

Monthly Market Review (April 2024)

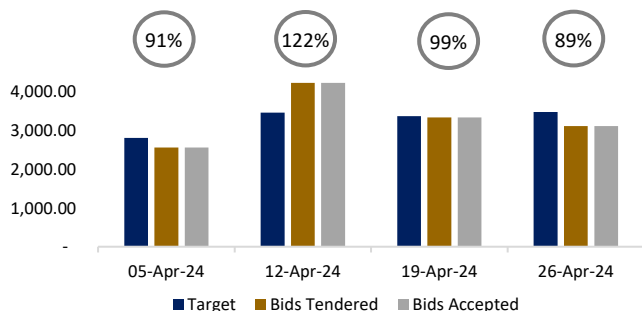
NEWS HEADLINES

- **MTN Ghana stock surges to record high at GH¢1.75;** The Telecommunication giant posted substantial growth in service revenue, with a notable 32.4% increase to GH¢3.8 billion from GH¢2.9 billion in 2023 for first quarter of 2024. This growth was primarily driven by robust performances in data services, Mobile Money (MoMo), and voice communications. ([GSE](#))
- **The Social Security and National Insurance Trust (SSNIT) issues rejoinder on depleting reserves;** SSNIT has dismissed reports suggesting that it will be unable to pay benefits by 2036, stating that it presently receives contributions and has enough funds to meet accruing benefits due members. This follows a report by the International Labour Organisation (ILO) suggesting that SSNIT reserves may reach zero (0) by 2036. ([SSNIT](#))
- **Cedi hits GH¢13.66 to a dollar; year-to-date loss reaches 14.31% as at end-April;** The depreciation of the cedi to the dollar continued unabated as the local currency hit GH¢13.66 to the American greenback. This is coming despite the Bank of Ghana selling \$20 million to the Bulk Oil Distribution Companies (BDCs) in the 51st auction. ([Bloomberg](#))

FIXED INCOME MARKET

- The treasury bill rates maintained a downward trajectory over the month under review, subscribed at 101.0%.

GoG Securities Auction Results with %subscription



Government of Ghana Treasury Bill Rates (%)				
Instrument	26-Apr-24	28-Mar-24	MoM	YTD
91-Day	25.55	25.75	▼-0.78%	▼-12.63%
182-Day	27.65	28.25	▼-2.13%	▼-13.29%
364-Day	28.25	28.85	▼-2.08%	▼-13.04%

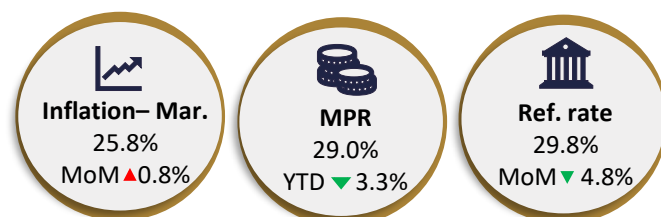
Bora Purchase Rates for Clients

Instruments	Min. Yield (%)	Max. Yield (%)
0 - 91 days	23.45	30.00
92 - 182 days	26.00	31.00
Up to 1 Year	27.98	28.86
Over 1 Year	23.00	31.50

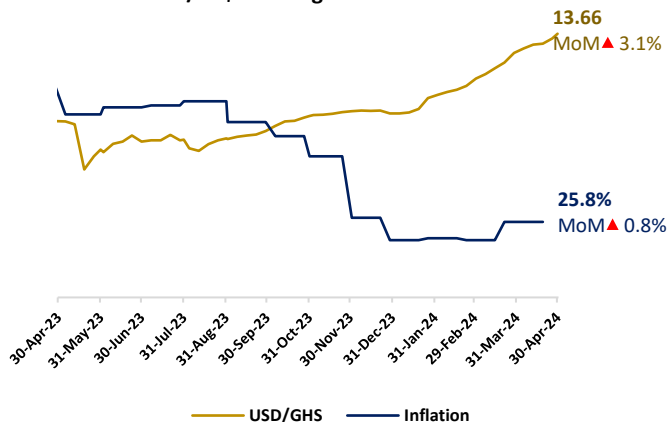
* MoM – month on month YTD – year-to-date

KEY MACROECONOMIC INDICATORS

- Annual consumer inflation accelerated to a four-month high of 25.8% in March 2024, up from 23.2% in the prior month. The sharper rise in overall inflation was mainly due to a depreciating currency, leading to higher costs for imported goods.



