

**FEATURE**
**GOLDEN STAR RESOURCES LIMITED (GSR)**

Golden Star Resources Limited was incorporated under the Canadian Business Corporations Act on May 15, 1992. The company was the result of a merger of South American Goldfields Inc. and Golden Star Resources Limited, both incorporated in Canada. In Ghana, GSR has operated since 1999 and in 2008, the company listed its shares on the Ghana Stock Exchange. The company's shares are also listed on the Toronto Stock Exchange and the American Stock Exchange.

GSR is an international gold mining and exploration company which is focused primarily on mining, mine development and gold exploration. Through its subsidiaries, the company owns controlling interests in four significant gold properties in southern Ghana. These are the Bogoso/Prestea gold mines, the Wassa mine, the Prestea Underground and the HBB Properties.

Over the last five years, GSR's financial performance has been quite mixed. From Total Revenues of US\$432.63 million in 2010, the company's indicator increased consistently to a high of US\$550.54 million in 2012 before declining by 15.03% to US\$467.80 million in 2013. In 2014, Revenue declined further to US\$328.92 million. Overall, this signifies a fall of 23.98% in Revenue during the five-year period. In a similar fashion, the company's bottom line has been mixed but with GSR mostly recording losses during the review period. From a Loss position of US\$14.61 million in 2010, GSR recorded a loss of US\$2.50 million in 2011 before returning to profitability in 2012 with a Net Profit of US\$9.70 million. In 2013 and 2014 however, the company again recorded Losses of US\$298.51 million and US\$83.44 million.

GSR has released its financial report for the first six months of the 2015 operational year. Compared to the financial results of the first six months in 2014, the results show a decline in GSR's financial performance. Gold Revenue for the period dipped to US\$142.32 million in 2015 from US\$164.57 million in 2014, representing a 13.52% fall. Cost of Sales of US\$150.94 million and Depreciation and amortization costs of US\$24.76 million resulted in a Mine Operating Loss of US\$33.39 million. This in addition to Total Operating Expenses of US\$50.72 million led to a Loss of US\$84.10 million. Of this figure, Loss attributable to shareholders amounted to US\$74.63 million while Minority Interests accounted for the rest. GSR's Earning per share thus declined from US\$-0.1216 as at June 2014 to US\$-0.3293 as at the end of June 2015.

On the Ghana Stock Exchange, the performance of the equity has been average. After listing at GHS3.10 on 15<sup>th</sup> February 2008, the equity's price was stable till 19<sup>th</sup> January 2010, when it recorded a GHS0.10 decline in price. It declined further to GHS2.70 but climbed upwards until it hit its all-time high of GHS6.10 on 10<sup>th</sup> November, 2010. Thereafter, the equity's price gradually declined to GHS2.75 by 2011 year-end and remained unchanged during 2012 and 2013. In 2014, GSR witnessed a GHS0.41 fall in price to end the year at GHS2.34. The declining trend continued into the year 2015 and so far a price fall of GHS0.35 has been recorded. Currently, GSR is trading at GHS1.99.

**Income Statement**

(All figures are stated in thousands of US Dollars)

	2012*	2013	2014	2015 Q2
Revenue	550,540	467,796	328,915	142,315
Total Operating Expenses	523,082	778,641	412,610	226,416
Operating Profit	27,458	(310,845)	(83,695)	(84,101)
Net Profit(Loss)	9,702	(298,514)	(83,441)	(84,101)

\*Financial statement figures for 2012 have been restated.

**Balance Sheet Summary**

(All figures are stated in thousands of US Dollars)

	2012*	2013	2014	2015 Q2
Total Assets	656,295	325,743	258,053	199,317
Total Liabilities	328,119	299,041	312,246	336,730
Total Equity	328,176	26,702	(54,193)	(137,413)

