



LASF

Lasco Financial Services Limited
(LASF),

Opening price— \$2.82

Price to book— 1.84 times;

P/E— 12.57 times

Week to Date: 3.6%



Month to Date: -5.5%



Quarter to Date: -13.63%



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.

LASCO Financial Services Limited (LASF) main business activities are (1) money transfer within Jamaica, as well as transactions to and from Jamaica to the world; (2) currency exchange; (3) consumer loans to salaried borrowers and (4) business loans and support to micro and small businesses. Its target market is the banked and marginally banked with the aim of bringing them further opportunities for financial inclusion.

Lasco Financial Services Limited (LASF), for the three months ended June 30, 2022 recorded trading income of \$539.99 million, this represents a decrease of 4% when compared to \$561.71 million posted in 2021. Other income decreased by 16% to \$24.50 million versus \$29.31 million in 2021. This resulted in overall income of \$564.49 million, a contraction of 4% when compared to \$591.02 million for the corresponding period in 2021. Operating expenses amounted to \$430.96 million, compared to \$432.48 million booked in the year prior. Administrative costs closed at \$268.03 million (2021: \$263.40 million) at end of June 2022. While Selling and promotional costs amounted to \$162.92 million (2021: \$169.09 million). Consequently, due to the decrease in total income, profit from operations decreased by 16% to total \$133.53 million relative to the \$158.53 million booked last year. Finance costs decreased to \$26.77 million (2021: \$47.74 million), resulting in a profit before tax of \$106.75 million, 4% down from \$110.80 million booked in the first quarter of 2021. Taxes for the period amounted to \$23.98 million (2021: \$35.82 million). Net profit closed the period under review at \$82.78 million, down from \$74.98 million posted the same period last year.

Management noted, “We are heading into the new financial year with great anticipation that the strategies and plans we have implemented will manifest as intended. We are fully cognizant that as a Money Service Business largely acting as an intermediary, there are several elements in our business for which we have no control. Our success has always been, however, in our response: our ability to adapt and our broad vision of the future of our business and our continued relevance.”

LASF (as at Friday August 26, 2022) was trading at 1.84 times its book value with a P/E of 12.57 times.

