

WEEKLY MARKET WATCH

SIC-FSL INVESTMENT RESEARCH | MARKET REVIEWS | GHANA

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Address: No. 67A & B Switchback Road,
 Email: research@sic-fsl.com
 Website: www.sic-fsl.com
 Phone: +233-302-767-051
 +233-302-767-123

STOCK MARKET

INDICATORS	WEEK OPEN	WEEK END	CHANGE
Market Capitalization (GH¢million)	58,980.18	58,768.13	-0.36%
Market Capitalization (US\$million)	13,706.12	13,710.21	0.03%
Volume traded (shares)	7,309,467.00	3,355,674.00	-54.09%
Value Traded (GH¢)	11,559,470.00	3,505,122.33	-69.68%
Value Traded (US\$)	2,686,249.77	817,721.50	-69.56%

Table 1: Market Summary

INDEX ANALYSIS

INDICATORS	Closing Level	Week Change	YTD CHANGE
GSE Composite Index	1,919.02	-0.10%	13.61%
SIC-FSL Top 15 Index	2,983.37	-1.99%	14.40%
GSE Financial Stocks Index	1,796.24	-0.26%	16.23%

Table 2: Key Stock Market Indices

LIQUIDITY

Lack of block trades on the bourse last week saw total traded shares decline from 7.31 million shares to 3.36 million. At the close of the week, a total of eighteen (18) equities on the GSE were actively involved in last week's trading.

Market activities were fairly dominated by the financial stocks, as the sector recorded 43.00% and 17.60% of both volume and value of shares traded.

Guinness Ghana Breweries Limited (GGBL) emerged the most traded in terms of volume and value of shares recorded. The stock accounted for 1.30 million of the total shares that traded which represented 38.18% of the entire market volume. Corresponding value traded was also GH¢1.92 million, representing 54.83% of the total traded value.

ETI SLOWS GSE'S PERFORMANCE

A pesewa decline in "Big Cap" stock Ecobank Transnational Incorporated (ETI) saw performance of the Ghana Stock Exchange (GSE) plunge last week. In spite of numerous price gainers in last week's activities, the market slipped because of the weight of the only laggard.

The returns on the GSE-Composite Index (GSE-CI), the GSE Financial Stocks Index (GSE-FSI) and the SIC-FSL Top 15 liquid Index (T-15 Index) dropped slightly from their previous week's year-to-date yields of 13.72%, 16.53% and 16.72% each to settle at 13.61%, 16.23% and 14.40% respectively.

In effect, market capitalization dropped from the previous week's figure of GH¢58.98 billion to GH¢58.77 billion last week. However, an equivalent dollar value remained fairly stable at USD13.71 billion because of the Cedi's robust appreciation against the Dollar.



Fig 1: Year -to-date returns

MARKET MOVERS

ETI fumbles as profit drops

Investors bid-down the value of Ecobank Transnational Incorporated (ETI) from week-open price of GH¢0.12 to GH¢0.11 per share in last week's trading session. ETI is currently ranked ninth among the thirty-seven listed equities on the Ghana Stock Exchange in terms of returns to investors with a year-to-date gain of 10.00%.

The decline appeared to have been caused by the release of the lower-than-expected first quarter results by the company. ETI's revenue dropped from the GH¢1.93 billion in Q1'16 to GH¢1.91 billion in Q1'17, representing a decline of about 1.00% in nominal terms. Corresponding net profit after tax (npat) also slipped hugely from the previous figure of GH¢313.25 million in Q1'16 to GH¢273.53 million in Q1'17.

At the current price above, ETI is trading below the 91-Day Volume Weighted Average Price (VWAP₉₁) of GH¢0.12 per share and 91-Day Average Trading Price of (ATP₉₁) of GH¢0.13 a share.

SIC leads pack of gainers

The nation's biggest insurer; SIC Insurance Company Limited (SIC) led the pack of gainers in nominal terms on the Exchange last week. The company's share price moved up from GH¢0.11 to GH¢0.13 per share, representing a rise of 18.18% in nominal value terms. Currently, SIC is ranked tenth among the thirty-seven listed equities on the GSE in terms of returns to investors with a year-to-date gain of 8.33%.

At the current price above, the stock is trading below the 91-day Volume Weighted Average Price (VWAP₉₁) of GH¢0.15 per share and the 91-day Average Trading Price of GH¢0.14 per share. Hence the possibility of upward price review appears likely.

