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LOCAL NEWS



HFC OPENS ADJIRINGANOR BRANCH

HFC Bank has opened a new branch at Adjiringanor in Accra in a bid to bring its operations to the door step of existing and prospective customers. The Managing Director of HFC Bank, Mr Robert Le Hunte, at the opening ceremony said the branch’s inauguration formed part of the new focus of HFC Bank, “which is to build modern branches at locations which cater for the needs of our customers”. Mr Nigel Baptiste, the President of the Republic Financial Holdings Limited, Trinidad and Tobago, who was the guest of honour, said Republic Bank’s ultimate goal is to keep HFC Bank at the forefront of the financial sector in Ghana and on the continent.

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HFC & GLOBAL COMMUNITIES LURE YOUTH

HFC Bank has partnered Global Communities, a non-governmental organization, to launch a savings product aimed at enticing the youth into the construction business. The product, dubbed “Boafo Ye Na Youth in Construction Savings and Loans”, forms part of a five-year Youth Inclusive Entrepreneurial Development Initiative for Employment (YIEDIE) programme designed for out-of-school youth in construction between the ages of 17 and 24. The product is intended to help the youth save part of their income from their businesses to cater for their training or work needs and to support their families. [Click to read full story](#)

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FEBRUARY INFLATION DECLINES

Inflation for the month of February 2016 declined marginally from the 19% recorded in January 2016 to 18.5%. The food and non-alcoholic beverages group recorded a year-on-year inflation rate of 8.3%, an increase from the 8.2% recorded in January 2016. The non-food group recorded a year-on-year inflation rate of 24.5% in February 2016, compared to the 25.5% recorded in January 2016. At the regional level, the Greater Accra Region recorded the highest inflation of 22.0% whereas the Upper East Region recorded the lowest rate of 13.8%.

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BANKING SECTOR REGISTERS NEGATIVE GROWTH

The Ghanaian banking industry recorded declines in growth in the year 2015 signalling a difficult financial year, according to the latest Bank of Ghana’s (BoG) Financial Stability Report. According to the report, growth in the sector’s income before tax registered a negative growth over the period from 34.9% in December 2014 to -5.4% in December 2015. Similarly, the industry’s net profit after tax contracted by 10.5% in December 2015 compared with a growth of 35.5% in December 2014. [Click to read full BoG Financial Stability Report](#)

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BARCLAYS STILL PROFITABLE

Barclays Bank Ghana has assured its clients that the move by Barclays Plc. to offload its stake in Barclays Africa will not affect the fortunes of the bank in the country. Addressing a news conference in Accra earlier this month, Madam Patience Akyianu, Managing Director of Barclays Bank Ghana, allayed trepidations with regards to the safety of customers’ funds. Madam Akyianu further indicated that Barclays Ghana is a profitable business that is well capitalised and highly liquid. [Click to read full story](#)



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BANKS' T-BILL DEALINGS INCREASES

Last year, commercial banks invested about GH¢11.27 billion into Treasury Bills (T-Bills), representing an estimated 33% increase compared to the previous year. The surge in preference for T-Bills by commercial banks marks the highest investment in government bills recorded in 10 years. [Click to read full story](#)

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CAL AND PRUDENTIAL SIGN MOU

CAL Bank has signed a memorandum of understanding with Prudential Life Insurance to enable the bank sell the company's insurance products in the bank's branches across the country. The Executive Director of CAL Bank, Mr Philip Owiredu, noted that the bank would make its electronic channels available as an option for promotion of the insurance products and to also facilitate the payment of premiums. [Click to read full story](#)

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UMB RECOGNIZED FOR GENDER SENSITIVITY

The Universal Merchant Bank (UMB) has received the Gender Sensitivity in Branch Management Award 2015 at the 3rd National Women in Finance Awards held in Accra. The award was in recognition of UMB's strategy of ensuring that an equitable number of its female employees occupy leadership positions at the branch management level. The Women in Finance Awards recognizes women finance professionals who have distinguished themselves in their careers, as well as organizations that have consistently championed the cause of women in the finance industry. *B&FT (March 8, 2016) Page 60.*

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ADB WINS AWARD IN AGRI-FINANCE

Agricultural Development Bank (adb) has been adjudged the best bank in Agri-Finance in Ghana for the year 2015 by Banker Africa. Commenting on the award, the Head of Agricultural Finance at adb, Ms Sylvia Nyante, stated that the award was an endorsement of the Bank's commitment to investing in the agricultural sector of the country. The Annual Banker Africa Award is a continent-wide assessment open to all banks and financial institutions in Africa with the aim of recognising outstanding performance and excellence in the financial services industry. [Click to read full story](#)

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SIC NOT ISSUING CREDIT GUARANTEES

SIC Insurance Company Limited has said that it will no longer issue credit guarantees to any business as the practice in the past years almost led to the collapse of the firm. SIC currently owes Ivory Finance over GH¢200 million after a guarantee of GH¢14 million issued to a construction firm, ITAL, went bad. SIC is the nation's largest insurer. [Click to read full story](#)

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EXCHANGE RATES

The cedi recorded a week-on-week appreciation of 0.35% against the dollar. It however depreciated by 0.73% and 0.87% against the pound sterling and the euro respectively.

