

CIDAN INVESTMENTS LIMITED



WEEKLY MARKET REVIEW FOR THE WEEK ENDING

April 24, 2020

MACROECONOMIC INDICATORS

| | |
|---------------------------------------|--------|
| 2019 GDP | 6.5% |
| Projected GDP for 2019 | 7.1% |
| BoG Policy Rate – March 2020 | 14.50% |
| Weekly Interbank Interest Rate | 13.92% |
| Inflation for March, 2020 | 7.8% |
| End Period Inflation Target - 2020 | 8.0% |
| Budget Deficit (% GDP) – Dec, 2019 | 4.8% |
| 2019 Budget Deficit Target (%GDP) | 4.5% |
| Public Debt (billion GH¢) – Dec, 2019 | 218.0 |
| Debt to GDP Ratio – Dec, 2019 | 63.0% |

STOCK MARKET REVIEW

The stock market closed stronger in the review week on the back of gains in 3 counters. The GSE Composite Index (GSE CI) gained 46.04 points (1.84%) to close at 2,152.63 points, compared to 2,106.58 points at the close of the previous week. This translates into a year-to-date (YTD) loss of 4.63%. The GSE Financial Stocks Index also added 63.09 points to close the week at 1,891.23 points, reducing its YTD loss to 6.36%.

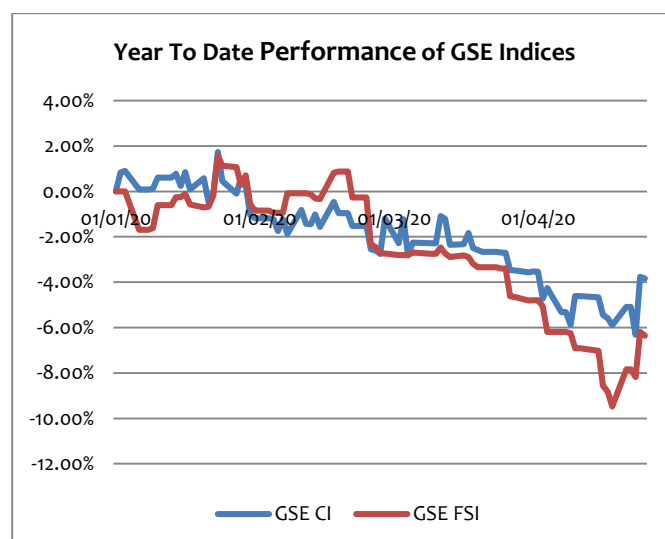
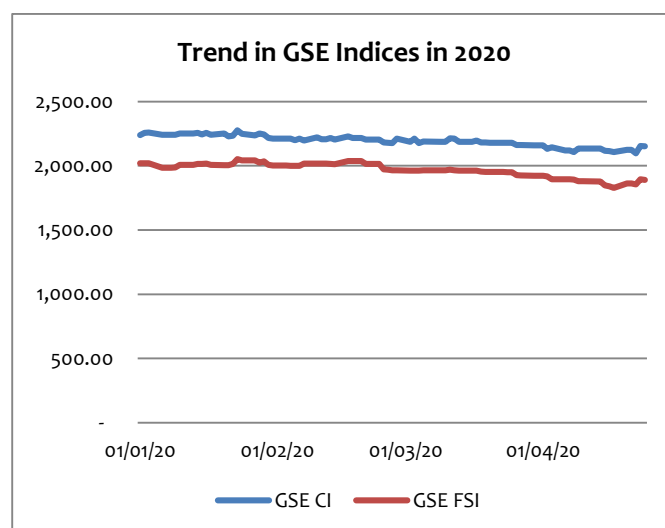
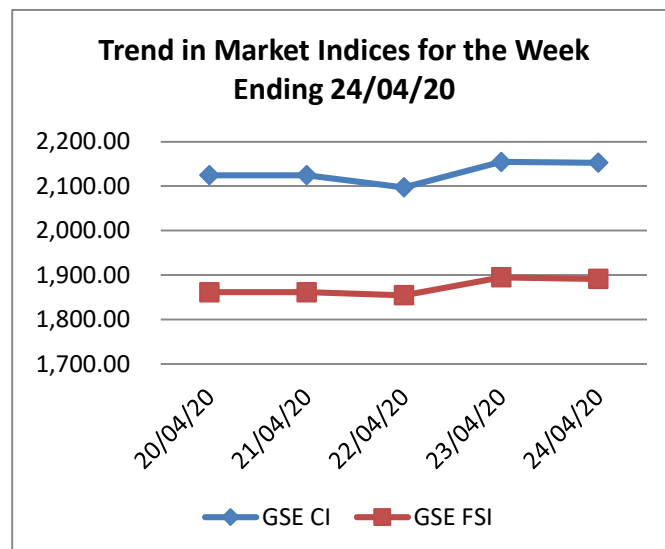
Market capitalization increased by 0.74% for the week from GH¢55,256.27 million at the close of the previous week to GH¢55,739.11 million at the close of the week. This represents YTD decline of 1.85%.

