

# WEEKLY FINANCIAL MARKET RESEARCH REPORT ENDING 2<sup>nd</sup> August 2024 (Week 31)

**Prudential Securities Limited**  
Prudential Bank Head Office Building  
No. 8 John Harmond Street, Ring Road Central - Accra, Ghana.  
**Telephone:** 030 276 9623; **Mobile/WhatsApp:** 055 110 2222  
**Email:** [info@prudentialsecurities.com.gh](mailto:info@prudentialsecurities.com.gh)  
**Website:** [www.prudentialsecurities.com.gh](http://www.prudentialsecurities.com.gh)

## PRIMARY MARKET

Interest rates on the Government of Ghana's securities inched up marginally across all tenures on the primary market, as the government missed its auction target for the fourth consecutive week.

The yield on the 91-day T-bill increased slightly by 3.68 basis points (bps), from 24.79% to 24.82% week-on-week (w/w). The rate on the 182-day T-bill also rose by 2.25 bps w/w, from 26.74% to 26.76%. However, the yield on the 364-day T-bill remained stable at 27.86%.

See the table below for a summary of interest rates on the primary market as at close of the week.

Securities	12-07-24	19-07-24	26-07-24	2-08-24	Chg. w/w
	%	%	%	%	Bps
91 Day Bill	24.7899	24.7879	24.7879	24.8247	+3.68
182 Day Bill	26.7468	26.7129	26.7415	26.7640	+2.25
364 Day Bill	27.7880	27.8075	27.8562	27.8578	+0.16

Source: The Bank of Ghana

## AUCTION RESULTS

The government's auction target of GH¢4.36 billion fell short by 12.82%, equivalent to GH¢ 559.19 million. The government accepted all bids submitted by investors, which amounted to GH¢ 3.803 billion.

See the table below for auction ratios.

Auction Target	Total Bids Tendered	Total Bids Accepted	Bid-to-Cover	Subscription Ratio
GH¢ million	GH¢ million	GH¢ million	x	x
4,363.00	3,803.81	3,803.81	1.000	0.8718

See the table below for the breakdown of the auction results.

Securities	Bids (Amt) Tendered	Bids (Amt) Accepted	Percentage of Bid Accepted
	GH¢ million	GH¢ million	
91 Day Bill	2,389.91	2,389.91	63%
182 Day Bill	1,170.86	1,170.86	31%
364 Day Bill	243.04	243.04	6%
<b>TOTAL</b>	<b>3,803.81</b>	<b>3,803.81</b>	<b>100%</b>

## UPCOMING GOG SECURITIES AUCTION

Upcoming Auction	
Auction Target	GH¢ 6.56 billion
Auction Date	August 9, 2024
Settlement Date	August 12, 2024
Securities	91, 182 & 364 Day T/Bill

## SECONDARY MARKET

The volume of securities traded on the secondary market last week increased by 31%, rising to GH¢3.8 billion from GH¢2.9 billion. Bills and bonds made up 47% and 53% of the total volume, respectively. The highest volume traded among bills was the 91-day bill maturing on October 28, 2024, which recorded a total volume of GH¢334.55 million and closed the week with a yield of 25.14%. The most traded bond was the one maturing on February 10, 2032, with a total face value of GH¢948.26 million and a closing yield of 25.56%.

## INTERBANK FOREX RATES

The cedi weakened against its major currencies over the week. It declined by 0.1413 against the US Dollar, closing at GH¢14.9696/US\$, compared to GH¢14.8283/US\$ at the start of the week, marking a year-to-date loss of 20.6%. The local currency also depreciated against the British Pound, settling at GH¢19.1409/£, and against the Euro, closing at GH¢16.3255/€.

See the table below for a summary of the Interbank FX rates.

### BOG Mid-Rate

Currency Pair	Year Open	Week Open	Week Close	w/w Chg.	YTD %
USDGHS	11.8800	14.8283	14.9696	-0.1413	-20.6
GBPGHS	15.1334	19.0818	19.1409	-0.0591	-20.9
EURGHS	13.1264	16.1075	16.3255	-0.2180	-19.6

Source: The Bank of Ghana

## STOCK MARKET

The GSE-Composite Index closed the week with 4,586.28 points and a year-to-date return of 46.52%, while the GSE-Financial Stock Index ended the week with 2,115.52 points and a year-to-date return of 11.25%.

