

# DAILY MARKET SUMMARY

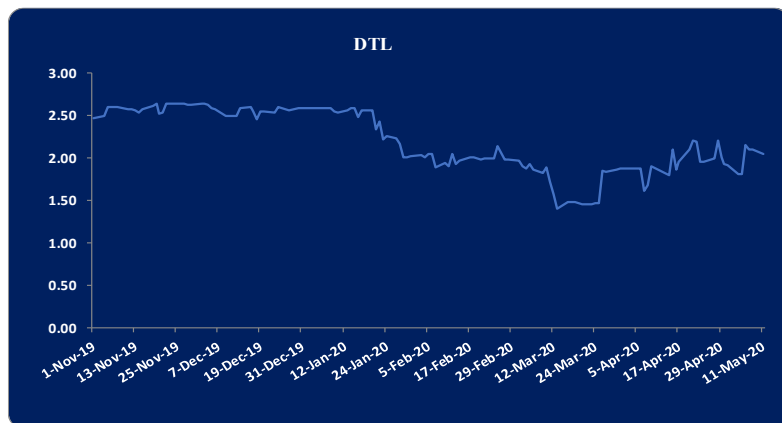


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## LOCAL STOCK MARKET: (JS) +

Stock Symbol	JBG	DTL*	PURITY	FOSRICH	WIG*
Current Price (\$)	24.49	1.81	1.51	3.70	0.70
Trailing EPS (\$)	1.81	0.11	0.03	0.20	0.05
P/E (times)	13.55	17.02	52.61	18.80	15.01
Projected P/E	14.34	16.36	28.67	17.83	13.65
Projected EPS (\$)*	1.71	0.11	0.05	0.21	0.05
Book Value per share (\$)	13.45	0.43	3.33	1.58	0.31
Price/Book Value (times)	1.82	4.23	0.45	2.35	2.25
Dividend Yield (2019 %)	1.34%	0.40%	N/A	N/A	N/A
Volumes	71,423	1,556	NIL	5,383	3,239,145
Recommendation	BUY	HOLD	SELL	SELL	HOLD

\*-Long Term Buy



## STOCK OF THE DAY: Lasco Manufacturing Limited (LASM)

for the year ended December 31, 2019:

Derrimon Trading Limited (DTL), for the year ended December 31, 2019, reported trading income of \$12.65 billion compared to the \$9.30 billion for the prior comparable period, a 36% increase. For the quarter, trading income went up grossly by 5% closing at \$3.12 billion (2018: \$2.96 billion).

Cost of sales increased by 36% to \$10.37 billion for the period (2018: \$7.61 billion). As a result, Gross profit amounted to \$2.28 billion relative to \$1.69 billion for the prior comparable period, an increase of 35% year over year. Gross profit for the quarter totalled \$619.93 million (2018: \$557.22 million).

Other income for the period under review fell 43% to close the year end at \$37.77 million relative to \$66.25 million booked in the prior comparable period. While for the quarter, other income closed at \$17.28 million (2018: \$22.49 million).

Total operating expenses totalled \$1.69 billion for the period, representing a growth of 30% on the \$1.30 billion recorded in the prior corresponding period. Of this, Administrative expenses amounted to \$1.28 billion, 20% higher when compared to the \$1.07 billion in 2018. Selling and distribution expenses recorded a 75% increase for the period, totalling \$408.27 million (2018: \$233.72 million). For the quarter, administrative and selling and distribution expenses closed the period at \$296.41 million (2018: \$311.53 million) and \$125.53 million (2018: \$106.03 million), respectively.

Finance cost increased to total \$298.60 million (2018: \$172.22 million). While, for the quarter, finance cost closed at \$139.23 million versus \$60.86 million in the previous comparable quarter. In addition, finance income amounted to \$15.41 million (2018: nil)

Consequently, profit before taxation grew to \$345.73 million compared to \$281.85 million in 2018. After incurring tax charges of \$43.02 million (2018: \$4.63 million), net profit amounted to \$302.71 million, a 9% growth when compared to \$277.21 million in the prior corresponding period. For the quarter, the Company reported a 16% decline in net profit to \$81.59 million (2018: \$96.67 million). Net profit attributable to shareholders amounted to \$290.74 million compared to \$249.12 million recorded in 2018.

Earnings per share (EPS) closed the period at \$0.11 (2018: \$0.09), while for the quarter, the EPS was \$0.03 (2018: \$0.04). The total number of shares used in the computation amounted to 2,733,360,670 units.

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	150.000	127.000	146.2044	150.200	130.700	147.1278
CAN	106.600	86.000	105.5293	108.200	96.000	106.3211
GBP	183.000	150.000	177.6695	186.000	168.000	183.2824
EURO	155.400	130.000	153.0410	163.500	150.000	161.9752

\*Rates as at May 14, 2020

## MONEY MARKET

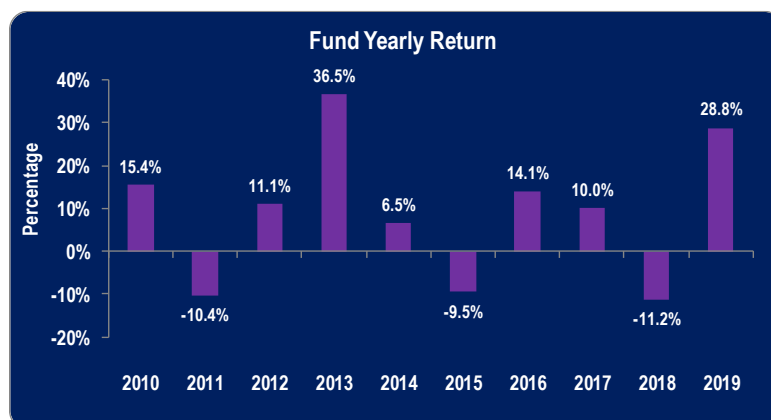
The Jamaican dollar fixed income market was liquid in today's (May 15, 2020) trading session. The overnight rate stood at 0.30% to 0.50%, while the 30-day rate was 1.10% to 1.30%.

The US dollar fixed income market was also liquid during today's (May 15, 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)

### Sentry U.S. Growth and Income 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 5 year return of 0.2%. The Fund also has a 10 year return of 4.7%. Rates are as at March 31, 2020.



U.S.: U.S. Economy Adds to Grim Records, Signaling Yearlong Recovery

“U.S. retail sales and factory output registered the steepest declines on record in April, illustrating a recession so deep that it will likely take years to fully recover. Revenue at retailers and restaurants fell 16.4% from the prior month, almost double the 8.3% drop in March which was previously the worst in data back to 1992, according to a Commerce Department report released Friday. That compared with the median projection for a 12% decline”

<https://www.bloomberg.com/news/articles/2020-05-15/u-s-retail-sales-fell-16-4-in-april-worse-than-march-record?srd=premium>

Europe: Germany Plunges Into Recession With Biggest Slump in Decade

“The German economy shrank 2.2% in the first quarter, the most in more than a decade, offering an early flavor of the damage from the coronavirus outbreak. Less than two weeks of official lockdown caused slumps in consumer spending and capital investment. Government spending and construction provided some stabilization.”

<https://www.bloomberg.com/news/articles/2020-05-15/germany-enters-historic-recession-with-biggest-slump-in-a-decade?srd=premium-europe>

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 Individual Retirement Plan (IRP)

IRP is a Retirement Scheme for all persons who are self employed or are employed in non-pensionable positions and do not otherwise contribute to an approved Superannuation Fund or an-other approved Retirement Scheme. The IRP will help some people make substantially greater contributions then they might otherwise do.

DISCLAIMER

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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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