



CARIBBEAN CEMENT COMPANY LTD (CCC);

Opening price— \$67.87;

Price to book— 2.03 times;

P/E— 7.79 times

Week to Date: 3.53%



Month to Date: 2.77%



Quarter to Date: 2.77%



Year to Date: 17.70%



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.

Caribbean Cement Company Limited, based in Kingston, Jamaica, is the island's leading manufacturer of Portland and blended cement. Established in 1947, the company operates as a subsidiary of Trinidad Cement Limited and plays a crucial role in the construction industry across Jamaica, the Caribbean, and North America. In addition to cement production, Caribbean Cement Company is involved in the mining and sale of gypsum, shale, and pozzolan. The company is committed to sustainable practices and community development, leveraging local raw materials and contributing significantly to the region's infrastructure.

Caribbean Cement Company Ltd (CCC) for the six months ended June 30, 2024, reported a 7% increase in revenues totalling \$15.28 billion compared to \$14.28 billion in the corresponding period last year. Revenues for the second quarter had a 3% increase to close at \$7.67 billion compared to \$7.48 billion for the comparable quarter of 2023. Cost of sales amounted to \$7.79 billion (2023: \$9.29 billion), this represents a decline of 16% year over year. Consequently, gross profit increased by 50% to \$7.50 billion compared to \$4.99 billion for the six months ended June 30, 2023. The company booked gross profit of \$3.89 billion for the second quarter versus \$3.68 billion reported for the similar quarter of 2023. Operating Expenses increase by 5% to close at \$1.45 billion (2023: \$1.39 billion). Operating profit for the six months amounted to \$5.39 billion, a 68% increase relative to \$3.20 billion reported in 2023. Operating profit for the second quarter amounted to \$2.76 billion (2023: \$2.88 billion). Profit before taxation for the six months amounted to \$5.43 billion, a 77% increase relative to \$3.07 billion reported in 2023. Profit before taxation for the second quarter amounted to \$2.80 billion (2023: \$2.91 billion). Taxation for the six months was \$1.15 billion (2023: \$624.56 million). As such, Net Profit for the six months amounted to \$4.28 billion, a 75% increase from the \$2.45 billion reported in 2023. For the second quarter, Net Profit was \$2.35 billion (2023: \$2.16 billion).

CCC noted, "The improvement in "Earnings before taxation" for the first six months was primarily due to normalised operations, as the prior period incurred significantly higher costs from scheduled annual maintenance in the first quarter of 2023."

CCC (as at Friday October 11, 2024) was trading at 2.03 times its book value with a P/E of 7.79 times.

