

WEEKLY FINANCIAL MARKET RESEARCH REPORT

17th Feb. – 21st Feb. 2025 (Week 8)

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PRIMARY MARKET

Short-term Treasury bill interest rates have been trending downward as investors flood the primary market with bids totaling over GHS 20.50 billion, far exceeding the government’s target of GHS 7.73 billion.

The yield on the 91-day Treasury bill declined by 238.1 basis points, from 26.86% to 24.48%. Similarly, the 182-day Treasury bill experienced a drop of 241.8 basis points, declining from 27.81% to 25.39%, while the 364-day Treasury bill yield decreased by 177.5 basis points, from 29.07% to 27.30%.

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

Securities	31-01-25	7-02-25	14-02-25	21-02-25	Chg. w/w
	%	%	%	%	Bps
91 Day Bill	28.4129	27.9849	26.8591	24.4786	-238.1
182 Day Bill	28.8984	28.6856	27.8057	25.3874	-241.8
364 Day Bill	30.3703	30.3703	29.0745	27.2996	-177.5

Source: The Bank of Ghana

AUCTION RESULTS

The treasury market remains heavily oversubscribed, with the government surpassing its target auction amount of GHS 7.73 billion by 165.23%—an excess of GHS 12.77 billion. Investors submitted bids totaling GHS 20.50 billion, while the government accepted GHS 9.63 billion, rejecting GHS10.87 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
7,729.00	20,499.73	9,634.33	2.128	2.6523

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

	Bids (Amt) Tendered	Bids (Amt) Accepted	Bids (Amt) Rejected	Percentage of Bids Accepted
Securities	GHS million	GHS million	GHS million	
91 Day Bill	7,385.10	4,233.34	3,151.76	44%
182 Day Bill	5,003.81	1,432.25	3,571.56	15%
364 Day Bill	8,110.82	3,968.74	4,142.08	41%
TOTAL	20,499.73	9,634.33	10,865.40	100%

UPCOMING GOG SECURITIES AUCTION

Upcoming Auction	
Auction Target	GHS 6.49 billion
Auction Date	February 28, 2025
Settlement Date	March 3, 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 local currency declined by 0.04% week-on-week against the US Dollar, closing at GHS15.54 per US Dollar compared to GHS15.50 at the start of the week, with a year-to-date loss of 5.41%. Additionally, the Cedi depreciated by 0.094% against the British Pound Sterling to settle at GHS19.64 per Pound (YTD: -6.32%), while it recorded marginal gains against the Euro, finishing the week at GHS16.24 per Euro (YTD: -6.35%).

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	15.5000	15.5400	-0.0400	-5.41
GBPGHS	18.4008	19.5479	19.6418	-0.0939	-6.32
EURGHS	15.2141	16.2817	16.2463	0.0354	-6.35

Source: The Bank of Ghana

STOCK MARKET

The GSE-Composite Index closed the week at 5,564.47 points, recording a year-to-date return of 13.83%. Meanwhile, the GSE-Financial Stock Index ended at 2,712.93 points, with a year-to-date return of 13.95%. Additionally, the local bourse's market capitalization reached GHS 125.02 billion, reflecting a year-to-date return of 12.27%.

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

		Year-To-Date
GSE-Composite Index	5,564.47	+13.83%
GSE-Financial Stock Index	2,712.93	+13.95%
Market Cap (GH¢ million)	125,023.12	+12.27%
Volume Traded	3,088,699.00	-
Value Traded (GH¢)	24,158,412.38	-

Source: Ghana Stock Exchange

TRADING ACTIVITIES

During last week's trading session, a total of 3.09 million shares were transacted, amounting to an aggregate value of GHS 24.16 million. MTNGH emerged as the most actively traded stock, with 2.24 million shares exchanged for a total value of GHS 6.35 million.

Top Gainers

Top Losers

Stock	Price	YTD	Stock	Price	YTD
ETI	0.62	100%	RBGH	0.60	-9.09%
CAL	0.47	34.29%	EGH	6.25	-3.85%
ACCESS	6.82	31.15%			
MTNGH	2.90	16.00%			

Source: Ghana Stock Exchange

BUSINESS/ECONOMIC NEWS

BoG Governor signals review of Cash Reserve Ratio

The Bank of Ghana (BoG) has hinted at a gradual review of the Cash Reserve Ratio (CRR) for commercial banks. This signals a potential policy shift aimed at balancing financial stability with liquidity needs in the banking sector. Governor, Dr. Johnson Asiama disclosed the central bank's position during a high-level meeting with the Governing Council of the Ghana Association of Banks (GAB), where key industry challenges were discussed.

[Source: citinewsroom](#)

Finance Minister to present first budget on March 11

The Minister for Finance Dr Cassiel Ato Forson will present his first budget to parliament on Tuesday, March 11, 2024. The budget will provide a full breakdown of the economy and the government's policy proposals to reset and facilitate Ghana's economic transformation agenda in line with Mahama's vision.

[Source: graphic](#)

Conclusion/Recommendation

Based on current auction trends, we anticipate further oversubscription in the coming weeks. Accordingly, we advise investors to consider subscribing to the 364-day bill and to diversify their portfolios by incorporating dividend-paying stocks on the Ghana Stock Exchange.

