

March 9th, 2010

Regional Indices

On Monday, the All Jamaican Composite climbed 1,031.46 points (1.36%), to 76,969.49, as GraceKennedy Limited gained JMD\$6.47, to settle at JMD\$59.45. The TTSE Composite Totals also advanced by 1.08 points (0.13%), to 803.07, while the ECSE index dropped 0.33 points (0.22%), to 147.06, as the local BSE Composite slipped by 0.03 points, to 768.93.

| | Dec-07 | Dec-08 | Dec-09 | 8-Mar-10 | 5-Mar-10 | Change | % Change |
|-------------|------------|-----------|-----------|------------------|------------------|----------|----------|
| BSE | 1,028.80 | 919.86 | 786.11 | 768.93 | 768.96 | -0.03 | 0.00% |
| JSE | 106,782.86 | 73,994.93 | 70,995.77 | 76,969.49 | 75,938.03 | 1,031.46 | 1.36% |
| TTSE | 982.03 | 842.93 | 765.28 | 803.07 | 801.99 | 1.08 | 0.13% |
| ECSE | 155.69 | 135.86 | 147.59 | 147.06 | 147.39 | -0.33 | -0.22% |

International Indices

Stocks ended mixed after insurer American International Group Inc. reached a deal to sell one of its major foreign divisions to MetLife Inc. for \$15.5 billion. Investors see buyouts as a sign of confidence in the economy, as the Nasdaq rose by 5.86 points (0.25%), to 2,332.21, however the Dow declined by 13.68 points (0.13%), to 10,552.52, as the S&P 500 lost 0.20 points (0.02%), to 1,138.50. The Nikkei advanced by 216.96 points (2.09%), to 10,585.92, as the Hang Seng jumped 408.90 points (1.97%), to 10,585.92 while the FTSE added 6.90 points (0.12%), to 5,606.70.

| | Dec-07 | Dec-08 | Dec-09 | 8-Mar-10 | 5-Mar-10 | Change | % Change |
|--------------------|-----------|-----------|-----------|------------------|------------------|--------|----------|
| Nasdaq | 2,652.28 | 1,577.03 | 2,269.15 | 2,332.21 | 2,326.35 | 5.86 | 0.25% |
| Dow Jones | 13,264.82 | 8,776.39 | 10,428.05 | 10,552.52 | 10,566.20 | -13.68 | -0.13% |
| S&P 500 | 1,468.36 | 903.25 | 1,115.10 | 1,138.50 | 1,138.70 | -0.20 | -0.02% |
| FTSE 100 | 6,456.90 | 4,434.20 | 5,412.90 | 5,606.70 | 5,599.80 | 6.90 | 0.12% |
| Nikkei 225 | 15,307.78 | 8,859.56 | 10,546.44 | 10,585.92 | 10,368.96 | 216.96 | 2.09% |
| Hang Seng | 27,812.65 | 14,387.48 | 21,872.50 | 21,196.87 | 20,787.97 | 408.90 | 1.97% |

Commodities and Currencies

The table below shows the price of oil and gold on the global markets, as well as daily averages of select international currencies.

| | Dec-07 | Dec-08 | Dec-09 | 8-Mar-10 | 5-Mar-10 | Change | % Change |
|---------------|--------|---------|----------|-----------------|-----------------|---------|----------|
| Oil | 91.86 | 40.58 | 79.36 | 81.87 | 81.50 | 0.37 | 0.45% |
| Gold | 836.50 | 875.00 | 1,096.20 | 1,124.00 | 1,136.30 | -12.30 | -1.08% |
| GBP £ | 1.9973 | 1.4479 | 1.5928 | 1.5142 | 1.5061 | 0.0081 | 0.54% |
| EURO € | 1.4729 | 1.4097 | 1.4333 | 1.3630 | 1.3632 | -0.0002 | -0.01% |
| CAD \$ | 0.982 | 1.2228 | 1.0494 | 1.0294 | 1.0314 | -0.0020 | 0.19% |
| JPY ¥ | 112.35 | 90.3843 | 92.2401 | 90.2961 | 88.7350 | 1.5611 | -1.76% |

LOCAL, REGIONAL & INTERNATIONAL NEWS BRIEFS**Potential to See More Foreign Exchange**

BRIDGETOWN, Barbados – One locally-based manufacturing company's success in gaining FDA approval will translate into greater foreign exchange earnings for this country. Speaking at a press conference at Lenstec Inc. Barbados, Minister of Economic Affairs, Empowerment, Innovation, Trade, Industry and Commerce, Dr. David Estwick, commended the producer of intra-ocular lenses for winning the approval of the US Food and Drug Administration, noting this major breakthrough would create greater US market earnings, while increasing employment during this time of economic crisis. The company, which had been based in the island for the last 14 years, employs 140 persons. Sales have grown each year and the company made around US \$10 million in 2009, according to its management, with sales generated through exports to more than 50 countries, including Japan, Europe, Canada and Australia. "It is therefore evident that Lenstec will continue to be a significant foreign exchange earner for Barbados. The high-end product this company produces dictates the need for quality production. The jobs that Lenstec provides require an educated workforce, with a high-level of skill and a commitment to operational excellence. These attributes also support a specialised customer service offering," Estwick said.

