

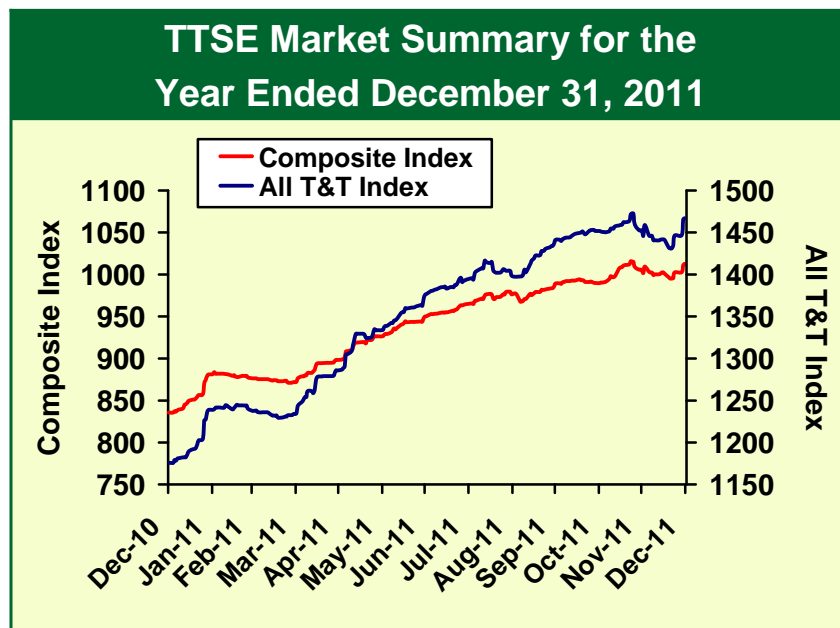


## YEAR END 2011 REVIEW

### Local Market Summary

The local equity market for the Year Ended December 31, 2011 (YE11) saw all three Indices post double-digit gains. The Composite Index added 177.23 points or 21.21 per cent to end the year at 1,012.87, the All Trinidad and Tobago Index increased 291.21 points or a notable 24.77 per cent to 1,466.95 and the Cross Listed Index registered an increase of 8.48 points or 13.78 per cent to close the year at 70.01. In Q411 alone, the Composite Index, All Trinidad and Tobago Index and Cross Listed Index recorded advances of 2.38 per cent, 1.79 per cent and 3.76 per cent respectively. Overall the year saw 20 stocks advancing and 8 declining.

Table 1



The First Tier Market of the Trinidad and Tobago Stock Exchange saw an outstanding increase in market activity for YE11 with 564,087,946 shares traded compared to 77,562,527 shares in 2010. Q411 on Q410, volumes traded rose from 12,858,163 shares (Q410) to 14,356,130 shares (Q411). When compared to the previous quarter (Q311), volumes traded declined from 504,025,252 shares. The substantial boost in trading activity is mainly attributable to the fact that 472,006,746 shares of Jamaica Money Market Brokers Limited (JMMB) traded in Q311. The value of shares traded rose a considerable 19.02 per cent from \$864,541,220.95 in YE10 to \$1,029,002,724.57 in YE11.

For the 12 month period under review, four of the five most traded stocks were Jamaican cross listed companies. JMMB was the volume leader with 84.33 per cent of the market or 475,692,248 shares traded. National Commercial Bank Jamaica Limited (NCBJ) followed with 4.24 per cent of the total volume traded or 23,929,845 shares. The third volume leader was Capital and Credit Financial Group Limited (CCFG) accounting for 1.82 per cent of all trades with 10,278,957 shares changing ownership. Next was Angostura Holdings Limited (AHL) with 1.76 per cent or 9,936,255 shares traded. Supreme Ventures Limited (SVL) rounded the top five with 1.01 per cent of trading activity or 5,716,624 shares.



