

MARKET UPDATE



INTEREST RATES

Sources: Regional Central Banks

End of Period Rates (%)	Barbados ^{1/} July	Guyana July	Trinidad June	Jamaica Aug
Minimum ^{1/} Ordinary Savings Rate	2.50	3.65	1.67	8.22
12-month Deposit Rate	2.50-2.75	3.65	3.44	10.76
Average Lending Rate	6.75 – 8.50	16.16	11.50	25.60
Bank Rate	7.50	5.25	7.25	-----
Treasury Bill (3-mth) ^{2/}	1.09	2.88	4.94	24.94 ^{3/}

^{1/} Barbados reports a minimum deposit rate.

^{2/} The bank rate and Treasury bill rate for Barbados are as at mid-September. Treasury bill rate for Guyana is for July, Trinidad is at June while Jamaica's is at June.

^{3/} The T-bill rate for Jamaica is based on six-month bills, as three-month Treasury bills have not been issued recently.

REGIONAL INFLATION RATES^{5/}

Sources: Regional Central Banks

	Barbados	Guyana	Trinidad	Jamaica
Annual Rate (%)	0.38	6.70	3.77	7.04

^{5/} Represents the twelve month weighted average inflation rate. The inflation rate for Barbados is for May and is calculated using a new base. The rate for Trinidad is rate is for March, Guyana is for May and Jamaica is at July.

EXCHANGE RATES

Source: Bloomberg

Period	Bds/ GBP	Bds / EURO	TTD/ Bds	GYD/ Bds	JMD/ Bds
September 15	3.20870	2.2572	3.09091	89.9495	29.7997
August 29	3.1527	2.1750	3.09091	89.9495	29.3977
(%) Change In Value of Bds\$	-1.78	-3.78	0.00	0.00	1.37

TREASURY BILL OPERATIONS

Source: Accountant General

Type	Date of Issue	Issue Size (Bds\$ M)	Interest Rate	Under (-)/Over (+) Subscribed (Bds\$ M)
3-Mth 6-Mth	2003-07-16	83.03	1.64%	+112.50 *83.03
3-Mth 6-Mth	2003-07-30	57.01	1.52%	+55.00 *57.01
3-Mth 6-Mth	2003-08-21	62.72 60.00	1.25% 1.29%	+135.00 +63.53
3-Mth 6-Mth	2003-09-05	117.99 0.81	1.09% 1.11%	+174.81 +119.00

* / Amount applied for by Tenderers but not allotted

DEBT PROFILE

Source: Central Bank of Barbados

Security	Date of Issue	Issue Size (Bds\$ M)	Interest Rate	Date of Maturity
Savings Bond	2003-05-19	15.0	4.77%	2008-05-18
Treasury Note/ Debenture	2003-08-15	30.0	5.25%	2013-12-31

B.S.E TRADING DATA

Source: Barbados Stock Exchange Inc.

Period	Sept. 12	Aug. 29	Change
Closing Local Index	2344.09	2373.13	29.0
Closing Cross List Index	1261.79	1266.39	-4.60
Closing Junior Market Index	1756.97	1756.97	-----
-Share Price Movements:			
Almond Resorts Inc	1.00	0.95	0.05
B'dos Shipping & Trading	3.65	3.55	0.10
Cave Shepherd	2.60	2.55	0.05
Grace Kennedy	1.60	1.65	-0.05
McEnearney Alstons	4.50	5.00	-0.50
Sagicor Financial Corp	2.85	2.95	-0.10

US EQUITY MARKET INDICES

Source: Bloomberg

Period	S&P 500	Nasdaq	Dow Jones
September 15	1015.18	1850.88	9452.81
August 29	1008.01	1810.45	9415.82
(%) Change	0.71	2.23	0.39

LIBOR US\$ FIXING

Source: Bloomberg

Period	3-month	6-month	12-month
September 15	1.14%	1.18%	1.31%
August 29	1.14%	1.20%	1.43%

