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GBTI's deposit base expanded by 25% last year, lending up by 12% - CEO

The Guyana Bank for Trade and Industry's (GBTI's) deposit base expanded by 24% in 2024 and the lending portfolio saw a rise of 12%.

These were among the revelations of Chief Executive Officer (CEO), Shawn Gurchurran in his inaugural report in the bank's annual report. The bank's after-tax profit in 2024 was \$4.018b, 31% higher than in 2023.

The CEO said that the expansion of the deposit base to \$209b showed a high level of trust and confidence by customers and enabled more businesses and individuals to be supported.

In relation to lending, he said that the portfolio of loans reflects the Guyanese economy with key allocations to oil and gas, construction and agriculture.

The bank's distribution of loans showed that the lion's share of 42% went to services. The next highest is real estate at 17%, followed by households 13%, manufacturing at 11%, oil and gas at 10% and agriculture at 6%.

According to the CEO, the bank's investment portfolio continued to deliver strong returns.

"In 2024, we strategically increased out holdings in high-yield bonds and leveraged loans, which outperformed broader investment-grade assets", he said. Total funds invested at year-end were \$88b, a 25% jump from the previous year.

Gurchurran said that GBTI recorded significant gains from foreign exchange transactions. "These gains were a result of effective currency trading strategies and the bank's ability to navigate volatile currency markets". He said that gains from exchange trading were recorded at \$1.6b, a rise of 14% from the previous year.

He stated that GBTI Mutual Funds had

another successful year with assets under management now at \$2.1b, up by 12%. Total comprehensive income from the fund was \$120m, a growth of 160% from the \$46m in the previous year. The fund is being managed by the Guyana Americas Merchant Bank.

The CEO acknowledged labour market challenges.

"In a competitive and expanding economic landscape, the Bank faces challenges such as elevated employee turnover and the dynamics of an employee-driven labour market. The climate has intensified the competition for top talent and emphasized the need to address the impacts of frequent workforce transitions", he said. Gurchurran said that there is also now an increased focus on compensation. "To remain competitive, GBTI is unwavering in its commitment to cultivating a robust organizational culture, providing attractive compensation packages, and investing in the continuous development of its workforce", he added.

The CEO welcomed the passage of the Movable Properties Act 2024 and said that the Bank "eagerly anticipates" the requisite infrastructure to enliven it.

"It is a significant development for improving access to credit, particularly for individuals and small businesses...A centralized Movable Collateral Registry, when established, will enable lenders to register security interests in movable property. This reduces risk for creditors and increases confidence in lending", Gurchurran asserted.

In the annual report, the independent auditor, TSD Lal and Co in their report drew attention to an ongoing dispute between GBTI and the Guyana Revenue Authority (GRA) where the latter has

issued additional assessments for corporation and property tax liabilities for the years of income 2010 to 2022 totalling \$951.2m. The auditor said that management is confident of success on appeal and therefore no provision has been made.

The notes to the financial statements said that on January 16, 2025 the company responded to the letter from GRA dated 12th November 2024 on the proposed resolution of the ongoing appeals concerning bad debt and exempt income. The company is awaiting the GRA's response on further actions of the proposed resolution.

Interest income for 2024 was \$9.555b compared to \$7.812b in 2023. Interest expense rose slightly from \$751.5m in 2023 to \$765.5m last year. Other income rose from \$2.980b in 2023 to \$3.587b last year. Operating expenses climbed from \$5.249b in 2023 to \$5.804b last year.

Loan provisioning net of recoveries for 2024 was \$605.5m. Taxation for 2023 amounted to \$1.583b in 2023 compared to \$1.966b last year.

Basic earnings per share in dollars was 78.56 in 2023 and 100.45 last year.

A press release from the Bank on March 4th this year said it had delivered another "exceptional year" of financial performance. It said that the Bank's Total Assets grew by 24%, reaching \$249 billion.

"GBTI's sustained growth is a testament to our unwavering focus on financial strength, digital transformation, and customer-centric banking solutions," said Robin Stoby SC, Chairman of GBTI. "As Guyana's economy continues to expand, GBTI remains committed to empowering individuals and businesses through innovative financial services."

The release said that GBTI's 2024 success was spurred by a "strategic push



Shawn Gurchurran

towards digital banking and innovation, aligning with Guyana's rapid economic expansion". The Bank said that it introduced new digital banking solutions, enhancing customer experience and financial accessibility. Investments in AI-driven banking, cybersecurity, and mobile banking innovations further strengthened GBTI's position in the sector.

"Digital transformation is not just a strategy—it is our commitment to ensuring seamless, efficient, and secure banking for our customers," said Stoby.

GBTI's AGM is set for Friday, May 16th at its High and Young streets corporate office.

Gold price down, oil up

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due to uncertainties surrounding U.S. tariff policy.

Trading was thin throughout Asia and Europe due to May Day holidays.

First-quarter earnings season is well past its halfway point, with 325 companies in the S&P 500 having reported. Of those, 74% have beaten analyst expectations, according to LSEG.

Apple and Amazon.com are due to report after the closing bell, the fifth and sixth members of the so-called "magnificent seven" to post quarterly results, leaving chipmaker Nvidia which is expected to release its first-quarter earnings on May 28.

"The reality is the economy is slowing but not dropping off a cliff, and some of these large tech companies are confirming that," Detrick added. "It's nice to talk about something besides tariffs, especially when it's

backed by some solid earnings overall by some of the large tech companies."

On the economic front, U.S. factory activity remained in contraction, while jobless claims increased more than analysts expected.

The Dow Jones Industrial Average .DJI rose 83.42 points, or 0.21%, to 40,752.78, the S&P 500 .SPX rose 35.04 points, or 0.63%, to 5,604.11 and the Nasdaq Composite .IXIC rose 264.40 points, or 1.52%, to 17,710.74.

Many markets in Europe and the rest of the world were closed for the May Day holiday.

Longer-dated U.S. Treasury yields rose after factory data showed tariff-related strain on supply chains and elevated input prices, likely delaying potential rate cuts from the Federal Reserve.

The yield on benchmark U.S. 10-year notes US10YT=RR rose 4.3 basis points to 4.218%, from

4.175% late on Wednesday.

The 30-year bond US30YT=RR yield rose 4.5 basis points to 4.7248% from 4.68% late on Wednesday.

The 2-year note US2YT=RR yield, which typically moves in step with interest rate expectations for the Federal Reserve, rose 8 basis points to 3.701%, from 3.621% late on Wednesday.

Oil prices reversed their earlier slump on waning fears of softening demand.

U.S. crude CLc1 rose 1.77% to settle at \$59.24 per barrel, while Brent LCOc1 settled at \$62.13 per barrel, up 1.75% on the day.

Gold prices dropped to a two-week low, pressured by signs of easing trade tensions.

Spot gold XAU= fell 1.82% to \$3,227.78 an ounce. U.S. gold futures GCc1 fell 2.76% to \$3,213.80 an ounce.