There was less activity on the market compared with that of the preceding week. A total of 419,977 shares, valued at GH¢722,370.02 changed hands for the week, compared with 1,001,178 shares valued at GH¢1,502,107.20 recorded in the preceding week. MTNGH dominated both volume and value of shares traded for the week respectively. MTNGH accounted for 76.93% (323,100 shares) of total volume of shares traded and 30.69% (GH¢221,702.00) of total value of shares traded for the week.

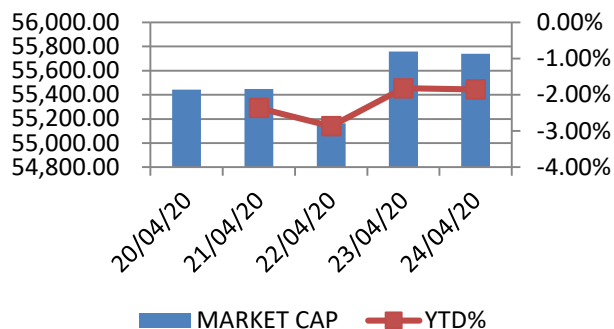
The market closed on Friday with three laggards and three gainers. Ecobank Ghana Ltd. led the gainers with its share price closing at GH¢7.00 from GH¢5.80. On the flip side, Republic Bank (Ghana) Ltd. led the laggards. It closed trading at

GH¢0.57. Thirty five (35) counters remained flat at the closing bell on Friday.

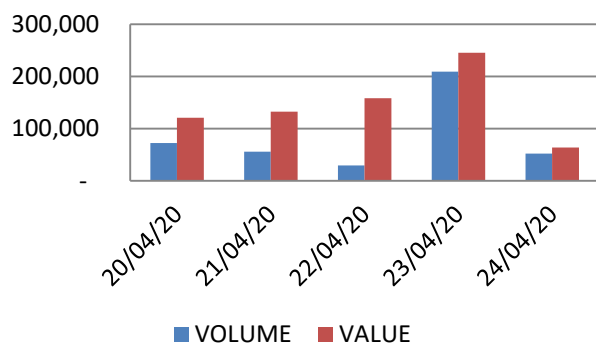
The graphs and table below highlight activity on the market during the week.



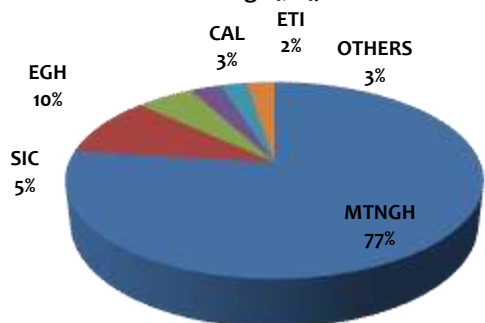
Market Capitalization for the Week Ending 24/04/20



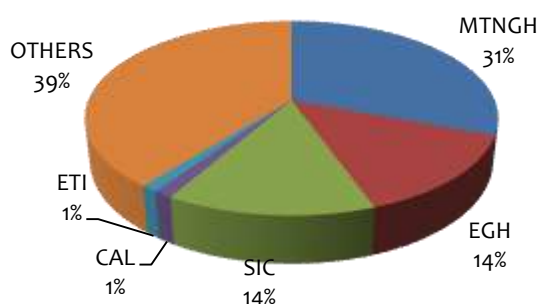
Volume & Value Traded for the Week Ending 24/04/20



