



Wealth Management & Financial Services

MONTHLY INVESTMENT NEWSLETTER JANUARY 2024

4

Issues

\$90.50M

Raised

3

Issues
Oversubscribed

10

Equity Issuers with
Trading Activity

143.97

ECSE
Share Index

**BANKING
ON A
BRIGHT
FUTURE**



**PLUS YEARS OF
PARTNERSHIP
BETWEEN CO-OP BANK
AND GRENADIANS**

Issue No: 01/2024 ■ Period: January 2024 ■ Issue Date: February 5, 2024

ISSUER ACTIVITIES:

1. DEBT SECURITIES

a. Securities Issued:

1. The Debt Market featured four issues originating from four Governments of the eight ECCU territories, compared to:
 - a. Four issues during the same period in 2023 by four issuers.
 - b. Four issues last month
2. ECCU Governments raised a total of ECD \$90.50M.

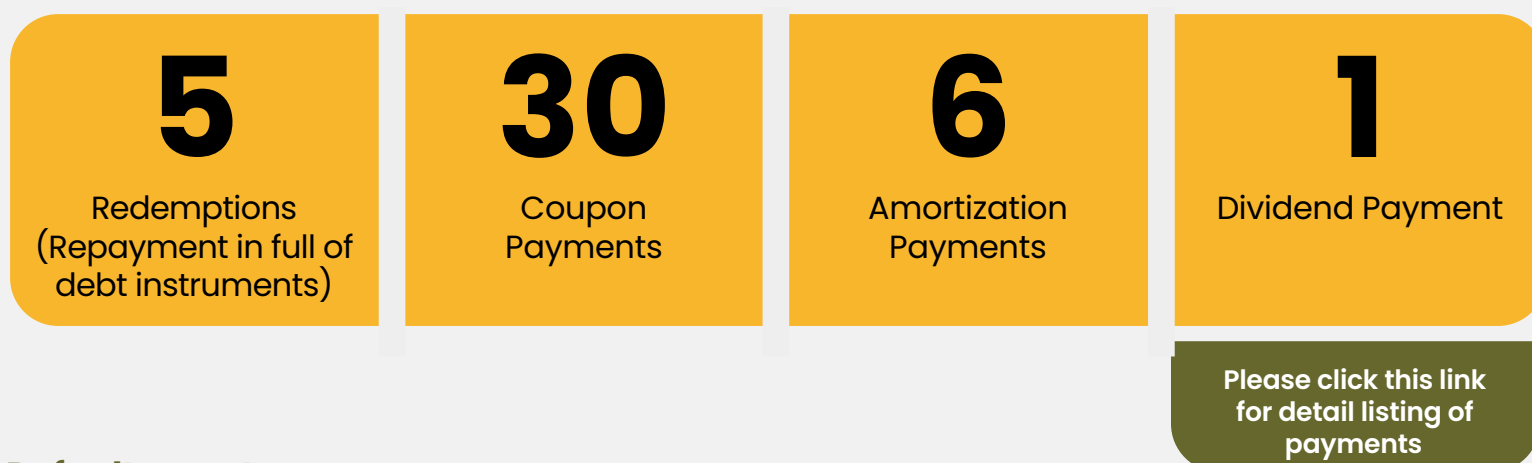
Three issues were oversubscribed with \$11.81M in unsatisfied bids.
3. Three of the four issues closed below the maximum rate offered. The widest margin was a 2-percentage point variance between the offered and closing rate.
4. The securities offered were short term instruments, ranging from 91 days to 180-days.

Table 1: Debt Instruments Issued During January 2024

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	CLOSING RATE	MAX RATE	SUBSCRIPTION
04/01/2024	DMB050424	Government of The Commonwealth of Dominica	91-Day T-Bill	\$20,000,000	05/04/2024	1.50%	3.50%	Oversubscribed
04/01/2024	VCB050424	Government of St. Vincent & the Grenadines	91-Day T-Bill	\$28,000,000	05/04/2024	3.00%	3.50%	Oversubscribed
17/01/2024	LCB160724	Government of St. Lucia	180-Day T-Bill	\$25,000,000	16/07/2024	3.85%	4.00%	Oversubscribed
19/01/2024	AGB200724	Government of Antigua & Barbuda	180-Day T-Bill	\$17,504,000	20/07/2024	4.00%	4.00%	Undersubscribed

b. Payments during the month:

Issuers made (through the Eastern Caribbean Securities Exchange) 42 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 ten (10) equity issuers in the market during the month of January.

