

WEEKLY MARKET WATCH

SIC-FSL INVESTMENT RESEARCH | MARKET REVIEWS | GHANA

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STOCK MARKET

INDICATORS	WEEK OPEN	WEEK END	CHANGE
Market Capitalization (GH¢'million)	58,789.60	58,829.49	0.07%
Market Capitalization (US\$'million)	13,654.85	13,556.74	-0.72%
Volume traded (shares)	2,715,687.00	2,407,323.00	-11.35%
Value Traded (GH¢)	6,159,565.85	7,524,838.98	22.17%
Value Traded (US\$)	1,430,660.53	1,734,033.64	21.21%

Table 1: Market Summary

INDEX ANALYSIS

INDICATORS	Closing Level	Week Change	YTD CHANGE
GSE Composite Index	1,928.65	0.33%	14.18%
SIC-FSL Top 15 Index	3,003.57	0.37%	15.17%
GSE Financial Stocks Index	1,791.77	-0.13%	15.94%

Table 2: Key Stock Market Indices

LIQUIDITY

A total of 2.41 million shares exchanged hands last week, and this was valued at GH¢ 7.52 million. In all, twenty-six active stocks were involved, twenty-five (21) listed on the GSE and One (1) equity on the Ghana Alternative Market (GAX).

Trading was largely dominated by the financial stocks, as the sector recorded 53.26% and 78.27% of both volume and value of shares traded.

Guinness Ghana Breweries Limited (GGBL) was the most traded stock last week, accounting for 26.66% of the total market volume. However, GCB Bank Limited (GCB) recorded the highest value of GH¢3.11 million, representing 41.26% of the net market value.

ACCRA BOURSE BUOYS AS INFLATION EASES

Decreasing inflationary pressure as announced by the Ghana Statistical Service (GSS) last week saw investors turned onto the equity market for safer investment destination. Out of the eleven (11) price movers, seven (7) were gainers whilst the rest were laggards. Shares of Standard Chartered Bank (SCB), Ghana Oil Company Limited (GOIL), Benso Oil Palm Plantation (BOPP) and Fan Milk Limited (FML) were the main drivers last week.

The GSS announced a decline in inflation from 13.0% previously to 12.6% for the month of May and according to Baah Wadieh, acting government statistician, the decline was due to global drop in petroleum prices and its base effects.

The yield on the GSE Composite Index (GSE CI) improved from a year-to-date gain of 13.81% to 14.18% last Thursday. Likewise, the yield on the SIC-FSL Top 15 Index (SIC-FSL T-15) increased to 15.17% from 14.75%. In contrast, the GSE Financial Stocks Index (GSE-FI) slipped from a year-to-date gain of 16.09% to 15.94% last week.

Total market capitalization improved to GH¢58.83 billion from GH¢58.79 billion. However, an equivalent dollar value dipped from the previous week's figure of USD 13.65 billion to USD 13.55 billion due to depreciation in the Cedi.



Fig 1: Year -to -date returns

MARKET MOVERS

SCB strengthens further

Renewed confidence in Standard Chartered Bank's share saw the price climbed further up last week from GH¢16.12 to GH¢16.56 per share on the back of increase demand. SCB is currently ranked fifth (5th) on the Ghana Stock Exchange in terms of returns to investors with a year-to-date gain of 35.96%

It appeared investors relied on the Bank's past price performance to bid the shares further up last week, considering that the current price is above market statistics. For instance, at the current price of GH¢16.56 per share, the stock is trading far above the market's 91-day average price of GH¢13.82 and the 91-day volume weighted average price of GH¢13.95 on the market.

Investors demand BOPP shares

The demand for Benso Oil Palm Plantation (BOPP) shares on Ghana Stock Exchange (GSE) intensified last week as investors topped-up bids to consolidate their holding positions. The stock closed trading at GH¢4.20 from GH¢4.00 per share the previous week. BOPP is presently the best performing stock on the Ghana Stock Exchange in terms of returns to investors with a year-to-date gain of 101.92%, followed by UTB with a year-to-date gain of 100%.

According to some market analysts, the rise might be partly due to the general rising market confidence in equities on the local bourse. At present, the stock is still trading above the 91-day trading average price of GH¢2.39 a share and the 91-Day Volume Weighted Average Price (VWAP₉₁) of GH¢2.73 a share.

GOIL sows on demand

Increase share consolidation in Ghana Oil Company Limited (GOIL) saw the price moved further up to GH¢1.77 from the week's open-price of GH¢1.68 per share. GOIL is third best performing stock among the thirty-seven (37) listed equities on the GSE with a year-to-date gain of 60.91%.

Currently, GOIL is trading above the 91-day trading average price of GH¢1.16 and the 91-Day Volume Weighted Average Price (VWAP₉₁) of GH¢1.18 a share this year. Nonetheless the probability of upward price review looks likely considering the looming prospects in equities this year.

STOCK TICKER	Wk Open	Wk End	Change	% change
ALW	0.15	0.16	0.01	6.67%
BOPP	4.00	4.20	0.20	5.00%
CAL	0.80	0.82	0.02	2.50%
FML	11.57	11.65	0.08	0.69%
GOIL	1.68	1.77	0.09	5.36%
SCB	16.12	16.56	0.44	2.73%
SOGEGH	0.76	0.77	0.01	1.32%

Table 4: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
EGH	7.25	7.01	-0.24	-3.31%
EGL	2.40	2.39	-0.01	-0.42%
GCB	5.22	5.20	-0.02	-0.38%
GGBL	1.50	1.49	-0.01	-0.67%

