

# WISE WEEKLY MARKET UPDATE

March 05, 2004

## **Main Board**

### **Market Data**

Volume: 13,579,225  
Value \$31,508,705.00  
Advances/Declines: 18/1  
Composite Index: 801.4148  
Nominal Change in Index: + 8.1653  
Percentage Change in Index: +1.03 per cent  
All T&T Index: 1,089.4474  
Nominal Change in All T&T Index: + 8.1937  
Percentage Change in All T&T Index: + 0.76 per cent

### *Volume Leaders by Company:*

National Commercial Bank Jamaica – 9,209,252 (67.82 per cent)  
Capital & Credit Merchant Bank – 3,458,416 (25.47 per cent)  
Trinidad Cement – 232,967 (1.72 per cent)  
Grace, Kennedy & Co. – 123,497 (0.91 per cent)

### *Major Advances.*

Berger Paints up 50 cents (10.00 per cent)  
LJ Williams (B) up 13 cents (9.85 per cent)  
National Enterprises up 30 cents (3.45 per cent)  
National Commercial Bank Jamaica up 5 cents (3.07 per cent)  
ANSA McAl up 75 cents (3.03 per cent)

### *Major Declines.*

Capital & Credit Merchant Bank down 3 cents (-4.41 per cent)

### **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 \$1.05 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 54,200 shares crossing the floor.

### **Weekly Summary**

The two Jamaican based companies National Commercial Bank Jamaica (NCJB) and Jamaica Money Market Brokers (JMJB) dominated trades on the floor this week. Of the 13,579,225 shares traded in total valued at \$31,508,705.00, 9,209,252 shares or 67.82 per cent was in NCJB and 3,458,416 shares or 25.47 per cent in JMJB. Following in

a far third was Trinidad Cement with a total of 232,967 shares traded or 1.72 per cent of total trades.

Market momentum continued to be positive as advances outnumbered declines by an eighteen (18) to one (1) margin. The Composite Index increased by 8.1653 points (1.03 per cent) to close at 801.4148 and the All T&T Index moved up 8.1937 points (0.76 per cent) to close at 1,089.4474.

Activity was heaviest in the Banking and the Non-Banking Finance sector. A total of 9,312,927 shares were traded in the Banking sector representing 68.58 per cent of total volume and 3,646,148 shares were traded in the Non-Banking Finance sector representing 26.85 per cent of all trades.

The major gains on the board this week were Berger Paints up 50 cents or 10.00 per cent to \$5.50, LJ Williams (B) up 13 cents or 9.85 per cent to \$1.45, National Enterprises up 30 cents or 3.45 per cent to \$9.00 and NCJB up 5 cents or 3.07 per cent to \$1.68.

Capital & Credit Merchant Bank (CCMB) was the only share on the decline this week. The share moved down 3 cents or 4.41 per cent to close at \$0.65.

The year to date performance of our “picks” for 2004 thus far are as follows, in alphabetical order,

- ANSA Mc Al – 10.58 per cent
- National Enterprises – 52.28 per cent
- Neal & Massy Holdings – 9.11 per cent
- RBTT Financial Holdings – 32.46 per cent
- Republic Bank – 23.41 per cent

If you had invested an equal sum of money in each of the above shares your year to date return would have been 25.56 per cent. For the year to date the Composite Index has increased by 15.46 per cent and the All T&T Index has increased by 19.46 per cent.

### **Sagcor Financial Corporation**

The price of Sagcor moved up Bds \$0.10 from last's week close of Bds \$3.90 to Bds \$4.00. The total volume of shares traded for the week was 755,022.

### **Caribbean Communications Network Limited**

#### ***Results for the year ended December 31, 2003.***

CCN recorded an increase in profit attributable to the Group of 30.3 per cent in the year ended December 31, 2003. In 2003 profit was \$24.6 million compared to the 2002 figure of \$18.9 million. The main drivers contributing to this performance were TV6, which surpassed its revenue and profit targets, and the Express, which achieved 'significant growth in both revenue and profitability'.

Sales grew by 12.1 per cent in 2003 to \$163.9 million from the previous year's \$146.2 million. Cost of sales rose by a lesser margin, 9.6 per cent to \$120.6 million in 2003 compared to the 2001 figure of \$110.1 million. Gross profit was 19.8 per cent higher in 2003 at \$43.3 million over the 2002 amount of \$36.1 million. Operating profit in 2003 increased 26.5 per cent to \$30.9 million from the \$24.5 million made in 2002. Profit after tax was \$24.9 million in 2003 compared to the 2002 figure of \$18.4 million, an improvement of 35.5 per cent.

