

WISE
WEEKLY MARKET UPDATE

May 07, 2004

Main Board

Market Data

Volume: 6,416,546
Value \$131,851,551.14
Advances/Declines: 8/4
Composite Index: 888.5947
Nominal Change in Index: 7.3155
Percentage Change in Index: +0.83 per cent
All T&T Index: 1,132.2220
Nominal Change in All T&T Index: +1.5235
Percentage Change in All T&T Index: +0.13 per cent

Volume Leaders by Company:

Jamaica Money Market Brokers – 2,155,174 (33.59 per cent)
Guardian Holdings – 1,591,264 (24.80 per cent)
RBTT Financial Holdings – 1,405,922 (21.91 per cent)
National Commercial Bank Jamaica – 512,044 (7.98 per cent)

Major Advances.

Capital & Credit Merchant Bank up 29 cents (20.71 per cent)
Jamaica Money Market Brokers up 13 cents (6.50 per cent)
National Commercial Bank Jamaica up 10 cents (3.70 per cent)
Grace, Kennedy & Co. up 10 cents (1.14 per cent)
Republic Bank up 50 cents (0.74 per cent)

Major Declines.

LJ Williams (B) down 5 cents (-3.45 per cent)
Furness Trinidad down 15 cents (-2.70 per cent)
Angostura Holdings down 5 cents (-1.00 per cent)
Trinidad Cement down 5 cents (-0.81 per cent)

Exchange Rate

US\$1 = TT\$6.2899

Second Tier Market

There were no trades or price movements in Mora-Ven Holdings or FNCU. They closed at \$2.70 and \$1.05 respectively.

Mutual Fund Market

The price of Praetorian Property held firmly at \$5.00. There was a small trade of 4,930 shares.

Weekly Summary

Trading got off to a busy start for the first week in May. A total of 6,416,546 shares were traded valued at \$131,851,551.14. The majority of this activity was concentrated in the Non-Banking Finance sector which accounted for 62.92 per cent of all trades followed by the Banking sector which accounted for 30.18 per cent of the total volume of shares traded.

The pace of growth of the market remained relatively slow with the Composite Index moving up 7.3155 per cent or 0.83 per cent to 888.5947. The All T&T also increased but a slower rate due to the moderate price advances in the Trinidad based companies. The index moved up 1.5235 points or 0.13 per cent to close at 1,132.220.

Jamaica Money Market Brokers (JMMB) was the volume leader with a total of 2,155,174 shares traded or 33.59 per cent of all trades. Guardian Holdings was next with 1,591,264 shares traded or 24.80 per cent of all trades. Following in third was RBTT Financial Holdings with 1,405,922 shares traded or 21.91 per cent of all trades.

The Jamaican companies continued to dominate the shares on the advance. Capital and Credit Merchant Bank (CCMB) made the biggest percentage gain for the week, moving up 29 cents or 20.71 per cent to close at \$1.69. JMMB also made a big jump, moving up 13 cents or 6.50 per cents to \$2.13. National Commercial Bank Jamaica rounded off the top three shares on the advance increasing by 10 cents or 3.70 per cent to \$2.80.

LJ Williams (B) led the shares on the decline, moving down 5 cents or 3.45 per cent to \$1.40. Furness Trinidad followed moving down 15 cents or 2.70 per cent to \$5.40. Angostura Holdings was next down 5 cents or 1.00 per cent to \$4.95.

Sagicor Financial Corporation

The price of Sagicor fell by Bds \$0.20 to Bds \$4.15 from last week's close of Bds \$4.35. The total volume of shares traded was 283,132.

Guardian Holdings Limited

Q1 ended March 31, 2004.

Guardian Holdings Limited (GHL) continued its stellar 2003 performance into Q1 2004 as diluted earnings per share including non-recurrent items reached \$2.75. This was four times the 55 cents achieved in the

similar 2003 period. Profit attributable to shareholders in Q12004 was \$532.8 million compared to the Q12003 amount of \$90.4 million.

Group Chairman Mr. Nazir Ahmad noted the growth in both the Trinidad and Tobago and Jamaican stock markets and its positive effect on investments held by GHL as reflected in the 'continued exceptional performance of our investments'. We point out that unrealized investment gains, in particular the shareholding in RBTT, form part of investment income and is ultimately credited to revenue. We estimate that about 33 per cent of revenue would have arisen through these unrealized investment gains. The share price of RBTT rose by \$11.10 as at the end of Q12004. The Chairman in reference to investment gains, stated that 'continued appreciation...on the scale experienced...is unlikely to be sustained'. We concur, and the unpredictable nature of these gains and their dependence on the performance of the stock market forestalls any attempt to predict the effect on EPS.

