

CBL Research

West African Review

23 September 2016 Edition



This Week in West Africa

Market Snapshot

While GSE ALSI and BRVM CI decreased during the week, by 0.6% and 1.7% respectively, NSE CI increased 1.4%. All the three indices registered increase in volume traded

- **GHANA:** GSE Composite Index decreased by 0.6% in the current week to 1,775.12, compared to previous week's loss of 0.4%. The trading volume increased over the previous week. The index recorded 11.0% loss on YTD basis.
- **NIGERIA:** NSE ALSI increased by 1.4% during the week compared to previous week's increase of 1.0%. The index's trading volume increased over last week. The index has lost 1.4% on YTD basis compared to YTD loss of 2.7% at the end of previous week.
- **FRENCH WEST AFRICA:** BRVM Composite Index decreased by 1.7% from previous week to 285.39 points, compared to previous week's decrease of 1.2%. The trading volume increased over the previous week. The index's YTD loss was 6.1% 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	1,784.97	1,782.36	-0.15%	-10.65%	27,577.52	27,577.52	0.00%	-3.72%	290.37	287.55	-0.97%	-5.39%
Tuesday	1,782.36	1,775.99	-0.36%	-10.97%	27,577.52	27,577.52	0.00%	-3.72%	287.55	289.04	0.52%	-4.90%
Wednesday	Holiday				28,209.93	28,214.57	0.02%	-1.49%	289.04	286.69	-0.81%	-5.67%
Thursday	1,775.99	1,773.53	-0.14%	-11.10%	28,214.57	28,166.42	-0.17%	-1.66%	286.69	285.68	-0.35%	-6.00%
Friday	1,773.53	1,775.12	0.09%	-11.02%	28,166.42	28,247.07	0.29%	-1.38%	285.68	285.39	-0.10%	-6.10%

Ghana

Economic Snapshot

GDP (USD bn)	36.8
GDP growth	3.90%
GDP per Capita (USD)	1,359.0
BoG Policy Rate	26.00%
GHS/USD	3.9644
GHS/GBP	5.1397
GHS/EUR	4.4496
Inflation	16.90%
91-Day T-Bill	22.87%
182-Day T-Bill	24.69%
1-Year T-Bill	23.50%
Total Reserves (USD bn)	5.9
Total Debt (USD bn)	15.2

Market Snapshot

Market Name	Ghana Stock Exchange (GSE)
Major Indices	GSE Composite Index
Other Index	GSE Financial Stocks Index (GSE FSI)
Listed Stocks	Thirty Five (35)
Trading days	Monday – Friday
Trading Hours	10.00hrs GMT – 15.00hrs GMT

6M Performance Chart

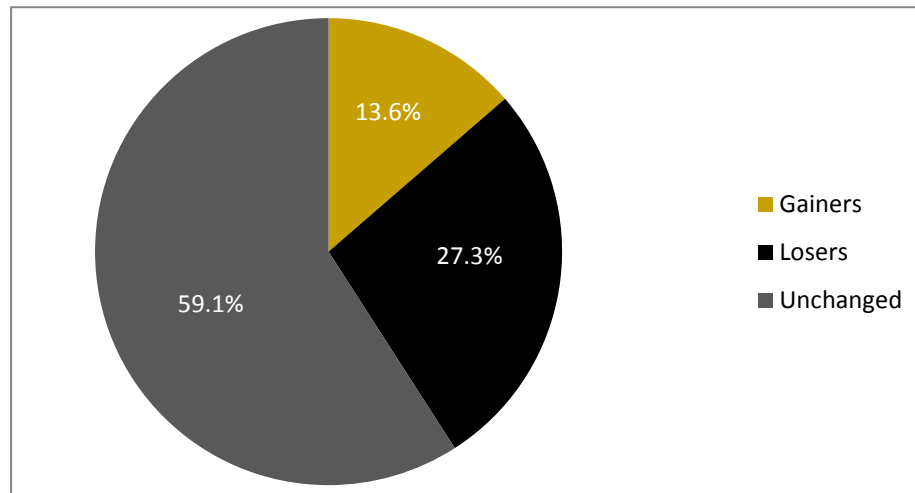


Trading Day	Market Index (GSE CI)		Change (%)		Market Cap	
	Previous	Current	Daily	Year-to-Date	GHS m	USD m
Monday	1,784.97	1,782.36	-0.15%	-10.65%	53,120.29	13,423.71
Tuesday	1,782.36	1,775.99	-0.36%	-10.97%	53,057.08	13,400.28
Wednesday						
Thursday	1,775.99	1,773.53	-0.14%	-11.10%	53,043.16	13,386.96
Friday	1,773.53	1,775.12	0.09%	-11.02%	53,034.13	13,377.59

