



ENSURING INVESTOR PROTECTION

# SEC NEWS

OFFICIAL NEWSLETTER OF SECURITIES & EXCHANGE COMMISSION

3<sup>RD</sup> QUARTER (JUL. - SEPT.) 2022



*In this issue:*



*African Development Bank and the Securities and Exchange Commission of Nigeria sign \$460,000 grant for Capital Market Surveillance Project*



*Navigating through the Turbulent Times: The Need for Investors to Improve their Resilience and Adaptability*



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*Key Market Statistics*

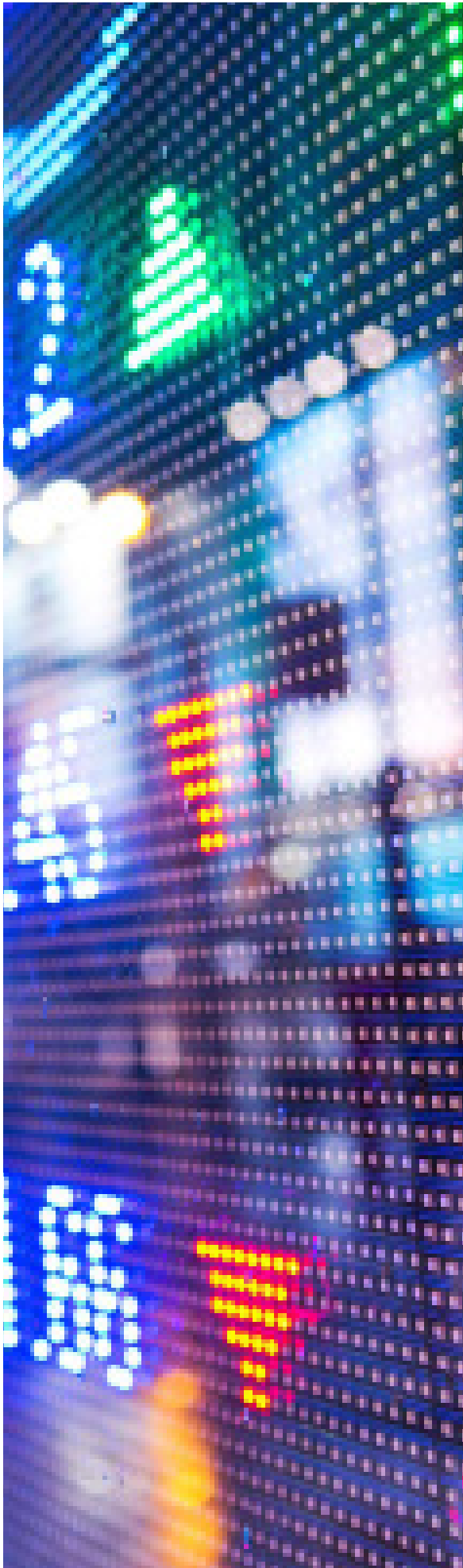


*Infractions, Penalties and Complaints Received in the Third Quarter of 2022*



*"The most important quality for an investor is temperament, not intellect." — Warren Buffett*





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## 3<sup>RD</sup> QUARTER MARKET SUMMARY

The Ghana Stock Exchange Composite Index (GSE CI) ended the third quarter of 2022 down by 85.4 points, at 2,460.12 points. This fourth quarterly decline of the GSE CI further depressed the year-to-date return of the benchmark index to -11.80% in local currency terms.

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## EDITORIAL TEAM

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- |                             |                              |
|-----------------------------|------------------------------|
| 1. Mr Emmanuel Ashong-Katai | 4. Ms Dorothy Yeboah-Asiamah |
| 2. Mr Frank Biney Donkor    | 5. Mrs Lilian Danso Affum    |
| 3. Mrs Naomi Simpson        | 6. Mr Andy Anim              |

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# NOTICE TO THE Public



## PUBLIC ADVICE

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embers 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.

## PUBLIC NOTICE

### PUBLIC NOTICE LIST OF ENTITIES OPERATING WITHOUT A LICENSE

**T**

he Securities and Exchange Commission (hereinafter referred to as ("SEC")) is the statutory body mandated by the Securities Industry Act 2016 (Act 929) as amended by the Securities Industry (Amendment) Act, 2021 (Act 1062), to promote the orderly growth and development of an efficient, fair, and transparent securities market in which investors and the integrity of the market are protected. The SEC is the apex regulatory body of the securities industry. The

Economic and Organised Crime Office is established by the Economic and Organised Crime Office Act, 2010 (Act 804) as a specialised agency to monitor and investigate economic and organised crime and on the authority of the Attorney-General prosecute these offences to recover the proceeds of crime and provide for related matters.

An essential obligation of the SEC stipulated in Section 3(b) of Act 929 is to maintain surveillance over activities in securities to ensure orderly, fair, and equitable dealings in securities. The SEC is also

mandated to protect investors by publishing at regular intervals information to the public to inform their investment decisions. Section 2(a) of the Economic and Organised Crime Act 2010 (Act 804) gives the Economic and Organised Crime Office (EOCO) the mandate of preventing and detecting Organised Crime. Furthermore, EOCO under Section 3(d) of Act 804 has a function of taking reasonable measures to prevent the commission of crimes specified in Section 3(a) – financial or economic loss to the Republic or any State entity or institution in which the State has financial interest, money laundering, human trafficking,



prohibited cyber activity, tax fraud, and other serious offences.

In line with the above, the SEC and EOCO have embarked on joint investigations into the activities of some entities largely operating via online channels. In accordance with relevant provisions of Act 929 as amended and Act 804, the SEC and EOCO wish to inform the General Public that, the underlisted entities are not licensed by the Securities and Exchange Commission (SEC):

- PatronPay Ghana/ PetronPay Ghana
- Cedi Network Ghana
- Bitcash Investment
- Solmax Group
- Freedom Synergy
- FxKash Investment
- Binomo Investment
- Hi Pay
- Quick Earn
- Lite Earn
- Snap Finance
- Faucet Wealth Investment
- Opay Investment
- Payme Financial Services
- Passive Income
- Yvonne Hanson Deals
- Alpha Pay

The General Public is hereby advised to be vigilant and to desist from investing in all unlicensed investment

products.

