

WISE
WEEKLY MARKET UPDATE

November 05, 2004

Main Board

Market Data

Volume: 4,819,932

Value: \$22,109,827.67

Advances/Declines: 16/1

Composite Index: 1008.38

Nominal Change in Index: 22.03

Percentage Change in Index: 2.23

All T&T Index: 1247.73

Nominal Change in All T&T Index: 20.94

Percentage Change in All T&T Index: 1.71

Volume Leaders by Company:

National Commercial Bank Jamaica (NCBJ) – 2,365,358 shares (49.07 per cent)

Capital & Credit Merchant Bank (CCMB) – 417,957 shares (8.67 per cent)

National Flour Mills (NFM) – 257,377 shares (5.34 per cent)

Major Advances.

FirstCaribbean International Bank up 55 cents (5.79 per cent)

BWIA up 3 cents (5.77 per cent)

Grace, Kennedy & Co. Ltd. up 50 cents (4.55 per cent)

Major Decline:

Capital & Credit Merchant Bank down 5 cents (1.64 per cent)

Exchange Rate

US\$1 = TT\$6.2899

Second Tier Market

No trades occurred in Moraven Holdings this week. The share price remained at \$2.50 per share.

Mutual Fund Market

A total of 14,900 Praetorian Property Mutual Fund shares changed hands this week with the share price trading firm at \$5.00.

Weekly Summary

The stock exchange saw a quiet week of trading in terms of volume with a total of 4,819,932 shares crossing the floor which was 70.2 per cent less than last week. The value of the shares being traded was \$22,109,827.67. The Composite Index increased by 2.23 per cent to cross the thousand point mark, reaching 1008.38 points, up by 22.035 points. The All

T&T Index rose by 1.71 per cent to 1247.73 points, up 20.94 points. Advances beat out declines by a sixteen to one margin.

The number one traded share this week was National Commercial Bank with 2,365,358 shares changing hands, representing 49.07 per cent of the total volume traded. Capital and Credit Merchant Bank was a distant second with 417,957 shares crossing the floor and accounted for 8.67 per cent of all trades. Rounding off the top three, a total of 257,377 National Flour Mills shares traded for 5.34 per cent of all trades.

Of the sixteen shares advancing, FirstCaribbean International Bank showed the highest appreciation, up 5.79 per cent or 55 cents to close at \$10.05 per share. BWIA came in second, gaining 5.77 per cent to end the week at 55 cents per share, up by 3 cents. Grace, Kennedy & Co. Ltd. held the third spot, advancing 4.55 per cent or 50 cents to \$11.50 per share.

Capital & Credit Merchant Bank was the lone decline, slipping 1.64 per cent to \$3.00 per share, down 5 cents.

RBTT Financial Holdings

Results for the six month period ended 30 September, 2004.

WISE is a Subsidiary of RBTT Financial Holdings Limited

RBTT Financial Holdings reported marginal growth for the six month period ended 30 September, 2004. Profit attributable to shareholders increased by 0.31 per cent from \$323.301 million last year to \$324.306 million for the corresponding six month period this year. This represented an increase of just \$1.005 million.

The marginal incremental increase in profits was as a result of the impact of Hurricane Ivan on its Grenada operations. A provision of \$30 million was made against possible future losses from the banking operations in Grenada. Added to this was unrealized mark to market losses of \$74 million as a result of the downgrading of the sovereign credit rating of Grenada by international rating agencies. This resulted in a total provision of \$104 million. Had it not been for the unforeseeable circumstances in Grenada, profit attributable to shareholders would have risen 21.40 per cent over the comparative period in the previous year in line with RBTT's first quarter performance.

The mark to market losses mentioned above was set against Other Income resulting in an almost negligible increase in Total Net Income from the prior period. It is however worthwhile to note that despite the falling interest rate environment over the comparative six month period Net interest income showed a commendable increase from \$715.524 million to \$773.705 million (8.13 per cent).

