

ENSURING INVESTOR PROTECTION

# SEC NEWS

OFFICIAL NEWSLETTER OF SECURITIES & EXCHANGE COMMISSION

2ND QUARTER (APR. - JUN.) 2021



## MARTIN MOLONEY APPOINTED AS IOSCO SECRETARY GENERAL



*Press Release: Inauguration  
of Securities and Exchange  
Commission (SEC) Board*



*Americ Webinar on  
Sustainable Finance*



*Second Quarter Market  
Summary Analyses &  
Highlights*



*Key Market Statistics*

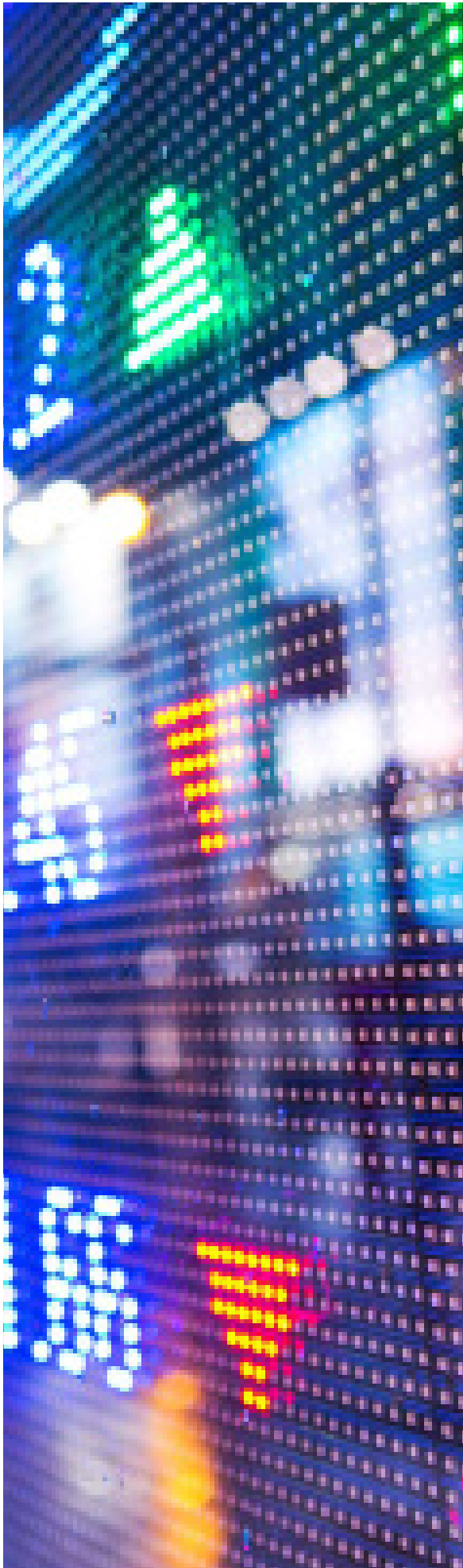


*Infractions, Penalties and  
Complaints Received in the  
Second Quarter of 2021*



*"It's not whether you're right or wrong  
that's important, but how much money you  
make when you're right and how much you  
lose when you're wrong." — George Soros*





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## EDITORIAL TEAM

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- |                             |                              |
|-----------------------------|------------------------------|
| 1. Dr Jacob Aidoo           | 5. Mrs Naomi Simpson         |
| 2. Mr Emmanuel Ashong-Katai | 6. Ms Dorothy Yeboah-Asiamah |
| 3. Mrs Marian Afriye-Opoku  | 7. Mrs Lilian Danso Alfum    |
| 4. Mr Frank Biney Donkor    | 8. Mr Andy Anim              |

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DESIGNED & PRINTED BY:



ISSUE 14, Q2 2021

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# NOTICE TO THE PUBLIC

## 1. 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 a license.
- Reporting fraudulent investment schemes (e.g. ponzi schemes).
- Reporting fraudulent activities of capital market operators.
- Making complaints against capital market operators.

## 2. PUBLIC NOTICE

### **SEC REINTRODUCES COMPLIANCE FORUM FOR STAKEHOLDERS SEC/PR/003/07/2021**

The Securities and Exchange Commission (SEC) today reintroduced the Compliance Forum for its respective stakeholders, with the first edition organized for members of the Ghana Securities Industry Association (GSIA). The forum aimed at providing clarity on issues of compliance and to give Market Operators a better sense of the SEC's expectations of them. It also sought to highlight the various regulatory frameworks of the SEC guiding the activities of Market Operators.

