



PRUDENTIAL STOCKBROKERS LTD

WEEKLY MARKET REVIEW

WEEK-ENDING 28TH SEPTEMBER, 2018

THE MARKET AT A GLANCE			
	Review Wk	Previous Wk	Increase/Decrease
GSE All-Share Index	3,001.01	2,892.11	108.90
Year-to-date	16.33	12.11	34.85%
Price Movements	GHS	GHS	
EGH	8.45	8.13	3.90%
GCB	5.35	5.31	0.01%
GOIL	2.81	2.60	8.08%
MTNGH	0.88	0.80	10.00%
SCB	26.10	26.00	0.40%
SPL	0.02	0.01	100.00%
TBL	0.28	0.26	7.70%
TOTAL	5.50	4.80	14.58%
ACCESS	3.60	3.80	-5.26%
ALW	0.08	0.09	-11.11%
BOPP	6.37	7.00	-9.00%
CAL	1.17	1.18	-0.85%
CMLT	0.10	0.12	-16.67%
EGL	3.05	3.07	-0.70%
FML	12.30	13.00	-5.38%
GGBL	2.35	2.38	-1.30%
RBGH	1.45	1.47	-1.40%
SIC	0.15	0.18	-16.70%
SOGECH	1.02	1.04	-1.92%

SHARES TRADING ACTIVITY	Review Week	Previous Week	Increase/Decrease
Volume Traded	3,560,207	2,916,990	22.05%
Value Traded (GHS)	4,452,079.73	3,641,366.72	22.26%
Value Traded (\$)	931,865.32	763,933.77	21.98%
Market Capitalization (GHS)	66,079.52	64,994.16	1.67%
Market Capitalization (\$)	13,831.11	13,635.33	1.44%

MONEY MARKET RATES				
Maturity	Discount Rate (%)		Interest Equivalent (%)	
	Review week	Previous week	Review week	Previous week
91-DAY	12.9521	12.9381	13.3856	13.3705
182-DAY	13.2408	13.2456	14.1796	14.1851
1-YEAR NOTE			14.5000	15.0000

Currency Rates					
Currency	Review wk	Previous wk	Chg	Year-end 2017	chg
	28/09/2018	20/09/2018	Review wk (%)	GHS	YTD (%)
USD(\$)	4.7776	4.7666	-0.232	4.4157	-8.20
Pound (£)	6.2145	6.3169	1.62	5.9669	-4.15
Euro (€)	5.5392	5.6035	1.15	5.2964	-4.59

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ISSUES:

Equity Market:

The benchmark indicator of the Ghana Stock Exchange, the GSE Composite Index during the review week increased by **108.90 points** to close at **3,001.01** bringing the Year-to-date return of GSE Composite Index to **16.33%**. Market Capitalization increased by **GHC1,085.36m** to settle at **GHC66,079.52m** representing a **1.67%** upward movement from the previous week.

Market Turnover

Total volume of shares traded for the period under review was **3,560,207** valued at **GHC4,452,079.73 (US\$931,865.32)**

TOP FIVE (5) TRADED EQUITIES

Equity	Trade Volume	Trade Value (GH¢)	Trade Value (US\$)	Volume (%)
IIL	2,850,500	256,545.00	53,697.46	80.14
FML	225,900	2,778,154.00	581,495.73	6.35
ETI	133,700	26,740.00	5,596.95	3.76
GCB	128,100	684,958.00	143,368.64	3.60
MTNGH	76,700	62,052.00	12,988.11	2.16

HIGHEST BIDS AND OFFERS OUTSTANDING FOR THE WEEK

Equity	Bids Outstanding (Average)	Equity	Offers Outstanding (Average)
SPL	928,960	CMLT	1,056,000
TBL	400,000	AADS	183,140
ETI	359,700	ETI	179,480
MTNGH	118,260	ACCESS	92,600
CMLT	86,000	RBGH	76,260

Share prices of **SPL, MTNGH, ETI and TBL** are expected to increase in the coming week as they recorded the highest outstanding bids during the week under review. The prices of **CMLT, ACCESS, RBGH and AADS** 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 0.0151% to close the review week at **13.3856%**. The 182-Day Treasury bill rate decreased by 0.0055% to close the week at **14.1796%**. The One year note decreased by 0.5000 to close at **14.5000%** and the Two and Three year note ended the review week at **16.2500%**.

