

WEEKLY MARKET WATCH

SIC-FSL INVESTMENT RESEARCH | MARKET REVIEWS | GHANA

13th July, 2017



Address: No. 67A & B Switchback Road,
 Email: research@sic-fsl.com
 Website: www.sic-fsl.com
 Phone: +233-302-767-051
 +233-302-767-123

STOCK MARKET

INDICATORS	WEEK OPEN	WEEK END	CHANGE
Market Capitalization (GH¢million)	59,535.65	60,122.14	0.99%
Market Capitalization (US\$million)	13,640.89	13,794.23	1.12%
Volume traded (shares)	2,579,213.00	1,380,362.00	-46.48%
Value Traded (GH¢)	2,097,237.45	7,503,011.24	257.76%
Value Traded (US\$)	480,521.81	1,721,466.39	258.25%

Table 1: Market Summary

INDEX ANALYSIS

INDICATORS	Closing Level	Week Change	YTD CHANGE
GSE Composite Index	2,037.35	3.07%	20.62%
SIC-FSL Top 15 Index	3,316.50	3.86%	27.17%
GSE Financial Stocks Index	1,899.29	3.39%	22.90%

Table 2: Key Stock Market Indices

LIQUIDITY

A total of 1.38 million shares traded last week, representing 46.48% decline over the previous week's figure. On the contrary, corresponding value jumped from the GH¢2.10 million to GH¢7.50 million because of activities in comparatively higher-priced equities. In all, twenty-three (23) equities were active in last week's trading which were comprised of twenty-one (21) listed companies on the GSE, one (1) equity on the Ghana Alternative Market (GAX) and one (1) depository shares.

Market activities were skewed towards the financial stocks, as the sector contributed 76.61% and 85.64% of both volume and value of shares traded.

GCB Bank Limited (GCB) was the most traded stock last week, accounting for 18.71% of the total market volume. However, Standard Chartered Bank Limited (SCB) recorded the highest value of GH¢4.43 million, representing a rise of 59.07% over the previous week's figure.

ACCRA BOURSE BOOMS

The excitement on the Ghana Stock Exchange (GSE) increased as key performance indicators strengthened further last week. Shares of Standard Chartered Bank Limited (SCB), Fan Milk Limited (FML), HFC Bank (Ghana) Limited (HFC) and Access Bank Ghana Plc (ACCESS) supported the upward course.

The yields on the GSE-Composite Index (GSE-CI), the GSE Financial Stocks Index (GSE-FSI) and the SIC-FSL Top 15 liquid Index (T-15 Index) improved from their previous week year-to-date gains of 17.03%, 18.87% and 22.44% to settle at returns of 20.62%, 22.90% and 27.17% respectively.

Total market capitalization on the GSE went up from the GH¢59.54 billion to GH¢60.12 billion, whilst an equivalent dollar value also appreciated by 1.12% to USD13.79 billion.

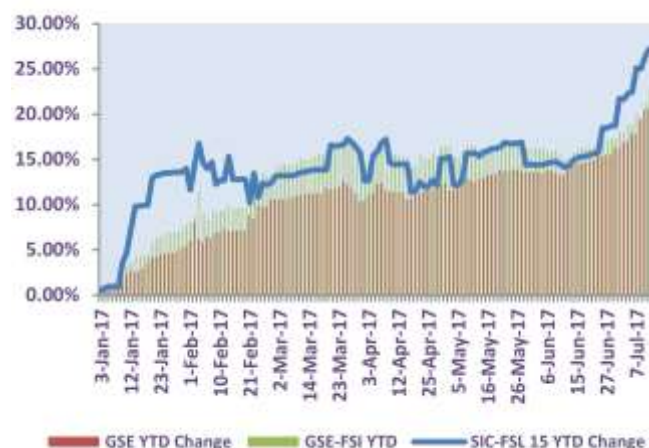


Fig 1: Year -to -date returns

MARKET MOVERS

SCB hits two year-high

The shares of Standard Chartered Bank touched a 2-year high price of GH¢19.09 from the week's opening price of GH¢17.51 a share last Thursday. The rise appeared to have been influenced by the growing investor confidence in equities this year. SCB is currently ranked fourth (4th) on the Ghana Stock Exchange among the thirty-seven (37) equities in terms of returns to investors with a year-to-date gain of 56.73%.

At present, SCB is still trading above the 123-Day Trading Average Price of GH¢14.91 and the 123-Day Volume Weighted Average Price (VWAP₁₂₃) of GH¢14.48 per share this year. In spite of the above, investors seemed to have relied on SCB's past price performance as they relentlessly bid-up the share price to consolidate their holding positions last week.

FML climbs again

Increase demand for shares of Fan milk Limited saw the price touched new record high of GH¢12.25 from an opening price of GH¢11.86 a share. FML currently ranks 11th among the thirty-seven (37) listed equities on the GSE in terms of returns to investors with a year-to-date gain of 9.96%.

