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SEC NEWS

3RD QUARTER NEWSLETTER



"ENSURING INVESTOR PROTECTION"

**A SMART INVESTOR VERIFIES THAT AN
INVESTMENT PROFESSIONAL IS LICENSED**

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PUBLIC ADVICE

3Ds of the Capital Market

- Don't lie
- Disclose fully
- Deal fairly

Members of the general public are advised to use the Commission's Toll Free Line 080010065 or Main Line 030768970-2 to contact the Commission on any issue they may have relating to the securities market and investments, including:

- Seeking general information about the securities market and products.
- Seeking information about licensed capital market operators.
- Reporting persons suspected to be operating in the securities market without a license.
- Reporting fraudulent investment schemes (e.g. ponzi schemes).
- Reporting fraudulent activities of capital market operators.
- Making complaints against capital market operators.



This quarter has been quite eventful.

On 31st August 2017, staff of SEC were informed that the Board was to be inaugurated on the 4th of September, 2017. This news was received amidst sighs of relief and joy – the SEC had been without a substantive Director-General and a Board of Commissioners for over eight months. The reconstituted Board did not include the two Deputy Directors-General, Mr.

Alexander Williams and Mr. Lawrence Yirenkyi-Boafo. Credit to the out-going and incoming executive teams for a smooth transition.

The Commission is under new management. We currently have a 10-member Board chaired by Dr. Yeboah Amoah with Rev. Daniel Ogbarmey Tetteh as the Director-General and Mr. Paul Ababio, the Deputy Director-General. Some plans and areas of focus shared with staff during their first four weeks in office look promising and apt to put the SEC on a good footing to be a world recognised regulator.

In this edition, the new Board will

be introduced and of course, the regular columns and other articles will be featured.

Change is often uncomfortable, perhaps even painful at times, but change is good. It is difficult to fathom what benefits lie on the other side of change unless we are willing to embrace it.

Enjoy this edition of the SEC Newsletter.

Members of the Editorial Committee

- Andy Anim
- Dorothy Yeboah-Asiamah
- Frank Biney Donkor
- Lilian Danso Affum
- Marian Afriye-Opoku
- Naomi Simpson
- Paul Mba Yelzaalem

Send your comments to editorial@sec.gov.gh

SPECIAL FEATURE



World Investor Week (WIW) is a week-long, global campaign promoted by IOSCO to raise awareness about the importance of investor education and protection and to highlight the various initiatives of securities regulators. The week was used to promote the said objectives which began with a launch on 3rd October, 2017 and ended on 6th October, 2017. The Securities and Exchange Commission together with other stakeholders in Ghana participated in the week-long celebration.

As part of the celebration, the Securities and Exchange Commission organised a seminar for investors/shareholders, the general public and institutions within the capital market. The theme for the seminar was “The Right of the Retail Investor”.

The activities for the celebration took various forms such as radio and television appearances by staff of the Commission to educate the general public on the rights of the retail investor.

The theme for the week-long activities was deemed appropriate in the light of the recent unfortunate development regarding two of the local banks one of which was listed on the Ghana Stock Exchange.

Delivering his welcome address during the seminar, the Director-General of the Securities and Exchange Commission, Rev. Daniel Ogbarmey Tetteh said that the Commission which is the apex regulator of the securities industry in Ghana subscribes to IOSCO’s core principles of securities regulation of protecting investors, ensuring fair, efficient and transparent market, and

the reduction of systemic risk. Rev Ogbarmey Tetteh stated that the Commission is committed to ensuring that investors/shareholders/shareowners know their rights through public education and awareness. He went on to say that the Securities Industry Act 2016, (Act 929) empowers the Commission to ensure that investors are protected from misleading, manipulative or fraudulent practices of listed companies and market operators.

According to Rev. Ogbarmey Tetteh, through good corporate governance practices and shareholder activism, viable entities would be maintained and shareholders interest safeguarded. He encouraged the public and retail investors to take keen interest in whatever goes on in the capital market and not to hesitate to check with the Commission, the licensing status of anyone or firm who offers what looks like a capital market product or report any suspicious activities.

Finally, the Director-General made it known to the participants by stating that the Commission is “committed to strengthening the structures that will vault the capital market in Ghana some notches higher to help facilitate the transformation agenda of the economy of Ghana”.

One of the main speakers at the Seminar, lawyer George B. Asare-Afriyie, a senior lecturer at the Ghana Institute of Management and Public Administration (GIMPA) Law School, gave a detailed presentation on the rights accrued to a retail investor from the perspective of the legal regimes pertaining to the capital market. He cited various provisions and sections of the Companies Act, 1963 (Act 179) and the Securities Industry Act, 2016 (Act 929).

