

SEC NEWS

3rd QUARTER, 2024



OFFICIAL NEWSLETTER OF THE SECURITIES & EXCHANGE COMMISSION OF GHANA

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SEC GHANA Highlights Commitment to Market Integrity and Investor Protection at the Financial Markets Conference 2024

SEC and IFC Launch Landmark Green Bonds Guidelines to Drive Sustainable Investment

SEC Ghana Hosts Successful Training on Commodity Derivatives Trading and Regulation

SEC GHANA Wins the Best Audit Committee

SEC Empowers Audit Professionals with Sensitization Workshop



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IN THIS ISSUE

02

NOTICES & ADVICE

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03

SEC UPDATES

1. SEC Ghana Highlights Commitment to Market Integrity and Investor Protection at the Financial Markets Conference 2024
2. SEC Ghana and IFC Launch Landmark Green Bonds Guidelines to Drive Sustainable Investment
3. SEC Ghana Hosts Successful Training on Commodity Derivatives Trading and Regulation
4. SEC Wins the "Best Audit Committee"
5. SEC Empowers Audit Professionals with Sensitization Workshop
6. SEC and GISI Train Over 350 Directors of Capital Market Operators on Corporate Governance Practices Within the Securities Market

11

INTERNATIONAL UPDATES

1. Mr. Rodrigo Buenaventura Appointed Secretary General of IOSCO
2. IOSCO MMOU Compliance Handbook

12

MARKET EDUCATION

Crowdfunding in Ghana; Aligning with SEC Guidelines for Sustainable Capital Raising

19

ENFORCEMENT ACTIONS

1. Infractions & Penalties
2. Complaints

20

FACTS & FIGURES

- Funds Under Management (AUM)
- Offers, Approvals & Other Information

22

CAPITAL MARKET STATISTICS

- Capital Market Operators
- Stock Market Statistics at a glance
- Performance of Equities

24

THIRD QUARTER MARKET SUMMARY

1. Equities Market
2. Fixed Income/Debt Market
3. Funds Management Industry

29

GLOSSARY OF TERMS

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.



0800100065

Toll-Free Line

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Main Line

LATEST UPDATES

CHAPTER

02

SEC UPDATES

SEC GHANA HIGHLIGHTS **COMMITMENT TO MARKET INTEGRITY AND INVESTOR PROTECTION** AT THE FINANCIAL MARKETS CONFERENCE 2024



T

he Securities and Exchange Commission (SEC) Ghana participated in the ACI Ghana Financial Markets Conference 2024, themed “Navigating the Future: Innovation, Ethical Excellence, and Inclusion in Ghana’s Financial Markets.”

The conference, held on August 22nd at the Accra International Conference Centre, provided a platform for the SEC to showcase its commitment to protecting investors and maintaining market integrity while fostering innovation and financial inclusion.

The Director-General of the SEC, Rev. Daniel Ogbarmey Tetteh, delivered a goodwill message emphasizing the SEC’s dedication to regulating and promoting the growth of an efficient, fair, and transparent securities market. He highlighted the SEC’s role in safeguarding market integrity and protecting investors in the face of rapid technological advancements and evolving global dynamics.

Rev. Ogbarmey Tetteh outlined what the SEC is doing to advance the three key pillars of the conference, thus: innovation, ethical excellence, and inclusion.



These pillars are considered crucial for the sustainable growth and development of Ghana's financial markets.

In terms of promoting innovation, Rev. Ogbarmey Tetteh, noted that, the SEC is committed to embracing innovation and facilitating the development of new financial products and services. He highlighted the SEC's regulatory

sandbox, which provides a controlled environment for fintech startups to test their solutions. "At the SEC, we are actively advancing a regulatory sandbox environment to enable fintech startups to test their innovative solutions under controlled conditions. We believe that innovation thrives in an environment where experimentation is encouraged within a regulated regime" he said.

To increase market participation and further deepen the market, there is the need to continue introducing innovative products into the Ghanaian capital market. The SEC continues to work diligently on regulations that would support the introduction of new products into our market. The SEC recently launched the Crowdfunding and Green Bonds Guidelines, and work is ongoing for "the regulations on asset backed securities, securities lending and borrowing, margin trading, market making, derivatives, digital assets including cryptocurrencies, among others" Rev. Ogbarmey Tetteh stated.

For uploading of ethical standards, Rev. Ogbarmey Tetteh, stated that the SEC remains steadfast in its commitment to promoting ethical conduct, transparency, and accountability in the financial markets. He further emphasized the importance of strengthening enforcement mechanisms, enhancing market surveillance, and investing in investor education programs to ensure market participants operate with integrity. He noted that SEC is transitioning

from compliance-based supervision to risk-based supervision, overhauling its enabling Act (Securities Industry Act, 2016, Act 929) and the SEC is also conducting an aggressive and sustained investor education campaign across the country.

In the area of championing inclusion, Rev. Ogbarmey Tetteh opined that, SEC is dedicated to promoting financial inclusion by expanding access to financial services for underserved communities and empowering women in finance. He highlighted the SEC's collaborative efforts with industry partners to develop innovative financial products and services that cater to the needs of a diverse population. Rev. Ogbarmey Tetteh again noted that the SEC is "championing initiatives that promote gender diversity and financial literacy nationwide, as outlined in the 10-year Capital Market Master Plan (CMMP)".

The SEC's participation in the ACI Ghana Financial Markets Conference 2024 underscores the Commission's commitment to working with stakeholders to shape the future of Ghana's financial markets. The SEC's focus on innovation, ethical excellence, and inclusion will contribute to a more resilient, inclusive, and sustainable financial ecosystem for Ghana.

