



SECNEWS

OFFICIAL NEWSLETTER OF THE SECURITIES & EXCHANGE COMMISSION, GHANA



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EDITORIAL TEAM:

1. Mr. Frank Biney Donkor
2. Mrs. Naomi Simpson

3. Ms. Dorothy Yeboah-Asiamah
4. Mrs. Lilian Danso Affum

5. Mr. Andy Anim

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THE SECURITIES & EXCHANGE COMMISSION (SEC), GHANA

ABOUT

The Securities and Exchange Commission (“the Commission”) is established by the Securities Industry Act, 2016 (Act 929) (‘the Act’) as amended with the object to regulate and promote the growth and development of an efficient, fair and transparent securities market in which investors and the integrity of the market are protected.

VISION

To be a top-tier securities market regulator in Africa.

MISSION

To regulate, innovate and promote the growth and development of an efficient, fair, and transparent securities market in which investors and the integrity of the market are protected.

OBJECTIVES

1. Enhancement of capital market infrastructure and strengthening the capacity of market institutions and intermediaries.
2. Providing the legal and regulatory framework for market and product innovation.
3. Promotion of public awareness, investor rights and corporate education.
4. Establishment of an overall robust, supportive, legal and regulatory framework that conforms to international best practices.



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CHAPTER
01
NOTICE TO
THE PUBLIC

PUBLIC ADVICE

Members of the general public are advised to use the Commission's **Toll-Free Line 0800100065** or **Main Line 0302768970-2** 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 license.
- Reporting fraudulent investment schemes (e.g., Ponzi Schemes).
- Reporting fraudulent activities of Capital Market Operators.
- Making complaints against Capital Market Operators.



0800100065

Toll-Free Line

0302768970-2

Main Line

**PUBLIC NOTICE****1 SEC GHANA BECOMES FULL SIGNATORY TO INTERNATIONAL ORGANISATION OF SECURITIES COMMISSIONS (IOSCO) MULTILATERAL MEMORANDUM OF UNDERSTANDING (MMOU) CONCERNING CONSULTATION AND COOPERATION AND THE EXCHANGE OF INFORMATION**

Following the Securities and Exchange Commission's application to become a full signatory to the International Organisation of Securities Commissions (IOSCO) Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (IOSCO MMoU) and subsequent recommendation of the IOSCO Screening Group, Management of the SEC is pleased to announce that, the IOSCO Decision Making Group, on 12th September 2022, after the final review of Ghana's application concluded that Ghana's legal and regulatory framework governing the Securities Industry and other laws of general application are compliant with the international benchmarks set out by IOSCO's Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (IOSCO MMoU).

In line with the above, Rev. Daniel Ogbarmey Tetteh, Director General of the SEC on 19th October 2022, signed the IOSCO MMoU at a signing ceremony for new signatories during the Presidents Committee Meeting at the IOSCO Annual Meeting held in Marrakech, Morocco.

As a signatory to the IOSCO MMoU, SEC Ghana will benefit from international collaboration to deepen Ghana's securities market, combat cross-border fraud, strengthen cooperation towards the enforcement of domestic and international rules and benchmarks, help combat new and emerging risks associated with the development of new products with a view to achieving IOSCO's core objectives of protecting investors, ensuring fair, efficient and transparent markets and reducing systemic risk in the securities industry.

Being a signatory to the IOSCO MMoU is a significant milestone because, since its inception in 2002, the MMoU has set international benchmarks for cross-border co-operation, allowing information requests to be made to signatories to the MMoU when signatories are investigating offences relating to activities under the relevant laws and regulations of the jurisdictions in question. The MMoU covers topical areas like insider dealing and market manipulation; misrepresentation of material information and other fraudulent or manipulative practices relating to securities and derivatives; solicitation and handling of investor funds, and customer orders; the registration, issuance, offer, or sale of securities and derivatives; the activities of market intermediaries, including investment and trading advisers who are required to be licensed or registered, collective investment schemes, brokers, dealers, and transfer agents; and the operations of markets, exchanges, and clearing and settlement entities.

Following this achievement, the SEC Ghana has now moved from its signatory B status to signatory A status in its membership in IOSCO. This projects the regulatory framework within the securities industry in Ghana as compliant with the international benchmarks set out in the MMoU.

DATED: 24th October 2022

By Order of the Securities and Exchange Commission



2 THE USE OF FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“MARK-TO-MARKET”) VALUATION METHOD BY MARKET OPERATORS IN THE VALUATION OF INVESTMENT ASSETS/SECURITIES AND PORTFOLIOS IN THE SECURITIES SECTOR

This Public Notice is to alert the investing and general public that the Securities and Exchange Commission (SEC) has directed all market operators to use the mark-to-market valuation method in the valuation of investment assets / securities and portfolios in the securities sector. The directive was issued on Thursday, 20th October 2022 with reference number SEC/DIR/002/10/2022 to provide consistency in the valuation of assets and portfolios in the securities industry, ensure that the portfolios reflect market values, as well as protect investors, especially investors of Collective Investment Schemes.

The directive on the mark-to-market valuation method is available on the SEC website under guidelines and directives: www.sec.gov.gh/directivesandguidelines.

For further clarification on the matter, kindly refer to the Frequently Asked Questions (FAQs) section of the website.

The SEC wishes to assure all market operators, investors, and the public that it is committed to ensuring rigorous enforcement of all the rules for operators in the capital market, to promote the growth and development of an efficient, fair, and transparent securities market in which investors and the integrity of the market are protected.

DATED: 4th November 2022

By Order of the Securities and Exchange Commission

3 FURTHER EXTENSION OF MORATORIUM ON FUND MANAGEMENT LICENCES

The SEC refers to its Public Notices with Nos. SEC/PN/010/10/2019, SEC/PN/004/03/2021, and SEC/PN/002/02/2022 and wishes to inform the investing and general public that it has further extended the moratorium on the issuing of new Fund Management Licenses for a period of six (6) months with effect from 1st August 2022.

Market operators, the investing, and the general public are hereby advised to visit the SEC’s website www.sec.gov.gh for any further clarification or information. The SEC can also be contacted on its Toll-free number: 0800-100-065 or mainline: 0302-768-970 for the same purpose.

The Commission wishes to assure all market operators, investors, and the general public that it is committed to ensuring rigorous enforcement of all the rules for operators in the capital market in order to promote the growth and development of an efficient, fair, and transparent securities market in which investors and the integrity of the market are protected.

Dated: 15th December 2022

By Order of the Securities and Exchange Commission



MARKET CIRCULAR



1

CIRCULAR TO MARKET OPERATORS ON REGULATORY SUPPORT TO MITIGATE IMPACT OF GOVERNMENT'S DOMESTIC DEBT EXCHANGE PROGRAMME

RECENT MARKET DEVELOPMENTS

The Government of Ghana launched a Domestic Debt Exchange Programme (DDEP) on 5th December 2022 which affects Government of Ghana bonds listed on the Ghana Fixed Income Market (GFIM). The Debt Exchange Memorandum has an indicative exchange period which expires on 19th December 2022. This Sovereign transaction is anticipated to impact market operators in a number of ways, including portfolio liquidity, operational revenue, client base, and growth prospects.

REGULATORY SUPPORT

The SEC is aware of the need for the DDEP as explained by the Ministry of Finance and the consideration that participation will enhance Government's ability to attain a Debt to GDP ratio of 55% by 2028 among other benefits to the economy. The SEC appreciates the importance of a stable macroeconomic environment to the growth and development of Ghana's capital market and is therefore supportive of Government's efforts to stabilize Ghana's economy and the fiscal position with the proposed initiative. Pursuant to the above, the SEC proposes to support the market with the following reliefs amongst others:

- i. Regulatory capital forbearance for Market Operators whose capital may be impaired because of the Domestic Debt Exchange Programme.
- ii. Market Operators who participate in the programme and require some forbearance regarding full compliance to certain regulatory requirements in the Conduct of Business Guidelines, Licensing Requirement Guidelines, the Investment Guidelines for Fund Managers, and other regulatory requirements may apply accordingly to the Commission.



iii. The SEC shall intervene further with other measures where it becomes necessary.

In addition, Market Operators that participate in the programme shall have access to the Financial Stability Fund, when established, as a last resort for liquidity needs.

