

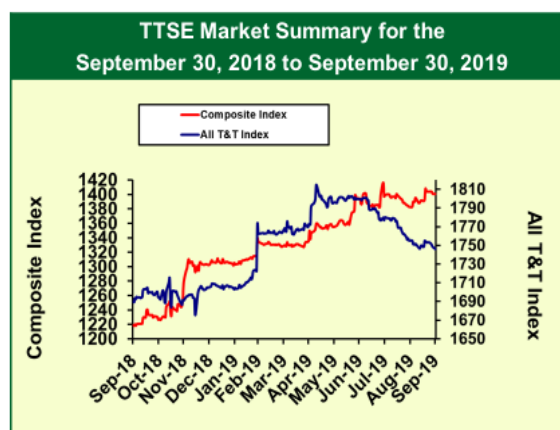
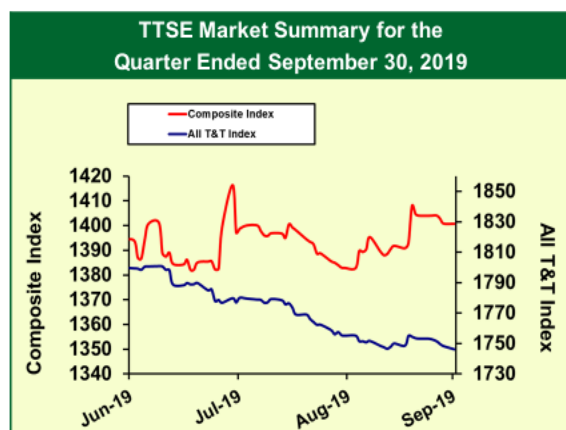


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NINE MONTH 2019 REVIEW

Local Market Summary

For the Nine Months ended September 30, 2019, three Indices closed in positive territory, while one closed in red. The Composite Index rose by 7.54 per cent or 98.27 points to close at 1,400.75, the All Trinidad and Tobago Index was up 2.41 per cent or 41.01 points to end at 1,746.18 and the Cross Listed Index increased by 17.68 per cent or 21.49 points to close at 143.06. The Small Medium Enterprises Index fell by 27.00 per cent or 27.00 points to end at 73.00. The advance to decline ratio ended the nine month period at 15 to 9.



The trading activity on the First Tier Market for the 2019 nine month period increased by 12.43 per cent with 57,921,319 shares traded compared to 51,516,890 shares traded in NM18. Q319 on Q318, the market activity was up 32.26 per cent from 17,828,341 shares in Q318 to 23,579,906 shares in Q319. The value of shares traded decreased by 0.62 per cent for the nine month period from \$804,095,914 in NM18 to \$799,096,023 in NM19. 2019 on 2018, the value of shares traded was down, 12.84 per cent from \$302,903,664 (Q318) to \$264,010,943 (Q319).

JMMB Group Limited (JMMBGL) was the volume leader for NM19 with 24.43 per cent of the market or 14,238,679 shares traded. GraceKennedy Limited (GKC) was next with 13.79 per cent of the total volume traded or 7,985,708 shares, followed by Sagicor Financial Corporation Limited (SFC) with 12.94 per cent of all trades or 7,494,600 shares traded. The fourth volume leader was Trinidad and Tobago NGL Limited (NGL) with 8.00 per cent of market activity or 4,632,050 shares changing hands. Next was NCB Financial Group Limited (NCBFG) which accounted for 7.34 per cent of the trading volume during the period with 4,251,865 shares crossing the floor. For the past five years JMMBGL, SFC and NCBFG have been in the top five volume leaders, during the nine month period the year.

On the TTD Mutual Fund Market, 5,697,623 CLICO Investment Fund (CIF) units traded in NM19 with a value of \$126,222,315 compared to NM18 which saw 5,079,199 units traded with a value of \$99,573,203. CIF's share price rose 20.32 per cent or \$4.07 to close NM19 at \$24.10. In addition, 79,147 units of Calypso Macro Index Fund (CALYP) traded in NM19 with a value of \$1,156,886 and the unit price increased by 3.33 per cent or \$0.50 to end the 2019 nine month period at \$15.50.



