



## **ECSE DAILY NEWS REPORT**

Welcome to the ECSE daily trading report for 23<sup>rd</sup> August 2007.

On the Eastern Caribbean Securities Market today, there were no trades, while on the Regional Government Securities Market, the Government of St. Lucia auctioned \$27 million in 91-day treasury bills. The auction was oversubscribed by \$9.46M, with bids ranging from \$10,000 to \$22,000,000, totalling \$36,460,000. Four brokerage firms participated: Bank of St. Lucia Ltd, Caribbean Money Market Brokers Ltd, National Mortgage Finance Company of Dominica Ltd and Republic Finance & Merchant Bank Ltd. A competitive uniform price auction methodology was used and the resulting discount rate was 5.99%.

### **And today's financial tip:**

#### **In discussions on the Regional Government Securities Market the words 'Auction' and 'Issue' are used – is there a difference?**

Auction is the process or method by which the securities are sold while issue is the actual delivery of the securities to purchasing investors. The auction determines who will be sold the securities – in a competitive auction the securities are allotted to the investors offering the best prices while in a non-competitive auction the securities are allotted on a first-come first-serve basis. The issue takes place on the following working day when payment is received from successful investors and the securities are delivered to their accounts.

**Join us next time for the Eastern Caribbean Securities Exchange Trading report.**