

Bora Research - Weekly Market Review (16-June-23)

WEEKLY MARKET HEADLINES

- **Annual inflation rate ticked higher to 42.2% in May 2023, after four consecutive months decline from 53.6% in January;** This was driven by a sharp acceleration in food prices (51.8% vs 48.7% in April). Meanwhile, non-food inflation eased (34.6% vs 35.4%). On a monthly basis, consumer prices jumped by 4.8% in May, the most in six months, after rising by 2.4% in the prior month. ([GSS](#))
- **Banks lost GH¢56million to fraud in 2022 – Bank of Ghana report;** This is, however, a 7.8% drop compared to the GH¢61million recorded in 2021. The top five fraud activities that impacted most of the institutions in the sector included forgery and manipulation of documents, fraudulent withdrawals, cheque fraud, cyber/email, and cash theft. ([BoG](#))
- **Ministry of Finance (MoF) and Individual bondholder groups (IBF and IBHAG) sign a Memorandum of Understanding (MoU);** The MoU was signed by the groups to migrate outstanding maturing bonds into treasury bills in proportion of 35%, 35% and 30% for 91-day, 182-day and 364-day respectively. ([BoraResearch](#))

FIXED INCOME MARKET

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

Government of Ghana Treasury Bill Rates (%)				
Instrument	16 Jun 23	09 Jun 23	WoW	YTD
91-Day	21.69	21.27	▲ 1.99%	▼ -39.17%
182-Day	24.97	23.95	▲ 4.26%	▼ -30.52%
364-Day	28.91	27.82	▲ 3.93%	▼ -19.49%

Bora Purchase Rates for Clients		
Instruments	Min. Yield (%)	Max. Yield (%)
Under 182 Days	21.27	28.00
Up to 1 Year	23.95	23.95

EQUITIES MARKET

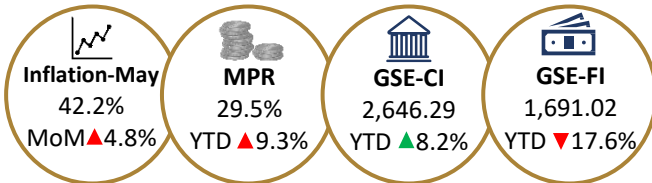
- The stock market realized a gain of ▲0.33% at the end of this week's trading session;
- Trading values and volumes were higher compared to the previous week's levels;
- CAL (▲12.00%; GH¢0.56) led three price gainers. There were no laggards.

UPCOMING EVENTS

- 📅 Mid-year Budget Review | June, 2023
- 📅 MPC Press Conference | 24th July, 2023

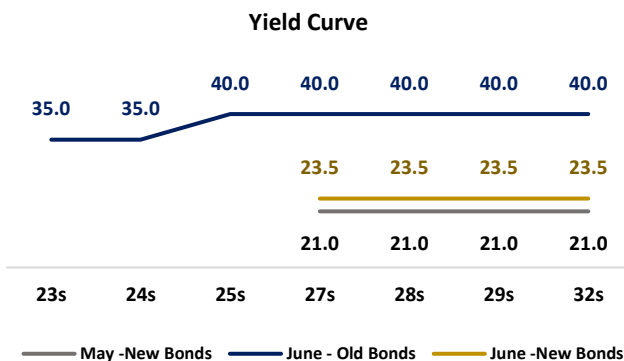
* **WoW** – week on week **MoM** – month on month **YTD** – year-to-date

KEY ECONOMIC INDICATORS



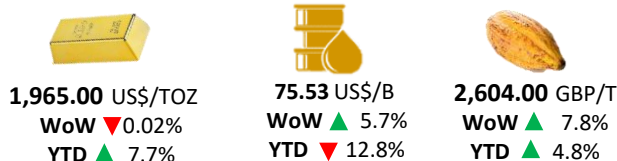
TREASURY YIELD CURVE

- Yields on both the old and new bonds remained steady over the past week. Trading volumes were higher with the new bonds as compared to the trading on the old bonds.



COMMODITIES

- Oil prices headed for the third weekly loss as a weaker economic outlook and the prospect of further interest rate hikes dogged sentiment.



CURRENCIES



Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"Be realistic about potential market returns, and be aware of possible risks." - **Naved Abdali**