

Bora Research - Weekly Market Review (10 December '21)

WEEKLY MARKET HEADLINES

- **2022 Budget Revised;** The Government presented a modified budget to parliament during the week with the amendments pertaining to the Agyapa Royalties deal, Aker Energy and sea defense wall transactions. There was however no revisions to the electronic levy. ([MoF](#))
- **Household spending to grow by 4.2% in 2021, 4.7% in 2022 – Fitch Solutions;** Real household spending is expected to see increases in the next two years. In Fitch's Country Risk team's forecast for Ghana, Real Gross Domestic Product is projected to grow by 4.2% in 2021 and accelerate to 4.9% in 2022. ([Fitch](#))
- **GSE's Financial Stocks Index (GSE-FI) set for first positive annual return in 4 years;** The GSE-FI has a YTD return of 16.3% as against -6.8%, -16.9% and -11.7% in 2018, 2019, and 2020 respectively. This follows the financial sector purge from 2017 and the advent of covid-19. ([GSE](#))

FIXED INCOME MARKET

- The 91-day bill declined marginally this week while the 182-day bill increased slightly, after recording declines in the last two (2) weeks.

GoG Fixed Income Rates

Instrument	10 Dec 21	02 Dec 21	WoW	YTD
91 Day	12.47	12.48	▼ -0.05%	▼ -11.55%
182 Day	13.19	13.17	▲ 0.22%	▼ -6.76%
364 Day	16.36	-	-	▼ -3.55%

Bora Purchase Rates for Client

Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	16.82	19.00
Up-to 1 Year	17.20	19.50
1- 3 Years	19.75	20.25
Over 3 Years	21.25	21.25

EQUITIES MARKET

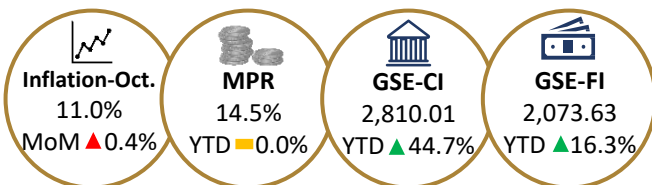
- The GSE Composite Index declined by ▼ 1.13% this week as five (5) decliners outweighed a gainer;
- Trade volumes and values were however higher as compared to the previous week;
- EGH (▼ 2.56%; GH¢7.60) and MTNGH (▼ 1.69%; GH¢1.16) led the laggards for the week while SIC (▲ 14.29%; GH¢0.08) was the only gainer.

UPCOMING EVENTS

- BoG Fx Forward Auction No. 0056 | 14th Dec, 2021
- Issuance of 7-Yr Bond | Dec, 2021

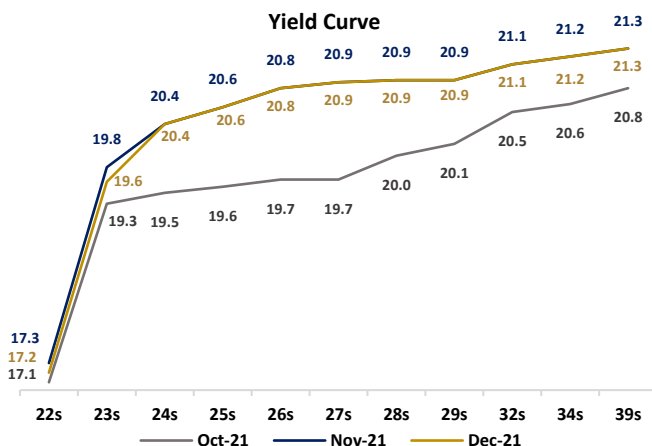
* **WoW** – week on week **MoM** – month on month **YTD** – year-to-date

KEY ECONOMIC INDICATORS



TREASURY YIELD CURVE

Yields on the secondary market realized slight movements on the short end over the past week as instruments having maturities between one (1) and two (2) years experienced 10bps and 20 bps decline respectively, compared to the end of the previous month.



COMMODITIES

- Brent crude oil prices made the biggest weekly gain since late August, with market sentiment buoyed by easing concerns over the Omicron coronavirus variant's impact on global economic growth and fuel demand.



1,783.50 US\$/TOZ
WoW Δ ▼ 0.89%
YTD Δ ▼ 5.78%



75.16 US\$/B
WoW Δ ▲ 7.88%
YTD Δ ▲ 57.83%



1,542.00 GBP/T
WoW Δ ▼ 3.93%
YTD Δ ▼ 10.5%

CURRENCIES

\$/¢
6.1383
YTD ▼ 4.57%

£/¢
8.1202
YTD ▼ 1.85%

€/¢
6.9383
YTD ▲ 2.68%

Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"Never invest in a business you cannot understand." – Warren Buffett.