



### FEATURE

#### CAL BANK LIMITED (CAL)

CAL Bank Limited formally Continental Acceptances Limited and then Cal Merchant Bank was incorporated in March 1989 under the Companies Code, 1963 Act 179 as a company limited by shares to engage in the business of banking. The bank commenced operation after it has been licensed by the Bank of Ghana. In August 1994, the bank underwent a name change from Continental Acceptances Limited to CAL Merchant Bank for suitable business focus. The Bank's name was changed again in April 2004 after it had been granted a universal banking license to undertake all banking activities. Presently, CAL Bank Limited has three subsidiaries, namely, CAL Brokers Limited, CAL Asset Management Company Limited and CAL Bank Nominees Limited.

CAL's wide range of banking products and services are categorized under Personal & Corporate, Small Medium Enterprise (SME) and Wholesale Banking. These comprise individuals, Small & Medium Scale Enterprises (SME), Corporate institutions and public sector institutions. The bank's key products include Wealth Management, Bank Assurance, Corporate Finance and Mortgage Finance. Among the bank's major products are CAL Current Account, CAL Invest, CAL Alert, Money Gram and many more. Other services such as brokerage services, asset management and custodial services are provided through its subsidiaries.

A five-year retrospective look at the financial performance of CAL Bank Limited shows a striking performance in terms of both top and bottom line indicators. From GHS22.64 million in 2009, the Group's Net Interest Income grew to stand at GHS143.75 million by the end of 2013, representing a compounded annual growth rate (CAGR) of 44.73%. Similarly, the bottom line rose from GHS8.30 million in 2009 to GHS92.46 million at the end of 2013, signifying a compounded annual growth rate of 61.95%

The Group's financial statement released for the first quarter of 2014 showed an improvement over the same period in 2013. Total Income for the period stood at GHS67.81 million, indicating a 36.84% appreciation over the 2013 figure of GHS49.56 million. This was the result of increases of 23.93%, 9.74% and 170.34% in Net Interest Income, Net Fees and Commission and Net Trading Income respectively during the period. Other Income, on the hand, fell marginally by 3.05%. Total Operating Expenses for the period amounted to GHS21.09 million, representing a 25.52% increase over that of 2013 with Credit Loss expenses also going up by 17.94%. After incorporating Income tax, the Group's bottom line increased from GHS21.35 million in 2013 first quarter to GHS29.20 million by the end of 2014 first quarter. Consequently, Earnings per share (EPS) for the Group went up from GHS0.0389 to GHS0.0533 during the review period.

Market activity of CAL Bank on the Ghana Stock Exchange can be described as satisfactory given its performance on the bourse since listing. From an initial price of GHS0.25 in November 2004, the equity had by the end of 2012 appreciated amidst fluctuations to GHS0.38, indicating growth of about 52.00%. In 2013, the equity continued its upward trend till it hit its all-time high of GHS1.17 in August. It thereafter declined marginally by GHS0.20 to end the year at GHS0.97. As at 25<sup>th</sup> July 2014, CAL is trading at GHS0.88 with a Price Earning (P/E) ratio of 4 multiples.

#### Income Statement

(All figures are expressed in thousands of Ghana cedis)

	2011	2012	2013	2014 Q1*
Net Interest Income	41,075	84,576	143,751	40,107
Net Profit	16,905	51,651	92,463	29,801

#### Balance Sheet Summary

(All figures are expressed in thousands of Ghana cedis)

	2011	2012	2013	2014 Q1*
Total Assets	809,364	1,162,855	1,561,765	1,744,923
Total Liabilities	791,010	955,431	1,277,128	1,429,396
Total Equity	88,354	207,424	284,637	315,527

#### Ratios/Statistics

	2011	2012	2013	2014 Q1*
Profit Margin (%)	15.96	26.45	27.02	28.12
Return on Assets (%)	2.09	4.44	5.92	1.16
Return on Equity (%)	19.13	24.90	32.48	9.25
Earnings Per Share (GHS)	0.0681	0.0942	0.1686	0.0533
Dividend Per Share (GHS)	0.0260	0.0350	0.0530	-
Net Assets Per Share (GHS)	0.3559	0.3783	0.5192	0.5755
Share price				
High (GHS)	0.39	0.39	1.17	1.04*
Low (GHS)	0.22	0.23	0.36	0.86*
Close (GHS)	0.28	0.38	0.97	0.98*

