

Monthly Market Review (December 2023)

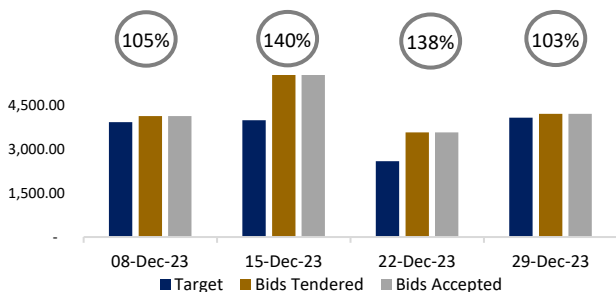
NEWS HEADLINES

- **Ghana Stock Exchange Composite Index grows by 28.08% in 2023**; Mainly driven by the non-banking stocks, the stock market, which had remained bearish until the IMF programme, returned 28.08% in local currency terms to equity investors. The Financial Stock Index however registered a return of -7.36%, partly as a result of investor concerns on the impact of the Domestic Debt Exchange Programme on the earnings of banks. ([BoraResearch](#))
- **Local currency losses 16.78% to the US dollar in 2023 - Bloomberg**; Though the cedi depreciated sharply by 16.78%, it was an improvement from the previous year where it lost 64.30% to the dollar. The performance of the cedi in 2023 was largely influenced by the 3-year International Monetary Fund programme which helped to reduce the sharp depreciation of the local currency experienced in 2022. ([BoraResearch](#))
- **Bank of Ghana (BoG) to auction US\$120m to Bulk Oil Distribution Companies (BDCs) in quarter 1, 2024**; According to the BoG Forex Forward Auction Calendar, \$40 million will be sold to the BDCs in each month of quarter one, 2024. The sale of US dollars is to ensure that the oil importers have adequate forex to purchase finished oil products for consumption and is also expected to reduce the demand for the forex. ([BoG](#))

FIXED INCOME MARKET

- Despite the general decline in rates on the short-term bills within the month, the 182-day bill recorded a marginal increase on a month-on-month basis.

GoG Securities Auction Results with %subscription



Government of Ghana Treasury Bill Rates (%)

Instrument	31 Dec 23	30 Nov 23	MoM	YTD
91-Day	29.24	29.57	▼-1.10%	▼-18.00%
182-Day	31.88	31.76	▲0.38%	▼-11.31%
364-Day	32.49	33.44	▼-2.87%	▼-9.55%

Bora Purchase Rates for Clients

Instruments	Min. Yield (%)	Max. Yield (%)
0 - 91 days	25.86	30.00
92 - 182 days	30.97	31.98
Up to 1 Year	33.69	33.69

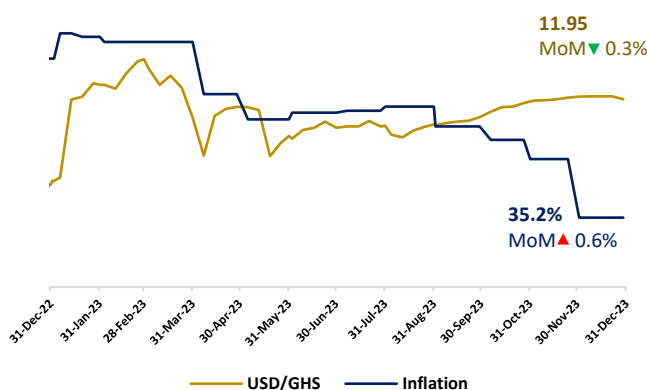
* MoM – month on month YTD – year-to-date

KEY MACROECONOMIC INDICATORS

- Annual Inflation fell to 26.4% in November 2023, from 35.2% recorded in October;
- Food inflation was the major contributor to the decline in the rate, dropping by 12.6% to 32.2% in November 2023. Non-food inflation also eased to 21.7%, compared to 27.7% in October 2023. The month-on-month rate of food and non-food inflation stood at 0.8% and 2.2% respectively.



