

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)	58,877.57	58,929.49	0.09%
Market Capitalization (US\$million)	14,019.47	13,894.37	-0.89%
Volume traded (shares)	2,436,311.00	2,039,904.00	-16.27%
Value Traded (GH¢)	3,370,408.44	5,731,626.22	70.06%
Value Traded (US\$)	802,535.52	1,351,400.23	68.39%

Table 1: Market Summary

INDEX ANALYSIS

INDICATORS	Closing Level	Week Change	YTD CHANGE
GSE Composite Index	1,913.50	0.46%	13.27%
SIC-FSL Top 15 Index	3,031.28	0.48%	16.23%
GSE Financial Stocks Index	1,797.13	-0.16%	16.29%

Table 2: Key Stock Market Indices

LIQUIDITY

At the close of the week's session, a total of 2.04 million shares exchanged hands, and this was valued at GH¢ 5.73 million. In all, twenty-two stocks participated in the week's trading sessions involving twenty-one (21) listed companies 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 77.00% and 65.67% of both volume and value of shares traded.

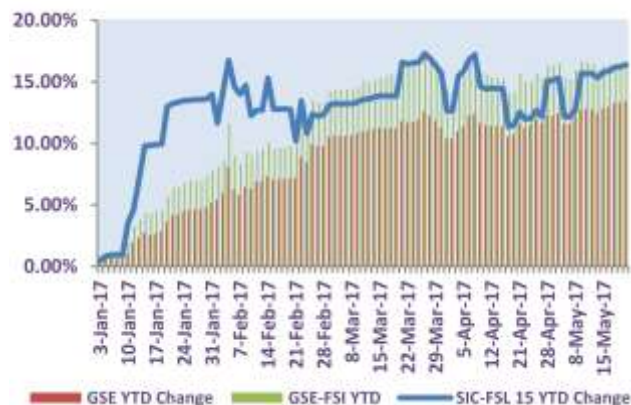
Undoubtedly, shares of GCB was the most traded in terms of volume and value of activities recorded on the Exchange last week. The stock accounted for 3.23 million of the total shares that traded which represented 56.31% of the entire market volume. Corresponding value traded was also GH¢619,511, representing 30.37% of the total value traded.

ACCRA BOURSE PERFORMS BETTER

The Ghana Stock Exchange (GSE) performed better because of increased bullish activities on the market last week. At the close of the week's session, gainers outperformed laggards in numbers and magnitude. Shares of Fan Milk Limited (FML), Ghana Oil Company Limited (GOIL), Unilever Ghana Limited (UNIL) and Cal Bank Limited (CAL) were behind last week's upside performance.

The key benchmark index; the GSE Composite Index (GSE-CI) posted an annual yield of 13.27% from the previous week's 12.77%. The SIC-FSL Top 15 Liquid Index (SIC-FSL T-15) also improved from the previous week's annual yields 15.69% to 16.23% last Thursday. However, a decline in share prices of Standard Chartered Bank affected the performance of the GSE Financial Stocks Index (GSE-FSI). The GSE-FSI slipped from the week opening yields of 16.48% to settle at 16.29%.

Total market capitalization improved on the previous week's figure of GH¢58.88 billion to GH¢58.93 billion last Thursday. However, an equivalent dollar value depreciated from the previous week's figure of USD 14.02 billion to USD13.89 billion because of the depreciation in the Ghana Cedi.



MARKET MOVERS

Investors drive FML price up

The chase for the shares of Fan Milk Limited (FML) intensified last week on the local bourse, as prospecting buyers raised up their bids to lure shareholders. In the end, the company's value jumped from GH¢11.36 week open price to settle at GH¢11.51 per share last Thursday. FML currently ranks 12th on the Ghana Stock Exchange in terms of returns to investors with a year-to-date gain of 3.32%.

At the current market price above, the stock is trading above the 91-Day Average Trading Price of GH¢11.22 per share and the 91-Day Volume Weighted Average Price (VWAP₉₁) of GH¢11.22 a share this year. The above seems to support the possibility of downward price review in the future despite heightened demand on the Exchange.

GOIL returns to GH¢1.53 after 2-years

The shares of Ghana Oil Company Limited (GOIL) appreciated to GH¢1.53 per share after investors bid-up the company's value from GH¢1.41 a share. The rise appeared to have stemmed out of the prospects envisaged in the company this year. Especially the promise to initiate and complete the plan bitumen production plant in Tema as said by the new Board Chairman, Kwamina Bartels during the last Annual general Meeting (AGM) appeared to have renewed confidence in the company.

At present, GOIL is ranked 4th among the thirty-seven (37) listed companies on the Ghanaian bourse in terms of performance, with a year-to-date gain of 39.09%.

In spite of the above, GOIL is trading above the market when compared to the 91-day trading average price of GH¢1.16 a share and the 91-Day Volume Weighted Average Price (VWAP₉₁) of GH¢1.18 a share this year.

