



2023

Q3 REPORT

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KEY MACROECONOMIC INDICATORS REVIEW: Q3'2023

GDP Q3'2023	2.0%	In Q3 of 2023, Ghana's year-over-year (y/y) GDP growth rate experienced a sharp dip, recording a 2.0% growth rate, as opposed to the 3.2% y/y growth recorded Q1. The IMF Forecasts end year growth at 1.5%.
Inflation	38.1%	Inflation at the end of Q3 was 38.1% (Sept.). This indicates a consecutive decline in August (40.1%) and September (38.1%).
Monetary Policy	30.00%	The MPC maintained MPR at 30.00%. It has been maintained on 2 consecutive occasion on the back of decrease in inflation, a relatively stable currency, and promising economic growth prospects
Exchange Rate	22.94%	The cedi depreciated by 22.94% against the US Dollar compared to 37.5% in Q3 of 2022

Source: Ministry of Finance, Bank of Ghana and Ghana Statistical Service

CURRENCY PERFORMANCE

Currencies of 10-Largest Economies in Africa by GDP

EXCHANGE RATES	USD/GHS	EUR/GHS	GBP/GHS
2022 End Year (Depreciation)	29.97%	25.34%	21.19%
Q3 2023 Rate (Nominal)	11.13	11.78	13.59
Year to Q3 Change (Depreciation)	22.94 %	22.40%	24.10%

Currencies of 10-Largest Economies in Africa by GDP

Country	Code	Performance against the USD
Moroccan Dirham	USDMAD	1.46%
Algerian Dinar	USDDZD	-0.01%
Ethiopian Birr	USDETB	-3.82%
Tanzanian Shilling	USDTZS	-7.09%
South African Rand	USDZAR	-10.13%
Kenyan Shilling	USDKES	-16.79%
Egyptian Pound	USDEGP	-19.89%
Ghanaian Cedi	USDGHS	-22.94%
Angolan Kwanza	USDAOA	-39.34%
Nigerian Naira	USDNGN	-41.85%

Source: Refinitiv

Green = Appreciation to USD Red = Depreciation to USD

The Ghana Cedi was one of the poor performing currencies on the continent when ranked among the 10 largest economies. It only outperformed the Angola Kwanza and the Nigerian Naira

FIXED INCOME MARKET REVIEW

Primary Market Activities for Treasury Bills

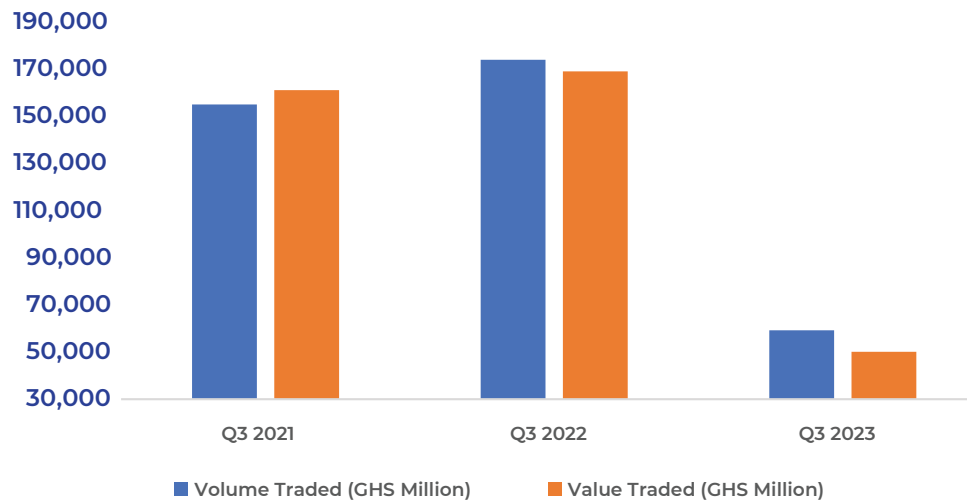
Target for Q3	GHS 35.2 Billion
Bids Tendered	GHS 37.2 Billion
Amount Raised	GHS 36.87 Billion

