

August 25, 2023

### Ghana's News Summary

**ECG settles June, July payments to IPPs:** Citi Business News has gathered that the Electricity Company of Ghana (ECG) has settled debts to all Independent Power Producers (IPPs) for the months of June and July after earlier concerns expressed by the power generation companies. Sources close to Citi Business News confirm that all the IPPs have received a second payment for current bills from June directly from the ECG...[Citibusinessnews](#)

**Transport operators threaten to increase fares by 20%:** The Coalition of Transport Union and Association is threatening to increase transport fares by 20 percent if government fails to scrap off some taxes from the petroleum price build-up. The association says government must abolish the sanitation and pollution levy, and energy sector levy to ease the unnecessary pressure on drivers and other consumers. Speaking to Citi Business News, National Public Relations Officer for the Concerned Drivers Association, David Agboado said the association has given the government a two-week ultimatum to do the needful...[Citibusinessnews](#)

**Payment of DDEP coupons has restored credibility in our economy – Amin Adam:** Minister of State in charge of Finance and Economic Planning, Dr. Mohammed Amin Adam has stated that government's successful payment of coupons under the Domestic Debt Exchange Programme (DDEP) has significantly restored credibility in Ghana's economy. According to him, the coupon payment underscores the government's unwavering commitment to its debt obligations, as outlined within the framework of the DDEP...[Citibusinessnews](#)

**Republic Bank and Petra Trust sign MoU to provide pension-backed mortgages to Ghanaians:** Republic Bank (Ghana) PLC, one of the leading Universal Banks and a pioneer in the mortgage business in Ghana has signed a Memorandum of Understanding (MoU) with Petra Trust Limited Company, a corporate trustee, authorized by the National Pensions Regulatory Authority (NPRO) to manage pension schemes in Ghana...[Norvanreports](#)

**Fossil fuel subsidies surged to record \$7 trillion:** Fossil-fuel subsidies surged to a record \$7 trillion last year as governments supported consumers and businesses during the global spike in energy prices caused by Russia's invasion of Ukraine and the economic recovery from the pandemic. As the world struggles to restrict global warming to 1.5 degrees Celsius and parts of Asia, Europe and the United States swelter in extreme heat, subsidies for oil, coal and natural gas are costing the equivalent of 7.1 percent of global gross domestic product...[Norvanreports](#)

**Government pressed to further slash E-Levy rate to drive digital payment uptake in Ghana:** Stakeholders entrenched in Ghana's burgeoning financial technology arena have mounted pressure on the government for a noteworthy reduction in the Electronic Transaction Levy. The clarion call stems from a collective aspiration to invigorate digital payment adoption across the nation...[Norvanreports](#)

**Govt pays GH¢2.4bn first coupon of DDEP:** The Government has paid bondholders an amount of GH¢2.4 billion as the first coupon of the Domestic Debt Exchange Programme (DDEP). Under the terms and conditions of the DDEP, which was launched on December 5, 2022, to complement Government's fiscal programme, the first coupons of the tendered bonds were due on 22nd August 2023. In a release issued by the Finance Ministry yesterday...[Graphicbusiness](#)

**Break trade barriers to make AfCFTA successful — Justice Dostie:** he Board Chairman of CUTS International, Accra, Justice Jones Dotse, who made the call said the world is moving towards common markets and free trade agreements and it is through these trade agreements that Africa can increase consumer and producer surpluses. "Most of you who have travelled to Europe, for example, will know that the trade barriers that exist in Africa do not exist over there and we need to break down those barriers to make the harmonisation of these protocols of AfCFTA very successful," he said...[Graphicbusiness](#)

**Ghana urged to consider BRICS membership for economic advancement:** The Global Chair of the BRICS Business Council, Busi Mabuza, has encouraged African leaders to prioritize the development of their countries by embracing non-traditional alliances and partnerships. She believes that moving away from ideological constraints and focusing on mutual growth and investment opportunities is essential for African nations' progress...[Norvanreports](#)

**Bank of Ghana to enforce action against financial institutions neglecting customer complaints:** The Bank of Ghana has announced its intention to take action against financial institutions that do not adequately address customer complaints and reported irregularities. The central bank is urging these institutions to enhance their customer complaint systems and extend their reach to underserved communities...[Norvanreports](#)