\*As at march 31, 2014

#### Investor Ratios

	2013	2014 Q1*
Price to Book Value	1.87	1.70
Price Revenue Ratio	1.55	5.17
Price Earnings Ratio	5.75	18.40
Dividend Yield	0.05	-
Year-to-date Return (%)	155.26	1.03

\*Operational year begins in June and ends in May



#### Price Information

Year	Week	Current	Weekly	Weekly	Year To
Opening	Opening	Price	Change	Change	Date
Price	Price		(GHS)	(%)	(%)
(GHS)	(GHS)	(GHS)			
01.01.14	18.07.04	25.07.14			
0.2668	0.2957	0.2943	0.0014 ▼	0.47 ▼	10.32 ▲

## GHANA STOCK EXCHANGE NEWS

Ghana's capital market recorded an improved performance during the week under review. A total of 5,032,642 shares worth GHS27,260,574.63 were traded, indicating a 131.16% increase over the 2,177,099 shares traded last week. Total value of shares also increased by 616.24% compared to last week's GHS3,806,055.48.

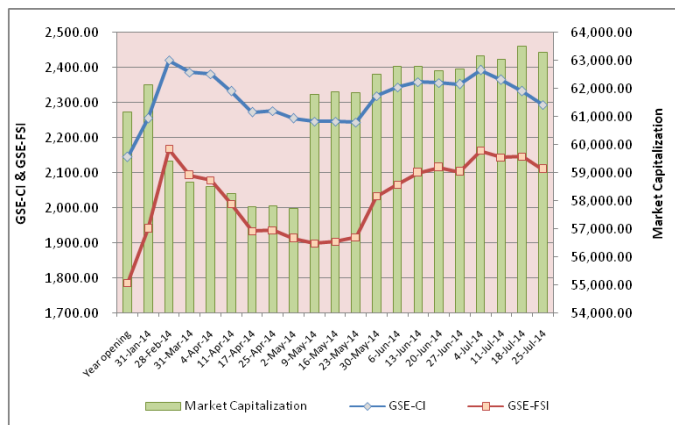
With a total of 4,030,461 shares, Total Petroleum Ghana Limited accounted for 80.09% of total trade to become the period's most traded equity. On the other hand, Tulow Oil plc traded 12 shares to be the least active of the twenty-five (25) equities that participated in market trade during the week.

From a week opening position of 2,332.62 and 2,146.34 points, the GSE Composite Index (GSE-CI) and the GSE-Financial Stock Index (GSE-FSI) dropped to 2,294.03 and 2,109.77 points respectively with year-to-date returns of 6.94% for the GSE-Composite Index and 18.09% for the GSE-Financial Stock Index.

Total market capitalization also declined by GHS210.16 million from GHS63,503.31 million to GHS63,293.15 million.

The graph below shows the trend in the GSE Composite Index, GSE Financial Stocks Index and Market capitalization since the beginning of the year.

Chart 1 – Trend of Market Indicators



## MONEY MARKET NEWS

### Cedi Appreciates Against Pound and Euro

This week on the interbank market, the Ghana cedi appreciated against the British Pound and the Euro while losing ground to the US Dollar and the South African Rand. The Yen on the other hand recorded no change. The Cedi gained 0.96% and 0.51% to the British Pound and the Euro respectively. It however lost marginally by 0.02% to the US Dollar and 2.01% to the Rand.

Since the beginning of the year, the local currency has depreciated against the Dollar, Pound, Euro, Rand and the Yen by 28.75%, 30.62%, 26.90%, 28.58% and 30.87% respectively.

The following table summarizes the interbank rates for the week under review.

Table 1 – Summary of Interbank Rates

	Buying		Selling	
	18.07.14	25.07.14	18.07.14	25.07.14
<b>US Dollar</b>	3.0319	3.0324	3.0343	3.0350
<b>Pound</b>	5.1958	5.1460	5.2011	5.1519
<b>Euro</b>	4.1041	4.0828	4.1070	4.0869
<b>Rand</b>	0.2829	0.2887	0.2831	0.2889
<b>Yen</b>	0.0298	0.0298	0.0298	0.0298

Source: Ghana Association of Bankers

### Interest Rate

The 91 and 182-day Treasury bills continued to be the only government back securities to have recorded changes in their yields during the week under review. The yield on the 91 and 182-day Treasury bill went up by 0.5276% and 0.0908% to end the week at 24.8385% and 25.9727% respectively. The yields on the 1-Year Note and the 2-Year Fixed Rate Note remained at 22.5000% and 23.0000% respectively.

