

# SEC NEWS

2<sup>ND</sup> QUARTER, 2024



OFFICIAL NEWSLETTER OF THE SECURITIES & EXCHANGE COMMISSION OF GHANA

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**Ghana's Securities and Exchange Commission and UNCDF Launch Landmark Crowdfunding Guidelines to Crowd-In Investments and Boost Entrepreneurial Growth**

**SEC Ghana Strengthens AML Efforts with Board Member Training**

**Raising Short-term Capital on the Ghana Fixed Income Market: A Primer on Commercial Paper**

**Enforcement Actions: Infractions & Penalties Complaints**

**Offers, Approvals & Other information**  
- Approval of New Licences  
- Primary & Secondary Market  
- Approval of Note Tranches







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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

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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.



CHAPTER  
**01**  
NOTICES  
& ADVICE

**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.



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# LATEST UPDATES

CHAPTER

02

SEC  
UPDATES

## **GHANA'S SECURITIES AND EXCHANGE COMMISSION AND UNCDF LAUNCH LANDMARK CROWDFUNDING GUIDELINES TO CROWD-IN INVESTMENTS AND BOOST ENTREPRENEURIAL GROWTH**



**T**he Securities and Exchange Commission of Ghana (SEC) and the UN Capital Development Fund (UNCDF) on Wednesday, 19th June 2024 launched a comprehensive guideline for equity or investment-based crowdfunding in Ghana.

The guidelines, developed in collaboration with key stakeholders and following extensive consultations and technical assistance support of Lelapa African FinTech Advisory, marks a significant milestone in Ghana's financial and investment landscape. The guidelines aim to unlock the potential of crowdfunding as a viable financing option for Micro, Small and Medium Enterprises (MSMEs) and startups in the country while ensuring investors' protection, providing a regulatory framework and



addressing critical gaps that have hindered the growth of the entrepreneurial community.

Rev. Daniel Ogbamey Tetteh, Director-General of the SEC, highlighted the significance of the guidelines to the capital market, “in Ghana, we have witnessed the transformative power of crowdfunding in various sectors. From agriculture to healthcare, entrepreneurs have harnessed the collective strength of the crowd to bring their ideas to life. However, the absence of a clear regulatory framework has limited the full potential of this innovative financing model. The guidelines we launched today are designed to change that. They provide a robust framework that protects investors, ensures transparency, and fosters trust in the crowdfunding ecosystem. By establishing clear rules and standards, we are creating an environment where both investors and fundraisers can thrive”

UNCDF, with its unique investment mandate to crowd-in various flows of finance towards development initiatives, played a central role in driving the development of these guidelines. Through the GrEEn Project, funded by the European Union Trust Fund for Africa-EUTF, UNCDF has been at the forefront of pioneering crowdfunding in Ghana, recognizing its potential to unlock investments for segments traditionally excluded from formal finance.

Arianna Gasparri, Technical Lead, UNCDF remarked, “on behalf of UNCDF, we are very happy to have worked with SEC in contributing to the future of investments and innovative channels for supporting MSMEs in Ghana. UNCDF is indeed meant to work with government and government agencies to assist with the favorable conditions to crowd-in private capital”.

The guidelines encompass a wide range of entities, including crowdfunding intermediaries, companies seeking to raise funds, and foreign entities interested in operating crowdfunding platforms in Ghana. They prioritize investor protection while encouraging crowdfunding for social and environmental impact projects. The guidelines will boost innovation and safeguard investors by:

- ➔ 1. Requiring crowdfunding platforms to provide clear and comprehensive information about investment risks and potential returns. Implementing a rigorous licensing process to vet crowdfunding platforms based on their business model, governance structure, and financial stability.
- ➔ 2. Fostering collaboration between crowdfunding platforms, banks, MFIs, and investment funds to create a seamless financial ecosystem.
- ➔ 3. The launch of the guidelines has the potential to unlock significant growth opportunities and empower Ghanaian businesses by enhancing access to finance, promoting financial inclusion, and fostering sustainable finance practices. It also positions the country as a hub for innovation and investment in the digital age. UNCDF and SEC will continue to collaborate closely to ensure the effective implementation of the guidelines, ensuring that they translate into tangible benefits for entrepreneurs and investors alike.

**WRITTEN BY:** King Adawu Wellington.  
Manager, Communications and External Affairs Unit.

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## SEC GHANA STRENGTHENS AML EFFORTS WITH **BOARD MEMBER TRAINING**



**I**n a proactive move to fortify Ghana's Anti-Money Laundering (AML) regime, the Securities and Exchange Commission (SEC) conducted a virtual training session for over 300

Board Members of securities market operators on Thursday, April 25, 2024. The comprehensive training focused on raising awareness of Money Laundering, Terrorism Financing, and Proliferation Financing (ML/TF&P) risks identified in the National Risk Assessment (NRA) and Mutual Evaluation (ME) exercises.

The SEC's primary objective was to equip Board Members with the necessary knowledge and tools to effectively prepare for the upcoming ML/TF&P NRA and ME. By strengthening the AML regime, Ghana aims to prevent being re-listed

by the European Union (EU) as a high-risk third country or the Financial Action Task Force (FATF) 'grey list', a status the country successfully shed in 2021.

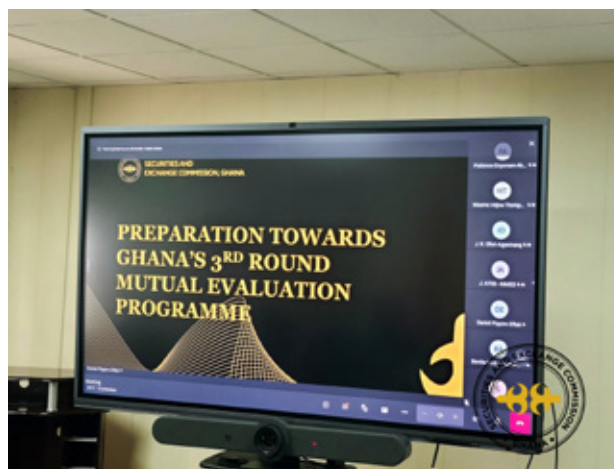
The training session commenced with an opening prayer by Mr. Daniel Kwabena Pippim Effah, followed by opening remarks from Mrs. Deborah Mawuse Agyemfra, Deputy Director-General of Legal Affairs at the SEC, and Mr. Emil Meddy from the Financial Intelligence Centre. Mr. Emmanuel Mensah-Appiah, Director at the SEC, then led an in-depth sensitization on NRA/ME, providing crucial insights into the risks and compliance requirements.

