



MACROECONOMIC INDICATORS 2016

Index	Previous (%)	Current (%)	Change (%)
Inflation(CPI)	15.40	13.30	-2.10
Policy Rate	26.00	25.50	-0.50

MACROECONOMIC TARGETS FOR 2017

Index	(%)
Overall Real GDP(Including Oil) Growth	6.3
Non- Oil Real GDP Growth	4.2
An End of Year Inflation Target	11.2

GOG TREASURY BILL RATES

Fixed Income	Previous Week (%)	Current Week (%)	Change (%)
91 day	17.2108	17.5103	+0.2995
182 day	17.0857	17.1895	+0.1038
1 Year Note	19.0000	19.0000	0.0000

Source: Bank of Ghana

GSE INDICES AS AT 24-03-17

Index	Week Open	Week Close	Change	YTD (%)
GSE- CI	1,879.60	1890.51	10.91	11.92
GSE- FSI	1,786.95	1801.76	14.81	16.59

Source: Ghana Stock Exchange

COMMODITIES MARKET

Commodities	Week Open(\$)	Week Close(\$)	Change(\$)
Crude Oil (Brent)(\$/ barrel)	51.60	50.43	-1.17
Cocoa (\$/ tonne)	2,013.00	2131.00	+118.00
Corn (\$/ bushel)	369.75	357.25	-12.50
Cotton (\$/ pound)	78.60	77.47	-1.13
Gold (\$/ ounce)	1233.00	1260.90	+27.90

Source: Bloomberg

INTERBANK FOREX RATES

Currency	Buy (GHS)		Sell (GHS)	
	Week Open	Week Close	Week Open	Week Close
US (\$)	4.5423	4.3484	4.5468	4.3528
GB Pound (£)	5.6161	5.4238	5.6235	5.4310
Euro (€)	4.8797	4.6963	4.8836	4.7001

Source: Bank of Ghana

FIXED INCOME SECURITIES

PREMIUM ACCOUNT

The Premium Account is a product designed to help investors build a portfolio of diversified assets at returns above the GOG treasury bill rate.

Invest in PPI's Premium Account to secure your financial future. Visit www.premiumplaceinvestments.com for inquiries and further details

MANAGED ACCOUNT

The Managed Account is a product that allows you to accumulate wealth over an extended period of time. It is a long- term investment account designed to help investors create funds and attain reasonable returns on their deposits

NEWS HEADLINES

CEDI DEPRECIATES BY 5% IN MARCH- BOG REPORT

Latest figures by the Bank of Ghana have shown that the cedi's depreciation against the dollar for March 2017 is five times more than the rate of depreciation recorded in the same period in 2016. The cedi has depreciated from 0.9% to 5% within the twelve months period. Also, in March 2017, the local currency depreciated by 7.5% and 8% to the British Pound and the Euro respectively. According to the Summary of Economic and Financial data by the Bank of Ghana, the cedi has cumulatively gained 59 pesewas between March 2016 and March 2017. A dollar traded at GHC4.42 as at the 23rd of March 2017, compared to GHC3.83 pesewas in March 2016. Also, the cedi's depreciation in relation to the Euro has almost doubled from 4.5% to 8% between March 2016 and March 2017. Cumulatively, the cedi gained some 42 pesewas within the twelve months period. Even though the cedi's performance in relation to the British Pound showed almost no change in price as at 23rd March, the local currency witnessed depreciation as much as 7.5% after appreciating by 1.8% in March 2016. It is worth noting that aside the Euro, the cedi's depreciation witnessed a marginal drop between February and March this year. The sharp depreciation of the local currency between January and February this year occurred despite the Bank of Ghana's \$120 million auction for the first quarter of this year.

Source: www.bog.gov.gh

BOG'S \$120 MILLION AUCTION STARTS YIELDING RESULTS

Currency analysts have stated that the Bank of Ghana's auction of \$120 million in the first quarter of this year, to contain the cedi's depreciation has begun yielding the intended results. According to them, the move would have been more effective if the Bank of Ghana increased its supply of dollars in the first two months of the year. This year's \$120 million auction followed a similar one carried out in November 2016. At the time, the central bank auctioned \$60 million from the \$1.8 billion cocoa syndicated loan contracted in September 2016. Figures available show that the cedi, between January and February this year witnessed a sharp depreciation against the major trading currencies both on the interbank foreign exchange market and across forex bureaus in the country. A GN Bank report also showed that the cedi depreciated by about 7% to the dollar as at March 10, 2017. The development shows that despite the auctioning in the month of January and February the cedi performed badly. New figures however show the cedi for the month of March has experienced relative stability against major currencies.

Source: www.citibusinessnews.com

DECLINING INFLATION, "STABLE" CEDI TO SIGNAL DROP IN POLICY RATE

Economists are highly expectant of a reduction in the policy rate by the Monetary Policy Committee (MPC) of the Bank of Ghana as the Committee prepares to announce its new rate today. They cite the declining inflation, relative stability of the cedi and government's pro-business agenda as the basis for their claims. According to them, the current 25.5% policy rate which is higher than the 91 day T- Bill rate as a disincentive for businesses hence must be reviewed downward. The latest Annual Percentage rate and Average Interest report by the Bank of Ghana has shown that average interest on loans is about 33 percent. Some banks were however cited with interest rates on loans as high as 40 percent and over. The development according to some market watchers does not favour private sector growth and expansion to create jobs for instance. The Bank of Ghana's MPC in January 2017 maintained the prime rate at 25.5% after it was first reduced in November 2016. Prior to that, the central bank had kept its policy rate unchanged at 26 percent for a greater part of 2016 as it did not review the figure for about four consecutive times since it was first increased in 2015.

Source: www.citibusinessnews.com

INSTITUTIONAL FUNDS

PPI specializes in the management of **Provident Funds, Endowment Funds and Welfare Funds**. PPI fund managers ensure security and reasonable returns on institutional funds.

Premium Place Investments (PPI) Tip

"If you invest nothing, the reward is worth little". -Richelle E. Goodrich

Fund Management, Pensions Fund Management, Corporate Finance, Investment Advisory, Economic Research, Due Diligence
House Number C296/ 14, Blohum Street, Dzorwulu, P.O. Box CT 6578, Cantonments- Accra

DISCLAIMER

The content contained in this leaflet is for information purposes only. Premium Place Investments Limited (PPI) is by no means providing any legal, financial or any other advice. Content used in this analysis was acquired from sources believed to be accurate and reliable. We however cannot attest to its accuracy.