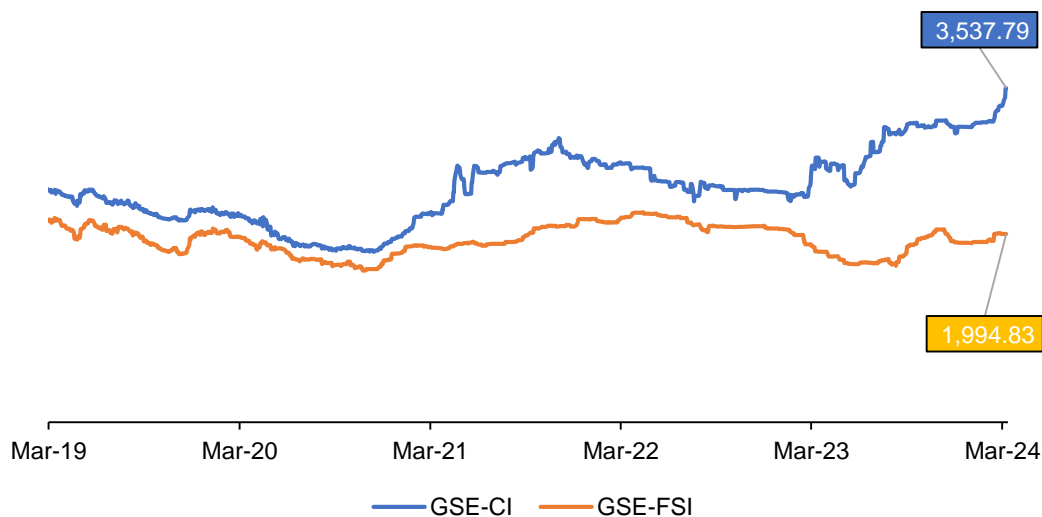


**STOCK MARKET HIGHLIGHTS**

- Investors in the GSE equity market have enjoyed what appears to be a bullish trend as prices and trading activity continue to rise in the first few months of the year following the uptick in the market last year. The benchmark GSE Composite Index (GSE-CI) has gained a cumulative 407.55 points from the start of the year bringing its level to 3,537.79 points at the end of trading 22<sup>nd</sup> March 2024. This translates into a (YtD) return of 13.02%.
- The GSE Financial Stocks Index (GSE-FSI) followed a similar trend although at a solemn rate, as it has gained 93.26 points to 1,994.83, translating into a (YtD) return of 4.90%.
- A total volume of 251,468,230 shares valued at GH¢357,787,927.92 has been traded as at end of 22<sup>nd</sup> March, 2024 representing a 1257.58% and 632.12% increase respectively in market activity recorded over the same period last year.
- Unilever Ghana PLC (UNIL) has been the lead advancer, returning 45.87% to its investors this year while Scancom PLC. (MTNGH) leads the activity pile, accounting for 92.18% and 84.24% of volume and value traded respectively. (as at 22<sup>nd</sup> March 2024)

**GSE-CI & GSE-FSI**

GAINERS	PRICE (GH¢)	CHANGE(GH¢)	YTD(%)
GLD	277.5	59.00	27.00%
UNIL	11.83	3.72	45.87%
SCB	19.25	1.70	9.69%
GGBL	4.44	1.04	30.59%
ACCESS	4.05	0.65	19.12%
EGH	6.1	0.60	10.91%
TOTAL	9.5	0.50	5.56%
MTNGH	1.65	0.25	17.86%
GCB	3.43	0.03	0.88%

DECLINERS	PRICE (GH¢)	CHANGE (GH¢)	YTD(%)
MMH	0.1	-0.01	-9.09%
CAL	0.47	-0.01	-2.08%
DASPHARMA	0.38	-0.02	-5.00%
FML	3.2	-0.05	-1.54%
BOPP	21.53	-0.47	-2.14%

**KEY ECONOMIC INDICATORS**

- Policy Rate 29.0%
- Inflation Rate 23.2%
- 10 Year Bond 23.4%
- GDP Growth Rate 3.4%
- USD/GHS 12.8

