



PRUDENTIAL STOCKBROKERS LTD

WEEKLY MARKET REVIEW

WEEK-ENDING 20TH SEPTEMBER, 2018

THE MARKET AT A GLANCE			
	Review Wk	Previous Wk	Increase/Decrease
GSE All-Share Index	2,892.11	2,875.81	16.30
Year-to-date	12.11	11.48	5.49%
Price Movements	GHS	GHS	
ALW	0.09	0.08	12.50%
MTNGH	0.80	0.78	0.03%
TOTAL	4.80	4.70	2.13%
ETI	0.20	0.21	-4.80%
FML	13.00	13.35	-2.60%
GCB	5.31	5.34	-0.60%
SCB	26.00	26.03	-0.10%
SIC	0.18	0.20	-10.00%

SHARES TRADING ACTIVITY	Review Week	Previous Week	Increase/Decrease
Volume Traded	2,916,990	21,857,081	-86.65%
Value Traded (GHS)	3,641,366.72	46,923,668.78	-92.24%
Value Traded (\$)	763,933.77	9,856,464.13	-92.25%
Market Capitalization (GHS)	64,994.16	65,032.05	-0.06%
Market Capitalization (\$)	13,635.33	13,660.19	-0.18%

MONEY MARKET RATES				
Maturity	Discount Rate (%)		Interest Equivalent (%)	
	Review week	Previous week	Review week	Previous week
91-DAY	12.9381	12.9310	13.3705	13.3630
182-DAY	13.2456	13.0260	14.1851	13.9335
1-YEAR NOTE			14.5000	15.0000

Currency Rates					
Currency	Review wk	Previous wk	Chg	Year-end 2017	chg
	20/09/2018	14/09/2018	Review wk (%)	GHS	YTD (%)
USD(\$)	4.7666	4.7607	-0.123	4.4157	-7.95
Pound (£)	6.3169	6.2306	-1.39	5.9669	-5.87
Euro (€)	5.6035	5.5526	-0.92	5.2964	-5.80

This publication is for information purposes only and may not be duplicated in whole or in part, circulated or disclosed without the prior consent of PSBL. Neither PSBL nor its employees make any representation as to the accuracy and completeness of the information contained in this report. We therefore accept no liability for any loss arising from the use of such information. All opinions and estimates included herein constitute our opinion as of this date and are subject to change. We or persons involved in the preparation and issuance of this material may from time to time buy or sell securities of companies mentioned therein. For enquires in relation to this publication, contact P. O. Box CT 628 Cantonments, Accra Tel. 770936/768386/ 769683/771284 or email: info@prudentialstockbrokers.com

PRUDENTIAL STOCKBROKERS LTD

WEEKLY MARKET REVIEW

ISSUES:

Equity Market:

The benchmark indicator of the Ghana Stock Exchange, the GSE Composite Index during the review week increased by **16.30points** to close at **2,892.11** bringing the Year-to-date return of GSE Composite Index to **12.11%**. Market Capitalization decreased by **GHC37.89m** to settle at **GHC64,994.16m** representing a **0.06%** downward movement from the previous week.

Market Turnover

Total volume of shares traded for the period under review was **2,916,990** valued at **GHC3,641,366.72 (US\$763,933.77)**

TOP FIVE (5) TRADED EQUITIES

Equity	Trade Volume	Trade Value (GH¢)	Trade Value (US\$)	Volume (%)
MTNGH	2,328,200	1,866,030.00	391,480.30	79.87
EGL	299,600	919,772.00	192,961.86	10.28
GOIL	80,200	208,520.00	43,746.07	2.75
GCB	76,600	406,651.00	85,312.59	2.63
ALW	24,600	24,600.00	464.48	0.84

HIGHEST BIDS AND OFFERS OUTSTANDING FOR THE WEEK

Equity	Bids Outstanding (Average)	Equity	Offers Outstanding (Average)
SPL	1,806,400	CMLT	1,037,800
TBL	400,000	SPL	420,000
ALW	266,400	ETI	282,300
ETI	249,800	FML	206,800
MTNGH	40,800	AADS	174,000

Share prices of **SPL, MTNGH, ALW and TBL** are expected to increase in the coming week as they recorded the highest outstanding bids during the week under review. The prices of **CMLT, ETI, FML and AADS** 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 0.0075% to close the review week at **13.3705%**. The 182-Day Treasury bill rate increased by 0.2516% to close the week at **14.1851%**. The One year note decreased by 0.5000 to close 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 0.123% against the US Dollar closing the review week at **GHC4.7666**. It lost 1.39% against the UK Pound closing the review week at **GHC6.3169**. It also lost 0.92% against the Euro to close at **GHC5.6035**.

