

Of the 21 shares that declined, Guardian Holdings showed the largest loss, falling 12.59 per cent to \$40.00 per share, down \$5.76. RBTT Financial Holdings was second, losing 11.85 per cent off its share price to close at \$37.20, down \$5.00 and third was Caribbean Communications Network, which fell 11.08 per cent to \$16.45 per share, down by \$2.05.

National Enterprises Ltd

Results for the year ended 31 March 2005

Continued buoyant energy prices impacted strongly on the contributions to share of pre tax results of at least two of the companies within National Enterprises Ltd's portfolio. Trinidad Nitrogen Co Ltd was the benefactor of bolstering ammonia prices during the year which spurred a 15.30 per cent increase in share of profits. NGC NGL share of profits grew by 44.42 per cent, assisted by persistently favourable prices for natural gas liquids.

NGC LNG contributed \$48.33 million pre tax profits, more than twice that of the 2002 company prospectus forecasts (\$22.7 million).

Sluggish results from TSTT and NFM further created a shift in the dimensions of NEL portfolio profitability. Whereas in 2004 TSTT contributed 49 per cent of the total share of pre tax results from investments, in 2005 this was reduced to 33 per cent. The slack being taken up mostly by TRINGEN which moved from 37 per cent to 43 per cent and NGC NGL growing from 9 per cent to 14 per cent.

Interest income of \$8.4 million was up 61.07 per cent from \$5.22 million recorded in the previous year. Overall, profit before tax fell 3.45 per cent to \$650.72 million, while net profit was down 2.45 per cent to \$453.49 million. NEL posted earnings of 76 cents per share beating its forecast of 56.9 cents but falling short of last year's earnings of 82 cents per share.

The value of the Investments within NEL's Portfolio increased from \$2.2 billion in 2004 to \$2.32 billion in 2005, up 5.49 per cent. Working capital stands at \$121 million after accounting for \$180 million in dividends

which have been approved. Total equity increased by 8.53 per cent over the 2004 total of \$2.41 billion, to reach \$2.62 billion.

NEL shares have appreciated 49.02 per cent for the six months ended June 30, 2005 from an opening price of \$10.20 to \$15.20. At the price of \$15.20 these shares are trading at an earnings multiple of 20 times.

FirstCaribbean International Bank

Results for the 2nd Quarter ended 30 April 2005

Amounts in US Dollars

Interest income for the second quarter increased by 25.25 per cent to reach \$119.11 million compared with \$95.1 million attained in the corresponding period in 2004. Interest expenses rose by 32.68 per cent to \$40.06 million resulting in net interest income of \$79.05 million, which was up 21.79 per cent when measured against 2004. Net interest margin slipped from 68.25 per cent to 66.36 per cent. Non interest income grew by 4.69 per cent to \$31 million with the resultant total net revenue of \$110.0 million, up 16.43 per cent. The increase in revenue is accredited to US interest rates being higher than in 2004 as well as an 11 per cent increase in the loans portfolio over the same period last year.

On the expenses side, non interest expenses were up 9.2 per cent to \$63.9 million, while provision for credit losses fell from \$2 million to \$695,000. The Bank's results were boosted by the non-recurrence of integration and restructuring expenses as well as goodwill amortization of \$3.5 million and \$3.96 million respectively.

Profit before tax jumped 71.57 per cent from \$26.49 million to \$45.45 million, up \$18.96 million. Although taxation expense grew by 19.01 per cent from \$4.8 million to \$5.7 million, the effective tax rate for the comparative second quarters fell from 18.11 per cent to 12.56 per cent. Profit after tax of \$39.74 million was 83.20 per cent higher than in the previous year and earnings per share grew from 1.2 cents to 2.5 cents. An interim dividend of 2 cents per share has been declared

and will be paid on July 1, 2005. The share traded ex-div on June 15, 2005.

