

News Flash



www.myumbbank.com | Universal Merchant Bank Limited | UMB Research/Business Intelligence Unit Wednesday, 7 November, 2018

Economic News

'2019 budget must promote local capacity for input production - Peasant farmers'

Peasant farmers, speaking through their umbrella organisation, Peasant Farmers Association of Ghana (PFLAG), have made three key contributions into the upcoming 2019 budget statement. The farmers want the Finance Ministry to ensure that the next budget statement will promote local capacity for input production, facilitate access to appropriate farm machinery and tackle post-harvest losses of farm produce. "PFLAG proposes that there should be an increased public investment in the seed sector for Ghanaian seed growers to increase their seed production. This will create more jobs, increase crop productivity and contribute to achieving the vision of Ghana beyond aid. "The focus, for now, should be on the increasing support for the development of foundation seeds and certified seeds for the open-pollinated seeds and hybrid seeds. We propose that in budgeting for the Planting for Food and Jobs programme next year, the substantial allocation should be reserved for the support and promotion of the local seed industry," the farmers said. [Source: Myjoyonline.com](#)

'Price of 'pure water' increased'

The National Association of Sachet and Packaged Water Producers (NASPAWAP) has announced an increase in the price of a bag of sachet water, popularly referred to as 'pure water'. In a press statement, the Association said a bag of sachet water would now cost GHS 3.50p when bought from all trucks and water depots. They explained that the increase is because of high production cost and distribution. In the statement, NASPAWAP added that the price of a single sachet water would increase to GHS 0.30. [Source: Myjoyonline.com](#)

'Local textile manufacturers back gov't's turnaround initiatives'

With government introducing a string of initiatives to root-out smugglers and pirates of textiles, local manufacturers are anxiously waiting for these initiatives to bear fruit while protecting their businesses from collapse. Stephen Kofi Badu, Marketing Director at GTP – one of the local manufacturers, said the introduction of policies such as the imminent tax stamps for the textile industry with its implementation task force, and making Tema the only port of entry for imported textile products on a pilot basis offers hope – but these policies must bear fruit quickly. "It makes us feel that there is hope for the textile industry, especially the local manufacturers of textiles in Ghana," he said at the launch of Adepa Dumas, a new GTP product targeted at premium clients, and VG Jala, a mobile phone application to aid buyers of GTP, Vlisco and Woodin products make informed choices. [Source: Myjoyonline.com](#)

Corporate News

CDH clarifies position on defunct Capital Bank debt'

CDH Savings and Loans, a subsidiary of CDH Financial Holdings, has stated that it does not owe the defunct Capital Bank to the tune of GHS 110m for which it has been sued. According to CDH Savings and Loans, the defunct bank rather owes it GHS14.6m. "CDH Savings and Loans would like to clarify to the general public and our cherished clients that we do not owe Capital Bank," a statement from the financial institution said. Lawyers and receivers for the defunct bank sued the financial institution and its holding company to recover over GHS 100m in debt, while asking the court to order the Bank of Ghana to withdraw the defendants' license because of their inability to pay back investment on maturity dates. However, the financial institution disclosed that the suit initiated by the receiver of Capital Bank has been actuated by malice and utmost bad faith. "CDH Savings and Loans Limited will in the circumstances take the necessary legal action to correct this erroneous impression, and also claim damages for defamation," it said. [Source: Bftonline.com](#)

'Give us green light to establish banks – SIC MD to BoG'

Managing Director of State Insurance Company (SIC) is appealing to the government through the Bank of Ghana to grant insurance companies powers to establish banks, which he said will improve their operations. According to Stephen K. Oduro, this would serve as another form of assurance to clients of insurance companies about the safety of their insurance policies. Speaking at the sidelines of an awards night for clients of SIC, Mr Oduro was convinced insurance companies have the financial muscles to operate banks effectively and granting them permits would go a long way to create employment opportunities for the teeming graduates who continue to search for jobs.

[Source: Mviovonline.com](#)

Currency - Interbank	Rate 5 Nov	Rate 6 Nov	%Change
USD/GHS	4.7890	4.7894	-0.01
GBP/GHS	6.2386	6.2607	-0.35
EUR/GHS	5.4598	5.4688	-0.16
CHF/GHS	4.7669	4.7732	-0.13
CNY/GHS	0.6929	0.6945	-0.23
ZAR/GHS	0.3377	0.3374	0.09

The cedi depreciated against all the major trading currencies.