

PRUDENTIAL STOCKBROKERS LTD

WEEKLY MARKET REVIEW

WEEK-ENDING 08TH MARCH, 2019

THE MARKET AT A GLANCE			
	Review Wk	Previous Wk	Increase/Decrease
GSE All-Share Index	2,476.55	2,482.10	-5.55
Year-to-date	-3.72	-3.50	6.29%
Price Movements	GHS	GHS	
CMLT	0.10	0.09	11.11%
EGH	7.75	7.03	10.24%
EGL	2.23	2.18	2.29%
GCB	3.80	3.51	8.26%
CAL	1.00	1.03	-2.91%
ETI	0.15	0.16	-6.25%
MTNGH	0.72	0.74	-2.70%
SIC	0.16	0.18	-11.11%
SOGEGH	0.90	0.98	-8.16%
TOTAL	4.52	4.59	-1.53%

SHARES TRADING ACTIVITY	Review Week	Previous Week	Increase/Decrease
Volume Traded	4,899,415	1,963,159	149.57%
Value Traded (GHS)	3,905,684.52	12,076,817.73	-67.66%
Value Traded (\$)	748,186.76	2,322,375.63	-67.78%
Market Capitalization (GHS)	59,971.27	60,227.38	-0.43%
Market Capitalization (\$)	11,488.31	11,581.74	-0.81%

MONEY MARKET RATES				
Maturity	Discount Rate (%)		Interest Equivalent (%)	
	Review week	Previous week	Review week	Previous week
91-DAY	14.1868	14.1863	14.7085	14.7079
182-DAY	14.0676	14.0680	15.1320	15.1324
364-DAY	15.2749	15.3661	18.0287	18.1559

Currency Rates					
Currency	Review wk	Previous wk	Chg	Year-end 2018	chg
	01/03/2019	22/02/2019	Review wk (%)	GHS	YTD (%)
USD(\$)	5.2202	5.2002	-0.385	4.8200	-8.30
Pound (£)	6.8155	6.9033	1.272	6.1711	-10.44
Euro (€)	5.8641	5.9261	1.046	5.5131	-6.37

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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 5.55 points to close at **2,476.55** bringing the Year-to-date return of GSE Composite Index to **-3.72%**. Market Capitalization decreased by **GHC256.11m** to settle at **GHC59,971.27m** representing a **0.43%** downward movement from the previous week.

Market Turnover

Total volume of shares traded for the period under review was **1,963,159** valued at **GHC3,905,684.52 (US\$748,186.76)**

TOP FIVE (5) TRADED EQUITIES

Equity	Trade Volume	Trade Value (GH¢)	Trade Value (US\$)	Volume (%)
MTNGH	4,659,300	3,354,867.00	642,670.20	95.12
GCB	86,500	328,734.00	62,973.45	1.77
CAL	61,000	60,362.00	11,563.16	1.25
EGL	21,500	47,410.00	9,082.03	0.44
SOGEH	17,900	16,110.00	3,086.09	0.37

HIGHEST BIDS AND OFFERS OUTSTANDING FOR THE WEEK

Equity	Bids Outstanding (Average)	Equity	Offers Outstanding (Average)
ALW	181,120	CPC	372,740
SCB-P	53,760	TBL	320,000
TBL	20,000	MTNGH	114,280
CMLT	20,000	CMLT	87,000
ETI	14,820	GOIL	77,260

Share prices of **ALW, ETI, and SCB-P** are expected to increase in the coming week as they recorded the highest outstanding bids during the week under review. The prices of **CPC, TBL, CMLT, GOIL and MTNGH** 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 0.0006% to close the review week at **14.7085%**. The 182-Day Treasury bill rate decreased by 0.0004% to close the week at **15.1320%**. The 364-Day Treasury bill ended the review week at 18.0287% 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 appreciated against some of the major trading currencies. It lost 0.385% against the US Dollar closing the review week at **GHC5.2202**. It gained 1.272% against the UK Pound closing the review week at **GHC6.8155**. It gained 1.046% against the Euro to close at **GHC5.8641**.

CORPORATE NEWS

SOGEH-NOTICE OF ANNUAL GENERAL MEETING

Societe Generale Ghana Limited hereby gives notice of its 39th Annual General Meeting to the general public. This will come off on Thursday, March 28, 2019 at 11am at Alisa Hotel, Asante Hall, Accra. As part of the ordinary business of the day is to approve directors' fees, to declare dividend, to receive and adopt the financial statements for the 2018 financial year, to authorize directors to determine the remuneration of auditors and re-election of some directors. The board of directors has recommended a dividend payment of GHC0.04 per share for the year ended 31st December, 2018.

Source: GSE

SOGEH-ANNUAL REPORT FOR YEAR ENDED 2018

Societe Generale Ghana Limited has released its audited financial statements for the year ended 2018. The company recorded a net interest income of GHC277.8million indicating a 6.19% increase from GHC261.59million recorded in 2017. Profit before income tax dropped by 17.17% from GHC127.03million in 2017 to GHC105.2m in 2018. This drop was largely due to increase in personnel expense and net impairment loss on financial assets. Earnings per share of the bank dropped from GHC0.21 to GHC0.11.

Source: GSE

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ECONOMIC RATES

COUNTRY	INFLATION (%)	POLICY RATE (%)
GHANA	9.40%	16.00%
NIGERIA	11.37%	14.00%
KENYA	4.14%	9.00%
MAURITIUS	2.80%	3.50%
S. AFRICA	4.00%	6.75%

Source: Various Central Banks

INTERNATIONAL COMMODITY MARKET

COMMODITIES	WK OPEN	WK CLOSE	% CHANGE
GOLD \$/t OUNCE	1,286.74	1,298.20	0.89
COCOA \$/METRIC TON	2,156.00	2,210.00	2.50

Source: Bloomberg

BUSINESS TERMS OF THE WEEK

DIVIDEND

Dividend is a distribution reward from a portion of a company's earnings and is paid to a class of its shareholders. Dividends are decided and managed by the company's board of directors though they must be approved by shareholders through their voting rights. There are various forms through which dividends could be issued. Dividends can be issued as cash payments, as share of stock or other property though cash payments are the most common.

Source: Investopedia

DIVERSIFICATION

Diversification is a risk management technique that mixes a wide variety of investments within a portfolio. The rationale behind this technique contends that a portfolio constructed of different kinds of investments will on average yield higher returns and pose lower risk than any individual investment found within a portfolio. In essence, positive performance of some investments within a portfolio neutralizes the negative performance of others. The benefits of diversification therefore hold if the securities in a portfolio are not perfectly correlated.

Source: Investopedia

STOCK MARKET PERFORMANCE					
COUNTRY	Year End	Wk Open	Wk Close	Wk Chg	YTD Return (%)
	2018				
GHANA	2,572.22	2,494.27	2,476.55	-17.72	-3.72
NIGERIA	31,430.50	32,129.94	31,942.51	-187.43	1.63
MAURITIUS	2,218.52	2,205.94	2,195.51	-10.43	-1.04
KENYA	140.43	153.68	156.11	2.43	11.17
SOUTH AFRICA	52,736.86	56,217.13	55,488.79	-728.34	5.22

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