

# DAILY MARKET SUMMARY



**MAYBERRY**  
INVESTMENTS LIMITED

VOLUME 1 January 21, 2021

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

Stock Symbol	LASD	JBG	LUMBER	LAB	CAC
Current Price (\$)	3.20	28.42	1.87	2.63	10.60
Trailing EPS (\$)	0.24	1.46	0.145	0.13	0.25
P/E (times)	13.56	19.50	12.91	19.57	42.04
Projected P/E	12.40	16.34	12.53	20.95	38.20
Projected EPS (\$) <sup>*</sup>	0.26	1.74	0.149	0.13	0.28
Book Value per share (\$)	1.72	14.30	0.37	0.49	3.01
Price/Book Value (times)	1.86	1.99	5.11	5.36	3.52
Dividend Yield (2019 %)	1.56%	1.05%	1.30%	3.07%	N/A
Volumes	20,625	22,026	153,241	44,572	NIL
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	152.280	114.210	143.9303	152.280	115.550	146.1471
CAN	116.300	93.379	113.1315	118.500	102.000	115.3371
GBP	200.500	170.000	196.6598	205.697	181.000	199.0828
EURO	172.200	142.500	170.9697	182.830	169.500	179.3506

\*Rates as at January 20, 2021

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 21, 2021) trading session. The over night rate stood at 0.35% to 0.50%, while the 30-day rate was 1.60% to 1.90%.

The US dollar fixed income market was also liquid during today's (January 21, 2021) 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 six months ended September 30, 2020:**

Lasco Distributors Limited (LASD), for the six months ended September 30, 2020, posted 7% growth revenues to \$10.06 billion, up from \$9.41 billion in the corresponding period in 2019.

Cost of sales amounted to \$8.20 billion, up 9% on the \$7.51 billion reported in the prior comparable period.

Consequently, gross profit recorded a decrease of 2% year over year, closing at \$1.86 billion compared to the \$1.90 billion generated for same period in the prior year.

Other operating income rose by 78% to end the six months period at \$80.74 million relative to \$45.31 million in the corresponding period last year.

Operating Expenses of \$1.36 billion was booked for the six months, a reduction of 10% in comparison to the \$1.50 billion recorded for the comparable period of 2019.

Operating profit rose by 32% to close at \$582.20 million for the period under review versus \$439.82 million recorded twelve months earlier.

Finance Cost decreased to \$2.70 million for the period compared to \$10.06 million booked in the year prior.

Pre-tax Profits amounted to \$579.50 million, an increase of 35% from the \$429.76 million in the previous year. Net Profit for the period closed at \$488.06 million (2019: \$385.58 million), a 27% increase year over year.

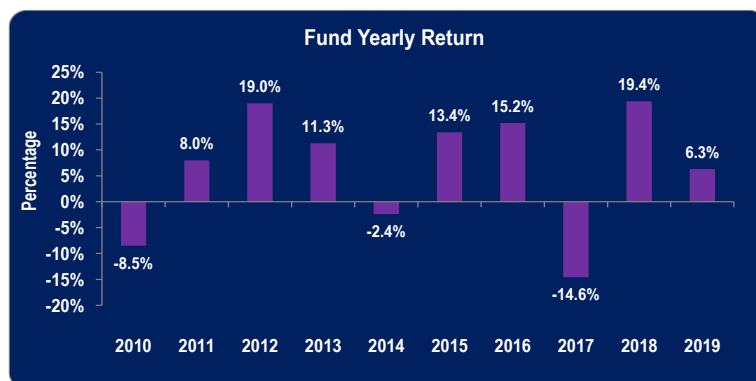
Earnings Per Share for the six months ended September 2020 totalled \$0.14 versus \$0.11 for the corresponding period in 2019. The trailing twelve months EPS is \$0.24. The total amount of shares outstanding used for this calculation was 3,509,843,292 units.

## Over The Counter Funds (CI FUNDS)

### Signature Select Canadian Corporate Class

This fund invests primarily in common shares and convertible securities of Canadian companies and preferred shares that pay regular income. It is currently expected that investments in foreign securities will generally be no more than 49% of the fund's assets.

The fund has a 3 year return of 2.7% and a 5 year return of 7.2%. The Fund also has a 10 year return of 6.1%. Rates are as at December 31, 2020.



<sup>+</sup>Prices are as at January 21, 2021 \*Projections are made to the company's financial year end

“U.S. homebuilder confidence slipped to a four-month low in January as firms became slightly less optimistic about sales against a backdrop of higher house prices and construction costs. A gauge of builder sentiment fell to 83 from December’s reading of 86, National Association of Home Builders data showed Wednesday. The figure was weaker than the median forecast of 86 in Bloomberg’s survey of economists.”

<https://www.bloomberg.com/news/articles/2021-01-20/u-s-homebuilder-confidence-fell-to-a-four-month-low-in-january?smd=economics-vp>

“The European Central Bank kept its monetary support for the coronavirus-stricken economy unchanged, betting that its recently scaled-up stimulus package is powerful enough to soften the impact of extended lockdowns. President Christine Lagarde and her colleagues held the pandemic bond-buying program at 1.85 trillion euros (\$2.25 trillion), after a 500 billion-euro boost last month, and reiterated that it will run until at least March 2022.”

<https://www.bloomberg.com/news/articles/2021-01-21/ecb-keeps-stimulus-steady-as-economy-grapples-with-longer-curb?smd=economics-vp>

## PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at January 18, 2021

	Percentage (%)
Yield to Maturity	3.94
Weighted Average Coupon	4.903
Current Yield	4.80

The platinum portfolio has an effective maturity of 13.30 years and duration of 4.91 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 than they might otherwise do.

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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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