**Governor Addison defends BoG's stability amidst GHS 60.8bn loss:** Amidst mounting calls for the resignation of Dr. Ernest Addison, the Governor of the Bank of Ghana (BoG), alongside his two deputies, the central bank has assured that its operations will remain unaffected despite a significant loss of GH¢60.8 billion recorded in 2022. The Minority in Parliament, referring to the institution's "insolvency" and "mismanagement," has demanded the officials' resignation. Dr. Addison, in a recent press briefing on August 21, 2023, emphasized that the loss would not hinder the bank's operations, as affirmed by the International Monetary Fund's Technical Assistance mission prior to providing a bailout...[Norvanreports](#)

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*"The most important quality for an investor is temperament, and not intellect." - Warren Buffet, CEO of Berkshire Hathaway.*

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## African Market News Summary

**S. African rand falls as dollar rises ahead of Fed symposium:** The South African rand slid 1% on the last day of the BRICS summit on Thursday, largely due to U.S. dollar strength ahead of the Federal Reserve's Jackson Hole symposium, analysts said. At 1515 GMT, the rand traded at 18.6950 against the dollar, about 1.1% weaker than its previous close. The rand had gained almost 2% against the dollar on Wednesday after South African inflation data for July came in lower than expected...[Reuters](#)

**South Africa's inflation nears midpoint of target band in July:** South African inflation approached the midpoint of the central bank's target range in July, falling to its lowest in two years, data showed on Wednesday. Statistics South Africa said headline consumer inflation slowed to 4.7% year-on-year in July from 5.4% in June, a bigger drop than the 5.0% year-on-year rate analysts polled by Reuters had predicted. On a month-on-month basis, consumer inflation was at 0.9% in July, versus expectations for 1.1%...[Reuters](#)

**Kenya's Banking Industry Emerges Strong in 2022 -SBI Report:** Improved activity in Kenya's private sector led to credit growth in banking industry, reaching double-digit levels last year. According to the *State of Banking Industry Report 2023* by the Kenya Bankers Association ([KBA](#)), loans and advances grew by 12.5 percent to Sh3.6 trillion in 2022 from Sh3.2 trillion in 2021. Lending by medium banks grew by 9.1 percent in 2022 to Sh472 billion from Sh432.5 billion in 2021 while that of large banks expanded by 14.7 percent to Sh2.8 trillion from Sh2.5 trillion over the period...[Kenyanwallstreet](#)

**BRICS Embrace Egypt: Transformative step towards economic resilience, growth:** Mohamed Attia El Fayoumi, Chairman of the Chamber of Commerce and Treasurer of the General Federation of Chambers of Commerce, extended a warm welcome to Egypt's upcoming membership in the BRICS alliance, effective January 2024. El Fayoumi affirmed Egypt's deep appreciation for the trust bestowed by BRICS member countries...[Egypttoday](#)

**\$6M loan granted to support young Egyptian entrepreneurs under EBRD's YiB program:** The European Bank for Reconstruction and Development (EBRD) supports young Egyptian entrepreneurs by granting a \$6 million loan to Reefy Microfinance Enterprise Services, the loan is granted under their youth in business program (YiB). EBRD's Youth in Business Program (YiB) is dedicated to supporting privately owned microenterprises or young entrepreneurs under the age of 35. The program is mainly directed at supporting driven youth outside Cairo and Alexandria...[Egypttoday](#)

**Mixed reactions surround NGX's planned dollar-denominated listings:** Mixed reactions have trailed the proposal by the Nigerian Exchange Limited to allow dollar-denominated listings on the local bourse in a bid to improve the country's current forex challenges. The Chief Executive Officer of NGX, Temi Popoola, had on Tuesday, said that selected companies would be allowed to offer the dollar-denominated assets...[Punch](#)

**Zambia raises rates as inflation moves further above target:** Zambia's central bank on Wednesday increased its benchmark lending rate by 50 basis points to 10.0%, noting that inflation had moved further above its target and was expected to stay high. It was the third time this year that the bank has raised its key rate to try to tame inflation, which rose to 10.3% year-on-year in July from 9.8% in June. Inflation is expected to average 10.2% in 2023 and 9.3% in 2024 and the first half of 2025, well above the target range of 6% to 8%, the central bank said on Wednesday...[Reuters](#)

