

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) +

Stock Symbol	SGJ	CAC	KREMI	GENAC	LASF
Current Price (\$)	49.98	9.00	4.61	3.00	5.55
Trailing EPS (\$)	4.31	0.78	0.24	0.21	0.20
P/E (times)	11.60	11.58	19.44	13.98	28.40
Projected P/E	11.26	12.05	17.38	11.85	23.71
Projected EPS (\$)*	4.44	0.75	0.27	0.25	0.23
Book Value per share (\$)	33.71	3.26	1.68	1.88	1.05
Price/Book Value (times)	1.48	2.76	2.74	1.60	5.26
Dividend Yield (2018 %)	0.96%	N/A	N/A	N/A	N/A
Volumes	82,208	5,368	700	18,500	28,040
Recommendation	HOLD	BUY	HOLD	BUY	SELL

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	126.200	94.700	124.0420	134.350	104.100	125.4152
CAN	100.500	73.120	94.0423	110.170	88.000	97.4269
GBP	174.550	122.320	167.4193	191.370	133.810	169.9955
EURO	155.220	115.000	145.1719	155.220	142.100	151.7556

\*Rates as at May 02, 2018



### MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (May 03, 2018) trading session. The over night rates were quoted around 1.60% while the 30-day rates stood at 2.60%.

The US dollar fixed income market was also liquid during today's (May 03, 2018) trading session; The overnight market rates were quoted 1.00% while the 30-day market rates stood around 1.30%.

### STOCK OF THE DAY: Lasco Financial Services Limited (LASF)

**For the nine months ended December 31, 2017:**

LASF recorded trading income of \$1.09 billion; this represented a growth of 37% when compared to \$794.46 million posted in 2016, while trading income for the quarter amounted to \$407.48 million (2016: \$288.25 million). according to LASF, Other income amounted to \$31.36 million(2016: \$35.95 million), a decrease of 13% year over year. This resulted in overall income of \$1.12 billion, a growth of 35% compared to \$830.41 million for the corresponding period in 2016. Overall revenue for the quarter was \$404.90 million (2016: \$297.68 million).

Operating expenses amounted to \$431.08 million, 41% more than the \$304.96 million the year prior. This as administrative expenses rose by 20% to \$388.75 million compared to the \$323.87 million in 2016. Selling and promotional expenses also grew 20% to close at \$388.75 million relative to the \$323.87 million report in the prior period.

Despite the increase in total expenses, profit from operations grew by 49% to total \$300.28 million, relative to the \$201.58 million recorded last year. profit from operations for the quarter improved 19% to close at \$91.48 million (2016: \$77.15 million), after booking direct expenses for the acquisition and normal seasonal operational increases.

Finance costs increased to \$26.69 million (2016: \$2.99 million), resulting in a profit before tax of \$273.59 million, relative to the \$198.59 million booked for 2016.

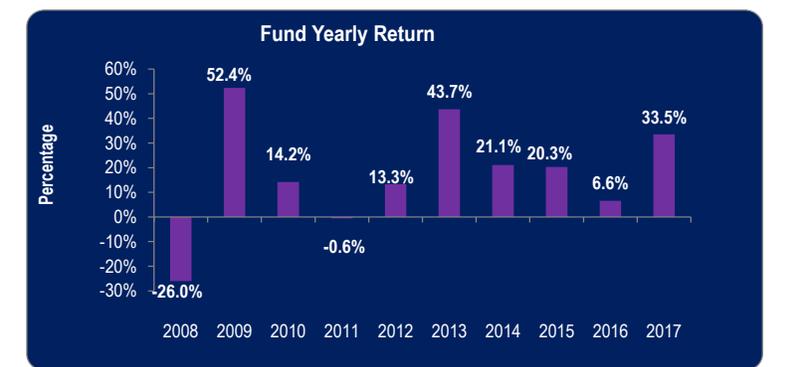
Net profits attributable to shareholders totaled \$221.52 million, 37% more than the \$162.14 million posted for the same period last year. This after taxes for the period totaled \$52.07 million (2016: \$36.45 million). Net profit for the quarter amounted to \$54.78 million relative to \$61.97 million booked in 2016.

Earnings per share for Lasco Financial Services Limited (LASF) amounted to \$0.18 (2016: \$0.13). EPS for the quarter totaled \$0.044 (2016: \$0.049), while the twelve-month trailing earnings per share amounted to \$0.20.

### OVER THE COUNTER FUNDS (CI FUNDS)

#### Signature Global Science & Technology Corporate Class

This fund's objective is to obtain maximum long term capital growth. It invests primarily in equity and equity-related securities of companies around the world that have developed or are developing technological products, processes or services. This includes companies that provide goods and services to these companies and companies that could benefit from advancements and improvements in technology. The fund has a 3 year return of 18.1% and a 5 year return of 23.6% as at March 31, 2018. The Fund also has a 6 month return of 12.7%.



