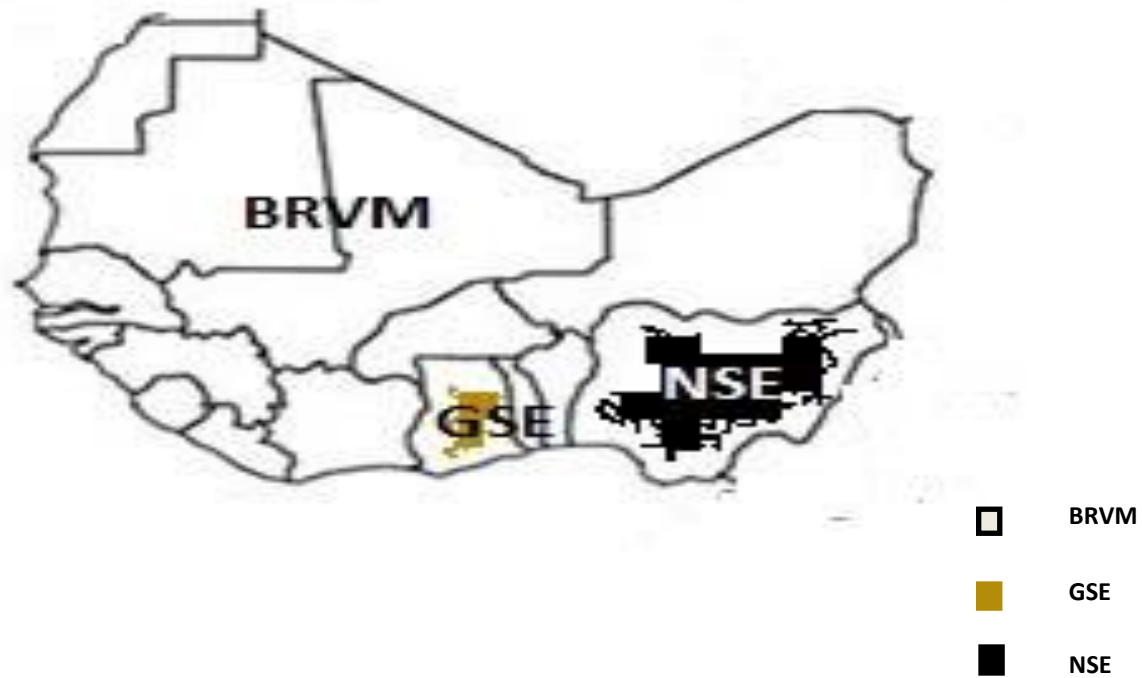


CBL Research

# West African Review

31 March 2017 Edition



# This Week in West Africa

## Market Snapshot

**While NSE ALSI and BRVM CI rose 0.2%, 0.8% respectively during the week, GSE CI lost 1.3% during the week. While GSE CI and NSE ALSI registered an increase in volume traded, BRVM CI registered a decline in the same**

- **GHANA:** GSE Composite Index decreased by 1.3% in the current week to 1,865.1, compared to previous week's gain of 0.6%. The trading volume increased over the previous week. The index recorded 10.4% gain on YTD basis.
- **NIGERIA:** NSE ALSI increased by 0.2% during the week compared to previous week's decrease of 0.8%. The index's trading volume increased over last week. The index has lost 5.1% on YTD basis compared to YTD loss of 5.3% at the end of previous week.
- **FRENCH WEST AFRICA:** BRVM Composite Index increased by 0.8% from previous week to 285.92 points, compared to previous week's decrease of 0.6%. The trading volume decreased over the previous week. The index's YTD loss was 2.1% at the end of current week.

Trading Day	GSE CI				NSE All Share				BRVM CI			
	Opening	Closing	Return (%)	YTD (%)	Opening	Closing	Return (%)	YTD (%)	Opening	Closing	Return (%)	YTD (%)
Monday	1,890.51	1,902.15	0.62%	12.61%	25,454.93	25,485.17	0.12%	-5.17%	283.58	283.16	-0.15%	-3.08%
Tuesday	1,902.15	1,895.54	-0.35%	12.22%	25,485.17	25,406.72	-0.31%	-5.46%	283.16	279.32	-1.36%	-4.40%
Wednesday	1,895.54	1,888.94	-0.35%	11.83%	25,406.72	25,267.68	-0.55%	-5.98%	279.32	283.82	1.61%	-2.86%
Thursday	1,888.94	1,879.25	-0.51%	11.26%	25,267.68	25,533.82	1.05%	-4.99%	283.82	283.35	-0.17%	-3.02%
Friday	1,879.25	1,865.01	-0.76%	10.42%	25,533.82	25,516.34	-0.07%	-5.05%	283.35	285.92	0.91%	-2.14%

