

Bora Research - Weekly Market Review (20 May '22)

WEEKLY MARKET HEADLINES

- **Market awaits the Monetary Policy Committee's (MPC) decision on the Monetary Policy Rate (MPR);** Following the "surprised" rise in inflation over the past few months, many are anticipating the outcome of the 106th MPC meeting to result in taming inflation and raising the MPR. ([Bora Research](#))
- **Ghana's debt to GDP ratio at 78.0%;** Ghana's total public debt stock went up to hit GH¢319.9bn (78.0% of GDP) at the end of March 2022 as compared to GH¢304.6bn (66.3% of GDP) at the end of March 2021. ([BoG](#))
- **Eurobond yields at a 10-Year high of 18.4% on 20th May;** Despite the economy expanding by 5.4% in 2021, faster than Government of Ghana (GoG), IMF and World Bank estimates, a reduction in public debt to 76.6%, the introduction of the E-levy to buttress revenue generation, etc., foreign investors are expressing pessimism about the economy. ([Bora Research](#))

FIXED INCOME MARKET

- Short-term instruments edged higher, maintaining the upward trend observed in recent weeks.

Government of Ghana Treasury Bill Rates

Instrument	20 May 22	13 May 22	WoW	YTD
91-Day	19.08	18.23	▲ 4.69%	▲ 52.33%
182-Day	20.76	19.26	▲ 7.80%	▲ 57.17%
364-Day	-	21.73		

Bora Purchase Rates for Clients

Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	19.50	24.50
Up to 1 Year	20.00	20.00
1-3 Years	23.00	23.00
Over 3 Years	22.30	22.30

EQUITIES MARKET

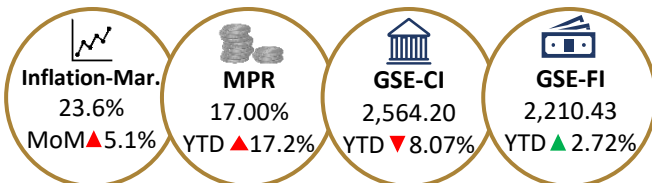
- The stock market made some gains during the week under review with the GSE Composite Index rising by ▲ 0.09%;
- Trading values and volumes were however lower;
- SIC (▲ 7.69%; GH¢0.28) led three (3) price gainers whereas GCB (▼ 0.39%; GH¢5.07) was the only loser.

UPCOMING EVENTS

 MPC Press Conference | 23rd May, 2022

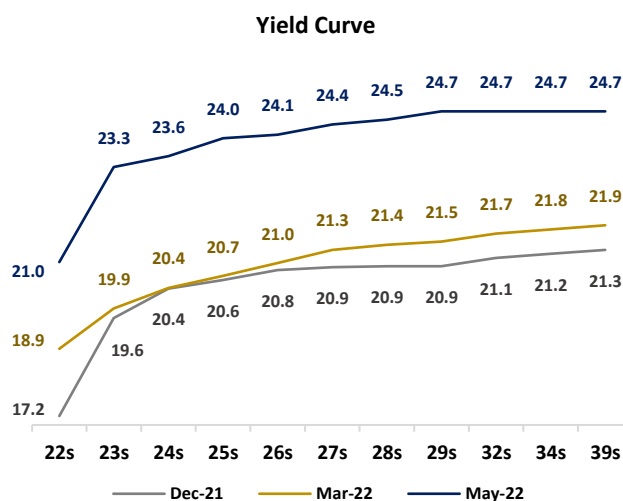
* **WoW** – week on week **MoM** – month on month **YTD** – year-to-date

KEY ECONOMIC INDICATORS



TREASURY YIELD CURVE

Yields on the secondary market realized increases over the past week with an average of about 2.5% rise in the yields since the end of April.



COMMODITIES

- Brent crude oil prices rebounded from losses in another volatile session this week as looming possibility of a European Union ban on Russian oil imports has been supporting prices.



1,841.26 US\$/TOZ
WoW ▲ 1.66%
YTD ▲ 0.67%



111.59 US\$/B
WoW ▲ 0.27%
YTD ▲ 41.29%



1,743.00 GBP/T
WoW ▲ 7.46%
YTD ▲ 2.47%

CURRENCIES

\$ / ¢
7.7679
YTD ▼ 25.58%

£ / ¢
9.6916
YTD ▼ 15.97%

€ / ¢
8.1935
YTD ▼ 16.89%

Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"A decline in the market is fairly common. Investors who realize this are less likely to sell in a panic, and more likely to remain invested, benefitting from the wealth building power of stocks." — **Christopher Davis**