

**LAURUS
AFRICA**



Quarterly Economic and Market Report

Q3 2024

Summary Snapshot

Macroeconomics

Macro indicators

	Q4'23	Q1'24	Q2'24
GDP growth %	3.8	4.7	6.9

	Q1'24	Q2'24	Q3'24 ¹
Inflation %	25.8	22.8	20.4
MPR %	29.0	29.0	27.0

	Q1'24	Q2'24	Q3'24
USD/GHC	12.8770	14.5860	15.8000
QoQ app+ / dep- %	-7.74	-11.72	-7.68
GBP/GHC	16.2617	18.4375	21.1823
QoQ app+ / dep- %	-6.94	-11.80	-12.96
EUR/GHC	13.9031	15.6270	17.6108
QoQ app+ / dep- %	-5.59	-11.03	-11.26

Upcoming events

 MPC Press Release | November 25

Commodities

International prices

	Q2'24	Q3'24	QoQ Chg. %
Cocoa \$/tonne	7,731.00	7,069.00	▼ -8.56
Gold \$/ounce	2,339.60	2,667.80	▲ 14.03
Oil \$/barrel	85.00	78.05	▼ -8.18

Fixed Income

Money market

	Q2'24	Q3'24	QoQ Chg. %
91 Day Bill	24.87%	25.68%	▲ 3.27
182 Day Bill	26.80%	26.92%	▲ 0.44
364 Day Bill	27.79%	28.68%	▲ 3.20

Equity

Market activities

Volume traded (Q2'24)	Volume traded (Q3'24)
330,418,635	348,509,382
Value traded (Q2'24)	Value traded (Q3'24)
GHS 618,499,563.40	GHS 868,076,584.03
GSE-CI (Q3'24)	GSE-FSI (Q3'24)
4,369.44 (14.1%)	2,190.37 (3.6%)

Top winners and losers

TOTAL	12.61	▲ 30.4%
ALLGH	6.15	▲ 28.1%
RBGH	0.60	▲ 25.0%
MTNGH	2.18	▲ 20.4%
FML	3.50	▼ 4.9%
ACCESS	4.32	▼ 10.0%
EGL	1.99	▼ 16.7%
CAL	0.28	▼ 20.0%

Note: Q3 Inflation is as at August 2024; Qx means quarter x, YTD means year-to-date, QoQ means quarter-on-quarter, app+ means appreciation, dep- means depreciation, GSE means Ghana Stock Exchange, GSE-CI means GSE Composite Index, GSE-FSI means GSE Financial Stock Index, MPC means Monetary Policy Committee

Ghana's economy shows a positive sign of recovery.

Ghana's provisional real GDP for Q2 2024 was estimated to have increased by 6.9%, compared to 2.5% in the same period in 2023.

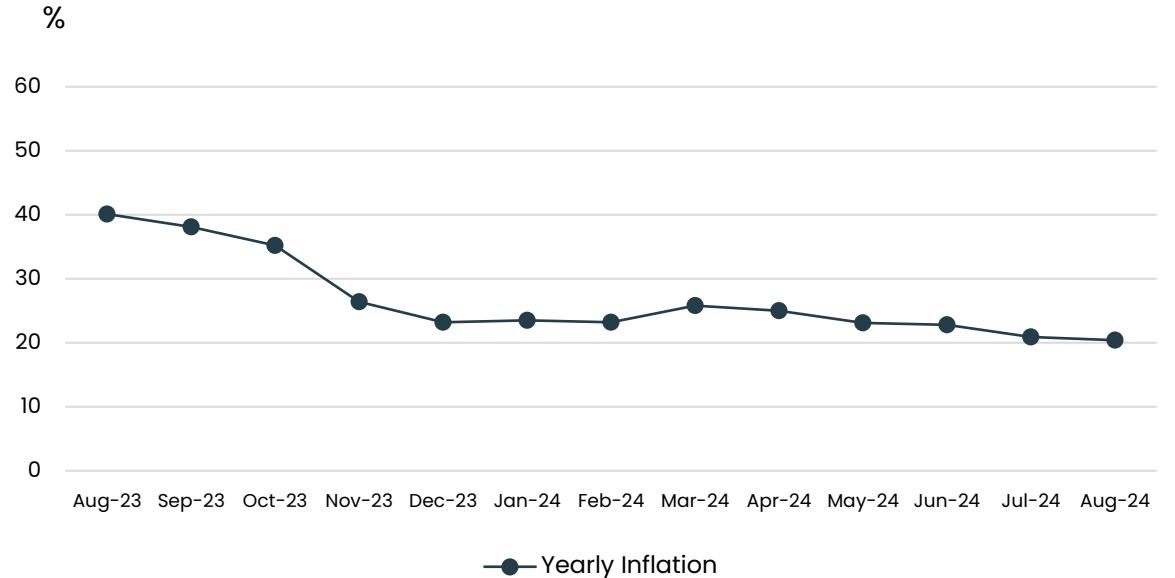
The Services sector continues to be the largest sector of the Ghanaian economy in 2024 Q2 with a share of 44.2% of GDP at basic prices. The GDP shares of Industry and Agriculture were 32.2% and 23.6% respectively.