Table 2: Issuers with Trading Activity During the Month

SYMBOL	TRADE VOLUME	HIGH PRICE	LOW PRICE	CLOSING PRICE	CHANGE IN CLOSING PRICE (COMPARED TO DECEMBER, 2023)
CWKN	2,000	\$3.50	\$3.50	\$3.50	\$0.33
DES	2,000	\$4.00	\$4.00	\$4.00	\$0.25
ECFH	46,508	\$3.75	\$3.75	\$3.75	\$0.00
GCBL	80	\$8.87	\$8.87	\$8.87	\$0.13
GESL	386	\$11.00	\$10.50	\$11.00	\$0.50
RBGL	200	\$44.00	\$44.00	\$44.00	\$1.00
SKNB	4,086	\$2.80	\$2.80	\$2.80	\$0.00
SLH	1,000	\$1.95	\$1.95	\$1.95	\$0.00
TDC	5,000	\$1.30	\$1.30	\$1.30	\$0.00
WIOC	600	\$60.00	\$60.00	\$60.00	\$0.00

Table 3: Closing Prices of Equities as at January 31st, 2024

SYMBOL	DESCRIPTION	CLOSING PRICE	
BON	The Bank of Nevis Ltd.	\$ 3.75	3.75
BOSV	Bank of St. Vincent and the Grenadines Ltd.	\$ 9.00	9.00
CWKN	Cable and Wireless St. Kitts & Nevis Ltd.	\$ 3.50	3.83
DES	Dominica Electricity Services Ltd.	\$ 4.00	3.75
ECFH	Eastern Caribbean Financial Holdings Company Ltd.	\$ 3.75	3.75
GCBL	Grenada Co-operative Bank Limited	\$ 8.87	9.00
GESL	Grenada Electricity Services Ltd.	\$ 11.00	10.50
GPCL	Grenreal Property Corporation Limited	\$ 5.40	5.40
RBGL	Republic Bank (Grenada) Limited	\$ 44.00	45.00
SKNB	St. Kitts Nevis Anguilla National Bank Ltd.	\$ 2.80	2.80
SLES	St. Lucia Electricity Services Ltd.	\$ 20.00	20.10
SLH	S. L. Horsford & Co Ltd.	\$ 1.95	1.95
TDC	St. Kitts Nevis Anguilla Trading & Development Company Ltd.	\$ 1.30	1.30
WIOC	The West Indies Oil Company Limited	\$ 60.00	60.00

b. Equity Issuers with Financial Year-Ends during the period:

- i. There was one (1) equity issuer with a financial year-end in January.

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. One company made dividend payments to its shareholders in the month of January:
 - (a) The Board of Directors of Republic Bank (Grenada) Limited declared a dividend of \$1.30 per share to all shareholders on record at the close of business on 2 January 2024. The dividend was paid on 15 January 2024.

ISSUER HIGHLIGHTS:

1. DEBT ISSUERS

a. Antigua And Barbuda's Economy Is Recovering From Covid-19

The executive directors of the International Monetary Fund (IMF) have reported that Antigua and Barbuda's economy is steadily recovering from the significant downturn caused by the COVID-19 pandemic.

Following the conclusion of the Article IV consultation with the island, they noted that real economic activity is on track to reach pre-pandemic levels in the current year, with a projected growth rate of 5.7%. This growth is primarily attributed to a resurgence in tourism and increased construction activity.

While inflation has decreased from its peak in 2022, it remains relatively high at 6.6%, with core inflation showing signs of moderation.

b. Saint Lucia's Prime Minister Channels Grant Funding Toward Developmental Initiatives

The Government of Saint Lucia and the Republic of China (Taiwan) have reaffirmed their commitment to enhancing developmental efforts and implementing programs aimed at bolstering human capital, improving public infrastructure, and fostering economic growth.

In line with this, Taiwan has pledged support for various government projects targeting vulnerable populations, with the aim of providing long-term relief and advancing the national development agenda.

Prime Minister Hon. Philip J. Pierre and the Cabinet of Ministers participated in two official ceremonies in January to receive grant funding from Taiwan Ambassador to Saint Lucia, H.E Peter Chia-yen Chen.

The funding will support initiatives such as the Constituency Development Programme, rehabilitation of Human Resource Development Centres, formulation of a National Disability Policy, provision of housing repairs to disadvantaged individuals, and a sports development project.

These initiatives signify the ongoing collaboration between Saint Lucia and Taiwan in promoting socio-economic progress and welfare enhancement for the citizens of Saint Lucia.