## Ghana

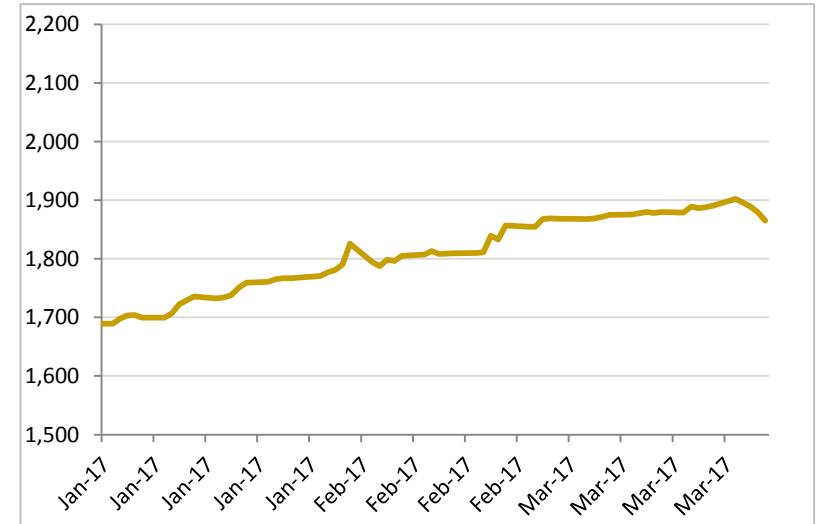
## Economic Snapshot

GDP (USD bn)	37.7
GDP growth	3.88%
GDP per Capita (USD)	1,401.7
BoG Policy Rate	23.50%
GHS/USD	4.3173
GHS/GBP	5.3964
GHS/EUR	4.6164
Inflation	13.20%
91-Day T-Bill	17.51%
182-Day T-Bill	17.19%
1-Year T-Bill	19.00%
Total Reserves (USD bn)	6.5
Total Debt (USD bn)	29.2

## Market Snapshot

<b>Market Name</b>	<b>Ghana Stock Exchange (GSE)</b>
Major Indices	GSE Composite Index
Other Index	GSE Financial Stocks Index (GSE FSI)
Listed Stocks	Forty Four (44)
Trading days	Monday – Friday
Trading Hours	10.00hrs GMT – 15.00hrs GMT

## YTD Performance Chart



Trading Day	Market Index (GSE CI)		Change (%)		Market Cap	
	Previous	Current	Daily	Year-to-Date	GHS m	USD m
Monday	1,890.51	1,902.15	0.62%	12.61%	49,283.93	11,348.16
Tuesday	1,902.15	1,895.54	-0.35%	12.22%	49,241.81	11,352.32
Wednesday	1,895.54	1,888.94	-0.35%	11.83%	49,199.80	11,344.46
Thursday	1,888.94	1,879.25	-0.51%	11.26%	49,138.04	11,326.31
Friday	1,879.25	1,865.01	-0.76%	10.42%	48,846.99	11,314.24

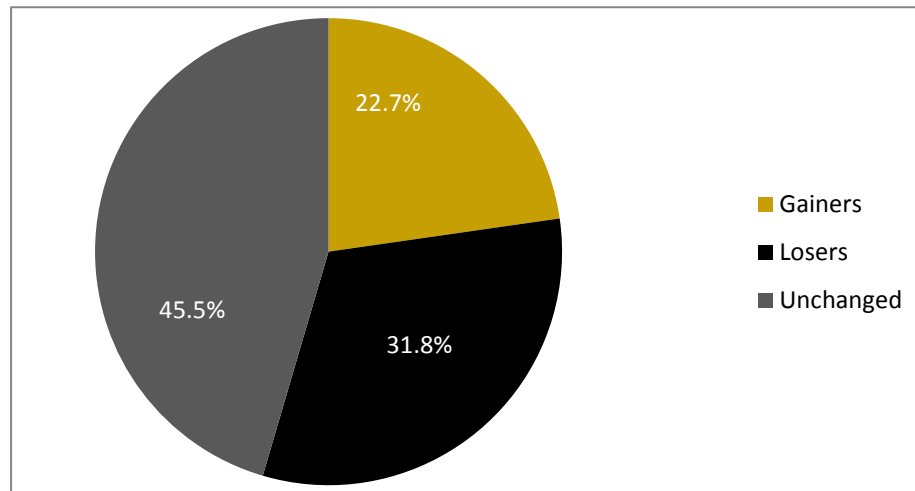
## Market Wrap

- GSE Composite Index decreased by 1.3% in the current week, to 1,865.0 points from 1,890.5 in the previous week, representing a 10.4% gain on YTD basis.
- The shares of CAL Bank Ltd. increased 32.9% during the week to 49GHP from 73GHP last Friday.
- The index's market cap decreased by 0.7% to GHS 48,847.0 million (USD 11,314.2 million) from GHS 49,209.8 million in the last week.
- The shares traded during the week increased by 1032.1% from previous week to 10.2 million from 0.9 million in the last week.
- The value of transactions in the week increased by 125.2% to GHS 6.1 million

(USD 1.4 million) from the previous week's value of GHS 2.7 million.

- An average of 2.0 million shares per day valued at GHS 1.2 million traded during the week compared to 0.2 million shares valued at GHS 0.5 million that traded during the previous week.
- Friday recorded the biggest turnover and the biggest value traded for the week as the deals made up for 66.7% and 55.0% of the total weekly market volume and value traded respectively.
- The market breadth for current week was negative with 22.7% of the total active shares increased and 31.8% decreased during the week. The remaining 45.5% of the total active stocks were unchanged from the previous week.

## Market Strength



## Event Schedule

Company/Organization	Event	Date
CAL	AGM	26-Apr-2017
GSR (Proxies available on GSE Website)	AGM and Special Meeting	04-May-2017

