



# THE TRINIDAD AND TOBAGO STOCK EXCHANGE LIMITED

ANNUAL REPORT 2008

Affording opportunities, creating possibilities



## MEMBERS OF THE TTSE LIMITED

### AIC SECURITIES LIMITED

Mrs. Myrnelle Akan, Mr. Lai Fadahunsi  
24 Stone Street, Port of Spain  
Tel: (868) 623-5961; 623-4401 • Fax: (868) 625-6713

### BOURSE SECURITIES LIMITED

Mr. Subhas Ramkhelawan, Mr. Donovan Mullings  
90 Independence Square, Port of Spain  
Tel: (868) 623-0415/0416/9360 • Fax: (868) 624-6953

### CARIBBEAN STOCKBROKERS LIMITED

Mr. Alvin Johnson, Mr. Harold Alleyne  
67 Independence Square, Port of Spain  
Tel: (868) 624-8178; 624-4415 • Fax: (868) 625-9258

### CMMB SECURITIES AND ASSET MANAGEMENT LIMITED

Mr. Brent Salvary, Mr. Leslie St. Louis,  
Mr. Edgar Pariagh  
1 Richmond Street, Ground Floor,  
Furness Court, Port of Spain  
Tel: (868) 623-7815 / 5153 • Fax: (868) 624-4544

### SCOTIA INVESTMENTS TRINIDAD AND TOBAGO LIMITED

Mr. Ian Narine  
4th Floor, Scotia Centre,  
56-58 Richmond Street, Port of Spain  
Tel: (868) 625-5034 • Fax: (868) 627-4192

### REPUBLIC SECURITIES LIMITED

Mr. Godfrey Gosein  
2nd Floor, Promenade Centre,  
72 Independence Square, Port of Spain  
Tel: (868) 623-3044/622-8581  
Fax: (868) 623-6945

### WEST INDIES STOCKBROKERS LIMITED

Mr. Adrian Manmohan, Ms. Salma Ali  
1st Floor, Albion Plaza,  
Victoria Avenue, Port of Spain  
Tel: (868) 628-9473  
Fax: (868) 622-5002

NASDAQ WELCOMES  
THE TRINIDAD & TOBAGO  
STOCK EXCHANGE  
JUNE 20, 2008



THE TRINIDAD AND TOBAGO  
STOCK EXCHANGE  
LIMITED



**THE TRINIDAD AND TOBAGO  
STOCK EXCHANGE  
LIMITED**

---

Affording opportunities, creating possibilities

ANNUAL REPORT 2008



# Contents

Notice of Meeting .....	2
Management Proxy Circular .....	4
Financial & Statistical Highlights 2008 .....	5
The Chairman's Report .....	6
The Chief Executive Officer's Report .....	9
The Equity Market in 2008 .....	12
The Board of Directors' Report .....	22
Board of Directors & Management .....	24
Financial Statements of The Exchange .....	25
Statistical Appendix .....	53
General Information on the TTSE .....	59
Regional Stock Exchanges .....	61
Information and Publications .....	62
Corporate Information .....	63



## MISSION STATEMENT

To facilitate the efficient mobilization and allocation of capital, fair and orderly secondary market trading in securities and the efficient clearing and settlement of transactions within a dynamic legal and regulatory framework that instills confidence in the integrity of the Exchange and related institutions.



## NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT THE **TWELFTH ANNUAL MEETING OF SHAREHOLDERS OF THE TRINIDAD AND TOBAGO STOCK EXCHANGE LIMITED** ("the Exchange") will be held at the Courtyard by Marriott, Invaders Bay, Audrey Jeffers Highway, Port of Spain, Trinidad, on Thursday, April 23, 2009 at 2:00pm for the following purposes:

### ORDINARY BUSINESS

- (1) To receive and consider the Audited Consolidated Financial Statements for the financial year ended December 31, 2008, together with the Reports of the Directors and the Auditors thereon.
- (2) To re-elect Mr. Subhas Ramkhelawan, who has been nominated for re-election under paragraph 4.5.1 of By-Law No. 1, a Class 'A' Director in accordance with paragraph 4.5.2 of By-Law No. 1, for a period ending at the close of the second Annual Meeting of the Shareholders of the Exchange following his election.
- (3) To elect Messrs. Ian Narine or Godfrey Gosein, who have been nominated for election under paragraph 4.5.1 of By-Law No. 1, a Class 'A' Director in accordance with paragraph 4.5.2 of By-Law No. 1, for a period ending at the close of the second Annual Meeting of the Shareholders of the Exchange following his election.
- (4) To re-elect Dr. Rollin Bertrand, who has been nominated for re-election under paragraph 4.6.1 of By-Law No. 1, a Class 'B' Director in accordance with paragraph 4.6.2 of By-Law No. 1, for a period ending at the close of the second Annual Meeting of the Shareholders of the Exchange following his election.
- (5) To re-elect Mr. Ranjit Jeewan, who has been nominated for re-election under paragraph 4.6 of By-Law No. 1, a Class 'B' Director in accordance with paragraph 4.6.2 of By-Law No. 1, for a period ending at the close of the second Annual Meeting of the Shareholders of the Exchange following his election.
- (6) To re-elect Mr. Peter Clarke, who has been nominated for re-election under paragraph 4.7.1 of By-Law No. 1, an Independent Director in accordance with paragraph 4.7.2 of By-Law No. 1, for a period ending at the close of the third Annual Meeting of the Shareholders of the Exchange following his election.
- (7) To re-appoint Messrs. PricewaterhouseCoopers as the Auditors of the Exchange to hold office until the close of the next Annual Meeting of the Shareholders of the Exchange.
- (8) To note a final dividend of 35% of net income for 2008.

### SPECIAL BUSINESS

- (9) To consider and if thought fit, to pass the following ordinary resolution to fix the remuneration of the Directors as follows:

"That with effect from the 1<sup>st</sup> day of January, 2009 in each case, the maximum annual remuneration payable to the Chairman of the Board be increased from \$54,000 to \$59,400, the maximum annual remuneration payable to the Deputy Chairman of the Board be increased from \$48,000 to \$52,800 and the maximum annual remuneration payable to every other Director be increased from \$33,000 to \$36,300."



## NOTICE OF MEETING (cont'd)

### SPECIAL BUSINESS (cont'd)

- (10) To transact any other business which may be properly brought before the Annual Meeting.

**BY ORDER OF THE BOARD**  
**Fitzstone Services Limited**  
**Secretary**

**10<sup>th</sup> Floor, Nicholas Tower**  
**63-65 Independence Square**  
**Port of Spain**  
**Trinidad, West Indies.**

**Date: March 19, 2009**

- Notes:
- (1) No service contracts were entered into between the Company and any of its Directors.
  - (2) The Directors of the Company have not fixed a record date for the determination of shareholders who are entitled to receive notice of the Annual Meeting. In accordance with Section 111(a) (i) of the Companies Act, Ch. 81:01, the statutory record date applies. Only shareholders on record at the close of business on the date immediately preceding the date of this Notice, are therefore entitled to receive Notice of the Annual Meeting. A List of such shareholders will be available for examination by shareholders at the Company's Registered Office 10<sup>th</sup> Floor, Nicholas Tower, 63-65 Independence Square, Port of Spain during usual business hours and at the Annual Meeting.
  - (3) A shareholder entitled to attend and vote at the Annual Meeting is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder. Attached is a Proxy Form for your convenience which must be completed and signed in accordance with the notes on the Proxy Form and then deposited at the Registered Office of the Company, 10<sup>th</sup> Floor, Nicholas Tower, 63-65 Independence Square, Port of Spain, Trinidad at least 48 hours before the time appointed for the Meeting.
  - (4) A shareholder which is a body corporate may, in lieu of appointing a proxy, authorize an individual by resolution of its Directors or of its governing body to represent it at the Annual Meeting.



## THE COMPANIES ACT, (CHAP. 81:01)

(Section 144)

**MANAGEMENT PROXY CIRCULAR**

1. Name of Company: TRINIDAD AND TOBAGO STOCK EXCHANGE LIMITED  
Company No: T2595 (c)
2. Particulars of Meeting: Twelfth Annual Meeting of the Shareholders of the Company to be held on Thursday, April 23rd, 2009 at 2:00p.m. at the Courtyard by Marriott, Invaders Bay, Audrey Jeffers Highway, Port of Spain
3. Solicitation: It is intended to vote the Proxy hereby solicited by the Management of the Company (unless the Shareholder directs otherwise) in favour of the resolutions specified in the Proxy Form sent to the Shareholders with this Circular; and, in the absence of a specific direction, in the discretion of the Proxy-holder in respect of any other resolution.
4. Any Director's statement submitted pursuant to Section 76(2): No statement has been received from any Director pursuant to Section 76(2) of the Companies Act, Chap 81:01.
5. Any Auditor's proposal submitted pursuant to Section 171(1): No statement has been received from the Auditors of the Company pursuant to Section 171(1) of the Companies Act, Chap 81:01.
6. Any Shareholder's proposal submitted pursuant to Sections 116(a) and 117(2): No proposal has been received from any Shareholder pursuant to Sections 116(a) and 117(2) of the Companies Act, Chap 81:01.

**Fitzstone Services Limited**  
**Secretary**

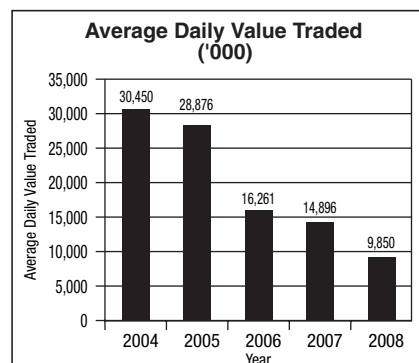
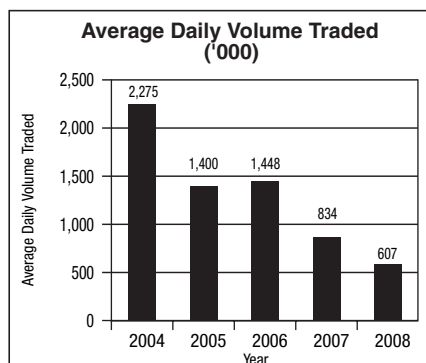
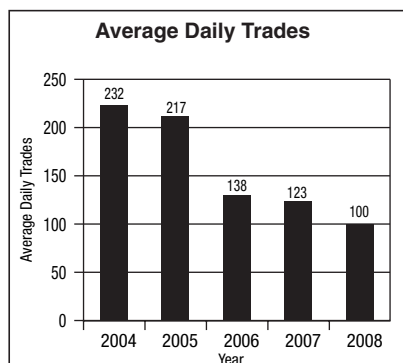
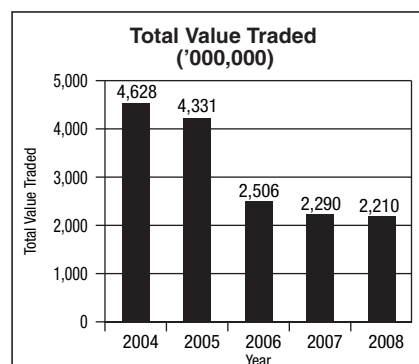
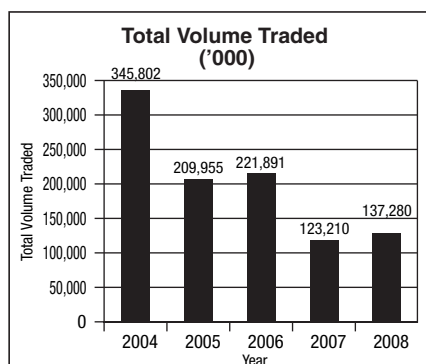
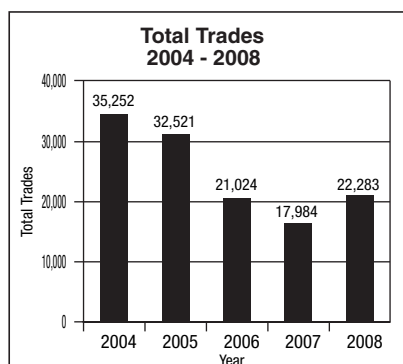
**Date: March 30, 2009**



## FINANCIAL AND STATISTICAL HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31st 2008

	Dec. 31 2008 (\$'000,000)	Dec. 31 2007* (\$'000,000)
Revenues	<b>27.53</b>	12.37
Expenses	<b>13.91</b>	10.22
Investment Income	<b>3.05</b>	2.76
Income Before Taxes	<b>16.67</b>	4.91
Taxation	<b>3.55</b>	0.91
Net Income	<b>13.12</b>	4.00
Members' Equity	<b>30.14</b>	20.70
<hr/>		
Total Volume Traded (Shares)	<b>137.2</b>	123.2
Average Daily Volume Traded (Shares)	<b>.61</b>	.83
Total Value Traded (\$)	<b>2,209.7</b>	2,290.4
Average Daily Value Traded (\$)	<b>9.8</b>	14.90
Market Capitalization (\$)	<b>76,432.9</b>	98,177.3
<hr/>		
	Dec. 31 2008	Dec. 31 2007*
Total Number of Trades	<b>22,283</b>	17,986
Average Daily Trades	<b>99</b>	123
Composite Index	<b>842.93</b>	982.03
All T&T Index	<b>1,154.75</b>	1,200.69
Member Organisations	<b>7</b>	6
New Listed Companies	<b>2</b>	-
Total Listed Companies	<b>39</b>	38

\* Statistics restated to include put-through transactions.





# THE CHAIRMAN'S REPORT

Andrew Mc Eachrane  
*Chairman*



Photography by Aripo Photos Ltd.





## THE CHAIRMAN'S REPORT *(cont'd)*

It is once more my privilege and pleasure to present the annual report of the Trinidad and Tobago Stock Exchange. 2008 was a very difficult year for financial markets, with the major stock markets falling by record margins ranging from 34% (New York) to 65% (Shanghai). Against this background, our own market did relatively well, falling by 4% (All T&T) and 14% (Composite) respectively. The Composite Index reflects the difficulties of our sister markets in Jamaica and Barbados.

The major event in our market last year was the loss of the RBTT listing following the merger/acquisition by RBC. The one-off income from this transaction was a major contributor to our consolidated profit after tax of TT\$13.1 million. This stock was one of the most actively traded on all markets. Its loss exposes our Exchange's vulnerability to the forces of globalisation and international trade, and underscores the need for strategic measures and support from our stakeholders to continue to grow and develop our capital market. A vibrant, liquid, fair, and profitable stock market is an essential ingredient for national development and our goal of achieving developed nation status.

### Strategic Initiatives

Last year, the Board adopted an annual rolling five-year strategic plan, which is monitored regularly in recognition of the dynamic pace of change in the business environment and, the sometimes dramatic nature of change. The main pillars of our current plan are:

- To continue to work with the government towards the listing of selected state enterprises and support for capital market development through fiscal and policy measures.
- The development of new services, including the bond market and the repo market.
- Enhancing the image of the Exchange and

other measures for building market confidence.

- Organisational development
- The establishment of a regional stock market.
- Expansion of the Registrar services portfolio.
- Demutualisation of the Exchange

### Bond and Repo Market

The bond market has actually been in operation since January 2008. Trading volumes so far have been nominal, but we know that the government is fully committed to listing its bonds for trading. Progress has been slowed by certain administrative difficulties which the Central Bank is working to resolve. In the meantime the Exchange has embarked on a direct marketing campaign to secure listing of private corporate bond issues with encouraging results.

We confidently expect that this market will grow to meet both national development objectives as well as its business objectives for the Exchange. When the listing of government bonds is fully completed we will have the conditions for a healthy repo market, which will enhance the flexibility and sophistication of our capital market and, we expect, will be a significant contributor to the Exchange's earnings in the future.

Last year, we invested in and established a platform for the listing and trading of Depositary Receipts. It is anticipated that the Royal Bank of Canada will be the first to list, in keeping with their undertaking at the time of the RBTT merger, once the government has completed the requisite regulations that will govern these instruments in our market.

### Regional Stock Market

This project has been on the table for a number of years. The Board remains committed to this goal and continues to participate and contribute



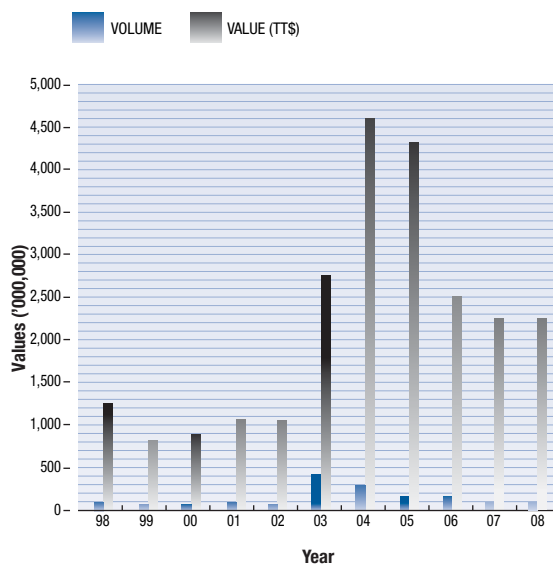
## THE CHAIRMAN'S REPORT *(cont'd)*

to the development work. Against a background of varying legislative and regulatory regimes, market rules and practices, currencies and exchange regulations, the process requires a great deal of preparatory work if we are to get it right and ensure a smoothly functioning market that meets the expectations of all participants. It is our hope that the market, known as the Caribbean Exchange Network, will become a reality in the not too distant future.

### TTCD

Our wholly-owned subsidiary continues to be a success story, facilitating the dematerialization of shareholdings and the efficient transfer and settlement of trades. Its Registrar business makes an important contribution to overall revenues, not only in quantitative terms, but also by diversifying our sources of revenue. The Board acknowledges and appreciates the efforts of the directors and staff of the TTCD.

### VOLUME AND VALUE 1998 - 2008



### Outlook

Externally, the economic forecasts are not encouraging and the effects of the global slowdown/recession on our local economy cannot be avoided. One of the adjustment strategies both for government and the private sector can be to make greater use of the facilities provided by the Stock Exchange. In the case of the government, this could involve the use of both the bond market for debt financing, and the equity market through listings of selected state enterprises. Some private sector companies might benefit by replacing exposure to debenture and other bank financing with equity capital.

Internally, the Board will heighten its focus on governance and continuous risk assessment, as developments around the world and locally have emphasized the importance of these oversight requirements in mitigating the potential for systemic and other failures.

### Conclusion

I thank my fellow Directors and the Management and staff for their support. In the challenging times that lie ahead, the commitment and support of all stakeholders will be needed. I am confident that the Trinidad and Tobago Stock Exchange Limited will weather the adversities and continue to grow in strength, as we strive to fulfil our role in the ongoing national development process.

Andrew R. P. Mc Eachrane  
Chairman





# THE CHIEF EXECUTIVE OFFICER'S REPORT

C. Wainwright Iton  
*Chief Executive Officer*



Photography by Aripo Photos Ltd.



THE TRINIDAD AND TOBAGO  
STOCK EXCHANGE  
LIMITED

ANNUAL REPORT 2008



## CHIEF EXECUTIVE OFFICER'S REPORT

### Introduction

2008 was a watershed year for global economies and global financial markets. The BBC news headlines of December 31, 2008 indicated 'Record Stock Market falls in 2008' as shown in table below:

New York	down	34%
London	down	31.3%
Paris	down	42.7%
Frankfurt	down	40.4%
Mumbai	down	51.9%
Singapore	down	49.2%
Sydney	down	41.3%
Hong Kong	down	48.3%
Shanghai	down	65.2%
Tokyo	down	42.1%

It is reported that Shanghai wiped nearly \$3 trillion off share values and New York some \$7 trillion.

