

## LOCAL STOCK MARKET: (JS) <sup>+</sup>

Stock Symbol	WIG*	CAR	GK	PURITY	LASM*
Current Price (\$)	0.70	6.50	57.67	1.69	3.95
Trailing EPS (\$)	0.05	0.68	4.51	0.03	0.28
P/E (times)	15.01	9.55	12.79	58.88	14.10
Projected P/E	13.65	9.66	12.46	32.09	13.14
Projected EPS (\$) <sup>+</sup>	0.05	0.67	4.63	0.05	0.30
Book Value per share (\$)	0.31	0.29	52.59	3.33	1.57
Price/Book Value (times)	2.25	22.43	1.10	0.51	2.51
Dividend Yield (2019 %)	N/A	7.07%	2.44%	N/A	1.65%
Volumes	1,517,998	307,967	8,866	N/A	51,563
Recommendation	HOLD	BUY	HOLD	SELL	HOLD

\*-Long Term Buy



## 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.

Cost of sales amounted to \$3.70 billion (2018: \$3.68 billion) for the period, an increase of 1% year on year.

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.

LASM posted other loss of \$2.21 million relative to other income of \$4.61 million for the prior corresponding period.

Operating expenses increased 9% to close the period at \$1.11 billion versus \$1.02 billion booked for the corresponding period last year. Consequently, LASM recorded operating profit of \$1.02 billion, 11% higher than the \$919.19 million booked in 2018.

Finance costs for the period fell 17% to \$75.13 million compared to \$90.03 million in the prior year's comparable period.

As such, profit before taxation amounted to \$949.36 million, an increase of 14% from the \$829.15 million recorded for the previous corresponding period. Taxes recorded for the period amounted to \$168.67 million compared to \$128.64 million incurred for the corresponding period in 2018. For the third quarter, profit before tax increased \$63.64 million or 28% to \$289.29 million (2018:\$ 225.65 million).

Net profit for the nine months totaled \$780.69 million, a 11% uptick when compared to \$700.51 million in 2018.

Consequently, earnings per share (EPS) for the period amounted to \$0.19 relative to \$0.17 in 2018. The twelve months trailing EPS amounts to \$0.28. The number of shares used in the calculations amounted to 4,124,913,151 units.

<sup>+</sup>Prices are as at May 11, 2020 \*Projections are made to the company's financial year end

## FOREIGN EXCHANGE MARKET TRADING SUMMARY <sup>\*</sup>

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	142.300	118.000	138.7381	142.700	121.000	140.0167
CAN	100.800	80.000	96.3180	104.000	82.550	99.9917
GBP	176.000	140.000	166.5319	178.700	150.050	175.0981
EURO	150.000	123.000	146.6488	155.600	124.000	154.4037

\*Rates as at May 8, 2020

## MONEY MARKET

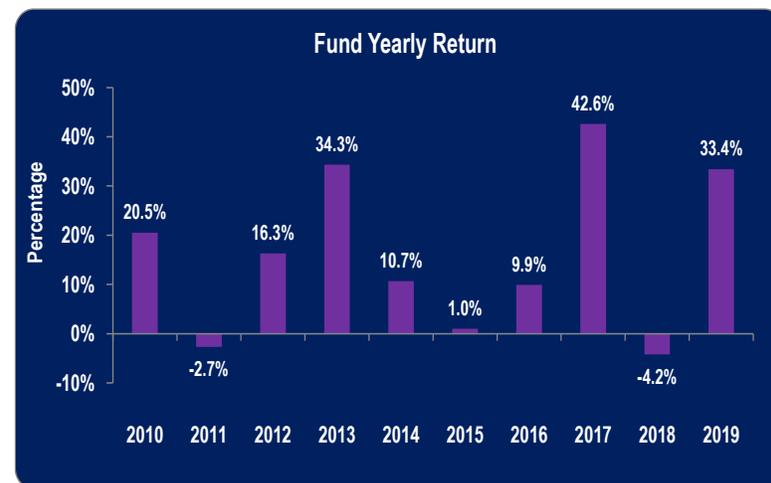
The Jamaican dollar fixed income market was liquid in today's (May 11, 2020) trading session. The over night rate stood at 0.30% to 0.50%, while the 30-day rate was 1.10% to 1.30%.

The US dollar fixed income market was also liquid during today's (May 11, 2020) trading session; The overnight market rates were quoted at 1.80% while the 30-day market rates stood at 2.20% to 2.50%.

## Over The Counter Funds ( CI FUNDS)

### Signature Global Technology Corporate Class

This fund invests primarily in equity and equity-related securities of companies around the world that have developed or are developing technological products, processes or services. The fund has a 3 year return of 11.5% and a 5 year return of 11.8%. The Fund also has a 10 year return of 13.2%. Rates are as at March 31, 2020.



“U.S. stock-index futures retreated alongside European shares on Monday as investors weighed the latest moves around the globe to relax restrictions for the coronavirus. The dollar strengthened and WTI crude oil jumped. Contracts on the S&P 500 Index gave up an earlier gain, with airlines including United Airlines Holdings Inc. dropping in pre-market trading after the carrier canceled a bond sale on Friday. AMC Entertainment Holdings Inc. leapt after reports suggested Amazon.com Inc. may have takeover interest. Mining shares led declines in the Stoxx Europe 600 Index. Equities in Japan outperformed and the yen sank amid growing optimism over the country restarting parts of its economy. Korean shares dipped.”

<https://www.bloomberg.com/news/articles/2020-05-10/asia-stock-futures-edge-higher-kiwi-gains-markets-wrap?srd=premium>

“The green shoots of recovery for home prices in London’s wealthiest districts have been stamped out before they even took hold. Prices in prime central London dropped 0.3% between March and April, taking the annual decline to 1.3%, according to a report published Monday by broker Knight Frank. It’s the first time in more than a year that the annual rate has accelerated, erasing early signs that the market was bottoming out after last year’s fraught Brexit negotiations..”

<https://www.bloomberg.com/news/articles/2020-05-11/london-luxury-home-price-drops-accelerate-as-virus-hits-sales?srd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at May 11, 2020

	Percentage (%)
Yield to Maturity	5.34
Weighted Average Coupon	5.225
Current Yield	5.95

The platinum portfolio has an effective maturity of 13.05 years and duration of 4.38 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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