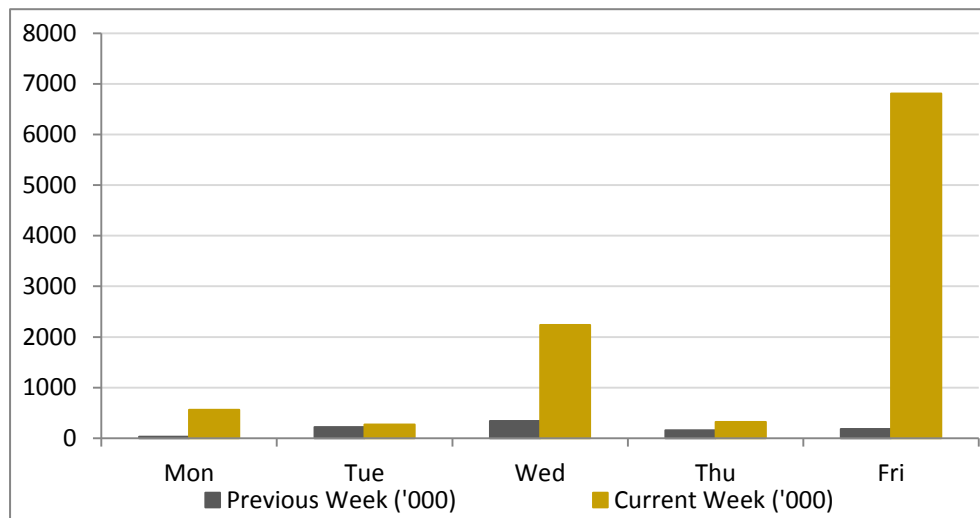
## Dividend Announcement

Company	DPS (GHS)	DPS (USD)	Qualifying Date	Payment Date
No dividend announcements				

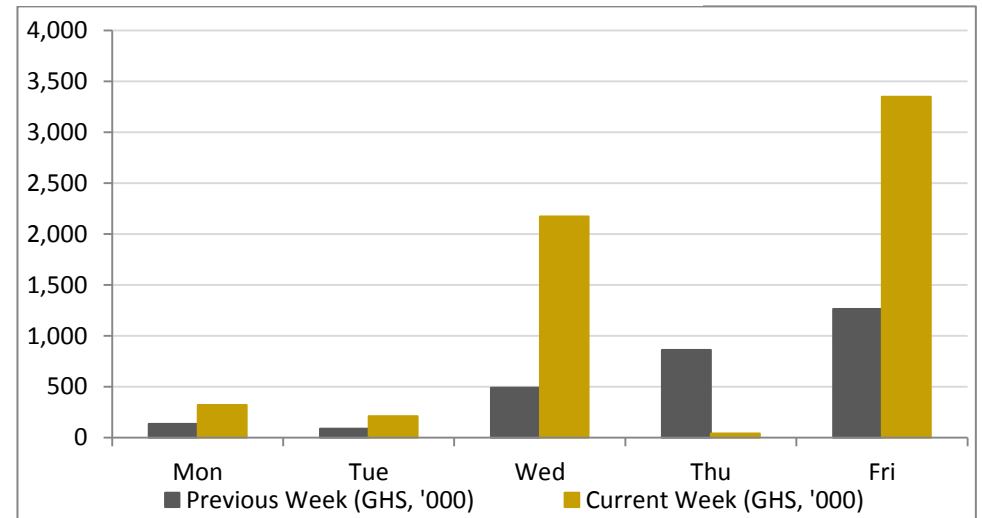
## Trading Statistics

Trading Day	Volume	Value (GHS)	Value (USD)	Transactions	Active Equities	Gainers	Losers	Unchanged
Monday	560,100	320,285	73,749	32	8	3	3	2
Tuesday	272,233	211,617	48,787	71	14	0	2	12
Wednesday	2,239,907	2,172,747	500,991	84	14	4	2	8
Thursday	323,983	42,187	9,724	50	13	1	3	9
Friday	6,807,056	3,350,659	776,101	130	13	2	3	8

## Market Volume (Week-on-week)



## Market Value (Week-on-week)



## This week in Ghana

### **Parliament of Ghana approves GHS 553 million in 2017 to enhance operation of GRA**

The Parliament of Ghana has approved budget estimate of GHS 553.6 million for the Ghana Revenue Authority (GRA) for FY 2017. The funds will be used to provide more tax offices and increase the visibility of the authority. Currently, there is no tax office in the constituency capital in Winneba, or nearby Apam and taxpayers have to travel to Swedru office to pay their taxes. In addition, existing offices in many regions are in a dilapidated condition. GRA plans to recruit 350 additional staff in 2017 to fill various positions.

<https://www.ghanabusinessnews.com/>

### **Dr. Abdul Nashiru Issahaku resigns from his post as the Governor of the Bank of Ghana**

The governor of the Bank of Ghana (BoG), Dr. Abdul Nashiru Issahaku, has resigned from his post citing personal reasons. He will continue to remain Governor of the Apex institution till April 01, 2017. Dr. Issahaku was appointed by Former President John Dramani Mahama in April 2016 as the 14th governor of BoG. He assumed the position amidst rising inflation and currency instability. He was responsible for the introduction of auctioning of dollars to bolster the local currency. Once the resignation takes effect, Dr. Issahaku will be replaced by former director of research, Mr. Ernest Addison, as the new governor of BoG.

<https://citifmonline.com/>

### **Ghana central bank slashes benchmark interest rate**

In a bid spur lending and business activity, the Monetary Policy Committee (MPC) of the Bank of Ghana (BoG) cut the Monetary Policy Rate (MPR) by 2pps on Monday to 23.5%. This is the biggest rate cut in Ghana since December 2016. The committee cited declining inflation in the economy as the reason for cutting rate. Once a beacon of growth in Africa, Ghana's economy took a bad hit in 2014 following the fall in commodities prices. The situation was further worsened by high inflation, a big budget deficit and public debt. However, as the inflation has started to ease prompting the Apex bank to focus on growth once again and lower the cost of borrowing.

<http://www.cnbcafrica.com/>

### **Ghana records a trade surplus of US\$ 500 million in February 2017**

The Bank of Ghana (Bog) stated in its summary of financial and economic data that Ghana recorded a trade surplus of US\$ 573 million in the month of February 2017, equivalent to 1.3% of Ghana's GDP for the period. This is a marked improvement over the US\$ 500 million deficit recorded for the same period in 2016. The exports for the period stood at US\$ 2,489.5 million representing over 50% increase over the US\$ 1,582 million recorded last February. While export of gold and oil increased by about 50% and 70% respectively to US\$ 1,176.4 million and US\$ 378.8 million, the cocoa exports declined slightly to US\$ 619 million from US\$ 688.5 million a year ago. The total imports for the period dropped from US\$ 2,156.1 million YoY to US\$ 1,916.5 million in February 2017.

