

**CIDAN INVESTMENTS LIMITED**



**WEEKLY MARKET REVIEW FOR WEEK ENDING**

**May 19, 2023**

## MACROECONOMIC INDICATORS

Q4, 2022 Real GDP Growth	3.7%
Average Real GDP Growth for 2022	3.7%
2023 Projected Real GDP Growth	2.8%
BoG Policy Rate	29.50%
Weekly Interbank Interest Rate	25.94%
Inflation for April, 2023	41.2%
End Period Inflation Target – 2023	18.9%
Budget Deficit (% GDP) – Nov, 2022	9.8%
2022 Budget Deficit Target (%GDP)	6.6%
Public Debt (billion GH¢) – Dec, 2022	434.6
Debt to GDP Ratio – Dec, 2022	71.2%

## STOCK MARKET REVIEW

The Ghana Stock Exchange closed lower for the week on the back of price decreases by 4 counters. The GSE Composite Index (GSE-CI) lost 50.37 points (-5.52%) to close the week at 2,571.06 points, reflecting a year-to-date (YTD) gain of 5.20%. The GSE Financial Stocks Index (GSE-FI) meanwhile lost 34.97 points (-2.03%) to close the week at 1,687.77 points, reflecting a YTD loss of 17.77%.

Market capitalization decreased by 2.47% to close the week at GH¢66,407.09 million, from GH¢68,090.91 million at the close of the previous week. This reflects a YTD gain of 2.95%.

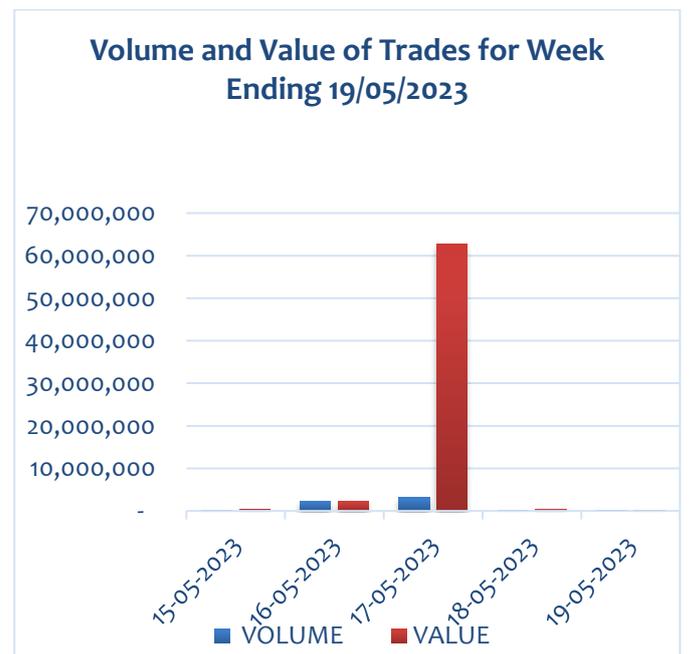
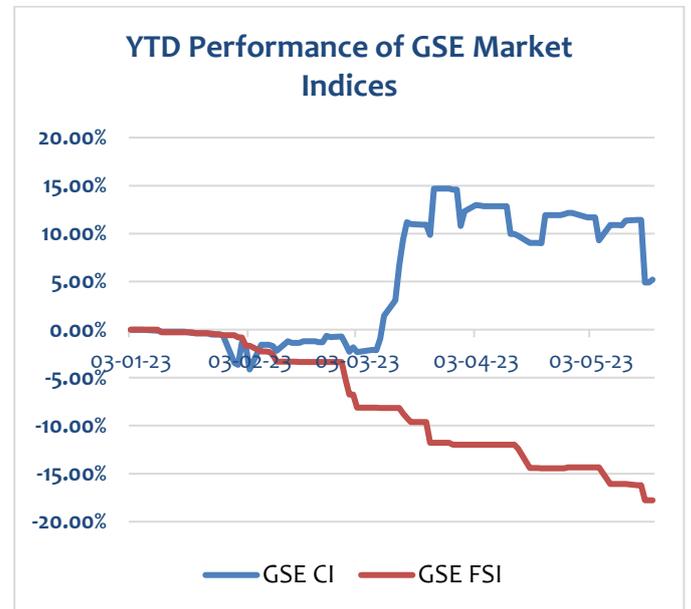
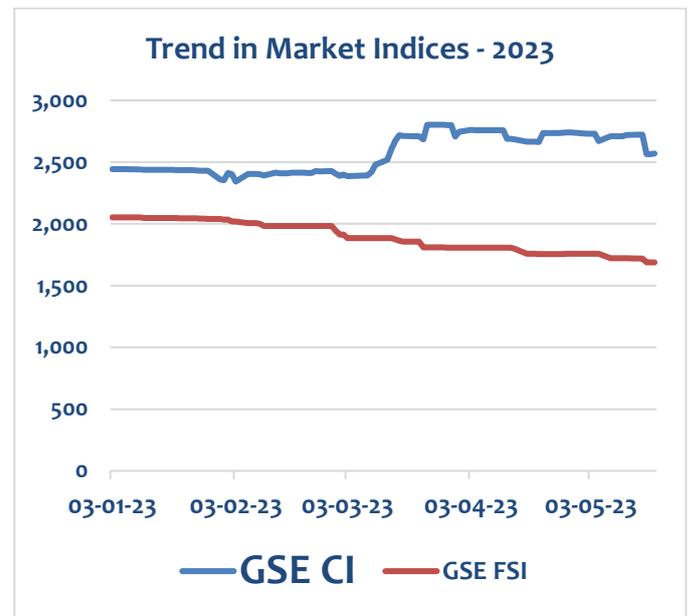
The week recorded a total of 6,018,367 shares valued at GH¢66,002,877.74 changing hands, compared with 14,457,749 shares, valued at GH¢25,193,921.73 in the preceding week.

