

September 1, 2023

Ghana's News Summary

Ghana ranked among 16 African countries with worsened operational risk – EIU: Ghana is ranked among 16 out of 51 African countries whose operational risk worsened between the end of 2022 and mid-2023, the Economist Intelligence Unit Latest Operational Risk Outlook has revealed. According to the UK-based firm, the worsening scores have been driven mainly by a deterioration in the macroeconomic risk subcategory. “The operational risk scores for 16 of the 51 African countries in EIU’s Operational Risk Service worsened between end-2022 and mid-2023, including those for Ghana, Egypt and Sudan”...[Myjoyonline](#)

StanChart reinforces commitment to support women-owned businesses: Standard Chartered Bank Ghana PLC has celebrated the graduation of 20 entrepreneurs of its Women in Technology Incubator programme. The women entrepreneurs who make up the 3rd cohort participated in the 4-month long incubator aimed at empowering women-led start-ups and providing them with the resources and support to thrive. At the graduation ceremony, five (5) businesses which topped the Incubator’s rigorous pitch process were awarded seed funding of GHS110,000 each to invest into their businesses...[BFTonline](#)

Trade Ministry encourages businesses to meet global trade standards: Businesses are encouraged to adhere to global quality standards in order to propel Ghana to the forefront of the international market. This, according to the Ministry of Trade and Industry will give the country a competitive edge as the country makes efforts in scaling up value addition strategies for its exported raw commodities. Global trade is increasingly integrated into value chains and governed by quality and standards requirements...[Citibusinessnews](#)

T-bills auction: Government to borrow ₵3.06 billion on September 1, 2023: The government will borrow ₵3.06 billion across the 91-day to the 364-day treasury bills on Friday, September 1, 2023. The proceeds will be used to roll over maturing bills worth ₵2.87 billion. Notwithstanding the favorable liquidity levels, analysts anticipate an uptick in T-bill yields as the steady increase in Opening Market Operations (OMO) bill yields and interbank interest rate pose further upside pressures...[Myjoyonline](#)

Ghana restructures \$4bn in latest Domestic Debt Exchange Programme: Ghana agreed to terms to swap about \$4 billion of domestic debt, taking another step toward meeting its obligations under an International Monetary Fund bailout. The results imply Ghana achieved about 95% target under the latest three debt exchange deals. The country’s Eurobond maturing in 2032 declined by 0.2 cents on Wednesday, August 30, 2023, to 43.7 cents on the dollar. Notes maturing in 2051 dropped by a similar amount to 42 cents on the dollar...[Myjoyonline](#)

Letshego gets BoG approval for GH¢200m issuance: Letshego Ghana remains on course to issue another GH¢200million in corporate bonds, having received approval from the Bank of Ghana (BoG) its Chief Financial Officer, Poelo Mkpayah, has indicated...[BFTonline](#)

70 years of resilience, relevance, resourcefulness, and results – celebrating GCB Bank: “GCB was born as a Ghanaian Bank for the People and led by Ghanaians with a single-minded purpose to liberate Ghanaians and individual businesses economically and financially. In the last seven decades, GCB has done just that. Today, we are seeking to show more of that resilience in our ability to grow African champions in our country by supporting Ghanaian businesses to explore beyond the shores of Ghana” – John Kofi Adomakoh, MD, GCB Bank, 2023...[BFTonline](#)

Ecobank Fintech Challenge 2023 records 1,490 entries as eight reach final: Over 1,400 Fintech startups from 64 countries across Africa and beyond applied for this year’s Ecobank Fintech Challenge – with eight of them making the cut to the final where they will compete for the ultimate prize. This is the international competition’s sixth edition, with the highest number of applications on record. Ecobank Group, Africa’s leading pan-African banking group, said this year’s applications had more than doubled compared to last year’s 703 applications received from 59 countries...[BFTonline](#)

COCOBOD achieves strong 97% participation in debt exchange programme: In a strategic move to restructure its mounting debts, the Ghana Cocoa Board (COCOBOD) launched the innovative Cocoa Bills Exchange Programme this July. The initiative sought to address a substantial debt load nearing ₵8 billion, drawing keen attention from investors and financial analysts alike...[Norvanreports](#)

