

Monthly Market Review (January 2022)

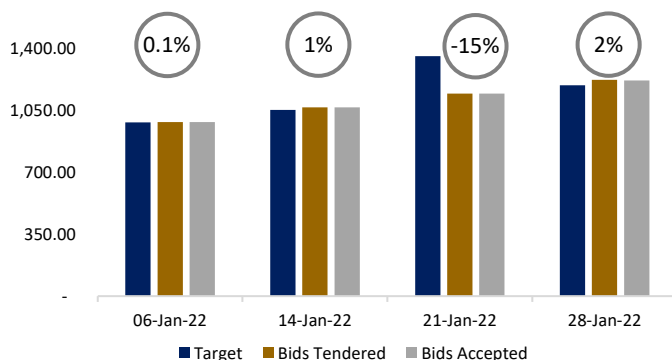
NEWS HEADLINES

- **Public debt hits GH¢ 344.5bn as at the end of November 2021;** Ghana's total public debt stock increased by 19.99% from GH¢ 291.6bn over a twelve month period. This is equivalent to 78.4% of GDP from 74.9% of GDP in November 2020. ([BoG](#))
- **Decline of Asset Quality of banking industry;** Non-Performing loans ratio increased from 14.8% as at December 2020 to 15.2% as at the end of last year, reflecting in part the general pandemic-induced repayment challenges as well as some bank-specific loan recovery challenges. ([BoG](#))
- **Inflation to return to target in about four-quarters – Monetary Policy Committee (MPC);** The MPC specified that their latest forecast shows that inflation would likely remain above target in the near-term, driven by both external and domestic factors, and only return to the target of 8±2% in about four-quarters ahead. ([MPC](#))

FIXED INCOME MARKET

- Treasury bills inched up marginally during the month, realizing YTD returns of 0.86%, 0.12% and 0.61% on the 91, 182 and 364 Day bills respectively.
- The 3-Year and 6-Year GoG bonds issued during the month cleared at 20.50% and 21.75% respectively.

GoG Securities Auction Results with %subscription



GoG Fixed Income Rates

Instrument	28 Jan 22	31 Dec 21	MoM Δ	YTD Δ
91-Day	12.63	12.53	▲ 0.86%	▲ 0.86%
182-Day	13.23	13.21	▲ 0.12%	▲ 0.12%
364-Day	16.74	16.64	▲ 0.61%	▲ 0.61%

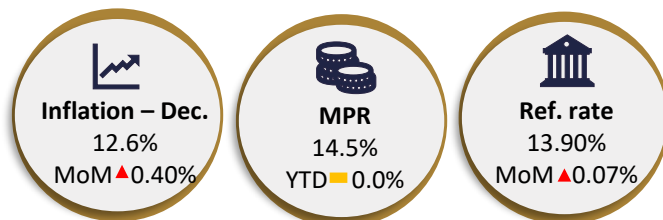
Bora Purchase Rates for Clients (January '22)

Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	17.25	19.50
Up to 1 Year	16.70	20.25
1-3 Years	20.00	20.50
Over 3 Years	19.90	21.75

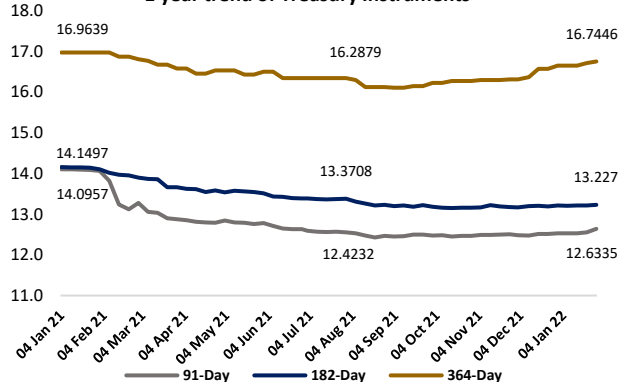
MoM – month on month YTD – year-to-date

KEY MACROECONOMIC INDICATORS

- Inflation saw a jump to 12.6% in December 2021, from 12.2% in November, driven by housing, water, electricity, gas and other fuels sub-sectors, which recorded the highest inflation rate of 20.7%;
- The Monetary Policy Committee maintained its benchmark monetary policy rate (MPR) at 14.5%. The MPC hiked it benchmark rate by 100 basis points in November last year from its prior level of 13.5%.



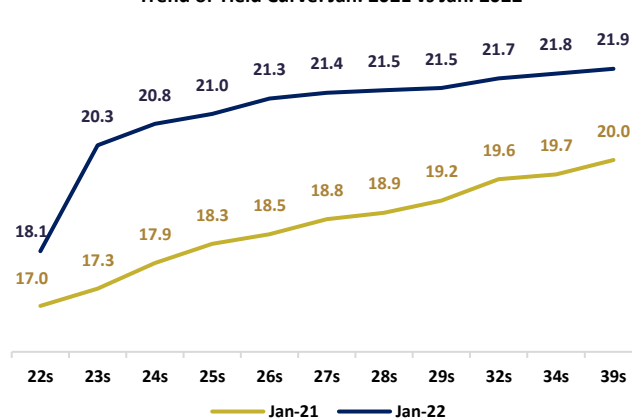
1 year trend of Treasury Instruments



TREASURY YIELD CURVE

- Yields on the secondary market remained elevated during the month under review compared to January 2021. The short end and long end saw average increases of about 1.8% compared to the previous year. Further, the 23's to 34's experienced an averaged 2.7% upward move over the past year.