STOCK TICKER	Wk Open	Wk End	Change	% change
BOPP	3.50	3.52	0.02	0.57%
CAL	0.74	0.77	0.03	4.05%
EGL	2.41	2.42	0.01	0.41%
FML	11.36	11.51	0.15	1.32%
GCB	5.20	5.21	0.01	0.19%
GOIL	1.41	1.53	0.12	8.51%
SOGEGH	0.75	0.77	0.02	2.67%
UNIL	9.00	9.05	0.05	0.56%

Table 4: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
EGH	7.33	7.25	-0.08	-1.09%
SCB	16.00	15.83	-0.17	-1.06%
IIL	0.09	0.08	-0.01	-11.11%

Table 4: Laggards for the week

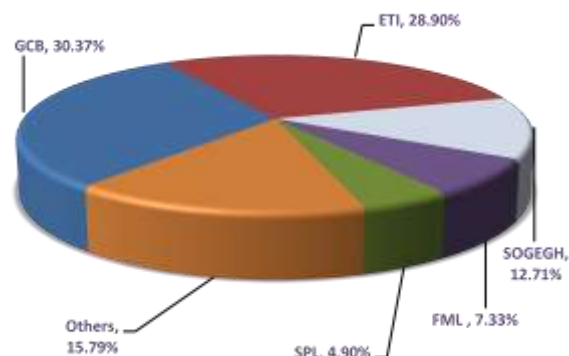


Fig 2: Top 5 most liquid equities with respect to volume traded

CORPORATE NEWS

CAL BANK LIMITED (CAL) ANNOUNCES DIRECTOR'S RESIGNATION: CAL has announced the resignation of Mr. Noel Addo a Non-Executive Director from the Bank's Board. The resignation took effect from May 09, 2017.

TULLOW OIL PLC (TLW) DISCOVERS OIL IN KENYA: Management of TLW has announced the discovery of oil in its Emekuya-1 well in Block 13T Northern Kenya.

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 18/05/2017 (GH¢)	YTD Gain/Loss (%)
Access Bank Ghana PLC	ACCESS	4.10	4.00	-2.44%
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	0.15	7.14%
Ayrton Drug Manufacturing Ltd.	AYRTN	0.12	0.10	-16.67%
Benso Oil Palm Plantation	BOPP	2.08	3.52	69.23%
Cal Bank Ltd	CAL	0.75	0.77	2.67%
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	7.25	13.28%
Enterprise Group Limited	EGL	2.40	2.42	0.83%
Ecobank Transnational Inc.	ETI	0.10	0.12	20.00%
Fan Milk Ltd.	FML	11.14	11.51	3.32%
Ghana Commercial Bank Ltd.	GCB	3.56	5.21	46.35%
Guinness Ghana Breweries Ltd.	GGBL	1.63	1.50	-7.98%
Ghana Oil Company Limited	GOIL	1.10	1.53	39.09%
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	0.11	-26.67%
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	15.83	29.97%
SIC Insurance Company Ltd.	SIC	0.12	0.11	-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	9.05	6.35%
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	0.08	-11.11%

Table 5: Performance of listed equities from year open

CURRENCY MARKET

EXCHANGE RATES	BUYING	SELLING	YTD CHANGE
USDGHS	4.2391	4.2434	0.98% ▼
GBPGHS	5.5146	5.5215	6.19% ▼
EURGHS	4.7198	4.7249	6.44% ▼

Table 6: Inter-bank indicative rates

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

Dollar up by 0.99%

The rising demand for Dollars by local businesses and foreign investors kept the Cedi under pressure in the week under review, favouring the value of the Dollar.

The period saw the value of the dollar shoot up by 0.99% on the inter-bank market by the end of trading on Thursday and this saw the Dollar move from a year-to-date loss of 0.01% the week earlier to a year-to-date gain of 0.98%.

One Dollar was valued at a midrate of GH¢4.2413 at the end of Thursday's trading activities.

Euro gains significantly

Among the Cedi's major trading currencies, the Euro recorded the most gains against the Cedi on the wholesale market. The shared currency recorded a significant appreciation of 3.48% after being pegged at a midrate of GH¢4.7224 from GH¢4.5637 previously.

On the global front, the release of a positive German data a positive was enough to keep the Euro up among its trading counterparts.

The monthly index of German's Producer Prices appreciated 0.2% more than what was expected to 0.4%, while the annualized figure also climbed by 0.2% to 3.4%, favouring the Euro.

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CEDI LOSES TO ITS MAJOR TRADING PARTNERS

Ghana's currency witnessed a significant decline in value against its major trading partners despite the news of a decline in the country's debt level.

According to Ghana's Finance Minister, Mr. Ken Ofori-Atta, the nation's debt to GDP has dropped from the 73% recorded last year to about 62.7% as at end of April. This is a major decline in total debt when compared to Government's 2017 forecast of 70.9%.

That notwithstanding, the Cedi recorded a holistic decline of 1.92% against its major currency partners. This translated to a year-to-date loss of 3.50% by close of trading on Thursday.

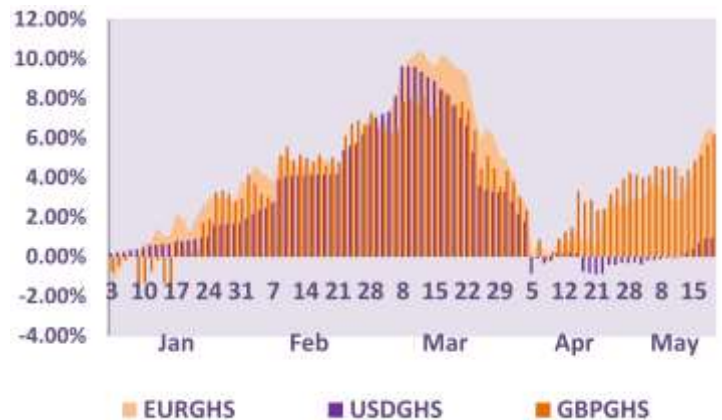


Fig 3: YTD performance of Pound, Dollar & Euro versus the Cedi

Pound appreciates in value

The British Pound increased in value after losing to the Cedi last week, as it was bought at GH¢5.5146 and sold for GH¢5.5215 on the inter-bank market.

Appreciating by 2.04%, the Pound ended Thursday's trading on Ghana's inter-bank market as one of the major facilitator behind the local currency's composite loss on the market.

Subsequently the annual return of the Pound jumped to 6.19%, weakening the value of the Cedi.