Speaking at the forum, the Director-General (DG) of the SEC, Rev. Daniel Ogbarmey Tetteh accentuated the need for Market Operators to ensure compliance in the conduct of their businesses to avoid obvious sanctions and penalties. He noted that, regulated businesses were associated with compliance and there was therefore the need for the regulator to provide clarity on compliance for its regulatees.

Commenting on the various Guidelines and regulatory frameworks introduced by the SEC, he urged Market Operators to be mindful of issues relating to corporate governance. He also noted that, the compliance forum would enable all Market Operators to have a better sense of the SEC's expectations and adherence to its regulations. He encouraged Market Operators to build a good relationship with their clientele by executing their orders, providing timely information with full disclosures, and ensuring diligent utilization of invested funds.

He concluded by indicating the SEC's commitment to engage stakeholders in creating an enabling regulatory environment for firms to thrive as part of its mandate of regulating, innovating, and promoting the growth and development of an efficient, fair, and transparent securities market in which investors and the integrity of the market are protected.

The Compliance Forum with GSIA was held virtually with participants from the GSIA. Request for further information can be made via [info@sec.gov.gh](mailto:info@sec.gov.gh), the toll-free line 0800100065 or the SEC website at [www.sec.gov.gh](http://www.sec.gov.gh).

BY ORDER OF  
THE SECURITIES AND EXCHANGE COMMISSION  
DATED: 15<sup>th</sup> July 2021

## PRESS RELEASE: INAUGURATION OF SECURITIES AND EXCHANGE COMMISSION (SEC) BOARD

The Minister of Finance, Hon. Ken Ofori-Atta has inaugurated the Board of the Securities and Exchange Commission at the Ministry of Finance. The reconstitution of the Board was in line with the Securities Industries Act, 2016 (Act 929) as amended.

Speaking at the inauguration ceremony, the Hon. Minister Ken Ofori-Atta acknowledged the significant progress chalked in the Ghanaian Financial Sector, despite the challenges encountered. He further noted key achievements attained in the Capital Market over the last few years including the significant growth reached in market capitalization of the GSE; the asset management industry clean up exercise which has helped to restore and rebuild investor confidence in the industry; the removal of Ghana from the Financial Action Task Force (FATF) grey list and the launch of the Capital Market Master Plan this year to provide the blueprint for the development of the Capital Market in Ghana, among others. He underscored the important role of the SEC to the future of Ghana's economic transformation and to making it an attractive hub for investors. The Hon. Minister concluded his remarks by thanking members of the reconstituted Board for their commitment and urged them to deliver remarkable results on key initiatives to help transform the Ghanaian Capital Market.

Please find below the list of Board members:

	Name	Position
1	Dr. Yeboa Amoa	Chairman
2	Rev. Daniel Ogbarmey Tetteh	Executive Commissioner
3	Mrs. Deborah Mawuse Agyemfra	Executive Commissioner
4	Mr. Paul Ababio	Executive Commissioner
5	Mrs. Elsie Addo Awadzi	Commissioner
6	Mr. Sampson Akligoh	Commissioner
7	Mrs. Jemima Oware	Commissioner
8	Mr. Yaw Acheampong Bofo	Commissioner
9	Prof. Joe Amoako-Tuffour	Commissioner
10	Ms. Deila Assimeh	Commissioner
11	Mr. Augustine Addo	Commissioner

Requests for further information can be made via [info@sec.gov.gh](mailto:info@sec.gov.gh), the toll-free line 0800100065 or the SEC website at [www.sec.gov.gh](http://www.sec.gov.gh).