Capital Market Operators, Investors, and the General Public should be assured that the SEC in collaboration with all relevant law enforcement agencies is committed to ensuring the rigorous enforcement of all the securities laws for operators in the Capital Market to promote an orderly growth and development of an efficient, fair, and transparent securities market in which investors and the integrity of the market are protected. Members of the public may report directly and enquire for further information via: SEC (**0800100065/info@sec.gov.gh**) and EOCO: (**0579709066/eoco@eoco.gov.gh**).

DATED: 13th September 2022

## MARKET CIRCULAR

### CIRCULAR TO ALL MARKET OPERATORS REGARDING DEVELOPING, MAINTAINING AND TESTING OF BUSINESS CONTINUITY PLANS (BCP)



The Securities and Exchange Commission (hereinafter referred to as "SEC") is the statutory body mandated by the Securities Industry Act, 2016 (Act 929) as amended by the Securities Industry (Amendment) 2021 (Act 1062), to promote the orderly growth and development of an efficient, fair, and transparent securities market in which investors and the integrity of the

market are protected.

Pursuant to its mandate and functions in Sections 2 and 3 of Act 929, the SEC shall be assessing the robustness of the Business Continuity Management (BCM) practices of Capital Market Operators to ascertain the operational resilience of Ghana's Securities Industry in the event of business disruptions. The SEC shall also assess the ability of

Capital Market Operators to continue to maintain critical business operations or services after a major operational disruption.

All Capital Market Operators are therefore required to develop and maintain Business Continuity Plans (BCP) that are consistent with five (5) Joint Forum High-level principles for business continuity, published by the Basel Committee of Banking Supervision, International Organization of



Securities Commissions (IOSCO) and International Association of Insurance Supervisors dated, August 2006 (the five principles are listed below).

### **Principle 1: Board and Senior Management Responsibility (BDSM)**

Capital Market Operators should have effective and comprehensive approaches to business continuity management. The board of directors and senior management are collectively responsible for the business continuity. Business continuity management should be an integral part of the overall risk management programme. Policies and processes should be implemented on an enterprise-wide basis or, at a minimum, embedded in an organisation's critical operations.

### **Principle 2: Major operational disruptions (MOPD)**

Capital Market Operators (CMOs) should incorporate the risk of a major operational disruption into their approaches to business continuity management. CMOs' business continuity management should also address how they will respond to a major operational disruption that affects the operation of the financial industry. The extent to which a CMO prepares to recover from a major

operational disruption should be based on its unique characteristics and risk profile. CMOs should identify through a business impact analysis, business functions and operations that are to be recovered on a priority basis and establish appropriate recovery objectives for those operations. The BCP should be able to identify alternate business sites and a review provision on the adequacy of the recovery arrangements from the alternate business sites.

### **Principle 3: Recovery objectives (RECO)**

Capital Market Operators (CMOs) should develop recovery objectives that reflect the risk they represent to the operation of the financial system. As appropriate, such recovery objectives may be established in consultation with the regulator. CMOs should establish recovery objectives that are proportionate to the risk they pose to the operation of the capital market.

### **Principle 4: Communications (COMM)**

Capital Market Operators (CMOs) should include in their business continuity plans procedures for communicating within their organizations and with relevant external parties in the event of a major operational disruption.

The business continuity plans of the CMOs should incorporate comprehensive emergency communication protocols and procedures.

### **Principle 5: Testing (TEST)**

Capital Market Operators (CMOs) should test their business continuity plans, evaluate their effectiveness, and update their business continuity management, as appropriate. Testing the ability to recover critical operations as intended is an essential component of effective business continuity management. Such testing, which can take many forms, should be conducted periodically, with the nature, scope and frequency determined by the criticality of the applications and business functions.

Capital Market Operators are hereby required to employ the five (5) principles as a guide to develop, maintain, test, and review their business continuity plans. Copies of the Business Continuity Plans must be submitted to the SEC by close of business on 31st December 2022. Henceforth, Business Continuity Plans (BCP) shall be subjected to both on-site and off-site inspections.

DATED: 8th September 2022



# 02 INTERNATIONAL Updates

## AFRICAN DEVELOPMENT BANK AND THE SECURITIES AND EXCHANGE COMMISSION NIGERIA SIGNS \$460,000 GRANT FOR CAPITAL MARKET SURVEILLANCE PROJECT

**T**he Securities and Exchange Commission, (SEC) Nigeria determined to modernise Nigeria's capital markets and ensure that it is well positioned to support economic transformation driven by private sector investment, have signed an agreement with the African Development Bank (AfDB) Group for a grant on market surveillance system project. The grant, valued at \$460,000, is to finance technical assistance and capacity building for capital market development under the "Nigeria Securities Market Surveillance System Project".

The grant is from the Capital Markets Development Trust Fund (CMDTF), a multi-donor trust fund administered by the AfDB and supported by the Ministry of Finance of Luxembourg and the Ministry of Foreign Trade and Cooperation of the Netherlands, would support the acquisition, installation and deployment of a real-time automated securities market surveillance system of the Nigeria capital market.

Director-General, African Development Bank Group Mr. Lamin Barrow noted that, the introduction of a surveillance system would enhance oversight on securities trading across all existing and future trading platforms and all tradable securities and products by the SEC. The system would also preserve securities market integrity, boost investor confidence and enhance financial inclusion, among other expected outcomes."

To ensure sound implementation and sustainability, the design of the technical assistance project had embedded training activities to strengthen the capacity of users of the securities market surveillance system, and the preparation of relevant operational manuals and workflow processing and document management for the surveillance solution.

The SEC Nigeria is very pleased and thankful to AfDB for providing the grant support to execute very important projects, particularly the project to acquire

a surveillance solution.

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*The grant is from the Capital Markets Development Trust Fund (CMDTF) and supported by the Ministry of Finance of Luxembourg and the Ministry of Foreign Trade and Cooperation of the Netherlands*

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Written by:

Dorothy Yeboah Asiamah,  
Board Secretary and Senior  
Manager International  
Relations.