Table 4: Laggards for the week

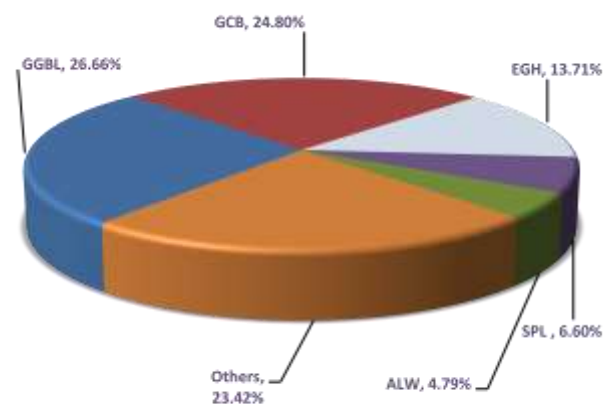


Fig 2: Top 5 most liquid equities with respect to volume traded

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 15/06/2017 (GH¢)	YTD Gain/Loss (%)
Access Bank Ghana PLC	ACCESS	4.10	3.80	-7.32%
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	4.20	101.92%
Cal Bank Ltd	CAL	0.75	0.82	9.33%
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	7.01	9.53%
Enterprise Group Limited	EGL	2.40	2.39	-0.42%
Ecobank Transnational Inc.	ETI	0.10	0.11	10.00%
Fan Milk Ltd.	FML	11.14	11.65	4.58%
Ghana Commercial Bank Ltd.	GCB	3.56	5.20	46.07%
Guinness Ghana Breweries Ltd.	GGBL	1.63	1.49	-8.59%
Ghana Oil Company Limited	GOIL	1.10	1.77	60.91%
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	0.50	-33.33%
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	0.04	-33.33%
PZ Cussons Ghana Ltd.	PZ	0.22	0.20	-9.09%
Standard Chartered Bank (GH) Ltd.*	SCB	12.18	16.56	35.96%
SIC Insurance Company Ltd.	SIC	0.12	0.13	8.33%
Starwin Products Ltd.	SPL	0.03	0.02	-33.33%
Societe Generale Ghana Limited	SOGEGH	0.62	0.77	24.19%
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	8.90	4.58%
UT Bank	UTB	0.03	0.06	100.00%
AngloGold Ashanti Depository Shares	AADS	0.52	0.48	-7.69%
Standard Chartered Bank Preference shares	SCB PREF	0.75	0.75	0.00%
NewGold Exchange Traded Fund	GLD	38.80	38.80	0.00%
Samba Foods Ltd	SAMBA	0.72	0.72	0.00%
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	0.09	0.00%

Table 5: Performance of listed equities from year open

CURRENCY MARKET

EXCHANGE RATES	BUYING	SELLING	YTD CHANGE
USDGHS	4.3373	4.3417	3.32% ▼
GBPGHS	5.5322	5.5391	6.53% ▼
EURGHS	4.8384	4.8432	9.11% ▼

Table 6: Inter-bank indicative rates

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

Dollar maintains upward momentum

The greenback sustained its dominance over the Cedi in the period under review as it appreciated by 0.79% on the inter-bank market.

On Thursday, \$1.00 was bought at GH¢4.3373 and sold for GH¢4.3417 on the currency market, this translated into a higher annual yield of 3.32% in favour of the Dollar.

The continuous rise in demand for Dollar keeps pushing the yield on the Dollar high, thereby putting pressure on Ghana's Local currency.

MPC's decision moves to support Pound

The British Pound appreciated against a basket of currencies on the international market following the surprise outcome of the Monetary Policy Committee's vote on interest rate.

The outcome revealed that the committee voted 5-3 to keep rates unchanged. This shows that the UK may soon experience a hike in interest rate which is a positive signal for the Pound Sterling.

On the other hand, the Pound depreciated by 0.66% on Ghana's inter-bank market after it traded at a midrate of GH¢5.5357. This resulted in an annual return of 6.53% from 7.23% a week ago.

CEDI LOSES AMID THE DECLINE IN INFLATION

Ghana's local currency recorded another weekly loss, despite the release of a better inflation data for the Month of May.

Information released by the Ghana Statistical Service (GSS) last week revealed a 0.4% decline in the general prices of goods and services from April to 12.6% in the month of May. The key catalyst for the decline according to the Service was the decline in price of fuel during the period.

That notwithstanding, the Cedi chronicled a holistic loss of 0.36% against its major trading partners to settle at a year-to-date loss of 5.59% on Thursday.

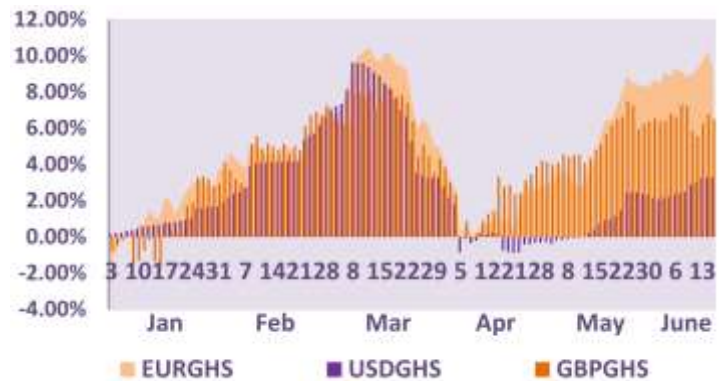


Fig 3: YTD performance of Pound, Dollar & Euro versus the Cedi

Euro up by 0.16%

Profit-taking by investors who seemed to have disinvested from the Cedi to seek better returns in the Euro, saw the Cedi lose 0.22% of its value to the Euro.

The Cedi's decline versus the Euro over the period saw the year-to-date loss of the local currency increase from 8.87% to 9.11%.

Currency trading on Thursday saw the Euro pegged between GH¢4.8384 and GH¢4.8432 on the inter-bank market.

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