

movement occurred with Trinidad Cement Ltd. shares, which rose 10.43 per cent for the month, up 85 cents to \$9.00 per share. Jamaica Money Market Brokers Ltd. share price appreciated by 5.71 per cent, up 10 cents to \$1.85, rounding off the top three.

The two shares on the decline were BWIA, down 46.67 per cent or 28 cents to 32 cents per share and National Commercial Bank Jamaica, down 8.51 per cent from \$2.35 to \$2.15 per share.

### ***RBTT Financial Holdings Limited***

#### ***Results for the Nine Months Ended December 31, 2004***

RBTT's results for the nine months ended December 31, 2004 beat the expectations of the market which had punished the share since the extraordinary charges of \$104 million in the second quarter due to the downgrading of the sovereign credit rating of Grenada in the aftermath to Hurricane Ivan and special provisions for possible future losses in the loan portfolio in Grenada. No further charges with respect to these items were recorded in the third quarter. In fact according to the Chairman the third quarter was the Group's most profitable quarter ever.

For the nine months ended December 31, 2004 the Group achieved a profit attributable to shareholders of \$589.543 million, an increase of 6.00 percent over the corresponding figure in 2003 of \$556.168 million. However quarter on quarter profit attributable to shareholders was up \$117.3 million or 79 percent. When compared to the third quarter in the corresponding period in 2003, the 2004 profits attributable to shareholders was up 14 percent.

Nine months results also showed net interest income of \$1.205 billion, an increase of 9.85 percent over the corresponding period in 2003. Other income declined by 8.97 percent moving from \$728.369 million in 2003 to \$663.062 million in 2004. This mainly as a result of the \$104 million charge in the second quarter. Overall total net income reached \$1.868 billion for the nine months ended December 31, 2004 as compared to \$1.825 billion in 2003, a marginal increase of 2.34 percent. Non interest expenses declined by a steeper 3.76 percent moving from \$1.188 billion in 2003 to \$1.143 billion in

2004. As a result operating profit increased by a more impressive 13.73 percent moving from \$636.435 million in 2003 to \$723.806 million in 2004. However share of profits of associated companies fell from \$36.149 million in 2003 to \$6.519 million in 2004, this dismal performance was mainly as a result of the flat performance of Guardian Holdings (GHL) which was also badly affected by the four hurricanes. As a consequence profit before taxation showed more modest growth of 8.58 percent moving from \$672.584 million in 2003 to \$730.325 million in 2004. Taxation increased by 23.75 percent moving from \$110.535 million in 2003 to \$136.786 million in 2004. This was as a result of an increase in the effective tax rate which jumped from 16.43 percent in 2003 to 18.73 percent in 2004.

The nine months basic earnings was up 5.52 per cent to \$1.72, compared to \$1.63 in the corresponding period in 2003. For the quarter the diluted earnings per share was 77cents.

The Chairman has indicated that all operations including Grenada reported improved results in the third quarter. He also stated that the outlook for its larger markets is encouraging. Another encouraging sign is the quarter on quarter growth in loans and advances. At the end of the first half loans and advances stood at \$14.860 billion. In the third quarter it grew by an impressive 7.92 percent to \$16.036 billion. Also GHL, the Group's main associated company is expected to make a much greater contribution in the ensuing years. The natural disasters which impacted on profits in 2004 may not recur and GHL is currently in an acquisitive mode which would enhance and diversify its revenue stream.

We expect the final quarter to be similar to the third and as such we reiterate our full year earnings projection of \$2.55 which at the current price of \$39.00 gives a PE ratio of 15.29. This is below the industry average and thus should attract renewed interest in the share.

### ***Barbados Shipping & Trading***

#### ***First Quarter results ended December 31, 2004.***

*All figures quoted in \$BDS*

Barbados Shipping & Trading (BS&T) reported net income of \$29.595 million up 152.52 per cent from 2003's figure of \$11.720. Included in net income however was an unrealized mark to market gain of \$21.275 million primarily emanating from BS&T's shareholding in Neal & Massy. The unrealized gain for 2003 was \$2.577 million but has since risen 725.57 per cent or \$18.698 million due to the fact that Neal & Massy shares have appreciated substantially since 2003. On December 31, 2003 Neal & Massy shares carried a market price of \$26.90. One year later, Neal & Massy shares were valued at \$48.00 per share, an increase of 78.44 per cent.

