

CIDAN INVESTMENTS LIMITED



WEEKLY MARKET REVIEW FOR THE WEEK ENDING

March 06, 2020

MACROECONOMIC INDICATORS

2019 GDP	6.0%
Projected GDP for 2019	7.1%
BoG Policy Rate – January 2020	16.0%
Weekly Interbank Interest Rate	16.1%
Inflation for January, 2020	7.8%
End Period Inflation Target - 2020	8.0%
Budget Deficit (% GDP) – Nov, 2019	4.8%
2019 Budget Deficit Target (%GDP)	4.5%
Public Debt (billion GH¢) – Nov, 2019	214.9
Debt to GDP Ratio – Nov, 2019	62.1%

STOCK MARKET REVIEW

The stock market closed weaker in the review week as the laggards dominated the gainers. The GSE Composite Index (GSE CI) shed 23.85 points (-1.08%) to close at 2,188.05 points, compared to 2,211.89 points at the close of the previous week. This translates into a year-to-date (YTD) loss of 3.06%. The GSE Financial Stocks Index however gained 0.81 points to close the week at 1,965.36 points, reducing its YTD loss to 2.69%.

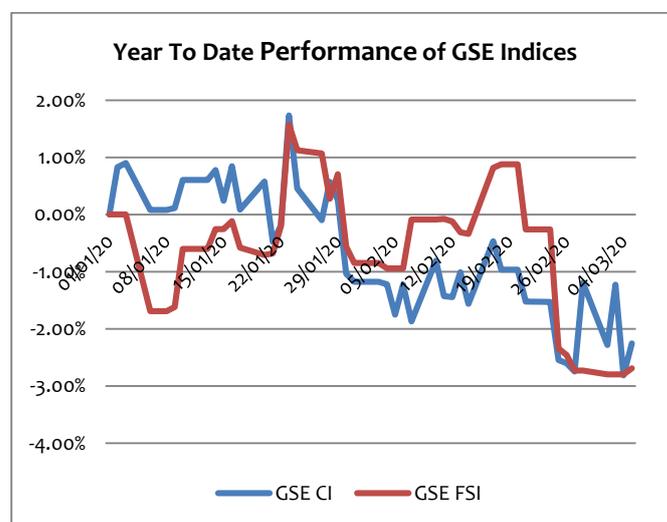
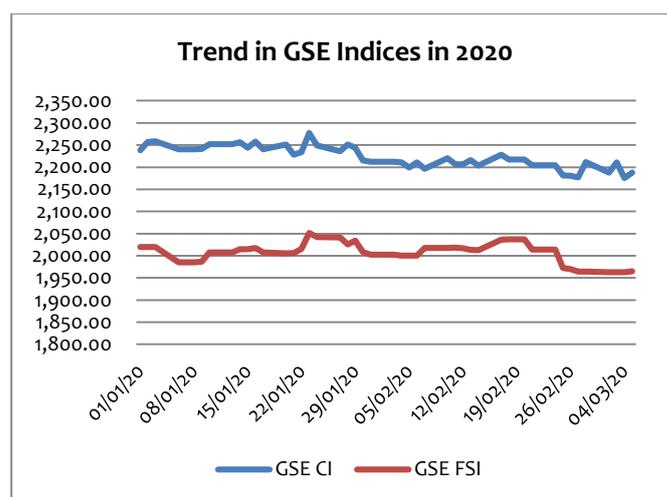
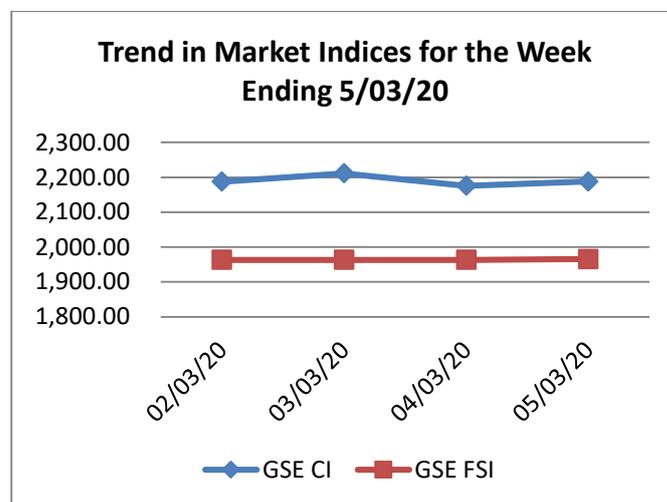
Market capitalization meanwhile decreased by 0.44% for the week from GH¢56,529.36 million at the close of the previous week to GH¢56,281.93 million at the close of the week. This represents YTD decline of 0.90%.

