

NIF portfolio dips in 2024



Chair of the National Investment Fund, Jennifer Lutchman

The National Investment Fund Holding Company has reported a slight decline in the value of its portfolio at the end of fiscal 2024.

This was reported by the company's chair Jennifer Lutchman in the NIF's annual report for 2024. The report was published on the Trinidad and Tobago Stock Exchange yesterday.

Lutchman said in her report, "We ended 2024 with an overall portfolio of \$7.7 billion. Thus, while the dividend performance has been significant, the portfolio has been impacted by a general decline in stock market prices such that the NIF1 portfolio, valued in 2018 at \$8 billion, is currently \$6.90 billion with a coverage ratio of 1.8:1."

In mid-2018, the NIF was established to monetise certain Clico assets as well as the wholly owned state enterprise, Trinidad Generation Unlimited (TGU). The initial portfolio was valued at \$7.941 billion and comprised shares of Angostura Holdings Ltd, One Caribbean Media, Republic Financial Holdings Ltd (RFHL), West Indian Tobacco Company and TGU.

Subsequently in July 2023, in the context of favourable market conditions, the Series D bond was issued to a group of mainly institutional investors, and the proceeds used to redeem the Series A bond.

On January 22 2024, the \$400 million NIF2 bond was created. It was funded by approximately four per cent (4 per cent) of the shares of RFHL, and targetted at individuals and small businesses.

NIF 2 was oversubscribed by 267 per cent.

Lutchman explained, "Since inception NIF has paid, on time, thirteen (13) semi-annual coupon payments amounting to \$1.3 billion on its NIF1 bonds (Series A, B and C), three (3) semiannual coupon payments on its Series Bond D totalling \$129.0 million and two (2) semi-annual coupon payments amounting to \$18.0 million on the NIF2 Bond, to its approximately 6,671 bond holders.

The next semi-annual coupon payments to bond holders of Series B and Series C and the NIF2 Bond would be on August 9, 2025 while or Series D, payment would be effected on July 26, 2025.”

The report stated the NIF1 bonds (Series A, B and C) were listed on the Trinidad and Tobago Stock Exchange on September 4, 2018, while listing of the NIF2 bond followed on March 13, 2024.

“The attractiveness of these bonds is evident from their regular trading with approximately \$338 million and \$2.4 million traded respectively to date,” Lutchman said.