

October 20, 2023

Ghana's News Summary

BoG borrows GHS 3.25bn at 30.6% interest cost: The Bank of Ghana recently raised GHS 3.25bn through the issuance of its own bills known as Bank of Ghana (BoG) bills with a maturity period of 56 days. The auction, which took place on October 11, 2023, saw the central bank selling short-term securities on the primary market to regulate money supply and manage liquidity in the banking system. The interest rate at which the BoG bills were auctioned stood at 30.6%...[Norvan reports](#)

Long-term growth hinges on structural reforms – World Bank: On the occasion of End Poverty Day, World Bank Country Director Pierre Laporte has underscored the importance of structural reforms in securing the country's long-term economic growth prospects. Speaking at an End Poverty Day event in Accra dubbed '*Delivering growth to people through better jobs in Ghana*', Mr. Laporte stressed that addressing the current crisis and restoring macroeconomic stability are vital for the nation's future...[Bftonline](#)

GOIL inaugurates state-of-the-art auto gas stations nationwide: GOIL PLC has officially inaugurated its state-of-the-art auto gas stations at five specific locations nationwide, in line with Ghana's just energy transition pathway to net-zero status. These sites include the Cape Coast by-pass in the Central Region; Goil Burma Camp Service Station and Kpeshie in the Greater Accra Region; Paco Gas at Takoradi in the Western Region (still under construction); and Kentinkrono at Kumasi in the Ashanti Region...[Bftonline](#)

Debt sustainability: We are on track to achieve targets – Ofori-Atta: Finance Minister Ken Ofori-Atta has affirmed that the country is making significant progress toward achieving debt sustainability goals. The minister provided updates on the nation's latest macroeconomic developments and principles guiding the forthcoming public debt restructuring. Highlighting the importance of external debt restructuring in the economy's revival...[Bftonline](#)

Ghana dollar bonds tumble as investors balk at debt overhaul plans: Ghana's sovereign dollar bonds dropped sharply on Tuesday after a government presentation of debt rework scenarios that aimed for a haircut of 30% to 40% on the principal disappointed investors. Some bonds fell to their lowest level in three months, with the 2061 issue down as much as 2.9 cents on the dollar to 38.9 cents, Tradeweb data showed. The bonds later recovered some ground, though were still down between 1.5 cents and 2.5 cents on the dollar...[Reuters](#)

Cedi now going for ₵12.10 to a dollar; demand for American greenback surges ahead of Christmas: The Ghana cedi is now going for ₵12.10 against the US dollar on the forex or retail market. This is despite forecasts by many analysts and research institutions that it will end the year at an average of ₵11.60 to the American greenback. Checks by Joy Business at some forex bureaus indicate that the demand for the dollar is high two months before the Christmas season...[Myjoyonline](#)

Some OMCs reduce prices of petroleum products; diesel selling for ₵13.40 petrol going for ₵12.45: Some Oil Marketing Companies (OMCs) have started reducing prices of petroleum products at the pumps. The reduction comes after the Institute of Energy Security (IES) predicted that prices may see a downward review in the second pricing window of October. Oil Marketing Company, PETROSOL is selling a liter of Petrol at ₵12.45 from its earlier price of ₵12.99. Diesel is going for ₵13.40 from the initial price of ₵13.69...[Myjoyonline](#)

Inflation to reduce to 26.7% by December, 15% by end of 2024 – Akufo-Addo: President Nana Addo Dankwa Akufo-Addo is predicting a reduction in the country's inflation rate by the close of this year, 2023. Inflation is the rate of increase in prices over a given period. Ghana's current inflation rate stands at 38.1 percent as of September 2023. According to the president, measures are being put in place by the government to revive the economy and tame inflation...[Citibusiness](#)

Govt allocates \$40m to farmers affected by Akosombo Dam spillage: Agric Minister, Bryan Acheampong, has directed that \$40 million of World Bank support funding be given to farmers in the Volta Region who have lost their farmlands as a result of the spillage of the Akosombo Dam. Mr. Acheampong says the funds will help restore the livelihood of farmers who are worst hit. Speaking at the launch of the Youth In Agric initiative under the job module of the Youth Employment Agency, Mr. Acheampong said farmers would be well-taken care of...[Citibusiness](#)

