

# 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)	49,150.79	49,168.43	0.04%
Market Capitalization (US\$million)	10,913.18	10,679.73	-2.14%
Volume traded (shares)	3,914,151.00	1,376,659.00	-64.83%
Value Traded (GH¢)	8,839,592.42	2,536,094.27	-71.31%
Value Traded (US\$)	1,962,696.48	550,857.81	-71.93%

Table 1: Market Summary

## INDEX ANALYSIS

INDICATORS	Closing Level	Week Change	YTD CHANGE
GSE Composite Index	1,871.51	0.15%	10.80%
SIC-FSL Top 15 Index	2,955.87	0.07%	13.34%
GSE Financial Stocks Index	1,770.52	0.19%	14.57%

Table 2: Key Stock Market Indices

## LIQUIDITY

Activity in twenty-One (21) equities yielded an aggregate volume of 1.38 million shares, which was 64.83% lower than the previous week's performance. The decline was partly due to the absence of block trades on the bourse last week. Corresponding value traded also dropped from the GH¢8.84 million to GH¢2.54 million, representing a decline of 71.31% of the previous week figure.

Market activities were largely skewed towards the financial stocks, as the sector recorded 91.23% and 86.64% of total volume and value of shares traded.

Ecobank Transnational Incorporated (ETI) recorded the highest activity in the week, with a contribution of 675,271 shares, which represented 49.05% of total traded shares. On the other hand, GCB by virtue of its high price was the most valuable in the week, accounting for 78.60% of the total value.

## ACCRA BOURSE REMAINS ON TRACK

The Ghana Stock Exchange (GSE) remained on the positive track, as bulls for a second consecutive week flawed bears in last week's activities. Shares of Aluworks Limited (ALW), Cal Bank Limited (CAL) and GCB Bank Limited (GCB) drove performance further up.

In the end, key benchmark indices like the GSE Composite Index (GSE-CI), the GSE Financial Stocks Index (GSE-FSI) and the SIC-FSL Top 15 Liquid Index (SIC-FSL T-15) closed the week slightly better. The GSE-CI closed at an annual yield of 10.80%, whilst the GSE-FSI and SIC-FSL T-15 also closed at yields of 14.57% and 13.34% respectively.

Total market capitalization improved marginally from GH¢49.15 billion to GH¢49.17 billion. However, corresponding dollar value slipped to USD 10.68 billion from USD 10.91 billion because of the depreciations in the Ghanaian Cedi against the Dollar.

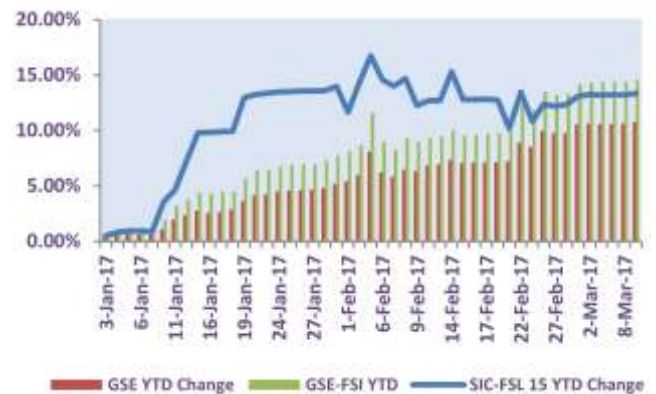


Fig 1: Year -to -date returns

## MARKET MOVERS

### Aluworks returns after almost six years

The Aluminium giant, Aluworks Limited (ALW) bounced back to GH¢0.16 a share after almost six years. ALW last traded at the above price in somewhere August 2011 and has since been wobbling below that price for this while. The rise appeared to have necessitated by the rising investors confidence in equities on the Ghanaian Bourse. Presently, ALW is ranked 11<sup>th</sup> among the thirty-seven (37) listed equities on the Exchange in terms of returns to shareholders, with an annual yield of 14.29%.

At the current price above, the stock is trading above the estimated 248-Days volume weighted average price (VWAP<sub>248</sub>) of GH¢0.13 per share and above the 248-Day Average Trading Price of GH¢0.11 a share.

### Investors bids up CAL's share price

Improved appetite in Cal Bank saw the share price appreciated from GH¢0.75 the week before to GH¢0.77 per share last Thursday. CAL is currently ranked 15<sup>th</sup> among the thirty-seven (37) listed companies on the Exchange in terms of returns to shareholders.

CAL at the current price of GH¢0.77 per share, is not only trading below the sector's average trailing P/E ratio of 6x, but also below the VWAP<sub>248</sub> of GH¢0.92 and the 248-Day Average Trading price of GH¢0.87 a share which makes future price appreciation a key possibility.

