

CFAL WEEKLY RECAP

LOCAL MARKET OVERVIEW: July 20th, 2009 – July 24th, 2009

This week the local securities market experienced a large increase in trading as 76,067 shares crossed the exchange over nineteen trades to accumulate a value of \$524,691.40. The BISX All-Share Index reversed its downward trend, as the index gained 1.46 points or 0.093 percent week over week to settle at 1,572.30. Year to date, however, the Index is down 140.06 points or 8.18 percent. Five of the nineteen publicly traded stocks experienced activity this week resulting in two price advancements and two price declines. The star performer for the second consecutive week was Consolidated Water Company BDRs (CWCB) which advanced by \$0.55 or 18.46 percent to settle at \$3.55. FOCOL Holdings Ltd. (FCL) increased by \$0.15 or 2.58 percent to close at \$5.16. The Finance Corporation of the Bahamas (FIN) experienced the biggest decline this week as the stock fell \$0.10 or 0.92 percent to end at \$10.80. Rounding off the decliners was ICD Utilities Limited (ICD) which slipped \$0.01 or 0.18 percent to close at a new 52-week low of \$5.49.

Ltd. (FCL) as 40,786 shares crossed the exchange, 53.62 percent of total volume recorded, over eleven trades to accumulate a value of \$210,517.50. The Finance Corporation of the Bahamas (FIN) was the value leader accounting for 47.34 percent of the exchanged value as 25,001 shares crossed the exchange over 2 trades to accumulate a value of \$248,410.80.

COMPANY UPDATES & CORPORATE ACTIONS

Dividend Payments:

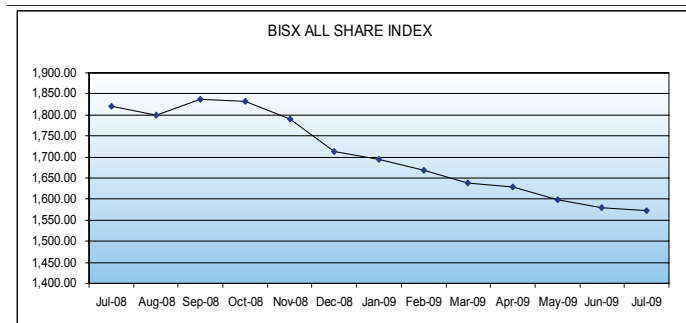
- Consolidated Water Company BDRs (CWCB): \$0.015 per share to all shareholders of record July 31st, 2009 payable August 10th, 2009.
- FOCOL Holdings Ltd. (FCL): \$0.05 per share to all shareholders of record July 31st, 2009 payable August 11th, 2009.

INTERNATIONAL MARKET OVERVIEW: JULY 20TH, 2009 – JULY 24TH, 2009

It was another successful week in international markets as all tracked major foreign indices experienced gains week over week. In addition, all tracked indices now have positive year to

BISX Index	July 24, '09	Weekly %	YTD %	Market Cap \$
	1,572.30	+0.093	-8.18	3.02bln

Market Movers	Daily Volume Avg.	19,017
	Advancers	2
	Decliners	2
	Unchanged	15



Company Name	This Week Closing Price	Previous Week Closing Price	Change %	52-Week High/Low	Volume Traded During the Week
LEADING MOVER					
Consolidated Water BDRs	\$3.53	\$2.98	+18.46	4.78/1.27	--
LEADING DECLINER					
Finance Corporation of the Bahamas	\$10.80	\$10.90	-0.92	12.50/10.00	23,001

DJIA Movers	Daily Volume Avg.	237 mln
	Advancers	18
	Decliners	12
	Unchanged	0

	July 24 th , 2009	Weekly %	YTD %	YOY%	Market Cap
DJIA	9,093.24	+3.99	+3.61	-19.90	3.08tr
S&P	979.26	+4.13	+8.42	-21.80	n/a
NASDAQ	1,965.96	+4.21	+24.66	-13.80	2.94tr
Nikkei 225	9,944.55	+5.85	+12.25	-26.90	197.90tr
DJ Stoxx 50	2,582.76	+4.60	+5.52	-23.00	1.36tr
UK-FTSE 100	4,576.61	+4.28	+3.21	-14.70	1.23tr

date yields. The Dow Jones Industrial Average had its best two week rally since the year 2000 as the index increased 349.50 points or 3.99 percent to end at 9,093.24. The S&P 500 advanced 58.88 points or 4.13 percent to settle at 979.26. The NASDAQ Composite Index ended 79.35 points or 4.21 percent higher at 1,965.96 bringing year to date gains to 24.66 percent. In the Euro zone, the Dow Jones Stoxx 50

added 115.56 points or 4.60 percent to close at 2,582.76 and the FTSE 100 rose by 187.86 points or 4.28 percent to close at 4,576.61. The Nikkei 225 sharply increased by 549.23 points or 5.85 percent to settle at 9,944.55. The commodities market also closed up as Crude Oil advanced \$4.40 or 6.91 percent to \$68.07 per barrel and Gold added \$15.90 or 1.48 percent to end the week at \$951.35 per ounce.