Source: Bloomberg

US BENCHMARK YIELDS

As at September 15, 2003

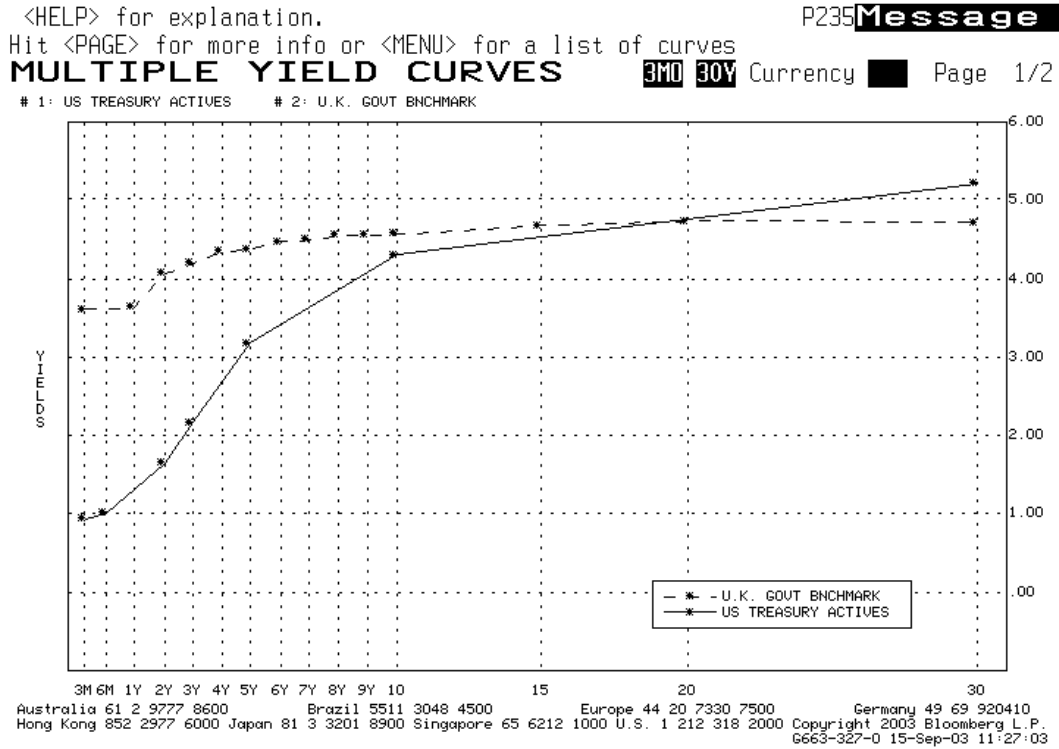
MATURITY	YIELD (%)
3-Mth	0.95
1-Yr	1.34
2-Yrs	1.64
5-Yrs	3.18
10-Yrs	4.30

UK BENCHMARK YIELDS

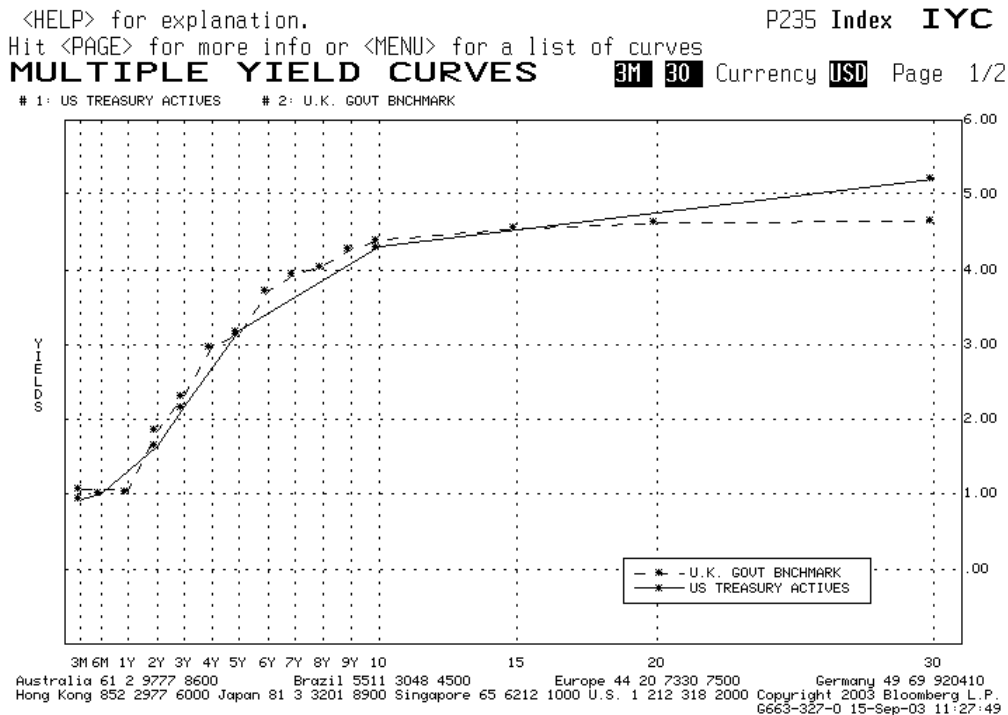
As at September 15, 2003

MATURITY	YIELD (%)
3-Mth	3.59
1-Yr	3.64
2-Yrs	4.07
5-Yrs	4.36
10-Yrs	4.58

Graph 1. US & UK YIELD CURVES – unadjusted



Graph 2. US & UK YIELD CURVES – exchange rate adjusted



C.I

GLOSSARY

Bank Rate- The interest rate charged to commercial banks that borrow from the Central Bank.

Benchmark Yield- A benchmark bond is a reference security for a particular maturity that serves as a performance comparison for similar bonds. The yield on a benchmark is the return it will generate, stated as a percentage of price. A line graph of these rates is called a yield curve and shows the relationship between yields and maturity, at a given point in time.

London Inter-Bank Offer Rate (LIBOR) - The interest rate that international banks charge each other for loans. This average rate is derived based on information provided by the British Bankers Association and serves as a reference for market borrowing.

Dow Jones Industrial Average- (Dow Jones) is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. It has been a widely followed indicator of stock market performance since October 1, 1928.

Standard and Poor's 500 Index- (S&P 500) is a capitalization-weighted index of 500 stocks. The index is designed to measure the performance of the domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

National Association of Securities Dealers Automated Quotation- (NASDAQ) is a broad based capitalization-weighted of all national market and small capitalization stocks.

Barbados Stock Exchange Local Index – is a statistical indicator providing a representation of the value of local securities traded on the B.S.E. The **Cross List Index** captures the volume of regional securities traded, while the **Junior Market Index** pertains solely to Fortress Caribbean Property Fund.