

**CIDAN INVESTMENTS LIMITED**



**WEEKLY MARKET REVIEW FOR THE WEEK ENDING**

**February 28, 2020**

## MACROECONOMIC INDICATORS

2019 GDP	6.0%
Projected GDP for 2019	7.1%
BoG Policy Rate – January 2020	16.0%
Weekly Interbank Interest Rate	16.1%
Inflation for January, 2020	7.8%
End Period Inflation Target - 2020	8.0%
Budget Deficit (% GDP) – Nov, 2019	4.8%
2019 Budget Deficit Target (%GDP)	4.5%
Public Debt (billion GH¢) – Nov, 2019	214.9
Debt to GDP Ratio – Nov, 2019	62.1%

## STOCK MARKET REVIEW

The stock market closed stronger in the review week on the back of an increase in the share of MTN Ghana. The GSE Composite Index (GSE CI) added 7.43 points (0.34%) to close at 2,211.89 points, compared to 2,204.47 points at the close of the previous week. This translates into a year-to-date (YTD) loss of 2.01%. The GSE Financial Stocks Index also shed 49.77 points to close the week at 1,964.56 points, representing YTD loss of 2.73%.

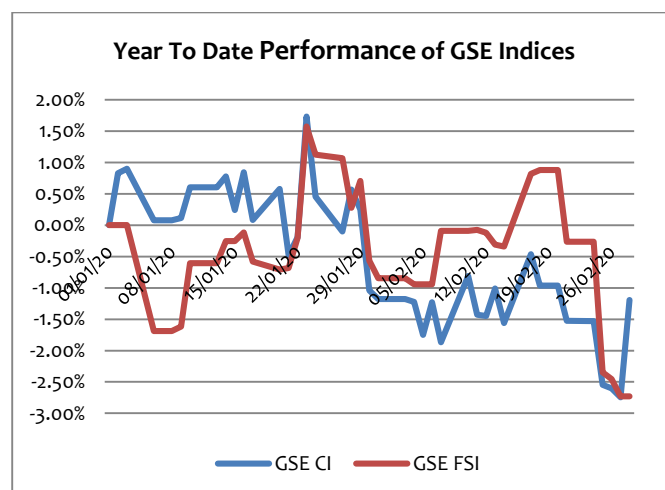
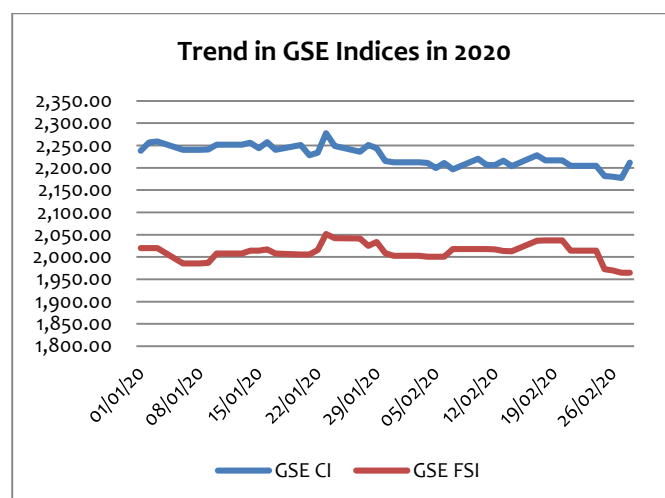
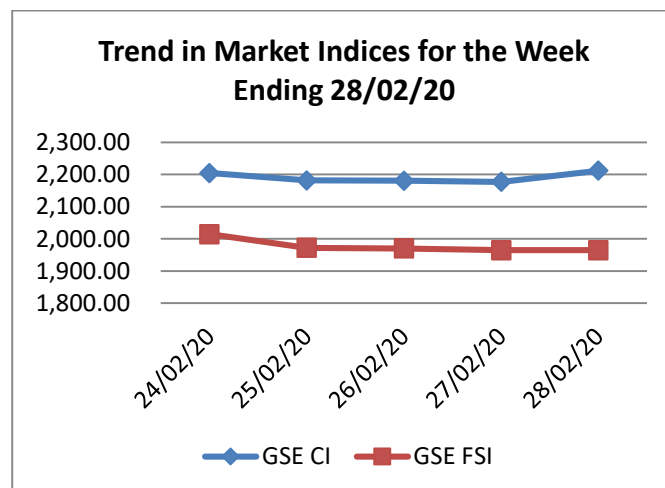
Market capitalization meanwhile decreased by 0.18% for the week from GH¢56,631.51 million at the close of the previous week to GH¢56,529.36 million at the close of the week. This represents YTD decline of 0.46%.