Looking ahead to 2004, CCN has reduced long term borrowings to \$2.0 million from \$26.0 million at the beginning of 2003. In December 2003 the Group acquired a 20 per cent share in Guyana Publications Limited, responsible for the Stabroek News. This is in keeping with a strategy to forge links with media partners in the Caribbean. CCN has also ventured into the world of e-commerce, with the addition of two new internet sites. These initiatives look certain to bear fruit in 2004 and provide increased earnings.

Earnings per share inclusive of ESOP shares, totaled 54 cents in 2003, representing an increase of 31.7 per cent over the 2002 amount of 41 cents. A final dividend has been agreed at 16 cents per share, payable on April 30, 2004. The current price of \$7.00 gives a P/E ratio of 13.0, indicating that there is some room for capital appreciation.

### **Scotiabank Trinidad and Tobago Limited** ***First quarter ended January 31, 2004.***

Scotiabank (SBTT) posted double-digit growth in income after tax of 15.8 per cent for the three months ended January 31, 2004. Income after tax in Q1 2004 reached \$59.5 million as against the corresponding figure in Q1 2003 of \$51.3 million. A combination of increased revenues from foreign exchange and investment banking, as well as benefits derived from SBTT's cost control programs has resulted in this improvement in performance. This is highlighted by the increase in other income in Q1 2004 to \$47.9 million from the Q1 2003 figure of \$36.8 million, an increase of 30.4 per cent. Conversely, net interest income declined by 2.3 per cent in the same comparative periods to \$92.3 million from \$97.5 million.

Total non-interest expenses decreased in the first quarter of 2004 to \$62.0 million from the \$62.3 million incurred in the comparable quarter in 2003. Significant is the decrease in loan loss expense of 33.1 per cent to \$4.7 million in Q1 2004 from the previous amount of \$7.0 million. Net income before taxes was 81.2 million in Q1 2004 a rise of 12.8 per cent over the Q1 2003 total of \$72.0 million.

Earnings per share rose 15.8 per cent to 50.6 cents in Q1 2004 from the 43.7 cents achieved over the similar period in 2003. The directors have approved a first interim dividend of 18 cents per share payable on April 1, 2004. We are projecting, based on these results, a full year EPS of \$1.90, which gives a P/E ratio of 15.5 at the current price of \$29.40. We are maintaining a buy rating on SBTT as a result.

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Member of the Trinidad and Tobago Stock Exchange Ltd.**

VOLUME 13,579,225  
 VALUE \$ 31,508,705.00

### WEEKLY MARKET UPDATE

as at : Friday March 05, 2004

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COMPOSITE INDEX 801.4148 ALL T&T INDEX 1,089.4474 Adv./Dec. Ratio 18/1  
 CHANGE 8.1653 CHANGE 8.1937  
 % CHANGE 1.03% % CHANGE 0.76%