**Diamond Trust Bank (DTB) Kenya HY Net Profit Rises 10.2% to KSh 4.4 Billion:** Diamond Trust Bank (DTB) Kenya posted a 10.2% increase in net profit to KSh 4.358 Billion at the end of the six-month period ended 30<sup>th</sup> June 2023 compared to KSh 3.956 Billion in HY 2022. Customer deposits at DTB increased by 20.6% to KSh 417.9 Billion in HY 2023 while the loan book grew by 20.4% to KSh 281.2 Billion during the period under review...[Kenyanwallstreet](#)

**S.Africa's Sasol cuts final dividend, seeks ways to reverse impairment:** South African petrochemicals company Sasol cut its final dividend by almost a third on Wednesday after a 35 billion rand (\$1.87 billion) non-cash impairment hit annual profit. On a full-year basis its dividends were still up by 16%, having paid an interim dividend of 7 rand per share compared with nothing at the mid-year stage the previous year. Sasol declared a final dividend of 10 rand per share for the 12 months to June 30, down from 14.7 rand per share a year earlier, having warned this month that its Secunda operations near Johannesburg had been hit hard by higher interest rates and the future production implications of emission-reduction costs...[Reuters](#)

**Africa launches \$14m program to shore up coffee sector amid COVID-19:** The Inter-African Coffee Organization (IACO) said on Wednesday it has jointly launched a \$14.3m intervention program to alleviate the impact of COVID-19 on the continent's coffee sector. IACO said it has teamed up with the International Coffee Organization (ICO) and the Center for Agriculture and Biosciences International (CABI) to design an emergency intervention program to ease the pain caused by the pandemic on the sector...[Dailynewsegypt](#)

**Ugandan bonds can bounce back from World Bank funding setback:** A surge in yields on Uganda's local-currency debt spurred by the World Bank's decision to halt new loans in protest at new anti-LGBTQ laws may reverse as global sentiment improves and the government unveils new sources of financing, according to Absa Bank Ltd. The yield on Ugandan-shilling bonds maturing in 2033 has spiked by more than 100 basis points since the multilateral lender suspended its financing for the country earlier this month...[Norvanreports](#)

**Basil Criticos' Sh2.3bn pay drags NBK into loss:** National Bank of Kenya (NBK) sank into Sh3.84 billion net loss for the half year ended June on the back of a Sh2.3 billion payout to a former Member of Parliament as compensation for auctioning his sisal farm about 16 years ago. NBK, a fully-owned subsidiary of KCB Group, has had to make the payment to Mr. Basil Criticos leading to the loss compared with Sh964.15 million net profit posted in a similar period last year...[Businessdailyafrica](#)

## Global Market News Summary

**Case builds for China's banks to cut deposit rates:** China's banks will cut deposit rates soon as part of efforts to make mortgages more affordable and revive property demand, analysts reading China's cryptic policy messages reckon. Beijing's decision to leave a key mortgage benchmark lending rate unchanged even as it cut short-term policy rates this week seemed at odds with a pledge made just weeks ago to support the property sector via monetary policy...[Reuters](#)

**Futures inch higher as traders brace for Powell speech:** U.S. stock index futures edged higher on Friday ahead of a keenly awaited speech by Federal Reserve Chair Jerome Powell at the Jackson Hole summit that could offer some hints on the direction the central bank would take on interest rates. Powell is scheduled to deliver a keynote speech at 10:05 a.m. ET (1405 GMT) at a research conference that will see participation from top global central bankers. Investors will be watching out for signs of a dovish tilt in the commentary, though analysts believe Powell is likely to stick to the Fed's data-dependent rhetoric on interest rates...[Reuters](#)

**China plans to cut stamp duty on stocks by up to 50% to revive confidence:** Chinese authorities are planning to cut the stamp duty on stock trading by as much as 50%, three people with knowledge with the matter said, in a further attempt to revitalise the country's struggling stock market. Regulators including the Ministry of Finance, under the guidance of the State Council, submitted a draft proposal to the cabinet earlier this month, said two of the people, adding a decision could be announced as soon as Friday...[Reuters](#)