Market Wrap

- GSE Composite Index decreased by 0.6% in the current week, to 1,775.1 points from 1,785.0 in the previous week, representing a 11.0% loss on YTD basis.
- The shares of PBC Ltd. decreased 20.0% during the week to 4GHp from 5GHp last Friday.
- The index's market cap decreased by 0.2% to GHS 53,034.1 million (USD 13,377.6 million) from GHS 53,135.2 million in the last week.
- The shares traded during the week increased by 533.9% from previous week to 22.9 million from 3.6 million in the last week.
- The value of transactions in the week increased by 2869.0% to GHS 35.2 million (USD 8.9 million) from the previous week's value of GHS 1.2 million.
- An average of 4.6 million shares per day valued at GHS 7.0 million traded during the week compared to 0.7 million shares valued at GHS 0.2 million that traded during the previous week.
- Monday recorded the biggest turnover and the biggest value traded for the week as the deals made up for 99.1% and 97.6% of the total weekly market volume and value traded respectively.
- The market breadth for current week was negative with 13.6% of the total active shares increased and 27.3% decreased during the week. The remaining 59.1% of the total active stocks were unchanged from the previous week.

Market Strength



Event Schedule

Company/Organization	Event	Date
PZC	AGM	30-Sep-16

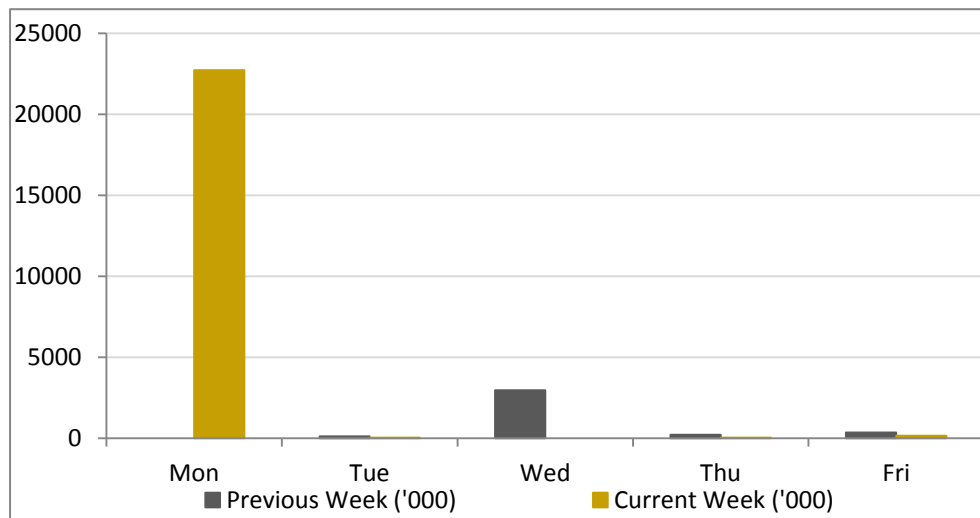
Dividend Announcement

Company	DPS (GHS)	DPS (USD)	Qualifying Date	Payment Date
SIC	0.021	0.005	11-Aug-16	30-Sep-16
PZC	0.115	0.029	29-Sep-16	07-Oct-16

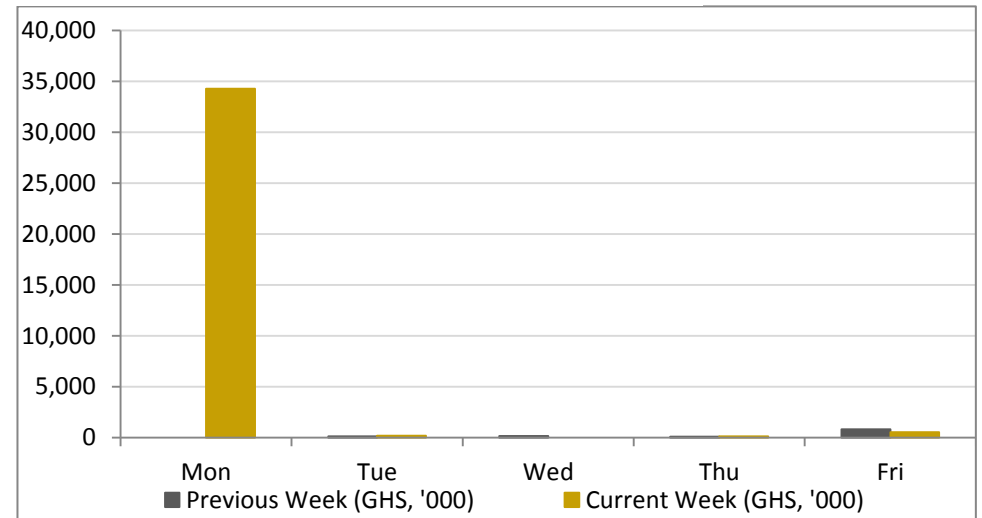
Trading Statistics

Trading Day	Volume	Value (GHS)	Value (USD)	Transactions	Active Equities	Gainers	Losers	Unchanged
Monday	22,727,961	34,297,655	8,667,152	117	17	0	4	13
Tuesday	31,636	176,565	44,594	118	14	1	3	10
Wednesday					Holidays			
Thursday	32,649	128,171	32,348	107	13	2	3	8
Friday	153,203	547,929	138,212	119	14	2	1	11