By comparison the TTSE suffered mildly, viz:

- (i) The Composite Index was down 14.16%
- (ii) The All T&T Index was down 3.83%
- (iii) The JSE Composite Index was down 26.00%
- (iv) The BSE Composite Index was down 11.90%

In Trinidad and Tobago, 2008 can easily be compartmentalised into a good first half year and a bad second half year for both the economy in general and the TTSE in particular. World crude oil prices peaked at US\$147 per barrel in July 2008 and have since plummeted to US\$40 and to US\$45 by December 2008. Similarly the TTSE's Composite Index peaked at 1171.28 at the end of June and closed at 842.93 at December 31, 2008.

### Macro Economic Overview

GDP growth slowed materially in 2008 and is estimated at 3.5%, down from 5.5% in 2007. Headline inflation measured 14.5% on a year-on-year basis to December 2008. This was up from 7.9% for the corresponding period in 2007. Net International Reserves were US\$8.7 billion or 10.8 months of import cover. The unemployment rate was 5.7% while the Public Sector Debt/GDP ratio was a very respectable 27.2%; with Public Sector External Debt /GDP at a very low 5.5%. Those statistics easily placed the T&T economy at the pinnacle of Caricom/Caribbean economies and as a result better able to weather the present harsh global economic and financial environment.

### The First Tier Market

Trading volume for the year was 135 million units, an increase of 13.12% over the corresponding 2007 figure. Trade value at \$2.2 billion was approximately the same as the 2007 value. The total number of transactions was

22,053, an increase of 24.29% over 2007's figure, with an average daily transactions count of 99.

The Composite Index at December 31, 2008, was 842.93, a decrease of 14.16% for the year. However, at June 30, 2008, the composite index stood at 1171.28, an increase of 19.27% for the six (6) month period. In the second half of 2008 the composite index retreated 33.43%.

The top ten (10) performing stocks (excluding #1 performer Readymix at 350.78%) recorded an average appreciation of 25.80%. The top five (5) performers were, viz:

	%
Readymix W.I. Limited	Up 350.78
L. J. Williams Limited	Up 58.33
Angostura Holdings Limited	Up 35.03
ANSA Merchant Bank Limited	Up 29.03
Trinidad Publishing Company Limited	Up 20.80

On the negative side, the ten (10) worst performing stocks recorded an average decline of 34.61%. The five (5) worst performers were, viz:

	%
National Commercial Bank Jamaica Ltd.	Down 60.00
Prestige Holdings Limited	Down 51.30
Trinidad Cement Limited	Down 45.58
Grace Kennedy Limited	Down 34.68
Sagicor Financial Corporation	Down 30.34

### The Second Tier Market

This market continued to be very illiquid. A total of 56,986 units traded for a value of \$639,976.00. This represented a 56% decrease in volume but a 208% increase in value. Mora Ven Holdings Limited dominated the market, contributing 56,886 units, valued at \$639,876.00. There was a single trade in FNCU Venture Capital Company Limited, of 100 units valued at \$100.00. There were 59 transactions in 2008 compared to 13 in 2007.

### The Mutual Fund Market

The total volume traded in that market was 301,000 units valued at \$4.88 million. Both volume and value were materially lower than 2007's figure, where volume was 2.26 million shares valued at \$36.5 million.

Praetorian Property Fund was the most active security, accounting for 77% of volume and 23% of value. Savinvest India Asia Fund traded 48,308 units valued at \$3.66 million or 75% of total value. The Fortress Caribbean Property Fund traded 20,100 units valued at \$103,518.00. There were 103 transactions in 2008, down from 222 in 2007, a 53% decrease.

### The Government (GORTT) Secondary Bond Market

The secondary GORTT Bond market was officially



## CHIEF EXECUTIVE OFFICER'S REPORT (cont'd)

launched on January 28, 2008. That meant the GORTT bonds traded on the TTSE's Horizon trading platform, with the attendant benefits of enhanced transparency, efficiency and better price discovery.

The market did not 'catch a fire' in its first year, but there was a clear trend that it was more accessible. In 2007 there was a total of approximately 8 trades; that figure jumped to 46 in 2008. A major impediment to market development was the scarcity of paper to trade. Institutions with bonds hold them, because, if sold, there were no other bonds to replace them.

### Exchange Finances 2008

Total consolidated revenue (including interest income) was \$30.5 million, with transaction charges contributing 68.2% listing fees 11.2% and interest income 10%. Transaction charges in 2008 increased significantly due to the one-off RBC takeover of RBTT which resulted in gross charges of approximately \$13 million.

Expenses, excluding the regulatory expense of \$2.7 million associated with the RBTT transaction, totaled \$10.6 million. Net profit after the tax was \$13.12 million. Retained earnings at December 31, 2008 were \$51.9 million and shareholders' equity of \$60.28 million.

During the year the TTSE Board declared and paid a dividend of 35% of 2007's net profit.

### Highlights During 2008

- i. A secondary GORTT Bond Trading platform was introduced via TTSE's Horizon trading platform on January 28, 2008.
- ii. In March, at an historic extraordinary General Meeting, RBTT shareholders approved a buyout by Royal Bank of Canada (RBC).
- iii. On April 1, 2008, a 5-day trading week was introduced, replacing the previous 3-day market.
- iv. On May 15, 2008, we listed Capital and Credit Financial Group's ordinary shares, a Jamaican company which replaced the previously listed Capital and Credit Merchant Bank; also listed were Capital and Credit Merchant Bank's preferences shares.
- v. On June 7, 2008, there was a Board Retreat at Ortinola which resulted in the definition of five (5) strategic drivers to inform the Strategic Plan 2009 - 2011.
- vi. On June 16, 2008, the largest ever transaction on the TTSE and indeed on any English speaking Caribbean Exchange, the RBTT US\$2.2 billion transaction was put-through the market.

- vii. On June 17, 2008, RBTT's shares were delisted from the TTSE.
- viii. On June 20, 2008, the TTSE through its CEO 'rang the bell' in New York to open trading on the Nasdaq Stock Market. A memento of the occasion is on the cover of our 2008 Annual Report.
- ix. October 16, 2008, Supreme Ventures Limited (SVL), a Jamaica company, was listed on the TTSE.

### Projects for 2009

The five (5) strategic initiatives agreed at our Strategic Planning retreat, were:

- a. Government Lobbying
- b. New Product Development
- c. Public Image Management
- d. Organizational Structure
- e. Ownership structure - Demutualisation

Work has begun on all initiatives; however, the seismic shifts in the global, regional and Trinidadian economic and financial landscapes, are forcing a reassessment of a number of our assumptions.

Warren Buffet is quoted as saying that 'it is only when the tide ebbs, that we see who is swimming naked'; nude beaches are propping up in what were once very respectable quarters.

The trend for the first two (2) months of 2009 was disappointing; the number of transactions and volumes which were the lifeblood of the market have dried up. They must be refloated by all of us working together.

### Acknowledgments

At the TTSE and TCD we strive to build a 'championship team', not a team comprised of champions. The former always out performs the latter. We commend the Board of Directors, for their commitment to building the institution and providing clear policy definition.

The Management and Staff of both organisations have worked assiduously to deliver the mission to which we commit. Their efforts were greatly appreciated.

To our Listed companies and the investing public, we salute you and invite you to continue to partner with us in the future development of the market

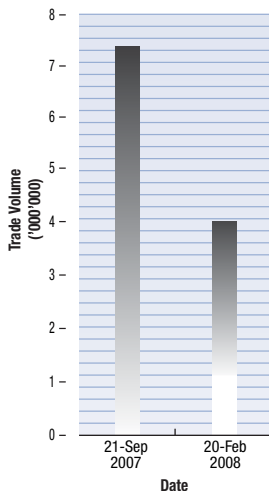


.....  
C. Wainwright Iton  
Chief Executive Officer

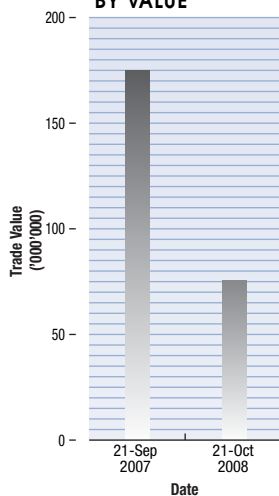


## THE EQUITY MARKET IN 2008

**MOST ACTIVE DAY BY VOLUME**



**MOST ACTIVE DAY BY VALUE**



### First Quarter

Trading in the local equity market commenced with much anticipation and uncertainty in 2008, after the announcement in October 2007 that RBTT Financial Holdings Limited (RBTT) was to be amalgamated with the Caribbean retail banking operations of the Royal Bank of Canada (RBC). Speculation over the pending transaction which valued TTD13.8 billion took prominence in the market place and was considered the largest in the region to date. Analysts and market observers debated the effect that the transaction would have on the shareholders of RBTT.

Trading activity on the First Tier Market for January was down considerably when compared to January 2007 as the number of trades fell 41% to 1,214. Traded volume was down 62% to 6.14 million shares while traded value declined 80% or \$64.33 million. Trading activity for February and March ended lower when compared to the 2007 totals, with the exception of total volume in February which was up 28%.

In aggregate, all three markets ended the first quarter of 2008 down sharply from the corresponding period in 2007. The number of trades executed on the floor registered at 4,174, down 24%. Total volume was down 26% to 27.73 million shares, while total value fell 59% to end the quarter at \$363.30 million.

Overall, the Banking sector was the most active, contributing 49% or 13.39 million shares of the total market volume while the Non-Banking Finance sector accounted for 30% or 8.29 million shares.

National Commercial Bank (Jamaica) Limited (NCBJ) was the most actively traded security in terms of volume, accounting for 28% or 7.67 million shares. In the Non Banking sector, Sagicor Financial Corporation (SFC) ended the quarter with 12% of total traded volume as 3.35 million shares crossed the floor. RBTT and Jamaica Money Market Brokers Limited (JMJB) both captured 9% of trade activity with volumes of 2.58 and 2.39 million shares respectively.

Based on value of securities traded, RBTT ended the first quarter with the highest traded value among all listed securities, representing 25% or \$89.46 million of total market value. Sagicor Financial followed with 14% of market value totalling \$51.2 million. Neal & Massy Holdings Limited (NML) also made a noteworthy contribution as \$37.46 million worth of its shares were traded equalling 11% of overall market value.

The Banking and Non-Banking sectors were the most dominant with respect to market value, contributing 51% and 23% or \$181 million and \$80.32 million in that order.

On the Mutual Fund Market the Praetorian Property Mutual Fund (PPMF) and Savinvest India Asia Fund (SIAF) were the main contributors to market activity. PPMF led with a volume of 22,007 shares which accounted for 71% of the total volume of 31,023 shares. SIAF captured 86% or \$679,634.66 of the total traded value of \$789,669.66. Caribbean Property Fund (CPF) was inactive.

There was no activity on the Second Tier Market during the first quarter.

The issues advancing were led by Republic Bank Limited (RBL) which enjoyed the largest positive price movement during the first quarter with an increase of 19% to \$95.00. The Jamaican entities Grace Kennedy Limited (GKC), Capital & Credit Merchant Bank Limited (CMMB) and JMJB recorded gains of 16%, 13% and 12% to close at \$7.25, \$0.89 and \$1.01 respectively. Readymix (West Indies) Limited (RML) moved up \$0.52 to \$7.53 and National Flour Mills Limited (NFM) inched up \$0.06 to \$0.95.

Of the 12 declining issues in the first quarter, Prestige Holdings Limited (PHL) suffered the largest loss as it closed the quarter down 23% at \$4.40. LJ Williams B (LJWB) and First Caribbean International Bank Limited (FCI) also experienced double digit declines, falling 17% and 12% to \$1.00 and \$11.49 in that order.

On the Mutual Fund Market, SIAF climbed \$0.47





## THE EQUITY MARKET IN 2008 (cont'd)

to close at \$75.50. Prices of all other securities on the Mutual Fund Market as well as those on the Second Tier Market remained unchanged.

Of the seven sectoral indices, only the Trading sector ended the quarter in negative territory as it lost 14% to close at 136.04 points. During the first quarter, the Composite Index moved up 1% to 992.95, while the All T&T Index increased 5% to 1,256.61. Market Capitalization added 2% to end the first quarter at \$100.4 billion. The Composite and All T&T indices as well as market capitalization recorded an increase of 7% each, compared to their respective values at the end of the first quarter of 2007.

### FIRST QUARTER HIGHLIGHTS

	2008	2007	% Change
Volume ('000)*	27,729	37,589	(26.23)
Value (TT\$'000)*	363,298	895,477	(59.43)
Trades (*)	4,174	5,498	(24.08)
<b>Market</b>			
Capitalization (TT\$'000,000)	100,396	93,506	7.37
Composite Index	992.85	929.11	6.86
All T&T Index	1,256.61	1,178.18	6.66

\*Includes Put Throughs

### Second Quarter

On April 1st, the investing community welcomed the move by the Exchange to increase the number of trade days per week from 3 business days to 5 business days. This move seemed to provide a fillip to the market as activity with respect to trades, volume and value more than doubled in April. The number of trades increased 118% from the previous month to 3,196 trades; total volume was up 129% to 17.4 million, while total value increased by 103% to \$279.8 million. Activity remained strong throughout the 2nd quarter, making it the most active quarter for 2008 with trades totalling 8,651, volume totalling 48.5 million shares and

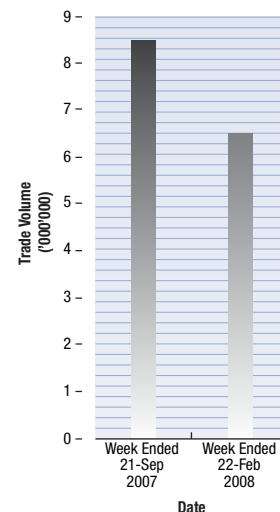
value amounting to \$760.4 million. This represented increases of 107%, 75% and 109% respectively over 2008's 1st quarter and increases of 111%, 206% and 159% when compared to the 2nd quarter activity for 2007.

Having completed its acquisition of Barbados Farms Limited in the 1st quarter of 2008, Sagicor Financial Corporation (SFC) emerged as the volume leader for the 2nd quarter with 7.07 million shares crossing the floor of the Exchange, representing 15% of total market volume. National Flour Mills Limited (NFM) was also a major contributor with a volume of 5.09 million shares or 11% of volume, followed by National Commercial Bank (Jamaica) Limited, which ended the quarter with a volume of 4.8 million shares or 10% of total volume. The Banking and the Non-Banking Finance sectors were once again dominant as collectively they accounted for 61% of total volume. The Non-Banking Finance sector posted a volume of 19.9 million shares representing 41% of traded volume, while the Banking sector ended the quarter with a volume of 9.9 million shares or 20% of market volume.

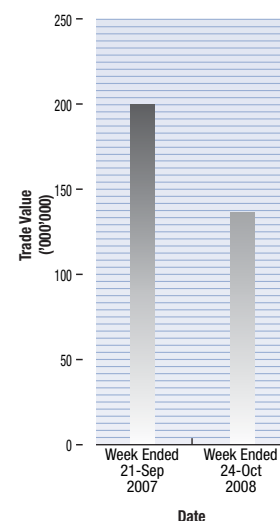
Neal and Massy Holdings Limited (NML) closed the second quarter with the highest traded value as \$166.1 million worth of its shares crossed the floor, which accounted for 22% of the market value. Volume leader, SFC, captured 18% of activity with a value of \$132.8 million. Guardian Holdings Limited (GHL) made a contribution of \$84.4 million to market value while RBTT Financial Holdings Limited (RBTT) weighed in with \$73.4 million. These totals represented 11% and 10% of traded value respectively. Due to the strong performance of SFC and GHL, the Non-Banking Finance sector recorded its strongest quarter for the year with a traded value of \$268 million or 35% of total value. The Conglomerates sector posted a value of \$225.8 million, while the Banking sector generated a traded value of \$185.1 million, equalling 30% and 25% of the First Tier Market totals in that order.

Advances outnumbered declines 7:1 during the

### MOST ACTIVE WEEK BY VOLUME

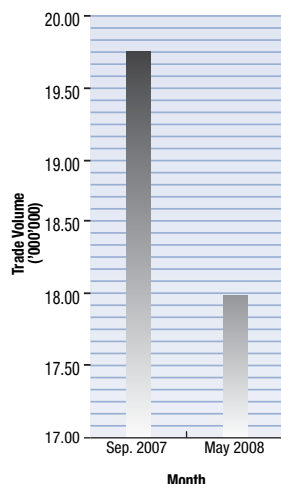


### MOST ACTIVE WEEK BY VALUE

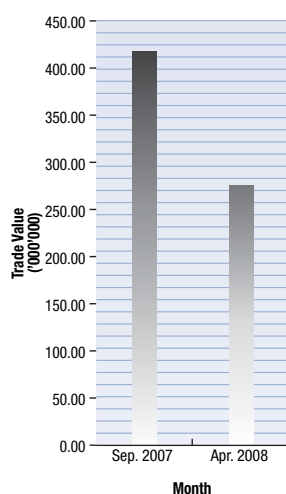


## THE EQUITY MARKET IN 2008 (cont'd)

**MOST ACTIVE MONTH BY VOLUME**



**MOST ACTIVE MONTH BY VALUE**



2nd quarter, with fourteen of the increases exceeding 20%. The increase of Readymix (West Indies) Limited (RML) was the most prominent as it jumped 134% to \$17.62 with a volume of 111,797 shares and a value of \$1.6 million. National Enterprises Limited (NEL) increased 61% to \$11.50, followed by LJ Williams Limited B (LJWB) which was up 51% to \$1.51. Scotia DBG Investments Limited (SDBG) and ANSA Merchant Bank Limited (AMBL) generated returns of 47% each closing at \$3.10 and \$33.25 respectively. LJ Williams Limited Preference (LJWP) suffered the largest quarterly loss as it fell 6% to \$3.30. Capital & Credit Financial Group Limited (CCFG) was down 5% to \$0.81, while Capital and Credit Merchant Bank Limited (CCMB) and Berger Paints Trinidad Limited (BER) shared losses of 4% as they closed at \$0.85 and \$3.25 respectively.

All three listings on the Mutual fund Market were active during the second quarter with volume totalling 180,375 shares and a market value of \$3.65 million resulting from 41 trades. Volumes for Caribbean Property Fund (CPF), Praetorian Property Mutual Fund (PPMF) and Savinvest India Asia Fund (SIAF) registered trade volumes of 508 shares, 141,175 shares and 38,692 shares with corresponding values of \$2,514.60, \$705,157.98 and \$2.94 million respectively. SIAF gained 1% to close at \$75.98, PPMF shed 0.20% ending the quarter at \$4.99 while Caribbean Property Fund traded firm at \$4.95.

On the Second Tier Market a total volume of 7,700 shares was recorded at a market value of \$38,443.50. FNCU Venture Capital (FNCU) posted a volume of 100 shares with a corresponding market value of \$100.00, while 7,600 shares of Mora Ven Holdings Limited (MOV) were traded for a value of \$38,343.50. MOV was up 41% to \$5.80, while FNCU remained unchanged at \$1.00.

The Composite and All T&T indices both recorded positive double digit increases during

the second quarter with the Composite index moving up 16% to 1,150.24 and the All T&T gaining 20% to end at 1,502.08. The Cross Listed index, which was introduced in June, ended the quarter down 2% at 98.23. The Composite and All T&T indices were up 25% and 30% when compared to their values at the end of the corresponding quarter of 2007.

Resulting from the amalgamation of RBTT with the Caribbean retail banking operations of the Royal Bank of Canada, which was approved at a shareholder meeting in March, RBTT was suspended from trading on Monday 2nd June, 2008, and subsequently delisted on June 17th 2008. This led to a \$12.4 billion reduction in market capitalization. When compared to the first quarter, market capitalization increased 3% to \$104 billion, and was 12% higher when compared to the corresponding period in 2007.

