



Wealth Management & Financial Services

MONTHLY INVESTMENT NEWSLETTER JANUARY 2022

5

Issues

\$90.12M

Raised

2

Issues
Oversubscribed

4

Equity Issuers
with Trading
Activity

\$145.03

ECSE
Share Index

CELEBRATING 48 YEARS OF INDEPENDENCE

Happy Independence from the Board,
Management and Staff of
Grenada Co-operative Bank Limited.



ISSUER ACTIVITIES

1. Debt Securities

a. Securities issued during the month:

1. The Debt Market featured 5 issues originating from 4 Governments of the 8 ECCU territories, this compared to:
 - a. 4 issues during the same period in 2021 by 2 issuers.
 - b. 3 issues last month.
2. ECCU Governments sought to raise a total of \$104M and was successful in raising \$90.12M.

2 of the 5 issues were oversubscribed with a total of \$18.44M in unsatisfied bids.
3. 2 issues closed below the maximum rate offered; with a 2 percentage point variance being the widest margin between offered and closing rate.

3 issues closed at the maximum rate offered.
4. The securities offered were short-term with tenors of 91 days and 180 days.

Table 1: Debt Instruments Issued During January 2022

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	CLOSING RATE	MAX RATE	SUBSCRIPTION
12/01/2022	GDB140422	Government of Grenada	91-day Treasury Bill	\$15,000,000	14/04/2022	1.50%	3.50%	Oversubscribed
17/01/2022	VCB190422	Government of St. Vincent and the Grenadines	91-day Treasury Bill	\$28,000,000	19/04/2022	2.25%	3.00%	Oversubscribed
19/01/2022	LCB190722	Government of St. Lucia	180-day Treasury Bill	\$14,989,000	19/07/2022	4.00%	4.00%	Undersubscribed
21/01/2022	LCB250422	Government of St. Lucia	91-day Treasury Bill	\$14,211,000	17/03/2022	3.50%	3.50%	Undersubscribed
21/01/2022	AGB230722	Government of Antigua and Barbuda	180-day Treasury Bill	\$17,916,000	23/07/2022	4.00%	4.00%	Undersubscribed

b. Payments during the month:

Issuers made (through the Eastern Caribbean Securities Exchange) 36 scheduled payments, as per the agreed terms and conditions for 30 instruments, issued both publicly and privately; which comprised of:

7

Redemptions
(repayment in full of
debt instruments)

25

Coupon
Payments

4

Amortization
Payments

Please click this link
for detailed listing of
payments

c. Default Reports:

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

2. Equity Securities

The Equities Market continued to host 13 issuers of securities.

Table 2: Issuers with Trading Activity During The Month

SYMBOL	TRADE VOLUME	LOW PRICE	HIGH PRICE	CLOSING PRICE	CHANGE IN CLOSING PRICE (COMPARED TO DEC 31, 2021)
BON	12,163	\$3.50	\$3.50	\$3.50	\$0.00
BOSV	2,265	\$9.06	\$9.28	\$9.26	\$0.20 ↑
ECFH	500	\$3.75	\$3.75	\$3.75	- \$0.25 ↓
GCBL	2,530	\$8.88	\$9.51	\$9.51	\$0.63 ↑
GESL	500	\$11.00	\$11.00	\$11.00	- \$0.50 ↓
SKNB	6,682	\$2.80	\$2.80	\$2.80	\$0.00

Table 3: Closing Prices of Equities as at January 31, 2022

SYMBOL	DESCRIPTION	CLOSING PRICE
BON	The Bank of Nevis Ltd.	\$3.50
BOSV	Bank of St. Vincent and the Grenadines Ltd.	\$9.26
CWKN	Cable and Wireless St. Kitts & Nevis Ltd.	\$3.88
DES	Dominica Electricity Services Ltd	\$3.50
ECFH	Eastern Caribbean Financial Holdings Company Ltd.	\$3.75
GCBL	Grenada Co-operative Bank Limited	\$9.51
GESL	Grenada Electricity Services Ltd.	\$11.00
GPCL	Grenreal Property Corporation Limited	\$5.40
RBGL	Republic Bank (Grenada) Limited	\$45.00
SKNB	St. Kitts Nevis Anguilla National Bank Ltd.	\$2.80
SLES	St. Lucia Electricity Services Ltd.	\$20.00
SLH	S. L. Horsford & Co Ltd.	\$2.00
TDC	St. Kitts Nevis Anguilla Trading & Development Company Ltd.	\$1.25

ISSUER HIGHLIGHTS

1. Debt Issuers

a. GRENADA – IMF: Grenada economy recovering from COVID

The International Monetary Fund (IMF) reports that the Grenadian economy is gradually recovering from the coronavirus (COVID-19) pandemic and that the main risk to the outlook is a prolonged pandemic, with implications for recovery in tourism and offshore education sectors.