Best 5 Traded Equities by Volume for the Week Ending 24/04/20



Best 5 Traded Equities by Value for the Week Ending 24/04/20



Best 5 & Worst 5 Performing Stocks

| Best Performing Stocks: | YTD Return |
|----------------------------------|------------|
| Inc. SIC Insurance Company Ltd. | 25.00% |
| Camelot Ghana Ltd. | 22.22% |
| Enterprise Group Ltd. | 3.03% |
| Dannex Ayrton Starwin Plc. | 2.56% |
| Standard Chartered Bank Gh. Ltd. | 2.01% |
| Worst Performing Stocks: | |
| Intravenous Infusion Ltd | -40.00% |
| Trust Bank Gambia Ltd | -15.00% |
| Cal Bank Ltd | -13.48% |
| Ecobank Ghana Ltd. | -13.47% |
| Ecobank Transnational Inc. | -12.50% |

CURRENCY MARKET

The Cedi weakened against the USD for the ninth straight week. It traded at GH¢5.5449/\$ on Friday, compared with GH¢5.5100/\$ at week open, reflecting w/w and YTD depreciations of 0.63% and 0.20% respectively against the USD. This compares with YTD depreciation of 5.27% a year ago.

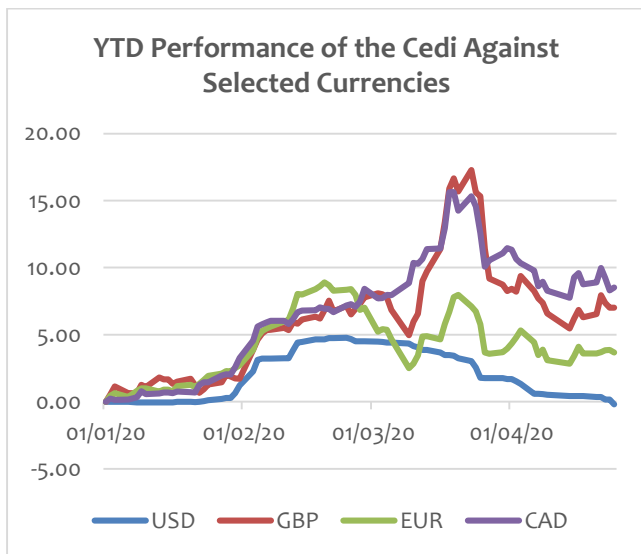
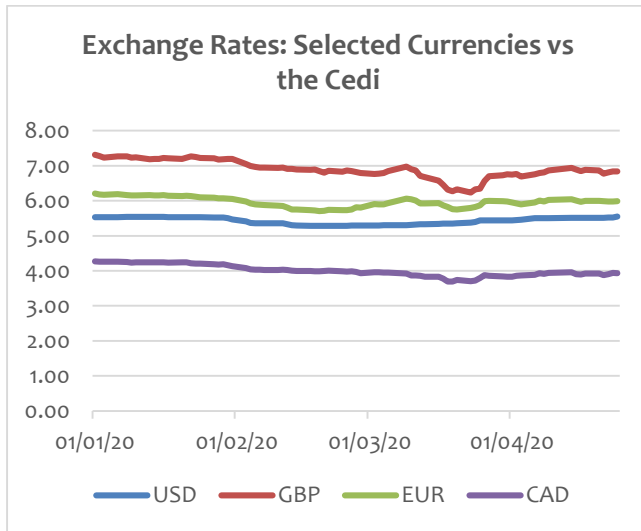
The Cedi on the contrary strengthened against the Euro on the week. It traded at GH¢5.9912/€, compared with GH¢5.9949/€ at week open, reflecting w/w and YTD appreciations of 0.06% and 3.67% respectively against the Euro. This compares with YTD depreciation of 2.92% a year ago.