BY ORDER OF  
THE SECURITIES AND EXCHANGE COMMISSION  
DATED: 10<sup>th</sup> August 2021



## 2. INTERNATIONAL UPDATES

# AMERC WEBINAR ON SUSTAINABLE FINANCE

### DOROTHY YEBOAH-ASIAMAH

Manager, International Relations and Board Secretary

**T**he Africa Middle East Regional Committee (AMERC) had a virtual meeting on

Ms. Nezha Hayat, AMERC Chair and AMMC Morocco Chair, in her welcome address mentioned the relevance of sustainable finance both for the global community of securities regulators and also for the regulators in the AMERC region. She mentioned that greener capital markets could play a critical role in providing funds to accelerate the development of green projects and the recovery of the economy in general. Reference was made to the recent evolution of sustainable finance, indicating that some years ago it was an effort mostly driven by the private sector but more recently (5 or 4 years ago) the private sector started asking IOSCO to take a role in this area. One point noted was that there was much market

fragmentation.

The meeting was informed that, sustainable finance was a top priority of IOSCO.

The IOSCO Board set up the sustainable finance Task Force (STF), which is developing three workstreams:

- i. Workstream 1 focuses on sustainability disclosures for issuers,
- ii. workstream 2 focuses on sustainability disclosure for asset managers, and the risk of greenwashing, and
- iii. workstream 3 focuses on ESG ratings and ESG data providers.

The STF had identified three priority areas for improvement in sustainability-related disclosures:

- a. *Encouraging Globally Consistent Standards.* To encourage progress towards globally consistent application of a common set of international standards for sustainability-related disclosure across jurisdictions, covering the breadth of sustainability

topics and leveraging existing principles, frameworks, and guidance.

- b. *Promoting Comparable Metrics and Narratives.* To promote greater emphasis on industry specific, quantitative metrics in companies' sustainability-related disclosures and standardization of narrative information.
- c. *Coordinating Across Approaches.* To drive international consistency of sustainability related disclosures with a focus on enterprise value creation, including companies' dependence on stakeholders and the external environment, while also supporting mechanisms to coordinate investors' information needs on wider sustainability impacts – and
  - To promote closer integration of those two aspects with reporting under current accounting standards frameworks and
  - Facilitate independent assurance of companies' disclosures.





Dr. Evans Osano, Director, Capital Markets, FSD Africa, made a presentation on the work of FSD Africa in the region. He indicated that there were different instruments to support ESG in the capital markets:

- a. Debt Instruments (Green Bonds, Sustainability Bonds, Structured Bonds, Green Securitizations, Project bonds, Green Debt Funds, Debt Guarantees).
- b. Equity Instruments (ESG/ Sustainability Indices, Green Islamic/Ethical Funds, Green REITs, Green Property Funds, Ethical/Green Funds, Green ETFs).
- c. Outcomes Based Financing (Payment for Environmental Services, Development Impact Bonds (e.g. Zebra Bonds), Debt-for-climate swaps, Carbon Markets). He also referred that the FSD Africa's current Capital Markets portfolio in the region includes 50+ projects in 33 countries across Africa (e.g. Green Bonds Kenya; Green Bonds Nigeria; Islamic Finance, Kenya & WAEMU; Gender Bonds; Asset Backed Securities; Real Estate Investment Trusts; Private Equity & Debt).

Mr. Khaled Alhomoud, AMERC Vice

Chair and Board Commissioner, Capital Market Authority, Saudi Arabia, in his closing remarks mentioned that the region was at the forefront to engage in sustainable finance. There was a certain degree of alignment that needed to be made between the jurisdictions and the global level of this matter.

He also emphasized that there was a willingness to embrace this area in the region and that coordination and collaboration of members would be helpful to better dive into this field.

The meeting was well attended, and the SEC Ghana also represented.

## MARTIN MOLONEY APPOINTED AS IOSCO SECRETARY GENERAL

**DOROTHY YEBOAH-ASIAMAH**

Manager, International Relations and Board Secretary

**M**artin Moloney has been appointed as the Secretary-General of the International Organization of Securities Commissions (IOSCO).

strong record as a regulator at a time when IOSCO was playing a key role in the evolution of global financial markets. Martin is well known to many in the industry and member jurisdictions and would further develop IOSCO's strong record of dynamic engagement both with industry and IOSCO members.

Authority or ESMA.

The SEC Ghana wishes Martin the very best in his new role.

Martin Moloney succeeds Paul Andrews, who was Secretary General of IOSCO from 2016 to 2020. Martin was appointed under a three-year renewable contract and would take up his post in September 2021.