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CinemaOne Limited (CINE 1) on the Small and Medium Enterprise Market saw 15,934 shares traded in NM19 with a value of \$130,418.25. CINE1's share price close NM19 at \$7.30, a decrease of 27.00 per cent or \$2.70.

On the USD Equity Market, MPC Caribbean Clean Energy Limited (MPCCEL) closed at US\$1.00 with no shares traded in NM2019.

LJ Williams Limited - B (LJWB) was the top performer for NM19, up 33.33 per cent or \$0.25 to close at \$1.00, which was its 52 week high. The second major advance was NCBFG, registering a 22.39 per cent gain or \$1.91 to end at \$10.44. JMMBGL followed, rising 20.00 per cent or \$0.35 to close the period under review at \$2.10.

Top 5 Advances for NM19				
Rank	Company	Open	Close	Change
1	LJWB	\$0.75	\$1.00	33.33%
2	NCBFG	\$8.53	\$10.44	22.39%
3	JMMBGL	\$1.75	\$2.10	20.00%
4	FIRST	\$33.97	\$40.19	18.31%
5	MASSY	\$47.00	\$54.45	15.85%
Top 5 Declines for NM19				
Rank	Company	Open	Close	Change
1	GML	\$15.00	\$8.75	-41.67%
2	NEL	\$8.00	\$5.76	-28.00%
3	TCL	\$2.73	\$2.04	-25.27%
4	NGL	\$29.10	\$25.00	-14.09%
5	SBTT	\$64.25	\$58.51	-8.93%

Top 5 Advances for Q319				
Rank	Company	Open	Close	Change
1	FCI	\$8.32	\$9.25	11.18%
2	NCBFG	\$9.77	\$10.44	6.86%
3	GKC	\$3.21	\$3.30	2.80%
4	SFC	\$10.00	\$10.21	2.10%
5	RHFL	\$121.00	\$121.80	0.66%
Top 5 Declines for Q319				
Rank	Company	Open	Close	Change
1	GML	\$12.75	\$8.75	-31.37%
2	TCL	\$2.55	\$2.04	-20.00%
3	PHL	\$9.48	\$8.10	-14.56%
4	NEL	\$6.66	\$5.76	-13.51%
5	NGL	\$28.51	\$25.00	-12.31%

The major decline for NM19 was Guardian Media Limited (GML) down 41.67 per cent or \$6.25 to close at \$8.75, its 52 week low. National Enterprises Limited (NEL), was next, down 28.00 per cent or \$2.24 to end at \$5.76. This was followed by Trinidad Cement Limited (TCL), which posted a 25.27 per cent drop or \$0.69 to close NM19 at \$2.04. For the past four quarters NEL has been in the top five declines.

Third Quarter Dividend Payments

Security	Dividend	Ex-Div Date	Record Date	Payment Date
FIRST	\$0.37 (I)	13.08.19	15.08.19	30.08.19
AHL	\$0.09 (I)	09.08.19	13.08.19	30.08.19
GHL	\$0.24 (I)	19.08.19	21.08.19	10.09.19
NGL	\$0.50 (I)	21.08.19	23.08.19	10.09.19
GKC	J\$0.40 (I)	04.09.19	06.09.19	26.09.19
OCM	\$0.20 (I)	05.09.19	09.09.19	30.09.19

Security	Dividend	Ex-Div Date	Record Date	Payment Date
JMMBGL	J\$0.28 (I)	11.06.19	13.06.19	05.07.19
FCI	US\$0.0125 (I)	17.06.19	21.06.19	05.07.19
FCI	US\$0.0159 (S)	17.06.19	21.06.19	05.07.19
CALYP	\$0.13 (I)	13.06.19	17.06.19	08.07.19
NFM	\$0.07 (F)	21.06.19	25.06.19	09.07.19
SBTT	\$0.50 (I)	17.06.19	21.06.19	15.07.19
AHL	\$0.15 (F)	10.07.19	12.07.19	26.07.19
PHL	\$0.12 (I)	06.08.19	08.08.19	20.08.19
CIF	\$0.33 (I)	25.07.19	29.07.19	21.08.19
WCO	\$1.16 (I)	30.07.19	02.08.19	21.08.19
NCBFG	\$0.90 (I)	09.08.19	13.08.19	27.08.19

All dividends quoted in Trinidad and Tobago Dollars unless otherwise stated.



