

WEEKLY MARKET WATCH

SIC-FSL INVESTMENT RESEARCH | MARKET REVIEWS | GHANA

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STOCK MARKET

INDICATORS	WEEK OPEN	WEEK END	CHANGE
Market Capitalization (GH¢million)	58,047.22	58,266.93	0.38%
Market Capitalization (US\$million)	13,260.66	13,310.85	0.38%
Volume traded (shares)	1,987,670.00	6,550,862.00	229.57%
Value Traded (GH¢)	3,139,043.97	6,662,200.08	112.24%
Value Traded (US\$)	717,102.38	1,521,953.69	112.24%

Table 1: Market Summary

INDEX ANALYSIS

INDICATORS	CLOSING LEVEL	WEEK CHANGE	YTD CHANGE
GSE Composite Index	2,318.85	1.51%	37.28%
SIC-FSL Top 15 Index	3,895.72	0.90%	49.38%
GSE Financial Stocks Index	2,018.22	1.56%	30.59%

Table 2: Key Stock Market Indices

LIQUIDITY

A single block of 4.10 million shares' trade in Cal Bank shares saw a whopping 229.57% jump in total shares traded over the previous week. Approximately, 6.55 million shares exchanged hands and this was valued at GH¢6.66 million. In all, twenty (20) equities traded involving nineteen (19) ordinary shares and one (1) preference share.

Financial stocks remained the preferred choice of most investors, as the sector contributed 98.12% and 98.75% to total volume and value of shares traded.

The shares of Cal Bank Limited (CAL) were the most active on the bourse, accounting for 5.16 million of total shares traded representing 78.70% of total market volume. The Bank also contributed 78.17% of total traded value.

GSE BOUNCES BACK

Bullish activities on the Ghana Stock Exchange (GSE) last week saw key performance indicators return to gaining ways. Among the twelve (12) price movers, eight (8) equities were uptick while the rest dipped. Shares of Access Bank Plc (ACCESS), Total Petroleum Ghana Limited (TOTAL), Ecobank Ghana Limited (EGH) and Benso Oil Palm Plantation Limited (BOPP) were the main market drivers.

The yield on the GSE Composite Index (GSE-CI) increased from 2,284.30 points to 2,318.85 points, posting a year-to-date gain of 37.28% last week. Likewise, the yields on the GSE Financial Stocks Index (GSE-FSI) and the SIC-FSL Top 15 Index (SIC-FSL T-15) closed at a year-to-date gain of 30.59% and 49.38% respectively, better than the 28.59% and 47.89% recorded in the previous week.

Total market capitalization climbed from the previous week's GH¢58.05 billion to GH¢58.27 billion last Thursday. The equivalent dollar value also appreciated from the previous week's figure of USD 13.26 billion to USD 13.31 billion.

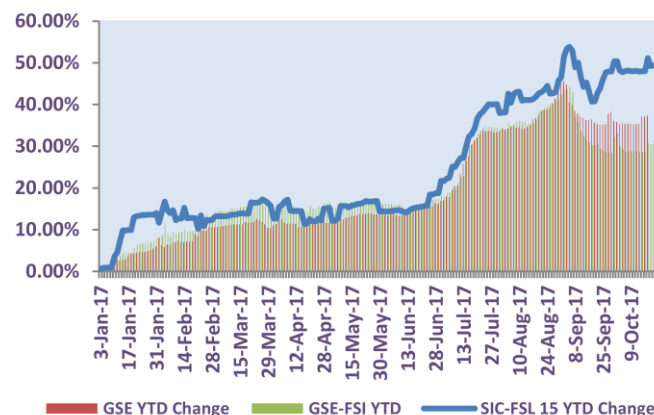


Fig 1: Year -to -date returns

MARKET MOVERS

EGH returns to GH¢7.49

Investors restored the share price of Ecobank Ghana Limited (EGH) to GH¢7.49 from the week's open price of GH¢7.19 per share last week on the back of increased market appetite. EGH is currently ranked 14th among the thirty-six (36) listed equities on the Exchange in terms of returns with a year-to-date gain 17.03%.

Investors seemed to be consolidating their holding position in the Bank following an anticipated profit in future despite a drop in the bank's half year financial performance. EGH's revenue dropped from the GH¢655.47 million in HY'16 to GH¢630.07 million in HY'17. Net profit after tax also declined from the GH¢204.61 million in HY'16 to GH¢135.11 million in HY'17.

At the current price of GH¢7.49, the Bank is trading at 27% below the sector's trailing P/E ratio of 12x, signaling the possibility of upward price rally in future sessions.

