

**What's inside**

**LOCAL NEWS**

1.	BOG DEFENDS NEW FX RULE .....	2
2.	CAL BANK TO HALT BRANCH NETWORKS.....	2
3.	PRUDENTIAL BANK LAUNCHES NEW PRODUCT .....	2
4.	ACCESS BANK PARTNERS WAPIC & GHANA LIFE ...	2
5.	GCB EXPANDS TO EAST LEGON.....	2
6.	OROH APPOINTED AS MD OF ZENITH BANK .....	2
7.	FBN APPOINTS NEW MD .....	2
8.	SEC GIVES ADB GREEN LIGHT FOR IPO .....	3
9.	GTBANK WINS AWARDS.....	3
10.	FIRST ATLANTIC BANK COMMENDS POLICE.....	3
11.	EXCHANGE RATES .....	3
12.	INTEREST RATES .....	4
13.	STOCK MARKET .....	4
14.	INVESTMENT FUNDS.....	5

**FOREIGN NEWS**

15.	CITIGROUP TO PAY \$425 MILLION .....	5
16.	STANDARD BANK HIT BY ATM HEIST IN JAPAN .....	5
17.	WELLS FARGO FINED \$70 MILLION .....	5
18.	GTBANK LAUNCHES FINGERPRINT RECOGNITION .	5
19.	BSI SINGAPORE SHUTS DOWN.....	6
20.	SWIFT UNVEILS NEW SECURITY PLAN .....	6
21.	BANK OF MONTREAL CUTS JOBS .....	6
22.	EUROPEAN BANKS WILL STRUGGLE.....	6
23.	ECOBANK & OLD MUTUAL ENHANCE AGREEMENT	6
24.	LOAN DEFAULTS SPIKE AT GULF BANKS.....	6
25.	BRENT CRUDE PRICE .....	7
26.	WORLD GOLD PRICE .....	7
27.	WORLD COCOA PRICE.....	7



## LOCAL NEWS

### BOG DEFENDS NEW FX RULE



The Bank of Ghana (BoG) has defended its decision to allow mining companies to surrender all their foreign exchange (FX) directly to the banks, explaining that such a move would help improve liquidity while boosting forex trading in the country. The new measure would ensure that mining companies no longer surrender 20% to 25% of their earnings (mostly in hard currencies) to the BoG. Instead, they would be allowed to sell all their earning directly to the commercial banks. [Click to read full story](#)

[Top](#)

### CAL BANK TO HALT BRANCH NETWORKS



The Managing Director of CAL Bank, Frank Adu Jnr., has hinted of plans by management to discontinue its expansive branch network as the bank steps up its branchless banking strategy. He said the bank's decision is to strategically capitalize more on "digitalisation", as it has become more expensive to open and operate physical branches. CAL Bank so far has 25 branches in the country. [Click to read full story](#)

[Top](#)

### PRUDENTIAL BANK LAUNCHES NEW PRODUCT



Prudential Bank has launched a mobile banking platform known as mobiWise. The platform offers services such as local money transfer, mobile money, third-party payments and cardless transactions.

*B&FT (May 23, 2016) Page 25*

[Top](#)

### ACCESS BANK PARTNERS WAPIC & GHANA LIFE



In line with its strategy to build capacity in retail banking, Access Bank has partnered Wapic and Ghana Life Insurance Company to launch innovative insurance products. The partnership will see Access Bank promote the sale of both general and life insurance products and services in all its 45 locations across the country.

*Daily Graphic (May 23, 2016) Page 85*

[Top](#)

### GCB EXPANDS TO EAST LEGON



GCB Bank has opened its 159<sup>th</sup> branch at Adjiringanor in the East Legon area of the Greater Accra Region. Speaking at the opening ceremony, the Acting Managing Director of GCB, Samuel Sarpong, said the new branch is part of a rebranding programme to make GCB a world-class bank. Mr. Sarpong also added that the new branch aims at bringing modern banking services to the doorsteps of consumers. *B&FT (May 24, 2016) Page 28*

[Top](#)

### OROH APPOINTED AS MD OF ZENITH BANK



Zenith Bank Ghana has announced the appointment of Henry Oroh as the new Managing Director of the Bank with effect from May 20, 2016. *B&FT (May 26, 2016) Page 1&4*

[Top](#)

