

WEEKLY MARKET WATCH

SIC-FSL INVESTMENT RESEARCH | MARKET REVIEWS | GHANA

2nd March, 2017



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STOCK MARKET

INDICATORS	WEEK OPEN	WEEK END	CHANGE
Market Capitalization (GH¢'million)	52,156.74	49,150.79	-5.76%
Market Capitalization (US\$'million)	11,756.94	10,913.18	-7.18%
Volume traded (shares)	519,220.00	3,914,151.00	653.85%
Value Traded (GH¢)	316,894.50	8,839,592.42	2689.44%
Value Traded (US\$)	71,432.97	1,962,696.48	2647.61%

Table 1: Market Summary

INDEX ANALYSIS

INDICATORS	Closing Level	Week Change	YTD CHANGE
GSE Composite Index	1,868.74	1.96%	10.64%
SIC-FSL Top 15 Index	2,953.71	2.20%	13.26%
GSE Financial Stocks Index	1,767.08	2.26%	14.34%

Table 2: Key Stock Market Indices

LIQUIDITY

A 2 million block trade in Guinness Ghana Breweries Limited (GGBL) shares was all that was needed to outdo the previous week's performance. A total of 3.91 million shares exchanged hands and this was better than the previous 519,220 shares traded. Corresponding value traded also jumped from the GH¢316,895 that traded previously, to a whopping GH¢8.84 million last week. In the end, twenty-four (24) equities listed on the GSE participated.

The shares of GGBL was the most traded on the bourse, accounting for approximately 2 million of the total traded shares. This represented 51.10% of the total shares traded, valued at GH¢3 million. Fan Milk Limited (FML) by virtue of its high price made the biggest gain in terms value, recording GH¢5.06 million of the total traded value.

GSE MAINTAINS UPWARD COURSE

The excitement on the Ghana Stock Exchange (GSE) improved during last week's activities, following the superior advantage gainers had over laggards in both numbers and magnitude. Shares of Standard Chartered Bank Limited (SCB), Benso Oil Palm Plantation Limited (BOPP), Fan Milk Limited (FML) and Ghana Oil Company Limited (GOIL) supported the market's upward trajectory.

At the close of the week, the GSE Composite Index (GSE-CI) which tracks the performance of the entire market, saw its level improved from a year-to-date gain of 8.51% to 10.64% last Thursday. Similarly, the GSE Financial Stocks Index (GSE-FSI) which measures the performance of financial stocks improved from 11.82% to 14.34%. The SIC-FSL Top 15 liquid Index (SIC-FSL T-15) which also tracks the performance of the top 15 most liquid equities on the GSE moved-up from 10.82% to 13.26% the week before.

Total market capitalization also dropped from the previous week's figure of GH¢52.16 billion to GH¢49.15 billion last Thursday due to depreciation in Tullow Oil, Guinness Ghana Breweries Limited and Ecobank Ghana Limited. An equivalent dollar value also dipped from the previous week's figure of USD 11.76 billion to USD10.91 billion.



Fig 1: Year-to-date returns

MARKET MOVERS

SCB remains investors preferred choice

Demand for Standard Chartered Bank Limited shares on the Exchange remained high, forcing price further up last week. At the close of trading last week, shares of SCB jumped from an opening price of GH¢13.40 per share to GH¢15.00 a share as the highest gainer on the Exchange. The Bank is presently ranked seventh (7th) among the thirty-seven (37) listed equities on the Exchange with a return of 25.00% to shareholders.

At the current price of GH¢15.00 per share, SCB is trading above the 248-Day Volume Weighted Average Price (VWAP₂₄₈) of GH¢14.14 per share and 248-Day Average Trading Price of GH¢14.38 a share. That notwithstanding, the Bank's past price trend on the Exchange appeared to have been considered by investors.

BOPP hits fresh year-high price

Improved appetite for Benso Oil Palm Plantation (BOPP) shares on the GSE saw the shares rose to new year-high price of GH¢2.82 from an opening price of GH¢2.21 per share. The rise represented a return of 35.58% to shareholders and places the stock 3rd among the thirty-seven (37) listed equities on the GSE in term of year-to-date gains.

According to some analysts rising market confidence and anticipated prospects in the company seems to be the main price driver this time. At the current price of GH¢2.82 a share, BOPP appears to be trading fairly on the market, however, past price trend tend to suggest future upward price review.

CORPORATE NEWS

GHANA OIL COMPANY LIMITED (GOIL) APPOINTS A SOLICITOR SECRETARY: GOIL has appointed Madam Nana Ama Kusi-Appouh as a Solicitor Secretary in January, 2017.

As a Solicitor Secretary she is also a member of the Tender Committee and Negotiating Committee.

INTRAVENOUS INFUSION LIMITED (IIL) APPOINTS A DIRECTOR: IIL has appointed David Kafui Klutse as the Managing Director of the company effective 1st January, 2017.

The appointment follows the retirement of Mr. Richard Okrah, the former Managing Director after fifteen years of active service.