On May 15th 2008 the shares of CCMB were delisted as a result of the restructuring of CCMB. Subsequently, the shares of CCFG and Capital and Credit Merchant Bank Redeemable Variable Cumulative Preference (CCMBP) were listed on the Exchange.

### SECOND QUARTER HIGHLIGHTS

	2008	2007	% Change
Volume ('000)*	48,531	15,883	205.55
Value (TT\$'000)*	760,374	293,149	159.38
Trades	8,651	4,093	111.36
Market Capitalization (TT\$'000,000)	103,215	92,524	11.55
Composite Index	1,150.24	918.79	25.19
All T&T Index	1,502.08	1,152.40	30.34

\*Includes Put Throughs

### Third Quarter

Plagued by declining world stock prices and the threat of a global recession the third quarter of 2008 produced figures far below the comparative period for 2007. Despite a 17% increase in the number of transactions, volume



## THE EQUITY MARKET IN 2008 *(cont'd)*

and value traded suffered sharp declines, falling 17% to 31.41 million shares and 15% to \$537 million respectively.

Although trading activity on the First Tier Market in July 2008 showed significant improvement from the corresponding period in 2007, with the number of trades up 69% to 2,343, trade volume climbing 239% to 17.64 million shares and trade value increasing by 216% to \$277.49 million, this momentum did not continue into August and September. As global indices plunged to new lows signaling the advent of the current global financial crisis. August and September produced significant declines in local market activity. Volume traded was 49% lower in August and 62% lower in September when compared to the same period of 2007. These totals were complemented by a minimal gain in traded value of 1% during the month of August followed by a 66% decline in September.

Trinidad Cement Limited (TCL) led the third quarter in terms of volume traded with 6.95 million shares changing hands for \$74.29 million. Other issues dominating with respect to volume were Sagicor Financial Corporation (SFC) contributing 14% of market activity with 4.51 million shares traded while Guardian Holdings Limited (GHL) and GraceKennedy Limited (GKC) added 7% each at 2.13 million shares and 2.06 million shares respectively. The Non-Banking Finance sector proved to be the most active, representing 31% of volume with 9.84 million shares trading. The Manufacturing sector followed with 26% or 8.29 million shares.

With respect to value traded, SFC held the top spot accounting for 16% of market value or \$87.03 million. TCL, NML and GHL were also major contributors to trade value with respective totals of 14% or \$74.29 million, 12% or \$61.52 million and 11% or \$60.16 million. The Non-Banking sector dominated once again with 31% or \$163.77 million of trade value, while the Conglomerates and Manufacturing II sectors

accounted for 24% or \$125.73 million and 21% or \$113.44 million.

The Mutual Fund market recorded activity in all three securities with 21 trades resulting in a volume of 50,902 shares and trade value of \$258,950.10. Praetorian Property Mutual Fund (PPMF) traded the majority with 61% or 31,210 shares being exchanged for \$150,446.70. The Second Tier Market, on the other hand, only registered 16 trades in Mora Ven Holdings Limited (MOV) totaling 8,972 shares MOV valued at \$75,389.66.

Of the 9 advancing issues, Readymix (West Indies) Limited (RML) enjoyed the largest gain of the period, having leapt 79% to \$31.60. Local issues held the top spots in terms of advances with Point Lisas Industrial Port Development Corporation (PLD) and LJ Williams B (LJWB) climbing 34% and 26% to end the quarter at \$12.05 and \$1.90 respectively. Angostura Holdings Limited (AHL) added \$1.24 moving up to \$7.49, while Flavorite Foods Limited (FFL) increased by \$0.81 to close at \$6.53. The 19 declines on the First Tier Market were led by National Flour Mills Limited (NFM), which fell 29% to \$0.81. Cross listed securities Scotia DBG Investments Limited (SDBG) and GraceKennedy Limited (GKC) closed the quarter down 26% and 25% to \$2.30 and \$6.30 in that order. GHL lost \$7.04 on its way to \$23.96, while SFC shed \$4.14 ending at \$17.50.

The Mutual Fund Market recorded price movements in all three securities, with Caribbean Property Fund (CPF) gaining \$0.16 to close on \$5.11 and PPMF and SavInvest India Asia Fund (SIAF) down \$10% to \$4.49 and 1% to \$75.00 respectively. Meanwhile, MOV was the only issue on the Second Tier Market to witness a price change, up 72% to \$9.99.

Market capitalisation dipped 7% to \$96.53 billion from its position at the end of the second quarter. However, it had risen 2% compared to the third quarter of 2007. All major indices were





## THE EQUITY MARKET IN 2008 (cont'd)

also down during the third quarter, with the Composite falling 84.62 points to 1,065.62, the All T&T shedding 57.99 points to close on 1,444.10, and the Cross Listed declining 13.39 closing at 84.84. Most major sectoral indices also declined, with the exception of the Property and Manufacturing sectors, up 32% to 494.11 and 35.87 points to 1,126.92. Collectively, however, both the Composite index and All T&T index were up when compared to the third quarter of 2007. The Composite had risen by 14%, while the All T&T was up 22% from the previous year.

On another positive note, in July 2008, the Composite and All T&T indices approached their record highs since the inception of the Stock Exchange. The Composite index climbed to 1,174.56, only 57.63 points from its highest recorded figure, while the All T&T index rose to 1,567.86, a mere 4.52 points from its own record.

In July 2008, AHL closed the deal to acquire control of Lascelles, de Mercado and Company Limited, a major Jamaican listed company. On September 8<sup>th</sup>, 2008 Dehring, Bunting & Golding, a new securities firm, was admitted to the membership of the Exchange. Also in September, Agostini's Limited (AGL) announced a 2 for 5 Rights issue to raise capital to finance the purchase of a local distribution company, Hand Arnold (Holdings) Limited. At an offer price of \$9.50 per share, the company issued over 2 million shares and thus raised approximately \$19 million.

### THIRD QUARTER HIGHLIGHTS

	2008	2007	% Change
Volume ('000)*	31,406	37,949	(17.24)
Value (TT\$'000)*	537,004	629,160	(14.65)
Trades	5,260	4,478	17.46
Market Capitalization (TT\$'000,000)	96,527	94,315	2.35
Composite Index	1,065.62	936.57	13.78
All T&T Index	1,444.10	1,179.58	22.42

\*Includes Put Throughs

### Fourth Quarter

The fourth quarter began with a new security being cross listed on the local Exchange. Supreme Ventures Limited, a Jamaican gaming company, was added to the Official List on October 16th 2008.

The number of trades for the quarter had risen in comparison to the same period in 2007, up 7% to 4,198, while traded value leapt 16% to \$549.02 million. Trade volume, however, was below the same period for 2007 having fallen 7% to 29.61 million shares.

Eventually, the downturn in world markets began to have an effect on local markets. As scepticism rose, total transactions and traded volume fell from the third quarter, down 20% and 6% respectively. Sagicor Financial Corporation (SFC) was the most active security in the fourth quarter in terms of volume, accounting for 24% or 6.88 million shares. Neal & Massy Holdings Limited (NML) and Supreme Ventures Limited followed suit with 19% or 5.36 million shares and 12% or 3.26 million shares of total volume traded. National Commercial Bank Jamaica Limited (NCBJ) and Guardian Holdings Limited (GHL) contributed 10% or 2.81 million shares and 6% or 1.69 million shares in that order. The Non-Banking Finance sector maintained its lead with 37% or 10.30 million shares of total volume traded. The Conglomerates sector was next in line with 5.91 million shares, which represented 21% of the market volume.

In terms of value, NML held the top spot with 49% of overall market value as its shares traded for \$267.88 million. Republic Bank Limited (RBL) covered 19% of market value with \$102.62 million, while SFC's traded value of \$83.91 million represented 15% of the quarter's totals. The Conglomerates sector captured half of the overall market value of the fourth quarter with a value of \$273.31 million, which totaled an even 50%. The Non-Banking Finance sector accounted for 23% with \$127.87 million, while



## THE EQUITY MARKET IN 2008 *(cont'd)*

the Banking sector added \$114.67 million or 21%.

Praetorian Property Mutual Fund (PPMF) dictated the pace for the Mutual Fund Market with 38,200 shares reflecting 99% of volume and a value of \$148,780.00 covering 81% of market value. Meanwhile, Mora Ven Holdings Limited (MOV) was the only active security in the Second Tier Market with a volume of 40,314 shares valued at \$526,143.28.

With respect to price movements for the quarter, declines outpaced advances by a ratio of 13:1. The Non-sector companies were the only two securities to enjoy gains, with Trinidad Publishing Company Limited's 6% Cumulative Preference shares moving up 8% to \$65.00 and Alston's Limited's 7% Cumulative Preference shares increasing by \$0.07 to \$7.07. Of the 26 declining issues in the First Tier Market, NCBJ suffered the greatest loss of 57%, falling to \$0.80. Trinidad Cement Limited (TCL) and National Enterprises Limited (NEL) were down 55% to \$4.00 and 41% to \$6.60 in that order. Regional issues, SFC, GraceKennedy Limited (GKC) and Jamaica Money Market Brokers Limited (JMMB) traded down 37%, 36% and 34% to close the quarter at \$11.00, \$4.05 and \$0.63 respectively. Scotiabank Trinidad and Tobago Limited (SBTT) also shed \$12.25 to end at \$26.50. On the Mutual Fund Market, PPMF was the only security to witness a price change, falling 14% to \$3.87. MOV recorded the only price change on the Second Tier Market increasing 35% to \$13.50.

In October, the Exchange submitted a proposal to the Securities and Exchange Commission (SEC) to amend the Stock Exchange's Rule 227 and the corresponding Horizon Trading Rule

10.2 with respect to the determination of closing prices. The purpose of the rule change was to eliminate the possibility of the price of securities fluctuating on small trade volumes. Whereas the previous rule stated that closing prices were determined by using the price of the last trade of the day, the new rule sought to determine closing prices by using the last transaction executed in the primary market for the security, subject to a given Board Lot structure. This rule remains in effect until March 31st 2009, at which time it will be reviewed by the SEC.

The effect of falling prices took its toll on market capitalization which at the year's end stood at \$77.19 billion, having lost 22% for the year. The Composite and All T&T indices were also lower when compared to 2007 figures, with the Composite falling 14% to 842.93 and the All T&T down 4% to 1,154.75. Activity during the fourth quarter of 2008 also saw declines in all major indices as well as all sectoral indices. The Composite index fell 21% from 1065.62 to 842.93, the All T&T shed 289.34 points or 20%, and the Cross Listed index slipped 23% from 84.84 to close the quarter at 65.71.

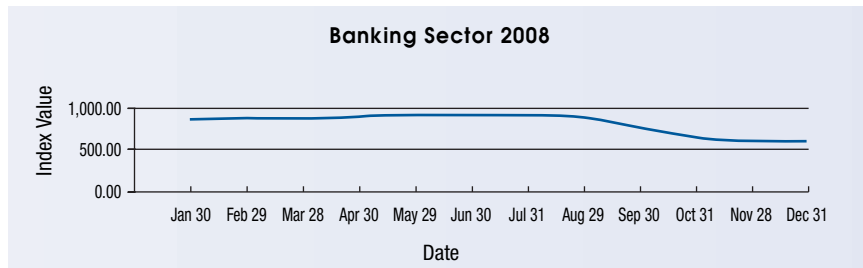
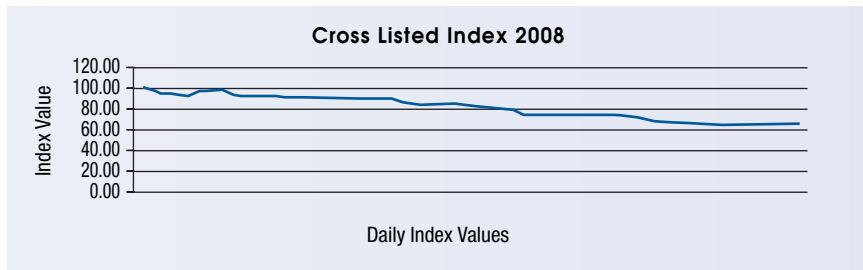
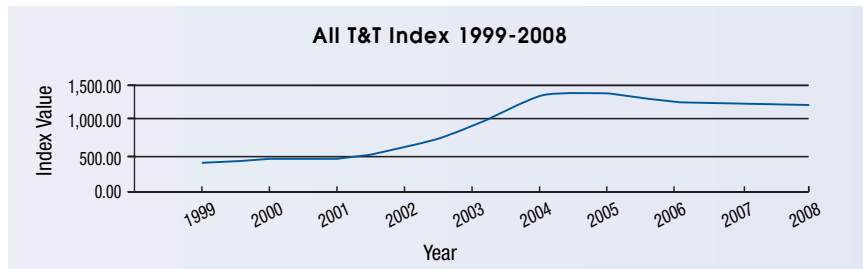
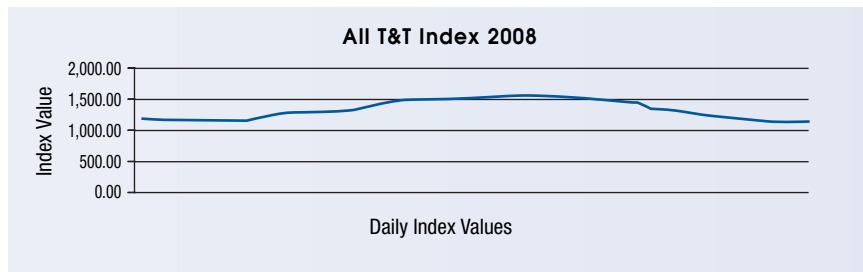
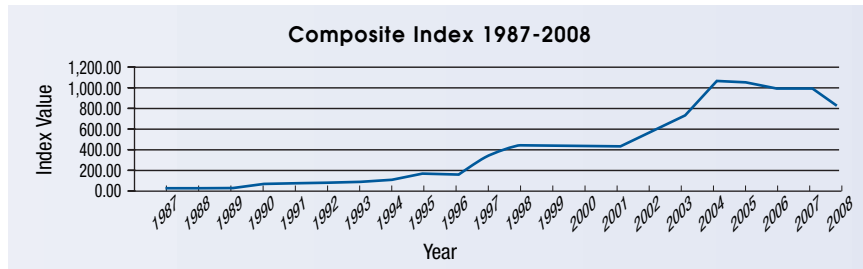
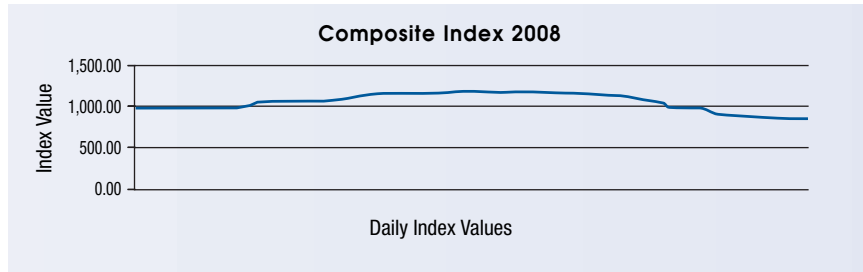
### FOURTH QUARTER HIGHLIGHTS

	2008	2007	% Change
Volume ('000)*	<b>29,613</b>	31,788	(6.84)
Value (TT\$'000)*	<b>549,021</b>	472,579	16.18
Trades	<b>4,198</b>	3,922	7.04
Market Capitalization (TT\$'000,000)	<b>77,193</b>	98,911	(21.96)
Composite Index	<b>842.93</b>	982.03	(14.16)
All T&T Index	<b>1,154.75</b>	1,200.69	(3.83)

\*Includes Put Throughs

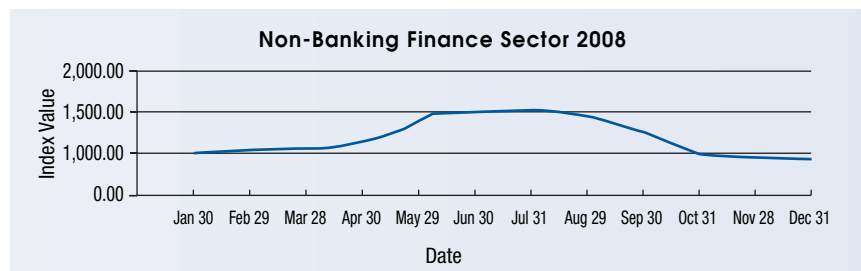
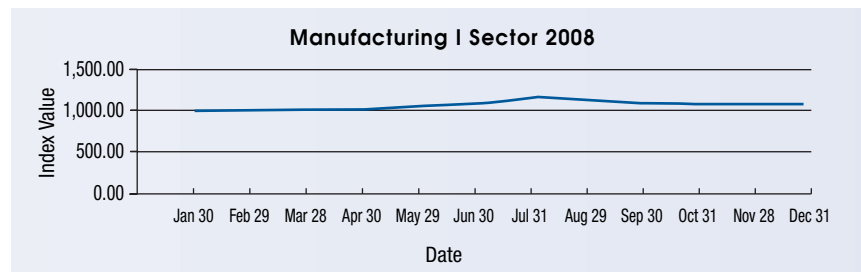
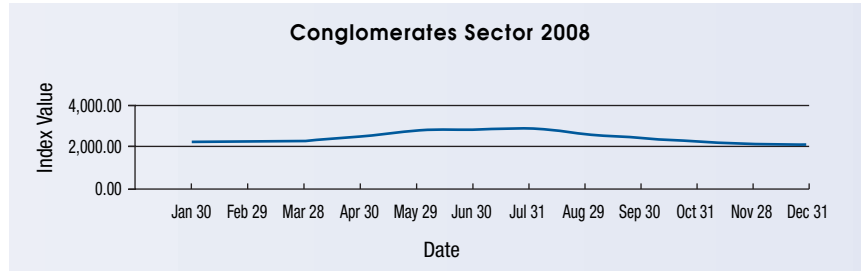