At the current price above, the stock is trading above the 123-Day Volume Weighted Average Price (VWAP₁₂₃) of GH¢11.35 per share and the 91-day Average Trading Price of GH¢11.34 per share. Nonetheless, the stock still remains one of the safest bet on the GSE, perhaps due to the company's robust past price performance.

CORPORATE NEWS

ANGLOGOLD ASHANTI LIMITED (AGA) ANNOUNCES INCREASE IN SHARE CAPITAL: AGA has announced an increase of its ordinary shares from 409,002,036 to 409,185,712 as at May 31, 2017. This follows the listing of 183,676 additional ordinary shares on the Johannesburg Securities Exchange, South Africa.

In view of the above, AGA share capital has risen to 50,564,032,888.77 South African Rand.

ENTERPRISE GROUP LIMITED (EGL) ANNOUNCES ANNUAL GENERAL MEETING (AGM): Directors of EGL has announced the company's Annual General Meeting (AGM) which has been scheduled for Tuesday, August 8, 2017.

The meeting will be held at the Ghana College of Physicians and Surgeons, 54 Independence Avenue, Accra at 10:00 am.

STOCK TICKER	Wk Open	Wk End	Change	% change
ACCESS	3.80	3.98	0.18	4.74%
BOPP	4.41	4.52	0.11	2.49%
EGL	2.40	2.41	0.01	0.42%
ETI	0.13	0.14	0.01	7.69%
FML	11.86	12.25	0.39	3.29%
GOIL	1.94	2.03	0.09	4.64%
HFC	0.55	0.70	0.15	27.27%
PBC	0.04	0.05	0.01	25.00%
SCB	17.51	19.09	1.58	9.02%
SPL	0.02	0.03	0.01	50.00%
SOGEGH	0.75	0.76	0.01	1.33%

Table 4: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
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Table 4: Laggards for the week

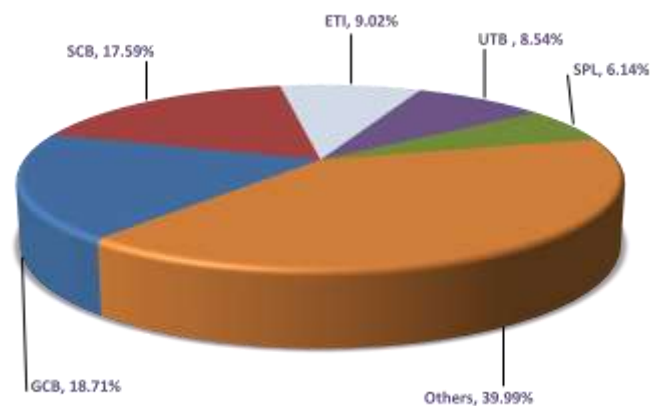


Fig 2: Top 5 most liquid equities with respect to volume traded

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 13/07/2017 (GH¢)	YTD Gain/Loss (%)
Access Bank Ghana PLC	ACCESS	4.10	3.98	-2.93%
African Champion Industries Ltd.	ACI	0.01	0.01	0.00%
Agricultural Development Bank	ADB	3.83	3.83	0.00%
AngloGold Ashanti Ltd.	AGA	37.00	37.00	0.00%
Aluworks Limited	ALW	0.14	0.16	14.29%
Ayrton Drug Manufacturing Ltd.	AYRTN	0.12	0.10	-16.67%
Benso Oil Palm Plantation	BOPP	2.08	4.52	117.31%
Cal Bank Ltd	CAL	0.75	0.85	13.33%
Clydestone (Ghana) Ltd.	CLYD	0.03	0.03	0.00%
Camelot Ghana Ltd.	CMLT	0.12	0.12	0.00%
Cocoa Processing Co. Ltd.	CPC	0.02	0.02	0.00%
Ecobank Ghana Ltd.	EGH	6.40	7.00	9.38%
Enterprise Group Limited	EGL	2.40	2.41	0.42%
Ecobank Transnational Inc.	ETI	0.10	0.14	40.00%
Fan Milk Ltd.	FML	11.14	12.25	9.96%
Ghana Commercial Bank Ltd.	GCB	3.56	5.20	46.07%
Guinness Ghana Breweries Ltd.	GGBL	1.63	1.45	-11.04%
Ghana Oil Company Limited	GOIL	1.10	2.03	84.55%
Golden Star Resources Ltd.	GSR	1.95	1.95	0.00%
Golden Web Ltd.	GWEB	0.01	0.01	0.00%
HFC Bank (Ghana) Ltd.	HFC	0.75	0.70	-6.67%
Mega Africa Capital Ltd	MAC	6.00	6.00	0.00%
Mechanical Lloyd Co. Ltd.	MLC	0.15	0.10	-33.33%
Pioneer Kitchenware Ltd.	PKL	0.05	0.05	0.00%
Produce Buying Company Ltd.	PBC	0.06	0.05	-16.67%
PZ Cussons Ghana Ltd.	PZ	0.22	0.20	-9.09%
Standard Chartered Bank (GH) Ltd.*	SCB	12.18	19.09	56.73%
SIC Insurance Company Ltd.	SIC	0.12	0.12	0.00%
Starwin Products Ltd.	SPL	0.03	0.03	0.00%
Societe Generale Ghana Limited	SOGEGH	0.62	0.76	22.58%
Sam Woode Ltd.	SWL	0.04	0.04	0.00%
Trust Bank Ltd. (The Gambia)	TBL	0.26	0.25	-3.85%
Total Petroleum Ghana Ltd.	TOTAL	1.98	2.22	12.12%
Transaction Solutions (Ghana) Ltd.	TRANSOL	0.03	0.03	0.00%
Tullow Oil Plc	TLW	26.88	20.94	-22.10%
Unilever Ghana Ltd.	UNIL	8.51	9.00	5.76%
UT Bank	UTB	0.03	0.07	133.33%
AngloGold Ashanti Depository Shares	AADS	0.52	0.48	-7.69%
Standard Chartered Bank Preference shares	SCB PREF	0.75	0.85	13.33%
NewGold Exchange Traded Fund	GLD	38.80	38.80	0.00%
Samba Foods Ltd	SAMBA	0.72	0.65	-9.72%
Meridian Marshalls Holding Company	MMH	0.11	0.11	0.00%
Hords Limited	HORDS	0.10	0.10	0.00%
Intravenous Infusions Limited	IIL	0.09	0.08	-11.11%