Source: *The Barbados Advocate*

Parliament to Review New Legislation Including Budget Measure from 2008

BRIDGETOWN, Barbados – Three key pieces of legislation will be going to Parliament shortly, with one of them relating to a measure introduced in the Prime Minister's 2008 Budget. The three items are the Income Tax amendment, a proposal to deal with the Environmental Levy Act, and an amendment to the charities regulations. The Income Tax amendments will be dealing with the new deductions permitted for contributions to charities and related amendments to the charities act to facilitate these amendments. These amendments also deal with the foreign currency earnings tax credit which persons who are resident here and not domiciled may be able to claim on funds remitted to the island. The other measure which will be dealt with in Parliament is the Environmental levy act. This is an act already in place but the government is replacing the old one with a new one which includes significant new provisions for the charging of the levy on locally manufactured goods. In his 2008 Budget, Prime Minister David Thompson had said that one of the major underpinnings of the Revised Treaty of Chaguaramas is that any taxation introduced by regional member states should not distort competition by discriminating against products from member states. Additionally, he said that a call had been made by other Treaty partners for Barbados to make its Environmental Levy legislation consistent with the rules of the Revised Treaty.

Source: *The Barbados Advocate*

Jamaica and China in US\$6B Talks

KINGSTON, Jamaica – Emerging world economic empire China could be the new owner of the Kingston Container Terminal if ongoing negotiations with the Jamaica government are successful. Investment and Commerce Minister Karl Samuda confirmed the negotiations with China last Friday and noted that the sale, along with the slated development of the Caymanas Industrial Park, St Catherine, and that of Vernamfield in Clarendon, could net the country over US\$6 billion. "We are actively negotiating with the Chinese to acquire the Kingston Container Terminal and the reason for that is it would make the Caymanas economic zone much more attractive," Samuda told the Observer. "What I can tell you is that the project I'm talking about - the port, the Kingston Freezone, the Tinson Pen lands, the Caymanas lands linking into Vernamfield (by rail) - we are looking at a US\$6 billion investment," said Samuda. He said the negotiations had been going on for more than a year and noted that it would be some time before any deal is inked. Samuda described the sale and development projects as the country's last "great chance" out of its economical "rut" and provide the kind of jobs needed to tackle unemployment.

Source: *Jamaica Observer*

Citigroup Shares: No Longer Toxic?

NEW YORK, New York – Yes, Citigroup lost billions in the financial crisis. And yes, it's still swimming in toxic assets. But Bruce Berkowitz argues the worst is over. Berkowitz, who manages the \$11 billion Fairholme fund and was recently named Morningstar's U.S. stock manager of the past decade, recently bought more than \$700 million worth of Citi shares. In an interview with Fortune, Berkowitz said Citi's balance sheet is slowly improving. He calculates that even its bad assets now return more than 5%. "People are so focused on the liabilities," he says, "that they've potentially forgotten about some of the assets." Citi also has some of its highest capital ratios in years after the U.S. Treasury and other regulators thoroughly examined its balance sheet. Citi's widely followed Tier 1 capital ratio, an important measure of the bank's ability to absorb losses, was 11.7% at the end of 2009. That's up from about 7% in 2007, before the economic crisis. Yet, as Berkowitz argues, shares remain cheap. The stock trades at 0.8 times tangible book value, which doesn't include goodwill or other intangibles like intellectual property. That's almost half the ratio of its peers. "The price is right," Berkowitz says. "It's just a question of when it becomes obvious to everyone that the worst is over." Other smart money has recently been speculating on the stock.

