

**FEATURE**
**GHANA OIL COMPANY LIMITED (GOIL)**

Ghana Oil Company Limited (GOIL) was set up on June 14, 1960 as AGIP Ghana Limited under the Companies Ordinance (CAP 193). At incorporation, its shareholders were AGIP SPA of Italy and SNAM S.P.A. In December 1968, Hydrocarbons International Holdings, Zurich, bought SNAM SPA's shares in AGIP Ghana and later in 1974, the Government of Ghana took over ownership of AGIP Ghana when it acquired the shares of AGIP S.P.A. and Hydrocarbons International Holdings in the company. Subsequently, the name of the company was changed to Ghana Oil Company Limited. The company was then converted to a public company by a shareholders resolution in August, 2007 and listed thereafter on the Ghana Stock Exchange.

The main business of Ghana Oil Company Limited is the marketing and distribution of petroleum products in Ghana, with majority of its sales revenue obtained from the sale of Diesel and Gasoline. However, after undergoing some transformation between 2010 and 2012 involving a change in its logo and the outlook of its stations as well as its corporate culture, GOIL aims at moving beyond its current frontiers to the marketing and distribution of energy products in general.

In terms of financial performance Ghana Oil Company Limited has performed creditably over the last five years. Between 2008 and 2012, the company recorded a 112.03% improvement in its Net Revenue position from GH¢373.20 million to GH¢791.28 million. Net Profit more than doubled from GH¢4.26 million to GH¢10.35 million showing a rise of 142.96% over the same period.

Financial statements released by Ghana Oil Company Limited for 2013 showed some upward movements in the company's financial performance. Net Revenue mobilised during the year amounted to GH¢1,005.29 million representing a 27.05% growth over the 2012 figure of GH¢791.28 million. The company also recorded increases of 27.03% in Cost of Sales, 24.97% in General, Selling & Administrative Expenses and 52.31% in income from other activities culminating in an Operating Profit before Financial Charges of GH¢20.44 million for the period. Additionally, Financial Charges reduced marginally by 0.16% while Taxation went up by 38.93%. These ultimately resulted in Net Profit of GH¢14.38 million compared to the GH¢10.35 million earned as at December 31, 2012 indicating a 38.94% growth. Consequently, GOIL's Earning per Share (EPS) rose from GH¢0.049 in 2012 to GH¢0.057 at the end of 2013.

Until 2012, the performance of GOIL on the Ghana Stock Exchange could at best be described as average. From an initial listing price of GH¢0.2150, the equity braved several fluctuations ending 2007 at GH¢0.3100, 2008 at GH¢0.3200, 2009 at GH¢0.1700, 2010 at GH¢0.2900 and 2011 at GH¢0.3200. It however made a significant turnaround in 2012 when it recorded a year to date gain of 93.75% to end that year at GH¢0.62. In 2013, GOIL's price once again appreciated by 43.55% to GH¢0.89 during the year. Currently, the equity is trading at GH¢0.85, with a Price Earning (P/E) ratio of fifteen (15) multiples as at Friday, February 21, 2013.

**Income Statement**
*(All figures are stated in thousands of Ghana Cedis)*

|                  | 2010    | 2011    | 2012    | 2013*     |
|------------------|---------|---------|---------|-----------|
| Net Revenue      | 472,343 | 609,319 | 791,275 | 1,005,292 |
| Operating Profit | 10,578  | 12,626  | 15,065  | 20,435    |
| Net Profit       | 6,319   | 7,889   | 10,351  | 14,380    |

**Balance Sheet Summary**
*(All figures are stated in thousands of Ghana Cedis)*

|                   | 2010    | 2011    | 2012    | 2013*   |
|-------------------|---------|---------|---------|---------|
| Total Assets      | 103,539 | 121,533 | 167,557 | 253,140 |
| Total Liabilities | 70,091  | 81,383  | 116,691 | 193,188 |
| Total Equity      | 33,448  | 40,150  | 50,867  | 59,952  |