For the entire half year, FCIB registered net interest income of \$156.74 million, up 21.94 per cent, net total revenue of \$336.8 million, up 80.13 per cent and profit after tax of \$190.19 million, up 357.07 per cent. This outstanding performance was predominantly a result of the sale of the Bank's shareholdings in Republic Bank which produced a gain of \$117 million. Notwithstanding, FCIB's performance in its core operations over the six month period was creditable. Earnings for the six month amounted to 12.3 cents

We expect that the third quarter results would not reflect the same level of increases in profit as the first and second quarters due to the reversal of \$7.93 million of goodwill amortization in the third quarter of 2004. Our projections are for year end earnings of 17 cents per share (TT\$1.07). At the current price of TT\$13.48 per share this provides a multiple of 12.60 times which is the lowest in the banking sector.

Barbados Shipping and Trading Co Ltd

Results for the half year to 31 March 2005

Amounts in BDS Dollars

Barbados Shipping and Trading (BS&T) added 9.8 cents to the 40 cents achieved in the first quarter to register 49.8 cents earnings per share for the first six months of the financial year to 31 March 2005. This represents a 16.63 per cent growth in earnings per share, compared with 42.7 cents posted for the corresponding period in 2004.

	Earnings per share (cents)		
	2005	2004	Change
Q1	40.0	16.0	24.0
Q2	9.8	26.7	-16.9
Total	49.8	42.7	7.1

Revenue in several of the Group's subsidiaries improved from the last comparative period, notably the

United Insurance and the Food Group. However, this achievement was dampened by reduced sales and trading losses at Dacosta Mannings Inc following a fire at Sheraton at the end of the first quarter. Ultimately, revenue was posted at \$342.65 million, up 4.98 per cent from 2004. Trading profit was also affected by changes in policy for the recognition of income from credit sales, by inventory obsolescence and by other charges. Trading profit was down 20.87 per cent to \$17.01 million causing a decline in trading profit margin from 6.59 percent to 4.96 per cent.

Interest expenses were reduced from \$5.5 million to \$4.3 million, down 21.50 per cent; however the Group incurred one-off charges of \$12.1 million resulting from the fire at Sheraton and the rationalization of the inventory and credit portfolio at Dacosta Mannings Inc. A considerable increase in Net gains on investments from \$15.22 million to \$36.5 million occurred as a result of a significant rise in the share price of one of the company's investments (Neal & Massy Holdings Ltd.). BS&T has reduced its level of exposure to the market by selling approximately half of its holdings in Neal & Massy shares. This also means that the level of investment income for the second half year is expected to be substantially lower than that of the first.

Profit before tax from the parent and subsidiary companies rose by 18.82 per cent to \$37.1 million while, associated companies contributed \$6.9 million, up by approximately \$1 million or 15.88 per cent. Profit after tax increased by \$6.14 million to \$39.78 million, up 18.25 per cent and profit attributable to shareholders grew by \$5.94 million to \$37.3 million, up 18.94 per cent.

BS&T has cash resources of \$38.15 million and is seeking the purchase of a 30 per cent stake in two hotels, those being Casuarina in Barbados and Morgan Bay in St. Lucia. Such investments are expected to add to the longer term growth of the Group.