# Benso Oil Palm Plantation PLC. (BOPP)

Forward P/E Ratio

4.6

Trailing 5-Year Avg. Annual EPS

105.0%

YTD vs. GSECI

**-10.88** percentage points



## What we think?

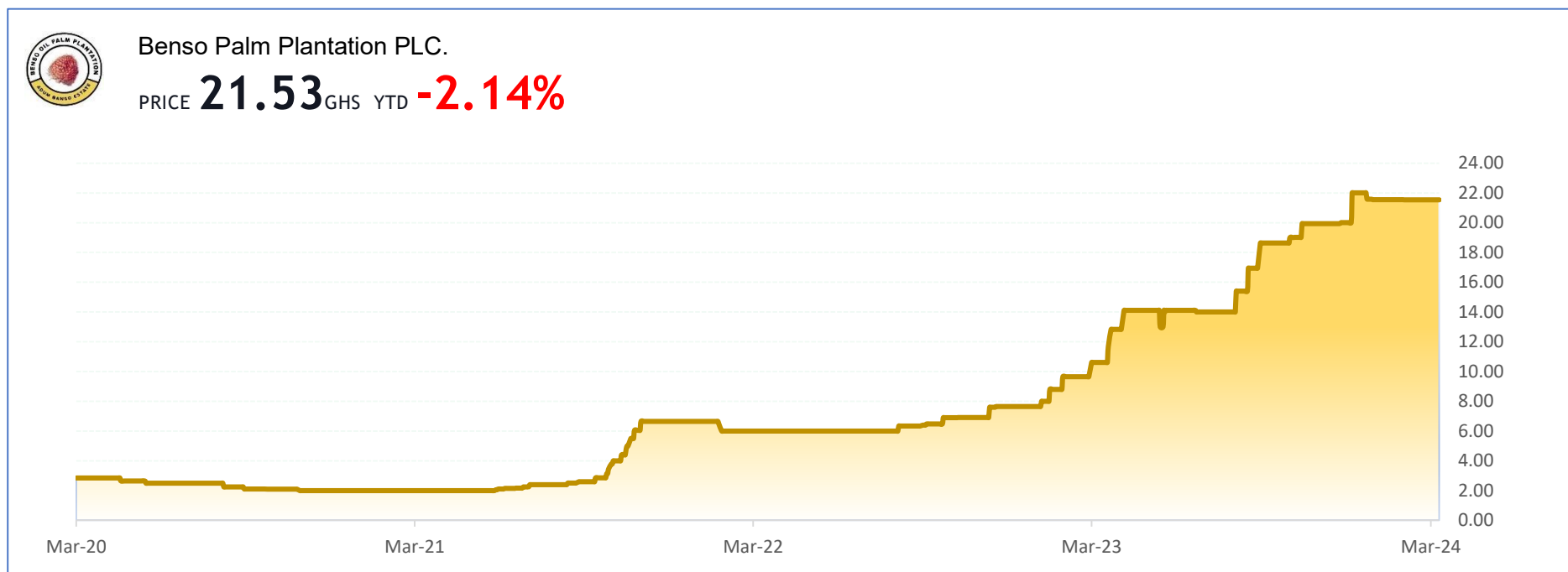
We maintain our LONG-TERM BUY recommendation on BOPP. The counter is trading at GHS 21.53 and at a P/E multiple of 7.3x, with a dividend yield of 6.57% and ROE of 34.86%. We recommend investors with a long-term view and an appetite for dividends to take buying positions in the counter.

In FY 2023, the company's revenue grew by 3.3% y/y to GHS 351 million (FY2022: GHS 340 million), operating profit fell -37.1% y/y to 109 million (FY2022: GHS 174 million), profit after tax also fell -36.7% y/y to 101 million (FY 2022: GHS 160 million). The company's total assets and total equity on the other hand recorded positive growths of 10.4% and 8.4% from FY2022.

Over the last five years the company has posted consistent growth in its earnings. FY2023 saw earnings per share decline by -36.7% bringing its average EPS growth to 105%. Revenue and profit have also grown at a 3-year CAGR of 41.61% and 60.21% respectively.

