

**INVESTMENT TERM OF THE WEEK**

Microcap: The term “microcap,” also known as micro-cap, is generally used for companies with a low market capitalization. Microcap stocks can either be newly listed companies with very few regulations or smaller companies with significant potential to become large-cap stocks in the future. Microcap stocks are usually traded over-the-counter, with low publicly available information, and are riskier to invest in than large-cap stocks.

ETFs: GREAT DEAL FOR INVESTORS

An exchange traded fund (ETF) is a type of security that tracks an index, sector, commodity, or other asset, but which can be purchased or sold on a stock exchange the same as a regular stock. New Gold ETF (GLD), an exchange traded fund sponsored by Absa Capital, offers the opportunity to invest in gold bullion.

The company issues listed instruments (structured as debentures) backed by physical gold. Each debenture is approximately equivalent to 1/100 ounces of gold bullion, which is held with a secure depository on behalf of investors. The debentures are listed on the Ghana Stock Exchange (GSE) and six other African stock exchanges.

The current share price of New Gold ETF (GLD) is GH¢163.50.

EQUITY MARKET HIGHLIGHTS: The Ghana Stock Market rallies 163.97 points over the week to close at 2,560.49; returns -8.20% YTD.

Market activity for the week inched up by 163.97 points to close at 2,560.49 points translating into a YTD return of -8.20%. The GSE Financial Stock Index (GSE-FSI) however lost 7.50 points to close at 2,085.40 points translating into a YTD return of -3.09%. Twenty-three (23) equities traded over the week, ending with four (4) gainers and two (2) decliners. GLD, MTNGH, SOGEGH and CAL were the gainers as they gained GH¢6.30, GH¢0.15, GH¢0.04 and GH¢0.01 respectively whilst the decliners were GCB and ETI as they lost GH¢0.01 and GH¢0.01 respectively. As a result, Market Capitalization increased by GH¢1,974.78 million to close the trading week at GH¢64.80 billion.

A total of 4,660,329 shares valued at GH¢14,758,112.92 traded during the week. Compared with the previous trading week, this week’s data shows a 92.96% decline in volume traded and 70.86% decline in trade turnover. NewGold (GLD) accounted for 53.80% of the total value traded whilst Scancom PLC. (MTNGH) recorded the most volumes traded.

GSE EQUITY MARKET PERFORMANCE

Indicator	Current Week	Previous Week	Change
GSE-Composite Index	2,560.49	2,396.52	163.97 pts
YTD (GSE-CI)	-8.20%	-14.08%	-41.76%
GSE-Financial Stock Index	2,085.40	2,092.90	-7.50 pts
YTD (GSE-FSI)	-3.09%	-2.74%	12.77%
Market Cap. (GH¢ MN)	64,802.35	62,827.57	1,974.78
Volume Traded	4,660,329	66,164,780	-92.96%
Value Traded (GH¢)	14,758,112.92	50,649,299.41	-70.86%

TOP TRADED EQUITIES

Ticker	Volume	Value (GH¢)
MTNGH	2,368,284	2,083,469.48
CAL	947,766	720,110.08
SOGEGH	475,572	469,751.28
ETI	313,121	43,836.94
ASG	240,282	2,131,301.34



NewGold

53.80%**KEY ECONOMIC INDICATORS**

Indicator		Current	Previous
Monetary Policy Rate	July 2022	19.00%	19.00%
Real GDP Growth	March 2022	3.3%	5.4%
Inflation	July 2022	31.7%	29.8%

Source: GSS, BOG, GBA

GAINERS & DECLINERS

Ticker	Close Price (GH¢)	Open Price (GH¢)	Price Change	Y-t-D Change
GLD	163.50	157.20	6.30	50.55%
MTNGH	0.95	0.80	0.15	-14.41%
SOGEGH	1.00	0.96	0.04	-16.67%
CAL	0.76	0.75	0.01	-12.64%
GCB	4.99	5.00	-0.01	-4.77%
ETI	0.14	0.15	-0.01	0.00%