# NAVIGATING THROUGH THE TURBULENT TIMES:

*The Need for Investors to Improve their Resilience and Adaptability*

**C**urrency depreciation, inflation, rising crude oil prices, geopolitical events, and flagging fiscal and monetary stimulus are just a handful of the complexities affecting the financial market in recent times. These economic complexities are having a dramatic impact on output levels. A review of the economic literature identifies several channels through which the economic downturn can impact potential output levels and growth rates. An economic downturn can reduce potential output in the short and medium term through its adverse impact on investment. An analysis of past financial and economic crises provides some tentative indications about

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*An economic downturn can reduce potential output in the short and medium term through its adverse impact on investment. An analysis of past financial and economic crises provides some tentative indications about the probable impact of the current crisis on investment and investor participation.*

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the probable impact of the current crisis on investment and investor participation. As market volatility becomes a key stressor, many retail investors tend to pause and slow down investments in the secondary market.

Although it might seem like a minor matter, the global economy gets personal. Inflation can be damaging to retail investments. Many individuals are aware that inflation drives up the cost





of their groceries and lowers their purchasing power. Inflation has an impact on every aspect of the economy, and overtime, it can chip away at investments. In particular, the effect of inflation on interest rates can influence the effectiveness of some fixed income investments in providing an income, versus interest received on cash. The fact is that financial markets are frequently beset by challenges. Extreme market uncertainty is often unsettling for investors, making them recalibrate their investment strategies. Uncertainties culminating in market volatility are integral to investing. Embracing this market dynamic with the required approach can aid in tidying up in these times and ensure a continuous investment journey without hiccups.

A dip in the market does not imply hitting the pause button on saving and investment. A volatile market may present a chance to review your financial objectives and investing strategy. Adopting the appropriate strategies to anticipate, manage, and potentially benefit is what is needed to reduce the potential for making emotion-based investment mistakes. Here are a few tried-and-true strategies that can be useful amid the normal ups and downs of the market as these questions emerge; When should I enter the market? Is now a good time to invest? How bad will inflation get? Should you go to cash? What investments perform the best during a market selloff? Is it a good time to consider buying the dip, hold or sell? How might current events impact my long-term goals?

### Focus on the long-term Plan

Investing hesitancy is prevalent during this tough economic time. The language of "I will just wait until things settle down" becomes common. However, breaking off investments during a market downturn can be expensive as it may mean passing up chances to put money to work at lower prices and frequently missing out on the recovery. Economic history indicates that some of the biggest dips may be followed by high returns. This assertion is consistent with J.P. Morgan's research that demonstrates how the best market days frequently follow the worst ones and that not staying invested might cost money. Table 1 demonstrates how high returns have followed some of the biggest drops on the Ghana Stock Exchange.

**TABLE 1: GSE INDEX SUMMARY NOV-DEC 1990- OCTOBER 2022**

PERIOD	HIGH	DATE	LOW	DATE	END OF PERIOD INDEX	% CHANGE (MARKET RETURNS)
Nov - Dec 1990	77.65	12-Nov	70.08	21-Dec	70.08	0
1991	69.77	4-Jan	55.49	17-May	64.51	-7.95
1992	72.9	6-Oct	60.15	23-Jun	62.17	-3.63
1993	132.88	30-Dec	63.29	5-Jan	132.88	113.74
1994	334.02	17-May	132.91	4-Jan	298.1	124.34
1995	322.11	25-Oct	296.32	22-Mar	316.97	6.33
1996	385.8	13-Sep	307.42	12-Jan	360.76	13.82
1997	524.21	8-Dec	346.66	31-Jan	511.74	41.85
1998	1,201.08	6-May	511.66	7-Jan	868.35	69.69
1999	903.17	5-Feb	735.39	22-Dec	736.16	-15.22
2000	873.35	22-Sep	737.16	3-Jan	857.98	16.55
2001	1,025.78	1-Aug	856	7-Feb	955.95	11.42
2002	1,395.31	30-Dec	13.2	2-Jan	1,395.31	45.96
2003	3,553.42	31-Dec	1,395.36	2-Jan	3,553.42	154.67
2004	7,469.04	25-Aug	3,558.96	2-Jan	6,798.59	91.33





2005	6,901.36	28-Jan	4,751.17	22-Dec	4,769.02	-29.85
2006	5,006.02	29-Dec	4,692.84	31-Jan	5,006.02	4.97
2007	6,599.77	31-Dec	5,001.15	11-Jan	6,599.77	31.84
2008	10,931.36	3-Oct	6,595.92	2-Jan	10,431.64	58.06
2009	10,431.64	2-Jan	5,098.92	17-Aug	5,572.34	-46.58
2010	7,185.05	1-Jun	5,463.83	14-Jan	6,886.31	32.25
2011	1,189.77	18-May	940.04	16-Dec	969.03	-3.1
2012	1,199.72	31-Dec	968.08	5-Jan	1,199.72	23.81
2013	2,341.60	2-Dec	1,198.29	3-Jan	2,255.52	78.81
2014	2,439.20	21-Feb	2,145.20	2-Jan	2,261.02	54
2015	2,386.51	9-Jun	1,954.21	11-Dec	1,994.91	-11.77
2016	2,013.81	14-Jan	1,527.94	7-Dec	1,689.09	-15.33%
2017	2,579.72	29-Dec	1,698.20	3-Jan	2,579.72	52.73%
2018	3,489.45	30-Apr	2,521.42	19-Dec	2,572.22	-0.29%
2019	2,589.55	2-Jan	2,136.82	21-Nov	2,257.15	-12.25%
2020	2,277.38	23-Jan	1,806.94	26-Nov	1,941.59	-13.98%
2021	3,010.44	16-Nov	1,941.59	4-Jan	2,789.34	43.66%
Oct-22	2,789.52	19-Jan	2,340.07	2-Aug	2,460.31	-11.80%

Source: Ghana Stock Exchange, 2022

**NB:** Nov.1990 to 2010 Index is the GSE All-share Index  
Index from 2011 is the GSE Composite Index

We make assumptions about the rate of return over a specified period when we create a financial plan. As such missing out on a couple of days, weeks, or months can modify the expected rate of return and seriously risk the plan. A long-term viewpoint can prevent the temptation and emotional feeling to panic-sell amid market fluctuations. Regardless of the performance of the market, the advice is for investors to remain consistent and resolute and maintain a long-term focus. In this regard, the expert management of your portfolio can be helpful to navigate complex financial situations.

