

## LOCAL STOCK MARKET: (JS) +

Stock Symbol	LASM	SML	LASD	DTL	CHL
Current Price (\$)	4.36	4.99	3.23	2.60	7.93
Trailing EPS (\$)	0.30	0.35	0.256	0.13	0.26
P/E (times)	14.74	14.35	12.61	20.55	30.67
Projected P/E	13.48	17.26	11.59	18.98	36.50
Projected EPS (\$)*	0.32	0.29	0.279	0.14	0.22
Book Value per share (\$)	1.64	5.52	1.79	0.58	1.22
Price/Book Value (times)	2.65	0.90	1.80	4.46	6.49
Dividend Yield (2019 %)	1.56%	3.45%	1.56%	0.50%	2.24%
Volumes	299,896	NIL	111,367	1,991,502	284
Recommendation	BUY	HOLD	BUY	HOLD	SELL

## FOREIGN EXCHANGE MARKET TRADING SUMMARY

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	152.000	117.855	147.7007	157.140	117.450	150.2965
CAN	118.300	94.752	117.1354	121.342	106.000	117.8488
GBP	208.400	180.000	199.7040	213.697	186.000	209.8432
EURO	177.900	145.866	173.4600	187.700	174.850	186.6156

\*Rates as at February 09, 2021



## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (February 10, 2021) trading session. The overnight rate stood at 0.30% to 0.50%, while the 30-day rate was 1.50% to 1.70%.

The US dollar fixed income market was also liquid during today's (February 10, 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 Manufacturing Limited (LASM)

### For the nine months ended December 31, 2020:

Lasco Manufacturing Limited (LASM) for the nine months ended December 31, 2020, reported total revenue of \$6.19 billion compared to \$5.84 billion in 2019.

Cost of sales amounted to \$3.84 billion (2019: \$3.70 billion) for the period, an increase of 4% year on year.

As a result, gross profit of \$2.35 billion was recorded for the period, 10% more than the \$2.14 billion booked for the corresponding period in 2019.

LASM posted other loss of \$28 million relative to other loss of \$2.21 million for the prior corresponding period.

Operating expenses decreased 12% to close the period at \$982.81 million versus \$1.11 billion booked for the corresponding period last year.

Consequently, LASM recorded operating profit of \$1.34 billion, 31% higher than the \$1.02 billion booked in 2019. Finance costs for the period fell 38% to \$46.38 million compared to \$75.13 million in the prior year's comparable period.

As such, profit before taxation amounted to \$1.30 billion, an increase of 37% from the \$949.36 million recorded for the previous corresponding period. Taxes recorded for the period amounted to \$279.07 million compared to \$168.67 million incurred for the corresponding period in 2019.

Net profit for the nine months totaled \$1.02 billion, a 30% increase when compared to \$780.69 million in 2019.

Consequently, earnings per share (EPS) for the period amounted to \$0.25 relative to \$0.19 in 2019. The twelve months trailing EPS amounted to \$0.30. The number of shares used in the calculations amounted to 4,130,913,151 units.

## Over The Counter Funds (CI FUNDS)

### CI Global Health Sciences Corporate Class

This fund invests primarily in equity and equity-related securities of companies around the world that specialize in the health care or medical industry.

The fund has a 3 year return of 7.3% and a 5 year return of 6.4%. The Fund also has a 10 year return of 9.8%. Rates are as at January 31, 2021.



“Joe Biden began his presidency much as his predecessor did, promising to restore hope to a blue-collar middle class battered by decades of relentless job losses from automation and foreign competition. But the realities of trying to stoke U.S. manufacturing employment in the wake of an economic crisis are quickly endangering his plans. After a period of recovery last year, U.S. factory payrolls stagnated in recent months, then went into reverse in January.”

<https://www.bloomberg.com/news/articles/2021-02-10/biden-s-next-economic-challenge-getting-manufacturing-jobs-back?srnd=economics-vp>

“Lower-paid workers who have lost their jobs in the pandemic are finding it disproportionately hard to find new ones, underscoring the risks of long-term economic scarring as a result of the crisis. Research by the Joseph Rowntree Foundation, shared exclusively with Bloomberg, showed workers near the poverty line are more likely to have become unemployed during the crisis, while U.K. job vacancies are skewed toward higher-paid jobs.”

<https://www.bloomberg.com/news/articles/2021-02-10/u-k-s-lowest-paid-struggle-most-to-find-new-work-in-crisis?srnd=economics-vp>

**PLATINUM PORTFOLIO**

**Platinum Portfolio Yield Measures as at February 09, 2021**

	Percentage (%)
<b>Yield to Maturity</b>	3.92
<b>Weighted Average Coupon</b>	4.903
<b>Current Yield</b>	4.79

The platinum portfolio has an effective maturity of 13.31 years and duration of 4.88 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.

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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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