	4-Mar-16	11-Mar-16	W-o-W Change	
Currency	(GH¢)	(GH¢)	%	YTD%
US Dollar (USD)	3.8593	3.8458	0.35	(1.68)
Pound Sterling (GBP)	5.4734	5.5135	(0.73)	1.00
EURO (EUR)	4.2448	4.2822	(0.87)	(4.46)

Source: BoG (Calculations based on interbank mid-rates)

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INTEREST RATES

The 91-Day bill decreased week-on-week by 10 bps to 22.51%, whereas the 182-Day bill increased week-on-week by 10 bps to 24.65%. The rate for the 1 Year Note and the 5 Year GoG bond within the week was 23.00% and 24.75% respectively.

Instrument	4-Mar-16 (p.a,%)	11-Mar-16 (p.a,%)	W-o-W Change (basis points)
91 day	22.61	22.51	(10)
182 day	24.54	24.65	10
1 year	-	23.00	-
5 year	-	24.75	-

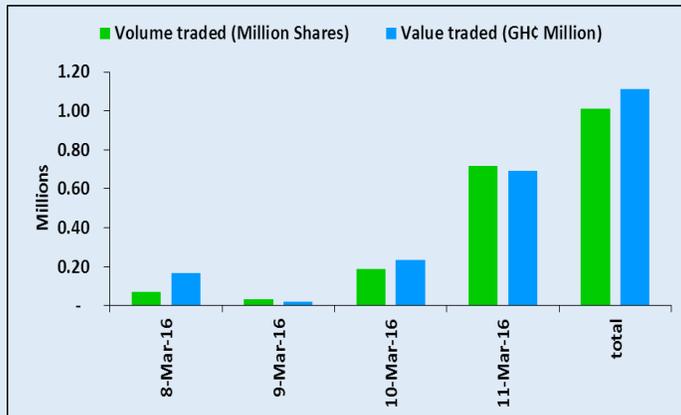
Source: BoG

STOCK MARKET

Week-on-week analysis of trading activities on the GSE indicated MLC as the highest gainer with a w/w gain of 33.33%, whereas CPC emerged as the highest loser with a w/w loss of 50.00%. The Composite Index (CI) and Financial Stocks Index (FSI) recorded year-to-date change of -2.03% and -2.42% respectively. The aggregate volume of shares traded increased by 54.67% w/w to 1 million whereas total value of shares traded decreased by 24.80% w/w to GH¢1.1 million.

		Week Close		
		11-Mar-16	W-o-W %	YTD%
Market Cap (GH¢m)	↓	55,828.35	-0.87	-2.25
Value Traded (GH¢)*	↓	1,113,852.91	-24.80	
Volume Traded*	↑	1,013,011.00	54.67	
GSE Composite Index	↓	1,954.49	-0.83	-2.03
GSE Financial Stocks Index	↓	1,883.32	-1.24	-2.42

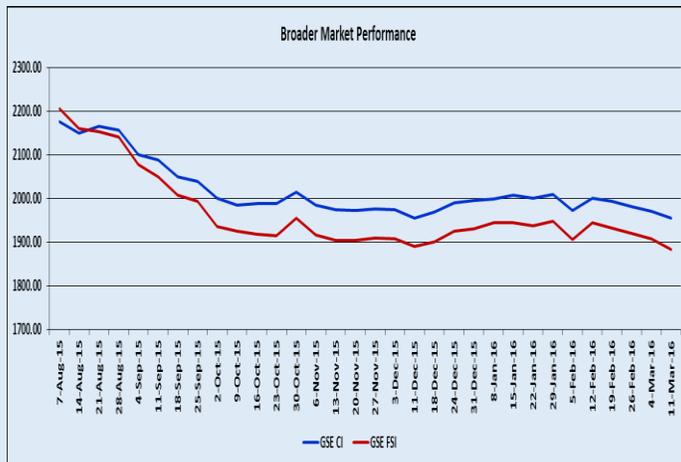
*Total value traded and total volume traded within the week



Top 5 Gainers		Week Close		
		11-Mar-16	Week-on-Week %	YTD%
MLC	↑	0.20	33.33%	5.3%
SIC	↑	0.18	28.57%	28.6%
HFC	↑	1.00	28.21%	11.1%
BOPP	↑	3.13	25.20%	25.2%
CAL	↑	1.00	16.28%	0.0%

Top 5 Losers		Week Close		
		11-Mar-16	Week-on-Week %	YTD%
CPC	↓	0.01	-50.00%	-50.0%
GWEB	↓	0.01	-50.00%	0.0%
ALW	↓	0.07	-41.67%	-50.0%
SPL	↓	0.02	-33.33%	-50.0%
AYRTN	↓	0.13	-27.78%	-27.8%

Source: GSE



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INVESTMENT FUNDS

HFC Equity Trust, Future Plan Trust, Unit Trust and REIT recorded week-on-week gains of GH¢0.0008, GH¢0.0088, GH¢0.0011 and GH¢0.0066 respectively.

