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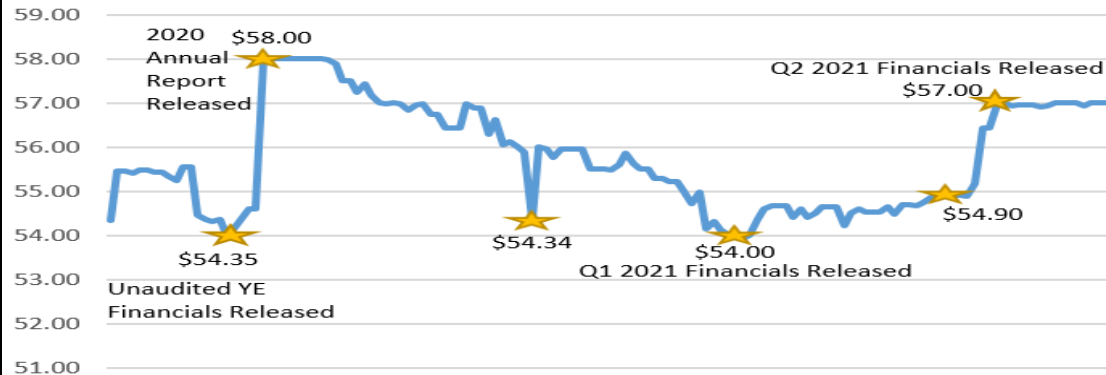
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Scotiabank Trinidad and Tobago Limed declares interim dividend of 60 cents per share

SBTT's Financial Summary	Six-Months Ended 30-Apr-21	Six-Months Ended 30-Apr-20	\$ change	% change
<u>Income Statement Extract</u>				
	\$'000	\$'000	\$'000	
Profit after Tax	304,562	262,072	42,490	↑ 16.2%
Earnings per share (Expressed in cents)	1.72	1.48	0.24	↑ 16.2%
Total Revenue	868,699	914,910	(46,211)	↓ -5.1%
<u>Balance Sheet Extract</u>				
Total Assets	27,642,123	26,863,606	778,517	↑ 2.9%
Total Liabilities	23,365,952	22,784,975	580,977	↑ 2.5%
Shareholder's Equity	4,276,171	4,078,631	197,540	↑ 4.8%
<u>Cash Flows Extract</u>				
Net cash from operating activities	666,499	1,154,550	(488,051)	↓ -42.3%
Net cash used in investing activities	(564,907)	(2,064)	(562,843)	↓ -27269.5%
Net cash used in financing activities	(265,298)	(379,582)	114,284	↑ 30.1%
Cash and cash equivalents	2,410,977	2,065,316	345,661	↑ 16.7%
<u>Metrics</u>				
Book Value Per Share (in TT\$)	22.52	23.70	-1.18	↓ -5.0%
Market Price (in TT\$)	54.60	54.81	(0.21)	↓ -0.4%
Market to Book Ratio	2.42	2.31	0.11	↑ 4.8%

Note: Green arrows indicate growth while red indicate contractions

YTD Price



Quarterly Update



Valuation	
Current Price	TT\$57.00
Trailing P/E Multiple	17.84x
Market to Book Value	2.42x
JMMB Target Price	TT\$58.85
Dividend Yield	4.2%

For the six-month period ended April 30, 2021, SBTT recorded a 16% increase in PAT to \$304.6 million from \$262.1 million in the prior period. This translates into a basic EPS of \$1.72 (Trailing EPS of \$3.19) at the end of the period. This increase was driven by effective cost management strategies combined with lower impairment losses. Notwithstanding this, total revenues fell by 5.1% to \$868.7 million from \$914.9 million as a result of a decline in the Bank's retail loan portfolio due to economic uncertainty and reduced levels of spending. The Bank continues to focus on controlling its operating expenses, which resulted in a 7% decline in non-interest expenses.

Furthermore, total assets increased by 3% to \$27.6 billion from \$26.9 billion in the corresponding prior period. Also, SBTT's deposits from customers increased by 2% year-over-year. Given the Bank's financial performance over the period, an interim dividend of 60 cents per share was approved for the quarter ended April 30, 2021, payable on July 19, 2021.

Outlook:

JMMB's Research Department on September 9th, 2020 maintained a **MARKETPERFORM** (5% of your portfolio) rating on SBTT with a price target of \$51.72. The price of SBTT at that date was \$54.70, which was within our fair value range. Since that rating, SBTT share price has appreciated off the back of more positive financial results to \$57.00.

We maintain our rating on SBTT at **MARKETPERFORM** (5% of your portfolio) and revise our target price to \$58.85 (representing a 3.2% increase from the current price). The increase in the target price is based on the increased dividend and earnings expectations for the Bank in the coming year. Our EPS forecast for year ending October 2021 is \$3.22.