

## Bora Research - Weekly Market Review (26-May-23)

### WEEKLY MARKET HEADLINES

- **Monetary Policy Committee (MPC) holds benchmark monetary policy rate (MPR) steady at a record high level of 29.5%**; After consistently raising the MPR since April 2022, the decision to maintain the rate was driven by expectations that inflation will continue its downward trajectory and the recent approval of a three-year US\$3 billion dollar loan from the IMF should support the cedi. ([MPC](#))
- **Ghana records trade surplus of US\$1.60bn as at April 2023, approximately 2.2% of GDP**; This is higher compared to the same period in 2022 where trade balance stood at US\$1.15bn. The total exports value stood at US\$5.64bn while total imports were valued at US\$4.04bn as at April 2023. ([BoG](#))
- **IMF directs Bank of Ghana (BoG) to phase out special forex auctions for fuel distributors**; The BoG is also required to gradually reverse the recently imposed surrender requirement on gold exports to BoG. These measures will help bolster forex liquidity in the banking sector and encourage price discovery and forex market deepening. ([IMF](#))

### FIXED INCOME MARKET

- The short-term bills edged up further at the end of this week's auction, subscribed by 92.8%.

Government of Ghana Treasury Bill Rates (%)				
Instrument	26 May 23	19 May 23	WoW	YTD
91-Day	20.80	20.56	▲ 1.15%	▼ -41.67%
182-Day	23.62	23.36	▲ 1.15%	▼ -34.28%
364-Day	28.02	-	-	▼ -21.99%

Bora Purchase Rates for Clients		
Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	20.15	20.50
Up to 1 Year	23.00	23.00
1-3 Years	27.50	27.50

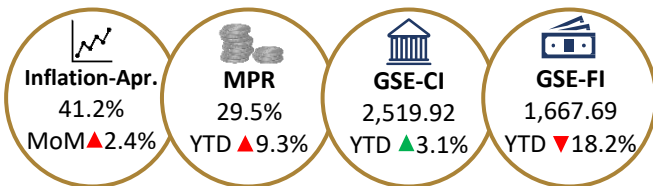
### EQUITIES MARKET

- The stock market declined by ▼ 1.99% at the end of this week's trading session;
- Trading volumes were however slightly higher compared to the previous week's levels;
- FML ( ▲ 30.00%; GH¢1.30) led the price gainers whiles EGL ( ▼ 10.00%; GH¢2.43) led the laggards.

### UPCOMING EVENTS

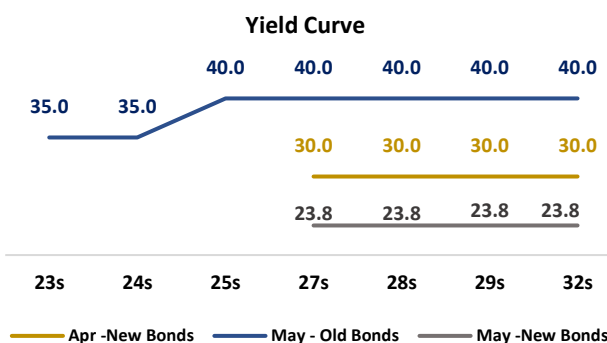
📅 MPC Press Conference | 24<sup>th</sup> July, 2023

### KEY ECONOMIC INDICATORS



### TREASURY YIELD CURVE

- Yields of the old bonds remained stable. The new bonds however realized a 1.25% absolute decline across the curve this week. Nonetheless, trading activities declined as compared to the previous week with regards to the new bonds.



### COMMODITIES

- Brent crude prices were set to finish the week higher as prices rose as a result of a large unexpected drawdown in U.S. crude inventories.



**1,951.53** US\$/TOZ  
WoW ▼ 0.83%  
YTD ▲ 7.1%



**76.75** US\$/B  
WoW ▲ 0.4%  
YTD ▼ 10.7%



**2,366.00** GBP/T  
WoW ▲ 1.3%  
YTD ▼ 4.5%

### CURRENCIES

**\$ / ¢**  
**10.0314**  
YTD ▼ 7.8%

**£ / ¢**  
**13.8410**  
YTD ▼ 17.3%

**€ / ¢**  
**12.0102**  
YTD ▼ 14.9%

Source: Bloomberg, xe.com

### QUOTE OF THE WEEK

*"You get recessions, you have stock market declines...If you go to Minnesota in January, you should know it's gonna be cold. You don't panic when the thermometer falls below zero." - Peter Lynch*

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