**Ratios/Statistics**

	2012	2013	2014	2015 Q2
Profit Margin (%)	1.76	-63.81	-25.37	-59.09
Return on Assets (%)	1.48	-91.64	-32.33	-42.19
Return on Equity (%)	2.96	-1,117.95	n/m	n/m
Group EPS (US\$)	0.0380	-1.1687	-0.3267	-0.3293
Equity Holders EPS (US\$)	0.0281	-1.0410	-0.2861	-0.2922
Dividend Per Share ((US\$)	-	-	-	-
Net Assets Per Share (US\$)	1.2848	0.1045	-0.2122	-0.5380
Share price				
High (GHS)	2.75	2.75	2.75	2.34
Low (GHS)	2.75	2.75	2.34	1.99
Close (GHS)	2.75	2.75	2.34	1.99

n/m = not meaningful

**Investor Ratios**

	2014	2015 Q2
Price to Book Value	-11.03	-3.70
Price Revenue Ratio	1.82	3.57
Price Earnings Ratio	-7.16	-6.04
Year-to-date Return (%)	-14.91	-14.96


**Price Information**

Year Opening Price (GHS)	Week Opening Price (GHS)	Current Price (GHS)	Weekly Change (GHS)	Weekly Change (%)	Year To Date (%)
01.01.15	10.08.15	14.08.15			
0.2973	0.3032	0.2994	0.0038 ▼	0.01 ▼	0.73 ▲

## GHANA STOCK EXCHANGE NEWS

The week under review recorded a decline in market activity on the Ghana Stock Exchange. In all, 415,057 shares were traded for a total consideration of GHS757,374.28 representing a 80.31% and a 35.24% drop for total volume of 2,108,357 shares and total trade value of GHS1,169,527.21 recorded for last week.

CAL Bank Limited was the most active equity for the week with a total trade of 101,960 shares representing 24.57% of the week's total volume of trade. PBC Limited, on the other hand, was the least traded equity with 200 shares.

The performance of the market, as measured by both the GSE Composite Index (GSE-CI) and the GSE-Financial Stocks Index (GSE-FSI), declined during the week. From a week opening position of 2,175.30 points, the GSE-CI shed 26.53 points to close the week at 2,148.77 points while the GSE-FSI lost 45.54 points moving from 2,205.09 points to 2,159.55 points. The year-to-date returns of the GSE-CI and GSE-FSI at the end of the week were -4.96% and -3.75% respectively.

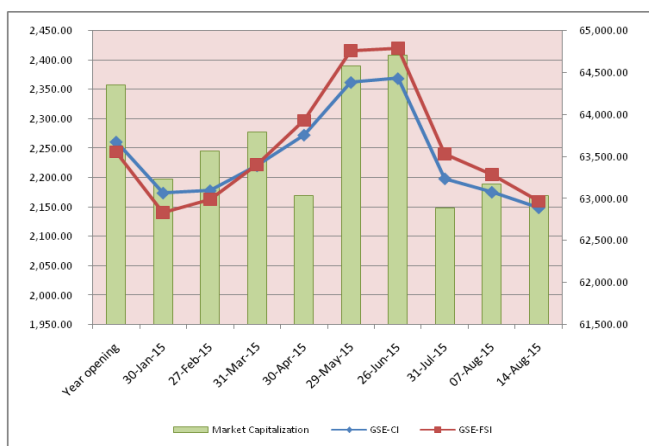
Consequently market capitalization decreased by GHS137.76 million from GHS63,173.41 million to GHS63,035.65 million. This was on account of price falls in highly weighted equities such as Ecobank Ghana Limited and Standard Chartered Bank Ghana Limited during the period.

The table below summarizes key trading results while the graph below shows the trend in the GSE Composite Index, GSE Financial Stocks Index and Market capitalization since the beginning of the year.

Table 1 – GSE Statistics

GSE Statistics as at 14.08.15		
Total Volume of Trade	415,057	
Total Value of Trade (GHS)	757,374.28	
Market Capitalisation (GHS' m)	63,035.65	
Indices	GSE-CI	GSE-FSI
- Value (points)	2,148.77	2,159.55
- Year-to-date Return (%)	-4.96	-3.75

Chart 1 – Trend of Market Indicators



## MONEY MARKET NEWS

### Cedi Depreciates Against Major Trading Currencies

The week's foreign currency market interactions saw the Ghana cedi lose ground to the five major trading currencies. The local currency lost 2.00% to the US Dollar, 2.25% to the British Pound, 2.76% to the Euro, 1.50% to the South Africa Rand and 1.48% to the Japanese Yen.

