Our Mission

To create and enhance customers' wealth by providing superior financial services, in a caring and cost effective manner through dynamic leadership, good governance, advanced technology and an empowered and knowledgeable staff.

Vision

To be the people's preferred financial services provider in the region.
Twenty-six years ago, Unit Netto was the first person to entrust her financial future to the Unit Trust Corporation. Now 26 years later, the UTC has over 500,000 customers in 130 countries around the globe, has paid over US$150 million in distributions to our customers and is dedicated to staying close to our customers.

More than just mutual funds, the UTC is truly a financial solutions provider offering products and services to meet every need. We are closer than ever to our customers and our service is just a click away with our new online access (U-Online) and debit card accessible investment solutions.

No matter how we grow, we continue to celebrate YOU, our customers who continue to trust the UTC to turn your dreams of financial independence into reality.

In tribute to you, over the past 12 months the UTC staff has dedicated their time and expertise to assisting communities we have been privileged to serve for 26 years. See photographs of these activities at the bottom of the following pages of our 2008 Annual Report.

Thank you for trusting in us!
Here’s to YOU and to another 26 years of success!
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Highlights</td>
<td>4</td>
</tr>
<tr>
<td>Corporate Information</td>
<td>7</td>
</tr>
<tr>
<td>Notice of Meeting</td>
<td>9</td>
</tr>
<tr>
<td>Board of Directors</td>
<td>10</td>
</tr>
<tr>
<td>Chairman’s Review</td>
<td>14</td>
</tr>
<tr>
<td>Executive Director’s Report</td>
<td>22</td>
</tr>
<tr>
<td>Senior Management Team</td>
<td>34</td>
</tr>
<tr>
<td>Corporate Social Responsibility Update</td>
<td>38</td>
</tr>
<tr>
<td>Financial Statements</td>
<td>43</td>
</tr>
<tr>
<td>Auditor General’s Report</td>
<td>44</td>
</tr>
</tbody>
</table>

*Youth of children’s home treated to UTC movie night.*

*Children show off their artwork at a UTC craft day at a children’s home.*
Financial Statements

Consolidated Balance Sheet A1
Consolidated Income & Expenditure Statement A2
Consolidated Statement of Changes in Equity A3
Consolidated Cash Flow Statement A4
Growth & Income Fund (First Unit Scheme) Balance Sheet A5
Growth & Income Fund (First Unit Scheme) Statement of Operations A6
TT$ Income Fund (Second Unit Scheme) Balance Sheet A7
TT$ Income Fund (Second Unit Scheme) Statement of Operations A8
Universal Retirement Fund Balance Sheet A9
Universal Retirement Fund Statement of Operations A10
US$ Income Fund Balance Sheet A11
US$ Income Fund Statement of Operations A12
Notes to the Consolidated Financial Statements A13
Contributors to the Initial Capital
## Performance Highlights

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment Fund Size (SM)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Growth &amp; Income Fund</td>
<td>2,882.79</td>
<td>4,193.78</td>
<td>4,789.03</td>
<td>4,629.12</td>
<td>4,711.25</td>
<td>3,468.31</td>
</tr>
<tr>
<td>TT$ Income Fund</td>
<td>5,353.69</td>
<td>5,988.57</td>
<td>6,803.97</td>
<td>6,934.15</td>
<td>7,192.86</td>
<td>7,972.32</td>
</tr>
<tr>
<td>Universal Retirement Fund</td>
<td>75.64</td>
<td>111.23</td>
<td>145.35</td>
<td>146.63</td>
<td>153.37</td>
<td>138.67</td>
</tr>
<tr>
<td>US$ Income Fund</td>
<td>2,319.17</td>
<td>2,959.09</td>
<td>3,723.66</td>
<td>3,948.44</td>
<td>4,343.64</td>
<td>3,995.19</td>
</tr>
<tr>
<td><strong>Total Investment Funds (SM)</strong></td>
<td>10,631.29</td>
<td>13,252.67</td>
<td>15,462.01</td>
<td>15,658.34</td>
<td>16,401.11</td>
<td>15,574.49</td>
</tr>
<tr>
<td><strong>Other Funds (SM)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporation Funds</td>
<td>231.86</td>
<td>347.38</td>
<td>456.88</td>
<td>533.67</td>
<td>740.59</td>
<td>706.11</td>
</tr>
<tr>
<td>Long Term Investments</td>
<td>348.04</td>
<td>547.76</td>
<td>672.34</td>
<td>940.00</td>
<td>1,516.42</td>
<td>2,782.63</td>
</tr>
<tr>
<td>Pension &amp; Other Funds</td>
<td>451</td>
<td>639</td>
<td>457</td>
<td>480</td>
<td>539</td>
<td>538</td>
</tr>
<tr>
<td><strong>Total Other Funds (SM)</strong></td>
<td>1,030.90</td>
<td>1,534.14</td>
<td>1,586.22</td>
<td>1,953.67</td>
<td>2,796.01</td>
<td>4,026.74</td>
</tr>
<tr>
<td><strong>Total Resources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under Management (SM)</td>
<td>11,662.19</td>
<td>14,786.81</td>
<td>17,048.23</td>
<td>17,612.01</td>
<td>19,197.12</td>
<td>19,601.23</td>
</tr>
<tr>
<td><strong>Mutual Fund Sales (TT$M)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Growth &amp; Income Fund</td>
<td>1,150.93</td>
<td>1,312.03</td>
<td>1,414.16</td>
<td>707.08</td>
<td>486.65</td>
<td>516.81</td>
</tr>
<tr>
<td>TT$ Income Fund</td>
<td>3,535.69</td>
<td>3,635.42</td>
<td>4,306.91</td>
<td>4,413.57</td>
<td>4,340.19</td>
<td>4,871.89</td>
</tr>
<tr>
<td>Universal Retirement Fund</td>
<td>12.82</td>
<td>16.2</td>
<td>42.56</td>
<td>17.56</td>
<td>16.60</td>
<td>23.23</td>
</tr>
<tr>
<td>US$ Income Fund</td>
<td>1,354.52</td>
<td>1,628.86</td>
<td>2,023.32</td>
<td>2,209.64</td>
<td>3,364.34</td>
<td>2,993.13</td>
</tr>
<tr>
<td><strong>Total Sales (SM)</strong></td>
<td>6,053.96</td>
<td>6,592.51</td>
<td>7,786.95</td>
<td>7,347.85</td>
<td>8,207.78</td>
<td>8,405.08</td>
</tr>
<tr>
<td><strong>Funds Mobilised (SM)</strong></td>
<td>26,999.24</td>
<td>33,591.75</td>
<td>41,378.70</td>
<td>48,726.55</td>
<td>56,934.33</td>
<td>65,339.39</td>
</tr>
<tr>
<td>Unitholder Accounts</td>
<td>443,176</td>
<td>511,461</td>
<td>578,406</td>
<td>631,281</td>
<td>668,755</td>
<td>709,603</td>
</tr>
<tr>
<td><strong>Total Income (SM)</strong></td>
<td>705.42</td>
<td>898.38</td>
<td>1,038.90</td>
<td>1,051.24</td>
<td>1,113.17</td>
<td>1,439.08</td>
</tr>
<tr>
<td>Distributions to Unitholders (SM)</td>
<td>518.46</td>
<td>644.06</td>
<td>751.82</td>
<td>815.48</td>
<td>777.16</td>
<td>1,029.04</td>
</tr>
</tbody>
</table>
Corporate Information

BOARD OF DIRECTORS

Amoy Chang Fong – Chairman
Marlon Holder – Executive Director
Michal Y. Andrews
Terrence Bharath
Peter Clarke
Alan Fitzwilliam
Gerald Hadeed
Herbert Goon Lun
Dennis Gurley
Walton Hilton-Clarke
Joan John
Alison Lewis

Patricia Ilkhtchoui – Corporate Secretary

CHANGES IN THE BOARD

Ms. Amoy Chang Fong was re-appointed as Chairman of the Board of Directors of the Trinidad and Tobago Unit Trust Corporation for a period of two years effective December 5, 2008 under Section 7, Sub-sections (1)(a), 10(1) & (6) of the Unit Trust Corporation of Trinidad and Tobago Act, 1981.

