



PRUDENTIAL STOCKBROKERS LTD

WEEKLY MARKET REVIEW

WEEK-ENDING 12TH OCTOBER, 2018

THE MARKET AT A GLANCE			
	Review Wk	Previous Wk	Increase/Decrease
GSE All-Share Index	3,006.86	3,052.31	-45.45
Year-to-date	16.56	18.32	-9.61%
Price Movements	GHS	GHS	
GCB	5.35	5.34	0.20%
GOIL	2.95	2.82	0.05%
ACCESS	3.13	3.40	-7.90%
BOPP	5.45	6.37	-14.40%
CAL	1.16	1.17	-0.90%
EGH	8.00	8.45	-5.30%
EGL	3.04	3.05	-0.33%
MTNGH	0.91	0.93	-2.15%
SOGEGH	1.00	1.04	-3.85%
TBL	0.20	0.24	-16.67%
TLW	11.99	12.00	-0.08%
UNIL	17.79	17.80	-0.06%

SHARES TRADING ACTIVITY	Review Week	Previous Week	Increase/Decrease
Volume Traded	1,425,750	4,015,679	-64.50%
Value Traded (GHS)	4,584,200.43	6,510,508.19	-29.59%
Value Traded (\$)	955,798.43	1,357,543.72	-29.59%
Market Capitalization (GHS)	66,123.80	66,590.50	-0.70%
Market Capitalization (\$)	13,786.71	13,885.17	-0.71%

MONEY MARKET RATES				
Maturity	Discount Rate (%)		Interest Equivalent (%)	
	Review week	Previous week	Review week	Previous week
91-DAY	12.9781	12.9720	13.4133	13.4068
182-DAY	13.3236	13.3761	14.2746	14.3349
1-YEAR NOTE				14.5000

Currency Rates					
Currency	Review wk	Previous wk	Chg	Year-end 2017	chg
	12/10/2018	05/10/2018	Review wk (%)	GHS	YTD (%)
USD(\$)	4.7962	4.7958	-0.008	4.4157	-8.62
Pound (£)	6.3113	6.2700	-0.66	5.9669	-5.77
Euro (€)	5.5433	5.5258	-0.32	5.2964	-4.66

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ISSUES:

Equity Market:

The benchmark indicator of the Ghana Stock Exchange, the GSE Composite Index during the review week decreased by **45.45points** to close at **3,006.86** bringing the Year-to-date return of GSE Composite Index to **16.56%**. Market Capitalization decreased by **GHC466.70m** to settle at **GHC66,123.80m** representing a **0.70%** downward movement from the previous week.

Market Turnover

Total volume of shares traded for the period under review was **1,425,750** valued at **GHC4,584,200.43** (US\$955,798.43)

TOP FIVE (5) TRADED EQUITIES

Equity	Trade Volume	Trade Value (GH¢)	Trade Value (US\$)	Volume (%)
EGL	502,300	1,526,990.00	318,375.38	35.37
MTNGH	240,500	222,533.00	46,397.77	16.94
CAL	216,700	251,412.00	52,419.00	15.26
GOIL	98,800	290,908.00	60,653.85	6.96
SOEGGH	72,600	72,517.00	15,119.68	5.11

HIGHEST BIDS AND OFFERS OUTSTANDING FOR THE WEEK

Equity	Bids Outstanding (Average)	Equity	Offers Outstanding (Average)
SPL	680,800	CAL	172,520
CMLT	126,000	MTN	126,080
SIC	52,840	ETI	110,700
PBC	34,900	FML	96,500
TOTAL	10,200	SIC	83,880

Share prices of **SPL, CMLT, PBC and TOTAL** are expected to increase in the coming week as they recorded the highest outstanding bids during the week under review. The prices of **CAL, FML, ETI, MTN and SIC** 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 increased by 0.0065% to close the review week at **13.4133%**. The 182-Day Treasury bill rate also decreased by 0.0603% to close the week at **14.2746%**. The One year note ended the review week at **14.5000%** and the Two and Three year note ended the review week at **16.2500%**.

