



Wealth Management & Financial Services

## MONTHLY INVESTMENT NEWSLETTER MARCH 2023

**3**

—  
Issues

**\$71M**

—  
Raised

**3**

—  
Issues  
Oversubscribed

**8**

—  
Equity Issuers with  
Trading Activity

**143.23**

—  
ECSE  
Share Index

## ISSUER ACTIVITIES

### 1. DEBT SECURITIES

#### a. Securities issued:

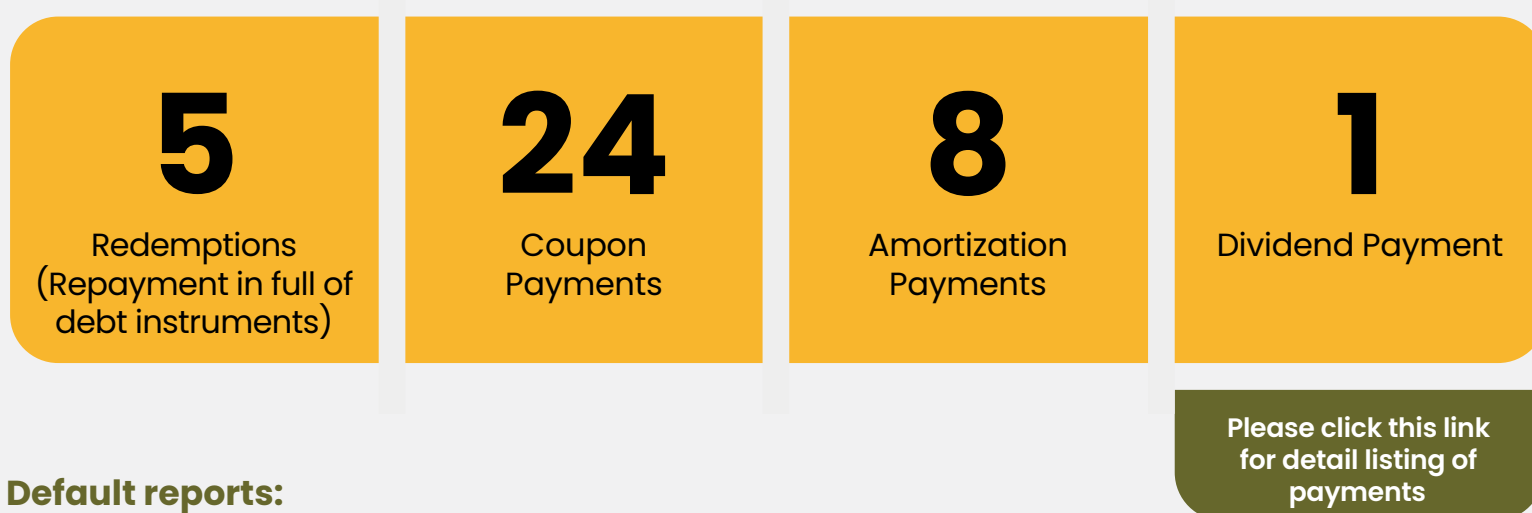
1. The Debt Market featured three issues originating from two Governments of the eight ECCU territories, compared to:
  - a. Five issues during the same period in 2022 by four issuers.
  - b. Five issues last month.
2. ECCU Governments raised a total of ECD \$71M.  
  
All three issues were oversubscribed with \$11.64M in unsatisfied bids.
3. All three issues closed below the maximum rate offered. The widest margin was a 2.00 percentage point variance between the offered and closing rate.
4. The securities offered were short term instruments, ranging from 91 days to 365 days.

