

# News Flash



www.myumbbank.com | Universal Merchant Bank Limited | UMB Research/Business Intelligence Unit Monday, 8 October, 2018

## Economic News

### 'Government commits GHS 50m to coffee production'

Government has committed about GHS 50m to embark on a program to grow and export coffee as a commercial crop, Agric Minister, Dr Owusu Afriyie Akoto, has said. This was made known at the Ghana Coffee Conference in Accra which saw stakeholders within the coffee value chain deliberate on ways of making Ghana a leading producer of coffee in the world. Speaking at the Conference, Dr Owusu Afriyie Akoto, said the government has pulled the needed resources to begin the large-scale cultivation of coffee under the 'Planting for exports and rural development project.' "We have to diversify into coffee cultivation and export. We have over depended on cocoa over the decades and this has to change. We [government] have committed GHS 50m into this project and we expect to be in business with coffee exports," he said.

Source: [Myjoyonline.com](http://Myjoyonline.com)

### 'Employers Association bemoans increasing cost of doing business'

The National Employers Association of Ghana is asking government to immediately address what it says is the numerous economic challenges affecting businesses in the country. According to the association, the current environment within which they have to operate is tough, rendering their businesses unprofitable. The employers complain that although government is embarking on some reforms to ease the business environment, numerous challenges still persist. They cite high interest rates as the reason for their inability to secure financial support from the banks. They are also complaining about the depreciation of cedi against the dollar, which affect members especially those who import raw materials for their products. Speaking during the 58th Annual General Meeting of the association, Former Chief Executive of the GEA, Alex Frimpong, says if government fails to improve the environment for doing business many businesses will collapse. "Businesses are failing, everything is against business owners. Electricity is still high, taxes and other high cost. It is too much and must be addressed immediately, he lamented"

Source: [Citifmonline.com](http://Citifmonline.com)

### 'Ghana Finance Week takes off from October 10'

Stakeholders within the financial industry will be converging on Accra to chart ways of improving the operations within the sector and restore confidence. The discussion will take place during the Ghana Finance Week scheduled for October 10-13, 2018. The forum is also part of building the financial ecosystem in Ghana amidst the recent happenings in that sector. The event is being made possible by Precise Communications. The event also seeks to educate Ghanaians about the financial market and the effects of panic withdrawals on the financial sector, among other key discussions. Chief Executive Officer of Precise Communications, Steven Gyasi Kwao said the Ghana Finance Week, will provide key discussions and solutions within the financial industry in Ghana. Source: [Citifmonline.com](http://Citifmonline.com)

## Corporate News

### 'FBNBank announces winners for 'Save and Win Promo'

FBNBank has announced winners in the third mini-draw of its 'FBNBank Save and Win Promo' to appreciate their clients and to deepen the clarion call to Ghanaians to develop a savings culture. The winners of the mini-draw's third edition will receive their prizes at the grand-draw next month; however, ten lucky customers of the second edition – who were announced a month ago as having met the terms and conditions of the promo – were awarded prizes including mobile phones and airtime. In an interview, Managing Director and CEO-Gbenga Odeyeni, noted that at the promo's end on October 31 there will be a grand-draw to reward another set of 10 customers. Winners will be announced at the end of every month until end of the year 2018. Source: [Bftonline.com](http://Bftonline.com)

### 'BoG to take action on Savings & Loans'

The central bank is expected to take action on insolvent Savings and Loans (S&Ls) companies and finance houses in the coming weeks; an exercise that will require about GHS 2bn to secure the funds of depositors. There are currently 37 S&L companies and 23 finance houses operating in the country. While some remain very strong, there are a few with liquidity challenges and unable to meet their obligations to clients. The central bank and the Finance Ministry told the B&FT that an announcement will be made by the central bank Governor, Dr. Ernest Addison, in a matter of days or weeks. Such an action will see the Bank of Ghana move beyond ongoing reforms in the universal banking space into the other deposit-taking institutions for the first time. Source: [Bftonline.com](http://Bftonline.com)

Currency - Interbank	Rate 4 Oct	Rate 5 Oct	%Change
USD/GHS	4.7949	4.7958	-0.02
GBP/GHS	6.2485	6.2700	-0.34
EUR/GHS	5.5255	5.5258	-0.01
CHF/GHS	4.8380	4.8375	0.01
CNY/GHS	0.7022	0.7000	0.31
ZAR/GHS	0.3260	0.3260	0.00

The cedi depreciated against all the major trading currencies.