The new subsidiary Link Underwriting Agency was partly responsible for the 73 per cent increase in gross written premium income in non-life insurance. In Q12004 compared to Q12003, Dutch Caribbean subsidiary Fatum Holding recorded an increase in premium income of 19 per cent. In T&T, there was a 35 per cent increase in new business sales of individual life policies. Guardian Life in Jamaica posted a 16 per cent increase in business sales.

We refrain from projecting the EPS for fiscal 2004 until at least the half-year. Shareholders should bear in mind our adjusted EPS from operations in fiscal 2003 of \$2.15, and consider that Link Underwriting Agency will contribute to earnings for all of 2004 (GHL did not have this in 2003). We are in agreement with the Chairman regarding GHL's subsidiaries which have been delivering 'exceptional results'.

Trinidad Cement Limited ***Q1 ended March 31, 2004.***

Trinidad Cement Limited (TCL) earned 13 cents in the quarter ended March 31, 2004, this was an improvement of 62.5 per cent over the 8 cents made in the same period in 2003. The vast improvement in results was due to three factors :

- Buoyant demand for cement in the three regional markets,

- absence of foreign currency losses that occurred in the first quarter of 2003 and,
- kiln problems in Q12003 did not recur in Q12004.

In terms of cement and clinker production, TCL produced 15 per cent and 19 per cent more respectively of both in Q12004. Revenue increased to \$330.8 million or 16.1 per cent from the corresponding \$285.0 million achieved in Q12003. Operating profit recorded a growth of 33.8 per cent to \$75.8 million in Q12004 from the previous amount of \$56.7 million. The operating margin also improved, moving from 19.9 per cent in Q12003 to 22.9 per cent in 2004. Net finance costs increased by 13.2 per cent in Q12004 to \$30.5 million, from the comparable 2003 period figure of \$26.9 million.

In December of 2003 TCL re-acquired a previously leased plant in Jamaica, which was financed by disposing of fixed income securities. The increase in net finance costs therefore is due to the interest income foregone on the sold investments. This position is expected to be reversed at the half-year as operating lease payments of about \$32.6 million would be eliminated. The Chairman expects the reduction in interest income and increased depreciation charges on account of increased fixed assets 'to be fully offset'.

Jamaica

A number of factors contributed to the improved performance in Caribbean Cement Company Limited (CCCL).

- ✓ Market share moved up to 96 per cent in Q12004 compared to an average of 77 per cent in 2003,
- ✓ the Jamaican economy was stable and shows signs of growth in the first quarter and,
- ✓ the plant is realizing optimum utilization with operational efficiency and cost savings being derived and,
- ✓ kiln problems in Q12003 were not experienced in 2004.

In Q12004 CCCL increased production and revenue by 33 per cent. CCCL's market share improved owing to a decision by the Jamaican government to impose duties on imported cement that TCL

maintains was dumped in the market. The Anti-Dumping and Subsidies Commission in Jamaica has been delayed in delivering its final determination, and the Chairman has stated that this 'will lead to delays in the conclusion of negotiations for the funding of our expansion and modernization program'. TCL is also concerned about the arrival of two shipments of Egyptian cement in Jamaica in February and April.

Outlook

The local and Barbados operations should continue the first quarter performance. However Jamaica is uncertain due to the fact that the ruling by the Commission is not expected until July. It is hoped that economic conditions remain favorable, and the exchange rate has maintained some stability at US\$1 to J\$60.

Based on these results we project an EPS of 60 cents with the provision of revising same at the half-year. The current trading price of \$6.15 gives a P/E ratio of 10.3, which while low, is indicative of the level of risk attributable to the conditions in Jamaica described above.

April in Review

Main Board

Market Data

Volume: 15,921,628

Value \$239,778,926.66

Advances/Declines: 20/4

Composite Index: 881.2792

Nominal Change in index: +41.9013

Percentage Change in index: +4.99 per cent

All T&T Index: 1,130.6985

Nominal Change in All T&T Index: +12.3738

Percentage Change in All T&T Index: +1.11 per cent

Volume Leaders by Company:

National Commercial Bank Jamaica – 3,013,092 (18.92 per cent)

Jamaica Money Market Brokers – 3,004,345 (18.87 per cent)

Guardian Holdings – 2,089,185 (13.12 per cent)

RBTT Financial Holdings – 1,907,686 (11.98 per cent)

National Enter prises – 1,727,617 (10.85 per cent)

Major Advances

Capital & Credit Merchant Bank up 60 cents (75.00 per cent)

National Commercial Bank Jamaica up 70 cents (35.00 per cent)

Jamaica Money Market Brokers up 40 cents (25.00 per cent)

Grace, Kennedy & Co. up \$1.10 (14.29 per cent)