**Table 1: Debt Instruments Issued During March 2023**

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	CLOSING RATE	MAX RATE	SUBSCRIPTION
01/03/2023	VCB010623	Government of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28,000,000	01/06/2023	1.50%	3.50%	Oversubscribed
17/03/2023	AGB190324	Government of Antigua & Barbuda	365-Day Treasury Bill	\$15,000,000	14/03/2024	3.00%	4.50%	Oversubscribed
27/03/2023	VCB270623	Government of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28,000,000	27/06/2023	3.00%	3.50%	Oversubscribed

## B. Payments during the month:

Issuers made (through the Eastern Caribbean Securities Exchange) 38 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.

i. There were trades from eight (8) equity issuers in the market during the month of March.

**Table 2: Issuers with Trading Activity During the Month**

SYMBOL	TRADE VOLUME	HIGH PRICE	LOW PRICE	CLOSING PRICE	CHANGE IN CLOSING PRICE (COMPARED TO FEBRUARY, 2023)
BON	5,650	\$3.75	\$3.50	\$3.51	\$0.24
ECFH	500	\$3.63	\$3.63	\$3.63	\$0.00
GCBL	1,156	\$9.25	\$9.25	\$9.25	\$0.00
GESL	952	\$10.50	\$10.50	\$10.50	\$0.00
SKNB	1,021	\$2.80	\$2.80	\$2.80	\$0.00
SLES	575	\$20.10	\$20.00	\$20.06	\$0.06
TDC	16,318	\$1.30	\$0.90	\$1.05	\$0.28
WIOC	165	\$60.00	\$60.00	\$60.00	\$0.00

**Table 3: Closing Prices of Equities as at March 31, 2023**

SYMBOL	DESCRIPTION	CLOSING PRICE
BON	The Bank of Nevis Ltd.	\$ 3.51
BOSV	Bank of St. Vincent and the Grenadines Ltd.	\$ 9.00
CWKN	Cable and Wireless St. Kitts & Nevis Ltd.	\$ 3.83
DES	Dominica Electricity Services Ltd.	\$ 3.50
ECFH	Eastern Caribbean Financial Holdings Company Ltd.	\$ 3.63
GCBL	Grenada Co-operative Bank Limited	\$ 9.25
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.	\$ 20.06
SLH	S. L. Horsford & Co Ltd.	\$ 2.00
TDC	St. Kitts Nevis Anguilla Trading & Development Company Ltd.	\$ 1.05
WIOC	The West Indies Oil Company Limited	\$ 60.00

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

- i. There were no equity issuers with a financial year-end in March.

**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. At the Annual General Meeting of the Bank of Nevis Limited (BON) held on March 16, 2023, a dividend of 16 cents (\$0.16) per share was approved for payment to shareholders on record as at February 24, 2023. The dividend was paid on March 17, 2023.

## ISSUER HIGHLIGHTS

### 1. DEBT ISSUERS

#### a. Government of Grenada Announces Cost Reduction in Electricity for Low-Income Households

The Government of Grenada announced that more than 21,000 low-income households would benefit from lower electricity rates as an EC \$10 subsidy was implemented for the next twelve (12) months.

Additionally, customers who do not qualify for the subsidy will pay VAT at the lower rate of 7.5 per cent instead of the previous rate of 15 per cent.

In a statement released by the Government of Grenada, it was shared that the relief will result in significant savings for all categories of GRENLEC customers.

#### b. Salary Increase for Teachers in Grenada

The members of the Grenada Union of Teachers (GUT) who are employed by the Government of Grenada will be receiving a thirteen percent (13%) increase in salary for the period January 1, 2023 to December 31, 2025.

The total number of teachers set to receive the increase is 1,800, which is approximately one-third of public officers.

The new collective agreement with the Government of Grenada was signed on Wednesday, 29 March 2023, and witnessed by the Minister of Finance and Prime Minister, Hon. Dickon Mitchell.

Jude Bartholomew, the GUT President, stated that for the 2023 -24 period, teachers will receive a four per cent increase and five per cent for the

year 2025. He said the fringe benefits in the new agreement will also result in an increase in financial compensation for extracurricular work, including the marking of School-Based Assessment (SBA) scripts.