GSE-CI & GSE-FSI YTD PERFORMANCE

SBL RECOMMENDED PICKS

Equity	Price	Opinion	Market Outlook
MTN GHANA	GH¢ 0.95	Strong 2022 Q1 Financials	↑ Higher Ask Price
BOPP	GH¢ 6.00	Strong 2022 Q1 Financials	— Low offers
CAL BANK	GH¢ 0.76	Strong 2022 Q1 Financials	— Available offers
ECOBANK	GH¢ 6.85	Strong 2022 Q1 Financials	— Bargain bids
SOGEGH	GH¢ 1.00	Strong 2022 Q1 Financials	— Low demand
FANMILK	GH¢ 3.00	Positive Sentiment	— Low demand

EQUITY UNDER REVIEW:

ACCESS BANK GHANA PLC. (ACCESS)

Share Price	GH¢3.00
Price Change (YtD)	-4.76%
Market Cap. (GH¢)	GH¢521.84 billion
Dividend Yield	26.42%
Earnings Per Share	GH¢2.3230
Avg. Daily Volumes	2,280
Value Traded (YtD)	GH¢1,711,068

SUMMARY OF JULY 2022 EQUITY MARKET ACTIVITIES

Indicator	July 2022	July 2021	% Change
GSE-CI YTD CHANGE	-9.70%	39.95%	-
GSE-CI	2,518.86	2,717.30	-7.30%
GSE-FSI YTD CHANGE	-2.24%	6.02%	-
GSE-FSI	2,103.58	1,890.15	11.29%
VOLUME	64.33 M	22.42 M	186.89%
VALUE (GH¢)	61.49 M	33.67 M	82.65%
MKT. CAP. (GH¢M)	64,383.34	62,248.75	3.43%
ADVANCERS & DECLINERS	GLD, EGL, GGBL, SIC, TBL, POP GCB, GOIL, CAL, ACCESS, MTNGH, SOGEGH		

Source: Ghana Stock Exchange, SBL Research

GSE AGAINST SELECTED AFRICAN STOCK MARKETS

Country	Current Level	YTD
 (Ghana) GSE-CI	2,560.49	-8.20%
 (Botswana) BGSMDC	7,271.32	1.29%
 (Egypt) EGX-30	9,988.84	13.97%
 (Kenya) NSE ASI	146.88	9.57%
 (Nigeria) NGSE ASI	49,664.07	-4.89%
 (South Africa) JSE ASI	70,731.31	8.67%
 (WAEMU) BRVM	208.43	0.55%

Source: Bloomberg

CURRENCY MARKET

Currency	Closing Week	Previous Week	YTD Change
	(GH¢)	(GH¢)	%
 DOLLAR	8.0571	8.0001	-25.46%
 POUND	9.7841	9.6341	-16.94%
 EURO	8.2710	8.1243	-17.44%
 YEN	0.0604	0.0591	-13.50%
 YUAN	1.1972	1.1825	-21.08%
 CFA FRANC	79.3086	80.7407	21.13%

Source: Bank of Ghana

COMMODITIES MARKET

Commodity	Closing Week	Previous Week	YTD (%)
 BRENT CRUDE OIL (US\$/bbl.)	98.09	95.41	23.98%
 GOLD (US\$/oz)	1,799.26	1,774.38	-1.40%
 COCOA (US\$/MT)	2,315.45	2,268.48	-5.50%

Source: Bloomberg, Bullion by Post, ICCO

JUSTIFICATIONS FOR INCLUDING STOCKS IN A PORTFOLIO

- Typically, stocks outperform all other investment options over a ten-year period making them a must for long term portfolio.
- They are excellent vehicles for retirement.
- Except for a few short periods, stocks have consistently outpaced the rate of inflation.

ANALYSTS

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