

Tuesday, November, 25, 2014

Compiled by: Stephen Ampadu

Economic News

'AGI alarmed by high interest rates'

James Asare Adjei, President of the Association of Ghana Industries (AGI), says the general business environment in the country is not encouraging, citing high inflation, unaffordable credit and the lack of ready market for locally-manufactured products. He said the AGI was alarmed over the prevailing high interest rates charged by commercial banks, which he said was suffocating Small and Medium-scale Enterprises (SMEs). Mr. Adjei made the statement in a speech read on his behalf at the Annual General Meeting (AGM) of the Association in Kumasi. *Source: Daily Guide*

'Ghana is HIPC again - ISSER Economist confirms'

With a 60.8 per cent debt to GDP ratio Ghana has returned to the Highly Indebted Poor Country (HIPC) regime, an Economist with the University of Ghana and the Institute of Statistical Social and Economic Research [ISSER] has said. Prof Peter Quartey said any rate above 60 per cent automatically puts a country into a HIPC category, stressing, the situation would become worse if the already acquired loans are not put into any productive use. "If you contract a facility and consume [it] or use it to pay wages and salaries and the rest that is where the danger starts looming, because we are not able to repay the loan and that can have very dire consequences on the economy," he told Joy News' Francis Abban in an interview.

Source: Myjoyonline.com

'Ghana likely to secure IMF programme in May'

The country is likely to secure a programme with the International Monetary Fund (IMF) by May next year, Joy Business gathered from persons close to negotiations with the IMF. However, there are some critical conditions that the country must first meet before the programme can be closed, Joy Business learnt. Government was initially looking at closing negotiations with the IMF during their recent visit to Ghana, for the programme to take off from next year.

Source: Myjoyonline.com

Corporate News

'Stanchart secures \$20m deals — As a result of Atuabo Gas plant'

Standard Chartered Bank Ghana Limited (Stanchart) has supported local oil service companies, linked with the Atuabo Gas value chain, with \$20 million. The facility has enabled the companies to procure logistics and set up gas evacuation and storage facilities as part of the gas processing value chain to get the products to end users. The Managing Director and Head of Corporate and Institutional Clients at Stanchart, Mr. Terjinder Singh, said in an interview in Accra that, "the gas will have to be commercially processed. There has to be storage facilities to store it and then be distributed into the retail channels. We are, therefore, working with some of the private entrepreneurs who are planning to put up or already have the capacity to establish those facilities to do that even before the project is completed. *Source: Daily Graphic*

Previous Session's Market Close- Equities

| Period | GSE. C.I | GSE F.I | Mrk. Cap (GHS) | Volume Traded | Value Traded |
|-------------|----------|----------|----------------|---------------|--------------|
| Today | 2,266.81 | 2,232.11 | 65,635 | 364,002 | 470,774 |
| Previous | 2,284.97 | 2,257.85 | 66,260 | 1,727,912 | 2,359,924 |
| %Chg. Today | -0.79 | -1.14 | -0.94 | -78.93 | -80.05 |
| %Chg. Y-T-D | 5.67 | 24.94 | 7.32 | | |

C.I – Composite Index

F.I – Financial Index

Source: Merban Stockbrokers Ltd a Subsidiary of UMB

Market Movement

| Equity | Day Close | Day open | Gain/Loss(¢) | Percent Change |
|--------|-----------|----------|--------------|----------------|
| GCB | 5.40 | 5.37 | 0.03 | 0.56 |
| GGBL | 3.17 | 3.16 | 0.01 | 0.32 |
| BOPP | 4.03 | 4.02 | 0.01 | 0.25 |
| EBG | 7.41 | 7.40 | 0.01 | 0.14 |
| SCB | 20.35 | 20.34 | 0.01 | 0.05 |

Source: Merban Stockbrokers Ltd a Subsidiary of UMB

Top 5 Most Traded Equities for the Week

| Equity | Shares Traded | No. Of Transactions | Value of Trades (GHS) | %tage of Total Value |
|--------|---------------|---------------------|-----------------------|----------------------|
| CAL | 297,888 | 81.84 | 312,955 | 39 |
| SIC | 23,100 | 6.35 | 8,723 | 9 |
| ETI | 12,479 | 3.43 | 3,760 | 16 |
| GCB | 9,712 | 2.67 | 52,473 | 26 |
| EBG | 7,620 | 2.09 | 56,465 | 8 |

Source: Merban Stockbrokers Ltd a Subsidiary of UMB

Interbank Exchange Rate Averages

| Currency – | Rate 24-Nov | Rate 21-Nov | Y-T-D |
|------------|-------------|-------------|--------|
| Interbank | | | |
| USD/GHS | 3.1975 | 3.1975 | -32.40 |
| GBP/GHS | 5.0053 | 5.0292 | -28.62 |
| EUR/GHS | 3.9733 | 4.0132 | -24.84 |
| CHF/GHS | 3.3060 | 3.31411 | -26.25 |
| ZAR/GHS | 0.2927 | 0.2904 | -29.52 |

The Cedi firmed on the currency market unchanged against the Dollar; it also made some recovery against the Euro, the Pound and the Swiss Franc but depreciated against the Rand. Against the Dollar, the local currency was exchanged at Friday's average rate of GHS3.20 on the interbank market. The local currency gained 0.48% against the Pound to end the day's session at GHS5.01. The Cedi climbed 1.0% against the Euro to an average rate of GHS3.97 on the interbank market.

This information is confidential for the information of the addressee only and may not be duplicated in whole or in part, circulated or disclosed without the prior consent of UMB. It is compiled from sources we believe to be reliable but we do not hold ourselves responsible for its completeness or accuracy. Neither this report nor any opinion expressed constitutes an offer for or solicitation for an offer to sell or acquire any securities mentioned. Whilst care has been taken in preparing this document, no representation is given and no responsibility or liability is accepted by UMB, any member of UMB or its Subsidiaries as to the accuracy of the information contained herein.