Table 5: Performance of listed equities from year open

CURRENCY MARKET

EXCHANGE RATES	BUYING	SELLING	YTD CHANGE
USDGHS	4.3563	4.3607	3.77% ▼
GBPGHS	5.6327	5.6397	8.46% ▼
EURGHS	4.9684	4.9720	12.02% ▼

Table 6: Inter-bank indicative rates

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

Dollar loses to Cedi

After many weeks of appreciation against the Ghanaian Cedi, the American Dollar struggled to hold its forts on the inter-bank market, in the period under consideration.

The Dollar was down by 0.14% against the Cedi after it was bought at GH¢4.3563 and sold for GH¢4.3607. This translated to a decline in the Dollar's annual yield to 3.77%.

Going forward, the USDGHS exchange rate is expected to be fairly stable following the anticipated release of the fourth tranche of the IMF's extended credit facility and the planned bond issues by the Government in this quarter.

Euro declines in value

The Euro lost footing again on the currency market in the period under review at a buying price of GH¢4.9684 and selling price of GH¢4.9720 on the inter-bank market.

Losing by 0.15%, the Euro ended Thursday's trading at an annual return of 12.02% from previous 12.19%.

On the global front, the Euro had little or no support from the data released during the period as the economic indicators, recorded stalemate positions, i.e. French and German CPI inflation remained unchanged at 0.0% and 0.2% respectively as expected. In addition, Italian CPI inflation remained at 1.2%.

Alice Osei Okrah (Head)
Email: aokrah@sic-fsl.com

Isaac Kwasi Mensah (Analyst)
Email: ikmensah@sic-fsl.com

Georgina Arhin (Analyst)
Email: garhin@sic-fsl.com

CEDI APPRECIATES IN VALUE

The local currency posted a holistic gain against its major trading partners on the inter-bank market amid the release of a report on Ghana's inflation rate for the month of June.

Inflation for the month of June dropped to 12.1% from 12.6% in May, according to the Ghana Statistical Service (GSS). The reduction in the rate of inflation was due to the decline in food and petroleum prices during the period under review.

By the end of trading on Thursday, the Cedi has recouped 0.18% of its value from its major currency trading partners to settle at a year-to-date loss of 7.02%.

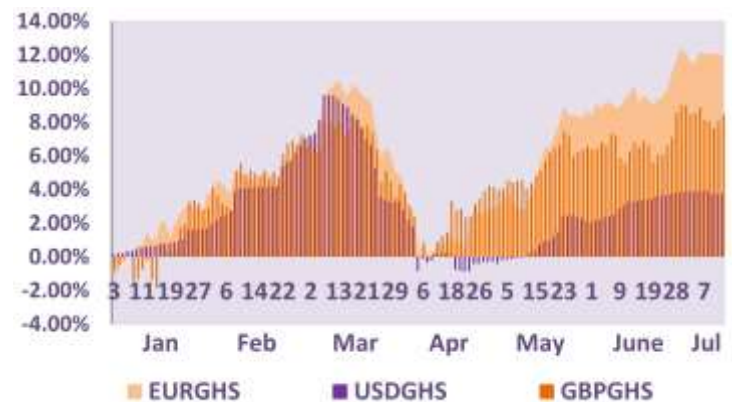


Fig 3: YTD performance of Pound, Dollar & Euro versus the Cedi

Pound vs. Cedi

The drop in UK's unemployment claims was enough to shoot up the value of the Pound across board on the international market.

Also, a call for an early unwinding of UK's quantitative easing by a Bank of England Monetary Policy Committee member, Ian McCafferty, amongst other good comments bolstered investors' confidence, thereby increasing the value of the Pound.

However on Ghana's local market, the Pound declined by 0.37% after it was pegged at a midrate of GH¢5.6362. This lowered its year-to-date return from 8.87% to 8.46%, favouring the Cedi.