His presentation touched on the role to be played by the Commission in ensuring investors rights. He went further to provide specific provisions in Act 179 and Act 929 which can serve as tools for the shareholders/investors/shareowners in ensuring their rights. His presentation enlightened the retail investors regarding actions they can take if they are not treated as mandated by law.

On his part, the Deputy Director-General of the Commission gave out vivid information patenting the way shareholders interact with the various market operators whom they have shares with. He said it is the responsibility of shareholders to serve as watchdogs or a check on the market to ensure transparency and efficiency in the affairs of market operators. That is to say, the shareholders need to be proactive and engage the Board of Directors to know the status of the company from time to time.

The representative of Ghana Stock Exchange (GSE), Mrs. Elizabeth Mate-Kole, who happens to be the General Manager talked on the rights of the investor from the perspective of the Ghana Stock Exchange. She indicated that the GSE has a huge responsibility in ensuring that the rights of investors in securities listed on the exchange are protected to ensure that market integrity and confidence are maintained. She said that the exchange has a set of rules that govern listed companies. The GSE also ensures that all listing requirements are met by firms before they are listed on the market.

Mrs. Melvina Amofo from the Central Securities Depository (CSD) spoke on the topic from the perspective of the CSD. She explained that CSD is a specialized financial institution that holds securities like shares and bonds in an un-certificated form (electronic form). According to her, the CSD keeps the ownership records of all securities owned by investors in the country. She emphasised that whenever an investor buy shares for the first time, an account is opened at the CSD to enable the investor deposit his or her securities. She added that investor has the right to use their securities in the CSD account as collateral. They could also use it for other economic activities such as the transfer of shares from one account to the other.

Investors, shareholders and the general public who were in attendance asked various questions on investor rights. They urged the Commission to organised more of such seminars across the country.

*Report filed by
Frank B. Donkor and Ivan Tetteh Adjovu
of Policy Research Department, Securities and Exchange
Commission, Ghana*



**WIW
2017
IN PICTURES**



KNOW YOUR REGULATOR

The Reconstituted Board of the SEC

At long last! A board has been constituted for the Securities and Exchange Commission. An inauguration ceremony was held for the team at 3pm on Monday, 4th September 2017 at the Ministry of Finance. The newly reconstituted board has ten members as follows:

Name	Designation
Dr. Yeboa Amoa	Chairman
Rev. Daniel Ogbarmey Tetteh	Director-General – S.E.C
Mr. Paul Ababio	Deputy Director-General – S.E.C
Dr. Johnson Asiama	Representative of Bank of Ghana
Mr. Charles Adu Boahen	Representative of Ministry of Finance
Mrs. Jemima Oware	Representative of Registrar General Department.
Prof. Kofi Quashigah	Nominee of General Legal Council
Mr. Augustine Addo	Nominee of Institute of Chartered Accountants, Ghana
Dr. Joe Amoako Tuffour	Academic Researcher
Ms. Delia Assimeh	Member

The constitution of the governing body of the Commission as laid out in Section 4(1) of the Securities Industry Act, 2016 (Act 929), suggests that the board of the SEC should have eleven members. A closer look at the current constitution shows the absence of one Deputy Director –General. It is hoped that his/her appointment would be news for the last quarter of 2017. I guess it will not be a bad idea to know more about each one of these individuals. Kindly watch this space for more interesting details in the next edition.

*By Lilian Danso Affum
Securities and Exchange Commission, Ghana*

The Securities and Exchange Commission (herein called the Commission) on the 4th of September 2017 received 18 graduates from various tertiary institutions across Ghana to do their National Service. They were received by the Human Resource department and introduced to staff of the Commission.

The Human Resource Department organized a 3-day orientation/induction programme for the young, energetic graduates. As part of the orientation programme, each department made a presentation to the service persons. The presentation focused on the work activities carried out by each department. They were also taken through the operations of the Commission as a whole and what the Commission expects of them. During the orientation, the service personnel asked questions ranging from the licensing to inspection procedures of the Commission. They were also eager to know how the capital market operates and current happenings in the market. At the end of the orientation, they were assigned to various departments of the Commission where they will be working.

Some of the Service Persons were interviewed to find out their expectations and the kind of skills-set they intend to acquire at the end of their service.

According to **Ms. Nana Bronya-Anyan**, she hopes to develop herself by acquiring the necessary skills and experience in investments



The picture above shows some of the National Service Persons busy at work

particularly investment banking. She was also curious to join the Exchanges and Markets department to enable her gain an in-depth knowledge about secondary market operations especially securities trading. She indicated her willingness to make an impact by assisting market operators by way channeling their grievances to the appropriate departments. She acknowledged the good and friendly relationships that exist at the Commission. She appreciated the fact that she gets corrected on errors/mistakes she commits during work and that will help her to become a better person. Nana as she is affectionately called, works with the HR department as Customer Service Assistant. She is always ready to receive and help you regarding enquires.