Investment Product	3-Mar-16 (GH¢)	10-Mar-16 (GH¢)	W-o-W Change (GH¢)	YTD/Yield*(%)
HFC Equity Trust	0.5033	0.5041	0.0008	2.11
HFC Future Plan Trust	1.7201	1.7289	0.0088	4.07
HFC Unit Trust (Bid)	0.3516	0.3527	0.0011	*24.45
HFC REIT (Bid)	2.4470	2.4536	0.0066	*14.95

Source: HFC ISL

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FOREIGN NEWS



WORLD AT RISK OF ECONOMIC DERAILMENT

The International Monetary Fund (IMF) has warned that the global economy faces a growing “risk of economic derailment” and must take steps to boost global demand. The comments come after weaker-than-expected trade figures from China indicated that exports plunged by a quarter from a year ago. The IMF says it is likely to downgrade its current forecast of 3.4% for global growth this year. [Click to read full story](#)

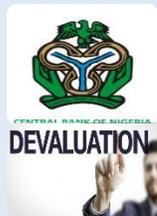
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CBE LIFTS CAPS

In a move intended to increase liquidity in the market, the Central Bank of Egypt (CBE) has removed caps on foreign exchange deposits and withdrawals for companies, as well as limits on how much individuals can withdraw or deposit in foreign currencies at banks. Last year, the CBE capped the amount that could be deposited in banks at \$50,000 a month. It also set a \$10,000 a day limit on withdrawals for individuals and a \$30,000 a day limit for corporate withdrawals. Egypt has been struggling to revive its economy since a 2011 uprising drove away foreign investors and tourists which were its major sources of hard currency. The country’s foreign reserves has tumbled from \$36 billion in 2011 to \$16.5 billion in February 2016. [Click to read full story](#)

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POLICYMAKER ADVISES CBN

Adedoyin Salami, a member of Nigeria’s central bank Monetary Policy Committee (MPC) has said the naira, which is currently 10% over-valued, should be devalued and allowed to trade within a band, saying that the fixed exchange rate would not work alongside a planned rise in government borrowing. Nigeria faces its worst economic crisis for decades as the falling price of oil has slashed revenues, prompting the Central Bank of Nigeria (CBN) to peg the currency and introduce curbs to conserve foreign exchange reserves which have fallen to a more than 11-year low. [Click to read full story](#)

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FITCH UPGRADES ACCESS BANK’S CREDIT RATING

Access Bank Plc. has received an upgrade in its long-term ratings to “A” from “A-” with a stable outlook by Fitch Ratings. Fitch upgrade of the Bank reflects the improvement in its creditworthiness over time relative to peers and to the best credits in Nigeria. According to the ratings agency, banks will continue to face multiple threats in the course of 2016, particularly from tight foreign currency liquidity, worsening asset quality and pressure on regulatory capital ratios. [Click to read full story](#)

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Bank of America



BIG US BANKS ADOPT INSTANT PAYMENTS

Depositors at some of the largest U.S. banks are finally going to get the chance to send money to another person's account instantaneously via mobile phone. Big banks including JPMorgan Chase & Co, Bank of America Corp, Wells Fargo & Co and U.S. Bancorp are starting to plug into a system they jointly own, called clearXchange, which will allow each other's customers to transfer money in a flash when they split a dinner check, rent payment or vacation bill. While technology companies are already offering flashy payment apps that appeal to young consumers, the banking industry has a crucial advantage because it controls how quickly money actually moves between bank accounts. [Click to read full story](#)

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FIRSTRAND



FIRSTRAND FAVOURS DEVELOPED MARKETS

South Africa's biggest lender by market value FirstRand Limited is looking for growth in developed economies in a strategic revamp prompted by slowing growth and rising risks elsewhere in Africa. The Bank, which operates in Tanzania, Nigeria, Zambia and Botswana among other African countries, is the latest company to cast doubt on the continent's prospects. [Click to read full story](#)

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EUROPEAN CENTRAL BANK
EUROSISTEM



ECB REVEALS SURPRISE STIMULUS MOVES

The European Central Bank (ECB) has cut its main interest rate to 0% from 0.05% as part of a package of measures intended to revive the eurozone economy. The ECB plans on expanding its quantitative easing programme from €60 billion to €80 billion a month. The programme will now include the purchase of corporate bonds as well as government debt. In an effort to encourage banks to lend more rather than hoard cash, the central bank has also decided to cut the bank deposit rate further, from -0.3% to -0.4%. [Click to read full story](#)

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SOCIETE GENERALE TO CUT JOBS

French bank Societe General says it would shed 550 jobs over five years as part of consolidation of its 20 French client treatment centres into 15 sites. According to the Bank the cut, which is part of strategies to cut costs at its retail network and increase investments in digital banking, will not rely on mandatory redundancies.

