



### FEATURE

#### SOCIETE GENERALE GHANA LIMITED (SOGEGH)

Société Générale Ghana Limited (SOGEGH), formerly SSB Bank, was incorporated on February 7, 1975 as "Securities Guarantee Trust Limited", a private limited liability company aimed at providing banking services to the Ghanaian market. It began banking operations in 1977 and in 1994, as part of the restructuring of the banking system, SSB Bank and the "National Saving and Credit Bank", a small commercial bank jointly owned by Government of Ghana (GOG) and Bank of Ghana (BOG) merged. Following that, GOG divested its 21% stake in the bank and it was converted to a public limited liability company as part of preparations toward the bank's Initial Public Offer (IPO). The bank subsequently listed on the Ghana Stock Exchange on October 13, 1995. After the name change to SG-SSB, the bank's name was finally changed to Société Générale Ghana Limited in 2013 to conform to the group name after Société Générale acquired 51% controlling interest in the organization on 31<sup>st</sup> March, 2004.

The bank's primarily provides retail and business banking products and services to individuals, corporate institutions and others. SOGEGH is also in the business of providing investment banking, corporate banking, specialised financing activities such as leasing and consumer credit as well as other financial intermediation services.

In terms of its financials, Société Générale Ghana has performed impressively especially over the last five years. The company's Revenue, which at the close of 2009 stood at GHS96.40 million grew to GHS197.36 million at the close of December 2013, indicating a 104.78% rise over the five-year period. Similarly, Net Profit improved by 88.48% from GHS19.29 million in 2009 to GHS36.36 million over the same period.

Financial statements released by SOGEGH at the end of the half year 2014 showed an improvement compared to that of the same period in 2013. Total Revenue for the period under review came to GHS125.91 million against GHS82.05 million earned in the previous year, signifying an increase of 53.45%. This was the result of increases of 49.15%, 27.56%, 38.28% and 463.37% in Interest & Similar Revenue, Fees & Commission Revenue, Forex Trading Revenue and Other Operating Income respectively during the period. Total Operating income for the period subsequently amounted to GHS85.31 million after deducting Interest & Similar Expense of GHS18.27 million and Fees & Commission Expense of GHS3.92 million. The bottom line recorded a 24.61% growth in 2014 half year over the previous year figure of GHS15.53 million during the same period. This was realised after the deduction of GHS5.17 million and GHS1.29 million of Income tax and National Reconstruction levy respectively. Earnings per share (EPS) for the Bank thus went up from GHS0.0465 to GHS0.0580 during the review period.

The equity's performance on the Ghana Stock Exchange has so far been very impressive. After listing at GHS0.082 in October 1995, the equity recorded a gain of GHS0.148 by the end of 1999 to stand at GHS0.12. It however declined in the same year to record a negative year-to-date return of 11.82% before bouncing back to record an all time high in price at GHS3.18 in July 2004. Since then, the equity has witnessed some volatility in price rising in one period and declining in another period and by the end of 2013 the equity was trading at GHS0.75 representing a compounded annual

growth rate of 13.08% since listing on the exchange. SOGEGH is so far trading at GHS0.88 as at Friday, 01<sup>st</sup> August 2014 with (P/E) of 38.

#### Income Statement

(All figures are expressed in thousands of Ghana cedis)

	2011	2012	2013	2014 Q2*
Revenue	124,080	150,245	197,415	125,908
Net Interest Income	68,356	74,538	107,781	62,857
Net Profit	22,872	30,266	36,364	19,353

#### Balance Sheet Summary

(All figures are expressed in thousands of Ghana cedis)

	2011	2012	2013	2014 Q2*
Total Assets	841,077	1,088,927	1,216,553	1,395,540
Total Liabilities	690,403	919,112	1,022,852	1,202,952
Total Equity	150,674	169,814	193,701	192,587

#### Ratios/Statistics

	2011	2012	2013	2014 Q2*
Profit Margin (%)	18.43	20.14	18.42	15.57
Return on Assets (%)	2.72	2.78	2.99	1.39
Return on Equity (%)	15.18	17.82	18.77	10.05
Earnings Per Share (GHS)	0.0685	0.0906	0.1089	0.0580
Dividend Per Share (GHS)	0.0400	0.0400	0.0600	-
Net Assets Per Share (GHS)	0.4513	0.5086	0.5801	0.5768
Share price				
High (GHS)	0.76	0.39	0.87	1.18*
Low (GHS)	0.44	0.23	0.48	0.62*
Close (GHS)	0.47	0.38	0.75	0.83*

\*As at June 30, 2014

#### Investor Ratios

	2013	2014 Q2*
Price to Book Value	1.29	0.44
Price Revenue Ratio	1.27	2.20
Price Earnings Ratio	6.89	14.32
Dividend Yield	0.08	-
Year-to-date Return (%)	56.25	10.67