Market Volume (Week-on-week)



Market Value (Week-on-week)



This week in Ghana

Ghana to receive US\$ 500 million as partial risk guarantee

Ghana is expected to receive US\$ 500 million in the form of partial risk guarantee for the use in the case of the country's default on the payment for the gas procured from the Sankofa field. The largest guarantee of its kind to be provided by World Bank, and expected to security to Ghana over the gas expected to flow in 2018 from the offshore oil field developed by ENI (Italy). The deal was signed by Chief Executive of Ghana National Petroleum Corporation (GNPC) Alex Mould and it would enable Ghana to procure 180 million scf gas from the field per day. The gas acquired would be utilized to generate about 1,000 MW of power which is expected to be utilized to meet the growing demand on power across industries.

<http://uk.reuters.com/>

BoG affirms 3.1% budget deficit in 1H 2016

The Bank of Ghana (BoG) revealed a deficit of 3.1% of GDP on the basis of the provisional data on execution of government budget for the first half of 2016. This was against the targeted 2.6%. The Governor of the BoG, Dr. Abdul-Nashiru Issahaku, explained that the higher than projected deficit was mainly due to shortfalls from income and property taxes and oil revenue. The Governor said that the deficit was mainly financed from domestic sources, including government deposits with the central bank. Dr. Issahaku anticipated some major risks to the fiscal outlook of the economy that included uncertainties in the international oil market, continued weakness in tax revenue mobilization and wage pressures. According to him, the external trade deficit delated due to lower export receipts, especially for crude oil. However, Dr. Issahaku also indicated that the overall effect on the current account balance was moderated by lower outflows from the services account, also noting that provisional outturn of the current account balance improved to a deficit of 2.6 % of GDP, against 2.8% in the same period of 2015. Giving due credit to tight policy stance and improved foreign exchange flows, the Governor point that the cedi had remained stable from January to September and that it had depreciated only by 4.1% against 16.0% in the same period of 2015.

<http://allafrica.com/>

Bank of Ghana assesses the economy

At the 72nd regular meeting of the Monetary Policy Committee (MPC) of the Bank of Ghana (BoG) in Accra, BoG Governor, Dr. Abdul-Nashiru Issahaku, said that despite the decline from a peak of 19.2% in March 2016, headline inflation remained high relative to the medium-term target band of 8±2%. According to Dr. Issahaku, inflation forecast had shown a slight inward shift in the horizon to the second quarter, instead of the third quarter of 2017, which required continued monetary and fiscal policy tightness, together with stability in the foreign exchange market to support the disinflation process. The Committee realized that upside risks to the inflation outlook were the unanticipated shocks, with regards to the intermittent upward adjustments in petroleum and utility prices, and their second round effects. The updated CIEA for July 2016 showed an increased pace of growth, compared to the same period in 2015. Port activities and industrial consumption of electricity were the key indicators of the pickup in the economic activity. However, businesses and consumers displayed mixed sentiments on the economy. Consumers expressed optimism, while business perceptions about the general economic situation were modest due to their unrealized expectations. The Governor indicated improvement in the growth conditions over the medium term driven by sustained progress in the power sector and gas production. However, Dr. Isshaku also pointed out the headwinds to growth being tighter fiscal consolidation, declining private sector credit and delayed recovery in commodity prices.

<http://allafrica.com/>

Nigeria

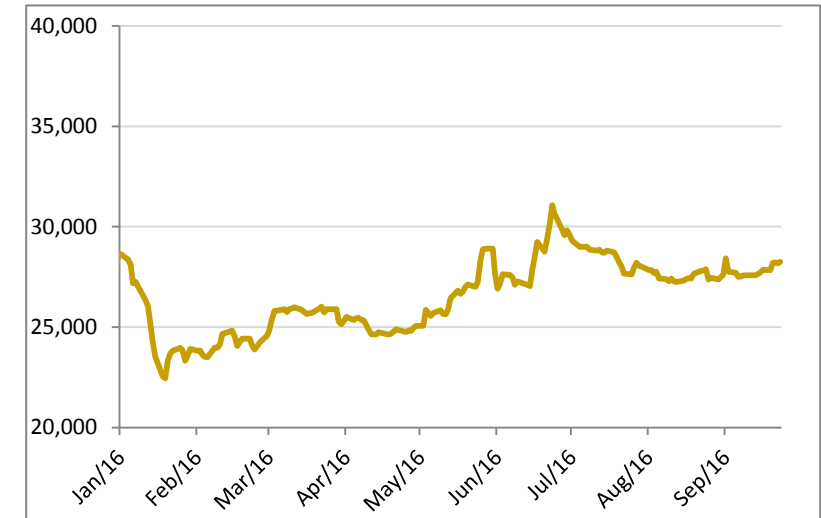
Economic Snapshot

GDP (USD bn)	286.5
GDP growth	2.60%
GDP per Capita (USD)	1692.3
Policy Rate	14.00%
NGN/USD	304.50
NGN/GBP	341.72
NGN/EUR	341.50
Inflation	17.61%
91-Day T-Bill	14.51%
182-Day T-Bill	18.90%
1-Year T-Bill	22.39%
Total Reserves (USD bn)	30.0
Total Debt (USD bn)	23.4

