

**WISE**  
**WEEKLY MARKET UPDATE**  
May 06, 2005

**Main Board**

**Market Data**

Volume: 5,217,404  
Value: \$136,407,372.83  
Advances/Declines: 9/9  
Composite Index: 1210.3773  
Nominal Change in Index: 6.9945  
Percentage Change in Index: 0.58 per cent  
All T&T Index: 1526.1998  
Nominal Change in All T&T Index: 18.4794  
Percentage Change in All T&T Index: 1.23 per cent

**Volume Leaders by Company:**

Neal and Massy Holdings Limited – 1,510,984 shares traded or 28.96 per cent  
National Commercial Bank of Jamaica – 1,003,027 shares traded or 19.22 per cent  
RBTT Financial Holdings Limited – 679,077 shares traded or 13.02 per cent

**Major Advances:**

Caribbean Communications Network up \$2.64 or 17.19 per cent  
National Enterprises Limited up \$1.23 or 9.61 per cent  
Dhering, Bunting and Golding up 10 cents or 3.77 per cent

**Major Declines:**

Trinidad Cement Limited down 75 cents or 5.88 per cent  
National Commercial Bank of Jamaica down 11 cents or 4.56 per cent  
Ansa Finance & Merchant Bank Limited down 59 cents or 3.11 per cent.

**Exchange Rate**

US\$1 = TT\$6.2999

**Second Tier Market**

Mora Ven Holdings saw no trades this week. Their price held at \$2.50

**Mutual Fund Market**

2,000 Praetorian Property Mutual Fund shares crossed the floor while their price rose 1 cent or 0.18 per cent to close the week at \$5.46.

**Weekly Summary**

5,217,404 shares changed hands this week which was 17.64 per cent less than last weeks figure of 6,334,895. The shares carried a total value of \$ 136,407,372.83. The Composite Index increased nominally by 6.9945 points or 0.58 per cent from 1203.3828 to 1210.3773. The All T&T Index continued its climb moving up nominally by

18.4794 points or 1.23 per cent from 1507.7204 to 1526.1998. Advances and declines were even as 9 shares rose in value and 9 fell.

The volume leader for this week was Neal and Massy Holdings Limited with 1,510,984 shares crossing the floor accounting for 28.96 per cent of all shares traded. National Commercial Bank of Jamaica followed with 1,003,027 shares being traded which was 19.22 per cent of all trades. Next was RBTT Financial Holdings Limited with 679,077 shares changing hands which was 13.02 per cent of all trades.

The major price mover this week was Caribbean Communications Network which rose \$2.64 or 17.19 per cent from \$15.36 to \$18.00. Next, was National Enterprises Limited rising \$1.23 or 9.61 per cent from to \$12.80 to \$14.03. Thirdly, was Dhering, Bunting and Golding climbing 10 cents or 3.77 per cent to \$2.75 from last week's close of \$2.65.

Of the 9 shares that declined, Trinidad Cement Limited dropped the most, falling 75 cents or 5.88 per cent from \$12.75 to \$12.00. Second was National Commercial Bank of Jamaica down 11 cents or 4.56 per cent from \$2.41 to \$2.30. Third was Ansa Finance & Merchant Bank Limited down 59 cents or 3.11 per cent from \$19.00 to close the week at \$18.41.

**Guardian Holdings Limited**

*First Quarter Results to March 31, 2005*

Guardian Holdings reported profit attributable to shareholders of \$141.506 million for the first quarter of 2005. This was a decline of 73.44 percent over the corresponding figure in 2004. This was expected as the share price of RBTT -in which the Group has a major stake- declined marginally in the first quarter of 2005 while in the corresponding period in 2004 it made a significant gain. The Chairman has quantified this figure to be \$480 million which would have included some other smaller investments.

