

CIDAN INVESTMENTS LIMITED



WEEKLY MARKET REVIEW FOR WEEK ENDING

October 6, 2023

MACROECONOMIC INDICATORS

Q2, 2023 Real GDP Growth	3.2%
Average Real GDP Growth for 2023	3.3%
2023 Projected Real GDP Growth	1.6%
BoG Policy Rate	30.0%
Weekly Interbank Interest Rate	28.46%
Inflation for August, 2023	40.1%
End Period Inflation Target – 2023	31.3%
Budget Deficit (% GDP) – June, 2023	0.8%
2023 Budget Deficit Target (%GDP)	7.7%
Public Debt (billion GH¢) – Jun, 2023	575.5
Debt to GDP Ratio – Jun, 2023	71.9%

STOCK MARKET REVIEW

The Ghana Stock Exchange closed lower for the week on the back of price declines by 2 counters. The GSE Composite Index (GSE-CI) lost 32.36 points (-1.02%) to close the week at 3,139.99 points, reflecting a year-to-date (YTD) gain of 28.48%. The GSE Financial Stocks Index (GSE-FI) however gained 53.80 points (+2.85%) to close the week at 1,943.93 points, reflecting a YTD loss of 5.29%.

Market capitalization decreased by 0.40% to close the week at GH¢73,893.22 million, from GH¢74,189.35 million at the close of the previous week. This reflects a YTD gain of 14.55%.

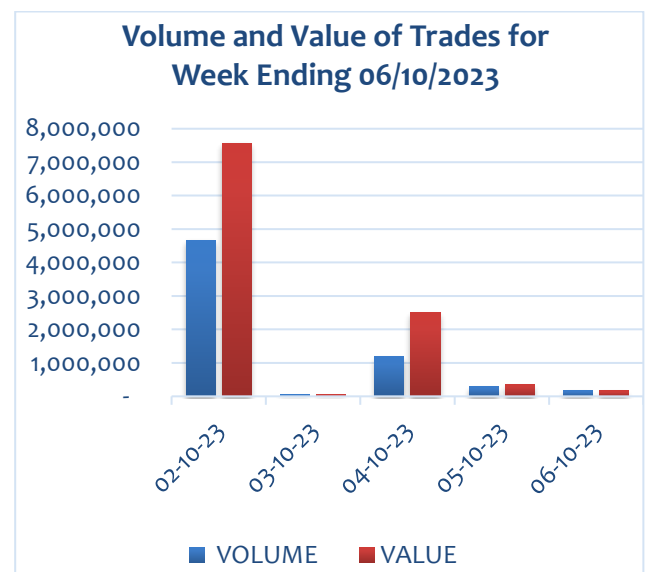
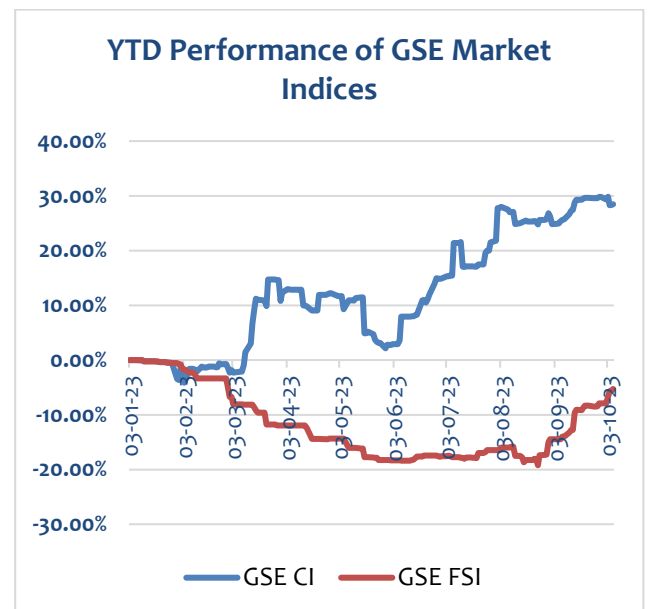
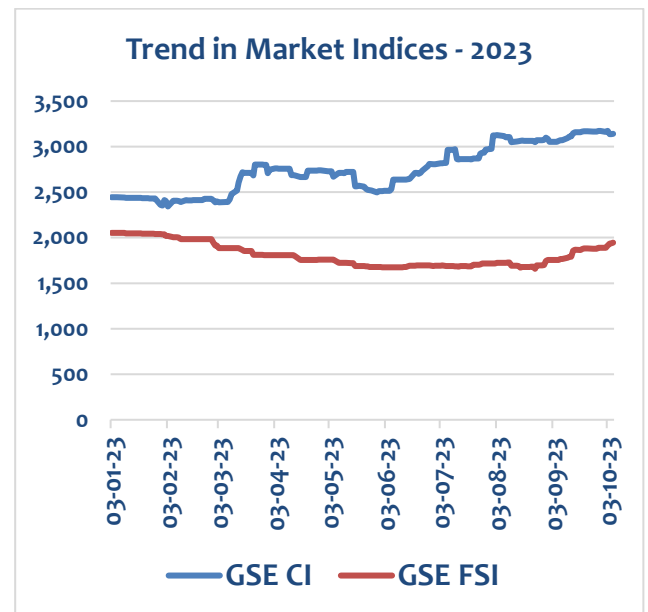
The week recorded a total of 6,384,574 shares valued at GH¢10,680,773.39 changing hands, compared with 5,744,647 shares, valued at GH¢9,815,377.37 in the preceding week.