### Diversification of Portfolio

Developing a solid, well-thought-out investment

strategy and plan of action can minimize the overwhelm that comes with your investment during this period of a turbulent market. Whatever your specific investment goals, maintaining a diversified portfolio is a thoughtful action to mitigate risk. Diversification essentially means having a variety of assets in different sectors, such as stocks, bonds, and cash. The effects of market volatility will be lessened by exposure to a variety of markets. For instance, historically, stocks have performed better than bonds in a healthy economy. But during market downturns, bonds have been a better investment. Investing in both might lessen the possibility that your finances will be completely impaired.

There is no single portfolio selection strategy that is best for all people. There are some

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*A long-term viewpoint can prevent the temptation and emotional feeling to panic-sell amid market fluctuations. Regardless of the performance of the market, the advice is for investors to remain consistent and resolute and maintain a long-term focus.*

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general principles, such as the principle of diversification that apply to all risk-averse people. In the selection of a well-diversified portfolio, life cycle, time horizons, and risk tolerance should be examined for optimal portfolio diversification.

### Look for Opportunities

The frequent evaluation of your portfolio should not be hampered by a period of market turbulence. There is

cheaper prices imply you can buy a larger number of shares. Thus, investing when the market is at a low point can give you an advantage. Marking Securities to the market in these times provides investors with more transparent and relevant information on their investments; how valuable their investments are and how their investments are performing to enable them to make the most of the times.

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*There is a need to ensure that you are at ease with your current risk levels by assessing and taking stock of them. For instance, investors with high-risk appetites can afford to tie up their investment for long periods and the willingness to accept short-term losses should consider investing in risky assets.*

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a need to ensure that you are at ease with your current risk levels by assessing and taking stock of them. For instance, investors with high-risk appetites can afford to tie up their investment for long periods and the willingness to accept short-term losses should consider investing in risky assets. The exposure to riskier assets should be minimized if an investor cannot handle excessive volatility. It should be noted that selling securities during times of market turbulence will likely result in incurring losses as prices fall. On the upside, a market downturn provides a fleeting opportunity to buy some securities at cheaper prices. For example,

### Get Professional Advice

It is prudent to handle some situations with the help of a competent professional investment advisor. Professional portfolio managers are in the business of adopting an analytical framework to examine the quantitative trade-off between risk and expected return. Based on the quantitative analysis portfolio managers can offer professional advice. Professional advice is key to building resilience. An licensed financial advisor can help in the development of strategies for both the good times and the difficult times and ensure portfolio

optimization based on risk tolerance.

### Conclusion

The new global economy is here to stay, we must all learn to anticipate and plan for the effect that seemingly unrelated events may have on our finances. However, the challenge many people face is how to understand more about their personal and global finances so they can protect themselves. Losses and gains are a part of investing. By taking a deliberate, time-tested approach, you may be able to pursue your goals without feeling as though you must constantly adjust your portfolio to react to today's news. Fundamentally, the thumb rule for investors is to stay resilient and appreciate that "What goes up can sometimes go down".

All things considered, investors in these times should build positive investment habits. This entails conducting frequent research, adhering to what you are familiar with and understand, diversifying your investment portfolio, using efficient saving techniques, and looking for reliable, knowledgeable guidance. Above all, you must exercise patience and persevere through any difficult periods that may arise.

Written by

MacNamara Peter-Brown,  
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.*

# Report *Financial Crimes*

*Be on guard. Report financial crimes to SEC*



**info@sec.gov.gh**



**0800100065**

*Toll-free line:*

*Insider  
Trading*

*Investment  
Fraud*

*Ponzi  
Schemes*

*Unlicensed  
Operations*

*You can also report these activities  
to the nearest police station*

# 04 ENFORCEMENT

## *Actions*

### 1. INFRACTIONS AND PENALTIES

COMPANY	INFRINGEMENT	PENALTY (GH¢)
Black Star Brokerage Limited	Failed to comply with the provisions in Regulation 33 (1) (b) of L.I. 1728	100
Bullion Securities Limited	Failed to comply with the provisions in Regulation 33 (1) (b) of L.I. 1728	100
Serengeti Capital Market Limited	Failed to comply with the provisions in Regulation 33 (1) (b) of L.I. 1728	100
Fincap Securities Limited	Failed to comply with the provisions in Regulation 33 (1) (b) of L.I. 1728	400
Apakan Securities Limited	Failed to comply with the provisions in Regulation 33 (1) (b) of L.I. 1729	700
SIC Brokerage Limited	Failed to comply with the provisions in Regulation 33 (1) (c) of L.I. 1729	3,000
Strategic African Securities Limited	Failed to comply with the provisions in Paragraph 6(9) of the securities Industry (Licensing) Guideline 2020	12,000
GFX Brokers Limited	Failed to comply with the provisions in Regulation 33 (1) (c) of L.I. 1729	700
Impact Capital Advisers	Failed to comply with the provisions in Regulation 33 (1) (c) of L.I. 1729	500
Fincap Securities Limited	Failed to comply with the provisions in Section 120 (c) of Act 929	7,200
SIC Brokerage Limited	Failed to comply with the provisions in Regulation 33 (1) (a) of L.I. 1729	1,100
Fincap Securities Limited	Failed to comply with the provisions in Regulation 33 (1) (c) of L.I. 1729	1,100
Black Star Brokerage Limited	Failed to comply with the provisions in Part 3 Section 12 (3) of the Securities Industry Conduct of Business Guidelines, Part V Section L (1) (a)(ii) 2b(xii) and Part II Section D (7) (a)(b)(c) of the Compliance Manual	9,600