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

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SEC GHANA AND IFC LAUNCH LANDMARK **GREEN BONDS GUIDELINES** TO DRIVE SUSTAINABLE INVESTMENT



In The Securities and Exchange Commission (SEC), in collaboration with the International Finance Corporation (IFC), on Thursday 18th July 2024 officially launched the Securities Industry (Green Bonds) Guidelines 2024 - SEC/GUI/003/03/2024 aimed at facilitating the development of a domestic green securities market; maintaining credibility of green securities in general through transparency, disclosure, integrity, and quality; and prevent, “green washing” or “green wash” bonds from being issued and invested in Ghana.

The Securities Industry (Green Bonds) Guidelines provides a framework for issuing and investing in green bonds, deploying financial instruments designed to raise capital for projects with positive environmental and climate benefits. The guidelines which follow

the Green Bond Principles (GBP) published by the International Capital Market Association (ICMA) will ensure transparency, credibility, and impact measurement for green bond issuances in Ghana.

“The launch of the Green Bonds Guidelines is a testament to our commitment to promoting sustainable finance and a greener future for Ghana,” said Rev. Daniel Ogbarmey Tetteh, Director-General of the SEC. “These guidelines will unlock significant investment potential in key sectors like renewable energy; energy efficiency; green buildings; clean transportation; terrestrial and aquatic biodiversity conservation; circular economy adapted products, production technologies and processes; sustainable water and wastewater management; among others, contributing to Ghana’s climate goals and creating

new economic opportunities” he added.

The launch event, held at the Movenpick Ambassador Hotel in Accra, brought together key stakeholders, including institutional investors, corporations, financial institutions, government officials, and development partners. The event featured an insightful presentation and panel discussion on the opportunities and challenges of issuing green bonds in Ghana.

and trade or production of radioactive materials, barring certain medical or quality control uses. The use of unbonded asbestos fibers is banned, except for limited cases involving bonded asbestos cement sheeting with minimal asbestos content.

The SEC and IFC are committed to supporting, together with development partners like SECO, the implementation of the Green Bonds Guidelines and foster a thriving green bond market in Ghana.

 *Globally, IFC has been a leader in Green Bonds, shaping the market by setting guidelines, offering technical assistance to regulators and issuers,” said Kyle Kelhofer, IFC, Senior Country Manager for Ghana. “These guidelines are a key step for sustainable finance in Ghana and serve as a blueprint for linking capital to sustainability, and enabling investments that are financially sound and environmentally responsible.* 

The technical assistance necessary to develop the Green Bonds Guidelines is financed by Switzerland through the State Secretariat for Economic Affairs, SECO and the Swedish International Development Cooperation Agency.

“The support from SECO in developing the Green Bonds Guidelines is a telling example of how international cooperation can foster sustainable economic growth,” said Dr. Simone Haerberli, Head of Cooperation and Chargée d’Affaires at the Embassy of Switzerland to Ghana, Benin, and Togo. “We are proud to contribute to Ghana’s transition towards a greener economy and the global fight against climate change.”

The green bond guidelines disqualify certain activities from funding, including illegal trade or production of items like pharmaceuticals, pesticides, substances harmful to the ozone layer, Polychlorinated Biphenyls (PCBs), and wildlife products governed by Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Also excluded are the arms, munitions, tobacco industries, gambling, casinos,

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

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SEC GHANA HOSTS SUCCESSFUL TRAINING ON **COMMODITY DERIVATIVES TRADING AND REGULATION**



T

he Securities and Exchange Commission (SEC) successfully hosted a three-day training program on Commodity Derivatives Trading and Regulation. The training, held from August 14th to 16th at the Midindi Hotel, was facilitated by the esteemed Dr. Bharat Kulkarni and was attended by selected staff of the Commission.

The comprehensive training program covered a wide range of topics. Participants gained insights into the origins, economic roles, and global landscape of commodity exchanges and learned about key concepts such as forwards, futures, margins, and pricing models. The training also covered trading strategies, risk management techniques, and compliance obligations, including regulatory structures, IOSCO principles, licensing requirements, and reporting standards. Participants gained an understanding of the criteria for selecting commodities and the elements involved in designing contract specifications. The training concluded with an exploration of exchange technology infrastructure,

trading platforms, security considerations, and contemporary issues like co-location, algorithmic trading, and cybersecurity.

The training program incorporated a variety of learning methodologies, including lectures, case studies, and interactive discussions. Participants were encouraged to actively engage in the sessions, fostering a collaborative learning environment. The training program concluded with a Q&A session and closing remarks.

The SEC is committed to providing ongoing training and development opportunities to support the growth and development of Ghana's financial markets.

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

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SEC WINS THE “BEST AUDIT COMMITTEE”



T

he Securities and Exchange Commission (SEC) on Thursday, 22nd August 2024, picked up an award bestowed upon it by the Internal Audit Agency (IAA) following assessment of works of the SEC in 2023/2024 by the IAA.

The award ceremony was held during the 2024 Internal Audit Agency Annual Conference at the UPSA Auditorium in Accra, Ghana.

Congratulations to the Board, Management and staff of the SEC.



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

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SEC EMPOWERS AUDIT PROFESSIONALS WITH SENSITIZATION WORKSHOP

In a proactive move to strengthen market integrity and investor protection, the Securities and Exchange Commission (SEC) organized a one-day sensitization workshop for all Audit Firms, Auditors, and Chief Finance Officers (CFOs)/Finance Managers recognized by the Commission. The virtual event, held on Friday, 30th August 2024, via Microsoft Teams, underscored the SEC's commitment to enhancing financial reporting standards and promoting ethical practices within the securities market.

The workshop, conducted by a team of experts from the SEC's Fund Management Department, Issuers Department, Broker Dealers and Investment Advisors Department, focused on providing participants with a comprehensive understanding of the SEC's regulatory framework, reporting requirements, and ethical guidelines. The virtual format ensured accessibility for participants across the country, fostering wider participation and knowledge dissemination.

