

WEEKLY MARKET WATCH

SIC-FSL INVESTMENT RESEARCH | MARKET REVIEWS | GHANA

17th November, 2016

STOCK MARKET

INDICATORS	WEEK OPEN	WEEK END	CHANGE
Market Capitalization (GH¢million)	51,951.45	51,438.18	-0.99%
Market Capitalization (US\$million)	13,101.52	12,934.24	-1.28%
Volume traded (shares)	1,610,158.00	1,902,646.00	18.17%
Value Traded (GH¢)	524,455.97	1,428,989.43	172.47%
Value Traded (US\$)	132,261.36	359,322.44	171.68%

Table 1: Market Summary

INDEX ANALYSIS

INDICATORS	Closing Level	Week Change	YTD CHANGE
GSE Composite Index	1,667.26	-1.72%	-16.42%
SIC-FSL Top 15 Index	2,626.33	-4.55%	-29.22%
GSE Financial Stocks Index	1,558.69	-1.50%	-19.24%

Table 2: Key Stock Market Indices

LIQUIDITY

At the close of last Thursday's trading session, twenty-one (21) symbols were visibly involved in that week's activities. In effect, a total of 1.90 million shares exchanged hands, and this was valued at GH¢ 1.43 million.

Financial stocks were most investors preferred choice, as the sector contributed 93.33% and 81.75% of both volume and value of shares that traded in the past week.

The shares of Societe Generale Ghana Limited (SOGEGH) was the most traded and valuable equity on the bourse last week. The stock accounted for 1.10 million of the total market traded shares, representing 57.99% of the entire market volume. This corresponded to a total value traded of GH¢772,228.10 million, which represented 54.04% of the market value.

UNCERTAINTY DRIVES PERFORMANCE FURTHER

Increased uncertainty on the Ghana Stock Exchange (GSE) saw performance of listed companies slip further during last week's activities. Shares of Standard Chartered Bank (SCB), Ghana Oil Company Limited (GOIL), Ecobank Ghana Limited and Ecobank Transnational Incorporated (ETI) forced the broader market dropped further down.

At the close of week, the losses on the GSE-Composite Index, the GSE Financial Stocks Index (GSE-FSI) and the SIC-FSL Top 15 Liquid Index (T-15 Index) worsened from the previous week losses of 15.42%, 18.01% and 25.84% respectively, to settle at 16.42%, 19.24% and 29.22% respectively.

Total market capitalization also dropped further from the previous week's figure of GH¢51.95 billion to GH¢51.44 billion last Thursday. Likewise, an equivalent dollar value also dipped from the previous week's figure of USD 13.17 billion to USD12.93 billion.



Fig 1: Year -to -date returns

MARKET MOVERS

SCB pushes down again

Activities in Standard Chartered Bank (SCB) shares last week saw its value slip from the GH¢13.03 per share opening price to GH¢12.59 per share. Currently, the stock is positioned 25th on the bourse in terms of performance with a year-to-date loss of 22.76%.

The Bank released a growth in revenue from GH¢481.57 million in Q3'15 to GH¢532.80 million in Q3'16, which corresponded to an improvement in Net Profit After Tax (NPAT) figure of GH¢186.20 million in Q3'16 compared to last year's same period figure of GH¢151.16 million.

That notwithstanding, the Exchange is still yet to respond to this positive performance. Some analysts have attributed the shaky performance to the uncertainty that appears to be surrounding the pending elections.

GOIL surrenders 5-pesewas

The shareholders of Ghana Oil Company Limited (GOIL) lost 5-pesewas on their investment during last week's trading session. Analysts have partially attributed the decline to the general dwindling fortunes on the GSE.

At present, GOIL is ranked 26th among the thirty-five (35) listed companies on the Ghanaian bourse in terms of performance, with a year-to-date loss of 25%.

At the current price of GH¢1.05 per share, GOIL still appeared to be trading at 40% above the sectors average trailing P/E ratio 6x, indicating the possibility of downward price review in future trading sessions.