Source: BoG

The Government exceeded its Q3 target by 4.69% (GHS 1.65 billion)

Secondary Market Activities

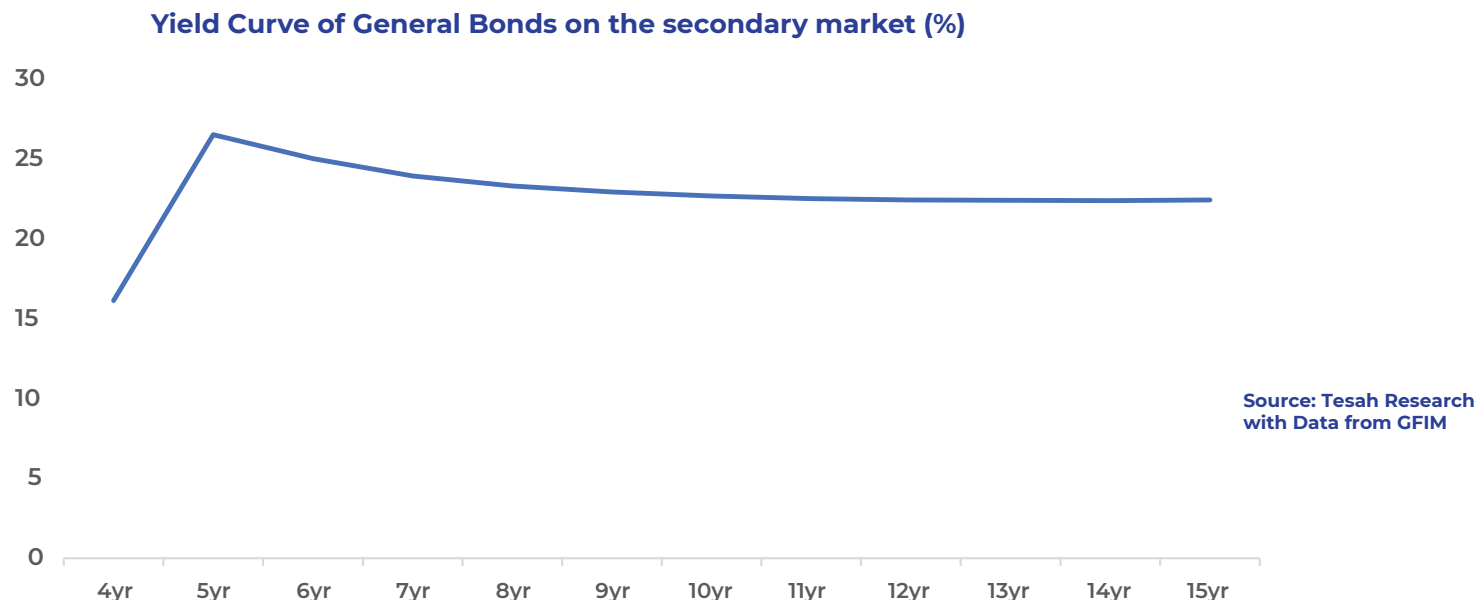
Summary of Fixed Income Trade Statistics



Source: GFIM

The significant dip in the volume and value traded on the secondary market was as a result of the Pensions DDEP where pension funds exchanged their old bonds for new bonds. The low trading activity on the secondary market was as a result of the heightened risk associated with GoG securities after the DDEP.

2023 PROJECTIONS AND TARGETS



The average yields for the General Bond category across all maturity periods at the end of Q3 of 2023 was 22.73%.