*\*Un-audited financial statements*
**Ratios/Statistics**

|                            | 2010   | 2011   | 2012   | 2013   |
|----------------------------|--------|--------|--------|--------|
| Profit Margin* (%)         | 1.34   | 1.29   | 1.31   | 1.43   |
| Return on Assets (%)       | 6.10   | 6.49   | 6.18   | 5.68   |
| Return on Equity (%)       | 18.89  | 19.65  | 20.35  | 23.99  |
| Earnings Per Share (GH¢)   | 0.0301 | 0.0375 | 0.0492 | 0.0570 |
| Dividend Per Share (GH¢)   | 0.0120 | 0.0140 | 0.0150 |        |
| Net Assets Per Share (GH¢) | 0.1591 | 0.1910 | 0.2420 | 0.2377 |
| Share price                |        |        |        |        |
| High (GH¢)                 | 0.34   | 0.33   | 0.62   | 1.50   |
| Low (GH¢)                  | 0.17   | 0.28   | 0.32   | 0.62   |
| Close (GH¢)                | 0.29   | 0.32   | 0.62   | 0.89   |

*\*Based on Net Revenue*
**Investor Ratios**

|                          | 2012  | 2013  |
|--------------------------|-------|-------|
| Price to Book Value      | 2.56  | 3.74  |
| Price Revenue Ratio      | 0.16  | 0.22  |
| Price Earnings Ratio     | 4.33  | 5.49  |
| Dividend Yield (%)       | 0.02  |       |
| Year-to-date Return (%)* | 93.75 | 43.55 |


**Price Information**

| Year     | Week     | Current  | Weekly   | Weekly | Year To |
|----------|----------|----------|----------|--------|---------|
| Opening  | Opening  | Price    | Change   | Change | Date    |
| Price    | Price    |          |          |        |         |
| (GH¢)    | (GH¢)    | (GH)     | (GHS)    | (%)    | (%)     |
| 01.01.14 | 17.02.14 | 21.02.14 |          |        |         |
| 0.2668   | 0.2970   | 0.2982   | 0.0012 ▲ | 0.40 ▲ | 11.75 ▲ |

## GHANA STOCK EXCHANGE NEWS

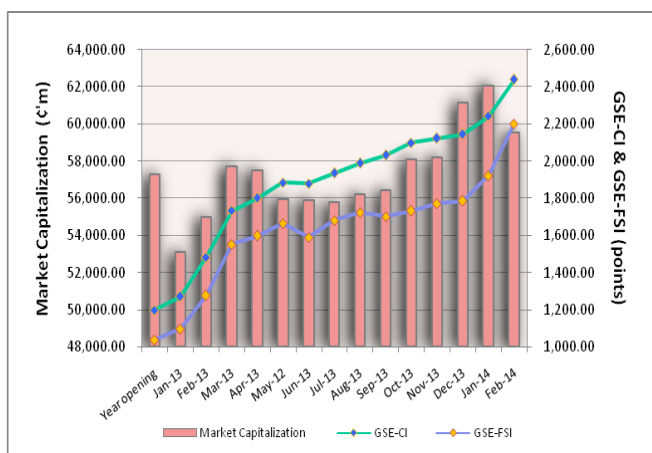
The Ghana Stock Exchange recorded a total trade of 2,676,472 shares valued at GH¢ 5,422,101.46 representing a 25.60% and a 28.34% decline in total volume and value of trade in relation to last week. HFC Bank Limited was the week's most actively traded equity with a total trade of 1,026,284 representing over 38% of total volume while Cocoa Processing Company recorded the least trade of 793 shares.

The general performance of the Exchange as measured by the GSE Composite index (GSE-CI) saw improvements with the Index rising by 8.77 points from last week's closing position of 2,430.43 points to 2,439.20 points. The GSE Financial Stocks Index also rose up by a higher margin of 22.18 points from 2,179.99 points to 2,202.17 points. This brings the respective year-to-date returns of the Indices to 13.71% and 23.26%.

Market capitalization at the end of the week stood at GH¢59,557.43 million indicating an improvement of GH¢199.62 million from last week's closing figure of GH¢59,357.81 million.

