



## ECONOMIC REVIEW

	Q1 '19	Q1 '18
<b>Monetary Policy</b>	▼ 16.00%	20.00%
<b>Reference Rate<sup>1</sup></b>	16.13%	-
<b>Inflation Rate</b>	▼ 9.20% <sup>2</sup>	10.40%
<b>Interest Rate (%)</b>		
<b>91- Day Bill</b>	▲ 14.71%	13.34%
<b>182- Day Bill</b>	▲ 15.15%	13.90%
<b>364-Day Bill<sup>3</sup></b>	▲ 18.11%	15.00%
<b>2-Year Note</b>	▲ 19.75%	16.50%
<b>3-Year Bond</b>	▲ 20.00%	16.50%
<b>Interbank Exchange Rate (%)*</b>		
<b>GHA-USD</b>	▼ 5.32	▲ 0.28
<b>GHA-GBP</b>	▼ 8.75	▼ 3.33
<b>GHA-EUR</b>	▼ 4.10	▼ 3.64

1 Figure for 2018 is not available

2 Figure represents Feb 2019 since Mar 2019 figures have not been released at the time of writing this report.

3 The 1-Year Note has been changed to 364-Day Bill

\* for the exchange rate; Cedi app (▲) and Cedi Dep (▼)

Unless otherwise, figures represents Jan 2019–Mar 2019 period

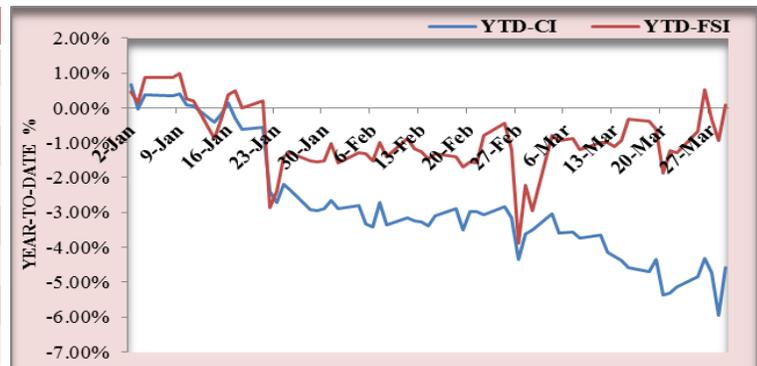
The Ghanaian economic expansion leveled off at the end of first quarter 2019, weighed down by the weakening of the Cedi and dampening confidence in the financial markets. However some macro economic indicators such as inflation and the monetary policy rate remained relatively stable.

The stock market remained bearish due to investor apathy accounting for low demand for stocks. Domestically, fund managers appeared to prefer fixed-term securities to shares as they seem to be risk conscious. The state of the market was depicted by the Composite Index (CI) which recorded a year-to-date loss of 4.58% compared to a whopping gain of 30.51% the same period in 2018. However, the Financial Stock Index closed the quarter with a year-to-date gain of 0.07% after starting the year by making losses. Further to the fall in prices, the market capitalization recorded a year-to-date decline of 3% compared to an increase of 9.47% for the same period a year ago.

Again, liquidity was 45% lower from the previous year's 36 million shares. MTNGH traded 34% of market volume for the quarter to emerge as the most liquid stock out of the shares of 33 companies exchanging hands on the bourse.

## Stock Market Summary

Indicator	Q1 '19	Q1 '18
<b>GSE-CI</b>	2,454.51	3,366.85
<b>YTD- CI</b>	▼ -4.58%	▲ 30.51%
<b>GSE-FSI</b>	2,155.29	3,052.35
<b>YTD-FSI</b>	▲ 0.07%	▲ 32.1%
<b>Market Cap (GH¢'M)</b>	59,750.01	64,375.88
<b>Volume</b>	19,734,945	36,089,693
<b>Value (GH¢)</b>	39,641,510.42	102,737,047.00



## GAINERS

Ticker	Year High (GH¢)	Year low (GH¢)	Year Open (GH¢)	End of Quarter (GH¢)	Gain ▲ (%)
<b>TOTAL</b>	5.10	3.04	3.40	5.09	49.71
<b>SOEGEH</b>	0.98	0.75	0.75	0.90	20.00
<b>AYRTN</b>	0.08	0.07	0.07	0.08	14.29
<b>ACCESS</b>	4.00	3.00	3.55	4.00	12.68
<b>ALW</b>	0.09	0.08	0.08	0.09	12.50
<b>CAL</b>	1.08	0.85	0.98	1.05	7.14
<b>EGH</b>	8.03	6.50	7.50	8.03	7.07
<b>GGBL</b>	2.20	2.18	2.18	2.19	0.46
<b>EGL</b>	2.31	2.00	2.24	2.25	0.45

TOTAL was the front runner in the pack of 9 gainers with a 49.71% gain to close the quarter at GH¢5.09; this was on the back positive financial results for 2018. SOEGEH followed with a 20% gain to close at GH0.90; as investors anticipate payment of dividend declared by the Bank.



