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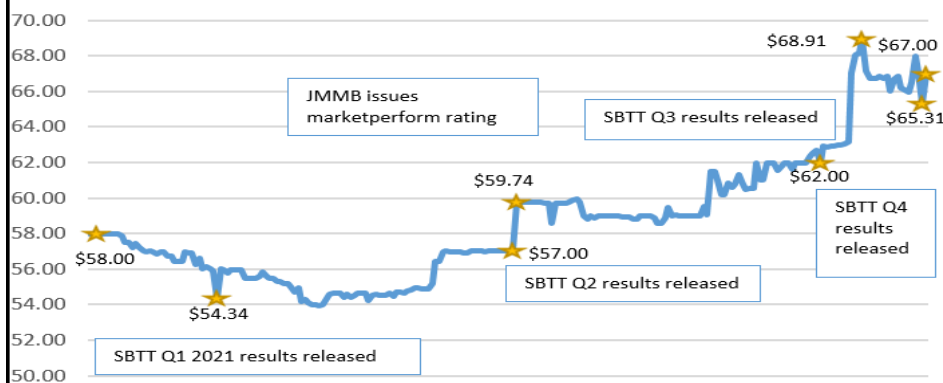
December 2021
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SBTT declares final dividend of 85 cents per share in Q4 2021

SBTT's Financial Summary	For the Year Ended 31-Oct-21	For the Year Ended 31-Oct-20	\$ change	% change
<u>Income Statement Extract</u>	\$'000	\$'000	\$'000	
Profit after Tax	603,525	520,802	82,723	↑ 15.9%
Earnings per share (Expressed in cents)	3.42	2.95	0.47	↑ 15.9%
Total Revenue	1,730,212	1,778,122	(47,910)	↓ -2.7%
<u>Balance Sheet Extract</u>				
Total Assets	27,171,092	27,503,678	(332,586)	↓ -1.2%
Total Liabilities	22,927,274	23,332,053	(404,779)	↓ -1.7%
Shareholder's Equity	4,243,818	4,171,625	72,193	↑ 1.7%
<u>Cash Flows Extract</u>				
Net cash from operating activities	1,062,006	2,455,023	(1,393,017)	↓ -56.7%
Net cash used in investing activities	323,088	(640,096)	963,184	↑ 150.5%
Net cash used in financing activities	(635,427)	(532,656)	(102,771)	↓ -19.3%
Cash and cash equivalents	3,324,350	2,574,683	749,667	↑ 29.1%
<u>Metrics</u>				
Book Value Per Share (in TT\$)	24.07	23.66	0.41	↑ 1.7%
Market Price (in TT\$)	62.50	54.30	8.20	↑ 15.1%
Market to Book Ratio	2.60	2.30	0.30	↑ 13.1%

Note: Green arrows indicate growth while red indicate contractions

SBTT YTD Price Movement



Quarterly Update



Valuation	
Current Price	TT\$67.00
Trailing P/E Multiple	19.59x
Market to Book Value	2.60x
JMMB Target Price	TT\$65.58
Dividend Yield	5.22%

For the period ended October 31, 2021, SBTT recorded a 15.9% increase in PAT to \$603.5 million from \$520.8 million in the prior period. This translates into a basic EPS of \$3.42 at the end of the period. This increase was driven by lower net impairment losses on loans combined with effective cost management strategies. Notwithstanding this, total revenues fell by 2.7% to \$1.73 billion from \$1.78 billion in the prior period. This decline was driven by a \$94 million or 7% decline in net interest income largely due to lower loan balances impacting both retail and commercial customer segments.

Furthermore, SBTT's total assets fell by 1.2% to \$27.2 billion from \$27.5 billion. This decline was driven a 3% decline in the Bank's loans to customers resulting from the lower economic activity and reduced borrowing appetite from customers across various segments. Given the Bank's financial performance for the period, a final dividend of 85 cents per share was approved for the quarter ended October 31, 2021, bringing the total dividend to \$3.50 for the year. This dividend will be payable on December 27, 2021.

Outlook:

JMMB's Research Department in September 2021 maintained a **MARKETPERFORM** (5% of your portfolio) rating on SBTT with a price target of \$59.37. The price of SBTT at that date was \$59.00, which was within our fair value range. Since that rating, SBTT's share price rose to \$68.91 in November 2021, closing at \$67.00 on December 15, 2021.

We maintain our rating on SBTT at **MARKETPERFORM** (5% of your portfolio) and revise our target price to \$65.58 (representing a 2.1% decrease 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 2022 is \$3.74.