

Bora Research - Weekly Market Review (13-Oct-23)

WEEKLY MARKET HEADLINES

- **Annual inflation rate eased for the second consecutive month to a one-year low of 38.1% in September 2023;** The index fell from August's 40.1%. Headline inflation however remains well above the central bank's target band of $8\pm 2\%$. Price growth softened for both food (49.4% vs 51.9% in August) and non-food products (29.3% vs 30.9%), thanks to a more stable cedi. ([GSS](#))
- **IMF projects significant reduction in Ghana's fiscal deficit to GDP in 2023 and the next five years;** The IMF's October 2023 Fiscal Monitor, estimates the fiscal deficit-to-GDP ratio at 4.6% for 2023 as against 11.2% in 2022. Before then in 2020 and 2021, the fiscal deficit to GDP was pegged at 17.4% and 12.0% respectively. Similarly, the primary balance is expected to fall to 0.5% of GDP, from a deficit of 3.7% in 2022. However, in the next five years, the primary balance will record a surplus. ([IMF](#))
- **IMF hopes Ghana will reach debt deal in six to eight weeks;** Ghana aims to restructure US\$20bn out of total external debt that was about US\$30bn at the end of 2022. This will be done by cutting around US\$10.5bn from external debt interest payments over the next three years to successfully implement the US\$3bn loan deal from the IMF. ([Reuters](#))

FIXED INCOME MARKET

- The treasury bills edged up further at this week's auction.

Government of Ghana Treasury Bill Rates (%)				
Instrument	13 Oct 23	06 Oct 23	WoW	YTD
91-Day	29.48	29.19	▲ 0.99%	▼ -17.32%
182-Day	31.43	31.22	▲ 0.67%	▼ -12.58%
364-Day	33.21	33.02	▲ 0.60%	▼ -7.52%

Bora Purchase Rates for Clients		
Instruments	Min. Yield (%)	Max. Yield (%)
0 - 91 days	28.80	29.00
92 - 182 days	30.50	31.22
Up to 1 Year	33.01	33.02

EQUITIES MARKET

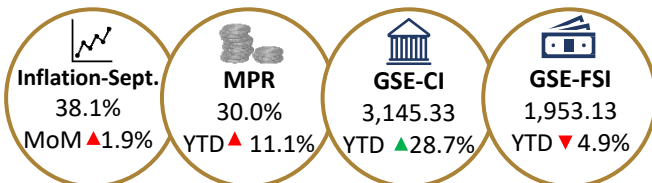
- The stock market inched up marginally by ▲ 0.17% at the end of the week under review;
- Trading values and volumes were however lower compared to the previous week's levels;
- ACCESS (▲ 9.68%; GH¢3.40) led the price gainers this week while RBGH (▼ 7.41%; GH¢0.50) led the laggards.

UPCOMING EVENTS

- 📅 Presentation of 2024 Budget | November 2023
- 📅 MPC Press Release | 27th November, 2023

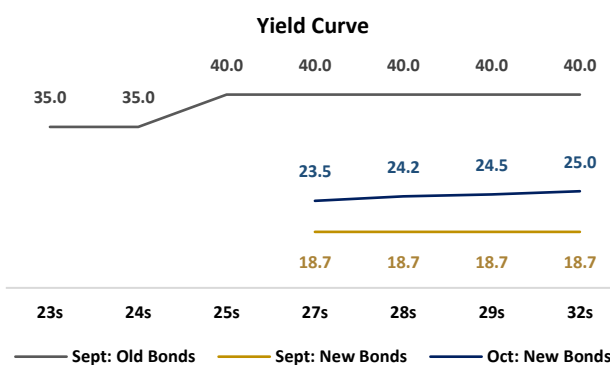
* **WoW** – week on week **MoM** – month on month **YTD** – year-to-date

KEY ECONOMIC INDICATORS



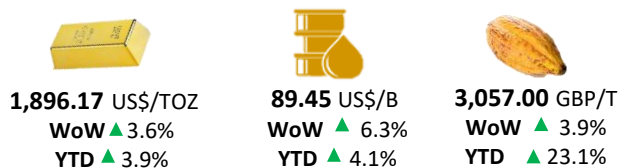
TREASURY YIELD CURVE

- The shape of the yield curve on the new bonds, have begun to normalise with shorter dated bonds having relatively lower yields.



COMMODITIES

- Oil prices surged this week after the U.S. tightened its sanctions programme against Russian crude exports, raising supply concerns in an already tight market.



CURRENCIES



Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"Appreciate the journey while you're building wealth. Get rich quick schemes are for greedy and insecure." - David Angway