\*Half year



#### Price Information

Year	Week	Current	Weekly	Weekly	Year To
Opening	Opening	Price	Change	Change	Date
Price	Price	(GHS)	(GHS)	(%)	(%)
(GHS)	(GHS)	(GHS)	(GHS)	(%)	(%)
01.01.14	25.07.04	01.08.14			
0.2668	0.2943	0.2940	0.0003 ▼	0.10 ▼	10.21 ▲

## GHANA STOCK EXCHANGE NEWS

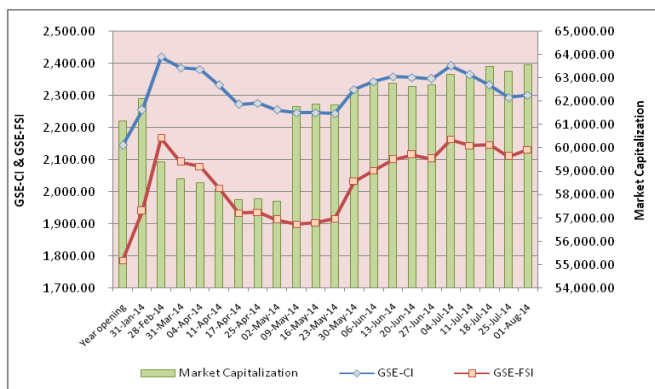
Compared to last week, market activity slowed down with trade of 3,147,310 shares valued at GHS3,965,127.15. This represents a decline of 37.46% and 85.45% in total volume and value respectively for last week. CAL Bank Limited accounted for about 56% of total trade to be the most active equity for the week while HFC Bank (Ghana) Limited and Unilever Ghana Limited each traded 5 shares to be the least traded equities.

The general performance of Ghana's capital market, as measured by the GSE Composite Index (GSE-CI), improved marginally by 7.02 points as the GSE-CI moved from 2,294.03 points to 2,301.05 points at the end of the week. The GSE Financial Stocks Index (GSE-FSI) also went up by a greater margin of 22.22 points from 2,109.77 points to 2,131.99 points. The respective year-to-date returns of the GSE-CI and GSE-FSI are 7.27% and 19.33%.

Total market capitalization consequently increased by GHS281.90 million from GHS63,293.15 million to GHS 63,575.05 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 Stabilized Against the US Dollar and Appreciated Against Four Other Major Currencies

For the week under review, the Ghana cedi was stable in its transactions with the US Dollar while it appreciated against the British Pound, the Euro, the South African Rand and the Japanese Yen. The Cedi recorded appreciations of 0.38%, 0.65%, 2.21% and 1.02% against the British Pound, the Euro, South African Rand and the Japanese Yen respectively.

The local currency has so far accumulated a year-to-date depreciation of 28.75%, 30.36%, 26.42%, 27.00% and 30.17% against the Dollar, Pound, Euro, Rand and the Yen respectively.

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

Table 1 – Summary of Interbank Rates

	Buying		Selling	
	25.07.14	01.08.14	25.07.14	01.08.14
US Dollar	3.0324	3.0324	3.0350	3.0350
Pound	5.1460	5.1269	5.1519	5.1325
Euro	4.0828	4.0564	4.0869	4.0602
Rand	0.2887	0.2825	0.2889	0.2826
Yen	0.0298	0.0295	0.0298	0.0295

Source: Ghana Association of Bankers

### Interest Rate

The 91 and 182-day treasury bills continued to be the only government debt securities that recorded changes in their yields during the week under review. They both inched up by 0.1328% and 0.3746% respectively. On the other hand, interest rates on the 1-Year Note and 2-Year Fixed Rate Note remained unchanged at 22.5000% and 23.0000% respectively.

Total tenders worth GHS1,590.48 million were received for short term securities and GHS1.26 million for medium term securities during the previous week's tender. Of these, GHS1,522.49 million were sold while that of the medium term securities were sold out.

A total of GHS901.00 million is expected to be raised from this week's issue of short and medium term securities.

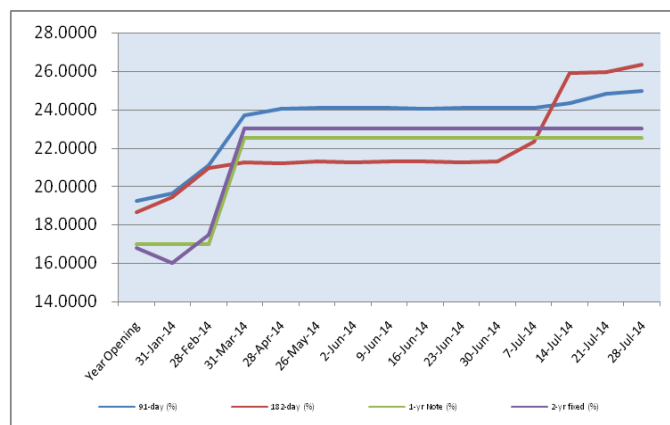
The table below shows the rates for the week under review alongside those of the previous week while the chart displays the trend of the rates so far this year.