On year-to-date basis, the cedi has so far depreciated against the Dollar, Pound, Euro, Rand and the Yen by 15.73%, 15.90%, 6.76%, 7.42% and 12.69% respectively.

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

Table 2 – Summary of Interbank Rates

	Buying		Selling	
	07.08.15	14.08.15	07.08.15	14.08.15
US Dollar	3.7195	3.7953	3.7232	3.7991
Pound	5.7719	5.9043	5.7784	5.9122
Euro	4.0662	4.1818	4.0699	4.1853
Rand	0.2920	0.2964	0.2921	0.2966
Yen	0.0299	0.0303	0.0299	0.0304

Source: Ghana Association of Bankers

### Yields

Transactions on the money market during the week under review ended with increases in the rates on the 91 and 182-day Treasury bills. The 91-day Treasury bill went up by 0.0140% to 25.2150% while the 182-day Treasury bill went up by 0.0550% to 25.8931%. Rates on the 1-Year Note and the 2-Year Fixed Note remained at 22.5000% and 23.0000% respectively.

Total tenders received last week amounted to GHS815.90 million for short term securities and GHS1.14 million for medium term securities. Both securities were sold out.

Government expects to raise an amount of GHS925.00 million from both short and medium term securities this week.

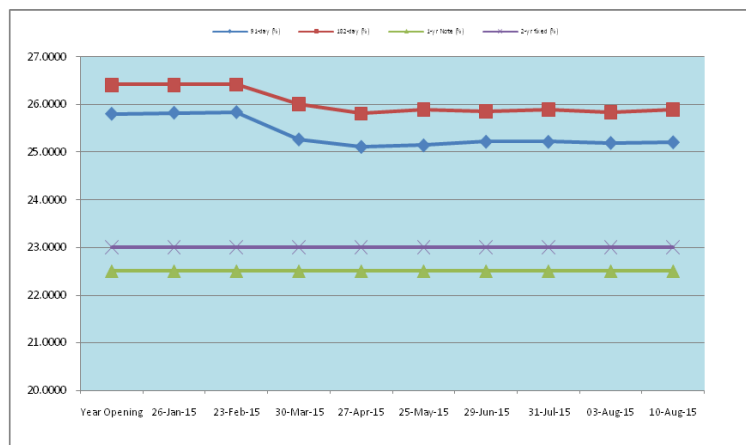
The table below shows the rates for the week under review alongside those of the previous week while the chart displays the trend of the rates so far this year.

Table 3 – Prevailing Interest Rates

Interest Rates (for Weeks Beginning)			
	03.08.15 (% p.a.)	10.08.15 (% p.a.)	Week Change (%)
91 Day	25.2010	25.2150	0.0140 ▲
182 Day	25.8381	25.8931	0.0550 ▲
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

### ESTABLISHMENT OF GHANA FIXED INCOME MARKET

A number of key stakeholders in Ghana's financial market have collaborated to set up the Ghana Fixed Income Market (GFIM). These stakeholders include the Bank of Ghana, The Ghana Stock Exchange (GSE), the Central Securities Depository Ghana Limited (CSD), the Ghana Association of Bankers (GAB), ACI Ghana and Licensed Dealing Members (LDM) of the Ghana Stock Exchange.

The objective of GFIM is to provide a fair, orderly, transparent and efficient market for all fixed income and similar securities as well as bring secondary trading activities in fixed income securities and other similar securities and to provide a market for the secondary trading of such securities.

Relating to securities, all Government of Ghana treasury bills, notes and bonds and Bank of Ghana money market instruments are to be admitted and traded on the GFIM. In addition, quasi-Government of Ghana institutions' money market instruments, notes and bonds; corporate notes and bonds; municipal and/or metropolitan bonds; supra-national bonds; repos; and other fixed income or money market securities may be admitted and traded on the GFIM.

Trading on the GFIM would be limited to entities licensed by the Securities and Exchange Commission to deal in securities (dealers) and in addition authorized by the Bank of Ghana as a primary dealer or licensed by the Bank of Ghana as a bank or licensed by the Ghana Stock Exchange as an LDM. The Bank of Ghana, for monetary policy purposes, is permitted to deal in Government of Ghana and Bank of Ghana securities listed of the GFIM.