<https://citifmonline.com/>

# Nigeria

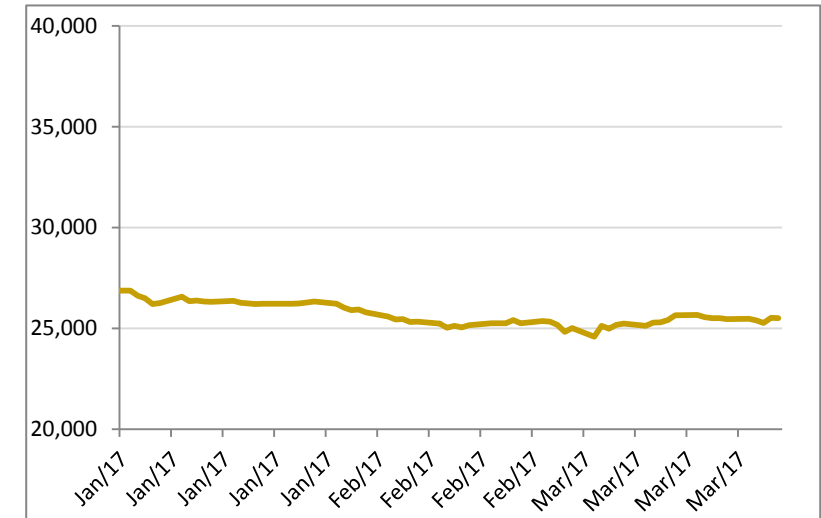
## Economic Snapshot

GDP (USD bn)	415.1
GDP growth	-1.75%
GDP per Capita (USD)	2260.3
Policy Rate	14.00%
NGN/USD	305.85
NGN/GBP	381.88
NGN/EUR	326.77
Inflation	17.78%
91-Day T-Bill	14.02%
182-Day T-Bill	18.81%
1-Year T-Bill	22.97%
Total Reserves (USD bn)	30.3
Total Debt (USD bn)	56.0

## Market Snapshot

<b>Market Name</b>	<b>Nigeria Stock Exchange (NSE)</b>
Major Indices	NSE All Share Index
Other Index	NSE 30 Index (NSE 30)
Listed Stocks	One Hundred Seventy-Seven (177)
Trading days	Monday – Friday
Trading Hours	08:30hrs GMT – 13:30hrs GMT

## YTD Performance Chart

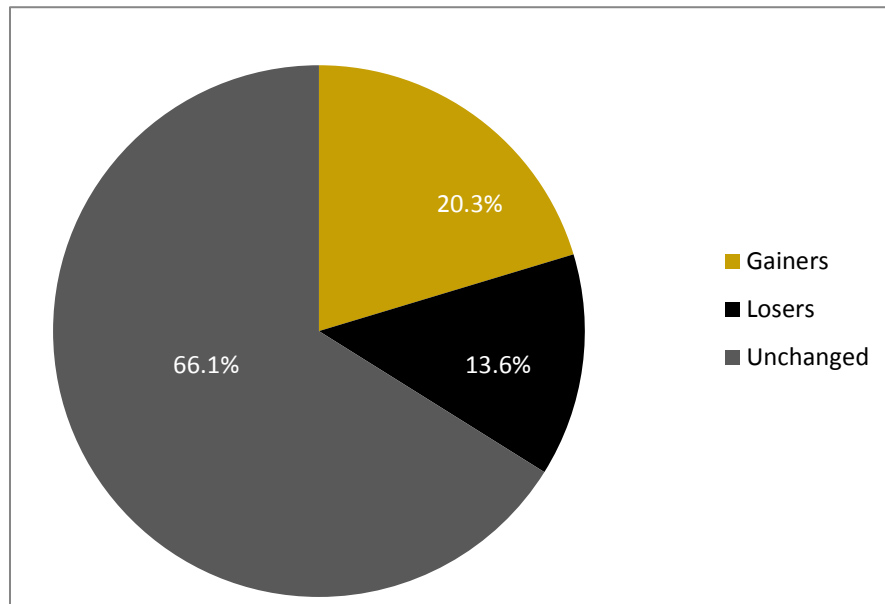


Trading Day	Market Index (NSE AS)		Change (%)		Market Cap	
	Previous	Current	Daily	Year-to-Date	NGN bn	USD bn
Monday	25,454.93	25,485.17	0.12%	-5.17%	8,818.17	28.79
Tuesday	25,485.17	25,406.72	-0.31%	-5.46%	8,791.03	28.71
Wednesday	25,406.72	25,267.68	-0.55%	-5.98%	8,742.92	28.57
Thursday	25,267.68	25,533.82	1.05%	-4.99%	8,835.00	28.88
Friday	25,533.82	25,516.34	-0.07%	-5.05%	8,828.96	28.87

## Market Wrap

- NSE All Share Index increased by 0.2% on weekly basis (compared to -0.8% decrease in the last week). The index ended the week at 25,516.34 points, representing year-to-date loss of 5.1%.
- The shares of Newrest ASL Nigeria plc increased 14.84% during the week followed by Cadbury Nigeria plc at 11.75%.
- Market cap increased during the week to NGN 8,829.0 million (USD 28.9 million) from NGN 8,807.02 million at the end of last week.
- The trading volume increased by 144.1% over previous week to 3,195.3 million from 1,308.9 million shares that traded in the previous week.
- The value of transactions increased by 909.5% in the current week to NGN 104,217.1 million (USD 340.7 million) compared to NGN 10,323.2 million recorded in the previous week.
- An average of 639.1 million shares valued at NGN 20,843.4 million traded on each session of the week compared to 261.8 million traded shares valued at NGN 2,064.6 million in the previous week.
- Tuesday recorded the biggest turnover and Friday recorded the biggest value traded for the week as the day's deals made up for 28.7% of the weekly volume and 90.4% of value traded respectively.
- The market breadth was positive during the last week as 20.3% of the total shares increased in value compared with 13.6% of the stock registering losses. In the last week, 66.1% of the shares remained unchanged.