Key topics covered during the workshop included:

➔ **SEC's Regulatory Framework.** An overview of the SEC's mandate, regulations, and guidelines relevant to audit firms, auditors, and CFOs/finance managers.

➔ **Financial Reporting Standards.** A deep dive into the specific financial reporting standards applicable to entities regulated by the SEC, ensuring compliance with international best practices.

➔ **Ethical Considerations.** A discussion on the ethical responsibilities of audit professionals in ensuring the accuracy, transparency, and integrity of financial reporting.

➔ **Corporate Governance.** Guidance on sound corporate governance principles and practices to strengthen internal controls and financial oversight within organizations.

The workshop provided a valuable platform for interaction and knowledge sharing between the SEC and audit professionals. Participants had the opportunity to seek clarification on regulatory requirements, share industry best practices, and contribute to the ongoing dialogue on enhancing financial reporting standards in Ghana.

The SEC's commitment to investor protection and market integrity is further reinforced through such capacity-building initiatives. By empowering audit professionals with the necessary knowledge and tools, the SEC is fostering a culture of compliance, transparency, and accountability within the securities market, ultimately contributing to the growth and stability of Ghana's financial sector.

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

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SEC AND GISI TRAIN OVER 350 DIRECTORS OF CAPITAL MARKET OPERATORS ON CORPORATE GOVERNANCE PRACTICES WITHIN THE SECURITIES MARKET



On Thursday, July 11, 2024, the Securities and Exchange Commission (SEC) in collaboration with the Ghana Institute of Securities and Investment (GISI) successfully conducted a 3-day Corporate Governance Training for over 350 Directors and Principal Officers of Capital Market Operators (CMOs). The participants also included members of the Institute of Chartered Accountants, Ghana (ICAG) and the Ghana Bar Association (GBA).

The hybrid training which took place in Accra, was designed to enhance the capacity of Directors, Company Secretaries, and Chief Executive Officers to effectively maintain appropriate governance in accordance with Securities Industry Laws, Regulations, Guidelines, and Directives.

During his opening speech, the Director-General of the SEC, Rev. Daniel Ogbarmey Tetteh, emphasized the SEC's commitment to building the capacity of market operators in line with its mandate of ensuring investor protection and integrity of the securities industry. He stated.

The training covered various topics, including an Overview of the Legal Regulatory Framework of the Securities Industry facilitated by Mr. Seth Asante (Managing Partner, Bentsi-Enchill, Letsa & Ankomah), an in-depth exploration of the SEC's Compliance

Manual, Investment Guidelines, and Director's Responsibilities under Collective Investment Schemes Guidelines led by Mr. Kojo Asante Abedi, an Investment Management Consultant & IT Specialist, and lastly, Money Laundering, Terrorism Financing & Proliferation facilitated by Mr. George Nkrumah, an Economist and Consultant in AML/CFT&P. Additionally, the training also featured interactive breakout sessions with case studies and a question-and-answer session to address participants' concerns.

After the training, the participants were well equipped to ensure that the activities of the Market Operators adhere to the highest professional standards, while adequately protecting the interests of investors and the integrity of the capital market.

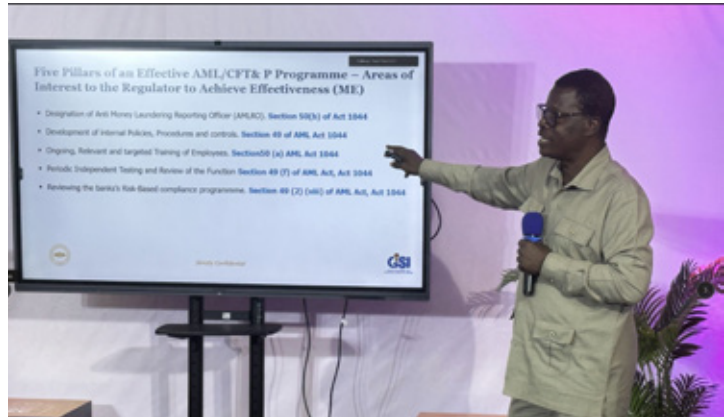
Other dignitaries present at the 3-day training includes Mr. Alexander Williams, CEO of GISI, Mr. Winston Nelson Jnr., President of GSIA, and selected members of the SEC management team.

WRITTEN BY: James Kiliffin
Officer, Communications and External Affairs Unit.

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VISUALS FROM THE PROGRAMME ON THE NEXT PAGE







CHAPTER
03
INTERNATIONAL
UPDATES

1

MR. RODRIGO BUENAVENTURA APPOINTED SECRETARY GENERAL OF IOSCO

The Board of the International Organization of Securities Commissions (IOSCO) has announced the appointment of Mr. Rodrigo Buenaventura as its next Secretary General.

Mr. Rodrigo Buenaventura has been appointed for a three-year renewable term and will take up his position as Secretary General of IOSCO, after the finalization of his current mandate as Chair of the Spanish Securities and Markets Commission (CNMV).

He is replacing Mr. Tajinder Singh, who served in an interim capacity since May 2024, when Martin Moloney (the Secretary General) left the group to become deputy secretary general of the Financial Stability Board.

We wish Mr. Rodrigo Buenaventura the very best in his new role.

topics.

1

IOSCO MMOU COMPLIANCE HANDBOOK

The MMoU Compliance Handbook, which was unanimously approved by the IOSCO Board during its Annual Meeting in Athens in May 2004, has come into force. The fundamental purpose of the Handbook is to encourage compliance with the MMoU. Additionally, the Handbook will help members to identify, investigate and enforce the MMoU rules. The handbook will not create new obligations and will not amend the MMoU.