There was significant activity on the market compared with the preceding week. A sum of 9,896,381 shares, valued at GH¢7,427,841.99 changed hands for the week, compared with total volume and value of 3,261,031 and GH¢1,816,988.88 recorded in the preceding week respectively. MTNGH dominated both volume and value of shares traded for the week. MTNGH accounted for 84.89% (8,399,110 shares) of total volume of shares and 79.11% (GH¢5,876,295.10) of total value of shares traded for the week.

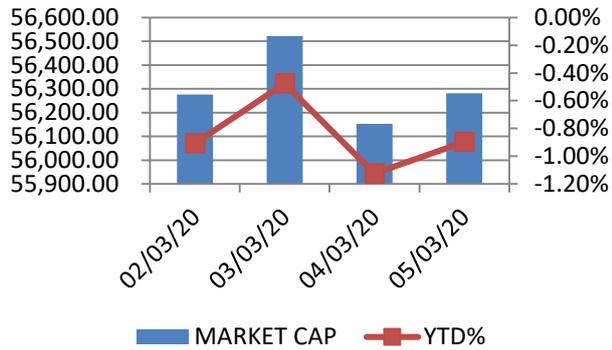
The market closed on Friday with a lone gainer and 4 laggards for the week. Cal Bank Ltd. the sole gainer closed at GH¢0.92 from GH¢0.90 at week open. MTN Ghana Ltd. on the other hand led the

laggards, its share price closed at GH¢0.68 from GH¢0.70 at week open. Thirty Five (35) counters remained flat at the closing bell on Friday.

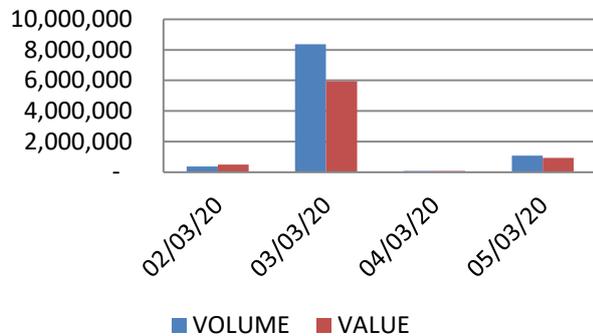
The graphs and table below highlight activity on the market during the week.



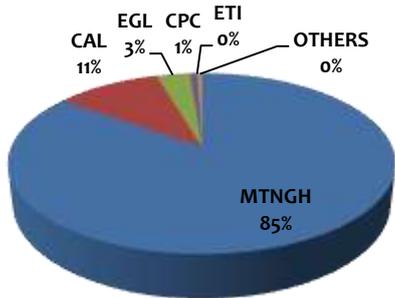
Market Capitalization for the Week Ending 5/03/20



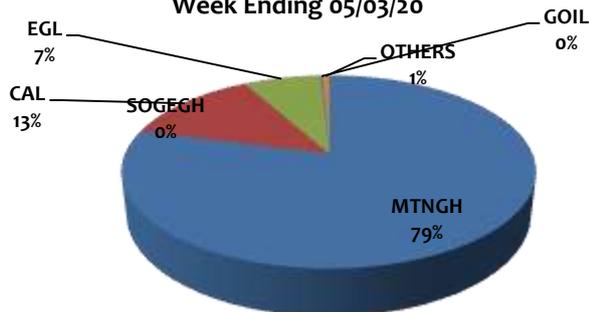
Volume & Value Traded for the Week Ending 5/03/20



Best 5 Traded Equities by Volume for the Week Ending 05/03/20



Best 5 Traded Equities by Value for the Week Ending 05/03/20



Best 5 & Worst 5 Performing Stocks

Best Performing Stocks:	YTD Return
Inc. SIC Insurance Company Ltd.	25.00%
Republic Bank (Ghana) Ltd.	3.57%
Standard Chartered Bank Gh. Ltd.	3.37%
Ghana Oil Company Limited	2.94%
Dannex Ayrton Starwin Plc.	2.56%
Worst Performing Stocks:	
Unilever Ghana Ltd.	-14.76%
Access Bank Ghana PLC	-10.00%
Ecobank Ghana Ltd.	-9.77%
GCB Bank Ltd.	-5.49%
Guinness Ghana Breweries Ltd.	-5.33%

CURRENCY MARKET

The Cedi weakened against the USD for the second straight week. It traded at GH¢5.3001/\$ on Friday, compared with GH¢5.2949/\$ at week open, reflecting w/w depreciation and YTD appreciation of 0.10% and 4.41% respectively against the USD. This compares with YTD depreciation of 7.67% a year ago.