The Government Negotiating Team is yet to conclude negotiations with the other four unions that represent other public sector workers.

#### c. Government of St. Lucia to disburse XCD 11.5 million in Back Pay to Public Servants

The Office of the Prime Minister extends its congratulations and thanks to the six [6] public sector unions that make up the Trade Union Federation [TUF] and the Government Negotiating Team [GNT] for the successful conclusion of wage negotiations which resulted in two Collective Agreements for the periods 2016 – 2019 and 2019 – 2022 respectively. These Agreements included wage and salary increases.

Although the conclusion of the negotiations predates the Pierre Administration and, despite the global economic challenges and inflationary pressures on government revenue, Prime Minister Hon. Philip J. Pierre and the Cabinet of Ministers were happy to oblige and decided to honor the two Collective Agreements.

The disbursement of outstanding back-pay for the period 2019 – 2022 which totals XCD 11.5 million for both active and non-active public servants commenced on March 23, 2023. Moreover, public servants currently benefit from a 1% wage and salary increase which took effect in April 2022. And, in December 2022, active and non-active public servants collectively received XCD 6.8 million in back pay from the government.



## 2. EQUITY ISSUERS

### a. ECCB Approves Bank of St Vincent and the Grenadines Acquisition of First Caribbean International Bank in Saint Vincent

The Bank of St Vincent and the Grenadines' (BOSVG) has taken over operations of First Caribbean International Bank (Barbados) Limited (FCIB) in Saint Vincent and the Grenadines.

The Eastern Caribbean Central Bank (ECCB), the central bank of the Eastern Caribbean dollar and the monetary authority for members of the Organization of Eastern Caribbean States (OECS) announced that First Caribbean International Bank (Barbados) Limited (FCIB) in Saint Vincent and the Grenadines ceased operations effective Friday, March 24.

The ECCB in a statement said that: "The ECCB, in consultation with the ECCB Monetary Council, approved the application for the transfer of the assets and liabilities of FCIB, Saint Vincent and the Grenadines branch to BOSVG on 15 July 2022, pursuant to Section 43 of the Banking Act, 2015 of Saint Vincent and the Grenadines (No 4 of 2015), as amended."

The ECCB has also issued an updated banking license to BOSVG.

"The Banking Business Vesting Orders have been signed and gazetted in Saint Vincent and the Grenadines," the ECCB said.

The ECCB said that it remains resolute in its mandate to supervise all licensed financial institutions under the Banking Act, 2015. The financial sector in the Eastern Caribbean Currency Union is evolving. Citizens and residents in our Currency Union are encouraged to stay abreast of developments.

### b. GRENLEC's First Quarter 2023 Dividend Payment

On March 23, 2023, the Board of Directors of Grenada Electricity Services Limited (GESL) approved the payment of a dividend of 10 cents (\$0.10) per share to shareholders of record at 31 March 2023.

**Table 4: Financial Statistics of Equity Issuers for the 2022 Financial Year.**

COMPANY SYMBOL	NET INCOME (LOSS) ('000)	SHARE-HOLDERS EQUITY ('000)	NO. OF SHARES OUT-STANDING ('000)	CLOSING MARKET PRICE	BOOK VALUE PER SHARE	EARNINGS (LOSS) PER SHARE	DIVIDEND PER SHARE	PRICE EARNINGS RATIO	DIVIDEND YIELD
GCBL	\$2,106	\$99,159	7,596	\$8.88	\$13.05	\$0.28	\$0.00	32.03	0.00%
RBGL	\$10,391	\$230,729	3,774	\$45.00	\$61.14	\$2.75	\$0.30	16.34	0.67%
SKNB	\$(296,213)	\$475,194	141,750	\$2.80	\$3.35	\$(2.14)	\$0.00	(1.31)	0.00%
TDC	\$4,427	\$193,860	52,000	\$1.30	\$3.73	\$0.09	\$0.05	15.27	3.85%