Last week, total tenders received amounted to GHS741.61 million for short term securities and GHS1.99 million for the medium term securities. Both tenures were sold out.

The Government intends to raise a total amount of GHS734.00 million from the issue of short and medium term securities this week.

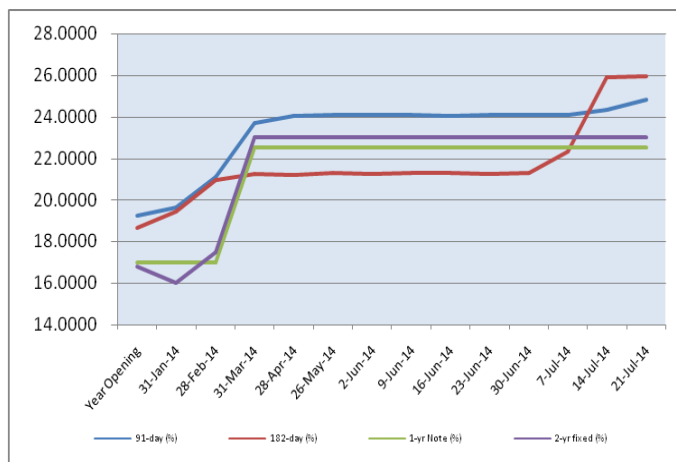
The table below shows the rates for the week under review alongside those of the previous week while the chart displays the trend of the rates so far this year.

Table 2 – Prevailing Interest Rates

Interest Rates (for Weeks Beginning)			
	14.07.14 (% p.a.)	21.07.14 (% p.a.)	Week Change (%)
<b>91 Day</b>	24.3109	24.8385	0.5276 ▲
<b>182 Day</b>	25.8819	25.9727	0.0908 ▲
<b>1-Year Note</b>	22.5000	22.5000	-
<b>2-Year Fixed Rate Note</b>	23.0000	23.0000	-

Source: Bank of Ghana

Chart 2 – Trend of Yields on Money Market Securities



## RELEVANT CORPORATE NEWS

### CAL – SECURES US\$28.5 MILLION TIER 2 CAPITAL FROM SOCIETE DE PARTICIPATION POUR LA COOPERATION ECONOMIQUE S.A. (PROPARCO) OF FRANCE

CAL Bank Limited has announced that the bank has secured US\$28.5 million Tier 2 Capital from Société De Promotion Et De participation Pour La Cooperation Economique S. A. (PROPARCO) of France.

PROPARCO is the French government development finance institution and a long-standing debt financier of CAL Bank. The agreement was signed by Mr. Frank Adu, Managing Director of CAL BANK Ghana and Mr. Julien Lefilleur, PROPARCO's Regional Director for West Africa.

The agreement covers a subordinated credit facility to finance CAL's activities. The facility, which is an unsecured loan, will be used as Tier 2 capital in supporting CAL's on-lending activities. The facility provides CAL Bank with competitive interest rates under flexible terms and conditions.

*GSE Press Release: 179/2014*

## COMPANIES THAT DECLARED FINAL DIVIDENDS IN 2012

Company	Final Dividend Per Share	Qualifying date	Book Closure	Payment Date
AYRTN	GHS0.00125	Jun 25	Jun 26 - 27	Aug 8
AADS	GHS0.0009			Apr 2
AGA	GHS0.0900			Apr 2
BOPP	GHS0.0770	Apr 23	April 24 - 26	May 10
CAL	GHS0.035	Mar 22	Mar 25 - 26	Apr 30
CMLT	GHS0.0060	Jun 26	Jun 27	Aug 30
EBG	GHS0.29	Apr 10	Apr 11 - 18	May 10
EGL	GHS0.016	May 17	May 20 - 22	Jun 28
ETI	0.4 US cents	Jul 5	Jul 5	Jul 19
FML	GHS0.06	Apr 19	April 22 - 24	May 8
GCB	GHS0.14	May 31	Jun 3 - 7	Jun 28
GOIL	GHS0.015	Aug 15	Aug 16	Aug 30
MLC	GHS0.015	Jun 25	June 26 - 28	July 19
PBC	GHS0.0062	Mar 15	March 18 - 22	May 7
PZ	GHC0.0046	Sept 23	Sept 24 - 27	Oct 14
SCB	GHS0.47	May 17	May 20 - 21	Jun 28
SOGEGH	GHS0.04	Mar 22	Mar 25 - 26	May 15
SPL	GHS0.0022	Sept 26	Sept 27	Oct 8
TBL	20 Bututs	Apr 18	Apr 19	Apr 30
TOTAL	GHS0.69	Jul 18	Jul 19 - 24	Jul 26
UNIL	GHS0.2560	Apr 10	April 11 - 24	May 24
UTB	GHS0.02	Apr 12	Apr 15 - 17	May 31

