

# WEEKLY FINANCIAL MARKET RESEARCH REPORT

**3<sup>rd</sup> Feb. – 7<sup>th</sup> Feb. 2025 (Week 6)**

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## PRIMARY MARKET

Treasury bill interest rates dropped for the second time, as the government saw an oversubscription of GHS 10.56 billion, the highest amount recorded since the start of the year.

The yields on the 91-day Treasury Bill declined by 42.8 basis points (bps) from 28.41% to 27.98%. Similarly, the yield on the 182-day Treasury Bill decreased by 21.28 bps from 28.90% to 28.69%.

The table below summarizes interest rates on the primary market as of the end of the week.

Securities	17-01-25	24-01-25	31-01-25	7-02-25	Chg. w/w
	%	%	%	%	Bps
91 Day Bill	28.4173	28.5153	28.4129	27.9849	-42.80
182 Day Bill	28.9713	29.0664	28.8984	28.6856	-21.28
364 Day Bill	30.2867	30.4078	30.3703	-	-

Source: The Bank of Ghana

## AUCTION RESULTS

The treasury bill market experienced oversubscription for the sixth consecutive week. The government surpassed its auction target of GHS7.26 billion by 45.48%, equivalent to approximately GHS 3.30 billion. Investors submitted bids totaling GHS 10.56 billion during the auction, with the government accepting GHS 7.65 billion and rejecting GHS 2.91 billion.

See the table below for auction ratios.

Auction Target	Total Bids Tendered	Total Bids Accepted	Bid-to-Cover	Subscription Ratio
GHS million	GHS million	GHS million	x	x
7,258.00	10,559.04	7,650.73	1.380	1.4548

See the table below for the breakdown of the auction results.

Securities	Bids (Amt) Tendered	Bids (Amt) Accepted	Percentage of Bids Accepted
	GHS million	GHS million	
91 Day Bill	6,139.35	3,877.25	51%
182 Day Bill	4,419.69	3,773.48	49%
364 Day Bill	-	-	0%
<b>TOTAL</b>	<b>10,559.04</b>	<b>7,650.73</b>	<b>100%</b>

## UPCOMING GOG SECURITIES AUCTION

Upcoming Auction	
Auction Target	GHS 8.07 billion
Auction Date	February 14, 2025
Settlement Date	February 17, 2025
Securities	91, 182 and 364 Day T/Bill

Source: The Bank of Ghana

## INTERBANK FOREX RATES

On the interbank foreign exchange market, the Cedi weakened against its major trading currencies.

The cedi lost 0.185% week-on-week (w/w) against the US Dollar to close at GH¢15.4850/US\$ compared to GH¢15.30/US\$ at the start of the week, recording a year-to-date loss of 5.07%

Additionally, the local currency fell by 0.217% against the British Pound Sterling and 0.1276% against the Euro. By week's end, the cedi traded at GHS19.2177/£, reflecting a YTD loss of 4.25%, and at GHS 16.03/€, with a YTD loss of 5.08%

See the table below for a summary of the Interbank FX rates.

### BOG Mid-Rate

Currency Pair	Year Open	Week Open	Week Close	w/w Chg.	YTD %
USDGHS	14.7000	15.3000	15.4850	-0.1850	-5.07
GBPGHS	18.4008	19.0003	19.2177	-0.2174	-4.25
EURGHS	15.2141	15.9012	16.0288	-0.1276	-5.08

Source: The Bank of Ghana

## STOCK MARKET

The GSE-Composite Index closed the week at 5,245.36 points, recording a year-to-date return of 7.30%, while the GSE-Financial Stock Index ended at 2,497.19 points with a year-to-date return of 4.89%.

The local bourse's market capitalization stood at GHS 118.05 billion, reflecting a year-to-date return of 6.01%.

See the table below for a summary of the week's stock market trading results.

		YTD (%)
GSE-Composite Index	5,245.36	+7.30
GSE-Financial Stock Index	2,497.19	+4.89
Market Cap (GH¢ million)	118,049.65	+6.01
Volume Traded	2,297,665.00	-
Value Traded (GH¢)	18,808,488.11	-

Source: Ghana Stock Exchange

## TRADING ACTIVITIES

During last week's trading session, 2.30 million shares were traded on the market, valued at GHS 18.81 million. MTNGH emerged as the most actively traded stock, with 750,037 shares exchanged, valued at GHS 2.06 million.