### FBN APPOINTS NEW MD



FBN Ghana, a subsidiary of First Bank of Nigeria Limited, has announced the appointment of Mr. Gbenga Odeyemi as its new Managing Director effective May 16, 2016. Mr. Odeyemi succeeds Mr. Seyi Oyefeso, who is now the Group Executive, Commercial Banking, First Bank of Nigeria Limited. [Click to read full story](#)

[Top](#)



## SEC GIVES ADB GREEN LIGHT FOR IPO

The Securities and Exchange Commission (SEC) has given the green light for adb (Agricultural Development Bank) to go ahead with its public listing. The SEC in a statement signed by its Director General, Dr. Adu Antwi, said the move followed the decision by the bank to withdraw an earlier petition it filed with the Commission concerning the returns of the IPO, which the Board of adb decided not to approve. [Click to read full story](#)

[Top](#)

## GTBANK WINS AWARDS



Guaranty Trust Bank (GTBank) has been adjudged the “Technology Advanced Bank of the Year” for the third consecutive year at the just-ended Ghana Information Technology and Telecom Awards 2016 in Accra. GTBank was also adjudged “E-Banking Service of the Year” in recognition of its commitment and reliable electronic banking solutions. In the Technology Advanced Bank of the Year 2016 category, the Bank emerged winner among a list of five nominated banks that included Zenith Bank, Stanbic Bank, Fidelity Bank and Ecobank. The nominees for the E-Banking Service of the Year 2016 category included Unibank, GCB Bank, Stanbic Bank and Barclays Bank. *B&FT (May 24, 2016) Page 1&4*

[Top](#)

## FIRST ATLANTIC BANK COMMENDS POLICE



The Managing Director of First Atlantic Bank, Mr. Gabriel Edgal, has lauded personnel of the Ghana Police Service for their timely intervention in an armed-robbery attack on two customers of the bank on May 17, 2016. The customers were attacked by armed robbers a few minutes after leaving the bank’s premises. The attack resulted in a scuffle and gunshots which alerted police personnel at the bank’s premises as well as other police personnel within the Ridge Banking enclave, who immediately intervened to foil the robbery attack.

*B&FT (May 23, 2016) Page 48*

[Top](#)

## EXCHANGE RATES

The cedi recorded week-on-week depreciation of 0.26% and 0.87% against the dollar and the pound sterling respectively. It however recorded week-on-week appreciation of 0.49% against the euro.

Currency	20-May-16	27-May-16	W-o-W Change	
	(GH¢)	(GH¢)	%	YTD%
US Dollar (USD)	3.8238	3.8337	-0.26%	-1.36%
Pound Sterling (GBP)	5.5571	5.6057	-0.87%	-0.66%
EURO (EUR)	4.2869	4.2661	0.49%	-4.07%

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

[Top](#)

## INTEREST RATES

The 91-Day bill increased week-on-week by 2 bps to 22.80%, whereas the 182-Day bill also increased week-on week by 11 bps to 24.65%.

	20-May-16	27-May-16	W-o-W Change
Instrument	(p.a,%)	(p.a,%)	(basis points)
91 day	22.78	22.80	2
182 day	24.54	24.65	11
1 year	24.54	-	-

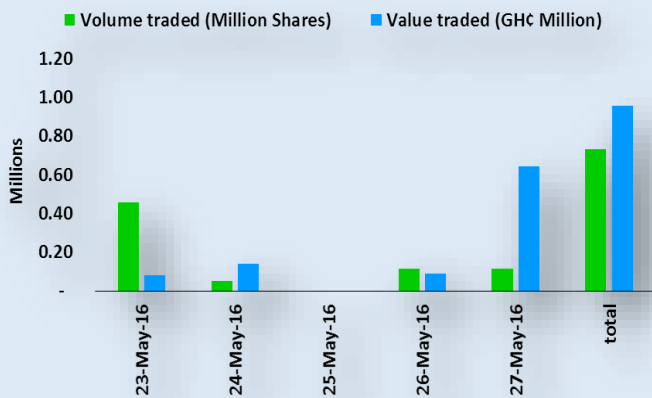
Source: BoG

## STOCK MARKET

Week-on-week analysis of trading activities on the GSE revealed two gainers and six losers. SCB emerged as the highest gainer with a w/w gain of 5.80%. Whereas SIC emerged as the highest loser with a w/w loss of 6.67%. The Composite Index (CI) and Financial Stocks Index (FSI) recorded year-to-date change of -11.12% and -13.25% respectively. The aggregate volume of shares traded decreased by 87.06% w/w to 733 thousand whereas total value of shares traded also decreased by 91.15% w/w to GH¢957 thousand.