The Industry sector recorded the highest real GDP growth of 9.3% (year-on-year), followed by the Services sector at 5.8%, whilst the Agriculture sector recorded a growth rate of 5.4%.

Exchange Rates

USD/GHS	GBP/GHS	EUR/GHS
Q2-2024 14.5860	Q2-2024 18.4375	Q2-2024 15.6270
Q3-2024 15.8000	Q3-2024 21.1823	Q3-2024 17.6108
QoQ -7.68%	QoQ -12.96%	QoQ -11.26%

Inflation

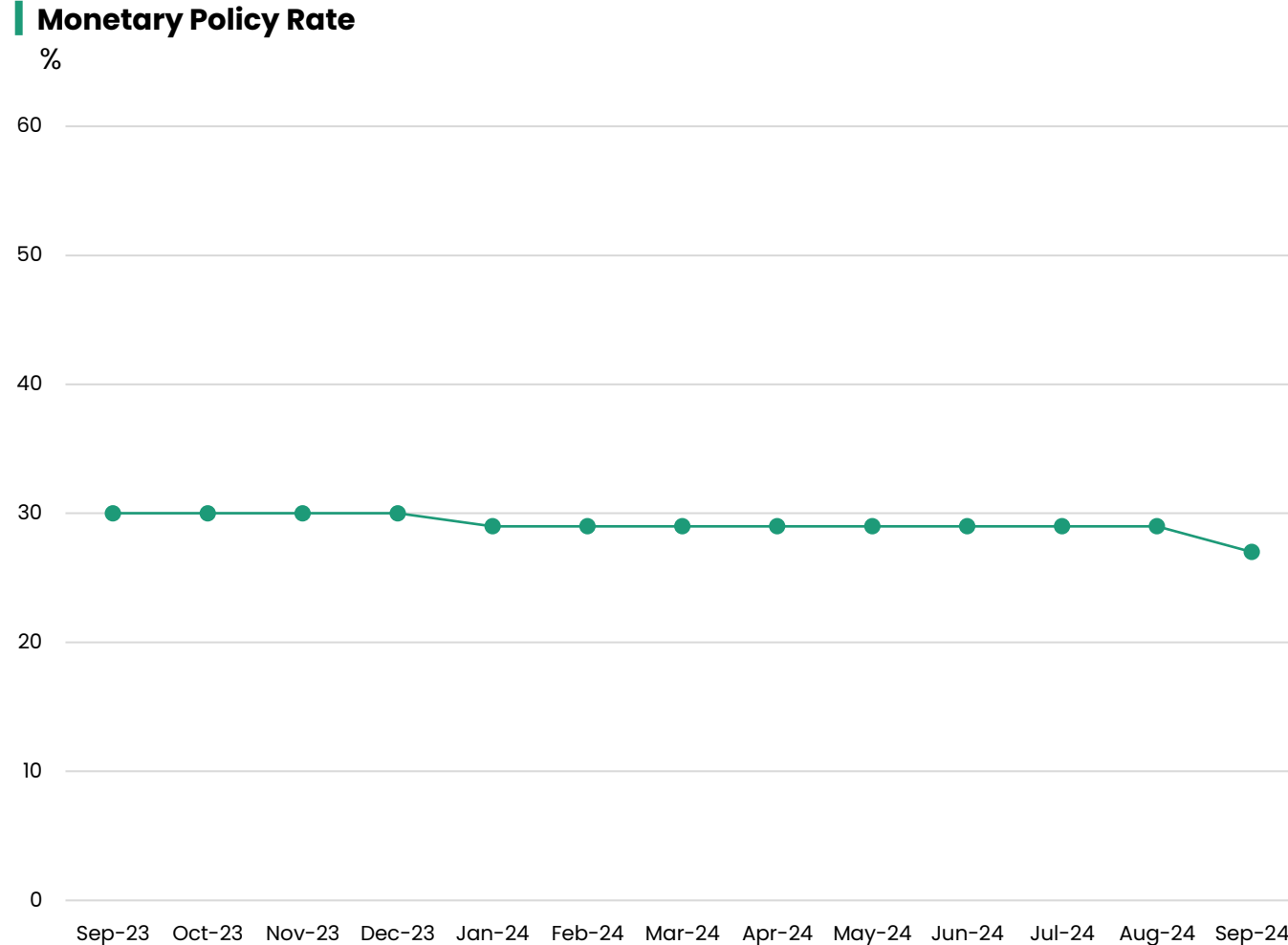


Ghana's year-on-year inflation rate slowed slightly in August, dropping to 20.4% from 20.9% in July. The marginal decrease was largely driven by a reduction in food inflation, which eased to 19.1% from 21.5% in the previous month.