The SEC further notes that the Domestic Debt Exchange Programme has affected the normal functioning (price discovery) of the secondary market for the trading of bonds and may lead to difficulty/delays in the ability of some Market Operators to sell their bonds to meet redemption requests. Market Operators are expected to notify the Commission of any such occurrence in accordance with LI 1695 (Regulation 26, sub-Regulation 5).

Investors are hereby advised to remain calm and exercise restraint until the restoration of normalcy in the secondary market for the trading of bonds when the DDEP is completed. Market Operators are advised to engage their clients/investors to explain the relevance and impact of the DDEP on the performance of their investments.

REGULATORY FORBEARANCE NOT TO COMPROMISE SUPERVISION

The regulatory forbearance above-mentioned extended to market operators pursuant to the Securities Industry Act 2016 (Act 929) as amended and within the context of the DDEP launched by the Government of Ghana shall not undermine the SEC's supervisory oversight over the securities industry.

OTHER REGULATORY RELIEFS

Other regulatory reliefs or exemptions may be considered by the SEC in the light of new and unanticipated developments in the market.

REVOCATION, VARIATION OR REVISION

The SEC reserves the right to revise, amend, modify, vary or revoke this Circular where necessary.

INTERPRETATION

Where any doubt arises about any provision contained in this Circular, the same shall be referred to the SEC and the interpretation provided by the SEC shall be final.

COMMENCEMENT

The contents of this Circular shall take effect on the date of its issue and shall remain in force until otherwise revised, varied, amended or revoked.

The SEC wishes to assure all investors and the general public that it is committed to ensuring rigorous enforcement of all the rules for players in the capital market, in order to ensure an efficient, fair and transparent securities market in which investors and the integrity of the market are protected.

DATED: 9th December 2022

By Order of the Securities and Exchange Commission



CHAPTER
02
TIME WITH
THE SEC

SEC ENGAGES THE INVESTING PUBLIC IN TAMALE AT ITS FLAGSHIP INVESTOR EDUCATION PROGRAM DUBBED ‘TIME WITH THE SEC’

The Securities and Exchange Commission (SEC) Ghana on Saturday, 1st October 2022 held its first investor education program in the Northern Region dubbed, ‘TIME WITH THE SEC’ Tamale edition. The program which is a flagship initiative of the SEC forms part of the SEC’s strategic thrust of educating members of the investing public and other key stakeholders about the SEC, the Ghanaian Capital Market and other important investment topics.

The theme for the event was “Understanding the Role of SEC in the Capital Market” and it featured topics such as how to make use of the Capital Market (buying shares, collective investments schemes and capital raising); and how to identify Ponzi or Pyramid Schemes. The event was also used by the SEC to provide the latest information on the Government Bailout Program as well as share other updates in the

Securities Industry. There was also an engaging Open Forum which provided the investing public with an opportunity to ask questions and make their issues known directly to the SEC.

In a welcoming remark, Naa Yab Gulkpe, Alhaji Naa Alhassan, Paramount Chief of Tamale and Chairman of the program whose speech was read on his behalf thanked the Securities and Exchange Commission for organising its flagship program in the Northern Region. According to Naa Yab Gulkpe, the capital market is of utmost significance to growing economies since such economies need new forms

of financial intermediation to finance investments that are either too long-term or too risky for commercial banks to venture into. “Such long-term financing makes the capital market an important driver for spurring economic growth and innovation,” he said.



He further noted that the high level of ignorance among the investing public is a challenge that must be tackled because in many cases people

who fall victim to fraudulent investment schemes are not well informed about investment and capital market activities. “I, therefore, applaud the Securities and Exchange Commission once again for looking beyond the national capital for this outreach program” he added.

The Northern Regional Minister, Hon. Alhaji Shani Alhassan Saidu, in his remarks, stated that the capital market is a very important part of Ghana’s financial industry since it brings together suppliers of capital and those who seek it for varied purposes. He noted that the Northern part of Ghana encompasses various opportunities that need to be harnessed and leveraged to unearth massive benefits for the country. He however added that “these opportunities require ‘patient capital’ to make them a reality and the capital market holds the key to unlock such patient capital”.



Additional remarks were also made by the Director-General (DG) of the SEC, Rev. Daniel Ogbarmey Tetteh, who explained the rationale for the program. According to Rev. Ogbarmey Tetteh, “the TIME WITH THE SEC is to demystify the capital market and help members of the investing public and the public better understand what the industry is all about, and the products in the industry to facilitate their meaningful and well-informed participation in the market” he said. He pointed out significant steps that had been taken to strengthen the Securities Industry including issuing important Guidelines for Market Operators such as the Corporate Governance Code for Listed Companies 2020 (SEC/CD/001/10/2020)

and Securities Industry (Conduct Of Business) Guidelines 2020 (SEC/GUI/004/10/2020); the introduction of more stringent licensing requirements; the launch of a 10-year Capital Market Master Plan to serve as a blueprint for the growth and development of the Ghanaian Capital Market; the implementation of a nationwide investor education program; and close up collaboration with Law Enforcement Agencies (LEA) such as the Economic and Organised Crime Office (EOCO) and Criminal Investigation Department (CID) of the Ghana Police Service.

Other dignitaries who graced the occasion with their presence include Mrs. Deborah Mawuse Agyemfra, Deputy Director-General Legal of the SEC; Mr. Paul Ababio, Deputy Director-General Finance of the SEC; Mrs. Tucci Goka Ivowi, Chief Executive Officer of the Ghana Commodity Exchange (GCX); Mr. Robert Owoo, Chief Operating Officer, GCX; Directors and Heads of Departments at the SEC; and representatives from Ministry of Food and Agriculture, EOCO, GCB Capital Limited, Office of the Registrar of Companies (ORC), and Peer Regulators in Ghana’s financial sector.

Requests for further information can be made by sending an email to info@sec.gov.gh, via the toll-free line, 0800100065 or by visiting the SEC website at www.sec.gov.gh.

WRITTEN BY: Communications & External Affairs Unit

DISCLAIMER: The views expressed in this article are the authors’ and do not necessarily represent the views of the Securities and Exchange Commission, its members or staff.

CHAPTER
03
INTERNATIONAL
UPDATES

SEC GHANA BECOMES FULL SIGNATORY TO IOSCO'S MULTILATERAL MEMORANDUM OF UNDERSTANDING (MMOU)

The Securities and Exchange Commission (SEC) became a full signatory to the International Organisation of Securities Commissions (IOSCO) Multilateral Memorandum of Understanding (MMoU) Concerning Consultation and Cooperation and the Exchange of Information on 12th September 2022. The Review Committee after its final review of Ghana's application concluded that Ghana's legal and regulatory framework governing the securities industry and other laws of general application were compliant with the international benchmarks set out by IOSCO's MMoU.

In line with the above, Rev. Daniel Ogbarmey Tetteh, Director-General of the SEC on 19th October 2022 joined members of IOSCO in commemorating the 20th anniversary of the MMoU at their 47th Annual Meeting in Marrakesh, Morocco. The Director-General of the SEC signed the IOSCO MMoU at a signing ceremony for new signatories during the Presidents Committee Meeting.





Securities regulators share essential investigative material through the MMoU, including beneficial ownership information, and securities and derivatives transaction records, such as bank and brokerage records. The MMoU sets out specific requirements for the exchange of information, ensuring that no domestic banking secrecy laws or regulations block the interchange of enforcement information among securities regulators.

Securities regulators also use the MMoU to exchange information, ensuring effective global enforcement cooperation and strengthening international securities markets.

Being a signatory to the IOSCO MMoU is a significant milestone because securities regulators are required to become signatories to qualify for full IOSCO membership, known as Ordinary membership. Since its inception in 2002, the MMoU has provided securities regulators with the tools for combating cross-border fraud and misconduct that can weaken global capital markets and undermine investor confidence. The MMoU has 129 signatories and that underscores its importance as the gold standard for cross-border regulation. With more than 5,500 cross-border requests for information made through this mechanism in 2021, the MMoU is recognized by members as the leading instrument for regulatory enforcement cooperation and information sharing in the world.

