

LOCAL STOCK MARKET: (JS) +

Stock Symbol	HONBUN	LASD	SVL	WISYNCO	SIL
Current Price (\$)	4.74	3.07	14.59	16.50	3.60
Trailing EPS (\$)	0.30	0.23	0.81	0.75	0.31
P/E (times)	15.57	13.14	17.97	22.08	11.46
Projected P/E	14.79	10.80	14.78	22.67	11.20
Projected EPS (\$)	0.32	0.28	0.99	0.73	0.32
Book Value per share (\$)	1.76	1.65	1.31	3.46	3.10
Price/Book Value (times)	2.69	1.86	11.14	4.77	1.16
Dividend Yield (2019 %)	1.54%	1.11%	4.46%	1.55%	2.49%
Volumes	1,300	97,738	26,742	1,663,043	7,666
Recommendation	HOLD	BUY	BUY	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY

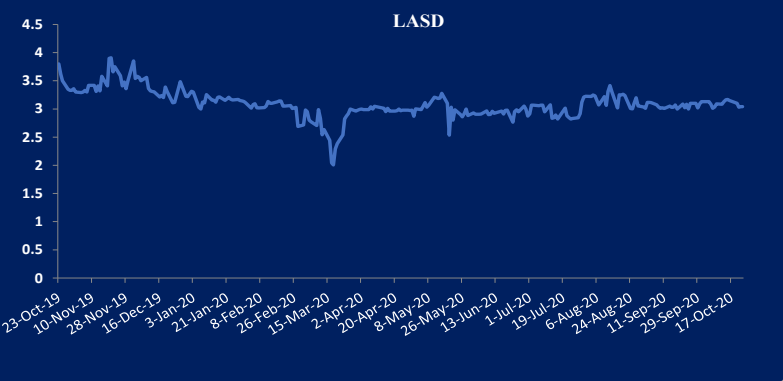
Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	148.500	114.210	145.6499	152.280	114.500	146.7418
CAN	113.425	89.712	112.0310	115.344	100.000	112.6209
GBP	192.500	160.000	186.2738	197.580	171.000	193.1207
EURO	169.700	153.000	165.9513	177.920	154.000	175.2374

*Rates as at October 23, 2020

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 26, 2020) trading session. The overnight rate stood at 0.30% to 0.50%, while the 30-day rate was 1.40% to 1.60%.

The US dollar fixed income market was also liquid during today's (October 26, 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%.



STOCK OF THE DAY: Lasco Distributors Limited (LASD)

For the three months ended June 30, 2020:

Lasco Distributors Limited (LASD), for the three months ended June 30, 2020, posted an 8% increase in revenue to \$4.70 billion, up from \$4.34 billion booked in the corresponding period in 2019.

Cost of sales amounted to \$3.81 billion, up 10% on the \$3.47 billion reported in the prior comparable period. Consequently, gross profit recorded 4% increase year over year, closing at \$896.24 million compared to the \$864.70 million generated for the same period in the prior year.

Other operating income rose by 39% to end the three months closing at \$73.14 million relative to \$52.66 million in the corresponding period last year.

Operating expenses of \$650.84 million were booked for the period, 10% decline from \$724.63 million recorded for the comparable period of 2019.

Operating profit increased by 65% to close at \$318.53 million for the period under review (2019: \$192.76 million) while Finance cost totalled \$1.50 million (2019: \$5.66 million)

Pre-tax profit amounted to \$317.03 million, a 69% increase from the \$187.07 million reported in the previous year.

Net profit for the period closed at \$258.02 million (2019: \$163.91 million), a 57% increase year over year following taxation of \$59.01 million (2019: \$23.16 million). Additionally, total comprehensive income for the period amounted to \$271.36 million relative to \$171.01 million booked last year same time.

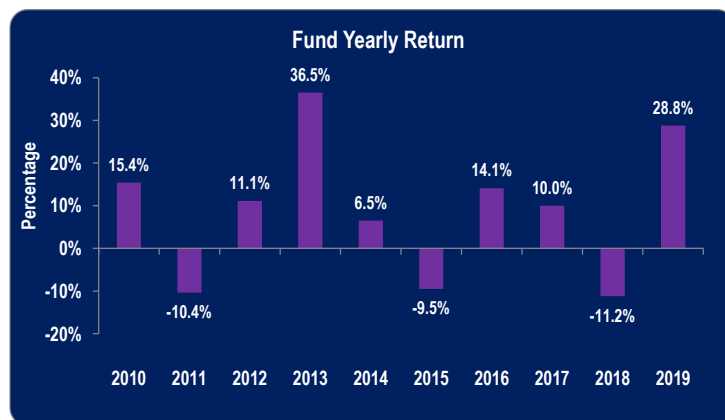
Earnings per share for the three months ended June 2020, totalled \$0.07 versus \$0.05 for the corresponding period in 2019. The trailing twelve months EPS is \$0.23. The total amount of shares outstanding used for this calculation was 3,508,293,292 units. Notably, LASD's closed the trading period on July 28, 2020, at \$2.92.

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 in the United States.

The fund has a 3 year return of 3.6% and a 5 year return of 6.2%. The Fund also has a 10 year return of 7.2%. Rates are as at September 30, 2020.



“The U.S. economic recovery’s strength has consistently surprised over the past several months, thanks in part to steadfast consumer finances that were underpinned by robust government aid and ultra-low interest rates. Three months ago, economists were penciling in third-quarter growth at an annualized 18%. The latest Bloomberg survey of economists now shows a median projection almost double that -- a record 31.8% pace -- for the report due Thursday.”

<https://www.bloomberg.com/news/articles/2020-10-26/u-s-recovery-s-surprise-strength-linked-to-aid-quick-reopening>

“President Xi Jinping opened a meeting in Beijing this week to map out the next phase of economic development, just days before one of the most contentious U.S. elections in history will produce a president resistant to China’s ascent no matter who wins. The country’s 14th five-year plan is expected to center around technological innovation, economic self reliance and a cleaner environment. Communist Party officials will also set goals for the next 15 years as Xi seeks to deliver on his vow for national rejuvenation by gaining the global lead in technology and other strategic industries.”

<https://www.bloomberg.com/news/articles/2020-10-25/china-s-new-growth-plan-may-push-economy-past-u-s-within-decade?srnd=economics-vp>

■ PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at October 26, 2020

	Percentage (%)
Yield to Maturity	4.13
Weighted Average Coupon	4.917
Current Yield	4.92

The platinum portfolio has an effective maturity of 13.31 years and duration of 4.86 years.

■ STRUCTURED PRODUCT

USD Money Market

This portfolio is a full discretionary managed bond portfolio, ideal for clients who have short-term USD liquidity needs. Assets within the portfolio can be used as collateral for loans. The product provides a solid short-term investment option in hard currency and allows the individual to hedge against the prevailing devaluation in the local currency.

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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