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Equity Highlights for the Third Quarter 2019

July 2019

- 5,696 Ordinary Shares of Republic Financial Holdings Limited were listed on the Stock Exchange on Wednesday 10th July 2019 and will become effective on 11th July 2019, thus increasing the Company's issued share capital to 162,616,878 Ordinary Shares.

August 2019

- 29,591 Ordinary Shares of GraceKennedy Limited were listed on the Stock Exchange on 21st August 2019 and will become effective on Thursday 22nd August 2019, thus increasing the Company's issued share capital to 994,916,483 Ordinary Shares.

Fixed Income Market Summary for the Third Quarter 2019

- As indicated in the September 2019 Monetary Policy Announcement released by the Central Bank of Trinidad & Tobago (CBTT), headline inflation stands at 1.20 per cent in August 2019 and unchanged from the last report in June 2019. The repo rate has remains at 5.00 per cent since June 2018.
- In September 2019, the average yield on the 3-month, 6-month and 1-year Open Market Operations (OMO) or Debt Auctions stood at 1.11 per cent, 1.49 per cent and 2.43 per cent from 1.30 per cent, 1.90 per cent and 2.66 per cent respectively one year earlier.
- The Commercial Banks Liquidity closed the third quarter of the year with an excess reserve of \$4.8 B compared to \$2.1 B in the second quarter, up by \$2.7 B.
- (Oppenheimer) – Telecommunications Services of Trinidad and Tobago Limited (TSTT) announced that it intends to make an international offering of US dollar denominated bonds and Trinidad and Tobago dollar denominated bonds, subject to market conditions and applicable corporate and regulatory approvals. The proceeds of the offering will be used primarily for the purpose of refinancing existing indebtedness.
- On September 27 2019, S&P Global Ratings raised its long-term foreign and local currency sovereign credit ratings on Jamaica to 'B+' from 'B'. The outlook is stable. At the same time, S&P Global Ratings affirmed its 'B' short-term foreign and local currency sovereign credit ratings on the country. S&P Global Ratings also raised its transfer and convertibility assessment to 'BB-' from 'B+'.

Overview

- Jamaica has made material progress in achieving macroeconomic stability and strengthening of its external position, improving its ability to withstand external shocks.
- As a result, we are raising our long-term foreign and local currency sovereign credit ratings on Jamaica to 'B+' from 'B' and affirming our short-term foreign and local currency sovereign credit ratings at 'B'.
- The stable outlook reflects our expectation that Jamaica will continue to bolster its fiscal resilience through continued public-sector reform, a declining debt burden, and will generate modest real GDP growth.



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Outlook

The stable outlook reflects our view that, in the next 12 months, Jamaica's fiscal policy will remain broadly consistent following the expiry of its IMF Stand-by Arrangement (SBA) in November 2019. We expect that the government will continue to deliver robust primary fiscal surpluses, leading to a gradual reduction in debt and interest burdens, and helping to boost external reserves. We also expect that the country will be able to maintain its growth momentum, with modest GDP growth, and that the government will continue advancing toward a more effective monetary policy framework for the central bank, including a more flexible exchange rate.

- On July 9, 2019, S&P Global Ratings lowered its long-term foreign and local currency sovereign credit ratings on the Republic of Trinidad and Tobago to 'BBB' from 'BBB+'. The outlook is stable. At the same time, S&P Global Ratings affirmed its 'A-2' short-term foreign and local currency sovereign credit ratings on the country. S&P Global Ratings also revised down its transfer and convertibility assessment to 'BBB+' from 'A'.

