

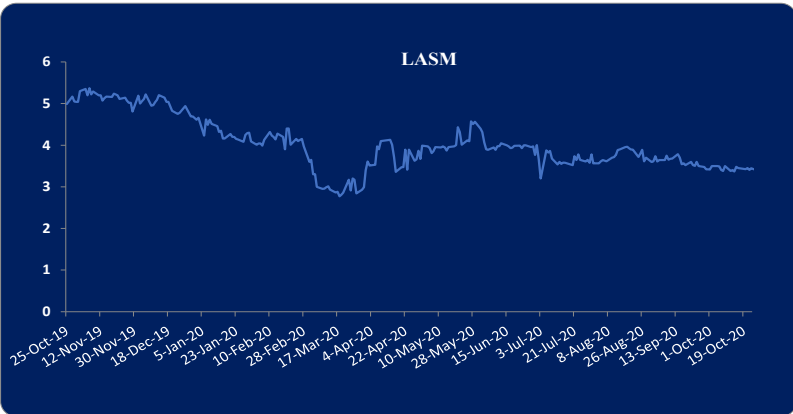
LOCAL STOCK MARKET: (JS) +

Stock Symbol	LASM	SVL	CCC	JAMT	CAC
Current Price (\$)	3.95	15.90	57.65	5.79	9.00
Trailing EPS (\$)	0.28	0.85	2.99	0.30	0.16
P/E (times)	14.08	18.77	19.28	19.22	57.47
Projected P/E	12.68	15.65	14.65	15.88	51.42
Projected EPS (\$)*	0.31	1.02	3.94	0.36	0.18
Book Value per share (\$)	1.75	1.46	12.43	2.57	2.90
Price/Book Value (times)	2.25	10.86	4.64	2.26	3.10
Dividend Yield (2019 %)	1.65%	4.46%	N/A	1.33%	0.21%
Volumes	8,098	43,509	9,327	443,012	NIL
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	115.830	146.7698	155.520	116.640	147.5472
CAN	113.050	90.000	111.7008	118.314	91.000	112.7731
GBP	192.700	174.000	188.2139	201.915	174.000	194.2935
EURO	175.000	140.889	174.7510	179.156	169.200	176.5873

*Rates as at November 16, 2020



STOCK OF THE DAY: Lasco Manufacturing Limited (LASM)

For the six months ended September 30, 2020:

Lasco Manufacturing Limited (LASM) for the six months ended September 30, 2020, recorded an increase of \$276.02 million or 7% in revenue to total \$4.12 billion relative to the \$3.85 billion recorded for the comparable period in 2019. For the second quarter, total revenue closed at \$2.28 billion (2019: \$2.06 billion), a 10% rise.

Cost of sales amounted to \$2.52 billion (2019: \$2.43 billion) for the period, an increase of 4% year on year. As a result, gross profit of \$1.60 billion was recorded for the period, 13% more than the \$1.42 billion booked in September 2019. For the quarter, gross profit grew by 17% to close at \$880.51 million (2019: \$754.22 million).

LASM posted other operating loss of \$18.18 million, compared to other operating income of \$13.91 million reported for the prior year. While for the quarter, other operating losses totaled \$15.85 million versus other operating losses of \$3.20 million in the previous comparable quarter.

Operating expenses closed the period at \$667.84 million compared to \$721.99 million booked for the corresponding period last year. While, for the quarter, operating expenses declined by 9% amounting to \$356.91 million (2019: \$391.80 million).

Consequently, LASM recorded operating profits of \$914.65 million, 28% higher than the \$714.03 million booked in 2019. Operating profits rose 41% to close the second quarter at \$507.76 million relative to \$359.21 million in the prior comparable quarter.

Finance costs for the six months declined by 41% to \$31.83 million compared to \$53.96 million in the prior year's comparable period. In the second quarter, finance costs also fell by 29% to close the quarter at \$15.57 million (2019: \$21.91 million).

