



Wealth Management & Financial Services Unit Newsletter

## MONTHLY INVESTMENT NEWSLETTER JULY 2021

**9**

Issues

**\$186.4M**

Capital  
Raised

**6** OF THE **9**

Offers  
Oversubscribed

**4**

Equity issuers  
with trading  
activity

**\$144.09**

ECSE  
Share Index

## ISSUER ACTIVITIES

### 1. Debt Securities

#### a. Securities issued during the month:

1. The Debt Market was very active with 9 issues, originating from 4 Governments of the 8 ECCU Territories; compared to 7 issues during the same period in 2020 by the same Issuers.
2. The 4 Governments sought to raise \$201M, with a total of \$186.4M actually raised.
  - a. Oversubscribed with \$27.2M in unsatisfied bids.
  - b. The undersubscribed Offers meanwhile fell short by \$14.6M
3. 56 % of issues closed at the maximum rate at an average rate of 3.71%. The remaining 44% closing at about 1.31 percentage points below the maximum rate.
4. 78% of the issues being short term instruments; with a Bond of a 7year maturity having the longest tenure.

Table 1: Debt Instruments issued during the month of July 2021

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	TERM	MATURITY	YEILD	MAX RATE	SUBSCRIPTION RATE
08/07/2021	GDB081021	Government of Grenada	91-day Treasury Bill	20,000,000.00	91 Days	08/10/2021	2.25%	3.50%	oversubscribed
12/07/2021	VCB121021	Government of St. Vincent & the Grenadines	91-day Treasury Bill	\$28,000,000.00	91 Days	10/12/2021	3.50%	3.50%	oversubscribed
14/07/2021	LCG070728	Government of St. Lucia	Gov't Bond	\$30,000,000.00	7 Years	15/07/2028	7.10%	7.10%	undersubscribed
19/07/2021	LCB191021	Government of St. Lucia	91-day Treasury Bill	\$16,000,000.00	91 Days	19/10/2021	2.50%	3.50%	oversubscribed
20/07/2021	LCN210723	Government of St. Lucia	Treasury Note	\$16,000,000.00	2 Years	21/07/2023	4.50%	4.50%	oversubscribed
21/07/2021	LCB180122	Government of St. Lucia	180-day Treasury Bill	25,000,000.00	180 Days	18/01/2022	4.00%	4.00%	undersubscribed
26/07/2021	AGB230122	Government of Antigua & Barbuda	180-day Treasury Bill	\$20,000,000.00	180 Days	23/01/2022	4.00%	4.00%	undersubscribed
28/07/2021	LCB281021	Government of St. Lucia	91-day Treasury Bill	\$16,000,000.00	91 Days	28/10/2021	2.50%	3.50%	oversubscribed
29/07/2021	GDB300722	Government of Grenada	365-day Treasury Bill	\$25,000,000.00	365 Days	30/07/2022	3.00%	5.00%	oversubscribed

### b. Payments during the month:

Issuers made (through the Eastern Caribbean Securities Exchange) 48 scheduled payments, as per the agreed terms and conditions for 36 instruments, issued both publicly and privately; which comprised of:

**13**

Redemptions  
(repayment in full of  
debt instruments)

**28**

Coupon  
payments

**6**

Amortization  
payments

**1**

Dividend payment  
by St. Lucia Electricity  
Services Limited

### c. Default Reports:

There were no reports of default by Issuers during the period.

[Please click this link  
for detail listing of  
payments](#)

## 2. Equity Securities

### a. The Equities Market continued to host 13 Issuers.

### b. There were 4 Issuers with trading activity during the month: SKNB, CWKN, ECFH and BOSV.

1. SKNB traded the largest volume of 23,865 shares and saw a decline of \$0.10 or 3.45% on its last closing price.
2. BOSV traded a total of 8,408 shares during the period and realized an overall increase of \$0.05 on its last closing price, moving to \$6.75.
3. The other two (2) trading Issuers maintained their closing prices at the close of reporting period.