The market capitalization of the local bourse stood at GH¢ 94.36 billion, with a year-to-date return of 29.30%.

		YTD
GSE-Composite Index	4,586.28	46.52%
GSE-Financial Stock Index	2,115.52	11.25%
Market Cap (GH¢ million)	94,355.99	29.30%
Volume Traded	735,157.00	-
Value Traded (GH¢)	1,944,468.33	-

Source: Ghana Stock Exchange

### Top Gainers

### Top Losers

Stock	Price	YTD	Stock	Price	YTD
UNIL	14.77	82.12%	EGL	1.55	-35.2%
GCB	5.9	73.53%	CAL	0.34	-29.2%
MTNGH	2.41	72.14%	DASPHARMA	0.38	-5.00%
ACCESS	4.80	41.18%			

Source: Ghana Stock Exchange

## BUSINESS/ECONOMIC NEWS

### Bank of Ghana Requires Ghana Card for Forex Transactions

The Bank of Ghana (BoG) has mandated licensed forex bureaus in the country to comply with new customer identification verification directives. Under these measures, individuals seeking to buy or sell foreign currencies must present a Ghana Card as proof of identification. Foreign nationals must provide their passports and undergo biometric verification. These directives will be effective from Thursday, August 1, 2024. Customers without a Ghana Card will be unable to conduct any forex transactions.

### Fitch to Assign Long-Term Local-Currency Rating to Ghana

Rating agency Fitch has stated that it will assign a Long-Term Local-Currency (LTLC) Issuer Default Rating (IDR) to Ghana once the country finalizes an agreement with private creditors on restructuring its foreign currency-denominated external debt. Fitch noted that this rating will be based on a forward-looking evaluation of Ghana's willingness and ability to meet its foreign currency debt obligations.

### UPCOMING EVENT:

- PSL Fixed Income Unit Trust 2023 Annual General Meeting
  - Date: 14<sup>th</sup> August 2024
  - Time: 1:30pm
  - [Financial Statement](#)

## About Prudential Securities Limited

Prudential Securities Limited (PSL) was incorporated on 19th November, 2004, as a wholly owned subsidiary of Prudential Bank Limited (PBL). The company is licensed by both Securities and Exchange Commission (SEC) and National Pensions Regulatory Authority (NPRA) to carry out the following business.

- To act as a fund manager
- To act as a pension fund manager

### Our Vision

- To be the preferred asset management company that will help stakeholders experience financial wellbeing.