## Market Strength



## Event Schedule

Company/Organization	Event	Date
Greif Nigeria Plc	AGM	21-Apr-2017
Guaranty Trust Bank Plc	AGM	07-Apr-2017

## Dividend Announcement

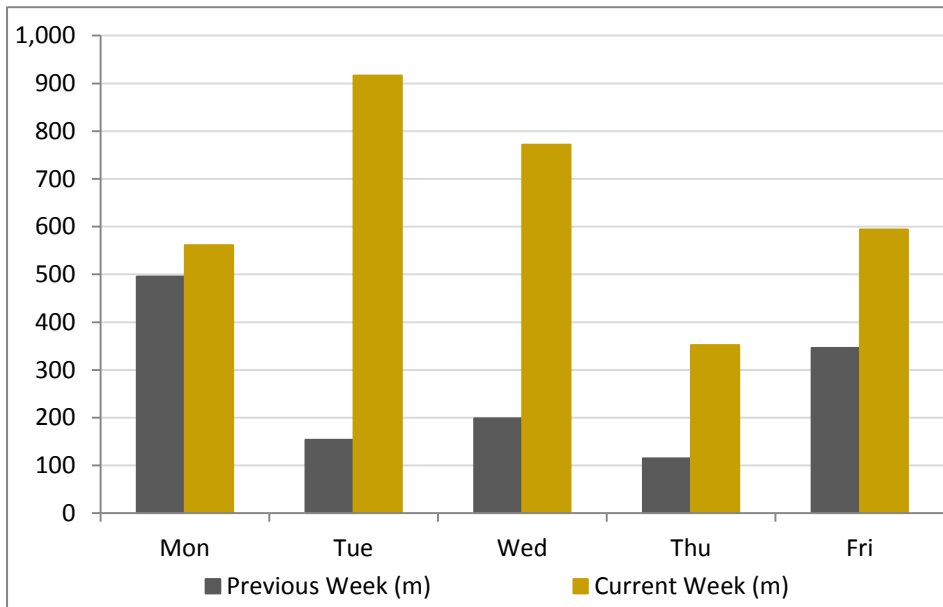
Company	DPS (NGN)	DPS (USD)	Payment Date
Guaranty Trust Bank Plc	1.75	0.005	07-Apr-2017
Greif Nigeria Plc	0.6	0.002	05-May-2017



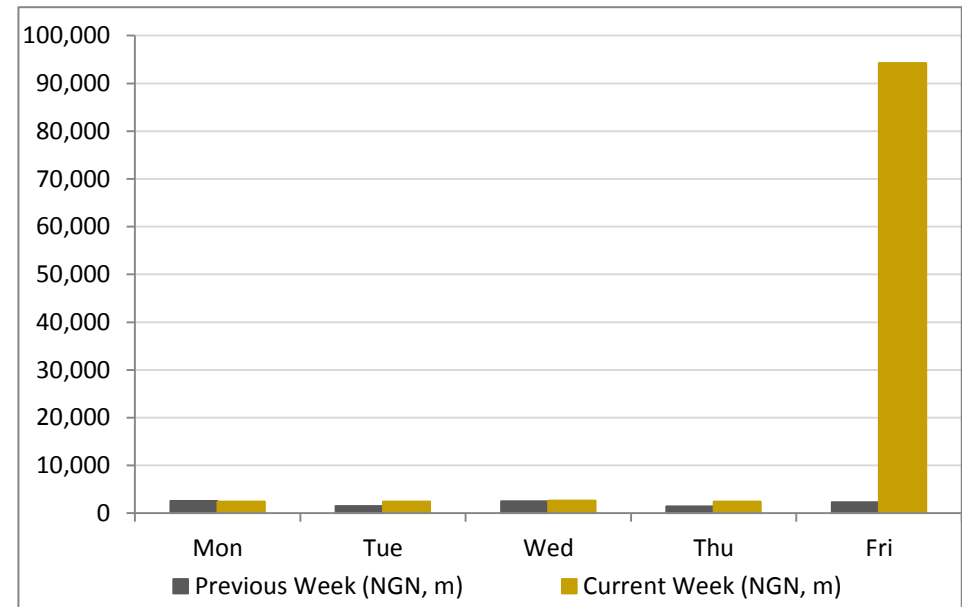
## Trading Statistics

Trading Day	Volume (m)	Value (m NGN)	Value (m USD)	Transactions	Active Equities	Gainers	Losers	Unchanged
Monday	561	2,473	8.1	3,032	101	17	12	72
Tuesday	916	2,412	7.9	3,342	107	22	14	71
Wednesday	772	2,615	8.5	2,703	102	21	14	67
Thursday	352	2,453	8.0	2,438	102	24	9	69
Friday	594	94,264	308.2	3,159	103	19	17	67

## Market Volume (Week-on-week)



## Market Value (Week-on-week)



## This week in Nigeria

### **MTN repays NGN 30 billion more towards the NGN 330 billion fine imposed on it by NCC**

Nigeria Communication Commission (NCC) has confirmed that South African telecoms giant MTN has paid US\$ 98 million (NGN 30 billion) of the US\$ 1.7 billion fine it incurred in Nigeria for failing to disconnect unregistered SIM cards in the country. With this payment, MTN's total payment towards settlement of the NGN 330 billion fine stands at NGN 80 billion. The next tranche would be paid based on a mutually agreed upon schedule. Initially, MTN was fined US\$ 5.2 billion in October 2015 for failing to disconnect 5.1 million unregistered SIM cards. The fine was later reduced to US\$ 3.4 billion in December 2015 and then cut further in June 2016 to US\$ 1.7 billion to be paid over a period of three years.