There was less activity on the market compared with the preceding week. A sum of 3,261,031 shares, valued at GH¢1,816,988.88 changed hands for the week, compared with total volume and value of 18,853,538 and GH¢13,002,466.17 recorded in the preceding week respectively. Aluworks Limited dominated volume of shares traded whilst MTNGH dominated value of shares traded for the week respectively. Aluworks Limited accounted for 36.27% (1,182,662.00 shares) of total volume of shares and MTNGH accounted for 43.93% (GH¢798,162.42) of total value of shares traded for the week.

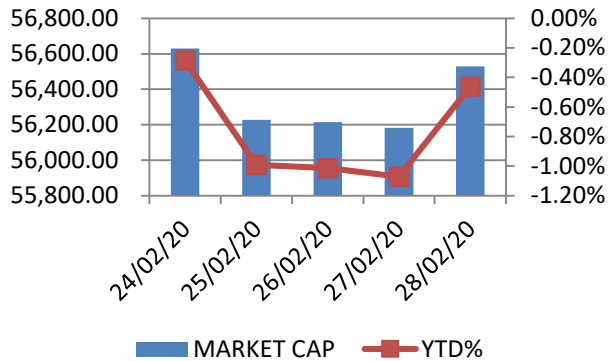
The market closed on Friday with a lone gainer and 10 laggards for the week. MTN Ghana Ltd. the sole

gainer closed at GH¢0.70 from GH¢0.67. Ecobank Ghana led the laggards, its share price closed at GH¢7.3 from GH¢7.8. Twenty-nine (29) counters remained flat at the closing bell on Friday.

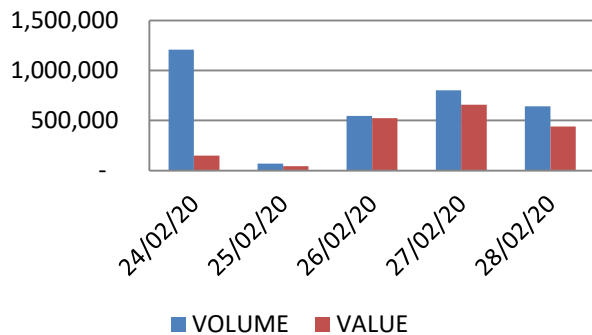
The graphs and table below highlight activity on the market during the week.



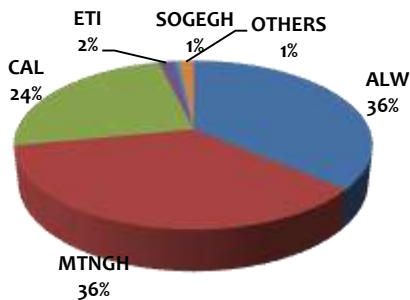
### Market Capitalization for the Week Ending 28/02/20



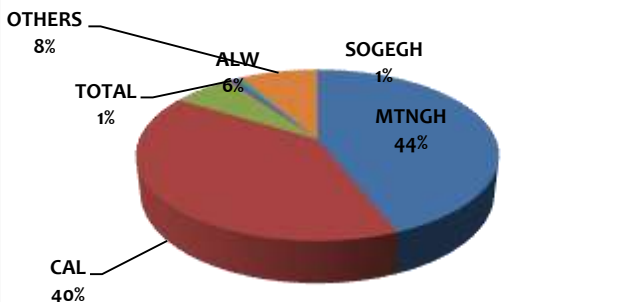
### Volume & Value Traded for the Week Ending 28/02/20