The Cedi similarly strengthened against the GBP on the week. It traded at GH¢6.8366/£, compared with GH¢6.8834/£ at week open, reflecting w/w and YTD appreciations of 0.68% and 7.02% respectively against the GBP. This compares with YTD depreciation of 6.22% a year ago.

The Cedi meanwhile weakened against the CAD for the week. It opened trading at GH¢3.9243/C\$, but closed at GH¢3.9329/C\$, reflecting w/w depreciation and YTD appreciation of 0.22% and 8.52% respectively against the CAD. This compares with YTD depreciation of 6.51% a year ago.

| Currency Pair | Year Open | Week Open | Week Close | Change % | YTD % |
|---------------|-----------|-----------|------------|----------|-------|
| | 01/01/20 | 20/04/20 | 24/04/20 | | |
| USD/GHS | 5.5337 | 5.5100 | 5.5449 | -0.63 | -0.20 |
| GBP/GHS | 7.3164 | 6.8834 | 6.8366 | 0.68 | 7.02 |
| EUR/GHS | 6.2114 | 5.9949 | 5.9912 | 0.06 | 3.67 |
| CAD/GHS | 4.2681 | 3.9243 | 3.9329 | -0.22 | 8.52 |

Source: Bank of Ghana



GOVERNMENT SECURITIES MARKET

Government raised a total of GH¢1,134.85 million in the week under review across the 91-Day, 182-Day and 364-Day Treasury Bills. This compared with GH¢1,358.78 million raised in the previous week.

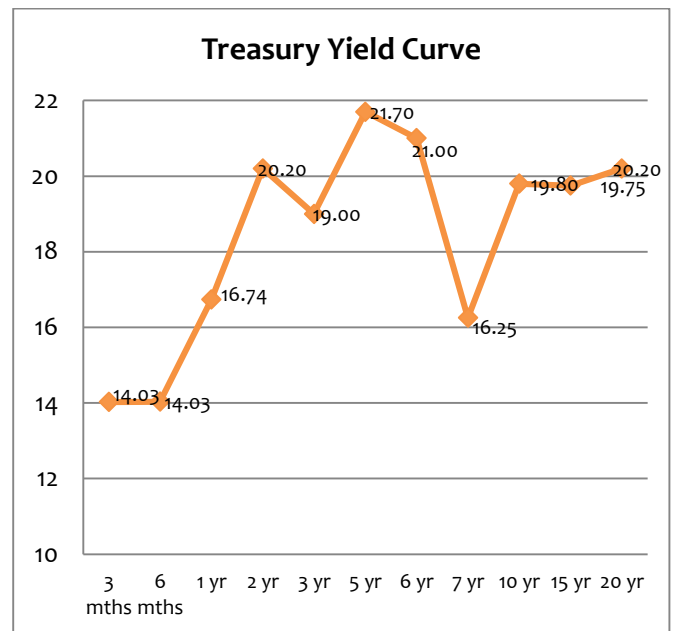
The 91-Day and 182-Day Bills respectively added 17bps and 4bps to settle at 14.03% each. The

364-Day bill on the other hand trimmed 5bps to settle at 16.74%.

Please see below for more details.

| Security | Year Open | Previous Yield % | Current Yield % | Chg % | YTD % |
|-------------|-----------|------------------|-----------------|-------|-------|
| | 01/01/20 | 17/04/20 | 24/04/20 | | |
| 91 Day TB | 4.70 | 13.86 | 14.03 | 1.21 | -4.57 |
| 182 Day TB | 15.15 | 13.99 | 14.03 | 0.32 | -7.37 |
| 364 Day TB | 17.90 | 16.79 | 16.74 | -0.28 | -6.48 |
| 2-Yr FXR TN | 20.95 | 20.20 | 20.20 | 0.00 | -3.58 |
| 3-Yr Bond | 19.7 | 19 | 19.00 | 0.00 | -3.55 |
| 5-Yr Bond | 19.50 | 21.70 | 21.70 | 0.00 | 11.28 |
| 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 futures strengthened on the week following gains in U.S. equities which limited liquidations in gold. Gold futures settled at US\$1,735.60 per ounce on Friday, reflecting w/w and YTD gains of 2.17% and 14.11% respectively.