Mr. Herbert Goon Lun, Independent Director, was re-appointed by the Board of Directors under Section 7, Sub-sections (2), 5(a) & (6) of the Act for a period of one (1) year with effect from April 21, 2008. Additionally, Mr. Terrence Bharath and Mrs. Michal Y. Andrews, both Independent Directors, were re-appointed by the Board of Directors of the Corporation for a period of one (1) year with effect from April 23, 2008.

Ms. Joan John (representative of the Central Bank of Trinidad and Tobago) was re-appointed to the Board of Directors of the Trinidad and Tobago Unit Trust Corporation effective May 10, 2008 for another term of four years, in accordance with Section 7, Sub-sections (1)(c), (4) & (6) of the Unit Trust Corporation of Trinidad and Tobago Act.

UTC staff supports their communities.

UTC volunteers paint a children’s home.
Corporate Information

CORPORATE OFFICES

Head Office & Main Customer Service Centre
UTC Financial Centre
82 Independence Square
Port of Spain
Tel: (868) 624-UNIT (8648)
Fax: (868) 623-0092
Email: utc@ttutc.com
Website: www.ttutc.com

CUSTOMER SERVICE CENTRES

ARIMA
40-40A Green Street
Arima
Tel: (868) 667-UNIT (8648)
Fax: (868) 667-2586

CHAGUANAS
Endeavour Road
Chaguanas
Tel: (868) 671-UNIT (8648)
Fax: (868) 671-6581

COUVA
26 Southern Main Road
Couva
Tel: (868) 636-9871
Fax: (868) 636-4750

POINT FORTIN
13 Handel Road
Point Fortin
Tel: (868) 648-6836/2997
Tel/Fax: (868) 648-2997

SAN FERNANDO
23 High Street
San Fernando
Tel: (868) 657-UNIT (8648)/0041
Fax: (868) 652-0620

SANGRE GRANDE
Sinanan Building
2 Eastern Main Road
Sangre Grande
Tel: (868) 668-6475/691-8648
Fax: (868) 668-3872

TOBAGO
Cor. Castries & Main Streets
Scarborough
Tobago
Tel: (868) 639-5096
Fax: (868) 660-7730

WESTMOORINGS
Guardian Building
1 Guardian Drive
Westmoorings
Tel: (868)632-8648
Fax: (868) 632-7721

UTC supports Easter activities at the Lady Hochoy School.

siblings of cancer patients at UTC event.
Corporate Information

BANKERS

LOCAL

Central Bank of Trinidad & Tobago
Central Bank Building
Eric Williams Plaza
Independence Square
Port of Spain

Republic Bank Limited
Promenade Centre
#72 Independence Square
Port of Spain

RBTT Limited
Royal Court
19-21 Park Street
Port of Spain

Scotiabank Trinidad & Tobago Limited
Corporate Offices
56-58 Richmond Street
Port of Spain

Citibank (Trinidad & Tobago) Limited
12 Queen’s Park East
Port of Spain

First Citizens Bank Limited
62 Independence Square
Port of Spain

OVERSEAS

Citibank N.A.
11 Wall Street
New York, N.Y. 10043
USA

US Bancorp
777E Wisconsin Ave
Milwaukee WI

ATTORNEYS

LOCAL

Fitzwilliam, Stone, Furness-Smith & Morgan
40-45 Sackville Street
Port of Spain

Mair & Company
50 Richmond Street
Port of Spain

Pollonais, Blanc, de la Bastide
Pembroke Court
17-19 Pembroke Street
Port of Spain

Chancellors
6 Maraval Road
Newtown

INTERNAL

PricewaterhouseCoopers
Chartered Accountants
11-13 Victoria Avenue
Port of Spain

EXTERNAL

The Auditor General of the Republic of Trinidad & Tobago
Eric Williams Finance Building
Eric Williams Plaza
Independence Square
Port of Spain

OVERSEAS

Foley & Lardner
Firstar Center
777 East Wisconsin Avenue
Milwaukee
Wisconsin 53202-5367
USA

Turner & Roulstone
Strathvale House
90 North Church Street
Grand Cayman KY-1102
CAYMAN ISLANDS

Kelley Dry & Warren LLP
101 Park Avenue
New York, NY

AUDITORS

EXTERNAL

The Auditor General of the Republic of Trinidad & Tobago
Eric Williams Finance Building
Eric Williams Plaza
Independence Square
Port of Spain

INTERNAL

PricewaterhouseCoopers
Chartered Accountants
11-13 Victoria Avenue
Port of Spain

OVERSEAS

Foley & Lardner
Firstar Center
777 East Wisconsin Avenue
Milwaukee
Wisconsin 53202-5367
USA

Turner & Roulstone
Strathvale House
90 North Church Street
Grand Cayman KY-1102
CAYMAN ISLANDS

Kelley Dry & Warren LLP
101 Park Avenue
New York, NY
Notice of
Annual General Meeting

In accordance with Section 31, sub-sections (2) & (3) of the Unit Trust Corporation of Trinidad and Tobago Act, 1981 notice is hereby given that the Twenty-seventh (27th) Annual General Meeting of the Trinidad and Tobago Unit Trust Corporation will be held at 5:00 p.m. on Tuesday May 05, 2009 at the Queen’s Hall, 1-3 St. Ann’s Road, St. Anns to conduct the following business:

1. Receive the Corporation’s Audited Balance Sheet and Accounts for the year ended December 31, 2008

By Order of the Board

Patricia Ilkhtchoui
CORPORATE SECRETARY

February, 2009
Board of Directors

Amoy Chang Fong  
Chairman

Marlon Holder  
Executive Director

Alan Fitzwilliam  
Bank Representative

Dennis Gurley  
Bank Representative

Michal Yvette Andrews  
Independent

Walton Hilton-Clarke  
NIB Representative

Herbert Goon Lun  
Independent

Joan John  
Central Bank Representative

Terrence Bharath  
Independent

Gerald Hadeed  
Insurance Representative

Peter Clarke  
Insurance Representative
Reading is a cool thing to do! In 2008 the UTC sponsored literacy programmes that increased the reading and writing skills of hundreds of children. During the programme, the children read aloud to the UTC staff to showcase their improved skills. Upon completion of the programme, the UTC staff held graduation ceremonies for the participating children.

"By helping children improve their literacy, the UTC is doing more than giving back; we are developing the skills of tomorrow’s community leaders!"
– Amoy Chang Fong, Chairman
INTRODUCTION

Global financial markets in 2008 were incredibly uncertain and stormy, more so from the third quarter of 2008, when stock market indices and commodity prices began a precipitous decline. A seemingly stable world economy that appeared poised for moderate growth was sent somersaulting into recession, with many anticipating that advanced economies may be facing their deepest recession since World War II. While the impact on the domestic economy has been felt most strongly in the energy sector thus far, there is little doubt that this global slowdown will pervade most sectors of the economy.