STOCK TICKER	Wk Open	Wk End	Change	% change
CAL	0.79	0.85	0.06	7.59%
SOGEGH	0.67	0.70	0.03	4.48%

Table 4: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
EGH	6.80	6.77	-0.03	-0.44%
ETI	0.12	0.10	-0.02	-16.67%
GOIL	1.10	1.05	-0.05	-4.55%
SCB	13.03	12.59	-0.44	-3.38%

Table 4: Laggards for the week

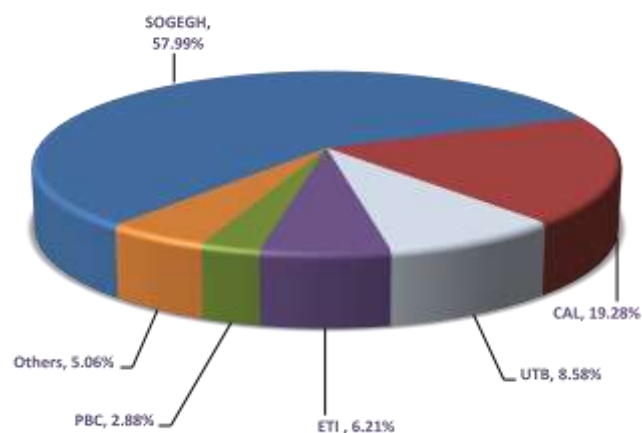


Fig 2: Top 5 most liquid equities with respect to volume traded

CORPORATE NEWS

PBC LIMITED (PBC) LISTS TRANCHE P1 OF FIXED RATE CALLABLE NOTE: Management of PBC Limited has listed tranche P1 of the company's issued 1-Year Senior Unsecured Fixed Rate Callable Note on the Ghana Fixed Income Market (GFIM). The value of the Tranche P1 was GH¢63,123,000.00 out of the total GH¢400 million Note Programme, and is expected to mature on November 4, 2017. The coupon rate is 26% per annum.

ACCESS BANK GHANA PLC (ABG) EXTENDS INITIAL PUBLIC OFFER: ABG has announced the extension of the Initial Public Offer ("IPO") from the previous date of November 11, 2016 to November 25, 2016.

In view of the above, investors can still purchase shares of the Bank at any of the Licensed Dealing Members ("LDM"), for example SIC Brokerage Limited.

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 17/11/2016 (GH¢)	YTD Gain/Loss (%)
African Champion Industries Ltd.	ACI	0.02	0.01	-50.00%
AngloGold Ashanti Ltd.	AGA	37.00	37.00	0.00%
Aluworks Limited	ALW	0.14	0.14	0.00%
Ayrton Drug Manufacturing Ltd.	AYRTN	0.18	0.10	-44.44%
Benso Oil Palm Plantation	BOPP	2.50	2.40	-4.00%
Cal Bank Ltd	CAL	1.00	0.85	-15.00%
Clydestone (Ghana) Ltd.	CLYD	0.03	0.03	0.00%
Camelot Ghana Ltd.	CMLT	0.12	0.12	0.00%
Cocoa Processing Co. Ltd.	CPC	0.02	0.02	0.00%
Ecobank Ghana Ltd.	EGH	7.01	6.77	-3.42%
Enterprise Group Limited	EGL	2.40	2.39	-0.42%
Ecobank Transnational Inc.	ETI	0.27	0.10	-62.96%
Fan Milk Ltd.	FML	7.35	9.83	33.74%
Ghana Commercial Bank Ltd.	GCB	3.79	3.50	-7.65%
Guinness Ghana Breweries Ltd.	GGBL	1.99	1.69	-15.08%
Ghana Oil Company Limited	GOIL	1.40	1.05	-25.00%
Golden Star Resources Ltd.	GSR	1.99	1.95	-2.01%
Golden Web Ltd.	GWEB	0.01	0.01	0.00%
HFC Bank (Ghana) Ltd.	HFC	0.90	0.80	-11.11%
Mega Africa Capital Ltd	MAC	6.00	6.00	0.00%
Mechanical Lloyd Co. Ltd.	MLC	0.19	0.16	-15.79%
Pioneer Kitchenware Ltd.	PKL	0.05	0.05	0.00%
Produce Buying Company Ltd.	PBC	0.10	0.06	-40.00%
PZ Cussons Ghana Ltd.	PZ	0.34	0.22	-35.29%
Standard Chartered Bank (GH) Ltd.*	SCB	16.30	12.59	-22.76%
SIC Insurance Company Ltd.	SIC	0.14	0.14	0.00%
Starwin Products Ltd.	SPL	0.04	0.02	-50.00%
Societe Generale Ghana Limited	SOGEGH	0.80	0.70	-12.50%
Sam Woode Ltd.	SWL	0.04	0.04	0.00%
Trust Bank Ltd. (The Gambia)	TBL	0.37	0.26	-29.73%
Total Petroleum Ghana Ltd.	TOTAL	5.10	2.00	-60.78%
Transaction Solutions (Ghana) Ltd.	TRANSOL	0.03	0.03	0.00%
Tullow Oil Plc	TLW	28.00	26.90	-3.93%
Unilever Ghana Ltd.	UNIL	8.50	8.47	-0.35%
UT Bank	UTB	0.10	0.03	-70.00%
AngloGold Ashanti Depository Shares	AADS	0.52	0.52	0.00%
Standard Chartered Bank Preference shares	SCB PREF	0.71	0.75	5.63%
NewGold Exchange Traded Fund	GLD	39.00	38.80	-0.51%
Samba Foods Ltd	SAMBA	0.73	0.72	-1.37%
Meridian Marshalls Holding Company	MMH	0.11	0.11	0.00%
Hords Limited	HORDS	0.08	0.10	25.00%
Intravenous Infusions Limited	IIL	0.09	0.09	0.00%

