

# Regional stock report

## CARIBBEAN STOCK REPORT MARCH 28 TO APRIL 1 2011

For the week ended April 1 2011, 21,602,866 shares, valued at \$4,334,615 crossed the floors of the six stock exchanges across CARICOM, with 28 stocks advancing, 17 declining and 76 remaining unchanged. Jamaica Broilers was the volume leader with 3,564,078 shares being traded, SL Horsford posted the largest gain of 60% for the week, while on the losing end, Pulse Investments fell 13.8%.

For the week, 13 of the CSX 30 stocks advanced, nine declined and eight were unchanged. The CSX 30 gained 8.28 points to close the week at 1,147.6, up 1.51% year to date.

On the junior market, three stocks advanced, two declined and five were unchanged. The CJSX declined 5.09 points to close the week at 1,055.2, down 7.89% for the year. Table 1 provides a summary of the broad market indices for the week as well as some international reference points.

## Sector Analysis

Table 2 provides a summary of the sector indices, followed by details on the performance of the stocks in each sector.

### Investing School [What Moves The Stock Market (Consumer Sentiment Index)]

In most economies consumer expenditure is the single largest component of GDP, and by extension a major determinant of business profits. The Consumer Confidence Index is an indicator designed to measure consumer confidence, which is defined as the degree of optimism on the state of the economy that consumers are expressing through their activities of savings and spending.

A month-on-month decreasing trend in the index usually suggests consumers have a negative outlook on their ability to secure and retain good jobs, which does not bode well for consumer expenditure. Conversely, a rising trend in consumer confidence typically

indicates improvements in consumer buying patterns. Therefore, the index of consumer sentiment is one of the most closely watched indicators in the investment community and is a major market mover.

From next week the Department of Management Studies will publish a Caribbean Consumer Index based on a survey of over 6,000 consumers in Antigua and Barbuda, Barbados, Dominica, Grenada, Guyana, Jamaica, St. Kitts & Nevis, St. Lucia, St. Vincent and Grenadines and Trinidad and Tobago. For the first quarter of 2011, how optimistic or pessimistic were consumers in the Caribbean and in your home country? You can find out next week. Stocks On

## The Move

Tables three and four provide some widely used financial metrics on the biggest movers for the week. The ten biggest gainers and losers for the week are highlighted. Readers should note that prices are in US dollars.

• **Department of Management Studies, UWI Cave Hill.**

Table 1: Broad Market Indices March 28 to April 1, 2011

|                                   | Index     | Change | Year To Date | Volatility | Return per Unit of Risk |
|-----------------------------------|-----------|--------|--------------|------------|-------------------------|
| Caribbean AllShare Index CASX     | 944.8     | 0.11%  | -6.29%       | 0.93%      | -6.79                   |
| Caribbean Select Index CSX 30     | 1,147.6   | 0.73%  | 1.51%        | 0.20%      | 7.65                    |
| Caribbean Junior Share Index CJSX | 1,055.2   | -0.48% | -7.89%       | 1.30%      | -6.06                   |
| S&P 500 (USA)                     | 1,331.41  | 1.28%  | 6.16%        | 0.75%      | 8.24                    |
| FTSE 100 (UK)                     | 6,009.9   | 1.84%  | 2.10%        | 0.90%      | 2.34                    |
| MSCI Emerging Markets             | 1,185.12  | 8.10%  |              |            |                         |
| Gold                              | \$1,428.9 | 0.09%  |              |            |                         |
| Oil (Brent Crude Futures)         | \$118.7   | 2.69%  |              |            |                         |

Table 2: Sector Indices March 28 to April 1, 2011

|   | Index   | Change | Year to Date | Volatility | Return per Unit of Risk |
|---|---------|--------|--------------|------------|-------------------------|
| Caribbean Banking Index (CBSX)                      | 1,149.8 | 0.21%  | 3.34%        | 0.28%      | 11.78                   |
| Caribbean Conglomerate Index (CCSX)                 | 1,069.8 | 0.12%  | -0.93%       | 0.41%      | -2.25                   |
| Caribbean Communications and Utilities Index (CCUX) | 1,141.4 | -1.31% | 7.03%        | 1.12%      | 6.28                    |
| Caribbean Insurance and Investments Index (CIIX)    | 992.7   | 2.28%  | 0.03%        | 1.08%      | 0.03                    |
| Caribbean Manufacturing Index (CMSX)                | 1,122   | 1.40%  | -1.64%       | 0.45%      | -3.65                   |
| Caribbean Retail and Distribution Index (CRDX)      | 1,139.4 | 2.07%  | 8.22%        | 1.51%      | 5.45                    |
| Caribbean Tourism and Real Estate Index (CTRX)      | 790.4   | 0.05%  | -7.16%       | 1.06%      | -6.78                   |

