

Ghana's News Summary

Upcoming T-Bill auction aims to roll over GH¢2.13bn maturing bills:

Investors brace for the upcoming auction on Friday as the Treasury targets a gross issuance of GH¢2.26bn this week. However, mounting inflation risks, tightening credit conditions, and market uncertainty are expected to result in a marginally higher cost for the auction. Scheduled for Monday, August 7, 2023, the maturation of T-bills across the 91-day to 364-day spectrum has captured the attention of financial markets...[Norvanreports](#)

GCB to raise GH¢1bn from capital market: The Managing Director-GCB Bank PLC, Kofi Adomakoh, has announced that the bank is planning to raise GH¢1 billion from the capital market to bolster its capital, following the approval of its shareholders. The move, he explains, is necessitated by the Domestic Debt Exchange Programme (DDEP) that eroded the state-owned lenders' capital...[Bftonline](#)

BoG answers questions arising from GHS 60 billion loss: The Bank of Ghana (BoG) has provided answers to the GHS 60 billion loss it posted at the end of the 2022 financial period. This significant loss was largely caused by the Domestic Debt Exchange Programme (DDEP). The huge impairment is also attributed to a 50% haircut on non-marketable holdings of Government of Ghana securities, among other marketable instruments, as well as losses on the apex bank's foreign assets and liabilities due to exchange rate depreciation...[Citibusiness](#)

Mid-year budget review 2023 [Full statement]: The Minister of Finance, Ken Ofori-Atta on Monday, July 31, 2023, presented the mid-year budget review in Parliament. The presentation happened after it was postponed twice from July 25 to [July 27](#) and finally to July 31. Mr. Ofori-Atta in his presentation disclosed that Ghana is currently making modest gains in turning the economy around after experiencing severe economic hardship in 2022...[Citibusiness](#)

Performance of banks in half-year looks promising, banking industry remains strong – Governor: he Governor of the Bank of Ghana, Dr. Ernest Addison, says the performance of banks during the first half of 2023 looks promising despite the impact of the Domestic Debt Exchange Programme (DDEP) on profitability and solvency of banks in 2022. Though he agrees that the Ghanaian economy is currently undergoing some adjustments, which calls for innovation and creativity in business conduct, especially in the banking sector, the banking industry will rebound, he disclosed at the 70th Anniversary Celebrations of GCB Bank...[Myjoyonline](#)

ECG records ₵1.9bn loss in 2021 – Auditor General Report: The Electricity Company of Ghana (ECG) recorded a loss of ₵1.913 billion in 2021 as against a profit of ₵822.549 million in 2020. This represented a 332.7% deterioration in the company's financial performance. According to the 2022 Auditor General Report, total income of the company decreased by 13.7% to ₵12.104 billion in 2021...[Myjoyonline](#)

Exim Bank's Trial Uncovers Substantial Investments Transferred to UT

Holdings Ltd: In a stunning revelation during the trial of Republic v. UT Holdings and four others, the fifth witness for the prosecution, Joseph Yeebo Sampana, treasurer of Ghana Exim Bank, shed light on significant transfers of investments to UT Holdings Ltd (UT Holdings). The case, which is currently at the trial stage, has captured national attention due to its high-profile defendants, including former UT Bank executives and key stakeholders...[Norvanreports](#)

Societe Generale leads banks with highest NPS score of 43.2 – Global Info

Analytics report: Global InfoAnalytics in its half-year Bank Brand Health report, notes that Ghana's banking landscape witnessed a surge in Net Promoter Scores (NPS), signifying a noteworthy progression in customer satisfaction. Notably, Societe Generale Ghana, Standard Chartered Bank, and Republic Bank emerged as the top three industry leaders with the highest NPS, paving the way for increased customer advocacy...[Norvanreports](#)