2. EQUITY ISSUERS

a. SHAREHOLDERS APPROVE REMOVING REPUBLIC BANK FROM THE ECSE

Republic Bank Grenada's shareholders have given their approval to delist the financial institution from the Eastern Caribbean Securities Exchange (ECSE), where it is currently traded at EC\$44 per share. The decision to delist was made during the annual meeting held on January 22, 2024.

As a result, the company will no longer be publicly listed on the exchange. However, the Eastern Caribbean Central Securities Depository (ECCSD) will continue to serve as the registrar for the company, managing the share certificate registry and facilitating dividend payments to shareholders.

Table 4: Financial Statistics of Equity Issuers for the 2023 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
RBGL	\$15,530	\$234,885	3,774	\$45.00	\$62.24	\$4.12	\$2.10	10.92	4.67%
SKNB	\$49,683	\$525,588	141,750	\$2.80	\$3.71	\$0.35	-	8.00	-
TDC	\$4,620	\$196,163	52,000	\$1.30	\$3.77	\$0.09	\$0.05	14.63	3.85%

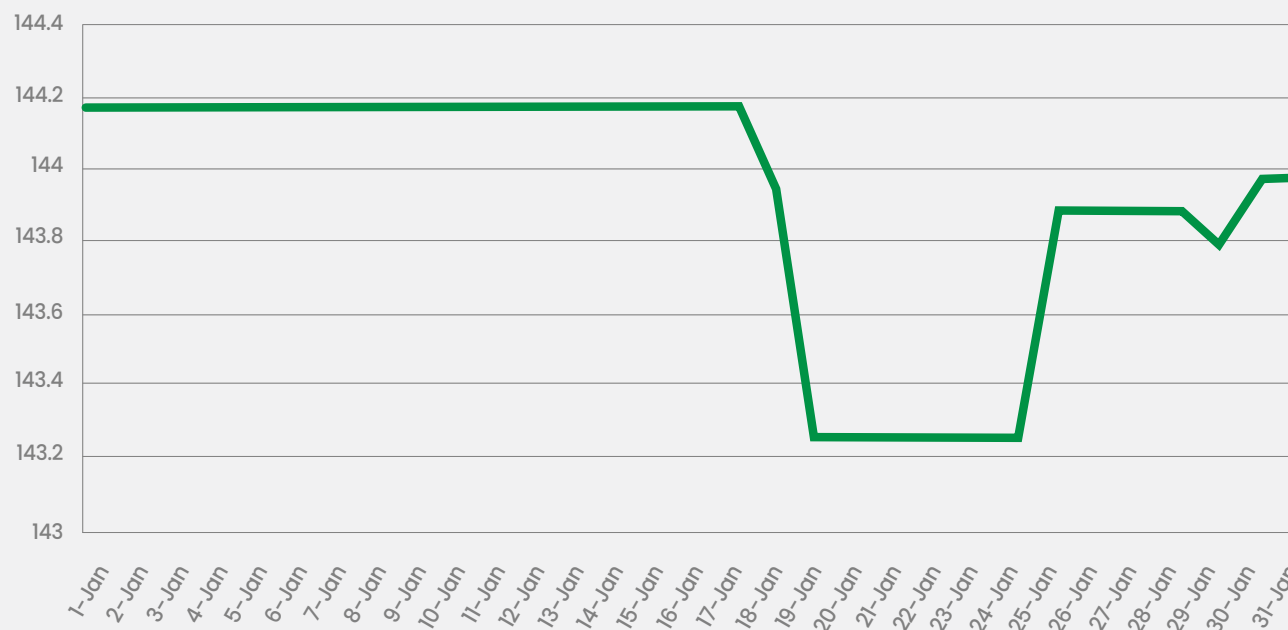
Please be reminded that a company's past performance does not signal future behavior.

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

EASTERN CARIBBEAN SECURITIES MARKET REVIEW:

b. ECSE Share Price Index

Graph 1: ECSE Share Price Index January 01, 2024 – January 31, 2024.



The ECSE Share Index, which stood at 144.19 at the end of December, decreased by 0.22 points or 0.15% to close the month at 143.97.

The ECSE Share Index experienced a decline primarily due to notable shifts in the trading prices of two companies. Firstly, 200 shares of Republic Bank (Grenada) Ltd were traded at \$44.00 per share, reflecting a decrease of \$1.00 or 2.2% from its previous trading price. Secondly, 2,000 shares of Cable & Wireless St Kitts & Nevis Ltd were transacted at \$3.50 per share, indicating a decline of \$0.33 or 8.6% from its last traded price.

These significant drops in the value of these stocks contributed to the overall decrease in the ECSE Share Index during the specified trading period.