However the Group was still able to achieve revenue for the first quarter of 2005 of \$1.129 billion and an operating profit of \$183.314 million. Share of profits from associates went from a loss of \$6.477 million in 2004 to a profit of \$5.053 million in 2005, a positive turn of \$11.53 million. Finance charges increased from \$22.452 million in 2004 to \$28.046 million in 2005, an increase of 24.92 percent. In 2004 there was negative goodwill of \$5.007 million; this did not recur in 2005. The diluted earnings per share achieved for the quarter was 73 cents as opposed to \$2.75 per share in 2004.

The Chairman has stated that the performance of the operating companies were strong in the quarter under review. Guardian Life in Trinidad and Tobago had a 24% increase in

individual life insurance sales over the corresponding quarter in 2004. Revenue in the general insurance division rose 138% mainly as a result of the consolidation of the recent acquisition of the Zenith Insurance Group. The Chairman also stated that notwithstanding the challenges faced, the Group will remain focused on executing its strategic plans.

After reviewing these results our outlook for the Group is more positive and as such we have revised our earnings forecast for 2005 to \$4.00 per share, a 25% increase over 2004. At the current price of \$44.56 this translates to a PE of 11.14 which makes this share attractive to all classes of investors.

### **Trinidad Cement Limited**

*Results for the First Quarter Ended March 31, 2005*

Trinidad Cement Limited's (TCL) results for the quarter ended March 31, 2005 were flat. Revenue increased marginally by 3.48 percent moving from \$330.825 million in 2004 to \$342.345 million in 2005. Operating profit declined by 12.22 percent moving from \$75.814 million in 2004 to \$66.548 million in 2005. The Chairman attributed this to planned maintenance shutdowns at all three cement plants. These major jobs have all been completed and the Group anticipates improved performance going forward in 2005.

Finance cost declined by 24 percent moving from \$30.498 million in 2004 to \$23.179 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. Profit before taxation declined by 4.30 percent moving from \$45.316 million in 2004 to \$43.369 million in 2005. Taxation declined by 45.73 percent moving from \$10.486 million in 2004 to \$5.691 million in 2005. The effective tax rate declined from 23.13 percent in 2004 to 13.12 percent in 2005. The lower tax rate was achieved as certain plant and equipment leases were revised as part of the restructuring which resulted in lower taxation. As a consequence profit after taxation increased by 8.18 percent moving from \$34.830 million in 2004 to \$37.678 million in 2005. Profit attributable to shareholders increased by 8.89 percent moving from \$30.771 million in 2004 to \$33.506 million in 2005. The earnings per share for 2005 was 14 cents as compared to 13 cents in 2004.

The Chairman has stated that the upgrade projects in Trinidad and Jamaica are continuing as planned. He also stated that the Group expects continued buoyant demand in all its markets in 2005. We have opted to await the results for the first half before we revise our estimates.

### **Sagicor Financial Corporation**

*Year end results to 31 December 2004.*

Sagicor Financial Corporation results revealed earnings growth of 18.18 per cent to 26 cents per share for the year ended 31 December 2004, up by 4 cents. This performance was due, in no small part, to the increase in net premiums and contributions of 14.31 per cent to \$537.54 million and net investment income of 10.55 per cent to \$203.92 million. Operating income from associated companies contributed \$9.27 million to Group revenue, up from \$3.31 in 2003. On the other hand, gains on divestitures were much smaller compared with the previous year, falling from \$17.09 million in 2003 to \$384,000 in 2004. Fees and other revenue also fell, reaching \$35.7 million, down 25.10 per cent. Overall, total revenue for 2004 amounted to \$786.82 million, an increase of 8.86 per cent.

The impact of last year's hurricane season resulted in increased claims to the property and casualty subsidiary of the Group. Policy benefits grew by 8.96 per cent to \$324.25 million, while actuarial liabilities increased at a rate of 40.19 per cent (\$117.95 million), or \$33.81 million over last year's increase. Total policy benefits for the year rose 15.84 per cent to \$442.2 million.

