

## Bora Research - Weekly Market Review (21 January '22)

### WEEKLY MARKET HEADLINES

- **Fitch casts doubts over Ghana's ability to issue Eurobond in 2022 and 2023;** Fitch stated that there is a risk that non-resident investors in the local bond market could sell their holdings, particularly if confidence in the government's fiscal consolidation strategy further weakens, placing downward pressure on its reserves. ([Fitch](#))
- **Government suspends 20% of expenditure in approved 2022 budget;** The Finance Minister noted that this step is to ensure that the Government matches all expenditure to revenue inflows. ([MyJoyOnline](#))
- **Ghana Revenue Authority (GRA) hits 2021 revenue target collecting - highest growth in 10 years;** The Authority collected GH¢57.32bn against a targeted GH¢57.02bn. According to the GRA, this achievement is due to several initiatives under their Transformation Agenda, key amongst these initiatives was the digitalization of Domestic Tax Revenue Division core processes. ([GRA](#))

### FIXED INCOME MARKET

- The Government **6-Year bond** closed at **21.75%** raising GH¢1.3bn against a targeted GH¢2.0bn;
- The short-term instruments remain relatively stable at year open levels.

#### GoG Fixed Income Rates

Instrument	21 Jan 22	14 Jan 22	WoW	YTD
91-Day	12.55	12.52	▲ 0.20%	▲ 0.16%
182-Day	13.21	13.21	▲ 0.02%	▲ 0.01%
364-Day	16.70	-	-	▲ 0.36%

#### Bora Purchase Rates for Clients

Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	17.25	19.50
Up to 1 Year	20.00	20.25
1-3 Years	20.00	20.50
Over 3 Years	20.50	21.75

### EQUITIES MARKET

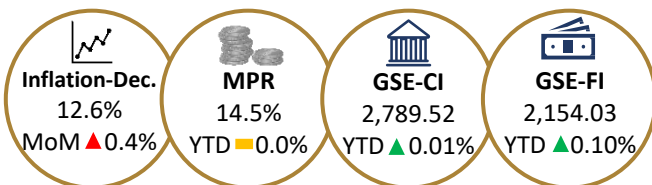
- The GSE Composite Index inched up by ▲ 1.00% this week on the back of three (3) price gainers and no price decliners;
- Trading activities picked up with higher volumes and values as compared to the previous week's levels;
- TBL (▲8.57%; GH¢ 0.38) led the price gainers, followed by EGL (▲7.53%; GH¢ 3.00) and MTNGH (▲1.83%; GH¢ 1.11).

### UPCOMING EVENTS

 MPC Meeting Date | 25<sup>th</sup> – 28<sup>th</sup> Jan, 2022

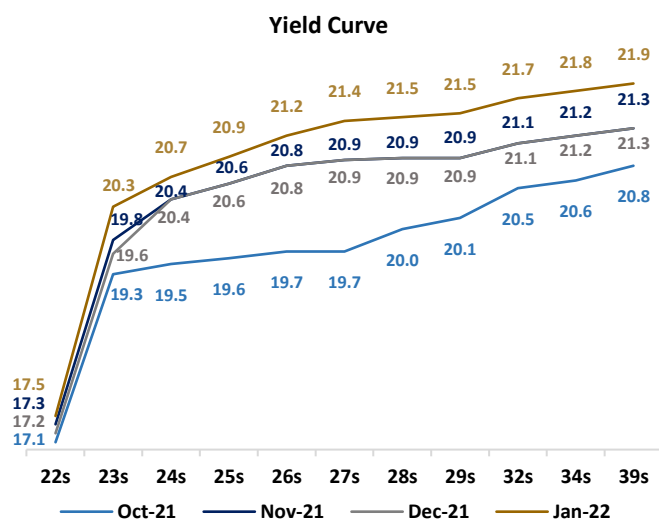
\* **WoW** – week on week    **MoM** – month on month    **YTD** – year-to-date

### KEY ECONOMIC INDICATORS



### TREASURY YIELD CURVE

Yields on the secondary market saw marginal increase this week moving up by about 0.6% and 1.1% since the end of December and October last year respectively.



### COMMODITIES

- Brent crude oil prices were set for their 5th weekly gain on lingering supply concerns, growing demand optimism and easing concerns about the Omicron Covid variant.



**1,833.06** US\$/TOZ  
WoW Δ ▲ 0.53%  
YTD Δ ▲ 0.22%



**87.62** US\$/B  
WoW Δ ▲ 2.70%  
YTD Δ ▲ 10.94%



**1,756.00** GBP/T  
WoW Δ ▲ 1.09%  
YTD Δ ▲ 3.23%

### CURRENCIES

**\$/¢**  
**6.2075**  
YTD ▼ 2.54%

**£/¢**  
**8.4459**  
YTD ▼ 3.13%

**€/¢**  
**7.0683**  
YTD ▼ 2.69%

Source: Bloomberg, xe.com

### QUOTE OF THE WEEK

*"The intelligent investor is a realist who sells to optimists and buys from pessimists."* — Benjamin Graham