

Bora Research - Weekly Market Review (19-Apr-24)

WEEKLY MARKET HEADLINES

- **Ghanaian Bank Profits to Weaken Due to New Cash Reserve Ratio (CRR) Regime;** The new regime is partly intended to boost bank lending by raising CRR requirements for banks with low loan to deposit ratios. However, Fitch expects banks to tolerate the higher CRR requirements rather than significantly increase lending to avoid them, given Ghana's difficult macroeconomic conditions. ([FitchSolutions](#))
- **IMF forecasts single-digit inflation of 8% for Ghana by end of 2025;** The IMF in its April Economic Outlook Report expects inflation to decline to 15.0% by end of 2024 and 8.0% by end of 2025. Further it expects annual Real GDP to be 4.4% and 5.0% for end of 2025 and end of 2029 respectively. ([IMF](#))
- **Bank of Ghana against universal banks charging clients fees for keeping foreign currency accounts;** In response to the increase in cash reserve ratios, some banks intended to charge fees on foreign currencies kept in accounts. The central bank is threatening severe punishment against such banks. ([BoraResearch](#))

FIXED INCOME MARKET

- The yields on the treasury bills realized marginal declines at the end of this week's auction, subscribed at 99.1%.

Government of Ghana Treasury Bill Rates (%)				
Instrument	19 Apr 24	12 Apr 24	WoW	YTD
91-Day	25.65	25.74	▼ -0.35%	▼ -12.13%
182-Day	27.90	28.15	▼ -0.88%	▼ -12.11%
364-Day	28.50	28.75	▼ -0.88%	▼ -11.88%

Bora Purchase Rates for Clients		
Instruments	Min. Yield (%)	Max. Yield (%)
0 - 91 days	28.80	25.75
92 - 182 days	28.15	30.70
Up to 1 Year	28.75	28.75
Over 1 Year	31.50	31.50

EQUITIES MARKET

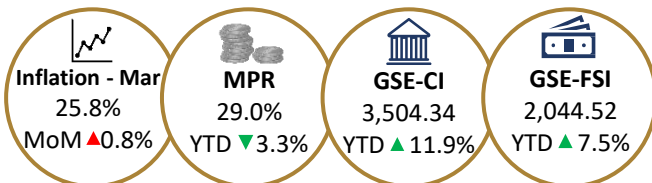
- The stock market gained ▲ 1.82% at the end of the week under review;
- Trading volumes were also higher as compared to the previous week's levels;
- GCB (▲ 8.81%; GH¢4.20) was the highest price gainer while there were no laggards.

UPCOMING EVENTS

📅 MPC Press Release | 27th May, 2024

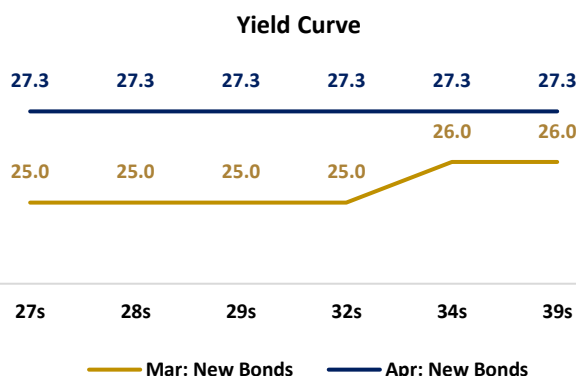
* **WoW** – week on week **MoM** – month on month **YTD** – year-to-date

KEY ECONOMIC INDICATORS



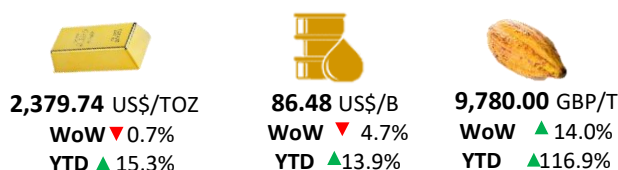
TREASURY YIELD CURVE

- Over the past week, the yields on the new bonds rose by 0.25 percentage points across the curve resulting in a 27.3% average across the curve.



COMMODITIES

- Oil prices headed for a weekly loss, pressured by a rise in U.S. commercial inventories, weaker economic data from China and U.S. progress on Ukraine and Israel aid bills



CURRENCIES



Source: Bloomberg, xe.com

QUOTE OF THE WEEK

"Until your money starts working for you, you will always be working for your money." - Linsey Mills