In terms of Infrastructure, secondary trading of securities on the GFIM will be by way of an electronic trading and market surveillance system provided by Bloomberg L. P. Cash settlement of trades will be done through the Bank of Ghana while securities settlement will be done at the CSD.

For governance, the GFIM will be governed by an eleven-member governing committee to be chaired by the first deputy governor of the Bank of Ghana. There will be representatives from GSE, CSD, GAB, ACI Ghana, the Ghana Securities Industry Association and the Bank of Ghana and the Debt Management Division of the Ministry of Finance on the committee.

Trading of fixed income securities on GFIM is expected to commence by the end of June 2015.

*GSE Press Release: 187/2015*

### EGL – RESIGNATION OF A DIRECTOR

Enterprise Group Limited (EGL) has announced the resignation of Mr. Ken Ofori-Atta from the Board of the company effective June 30, 2015.

*GSE Press Release: 225/2015*

## 2013 DIVIDEND INFORMATION

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
<b>TOTAL</b>	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	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
<b>TOTAL</b>	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
<b>PREFERENCE SHARES</b>				
SCB PREF.	GHS 0.0758	Feb. 27 (2015)	Mar. 2 – 4	Mar. 30
SCB PREF.	GHS 0.0762	Aug. 28 (2015)	Aug. 31 – Sep. 2	Mar. 30
<b>INTERIM DIVIDEND</b>				
TBL	43.60 bututs	Oct. 9 (2014)	Oct. 10	Oct. 13
<b>TOTAL</b>	GHS 0.0771	Dec. 3 (2014)	Dec. 4 - 11	Dec. 14
EGL	GHS 0.19	Dec. 8 (2014)	Dec. 9 - 10	Dec. 11
<b>FINAL DIVIDEND</b>				
CAL	GHS 0.081	Mar. 23 (2015)	Mar. 24 - 26	Apr. 30
MAC	GHS 0.05	Apr. 7 (2015)	Apr. 8 - 10	May 7
GCB	GHS 0.32	May 15 (2015)	May 18 - 21	June 22
HFC	GHS 0.06	Apr. 22 (2015)	Apr. 23 - 24	May 22
EBG	GHS 0.79	Apr. 24 (2015)	Apr. 27 – May 6	May 21
BOPP	GHS 0.0706	May 7 (2015)	May 8	Jun. 18
FML	GHS 0.09	May 4 (2015)	May 5 - 6	Jun. 1
TBL	30 Bututs	May 4 (2015)	May 5	May 12
GOIL	GHS 0.02	May 6 (2015)	May 7 - 8	
SCB	GHS 0.35	May 15 (2015)	May 18 - 19	June 30
EGL	GHS 0.025	June 16 (2015)	June 17 - 18	July 28

