

News Flash



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Economic News

'Gov't targets passage of Fiscal Responsibility law by end of 2018'

Government has targeted the end of this year to pass a Fiscal Responsibility Law to help cap budget deficit, Dr Mahamudu Bawumia has said. He said the passage of Fiscal Responsibility Law will ensure that the budget deficit will not exceed 5% for a fiscal year. The Vice President was speaking at the Ghana Investment & Opportunity Summit 2018 in London. The two-day Summit is being organised by the Ghana High Commission in the UK, in collaboration with the Ghana Investments Promotion Centre (GIPC). Dr Bawumia said the Fiscal Responsibility Law will also "ensure complementary monetary management and establishment of institutional safeguards such as the Financial Stability Council (FinSC), Fiscal Council (FisC), and an International Economic Advisory Council. The overarching objective is to safeguard the financial system, deepen financial intermediation, widen financial inclusion, and position Ghana as a West African Financial hub and an economy with greater policy credibility".

Source: Myjoyonline.com

'GRA to 'name and shame' tax evaders after prosecution'

The Ghana Revenue Authority with support from the Finance Ministry has announced it will soon name and shame, and also prosecute tax evaders especially those in the informal sector. To this end the Authority has launched the second National Tax Campaign to ensure voluntary tax payments especially from the informal sector. Currently, the informal sector contributes only 2% of taxes paid in the country. Although 6 million people have been captured in the tax net, only 1.5 million people pay taxes regularly mostly from the formal sector. Launching the 2018 National Tax campaign, Deputy Finance Minister, Abena Osei Asare charged the GRA to adopt stringent measures to broaden the tax net. "We must all acknowledge the positive contributions of the informal sector to the GDP, So let us ask ourselves, what are we not doing right? We must do everything possible to change this situation for development and also move Ghana beyond aid," she said. The informal sector constitutes about 70% to the economy. Source: Citibusinessnews.com

'Consumer spending in IT to reduce in 2019'

Spending in the telecom industry is expected to see some amount of dip next year, 2019. The International Data Corporation which is a global ICT research and consultancy services firm, projects that the experience will be across board including inventors and consumers. Data from the IDC on spending on IT in Ghana for instance show that in 2018, expenditure on technology devices is projected at USD448.34m but this will dip to USD398.76m in 2019. The contraction, according to IDC's Group Vice President & Regional MD Middle East, Turkey & Africa, Jyoti Lalchandani the dip also emanates from changes in a lot of factors such as a drop in regional trade. Source: Citibusinessnews.com

Corporate News

'BoG launches Cyber Security Directives for banks'

The Bank of Ghana has launched the Cyber and information Security Directive for the financial sector. According to the central bank, the directive is in recognition of the National security agenda aimed at safeguarding the financial industry and its players from cyber-attack. Speaking at the launch at the Bank of Ghana, the First Deputy Governor of the bank of Ghana, Dr. Maxwell Opoku-Afari maintained that it is the expectation of the central bank that all relevant stakeholders will immediately work at implementing the directive to ensure the delivery of a safe digital financial industry. Source: Citibusinessnews.com

'NIC to the rescue of ESICH Life over delayed payments'

The National Insurance Commission, NIC, has moved in to get customers of Esich Life Assurance access to their insurance claims. The company has been saddled with bouts of customer picketing for almost a year now following failure by the clients to access their claims. The woes of Esich Life have been connected with the collapse of Capital bank as they are associated companies of the same owner. The company has initiated several measures to improve its liquidity and stay afloat. Deputy Commissioner at the NIC, Simon Davor said he hopes their intervention should bring some respite to affected persons. "We have stepped in and we are managing that problem for them and we are making sure that all the matured policy holders get what is due them and so it is something that we are managing and the policy holders will attest to it," he noted. Mr. Davor will not readily disclose in specific, any of their interventions to the ailing company. He however maintains that the affected customers should be able to get all outstanding issues sorted out as practical as possible. Source: Citibusinessnews.com

Currency - Interbank	Rate 19 Oct	Rate 22 Oct	%Change
USD/GHS	4.7912	4.7905	0.01
GBP/GHS	6.2183	6.2193	-0.02
EUR/GHS	5.4983	5.4977	0.01
CHF/GHS	4.8082	4.8124	-0.09
CNY/GHS	0.6883	0.6940	-0.81
ZAR/GHS	0.3358	0.3331	0.81

The cedi appreciated against the U.S dollar and the Euro. However it depreciated against the British pound.