Market Snapshot

Market Name	Nigeria Stock Exchange (NSE)
Major Indices	NSE All Share Index
Other Index	NSE 30 Index (NSE 30)
Listed Stocks	One Hundred Ninety-Three (193)
Trading days	Monday – Friday
Trading Hours	08:30hrs GMT – 13:30hrs GMT

6M Performance Chart

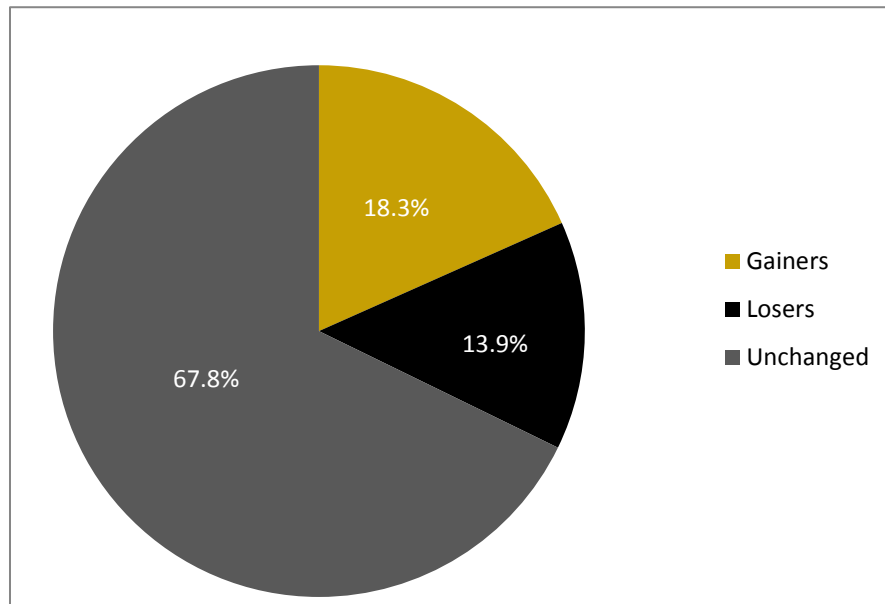


Trading Day	Market Index (NSE AS)		Change (%)		Market Cap	
	Previous	Current	Daily	Year-to-Date	NGN bn	USD bn
Monday	27,577.52	27,577.52	0.00%	-3.72%	9,563.17	31.41
Tuesday	27,577.52	27,577.52	0.00%	-3.72%	9,690.27	31.82
Wednesday	28,209.93	28,214.57	0.02%	-1.49%	9,691.87	31.83
Thursday	28,214.57	28,166.42	-0.17%	-1.66%	9,675.32	31.72
Friday	28,166.42	28,247.07	0.29%	-1.38%	9,703.03	31.87

Market Wrap

- NSE All Share Index increased by 1.4% on weekly basis (compared to 1.0% increase in the last week). The index ended the week at 28,247.07 points, representing year-to-date loss of 1.4%.
- The shares of Conoil plc increased 33.48% during the week followed by Cutix plc at 19.41%.
- Market cap increased during the week to NGN 9,703.0 million (USD 31.9 million) from NGN 9,569.55 million at the end of last week.
- The trading volume increased by 608.2% over previous week to 4,330.6 million from 611.5 million shares that traded in the previous week.
- The value of transactions increased by 205.8% in the current week to NGN 16,803.3 million (USD 55.2 million) compared to NGN 5,495.1 million recorded in the previous week.
- An average of 866.1 million shares valued at NGN 3,360.7 million traded on each session of the week compared to 122.3 million traded shares valued at NGN 1,099.0 million in the previous week.
- Wednesday recorded the biggest turnover and the biggest value traded for the week as the day's deals made up for 71.5% of the weekly volume and 37.1% of value traded respectively.
- The market breadth was positive during the last week as 18.3% of the total shares increased in value compared with 13.9% of the stock registering losses. In the last week, 67.8% of the shares remained unchanged.

Market Strength



Event Schedule

Company/Organization	Event	Date
PZ Cussons Nigeria plc	AGM	06-Oct-16
Tripple Gee and Company plc	AGM	12-Oct-16