The graph below shows the trend in the GSE Composite Index, GSE Financial Stocks Index and Market capitalization from January 2013 to February 2014.

Chart 1 – Trend of Market Indicators



## MONEY MARKET NEWS

### Cedi Depreciates At Slow Pace

In its interactions on the foreign currency market this week, the Ghana Cedi still depreciated against the major trading currencies but at a much slower pace compared to previous weeks.

The Cedi depreciated by 0.36%, 1.26%, 1.63%, 1.52% and 0.63% against the US Dollar, the British Pound, the Euro, the South African Rand and the Japanese Yen respectively. Compared to the local currency's depreciation of 1.23%, 2.85%, 1.62% and 2.30% against the respective currencies last week, this week's performance is an improvement.

As at Friday, 21<sup>st</sup> February, 2014, year-to-date depreciation of the cedi had moved to 13.04%, 14.29%, 12.57%, 8.51% and 16.02 against the Dollar, Pound, Euro, Rand and Yen respectively.

The following table gives a summary of the interbank rates for the week under review.

Table 1 – Summary of Interbank Rates

|                  | Buying   |          | Selling  |          |
|------------------|----------|----------|----------|----------|
|                  | 14.02.14 | 21.02.14 | 14.02.14 | 21.02.14 |
| <b>US Dollar</b> | 2.4333   | 2.4421   | 2.4346   | 2.4447   |
| <b>Pound</b>     | 4.0298   | 4.0810   | 4.0348   | 4.0856   |
| <b>Euro</b>      | 3.3066   | 3.3599   | 3.3089   | 3.3632   |
| <b>Rand</b>      | 0.2203   | 0.2237   | 0.2206   | 0.2239   |
| <b>Yen</b>       | 0.0237   | 0.0239   | 0.0238   | 0.0239   |

Source: Ghana Association of Bankers

### Interest Rates

On the money market, the change in interest rates on government backed securities was mixed. While interest rates on the 91-day Treasury bill, the 182-day Treasury bill and the 2-Year Fixed Note went up, that on the 1-Year Note remained stable. The rate on the 91-day Treasury bill, 182-day Treasury bill and the 2-Year Note went up by 0.6603%, 0.4172% and 1.20% to end the week at 20.7851%, 20.2677% and 17.500% respectively. For the first time this year, the 3-Year Note transacted at a rate of 23.00% during the review period.

Last week, total tenders received amounted to GH¢488.78 million and GH¢0.23 million for short and medium term securities respectively but government only sold GH¢486.15 million for the short term securities. The medium term securities were sold out.

This week, government plans to raise GH¢528.00 million from both short and medium term securities.

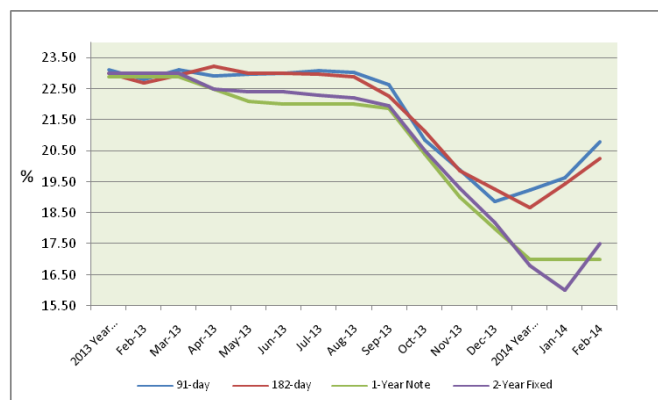
The table below shows the rates for the week under review alongside that of the previous week while the chart displays the trend of the yields from January 2013 to February 2014.