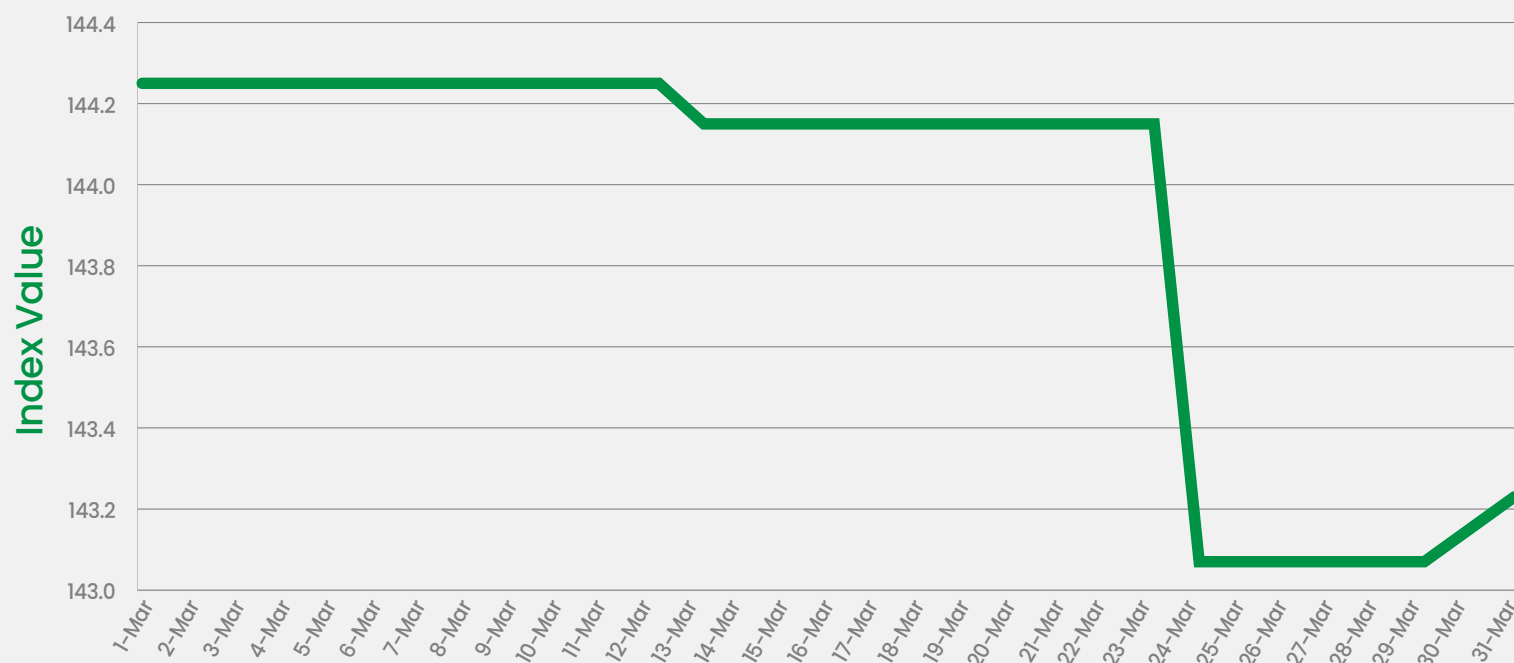
**Please be reminded that a company's past performance does not signal future behavior.**

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

## EASTERN CARIBBEAN SECURITIES MARKET REVIEW

### c. ECSE Share Price Index

**Graph 1: ECSE Share Price Index March 01, 2023 – March 31, 2023**



The ECSE Share Index, which stood at 144.25 at the end of February, decreased by 1.02 points or 0.71% to close the month at 143.23.

The decrease in the ECSE Share Index was mainly attributed to the trading of St. Kitts Nevis Anguilla Trading & Development Company (TDC) shares on March 24, 2023. TDC Shares traded at a high of \$1.30 and at a low of \$0.90.