MTNGH dominated both volume and value of trades for the week, accounting for 76.18% and 65.45% of shares traded respectively.

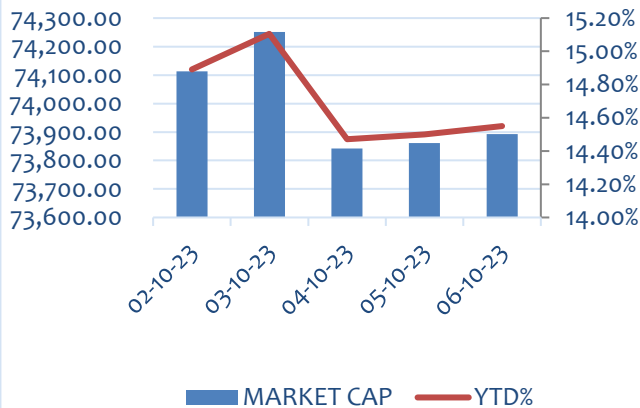
The market ended the week with 2 advancers and 2 laggards as indicated in the table below.

Price Movers for the Week			
Equity	Opening Price	Closing Price	Gain/Loss (%)
EGH	4.30	5.30	▲ 23.26%
ASG	8.88	8.89	▲ 0.11%
CAL	0.52	0.50	▼ 3.85%
MTNGH	1.45	1.40	▼ 3.45%

