

## Ghana

### Market Related News

**Ghana's official creditors pave way for IMF sign-off on \$3 bln loan:** Ghana's official creditors have formed a committee co-chaired by China and France to launch debt restructurings talks, the Paris Club said on Friday, paving the way for a sign-off on a \$3 billion International Monetary Fund loan for the country. The West African nation is struggling through its worst economic crisis in a generation, defaulting on most of its external debt in December and completing a domestic debt exchange in February...[Reuter](#)

**IMF sees 'good progress' in bilateral financing assurances for Ghana loan:** The International Monetary Fund said on Thursday it has seen "good progress" in delivering bilateral financing assurances to Ghana that are needed for the IMF executive board to consider a three-year, \$3 billion loan program for the west African country. IMF spokesperson Julie Kozack told a news briefing that the the Fund is hopeful that the IMF executive board can quickly consider the Ghana program once enough official bilateral creditor assurances have been secured. The package was agreed at the staff level in December...[Reuters](#)

**Ghana official creditors close to giving financing assurances for debt rework talks:** Ghana's official creditors are poised to grant financing assurances and form a committee co-chaired by France and China - key steps for the nation to secure a \$3 billion International Monetary Fund (IMF) loan, sources told Reuters. The country's bilateral lenders are expected to formally grant financing assurances as soon as Friday - confirmation that they will then start talks to give Ghana the relief needed to make its debt sustainable, said the sources with direct knowledge of the process speaking on condition of anonymity...[Reuters](#)

**Secondary market activity surges as valuation issues find resolution:** Secondary activity witnessed a significant surge last week, achieving its highest traded volume since settlement of the new bonds. The total traded volumes skyrocketed from GH¢117.11million to GH¢459.34million, showcasing a remarkable increase...[thebftonline](#)

**T-bills auction: Government to borrow €3.33bn this week:** The government will borrow €3.33 billion from the treasury market on Friday May 12, 2023, to partly refinance maturities worth €2.31 billion. Joy Business understands that part of the €3.33 billion will be used to settle coupon payments of the pension bondholders....[Myjoyonline](#)

### General Business News

**Inflation eases for 4th consecutive month to 41.2%:** Consumer inflation has dropped to 41.2% in April 2023 compared to 45% in May, according to the Ghana Statistical Service (GSS). This is the fourth consecutive month – from January to April 2023 – in which the rate has dropped, having peaked at 54.1% last December....[Thebftonline](#)

**Czech Republic to deepen trade, health relations with Ghana:** The First Deputy Prime Minister and Minister of the Interior of the Czech Republic, Vit Rakušan, has promised his country's commitment to deepened trade ties with Ghana after visiting Ghana. His three-day working visit was also part of activities to enhance bilateral relations between the two countries....[Myjoyonline](#)

**Pensioner Bondholders Forum to picket Finance Ministry beginning May 8:** Members of the Pensioner Bondholders Forum say they will resume their picketing at the Ministry of Finance on May 8, 2023, to further press home their demand for the payment of all their outstanding coupons and principals....[Myjoyonline](#)

**Inadequate gas supply cause of recent power outages – ECG MD:** The Managing Director of the Electricity Company of Ghana (ECG), Samuel Dubik Mahama, has attributed the recent power outages to inadequate gas supply to fuel power plants. According to him, the energy supplier, Nigeria Gas, is currently having some challenges, thus, affecting the generation of electricity in the country...[Myjoyonline](#)

**BoG urges commercial banks to lower lending rates as inflation figures decline:** The commercial banks operating in Ghana have been urged by the Bank of Ghana to lower their lending rates while the country's inflation figures are showing a decline. Elsie Addo Awadzi, the Second Deputy Governor of the Central Bank, speaking at a Forum, stated that this decline...[Citibusinessnews](#)

**Banks, fintechs collaboration must be built on trust, transparency:** The Head of Business Enablement at Stanbic Bank Ghana, Marian Amartey, has urged banks and fintechs to build their partnerships on a trust and open-minded approach. In their quest to build synergies, achieve growth and sustainability, she said the two must work collectively in an open and transparent manner....[Thebftonline](#)

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*"An investor should act as though he had a lifetime decision card with just twenty punches on it." - Warren Buffet*

