



THE SCOUT

Wealth Management & Financial Services

MONTHLY INVESTMENT NEWSLETTER AUGUST 2022

6

Issues

\$138M

Raised

5

Issues
Oversubscribed

\$143.83

ECSE
Share Index

GRENADA CO-OPERATIVE BANK LIMITED
CELEBRATES



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

Issue No: 08/2022 ■ Period: August 2022 ■ Issue Date: August 5, 2022

ISSUER ACTIVITIES

1. DEBT SECURITIES

a. Securities issued:

1. The Debt Market featured 6 issues originating from 4 Governments of the 8 ECCU territories, compared to:
 - a. Two (2) issues during the same period in 2021 by 2 issuers.
 - b. Five (5) issues last month.
2. ECCU Governments raised a total of ECD \$137.98M.

Five (5) issues were oversubscribed with \$43.49M in unsatisfied bids.
3. Five (5) issues closed below the maximum rate offered, with a 3.25 percentage point variance being the widest margin between offered and closing rate.

The Government of St. Lucia's 91-Day Treasury Bill (LCB081122) was the only issue that closed at its maximum rate of 3.50%.
4. The securities offered were all short term, ranging from 91 days to 15 months.

Table 1: Debt Instruments Issued During August 2022

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	CLOSING RATE	MAX RATE	SUBSCRIPTION
03/08/2022	GDB040823	Government of Grenada	365-Day Treasury Bill	\$25,000,000	04/08/2023	1.75%	5.00%	Oversubscribed
08/08/2022	LCB081122	Government of St. Lucia	91-Day Treasury Bill	\$16,000,000	08/11/2022	3.50%	3.50%	Undersubscribed
09/08/2022	LCB060223	Government of St. Lucia	180-Day Treasury Bill	\$30,000,000	06/02/2023	2.499%	4.00%	Oversubscribed
24/08/2022	VCB241122	Government of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28,000,000	24/11/2022	1.50%	3.50%	Oversubscribed
24/08/2022	AGN251123	Government of Antigua & Barbuda	15-Month Treasury Bill	\$15,000,000	25/11/2023	4.25%	5.00%	Oversubscribed
31/08/2022	AGB010923	Government of Antigua & Barbuda	365-Day Treasury Bill	\$25,000,000	01/09/2023	3.00%	4.50%	Oversubscribed

b. Payments during the month:

Issuers made (through the Eastern Caribbean Securities Exchange) 44 scheduled payments, as per the agreed terms and conditions for instruments, issued both publicly and privately, which comprised of:



Please click this link for detail listing of payments

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 no trades on the equities market during the month of August

Table 2: Closing Prices of Equities as at August 31st, 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

Table 2: Closing Prices of Equities as at August 31st, 2022 (continued)

SYMBOL	DESCRIPTION	CLOSING PRICE
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
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 August.

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 August

ISSUER HIGHLIGHTS

1. DEBT ISSUERS

a. St. Kitts & Nevis Labour Party (SKNLP) Wins General Election

St. Kitts and Nevis held their general election on August 5 to renew 11 out of the 15 seats in the National Assembly. The St. Kitts and Nevis Labour Party (SKNLP) defeated the incumbent, securing six out of eleven seats in the National Assembly.

Dr. Terrence Drew was sworn in as St. Kitts' fourth Prime Minister on Saturday, August 6, 2022. On the following Saturday, the new Federal Cabinet of Saint Kitts and Nevis was also sworn in. According to the Official St. Kitts & Nevis website, the PM's portfolio is:

Minister of Finance, National Security, Citizenship and Immigration, Health, Social Security (<https://www.gov.kn>)

b. Dominica's \$1 Billion International Airport to be Completed in 2026

Dominica aims to complete its planned international airport in 2026 as announced by Prime Minister Roosevelt Skerit during a recent budget presentation. He asserted that twenty airlines from the Caribbean, Europe, and North America would have access to use the facility.

The \$1bn facility, first announced in 2020, will be the largest construction project in Dominica's history and will be large enough to accept long haul commercial flights from around the world.

Skerit said China Railway No. 5 Engineering Group was selected as the main contractor and that pre-construction work had already begun in the Wesley and Woodford Hill area. Montreal Management Consultants Establishment is acting as the main consultant.

c. St. Lucia Urged to Increase VAT

Prime Minister Philip J Pierre reveals that his administration will be reviewing the Value Added Tax (VAT) rate following recommendations from the Eastern Caribbean Central Bank (ECCB) Governor, Timothy Antoine.