A dedicated question-and-answer session allowed participants to address their key



concerns regarding ML/TF&P compliance, ensuring Board Members are well-prepared to fulfill their obligations in this critical area. The session concluded with closing remarks from Mr. Mensah-Appiah, followed by a vote of thanks and closing prayer by Mrs. Benita Kally Adomako.

This proactive initiative by the SEC underscores Ghana's commitment to maintaining a robust AML framework and upholding international



standards in combating financial crimes. By empowering Board Members with the knowledge and understanding of ML/TF&P risks, the SEC is fostering a culture of compliance and vigilance within the securities market.

**WRITTEN BY:** King Adawu Wellington.  
Manager, Communications and External Affairs Unit.

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## CHAPTER 03 INTERNATIONAL UPDATES

# 49<sup>TH</sup> IOSCO ANNUAL MEETING

The SEC Ghana participated in the 49th annual meeting of the International Organization of Securities Commissions (IOSCO) in Athens, Greece in May 2024. The 49th Annual Meeting in Athens was hosted by the Hellenic Capital Markets Commission (HCMC).

About four hundred (400) participants attended the four days' meeting. The meetings included updates on IOSCO's work, regulatory workshops and discussions.

IOSCO used the occasion of the Annual Meeting to unveil its new brand which includes a reskinned website ([www.iosco.org](http://www.iosco.org)). Members were encouraged to visit the new site where they could also download IOSCO's new logo for external and internal use.

The Regulatory Workshops delved into the following topics.

### 1 Emerging Markets Experiences in Developing Sustainability-Related Bond Markets.

This topic could be matched up to the SEC's Strategic Goal One – *Deepen and Expand Markets and Products*.

The discussion was on the important role played by Green and Sustainability-Linked Bonds. The session

addressed the development of sustainability-related bond markets and the key regulatory and supervisory considerations for securities regulators. The discussion brought to bear the following important suggestions and regulators were encouraged to pursue them:

- ➔ a. Green bonds should be mainstreamed in the regulator's Capital Market Master Plan.
- ➔ b. The need to develop Green Bonds Guidelines.
- ➔ c. The need to develop green bonds listing rules.
- ➔ d. Information and standards are needed to boost this market and enhance resilience of the financial sector.
- ➔ e. Continuous awareness, disclosure requirements, data availability for stress testing, risk management, investment decisions are critical and would also help for the development of this market.
- ➔ f. Disclosure standards as it is the case with recently published ISSB and Assurance Standards are important.
- ➔ g. Regional taxonomies should be aligned to international standards for comparability and built in a way that prevents conflicts of interest.



- ➡ h. Taxonomy and labelling standards and preventing greenwashing is critical.
- ➡ i. Sustainable bonds serve as a crucial part within a broader ecosystem that requires construction according to the highest international standards.
- ➡ j. The regulator should be aligned in terms of national strategies with respect to sustainability in terms of climate change. The regulator needs to be part of the broader initiative.

## 2 **Retail Investor Protection in a Digital World: Finfluencers, Gamification and the Evolving Trading Landscape.**

This topic could also be linked to the SEC's Strategic Goal Two – Develop and Enhance Market Awareness And Education

The session delved into trends and challenges that had evolved due to an increasingly online environment, where social media is a major source of information, providing fraudsters with easier and cheaper ways to spread false communications and information to a large audience. The discussion also focused on the fact that social media also empowers Financial Influencers (Finfluencers) to provide financial and investment information as well as investment promotions and recommendations that particularly appeal to the younger investor generation. The discussion brought to light the fact that gamification in investing may pose other retail investor protection issues such as increased investment risk-taking. The discussion ended with some measures regulators could take with respect to protecting retail investors from online harm, particularly in relation to Finfluencers and gamification. The measures included the following:

- ➡ a. Developing Guidelines to regulate the activities of influencers.
- ➡ b. Ensuring that only qualified people do the work of influencers.
- ➡ c. Organising a conference for finfluencers for them to know there are rules they must comply with.
- ➡ d. Putting in place a robust monitoring mechanism on social media to ensure that the information finfluencers put out there are accurate.
- ➡ e. Ensuring that clearer and accessible information are available to investors all the time.

The discussion also recommended the need for IOSCO to come up with a definition of a 'qualified finfluencer'.

## 3 **New SupTech: Exchange of Experiences**

This topic could be matched up to the SEC's Strategic Goal Five – Enhance the Capacity of The SEC

This panel unravelled the fact that as markets are becoming more complex, regulators are increasingly turning to supervisory technologies (SupTech) to enhance their market surveillance and oversight. The use of Artificial Intelligence (AI), Machine Learning (ML) and big data provides many opportunities while posing at the same time important risks and challenges. The panel shared some common challenges and opportunities in this evolving area and shared SupTech implementation examples.

The panel mentioned that supotech should be deployed in the following areas:

- i. Governance- ensuring that there is good governance
- ii. People – capacity building
- iii. Enterprise market management – the need to ensure that there is proper enterprise risk management.

India and the US in sharing their experiences with supotech mentioned that there is a designated AI Officer in their institutions. As regulators, they also utilize machine learning to identify cases that need to be investigated. India indicated that unclaimed assets in recent times were being claimed because of the supotech system they use. Upon the death of relatives, families upload the death certificate and have access to the unclaimed assets. In the US, mention was made of the fact that they use AI to summarize all the applications the regulator receives.

The discussion ended by indicating that though a common challenge with supotech is the fact that, though it is very effective, whatever supotech does would still need the regulator to supervise it.

The panel also recommended the setting up of an Innovation or Fintech Units as regulators.

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

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Article

CHAPTER

# 04

## MARKET EDUCATION

# RAISING SHORT-TERM CAPITAL ON THE *GHANA FIXED INCOME MARKET* A PRIMER ON COMMERCIAL PAPER

## INTRODUCTION

**T**he Ghana Stock Exchange (GSE), licensed as a securities exchange under the Securities Industry Act, 2016 (Act 929), as amended by the Securities Industry (Amendment) Act, 2021 (Act 1062), launched its Commercial Paper Issuance and Admission Rules on 10th May 2024. The Rules aim to aid in the development of Ghana's capital market by providing a framework for the issuance of short-term securities which affords public companies an opportunity to raise short-term capital and provides an avenue for investors to mitigate risk and maximize returns by allocating investment funds across different financial instruments.

The Commercial Paper (CP) Rules further supports

the Ghana Fixed Income Market's framework aimed at improving transparency, governance, market oversight, credibility, and liquidity in the fixed income market.



## 1 LAWS GOVERNING THE FIXED INCOME MARKET OF GHANA.



The fixed income market is governed primarily by Act 929, as amended, the Public Financial Management Act, 2016 (Act 921) and the Public Financial Management Regulations, 2019 (L.I. 2378), and by other Rules and Guidelines. Act 929 provides the fundamental framework for the regulation of the fixed income market in Ghana, outside government issuances.

