

Bora Research - Weekly Market Review (23-June-23)

WEEKLY MARKET HEADLINES

- **Government expenditure falls by 37.2% in the first quarter of 2023;** Total expenditures was GH¢32billion (4.1% of GDP), below the target of GH¢52billion (6.5% of GDP) for the first quarter of 2023, representing 4.4% year-on-year decline. This reflects the 56.4% decrease in interest payments for the quarter as a result of the debt restructuring program and a 63.3% cutback on budgeted capital expenditure. [\(BoG\)](#)
- **Ghana's economy expands by 4.2% in the first quarter of 2023 compared to 3.1% in the same period in 2022;** Data by the Ghana Statistical Service showed a positive development in the country's real GDP. This is despite the significant cutback on the budgeted expenditure as at the end of the first quarter of 2023. [\(GSS\)](#)
- **Inflation projected to gradually trend downwards but remain above the upper band of 8±2% until the end of 2025, barring any unanticipated shocks;** The May 2023 Monetary Policy Report by the Bank of Ghana states that the risks to the inflation outlook are fairly tilted to the downside supported by the relative stability in the exchange rate, reduction in ex-pump petroleum prices, alongside base drift effects. [\(BoG\)](#)

FIXED INCOME MARKET

- The short-term government bills edged up further at the end of this week's auction, subscribed at 103.46%.

Government of Ghana Treasury Bill Rates (%)				
Instrument	23 Jun 23	16 Jun 23	WoW	YTD
91-Day	22.97	21.69	▲ 5.90%	▼ -35.58%
182-Day	25.44	24.97	▲ 1.87%	▼ -29.23%
364-Day	29.25	28.91	▲ 1.18%	▼ -18.55%

Bora Purchase Rates for Clients		
Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	21.50	28.00

EQUITIES MARKET

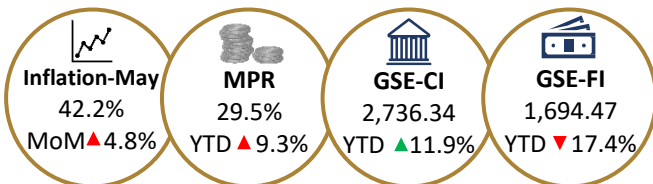
- The stock market realized a gain of ▲3.40% at the end of this week's trading session;
- Trading values and volumes were higher compared to the previous week's levels;
- GGBL (▲ 9.84%; GH¢2.12) led the price gainers while ACCESS (▼ 0.75%; 3.97) was the only laggard.

UPCOMING EVENTS

- 📅 Mid-year Budget Review | July, 2023
- 📅 MPC Press Conference | 24th July, 2023

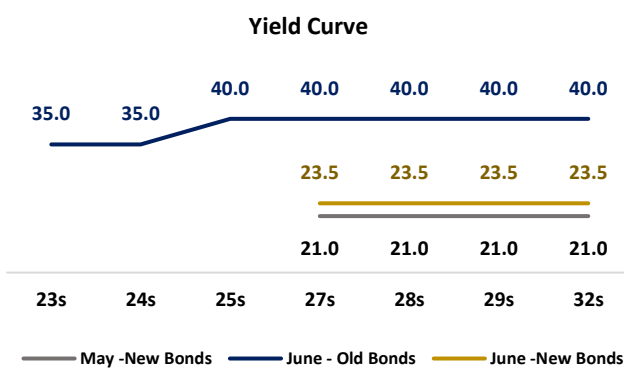
* **WoW** – week on week **MoM** – month on month **YTD** – year-to-date

KEY ECONOMIC INDICATORS



TREASURY YIELD CURVE

- Yields on both the old and new bonds remained steady over the past week. Trading volumes were higher in the new bonds as compared to trading in the old bonds.



COMMODITIES

- Oil prices fell as a bigger-than-expected Bank of England rate hike prompted worries about the economy and fuel demand that outweighed support from a surprise draw in U.S. oil supplies.



1,917.15 US\$/TOZ
WoW ▼ 2.4%
YTD ▲ 5.1%



73.52 US\$/B
WoW ▼ 2.7%
YTD ▼ 14.4%



2,562.00 GBP/T
WoW ▼ 1.6%
YTD ▲ 3.1%

CURRENCIES

\$ / ¢
11.4750
WoW ▼ 1.1%
YTD ▼ 12.1%

£ / ¢
14.5436
WoW ▼ 0.5%
YTD ▼ 23.2%

€ / ¢
12.4267
WoW ▼ 0.4%
YTD ▼ 18.9%

Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"With money comes responsibility. How we spend and invest our money has an impact on ourselves and on so many other people." - Hendrith Vanlon Smith Jr