



THE SCOUT

Wealth Management & Financial Services

MONTHLY INVESTMENT NEWSLETTER NOVEMBER 2023

7

Issues

\$128.25M

Raised

5

Issues
Oversubscribed

8

Equity Issuers with
Trading Activity

144.33

ECSE
Share Index



Issue No: 11/2023 ■ Period: November 2023 ■ Issue Date: December 5, 2023

ISSUER ACTIVITIES:

1. DEBT SECURITIES

a. Securities Issued:

1. The Debt Market featured Seven issues originating from four Governments of the eight ECCU territories, compared to:
 - a. Five issues during the same period in 2022 by four issuers
 - b. Three issues last month.
2. ECCU Governments raised a total of ECD \$128.25M.

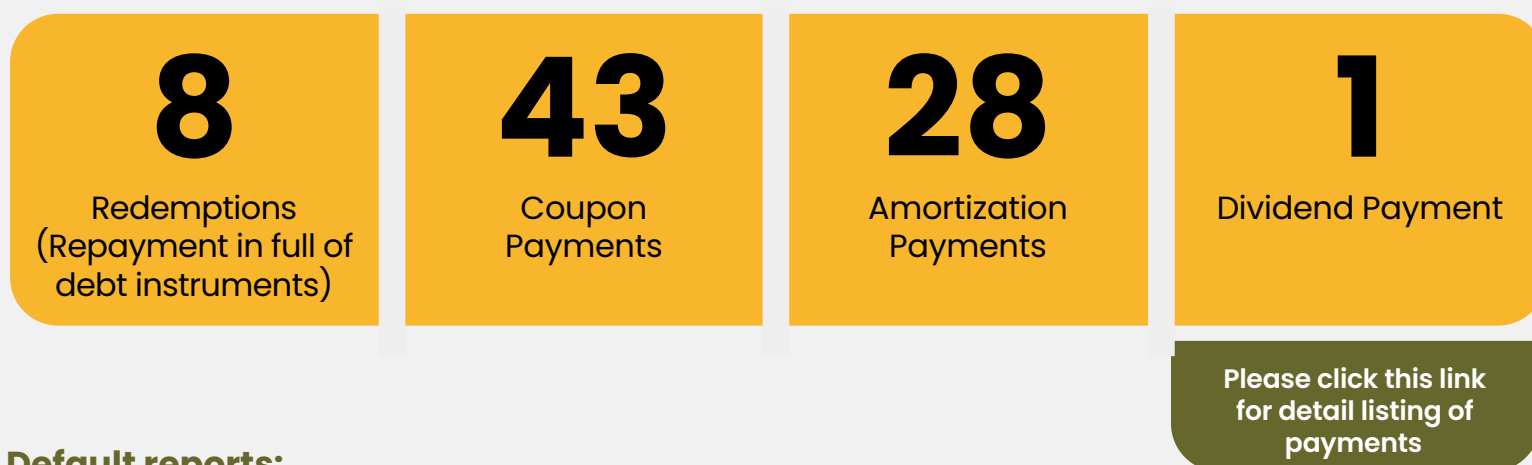
Five issues were oversubscribed with \$53.23M in unsatisfied bids.
3. Five of the seven issues closed below the maximum rate offered. The widest margin was a two-percentage point variance between the offered and closing rate.
4. The securities offered were short term instruments, ranging from 91 days to 15 months.

Table 1: Debt Instruments Issued During November 2023

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	CLOSING RATE	MAX RATE	SUBSCRIPTION
02/11/2023	AGB021124	Government of Antigua & Barbuda	365-Day T-Bill	\$24,002,000	02/11/2024	4.50%	4.50%	Undersubscribed
03/11/2023	GDB050224	Government of Grenada	91-Day T-Bill	\$15,000,000	05/02/2024	2.50%	3.50%	Oversubscribed
13/11/2023	VCB130224	Government of St. Vincent & the Grenadines	91-Day T-Bill	\$28,000,000	13/02/2024	2.01%	3.50%	Oversubscribed
14/11/2023	LCB140224	Government of St. Lucia	91-Day T-Bill	\$16,000,000	14/02/2024	1.80%	3.50%	Oversubscribed
20/11/2023	LCB200224	Government of St. Lucia	91-Day T-Bill	\$16,000,000	20/02/2024	2.00%	3.50%	Oversubscribed
22/11/2023	AGB221124	Government of Antigua & Barbuda	365-Day T-Bill	\$14,251,000	22/11/2024	4.50%	4.50%	Undersubscribed
24/11/2023	AGN260225	Government of Antigua & Barbuda	15-Month Note	\$15,000,000	26/02/2025	3.00%	5.00%	Oversubscribed

b. Payments during the month:

Issuers made (through the Eastern Caribbean Securities Exchange) 80 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 November.