The Currency Market:

On the Inter Bank market, the Cedi appreciated against some of the major trading currencies. It lost 0.232% against the US Dollar closing the review week at **GHC4.7776**. It gained 1.62% against the UK Pound closing the review week at **GHC6.2145**. It also gained 1.15% against the Euro to close at **GHC5.5392**.

CORPORATE NEWS

BANK OF GHANA MAINTAINS POLICY RATE AT 17%.

The Monetary Policy Committee of the Central Bank concluded its meeting on Monday, 24th September, 2018 with a press conference maintaining the policy rate at 17%. Global growth has been firm and is expected to remain steady supported by a rebound of growth of advanced economies. On the local front, the committee observed that expectation was for a steady growth over the medium term. The governor, Dr. Ernest Addison said “given the considerations and weighing the balance of risks, the committee decided to maintain the policy rate. The next MPC meeting is scheduled to take place from 21st to 23rd November, 2018 with the meeting expected to be concluded on 26th November, 2018.

Source: BoG

ANNUAL GENERAL MEETING-GGBL

Guinness Ghana Breweries Limited announces to the general public its Annual General Meeting scheduled to take place at the Fiesta Royal Hotel, Accra on Wednesday, 14th November, 2018 at 11:00am prompt.

Source: GSE

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ECONOMIC RATES

COUNTRY	INFLATION (%)	POLICY RATE (%)
GHANA	9.90%	17.00%
NIGERIA	11.14%	14.00%
KENYA	4.04%	7.15%
MAURITIUS	3.70%	3.50%
S. AFRICA	5.10%	6.50%

Source: Various Central Banks

INTERNATIONAL COMMODITY MARKET

COMMODITIES	WK OPEN	WK CLOSE	% CHANGE
GOLD \$/t OUNCE	1,199.03	1,191.83	-0.60
COCOA \$/METRIC TON	2,235.00	2,061.00	-7.79

Source: Bloomberg

STOCK MARKET PERFORMANCE

STOCK MARKET PERFORMANCE					
COUNTRY	Year End	Wk Open	Wk Close	Wk Chg	YTD
	2017				Return (%)
GHANA	2,579.72	2,895.39	3,001.01	105.62	16.33
NIGERIA	38,243.19	32,451.27	32,766.37	315.10	-14.32
MAURITIUS	2,202.14	2,228.53	2,251.43	22.90	2.24
KENYA	171.20	149.35	149.67	0.32	-12.58
SOUTH AFRICA	59,504.67	56,882.75	55,708.47	-1,174.28	-6.38

BUSINESS TERMS OF THE WEEK

LEVERAGE

Leverage is an investment strategy which involves using borrowed financial instruments or borrowed capital to increase the potential return on an investment. Essentially, leverage is the amount of debt a firm uses to finance its assets. A firm described as highly leveraged is one that has more debt than equity. Huge firms use borrowed capital as a funding source when investing to expand the firm's asset base and generate returns on risk capital.

Source: Investopedia

SOLVENCY

Solvency refers to the ability of a company to meet its long term financial obligations. For a business to operate into the foreseeable future it is very essential for it to solvent. Essentially, a company that is considered as solvent must have its assets greater than the sum of its debt obligations. A company that is considered insolvent is most likely to enter bankruptcy. Ratios such as interest coverage ratio and debt-to-asset ratio are calculated to determine the solvency position of a business.

Source: Investopedia

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