GCB ranked safest bank by Fitch, Moody's and S&P; most compliant by

ACCPA: According to the Governor of the Bank of Ghana, Dr Ernest Addison, GCB Bank is rated Ghana's safest bank by Moody's, Fitch, Standard & Poor's, and the most compliant Bank in Africa by the Association for Certified Compliance Professionals in Africa (ACCPA)...[Norvanreports](#)

Agricultural Development Bank records GHS 52.8m net profit at end-Q2

2023: Agricultural Development Bank showcased strong performance in Q2 2023 with a noteworthy net profit of GHS 52.8 million, exhibiting a commendable 32% increase from the previous year's figure of GHS 40 million. The bank's impressive profit growth can be attributed to a substantial rise in net interest income, which soared from GHS 222 million to GHS 275 million year-on-year. This robust expansion in net interest income underscores the bank's effective management of its interest-earning assets and liabilities...[Norvanreports](#)

COCOBOD extends closing date for debt exchange offer programme amid

public holiday: The Ghana Cocoa Board (COCOBOD) has announced an extension of the closing date for its debt exchange offer programme, aimed at managing debt securities and providing investors with enhanced investment opportunities. The decision to extend the closing date, the cocoa sector regulator said, was necessitated by an error in the previously announced date, coinciding with a statutory public holiday...[Bftonline](#)

"One penny may seem to you a very insignificant thing, but it is the small seed from which fortunes spring." – Orison Swett Marden

African Market News Summary

East Africa lost \$1.8 billion in trade revenue in 2022: There are indications that economic hardship is forcing employees to eat deep into their pension savings held in Retirement Savings Account, RSAs. Vanguard findings show that RSA account holders under the Contributory Pension Scheme, CPS, withdrew N3.02 billion from their Additional Voluntary Contribution, ADV, in the first quarter of 2023, Q1'23. The figure represents a 240.1 per cent rise from N887.9 million recorded in the fourth quarter of 2022, Q4'22...[Vanguardnews](#)

Nigeria maintains largest African economy for fifth year in a row as Egypt catches up: Nigeria maintained the position of the largest economy on the African continent for the fifth consecutive year in 2022, with a nominal GDP of \$477.4 billion. The giant of Africa, as it is mostly referred to, accounted for 17.4% of the African economy in the review year (\$2.7 trillion). This is according to data released by the World Bank. Nigeria has topped this list since 2018 when it overtook South Africa as the largest African economy...[Norvanreports](#)

Kenya's Economy Feels the Heat of Street Protests in July-PMI Index: Kenya's Private Sector activity recorded a deeper slowdown in July as businesses consumers cut their spending due largely to political protests which made a huge dent on demand. This is according to the July 2023 Stanbic Bank Kenya Purchasing Managers Index([PMI](#)). Kenya's selected firms surveyed said this contraction in output in the month of July was the fastest since August 2022 as new orders fell sharply amid the street protests and weak customer demand...[Kenyanwallstreet](#)

Business aims to lift growth by 3% through joint government initiative: Business organisations say that their joint initiative with government on the three priority areas of energy, logistics, and crime and corruption has the potential to lift SA's economic growth by three percentage points. The alternative – that the country's slide continues, and the downward trajectory is not reversed – is too dire to contemplate, so they have stepped in to help government with resources and expertise in the three areas...[News24](#)

Banks pay record Sh181bn taxes in year of recovery: The Kenya Revenue Authority (KRA) collected a record Sh181.2 billion from commercial banks last year as the lenders marked their most profitable year yet. Data from the 2022 Total Tax Contribution of the Kenya Banking Sector, a collaboration between the Kenya Bankers Association (KBA) and consultancy PwC, shows the sector's total tax contribution rose by 40 percent from Sh129.5 billion previously...[Businessdailyafrica](#)

End of Nigerian fuel subsidy set to squeeze Europe's refiners: One of Europe's main markets for gasoline has shrunk, threatening to squeeze European refiners, after Nigeria removed fuel subsidies, which destroyed much of the country's domestic demand and a regional market for smuggled fuel. North America and West Africa (WAF), with Nigeria at the helm, historically have been the top two destinations for petrol exports from Europe, which produces more gasoline than it uses, meaning its refiners rely on exports to support profit margins...[Graphicbusiness](#)

