

WISE
WEEKLY MARKET UPDATE
August 05, 2005

Main Board

Market Data

Volume: 2,141,890

Value: \$ 36,783,651.77

Advances/Declines: 7 / 9

Composite Index: 1142.5328

Nominal Change in Index: -2.5904

Percentage Change in Index: -0.23 per cent

All T&T Index: 1427.0619

Nominal Change in All T&T Index: -2.8988

Percentage Change in All T&T Index: -0.20 per cent

Volume Leaders by Company:

Sagicor Financial Corporation – 531,537 shares traded or 24.82 per cent

RBTT Financial Holdings Ltd – 527,582 shares traded or 24.63 per cent

National Commercial Bank Jamaica – 372,811 shares traded or 17.41 per cent

Advances:

Ansa Merchant Bank Ltd – up 3.60 per cent or 80 cents

Dhering, Bunting & Golding – up 2.22 per cent or 5 cents

RBTT Financial Holdings Ltd – up 1.25 per cent or 50 cents

Major Declines:

National Flour Mills – down 4.76 per cent or 10 cents

National Commercial Bank Jamaica – down 4.31 per cent or 9 cents

National Enterprises Ltd – down 3.08 per cent or 40 cents

Exchange Rate

US\$1 = TT\$6.2999

Second Tier Market

The Second Tier Market remains inactive and the price of Mora Ven Holdings and First National Credit Union shares were unchanged at \$2.50 and \$1.05 respectively.

Mutual Fund Market

There were no trades of Praetorian Property Mutual Fund, consequently, the share price was unchanged at \$5.61 per share

Weekly Summary

The Composite Index slipped 2.5904 points this week to close on 1142.5328 points, down 0.23 per cent, while the All T&T Index slid 2.8988 points or 0.20 per cent to 1427.0619 points. A total of 7 shares advanced while 9 shares advanced.

Leading the share price advances was Ansa Merchant Bank, which was up 3.60 per cent or 80 cents from \$22.20 to \$23.00 per share. Dhering, Bunting & Golding moved up 2.22 per cent or 5 cents to \$2.30 per share, while RBTT Financial Holdings gained 1.25 per cent or 50 cents to close at \$40.50 per share.

National Flour Mills share price made the biggest losses, dropping 4.76 per cent to \$2.00 per share, down 10 cents. National Commercial Bank Jamaica was second, losing 4.31 per cent off its share price to close at \$2.00 per share, down 9 cents. National Enterprises Ltd was third, falling 3.08 per cent or 40 cents to reach \$12.60 per share.

The number of shares crossing the floor this week totalled 2,141,890 for a value of \$36,783,651.77. This total is considerably less than the 9,828,096 shares traded last week. The Banking Sector and Non Bank Finance Sectors again accounted for the majority of shares traded (42.34 per cent and 46.29 per cent respectively).

Sagicor Financial Corporation shares were the most heavily traded this week with 531,537 shares changing hands or 24.82 per cent of all trades. RBTT Financial Holdings also got the investors' nod with 527,582 shares traded for 24.63 per cent of the total volume. Rounding off the top three was National Commercial Bank Jamaica with 372,811 shares crossing the floor or 17.41 per cent of the grand total.

GraceKennedy Limited

Results for the period ended 30 June 2005

Amounts in J'ca Dollars

Revenues increased by 10.57 per cent for the half year ended 30 June 2005 to reach \$16.38 billion compared with the corresponding period last year. Expenses however grew by 11.75 per cent to \$15.38 billion resulting in a decline in operating income of 4.95 per cent to \$991.9 million. The second quarter proved to be somewhat challenging for the Group in terms of controlling expenses causing the slender increase in operating profit of 1.34 per cent in the first quarter to be negated.

GraceKennedy achieved \$133.4 million of other income in the second quarter bringing the total for the half year to \$230.6 million, up 50.94 per cent from last year. Finance income also climbed, reaching \$167.6 million,

up 197.84 per cent, while associated companies added \$72.47 million to before tax profits, up 26.90 per cent.