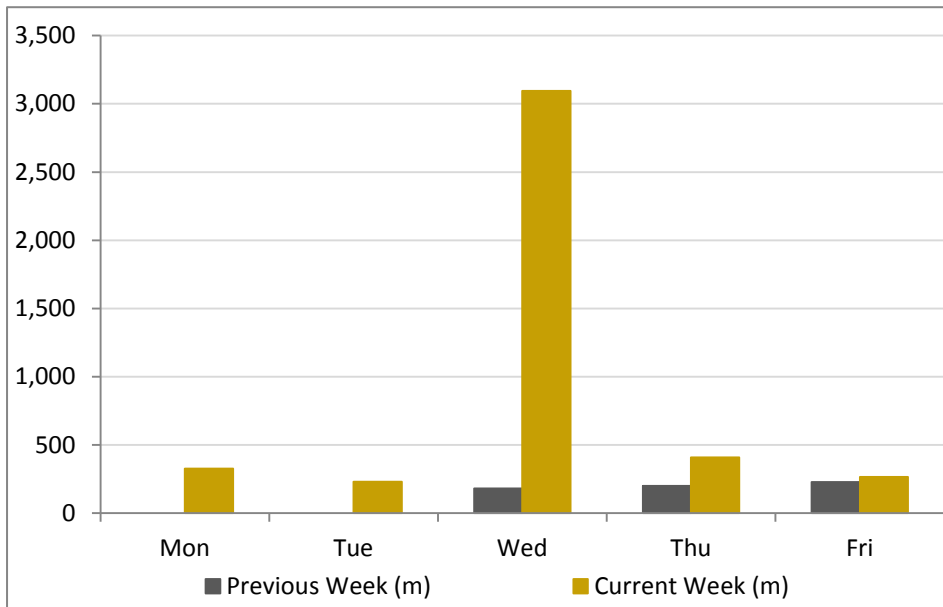
Dividend Announcement

Company	DPS (NGN)	DPS (USD)	Payment Date
PZ Cussons Nigeria plc	0.50	0.0016	07-Oct-16
Tripple Gee and Company plc	0.03	0.0001	19-Oct-16

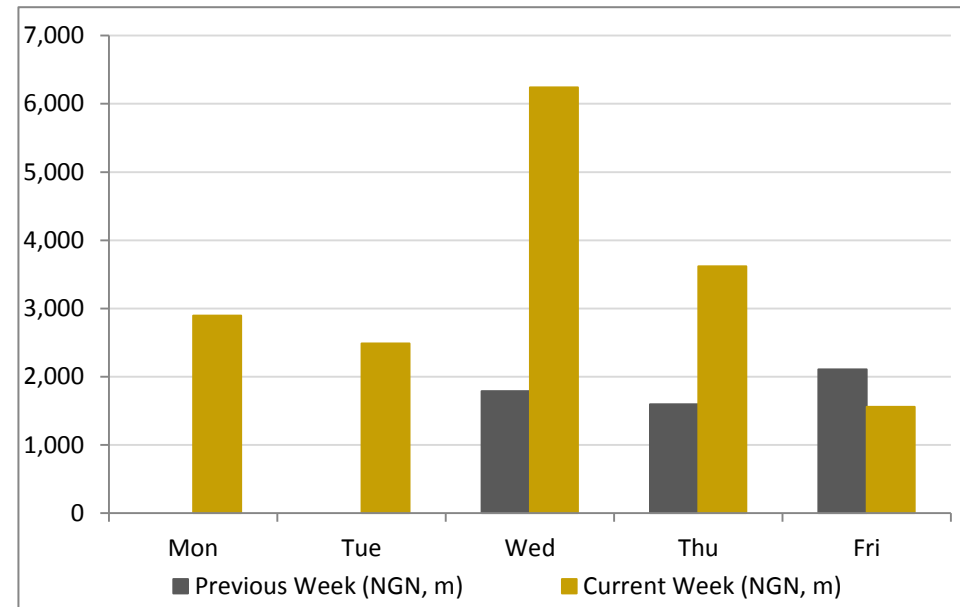
Trading Statistics

Trading Day	Volume (m)	Value (m NGN)	Value (m USD)	Transactions	Active Equities	Gainers	Losers	Unchanged
Monday	328	2,895	10	3,215	91	27	18	46
Tuesday	231	2,488	8	3,452	104	15	14	75
Wednesday	3,096	6,240	20	2,815	100	22	13	65
Thursday	410	3,620	12	4,179	103	18	22	63
Friday	265	1,560	5	3,136	99	22	14	63

Market Volume (Week-on-week)



Market Value (Week-on-week)



This week in Nigeria

Finance minister wants interest rates cut

Finance Minister, Kemi Adeosun wants the central bank to lower interest rates so that the government can borrow domestically to boost the economy which is hit by recession. The Minister said that this was possible without increasing debt servicing costs. Adeosun hopes for the central bank to reconsider a hike to interest rates which it announced in the last meeting that was held in July, to help support the Naira and attract foreign inflows in bond and equity markets.

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

Nigeria's investment inflow tumbles by US\$ 2.1 billion

Nigeria has recorded a total decline of US\$ 2.1 billion (around NGN 642 billion) in investment inflow in a year. Falling by the stated figure, inflows were around US\$ 647.1 million at the end of June, 2016. The country has been experiencing persistent decline in the value of direct and portfolio investments since July 2015. The National Bureau of Statistics (NBS) revealed that the country attracted a total investment inflow of US\$ 2.75 billion in 3Q 2015. All the three major components of investment- Foreign Direct Investment, portfolio investment and other investments have recorded drastic declines. The NBS said that the decline in investment was due to the harsh economic climate and that the investment attracted within the first six months of the year was the lowest in Nigeria's history.