Trend of Yield Curve: Jan. 2021 vs Jan. 2022



Bora Research – Monthly Market Report (January 2022)

EQUITIES MARKET

- The stock market closed the first month of the year on a negative note with the GSE Composite Index registering a year-to-date return of ▼ 0.81%;
- TBL (▲11.76%; GH¢0.38) was the lead gainer while the biggest loser was PBC (▼33.33%; GH¢0.02).

Index

GSE-CI

2,766.80
MoM ▼0.8%
YTD ▼0.8%

GSE-FI

2,131.93
MoM ▼0.9%
YTD ▼0.9%

Market Cap. (GH¢)

64,094.80M
MoM ▼0.6%
YTD ▼0.6%

Top Gainers

TBL

GH¢ 0.38
MoM ▲11.8%
YTD ▲11.8%

EGL

GH¢ 3.00
MoM ▲7.5%
YTD ▲7.5%

Top Losers

PBC

GH¢ 0.02
MoM ▼33.3%
YTD ▼33.3%

FML

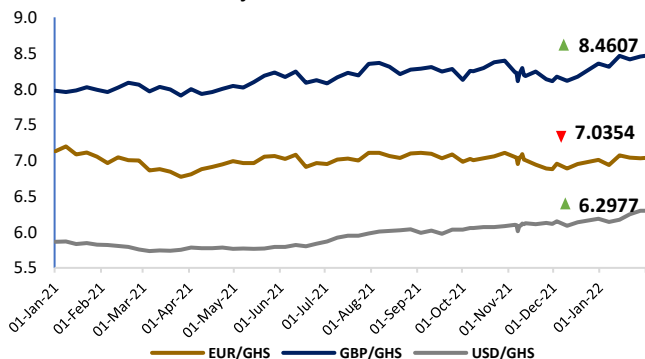
GH¢ 3.00
MoM ▼25.0%
YTD ▼25.5%

ACCESS

GH¢ 2.85
MoM ▼9.5%
YTD ▼9.5%

INTERBANK EXCHANGE RATES

Major currencies vrs GH¢




Source: Bloomberg, xe.com

COMMODITIES MARKET

- Brent crude oil hit its highest level since October 2014 on 28th January, at US\$91.70 and gained about 17% in January - the biggest monthly gain since February 2021.

52-week Low Current Price 52-week High


 54.60 91.21 91.70

 1,677.10 1,798.26 1,916.29

 1,498.00 1,703.00 1,979.00

UPCOMING EVENTS IN FEBRUARY

 Issuance of 2-Year Bond | Feb, 2022

 Issuance of 7-Year Bond | Feb, 2022

OUR TAKE – “PERSONAL FINANCIAL PLANNING”

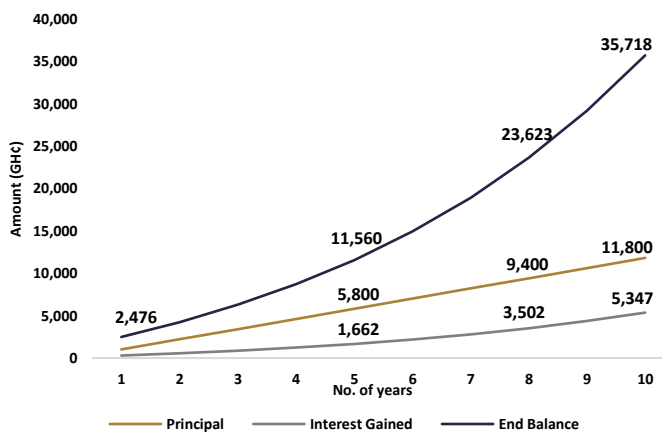
The process of financial planning involves outlining objectives, principles, procedures as well as budgets to meet financial growth. This ensures effective and adequate financial and investment strategies.

The process will usually involve a third-party fund management firm.

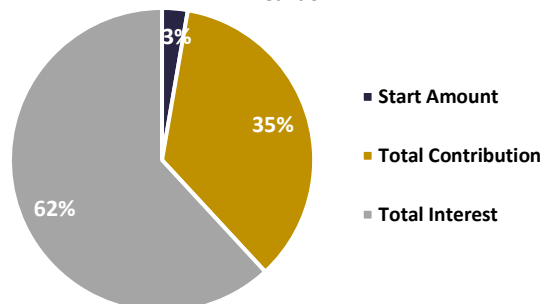
One sure way to secure you meeting your financial plans is to have a well-defined investment plan where constant or consistent contributions are made on a regular basis. Investing allows you to use money to make more money.

The graphs below demonstrate how consistent investing will work for you over time, with a starting amount of GH¢ 1,000.00 and consistent monthly contribution of GH¢ 100.00 at a conservative rate of 18%.

Investment Accumulation



Breakdown



Email: research@boradvisors.com
Tel: 0507712343 / 0245382300
Website: www.boradvisors.com