While food inflation decreased, non-food inflation saw an increase, rising to 21.5% in August from 20.5% in July. Prices across all categories fell by 0.7% over the month.

August marked the fifth consecutive month of declining inflation. Despite this trend, inflation remains higher than the central bank's medium-term target of 8%.

The Monetary Policy Committee (MPC) reduces interest rates by 2% in September 2024 meeting.



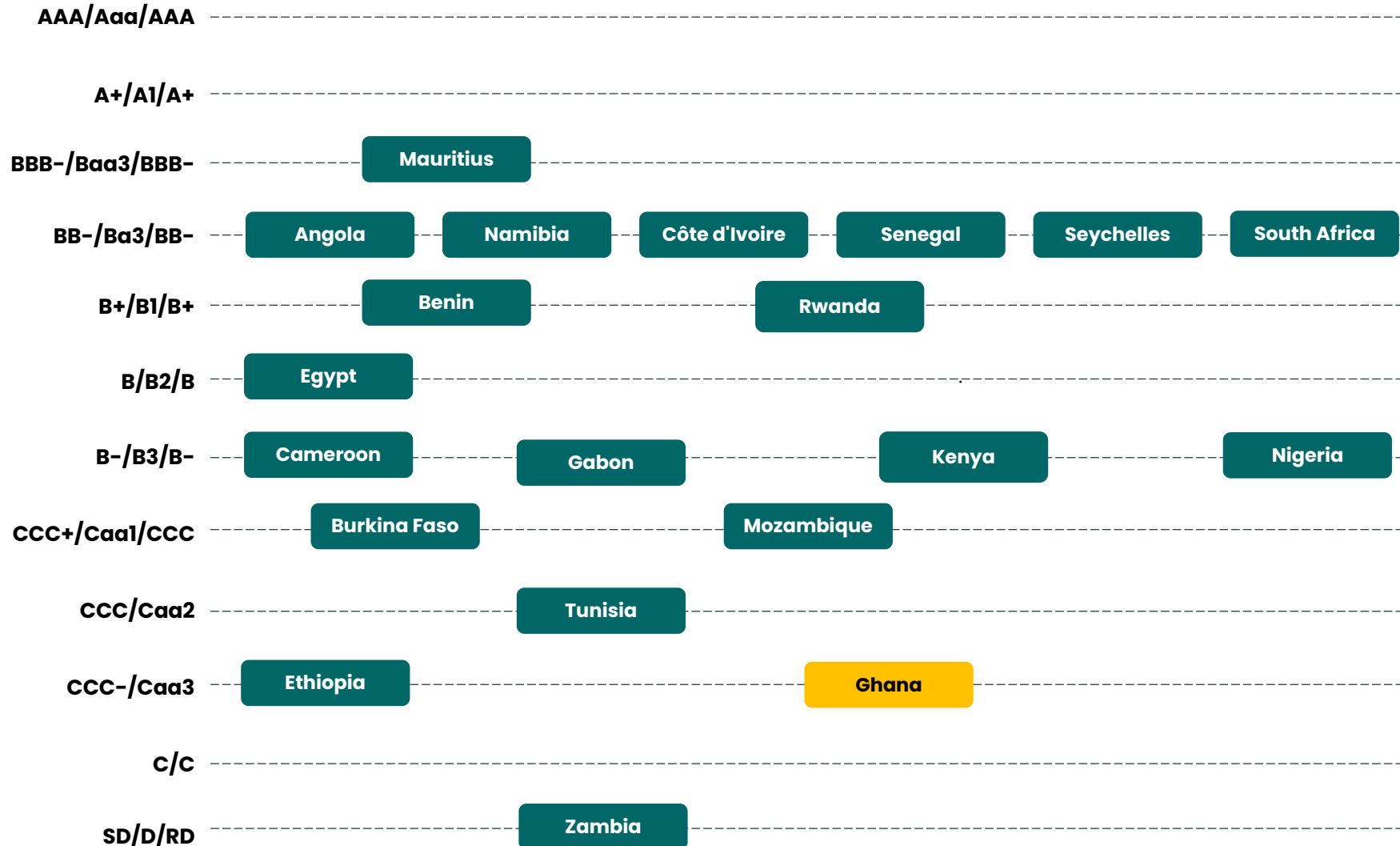
The Bank of Ghana (BoG) Monetary Policy Committee (MPC) reduced its Monetary Policy Rate by 200bps to 27% during its September 2024 meeting, citing improvements in the country's macroeconomic conditions.

