

FEATURE
STARWIN PRODUCTS LIMITED (SPL)

Starwin Products Limited (SPL) was incorporated as Ghana branch of Sterling Products International. The company was initially registered in Ghana in 1960 as Sterling Product Ghana Limited to undertake the production of generic pharmaceutical products acquired from its parent American Pharmaceutical firm under new brand names. In 1976, under the government indigenization program, the company sold 50% of its shares to Ghanaian entrepreneurs. The parent firm was taken over by Kodak in 1987 after which amendments in the operations and management of Sterling Products Ghana Limited led to a change in its name to Starwin Products Limited in 1993.

SPL's authorized business has evolved over the years into the manufacturing and distribution of a variety of pharmaceutical products. Among the company's list of flagship products and brands are Starwins Liver Salt, Paraking Syrup, Starwin Milk of Magnesia, Painoff, Rapinol and Asmadrin.

Over the last five years, SPL has recorded an improved financial performance. From GHS3.09 million in 2009, the Company's Total Revenue grew by over 116.43% to GHS6.68 million in 2013. In relation to SPL's bottom line, the indicator grew from a loss of GHS0.15 million in 2009 to GHS0.48 million in 2011 before declining to GHS0.30 million in 2012. In 2013, the company bounced back with a Net Profit of GHS0.52 million.

SPL has released its un-audited financial statements for the year ended 31st December, 2014 and the results show a mixed performance compared to 2013. The company earned Total Revenue of GHS6.81 million during the year, compared to the GHS6.68 million in 2013. This represents a marginal appreciation of 1.95% in SPL's top line indicator. Cost of Sales and General and Administration Expenses for the period also went up by 14.17% and 199.67% respectively while Net Finance Expenses declined by 29.62% compared to prior year figures. This resulted in a Profit after tax of GHS0.10 million, representing a decline of 80.97% in last year's Net Profit of GHS0.52 million. Consequently, the company's Earnings per share fell from GHS0.0069 in 2013 to GHS0.0013 in 2014.

The price trend of SPL on the Ghana Stock Exchange since its listing in 2004 can best be described as moderate in spite of its relatively low levels of trade volume. The stock initially listed at GHS0.0535 in 2004, after which SPL maintain a steady rise to record an all time high at GHS0.0760 in January 2005 before slipping to close the year at GHS0.0580. Since then, the stock declined to GHS0.0550 in 2006 and further to GHS0.0500 in 2009. Thereafter, the stock remained stable all through 2009 and 2010. In 2011, SPL recorded price fluctuations, bringing the stock price to an all time low of GHS0.0200 and ending the year at GHS0.0300. The equity then rose gradually to GHS0.05 in December 2012 before declining once again to GHS0.02 by 2014 year-end. So far this year, no price change has been recorded as at Friday, 6th February, 2015.

Income Statement

(All figures are stated in thousands of Ghana Cedis)

	2011	2012	2013	2014*
Total Revenue	4,246	4,809	6,678	6,808
Net Profit	477	299	516	98

Balance Sheet Summary

(All figures are stated in thousands of Ghana Cedis)

	2011	2012	2013	2014*
Total Assets	3,731	4,450	5,195	10,284
Total Liabilities	1,389	1,909	2,167	7,157
Total Equity	2,342	2,540	3,028	3,127

Ratios/Statistics

	2011	2012	2013	2014*
Profit Margin (%)	11.24	6.22	7.72	1.44
Return on Assets (%)	12.79	6.73	9.93	0.95
Return on Equity (%)	20.38	11.78	17.03	3.14
Earnings Per Share (GHS)	0.0064	0.0040	0.0069	0.0013
Dividend Per Share (GHS)	0.0140	0.0022	-	-
Net Assets Per Share (GHS)	0.0315	0.0342	0.0408	0.0421
Share price				
High (GHS)	0.05	0.05	0.05	0.04
Low (GHS)	0.02	0.03	0.03	0.02
Close (GHS)	0.03	0.05	0.04	0.02

Investor Ratios

	2013	2014*
Price to Book Value	0.98	0.47
Price Revenue Ratio	0.44	0.22
Price Earnings Ratio	5.76	15.13
Year-to-date Return (%)	-20.00	-50.00

*Unaudited financial statements


Price Information

Year Opening Price (GHS)	Week Opening Price (GHS)	Current Price (GHS)	Weekly Change (GHS)	Weekly Change (%)	Year To Date (%)
01.01.15	02.02.15	06.02.15			
0.2973	0.2945	0.2939	0.0006 ▼	0.20 ▼	1.13 ▼

GHANA STOCK EXCHANGE NEWS

For the week under review, a total of 1,503,920 shares valued at GHS4,255,269.32 were traded on the Ghana Stock Exchange. This shows a drop of 47.38% and 35.38% in last week's Total Trade Volume of 2,857,978 and Total Value of GHS6,585,260.40.