## EQUITY MARKET ACTIVITY FOR 2008

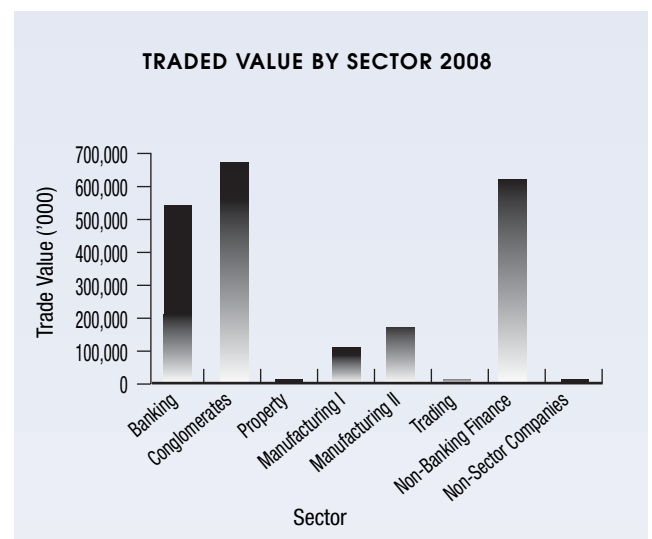
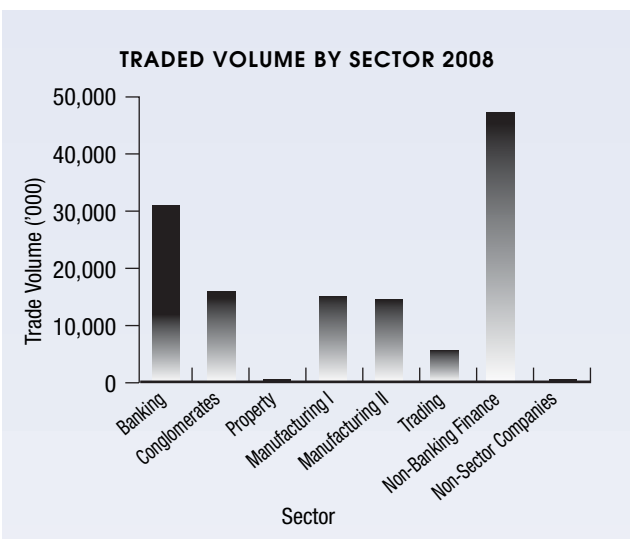
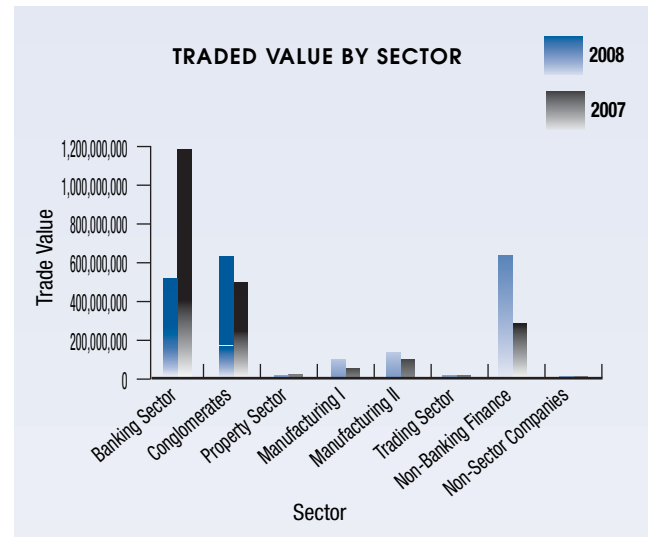
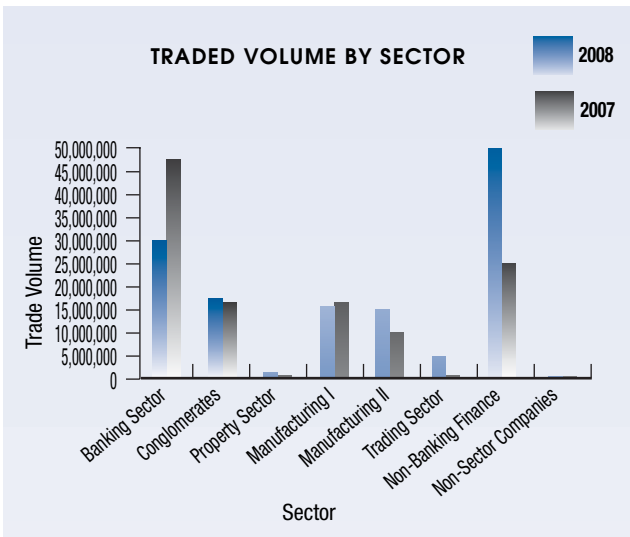
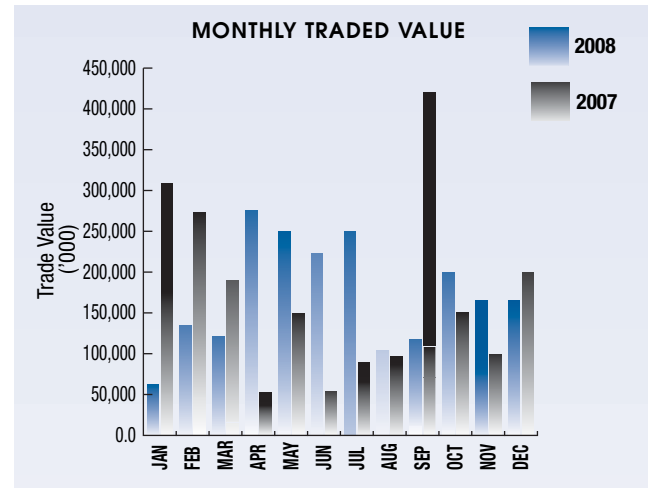
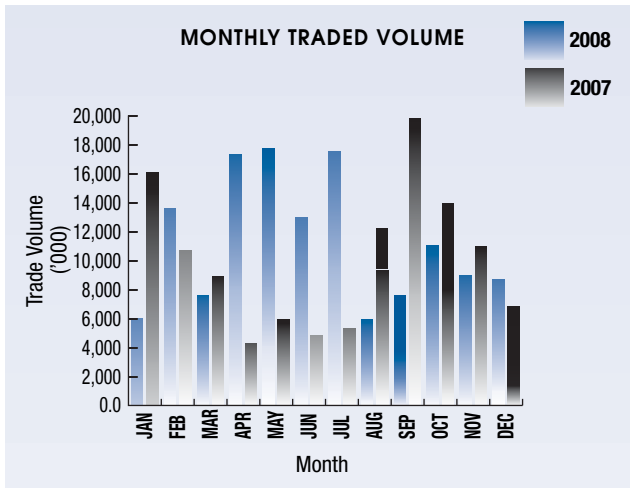




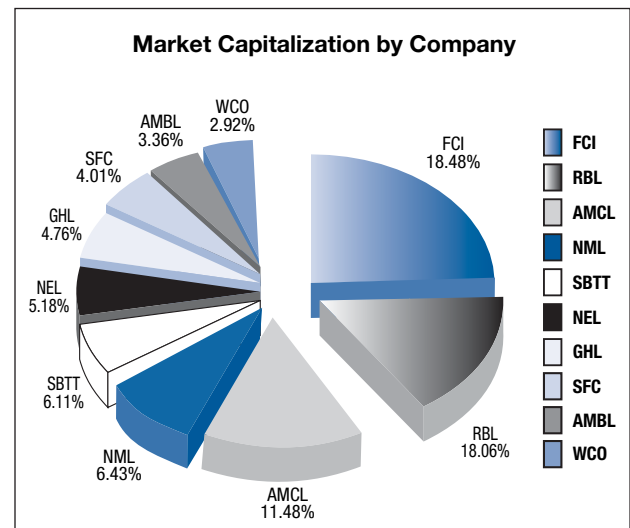
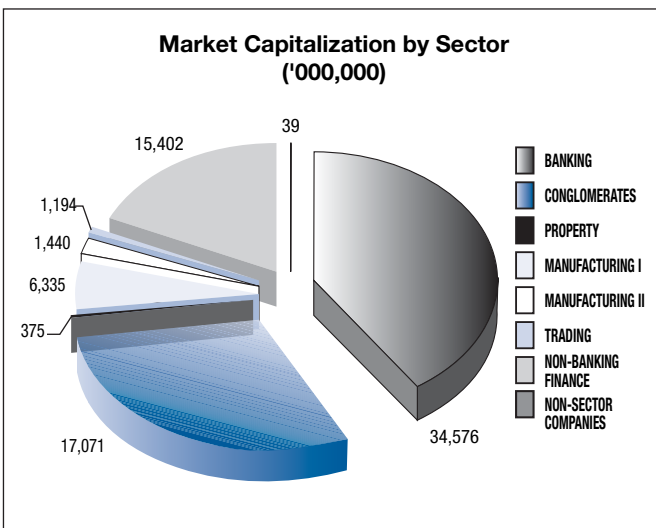
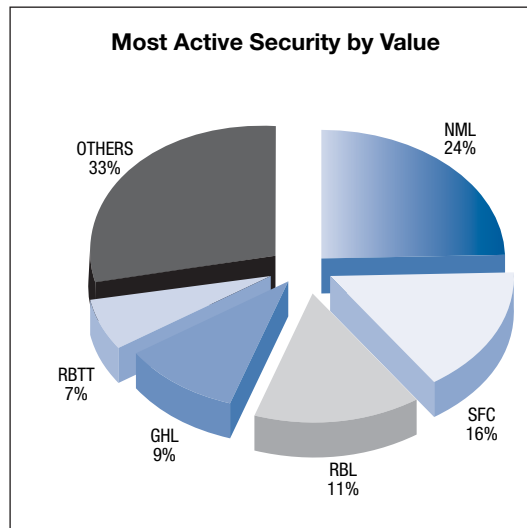
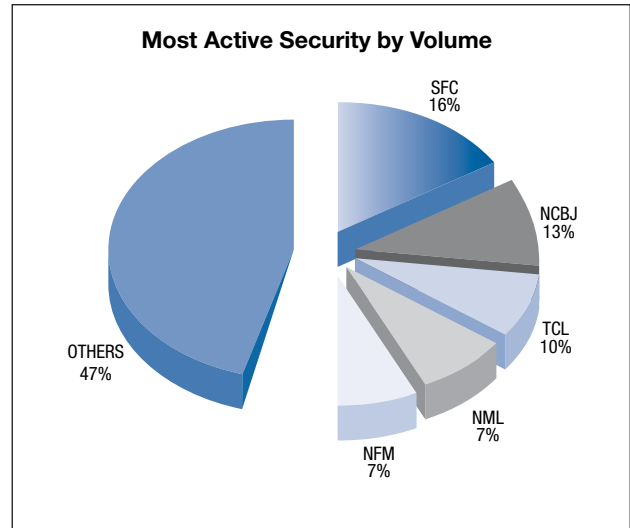
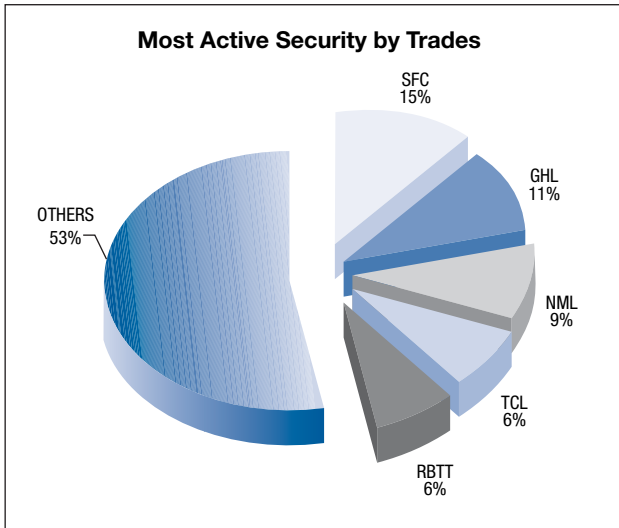
## EQUITY MARKET ACTIVITY FOR 2008 (cont'd)



## EQUITY MARKET ACTIVITY FOR 2008 (cont'd)



## EQUITY MARKET ACTIVITY FOR 2008 (cont'd)





## THE BOARD OF DIRECTORS' REPORT

The Board of Directors submit their report for the year ended December 31, 2008.

### ACTIVITIES

The principal activity of the Stock Exchange and its subsidiary is the provision of facilities for trading, clearing and the settlement of transactions executed on the floor of the Exchange, and the provision of Registry Services.

### FINANCIAL REVIEW

For the year ended December 31,	2008	2007	2006	2005	2004
Revenues From:					
Operations	<b>27,528,697</b>	12,366,587	12,268,638	16,778,720	14,306,314
Investments	<b>3,045,976</b>	2,761,470	1,955,413	1,876,584	1,558,038
Amortization of Capital Grants	-	-	-	55,592	7,669
Expenses	<b>13,902,811</b>	10,214,934	9,485,459	9,491,491	7,202,974
Income before taxes	<b>16,671,862</b>	4,913,123	4,738,637	9,219,405	8,669,047
Provision for income taxes	<b>3,554,200</b>	917,706	811,711	2,155,868	2,194,649
<b>Net Income</b>	<b>13,117,662</b>	3,995,417	3,926,926	7,063,537	6,474,398
Current Assets	<b>46,157,419</b>	36,879,430	29,681,624	34,954,149	32,816,122
Current Liabilities	<b>5,551,900</b>	2,737,118	2,936,473	2,573,145	2,074,744
Working Capital	<b>40,605,519</b>	34,142,312	26,745,151	32,381,004	30,741,378
Non-current assets and liabilities, net	<b>19,674,532</b>	7,255,491	12,023,671	4,995,264	1,254,600
Equity of seven (7) member firms	<b>30,140,026</b>	20,698,902	18,774,639	18,047,296	15,292,247

### DIVIDENDS

The Board of Directors has declared a dividend of \$TT4,591,182 (2007 - \$1,398,396) payable to the holders of shares entered on the Register of Members as at April 23rd, 2009 of which 50% thereof is to Class A Shareholders and 50% to Class B Shareholders pro rata accordingly to the number of shares held by each shareholder.

### DIRECTORATE

#### Class 'A' Directors

- (1) Mr. Subhas Ramkhelawan, one of the four Directors elected pursuant to Paragraph 4.1.1. retired in accordance with Section of 4.5.1 of the Exchange's By-laws, and being eligible, offered himself for re-election in accordance with paragraph 4.5.2.
- (2) Messrs. Ian Narine and Godfrey Gosein have been nominated for election under paragraph 4.5.1 of By-Law No. 1, as Class 'A' Directors in accordance with paragraph 4.5.2 of By-Law No. 1, for a period ending at the close of the second Annual Meeting of the Shareholders of the Exchange following the election.



## THE BOARD OF DIRECTORS' REPORT

The Board of Directors submit their report for the year ended December 31, 2008.

### ACTIVITIES

The principal activity of the Stock Exchange and its subsidiary is the provision of facilities for trading, clearing and the settlement of transactions executed on the floor of the Exchange, and the provision of Registry Services.

### FINANCIAL REVIEW

For the year ended December 31,	2008	2007	2006	2005	2004
Revenues From:					
Operations	<b>27,528,697</b>	12,366,587	12,268,638	16,778,720	14,306,314
Investments	<b>3,045,976</b>	2,761,470	1,955,413	1,876,584	1,558,038
Amortization of Capital Grants	-	-	-	55,592	7,669
Expenses	<b>13,902,811</b>	10,214,934	9,485,459	9,491,491	7,202,974
Income before taxes	<b>16,671,862</b>	4,913,123	4,738,637	9,219,405	8,669,047
Provision for income taxes	<b>3,554,200</b>	917,706	811,711	2,155,868	2,194,649
<b>Net Income</b>	<b>13,117,662</b>	3,995,417	3,926,926	7,063,537	6,474,398
Current Assets	<b>46,157,419</b>	36,879,430	29,681,624	34,954,149	32,816,122
Current Liabilities	<b>5,551,900</b>	2,737,118	2,936,473	2,573,145	2,074,744
Working Capital	<b>40,605,519</b>	34,142,312	26,745,151	32,381,004	30,741,378
Non-current assets and liabilities, net	<b>19,674,532</b>	7,255,491	12,023,671	4,995,264	1,254,600
Equity of six (6) member firms	<b>30,140,026</b>	20,698,902	18,774,639	18,047,296	15,292,247

### DIVIDENDS

The Board of Directors has declared a dividend of \$TT4,591,182 (2007 - \$1,398,396) payable to the holders of shares entered on the Register of Members as at April 23rd, 2009 of which 50% thereof is to Class A Shareholders and 50% to Class B Shareholders pro rata accordingly to the number of shares held by each shareholder.

### DIRECTORATE

#### Class 'A' Directors

- (1) Mr. Subhas Ramkhelawan, one of the four Directors elected pursuant to Paragraph 4.1.1. retired in accordance with Section of 4.5.1 of the Exchange's By-laws, and being eligible, offered himself for re-election in accordance with paragraph 4.5.2.
- (2) Messrs. Ian Narine and Godfrey Gosein have been nominated for election under paragraph 4.5.1 of By-Law No. 1, as Class 'A' Directors in accordance with paragraph 4.5.2 of By-Law No. 1, for a period ending at the close of the second Annual Meeting of the Shareholders of the Exchange following the election.



## THE BOARD OF DIRECTORS' REPORT *(cont'd)*

### Class 'B' Directors

- (3) Dr. Rollin Bertrand, one of the four Class "B" Directors has retired in accordance with Section 4.5.1, he has been nominated for re-election under paragraph 4.6.1 of By-Law No. 1, in accordance with paragraph 4.6.2 of By-Law No. 1, for a period ending at the close of the second Annual Meeting of the Shareholders of the Exchange following his election.
- (4) Mr. Ranjit Jeewan, has retired in accordance with Section 4.5.1, and has been nominated for re-election under paragraph 4.6 of By-Law No. 1, in accordance with paragraph 4.6.2 of By-Law No. 1, for a period ending at the close of the second Annual Meeting of the Shareholders of the Exchange following his election.

### Independent Directors

- (5) Mr. Peter Clarke, has been nominated for re-election under paragraph 4.7.1 of By-Law No. 1, an Independent Director in accordance with paragraph 4.7.2 of By-Law No. 1, for a period ending at the close of the third Annual Meeting of the Shareholders of the Exchange following his election.

### AUDITORS

The retiring Auditors, PricewaterhouseCoopers offer themselves for re-appointment.

BY ORDER OF THE BOARD

Devika Lennon,  
Assistant Secretary  
April 2009





## BOARD OF DIRECTORS



**Myrnelle Akan**  
*Managing Director*  
*AIC Securities Limited*



**Ray A. Sumairsingh**  
*Sector Head, Financial Services*  
*ANSA McAI Limited*



**Andrew Mc Eachrane**  
*Chairman*  
*Consultant*



**Subhas Ramkhelawan**  
*Deputy Chairman*  
*Managing Director*  
*Bourse Securities Limited*



**Peter E. Clarke**  
*Director*



**Dr. Rollin Bertrand**  
*Chief Executive Officer*  
*Trinidad Cement Ltd. Group of Companies*



**Michael Phillip**  
*Company Secretary*  
*Neal & Massy Holdings Limited*



**Ranjit Jeewan**  
*Director*



**Alvin K. Johnson**  
*Managing Director*  
*Caribbean Stockbrokers Limited*



**Terrence Chang**  
*Director,*  
*Consultant*



**C. Wainwright Iton**  
*General Manager/C.E.O.*

## MANAGEMENT



---

# INDEPENDENT AUDITOR'S REPORT

---

TO THE SHAREHOLDERS OF THE TRINIDAD AND TOBAGO STOCK EXCHANGE LIMITED

## Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of The Trinidad and Tobago Stock Exchange Limited (the company) and its subsidiary (together, the Group) which comprise the consolidated balance sheet as of 31 December 2008 and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's responsibility

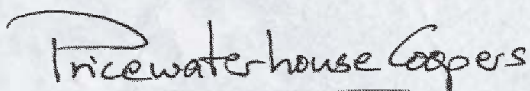
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of 31 December 2008, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.



PricewaterhouseCoopers  
Port of Spain  
Trinidad, West Indies  
26 March 2009



THE TRINIDAD AND TOBAGO  
STOCK EXCHANGE  
LIMITED

ANNUAL REPORT 2008



# CONSOLIDATED BALANCE SHEET

at 31st December

	Notes	2008 \$	2007 \$
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property and equipment	2	13,022,403	12,162,699
Available-for-sale investment	3	11,496,705	1,465,179
Held to maturity investment	3	--	6,500,000
Cash on deposit	4	2,222,095	2,077,937
		<b>26,741,203</b>	<b>22,205,815</b>
<b>Current Assets</b>			
Accounts receivable and prepayments	5	2,031,981	2,060,437
Cash on deposit	4	42,995,388	33,770,531
Cash at bank and in hand		102,719	800
Taxation recoverable		1,045,331	1,047,662
		<b>46,157,419</b>	<b>36,879,430</b>
<b>Total Assets</b>		<b>72,898,622</b>	<b>59,085,245</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Capital and Reserves</b>			
Stated capital	6	8,369,069	1,399,365
Revaluation deficit		--	(171,834)
Retained earnings		51,910,982	40,170,272
<b>Total Equity</b>		<b>60,280,051</b>	<b>41,397,803</b>
<b>Non-Current Liabilities</b>			
Share application		--	7,000,000
Borrowings	7	6,979,460	7,860,768
Deferred taxation	8	87,211	89,556
		<b>7,066,671</b>	<b>14,950,324</b>
<b>Current Liabilities</b>			
Borrowings	7	944,227	1,041,944
Accounts payable and accruals		3,962,230	1,594,643
Fees and commissions paid in advance		--	98,199
Tax payable		645,443	2,332
		<b>5,551,900</b>	<b>2,737,118</b>
<b>Total Liabilities</b>		<b>12,618,571</b>	<b>17,687,442</b>
<b>Total Equity and Liabilities</b>		<b>72,898,622</b>	<b>59,085,245</b>

The accounting policies on pages 30 to 33 and the notes on pages 34 to 40 form an integral part of these financial statements.