The other rules that govern activities on the fixed income market are the;

- ➡ (a) Ghana Fixed Income Market (GFIM) Rules
- ➡ (b) Guidelines for the Government Securities Market, Primary Dealers and Bond Market Specialists.

### **(a) Ghana Fixed Income Market (GFIM) Rules, 2022**

The Ghana Fixed Income Market is presently established as a market under the Ghana Stock Exchanges securities exchange license. GFIM is governed by a Committee of members associated with the Ministry of Finance, the Bank of Ghana, the Central Securities Depository, the Ghana Association of Bankers, the Ghana Securities Industry Association, ACI Financial Market Association and the Ghana Stock Exchange. The Council of the Ghana Stock Exchange retains ultimate responsibility for GFIM.

The GFIM Rules serves as the framework for the admission and secondary market trading of money market instruments, corporate notes and bonds, local government bonds, supranational bonds, bonds of State-Owned Enterprises and Government of Ghana bills, notes, and bonds.

The GFIM Rules specify requirements for admission of securities, membership, trading, clearing and settlement, and for the issuance of sustainability-themed bonds. The Rules were initially launched as a Manual in August 2015 and have since been amended. The current version of the Rules became effective in April 2022.

### **(b) Guidelines for Government of Ghana Securities Market, Primary Dealers and Bond Market Specialists, 2020.**

The Guidelines were issued to give effect to the Public Financial Management Act, 2016 (Act 921) and the Public Financial Management Regulations, 2019 (L.I. 2378). In particular, the Guidelines seek to guide the purchase of Government securities in the domestic market. The Guidelines apply to Primary Dealers (defined as institutions authorized by the Ministry of Finance and Bank of Ghana to participate in the wholesale auctions in the issuance of Government treasury bills and through whom securities are distributed to a holder or end investor) and Bond Market Specialists (defined as an institution authorized by the Ministry of Finance and the Bank of Ghana to participate in the bookbuilding auction of Government notes and bonds).

Primary Dealers and Bond Market Specialists are the authorized institutions that participate in the issuance processes of Government securities at the primary market.

Pursuant to section 3 (k) of Act 929 the SEC is not authorized to examine and approve the issuance of securities by the Government. The regulatory authority for the issuance of securities issued by the Government falls under Act 921, L.I. 2378 and the Guidelines for Government of Ghana

Securities Market, Primary Dealers and Bond Market Specialists, 2020.

### 3 ISSUANCE AND ADMISSION OF COMMERCIAL PAPER IN LINE WITH THE GSE'S CP RULES: KEY TAKEAWAYS



#### (a) What is Commercial Paper?

The term Commercial Paper is not defined under Act 929 but is generally understood to mean a short-term, unsecured debt instrument usually with a duration of between 1 to 270 days. Financial institutions and large companies are the main issuers of Commercial Paper globally due to their high credit ratings. The high credit ratings signal to the market that the issuer is in a good position to repay its unsecured debt.

#### (b) Who can issue Commercial Paper?

Raising capital in the fixed income market and from the public is restricted to companies incorporated under the Companies Act, 2019 (Act 992) as a public company. As such, the issuance of Commercial Paper to be admitted on GFIM can only be made by a body corporate incorporated as a public limited liability company. The issuer must have tangible net worth of not less than five million Ghana Cedis (GHS 5,000,000) as per its audited financial statements. In addition to this requirement, the financial statements must not be more than fifteen (15) months old.

Additionally, the issuer must show pre-tax profits during the three financial years immediately preceding the date of its application for admission

or have a plan that details the prospects and future cash flows of the issuer as well as the ability to fully service its financial obligations as they fall due. Pre-tax profit, for the purposes of the GSE's CP Rules, does not include non-recurring and extraordinary income, and should not be reduced by non-recurring or extraordinary loss. GFIM will take into consideration a positive pre-tax profit in aggregate when the results of the three years are added in determining pre-tax profit for admission.

Further, an issuer of a CP on the GFIM, should not have a history of default or overdue loans as per a report obtained from a credible credit reference bureau in Ghana. The report should not be more than two months old.

The Rules envisage a situation where a Special Purpose Vehicle (SPV) may be used in raising capital through the issuance of Commercial Paper. An SPV that is desirous of issuing Commercial Paper will have to meet additional eligibility requirements as prescribed by the SEC.

#### (c) Who can invest in Commercial Paper?

A qualified investor as defined in the Securities Industry (Conduct of Business) Guidelines 2020 is eligible to invest in Commercial Paper. Individuals, either alone or with any of their associates on a joint account, having proven liquid assets of not less than GHS 500,000 or its equivalent in any foreign currency are classified as qualified investors. Eligible investors must complete the form in Appendix 8 of the Commercial Paper Issuance and Admission Rules (2024) for CP to be purchased on their behalf.

#### (d) The Issuance process under the GSE's Rules

Like any security issued to the investing public by a public company, the authorization of the SEC must be sought for the issuance of Commercial Paper which is intended to be admitted onto the GFIM. The authorization of the SEC comes in the form of an approval of the offer document or information memorandum supporting the issuance. This offer document is prepared by a

team of experts comprising investment bankers, lawyers and accountants and presented to the SEC for approval by an Issuing House.

An issuer of Commercial Paper desirous of raising short-term financing may do so by employing the services of an Issuing House (requirements for an Issuing House has been specified under the Issuing House Guidelines issued by the SEC) who act as the lead manager and will have to submit the following documents for examination and approval by the SEC;

- ➡ (a) an Information Memorandum containing the disclosures in the form and manner prescribed in Appendix 2 of the Commercial Paper Issuance and Admission Rules (2024);
- ➡ (b) all required documents in support of the application;
- ➡ (c) evidence of payment of prescribed fees to the SEC as specified in the Fees and Charges Act, 2022, (Act 1080);
- ➡ (d) provide a written certification to the SEC and GFIM that the documentation provided by the issuer, as required for the issue, is in accordance with the Rules using the prescribed form in Appendix 5 of the Commercial Paper Issuance and Admission Rules, 2024.
- ➡ (e) any other information as may be required or prescribed by the SEC.

These requirements are aimed at making the issuance process succinct and straightforward, and without sacrificing the effective examination of the offer documents.

The SEC has indeed committed to reviewing and approving Commercial Paper offer documents within seven (7) business days from the date of

receipt of an application, provided all requirements in support of the application have been satisfied.