Following this achievement, the SEC Ghana has now moved from its signatory B status to signatory A status in its membership with IOSCO. This projects the regulatory framework within the securities industry in Ghana as compliant with the international benchmarks set out in the MMoU.

WRITTEN BY: Dorothy Yeboah-Asiamah,
Board Secretary and Senior Manager International Relations

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DELEGATION FROM SECURITIES MARKETS OF GHANA & NIGERIA PAY COURTESY CALL ON HIS EXCELLENCY THE VICE PRESIDENT OF GHANA



A

delegation from the Securities Markets of Ghana and Nigeria on Friday, 7th

October 2022 paid a courtesy call on His Excellency Alhaji Dr. Mahamudu Bawumia, Vice President of the Republic of Ghana at the Jubilee House in Accra. The visit was to officially inform the Vice President about the signing of a Memorandum of Understanding (MoU) which took place on Thursday, 6th October 2022, between the Securities and Exchange Commissions of Ghana and Nigeria. The delegation also used the opportunity to brief the Vice President on the progress being made with the Capital Market Integration project in the West Africa region.

H.E. Alhaji Dr. Mahamudu Bawumia, Vice President of the Republic of Ghana, commended the Securities and Exchange Commissions of Ghana and Nigeria for successes chalked so far in building the Securities Markets in their respective countries and for advancing the Capital Market Integration Agenda.

Rev. Daniel Ogbarmey Tetteh, Director General of SEC Ghana, in his remarks indicated that the two regulatory bodies (SEC Ghana and SEC Nigeria) had signed an MoU to, among other things, establish and foster securities market activities between the two countries. In addition, he also noted that the close collaboration between the Securities Markets of Ghana and Nigeria had the potential to yield significant economic dividends for both countries.

The visit was to officially inform the Vice President about the signing of a Memorandum of Understanding (MoU) which took place on Thursday, 6th October 2022, between the Securities and Exchange Commissions of Ghana and Nigeria.



Mr. Lamido Yuguda, Chairman of the West Africa Securities Regulators Association (WASRA) and Director General of SEC Nigeria, also stated that the Securities Markets of Ghana and Nigeria continue to enjoy close collaboration for 19 years following the signing of an MoU in 2003 between the two regulatory bodies.

Mr. Lamido Yuguda, Chairman of the West Africa Securities Regulators Association (WASRA) and Director General of SEC Nigeria, also stated that the Securities Markets of Ghana and Nigeria continue to enjoy close collaboration for 19 years following the signing of an MoU in 2003 between the two regulatory bodies. He noted that the current MoU will unlock huge opportunities for both jurisdictions and accelerate the Capital Market Integration Agenda.

Mr. Ekow Afedzie, Managing Director of Ghana Stock Exchange; Ms. Abena Amoah, Deputy Managing Director of Ghana Stock Exchange; Mr. Temi Popoola, CEO of Nigerian Stock Exchange (NGX); Directors and Heads of Departments from SEC Ghana, and other dignitaries from SEC Nigeria, Nigeria Stock Exchange, Ghana Stock Exchange and the Nigerian High Commission in Ghana.

After visiting the Vice President, the delegation made its way to the Ghana Stock Exchange (GSE) to inspect the trading floor of the GSE, interact with GSE staff and market operators, and sign the symbolic GSE visitor's book. The day's activities were climaxed with a bell ringing ceremony where dignitaries were given the honour to ring the opening bell of the Ghana Stock Exchange.

The Directors General of the two countries were accompanied by Mrs. Deborah Mawuse Agyemfra, Deputy Director General Legal of SEC Ghana; Mr. Paul Ababio, Deputy Director General Finance of SEC Ghana;





CHAPTER
04
MARKET
EDUCATION

HOW TO AVOID COMMON INVESTMENT PITFALLS: 5 CRITICAL QUESTIONS EVERY INVESTOR SHOULD ASK BEFORE MAKING THEIR NEXT INVESTMENT

In the previous article, several tried-and-true strategies were explored that can be useful amid the normal ups and downs of the market. It was concluded that adopting the appropriate strategies to anticipate, manage, and potentially benefit is what is needed to reduce the potential of making emotion-based investment mistakes.

Investing can be an excellent way to grow one's wealth, but it can also be risky if due diligence is not done before committing hard-earned money to an investment opportunity. Whether a seasoned investor with years of experience or a

novice investor just starting out, it is essential to ask some fundamental questions before investing money in any opportunity. Asking the right questions before investing can help avoid costly mistakes and make informed decisions. In this article, the essential questions that every investor, regardless of their level of experience, should ask before investing are explored. By understanding these fundamental questions, informed investment decisions can be made to build a successful investment portfolio that aligns with financial goals and risk tolerance.

5 CRITICAL QUESTIONS EVERY INVESTOR SHOULD ASK BEFORE MAKING THEIR NEXT INVESTMENT

- 1: Is the Investment Provider/seller licensed?
- 2: Is the investment registered?
- 3: How do the risks compare with the potential rewards?
- 4: Do you understand the investment?
- 5: Where can investors turn for help?



1. Is the Investment Provider/seller licensed?

A research study conducted by NASD Investor Education Foundation (2006) indicates that con-artists are skilled in persuasive techniques and frequently employ various tactics to exploit the weaknesses of their targets. Smart investors verify the credentials of anyone promoting an investment prospect, even before examining the opportunity itself. This enables them to avoid potential scams and make well-informed investment decisions.

Dealing with a licensed investment house is essential to protect investments and ensure that legitimate and trustworthy professionals are being dealt with. Licensed investment sellers are regulated by relevant regulatory bodies and must adhere to strict standards and regulations, including professional conduct and ethics.

When working with a licensed investment house, it can be rest assured that the person being dealt with has met minimum competency requirements and has undergone appropriate training and education. Furthermore, licensed investment sellers must follow strict procedures in handling investments, ensuring transparency and accountability throughout the investment



process. Dealing with unlicensed investment house or fraudulent individuals can expose to significant financial risks and may result in the loss of investment. In some cases, unlicensed sellers may use high-pressure sales tactics or make false claims to persuade to invest money, which can lead to serious financial consequences. The SEC has created a platform for looking up information about licensed firms, available on the Securities and Exchange Commission (SEC) website (<https://sec.gov.gh/licenses/>).

2. Is the investment registered?

This remains one crucial question every investor should ask before committing funds to an investment. Investments are registered with the SEC, to ensure compliance with legal requirements and to protect investors from fraud. A registered investment indicates that the investment has gone through the necessary regulatory process and has been deemed suitable for investors.

Investors can check the registration status of an investment by accessing the SEC's database, which provides a wide range of information on registered securities. For instance, on a regular basis, a list of Collective Investment Schemes (CIS) is published by the SEC, along with other relevant disclosures. This information can help investors make informed investment decisions and avoid fraudulent schemes.

Dealing with a licensed investment house is essential to protect your investments and ensure that you are dealing with a legitimate and trustworthy professional.





It is important to note that unregistered investments may not comply with legal requirements, and investors may be at a heightened risk of losing investments due to fraud or other illegal activities.

While unregistered investments may offer higher returns, they often come with a higher level of risk, and investors must be cautious when considering such investments.

3. How do the risks compare with the potential rewards?

When investing, there is a strong correlation between risk and potential return. As the potential returns on investment increase, so does the associated risk. It is crucial to understand this interplay between risk and reward to distinguish between lawful investment opportunities and fraudulent schemes. Evaluating the expected return on investment and assessing whether the investment aligns with an investor's financial goals and risk tolerance is central to this understanding.

Investors should evaluate the risks associated

with an investment to ensure they understand the potential downsides. All investments carry some degree of risk, from low-risk investments such as government bonds to high-risk investments like start-up companies. An investor's risk tolerance is a personal decision and varies depending on factors such as age, financial goals, and personal circumstances. Along with evaluating potential risks, investors should assess the potential rewards of an investment opportunity.

High-risk investments usually offer the possibility of higher returns, while low-risk investments offer lower returns. It is important to consider the potential returns in comparison to the risks taken.

4. Do you understand the investment?

Before making any investment, it is crucial to understand the investment and the risks associated with it. Many investors make the mistake of investing in something they do not fully comprehend, leading to a loss of money and potential financial hardship. As such, investors must ask themselves, "Do I understand the investment?"