Operating profit rose by 1.08 per cent from \$366.855 million to \$370.801 million as non-interest expenses fell 0.48 per

cent from \$813.846 million to \$809.913 million. The non-interest expense included the provision for future losses from the operations in Grenada. Share of Profits of associate companies and joint ventures also decreased 42.41 per cent to \$12.721 million from \$22.089 million a difference of \$9.368 million.

Profit before taxation decreased 1.39 per cent to \$383.522 million, taxation increased 5.26 per cent to 65.277 million and profit after taxation dropped 2.66 per cent to \$318.245 million. The Company posted earnings per share of 95 cents for the half year which is exactly the same as the corresponding period in 2003. Despite this the Group's Management is of the view that it's strong capital base and diversified earnings stream will allow the Group to recover from these unforeseen circumstances and will be able to increase operating profits over the remaining two quarters of this fiscal year.

As a result of the provisions already made WISE is revising its year end expected earnings per share down from \$2.82 to \$2.55. The Group's balance sheet continues to reflect solid growth with assets increasing by 6.1 per cent over the six month period (loans accounted for 70 per cent of this growth). Shareholders' Equity also grew by 5.9 per cent. In addition, the Board of Directors has declared an interim dividend of 41 cents per share to be paid on 29th November, 2004.

At the current share price of \$42.50 RBTT Financial Holdings Limited is trading at a running price to earnings multiple of 17.49. Using a forecasted EPS of \$2.55 the projected price to earning multiple is 16.67. RBTT will begin trading ex-dividend from Tuesday.

Readymix (West Indies) Limited

Half-Year results to 30 June 2004

Revenue increased 13.63 per cent to \$70.4 million, up from \$61.95 million reported for the same period last year. The growth in revenue was achieved despite work stoppage at Atlantic LNG Train IV, the Group's largest project, and a very competitive market. Operating profit rose 6.04 per cent to \$4.87 million, giving an operating profit margin of 6.91 per cent compared with 7.41 per cent for the comparative period.

Net finance costs rose by 23.41 per cent to \$1.26 million. With interest rates being lower than last year, the cost of debt fell from 7.31 per cent last year to 6.19 per cent at the end of the reporting period this year on increased non-current liabilities from \$14 million to \$20.4 million. Net finance costs as a percentage of operating profit increased from 22.33 per cent to 26.00 per cent indicating that the company's debt efficiency may need some attention from management. Profit before tax was up marginally from \$3.56 million to \$3.6

million. However, the Group's effective tax rate slipped from 33.55 per cent to 32.46 per cent resulting in net profit of \$2.43 million, up 2.70 per cent. Earnings per share was up 1 cent to 19 cents. An interim dividend of 6 cents per share was declared payable on 29th September.

Readymix recently introduced ECONOMIX, a new delivery system for premix concrete in attempts to diversify the company's business. The Group has also expanded its operations into St. Maarten and St. Martin to take advantage of the growing construction industry in both countries. The premix concrete market in Trinidad and Tobago remains buoyant with Readymix maintaining overall market share, while the Barbados subsidiary, Premix and Precast Concrete Incorporated, continues to grow its market share.

Based on the results of the first half-year we forecast year end earning of 48 cents per share contingent on there being no persistent work stoppages with the company's major projects in the second half-year. At the current price of \$6.80 per share, this forecast provides a price/earnings multiple of 14.17 times.

Trinidad Cement Limited

Results for the Nine Months Ended September 30, 2004

Trinidad Cement's results for the nine months ended September 30, 2004 were in line with expectations and it remains on course to achieve our target of 60 cents per share.

Revenue for the nine months ended September 30, 2004 reached \$992.825 million, an increase of 13.87% over the corresponding period in 2003. The Chairman attributed this mainly to increased demand in all the Group's cement markets. The third quarter was negatively impacted by the bad weather which halted production at all three plants and depressed sales. This was reflected in the fact that the actual quarterly revenue of \$322.554 million was the lowest quarter for 2004.