		Week Close		
		27-May-16	W-o-W %	YTD%
Market Cap (GH¢m)	↓	54,326.15	-0.04%	-4.88%
Value Traded (GH¢)*	↓	957,972.07	-91.15%	
Volume Traded*	↓	733,592.00	-87.06%	
GSE Composite Index	↓	1,773.14	-0.22%	-11.12%
GSE Financial Stocks Index	↓	1,674.24	-0.05%	-13.25%

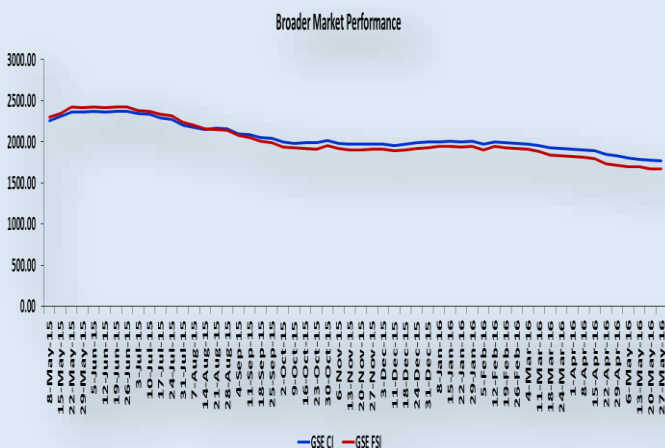
\*Total value traded and total volume traded within the week



		Week Close		
Top Gainers		27-May-16	Week-on-Week %	YTD%
SCB	↑	14.97	5.80%	-8.2%
FML	↑	7.35	0.68%	0.0%

		Week Close		
Top Losers		27-May-16	Week-on-Week %	YTD%
SIC	↓	0.14	-6.67%	0.0%
TOTAL	↓	4.08	-4.90%	-20.0%
EGH	↓	6.38	-4.35%	-9.0%
CAL	↓	0.79	-1.25%	-21.0%
GCB	↓	3.02	-0.66%	-20.3%
UNIL	↓	8.47	-0.12%	-0.4%

Source: GSE



[Top](#)

## INVESTMENT FUNDS

HFC Future Plan Trust, Unit Trust and REIT recorded week-on-week gains of GH¢0.0045, GH¢0.0012 and GH¢0.0076 respectively. Whereas Equity Trust recorded week-on-week loss of GH¢0.0006.

	19-May-16	26-May-16	W-o-W Change	
Investment Product	(GH¢)	(GH¢)	(GH¢)	YTD/Yield*(%)
HFC Equity Trust	0.4946	0.4940	-0.0006	0.06%
HFC Future Plan Trust	1.7722	1.7767	0.0045	6.95%
HFC Unit Trust (Bid)	0.3688	0.3700	0.0012	*24.40%
HFC REIT (Bid)	2.5263	2.5339	0.0076	*15.48%

Source: HFC ISL

[Top](#)



## FOREIGN NEWS

### CITIGROUP TO PAY \$425 MILLION

Citigroup Inc. has agreed to pay \$425 million to resolve civil charges by the Commodities Futures Trading Commission (CFTC) for attempting to manipulate foreign exchange and interest rate benchmarks. The CFTC has imposed more than \$5 billion in penalties in 17 actions against banks and brokers for manipulating benchmarks for interest rates and foreign exchange. [Click to read full story](#)

[Top](#)

### STANDARD BANK HIT BY ATM HEIST IN JAPAN

South Africa's central bank has cautioned lenders to be vigilant after criminals in Japan stole millions of dollars from automatic teller machines using fake credit cards from South Africa's Standard Bank. The criminal gang made 14,000 withdrawals in just three hours from bank machines at 7-Eleven convenience stores across Japan on May 15, withdrawing 1.4 billion yen (\$13 million). The Deputy Governor of the South African Reserve Bank, Kuben Naidoo, has confirmed that Standard Bank would shoulder the losses. [Click to read full story](#)

