

ABSTRACT

**SECURITIES MARKET DEVELOPMENT IN TRINIDAD AND TOBAGO:
AN ANALYSIS OF THE PAST AND PROSPECTS FOR THE FUTURE**

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The importance of savings in the development process is well documented. Indeed, if a country expects its economy to grow and develop, then it should incrementally save proportions of its National Income.

The thesis, based on the above principle, seeks to examine one aspect of the savings-investment problem, that is, the issue of savings mobilisation within the context of a securities market. The securities market is here identified as a major conduit in the savings-investment process.

The central objective of this study, then, is to examine the performance of the Trinidad and Tobago stock market whilst simultaneously suggesting certain innovative financial measures which can be designed to enhance the performance of the nation's securities market.

The methodology utilised involves analysis of legal and regulatory framework, and analysis of the Stock Market's performance utilising tests of efficiency as well as market activity in terms of volumes and values

of stocks traded and the risk return relationship among various assets are also analysed.

Assessment of the above situation revealed that the stock market in Trinidad and Tobago lacks breadth and depth, is narrow and thin, suffers from major legal and regulatory weaknesses and is inefficient. The study notes however, that these problems can be addressed in an innovative securities market development programme.