



**MACROECONOMIC INDICATORS**

Index	2016 Close (%)	Previous (%)	Current (%)	Change (%)
Inflation(CPI)	15.40	12.10	<b>11.90</b>	-0.20
Policy Rate	25.50	22.50	<b>21.00</b>	-1.50

**MACROECONOMIC TARGETS FOR 2017**

Index	(%)
Overall Real GDP(Including Oil) Growth	6.30
Non- Oil Real GDP Growth	4.20
An End of Year Inflation Target	11.20

**GOG TREASURY BILL RATES**

Fixed Income	Previous Week (%)	Current Week (%)	Change (%)
91 day	12.3575	12.6342	+0.2767
182 day	12.9176	13.6075	+0.6899
1 Year Note	15.0000	15.0000	0.0000

Source: Bank of Ghana

**GSE INDICES AS AT 18-08-17**

Index	Week Open	Week Close	Change	YTD (%)
GSE- CI	2,268.45	2,284.92	+16.47	35.28
GSE- FSI	2,092.19	2,107.49	+15.30	36.37

Source: Ghana Stock Exchange

**COMMODITIES MARKET**

Commodities	Week Open(\$)	Week Close(\$)	Change(\$)
Crude Oil (Brent)(\$/ barrel)	52.42	52.72	+0.30
Cocoa (\$/ tonne)	2,021.00	1,878.00	-143.00
Corn (\$/ bushel)	381.00	365.75	-15.25
Cotton (\$/ pound)	70.62	67.28	-3.34
Gold (Comex)(\$/ ounce)	1,264.60	1,291.60	+27.00

Source: Bloomberg

**INTERBANK FOREX RATES**

Currency	Buy (GHS)		Sell (GHS)	
	Week Open	Week Close	Week Open	Week Close
US (\$)	4.3736	4.3841	4.3780	4.3885
GB Pound (£)	5.7019	5.6296	5.7093	5.6375
Euro (€)	5.1438	5.1483	5.1473	5.1540

Source: Bank of Ghana

**FIXED INCOME SECURITIES**

**PREMIUM ACCOUNT**

The Premium Account is a product designed to help investors build a portfolio of diversified assets at returns above the GOG treasury bill rate.

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**MANAGED ACCOUNT**

The Managed Account is a product that allows you to accumulate wealth over an extended period of time. It is a long- term investment account designed to help investors create funds and attain reasonable returns on their deposits

**NEWS HEADLINES**

**GCB TAKEOVER AS BOG WITHDRAWS LICENSES OF UT, CAPITAL BANK**

Bank of Ghana has revoked the license of two commercial banks- UT Bank and Capital Bank. The action has been triggered by the inability of the two banks to turn around their negative capital adequacy position which has lingered on for some time now. In simple language terms, the action has been taken against these affected banks due to their "terrible" financial situation and their inability to perform within the banking industry. It is believed that the continued encouragement of the operations of these institutions could endanger the banking industry as a whole and hence the action that was taken against them over the weekend. JOYBUSINESS understands that the Bank of Ghana was forced to take this action based on provisions of the current Banking and Specialized Deposit Taking Institutions Act. In the law, Sections 104-107 discusses prompt corrective actions for banks with various degrees of capitalization requiring the regulator to step in after 90 days or 100 days, if the bank in question fails to recapitalize or submit to the Bank of Ghana, a capital restoration plan. Also, in Section 123, the law empowers the Central Bank to REVOKE THE LICENSE OF ANY BANK THAT IS INSOLVENT OR LIKELY TO BECOME INSOLVENT WITHIN THE NEXT 60 DAYS. **Source: [www.myjoyonline.com](http://www.myjoyonline.com)**

**GCB TO CLEAR UT BANK AND CAPITAL BANK DEBTS**

Management of the GCB Bank Limited (GCB) has announced that it will clear all outstanding debt of the collapsed UT and Capital banks. According to the Chief Finance Officer of the Bank, Socrates Affum, they are doing this to protect the interest of customers of the defunct banks. He announced this at a sensitization forum organized by GCB for the unionized workers of UT and Capital banks at Burma Camp in Accra on Saturday, August 19. Mr. Affum further assured better working conditions for staff of the two banks that have been absorbed by GCB as part of the takeover. The Central Bank withdrew the licenses of the two banks recently and GCB took over transfers of all their deposits and selected assets after a purchase agreement. **Source: [www.classfonline.com](http://www.classfonline.com)**

**GHANA NEEDS JUST 5 BANKS – CASELY HAYFORD**

Ghana's economy needs just about five well capitalized banks, Financial Analyst, Sydney Casely Hayford has said. His comment comes days after the Bank of Ghana gave GCB Bank the go ahead to take over UT and Capital Banks to save them from collapse. The Bank of Ghana announced that the takeover of the two banks became necessary "due to severe impairment of their capital," and media reports suggest there are seven other banks that are also distressed at the moment. Speaking on Citi FM's News Analysis Programme, Mr. Hayford said the challenge of indigenous banks collapsing due to insolvency will be nonexistent if Ghana had fewer banks. He believes "fewer banks with bigger capital bases" will always ensure "bigger and better lending." Prior to GCB taking over Capital and UT banks, there were a total of 36 banks operating in the country, with 19 of them being indigenous. Many who however believe the number was too huge have heightened calls for the Central Bank to tighten regulation by cutting down the number. In 2016, the then running mate of the flag bearer of the New Patriotic Party's, Mahamadu Bawumia had warned that eight banks in Ghana risked collapse due to the continuous increase of bad loans on their books and the fragile economy. He said these eight banks were identified to exhibit significant weaknesses with capital adequacy ratios of below 10 percent and some below 5 percent and nearing collapse so it is a real problem. Dr. Bawumia also made reference to the Bank of Ghana's first financial stability report for 2016, which revealed that bad loans on the books of commercial banks in the country increased by 14.9% to GHS4.52 billion in 2015 against the GHS2.72 billion recorded in 2014. **Source: [www.citibusiness.com](http://www.citibusiness.com)**

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**"Money should be mastered not served". - Syrus, Maxims**

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