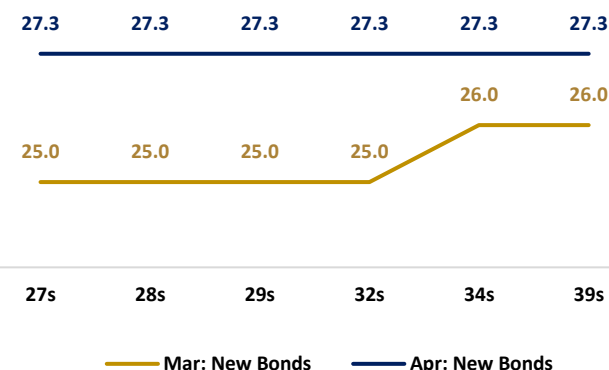
GH¢/US\$ Exchange rate vs. Inflation



TREASURY YIELD CURVE

- Over the past month, the yields on the new bonds rose by 2 percentage points on the short to medium term and by 1 percentage point on the long term bonds. The yields are at a 27% average across the curve.

Yield Curve



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EQUITIES MARKET

- The stock market was bullish within the month with the GSE Composite Index gaining ▲6.68% and the Financial Stock Index gaining ▲2.14% over the month of April;
- Trading volumes and values were however lower as compared to the previous month.

Index

GSE-CI	3,687.09	MoM ▲ 6.6%	YTD ▲ 17.8%
GSE-FSI	2,044.36	MoM ▲ 2.1%	YTD ▲ 7.5%
Mkt Cap.	80,315.67	MoM ▲ 3.3%	YTD ▲ 8.7%

Top Gainers




GCB	GH¢4.22	MoM ▲ 23.0%	YTD ▲ 24.1%
MTNGH	GH¢1.75	MoM ▲ 10.7%	YTD ▲ 25.0%
CMLT	GH¢0.11	MoM ▲ 10.0%	YTD ▲ 10.0%

Top Losers

CAL	GH¢0.38	MoM ▼ 9.5%	YTD ▼ 20.8%
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COMMODITIES MARKET

- Brent Oil prices settled marginally higher at the end of the month of April, garnering support from tensions in the Middle East. However, a strong dollar and U.S. inflation data quashed hopes that the Federal Reserve would cut interest rates soon, giving prices a ceiling.

	52-week Low	Current Price	52-week High
	71.28	88.24	97.69
	1,810.75	2,316.07	2,413.02
	2,780.00	10,108.40	12,500.00

UPCOMING EVENTS

 MPC Press Release | 27th May, 2024

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

INVESTING IN OFFSHORE SECURITIES

- Investing offshore typically refers to investing in assets or financial instruments issued and traded outside of one's home country. For someone living in Ghana, investing offshore could involve putting money into stocks, Government bills or bonds, mutual funds, real estate, or other investment vehicles that are based in foreign countries.

The Decision to Invest Offshore

- The key objective for investing offshore is to have access to international or global asset classes that are highly rated, such as sovereign debt of US and European countries;
- Also, to gain access to markets with greater stability, mature companies that have a tried and tested record, and economies that underpin a large proportion of the wealth of the global economy;
- Ultimately, these low risks investments will seek to improve the rating of your portfolio and therefore reduce risk of default or low performance.



Before investing offshore, consider factors such as regulatory requirements, tax implications, currency risk, political stability, legal frameworks, economic conditions, market liquidity, creditworthiness, geopolitical factors, and operational procedures like transaction costs. Additionally, assess potential returns, diversification benefits, and seek professional advice to make informed decisions.

There are several reasons why it may be beneficial to invest offshore:

Diversification: Allows portfolio diversification across different countries and currencies, reducing the risk associated with having all your investments concentrated in one country or region.

Access to Opportunities: Offshore investments may offer access to investment opportunities that are not available domestically, such as emerging markets, specific industries, or niche sectors.

Currency Hedge: Holding assets denominated in different currencies can provide a hedge against currency risk and help protect the value of your investments if your home currency depreciates.

How to invest Offshore:

- Speak to your fund manager to ascertain the best instruments and the best option in investing offshore.