



THE SCOUT

Wealth Management & Financial Services

MONTHLY INVESTMENT NEWSLETTER FEBRUARY 2022

6

Issues

\$132.58M

Raised

5

Issues
Oversubscribed

5

Equity Issuers
with Trading
Activity

\$144.07

ECSE
Share Index

ISSUER ACTIVITIES

1. Debt Securities

a. Securities issued during the month:

1. The Debt Market featured 6 issues originating from 4 Governments of the 8 ECCU territories, this compared to:
 - a. 3 issues during the same period in 2021 by 3 issuers.
 - b. 5 issues last month.
2. ECCU Governments sought to raise a total of \$134M and was successful in raising \$132.58M.

5 of the 6 issues were oversubscribed with a total of \$20.99M in unsatisfied bids.
3. 4 issues closed below the maximum rate offered; with a 2 percentage point variance being the widest margin between offered and closing rate.

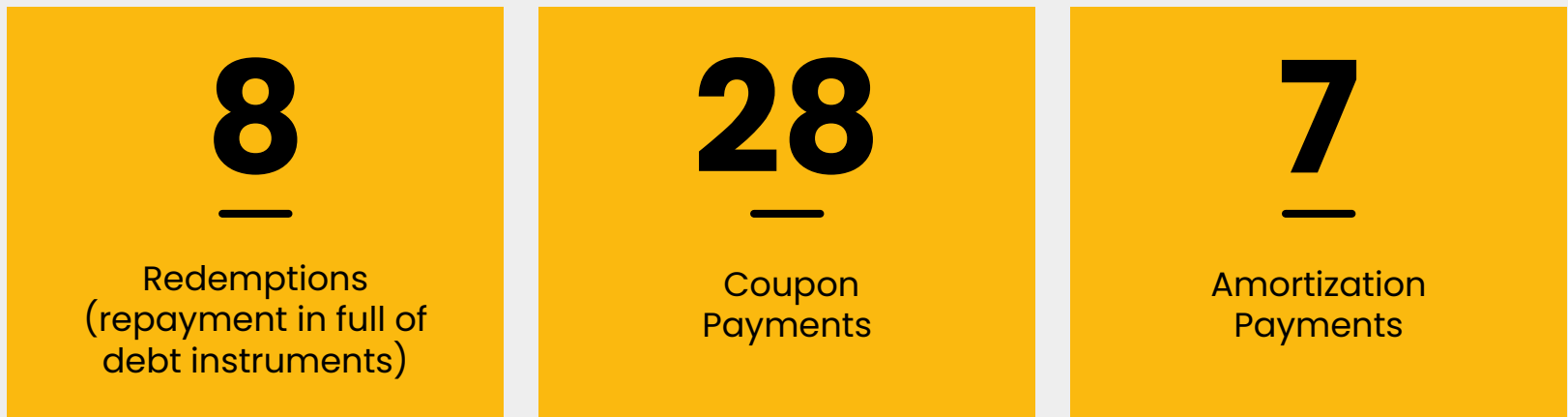
2 issues closed at the maximum rate offered.
4. The securities offered ranged from short-term at 91 days to long-term at 6 years.

Table 1: Debt Instruments issued during the month of February 2022

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	CLOSING RATE	MAX RATE	SUBSCRIPTION
01/02/2022	LCB040522	Government of St. Lucia	91-day Treasury Bill	\$14,580,000	04/05/2022	3.50%	3.50%	Undersubscribed
07/02/2022	LCB070822	Government of St. Lucia	180-day Treasury Bill	\$30,000,000	07/08/2022	2.50%	4.00%	Oversubscribed
14/02/2022	GDN150224	Government of Grenada	2-year Note	\$10,000,000	15/02/2024	4.00%	5.50%	Oversubscribed
16/02/2022	VCB190522	Government of St. Vincent and the Grenadines	91-day Treasury Bill	\$28,000,000	19/05/2022	1.50%	3.50%	Oversubscribed
21/02/2022	FLG060228	Government of St. Lucia	6-year USD Bond	\$20,000,000	22/02/2028	6.75%	7.00%	Oversubscribed
23/02/2022	AGB240223	Government of Antigua and Barbuda	365-day Treasury Bill	\$30,000,000	24/02/2023	4.50%	4.50%	Oversubscribed

b. Payments during the month:

Issuers made (through the Eastern Caribbean Securities Exchange) 43 scheduled payments, as per the agreed terms and conditions for 31 instruments, issued both publicly and privately; which comprised of:



c. Default Reports:

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

Please click this link
for detailed listing of
payments

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	HIGH PRICE	LOW PRICE	CLOSING PRICE	CHANGE IN CLOSING PRICE (COMPARED TO JANUARY 31, 2022)
BOSV	500	\$9.06	\$9.06	\$9.06	-\$0.20 ↓
CWKN	200	\$3.75	\$3.75	\$3.75	-\$0.13 ↓
GCBL	10,787	\$9.51	\$8.88	\$8.88	-\$0.63 ↓
GESL	1,075	\$11.00	\$10.95	\$10.95	-\$0.05 ↓
SKNB	45,213	\$2.80	\$2.80	\$2.80	\$0.00