**Goldman, JPMorgan, Morgan Stanley, UBS in \$499 mln stock lending settlement:** Goldman Sachs, JPMorgan Chase, Morgan Stanley and UBS have agreed to pay \$499 million to settle an antitrust lawsuit by investors who accused them of conspiring to stifle competition in the stock lending market. The settlement was disclosed on Wednesday in a filing in Manhattan federal court. It requires a judge's approval, and mandates governance changes at EquiLend, a joint venture among the defendants...[Reuters](#)

**No new BRICS bank members to be announced at summit: CFO:** The New Development Bank of the BRICS group of nations will not be announcing new members at the BRICS Summit in South Africa this week, its Chief Financial Officer Leslie Maasdorp told Reuters on Wednesday. The bank, which was set up in 2015 to give BRICS members Brazil, Russia, India, China and South Africa a greater say in financing infrastructure than in Western-led institutions like the World Bank, is keen to attract new members to boost its capital base after U.S. sanctions on Russia hobbled its lending...[Reuters](#)

**China Construction Bank H1 profit up 3.36%:** China Construction Bank Corp (CCB)(601939.SS), the first of the country's Big Five lenders to report half-year results this week, posted a 3.36% rise in first-half net profit on Wednesday. China's second-biggest lender by assets saw profits rise to 167.34 billion yuan (\$22.95 billion), a filing by the bank showed...[Reuters](#)

**China allows Allianz to set up onshore fund management company:** China's securities regulator on Thursday granted approval to Allianz Global Investors (Allianz GI) to set up an onshore fund management company as Beijing vowed to step up efforts to attract foreign companies amid sluggish economic growth. The asset manager, an investment management subsidiary of German insurer Allianz, committed 300 million yuan (\$41.20 million) to establish the unit in China's \$3.8 trillion mutual fund market, according to an official record from the regulator...[Reuters](#)

**AMERICAS Dollar rockets as Powell trumps AI:** Hopes for a late August bloom in world markets were put on hold as investors hunkered down for a sobering assessment of the long-term interest rate trajectory from the Federal Reserve boss later on Friday - sending the dollar soaring again in the process. Fed Chair Jerome Powell is due to deliver a keynote address to the annual central banking symposium in Jackson Hole at 1405 GMT. Trepidation about the speech largely explains why renewed buzz about artificial intelligence after this week's blowout Nvidia results ended up being such a damp squib on Thursday...[Reuters](#)

**Farewell to a bruising August:** Bruised bond market investors will seek some solace from U.S. jobs data and European inflation numbers out in the week to come, while China is battling to shore up its markets and economy, and the outlook for grains is uncertain. Here's a look at the week ahead in markets from Lewis Krauskopf in New York, Kevin Buckland in Tokyo, Yoruk Bahceli in Amsterdam, and Nigel Hunt and Dhara Ranasinghe in London...[Reuters](#)

**China steps up yuan defense with bond limit guidance:** China's central bank has asked domestic lenders to scale back outward bond investments according to two sources with direct knowledge of the matter, the latest in series of increasingly strong steps to support the yuan. The directive, issued this week, is for banks to restrict southbound purchases under the Bond Connect scheme, and is aimed at limiting the supply of yuan offshore, the sources said...[Reuters](#)

**Japan budget requests likely to top 110 trln yen as rates rise - Nikkei:** Japanese ministries' budget demands for the next fiscal year will likely top 110 trillion yen (\$753 billion), the Nikkei business daily reported on Friday, with rising interest rates expected to boost debt servicing costs. The annual budget requests, to be submitted to the finance ministry by the end of August, highlight the difficulty of streamlining spending for the industrial world's most heavily-indebted government...[Reuters](#)

**How the US SEC is overhauling the fund industry:** The U.S. Securities and Exchange Commission, led by chair Gary Gensler, on Wednesday voted to overhaul private fund rules, one of several rules changes the agency has targeted at the country's funds sector. Together, the changes mark the biggest industry overhaul in living memory. Here are the highlights: The SEC on Wednesday finalized a sweeping overhaul of private rules with the aim of increasing transparency and fairness in the industry which oversees more than \$20 trillion in assets. The changes include boosting disclosure requirements, barring certain types of fees, and requiring regular audits...[Reuters](#)