

On the downside, BWIA shares lost 52.73 per cent of its price to end the month at 26 cents per share, down 29 cents. National Flour Mills share price fell 12.50 per cent or 40 cents to \$2.80 and Jamaica Money Market Brokers share price was down 5.26 per cent or 10 cents to \$1.80.

The long awaited cross-listing of Sagicor Financial Corporation (SFC) shares to the Trinidad and Tobago Stock Market came to fruition on 24 August. SFC shares opened at a price of \$12.86 per share which was derived by converting the last closing price in Barbados using the mid range of the buying and selling price of the currency as at 24 August. Other shares expected to be listed this year are Dehring, Bunting and Golding, which are already trading in the Jamaica Stock Market and Courts which is expected to have an Initial Public Offering.

Scotiabank Trinidad and Tobago Ltd.
Nine Month Results to 31 July 2004

Scotiabank Trinidad and Tobago Ltd. posted earnings of 44.3 cents in the third quarter ended 31 July 2004. This compares with 50.6 cents in the first quarter and 42.9 cents per share in the second quarter. Net interest and other income was \$140.2 million, \$132.29 million and \$135.07 million in the first, second and third quarters respectively.

Overall, Earnings per share for the nine month period increased by 11.57 per cent from \$1.23 achieved for the same period last year to reach \$1.37.8, an increase of 14.3 cents. Net interest income slipped slightly from \$285.3 million to \$284.6 million, while other income reached \$122.9 million, up 13.52 per cent for the comparative period giving a total Net interest and other income of \$407.56 million, up 3.56 per cent.

Non interest expenses were reduced by 2.37 per cent, led mainly by a 64.18 per cent decline in loan loss expenses from \$18.9 million to \$6.77 million. Salaries and staff benefits rose 9.44 per cent to \$88.5 million and Premises and technology expenses increased by 5.71 per cent to \$40.1 million, while there were less

than 5 per cent reductions in Communications and marketing expenses and other expenses respectively.

Income before tax was up 9.16 per cent to \$220.87 million, which together with a slight reduction in the effective tax rate from 28.25 per cent to 26.64 per cent resulted in Net Income increasing 11.61 per cent to reach \$162.02 million.

	Q1	Q2	Q3	Total
Net Interest and other income (\$'million)	140.2	132.29	135.07	407.56
Net income (\$'million)	59.5	50.39	52.13	162.02
Earnings per share (cents)	50.6	42.9	44.3	137.8
Dividend per share (cents)	18	18	18	54

Net income margin increased from 36.89 per cent to 39.75 per cent. Return on equity was also up, increasing from 23.07 per cent to 23.13 per cent, while Return on total assets rose from 2.56 per cent to 2.99 per cent.

A third interim dividend of 18 cents per share has been declared and will be paid on 27 September 2004. This brings total dividends for the year so far to 54 cents per share. Our projections are for a final dividend of 21 cents per share which will result in total dividend of 75 cents for 2004, resulting in a yield of 2.4 per cent at the month end price of \$31.50 per share.

Based on these results, we forecast year end earnings of \$1.85 per share, which will result in an earnings multiple of 17.03 times at the price of \$31.50 per share. Continued moderate price appreciation is expected in Scotiabank shares.

ANSA MC AL LIMITED
Half year results to 30 June 2004

Ansa Mc Al Ltd. posted earnings per share of 63 cents for the first half-year ended 30 June 2004. This represents a 14.55 per cent improvement from the 55 cents achieved over the same period last year. Group Turnover reached \$1.3 billion, up 15.37 per cent despite industrial actions which affected production and

sales at Carib and Carib Glass Ltd. The workers' dispute was settled in July and therefore would also have some effect on sales in the second half year. Operating income grew by 15.27 per cent to \$228.75 million and the operating margin of 17.58 per cent was relatively flat compared to 2003.