## COMPANIES THAT HAVE DECLARED DIVIDENDS FOR 2013

Company	Dividend Per Share	Qualifying date	Book Closure	Payment Date
<b>INTERIM DIVIDEND</b>				
EGL	GHS0.020	Oct 1 (2013)	Oct 2 - 3	Nov 4
TOTAL	GHS0.0771	Dec 18 (2013)	Dec 19 - 20	Dec 24
<b>FINAL DIVIDEND*</b>				
CAL	GHS0.053	Mar 21	Mar 24 - 26	Apr 30
SOGEGH	GHS0.06	Mar 27	Mar 28 - 31	May 15
EBG	GHS0.43	April 21	April 22-29	May 14
HFC	GHS0.035	April 21	April 22-23	May 15
FML	GHS 0.09	May 5th	May 6-7	June 12
BOPP	GHS 0.0334	May 7th	May 8-9	June 20
EGL	GHS 0.025	May 19th	May 20-22	June 30
SCB	GHS1.15	May23rd	May 26-27	June30
TBL	25 bututs	May 29th	May 30	June 4
TOTAL	GHS0.0985	June 11	June 18	June 25
GOIL	GHS0.0160	June 11	June 12	
MLC	GHS0.010	June25	June 26-28	July21
CMLT	GHS0.006	July10	July11	Aug 15