Following the approval of the offer document the Issuing House is required under the Rules to;

- ➡ (a) launch the offer.
- ➡ (b) receive applications during the offer period.
- ➡ (c) direct subscribers to pay the subscription proceeds into the escrow account.
- ➡ (d) Confirm allocations to successful applicants.
- ➡ (e) instruct the securities depository to credit the securities to the investors' accounts or the investors' custodian accounts with the securities depository.
- ➡ (f) submit the offer result with the allotment report to the SEC
- ➡ (g) instruct the escrow bank to credit proceeds to the issuer upon approval of the offer results by the SEC.

### ***(e) The admission process under the GSE's CP Rules***

Upon approval of the offer document an issuer through a GFIM member (defined as a company licensed by the SEC to deal in securities and authorized by the Bank of Ghana as a Primary Dealer (PD) or Bond Market Specialist (BMS), a non-PD bank licensed by the SEC to deal in securities or a company licensed by the SEC as a broker-dealer that has applied to be and has been accepted by the GSE as a member of GFIM) shall sponsor and seek admission of the Commercial Paper on GFIM.

The application for admission on GFIM would have to be sponsored by a GFIM Member in accordance with Appendix 1 of the Commercial Paper Issuance and Admission Rules, 2024 and supported by;





- ➡ (a) a copy of the offer document approved by the SEC
- ➡ (b) all required documents in support of the application
- ➡ (c) the prescribed non-refundable application fee

The admitted securities will be held in dematerialized form with a securities depository. This means that no investor will be issued a paper certificate of their holdings in Commercial Paper. A securities depository such as the Central Securities Depository (CSD) will be the institution to hold the electronic records of an investor's holdings in Commercial Paper.

To qualify for admission, an issuer or its CP Program must be rated investment grade in the minimum by a Credit Rating Agency licensed by the SEC and in an instance where the rating is below investment grade, the issuer may provide a credit enhancement acceptable to the GFIM and the SEC.

GFIM, in a similar fashion to the SEC's stance, is committing to reviewing and approving an application for the admission of Commercial Paper within five (5) business days from the date of receipt of an application, providing all requirements in support of the application have been met.

Fixed income securities admitted to trading on GFIM can be traded on Bloomberg, the GSE's Capizar Trading System and through bilateral agreements executed on the Central Securities Depository trade capture window.

#### **(f) Redemption of CP**

There is a requirement for an issuer to inform the SEC and GFIM in writing of the redemption of CP within twenty-four (24) hours of the maturity date of the securities. A Paying Agent, defined as a licensed bank appointed by the issuer to collect and pay funds to investors during or at the maturity of the CP, must ensure that at least

three (3) Business Days prior to maturity, the issuer transfers the funds required to fully redeem the CP into an account designated as a Redemption Payment Account in the paying bank for the purpose of redeeming invested funds. Following the maturity of CP, the paying agent will effect payment to the investors through direct transfer into a bank account or as agreed with the investors. Where the maturity date falls on a Saturday or public holiday, payment should be made on the next business day.

#### **(g) Roll over of CP**

A CP may be fully or partially rolled over upon mutual agreement between the issuer and investors. For a CP to qualify for full roll-over a written consent from all existing investors should be obtained that the invested funds be withheld by the issuer. Key to the roll over provision is the fact that a CP cannot be rolled over more than two times and provided further that the combined tenors of the initial CP issue and any subsequent rollover(s) shall not exceed 270 days.

In an instance where an investor objects to a rollover, the issuer must take steps to effect payment of the value of the CP held by the investor on the maturity date based on the initial terms of the issue. Where an issuer fails to effect such payment, the issuer will be deemed to be in default and the issuer will not be granted approval to undertake a rollover.

An issuer who intends to rollover a CP is mandated to inform its appointed Sponsor and Paying Agent between ten (10) and fifteen (15) business days prior to the maturity of the CP. The issuer is also mandated to provide the relevant updated documents for the re-evaluation of the CP to the Sponsor who shall submit a supplemental prospectus to the GFIM for evaluation and approval.



#### 4. CONCLUSION

Commercial Paper plays a vital role in the economy for several reasons. Businesses often need short-term funds to manage their liquidity needs and Commercial Paper provides a quick and efficient way to secure these funds. It allows companies to tap into the capital markets directly, giving them access to a broader base of potential investors. Commercial Paper contributes to the efficient functioning of financial markets by acting as an intermediary tool for short-term borrowing and lending. It provides a low-risk investment option for institutional investors like mutual funds, pension funds, and insurance companies, thereby channelling funds into productive uses. By providing a reliable source of short-term funding, Commercial Paper helps stabilize the financial system, especially during periods of economic uncertainty. Ready access to short-term funds supports business growth and expansion, contributing to overall economic growth and development. The volume and rates of Commercial Paper issuance can serve as indicators of economic health, reflecting business confidence and liquidity conditions in the economy.

While Commercial Paper has many benefits, it also carries risks. An issuer may default on its obligations, leading to losses for investors. Changes in general economic conditions as well as regulatory changes may also have an impact on the issuance, pricing and attractiveness of Commercial Paper as a financing option.

Overall, Commercial Paper is a crucial financial instrument that supports the liquidity and operational efficiency of businesses, enhances the stability of financial markets, and contributes to economic growth.

#### References.

1. Securities Industry Act, 2016 (Act 929), as amended by the Securities Industry (Amendment) Act, 2021 (Act 1062).
2. Public Financial Management Act, 2016 (Act 921)
3. Public Financial Management Regulations, 2019 (L.I. 2378)
4. Ghana Fixed Income Market (GFIM) Rules, 2022
5. Guidelines for the Government Securities Market, Primary Dealers and Bond Market Specialists, 2020.
6. Commercial Paper Issuance and Admission Rules (2024)

**WRITTEN BY:** Andy Anim, Senior Manager, Exchanges and Markets

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# CHAPTER 05 ENFORCEMENT ACTIONS

## 1. INFRACTIONS AND PENALTIES

COMPANY	INFRINGEMENT	PENALTY (GH¢)
Waica Re Capital Ltd	Use of Unlicensed representative & Auditor in office for more than six years	19,200.00
RAD Business Advisory	Late Submission of Statutory Returns	1,400.00
Premium Place Investments Ltd	Late Submission of Statutory Returns	1,800.00
Glorygate Capital Limited	Late Submission of Statutory Returns	500.00
Gateway Wealth Management Limited	Non Submission of Statutory Returns	9,000.00
Steward Capital Partners Limited	Non Submission of Statutory Returns	9,000.00
Inter Trust Capital Limited	Non Submission of Statutory Returns	9,000.00
PhoenixAfrica Securities Limited	Non Submission of Statutory Returns	12,000.00
Star Asset Managaement Limited	Non Submission of Statutory Returns	132,000.00
IFS Capital Management Services Limited	Non Submission of Statutory Returns	9,000.00
Investa Capital Fund Management Limited	Non Submission of Statutory Returns	18,000.00
Investrust Capital Ltd	Non Submission of Statutory Returns	102,000.00
Dusk Capital Ltd	Non Submission of Statutory Returns	135,000.00
Africa Trust Capital Ltd	Non Submission of Statutory Returns	87,000.00
Legacy Fund Management Limited	Non Submission of Statutory Returns	6,000.00
Newcase Capital Limited	Non Submission of Statutory Returns	90,000.00
Blaze Financial Services Limited	Non Submission of Statutory Returns	33,000.00
NA Jones Capital Limited	Late and Non Submission of Statutory Returns	60,000

