



PRUDENTIAL SECURITIES LIMITED

FIXED INCOME MARKET REPORT

...FOR THE MONTH ENDING NOVEMBER 2021...

Yields as at Nov 30th / MoM Chg	91-Day 12.50 0.00	182-Day 13.12 -0.07	364-Day 16.30 -0.01	2 Yr. Note 20.00 0.00	3 Yr. Note 19.00 0.00	5 Yr. Note 18.80 0.00	7Yr.Note 18.10 0.00
YTD for November	91-Day YTD -11.31%	182-Day YTD -6.93%	364-Day YTD -3.90%	2 Yr. Note YTD 8.11%	3 Yr. Note YTD -1.30	5 Yr. Bond YTD -5.29	6 Yr. Bond YTD -3.59

GOVERNMENT OF GHANA SECURITIES MARKET HIGHLIGHT FOR NOVEMBER 2021.

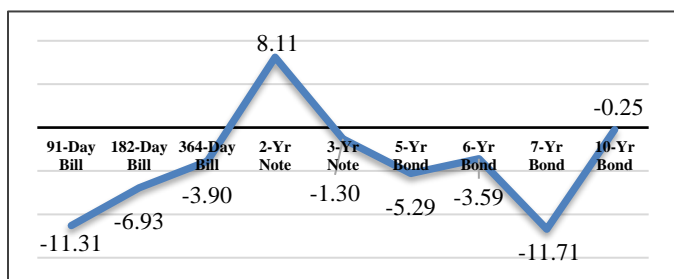
Yields on the Government of Ghana treasury securities posted mixed outcomes. Yields on the 91-Day T-Bill remained the same whilst yields on 182-Day T-Bill shed 7bps 13.12 percent. Also, yields on 364 Day T-Bill also gained 1bps to close November at 16.30 percent.

On the other hand, interest rates on the 2 Year Note and other long-dated treasury bonds remained unchanged.

Security	Year Open	Month Open	Month Close	YTD
	1/1/21	01/11/21	30/11/21	%
91-Day Bill	14.10	12.50	12.50	-11.31
182-Day	14.15	13.19	13.12	-6.93
364-Day	16.69	16.29	16.30	-3.90
2-Yr Note	18.50	20.00	20.00	8.11
3-Yr Note	19.25	19.00	19.00	-1.30
5-Yr Bond	19.85	18.80	18.80	-5.29
6-Yr Bond	19.50	18.80	18.80	-3.59
7-Yr Bond	20.50	18.10	18.10	-11.71
10-Yr Bond	19.80	19.75	19.75	-0.25
15-Yr Bond	19.75	19.75	19.75	0.00

Note: The table above shows the yields on Government of Ghana Treasury Securities.

GOG SECURITIES YEAR-TO-DATE



ISSUANCE CALENDAR FOR OCTOBER TO DECEMBER, 2021. (GHS' MILLION).

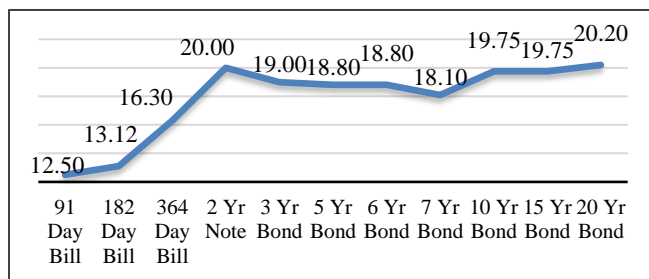
The Government plans to issue a gross amount of GH¢21,170.00 million, of which GH¢20,129.30 million is to rollover maturities. The remaining GH¢1,040.70 million is fresh issuance to meet Government's financing requirements.

The table below provides a summary of the gross borrowing requirement for the period October to December, 2021.

	OCT 2021	NOV 2021	DEC 2021	TOTAL
91-Day Bill	3,600	3,900	3,300	10,800
182-Day	600	750	620	1,970
364-Day	500	650	450	1,600
2-Yr Note	-	-	750	750
3-Yr Bond	1,300	1,000	-	2,300
6-Yr Bond	1,800	-	-	1,800
7-Yr Bond	-	-	750	750
10-Yr Bond	-	1,200	-	1,200
15-Yr Bond	-	-	-	-
TOTAL	7,800	7,500	5,870	21,170

Note: Securities of 2 Year up to 10 Year will be issued through the book building method

TREASURY YIELD CURVE AS AT NOV. 2021



EXCHANGE RATE PERFORMANCE IN NOV. 2021

The Ghana Cedi depreciated against the US Dollar and the British Pound by 2.6 percent and 0.39 respectively at the end of November 2021. However, the local currency made gains against the EURO by 4.90 percent in November.

The cedi traded at GH¢5.9172 per US Dollar on the interbank currency market as at the end of November 2021.

