



Wealth Management & Financial Services

MONTHLY INVESTMENT NEWSLETTER SEPTEMBER 2022

3

Issues

\$73M

Raised

3

Issues
Oversubscribed

6

Equity Issuers with
Trading Activity

144

ECSE
Share Index

GRENADA CO-OPERATIVE BANK LIMITED
CELEBRATES



YEARS OF NATIONAL PRIDE
CELEBRATING OUR PAST, INSPIRING OUR FUTURE
1932-2022

Issue No: 09/2022 ■ Period: September 2022 ■ Issue Date: September 5, 2022

ISSUER ACTIVITIES

1. DEBT SECURITIES

a. Securities issued:

1. The Debt Market featured three (3) issues originating from three (3) Governments of the eight (8) ECCU territories, compared to:
 - a. Two (2) issues during the same period in 2021 by two (2) issuers.
 - b. Six (6) issues last month.
2. ECCU Governments raised a total of ECD \$73M.

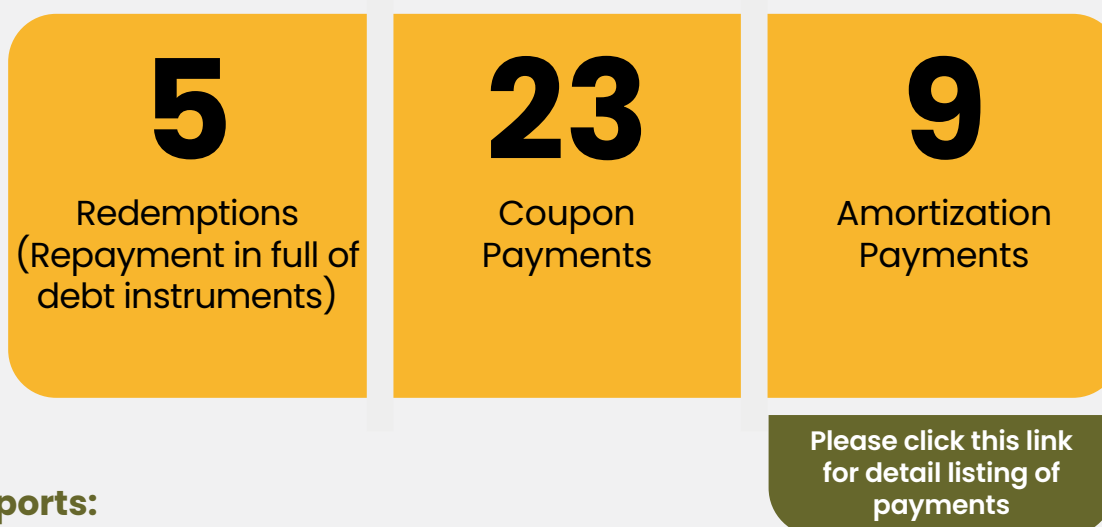
All three issues were oversubscribed with \$25M in unsatisfied bids.
3. All three issues closed below the maximum rate offered, with a 2-percentage point variance being the widest margin between offered and closing rate.
4. The securities offered were all short term, ranging from 91 days to 3 years.

Table 1: Debt Instruments Issued During September 2022

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	CLOSING RATE	MAX RATE	SUBSCRIPTION
16/09/2022	AGN200925	Government of Antigua & Barbuda	3-Year Treasury Note	\$25,000,000	20/09/2025	6.00%	6.25%	Oversubscribed
20/09/2022	VCB211222	Government of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28,000,000	21/12/2022	2.50%	3.50%	Oversubscribed
26/06/2022	DMB271222	Government of The Commonwealth of Dominica	91-Day Treasury Bill	\$20,000,000	27/12/2022	1.50%	3.50%	Oversubscribed

B. Payments during the month:

Issuers made (through the Eastern Caribbean Securities Exchange) 37 scheduled payments, as per the agreed terms and conditions for instruments, issued both publicly and privately, which comprised of:



C. Default reports:

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

2. EQUITY SECURITIES

a. The Equities Market continues to host 14 issuers of securities.

- There were trades from six (6) equity issuers in the market during the month of September.