\*Prices are as at May 03, 2018 \*Projections are for the forward 12 months from the most recent quarter results

**U.S.: U.S. Stock Slide Deepens on Lack luster Earnings: Markets Wrap**

U.S. stocks fell as investors digested earnings and economic data while America's top economic officials arrived for trade talks in Beijing. The dollar dropped and Treasuries gained. The S&P 500 Index declined for a second day, falling below the 200-day moving average, after a spate of so-so earnings reports was greeted with selling. American International Group slumped after profit fell, while Spotify led a retreat in technology shares. Tesla also dropped in the wake of Elon Musk's unusual conference call. The yield on 10-year Treasuries fell and the greenback pulled back from its highest since January. As trade talks between the U.S. and China get underway, both sides are dialling back expectations. Beijing won't agree to preconditions that include abandoning its advanced manufacturing program and agreeing to cut the trade gap by a fixed amount, a Chinese official said. American delegates said earlier that a breakthrough is unlikely, and they might leave early if unsatisfied. Investors are also weighing the meaning of the latest Fed gathering. The U.S. central bank kept rates on hold as expected on Wednesday, admitting inflation is near target without suggesting any need to accelerate its gradual hiking path. The U.S. trade deficit narrowed in March by the most in two years, while last week's unemployment filings were below estimates and productivity gains remained lukewarm in the first quarter.

<https://www.bloomberg.com/news/articles/2018-05-02/mixed-start-seen-for-asia-stocks-after-fed-report-markets-wrap>

**Asia: Oil slips as OPEC, Iran worries bump against U.S. output**

Oil prices slid lower on Thursday as swelling U.S. crude inventories and record weekly U.S. production offset concerns over OPEC supply cuts and the potential for new U.S. sanctions against Iran. Brent crude oil futures LCOc1 were at \$72.74 per barrel at 1412 GMT, 62 cents below their last close. U.S. West Texas Intermediate (WTI) crude futures were 40 cents lower at \$67.53 per barrel. Prices have seesawed, edging lower during Asian trading hours, then higher at the start of the day in Europe, as the market grappled with conflicting fundamental signals. On Wednesday, a report from the U.S. Energy Information Administration (EIA) showed a 6.2-million-barrel jump in U.S. crude inventories C-STK-T-EIA. But bullish factors, including an increase in Saudi Arabia's official oil selling price to Asia, also underpinned prices, according to Commerzbank analyst Carsten Fritsch. "It may signal stronger-than-expected demand in Asia," Fritsch said. "This, combined with constraints in (OPEC) production, could lead to higher prices." State-owned producer Saudi Aramco on Wednesday raised the June price for its Arab Light grade for Asian customers to a premium of \$1.90 a barrel to the Oman/Dubai average, the highest since August 2014. Additionally, the latest Reuters survey of OPEC production showed it pumped around 32 million barrels per day (bpd) in April, slightly below its target of 32.5 million bpd, due largely to plunging output in Venezuela.

<https://www.reuters.com/article/us-global-oil/oil-slips-as-opec-iran-worries-bump-against-u-s-output-idUSKBN1400J?i=0>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at April 30, 2018	
	Percentage (%)
Yield to Maturity	5.84
Weighted Average Coupon	5.437
Current Yield	5.40

The platinum portfolio has an effective maturity of 14.92years and duration of 5.64years.

**STRUCTURED PRODUCT**

**Mayberry Managed Equity Portfolio (MMEP)**

We offer a managed equity portfolio for both institutions and individuals. The MMEP is a full discretionary managed portfolio of a diversified group of stocks. The stocks included in the portfolio represent Mayberry's top recommended stocks. Persons who find it difficult to manage their equity portfolios on a day to day basis should consider the MMEP. Further, the MMEP is for individuals and institutions who would like to pursue a medium to long term equity strategy.

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**MIL Ratings System:**

**BUY:** We believe the stock is attractively valued. The company has sound or improving fundamentals that should allow it to outperform the broader market. We anticipate the stock will outperform the market over the next 12 months. The risk factors to achieving price targets are minimal.

**HOLD:** We believe the stock is fairly valued at the current price. The company may have issues affecting fundamentals that could take some time to resolve. Alternatively, company fundamentals may be sound, but this is fully reflected in the current stock price. The risk factors to achieving price targets are moderate. Some volatility is expected. In addition, technically it may be difficult to attain additional volume of the stock(s) at current price.

**SELL:** We believe the stock is overpriced relative to the soundness of the company's fundamentals and long-term prospects.

**SPECULATIVE BUY:** We believe the prospects for capital appreciation exist, however there is some level of uncertainty in revenue growth.

Source: [www.jamstockex.com](http://www.jamstockex.com), [www.bloomberg.com](http://www.bloomberg.com), [www.investopedia.com](http://www.investopedia.com), [www.tradewire.com](http://www.tradewire.com)

OVER 20 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH  
 = POSITIVE TRANSFORMATION FOR OUR CLIENTS  
 MANAGED FUND SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS

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