CORPORATE NEWS

SEC APPROVES 340M ENERGY BANK IPO

The Securities and Exchange Commission has approved for the Energy Commercial Bank to issue an Initial Public Offering to help it meet the new minimum capital requirement. The bank will resort to the investing public to raise GHC340m to shore up its capital which represents about fifty percent of the company's stake. The deadline for commercial banks to meet the new minimum capital requirement is 31st December, 2018. Successful completion of the initial public offering will make it the eleventh commercial bank to be listed on the Ghanaian bourse.

Source: Citibusiness news

GUINNESS GHANA LAUNCHES \$10MN PRODUCTION PLANT

Guinness Ghana Breweries Limited has launched a \$10m production plant. The purpose of this production plant is aimed at boosting the company's capacity to meet rising consumer demand for its products. The new production plant can produce 60,000 bottles per hour. This will be used to produce some of the company's products such as Alvaro, Malta Guinness and Origin Zero. The company's revenue for the nine months ending March 31, 2018 inched up by 8.3% y/y to GH 472.38m. However, the company reported a higher net loss of GH 7.58m for 9-month 2018 from a net loss of GH 3.2m in 9-month 2017.

Source: Doobia.com

84TH MONETARY POLICY COMMITTEE MEETING

The Monetary Policy Committee of the Bank of Ghana will hold its 84th regular meeting from 18th September, 2018 to 20th September, 2018 to review developments in the economy. The MPC will conclude with a press conference on 24th September to announce the decision of the committee.

Source: BoG

This publication is for information purposes only and may not be duplicated in whole or in part, circulated or disclosed without the prior consent of PSBL. Neither PSBL nor its employees make any representation as to the accuracy and completeness of the information contained in this report. We therefore accept no liability for any loss arising from the use of such information. All opinions and estimates included herein constitute our opinion as of this date and are subject to change. We or persons involved in the preparation and issuance of this material may from time to time buy or sell securities of companies mentioned therein. **For enquires in relation to this publication, contact P. O. Box CT 628 Cantonments, Accra Tel. 770936/768386/ 769683/771284 or email: info@prudentialstockbrokers.com**

PRUDENTIAL STOCKBROKERS LTD

WEEKLY MARKET REVIEW

ECONOMIC RATES

COUNTRY	INFLATION (%)	POLICY RATE (%)
GHANA	9.90%	17.00%
NIGERIA	11.14%	14.00%
KENYA	4.04%	7.15%
MAURITIUS	3.70%	3.50%
S. AFRICA	5.10%	6.50%

Source: Various Central Banks

INTERNATIONAL COMMODITY MARKET

COMMODITIES	WK OPEN	WK CLOSE	% CHANGE
GOLD \$/t OUNCE	1,201.46	1,207.18	0.48
COCOA \$/METRIC TON	2,236.00	2,201.00	-1.57

Source: Bloomberg

STOCK MARKET PERFORMANCE

STOCK MARKET PERFORMANCE					
COUNTRY	Year End	Wk Open	Wk Close	Wk Chg	YTD
	2017				Return (%)
GHANA	2,579.72	2,901.83	2,892.11	-9.72	12.11
NIGERIA	38,243.19	32,230.03	32,480.89	250.86	-15.07
MAURITIUS	2,202.14	2,211.46	2,213.97	2.51	0.54
KENYA	171.20	157.57	148.52	-9.05	-13.25
SOUTH AFRICA	59,504.67	56,197.60	56,546.80	349.20	-4.97

BUSINESS TERMS OF THE WEEK

DEBT TO EQUITY RATIO

A debt to equity ratio is a leverage ratio that describes the performance of a company or a business entity by comparing its total liabilities with the total shareholders' equity or capital. It is a measurement of the percentage of a company's balance sheet that is financed by suppliers, lenders, creditors versus what the shareholders have committed. A lower debt to equity ratio means a company is using less leverage or has less liabilities as compared to its equity position and vice versa.

Source: Investopedia

DIVIDEND PAYOUT RATIO

Dividend payout ratio describes the degree to which companies can sustain payouts at the current level of dividends over time. There are three ways of expressing the dividend payout ratio, namely expressing dividend as a percentage of earnings, expressing dividend as a percentage of cash flows from operations and expressing dividend as a percentage of free cash flows. It is an invaluable tool for investors looking to analyze the sustainability of dividends. DPR as a percentage of earnings is the easiest to calculate whilst DPR as a percentage of cash flows from operations is the most accurate indicator.

Source: Investopedia

This publication is for information purposes only and may not be duplicated in whole or in part, circulated or disclosed without the prior consent of PSBL. Neither PSBL nor its employees make any representation as to the accuracy and completeness of the information contained in this report. We therefore accept no liability for any loss arising from the use of such information. All opinions and estimates included herein constitute our opinion as of this date and are subject to change. We or persons involved in the preparation and issuance of this material may from time to time buy or sell securities of companies mentioned therein. **For enquires in relation to this publication, contact P. O. Box CT 628 Cantonments, Accra Tel. 770936/768386/ 769683/771284 or email: info@prudentialstockbrokers.com**