Source: Fortune

Greek Leader Wants to Restrict Speculative Trades

WASHINGTON, D.C. – The Greek prime minister called on Monday for the United States and the European Union to crack down on speculative trading, arguing that exotic bets had driven up Greece's borrowing costs and threatened its effort to ease its debt crisis. The prime minister, George A. Papandreou, said in an interview that he would not rule out turning to the International Monetary Fund for assistance. But he expressed hope that such aid, which would be unprecedented in the euro zone, would be unnecessary. Also on Monday, the European Commission, which has been wary of I.M.F. involvement, endorsed a German proposal for a European monetary fund to head off future debt crises, though details remained vague. Any such plan would face political and legal impediments, and would arrive too late to help Greece even if all European Union members agreed to it, analysts said. During a speech at the Brookings Institution, Mr. Papandreou outlined Greece's new austerity measures and spoke about the need for a global overhaul of financial regulations. Later on Monday, Mr. Papandreou met with Secretary of State Hillary Rodham Clinton. On Tuesday, he is to meet with President Obama. Mr. Papandreou said his recent meetings with Chancellor Angela Merkel of Germany and President Nicolas Sarkozy of France showed that "there is a will for creating some ad hoc mechanism" that would help the country borrow at reasonable costs.

Source: The New York Times

U.K Banks Face Lowered Ratings as Financial Help Withdrawn, Moody's Says

UNITED KINGDOM – British banks and lenders that haven't improved their funding position may have their financial-strength ratings cut as government support for the industry is withdrawn, according to Moody's Investors Service. "There may be some institutions that have not sufficiently improved the standalone strength to offset the phasing out of extraordinary systemic support and their senior debt and deposit ratings of these institutions could be downgraded," Moody's said in a report published today. The U.K. government has pledged more than 1 trillion pounds (\$1.5 trillion) to assist banks during the credit crisis through direct investments, loan underwriting and by capping losses on toxic assets. Moody's will stop considering the aid when making credit rating assessments as most of the assistance is withdrawn over the next one-to-three years, the ratings company said. Moody's has for the past 18 months assumed government support would be provided to banks when it assessed ratings, the company said. "Our assessment of the probability of the government providing support will revert back to a case-by-case assessment of the impact of each bank's hypothetical failure on financial stability," said Moody's.

Source: Bloomberg

ANNOUNCEMENTS

Annual General Meetings

| Company | Location | Date | Time |
|-------------------------------------|---|-----------|----------|
| Barbados Shipping & Trading Limited | Lloyd Erskine Sandiford Conference Centre | 11-Mar-10 | 10:30 AM |
| Almond Resorts Incorporated | - | 8-Apr-10 | - |

Financial Statement Reporting

Statements Received

| Company | Year End | Type of Report Due | Due By |
|-------------------------------------|--------------|--------------------|-----------|
| Neal & Massy Holdings Limited | September 30 | 4Q 2009 | 16-Dec-09 |
| The West India Biscuit Company | August 31 | 4Q 2009 | 28-Dec-09 |
| Goddard Enterprises | September 30 | 4Q 2009 | 28-Dec-09 |
| Almond Resorts Inc. | September 30 | 4Q 2009 | 31-Dec-09 |
| Barbados Dairy Industries Limited | August 31 | 4Q 2009 | 6-Jan-10 |
| Fortress Caribbean Property Fund | September 30 | 4Q 2009 | 6-Jan-10 |
| The West Indies Rum Distillery Ltd. | August 31 | 4Q 2009 | 6-Jan-10 |
| Banks Holdings Limited | August 31 | 4Q 2009 | 22-Jan-10 |
| Barbados National Bank | September 30 | 1Q 2009 | 5-Feb-10 |
| WIBISCO | August 31 | 1Q 2009 | 5-Feb-10 |
| BICO Limited | December 31 | 4Q 2009 | 16-Feb-10 |
| Barbados Shipping & Trading | September 30 | 4Q 2009 | 17-Feb-10 |
| Barbados Dairy Industries Limited | August 31 | 1Q 2009 | 25-Feb-10 |
| Neal & Massy Holdings Limited | September 30 | 1Q 2009 | 25-Feb-10 |
| FirstCaribbean International Bank | October 31 | 1Q 2009 | 25-Feb-10 |
| Barbados Shipping & Trading | September 30 | 1Q 2009 | 1-Mar-10 |
| Almond Resorts Inc. | September 30 | 1Q 2009 | 1-Mar-10 |
| Goddard Enterprises | September 30 | 1Q 2009 | 1-Mar-10 |
| Trinidad Cement Limited | December 31 | 4Q 2009 | 2-Mar-10 |
| Jamaica Money Market Brokers | March 31 | 3Q 2009 | 2-Mar-10 |
| Fortress Caribbean Property Fund | September 30 | 1Q 2009 | 2-Mar-10 |
| Cable & Wireless (Barbados) Ltd. | March 31 | 3Q 2009 | 2-Mar-10 |
| Banks Holdings Limited | August 31 | 1Q 2009 | 4-Mar-10 |

Overdue Statements

| Company | Year End | Type of Report Due | Due By | Comment |
|------------------------|----------|--------------------|-----------|------------------------|
| Barbados Farms Limited | June 30 | Annual Report | 30-Sep-09 | Requested an Extension |

Disclaimer:

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