### Best Traded Equities by Volume for the Week Ending 28/02/20



### Best 5 Traded Equities by Value for the Week Ending 28/02/20



### Best 5 & Worst 5 Performing Stocks

Best Performing Stocks:	YTD Return
Inc. SIC Insurance Company Ltd.	25.00%
Republic Bank (Ghana) Ltd.	3.57%
Standard Chartered Bank Gh. Ltd.	3.37%
Ghana Oil Company Limited	2.94%
Dannex Ayrton Starwin Plc.	2.56%
<b>Worst Performing Stocks:</b>	
Unilever Ghana Ltd.	-14.76%
Access Bank Ghana PLC	-10.00%
Ecobank Ghana Ltd.	-9.77%
GCB Bank Ltd.	-5.10%
Guinness Ghana Breweries Ltd.	-4.14%

### CURRENCY MARKET

The Cedi weakened against the USD for the week. It traded at GH¢5.2949/\$ on Friday, compared with GH¢5.2829/\$ at week open, reflecting w/w depreciation and YTD appreciation of 0.23% and 4.51% respectively against the USD. This compares with YTD depreciation of 7.31% a year ago.

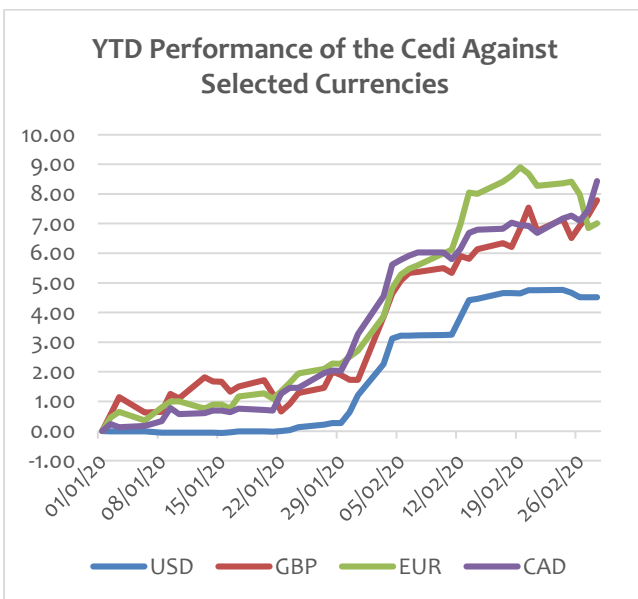
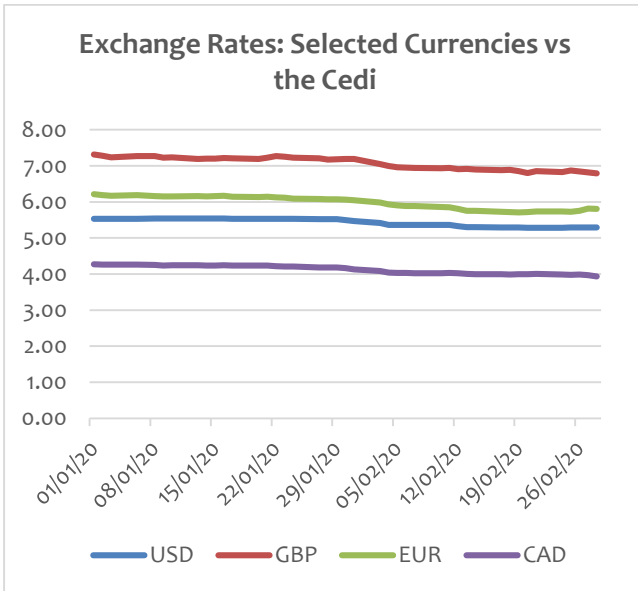
The Cedi also weakened against the Euro on the week. It traded at GH¢5.8048/€, compared with GH¢5.7366/€ at week open, reflecting w/w depreciation and YTD appreciation of 1.17% and 7.00% respectively against the Euro. This compares with YTD depreciation of 6.97% a year ago.

The Cedi meanwhile strengthened against the GBP on the week. It traded at GH¢6.7881/£, compared with GH¢6.8541/£ at week open, reflecting w/w and YTD appreciations of 0.97% and 7.78% respectively against the GBP. This compares with YTD depreciation of 10.61% a year ago.

