

Bora Research - Weekly Market Review (14-Apr-23)

WEEKLY MARKET HEADLINES

- **Ghana expects IMF Board Approval for US\$3 billion Programme by the end of May;** This follows from the anticipation that there would be the delivery of financing assurances by official bilateral creditors by the end of April. Negotiations with commercial creditors in the view of reaching an agreement in principle on a termsheet for the restructuring of Eurobond is also expected to begin in May. ([MoF](#))
- **Government of Ghana hopes to obtain additional relief through Pension Funds, US\$ local bonds and BoG debts;** According to the Ministry of Finance, there are ongoing negotiations with Pension Fund holdings, Cocoa bills, US\$ local bonds, and non-marketable debt, under a Comprehensive Debt Exchange Operation, to wheel in an additional relief on GH¢ 123 million debt. ([MoF](#))
- **Annual inflation rate eases for the third month to 45.0% in March 2023, down from 52.8% in February;** This is the lowest reading since last October, as a stronger local currency reflected in softer price increases in both food (50.8% in March vs 59.1% in February) and non-food items (40.6% in March vs 47.9% in February). ([GSS](#))

FIXED INCOME MARKET

- The short-term bills were subscribed at 107.54% at the end of this week's auction.

Government of Ghana Treasury Bill Rates (%)				
Instrument	14 Apr 23	07 Apr 23	WoW	YTD
91-Day	19.74	19.69	▲ 0.26%	▼ -44.63%
182-Day	22.47	22.25	▲ 1.01%	▼ -37.49%
364-Day	26.90	26.96	▼ -0.21%	▼ -25.10%

Bora Purchase Rates for Clients		
Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	22.00	33.30
Up to 1 Year	22.32	24.77
1-3 Years	26.90	26.90

EQUITIES MARKET

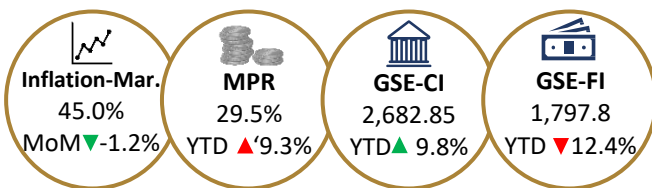
- The stock market declined by ▼ 2.74% weighed down by two laggards and no price gainers;
- Trading values and volumes were however higher compared to the previous week's levels;
- EGL (▼10.00%; GH¢2.70) and MTNGH (▼4.76% ; GH¢1.20) were the laggards.

UPCOMING EVENTS

- 🏛 MPC Press Conference | 22nd May 2023
- 🏛 Conclusion of IMF negotiations | May 2023

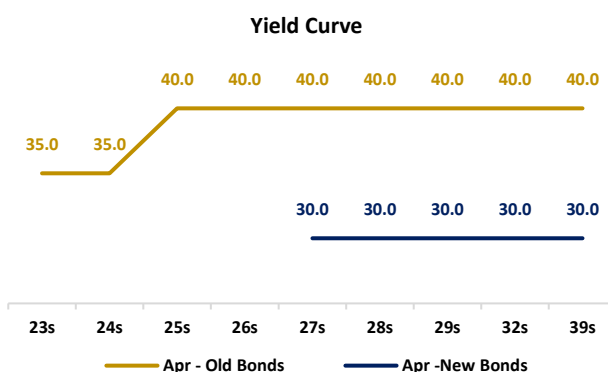
* WoW – week on week MoM – month on month YTD – year-to-date

KEY ECONOMIC INDICATORS



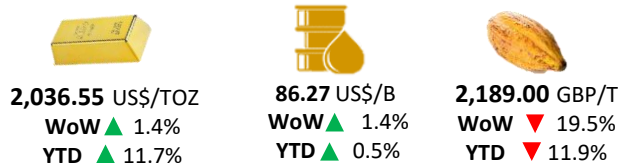
TREASURY YIELD CURVE

- The yields on the old bonds, after realizing about 15% absolute decline in the middle of March, have remained relatively stable in recent weeks. On the other hand, the new bonds experienced improved trading volumes over the past week.



COMMODITIES

- Brent crude oil prices headed for a fourth straight week of gains after the West's energy watchdog said it expected global demand to rise to a record high this year on the back of a recovery in Chinese consumption.



CURRENCIES



Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"Inflation is like toothpaste. Once it's out, you can hardly get it back in again." — **Karl Pohl**