

Bora Research - Weekly Market Review (26-July-24)

WEEKLY MARKET HEADLINES

- Government revises budget with improved performance;** This revision was made due to recent domestic and global economic developments, including the debt restructuring programme with external and domestic creditors. Overall real GDP growth rate was revised upwards from 2.8% to 3.1%; non-oil real GDP growth rate revised upwards from 2.1% to 2.8%; inflation target was however maintained at 15%. ([BudgetReview](#))
- Ghana maintains significant buildup in international reserves - trade surplus increased to US\$1.80bn in June 2024;** The stock of Gross International Reserves increased by US\$275 million. US\$6.86 billion in June 2024, compared to \$5.34 billion during the same period in 2023. This represented 3.1 months of import cover. ([BoG](#))
- Central Bank maintains policy rate at 29% For the third consecutive time;** The Governor of the Central Bank explained that despite most core inflation measures and inflation expectations trending downward, vigilance is necessary due to some uncertainty surrounding the macroeconomic indicators. ([BoG](#))

FIXED INCOME MARKET

- The rates on the treasury bills recorded marginal rise with the exception of the 91-day bill which remained stable at the end of this week's auction.

Government of Ghana Treasury Bill Rates (%)				
Instrument	26 Jul 24	19 Jul 24	WoW	YTD
91-Day	24.79	24.79	0.00%	-15.08%
182-Day	26.74	26.71	0.11%	-15.76%
364-Day	27.86	27.81	0.18%	-13.87%

Bora Purchase Rates for Clients		
Instruments	Min. Yield (%)	Max. Yield (%)
0 - 91 days	24.68	27.66
92 - 182 days	26.75	29.00
Up to 1 Year	27.79	27.79

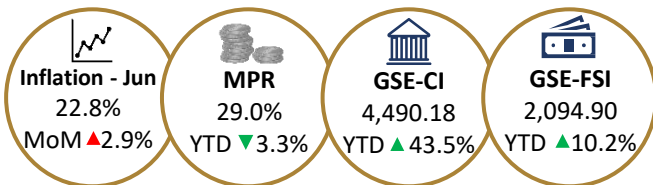
EQUITIES MARKET

- The stock market gained \uparrow 3.94% at the end of this week's auction;
- Trading values and volumes were however lower as compared to the previous week's levels;
- EGL (\uparrow 13.1%; GH¢1.55) was the lead price gainer while FML (\downarrow 5.4%; GH¢3.50) led the laggards.

UPCOMING EVENTS

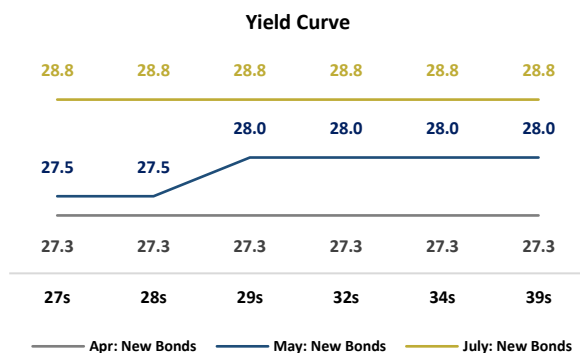
 MPC Press Release | 30th September, 2024

KEY ECONOMIC INDICATORS



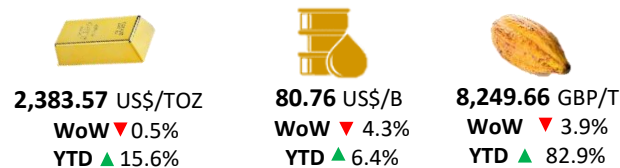
TREASURY YIELD CURVE

- Over the past week, the yields on the new bonds remained flat across the curve. Rates on the yield curve maintained an average 28.8%.



COMMODITIES

- Oil prices headed for a weekly loss as investors weighed weaker U.S. consumer sentiment against mounting hopes for a Federal Reserve rate cut in September..



Source: Reuters, Business Insider

CURRENCIES



Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"The stock market is the story of cycles and of the human behavior that is responsible for overreactions in both directions." - Seth Klarman

* **WoW** – week on week **MoM** – month on month **YTD** – year-to-date