



MACROECONOMIC INDICATORS

Index	2016 Close (%)	Previous (%)	Current (%)	Change (%)
Inflation(CPI)	15.40	12.80	13.00	+0.20
Policy Rate	25.50	23.50	22.50	-1.00

MACROECONOMIC TARGETS FOR 2017

Index	(%)
Overall Real GDP(Including Oil) Growth	6.30
Non- Oil Real GDP Growth	4.20
An End of Year Inflation Target	11.20

GOG TREASURY BILL RATES

Fixed Income	Previous Week (%)	Current Week (%)	Change (%)
91 day	13.2109	12.6999	-0.5110
182 day	15.0242	14.1429	-0.8813
1 Year Note	16.0000	16.0000	0.0000

Source: Bank of Ghana

GSE INDICES AS AT 26-05-17

Index	Week Open	Week Close	Change	YTD (%)
GSE- CI	1,915.90	1,923.53	+7.63	13.88
GSE- FSI	1,797.13	1,802.88	+5.75	16.66

Source: Ghana Stock Exchange

COMMODITIES MARKET

Commodities	Week Open(\$)	Week Close(\$)	Change(\$)
Crude Oil (Brent)(\$/ barrel)	54.01	52.26	-1.75
Cocoa (\$/ tonne)	2,028.00	1,911.00	-117.00
Corn (\$/ bushel)	374.25	374.25	0.00
Cotton (\$/ pound)	73.23	72.79	-0.44
Gold (\$/ ounce)	1,255.20	1,270.20	+15.00

Source: Bloomberg

INTERBANK FOREX RATES

Currency	Buy (GHS)		Sell (GHS)	
	Week Open	Week Close	Week Open	Week Close
US (\$)	4.2463	4.3024	4.2505	4.3067
GB Pound (£)	5.5308	5.5032	5.5380	5.5091
Euro (€)	4.7540	4.8084	4.7577	4.8110

Source: Bank of Ghana

FIXED INCOME SECURITIES

PREMIUM ACCOUNT

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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

BOG SLASHES POLICY RATE TO 22.5%

The Monetary Policy Committee of the Bank of Ghana has reduced its policy rate by 100 basis points to 22.5%, in what was the first MPC meeting chaired by the new Bank of Ghana governor, Dr. Ernest Addison. The Monetary Policy Rate (MPR) is a monetary policy tool of the BoG and it is the rate at which commercial banks can borrow from the central bank. It communicates the monetary policy stance of government, influence money supply and also guide market interest rates. Dr. Addison, speaking at a news conference in Accra, said that although inflation rose marginally in April to 13% from 12.8% in March, inflation expectations have broadly trended downwards. According to him, the process to fetter inflation was supported by the bank's tight monetary stance as well as stability in the exchange rate regime. The bank insists that its forecast horizon for inflation remains unchanged and inflation is expected to trend downwards the medium target of 8.2% next year.

Source: www.thebftonline.com

NON- TRADITIONAL EXPORTS DECLINE BY 2.3% IN 2016

Ghana's Non-Traditional Exports for 2016, dropped by 2.3%. The figure dropped from \$2.5 in 2015 to \$2.4 billion between 2015 and 2016. Despite the drop within the 12 months period, the non-traditional exports contributed about 23% to total exports in 2016. The 2016 contribution represented an increase compared to the previous contributions recorded in the past four years. Addressing a press conference in Accra, the Deputy Chief Executive of the Ghana Export Promotion Authority (GEPA), Eric Amoako Twum attributed the decline in performance to the decline in export of some processed cocoa products. According to Mr. Amoako, the exports for such processed cocoa products went down by 16% within the one year period. The figure dropped from \$643.3 million to \$542 million between 2015 and 2016. Meanwhile among sub-categories of the non-traditional exports, agricultural and semi-processed goods recorded a negative growth of 6.49% and 1.60 % respectively. Exports of handicrafts however recorded a growth of 22.25% between 2015 and 2016.

Source: www.citibusinessnews.com

LOWER PRODUCTION COST TO RESULT IN SINGLE DIGIT INFLATION

The Bank of Ghana (BoG)'s medium term inflation target could be attained should government tackle challenges facing the supply of critical services in the country. This is the position of Economist, Adu Owusu Sarkodie. "If the supply side of inflation is addressed together with the demand side which mainly borders on money supply, then I am sure the single digit inflation would be achieved hopefully by the end of the year," he told Citi Business News. According to the central bank, signs of a further drop in inflation to single digits by mid 2018 were among the factors that influenced the drop in its lending rate to 22.5%. This projection however comes on the back of a pickup in inflation to 13% in April 2017 from 12.8% in March 2017. Mr. Adu Owusu Sarkodie believes the trend could be sustained if persistent production constraints are addressed. "For some time now the utility prices have not been increased likewise have petroleum prices not seen any changes. So it is just the pockets of power outages that perhaps may affect production challenges facing businesses," "We will also need to address the post-harvest losses which cause food inflation in the country," he added.

Source: www.citibusinessnews.com

DECLINING OIL PRICES WILL LEAST AFFECT GHANA- ECONOMIST

Some Economists have ruled out any significant impact on Ghana's economy following the declining global oil prices. The decision by Oil Producing and Export Countries (OPEC) including Russia to cut down production due to increased supplies has resulted in a drop in prices. Contrary to the expectations of many investors in the oil and gas industry, the OPEC countries extended their cut in production by nine months, to March 2018. The price of a barrel of crude oil has dropped by about 4% in some markets following the announcement on Thursday, May 25th, 2017. As at Friday, May 26, 2017, a barrel of oil was selling at about \$49. This is down compared to the government's projection of \$55 per barrel. Speaking to Citi Business News on the development, Economist and Senior Research Fellow at the Institute of Fiscal Studies (IFS), Dr. Said Boakye explained that the benefits of declining prices would not impact heavily on the revenue targets within the short to medium term. Citing some taxes slapped on importers of crude in 2014 for example, he stressed that the falling prices have always been beneficial to government rather than the consumer. Source: www.citibusinessnews.com

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