



PRUDENTIAL STOCKBROKERS LTD

WEEKLY MARKET REVIEW

WEEK-ENDING 04TH JANUARY, 2019

THE MARKET AT A GLANCE			
	Review Wk	Previous Wk	Increase/Decrease
GSE All-Share Index	2,581.85	2,572.40	9.45
Year-to-date	0.37	-0.28	-232.14%
Price Movements	GHS	GHS	
AYRTN	0.08	0.07	14.29%
CAL	0.99	0.98	1.02%
ETI	0.18	0.16	12.50%
SCB	21.08	21.00	0.38%
BOPP	5.00	5.09	-0.09%

SHARES TRADING ACTIVITY	Review Week	Previous Week	Increase/Decrease
Volume Traded	1,160,667	1,210,388	-4.11%
Value Traded (GHS)	1,827,972.06	2,441,447.00	-25.13%
Value Traded (\$)	378,195.90	506,524.27	-25.34%
Market Capitalization (GHS)	61,633.95	60,938.02	1.14%
Market Capitalization (\$)	12,751.68	12,642.74	0.86%

MONEY MARKET RATES				
Maturity	Discount Rate (%)		Interest Equivalent (%)	
	Review week	Previous week	Review week	Previous week
91-DAY	14.0806	14.0530	14.5944	14.5646
182-DAY	13.9769	14.0397	15.0271	15.0996
1-YEAR NOTE			15.5000	14.5000

Currency Rates					
Currency	Review wk	Previous wk	Chg	Year-end 2018	chg
	04/01/2019	28/12/2018	Review wk (%)	GHS	YTD (%)
USD(\$)	4.8334	4.8200	-0.2780	4.8200	-0.28
Pound (£)	5.4438	6.1113	10.92	6.1711	11.79
Euro (€)	5.7754	5.5149	-4.7250	5.5131	-4.76

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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 **9.45points** to close at **2,581.85** bringing the Year-to-date return of GSE Composite Index to **0.37%**. Market Capitalization increased by **GHC695.93m** to settle at **GHC61,633.95m** representing a **1.14%** upward movement from the previous week.

Market Turnover

Total volume of shares traded for the period under review was **1,160,667** valued at **GHC1,827,972.06(US\$378,195.90)**

TOP FIVE (5) TRADED EQUITIES

Equity	Trade Volume	Trade Value (GH¢)	Trade Value (US\$)	Volume (%)
RBGH	499,200	344,448.00	71,264.12	43.06
MTNGH	278,400	220,325.00	45,583.85	24.02
CAL	139,100	137,685.00	28,486.16	12.00
GCB	62,700	288,410.00	59,670.21	5.41
AYRTN	37,700	3,016.00	623.99	3.25

HIGHEST BIDS AND OFFERS OUTSTANDING FOR THE WEEK

Equity	Bids Outstanding (Average)	Equity	Offers Outstanding (Average)
ETI	226,320	CMLT	220,000
ALW	166,800	MTNGH	116,260
SIC	57,920	EGL	100,500
TOTAL	31,640	TBL	63,580
CAL	18,380	EGH	48,980

Share prices of **ALW, ETI, SIC, TOTAL** and **CAL** is expected to increase in the coming week as they recorded the highest outstanding bids during the week under review. The prices of **CMLT, MTNGH, EGL, TBL** 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 increased by 0.0298% to close the review week at **14.5944%**. The 182-Day Treasury bill rate decreased by 0.0725% to close the week at **15.0271%**. The One year note ended the review week at **15.0000%** and the Two and Three year note ended the review week at **19.5000%**.

The Currency Market:

On the Inter Bank market, the Cedi appreciated against some of the major trading currencies. It lost 0.278% against the US Dollar closing the review week at **GHC4.8334**. It gained 0.513% against the UK Pound closing the review week at **GHC6.0800**. It also gained 5.4668% against the Euro to close at **GHC5.4668**.

CORPORATE NEWS

GAT TO SUPPORT WELL RUN LOCAL BANKS

The government is working with an advisor and selected pension funds to set up a special purpose vehicle which is the Ghana Amalgamated Trust (GAT). The purpose of this SPV is to support solvent and well running indigenous banks that had problem meeting the new minimum requirement by the Central Bank. Banks that qualified for GAT investment were determined on the basis of their solvency, local ownership, minimum pre-investment capitalization of GHC120million and an independent valuation by PWC. The Ghana Amalgamated Trust has committed funds from pension funds and other investors, through a bond program with proceeds of up to GHC2billion to be used for equity investment in the selected banks.

Source: Doobia

GCB-NOTICE OF CHANGE IN DIRECTORSHIP

GCB has announced the appointment of Mr. Prince Edward Amoatia Younge as an independent Non-Executive on the Board of the Bank effective 20th December, 2018. Mr. Younge is a professional marketing, trade marketing and distribution specialist with over 25 years industry and consultancy experience. Edward is currently an Executive Director for Targetlink limited and Cypher Consult limited.

Source: GSE

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ECONOMIC RATES

COUNTRY	INFLATION (%)	POLICY RATE (%)
GHANA	9.30%	17.00%
NIGERIA	11.28%	14.00%
KENYA	5.71%	9.00%
MAURITIUS	3.40%	3.50%
S. AFRICA	5.20%	6.75%

Source: Various Central Banks

INTERNATIONAL COMMODITY MARKET

COMMODITIES	WK OPEN	WK CLOSE	% CHANGE
GOLD \$/t OUNCE	1,282.60	1,286.05	0.27
COCOA \$/METRIC TON	2,394.00	2,361.00	-1.38

Source: Bloomberg

STOCK MARKET PERFORMANCE

STOCK MARKET PERFORMANCE	Year End	Wk Open	Wk Close	Wk Chg	YTD Return (%)
	2018				
GHANA	2,572.22	2,589.55	2,581.85	-7.70	0.37
NIGERIA	31,430.50	31,070.06	30,638.90	-436.16	-2.52
MAURITIUS	2,218.52	2,218.52	2,216.55	-1.97	-0.08
KENYA	140.43	140.20	137.03	-3.17	-2.42
SOUTH AFRICA	52,736.86	51,264.06	52,202.95	938.09	-1.01

BUSINESS TERMS OF THE WEEK

DILUTION

This is a reduction in the ownership percentage of a share or stock caused by the issuance of new shares. Dilution could also occur when holders of stock options such as company employees exercise their options. When the number of outstanding shares increases, each existing shareholder owns a smaller or diluted percentage of the company making it less valuable. Dilution also affects earnings per share. It is for this reason that companies calculate earnings per share as well as diluted earnings per share.

Source: Investopedia

STOCK OPTION

This is a privilege sold by one party to another that give the buyer the right and not the obligation to buy or sell a stock at an agreed price within a specified period of time. A stock option is considered a call when buyer enters a contract to buy the stock at a specified date and price and as well considered a put option when the buyer undertakes to sell the stock at an agreed date and price.

Source: Investopedia

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