The Compliance Handbook is essential to incentivise consistent compliance and guarantee that the MMoU/EMMoU will continue to be the gold standard in international enforcement cooperation. The

Compliance Handbook sets out an end-to-end procedure for identifying, investigating and taking action to prevent non-compliance efficiently, transparently and fairly. The Handbook is a key step in moving towards continuing a culture of routine, consistent and transparent compliance with the MMoU/EMMoU.

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

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CHAPTER
04
MARKET
EDUCATION

CROWDFUNDING IN GHANA
ALIGNING WITH SEC GUIDELINES
FOR SUSTAINABLE CAPITAL RAISING

HIGHLIGHTS

Part I:

Introduction

Overview of crowdfunding in Ghana

Investment Model

Non-investment Model

Part II:

In the next issue

INTRODUCTION

Crowdfunding has emerged as a rapidly growing means of raising capital, where entrepreneurs leverage digital platforms to solicit small contributions from a large number of individuals, collectively known as “the crowd” (Belleflamme, Omrani, & Peitz, 2015; Mollick, 2014; Short, Ketchen & Mckenny, 2016). Over the past decade, crowdfunding has disrupted traditional funding methods, such as angel investors, banks, and venture capital firms, becoming a critical source of financing for entrepreneurs (Belleflamme et al., 2015; Mollick, 2014; Short et al., 2016; Short & Anglin, 2019). This new approach of capital raising emerged in an organised way in the wake of the 2008 financial crisis, as entrepreneurs, especially those from early-stage enterprises, struggled to secure funding from traditional sources.



In Ghana, while crowdfunding is still in its early stages, there are emerging trends that highlight its growing potential. Although crowdfunding has largely been a phenomenon in developed economies, it holds promise in Ghana, especially with the support of regulatory bodies such as the Securities and Exchange Commission (SEC) and the Bank of Ghana (BoG). As these platforms continue to gain momentum, crowdfunding could evolve into a useful fund-raising tool for financing MSME ventures.

The role of financial regulators in managing this emerging space is critical. The SEC, as the primary authority for regulating capital markets in Ghana, is tasked with developing frameworks and guidelines to govern crowdfunding platforms. These regulations are essential to protect both fundraisers and contributors, preventing fraud and ensuring ethical practices. They set minimum standards for platform operators, including registration, risk disclosure, and compliance with anti-money laundering (AML) and counter-terrorism financing (CTF) laws. The SEC's oversight ensures that crowdfunding activities are within broader goals of financial inclusion, market stability, and investor protection.

Aligning crowdfunding practices with SEC guidelines is vital for sustainable capital raising. Such alignment promotes transparency, accountability, and ethical funding practices, addressing gaps that hinder entrepreneurial growth while ensuring investor protection. By ensuring compliance, crowdfunding can be a reliable and trustworthy financing option, particularly for MSMEs and startups. This paper explores the importance of aligning crowdfunding with SEC guidelines to promote regulated, sustainable capital raising in Ghana.

Overview of Crowdfunding in Ghana

Crowdfunding, though often seen as a modern phenomenon, has deep historical roots dating back to the 1700s. Its evolution into the contemporary form, where individuals and businesses raise small amounts of money from a large group, usually online, began in 1997. The term "crowdfunding" was first coined in 2006 by entrepreneur Michael Sullivan, who used it to describe the fundraising model employed for his project, Fundavlog. Broadly, crowdfunding involves the collective contribution of small sums of money by a large group of people to support a business venture or charity, typically through internet-based platforms.



The SEC, as the primary authority for regulating capital markets in Ghana, is tasked with developing frameworks and guidelines to govern crowdfunding platforms. These regulations are essential to protect both fundraisers and contributors, preventing fraud and ensuring ethical practices.





While the concept of crowdfunding remains consistent across its history, its execution has been transformed by the rise of digitization and the internet. In Ghana, crowdfunding has adapted further by incorporating mobile money wallets, making it more accessible and relevant to the local context. This blend of digital and mobile platforms reflects how crowdfunding has evolved in the 21st century, allowing it to expand beyond the traditional internet-based models to include alternative and more inclusive methods of raising capital.

There are four main types of crowdfunding, which are categorized into investment and non-investment models.

Investment Model:

- ➔ Equity Crowdfunding: Investors of a business start-up receive equity in the organisation or a share of its revenue.
- ➔ Peer-to-peer lending/ Debt Crowdfunding: Debt crowdfunding, also known as Peer-to-peer lending, offers interest on loans advanced to its financiers or pay back loans when the project is successful.

Non-investment Model:

- ➔ Donation Crowdfunding: Donors of this type of crowdfunding are usually empathetic to the initiator's campaign and willingly give to the cause.
- ➔ Reward Crowdfunding: Contributors of a campaign are given non-financial rewards such as priority access to a successfully launched service or product.

The equity and debt crowdfunding models, which involve fund investments, are regulated by the Securities and Exchange Commission (SEC) as they fall under the permissible activities outlined in the Securities Industry Act, 2016 (Act 929), Section 3. These models allow businesses to raise funds through investments from a large number of individuals. In contrast, donation and reward-based crowdfunding models, which focus on collecting, holding, and disbursing payments for charitable causes or rewards, are overseen by the Bank of Ghana (BoG). These activities are governed by the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930).

Given the differing nature of these crowdfunding models, it is important to maintain regulatory distinctions, especially as institutions licensed under Act 987 are not authorised to engage in investment activities. These regulatory frameworks ensure that crowdfunding activities in Ghana are properly categorised and aligned with the relevant legal requirements.

Crowdfunding in Ghana is steadily emerging as a viable alternative to traditional financing, offering a solution to the funding gaps faced by startups, Micro, Small, and Medium Enterprises (MSMEs), which account for 92% of registered businesses in the country, as well as social initiatives.