According to the Board Chair Ashley Alder, Martin had come with a very

Martin's previous roles were as Director General of the Jersey Financial Services Commission and, before that, as Special Advisor on Risk and Regulation at the Central Bank of Ireland. He was previously a member of the Board of IOSCO and has been the Chair of the Investment Management Standing Committee of European Securities and Markets



**Mr. Martin Maloney**  
(Secretary-General, IOSCO)



## 3. KNOWLEDGE BANK

# WHAT ARE COLLECTIVE INVESTMENT SCHEMES (UNIT TRUSTS)

**FRANK BINEY DONKOR**  
Manager, Policy and Research, SEC

**I**n the previous edition (Q1 of SEC NEWS 2021), we dealt with mutual funds. However, in this edition, we will focus on unit trust and its operations.

### WHAT ARE COLLECTIVE INVESTMENT SCHEMES?

Collective Investment Schemes are pools of funds that are managed on behalf of investors by a professional money manager. The manager uses the money to buy stocks, bonds, or other securities according to specific investment objectives that have been established for the scheme. In return for putting money into these funds, the investor receives shares or units that represent his/ her pro-rata share of the pool of fund assets. In return for administering the fund and managing its investment portfolio, the fund manager charges a fee based on the value of the fund's assets.

Collective investment schemes in Ghana take the form of either a Mutual Fund or a Unit Trust. The characteristics of collective investment schemes in Ghana are provided for in the Securities Industry, 2016 (Act 929) and are not necessarily the same as those of other jurisdictions. It is worth noting that variations exist in collective investment schemes from jurisdiction to jurisdiction. The definitions

in this brochure are based on the Securities Industry Act, 2016 (Act 929).

Mutual funds in Ghana are companies formed under the Companies Act, 2019 (Act 992), whilst Unit Trust operations are based on trusts under Trust deeds.

### WHAT IS A UNIT TRUST?

A unit trust is an arrangement whereby investors' funds are pooled together and used to invest in a portfolio of securities and other financial assets, with the beneficial interest in the assets of the trust divided into units. The funds are managed by a professional manager.

A unit trust is constituted by a document known as the Trust Deed. Under the Securities Industry Act, 2016 (Act 929), unit trusts are open-ended funds, and its managers stand ready to issue new units or redeem outstanding units on a continuous basis.

### WHO ARE PARTIES TO A UNIT TRUST?

The parties to a Unit Trust are:

- i. The Manager is the company that establishes the unit trust. The law requires the company seeking to establish a unit trust to be the manager of the trust. The manager must be a body corporate licensed by the Securities and Exchange Commission as a fund manager prior to the establishment of the unit trust.

- ii. The trustee is a company appointed by the Manager to take into its custody or under its control the property of the unit trust and hold it in trust for the investors.

The trustee must either be a bank, an insurance company or a financial institution or a wholly owned subsidiary of any of them approved by the SEC.

The trust deed of the unit trust is made under seal between the manager and the trustee.

### WHAT RELATIONSHIP SHOULD EXIST AMONG THE PARTIES TO A UNIT TRUST?

The manager appoints the trustee, but the manager and the trustee must be independent of each other. Independent here means that the manager is not a substantial shareholder of the trustee, and the trustee is not a substantial shareholder of the manager.

A substantial shareholder means a shareholder entitled to exercise or control 30% or more of the voting power at general meetings of the company or one who is in a position to control the composition of a majority of the board of directors of a company.

*See sections 59 to 108 of the Securities Industry Act, 2016 (Act 929) for more information on CIS. To be continued in the next edition !!!*

**Disclaimer:** The views expressed are the author's own and do not necessarily represent the views of the Securities and Exchange Commission, its members or staff.



