

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 1.36 points over the week to close at 2,694.47; returns -3.40% YTD.

The benchmark GSE Composite Index (GSE-CI) at the close of the week gained 1.36 points to close at 2,694.47 translating into a YTD return of -3.40%. The GSE Financial Stock Index (GSE-FSI) also gained 2.46 points to close the week at 2,115.36 translating into a YTD return of -1.70%. Two (2) equities recorded price increase whereas two (2) equities also recorded decline in prices for the week under review.

Market Capitalization recorded a drop of GH¢479.23 million to close the trading week at GH¢62.86 billion.

A total of 8.2 million shares valued at GH¢2.95 million traded during the week compared to 4.7 million shares valued at GH¢3.92 million which traded the previous week.

SIC Insurance Company Ltd. (SIC) recorded the most trades per value over the week as it accounted for 28.30% of the total value traded on the stock market.

GSE EQUITY MARKET PERFORMANCE

Indicator	Current Week	Previous Week	Change
GSE-Composite Index	2,694.47	2,693.11	1.36 pts
YTD (GSE-CI)	-3.40%	-3.45%	-1.45%
GSE-Financial Stock Index	2,115.36	2,112.90	2.46 pts
YTD (GSE-FSI)	-1.70%	-1.81%	-6.08%
Market Cap. (GH¢ MN)	62,861.21	63,340.44	-479.23
Volume Traded	8,224,838	4,790,054	71.71%
Value Traded (GH¢)	2,952,720.00	3,927,226.53	-24.81%

TOP TRADED EQUITIES

Ticker	Volume	Value (GH¢)
SIC	6,781,794	835,486.00
MTNGH	711,283	746,847.00
CAL	330,622	273,368.00
PBC	119,700	2,394.00
EGL	102,065	336,437.00



28.30%

GAINERS

Ticker	Close Price (GH¢)	Open Price (GH¢)	Change	Y-t-D Change
SIC	0.14	0.10	40.00%	75.00%
EGL	3.30	3.00	10.00%	18.28%

DECLINERS

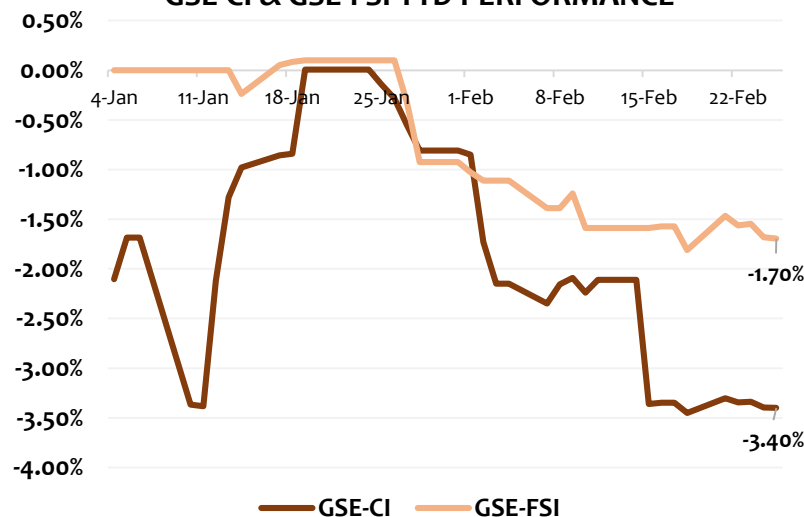
Ticker	Close Price (GH¢)	Open Price (GH¢)	Change	Y-t-D Change
CAL	0.82	0.85	-3.53%	-5.75%
ACCESS	2.15	2.33	-7.73%	-31.75%

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¢ 1.05	Strong 2021 Q3 Financials	↑ Higher Ask Price
BOPP	GH¢ 6.00	Strong 2021 FY Financials	— Low demand
CAL BANK	GH¢ 0.82	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¢1.05
Price Change (YtD)	-2.70%
Market Cap. (GH¢)	GH¢13.27 billion
Dividend Yield	0.00%
Earnings Per Share	GH¢0.1532
Avg. Daily Volumes	1,508,204
Value Traded (YtD)	GH¢ 47,657,886