Table 3: Closing Prices of Equities as at February 28, 2022

SYMBOL	DESCRIPTION	CLOSING PRICE
BON	The Bank of Nevis Ltd.	\$3.50
BOSV	Bank of St. Vincent and the Grenadines Ltd.	\$9.06
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.	\$10.95
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. MONTSERRAT RECEIVES EDFI1 FOURTH BUDGET SUPPORT PAYMENT OF EC\$6.1 MILLION

The Government of Montserrat has received XCD 6,050,548.73 or €2,000,000 from the European Union under the European Development Fund (EDFI1) programme. The funds received is the fourth (4th) Fixed Tranche Disbursement from EDFI1 for Montserrat to support the islands' continued development activities.

The Ministry of Finance and Economic Management explained that the continued Budget Support from our European Partner is aligned to improvement in key sectors such as: energy, tourism, infrastructure and financial management.

In welcoming the budgetary support, the Premier and Minister of Finance, Honourable Joseph 'E' Farrell noted that the development partnership between Montserrat and the EU is critical in the islands continued work towards sustainable development.

Click the link for further details;

★ [https://www.gov.ms/2022/02/18/montserrat-receives-edfi1-fourth-budget-support-payment-of-ec6-1-million/#:~:text=MONTSERRAT%20RECEIVES%20EDFI1%20FOURTH%20BUDGET%20SUPPORT%20PAYMENT%20OF%20EC%246.1%20MILLION,-Finance%2C%20News%20%2F%2018th&text=The%20Government%20of%20Montserrat%20has,Europe%20Development%20Fund%20\(EDFI1\)%20programme](https://www.gov.ms/2022/02/18/montserrat-receives-edfi1-fourth-budget-support-payment-of-ec6-1-million/#:~:text=MONTSERRAT%20RECEIVES%20EDFI1%20FOURTH%20BUDGET%20SUPPORT%20PAYMENT%20OF%20EC%246.1%20MILLION,-Finance%2C%20News%20%2F%2018th&text=The%20Government%20of%20Montserrat%20has,Europe%20Development%20Fund%20(EDFI1)%20programme)

b. IMF STAFF CONCLUDES VIRTUAL VISIT TO ANTIGUA AND BARBUDA

An International Monetary Fund (IMF) team, met virtually with the authorities of Antigua and Barbuda during February 7–11, 2022 to discuss recent economic developments and policy priorities. At the conclusion of the visit, the team issued the following statement:

“Antigua and Barbuda’s economy is rebounding from the COVID-19 pandemic. Real GDP growth is estimated at 4.8 percent in 2021, following a sharp contraction of 20.2 percent in 2020. A sustained recovery in tourism and construction activity is expected to underpin real output growth of 7 percent in 2022. Two-thirds of the population have been fully vaccinated, which is among the highest rates in the Caribbean. However, a prolonged pandemic (e.g., due to the emergence of new virus variants) and supply chain disruptions could put a drag on the recovery at the same time as wage and price pressures build.

Click the link for further details;

★ <https://www.imf.org/en/News/Articles/2022/02/16/pr2242-imf-staff-concludes-virtual-visit-to-antigua-and-barbuda>

2. Equity Issuers

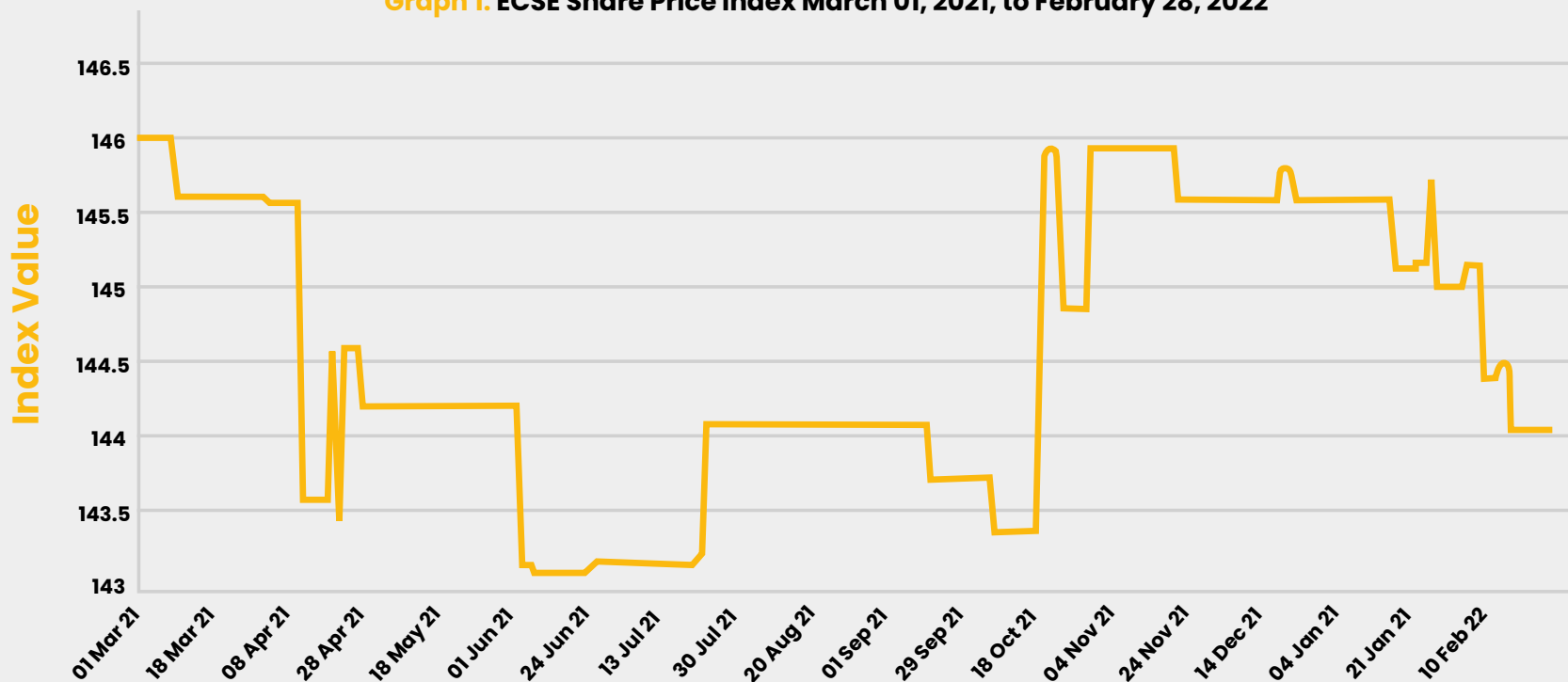
a. There were no issuers with financial year ends during the period

