

**INVESTMENT TERM OF THE WEEK**

Fiat Money: Fiat money is a government-issued currency that is not backed by a physical commodity, such as gold or silver, but rather by the government that issued it. The value of fiat money is derived from the relationship between supply and demand and the stability of the issuing government, rather than the worth of a commodity backing it. The U.S. dollar and euro are fiat currencies.

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¢145.00.

EQUITY MARKET HIGHLIGHTS: The Ghana Stock Market inched up by 11.07 points over the week to close at 2,507.31; returns -10.11% YTD.

Market activity for the week gained 11.07 points to close at 2,507.31 translating into a YTD return of -10.11%. The GSE Financial Stock Index (GSE-FSI) however lost 1.23 points to close the week at 2,170.33 translating into a YTD return of 0.86%. Twenty-two (22) equities traded over the week, ending with two (2) gainers and one (1) decliner. The 2 gainers were GLD and MTNGH as they gained GH¢0.050 and GH¢0.01 to close at GH¢145.00 and GH¢0.87 respectively. SOGEGH was the sole decliner as it lost GH¢0.01 to close at GH¢1.18.

Market Capitalization decreased by GH¢115.84 million to close the trading week at GH¢61.64 billion.

A total of 8.48 million shares valued at GH¢9.05 million traded during the week. Compared with the previous trading week, this week's data shows a 71.47% decline in volume traded and 64.94% decline in trade turnover. Scancom PLC. (MTNGH) recorded lion's share of trades as it recorded the most volumes and accounted for 98.77% of the total value traded.

GSE EQUITY MARKET PERFORMANCE

Indicator	Current Week	Previous Week	Change
GSE-Composite Index	2,507.31	2,496.24	11.07 pts
YTD (GSE-CI)	-10.11%	-10.51%	-3.81%
GSE-Financial Stock Index	2,170.33	2,171.56	-1.23
YTD (GSE-FSI)	0.86%	0.92%	-6.52%
Market Cap. (GH¢ MN)	61,643.87	61,528.03	115.84
Volume Traded	8,475,595	29,705,115	-71.47%
Value Traded (GH¢)	9,046,592.48	25,805,228.99	-64.94%

TOP TRADED EQUITIES

Ticker	Volume	Value (GH¢)
MTNGH	8,371,392	7,214,616.00
CPC	21,909	438.18
PBC	21,901	438.02
CAL	21,099	16,879.20
GLD	12,300	1,783,500.00

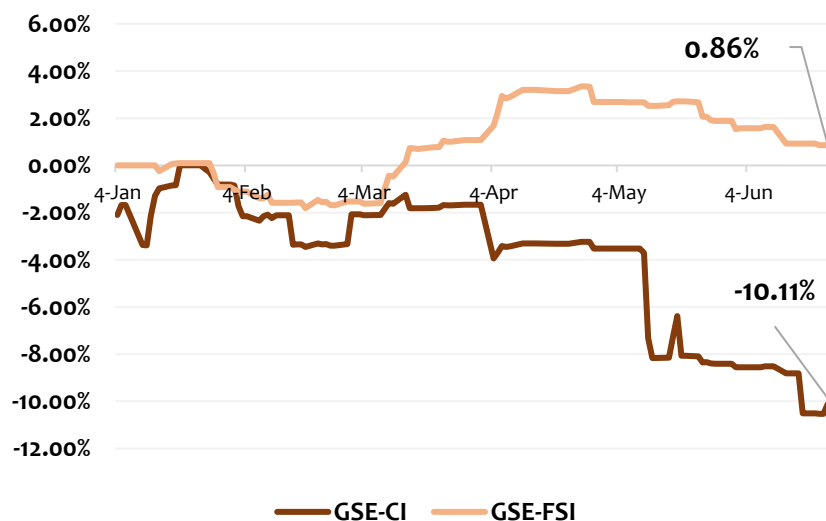
**KEY ECONOMIC INDICATORS**

Indicator		Current	Previous
Monetary Policy Rate	May 2022	19.00%	17.00%
Real GDP Growth	March 2022	3.3%	5.4%
Inflation	May 2022	27.6%	23.6%