STOCK TICKER	Wk Open	Wk End	Change	% change
ALW	0.14	0.16	0.02	14.29%
CAL	0.75	0.77	0.02	2.67%
GCB	4.88	4.90	0.02	0.41%

Table 4: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
TOTAL	2.32	2.29	-0.03	-1.29%

Table 4: Laggards for the week

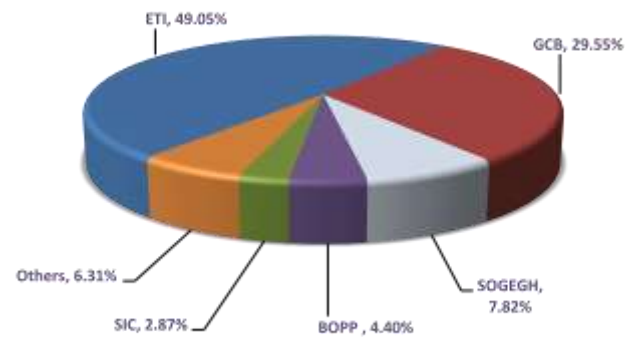


Fig 2: Top 5 most liquid equities with respect to volume traded

## CORPORATE NEWS

**GUINNESS GHANA BREWERIES LIMITED (GGBL) APPOINTS NEW DIRECTOR:** GGBL has appointed Mr. Felix Addo as a Non-Executive Director on the Board of the company effective 17<sup>th</sup> January, 2017.

Mr. Stephen Nirenstein has also been appointed as the new Company Secretary with effect from February 20, 2017.

**SOCIETE GENERALE GHANA (SOGEGH) ANNOUNCES DIVIDEND PAYMENT AND ANNUAL GENERAL MEETING:** SOGEGH has suggested a dividend payment of GH¢0.033 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 SOGEGH shares on or after Monday, 27<sup>th</sup> March, 2017 will not be entitled to the dividend. The actual payment date has been scheduled for Friday, May 12, 2017.

On the otherhand, the Bank's AGM will be held on Friday, March 31, 2017 at the Alisa Hotel, Ridge at 11.00 am.

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 9/03/2017 (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	0.16	14.29%
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	0.77	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	0.03	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	4.90	37.64%
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	2.29	15.66%
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	4.6016	4.6062	9.61% ▼
GBPGHS	5.6061	5.6122	7.94% ▼
EURGHS	4.8774	4.8806	9.97% ▼

Table 6: Inter-bank indicative rates

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

### Dollar soars higher

The Dollar remained buoyant on the currency markets last week as it rose by 2.22% against the Cedi, pushing the yield of the American Dollar higher.

Speculations amid low supply and the high demand for the Dollar continues to wane the value of the local currency on the inter-bank market.

The Dollar as a result traded at a midrate of GH¢4.0639 to settle at an annual yield of 9.91%, its highest return against the Cedi since the beginning of this year.

### Draghi's comment boost Euro's value

The Euro gained strong support following comments made by the President of the European Central Bank last week.

The President, Mr. Mario Draghi reiterated the decision of reducing the monthly asset purchases from €80 billion to €60 billion starting from April this year while speaking of an improving outlook.

Also, data on German's exports and imports came out better than expected adding to the rise in value of the Euro on the global front.

Similarly on Ghana's inter-bank market, the shared currency recorded the highest appreciation after gaining 3.04% in value against the Cedi.

The Euro was bought at GH¢4.8774 and sold for GH¢4.8806, this represented a year-to-date gain of 9.97% in favour of the Euro.

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## CEDI LOSES SIGNIFICANTLY

Trading on Ghana's inter-bank market in the period under review saw the local currency lose significantly to its major trading partners.

By the close of trading on Thursday the Cedi had lost as much as 2.33% of its worth, marking the significant loss since the beginning of the year. This translated into a year-to-date loss of 9.42% from the 6.93% recorded the week earlier.

That notwithstanding, the Cedi is expected to stabilize by the end of March 2017, according to the Senior Minister, Mr. Yaw Osafo Maafo. He explained that the policy initiatives outlined in the budget statement and delivered by the Finance Minister, Ken Ofori-Atta, will help stabilize the Cedi although it will take a while before the markets respond.

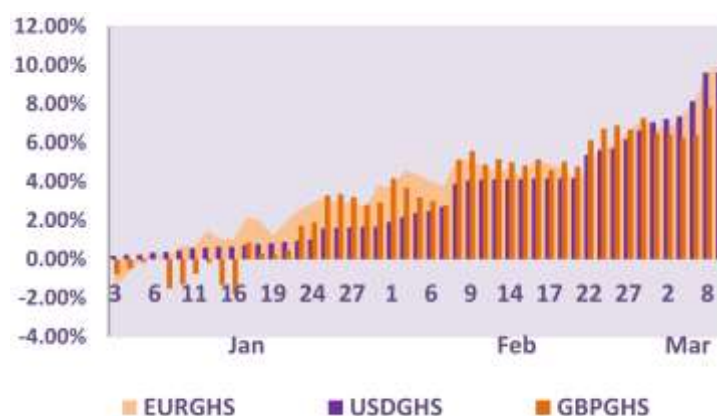


Fig 3: YTD performance of Pound, Dollar & Euro versus the Cedi

### Pound rebounds after previous loss

The Pound Sterling benefitted from a weak Cedi last week, as it was one of the currencies of choice of most investors on Ghana's currency market.

This was evident in its annual return of 7.94% from previous 6.44% as ended Thursday's trading between GH¢5.6061 and GH¢5.6122