Energy transition: 600m Africans lack efficient power supply — Experts: EXPERTS in the oil and gas industry said 600 million Africans, including Nigerians, lack access to power with the majority living in rural areas. They said that the continent requires much energy supply to bridge the gap in achieving the United Nations Sustainable Development Goals, which are targeted at eradicating poverty, improving education and promoting economic growth...[Vanguardnews](#)

Forex scarcity triggers 21% fall in I&E turnover to \$1.68bn: At the backdrop of the dollar scarcity bedeviling the economy, volume of dollars traded (turnover) in the Investors and Exporters (I&E) window of the foreign exchange market fell by 21 per cent, month-on-month (MoM) to \$1.6 billion in July 2023 from \$2.64 billion in June. In the third week, turnover increased by 6.05 percent to \$414.24 million but declined by 4.13 percent to \$397.11 million in the fourth week...[Vanguardnews](#)

Rand at weakest level in weeks as dollar shrugs off US credit rating downgrade: The dollar rose on Wednesday as investors shrugged off Fitch's US credit rating downgrade while data showing a larger-than-expected increase in private payrolls in July bolstered the greenback as it suggested further labour market resilience. Private payrolls rose by 324 000 jobs last month, the ADP National Employment report showed, more than an increase of 189 000 that economists polled by Reuters had forecast...[News24](#)

Egypt aims to increase trade exchange with Turkey to \$15B after resuming relations: 1 August 2023: Egypt aspires to develop relations with Turkey and enhance trade relations aiming to increase trade volume to \$15 billion over the next five years, according to Minister of Trade and Industry, Ahmed Samir. This was during Egypt's trade minister visit to Turkey for the first time in 10 years. Throughout the visit, the minister will discuss with Turkish government officials the development of economic cooperation and the possibility of using the domestic currency of each country...[Egypttoday](#)

Net foreign assets deficit for banks in Egypt rises by \$2.57B in June: 1 August 2023: The net foreign assets deficit in dollars for the Egyptian banking system (including the Central Bank) recorded a new increase by \$2.57 billion during June 2023, reflecting the severity of the pressures of the foreign currency shortage crisis. The foreign assets of banks consist of their deposits and savings in foreign currency, which can be liquidated when any bank needs liquidity to fulfill its obligations...[Egypttoday](#)

Egypt's debt-to-GDP ratio to reach 97% in FY22/23: Finance Minister: August 2023: Minister of Finance Mohamed Maaait said that the performance of the Egyptian economy is balanced, in light of the unprecedented global challenges. The finance minister stated that Egypt's government debt-to-GDP ratio is expected to reach 97 percent in Fiscal Year (FY) 2022/2023. Maaait also indicated that Egypt achieved positive growth rates over the course of 7 years, reaching 6.6 percent of the gross domestic product in FY21/22, and is expected to reach 4.1 percent in FY22/23...[Egypttoday](#)

Global Market News Summary

EU banks face liquidity checks next year after 2023 crises: European Union banks' plans for surviving a major crisis without having to tap central bank money will undergo intense scrutiny next year, the bloc's banking watchdog said. The need for credible options was reinforced after the Swiss central bank stepped in with a liquidity backstop for Credit Suisse in March, before it was taken over by rival UBS ([UBSG.S](#))...[Reuters](#)

BOJ makes bold shift as yen risks grow too big to ignore: The Bank of Japan's surprise decision last week to raise a cap on interest rates was partly driven by policymakers' growing worries ultra-loose monetary settings would spark a repeat of the bruising yen selloff that the economy saw last year. The to the BOJ's bond yield curve control (YCC) was the result of brainstorming sessions that came to a head in May, say sources familiar with the decision, just over a month after Kazuo Ueda succeeded his dovish predecessor Haruhiko Kuroda as the bank's chief...[Reuters](#)

