

# 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)	49,138.04	49,245.50	0.22%
Market Capitalization (US\$million)	11,326.30	11,737.14	3.63%
Volume traded (shares)	3,581,141.00	8,717,043.00	143.42%
Value Traded (GH¢)	4,012,333.06	10,849,953.61	170.42%
Value Traded (US\$)	924,841.66	2,585,969.83	179.61%

Table 1: Market Summary

## INDEX ANALYSIS

INDICATORS	Closing Level	Week Change	YTD CHANGE
GSE Composite Index	1,896.12	0.90%	12.26%
SIC-FSL Top 15 Index	3,047.32	0.97%	16.85%
GSE Financial Stocks Index	1,805.62	1.12%	16.84%

Table 2: Key Stock Market Indices

## LIQUIDITY

A 6.75 million block trade in Cal Bank Limited (CAL) shares saw total shares traded improved from the 3.58 million a fortnight ago to 8.72 million last week. Corresponding value traded also improved from the GH¢4.01 million to GH¢10.85 million last week.

In all, twenty-four (24) equities participated in last week's activities, which included twenty-three (23) listed equities on the GSE and one (1) equity on the Ghana Alternative Market (GAX). Trading were largely dominated by the financial stocks, as the sector recorded 96.72% and 94.97% of both volume and value of shares traded.

The shares of CAL were the most traded on the Bourse, accounting for 77.99% of the entire shares traded in the week. However, GCB Bank Limited (GCB) recorded the highest value of GH¢5.23 million, representing 48.19% of the net market value.

## ACCRA BOURSE REGAINS STRENGTH

The excitement on the Ghana Stock Exchange (GSE) bounced-back because of increased bullish activities last week. Key performance indicators climbed up after the previous weeks decline in performance. Shares of Cal Bank Limited (CAL), Standard Chartered Bank Limited (SCB), Benso Oil Palm Plantation Limited (BOPP) and Ghana Oil Company Limited (GOIL) were the main gainers.

Yields on the GSE-Composite Index (GSE-CI), the GSE Financial Stocks Index (GSE-FSI) and the SIC-FSL Top 15 liquid Index (T-15 Index) improved over the previous week's returns. The GSE-CI, GSE-FSI and SIC-FSL T-15 close at yields of 12.26%, 16.84% and 16.85% which was an improvement over the previous week.

Total market capitalization was also up from the GH¢49.14 billion to GH¢49.25 billion. An equivalent dollar value also appreciated from the USD 11.33 billion to USD 11.74 billion because of the appreciation in the Ghana Cedi against the Dollar.



Fig 1: Year-to-date returns

## MARKET MOVERS

### SCB leads spree of gainers

High demand for SCB shares on the market saw the company leading spree of gainers in last week's trading session on the Exchange. The Bank's appreciated from the GH¢15.45 to GH¢15.82 per share which represented a growth of 2.39% in nominal value. Currently, the Bank is ranked fifth (5<sup>th</sup>) out of the thirty-seven (37) listed equities on the Exchange with a year-to-date return of 29.89% to shareholders.

Some market analysts believe the appreciation was triggered by the company's sterling performance as seen in its full-year 2016 results coupled with the growing appetite for equities in recent times.

SCB reported a revenue jump from the GH¢657.54 million in FY'15 to GH¢721.37 million in FY'16, which represented 10% growth. Total profit realized was GH¢224.51 million better than the GH¢66.15 million recorded in FY'15.

### CAL trims-down losses

A 10-pesewa gain by Cal Bank shares trimmed down the company's losses to 9.33% from the previous week's level of 22.67%. CAL closed the week's trading at GH¢0.68 per share from the week's open price of GH¢0.58 per share. The Bank is presently ranked 29<sup>th</sup> on the Ghana Stock Exchange in terms of performance out of the thirty-seven (37) listed equities on the GSE.

At the current price of GH¢0.68 per share above, CAL is still trading below the passed year's Volume Weighted Average Price (VWAP) of GH¢0.92 and the past year's Average Trading Price of GH¢0.87 a share. This signals the possibility of future price appreciation.

STOCK TICKER	Wk Open	Wk End	Change	% change
BOPP	2.87	2.95	0.08	2.79%
CAL	0.58	0.68	0.10	17.24%
GCB	5.20	5.22	0.02	0.38%
GOIL	1.24	1.26	0.02	1.61%
SCB	15.45	15.82	0.37	2.39%
TOTAL	2.20	2.22	0.02	0.91%

Table 4: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
MLC	0.15	0.13	-0.02	-13.33%
SIC	0.11	0.10	-0.01	-9.09%
TBL	0.26	0.23	-0.03	-11.54%

Table 4: Laggards for the week

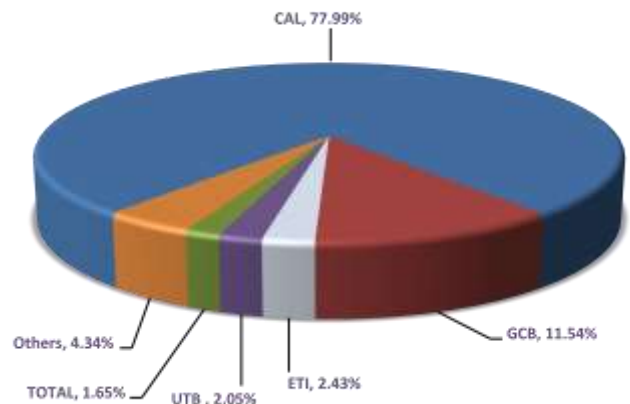


Fig 2: Top 5 most liquid equities with respect to volume traded

## CORPORATE NEWS

**HFC BANK LIMITED (HFC) ANNOUNCES ANNUAL GENERAL MEETING (AGM):** Directors of HFC Bank have scheduled Thursday, April 27, 2017 for the company's 26<sup>th</sup> Annual General Meeting.

