



**MACROECONOMIC INDICATORS**

Index	2016 Close (%)	Previous (%)	Current (%)	Change (%)
Inflation(CPI)	15.40	12.60	<b>12.10</b>	-0.50
Policy Rate	25.50	22.50	<b>21.00</b>	-1.50

**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	12.3176	12.5367	+0.2191
182 day	13.1036	12.9748	-0.1288
1 Year Note	15.0000	15.0000	0.0000

Source: Bank of Ghana

**GSE INDICES AS AT 28-07-17**

Index	Week Open	Week Close	Change	YTD (%)
GSE- CI	2,217.79	2,257.45	+39.66	33.65
GSE- FSI	2,067.79	2,079.34	+11.55	34.55

Source: Ghana Stock Exchange

**COMMODITIES MARKET**

Commodities	Week Open(\$)	Week Close(\$)	Change(\$)
Crude Oil (Brent)(\$/ barrel)	45.77	52.52	+6.75
Cocoa (\$/ tonne)	1,968.00	2,060.00	+92.00
Corn (\$/ bushel)	393.50	388.00	-5.50
Cotton (\$/ pound)	68.42	68.80	+0.38
Gold (Comex)(\$/ ounce)	1,261.00	1,275.30	+14.30

Source: Bloomberg

**INTERBANK FOREX RATES**

Currency	Buy (GHS)		Sell (GHS)	
	Week Open	Week Close	Week Open	Week Close
US (\$)	4.3700	4.3700	4.3744	4.3743
GB Pound (£)	5.6666	5.7339	5.6740	5.7400
Euro (€)	5.0926	5.1374	5.0966	5.1410

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](http://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**

**POLICY RATES FURTHER DROPS TO 21.00%**

The Monetary Policy Committee of the Bank of Ghana has reduced the policy rate to 21% for July down from the 22.5% of June. At the MPC meeting on Monday July 24, Governor of the Bank of Ghana, Dr Ernest Addison said, "foreign exchange market conditions remain stable supported by improved liquidity conditions, the trade surplus and increased reserves. From January to June 2017, the Ghana cedi recorded a depreciation of 3.7% against the US dollar, compared with a depreciation of 3.3% reported in June 2016. In sum, the Committee noted that economic activity continued to improve supported by a rebound in crude oil production, and is expected to remain in line with trends seen in the first half of the year". The broad expectation is that the gradual and steady increases should translate to higher growth profile in the period ahead. In addition, implementation of fiscal policy measures towards providing stimulus through the key initiatives contained in the 2017 budget statement should provide added impetus to growth. Given these considerations, the Committee decided to reduce the Monetary Policy Rate by 150 basis points to 21 percent. The Committee would continue to monitor risks and take the necessary policy action to move headline inflation towards the medium term target. **Source: [www.ghanaweb.com](http://www.ghanaweb.com)**

**GOV'T ISSUES 5 YEAR BOND**

Government has issued a 5 year bond. The bond is one of two 5 year bonds to be issued in the third quarter of 2017. The second will be issued in August, 2017. The bond was issued through the book building method and settlement will be done on Monday. The book building process begun on Wednesday 26th July, 2017 with initial price guidance released on Tuesday 25th July, 2017. The bond was open to resident and non- resident investors with each bond having a face value of GH\$1.00. The cash accrued will be used to rollover maturities as well as to take care of government financing requirement. Minimum bids for the issue was pegged at GH\$50,000.00 and multiples of GH\$1,000.00 thereafter. The bond will be listed on the Ghana Stock Exchange (GSE) and Barclays, SAS and Stanbic have been named as active joint book runners. Government early this month announced that it is seeking to raise GH\$17.4 billion in the third quarter of this year from the securities market. During the three month period, July to September, a GH\$2.6 billion 15 year bond will be issued in August and two five year bonds, one to be issued in July and the other in August. Two 3-year bonds, three 1-year and two 2-year bonds will also be issued. The rest will be 91 and 182-day bills which will culminate into about GH\$11 billion. **Source: [www.citibusinessnews.com](http://www.citibusinessnews.com)**

**POLICY RATE REDUCTION TO DRIVE LONG- TERM INVESTMENTS- CEO**

Investment Fund Managers are anticipating increased long term investments with the reduction of the policy rate by the Bank of Ghana (BoG). The forecast is based on higher returns on long term investments compared with short term ones. The Bank of Ghana has for the third consecutive time reduced the policy rate to 21%, while inflation rate stands at 12.1%. Speaking to **Citi Business News** on the matter, Group CEO of Databank, Kojo Addae- Mensah said financial institutions should gear towards long term investments to get higher yields. "The reduction of the policy rate is going to affect short term interest rates, no doubt. We anticipated this and that is why for us as an institution, we have brought a motion to our general meeting that we need to get the mandate to then have access to longer dated securities. So going forward, we do not completely drop the yields". He added that investing in longer term yields would ensure a strong performance of financial institutions. "I mean yields are now hovering around 11, 12 and 13% but the bond market is looking at 18, 19, 20%. So now that we have that mandate, I think that we are still going to maintain a strong performance and invest in longer dated securities," he predicted. **Source: [www.citibusinessnews.com](http://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**

**"People' spend all or most of their income on things that have little or no lasting value".- Thomas Stanley**

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