MTNGH dominated volume of trades for the week while New Gold dominated value of trades for the week, accounting for 51.48% and 90.55% of shares traded respectively.

The market ended the week with 3 advancers and 4 laggards as indicated on the table below.

Price Movers for the Week			
Equity	Opening Price	Closing Price	Gain/Loss (%)
UNIL	4.8	5.8	▲20.83%
GGBL	1.5	1.65	▲10.00%
TOTAL	6.42	6.43	▲0.16%
GLD	227.62	187.2	▼17.76%
SCB	13.9	12.51	▼10.00%
MTNGH	1.26	1.14	▼9.52%
SOGEGH	0.62	0.6	▼3.23%

Source: Ghana Stock Exchange



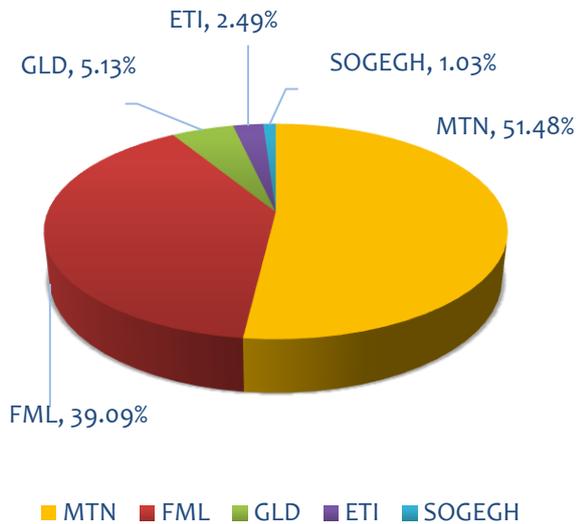
### Market Capitalization for Week Ending 19/05/2023



### 5 Best & 5 Worst Performing Stocks YTD Return



### Best 5 Traded Equities by Volume for the Week Ending 19/05/2023



### CURRENCY MARKET

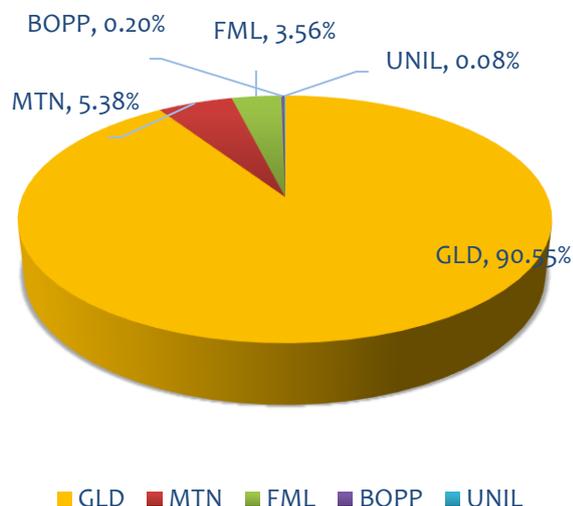
The Cedi picked up against the USD for the week. It traded at GH¢10.8128/\$, compared with GH¢10.9618/\$ at week open, reflecting w/w gain and YTD depreciation of 1.38% and 20.69% respectively. This compares with a loss of 15.79% a year ago.