Unlocking financial inclusion and empowerment with Yellow Card in Ghana: Ghana has long grappled with the challenge of providing financial services to a significant portion of the population, hampered by factors such as limited identification, geographic remoteness, and the high cost associated with conventional banking. Traditional banks centered around the cities and larger towns of Ghana. Even during the banking boom of the 2000s, which witnessed a proliferation of both local and multinational universal banks, financial inclusion was still a faraway concept...[Citibusiness](#)

Ghana greenlights first lithium mine with eye on electric vehicle boom: Ghana's government has approved its first lithium mine run by a subsidiary of Australia-based Atlantic Lithium Limited, the West African country said on Thursday, part of its drive to benefit from a global move towards electric vehicles. The Ministry of Lands and Natural Resources granted Barari DV Ghana Limited a 15-year lease on the mine at Ewoyaa, on Ghana's southern coast, where the company began exploring for lithium six years ago...[Reuters](#)

"It's not how much money you make, but how much money you keep, how hard it works for you, and how many generations you keep it for." – Robert Kiyosaki

African Market News Summary

South African rand falls after sharp inflation spike: The South African rand fell on Wednesday after September headline consumer inflation rose sharply in Africa's most industrialised economy. At 1513 GMT, the rand traded at 19.0625 against the dollar, 1.4% weaker than its previous close. The dollar last traded about 0.3% stronger against a basket of global currencies. Local investor focus was on [data released](#) by Statistics South Africa, which showed September year-on-year inflation rose to 5.4% from 4.8% in August...[Reuters](#)

S.Africa's Eskom to get second debt relief payment next week - CEO: South African utility Eskom will get up to 20 billion rand (\$1.06 billion) from the National Treasury next week, its interim CEO Calib Cassim said on Wednesday, in the second tranche of a debt relief package from the government. The government's handout was first announced by the National Treasury in February to help the debt-laden monopoly power generator and supplier to pay off its debts in a timely manner and avoid defaults...[Reuters](#)

Nigeria to require mining firms to invest in domestic processing - minister: Nigeria is toughening up licensing rules for foreign mining companies to push them to boost processing and refining of metals like lithium and zinc within the country, its minister of mines said on Tuesday. The policy announced by Dele Alake at a Nigeria Mining Week event in the capital Abuja will require mining companies to show business plans for so-called "value addition" before they are granted licences...[Reuters](#)

Nigeria proposes 26 trillion-naira budget for 2024: Nigeria plans to spend 26.01 trillion naira (\$34 billion) for the 2024 budget and will assume an oil price of \$73.96 for its expenditures at an exchange rate of 700 naira per dollar, its budget minister said on Monday. Atiku Bagudu, speaking to reporters, also said Nigeria will target oil production of 1.78 million barrels per day under the 2024 spending plan. He added the government will set aside 8.25 trillion naira for debt service (\$10.8 billion) and 7.78 trillion naira to cover salaries and pension for civil servants...[Reuters](#)

Nigeria buying fuel with cash, rather than crude, in post-reform shift: Nigerian state oil company NNPC has begun buying gasoline via cash tenders, rather than oil swaps, for the first time in nearly a decade, four sources familiar with the matter told Reuters. The company's latest tender to buy gasoline for delivery in November closed this week, the sources said. Two of them added that NNPC would pay the last debts owed under the long-running oil swaps by the end of next month...[Reuters](#)

Kenya, China Sign Energy Deal as Two Explore SGR Extension: Kenya and China have signed a deal to enhance the flexibility and reliability of Kenya's electrical grid. The Memorandum of Understanding (MoU) between the Ministry of Energy and Petroleum and Energy China will also cover the planning, designing, transformation and modernisation of power generation, transmission and distribution lines and substations. Other aspects of the MOU include unlocking the potential of renewable energy and advanced energy storage for supporting higher domestic energy sufficiency...[Kenyanwallstreet](#)

