

Bora Research - Weekly Market Review (22 April '22)

WEEKLY MARKET HEADLINES

- **Economy expands by 5.4%, exceeding Government of Ghana (GoG), IMF and World Bank estimate;** Last year, the 2021 budget estimated economic growth at 5.0% which was later revised downward to 4.4% in November 2021. The IMF and the World Bank projected 4.7% and 4.1% respectively. Data released by the statistical services indicates that the economy grew by 5.4%. ([GSS](#))
- **IMF modifies Ghana's growth rate to 5.2% of GDP for 2022;** This revision is lower than the original projection of 6.2% but much higher than the Sub-Sahara Africa average of 3.8%. This follows the IMF's belief that the country's economy will return to pre-pandemic levels in 2027. ([IMF](#))
- **Ghana's fiscal deficit to Gross Domestic Product (GDP) to end 2022 at 9.8% – Fitch Solutions;** Despite the GoG's fiscal consolidation efforts, the rating agency is forecasting Ghana's fiscal deficit to GDP ratio in 2022 at 9.8%. This is in line with the IMF forecast of 9.8% for this year, but far wider than the government's target of 7.4%. ([MyJoyOnline](#))

FIXED INCOME MARKET

- Short-term instruments edged higher, maintaining the upward trend observed in recent weeks.

Government of Ghana Treasury Bill Rates

Instrument	22 Apr 22	14 Apr 22	WoW	YTD
91-Day	16.78	16.33	▲ 2.77%	▲ 33.98%
182-Day	17.42	16.32	▲ 6.80%	▲ 31.89%
364-Day	19.67	18.85	▲ 4.36%	▲ 18.20%

Bora Purchase Rates for Clients

Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	20.00	20.00
Up to 1 Year	19.50	19.50
1-3 Years	20.20	23.25
Over 3 Years	21.50	21.50

EQUITIES MARKET

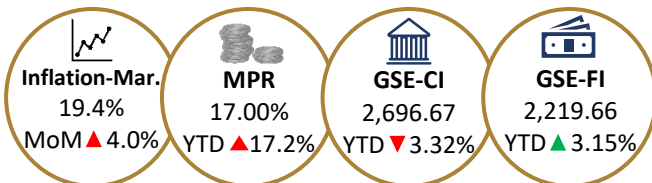
- The stock market continued its bearish run this week with the GSE Composite Index declining by ▼ 0.03% this week ;
- Trading activities were dull with lower values and volumes compared to the previous week's levels;
- Only SOGEGH (▼ 0.83%; GH¢1.19) experienced a price change at the end of the end of the trading week.

UPCOMING EVENTS

- E-levy implementation | 1st May, 2022
- RBGH Final dividend payment | 12th May, 2022

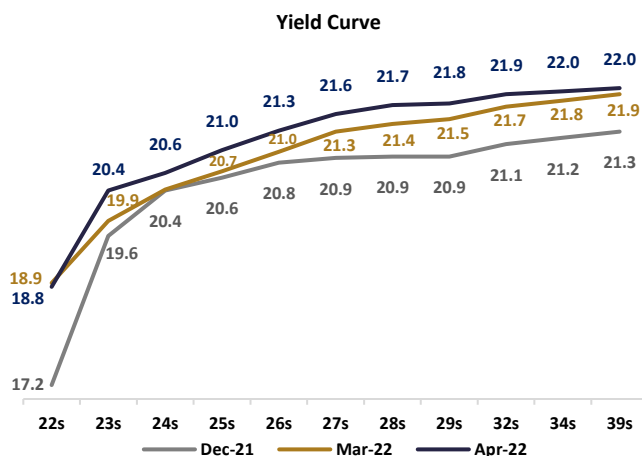
* **WoW** – week on week **MoM** – month on month **YTD** – year-to-date

KEY ECONOMIC INDICATORS



TREASURY YIELD CURVE

Yields on the secondary market realized increases over the past week by an average of about 0.3%. The 2022s however remained unchanged.



COMMODITIES

- Brent crude oil prices fell this week, burdened by the prospect of rate hikes, weaker global growth and COVID-19 lockdowns in China hurting demand, even as the European Union weighed a ban on Russian oil.



1,935.90 US\$/TOZ
WoW ▼ 1.86%
YTD ▲ 5.84%



106.02 US\$/B
WoW ▼ 3.56%
YTD ▲ 34.24%



1,756.00 GBP/T
WoW ▼ 0.23%
YTD ▲ 3.23%

CURRENCIES

\$ / ¢
7.4808
YTD ▼ 20.94%

£ / ¢
9.6016
YTD ▼ 14.89%

€ / ¢
8.0644
YTD ▼ 15.05%

Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"Look at market fluctuations as your friend rather than your enemy. Profit from folly rather than participate in it."
— **Warren Buffet**