Table 2: Issuers with Trading Activity During the Month

SYMBOL	TRADE VOLUME	HIGH PRICE	LOW PRICE	CLOSING PRICE	CHANGE IN CLOSING PRICE (COMPARED TO OCTOBER, 2023)
BON	1,268	\$3.75	\$3.75	\$3.75	\$0.00
DES	2,000	\$3.75	\$3.75	\$3.75	\$0.00
ECFH	5,529	\$3.75	\$3.75	\$3.75	\$0.00
GCBL	133	\$9.00	\$9.00	\$9.00	\$0.06
GESL	234	\$10.50	\$10.45	\$10.50	\$0.00
SKNB	7,750	\$2.80	\$2.80	\$2.80	\$0.00
SLH	14,675	\$1.95	\$1.95	\$1.95	\$0.00
TDC	450	\$1.30	\$1.30	\$1.30	\$0.00

Table 3: Closing Prices of Equities as at November, 2023

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.	\$	3.83
DES	Dominica Electricity Services Ltd.	\$	3.75
ECFH	Eastern Caribbean Financial Holdings Company Ltd.	\$	3.75
GCBL	Grenada Co-operative Bank Limited	\$	9.00
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.	\$	20.10
SLH	S. L. Horsford & Co Ltd.	\$	1.95
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 no equity issuers with a financial year-end in November.

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 November:
- (a) At the 50th Annual General Shareholder's Meeting of St Kitts Nevis Anguilla Trading & Development Co Ltd (TDC) which was held on 2 November 2023, a dividend of 0.05 cents per share was approved for shareholders on record at 27 October 2023. The dividend was paid on November 6th, 2023.

ISSUER HIGHLIGHTS:

1. DEBT ISSUERS

a. Antigua and Barbuda Government considers increase in Sales Tax

The government of Antigua and Barbuda, led by Prime Minister Gaston Browne, is actively contemplating an increase in the country's Sales Tax.

This consideration arises as the administration faces escalating financial commitments, including the need to fund salary increases for public servants.

The Antiguan government currently expends approximately EC\$38.6 million annually on wages, salaries, and other employee benefits.

Browne highlighted that the state's financial obligations exceed EC\$60 million each year.

b. IMF Staff concludes 2023 Staff Visit to Grenada

An International Monetary Fund (IMF) team led by Mr. Janne Hukka met with the authorities of Grenada during November 15–17 to discuss recent economic developments and follow up on the policy priorities raised during the 2023 Article IV Consultation.

At the end of the mission, Mr. Hukka concluded that:

- (a) The Grenadian economy continues to grow robustly, supported by public and private construction, and sustained strong tourism activity.

- (b) Strong revenue performance has improved the near-term fiscal outlook and creates fiscal space for higher public investment. The new Fiscal Resilience Act includes important measures to simplify the existing rules-based framework and strengthen longer-term fiscal discipline.
- (c) The financial sector remains stable and liquid. Persistently elevated non-performing loans in credit unions have prompted intensifying supervisory measures.

During the workshop, participants received hands-on training to record, report, analyze and manage various types of debt – encompassing external and domestic, as well as guaranteed and non-guaranteed public debt – using the software's robust capabilities.



2. EQUITY ISSUERS

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

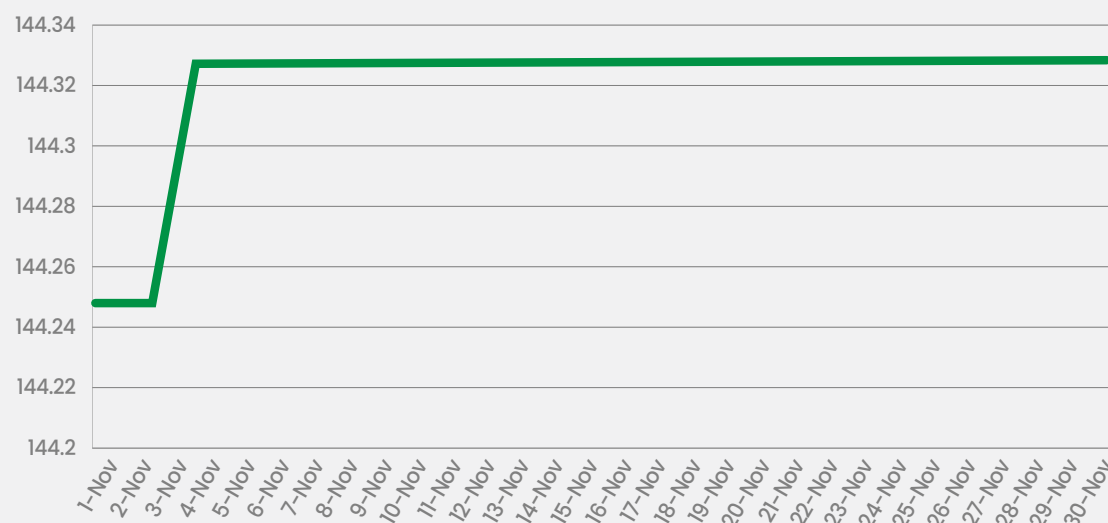
COMPANY SYMBOL	NET INCOME (LOSS) ('000)	SHARE-HOLDERS EQUITY ('000)	NO. OF SHARES OUT-STANDING ('000)	CLOSING MARKET PRICE	BOOK VALUE PER SHARE	EARNINGS (LOSS) PER SHARE	DIVIDEND PER SHARE	PRICE EARNINGS RATIO	DIVIDEND YIELD
BOSV	\$2,297	141,075	14,999	\$9.00	\$9.41	\$0.19	\$0.10	46.44	1.11%
GCBL	\$2,106	\$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%
SLES	\$39,601	396,327	22,920	\$20.00	\$17.29	\$1.73	\$0.45 (Interim)	11.58	2.25%
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:

a. ECSE Share Price Index



Graph 1: ECSE Share Price Index November 01, 2023 – November 30, 2023.

The ECSE Share Index, which stood at 144.30 at the end of October, increased by 0.03 points or 0.02% to close the month at 144.33.

UPCOMING OFFERS:

Table 5: Upcoming Offers

DATE	SYMBOL	ISSUER	INSTRUMENT	AUCTION VALUE	MATURITY	MAX RATE
08/12/2023	AGB080624	Gov't of Antigua & Barbuda	180-Day Treasury Bill	\$10.0M	08/06/2024	4.00%
12/12/2023	VCB120324	Gov't of St. Vincent & the Grenadines	91-Day Treasury Bill	\$28.0M	12/03/2024	3.50%
14/12/2023	GDB141224	Gov't of Grenada	365-Day Treasury Bill	\$10.0M	14/12/2024	5.0%
14/11/2023	LCB140224	Gov't Saint Lucia	91-Day Treasury Bill	\$11.0M (\$5M Oversubscription)	14/02/2024	3.50%

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

INVESTMENT EDUCATION CORNER:

ALTMAN Z-SCORE MODEL

Altman's Z-Score model is a numerical measurement that is used to predict the chances of a business going bankrupt in the next two years. The model was developed by American finance professor Edward Altman in 1968 as a measure of the financial stability of companies.

Altman's Z-score model is considered an effective method of predicting the state of financial distress of any organization by using multiple balance sheet values and corporate income. Altman's idea of developing a formula for predicting bankruptcy started at the time of the Great Depression when businesses experienced a sharp rise in incidences of default.

ALTMAN'S Z-SCORE MODEL FORMULA

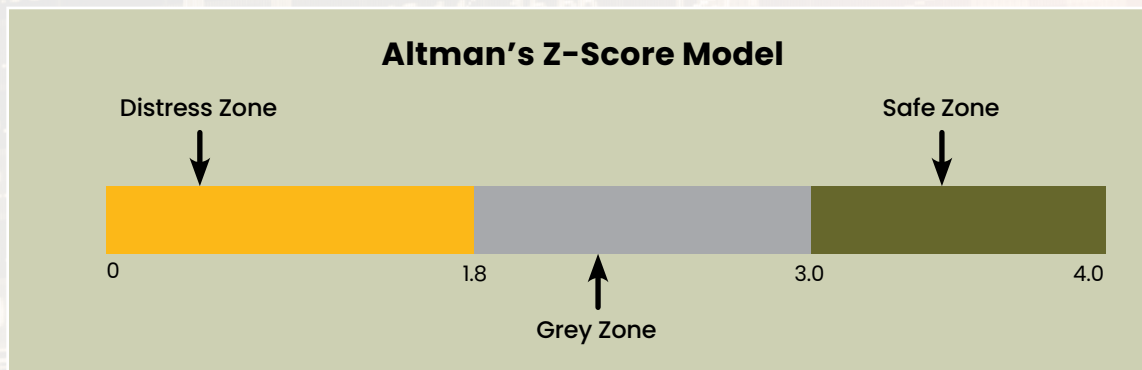
The Z-score model is based on five key financial ratios, and it relies on the information contained in the financial statements. It increases the model's accuracy when measuring the financial health of a company and its probability of going bankrupt.

The Altman’s Z-score formula is written as follows:

$$\text{Altman Z-Score} = 1.2A + 1.4B + 3.3C + 0.6D + 1.0E$$

Where:

- A = working capital / total assets
- B = retained earnings / total assets
- C = earnings before interest and tax / total assets
- D = market value of equity / total liabilities
- E = sales / total assets



A score below 1.8 means it’s likely the company is headed for bankruptcy, while companies with scores above 3 are not likely to go bankrupt. Investors can use Altman Z-scores to determine whether they should buy or sell a stock if they’re concerned about the company’s underlying financial strength.

Investors may consider purchasing a stock if its Altman Z-Score value is closer to 3 and selling or shorting a stock if the value is closer to 1.8.

Altman Z-Score: What It Is, Formula, How to Interpret Results

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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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