This comes as headline inflation has steadily declined over the past few months, falling from 22.8% in June to 20.4% in August 2024, largely driven by a drop in food prices, with food inflation dipping to 19.1% in August from 24.0% in June.

The Bank is optimistic about the inflation outlook, with projections indicating that inflation will ease toward a target range of 13% to 17% by the end of the year. Barring any unexpected shocks, the MPC expects inflation to gradually return to the medium-term target of 6-10% by the end of 2025.

The development has raised hopes of widescale lower cost for funds.

Moody's signals potential upgrade of Ghana's credit rating.



On July 5 2024, Moody's indicated a potential upgrade for Ghana's credit rating following the country's Eurobond exchange.

The firm announced that it has completed a periodic review of Ghana's ratings, which include long-term issuer ratings of Caa3 for local currency and Ca for foreign currency. These ratings reflect the government's ongoing debt restructuring under the G20 common framework initiated in December 2022.

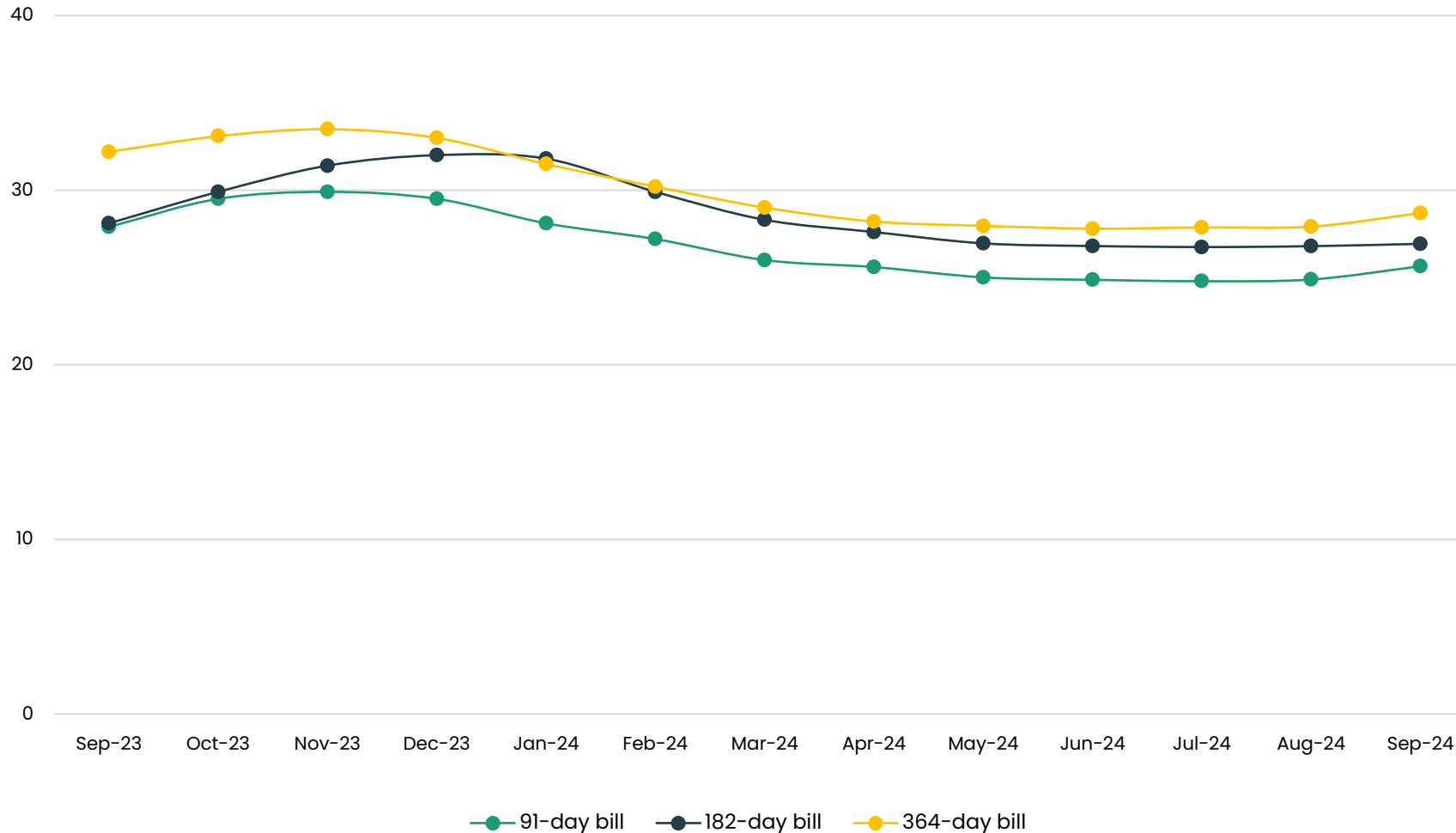