On the 12 March 2009 the Board of Directors of the Trinidad and Tobago Stock Exchange Limited authorised these financial statements for issue.

Director: *A. R. Paulsane*

Director: *J. S. L. Ho*





# CONSOLIDATED INCOME STATEMENT

year ended 31st December

	Notes	2008 \$	2007 \$
<b>Revenue:</b>			
Fees, commissions and charges	9	<u>27,528,697</u>	<u>12,366,587</u>
<b>Expenses:</b>			
Administrative		(664,167)	(570,538)
Marketing		(160,043)	(60,046)
Operating		<u>(12,503,650)</u>	<u>(8,959,921)</u>
		<u>(13,327,860)</u>	<u>(9,590,505)</u>
<b>Operating Profit</b>		<b>14,200,837</b>	<b>2,776,082</b>
<b>Finance Costs</b>		<b>(574,951)</b>	<b>(624,429)</b>
<b>Investment Income</b>		<b>3,045,976</b>	<b>2,761,470</b>
<b>Profit Before Taxation</b>	10	<b>16,671,862</b>	<b>4,913,123</b>
<b>Taxation</b>	11	<b>(3,554,200)</b>	<b>(917,706)</b>
<b>Net Profit</b>		<b><u>13,117,662</u></b>	<b><u>3,995,417</u></b>

The accounting policies on pages 30 to 33 and the notes on pages 34 to 40 form an integral part of these financial statements.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Stated Capital \$	Revaluation Reserves \$	Retained Earnings \$	Total \$
<b>Year ended 31 December 2008</b>					
Balance at 1 January 2008		1,399,365	(171,834)	40,170,272	41,397,803
Share issue	6	7,000,000	--	--	7,000,000
Share redemption	6	(30,296)	--	--	(30,296)
Dividends		--	--	(1,376,952)	(1,376,952)
Fair value adjustment (net of tax)		--	171,834	--	171,834
Net Profit		--	--	13,117,662	13,117,662
Balance at 31 December 2008		8,369,069	--	51,910,982	60,280,051
<b>Year ended 31 December 2007</b>					
Balance at 1 January 2007		1,411,483	(191,939)	37,549,278	38,768,822
Share redemption		(12,118)	--	--	(12,118)
Dividends		--	--	(1,374,423)	(1,374,423)
Fair value adjustment (net of tax)		--	(20,105)	--	20,105
Net Profit		--	--	3,995,417	3,995,417
Balance at 31 December 2007		1,399,365	(171,834)	40,170,272	41,397,803

*The accounting policies on pages 30 to 33 and the notes on pages 34 to 40 form an integral part of these financial statements.*





# CONSOLIDATED CASH FLOW STATEMENT

year ended 31st December

	Note	2008 \$	2007 \$
<b>Operating Activities</b>			
Profit before taxation		16,671,862	4,913,123
Adjustments to reconcile profit to net cash from operating activities:			
Depreciation		878,281	731,524
Loss on disposal of plant and equipment		31,775	--
Interest income		(3,045,976)	(2,761,470)
		<u>14,535,942</u>	<u>2,883,177</u>
Changes in operating assets/liabilities:			
Decrease in accounts receivable and prepayments		46,456	385,644
Increase in payables and accruals		2,367,587	317,256
(Decrease) in fees and subscriptions paid in advance		(98,199)	(565,935)
Net tax payments		(2,968,383)	(1,120,855)
		<u>13,883,403</u>	<u>1,899,287</u>
<b>Investing Activities</b>			
Sale of investment		1,853,587	--
Purchase of investment		(5,156,000)	(41,069)
Interest received		3,045,976	2,761,470
(Increase) in cash on deposit		(9,369,015)	(7,916,036)
Purchase of equipment		(1,945,260)	(1,903,629)
Proceeds on disposal of plant and equipment		175,500	--
		<u>(11,395,212)</u>	<u>(7,099,264)</u>
<b>Financing Activities</b>			
Repurchase of shares		(30,296)	(12,118)
Proceeds from share application		--	7,000,000
Principal repayment on borrowings		(818,750)	(760,633)
Dividends		(1,376,952)	(1,374,423)
		<u>(2,225,998)</u>	<u>4,852,826</u>
<b>Increase/(Decrease) In Cash and Cash Equivalents</b>			
		<u>262,193</u>	<u>(347,151)</u>
<b>Cash and Cash Equivalents</b>			
At beginning of year		(222,393)	124,758
Increase/(Decrease)		262,193	(347,151)
		<u>39,800</u>	<u>(222,393)</u>
<b>Represented by</b>			
Cash in hand		2,000	800
Bank overdraft	7	(62,919)	(223,193)
Cash at bank		100,719	--
		<u>39,800</u>	<u>(222,393)</u>

The accounting policies on pages 30 to 33 and the notes on pages 34 to 40 form an integral part of these financial statements.





---

## ACCOUNTING POLICIES

31st December 2008

---

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a. **Basis of preparation**

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are prepared under the historical cost convention as modified by the valuation of available for sale investments.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. There are no critical accounting estimates included in the financial statements as at the year end.

b. **Changes in International Financial Reporting Standards**

The introduction of new International Financial Reporting Standards (IFRS) and revisions to International Accounting Standards (IASs) affected the Group for the reporting year 2008. These changes affect how items are presented and disclosed in the financial statements and how certain items are accounted for. The amendments did not result in substantial changes to the Group's accounting policies or results.

a) *Interpretations effective in 2008 but not relevant*

IFRIC 14, 'IAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction'

IFRIC 11, 'IFRS 2 - Group and treasury share transactions'

IFRIC 12, 'Service concession arrangements'

b) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the group*

The following standards and amendments to existing standards have been published and are mandatory for the group's accounting periods beginning on or after 1 January 2009 or later periods, but the group has not early adopted them:

- IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009).
- IAS 1 (Revised), 'Presentation of financial statements' (effective from 1 January 2009).
- IFRS 2 (Amendment), 'Share-based payment' (effective from 1 January 2009).
- IAS 32 (Amendment), 'Financial instruments: Presentation', and IAS 1 (Amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2009).
- IFRS 1 (Amendment) 'First time adoption of IFRS' and IAS 27 'Consolidated and separate financial statements' (effective from 1 January 2009).
- IAS 27 (Revised), 'Consolidated and separate financial statements' (effective from 1 July 2009).
- IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009).
- IAS 38 (Amendment), 'Intangible assets' (effective from 1 January 2009).
- IAS 39 (Amendment), 'Financial instruments: Recognition and measurement' (effective from 1 January 2009).





**b. Changes in International Financial Reporting Standards (cont'd)**

b) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the group (cont'd)*

- IAS 1 (Amendment), 'Presentation of financial statements' (effective from 1 January 2009).
- There are a number of minor amendments to IFRS 7, 'Financial instruments: Disclosures', IAS 8, 'Accounting policies, changes in accounting estimates and errors', IAS 10, 'Events after the reporting period', IAS 18, 'Revenue' and IAS 34, 'Interim financial reporting'.

**c. Foreign currency translation****i) Functional and presentation currency**

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the parent company operates (the 'functional currency'). The financial statements are presented in Trinidad & Tobago Dollars, which is the Group's functional and presentation currency.

**ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency, Trinidad and Tobago dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

**d. Financial instruments and right of offsetting**

Financial instruments carried on the balance sheet include cash and bank balances, investments and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. Financial assets and liabilities are offset and the net amount reported in the balance sheet where there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

**e. Property and equipment**

Property and equipment are stated at cost less depreciation. Assets are depreciated using the reducing balance basis, except for building which is depreciated on a straight-line basis, to write off the depreciable amounts for each asset over its useful life.

The annual depreciation rates used are:

Computer equipment	25%
Computer software	33 1/3%
Furniture and fixtures	10%
Motor vehicles	25%
Office equipment	10%
Buildings	2%





---

## ACCOUNTING POLICIES

31st December 2008

---

f. **Investment**

Securities available for sale

Available for sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices. Regular purchases and sales of financial assets are recognised on the trade-date - the date on which the Group commits to purchase or sell the asset. These investments are initially recognised at cost. After initial recognition, available-for-sale investments are measured at fair value. Gains or losses are recognised directly in equity until the investment is sold, collected or otherwise disposed of or until the investment is determined to be impaired at which time the cumulative gain or loss previously recognised in equity is recognised in profit or loss.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably valued are measured at cost.

Securities held to maturity

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. These investments are carried at amortised cost. Were the Group to sell other than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified, as available for sale.

g. **Accounts receivable - trade**

Accounts receivable - trade are recognized at fair value less provision made for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original term of receivables. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy or financial reorganization, and the default or delinquency in payments are considered indicators that the trade receivables are impaired. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in the income statement. When a trade receivable is uncollectible it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the income statement.

h. **Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and at bank less bank overdraft.

i. **Deferred income taxes**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the





i. **Deferred income taxes** (*cont'd*)

balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The principal temporary differences arise from depreciation of property and equipment and revaluation of certain financial assets.

Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised.

j. **Pension obligations**

The Group operates a contributory plan in the form of a Flexible Deferred Annuity Plan for all employees. The company's current year contribution is charged to the income statement.

k. **Revenue recognition**

Fees, commissions, charges and interest income are recognised on an accruals basis.

Transaction charges are calculated at a rate of 0.15% of the transaction cost or \$1 whichever is higher for shares traded by member firms. Commission rebates are calculated on 2% of 1% of the value of the transaction.

l. **Operating leases**

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement as incurred over the period of the lease.

m. **Borrowings**

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred.

n. **Comparatives**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31st December, 2008

## 1. Incorporation and Principal Activity

The company was incorporated in the Republic of Trinidad and Tobago on 30 April 1997 under the Companies Ordinance Chapter 31 no.1, and continued on 12 October 1999, under the Companies Act Chapter 81:01. The company operates a stock exchange and its registered office is located on the 10th Floor Nicholas Towers, 63-65 Independence Square, Port of Spain.

The 100% owned subsidiary company, The Trinidad and Tobago Central Depository Limited was incorporated on 30 September 1998 under the Companies Act Chapter 81:01. The company operates a central securities depository.

## 2. Property and Equipment

	Computer Equipment & Software \$	Furniture & Fittings \$	Motor Vehicles \$	Office Equipment \$	Building \$	Total \$
<b>Year ended 31 December 2008</b>						
Opening net book amount	1,151,539	2,346,795	273,698	307,182	8,083,485	12,162,699
Additions	1,569,573	314,340	--	61,347	--	1,945,260
Disposals	--	(11,746)	(195,529)	--	--	(207,275)
Depreciation charge	(382,512)	(240,886)	(53,384)	(32,540)	(168,959)	(878,281)
Closing net book amount	2,338,600	2,408,503	24,785	335,989	7,914,526	13,022,403
<b>At 31 December 2008</b>						
Cost	6,000,677	2,990,554	45,000	445,941	8,447,954	17,930,126
Accumulated depreciation	(3,662,077)	(582,051)	(20,215)	(109,952)	(533,428)	(4,907,723)
Closing net book amount	2,338,600	2,408,503	24,785	335,989	7,914,526	13,022,403
<b>Year ended 31 December 2007</b>						
Opening net book amount	1,232,913	1,154,419	44,062	306,756	8,252,444	10,990,594
Additions	287,752	1,307,846	275,030	33,001	--	1,903,629
Depreciation charge	(369,126)	(115,470)	(45,394)	(32,575)	(168,959)	(731,524)
Closing net book amount	1,151,539	2,346,795	273,698	307,182	8,083,485	12,162,699
<b>At 31 December 2007</b>						
Cost	4,431,106	2,690,548	320,030	384,594	8,447,954	16,274,323
Accumulated depreciation	(3,279,567)	(343,753)	(46,332)	(77,412)	(364,469)	(4,111,533)
Closing net book amount	1,151,539	2,346,795	273,698	307,182	8,083,485	12,162,699
<b>At 31 December 2006</b>						
Cost	4,143,354	1,382,702	45,000	351,593	8,447,954	14,370,603
Accumulated depreciation	(2,910,441)	(228,283)	(938)	(44,837)	(195,510)	(3,380,009)
Closing net book amount	1,232,913	1,154,419	44,062	306,756	8,252,444	10,990,594





# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31st December, 2008

	2008	2007
	\$	\$
<b>3. Investments</b>		
<u>Available-For-Sale Investment</u>		
Caribbean Information and Credit Rating Agency Limited	<b>314,990</b>	314,990
Unit Trust Corporation - Growth and Income Fund	--	1,150,189
CMMB - Money Market Account	<b>1,025,715</b>	--
Government of Trinidad and Tobago (8.25% FRB 2017)	<b>8,631,000</b>	--
Bourse Securities Limited - Repurchase Agreement	<b>1,525,000</b>	--
	<b>11,496,705</b>	1,465,179

The shares in Caribbean Information and Credit Rating Agency Limited (50,000 ordinary shares of US\$1 each) are stated at cost, as there is no active market for these shares.

#### Held-to-Maturity Investment

Government of Trinidad & Tobago 8% FRB 2014	--	6,500,000
---	----	-----------

During the course of the financial year ended 31 December 2008, the Government of Trinidad and Tobago (8% FRB 2014) investment was disposed of before maturity and has triggered the tainting provisions of IAS 39.

#### **4. Cash On Deposit**

##### Non-Current Assets

Unit Trust Corporation - Money Market Account	<b>2,222,095</b>	2,077,937
---	------------------	-----------

This is a money market fund account held as collateral against a borrowing facility also with the Unit Trust Corporation (Note 7).

##### Current Assets

Unit Trust Corporation - Money Market Account	<b>28,310,012</b>	19,981,507
Roytrin Money Market Account	<b>7,118,410</b>	6,703,376
Ansa Merchant Bank Limited - Mutual Fund	<b>5,187,612</b>	4,837,188
AIC Finance Limited - Fixed Deposit	--	2,248,460
AIC Finance Limited - Repurchase Agreement	<b>2,379,354</b>	--
	<b>42,995,388</b>	33,770,531

#### **5. ACCOUNTS RECEIVABLE AND PREPAYMENTS**

Trade receivables	<b>1,423,929</b>	1,539,283
Less: provision for impairment of trade receivables	<b>(90,140)</b>	(90,140)
Trade receivables net	<b>1,333,789</b>	1,449,143
Prepayments	<b>145,509</b>	125,648
Interest receivable	<b>416,105</b>	461,693
Registrar dividend funds receivable	<b>66,078</b>	--
VAT refundable	<b>52,500</b>	23,953
	<b>2,013,981</b>	2,060,437





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31st December, 2008

### 5. ACCOUNTS RECEIVABLE AND PREPAYMENTS (cont'd)

Trade receivables that are less than three months past due are not considered impaired. As of 31 December 2008, trade receivables of \$371,408 (2007: \$412,688) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The aging analysis of trade receivables is as follows:

	2008	2007
	\$	\$
Up to 3 months	1,052,521	1,126,595
4 to 6 months	4,664	43,770
More than 6 months	366,744	368,918
Total	<u>1,423,929</u>	<u>1,539,283</u>

Movements on the provision for impairment of trade receivables are as follows:

At beginning of year	90,140	--
Increase in provision for receivables impairment	--	90,140
At end of year	<u>90,140</u>	<u>90,140</u>

The creation and release of provision for impaired receivables are included in bad debt expense in the income statement. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

### 6. STATED CAPITAL

Authorised

- A. An unlimited number of "A" Shares; and
- B. A number of "B" shares; which shall not exceed at any time, twice the number of any other class of shares issued and outstanding.

Issued and fully paid

70 class "A" shares of no par value (2007 - 60 class "A" shares)	7,908,571	908,571
76 class "B" shares of no par value (2007 - 81 class "B" shares)	460,498	490,794
	<u>8,369,069</u>	<u>1,399,365</u>

RBTT, a Class "B" shareholder, who held five (5) Class "B" shares, was de-listed from The Trinidad and Tobago Stock Exchange Limited (the Exchange) on 17 June 2008. These shares were redeemed by the Exchange in accordance with the provisions of paragraph nine (9) of the Articles of Continuance of The Exchange on 18 August 2008.

An application was received from Dehring Bunting and Golding Limited with a cash consideration of \$7,000,000 for 10 Class "A" shares in 2007. In 2008, they were formally issued a seat on the Exchange and the shares were fully issued and paid.

Class "A" shares represent shares which are owned by stockbrokers.  
Class "B" shares represent shares owned by listed companies.

Each class of shares represents a 50% interest in the company and rank pari pasu.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31st December, 2008

	2008	2007
	\$	\$
<b>7. BORROWINGS</b>		
<u>Long-Term Borrowings</u>		
Inter-American Development Bank (Loan 1)	781,076	781,076
Unit Trust Corporation (Loan 2)	7,079,692	7,898,442
First Citizens Bank Limited	62,919	223,194
	<hr/>	<hr/>
Total Borrowings	7,923,687	8,902,712
Less current portion	(944,227)	(1,041,944)
	<hr/>	<hr/>
Non-current portion	6,979,460	7,860,768
	<hr/>	<hr/>
<u>Short-Term Borrowings</u>		
Bank overdraft	62,919	223,193
Current portion of long-term borrowings	881,308	818,751
	<hr/>	<hr/>
	944,227	1,041,944
	<hr/>	<hr/>

## Loan 1

The interest-free loan of US\$124,000 from the Inter-American Development Bank is for the purchase of computer equipment related to the Regional Harmonisation Project. The borrowing is still outstanding and measures are being undertaken to convert this loan into a grant.

## Loan 2

This loan, granted on 17 May 2005, is to be amortised over a period of 10 years and principal and interest are payable semi-annually. The loan bears interest at a fixed rate of 7.5% per annum. The Company has the option of repaying part or all of the outstanding facility on any installment date after the fifth anniversary of the facility.

The loan is secured by a deed of mortgage debenture over the property of the Company and the assignment of a money market deposit, the current balance of which is \$2,222,095 (2007: \$2,077,937).

## 8. **Deferred Taxation**

The movement on the deferred income tax account is as follows:

At beginning of the period	(89,556)	(37,185)
Charge for the period through equity	(57,279)	(6,701)
Charge for the period through profit and loss (Note 11)	59,624	(45,670)
	<hr/>	<hr/>
At the end of the period	(87,211)	(89,556)
	<hr/>	<hr/>

Deferred income tax liabilities are attributable to the following items:

Accelerated tax depreciation	(87,211)	(146,835)
Unrealised losses on investment securities	--	57,279
	<hr/>	<hr/>
	(87,211)	(89,556)
	<hr/>	<hr/>





# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31st December, 2008

	2008 \$	2007 \$
<b>9. Fees, Commissions and Charges</b>		
Listing fees	<b>3,435,818</b>	2,821,384
Customer transaction charges	<b>20,776,068</b>	6,991,482
Commission rebates	<b>868,930</b>	890,246
Registrar fees	<b>790,912</b>	887,156
Other income	<b>1,656,969</b>	776,319
	<b><u>27,528,697</u></b>	<u>12,366,587</u>

Transaction charges are calculated at a rate of 0.15% of the transaction amounts for shares traded by member firms. Commission rebates are calculated on 2% of 1% of the value of the transactions. The significant increase in Customer Transaction Charges was due to Royal Bank of Canada's takeover of RBTT in 2008, which generated Transaction Charges in excess of \$13,000,000, and related Operating Expenses in excess of \$2,700,000.