### Top Gainers

### Top Losers

Stock	Price	YTD	Stock	Price	YTD
ETI	0.44	41.94%	RBGH	0.60	-9.09%
CAL	0.41	17.14%	EGH	6.25	-3.85%
MTNGH	2.75	10.00%			
ACCESS	5.72	10.00%			

Source: Ghana Stock Exchange

## BUSINESS/ECONOMIC NEWS

### IMF to discuss 2025 budget with Government amid plans to scrap key taxes

The International Monetary Fund (IMF) is set to begin critical discussions with the government this week as the country finalizes its 2025 budget, which is scheduled for presentation in March.

The talks come at a pivotal moment, with the government planning to scrap key tax lines, including the contentious E-levy, betting tax, and COVID-19 levy.

[Source: citinewsroom](#)

### BoG releases \$20M to oil distributors in latest forex auction

The Bank of Ghana (BoG) has provided \$20 million in foreign exchange support to 11 Bulk Oil Distribution Companies (BDCs) through its latest forward auction on Wednesday, January 29, 2025.

During the auction, participating BDCs submitted bids with rates between GH¢14.89 and GH¢15.30, with the central bank setting a fixed exchange rate of GH¢5.47 per US dollar. This initiative is part of the BoG's broader strategy to ensure consistent foreign exchange availability for Ghana's downstream petroleum sector.

[Source: graphic.com](#)

### Conclusion/Recommendation

Given the current trend in auction results, we expect the government to surpass its target in the upcoming auction, with marginal declines in interest rates across all short-term securities. We recommend that investors consider subscribing to the 364-day Treasury Bill, as rates are anticipated to decrease further.

## About Prudential Securities Limited

Prudential Securities Limited (PSL) was incorporated on 19th November 2004 as a wholly owned subsidiary of Prudential Bank Limited (PBL). The company is licensed by both the Securities and Exchange Commission (SEC) and the National Pensions Regulatory Authority (NPRA) to carry out the following business.

- To act as a fund manager
- To act as a pension fund manager

### Our Vision

- To be the preferred asset management company to help stakeholders experience financial well-being.