Fitch on the other hand affirmed Ghana's Long-Term Foreign Currency (LTFC) at RD in its rating action commentary published in July 2024. The affirmation of the LTFC IDR at RD reflects that Ghana is still defaulting on its outstanding Eurobonds following the expiration of the grace period for a missed coupon payment in February 2023.



Treasury bill rates recorded a slight increase in the third quarter of 2024.

The Yield on Government Treasury Bills as at September 2024

Yield Curve %



The government successfully borrowed GHS 58.35B via treasury bills in Q3 2024.

The government underperformed its target in eleven of the thirteen auctions settled in Q3 2024, achieving a 15.03% decrease in the gross quarterly target.

All bids tendered were accepted, comprising GHS 42.69B, GHS 11.41B, and GHS 4.26B worth of 91, 82, and 364-day bills respectively.

Treasury bill yields settled at 25.64% for the 91-day bill, 26.92% for the 182-day bill, and 28.68% for the 364-day bill.

The equity market continues to trend upward.

Market Highlight

	Q3 2024	Q2 2024	% Change
GSE-CI YTD Change	37.7%	20.1%	
Volume	348,509,382	330,418,635	5.5
Value (GHS)	868,076,584.03	618,499,563.40	40.4
GSE-CI	4,369.44	3,829.61	14.1
Market Cap (GHS'M)	99,101.87	85,096.58	16.5
GSE-FSI YTD Change	14.7%	10.7%	
GSE-FSI	2,190.37	2,115.04	3.6