Revenue increased 6.26 per cent from \$170.243 million in 2003 to \$180.904 million in 2004. Net trading profit was down 0.12 per cent to \$12.142 million from 2003's figure of \$12.156 million and interest expense decreased 18.34 per cent from \$2.939 million in 2003 to \$2.400 million in 2004.

Profit before taxation rose 134.79 per cent from \$13.866 million in 2003 to \$32.556 million in 2004. This included a 162.99 per cent increase in profit for the parent company & subsidies from \$11.794 million in 2003 to \$31.017 million in 2004 and a 25.72 decrease in profit for associated companies from \$2.072 million in 2003 to \$1.539 million in 2004.

Profit after taxation rose 139.98 per cent from \$12.858 million in 2003 to \$30.857 million in 2004. Net income rose from \$11.720 million in 2003 to \$29.595 million in 2004. Earnings per share was approximately 40 cents compared to 2003's figure of 16 cents.

The TT equivalent of earnings for the first quarter is \$1.24 compared to 49 cents last year. The share is currently trading at TT\$25.05.

### ***West Indian Tobacco Company Limited (WITCO)***

#### ***Results for year ended December 31, 2004***

WITCO experienced steady growth for the year ended December 31, 2004 with a 11.58 per cent increase in earnings per share from 104.50 cents in 2003 to 116.60 cents in 2004. This growth was driven primarily by

improved sales performance in both the domestic and contract manufacturing markets.

Net turnover increased by \$41.294 million or 14.03 per cent from \$294.394 million in 2003 to \$335.688 million in 2004. This was due to an 11.21 per cent increase in turnover from \$450.977 million in 2003 to \$501.512 million in 2004 and a smaller 5.90 per cent increase in excise taxes from \$156.583 million in 2003 to \$165.824 million in 2004.

Cost of sales rose 7.49 per cent from \$96.790 million in 2003 to \$104.043 million for the period under review. This resulted in an increase of \$34.041 million or 17.23 per cent in gross profit to \$231.645 million in 2004 from 2003's figure of \$197.604 million. WITCO's gross profit margin climbed from 43.82 per cent in 2003 to 46.19 per cent in 2004.

The company's expenses climbed 22.27 per cent from \$76.044 million in 2003 to \$92.979 million in 2004. This includes a 26.36 per cent increase in distribution costs from \$5.353 million in 2003 to \$6.764 million in 2004, a 31.80 per cent increase in administrative expenses from \$31.307 million in 2003 to \$41.263 million in 2004 and a 14.14 per cent increase in other operating expenses from \$39.384 million in 2003 to \$44.952 million in 2004.

Ultimately, operating profit rose by \$27.106 million or 14.07 per cent from \$121.560 million in 2003 to \$138.666 million in 2004. The operating profit margin increased from 26.95 per cent in 2003 to 27.65 per cent in 2004.

Profit before taxation appreciated 13.97 per cent from \$122.620 million in 2003 to \$139.756 million in 2004. A change of \$17.136 million. Taxation increased 20.26 per cent while profit after taxation increased by \$10.135 million or 11.51 per cent to \$98.197 million in 2004 from \$88.062 million in 2003.