The increase in operating profit was marginally lower at 12.25% moving from \$195.163 million in 2003 to \$219.080 million in 2004. Finance cost increased by 19.52% moving from \$69.697 million in 2003 to \$83.303 million in 2004 despite a decline in total borrowings during the period. The Chairman explained that this was a result of the disposal of fixed income securities at the end of 2003 and the consequential reduction in interest income going forward. This was compensated for by the elimination of significant lease payments. Also in the third quarter the Group refinanced approximately 43% of its long term debt at an effective rate approximately 50% lower than the previous rate.

Taxation fell 12.56% from \$27.722 million in 2003 to \$24.240 million in 2004. Overall profit attributable to shareholders increased from \$86.693 million in 2003 to \$101.348 million in 2004, an increase of 16.90%. Earnings

per share increased from 36 cents in 2003 to 42 cents in 2004.

The Chairman has stated that the fourth quarter will be favourable as cement and concrete markets rebound from the effects of Hurricane Ivan. He also stated that the capacity upgrade project continues in Trinidad although the upgrade in Jamaica is on hold until the gazetting of the 40% Common External Tariff (CET). Demand continues to be strong in the regional markets and this coupled with the improving

operational efficiencies and successful refinancing would ensure a continued positive outlook for the Group.

We concur with this prognosis and reiterate our earnings per share projection for the year of 60 cents per share and a dividend payment of 19 cents per share. At the current price of \$6.95 the PE ratio is 11.50 which make this share attractive.

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

VOLUME 4,819,932
 VALUE \$ 22,109,827.67

WEEKLY MARKET UPDATE

as at : Friday, November 05, 2004.

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COMPOSITE INDEX 1,008.3800 ALL T&T INDEX 1,247.7300 Adv./Dec. Ratio 16/1
 CHANGE 22.0350 CHANGE 20.9400
 % CHANGE 2.23% % CHANGE 1.71%

