



West Indies Stockbrokers Limited
Trinidad, West Indies.
THE WISE CHRONICLE

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The total volume of shares traded for the month of October reached 10,724,953 for a value of \$188,449,577.86. This represents a decline of 3.61 per cent from a total of 11,127,286 shares traded in September. Activity during the month produced 12 advances and 13 declines, while 9 securities were unchanged. The Composite Index gained 5.810 points or 0.54 per cent to close at 1088.6724 points, while the All T&T Index moved up 24.3237 points or 1.81 per cent to end the month on 1370.2368 points.

The top three securities with the highest volume of shares traded for the month were Jamaica Money Market Brokers (2,332,488 shares or 21.75 per cent), RBTT Financial Holdings Ltd (1,904,223 shares or 17.76 per cent) and Sagicor Financial Corporation (804,783 shares or 7.50 per cent).

BWIA West Indies Airways made the highest percentage gains this month, climbing 82.35 per cent to 62 cents per share, up by 28 cents. Angostura Holdings Ltd was second with a 20.84 per cent increase to \$5.45 per share, up 94 cents followed by West Indian Tobacco Company Ltd, up 19.25 per cent or \$3.85 to \$23.85 per share.

On the decline side, Unilever Caribbean Ltd suffered the heaviest loss of 22.35 per cent or 6.39 per cent to \$22.20 per share. Second was Jamaica Money Market Brokers which fell 10 per cent to \$1.35 per share, down 15 cents. Rounding off the top three was Point Lisas Industrial Port Development Corporation, down by 9.98 per cent or \$2.01 to \$18.14 per share.

Republic Bank Limited

Audited Annual Group Results for the year ended September 30, 2005

Republic Bank released its results for the year ended September 30, 2005 this week. The Group achieved diluted earnings per share of \$5.09 which was 8.30 per cent better than our forecast of \$4.70. Profit before tax surpassed the \$1 billion mark as it reached \$1.017 billion, an increase of 14.54 per cent over the 2004 figure of \$887.570 million. Profit after tax was \$872.130 million, a steeper increase of 22.81 per cent over the 2004 figure of \$710.121 million.

The increase in Profits was mainly due to two significant factors, with the overall effect being softened by two mitigating factors. On a positive note, a write back of \$53 million of deferred taxes occurred after the Minister of Finance reduced corporation tax in the 2005/2006 National Budget from 30 per cent to 25 per cent. Also impacting positively on the results was an increase in the value of the Bank's investment in FirstCaribbean international Bank shares of \$236 million. On the down side, The Bank wrote-off \$124 million of goodwill on their investment in the Dominican Republic and incurred an impairment expense of \$70 million due to the restructuring of the Government of Grenada debt. The Group's performance excluding these one-off events amounted to an 8.55 per cent increase over that of 2004.

Despite sustained losses for the year of \$80 million by Republic Bank (DR) S.A., the Group expects healthier results in the ensuing year stemming from new initiatives implemented and the positive trends experienced in the Dominican Republic economy. Operations in Trinidad and Tobago accounted for 48.6 per cent or \$494.06 million of Group Profit before tax supported by the strong economic conditions persisting within the country. Of some concern however is the increase in hurricane activity and projected high fuel prices which are likely to negatively impact the economic growth prospects within the Caribbean Region.

A final dividend of \$1.48 per share has been declared, compared with \$1.30 last year and which brings total

dividends for the year to \$2.25 per share, up 12.5 per cent or 25 cents from \$2.00 paid for 2004. At the month price of \$94.30 per share, Republic Bank shares provide a dividend yield of 2.386 per cent and trades at an earnings multiple of 18.53 times and are fully valued in our opinion.

Prestige Holdings Limited

Results for the Quarter and Nine Months Ended August 31, 2005

Prestige recorded another sequential growth in profits for the quarter ended August 31, 2005. According to the Chairman this performance was due to robust growth across the brands in Trinidad and Tobago and the Dominican Republic.

