



## WEEKLY WRAP – Week ending, 31.05.19

### Treasury Bill Rates update

Treasury Bill Rates	
Tenure	Interest Rate (p.a.)
91-Day	14.85%
182-Day	15.38%
364 -Day	19.70%

### Results Of Tender 1644 Held On 31<sup>st</sup> May, 2019 For GOG Securities To Be Issued On June 3, 2019.

Security	Bid Tendered Ghs (M)	Bid Accepted Ghs (M)
91-Day	616.20	306.21
182-Day	83.09	68.96
364 -Day	727.17	622.94

### Forex Rates

FX	Buying	Selling	Average
US Dollar	5.1477	5.1529	5.1503
Pound Sterling	6.4938	6.5019	6.4978
Euro	5.7351	5.7392	5.7371

### EQUITY MARKET REPORT

Over the relevant week, the GSE-CI rose by 0.22%, while the GSE-FSI also rose by 0.72%, to close the week. Six (6) listed names experienced price changes over the relevant week: Four (4) decliners and Two (2) gainers. The decliner was GOIL (-2.12%), PBC (-25%), TBL (10%) and SCB (-0.45) respectively. The gainers were GCB (0.39%) and MTNGH (1.36%) respectively. Market volumes amounted to 829,149 shares valued at GHS 509,966.38.

### The past week at a glance

#### REVOCATION OF LICENSES OF INSOLVENT MICROFINANCE COMPANIES

Bank of Ghana has, with effect from May 31, 2019 revoked the licenses of 192 insolvent microfinance companies and licenses of another 155 that have ceased operations have also been revoked. These actions were taken pursuant to section 123 (1) of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930), which requires the BoG to revoke the license of a Deposit-taking Institution where BoG

determines that the institution is insolvent or can become insolvent within the next 60 days. Consequently, the Bank of Ghana has appointed Mr. Eric Nipah as Receiver for the specified institutions. (Source: bog.gov.gh)

#### US REMOVES INDIA FROM SPECIAL TRADE STATUS

The Trump administration announced Friday that it is ending special trade treatment for India, removing a status that exempts billions of dollars of the country's products from US tariffs. "I have determined that India has not assured the United States that India will provide equitable and reasonable access to its markets," President Donald Trump said in a proclamation issued by the White House. By June 5th, India will be terminated from its designation as a beneficiary developing country. (Source: www.cnn.com)

#### MORGAN STANLEY FORSEES RECESSION WITHIN A YEAR IF TRADE WAR GETS ANY WORSE

Investors may be underestimating the full risk to the global economy from a trade war, even after U.S. stocks recorded the worst month of the year. A recession could begin in less than a year if Trump pushes to impose 25% tariffs on more Chinese imports and China retaliates with its own countermeasures, according to Chetan Ahya, chief economist and global head of economics at Morgan Stanley. While stocks have declined, investors are still overlooking the impact the trade war will have on the global macroeconomic outlook, Ahya noted. Growth will suffer as costs increase, customer demand slows and companies reduce capital spending, he said. (Source: Bloomberg.com)

#### ZIMBABWE TO BUILD FISCAL DISCIPLINE VIA ABSTINENCE

Zimbabwe will not borrow externally and will cut reliance on the central bank to finance deficits during an IMF staff-monitored programme in a bid to set a track record of fiscal discipline that could earn it future funding, the IMF said. The southern African nation owes \$8.8 billion to foreign lenders, \$2.6 billion of that in arrears to the World Bank, the African Development Bank and the European Investment Bank. It has not accessed financing from international institutions since defaulting on its debt in 1999. (Source: af.reuters.com)

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