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	35.0	16.0	1.57%	34.54	1.59%	28.71	10.05	0.55	5.79%	27.3	36.79	10.05	7.85
National Commercial Bank Jamaica	Sep-03	12.0	5.4	16.0	5.4	0.00%	21.25	2.12%	15.94	2.55	0.05	2.00%	13.0	19.62	2.80	1.55
RBTT Financial Holdings	Mar-31	235.0	100.0	282.0	120.0	2.35%	18.09	2.82%	15.07	42.50			243.0	17.49	45.30	28.00
Republic Bank	Sep-30	417.0	200.0	417.0	200.0	2.33%	20.63	2.33%	20.63	86.01	3.26	3.94%	402.0	21.40	86.01	42.62
Scotiabank	Oct-31	165.6	70.0	185.0	75.0	2.20%	19.17	2.36%	17.16	31.75	0.25	0.79%	166.3	19.09	31.75	24.71
Non-Banking/Finance																
ANSA Fin. & Merch. Bank	Dec-31	98.0	32.0	100.0	32.0	1.91%	17.09	1.91%	16.75	16.75			103.0	16.26	16.75	8.60
Capital & Credit Merchant Bank	Dec-31	8.4	1.0	18.0	1.0	0.33%	35.71	0.33%	16.67	3.00	-0.05	-1.64%	15.1	19.87	3.05	0.65
Dehring Bunting & Golding	Mar-31	19.8	2.0			0.92%	11.14			2.20	0.05	2.33%	21.1	10.44	2.29	2.15
Guardian Holdings	Dec-31	215.0	54.0	300.00	54.0	1.54%	16.33	1.54%	11.70	35.10			215.0	16.33	35.15	20.80
JMMB	Mar-31	11.0	1.5	11.0	1.5	0.88%	15.45	0.88%	15.45	1.70			11.0	15.45	2.13	0.64
National Enterprises	Mar-31	81.0	41.0	81.0	41.0	4.25%	11.91	4.25%	11.91	9.65	0.20	2.12%	81.0	11.91	10.15	4.70
Sagicor Financial Corporation	Dec-04	66.4	18.0	72.5	24.0	1.29%	21.08	1.71%	19.31	14.00					14.00	12.86
Conglomerates																
ANSA Mc AI	Dec-31	144.0	65.0	172.0	65.0	1.66%	27.26	1.66%	22.82	39.25	1.25	3.29%	152.0	25.82	39.25	18.00
B'dos Shipping & Trading	Sep-30	135.5	47.5	182.0	47.5	2.19%	16.01	2.19%	11.92	21.70			223.9	9.69	21.70	11.31
Grace, Kennedy & Co.	Dec-31	63.7	7.1	72.0	7.1	0.62%	18.05	0.62%	15.97	11.50	0.50	4.55%	63.7	18.05	11.50	4.60
Neal & Massy Holdings	Sep-30	190.0	67.0	230.00	80.0	1.68%	21.05	2.00%	17.39	40.00	1.50	3.90%	185.00	21.62	40.00	22.30
Trading																
Agostini's	Sep-30	34.9	12.0	20.0	10.0	1.17%	29.51	0.97%	51.50	10.30			43.1	23.90	10.30	6.00
BWIA	Dec-31	0.0	0.0	0.0	0.0	0.00%	0.00	0.00%	0.00	0.55	0.03	5.77%	0.0	0.00	3.00	0.21
Furness T'dad	Dec-31	25.0	5.0	38.0	5.0	0.88%	22.80	0.88%	15.00	5.70			37.0	15.41	5.70	4.15
LJ Williams A	Dec-31	0.0	0.0	0.0	0.0	0.00%	0.00	0.00%	0.00	0.62			0.5	124.00	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	1.20			4.80	25.00	2.60	1.20
Prestige Holdings	Nov-30	27.4	17.0	42.0	20.0	1.97%	31.57	2.31%	20.60	8.65			38.3	22.61	8.65	4.00
Property																
PLIPDECO	Dec-31	170.00	21.0	175.00	21.0	0.98%	12.65	0.98%	12.29	21.50			170.0	12.65	21.50	9.91
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	40.0	12.0	2.53%	15.32	2.53%	11.88	4.75			31.0	15.32	5.00	4.25
Berger Paints Trinidad	Dec-31	0.0	17.0	0.0	17.0	5.40%	0.00	5.40%	0.00	3.15			39.0	8.08	6.00	3.00
Caribbean Comm Network	Dec-31	54.0	25.0	63.0	28.0	2.48%	18.70	2.77%	16.03	10.10	0.10	1.00%	71.0	14.23	10.10	4.20
Flavorite Foods	Dec-31	24.0	10.5	41.0	13.0	2.31%	18.96	2.86%	11.10	4.55	0.15	3.41%	24.0	18.96	4.55	3.45
Lever Brothers WI	Dec-31	142.0	170.0	160.0	150.0	5.86%	20.42	5.17%	18.13	29.00			152.0	19.08	30.31	29.00
National Flour Mills	Dec-31	23.0	16.0	23.0	16.0	5.61%	12.39	5.61%	12.39	2.85			20.0	14.25	3.20	2.50
Readymix (West Indies)	Dec-31	44.0	15.0	48.0	15.0	2.19%	15.57	2.19%	14.27	6.85	0.05	0.74%	44.0	15.57	6.85	6.05
Trinidad Cement	Dec-31	50.0	18.0	60.0	19.0	2.59%	13.90	2.73%	11.58	6.95	0.10	1.46%	69.0	10.07	6.95	5.04
Trinidad Publishing Co.	Dec-31	45.0	25.0	56.0	30.0	2.58%	21.56	3.09%	17.32	9.70	0.10	1.04%	49.0	19.80	9.70	4.50
West Indian Tobacco Co.	Dec-31	104.5	103.0	120.0	110.0	4.61%	21.39	4.92%	18.63	22.35	0.05	0.22%	104.5	21.39	22.45	18.00