<http://www.moneycontrol.com/>

### **Bilateral trade between Nigeria and India hit US\$ 643.3 billion last year**

The Head of Chancery at the Indian High Commission, Lagos, Mr. Jagdeep Kapoor, has announced that the total trade between Nigeria and India last year stood at US\$ 643.3 billion. Crude oil was the biggest export from Nigeria to India and vehicles (US\$ 419 million), pharmaceuticals (US\$ 393 million) and machinery (US\$ 267 million) were biggest imports of Nigeria from India. India is Nigeria's largest trading partner and Indian companies employ largest number of Nigerians after Federal Government of Nigeria.

<http://www.vanguardngr.com/>

### **IMF recommends Nigeria to start reducing budget deficits and debt service cost**

The International Monetary Fund (IMF) has urged Nigeria to reduce its budget deficit and debt service cost and remove the restrictions imposed on currency trading. The Washington based lender stressed upon the need to implement strong confidence inspiring macroeconomic policies to achieve economic recovery. IMF also said that Nigeria needs to put in place revenue based fiscal consolidation to reduce the federal government interest-payments-to-revenue ratio to sustainable levels. Nigerian economy contracted last year for the first time since 1991. President Muhammadu Buhari has set a record NGN 7.3 trillion (US\$ 23 billion) budget this year to revive the economy. The government wants to raise US\$ 3.5 billion to plug the deficit. The government issued a US\$ 500 million Eurobond on 29 March, 2017 as part of the 2016 budget in addition to raising US\$ 1 billion in February. The high borrowings led to about 100% increase in debt service costs to 66% of revenue.

<https://www.bloomberg.com/>

### **World Bank provides US\$ 200 million credit facility to Nigerian Agriculture Sector**

The country director of World Bank, Mr. Rachid Benmessaoud, announced that, in recognition of importance of agriculture for the development of the country, the bank has approved a US\$ 200 million credit facility to Nigeria to enhance agricultural productivity of small and medium scale farmers. The International Development Association (IDA) loan has a maturity of 25 years, including a grace period of 5 years. The loan is expected to address issues in the agriculture sector like low productivity, lack of seed funds for establishing agro-processing plants and lack of access to supportive infrastructure.

<http://allafrica.com/>

# French West Africa

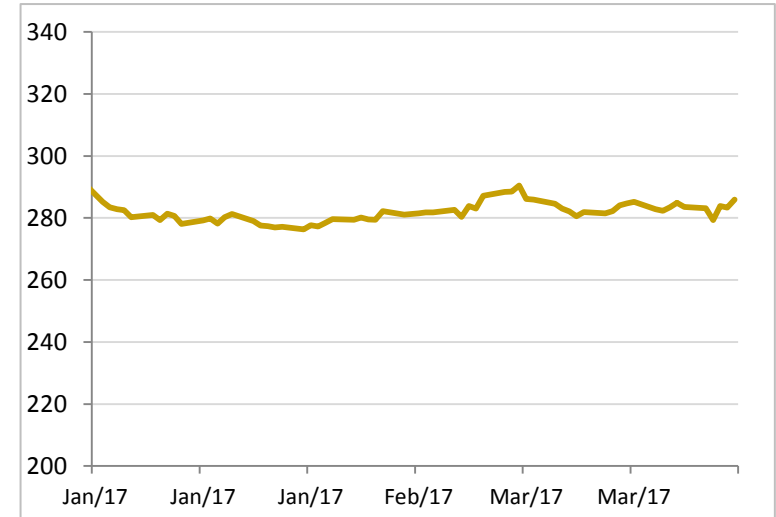
## Economic Snapshot

GDP (USD bn)	97.81
GDP growth	8.58%
GDP per Capita (USD)	860.90
XOF/USD	613.04
XOF/GBP	766.73
XOF/EUR	655.96
Inflation	1.10%
Interest rate	4.5%

## Market Snapshot

Market Name	Bourse Régionale des Valeurs Mobilières
Major Indices	BRVM Composite Index
Other Index	BRVM 10
Listed Stocks	Forty-One (41)
Trading days	Monday – Friday
Trading Hours	09:45hrs GMT – 15:00hrs GMT