Understanding the investment involves gathering information on the asset, the company or project behind it, and the industry it belongs to. Investors must also understand the risks associated with the investment, including market risks, economic risks, and regulatory risks. Investors should carefully evaluate whether the investment aligns with their investment objectives, financial goals, and risk tolerance. One way to ensure that they understand an investment is to conduct thorough research.





This may involve reading the prospectus or investment memorandum, which provides an overview of the investment and the risks involved. It may also involve consulting with investment professionals or seeking advice from licensed financial advisors.

Another critical aspect of understanding the investment is to evaluate its performance history. This can provide valuable insight into how the investment has performed in the past and how it may perform in the future.

5. Where can investors turn for help?

Investing can be a complex and often daunting process, even for experienced investors. One question that arises is, “Where can investors turn for help?” There are a variety of resources available to investors seeking assistance. For example, investment advisors can provide guidance on investment strategies, risk management, and portfolio diversification. They can also provide information on financial products, such as stocks, bonds, mutual funds and unit trusts, and help investors determine which investments align with their financial goals and risk tolerance.

Investors can also turn to investment education resources, such as books, websites, and online courses, to obtain valuable information on investing, including how to identify investment opportunities, evaluate risks, and build a diversified portfolio. Investment education resources can be particularly helpful for new investors who may be unfamiliar with the investment process. Additionally, regulatory bodies, such as the Securities and Exchange Commission (SEC), can provide information on registered investment opportunities and accept complaints against fraudulent investment schemes.

The SEC website provides a wealth of information on investing, including investor education resources, regulatory information, and tools to help investors research investments and investment professionals.

Conclusion

Making investment decisions can be a challenge, especially when economic turbulence causes markets to become volatile and unpredictable. However, investors can rely on the resources of the Securities and Exchange Commission of Ghana to help protect their portfolios and navigate market turbulence. The Securities and Exchange Commission (SEC) of Ghana is responsible for enforcing securities laws and regulating the securities industry in Ghana, with core functions aimed at protecting investors and promoting market integrity. This includes safeguarding investors from fraud, misconduct, and other forms of wrongdoing. Therefore, during periods of economic turbulence, investors can depend on the regulator to provide valuable guidance and support.

The investing public is encouraged to contact the Securities and Exchange Commission (SEC) via <https://www.sec.gov.gh>, 0302-768 970/toll-free number 0800100065 or send an email to info@sec.gov.gh.

References

NASD Investor Education Foundation (2006). Investor Fraud Study Final Report. NASD Investor Education Foundation.

WRITTEN BY: MacNamara Peter-Brown,
Assistant Manager, Policy and Research

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CHAPTER 05 ENFORCEMENT ACTIONS

1. INFRACTIONS AND PENALTIES

TABLE 1: INFRACTIONS AND ASSOCIATED PENALTIES FOR NON-COMPLIANCE DURING THE FOURTH QUARTER OF 2022

| COMPANY | INFRINGEMENT | PENALTY (GH¢) |
|--|---|---------------|
| Investiture Fund Managers Limited | Late Submission of Monthly returns | 400.00 |
| Steward Capital Partners Limited | Late Submission of Monthly returns | 700.00 |
| Gateway Wealth Management Limited | Late Submission of Monthly returns | 400.00 |
| Salem Financial Services Limited | Late Submission of Monthly returns | 1,200.00 |
| RAD Business Advisory Network Centre Ltd | Late Submission of Monthly returns | 1,300.00 |
| Union Capital Limited | Late Submission of Monthly returns | 6,000.00 |
| Republic Investments (Ghana) Limited | Late Submission of Quarterly returns | 1,200.00 |
| Union Capital Limited | Late Submission of Quarterly returns | 1,200.00 |
| Steward Capital Partners Limited | Late Submission of Monthly returns | 500.00 |
| Ecobank Investments Managers Ltd | Late Submission of Quarterly returns | 2,500.00 |
| HMI Management Services Ltd | Operation of Branch office and Use of interns as fund manager's representatives | 61,200.00 |
| Avant Capital Limited | Late Submission of Annual returns | 2,500.00 |
| Inter Trust Capital Limited | Late Submission of Annual returns | 3,000.00 |
| RAD Business Advisory Network Centre Ltd | Late Submission of Annual returns | 3,000.00 |
| Halifax Asset Management Limited | Late Submission of Annual returns | 3,000.00 |
| Gateway Wealth Management Limited | Late Submission of Annual returns | 3,000.00 |
| Serengeti Asset Management Limited | Late Submission of Annual returns | 3,000.00 |
| First Atlantic Asset Management Limited | Bank Reconciliation statement | 6,000.00 |
| IC Securities Limited | Use of representative without Representative's License | 7,200.00 |
| Petra Securities Limited | Failure to notify Commission of change in particulars | 7,200.00 |
| Black Star Brokerage Limited | Issues with internal controls, accounting processes and client documentation | 9,600.00 |

Source: SEC, 2022

2. COMPLAINTS

TABLE 2: COMPLAINTS RECEIVED DURING THE FOURTH QUARTER OF 2022

| PERIOD | COMPLAINTS RECEIVED IN THE QUARTER | COMPLAINTS RESOLVED IN THE QUARTER |
|---------|------------------------------------|------------------------------------|
| Q1 2022 | 71 | 26 |
| Q2 2022 | 37 | 62 |
| Q3 2022 | 56 | 19 |
| Q4 2022 | 44 | 18 |

Source: SEC, 2022

The complaints for the quarter were mainly related to non-payment of redemptions and the application of the mark-to-market directive.

CHAPTER 06 FACTS & FIGURES

A ASSETS UNDER MANAGEMENT

TABLE 3: ASSETS UNDER MANAGEMENT

| AUM (GH¢) | END DEC 2022 | END SEPT 2022 | CHANGE |
|-------------|-------------------|----------------|---------|
| *Pension | 35,131,891,287.63 | 35,568,905,705 | -1.23% |
| CIS | 5,573,875,392.05 | 6,864,827,022 | -18.81% |
| Other Funds | 8,792,725,489.61 | 8,407,411,827 | 4.58% |
| Total (GH¢) | 49,498,492,169.29 | 50,841,144,554 | -2.64% |

*Adjusted values from custodians

Source: SEC, 2022

B OFFERS, APPROVALS & OTHER INFORMATION

List of firms licensed during the fourth Quarter, 2022:

TABLE 4: APPROVAL OF NEW LICENSES

| | MARKET OPERATOR | APPROVAL TYPE |
|---|--|-------------------------|
| 1 | Regulus Investments & Financial Services Ghana Limited | Broker-Dealer's Licence |

B. OFFERS, APPROVALS AND LISTINGS (PRIMARY AND SECONDARY MARKET)

No public offers were approved during the period

C. APPROVAL OF NOTE TRANCHES

No Note Tranches were approved during the period

**TABLE 5: LIST OF AUDIT FIRMS REGISTERED WITH THE SEC**

| REGISTERED AUDIT FIRMS | |
|------------------------|-------------------------------------|
| 1 | Adom Boafo & Associates |
| 2 | Asafu-Adjaye & Partners |
| 3 | At-Ernest Dawlah |
| 4 | Baft Chartered Accountants |
| 5 | Baker Tilly Andah & Andah |
| 6 | BNA Chartered Accountants |
| 7 | Boateng, Offei & Co. |
| 8 | CFY Partners |
| 9 | Deloitte & Touche |
| 10 | Ernst & Young Chartered Accountants |
| 11 | Eureka B. A. Consult |
| 12 | IAKO Consult |
| 13 | John Allotey & Associates |
| 14 | John Kay & Co. |
| 15 | Josten & Associates |
| 16 | KPMG |
| 17 | Kwame Asante & Associates |
| 18 | Masaada Consultants |
| 19 | MGI OAK Chartered Accountants |
| 20 | Morrison & Associates |
| 21 | Resolute Consult |
| 22 | Suglo & Associates |
| 23 | Tabariyeng & Associates |
| 24 | UHY Godwinson |
| 25 | UHYVoscon Chartered Accountants |
| 26 | PWC |
| 27 | A.D. & Associates |
| 28 | AssuranceHub Consult |
| 29 | Aryeetey & Associates |
| 30 | K.E. Wood, Arthur & Co. |
| 31 | Edie Nikoi Accounting Consultancy |
| 32 | Forbes ET |
| 33 | Hab Consult |
| 34 | Loban Hyde Chartered Accountants |
| 35 | MBA Associates |
| 36 | OBS Accounting |
| 37 | AYK Associates |
| 38 | Audax Consult |
| 39 | K & A Accounting Services |
| 40 | BLA & Associates |
| 41 | Trust Assurance |
| 42 | EAK & Associates |
| 43 | Intellisys |