Currency Pair	Year Open	Month Open	Month Close	YTD %
	4/1/21	1/11/21	30/11/21	
USD/GHS	5.7602	5.8663	5.9172	-2.65
GBP/GHS	7.8742	7.9140	7.9054	-0.39
EUR/GHS	7.0643	6.7952	6.7346	4.90

Source: Bank of Ghana

STOCK MARKET HIGHLIGHTS

The Ghana stock market posted positive outcomes in November 2021 as both market indices reported positive price change. The GSE Composite index and financial index recorded a year-to-date return of 47.65 percent and 17.31 percent respectively. This impressive performance was supported by price gains observed in consumer staple stocks, manufacturing, and beverage as well as financial stocks.

The market capitalization of the local bourse improved by a positive gain of 0.30 percent or GH¢191.19 million after reporting a value of GH¢64,461.65 in November compared to GH¢64,270.46 in October 2021.

Best Performing Stocks	YTD Return%
FML	270.37
BOPP	232.50
GGBL	100
TOTAL	93.99
SOEGEH	87.50
Worst Performing Stocks	
MAC	-9.87
SIC	-12.50
ACCESS	28.25
UNIL	28.95
CPC	-33.33

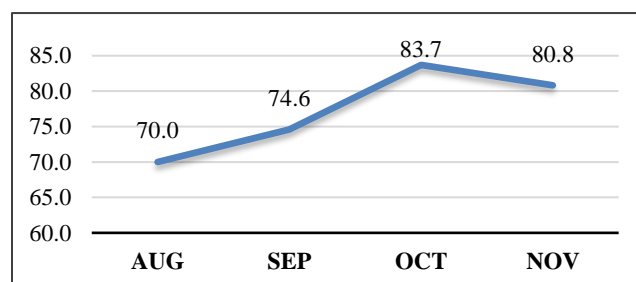
Source: Ghana Stock Exchange Market

COMMODITY NEWS

Crude Oil, Brent

Crude oil prices fell significantly in November. The price of Brent Crude Oil fell by 3.46% to settle at US\$80.8 per barrel in November 2021, compared to US\$83.7 per barrel recorded in October 2021.

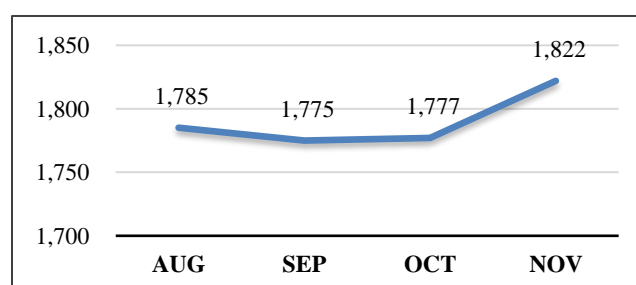
The decline in crude oil prices was as a result to the identification of the new COVID-19 Omicron variant, which raised the possibility that petroleum demand could decline in the near term.



Source: World Bank, Commodities Report

Gold

Gold price went up in November, with concerns over the impact of the possibly vaccine-resistant omicron COVID-19 variant giving the safe-haven yellow metal a boost. The price of the yellow metal went up by 2.53% or US\$45 in November 2021, to settle at US\$1,822.00.



Source: World Bank, Commodities Report

Cocoa

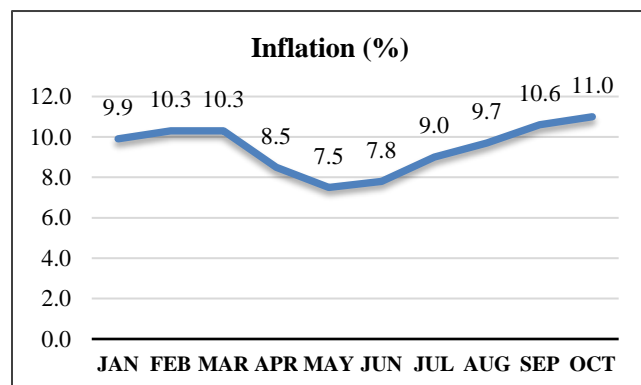
Prices of Cocoa decline sharply in November as a result of excess supply. Cocoa prices moved from US\$2,570 per tonne in October to US\$2,390 per tonne in November, representing a loss of 7 percent.

Source: World Bank, Commodities Report

ECONOMIC / BUSINESS NEWS

World Bank projects Ghana's end-of-year Inflation rate to 9.8%.

The World Bank has projected that Ghana would end this year with an inflation rate of 9.8 percent. The expected 9.8% inflation rate means the average change in the price of goods and services will be marginal from now till the end of the year.



CONCLUSION / RECOMMENDATION

We still expect volume trades of GOG securities to remain high due to its safe nature. We anticipate that irrespective of the Government's demand for funds to service maturing bills and finance its developmental projects, yields on treasury securities will maintain their downward trend.

We expect the Ghana stock exchange market to extend its strong performance of the stock in December 2021. We believe that investors seeking higher yields will diversify their portfolios to take advantage of the price appreciation on the equities market.

We expect the Ghana cedi to record some stability against major trading currencies in December 2021.

ABOUT PSL

Prudential Securities Limited (PSL) is an investment company, licensed and regulated by the Securities and Exchange Commission (SEC) as an Asset/Fund Management and the National Pensions Regulatory Authority as a Pension Fund Manager in Ghana.

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