The stock has traded at a 52-week high of 22.00 and 52-week low of 9.65. P/E ratio has ranged between 7.3 and 10.3 over the last five years and we estimate a forward P/E ratio of 4.6 over the next 12 months.

The share price of BOPP has experienced a fall in its price early this year, posting a YTD loss of -2.14% on the back of a dip in its earnings. Nonetheless, the stock still provides long term opportunities for growth. In addition, BOPP remains a dividend stock and is expected to reward its shareholders with some dividends though slightly below last year's levels.



## Scancom PLC. (MTNGH)

Forward P/E Ratio

3.4

Trailing 5-Year Avg. Annual EPS

52.87%

YTD vs. GSECI

+4.84 percentage points



We maintain our Long Term Buy recommendation on MTNGH based on a P/E multiple of 5.2x, an ROE of 46.20%, and a dividend yield of 14.27%. The company is a market leader in the telecommunications industry with the largest data subscription market share in Ghana.

The key revenue drivers for the company are voice, data, and mobile money, contributing 26.8%, 43.9%, and 24.8% to service revenues respectively for FY2023. In FY2023 the company's after-tax profits grew by 39.4% y/y in FY2023 to GHS 3.9 billion (FY2022: GHS 2.9 billion) mainly driven by mobile data.

The company has seen very strong earnings growth over the last five years, posting an average EPS growth of 53%. MTNGH continues to prove an efficient company posting an EBITDA of 40.2% and operated at an EBITDA margin of 58.4%. The company has posted dividend growth since it began paying dividends, recording a growth of 37.2% y/y in its dividend payout to shareholders. Investors looking for regular income through dividends are encouraged to include MTN in their portfolios.

The stock has traded at a 52-week high of 1.65 and 52-week low of 0.93 and its P/E ratio has ranged between 1 and 13 over the last five years. We estimate a forward P/E ratio of 3.4 suggesting further growth in earnings.



# TotalEnergies Marketing Ghana PLC (TOTAL)

Forward P/E Ratio

4.8

Trailing 5-Year Avg. Annual EPS

30.80%

YTD vs. GSECI

-7.46 percentage points



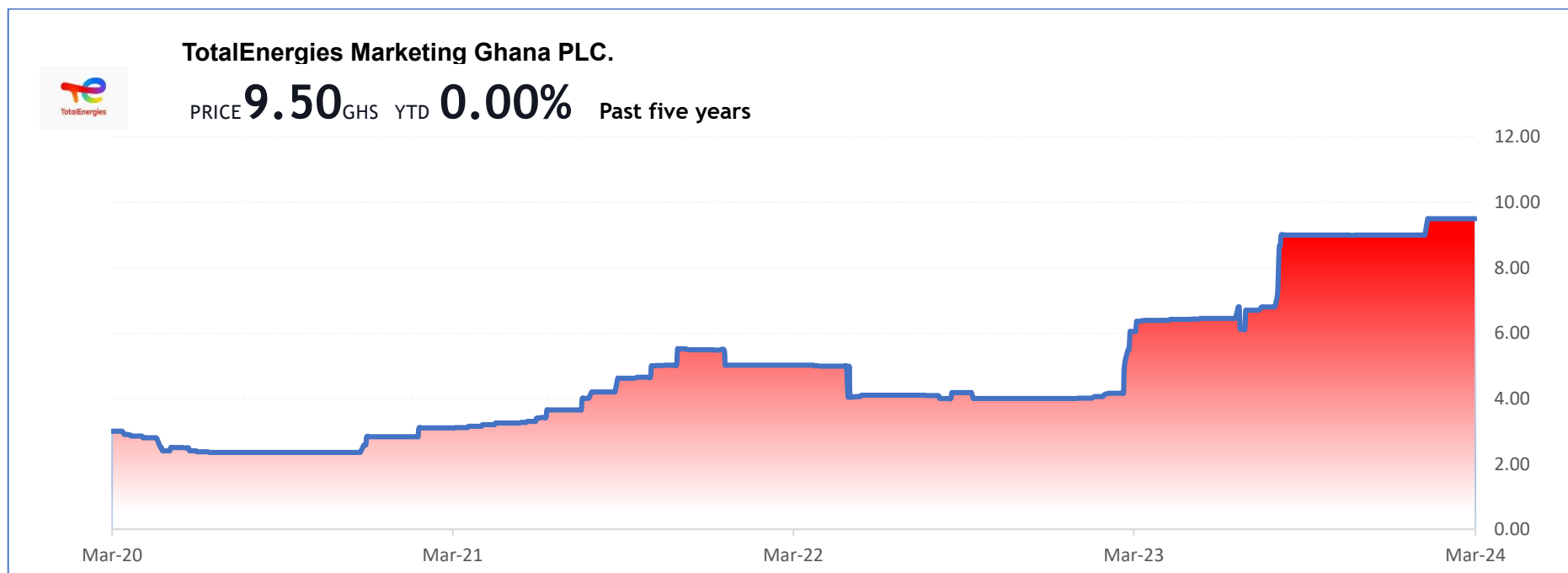
## What we think?