The current regulatory framework allows businesses to raise up to GH¢6,000,000 through crowdfunding within a 12-month period. For agricultural commodities, physical assets, or agricultural projects, the maximum fundraising limit is GH¢10,000,000.

Key sectors benefiting from crowdfunding in Ghana include agriculture, where it helps smallholder farmers access capital for essential inputs and technology, and technology startups, which use crowdfunding to support the development of innovative products and services.

Additionally, social and community development initiatives, particularly in education and healthcare, are increasingly turning to crowdfunding as a

CROWDFUNDING



To Be Continued in the Next Issue

The next issue will explore the SEC Guidelines on Crowdfunding, analysing how these regulations shape the operations of crowdfunding intermediaries and platforms in Ghana. It will also discuss the benefits of aligning crowdfunding practices with these guidelines, including promoting transparency, protecting investors, and promoting a sustainable,

means of financing projects that contribute to societal well-being. This growing trend highlights the potential of crowdfunding to bridge financing gaps, support economic development, and foster innovation across multiple sectors in Ghana.

Despite the potential benefits, the adoption of crowdfunding in Ghana remains limited due to challenges such as a lack of awareness and low financial literacy. However, the growing prevalence of mobile money services (with total value of transactions amounting to GH¢2.368 trillion as of October 2024) and digital platforms offers a conducive environment for the expansion of crowdfunding. These developments create significant opportunities for financial inclusion, enabling more people to access funding, diversify their investment portfolios, and foster entrepreneurial growth across the country.

ethical funding ecosystem. By understanding the SEC's regulatory framework, stakeholders can operate within the crowdfunding space more effectively, ensuring compliance and enhancing the overall impact of crowdfunding as a viable financing tool for businesses and social initiatives in Ghana.

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

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History of Crowdfunding

startups.co



1700s:

The Irish Loan Fund

was established by author and Irish nationalist Jonathan Swift in the early 1700s as a way to provide loans to poor but creditworthy people in Dublin. The "crowd" part of the funding was in the form of donations from wealthier citizens, who saw it as a way to charitably help the poor.



1852:

The Creation of Credit Unions

Hermann Schulze-Delitzsch created a cooperatively owned bakery and mill in response to a crop failure and famine in Germany. Six years later, Schulze-Delitzsch and Friedrich Raiffeisen took that idea of cooperative ownership and turned it on finance, creating the first credit union. The "crowd" in credit unions are the members, who contribute by depositing their money with the bank and paying a (lower than average) interest on loans.



1976:

The Grameen Bank and Microfinance

In 1976, Professor Muhammad Yunus launched a research project, where he loaned \$27 to 42 poor women in Jobra, Bangladesh. The project was so successful that it led to the development of the **Grameen Bank Project**, which is widely credited as being the first example of modern microfinance.



1997:

The Inception of Modern Day Crowdfunding

The first recorded successful instance of crowdfunding occurred in 1997, when a British rock band called Marillion **funded their reunion tour through online donations from fans**, who were eager for them to come on tour in the United States. Keyboardist Mark Kelly sent out an email to his 1,000 person mailing list, telling them that the band would lose about \$60k if they went on tour. The fans said: So why don't we raise the money?

2001:

The first dedicated crowdfunding platform, ArtistShare, launches

artistShare®



2006:

First Use of the Term "Crowdfunding"

The first recorded use of the term "crowdfunding" was in August 2006, by entrepreneur Michael Sullivan. Sullivan used it in the launch of his company fundavlog, which was a (failed) attempt to create an incubator for videoblog projects.

2007:

Indiegogo launches

INDIEGOGO



2008:

The Great Recession

The collapse of the housing market and the financial industry in 2008 led to people being **forced to seek funding** by alternative means. As traditional banking institutions were no longer able or willing to provide the same loans as they were in the past, people turned to the internet — and to each other.

2009:

Kickstarter launches

KICKSTARTER



2009 - 2015:

Crowdfunding Emerges as a Major Funding Source

The crowdfunding industry has quickly emerged as a popular option for entrepreneurs to validate their ideas, gain exposure, and gain funding. Crowdfunding revenue tripled from \$530 million in 2009 to \$1.5 B in 2011. By 2012, there were more than 450 crowdfunding platforms, which **raised more than \$2.7 billion worldwide**. By 2015, that number had jumped to \$24.4 B.



2012:

Crowdfunding Gains Washington's Support

In April of 2012, President Barack Obama signed the **Jumpstart Our Business Startups (JOBS) Act** into law. Also known as "the crowdfunding bill," the JOBS Act aimed to lessen regulation burdens on small businesses and legalized equity crowdfunding. This includes removing the ban on general solicitation that prevents entrepreneurs from publicizing that they're raising money.

2012:

Fundable Launches the First Business Crowdfunding Platform

Launched in 2012, Fundable helps entrepreneurs fund and grow their business through rewards and equity crowdfunding. Fundable was founded by serial entrepreneurs Wil Schroter and Eric Corl.