The downgrade reflects lower than expected energy production and economic growth that we believe will weaken the government's revenue base and delay plans to balance its budget by the 2020-2021 fiscal year. It also reflects delays in making institutional reforms to strengthen tax revenue collection and to improve the provision of timely economic data. These factors weaken the country's resilience against external shocks.

The investment-grade ratings continue to reflect Trinidad and Tobago's favourable external profile and stable democracy. They also reflect the country's solid level of government financial assets that mitigate the effect of economic cycles on Trinidad and Tobago's fiscal and external performance. The country accumulated savings over the past decade that stabilize the economy in the face of fluctuating commodity prices. This is particularly relevant for Trinidad and Tobago given the economy's concentration in the energy sector, which represents over one-quarter of GDP, over a third of government revenues, and over 80% of exports. Nevertheless, the sector's sharp downturn over the past several years and the limited effectiveness of policy response particularly given a heavily managed exchange rate and a small open economy that we believe limit the role of monetary policy pose risks to the country's ability to respond to shocks. Our ratings also reflect the country's poor long-term growth performance, with a per capita GDP contraction of 0.4% on average over the last ten years.

The revised transfer and convertibility assessment reflects our view of a higher likelihood of Trinidad and Tobago restricting non sovereign access to foreign exchange needed to satisfy non sovereign debt service obligations. We now view this risk as only slightly lower than the sovereign foreign currency rating, as informed by the country's persistent foreign exchange restriction, economic policy orientation, and external policy flexibility.



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Key Rates

	Sep 2019	Aug 2019	Sep 2018
3 Month OMO / Debt Auction	1.11%	1.30% ⁽¹⁾	1.30%
6 Month OMO / Debt Auction	1.49%	1.90% ⁽²⁾	1.84%
1 Year OMO	2.43%	2.66% ⁽³⁾	2.75%
	Sep 2019	Jun 2019	Sep 2018
Repo Rate	5.00%	5.00%	5.00%
	Aug 2019	May 2019	Aug 2018
Headline Inflation	1.20%	1.20%	1.10%
Source: Central Bank of Trinidad and Tobago			
⁽¹⁾ based on last 3 months auction held on March 13, 2019			
⁽²⁾ based on last 6 months auction held on April 15, 2019			
⁽³⁾ based on last 12 months auction held on July 18, 2019			

Energy Prices

	Value as at Sep 30, 2019	Q319 Change	Q319 % Change	YTD Change	YTD % Change
WTI Crude Oil Spot (US\$/bbl)	54.07	-4.40	-7.53%	8.66	19.07%
Henry Hub Natural Gas Spot (US\$/mmbtu)	2.37	-0.05	-2.07%	-0.88	-27.08%
Source: Bloomberg					



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Gas Prices

	Value as at Sep 30, 2019	Q319 Change	Q319 % Change	YTD Change	YTD % Change
Propane (US\$/bbl)	45.13	-3.25	-6.72%	-18.88	-29.49%
Butane (US\$/bbl)	54.75	10.75	24.43%	-14.75	-21.22%
Natural Gas (US\$/bbl)	107.25	-6.50	-5.71%	12.25	12.89%
Source: Bloomberg					

Global Market Indices

	Value as at Sep 30, 2019	Q319 Change	Q319 % Change	YTD Change	YTD % Change
US					
DOW	26,916.83	316.87	1.19%	3,589.37	15.39%
S&P 500	2,976.74	34.98	1.19%	469.89	18.74%
NASDAQ	7,999.34	-6.90	-0.09%	1,364.06	20.56%
EUROPE					
FTSE 100	7,408.21	-17.42	-0.23%	680.08	10.11%
DAX 30	12,428.08	29.28	0.24%	1,869.12	17.70%
CAC 40	5,677.79	138.82	2.51%	947.10	20.02%
ASIA					
Nikkei 225	21,755.84	479.92	2.26%	1,741.07	8.70%
Hang Seng	26,092.27	-2,450.35	-8.58%	246.57	0.95%
Source: Bloomberg					

(Statistics provided were based on price and indices data available as at September 30, 2019)



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