Historic \$650bn liquidity boost continues to benefit the global economy: In a world shaken by multiple shocks affecting many countries—pandemics, wars, food and energy crises, and climate disasters—the international community has a responsibility to stand together and support the global economy and all its citizens. One example of such international cooperation has been the IMF’s [largest-ever allocation of special drawing rights](#) in August 2021, which injected [\\$650 billion](#) of liquidity into countries to help turn the pandemic crisis toward recovery...[Norvanreports](#)

BoG has done well by tightening monetary policy – IMF Resident Rep: The International Monetary Fund Resident Representative to Ghana, Dr. Leandro Medina, has commended the Bank of Ghana for tightening the monetary policy stance and eliminated monetary financing of the budget. According to him the government and the IMF team agreed that avoiding monetary financing of the budget should be a priority...[Myjoyonline](#)

“Time in the market, beats timing the market.”
Ken Fisher, founder of Fisher Investments.

African Market News Summary

Stock market sustains upward rally despite uninspiring GDP figures:

Bullish trend has dominated the Nigerian stock market against the backdrop of the Gross Domestic Product, GDP, a report which indicated a 2.51% growth in the second quarter of 2023, Q2'23, a significant drag below both the first quarter figure and analysts' projections. The Nigerian Exchange Limited, NGX, All-Share Index, ASI, advanced by 1.3% Week-on-Week, WoW, to close at 65,558.91 points, driven by investors' interest in BUA Foods which rose by 7.9%, Dangote Sugar 35.7% and Transcorp 39.4%...[Vanguard](#)

Credit Bank eyes Sh1bn from its listing plan: Credit Bank PLC has announced plans to list on the Nairobi Securities Exchange (NSE) by the end of 2023, aiming to raise at least Sh1 billion from the public. This will be the first listing in the exchange's main segment in about a decade following the self-listing of the NSE in July 2014. It comes hot on the heels of the bank's recent capital raise from the sale of a 20 percent stake to Mauritius-based private equity fund, Shorecap III...[Businessdailynews](#)

Capital flight halves NSE investor wealth: Investor wealth at the Nairobi Securities Exchange (NSE) has halved since the bourse hit its all-time high valuation of Sh2.9 trillion exactly two years ago, paying the price of foreign investor flight from the market. The stock market achieved its highest-ever valuation of Sh2.94 trillion on August 24, 2021, carried along by a rally in the share price of Safaricom to an all-time high of Sh44.95. This has since dropped to Sh15.95 a piece, dragging down the market with it...[Businessdailynews](#)

Nigeria to encourage investments rather than borrowing -finance minister: Nigeria will seek to encourage investments rather than rely on borrowing to create jobs, Finance Minister Olawale Edun said on Monday, as the new government tries to find a solution to sluggish growth, double-digit inflation and a high debt burden. Edun, 62, who doubles as coordinating minister for the economy, was speaking to reporters in Abuja after president Bola Tinubu held his first meeting with his new cabinet following last week's [swearing-in](#) of ministers...[Reuters](#)

Nigeria seeks to restart four state oil refineries by end 2024: Nigeria expects its four oil refineries to be operational by the end of next year, its new oil minister said on Friday, with the southern Port Harcourt plant seen starting as early as December. Last year, the government said the Port Harcourt refinery will start processing crude at the end of 2022. However, successive oil ministers and NNPC Ltd executives have announced a series of unsuccessful plans to restart, revamp or expand the refineries...[Reuters](#)

Kenya aims to speed up economic growth to help small businesses, create jobs: Kenya is aiming to boost its economic growth rate in the next four years, the finance ministry said on Friday, with plans to invest in the farming sector and small businesses to help create jobs and cut poverty. The authorities in the East African country are trying to boost growth to reduce unemployment, which affects millions of people, while making the economy more inclusive...[Reuters](#)