2017:

Highest Funded Crowdfunding Campaign

As of September 17, 2017, the highest funded crowdfunding campaign is Filecoin, a decentralized data storage application. The company ran its campaign on Ethereum, which is a not a traditional crowdfunding platform but actually an *"open-source, public, blockchain-based distributed computing platform and operating system featuring smart contract (scripting) functionality."*





CHAPTER
05
ENFORCEMENT
ACTIONS

1. INFRACTIONS AND PENALTIES

COMPANY	INFRINGEMENT	PENALTY (GH¢)
Serengeti Asset Management Ltd	Late Submission of Statutory Returns	400.00
Inter Trust Capital Limited	Non-Submission of Statutory Returns	48,000.00
Inter Trust Capital Limited	Closure of Office Premises without notification to the SEC	24,000.00
PhoenixAfrica Securities Limited	Non-Submission of Statutory Returns	42,000.00
SAS Investment Management Ltd	Non- Compliance with Trust Account Directive	24,000.00
Oasis Capital Ghana Limited	Failed to comply with the Commission's circular number: SEC/ CIR/004/09/22 and also Paragraph 10(1) of the Securities Industry Conduct of Business Guidelines 2020	9,000.00
Sentinel Global Advisers	Failed to comply with the provisions in Schedule 1(3) of the Securities Industry Conduct of Business Guidelines 2020	12,000.00
First Atlantic Brokers Ghana Ltd.	Failed to comply with the provisions in Schedule 1(3) of the Securities Industry Conduct of Business Guidelines 2020	12,000.00
Republic Securities Ltd.	Failed to comply with the provisions in Part 3 paragraph 6(9) of the Securities Industry (Conduct of Business) Guidelines 2020	6,000.00

2. COMPLAINTS

TABLE 2: COMPLAINTS RECEIVED DURING THE THIRD QUARTER OF 2024

PERIOD	COMPLAINTS RECEIVED IN THE QUARTER	COMPLAINTS RESOLVED IN THE QUARTER
Q4 2023	23	109
Q1 2024	20	114
Q2 2024	14	160
Q3 2024	19	138

Source: SEC

The above complaints for the quarter were mainly related to the failure to meet redemption requests, dispute over coupon payment & settlement, missing dividends and missing sale of share proceeds.

CHAPTER 06 FACTS & FIGURES

A FUNDS UNDER MANAGEMENT

TABLE 3: FUNDS UNDER MANAGEMENT

FUM (GH¢) *	END SEPT. 2024	END JUNE 2024	CHANGE
**Pension	45,994,664,120.30	41,480,583,972.18	10.88%
Other Funds	12,249,450,890.82	11,365,966,810.42	7.77%
CIS	5,726,629,726.75	5,492,171,659.86	4.27%
REIT	431,647,448.17	415,069,706.1	3.99%
Private Funds	776,183,797.01	780,352,748.01	-0.53%
Total (GH¢)	65,178,575,983.05	59,534,144,896.59	9.48%

*Marked to Market Valuation

**Adjusted values from custodians

B OFFERS, APPROVALS & OTHER INFORMATION

List of firms licensed during the third quarter, 2024:

TABLE 4: APPROVAL OF NEW LICENCES

	MARKET OPERATOR	APPROVAL TYPE
1	Critical Ideas Limited	Broker Bealer
2	Zinari Capital Limited	Advisory
3	Savannah Impact Advisory Limited	Advisory
4	Algebra Securities Limited	Issuing House
5	Republic Investments (GH) Ltd	Issuing House
6	Chapel Hill Denham Securities (Ghana) Limited	Issuing House
7	Grow For Me Limited	Crowdfunding

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

	APPLICANT	APPROVAL TYPE	APPROVAL DATE	OFFER SIZE (GHS)
1	Asante Gold Corporation	Note Programme	Pending	GH¢ equivalent of USD 400m

C. TABLE 6: APPROVAL OF NOTE TRANCHEs

	ISSUER	TRANCHE NUMBER	OFFER SIZE (GH¢)	SUBSCRIPTION (%)
1	Bayport Savings & Loans	T1-S005	50 million	18%
2	Bayport Savings & Loans	T1-S006	50 million	64%
3	Kasapreko	T1-S002	100 million	200%
4	Bayport Savings & Loans	T2-S005	30 million	89%
5	Letshego Savings & Loans	LT1-S003	50 million	TBD
6	Letshego Savings & Loans	LT1-S005	50 million	TBD

CHAPTER 07 CAPITAL MARKET STATISTICS & ANALYSIS

TABLE 7: CAPITAL MARKET OPERATORS AS AT THE END OF THIRD (3RD) QUARTER 2024

CATEGORY OF LICENSED OPERATORS		END SEPT. 2024	END JUN. 2024	CHANGE
1	Broker-Dealers	32	31	1
2	Custodians	18	18	0
3	Crowdfunding	2	1	1
4	Exchange Traded Funds	2	2	0
5	Investment Advisers	13	11	2
6	Fund Managers	81	81	0
7	Mutual Funds	53	53	0
8	Note Trustee	6	6	0
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	20	17	3
15	Unit Trusts	33	33	0
16	Private Funds	9	9	0
17	Credit Rating Agency	2	2	0
18	Real Estate Investment Trust	2	2	0
TOTAL		300	293	7

Source: SEC

TABLE 8: STOCK MARKET STATISTICS AT A GLANCE

INDICATORS	END SEPT. 2024	END JUN. 2024	CHANGE
Number of Listed Companies (Main Market)	30	30	0
Number of Listed Companies (Ghana Alternative Market)	5	5	0
Volume of Trades: Cumulative (Equities)	933,220,246	584,649,319	59.62%
Value of Trades (GH¢): Cumulative Equities	1,852,681,576	984,505,959	88.18%
Market Capitalization (GH¢ million)	99,102	85,097	16.46%
GSE- Composite Index (GSE-CI' points)	4,369.44	3,829.61	540
GSE- CI YTD Returns (%)	39.59	22.34	1725 bps
GSE- Financial Stock Index (GSE-FSI' points)	2,190.37	2,115.04	75