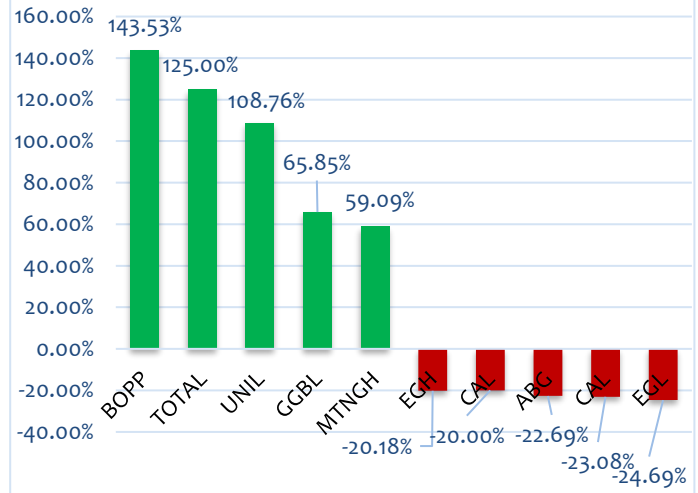
Source: Ghana Stock Exchange



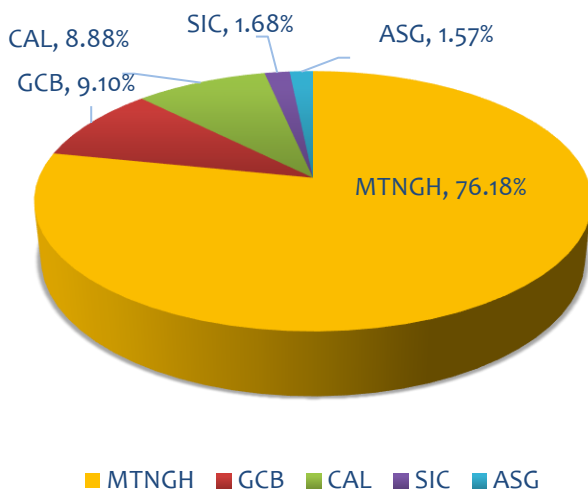
Market Capitalization for Week Ending 06/10/2023



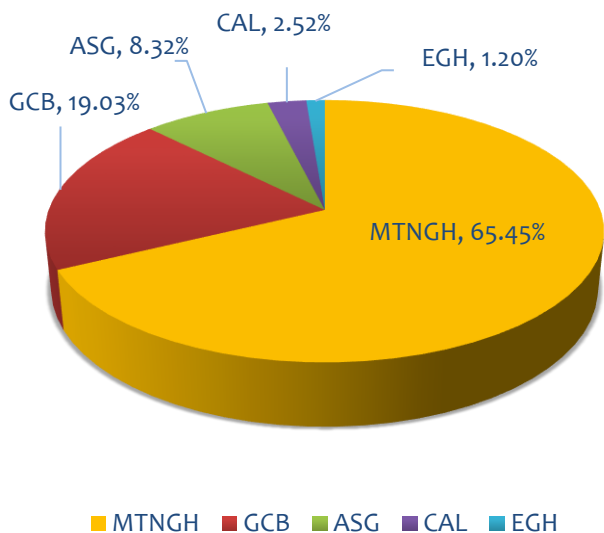
5 Best & 5 Worst Performing Stocks YTD Return



Best 5 Traded Equities by Volume for the Week Ending 06/10/2023



Best 5 Traded Equities by Value for the Week Ending 06/10/2023



CURRENCY MARKET

The Cedi fell marginally against the USD for the week. It traded at GH¢11.2287/\$, compared with GH¢11.1285/\$ at week open, reflecting w/w and YTD depreciations of 0.89% and 23.62% respectively. This compares with a loss of 37.68% a year ago.

The Cedi also retreated against the GBP for the week. It traded at GH¢13.7406/£, compared with GH¢13.5935/£ at week open, reflecting w/w and YTD depreciations of 1.07% and 24.95% respectively. This compares with a depreciation of 24.07% a year ago.

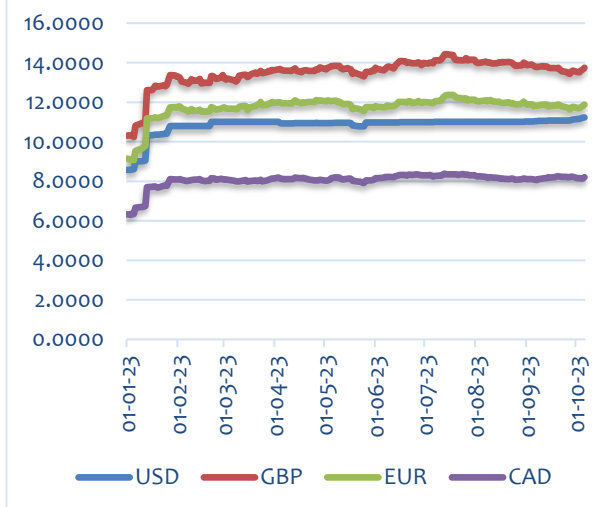
The Cedi again depreciated against the Euro for the week. It traded at GH¢11.8812/€, compared with GH¢11.7774/€ at week open, reflecting w/w and YTD depreciations of 0.87% and 23.02% respectively. This compares with a depreciation of 27.51% a year ago.

The Cedi however gained against the Canadian Dollar at week end. It opened at GH¢8.2228/C\$, but closed at GH¢8.2141/C\$, reflecting w/w gain and YTD depreciations of 0.11% and 23.03% respectively. This compares with a depreciation of 32.61% a year ago.