For **Aban-Gos Mohammed**, he is happy to be working with professionals. He observed that the Commission is made up of friendly, smartly and well-dressed staff with good appearance who goes about their job with all seriousness.

SEC Welcomes National Service Persons

He indicated that his aim is to broaden his knowledge in the capital market by acquiring skills in investments analysis and auditing. He said that working with the Commission will give him the confidence and requisite experiences that will enable him face the challenges of life. He added that with the confidence and knowledge, he will fit in any industry that he finds himself in the future. Mohammad is currently with the Audit and Risk department of the Commission.

On her part, **Ms Precious Oteng-Sitsope** indicated that her impression of the Commission was that of “a highly restricted area”, she retorted that SEC as a regulator deals with confidential information which made her form that opinion. However, she finds out that rather, staff are of ‘high caliber’ in terms of education for she aspires to attain. She is also committed to learn every good thing from staff and prepared to work in all the departments before she completes her service. Other things that she would love to learn and do at the commission is to review prospectus of firms

who wants to list on the stock market and also carry out inspection of market operators. Precious is currently with the Audit and Risk department of the Commission.

Thomas Opoku-Acheampong was the next in line to be interviewed. According to Thomas, he is interested in gaining the requisite skills in investment advisory and to know how the capital market is structured and works. He stated that staff of the Commission are cordial, professional, friendly and above all there is a sense of belonging at the Commission. He emphasized that he is prepared to get the needed experience by participating fully in the work activities of the Commission and also pass the GSE securities industry courses. Thomas was assigned to the Funds Management department.

Interview conducted by Frank Biney Donkor, Securities and Exchange Commission, Ghana



The above shows some National Service persons attending to clients

The Human Resource department organized birthday celebrations for staff of the Commission. Celebrations are done on quarterly basis. This means for every quarter, members of staff whose birthday falls within that quarter celebrate their birthday together at the end of that quarter. This measure serves as a form of appreciating and motivating staff of the Commission. It also serves as unifying staff and thus creating a strong bond within the Commission.

The editorial team uses this opportunity to wish all staff who celebrated their birthdays “Happy wonderful days ahead with good health and long life” The 4th (last) quarter 2017 celebrants will be featured in the next edition of SEC News for 2017. Below are the celebrants for each quarter of 2017 in pictures.

*Report filed by Frank Biney Donkor,
Securities and Exchange Commission, Ghana*



First quarter celebrants (January –March 2017)



Second quarter celebrants (April –June 2017)



Third quarter celebrants (July- September 2017)

GROWTH AND EMERGING MARKETS COMMITTEE (GEMC) Annual Meetings and Conference for 2017

The Growth and Emerging Markets Committee (GEMC) is the largest committee within IOSCO. The 2017 annual meeting and conference was held from the 20th to the 21st of September 2017 in Colombo, Sri Lanka. The theme for this year's conference was "Enhancing sustainable and innovative market-based financing".

Leading emerging market regulators met in Colombo, Sri Lanka, for the event which was hosted by the Securities and Exchange Commission of Sri Lanka.

The two-day event attracted more than three hundred participants from fifty jurisdictions. The Prime Minister of Sri Lanka, Ranil Wickremesinghe, provided the keynote address at the Conference.

Participants discussed measures to address challenges in scaling up sustainable market based financing, including the role of policy makers, regulators and industry participants in promoting green financing solutions within emerging markets. The role of international financial institutions in supporting sustainable capital markets was also reviewed.

Other substantive areas discussed included key issues and challenges regarding liquidity in emerging capital markets, as well as possible measures in promoting liquidity to help spur market growth and development. Participants also discussed how financial technology (fintech) is shaping capital markets and the balance between innovation and investor protection, particularly in areas such as crypto currencies and Initial Coin Offerings (ICOs).

The GEM Committee also conducted a cyber simulation exercise developed in collaboration with market experts to strengthen regulatory capabilities and preparedness in tackling cyber threats. The regulatory workshop provided participants with a better understanding of key cyber developments, risks and threats impacting global financial markets. The workshop also analysed scenarios and outlined measures to strengthen mechanisms, protocols and responses of regulators. The Securities and Exchange Commission of Ghana nominated three people namely Mr. Emmanuel Mensah-Appiah, Mrs. Gladys Naadu Aryeetey and Ms. Dorothy Yeboah-Asiamah from its outfit to participate in the 2017 GEMC Meeting and Conference.

*Written by Dorothy Yeboah-Asiamah
Securities and Exchange Commission, Ghana*

Travel Light

I was a member of an evangelistic team over ten years ago. We would travel during the long vacation to rural areas preaching the Good News. During the preparation/organizational stages, the participants (especially ladies) were encouraged to travel light because it had been observed that the ladies would usually take along extra luggage that became a burden for the team because of limited carriage and storage capacity. The men, unlike the ladies pack just enough or even less than they need for the journey. This is even true in families. When travelling, it's amazing some of the things I pack along, with the excuse that they may be need.