The crisis, which was precipitated by the collapse of the sub-prime mortgage market in the US, exposed many other underlying weaknesses in the US economy, such as a prolonged build-up of structural imbalances, inadequate financial sector regulation, alleged lapses by regulatory agencies, and excessive risk-taking. The crisis spread very quickly to other developed countries, given the integrated nature of all types of markets.

Domestic financial markets were shaken in early 2009, when the Central Bank announced on January 30 that the Government had reached an agreement with CL Financial (one of the largest conglomerates in the country) for the provision of a package of financial support for the group’s financial service companies. The resulting operations from this action were still evolving in early 2009.

Prospects for the global economy remained hazy, in spite of large fiscal stimulus packages that many countries such as the US, Germany, Japan and China unveiled in the
latter months of 2008 and in early 2009. The parlous state of the financial sector in the US, which in some ways is at the heart of the global economy, will continue to be a drag on stabilisation and growth efforts. Attempts to shore up the banking sector and jump-start credit have yet to bear fruit.

As a result of the global slowdown and the drastic fall in energy prices, the Government revised its Budget downward. This notwithstanding, a deficit is now projected, to be financed by market borrowing rather than accessing the Heritage and Stabilisation Fund. The domestic stock market was subdued. Interest rates remained high. On the one hand, while the fall in commodity prices will affect Government revenue negatively, the fall in other commodity prices from the collapse in global demand will have a favourable impact on the import prices for food and construction materials and ultimately the rate of inflation.

Providing returns to investors in external markets proved to be even more difficult in 2008 than it was in the previous year. While the full extent of the crisis was not manifested until the last quarter of 2008, the markets had been nervous for most of the preceding period. The Fed Funds rate declined from 2% in September to 0.25% at the end of December having started the year at 4.25%. Bond yields on 5-year US Treasuries and 10-year paper were 1.55% and 2.21% respectively at the end of the year (See Chart 1).

FUND MANAGEMENT

Our major objective, as a Fund manager, remains the provision of consistent returns to unitholders over the long term. While our overall strategy is to diversify our risks globally, we adopted a defensive strategy during the year given the market uncertainties, so that we would be in a position to take advantage of the opportunities that a lower market might present. Our portfolios were therefore
Chairman’s Review (continued)
realigned toward more fixed income sovereign and short-term securities. We will resume the overall strategy when conditions permit. We are continuing to upgrade our portfolio management systems which together with our well-established risk management framework will monitor and manage asset allocation and portfolio performance.

This notwithstanding, our Growth and Income Fund posted a negative return for 2008 and the five new equity-based funds launched in the second half of 2007 have not performed as well as initially anticipated as they became enveloped in the poor market conditions resulting from the global financial crisis.

Though unitholders have been provided with greater flexibility in their investment portfolio, these new funds have generally mirrored the negative performance of the markets in which they are based. This situation is not unique as equity indices throughout the various regions have plummeted by sizeable as well as sustained magnitudes. The downward trend in returns has meant that our region-specific funds have also fallen though not as sharply, due largely to our tactical asset management strategies (See Chart 2).

The UTC successfully maintained a sizeable market share, estimated at 43% of the mutual fund industry, which in 2008 was faced with slightly slower saving trends consistent with the slowing pace of economic activity. The industry as a whole grew by 3.85 per cent in 2008 down from the 8 per cent achieved in 2007. Meanwhile, two of our 10 funds (US$ Income Fund and the Energy Fund) suffered declines in market share. The US$ denominated income fund felt the effects of lower rates on US$ securities as the Federal Reserve adjusted interest rates downward in its bid to curb the mounting financial crisis. As with last year, most of the growth occurred in the TTS Income Fund as investors continued to shy away from equity-based funds where the performances have been sub-optimal.

Despite the continued weak performance of the domestic and regional stock markets and the extremely difficult conditions in external financial markets, the income distribution by our flagship fund, the Growth and Income Fund, rose from 45 cents in the previous year to $1.30 in 2008 due largely to the capital gains resulting from the sale of RBTT Bank shares to Royal Bank of Canada. Total return on these units was negative in comparison to 2007, mainly because of capital depreciation in other stocks held by the Fund. However, the aggregate total of distributions to unitholders from the TTS and US$ income funds, together with the Growth and Income fund, surpassed the $1 billion mark in 2008. While the US$ Income Fund faced a depressed interest rate climate in the latter half of the year and saw its return fall in comparison to 2007, the TTS Income Fund benefited from strong domestic interest rates.

GROUP PERFORMANCE

In terms of our performance at the corporate level, our consolidated results reveal a higher income for the Group, due mainly to the activities of the Merchant Banking unit, which continues to make an increasing contribution to overall revenue. The unit successfully mobilised approximately $3.7 billion in funds in the year just ended. Diversification of the Corporation's business lines has therefore also strengthened its finances.

THE DOMESTIC ECONOMY AND FINANCIAL MARKETS

Growth in the energy sector declined markedly to 0.4 per cent as oil production declined and output in the petrochemical sector stagnated. The energy sector has also seen a postponement in planned investments because of financing problems and the volatile and uncertain market conditions. Prices in the energy sector have plummeted with oil prices currently hovering around US$40 per barrel from over US$140 in June 2008, while gas prices declined to US$6 per mbtu in December 2008 from US$12 per mbtu in June.

As a result of the sluggish growth in the energy sector, the Central Statistical Office's most recent estimate suggests that real GDP growth will have slowed to 3.5 per cent in 2008 from 5.5 per cent in 2007. The non-energy sector also recorded lower growth at 4.8 per cent in 2008 from 7.7 per cent in 2007 as manufacturing and the services sub-sectors grew at 4.2 per cent and 4.9 per cent, respectively. The relative buoyancy of the non-energy sector has kept unemployment levels at the historic low level of 4.6 per cent as recorded in the second quarter of 2008 compared with 6 per cent a year ago.

Inflation had been the most worrying economic indicator during 2008. Estimates of headline inflation pointed to prices climbing by as much as 14.45 per cent in 2008 compared with 7.62 per cent in 2007. Food price inflation was the main contributor to this increase, rising 30.6 per cent compared to 17.4 per cent a year ago. Core inflation, which filters out the impact of food prices, also intensified to 7.1 percent from 4.3 per cent in 2007, an indication that underlying inflationary pressures had strengthened. The upward swing in food prices had been a global phenomenon in 2008 due to strong demand for
all commodities and higher transportation cost. Some of our regional counterparts have faced food price inflation in magnitudes of 16 per cent for Barbados and 34 per cent for Jamaica. By the end of the year, there were, however, strong indications that the slackening global growth had already resulted in lower prices for all commodities, including food, which would relieve some of the pressure on inflation.

The Central Bank continued to target an inflation rate of between six and seven per cent for 2008 but has raised concerns that there is a strong inflation psychology in Trinidad and Tobago which may compromise its eventual reduction. The Bank therefore resorted to the full arsenal of its monetary policy tools in 2008 in order to tighten liquidity conditions which were heightened further through the infusion of $2.6 billion from the sale of RBTT to the Royal Bank of Canada. It raised the repo rate on three occasions in 2008, closing the year with a rate of 8.75 per cent. The Bank has also removed excess liquidity by increasing the cash reserve requirement applicable to commercial banks on three occasions while rolling over the commercial banks’ compulsory deposit facilities that were due to mature. Open market operations also intensified as the Bank absorbed liquidity through net sales of open market securities and foreign currency. In addition, during the second half of 2008, the Central Bank issued a special liquidity absorption bond with a face value of $1,200 million.

