

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)	57,205.94	56,993.68	-0.37%
Market Capitalization (US\$million)	13,067.28	13,027.13	-0.31%
Volume traded (shares)	2,847,584.00	3,709,501.00	30.27%
Value Traded (GH¢)	11,017,156.53	8,603,444.76	-21.91%
Value Traded (US\$)	2,516,596.59	1,966,501.66	-21.86%

Table 1: Market Summary

INDEX ANALYSIS

INDICATORS	Closing Level	Week Change	YTD CHANGE
GSE Composite Index	2,254.22	-0.09%	33.46%
SIC-FSL Top 15 Index	3,600.75	-1.40%	38.07%
GSE Financial Stocks Index	2,073.85	-0.26%	34.19%

Table 2: Key Stock Market Indices

LIQUIDITY

By the close of the week's session, a total of 3.71 million shares exchanged hands, and this was valued at GH¢ 8.60 million. In all, twenty-three (23) stocks participated in last week's trading session comprising of twenty-one (21) ordinary shares, one (1) preference share and one (1) stock on the Ghana Alternative market (GAX).

Financial stocks were the preferred choice for most investors, as the sector contributed 51.29% and 52.09% of both volume and value of shares that traded in the past week.

Shares of PBC Limited (PBC) were the most traded on the bourse last week because of the one (1) million block trade. The stock accounted for 26.96% of the entire market volume. Fan Milk Limited (FML) by virtue of its high price recorded the biggest value in the week, contributing a total of GH¢3.04 million last week.

FINANCIAL STOCKS TRIM-DOWN GSE'S GAINS

A decline in the shares of Ecobank Transnational Incorporated (ETI) and Cal Bank Limited (CAL) were enough to pull the brakes on major indices on the Ghana Stock Exchange (GSE) last week. Out of the six (6) price-movers last week, only two equities were laggards while the rest were gainers. However, the weight of the price-losers exceeded that of the gainers.

In the end, the yield on the GSE Composite Index (GSE-CI), the GSE Financial Stocks Index (GSE-FSI) and the SIC-FSL Top 15 Index (T-15 Index) slipped from their previous week annual gains of 33.57%, 34.55% and 40.03% each to close last week's session at 33.46%, 34.19% and 38.07% respectively.

Total market capitalisation slipped by 0.11% settling at GH¢56.99 billion from the previous week's value of GH¢57.21 billion. The equivalent Dollar value also declined by 0.31% to USD 13.03 billion which was due to the losses on the broader market.



Fig 1: Year to date returns

MARKET MOVERS

ETI swings back

The share price of Ecobank Transnational Incorporated (ETI) returned to GH¢0.13 from a year-high price of GH¢0.14 per share last week. The stock is currently ranked eight (8) among thirty-seven (37) listed equities on the Ghana Stock Exchange in terms of returns to investors with an annual yield of 30.00%.

The decline appeared to be a pure panic-sale by investors as they took some gains, considering the spontaneous nature of the Bank's share price. ETI's revenue dropped to GH¢1.91 billion in Q1'17 from the GH¢1.93 billion in Q1'16, representing a decline of about 1.00%. Corresponding Net Profit After Tax (NPAT) also dipped to GH¢273.53 million in Q1'17 from GH¢313.25 million in Q1'16.

Currently, ETI is trading above the 123-Day Volume Weighted Average Price (VWAP₁₂₃) of GH¢0.12 per share and 123-Day Average Trading Price of (ATP₁₂₃) of GH¢0.12 a share.

Investors cream-off gains in CAL despite...

Profit-taking in Cal Bank shares saw the price dropped from a week-open of GH¢0.90 to GH¢0.88 per share, in spite of posting strong half-year results. The Bank is presently ranked 10th among the thirty-seven (37) stocks listed on the GSE with an annual yield of 17.33%.

CAL's revenue improved to GH¢388.37 million in HY'17 compared to the GH¢333.07 million recorded in HY'16. Net profit after tax also rose to GH¢71.49 million in HY'17 from GH¢63.47 million in HY'16. Although the Bank's financials were impressive, it had little or no impact on last week's activities as investors appeared to have paid more attention to the current seeming peak price.

CAL is trading above the 123-Day Volume Weighted Average Price (VWAP₁₂₃) of GH¢0.74 per share and 123-Day Average Trading Price of (ATP₁₂₃) of GH¢0.74 a share.

STOCK TICKER	Wk Open	Wk End	Change	% change
BOPP	5.03	5.04	0.01	0.20%
EGL	2.46	2.65	0.19	7.72%
FML	16.00	16.08	0.08	0.50%
GOIL	2.29	2.30	0.01	0.44%
SCB PREF	1.04	1.20	0.16	15.38%

Table 4: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
CAL	0.90	0.88	-0.02	-2.22%
ETI	0.14	0.13	-0.01	-7.14%
IIL	0.09	0.08	-0.01	-11.11%

Table 4: Laggards for the week

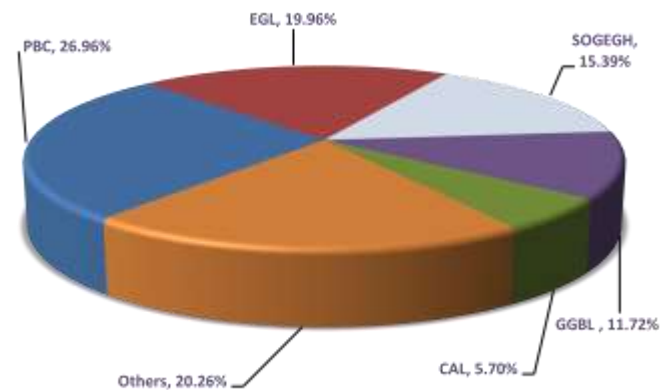


Fig 2: Top 5 most liquid equities with respect to volume traded

CORPORATE NEWS

ALUWORKS LIMITED (ALW) ANNOUNCES ANNUAL GENERAL MEETING (AGM): Directors of ALW have announced the company's 30th Annual General Meeting (AGM) which has been scheduled for Thursday, September 14, 2017.