Profit before tax increased by 13.68 per cent to \$171.2 million with taxation reaching \$42.1 million, up 7 per cent. The effective rate of tax fell from 26.14 per cent to 24.61 per cent. Profit after tax was up 16.05 per cent to \$129.1 million, while Profit attributable to shareholders rose 17.03 per cent to \$106.6 million. The directors have declared an interim dividend of 25 cents per share, the same for the corresponding period last year, which will be paid on 17 September 2004.

Ansa Mc Al acquired 100 per cent of A.S. Bryden & Sons (Barbados) Ltd. during the period and effected the merger of the operations of Ansa Merchant Bank Ltd. and the Tatil Group. Also, during the second half year, the Group intends to make significant investments, particularly in the manufacturing sector, in preparation for the anticipated competition associated with the Caribbean Single Market and the Free Trade Area of the Americas. Management will be looking forward to improved results arising out of these initiatives.

Our projections are for year end earnings of \$1.72 per share based on these interim results. At the month end price of \$33.00, Ansa Mc al shares are trading at an earnings multiple of 19.19 times which is above the multiples of similar companies listed on the T&T Stock Exchange.

Guardian Holdings Ltd.
Half year results ended 30 June 2004

Guardian Holdings Ltd. results for the half year show Revenue of \$613.9 million achieved in the second quarter out of a total of \$1.85 billion. This performance in the second quarter was less than half that of the first quarter. We estimated that about 33 per cent of first quarter revenue was unrealized investment gains, particularly occurring from the Group's investment in RBTT Holdings Ltd. In the second quarter RBTT's

share price slipped 3.64 per cent and market growth slowed causing the major decline in revenue quarter over quarter.

Although total Revenue in the second quarter increased 49.72 per cent over the first quarter, Operating profit rose by a mere 1.70 per cent to \$618.47 million as Operating profit margin fell from 49.24 per cent to 33.45 per cent. This result reflects the exposure of the company's Profit and Loss Account to the volatility of the investment markets by marking to market the fair value of investments having adopted IAS 39. Net profit recorded for the six months was \$504.2 million, whereas in the first quarter net profit was \$533.28 million, reflecting a 5.45 per cent loss in the second quarter. Earning per shares slipped from \$2.79 to \$2.64.

Comparing this year's half year results with the corresponding period in 2003, Revenue increased 61.76 per cent, while Operating profit was up 367.22 per cent. The Group subsidiaries in all market categories and geographies are reported to have continued their strong operating performances. Guardian Holdings however recorded a loss from Associate companies operations of \$13.18 million compared with a gain last year of \$77.6 million as well as a turnaround from a net Goodwill income of \$30.2 million to a debit of approximately \$10 million. Net Profit reached \$546.5 million, up 201.92 per cent, while Profit after tax grew to \$504.2 million, up 252.35 per cent. There was a significant reduction in Minority interest from \$22.7 million to \$777,000 resulting in a net increase in Profit attributable to shareholders of 383.05 per cent to reach \$503.4 million. An interim dividend of 12 cents per share has been declared the same as last year.

For the year, Guardian Holdings share price grew by 10.53 per cent to \$35.15 and are trading at a multiple of 16.35 times historic earnings of \$2.15 per share. Based the half year results we estimate year end earnings of \$3.00 per share, giving an earnings multiple of 11.72 times. We believe Guardian Holdings Ltd. has the potential for continued growth in core operations and the capacity to increase profits in the foreseeable future.

