

Bora Research - Weekly Market Review (05-May-23)

WEEKLY MARKET HEADLINES

- **80% of GSE banks trading at their lowest share price over the past one (1) year;** The Financial Stock Index of the local bourse (GSE-FSI) continues its bearish trend as most banks continue to lose value on the stock exchange. The GSE-FSI closed trading at 1,758.28 points translating into a year-to-date return of -14.3%. ([BoraResearch](#))
- **Treasury Bill rates remain elevated with high levels of subscription;** Following the drastic dip in yields on primary market in March, the yields on the short term instruments have continued to remain elevated albeit at a slower pace. Investors have tendered bills approximately 30% higher than the central bank's target over the past one (1) month. ([BoraResearch](#))
- **Ghana agrees to end monetary financing – Bank of Ghana Governor;** The BoG has signed a memorandum of understanding (MoU) with the Government to halt monetary financing. The MoU is a requirement of the pending loan package agreed with the IMF and will enter into force once the IMF greenlights the pending loan for Ghana. ([CentralBanking](#))

FIXED INCOME MARKET

- The short-term bills edged up further, subscribed at 140.01% at the end of this week's auction.

Government of Ghana Treasury Bill Rates (%)

Instrument	05 May 23	28 Apr 23	WoW	YTD
91-Day	20.26	19.95	▲ 1.56%	▼ -43.19%
182-Day	22.83	22.71	▲ 0.52%	▼ -36.49%
364-Day	27.36	-	-	▼ -23.82%

Bora Purchase Rates for Clients

Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	20.00	29.00
Up to 1 Year	22.75	22.75

EQUITIES MARKET

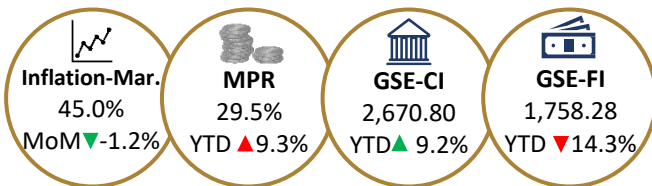
- The stock market declined by ▼ 2.58% at the end of this week's trading session;
- Trading volumes were however higher compared to the previous week's levels;
- MTNGH (▼ 4.76%; GH¢1.20) was the only laggard with no price gainers at the end of the week under review.

UPCOMING EVENTS

- 📅 MPC Press Conference | 22nd May 2023
- 📅 Conclusion of IMF negotiations | May 2023

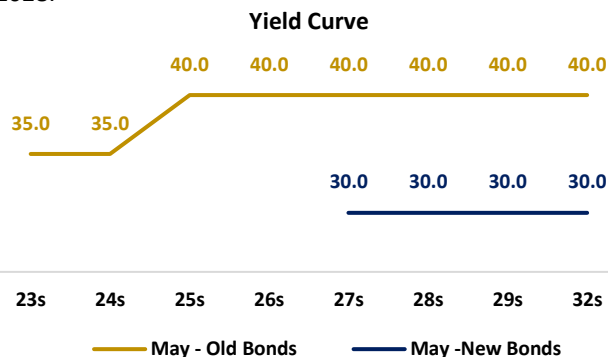
* WoW – week on week MoM – month on month YTD – year-to-date

KEY ECONOMIC INDICATORS



TREASURY YIELD CURVE

- The yields on both the old bonds and the new bonds have remained stable over the past week. Trading in the new bonds realised slightly higher volumes compared to the previous week, particularly in bonds maturing in 2028.



COMMODITIES

- Brent crude oil prices headed for a weekly loss. This is after the US Fed raised interest rates by a quarter of a percentage point, pressuring oil prices as traders worried that slower economic growth could hit energy demand.



CURRENCIES



Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"Risks and returns are related! If you manage risks well, returns will surprise you. If you chase returns, risks will shock you." — PV Subramanyam