

Bora Research - Weekly Market Review (26 Aug '22)

WEEKLY MARKET HEADLINES

- Fitch Solutions anticipates Ghana's inflation to average 25% in 2022, 3% below Government of Ghana's projection;** The ratings company stated that their positive medium-term outlook is supported by Ghana's relatively long-term political stability in comparison to other regional markets, and stable to positive demand forecasts for automobiles and general consumption. ([MyJoyOnline](#))
- Injection of US\$2bn into economy to stabilize free fall of the cedi against the dollar – Minister of Information;** According to the Minister, US\$ 750mn expected from Afrexim Bank and the US\$ 1.3bn cocoa syndicated loan will quickly stabilize the cedi depreciation to the dollar. ([Graphic](#))
- Government continues to exceed weekly Treasury Bill targets;** Government's inability to meet its weekly auction targets appears to be fading as the Central Bank continues to exceed its weekly targets. This week's auction saw GH¢1.83bn bids accepted, 56.5% oversubscription of the short-term bills. ([BoG](#))

FIXED INCOME MARKET

- Short-term instruments edged higher, maintaining the upward trend observed in previous months.

Government of Ghana Treasury Bill Rates

Instrument	26 Aug 22	19 Aug 22	WoW	YTD
91-Day	28.61	27.72	▲ 3.22%	▲128.45%
182-Day	29.94	29.29	▲ 2.22%	▲126.63%
364-Day	29.52	-	-	▲77.38%

Bora Purchase Rates for Clients

Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	29.00	30.58
Up to 1 Year	34.65	34.75
1-3 Years	33.00	38.00
Over 3 Years	-	-

EQUITIES MARKET

- The stock market closed the week on a negative note with the GSE Composite Index decreasing by ▼2.23%;
- Additionally, trading values were lower compared to the previous week's levels;
- EGH (▼4.41%; GH¢6.50) was the biggest laggard whereas there were no price gainers for the week.

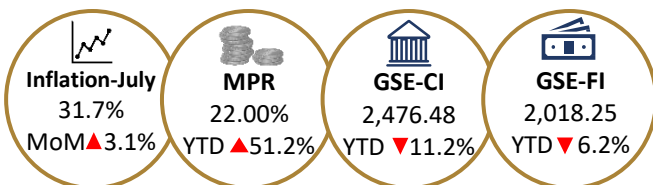
UPCOMING EVENTS

**Launch of BORA Unit Trusts
(September 2022)**



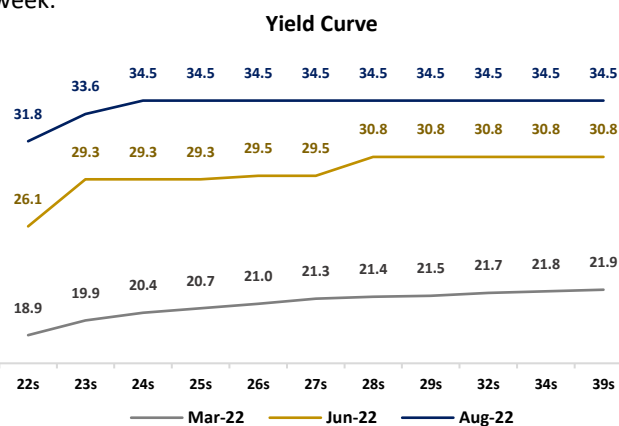
* WoW – week on week MoM – month on month YTD – year-to-date

KEY ECONOMIC INDICATORS



TREASURY YIELD CURVE

Yields on the secondary market remained relatively stable on the short and long ends of the curve. However, the mid-section of the curve widened by about 1.0% over the past week.



COMMODITIES

- Brent crude oil prices dropped this week, after the head of the U.S. Federal Reserve warned that there is no quick cure for inflation, while talk of a hefty European Central Bank rate hike also stoked demand worries.



1,736.29 US\$/TOZ
WoW ▼0.81%
YTD ▼5.07%



97.68 US\$/B
WoW ▼0.05%
YTD ▲23.68%



1,771.00 GBP/T
WoW ▲0.80%
YTD ▲4.12%

CURRENCIES

\$ / ¢
9.9713
YTD ▼61.24%

£ / ¢
11.7030
YTD ▼40.04%

€ / ¢
9.9396
YTD ▼41.80%

Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"It's not whether you're right or wrong that's important, but how much money you make when you're right and how much you lose when you're wrong." — **George Soros.**