The Food Trading Division reported substantial growth in revenues and profits both domestically and internationally and has expanded its product offerings. Both First Global Bank Ltd and First Global Financial Services Ltd continue to produce excellent results and boost profits in the Financial Services Division. A new health insurance company (Medecus Health Insurance Company Ltd.), established in partnership with Guardian Life Ltd, commenced operations during the second quarter.

Mixed results were reported for the Retail & Trading Division with heavy rains affecting Hardware and Lumber's performance but satisfactory results recorded by Fidelity Motor Ltd and Agro-Grace. The Information Services Division experienced improved transaction volumes; however, because of the more competitive customer fees being charged, there was a negative effect on profits from the Division.

Profit Before Tax by Business Segment			
	2005	2004	Change %
Food Trading	313,673	188,214	66.66
Retail Trading	93,689	72,249	29.68
Financial Services	666,807	605,915	10.05
Maritime	-	42,492	(100.00)
Information	265,386	279,632	(5.09)

Total profit before tax for the half year was \$1.46 billion, an increase of \$152.8 million or 11.67 per cent from the same period in 2004. The Group posted net profit of \$1 billion, up 6.84 per cent and diluted earnings per share of \$2.90, up 20 cents. Net profit margin however slipped slightly from 6.34 per cent to 6.12 per cent. GraceKennedy shares are trading at \$11.87 per share and provides an earnings multiple of 15.82 times our forecast full year's earnings of 75 cents per share.

Guardian Holdings Limited *Half Results top June 30, 2005*

Guardian Holdings profit attributable to shareholders for the six months ended June 30, 2005 was down 70.06 percent moving from \$503.419 million in 2004 to \$150.701 million in 2005. According to the Chairman the reversal was caused entirely by the net adverse valuation adjustment for the Group's investment portfolios during the second quarter. In 2005 the fair value adjustment was a negative \$21.0 million while in 2004 it was a positive \$496 million. This is a negative turn of \$517 million.

Revenue increased from \$1.849 billion in 2004 to \$2.221 billion in 2005, an increase of 20.14 percent. The Chairman has stated that the increased revenue was driven by increased premium income in the general insurance division of 198 percent, the acquisition of the Zenith Group earlier in the year being the main contributor. New premium income in Life, Health and Pensions was also higher by 23 percent. The holdings in the Dutch Antilles were also above budget by 19 percent.

Finance costs were up by 6.81 percent moving from \$48.791 million in 2004 to \$52.112 million in 2005. This is expected to decline in the second half as short debt is retired with the proceeds of the rights issue. In 2004 there was a negative goodwill charge of \$9.989 million which did not recur in 2005. The effective tax rate has increased from 7.74 percent to 16.50 percent. This on account of increased income coming from jurisdictions with a higher tax rate, mainly Europe and also that in 2005 the fair value adjustment was negative.

The Group has earned diluted earnings per share of 77 cents for the six months ended June 30, 2005. The Chairman has stated that the Board is confident that the budgeted profit for 2005 of \$3.84 per share would be achieved. At the current price of \$40.00 this is a PE ratio of 10.42.

The Board has approved an interim dividend of 15 cents per share compared with 12 cents in 2004. The dividend would be paid on August 25, 2005 to all shareholders on record as at August 18, 2005.

Trinidad Cement Limited *Results for the Six Months Ended June 30, 2005*

Trinidad Cement continues to have sequential growth in profitability as it achieved an increase in profit attributable to shareholders of 11.80 percent for the six months ended June 30, 2005. Profit attributable to shareholders moved from \$38.825 million in 2004 to \$43.408 million in 2005.

Revenue increased by 13.49 percent moving from \$339.446 million in 2004 to \$385.221 million in 2005. According to the Chairman the main contributors to this increase were not only buoyant sales in the three domestic markets but also in the export market. The pre-mix concrete market and packaging business also recorded higher revenues.

However operating profit declined marginally by 0.29 percent moving from \$79.016 million in 2004 to \$78.785 million in 2005. This mainly on account of significant cost increases for fuel, electricity and labour. Finance cost declined by 9.66 percent moving from \$27.521 million in 2004 to \$24.863 million in 2005. This on

account of the debt restructuring in August last year where approximately 43 percent of the debt was refinanced at lower rates. Overall profit before taxation increased by 4.71 percent moving from \$51.495 million in 2004 to \$53.922 million in 2005. Provision for taxation declined by 25.91 percent moving from \$8.958 million in 2004 to \$6.637 million in 2005. This probably on account of the accelerated capital allowances allowed on the new plant and equipment purchased.

