

# News Flash



## Economic News

### 'More external threats ahead for the cedi – BoG report'

A report by the Bank of Ghana that assesses the impact of external shocks on Ghana's economy has revealed the cedi's depreciation against the US dollar is expected to continue throughout the year, as global events show more external threats ahead. The report, titled 'The Effect of External Conditions on the Economy of Ghana', is authored by Philip Abradu-Otoo and Bernard Jagre Walley of the BoG's Research Department. It says an expected slowdown in the U.S. and Chinese economies, alongside policy rate hikes in the U.S., strengthening of the US dollar and higher crude oil prices will all impact Ghana's economy negatively – leading to a "significant deterioration in the exchange rate". "The slow-down of the world's two biggest economies will dampen growth in emerging and developing economies, including Ghana, which will result in capital outflows; whereas policy rate hikes in the US will attract investors, also triggering capital outflows from Ghana to the U.S. and resulting in high demand for the dollar, while a surge in oil prices will, although stabilising growth, further increase inflation – which will also culminate in a sharp depreciation of the cedi. [Source: Bftonline.com](#)

### 'Return ECG to profit making or face exit –Energy Minister to PDS'

The Minister for Energy, John Peter Amewu has strongly indicated that government will waste no time in reassuming the operations of the Electricity Company of Ghana (ECG) if the new managers, Power Distribution Services (PDS) fail to meet their key performance indicators. PDS is taking over the management and operations of the ECG after meralco consortium, a major shareholder in PDS won a bid to manage the ECG. Speaking at a handing over ceremony in Accra, Energy Minister Mr. Amewu stated that the operations of PDS will closely be monitored to ensure performance delivery. "I wish to ensure the concessionaire, PDS that I am going to keep my eagle eye on the key performance indicators set out on the transaction agreement, an exit to the door will clearly be an option if the key performance indicators are not met" he said. Mr. Amewu stated that PDS is expected to improve the operations of ECG and return the company to profit in a short period. [Source: Citifmonline.com](#)

### 'Finance Ministry begins issuing cheques to GETFund contactors'

The government on Wednesday started paying contractors for projects that have been executed under the GETFund. A number of contractors are said to have received their cheques after a protracted delay. The President of the Association of Building and Civil Engineering Contractors of Ghana (ABCECG), Prosper Yao Ledi, when contacted confirmed that some members of the Association have received their cheques. "I can say that some of our members have been paid and we glad that finally, our persistent plea is being heeded." Mr. Led, however, urged the government not to truncate the payment that has begun to ensure that all arrears owed the contractors are paid. [Source: Myjoyonline.com](#)

## Corporate News

### 'Defunct Heritage, Premium branches shutdown; staff sent home'

The Receiver for Consolidated Bank Ghana (CBG), PricewaterhouseCoopers, has closed down some bank branches of the defunct Heritage Bank and Premium Bank. The accounting firm also asked the staff at the affected branches of the two banks to step aside for a while. With the exception of the Tema Community 1 and Suame (Kumasi) branches, CBG will cease to operate the former branches of Heritage after close of business on Thursday, 28 February 2019, according to a notice to staff and consultants of the banks. "Consequently, unless specifically requested, all the Receiver's consultant staff will no longer be required to physically report to work at the former branches or Head Office daily. Any individuals who may be required to report to any location in the course of their duties will be advised separately," said the notice. [Source: Myjoyonline.com](#)

### 'Airlines to pay USD 5 more for using KIA Terminal 3 counters'

Effective today [March 1,2019], Airline companies using the Terminal Three facility at the Kotoka International Airport will pay USD 5 per hour for using the counters at the facility. The new fee which is known as the Check-in Counter fee, was disclosed in a letter which was sent by the Ghana Airport Company to the Airline companies. The Check-in Counters are the counters used by the airlines to verify passengers' passports, tickets and luggage. The new fee means an airline company that uses three counters for three hours a day will now pay at least USD 900.0 every month—a cost that will definitely be passed on to passengers.

[Source: Citifmonline.com](#)

| Currency - Interbank | Rate 27 Feb | Rate 28 Feb | %Change |
|----------------------|-------------|-------------|---------|
| USD/GHS              | 5.1551      | 5.1752      | -0.39   |
| GBP/GHS              | 6.8625      | 6.8704      | -0.11   |
| EUR/GHS              | 5.8664      | 5.8799      | -0.23   |
| CHF/GHS              | 5.1592      | 5.1787      | -0.38   |
| CNY/GHS              | 0.7710      | 0.7733      | -0.30   |
| ZAR/GHS              | 0.3689      | 0.3685      | 0.11    |

The cedi depreciated against all the major trading currencies.