Table 2 – Prevailing Interest Rates

| Interest Rates (for Weeks Beginning) |                      |                      |                            |
|--------------------------------------|----------------------|----------------------|----------------------------|
|                                      | 10.02.14<br>(% p.a.) | 10.02.14<br>(% p.a.) | Year-to-date<br>change (%) |
| <b>91 Day</b>                        | 20.1248              | 20.7851              | 0.6603 ▲                   |
| <b>182 Day</b>                       | 19.8505              | 20.2677              | 0.4172 ▲                   |
| <b>1-Year Note</b>                   | 17.0000              | 17.0000              | -                          |
| <b>2-Year Fixed Rate Note</b>        | 16.3000              | 17.5000              | 1.2000 ▲                   |

Source: Bank of Ghana

Chart 2 – Trend of Yields on Money Market Securities



## RELEVANT CORPORATE NEWS

### SCB - PREFERENCE SHARE DIVIDEND

Standard Chartered Bank has announced a dividend of GH¢0.0631 per preference share in respect of the dividend period 30th September, 2013 to 28th March, 2014. All preference shareholders registered in the bank's books at the close of business on Thursday, 13th March, 2014 would qualify for the dividend. The dividend payment date is Friday, 28th March, 2014.

*GSE Press Release: 030/2014*

### CAL – FINAL DIVIDEND DECLARED FOR 2013 FINANCIAL YEAR

The Board of Directors of CAL Bank Limited have also proposed to the shareholders a final dividend of GH¢0.053 per share in respect of its financial year ended December 31, 2013 subject to shareholders' approval at the bank's Annual General Meeting.

Shareholders registered in the bank's books at the close of business on Friday 21st March 2014 would qualify for the final dividend. The dividend would be paid on Wednesday, 30th April, 2014 while the bank's Annual General Meeting would be held on Thursday, 27th March, 2014 at the Conference Auditorium of the National Theatre, Accra at 10.00 am.

*GSE Press Release: 032/2014*

## COMPANIES THAT DECLARED FINAL DIVIDENDS IN 2012

| Company | Final Dividend Per Share | Qualifying date | Book Closure  | Payment Date |
|---------|--------------------------|-----------------|---------------|--------------|
| AYRTN   | GH¢0.00125               | Jun 25          | Jun 26 - 27   | Aug 8        |
| AADS    | GH¢0.0009                |                 |               | Apr 2        |
| AGA     | GH¢0.0900                |                 |               | Apr 2        |
| BOPP    | GH¢0.0770                | Apr 23          | April 24 - 26 | May 10       |
| CAL     | GH¢0.035                 | Mar 22          | Mar 25 - 26   | Apr 30       |
| CMLT    | GH¢0.0060                | Jun 26          | Jun 27        | Aug 30       |
| EBG     | GH¢0.29                  | Apr 10          | Apr 11 - 18   | May 10       |
| EGL     | GH¢0.016                 | May 17          | May 20 - 22   | Jun 28       |
| ETI     | 0.4 US cents             | Jul 5           | Jul 5         | Jul 19       |
| FML     | GH¢0.06                  | Apr 19          | April 22 - 24 | May 8        |
| GCB     | GH¢0.14                  | May 31          | Jun 3 - 7     | Jun 28       |
| GOIL    | GH¢0.015                 | Aug 15          | Aug 16        | Aug 30       |
| MLC     | GH¢0.015                 | Jun 25          | June 26 - 28  | July 19      |
| PBC     | GH¢0.0062                | Mar 15          | March 18 - 22 | May 7        |
| PZ      | GH¢0.0046                | Sept 23         | Sept 24 - 27  | Oct 14       |
| SCB     | GH¢0.47                  | May 17          | May 20 - 21   | Jun 28       |
| SOGEGH  | GH¢0.04                  | Mar 22          | Mar 25 - 26   | May 15       |
| SPL     | GH¢0.0022                | Sept 26         | Sept 27       | Oct 8        |
| TBL     | 20 Bututs                | Apr 18          | Apr 19        | Apr 30       |
| TOTAL   | GH¢0.69                  | Jul 18          | Jul 19 - 24   | Jul 26       |
| UNIL    | GH¢0.2560                | Apr 10          | April 11 - 24 | May 24       |
| UTB     | GH¢0.02                  | 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                     | GH¢0.020           | Oct 1 (2013)    | Oct 2 - 3    | Nov 4        |
| TOTAL                   | GH¢0.0771          | Dec 18 (2013)   | Dec 19 - 20  | Dec 24       |
| <b>FINAL DIVIDEND*</b>  |                    |                 |              |              |
| CAL                     | GH¢0.053           | Mar 21          | Mar 24 - 26  | Apr 30       |