AS AT JUNE 30, 2005

	Hist Eps	Est Eps	Est Div	Curr Price	Est Yield %	Est P/E Ratio
Bank						
FirstCaribbean	32.5	107.0	25.0	13.48	1.85	12.60
NCB Jca	13.0	13.0	4.8	2.01	2.39	15.46
RBTT Fin Hold	268.0	268.0	118.0	37.20	3.17	13.88
Republic Bank	417.0	470.0	230.0	108.89	2.11	23.17
Scotiabank	173.1	168.0	78.0	39.45	1.98	23.48
Non-Bank Fin						
ANSA Fin & Merch	106.0	106.0	32.0	21.66	1.48	20.43
Capital & Credit	14.7	14.7	1.0	2.40	0.42	16.33
DB&G	26.2	26.2	2.0	2.45	0.82	9.35
Guardian Holdings	300.0	400.0	75.0	40.00	1.88	10.00
JMMB	11.3	11.3	1.5	1.46	1.03	12.92
National Enterprises	76.0	76.0	48.0	15.20	3.16	20.00
Sagico Financial Corp	78.0	78.0	30.0	14.65	2.05	18.78
Conglomerates						
Ansa Mcal Ltd	182.0	182.0	65.0	47.85	1.36	26.29
Bdos Ship & Trad	179.1	195.0	51.0	26.49	1.93	13.58
Grace, Kennedy	67.2	75.0	8.0	12.20	0.66	16.27
Neal and Massy	243.0	279.0	76.0	57.00	1.33	20.43
Trading						
Agostini's Ltd	18.6	55.0	25.0	10.48	2.39	19.05
BWIA	0.0	0.0	0.0	0.36	0.00	0.00
Furness Trinidad	33.0	33.0	0.0	6.15	0.00	18.64
L J Williams Ltd. - 'A'	1.4	1.4	0.5	0.60	0.83	0.00
L J Williams Ltd. - 'B'	14.0	14.0	5.0	1.45	3.45	0.00
Prestige Holdings	39.1	39.1	24.0	11.70	2.05	29.94
Property						
PLIPDECO	126.0	126.0	21.0	21.99	0.95	17.45
Valpark	47.3	47.3	0.0	5.00	0.00	10.57
Manufacturing						
Angostura Holdings	29.0	29.0	12.0	6.33	1.90	21.83
Berger Paints	0.0	0.0	17.0	3.41	4.99	0.00
CCN	80.0	80.0	44.0	16.45	2.67	20.56
Flavorite Foods	24.0	41.0	13.0	4.81	2.70	11.73
National Flour Mills	13.6	13.6	13.0	2.68	4.85	19.71
Readymix WI	24.0	24.0	9.0	7.00	1.29	29.17
Trinidad Cement	67.0	67.0	20.0	12.00	1.67	17.91
Trinidad Publishing	50.0	50.0	28.0	10.60	2.64	21.20
Unilever Caribbean Ltc	119.0	119.0	110.0	28.84	3.81	24.24
WITCO	116.6	116.6	114.0	21.20	5.38	18.18

West Indies Stockbrokers Limited is a subsidiary of RBTT Financial Holdings Limited. From time to time West Indies Stockbrokers Limited and/or its staff may take positions in some or all of the shares mentioned in our report. West Indies Stockbrokers Limited welcomes your comments. E-mail: info@wisett.com

Directors: K. Narinesingh, (Chairman), P.E. Clarke (CEO), S. Mohammed (Mrs), S.A. Bayne, E. Mahabir, G. Aguilera.

JULY 2005

Characteristics of a Bear Market were evident during the month of June as average stock prices and volumes were down, forcing a contraction of the Market Indices. Stock Market activity for the month of June produced a total volume of 14,143,346 shares valued \$374,322,242.42 compared with 18,756,108 shares in May. Following an even advance/decline ratio last month, declines heavily outnumbered this month by a 22 to 6 margin, with 7 shares trading firm. The Composite Index fell 44.9115 points to end the month at 1170.2553 points, down 3.70 per cent. The All T&T index lost 76.3527 points to close at 1479.9779 points, down 4.91 per cent.

RBTT Financial Holdings shares were clearly the largest volume shares traded for the month. A total of 6,005,811 RBTT shares changed hands, which was 42.46 per cent of the total volume of shares traded. Neal & Massy Holdings saw 1,306,944 of its shares crossing the floor for 9.24 per cent of all trades, while 1,119,886 National Commercial Bank Jamaica traded for 7.92 per cent of the total volume.

In the race for the top three shares showing capital appreciation, Angostura Holdings Ltd share price made the largest gains, moving up 33.83 per cent or \$1.60 to \$6.33 per share. Ansa Merchant Bank Ltd. share price grew by 14.00 per cent to reach \$21.66, up by \$2.66 while Prestige Holdings Ltd share price rose 11.43 per cent to \$11.70, up by \$1.20.