## 2. COMPLAINTS

TABLE 2: COMPLAINTS RECEIVED DURING THE SECOND QUARTER OF 2024

PERIOD	COMPLAINTS RECEIVED IN THE QUARTER	COMPLAINTS RESOLVED IN THE QUARTER
Q3 2023	14	24
Q4 2023	23	109
Q1 2024	20	114
Q2 2024	14	160

Source: SEC

The above complaints for the quarter were mainly related to the failure to meet redemption requests.

# CHAPTER 06 FACTS & FIGURES

## A FUNDS UNDER MANAGEMENT

TABLE 3: FUNDS UNDER MANAGEMENT

FUM (GH¢) **	END JUN 2024	END MAR 2024	CHANGE
*Pension	41,480,583,972	39,673,024,619	5%
Other Funds	11,365,966,810	10,648,252,439	7%
CIS	5,907,241,366	5,602,787,434	5%
Private Funds	780,352,749	757,902,748	3%
<b>Total (GH¢)</b>	<b>59,534,144,897</b>	<b>56,681,967,240</b>	<b>5%</b>

\*Adjusted values from custodians

\*\*Marked to Market Valuation

## B OFFERS, APPROVALS & OTHER INFORMATION

List of firms licensed during the second quarter, 2024:

TABLE 4: APPROVAL OF NEW LICENCES

	MARKET OPERATOR	APPROVAL TYPE
1	ISF Ghana Venture Capital Ltd	Private Fund
2	Ci Gaba VC Ltd	Private Fund
3	Blackstar Brokerage Ltd	Issuing House
4	Sentinel Global Advisers Ltd	Issuing House
5	Amber Securities	Issuing House
6	Standard Chartered Bank	Note Trustee
7	Golden Eagle Unit Trust	Unit Trust
8	Investiture 365 Alpha Fund Plc	Mutual Fund
9	Ingwoo Fintech Services Ltd	Crowdfunding

## B. TABLE 5: OFFERS, APPROVALS AND LISTINGS (PRIMARY AND SECONDARY MARKET)





C. TABLE 6: APPROVAL OF NOTE TRANCHES

	APPLICANT	APPROVAL TYPE	APPROVAL DATE	OFFER SIZE (GHS)
1	ADB Plc	Rights Issue	22/05/2024	1.6 billion
2	Asante Gold Corporation	Note Programme	Pending	GH¢ equivalent of USD 400m

There were no approvals of Note Tranches in the quarter under review.

# CHAPTER 07 CAPITAL MARKET STATISTICS & ANALYSIS

**TABLE 7: CAPITAL MARKET OPERATORS AS AT THE END OF SECOND (2<sup>ND</sup>) QUARTER 2024**

	CATEGORY OF LICENSED OPERATORS	END JUN 2024	END MARCH 2024	CHANGE
1	Broker-Dealers	31	31	0
2	Custodians	18	18	0
3	Crowdfunding	1	0	1
4	Exchange Traded Funds	2	2	0
5	Investment Advisers	11	11	0
6	Fund Managers	81	82	-1
7	Mutual Funds	53	52	1
8	Note Trustee	6	5	1
9	Primary Dealers	12	12	0
10	Registrars	4	4	0
11	Securities Depositories	1	1	0
12	Securities Exchange	2	2	0
13	Trustees	8	8	0
14	Issuing House	17	14	3
15	Unit Trusts	33	32	1
16	Private Funds	9	7	2
17	Credit Rating Agency	2	2	0
18	Real Estate Investment Trust	2	2	0
		<b>293</b>	<b>285</b>	<b>8</b>

Source: SEC

**TABLE 8: STOCK MARKET STATISTICS AT A GLANCE**

INDICATORS	END JUNE 2024	END MAR. 2024	CHANGE
Number of Listed Companies (Main Market)	30	29	0
Number of Listed Companies (Ghana Alternative Market)	5	5	0
Volume of Trades: Cumulative (Equities)	584,649,319	254,217,012	129.98%
Value of Trades (GH¢): Cumulative Equities	984,505,959	365,983,113	169.00%
Market Capitalization (GH¢ million)	85,097	77,701	9.52%
GSE- Composite Index (GSE-CI' points)	3,829.61	3,456.20	373
GSE- CI YTD Returns (%)	22.34	12.33	1001 bps
GSE- Financial Stock Index (GSE-FSI' points)	2,115.04	2,001.47	114