We maintain our LONG-TERM BUY recommendation on TOTAL. The counter is trading at GHS 9.50 and at a P/E multiple of 6.3x, an ROE of 34.76% with a dividend yield of 10.98%. Investors with an appetite for dividends are encouraged to take buying positions in the counter.

TotalEnergies Marketing Ghana PLC. is part of the global TotalEnergies Group, which is the fourth largest publicly traded integrated international Oil and Gas Company in the world with a presence in over 130 countries. In FY 2023 the company's revenue grew by 6.6% y/y to GHS 6.1 billion (FY2022: GHS 5.6 billion), operating profit grew 34.9% y/y to 324 million (FY2022: GHS 240 million), profit after tax also grew 3.0% y/y to 169 million (FY 2022: GHS 165 million). The company's Total assets and Total equity all recorded positive growth of 8.2% and 8.7% from FY2022.

The company's revenue and profit have grown at a 3-year CAGR of 41.61% and 60.21% respectively and has posted an average EPS growth of 30.80% over the last five years. TOTAL has traded at a 52-week high of 9.50 and 52-week low of 5.00. The stock's P/E ratio has ranged between 1 and 13 over the last five years. We estimate a forward P/E ratio of 4.8 over the next 12 months.

Share price of TOTAL has been stable at the beginning of the year and with a dividend announcement expected at this year's AGM we believe there could be price activity later in the year given how impressive dividends have been.



# Unilever Ghana PLC. (UNIL)



Forward P/E Ratio

3.3

Trailing 5-Year Avg. Annual EPS

36.34%

YTD vs. GSECI

+32.85 percentage points

We recommend a BUY on UNIL. The counter is trading at GHS11.83 and a P/E multiple of 4.1x, with an ROE of 77.17%. Unilever Ghana Limited is the largest producer and retailer of consumer goods in Ghana. We recommend investors with a long-term view and an appetite for dividends to take buying positions in the counter.

In FY 2023 the company's revenue grew by 43.8% y/y to GHS 908 million (FY2022: GHS 631 million), operating profit grew 589.4% y/y to 223 million (FY2022: GHS 32 million), profit after tax also grew 1086.8% y/y to 178 million (FY 2022: GHS 15 million). The company's Total assets and Total equity all recorded positive growths of 10.0% and 338.0% respectively from FY2022, with the stock's liabilities falling by -38.2% to 221 million (FY 2022: GHS 358 million)

The company may have truly recovered from the 2019 to 2021 period of poor earnings and has made strides in positioning itself back onto the path of profitability posting profits for the second financial year running. Revenue and profit have grown at a CAGR of 25.79% and 52.44% respectively. Management may consider reinvesting profits into its operations and assets once more with the aim to further strengthening UNIL's assets. As such, we do not expect any dividends to be declared, however this may be possible in the interim.

The company's average EPS growth of UNIL has traded at a 52-week high of 11.83 and a 52-week low of 2.99. Over the last five years, UNIL has traded between a P/E range of 3 and 36. We estimate a forward P/E ratio of 3.3 within the next 12 months.



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