*\*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 |
|--------------------------|----------------------------|--------------------------|--------------------------|--------------------|-------------------|-------------------------|-----------|--------------------|----------------------|------------------|---------------|
|                          | 21.02.14                   | 17.01.14                 | 21.02.14                 |                    | 21.02.14          | 21.02.14                | 21.02.14  | 21.02.14           | 31.12.12             | 21.02.14         | 21.02.14      |
| ACI                      | 0.004                      | 0.06                     | 0.06                     | -                  | -                 | -                       | -         | -                  | -11.48               | 0.37             | 0.49          |
| AGA                      | 24.93                      | 37.00                    | 37.00                    | -                  | -                 | -                       | -         | 0.24               | -19.21               | 2.07             | 1.67          |
| ALW                      | 0.02                       | 0.06                     | 0.05                     | 0.01 ▼             | -16.67            | -                       | -         | -                  | -2.66                | 0.10             | 0.06          |
| AYRTN                    | 0.06                       | 0.17                     | 0.17                     | -                  | -                 | -                       | 27        | 0.74               | 4.94                 | 1.79             | 3.08          |
| BOPP                     | 0.19                       | 3.28                     | 3.29                     | 0.01 ▲             | 0.30              | 2.49                    | 20        | 2.34               | 10.29                | 2.69             | 4.04          |
| CAL                      | 0.93                       | 1.04                     | 1.01                     | 0.03 ▼             | -2.88             | 4.12                    | 6         | 3.47               | 34.67                | 0.96             | 1.01          |
| CLYD                     | 0.002                      | 0.04                     | 0.04                     | -                  | -                 | -                       | 8         | -                  | 1.10                 | 0.02             | 0.002         |
| CMLT                     | 0.002                      | 0.16                     | 0.16                     | -                  | -                 | -                       | 9         | 3.75               | 2.54                 | 0.63             | 0.36          |
| CPC                      | 0.07                       | 0.02                     | 0.02                     | -                  | -                 | -                       | -         | -                  | -2.68                | -7.77            | 0.66          |
| EBG                      | 3.93                       | 7.98                     | 7.98                     | -                  | -                 | 42.25                   | 14        | 3.63               | 3.20                 | 3.68             | 3.78          |
| EGL                      | 0.54                       | 2.25                     | 2.50                     | 0.25 ▲             | 11.11             | 32.98                   | 6         | 0.64               | 7.91                 | 0.53             | 0.86          |
| ETI                      | 5.90                       | 0.21                     | 0.22                     | 0.01 ▲             | 4.76              | 15.79                   | 5         | -                  | 1.16                 | 0.60             | 0.73          |
| FML                      | 1.41                       | 7.13                     | 7.24                     | 0.11 ▲             | 1.54              | 9.37                    | 39        | 0.83               | 18.86                | 11.77            | 8.45          |
| GCB                      | 1.98                       | 4.65                     | 4.45                     | 0.20 ▼             | -4.30             | -8.25                   | 7         | 3.15               | 4.16                 | 3.10             | 2.48          |
| GGBL                     | 2.13                       | 6.17                     | 6.00                     | 0.17 ▼             | -2.76             | -3.23                   | -         | -                  | 9.59                 | 5.91             | 4.03          |
| GOIL                     | 0.36                       | 0.87                     | 0.85                     | 0.02 ▼             | -2.30             | -4.49                   | 15        | 1.76               | 5.52                 | 3.06             | 0.02          |
| GSR                      | 1.18                       | 2.75                     | 2.75                     | -                  | -                 | -                       | -         | -                  | 1.09                 | 0.01             | 0.03          |
| GWEB                     | 0.002                      | 0.04                     | 0.04                     | -                  | -                 | -                       | -         | -                  | 2.25                 | -0.60            | 2.48          |
| HFC                      | 0.54                       | 1.01                     | 1.09                     | 0.08 ▲             | 7.92              | 13.54                   | 10        | -                  | 2.26                 | 0.99             | 2.10          |
| MLC                      | 0.03                       | 0.38                     | 0.38                     | -                  | -                 | -                       | 11        | 3.95               | 1.66                 | 0.19             | 0.29          |