## YTD Performance Chart

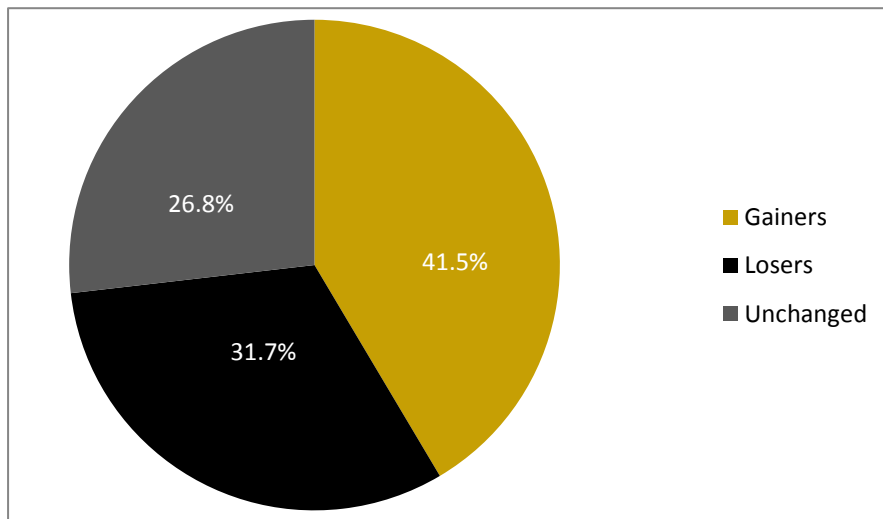


Trading Day	Market Index (BRVM CI)		Change (%)		Market Cap	
	Previous	Current	Daily	Year-to-Date	XOF bn	USD bn
Monday	283.58	283.16	-0.15%	-3.08%	7,479.05	12.42
Tuesday	283.16	279.32	-1.36%	-4.40%	7,377.73	12.21
Wednesday	279.32	283.82	1.61%	-2.86%	7,496.60	12.28
Thursday	283.82	283.35	-0.17%	-3.02%	7,484.10	12.26
Friday	283.35	285.92	0.91%	-2.14%	7,551.97	12.31

## Market Wrap

- For the week under review, BRVM Composite Index increased by 0.83% over previous week, compared to previous week's decrease of 0.6%, closing the current week at 285.9 points which represents 2.1% loss on YTD basis.
- The shares of Filtisac SA increased 20.0% during the week to XOF 15,000 from XOF 17,995 in the previous week.
- Market cap also increased from previous week to end the current week at XOF 7,551.97 million (USD 12.3 million) from XOF 7,490.34 million in the previous week.
- During the week, shares traded decreased by 36.5% on weekly basis to 1.1 million from 1.8 million in the previous week.
- The value of transactions for the week decreased by 64.1% to XOF 3,007.4 million compared to previous week's XOF 8,377.2 million.
- An average of 0.23 million shares valued at XOF 601.5 million traded on each session of the week compared to 0.36 million shares valued at XOF 1,675.4 million that traded in the last week.
- Monday recorded the biggest turnover and Thursday recorded the biggest value traded for the week as deals made up for 26.9% of the weekly volume and 31.1% of value traded respectively.
- The market breadth was positive during the week with 41.5% of the stocks increasing and 31.7% decreasing. The remaining 26.8% of the stocks registered no change in price.

## Market Strength



## Event Schedule

Company/Organization	Event	Date
No events		

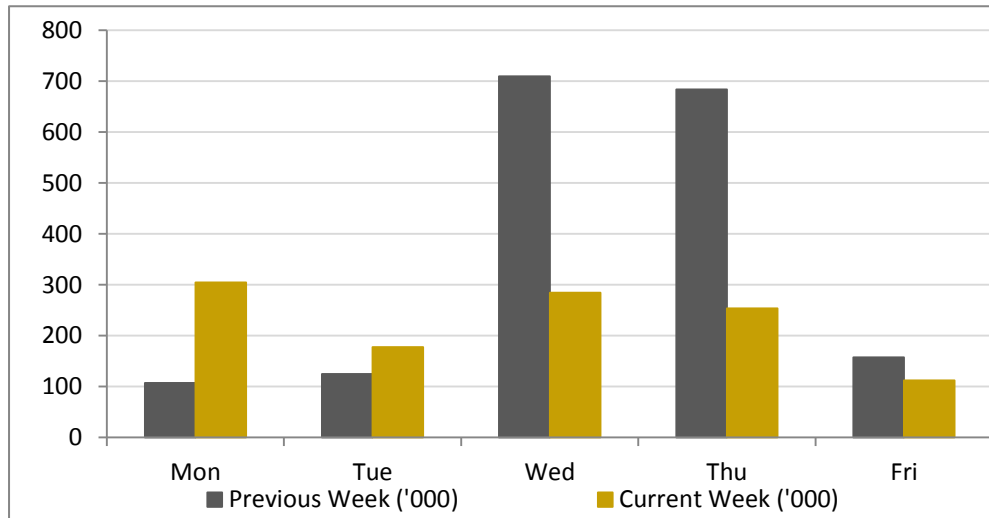
## Dividend Announcement

Company	DPS (XOF)	DPS (USD)	Payment Date
No dividends			

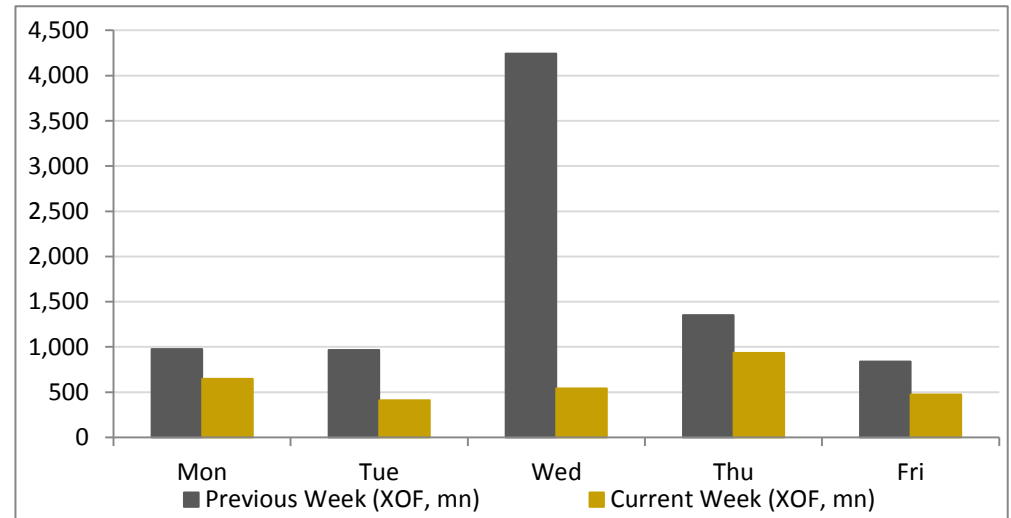
## Trading Statistics

Trading Day	Volume ('000)	Value (m, XOF)	Value (m, USD)	Transactions	Active Equities	Gainers	Losers	Unchanged
Monday	305	647	1.1	569	35	10	10	15
Tuesday	178	412	0.7	643	33	6	19	8
Wednesday	284	540	0.9	661	34	15	14	5
Thursday	253	935	1.5	672	33	10	12	11
Friday	112	473	0.8	554	36	16	8	12

