

Bora Research - Weekly Market Review (19-May-23)

WEEKLY MARKET HEADLINES

• **IMF Approves US\$3 Billion Bailout for Ghana to Revive Economy;** The IMF Executive Board's decision will enable an immediate disbursement of the first tranche of US\$600 million to be credited to Ghana's account by close of today, May 19, 2023. This will be followed by about five different payment tranches every six months. [\(IMF\)](#)

• **Local currency rebounds on IMF Board approval of Extended Credit Facility (ECF);** The Ghana cedi strengthened significantly following the announcement of the IMF Board's approval gaining 8.5% against the US Dollar to close the week at a five month high of GH¢10.75 to the US Dollar. [\(BoraResearch\)](#)

• **Gross Reserves: Ghana's imports cover declines from 3.7 months to 2.4 months between April 2022 and April 2023;** The country's stock of Gross International Reserves declined from US\$8.34bn to US\$5.21bn over a period of one (1) year. [\(BoG\)](#)

FIXED INCOME MARKET

• The short-term bills edged up further at the end of this week's auction.

Government of Ghana Treasury Bill Rates (%)

Instrument	19 May 23	12 May 23	WoW	YTD
91-Day	20.56	20.43	▲ 0.64%	▼ -42.34%
182-Day	23.36	22.96	▲ 1.71%	▼ -35.03%
364-Day	-	27.59	-	▼ -23.18%

Bora Purchase Rates for Clients

Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	20.50	20.50
Up to 1 Year	23.00	23.00
1-3 Years	27.50	27.50

EQUITIES MARKET

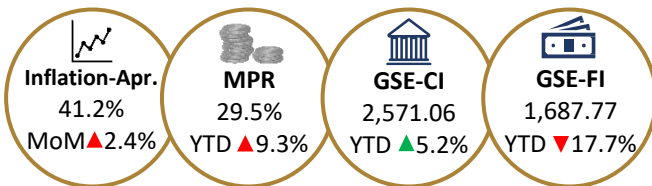
- The stock market declined by ▼ 5.52% at the end of the week's trading session;
- Trading volumes were also lower compared to the previous week's levels;
- UNIL (▲ 20.83%; GH¢5.80) led three gainers whiles SCB (▼ 10.00%; GH¢12.51) led three laggards.

UPCOMING EVENTS

📅 MPC Press Conference | 22nd May 2023

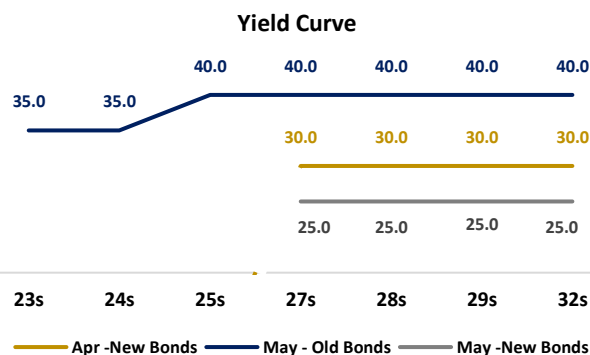
* WoW – week on week MoM – month on month YTD – year-to-date

KEY ECONOMIC INDICATORS



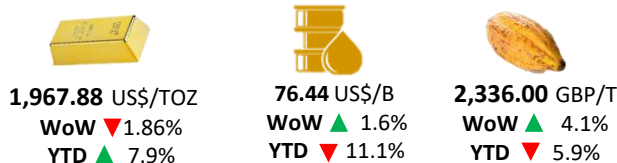
TREASURY YIELD CURVE

- Yields of the old bonds remained stable whiles that of the new bonds realized a 5% absolute decline across the curve. Trading activities also picked up this week with respect to the new bonds after recording no trades in the previous week.



COMMODITIES

- Brent crude prices were set to finish the week higher underpinned by a solid demand outlook and various supply-side disruptions as global oil demand is expected to exceed supply in the second part of 2023.



CURRENCIES



Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"This one is different," is the doomsayer's litany, and, in fact, every recession is different, but that doesn't mean it's going to ruin us." — Peter Lynch