

WEEKLY MARKET WATCH

SIC-FSL INVESTMENT RESEARCH | MARKET REVIEWS | GHANA

26th November, 2015



STOCK MARKET

INDICATORS	WEEK OPEN	WEEK END	CHANGE
Market Capitalization (GH¢ million)	61,570.65	57,186.03	-7.12%
Market Capitalization (US\$ million)	16,265.30	15,070.37	-7.35%
Volume traded (shares)	2,773,736.00	2,485,019.00	-10.41%
Value Traded (GH¢)	3,421,995.32	4,968,458.31	45.19%
Value Traded (US\$)	903,998.34	1,309,349.68	44.84%

Table 1: Market Summary

INDEX ANALYSIS

INDICATORS	Closing Level	Week Change	YTD CHANGE
GSE Composite Index	1,975.66	0.31%	-12.62%
SIC-FSL Top 15 Index	3,755.42	0.34%	-4.76%
GSE Financial Stocks Index	1,910.88	0.59%	-14.83%

Table 2: Key Stock Market Indices

LIQUIDITY

In spite of improved market performance, total shares traded fell behind the previous week's figure by 10.41% following the exchange of 2.49 million shares. However, corresponding value traded was 45.19% better because of activities in higher priced equities. In all, a total of GH¢4.97 million traded in terms of value.

Market activities were largely skewed towards financial stocks, as the sector recorded 95.85% of volume traded and 95.04% of value traded.

Enterprise Group Limited (EGL) emerged the best traded stock in both volume and value last week. EGL accounted for 1.21 million of shares traded which translated into GH¢2.91 million, representing 48.55% and 58.52% of both volume and value of shares traded respectively.

ACCRA BOURSE PERFORMS BETTER

Performance of the Ghana Stock Exchange (GSE) was better last week, with gainers outperforming laggards. Except, Tullow Oil Plc's (TLW) which witnessed a downward price movement, all the other seven (7) price movers were gainers. Shares of Enterprise Group Limited (EGL), Benso Oil Palm Plantation (BOPP), Standard Chartered Bank (SCB) and GCB Bank impacted the market most.

In effect, the GSE Composite Index (GSE-CI) which tracks the performance of the broader market went up to 1,975.66 points, representing a year-to-date loss 12.62% down from the previous week's level of 12.89%. Similarly, the GSE Financial Stocks Index (GSE-FSI) and the SIC-FSL Top-15 Index also reduced their year-to-date losses to 14.83% and 4.76% from the previous week's losses of 15.33% and 5.08% respectively.

On the contrary, the composite value of listed companies (market capitalization) on the Exchange dropped from GH¢61.57 billion, to GH¢57.19 billion due to a decline in the "big cap" stock Tullow Oil Plc, hence, the corresponding decline in dollar value of 7.35% to USD 15.07 billion.

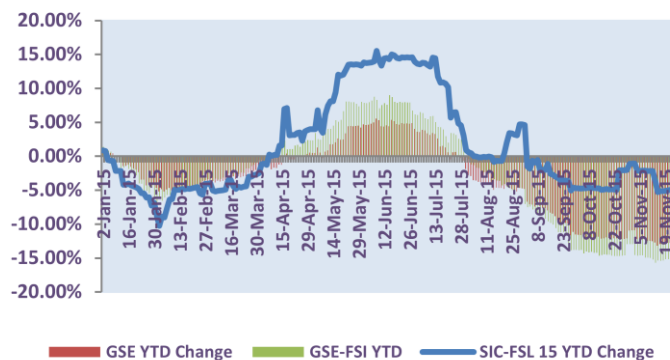


Fig 1: Year-to-date returns

MARKET MOVERS

EGL's impressive results inspires share performance

Impressive third quarter (Q3'15) results released by Enterprise Group Limited (EGL) appeared to have accounted for the company's improved share performance on the Exchange last week. Investors bid-up the share price of the oldest insurer; Enterprise Group Limited (EGL) by 21-pesewas to settle at GH¢2.41 a share last Thursday.

EGL's posted a Q3'15 growth in revenue of 41%, from the GH¢201.41 million in Q3'14 to GH¢284.62 million in Q3'15. The company's net profit grew to GH¢33.32 million in Q3'15 from GH¢21.91 million the same period last year.

Most industry players attributed the sterling results to the prudent management especially in the face of the challenging business environment, hence the increase demand for the company's shares.