## Market Volume (Week-on-week)



## Market Value (Week-on-week)



## This week in BRVM

### **Ivory Coast to seek assistance from IMF to support the budget**

Following the slump in cocoa prices, Ivory Coast's government is seeking assistance from the International Monetary Fund to support the country's 2017 budget. Ivory Coast will present the request to the representatives of IMF when they visit the country in April for review of the country's extended credit facility. Renaissance Capital expects the country's budget deficit to widen to 5% of gross domestic product this year compared to government estimates of 3.9% for 2016.

<https://www.bloombergquint.com/>

### **Ivory Coast to consider lowering export tax to clear the inventory**

Ivory Coast is considering reducing the cocoa-export tax levy from the current rate of 22%, to sell its record cocoa output. The International Cocoa Organization is expecting a cocoa output of 1.9 million metric tons aided by weak Sahara Desert winds and rains before the start of the next month has aided crops. In addition to the conducive weather, the trees planted several years ago in new areas enter production will also add to the supply. Lowering taxes may help the country boost its cocoa exports and clear the cocoa inventory.

<https://www.bloombergquint.com/>

### **Agriculture Ministry of Mali expects rice output to increase 8.0% to 3 million tonnes in 2017-18 season**

The Agriculture Ministry of Mali said on April 1, 2017, that the country expects to increase its rice output by 8.0% to 3 million tonnes over 947,878 hectares in the 2017-18 season. Mali's rice production stood at 2.78 million tonnes for 2016-17 season. The chief statistics officer of Agriculture Ministry, Namory Diabate, said that with more land being cultivated, government trying to improve irrigation and distribution of motorized water pumps and new varieties of rice, the country's rice output will increase in future.

<http://timesofindia.indiatimes.com/>

# Featured Stock – Stanbic IBTC Bank PLC

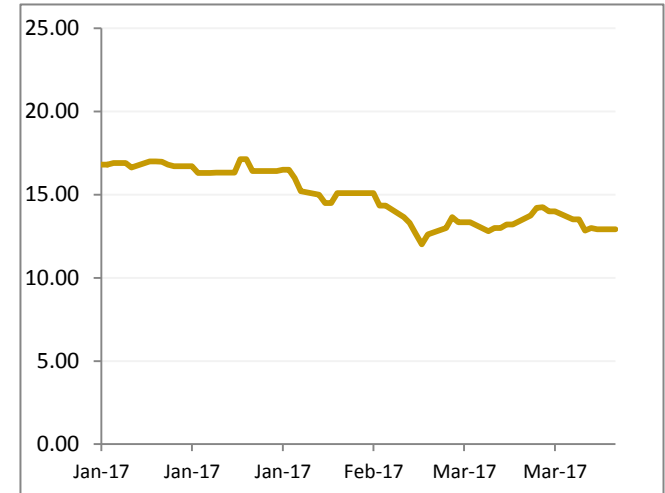
## Snapshot – Stanbic IBTC Bank PLC

Symbol	STANBIC NL
ISIN	NGSTANBIC003
Current Price (NGN/Sh.)	17.78
Year High (15-Mar-17)	NGN 18.80/ US\$ 0.06
Year Low (22-Jul-16)	NGN 12.82/ US\$ 0.04
Mkt Cap (NGN, mn)	177,800
Mkt Cap (USD, mn)	581.3
Issued Shares (mn)	10,000
Major Shareholder	STANBIC AFRICA HOLDINGS LT
Major Shareholding	53.19%
Revenue-FY 2015 (NGN, 'mn)	156,369.0
Net Profit (NGN, 'mn)	24,642.0
Total Assets (NGN, 'mn)	1,053,523.0
Total Liabilities (NGN, 'mn)	912,725.0
Total Equity (NGN, 'mn)	140,798.0

## Key Data

Net Profit Growth	59.0%
EPS	2.5
Operating Margin	23.7%
RoA	2.5%
Net profit margin	15.8%
RoE	5.2%
P/E	7.2
P/B	1.3

## YTD Price Performance



## Company Profile

Stanbic IBTC Bank PLC is a Nigerian company that offers banking and related financial services. Stanbic offers corporate as well as investment banking services to its customers, both locally and across West Africa. The bank's offers include current, savings and domiciliary accounts, personal loans and vehicle and asset finance, MasterCard debit cards and Visa credit cards, home loans, Internet banking, small and medium scale enterprise (SME) loans, and mobile money. The bank also offers transactional accounts, borrowing, saving and investing, specialized services, online forms and self-service banking, to individuals. For SMEs, Stanbic

provides payments and collections assistance including international payments and local payments, and international collections, merchant solutions and Internet gateway payment. Under the non-interest banking, Stanbic offers Imaan Current Account, Imaan Transact Plus Account, Imaan Local Purchase and Contract Finance, Imaan Distributorship and Inventory Finance and Imaan Trade Finance. The banks is listed on Nigerian Stock Exchange where it trades under the quote of STANBIC.

## The Team

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