### Our Mission

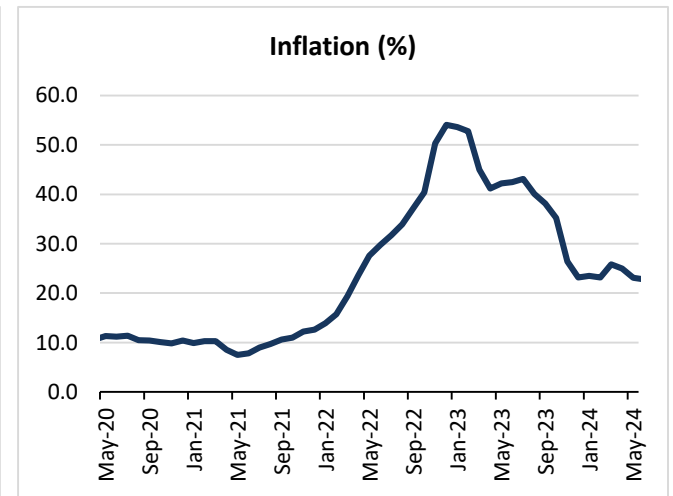
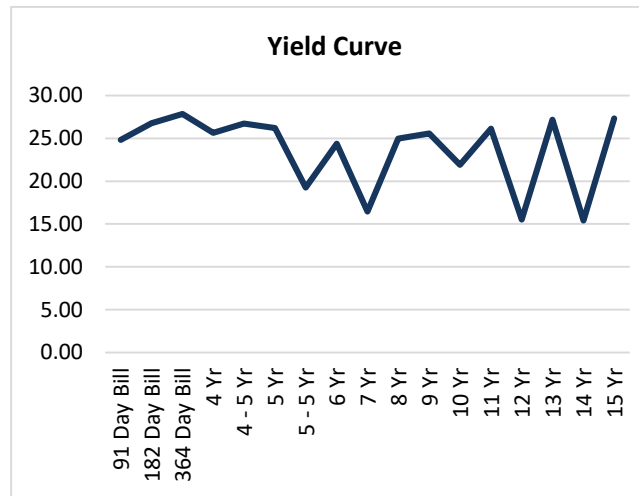
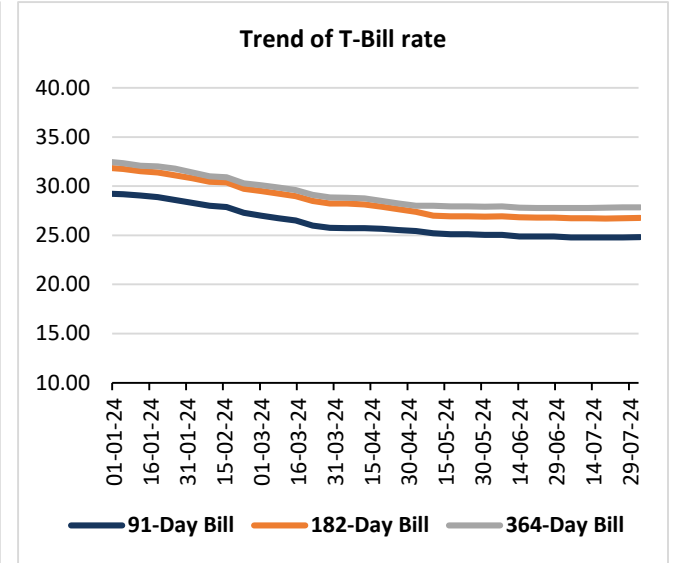
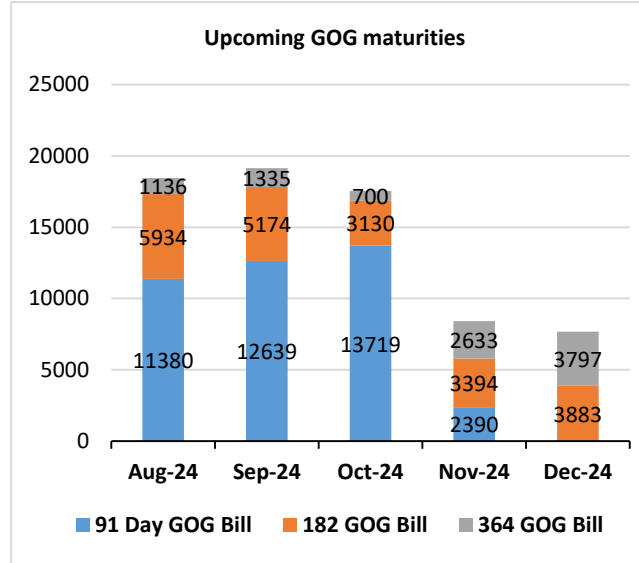
- To provide first class fund management and investment advisory services in a timely manner through customer service excellence, tailor made solutions and cutting-edge technology.

### Our Product and Services

- PSL Fixed Income Unit Trust ([click on items below](#))
  - [Brochure](#) | [Prospectus](#) | [Fund Fact Sheet](#)
- Investment Advisory
- Wealth Management
- Pensions Fund Management
- Provident Fund/Welfare scheme Management
- Personal Pension Management (PPM)

## GHANA MACROECONOMIC HIGHLIGHTS

Indicators	Current	Previous	Chg.
GDP Growth Rate (%)	1.2	1	0.2
GDP AGR (%)	4.7	3.8	0.9
Inflation (%)	22.8	23.1	-0.30
Monetary Policy Rate (%)	29.0	29.0	0.00
Unemployment Rate (%)	3.6	3.5	0.10
Gov't Debt to GDP (%)	84.9	92.4	-7.50
Balance of Trade (US\$ mil)	70.9	324	-253.10
Current Account (US\$ mil)	176	173	3.00
Current Account to GDP	1.4	-2.1	3.50
Government Budget	3.1	-8.3	11.40
Corporate Tax Rate (%)	25	25	0.00



### Research Contact

Ransford Owusu Adom

Email: [radom@prudentialsecurities.com.gh](mailto:radom@prudentialsecurities.com.gh)

Mobile: +233 247 165 823

Telephone: +233 302 769 623

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