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

Nigeria's Forcados oil exports to resume

Exports of Nigeria's Forcados crude stream oil exports are to restart by the end of September for the first time since February with a loading programme issued for October. The first cargo is expected to load on Wednesday (September 28, 2016). A preliminary loading list revealed an estimate of around 230,000 bpd for the October exports.

<https://uk.finance.yahoo.com/>

Nigeria witnesses output growth post ceasefire in Niger Delta

As per the data released by the Oil Minister, Ibe Kachukwu on Monday (September 19, 2016), Nigeria's oil production has increased from 1.57 million bpd three weeks ago to 1.75 million bpd this week. Kachukwu said the increase in output was accredited to the ceasefire negotiated between the government and the separatist Niger Delta Avengers recently. The NDA's violence against energy facilities had shrunken the country's oil output by around 700,000 bpd to 1.56 million bpd. Energy majors such as Seven Energy have claimed millions of dollars in lost revenue as a result of militant activity. Kachukwu believes that if this harmony continues to prevail, the government will be able to return output to 2 million bpd by the end of the year.

<http://oilprice.com/>

French West Africa

Economic Snapshot

GDP (USD bn)	92.40
GDP growth	11.40%
GDP per Capita (USD)	868.80
XOF/USD	584.95
XOF/GBP	758.90
XOF/EUR	655.96
Inflation	0.60%
91-Day T-Bill	3.92%
182-Day T-Bill	4.41%
1-Year T-Bill	4.86%
Total Debt (USD billion)	31.20

Market Snapshot

Market Name	Bourse Régionale des Valeurs Mobilières
Major Indices	BRVM Composite Index
Other Index	BRVM 10
Listed Stocks	Thirty-Nine (39)
Trading days	Monday – Friday
Trading Hours	09:45hrs GMT – 15:00hrs GMT

6M Performance Chart

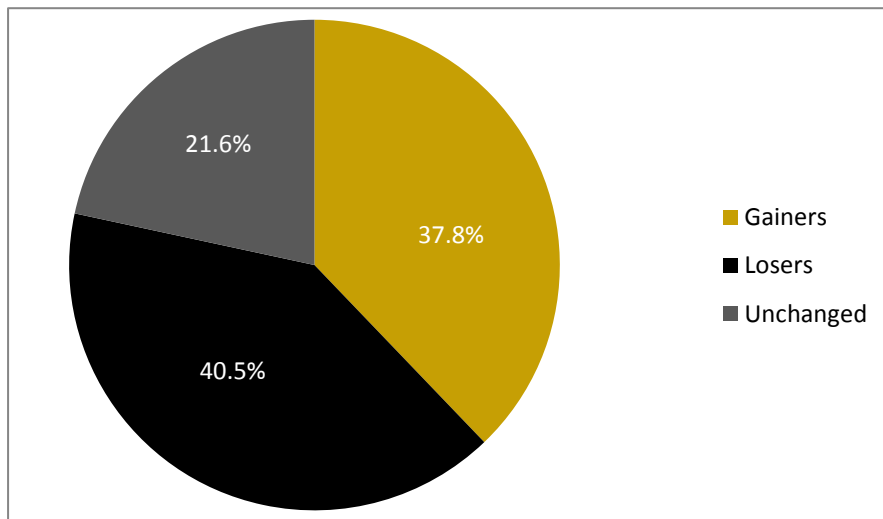


Trading Day	Market Index (BRVM CI)		Change (%)		Market Cap	
	Previous	Current	Daily	Year-to-Date	XOF bn	USD bn
Monday	290.37	287.55	-0.97%	-5.39%	7,176.58	12.31
Tuesday	287.55	289.04	0.52%	-4.90%	7,213.82	12.30
Wednesday	289.04	286.69	-0.81%	-5.67%	7,154.97	12.16
Thursday	286.69	285.68	-0.35%	-6.00%	7,129.83	12.21
Friday	285.68	285.39	-0.10%	-6.10%	7,122.57	12.18

Market Wrap

- For the week under review, BRVM Composite Index decreased by -1.72% over previous week, compared to previous week's decrease of 1.2%, closing the current week at 285.4 points which represents 6.1% loss on YTD basis.
- The shares of Nouvelles Editions Ivoiriennes decreased 14.7% during the week to XOF 50,315 from XOF 58,995 in the previous week.
- Market cap also decreased from previous week to end the current week at XOF 7,122.57 million (USD 12.2 million) from XOF 7,246.84 million in the previous week.
- During the week, shares traded increased by 214.4% on weekly basis to 1.6 million from 0.5 million in the previous week.
- The value of transactions for the week decreased by 7.4% to XOF 4,218.8 million compared to previous week's XOF 4,556.6 million.
- An average of 0.32 million shares valued at XOF 843.8 million traded on each session of the week compared to 0.10 million shares valued at XOF 911.3 million that traded in the last week.
- Friday recorded the biggest turnover and Wednesday recorded the biggest value traded for the week as deals made up for 67.3% of the weekly volume and 31.0% of value traded respectively.
- The market breadth was negative during the week with 37.8% of the stocks increasing and 40.5% decreasing. The remaining 21.6% of the stocks registered no change in price.