## 10. PROFIT BEFORE TAXATION

The following items have been charged in arriving at profit before taxation:

Staff cost (Note 12)	<b>4,413,098</b>	3,786,821
Directors' fees	<b>463,520</b>	505,065
Depreciation	<b>878,281</b>	731,524

## 11. Taxation

Current tax	<b>3,578,190</b>	750,735
Deferred tax (Note 8)	<b>(59,624)</b>	45,670
Green fund levy	<b>35,634</b>	14,788
Prior year under provision	--	106,513
	<b><u>3,554,200</u></b>	<u>917,706</u>

The tax on profit before tax differs from the theoretical amount that would arise using the basic rate of tax as follows:

Profit before taxation	<b>16,671,862</b>	4,913,123
Tax calculated at 25%	<b>4,167,967</b>	1,228,281
Income not subject to tax	<b>(817,874)</b>	(413,521)
Expenses not deductible for tax purposes	<b>228,097</b>	4,806
Prior year under provision	--	106,513
Green fund levy	<b>35,634</b>	14,788
Other permanent differences	<b>(59,624)</b>	(23,161)
	<b><u>3,554,200</u></b>	<u>917,706</u>





# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31st December, 2008

	2008	2007
	\$	\$
<b>12. Staff Costs</b>		
Salaries and benefits	4,209,868	3,538,573
Pension costs	203,230	248,248
	<u>4,413,098</u>	<u>3,786,821</u>
Average number of employees	<u>20</u>	<u>20</u>
Salaries of key management personnel	<u>1,064,816</u>	<u>1,719,893</u>

## 13. Pension Plan

On 1 January 1993, the Group implemented a defined contribution pension plan covering substantially all their employees in the form of a Flexible Deferred Annuity Plan. The policy of the Group is to fund pension costs to a maximum of 10% of each employee's annual salary. The Group's portion of the contribution which has been charged to the income statement is disclosed in Note 12.

## 14. Financial Risk Management

### 14.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. Risk is managed through a process of ongoing identification and monitoring. The Group's overall risk management programme seeks to minimise the potential adverse effect on the Group's financial performance.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board's risk management mandate is principally carried out through the Audit Committee. Day to day adherence to risk principles is carried out by the Executive Management of the Group.

#### a) Market risk

The Group is inherently exposed to market risk, which is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors.

##### i) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group operates primarily in the Trinidad and Tobago market and is therefore not subject to significant foreign currency risk.

##### ii) Price risk

The Group has very limited exposure to other price risk as it does not hold any significant investments in equities and commodities.

##### iii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Group manages its interest rate risk exposure by using fixed rate debt.





---

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31st December, 2008

---

## 14.1 Financial risk factors (cont'd)

### b) Credit risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. This risk is not significant as the majority of the Group's receivables are from shareholders of the parent company.

With respect to credit risk arising from other financial assets of the Group, investments are only placed with reputable financial institutions.

### c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and deposits, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, management maintains flexibility in funding by maintaining availability under committed credit lines.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	<b>Within One Year \$</b>	<b>One to Ten Years \$</b>
<b>As at 31 December 2008</b>		
<b>Liabilities</b>		
Borrowings	944,227	6,979,460
Accounts payable and accruals	3,962,230	--
<b>As at 31 December 2007</b>		
<b>Liabilities</b>		
Borrowings	1,041,944	7,860,768
Share application	7,000,000	--
Accounts payable and accruals	1,594,643	--
Fees and commissions paid in advance	98,199	--

## 14.2 Capital Risk Management

The Group's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

## 14.3 Fair value estimation

The carrying amount of short-term financial assets and liabilities comprising cash equivalents, accounts receivable, accounts payable and accrued liabilities are a reasonable estimate of their fair values because of the short maturity of these instruments.





---

# COMPENSATION FUND - INDEPENDENT AUDITOR'S REPORT

---

TO THE MEMBERS OF THE TRINIDAD AND TOBAGO STOCK EXCHANGE COMPENSATION FUND

## Report on the financial statements

We have audited the accompanying financial statements of The Trinidad and Tobago Stock Exchange Compensation Fund, which comprise the balance sheet as of 31 December 2008 and the income statement, statement of changes in accumulated fund and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

## Trustees' responsibility for the financial statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

## Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Trinidad and Tobago Stock Exchange Compensation Fund as of 31 December 2008, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

*PricewaterhouseCoopers*

PricewaterhouseCoopers  
Port of Spain  
Trinidad, West Indies  
26 March 2009



THE TRINIDAD AND TOBAGO  
STOCK EXCHANGE  
LIMITED

ANNUAL REPORT 2008



## BALANCE SHEET

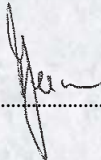
at 31st December

	Note	2008 \$	2007 \$
<b>Assets</b>			
Accounts receivable		80,674	91,214
Cash on deposit	2	9,880,778	9,158,262
Cash at bank		360,702	156,645
		<b>10,322,154</b>	<b>9,406,121</b>
<b>Liabilities and Accumulated Fund</b>			
Accrued expenses		375,330	153,814
Accumulated fund		9,946,824	9,252,307
		<b>10,322,154</b>	<b>9,406,121</b>

The accounting policies on pages 44 to 45 and the notes on page 46 form an integral part of these financial statements.

On the 12 March 2009, the Trustees of the Trinidad and Tobago Stock Exchange Compensation Fund authorised these financial statements for issue.

Trustee: 

Trustee: 

## INCOME STATEMENT

year ended 31st December

	Note	2008 \$	2007 \$
<b>Revenue</b>			
Contributions	3	820,068	821,648
Interest income		638,930	561,071
		<b>1,458,998</b>	<b>1,382,719</b>
<b>Expenditure</b>			
Audit fee		(25,944)	(11,500)
Bank charges		(70)	(180)
Allocation to the TTCD Contingency Fund	3	(697,057)	(665,489)
Energy Fund revaluation		(41,410)	--
		<b>(764,481)</b>	<b>(677,169)</b>
<b>Surplus For The Year</b>		<b>694,517</b>	<b>705,550</b>

The accounting policies on pages 44 to 45 and the notes on page 46 form an integral part of these financial statements.



## STATEMENT OF CHANGES IN ACCUMULATED FUND

	TT\$ Accumulated Fund
<b>Year ended 31 December 2008</b>	
Balance at 1 January 2008	9,252,307
Surplus for the year	<u>694,517</u>
Balance at 31 December 2008	<u>9,946,824</u>
<b>Year ended 31 December 2007</b>	
Balance at 1 January 2007	8,546,757
Surplus for the year	<u>705,550</u>
Balance at 31 December 2007	<u>9,252,307</u>

*The accounting policies on pages 44 to 45 and the notes on page 46 form an integral part of these financial statements.*

## CASH FLOW STATEMENT

*year ended 31st December*

	Note	2008 \$	2007 \$
<b>Operating Activities</b>			
Surplus for the year		694,517	705,550
Interest income		(638,930)	(561,071)
Net change in operating assets and liabilities		<u>232,056</u>	<u>(16,937)</u>
<b>Net Cash Inflow From Operating Activities</b>		<u>287,643</u>	<u>127,542</u>
<b>Investing Activities</b>			
Interest received		<u>638,930</u>	<u>561,071</u>
<b>Net Cash Inflow From Investing Activities</b>		<u>638,930</u>	<u>561,071</u>
<b>Net Increase in Cash and Cash Equivalents</b>		<u>926,573</u>	<u>688,613</u>
<b>Cash and Cash Equivalents</b>			
- At beginning of year		9,314,907	8,626,294
Increase		<u>926,573</u>	<u>688,613</u>
- At end of year		<u>10,241,480</u>	<u>9,314,907</u>
<b>Represented By</b>			
Cash at bank		360,702	156,645
Cash on deposit		<u>9,880,778</u>	<u>9,158,262</u>
		<u>10,241,480</u>	<u>9,314,907</u>

*The accounting policies on pages 44 to 45 and the notes on page 46 form an integral part of these financial statements.*





---

## ACCOUNTING POLICIES

31st December, 2008

---

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a. **Basis of preparation**

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. There are no critical accounting estimates included in the financial statements as at the year end.

b. **Changes in International Financial Reporting Standards**

The introduction of new International Financial Reporting Standards (IFRS) and revisions to International Accounting Standards (IASs) affected the Fund for the reporting year 2008. These changes affect how items are presented and disclosed in the financial statements and how certain items are accounted for. The amendments did not result in substantial changes to the Fund's accounting policies or results.

a) *Interpretations effective in 2008 but not relevant*

IFRIC 14, 'IAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction'

IFRIC 11, 'IFRS 2 - Group and treasury share transactions'

IFRIC 12, 'Service concession arrangements'

b) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted*

The following standards and amendments to existing standards have been published and are mandatory for the Fund's accounting periods beginning on or after 1 January 2009 or later periods, but the Fund has not early adopted them:

- IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009).
- IAS 1 (Revised), 'Presentation of financial statements' (effective from 1 January 2009).
- IFRS 2 (Amendment), 'Share-based payment' (effective from 1 January 2009).
- IAS 32 (Amendment), 'Financial instruments: Presentation', and IAS 1 (Amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2009).
- IFRS 1 (Amendment) 'First time adoption of IFRS' and IAS 27 'Consolidated and separate financial statements' (effective from 1 January 2009).
- IAS 27 (Revised), 'Consolidated and separate financial statements' (effective from 1 July 2009).
- IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009).
- IAS 38 (Amendment), 'Intangible assets' (effective from 1 January 2009).
- IAS 39 (Amendment), 'Financial instruments: Recognition and measurement' (effective from 1 January 2009).





b. **Changes in International Financial Reporting Standards** *(cont'd)*

b) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted (cont'd)*

- IAS 1 (Amendment), 'Presentation of financial statements' (effective from 1 January 2009).
- There are a number of minor amendments to IFRS 7, 'Financial instruments: Disclosures', IAS 8, 'Accounting policies, changes in accounting estimates and errors', IAS 10, 'Events after the reporting period', IAS 18, 'Revenue' and IAS 34, 'Interim financial reporting'.

c. **Contributions**

Contributions are accounted for on an accruals basis.

d. **Interest income**

Interest income is accounted for on an accruals basis.

e. **Accounts receivable**

Accounts receivable are stated net of provision for bad and doubtful debts.



---

## NOTES TO THE FINANCIAL STATEMENTS

31st December, 2008

---

1. **Formation And Principal Activity**

The Fund was established under the Securities Industry Act 1995 to provide, by way of ex gratia payments, compensation in whole or in part to members of the public incurring loss as a result of default by any member firm of the Trinidad and Tobago Stock Exchange in the conduct of stock exchange business by such member firm on behalf of such member of the public.

2. **Cash On Deposit**

	2008 \$	2007 \$
Unit Trust Corporation - Money Market Account	714,807	547,841
CLICO (Trinidad) Limited - Group Advance Protection Deposit	3,210,644	2,944,840
Roytrin Money Market Account	3,501,910	3,297,720
Republic Bank Money Market Account	1,842,699	1,735,714
First Citizens Bank - First Energy Fund	278,591	320,000
Unit Trust Corporation - US Money Market	332,127	312,147
	<hr/> <b>9,880,778</b> <hr/>	<hr/> <b>9,158,262</b> <hr/>

3. **Contributions**

The rules of the Compensation Fund provide that the Fund shall be financed by contributions from broker firms on the following basis:

"Two percent (2%) of the Firm's commission for the year. The contribution shall be paid on the Firm's monthly commissions, but no less than \$100.00 per month is to be submitted". Subsequently, seventy five percent (75%) of the two percent (2%) of the firm's commission received is paid on a monthly basis to The Trinidad and Tobago Central Depository Contingency Fund. With effect from 1 April 2007, 85% of the commission received is being paid to The Trinidad and Tobago Central Depository Contingency Fund.





---

# CENTRAL DEPOSITORY CONTINGENCY FUND - INDEPENDENT AUDITOR'S REPORT

---

TO THE MEMBERS OF THE TRINIDAD AND TOBAGO CENTRAL DEPOSITORY CONTINGENCY FUND

## **Report on the financial statements**

We have audited the accompanying financial statements of The Trinidad and Tobago Central Depository Contingency Fund, which comprise the balance sheet as of 31 December 2008 and the income statement, statement of changes in accumulated fund and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

## **Trustees' responsibility for the financial statements**

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

## **Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Trinidad and Tobago Central Depository Contingency Fund as of 31 December 2008, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

*PricewaterhouseCoopers*

PricewaterhouseCoopers  
Port of Spain  
Trinidad, West Indies  
26 March 2009



THE TRINIDAD AND TOBAGO  
**STOCK EXCHANGE**  
LIMITED

ANNUAL REPORT 2008

## BALANCE SHEET

at 31st December

	Note	2008 \$	2007 \$
<b>Assets</b>			
Accounts receivable		357,184	143,464
Cash at bank	2	5,171,945	4,426,122
		<b>5,529,128</b>	<b>4,569,586</b>
<b>Liabilities and Accumulated Fund</b>			
Accrued expenses		12,305	6,900
Accumulated fund		5,516,824	4,562,686
		<b>5,529,129</b>	<b>4,569,586</b>

The accounting policies on pages 50 to 51 and the notes on page 52 form an integral part of these financial statements.

On the 12 March 2009, the Trustees of the Trinidad and Tobago Central Depository Contingency Fund authorised these financial statements for issue.

Trustee: .....

Trustee: .....

## INCOME STATEMENT

year ended 31st December

	Note	2008 \$	2007 \$
<b>Revenue</b>			
Contributions	3	697,057	665,488
Interest income		274,791	221,973
		<b>971,848</b>	<b>1,382,719</b>
<b>Expenditure</b>			
Audit fee		(17,710)	(7,475)
		<b>(17,710)</b>	<b>(7,475)</b>
<b>Surplus For The Year</b>		<b>954,138</b>	<b>879,986</b>

The accounting policies on pages 50 to 51 and the notes on page 52 form an integral part of these financial statements.





## STATEMENT OF CHANGES IN ACCUMULATED FUND

	TT\$ Accumulated Fund
<b>Year ended 31 December 2008</b>	
Balance at 1 January 2008	4,562,686
Surplus for the year	<u>954,138</u>
Balance at 31 December 2008	<u>5,516,824</u>
<b>Year ended 31 December 2007</b>	
Balance at 1 January 2007	3,682,700
Surplus for the year	<u>879,986</u>
Balance at 31 December 2007	<u>4,562,686</u>

*The accounting policies on pages 50 to 51 and the notes on page 52 form an integral part of these financial statements.*

## CASH FLOW STATEMENT

*year ended 31st December*

	Note	2008 \$	2007 \$
<b>Operating Activities</b>			
Surplus for the year		954,138	879,986
Interest income		<u>(274,791)</u>	<u>(221,973)</u>
		679,347	658,013
Changes in operating assets and liabilities			
Accounts receivable		(213,720)	55,050
Accrued expenses		<u>5,405</u>	<u>575</u>
<b>Net Cash Provided By Operating Activities</b>		<u>471,032</u>	<u>713,638</u>
<b>Investing Activity</b>			
Interest received		<u>274,791</u>	<u>221,973</u>
<b>Financing Activity</b>			
Loan repayment		<u>--</u>	<u>(9,488)</u>
<b>Net Increase in Cash and Cash Equivalents</b>		<u>745,823</u>	<u>926,123</u>
<b>Cash and Cash Equivalents</b>			
- At beginning of year		4,426,122	3,499,999
Increase		<u>745,823</u>	<u>926,123</u>
- At end of year		<u>5,171,945</u>	<u>4,426,122</u>
<b>Represented By</b>			
Cash at bank		<u>5,171,945</u>	<u>4,426,122</u>

*The accounting policies on pages 50 to 51 and the notes on page 52 form an integral part of these financial statements.*



---

## ACCOUNTING POLICIES

31st December, 2008

---

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a. **Basis of preparation**

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. There are no critical accounting estimates included in the financial statements as at the year end.

b. **Changes in International Financial Reporting Standards**

The introduction of new International Financial Reporting Standards (IFRS) and revisions to International Accounting Standards (IASs) affected the Fund for the reporting year 2008. These changes affect how items are presented and disclosed in the financial statements and how certain items are accounted for. The amendments did not result in substantial changes to the Fund's accounting policies or results.

a) *Interpretations effective in 2008 but not relevant*

IFRIC 14, 'IAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction'

IFRIC 11, 'IFRS 2 - Group and treasury share transactions'

IFRIC 12, 'Service concession arrangements'

b) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted*

The following standards and amendments to existing standards have been published and are mandatory for the Fund's accounting periods beginning on or after 1 January 2009 or later periods, but the Fund has not early adopted them:

- IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009).
- IAS 1 (Revised), 'Presentation of financial statements' (effective from 1 January 2009).
- IFRS 2 (Amendment), 'Share-based payment' (effective from 1 January 2009).
- IAS 32 (Amendment), 'Financial instruments: Presentation', and IAS 1 (Amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2009).
- IFRS 1 (Amendment) 'First time adoption of IFRS' and IAS 27 'Consolidated and separate financial statements' (effective from 1 January 2009).
- IAS 27 (Revised), 'Consolidated and separate financial statements' (effective from 1 July 2009).
- IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009).
- IAS 38 (Amendment), 'Intangible assets' (effective from 1 January 2009).
- IAS 39 (Amendment), 'Financial instruments: Recognition and measurement' (effective from 1 January 2009).





b. **Changes in International Financial Reporting Standards** *(cont'd)*

b) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted (cont'd)*

- IAS 1 (Amendment), 'Presentation of financial statements' (effective from 1 January 2009).
- There are a number of minor amendments to IFRS 7, 'Financial instruments: Disclosures', IAS 8, 'Accounting policies, changes in accounting estimates and errors', IAS 10, 'Events after the reporting period', IAS 18, 'Revenue' and IAS 34, 'Interim financial reporting'.

c. **Accounts receivable**

Accounts receivable are stated net of provision for bad and doubtful debts.

d. **Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents comprise cash held at bank.

e. **Revenue recognition**

Contributions and interest income are recognised on the accrual basis.

f. **Comparatives**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.



---

## NOTES TO THE FINANCIAL STATEMENTS

31st December, 2008

---

1. **Formation And Principal Activity**

The Fund was established under the Securities Industry Act 1995 to provide, by way of ex gratia payments, compensation in whole or in part to members of the public incurring loss as a result of default by any member firm of the Trinidad and Tobago Central Securities Depository in the conduct of Central Depository business by such member firm on behalf of such member of the public.

2. **Cash On Deposit**

	2008 \$	2007 \$
First Citizens Bank Limited	<u>5,171,945</u>	<u>4,426,122</u>

3. **Contributions**

The rules of the Contingency Fund provide that the Fund shall be financed by contributions from participant firms on the following basis:

“Seventy five percent (75%) of the two percent (2%) of the participant's commission normally paid to the Trinidad and Tobago Stock Exchange Compensation Fund is paid on a monthly basis to the Trinidad and Tobago Central Depository Contingency Fund, but no less than \$100.00 per month is to be submitted”. With effect from 1 April 2007, this percentage was increased by 10%, moving from 75% to 85%.