Governor Antoine noted that Saint Lucia's VAT is the lowest in the region, suggesting an increase in the tax as a means of improving the Government's fiscal situation.

In October 2012, Saint Lucia became the last member state in the Caribbean Community (CARICOM) single market to introduce VAT at 15 percent on goods and services. In February 2017, the Allen Chastanet led Government reduced the VAT from 15 percent to 12.5 percent. A move that was strongly opposed by Philip J Pierre, then Leader of the Opposition.

EQUITY ISSUERS

i. ECSRC Launches Project to Promote Crowdfunding, Calls For Early Stakeholder Participation

The Eastern Caribbean Securities Regulatory Commission (ECSRC) is the regulatory agency in charge of enforcing securities regulations in the Eastern Caribbean Currency Union (ECCU).

The project was launched to assist Micro, Small and Medium-sized enterprises (MSMEs) in the member countries of the ECCU and the rest of the CARICOM. The ECSRC is committed to promoting the development of the money and capital markets in the ECCU member countries by facilitating increased access to finance for MSMEs and diversifying opportunities for investors in the ECCU member countries. As part of this effort, the ECSRC has launched a project to provide a regulatory and supervisory framework that would promote equity crowdfunding in the ECCU member countries.

ECSRC Launches Project to Promote Crowdfunding, Calls For Early Stakeholder Participation.

Table 3: 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)	CLOSING MARKET PRICE (JUNE 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%
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	\$1.25	\$3.69	\$0.15	\$0.07	8.12	5.20%
WIOC (Unaudited)	\$17,803	\$ 253,092	5,920	\$60.00	42.75	\$3.00	\$2.09	20.00	3.00%

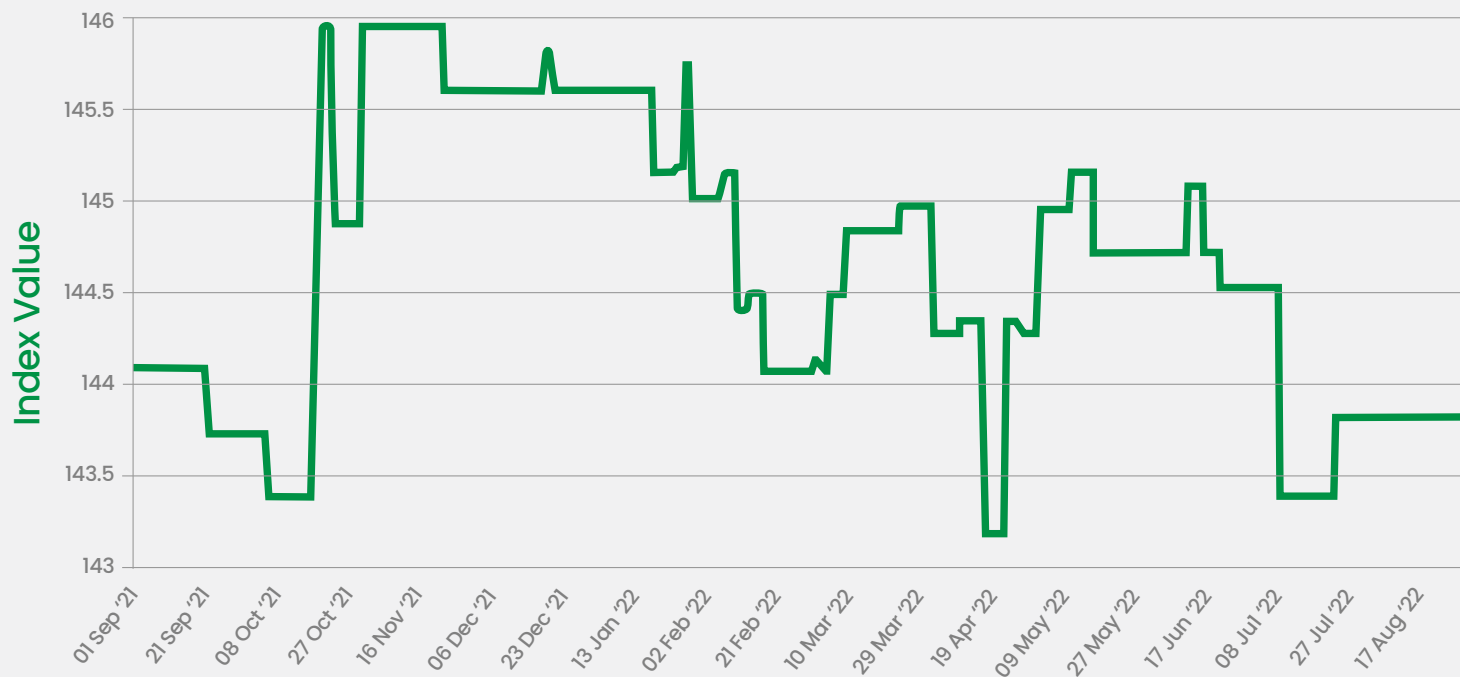
Please be reminded that a company's past performance does not signal future behavior.

