

No.3 Dano Court, D29 Boundary Road, East Legon, Accra, GD-231-1920 P.O. Box CT 10524, Cantonments, Accra, Ghana Email: research@boradvisors.com Tel: 0507712343 / 0245382300 Website: www.boradvisors.com

# Bora Research - Weekly Market Review (20 May '22)

## WEEKLY MARKET HEADLINES

- Market awaits the Monetary Policy Committee's (MPC) decision on the Monetary Policy Rate (MPR); Following the "surprised" rise in inflation over the past few months, many are anticipating the outcome of the 106th MPC meeting to result in taming inflation and raising the MPR. (Bora Research)
- Ghana's debt to GDP ratio at 78.0%; Ghana's total public debt stock went up to hit GH¢319.9bn (78.0% of GDP) at the end of March 2022 as compared to GH¢304.6bn (66.3% of GDP) at the end of March 2021. (BoG)
- Eurobond yields at a 10-Year high of 18.4% on 20<sup>th</sup> May; Despite the economy expanding by 5.4% in 2021, faster than Government of Ghana (GoG), IMF and World Bank estimates, a reduction in public debt to 76.6%, the introduction of the E-levy to buttress revenue generation, etc., foreign investors are expressing pessimism about the economy. (Bora Research)

### FIXED INCOME MARKET

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

Government of Ghana Treasury Bill Rates					
Instrument	20 May 22	13 May 22	WoW	YTD	
91-Day	19.08	18.23	<b>4</b> .69%	<b>\$</b> 52.33%	
182-Day	20.76	19.26	<b>A</b> 7.80%	<b>4</b> 57.17%	
364-Day	-	21.73			

Bora Purchase Rates for Clients					
Instruments	Min. Yield (%)	Max. Yield (%)			
Under 182 Days	19.50	24.50			
Up to 1 Year	20.00	20.00			
1-3 Years	23.00	23.00			
Over 3 Years	22.30	22.30			

## **EQUITIES MARKET**

- The stock market made some gains during the week under review with the GSE Composite Index rising by ▲ 0.09%;
- Trading values and volumes were however lower;
- SIC (▲ 7.69%; GH¢0.28) led three (3) price gainers whereas GCB (▼ 0.39%; GH¢5.07) was the only loser.

#### **UPCOMING EVENTS**

MPC Press Conference | 23rd May, 2022

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

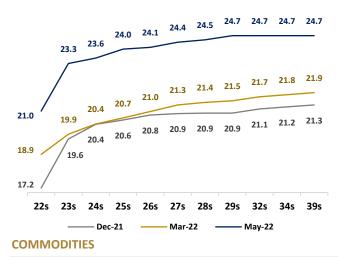
## **KEY ECONOMIC INDICATORS**



#### **TREASURY YIELD CURVE**

Yields on the secondary market realized increases over the past week with an average of about 2.5% rise in the yields since the end of April.





 Brent crude oil prices rebounded from losses in another volatile session this week as looming possibility of a European Union ban on Russian oil imports has been supporting prices.

1,841.26 US\$/TOZ WoW ▲ 1.66% YTD ▲ 0.67% 111.59 US\$/B WoW ▲ 0.27%

YTD **41.29**%



**1,743.00** GBP/T WoW ▲ 7.46% YTD ▲ 2.47%

**CURRENCIES** 



Source: Bloomberg, xe.com

## QUOTE OF THE WEEK

"A decline in the market is fairly common. Investors who realize this are less likely to sell in a panic, and more likely to remain invested, benefitting from the wealth building power of stocks." — **Christopher Davis** 

Disclamer: Bora Capital Advisors is a Registered Investment Adviser and Pension Fund Manager, and is a member of the Ghana Securities Industry Association. The information contained in the market review and outbook section of this report reflects the views and opinions of Bora Capital Advisors Ltd, and is provided for information purposes only. Although the information provided in the market review and outbook section is, to the best of our knowledge and belief correct, Bora Capital Advisors Ltd, its directors, employees and related parties accept in liability or responsibility for any loss, damage, claim or expense suffreed on incurred by any party as a result of reliance on the information provided and opinions expressed in this report, except as required by law. The portfolio performance that report represents part as a result of reliance on the information provided and opinions expressed in this report, except as required by law. The portfolio performance that report experts are predived by law. The portfolio performance that report experts are predived by law. The portfolio performance that report experts are predived by law. The portfolio performance that report experts are predived by law. The portfolio performance that part parts as result to release part parts and result to release parts and result to release parts and result to release parts are released to this report report parts and result parts and result to release part parts and result parts and result to release parts and result parts and result on the report except as are predived by law. The portfolio performance that result to release parts are result to result and result on the result of future returns. Investing involves risk, including possible delays in repayment and loss of income and capital invested. No person, including possible delays in repayment and loss of income and