KEY TAKEAWAYS

Fixed Income

- Demand for treasury bills was high in Q3' 2023. An oversubscription rate of 4.69% which was above the Q3 target of GHS 35.2 billion.
- The high demand by investors was likely due to the high interest rates on the treasury bill market and the lack of sophisticated investment products away from Government securities
- Average Interest rates for the 91-day, 182-day and 364-day bills went up by 617bps, 490bps and 342bps from Q2' 2023 to 27.94%, 29.48% and 32.08% respectively.
- Activities on the secondary market slowed down as volume and value of securities traded declined by 65.94% and 70.31% respectively in Q3' 2023 compared with Q3' 2022. This decline can be attributed to Pensions DDEP which was rounded up in Q3

EQUITY MARKET REVIEW

GSE-CI

3,172.35 points
YTD Change Return: 29.81%
Q3 Return: +2.84%

GSE-FI

1,890.13 points
YTD Change Return: -7.92%

MARKET CAP

GHS 74,189.35M
YTD Change Return: 15.01%
Quarter Change: +1.28%

VOLUME TRADED

412.62M
YoY Change: -67.77%

VALUE TRADED

GHS 560.77M
YoY Change: -56.50%

MOST TRADED STOCK

MTNGH
84% of total volume traded

MOST TRADED STOCK

MTNGH
69% of total value traded

EQUITY MARKET: GAINERS AND LOSERS AS AT Q3 2023

Gainers

BOPP	143.53%
TOTAL	125.00%
UNIL	108.76%
GGBL	-65.85%
MTNGH	-64.77%

Losers

EGH	-35.24%
EGL	-24.69%
ACCESS	-22.69%
SIC	-22.58%
CAL	-20.00%

KEY TAKEAWAYS

EQUITIES

- The GSE-CI continued its bullish rally in Q3' 2023. It closed Q3 with a quarter return of 2.84% although year to end of Q3 return was 29.81%.
- The gains on the bourse were spread across various sectors with the top 5 gainers (YTD) being BOPP (143.53%), TOTAL (135%), UNIL (108.6%), GGBL (65.85%) and MTNGH (64.77%).
- It is worthy to note that the top 5 losers (YTD) were financial stocks. EGH (35.24%), EGL (24.69%), ACCESS (22.69%), SIC (22.58%), CAL (20.00%). This can be attributed to the negative impact of the DDEP on the financial sector. Volumes and values traded declined by 67.77% and 56.50% respectively on a YTD basis.
- MTNGH continued to dominate the volumes and value traded with a total of 348 million shares exchanged for approximately GHS 390 million.

OUTLOOK FOR Q4'2023

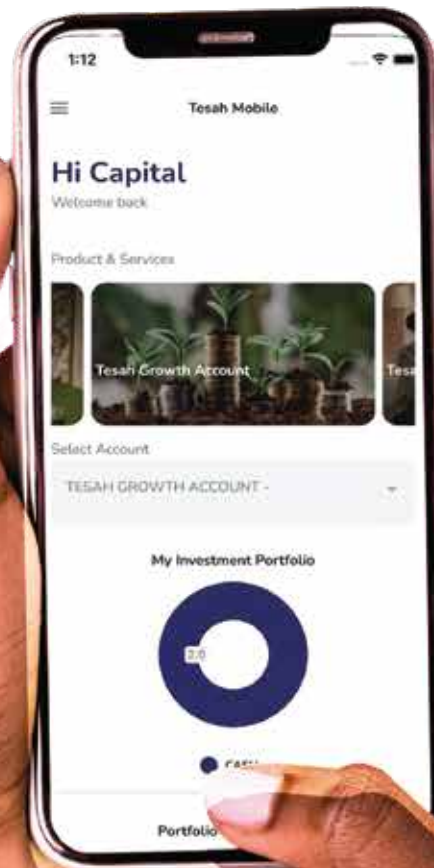
- The outlook from the World Bank suggests a deceleration in growth to 1.5% by the end of 2023.
- Inflationary pressures are anticipated to persist, and it is expected that the year will end with an estimated inflation rate of 29.0% in line with projections from the Ministry of Finance.
- It is anticipated that in the upcoming Monetary Policy Committee meeting, the policy rate will be kept unchanged, given the recent trend of declining inflation and relative stability of the Ghana Cedi.
- The bullish rally of the GSE is expected to continue into Q4'2023 with gains likely to be spread across various sectors of the economy. Notable mentions being The ICT and Food and beverage sector.
- We also expect an improvement in the performance of the GSE-FI away from what was recorded in the earlier quarters of the year as banks show improvement in their performance.





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