The meeting will be held at the Fiesta Royale Hotel, Dzorwulu, Accra at 10:00 am.

STANDARD CHARTERED BANK LIMITED (SCB) APPOINTS MANAGING DIRECTOR: SCB has appointed Professor Akua Kuenyehia and Mr. Henry Baye as the Independent Non-Executive Director and Executive Director respectively.

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 3/08/2017 (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	0.16	14.29%
Ayrton Drug Manufacturing Ltd.	AYRTN	0.12	0.10	-16.67%
Benso Oil Palm Plantation	BOPP	2.08	5.04	142.31%
Cal Bank Ltd	CAL	0.75	0.88	17.33%
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	2.65	10.42%
Ecobank Transnational Inc.	ETI	0.10	0.13	30.00%
Fan Milk Ltd.	FML	11.14	16.08	44.34%
Ghana Commercial Bank Ltd.	GCB	3.56	5.15	44.66%
Guinness Ghana Breweries Ltd.	GGBL	1.63	1.45	-11.04%
Ghana Oil Company Limited	GOIL	1.10	2.30	109.09%
Golden Star Resources Ltd.	GSR	1.95	1.90	-2.56%
Golden Web Ltd.	GWEB	0.01	0.01	0.00%
HFC Bank (Ghana) Ltd.	HFC	0.75	0.73	-2.67%
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	0.04	-33.33%
PZ Cussons Ghana Ltd.	PZ	0.22	0.20	-9.09%
Standard Chartered Bank (GH) Ltd.*	SCB	12.18	26.22	115.27%
SIC Insurance Company Ltd.	SIC	0.12	0.12	0.00%
Starwin Products Ltd.	SPL	0.03	0.04	33.33%
Societe Generale Ghana Limited	SOGEGH	0.62	0.75	20.97%
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	17.80	-33.78%
Unilever Ghana Ltd.	UNIL	8.51	9.01	5.88%
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	1.20	60.00%
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	4.3728	4.3772	4.16% ▼
GBPGHS	5.7467	5.7547	10.67% ▼
EURGHS	5.1960	5.2013	17.17% ▼

Table 6: Inter-bank indicative rates

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

Dollar loses to Cedi

The American Dollar lost 0.06% of its value to the Ghanaian Cedi after \$1.00 was bought at GH¢4.3728 and sold for GH¢4.3772 in the week under review.

This was due to the sale of Dollars by the Bank of Ghana (BoG) which was sufficient to meet demand on the currency market. A similar occurrence is expected to happen in subsequent weeks amid growing investor confidence in the economy. This will further stabilize the value of the Cedi, going forward.

Consequently, the Dollar's annual yield reduced to 4.16% from 4.23% on Thursday.

Pound vs. Cedi

The British Pound nosedived on the international market after the Bank of England (BoE) had kept its interest rate unchanged and reduced its growth forecast.

The BoE decided to hold its interest rates at 0.25% and lower UK's 2017 growth forecast to 1.7% from 1.9% earlier.

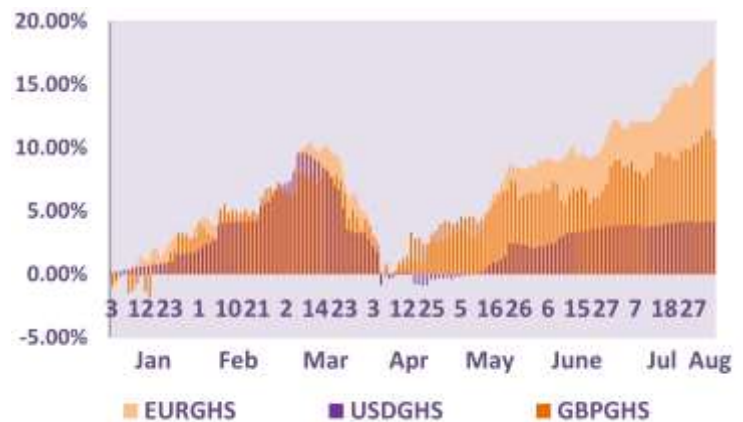
Although the Pound saw a downward revision in its value on the international market, it managed to appreciate by 0.39% against the Cedi on Ghana's inter-bank market. This represented a rise in its year-to-date return to 10.67% by the close of Thursday's trading activities.

CEDI ENDS TRADING IN THE RED

The Cedi was under pressure on the interbank market as it failed to plowback some of the value it has lost against its major trading partners amid the release of the mid-year budget review.

On Monday, Ghana's Minister of Finance, Mr. Ken Ofori-Atta presented the mid-year review of Government's budget for 2017 to Parliament. Some highlights of the review showed some positive stance of the country's macroeconomic indicators such as inflation, treasury bill rates, gross international reserves and among others.

Although the Cedi managed to appreciate against the Dollar, gains which were made particularly by the Euro and the Pound saw the Cedi end trading in the red. As a result, the Cedi posted a composite loss of 0.57% against its trading partners last Thursday to settle at a year-to-date depreciation rate of 9.08%.



Euro maintain upward momentum

The Euro benefitted from a weak Cedi last week, as it remained one of the currencies of choice on Ghana's currency market.

This was evident in the annual return of 17.17% recorded by the Euro as it ended the week trading between GH¢5.1960 and GH¢5.2013.

On the global front, the Euro gained support from rising economic activity across the bloc, thereby increasing investors' confidence in the region.

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