STOCK TICKER	Wk Open	Wk End	Change	% change
FML	11.08	11.30	0.22	1.99%
GOIL	1.17	1.20	0.03	2.56%
SCB	13.40	15.00	1.60	11.94%
SOEGEGH	0.76	0.78	0.02	2.63%
TOTAL	2.29	2.32	0.03	1.31%
UNIL	8.85	8.86	0.01	0.11%

Table 4: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
BOPP	2.21	2.82	0.61	27.60%
EGH	7.20	7.17	-0.03	-0.42%
GGBL	1.52	1.50	-0.02	-1.32%
TLW	24.83	21.25	-3.58	-14.42%

Table 4: Laggards for the week

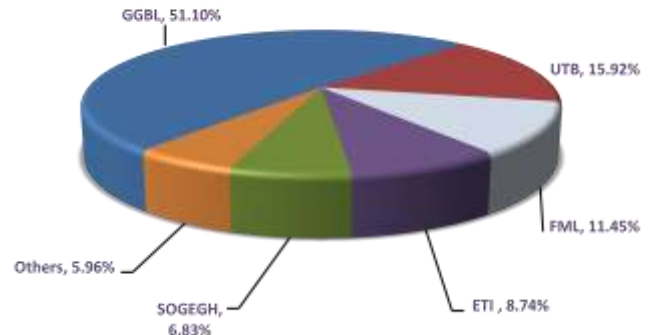


Fig 2: Top 5 most liquid equities with respect to volume traded

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 2/03/2017 (GH¢)	YTD Gain/Loss (%)
Access Bank Ghana PLC	ACCESS	4.10	4.10	0.00%
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	2.82	35.58%
Cal Bank Ltd	CAL	0.75	0.75	0.00%
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	0.03	50.00%
Ecobank Ghana Ltd.	EGH	6.40	7.17	12.03%
Enterprise Group Limited	EGL	2.40	2.40	0.00%
Ecobank Transnational Inc.	ETI	0.10	0.12	20.00%
Fan Milk Ltd.	FML	11.14	11.30	1.44%
Ghana Commercial Bank Ltd.	GCB	3.56	4.88	37.08%
Guinness Ghana Breweries Ltd.	GGBL	1.63	1.50	-7.98%
Ghana Oil Company Limited	GOIL	1.10	1.20	9.09%
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	0.68	-9.33%
Mega Africa Capital Ltd	MAC	6.00	6.00	0.00%
Mechanical Lloyd Co. Ltd.	MLC	0.15	0.15	0.00%
Pioneer Kitchenware Ltd.	PKL	0.05	0.05	0.00%
Produce Buying Company Ltd.	PBC	0.06	0.06	0.00%
PZ Cussons Ghana Ltd.	PZ	0.22	0.20	-9.09%
Standard Chartered Bank (GH) Ltd.*	SCB	12.18	15.00	23.15%
SIC Insurance Company Ltd.	SIC	0.12	0.15	25.00%
Starwin Products Ltd.	SPL	0.03	0.03	0.00%
Societe Generale Ghana Limited	SOGEGH	0.62	0.78	25.81%
Sam Woode Ltd.	SWL	0.04	0.04	0.00%
Trust Bank Ltd. (The Gambia)	TBL	0.26	0.30	15.38%
Total Petroleum Ghana Ltd.	TOTAL	1.98	2.32	17.17%
Transaction Solutions (Ghana) Ltd.	TRANSOL	0.03	0.03	0.00%
Tullow Oil Plc	TLW	26.88	21.25	-20.94%
Unilever Ghana Ltd.	UNIL	8.51	8.86	4.11%
UT Bank	UTB	0.03	0.04	33.33%
AngloGold Ashanti Depository Shares	AADS	0.52	0.52	0.00%
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	4.5016	4.5060	7.23% ▼
GBPGHS	5.5271	5.5347	6.44% ▼
EURGHS	4.7325	4.7374	6.72% ▼

Table 6: Inter-bank indicative rates

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

Dollar strengthens further

The Dollar surged higher on the inter-bank market as it broke its resistance level of GH¢4.45 – GH¢4.49 during the week's trading to reach a new high of GH¢4.50, representing a year-to-date appreciation of 7.23% against the Cedi.

According to the central bank the surge in the value of the Dollar can be attributed to activities of speculators, demand surge to finance imports and recent developments in the economy. However, the Bank has indicated that it is introducing some additional measures such as falling on short-term facilities with other international banks and bilateral dollar support to help stabilize the Cedi.

Consequently, one Dollar was pegged between GH¢4.50 and GH¢4.51 on Ghana's interbank market on Thursday, representing an appreciation of 1.52% higher than previous value.

Pound loses to Cedi

Although not sufficient, the fall in value of the Pound Sterling curtailed a more significant fall in the value of the Cedi in the period under review.

The Pound dwindled by 0.28% against the Cedi to settle at a lower annual yield of 6.44% after ending Thursday's trading at a midrate GH¢5.5309.

On the international market also, the Pound lost to a basket of currencies as rumor of a Scottish referendum coupled with the fast approaching triggering of Article 50 saw market participants lose confidence in the Pound.

Also, the Services Purchasing Managers' Index (PMI) dropped by 1.2 points, this saw the Euro decline to some of its major trading counterparts.

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CEDI MAINTAINS DOWNWARD STANCE

The performance of the Ghanaian Cedi on the inter-bank market last week was not as different from the preceding week as it lost more of its value to its major trading partners. The Cedi declined by 1.02% from its previous performance, depreciating against almost all its majors with the exception of the Pound Sterling, amid the reading of Budget by the Finance Minister, Mr. Ken Ofori-Atta.

In the budget, the Minister spelt out the Government's macroeconomic targets for 2017 as follows: overall real GDP growth of 6.3%, end of year inflation of 11.2%, overall fiscal deficit of 6.5% of GDP among others.

Going forward, the budget is expected to improve investor confidence in Ghana's economy so as to help boost the value of the Cedi.

By close of trading on Thursday, the Cedi's year-to-date loss stood at 6.93% from 5.85% a week ago.



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

Economic data supports Euro's value

A more than expected fall in German's unemployment level and a 1.2% improvement in the Consumer Price Index (CPI) was enough to push up the value of the shared currency on the global front.

Similarly on Ghana's local market, the Euro was up by 0.92%, increasing its year-to-date return to 6.72% from 5.75% previously.