WAICA RE Capital Limited	Failed to comply with the provisions in Regulation 33(1)(c) of LI 1728	3,000
EcoCapital Investment Management Limited	Failed to comply with the provisions in Regulation 33(1)(c) of LI 1728	3,000
GLICO Capital Limited	Failed to comply with the provisions in Regulation 33(1)(c) of LI 1728	3,000
Salem Financial Services Limited	Failed to comply with the provisions in Regulation 33(1)(c) of LI 1728	3,000
Worldwide Investment Company Ltd	Failed to comply with the provisions in Regulation 33(1)(c) of LI 1728	3,000
Gateway Wealth Management Limited	Failed to comply with the provisions in Regulation 33(1)(a) of LI 1728	200
Salem Financial Services Limited	Failed to comply with the provisions in Regulation 33(1)(a) of LI 1728	200
Prudential Securities Limited	Failed to comply with the provisions in Regulation 33(1)(a) of LI 1728	200
New Generation Investment Services Limited	Failed to comply with the provisions in Regulation 33(1)(a) of LI 1728	200
RAD Business Advisory Network Centre Ltd	Failed to comply with the provisions in Regulation 33(1)(a) of LI 1728	200
Nimed Capital Limited	Failed to comply with the provisions in Regulation 33(1)(a) of LI 1728	700
10th Capital Investments Limited	Failed to comply with the provisions in Regulation 33(1)(a) of LI 1728	900
Union Capital Limited	Failed to comply with the provisions in Regulation 33(1)(a) of LI 1728	2,800
EcoCapital Investment Management Limited	Failed to comply with the provisions in Regulation 33(1)(a) of LI 1728	3,000
Union Capital Limited	Failed to comply with the provisions in Regulation 33(1)(b) of LI 1728	1,100
Union Capital Limited	Failed to comply with the provisions in Regulation 33(1)(c) of LI 1728	3,000

## 2. COMPLAINTS

Complaints received during the third quarter of 2022

PERIOD	COMPLAINTS RECEIVED IN THE QUARTER	COMPLAINTS RESOLVED IN THE QUARTER
Q4 2021	46	49
Q1 2022	71	26
Q2 2022	37	62
Q3 2022	56	19

The above complaints for the quarter were mainly related to non-payment of redemptions and exchange loss on redemption of investment.



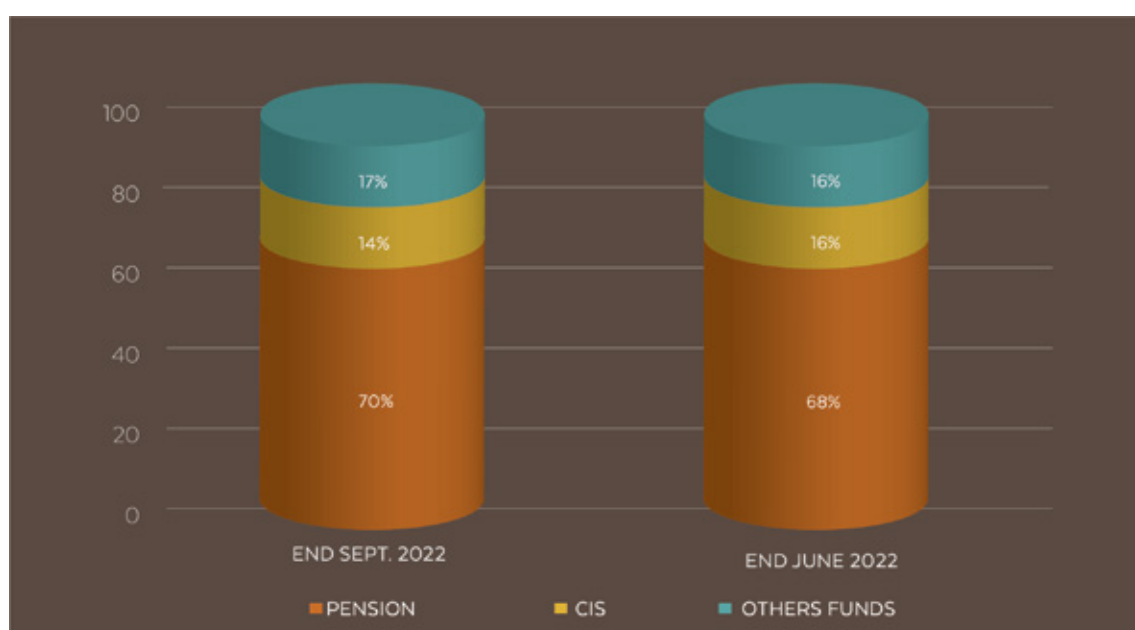
## ASSETS UNDER MANAGEMENT (AUM)

Table: Assets under Management

AUM (GH¢)	END SEPT 2022	END JUNE 2022	% CHANGE
*Pension	35,568,905,705	32,957,745,941.32	7.9%
CIS	6,864,827,022	7,775,451,257.27	-11.7%
Other Funds	8,407,411,827	7,795,861,728.53	7.8%
Total (GH¢)	50,841,144,554	48,529,058,927.12	4.8%

\*Adjusted values from custodians

## Composition of Assets under Management





## OFFERS & OTHER APPROVALS

### 1. List of firms licensed during the Second Quarter, 2022:

#### a. Approval of New Licenses

	MARKET OPERATOR	APPROVAL TYPE
1	Mirepa SME Fund 1 Limited	Private Equity Fund
2	Temple S&P Ghana Sovereign Bond Index ETF Plc	Exchange Traded Fund
3	First Atlantic Personal Investment Plan Plc	Mutual Fund
4	CAL Benefit Unit Trust	Unit Trust
5	CAL Advantage Unit Trust	Unit Trust

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

List of Approvals

No public offers were approved during the period

### 3. Approval of Note Tranches

No Note Tranches were approved during the period

### 4. List of Audit Firms Registered with the Commission.

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

## 1. CAPITAL MARKET OPERATORS AS AT THE END OF THIRD (3<sup>RD</sup>) QUARTER 2022

	CATEGORY OF LICENSED OPERATORS	END SEPT 2022	END JUNE 2022	CHANGE
1	Broker-Dealers	28	28	0
2	Custodians	17	17	0
3	Exchange Traded Funds	2	1	1
4	Investment Advisers	14	14	0
5	Fund Managers	85	85	0
6	Mutual Funds	49	48	1
7	Primary Dealers	12	12	0
8	Registrars	4	4	0
9	Securities Depositories	1	1	0
10	Securities Exchange	2	2	0
11	Trustees	6	7	-1
12	Issuing House	10	10	0
13	Unit Trusts	34	32	2
14	Private Funds	3	2	1
15	Credit Rating Agency	1	1	0
	<b>TOTAL</b>	<b>268</b>	<b>264</b>	<b>4</b>