[Top](#)

### WELLS FARGO FINED \$70 MILLION

The U.S. Comptroller of the Currency has fined Wells Fargo Bank \$70 million for mortgage servicing malpractices. According to the Comptroller, Wells Fargo made escrow calculation errors between March 2013 and October 2014 which in some cases led to incorrect loan modification denials and "constituted unsafe or unsound banking practices". The regulator also discovered that the Bank failed to correct deficiencies in a timely fashion and filed payment change notices in bankruptcy courts that did not comply with bankruptcy rules. [Click to read full story](#)


[Top](#)

### GTBANK LAUNCHES FINGERPRINT RECOGNITION

Guaranty Trust Bank (GTBank) Kenya has launched an upgraded version of the bank's mobile app with the introduction of fingerprint recognition. The fingerprint recognition will enable customers to log onto their accounts by identifying their individual fingerprints through the Touch ID on iOS devices. According to the Bank, the fingerprint recognition brings added security on the mobile banking platform. [Click to read full story](#)

[Top](#)

## BSI SINGAPORE SHUTS DOWN



The Monetary Authority of Singapore has announced that it is shutting down Swiss bank BSI's business for "serious breaches of anti-money laundering requirements" and "gross misconduct" by some staff. Details from a probe revealed that BSI routinely failed to carry out required background checks on deposits and accepted a substantial sum of money from a client as gift, among others. [Click to read full story](#)

[Top](#)


## SWIFT UNVEILS NEW SECURITY PLAN



The SWIFT secure messaging service that underpins international banking said it plans to launch a new security programme as it fights to rebuild its reputation in the wake of the Bangladesh Bank heist. SWIFT plans on providing tighter guidelines that auditors and regulators can use to assess whether bank's SWIFT security procedures are good enough. The global financial messaging services provider has also advised banks to drastically improve information sharing, to toughen up security procedures around SWIFT and to increase their use of software that can spot fraudulent payments. [Click to read full story](#)

[Top](#)


## BANK OF MONTREAL CUTS JOBS



Bank of Montreal (Canada's fourth largest bank) will shed around 4% of its 46,000 workforce as part of a drive to cut costs. The Chief Executive Officer of the Bank, Bill Downe, said the move was a response to changing customer behaviour and the advent of new digital technologies. Banks around the world are cutting branches and staff and investing in technology as more customers bank online rather than visit a branch. [Click to read full story](#)

[Top](#)


## EUROPEAN BANKS WILL STRUGGLE



European banks are likely to struggle to make profits in months ahead and may need to cut costs, merge or change their business strategies to return to solid health, according to the European Central Bank (ECB). In its review of financial stability in the currency union, the ECB noted that although the region's banking system had weathered volatility in markets at the start of the year, banks continue to be confronted with an outlook of low profitability, weighed down by low interest rates, a tepid recovery in the euro countries, and by large numbers of bad loans in some countries. [Click to read full story](#)

[Top](#)


## ECOBANK & OLD MUTUAL ENHANCE AGREEMENT



Ecobank Transnational Incorporated and Old Mutual Emerging Markets (OMEM) have announced an enhanced strategic agreement that will strengthen existing ties between the leading pan-African bank and the insurance and asset management giant. OMEM currently has a bancassurance partnership with Ecobank Group. This latest agreement will grow the existing strategic alliance by offering seamless insurance services to Ecobank clients across selected countries where the two groups have operations. **B&FT (May 23, 2016) Page 48**

[Top](#)