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## Kenya

### Market Related News

#### IMF backs higher returns to entice Treasury bond investors after snub:

The International Monetary Fund (IMF) says the government can unlock the current domestic funding challenges by offering a higher return to bond investors. The IMF, which has further doubled down on its support for a weaker local exchange rate argues that greater returns will lure in more investors to take up government securities, reversing the current apathy for the papers. The low uptake of new bond issuances amid high maturities of domestic debt partly contributed to the liquidity crunch in March that saw the State delay salary payments for the month...[Businessdailyafrica](#)

**Kenya seeks access to new IMF long-term funding:** Kenya has applied for access to a new long-term funding facility from the International Monetary Fund (IMF), the multilateral lender has disclosed. The facility known as the Resilience and Sustainability Trust (RST) seeks to assist low-income and vulnerable middle-income countries to build resilience to external shocks. The programme complements IMF's existing lending facility and provides longer-term affordable financing to address challenges such as climate change and pandemic preparedness...[Businessdailyafrica](#)

**Stanbic Bank's Q1 profit up 84% on revenue growth:** Stanbic Bank has announced a profit after tax of Sh3.9 billion for the three months to March 31, 2023, a 84 per cent rise compared to the same period last year. The lender attributes the profit to the strong growth in revenue across all business segments and a strong balance sheet growth over the period under review. Revenue grew by 65 per cent to close the quarter at Sh11 billion, a mark the lender says is a reflection of its continued execution of its 2021-2023 strategy...[Star](#)

**KCB market value falls below Sh100billionn as bear run deepens:** Kenya Commercial Bank Group's market value has dropped below Sh100 billion amid a deepening market selloff that has generated major paper losses for most firms listed on the Nairobi Securities Exchange. The lender's share price dropped 2.64% on Wednesday to close at a new 52-week low of Sh29.45. This saw its market value drop further to Sh94.6 billion. KCB's share price is down 19.3% over the past 12 months. The bank is among the counters on the NSE that have been battered amid a flight of foreign investors, with the selloffs continuing despite higher corporate earnings and dividends. . . [Businessdailyafrica](#)

#### One-year Treasury bill rate hits 11.27pc as Central Bank takes Sh45bn:

The return on the 364-day Treasury bill has hit a high of 11.27% from 11.17% to mirror the effect of continued aggressive bidding by investors in the government paper. The notable spike in the returns offered by the longest-date short-term security has come as the Central Bank of Kenya (CBK) accepts Sh45.29 billion from this week's Treasury bill auction which closed on Thursday. The 91-day paper remained the most attractive of the three papers on offer with bids received having stood at Sh34.63 billion in contrast with Sh8.84 billion and Sh1.863 billion in offers for the longer tenured 182-day and 364-day instruments...[Businessdailyafrica](#)

### General Business News

**Fixed income lifts pension schemes return in Q1:** Pension schemes posted positive returns in the first quarter of the year on increased yields from fixed income to emerge from the negative returns they had booked in the corresponding period last year. Analysis of pension schemes by Actuarial Service East Africa (Actserv) shows that they recorded an overall return of 0.8 percent in the three months ended March, compared to negative 0.6% in the first quarter of last year.

The latest return, which was boosted by fixed income performance, trailed that of 2.26% that was posted in the first quarter of 2021 and was still far off the 6.5% of the first three months of 2019...[Businessdailyafrica](#)

**State pay to retirees falls by Sh36billion amid cash crunch:** Treasury's payments to retired civil servants have dropped by more than a third or Sh36.9 billion in the nine months to March amid a cash squeeze that points to delayed disbursement of State pensions. The pensions department paid Sh54.48 billion to retired civil servants in the period to March compared to Sh95.4 billion in a similar period a year earlier, reflecting a drop of 38.71 percent in an economy where an average of 21,000 State employees retire annually. This is the first drop in pension payments since Kenya started making monthly public spending in 2013 and the smallest payout since 2019...[Businessdailyafrica](#)

**State staff get tax-free benefits on asset buys:** State officers are set to earn tax-free benefits including tax allowances on asset purchases such as motor vehicles and homes. This is under new proposals contained in the 2023 Finance Bill which seeks to exempt reimbursement to public officers in the course of performing their duties by deeming them as non-gains of profits...[Businessdailyafrica](#)