Costs related with demutualization, re-branding and re-organization were just over \$120,000 compared with \$14.19 million in 2003. Finance costs were also down 56.90 per cent to \$743,000. However, these reductions in costs were negated by increases in premium taxes and commissions and related compensation. Premium taxes increased by 49.45 per cent to \$11.65 million and commissions and related compensation were up 17.57 per cent to \$76.25 million. Total expenses for the year rose by 1.59 per cent to \$264.7 million

Income from ordinary activity slipped from \$80.45 million to \$79.90 million and attracted a tax expense of \$6.92 million. This resulted in net income before minority interest of \$72.98 million (\$73.38 million – 2003). Minority interest was down 59.02 per cent from \$17.75 million to \$7.28 million, resulting in net income for the year of \$65.71 million, up 18.13 per cent. Net income attributable to shareholders increased to \$67.69 million, up 18.96 per cent on account of a net loss of \$1.98 million being attributable to participating policyholders (\$1.28 million – 2003).

The board recommended a final dividend of 6 cents per share, which when added to the 4 cents interim already paid for 2004, brings total dividends for the year to 10 cents. This represented an increase of 4 cents from the 6 cents per share posted in 2003.

On the Trinidad and Tobago Stock Market, Sagicor Financial Holdings shares are trading at a price of \$15.31 per share, having appreciated 9.36 per cent or \$1.31 for the year thus far. At the current price, these shares are trading at an earnings multiple of 19.76 times year end earnings and provide a dividend yield of 1.95 per cent, at an exchange rate of BDS\$1.00 to TT\$2.98.

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

VOLUME 5,217,404  
 VALUE \$ 136,407,372.83

## WEEKLY MARKET UPDATE

as at : Friday, May 06, 2005.

## West Indies Stockbrokers Limited

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COMPOSITE INDEX 1,210.3773 ALL T&T INDEX 1,526.1998 Adv./Dec. Ratio 9/9  
 CHANGE 6.9945 CHANGE 18.4794  
 % CHANGE 0.58% % CHANGE 1.23%

