, though the pace was just 0.1% in the fourth quarter.”

<https://www.bloomberg.com/news/articles/2020-02-14/consumers-factories-send-u-s-economy-off-to-tepid-2020-start?srnd=economics-vp>

<https://www.bloomberg.com/news/articles/2020-02-14/germany-avoids-contraction-but-remains-in-weakened-position>

PLATINUM PORTFOLIO

STRUCTURED PRODUCT

Platinum Portfolio Yield Measures as at February 10, 2020

	Percentage (%)
Yield to Maturity	4.82
Weighted Average Coupon	5.398
Current Yield	3.94

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.

The platinum portfolio has an effective maturity of 13.10 years and duration of 4.63 years.

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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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