Table 2: Issuers with Trading Activity During the Month

SYMBOL	TRADE VOLUME	HIGH PRICE	LOW PRICE	CLOSING PRICE	CHANGE IN CLOSING PRICE (COMPARED TO AUGUST 31, 2022)
BON	1000	\$3.75	\$3.75	\$3.75	\$0.00
BOSV	167	\$9.00	\$9.00	\$9.00	\$0.00
CWKN	333	\$3.75	\$3.75	\$3.75	\$0.00
GCBL	225	\$8.88	\$8.88	\$8.88	\$0.00
SLH	1,150	\$2.00	\$2.00	\$2.00	\$0.00
TDC	620	\$1.30	\$1.30	\$1.30	↑ \$0.05

Table 3: Closing Prices of Equities as at September 30th, 2022

SYMBOL	DESCRIPTION	CLOSING PRICE
BON	The Bank of Nevis Ltd.	\$ 3.75
BOSV	Bank of St. Vincent and the Grenadines Ltd.	\$ 9.00
CWKN	Cable and Wireless St. Kitts & Nevis Ltd.	\$ 3.75
DES	Dominica Electricity Services Ltd.	\$ 3.50
ECFH	Eastern Caribbean Financial Holdings Company Ltd.	\$ 3.75
GCBL	Grenada Co-operative Bank Limited	\$ 8.88
GESL	Grenada Electricity Services Ltd.	\$ 10.50
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.	\$ 1.30
WIOC	The West Indies Oil Company Limited	\$ 60.00

b. Equity Issuers with Financial Year ends during the period:

i. There were three (3) equity issuers with financial year-ends in September.

- (a) Grenada Co-operative Bank Limited (GCBL)
- (b) Republic Bank (Grenada) Limited (RBGL)
- (c) S. L. Horsford & Company Limited (SLH)

c. Material Change Disclosures:

i. Material Change disclosures are filed by Issuers as changes occur within their entities. For access to these disclosures refer to the Eastern Caribbean Securities Regulatory Commission. <https://www.ecsin.com/cms/Cmspages/details/198/category/ecsin-home-page>

d. Dividend Payments:

i. There was no dividend payment made in the month of September.

ISSUER HIGHLIGHTS

1. DEBT ISSUERS

a. Dominica & China Seek To Strengthen Relations Further

Dominica's Prime Minister Roosevelt Skerrit defended his government's decision to establish diplomatic relations with China, as Beijing reaffirmed its intention to maintain a 'profound' connection with the Caribbean Community.

Skerrit stated at the inauguration of the Dominica-China Friendship Association that his administration made the 'bold' decision to establish diplomatic ties with China in accordance with international law eighteen years ago.

In his address, China's ambassador to Dominica, Lin Chen Jiang, spoke of Dominicans' "profound relationship" with China, saying that the association represents "an important step forward in our civil society engagement."

b. Grenada To Work Out Plan To Repay Multi-million Debt Owed To Venezuela

Grenada's government announced it has already started early discussions with Venezuela regarding the repayment of more than EC \$370 million owed to the South American country.

"Venezuela was another one we had fruitful bilateral relations with, they indicated that soon they will be resuming the PetroCaribe agreement. This could not have come at a better time considering the generally high price of fuel on the international market," Foreign Affairs Minister Joseph Andall said at a weekly post-cabinet news conference.

PetroCaribe is an oil coalition of 18 Caribbean countries founded on June 29, 2005, in Puerto La Cruz, Venezuela. The deal permitted beneficiary countries to purchase oil at market value while only paying a portion of the cost up front. The remainder can be paid off over a 25-year period at 1% interest.

In the instance of Grenada, the payment mechanism allowed for the purchase of oil at market value for 5% to 50% up front with a grace period of one to two years; the remainder was paid through a 17 to 25-year financing arrangement with 1% if oil prices were higher than US\$40 per barrel. That contract ended in 2019.

c. Grenada Government To Discontinue Discount on Non-fuel Tax To Consumers

The Grenada government has decided to end the 25% nonfuel charge discount linked with the island's sole power company's energy supply, citing the company's loss of "substantial income" as a result of the measure.

Dickon Mitchell, Prime Minister, and Minister of Finance told reporters at the weekly end-of-cabinet news conference on September 12 that the state-owned Grenada Electricity Company (GRENLEC) had accumulated EC \$16 million losses as a result of the previous administration's initiative to cushion the impact of increasing global energy prices.

d. St. Vincent and the Grenadines: IMF Projects Growth, Gives Favorable Outlook for St. Vincent, and the Grenadines

The International Monetary Fund forecasts a 5% increase in the gross domestic product (GDP) of St Vincent and the Grenadines (SVG) in 2022, increasing to 6% in 2023.

The International Monetary Fund (IMF) stated in a report released on September 1 that, while the outlook for SVG is positive, it is subject to “significant downside risks, primarily from the ever-present threat of natural disasters and intensified spillovers from Russia’s war in Ukraine, resulting in higher commodity prices.”

The 2022 Article IV statement on SVG was issued following the IMF mission, led by Economist Nan Geng who visited SVG between August 18 and 31, 2022, for discussions on economic developments and macroeconomic policies.

The Mission lauded the government’s rapid policy responses to several shocks, which helped save lives and livelihoods while limiting economic damage.

The IMF recommended that these initiatives be supplemented by other measures to improve social safety net coverage and targeting, “including through ongoing efforts to digitize beneficiary information and payment system.”

