

WEEKLY CARIBBEAN STOCK MARKET REPORT

Stock markets in Caricom got off to a slow start in 2011. The Caribbean All Share Index (CASX), which tracks the returns of all listed common shares in Caricom, posted a slight gain of 0.18 points, while the CSX 30, which tracks the returns on the thirty most influential stocks in the region, was down 9.6 points, and the CJSX, which tracks stocks listed on the Junior or Secondary markets across the region, was down 1.6 points. Table 1, provides a summary of the indices for the first two weeks of 2011.

Table 1: Broad Market Indices Jan 3 to Jan 14 2011

	JAN 7	CHANGE		JAN 14	CHANGE		YEAR TO DATE
CASX	1008.3	-0.7		1009.3	0.9		0.18
CSX 30	1129.7	-0.7		1120.8	-8.8		-9.6
CJSX	1135.9	-12.4		1146.7	10.8		-1.6

For the two week period, Jan 3 to Jan 14 2011, 48,970,973 shares traded, with 49 stocks posting gains, 42 declining and and 30 unchanged. Cable and Wireless Jamaica was the volume leader with 24,943,715 shares being traded, followed by Dolphin Cove (4,661,834 shares traded), Jamaica Boilers Group (1,418,539 shares traded), Kingston Wharves (916,209 shares traded) and Scotia Group Jamaica (646,363 shares traded). Dominica Electricity Services posted the largest gain over the period with a gain of 20%, while Eastern Caribbean Financial Holdings posted the greatest loss with a decline of 10.4%. Investors should note that these returns are in US dollars and reflect movements in both the stocks and exchange rates. Table 2 provides some details on the best performing stocks.

Table 2: Five Best Performing Stocks: Jan 3 to Jan 14 2011.

	Exchange	Return	Volume
Dominica Electricity Services	ECSE	20%	1,000
Consolidated Water	BISX	10.8%	500
Cable and Wireless Jamaica	JSE	16.2%	29, 478, 579
Lasco Distributors	JSE	9.8%	150, 895
Demerara Bank Limited	GASCI	9.3%	5,000

Sectors

Across sectors, stocks in the Retail and Distribution Sector, posted the strongest performances with a 21 point gain in the CTRX, stocks in the Communications and Utilities sectors posted a 13.8 point gain as shown by the CCUX, and stocks in the Tourism and Real Estate sector rebounded from 2010, posting a 9.5 gain in the CTRX.

The improvement in these sectors is attributed to strong holiday sales and a robust start to the winter tourist season across the region. The Retail and Distribution index was led by Prestige Holdings (9.1%) and Carreras (7.26%). The Communications and Utilities index was led by Dominica Electricity Services (20%), Cable and Wireless Barbados (10.8%) and Cable and Wireless Jamaica (10.2%)

Somewhat surprisingly, given the strong retail performance, stocks of Conglomerates declined in the first two weeks of 2011, with the CCSX recording a 15 point decline, whilst the manufacturing sector index (CMSX) was essentially flat, posting a 1.6 decline. Whilst most of the manufacturing stocks posted gains, a 9.9% decline in Kingston Wharves and a 6.7% decline in Caribbean Cement Company weighed heavily on the index.

The financial sector started the year weakly with stocks in the Insurance and Investments Sector posting a 13.8 point decline as shown by the CIIX, whilst stocks in the Banking Sector retreated slightly from their strong performance in 2010, with a 7.5 decline in the CBSX. The CIIX was dragged down by Eastern Caribbean Financial Holdings (-19.4%) and Pulse Investments (-8%), which offset modest gains by Guardian Holdings and Sagicor. The CBSX was dragged down by weak performances from Capital and Credit Financial Group (-15.61%) and Finance Corporation of the Bahamas (-9.9%), which offset strong performances by Demerara Bank (9.3%) and Bank of Nevis (8.1%). Table 3 provides a summary of the sector indices.

Table 3: Sector Indices Jan 3 to Jan 14 2011

	JAN 7	CHG		JAN 14	CHG	YEAR TO DATE
Caribbean Banking Index	1114.5	2.2		1104.8	-9.7	-7.5
Caribbean Conglomerate Index	1075.7	-4.6		1065.3	-10.4	-15
Caribbean Insurance and Investments Index	991.8	-4.5		982.5	-13.8	-13.8
Caribbean Manufacturing Index	1141.2	-0.1		1139.7	-1.5	-1.6
Caribbean Retail and Distribution Index	1061.3	4		1078.7	17.4	21.4
Caribbean Tourism and Retail Index	864.6	12.2		861.9	-2.6	9.5
Caribbean Communications and Utilities Index	1071.4	3.3		1099.1	27.8	13.8

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