

Bora Research - Weekly Market Review (20-Oct-23)

WEEKLY MARKET HEADLINES

- **September Producer Price Index (PPI) further eases to 25.1%, from 28.5% in August;** The month-on-month change in the PPI between August 2023 and September 2023 increased by 2.7%, a significant contrast to the previous month's contraction of -0.4%. This is also steeper than the drop in month-on-month inflation, notwithstanding the close tailing of the drop in both indices over the past few months. ([GSS](#))
- **External debt restructuring: Eurobond holders may face nominal 'haircut' of between 30-40%;** Finance Minister, Ken Ofori-Atta, has stated that Eurobond holders may face a nominal haircut of between 30% and 40% as part of the restructuring of the external debt. Additionally, coupons may also not exceed 5% with final maturities of not more than 20 years. ([JoyOnline](#))
- **IMF revises Ghana's international reserves for 2023 to 1.4 months of import cover, from the earlier 0.8 months;** The reserves grew from \$1.406 billion (0.7 months of import cover) in April 2023 to \$2.235 billion in June 2023 (1.0 month of import cover). It currently stands at \$2.089 billion (1.0 month of import cover) as at August 2023. ([IMF](#))

FIXED INCOME MARKET

- The treasury bills edged up further at this week's auction.

Government of Ghana Treasury Bill Rates (%)				
Instrument	20 Oct 23	13 Oct 23	WoW	YTD
91-Day	29.73	29.48	▲ 0.84%	▼ -16.63%
182-Day	31.60	31.43	▲ 0.56%	▼ -12.09%
364-Day	33.34	33.21	▲ 0.38%	▼ -7.17%

Bora Purchase Rates for Clients		
Instruments	Min. Yield (%)	Max. Yield (%)
0 - 91 days	28.80	29.50
92 - 182 days	31.43	31.43
Up to 1 Year	33.15	33.15

EQUITIES MARKET

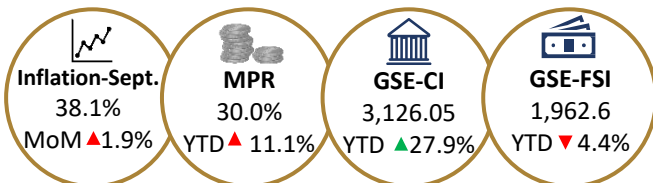
- The stock market declined by ▼ 0.61% at the end of the week under review;
- Trading values and volumes were also lower compared to the previous week's levels;
- EGH (▲ 3.70%; GH¢5.60) led the price gainers this week while MTNGH (▼ 1.43%; GH¢1.38) led the laggards.

UPCOMING EVENTS

- 📅 Presentation of 2024 Budget | November 2023
- 📅 MPC Press Release | 27th November, 2023

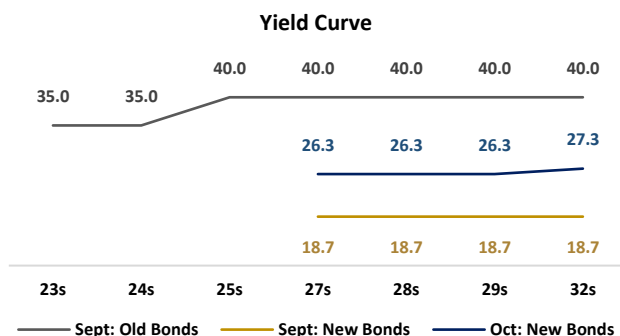
* WoW – week on week MoM – month on month YTD – year-to-date

KEY ECONOMIC INDICATORS



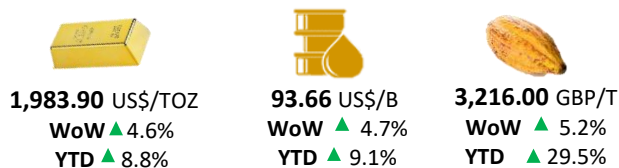
TREASURY YIELD CURVE

- The yields on the shorter dated bonds realised an absolute average increase of 2.75% over the past week, while the longer dated bonds realised an average absolute increase of 1.25% over the past week.



COMMODITIES

- Oil prices made a second weekly gain on heightened fears that the Israel-Gaza crisis may spread in the Middle East and disrupt supply from one of the world's top-producing regions.



CURRENCIES



Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"It is a common error to assume that the stock market price is always the proxy for the value of a company's shares." - Coreen T. Sol