The performance of the domestic stock market was mixed during 2008. While there was a strong rally in the first two quarters of the year, this was short-lived as signs of slowing growth and the looming financial crisis undermined its performance. At the close of 2008, the Composite index was 14.1 per cent below where it ended in 2007. In other Stock Exchange news, the Exchange introduced a new rule aimed at avoiding the turbulence caused by small trades on the Exchange. The Rule will require that a minimum volume of shares must be traded in order to affect the price of a share. For a share with a price range of $0 - $4.00, the minimum volume is 5,000 shares while for share prices above $50.01 the minimum volume is 500 shares.

OUTLOOK

With many leading industrialised economies now in recession, the IMF has projected global economic growth in 2009 to fall to 0.5 per cent, as advanced economies are expected to contract by 0.2 per cent, while developing and emerging economies will experience somewhat slower growth of 3.3 per cent. In terms of the global energy market, volatility continues to rule as, so far in 2009, crude oil prices have fluctuated in the range of US$35 and US$49 per barrel while natural gas prices have maintained a stable range of between US$4.80 and US$6.11 per mmbtu. The recovery of the global economy would depend heavily on the performance of the US economy which continues to suffer from low consumer and business confidence.

The current global crisis will impact Trinidad and Tobago through the fall in commodity prices as well as lower demand for both energy and non-energy exports. According to the Central Bank, the domestic economy is expected to grow at between one and two per cent in 2009 with growth in the energy sector remaining relatively flat at around 0.2 per cent due to lower global energy demand and declining domestic output, the latter reflecting the natural maturation of local oilfields and the postponement of several planned investments. It is anticipated that growth in the non-energy sector will be somewhat slower than in 2008 as both private and public sector construction activity reduce substantially. The non-energy sector will also feel the effects of falling manufacturing exports to our CARICOM neighbours as tourism receipts in these countries fall off due to lower discretionary incomes in developed economies as the current financial meltdown takes root. Tourist-dependent countries such as Barbados, Bahamas and Jamaica are already anticipating slower economic growth for 2008 and 2009.

Although the global financial crisis has not affected the local stock market to a great extent, the negative developments have impacted on the sentiments of local investors, making them a bit more cautious about investments on the local exchange. The interest rate outlook suggests that domestic interest rates may be softer, taking a cue from lower global interest rates.

As the global recession deepens, the Fed Funds rate is expected to stay depressed for some time as the new US Administration attempts to stimulate the US economy by the injection of a large support package. In other regions of the world, subdued markets and slower growth are anticipated during 2009 as they await more promising developments in the United States, reflecting the key role that the US economy continues to hold in global markets.
CONCLUSION

As we look towards the coming months in 2009, the Corporation recognises that the challenges in the regional and international environment will be great. Our portfolio management process and risk management framework will become even more essential tools in the extremely volatile climate that now engulfs the whole world. It has been said before that there will be opportunities for fund managers in these markets and I believe that the UTC is well positioned to execute on opportunities as they come, and you can be sure opportunities will come, notwithstanding the extreme stress facing the international financial markets.

I want to express my sincerest thanks and appreciation for the continued support and co-operation given to me by my fellow Board members over the last year without which the Corporation's performance in 2008 would not have been possible. I also wish to thank our highly committed and dedicated management and staff for their unwavering efforts in the achievement of the Corporation's goals and vision. Finally, to you our unitholders, I want to say thank you on behalf of the management and staff for your continued confidence in the Corporation's ability to provide competitive and consistent returns on your investments. I can assure you that the Corporation will continue to invest your resources wisely and we look forward to your continued support.

Amoy Chang Fong
Chairman
Putting on Our Very Best

In this picture, three of UTC’s newest customers, winners of a UTC-organised Easter celebration at a school for mentally challenged children, enjoy a basket of goodies put together by UTC staff.

“As the UTC improves our product offerings and customer service delivery systems, we get closer to our customers and continue to be the best in all we do to fit their needs!”

– Marlon Holder, Executive Director
Executive Director’s Report

INTRODUCTION

Despite declining equity markets, we were able to have the largest distribution ever, crossing the one billion mark for the first time in our history. The achievement of this landmark is a testimony to the strength of our diversified business model where safety, strength and stability are its core values. In 2008, we focused on the strategic theme of “Moving closer to the Customer”. This theme implies that we improve our selection of products and services; as well as the quality, convenience and speed of our distribution channels. The end goal is that customers can efficiently build a diversified portfolio consistent with their risk profile at relatively low cost.

The execution of this theme was achieved flawlessly by our staff. All staff were assigned sales targets which they executed above expectations. Total new customers increased by 24,155 in 2008, that is, at a rate of 70 new customers a day, exclusive of weekends, compared to last year when the customer acquisition rate was 66 a day or 22,691 in total. Our total customer base at the end of 2008 was 498,209 coming close to the 500,000 landmark.

Furthermore, in order to continue to provide faster and more convenient service to our customers, we reorganised the corporation into six Strategic Business Units. These units are then better able to focus on meeting the needs of their respective markets. Customers have responded positively to this initiative as detailed above.

FINANCIAL MARKET OVERVIEW 2008

In 2008 there was a dramatic reversal of growth for global economies, slowing to 3.4%. This period of multiyear
growth came to an end due to the fallout from the subprime mortgage-led financial crisis in the USA. As the crisis intensified, its impact on financial markets increased, with risk aversion sending bond spreads soaring, equity markets falling, commodity prices declining and capital flows slowing to a trickle.

As a result, stock markets around the world generated dismal returns for the year. The US equity market as measured by the S&P 500 index lost 38%, the S&P Europe 350 index fell 44%, the MSCI Latin America Index posted a negative return of 52%, and in Asia, the Hang Seng Index was down 50%.

Additionally, credit became virtually non-existent as inter-bank markets seized up when trust in counterparties evaporated, sending the three-month London Interbank Offered Rate (LIBOR) to a high of 4.82% on October 10, 2008. Amid this turbulence, US Government securities were viewed as a safe haven. US Treasury bill yields fell close to zero. High-yield bonds, especially those of emerging markets, performed almost as poorly as the broader stock market, making it difficult for an institutional investor to extract value.

The effects of the global credit crunch infiltrated regional bourses in fourth-quarter 2008 as investors made a flight to quality. The local stock market peaked in September 2008, where it was up 19.3% YTD. These returns were driven by merger and acquisition activity and good earnings results but the TT Composite Index (TTCI) ended 2008 with a loss of 14.2% due to lower investor confidence.

Regionally, the Jamaican equity market (JSE) showed a continuous downward trend over the year, with greater pressure from currency depreciation, while Barbadian equity markets (BSE) fell sharply during last-quarter 2008. These markets were down 30.7% and 10.6%, respectively in 2008.
Executive Director’s Report (continued)

S & P 500 Index 2007-2008

S & P EURO 350 Index 2007-2008

MSCI Latin America Index 2007-2008

Hang Seng Index 2007-2008

Regional Sock Indices 2008
The Trinidad & Tobago fixed income market continued to provide some level of returns for investors in 2008. The continuous upward trend in inflation, to as much as 14.5%, saw very favourable yields in the short end of the curve as the Central Bank used an array of policies and measures to mop up excess liquidity and prevent spiralling inflation. On average, domestic rates increased in the first three quarters of 2008. However, this strategy proved challenging for the Central Bank of Trinidad and Tobago to sustain and the situation of excess liquidity re-emerged in the latter part of the year, causing a gradual decline of money market rates.

FINANCIAL PERFORMANCE

Our Consolidated Net Income grew by $29.7 million or a 29% improvement over the previous year. The increase in Net Income in 2008 was primarily driven by fee and interest income from Merchant Banking and Treasury Units.