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
	14.08.15	10.08.15	14.08.15		14.08.15	14.08.15	14.08.15	14.08.15	14.08.15	14.08.15	14.08.15
ACI	0.001	0.01	0.01	-	-	-50.00	-	-	-11.48	0.06	0.08
AGA	23.70	37.00	37.00	-	-	-	-	-	-22.74	4.55	3.35
ALW	0.02	0.06	0.06	-	-	200.00	-	-	-3.52	0.26	0.11
AYRTN	0.06	0.18	0.18	-	-	-	-	-	4.94	1.90	3.26
BOPP	0.23	4.20	4.20	-	-	2.44	17	1.68	12.64	3.35	4.12
CAL	0.86	0.99	0.99	-	-	-1.98	4	8.18	5.92	0.86	0.71
CLYD	0.002	0.03	0.03	-	-	-	47	-	1.10	0.01	0.002
CMLT	0.001	0.12	0.12	-	-	-	-	-	3.86	0.48	0.21
CPC	0.06	0.02	0.02	-	-	-	-	-	-2.68	-7.77	0.66
EBG	3.77	8.14	8.10	0.04 ▼	-0.49	6.58	6	9.75	1.42	0.37	8.68
EGL	0.42	2.00	2.02	0.02 ▲	1.00	15.43	11	10.64	11.47	1.59	0.83
ETI	11.45	0.30	0.30	-	-	7.14	4	-	1.16	1.65	1.99
FML	1.09	5.85	5.91	0.06 ▲	1.03	12.57	13	1.52	21.45	8.99	4.94
GCB	1.74	4.15	4.13	0.02 ▼	-0.48	-22.08	4	7.75	6.73	2.35	1.93
GGBL	0.92	2.74	2.74	-	-	-14.38	-	-	3.77	2.75	2.57
GOIL	0.68	1.61	1.69	0.08 ▲	4.97	60.95	12	1.18	5.52	6.08	0.05
GSR	0.81	1.99	1.99	-	-	-14.96	-	-	1.09	0.01	0.04
GWEB	0.001	0.02	0.02	-	-	-33.33	-	-	2.25	-0.30	1.24
HFC	0.59	1.40	1.25	0.15 ▼	-10.71	-16.67	6	4.80	3.73	0.98	0.94
MAC	0.08	5.50	5.50	-	-	22.22	2	0.91	27.56	2.28	4.68
MLC	0.01	0.17	0.17	-	-	-39.29	1	-	-1.31	0.09	0.09
PKL	0.003	0.05	0.05	-	-	-16.67	-	-	-35.20	-1.23	1.41
PBC	0.09	0.12	0.12	-	-	-	-9	-	-2.70	1.46	0.05
PZ	0.09	0.35	0.34	0.01 ▼	-2.86	13.33	-	-	0.26	1.48	0.75
SCB	3.21	18.79	17.53	1.26 ▼	-6.71	-13.86	14	2.00	1.70	0.93	1.95
SIC	0.05	0.15	0.17	0.02 ▲	13.33	-54.05	3	-	228.66	0.45	0.31
SPL	0.01	0.03	0.03	-	-	50.00	15	-	8.45	0.80	0.33
SOGEGH	0.50	0.78	0.85	0.07 ▲	8.97	-15.00	11	-	2.99	1.47	1.44
SWL	0.001	0.04	0.04	-	-	-	8	-	38.67	0.38	0.08
TBL	0.10	0.32	0.32	-	-	33.33	5	-	2.94	0.15	0.09
TOTAL	0.96	5.35	5.40	0.05 ▲	0.93	-11.48	10	1.43	10.59	0.70	0.06
TRANSOL	0.004	0.03	0.03	-	-	-	-	-	11.50	-0.70	13.71
TLW	47.48	33.00	33.00	-	-	-5.69	-	-	1.88	5.48	11.27
UNIL	0.73	7.30	7.36	0.06 ▲	0.82	-31.21	9	-	7.32	14.10	1.42
UTB	0.10	0.15	0.14	0.01 ▼	-6.67	-44.00	6	-	0.73	0.03	0.14
<b>Depository Shares</b>											
AADS	0.08	0.52	0.52	-	-	-	-	-	-	-	-
<b>Preference Shares</b>											
SCB-PREF	0.02	0.69	0.69	-	-	18.97	-	-	-	-	-
<b>GAX</b>											
SAMBA	0.01	0.73	0.73	-	-	-	-	-	-	-	-
MMH	0.02	0.11	0.11	-	-	-	-	-	-	-	-
HORDS	0.01		0.06	-	-	-	-	-	-	-	-
<b>ETF</b>											
GLD	0.03	47.00	47.00	-	-	31.28	-	-	-	-	-
<b>Key</b> 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, SFI—Savin Products Ltd, SICEC—Société Générale Ghana Ltd, SMI—Sam Wanda Ltd, TBL—Trust Bank (The Gambia) Ltd, TOTAL—Total Petroleum Ghana Ltd, TRANCOI—Transaction Solutions Ghana Ltd, UNIL—Unilever Ghana Ltd, UTB—UT Bank Ltd, AADS—AadaGold											
<span style="color:blue">■</span> As at December 2013 <span style="color:purple">■</span> As at September 2013 <span style="color:blue">■</span> As at May 2013 <span style="color:blue">■</span> As at March 2013 <span style="color:green">■</span> As at December 2012 <span style="color:red">■</span> As at September 2012 <span style="color:green">▲</span> Price Gainers <span style="color:red">▼</span> Price Decliners											
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