Table 2 – Prevailing Interest Rates

	Interest Rates (for Weeks Beginning)		
	21.07.14 (% p.a.)	28.07.14 (% p.a.)	Week Change (%)
91 Day	24.8385	24.9713	0.1328 ▲
182 Day	25.9727	26.3473	0.3746 ▲
1-Year Note	22.5000	22.5000	-
2-Year Fixed Rate Note	23.0000	23.0000	-

Source: Bank of Ghana

Chart 2 – Trend of Yields on Money Market Securities



## RELEVANT CORPORATE NEWS

### AGA-RAND REFINERY AND CORPORATE UPDATE

AngloGold Ashanti Limited (AGA) refers shareholders to an announcement published on 25<sup>th</sup> July 2014 by Rand Refinery regarding a loan facility extending to it by certain of its shareholders, as a precautionary measure. This follows challenges encountered in the implementation of a new Enterprise Resource Planning system at the refinery. AGA confirms its participation in the loan facility.

AGA owns a 42.41% stake in the Rand Refinery and accounts for it using the equity accounting method as an associate. AGA expects to make a provision in its accounts for \$51m, which will impact second quarter earnings scheduled for release on August 11.

In addition, AngloGold Ashanti Limited notes that costs incurred in the previously announced closure of the Yatela mine in Mali and the ongoing restructuring at its Obuasi mine in Ghana will also impact earnings for the second quarter.

*GSE Press Release: 192/2014*

## 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
	01.08.14	25.07.14	01.08.14		01.08.14	01.08.14	01.08.14	01.08.14	01.08.14	01.08.14	01.08.14
ACI	0.002	0.03	0.03	-	-	-50.00	-	-	-11.48	0.18	0.24
AGA	23.42	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	0.18	0.18	-	-	5.88	95	0.69	4.94	1.90	3.26
BOPP	0.16	2.86	2.90	0.04 ▲	1.40	-9.66	14	2.66	12.64	2.31	2.85
CAL	0.75	0.88	0.87	0.01 ▼	-1.14	-10.31	8	4.02	5.92	0.75	0.62
CLYD	0.002	0.04	0.04	-	-	-	8	-	1.10	0.02	0.002
CMLT	0.001	0.14	0.14	-	-	-12.50	11	4.29	3.86	0.56	0.24
CPC	0.06	0.02	0.02	-	-	-	-	-	-2.68	-7.77	0.66
EBG	3.23	7.00	7.01	0.01 ▲	0.14	24.96	7	4.14	1.42	0.32	7.52
EGL	0.36	1.80	1.81	0.01 ▲	0.56	-3.72	-	0.88	11.47	1.43	0.74
ETI	7.78	0.29	0.31	0.02 ▲	6.90	63.16	9	-	1.16	0.85	1.03
FML	1.19	6.55	6.50	0.05 ▼	-0.76	-1.81	46	0.92	21.45	9.88	5.44
GCB	2.13	5.10	5.12	0.02 ▲	0.39	5.57	6	2.73	6.73	2.91	2.39
GGBL	1.16	3.69	3.50	0.19 ▼	-5.15	-43.55	180	-	3.77	3.51	3.28
GOIL	0.39	0.99	0.99	-	-	11.24	15	1.52	5.52	3.56	0.03
GSR	1.10	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	0.05	3.30	3.59	0.29 ▲	8.79	15.81	2	-	27.56	1.49	3.06
MLC	0.02	0.31	0.30	0.01 ▼	-3.23	-21.05	-	5.00	-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	-	4.43	-2.70	1.70	0.06
PZ	0.13	0.54	0.50	0.04 ▼	-7.41	-36.71	-	-	0.26	2.17	1.11
SCB	3.31	18.20	18.20	-	-	21.82	10	2.58	1.70	0.97	2.02
SIC	0.12	0.40	0.40	-	-	2.56	17	-	228.66	1.07	0.72
SPL	0.005	0.04	0.04	-	-	-	6	-	8.45	1.07	0.44
SOGEGH	0.46	0.87	0.88	0.01 ▲	1.15	17.33	38	4.55	2.99	1.52	1.49
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	8	-	2.94	0.11	0.06
TOTAL	1.11	6.33	6.33	-	-	-	20	10.90	10.59	0.82	0.07
TRANSOL	0.004	0.03	0.03	-	-	-	16	-	11.50	-0.70	13.71
TLW	50.00	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	0.38	0.39	0.01 ▲	2.63	-13.33	20	5.13	0.73	0.09	0.38
<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	-	-	-	-	-
<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—AngloGold Ashanti Depository Shares, SCB-PREF—Standard Chartered Bank Preference Shares, ETF—Exchange Traded Fund, GLD—New Gold

■ 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