Source: SEC, 2022

CHAPTER 07 CAPITAL MARKET STATISTICS

TABLE 6: CAPITAL MARKET OPERATORS AS AT THE END OF FOURTH (4TH) QUARTER 2022

| | CATEGORY OF LICENSED OPERATORS | END DEC. 2022 | END SEPT. 2022 | CHANGE |
|----|--------------------------------|---------------|----------------|-----------|
| 1 | Broker-Dealers | 29 | 28 | 1 |
| 2 | Custodians | 17 | 17 | 0 |
| 3 | Exchange Traded Funds | 2 | 2 | 0 |
| 4 | Investment Advisers | 12 | 14 | -2 |
| 5 | Fund Managers | 85 | 85 | 0 |
| 6 | Mutual Funds | 49 | 49 | 0 |
| 7 | Primary Dealers | 12 | 12 | 0 |
| 8 | Registrars | 4 | 4 | 0 |
| 9 | Securities Depositories | 1 | 1W | 0 |
| 10 | Securities Exchange | 2 | 2 | 0 |
| 11 | Trustees | 6 | 6 | 0 |
| 12 | Issuing House | 10 | 10 | 0 |
| 13 | Unit Trusts | 34 | 34 | 0 |
| 14 | Private Funds | 3 | 3 | 0 |
| 15 | Credit Rating Agency | 1 | 1 | 0 |
| | TOTAL | 267 | 268 | -1 |

Source: SEC, 2022

TABLE 7: STOCK MARKET STATISTICS AT A GLANCE

| INDICATORS | END DEC. 2022 | END SEPT. 2021 | CHANGE |
|---|------------------|----------------|----------|
| Number of Listed Companies (Main Market) | 30 | 30 | 0 |
| Number of Listed Companies (Ghana Alternative Market) | 6 | 6 | 0 |
| Volume of Trades: Cumulative (Equities) | 1,335,262,647 | 1,280,374,211 | 17% |
| Value of Trades (GH¢): Cumulative Equities | 1,639,787,622.32 | 1,289,252,216 | 21% |
| Market Capitalization (GH¢ million) | 63,986 | 63,986 | -1.3% |
| GSE- Composite Index (GSE-CI) | 2,443.91 | 2,460.12 | -3.4% |
| GSE- CI YTD Returns (%) | -12.38 | -11.70 | -296 bps |
| GSE- Financial Stock Index (GSE-FSI) | 2,052.59 | 2,070 | -4.91% |

Source: SEC & GSE, 2022

TABLE 8: PERFORMANCE OF EQUITIES ON THE GHANA STOCK EXCHANGE AT THE END OF DECEMBER 2022

| | NAME OF COMPANY | CODE | CLOSING PRICE (GH¢) END DEC 2022 | CLOSING PRICE (GH¢) END SEP 2022 | CHANGE (GH¢) GAIN/LOSS) END DEC 2022 |
|--|---|-----------|----------------------------------|----------------------------------|--------------------------------------|
| 1 | Access Bank Ghana PLC | ACCESS | 4.01 | 4.01 | 0 |
| 2 | Agricultural Development Bank PLC | ADB | 5.06 | 5.06 | 0 |
| 3 | AngloGold Ashanti Ltd. | AGA | 37 | 37 | 0 |
| 4 | Aluworks Limited | ALW | 0.10 | 0.1 | 0 |
| 5 | Asante Gold Corporation | ASG | 8.87 | 8.87 | 0 |
| 6 | Benso Palm Plantation PLC | BOPP | 7.65 | 6.48 | 1.17 |
| 7 | Cal Bank PLC | CAL | 0.65 | 0.8 | -0.15 |
| 8 | Clydestone (Ghana) Ltd. | CLYD | 0.03 | 0.03 | 0 |
| 9 | Camelot Ghana Ltd. | CMLT | 0.10 | 0.10 | 0 |
| 10 | Cocoa Processing Co. Ltd. | CPC | 0.02 | 0.02 | 0 |
| 11 | Dannex Ayrton Starwin Plc. | DASPHARMA | 0.40 | 0.4 | 0 |
| 12 | Ecobank Ghana PLC. | EGH | 6.64 | 6.64 | 0 |
| 13 | Enterprise Group PLC | EGL | 3.20 | 3.2 | 0 |
| 14 | Ecobank Transnational Inc. | ETI | 0.15 | 0.15 | 0 |
| 15 | Fan Milk PLC. | FML | 3.00 | 3 | 0 |
| 16 | GCB Bank Ltd. | GCB | 3.94 | 4 | -0.06 |
| 17 | Guinness Ghana Breweries PLC | GGBL | 2.05 | 2.05 | 0 |
| 18 | Ghana Oil Company Limited | GOIL | 1.72 | 1.77 | -0.05 |
| 19 | Mega African Capital Ltd | MAC | 5.38 | 5.38 | 0 |
| 20 | Scancom PLC | MTNGH | 0.88 | 0.88 | 0 |
| 21 | PBC Ltd. | PBC | 0.02 | 0.02 | 0 |
| 22 | Republic Bank (Ghana) PLC | RBGH | 0.54 | 0.6 | -0.06 |
| 23 | Standard Chartered Bank Gh. PLC | SCB | 20.16 | 20.16 | 0 |
| 24 | SIC Insurance Company Ltd. | SIC | 0.31 | 0.33 | -0.02 |
| 25 | Societe Generale Ghana PLC | SOGE GH | 1.00 | 1 | 0 |
| 26 | *** Sam Woode Ltd. *** | SWL | 0.05 | 0.05 | 0 |
| 27 | Trust Bank Gambia Ltd | TBL | 0.80 | 0.48 | 0.32 |
| 28 | Total Petroleum Ghana PLC | TOTAL | 4.00 | 4 | 0 |
| 29 | Tullow Oil Plc | TLW | 11.92 | 11.92 | 0 |
| 30 | Unilever Ghana PLC | UNIL | 3.88 | 5.31 | -1.43 |
| Ghana Alternative Market (GAX) | | | | | |
| 31 | Samba Foods Limited | SAMBA | 0.55 | 0.55 | 0 |
| 32 | Meridian Marshalls Holding Company | MMH | 0.11 | 0.11 | 0 |
| 33 | Hords Ltd | HORDS | 0.10 | 0.1 | 0 |
| 34 | Intravenous Infusions Limited | IIL | 0.04 | 0.04 | 0 |
| 35 | Digicut Production & Advertising Ltd | DIGICUT | 0.09 | 0.09 | 0 |
| 36 | Pesewa One Plc | POP | 0.68 | 0.68 | 0 |
| Others (Depository and Pref shares, ETFs) | | | | | |
| 37 | AngloGold Ashanti Depository Shares | AADS | 0.41 | 0.41 | 0 |
| 38 | Standard Chartered Bank Pref. Shares | SCB PREF | 0.90 | 0.9 | 0 |
| 39 | NewGold Exchange Tradeable Funds (ETFs) | GLD | 217.80 | 166.5 | 51.3 |

