

Bora Research - Weekly Market Review (8 April '22)

WEEKLY MARKET HEADLINES

- **COVID-19, banking sector clean-up cause of high debt stock;** The Vice President, Dr. Bawumia has said the country's debt to GDP ratio increased by 17.6% between 2019 and 2021. He added that without the GH¢ 15.1bn of the exceptional items – the financial sector, and Covid, Ghana's debt to GDP would have been about 68% instead of the current 80%. [\(PDF\)](#)
- **Negative credit ratings impact local currency;** According to the Vice President, the free fall of the Ghana Cedi to major foreign currencies was largely as a result of the country's negative credit ratings, challenges in getting the 2022 budget passed, and the refusal of foreign investors to roll over their funds in Ghana. [\(PDF\)](#)
- **Government of Ghana looking to raise GH¢ 24.69bn in second quarter;** Out of the gross target amount, GH¢ 20.10bn is to rollover maturities and the remaining GH¢ 4.59bn is fresh issuance. [\(BoG\)](#)

FIXED INCOME MARKET

- This week's 3-Year Government of Ghana Bond cleared at 20.85%;
- Short-term instruments edged higher, maintaining the upward trend observed in recent weeks.

Government of Ghana Treasury Bill Rates

Instrument	08 Apr 22	01 Apr 22	WoW	YTD
91-Day	15.74	14.85	▲ 6.03%	▲ 25.67%
182-Day	15.93	15.46	▲ 3.02%	▲ 20.55%
364-Day	18.27	-	-	▲ 9.79%

Bora Purchase Rates for Clients

Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	20.00	20.00
Up to 1 Year	20.50	20.50
1-3 Years	20.00	20.00
Over 3 Years	19.00	21.12

EQUITIES MARKET

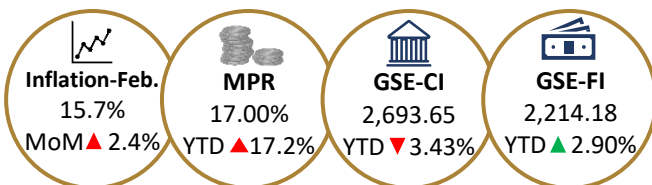
- The GSE Composite Index fell by ▼ 1.79% this week on the back of three (3) price laggards;
- Trading values and volumes were lower compared to the previous week's levels;
- ETI (▲17.65%; GH¢0.20) was the biggest gainer, whereas MTNGH (▼5.66%; GH¢1.00) was the biggest laggard.

UPCOMING EVENTS

- RBGH Final dividend payment | 12th May, 2022
- E-levy rollout | 1st May, 2022

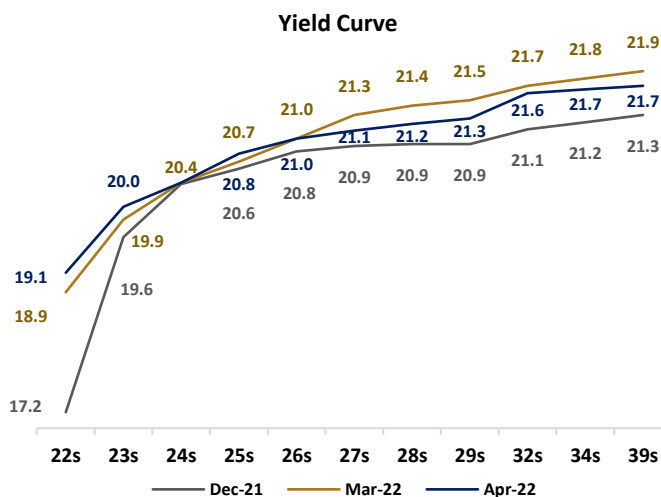
* WoW – week on week MoM – month on month YTD – year-to-date

KEY ECONOMIC INDICATORS



TREASURY YIELD CURVE

Medium and long term yields on the secondary market saw marginal declines over the past week by an absolute average of about 0.1%. The short end however realized marginal increases with the 2022s ending the week at 19.1% as compared to 17.1% the previous week.



COMMODITIES

- Brent crude oil prices declined, recording a second weekly fall after a number of major countries announced plans to release crude from their strategic stocks.



1,941.13 US\$/TOZ
WoW ▲ 0.82%
YTD ▲ 6.13%



101.38 US\$/B
WoW ▼ 2.88%
YTD ▲ 28.36%



1,765.00 GBP/T
WoW ▲ 0.91%
YTD ▲ 3.76%

CURRENCIES

\$ / ¢
7.5064
YTD ▼ 21.35%

£ / ¢
9.7825
YTD ▼ 17.06%

€ / ¢
7.4750
YTD ▼ 6.64%

Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"Financial peace isn't the acquisition of stuff. It's learning to live on less than you make, so you can give money back and have money to invest." — **Dave Ramsey**