| PKL                      | 0.003                      | 0.06                     | 0.06                     | -                  | -                 | -                       | -         | -                  | -35.20               | -1.47            | 1.70          |
| PBC                      | 0.14                       | 0.17                     | 0.17                     | -                  | -                 | -                       | 6         | 3.65               | 0.92                 | 1.48             | 0.21          |
| PZ                       | 0.19                       | 0.67                     | 0.66                     | 0.01 ▼             | -1.49             | -16.46                  | -         | -                  | 11.44                | 2.83             | 1.16          |
| SCB                      | 3.99                       | 20.55                    | 20.55                    | -                  | -                 | 37.55                   | 12        | 2.29               | 4.14                 | 0.97             | 1.06          |
| SIC                      | 0.13                       | 0.39                     | 0.40                     | 0.01 ▲             | 2.56              | 2.56                    | 17        | -                  | 1.09                 | 1.09             | 0.92          |
| SPL                      | 0.005                      | 0.04                     | 0.04                     | -                  | -                 | -                       | 7         | -                  | 6.14                 | 1.04             | 0.64          |
| SOGEGH                   | 0.66                       | 1.01                     | 1.18                     | 0.17 ▲             | 16.83             | 57.33                   | 11        | 3.39               | 2.40                 | 2.16             | 3.01          |
| SWL                      | 0.001                      | 0.03                     | 0.03                     | -                  | -                 | -                       | 12        | -                  | 7.65                 | 1.00             | 0.19          |
| TBL                      | 0.09                       | 0.26                     | 0.26                     | -                  | -                 | -25.71                  | 6         | -                  | 2.11                 | 1.90             | 0.01          |
| TOTAL                    | 0.99                       | 5.05                     | 5.25                     | 0.20 ▲             | 3.96              | 3.75                    | 15        | 13.14              | 8.16                 | 0.71             | 0.07          |
| TRANSOL                  | 0.004                      | 0.03                     | 0.03                     | -                  | -                 | -                       | 16        | -                  | 11.50                | -0.70            | 13.71         |
| TLW                      | 47.21                      | 31.00                    | 31.00                    | -                  | -                 | -11.38                  | 24        | -                  | 7.10                 | 5.72             | 11.95         |
| UNIL                     | 1.90                       | 18.10                    | 18.10                    | -                  | -                 | -1.15                   | 47        | 1.41               | 12.68                | 33.26            | 4.84          |
| UTB                      | 0.38                       | 0.48                     | 0.49                     | 0.01 ▲             | 2.08              | 8.89                    | 11        | 4.08               | 0.54                 | 1.10             | 2.64          |
| <b>Depository Shares</b> |                            |                          |                          |                    |                   |                         |           |                    |                      |                  |               |
| AADS                     | 0.09                       | 0.52                     | 0.52                     | -                  | -                 | -                       | -         | 0.17               | -                    | -                | -             |
| <b>Preference Shares</b> |                            |                          |                          |                    |                   |                         |           |                    |                      |                  |               |
| SCB-PREF                 | 0.02                       | 0.52                     | 0.52                     | -                  | -                 | -                       | -         | -                  | -                    | -                | -             |
| <b>ETF</b>               |                            |                          |                          |                    |                   |                         |           |                    |                      |                  |               |
| GLD                      | 0.02                       | 23.00                    | 23.00                    | -                  | -                 | -                       | -         | -                  | -                    | -                | -             |

**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, 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—Societe Generale 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 September 2013 ■ As at June 2013 ■ As at May 2013 ■ As at March 2013 ■ As at December 2012 ■ As at September 2012 ■ As at September 2012 ▲ Price Gainers ▼ Price Decliners