External reserves fall by \$915m after naira float: Nigeria's external reserves dropped by \$915m after the Central Bank of Nigeria officially floated the naira and liberalised the foreign exchange market. CBN data obtained on Sunday showed that the reserves, which stood at \$34.66bn as of June 14, 2023, when the naira was floated, fell to \$33.74bn as of August 24, 2023. The naira value had closed at 471.67/\$ at the Investor & Exported forex window on June 13, a day before the CBN announced the naira float...[Punch](#)

Cash shortage: Bank borrowing from CBN hits N12tn: There are indications that commercial banks and merchant banks are increasingly depending on the Central Bank of Nigeria for liquidity as their borrowing from the apex bank has intensified in the last eight months of 2023. Aside from August 2023 ending this week, commercial banks and merchant banks borrowed a total of N12.46tn from the CBN during the first eight months of this year, according to the CBN data accessed by our correspondent...[Punch](#)

South African rand weakens against stronger dollar: South Africa's rand weakened on Thursday against a stronger dollar as data painted a mixed picture of the U.S. economy. At 1544 GMT, the rand traded at 18.9300 against the dollar, nearly 1.3% weaker from its previous close. South Africa's July producer inflation and trade figures did little to prop up its currency, with the rand taking cues from the stronger dollar. South Africa recorded a trade surplus of 15.96 billion rand (\$849.53 million) in July, revenue service figures showed, while the statistics agency said the country's producer inflation slowed to 2.7% year on year in July from 4.8% in June...[Reuters](#)

Nigeria's GDP growth slows to 2.5% year over year in second quarter as reforms get under way: Nigeria's annual economic growth rate slowed to 2.51% in the second quarter, data showed on Friday, hurt by a fall in oil production amid a series of reforms by new president Bola Tinubu aimed at reviving Africa's largest economy. The data, which marks the 11th consecutive quarter of growth, is the first release since Tinubu embarked on country's boldest reforms in decades to try to boost output which has been sluggish for several years...[Reuters](#)

Egypt hopes BRICS entry will lure foreign cash, but analysts counsel patience: Egypt hopes its imminent inclusion in the BRICS bloc of developing nations will help ease its shortage of foreign currency and attract new investment, but analysts say it may take time before any benefits appear. The bloc, which includes Brazil, Russia, India, China and South Africa, on Thursday invited Egypt and five other countries to join, and Egypt immediately welcomed the offer. "I appreciate Egypt being invited to join BRICS and look forward to coordinating with the group to achieve its goals in supporting economic cooperation," President Abdel-Fattah al-Sisi said soon after being invited...[Reuters](#)

South African retailer Woolworths to spend over \$500 mln in capex to 2026: South African retailer Woolworths said on Wednesday it planned to spend 10 billion rand (\$538 million) in capital expenditure over the next three years as it seeks to strengthen margins. The capex will be aimed at capacity enhancement and improved customer experience, the food and fashion retailer's Head of Finance Zaid Manjra told analysts...[Reuters](#)

Global Market News Summary

Russian banks lost around \$25 billion from Ukraine conflict, central bank official says: Russia's banks have lost an estimated 1.5 trillion roubles (\$25.5 billion) because of the fallout from the conflict in Ukraine, a central bank official said on Friday. Maxim Lyubomudrov, who heads the regulator's department that supervises the country's largest banks, said this was an "acceptable" level of losses and that the government had plans in place to support Russia's lenders through the crisis...[Reuters](#)

UBS targets \$10 billion in costs, to cut 3,000 jobs after Credit Suisse takeover: UBS embarked on a more than \$10 billion cost cutting plan on Thursday, saying it will axe 3,000 jobs in Switzerland alone after swallowing up its stricken rival Credit Suisse. The plan to cut around one in 12 Swiss jobs at the newly forged bank giant gives a glimpse of the scale of the shake-up as UBS grapples with consolidating a competitor that unravelled after panicked customers withdrew billions from their accounts...[Reuters](#)

Singapore's OCBC restores all banking services after channel disruption: Singapore's second-biggest bank, Oversea-Chinese Banking Corp (OCBC), said it had restored all its banking services on Monday after grappling with technical problems that disrupted various banking channels. OCBC, which is also Southeast Asia's second-biggest lender by assets, had taken to its social media accounts earlier to warn of the issues that began at 8.33 a.m....[Reuters](#)

