



**CARRERAS LIMITED**

# CAR

Carreras Limited (CAR),

Opening price— \$8.14

Price to book— 17.56 times;

P/E— 9.49 times

Week to Date: -1.33%



Month to Date: -1.33%



Quarter to Date: -1.33%



Year to Date: -1.33%



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.

Carreras Limited (CAR) is the leading marketer and distributor of cigarettes and tobacco related products in Jamaica.

Carreras Ltd (CAR) for the six months ended September 30, 2023 reported a 11% increase in Operating Revenue totaling \$8.38 billion compared to \$7.53 billion in the corresponding period last year. Operating Revenue for the second quarter had a 1% increase to close at \$4.07 billion compared to \$4.04 billion for the comparable quarter of 2022. Cost of Operating Revenue amounted to \$4.33 billion (2022: \$4.07 billion). Gross operating profit increased by 17% to \$4.05 billion compared to \$3.45 billion in 2022. The company booked gross operating profit of \$2.12 billion for the second quarter versus \$1.89 billion reported for the similar quarter of 2022. Other Operating Income increased by 468% to close at \$97.99 million (2022: \$17.25 million), while Administrative saw a 4% increase from \$1.31 billion in 2022 to \$1.35 billion in the period under review. As a result, total operating exp for the six months amounted to \$1.35 billion, a 4% increase relative to \$1.31 billion reported in 2022. Profit before Income Tax for the six months amounted to \$2.86 billion, a 31% increase relative to \$2.18 billion reported in 2022. Profit before Income Tax for the second quarter amounted to \$1.47 billion (2022: \$1.24 billion). Income Tax for the six months was \$715.00 million (2022: \$558.51 million). Profit for the six months amounted to \$2.15 billion, a 33% increase from the \$1.62 billion reported in 2022. For the second quarter, Profit was \$1.10 billion (2022: \$923.10 million).

According to the Jamaica Observer, “Carreras Limited is making a bold entry into the burgeoning vaping market. The new category was introduced to the market in September (2023) as it aims to expand its consumer base and showcase its adaptability.”

CAR (as at Friday January 5, 2024) was trading at 17.56 times its book value with a P/E of 9.49 times. The Company continues to grow and is one of the best dividend paying stocks, with a 10.42% dividend yield in 2023.