The income attributed to our Mutual Funds grew by 24% or $243 million this year. Of this amount $216 million was earned by the Growth and Income Fund mainly as a result of the realised gains from the disposal of RBTT shares to the Royal Bank of Canada.

Distributions to unit holders grew by $252 million or 32% over the previous year to TT$1.029 Billion.

Balance Sheet Items

Cash & Cash Equivalents have grown to $389 million from $185 million in 2007. The Corporation is carrying very high cash positions at the year end as a result of management’s decision to maintain a high level of liquidity, particularly in US holdings. This is in light of the volatility in 2008 in the financial markets, especially in the United States.

Investment Securities is the second highest valued asset on the Balance Sheet after the Investment funds. It has grown significantly this year from $2 billion in 2007 to $3.5 billion, an increase of 72%. This is mainly as a result of the increased Merchant Banking/Treasury activities which were accelerated this year with the Unit closing 2008 with new deals of $2.34 billion, of which $1.9 billion was disbursed. The Corporation’s investments also contributed to this growth, the most significant of which was a TT$30.7 million investment in the UTC North American Fund.

Unit Capital and Initial Capital accounts which reflect our liability to the unitholders of our Investment Funds have decreased this year from $16.4 billion to $15.6 billion. An analysis of this movement shows an increase in net cash flows, that is, sales over repurchases. The decrease therefore results from capital contraction in the portfolio caused by the lower capital market prices for equity and emerging bond securities as stated previously.

Fund Reserves stood at $84 million at the year-end with the highest increase being in the Growth and Income Fund Guarantee Reserve. The Corporation distributed over $72 million through the Guarantee Reserve Fund this year, and is committed to meeting all calls on the Reserve Fund.

Income and Expenditure

As stated in the overview, the Corporation’s Net Income grew by 29% to $130.8 million at the year end. Growth in our Investment Income and more specifically Fee and Interest Income accounted for this position as our most significant income contributor, Management Charge and Initial Charge from our investment funds, decreased this year. Income from our mutual funds still remains our major contributor to Revenue. The Statement of Operations for the investment funds shows that all but one investment fund reflected higher levels of investment income earned.

STRATEGIC BUSINESS UNIT PERFORMANCE

ASSET MANAGEMENT UNIT

This unit provides investment management services to our suite of mutual funds and other managed funds of the Corporation, which is still our main revenue earner. 2008 was a very challenging year for the unit but due to early adoption of a defensive strategy focused on capital preservation, the majority of the funds outperformed their respective benchmarks and had net positive sales.

The performance of the various funds are as follows: First Unit Scheme or the Growth and Income Fund

The Growth & Income Fund posted a net portfolio return of -6.63% and a return to unit holders on an offer to bid basis of -11.36%. While the fund posted a loss in 2008, it still managed to outperform its benchmark which was down 12.88% for the same period. Despite the many challenges
within local and international markets the Fund’s performance above the benchmark may be attributed to the underweighting of the equity components especially the international equity positions and the overweighting of fixed income instruments relative to the benchmark.\(^1\)

In 2008, the Fund also managed to declare its highest income distribution to unit holders of TT$1.30 per unit. This distribution was largely influenced by the significant realised gains, which resulted from the sale proceeds associated with Royal Bank of Canada’s acquisition of RBTT Bank Ltd. Income generation was also achieved through the Fund’s overweight position in fixed income investments.

**TT Dollar Income Fund**

For the year 2008, the TTDIF average rate of return to unit holders stood at 6.39%. This represented an increase of 0.26% from the average return of 6.13% for 2007. In anticipation of upward movements in the interest rate environment, given Central Bank’s aggressive monetary policy stance, a strategy to reduce the portfolio duration was adopted thereby maximising returns on the short end of the curve. Central Bank’s aggression stemmed from the need to reduce excess liquidity and prevent spiralling inflation in the domestic market; as such, value was gained by purchasing OMOs and Treasury Bills at rates that were superior to those in the money market. This led to an increase in portfolio returns while reducing the overall credit risk of the portfolio. The strategy used was also aided by increases in the reserve requirement for commercial banks from 13.00% to 17.00% and the rise in the Repo rate from 8.00% to 8.75%. Arising from the increase in the Repo rate, the commercial banks increased their average prime lending rate from 11.75% to 13.00%. As a consequence there were increases in the average domestic money market instruments for the first three quarters of 2008; on 30 days to one year the fixed deposit rates ranged from 6.67% - 7.03% in January to 7.00% - 7.22% at the end of October, by December the rates receded to 6.18% to 7.09%.

However by the end of the second quarter of 2008 when the Central Bank was no longer in a position to maintain the sales of new OMOs, combined with significant reduction in the prices of oil and gas in the third quarter, the situation of excess liquidity reemerged; but this time around it was difficult for the Central Bank to increase its policy rate given the bleak global outlook that had already begun to affect the economy of Trinidad and Tobago, consequently a reduction in interest rate is expected for 2009.

**US Dollar Income Fund**

The average return to unit holders in the USDIF for fiscal year 2008 was 4.72%. As at December 31st 2008, the USDIF return to unit holders stood at 4.86% (5.06% effective). This represents a decline of 0.19 percentage points from the return of 5.05% (5.25% effective) recorded on January 1st 2008. This decline was primarily as a result of several policy rate cuts over the period as evidenced in the Fed Fund rate, moving from 4.25% as at January 1st 2008 to a range of 0 - 0.25% as at December 31st 2008. The Fund’s benchmark (three-month LIBOR), which traditionally mirrors the Fed Fund rate declined 3.28 percentage points from 4.70% to 1.42% over the same period. In addition average US dollar domestic rates on 30 days to one year paper over the period declined from a range of (3.60% - 3.75%) to (1.45% - 2.35%).

Despite lower interest rates the USDIF outperformed its benchmark consistently throughout the year. This performance can be attributed to the USDIF strategy, which focused on taking advantage of capital market issues to lengthen the maturity of the portfolio. This strategy was undertaken in light of the fact that medium- to long-term investments were positioned to add more value than short-term assets. As a result, the bond holdings in the USDIF increased from 28.04% of fund size in January 2008 to 37.59% of fund size by December 2008.

---

\(^1\) The customised benchmark index comprises 40% T&T equity, 25% US equity, 20% T&T short-term fixed income and 15% T&T long-term fixed income.

\(^{11}\) The Income Funds used to calculate the Average Return include UTC, RBTT, RBL and FCB. GAM was not included because there is a minimum investment of TT$10,000.
It should be noted that the consistency in rate cuts during the abovementioned period was intended to foster market liquidity, which should help to promote moderate growth over time and mitigate the risks to economic activity. However, the Federal Reserve’s attempt to prop up the faltering economy and restore faith in the US financial system failed to materialize in 2008; consequently downside risks to growth still remain and are expected to persist in 2009.

**Universal Retirement Fund**

The URF’s unit price opened the year 2008 at $28.31 and peaked at $32.60 on July 31st, 2008. This upward price trend was primarily driven by the rally in the domestic equity market, which began after the March 26th RBTT shareholder approval of the acquisition of RBTT by the Royal Bank of Canada (RBC). During the latter half of the year the local stock market contracted severely as investors preferred bonds and cash. As at July 31st, the URF’s return to unit holders stood at 15.15%. As the stock market trended down during the remaining five months of 2008, a defensive strategy of overweighting in money market securities was employed. As a result, the NAV ended the year at $28.09, and the Fund posted a negative return of 0.78% compared to the stock market return of negative 14.2%.

**INTERNATIONAL SUITE OF FUNDS**

In December 2007, The Unit Trust Corporation launched the International Suite of Funds comprising four International Funds – the Global Bond Fund, the Latin American Fund, the European Fund and the Asia Pacific Fund. The purpose of these funds is to give investors more choice to design a portfolio more suited to their needs and risk profile.