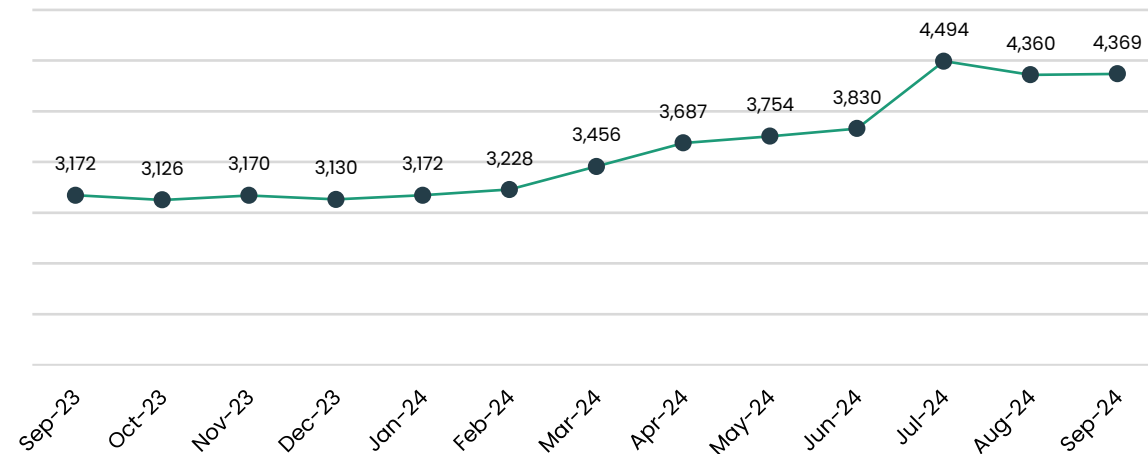
The GSE Composite Index (GSE-CI) advanced by 539.83 points in Q3, closing at 4,369.44, a 14.0% increase from the previous quarter's 3,829.61 points. This resulted in a 37.7% advancement in the year-to-date performance. Market capitalization increased by 16.5% from Q2 to close Q3 at GHS 99.10B.

The Financial Stock Index (GSE-FSI) improved by 75.33 points to close the quarter at 2,190.37 points compared to 2,115.04 points in the previous quarter and a 14.7% year-to-date increase.

348.51M shares exchanged hands in the third quarter of 2024, compared to 330.42M in the second quarter. Shares traded on the market were valued at GHS 868.08M, a 40.4% increase from Q2 2024.

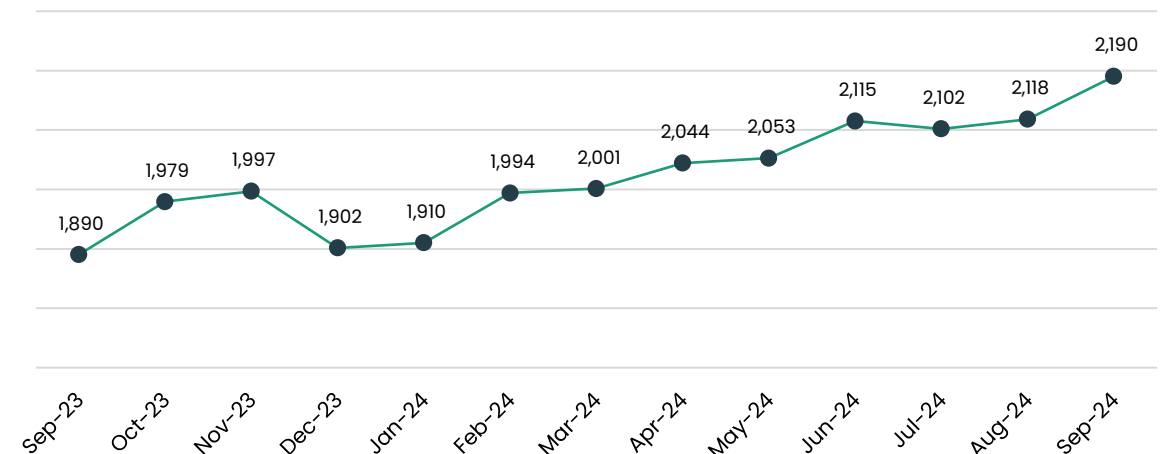
GSC-Composite Index: September 2023 to September 2024

Index Movement ($\Delta 37.7\%$)