The Group achieved earnings per share of 32 cents. We believe that overall for the year the Group should achieve earnings per share of 80 cents which translates to a PE of 15.00. The Group's expansion program

continues both in Jamaica and Trinidad. The bagging terminal in Guyana is set for completion by the end of the third quarter. The Group has also increased the price of cement in both Trinidad and Tobago and Jamaica. The demand for cement is expected to remain buoyant in the second half. Thus the short to medium term prospects for the Group remains strong especially as the economies of its major markets remain buoyant.

An interim dividend of ten cents (eight cents in 2004) will be paid on October 7, 2005 to shareholders on record at the close of business on September 23, 2005.

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Member of the Trinidad and Tobago Stock Exchange Ltd.

VOLUME 2,141,890
 VALUE \$ 36,783,651.77

WEEKLY MARKET UPDATE

as at : Friday, August 05, 2005.

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COMPOSITE INDEX 1,142.5328 ALL T&T INDEX 1,427.0619 Adv./Dec. Ratio 7/9
 CHANGE -14.0021 CHANGE -24.6291
 % CHANGE -1.19% % CHANGE -1.65%

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	32.5	15.6	107.0	25.0	1.16%	41.51	1.85%	12.61	13.49	0.04	0.30%	95.5	14.13	13.60	9.00
National Commercial Bank Jamaica	Sep-30	13.0	4.8	13.0	4.8	0.00%	15.38	2.40%	15.38	2.00	-0.09	-4.31%	13.0	15.38	2.80	2.00
RBTT Financial Holdings	Mar-31	268.0	118.0	312.0	135.0	2.91%	15.11	3.33%	12.98	40.50	0.50	1.25%	286.0	14.16	45.50	36.37
Republic Bank	Sep-30	417.0	200.0	470.0	230.0	2.08%	23.02	2.40%	20.42	95.98	-0.91	-0.94%	494.0	19.43	113.26	70.00
Scotiabank	Oct-31	173.1	74.0	168.0	78.0	1.87%	22.81	1.98%	23.50	39.48	-0.02	-0.05%	167.4	23.58	40.00	30.10
Non-Banking/Finance																
ANSA Fin. & Merch. Bank	Dec-31	106.0	32.0	106.0	32.0	1.39%	21.70	1.39%	21.70	23.00	0.80	3.60%	106.0	21.70	23.00	15.05
Capital & Credit Merchant Bank	Dec-31	14.7	1.0	14.7	1.0	0.45%	15.03	0.45%	15.03	2.21	0.01	0.45%	16.2	13.64	3.31	2.00
Dehring Bunting & Golding	Mar-31	26.5	2.0	26.5	2.0	0.88%	8.68	0.87%	8.68	2.30	0.05	2.22%	26.5	8.68	2.75	2.15
Guardian Holdings	Dec-31	300.0	50.0	384.00	70.0	1.25%	13.33	1.75%	10.42	40.00	0.00	0.00%	118.0	33.90	46.00	35.01
JMMB	Mar-31	11.3	1.5	11.3	1.5	0.94%	14.16	0.94%	14.16	1.60	0.00	0.00%	7.0	22.86	1.90	1.45
National Enterprises	Mar-31	76.0	48.0	76.0	48.0	3.81%	16.58	3.81%	16.58	12.60	-0.40	-3.08%	76.0	16.58	16.50	9.45