# STATISTICAL APPENDIX

## TTSE Monthly Index Values as at December 31, 2008

	Banking				Conglomerates				Property			
	Value	High	Low	Average	Value	High	Low	Average	Value	High	Low	Average
Jan	778.13	778.13	773.56	775.13	2,304.52	2,304.76	2,278.83	2,292.23	334.23	334.23	332.23	334.08
Feb	768.71	778.53	768.71	774.37	2,321.36	2,334.38	2,304.91	2,316.50	334.23	335.02	334.23	334.30
Mar	775.75	775.75	764.35	769.42	2,316.65	2,320.69	2,287.51	2,307.25	334.23	336.60	334.23	335.88
Apr	807.09	807.09	780.92	797.92	2,595.20	2,595.20	2,317.04	2,488.75	365.81	365.81	334.23	347.02
May	826.29	829.81	809.04	823.62	2,777.73	2,784.02	2,656.52	2,728.62	395.42	395.42	365.81	377.34
Jun	819.85	826.09	814.16	816.94	2,880.73	2,880.73	2,791.57	2,835.85	373.71	395.42	373.71	382.69
Jul	835.27	835.92	817.36	827.60	2,895.46	2,899.17	2,834.54	2,884.29	401.34	401.34	363.84	376.42
Aug	826.88	835.18	820.87	828.54	2,781.08	2,895.46	2,781.08	2,825.01	417.92	417.92	393.44	405.13
Sep	770.58	826.72	770.58	805.91	2,642.98	2,769.96	2,642.98	2,719.30	494.11	531.61	425.03	469.81
Oct	668.99	770.30	668.99	709.32	2,397.39	2,639.92	2,388.08	2,544.54	373.31	494.11	373.31	438.99
Nov	640.36	662.17	640.36	655.84	2,288.68	2,409.28	2,288.68	2,334.12	373.31	373.31	373.31	373.31
Dec	620.74	640.36	620.58	630.61	2,253.71	2,288.68	2,253.71	2,268.07	373.31	373.31	373.31	373.31

(Base Value: January 01, 1983 = 100)

(Base Value: January 01, 1983 = 100)

(Base Value: January 01, 1983 = 100)

	Manufacturing I				Manufacturing II				Trading			
	Value	High	Low	Average	Value	High	Low	Average	Value	High	Low	Average
Jan	958.17	967.20	957.48	959.88	704.28	704.28	689.02	696.57	151.32	157.59	151.32	153.40
Feb	965.99	965.99	958.91	961.37	726.26	726.26	704.28	710.69	138.08	151.32	138.08	148.45
Mar	970.60	970.95	966.80	969.91	712.99	717.56	712.99	716.59	136.04	136.88	136.04	136.27
Apr	998.03	999.02	970.60	990.10	824.57	824.57	713.07	771.58	136.32	143.91	136.28	139.32
May	1,046.84	1,046.84	998.74	1,019.27	999.75	999.75	863.35	960.00	138.08	138.12	136.32	137.79
Jun	1,091.05	1,091.05	1,048.45	1,067.36	987.12	1,001.57	986.07	991.99	143.06	143.06	138.02	139.52
Jul	1,167.59	1,171.14	1,094.40	1,140.12	1,067.70	1,068.57	987.12	1,053.70	142.64	144.33	142.64	143.82
Aug	1,147.95	1,171.05	1,139.23	1,154.23	960.44	1,079.92	960.44	1,041.18	131.84	142.64	129.77	134.17
Sep	1,126.92	1,149.93	1,126.92	1,140.14	935.50	973.50	935.50	962.14	131.24	136.99	131.24	133.15
Oct	1,059.73	1,110.08	1,049.88	1,087.52	770.68	933.76	742.83	807.75	115.63	131.24	115.63	125.46
Nov	1,078.60	1,087.66	1,053.69	1,081.16	588.87	775.99	588.87	703.78	112.93	115.63	112.93	114.26
Dec	1,043.27	1,077.61	1,043.27	1,064.67	501.83	589.74	501.83	561.56	112.35	112.93	112.35	112.63

(Base Value: January 01, 1983 = 100)

(Base Value: January 01, 1983 = 100)

(Base Value: January 01, 1983 = 100)

	Non-Banking Finance				Composite				All T & T			
	Value	High	Low	Average	Value	High	Low	Average	Value	High	Low	Average
Jan	1,040.35	1,067.47	1,034.13	1,049.24	984.44	985.05	980.69	982.86	1,192.41	1,206.56	1,190.71	1,198.05
Feb	1,042.92	1,052.55	1,036.13	1,044.19	979.92	986.05	979.92	983.53	1,195.80	1,196.19	1,186.19	1,191.97
Mar	1,094.30	1,094.30	1,052.43	1,066.08	992.95	992.95	978.11	983.09	1,256.61	1,256.61	1,193.82	1,218.19
Apr	1,241.75	1,241.75	1,113.41	1,194.40	1,065.49	1,065.49	999.72	1,041.14	1,368.60	1,368.60	1,268.43	1,329.76
May	1,481.36	1,481.36	1,253.20	1,407.09	1,141.05	1,142.33	1,074.52	1,120.08	1,472.57	1,472.96	1,384.38	1,438.70
Jun	1,496.58	1,513.85	1,435.93	1,471.62	1,150.24	1,150.24	1,129.51	1,138.56	1,502.08	1,502.08	1,476.37	1,488.94
Jul	1,508.27	1,522.70	1,491.52	1,513.91	1,171.28	1,174.56	1,148.17	1,164.13	1,566.36	1,567.86	1,502.57	1,544.92
Aug	1,408.14	1,506.50	1,408.14	1,454.71	1,132.43	1,170.90	1,130.93	1,148.94	1,506.89	1,566.76	1,506.89	1,539.75
Sep	1,308.13	1,403.39	1,308.13	1,347.30	1,065.62	1,130.97	1,065.62	1,102.92	1,444.10	1,505.50	1,444.10	1,479.11
Oct	1,050.45	1,280.16	1,032.64	1,122.30	921.15	1,058.72	921.15	976.65	1,242.76	1,430.94	1,242.76	1,315.29
Nov	956.06	1,050.21	956.06	1,007.81	872.00	917.61	872.00	898.96	1,181.47	1,241.74	1,181.47	1,210.80
Dec	908.49	948.98	874.19	895.28	842.93	870.09	837.47	851.08	1,154.75	1,177.56	1,147.57	1,162.25

(Base Value: January 01, 1983 = 100)

(Base Value: January 01, 1983 = 100)

(Base Value: January 05, 1999 = 453.5618)



## STATISTICAL APPENDIX (cont'd)

### TTSE Monthly Index Values as at December 31, 2008

	Cross Listed			
	Value	High	Low	Average
Jan				
Feb				
Mar				
Apr				
May				
Jun	98.23	100.00	95.00	97.03
Jul	95.71	97.68	95.71	96.52
Aug	93.42	95.64	92.20	93.50
Sep	84.84	93.24	84.84	89.63
Oct	74.01	84.74	73.88	78.74
Nov	69.48	73.39	69.48	72.45
Dec	65.71	69.48	65.08	66.77

(Base Value: June 02, 2008 = 100.00)

### TTSE Index Values 2004 - 2008

SECTORS	2008			2007			2006			2005			2004		
	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
Banking	835.92	620.58	620.74	776.34	701.03	769.21	756.50	727.20	756.48	905.40	798.30	816.30	826.70	559.50	816.80
Conglomerates	2,899.17	2,253.71	2,253.71	2,287.97	1,994.10	2,281.56	1,998.60	1,844.50	1,992.67	2,679.90	2,113.60	2,113.60	2,356.80	1,303.00	2,356.80
Property	531.61	332.23	373.31	378.05	291.99	334.23	294.00	292.00	291.99	886.90	590.80	590.80	871.10	458.60	871.10
Manufacturing I	1,171.14	957.48	1,043.27	1,020.43	934.94	967.60	935.20	926.50	934.66	968.20	842.00	922.50	868.40	770.30	868.40
Manufacturing II	1,079.92	501.83	501.83	746.31	569.36	689.02	647.70	568.50	647.69	1,181.20	747.80	905.80	747.80	537.20	747.80
Trading	157.59	112.35	112.35	171.09	141.43	157.59	157.80	155.20	157.79	183.70	101.70	183.10	132.50	69.30	132.50
Non-Banking Finance	1,522.70	874.19	908.49	1,202.99	938.38	1,071.63	1,198.20	1,006.10	1,198.18	1,797.40	1,350.80	1,410.00	1,411.00	940.40	1,411.00
Composite	1,174.56	837.47	842.93	985.29	902.70	982.03	969.20	904.00	969.17	1,232.20	1,055.70	1,067.40	1,077.80	694.40	1,074.60
All T&T	1,567.86	1,147.57	1,154.75	1,216.18	1,127.45	1,200.69	1,205.70	1,126.80	1,205.73	1,572.40	1,140.10	1,322.90	1,292.00	911.50	1,290.10
Cross Listed	100.00	65.08	65.71												

### Market Capitalization by Sector (as at December 31, 2008)

Sector	Number of Companies	2008 Market Capitalization	2007 Market Capitalization	% Change From Previous Year
Banking	4	34,576,146,235.64	54,668,903,755.69	(36.75)
Conglomerates	4	17,071,496,774.19	16,763,093,678.62	1.84
Property	2	374,719,064.16	335,489,637.00	11.69
Manufacturing I	6	6,334,941,862.86	5,875,480,711.55	7.82
Manufacturing II	4	1,440,146,349.40	1,977,316,497.00	(27.17)
Trading	5	1,194,009,842.64	734,601,032.75	62.54
Non-Banking Finance	7	15,402,299,919.46	17,791,551,798.76	(13.43)
Non-Sector	5	39,093,748.06	30,823,261.97	26.83
<b>TOTAL</b>	<b>37</b>	<b>76,432,853,796.41</b>	<b>98,177,260,373.34</b>	<b>(22.15)</b>





**STATISTICAL APPENDIX (cont'd)**
**Share Listings 2008**

Security	Date of Admission	Particulars	No. of Shares	Market Value* ('000)
GraceKennedy Limited	February 13, 2008	Share Option Plan for Managers	16,154	114.05
Republic Bank Limited	February 15, 2008	Share Option Plan for Executive Management	20,262	1,641.22
Neal & Massy Holdings Limited	February 26, 2008	Share Option Plan for Senior Executive Management	160,440	7,702.72
		Shares issued pursuant to Neal & Massy Take-Over of BS&T	8,114,021	389,554.15
RBTT Financial Holdings Limited	April 11, 2008	Share Option Plan for Non-Executive Directors and Executive Management	7,000	252.77
GraceKennedy Limited	April 15, 2008	Stock Option Plan for Managers	1,396,898	10,281.17
Sagcor Financial Corporation	April 21, 2008	Shares issued pursuant to Take-Over Bid for Barbados Farms Limited	10,319,819	190,916.65
GraceKennedy Limited	April 28, 2008	Stock Option Plan for Managers	105,878	794.09
Republic Bank Limited	May 5, 2008	Share Option Plan for Executive Management	37,041	3,704.47
Republic Bank Limited	May 6, 2008	Share Option Plan for Executive Management	14,941	1,494.10
Neal & Massy Holdings Limited	May 7, 2008	Share Option Plan for Senior Executive Management	5,000	300.00
		Shares issued pursuant to Neal & Massy Take-Over of BS&T	2,151,759	129,105.54
Guardian Holdings Limited	May 9, 2008	Executive Share Option Plan	286,515	8,738.71
Capital & Credit Financial Group Limited	May 15, 2008	Shares issued pursuant to Scheme of Arrangement between CCMB & CCFG	927,565,945	788,431.05
Capital & Credit Merchant Bank Limited Redeemable	May 15, 2008	Bonus Issue of Redeemable Variable Cumulative Preference Shares	42,743,978	7,693.92
Guardian Holdings Limited	May 28, 2008	Executive Share Option Plan	44,355	1,319.56
Republic Bank Limited	May 28, 2008	Share Option Plan for Executive Management	13,525	1,359.26
RBTT Financial Holdings Limited	June 4, 2008	Share Option Plan for Non-Executive Directors and Executive Management	14,584	532.31
Republic Bank Limited	June 27, 2008	Share Option Plan for Executive Management	60,766	6,167.14
GraceKennedy Limited	July 7, 2008	Stock Option Plan for Managers	30,718	258.03
Guardian Holdings Limited	July 22, 2008	Executive Share Option Plan	50,255	1,557.91
Guardian Holdings Limited	July 30, 2008	Executive Share Option Plan	26,090	808.53
Guardian Holdings Limited	August 13, 2008	Executive Share Option Plan	61,425	1,871.62
Republic Bank Limited	August 13, 2008	Share Option Plan for Executive Management	16,007	1,635.12
Guardian Holdings Limited	August 25, 2008	Executive Share Option Plan	49,995	1,491.35
Guardian Holdings Limited	August 28, 2008	Executive Share Option Plan	61,425	1,688.57
GraceKennedy Limited	September 17, 2008	Stock Option Plan for Managers	180,759	1,227.35
Agostini's Limited	October 2, 2008	Executive Share Option Plan	185,750	1,857.50
Sagcor Financial Corporation	October 9, 2008	Shares issued pursuant to the Sagcor Long Term Incentive Plan	811,084	13,764.10
Prestige Holdings Limited	October 9, 2008	Executive Share Option Plan	190,531	685.91
Supreme Ventures Limited	October 16, 2008	New Listing	2,637,254,926	738,431.38
Agostini's Limited	November 3, 2008	Shares issued pursuant to the Rights Issue of Agostini's Limited	2,009,209	19,569.70
Republic Bank Limited	November 10, 2008	Executive Share Option Plan	16,209	1,410.18
Republic Bank Limited	November 25, 2008	Executive Share Option Plan	59,636	5,128.70
Ansa McAl Limited	November 25, 2008	Executive Stock Option Plan for Directors	130,000	6,500.00
GraceKennedy Limited	November 25, 2008	Stock Option Plan for Managers	88,607	469.62
Republic Bank Limited	December 2, 2008	Executive Share Option Plan	15,732	1,352.95
Republic Bank Limited	December 19, 2008	Executive Share Option Plan	46,098	3,964.43
GraceKennedy Limited	December 24, 2008	Employee Shares Scheme	123,300	499.37

\*No. of shares x opening price

**Delistings 2008**

Security	Date of Delisting	Particulars	No. of Shares
Capital & Credit Merchant Bank Limited	15-May-08	Shares delisted pursuant to Scheme of Arrangement between CCMB & CCFG	641,159,682
RBTT Financial Holdings Limited	June 17, 2008	Shares delisted pursuant to Amalgamation Agreement between RBTT & RBC	344,086,849



## LISTED COMPANIES INFORMATION

Security	Symbol	Issued Share Capital	Capitalization Value \$	Financial Year End	Total Assets <sup>1</sup> \$
<b>First Tier Market</b>					
<b>Banking</b>					
First Caribbean International Bank Limited	FCI	1,521,936,608	14,123,571,722	31-Oct	68,103,553 <sup>3</sup>
National Commercial Bank Jamaica Limited	NCBJ	2,466,762,828	1,973,410,262	30-Sep	24,340,424 <sup>7</sup>
RBTT Financial Holdings Limited	RBTT	344,086,849	12,559,169,989	31-Mar	53,527,214
Republic Bank Limited	RBL	160,544,766	13,806,849,876	30-Sep	41,566,700
Scotiabank Trinidad & Tobago Limited	SBTT	176,313,750	4,672,314,375	31-Oct	14,329,347
<b>Conglomerates</b>					
ANSA Mc Al Limited	AMCL	175,419,312	8,770,965,600	31-Dec	9,613,756 <sup>13</sup>
Barbados Shipping & Trading Company Limited	BST	73,162,418	2,043,426,335	30-Sep	3,559,179 <sup>5</sup>
Grace, Kennedy & Company Limited	GKC	331,222,569	1,341,451,404	31-Dec	7,141,173 <sup>9</sup>
Neal & Massy Holdings Limited	NML	99,306,130	4,915,653,435	30-Sep	8,293,883
<b>Property</b>					
PLIPDECO Limited	PLD	39,625,684	356,234,899	31-Dec	1,850,498 <sup>13</sup>
Valpark Shopping Plaza Limited	VSP	3,696,833	18,484,165	31-Mar	-
<b>Manufacturing I</b>					
Angostura Holdings Limited	AHL	206,277,630	1,423,315,647	31-Dec	2,107,145 <sup>13</sup>
One Caribbean Media Limited	OCM	66,215,683	1,158,774,453	31-Dec	835,276
National Flour Mills Limited	NFM	120,200,000	84,140,000	31-Dec	460,238 <sup>12</sup>
Trinidad Publishing Company Limited	PUB	40,000,000	912,000,000	31-Dec	314,513
Unilever Caribbean Limited	UCL	26,243,832	524,351,763	31-Dec	294,980
West Indian Tobacco Company Limited	WCO	84,240,000	2,232,360,000	31-Dec	373,737 <sup>13</sup>
<b>Manufacturing II</b>					
Berger Paints Trinidad Limited	BER	5,161,444	16,774,693	31-Dec	53,325
Flavorite Foods Limited	FFL	7,777,778	45,111,112	31-Dec	-
Readymix (West Indies) Limited	RML	12,000,000	379,200,000	31-Dec	171,441
Trinidad Cement Limited	TCL	249,765,136	999,060,544	31-Dec	3,797,858
<b>Trading</b>					
Agostini's Limited	AGL	29,038,314	275,863,983	30-Sep	637,195
Furness Trinidad Limited	FUR	12,075,000	74,261,250	31-Dec	-
Prestige Holdings Limited	PHL	61,940,531	173,433,487	30-Nov	371,768
LJ Williams Limited Ordinary 'B'	LJWB	19,742,074	37,509,941	31-Dec	140,278 <sup>12</sup>
Supreme Ventures Limited	SVL	2,637,254,926	632,941,182	31-Oct	341,499 <sup>8</sup>
<b>Non-Banking Finance</b>					
ANSA Merchant Bank Limited	AMBL	85,605,263	2,568,157,890	31-Dec	4,398,420 <sup>12</sup>
Capital & Credit Financial Group Limited	CCFG	927,565,945	640,020,502	31-Dec	3,571,196 <sup>9</sup>
Guardian Holdings Limited	GHL	202,280,534	3,641,049,612	31-Dec	21,884,675
Jamaica Money Market Brokers Limited	JMMB	1,463,386,752	921,933,654	31-Mar	8,828,239 <sup>6</sup>
National Enterprises Limited	NEL	600,000,641	3,960,004,231	31-Mar	3,225,130
Sagicor Financial Corporation	SFC	278,916,335	3,068,079,685	31-Dec	24,856,399 <sup>4</sup>
Scotia DBG Investments Limited	SDBG	309,258,639	603,054,346	31-Oct	5,246,723 <sup>8</sup>
<b>Non-Sector Companies</b>					
Alstons Limited 7% Cumulative Preference	ALS	172,232	1,217,680	31-Dec	-
CCMB Redeemable Variable Cumulative Preference	CCMBP	42,743,978	8,121,356	31-Dec	3,557,273 <sup>9</sup>
T'dad Publishing Co. Ltd. 6% Cumulative Preference	PUBP	29,297	1,904,305	31-Dec	-
LJ Williams Limited \$0.10 Ordinary 'A'	LJWA	46,166,600	27,699,960	31-Dec	-
LJ Williams Ltd. 8% Cumulative Preference	LJWP	45,590	150,447	31-Dec	-
<b>Mutual Fund Market</b>					
Caribbean Property Fund	CPF	55,000,000	281,050,000	30-Sep	358,454 <sup>5</sup>
Praetorian Property Mutual Fund	PPMF	40,000,000	154,800,000	30-Sep	267,948
SavInvest India Asia Fund	SIAF	2,974,657	208,225,990	30-Sep	253,264 <sup>2,12</sup>
<b>Second Tier Market</b>					
FNCU-Venture Capital Company Limited	FNCU	4,455,000	4,455,000	31-Dec	4,812 <sup>11</sup>
Mora Ven Holdings Limited	MOV	8,255,000	111,442,500	31-Dec	209,279 <sup>13</sup>