**Treasury minister defends proposed tax measures:** Treasury Cabinet has defended the painful proposals in the Finance Bill 2023 to increase taxes on various sectors, including fuel and salary taxes, saying it is a projection of where the economy should be heading. Prof Ndung'u said some of the proposals in the Bill are meant to align Kenya with other East African states, saying the country is paying low taxes in the region on a number of products...[Businessdailyafrica](#)

## Egypt

### Market Related News

**Moody's place Egypt on review for downgrade:** Moody's Rating Agency (Moody's) placed Egypt's B3 long term foreign-currency and local-currency issuer ratings on review for downgrade. Before this rating action, Egypt's ratings were B3 and the outlook was stable. The review period will focus on the government's ability to finalize the targeted \$2 billion in asset sales necessary to meet the IMF program's financing targets for fiscal 2023 (ending June) and demonstrate the viability of the program's external funding strategy that relies significantly on asset sales...[Egypttoday](#)

**EGX gains reflect continued investor optimism in the Egyptian economy:** Egyptian Exchange (EGX) closed Wednesday's session with a collective rise in its indexes driven by buying operations from Arab investors, amid trading exceeding LE2.8 billion, and a market capitalization gain of LE6 billion, closing at the level of LE1.136 trillion. These gains reflect the continued optimism among investors about the performance of the Egyptian economy, as well as the government's ongoing efforts to attract foreign investment and support local industries...[Egypttoday](#)

**Telecom Egypt might add additional 10% stake on Egyptian Exchange:** The Egyptian government is expected to sell an additional 10 percent stake in state-run Telecom Egypt through a share sale this month, aiming to raise cash and reassure investors, according to anonymous sources familiar with the matter. As early as this week, the company will begin a book-building process for institutional investors, with shares expected to be listed on the Egyptian stock exchange....[Egypttoday](#)

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**Egyptian Prime Minister meets Vice President of World Bank in Cairo:** Egypt's Prime Minister Mostafa Madbouly met on Sunday evening with Ferid Belhaj, Vice President of the World Bank for the Middle East and North Africa, and his accompanying delegation, in preparation for launch of the new country strategy between Egypt and the World Bank Group. The Prime Minister thanked the delegation for their efforts to finalize the new country strategy between the two parties for the period 2023-2027. He also expressed appreciation for the extended partnership relations with the World Bank, in financing development projects in various vital fields that have been implemented in Egypt over the past decades...[Dailynewsegypt](#)

**The Egyptian Cabinet passes decision on customs reductions publication lists to AfCFTA:** The Egyptian Cabinet approved a draft decision regarding the publication of lists of customs reductions and appendices to the African Continental Free Trade Area (AfCFTA) in its weekly meeting. During the meeting, the Egyptian Cabinet also approved an agreement between Egypt and Qatar that aims to eliminate double taxation on income taxes and prevent tax evasion and avoidance...[Egypttoday](#)

**Egypt's building materials exports increase by 7.1% YoY in 2022 | TradeMin:** Egypt's exports of building materials increased 7.1% year on year (YoY) in 2022, Ahmed Samir, Minister of Trade and Industry, said on the sidelines of the inauguration of Egypt Projects and Windorex exhibition. Exports of the building materials industry amounted to nearly \$6.9 billion last year, up from \$6.5 billion in 2021, Samir stated.[Businesstodayegypt](#)

**Egypt's inbound tourism witnesses 43% growth in Q1 2023:** Egyptian Minister of Tourism and Antiquities met with the Prime Minister to discuss updates on the tourism industry and the ministry's projects. During the meeting, the Minister of Tourism reviewed a number of topics related to the current state of the tourism industry and inbound tourism movement in 2023, he presented the key tourism movement expectations during 2023 and some tourism indicators. He mentioned that tourism movement witnessed a growth rate of 43% during the first three months of this year, compared to the same period in 2022....[Businesstodayegypt](#)

**Egypt's annual urban inflation rate eased for the first time in nine months to reach 30.6%:** Egypt's annual urban inflation rate reaches 30.6 percent in April 2023 from 32.7 percent in March 2023, easing for the first time in nine months according to the Central Agency for Public Mobilization and Statistics (CAPMAS). In addition to that, Egypt's annual headline inflation rate dropped to 31.5% this April, compared to 33.9% from last month...[Egypttoday](#)