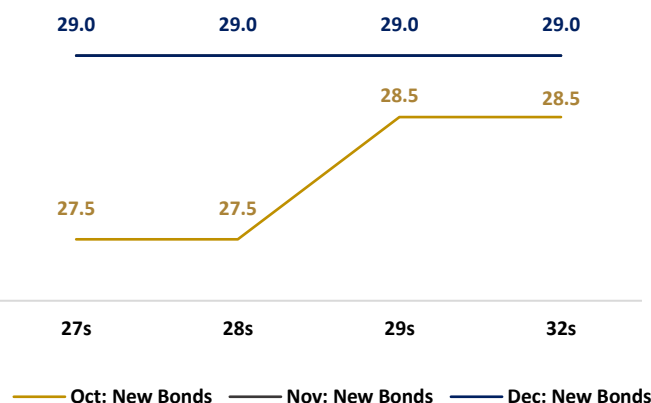
GH¢/US\$ Exchange rate vs. Inflation



TREASURY YIELD CURVE

- The new bonds remained stable over the month of December with yields remaining at an average of 29.0% across the curve.

Yield Curve



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EQUITIES MARKET

- The stock market was bearish within the month with the GSE Composite Index losing ▼ 1.25% and the Financial Stock Index losing ▼ 4.78% on a monthly basis;
- Trading volumes and values were also lower as compared to the previous month.

Index

GSE-CI	3,130.23	MoM ▼ 1.2%	YTD ▲ 28.1%
GSE-FSI	1,901.57	MoM ▼ 4.7%	YTD ▼ 7.3%
Mkt Cap.	73,893.17	MoM ▼ 0.4%	YTD ▲ 14.5%

Top Gainers




BOPP	GH¢22.00	MoM ▲ 10.4%	YTD ▲ 187.6%
FML	GH¢3.25	MoM ▲ 7.6%	YTD ▲ 8.3%
GOIL	GH¢1.50	MoM ▲ 3.5%	YTD ▼ 12.8%

Top Losers


EGH	GH¢5.50	MoM ▼ 21.4%	YTD ▼ 17.2%
CAL	GH¢ 0.48	MoM ▼ 5.9%	YTD ▼ 26.2%
RBGH	GH¢ 0.48	MoM ▼ 4.0%	YTD ▼ 11.1%

COMMODITIES MARKET

- Brent Crude Oil prices dropped nearly 2% over the course of the month, as investors monitored developments after attacks on the Red Sea disrupted maritime trade and forced more companies to reroute vessels.

	52-week Low	Current Price	52-week High
	70.12	78.72	97.69
	1,805.18	2,067.03	2,111.40
	2,410.16	4,459.59	4,546.63

UPCOMING EVENTS

 MPC Press Release | 29th January, 2024

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

ECONOMIC SNAPSHOT OF 2023

Major Happenings in the last year



The Government completed a Domestic Debt Exchange Programme (DDEP) towards debt sustainability.



The Central Bank recorded a loss of GH¢60.8 billion in its 2022 Annual Report and Financial Statements.



Ghana secured a three-year IMF Extended Credit Facility (ECF) program of about US\$3 billion.

Government Fiscal Performance



Government Revenue
GH¢79.1 Billion
(Q3 2023)

End-2023 Target GH¢134.9Billion



Government Expenditure
GH¢104.6 Billion
(Q3 2023)

End-2023 Target GH¢183.9Billion

The Ghana Cedis vs. Major Currencies



11.9500

YTD ▼ 16.78%



15.1531

YTD ▼ 25.90%

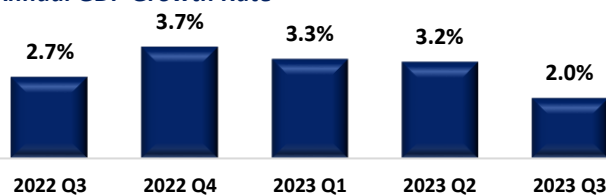


13.1549

YTD ▼ 25.90%

Source: Bloomberg, xe.com

Annual GDP Growth Rate



Treasury Bill 1-Year Trend