It looks like women in the natural sense cannot travel light. We heap up things with the feeling we may need it some day or along our journey. Most often than not, the things we carry on our journeys become burdens and we go on wishing we had never carried them along, and then we have to suffer the consequences for not exercising discretion, decorum and self-control in the things we carry along such journeys.

This behavioral patterns between males and females permeate different aspects of our lives. Emotional, psychological etc. women are often custodians of family memories. This it must be said, is a positive attribute, however, its disadvantage is the tendency to retain negative experiences as well. In light of that, women sometimes travel through life with a lot of emotional garbage. Women sometimes remember the most incredible past stories especially of hurts and pain. This may be because we are wired to be emotional.

The most beautiful side is we are incubators as well. Give a woman a sperm which is (0.05 millimeter, or roughly 0.002 inch, the tiniest object you can see with your unaided eyes is about 0.1 mm) and within 9 months, she brings out a human being averaging 3.5 kg. This incredible gift/ ability sometimes placeout in the little hurts that are experienced and incubated over time to become big time explosives that our male counterparts shudder and ask where all these bombshells are coming from. They were nurtured overtime to become matured explosives.

To our dear men, I can comfortably say it seems women have some multiplier effects within them. Store in her bits of love and attention and you reap bountiful returns. Store pain, rejection and the like and need I say what your guaranteed returns will be like?

To my fellow women, I say a problem identified is half solved. If we know we have this tendency, let us learn to travel light in life. Forgive as quickly as you can, write the hurts in sand, allow the wind of time to blow it away, guard your heart and don't allow any extra baggages in for as the bible says, "out of the heart comes the issues of life". Let us learn to travel light through this wonderful and pleasant earth the Lord has given us. If we remember that we have been forgiven much, we can easily learn to forgive others and move on. Recently, my antidote to forgiveness is "I have forgiven anyone who hurt me just as I want God to forgive me."

*By Naomi Simpson
Securities and Exchange Commission, Ghana*

SOCIAL

ARE YOU THINKING OUTSIDE THE BOX?

He was asked a difficult question at a job interview. His answer left me stunned. The following questions were asked at a job interview I had some few years ago. The question inspired me to change my outlook and how I approached problems.

You are driving along in a car on a wild stormy night. You pass by a bus stop, and you see three people waiting for the bus: 1. An old lady who looks as if she is about to die. 2. An old friend who once saved your life. 3. A perfect man or woman you have been dreaming about. Which one would you choose to offer a ride to, knowing that there could be only one passenger in your car? Think before you continue reading.

This is a moral/ethical dilemma that was once actually used as part of a job application. You could pick up the old lady, because she is going to die and thus you should save her first; or you could take the old friend because he saved your life and this would be the perfect chance to pay him back. However, you may never be able to find your perfect dream lover again.

The candidate who was hired out of two hundred applicants had no trouble coming up with his answer. He simply answered: "I would give the car keys to my old friend, and let him take the lady to the hospital. I would stay behind and wait for the bus with the woman of my dreams".

Never forget to think outside the box. Remember that the box is only a framework your ideas should fit into. Go beyond that!

Written by Theresa Addo-Yobo

The Hidden Opportunity Behind Rejection: The Story Of Jia Jiang

Gifts, such wonderful things! Who can say no to them? When I was six years old, my first grade teacher had a brilliant idea of giving gifts with the motive of building the virtue of complimenting each other. She bought all of us gifts and stuck them to the corner of the class. She said, "Why don't we compliment each other? If you hear your name, go pick up your gift". There were forty people, every name I heard I gave the loudest cheer. The cheer reduced as it got to my turn. Initially, there were thirty left, then twenty, then finally two, of which I was part. Eventually, the compliments stopped and I became tired of waiting. Although I got the gift, no one said anything nice about me. I went through life avoiding that situation of being rejected.

Fast forward 8 years, Bill Gates came to Beijing to speak and I fell in love with his message. I totally embraced his idea of conquering the whole world and domination. This idea gave birth to another version of me. Two years later, there was an opportunity to live in the USA and I took advantage of it. Moreover, that was where Bill Gates lived. From there, I started my own company and some years later, it became stagnant.

