



ECONOMY

Establishment of Fiscal and Financial Councils: The government has passed the historic Fiscal Responsibility Act towards anchoring fiscal discipline and ensuring prudent economic management. The Act establishes the Fiscal Council and the Financial Council. Amongst other responsibilities, the Fiscal Council will develop and recommend policies for the maintenance of prudent and sustainable levels of debt. The Financial Stability Council will strengthen and reinforce the stability of the financial sector, acting as an inter-institutional consultative body. Ghana is the first country in sub-Saharan Africa to establish a Fiscal Council ([Myjoyonline](#)).

Ghana hopes to increase cocoa processing locally: Ghana is hoping to take greater advantage of cocoa, which is the basis of its economy. Ghana intends to transform at least 50% of its bean production locally. A feasible prospect given the country's current capacities. According to managers in charge of the sector, Ghana can now process about 300,000 tonnes of cocoa, up 19% from the 252,000 tonnes previously processed ([Africanews](#)).

SECTORAL

Ghana resumes of export of maize, other foodstuffs: Ghana has resumed export of maize to three neighbouring countries including Burkina Faso, Ivory Coast, and Togo. This comes at the heels of similar feat in the area of plantain, with reports that several tons of the foodstuffs were being exported to countries in the sub region ([thebftonline](#)).

Ghana exports \$101.4m palm oil products: Ghana exported a total of \$101.4 million (circa 101,015 metric tons) of palm oil derivatives to 19 countries across the globe in 2017, up from \$77.7 million in 2016. Senegal emerged as the top destination for Ghana's palm oil derivatives with imports of \$57.2 million. ([DailyGuideNetwork](#)).

Cargo traffic through Ghana's ports increase by 20%: The acting Director-General of Ghana Ports and Harbours Authority, Michael Luguje has revealed that Cargo traffic through the Ports of Ghana grew by 20% in 2018 compared to same period in 2017. He indicated some of the infrastructural development projects in Tema and Takoradi will be commissioned for operations in 2019 ([Ghanaweb](#)).

Government exempts textile manufacturers from VAT: Government has taken a bold decision to exclude local textile manufacturers from paying certain taxes and VAT. Government is also planning to roll out the tax stamp on fabrics to eliminate piracy of local fabrics. An enforcement unit of the tax stamp roll out will comprise a vetting committee and a task force to arrest those dealing in pirated materials. It is expected that the tax stamp will help government's revenue generation while addressing counterfeiting ([Ghanaweb](#)).

TRADE & INVESTMENT

23rd Ghana International trade fair: The 23rd Ghana International Trade Fair is set to take place at the Trade Fair Centre La, Accra from 28th February through to 11th March, 2019. The fair is being organised under the theme: "Made in Ghana, Globally Accepted". It comes off under the auspices of the Ministry of Trade & Industry and partnered by the Ministry of Business Development, Ghana Export Promotion Authority, Rural Enterprises Programme, Ghana National Chamber of Commerce & Industry, GIPC, GICCL, and others. The fair will admit all product, goods and service from both Ghana and beyond at display. Exhibition will host generalize goods and services showcasing potentials and resources of the Ghanaian SMEs.

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MARKETS

Interest Rates

Inflation Rate (Nov 2018): **9.3%**
BoG Policy Rate (Nov 2018): **17.0%**

Treasury Securities Rates

91 Day: **14.5963%**
182 Day: **15.0446%**
Source: [BoG - 07.01.19](#)

Foreign Exchange Rates

	Buy	Sell
Pound Sterling (£):	GH¢6.1810	GH¢6.1892
Dollar (US\$)	GH¢4.8475	GH¢4.8524
Euro (€)	GH¢5.5846	GH¢5.5895

Source: [BoG - 11.01.19](#)

Mutual Funds - Yields

TTL Income Haven:	+24.98% (07.01.19)
Richie Rich:	+24.81% (15.11.2018)
Galaxy Mfund:	+18.87% (10.12.18)
EDC Fixed Income:	+16.85% (31.12.18)
First Fund:	+16.32% (10.01.09)
Republic Unit:	+15.22% (31.12.18)
SEM MoneyPlus:	+15.01% (31.12.18)

Source: [Doobia](#)

POLICY

BoG Recapitalization Exercise: In September 2017, the Bank of Ghana raised the minimum capital requirement for banks from GH¢120 million to GH¢400 million. It follows the argument that a strong banking sector is needed to boost economic growth by attracting foreign direct investment and increasing business confidence. The exercise was therefore undertaken in response to the growth in the economy in recent times and its associated financial demands. Consequently, 23 banks were recapitalised with five indigenous banks set to receive rescue package via a special purpose vehicle, the Ghana Amalgamated Trust (GAT). The objective of the GAT is to raise funds from the private sector mainly pension funds to support eligible indigenous banks based on the set criteria.

The Chamber finds this encouraging and commendable, however government needs to come clear regarding the committing of pension funds in the absence of adequate consultation with stakeholders. It is instructive for state institutions to abide by the law and regulations surrounding the management of pensions in Ghana. This will help win public confidence in the GAT.

INTERNATIONAL

Global economy to slow 2.9% in 2019:

Global economic growth is projected to ease off from a revised 3 percent in 2018 to 2.9 percent in 2019 amid rising downside risks to global activity. The outlook shows that international trade and investment are softening while trade tensions remain elevated, and financial conditions are tightening ([TheWorldBank](#)).