## LOAN DEFAULTS SPIKE AT GULF BANKS

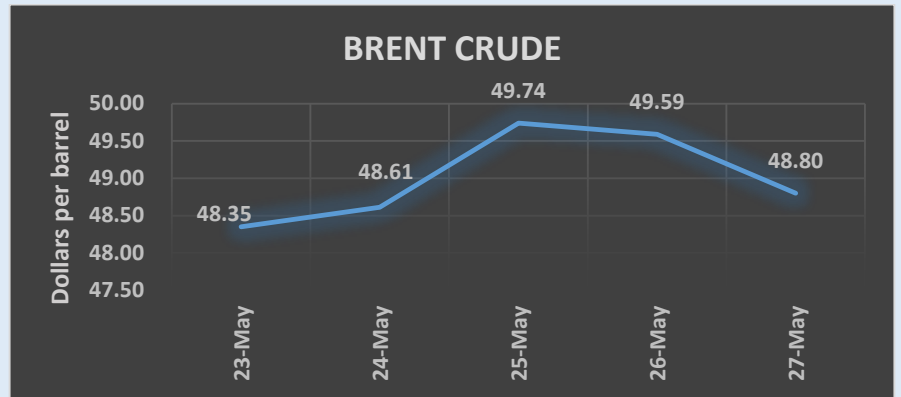


More than two-thirds of Gulf banks reported an increase in unpaid loans in the first three months of the year and more defaults are likely as oil-dependent governments slash spending to adjust to lower crude prices. Out of 26 regional banks, 69% reported a rise in the percentage of non-performing loans and analysts and bankers expect that to climb further due to lower government and consumer spending. [Click to read full story](#)

[Top](#)

## BRENT CRUDE PRICE

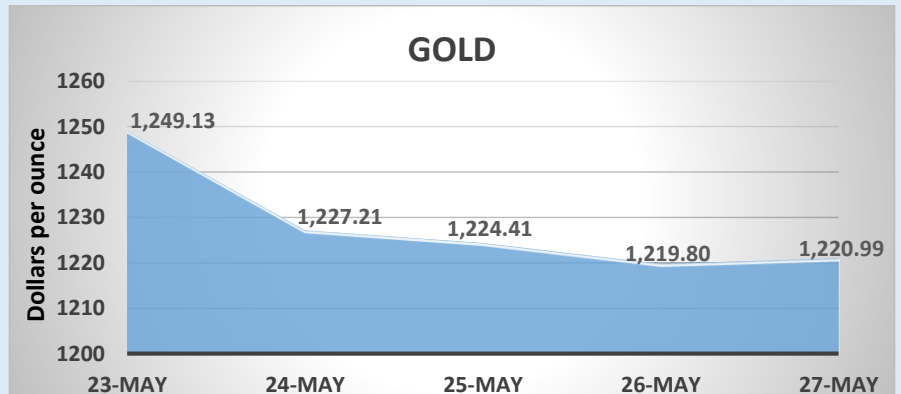
Brent crude price increased from \$48.35 per barrel to \$48.80 per barrel by close of week. Price change for the week was 0.93%. The commodity recorded a year-to-date increase of 31.11%.



Source: Bloomberg (The last day figure is taken at midday)

## WORLD GOLD PRICE

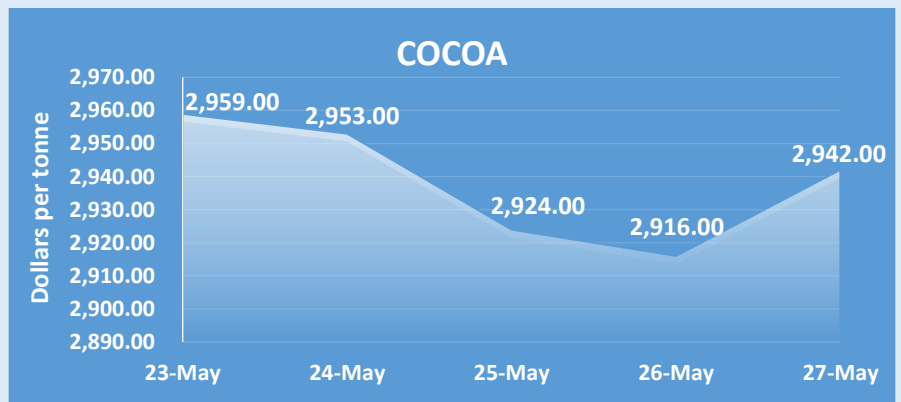
The price of gold, this week, decreased from \$1,249.13 an ounce to \$1,220.99 an ounce. Price change for the week was -2.25%. Gold recorded a year-to-date gain of 13.62%.



Source: Bloomberg (The last day figure is taken at midday)

## WORLD COCOA PRICE

During the week, the price of cocoa decreased from \$2,959.00 per tonne to \$2,942.00 per tonne. Price change for the week was -0.57%. The commodity recorded a year-to-date loss of -5.83%.



Source: Bloomberg (The last day figure is taken at midday)

[Top](#)

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