

Bora Research - Weekly Market Review (04 February '22)

WEEKLY MARKET HEADLINES

- Banks record GH¢ 7.4bn profit before tax in 2021;** This is compared to GH¢ 6.1bn recorded in 2020. According to the Monetary Policy Committee report, net interest income grew by 14.5% to GH¢ 12.8bn, lower than the growth of 20.9% recorded during the prior year. This was partly due to declining interest rates. [\(MPC\)](#)
- Ghana records US\$ 1.1bn trade surplus for 2021;** This is however lower than the US\$ 2.04bn registered in 2020, and equivalent to 1.5% of Gross Domestic Product (GDP). The decline in the trade surplus was attributed to increased imports as the economy rebounded from the impact of Covid-19. [\(MPC\)](#)
- Currency in circulation dropped significantly in last quarter of 2021;** Data by the Bank of Ghana showed that currency outside banks grew by 10.3%, 1.1% and 4.4% in October 2021, November 2021 and December 2021 respectively. It began the year with a growth of 46.3% in January 2021, but fell to 25.2% in June 2021. [\(BoG\)](#)

FIXED INCOME MARKET

- The short-term instruments maintained their upward trends observed in recent weeks with marginal weekly and year-to-date changes.

GoG Fixed Income Rates

| Instrument | 04 Feb 22 | 28 Jan 22 | WoW | YTD |
|------------|-----------|-----------|---------|---------|
| 91-Day | 12.66 | 12.63 | ▲ 0.25% | ▲ 1.11% |
| 182-Day | 13.23 | 13.23 | ▲ 0.06% | ▲ 0.18% |
| 364-Day | - | 16.74 | - | - |



Bora Purchase Rates for Clients

| Instruments | Min. Yield (%) | Max. Yield (%) |
|----------------|----------------|----------------|
| Under 182 Days | 19.00 | 19.00 |
| Up to 1 Year | 19.50 | 20.25 |
| 1-3 Years | 19.50 | 20.50 |
| Over 3 Years | 21.45 | 21.60 |

EQUITIES MARKET

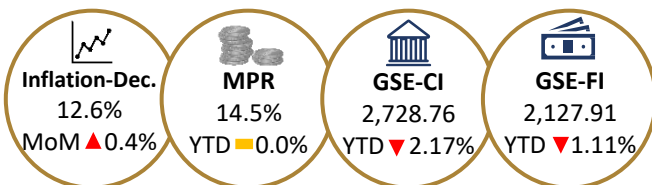
- The GSE Composite Index declined by ▼ 1.37% this week on the back of pressure from four (4) decliners;
- Trading values and volumes were however higher as compared to the previous week's levels;
- BOPP (▼ 2.71%; GH¢6.47) was the biggest price decliner, followed by MTNGH (▼ 2.70%; GH¢1.08).

UPCOMING EVENTS

-  Issuance of 2-Year Bond | Feb, 2022
-  Issuance of 7-Year Bond | Feb, 2022

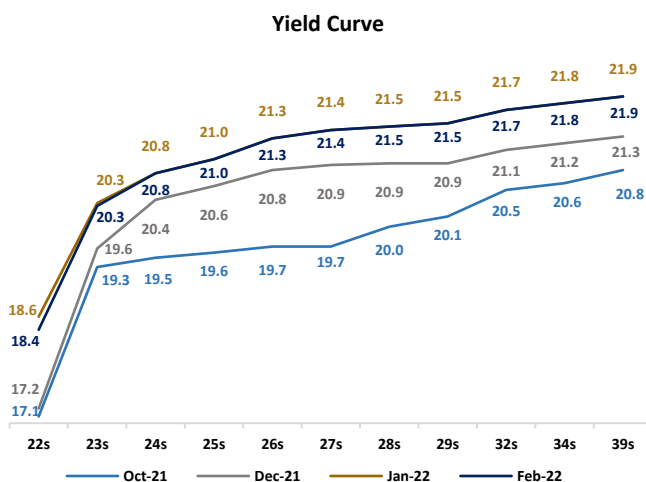
* **WoW** – week on week **MoM** – month on month **YTD** – year-to-date

KEY ECONOMIC INDICATORS



TREASURY YIELD CURVE

Yields on the secondary market have remained stable over the past week with marginal decline at the at the short end with the 22s ending the week at 18.40% as compared to last week's 18.6%. The yields are however higher than levels recorded at the end of 2021.



COMMODITIES

- Brent crude oil prices surged to a fresh seven-year high at the end of this week, a seventh straight weekly gain, built on ongoing worries about supply disruptions.



1,806.76 US\$/TOZ
WoW ▲ 1.15%
YTD ▲ 1.22%



93.47 US\$/B
WoW ▲ 3.10%
YTD ▲ 18.35%



1,752.00 GBP/T
WoW ▲ 4.22%
YTD ▲ 3.00%

CURRENCIES

\$ / ¢
6.3883
YTD ▼ 5.53%

£ / ¢
8.66719
YTD ▼ 5.84%

€ / ¢
7.32429
YTD ▼ 6.41%

Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"You make most of your money in a bear market, you just don't realize it at the time." — **Shelby Davis**