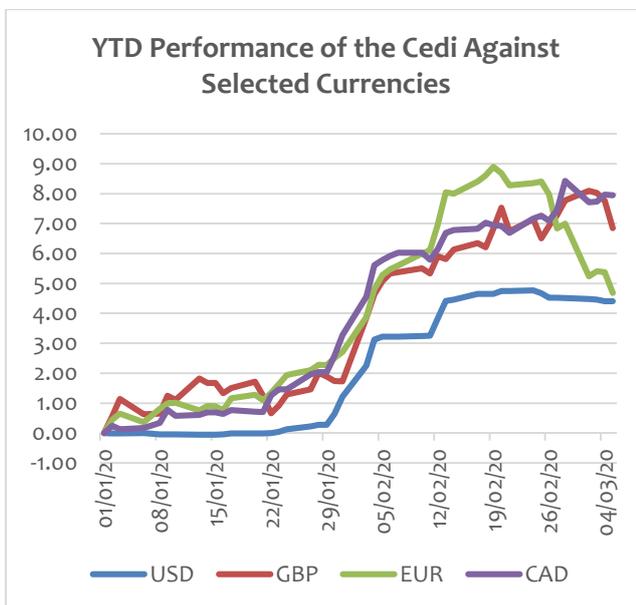
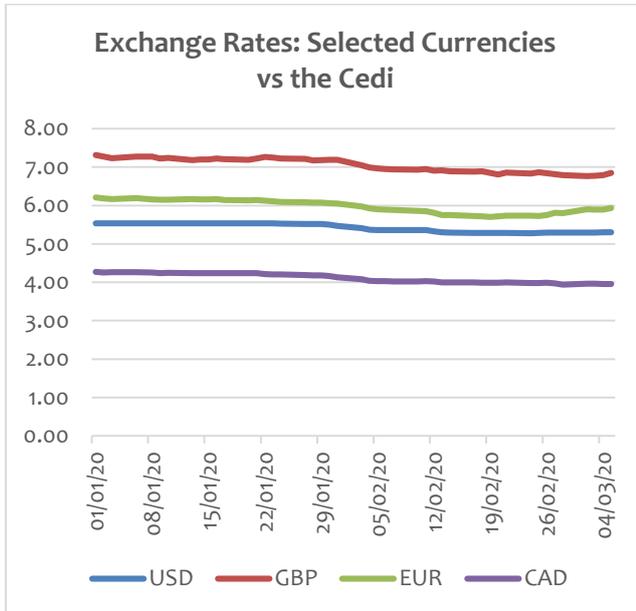
The Cedi also weakened against the Euro on the week. It traded at GH¢5.9336/€, compared with GH¢5.8048/€ at week open, reflecting w/w depreciation and YTD appreciation of 2.17% and 4.68% respectively against the Euro. This compares with YTD depreciation of 5.99% a year ago.

The Cedi again weakened against the GBP on the week. It traded at GH¢6.8471/£, compared with GH¢6.7881/£ at week open, reflecting w/w depreciation and YTD appreciation of 0.86% and 6.85% respectively against the GBP. This compares with YTD depreciation of 9.46% a year ago.

The Cedi similarly weakened against the CAD for the week. It opened at GH¢3.9361/C\$ but closed at GH¢3.9539/C\$, reflecting w/w depreciation and YTD appreciation of 0.45% and 7.95% respectively against the CAD. This compares with YTD depreciation of 9.05% a year ago.