b. 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 March 01, 2021, to February 28, 2022



The ECSE Share Price Index stood at \$144.07, as at close of market on February 28, 2022. This represents a decrease of \$0.96 when compared to the value at the end of January 2022.

The Index maintained a general downward trajectory during the month with a few short-lived increases being recorded. The Index, which stood at \$145.03 at the beginning of the month, recorded a period high of \$145.16 on February 07th, to February 09th, 2022; with the largest percentage change being the 0.5% decline in the Index on February 10th. Following a second decline of 0.3% on February 17th, the Index maintained its position at \$144.14 for the rest of the month. Refer to table 2 for activity influencing the Index.



UPCOMING OFFERS:

Table 3: Upcoming Offers for the next 3 months – March to May 2022

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	MAXIMUM RATE
15/03/2022	VCB150622	Government of St. Vincent and the Grenadines	91-day Treasury Bill	\$28,000,000	15/06/2028	3.50%
17/03/2022	AGB180323	Government of Antigua and Barbuda	365-day Treasury Bill	\$10,000,000	18/03/2023	4.50%
21/03/2022	DMB210622	Government of the Commonwealth of Dominica	91-day Treasury Bill	\$20,000,000	21/06/2022	5.00%
22/03/2022	LCG100332	Government of St. Lucia	10-year Bond	\$20,000,000	23/03/2032	7.40%
25/03/2022	FLG060328	Government of St. Lucia	6-year US Dollar Bond	US \$1,440,000	26/03/2028	7.00%
13/04/2022	LCB111022	Government of St. Lucia	180-day Treasury Bill	\$10,000,000	11/10/2022	4.0%
15/04/2022	GDB180722	Government of Grenada	91-day Treasury Bill	\$15,000,000	18/07/2022	3.5%
20/04/2022	VCB210722	Government of St. Vincent and the Grenadines	91-day Treasury Bill	\$28,000,000	21/07/2022	3.5%
26/04/2022	LCB270722	Government of St. Lucia	91-day Treasury Bill	\$11,000,000	27/07/2022	3.5%
05/05/2022	LCB050822	Government of St. Lucia	91-day Treasury Bill	\$11,000,000	05/08/2022	3.5%
12/05/2022	AGB130523	Government of Antigua and Barbuda	365-day Treasury Bill	\$15,000,000	13/05/2023	4.5%
23/05/2022	VCB230822	Government of St. Vincent and the Grenadines	91-day Treasury Bill	\$28,000,000	23/08/2022	3.5%

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

INVESTMENT EDUCATION CORNER:

Reinvestment Risk

Definition:

Reinvestment risk refers to the possibility that an investor will be unable to reinvest the future cash flows received from an investment—either coupon, interest, or the final return of principal — at a rate comparable to their current rate of return.

It is the risk that these payments will need to be reinvested in lower-yielding securities.

This risk exists, not as a result of the failings of the issuer of the security, but as a result of the ever-changing market conditions.

Example:

An investor purchases a ten-year government bond at a rate of 5.00% and receives a coupon payment of \$5,000 each year.

Suppose that in year one and year two, the investor is able to reinvest his \$5,000 payment into other instruments at the same rate – 5.00%.

Suppose, however, that in year three, prevailing market rates have fallen to 3.00%. If the investor wishes to reinvest the payment he receives he would be required to accept the now lower market rate.

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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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