

WEEKLY FINANCIAL MARKET RESEARCH REPORT

3rd Mar. – 7th Mar. 2025 (Week 10)

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
Website: www.prudentialsecurities.com.gh

PRIMARY MARKET

On the primary market, short-term government securities saw yields decline for the tenth straight auction this year, fueled by strong investor demand for low-risk assets.

The 91-day Treasury bill yield fell by 307.2 basis points (bps), dropping from 20.79% to 17.72%, marking its sharpest single-auction decline in recent months. Similarly, the 182-day tenor experienced a significant reduction from 22.99% to 18.97%. The 364-day bill followed suit, declining by 271.6 bps to close at 19.98% against a previous rate of 22.70%.

The table below summarizes interest rates on the primary market as of the end of the week.

Securities	14-02-25	21-02-25	28-02-25	7-03-25	Chg. w/w
	%	%	%	%	Bps
91 Day Bill	26.8591	24.4786	20.7906	17.7184	-307.2
182 Day Bill	27.8057	25.3874	22.9851	18.9682	-401.7
364 Day Bill	29.0745	27.2996	22.6994	19.9833	-271.6

Source: The Bank of Ghana

AUCTION RESULTS

The government exceeded its GHS 5.74 billion auction target by 79.6%, attracting GHS 10.31 billion in investor bids. It accepted GHS 6.22 billion while rejecting GHS 4.09 billion to optimize borrowing costs and liquidity management.

See the table below for auction ratios.

Auction Target	Total Bids Tendered	Total Bids Accepted	Bid-to-Cover	Subscription Ratio
GHS million	GHS million	GHS million	x	x
5,739.00	10,307.93	6,221.21	1.657	1.7961

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

	Bids Tendered	Bids Accepted	Bids Rejected	Percentage of Bids Accepted
Securities	GHS million	GHS million	GHS million	
91 Day Bill	6,009.36	4,431.54	1,577.82	71%
182 Day Bill	2,894.04	842.61	2,051.43	14%
364 Day Bill	1,404.53	947.06	457.47	15%
TOTAL	10,307.93	6,221.21	4,086.72	100%

UPCOMING GOG SECURITIES AUCTION

Upcoming Auction	
Auction Target	GHS 5.74 billion
Auction Date	March 7, 2025
Settlement Date	March 10, 2025
Securities	91, 182 and 364 Day T/Bill

Source: The Bank of Ghana

INTERBANK FOREX RATES

On the interbank foreign exchange market, the Cedi showed a slight strengthening against its major trading currencies.

The local currency appreciated by 0.01% week-on-week against the US Dollar, closing at GHS 15.53 per US Dollar, compared to GHS 15.54 at the start of the week, reducing its year-to-date depreciation from 5.41% to 5.34%. The Cedi also appreciated by 0.0934% against the British Pound Sterling, closing at GHS 19.55 per Pound (YTD: from -6.32% to -5.87%), and registered marginal gains against the Euro, ending the week at GHS 16.15 per Euro (YTD: from -6.35% to -5.81%).

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	14.7000	15.5400	15.5300	0.0100	-5.34
GBPGHS	18.4008	19.6418	19.5484	0.0934	-5.87
EURGHS	15.2141	16.2463	16.1524	0.0939	-5.81

Source: The Bank of Ghana

STOCK MARKET

The GSE-Composite Index closed the week at 5,659.76 points, achieving a year-to-date return of 15.78%. Similarly, the GSE-Financial Stock Index ended at 2,814.30 points, posting a year-to-date return of 18.21%. Additionally, the market capitalization of the local bourse rose to GHS 127.82 billion, reflecting a year-to-date gain of 14.65%.

See the table below for a summary of the week's stock market trading results.

		Year-To-Date
GSE-Composite Index	5,659.76	+15.78%
GSE-Financial Stock Index	2,814.30	+18.21%
Market Cap (GH¢ million)	127,820.29	+14.65%
Volume Traded	16,405,940.00	-
Value Traded (GH¢)	109,018,244.80	-

Source: Ghana Stock Exchange

TRADING ACTIVITIES

During last week's trading session, a total of 16.41 million shares were traded, valued at GHS 109.02 million.

Top Gainers

Top Losers

Stock	Price	YTD	Stock	Price	YTD
ETI	0.72	132.26%	RBGH	0.60	-9.09%
CAL	0.59	68.57%	EGH	6.25	-3.85%
SIC	0.37	37.04%			
ACCESS	6.82	31.15%			

Source: Ghana Stock Exchange

BUSINESS/ECONOMIC NEWS

Inflation stayed above 20% for 34 consecutive months; it's very alarming – IFS

The inflation rate in Ghana has stayed above 20% for 34 consecutive months.

According to the Institute for Fiscal Studies (IFS), this is very problematic, since such an extended period of time with inflation rate in Ghana exceeding 20% was thought to be a thing of the past. This is because higher inflation had been absent in the country for the past two decades before the current economic crisis. According to IFS, the current high inflation rate is as a result of macroeconomic instability due to excessive borrowing and high debt servicing.

[Source: myjoyonline](#)

Finance Minister to present first budget on March 11

The Minister for Finance Dr Cassiel Ato Forson will present his first budget to parliament on Tuesday, March 11, 2024. The budget will provide a full breakdown of the economy and the government's policy proposals to reset and facilitate Ghana's economic transformation agenda in line with Mahama's vision.