As such, profit before taxation amounted to \$882.82 million, an increase of 34% from the \$660.07 million recorded for the previous year. Taxes recorded for the period amounted to \$145.35 million (2019: \$97.51 million). Thus, net profit for the six months period totalled \$737.47 million compared to \$562.56 million in 2019, an increase of 31%. While, for the second quarter, net profit closed at \$395.66 million (2019: \$280.15 million), up by 41%.

Consequently, Earnings per share for the period ended September 30, 2020 amounted to \$0.18 relative to \$0.14 in 2019. For the quarter, Earnings per share totalled to \$0.10 (2019: \$0.07). The trailing twelve months EPS amounts to \$0.28. The number of shares used in the calculations amounted to 4,130,913,151 units.

*Prices are as at November 17, 2020 *Projections are made to the company's financial year end

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (November 17, 2020) trading session. The overnight rate stood at 0.30% to 0.50%, while the 30-day rate was 1.40% to 1.60%.

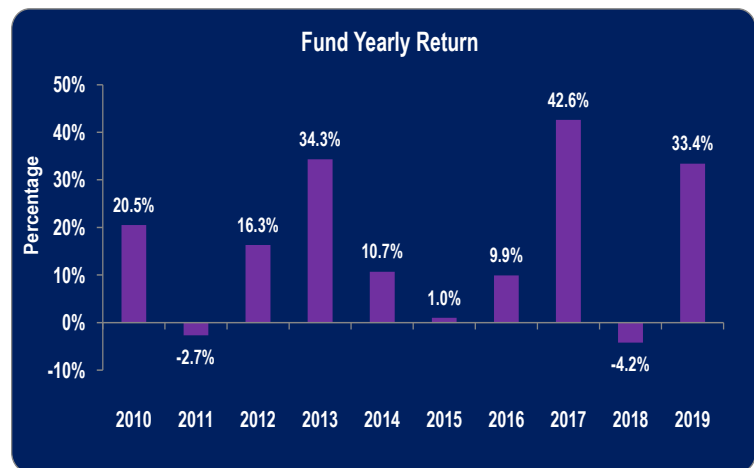
The US dollar fixed income market was also liquid during today's (November 17, 2020) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.70% to 1.90%.

Over The Counter Funds (CI FUNDS)

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 21.4% and a 5 year return of 22.9%. The Fund also has a 10 year return of 17.6%. Rates are as at October 31, 2020.



U.S.: Delta Skirts Trump Tariffs by Sending Airbus Jets on Tour

“Delta Air Lines Inc. is sidestepping millions of dollars in U.S. tariffs on European jetliners by initially routing them far outside the country to such places as Amsterdam, Tokyo and El Salvador. The U.S. carrier has taken delivery of seven European-built Airbus SE planes since President Donald Trump’s levies took effect in October 2019. Rather than flying them home as it had in the past, Delta has based the aircraft overseas. The decision, coupled with the definition of new planes in the tariff rules, has kept the jets from being considered imports even though some of them regularly enter the U.S.”

<https://www.bloomberg.com/news/articles/2020-11-17/delta-skirts-trump-tariffs-by-sending-airbus-jets-on-world-tour?smd=economics-vp>

Asia: China Should Set 5% Growth Target, Government Economist Says

“China should set an economic growth target of about 5% over the next five years, although the expansion will likely fluctuate this year and next because of the coronavirus pandemic, a government-affiliated economist said. The potential growth rate in the period covering the 14th five-year plan period -- released by the Communist Party last month -- is between 5%-6%, said Li Xuesong, a senior research fellow at the Chinese Academy of Social Sciences, a government think tank.”

<https://www.bloomberg.com/news/articles/2020-11-17/china-should-set-5-growth-target-government-economist-says?smd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at November 16, 2020

	Percentage (%)
Yield to Maturity	4.05
Weighted Average Coupon	4.907
Current Yield	4.89

The platinum portfolio has an effective maturity of 13.35 years and duration of 4.84 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



OVER 30 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH

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