Every time I wanted to try something new, there was constant battle between the six-year-old and the fourteen-year-old. When I was twenty years old, I was presented with a business opportunity and I was rejected. This hurt me the most. I could not let that six-year-old continue to influence my life. So I went online, and saw a challenge by Jason Camley. It was a thirty-day rejection challenge but I decided to up my game by exploring one hundred days of rejection instead. In this challenge, you go out looking for rejection while filming yourself. Day 1: Borrow \$100 from a complete stranger. When I attempted, he looked up and said, "no, why?" I felt embarrassed and ran. I watched the film later and I realised that this stranger didn't reject me but wanted to know the purpose of my request. I did not negotiate, or offer any explanations. So the next day, I decided to make a request for a "hamburger refill". This time I mustered courage and explained to them what it meant and since that was not part of the services provided, I was told they would take that into consideration.

For the subsequent days that ensued, I embarked on various challenges. On a particular day, I went to a donut shop and decided to request for donut specially designed as Olympic rings. Amazingly, the baker was open to my request asked for further details. Two hours later, she came out with what was to be one of the most popular donut design hitting more than one million views on 'YouTube'.

Through this number of days, I was able to desensitize myself to the pain and shame that rejection often brings and, in the process, discovered that simply asking for what you want can open up possibilities where you expect to find dead ends.

We should bear in mind that rejection comes with pressure and pressure is necessary to build out the diamond in us.

Written by Theresa Addo-Yobo

KNOWLEDGE BANK

Depository Receipts

A Depository Receipt (DR) is a security that trades like ordinary shares on a local/domestic stock exchange. It represents an economic interest in a foreign company. In essence, it allows publicly listed shares of a foreign company to be traded outside the foreign company's domestic market.

A depository receipt is created when the equity shares of a foreign company are deposited in a bank or financial institution (called the depository institution) in the country on whose exchange the receipts will trade. The depository institution then issues receipts that represent the shares that were deposited. The number of receipts issued and the price of each DR is based on a ratio. The ratio specifies the number of depository receipts to the underlying shares.

The Ghana Stock Exchange (GSE) has only one listed DR on its platform. It is by name Anglo-Gold Ashanti Depository Shares (ADDs). According to the GSE, one hundred (100) ADDs is equivalent to one (1) Anglo-Gold Ashanti Shares (AGA).

A depository receipt can be **sponsored** or **unsponsored**. A sponsored depository receipt is when the foreign company whose shares are held by the depository institution has direct involvement in the issuance of the receipts. Under this arrangement, investors in sponsored DRs have the same rights as the direct owners of the common shares. E.g., the right to vote, the right to receive dividends etc.

However, with an unsponsored depository receipt, the underlying foreign company has no involvement with the issuance of the receipts. With the unsponsored DR, the

depository institution purchases the foreign company's shares in the foreign company's domestic market and then issues the receipts through brokerage firms in the depository's local market. In this case, the depository institution, not the investors in the DR, retains the voting rights.

*Written by Frank Biney Donkor,
Securities and Exchange Commission,
Ghana*

Entities Regulated by Securities and Exchanges in accordance with the Securities Industry Act, 2016 (Act 929):

The Securities Industry Act, 2016 (Act 929) gives the Commission power under section 3 to "register, license, authorise or regulate, in accordance with this Act or the regulations

(i) securities exchanges, (ii) commodities and futures exchanges, (iii) securities depositories, (iv) clearing and settlement institutions, (v) credit rating agencies, (vi) fund managers, (vii) investment advisers, (viii) unit trusts, (ix) mutual funds, (x) hedge funds, (xi) private equity funds, (xii) venture capital funds, (xiii) nominees, (xiv) underwriters, (xv) issuing houses, (xvi) registrars, (xvii) custodians, (xviii) trustees, (xix) primary dealers, (xx) broker-dealers, (xxi) the representatives of the persons specified in subparagraphs (i) to (xx), (xxii) any other institution in the securities industry to control and supervise their activities with a view to maintaining proper standards or conduct and acceptable practices in the securities business".

It is therefore important for industry

players as well investors to identify the various entities that operate within the securities industry space. The investing public should also note that certain key representatives of the above entities must be registered with SEC. For full list of our current regulated entities, do well to visit our website (www.sec.gov.gh).

*Written by Frank Biney Donkor,
Securities and Exchange Commission,
Ghana*

International Zone: A Focus on the Chinese Equities Market:

The stock market regulator in China is the China Securities Regulatory Commission (CSRC). The main stock exchanges in China are in Shanghai and Shenzhen. Shares are divided into three main classes:

i) 'A' shares are quoted in renminbi (yuan) and available to domestic investors but restricted to foreign investors (called qualified foreign investors).

ii) 'B' shares are quoted in hard currencies, mainly in US and Hong Kong dollars.

iii) 'H' shares are those quoted in Hong Kong dollars and freely traded by all types of investors.

It is a market where foreign investors are restricted. A key feature of the Chinese market is their extreme volatility. It is a market characterised by booms and busts apparently unrelated to the country's overall economic performance. Foreign investors are restricted so the boom and bust cycle is pretty much influenced by domestic investors.