Source: SEC

## 2. STOCK MARKET STATISTICS AT A GLANCE

Indicators	END SEPT 2022	END JUNE 2022	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)	1,280,374,211	1,091,071,021	17%
Value of Trades (GH¢): Equities	1,289,252,216	1,061,594,861	21%
Market Capitalization (GH¢ million)	63,986	64,841.21	-1.3%
GSE- Composite Index (GSE-CI)	2460.12	2,54548	-34%
GSE- CI YTD Returns (%)	-11.70	-8.74	-296 bps
GSE- Financial Stock Index (GSE-FSI)	2,070	2,176.97	-4.91%

Source: SEC and GSE



### 3. PERFORMANCE OF EQUITIES ON GHANA STOCK EXCHANGE AT THE END OF MARCH 2022

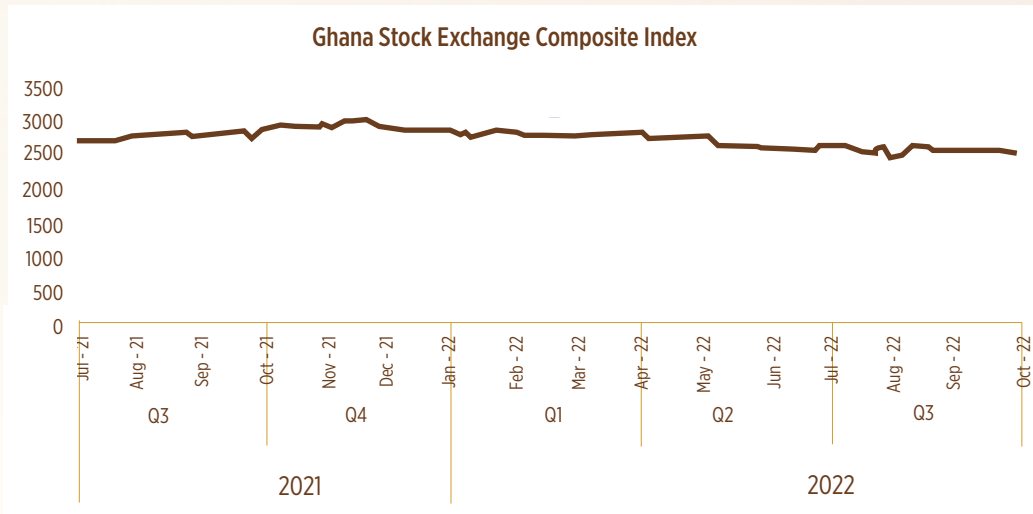
	NAME OF COMPANY	CODE	CLOSING PRICE (GH¢) END SEPT 2022	CLOSING PRICE (GH¢) END JUNE 2022	CHANGE (GH¢ GAIN/ LOSS) END SEPT 2022
1	Access Bank Ghana PLC	ACCESS	4.01	2.51	1.5
2	Agricultural Development Bank PLC	ADB	5.06	5.06	0
3	AngloGold Ashanti Ltd.	AGA	37	37	0
4	Aluworks Limited	ALW	0.1	0.1	0
5	Asante Gold Corporation	ASG	8.87	8.87	0
6	Benso Palm Plantation PLC	BOPP	648	6	048
7	Cal Bank PLC	CAL	0.8	0.8	0
8	Clydestone (Ghana) Ltd.	CLYD	0.03	0.03	0
9	Camelot Ghana Ltd.	CMLT	0.1	0.11	-0.01
10	Cocoa Processing Co. Ltd.	CPC	0.02	0.02	0
11	Dannex Ayrton Starwin Plc.	DASPHARMA	04	04	0
12	Ecobank Ghana PLC.	EGH	6.64	7.6	-0.96
13	Enterprise Group PLC	EGL	3.2	3.3	-0.1
14	Ecobank Transnational Inc.	ETI	0.15	0.17	-0.02
15	Fan Milk PLC.	FML	3	3	0
16	GCB Bank Ltd.	GCB	4	5	-1
17	Guinness Ghana Breweries PLC	GGBL	2.05	2.25	-0.2
18	Ghana Oil Company Limited	GOIL	1.77	1.81	-0.04
19	Mega African Capital Ltd	MAC	5.38	5.39	-0.01
20	Scancom PLC	MTNGH	0.88	0.9	-0.02
21	PBC Ltd.	PBC	0.02	0.02	0
22	Republic Bank (Ghana) PLC	RBGH	0.6	0.6	0
23	Standard Chartered Bank Gh. PLC	SCB	20.16	20.3	-0.14
24	SIC Insurance Company Ltd.	SIC	0.33	0.31	0.02
25	Societe Generale Ghana PLC	SOGEGH	1	1.18	-0.18
26	*** Sam Woode Ltd. ***	SWL	0.05	0.05	0
27	Trust Bank Gambia Ltd	TBL	048	044	0.04
28	Total Petroleum Ghana PLC	TOTAL	4	4.1	-0.1
29	Tullow Oil Plc	TLW	11.92	11.92	0
30	Unilever Ghana PLC	UNIL	5.31	5.89	-0.58



NAME OF COMPANY		CODE	CLOSING PRICE (GH¢) END SEPT 2022	CLOSING PRICE (GH¢) END JUNE 2022	CHANGE (GH¢ GAIN/ LOSS) END SEPT 2022
<b>Ghana Alternative Market (GAX)</b>					
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	0.1	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
<b>Others (Depository and Pref shares, ETFs)</b>					
37	AngloGold Ashanti Depository Shares	AADS	041	041	0
38	Standard Chartered Bank Pref. Shares	SCB PREF	0.9	0.9	0
39	NewGold Exchange Tradeable Funds (ETFs)	GLD	166.5	143	23.5

Source: SEC and GSE





T

he Ghana Stock Exchange Composite Index (GSE CI) ended the third quarter

of 2022 down by 854 points, at 2,460.12 points. This fourth quarterly decline of the GSE CI further depressed the year-to-date return of the benchmark index to -11.80% in local currency terms.