Table 5: Performance of listed equities from year open

CURRENCY MARKET

EXCHANGE RATES	BUYING	SELLING	YTD CHANGE
USDGHS	3.9749	3.9789	4.79% ▼
GBPGHS	4.9491	4.9561	11.82% ▲
EURGHS	4.2515	4.2549	2.93% ▼

Table 6: Inter-bank indicative rates

▲ year-to-date appreciation ▼ year-to-date depreciation

Dollar outruns Cedi

The American Dollar concluded trading on Thursday with a win against the Ghanaian Cedi as there was not sufficient supply of Dollar to match-up with demand, favouring the value of the greenback.

At a midrate of GH¢3.9769, the USDGHS exchange rate gained 0.29% on the wholesale market, pushing up the Dollar's annual yield to 4.79%.

Going forward, the USDGHS exchange rate is expected to remain fairly stable and to end the year on a better note in terms of performance on the currency market.

Positive data supports Pound

The outcome of UK's unemployment data and retail sales gave the British Pound some level of support on the international market.

According to the data released the nation unemployment data decline by 0.1% to 4.8% while retail sales index increased to 7.4%, higher than expected, from 4.1% annualized for the month.

Similarly on Ghana's local market, the Pound managed to record an appreciation of 0.07% in value after it was pegged between GH¢4.9491 and GH¢4.9561. This lowered its year-to-date loss suffered against the Cedi to 11.82% on Thursday.

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CEDI'S WORTH APPRECIATES

Among the banks last week the Cedi was priced 0.25% higher than it was traded the week before despite the loss it suffered against some of its major trading partners on the inter-bank market.

The local currency capitalized on the huge gains it chalked versus the shared currency to trim down its year-to-date loss on the inter-bank market in the period under review. Thus, the composite rate at which the Cedi had declined since the beginning of the year, reduced to 1.14% from 1.39% a fortnight ago.

Holistically, the performance of the Ghanaian Cedi on the currency market has been quite impressive despite the fast approaching election and festive season.

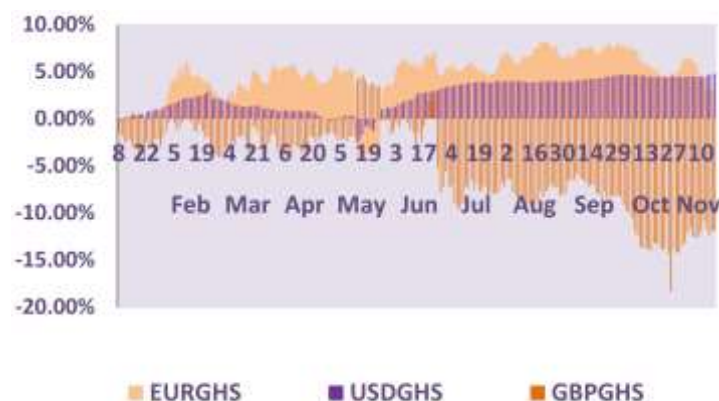


Fig 3: YTD performance of Pound, Dollar & Euro versus the Cedi

Euro records a substantial loss

The Euro lost footing again on the currency market last week as it was bought at GH¢4.2515 and sold for GH¢4.2549 on the inter-bank market.

Losing by 1.35%, the Euro ended Thursday's trading on Ghana's inter-bank market as the facilitator behind the local currency's composite rise.

This translated to a fall in the yield of the shared currency from 4.34% to 2.93% last week.

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