It said that the authorities' comprehensive response has been critical in limiting the impact of the pandemic and that fiscal policy in the near term aims to continue supporting the vulnerable, resilience building and aggregate demand.

The Washington-based financial institution said that the pandemic's impact on the financial sector has so far been limited, partly reflecting loan moratoria.

They further reported that the recovery in the economy has been led by construction and agriculture, supporting an expected expansion of real output by around five per cent in 2022.

Click the link for further details;

★ <https://www.nationnews.com/2022/01/15/imf-grenada-economy-recovering-covid/>





b. CDB projects regional economic growth of 9.1% in 2022

The Caribbean Development Bank (CDB) is projecting gross domestic product (GDP) growth of 9.1% across its 19 Borrowing Member Countries (BMCs) in 2022, accelerating the region's economic recovery which started in 2021.

The favourable outlook is anchored by an expected surge in the GDP of commodity-exporting economies by an estimated 17.5% on account of strong growth in Guyana (47.5%), emanating from increased oil and gas production, and a resurgence in energy production in Trinidad and Tobago as supply-side constraints are alleviated. Higher international prices for crude oil should translate into revenue windfall.

Service-exporting BMCs are forecasted to gain momentum, growing at an average rate of 4.8%, reflecting the continued inflow of international visitors. It is anticipated that this rebound is likely to strengthen during 2022 as restrictions ease, on account of strengthened protective health measures. However, the return of international passenger arrivals will depend on the acceleration of vaccination rates; effective management of the pandemic without resorting to full and lengthy lockdowns; and continued confidence in protocols established for safe travel to the region.

[Click the link for further details;](#)

★ <https://www.caribank.org/newsroom/news-and-events/cdb-projects-regional-economic-growth-91-2022>

c. No new taxes in Antigua's budget

St John's – Prime Minister Gaston Browne presented an EC\$1.64 billion 2022 budget that includes no new taxes, which his administration expects will contribute to economic growth of at least eight per cent. Pay increases for public servants were also announced.

The 2022 Budget has a financing requirement of EC\$609.6 million. It will be financed by EC\$274.3 million from Securities issued on the Regional Government Securities Market and by loans and advances of EC\$335.3 million, the prime minister said.

Noting that the 2022 Budget projections are based on a bold and deliberate strategy for economic growth, job creation, and transformation of the country, he said the projects and initiatives will be implemented this year to accelerate the pace of economic recovery and to give benefits to all citizens and residents.

The EC\$1.64 billion budget is an increase of nine per cent, or approximately EC\$130 million, over the estimated total spend of EC\$1.51 billion in 2021.

The budgetary and fiscal position points to an overall deficit of 2.6 per cent of GDP or EC\$110 million with a marginal primary surplus for 2022.

[Click the link for further details;](#)

★ <https://www.caribank.org/newsroom/news-and-events/cdb-projects-regional-economic-growth-91-2022>

2. Equity Issuers

a. Issuers with a financial year end during the period:

- St. Kitts Nevis Anguilla Trading and Development Company Limited – January 31, 2022

