

**INVESTMENT TERM OF THE WEEK**

Dividend Yield: The dividend yield, expressed as a percentage, is a financial ratio (dividend/price) that shows how much a company pays out in dividends each year relative to its stock price. The reciprocal of the dividend yield is the price/dividend ratio.

ETFs: GREAT DEAL FOR INVESTORS

An exchange traded fund (ETF) is a type of security that tracks an index, sector, commodity, or other asset, but which can be purchased or sold on a stock exchange the same as a regular stock. New Gold ETF (GLD), an exchange traded fund sponsored by Absa Capital, offers the opportunity to invest in gold bullion. The company issues listed instruments (structured as debentures) backed by physical gold. Each debenture is approximately equivalent to 1/100 ounces of gold bullion, which is held with a secure depository on behalf of investors. The debentures are listed on the Ghana (GSE) and six other African stock exchanges.

The current share price of New Gold ETF (GLD) is GH¢108.60. GLD this week closed at GH¢108.60 per share. The price has been stable since November 2, 2021, recording a 4.2% gain over its previous closing price of GH¢104.25 on November 1, 2021.

EQUITY MARKET HIGHLIGHTS: The Ghana Stock Market gained 36.12 points over the week to close at 2,730.59; returns -2.11% YTD.

The benchmark GSE Composite Index (GSE-CI) at the close of the week gained 36.12 points to close at 2,730.59 translating into a YTD return of -2.11%. The GSE Financial Stock Index (GSE-FSI) also gained 1.62 points to close the week at 2,116.98 translating into a YTD return of -1.62%. Four (4) equities recorded price increases against one (1) decliner, with SIC Insurance Ltd. (SIC) recording a 100% YTD return at close of trading for the week.

Market Capitalization recorded a drop of GH¢378.08 million to close the trading week at GH¢63.24 billion.

A total of 43.8 million shares valued at GH¢45.4 million traded during the week compared to 8.2 million shares valued at GH¢2.9 million which traded the previous week.

Scancom PLC. (MTNGH) recorded the most trades per value over the week as it accounted for 93.94% of the total value traded.

GSE EQUITY MARKET PERFORMANCE

Indicator	Current Week	Previous Week	Change
GSE-Composite Index	2,730.59	2,694.47	36.12 pts
YTD (GSE-CI)	-2.11%	-3.40%	-37.94%
GSE-Financial Stock Index	2,116.98	2,115.36	1.62 pts
YTD (GSE-FSI)	-1.62%	-1.70%	-4.71%
Market Cap. (GH¢ MN)	63,239.29	62,861.21	378.08
Volume Traded	43,849,420	8,224,838	433.13%
Value Traded (GH¢)	45,434,232	2,952,720	1,438.72%

TOP TRADED EQUITIES

Ticker	Volume	Value (GH¢)
MTNGH	39,522,323	42,680,837.13
CAL	2,066,384	1,755,972.78
SIC	1,784,525	267,998.75
EGL	186,330	614,889.00
ETI	105,323	13,691.99

**93.94%****GAINERS**

Ticker	Close Price (GH¢)	Open Price (GH¢)	Change	Y-t-D Change
SIC	0.16	0.14	14.29%	100.00%
TBL	0.40	0.38	5.26%	17.65%
CAL	0.85	0.82	3.66%	-2.30%
MTNGH	1.08	1.05	2.86%	-2.70%

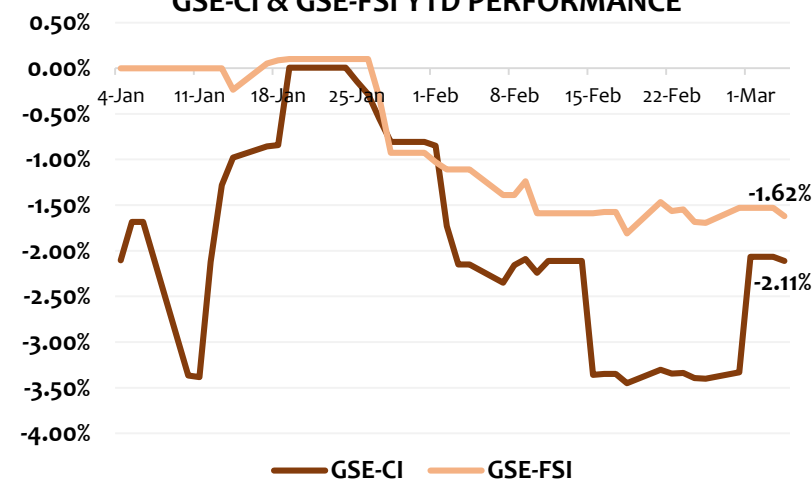
DECLINER

Ticker	Close Price (GH¢)	Open Price (GH¢)	Change	Y-t-D Change
ACCESS	1.90	2.00	-5.00%	-39.68%

KEY ECONOMIC INDICATORS

Indicator		Current	Previous
Monetary Policy Rate	January 2022	14.50%	14.50%
Real GDP Growth	Q3 2021	6.60%	3.90%
Inflation	January 2022	13.9%	12.6%