Market Strength



Event Schedule

Company/Organization	Event	Date
No Announcement		

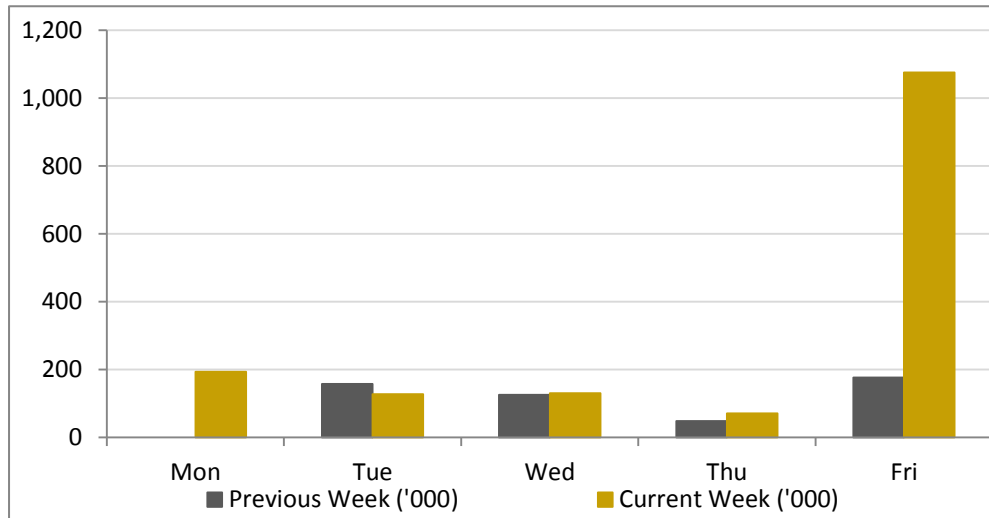
Dividend Announcement

Company	DPS (XOF)	DPS (USD)	Payment Date
Crown Siem CI	1,215	2.08	30-Sep-16

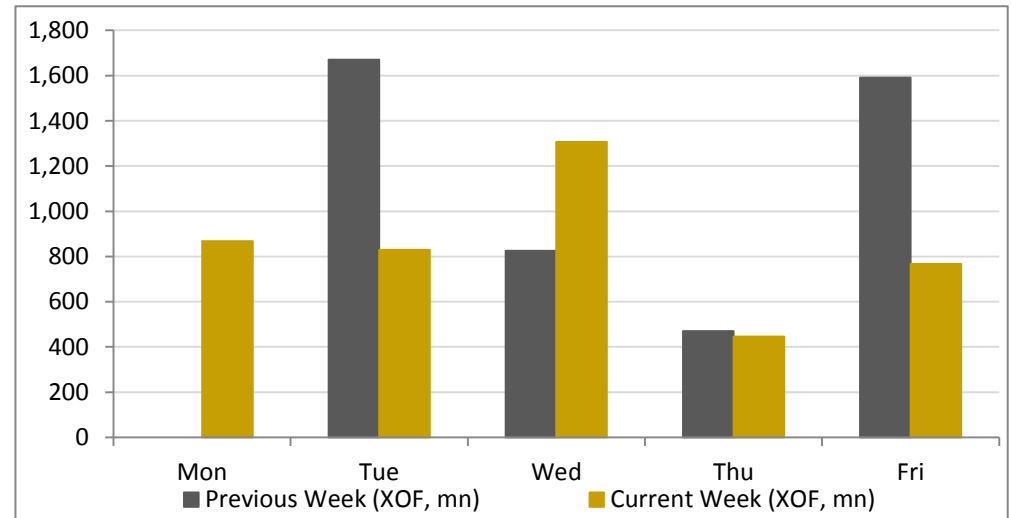
Trading Statistics

Trading Day	Volume ('000)	Value (m, XOF)	Value (m, USD)	Transactions	Active Equities	Gainers	Losers	Unchanged
Monday	193	868	1.5	381	29	8	13	8
Tuesday	128	830	1.4	293	32	13	15	4
Wednesday	130	1,307	2.2	355	32	14	13	5
Thursday	71	446	0.8	300	34	7	20	7
Friday	1,076	768	1.3	277	34	10	19	5

Market Volume (Week-on-week)



Market Value (Week-on-week)



This week in BRVM

Ivory Coast eyes growth of 9% for 2017

President, Alassane Ouattara, expects an economic growth spurt in Ivory Coast, having outpaced all of its continental peers until next year. Ouattara said that the country does not have preference for either public or private investment or in terms of the countries from where these are to be fetched. Instead, the its plans are to procure the maximum amount of investment possible. The government's outlook, with a growth forecast of 9% until 2017, reflects optimism. However, the International Monetary Fund's forecast were relatively aberrant, at 8.5% for 2016 and 8% for 2017.