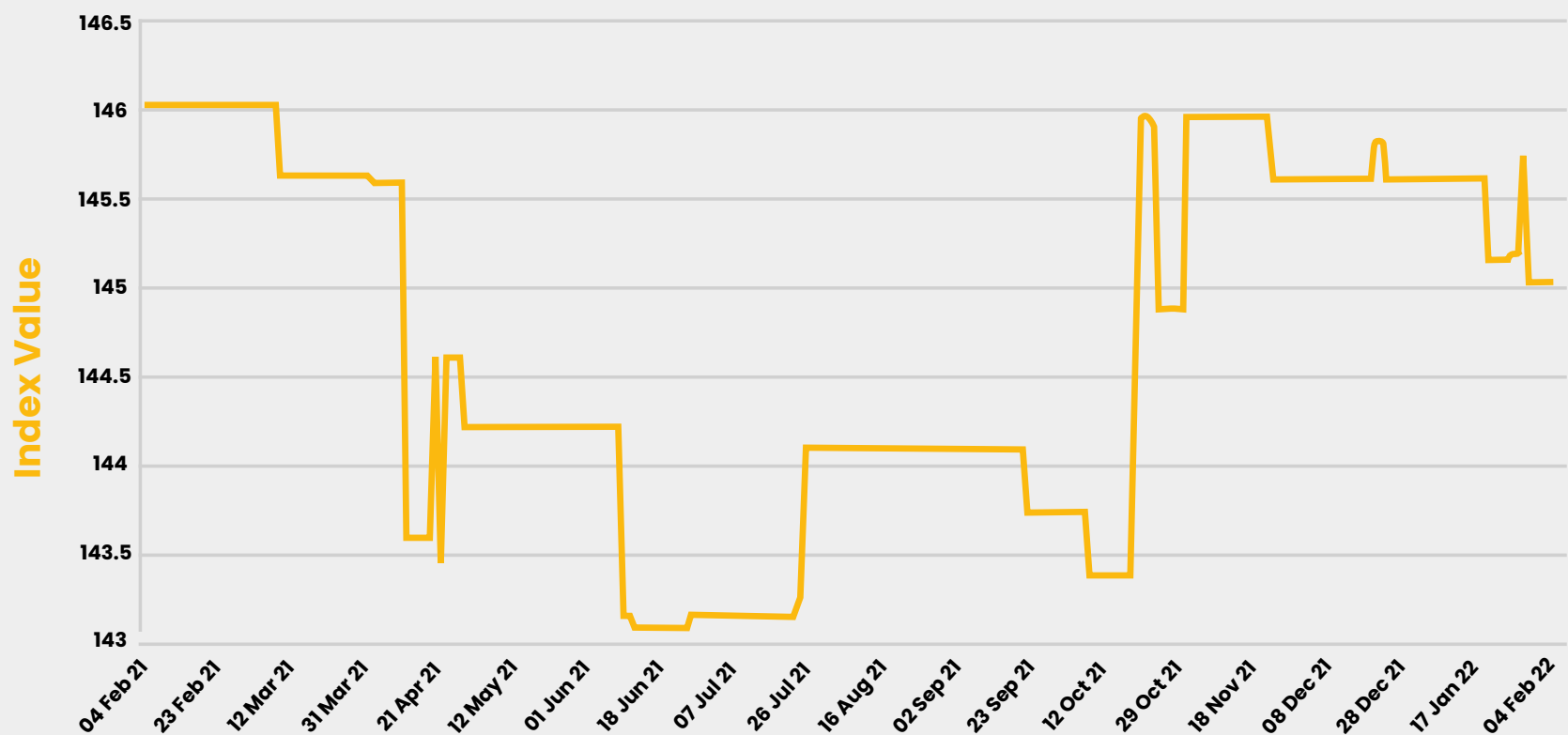
b. Grenada Co-operative Bank Limited held its Annual General Meeting on January 13th, 2022 and paid a Dividend in respect of the 2021 financial year.

c. There were no Material Change disclosures issued during the period.

EASTERN CARIBBEAN SECURITIES MARKET REVIEW

a. ECSE SHARE PRICE INDEX

Graph 1: ECSE Share Price Index February 01, 2021, to January 31, 2022



The ECSE Share Price Index stood at \$145.03, as at close of market on January 31, 2021. This represents a 1.35% decline in the value of the Index over the 2021 calendar year and a decrease of \$0.58 when compared to the value at the end of December 2021.

The index maintained stability at \$145.61 for the greater part of the month, up to January 18. Fluctuations were observed during the month with the highest gain being \$0.55 and the largest decline being \$0.71. The movement in the Index resulting from the changes referred to in Table 2 above.



UPCOMING OFFERS:

Table 3: Upcoming Offers for February 2022

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	MAXIMUM RATE
01/02/2022	LCB040522	Government of St. Lucia	91-day Treasury Bill	\$11,000,000	04/05/2022	3.50%
07/02/2022	LCB070822	Government of St. Lucia	180-day Treasury Bill	\$20,000,000	07/08/2022	4.00%
14/02/2022	GDNI50224	Government of Grenada	2 year Treasury Note	\$10,000,000	15/02/2024	5.50%
16/02/2022	VCB190522	Government of St. Vincent and the Grenadines	91-day Treasury Bill	\$28,000,000	19/05/2022	4.00%
21/02/2022	FLG060228	Government of St. Lucia	6-year US Dollar Bond	US \$17,000,000	22/02/2028	7.00%
25/02/2022	AGB280223	Government of Antigua and Barbuda	365-day Treasury Bill	\$25,000,000	28/02/2023	4.50%

INVESTMENT EDUCATION CORNER:

Company Value Determination

Book Value:

The book value of a stock is theoretically the amount of money that would be paid to shareholders if the company was liquidated and paid off all of its liabilities.

The book value equals the difference between a company's total assets and total liabilities. Book value is also recorded as shareholders' equity.

In other words, the book value is literally the value of the company according to its books (balance sheet) once all liabilities are subtracted from assets.

Market Value:

The market value is the value of a company according to the financial markets.

The market value of a company is calculated by multiplying the current stock price by the number of outstanding shares that are trading in the market.

Market value is also known as market capitalization.

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.

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