

# 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)	48,955.73	48,677.58	-0.57%
Market Capitalization (US\$million)	11,627.61	11,686.45	0.51%
Volume traded (shares)	3,259,977.00	1,265,372.00	-61.18%
Value Traded (GH¢)	5,085,567.45	1,308,967.41	-74.26%
Value Traded (US\$)	1,207,887.19	314,255.25	-73.98%

Table 1: Market Summary

## INDEX ANALYSIS

INDICATORS	Closing Level	Week Change	YTD CHANGE
GSE Composite Index	1,869.87	-0.65%	10.70%
SIC-FSL Top 15 Index	2,908.00	-2.58%	11.51%
GSE Financial Stocks Index	1,764.92	-0.93%	14.20%

Table 2: Key Stock Market Indices

## LIQUIDITY

Activity in twenty (20) equities yielded an approximate traded shares of 1.37 million, representing a decline of 61.18% when compared to the previous week's performance. The decline could be partly due to the limited number of trading days that were involve in activities. This was because of the holidays that accompanied the Easter celebration. Corresponding value traded also dropped from the GH¢5.09 million to GH¢1.31 million, which represented a decline of 74.26% of the previous week figure.

Market activities were largely skewed towards the financial stocks, as the sector recorded 79.63% and 49.25% of total volume and value of shares traded.

Ecobank Transnational Incorporated (ETI) recorded the highest activity in the week, with a contribution of 556,691 shares, which represented 43.99% of total traded shares. Alternatively, Total Petroleum Ghana Limited (TOTAL) by virtue of its high price was the most valuable in the week, accounting for 35.28% of the total value.

## ACCRA BOURSE SWINGS DOWN

The excitement on the Ghana Stock Exchange (GSE) slowed down following the superior advantage laggards had over gainers within the period. At the close of the week's session, seven (7) out of the nine (9) price movers were laggards. Shares of Cal Bank Limited (CAL), PBC Limited (PBC), Ecobank Transnational Incorporated (ETI) and Mechanical Lloyd Company Limited (MLC) were the main market losers that dragged the market down.

In effect, the yields on the GSE-Composite Index, the GSE Financial Stocks Index (GSE-FSI) and the SIC-FSL Top 15 liquid Index (T-15 Index) dropped from their previous week year-to-date returns of 11.43%, 15.28% and 14.46% each to close at 10.70%, 14.20% and 11.51% respectively.

Total market capitalization dropped from the previous week's figure of GH¢48.96 billion to GH¢48.68 billion on Thursday. However, an equivalent dollar value appreciated from the previous week's figure of USD 11.63 billion to USD11.69 billion due to appreciation in the Ghanaian Cedi.

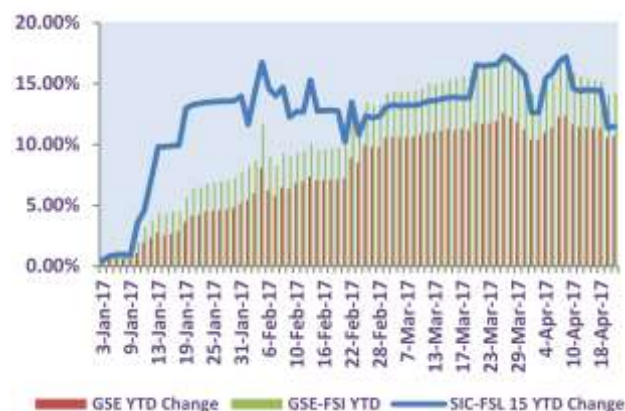


Fig 1: Year -to- date returns

## MARKET MOVERS

### PBC drops to 4-pesewas

The share price of PBC Limited (PBC) dropped to 4-pesewas on Thursday as prospecting investors developed interest in the company. Shareholders on the contrary, appeared to have given up holdings below market price because of lack of activity in the company's share on the Exchange. Presently, PBC is the second worst performing stock on the Ghana Stock Exchange in terms of returns to investors with a year-to-date loss of 33.33%

At the current market price above, the stock is trading below the 91-Day Average Trading Price of GH¢0.06 per share and the 91-Day Volume Weighted Average Price (VWAP<sub>91</sub>) of GH¢0.06 a share. The above seems to support upward future price correction on the bourse especially with the seeming government interest in the Agri-Business sector, hence the activity in the sector on the Exchange.