Trinidad Cement up 55 cents (9.73 per cent)

Prestige Holdings up 40 cents (5.97 per cent)

First Caribbean International Bank up 30 cents (3.45 per cent)

ANSA Finance & Merchant Bank up 40 cents (2.86 per cent)

WITCO up 50 cents (2.50 per cent)

Republic Bank up \$1.24 (1.86 per cent)

Major Declines

Berger Paints down \$2.00 (-33.61 per cent)

Lever Brothers down \$1.00 (-3.33 per cent)

LJ Williams (B) down 5 cents (-3.33 per cent)

Furness Trinidad down 5 cents (-0.89 per cent)

Monthly Summary

April was the slowest month of trading for the year to date. The total volume of shares traded was 15,921,628 valued at \$239,778,926.66. This represents a decline of 65.08 per cent in total volume compared to last month's volume.

The decline in volume is due to the tight demand for most shares relative to the supply as existing shareholders continue to hold on firmly to their shares in anticipation of higher returns on the market. This tight demand is a signal that investor confidence is still high in the market as the outlook on expected financial performance of most companies trading on the broad remains positive.

The Composite Index, led by non Trinidad based companies, moved up 41.9013 points or 4.99 per cents during the month of April to close at 881.2792 and the All T&T Index increased by 12.3738 points or 1.11 per cent to close at 1,130.6985. While there was some narrowing of the advance decline ratio compared to last month, advances continued to outnumber declines by twenty (20) to four (4).

The Jamaican based companies dominated the spot light. They were both the volume leaders and the price leaders during the month. National Commercial Bank Jamaica (NCJB) was the most actively traded shares with a total of 3,013,092 shares crossing the floor accounting for 18.92 per cent of all trades. Jamaica Money Market Brokers (JMMB) followed with 3,004,345 shares traded accounting for 18.87 per cent

of total volume and in third was Guardian Holdings with 2,089,185 shares traded or 13.12 per cent of total volume.

Trading was heaviest in the Non-Banking Finance sector. The total volume of shares traded in this sector was 7,236,486 or 45.45 per cent of all trades. The Banking sector was next with a total of 5,060,500 shares exchanging hands or 31.78 per cent of all trades.

Capital and Credit Merchant Bank (CCMB) led the shares on the advance. The share moved up 60 cents or 75.00 per cent to close at \$1.40. This significant jump is due to the news that the company was the frontrunner in the bid for Jamaica Unit Trust as well as investors anticipating good financial results for the first quarter. NCJB was second, moving up 70 cents or 35.00 per cent to close at \$2.70 and in third was JMMB, up 40 cents or 25.00 per cent to close at \$2.00.

Shares on the decline during the month were led by Berger Paints down to \$3.95, a decline of \$2.00 or 33.61 per cent. This tumble is due to the anticipated poor financial performance for the financial year ended 2003. The other significant declines were Lever Brothers down \$1.00 or 3.33 per to \$29.00 to adjust for the share going ex-dividend, LJ Williams (B) down 5 cents or 3.33 per cent to \$1.45 and Furness Trinidad down 5 cents or 0.89 per cent to \$5.55.

For the upcoming month of May we anticipate that the market will continue to grow but at a slower rate. This slow down we believe is necessary if the significant increase in the market which has occurred over the past year is to remain sustainable in the short to medium term.

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Member of the Trinidad and Tobago Stock Exchange Ltd.

VOLUME 6,416,546
 VALUE \$ 131,851,551.14

WEEKLY MARKET UPDATE

as at : Friday May 07, 2004

West Indies Stockbrokers Limited

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COMPOSITE INDEX 888.5947 ALL T&T INDEX 1,132.2220 Adv./Dec. Ratio 8/4
 CHANGE 7.3155 CHANGE 1.5235
 % CHANGE 0.83% % CHANGE 0.13%