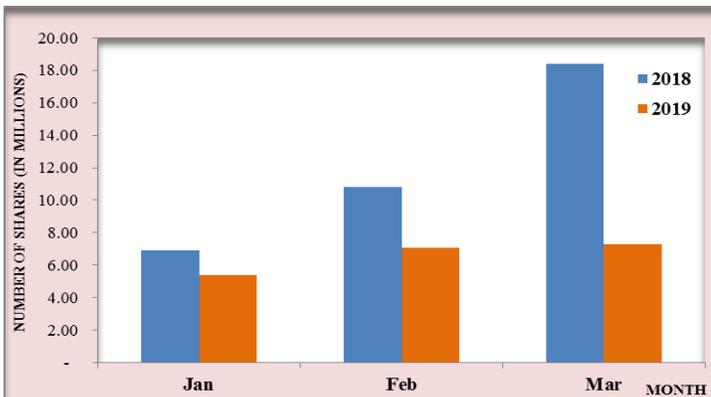
**LOSERS**

Ticker	Year High (GH¢)	Year low (GH¢)	Year Open (GH¢)	End of Quarter (GH¢)	Loss ▼(%)
SIC	0.25	0.15	0.19	0.15	21.05
GOIL	3.12	2.51	3.12	2.51	19.55
BOPP	5.09	4.12	5.09	4.15	18.47
SCB PREF	1.00	0.85	1.00	0.85	15.00
GCB	4.60	3.50	4.60	4.00	13.04
MTNGH	0.80	0.68	0.79	0.70	11.39
MLC	0.10	0.09	0.10	0.09	10.00
RBGH	0.72	0.55	0.69	0.63	8.70
ETI	0.18	0.15	0.16	0.15	6.25
SCB	21.44	19.99	21.00	20.00	4.76
PZC	0.41	0.40	0.41	0.40	2.44
AADS	0.41	0.40	0.41	0.40	2.44
UNIL	17.78	17.69	17.78	17.69	0.51

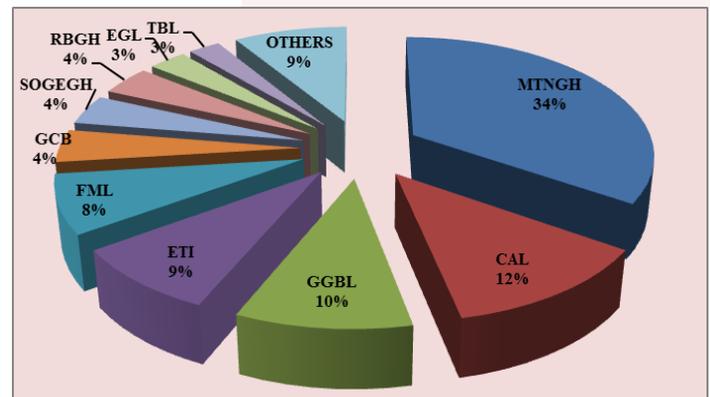
Leading the deck of 13 laggards, SIC dipped 21.05% to close the quarter at GH¢0.15.

MTNGH, SOGEGH, SCB PREF, and CAL are listed companies that have so far declared dividend in respect of the 2018 financial year. Investors may contact SIC Brokerage Ltd. for details.

On the Fixed Income front, trade volumes increased as government continued to issue more debt securities. Interest rate rose 137 basis points from the previous year average of 13%.



Number of Shares trade in the First Quarter for 2018 and 2019



Top 10 Most Liquid Shares for the First Quarter of 2019

To support banks who could not reach the BoG minimum requirement of GH¢400 million, the Ghana Amalgamated Trust (GAT) was established to raise funds through the issuance of Bonds and this attracted a lot of institutional investors.

**OUTLOOK FOR THE STOCK MARKET**

On the back of declaration of dividend, positive financial results backed with the stabilization of the Cedi, we expect the prices of CAL, EGL, GCB and EGH to see some appreciation in the next quarter and a buy is recommended in the first month of the second quarter. SIC Brokerage is your preferred stock broker for equity and fixed income trading.

Source: Bank of Ghana (BoG) \* Ghana Statistical Service (GSS) \* Ghana Stock Exchange (GSE) \*SIC Brokerage Research (SBL)

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