Weekly Interbank Foreign Exchange Rates					
Currency Pair	Year Open	Week Open	Week Close	Change %	YTD %
	01/01/20	02/03/20	05/03/20		
USD/GHS	5.5337	5.2949	5.3001	-0.10	4.41
GBP/GHS	7.3164	6.7881	6.8471	-0.86	6.85
EUR/GHS	6.2114	5.8048	5.9336	-2.17	4.68
CAD/GHS	4.2681	3.9361	3.9539	-0.45	7.95

Source: Bank of Ghana



GOVERNMENT SECURITIES MARKET

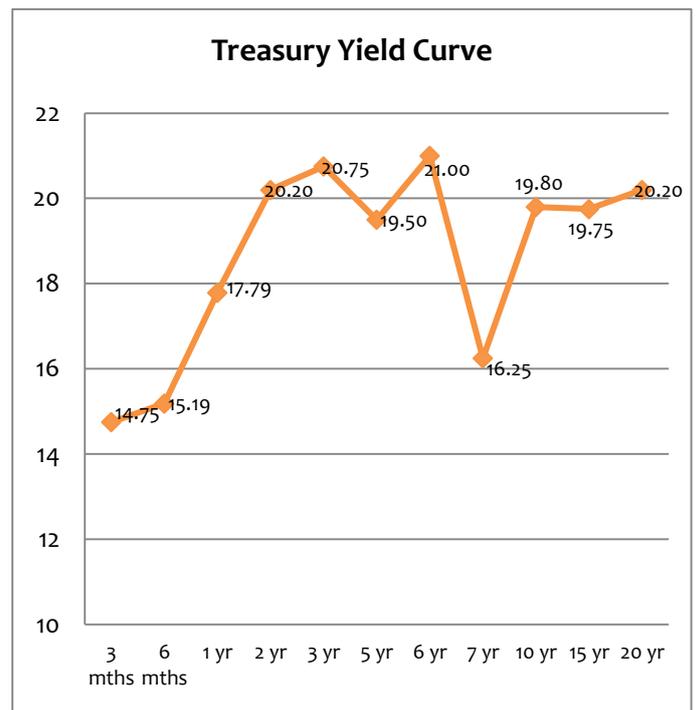
Government raised a total of GH¢1,992.63 million in the week under review across the 91-Day, 182-Day, 364-Day Treasury Bills and a 3-Year Bond. This compared with GH¢609.40 million raised in the previous week.

The 91-Day and 182-Day Bills added 2bps each to settle at 14.75% and 15.19% respectively. The 364-Day Bill also inched up by 8bps to settle at 17.79% whilst the 3-Year Bond stayed flat at 20.75%.

Please see below for more details.

Security	Year Open	Previous Yield %	Current Yield %	Chg %	YTD %
	01/01/20	28/02/20	05/03/20		
91 day TB	14.70	14.73	14.75	0.12	0.37
182 day TB	15.15	15.17	15.19	0.12	0.28
364 day TB	17.90	17.71	17.79	0.43	-0.63
2-Yr FXR TN	20.95	20.20	20.20	0.00	-3.58
3-Yr Bond	19.7	20.75	20.75	0.00	5.33
5-Yr Bond	19.50	19.50	19.50	0.00	0.00
6-Yr Bond	21.00	21.00	21.00	0.00	0.00
7-Yr Bond	16.25	16.25	16.25	0.00	0.00
10-Yr Bond	19.8	19.8	19.8	0.00	0.00
15-Yr Bond	19.75	19.75	19.75	0.00	0.00
20-Yr Bond	20.2	20.2	20.2	0.00	0.00

Source: Bank of Ghana



COMMODITY MARKET

Gold prices rallied on the week supported by the threat of the CoVid-19 on global output. Gold futures settled at US\$1,672.40 per ounce on

Friday, reflecting w/w and YTD gains of 5.37% and 9.96% respectively.

