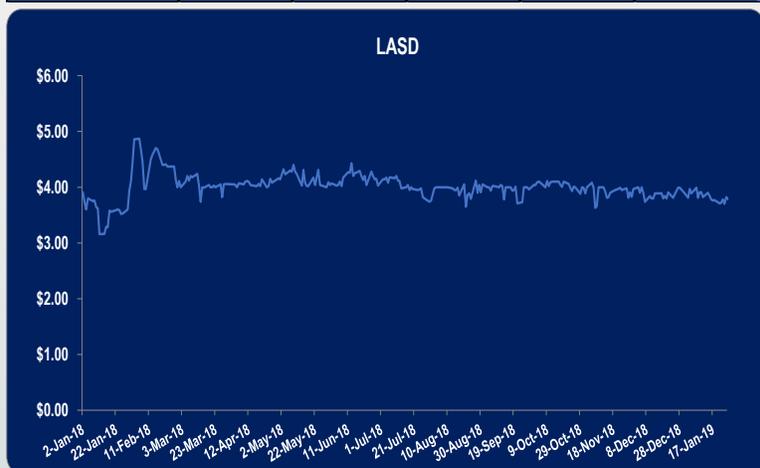




LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	ECL	LASD	CPJ	ISP	MDS
Current Price (\$)	7.29	3.75	4.69	12.03	5.60
Trailing EPS (\$)	0.27	0.31	0.05	0.44	0.43
P/E (times)	26.78	12.04	90.21	27.60	13.07
Projected P/E	23.16	13.93	16.64	27.97	12.04
Projected EPS (\$)*	0.31	0.27	0.28	0.43	0.46
Book Value per share (\$)	0.15	1.49	2.72	2.98	2.59
Price/Book Value (times)	49.11	2.52	1.72	4.04	2.17
Dividend Yield (2018 %)	13.14%	3.03%	N/A	N/A	2.10%
Volumes	17,236	26,427	17,450	NIL	300
Recommendation	BUY	HOLD	HOLD	SELL	BUY



STOCK OF THE DAY: Lasco Distributors Limited (LASD)

For the nine months ended December 31, 2018: -

Lasco Distributors Limited (LASD) posted 9% growth in revenue to \$13.33 billion, up from \$12.24 billion in the corresponding period in 2017. For the quarter, revenue increased by 17% closing at \$4.55 billion (2017: \$3.89 billion). Cost of sales amounted to \$10.70 billion, up 9% on the \$9.85 billion reported in the prior comparable period. Within the third quarter, cost of sales went up by 18% to \$3.70 billion versus \$3.14 billion in the previous quarter in 2017.

Consequently, gross profit recorded an increase of 10% year over year, closing at \$2.63 billion compared to the \$2.39 billion generated for the same period in the prior year. However, gross profit for the quarter climbed 13% totalling \$850.59 million (2017: \$749.48 million).

Other operating income jumped grossly by 150% to end the nine months period at \$173.32 million relative to \$69.41 million in the corresponding period last year. For the quarter, other operating income increased by 39% to \$69.39 million (2017: \$49.84 million).

Operating expenses of \$2.13 billion were booked for the nine months, a growth of 14% on \$1.88 billion recorded for the comparable period of 2017. Operating expenses went up by 14% for the third quarter amounting to \$754.07 million (2017: \$662.40 million). The Company indicated that, "this was primarily due to start-up marketing cost for newly launched brands, as well as increases in insurance and depreciation expenses relating to the warehouse expansion and other capital investments for increased operational capacity."

Operating profit improved by 14% to close at \$668.39 million for the period under review. For the quarter, there was a 21% growth posted closing at \$165.91 million relative to \$136.92 million in the prior comparable quarter in 2017. Finance cost increased by 34% totalling \$474,000 for the period compared to \$354,000 in the year prior.

Pre-tax profit amounted to \$667.92 million, an increase of 14% from the \$585.77 million in the previous year. Pre-tax profit saw a 21% increase in the third quarter closing at \$165.75 million (2017: \$136.82 million).

Net profit for the period closed at \$620.85 million (2017: \$535.22 million), a 16% climb year over year following taxation of \$47.07 million (2017: \$50.55 million). As for the third quarter, net profit increased by 24% to \$157.13 million (2017: \$126.72 million).

Earnings per share for the nine months ended December 31, 2018 totalled \$0.18 versus \$0.15 for the corresponding period in 2017. For the quarter, earnings per share amounted to \$0.04 (2017: \$0.04). The trailing twelve months EPS is \$0.31. The total amount of shares outstanding used for this calculation was 3,497,615,571 units. Notably, LASD's closed the trading period on February 06, 2019, at \$3.82.

