



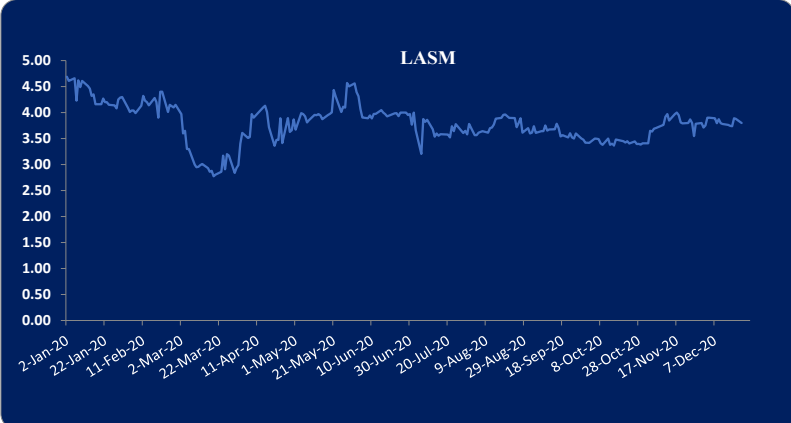
## LOCAL STOCK MARKET: (JS) +

Stock Symbol	CCC	CFE	LASM	HONBUN	VMIL
Current Price (\$)	60.52	1.67	3.88	5.76	5.92
Trailing EPS (\$)	2.99	0.05	0.280	0.35	0.31
P/E (times)	20.24	35.82	13.83	16.28	19.20
Projected P/E	15.38	21.17	12.45	14.96	23.51
Projected EPS (\$)*	3.94	0.08	0.312	0.39	0.25
Book Value per share (\$)	12.43	0.52	1.75	1.85	2.56
Price/Book Value (times)	4.87	3.22	2.21	3.12	2.31
Dividend Yield (2019 %)	N/A	1.32%	1.65%	1.54%	5.05%
Volumes	4,053	1,017	36,287	12,499	643,937
Recommendation	BUY	HOLD	BUY	HOLD	SELL

## FOREIGN EXCHANGE MARKET TRADING SUMMARY

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	146.000	109.755	141.5488	150.000	112.744	143.2900
CAN	111.750	88.872	111.3427	116.200	102.000	111.6748
GBP	192.300	153.467	186.4876	199.692	180.000	190.3097
EURO	172.900	135.956	167.8748	178.103	164.500	177.7414

\*Rates as at December 24, 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).

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).

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.

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. The stock price closed trading on November 6, 2020 at \$3.75.

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (December 28, 2020) trading session. The overnight rate stood at 0.30% to 0.50%, while the 30-day rate was 1.40% to 1.60%.

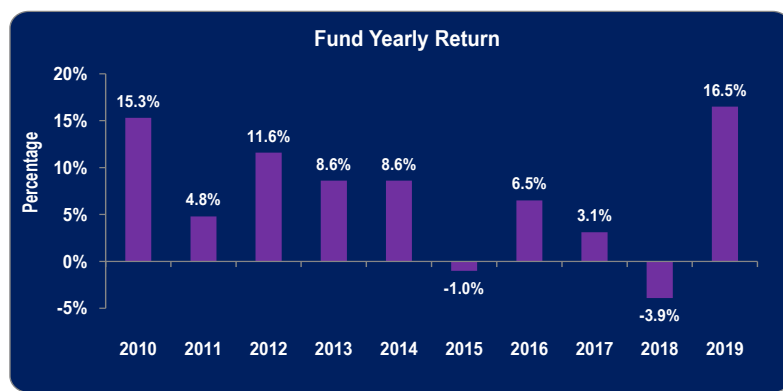
The US dollar fixed income market was also liquid during today's (December 28, 2020) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.70% to 1.90%.

## Over The Counter Funds (CI FUNDS)

### Signature High Income Fund

This fund invests primarily in high-yielding equity securities and Canadian corporate bonds.

The fund has a 3 year return of 3.7% and a 5 year return of 4.3%. The Fund also has a 10 year return of 5.4%. Rates are as at November 30, 2020.



\*Prices are as at December 28, 2020 \*Projections are made to the company's financial year end

U.S.: U.S. Holiday Retail Sales Rose 3%, Driven by Online Shoppers

“U.S. holiday season sales beat low expectations for the pandemic year as online shopping surged. Total retail sales grew 3% over the extended 75-day holiday period, versus a forecast of 2.4%, according to Mastercard Spending Pulse, which tracks online and in-store retail sales across all payment methods. The is far better than the 3.5% drop recorded during 2008, the last U.S. recession. “It’s a very healthy number” given the challenges of the coronavirus pandemic, Steve Sadove, senior adviser for Mastercard and former chief executive officer of Saks Inc., said in an interview. “That shows me the American consumer is highly resilient.”

<https://www.bloomberg.com/news/articles/2020-12-26/u-s-holiday-retail-sales-rose-3-driven-by-online-shoppers?srnd=economics-vp>

Asia: China's Economy Set to Overtake U.S. Earlier Due to Covid Fallout

“The Chinese economy is set to overtake the U.S. faster than previously anticipated after weathering the coronavirus pandemic better than the West, according to the Centre for Economics and Business Research. The world’s biggest and second-biggest economies are on course to trade places in dollar terms in 2028, five years earlier than expected a year ago, it said on Saturday. In its World Economic League Table, the consultancy also calculated that China could become a high-income economy as soon as 2023. Further cementing Asia’s growing might, India is set to move up the rankings to become the No. 3 economy at the end of the decade.”

<https://www.bloomberg.com/news/articles/2020-12-26/covid-fallout-means-china-to-overtake-u-s-economy-earlier?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at December 28, 2020

	Percentage (%)
Yield to Maturity	3.93
Weighted Average Coupon	4.903
Current Yield	4.81

The platinum portfolio has an effective maturity of 13.38 years and duration of 4.87 years.

STRUCTURED PRODUCT

Mayberry Individual Retirement Plan (IRP)

IRP is a Retirement Scheme for all persons who are self employed or are employed in non-pensionable positions and do not otherwise contribute to an approved Superannuation Fund or an-other approved Retirement Scheme. The IRP will help some people make substantially greater contributions then they might otherwise do.

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

POSITIVE TRANSFORMATION FOR OUR CLIENTS

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