

LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	MDS	CFF	LASM	ISP	SIL
Current Price (\$)	5.70	12.75	5.50	25.77	2.92
Trailing EPS (\$)	0.42	0.71	0.27	0.50	0.16
P/E (time)	13.67	17.94	20.07	51.31	18.49
Projected P/E	14.70	17.16	18.28	44.42	17.11
Projected EPS (\$) ⁺	0.39	0.74	0.30	0.58	0.17
Book Value per share (\$)	2.89	5.14	1.44	3.32	3.09
Price/Book Value (times)	1.98	2.48	3.83	7.75	0.95
Dividend Yield (2018 %)	2%	2%	N/A	N/A	N/A
Volumes	NIL	NIL	1,855,600	NIL	31,860
Recommendation	BUY	HOLD	HOLD	SELL	HOLD

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

Currency	PURCHASERATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	139.000	103.740	136.2542	143.973	104.738	137.8739
CAN	106.000	82.000	104.8339	108.216	98.000	105.1017
GBP	175.439	134.149	163.9282	176.580	159.500	170.1136
EURO	153.846	113.680	146.5389	155.300	143.900	152.6979

*Rates as at September 11, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 12, 2019) trading session. The overnight rate stood at 0.30% to 0.60% while the 30-day rate ranged at 1.60% to 1.80%.

The US dollar fixed income market was also liquid during today's (September 12, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.



STOCK OF THE DAY: Lasco Manufacturing Limited (LASM)

For the three months ended June 30, 2019:-

Lasco Manufacturing Limited (LASM) for the three months ended June 30, 2019 recorded an increase of 3% in total revenue to total \$1.79 billion, relative to the \$1.73 billion recorded for the comparable period in 2018.

Cost of sales amounted to \$1.12 billion (2018: \$1.12 billion) for the quarter, a marginal decline of 0.5% year on year. As a result, gross profit of \$667.89 million was recorded for the period, 10% more than the \$607.43 million booked for the quarter June 30, 2018.

LASM posted other income of \$17.12 million, 476% more than the \$2.97 million reported for the prior year. The company will be contacted to gain further insights on this vast increase.

Operating expenses increased 7% close the period at \$330.19 million versus \$307.57 million booked for the corresponding period last year.

Consequently, LASM recorded operating profits of \$354.82 million, 17% higher than the \$302.83 million booked in 2018.

Finance costs for the year increased 3% to \$32.06 million compared to \$31.22 million in the prior year's comparable period.

As such, profit before taxation amounted to \$322.76 million, an increase of 19% from the \$271.61 million recorded for the previous year. Taxes recorded for the period amounted to \$40.35 million compared to \$33.95 million incurred for the corresponding period in 2018. As such Net Profit for the first quarter totaled \$282.42 million compared to \$237.66 million in 2018, an increase of 19%.

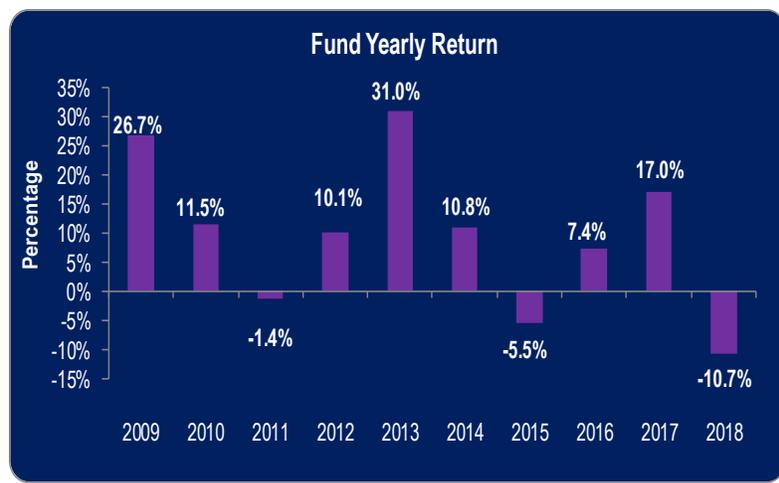
Consequently, earnings per share for the quarter ended June 30, 2019, amounted to \$0.07 relative to \$0.06 in 2018. The twelve months trailing EPS amounts to \$0.27. The number of shares used in the calculations amounted to 4,091,163,151 units.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Value Corporate Class

This fund invests primarily in equity and equity-related securities of companies in the United States.

The fund has a 3 year return of 9.1% and a 5 year return of 6.7%. The Fund also has a 10 year return of 9.7%. Rates are as at July 31, 2019.



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

U.S: U.S. Core Inflation Exceeds Forecast as Medical-Care Costs Jump

“A measure of underlying U.S. inflation accelerated by more than forecast to a one-year high in August, signaling inflation was already firming ahead of fresh tariffs on Chinese goods this month that may push prices higher for Americans. The core consumer price index, which excludes food and energy, rose 0.3% from the prior month and was up 2.4% from a year earlier, a Labor Department report showed Thursday. That exceeded the median estimates in a Bloomberg survey, while the broader CPI climbed 0.1% on the month and a below-forecast 1.7% annually.”

<https://www.bloomberg.com/news/articles/2019-09-12/u-s-core-inflation-picks-up-more-than-forecast-to-one-year-high?srnd=premium>

Europe: ECB Cuts Rates, Revives QE to Lift Growth as Draghi Era Ends

“The European Central Bank cut interest rates further below zero and will start open-ended bond purchases after President Mario Draghi overcame critics of his stimulus policies to make a final run at reflatting the euro-area economy. The Governing Council reduced the deposit rate to minus 0.5% from minus 0.4%, and will buy debt at 20 billion euros (\$22 billion) a month starting Nov. 1. Banks will get exemptions from the negative rate for some of their deposits after an outcry from lenders about the squeeze on profitability. Draghi will hold a press conference at 2:30 p.m. in Frankfurt.”

<https://www.bloomberg.com/news/articles/2019-09-12/ecb-cuts-rates-restarts-qe-to-fight-slowdown-as-draghi-era-ends?srnd=premium>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at September 09, 2019

	Percentage (%)
Yield to Maturity	5.33
Weighted Average Coupon	5.473
Current Yield	4.70

The platinum portfolio has an effective maturity of 13.10 years and duration of 4.65 years.

STRUCTURED PRODUCT

Mayberry Gold

This portfolio is ideal for investors, both retail and corporate, seeking a conservative, short-term investment. The securities in the Gold are directly owned by the client and provide them with a safe investment option. Our Gold portfolio can also provide investors with coupon payments that can generate a positive income stream.

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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



OVER 30 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH

POSITIVE TRANSFORMATION FOR OUR CLIENTS

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