Source: GSS, BOG, GBA

GAINERS & DECLINER

Ticker	Close Price (GH¢)	Open Price (GH¢)	Price Change	Y-t-D Change
GLD	145.00	144.50	0.50	33.52%
MTNGH	0.87	0.86	0.01	-21.62%
SOGEGH	1.18	1.19	-0.01	-1.67%

GSE-CI & GSE-FSI YTD PERFORMANCE

SBL RECOMMENDED PICKS

Equity	Price	Opinion	Market Outlook
MTN GHANA	GH¢ 0.87	Strong 2021 FY Financials	↑ Higher Ask Price
BOPP	GH¢ 6.00	Strong 2021 FY Financials	— Low offers
CAL BANK	GH¢ 0.80	Strong 2021 FY Financials	↑ Improving bids
ECOBANK	GH¢ 7.60	Strong 2021 Q3 Financials	— Bargain bids
SOGEGH	GH¢ 1.18	Strong 2021 FY Financials	— Low demand
FANMILK	GH¢ 3.00	Positive Sentiment	— Low demand

EQUITY UNDER REVIEW: SCANCOM PLC. (MTNGH)








Share Price	GH¢0.87
Price Change (YtD)	-21.62%
Market Cap. (GH¢)	GH¢10.69 billion
Dividend Yield	13.218%
Earnings Per Share	GH¢0.2303
Avg. Daily Volumes	3,896,144
Value Traded (YtD)	GH¢1,001,717,834

SUMMARY OF MAY 2022 EQUITY MARKET ACTIVITIES

Indicator	May 2022	May 2021	% Change
GSE-CI YTD CHANGE	-8.41%	24.70%	-
GSE-CI	2,554.79	2,421.11	5.52%
GSE-FSI YTD CHANGE	1.89%	6.74%	-
GSE-FSI	2,192.57	1,902.90	15.22%
VOLUME	657.12 M	58.93 M	1015.12%
VALUE (GH¢)	607.31 M	72.73 M	735.05%
MKT. CAP. (GH¢M)	62,276.63	59,333.16	9.12%
ADVANCERS & DECLINERS			







Source: Ghana Stock Exchange, SBL Research

GSE AGAINST SELECTED AFRICAN STOCK MARKETS

Country	Current Level	YTD
 (Ghana) GSE-CI	2,507.31	-10.11%
 (Botswana) BGSMDC	7,207.11	2.82%
 (Egypt) EGX-30	9,439.85	-21.00%
 (Kenya) NSE ASI	117.21	-29.59%
 (Nigeria) NGSE ASI	51,705.61	21.04%
 (South Africa) JSE ASI	66,348.75	-7.30%
 (WAEMU) BRVM	207.83	2.74%




Source: Bloomberg

CURRENCY MARKET

Currency	Closing Week	Previous Week	YTD Change
	(GH¢)	(GH¢)	%
 DOLLAR	7.2150	7.2030	-16.76%
 POUND	8.8683	8.7823	-8.36%
 EURO	7.6162	7.5394	-10.35%
 YEN	0.0534	0.0534	-2.25%
 YUAN	1.0791	1.0710	-12.45%
 CFA FRANC	86.1266	87.0045	11.54%

Source: Bank of Ghana

COMMODITIES MARKET

Commodity	Closing Week	Previous Week	YTD (%)
 BRENT CRUDE OIL (US\$/bbl.)	112.40	112.93	42.06%
 GOLD (US\$/oz)	1,826.90	1,837.70	0.12%
 COCOA (US\$/MT)	2,322.57	2,283.57	-5.21%

Source: Bloomberg, Bullion by Post, ICCO

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

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