## **Global**

### **Israel's Judicial Plans Post Downside Risk to Economy, IMF Says:**

Uncertainty surrounding the Israeli government's proposed judicial overhaul is a "notable downside risk to growth," the International Monetary Fund said, with further unrest likely and business leaders threatening a withdrawal of capital. The economy is expected to grow 2.5% in 2023, down from 6.5% last year, as household purchasing power moderates and firms rein in investment, the IMF said in preliminary findings submitted to the Bank of Israel on Wednesday...[Bloomberg](#)

### **Bank of England chief Bailey defends record growth upgrade, admits communication error:**

Bank of England Governor Andrew Bailey on Thursday defended an about-turn in the bank's U.K. growth forecast, saying its "biggest upgrade" ever reflected the rapidly shifting economic landscape. At its policy meeting earlier Thursday, the central bank said it no longer expects the U.K. to enter into recession this year. Months earlier, it had predicted the country would face its longest-ever recession. However, Bailey said the forecasts were based on conditional data, which is subject to frequent and significant fluctuations...[CNBC](#)

### **Turkey Markets Rally as Candidate Withdraws Days Before Vote:**

Turkish presidential contender Muharrem Ince withdrew from Sunday's election, narrowing the field of rivals to incumbent Recep Tayyip Erdogan and injecting fresh uncertainty into the contest over how Ince's supporters will vote. Markets rallied, with investors betting the withdrawal increases the likelihood of an Erdogan defeat by leaving him to face a single candidate rather than a split opposition...[Bloomberg](#)

### **G7 finance chiefs debate reducing supply chain reliance on China:**

Finance leaders of the Group of Seven (G7) advanced economies discussed the need to make global supply chains more resilient by reducing over-reliance on China, German Finance Minister Christian Lindner said on Friday. Japan, which is hosting a three-day G7 meeting to debate key global themes in the city of Niigata, has been leading fresh efforts to diversify supply chains away from China by building partnerships with low- and middle-income countries through investment and aid...[Reuters](#)

**UK economy: Cost of living and strikes weigh on growth:** On Thursday, the Bank of England said it was more optimistic about prospects, and the UK would avoid a recession after the Bank increased interest rates to 4.5% from 4.25% as part of its continued attempt to slow soaring prices. The economy grew by just 0.1% between January and March, figures showed, and it remains smaller than levels seen before the Covid pandemic. The UK is also lagging behind growth seen in other major economies...[BBC](#)

### **US default would have 'very serious repercussions' on global economy – IMF:**

The International Monetary Fund warned Thursday May 11, 2023 of severe consequences if the US defaults on its debt, ahead of a rapidly-approaching deadline for the country to raise or suspend its borrowing limit. "Our assessment is that there would be very serious repercussions not only for the US but also for the global economy should there be a US debt default," IMF communications director Julie Kozack told reporters, encouraging all parties to urgently resolve the matter...[Myjoyonline](#)

### **Biden, McCarthy debt ceiling meeting postponed, spending cuts on table:**

A debt limit meeting between U.S. President Joe Biden and top lawmakers that had been scheduled for Friday has been postponed, and the leaders agreed to meet early next week, a White House spokesperson said on Thursday. Aides from both sides have started to discuss ways to limit federal spending, as talks on raising the government's \$31.4 trillion debt ceiling to avoid a catastrophic default creep forward....[Reuters](#)

### **US-China Talks Give Hope to Investors After Tumultuous Period:**

Asia investors got a fresh reason to be bullish Friday on news that top US and Chinese officials met as they tried to ease existing strains between the two countries. US National Security Adviser Jake Sullivan sat down with Wang Yi, a China's top diplomat, in Vienna for two days in what the White House called "substantive and constructive" meetings. The conversation set the stage for a possible call between President Joe Biden and Chinese President Xi Jinping, something that Chinese leaders have resisted for weeks...[Bloomberg](#)

### **Big US banks to pay billions to replenish failure fund:**

Large U.S. lenders will bear most of the cost of replenishing a deposit insurance fund that was drained of \$16 billion by the collapse of Silicon Valley Bank and two other lenders, although mid-sized banks will also be on the hook, the Federal Deposit Insurance Corporation (FDIC) said on Thursday. The bank regulator will apply a "special assessment" fee of 0.125% to uninsured deposits of lenders in excess of \$5 billion, based on the amount of uninsured deposits a bank held at the end of 2022, the FDIC proposed at a board meeting...[Reuters](#)