

Bora Research - Weekly Market Review (21-July-23)

WEEKLY MARKET HEADLINES

- **Holders of COCOBOD cocoa bills invited for voluntary debt exchange;** Holders of eligible Cocoa Bills who validly tender their holding will receive five (5) different Bonds with maturities starting from 2024 to 2028, and an annual yield of 13% each. The aggregate principal amount under consideration would be the initial principal amount plus accrued interest payable of cocoa bills tendered. ([COCOBOD](#))
- **Mixed views on monetary policy rate (MPR) stance amid inflationary concerns;** The policy rate was increased gradually until it reached a record high of 29.5%, mainly to reinforce disinflation and anchor inflation expectations. Though inflation recorded significant declines early in the year, a setback occurred as inflation rose the second consecutive month to 42.5% in June, dampening expectations of a sustained downward trend. ([BFTOnline](#))
- **Central Bank adds 7.70 tonnes of gold to reserves;** The measure, which is part of the central bank's Domestic Gold Purchase Programme (DGPP), is aimed at increasing gold as the asset cover in the country's reserves to provide additional buffers to help the economy withstand future economic shocks. ([GraphicOnline](#))

FIXED INCOME MARKET

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

Government of Ghana Treasury Bill Rates (%)				
Instrument	21 Jul 23	14 Jul 23	WoW	YTD
91-Day	24.92	24.69	▲ 0.95%	▼ -30.11%
182-Day	26.81	26.41	▲ 1.51%	▼ -25.43%
364-Day	30.05	-	-	▼ -16.34%

Bora Purchase Rates for Clients		
Instruments	Min. Yield (%)	Max. Yield (%)
0 - 91 days	22.79	27.60
Under 182 days	23.96	26.50

EQUITIES MARKET

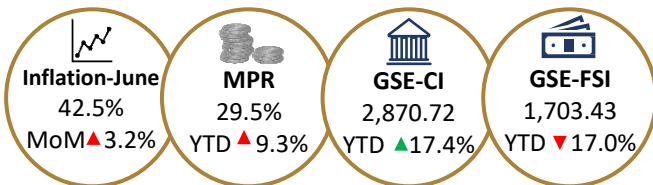
- The stock market inched up marginally by ▲ 0.30% at the end of this week's trading session;
- Trading values and volumes were however lower compared to the previous week's levels;
- SCB (▲ 4.57%; GH¢13.5) led the price gainers whereas SIC (▼ 4.76%; GH¢0.20) led the price laggards.

UPCOMING EVENTS

- 🏛 MPC Press Conference | 24th July, 2023
- 🏛 Mid-year Budget Review | 27th July, 2023

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

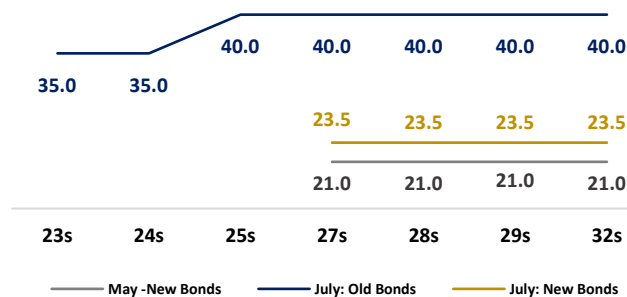
KEY ECONOMIC INDICATORS



TREASURY YIELD CURVE

- Yields on both the old and new bonds remained steady over the past week. Trading volumes were however about 176% and 61% higher as compared to previous week's levels on the new and old bonds respectively.

Yield Curve



COMMODITIES

- Crude prices edged lower towards the end of this week, despite of tightening supplies and economic stimulus in slow-recovering China.



CURRENCIES



Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"The goal is not to simply make more money. The goal is to make your money do more." - **Linsey Mills**