[Source: graphic](#)

Conclusion/Recommendation

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 the Securities and Exchange Commission (SEC) and the National Pensions Regulatory Authority (NPRO) to conduct 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 to help stakeholders experience financial well-being.

Our Mission

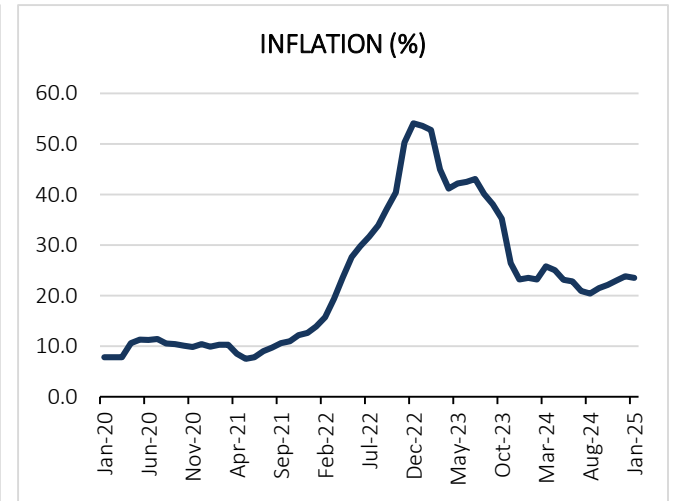
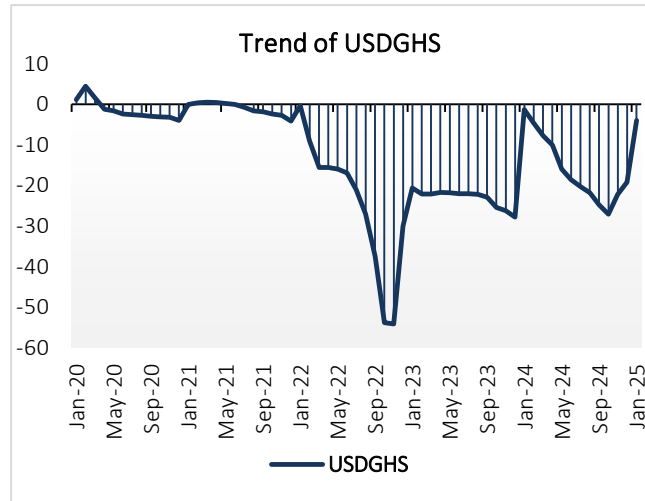
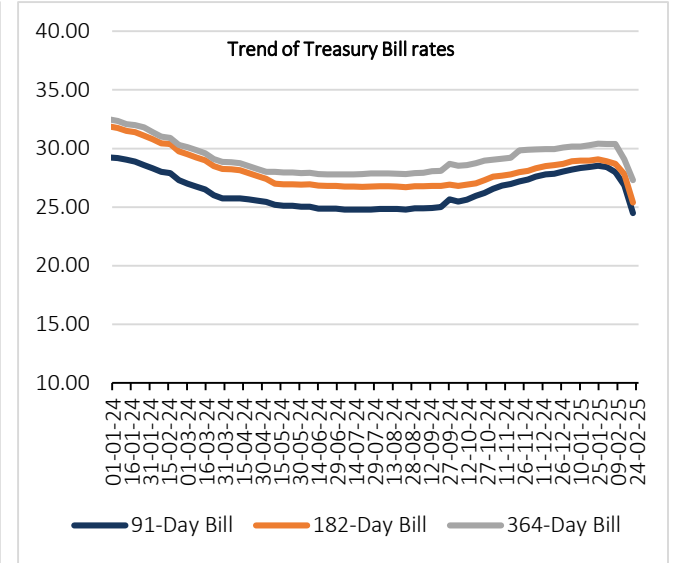
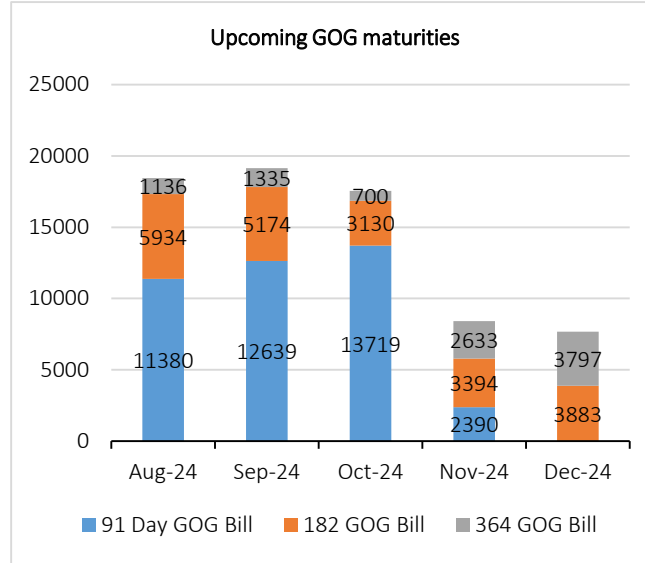
- To promptly provide first-class fund management and investment advisory services through customer service excellence, tailor-made solutions, and cutting-edge technology.

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 (%)	1.7	1.6	0.1
GDP AGR (%)	7.2	7	0.2
Inflation (%)	23.5	23.8	-0.30
Monetary Policy Rate (%)	27.0	27.0	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)	641	562	79.00
Current Account (US\$ mil)	910	952	-42.00
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

Mobile: +233 247 165 823

Telephone: +233 302 769 623

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