Sales for the nine months ended August 31, 2005 increased by an impressive 22.97 per cent moving from \$335.987 million in 2004 to \$413.170 million in 2005. The increase in cost of sales was marginally less at 21.93 per cent moving from \$227.152 million in 2004 to \$276.959 million in 2005 with the average number of restaurants in operation in 2005 being 74 as compared to 71 in the same period last year. As a result, gross profit increased by a higher percentage of 25.15 per cent moving from \$108.835 million in 2004 to \$136.211 million in 2005. Finance cost was stable increasing by only 0.18 per cent. Profit before tax from operating restaurants increased by 27.95 per cent moving from \$25.693 million to \$32.875 million. After providing for pre-opening expenses and equity settled arrangements, profit before tax was \$30.604 million in 2005, up 21.75 per cent from \$25.136 million posted in 2004.

Taxation grew by 11.07 per cent to \$10.674 million causing a drop in the effective rate of tax from 38.23 per cent to 34.88 per cent. Profit after tax therefore increased by as much as 28.37 per cent from \$15.526 million in 2004 to \$19.930 million in 2005. Profit attributable to shareholders increased from \$17.160 million to \$19.709 million up by 14.85 per cent, while minority interest moved from a contribution of \$1.634 million in 2004 to receiving \$221,000 in 2005 indicating a turnaround in operations in the Dominican Republic from a loss in 2004 to a small profit in 2005.

Profit	2005 \$'000	2004 \$'000	Change\$ \$'000	Change% %
Total Profit	19,930	15,526	4,404	28.37
Attributable to minority interests	(221)	1,634	(1,855)	(113.53)
Attributable to shareholders	19,709	17,160	2,549	14.85

Prestige Holdings posted diluted earnings per share of 31.82 cents for the nine month period which is 4.12 cents or 14.87 per cent higher than the last comparative period. The Stock Market has responded positively to the continued growth in the company's performance driving the share price from \$8.51 per share at the end of the third quarter in 2004 to \$11.94 per share one year later. This represents a \$3.43 or a 40.31 per cent increase in the share price for the 12 month period.

Based on the third quarter results, we believe that Prestige Holdings is in line to attain our forecasted year end earnings of 45 cents per share, which at the month end price of \$11.85 gives a multiple of 27.43 times.

RBTT Financial Holdings

Results for the Half Year Ended September 30, 2005

WISE IS A SUBSIDIARY OF RBTT FINANCIAL HOLDINGS LIMITED

RBTT Financial Holdings has released its results for the half year ended September 30, 2005. It was an excellent performance even after discounting for the exceptional charges in both periods of \$68 million and \$25 million respectively in 2004 and 2005. If the after tax earnings are adjusted to exclude these charges the profit attributable to shareholders would have been \$392 million in 2004 and \$457 million in 2005, an increase of 17 percent.

Net interest income increased by 15.83 percent moving from \$773.705 million in 2004 to \$896.206 million in 2005. Other Income grew by a more impressive 44.50 percent moving from \$407.009 million in 2004 to \$588.123 million in 2005. Total net income reached \$1.484 billion, an increase of 25.71 percent over the corresponding figure in 2004 of \$1.181 billion. Non-interest expenses increased by 16.30 percent moving from \$809.913 million in 2004 to \$941.949 million in

2005. Overall operating profit was \$542.380 million, an increase of 46.27 percent over the 2004 figure of \$370.801 million. Share of profits from associates declined by 70.91 percent moving from \$12.721 million in 2004 to \$3.700 million in 2005. Profit before tax increased by 42.39 percent moving from \$383.522 million in 2004 to \$546.080 million in 2005. The effective tax rate increased from 17.02 percent in 2004 to 18.62 percent 2005. Overall profit attributable to shareholders increased from \$324.506 million in 2004 to \$448.974 million in 2005.

If we segment the total revenue we would see a robust increase in Trinidad and Tobago of 31.05 percent moving from \$788.743 million in 2004 to \$1.034 billion in 2005 while in the other Caribbean territories the increase was 16.81 percent. Operating profit in Trinidad and Tobago increased by 74.72 percent moving from \$189.314 million in 2004 to \$330.774 in 2005 while in the other Caribbean territories there was an increase of 16.71 percent.