UPCOMING OFFERS:

Table 5: Upcoming Offers

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	MAX RATE
06/02/2024	GDB080524	Gov't Grenada	91-Day Treasury Bill	\$15.0M	08/05/2024	3.50%
07/02/2024	LCB060824	Gov't Saint Lucia	180-Day Treasury Bill	\$20.0M (10M Oversubscription)	06/08/2024	4.00%
13/02/2024	VCB140524	Gov't St. Vincent & the Grenadines	91-Day Treasury Bill	\$28.0M	15/05/2024	3.50%
14/02/2024	GDN150226	Gov't Grenada	2-Yr Treasury Note	\$10.0M	15/02/2026	5.50%
15/02/2024	LCB170524	Gov't Saint Lucia	91-Day Treasury Bill	\$11.0M (5M Oversubscription)	17/05/2024	3.50%
21/02/2024	LCB230524	Gov't Saint Lucia	91-Day Treasury Bill	\$10.0M (10M Oversubscription)	23/05/2024	3.50%
23/02/2024	AGB250225	Gov't Antigua & Barbuda	365-Day Treasury Bill	\$25.0M	25/02/2025	4.50%
13/03/2024	VCB250625	Gov't St. Vincent & the Grenadines	91-Day Treasury Bill	\$28.0M	13/06/2024	3.50%
18/03/2024	AGB190325	Gov't Antigua & Barbuda	365-Day Treasury Bill	\$10.0M	19/03/2024	4.50%
08/04/2024	VCB100724	Gov't St. Vincent & the Grenadines	91-Day Treasury Bill	\$28.0M	09/07/2024	3.50%
15/04/2024	LCB131024	Gov't Saint Lucia	180-Day Treasury Bill	\$11.0M (5M Oversubscription)	13/10/2024	4.00%

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

INVESTMENT EDUCATION CORNER:

A UNLOCKING INVESTMENT SUCCESS: KEY RATIOS EVERY INVESTOR SHOULD KNOW

What is Asset Allocation?

Asset allocation refers to an investment strategy in which individuals divide their investment portfolios between different diverse asset classes to minimize investment risks. The asset classes fall into three broad categories: equities, fixed income, and cash and equivalents. Anything outside these three categories (e.g., real estate, commodities, art) is often referred to as alternative assets.

Factors Affecting Asset Allocation Decision:

When making investment decisions, an investors' portfolio distribution is influenced by factors such as personal goals, level of risk tolerance, and investment horizon.

1. Goal Factors:

Goal factors are individual aspirations to achieve a given level of return or saving for a particular reason or desire. Therefore, different goals affect how a person invests and risks.

2. Risk Tolerance:

Risk tolerance refers to how much an individual is willing and able to lose a given amount of their original investment in anticipation of getting a higher return in the future. For example, risk-averse investors withhold their portfolio in favor of more secure assets. In contrast, more aggressive investors risk most of their investments in anticipation of higher returns.

3. Time Horizon:

The time horizon factor depends on the duration an investor is going to invest. Most of the time, it depends on the goal of the investment. Similarly, different time horizons entail different risk tolerance.

For example, a long-term investment strategy may prompt an investor to invest in a more volatile or higher risk portfolio since the dynamics of the economy are uncertain and may change in favor of the investor. However, investors with short-term goals may not invest in riskier portfolios.

Strategies for Asset Allocation:

1. Age-based Asset Allocation:

In age-based asset allocation, the investment decision is based on the age of the investors. Therefore, most financial advisors advise investors to make the stock investment decision based on a deduction of their age from a base value of a 100. The figure depends on the life expectancy of the investor. The higher the life expectancy, the higher the portion of investments committed to riskier arenas, such as the stock market.

Example: let's assume that Joe is 50 years, and he is looking forward to retiring at 60. According to the age-based investment approach, his advisor may advise him to invest in stocks in a proportion of 50%, then the rest in other assets. This is because when you subtract his age (50) from a hundred-base value, you'll get 50.

2. Life-cycle funds Asset Allocation

In life-cycle funds allocation or targeted-date, investors maximize their return on investment (ROI) based on factors such as their investment goals, their risk tolerance, and their age. This kind of portfolio structure is complex due to standardization issues. In fact, every investor has unique differences across the three factors.

Example:

Let's say Joe's original investment mix is 50/50. After a time, horizon of five years, his risk tolerance against stock may increase to 15%. As a result, he may sell his 15% of bonds and re-invest the portion in stocks. His new mix will be 65/35. This ratio may continue to change over time based on the three factors: investment goals, risk tolerance, and age.

Asset Allocation

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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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