

WISE WEEKLY MARKET UPDATE

February 20, 2004

Main Board

Market Data

Volume: 8,326,465
Value \$31,889,684.73
Advances/Declines: 15/1
Composite Index: 776.1573
Nominal Change in Index: + 6.6812
Percentage Change in Index: +0.87 per cent
All T&T Index: 1,051.3591
Nominal Change in All T&T Index: + 12.4596
Percentage Change in All T&T Index: + 1.20 per cent

Volume Leaders by Company:

National Commercial Bank Jamaica – 4,595,311 (55.19 per cent)
Angostura Holdings – 1,056,458 (12.69 per cent)
Jamaica Money Market Brokers – 884,350 (10.62 per cent)
Trinidad Cement – 662,058 (7.95 per cent)
Caribbean Communication Network – 233,880 (2.81 per cent)

Major Advances.

Berger Paints up 40 cents (9.76 per cent)
LJ Williams (B) up 7 cents (5.60 per cent)
Angostura Holdings up 25 cents (5.26 per cent)
PLIPDECO up 55 cents (4.55 per cent)
National Enterprises up 31 cents (3.83 per cent)
Neal & Massy Holdings up \$1.00 (3.57 per cent)
ANSA McAl up 46 cents (1.90 per cent)
Furness Trinidad 10 cents (1.89 per cent)

Major Declines.

Agostini's down 35 cents (- 4.27 per cent)

Exchange Rate

US\$1 = TT\$6.2999

Second Tier Market

The price of Mora-Ven Holdings continued to hold at \$2.70 this week. FNCU however for the first time since its listing on the Stock Exchange moved up \$0.01 to close at \$1.01. There were no trades in either of these shares.

Mutual Fund Market

A total of 203,400 shares were traded in Praetorian Property Mutual Fund. The share price remained unchanged at \$4.80.

Weekly Summary

Activity remained high on the board of the exchange with a total of 8,326,465 shares exchanging hands worth \$31,889,684.73.

The volume leader was once again National Commercial Bank Jamaica (NCJB). A total of 4,595,311 shares were traded representing 55.19 per cent of all trades. Angostura Holdings followed with 1,056,458 shares traded or 12.69 per cent of all trades and in third was Jamaica Money Market Brokers (JMMB) with a total of 884,350 shares traded representing 10.62 per cent of all trades.

The upward movement of the market continued but at a slower rate compared to last week. The Composite Index moving up 6.6812 points (0.87 per cent) to 776.1576 and the All T&T Index increased by 12.4596 points (1.20 per cent) to 1,051.3591.

Trades were heaviest in the Banking sector. The total volume of shares traded in this sector was 4,728,189 shares or 56.79 per cent of total volume. Activity also remained high in the Manufacturing sector with 2,026,844 shares traded or 24.34 per cent of total volume.

Berger Paints took the biggest percentage jump for the week, up 40 cents or 9.76 per cent to \$4.50. The other major gains were LJ Williams (B) up 7 cents or 5.60 per cent to \$1.32, Angostura Holdings up 25 cents or 5.26 per cent to \$5.00, PLIPDECO up 55 cents or 4.55 per cent to \$12.65, National Enterprises up 31 cents or 3.83 per cent and Neal & Massy up \$1.00 or 3.57 per cent to \$29.00.

Agostini's was the only share price to fall this week. The share price fell 35 cents or 4.27 per cent to \$7.85 after its recent rapid increase to \$8.20.

Sagicor Financial Corporation

The price of Sagicor remained unchanged at Bds \$3.90 with a total of 539,119 shares traded.

Prestige Holdings Limited

Year ended November 30, 2003.

Prestige Holdings (PHL) weathered some difficult times in the Dominican Republic and even locally during the first quarter. Sales rose just 3.3 per cent in the fiscal year ended November 30, 2003 to \$393.6 million over the previous year's figure of \$381.2 million. This was mainly due to the devaluation of the peso in the Dominican Republic as sales in Trinidad and Tobago increased by 14 per cent. Cost of sales rose by a similar margin of 3.2 per cent to \$269.7 million in 2003 compared to the \$261.3 million. Gross profit was up by 3.4 per cent in 2003 to 123.9 million over the 2002 amount of \$119.8 million. The gross margin was steady at 31.5 per cent in 2003, while in 2002 it was 31.1 per cent. Operating profit was 1.3 per cent higher at \$33.1 million in 2003, while the 2002 figure was \$32.6 million. Profit before taxation in 2003 was \$21.7 million compared to the 2002 figure of \$20.6 million. This represented an increase of 5.4 per cent. Profit attributable to shareholders reached 16.6 million in 2003, a 6.1 per cent improvement over the \$15.7 million posted in 2002.

In Trinidad and Tobago, PHL opened three new KFC restaurants and one new Pizza Hut outlet. The company has had to renew its focus on its home delivery service and this has resulted in a turnaround in the sales trend. PHL have recently acquired a 75 per cent stake in the local TCBY franchise, together with development rights to most of the English speaking Caribbean.

The Dominican Republic has continued to be a disappointment to PHL, with a loss of \$3.6 million in 2003. We had pointed to the weak economy as a possible factor affecting PHL at the end of the third quarter. This has in fact proven to be true, with a depreciation of the currency and a deterioration of business conditions. One KFC outlet was closed and three more are targeted for closure, provisions having been made in the financial statements. Significantly, PHL has liquidated its debt in the DR and its franchisor has made substantial royalty concessions. This would suggest that PHL does in fact intend to weather the current turbulent conditions there.

PHL is awaiting final approval for the erecting of a T.G.I Friday's outlet in Jamaica which would open in the third quarter of 2004. The Government of Barbados has

rejected an application to PHL to open restaurants there and the current impasse ensures that a long wait is in store. A 50-50 joint venture agreement has been entered into to own an existing T.G.I Friday's restaurant in Puerto Rico.

As a result of debt retirement, PHL's current debt-to-equity ratio is 58:42, which is below 60:40 average of the restaurant industry in the United States. The return on average equity of 31.0 per cent is well above the industry average of 20.1 per cent, however the PHL's current price-to-book multiple of 6.1 is higher than the average for its North American counterparts of 4.3.

Earnings per share in 2003 amounted to 27.4 cents over the 26.1 cents made in 2002. A final dividend of 12 cents per share is being proposed, which, pending shareholder approval will be paid on May 13, 2004. This would bring the total dividend paid in 2003 to 18 cents, one cent higher than the 2002 amount of 17 cents. We believe that there is some long-term potential in the share but this may have been already factored into the current \$6.10 price.

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