The Cedi similarly strengthened against the CAD for the week. It opened at GH¢4.0005/C\$ but closed at GH¢3.9361/C\$, reflecting w/w and YTD appreciations of 1.64% and 8.43% respectively against the CAD. This compares with YTD depreciation of 10.09% a year ago.

Weekly Interbank Foreign Exchange Rates					
Currency Pair	Year Open	Week Open	Week Close	Change %	YTD %
	01/01/20	24/02/20	28/02/20		
USD/GHS	5.5337	5.2829	5.2949	-0.23	4.51
GBP/GHS	7.3164	6.8541	6.7881	0.97	7.78
EUR/GHS	6.2114	5.7366	5.8048	-1.17	7.00
CAD/GHS	4.2681	4.0005	3.9361	1.64	8.43

Source: Bank of Ghana



## GOVERNMENT SECURITIES MARKET

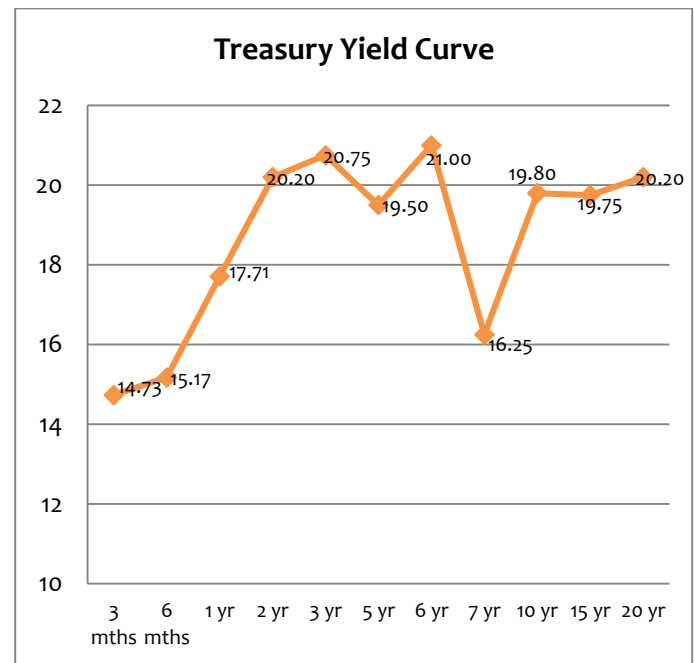
Government raised a total of GH¢609.40 million in the week under review across the 91-day, 182-day and 364-day treasury bills. This compared with GH¢743.63 million raised in the previous week.

The 91-day and 364-day bills trimmed 2bps and 10bps each to settle at 14.73% and 17.71% respectively whilst the 182-day bill stayed flat at 15.17%.

Please see below for more details.

Security	Year Open	Previous Yield %	Current Yield %	Chg %	YTD %
	01/01/20	21/02/20	28/02/20		
91 day TB	14.70	14.75	14.73	-0.15	0.25
182 day TB	15.15	15.17	15.17	-0.02	0.16
364 day TB	17.90	17.81	17.71	-0.55	-1.06
2-Yr FXR TN	20.95	20.20	20.20	0.00	-3.58
3-Yr Bond	19.7	20.75	20.75	0.00	5.33
5-Yr Bond	19.50	19.50	19.50	0.00	0.00
6-Yr Bond	21.00	21.00	21.00	0.00	0.00
7-Yr Bond	16.25	16.25	16.25	0.00	0.00
10-Yr Bond	19.8	19.8	19.8	0.00	0.00
15-Yr Bond	19.75	19.75	19.75	0.00	0.00
20-Yr Bond	20.2	20.2	20.2	0.00	0.00

Source: Bank of Ghana



## COMMODITY MARKET

Gold prices slumped for the week as investors cashed out early gains in the the yellow metal to cover for losses in other assets. Gold futures settled at US\$1,587.15 per ounce on Friday, reflecting w/w loss and YTD gain of 3.49% and 4.35% respectively.