Financial Stock Index: September 2023 to September 2024

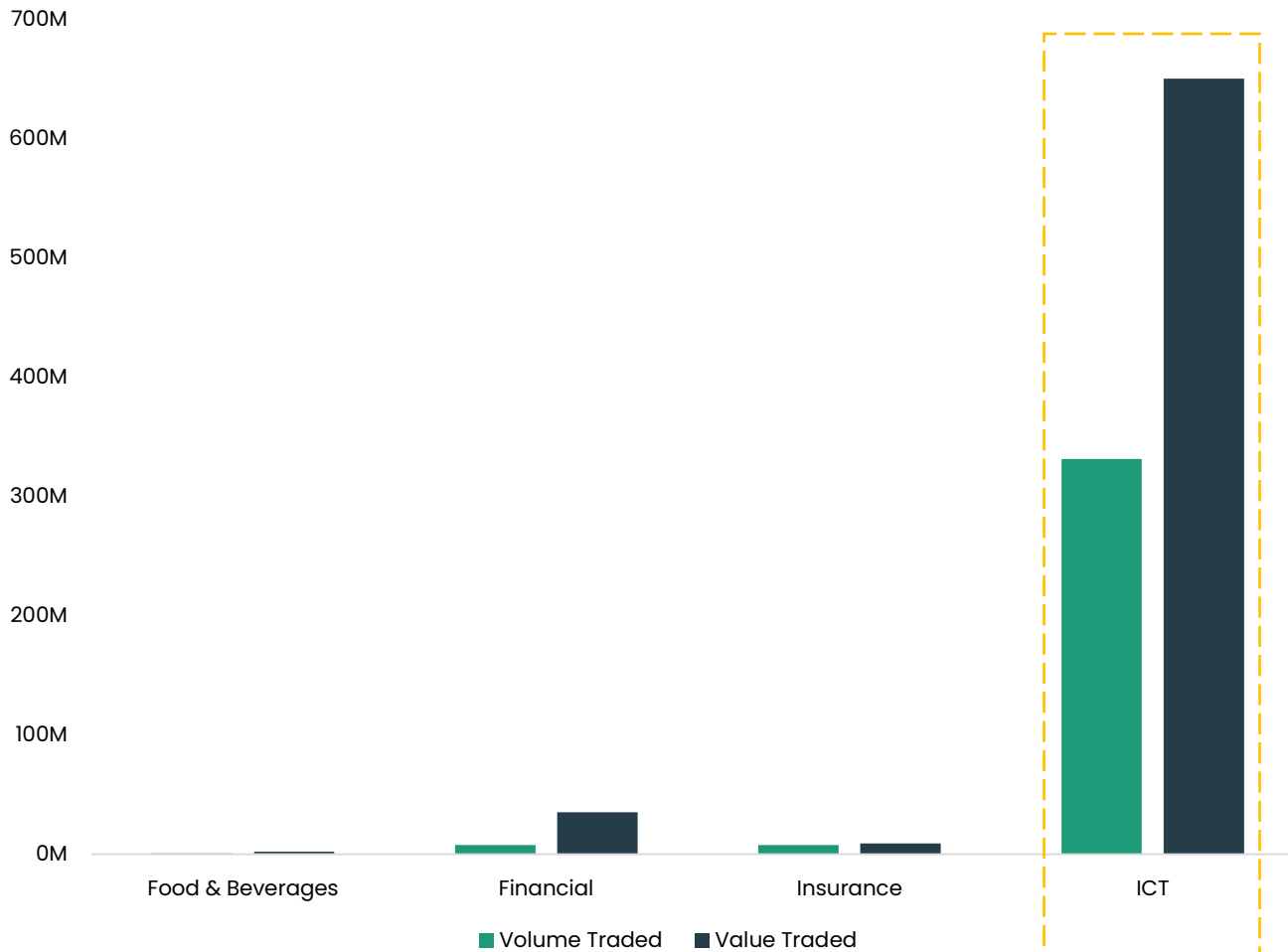
Index Movement ($\Delta 15.9\%$)



The ICT sector maintained its market dominance for the third consecutive quarter.

Sectorial Distribution of Trades, Q3 2024





Top 4 Sectors







- ICT Sector:** The ICT sector had the busiest counter in the quarter, recording a traded volume of 331,684,203 shares and a traded value of GHS 650,667,790.54. MTN accounted for 99.9% of the sector's trades in Q3, reflecting its liquidity and the significant interest it continues to generate among investors.
- Insurance Sector:** The insurance sector demonstrated moderate activity, trading 7,673,426 shares at a total value of GHS 9,111,836.18. EGL* dominated the sector's trade in the quarter, accounting for 88% of total shares traded.
- Financial Sector:** The financial sector maintained its positive outlook. The sector saw a trading volume of 7,604,632 shares at GHS 35,265,390.91. 65% of trading activities were recorded in July, with the remaining occurring in the last two months of the quarter.
- Food & Beverage Sector:** The sector saw 650,501 shares traded, valued at GHS 2,159,112.96. FML** dominated trading activities in the sector, contributing about 69% of traded volume.

MTNGH was the most dominant counter throughout the third quarter of 2024.