# 4. ENFORCEMENTS

## INFRACTIONS & PENALTIES; COMPLAINTS RECEIVED DURING THE SECOND QUARTER

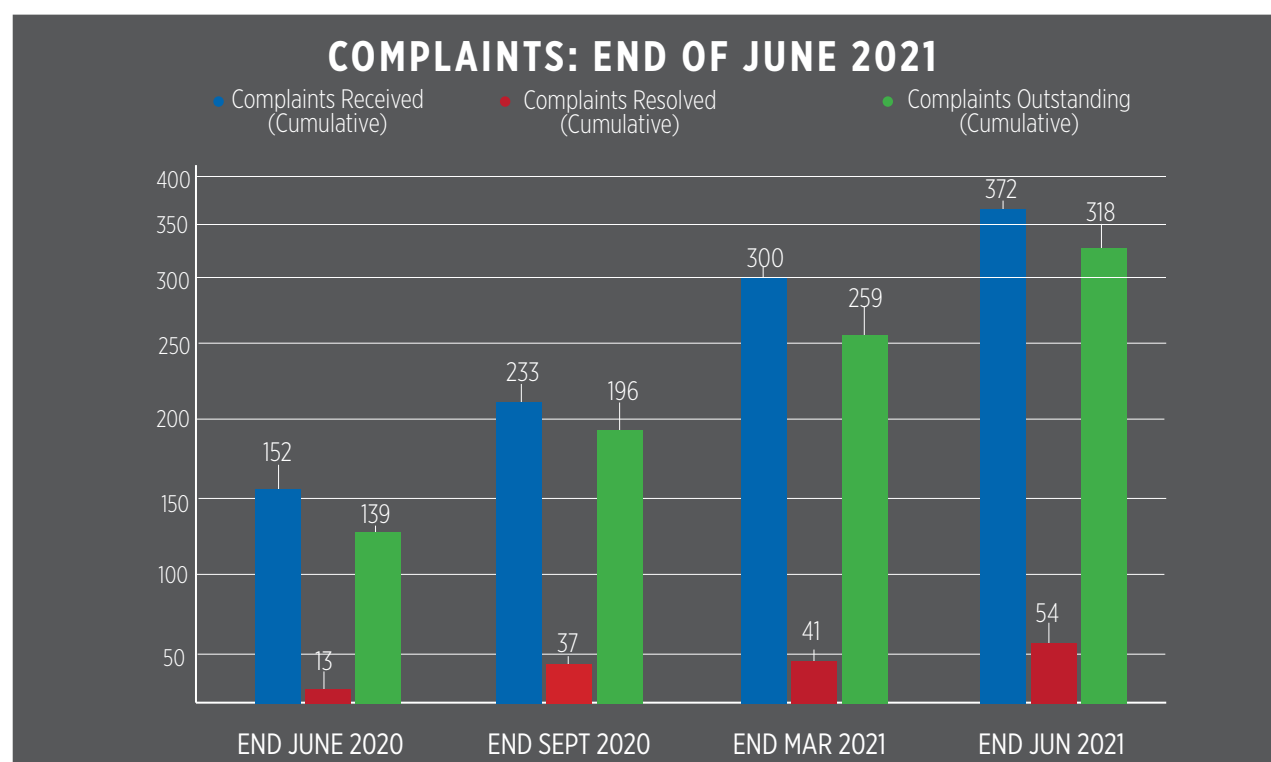
### Infractions and Penalties

No firm was sanctioned during the period

### Complaints

Complaints received during the Second Quarter of 2021

Period	Complaints Received (Cumulative)	Complaint Resolved (Cumulative)	Complaints Outstanding (Cumulative)
End Sept 2020	152	13	139
End Dec 2020	233	37	196
End Mar 2021	300	41	259
End Jun 2021	372	54	318



The above complaints were mainly related to:

- i) Non-payment of redemption request
- ii) Difficulty in accessing statement on investments.





# 5 FACTS & FIGURES

## MARKET STATISTICS OFFERS & OTHER APPROVALS

### MARKET STATISTICS

**Table Q: Assets under Management (2<sup>nd</sup> Quarter 2021)**

AUM (GH¢)	END JUNE 2021	END MARCH 2020	% CHANGE
Pensions	25,541,232,530.80*	22,802,848,326.97	12.01
CIS	3,697,537,511.69	3,400,903,986.34	8.72
Other funds	4,788,140,928.02	4,987,299,947.94	-3.99
<b>Total (GH¢)</b>	<b>34,026,910,970.51</b>	<b>31,191,052,261.25</b>	<b>9.09</b>

*\*Adjusted values from custodians*

### Offers and Other Approvals

1. List of firms licensed during the Second Quarter 2021:

**a. Approval of Licenses**

No approval during the period.