### CAL flops again

The share price of Cal Bank further dropped from the GH¢0.67 in the previous week to GH¢0.60 per share on Thursday. The Bank is presently ranked 31<sup>st</sup> on the Ghana Stock Exchange in terms of performance out of the thirty-seven (37) listed equities on the GSE.

Some analysts have attributed the decline in the Bank's share price to the first quarter results released. CAL's revenue reduced to GH¢102.80 million in Q1'17 compared to the GH¢104.43 million recorded in Q1'16. This saw the company's profit reduced from the GH¢39.41 million in Q1'16 to GH¢30.92 million in Q1'17.

STOCK TICKER	Wk Open	Wk End	Change	% change
BOPP	3.01	3.13	0.12	3.99%
GOIL	1.30	1.32	0.02	1.54%

Table 4: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
CAL	0.67	0.60	-0.07	-10.45%
ETI	0.12	0.11	-0.01	-8.33%
MLC	0.13	0.12	-0.01	-7.69%
PBC	0.05	0.04	-0.01	-20.00%
SPL	0.03	0.02	-0.01	-33.33%
TOTAL	2.24	2.22	-0.02	-0.89%
AADs	0.49	0.48	-0.01	-2.04%

Table 4: Laggards for the week

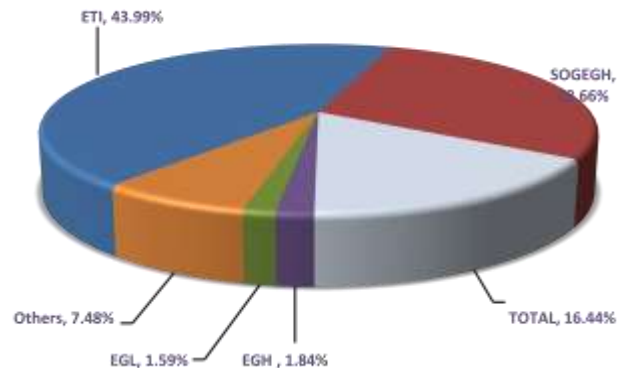


Fig 2: Top 5 most liquid equities with respect to volume traded

## CORPORATE NEWS

**UNILEVER GHANA LIMITED (UNIL) ANNOUNCES ANNUAL GENERAL MEETING (AGM):** Directors of UNIL have scheduled Wednesday, May 24, 2017 for their Annual General meeting.

The meeting will be held at the National Theatre, Opposite the Eua Sutherland Children's Park, Accra, at 11:00 am.

**GCB BANK LIMITED (GCB) ANNOUNCES DIVIDEND PAYMENT AND ANNUAL GENERAL MEETING:** GCB has proposed a dividend payment of GH¢0.38 per share to shareholders in respect of 2016 financial year. This is subject to shareholders approval in an upcoming Annual General Meeting (AGM).

In view of the above, any investor who buys GCB shares on or after Wednesday, 10<sup>th</sup> May, 2017 will not be entitled to the dividend. The dividend payment date is Monday, June 19, 2017.

The Bank has also programed to hold its AGM on the Friday, May 26, 2017 at Accra International Conference Centre, at 10.00 am.