The Chairman stated that the Group's assets grew by an impressive 12 percent or \$4.6 billion with loans increasing by \$1.9 billion and investment securities by \$2.3 billion. The growth was recorded in all the markets, with the largest increases gained in the Netherlands Antilles and Trinidad and Tobago. He also stated that the Group remained focused on executing its business objectives and that the strong growth trend evidenced in the first half is expected to continue for the rest of the fiscal year. Given this strong performance we have reaffirmed our full year forecast of \$3.12 per share.

The Board of Directors have declared an interim dividend of 55 cents per share as opposed to 41 cent per share in 2004. The dividend will be paid on November 28, 2005 to shareholders on record as at November 18, 2005.

WEST INDIES STOCKBROKERS LIMITED STOCK MARKET QUOTATIONS AS AT OCTOBER 31, 2005

	Hist Eps	Est Eps	Est Div	Curr Price	Est Yield %	Est P/E Ratio
Bank						
FirstCaribbean	32.5	107.0	25.0	13.50	1.85	12.62
NCB Jca	13.0	13.0	4.8	1.75	2.74	13.46
RBTT Fin Hold	268.0	312.0	135.0	40.00	3.38	12.82
Republic Bank	509.0	509.0	225.0	94.30	2.39	18.53
Scotiabank	173.1	185.0	78.0	39.50	1.97	21.35
Non-Bank Fin						
ANSA Fin & Merch	106.0	100.0	32.0	20.00	1.60	20.00
Capital & Credit	14.7	18.7	1.0	2.00	0.50	10.70
DB&G	26.5	26.5	2.0	2.01	1.00	7.58
Guardian Holdings	300.0	384.0	70.0	39.35	1.78	10.25
JMMB	11.3	11.3	1.5	1.35	1.11	11.95
National Enterprises	76.0	76.0	48.0	11.90	4.03	15.66
Sagicor Financial Corp	78.0	155.0	60.0	13.31	4.51	8.59
Conglomerates						
Ansa Mcal Ltd	182.0	220.0	75.0	40.75	1.84	18.52
Bdos Ship & Trad	179.1	195.0	51.0	21.45	2.38	11.00
GraceKennedy	67.2	75.0	8.0	10.50	0.76	14.00
Neal and Massy	243.0	279.0	76.0	45.00	1.69	16.13
Trading						
Agostini's Ltd	18.6	55.0	25.0	9.00	2.78	16.36
BWIA	0.0	0.0	0.0	0.62	0.00	0.00
Furness Trinidad	33.0	33.0	0.0	6.15	0.00	18.64
L J Williams Ltd. - 'A'	1.4	0.9	0.4	0.60	0.67	0.00
L J Williams Ltd. - 'B'	14.0	9.0	4.0	1.50	2.67	0.00
Prestige Holdings	39.1	45.0	27.0	11.85	2.28	26.33
Property						
PLIPDECO	126.0	130.0	22.0	18.14	1.21	13.95
Valpark	47.3	47.3	0.0	5.00	0.00	10.57
Manufacturing						
Angostura Holdings	29.0	29.0	12.0	5.45	2.20	18.79
Berger Paints	0.0	0.0	17.0	3.40	5.00	0.00
CCN	80.0	112.0	60.0	19.80	3.03	17.68
Flavorite Foods	45.2	72.0	21.0	4.90	4.29	6.81
National Flour Mills	13.6	11.0	9.0	2.00	4.50	18.18
Readymix WI	24.0	24.0	9.0	5.20	1.73	21.67
Trinidad Cement	67.0	80.0	24.0	11.90	2.02	14.88
Trinidad Publishing	50.0	60.0	33.0	12.60	2.62	21.00
Unilever Caribbean Ltc	119.0	119.0	110.0	22.20	4.95	18.66
WITCO	116.6	120.0	114.0	23.85	4.78	19.88

West Indies Stockbrokers Limited is a subsidiary of RBTT Financial Holdings Limited. From time to time West Indies Stockbrokers Limited and/or its staff may take positions in some or all of the shares mentioned in our report. West Indies Stockbrokers Limited welcomes your comments. E-mail: info@wisett.com

Directors: K. Narinesingh, (Chairman), P.E. Clarke (CEO), G. Aguilera, S.A. Bayne.