⁺Prices are as at February 12, 2019 *Projections are made to the company's financial year end

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	159.000	97.200	133.7369	148.050	100.000	135.3166
CAN	102.520	76.570	100.8612	109.060	93.800	101.7940
GBP	175.500	129.000	172.2837	190.040	162.000	174.1760
EURO	150.500	108.660	145.0875	170.040	142.500	154.6460

*Rates as at February 11, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (February 12, 2019) trading session. The overnight rate stood at 1.90% to 2.10% while the 30-day rate ranged at 2.30% to 2.50%.

The US dollar fixed income market was also liquid during today's (February 12, 2019) trading session; The overnight market rates were quoted at 2.0% to 2.30% while the 30-day market rates stood at 2.40% to 2.60%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Value Corporate Class

This fund's objective is to provide superior returns with a limited level of risk by investing in a diversified portfolio of high quality undervalued companies. It invests primarily in equity and equity-related securities of companies in the United States. Any change to the investment objective must be approved by a majority of votes cast at a meeting of shareholders held for that reason. The fund has a 3 year return of 6.7% and a 5 year return of 9.4% as at December 31, 2018. The Fund also has a 10 year return of 11.2%.



U.S: Best U.S. Job Numbers Ever? Not If You're Out of Work for a Year

President Donald Trump said in his State of the Union speech last week that the labor market's strength is evidence of an "unprecedented economic boom," adding to his frequent boasts that include a tweet about the "best jobs numbers" in U.S. history. Yet by one key measure, far from a boom, the labor market hasn't even returned to a normal state. Over the past 12 months, the share of unemployed people out of work for 52 weeks or longer has averaged 13.2 percent -- higher than at almost any point in data from 1976 to 2008. While the figure is down from a record 31.4 percent in 2011, it topped out at 12.8 percent in the 1990s and 2000s expansions during the presidencies of Bill Clinton and George W. Bush. In fact, during those years, it fell as low as 5.9 percent, meaning that within the pool of unemployed, people took less time to find a job. The data illustrate how the labor market still has room to recover from the global financial crisis and deepest recession since the Great Depression. Taken another way, the silver lining is that the U.S. may be able to keep creating jobs for some time without spurring the kind of wage pressures that would push the Federal Reserve to raise interest rates again.

<https://www.bloomberg.com/news/articles/2019-02-12/best-u-s-job-numbers-ever-not-if-you-re-out-of-work-for-a-year?srnd=premium>

Europe: Carney Says U.K. Slowdown Underscores Need for Brexit Certainty

The U.K.'s slower-than-expected growth in the final quarter of 2018 underscores the need for certainty on Brexit, according to Bank of England Governor Mark Carney. Figures earlier this week showed the U.K. economy grew just 0.2 percent in the three months through December, rounding off the weakest year for expansion since 2012. The slowdown was worse than economists had forecast and below the rate predicted by the BOE. "What those figures show is that there is a need for certainty," Carney said following a speech in London Tuesday. "It underscores the importance of a transition to whatever end-state Parliament decides." The U.K. is currently set to leave the European Union -- with or without an exit deal -- on March 29, and Prime Minister Theresa May has yet to find an exit agreement that is acceptable to both Parliament and the bloc. Carney said it's "in the interests of everyone, arguably everywhere" that a "Brexit solution that works for all is found in the weeks ahead." "There is a very high level of uncertainty of the degree of access companies are going to have in the next two months, which is quite an extraordinary situation to be in," he said. "Quite logically, rationally, understandably, they are holding back on making bigger investment decisions. Those who have contingency plans are putting them in place" he said, adding "but not all companies can self-insure against this possibility."

<https://www.bloomberg.com/news/articles/2019-02-12/carney-says-u-k-slowdown-underscores-need-for-brexit-certainty?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at February 11, 2019	
	Percentage (%)
Yield to Maturity	6.3
Weighted Average Coupon	5.539
Current Yield	5.56

The platinum portfolio has an effective maturity of 13.55 years and duration of 4.72 years.

STRUCTURED PRODUCT

USD Money Market

This portfolio is a full discretionary managed bond portfolio, ideal for clients who have short-term USD liquidity needs. Assets within the portfolio can be used as collateral for loans. The product provides a solid short-term investment option in hard currency and allows the individual to hedge against the prevailing devaluation in the local currency.

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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, www.bloomberg.com, www.investopedia.com, www.tradewire.com

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 = POSITIVE TRANSFORMATION FOR OUR CLIENTS
 MANAGED FUND SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS

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