



LASF

Lasco Financial Services Limited (LASF),

Opening price— \$2.90

Price to book— 1.75 times;

P/E— 11.26 times

Week to Date: 2.92%



Month to Date: 5.92%



Quarter to Date: 5.86%



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 six months ended September 30, 2022 recorded trading income of \$1.24 billion, this represents an increase of 4% when compared to \$1.08 billion posted in 2021. Other income decreased by 0.33% to \$63.32 million versus \$63.53 million in 2021. This resulted in overall income of \$1.19 billion, a rise of 4% when compared to \$1.14 billion for the corresponding period in 2021. Operating expenses amounted to \$900.10 million, compared to \$856.83 million booked in the year prior. Administrative costs closed at \$592.15 million (2021: \$554.63 million) at end of September 2022. While Selling and promotional costs amounted to \$307.94 million (2021: \$302.20 million). Consequently, due to the increase in operating expenses, profit from operations decreased by 0.10% to total \$287.79 million relative to the \$288.09 million booked last year. Finance costs decreased to \$54.72 million (2021: \$61.15 million), resulting in a profit before tax of \$233.07 million, 20% up from \$194.74 million booked in the second quarter of 2021. Taxes for the period amounted to \$76.32 million (2021: \$61.15 million). Net profit closed the period under review at \$156.75 million, up from \$133.59 million posted the same period last year.

Management noted, “We extended our LASCO Gold Visa debit card pilot to the general public, offering the service through our Remittance agent network and via the LASCO Gold Mobile app (in the Google Playstore). We are pleased with customer response so far and expect to increase market activity over the next two quarters to ensure that we maximize on the opportunities. Unbanked customers can benefit greatly from the LASCO Gold Visa debit card (prepaid) as they will be able to load their cards with funds and conduct transactions seamlessly at points of sales and online, including cross border.”

LASF (as at November 18, 2022) was trading at 1.75 times its book value with a P/E of 11.26 times.