Bank of Montreal profit falls on higher bad loan provisions: Bank of Montreal on Tuesday reported a decline in third-quarter profit as the Canadian lender set aside more rainy-day funds to cover potential losses from loan defaults. The results come as the Bank of Canada's ten interest rate hikes since last year have slowed the housing market, increased consumer debt and delayed mortgage repayments, forcing banks to set aside more money to protect against potential loan losses and restraining their earnings growth...[Reuters](#)

Chinese banks post sluggish profit growth, warn of regional debt risks: Two of China's biggest banks on Wednesday posted sluggish profit growth as the economy struggles to bounce back after the lifting of pandemic restrictions, with one saying local government financing vehicles (LGFV) had defaulted, hitting asset quality. Industrial and Commercial Bank of China Ltd (ICBC), the country's biggest lender, and Bank of China (BoC) posted in exchange filings first half profit growth of 1.2% and 0.78%, respectively, from a year earlier...[Reuters](#)

Euro zone growth risks materialising, warranting ECB caution: Centeno: The European Central Bank needs to be very cautious about any further policy tightening as euro zone economic growth has been weaker in recent months than expected, and a lot has already been done, Portuguese policymaker Mario Centeno said on Wednesday. The ECB is debating whether to raise rates again in September to combat stubborn underlying price growth [or pause](#) given the weakening outlook that is now raising recession fears...[Reuters](#)

EU lawmakers struggle to compromise on post-Brexit derivatives clearing: European Union lawmakers were deeply split on Wednesday over plans to force the relocation of euro derivatives clearing from post-Brexit London to "EU soil", raising the prospect of ending up with diluted rules that banks are lobbying for. The European Commission has proposed a draft law requiring banks in the EU to open "active accounts" at an EU-based clearing house to clear a yet-to-be-determined number of contracts such as euro interest rate swaps (IRS)...[Reuters](#)

UK consumers slow pace of borrowing as costs mount: British consumers increased their borrowing by less than expected in July in a possible sign of caution among households as borrowing costs rise, Bank of England data showed on Wednesday. Unsecured lending to consumers rose by 1.191 billion pounds (\$1.51 billion) in net terms, less than the 1.3-billion-pound increase which was the median forecast in a Reuters poll of economists, and down from the 1.637 billion pounds rise in June...[Reuters](#)

Chinese demand boosts Prudential first-half profit, shares rise: Prudential PLC, posted a 3.6% rise in first-half operating profit on Wednesday, as the Asia-focused insurer benefited from a rebound in Chinese investors buying insurance products in Hong Kong, its key revenue centre. The profit numbers, which Jefferies analysts said came in slightly above consensus, drove Prudential's shares up 3.1% at 0721 GMT, making it the best performer in the FTSE 100...[Reuters](#)

Direct Line faces \$38 million redress bill for overcharging customers: British insurer Direct Line ([DLGD.L](#)) has agreed to review overcharging of existing home and motor customers totaling about 30 million pounds (\$38 million) for policy renewals, the Financial Conduct Authority (FCA) said on Friday. Direct Line Group will be contacting affected customers directly in what is the first time a formal requirement has been agreed with an insurer regarding the watchdog's motor and home insurance pricing rules, the FCA said...[Reuters](#)

In wake of Credit Suisse, Switzerland told to better prepare for bank failure: Switzerland was urged to prepare properly for the failure of a big bank on Friday by a group of experts in the wake of the collapse of Credit Suisse, but their report to government skirted radical reform some say is needed. UBS Group emerged as Switzerland's single largest bank earlier this year after the government hastily arranged and partly bankrolled its takeover of stricken Credit Suisse to prevent that bank's collapse...[Reuters](#)

Why is China's economy slowing down and could it get worse?: China's economic growth is slowing down as policymakers try to fix a property market downturn, with troubles at major developer [Country Garden](#) in focus. Concerns are mounting over whether the world's second-largest economy is coming closer to a crunch point. Unlike consumers in the West, Chinese people were left largely to fend for themselves during the COVID-19 pandemic and the revenge spending spree that some economists expected after China re-opened never took place...[Reuters](#)