

# PRUDENTIAL STOCKBROKERS LTD WEEKLY MARKET REVIEW

WEEK-ENDING 22<sup>ND</sup> NOVEMBER, 2019

THE MARKET AT A GLANCE			
	Review Wk	Previous Wk	Increase/Decrease
GSE All-Share Index	2,147.89	2,151.51	-3.62
Year-to-date	-16.50	-16.36	0.86%
Price Movements	GHS	GHS	
EGH	7.81	7.80	0.13%
MTNGH	0.71	0.70	1.43%
TOTAL	2.98	2.87	3.83%
BOPP	2.90	2.96	-2.03%
CAL	0.81	0.82	-1.22%
GOIL	1.68	1.70	-1.18%
PZC	0.38	0.39	-2.56%
SCB	13.00	14.01	-7.21%
SIC	0.08	0.10	-20.00%
UNIL	16.40	16.70	-1.80%

SHARES TRADING ACTIVITY	Review Week	Previous Week	Increase/Decrease
Volume Traded	11,383,994	1,879,958	505.55%
Value Traded (GHS)	1,488,065.49	3,689,326.85	-59.67%
Value Traded (\$)	276,715.54	688,204.53	-59.79%
Market Capitalization (GHS)	55,665.92	55,703.14	-0.07%
Market Capitalization (\$)	10,351.44	10,390.83	-0.38%

MONEY MARKET RATES				
Maturity	Discount Rate (%)		Interest Equivalent (%)	
	Review week	Previous week	Review week	Previous week
91-DAY	14.1673	14.1670	14.6875	14.6872
182-DAY	14.0711	14.0696	15.1360	15.1343
364-DAY	15.1889	15.1852	17.9091	17.9040

Currency Rates					
Currency	Review wk	Previous wk	Chg	Year-end 2018	chg
	22/11/2019	15/11/2019	Review wk (%)	GHS	YTD (%)
USD(\$)	5.3776	5.3608	-0.313	4.8200	-11.57
Pound (£)	6.9078	6.9224	0.211	6.1711	-11.94
Euro (€)	5.9386	5.9234	-0.257	5.5131	-7.72

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# PRUDENTIAL STOCKBROKERS LTD

## WEEKLY MARKET REVIEW

### ISSUES:

#### Equity Market:

The benchmark indicator of the Ghana Stock Exchange, the GSE Composite Index during the review week decreased by 3.62 **points** to close at **2,147.89** bringing the Year-to-date return of GSE Composite Index to **-16.50%**. Market Capitalization decreased by **GHC37.22m** to settle at **GHC55,665.92m** representing a 0.07% downward movement from the previous week.

#### Market Turnover

Total volume of shares traded for the period under review was 11,383,994 valued at **GHC1,488,065.49(US\$276,715.54)**

#### TOP FIVE (5) TRADED EQUITIES

Equity	Trade Volume	Trade Value (GH¢)	Trade Value (US\$)	Volume (%)
IIL	6,794,600	339,730.00	63,175.02	59.72
SIC	3,861,400	346,950.00	64,517.63	33.94
MTNGH	453,900	317,750.00	59,087.70	3.99
GOIL	107,000	180,005.00	33,473.11	0.94
AADS	75,700	30,641.00	5,697.89	0.67

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

	Bids Outstanding (Average)	Equity	Offers Outstanding (Average)
AADS	47,400	ETI	474,960
CAL	7,500	TBL	208,560
MTNGH	6,580	SPL	177,700
FML	6,520	RBGH	96,540
TOTAL	6,100	GOIL	64,620

Share prices of **AADS, CAL, FML, TOTAL and MTNGH** are expected to increase in the coming week as they recorded the highest outstanding bids during the week under review. The prices of **ETI, SPL, TBL, RBGH and GOIL** 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 decreased by 0.0004% to close the review week at **14.6875%**. The 182-Day Treasury bill rate increased by 0.0066% to close the week at **15.1360%**. The 364-Day Treasury bill ended the review week at 17.9091% 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 some of the major trading currencies. It lost 0.313% against the US Dollar closing the review week at **GHC5.3776**. It gained 0.211% against the UK Pound closing the review week at **GHC6.9078**. It lost 0.257% against the Euro to close at **GHC5.9386**.

#### CORPORATE NEWS

##### ETI- APPOINTMENT OF DEEPAK MALIK TO THE COMPANY'S BOARD OF DIRECTORS.

Ecobank Transnational Incorporated (ETI), the parent company of Ecobank Group has appointed Mr. Deepak Malik to its board of directors. Mr. Malik Deepak has joined the board as a nominee of Arise B.V. Arise B.V. holds 14.1% equity stake in the company after it purchased shares previously held by IFC and the funds managed by the IFC Asset Management Company. Prior to his appointment to the board, Mr. Malik Deepak was the CEO of Arise, a position he has held since January 2017.

Source: GSE

##### PRODUCER PRICE INFLATION FOR OCTOBER IS 8.9%

The Producer Price Inflation measures the average change over time in the prices received by domestic producers for the production of their goods and services. The producer price inflation rate for October, 2019 is 8.9% a 0.2% decrease from 9.1% recorded in September, 2019. This reduction is mainly as a result of decreases in rates in the mining and quarrying sub-sector and manufacturing sector. The mining and quarrying sub sector recorded 34.4% and 3.1% was recorded in the manufacturing sector. The utilities sub sector recorded an inflation rate of 12.6% indicating an increase of 5.8% from 6.8% recorded last month (September, 2019).

Source: GSE

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### ECONOMIC RATES

COUNTRY	INFLATION (%)	POLICY RATE (%)
GHANA	7.80%	16.00%
NIGERIA	11.24%	13.50%
KENYA	4.95%	9.00%
MAURITIUS	0.70%	3.35%
S. AFRICA	3.70%	6.50%

Source: Various Central Banks

### INTERNATIONAL COMMODITY MARKET

COMMODITIES	WK OPEN	WK CLOSE	% CHANGE
GOLD \$/t OUNCE	1,471.51	1,464.56	-0.47
COCOA \$/METRIC TON	2,664.00	2,618.00	-1.73

Source: Bloomberg

### BUSINESS TERMS OF THE WEEK

#### BLUE-CHIP STOCK

This refers to the stock of a large, well-established and financially sound company that has operated for many years. A blue-chip stock usually has market capitalization in billions. It's generally the market leader and among the top three top companies in its sector and it's often a household name. Blue-chip stocks have long standing reputation of paying stable and rising dividends.

Source: Investopedia

#### PREFERENCE SHARES

Preference shares, more commonly referred to as preferred stock, are shares of a company's stock with dividends that are paid out to shareholders before common stock dividends are issued. If the company enters bankruptcy, the shareholders with preferred stock are entitled to be paid from company assets first. Most preference shares have a fixed dividend, while common stocks generally do not. Preferred stock shareholders also typically do not hold any voting rights, but common shareholders usually do.

Source: Investopedia

STOCK MARKET PERFORMANCE					
COUNTRY	Year End	Wk Open	Wk Close	Wk Chg	YTD
	2018				Return (%)
GHANA	2,572.22	2,149.86	2,147.89	-1.97	-16.50
NIGERIA	31,430.50	26,762.73	26,991.42	228.69	-14.12
MAURITIUS	2,218.52	2,139.21	2,134.46	-4.75	-3.79
KENYA	140.43	155.48	154.84	-0.64	10.26
SOUTH AFRICA	52,736.86	56,467.03	56,759.62	292.59	7.63

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