2. Offers, Approvals and Listings (Primary and Secondary Market)

List of Approvals

**1. Offers and Approvals and Listing (Primary and Secondary Market)**

No approval for the second



## 2. Note Tranches

APPROVAL OF NOTE TRANCHES				
	ISSUER	TRANCHE NUMBER	AGGREGATE SIZE	SUBSCRIPTION (%)
1	Daakye Trust Plc	D1 (re-tap)	100M	47.8%
2	Daakye Trust Plc	D2	100M	280%
3	Daakye Trust Plc	D1 (re-tap)	10M	149%
4	Daakye Trust Plc	D2 (re-tap)	135M	111%
5	Daakye Trust Plc	D1 (re-tap)	100M	100%
6	Bayport Savings&Loans	T13	30M	128%
7	Bayport Savings&Loans	T14	10M	365%

## 3. Total Number of Issuing Houses

1	ABSA Bank
2	Fidelity Bank Ghana Ltd
3	GCB Bank Ltd.
4	IC Securities Ltd
5	Stanbic Bank Ghana Ltd
6	Standard Chartered Bank Ghana Ltd
7	Databank Brokerage limited
8	Temple Investment limited



## CAPITAL MARKET STATISTICS AND ANALYSIS

### 1. Capital Market Operators as at the end of Second Quarter 2021

	CATEGORY OF LICENSED OPERATORS	END JUNE 2021	END MARCH 2020	CHANGE
1	Broker-Dealers	26	26	0
2	Custodians	18	18	0
3	Exchange Traded Funds	1	1	0
4	Investment Advisers	11	11	0
5	Fund Managers	85	85	0
6	Mutual Funds	46	46	0
7	Primary Dealers	12	11	1
8	Registrars	4	4	0
9	Securities Depositories	1	1	0
10	Securities Exchange	2	2	0
11	Trustees	7	7	0
12	Issuing House	8	8	0
13	Unit Trusts	23	23	0
14	Private Funds	2	2	0
<b>TOTAL</b>		<b>246</b>	<b>245</b>	<b>1</b>

### 3. Stock Market Statistics AT A GLANCE

INDICATORS	END JUNE 2021	END MARCH 2021	% CHANGE
Number of Listed Companies (Main Market)	30	31	-3.23
Number of Listed Companies (Ghana Alternative Market)	6	6	0
Volume of Trades: Cumulative (Equities)	327,100,005	200,929,805	62.79
Value of Trades (GH¢): Equities	307,556,990.03	153,402,310.49	100.49
Market Capitalization (GH¢ million)	61,331.40	57,162.18	7.29
GSE- Composite Index (GSE-CI)	2,643.67	2,213.29	19.45
GSE- CI YTD Returns (%)	36.16	13.99	158.47
GSE- Financial Stock Index (GSE-FSI)	1,871.41	1,845.92	93.48