The Cedi strengthened against the GBP for the week. It traded at GH¢13.4971/£, compared with GH¢13.6574/£ at week open, reflecting w/w appreciation and YTD depreciation of 1.19% and 23.60% respectively. This compares with a depreciation of 8.66% a year ago.

The Cedi also appreciated against the Euro for the week. It traded at GH¢11.7050/€, compared with GH¢11.9009/€ at week open, reflecting w/w gain and YTD depreciation of 1.67% and 21.87% respectively. This compares with a depreciation of 9.29% a year ago.

The Cedi again appreciated against the Canadian Dollar at week end. It opened at GH¢8.0121/C\$, but closed at GH¢8.0765/C\$, reflecting w/w gain and YTD depreciation of 1.00% and 21.09% respectively. This compares with a depreciation of 14.65% a year ago.

### Best 5 Traded Equities by Value for the Week Ending 19/05/2023

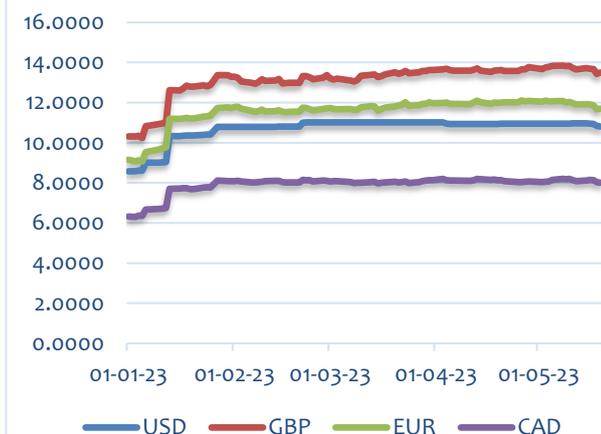


### Weekly Interbank Foreign Exchange Rates

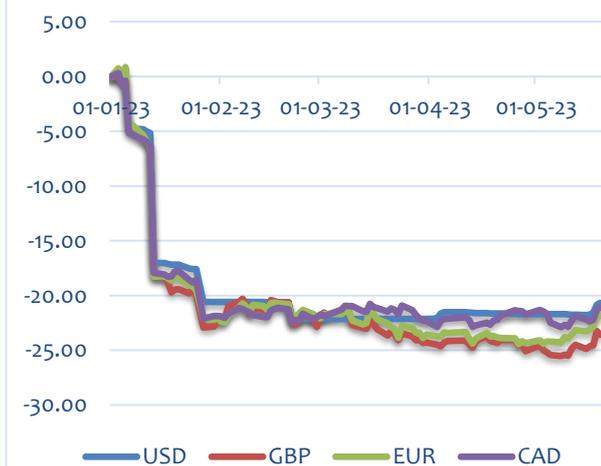
Currency Pair	Year Open	Week Open	Week Close	Change %	YTD %
	01-01-22	16-05-23	19-05-23		
USD/GHS	8.5760	10.9618	10.8128	▲ 1.38	▼ 20.69
GBP/GHS	10.3118	13.6574	13.4971	▲ 1.19	▼ 23.60
EUR/GHS	9.1457	11.9009	11.7050	▲ 1.67	▼ 21.87
CAD/GHS	6.3222	8.0918	8.0121	▲ 1.00	▼ 21.09

Source: Bank of Ghana

### Exchange Rates: Ghana Cedi vs Selected Currencies



### YTD Performance of the Ghana Cedi against Selected Currencies



## GOVERNMENT SECURITIES MARKET

Government raised a sum of GH¢2,728.02 million for the week across the 91-Day and 182-Day Treasury Bills. This compared with GH¢2,781.38 million raised in the previous week.

The 91-Day Bill settled at 20.56% p.a. from 20.43% p.a. last week whilst the 182-Day Bill settled at 23.36% p.a. from 22.96% p.a. last week.

The tables below highlight primary market activity at close of the week.

Security	Year Open	Previous Yield %	Current Yield %	WoW Chg (%)	YTD Chg (%)
	01-01-23	15-05-23	19-05-23		
91 Day TB	35.36	20.43	20.56	▲ 0.64	▼ 41.85
182 Day TB	35.98	22.96	23.36	▲ 1.72	▼ 35.09

Source: Bank of Ghana

The Ghana Market Summary			
	Current	Previous	Change
Bid (GH¢' M)	2,728.02	2,781.38	▼ 1.92%
Issuance (GH¢' M)	2,728.02	2,782.44	▼ 1.96%
Target (GH¢' M)	2,732	3,333	▼ 18.03%
Maturity (GH¢' M)	2,598.45	2,309.66	▲ 12.50%
Target coverage ratio	1.00	0.83	na
Maturity coverage ratio	1.05	1.20	na
Bid / Cover ratio	1.00	1.00	na

Source: Bank of Ghana

## COMMODITY MARKET

Oil prices slipped from a near US\$77 a barrel during the week, as investor concern over the risk of a U.S. debt default dampened risk appetite despite a rise in gasoline demand and supply cuts from OPEC+ producers. Brent futures traded at US\$75.58 a barrel, compared to US\$74.17 at week open, reflecting w/w gain and YTD loss of 1.90% and 12.02% respectively.

