



PRUDENTIAL STOCKBROKERS LTD

WEEKLY MARKET REVIEW

WEEK-ENDING JANUARY 05, 2018

THE MARKET AT A GLANCE			
	Review Wk	Previous Wk	Increase/Decrease
GSE All-Share Index	2,635.67	2,579.72	55.95
Year-to-date	2.19	52.73	
Price Movements	GHS	GHS	
ADB	5.85	5.84	0.01
BOPP	6.14	6.12	0.02
CAL	1.09	1.08	0.01
EGH	7.70	7.60	0.10
EGL	3.73	3.70	0.03
GCB	5.82	5.05	0.77
GOIL	2.78	2.69	0.09
SCB	25.36	25.25	0.11
SOGEGH	0.84	0.82	0.02
TOTAL	4.02	3.53	0.49
UNIL	12.85	12.84	0.01

SHARES TRADING ACTIVITY	Review Week	Previous Week	Increase/Decrease
Volume Traded	1,134,954	124,399.00	812.35
Value Traded (GHS)	4,583,219.98	1,142,805.28	301.05
Value Traded (\$)	1,037,420.49	258,805.01	300.85
Market Capitalization (GHS)	59,288.18	58,803.96	0.82
Market Capitalization (\$)	13,419.99	13,317.02	0.77

MONEY MARKET RATES				
Maturity	Discount Rate (%)		Interest Equivalent (%)	
	Review week	Previous week	Review week	Previous week
91-DAY	12.8834	12.9147	13.3121	13.3456
182-DAY	12.9885	12.9828	13.8906	13.8840
1-YEAR NOTE			15.0000	15.0000

Currency Rates					
Currency	Review wk	Previous wk	Chg	Year-end 2017	chg
	05/01/2018	29/12/2017	Review wk (%)	GHS	YTD (%)
USD(\$)	4.4179	4.4157	-0.051	4.4157	-0.05
Pound (£)	5.9863	5.9669	-0.33	5.9669	-0.33
Euro (€)	5.3138	5.2964	-0.33	5.2964	-0.33

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ISSUES:

Equity Market:

The benchmark indicator of the Ghana Stock Exchange, the GSE Composite Index during the review week increased by **55.95** points to close at **2,635.67** bringing the Year-to-date return of GSE Composite Index to **2.19%**. Market Capitalization also increased by **GHC484.22m** to settle at **GHC59,288.18m** representing a **0.82%** upward movement from the previous week.

Market Turnover

Total volume of shares traded for the period under review was **1,134,954** valued at **GHC4,583,219.98 (US\$1,037,420.49)**

TOP FIVE (5) TRADED EQUITIES

Equity	Trade Volume	Trade Value (GH¢)	Trade Value (US\$)	Volume (%)
GCB	485,800	2,824,809.00	639,400.85	42.88
GOIL	310,500	861,366.00	194,971.82	27.40
ETI	112,600	18,033.00	4,081.80	9.94
EGL	74,000	276,004.00	62,474.03	6.53
CAL	60,700	65,680.00	14,866.79	5.36

HIGHEST BIDS AND OFFERS OUTSTANDING FOR THE WEEK

Equity	Bids Outstanding (Average)	Equity	Offers Outstanding (Average)
ETI	427,620	SPL	358,040
TBL	290,240	CLYD	81,400
GOIL	117,700	ALW	45,820
CAL	108,340	TOTAL	30,000
GGBL	58,200	EGH	23,000

Share prices of **ETI, TBL, GOIL, CAL** and **GGBL** are expected to increase in the coming week as they recorded the highest outstanding bids during the week under review. The prices of **SPL, CLYD, ALW, TOTAL** and **EGH** are however expected to fall in the coming week as they had the highest offers outstanding in the week under review.

Money Market:

On the Money-Market, the 91-Day Treasury bill rate decreased by 0.0335% to close the review week at **13.3121%**. The 182-Day Treasury bill rate also increased by 0.0066% to close the week at **13.8906%**. The One year note remained unchanged at **15.0000%**.

The Currency Market:

On the Inter Bank market, the Cedi depreciated against all the major trading currencies. It lost 0.051% against the US Dollar closing the review week at **GHC4.4179**. It lost 0.33% against the pound closing the review week at **GHC5.9863**. It also lost 0.33% against the Euro to close at **GHC5.3138**.

CORPORATE NEWS

2018 SSNIT PENSION REVIEW

The Social Security National Insurance Trust (SSNIT) in consultation with the National Pensions Regulatory Authority (NPRA) and in accordance with Section 80 of the National Pensions Act 2008 (Act766) has increased the monthly pension by 10% for the year 2018. Accordingly, current pensioners on the pension payroll as at December, 2017 will have their pensions increased by 10%. Those on the current minimum pension of GHC276.00 will have their pensions increased to GHC303.60.

Source: SSNIT

RESULTS OF HFC RIGHTS ISSUE

HFC rights issue which was run from December 4th to December 20th has been declared successful as it was oversubscribed by 1%. During the period, a total of 117 applications were received from qualifying shareholders subscribing 91,922,054 shares which was in excess of 90,909,094 shares on offer. This brings the total issued shares of HFC to 388,330,012.

Source: GSE

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ECONOMIC RATES

COUNTRY	INFLATION (%)	POLICY RATE (%)
GHANA	11.70%	20.00%
NIGERIA	15.90%	14.00%
KENYA	4.73%	7.00%
MAURITIUS	3.50%	3.50%
S. AFRICA	4.60%	6.75%

Source: Various Central Banks

INTERNATIONAL COMMODITY MARKET

COMMODITIES	WK OPEN	WK CLOSE	% CHANGE
GOLD \$/t OUNCE	1,317.56	1320.84	0.25
COCOA \$/METRIC TON	1,936.00	1893.00	-2.22

Source: Bloomberg

BUSINESS TERMS OF THE WEEK

SECONDARY OFFERING

This is the issuance of new stock for public sale from a company that has already made its initial public offering (IPO). Usually these kinds of public offerings are made by companies wishing to refinance or raise capital for growth. Money raised from these kinds of secondary offerings goes to the company through the investment bank that underwrites the offering.

Source: Investopedia

ASSET CLASS

An asset class is a group of securities that exhibits similar characteristics, behaves similarly in the marketplace and is subject to the same laws and regulations. The three main asset classes are equities, fixed income and cash equivalent. Financial advisors view investment vehicle as asset class categories that are used for diversification purposes. Each asset class is expected to reflect different risk and return investment characteristics and performs differently in any given market environment. Investors interested in maximizing return often do so by reducing portfolio risk through asset class diversification.

Source: Investopedia

STOCK MARKET PERFORMANCE

STOCK MARKET PERFORMANCE					
COUNTRY	Year End	Wk Open	Wk Close	Wk Chg	YTD Return (%)
	2017				
GHANA	2,579.12	2,579.12	2,635.67	56.55	2.19
NIGERIA	38,243.19	38,264.79	38,877.40	612.61	1.66
MAURITIUS	2,202.14	2,200.01	2,223.49	23.48	0.97
KENYA	171.20	171.16	174.17	3.01	1.73
SOUTH AFRICA	59,504.67	59,731.16	59,717.20	-13.96	0.36

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