

# DAILY MARKET SUMMARY

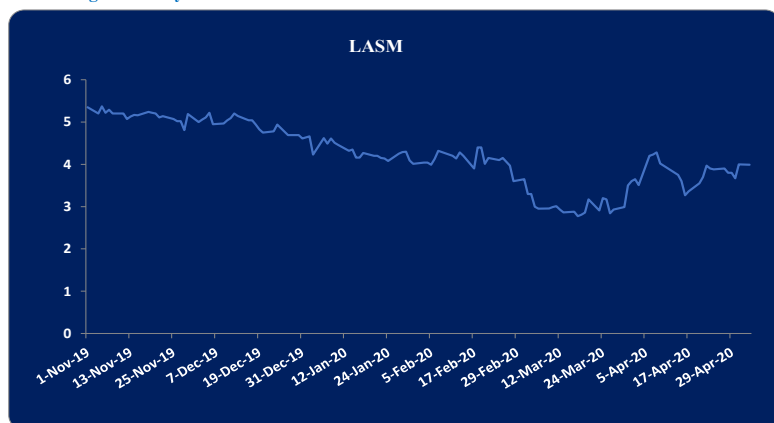


VOLUME 3 June 9, 2020

## LOCAL STOCK MARKET: (J\$) <sup>+</sup>

Stock Symbol	WIG*	SALF	DTL*	LASM*	GENAC
Current Price (\$)	0.78	26.45	2.40	3.94	5.63
Trailing EPS (\$)	0.05	0.96	0.11	0.24	0.67
P/E (times)	16.73	27.53	20.90	16.55	8.35
Projected P/E	15.21	31.82	18.56	14.72	8.09
Projected EPS (\$) <sup>+</sup>	0.05	0.83	0.13	0.27	0.70
Book Value per share (\$)	0.31	9.18	0.52	1.63	2.51
Price/Book Value (times)	2.51	2.88	4.58	2.41	2.24
Dividend Yield (2019 %)	N/A	3.29%	0.40%	1.65%	3.91%
Volumes	2,031,110	3,463	199,000	23,943	21,778
Recommendation	HOLD	SELL	HOLD	HOLD	BUY

\*-Long Term Buy



## STOCK OF THE DAY: Lasco Manufacturing, (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

<sup>+</sup>Prices are as at June 9, 2020 \*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	144.240	122.000	140.5643	146.500	127.000	141.3687
CAN	106.500	85.000	106.0756	109.253	86.000	106.5276
GBP	180.400	155.000	178.1809	184.294	156.000	180.5192
EURO	157.400	130.750	153.4492	164.183	149.000	162.4359

\*Rates as at June 8, 2020

## MONEY MARKET

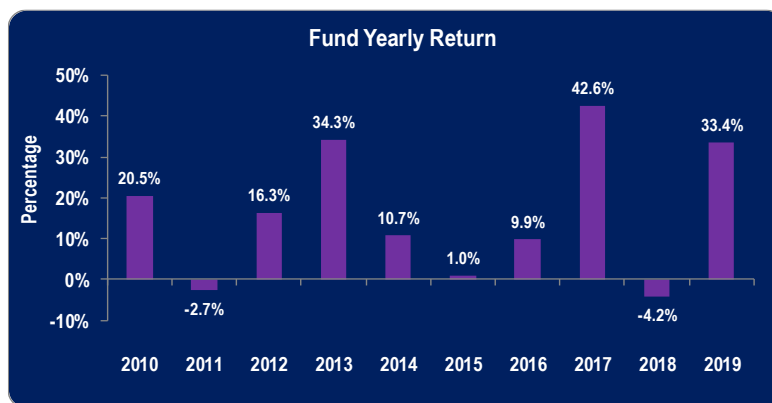
The Jamaican dollar fixed income market was liquid in today's (June 9, 2020) trading session. The over night rate stood at 0.30% to 0.50%, while the 30-day rate was 1.10% to 1.30%.

The US dollar fixed income market was also liquid during today's (June 9, 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 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.



“U.S. stocks pared losses as a rally in technology giants offset concern over valuations and economic prospects. Treasuries jumped. The Nasdaq 100 briefly topped 10,000 for the first time as Apple Inc. climbed on a news report it’s preparing to announce a shift to its own main processors in Mac computers. Advanced Micro Devices Inc. and Nvidia Corp. gained at least 2.5%. The S&P 500 still halted a surge that drove the gauge higher for 2020. Small caps slumped after a 10% advance in June. Treasury yields sank to as low as 0.8%. The dollar fell for a ninth straight day -- set for its longest slide since 2006.”

<https://www.bloomberg.com/news/articles/2020-06-08/asia-stocks-set-for-modest-gains-dollar-slides-markets-wrap?srd=premium>

“European Union efforts to soothe transatlantic trade tensions have stalled, according to the bloc’s trade chief, who said the upcoming U.S. election means any breakthrough may be delayed until after November. Washington has “stepped back” in recent weeks from settlement talks aimed at defusing a dispute over aircraft subsidies, Phil Hogan told a meeting of trade ministers in Brussels on Tuesday. Failure to reach an accord means the bloc would impose billions of dollars of tariffs on U.S. exports as soon as July.”

<https://www.bloomberg.com/news/articles/2020-06-09/trade-tensions-are-poised-to-rise-as-eu-u-s-talks-break-down?srd=premium-europe>

## PLATINUM PORTFOLIO

## STRUCTURED PRODUCT

### Platinum Portfolio Yield Measures as at June 08, 2020

	Percentage (%)
<b>Yield to Maturity</b>	4.88
<b>Weighted Average Coupon</b>	4.991
<b>Current Yield</b>	5.52

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

### 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](http://www.jamstockex.com), [www.bloomberg.com](http://www.bloomberg.com), [www.investopedia.com](http://www.investopedia.com), [www.tradewire.com](http://www.tradewire.com)



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