*Table 2: Closing Prices of Equities as at July 31, 2021*

SYMBOL	DESCRIPTION	CLOSING PRICE
SKNB	St. Kitts-Nevis-Anguilla National Bank Ltd.	\$2.80
CWKN	Cable & Wireless St Kitts & Nevis Ltd.	\$3.75
ECFH	Eastern Caribbean Financial Holdings Company Ltd.	\$4.00
BOSV	Bank of St. Vincent and the Grenadines Ltd.	\$6.75
GESL	Grenada Electricity Services Limited	\$12.00
GCBL	Grenada Co-operative Bank Ltd.	\$8.88
TDC	St. Kitts Nevis Anguilla Trading & Development Company Ltd.	\$1.25
SLH	S. L. Horsford & Co Ltd.	\$2.00
BON	The Bank of Nevis Ltd.	\$3.75
SLES	St. Lucia Electricity Services Ltd.	\$20.00
DES	Dominica Electricity Services Ltd	\$3.50
RBGL	Republic Bank (Grenada) Limited	\$45.00
GPCL	Grenreal Property Corporation Limited	\$5.40

## **ISSUER HIGHLIGHTS**

### **1. Debt Issuers**

#### **a. ST. LUCIA:**

**St. Lucia onboards a new Commander-in-Chief!** On July 26th the electorate exercised their rights at the 2021 St. Lucia Elections. Philip J Pierre led the Saint Lucia Labour Party to a 13-2-2 victory at the 2021 General Election. The Prime Minister elect leads the island with a plan to stabilize the economy, implement universal health care and improve social transformation from the setbacks of the COVID-19 pandemic.

★ <https://stlucia.loopnews.com/content/pierre-be-sworn-prime-minister>

#### **b. DOMINICA:**

The geothermal project in the Roseau Valley will see the drilling of two additional wells, with financial and technical support of the World Bank. The Dominica government concluded five procurements valued at US\$ 13 million for the drilling. Prime Minister Skerrit, advised that the government expects to conclude negotiations by the end of September, and soon thereafter, to issue a notice to proceed with construction of the power plant.

★ <https://www.thinkgeoenergy.com/dominica-geothermal-projects-to-drill-additional-2-wells/>

#### **c. ST. VINCENT:**

IMF Executive Board Approves a Disbursement of US\$11.6 Million for St. Vincent and the Grenadines to address the fallout from the volcanic eruption.

★ <https://www.imf.org/en/News/Articles/2021/07/01/pr21205-st-vincent-and-the-grenadines-imf-board-disbursement-address-fallout-from-volcanic-eruption>

The Caribbean Development Bank (CDB) has approved financing of US \$5.3M for St. Vincent & the Grenadines to support the response to the La Soufriere volcanic eruption which ravaged part of the country in April 2021.

★ <https://thevoiceslu.com/2021/07/cdb-provides-us5-3-million-for-st-vincent-and-the-grenadines-volcano-recovery/>

