

News Flash



Economic News

'We will still lose money in Sankofa gas deal – ACEP'

The Africa Centre for Energy Policy (ACEP) has said the country will still lose money even if the Sankofa gas remains under the ocean to be produced later. It said in a release that when the time value of money principle is applied to the USD 28m monthly payment the country is supposedly making to Eni and partners, it will not be difficult to see that the country is incurring losses. It also said there will be interest payments if the USD 500m World Bank credit guarantee being provided by HSBC and Standard Chartered Bank is triggered. It adds that: "Ghana is also exposed to certain technical and geological risks that may, in reality, alter projected production levels. A case in point is the Jubilee field. The projected production capacity from Jubilee Field was 120,000bopd, but current actual production levels indicate about 90,000bopd. This means that gas in the ground is not an automatic revenue at will".

Source: [Bftonline.com](#)

'Moody's lauds banking sector reforms'

International rating agency Moody's has lauded the Bank of Ghana (BoG) for carrying out much-needed banking sector reforms within the specified time. "The recapitalisation exercise's completion within the planned timeframe shows BoG's willingness to strictly enforce prudential regulations. Improved supervision quality and corporate governance will gradually boost confidence in the banking system," Moody's said in its recent report on Ghana's banking sector reforms. When the BoG announced the increment of stated capital in September 2017 from GHS 120m to GHS 400m with a December 2018 deadline, analysts and an association of indigenous banks pressured the regulator to relax the rules for indigenous players and petitioned the presidency to intervene. Moody's, however, warned that Ghanaian banks still face challenges, and consolidation of the banking system does not guarantee strong future performance for all remaining banks. Source: [Myjoyonline.com](#)

'Utility companies push for tariff review due to over GHS 1.2bn revenue loss'

Utility service providers have justified calls for an upward tariff adjustment following a GHS 1.2bn loss in revenue, attributed to the tariff reduction announced by the Public Utilities Regulatory Commission (PURC) last year. In March 2018, the PURC announced reductions in key utility costs on energy charges, ranging from 10% to 30% for the customer categories based on levels of consumption. The review was mainly to ensure efficient and equitable tariffs, in addition to ensuring that the tariffs were also relevant to the socio-economic environment. But according to the Ghana Grid Company (GRIDCO), its revenue declined by GHS 241m while also recording a financial loss of GHS 76m as at September 2018. Also, it said they experienced delays in Debt Service and breach of financial agreements, as well as deferment of projects and some maintenance works. It therefore requests an upward tariff review to 4.897Gp/kWh from 2.5107 Gp/kWh, being a 95% increase. Source: [Bftonline.com](#)

'Mobile Money Interoperability ended the year with 2.2m transactions'

Cross-network mobile money transfers were done about 2.2m times between May and December 2018, according to figures released by the Ghana Interbank Payment and Settlement Systems (GhIPSS). This shows a continuous increase in patronage of the service. Before the introduction of mobile money interoperability in May last year, such cross-network transfers were done through the 'token' system. The monthly average for transactions under the 'token' system was about 93,000. However, the average transaction per month with the introduction of mobile money interoperability for last year is pegged at about 280,000 transactions, which shows a difference of over 200%.

Source: [Bftonline.com](#)

Corporate News

'Unilever Ghana unveils new manufacturing plants in Tema'

Transnational consumer goods company, Unilever Ghana, has officially unveiled three new factory plants at its Tema factory site as part of its commitment to sustained socioeconomic contribution to Ghana's economy. The company has brought on stream, the Personal Care Dryer, Biomass Boiler and Orals factory and has as well upgraded several plants at the factory. According to the firm, it is a giant step taken to onshore the production of one of its brands, 'Pepsodent' and thereby creates opportunities for more job openings for its local suppliers. It further noted that the initiative would go a long way to reduce its dependence on imports from other countries.

Source: [Myjoyonline.com](#)

Currency - Interbank	Rate 15 Jan	Rate 16 Jan	%Change
USD/GHS	4.8901	4.9003	-0.21
GBP/GHS	6.2789	6.3111	-0.51
EUR/GHS	5.5984	5.5845	0.25
CHF/GHS	4.9628	4.9466	0.33
CNY/GHS	0.7234	0.7256	-0.30
ZAR/GHS	0.3545	0.3567	-0.62

The cedi depreciated against the US dollar and the British pound. However, it appreciated against the euro.