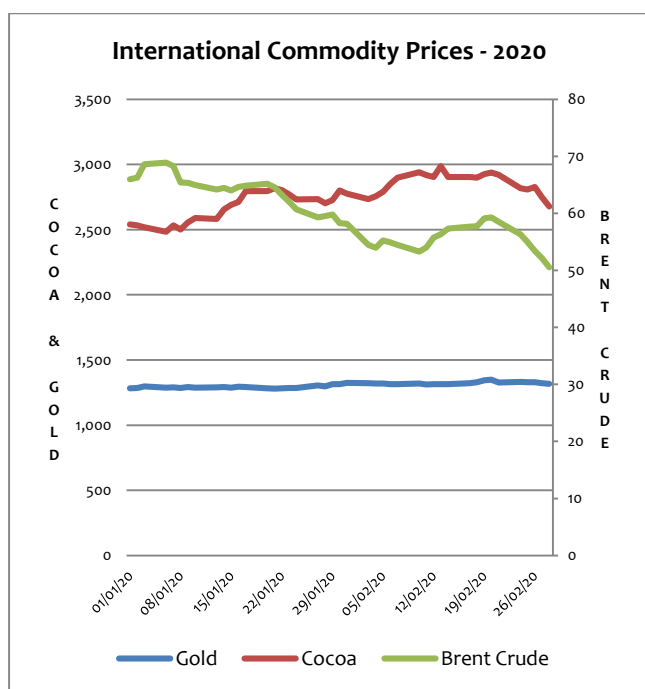
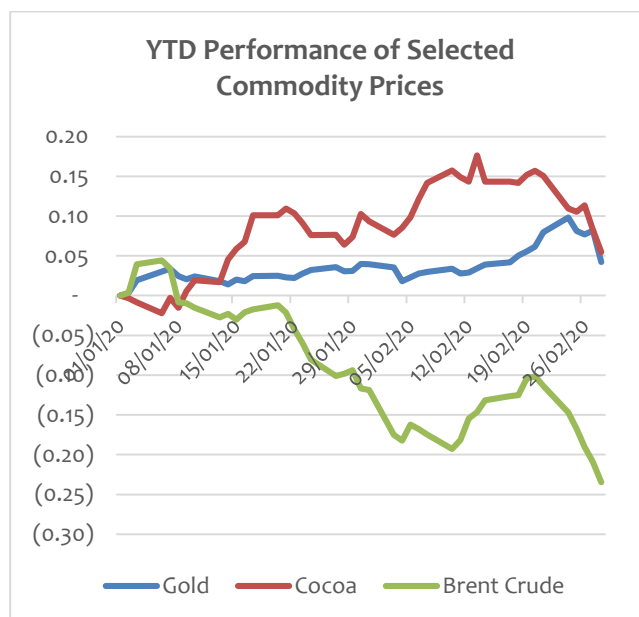
Oil prices plummeted for the week amid fears that the CoVid-19 epidemic will weigh on demand. Brent futures traded at US\$50.52 a barrel on Friday, reflecting w/w and YTD losses of 13.64% and 23.45% respectively.

Prices of Cocoa also plunged on the week. Cocoa futures settled at US\$2,679.00 per tonne on Friday, reflecting w/w loss and YTD gain of 8.32% and 5.47% respectively.

### International Commodity Prices

Commodities	Year Open	Week Open	Week Close	Chg %	YTD %
	01/01/20	24/02/20	28/02/20		
Brent crude oil (USD/bbl)	66.00	58.50	50.52	13.64	-23.45
Gold (USD/t oz.)	1,520.95	1,644.60	1,587.15	-3.49	4.35
Cocoa (USD/MT)	2,540.00	2,922.00	2,679.00	-8.32	5.47

Source: [www.investing.com](http://www.investing.com)



### BUSINESS TERM OF THE WEEK

**Consumption Smoothing:** A financial planning process that seeks to achieve a balance between the desire for a high standard of living and the need to accumulate sufficient assets for a secure retirement by "smoothing" out consumption behavior during the earning years. The process combines a gradual reduction in standard of living over a period of time with a greater emphasis on retirement savings.

Source: [www.investorwords.com](http://www.investorwords.com)

### ABOUT CIDAN

CIDAN Investments Limited is an investment and fund management company licensed by the Securities & Exchange Commission (SEC) and the National Pensions Regulatory Authority (NPR).

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