EQUITY ISSUERS

Table 4: Financial Statistics of Equity Issuers for the 2021 Financial Year.

COMPANY SYMBOL	NET INCOME (LOSS) ('000)	SHARE-HOLDERS EQUITY ('000)	NO. OF SHARES OUT-STANDING ('000)	LAST CLOSING MARKET PRICE (SEPT 2022)	BOOK VALUE PER SHARE	EARNINGS (LOSS) PER SHARE	DIVIDEND PER SHARE	PRICE EARNINGS RATIO	DIVIDEND YIELD
BOSV	\$2,771	\$134,683	15,000	\$9.00	\$ 8.98	\$0.18	\$0.00	48.71	0.00%
DES	\$3,510	\$92,600	10,417	\$3.50	\$ 8.89	\$0.34	\$0.00	10.39	0.00%
ECFH	\$23,255	\$276,268	24,466	\$3.75	\$11.29	\$0.95	\$0.00	3.95	0.00%
GCBL	\$9,871	\$121,375	7,597	\$8.88	\$15.98	\$1.30	\$0.15	6.83	1.69%
GESL	\$14,768	\$109,755	19,000	\$10.50	\$5.78	\$0.78	\$0.52	13.51	4.95%
RBGL	\$6,811	\$227,212	3,774	\$45.00	\$60.20	\$1.80	\$0.72	24.93	1.60%
SKNB	\$188,368	\$812,769	135,000	\$2.80	\$ 6.02	\$1.40	\$0.20	2.01	7.14%
SLES	\$40,542	\$382,991	22,920	\$20.00	\$16.17	\$1.77	\$1.03	11.31	5.15%
SLH	\$5,013	\$153,604	60,297	\$2.00	\$ 2.55	\$0.08	\$0.08	24.06	3.91%
TDC	\$8,007	\$191,911	52,000	\$1.30	\$ 3.69	\$0.15	\$0.07	8.77	4.81%
WIOC (unaudited)	\$17,803	\$253,092	5,920	\$60.00	\$42.75	\$3.00	\$2.09	20.00	3.00%

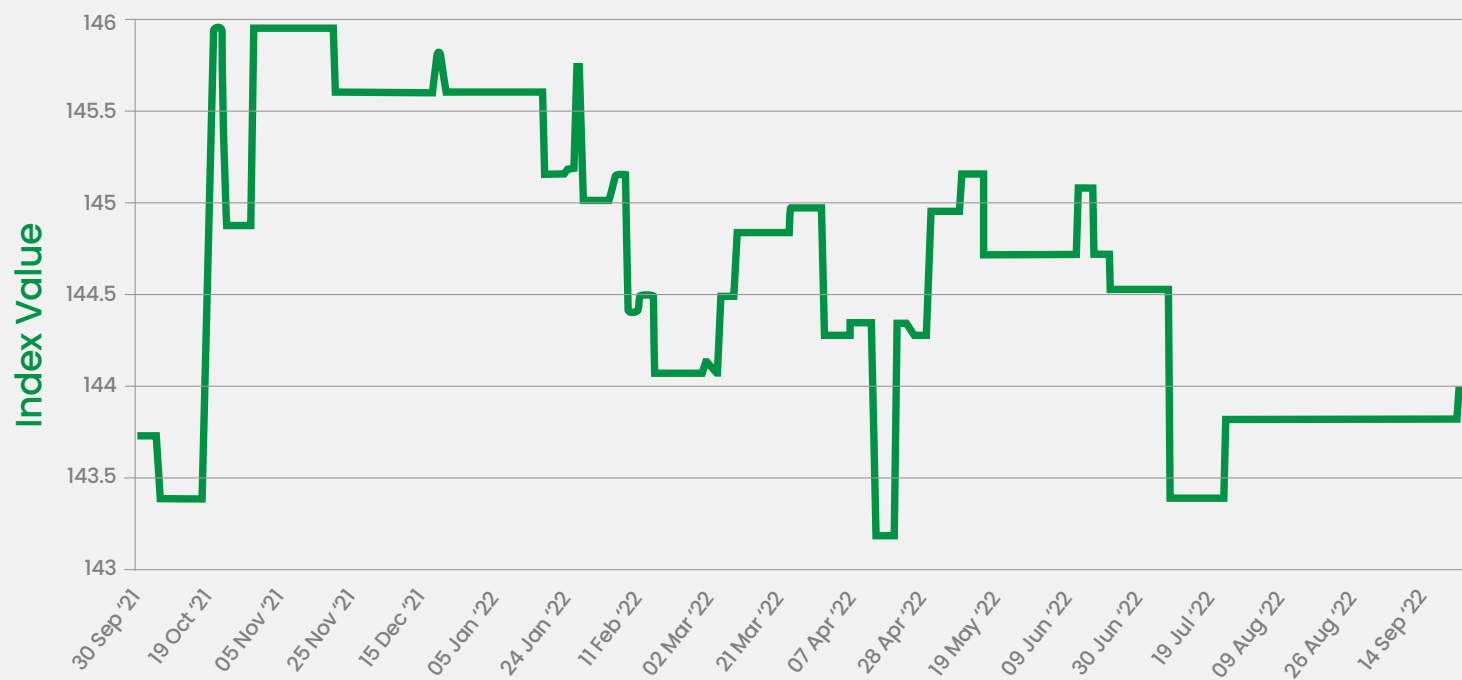
Please be reminded that a company’s past performance does not signal future behavior.

