



LASF

Lasco Financial Services Limited
(LASF),

Opening price— \$3.33

Price to book— 2.22 times;

P/E— 16 times

Week to Date: -7%



Month to Date: 2%



Quarter to Date: 17%



Our weekly pick features a stock currently held in the Mayberry Managed Equity Portfolio (MMEP). For more information on the MMEP, please contact your investment advisor today.

LASCO Financial Services Limited (LASF) main business activities are (1) money transfer within Jamaica, as well as transactions to and from Jamaica to the world; (2) currency exchange; (3) consumer loans to salaried borrowers and (4) business loans and support to micro and small businesses. Its target market is the banked and marginally banked with the aim of bringing them further opportunities for financial inclusion.

Lasco Financial Services Limited (LASF), for the nine months ended December 31, 2021 recorded trading income of \$1.75 billion; this represented a 4% increase when compared to \$1.67 billion posted in 2020, while trading income for the quarter amounted to \$668.38 million (2020: \$527.18 million). Other income increased significantly to \$88.36 million versus \$13.03 million in 2020. This resulted in overall income of \$1.84 billion, an expansion of 9% compared to \$1.69 billion for the corresponding period in 2020. Operating expenses amounted to \$1.32 billion, 1% more than the \$1.30 billion booked the year prior. As a result, profit from operations rose 34% to total \$521.57 million, relative to the \$390.46 million recorded last year. Profit from operations for the quarter grew by 19% to close at \$233.48 million (2020: \$195.68 million). Finance costs decreased to \$123.41 million (2020: \$140.96 million), resulting in a profit before tax of \$398.16 million. Net profits attributable to shareholders totaled \$263.64 million, 71% increase from \$153.91 million posted for the same period last year, followed by taxes for the period of \$134.52 million (2020: \$95.59 million). Net profit for the quarter amounted to \$130.05 million relative to \$123.76 million booked in 2020.

Management noted, “As we approach our final quarter in our 2021-2022 financial year, we are expecting to complete some initiatives which are key drivers to our growth in the coming year. We operate in a very competitive and fast paced environment, the dynamics of which can be very impactful on our revenues. Our intention is to position the company to lead on initiatives that drive growth or to seize growth opportunities once they arise.”

LASF (as at Friday May 20, 2022) was trading at 2.22 times its book value with a P/E of 16 times.