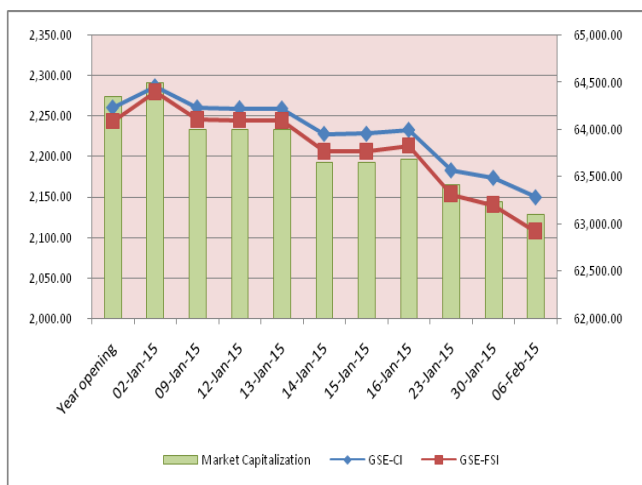
Société Générale Ghana Limited was the period's most active equity with trade of 402,971 shares. PZ Cussons (Ghana) Limited, on the other hand, recorded the least trade of 32 shares.

On account of price declines in some of the heavily weighed equities during the week, the GSE Composite Index (GSE-CI) and the GSE Financial Stocks Index (GSE-FSI) recorded dips in their levels. The GSE-CI fell by 24.15 points, moving from a week opening position of 2,173.95 points to 2,149.80 points. The GSE-FSI also fell by 32.81 points from the previous week's closing position of 2,140.16 points to 2,107.35 points. The respective year-to-date returns of the GSE-CI and the GSE-FSI stood at -4.92% and -6.07% at the end of the week.

The Exchange's capitalization consequently declined from GHS63,233.88 million to GHS63,102.24 million during the period.

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 Stable against Major Trading Currencies

On the interbank market this week, the Ghana Cedi was stable in its interactions against the major trading currencies. As such, the Cedi neither depreciated nor appreciated against the US Dollar, the British Pound, the Euro, the South African Rand and the Japanese Yen.

The year-to-date performance of the local currency thus remains unchanged from that of last week. As at 6th February, 2015, the cedi had recorded a year-to-date depreciation of 1.24%, 2.33% and 3.46% against the Dollar, Rand and Yen respectively while a year-to-date appreciation of 1.44% and 6.28% had been recorded against the Pound and Euro respectively.

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

Table 1 – Summary of Interbank Rates

	Buying		Selling	
	30.01.15	06.02.15	30.01.15	06.02.15
US Dollar	3.2385	3.2385	3.2417	3.2417
Pound	4.8950	4.8950	4.9021	4.9021
Euro	3.6689	3.6689	3.6720	3.6720
Rand	0.2809	0.2809	0.2812	0.2812
Yen	0.0274	0.0274	0.0275	0.0275

Source: Ghana Association of Bankers

Interest Rates

On the money market, the 91-day Treasury bill and the 182-day Treasury bill continued to be the only Government debt securities to record changes in their yields. The 91-day Treasury bill rate went up by 0.0128% while the 182-day Treasury bill rate fell by 0.0078%. The 1-year note and the 2-year fixed rate note continued to transact at 22.5000% and 23.0000% respectively.

Total tenders received for the previous week amounted to GHS1,162.75 million for short term securities and GHS7.68 million for the medium term. Both tenures were sold out during the period.

The total amount to be raised by Government from the issue of short and medium term securities this week is GHS1,060.00 million

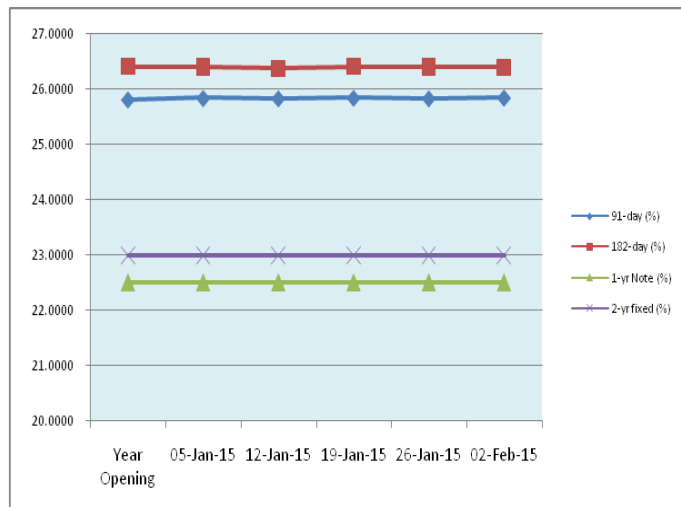
The table below shows the rates for the week under review alongside those of the previous week while the chart displays the trend of the rates so far this year.