**ASIA PACIFIC FUND**

The objective of the Asia Pacific fund is to provide investors with long-term capital growth by investing primarily in equity and fixed income securities issued or guaranteed by corporations in the Asia-Pacific region.

As these funds were new and the equity markets were volatile, the Asset Management unit took a very conservative approach. At the end of 2008, the Asia Pacific portfolio was heavily weighted in cash and cash equivalents measuring 86.7% of fund size. This tactical approach was adopted to ensure capital preservation for all shareholders in such turbulent times.

As a result, the fund’s performance exceeded the performance of its customised benchmark for the period.

**Investors’ Returns vs. Benchmark Returns**

For the period 1st January 2008 - 31st December 2008

<table>
<thead>
<tr>
<th>Fund</th>
<th>Return Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>UTC Asia Pacific Fund</td>
<td>-3.27%</td>
</tr>
<tr>
<td>Customised Benchmark</td>
<td>-30.08%</td>
</tr>
</tbody>
</table>

**Market Outlook**

Asia Pacific markets are likely to continue to be volatile in view of poor economic performance, which will affect earnings expectations. While Asian governments have pumped large amounts of liquidity into their respective financial systems and lowered borrowing costs, confidence is expected to remain shaky.

The decline in global growth will curb export growth for the Asia Pacific region and while the long-term outlook
for the region is positive, the short-term is not. It will take time for governments to implement infrastructure spending projects and soak up labour from redundant parts of the export sector.

In 2009, management will focus on regional diversification by investing in countries that are able to generate internal demand. At the same time, the fund's asset allocation will better reflect the one outlined in the fund's prospectus. As governments implement stimulus packages to arrest the economic decline of their respective economies, the fund will seek to enter the sectors and companies, which are carded to benefit from these packages. This defensive strategy is expected to limit risk and ensure that the fund's objective of long-term capital growth is achieved.

EUROPEAN FUND

The European Fund's investment objective is to provide unitholders with long-term capital growth by investing primarily in equities and fixed income securities, with an emphasis on the European region. During the first half of 2008, the European Fund adopted a defensive stance in an effort to prevent capital erosion. As a result, while some of the Fund’s assets were in equities and fixed income securities, approximately 73% of the Funds’ assets were invested in cash and cash equivalents. Moreover, investments in equities and fixed income securities were in selected companies in defensive sectors that traditionally bode well in an economic downturn.

The rapid decline in equity prices witnessed in 2008 was not reflected in the Fund’s returns. During the year under review, the European Fund posted returns of -13.35%, outperforming the customised benchmark which returned -37.07%.

Market Outlook

Economic activity in Europe will remain low in 2009 and will be constrained by lower export demand – which is the main engine of growth for the region. The volatility that plagued the capital markets in 2008 is projected to continue during 2009.

In 2009, management will maintain its defensive stance and increase its exposure to short-term fixed income securities and cash equivalents. This asset allocation will allow the European fund the flexibility to capitalize on investment opportunities that are expected with the anticipated gradual recovery of the global economy in 2010.

LATIN AMERICAN FUND

The objective of the Latin American Fund is to provide unitholders with long-term capital growth by investing primarily in equities and fixed income securities, with an emphasis on the Latin American region.

For the period January to December 2008, the net portfolio return registered at -4.10% and the return to unit holders on an offer to bid basis was -9.12% , outperforming the Fund’s customised benchmark index return of -31.01%. Given the challenging investment environment in Latin America, management assumed a defensive strategy for the management of the Fund, focusing on prudent liquidity maintenance and investments in high-quality assets. Ultimately, the Fund was weighted considerably to cash and cash equivalents, approximately 73% of fund size. This asset allocation served to contain the impact of rapidly falling equity and bond prices, which characterised this region’s financial markets, on the portfolio.

Market Outlook

In 2009, Latin American growth is projected to slow to its lowest level in five years, hindered by the global contraction in demand for commodities. The Region’s Governments and Central Banks are already embarking on fiscal and monetary policies to support growth, cushion the impact of the economic downturn and curb the impending threat of rising unemployment.

In 2009, the Fund will maintain its defensive strategy in an effort to insulate the portfolio from the risks associated with the volatile environment, underweighting equity and investing primarily in cash, cash equivalents, and high-grade fixed income instruments.
GLOBAL BOND FUND

The Global Bond Fund’s investment objective is to provide unitholders with capital stability and high current income while undertaking low to moderate risk over a medium investment horizon. Unitholders are also expected to benefit from the diversification in the Fund’s wide investing geography.

During the first half of 2008, the Global Bond Fund invested in short and medium-term bonds and money market instruments which would generate income while being aware of the risk of longer term bonds. As a result, the Fund’s weighted yield at June 30th was 2.76% while 61% of the Fund’s assets were invested in cash and cash equivalents.

Although the Fund outperformed its blended benchmark as at the end of Quarter Two by 3.43 percentage points the Global Bond Fund ended the year with a return of -3.70% while the Fund’s benchmark improved to -0.94%.

Market Outlook

Global economic activity is expected to remain depressed in 2009 as the four major economies such as China, USA, Japan and Germany lead the global recession. World real GDP is forecasted to grow at a mere 0.50% year over year while inflation is projected to increase 2.80%. The volatility that plagued the capital markets in 2008 is projected to continue during 2009.

In 2009, management will maintain its defensive stance improving the credit quality of the portfolio and increasing exposure to short-term fixed income securities and cash equivalents. This asset allocation will allow the Global Bond Fund the flexibility to capitalise on investment opportunities that are expected with the anticipated gradual recovery of the global economy in 2010.

ENERGY FUND

Fiscal 2008 represented a momentous year for the energy market. Over the first half of the period supply concerns arising from political instability, repatriation of resources by oil producing nations, and concern over future resources resulted in oil prices that were unprecedented in the industry, even in real terms. On July 3rd 2008 West Texas Intermediate oil’s future price closed at $145.29 representing a 51% appreciation over the 2007 closing price. As a result, in spite of the burgeoning turmoil plaguing the financial markets, the oil markets presented a reprieve with the energy sector being the best performing sector.

However, this situation soon reversed itself as the US economy contracted. Oil prices reversed their upward momentum as investors priced the impact of a global recession. By the end of 2008 the WTI future price closed at $44.60, a 69% decline from its 2008 high.

The weakness in the market negatively impacted the returns of the Energy Fund thus; the fund posted a return of -19.36% over the review period. Although the fund underperformed its customised benchmark the fund’s performance exceed the average performance of other peer funds, a situation which can be attributed to the fund’s underweighting of equity.

Investors’ Return vs. Benchmark Returns
For the period 1st January 2008 - 31st December 2008

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>UTC Energy Fund</td>
<td>-19.36</td>
</tr>
<tr>
<td>Benchmark Return</td>
<td>-16.00</td>
</tr>
</tbody>
</table>

Market Outlook

Over the first quarter of 2009 the global economy is expected to remain challenged as it continues along its recessionary path. This is expected to negatively impact the demand for oil, particularly in the largest consumer market for energy, the United States. US real GDP is expected to decline by 2% in 2009 thereby leading to decreases in energy consumption for all major fuels. In spite of a substantial retreat, oil prices continue to face continued downward pressures due to growth in OPEC spare-capacity, spare refining capacity and crude oil inventories. Over the remainder of the year, management will continue to monitor the equity markets and will use...
any significant retreats as an opportunity to identify and acquire high-quality, attractively priced securities. On the fixed income side, management will seek to indentify and acquire investment-grade securities with the aim of reducing the risk profile of the fund.