Flowing from the record high inflation levels, steep currency depreciation, high interest rates and macroeconomic

uncertainties, the GSE recorded a firmly negative market breadth with 13 decliners vis-à-vis 5 advancers.

On the gainers chart, New Gold ETF recorded significant advances on hedging due to the safe haven appeal of gold. Access Bank also posted gains due to continued price

recovery, while Benso Oil Palm Plantation (BOPP) gained 8% on the high CPO prices and an expected positive impact of FX depreciation on BOPPs revenue.

Notable on the laggards' chart

*The Ghana Stock Exchange Composite Index (GSE CI) ended the third quarter of 2022 down by 85.4 points.*



were consumer goods companies, and higher cost of inputs due to the Cedi's depreciation could affect bottom-line. MTNGH continued on the losing streak with a 2% decline in the quarter as Q2-2022 momo revenues declined following the implementation of an electronic levy tax on transfers on the platform.

### Q3 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¢
GLD	16%	23.50	133.5	GCB	-20%	1.00	4.00
ACCESS	60%	1.50	4.01	SOGEGH	-15%	-0.18	1.00
BOPP	8%	0.48	6.48	EGH	-13%	-0.96	6.64
TBL	9%	0.04	0.48	ETI	-12%	-0.02	0.15
SIC	6%	0.02	0.33	UNIL	-10%	-0.58	5.31
				CMLT	-9%	-0.01	0.10
				GGBL	-9%	-0.2	2.05
				EGL	-3%	-0.1	3.20

Source: SEC & GSE

Trade activity remained lively led by activity in the telecommunication and finance sectors. Approximately 189 million shares valued at GH¢ 228 million were exchanged in the quarter, up from 73.52 million shares (GH¢103.6 million) traded in Q3 2022.

The telecommunications sector stock MTN Ghana accounted for 92% of trade volumes while the financial sector accounted for 5.3% of trade volumes.

Cumulatively, 1.28 billion shares valued at GH¢1.19 billion were exchanged for the 9 Month period

ending September 2022. The bourse closed 9M 2022 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.

### FIXED INCOME/DEBT MARKET

Interest rates in the Primary Market continued to climb on the northward trek. Propelled by the high inflation (+740 bps q/q) and currency depreciation, investor's demands for higher risk adjusted returns culminated in the 91-day bill (+630 bps q/q), 182-day bill (+602 bps q/q) and 365-day bill (+441 bps q/q) interest rates all ending the quarter higher.

Enticed by the steady increase in interest rates at the weekly auctions, investors placed bids worth GH¢21.2 billion exceeding the cumulative auction target of GH¢ 16.8billion, resulting in a bid-target coverage of 1.3x. Given the volume of maturities falling due, almost all bids were accepted (Uptake: GH¢20.9 billion) leading to a Q3 2022 bid-uptake coverage ratio of 1.01x

Trading activity thinned out in the secondary market. Investors traded bonds valued at GH¢49.82 billion in the quarter, which culminated in a total volume traded of GH¢174 billion for 9M 2022. The Cedi's steep depreciation amidst the interest rate hikes by the Fed, Ghana's sovereign debt downgrades as well as mixed signals on a potential debt restructuring dampened



## SELECTED TREASURY MARKET INDICATORS

INDICATOR	END SEPT 2022	END JUNE 2022	CHANGE
91- day T-Bill Rate	3045%	24.15%	+ 630bps
1892- day T-Bill Rate	31.57%	25.55%	+602bps
364- day T-Bill Rate	31.55%	27.14%	+441bps
Interbank Interest Rate	22.20%	20.70%	+150 bps
CPI Inflation	37.20%	29.80%	+740 bps
Monetary Policy Rate	22.00%	19.00%	+300 bps

Source: BoG

interest in the market. The trades for the quarter declined in each consecutive month of Q3 2022, leading to a 17% decline on a quarter-on-quarter basis. Activity was led by trades in government securities which accounted for 84% of volumes (down from 91% in Q1 2022) while corporate securities accounted for the remaining 16%. Foreign investor trades accounted for approximately 14% of settled securities sold and 13% of the value of settled securities purchased. The monthly decline in foreign investor participation in the quarter, from 20% of sales in

July to 9% of sales in September, could point towards a shift in the market dynamics. This is reinforced by the month on month decline in foreign investor holding of outstanding securities from 17.31% in April 2022 to 11.49% in September 2022.

At the end of the quarter, the Ghana Fixed Income Market (GFIM) had 206 listed debt securities

*At the end of the quarter, the Ghana Fixed Income Market (GFIM) had 206 listed debt securities (June 2022: 198 securities).*

(June 2022: 198 securities) comprised of 39 corporate bonds, 92 Ghana Government (GOG) bills & notes, 59 Ghana Government (GOG) bonds and 16 Eurobonds.

## TOTAL OUTSTANDING CORPORATE SECURITIES ON THE GFIM

ISSUER	AS AT SEPTEMBER 2022 (GH¢)	AS AT SEPTEMBER 2021 (GH¢)
Izwe Loans Ltd.	97,000,000	56,000,000
Letshego Ghana	298,690,000	229,330,000
Bayport Financial Services	188,145,360	349,680,000
ESLA Ltd.	9,019,070,735	7,629,522,362
Bond Savings & Loans Ltd.	70,400,000	70,400,000
Quantum Terminal Ltd.	25,000,000	40,000,000
Dalex Finance Company	20,000,000	20,000,000
Daakye Trust Plc.	2,622,531,961	1,985,826,823
<b>TOTAL</b>	<b>12,340,838,056</b>	<b>10,380,759,185</b>

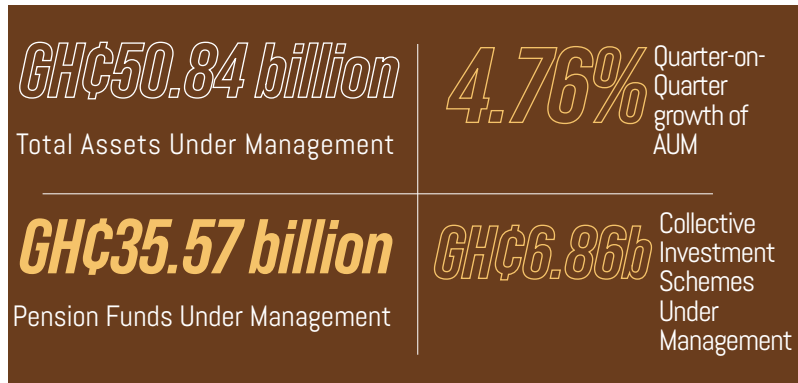
Source: BOG



## FUNDS MANAGEMENT INDUSTRY

The industry's funds under management expanded by 4.76% q/q, to end September at GH¢ 50.84 billion. The pensions sector was at the fore of growth, The pensions sector funds under management grew by 7.92% over the quarter to GH¢ 35.57 billion. Growth in discretionary funds remained firm at 7.84% q/q, ending 9M 2022 at GH¢ 8.41 billion. The funds under management of collective investment schemes however declined by 11.71% q/q to GH¢ 6.86 billion, as some investors exited CIS to invest in the higher yielding treasury securities.