Kenya's Strategy to Redeem KSh 299B Eurobond in June 2024: Kenya's National Treasury Cabinet Secretary Prof. Njuguna Ndung'u has disclosed an elaborate strategy by the Government to settle the US\$ 2 billion (KShs 299 billion) Eurobond that matures in June 2024. "What we are trying to do is realign financial resources from multilateral development banks, which include the International Monetary Fund (IMF) and the World Bank....[Kenyanwallstreet](#)

Egypt's negotiations with IMF in its advanced stages, deputy finance minister Kouchouk: Egypt and the International Monetary Fund (IMF) are in the advanced stages of negotiations, with a potential announcement for the \$3 billion loan's reviews coming soon, revealed Ahmed Kouchouk, Deputy Minister of Finance for Financial Policies. Minister of Finance, Mohamed Maait, was quoted earlier this week as saying that Egypt believes the IMF will announce the new dates for the reviews before the end of October...[Egypttoday](#)

EFG Hermes concludes advisory on EGP 159.2m second issuance for Qasatli as part of EGP 6.5bn programme: EFG Hermes, the leading investment bank franchise in Frontier and Emerging Markets (FEM), announced today that its investment banking division's DCM team has successfully concluded advisory on the second issuance for mortgage finance company Qasatli worth EGP 159.2 million. The issuance comes as part of the wider EGP 6.5 billion securitization program that was approved in December 2020 for nine different originators: ...[DailynewsEgypt](#)

Non-banking financial companies eager to adopt new technology: The Financial Regulatory Authority (FRA) has issued three executive decisions to enable the digital transformation of the non-banking financial sector. The decisions cover the requirements for equipment, technological infrastructure, information systems, security and insurance, digital identity, digital contracts and records, and outsourcing service providers...[DailynewsEgypt](#)

Foreign investors lower risk of Kenya defaulting on debt: Overseas investors have lowered risk assessment on Kenya's ability to repay its fast-rising external debts after the Central Bank of Kenya outlined a plan to borrow up to \$1 billion (about Sh149.27 billion) to partly repay the maturing debut Eurobond. CBK Governor Kamau Thugge last week revealed talks with the Trade & Development Bank and the African Export-Import Bank aimed at raising between \$500 million (Sh74.64 billion) and \$1 billion in commercial loans before the end of the year...[BusinessdailyAfrica](#)

Kenyans hold Sh316bn cash in year to June: Kenyans have continued to favour transactions in hard cash despite a digitisation wave that has given rise to mobile money and internet banking. According to data from the Central Bank of Kenya (CBK), total currency in circulation reached an all-time high of Sh315.97 billion in June 2023, comprising Sh305.41 billion in bank notes and Sh10.56 billion coins. The CBK attributes this growth to sustained demand for notes and coins by banking customers...[BusinessdailyAfrica](#)

Global Market News Summary

Russian banks' profits drop in Sept as consumer lending slows - central bank: Russian banks' profits dropped in September as consumer lending growth slowed significantly, the central bank said on Friday, as Russians adapted to sharp interest rate hikes in August and September while authorities sought to defend the rouble. The Bank of Russia made an emergency 350-basis-point hike to 12% in mid-August, before raising rates again in September to 13%. Economists expect another increase in borrowing costs when the central bank meets next week...[Reuters](#)

Layoffs lurk on Wall Street as macroeconomic outlook remains murky: Top U.S. banks could cut jobs further to keep their expenses in check, especially if lingering economic weakness derails a fledgling recovery in investment banking, according to comments made at their recent earnings. The cautious remarks came even as all six big U.S. banks [earned more](#) in the third quarter than analysts had expected, suggesting that they are not totally out of the woods...[Reuters](#)

UK fund manager abrdn to sell private equity unit to Brazil's Patria: Abrdn said on Monday it had agreed to sell its \$9 billion European-headquartered private equity business to Brazilian firm Patria Investments, as it seeks to boost returns by offloading non-core assets. For Patria, the acquisition of abrdn's fund of funds meets its goal of expanding more internationally after a listing on Nasdaq in 2021. The British fund manager said Patria would pay 60 million pounds (\$73 million) in cash up front, with a further payment of 20 million pounds plus interest due two years after completion...[Reuters](#)