### Our Mission

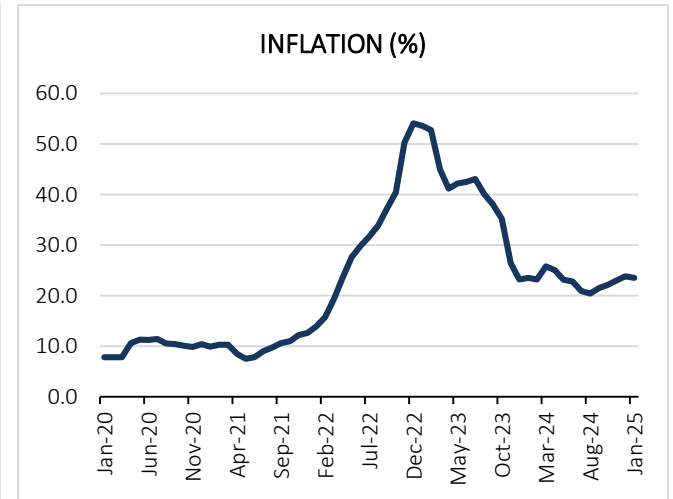
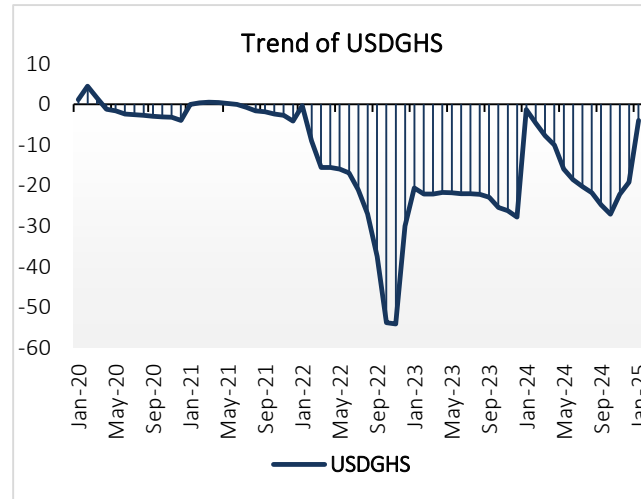
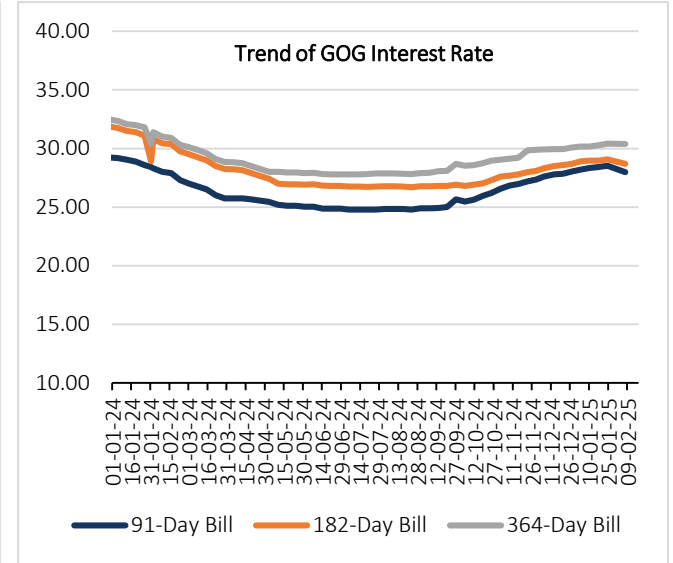
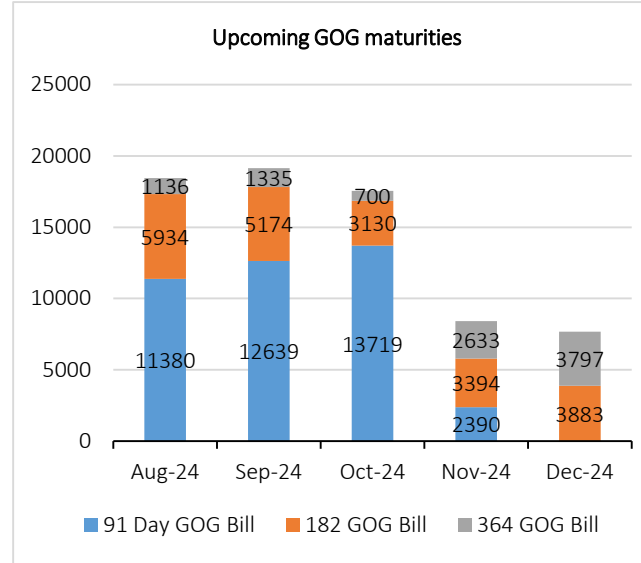
- To provide first-class fund management and investment advisory services promptly through customer service excellence, tailor-made solutions and cutting-edge technology.

### Our Product and Services

- PSL Fixed Income Unit Trust (*click on items below*)
  - [Brochure](#) | [Prospectus](#) | [Fund Fact Sheet](#)
- Investment Advisory
- Wealth Management
- Pensions Fund Management
- Provident Fund/Welfare Scheme Management
- Personal Pension Management (PPM)

**GHANA MACROECONOMIC HIGHLIGHTS**

Indicators	Current	Previous	Chg.
GDP Growth Rate (%)	1.7	1.6	0.1
GDP AGR (%)	7.2	7	0.2
Inflation (%)	23.5	23.8	-0.30
Monetary Policy Rate (%)	27.0	27.0	0.00
Unemployment Rate (%)	3.6	3.5	0.10
Gov't Debt to GDP (%)	84.9	92.4	-7.50
Balance of Trade (US\$ mil)	641	562	79.00
Current Account (US\$ mil)	910	952	-42.00
Current Account to GDP	1.4	-2.1	3.50
Government Budget	3.1	-8.3	11.40
Corporate Tax Rate (%)	25	25	0.00



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