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

EASTERN CARIBBEAN SECURITIES MARKET REVIEW

a. ECSE Share Price Index

Graph 1: ECSE Share Price Index September 01st, 2021 to August 31st, 2022



The ECSE Share Index closed the month at 143.83. This is 0.26 points, or 0.18 percent, lower than the previous year's closing.

UPCOMING OFFERS:

Table 4: Upcoming Offers for the next 3 months

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	MAX RATE
16/09/2022	AGN190925	Government of Antigua & Barbuda	3-Year Treasury Note	\$20,000,000 (+5M oversubscription)	19/09/2025	6.25%
20/09/2022	VCB211222	Government of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28,000,000	21/12/2022	3.5%
26/09/2022	DMB300323	Government of The Commonwealth of Dominica	91-Day Treasury Bill	\$20,000,000	31/03/2023	4.0%
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	AGB031123	Government of Antigua & Barbuda	365-Day Treasury Bill	\$20,000,000 (+5M oversubscription)	03/11/2023	4.50%
22/11/2022	AGB231123	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%

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

INVESTMENT EDUCATION CORNER:

Book Value Per Share

Definition:

Book value per share is a method used to calculate the per-share book value of a company based on common shareholder's equity in the company. The book value of a company is the difference between that company's total assets and total liabilities, attributable to each share.

The book value per share (BVPS) is calculated by taking the ratio of equity available to common stockholders against the number of shares outstanding.

The book value per share can provide information on how a company's stock is valued. If the book value per share exceeds the market value per share, the company's stock is deemed undervalued. In the same way, if the book value per share is less than the market value per share, the company's stock is considered overvalued.

The book value can be used to predict the possible market price of a share at a given time in the future.

Example:

Assume that ABC Limited holds \$100 million in assets and \$60 million in liabilities; therefore, the stockholder's equity is \$40 million. The company has an average of 3 million common shares outstanding during the period. Using this information, we can calculate the BVPS as follows:

Book Value Per Share

$$= \frac{(\text{Total Shareholder Equity})}{(\text{Total Outstanding Shares})}$$

Book Value Per Share

$$= \frac{\$100,000,000 - \$60,000,000}{3,000,000}$$

$$\text{Book Value Per Share} = \frac{\$40,000,000}{3,000,000}$$

$$\text{Book Value Per Share} = \$13.33$$

This means that if the market price for ABC Limited's common shares is less than \$13.33, then the share is undervalued. If the market price is over \$13.33, then it is overvalued.

Market Value Per Share vs. Book Value Per Share

The book value per share and the market value per share are some of the tools used to evaluate the value of a company's stocks. The market value per share represents the current price of a company's shares, and it is the price that investors are willing to pay for common stocks. The market value is forward-looking and considers a company's earning ability in future periods. As the company's expected growth and profitability increase, the market value per share is expected to increase further.

On the other hand, book value per share is an accounting-based tool that is calculated using historical costs. Unlike the market value per share, the metric is not forward-looking, and it does not reflect the actual market value of a company's shares.

The BVPS is a conservative way for investors to measure the real value of a company's stocks, which is done by calculating what stockholders will own when the company liquidates, and all debts paid up. Value investors prefer using the BVPS as a gauge of a stock's potential value when future growth and earnings projections are less stable.

Book Value Per Share

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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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