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 the Securities and Exchange Commission (SEC) and the National Pensions Regulatory Authority (NPRA) to conduct 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

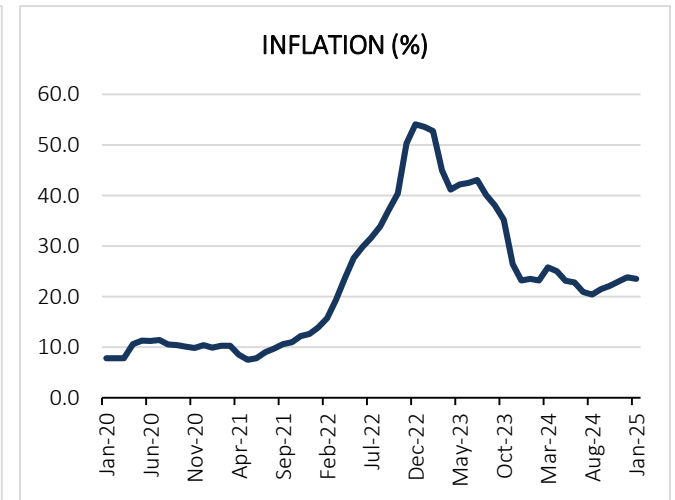
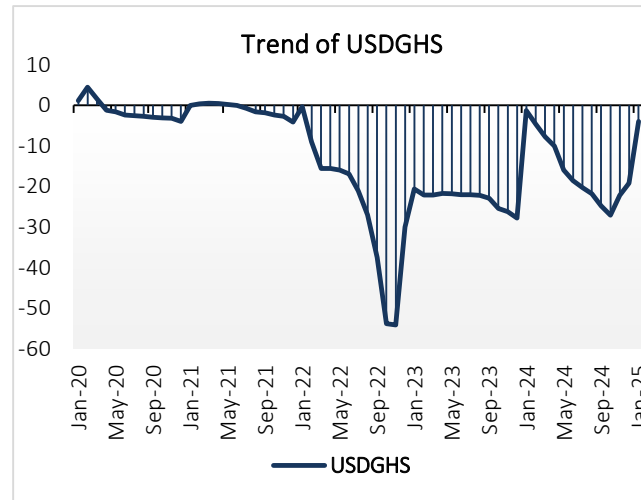
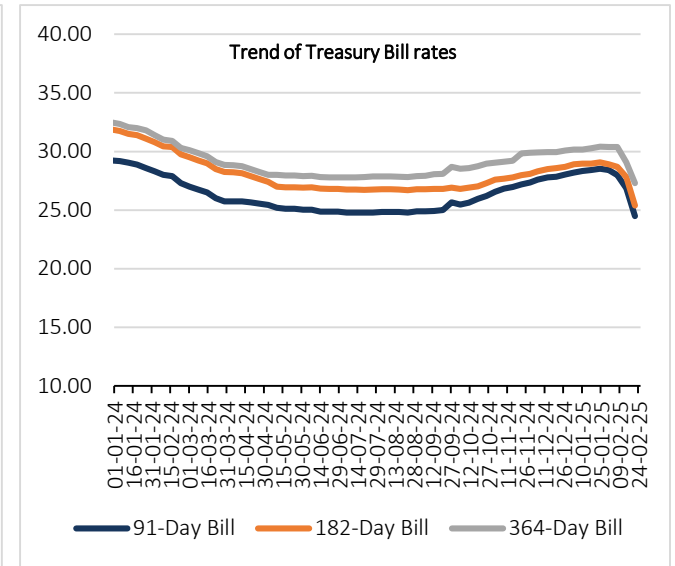
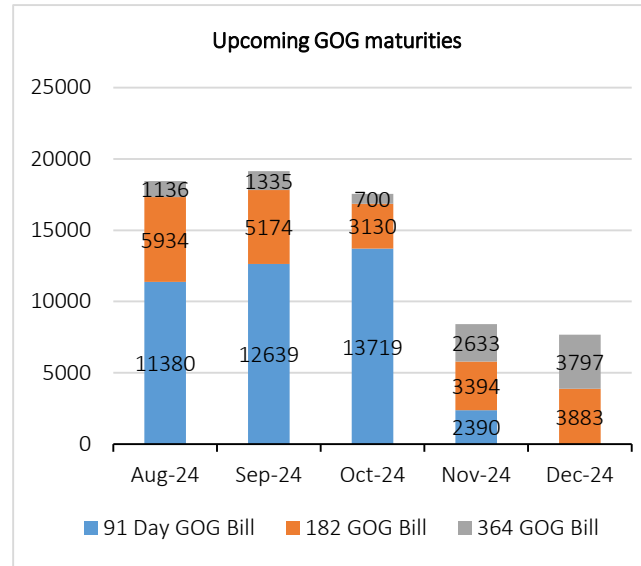
- To promptly provide first-class fund management and investment advisory services through customer service excellence, tailor-made solutions, and cutting-edge technology.

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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