STOCK TICKER	Wk Open	Wk End	Change	% change
BOPP	3.55	3.56	0.01	0.28%
FML	11.52	11.54	0.02	0.17%
GCB	5.22	5.23	0.01	0.19%
GOIL	1.61	1.63	0.02	1.24%
SCB	16.00	16.10	0.10	0.63%
SIC	0.11	0.13	0.02	18.18%

Table 4: Gainers for the week

STOCK TICKER	Wk Open	Wk End	Change	% change
ETI	0.12	0.11	-0.01	-8.33%

Table 4: Laggards for the week

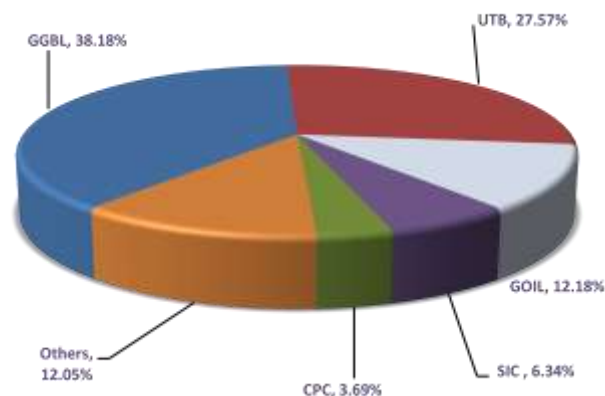


Fig 2: Top 5 most liquid equities with respect to volume traded

CORPORATE NEWS

CAMELOT GHANA LIMITED (CMLT) ANNOUNCES DIVIDEND PAYMENT: CMLT has declared a final dividend payment of GH¢0.0085 per share in respect of the 2016 financial year.

In view of the above, any investor who buys CMLT shares on or after Tuesday June 13, 2017 will not be entitled to the final dividend payment. The dividend will be paid on Tuesday, 13th June, 2017.

MECHANICAL LLOYD COMPANY LIMITED (MLC) ANNOUNCES ANNUAL GENERAL MEETING (AGM): Directors of MLC has announced the company's 25th Annual General Meeting (AGM) which has been scheduled for Tuesday, June 20, 2017.

The meeting will be held at the International Conference Centre, Accra at 11:00 am.

Stock	Ticker	Year Opening Price(GH¢)	Closing Price @ 1/06/2017 (GH¢)	YTD Gain/Loss (%)
Access Bank Ghana PLC	ACCESS	4.10	4.00	-2.44%
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	0.15	7.14%
Ayrton Drug Manufacturing Ltd.	AYRTN	0.12	0.10	-16.67%
Benso Oil Palm Plantation	BOPP	2.08	3.56	71.15%
Cal Bank Ltd	CAL	0.75	0.77	2.67%
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	6.40	7.25	13.28%
Enterprise Group Limited	EGL	2.40	2.42	0.83%
Ecobank Transnational Inc.	ETI	0.10	0.11	10.00%
Fan Milk Ltd.	FML	11.14	11.54	3.59%
Ghana Commercial Bank Ltd.	GCB	3.56	5.23	46.91%
Guinness Ghana Breweries Ltd.	GGBL	1.63	1.50	-7.98%
Ghana Oil Company Limited	GOIL	1.10	1.63	48.18%
Golden Star Resources Ltd.	GSR	1.95	1.95	0.00%
Golden Web Ltd.	GWEB	0.01	0.01	0.00%
HFC Bank (Ghana) Ltd.	HFC	0.75	0.50	-33.33%
Mega Africa Capital Ltd	MAC	6.00	6.00	0.00%
Mechanical Lloyd Co. Ltd.	MLC	0.15	0.11	-26.67%
Pioneer Kitchenware Ltd.	PKL	0.05	0.05	0.00%
Produce Buying Company Ltd.	PBC	0.06	0.04	-33.33%
PZ Cussons Ghana Ltd.	PZ	0.22	0.20	-9.09%
Standard Chartered Bank (GH) Ltd.*	SCB	12.18	16.10	32.18%
SIC Insurance Company Ltd.	SIC	0.12	0.13	8.33%
Starwin Products Ltd.	SPL	0.03	0.02	-33.33%
Societe Generale Ghana Limited	SOGEGH	0.62	0.76	22.58%
Sam Woode Ltd.	SWL	0.04	0.04	0.00%
Trust Bank Ltd. (The Gambia)	TBL	0.26	0.25	-3.85%
Total Petroleum Ghana Ltd.	TOTAL	1.98	2.22	12.12%
Transaction Solutions (Ghana) Ltd.	TRANSOL	0.03	0.03	0.00%
Tullow Oil Plc	TLW	26.88	20.94	-22.10%
Unilever Ghana Ltd.	UNIL	8.51	9.00	5.76%
UT Bank	UTB	0.03	0.06	100.00%
AngloGold Ashanti Depository Shares	AADS	0.52	0.48	-7.69%
Standard Chartered Bank Preference shares	SCB PREF	0.75	0.75	0.00%
NewGold Exchange Traded Fund	GLD	38.80	38.80	0.00%
Samba Foods Ltd	SAMBA	0.72	0.72	0.00%
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	4.2843	4.2886	2.05% ▼
GBPGHS	5.5255	5.5323	6.40% ▼
EURGHS	4.8089	4.8128	8.43% ▼