Top Trades by Volume (Q3'24)

Equity	Traded Volume	% of Traded Volume
 MTNGH	331,655,142	95.16%
 EGL	6,786,711	1.95%
 EGH	4,903,038	1.41%
 CAL	1,129,637	0.32%

Top Trades by Value Q3'24)

Equity	Traded Value	% of Traded Value
 MTNGH	650,666,921.04	74.96%
 GLD	168,131,065.00	19.37%
 EGH	29,908,531.80	3.45%
 EGL	8,890,157.43	1.02%

Eleven winners and five Losers emerged in the Market in Q3 2024. TOTAL led the winners, boasting a 30.4% increase in value. ALLGH followed with an impressive 28.1% rise to GHS 6.15, while RBGH saw a 25.0% increase, closing at GHS 0.60.

Conversely, CAL and EGL led the losers, declining by 20.0% and 16.7% to close the quarter at 0.28 and 1.99 respectively.

Stock	Beg. 2024	Q2 Price	Q3 Price	QoQ Chg	YTD Chg
TOTAL	9.00	9.67	12.61	▲ 30.4%	▲ 40.1%
ALLGH	-	4.80	6.15	▲ 28.1%	▲ 28.1%
RBGH	0.48	0.48	0.60	▲ 25.0%	▲ 25.0%
MTNGH	1.40	1.81	2.18	▲ 20.4%	▲ 55.7%
GCB	3.40	5.50	6.00	▲ 18.2%	▲ 76.5%
GLD	218.50	345.19	405.90	▲ 17.6%	▲ 85.8%
BOPP	22.00	22.21	25.21	▲ 13.5%	▲ 14.6%
ETI	0.15	0.15	0.17	▲ 13.3%	▲ 13.3%
UNIL	8.11	14.77	16.50	▲ 11.7%	▲ 103.5%
SCB	17.55	20.00	22.10	▲ 10.5%	▲ 25.9%
CMLT	0.10	0.11	0.12	▲ 9.1%	▲ 20.0%
SOGEGH	1.57	1.55	1.50	▼ 3.2%	▼ 4.5%
FML	3.25	3.68	3.50	▼ 4.9%	▲ 7.7%
ACCESS	3.40	4.80	4.32	▼ 10.0%	▲ 27.1%
EGL	2.39	2.39	1.99	▼ 16.7%	▼ 16.7%
CAL	0.48	0.35	0.28	▼ 20.0%	▼ 41.7%

Stock Picks

Criteria:

- Trades on the Ghana stock exchange
- Strong forward growth expectations
- Historical EPS growth and positive outlook
- Has a market capitalization of at least GHS 500M and trades at least 500 shares per day on average
- Demonstrated historical growth and financial performance

1 Unilever	UNIL
Stock Price 16.50	Year-to-Date 103.50%
Market Cap 1,031.25mil	EPS (GHS) 1.80
P/E 9.18	Dividend Yield 2.42%
Key Takeaway Impressive price growth	

2 GCB Bank.	GCB
Stock Price 6.00	Year-to-Date 76.50%
Market Cap 1,590.00mil	EPS (GHS) 3.15
P/E 1.91	Dividend Yield 0.00%
Key Takeaway ~9% earnings growth above industry	

3 Scancom Ghana Plc.	MTNGH
Stock Price 2.18	Year-to-Date 55.70%
Market Cap 28,776.00mil	EPS (GHS) 0.35
P/E 6.16	Dividend Yield 12.2%
Key Takeaway Impressive dividend yield	

4 Access Bank Ghana	ACCESS
Stock Price 4.32	Year-to-Date 27.10%
Market Cap 751.68mil	EPS (GHS) 4.16
P/E 1.04	Dividend Yield 0.00%
Key Takeaway ~40% growth in EPS from Q3'23	

5 Total Energies	TOTAL
Stock Price 12.61	Year-to-Date 40.10%
Market Cap 1,412.32mil	EPS (GHS) 2.03
P/E 6.21	Dividend Yield 5.74%
Key Takeaway Impressive dividend yield	

6 Benso Palm Plantation	BOPP
Stock Price 25.21	Year-to-Date 14.60%
Market Cap 877.31mil	EPS (GHS) 2.29
P/E 11.00	Dividend Yield 9.25%
Key Takeaway Positive EPS growth outlook	

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**LAURUS
AFRICA**



2nd Floor Advantage Place,
Mayor Road, Ridge Accra

info@laurusafrika.com