

DAILY MARKET SUMMARY



MAYBERRY
INVESTMENTS LIMITED

VOLUME 3 June 11, 2020

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	WIG*	RJR	DTL*	LASM*	CAR
Current Price (\$)	0.79	1.32	2.46	3.98	6.50
Trailing EPS (\$)	0.05	0.03	0.11	0.24	0.74
P/E(times)	16.94	42.10	21.42	16.71	8.81
Projected P/E	15.41	173.94	19.02	14.87	8.54
Projected EPS (\$)*	0.05	0.01	0.13	0.27	0.76
Book Value per share (\$)	0.31	1.01	0.52	1.63	0.37
Price/Book Value (times)	2.54	1.31	4.69	2.44	17.80
Dividend Yield (2019 %)	N/A	2.25%	0.40%	1.65%	7.07%
Volumes	2,737,396	3,334	4,500	468,332	76,858
Recommendation	HOLD	SELL	HOLD	HOLD	BUY

*-Long Term Buy



STOCK OF THE DAY: Lasco Manufacturing Limited (LASM)

For the year ended March 31, 2020:

Lasco Manufacturing, for the year ended March 31, 2020, total revenue increased by 4% from \$7.57 billion in 2019 to \$7.89 billion in 2020. Revenue increased 5% for the fourth quarter to a total of \$2.04 billion, relative to the \$1.95 billion recorded for the comparable period in 2019.

Cost of sales amounted to \$4.97 billion (2019: \$4.89 billion) for the period, an increase of 2% year on year. For the quarter, cost of sales was recorded at \$1.27 billion relative to \$1.21 billion in 2019. As a result, gross profit of \$2.92 billion was recorded for the year ended March 31, 2020, 9% more than the \$2.68 billion booked for the corresponding period in 2019.

Operating expenses increased 16% to close the period at \$1.66 billion versus \$1.42 billion booked for the corresponding period last year. Of this, administrative and other expenses climbed 20% to \$1.36 billion (2019: \$1.14 billion), while selling and promotion expenses rose 2% to \$291.01 million (2019: \$285.96 million).

Consequently, LASM for the year ended March 31, 2020, recorded operating profits of \$1.29 billion, 3% higher than the \$1.26 billion booked in 2019. Finance costs for the year ended March 31, 2020 fell 13% to \$93.62 million compared to \$107.43 million in the prior year.

As such, profit before taxation amounted to \$1.20 billion, an increase of 4% from the \$1.15 billion recorded for the previous corresponding period. Taxes recorded for the period amounted to \$217.11 million compared to \$73.67 million incurred for the corresponding period in 2019. Net profit for the year was \$983.68 million, 9% lower than last year's net profit of \$1.08 billion. As such Total Comprehensive Income for the year ended totalled \$1.02 billion compared to \$1.08 billion in 2019, a decrease of 5%.

Consequently, earnings per share (EPS) for the period amounted to \$0.24 relative to \$0.26 in 2019. The EPS for the quarter amounted to \$0.05 relative to \$0.09 reported for 2019. The number of shares used in the calculations amounted to 4,091,163,151 units

FOREIGN EXCHANGE MARKET TRADING SUMMARY

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	145.500	122.000	140.5456	146.000	128.000	140.9862
CAN	107.000	85.000	106.1089	109.500	86.000	106.8441
GBP	181.500	155.000	174.2197	186.013	156.000	180.3175
EURO	166.660	139.500	155.6794	168.000	151.000	161.8390

*Rates as at June 10, 2020

MONEY MARKET

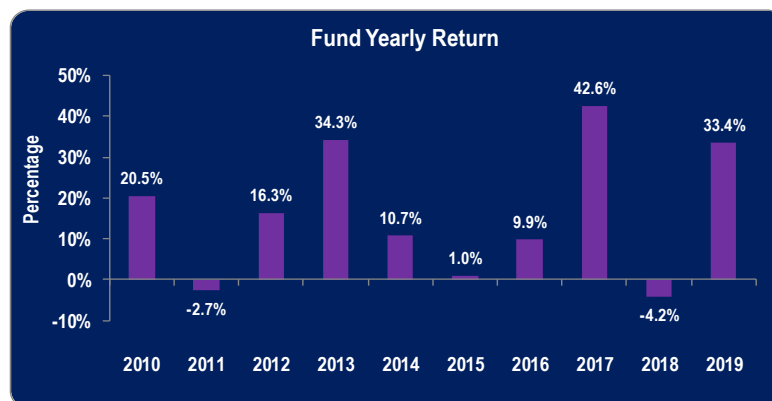
The Jamaican dollar fixed income market was liquid in today's (June 11, 2020) trading session. The over night rate stood at 0.30% to 0.50%, while the 30-day rate was 1.10% to 1.30%.

The US dollar fixed income market was also liquid during today's (June 11, 2020) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.80% to 2.00%.

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 15.7% and 5 year return of 14.7%. The Fund also has a 10 year return of 14.5%. Rates are as at April 30, 2020.



⁺Prices are as at June 11, 2020 *Projections are made to the company's financial year end

“Applications for U.S. unemployment benefits gradually eased last week despite a stream of business reopenings, underscoring the longer-term labor-market challenges caused by the coronavirus pandemic. Initial jobless claims for regular state programs totaled 1.54 million in the week ended June 6, down from 1.9 million in the prior week, Labor Department figures showed Thursday. Applications for unemployment insurance have fallen consistently each week since peaking at the end of March, but the volume of weekly filings is still more than double the worst week during the Great Recession.”

<https://www.bloomberg.com/news/articles/2020-06-11/u-s-jobless-claims-continue-gradual-decline-remain-elevated?srnd=premium>

“U.K. Prime Minister Boris Johnson may be gradually reopening the economy after a lockdown to contain the coronavirus, but businesses from chemical manufacturers to airports are firing thousands of workers before any rebound has time to take effect. British firms announced more than 7,500 job cuts on Thursday, as the pandemic hits earnings across several industries. The country will suffer the biggest economic slump from Covid-19 among developed nations, the OECD forecast the previous day, while its official death toll trails only the U.S. worldwide.”

<https://www.bloomberg.com/news/articles/2020-06-11/u-k-s-reopening-takes-place-amid-jobs-carnage-across-economy?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at June 08, 2020

	Percentage (%)
Yield to Maturity	4.88
Weighted Average Coupon	4.991
Current Yield	5.52

The platinum portfolio has an effective maturity of 12.70 years and duration of 4.64 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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