Source: SEC & GSE

**TABLE 9: PERFORMANCE OF EQUITIES ON THE GHANA STOCK EXCHANGE AT THE END OF JUNE 2024**

	NAME OF COMPANY	CODE	CLOSING PRICE (GH¢) END JUNE 2024	CLOSING PRICE (GH¢) END MAR. 2024	CHANGE (GH¢ GAIN/LOSS) END JUN. 2024
1	Access Bank Ghana PLC	ACCESS	4.8	4.45	0.35
2	Agricultural Development Bank PLC	ADB	5.06	5.06	0
3	AngloGold Ashanti Ltd.	AGA	37	37	0
4	Aluworks Limited	ALW	0.1	0.1	0
5	Asante Gold Corporation	ASG	8.89	8.89	0
6	Atlantic Lithium Ltd*	ALLGH	4.8	4.4	0.4
7	Benso Palm Plantation PLC	BOPP	22.21	21.53	-16.73
8	Cal Bank PLC	CAL	0.35	0.42	21.79
9	Clydestone (Ghana) Ltd.	CLYD	0.03	0.03	0.32
10	Camelot Ghana Ltd.	CMLT	0.11	0.1	-0.07
11	Cocoa Processing Co. Ltd.	CPC	0.02	0.02	0.09
12	Dannex Ayrtton Starwin Plc.	DASPHARMA	0.38	0.38	-0.36
13	Ecobank Ghana PLC.	EGH	6.1	6.1	-5.72
14	Enterprise Group PLC	EGL	2.39	2.39	3.71
15	Ecobank Transnational Inc.	ETI	0.15	0.15	2.24
16	Fan Milk PLC.	FML	3.68	3.2	-3.05
17	GCB Bank Ltd.	GCB	5.5	3.43	0.25
18	Guinness Ghana Breweries PLC	GGBL	4.7	4.44	1.06
19	Ghana Oil Company Limited	GOIL	1.5	1.5	3.2
20	Mega African Capital Ltd	MAC	5.38	5.38	-3.88
21	Scancom PLC	MTNGH	1.81	1.58	3.8
22	PBC Ltd	PBC	0.02	0.02	1.79
23	Republic Bank (Ghana) PLC	RBGH	0.48	0.48	-0.46
24	Standard Chartered Bank Gh. PLC	SCB	20	19.25	-18.77
25	SIC Insurance Company Ltd.	SIC	0.25	0.24	19.76
26	Societe Generale Ghana PLC	SOGECH	1.55	1.57	-1.32
27	Trust Bank Gambia Ltd	TBL	0.82	0.82	0.73
28	Total Petroleum Ghana PLC	TOTAL	9.67	9.5	-8.68
29	Tullow Oil Plc	TLW	11.92	11.92	-2.25
30	Unilever Ghana PLC	UNIL	14.77	11.85	0.07
<b>Ghana Alternative Market (GAX)</b>					
31	Samba Foods Limited	SAMBA	0.55	0.55	0
32	Meridian Marshalls Holding Company	MMH	0.1	0.1	0
33	Hords Ltd	HORDS	0.1	0.1	0
34	Intravenous Infusions Limited	IIL	0.05	0.05	0
35	Digicut Production & Advertising Ltd	DIGICUT	0.09	0.09	0
35	*Pesewa One Plc	POP	0.68	0.68	0
<b>Others (Depository and Pref shares, ETFs)</b>					
36	AngloGold Ashanti Depository Shares	AADS	0.41	0.41	0
37	Standard Chartered Bank Pref. Shares	SCB PREF	0.9	0.9	0
38	NewGold Exchange Tradeable Funds (ETFs)	GLD	345.19	297.01	48.18

Source: SEC and GSE

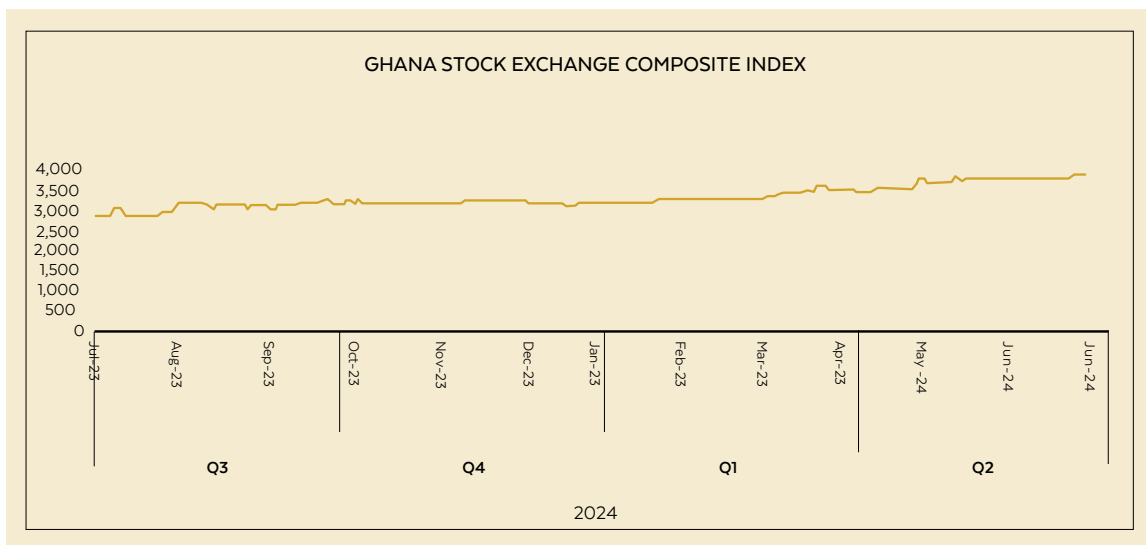
\*Listed by introduction on 13th May 2024

# 2nd QUARTER

## CHAPTER 08 2<sup>nd</sup> QUARTER '24 MARKET SUMMARY

### A EQUITIES MARKET

FIGURE 2: PERFORMANCE OF GHANA STOCK EXCHANGE COMPOSITE INDEX



Source: GSE

**T**he Ghana Stock Exchange Composite Index (GSE-CI) surged by an impressive 373 points in Q2 2024. The strong Q2 2024 performance consolidated the benchmark index's gains from Q1 2024 (+236 points quarter-on-quarter) to close the first half of the year at 3,830 points. The HY 2024 return of the GSE CI of 22.34% is a notable improvement over the 14.9% return recorded in the first half of 2023. Similarly, the GSE Financial Stocks Index rose by 114 points, ending the quarter at 2,115 points with a 1H 2024 return of 11.23%.

The market's breadth was broadly positive, with gainers significantly outnumbering decliners. During the quarter, 13 stocks saw price increases compared to just 2 stocks that experienced declines. The gainers spanned various sectors, with the top three performers coming from the manufacturing, exchange-traded funds, and financial sectors. Leading the pack was GCB Bank, which rose to GH¢5.50 (+60.3% or +GH¢2.07 quarter-on-quarter), followed by Unilever PLC at GH¢14.77 (+24.6% or +GH¢2.92 quarter-on-quarter). The two laggards were from the banking sector: CAL Bank dropped 16.67% q/q to close at GH¢0.35, while Société Generale Ghana slipped 1.27% q/q to GH¢1.55.



**TABLE 10: Q1 2024 GAINERS AND LAGGARDS**

GAINERS	% GAIN (Q/Q)	GH¢ GAIN (Q/Q)	PRICE GH¢	LAGGARDS	% DECLINE (Q/Q)	GH¢ DE-CLINE (Q/Q)	PRICE GH¢
GCB	60.3%	2.07	5.5	CAL	-16.67%	-0.07	0.35
UNIL	24.6%	2.92	14.77	SOEGEH	-1.27%	-0.02	1.55
GLD	16.2%	48.18	345.19				
FML	15.0%	0.48	3.68				
MTNGH	14.6%	0.23	1.81				
CMLT	10.0%	0.01	0.11				
ALLGH	9.1%	0.4	4.8				
ACCESS	7.9%	0.35	4.8				
GGBL	5.9%	0.26	4.7				
SIC	4.2%	0.01	0.25				
SCB	3.9%	0.75	20				
BOPP	3.2%	0.68	22.21				
TOTAL	1.8%	0.17	9.67				

Source: SEC & GSE

Market turnover almost doubled in Q2 2024, with 330 million shares valued at GH¢618 million changing hands, compared to 254.2 million shares worth GH¢365.98 million in the previous quarter. Cumulatively, 585 million shares valued at GH¢984 million were traded in the first half of the year, surpassing the full-year 2023 trading activity of 580 million shares valued at GH¢818 million. The ICT sector led activity for the half-year, accounting for 95% of trade volumes and 81% of trade values. The

finance sector ranked second in trade volumes, while the ETF sector ranked second place in market turnover. Market capitalization, the market value of listed stocks, grew by 9.52% over the quarter to GH¢85 billion, a significant increase from GH¢70.24 billion in June 2023. By the end of the half-year, the exchange's main list featured 33 counters, with 5 counters on the GAX. A new mining company, Atlantic Lithium, was listed by introduction on the main list of the GSE on May 13, 2024.

