

News Flash



www.myumbbank.com | Universal Merchant Bank Limited | UMB Research/Business Intelligence Unit Tuesday, 16 October, 2018

Economic News

'Gov't attracts locals with competitive allocation of oil blocks'

The government is anticipating active local participation in oil exploration henceforth. This follows the launch of the country's first licensing rounds bids evaluation for oil blocks. The exercise is to allow interested investors to own and operate six of the nine available oil blocks. The six oil blocks available for exploration are all located within the Western region. The coming on board of the blocks should add unto Ghana's oil output and improve government's revenue. This is in line with provisions of the Petroleum Exploration Act 2016 (Act 919). Speaking at the launch of the first round of licensing, President Akufo Addo said the move is in fulfillment of its manifesto promise prior to the 2016 general elections which is to protect and effectively utilize oil revenue, this has been paramount for the government. [Source: Citifmonline.com](#)

'Shea industry gets GHS 9.2m boost from EXIM Bank'

The Ghana Export and Import Bank (EXIM Bank) has approved an amount of GHS 9.2m for the processing of shea into cosmetic products and also for export. According to the bank, the investment should translate into the creation of 300 direct jobs. As at 2017, Ghana earned USD 70.2m from the export of shea butter products. Within the agricultural subsector, shea nut was the second highest export earner with USD 34 in 2015; behind cashew nut. Speaking at the sidelines of a business training seminar organized in collaboration with Global Shea Alliance and EXIMBank, Director for Communications at EXIM Bank, Richard Osei Anane said the bank is committed to enhancing the growth of the shea industry in Ghana. "EXIM Bank is a development bank specialized in supporting export oriented companies so that we can increase foreign exchange, create jobs as well as support rural industries." He stated. [Source: Citifmonline.com](#)

'UK investors eye deals worth over £500m'

UK investors will be signing potential business deals worth over GBP 500m in various sectors of the Ghanaian economy, the head of a business delegation that attended the UK-Ghana Investment Summit in Accra yesterday, Baroness Fairhead, has said. The UK's Minister of State for Trade and Export Promotion explained that the investments "range from infrastructure projects such as roads, bridges, water treatment plants and rail refurbishment, to support in facilitating investment into Ghana's priority industrial sectors, to showcasing the unrivalled financial services and world-class professional service expertise of UK firms. "Baroness Fairhead added that the UK firmly believes in President Akufo-Addo's vision of 'Ghana Beyond Aid', and will offer its support by promoting partnerships between UK companies and local firms. "Ghana Beyond Aid is ambitious and compelling – based on economic transformation and industrialisation such as the One District, One Factory initiative, and closer integration with global supply chains." She told President Akufo-Addo, who attended the summit, that: "Your vision is one we are keen to partner with. [Source: Bftonline.com](#)

Corporate News

'Stanbic, ICBC Banks partners' tourism ministry to attract Chinese tourists'

Stanbic Bank Ghana and Industrial Commercial Bank of China (ICBC) in collaboration with the Ministry of Tourism has partnered to attract Chinese tourist. The drive to make Ghana a preferred tourism destination will encourage Chinese tourists to visit the country with attractive offers like discounts and special offers whenever they use ICBC cards at selected travel, hospitality and lifestyle merchants once they visit. Speaking to Joy Business on the 'I Go Ghana' loyalty programme, the Group Head Card and Emerging Payments, Lincoln Mali, said the programme is to strengthen relations between Ghana and China through trade and tourism. [Source: Bftonline.com](#)

'No freeze on issuance of licenses – BoG Governor assures'

The Governor of the Bank of Ghana Dr. Ernest Addison has said the Central Bank has no intention of placing a moratorium on the issuance of operating licenses for commercial banks and non-bank financial institutions. Dr. Addison, speaking on the sidelines of the IMF/World Bank Annual Meetings in Bali, Indonesia stated the Central Bank, in its effort to clean up the financial system, will not shut the door on the entry of new institutions into the banking sector so long as they are ready to come in and play by the rules and regulations governing the industry. The Governor stated, "I am not of the school of thought that supports restricting entry into the industry. Rather I support an open system that has a contestable market and which advocates for free entry and free exit. [Source: Bftonline.com](#)

Currency - Interbank	Rate 12 Oct	Rate 15 Oct	%Change
USD/GHS	4.7962	4.7960	0.00
GBP/GHS	6.3113	6.3092	0.03
EUR/GHS	5.5433	5.5563	-0.23
CHF/GHS	4.8328	4.8601	-0.56
CNY/GHS	0.6986	0.6980	0.09
ZAR/GHS	0.3315	0.3346	-0.91

The cedi remained stable against the US dollar. However it appreciated against the British pound but depreciated against the euro.