This has been the largest decline in the ECSE Share index for the year thus far.

## UPCOMING OFFERS:

**Table 5: Upcoming Offers**

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	MAX RATE
03/04/2023	DMB040723	Government of The Commonwealth of Dominica	91-Day Treasury Bill	\$20,000,000	04/07/2023	5.00%
13/04/2023	LCB111023	Government of St. Lucia	180-Day Treasury Bill	\$10,000,000 (\$10M Oversubscription)	11/10/2023	4.00%
28/04/2023	GDB270423	Government of Grenada	91-Day Treasury Bill	\$15,000,000	01/08/2023	3.50%
04/05/2023	VCB040823	Government of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28,000,000	08/04/2023	3.50%
05/05/2023	LCB070823	Government of St. Lucia	91-Day Treasury Bill	\$11,000,000 (\$5M Oversubscription)	08/07/2023	3.50%
12/05/2023	AGB140524	Government of Antigua & Barbuda	365-Day Treasury Bill	\$15,000,000 (\$5M Oversubscription)	14/05/2024	4.50%
16/05/2023	LCB160823	Government of St. Lucia	91-Day Treasury Bill	\$11,000,000 (\$5M Oversubscription)	16/08/2023	3.50%
05/06/2023	VCB050923	Government of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28,000,000	05/09/2023	3.50%
09/06/2023	AGB091223	Government of Antigua & Barbuda	180-Day Treasury Bill	\$10,000,000 (\$5M Oversubscription)	09/12/2023	4.00%
09/06/2023	AGB110624	Government of Antigua & Barbuda	365-Day Treasury Bill	\$5,000,000 (\$5M Oversubscription)	11/06/2024	4.50%
28/06/2023	LCB261223	Government of St. Lucia	180-Day Treasury Bill	\$15,000,000 (\$10M Oversubscription)	26/12/2023	4.00%
28/06/2023	VCB280923	Government of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28,000,000	05/28/2023	3.50%

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



## INVESTMENT EDUCATION CORNER:

### FIXED INCOME INVESTING

#### Definition:

Fixed Income Investing is an investment approach which is focused on the preservation of capital and income. It typically includes investments like government and corporate bonds, certificate of deposits (CDs), and money market funds. Fixed income can offer a steady stream of income with less risk than stocks.

#### Advantages:

##### i. Diversification from Stock Market Risk:

Fixed income is broadly understood to carry lower risk than stocks. This is because fixed income assets are generally less sensitive to macroeconomic risks, such as economic downturns and geopolitical events.

##### ii. Capital Preservation:

Capital preservation means protecting the absolute value of your investment via assets that have a stated objective of return of principal.

##### iii. Income Generation:

Fixed income investments can help you generate a steady source of income. Investors receive a fixed amount of income at regular intervals in the form of coupon payments on their bond holdings.

##### iv. Total Return:

Some fixed income assets offer the potential to generate attractive returns. Investors can seek higher returns by assuming more credit risk or interest rate risk.

#### Disadvantages:

##### i. Interest Rate Risk:

When interest rates rise, bond prices fall, meaning the bonds you hold lose value. Interest rate movements are the major cause of price volatility in bond markets.

##### ii. Inflation Risk:

Inflation is another source of risk for bond investors. Bonds provide a fixed amount of income at regular intervals. But if the rate of inflation outpaces this fixed amount of income, the investor loses purchasing power.

##### iii. Credit Risk:

If you invest in corporate bonds, you take on credit risk in addition to interest rate risk. Credit risk (also known as business risk or financial risk) is the possibility that an issuer could default on its debt obligation. If this happens, the investor may not receive the full value of their principal investment.

##### iv. Liquidity Risk

Liquidity risk is the chance that an investor might want to sell a fixed income asset, but they are unable to find a buyer.

#### What is Fixed Income Investing?

#### 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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