VOPAK: EMPLOYEES RESIGNED, NOT TERMINATED

■ **From BR1**
Grand Bahama, respectively. That's before recent announcements of lay-offs affecting hundreds of workers.

The resignations at VOPAK seem to be bucking the trend noted by officials in the Labour department – resignations are declining, no matter how unfavorable the working conditions.

"I would say (the number of people quitting has declined) because people usually do not quit their jobs unless they are going on to another job," deputy director Dorothy Godet told *Guardian Business* in an earlier interview. "And right now jobs are scarce."

Still, Sweeting maintains the company, unlike most other businesses in the economic downturn, has been largely recession-proof. That's a statement based around its focus on oil and a global demand for the substance.

"It's not like we're a hotel or a vacation business or anything of that nature," he said. "So the effect on us is not the same as for the retail companies that depend on that business?"

Indeed, he's not even worried about increasing com-

petition from StatoilHydro, which is in the process of purchasing the South Riding Point terminal for around \$265m. That deal is still awaiting final government approval.

ENGINEER: MORE LOCAL TRAINING OPPORTUNITIES

■ **From BR1**
"At least two percent of revenue could be saved and retained," the transportation and civil engineering consultant told *Guardian Business*. "Quite frankly, that's revenue staying at home to boost local SMEs."

That's training ranging from practical to theoretical, said McKenzie, that will likely go a long way in taking the pressure off other factors now squeezing the profit margins of most businesses in The Bahamas.

"The biggest challenge to overcome was the drop in mega development projects that were created by a substantial amount of foreign direct investment," he said. "The stopping of these projects created tremendous hurdles."

"I would say the loss has been anywhere from 20 to

50 percent for every consulting firm operating out there."

Out of 580 SMEs, McKenzie's firm is this country's first winner of the Pioneers of Prosperity Caribbean Awards, which honors competitive businesses that operate with high levels of integrity and ethics. As a reward, his company will receive a \$40,000 grant from the Multilateral Investment Fund of the Inter-American Development Bank (IDB) – funds to be used for training and technical infrastructure development.

The majority of that money, however, will have to be spent abroad, notes McKenzie who pointed to the lack of training options in the country to facilitate that IDB mandate.

"We would definitely like to see the training room technical aspect come up to a certain level such that we don't have to leave the island to get certain types of training," he said. "We don't prefer to send teams across the globe to train, we would prefer to do it here."

"It's just better for us that way?"

It's one of the ways CCGL has been able to contain its own costs. McKenzie said that contributed to the company winning the award.

His comments come as experts suggest training during the interim period, before an up-tick in the economy. The expectations come even as government spearheads a local training initiative for roughly 1,000 workers – often older and with training limited to customer service – who enter

the program after facing scant job prospects.

It's an initiative, however, that doesn't apply to those already in their fields and in need of refresher and/or update courses.

McKenzie argues that his firm has already exhausted most of the local training options and points to a need for Bahamians to take up where those classes leave off. It's another way Bahamians with the know-how can look to diversify the economy further – to say nothing of the jobs that can be created through a training initiative.

BIT: A PINNACLE OF NEARLY \$5 MILLION POST EMERALD BAY

■ **From BR1**
The casino operator is citing cost-cutting measures as key to that jump in profit. It's a considerable feat compared to its net loss of \$18.1 million, or 30 cents per share, in the same period last year when the Exuma operation was still in full swing.

Then, as now, the island was faced with drooping visitor arrivals drying out economic opportunities for businesses.

Pinnacle wrote off \$4.5 million in the 4Q at the Emerald Bay casino because of the financial hardship, following the announcement of the Four Seasons' closure. The company requested and received permission to close the casino, which it did on January 2, instead of the previously announced closing date of August 31.



■ The URCA will have the authority to regulate the local telecommunications sector. *File Photo*

UTILITIES AUTHORITY TO COME INTO EFFECT AUGUST 1ST

Communications laws recently passed will come into force in September

■ From BR1

As director of policy, Saadat is charged with providing direction on all matters of policy and regulation within the regulator including but not limited to strategy development, market analysis, determination of significant market power (SMP) and the development of remedies of SMP for dominant players in the industry.

The government has not yet revealed who will fill the other executive posts at URCA, or who will sit on its board.

Once formed, URCA will also have to make determinations with regards to the pending applications for television and radio licenses. The power to grant broadcast licenses was formerly vested with the Minister responsible for Broadcasting. This power has been transferred to URCA.

During the budget debate in June, it was revealed that

there were 18 new applications for radio licenses and 11 new applications for television licenses pending.

The creation of URCA is a part of the government's initiative to liberalize the communications sector in The Bahamas. The sale of 51 percent of the Bahamas Telecommunications Company (BTC) is also a part of that effort.

Last week, the govern-

ment formally announced the beginning of the sales process for the stake in BTC. In addition to acquiring a 51 percent of the company, the new owner would also gain operational control of BTC, which currently provides services to over 334,000 wireless, 132,000 fixed line and 18,500 broadband customers throughout The Bahamas.

The company currently has 190 roaming agreements in place serving more than four million tourists who visit The Bahamas each year.

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