



PRUDENTIAL STOCKBROKERS LTD

WEEKLY MARKET REVIEW

WEEK-ENDING 18TH MAY, 2018

THE MARKET AT A GLANCE			
	Review Wk	Previous Wk	Increase/Decrease
GSE All-Share Index	3,384.02	3,455.97	-71.95
Year-to-date	31.18	33.97	-8.21%
Price Movements	GHS	GHS	
ALW	0.09	0.08	12.50%
ETI	0.24	0.22	9.10%
GCB	6.50	6.39	1.72%
GGBL	2.60	2.50	4.00%
PZC	0.44	0.42	4.80%
UNIL	17.51	17.50	0.10%
CAL	1.70	1.82	-6.60%
EGL	3.90	4.01	-2.74%
FML	16.47	17.38	-5.20%
GOIL	4.38	4.66	-6.01%
SCB	32.45	34.80	-6.75%
SOEGEH	2.22	2.30	-3.48%

SHARES TRADING ACTIVITY	Review Week	Previous Week	Increase/Decrease
Volume Traded	2,198,101	5,011,965	-56.14
Value Traded (GHS)	8,311,770.71	120,216,617.13	-93.09%
Value Traded (\$)	1,882,620.77	27,245,794.06	-93.09%
Market Capitalization (GHS)	65,863.06	65,926.86	-0.10%
Market Capitalization (\$)	14,918.02	14,941.61	-0.16%

MONEY MARKET RATES				
Maturity	Discount Rate (%)		Interest Equivalent (%)	
	Review week	Previous week	Review week	Previous week
91-DAY	12.9453	12.8996	13.3783	13.3294
182-DAY	12.9608	12.9409	13.8589	13.8362
1-YEAR NOTE			15.0000	15.0000

Currency Rates					
Currency	Review wk	Previous wk	Chg	Year-end 2017	chg
	18/05/2018	11/05/2018	Review wk (%)	GHS	YTD (%)
USD(\$)	4.4150	13.3294	-0.061	4.4157	0.01
Pound (£)	5.9493	13.8362	0.50	5.9669	0.29
Euro (€)	5.1970	13.3294	1.43	5.2964	1.88

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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 **39.76 points** to close at **3,384.02** bringing the Year-to-date return of GSE Composite Index to **31.18%**. Market Capitalization also decreased by **GHC63.80** to settle at **GHC65,863.06m** representing a **0.10%** downward movement from the previous week.

Market Turnover

Total volume of shares traded for the period under review was **2,198,101** valued at **GHC8,311,770.71(US\$1,882,620.77)**

TOP FIVE (5) TRADED EQUITIES

Equity	Trade Volume	Trade Value (GH¢)	Trade Value (US\$)	Volume (%)
GOIL	642,400	2,816,147.00	637,858.89	29.26
GCB	318,700	2,064,920.00	467,705.55	14.52
PBC	236,100	7,809.00	1,768.74	10.75
ETI	189,300	43,854.00	9,932.96	8.62
GGBL	179,900	467,740.00	105,943.37	8.19

HIGHEST BIDS AND OFFERS OUTSTANDING FOR THE WEEK

Equity	Bids Outstanding (Average)	Equity	Offers Outstanding (Average)
SPL	3,360,000	SPL	2,275,100
PBC	643,220	AADS	137,920
ETI	423,100	CAL	112,860
TBL	224,360	EGH	107,000
ALW	151,200	EGL	96,920

Share prices of **SPL, ETI, PBC, TBL and ALW** are expected to increase in the coming week as they recorded the highest outstanding bids during the week under review. The prices of **AADS, CAL, EGH and EGL** 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 0.0489% to close the review week at **13.3783%**. The 182-Day Treasury bill rate however also increased by 0.0227% to close the week at **13.8589%**. The One year note remained unchanged at **15.0000%** and the Two and Three year note ended the review week at **16.0000%**.

The Currency Market:

On the Inter Bank market, the Cedi appreciated against some of the major trading currencies. It lost 0.061% against the US Dollar closing the review week at **GHC4.4150**. It gained 0.50% against the UK Pound closing the review week at **GHC5.9493**. It also gained 1.43% against the Euro to close at **GHC5.1970**.

CORPORATE NEWS

SCB- ANNUAL GENERAL MEETING

Standard Chartered Bank Ghana Limited will hold its Annual General Meeting on Thursday, 7th June, 2018 11:00am at the National Theatre. As part of the agenda of the day, shareholders will receive and consider the financials for the year ended 2017, election of directors, approval of directors' remuneration, appointment of a new auditor as well as the remuneration of the auditors. Also as part of the special business of the day, shareholders will consider resolutions by directors to transfer an amount of GHC302million from the company's income surplus to stated capital.

Source: GSE

INFLATION FOR APRIL DROPS TO 9.60%

The Consumer Price Index measures the percentage in the general prices of goods and services that households acquire for consumption. The inflation rate for April dropped by 0.8% to 9.60% from the 10.40% recorded in March, 2018. The food and non-alcoholic beverages recorded a y/y inflation of 7.40% representing an increase by 1% from what was recorded in March. However, the non-food group recorded a drop in y/y rate from 11.80% in March to 10.60% in April, 2018.

Source: Ghana Statistical Service

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ECONOMIC RATES

COUNTRY	INFLATION (%)	POLICY RATE (%)
GHANA	9.60%	18.00%
NIGERIA	12.48%	14.00%
KENYA	3.73%	9.50%
MAURITIUS	5.00%	3.50%
S. AFRICA	3.80%	6.50%

Source: Various Central Banks

INTERNATIONAL COMMODITY MARKET

COMMODITIES	WK OPEN	WK CLOSE	% CHANGE
GOLD \$/t OUNCE	1,313.50	1,292.40	-1.61
COCOA \$/METRIC TON	2,779.00	2,666.00	-4.07

Source: Bloomberg

STOCK MARKET PERFORMANCE

STOCK MARKET PERFORMANCE	Year End	Wk Open	Wk Close	Wk Chg	YTD Return (%)
	2017				
GHANA	2,579.72	3,423.78	3,384.02	-39.76	31.18
NIGERIA	38,243.19	40,677.61	40,472.45	-205.16	5.83
MAURITIUS	2,202.14	2,270.49	2,275.39	4.90	3.33
KENYA	171.20	175.34	179.25	3.91	4.70
SOUTH AFRICA	59,504.67	58,614.45	57,804.33	-810.12	-2.86

BUSINESS TERMS OF THE WEEK

RETURN ON INVESTMENT

Return on Investment (ROI) is a performance measure used to evaluate the efficiency of an investment or compare the efficiency of a number of different investments. Return on investment measures the amount of return on an investment relative to the investment cost. In calculating return on investment, the return is divided by the cost of investment and it is expressed as a ratio or percentage.

Source: Investopedia

INVERTED YIELD CURVE

The inverted yield curve is sometimes referred to as a negative yield curve. An inverted yield curve is an interest rate environment in which long term debt instruments have a lower yield than short term debt instruments of the same credit quality. This form of yield curve is considered to be a predictor of economic recession.

Source: Investopedia

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