### **2. Equity**

#### **a. There were no Annual Report releases during the reporting period.**

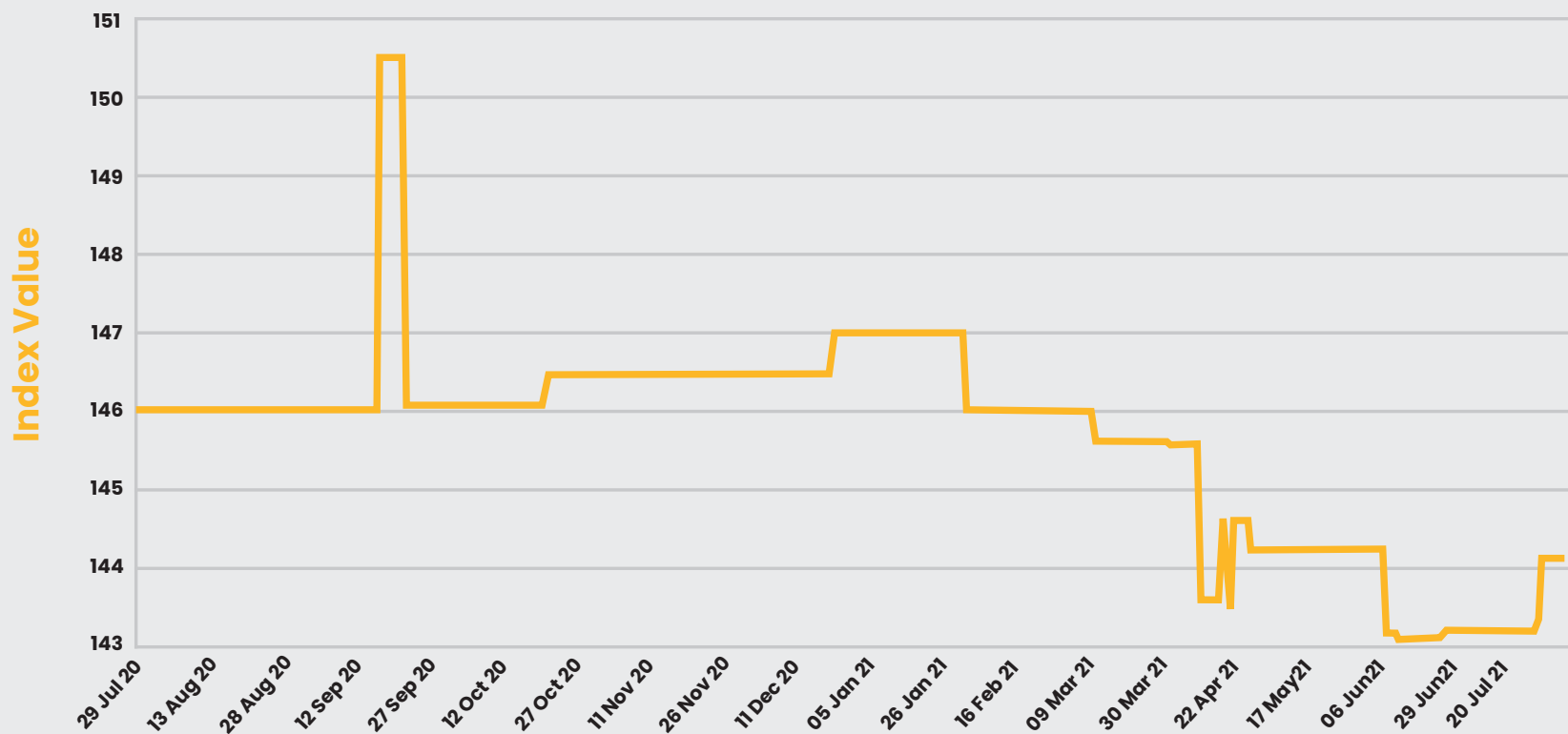
#### **b. Material Change disclosures**

One (1) Material Change Disclosure filed during the month of July; filed by the St. Lucia Electricity Services Limited, which involved potential change to the Board of Directors given the change in the country's government.

## **EASTERN CARIBBEAN SECURITIES MARKET REVIEW**

### **a. ECSE SHARE PRICE INDEX**

*Graph 1: ECSE Share Price Index July 30<sup>th</sup>, 2020 to July 30<sup>th</sup>, 2021*



The ECSE Share Price Index stood at \$144.09 as at July 30, 2021. This represents a 1.3% decline in the value of the Index when compared to the same period in 2020.

The first quarter of the calendar year saw a decline in the value of the Index with the gains in July being the first since April. In July the Index saw consistent stability over the first 20 days of the month, followed by an ascent from

July 23 to July 26th. This trajectory has since tapered-off to an increased position of stability, standing at \$144.09 at July 30, 2021.

The upward movement in the value of the Index during the month signals investors' improving confidence in the market.

### **b. National Bank of Dominica Ltd, – Rights Issue and Additional Public Offer**

The National Bank of Dominica Ltd. Though not listed on the Eastern Caribbean Securities Exchange (ECSE), offered to the public for sale 6,000,000 Ordinary Shares with the purpose of the Offer being to raise EC\$18M to meet capital requirements and to assist in the attainment of the Bank's growth objectives.

The Offer opened 21st June, 2021 and closed 16th July, at a price of \$3.50 per share. Existing shareholders were allowed to exercise their pre-emptive rights at \$3.00 per share.



## UPCOMING OFFERS:

*Table 3: Upcoming Offers for the month of August 2021.*

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	TERM	MATURITY	MAXIMUM RATE
09/08/2021	LCB060222	Government of St. Lucia	180-day Treasury Bill	\$30,000,000.00	180 Days	06/02/2022	4.00%
12/08/2021	VCB121121	Government of St. Vincent & the Grenadines	91-day Treasury Bill	\$28,000,000.00	91 days	12/11/2022	3.50%
31/08/2021	AGB010922	Government of Antigua & Barbuda	365-day Treasury Bill	\$20,000,000.00	365 days	01/09/2022	4.50%

## INVESTMENT EDUCATION CORNER:

Here are some investment strategies for your consideration:

### **Capital Preservation:**

A conservative investment strategy where the main objective is to protect the value of a portfolio's principal.

### **Income and Growth:**

A moderate investment strategy that seeks to balance the generation of income with long term capital appreciation.

### **Returns:**

A conservative investment strategy where the main objective is providing current and consistent income generation.

### **Long Term Capital Growth:**

An aggressive investment strategy that is geared towards maximizing the value of investments over the long term.

### **Disclaimer**

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### **Disclosure**

We, Grenada Co-operative Bank Limited. Hereby declare that we are an issuer of securities on the Eastern Caribbean Securities Exchange.

### **CONTACT US**

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