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.*

## UPDATE ON MINIMUM CAPITAL REQUIREMENTS FOR LICENCED OPERATORS IN GHANA'S CAPITAL MARKET

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

### Summary of Minimum Capital Requirements for Market Operators

REGULATED ACTIVITY	MINIMUM CAPITAL (GH¢)	MARKET OPERATORS WHO HAVE MET THE MINIMUM CAPITAL REQUIREMENTS (SEPTEMBER 2022)
Broker-Dealer	1,500,000	28 out of 28
Clearing House	50,000,000	No Licensees
Credit Rating Agency	1,000,000	1 out of 1
Custodian	50,000,000	17 out of 17
Fund Manager	2,000,000	58 out of 85
Investment Adviser (Corporate)	1,000,000	11 out of 14
Investment Adviser (Individual)	200,000	No Licensees
Issuing House	1,000,000	10 out of 10
Margin Trader	2,000,000	No Licensees
Market Maker	3,000,000	No Licensees
Nominee	1,000,000	No Licensees
Primary Dealer	400,000,000	12 out of 12
Registrar	1,000,000	3 out of 4
Securities Depository	50,000,000	1 out of 1
Securities Exchange	10,000,000	2 out of 2
Trustee	50,000,000	7 out of 7
Underwriter	2,500,000	No Licensees

## SUMMARY OF FINANCIAL DATA

### DEBT MARKET (MONTHLY AVERAGE RATES)

TREASURY INSTRUMENTS (INTEREST EQUIVALENT)	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr -22	May 22	Jun 22	Jul 22	Aug 22	Sep 22
91-Day Bill	% p.a	12.49	1247	12.46	12.48	1249	12.55	13.49	16.22	19.05	24.15	26.16	27.68	29.65
182-Day Bill	% p.a	13.27	1320	13.16	13.17	1319	1321	13.76	16.72	20.43	25.55	27.38	29.12	30.94
364-Day Bill	% p.a	16.20	16.12	16.24	16.28	16.46	16.70	17.01	18.93	22.20	27.14	27.67	28.92	30.24
2-Year Note	% p.a	17.25	17.50	17.50	20.00	19.75	19.75	19.75	19.75	21.50	21.50	21.50	21.50	21.50
3-Year Bond	% p.a	17.70	17.70	19.00	19.00	19.00	20.50	20.50	20.85	25.00	25.00	29.85	29.85	29.85
5-Year Bond	% p.a	18.30	18.30	18.30	18.30	21.00	21.00	20.75	20.75	22.30	22.30	22.30	22.30	22.30

### SECONDARY MARKET

6-Year Bond	% p.a	18.42	18.46	20.14	20.63	20.81	21.19	20.68	21.11	21.50	25.78	30.84	30.03	36.38	39.82
7-Year Bond	% p.a	18.63	18.94	20.38	20.82	21.01	21.25	20.51	21.28	21.66	26.63	30.84	29.90	36.36	39.96
10-Year Bond	% p.a	19.36	19.35	20.85	20.83	20.90	20.20	21.01	21.20	21.74	22.69	32.60	30.92	32.86	37.92
15-Year Bond	% p.a	19.36	19.49	20.64	20.97	21.38	21.37	21.27	21.45	21.80	26.86	30.78	30.32	36.14	39.77
20-Year Bond	% p.a	19.64	19.59	20.74	21.11	20.85	22.00	21.23	21.59	21.73	27.43	31.07	29.93	36.28	39.74
Volumes Traded	billion GH¢	13.90	14.08	17.56	19.70	16.51	16.68	19.33	28.13	17.83	17.31	24.92	19.16	15.71	14.95
Non-Resident Holding	%	23.19	21.80	20.45	19.73	19.07	17.97	17.57	17.03	17.31	17.12	16.66	14.96	12.31	11.49

Sources: BOG, GFIM, CSD



**STOCK MARKET INDICATORS**

INDICATOR	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22
GSE Composite Index (GSE-CI) (Points)	2,750.4	2,855.3	2,864.3	2,866.8	2,789.3	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
GSE Financial Stock Index (GSE-FSI) (Points)	1,929.2	2,055.2	2,082.1	2,091.4	2,151.8	2,131.9	2,119.0	2,175.0	2,209.7	2,792.6	2,177.0	2,103.6	2,079.9	2,070.1
GSE Capitalization (Billion GH¢)	62.9	64.2	64.3	64.5	64.5	64.1	62.9	64.0	63.8	62.3	64.8	64.4	64.4	64.0
Volume traded (Million GH¢)	20.7	30.4	23.3	30.7	31.99	34.58	31.11	214.97	105.1	657.1	1,019.1	64.3	77.3	47.7
Value traded (Million GH¢)	27.5	42.4	34.2	44.4	43.6	38.28	26.43	237.14	107.2	607.3	1,061.6	61.5	114.2	52.0

*Sources: GSE***ASSET UNDER MANAGEMENT (BILLION GH¢)**

INDICATOR	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22
CIS AUM	6.72	7.44	7.81	7.77	6.86
Others AUM	6.89	7.32	7.65	7.79	8.41
Pensions AUM	26.46	29.72	32.47	32.96	35.57
<b>Total AUM</b>	<b>40.08</b>	<b>44.49</b>	<b>47.92</b>	<b>48.53</b>	<b>50.84</b>

*Sources: SEC*



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