The top performer for YE11 was JMMB, up a noteworthy 223.08 per cent or \$0.58 to close at \$0.84. This share closed the year at J\$12.40 in Jamaica, an increase of 210.00 per cent or J\$8.40. The second major advance was CCFG, rising a notable 77.78 per cent or \$0.14 to \$0.32. Next in line was Prestige Holdings Limited (PHL) which posted a 63.93 per cent gain or \$2.73 to end the year at \$7.00.

**Table 2**

Top 5 Advances for YE11					Top 5 Advances for Q411				
Rank	Company	Open	Close	Change	Rank	Company	Open	Close	Change
1	JMMB	\$0.26	\$0.84	223.08%	1	JMMB	\$0.70	\$0.84	20.00%
2	CCFG	\$0.18	\$0.32	77.78%	2	GHL	\$13.25	\$14.50	9.43%
3	PHL	\$4.27	\$7.00	63.93%	3	WCO	\$56.75	\$61.35	8.11%
4	NCBJ	\$1.46	\$2.16	47.95%	4	AGL	\$12.57	\$13.56	7.88%
5	NEL	\$10.28	\$15.00	45.91%	5	FCI	\$8.51	\$9.10	6.93%
Top 5 Declines for YE11					Top 5 Declines for Q411				
Rank	Company	Open	Close	Change	Rank	Company	Open	Close	Change
1	TCL	\$2.80	\$1.79	-36.07%	1	NFM	\$0.90	\$0.70	-22.22%
2	OCM	\$17.00	\$11.50	-32.35%	2	TCL	\$2.17	\$1.79	-17.51%
3	NFM	\$0.92	\$0.70	-23.91%	3	AHL	\$8.74	\$7.75	-11.33%
4	LJWB	\$1.10	\$0.94	-14.55%	4	SFC	\$8.96	\$7.99	-10.83%
5	BST	\$27.93	\$25.49	-8.74%	5	NEL	\$15.99	\$15.00	-6.19%

For YE11, Trinidad Cement Limited (TCL) registered the largest loss of 36.07 per cent or \$1.01 to \$1.79. One Caribbean Media Limited (OCM) followed with a decline of 32.35 per cent or \$5.50 to close at \$11.50. The third major decline was National Flour Mills (NFM), which dropped 23.91 per cent or \$0.22 to \$0.70.

### Highlights for the Fourth Quarter of 2011

#### December 2011

- The following bonds were delisted from the Stock Exchange on Thursday December 22, 2011:
  - TT\$500 Million bond issued by Scotiabank Trinidad & Tobago Limited with a coupon rate of 8.35% per annum and maturity date of February 15, 2014.
  - TT\$300 Million bond issued by Scotiabank Trinidad & Tobago Limited with a coupon rate of 8.45% per annum and maturity date of August 15th 2015.

The delisting is pursuant to an Extraordinary Resolution that was passed by Bondholders on November 29, 2011 approving a Deed of Variation, which entails the cancellation of existing Bond certificates and the issuance of new Certificates in Restated bonds.

- Angostura Holdings Limited informed the Exchange that Mr. Robert G. Wong was appointed as Chief Executive Officer of the company effective from January 1, 2012.
- The Trinidad and Tobago Stock Exchange Limited (the Exchange) advised the investing public that pursuant to Exchange Rule 115, trading in The Barbados Shipping & Trading Company Limited (BST) was suspended effective Wednesday December 14, 2011. Pursuant to the amalgamation of BST and BS&T Holdings Limited, effective September 30, 2011, Neal & Massy Holdings Limited (NML) became the owner of 100% of the issued and outstanding shares of BST. In completion of this transaction NML has begun paying minority shareholders for their shares in BST. As a result there would be no further trading in BST.
- Prestige Holdings Limited (PHL) announced that under an Agreement dated December 1, 2011, it will acquire 100% of the Subway Restaurant business in Trinidad and Tobago and related assets from Main



Stream Foods Limited with effect from said date. The purchase consideration of \$110 million will be financed by: (i) an unsecured loan of \$65 million bearing a fixed interest rate of 7.5% on the principal balance, from Victor E Mouttet Limited, the Parent Company, (of which \$5 million will be repayable in each of the succeeding three years), and an interest free vendor's loan of \$45 million repayable eighteen months from close of the transaction. The Parent Company's loan is convertible to common shares at PHL's option, through a Right's Issue of up to \$50 million.