Security	Fiscal Yr. End	Hist. EPS	Hist. Div.	Est. EPS	Est. Div	Hist. Yield	Hist. P/E	Est. Yield	Est. P/E	Last Quote	Price Change	% Change	Running EPS	Running P/E	52 Week High	52 Week Low
<b>Banks</b>																
FirstCaribbean Intl.	Oct-31	29.1	15.8	29.1	15.8	1.88%	28.87	1.88%	28.87	8.40	0.15	1.82%	29.1	28.87	9.35	7.85
National Commercial Bank Jamaica	Sep-03	12.0	5.4	12.0	5.4	0.00%	14.00	3.21%	14.55	1.68	0.05	3.07%	12.0	14.00	1.68	1.55
RBTT Financial Holdings	Mar-31	169.0	70.0	230.0	98.0	1.55%	26.80	2.16%	19.70	45.30	0.15	0.33%	209.0	21.67	45.30	21.05
Republic Bank	Sep-30	367.0	180.0	367.0	180.0	2.72%	18.02	2.72%	18.02	66.15	0.14	0.21%	367.0	18.02	66.15	42.00
Scotiabank	Oct-31	165.6	70.0	190.0	80.0	2.38%	17.75	2.72%	15.47	29.40	0.05	0.17%	165.8	17.73	29.40	21.36
<b>Non-Banking/Finance</b>																
ANSA Fin. & Merch. Bank	Dec-31	68.0	30.0	80.0	40.0	2.31%	19.12	3.08%	16.25	13.00			75.0	17.33	13.00	8.00
Capital & Credit Merchant Bank	Dec-31	5.2	0.8	7.5	1.1	1.23%	12.50	1.69%	8.67	0.65	-0.03	-4.41%	6.1	10.66	0.90	0.65
Guardian Holdings	Dec-31	114.0	42.0	295.00	58.0	1.32%	27.89	1.82%	10.78	31.80			157.0	20.25	31.80	19.70
JMMB	Feb-28	4.7	0.7	10.5	1.5	0.61%	24.47	1.30%	10.95	1.15			6.0	19.17	1.15	0.64
National Enterprises	Mar-31	55.0	27.0	60.0	42.0	3.00%	16.36	4.67%	15.00	9.00	0.30	3.45%	55.0	16.36	9.00	4.70
<b>Conglomerates</b>																
ANSA Mc Al	Dec-31	123.0	62.0	135.0	67.0	2.43%	20.73	2.63%	18.89	25.50	0.75	3.03%	128.0	19.92	25.50	17.00
B'dos Shipping & Trading	Sep-30	135.5	47.5	140.0	47.5	2.74%	12.78	2.74%	12.37	17.32	0.17	0.99%	135.5	12.78	17.32	11.20
Grace, Kennedy & Co.	Dec-31	50.0	5.9	50.0	5.0	0.83%	14.20	0.70%	14.20	7.10	0.10	1.43%	50.0	14.20	7.10	4.50
Neal & Massy Holdings	Sep-30	190.0	67.0	190.00	67.0	2.28%	15.45	2.28%	15.45	29.35	0.04	0.14%	185.00	15.86	29.35	19.56
<b>Trading</b>																
Agostini's	Sep-30	34.9	12.0	34.9	16.0	1.53%	22.49	2.04%	22.49	7.85			43.1	18.21	8.20	6.00
BWIA	Dec-31	0.0	0.0	0.0	0.0	0.00%	0.00	0.00%	0.00	2.50			0.0	0.00	3.00	#REF!
Furness T'dad	Dec-31	25.0	5.0	25.0	5.0	0.89%	22.40	0.89%	22.40	5.60	0.10	1.82%	25.0	22.40	5.60	3.15
LJ Williams A	Dec-31	0.0	0.0	0.0	0.0	0.00%	0.00	0.00%	0.00	0.56	0.01	1.82%	0.5	112.00	0.67	0.50
LJ Williams B	Dec-31	0.0	0.0	0.0	0.0	0.00%	0.00	0.00%	0.00	1.45	0.13	9.85%	4.80	30.21	2.60	1.20
Prestige Holdings	Nov-30	27.4	17.0	27.4	20.0	2.70%	22.99	3.17%	22.99	6.30	0.09	1.45%	27.6	22.83	6.21	3.60
<b>Property</b>																
PLIPDECO	Dec-31	99.00	27.0	60.00	21.0	1.99%	13.69	1.55%	22.58	13.55	0.14	1.04%	99.0	13.69	13.55	9.50
Valpark Shopping Plaza	Mar-31	47.3	0.0	47.3	0.0	0.00%	10.57	0.00%	10.57	5.00			47.3	10.57	5.00	5.00
<b>Manufacturing</b>																
Angostura Holdings	Dec-31	28.0	11.0	28.0	11.0	2.20%	17.86	2.20%	17.86	5.00			28.0	17.86	6.30	4.25
Berger Paints Trinidad	Dec-31	39.0	17.0	39.0	17.0	3.09%	14.10	3.09%	14.10	5.50	0.50	10.00%	39.0	14.10	5.50	3.00
Caribbean Comm Network	Dec-31	54.0	25.0	54.0	25.0	3.57%	12.96	3.57%	12.96	7.00			61.0	11.48	7.00	3.30
Flavorite Foods	Dec-31	24.0	10.5	24.0	10.5	2.80%	15.63	2.80%	15.63	3.75			24.0	15.63	3.75	3.45
Lever Brothers WI	Dec-31	171.0	205.0	155.0	155.0	6.79%	17.66	5.13%	19.48	30.20			150.0	20.13	30.31	27.01
National Flour Mills	Dec-31	30.0	19.0	28.0	19.0	4.75%	13.33	4.75%	14.29	4.00			33.0	12.12	4.00	3.00
Readymix (West Indies)	Dec-31	28.0	9.0	40.0	13.0	1.33%	24.11	1.93%	16.88	6.75			35.0	19.29	6.75	6.05
Trinidad Cement	Dec-31	50.0	18.0	50.0	20.0	3.00%	12.00	3.33%	12.00	6.00			42.0	14.29	6.30	5.04
Trinidad Publishing Co.	Dec-31	31.0	21.0	40.0	25.0	2.88%	23.55	3.42%	18.25	7.30	0.05	0.69%	36.0	20.28	7.30	4.00
West Indian Tobacco Co.	Dec-31	104.5	103.0	104.5	103.0	5.09%	19.38	5.09%	19.38	20.25	0.10	0.50%	98.4	20.58	20.25	18.00