**WEST INDIES STOCKBROKERS LIMITED**  
**STOCK MARKET QUOTATIONS**  
**AS AT FEBRUARY 28, 2005**

	Hist EPS €	Est EPS €	Est Div €	Curr Price	Est Yield %	Est P/E Ratio
<b>Banks</b>						
First Caribbean	32.5	32.5	7.8	13.60	0.57	41.85
NCB J'ca	13.0	13.0	4.8	2.15	2.23	16.54
RBTT Fin Hold	235.0	255.0	110.0	39.00	2.82	15.29
Republic Bank	416.0	416.0	200.0	98.00	2.04	23.56
Scotiabank	173.1	173.1	74.0	32.20	2.30	18.60
<b>Non-Bank Fin</b>						
ANSA Fin & Merch	98.0	100.0	32.0	16.90	1.89	16.90
Capital & Credit	8.4	18.0	1.0	3.31	0.30	18.39
DB&G	19.8	22.0	2.0	2.75	0.73	12.50
Guardian Holdings	625.0	300.0	54.0	35.10	1.54	11.70
JMMB	7.1	11.0	1.5	1.85	0.81	16.82
National Enterprises	81.0	90.0	41.0	10.50	3.90	11.67
Sagicor Financial Corp	66.4	72.5	24.0	14.00	1.71	19.31
<b>Conglomerates</b>						
Ansa Mcal Ltd	144.0	172.0	65.0	42.75	1.52	24.85
Bdos Ship & Trad	179.1	179.1	51.0	25.05	2.04	13.99
Grace, Kennedy	61.2	67.0	7.1	12.70	0.56	18.96
Neal and Massy	243.0	279.0	76.0	50.00	1.52	17.92
<b>Trading</b>						
Agostini's Ltd	18.6	18.6	9.0	10.30	0.87	55.38
BWIA	0.0	0.0	0.0	0.32	0.00	0.00
Furness Trinidad	14.0	38.0	5.0	6.00	0.83	15.79
L J Williams Ltd - 'A'	0.0	0.0	0.0	0.62	0.00	0.00
L J Williams Ltd - 'B'	0.0	0.0	0.0	1.20	0.00	0.00
Prestige Holdings	40.5	40.5	24.0	9.30	2.58	22.96
<b>Property</b>						
PLIPDECO	170.0	175.0	21.0	22.00	0.95	12.57
Valpark	47.3	47.3	0.0	5.00	0.00	10.57
<b>Manufacturing</b>						
Angostura Holdings	31.0	40.0	12.0	5.10	2.35	12.75
Berger Paints	0.0	0.0	17.0	3.35	5.07	0.00
CCN	80.0	80.0	44.0	11.00	4.00	13.75
Flavorite Foods	24.0	41.0	13.0	4.75	2.74	11.59
Unilever Caribbean Ltd	142.0	160.0	150.0	29.00	5.17	18.13
National Flour Mills	23.0	23.0	16.0	2.85	5.61	12.39
Readymix WI	24.0	24.0	15.0	7.20	2.08	30.00
Trinidad Cement	67.0	67.0	20.0	9.00	2.22	13.43
Trinidad Publishing	45.0	56.0	30.0	10.35	2.90	18.48
WITCO	116.6	116.6	114.0	22.35	5.10	19.17

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](mailto:info@wisett.com)

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**MARCH 2005**

There was a moderate level of activity in the Stock Market for the month of February, with a total volume of 15,684,841 shares traded. This translated into a value of \$218,219,720.28. This compares with 17,467,613 shares in January from 12 days of trading as opposed to 11 in February. When compared to February 2004, the trading volume is down 44.15 per cent from 28,085,417 shares. The composite index increased by 9.5793 points to 1096.3772 points, up 0.88 per cent, while the All T&T index gained 17.0465 points to reach 1308.6736 points, up 1.32 per cent. There is still a relatively high demand for stocks, which together with some favourable reported and expected company earnings, continue to push prices upward. Advances outnumbered declines by a nineteen to two margin.

Dehring, Bunting and Golding Ltd. shares were the number one traded security for the month. A total of 4,627,813 shares crossed the floor representing 29.51 per cent of all trades. RBTT Financial Holdings Ltd. shares followed with 1,945,359 shares traded for 12.40 per cent of the grand total. Grace Kennedy & Company Ltd. held the third position with 1,876,340 shares or 11.96 per cent of the total volume changing hands.

Of the nineteen shares advancing, Dehring, Bunting and Golding Ltd. shares were at the top position with the share price gaining 12.24 per cent from \$2.45 to \$2.75. Investors who held these shares from the beginning of the year would have benefited from a 22.22 per cent appreciation in just two months. The second highest price