TOTAL climbs up

High demand for Total Petroleum Ghana Limited (TOTAL)'s shares saw the price appreciate 37-pesewas last week in nominal value. The rise appeared to have been spurred by the growing market confidence and prospects in the company's current share price on the Exchange.

Historically, TOTAL traded at GH¢3.71 on average last year at a peak price of GH¢5.15 per share, better than the current average trading price of GH¢2.22 and peak price of GH¢2.69 per share. Hence, the possibility of a further upward price review looks most likely.

TOTAL closed the week at GH¢2.69 per share from the week's opening price of GH¢2.32 per share, representing an increase of 15.95% in nominal value. Currently, TOTAL is ranked 9th among the thirty-six (36) listed companies on the GSE with a year-to-date returns of 35.86%.

CORPORATE NEWS

STANDARD CHARTERED BANK LIMITED (SCB) ANNOUNCES PREFERENCE SHARE DIVIDEND PAYMENT: SCB has announced a final dividend of GH¢0.0442 per share to preference shareholders in respect of the payment for March 2018.

In view of the aforementioned, any investor who buys SCB PREF before Wednesday, 21st February, 2018 will be entitled to the dividend payment.

The dividend will be paid on Friday, 30th March, 2018.

STOCK TICKER	Wk Open	Wk End	Change	% change
ACCESS	3.40	3.91	0.51	15.00%
BOPP	5.91	6.00	0.09	1.52%
CAL	1.00	1.05	0.05	5.00%
EGH	7.19	7.49	0.30	4.17%
GOIL	2.40	2.46	0.06	2.50%
PBC	0.05	0.06	0.01	20.00%
TOTAL	2.32	2.69	0.37	15.95%
UNIL	10.55	10.56	0.01	0.09%

Table 4: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
EGL	4.00	3.97	-0.03	-0.75%
HFC	1.39	1.38	-0.01	-0.72%
SCB	19.67	19.51	-0.16	-0.81%
SIC	0.12	0.10	-0.02	-16.67%

Table 4: Laggards for the week

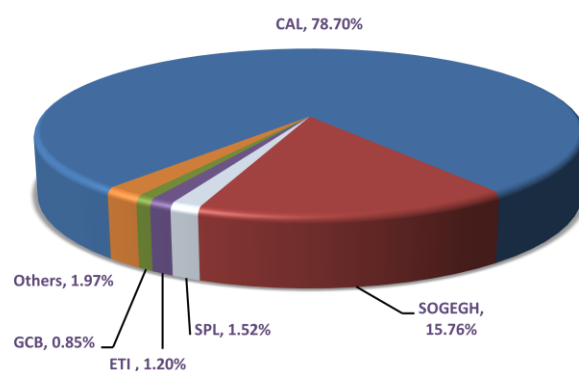


Fig 2: Top 5 most liquid equities with respect to volume traded

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 19/10/2017 (GH¢)	YTD Gain/Loss (%)
Access Bank Ghana PLC	ACCESS	4.10	3.91	-4.63%
African Champion Industries Ltd.	ACI	0.01	0.01	0.00%
Agricultural Development Bank	ADB	3.83	3.83	0.00%
AngloGold Ashanti Ltd.	AGA	37.00	37.00	0.00%
Aluworks Limited	ALW	0.14	0.16	14.29%
Ayrton Drug Manufacturing Ltd.	AYRTN	0.12	0.10	-16.67%
Benso Oil Palm Plantation	BOPP	2.08	6.00	188.46%
Cal Bank Ltd	CAL	0.75	1.05	40.00%
Clydestone (Ghana) Ltd.	CLYD	0.03	0.03	0.00%
Camelot Ghana Ltd.	CMLT	0.12	0.11	-8.33%
Cocoa Processing Co. Ltd.	CPC	0.02	0.02	0.00%
Ecobank Ghana Ltd.	EGH	6.40	7.49	17.03%
Enterprise Group Limited	EGL	2.40	3.97	65.42%
Ecobank Transnational Inc.	ETI	0.10	0.18	80.00%
Fan Milk Ltd.	FML	11.14	19.40	74.15%
Ghana Commercial Bank Ltd.	GCB	3.56	4.00	12.36%
Guinness Ghana Breweries Ltd.	GGBL	1.63	1.57	-3.68%
Ghana Oil Company Limited	GOIL	1.10	2.46	123.64%
Golden Star Resources Ltd.	GSR	1.95	1.90	-2.56%
Golden Web Ltd.	GWEB	0.01	0.01	0.00%
HFC Bank (Ghana) Ltd.	HFC	0.75	1.38	84.00%
Mega Africa Capital Ltd	MAC	6.00	6.00	0.00%
Mechanical Lloyd Co. Ltd.	MLC	0.15	0.09	-40.00%
Pioneer Kitchenware Ltd.	PKL	0.05	0.05	0.00%
Produce Buying Company Ltd.	PBC	0.06	0.06	0.00%
PZ Cussons Ghana Ltd.	PZ	0.22	0.20	-9.09%
Standard Chartered Bank (GH) Ltd.*	SCB	12.18	19.51	60.18%
SIC Insurance Company Ltd.	SIC	0.12	0.10	-16.67%
Starwin Products Ltd.	SPL	0.03	0.03	0.00%
Societe Generale Ghana Limited	SOGEGH	0.62	0.77	24.19%
Sam Woode Ltd.	SWL	0.04	0.05	25.00%
Trust Bank Ltd. (The Gambia)	TBL	0.26	0.35	34.62%
Total Petroleum Ghana Ltd.	TOTAL	1.98	2.69	35.86%
Transaction Solutions (Ghana) Ltd.	TRANSOL	0.03	0.03	0.00%
Tullow Oil Plc	TLW	26.88	17.69	-34.19%
Unilever Ghana Ltd.	UNIL	8.51	10.56	24.09%
AngloGold Ashanti Depository Shares	AADS	0.52	0.48	-7.69%
Standard Chartered Bank Preference shares	SCB PREF	0.75	1.20	60.00%
NewGold Exchange Traded Fund	GLD	38.80	38.80	0.00%
Samba Foods Ltd	SAMBA	0.72	0.65	-9.72%
Meridian Marshalls Holding Company	MMH	0.11	0.11	0.00%
Hords Limited	HORDS	0.10	0.10	0.00%
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	4.3752	4.3796	4.22% ▼
GBPGHS	5.7770	5.7850	11.25% ▼
EURGHS	5.1849	5.1911	16.93% ▼