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EXIM BANK TAKES OVER IMPERIAL BANK

EXIM Bank Tanzania has entered the Ugandan banking sector by taking full charge of Imperial Bank, now called EXIM Bank Uganda. Bank of Uganda recently sold 58.6% ordinary shares of Imperial Bank Uganda Limited, formerly held by Imperial Bank Kenya Limited, to EXIM Bank Tanzania Limited. EXIM Bank Tanzania is the largest indigenous bank and the 5th among the 58 banks operating in Tanzania with over 300,000 customers and 700 employees. [Click to read full story](#)

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Google Analytics

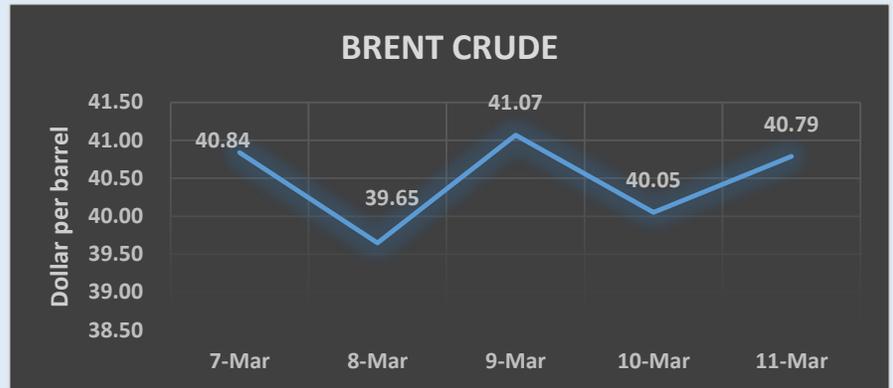
LLOYDS ON GOOGLE ANALYTICS

Google and Lloyds Banking Group are working together on an analytics project to analyse customer behaviour. The project, which will take advantage of Google's analytics platform and tools such as Google Big Query, Data Flow and Big Table, is to aid the banking group test the non-personal behaviour of its customers. The goal of the project to help Lloyds Banking Group to better understand customer needs and to provide real-time services. [Click to read full story](#)

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BRENT CRUDE PRICE

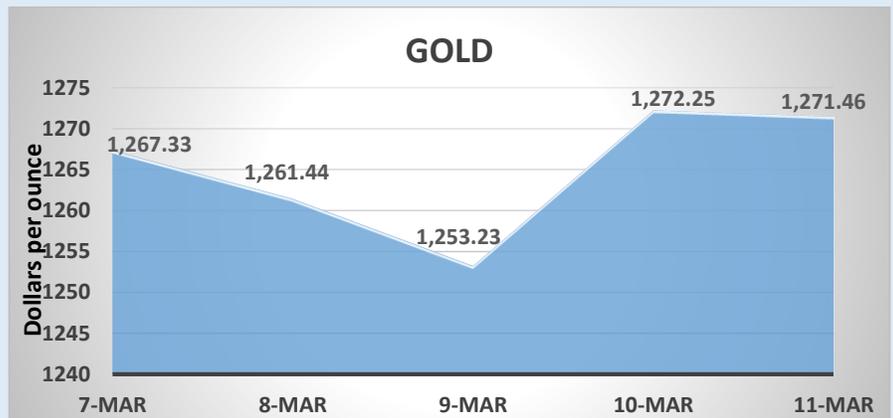
Brent crude price decreased from \$40.84 per barrel to \$40.79 per barrel by close of week. Price change for the week was -0.12%. The commodity recorded a year-to-date increase of 9.59%.



Source: Bloomberg

WORLD GOLD PRICE

The price of gold, this week, increased from \$1,267.33 an ounce to \$1,271.46 an ounce. Price change for the week was 0.33%. Gold recorded a year-to-date gain of 18.32%.



Source: Bloomberg

WORLD COCOA PRICE

During the week, the price of cocoa increased from \$3,010.00 per tonne to \$3,058.00 per tonne. Price change for the week was 1.59%. The commodity recorded a year-to-date loss of 2.11%.



Source: Bloomberg

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