Table 2 – Prevailing Interest Rates

Interest Rates (for Weeks Beginning)			
	26.01.15 (% p.a.)	02.02.15 (% p.a.)	Week Change (%)
91 Day	25.8335	25.8463	0.0128 ▲
182 Day	26.4103	26.4025	0.0078 ▼
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

LISTED COMPANIES RELEASE UN-AUDITED FINANCIAL STATEMENTS

The Trust Bank Limited (The Gambia), Benso Oil Palm Plantation, CAL Bank Limited, Fan Milk Limited, SIC Insurance Company Limited, Unilever Ghana Limited, Sam Woode Limited, Starwin Products Limited, Camelot Ghana Limited and IZWE Loans Limited have released their un-audited financial statements for the year ended 31st December, 2014.

PBC Limited has also released its first quarter results for the period ended 31st December, 2014 while Ayrton Drugs Manufacturing Company released its half-year financial statement for the period ended 31st December, 2014.

GSE Press Release: 021-022, 024-033/2015

SIC – INTERDICTION FROM DUTY OF MANAGING DIRECTOR

SIC Insurance Company Limited has informed the Ghana Stock Exchange of the interdiction of its Managing Director. The decision was taken by the Board of SIC at its Emergency Meeting held on January 26, 2015.

The company's board has appointed Mr. Kwei Mensah Ashidam, Deputy Managing Director (Technical) to act as Managing Director.

GSE Press Release: 023/2015

SCB – MARCH 2015 PREFERENCE SHARE DIVIDEND PAYMENT

Standard Chartered Bank Ghana Limited (SCB) has announced a dividend of GHS0.0758 per preference share in respect of the dividend period of six months up to March, 2015.

All preference shareholders registered in the books of the Bank at the close of business on Friday, February 27, 2015 will qualify for the dividend. The register of preference shareholders will be closed from Monday, March 2, 2015 to Wednesday, March 4, 2015 (both dates inclusive).

The dividend will be paid on Monday, March 30, 2015

GSE Press Release: 008/2015

MAC – RESIGNATION AND APPOINTMENT OF DIRECTORS

Mega African Capital (MAC) has announced the resignation of Mr. Kofi Ampim as a Director of the company effective November 26, 2014.

The company has further announced that it has elected Mrs. Rosalyn Darkwa and Mrs. Christine Dowuona-Hammond as new Directors to the Board of the company effective June 5, 2014.

Mrs. Rosalyn Darkwa is a seasoned investment banker with over two decades of experience and proven competence in investment banking, asset management and executive management. Mrs. Christine Dowuona-Hammond is also a Senior Lecturer at the Faculty of Law, University of Ghana. She is currently responsible for teaching Contract Law and Commercial Law and has been involved in Legal Consultancy specializing in Corporate Law, Contract Law and Negotiation and Property Law.

GSE Press Release: 014&019/201

2013 DIVIDEND INFORMATION

Company	Dividend Per Share	Qualifying date	Book Closure	Payment Date
INTERIM DIVIDEND				
EGL	GHS0.020	Oct 1 (2013)	Oct 2 - 3	Nov 4
TOTAL	GHS0.0771	Dec 18 (2013)	Dec 19 - 20	Dec 24
FINAL DIVIDEND*				
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	GHS0.0334	May 7th	May 8-9	June 20
EGL	GHS0.025	May 19th	May 20-22	June 30
SCB	GHS1.15	May23rd	May 26-27	June 30
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	June 25	June 26-28	July 21
CMLT	GHS0.006	July 10	July 11	Aug 15

**All dates for final dividends are in 2014*

2014 DIVIDEND INFORMATION

Company	Dividend Per Share	Qualifying date	Book Closure	Payment Date
PREFERENCE SHARES				
SCB PREF.	GHS 0.0758	Feb. 27 (2015)	Mar. 2 – 4	Mar. 30
INTERIM DIVIDEND				
TBL	43.60 bututs	Oct. 9 (2014)	Oct. 10	Oct. 13
TOTAL	GHS0.0771	Dec. 3 (2014)	Dec. 4 - 11	Dec. 14
EGL	GHS 0.19	Dec. 8 (2014)	Dec. 9 - 10	Dec. 11