The Currency Market:

On the Inter Bank market, the Cedi depreciated against all the major trading currencies. It lost 0.008% against the US Dollar closing the review week at **GHC4.7962**. It lost 0.66% against the UK Pound closing the review week at **GHC6.3113**. It also lost 0.32% against the Euro to close at **GHC5.5433**.

CORPORATE NEWS

GUINNESS GHANA BREWERIES LIMITED FINAL DIVIDEND AND CLOSURE OF REGISTER.

The directors of Guinness Ghana Limited are recommending to the shareholders of the company, the payment of a final dividend of GH 0.0351 per share for the 2018 financial year at their upcoming annual general meeting. Members registered in the books of GGBL at the close of business on Monday 12th November, 2018 will qualify for the payment of the final dividend. The ex-dividend date is 8th November, 2018 thus an investor buying the shares of Guinness Ghana Limited before this date will be entitled to the final dividend. The final dividend will be paid on 14th December, 2018.

Source: Doobia.com

IPO- ENERGY COMMERCIAL BANK

Energy Commercial Bank launched its Initial Public Offering on 2nd October, 2018 at the Holiday Inn Hotel. This is in line with the company's aim to meet the new minimum capital requirement. The company is seeking to raise GHC340million from the Ghanaian bourse. Successful completion of the initial public offering will see it been the tenth bank to be listed and the third company to be listed on the stock market this year. The initial public offering is still ongoing and will end on Friday, 2nd November, 2018.

Source: GSE

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ECONOMIC RATES

COUNTRY	INFLATION (%)	POLICY RATE (%)
GHANA	9.90%	17.00%
NIGERIA	11.23%	14.00%
KENYA	4.04%	7.15%
MAURITIUS	3.70%	3.50%
S. AFRICA	4.90%	6.50%

Source: Various Central Banks

INTERNATIONAL COMMODITY MARKET

COMMODITIES	WK OPEN	WK CLOSE	% CHANGE
GOLD \$/t OUNCE	1,188.08	1,219.31	2.63
COCOA \$/METRIC TON	2,086.00	2,160.00	3.55

Source: Bloomberg

STOCK MARKET PERFORMANCE

STOCK MARKET PERFORMANCE					
COUNTRY	Year End	Wk Open	Wk Close	Wk Chg	YTD
	2017				Return (%)
GHANA	2,579.72	3,052.10	3,006.86	-45.26	16.56
NIGERIA	38,243.19	32,444.96	32,456.98	12.02	-15.13
MAURITIUS	2,202.14	2,252.15	2,225.19	-26.96	1.05
KENYA	171.20	149.92	144.26	-5.66	-15.74
SOUTH AFRICA	59,504.67	54,219.20	53,473.11	-746.09	-10.14

BUSINESS TERMS OF THE WEEK

LIQUIDITY

Liquidity in accounting definition refers to the measure by which the current assets of a company or entity are able to meet its short term obligations. It describes the rate by which an asset or a stock can be quickly and readily sold without affecting its true initial value. There are a number of ratios that measure accounting liquidity, with each contrast to how liquid assets are defined. Some of these ratios are current ratios, quick ratios and cash ratios. Cash is considered the standard of liquidity because it can be easily converted into other assets.

Source: Investopedia

RETAINED EARNINGS

Retained earnings refer to the true net value or profit of a business entity after dividends have been paid to shareholders. It is also referred to as earning surplus. Companies usually record retained earnings as part of the shareholder's equity on the balance sheet. It is calculated by adding net income to or subtracting any losses from beginning retained earnings and subtracting any dividends paid to shareholders. Retained earnings offers investment opportunities such as the purchasing of tangible assets to help grow the company and can also be used to by the company to pay off its creditors.

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