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	32.5	15.6	107.0	25.0	1.16%	41.54	1.85%	12.62	13.50	0.10	0.75%	80.0	16.88	13.60	8.75
National Commercial Bank Jamaica	Sep-30	13.0	4.8	13.0	4.8	0.00%	17.69	2.09%	17.69	2.30	-0.11	-4.56%	13.0	17.69	2.80	2.00
RBTT Financial Holdings	Mar-31	235.0	100.0	255.0	110.0	2.21%	19.26	2.43%	17.75	45.25	-0.08	-0.18%	244.0	18.55	45.33	39.00
Republic Bank	Sep-30	417.0	200.0	470.0	230.0	1.80%	26.62	2.07%	23.62	111.01	0.51	0.46%	494.0	22.47	111.01	67.05
Scotiabank	Oct-31	173.1	74.0	173.1	74.0	1.85%	23.07	1.85%	23.07	39.94	0.00	0.00%	168.2	23.75	40.00	29.60
<b>Non-Banking/Finance</b>																
ANSA Fin. & Merch. Bank	Dec-31	106.0	32.0	106.0	32.0	1.74%	17.37	1.74%	17.37	18.41	-0.59	-3.11%	106.0	17.37	18.41	14.25
Capital & Credit Merchant Bank	Dec-31	14.7	1.0	14.7	1.0	0.36%	19.05	0.36%	19.05	2.80	-0.03	-1.06%	14.7	19.05	3.31	1.00
Dehring Bunting & Golding	Mar-31	19.8	2.0	22.0	2.0	0.74%	13.92	0.73%	12.50	2.75	0.10	3.77%	21.1	13.05	2.75	2.15
Guardian Holdings	Dec-31	300.0	50.0	400.00	75.0	1.12%	14.85	1.68%	11.14	44.56	0.56	1.27%	98.0	45.47	44.56	33.75
JMMB	Mar-31	7.1	1.5	11.0	1.5	0.88%	23.94	0.88%	15.45	1.70	-0.01	-0.58%	7.0	24.29	2.13	1.50
National Enterprises	Mar-31	81.0	41.0	90.0	41.0	2.92%	17.32	2.92%	15.59	14.03	1.23	9.61%	86.0	16.31	14.03	9.45
Sagikor Financial Corporation	Dec-04	78.0	30.0	78.0	30.0	1.96%	19.63	1.96%	19.63	15.31	-0.13	-0.84%	78.0	19.63	15.50	12.86
<b>Conglomerates</b>																
ANSA Mc AI	Dec-31	182.0	65.0	182.0	65.0	1.38%	25.83	1.38%	25.83	47.01	0.78	1.69%	182.0	25.83	47.01	27.70
B'dos Shipping & Trading	Sep-30	179.1	51.0	179.1	51.0	1.89%	15.08	1.89%	15.08	27.01	0.00	0.01%	179.1	15.08	27.01	18.00
Grace, Kennedy & Co.	Dec-31	67.2	7.1	75.0	8.0	0.59%	18.01	0.66%	16.13	12.10	-0.35	-2.81%	67.2	18.01	12.70	8.61
Neal & Massy Holdings	Sep-30	243.0	76.0	279.00	76.0	1.38%	22.64	1.38%	19.72	55.02	1.02	1.89%	243.00	22.64	55.02	30.10
<b>Trading</b>																
Agostini's	Sep-30	18.6	9.0	55.0	25.0	0.86%	56.45	2.38%	19.09	10.50	0.00	0.00%	36.6	28.69	10.50	8.30
BWIA	Dec-31	0.0	0.0	0.0	0.0	0.00%	0.00	0.00%	0.00	0.30	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	0.0	0.0	0.0	0.0	0.00%	0.00	0.00%	0.00	0.62	0.00	0.00%	0.5	124.00	0.62	0.50
LJ Williams B	Dec-31	0.0	0.0	0.0	0.0	0.00%	0.00	0.00%	0.00	1.21	0.00	0.00%	4.80	25.21	1.50	1.10
Prestige Holdings	Nov-30	39.1	24.0	39.1	24.0	2.34%	26.23	2.34%	26.23	10.25	0.14	1.38%	39.8	25.73	10.25	7.01
<b>Property</b>																
PLIPDECO	Dec-31	126.00	21.0	126.00	21.0	0.95%	17.46	0.95%	17.46	22.00	0.00	0.00%	126.0	17.46	22.00	16.85
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
<b>Manufacturing</b>																
Angostura Holdings	Dec-31	29.0	12.0	29.0	12.0	2.45%	16.90	2.45%	16.90	4.90	0.00	0.00%	29.0	16.90	5.61	4.70
Berger Paints Trinidad	Dec-31	0.0	17.0	0.0	17.0	5.06%	0.00	5.06%	0.00	3.36	0.00	0.00%	39.0	8.62	4.75	3.10
Caribbean Comm Network	Dec-31	80.0	44.0	80.0	44.0	2.44%	22.50	2.44%	22.50	18.00	2.64	17.19%	80.0	22.50	18.00	7.15
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	4.05
National Flour Mills	Dec-31	13.6	13.0	13.6	13.0	4.56%	20.96	4.56%	20.96	2.85	0.00	0.00%	13.6	20.96	3.20	2.80
Readymix (West Indies)	Dec-31	24.0	9.0	24.0	9.0	1.29%	29.17	1.29%	29.17	7.00	0.00	0.00%	24.0	29.17	7.20	6.15
Trinidad Cement	Dec-31	67.0	20.0	67.0	20.0	1.67%	17.91	1.67%	17.91	12.00	-0.75	-5.88%	68.0	17.65	12.99	6.02
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	7.25
Unilever Caribbean Limited	Dec-31	119.0	110.0	119.0	110.0	3.76%	24.61	3.76%	24.61	29.29	0.00	0.00%	119.0	24.61	29.36	29.00
West Indian Tobacco Co.	Dec-31	116.6	114.0	116.6	114.0	5.18%	18.87	5.18%	18.87	22.00	-0.56	-2.48%	116.6	18.87	22.70	17.70