Listed Equities	% of Market Capitalization	Week Opening Price (GHS)	Week Closing Price (GHS)	Price Change (GHS)	Weekly Return (%)	Year-to-Date Return (%)	P/E Ratio	Dividend Yield (%)	Return on Assets (%)	Price/Book Value	Price/Revenue
	06.02.15	02.02.15	06.02.15		06.02.15	06.02.15	06.02.15	06.02.15	06.02.15	06.02.15	06.02.15
ACI	0.001	0.02	0.02	-	-	-	-	-	-11.48	0.12	0.16
AGA	23.69	37.00	37.00	-	-	-	-	0.24	-22.74	4.55	1.67
ALW	0.01	0.03	0.03	-	-	50.00	-	-	-3.52	0.13	0.06
AYRTN	0.06	0.18	0.18	-	-	-	74	-	4.94	1.90	3.26
BOPP	0.23	4.11	4.15	0.04 ▲	0.97	1.22	12	0.80	12.64	3.31	4.08
CAL	0.89	1.00	1.03	0.03 ▲	3.00	1.98	6	5.15	5.92	0.89	0.74
CLYD	0.002	0.03	0.03	-	-	-	14	-	1.10	0.01	0.002
CMLT	0.001	0.12	0.12	-	-	-	12	5.00	3.86	0.48	0.21
CPC	0.06	0.01	0.02	0.01 ▲	100.00	-	-	-	-2.68	-7.77	0.66
EBG	3.27	7.30	7.03	0.27 ▼	-3.70	-7.50	7	6.12	1.42	0.32	7.54
EGL	0.33	1.64	1.60	0.04 ▼	-2.44	-8.57	12	2.81	11.47	1.26	0.66
ETI	8.11	0.24	0.24	-	-	-14.29	3	-	1.16	0.66	0.79
FML	0.97	5.25	5.25	-	-	-	40	1.71	21.45	7.98	4.39
GCB	2.10	4.95	4.99	0.04 ▲	0.81	-5.85	5	-	6.73	2.84	2.33
GGBL	1.07	3.20	3.20	-	-	-	-	-	3.77	3.21	3.00
GOIL	0.43	1.08	1.07	0.01 ▼	-0.93	1.90	10	1.50	5.52	3.85	0.03
GSR	0.95	2.34	2.34	-	-	-	55	-	1.09	0.01	0.02
GWEB	0.002	0.03	0.03	-	-	-	-	-	2.25	-0.45	1.86
HFC	0.61	1.49	1.30	0.19 ▼	-12.75	-13.33	4	2.69	3.73	1.02	0.98
MAC	0.06	4.50	4.50	-	-	-	2	-	27.56	1.87	3.83
MLC	0.02	0.27	0.27	-	-	-3.57	-	3.70	-1.31	0.14	0.14
PKL	0.003	0.06	0.06	-	-	-	-	-	-35.20	-1.47	1.70
PBC	0.10	0.11	0.13	0.02 ▲	18.18	8.33	1	-	-2.70	1.58	0.06
PZ	0.06	0.24	0.24	-	-	-20.00	-	-	0.26	1.04	0.53
SCB	3.68	20.08	20.11	0.03 ▲	0.15	-1.18	9	5.72	1.70	1.07	2.24
SIC	0.06	0.25	0.20	0.05 ▼	-20.00	-45.95	7	-	228.66	0.54	0.36
SPL	0.008	0.02	0.02	-	-	-	53	-	8.45	0.53	0.22
SOGEGH	0.56	1.06	1.06	-	-	6.00	5	5.66	2.99	1.83	1.79
SWL	0.001	0.04	0.04	-	-	-	1	-	38.67	0.38	0.08
TBL	0.08	0.24	0.24	-	-	-	50	-	2.94	0.11	0.06
TOTAL	1.09	6.12	6.12	-	-	0.33	22	2.87	10.59	0.79	0.06
TRANSOL	0.004	0.03	0.03	-	-	-	4	-	11.50	-0.70	13.71
TLW	50.29	34.99	34.99	-	-	-	-	-	1.88	5.81	11.95
UNIL	0.94	10.00	9.50	0.50 ▼	-5.00	-11.21	-	-	7.32	18.20	1.84
UTB	0.14	0.21	0.19	0.02 ▼	-9.52	-24.00	7	-	0.73	0.04	0.18
Depository Shares											
AADS	0.08	0.52	0.52	-	-	-	-	-	-	-	-
Preference Shares											
SCB-PREF	0.02	0.58	0.58	-	-	-	-	-	-	-	-
ETF											
GLD	0.02	35.80	35.80	-	-	-	-	-	-	-	-

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

The content in this report represents the views of the analysts and is intended for informational purposes only. It should not therefore be construed as investment advice relating to the purchase or sale of any securities. Information used in the analysis was acquired from sources believed to be accurate. NTHC Limited makes no guarantee, representation or warranty and accepts no legal responsibility or liability for any inaccuracies or misrepresentation contained herein.