

## CARIBBEAN STOCK REPORT (BUILDING WEALTH ACROSS THE REGION)

For the week January 24 to 28, 2011, 21,278,398 shares traded on the six stock exchanges across Caricom, with 48 stocks advancing, 35 declining and 39 unchanged. Cable and Wireless Jamaica was the volume leader for a fourth straight week with 10,862,142 shares being traded, followed by Sagikor Life Jamaica (1,954,345 shares traded), Gleaner (1,142,171 shares traded), National Commercial Bank Jamaica (1,105,901 shares traded) and Desnoe and Geddes (714,009 shares traded). Capital and Credit Financial Group posted the largest gain, surging 24.75% for the week, while Desnoe and Geddes posted the greatest loss with a decline of 12.94% decline.

The CSX 30 and the CJSX again posted solid gains for the week of Jan 24 to 28 2011. The CSX 30 advanced 9.1 points (0.81%) and the CJSX gained 18.9 points (1.59%) for the week. The broader CASX also posted a modest gain of 3 points (0.30%). Table 1, provides a summary of the broad market indices for the week.

**Table 1: Broad Market Indices Jan 24 to Jan 28 2011**

	INDEX JAN 21 2011	CHANGE	% CHANGE	YEAR TO DATE
Caribbean AllShare Index CASX	1018.9	3.0	0.30%	0.97%
Caribbean Select Index CSX 30	1140.6	9.14	0.81%	0.90%
Caribbean Junior Share Index CJSX	1205.7	18.9	1.59%	5.0%

*The indices are prepared in an identical manner to the Standard & Poors 500 Equally Weighted Index, with a base of 1,000 in January 3, 2010). Returns are in US dollars and represent capital gains, dividends and exchange rate movements.*

The CSX 30 was led by Eastern Caribbean Financial Holdings, National Enterprises Limited and Republic Bank Limited, which posted gains of 13.6%, 9.54% and 4.8% respectively. The CJSX was led by strong gains on Lasco Distributors (15.74%), Access Financial Services (1.96%) and Lasco Manufacturing (1.09%). Table 2 provides some details on the best performing stocks for the week.

**Table 2: Five Best Performing Stocks: Jan 24 to Jan 28 2011.**

	EXCHANGE	Return	Volume
Capital and Credit Financial Group	JSE	24.75%	22, 971
Lasco Distributors	JSE	15.74%	491, 707
Eastern Caribbean Financial Holdings	ECSE	13.64%	46
National Enterprises Limited	TTSE	9.53%	26, 835
Republic Bank Limited	TTSE	4.79%	18,040

*Returns are in US dollars and represent capital gains, dividends and exchange rate movements.*

### Sectors

Banking stock enjoyed a strong week. The CBSX was up 16.93 points (1.53%) for the week, erasing its losses for the year and moving into positive territory. The CBSX was led by Capital and Credit Financial, Republic Bank Limited, Scotia Bank Trinidad and Tobago and National Commercial Bank of Jamaica which posted gains of 24.75%, 4.79%, 4.13% and 2.34% respectively. Demerara Bank Limited was the weak performer in the group posting a decline of 11.87%.

The CCUX and CCSX were essentially flat for the week. The Communications and Utilities stocks, led by Gleaner and Guardian have been among the strongest performers so far this year, with the CCUX posting a strong 4.5% gain for the month of January. The Conglomerate stocks have been weak performers for the year with the CCSX posting a 1.62% decline for the month of January.

Insurance, Investments, Tourism and Real Estate stocks posted modest increases for the week with the CIIX up 6.5 points (0.66%) for the week and the CTRX up 0.4 points (0.05%). The CIIX was led by Eastern Caribbean Financial Holdings (13.6%), National Enterprises Limited (9.54%) and Sagicor Life Jamaica (4.71%). However, the group was pulled down by Famguard and PanCaribbean Financial Services which lost 9.88% and 7.18% respectively. So far in 2011, the insurance and investments group has failed to recover from its weak performance in 2010 and the CIIX continues to be in negative territory, down 0.94% year to date. There has been modest improvement in the Tourism and Real Estate stocks with the CTRX up 1.32% year to date.

The anemic economic recovery in Caricom economies continues to plague manufacturing sector stocks, and the CMSX was down 7.9 points (-0.69%) for the week. While Kingston Wharves (3.93%), Demerara Distillers (2.61%) and Unilever (2.2%) posted decent gains for the week, the index was dragged down by big losses posted by Desnoe and Geddes (-12.9%), TCL (-7.63%) and CCC (-7.11%). The challenges of TCL and CCC point to continuing weaknesses in the crucial construction sector across the region. See table 3 for a summary of the sector indices.

**Table 3: Sector Indices Jan 24 to Jan 28 2011**

	INDEX	CHANGE	% Change	YEAR TO DATE
Caribbean Banking Index (CBSX)	1120.7	16.93	1.53%	0.76
Caribbean Conglomerate Index (CCSX)	1062.8	-1.3	-0.13%	-1.62%
Caribbean Communications and Utilities Index (CCUX)	1116.5	-0.7	-0.06%	4.5%
Caribbean Insurance and Investments Index (CIIX)	986.9	6.5	0.66%	-0.94%
Caribbean Manufacturing Index (CMSX)	1138.4	-7.9	-0.69%	-0.026%
Caribbean Retail and Distribution Index (CRDX)	1085.1	-4.4	-0.40%	2.63%
Caribbean Tourism and Retail Index (CTRX)	863.6	0.4	0.05%	1.32%

*The indices are prepared in an identical manner to the Standard & Poors 500 Equally Weighted Index, with a base of 1,000 in January 3, 2010). Returns are in US dollars and represent capital gains, dividends and exchange rate movements.*

Again, I would like to thank readers across the region for their many kind comments and words of encouragement. The evidence so far is that for the month of January a well diversified regional portfolio would have provided investors with quite decent returns. Next week, we will profile Cable and Wireless Jamaica Limited, our volume leader for the month of January and Lasco Manufacturing, one of our strongest performers across the region. For the many readers who have inquired about buying Lasco shares there a number of brokers across the region who can facilitate such a purchase.

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