

# PRUDENTIAL STOCKBROKERS LTD WEEKLY MARKET REVIEW

WEEK-ENDING 25<sup>TH</sup> JANUARY, 2019

THE MARKET AT A GLANCE			
	Review Wk	Previous Wk	Increase/Decrease
GSE All-Share Index	2,511.84	2,556.28	-44.44
Year-to-date	-2.35	-0.62	279.03%
Price Movements	GHS	GHS	
BOPP	4.89	4.25	15.06%
SOEGH	0.93	0.85	9.41%
CAL	0.87	0.99	-12.12%
EGH	7.21	7.47	-3.48%
GCB	4.41	4.50	-2.00%
GOIL	3.00	3.09	-2.91%
MTNGH	0.76	0.78	-2.56%
RBGH	0.70	0.72	-2.78%
SCB	21.43	21.44	-0.05%
SIC	0.22	0.23	-4.35%
TOAL	3.04	3.09	-1.62%
UNIL	17.77	17.78	-0.06%

SHARES TRADING ACTIVITY	Review Week	Previous Week	Increase/Decrease
Volume Traded	975,743	2,123,118	-54.04%
Value Traded (GHS)	1,580,309.66	3,380,289.82	-53.25%
Value Traded (\$)	319,868.37	688,422.02	-53.54%
Market Capitalization (GHS)	60,328.25	60,774.47	-0.73%
Market Capitalization (\$)	12,210.96	12,377.19	-1.34%

MONEY MARKET RATES				
Maturity	Discount Rate (%)		Interest Equivalent (%)	
	Review week	Previous week	Review week	Previous week
91-DAY	14.1704	14.1103	14.6908	14.6263
182-DAY	14.0505	14.0283	15.1122	15.0865
1-YEAR NOTE			15.5000	14.5000

Currency Rates					
Currency	Review wk	Previous wk	Chg	Year-end 2018	chg
	25/01/2019	18/01/2019	Review wk (%)	GHS	YTD (%)
USD(\$)	4.9405	4.9102	-0.6170	4.8200	-2.50
Pound (£)	6.4846	6.3390	-2.2960	6.1711	-5.08
Euro (€)	5.6193	5.5868	-0.5820	5.5131	-1.93

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## WEEKLY MARKET REVIEW

### ISSUES:

#### Equity Market:

The benchmark indicator of the Ghana Stock Exchange, the GSE Composite Index during the review week decreased by **44.44** points to close at **2,511.84** bringing the Year-to-date return of GSE Composite Index to **-2.35%**. Market Capitalization decreased by **GHC446.22m** to settle at **GHC60,328.25m** representing a **0.73%** downward movement from the previous week.

#### Market Turnover

Total volume of shares traded for the period under review was **975,743** valued at **GHC1,580,309.66(US\$319,868.37)**

#### TOP FIVE (5) TRADED EQUITIES

Equity	Trade Volume	Trade Value (GH¢)	Trade Value (US\$)	Volume (%)
GCB	195,200	876,427.00	177,396.42	20.05
MTNGH	167,300	127,259.00	25,758.32	17.18
ETI	144,100	21,617.00	4,375.47	14.80
SIC	129,900	28,850.00	5,839.49	13.34
CAL	116,400	101,030.00	20,449.35	11.96

#### HIGHEST BIDS AND OFFERS OUTSTANDING FOR THE WEEK

Equity	Bids Outstanding (Average)	Equity	Offers Outstanding (Average)
ETI	462,400	EGL	360,800
ALW	191,200	CMLT	256,000
TBL	126,000	MTNGH	213,400
TOTAL	97,400	ETI	188,960
CMLT	80,000	SIC	163,460

Share prices of **ETI, ALW, TBL, TOTAL and CMLT** are expected to increase in the coming week as they recorded the highest outstanding bids during the week under review. The prices of **CMLT, EGL, MTNGH 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 0.0645% to close the review week at **14.1704%**. The 182-Day Treasury bill rate increased by 0.0257% to close the week at **15.1122%**. The One year note ended the review week at **15.5000%** and the Two and Three year note ended the review week at **19.7500 and 20.00%** respectively.

#### The Currency Market:

On the Inter Bank market, the Cedi depreciated against all the major trading currencies. It lost 0.6170% against the US Dollar closing the review week at **GHC4.9405**. It lost 2.2960% against the UK Pound closing the review week at **GHC6.4846**. It also lost 0.5820% against the Euro to close at **GHC5.6193**.

#### CORPORATE NEWS

##### ETI-APPOINTMENT OF A NON-EXECUTIVE DIRECTOR

Ecobank Transnational Incorporated (ETI), parent company of Ecobank Group has appointed Ms. Arunma Oteh to its Board of Directors as a Non-Executive Director. Prior to joining the World Bank, Ms. Oteh was the Director General of the Securities and Exchange Commission, Nigeria from 2010-2015. Ms. Oteh holds a Masters degree in Business Administration from the Harvard Business School and a bachelor's degree from University of Nigeria, Nsukka.

Source: GSE

##### GSE-MANAGERS WORKING TO COMPEL VODAFONE LISTING.

Managers of the Ghana Stock Exchange have disclosed that they are working with the Ministry of Communication to compel telecom giant Vodafone to float part of its shares on the Ghanaian bourse as a requirement as it purchased a 4G spectrum. The Managing Director of the Ghanaian Stock Exchange, Mr. kofi Yamoah asserts that the move to list Vodafone on the bourse will strengthen the company's operations in the country. Data available indicates that the market capitalization of the Ghanaian bourse increased by 16.4% from GHC55.97bn to GHC65.19bn.

Source: GSE

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### ECONOMIC RATES

COUNTRY	INFLATION (%)	POLICY RATE (%)
GHANA	9.40%	17.00%
NIGERIA	11.28%	14.00%
KENYA	5.71%	9.00%
MAURITIUS	3.20%	3.50%
S. AFRICA	5.20%	6.75%

Source: Various Central Banks

### INTERNATIONAL COMMODITY MARKET

COMMODITIES	WK OPEN	WK CLOSE	% CHANGE
GOLD \$/t OUNCE	1,280.47	1,283.66	0.25
COCOA \$/METRIC TON	2,246.00	2,258.00	0.53

Source: Bloomberg

### BUSINESS TERMS OF THE WEEK

#### 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 debt. It is recorded under shareholders' equity on the balance sheet. Retained earnings is calculated by adding net income to or subtracting any net losses from, beginning retained earnings, and subtracting any dividends paid to shareholders.

Source: Investopedia

#### INTRINSIC VALUE

Intrinsic value refers to the perceived or calculated value of a company, including tangible and intangible factors using fundamental analysis. Also known as the true value, the intrinsic value may or may not be the same as the current market value. Intrinsic value can be calculated using fundamental analysis to look at both qualitative and quantitative aspects of the business.

Source: Investopedia

STOCK MARKET PERFORMANCE					
COUNTRY	Year End	Wk Open	Wk Close	Wk Chg	YTD
	2018				Return (%)
GHANA	2,572.22	2,557.62	2,511.84	-45.78	-2.35
NIGERIA	31,430.50	30,732.72	31,426.63	693.91	-0.01
MAURITIUS	2,218.52	2,226.77	2,220.58	-6.19	0.09
KENYA	140.43	145.64	146.48	0.84	4.31
SOUTH AFRICA	52,736.86	54,139.05	54,050.23	-88.82	2.49

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