MERCHAND BANKING UNIT

In 2008, the Merchant Bank expanded its business in the region and capitalised on opportunities presented by the growth in the local economy focusing on those industries with long-term growth prospects. Entry into new territories and industries has diversified the revenue streams of the business unit and thus made it more resilient. Increased marketing efforts to build the awareness of the Merchant Bank, coupled with a strategy dedicated to maintaining and building alliances with customers, also had a positive impact on the results of the Unit. As a consequence, net profit before tax increased to TT$83.5 million in 2008 from TT$31.9 million in the previous year which is a growth of 162% year over year. Furthermore, the Merchant Bank’s operations were streamlined during the period to improve operational efficiencies and risk management in line with the Corporation’s drive for continuous improvement for the benefit of the customer.

TREASURY UNIT

In the year 2008, the Treasury Unit increased its income to TT$34.6 million from TT$13.4 million the previous year. This represents a 158% increase year on year. The increase in income was primarily due to funding Merchant Banking assets as local rates for both TT dollar and US dollar liabilities declined.

TRUST UNIT

The Trust Unit acts as Administrator for the Corporation’s funds, Trustee for resources held on behalf of external customers and also performs the function of Trustee, Registrar and Paying Agent for capital market issues. During the period under review, the Trust Unit completed the governance framework and administrative arrangements for the expansion of its services to third party clients in accordance with the Corporation’s expanded enabling legislation. This was achieved, in part, by formalising the establishment of a “Chinese Wall”. In keeping with international best practice which dictates that as a control feature, the disbursement of monies and the settlement and valuation of securities associated with investment activity are kept separate.

Of comparable significance were our efforts to enhance the quality of reporting and the timeliness of the delivery of our services by the migration of all of the Corporation’s funds to the SAP computer database. The department continued to provide administration and custodial services for the Corporation’s funds. Resources administered on behalf of external Clients stood at $315 million as at the end of December 2008. The Department also acted as Trustee, Registrar and Paying Agent for approximately 15 private bonds with a total of $2.9 billion. During 2009, it is the Unit’s expectation to enhance the quality of its delivery service to its clients, widen and deepen its services to external customers and expand its trustee, registrar and paying agent services to both internal and external customers.

ELECTRONIC SERVICES UNIT

The year 2008 was a year of firsts for Electronic Services as it implemented the Corporation’s first Internet service; a success in itself boasting 26,533 registered unitholders in 130 countries across the globe in 2008. This achievement will provide the foundation for the implementation of improved features to this service that will undoubtedly set the Corporation apart in 2009 with its unique and advanced functionalities, truly establishing our global footprint with very low costs. Our card services business generated TT$7.6 million in revenue and issued 43,355 new cards to our unitholders this year. The accessibility of the Corporation grew with the installation of three new ATMs at our Point Fortin, Sangre Grande and new Couva customer service centres, respectively, bringing our total to 15 ATMs across our nine customer service centres. The call centre outperformed expectations with 3,782 new opened accounts/products and 12,689 referrals resulting in over TT$50 million in new deposits. The year 2008 also bore witness to another first – the launch of a new service at the Port of Spain customer service centre entitled “UTC QuickLink” in September of 2008. The advent of our UTC QuickLink centre embraces a customer-centric approach by introducing an efficient, low-cost and reliable service designed to effectively meet and exceed our customers’ needs and expectations. The QuickLink centre leverages our opportunity to
demonstrate the real value of the Unit Trust Corporation's Electronic Services to our customers, giving them “real-time”, “hands-on” experience in managing the financial aspect of their lives with our products and services.

CUSTOMER SERVICE CENTRES

We continued with our focus on improving Customer Service throughout the network in 2008. The Couva Customer Service Centre was also relocated in 2008 to more spacious and customer-friendly surroundings and the move has received the approval of our customers.

We also introduced Greeters and Business Development Officers in the larger centres to enhance our personal delivery. There were renewed marketing initiatives by the customer service centres throughout the various communities we serve as evidenced by their team members conducting in excess of 60 financial planning seminars and participating in several community-based projects. These and other related initiatives resulted in increased sales, a significant increase in the growth of accounts, an increase in the number and usage of Visa Debit Cards and a successful U-Online Registration Campaign.

BUSINESS OUTLOOK

We expect that the US economy will see a return to growth in the last quarter of 2009. Our international funds are positioned to take advantage of this opportunity. Locally, we expect the economy to have low growth (approx. 0.8%) in 2009 with interest rates remaining historically low. It is expected that the other Caribbean countries will continue to contract with some slipping into recession. Our strategy for 2009 will remain defensive as we seek to preserve capital.

APPRECIATION

The Corporation's ability to move closer to the customer in 2008 was a tremendous success in all segments and geographies. It has demonstrated the Brand strength of the UTC, which is the strongest in the Financial Services sector.

Sincere thanks to our Board of Directors, management and staff for the execution of those initiatives that add value to our customers.

We expect 2009 to be a challenging year as the world Gross Domestic Product continues to contract, the worst decline in over 60 years. Our resolve to provide best-in-
Diversity is our strength! The UTC proudly serves customers in over 130 countries around the globe. Pictured, participants in the largest road race to raise awareness for HIV/AIDS, the UTC Ribbons of Hope 5k, pose for a photo on race day 2008.

“We are a global company and by inviting our customers to join us in the UTC Ribbons of Hope 5k, we join the global battle against HIV/AIDS”

– Michelle Persad, Group Treasurer
Senior Management Team
1. Desmond Edwards – Asst. Vice President, Investment Management and Research
2. Richard Shepherd – Asst. Vice President, Electronic Services
3. Danielle A. Jones – Asst. Vice President, Communications
4. Gary Pierre – Vice President, Corporate Support Services
5. Amber Rondon – Vice President, Human Resources
6. David Thompson – Managing Director, Merchant Banking
7. Andre Falby – Risk Manager
8. Marilyn Clarke-Andrews – Chief Financial Officer
9. Ruben Mc Sween – Asst. Vice President, Operations
10. Relna Vire – Corporate Finance Manager
11. Winton Gordon – Regional Manager, South/Central
12. Trixie Guy – Asst. Vice President, Operational Banking
13. Wendell Mitchell – Asst. Vice President, Information Technology
14. Gayle Daniel-Worrell – Vice President, Marketing and International Business
15. Wendell Dottin – Regional Manager, East/Central
16. Eutrice Carrington – Vice President, Asset Management
17. Malcolm Reid – Manager, Security Services
18. Pamela Williams – Manager, Corporate Business Systems
19. Kelly Belmontes – Vice-President, Merchant Banking
20. Akhenaton Marcano – Risk Manager
21. Jovan Sankar – Asst. Vice President, Corporate Planning
22. Dianne Pierre – Project Portfolio Manager
23. Jennifer Fabien Brown – Regional Manager, Tobago
24. Lisa Faria – Asst. Vice President, Recruitment and Employee Services
25. Patricia Ikhtchou – Corporate Secretary
26. Amoy Van Lowe – Chief Marketing Officer
27. Dale Khan – Asst. Vice President, Distribution
28. Sharon St. Clair Douglas – Regional Manager, North
29. Joanne Thomas – Asst. Vice President, Career and Performance Management
30. Beverly-Ann Holford-Jack – Asst. Vice President, Fund & Trust Services
31. Michelle Persad – Group Treasurer
Gift of Music

“By giving the gift of music, we give children the ability to make magic in their communities.”