Oil prices traded higher on Friday but tallied losses on the week following a plunge in prices on Monday. Brent futures traded at US\$21.44 a

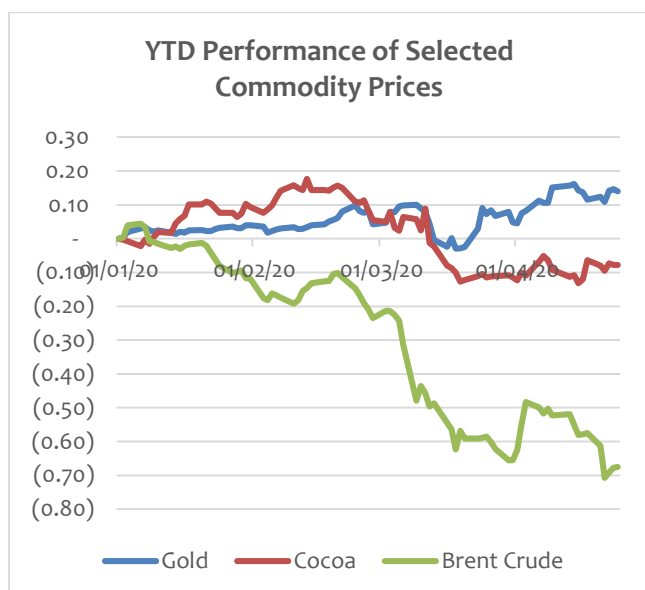
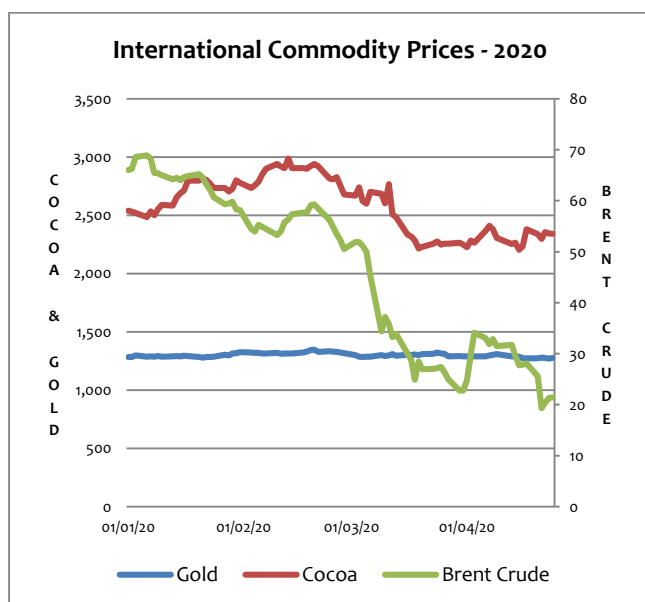
barrel on Friday, reflecting w/w and YTD losses of 23.65% and 67.52% respectively.

Prices of Cocoa also weakened for the week. Cocoa futures settled at US\$2,341.00 per tonne on Friday, reflecting w/w and YTD losses of 1.60% and 7.83% respectively.

International Commodity Prices

| Commodities | Year Open | Week Open | Week Close | Chg % | YTD % |
|---------------------------|-----------|-----------|------------|-------|--------|
| | 01/01/20 | 20/04/20 | 24/04/20 | | |
| Brent crude oil (USD/bbl) | 66.00 | 28.08 | 21.44 | 23.65 | -67.52 |
| Gold (USD/t oz.) | 1,520.95 | 1,698.80 | 1,735.60 | 2.17 | 14.11 |
| Cocoa (USD/MT) | 2,540.00 | 2,379.00 | 2,341.00 | -1.60 | -7.83 |

Source: www.investing.com



BUSINESS TERM OF THE WEEK

Retainer Fee: A retainer fee is an amount of money paid upfront to secure the services of a consultant, freelancer, lawyer, or other professional. It's most commonly paid to individual third parties that have been engaged by the payer to perform a specific action on their behalf. These fees, almost always paid upfront, only ensure the commitment of the receiver.

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 (NPRO).

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