Investors bid-up BOPP's share price

In spite of the poor results released by Benso Oil Palm Plantation Limited (BOPP) impacting negatively on its share performance on the Exchange in recent times, the stock bounced back strongly last week after investors whip-up the price to GH¢2.88 per share. This represented 2.86% increase in nominal value compared to the previous week's share price of GH¢2.80 a share.

The improve performance could be linked to the high demand for BOPP's shares on the market following the current low price-tag of Agri-business stock. At the current price, BOPP is still trading below the average price of GH¢4.15 a share this year and the year-open price of GH¢4.10 per share. Perhaps, supporting the sudden increase in demand for the company's shares

STOCK TICKER	Wk Open	Wk End	Change	% change
BOPP	2.80	2.88	0.08	2.86%
CAL	0.79	0.80	0.01	1.27%
EGL	2.20	2.41	0.21	9.55%
GCB	3.74	3.76	0.02	0.53%
GOIL	1.37	1.38	0.01	0.73%
SCB	16.30	16.35	0.05	0.31%
UNIL	7.87	7.88	0.01	0.13%

Table 3: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
TLW	32.89	28.00	-4.89	-14.87%

Table 4: Laggards for the week

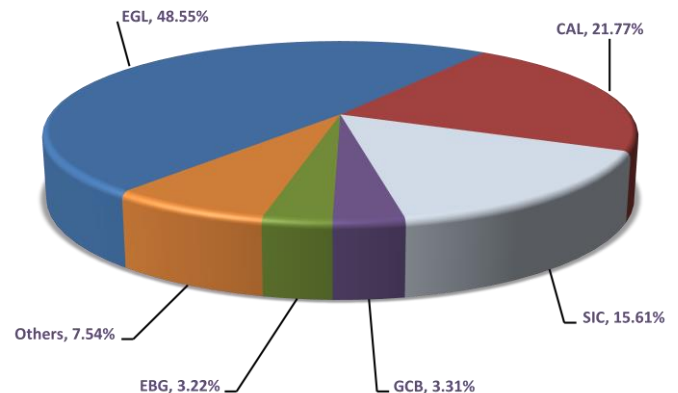


Fig 2: Top 5 most liquid equities with respect to volume traded

CORPORATE NEWS

GUINNESS GHANA BREWERY LIMITED (GGBL) ADJUDGED BEST BUSINESS COMPANY IN THE SECTOR: GGBL has been adjudged the best business in Ghana's beverage sector during the Ghana Industry Award which was organized by the Association of Ghana Industries.

The company was recognized for the show of resilience despite the challenges in the business environment to provide quality products, create employment opportunities to over seven hundred Ghanaians coupled with skills development, technology transfer and sustainable community investment such as sourcing local raw materials for the production of its products according to the organizers.

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 26/11/2015 (GH¢)	YTD Gain/Loss (%)
African Champion Industries Ltd.	ACI	0.02	0.02	0.00%
AngloGold Ashanti Ltd.	AGA	37.00	37.00	0.00%
Aluworks Limited	ALW	0.02	0.08	300.00%
Ayrton Drug Manufacturing Ltd.	AYRTN	0.18	0.18	0.00%
Benso Oil Palm Plantation	BOPP	4.10	2.88	-29.76%
Cal Bank Ltd	CAL	1.01	0.80	-20.79%
Clydestone (Ghana) Ltd.	CLYD	0.03	0.02	-33.33%
Camelot Ghana Ltd.	CMLT	0.12	0.12	0.00%
Cocoa Processing Co. Ltd.	CPC	0.02	0.02	0.00%
Ecobank Ghana Ltd.	EBG	7.60	7.12	-6.32%
Enterprise Group Limited	EGL	1.75	2.41	37.71%
Ecobank Transnational Inc.	ETI	0.28	0.28	0.00%
Fan Milk Ltd.	FML	5.25	7.35	40.00%
Ghana Commercial Bank Ltd.	GCB	5.30	3.76	-29.06%
Guinness Ghana Breweries Ltd.	GGBL	3.20	2.00	-37.50%
Ghana Oil Company Limited	GOIL	1.05	1.38	31.43%
Golden Star Resources Ltd.	GSR	2.34	1.99	-14.96%
Golden Web Ltd.	GWEB	0.03	0.02	-33.33%
HFC Bank (Ghana) Ltd.	HFC	1.50	0.78	-48.00%
Mega Africa Capital Ltd	MAC	4.50	5.50	22.22%
Mechanical Lloyd Co. Ltd.	MLC	0.28	0.15	-46.43%
Pioneer Kitchenware Ltd.	PKL	0.06	0.05	-16.67%
Produce Buying Company Ltd.	PBC	0.12	0.10	-16.67%
PZ Cussons Ghana Ltd.	PZ	0.30	0.34	13.33%
Standard Chartered Bank (GH) Ltd.*	SCB	20.35	16.35	-19.66%
SIC Insurance Company Ltd.	SIC	0.37	0.13	-64.86%
Starwin Products Ltd.	SPL	0.02	0.03	50.00%
Societe Generale Ghana Limited	SOGEGH	1.00	0.80	-20.00%
Sam Woode Ltd.	SWL	0.04	0.04	0.00%
Trust Bank Ltd. (The Gambia)	TBL	0.24	0.37	54.17%
Total Petroleum Ghana Ltd.	TOTAL	6.10	5.30	-13.11%
Transaction Solutions (Ghana) Ltd.	TRANSOL	0.03	0.03	0.00%
Tullow Oil Plc	TLW	34.99	28.00	-19.98%
Unilever Ghana Ltd.	UNIL	10.70	7.88	-26.36%
UT Bank	UTB	0.25	0.10	-60.00%
AngloGold Ashanti Depository Shares	AADS	0.52	0.52	0.00%
Standard Chartered Bank Preference shares	SCB PREF	0.58	0.69	18.97%
NewGold Exchange Traded Fund	GLD	35.80	39.95	11.59%
Samba Foods Ltd	SAMBA	0.73	0.73	0.00%
Meridian Marshalls Holding Company	MMH	0.11	0.11	0.00%
Hords Limited	HORDS	0.05	0.08	60.00%