SUMMARY OF JAN. 2022 EQUITY MARKET ACTIVITIES

Indicator	January 2022	January 2021	% Change
GSE-CI YTD CHANGE	-0.81%	4.41%	-
GSE-CI	2,766.80	2,027.12	36.49
GSE-FSI YTD CHANGE	-0.93%	4.41%	-
GSE-FSI	2,131.93	1,861.45	14.53
VOLUME	34.58 M	98.73 M	-64.98
VALUE (GH¢)	38.28 M	69.72 M	-45.09
MKT. CAP. (GH¢M)	64,097.80	55,301.66	15.91
ADVANCERS & DECLINERS	TBL, EGL, CAL, ETI, ACCESS, FML.		







Source: Ghana Stock Exchange

GSE AGAINST SELECTED AFRICAN STOCK MARKETS

Country	Current Level	YTD
 (Ghana) GSE-CI	2,694.47	-3.40%
 (Botswana) BGSMDC	7,481.11	6.73%
 (Egypt) EGX-30	10,890.88	-0.09
 (Kenya) NSE ASI	160.03	-3.86%
 (Nigeria) NGSE ASI	47,328.42	10.80%
 (South Africa) JSE ASI	74,205.69	3.68%
 (WAEMU) BRVM	217.13	7.34%




Source: Bloomberg

CURRENCY MARKET

Currency	Closing Week	Previous Week	YTD Change
	(GH¢)	(GH¢)	%
 DOLLAR	6.6004	6.4227	-9.00%
 POUND	8.8311	8.7391	-7.97%
 EURO	7.4179	7.2865	-7.95%
 YEN	0.0572	0.0559	-8.66%
 YUAN	1.0444	1.0155	-9.54%
 CFA FRANC	88.4290	90.0236	8.64%

Source: Bank of Ghana

COMMODITIES MARKET

Commodity	Closing Week	Previous Week	YTD (%)
 BRENT CRUDE OIL (US\$/bbl.)	97.02	92.85	22.62%
 GOLD (US\$/oz)	1885.24	1,895.94	3.31%
 COCOA (US\$/MT)	2,489.84	2,565.55	1.62%

Source: Bloomberg, Bullion by Post, ICCO

FULL YEAR 2021 FINANCIAL STATEMENT SNAPSHOTS

CAL BANK PLC.

Current Price: GH¢0.82

Recommendation: **BUY**

Ticker: CAL

Industry: Banking/Financial

P/E Ratio: 2.3x

	2021	2020
Income Statement	GH¢	GH¢
Net Interest Income	469,547,000	522,871,000
Operating Income	745,723,000	688,605,000
Total Operating Expense	(408,206,000)	(403,977,000)
Profit before income tax	337,517,000	284,628,000
Profit after tax	222,852,000	213,803,000
Earnings Per Share	0.3564	0.3419
Statement of financial position	GH¢	GH¢
Cash and cash equivalents	1,307,701,000	1,430,248,000
Loans and advances to customers	2,239,520,000	2,400,950,000
Total assets	10,039,979,000	7,924,586,000
Deposits from customers	5,161,933,000	4,164,301,000
Total liability	8,753,297,000	6,791,814,000
Total Shareholders' equity	1,286,682,000	1,132,772,000

Key Ratios	2021	2020
Leverage ratio	9.5%	10.1%
Liquid Ratio	234.6%	217.6%
Capital Adequacy Ratio	25.1%	22.3%
Non-Performing Loans	11.2%	13.5%

CAL Bank PLC. released its financial statements for the full year ended 31st December, 2021 on 25th February, 2022 as displayed above. Net Interest Income reduced over the 1 year period by 10.20%. However Profit after Tax and Earnings per share increased over the period by 18.58% and 4.24% respectively. Also, CAL saw its NPL fall from 13.5% to 11.2% representing a 17.04 percentage points change with Capital Adequacy going up by 12.56%

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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