

News Flash



Economic News

'SEC increases capital requirement for capital market operators'

The Securities and Exchange Commission (SEC) has indicated that it will increase the minimum capital requirement for companies operating within the Capital Market by end of year. The companies include Fund managers, mutual funds, unit trusts, broker dealers and custodians. Fund Managers for instance will have their present minimum capital of GHS 100,000 increased to GHS 2m. The move is to help sanitize and strengthen the capital market. According to the SEC, legal processes are already underway to strike out provisions in the existing LI, (1728) which specifies the current minimum requirements. "I am very hopeful that we will come out as soon as possible. Because we started having this conversation way back in 2018. We did the market engagements, concluded with all the relevant stakeholders," Director General of the Securities and Exchange Commission, Reverend Daniel Ogbarmey Tetteh expressed. As at December 2018, there were 140 fund managers, 35 mutual funds, 19 Unit Trust, 22 broker dealers, two securities exchanges, 16 custodians, 15 primary dealers, five trustees, four registrars, five issuing houses, nine investment advisors and one venture capital fund operating in the country.

Source: Myjoyonline.com

'Customs backs proposed review of import duties'

The Customs Division of the Ghana Revenue Authority (GRA) has welcomed President Addo Dankwa Akufo-Addo's announcement that the government was considering reviewing the country's import duty regime. The President's announcement followed complaints and petitions to him from importers and other stakeholders about the high import duties which according to them was making the country's ports uncompetitive. Dr Godfried Okoh-Appiah, Sector Commander in charge of Tema Custom Division, said the review would help increase the cargo volumes and result in high revenue collection. Dr Okoh-Appiah, who was speaking to executive members of the Ghana Journalists Association, Tema Chapter, said it would also curb smuggling as people turn to smuggle goods into the country to avoid the payment of high duties. Source: Citibusiness.com

'BoG asks for GHS 700m to clean up microfinance industry'

The Bank of Ghana (BoG) has requested for financial support from the Ministry of Finance to clean up the microfinance and savings and loans industry to save thousands of depositors from losing their funds. About 705,396 depositors of distressed or collapsed microfinance companies and rural and community banks (RCBs) risk losing a total of GHS 740.5m if their financial resources are not shored up swiftly. The GHS 740.5m represents deposits currently locked up in the 272 rural and community banks and microfinance companies which were either in distress or had folded up as of last year. At a news conference in Accra yesterday, the Governor of the BoG, Dr Ernest Addison, said the cost of the clean-up was estimated at GHS 700m, which the government was ready to make available from the second quarter of this year to begin the clean-up of the sector.

Source: Citinewsroom.com

Corporate News

'adb gets GHS 146.6m from shareholders'

Adb bank has raised an additional GHS 146.6m from shareholders to shore up the bank's capital level. The move also follows the bank's renounceable rights issue that it embarked on in March. Information available indicates that the shares will be available for trading on the local bourse from Friday, April 5. A statement released by ADB said the amount raised represents over 60% of the subscription offer. According to ADB, a total of eighteen shareholders applied for the Renounceable Rights Issue. These shareholders applied for about thirty-one thousand shares out of the estimated forty-nine thousand shares on offer. Adb says the subscription could be described as successful since it exceeded the minimum offer amount of GHS 125m. This means that adb has added GHS 146.6m to its capital for its operations. Source: Citibusiness.com

'We can't guarantee refund of locked up Menzgold customers' cash – SEC'

Customers of Gold dealership company Menzgold should not expect their monies any time soon as the Securities and Exchange Commission (SEC) has said it cannot guarantee the refund of such locked up cash. Speaking at a press conference on Tuesday, Director-General of SEC, Rev. Ogbamey Tetteh said not much can be done for Menzgold customers. "The truth is that we don't know the exact quantum of money they mobilized. I think they [customers] can hope for the best but no one can give them any guarantee. Certainly, SEC is not in any position to be refunding lost investments... I am not sure they can look forward to anything." He however said, the Commission can only partner with other agencies to solicit information on assets belonging to Menzgold that could be used to defray the troubled company's debt. Source: Citinewsroom.com

Currency - Interbank	Rate 1 April	Rate 2 April	%Change
USD/GHS	5.0859	5.0857	0.00
GBP/GHS	6.6681	6.6358	0.49
EUR/GHS	5.7080	5.6931	0.26
CHF/GHS	5.0968	5.0890	0.15
CNY/GHS	0.7577	0.7563	0.18
ZAR/GHS	0.3589	0.3576	0.36

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