



LASF

Lasco Financial Services Limited
(LASF)

Opening price— \$2.99

Price to book— 1.95 times

P/E— 12.49 times

Week to Date: 2.42%



Month to Date: -8.56%



Quarter to Date: -8.56%



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 year ended March 31, 2022 recorded trading income of \$2.43 billion, this represents an increase of 9% when compared to \$2.22 billion posted at the end of 2021 while trading income for the fourth quarter amounted to \$675.45 million (2021: \$543.15 million). Other income increased by 15% to \$86.69 million versus \$75.09 million in 2021. This resulted in overall income of \$2.51 billion, a growth of 10%. Operating expenses amounted to \$1.851 billion, relatively unchanged when compared to \$1.845 billion booked in the year prior. Finance costs decreased to \$166.90 million (2021: \$187.05 million), resulting in a profit before tax of \$493.08 million, 89% up from \$260.38 million booked at the end 2021. Taxes for the period amounted to \$186.63 million (2021: \$103.63 million). Net profit closed the period under review at \$306.45 million, up from \$156.75 million posted the same period last year. Net profit for the quarter amounted to \$42.81 million relative to 2021 fourth quarter net profit of \$2.84 million.

Management noted, “LFSL’s significant increase in earnings is a manifestation of the record increase in remittances to Jamaica in general and the additional market share we received due to the temporary disruption in business of a key player. Our diversified income stream from the three main business pillars including Cambio Services and Micro financing, also performed well as economic activity rebounded towards the latter half of the year.”

LASF (as at Friday July 29, 2022) was trading at 1.95 times its book value with a P/E of 12.49 times.