

Analysis on ZYXH

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Two approaches to analyze

- Fundamental Analysis (Our choice)
- Technical Analysis

1. Economical Analysis

- Yu'eobao and Central Bank.
- Decline of China Yuan
- Stable GDP increase.

2. Industry Analysis

- Medicine is one of the few strong industries in such downturn stock market. By an article published March 27th, Medicine index rises 4.18%
- Since the Health Care Reform could have a long way to go, we can predict that the benefit to Medicine industry will be constant in the foreseeable future.

Competitions

估值比较

排名	代码	简称	PEG	市盈率					市销率				
				12A	TTM	13E	14E	15E	12A	TTM	13E	14E	15E
>55	600645	中源协和	--	641.84	-2,565.56	--	--	--	19.42	25.28	--	--	--
行业平均			-2.78	28.69	38.42	85.84	66.85	66.85	2.19	2.90	6.15	5.05	4.19
行业中值			1.68	51.20	45.34	43.73	33.86	24.91	4.44	6.18	6.56	5.19	4.16
1	600285	羚锐制药	0.69	79.27	32.75	30.89	36.23	24.69	3.85	5.08	4.67	3.59	2.87
2	002422	科伦药业	0.80	17.72	16.47	15.60	12.70	10.10	4.57	2.98	2.78	2.23	1.82
3	002001	新 和 成	0.84	16.48	20.02	14.35	11.00	8.65	3.76	3.70	3.51	2.86	2.36
4	600351	亚宝药业	0.96	46.65	33.11	36.05	26.10	19.16	2.92	3.40	3.25	2.65	2.16
5	000538	云南白药	0.98	35.97	25.66	25.18	22.28	17.86	3.45	3.71	3.52	2.99	2.58

- From the above tables we can clearly see that ZYXH perform really bad compared with its competitors.

Fundamental Analysis

- Evaluate the financial condition and operating results of a specific company
- The value of a stock is influenced by the financial performance of the company that issued the stock.

Financial Report

每股指标	13-09-30	13-06-30	13-03-31	12-12-31	12-09-30	12-06-30	12-03-31	11-12-31	11-09-30
基本每股收益(元)	0.0113	0.0154	-0.0230	-0.0140	0.0129	0.0314	0.0120	0.0206	0.0196
每股净资产(元)	0.4545	0.4428	0.4300	0.4508	0.4730	0.5240	0.4920	0.4800	0.4590
每股公积金(元)	0.0004	--	--	--	0.0010	0.0648	0.0648	0.0648	0.0648
每股未分配利润(元)	-0.6171	-0.6285	-0.6439	-0.6204	-0.5995	-0.6124	-0.6438	-0.6562	-0.6768
每股经营现金流(元)	0.1276	0.0582	-0.0090	-0.1425	0.1311	0.2081	0.0200	0.1325	-0.0017

Problem: Nearly zero earnings been made per share

$$\text{CurrentRatio} = \frac{\text{CurrentAssets}}{\text{CurrentLiabilities}} < 1$$

Current assets smaller than current liabilities

Regularly, this ratio should be approximately 2 if a firm perform well. The lower the ratio, the more serious the liability problem the firm has.

○ 百分比报表

指标	2013-09-30	金额(元)	占比
总资产		13.4亿	100%
流动资产		7.63亿	57.12%
货币资金		6.15亿	46.05%
应收账款		5900万	4.42%
存货		2728万	2.04%
预付账款		1543万	1.15%
非流动资产		5.73亿	42.88%
固定资产		1.99亿	14.88%
无形资产		9181万	6.87%
长期待摊费用		1.31亿	9.77%
金融资产		--	--
总负债金额		10.3亿	100%
流动负债		10.3亿	99.72%
非流动负债		287万	0.28%

$$NWC = CA - CL$$

NWC = Net Working Capital

CA = Current Assets

CL = Current Liabilities

Net Working Capital is negative.

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$$\text{Inventory Turnover} = \frac{\text{Sales}}{\text{Inventory}} = 2.16$$

Intuitively, this ratio must be relatively large. Again this seems not good.

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Price to Book Ratio

$$\begin{aligned} \text{bookValue} &= \frac{\text{Equity}}{\text{NumberOfShares}} \\ &= 3.1 \times 10^8 / 34929 \times 10^4 = 0.8875 \end{aligned}$$

$$P / B = \frac{\text{stockprice}}{\text{bookvalue}} = 25.54 / 0.8875 = 28.777$$

Now with this obvious result one can claim that ZYXH is nothing but a bubble.

Thank you!