

Weekly Market Bulletin

Government of Ghana Treasury Bills & Notes Rates

Bills & Notes	17-July-17	10-July-17	Change
91- Day	12.55%	11.67%	+0.88%
182- Day	13.04%	13.08%	-0.04%
2-Year Note	15.00%	15.00%	-

Key Economic Indicators	2017 Target
GDP Growth	6.3%
Inflation	11.20%
Import Cover	≥3 Months

CCY Pair	Buy	Sell
USD/GHS	4.2500 – 4.2700	4.4450– 4.4470
GBP/GHS	5.5250 – 5.5450	5.8350– 5.8370
EUR/GHS	4.8100 – 4.8300	5.1130– 5.1150

The Cedi appreciated marginally, benefiting from the vulnerability of the Dollar in the international currency market due to unfavourable US consumer data. The Cedi gained 7 pips to the Dollar to end the week at 4.3635. It however depreciated against the Pound and Euro shedding 602 pips and 813 pips to close the week at 5.6804 and 5.0519 respectively.

Tenor	Rates
O/N	5.00%
1 Month	8.00% - 10.00%
3 Months	10.00% - 12.00%
6 Months	12.00% - 13.00%
1 Year	13.00% - 14.00%
Average Interbank Rate	22.04%
GTBank Base Rate	24.77%

The interbank rate has been relatively stable for the past two weeks, trending flat at 22.04% as money supply adequately matched demand.

CCY Pair	17-July-17	10-July-17	Change
GBP/USD	1.3099	1.2882	+0.0217
EUR/USD	1.1462	1.1390	+0.0072
USD/JPY	112.49	113.96	-1.4700
USD/CHF	0.9627	0.9673	-0.0046
Market Commodities			
Gold	1,234.32	1,210.40	+23.92
Oil (Brent)	48.72	47.26	+1.46
Cocoa	1,906.00	1838.00	+68.00

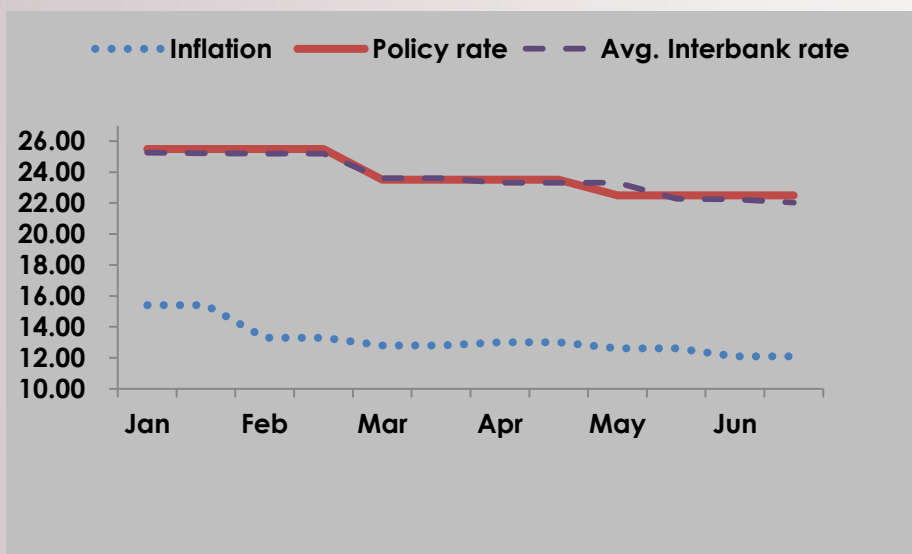
The Sterling hit its highest point against the Dollar in 10 months in the week under review, climbing 1 percent after data further undermined expectations for more hikes in U.S. interest rates.

The greenback further lost ground against all its major peers on signs that Trump's health-care reform bill is effectively dead in its current form, after two more Republican senators announced their opposition to the plan.

On the commodity market, oil edged up to \$48.72 after fewer drilling rigs were added in the United States and as demand soaked up some of the surplus supplies from OPEC and the United States, helping ease concerns that surging shale supplies will undermine OPEC-led production cuts. Gold and Cocoa also rebounded on account of a weak Dollar, gaining \$23.92 and \$68 to end the week at \$1,234.32 and \$1,906 respectively.

Inflation rate for June dropped marginally to 12.10 percent from 12.60 percent in May, the lowest reading since September 2013. The decrease was due to the general decline in the prices of food and non-alcoholic beverages as well as petroleum products compared to the same period last month.

Following the drop in inflation rate, declining yields on government securities as well as relatively stable exchange rate, the Central Bank is expected to cut its policy rate for a third successive time to bridge the gap between inflation rate and the policy rate.



The yield curve sustained normality, albeit rate adjustment on short-tenored securities at the last auction. Yield on 91-day rose 88bps to settle at 12.55% whilst the 182-day shed 4bps to close at 13.04%. The 1-year note however remained unchanged at 15.00%. Activities on the secondary market slowed during the week with a total traded volume of GHS78.6 million compared to 150.8 million for previous week. Securities mostly traded were the 2020 and 2021 maturities – GHS14.2 million of March 09, 2021 was traded at an average yield of 18.05% whilst GHS7.2 million of March 23, 2020 traded at 17.99%. At the next auction, government expects to raise GHS1,114.00 million from the issue of 91-day and 182-day bills and GHS300 million from the issue of a 3-year bond through reopening of the existing 3-year Bond (coupon of 18.50%) maturing 1st June, 2020.

Available Securities

Maturity Date	Security Type	Offer
06-May-19	2-Year Note	17.50%
10-Jun-18	2-Year Note	15.80%
01-Jun-20	3-Year Bond	17.60%
01-03-21	5-Year Bond	17.80

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- Competitive rates for corporate institutions & Individuals who purchase GoG Treasury Bills and Notes