Source: SEC & GSE

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

	NAME OF COMPANY	CODE	CLOSING PRICE (GH¢) END SEPT. 2024	CLOSING PRICE (GH¢) END JUN. 2024	CHANGE (GH¢ GAIN/LOSS) END SEPT. 2024
1	Access Bank Ghana PLC	ACCESS	4.32	4.8	-0.48
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	6.15	4.8	1.35
7	Benso Palm Plantation PLC	BOPP	25.21	22.21	3
8	Cal Bank PLC	CAL	0.28	0.35	-0.07
9	Clydestone (Ghana) Ltd.	CLYD	0.03	0.03	0
10	Camelot Ghana Ltd.	CMLT	0.12	0.11	0.01
11	Cocoa Processing Co. Ltd.	CPC	0.02	0.02	0
12	Dannex Ayrton Starwin Plc.	DASPHARMA	0.38	0.38	0
13	Ecobank Ghana PLC.	EGH	6.1	6.1	0
14	Enterprise Group PLC	EGL	1.99	2.39	-0.4
15	Ecobank Transnational Inc.	ETI	0.17	0.15	0.02
16	Fan Milk PLC.	FML	3.5	3.68	-0.18
17	GCB Bank Ltd.	GCB	6	5.5	0.5
18	Guinness Ghana Breweries PLC	GGBL	4.7	4.7	0
19	Ghana Oil Company Limited	GOIL	1.5	1.5	0
20	Mega African Capital Ltd	MAC	5.38	5.38	0
21	Scancom PLC	MTNGH	2.18	1.81	0.37
22	PBC Ltd*	PBC	0.02	0.02	0
23	Republic Bank (Ghana) PLC	RBGH	0.6	0.48	0.12
24	Standard Chartered Bank Gh. PLC	SCB	22.1	20	2.1
25	SIC Insurance Company Ltd.	SIC	0.25	0.25	0
26	Societe Generale Ghana PLC	SOGEGH	1.5	1.55	-0.05
27	Trust Bank Gambia Ltd	TBL	0.83	0.82	0.01
28	Total Petroleum Ghana PLC	TOTAL	12.61	9.67	2.94
29	Tullow Oil Plc	TLW	11.92	11.92	0
30	Unilever Ghana PLC	UNIL	16.5	14.77	1.73
Ghana Alternative Market (GAX)					
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
Others (Depository and Pref shares, ETFs)					
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	405.9	345.19	60.71

Source: SEC and GSE

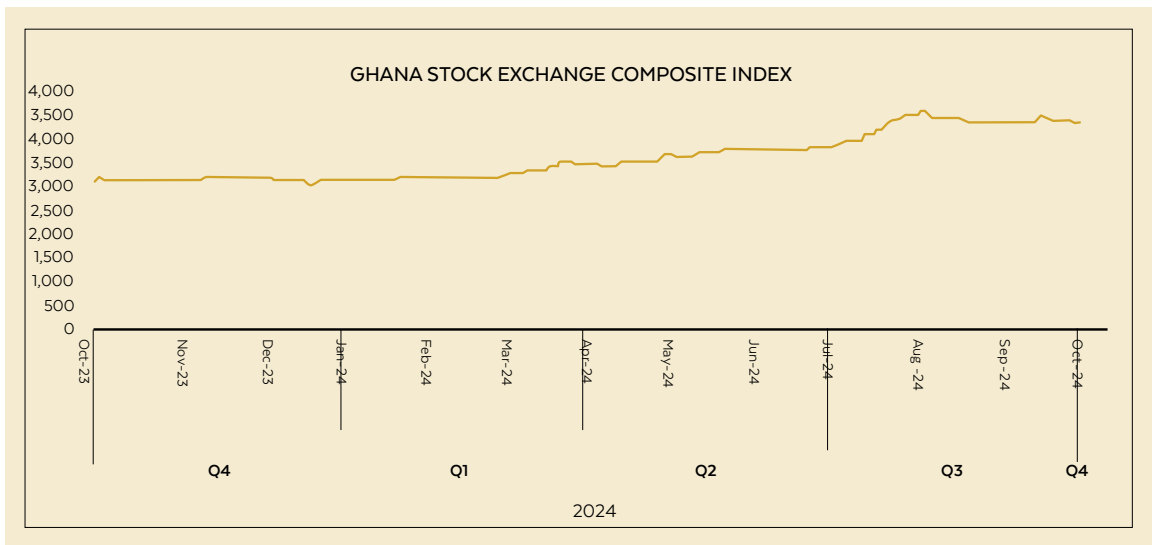
3rd QUARTER

CHAPTER 08

3rd QUARTER '24 MARKET SUMMARY

A EQUITIES MARKET

FIGURE 2: PERFORMANCE OF GHANA STOCK EXCHANGE COMPOSITE INDEX



Source: GSE

The Ghana Stock Exchange Composite Index (GSE-CI) continued its upward momentum in Q3 2024, climbing by 540 points to close the quarter with 4,369 points. This impressive performance in Q3 was built on the strong gains from the first half of 2024, bringing the year-to-date return of the benchmark to 39.59%, a clear improvement from the 22.34% return at the end of 1H 2024. Similarly, the GSE Financial Stocks Index increased by 75 points in Q3 2024, ending the quarter with 2,190 points, resulting in a year-to-date return of 15.19%.

The market's breadth remained positive throughout Q3, with gainers continuing to outpace decliners. A total of 12 stocks saw price increases during the quarter, compared to 5 stocks that experienced declines. The top performer for the quarter was Total Petroleum which climbed to GH¢12.61 (+30.4% or +GH¢2.94 quarter-on-quarter), followed by Atlantic Lithium at GH¢6.15 (+28.13% or +GH¢1.35 quarter-on-quarter). At the head of the decliners chart were CAL Bank at GH¢0.28 (-20% or -GH¢0.07 quarter-on-quarter) and Enterprise Group at GH¢1.99 (-16.74% or -GH¢0.04 quarter-on-quarter).