The meeting will be held at the Alisa Hotel, Ridge Arena, Accra at 11 am.

**STANDARD CHARTERED BANK LIMITED (SCB) ANNOUNCES PREFERENCE SHARE DIVIDEND PAYMENT:** SCB has declared a dividend payment of GH¢0.0568 per preference share to shareholders in respect of 31<sup>st</sup> March 2017 to 30<sup>th</sup> September, 2017.

In view of the above, any investor who buys SCB preference shares on or after Wednesday 23<sup>rd</sup> August 2017 will not be entitled to the dividend. The dividend will be paid on Friday, 29<sup>th</sup> September, 2017.

**GCB BANK (GCB) LIMITED ANNOUNCES DIRECTOR'S RESIGNATION:** GCB has announced the resignations of the Board Chairman; Mr. Daniel Owiredo, Board Member; Mr. Moses Asaga, Board Member; Mrs. Mona Quartey.

The resignation took effect from the 3<sup>rd</sup> April, 2017.

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 6/04/2017 (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	2.97	41.83%
Cal Bank Ltd	CAL	0.75	0.68	-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	7.30	14.06%
Enterprise Group Limited	EGL	2.40	2.39	-0.42%
Ecobank Transnational Inc.	ETI	0.10	0.13	30.00%
Fan Milk Ltd.	FML	11.14	11.30	1.44%
Ghana Commercial Bank Ltd.	GCB	3.56	5.22	46.63%
Guinness Ghana Breweries Ltd.	GGBL	1.63	1.50	-7.98%
Ghana Oil Company Limited	GOIL	1.10	1.26	14.55%
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	0.65	-13.33%
Mega Africa Capital Ltd	MAC	6.00	6.00	0.00%
Mechanical Lloyd Co. Ltd.	MLC	0.15	0.13	-13.33%
Pioneer Kitchenware Ltd.	PKL	0.05	0.05	0.00%
Produce Buying Company Ltd.	PBC	0.06	0.05	-16.67%
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	0.10	-16.67%
Starwin Products Ltd.	SPL	0.03	0.03	0.00%
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	0.04	33.33%
AngloGold Ashanti Depository Shares	AADS	0.52	0.45	-13.46%
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	4.1936	4.1978	3.29% ▼
GBPGHS	5.2386	5.2456	4.34% ▼
EURGHS	4.4714	4.4738	4.94% ▼

Table 6: Inter-bank indicative rates

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

### Dollar nosedives further

Ghana's local currency steadily recouped its gains against the American Dollar in the period under review subsequent to continuous Dollar inflows from offshore investors trading in long-dated domestic bonds.

On Thursday, one Dollar was exchanged at a midrate of GH¢4.1957, that is 3.29% lower than the GH¢4.3384 it recorded a week ago. This translated to the Dollar's annual loss of 0.11%, in favour of the Cedi. This shows that the Dollar traded lower than the GH¢4.2077 initial midrate at the beginning of this year.

Going forward, the recent US\$2.2 billion from the sale of long-dated local securities by the Government is expected to boost the central bank's reserves and also strengthen the Cedi's value this year.

### Euro succumbs to Cedi

Among the Cedi's major trading partners on the currency market, the 19 nation currency recorded the highest loss against the Cedi in the week under review.

The Euro lost by 3.94% to the Ghanaian Cedi by the end of trading on Thursday.

In effect, trading in the pair ended in favour of the Cedi, after the Euro was pegged between GH¢4.4714 and GH¢4.4738.

## CEDI EXTENDS ITS RALLY

The Ghanaian Cedi maintained its upward trajectory for yet another week as it sustained significant appreciations against its major trading partners on the inter-bank market.

Growing confidence in Ghana's economy as well as improved foreign exchange inflows seems to be bolstering the value of the Cedi on the currency market in recent times.

By the close of trading on Thursday, the Cedi has regained as much as 3.49% in value, further reducing its holistic year-to-date loss to 0.33%.

The Cedi is expected to maintain its steady trend in the coming weeks.



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

### Pound vs. Cedi

A positive data release on UK's Services Purchasing Managers' Index (PMI) was the catalyst for the Pound's appreciation against some of its key currency traders on the international market. The Services PMI shot up by 1.7 points to 55 points.

However, Ghana's Cedi managed to cut back a great chunk of the losses it had suffered against the Pound Sterling from the inception of the year. Thus reducing the Pound's year-to-date gain from 4.34% recorded in the previous week, to 0.88%.

On Ghana's inter-bank market, a Pound was bought at GH¢5.2386 and sold for GH¢5.2456 on Thursday, representing a 3.26% loss over the previous value.

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