Table 3: Advancing Stocks: March 28 to April 1 2011.

|                   | EXCH | Index | Close   | 30 Day Moving Average | Volume For Week | Return For Week | Year to Date | Volatility | Return per Unit of Risk |
|-------------------|------|-------|---------|-----------------------|-----------------|-----------------|--------------|------------|-------------------------|
| SL Horsford       | ECSE | CRDX  | \$0.741 | \$0.50                | 1,000           | 60.0%           | 60.0%        | 7.44%      | 8.06                    |
| Guardian Holdings | TTSE | CIIX  | \$2.258 | \$2.097               | 176,450         | 11.5%           | 12.42%       | 2.03%      | 6.13                    |
| JMMB              | JSE  | CIIX  | \$0.058 | \$0.054               | 653,971         | 8.3%            | 22.90%       | 1.66%      | 13.80                   |
| Colina Holdings   | BISX | CIIX  | \$2.550 | \$2.425               | 100,000         | 6.3%            | 6.25%        | 0.78%      | 8.06                    |
| Radio Jamaica     | JSE  | CCUX  | \$0.028 | \$0.027               | 888,796         | 5.6%            | 5.81%        | 2.16%      | 2.69                    |

|                    | EXCH | Index | Close   | 30 Day Moving Average | Volume For Week | Return For week | Year to Date | Volatility | Return per Unit of Risk |
|--------------------|------|-------|---------|-----------------------|-----------------|-----------------|--------------|------------|-------------------------|
| Pulse              | JSE  | CIIX  | \$0.013 | \$0.018               | 165,735         | -13.8%          | -68.02%      | 3.86%      | -17.63                  |
| Lasco Financial    | JSE  | CJSX  | \$0.025 | \$0.029               | 28,850          | -13.7%          | -15.53%      | 3.00%      | -5.18                   |
| Capital and Credit | JSE  | CIIX  | \$0.031 | \$0.035               | 1,901,538       | -9.4%           | -8.84%       | 5.89%      | -1.50                   |
| One Carib Media    | TTSE | CCUX  | \$2.101 | \$2.443               | 2,000           | -6.6%           | -22.87%      | 2.03%      | -11.25                  |
| CW Jamaica         | JSE  | CCUX  | \$0.003 | \$0.003               | 2,017,927       | -6.3%           | -14.46%      | 3.70%      | -3.91                   |

# Sharing his knowledge

## by Adonijah

As a member of Bajan supergroup **Spice International**, Michael "Smasher" Cadogan was known for his high-energy performances on percussion.

Cadogan, now based in Canada, is offering his knowledge and connections in the field of renewable clean energy, among others, to Government.

Cadogan and his partner LeRoy Johnston, CEO of the Plasticgrinding and Recycling company, met late last year with then Minister of the Environment Denis Lowe and officials of his ministry, along with officials of the Sanitation Service Authority and the Solid Waste Project Unit.

The parties discussed a number of projects, including renewable clean energies and recycling by using biosphere gasification systems and solar photovoltaic geomembrane systems, said Cadogan.

He added he was "very excited" and was looking forward to working with Government and any other companies "interested in moving to the next level in the new clean energy arena". He pointed out that Johnston had over 30 years in the recycling and environmental industry and his Cleveland-based company had worked with the World Bank on projects, as well as operating worldwide.

Expressing an interest in working with other Caribbean governments, Cadogan said: "We think it's time the people are educated on the situation with the earth's atmosphere and what will happen if we don't do something about it soon. Renewable energy and recycling are the only way forward."

Permanent Secretary in the Ministry of the Environment Lionel Weekes confirmed that Cadogan and Johnston offered "consultancy services" in solid waste management

and that Plasticgrinding and Recycling had offered to act as a consultant in marketing all of Barbados' recyclables, including paper, plastic, cardboard, steel, non-ferrous metals, mulch and any other agricultural byproducts such as coconut shells, as well as "other potential future products". The company also offered services in "other endeavours such as solar projects", he added.

"The SSA has responded to Mr Johnston, thanking him for his offer and explaining its competitive bidding processes," Weekes said.

He added: "The Ministry of the Environment expresses its heartfelt appreciation to Mr Cadogan for bringing these prospective services to our attention. Mr Cadogan has been promoting Barbados as a clean environment which is good for investment. It is Government's policy to reach out to the diaspora and we salute him."