– Kelly Belmontes, Vice-President Merchant Banking

In 2008, over 100 children improved their musical skills thanks to a music camp sponsored by the UTC. The UTC also proudly donated instruments to schools in need of improving their music programmes.
Corporate Social Responsibility Update

Immense Returns from Social Investment

In 2008, the Unit Trust Corporation changed our approach to Corporate Social Responsibility from financial benevolence to active social investment in the following areas: improving the standard of living, literacy and youth development, cultural enhancement and the promotion of healthy lifestyles. Through this redefined approach to Corporate Social Responsibility, every member of the UTC team gave of their time, expertise and “sweat equity" to contribute to the communities that UTC has been privileged to serve for the past 26 years. As a result, over 75 local and international community programmes were assisted by the UTC in 2008.

IMPROVING THE STANDARD OF LIVING

Volunteering at the Gordon Home for the Elderly in Port of Spain

In many societies across the globe the elderly are revered. The staff of the UTC offered some much needed admiration and assistance to the residents of the Gordon Home for the Elderly just minutes away from the UTC’s head office in Port of Spain.

“Working with the elderly helped me know more than ever why when older customers come to do business with the UTC, we need to give them a ‘little extra special service.’”

Denise Atherton, Public Relations Officer

BUILDING FOR THE FUTURE WITH HABITAT FOR HUMANITY

In 2008 the UTC continued our tradition of working with Habitat for Humanity, volunteering to build a home for a family of 10 in Claxton Bay and an orphanage in Gasparillo. UTC team members, including the 12-member UTC football team, laid the foundation for both projects and even volunteered to assist with brick and cement work.

“... UTC has simply started a revolution ... as it relates to management and staff pioneering in such massive numbers, the real heart of what it means and what it takes to assist communities, by leading the way in spirit of volunteerism…”

Jennifer Massiah, National Director, Habitat for Humanity
“The work was hard, but thinking about the impact this will have on the lives of the family that will live here made the work seem less strenuous and made me see how much we sometimes take for granted.”

Hector Small, Human Resources, and coach of the UTC football team

CREATING A “FAMILY FRIENDLY” ENVIRONMENT FOR CHILDREN WITH CANCER

“We just read about this project in the paper, and we wanted to help.”

Maria Lashley, Portfolio Manager

Over 200 members of the UTC participated in the largest single volunteer activity in the history of the UTC. Members of staff from all levels of the Corporation donned their UTC red shirts, armed themselves with paint brushes and rollers to assist in the transformation of a paediatric cancer ward to a new “family friendly” facility – complete with artwork, computers and even a story-telling corner for the children and families battling paediatric cancer. The new “Family Friendly Paediatric Ward” opened in November 2008.

“This project just touched my heart. Seeing the UTC team come together to do so much good made me come back to work with a rejuvenated spirit.”

Danielle Jones, Asst. Vice President – Communications

PRESERVING THE ENVIRONMENT

The home of the largest population of endemic birds in Trinidad and Tobago, the Asa Wright Nature Centre, saw a rejuvenation of their volunteer programme thanks to the team from the UTC. For six weeks, members of staff assisted in the preservation of the nature trails, butterfly feeding areas and bird feeders at the Nature Centre.

“We cannot say ‘Thank You’ enough to the staff at the UTC. With their help, visitors can now really enjoy the flora and fauna on safe and cleared trails.”

Jason Radix, Marketing Manager, Asa Wright Nature Centre

Also in line with the UTC’s commitment to preserve the environment were the two beach clean-ups held by the UTC staff in 2008. In Tobago, over 200 pounds of garbage were removed from the beaches thanks to beach clean-up activities held by the staff of the UTC Tobago Customer Service Centre in conjunction with Environment Tobago.
“The beach clean-up REALLY made me aware of how damaging even the smallest piece of litter can be to our environment – and our future.”
Florence Forbes, Tobago Customer Service Centre

IMPROVING THE LIVES OF ANIMALS

With a customer base of almost half a million, one can be certain that many of our customers are animal lovers. The animal lovers among the UTC staff volunteered on Saturdays and Sundays to assist the Trinidad and Tobago Society for the Protection of Animals.

LITERACY AND YOUTH DEVELOPMENT

The School’s Investment Game and Student Entrance Assessment (SEA) Scholarship Programme

The UTC is committed to improving the financial literacy of the nation’s youth. In 2009, the 8th edition of the School’s Investment Game was held with St. Benedict’s College taking home the 1st prize. The fully online UTC School’s Investment Game gives 15 to 17-year-olds “hands on” experience with various financial instruments by providing them with a notional sum to invest during the six-week period of the game.

In 2008, the UTC expanded its SEA Scholarship Programme to offer financial support to successful SEA candidates who were identified by their principals as needing “a little extra” to be successful in secondary school.

IMPROVING LITERACY IN CHALLENGED COMMUNITIES

Over 300 children improved their reading and writing skills thanks to the work of the UTC’s team coupled with our continued support of the ARROW (Auditory, Read, Response, Oral and Writing) Programme. In addition to significant financial investment, the UTC staff invested their time with the children by having them read aloud for half an hour daily during the course of the programme to assist in the improvement of their oral reading skills. Graduation ceremonies were held for all graduates of the programme. UTC staff also volunteered at a Literacy Day Celebration held to promote literacy in all youth.

“UTC’s support of the ARROW programme has helped to build the possibility of a sound education for children in challenged communities.”
Cornelia Bonterre, Country Coordinator, ARROW Programme
SUPPORT FOR MUSICAL LITERACY

The UTC was a proud sponsor of a music camp for children in July 2008 where children of all ages improved their skills in playing a variety of musical instruments including the national instrument of Trinidad and Tobago, the steel pan.

ENHANCING THE LIVES OF CHILDREN

The UTC staff welcomed our active social investment programme’s focus on the youth. In 2008, over 100 members of the UTC team participated in activities with children’s homes across Trinidad and Tobago. The children were exposed to craft activities, movie excursions, and even cultural events and celebrations hosted at the homes including Divali and Christmas celebrations.

“We wanted to give the children a little extra treat! It turns out the treat was for our staff – we had such a good time working with them, we just want to keep on giving!”

Anson Joseph, Electronic Services

PROMOTION OF HEALTHY LIFESTYLES

Over 2,000 members of the public participated in the 2008 UTC Ribbons of Hope 5K which raises funds for HIV/AIDS awareness. This is the largest annual activity by a Corporate Citizen to raise awareness for HIV/AIDS in Trinidad and Tobago. Volunteers from the UTC make the race possible by assisting in everything from race coordination to prize distribution. Funds raised from the race are donated to various charities across Trinidad and Tobago.

CULTURAL ENHANCEMENT

The UTC remains committed to increasing appreciation for the rich cultural heritage of Trinidad and Tobago. In 2008, in addition to our Customer Service Centres celebrating the nationally recognised celebrations of Eid, Divali, Emancipation and Christmas, the UTC also supported various cultural activities.

The UTC continued to support the Tobago Heritage Festival celebrations and also assisted the steelband movement and the Trinidad and Tobago Unified Calypsonians Organisation (TUCO) in the hosting of various calypso activities in and out of the nation’s capital.

For the first time, the UTC also participated in Chinese Heritage celebrations with staff members training and participating in the annual Chinese Dragon Boat Races held in October of 2008.

We at the UTC will continue our Community Outreach Programme as we strive to improve the communities we have been privileged to serve for 26 years.
Shaping the Future

“Reading with children can shape their imagination and future forever!”
–  Eutrice Carrington, Vice President, Asset Management.

In 2008, hundreds of children received books from the UTC as we celebrated World Literacy Day, September 20, by hosting a literacy extravaganza. Here, children show off their new books at the event.