#### *November 2011*

- Supreme Ventures Financial Services Limited (SVFSL) signed an agreement with Lasco Financial Services Limited, for that company to take over the MoneyGram remittance operations of SVFSL. The transaction has been approved by MoneyGram International. This transaction is subject to the approval of the Bank of Jamaica. The consideration for this deal is J\$38 million and Lasco Financial expects this transaction to be accretive to earnings. The acquisition proceedings are expected to conclude on December 1, 2011. Mayberry Investments Limited is the financial advisor on record for this transaction.
- 106,270 Ordinary Shares in GraceKennedy Limited was listed on the Stock Exchange effective Thursday November 24, 2011 thus increasing the Company's issued share capital to 332,329,468 Ordinary Shares.
- 127,850 Ordinary Shares in Ansa McAL Limited was listed on the Stock Exchange effective Thursday November 24, 2011 thus increasing the Company's issued share capital to 176,057,905 Ordinary Shares.
- On Wednesday November 23, 2011 a bond issued by the Government of the Republic of Trinidad and Tobago with a face value of TT\$1,500 million was listed on the Stock Exchange.
- 10,967 Ordinary Shares in Republic Bank Limited was listed on the Stock Exchange effective Tuesday November 15, 2011 thus increasing the Company's issued share capital to 160,616,301 Ordinary Shares.

#### *October 2011*

- BCB Holdings Limited announced at the General Meeting of the Company held on October 26 that a resolution approving the reorganisation of the Company and its subsidiaries (the "Group") by the demerger of the Group's non-Belizean businesses to Waterloo Investment Holdings Limited ("WIHL") was approved. The board of directors of the Company also approved all relevant steps and the demerger is now effective.
- At the Special Meeting of Shareholders of The Barbados Shipping & Trading Company Limited ("BS&T") held on Monday September 19, 2011, the Special Resolution ("Resolution") before the Meeting was passed, approving the amalgamation of BS&T and its majority Shareholder, BS&T Holdings Limited. In accordance with the provisions of Section 212(2)(a) of the Companies Act, the effective date of the amalgamation of BS&T and BS&T Holdings Limited is September 30, 2011, the date shown on the Certificate of Amalgamation issued by the Registrar of Companies.
- 266,081 Ordinary Shares in GraceKennedy Limited was listed on the Stock Exchange effective Thursday October 13, 2011 thus increasing the Company's issued share capital to 332,223,198 Ordinary Shares.
- 8,300 Ordinary Shares in Neal & Massy Holdings Limited was listed on the Stock Exchange effective Wednesday October 5, 2011 thus increasing the Company's issued share capital to 99,368,187 Ordinary Shares.



### ***Fixed Income Market Summary***

On December 30, 2011, the Central Bank of Trinidad and Tobago (CBTT) announced that Headline Inflation, measured by the 12-month increase in the Index of Retail Prices, rose to 5.70 per cent in November 2011, up from 3.70 per cent in October. According to the report, higher food prices were primarily responsible for the acceleration in headline inflation. Food inflation, for the first time in six months, reached double digits to 12.30 per cent in November on a year-on-year basis. This increase may have been the result of flooding in some agricultural districts which disrupted domestic food crop production and caused substantial increases in the prices of fruits and vegetables. Core inflation (which excludes food prices) slowed to 1.40 per cent in November from 1.60 per cent in October 2011.

High levels of excess liquidity in the financial system have kept short-term interest rates at record lows. The three month treasury bill rate rose to 0.28 per cent in December, from 0.23 per cent in November. The Central Bank has maintained the Repo Rate, the rate at which it lends to commercial banks, at 3.00 per cent.

