



PRUDENTIAL STOCKBROKERS LTD

WEEKLY MARKET REVIEW

WEEK-ENDING FEBRUARY 02, 2018

THE MARKET AT A GLANCE			
	Review Wk	Previous Wk	Increase/Decrease
GSE All-Share Index	3,147.19	3,036.41	110.78
Year-to-date	22.00	17.73	24.08%
Price Movements	GHS	GHS	
BOPP	6.65	6.55	1.50%
EGH	11.76	10.01	17.50%
ETI	0.19	0.18	5.56%
GGBL	2.29	2.22	3.20%
GOIL	3.69	3.53	4.50%
HFC	1.35	1.29	4.70%
SCB	31.62	30.00	5.40%
SIC	0.23	0.13	76.92%
SOEGGH	1.34	1.28	4.70%
UNIL	14.33	13.56	5.68%
ACCESS	3.50	3.81	-8.14%
CAL	1.12	1.17	-4.27%
EGL	4.48	4.50	-0.44%
FML	16.50	17.69	-6.70%
GCB	7.40	7.50	-1.33%
SPL	0.02	0.03	-33.30%
TOTAL	5.14	5.15	-0.20%
SCB PREF	1.19	1.20	-0.80%

SHARES TRADING ACTIVITY	Review Week	Previous Week	Increase/Decrease
Volume Traded	1,415,252	2,281,475	-37.97%
Value Traded (GHS)	4,090,104.83	16,556,666.55	-75.30%
Value Traded (\$)	924,610.01	3,742,380.72	-75.29%
Market Capitalization (GHS)	63,166.71	62,256.68	1.38%
Market Capitalization (\$)	14,268.18	14,072.17	1.39%

MONEY MARKET RATES				
Maturity	Discount Rate (%)		Interest Equivalent (%)	
	Review week	Previous week	Review week	Previous week
91-DAY	12.9201	12.8916	13.3513	13.3209
182-DAY	13.0067	12.9256	13.9114	13.8186
1-YEAR NOTE			15.0000	15.0000

Currency Rates					
Currency	Review wk	Previous wk	Chg	Year-end 2017	chg
	02/02/2018	26/01/2018	Review wk (%)	GHS	YTD (%)
USD(\$)	4.4236	4.4241	0.012	4.4157	-0.18
Pound (£)	6.2527	6.2637	0.17	5.9669	-4.79
Euro (€)	5.4971	5.4933	-0.07	5.2964	-3.79

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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 **110.78** points to close at **3,147.19** bringing the Year-to-date return of GSE Composite Index to **22.00%**. Market Capitalization also increased by **GHC860.03m** to settle at **GHC63,116.71m** representing a **1.38%** upward movement from the previous week.

Market Turnover

Total volume of shares traded for the period under review was **1,415,252** valued at **GHC4,090,104.83 (US\$924,610.01)**

TOP FIVE (5) TRADED EQUITIES

Equity	Trade Volume	Trade Value (GH¢)	Trade Value (US\$)	Volume (%)
SOGEGH	343,600	450,681.00	101,881.05	24.34
HFC	335,900	453,554.00	102,530.52	23.80
GOIL	138,100	497,255.00	112,409.58	9.78
GCB	113,200	841,691.00	190,272.85	8.02
SIC	102,600	19,569.00	4,423.77	7.27

HIGHEST BIDS AND OFFERS OUTSTANDING FOR THE WEEK

Equity	Bids Outstanding (Average)	Equity	Offers Outstanding (Average)
SIC	639,360	SPL	545,980
ETI	383,700	IIL	161,380
TBL	181,400	TOTAL	160,340
GGBL	83,220	ALW	156,060
SOGEGH	77,820	CLYD	155,400

Share prices of **SIC, ETI, TBL, GGBL and SOGEGH** are expected to increase in the coming week as they recorded the highest outstanding bids during the week under review. The prices of **SPL, TOTAL, IIL, CLYD and ALW** 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 0.0304% to close the review week at **13.3513%**. The 182-Day Treasury bill rate also increased by 0.0928% to close the week at **13.9114%**. The One year note remained unchanged at **15.0000%** and the Two year note ended the review week at **17.1800%**.

The Currency Market:

On the Inter Bank market, the Cedi appreciated against some of the major trading currencies. It gained 0.012% against the US Dollar closing the review week at **GHC4.4236**. It gained 0.17% against the pound closing the review week at **GHC6.2527** but it lost 0.07% against the Euro to close at **GHC5.4971**.

CORPORATE NEWS

FML RELEASES UNAUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2017.

Fan Milk Limited has released its unaudited financial statement for the year ended 2017. The company recorded a growth in its revenue from GHS386.4m in 2016 to GHS445.96m in 2017. This growth has been attributed to its strong distribution network, brand presence and the introduction of a new product "FanMaxx". Cost of Sales for the year 2017 increased by 23.4% largely due to inflation and how the cedi has devalued over the period hence posting a gross profit of GHS219,626m representing an increase in 8.16% from the previous year 2016.

Source: Doobia

BOPP RELEASES UNAUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2017

Benso Oil Palm Plantation Limited (BOPP) posted a rise in revenue from GHS74.27m in 2016 to GHS89.97m for the year ended 2017 representing 21.1%. This increment, it attributed to favorable weather conditions and productivity improved programs. The company's profit after tax also stood at GHS12.57m representing a 55.4% increase compared to GHS8.09m recorded in 2016. This was achievable on the back of improved operating efficiency as well as a lower effective tax rate of 13%

Source: Doobia

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ECONOMIC RATES

COUNTRY	INFLATION (%)	POLICY RATE (%)
GHANA	11.80%	20.00%
NIGERIA	15.37%	14.00%
KENYA	4.50%	7.00%
MAURITIUS	3.70%	3.50%
S. AFRICA	4.70%	6.75%

Source: Various Central Banks

INTERNATIONAL COMMODITY MARKET

COMMODITIES	WK OPEN	WK CLOSE	% CHANGE
GOLD \$/t OUNCE	1,340.33	1,333.30	-0.52
COCOA \$/METRIC TON	1,946.00	2,056.00	5.65

Source: Bloomberg

STOCK MARKET PERFORMANCE

STOCK MARKET PERFORMANCE					
COUNTRY	Year End	Wk Open	Wk Close	Wk Chg	YTD Return (%)
	2017				
GHANA	2,579.12	3,034.13	3,147.19	113.06	22.00
NIGERIA	38,243.19	44,306.48	44,639.99	333.51	16.73
MAURITIUS	2,202.14	2,246.19	2,256.99	10.8	2.49
KENYA	171.20	181.16	181.69	0.53	6.13
SOUTH AFRICA	59,504.67	60,806.90	58,656.82	-2150.08	-1.42

BUSINESS TERMS OF THE WEEK

DIVIDEND

A dividend is a distribution of a portion of a company's earnings decided by a board of directors, paid to a class of its shareholders. Dividends can be issued as cash payments, as share of stock or other property. The board of directors can choose to issue dividends over various time frames and payout rates. The dividend rate can be quoted in terms of the cedi amount each share receives (dividend per share). A company's net profits are an important factor in determining a dividend. It could be allocated to shareholders or kept within the company as retained earnings.

Source: Investopedia

RETAINED EARNINGS

This refers to the percentage of net earnings not paid out as dividends but retained by the company to be reinvested in its core business or to pay a debt. It is recorded under shareholder's equity on the balance sheet. Retained earnings is calculated by adding net income to or subtracting net losses from beginning retained earnings and subtracting any dividend paid to shareholders.

Source: Investopedia

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