Table 5: Performance of listed equities from year open

CURRENCY MARKET

EXCHANGE RATES	BUYING	SELLING	YTD CHANGE
USDGHS	3.7927	3.7965	18.58% ▼
GBPGHS	5.7308	5.7373	15.16% ▼
EURGHS	4.0270	4.0307	3.41% ▼

Table 6: Inter-bank indicative rates

▲ year-to-date appreciation ▼ year-to-date depreciation

Dollars versus Cedi

Corporate demand for the greenback outstripped available supply, extending the Cedi's annual loss suffered against the Dollar.

The Cedi thus fell 0.24% versus the greenback in wholesale trading last week as investors sought for safer haven currencies like the American Dollar.

A Dollar was being exchanged between GH¢3.79 and GH¢3.80 within the Banks last Thursday.

Euro wanes on growing expectations

The shared currency lost footing on the global front as expectations grew that the European Central Bank would introduce wide spread monetary accommodation measures when it makes its policy announcement.

The European Union economic recovery remains uncertain as German and French fundamentals remain subdued.

The Euro suffered same fate on Ghana's currency market as it was bought at GH¢4.0270 and sold for GH¢4.0307, this represented a decline in annual yield to 3.41%.

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CEDI CONTINUES TO TRIM ITS ANNUAL LOSS

Commercial banks last week priced the Cedi 0.22% higher than they did a week ago, making the Cedi record its sixth consecutive win on the inter-bank market last Thursday.

The Cedi was up against the Pound and the Euro, whereas the Dollar remained resilient against it.

Consequently, the local currency trimmed down its year-to-date loss from 13.44% to 13.19%

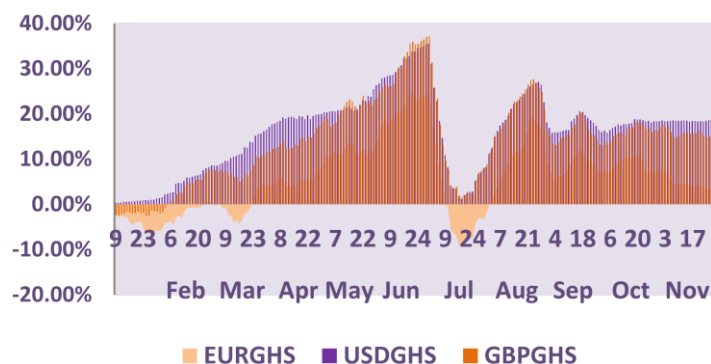


Fig 3: YTD performance of Pound, Dollar & Euro versus the Cedi

Pound fails to recoup gains

Despite the positive growth forecasts from UK Chancellor Osborne on UK's economy, the British Pound witnessed a decline in value on the international market.

The UK Treasury revised upwards its GDP growth forecasts for 2016 to 2.4% while easing some of the Government spending cuts and dropping a plan to scrap some benefits for low-earners.

Similarly, the Pound depreciated by 0.91% among the Banks in the week under review as inter-bank activities reflected international events.

As a result, the annual return of the Pound decreased to 15.16% on Thursday.

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