## B FIXED INCOME / DEBT MARKET

The treasury market recorded high investor demand in the quarter under review. Investors placed bids worth GH¢ 45.65 billion (a 51.82% increase over Q2 2023 bids of GH¢ 30.06 billion) with the government accepting virtually all the bids submitted. Cumulatively, the primary market recorded investor bids worth GH¢110.05 in the half year (compared with GH¢ 78.54 billion in 1H 2023) with government accepting 99.74% of bids to raise GH¢ 109.67 billion across the 91-day, 182-day and 365-day bills.

The 91-day and 182-day yields shed 91bps and 133bps q/q to end the quarter with yields of 24.87% and 26.92% respectively. Conversely, the 364-day yield recorded an increase in yield of 294 bps to 27.79%.

**TABLE 11: SELECTED TREASURY MARKET INDICATORS**

INDICATOR	END MAR 2024	END DEC. 2023	CHANGE
91- day T-Bill Rate	24.87%	25.78%	-91 bps
182- day T-Bill Rate	26.92%	28.25%	-133 bps
364- day T-Bill Rate	27.79%	24.85%	+294 bps
Interbank Interest Rate	28.83%	28.47%	+36 bps
CPI Inflation	22.08%	25.80%	-372bps
Monetary Policy Rate	29.00%	29.00%	0 bps

Source: BoG



Trading activity on the GIFM was robust, with GH¢30.91 billion traded in the second quarter, marking a 91.63% increase compared to Q2 2023's trade volume of GH¢16.13 billion. Over the first half of 2024, total trade volume reached GH¢71.45 billion, a 74.8% rise from the thin trade volumes of GH¢40.89 billion in 1H 2023. Activity for the half-year was concentrated at the shorter end of the market, with trades in short-term securities (maturities of up to a year) accounting for 67.85% of the total trade volume. Government securities continued to dominate, making up 98.7% of trade volumes. Foreign

investor interest remained subdued, with non-resident investor holdings of outstanding debt securities at 4.34%, down from the 2022 average of 14.38% and the 2023 average of 8.61%.

At the end of the quarter, the Ghana Fixed Income Market (GFIM) had 208 listed debt securities (March 2024: 213 securities) comprised of 34 corporate bonds, 89 Ghana Government (GOG) bills and notes, 71 Ghana Government (GOG) bonds and 14 Eurobonds.

**TABLE 12: TOTAL OUTSTANDING CORPORATE SECURITIES ON THE GFIM**

ISSUER	AS AT JUNE 2024 (GH¢)	AS AT MAR. 2024 (GH¢)
Izwe Loans Ltd.	75,000,000	75,000,000
Letshego Ghana	271,402,894	271,402,894
Ghana Cocoa Board	7,931,007,973	7,931,007,973
Bayport Financial Services	224,904,000	224,904,000
ESLA Ltd.	1,090,128,988	1,090,128,988
Quantum Terminal Ltd.	25,000,000	25,000,000
Kasapreko Company Plc	151,181,000	151,181,000
Daakye Trust P.lc.	135,372,224	135,372,224
<b>TOTAL</b>	<b>9,903,997,079</b>	<b>9,903,997,079</b>

Source: GFIM

## C

## FUNDS MANAGEMENT INDUSTRY

Total Funds Under Management (FUM) at the end of the first half of 2024 stood at GH¢59.53 billion on a marked-to-market basis. Pension funds, which accounted for 70% of FUM, grew by 5% q/q to GH¢41.48 billion. The marked-to-market values of Collective Investment Schemes (CIS) and discretionary funds managed by fund managers also increased over the quarter to GH¢5.91 billion (+5% q/q) and GH¢11.36 billion (+7% q/q), respectively. Private funds posted a modest growth of 3% q/q, ending the half year at GH¢780 million.

On a held-to-maturity basis, industry FUM expanded by 7% q/q to GH¢76.89 billion, comprising Pension FUM of GH¢55.28 billion (+6% q/q), Discretionary FUM of GH¢13.37 billion (+14% q/q), CIS FUM of GH¢7.47 billion (+5% q/q), and Private Funds FUM of GH¢0.78 billion (+3% q/q).

**MARKET ANALYSIS BY:** Afua Mensa-Bonsu, Assistant-Manager, Policy and Research, SEC

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



TABLE 13: DEBT MARKET (MONTHLY AVERAGE RATES)