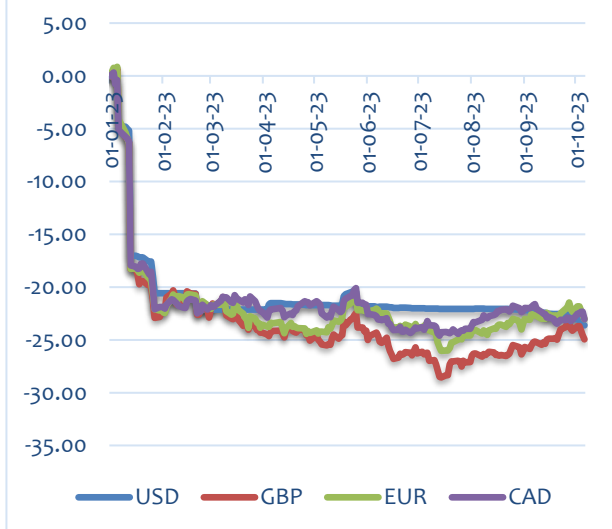
Weekly Interbank Foreign Exchange Rates					
Currency Pair	Year Open	Week Open	Week Close	Change%	YTD %
	01-01-23	02-10-23	06-10-23		
USD/GHS	8.5760	11.1285	11.2287	▼ 0.89	▼ 23.62
GBP/GHS	10.3118	13.5935	13.7406	▼ 1.07	▼ 24.95
EUR/GHS	9.1457	11.7774	11.8812	▼ 0.87	▼ 23.02
CAD/GHS	6.3222	8.2228	8.2141	▲ 0.11	▼ 23.03

Source: Bank of Ghana

Exchange Rates: Ghana Cedi vs Selected Currencies



YTD Performance of the Ghana Cedi against Selected Currencies



GOVERNMENT SECURITIES MARKET

Government raised a sum of GH¢2,576.60 million for the week across the 91-Day, 182-Day and 364-Day Treasury Bills. This compared with GH¢2,499.88 million raised in the previous week.

The 91-Day Bill settled at 29.19% p.a. from 28.80% p.a. last week whilst the 182-Day Bill settled at 31.22% p.a. from 30.92% p.a. last week. The 364-Day Bill settled at 33.02% p.a. from 32.82% p.a. last week.

The tables below highlight primary market activity at close of the week.

Security	Year Open	Previous Yield %	Current Yield %	WoW Chg (%)	YTD Chg (%)
	01-01-23	02-10-23	06-10-23		
91 Day TB	35.36	28.80	29.19	▲ 1.39	▼ 17.44
182 Day TB	35.98	30.92	31.22	▲ 0.96	▼ 13.24
364 Day TB	35.89	32.82	33.02	▲ 0.59	▼ 8.02

Source: Bank of Ghana

The Ghana Market Summary			
	Current	Previous	Change
Bid (GH¢' M)	2,576.60	2,499.88	▲ 3.07%
Issuance (GH¢' M)	2,626.30	2,499.88	▲ 5.06%
Target (GH¢' M)	2,109	2,570	▼ 17.94%
Maturity (GH¢' M)	3,323.81	2,398.48	▲ 38.58%
Target coverage ratio	1.25	0.97	na
Maturity coverage ratio	0.79	1.04	na
Bid / Cover ratio	0.98	1.00	na

Source: Bank of Ghana

COMMODITY MARKET

Crude prices fell almost 6% for the week. Brent futures traded at US\$84.58 a barrel, compared to US\$95.31 at week open, reflecting w/w and YTD depreciations of 11.26% and 1.55% respectively.