Source: SEC and GSE

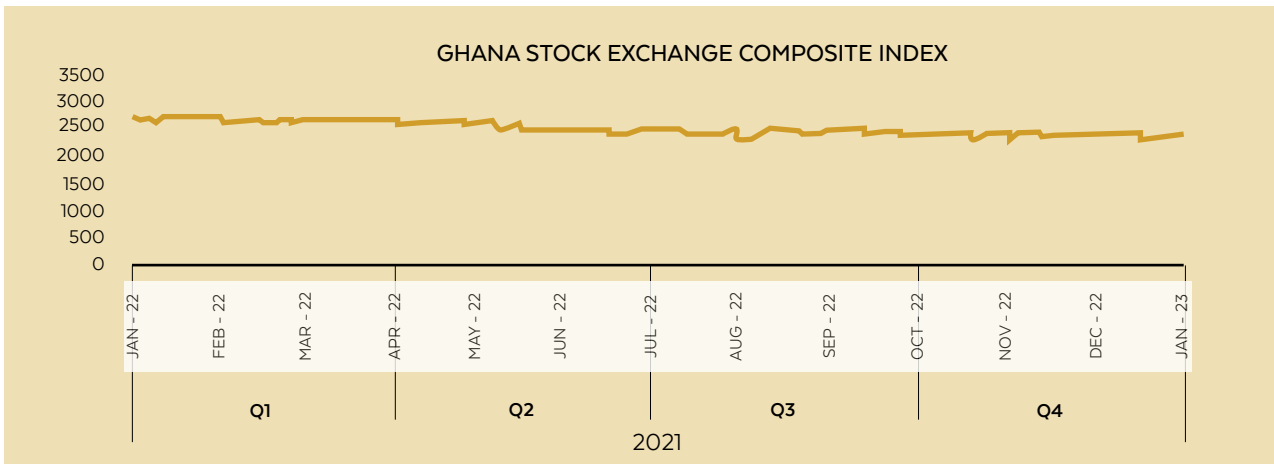
*** Not listed on the market



CHAPTER
08
 FOURTH QUARTER
 MARKET SUMMARY

A EQUITIES MARKET

FIGURE 1: PERFORMANCE OF GHANA STOCK EXCHANGE COMPOSITE INDEX



Source: SEC & GSE, 2022

The Ghana Stock Exchange Composite Index (GSE CI) closed Q4 2022 down by 16.21 points, to end the year with 2,443.91 points. The decline for the fifth consecutive quarter cumulated in a 2022 annual return of -12.68% in the benchmark GSE Composite Index.

New Gold ETF continued to record an impressive advance fuelled by the safe haven appeal of gold, while TBL continued to gain on foreign exchange gains. The price of Benso Oil Palm Plantation (BOPP) also

remained elevated on the high global CPO prices and the positive impact of the Cedi's depreciation on BOPP's foreign exchange denominated revenue inflows. At the helm of the laggard's chart, consumer goods company, Unilever Ghana declined further as the Cedi's depreciation increased raw material costs to dampen bottom-line growth. CAL Bank came in second place as investors reacted to the 66% y/y decline in profit after tax for 9M-2022. Overall, the market remained a bear market, characterised by a negative market breadth with 6 decliners vis-à-vis 3 advancers for the quarter.

TABLE 9: Q4 2022 GAINERS AND LAGGARDS

| GAINERS | % GAIN (Q/Q) | GH¢ GAIN (Q/Q) | PRICE GH¢ | LAGGARDS | % DECLINE (Q/Q) | GH¢ DE-CLINE (Q/Q) | PRICE GH¢ |
|---------|--------------|----------------|-----------|----------|-----------------|--------------------|-----------|
| TBL | 67% | 0.32 | 0.80 | UNIL | -27% | -1.43 | 3.88 |
| GLD | 31% | 51.3 | 217.8 | CAL | -19% | -0.15 | 0.65 |
| BOPP | 18% | 1.17 | 6.48 | RBGH | -10% | -0.06 | 0.54 |
| | | | | SIC | -6% | -0.02 | 0.31 |
| | | | | GOIL | -3% | -0.05 | 1.72 |
| | | | | GCB | -2% | -0.06 | 3.94 |

Source: SEC & GSE, 2022

Trade activity was subdued in the quarter. The volume of shares traded declined 71% q/q as the market recorded below average trade volumes for each of the three months of the quarter. Approximately 55 million shares valued at GH¢ 350 million were exchanged in Q4 with the ICT and distribution sectors accounting for 88% and 5% of trade volumes respectively. In an interesting twist, increased investor interest in GLD, the only listed gold backed exchange traded fund pushed the counter

to account for 85% of turnover with the long-standing market turnover leader, MTNGH, coming in second place at 12% of Q4 trade values.

The bourse ended the year with 33 counters on the main list of the Exchange and 6 counters on the GAX. SWL remained suspended from the main list of the Exchange.

B FIXED INCOME / DEBT MARKET

The macroeconomic quagmire that persisted in the last quarter of 2022, had an adverse impact on the capital market. Interest rates in the Primary Market continued on the northward trek fuelled by the high inflation rates (+1,690 bps q/q) and currency depreciation. Consequently, the 91-day bill (+630 bps q/q), 182-day bill (+441 bps q/q to 35.98%) and 365-day bill (+434 bps q/q to 35.89%) interest rates all increased in the quarter.

The Government of Ghana launched a Domestic Debt Exchange Program (DDEP) on 5th December 2022, as a pre-condition to securing a US\$3bn loan facility from the IMF. Under the programme, the government invited eligible domestic bondholders to exchange old bonds for a new set of bonds with reduced coupon rates and extended maturities. The uncertainties surrounding the coupon rates, maturity profiles, conditions and operationalisation of the DDEP saw the primary money market record high demand as investors were enticed by the prevailing high interest rates on the DDEP

excluded money market instruments on the primary market. Consequently, investors placed bids worth GH¢ 25.47 billion to exceed the cumulative auction target of GH¢ 20.63 billion. Almost all bids were accepted with an uptake of GH¢ 24.26 billion vis-a-vis bids worth GH¢ 25.47 billion.

TABLE 10: MARKET INDICATORS

| INDICATOR | END DEC - 2022 | END SEPT. 2022 | CHANGE |
|-------------------------|----------------|----------------|------------|
| 91- day T-Bill Rate | 35.36% | 30.45% | + 491 bps |
| 182- day T-Bill Rate | 35.98% | 31.57% | +441 bps |
| 364- day T-Bill Rate | 35.89% | 31.55% | +434 bps |
| Interbank Interest Rate | 25.43% | 22.20% | +323 bps |
| CPI Inflation | 54.10% | 37.20% | +1,690 bps |
| Monetary Policy Rate | 27.00% | 22.00% | +500 bps |

Source: SEC & GSE, 2022



On the back of the uncertainties of the DDEP, trading activity thinned out in the secondary market. The volume of bonds traded dipped significantly to GH¢ 11.4 billion, below the 2022 monthly average of GH¢ 19.9 billion. Overall, bonds valued at GH¢ 53.6 billion traded in the quarter to culminate in a total trade volume of GH¢ 230.32 billion in 2022. Activity was led by trades in government securities which accounted for 94.5% of volumes while corporate securities accounted for the remaining 5.5%. Foreign investor participation continued to decline in the secondary market.

Non-resident holding of outstanding debt dipped in each consecutive month of the quarter from 11.7% in October 2022 to end December 2022 at 10%, this is significantly lower than the 2021 monthly average of 20.1%.

At the end of the quarter, the Ghana Fixed Income Market (GFIM) had 199 listed debt securities (Sept 2022: 206 securities) comprised of 35 corporate bonds, 91 Ghana Government (GOG) bills & notes, 57 Ghana Government (GOG) bonds and 16 Eurobonds.

TABLE 11: TOTAL OUTSTANDING CORPORATE SECURITIES ON THE GFIM

| ISSUER | AS AT DEC.2022 (GH¢) | AS AT DEC. 2021 (GH¢) |
|----------------------------|-----------------------|-----------------------|
| Izwe Loans Ltd. | 68,000,000 | 97,000,000 |
| Letshego Ghana | 298,690,000 | 298,690,000 |
| Bayport Financial Services | 116,152,000 | 188,145,360 |
| ESLA Ltd. | 8,374,538,260 | 9,019,070,735 |
| Bond Savings & Loans Ltd. | 70,400,000 | 70,400,000 |
| Quantum Terminal Ltd. | 25,000,000 | 25,000,000 |
| Dalex Finance Company | 20,000,000 | 20,000,000 |
| Daakye Trust P l.c. | 2,797,579,057 | 2,622,531,961 |
| TOTAL | 11,770,359,317 | 12,340,838,056 |

Source: GFIM, 2022

C

FUNDS MANAGEMENT INDUSTRY

The industry's funds under management (FUM) contracted by 2.6 %q/q, to close December 2022 at GH¢ 49.5 billion. The decline in FUM was as a result of the implementation of the SEC directive to mark fixed-income portfolios to their market prices and some investor sell offs in the weeks preceding and subsequent to the formal announcement of the Domestic Debt Exchange Programme.