Table 6: Inter-bank indicative rates

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

USDGHS records stalemate position

The Cedi-Dollar pair was unchanged from last week's midrate of GH¢4.3774, after it was bought at GH¢4.3752 and sold for GH¢4.3796.

The week saw the annual return of the greenback unchanged at 4.22% as corporate demand for the hard currency gradually declined.

In the coming weeks, the USDGHS exchange rate is expected to be relatively steady on the currency market with intervention from the Bank of Ghana (BoG).

Euro gains despite.....

The Euro managed a 0.04% rise against the Cedi on the inter-bank market in the period under review as it was pegged at a midrate of GH¢5.1880 on Thursday. This represented an annual yield of 16.93% in favour of the shared currency.

On the global front, the Euro managed to gain value despite the deadlock between the Spanish Government and the Catalan President, Carles Puigdemont. The Catalan leader has threatened to declare independence if the Spanish Government refuses to enter into talks with him and moves to strip Catalonia of its autonomy. This uncertainty is likely to weigh on the value of the Euro, going forward.

CEDI DOWN BY 0.06%

The Cedi failed to maintain gains chalked on the inter-bank market after three consecutive weekly win against its major trading partners.

The local currency recorded a composite loss of 0.06% on the currency market which resulted in an increase in its year-to-date loss from 9.07% to 9.14%.

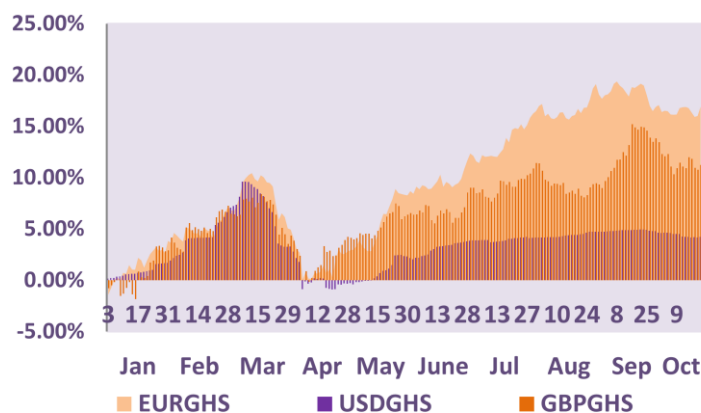


Fig 3: YTD performance of Pound, Dollar & Euro versus the Cedi

Pound vs. Cedi

The Pound Sterling lost against a basket of currencies on the international market after the release of a report on the nation's retail sales.

According to the data, UK's retail sales dropped from 1% to -0.8% on the month-on-month basis while the year-on-year rate also reduced to 1.2% from 2.4%, weakening the value of the Pound.

However, the Sterling gained grounds on the Ghanaian market as traders searched for more Pounds against the Cedi. This accounted for the Pound's 0.31% appreciation over the Cedi, resulting in a rise in its year-to-date return from 10.91% to 11.25% on Thursday.

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NB: The data in this report is Thursday on Thursday (w-o-w)