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

OPIC to back 158 MW Senegal wind project

The US government's Overseas Private Investment Corporation (OPIC) will provide US\$ 250 million (around EUR 224 million) in financing for the 158 MW Taiba Ndiaye wind project in Senegal. Irish company Mainstream Renewable Power, which is involved in the project through its clean energy joint venture (JV) with private equity firm Actis, said that the development finance institution has also committed to provide US\$ 70 million in reinsurance for the said project. It was announced in June that Lekela Power, the 60/40 Actis-Mainstream JV, has acquired the rights to co-develop and invest in the 158 MW wind project in Senegal. On the sidelines of the US-African Business Forum in New York, OPIC and Lekela signed a commitment for the development, construction and operation of the wind park. The project is seen to boost Senegal's available power capacity by 24%.

<http://renewables.seenews.com/>

Ivory Coast to issue 7-year XOF 50 billion bond

The West African regional debt planning agency said that Ivory Coast will issue XOF 50 billion (around US\$ 84.98 million) 7-year bond with a 5.70% interest rate, on Tuesday (September 27, 2016). The bond will be sold in units of XOF 10,000 to investors across West Africa's eight-nation XOF currency zone.

<http://af.reuters.com/>

Featured Stock – Total Nigeria plc

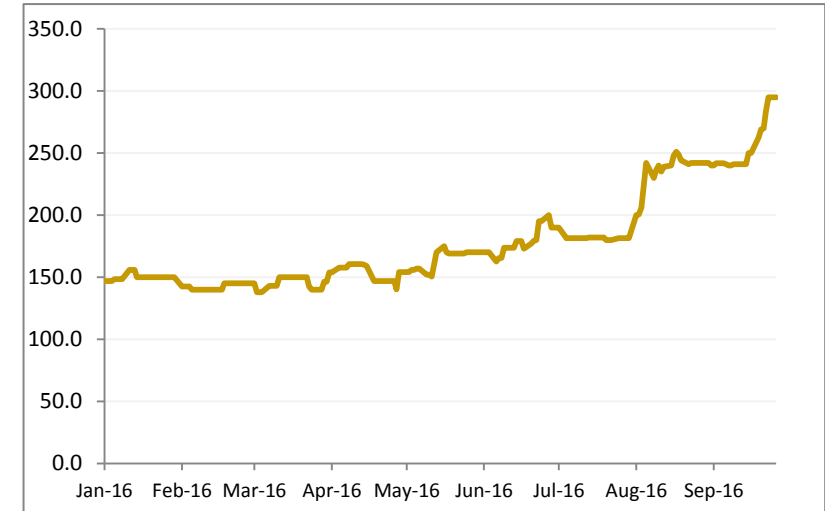
Snapshot– Total Nigeria plc

Symbol	TOTAL NL
ISIN	NGTOTAL00001
Current Price (NGN/Sh.)	295
Year High (23-Sep-16)	NGN 1.54/ US\$
Year Low (02-Mar-16)	NGN 1.42/ US\$
Mkt Cap (NGN, mn)	100,159
Mkt Cap (USD, mn)	31.20
Issued Shares (mn)	340
Major Shareholder	TOTAL MARKET & SERVI
Major Shareholding	61.72%
Revenue-FY 2015 (NGN, 'mn)	208,027.7
Net Profit (NGN, 'mn)	4,047.1
Total Assets (NGN, 'mn)	83,653.6
Total Liabilities (NGN, 'mn)	67,411.1
Total Equity (NGN, 'mn)	16,242.5

Key Data

Operating margin	3.0%
Operating Profit Growth	-23.5%
Net profit margin	1.9%
EPS	11.920
ROA	4.5%
ROC	13.2%
P/B	6.2x
P/E	24.7x

6M Price Performance



Company Profile

Total Nigeria Plc, formerly known as Total Fina Elf Nigeria Plc, is the entity which emerged following the successful merger between Total Nigeria Plc and Elf Oil Nigeria Ltd on 11th September, 2001. Total Nigeria Plc was incorporated as a private company on 1st June, 1956 to market petroleum products in Nigeria. Total Nigeria Plc distributes and markets refined petroleum products and fuels. Total Nigeria Plc is engaged in the blending of lubricants, as well as the sales and marketing of refined petroleum products. The Company's segments include Network, which includes sales to service stations; General Trade, which includes sales to corporate customers excluding customers in the aviation

industry, and Aviation, which includes sales to customers in the aviation industry. It is focused on the sales channels for the Company's products, including petroleum products, lubricants and others. The Company has a distribution network of over 500 service stations across the nation and offers a range of energy products and services. It also has approximately 20 customer service centres, various industrial outlets, over five depots, distribution plants and warehouses across the Western, Northern and Eastern territories in Nigeria. The Company is a subsidiary of Total Raffinage Marketing, which operates petroleum marketing and distribution business in Nigeria.

The Team

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