### 3. Performance of Equities on Ghana Stock Exchange

NO.	NAME OF COMPANY	CODE	CLOSING PRICE(GH¢) END JUNE 2021	CLOSING PRICE (GH¢) END MARCH 2021	CHANGE (GAIN/LOSS) END JUNE 2021
1	Access Bank Ghana PLC	ACCESS	3.49	4.30	-0.81
2	Agricultural Development Bank	ADB	5.06	5.06	0.00
3	AngloGold Ashanti Ltd.	AGA	37.00	37.00	0.00
4	Aluworks Limited	ALW	0.10	0.10	0.00
5	Benso Oil Palm Plantation	BOPP	2.17	2.00	0.17
6	Cal Bank Ltd	CAL	0.70	0.64	0.06
7	Clydestone (Ghana) Ltd.	CLYD	0.03	0.03	0.00
8	Camelot Ghana Ltd.	CMLT	0.11	0.11	0.00
9	Cocoa Processing Co. Ltd.	CPC	0.03	0.03	0.00
10	Dannex Ayrton Starwin Plc.	DASPHARMA	0.40	0.40	0.00
11	Ecobank Ghana Ltd.	EGH	7.00	7.20	-0.20
12	Enterprise Group Ltd.	EGL	1.80	1.44	0.36
13	Ecobank Transnational Inc.	ETI	0.05	0.07	-0.02
14	Fan Milk PLC	FML	1.34	1.09	0.25
15	GCB Bank Ltd.	GCB	5.40	4.50	0.90
16	Guinness Ghana Breweries Ltd.	GGBL	1.29	0.90	0.39
17	Ghana Oil Company Limited	GOIL	1.55	1.51	0.04
18	Golden Star Resources Ltd.	GSR	9.50	9.50	0.00
19	Mega African Capital Ltd	MAC	5.98	5.98	0.00
20	Scancom PLC	MTNGH	1.20	0.85	0.35
21	PBC LtdC	PBC	0.03	0.03	0.00
22	Republic Bank (Ghana) Ltd.	RBGH	0.45	0.45	0.00
23	Standard Chartered Bank Gh. PLC	SCB	18.60	18.15	0.45
24	SIC Insurance Company Ltd.	SIC	0.07	0.08	-0.01
25	Societe Generale Ghana Limited.	SOGEGH	0.90	0.75	0.15
26	Sam Woode Ltd.	SWL	0.05	0.05	0.00
27	Trust Bank Gambia Ltd	TBL	0.34	0.34	0.00
28	Total Petroleum Ghana Ltd.	TOTAL	3.65	3.15	0.50
29	Tullow Oil Plc	TLWL	11.92	11.92	0.00
30	Unilever Ghana Ltd.	UNIL	3.33	6.06	-2.73
<b>Ghana Alternative Exchange (GAX)</b>					
31	Samba Foods Limited	SAMBA	0.55	0.55	0.00
32	Meridian Marshalls Holding Company	MMH	0.11	0.11	0.00
33	Hords Ltd	HORDS	0.10	0.10	0.00
34	Intravenous Infusions Limited	IIL	0.05	0.05	0.00
35	Pesewa One	POP	0.65	0.60	0.05
36	Digicut Production & Advertising Ltd	DIGICUT	0.09	0.09	0.00
<b>Others (Depository and Pref Shares, ETFs)</b>					
37	AngloGold Ashanti Depository Shares	AADS	0.41	0.41	0.00
38	Standard Chartered Bank Pref. Shares	SCB PREF	0.78	0.87	-0.09
39	NewGold:Exchange Tradeable Funds (ETFs)	GLD	97.30	100.60	-3.30



## WHAT DO YOU KNOW ABOUT INVESTING ? TAKE A QUIZ

1. Which of the following investment areas is heavily tied to work using mathematical and statistical models?

- A. security analysis.
- B. portfolio management.
- C. institutional investing.
- D. retirement planning.

2. Which of the following would be considered a risk-free investment?

- A. Gold.
- B. Equity in a house.
- C. High-grade corporate bonds.
- D. Treasury bills.

3. If an investor states that Intel is overvalued at 65 times, he is referring to \_\_\_\_\_.

- A. earnings per share.
- B. dividend yield.
- C. book value.
- D. p/e ratio.

4. In order to avoid paying income taxes, an investment company must \_\_\_\_\_.

- A. be classified as a non-profit organization.
- B. invest only in municipal bonds.
- C. pass on interest, dividends, and capital gains to the stockholders.
- D. be registered as a closed-end investment company.





# SECOND QUARTER MARKET SUMMARY/ANALYSIS

**FRANK BINEY DONKOR**

Manager, Policy & Research

## EQUITY MARKET

**A**t the end of the half-year 2021, the Ghana Stock Exchange Composite index (GSE-CI), closed at **2643.67 points from 2,213.29 points** recorded at the end of the first quarter (Q1) of 2021. This represents a 36.16% year-to-date (YTD) change compared to 13.99% YTD as at the end of March 2021.

This indicates a significant improvement from the previous quarters which was impacted by the covid-19 pandemic

The GSE had thirty-six (36) listed equities on its platform at the end of June 2021. Out of the thirty-seven (36) listed equities, thirty (30) of the stocks are listed on the Main trading platform of the GSE whilst the six (6) remaining stocks are listed on the Ghana Alternative Market (GAX) trading platform of the GSE.

At the end of the 2nd quarter 2021, twelve (12) stocks appreciated in price, seven (7) equities recorded price decline and the remaining seventy (17) stocks traded flat. The total market capitalization recorded during the period under consideration

was **GH¢61,331.40 million** compared to **GH¢57,162.18 million** as at the end first quarter of 2021. The increase in market capitalization could mainly be attributed to rises in stock prices and the listing of PESEWA stock on then GSE.

Cumulative volume and value of equities traded on the GSE to the end of the second quarter of 2021 were **327,100,005 shares** and **GH¢307,556,990.03** respectively based on **7,624** trade transactions against **200,929,805 shares with value of GH¢153,402,310.49 respectively during the first quarter of 2021** based on **2,666** trade transactions.