The Collective Investment Schemes subsector bore the brunt of these issues. The FUM of the CIS declined significantly by 19% q/q to GH¢ 5.6 billion, to account for 11% of total FUM (September 2022: 14%). Pensions, the largest subsector, also recorded a quarterly decline to GH¢ 35 billion (-1.23%). The discretionary funds however increased by 4.6% q/q, ostensibly due to increased investments in the higher yielding and DDEP excluded, Treasury Securities.

GH¢49.5 b

Total Funds Under Management

-2.6%

Quarter-on-quarter growth of Assets Under Management

GH¢35 b

Pension Funds Under Management

5.6b

Collective Investment Schemes Under Management

DISCLAIMER: The views expressed in this article are the authors' and do not necessarily represent the views of the Securities and Exchange Commission, its members or staff.

TABLE 12: DEBT MARKET (MONTHLY AVERAGE RATES)

| TREASURY INSTRUMENTS (INTEREST EQUIVALENT) | Jan 22 | Feb 22 | Mar 22 | Apr 22 | May 22 | Jun 22 | Jul 22 | Aug 22 | Sep 22 | Oct 22 | Nov 22 | Dec 22 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 91-Day Bill | 12.55 | 12.82 | 13.49 | 16.22 | 19.05 | 24.15 | 26.16 | 27.68 | 29.65 | 31.53 | 34.62 | 35.48 |
| 182-Day Bill | 13.21 | 13.27 | 13.76 | 16.72 | 20.43 | 25.55 | 27.38 | 29.12 | 30.94 | 32.61 | 35.68 | 36.23 |
| 364-Day Bill | 16.7 | 16.97 | 17.01 | 18.93 | 22.20 | 27.14 | 27.67 | 28.92 | 30.24 | 32.32 | 35.26 | 36.06 |
| SECONDARY MARKET | | | | | | | | | | | | |
| 2-Year Note | 20.91 | | 20.23 | 20.94 | 26.31 | 30.18 | 30.62 | 35.7 | 39.35 | 43.76 | 42.87 | 59.4 |
| 3-Year Bond | 12.19 | | 15.03 | 18.37 | 22.97 | 22.86 | 25.68 | 32.39 | 41.68 | 67.06 | 43.71 | 43.69 |
| 5-Year Bond | 21.40 | | 20.84 | 21.61 | 25.57 | 30.63 | 30.01 | 36.35 | 39.73 | 44.81 | 45.19 | 43.68 |
| 6-Year Bond | 21.19 | 20.68 | 21.11 | 21.5 | 25.78 | 30.84 | 30.03 | 36.38 | 39.82 | 45.69 | 43.89 | 43.87 |
| 7-Year Bond | 21.25 | 20.51 | 21.28 | 21.66 | 26.63 | 30.84 | 29.9 | 36.36 | 39.96 | 45.81 | 43.72 | 44.93 |
| 10-Year Bond | 20.2 | 21.01 | 21.2 | 21.74 | 22.69 | 32.60 | 30.92 | 32.86 | 37.92 | 44.74 | 45.05 | 44.75 |
| 15-Year Bond | 21.37 | 21.27 | 21.45 | 21.8 | 26.86 | 30.78 | 30.32 | 36.14 | 39.77 | 45.24 | 43.78 | 43.83 |
| 20-Year Bond | 22 | 21.23 | 21.59 | 21.73 | 27.43 | 31.07 | 29.93 | 36.28 | 39.74 | 45.76 | 43.78 | 43.83 |
| Volumes Traded | 16.68 | 19.33 | 28.13 | 17.83 | 17.31 | 24.92 | 19.16 | 15.71 | 14.95 | 22.56 | 22.56 | 11.41 |
| Non-Resident Holding | 16.62% | 16.23% | 17.03% | 17.31% | 17.12 | 16.66 | 14.96 | 12.31 | 11.49 | 11.75 | 10.93 | 10.00 |

Source: BoG, GFIM, GSE, CSD, 2022



TABLE 13: STOCK MARKET INDICATORS

| INDICATOR | Jan 22 | Feb 22 | Mar 22 | Apr 22 | May 22 | Jun 22 | Jul 22 | Aug 22 | Sep 22 | Oct 22 | Nov 22 | Dec 22 |
|-------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|----------|----------|----------|----------|
| GSE COMPOSITE INDEX (GSE-CI) | 2,766.8 | 2,696.4 | 2,742.9 | 2,691.2 | 2,554.8 | 2,545.5 | 2,518.9 | 2,509.0 | 2,460.12 | 2,460.30 | 2,463.27 | 2,443.91 |
| GSE Financial Stock Index (GSE-FSI) | 2,131.9 | 2,119.0 | 2,175.0 | 2,209.7 | 2,792.6 | 2,177.0 | 2,103.6 | 2,079.9 | 2,070.10 | 2,069.90 | 2,076.84 | 2,052.59 |
| GSE Capitalization | 64.1 | 62.9 | 64.0 | 63.8 | 62.3 | 64.8 | 64.4 | 64.4 | 64.0 | 64.7 | 64.82 | 64.51 |
| Volume traded | 34.58 | 31.11 | 214.97 | 105.1 | 657.1 | 48.2 | 64.3 | 77.3 | 47.72 | 21.34 | 5.2 | 28.34 |
| Value traded | 38.28 | 26.43 | 237.14 | 107.2 | 607.3 | 45.3 | 61.5 | 114.2 | 51.99 | 150.06 | 56.66 | 143.81 |
| CIS AUM | - | - | 7.81 | - | - | 7.77 | - | - | 6.86 | - | - | 5.57 |
| Others AUM | - | - | 7.64 | - | - | 7.79 | - | - | 8.41 | - | - | 8.79 |
| Pensions AUM | - | - | 32.47 | - | - | 32.96 | - | - | 35.57 | - | - | 35.13 |
| Total AUM | - | - | 47.92 | - | - | 48.53 | - | - | 50.84 | - | - | 49.5 |

Data Sources: BOG, GSE, GFIM, CSD



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GLOSSARY OF TERMS

| | |
|----------------------------------|--|
| Securities | The term "security" refers to a fungible, negotiable financial instrument that holds some type of monetary value. It represents an ownership position in a publicly-traded corporation via stock; a creditor relationship with a governmental body or a corporation represented by owning that entity's bond; or rights to ownership as represented by an option. Also, a security is a financial instrument, typically any financial asset that can be traded (Securities are tradeable financial assets). |
| Integrity of the market | The need to ensure that markets operate fairly and safely in order to encourage the widest possible confidence in them, thereby promoting high levels of savings and investment. |
| Capital market | The capital market is the long-term segment of the financial market. It is the mechanism through which institutions and governments raise long-term funds through the issue of shares and bonds. |
| Equities Market | An equity market is a market in which shares of companies are issued and traded, either through exchanges or over-the-counter markets. |
| Ghana Fixed Income Market | A market to facilitate the secondary trading of all fixed income securities and other securities to be determined from time to time. The market has been established by key stakeholders in the financial market led by the Bank of Ghana (BoG), Ghana Stock Exchange, (GSE), Central Securities Depository Ghana Ltd (CSD), Ghana Association of Bankers, the Ministry of Finance, Financial Market Association (ACI Ghana) and Licensed Dealing Members (LDMs) of the Ghana Stock Exchange. The GFIM is based on the existing license that the Ghana Stock Exchange (GSE) has to operate a market for securities. The main regulator for the market is the Securities and Exchange Commission. |
| Commodities Market | A commodity market is a marketplace for buying, selling, and trading raw materials or primary products. |
| Fund Management Industry | The Fund Management Industry comprises of Fund Managers managing retail and institutional portfolios, Pension Funds and Collective Investment Schemes (consisting of Mutual Funds and Unit Trusts), and Custodians. |
| Money Markets | A component of the economy which provides short-term funds. The money market deals in short-term loans, generally for a period of a year or less. |
| Broker Dealers | Carry on a business of dealing in securities such as equities/shares, bonds, short-term debt instruments, etc. as principal or as an agent. |
| Custodians | A person who takes responsibility for safeguarding a firm's or individual's financial assets and holds the assets in safekeeping on behalf of the firm or individual. |
| Securities Depositories | A depository is an institution that holds securities. A depository facilitates trading of securities by transferring ownership of security after trade execution. |
| Fund Managers | Manage funds on behalf of a client pursuant to a contract or arrangement with the client. |
| Investment Advisory | An investment advisor is any person or group that makes investment recommendations or conducts securities analysis in return for a fee, whether through direct management of clients' assets or by way of written publications. |
| Issuing House | A merchant bank or firm of stockbrokers which buys shares issued by a company and coordinates their sale to the public. |
| Mutual Funds | A public company incorporated to operate by pooling money from investors and investing in securities on their behalf. |
| Unit Trust | A unit trust is an arrangement where investors' funds are pooled together and invested in a portfolio of securities and other financial assets, with the beneficial interest in the assets of the trust divided into units. |
| Primary Dealers | A body corporate which buys government securities directly from the government with the intention of reselling to any other person. |
| Registrars | A registrar is an institution responsible for keeping records (ie. registers) of bondholders and shareholders of issuers of securities. |
| Trustees | A body corporate in which the property subject to a trust created may be vested in accordance with the terms of the trust deed for the beneficiaries named. |
| Securities Exchanges | An exchange is an organized market on which securities such as shares, and bonds can be bought and sold. |



