

Economic News

'Mortgage products decreasing due to high loan default payment—GREDA'

The Ghana Real Estate Developers Association (GREDA) has disclosed that banks in the country have reduced their mortgage products due to defaults in paying back loans. This, GREDA says has affected the housing sector, increasing the deficit over the years. The President of GREDA Patrick Ebo Bonful warned that the situation could get worse if government does not step into the housing market to regulate activities. He stated for example that banks have stopped giving out mortgage loans over years due to bad loans that come out from mortgage industry. "The banks are pretending that they are giving mortgages and we are also pretending that that problem doesn't exist. Check the Bank of Ghana records, they will tell you the statistics," he said adding that most of the banks have stopped giving out mortgages to the public for years" Mr. Bonful maintained that the situation is worrying since mortgage finance is crucial to solving the housing deficit challenge. Source: Citibusinessnews.com

'Govt will achieve IMF, World Bank growth projections—Ofori-Atta'

Finance Minister, Ken Ofori-Atta has stated that Ghana will meet its 2019 growth projections set by the International Monetary Fund (IMF) and World Bank. Some analysts have questioned the significance of the 8.8% and 7.6% growth rate projections made by the IMF and World Bank for Ghana's Economic growth for 2019, saying that the country still depends more on imports than export. However, Finance Minister, Ken Ofori-Atta says the projections can be achieved based on works being done by government. "If an analyst tells you the fundamentals are the same, you can ask if that is really true. If you have inflation coming down from 15.4% to 9.2%, with a positive primary balance for the first time in a decade, growth around 7%, then it's kind of disingenuous," Mr. Ofori-Atta said. He however acknowledged that there are still major challenges that need to be addressed in terms of keeping the discipline of expenditures, raising revenue and making labour more productive.

Source: Citibusinessnews.com

'GAT poses fiscal threat to economy — IMF'

The International Monetary Fund (IMF) has questioned government's strategy of raising money to finance some five local banks – said to be solvent but unable to meet the new minimum capital requirement of GHS 400m, as it poses fiscal risk upon maturity of the bonds if the beneficiary institutions are unable to pay back. Government, through the Ghana Amalgamated Trust (GAT), wants to raise some GHS 2bn through a bond structured for five years and given to the banks as zero-coupon bonds. This means that the banks will not pay the interest (21%) on the bond yearly, but will do so after end of the fifth year with the principal. The GAT will also take equities in the banks and exit after the stipulated five years. The bond is also fully guaranteed by government: meaning that in the event of default by any of the banks, government will have to pay up from its revenue envelope. Source: Bftonline.com

Corporate News

'Telcos start payment of interests on mobile money for 2019'

Users of mobile money services of the various telecommunication companies should be receiving interests on their wallets for the first quarter of 2019, by the end of this week. It comes on the back of the publication of the interest payment calendar by the Bank of Ghana. The payment calendar for interests on mobile money for this year spans April 2019 to January 2020. Per the calendar, the first quarter payments for 2019 were expected to be carried out by Sunday April 21. However checks indicate that some telcos have commenced while others are yet to effect payments. For instance, customers of Vodafone cash have been given messages indicating the payment of interests covering January to March 2019. Source: Citibusinessnews.com

'GNPC Foundation produces best ever local rice'

The Ghana National Petroleum Corporation (GNPC) foundation has undertaken a rice farm project to help produce the best local rice which meets the Ghana Standard Authority's (FDA) standards. According to the Executive Director, Dominic Eduah (PhD), the project is aimed at increasing local rice production for export. He added that, the rice farm project also intends to adopt a long-term solutions to enable the government achieve its sub-sector goal of becoming self-sufficient in rice production and to improve the livelihood of farmers. Donating some of the rice to the Parliamentary Select Committee on Mines and Energy, Mr. Eduah praised the farmers for a successful crop season. . Source: Myjoyonline.com

Currency - Interbank	Rate 17 April	Rate 18 April	%Change
USD/GHS	5.0858	5.0878	-0.04
GBP/GHS	6.6365	6.6106	0.39
EUR/GHS	5.7479	5.7148	0.58
CHF/GHS	5.0412	5.0126	0.57
CNY/GHS	0.7603	0.7572	0.42
ZAR/GHS	0.3638	0.3619	0.53

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