ECB starts preparation for digital euro in multi-year project: The European Central Bank took a further step on Wednesday towards launching a digital version of the euro that would let people in the 20 countries that share the single currency make electronic payments securely and free of charge. The ECB said it would start a two-year "preparation phase" for the digital euro on November 1, in which it would finalise rules, choose its private-sector partners and do some "testing and experimentation"...[Reuters](#)

Shares in Visa, Mastercard slide on expected Federal Reserve fee cap proposal: Shares in Visa and Mastercard slid on Wednesday on news the U.S. Federal Reserve is expected to propose lowering the fees banks can charge retailers for processing debit-card transactions. Visa and Mastercard shares dipped about 1% in early trading. A Mastercard spokesperson declined to comment, while Visa did not immediately respond to a request for comment...[Reuters](#)

China's measures to shore up its indebted property sector: China has rolled out a flurry of support measures in recent months to revive its property sector which has been in crisis since policymakers began cracking down on the industry's debt levels in 2021. But analysts have said they are not enough to turn around the sector any time soon. The following is a list of recent measures for the sector which accounts for roughly a quarter of the world's second-largest economy...[Reuters](#)

Deutsche Boerse Q3 profit rises 7%, raises guidance: German exchange operator Deutsche Boerse (DB1Gn.DE) on Wednesday posted a smaller-than-expected 7% rise in third-quarter net profit, but raised its outlook for the full year. Higher interest rates from central banks around the globe have generated interest income for Deutsche Boerse, lifting revenues and profits and offsetting more subdued volatility and trading volumes. Net profit attributable to shareholders was 400.3 million euros (\$421.68 million), up from 373.3 million euros a year ago, the company said. Analysts had expected a profit increase of around 14%...[Reuters](#)

Russia may need tighter policy to bring inflation to target -c. bank analysts: Inflation in Russia continues to accelerate and a return to the central bank's 4% target may require additional monetary policy tightening, according to a review by central bank analysts published on Tuesday. In September, annual inflation rose to 6.0% from 5.2% in August, boosted in part by the weakness of the rouble. As of Oct. 9, it stood at 6.3%...[Reuters](#)

China's growth surprise is not tempting investors: September data from China offered plenty of welcome surprises, with faster-than-expected growth, falling unemployment and a glimmer of momentum in consumption, but investors are not rushing to buy into the story. China's blue-chip stocks, down nearly 7% this year, compared to a gain of almost 10% for world stocks, were unmoved by the news and fell on Wednesday by another 0.8%...[Reuters](#)

US growth topping China as megacaps report: A look at the day ahead in U.S. and global markets from Mike Dolan The two biggest economies in the world are both beating forecasts but U.S. economic growth looks to have leapfrogged [China's expansion](#), in a somewhat alarming development for [Federal Reserve](#) watchers and bond markets. With the horrors of the war in Gaza and Israel leaving the world on edge, U.S. [President Joe Biden's](#) visit to the region on Wednesday remains a focal point for what happens next there...[Reuters](#)

EU adds Belize, Seychelles, Antigua and Barbuda to tax havens list: The Council of the European Union on Tuesday added the Indian Ocean island state of Seychelles and the Caribbean countries of Belize and Antigua and Barbuda to a list of 16 nations and territories deemed "non-cooperative" on taxes. The council said all three jurisdictions either lacked tax information or failed to deliver on commitments regarding governance and transparency reforms...[Reuters](#)

US Federal Reserve to meet Oct. 24 to discuss final fair lending rule: The Federal Reserve will meet Oct. 24 to discuss final rules updating requirements for fair lending by banks under a long-standing law, the central bank announced Tuesday. The pending update to rules enforcing the 1977 Community Reinvestment Act, which ordered banks to service lower-income communities where they operate, is aimed at reflecting the rise of online banking services and other changes...[Reuters](#)