

DAILY MARKET SUMMARY



VOLUME 3 August 13, 2020

LOCAL STOCK MARKET: (J\$) +

Stock Symbol	MAILPAC	VMIL	LASM*	GK	SEP
Current Price (\$)	2.05	6.72	3.90	57.00	54.61
Trailing EPS (\$)	0.11	0.34	0.25	5.25	2.21
P/E (times)	18.57	19.53	15.45	10.86	24.71
Projected P/E	13.75	22.41	13.81	9.70	17.53
Projected EPS (\$)*	0.15	0.30	0.28	5.88	3.11
Book Value per share (\$)	0.22	2.81	1.72	55.19	22.18
Price/Book Value (times)	9.43	2.40	2.27	1.03	2.46
Dividend Yield (2019 %)	N/A	5.05%	1.65%	2.44%	1.67%
Volumes	1,018,454	69,669	13,717	51,445	16,518
Recommendation	BUY	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.

*Prices are as at August 13, 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	151.250	117.450	148.3699	157.140	119.376	150.0178
CAN	114.000	90.132	111.6433	115.800	105.500	113.9722
GBP	196.600	160.000	193.6722	199.750	161.000	196.1106
EURO	172.000	144.000	170.3378	180.300	168.700	179.8225

*Rates as at August 12, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (August 13, 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%.

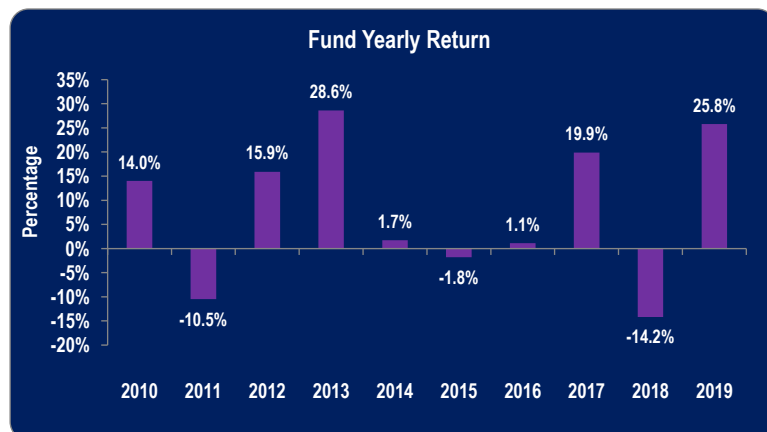
The US dollar fixed income market was also liquid during today's (August 13, 2020) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.70% to 1.90%.

Over The Counter Funds (CI FUNDS)

Synergy Global Corporate Class

This fund invests primarily in equity and equity-related securities of global momentum companies situated in developed markets represented in the MSCI World Index - CS.

The fund has a 3 year return of 3.9% and a 5 year return of 3.3%. The Fund also has a 10 year return of 7.5%. Rates are as at June 30, 2020.



"The number of Americans applying for unemployment benefits fell below 1 million for the first time since the pandemic began in March, suggesting the economic recovery is gaining some traction amid a deceleration in coronavirus infections. Initial jobless claims in regular state programs fell by 228,000 to 963,000 in the week ended Aug. 8, Labor Department data showed Thursday. Continuing claims -- the total number of Americans claiming ongoing benefits in state programs -- decreased to 15.5 million in the week ended Aug. 1, the lowest since early April."

"U.K. Prime Minister Boris Johnson's government faces a coronavirus dilemma, and how it responds could set the tone of the economy for years to come. If it withdraws its massive support for jobs and wages too soon, it'll tip Britain into an unemployment crisis just as other risks, such as Brexit, threaten to clobber growth. If it extends the aid -- as opposition politicians are urging it to do -- that could dissuade Britons from quitting jobs that may never return anyway, and hinder a necessary restructuring."

<https://www.bloomberg.com/news/articles/2020-08-13/u-s-jobless-claims-below-1-million-for-first-time-in-pandemic?srnd=premium>

<https://www.bloomberg.com/news/articles/2020-08-13/u-k-s-economic-dilemma-is-mass-layoffs-or-addition-to-aid?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at August 10, 2020

	Percentage (%)
Yield to Maturity	4.42
Weighted Average Coupon	4.944
Current Yield	5.20

The platinum portfolio has an effective maturity of 12.93 years and duration of 4.65 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



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