Sagikor Financial Corporation	Dec-04	78.0	30.0	78.0	30.0	1.97%	19.55	1.97%	19.55	15.25	0.15	0.99%	78.0	19.55	15.50	12.86
Conglomerates																
ANSA Mc AI	Dec-31	182.0	65.0	182.0	65.0	1.33%	26.92	1.33%	26.92	49.00	0.50	1.03%	182.0	26.92	49.00	30.00
B'dos Shipping & Trading	Sep-30	179.1	51.0	195.0	51.0	2.02%	14.10	2.02%	12.95	25.25	0.00	0.01%	200.6	12.59	27.15	18.15
Grace Kenndy Limited	Dec-31	67.2	7.1	75.0	8.0	0.60%	17.66	0.67%	15.83	11.87	-0.02	-0.17%	69.1	17.18	12.70	9.50
Neal & Massy Holdings	Sep-30	243.0	76.0	279.00	76.0	1.42%	22.09	1.42%	19.24	53.69	-0.79	-1.45%	265.00	20.26	59.01	31.26
Trading																
Agostini's	Sep-30	18.6	9.0	55.0	25.0	0.86%	56.34	2.39%	19.05	10.48	0.00	0.00%	36.6	28.63	10.50	8.30
BWIA	Dec-31	0.0	0.0	0.0	0.0	0.00%	0.00	0.00%	0.00	0.33	0.00	0.00%	0.0	0.00	1.80	0.21
Furness T'dad	Dec-31	33.0	0.0	33.0	0.0	0.00%	18.64	0.00%	18.64	6.15	0.00	0.00%	33.0	18.64	6.15	5.25
LJ Williams A	Dec-31	1.4	0.5	1.4	0.5	0.83%	0.00	0.83%	0.00	0.60	0.00	0.00%	1.4	42.86	0.62	0.50
LJ Williams B	Dec-31	14.0	5.0	14.0	5.0	3.33%	0.00	3.33%	0.00	1.50	0.00	0.00%	14.00	10.71	1.59	1.10
Prestige Holdings	Nov-30	39.1	24.0	45.0	27.0	2.00%	30.71	2.25%	26.67	12.00	0.00	0.00%	41.3	29.06	12.00	7.50
Property																
PLIPDECO	Dec-31	126.00	21.0	126.00	21.0	0.96%	17.38	0.96%	17.38	21.90	0.00	0.00%	126.0	17.38	22.00	17.50
Valpark Shopping Plaza	Mar-31	47.3	0.0	47.3	0.0	0.00%	10.57	0.00%	10.57	5.00	0.00	0.00%	47.3	10.57	5.00	5.00
Manufacturing																
Angostura Holdings	Dec-31	29.0	12.0	29.0	12.0	2.00%	20.66	2.00%	20.66	5.99	-0.01	-0.17%	29.0	20.66	6.35	4.50
Berger Paints Trinidad	Dec-31	0.0	17.0	0.0	17.0	5.00%	0.00	5.00%	0.00	3.40	0.00	0.00%	39.0	8.72	3.70	3.10
Caribbean Comm Network	Dec-31	80.0	44.0	112.0	60.0	2.32%	23.75	3.16%	16.96	19.00	0.00	0.00%	90.0	21.11	21.50	8.00
Flavorite Foods	Dec-31	24.0	10.5	41.0	13.0	2.18%	20.04	2.70%	11.73	4.81	0.00	0.00%	24.0	20.04	4.81	4.10
National Flour Mills	Dec-31	13.6	13.0	13.6	13.0	6.50%	14.71	6.50%	14.71	2.00	-0.10	-4.76%	13.6	14.71	3.20	2.00
Readymix (West Indies)	Dec-31	24.0	9.0	24.0	9.0	1.50%	25.00	1.50%	25.00	6.00	0.00	0.00%	24.0	25.00	7.20	6.00
Trinidad Cement	Dec-31	67.0	20.0	80.0	24.0	1.67%	17.91	2.00%	15.00	12.00	0.00	0.00%	70.0	17.14	12.99	6.15
Trinidad Publishing Co.	Dec-31	50.0	28.0	50.0	28.0	2.64%	21.20	2.64%	21.20	10.60	0.00	0.00%	50.0	21.20	10.65	7.85
Unilever Caribbean Limited	Dec-31	119.0	110.0	119.0	110.0	3.85%	24.03	3.85%	24.03	28.59	0.00	0.00%	115.0	24.86	29.36	28.59
West Indian Tobacco Co.	Dec-31	116.6	114.0	120.0	114.0	6.23%	15.69	6.23%	15.25	18.30	-0.10	-0.54%	114.2	16.02	22.70	17.70