

WISE WEEKLY MARKET UPDATE

February 06, 2004

Main Board

Market Data

Volume: 11,304,949

Value \$47,088,462.51

Advances/Declines: 20/0

Composite Index: 740.3833

Nominal Change in Index: + 21.5053

Percentage Change in Index: +2.99 per cent

All T&T Index: 990.4303

Nominal Change in All T&T Index: + 35.5037

Percentage Change in All T&T Index: +3.72 per cent

Volume Leaders by Company:

National Commercial Bank Jamaica – 8,603,228 (76.10 per cent)

Trinidad Cement - 1,008,846 (8.92 per cent)

CCN – 468,103 (4.14 per cent)

ANSA McAl – 277,778 (2.46 per cent)

Guardian Holdings – 276,388 (2.44 per cent)

Major Advances.

National Enterprises up \$1.37 (21.08 per cent)

Berger Paints up 50 cents (14.29 per cent)

Grace, Kennedy & Co. up 50 cents (7.69 per cent)

Prestige Holdings up 36 cents (6.99 per cent)

Flavorite Foods up 15 cents (4.17 per cent)

RBTT Financial Holdings up \$1.50 (4.17 per cent)

Republic Bank up \$2.00 (3.45 per cent)

Major Declines.

Nil

Exchange Rate

US\$1 = TT\$6.2999

Second Tier Market

The price of Mora-Ven Holdings and FNCU Venture Capital remained unchanged this week at \$2.70 and \$1.00 respectively with no trades.

Mutual Fund Market

There was no change in the price of Praetorian Property Mutual Fund. The share close at \$4.80 with a total of 118,504 shares crossing the floor.

Weekly Summary

The market continued to advance strongly and broadly this week as there were twenty advances and no declines. The Composite Index increased by 21.5053 points (2.99 per cent) to close at 740.3833 and the All T&T Index moved up 35.5037 points (3.72 per cent) to 990.4303.

Volume of shares traded was the heaviest for the year thus far. A total of 11,304,949 shares were traded valued at

\$47,088,462.51. National Commercial Bank Jamaica (NCJB) was the most actively traded share with a total of 8,603,228 shares traded or 76.10 per cent of total volume. The other heavily traded shares were Trinidad Cement with 1,008,846 shares traded or 8.92 per cent of all trades, Caribbean Communications Network (CCN) with 468,103 shares traded or 4.14 per cent of total volume and ANSA McAl with 277,778 shares exchanging hands or 2.46 per cent of all trades.

The Banking sector was the busiest on the floor this week with 8,774,686 shares traded representing 77.62 per cent of total trades. Of the total shares traded in this sector NCJB accounted for 98.05 per cent of the total trades. The Manufacturing sector was next with 1,625,643 shares trades representing 14.38 per cent of total trades.

National Enterprises (NEL) took the biggest percentage jump for the week. The share moved up \$1.37 (21.08 per cent) to close at an all time high of \$7.87. Berger Paints also took a big jump up 50 cents (14.29 per cent) to close at \$4.00, followed by Grace, Kennedy & Co. up 50 cents (7.69 per cent) to \$7.00, Prestige Holdings up 36 cents (6.99 per cent) to \$5.51, Flavorite Foods up 15 cents (4.17 per cent) and RBTT Financial Holdings up \$1.50 (4.17 per cent) to close at a high of \$37.50.

There were no price declines on the board of the exchange this week.

The demand for most shares across the board of the exchange continues to remain high despite the significant price increases which have occurred for the year thus far. Investors are however in the short term finding it difficult to get shares in many of the listed companies which are expected to release good financial results as existing shareholders hold tight to their shares.

Sagicor Financial Corporation

After falling back from a high of Bds \$4.15 at the end of 2003 to Bds \$3.20 last week, the price of Sagicor started moving back up this week. The share price moved up Bds \$0.15 to close at Bds \$3.35. The total volume of shares traded was 389,404.

RBTT Financial Holdings Limited

Results for the nine months ended December 31, 2003.

WISE is a subsidiary of RBTT Financial Holdings Limited.

RBTT's impressive profit growth continued as profit attributable to shareholders was 42.9 per cent higher in the nine months ended December 31, 2003 when compared with the prior period in 2002. In 2003 profit was \$556.2 million compared to 2002 figure of 389.3 million. Net interest income increased by 22.3 per cent in 2003 to \$1.097 billion from the \$0.897 billion recorded in 2002.

Other income rose 38.9 per cent to \$728.4 million from the same period 2002 amount of \$524.5 million.

Total net income for the nine months ended December 31, 2003 was \$1.825 billion compared to \$1.421 billion posted in the same period in 2002. Non interest expenses increased in the 2003 period to \$1.189 billion from \$0.961 billion incurred in the corresponding 2002 period. Operating profit was up by 38.3 per cent in the 2003 period to \$636.4 million from the 2002 amount of \$460.3 million. Share of profits in associate companies almost doubled in 2003 to 36.1 million from the 18.8 million recorded a year earlier. This increase we believe is attributable to RBTT now being able to equity account for its Guardian Holdings investment due to increasing its stake to 20 per cent in November of 2003. Profit before taxes in the 2003 period was \$672.6 million compared to \$479.2 million made in the corresponding 2002 period. After tax profit was \$562.0 million in the 2003 period, a 42.4 per cent increase over the corresponding period figure of \$394.7 million.

On a segmented basis, the contribution to operating profit from the local operations increased substantially, totaling

\$363.4 million for the nine months ended December 31, 2003. The other Caribbean Territories contributed \$273.1 million at the end of the same period. At the end of the six month period in September 30, 2003 the local operations had contributed just \$139.8 million, therefore in the third quarter alone the local operations added \$223.6 million to RBTT's operating profit. At the end of the first half, the Chairman had stated that Trinidad and Tobago and the Eastern Caribbean (EC) were below forecast. While this trend has reversed for the local operations at the end of the third quarter, the EC operations have felt the continued impact of 'weak business conditions'. The Chairman also stated that the EC is forecast to produce 'improved results in the final quarter'.

Earnings per share in the nine month period ended December 31, 2003 was \$1.63, an increase of 43.0 per cent over the prior period in 2002 when EPS was \$1.14. We reaffirm our full year EPS for RBTT of \$2.30, which at the current price of \$37.50 gives a PE of 16.3.

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