Note that the statistics will be updated as Issuer information becomes available for the period.

EASTERN CARIBBEAN SECURITIES MARKET REVIEW

e. ECSE Share Price Index

Graph 1: ECSE Share Price Index September 30, 2021 – September 30, 2022



The ECSE Share Index, which stood at 143.83 at the end of August, increased by 0.17 points or 0.12% to close the month at 144. This was mainly attributed to the trading of TDC shares at \$1.30 per share; a \$0.05 or 4% increase from its previous closing price.

UPCOMING OFFERS:

Table 5: Upcoming Offers for the next 3 months

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	MAX RATE
24/10/2022	GDB240123	Government of Grenada	91-Day Treasury Bill	\$15,000,000	24/01/2023	3.50%
24/10/2022	GDB251023	Government of Grenada	365-Day Treasury Bill	\$10,000,000	25/10/2023	5.00%
28/10/2022	VCB300123	Government of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28,000,000	30/01/2023	3.50%
02/11/2022	AGB071123	Government of Antigua & Barbuda	365-Day Treasury Bill	\$20,000,000 (+5M oversubscription)	03/11/2023	4.50%
22/11/2022	AGB251123	Government of Antigua & Barbuda	365-Day Treasury Bill	\$10,000,000 (+5M oversubscription)	23/11/2023	4.50%
28/11/2022	VCB280223	Government of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28,000,000	28/02/2023	4.50%
12/12/2022	GDB131223	Government of Grenada	365 – Day Treasury Bill	\$10,000,000	13/12/2023	5.00%
14/12/2022	AGB130623	Government of Antigua & Barbuda	180 – Day Treasury Bill	\$10,000,000 (+5M oversubscription)	13/06/2023	4.00%
22/12/2022	VCB240323	Government of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28,000,000	24/03/2023	3.50%
29/12/2022	DMB300323	Government of The Commonwealth of Dominica	91 – Day Treasury Bill	\$20,000,000	31/03/2023	4.00%

Please note that upcoming offers may be updated during the period as instruments become available or amended.

INVESTMENT EDUCATION CORNER:

Treasury Securities

Definition:

Treasury securities are government-issued debt obligations. Treasury securities are recognized as one of the safest investments since they are backed by the government's full faith and credit.

Treasuries come in three varieties:

Treasury Bills:

- Short term securities that are non-interest bearing (zero-coupon) with maturities of only a few days.
- Purchased at a discount to face value (par) and are paid the face value when they mature. The difference between the purchase price and the face value is the interest earned.

Treasury Notes:

- Fixed-principal securities with maturities of generally two and three years.
- Interest is paid semiannually, with the principal repaid when the note matures.

Treasury Bonds:

- Long-term, fixed-principal securities issued with maturities that can go up to 30-years.
- Interest is paid on a semiannual basis with the principal repaid when the bond matures.

The price of a fixed-rate security depends on the relationship between its yield to maturity and the interest rate. If yield to maturity (YTM) is:

- greater than the interest rate, the price will be less than par value.
- equal to the interest rate, the price will be equal to par.
- less than the interest rate, the price will be greater than par.

Example:

1. Treasury Bills: If a \$5,000 180-day treasury bill sells at an auction at a yield of 1.50%, the purchase price would be at a discount. The purchase price can be determined from the following formula:

$$P = \text{Face Value} * (1 - (\text{yield} * (\text{days to maturity}/365)))$$

$$P = 5000 * (1 - (0.015 * (180/365)))$$

$$P = \$4,963.01$$

Thus, interest earned would be \$36.99.

2. If a 5% 3-year note or bond was issued at par it will pay bi-annual payments of \$25 (assume initial investment/face value of \$1,000) until maturity. Upon maturity, the principal of \$1,000.00 together with the final interest payment of \$25.00 is paid to the investor.

Purchase price = \$1,000

Total Interest to be earned = \$150

- $5\% * \$1000 = \50 per year or \$25 bi-annually

Amount repaid at maturity = \$1,025

- \$1,000 principal + final bi-annual interest payment of \$25.00 for that period.



Grenada Co-operative Bank Limited Wealth Management & Financial Services

SEPTEMBER 2022

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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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Co-op Bank
welcome home