*Written by Frank Biney Donkor,
Securities and Exchange Commission,
Ghana*

NEWS FROM THE MARKET



Rev Ogbarmey Tetteh speaking at the function

SEC to Increase Minimum Capital Requirement for Capital Market Operators

The Director-General of the Securities and Exchange Commission, Rev. Daniel Ogbarmey Tetteh had indicated that firms operating in the capital market are set to have their minimum capital requirement increased.

He made this known when he was speaking to the media on the fringes of a seminar organised to mark the World Investor Week (WIW) on the 5th of October, 2017 at the Coconut Grove Regency Hotel in Accra. According to the Director-General, the move was influenced by current developments in the economy and efforts to protect investments in the country.

“There is a procedure we have to follow before we announce the capital requirements that we are going to propose. Basically, we’ll get to the market with what our proposals are, based on our understanding of what capital is required by the different market operators to be able to operate effectively in the capital market. After we propose it to the market, we’ll take their feedback and then we make a determination as to the new levels,” Rev. Ogbarmey explained.

He noted that “if you take the one for fund managers for instance, which is currently at GH¢100,000, that’s woefully inadequate, so I would not give you any percentage indicator, but what I can say is that the increases would be significant”.

*Filed by Frank Donkor,
Manager of PRIT, SEC*

FACTS & FIGURES

Market Statistics

Approvals of Licenses

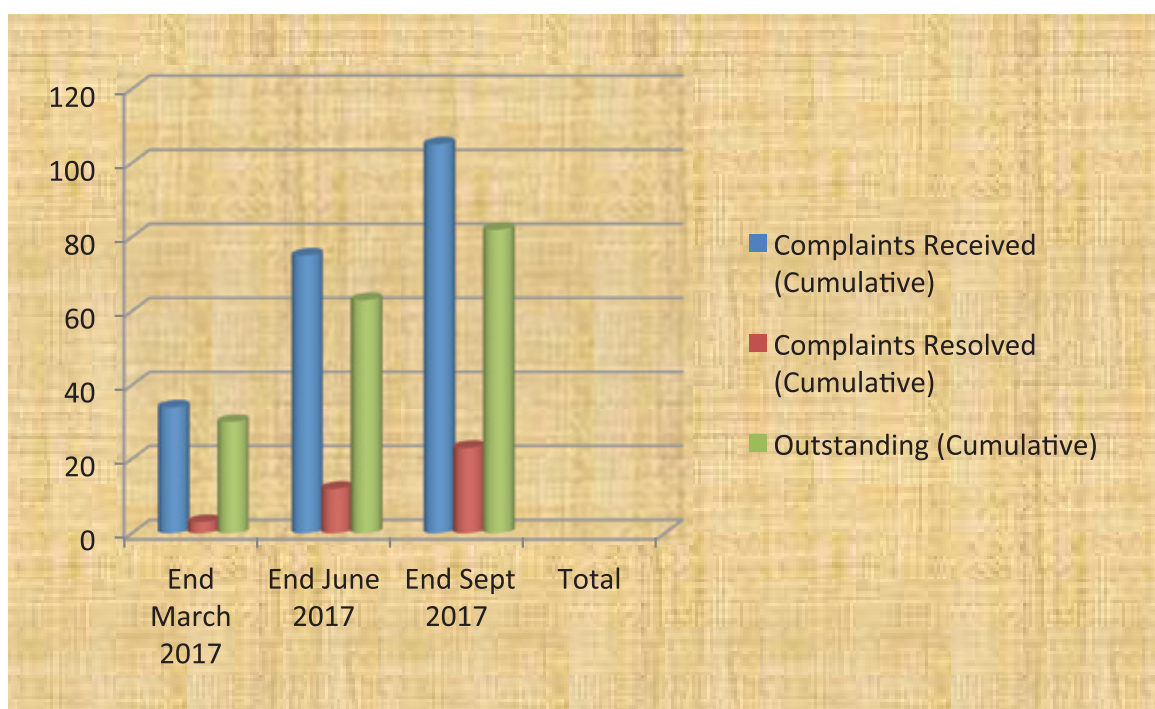
There were no licence approvals during the third quarter of 2017

Suspensions of Licenses and Complaints

There were no suspensions during the third quarter of 2017

Complaints received during the third quarter of 2017

	Complaints Received (Cumulative)	Complaints Resolved (Cumulative)	Outstanding (Cumulative)
End March 2017	34	3	30
End June 2017	75	12	63
End Sept 2017	105	23	82



The above complaints were mainly related to:

- 1) Non-payment of redemption requests.
- 2) Failure to honour assignments.