WEST INDIES STOCKBROKERS LIMITED
STOCK MARKET QUOTATIONS
AS AT AUGUST 31, 2004

	Hist EPS €	Est EPS €	Est Div €	Curr Price	Est Yield %	Est P/E Ratio
Shares						
Banks						
First Caribbean	29.1	30.0	16.0	9.50	1.68	31.67
NCB J'ca	12.0	16.0	5.4	2.80	1.93	17.50
RBTT Fin Hold	235.0	282.0	100.0	43.45	2.30	15.41
Republic Bank	367.0	460.0	190.0	77.00	2.47	16.74
Scotiabank	165.6	185.0	75.0	31.50	2.38	17.03
Non-Bank Fin						
ANSA Fin & Merch	98.0	100.0	32.0	16.15	1.98	16.15
Capital & Credit	8.4	18.0	1.0	2.60	0.38	14.44
Guardian Holdings	215.0	300.0	54.0	35.15	1.54	11.72
JMMB	11.0	11.0	1.5	1.80	0.83	16.36
National Enterprises	81.0	81.0	41.0	9.50	4.32	11.73
Sagicor Financial Corp	66.4	72.5	18.0	13.50	1.33	18.62
Conglomerates						
Ansa Mcal Ltd	144.0	172.0	65.0	33.00	1.97	19.19
Bdos Ship & Trad	135.5	174.0	47.5	20.00	2.38	11.49
Grace, Kennedy	63.7	72.0	7.1	10.41	0.68	14.46
Neal and Massy	190.0	230.0	80.0	34.05	2.35	14.80
Trading						
Agostini's Ltd	34.9	20.0	10.0	9.25	1.08	46.25
BWIA	0.0	0.0	0.0	0.26	0.00	0.00
Furness Trinidad	25.0	38.0	5.0	5.50	0.91	0.00
L J Williams Ltd - 'A'	0.0	0.0	0.0	0.62		
L J Williams Ltd - 'B'	0.0	0.0	0.0	1.20		
Prestige Holdings	27.4	37.0	20.0	8.51	2.35	23.00
Property						
PLIPDECO	170.0	170.0	21.0	20.00	1.05	11.76
Valpark	47.3	47.3	0.0	5.00		10.57
Manufacturing						
Angostura Holdings	31.0	40.0	12.0	4.80	2.50	12.00
Berger Paints	0.0	0.0	17.0	3.13	5.43	
CCN	54.0	63.0	28.0	9.70	2.89	15.40
Flavorite Foods	24.0	41.0	13.0	4.40	2.95	10.73
Lever Brothers WI	142.0	160.0	150.0	29.00	5.17	18.13
National Flour Mills	23.0	23.0	16.0	2.80	5.71	12.17
Readymix WI	44.0	48.0	15.0	6.80	2.21	14.17
Trinidad Cement	50.0	60.0	19.0	6.86	2.77	11.43
Trinidad Publishing	45.0	56.0	30.0	9.35	3.21	16.70
WITCO	104.5	120.0	110.0	21.90	5.02	18.25

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: wise@carib-link.net

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SEPTEMBER 2004

The month of August witnessed a 14.67 per cent rise in the volume of shares crossing the floor over a total of 29,819,787 shares in July. A total volume of 34,193,433 shares valued at \$315,410,070.24 pushed up the Composite Index 51.3385 points to reach 965.3504 points, up 5.61 per cent, while the All T&T Index rose 20.8555 points to close at 1,182.7012 points, up 1.79 per cent.

The volume leader was Capital and Credit Merchant Bank (CMMB) with 28.43 per cent of the total volume traded. A total of 9,722,091 CCMB shares changed hands for the month of August. FirstCaribbean International Bank had the second largest volume of shares traded of 7,671,863 shares representing 22.44 per cent of all trades. Holding down the third spot was National Commercial Bank Jamaica with 4,666,771 shares traded for 13.65 per cent of the total volume.

Trade volumes were spurred by the release of results by some companies with quarters ending 30 June and 31 July 2004. The mostly favourable results reported by these companies impelled the unrelenting bull-run on the market and drove share price advances, which continued to outnumber declines. Twenty one shares appreciated while there were five declines.

Leading the advances, Capital and Credit Merchant Bank shares moved up 30 per cent or 60 cents to close at \$2.60 per share. Agostini's Ltd. share price appreciated by 11.45 per cent, up 95 cents to \$9.25, followed by Caribbean Communications Network which rose 10.23 per cent, up 90 cents to \$9.50 per share.