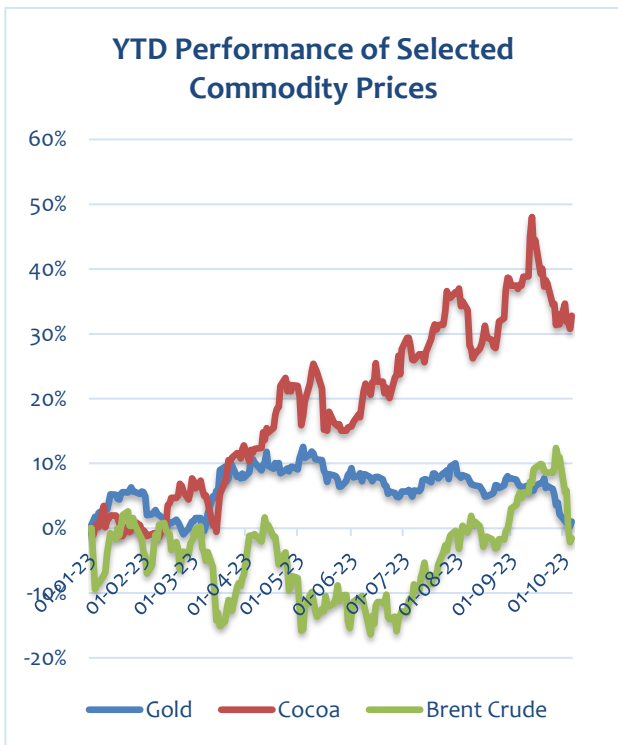
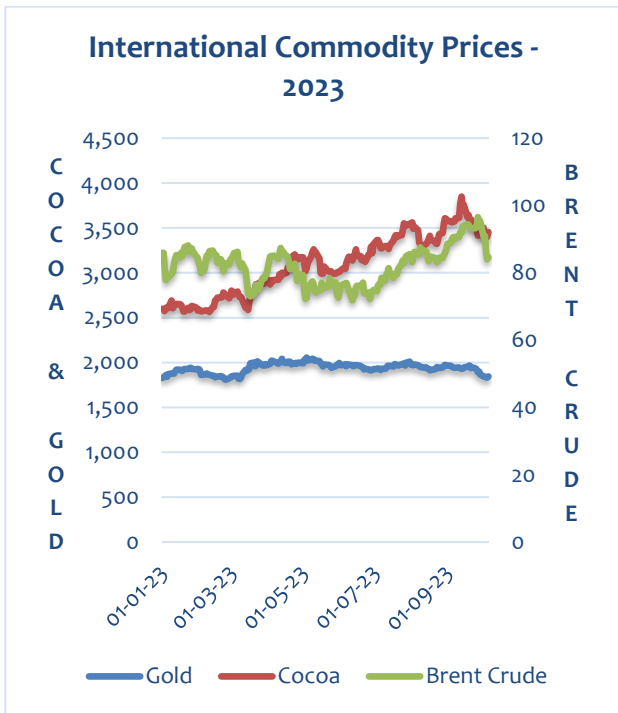
Gold hit seven-month lows on the back of a potential rate hike by the Federal Reserve, amplified by US jobs data which sent Treasury yields and the dollar rallying. Gold settled at US\$1,845.20, from US\$1,866.10 last week, reflecting w/w loss and YTD gain of 1.12% and 1.04% respectively.

The price of Cocoa appreciated for the week. Cocoa traded at US\$3,453.00 per tonne on Friday, from US\$3,418.00 last week, reflecting w/w and YTD appreciations of 1.02% and 32.81% respectively.

International Commodity Prices

Commodities	Year Open	Week Open	Week Close	Chg%	YTD %
	01-01-23	02-10-23	06-10-23		
Brent crude oil (USD/bbl)	85.91	95.31	84.58	▼ 11.26	▼ 1.55
Gold (USD/t oz.)	1,826.20	1,866.10	1,845.20	▼ 1.12	▲ 1.04
Cocoa (USD/MT)	2,600.00	3,418.00	3,453.00	▲ 1.02	▲ 32.81

Source: www.investing.com



BUSINESS TERM OF THE WEEK

Asset Stripping: Asset stripping is the process of buying an undervalued company with the intent of selling off its assets to generate a profit for shareholders. The individual assets of the company, such as its equipment, real estate, brands, or intellectual property, may be more valuable than the company as a whole due to such

factors as poor management or poor economic conditions.

The result of asset stripping is often a dividend payment for investors and either a less-viable company or bankruptcy.

Source:

<https://www.investopedia.com/terms/a/assetstripping.asp>

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 (NPRO).

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