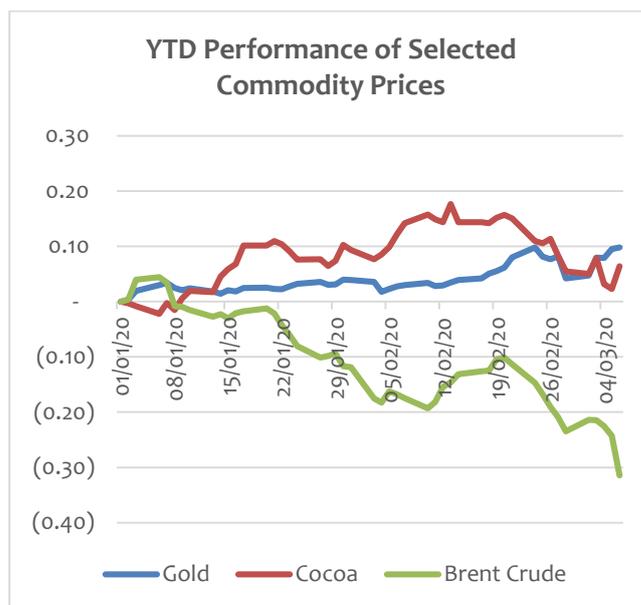
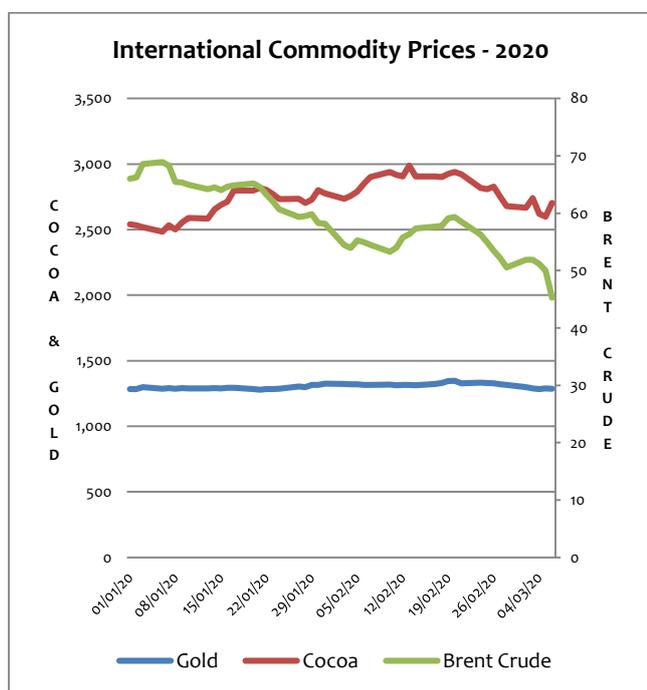
Oil prices plunged for the week weighed by the impact of the CoVid-19 on demand and a trade war between Saudi Arabia and Russia that started on Friday. Brent futures traded at US\$45.27 a barrel on Friday, reflecting w/w and YTD losses of 10.39% and 31.41% respectively.

Prices of Cocoa meanwhile posted gains for the week. Cocoa futures settled at US\$2,702.00 per tonne on Friday, reflecting w/w and YTD gains of 0.86% and 6.38% respectively.

International Commodity Prices

Commodities	Year Open	Week Open	Week Close	Chg %	YTD %
	01/01/20	02/03/20	06/03/20		
Brent crude oil (USD/bbl)	66.00	50.52	45.27	10.39	-31.41
Gold (USD/t oz.)	1,520.95	1,587.15	1,672.40	5.37	9.96
Cocoa (USD/MT)	2,540.00	2,679.00	2,702.00	0.86	6.38

Source: www.investing.com



BUSINESS TERM OF THE WEEK

Loss Reserve: Loss reserve is an estimate of an insurer's liability from future claims. Typically comprised of liquid assets, loss reserves allow an insurer to cover claims made against policies that it underwrites. Estimating liabilities can be a complex undertaking. Insurers must take into account the duration of the insurance contract, the type of insurance offered and the odds of a claim being resolved quickly. Insurers have to adjust their loss reserve calculations as circumstances change.

Source www.investopedia.com

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 (NPR).

RESEARCH TEAM

Name: Ernest Tannor
 Email: etannor@cidaninvestments.com
 Tel: +233 (0) 20 881 8957

Name: JedidiahJojoAnseh
 Email: jansah@cidaninvestments.com
 Tel: +233 (0) 54 295 1048

CORPORATE INFORMATION

CIDAN Investments Limited

CIDAN House

Plot No. 169 Block 6

Haatso, North Legon – Accra

Tel: +233 (0) 26171 7001/ 26 300 3917

Fax: +233 (0)30 254 4351

Email: info@cidaninvestments.com

Website: www.cidaninvestments.com

Disclaimer

The contents of this report have been prepared to provide you with general information only. Information provided on and available from this report does not constitute any investment recommendation.

The information contained herein has been obtained from sources that we believe to be reliable, but its accuracy and completeness are not guaranteed.