

Bora Research - Weekly Market Review (10 June '22)

WEEKLY MARKET HEADLINES

- **Ghana's inflation rate surges by 400bps to 27.6% in May, hitting an 18-year high;** The Month-on-month inflation between April 2022 and May 2022 stood at 4.1%, representing a 1.0% point decline from 5.1% in April. ([GSS](#))
- **Ghana Cocobod's Cocoa Bills Auction cancelled:** The proposed issuance of the cocoa bills on Wednesday 9th June, was cancelled as investors' bids to secure high yields in an attempt much higher than the May inflation rate, was considered outrageous. ([Bora Research](#))
- **Local pension funds decrease activity on equities market;** Pension funds contributed 4% of equity trades between January and May 2022 compared to 7% for the same period in 2021. Additionally, foreign investors contributed 61% of equity market trades as at May 2022 compared to 71% for the same period in 2021. ([GSE](#))

FIXED INCOME MARKET

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

Government of Ghana Treasury Bill Rates				
Instrument	10 Jun 22	03 Jun 22	WoW	YTD
91-Day	23.70	22.57	▲ 4.98%	▲ 89.21%
182-Day	25.41	24.41	▲ 4.09%	▲ 92.32%
364-Day	26.86	-	-	▲ 61.40%

Bora Purchase Rates for Clients

Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	19.50	23.00
Up to 1 Year	22.50	24.00
1-3 Years	26.20	26.50
Over 3 Years	25.50	26.50

EQUITIES MARKET

- The stock market made some gains during the week under review with the GSE Composite Index rising by ▲ 0.03%;
- Trading values and volumes were however lower compared to the previous week's levels;
- TBL (▲10.0%; GH¢0.44) was the only price gainers whereas there were no laggards for the week.

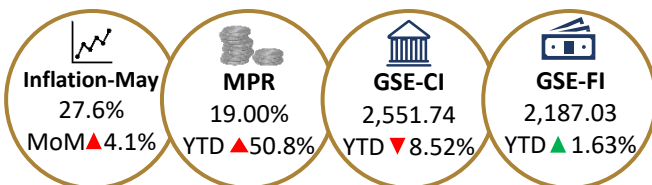
UPCOMING EVENTS

Launch of BORA Unit Trusts



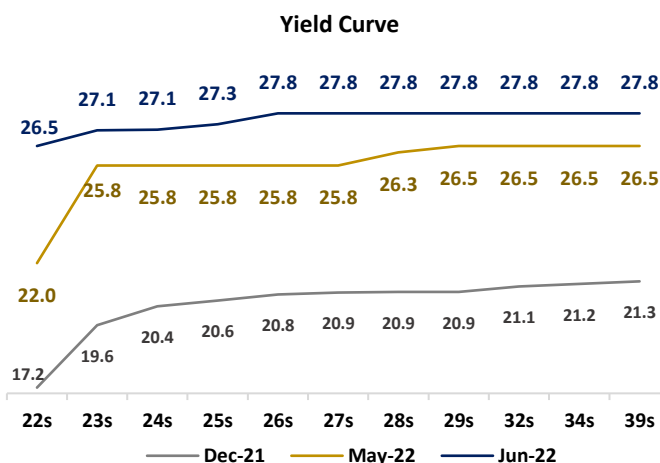
* WoW – week on week MoM – month on month YTD – year-to-date

KEY ECONOMIC INDICATORS



TREASURY YIELD CURVE

Yields on the secondary market continued their upward trend this week with significant movement on the front of the curve. The 2022s increased by about 400bps over the past week.



COMMODITIES

- Commodity prices remained volatile this week due to the on-going geopolitical tensions. Brent crude oil prices gained only 1.05% over the week (YTD 53.2%) to settle at US\$120.98 per barrel.



1,873.95 US\$/TOZ
WoW ▲ 1.23%
YTD ▲ 2.45%



120.98 US\$/B
WoW ▲ 1.05%
YTD ▲ 53.18%



1,757.00 GBP/T
WoW ▼ 0.96%
YTD ▲ 3.29%

CURRENCIES

\$ / ¢
7.9393
YTD ▼ 28.35%

£ / ¢
9.7732
YTD ▼ 16.95%

€ / ¢
8.3511
YTD ▼ 19.14%

Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"Predicting rain doesn't count, building the ark does." – Warren Buffet