*\*All dates for final dividends are in 2014*

Listed Equities	% of Market Capitalization	Week Opening Price (GH¢)	Week Closing Price (GH¢)	Price Change (GH¢)	Weekly Return (%)	Year-to-Date Return (%)	P/E Ratio	Dividend Yield (%)	Return on Assets (%)	Price/Book Value	Price/Revenue
	25.07.14	18.07.14	25.07.14		25.07.14	25.07.14	25.07.14	25.07.14	25.07.14	25.07.14	25.07.14
ACI	0.002	0.03	0.03	-	-	-50.00	-	-	-11.48	0.18	0.24
AGA	23.44	37.00	37.00	-	-	-	-	0.24	-22.74	4.55	1.67
ALW	0.02	0.05	0.05	-	-	-	-	-	-3.52	0.22	0.09
AYRTN	0.06	0.17	0.18	0.01 ▲	5.88	5.88	95	0.69	4.94	1.90	3.26
BOPP	0.16	2.87	2.86	0.01 ▼	-0.35	-10.90	19	2.69	12.64	2.28	2.81
CAL	0.77	0.89	0.88	0.01 ▼	-1.12	-9.28	4	3.98	5.92	0.76	0.63
CLYD	0.002	0.04	0.04	-	-	-	8	-	1.10	0.02	0.002
CMLT	0.001	0.14	0.14	-	-	-12.50	12	4.29	3.86	0.56	0.24
CPC	0.06	0.02	0.02	-	-	-	-	-	-2.68	-7.77	0.66
EBG	3.31	7.17	7.00	0.17 ▼	-2.37	24.78	7	4.14	1.42	0.32	7.50
EGL	0.36	1.80	1.80	-	-	-4.26	-	0.89	11.47	1.42	0.74
ETI	7.29	0.29	0.29	-	-	52.63	9	-	1.16	0.80	0.96
FML	1.22	6.64	6.55	0.09 ▼	-1.36	-1.06	35	0.92	21.45	9.96	5.48
GCB	2.25	5.39	5.10	0.29 ▼	-5.38	5.15	6	2.75	6.73	2.90	2.38
GGBL	1.31	3.95	3.69	0.26 ▼	-6.58	-40.48	190	-	3.77	3.71	3.46
GOIL	0.38	0.96	0.99	0.03 ▲	3.13	11.24	15	1.52	5.52	3.56	0.03
GSR	1.11	2.75	2.75	-	-	-	-	-	1.09	0.01	0.03
GWEB	0.002	0.04	0.04	-	-	-	-	-	2.25	-0.60	2.48
HFC	0.63	1.35	1.35	-	-	40.63	10	-	3.73	1.06	1.02
MCA	0.04	3.30	3.30	-	-	6.45	2	-	27.56	1.37	2.81
MLC	0.02	0.30	0.31	0.03 ▲	3.33	-18.42	-	4.84	-1.31	0.16	0.16
PKL	0.003	0.06	0.06	-	-	-	-	-	-35.20	-1.47	1.70
PBC	0.11	0.14	0.14	-	-	-17.65	9	4.43	-2.70	1.70	0.06
PZ	0.15	0.55	0.54	0.01 ▼	-1.82	-31.65	-	-	0.26	2.35	1.20
SCB	3.31	18.20	18.20	-	-	21.82	9	2.58	1.70	0.97	2.02
SIC	0.13	0.42	0.40	0.02 ▼	-4.76	2.56	17	-	228.66	1.07	0.72
SPL	0.005	0.04	0.04	-	-	-	5	-	8.45	1.07	0.44
SOGEGH	0.46	0.88	0.87	0.01 ▼	-1.14	16.00	13	4.60	2.99	1.50	1.47
SWL	0.001	0.04	0.04	-	-	33.33	16	-	38.67	0.38	0.08
TBL	0.08	0.24	0.24	-	-	-31.43	5	-	2.94	0.11	0.06
TOTAL	1.13	6.41	6.33	0.08 ▼	-1.25	25.10	20	10.90	10.59	0.82	0.07
TRANSOL	0.004	0.03	0.03	-	-	-	16	-	11.50	-0.70	13.71
TLW	50.06	35.05	35.05	-	-	0.20	27	-	1.88	5.82	11.97
UNIL	1.73	17.60	17.60	-	-	-3.88	-	1.45	7.32	33.71	3.40
UTB	0.28	0.39	0.38	0.01 ▼	-2.56	-15.56	19	5.26	0.73	0.09	0.37
<b>Depository Shares</b>											
AADS	0.08	0.52	0.52	-	-	-	-	0.17	-	-	-
<b>Preference Shares</b>											
SCB-PREF	0.02	0.55	0.55	-	-	5.77	-	-	1.70	0.03	0.05
<b>ETF</b>											
GLD	0.01	23.00	23.00	-	-	-11.98	-	-	-	-	-

**Key** ABL—Accra Brewery Ltd, ACI—African Champion Industries, AGA—AngloGold Ashanti Ltd, ALW—Aluworks Ltd, AYRTN—Ayrton Drug Manufacturing Ltd, BOPP—Benso Oil Palm Plantation Ltd, CAL—CAL Bank Ltd, CFAO—CFAO Ghana Ltd, CLYD—Clydestone Ghana Ltd, CMLT—Camelot Ghana Ltd, CPC—Cocoa Processing Company Ltd, EBG—Ecobank Ghana Ltd, EGL—Enterprise Group Ltd, ETI—Ecobank Transnational Incorporated, FML—Fan Milk Ltd, GCB—Ghana Commercial Bank Ltd, GGBL—Guinness Ghana Breweries Ltd, GOIL—Ghana Oil Company Ltd, GSR—Gold Star Resources Ltd, GWEB—Golden Web Ltd, HFC—HFC Bank Ltd, MAC—Mega African Capital, MLC—Mechanical Lloyd Company Ltd, PKL—Pioneer Kitchenware Ltd, PBC—Produce Buying Company Ltd, PZ—PZ Cussons Ghana Company Ltd, SCB—Standard Chartered Bank Ltd, SIC—SIC Insurance Company Ltd, SPL—Starwin Products Ltd, SOGEGH—Société Générale Ghana Ltd, SWL—Sam Woode Ltd, TBL—Trust Bank (The Gambia) Ltd, TOTAL—Total Petroleum Ghana Ltd, TRANSOL—Transaction Solutions Ghana Ltd, UNIL—Unilever Ghana Ltd, UTB—UT Bank Ltd, AADS—

■ As at December 2013 ■ As at September 2013 ■ As at May 2013 ■ As at March 2013 ■ As at December 2012 ■ As at September 2012 ▲ Price Gainers ▼ Price Decliners