### ***Jamaica Market Summary***

The three major Indices in Jamaica closed 2011 in positive territory. The major benchmark, the JSE Market Index advanced 10,076.38 points or 10.57 per cent to 95,297.20, the JSE Select Index gained 681.82 points or 23.72 per cent to 2,874.01 and the JSE All Jamaican Composite ended the year at 102,178.79, up 21,384.99 points or 20.93 per cent. In Q411 alone, the JSE Market Index, JSE Select Index and JSE All Jamaican Composite increased 3.74 per cent, 5.60 per cent and 5.93 per cent respectively.

A total of 1,527,309,508 shares crossed the floor of the Jamaican Stock Exchange in 2011, a decline of 42.18 per cent when compared to the 2,641,537,836 shares traded in the prior year. However, Q411 on Q410, trading activity was up 61.06 per cent from 296,602,903 shares in Q410 to 477,721,404 shares in Q411. The value of shares traded for the year under review totalled J\$18,101,098,518.94, an increase of 4.35 per cent from 2010's total of J\$17,347,220,757.68. Cable and Wireless Jamaica Limited (CWJA) was the volume leader with 289,218,323 shares traded or 18.94 per cent of the market. This was followed by National Commercial Bank Jamaica Limited (NCBJ) with 181,302,279 shares changing ownership or 11.87 per cent of the total volume traded. The third volume leader was Supreme Ventures Limited (SVL) with 120,010,078 shares changing hands or 7.86 per cent of all trades.

Jamaica Money Market Brokers Limited (JMMB) was the top gainer for the year, up 210.00 per cent or J\$8.40 to J\$12.40 followed by Barita Investments Limited (BIL), which saw an increase of 136.68 per cent or J\$2.72 to J\$4.71. Next was Pegasus Hotels of Jamaica (PEG), advancing 87.26 per cent or J\$10.48 to close the year at J\$22.49. The major decline for the year was Trinidad Cement Limited (TCL), which fell 65.45 per cent or J\$34.69 to J\$18.31. CWJA was next in line down 39.39 per cent or J\$0.13 to J\$0.20. This was followed by Salada Foods Jamaica (SAL), which saw a 31.77 per cent drop or J\$4.13 to J\$8.87.



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### Energy Prices

	Value as at Dec 31, 2011	Q411 Change	Q411 % Change	YTD Change	YTD % Change
WTI Crude Oil Spot (US\$/bbl)	98.83	19.63	24.79%	7.45	8.15%
Henry Hub Natural Gas Spot (US\$/mmbtu)	2.98	-0.69	-18.80%	-1.25	-29.55%
<i>Source: Bloomberg</i>					

### Global Market Indices

	Value as at Dec 31, 2011	Q411 Change	Q411 % Change	YTD Change	YTD % Change
<b>US</b>					
DOW	12,217.56	1,304.18	11.95%	640.05	5.53%
S&P 500	1,257.60	126.18	11.15%	-0.04	-0.003%
NASDAQ	2,605.15	189.75	7.86%	-47.72	-1.80%
<b>EUROPE</b>					
FTSE 100	5,572.30	443.80	8.65%	-327.60	-5.55%
DAX 30	5,898.35	396.33	7.20%	-1,015.84	-14.69%
CAC 40	3,159.81	177.85	5.96%	-644.97	-16.95%
<b>ASIA</b>					
Nikkei 225	8,455.35	-244.94	-2.82%	-1,773.57	-17.34%
Hang Seng	18,434.39	841.98	4.79%	-4,601.06	-19.97%

(Statistics provided were based on price and indices data available as at December 31, 2011)

#### West Indies Stockbrokers Limited

Member of the Trinidad and Tobago Stock Exchange Limited

P.O. Box 259, St. Clair Place, 8 Sweet Briar Road, Port of Spain, Trinidad W.I.

TEL: (868) 628-WISE (9473) FAX: (868) 622-5002 EMAIL: info@wisett.com

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