| | |
|---|---|
| Private Equity Funds | A private equity fund is a pooled investment vehicle where the adviser pools together the money invested in the fund by all the investors and uses that money to make investments on behalf of the fund. |
| Primary Market | It is a market where companies, governments and other entities obtain financing through selling of equity-based or debt-based securities. It is where new shares and bonds are sold to the public for the first time [e.g., IPO, for new shares]. Securities are purchased from the issuer who receives proceeds of sale to finance its business operations. |
| Secondary Market | This is where investors buy and sell securities that have already been issued on the primary market. The purchase and sale take place on a securities exchange. The proceeds of the sale go to the selling investor and not the issuer. |
| Money Market | The Money Market is the segment of the market where short-term debt investments of up to one year maturity are bought and sold. It involves the purchase and sale of overnight swaps of large amounts between banks and also between banks and Central banks. Companies play in the money market by selling CPs to Funds. They can also purchase bank CDs as safe place to park money in the short-term. An individual may invest in the money market by purchasing a money market mutual fund, treasury bill or open a fixed deposit account with a bank. Money market instruments are characterized by safety, liquidity, low risk and low return. Ordinarily not regulated by the SEC. However, Fund managers and CIS' invest in money market instruments as part of their portfolios. |
| Exchange Traded Fund | An exchange-traded fund (ETF) is a type of pooled investment security that operates much like a mutual fund. Typically, ETFs will track a particular index, sector, commodity, or other assets, but unlike mutual funds, ETFs can be purchased or sold on a stock exchange the same way that a regular stock can. An ETF can be structured to track anything from the price of an individual commodity to a large and diverse collection of securities. ETFs can even be structured to track specific investment strategies. |
| Equities (shares) | Indicate part ownership of investors in a firm and also enable investors to participate in the firm's profit in the form of dividends. |
| Ordinary Stocks | Ordinary shares, also called common shares, are stocks sold on a public exchange. Each share of stock generally gives its owner the right to one vote at a company shareholders' meeting. Unlike in the case of preferred shares, the owner of ordinary shares is not guaranteed a dividend. |
| Preference Stocks | Preference shares, more commonly referred to as preferred stock, are shares of a company's stock with dividends that are paid out to shareholders before common stock dividends are issued. If the company enters bankruptcy, preferred stockholders are entitled to be paid from company assets before common stockholders. Most preference shares have a fixed dividend, while common stocks generally do not. Preferred stock shareholders also typically do not hold any voting rights, but common shareholders usually do. |
| Debt Securities | A debt security is a debt instrument that can be bought or sold between two parties and has basic terms defined, such as the notional amount (the amount borrowed), interest rate, and maturity and renewal date. |
| Government Bonds | A government bond is a debt security issued by a government to support government spending and obligations. Government bonds can pay periodic interest payments called coupon payments. Government bonds issued by national governments are often considered low-risk investments since the issuing government backs them. |
| Corporate Bonds | A corporate bond is a type of debt security that is issued by a firm and sold to investors. The company gets the capital it needs and in return the investor is paid a pre-established number of interest payments at either a fixed or variable interest rate. When the bond expires, or "reaches maturity," the payments cease and the original investment is returned. |
| Bonds | A bond is a debt security. Borrowers issue bonds to raise money from investors willing to lend them money for a certain amount of time. |
| Preferred stock/ Preference shares | Holders of preference shares are eligible to receive dividends at a fixed rate. It is important to note that before dividends could be paid to equity shareholders, holders would have received this dividend. Preferred stockholders claim to the company's surplus in the case of liquidation will be ranked higher than that of ordinary stockholders, but lower than that of the company's creditors, bondholders, and debenture holders. |
| Commodities | A commodity is a basic good used in commerce that is interchangeable with other goods of the same type. Commodities are most often used as inputs in the production of other goods or services. A commodity thus usually refers to a raw material used to manufacture finished goods. |



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| Market Capitalization | Market capitalization refers to the total dollar market value of a company's outstanding shares of stock. The investment community uses this figure to determine a company's size instead of sales or total asset figures. In an acquisition, the market cap is used to determine whether a takeover candidate represents a good value or not to the acquirer. |
| Traded Value | Trade in value meaning is the total amount of buy and sell trades taken place at a time. It can be majored at any time but mostly it is taken into account on a day-to-day basis to track the overall stock market trend or a particular stock trend. |
| Volume of Trade | Volume of trade is the total quantity of shares or contracts traded for a specified security. It can be measured on any type of security traded during a trading day. Volume of trade or trade volume is measured on stocks, bonds, options contracts, futures contracts, and all types of commodities. |
| Listed Companies | A listed company is a public company. It has issued shares of its stock through an exchange, with each share representing a sliver of ownership of the company. Those shares can then be bought and sold by investors, rising or falling in value according to demand. |
| Collective Investment Scheme (CIS) | A pool of funds for investment that are managed by a professional fund manager on behalf of the investors of the fund. |
| Real Estate Investment Trusts (REITS) | REITs, or real estate investment trusts, are companies that own or finance income-producing real estate across a range of property sectors. These real estate companies have to meet a number of requirements to qualify as REITs. Most REITs trade on major stock exchanges, and they offer a number of benefits to investors. |
| Mutual Fund | A mutual fund is a public or external company incorporated solely to hold and manage securities or other financial assets. The company accepts funds from investors and uses those funds to buy a portfolio of securities and other financial assets and employs professional fund managers to manage the investment. The company issues shares which represent pro-rata share of the pool of fund assets to investors. |
| Market liquidity | In business, economics or investment, market liquidity is a market's feature whereby an individual or firm can quickly purchase or sell an asset without causing a drastic change in the asset's price. Liquidity involves the trade-off between the price at which an asset can be sold, and how quickly it can be sold. |
| Savings | Savings is the portion of an individual's income that is not spent on current expenditure but rather set aside for future use. |
| Investment | Investment is the current commitment of money for a period to derive future payments that will compensate the investor for the time the investment is held and the associated risk. |
| Budgeting | A process for tracking, planning and controlling the inflow and outflow of your income. It entails identifying all the sources of income and taking into account all current and future expenses, with an aim to meet your financial goals. |
| Inflation | Inflation is a rise in prices, which can be translated as the decline of purchasing power over time. The rate at which purchasing power drops can be reflected in the average price increase of a basket of selected goods and services over some period of time. |
| Investment Risk | Investment risk can be defined as the probability or likelihood of occurrence of losses relative to the expected return on any particular investment. |



No. 30, 3rd Circular Road - Cantonments, Accra.
Digital Address: GL-076-6028
Toll Free Line - 0800100065
Main Line - 030768970-2
P.O.Box CT 6181
Cantonments, Accra
www.sec.gov.gh
info@sec.gov.gh



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