Data as at company year end except where indicated

1 expressed in thousands of Trinidad & Tobago dollars

2 Original figures quoted in USD. Converted to TT\$ using the buying rate for 28/03/08 of \$6.3089

3 Original figures quoted in USD. Converted to TT\$ using the buying rate for 31/10/08 of \$6.2251

4 Original figures quoted in USD. Converted to TT\$ using the buying rate for 31/12/08 of \$6.2464

5 Original figures quoted in BBD. Converted to TT\$ using the buying rate for 30/09/08 of \$2.8481

6 Original figures quoted in JMD. Converted to TT\$ using the buying rate for 28/03/08 of \$0.0862

7 Original figures quoted in JMD. Converted to TT\$ using the buying rate for 30/09/08 of \$0.0836





## LISTED COMPANIES INFORMATION

Total Liabilities <sup>1</sup> \$	Total Equity <sup>1</sup> \$	Net Profit <sup>1</sup> \$	EPS \$	P/E Ratio	Dividends \$	Dividend Yield %
59,788,095 <sup>3</sup>	8,315,457 <sup>3</sup>	1,118,980 <sup>3</sup>	0.72 <sup>3</sup>	12.86	0.37 <sup>3</sup>	4.00
21,722,685 <sup>7</sup>	2,617,739 <sup>7</sup>	727,418 <sup>7</sup>	0.30 <sup>7</sup>	6.17	0.11 <sup>7</sup>	5.95
48,441,587	5,085,627	938,695	2.71	13.03	1.25	3.54
35,515,410	6,051,290	1,304,136	7.51	13.21	3.38	3.41
12,496,859	1,832,488	431,843	2.45	12.66	0.96	3.10
5,956,292 <sup>13</sup>	3,657,464 <sup>13</sup>	517,299 <sup>13</sup>	2.54 <sup>13</sup>	23.41	0.30 <sup>10</sup>	0.50
1,613,702 <sup>5</sup>	1,945,477 <sup>5</sup>	115,522 <sup>5</sup>	1.41 <sup>5</sup>	19.81	0.53 <sup>5</sup>	1.90
5,456,938 <sup>9</sup>	1,684,234 <sup>9</sup>	182,008 <sup>9</sup>	0.53 <sup>9</sup>	7.64	0.09 <sup>9</sup>	2.22
5,270,100	3,023,783	504,529	5.10	10.78	1.40	2.55
475,963 <sup>13</sup>	1,374,535 <sup>13</sup>	107,219 <sup>13</sup>	2.71 <sup>13</sup>	4.45	0.07 <sup>10</sup>	0.58
-	-	-	-	-	-	-
905,921 <sup>13</sup>	1,201,224 <sup>13</sup>	45,768 <sup>13</sup>	0.22 <sup>13</sup>	34.05	-	-
125,970	709,306	89,757	1.35	12.96	0.67	3.83
281,679 <sup>12</sup>	178,559 <sup>12</sup>	(9,114) <sup>12</sup>	(0.08) <sup>12</sup>	(14.25)	-	-
100,522	213,389	45,879	1.15	19.83	0.16 <sup>10</sup>	0.70
184,313	110,667	37,290	1.42	14.07	0.93	4.65
179,707 <sup>13</sup>	194,030 <sup>13</sup>	146,362 <sup>13</sup>	1.74 <sup>13</sup>	17.53	1.12	3.67
25,884	27,441	1,526	0.30	10.83	-	-
-	-	-	-	-	-	-
78,082	93,359	30,320	2.51	12.59	0.20	0.63
2,269,591	1,528,267	129,312	0.47	19.06	-	-
431,770	205,425	30,550	1.14	8.77	0.42	4.20
-	-	-	-	-	-	-
265,898	105,871	1,402	0.05	59.57	-	-
65,289 <sup>12</sup>	74,989 <sup>12</sup>	4,286 <sup>12</sup>	0.18 <sup>12</sup>	8.39	-	-
107,286 <sup>8</sup>	234,213 <sup>8</sup>	51,356 <sup>8</sup>	0.02 <sup>8</sup>	12.00	-	-
3,221,125 <sup>12</sup>	1,177,295 <sup>12</sup>	71,484 <sup>12</sup>	0.85 <sup>12</sup>	39.12	0.15 <sup>10</sup>	0.45
3,174,673 <sup>9</sup>	396,522 <sup>9</sup>	32,078 <sup>9</sup>	0.03 <sup>9</sup>	23.00	-	-
18,621,334	3,263,341	204,320	1.00	18.00	0.77	4.28
8,254,104 <sup>6</sup>	574,135 <sup>6</sup>	91,511 <sup>6</sup>	0.06 <sup>6</sup>	16.83	0.02	1.98
280,080	2,945,050	511,417	0.89	8.04	0.67	9.36
21,223,200 <sup>4</sup>	3,633,200 <sup>4</sup>	782,318 <sup>4</sup>	2.17 <sup>4</sup>	5.07	0.19 <sup>4,10</sup>	1.73
4,787,857 <sup>8</sup>	458,866 <sup>8</sup>	98,539 <sup>8</sup>	0.23 <sup>8</sup>	9.39	0.09 <sup>8</sup>	4.17
-	-	-	-	-	-	-
3,171,738 <sup>9</sup>	385,535 <sup>9</sup>	36,928 <sup>9</sup>	0.06 <sup>9</sup>	3.17	0.01 <sup>9,10</sup>	5.26
-	-	-	-	-	4% <sup>10</sup>	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
90,259 <sup>5</sup>	268,194 <sup>5</sup>	17,563 <sup>5</sup>	0.23 <sup>5</sup>	22.22	0.17 <sup>5</sup>	3.33
13,732	254,216	17,816	-	-	0.35	7.80
2,889 <sup>2,12</sup>	250,374 <sup>2,12</sup>	(47,976) <sup>2,12</sup>	-	-	-	-
70 <sup>11</sup>	4,742 <sup>11</sup>	26 <sup>11</sup>	0.01 <sup>11</sup>	-	-	-
100,230 <sup>13</sup>	109,048 <sup>13</sup>	8,080 <sup>13</sup>	0.98 <sup>13</sup>	10.19	0.23 <sup>10</sup>	2.30

8 Original figures quoted in JMD. Converted to TT\$ using the buying rate for 31/10/08 of \$0.0795

9 Original figures quoted in JMD. Converted to TT\$ using the buying rate for 31/12/08 of \$0.0759

10 represents interim dividend only

11 figures are as at the end of the 1st quarter

12 figures are as at the end of the 2nd quarter

13 figures are as at the end of the 3rd quarter

\* All exchange rates obtained from the Central Bank of Trinidad & Tobago

## PRICE ANALYSIS *for the period January 01, 2008 - December 31, 2008*

Securities	Opening Price January 2008	Closing Price December 2008	Change \$	Change %	High Price	Low Price	Average Price	Trades	Traded Volume	Traded Value \$
<b>FIRST TIER MARKET</b>										
Readymix (West Indies) Limited	7.01	31.60	24.59	350.78	31.99	7.01	21.52	395	1,730,579	49,328,909.96
Williams LJ B	1.20	1.90	0.70	58.33	2.00	0.88	1.54	148	1,220,659	1,455,599.04
Angostura Holdings Limited	5.11	6.90	1.79	35.03	8.00	4.88	6.32	511	3,821,974	26,450,994.80
Ansa Merchant Bank Limited	23.25	30.00	6.75	29.03	37.00	22.00	30.30	257	498,051	15,149,007.76
Trinidad Publishing Co. Limited	19.00	22.80	3.80	20.00	23.00	19.00	21.56	143	260,950	5,402,956.06
Unilever Caribbean Limited	17.49	19.98	2.49	14.24	21.29	17.10	19.77	240	605,499	11,372,681.98
Flavorite Foods Limited	5.12	5.80	0.68	13.28	6.53	5.12	5.73	32	46,709	286,087.22
PLIPDECO Limited	8.00	8.99	0.99	12.38	13.00	8.00	9.25	363	1,161,899	12,121,374.96
Capital & Credit Merchant Bank Limited	0.79	0.85	0.06	7.59	0.99	0.72	0.86	150	1,570,710	1,294,541.40
Republic Bank Limited	79.97	86.00	6.03	7.54	102.22	79.97	94.15	1,324	2,553,541	234,166,962.83
RBTT Financial Holdings Limited	34.50	36.50	2.00	5.80	37.06	34.00	35.76	1,335	4,601,722	162,861,301.79
Ansa Mc Al Limited	47.99	50.00	2.01	4.19	61.00	46.25	54.91	737	2,118,169	115,996,694.00
Neal & Massy Holdings Limited	48.00	49.50	1.50	3.13	65.00	47.75	55.53	1,915	9,966,405	532,990,225.82
Barbados Shipping & Trading Co. Limited	27.93	27.93	-	-	27.95	27.93	27.93	-	-	-
Furness Trinidad Limited	6.15	6.15	-	-	6.15	6.15	6.15	-	-	-
Valpark Shopping Plaza Limited	5.00	5.00	-	-	5.00	5.00	5.00	-	-	-
Williams LJ \$0.10 A	0.60	0.60	-	-	0.60	0.60	0.60	-	-	-
One Caribbean Media Limited	17.79	17.50	(0.29)	(1.63)	19.05	17.25	17.95	307	1,189,480	21,380,268.48
Scotia DBG Investments Limited	2.00	1.95	(0.05)	(2.50)	3.35	1.95	2.42	445	4,254,577	11,388,444.96
West Indian Tobacco Co. Limited	27.51	26.50	(1.01)	(3.67)	31.51	26.50	29.34	346	1,205,915	36,402,314.99
Berger Paints Trinidad Limited	3.41	3.25	(0.16)	(4.69)	3.50	3.25	3.32	29	179,043	585,650.15
National Enterprises Limited	7.15	6.60	(0.55)	(7.69)	12.60	6.50	9.32	1,160	5,541,632	52,657,041.22
Agostini's Limited	10.49	9.50	(0.99)	(9.44)	10.50	9.50	10.02	129	218,561	2,209,589.56
Scotiabank T&T Limited	29.69	26.50	(3.19)	(10.74)	43.05	26.45	34.90	1,006	1,825,431	63,008,608.02
Supreme Ventures Limited	0.28	0.24	(0.04)	(14.29)	0.28	0.24	0.24	60	3,255,471	865,131.24
Capital & Credit Financial Group Limited	0.85	0.69	(0.16)	(18.82)	0.85	0.00	0.52	103	1,374,172	1,102,615.25
National Flour Mills Limited	0.89	0.70	(0.19)	(21.35)	1.19	0.67	0.93	741	8,854,603	9,078,044.57
Guardian Holdings Limited	24.00	18.00	(6.00)	(25.00)	31.00	16.40	25.35	2,375	7,584,894	197,466,454.08
First Caribbean International Bank Limited	13.02	9.28	(3.74)	(28.73)	13.05	9.25	11.14	402	4,725,596	57,824,329.99
Jamaica Money Market Brokers Limited	0.90	0.63	(0.27)	(30.00)	1.48	0.63	0.97	386	5,655,888	5,907,697.40
Sagicor Financial Corporation Limited	15.79	11.00	(4.79)	(30.34)	21.99	10.00	17.02	3,355	21,800,950	354,949,949.52
Grace Kennedy & Co. Limited	6.20	4.05	(2.15)	(34.68)	8.51	4.05	6.96	907	5,576,335	43,321,891.81
Trinidad Cement Limited	7.35	4.00	(3.35)	(45.58)	10.95	4.00	8.44	1,371	12,914,344	124,902,073.87
Prestige Holdings Limited	5.75	2.80	(2.95)	(51.30)	5.75	2.80	4.13	381	1,373,496	5,782,699.78
National Commercial Bank (Jamaica) Limited	2.00	0.80	(1.20)	(60.00)	2.15	0.80	1.83	892	17,106,541	33,185,482.20
<b>PREFERENCE</b>										
Alstons Limited 7% CP	7.00	7.07	0.07	1.00	7.07	7.00	7.01	2	2,512	17,759.84
Capital & Credit Merchant Bank Cum. Var. Pref.	0.18	0.19	0.01	5.56	0.23	0.00	0.14	91	166,530	34,625.59
Trinidad Publishing, \$50 6% CP	60.01	65.00	4.99	8.32	65.00	60.01	61.04	6	648	42,120.00
Williams LJ \$5 8% CP	3.50	3.30	(0.20)	(5.71)	3.50	3.30	3.38	9	3,064	10,269.62
<b>MUTUAL FUND MARKET</b>										
Caribbean Property Fund	4.95	5.11	0.16	3.23	5.16	4.95	5.04	7	20,100	103,518.00
Praetorian Property Mutual Fund	5.00	3.87	(1.13)	(22.60)	5.00	3.87	4.74	66	232,592	1,114,419.68
SavInvest India Asia Fund	75.03	75.00	(0.03)	(0.04)	78.00	75.00	75.84	30	48,308	3,663,164.66
<b>SECOND TIER MARKET</b>										
FNCU-Venture Capital Co. Limited	1.00	1.00	-	-	1.00	1.00	1.00	1	100	100.00
Mora Ven Holdings Limited	4.10	13.50	9.40	229.27	13.50	4.10	7.94	58	56,886	639,876.44

## Notes:

Capital and Credit Merchant Bank Limited was delisted on May 15th, 2008

Capital & Credit Financial Group Limited and Capital & Credit Merchant Bank Cumulative Preference was listed on May 15th, 2008

RBTT Financial Holdings Limited was delisted June 17th, 2008

Dehring, Bunting & Golding Limited changed its name to Scotia DBG Investments Limited on October 16th, 2008

Supreme Ventures Limited was listed on October 16th, 2008





## GENERAL INFORMATION ON THE TTSE

### LISTING PROCESS

Before a security may be admitted to trading, it must be approved for listing by the Trinidad and Tobago Stock Exchange Limited (the Exchange) and be registered under the Securities Industry Act of 1995. Listing is a procedure separate and distinct from registration, effected by having an application to list approved by the Exchange. The list of the documents required for registration can be obtained from the Securities and Exchange Commission. The listing requirements of the Exchange have two primary purposes:

- They place before the Exchange the information essential for the determination of the suitability of the security for public trading on the Exchange.
- They make available to the public such information as may reasonably be deemed necessary to allow the public to determine the merits of the security.

### TRADING SYSTEM

The Trinidad and Tobago Stock Exchange Limited implemented the Horizon Electronic Trading System on March 18th 2005 replacing the manual open outcry system which was used at the Exchange since its inception in 1981. As at April 1st 2008, the trading days for the Exchange were increased from three to five business days per week i.e. Monday to Friday excluding Carnival Monday and Tuesday.

With the implementation of electronic trading the trading period now has four market states as follows:

- Pre-Open: 8:00 - 9:30
- Open: 9:30 - 12:00
- Pre-Close: 12:00 - 2:00
- Close: 2:00

This system allows for trades in all securities to be executed continuously and also allows brokers to enter orders and execute trades from their offices, eliminating the need for a trading floor.

Orders entered in Horizon are queued in the market

and filled based on the following criteria:

- Best Price
- Earliest Timestamp

Time stamp is used as the final deciding factor and two orders can never have the same time stamp.

In order to ensure transparency in the market members of the public can visit the Exchange on any trading day to view the trading activity.

### COMPOSITE INDEX

This price based index collectively measures the price movement of the ordinary shares for companies listed on the First Tier Market of the Exchange.

$$\frac{\text{Composite Market Capitalization} - \text{Non Sector Capitalization}}{\text{Composite Index Base}} \times 100$$

The market capitalization of a stock is calculated by multiplying its issued share capital by the closing price. The summation of the capitalization of each security listed on the First Tier Market constitutes the Composite Market Capitalization

The Non-Sector Capitalization is the market value of all Non-Sector companies listed on the Exchange.

Companies listed on the First Tier Market are separated into sectors for which indices are calculated daily. These sectors are determined by the type of activity the companies are engaged in and are as follows:

- Banking
- Conglomerates
- Property
- Manufacturing I
- Manufacturing II
- Trading
- Non-Banking Finance
- Non-Sector

## GENERAL INFORMATION ON THE TTSE *(cont'd)*

### ALL T&T INDEX

This price based index collectively measures the price movements of the ordinary shares for Trinidadian companies listed on the First Tier Market of the Exchange.

$$\frac{\text{All T\&T Market Capitalization - Trinidadian Non Sector Capitalization}}{\text{All T\&T Index Base}} \times 100$$

### CROSS LISTED INDEX

This price based index collectively measures the price movements of the ordinary shares for cross listed

companies listed on the First Tier Market of the Exchange.

$$\frac{\text{Cross Listed Market Capitalization - Cross Listed Non Sector Capitalization}}{\text{Cross Listed Index Base}} \times 100$$

### SECURITY INDEX

This price based index measures the price movement of the ordinary shares for companies listed on the First Tier Market of the Exchange.

$$\frac{\text{Security Market Capitalization Value}}{\text{Security Index Base}} \times 100$$





# Regional Stock Exchanges Market Activity

Period ended December 31, 2008

Stock Exchange	Traded Volume (‘000,000)	Traded Value* (US\$) (‘000,000)	Index	Market Capitalization* (US\$) (‘000,000)
Barbados Stock Exchange	78.5	272.9	919.86	6,928.2
Eastern Caribbean Securities Exchange	2.7	5.4	135.86	613.4
Jamaica Stock Exchange	2,295.7	299.1	80,152.03	7,422.4
Trinidad & Tobago Stock Exchange	137.3	353.8	842.93	12,236.3

\*Figures converted to US\$ using the exchange rates as at 31/12/08



## INFORMATION AND PUBLICATIONS

- Daily Trading Report, \$1.00 per copy
- Weekly Official List, \$2.50 per copy
  - TTSE Brochures
  - TTCD Brochures
  - Annual Report

Please visit our web site at:  
**[www.stockex.co.tt](http://www.stockex.co.tt)**  
for additional information.

All prices are quoted in Trinidad and Tobago dollars





**CORPORATE INFORMATION****Board of Directors (TTSE)**

Andrew McEachrane  
Chairman

Subhas Ramkhelawan  
Deputy Chairman

Myrnelle Akan  
Alvin Johnson  
Ranjit Jeewan  
Ray A. Sumairsingh  
Rollin Bertrand  
Michael Phillip  
Peter Clarke  
Terrence Chang

**Board of Directors (TTCD)**

Ranjit Jeewan  
Chairman

Andrew Mc Eachrane  
Peter Clarke  
Ronald Bartolo  
Stephen Bayne  
Michael Toney

**Executive Officer**

C. Wainwright Iton  
Chief Executive Officer

**Corporate Secretary**

Fitzstone Services Limited  
48-50 Sackville Street  
Port of Spain  
Trinidad

**Devika Lennon**

Assistant Secretary

**Registered Office**

10<sup>th</sup> Floor Nicholas Tower  
63-65 Independence Square  
Port of Spain

**Attorneys**

Fitzwilliam, Stone, Furness-Smith & Morgan  
Attorneys-at-Law  
48-50 Sackville Street  
Port of Spain

**Auditors**

PricewaterhouseCoopers Limited  
11-13 Victoria Avenue  
Port of Spain



NASDAQ WELCOMES  
THE TRINIDAD & TOBAGO  
STOCK EXCHANGE  
JUNE 20, 2008



THE TRINIDAD AND TOBAGO  
STOCK EXCHANGE  
LIMITED



THE TRINIDAD AND TOBAGO  
**STOCK EXCHANGE**  
LIMITED

---

Affording opportunities, creating possibilities

ANNUAL REPORT 2008





**THE TRINIDAD AND TOBAGO  
STOCK EXCHANGE  
LIMITED**

---

10th Floor, Nicholas Tower, 63-65 Independence Square, Port of Spain, Trinidad, W.I.  
Telephone: (868) 625-5107-9, 7148 • Fax: (868) 623-0089  
E-mail: [tstockx@tstt.net.tt](mailto:tstockx@tstt.net.tt) • Website: [www.stockex.co.tt](http://www.stockex.co.tt)