Gold prices ticked lower, negating a short-lived recovery, as markets remained focused on negotiations over raising the U.S. spending limit. Gold settled at US\$2,019.80, from US\$2,024.80 last week, reflecting w/w and YTD loss of 1.89% and 8.51% respectively.

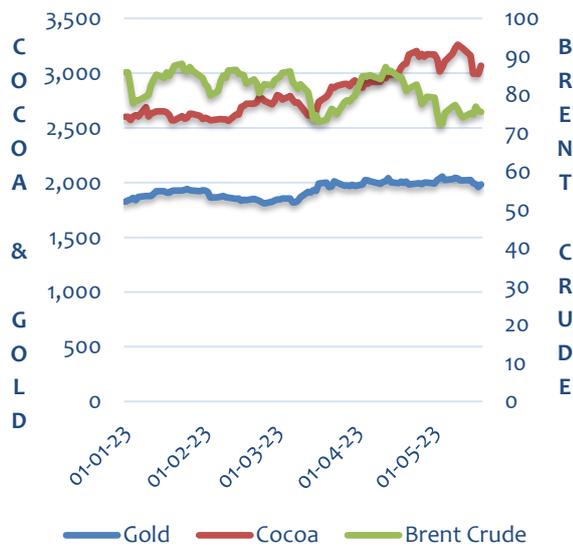
The price of Cocoa fell for the week. Cocoa traded at US\$3,068.00 per tonne on Friday, from US\$3,226.00 last week, reflecting w/w loss and YTD appreciation of 4.90% and 18.00% respectively.

### International Commodity Prices

Commodities	Year Open	Week Open	Week Close	Chg %	YTD %
	01-01-23	15-05-23	19-05-23		
Brent crude oil (USD/bbl)	85.91	74.17	75.58	▲ 1.90	▼ 12.02
Gold (USD/t oz.)	1,826.20	2,019.80	1,981.60	▼ 1.89	▲ 8.51
Cocoa (USD/MT)	2,600.00	3,226.00	3,068.00	▼ 4.90	▲ 18.00

Source: [www.investing.com](http://www.investing.com)

### International Commodity Prices - 2023



### BUSINESS TERM OF THE WEEK

**The Laffer Curve:** The Laffer Curve states that if tax rates are increased above a certain level, then tax revenues can actually fall because higher tax rates discourage people from working.

Equally, the Laffer Curve states that cutting taxes could, in theory, lead to higher tax revenues.

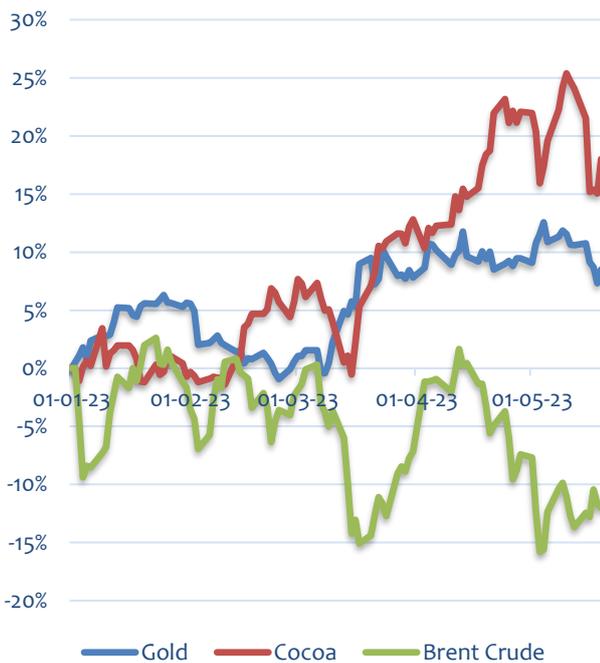
**Source:**

<https://www.economicshelp.org/blog/140859/economics/the-laffer-curve/>

### ABOUT CIDAN

CIDAN Investments Limited is an investment and fund management company licensed by the Securities & Exchange Commission (SEC) and the National Pensions Regulatory Authority (NPRA).

### YTD Performance of Selected Commodity Prices



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