Source: GSS, BOG, GBA

GSE-CI & GSE-FSI YTD PERFORMANCE

SBL RECOMMENDED PICKS

Equity	Price	Opinion	Market Outlook
MTN GHANA	GH¢ 1.08	Strong 2021 FY Financials	↑ Higher Ask Price
BOPP	GH¢ 6.00	Strong 2021 FY Financials	— Low demand
CAL BANK	GH¢ 0.85	Strong 2021 FY Financials	↑ Improving bids
ECOBANK	GH¢ 7.60	Strong 2021 Q3 Financials	— Bargain bids
SOGEGH	GH¢ 1.20	Strong 2021 FY Financials	— Low demand
FANMILK	GH¢ 3.00	Positive Sentiment	↓ Profit taking

EQUITY UNDER REVIEW:

SCANCOM PLC. (MTNGH)








Share Price	GH¢1.08
Price Change (YtD)	-2.70%
Market Cap. (GH¢)	GH¢13.27 billion
Dividend Yield	0.00%
Earnings Per Share	GH¢0.1633
Avg. Daily Volumes	1,618,105
Value Traded (YtD)	GH¢ 90,338,723

SUMMARY OF FEB. 2022 EQUITY MARKET ACTIVITIES

Indicator	February 2022	February 2021	% Change
GSE-CI YTD CHANGE	-2.11%	13.36%	-
GSE-CI	2,730.59	2,200.92	24.07
GSE-FSI YTD CHANGE	-1.62%	5.08%	-
GSE-FSI	2,116.98	1,873.31	13.01
VOLUME	31.11 M	44.50 M	-30.10
VALUE (GH¢)	26.43 M	35.23 M	-24.97
MKT. CAP. (GH¢M)	62,881.97	57,152.18	10.03
ADVANCERS & DECLINERS	SIC, GGBL, EGL, CAL GCB, MTNGH, BOPP, ACCESS		







Source: Ghana Stock Exchange, SBL Research

GSE AGAINST SELECTED AFRICAN STOCK MARKETS

Country	Current Level	YTD
 (Ghana) GSE-CI	2,730.59	-2.11%
 (Botswana) BGSMDC	7,180.50	2.44%
 (Egypt) EGX-30	11,305.55	-0.05%
 (Kenya) NSE ASI	164.64	-1.09%
 (Nigeria) NGSE ASI	47,628.61	11.50%
 (South Africa) JSE ASI	74,734.37	4.42%
 (WAEMU) BRVM	215.70	6.63%




Source: Bloomberg

CURRENCY MARKET

Currency	Closing Week	Previous Week	YTD Change
	(GH¢)	(GH¢)	%
 DOLLAR	7.0019	6.6004	-14.22%
 POUND	9.2527	8.8311	-12.16%
 EURO	7.6405	7.4179	-10.63%
 YEN	0.0609	0.0572	-14.22%
 YUAN	1.1083	1.0444	-14.75%
 CFA FRANC	85.8527	88.4290	11.90%

Source: Bank of Ghana

COMMODITIES MARKET

Commodity	Closing Week	Previous Week	YTD (%)
 BRENT CRUDE OIL (US\$/bbl.)	116.07	97.02	46.70%
 GOLD (US\$/oz)	1,961.73	1885.24	7.51%
 COCOA (US\$/MT)	2,434.35	2,489.84	-0.64%

Source: Bloomberg, Bullion by Post, ICCO



FULL YEAR 2021 FINANCIAL STATEMENT HIGHLIGHTS

GCB BANK PLC.

Current Price: GH¢5.20

Recommendation: **BUY**

Ticker: GCB

Industry: Banking/Financial

P/E Ratio: 2.4x

	2021	2020
Income Statement	GH¢	GH¢
Net Interest Income	1,894,843,000	1,508,698,000
Operating Income	2,427,493,000	1,967,680,000
Personnel Expense	(641,555,000)	(561,933,000)
Profit before income tax	831,975,000	610,826,000
Profit after tax	572,281,000	445,389,000
Earnings Per Share	2.16	1.68
Statement of financial position	GH¢	GH¢
Cash and cash equivalents	2,301,092,000	1,567,241,000
Loans and advances to customers	4,306,380,000	3,612,588,000
Total assets	18,404,927,000	15,453,897,000
Deposits from customers	13,154,527,000	11,345,240,000
Total liability	15,706,456,000	13,267,899,000
Total Shareholders' equity	2,698,471,000	2,185,998,000

Key Ratios	2021	2020
Leverage ratio	11%	11%
Liquid Ratio	64%	64%
Capital Adequacy Ratio	20.9%	20.7%
Non-Performing Loans	15.98%	8.71%

GCB Bank PLC. released financial results for the full year ended 31st December, 2021 on 04th March, 2022 as highlighted above. The Bank for a while has been undervalued on the market with current Price to Earnings ratio of 2.4x making it an even more attractive investment. Results is an improvement on Q3 2021 and Q2 2021 financials. Net Interest Income increased by 25.59% to GH¢1.9 Billion translating into a Profit after Tax growth of 28.49% and Earnings per share growth of 28.57%. Although GCB's NPL increased to 15.98% from 8.71% in 2020, it is a reduction from the 20.5% recorded in Q3 2021 and 20.7% as at Half Year 2021. GCB still remains in the top two banks with customer deposits, which saw a growth of 15.95% to GH¢13.15 Billion from GH¢11.35 Billion in 2020.

JUSTIFICATIONS FOR INCLUDING STOCKS IN A PORTFOLIO

- Typically, stocks outperform all other investment options over a ten-year period making them a must for long term portfolio.
- They are excellent vehicles for retirement.
- Except for a few short periods, stocks have consistently outpaced the rate of inflation.

ANALYSTS

Godwin Kojo Odoom: Senior Research Analyst
Obad Owusu Sackey: Analyst