Table 6: Inter-bank indicative rates

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

Dollar loses to Cedi

After a four consecutive weekly win against the Cedi, the Dollar lost its traction on the currency market in the period under review.

The greenback was down by 0.39% by the end of Thursday's trading activities as it seemed that the supply of Dollars ran at par with its demand. The decline in value translated into a year-to-date return of 2.05% from previous 2.45%. The Dollar was bought at GH¢4.2843 and sold for GH¢4.2886.

Going forward, the USDGHS exchange rate is expected to be quite stable due to the expected offshore inflows from the issued bond.

Pound under pressure

Despite the release of good data on UK's manufacturing and construction PMI, the British Pound was under pressure on the international market. This is due to concerns surrounding the election and impending Brexit negotiations. This weakened the valued of the Pound against its major players.

Similarly on Ghana's inter-bank market, the Sterling was down by 0.79% after it traded at a midrate of GH¢5.5289 versus the Cedi.

This saw the annual yield of the Pound reduce from 7.25% to 6.40%.

CEDI TRIMS DOWN LOSSES

The Cedi managed to rebound on the inter-bank after a two successive weekly decline in value. This is subsequent to a successful issue of a three-year bond by the Government.

The three-year bond realized a total bid of GH¢739.39 million out of which the Government accepted GH¢705 million at an interest rate of 18.50%.

On the other hand, the Finance Minister, Mr. Ken Ofori-Atta has given the assurance that the issuance of fresh bonds will not balloon the nation's debt stock as criticized but will rather reduce it as some of the proceeds will be used to finance existing debts.

By the close of trading on Thursday, the local currency had appreciated by 0.14%, trimming down its year-to-date loss to 4.70%.

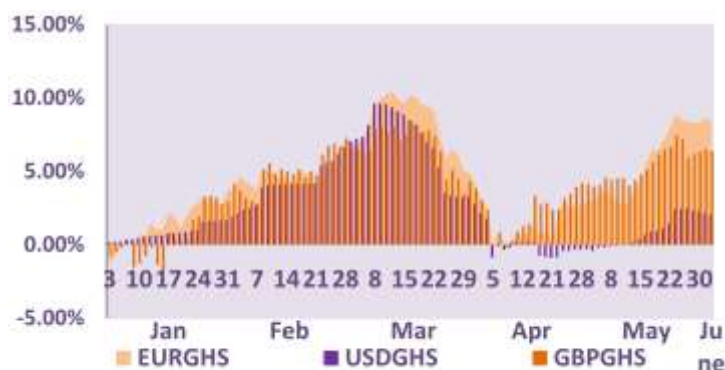


Fig 3: YTD performance of Pound, Dollar & Euro versus the Cedi

Euro vrs Cedi

The shared currency ended Thursday's trading with a 0.06% loss in value amid its volatile stance on the global front as a result of reports of mixed (positive and negative) data from German and France.

Thus, one Euro was trading between GH¢4.8089 and GH¢4.8128 on Ghana's inter-bank market, translating into a lower annual return of 8.43%.

Alice Osei Okrah (Head)
Email: aokrah@sic-fsl.com

Isaac Kwasi Mensah (Analyst)
Email: ikmensah@sic-fsl.com

Georgina Arhin (Analyst)
Email: garhin@sic-fsl.com

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