SocGen reaches settlement with U.S. regulators over messaging probe: Societe Generale, France's third-biggest listed bank, has reached a settlement with U.S. securities regulators amid a [probe](#) over the use of messaging platforms, the lender said in its first half financial report released on Thursday. The Securities and Exchange Commission (SEC) in 2021 began examining how Wall Street banks were keeping track of employees' digital communications, including email and apps like WhatsApp...[Reuters](#)

Bank of England set to raise rates for 14th time in a row: The Bank of England is expected to raise interest rates to a 15-year high of 5.25% from 5% on Thursday, though there is a risk of a repeat of June's surprise half-point increase as inflation remains the highest of the world's major economies. The U.S. Federal Reserve and the European Central Bank increased rates by a quarter of a percentage point last week, but unlike the BoE, markets think they are at or [near the end of their rate-tightening cycle](#)...[Reuters](#)

US regulator warns brokers to bolster anti money-laundering efforts: The U.S. Securities and Exchange Commission (SEC) has warned some broker dealers to strengthen policies and controls that guard against money laundering, including by taking more care to conduct customer due diligence when opening accounts. SEC examiners said some broker dealers have not devoted enough resources, including staff, to their anti-money laundering compliance, hurting their ability to build procedures to prevent it as required by U.S. laws, according to an agency [notice](#) published this week. Such firms are required to flag suspicious transactions and conduct customer due diligence...[Reuters](#)

Singapore bank DBS' Q2 profit beats estimates; expects record year: Singapore's biggest bank DBS Group ([DBSM.SI](#)) said on Thursday its second-quarter profit jumped a forecast-beating 48% to a new record as higher interest rates helped drive income growth, and forecast growth in its net interest margin (NIM). DBS said the outlook for NIM, a key indicator of profitability, had improved due to unexpected U.S. interest rate increases in the second half and a rise in the Hong Kong Interbank Offered Rate...[Reuters](#)

Many small US banks not ready to borrow from Fed in an emergency: The lightning-fast collapse of Silicon Valley Bank this spring laid bare an inconvenient truth: Some U.S. banks are not prepared to borrow from the Federal Reserve if they need to, and a Reuters analysis shows that problem is most acute among the nation's smallest banks. SVB, a top-20 bank with over \$210 billion in assets at the time it failed, had an insufficient stash of collateral and in the year before it went down had not tested its access to the "discount window" through which the Fed doles out emergency loans. That "lack of preparedness may have contributed to the speed of SVB's demise," the Fed said in a review of the collapse published in April...[Reuters](#)

China asks some banks to reduce or delay dollar buying, sources say: China's currency regulators are asking some commercial banks to reduce or postpone their purchases of U.S. dollars in order to slow the yuan's depreciation, two people with direct knowledge of the matter said. The informal instruction, or the so-called window guidance, is the latest in a series of steps taken by authorities this year to bolster a currency that has been hit by China's faltering post-pandemic economic recovery and rising yields for the U.S. dollar and other major currencies...[Reuters](#)

India central bank tells banks it's ready, able to manage Russian fund outflows, sources say: The Reserve Bank of India has assured bankers that it can and will step in to manage any market impact due to the outflow of Russian funds held in rupees with local banks, at least four bankers and one market participant said on Tuesday. Amid Western sanctions that restrict Russia's use of the U.S. dollar for trade, India paid in other currencies, including the dirham, yuan and rupee, which local banks hold in special accounts...[Reuters](#)

Carlyle reports lower than expected 26% slump in Q2 earnings: Private equity firm Carlyle Group Inc ([CG.O](#)) reported on Wednesday that its second quarter distributable earnings fell 26% year-on-year due to a slump in asset sales, although the result still exceeded analyst expectations. Distributable earnings, which represents the cash used to pay dividends to shareholders, fell to \$388.8 million from \$528.8 million a year earlier. That translated to after-tax distributable earnings per share of 88 cents, which surpassed the average estimate of 67 cents, according to Refinitiv data...[Reuters](#)