### Fixed Income/Debt Market:

At the end of second quarter 2021, the number of notes and bonds (fixed income/debt securities) listed on the Ghana Fixed Income Market (GFIM) were 190 debt securities compared to 195 fixed income securities in the previous quarter. The debt securities listed are made up of 52 corporate bonds, 129 Ghana Government (GOG) bonds and 9 Eurobonds respectively.

The value of listed/outstanding Government (GOG) and Corporate debt on the GFIM at the end of June of 2021

**2,643.67  
points**

The points at which the GSE-Composite Index closed at second quarter 2021.

**GH¢61,331.40  
Million**

The total market capitalization recorded at the end of second quarter, 2021.

**GH¢34,026,910,  
970.51**

The total asset under management for the second quarter of 2021

was **GH¢ 144,092.42 (million)** and **GH¢ 30,109.83 (million)**, respectively. Finally, the total value of debt instruments traded as at the end of June 2021 was **GH¢ 107,607.33(million)**, for which GOG and Corporate debt accounted for **GH¢ 97,306.29** and **GH¢10,301.05 (million)** respectively. Hence the **level of liquidity** on the GFIM as at the end of second quarter 2021 was **61.77% compared to 41.73% at end of first quarter.**

#### **Funds Management Industry:**

In the Funds Management industry, the total assets under management (AUM) for the **second quarter** of 2021 was **GH¢34,026,910,970.51** which represented an **increase of 9.09%** from the previous quarter. The total assets under management are made up of pension funds (**GH¢25,541,232,530.80**), collective investment schemes (CIS =

**GH¢3,697,537,511.69**) and other funds (**GH¢4,788,140,928.02**) managed by fund managers as indicated in table Q of page 8.

*Disclaimer: The views expressed are the author's own and do not necessarily represent the views of the Securities and Exchange Commission, its members or staff.*

## **ANSWERS TO BRAIN TEASERS AND INVESTING QUIZ IN PREVIOUS ISSUE**

1. Ask a question, pick a path, and then check the solution
- 2 Build that amazingly efficient fence.

## **ANSWER TO INVESTMENT QUIZ**

- 1) a. False.
- 2) a. False.
- 3) a. C
- 4) c. True





## Capital Requirements for a Licence to operate in the Capital Market in Ghana

The minimum capital requirement for firms in the industry can be found under Schedule 4 (Page 24 of LRG) of the licensing requirements guideline which is indicated in the table below.

### MINIMUM CAPITAL REQUIREMENTS FOR MARKET OPERATORS

Market Operator	Minimum Capital (GH¢)
Broker-Dealer	1,500,000
Clearing House	50,000,000
Credit Rating Agency	1,000,000
Custodian	50,000,000
Fund Manager	2,000,000
Investment Adviser (Corporate)	1,000,000
Investment adviser (Individual)	200,000
Issuing House	1,000,000
Margin Trader	2,000,000
Market Maker	3,000,000
Nominee	1,000,000
Primary Dealer	400,000,000
Registrar	1,000,000
Securities Depository	50,000,000
Securities Exchange	10,000,000
Trustee	50,000,000
Underwriter	2,500,000

The Transitional Provision of the LRG (Section 19, page 14 of LRG) stipulates that “**A licensed market operator shall take steps to comply with the new minimum capital requirements specified in schedule 4 no later than 31<sup>st</sup> December 2021**”.

*It should however be noted that the full document (s) can be found on our website at [www.sec.gov.gh](http://www.sec.gov.gh) under the heading “Laws and Regulations”*

**Disclaimer:** *The views expressed are the author’s own and do not necessarily represent the views of the Securities and Exchange Commission, its members or staff.*





# GET IN TOUCH WITH US

**Contact the SEC  
on any issue relating  
to the securities  
market & investment  
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
- Reporting fraudulent activities of capital market operators.
- Making complaints against capital market operators.

Send us a written complaint via  
**[info@sec.gov.gh](mailto:info@sec.gov.gh)**

Call us on  
**0800 100 065 (Toll Free) or 0302-2768970**  
to make a complaint



"ENSURING INVESTOR PROTECTION"

## GET IN TOUCH

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