

News Flash



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Economic News

'Borrowing in 2019 won't cause debt distress – Ofori-Atta assures'

Fresh rounds of borrowing in 2019 would not result in Ghana being classified as a debt distress country, Finance Minister Ken Ofori-Atta has assured. The government in the 2019 budget presentation made its intentions to borrow in excess of USD 5bn to undertake infrastructural projects – a situation many fear could lead the country into distress. But speaking at the KPMG 2019 Budget Forum, Ken Ofori-Attah said, "I think we are fine because we keep working on some sort of liability management to make sure that we move from the short end to the longer end and further borrowings would have to look at the three issues of cost, capital, the sustainability as you're talking about and making sure that the projects are productive and profitable in the long run," he said. Mr Ofori-Atta added, "It's really always a balancing arch; if we look at accumulation over the period, you can see a positive primary balance which means that we are borrowing less than we know what we have to pay so I think it's moved down from our 47% accumulation from 2012 to where we are now at 16 and 18% so we are watching that very keenly to make sure that we don't get into debt distress." [Source: Myjoyonline.com](#)

'High taxes on small scale mining could cause smuggling—Group'

The Association of Small Scale Miners is warning that government risks losing millions of cedis if taxes placed on activities of small scale miners are high. The association argues that high taxes could lead to smuggling. The government as part of measures to track tax revenue on gold exports, has moved the collection point for withholding tax for small scale mining operators to the point of export. In an interview, General Secretary of the Association of Small Scale Miners, Godwin Armah lauded the move but said the government must avoid making the percentage on the tax collection too high. "It's a move in the right direction, because if you look at the sector because it's very informal, book keeping and all that is very poor so the best thing we could do is to get it at the point of export so that at the time you are exporting the gold then the tax can be levied there but one caution is that we should tax it by a low percentage so that government can get the taxes from the export", he said. [Source: Citibusinessnews.com](#)

'Property owners to prove source of wealth – Finance Minister'

Beginning next year, owners of mansions in prime neighborhoods in Accra and other regional capitals – whose properties do not reflect in their tax filing – will be required to prove how they acquired such properties. Ken Ofori-Atta, speaking at the opening of a 2019 post-budget workshop for Members of Parliament in Koforidua, said this is one of the surest ways of improving the revenue envelope so as to undertake various projects captured in the 2019 budget statement. "What we are realising is that though you and I may own a building at East Legon, Cantonments and other prime areas, it does not reflect in your tax filing. So, we are now going to zoom-in on such properties so you can prove to us how you were able to buy that property/ies," he said. [Source: Bftonline.com](#)

Corporate News

'Gov't to complete merger of ADB, NIB by Dec 31'

Government will complete the merger of Agricultural Development Bank Ltd. and National Investment Bank Ltd. before the end of the year. This happens as the central bank's Dec. 31 deadline for lenders to meet a new minimum-capital requirement approaches. The government will inject GHS 400m (USD 82m) to bolster the merged entity, Minister of Finance Ken Ofori-Atta said Monday in an interview in the capital, Accra. Bringing the two lenders together will save government money because it would have had to pay GHS 700m to recapitalize them separately, he said. The merger is due to the need to create a stronger state bank that can support the government's drive to expand industrial activity. [Source: Bftonline.com](#)

'VISA to drive financial inclusion through football; signs sponsorship deal with CAF'

Payments technology platform, VISA, has signed a landmark sponsorship deal with the Confederation of African Football (CAF) as part of its strategies to drive financial inclusion.

According to the company, it aims at reaching a lot of football loving Africans and to rope them into the banking sector. "We try to, not just speak about financial inclusion but act it and we continue to work with the governments to say what can we do? We see football as one of those great opportunities and so we would be able to replicate some of the ideas." Group Country Manager at VISA West Africa, Kemi Okusanya said. Madam Okusanya decries the latest Global Findex Database report which has revealed that access to a bank account in Ghana has increased from 29% in 2011 to just 58% in 2017. According to her, this development still leaves much to be desired. She said, there is the need for government or the regulator to intensify bank savings education, especially in the rural areas. [Source: Myjoyonline.com](#)

Currency - Interbank	Rate 19 Nov	Rate 20 Nov	%Change
USD/GHS	4.7892	4.7900	-0.02
GBP/GHS	6.1590	6.1425	0.27
EUR/GHS	5.4854	5.4597	0.47
CHF/GHS	4.8194	4.8167	0.06
CNY/GHS	0.6906	0.6902	0.05
ZAR/GHS	0.3415	0.3392	0.69

The cedi depreciated against the U.S dollar. However, it appreciated against all the other major trading currencies.