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
Banks																
FirstCaribbean Intl.	Oct-31	29.1	15.8	29.1	15.8	1.76%	30.93	1.76%	30.93	9.00			29.1	30.93	9.35	7.85
National Commercial Bank Jamaica	Sep-03	12.0	5.4	15.0	5.4	0.00%	23.33	1.93%	18.67	2.80	0.10	3.70%	12.0	23.33	2.80	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			209.0	21.67	45.30	21.05
Republic Bank	Sep-30	367.0	180.0	460.0	190.0	2.63%	18.66	2.77%	14.89	68.50	0.50	0.74%	367.0	18.66	68.50	42.00
Scotiabank	Oct-31	165.6	70.0	190.0	80.0	2.36%	17.93	2.69%	15.63	29.70			165.8	17.91	29.70	21.36
Non-Banking/Finance																
ANSA Fin. & Merch. Bank	Dec-31	98.0	42.0	98.0	42.0	2.92%	14.69	2.92%	14.69	14.40			98.0	14.69	14.40	8.00
Capital & Credit Merchant Bank	Dec-31	8.4	1.0	8.4	1.0	0.59%	20.12	0.59%	20.12	1.69	0.29	20.71%	8.4	20.12	1.69	0.65
Guardian Holdings	Dec-31	215.0	54.0	215.00	54.0	1.59%	15.81	1.59%	15.81	34.00			215.0	15.81	34.00	19.70
JMMB	Mar-31	4.7	0.7	10.5	1.5	0.33%	45.32	0.70%	20.29	2.13	0.13	6.50%	6.0	35.50	2.13	0.64
National Enterprises	Mar-31	55.0	27.0	60.0	42.0	2.66%	18.45	4.14%	16.92	10.15			55.0	18.45	10.15	4.70
Conglomerates																
ANSA Mc Al	Dec-31	144.0	65.0	144.0	65.0	2.32%	19.44	2.32%	19.44	28.00	0.10	0.36%	144.0	19.44	28.00	17.00
B'dos Shipping & Trading	Sep-30	135.5	47.5	140.0	47.5	2.64%	13.28	2.64%	12.86	18.00			135.5	13.28	18.00	11.20
Grace, Kennedy & Co.	Dec-31	63.7	7.1	63.7	7.1	0.80%	13.97	0.80%	13.97	8.90	0.10	1.14%	63.7	13.97	8.90	4.50
Neal & Massy Holdings	Sep-30	190.0	67.0	190.00	67.0	2.21%	15.97	2.21%	15.97	30.35			185.00	16.41	30.35	19.56
Trading																
Agostini's	Sep-30	34.9	12.0	34.9	16.0	1.44%	23.93	1.92%	23.93	8.35			43.1	19.37	8.35	6.00
BWIA	Dec-31	0.0	0.0	0.0	0.0	0.00%	0.00	0.00%	0.00	1.80			0.0	0.00	3.00	####
Furness T'dad	Dec-31	25.0	5.0	25.0	5.0	0.93%	21.60	0.93%	21.60	5.40	-0.15	-2.70%	25.0	21.60	5.60	3.25
LJ Williams A	Dec-31	0.0	0.0	0.0	0.0	0.00%	0.00	0.00%	0.00	0.56			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	1.40	-0.05	-3.45%	4.80	29.17	2.60	1.20
Prestige Holdings	Nov-30	27.4	17.0	29.4	20.0	2.38%	26.09	2.80%	24.32	7.15	0.05	0.70%	30.9	23.14	7.15	3.60
Property																
PLIPDECO	Dec-31	170.00	21.0	170.00	21.0	1.23%	10.03	1.23%	10.03	17.05	0.10	0.59%	170.0	10.03	17.05	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
Manufacturing																
Angostura Holdings	Dec-31	31.0	12.0	31.0	12.0	2.42%	15.97	2.42%	15.97	4.95	-0.05	-1.00%	31.0	15.97	5.70	4.25
Berger Paints Trinidad	Dec-31	39.0	17.0	39.0	17.0	4.30%	10.13	4.30%	10.13	3.95			39.0	10.13	6.00	3.00
Caribbean Comm Network	Dec-31	54.0	25.0	54.0	25.0	3.40%	13.61	3.40%	13.61	7.35			54.0	13.61	7.35	4.05
Flavorite Foods	Dec-31	24.0	10.5	24.0	10.5	2.56%	17.08	2.56%	17.08	4.10			24.0	17.08	4.10	3.45
Lever Brothers WI	Dec-31	142.0	170.0	142.0	170.0	5.86%	20.42	5.86%	20.42	29.00			142.0	20.42	30.31	28.35
National Flour Mills	Dec-31	23.0	16.0	23.0	16.0	5.08%	13.70	5.08%	13.70	3.15			23.0	13.70	4.00	3.00
Readymix (West Indies)	Dec-31	44.0	15.0	44.0	15.0	2.22%	15.34	2.22%	15.34	6.75			44.0	15.34	6.75	6.05
Trinidad Cement	Dec-31	50.0	18.0	60.0	20.0	2.93%	12.30	3.25%	10.25	6.15	-0.05	-0.81%	55.0	11.18	6.30	5.04
Trinidad Publishing Co.	Dec-31	45.0	25.0	45.0	25.0	3.21%	17.33	3.21%	17.33	7.80			45.0	17.33	7.80	4.00
West Indian Tobacco Co.	Dec-31	104.5	103.0	104.5	103.0	5.02%	19.62	5.02%	19.62	20.50			98.4	20.83	20.50	18.00