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 20/04/2017 (GH¢)	YTD Gain/Loss (%)
Access Bank Ghana PLC	ACCESS	4.10	3.90	-4.88%
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	0.14	0.00%
Ayrton Drug Manufacturing Ltd.	AYRTN	0.12	0.10	-16.67%
Benso Oil Palm Plantation	BOPP	2.08	3.13	50.48%
Cal Bank Ltd	CAL	0.75	0.60	-20.00%
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	7.31	14.22%
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	11.31	1.53%
Ghana Commercial Bank Ltd.	GCB	3.56	5.20	46.07%
Guinness Ghana Breweries Ltd.	GGBL	1.63	1.50	-7.98%
Ghana Oil Company Limited	GOIL	1.10	1.32	20.00%
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	0.12	-20.00%
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	15.82	29.89%
SIC Insurance Company Ltd.	SIC	0.12	0.09	-25.00%
Starwin Products Ltd.	SPL	0.03	0.02	-33.33%
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	0.23	-11.54%
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	0.05	66.67%
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	4.1633	4.1673	0.83% ▲
GBPGHS	5.3428	5.3491	2.88% ▼
EURGHS	4.4837	4.4864	1.09% ▼

Table 6: Inter-bank indicative rates

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

### Dollar wanes in value

The American Dollar recorded a weighty loss against the Cedi by close of trading on Thursday as the Cedi continues to benefit from the \$2.2 billion inflows from the four separate bonds issued earlier this month, with offshore investors bringing in more than 90% of the funds.

The USDGHS was valued between GH¢4.1633 and GH¢4.1673 on the inter-bank market, representing a loss of 1.07% in the value of the Dollar.

This saw the Dollar's value decline to a year-to-date loss of 0.83%, favouring the Cedi.

### Cedi loses to Euro

The common currency remained under pressure on the global front ahead of French's first round Presidential election race which is slated for Sunday, 23 April.

However, the rise in the Euro zone consumer confidence gave some sort of support to the Euro as it improved to -3.6% in April from -5.0%. Also, in the European Union as a whole, consumer sentiment appreciated by 0.8% to -3.4%.

On the other hand, the 19 nation currency headed for a weekly gain against the Cedi as it increased by 0.21% to a midrate of GH¢4.4851 on Ghana's inter-bank market.

This represented an annual return of 1.09% in favour of the Euro.

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## CEDI'S VALUE POINTS NORTH

The Ghanaian Cedi recorded a composite appreciation in value against its trading partners on the inter-bank market on Thursday.

The continuous rise in the value of the Cedi can be attributed to the renewed investor confidence in the Ghanaian economy. Improvement in key macroeconomic indicators like inflation, which dropped for the third consecutive time this year to 12.8% in March, continues to support the Cedi's rally.

Also, despite the loss the Cedi recorded against the Pound and the Euro, the significant loss in value of the Dollar was enough to trim down the Cedi's annual loss since the beginning of the year to 0.38% from 0.64% a week ago.

Thus, the local currency by close of trading on Thursday has gained 0.26% in value.

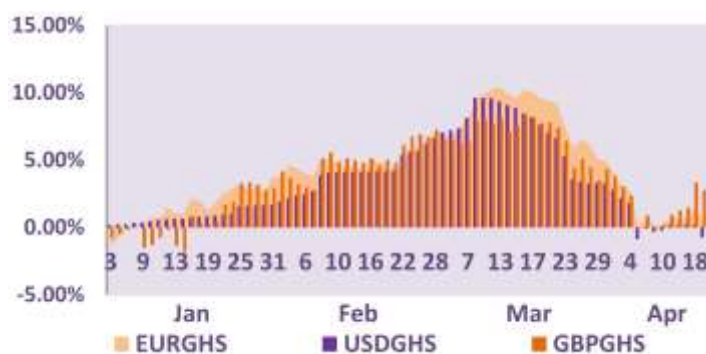


Fig 3: YTD performance of Pound, Dollar & Euro versus the Cedi

### Sterling verses Cedi

The Pound Sterling posted a strong resilience against the Cedi in the period under review as it managed to increase its annual yield from 1.48% to 2.88% on Thursday.

This was after the Pound had traded at a midrate of GH¢5.3460 which is 1.38% higher than its previous value a week ago.

On the international market however, the Pound lost to some of its key trading partners following the release of a report on UK's retail sales amid the on-going concerns on Brexit. The data on UK's monthly and annualized retail sales showed a decline of 1.6% to -1.8% and 2% to 1.7% respectively.