FACTS & FIGURES

Market Statistics

Offer Documents and Other Approvals

i. The Commission on 17th July, 2017 granted approval to AFB PLC to issue and list on the Ghana Fixed Income Market (GFIM), tranche 15 of its GHS100, 000,000 Note Programme – 5 year floating rate senior unsecured notes for GHS 12million. The notes were undersubscribed at 13.58%

ii. The Commission on 2nd August, 2017 granted approval to Bayport Financial to issue and list on the Ghana Fixed Income Market (GFIM), tranches 6 and 7 under its GHS200, 000,000 Note Programme. Under tranche 6, approval was granted for a 3-yr fixed rate unsecured notes of GHS 30,000,000 and a 5-yr fixed rate unsecured notes of GHS30, 000,000 under tranche 7. Tranches 6 and 7 had subscription rates of 83.3% and 116.7% respectively. On 29th September 2017, a further approval was granted for Bayport to issue and list tranche 8 under the same programme –5-yr fixed rate unsecured notes for GHS11, 325,860.

iii. The Commission, on the 14th of September 2017, received an application for a Note Programme of GHS10, 000,000,000 for E.S.L.A

Plc to be issued in series and tranches. ESLA Plc is a special purpose vehicle established by the Sponsor to refinance the Energy Sector debt through the issuance and listing of bonds. The notes when issued will be listed on the Ghana Fixed Income Market (GFIM) of the Ghana Stock Exchange (GSE). The Commission is awaiting further information to finalise its report for presentation to the Approvals & Licencing Committee.

iv. On the 14th of September 2017, the Commission received an application for a Medium Term Note Programme of GHS140, 000,000 for Quantum Terminals Limited to be issued in series and tranches. The notes when issued will be listed on the Ghana Fixed Income Market (GFIM) of the Ghana Stock Exchange (GSE). Approval was granted and it communicated on 25th September 2017

V. The Commission on 28th September, 2017 granted approval to quantum Terminals PLC to issue and list on the Ghana Fixed Income Market (GFIM), tranche 1 of its GHS140, 000,000 Note Programme. Quantum terminals offered 5 year floating rate senior unsecured notes for GHS 45million.

Funds under Management (2nd Quarter 2017) of Licensed Fund Managers

	End of March 2017 (GHc)	End of June 2017 (GHc)	% Change
Pensions FUM	5,107,674,936.17	5,246,326,832.38	2.71
CIS FUM	1,399,576,580.10	1,647,105,339.81	17.69
Fund Manager FUM	16,758,280,663.11	18,389,861,702.28	9.74
Total Funds	23,265,532,179.38	25,283,293,874.47	8.67

Capital Market Operators

1	Category of Licensed Operators	End JUNE 2017	End SEPT 2017	Change
2	Broker-Dealers Only	23	23	-
3	Custodians	17	17	-
4	Exchange Traded Funds	1	1	-
5	Investment Advisers	3	3	-
6	Fund Managers	145	145	-
7	Mutual Funds	34	34	-
8	Primary Dealers	17	17	-
9	Registrars	4	4	-
10	Securities Depositories	1	1	-
11	Stock Exchange	1	1	-
12	Trustees	6	6	-
13	Issuing House	1	1	-
14	Unit Trusts	19	19	-
15	TOTAL	272	272	-

Stock Market Statistics

	End June. 2017	End Sept 2017	% Change
Number of Listed Companies (Main Market)	37	36	-2.70
Number of Listed Companies (Alternative Market)	4	4	0
Volume of Trades (Equities)	11,260,000	34,506,308	206.45
Value of Trades (GH¢): Equities	26,550,000.00	79,014,170.94	197.61
Market Capitalization (GH¢ million)	59,457.95	58,381.49	-1.81
GSE- Composite Index	1,964.55	2,326.09	18.40
GSE- Financial Stock Index	1,824.88	2,043.51	11.98

Enforcement Actions

During the third quarter, 2017, the following companies were sanctioned for various violations of the Securities Industry Act:

Company	Infringement	Penalty (GH¢)
NewWorld Securities Ltd	Failing to comply with the SIA	Ghc 2,800
deVere Ghana Ltd	Late – submission of returns	Ghc 7,200
Gold Coast Brokerage Ltd	Late – submission of returns	Ghc 4,000
Mustard Capital Partners Ltd	Late – submission of returns	Ghc 700
First Atlantic Brokers Ltd	Failing to introduce additional capital	Ghc 10,900
National Investment Bank Ltd	Operating without license	Ghc 54,000
ARB Apex Bank Ltd	Operating without license	Ghc 54,000
WorldWide Securities Ltd	Incomplete submission of returns	Ghc 600
CDH Securities Ltd	Failing to comply with the SIA	Ghc 500
Societe Generale Ghana Ltd	Late submission of Quarterly report	GH¢1,800.00
Wealth Vision Financial Services Ltd	Late submission of Placement Report	GH¢1,000.00
Cambridge Capital Advisors Ltd.	Late submission of Annual Report	GH¢9,000.00
HMI Management Services Ltd.	Late submission of Monthly Report	GH¢200.00
Tikowrie Capital Ltd.	Late submission of Monthly Report	GH¢200.00
Star Asset Financial Services Ltd.	Late submission of Quarterly Report	GH¢300.00
SAS Investment Management Ltd	Operating a Mutual Fund without a Licence	GH54,000.00
Brooks Asset Management Ltd	Operating without a Licence	GH¢69,600.00
Brooks Asset Management Ltd	Late notification of changes in particular(resignation of compliance officer)	GH¢2,150.00
Brooks Asset Management Ltd	Late notification of changes in particular(resignation of CEO)	GH¢750.00
Brooks Asset Management Ltd	Late notification of changes in particular (dissolution of board)	GH¢3,050.00
Goldstreet Fund Management	Late Submission of Management Letter	GH¢9,600.00
INVESTA CAPITAL LTD.	Late Submission of Placement Returns	GH¢1,600.00
First Atlantic Asset Man. Ltd.	Late Submission of Placement Returns	GH¢1,600.00
Union Capital Limited	Late Notification	GH¢3,450.00
Solange Capital Partners Ltd.	Operating without a Licence	GH¢60,600.00
DM Capital Limited	Operating without a Licence	GH¢54,000.00
GoldCoast Fund Managers Ltd.	Late Submission of Annual Report & Longform Report	GH¢6,000.00
Chapel Hill Denham	Late Submission of Placement Returns	GH¢4,100.00
UMB Investment Holdings	Late submission of Placement Returns	GH¢1800.00
Universal Capital Management	Late submission of Placement Returns	GH¢5,300.00
Veritas Equities	Late submission of Placement Returns	GH¢2,500.00

Performance of Equities on Ghana Stock Exchange

NAME OF COMPANY	CLOSING PRICE (GH¢) June. 2017	CLOSING PRICE (GH¢) Sept 2017	GAIN/(LOSS) (GH¢)
Access Bank Ghana Plc	3.80	3.40	(0.40)
African Champions Ltd	0.01	0.01	0.00
Agricultural Development Bank	3.83	3.83	0.00
Aluworks Limited	0.16	0.16	0.00
AngloGold Ashanti Ltd	37.00	37.00	0.00
Ayrton Drug Manufacturing Ltd	0.10	0.10	0.00
Benso Oil Palm Plantation	4.40	5.80	1.40
CAL Bank Ltd	0.85	1.00	0.15
Camelot Ghana Ltd	0.12	0.11	(0.01)
Clydestone (Ghana)	0.03	0.03	0.00
Cocoa Processing Co ltd	0.02	0.02	0.00
Ecobank Ghana Ltd	7.00	8.05	1.05
Ecobank Transnational Inc.	0.13	0.18	0.05
Enterprise Group Ltd	2.39	4.08	1.69
Fan Milk Ltd	11.82	19.80	7.98
GCB Bank Ltd	5.20	4.00	(1.20)
Ghana Oil Company Limited	1.87	2.36	0.49
Golden Star Resources Ltd	1.95	1.90	(0.05)
Golden Web Ltd	0.01	0.01	0.00
Guinness Ghana Ltd	1.49	1.52	0.03
HFC (Bank) Ltd	0.55	1.39	0.84
Mechanical Lloyd Co. Ltd	0.10	0.09	(0.01)
Mega African Capital ltd	6.00	6.00	0.00
Pioneer Kitchenware Ltd	0.05	0.05	0.00
Produce Buying Company Ltd	0.04	0.04	0.00
PZ Cusson Ghana Ltd	0.20	0.20	0.00
Sam Woode Ltd	0.04	0.05	0.01
SG-Ghana Ltd	0.75	0.77	0.02
SIC Insurance Company Ltd	0.11	0.11	0.00
Standard Chartered Bank Gh. Ltd	17.04	19.71	2.67
Starwin Products Ltd	0.02	0.03	0.01
Total Petroleum Ghana Ltd	2.22	2.26	0.04
Transactional Solution Gh. Ltd	0.03	0.03	0.00
Trust Bank Ltd (Gambia)	0.25	0.35	0.10
Tullow Oil Plc.	20.94	17.74	(3.20)
Unilever Ghana Ltd	8.85	10.55	1.70
Ghana Alternative Market (GAX)			
Hords	0.10	0.10	0.00
IIL	0.08	0.09	0.01
MMH	0.11	0.11	0.00
Samba	0.65	0.65	0.00
Others (Depository and Pref Shares, ETFs)			
AngloGold Ashanti Depository shares	0.48	0.48	0.00
Standard Chartered Bank Preference shares	0.85	1.20	0.35
Exchange Tradeable Fund (ETFs)	38.80	38.80	0.00