TREASURY INSTRUMENTS (INTEREST EQUIVALENT)		Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
91-Day Bill	% p.a	24.64	26.35	28.8	29.4	29.72	29.39	28.93	27.87	25.75	25.55	25.04	24.87
182-Day Bill	% p.a	26.44	27.84	30.92	31.37	31.88	31.7	31.44	30.34	28.25	27.65	26.92	26.8
364-Day Bill	% p.a	30	30.88	32.82	33.16	33.45	32.97	32.05	30.9	24.85	28.25	27.91	27.79
SECONDARY MARKET													
2-Year Note	% p.a												
3-Year Bond	% p.a												
5-Year Bond	% p.a												
6-Year Bond	% p.a												
7-Year Bond	% p.a												
10-Year Bond	% p.a												
15-Year Bond	% p.a												
20-Year Bond	% p.a												
New Bonds (Post DDEP)													
4-Year Bond	% p.a	12.32	19.32	16.13	25.14	14.75	17.14	18.51	23.36	18.08	20.44	24.82	22.06
5-Year Bond	% p.a	14.48	18.29	26.52	16.98	21.08	21.36	16.35	23.4	22.59	18.55	18.71	23.63
6-Year Bond	% p.a	12.50	18.27	25.03	18.95	14.74	14.73	23.98	23.33	20.85	19.47	20.22	15.12
7-Year Bond	% p.a	12.58	18.34	23.94	27.85	20.3	14.97	24.87	23.36	24.04	25.82	15	15.54
8-Year Bond	% p.a	12.68	18.35	23.32	19.45	14.63	16.2	24.79	23.32	12.49	18.75	15.08	15.52
9-Year Bond	% p.a	12.72	18.34	22.94	13.69	14.36	29.11	19.44	23.29	25.38	22.27	14.79	15.09
10-Year Bond	% p.a	12.84	18.33	22.70	26.33	14.49	14.89	19.46	23.35	29.43	17	14.65	15.15
11-Year Bond	% p.a	12.84	19.90	22.53	13.8	14.48	16	22.36	20.49	29.71	21.97	15.39	19.18
12-Year Bond	% p.a	13.72	20.82	22.43	15.1	14.55	15.95	25.37	25.37	42	18.49	15.41	27.19
13-Year Bond	% p.a	13	19.89	22.42	13.88	14.53	14.8	13.64	12.95	13.75	15.09	11.75	15.51
14-Year Bond	% p.a	13.05	19.86	22.39	13.91	14.55	14.96	26.31	21.15	13.7	13.31	22.48	15.4
15-Year Bond	% p.a	13.18	15.10	22.44	13.98	14.61	15.29	22.5	22.5	13.09	23.61	22.48	26.42
Volumes Traded	billion GHC	5.5	5.3	7.5	9.7	12.8	16.8	14.85	13.23	12.61	11.3	10.4	9.2
Non-Resident Holding of outstanding Debt	%	9.72%	9.19%	6.97%	6.78%	6.06%	5.57%	5.34%	5.68%	4.34%	4.38%	4.36%	4.34%

Source: BOG, GSE, GFIM, CSD

\* Marked to Market Valuations from Dec 2022



TABLE 14: STOCK MARKET INDICATORS

INDICATOR	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
GSE COMPOSITE INDEX (GSE-CI)	points	2,976.77	3,084.79	3,172.35	3,125.62	3,169.90	3,130.23	3,172.40	3,227.90	3,456.20	3,687.10	3,753.70
GSE Financial Stock Index (GSE-FSI)	points	1,715.17	1,756.12	1,890.13	1,979.43	1,996.95	1,901.57	1,910.20	1,993.90	2,001.47	2,044.36	2,115.04
GSE Capitalization	billion GHC	72.07	73.25	74.189	73.74	74.23	73.89	74.4	75.1	77.7	80.3	84.02
Volume traded	million GHC	35.25	92.82	57.66	11.87	131.71	23.47	31.05	14.43	208.73	34.96	255.72
value traded	million GHC	18.36	125.15	86.23	18.99	172.37	66.06	34.03	17.55	313.5	134.4	396.15
CIS AUM	billion GHC			5.48			5.24			5.6		5.91
Others AUM	billion GHC			7.92			9.72			10.65		11.37
Pensions AUM	billion GHC			33.14			39.32			39.67		41.48
Total AUM	billion GHC			46.54			55.047			56.681		59.53

Data Sources: BOG, GSE, GFIM

\* Marked to Market Valuations from Dec 2022





## GLOSSARY OF TERMS

<b>Security</b>	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).
<b>Capital Market</b>	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.
<b>Equities Market</b>	The equities market is a market in which shares of companies are issued and traded, either through exchanges or over-the-counter markets.
<b>Ghana Fixed Income Market (GFIM)</b>	The GFIM facilitates 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.
<b>Commodities Market</b>	The Commodities Market is the marketplace for buying, selling, and trading raw materials or primary products.
<b>Fund Management Industry</b>	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.
<b>Money Market</b>	The 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.
<b>Broker Dealer</b>	A broker Dealer carries on the business of dealing in securities such as equities/shares, bonds, short-term debt instruments, etc. as principal or as an agent.
<b>Custodian</b>	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.
<b>Securities Depository</b>	A Securities depository is an institution that holds securities. A depository facilitates trading of securities by transferring ownership of a security after trade execution.
<b>Fund Manager</b>	Manages funds on behalf of a client pursuant to a contract or arrangement with the client.
<b>Investment Advisor</b>	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.
<b>Issuing House</b>	A merchant bank or firm of stockbrokers which buys shares issued by a company and coordinates their sale to the public.
<b>Mutual Fund</b>	A public company incorporated to operate by pooling money from investors and investing in securities on their behalf.
<b>Unit Trust</b>	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.
<b>Primary Dealer</b>	A body corporate which buys government securities directly from the government with the intention of reselling to any other person.
<b>Registrar</b>	A registrar is an institution responsible for keeping records (ie. registers) of bondholders and shareholders of issuers of securities.
<b>Trustee</b>	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.



<b>Securities Exchange</b>	A securities exchange is an organized market on which securities such as shares, and bonds can be bought and sold.
<b>Private Equity Fund</b>	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.
<b>Primary Market</b>	The primary market is the 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.
<b>Secondary Market</b>	The secondary market is the market 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.
<b>Money Market</b>	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.
<b>Exchange Traded Fund</b>	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.
<b>Equities (shares)</b>	Indicate part ownership of investors in a firm and also enable investors to participate in the firm's profit in the form of dividends.
<b>Ordinary Share</b>	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.
<b>Preference Shares/ Preference Stock</b>	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.
<b>Debt Securities</b>	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.
<b>Government Bond</b>	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.
<b>Corporate Bond</b>	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.
<b>Bond</b>	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.
<b>Commodities</b>	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.



<b>Market Capitalization</b>	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.
<b>Traded Value</b>	Trade value is 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.
<b>Volume of Trade</b>	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.
<b>Listed Company</b>	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.
<b>Collective Investment Scheme (CIS)</b>	A pool of funds for investment that are managed by a professional fund manager on behalf of the investors of the fund.
<b>Real Estate Investment Trust (REIT)</b>	REIT, or real estate investment trust, is a company that owns or finances income-producing real estate across a range of property sectors. Real estate companies have to meet a number of requirements to qualify as a REIT. Most REITs trade on major stock exchanges, and offer a number of benefits to investors.
<b>Mutual Fund</b>	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.
<b>Market liquidity</b>	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.
<b>Savings</b>	Savings is the portion of an individual's income that is not spent on current expenditure but rather set aside for future use.
<b>Investment</b>	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.
<b>Budgeting</b>	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.
<b>Inflation</b>	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.
<b>Investment Risk</b>	Investment risk can be defined as the probability or likelihood of occurrence of losses relative to the expected return on any particular investment.



# Achieve Your Organisation's Financial Goals Through Ghana's Capital Market

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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](http://www.sec.gov.gh)  
[info@sec.gov.gh](mailto:info@sec.gov.gh)



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