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¢
TOTAL	30.4%	2.94	12.61	CAL	-20.00%	-0.07	0.28
ALLGH	28.1%	1.35	6.15	EGL	-16.74%	-0.4	1.99
RBGH	25.0%	0.12	0.6	ACCESS	-10.00%	-0.48	4.32
MTNGH	20.4%	0.37	2.18	FML	-4.89%	-0.18	3.5
GLD	17.6%	60.71	405.9	SOEGEH	-3.23%	-0.05	1.5
BOPP	13.5%	3	25.21				
ETI	13.3%	0.02	0.17				
UNIL	11.7%	1.73	16.5				
SCB	10.5%	2.1	22.1				
CMLT	9.1%	0.01	0.12				
GCB	9.1%	0.5	6				
TBL	1.2%	0.01	0.83				

Source: SEC & GSE

Trading activity continued to surge in Q3 2024, with 348 million shares valued at GH¢868 million changing hands. This brought the total trading activity for the first three quarters of 2024 to 933 million shares valued at GH¢1.85 billion, surpassing the 9m 2023 figures of 413 million shares valued at GH¢561 million. The ICT sector remained dominant, accounting for 98.9% of trade volumes and 82% of trade values through the third quarter. On a year-to-date basis, the ICT sector accounted for 95% of trade volumes and 78% of values.

The finance sector maintained its position as the second in trade volumes at 3.2% of trade volumes, while the ETF sector continued to rank second in market turnover (17% of 9M 2024 turnover).

Market capitalization expanded by 16.5 % over the third quarter to reach GH¢99 billion, a significant rise from GH¢85 billion at the end of 1H 2024. By the end of September, the Exchange's main list still featured 33 counters, with 5 counters on the GAX.

B FIXED INCOME / DEBT MARKET

The primary market saw strong investor activity in Q3 2024, with bids totaling GH¢58.35 billion, an impressive 68% increase compared to Q3 2023's bids of GH¢34.7 billion. The government continued to accept the majority of bids, with 99.9% of bids accepted. On a year-to-date basis, the primary market recorded investor bids worth GH¢168.4 billion, up from GH¢113 billion in the same period of 2023, with the government raising GH¢168.1 billion across various maturities.

Treasury yields were on an upward trajectory during Q3, with the 91-day and 182-day Treasury bill rates increasing by 77 basis points (bps) and 12 bps, to 25.64% and 26.92%, respectively. The 364-day yield also rose by 88 bps to 28.67%.

TABLE 11: SELECTED TREASURY MARKET INDICATORS

INDICATOR	END SEP. 2024	END JUN. 2023	CHANGE
91- day T-Bill Rate	25.64%	24.87%	+77 bps
182- day T-Bill Rate	26.92%	26.80%	+12bps
364- day T-Bill Rate	28.67%	27.79%	+88 bps
Interbank Interest Rate	28.77%	28.83%	-6 bps
CPI Inflation	20.90%	22.08%	-118bps
Monetary Policy Rate	27.00%	29.00%	-200bps

Source: BoG



Trading activity on the Ghana Fixed Income Market (GFIM) remained robust in Q3 2024, with trade volumes of GH¢47.31 billion, the highest trade volume over the last 7 quarters. The impressive quarterly growth of the secondary market boosted trade volumes for the 9-month period to GH¢118.76 billion, up 100.55% from GH¢59.22 billion in the same period of 2023. Once again, securities on the shorter end of the market (securities with maturities of up to a year) continued to dominate, accounting for 68% of total trade volume. Trades in government securities accounted for 99% of all trading activity on the GFIM. Foreign investor interest remained low, with non-resident investor holdings of outstanding debt securities at 4.23%.

In the corporate bonds segment of the market, trading activity slowed down on a year-on-year

basis. 519 trades were recorded in this segment for the 9-month period, a decline from 3,033 trades over the same period in 2023. Three new tranches of corporate bonds were issued by Bayport Savings and Loans and Kasapreko Company within the third quarter GH¢241.2 million cedis to boost the volume of corporate bonds outstanding on the GFIM to GH¢13.77 billion.

At the end of Q3 2024, the Ghana Fixed Income Market (GFIM) had 211 debt securities (Q2 2024: 208 debt securities), consisting of 34 corporate bonds, 93 Ghana Government (GOG) bills and notes, 70 Ghana Government (GOG) bonds, and 14 Eurobonds outstanding on the exchange

TABLE 12: TOTAL OUTSTANDING CORPORATE SECURITIES ON THE GFIM

ISSUER	AS AT SEPTEMBER 2024 (GH¢)	AS AT JUNE 2024 (GH¢)
Izwe Loans Ltd.	100,000,000	75,000,000
Letshego Ghana	198,866,614	271,402,894
Ghana Cocoa Board	7,333,530,464	7,931,007,973
Bayport Financial Services	823,370,751	224,904,000
ESLA Ltd.	4,755,835,229	1,090,128,988
Quantum Terminal Ltd.	40,000,000	25,000,000
Kasapreko Company Plc	351,181,000	151,181,000
Daakye Trust P lc.	173,077,410	135,372,224
TOTAL	13,775,861,468	9,903,997,079

Source: GFIM

C FUNDS MANAGEMENT INDUSTRY

Total Funds Under Management (FUM) at the end of Q3 2024, on a Marked-to-Market basis, stood at GH¢ 65.18 billion, representing a 9.48% quarter-on-quarter growth. Pension funds, which accounted for 71% of FUM posted a strong growth of 11% q/q to GH¢ 45.99 billion.

The marked-to-market value of discretionary funds and Collective Investment Schemes (CIS) also increased over the quarter by 8% and 4% to GH¢ 12.25 billion and GH¢ 5.7 billion, respectively. The REITS segment recording FUM of GH¢ 431 million (+4% q/q), while Private Funds dipped (-0.53% q/q) to GH¢ 776 million.

On a Held-to-Maturity basis, Industry FUM expanded 6% q/q to GH¢ 81.7 billion comprised of Pension FUM of GH¢ 59.22 billion (+7% q/q), CIS FUM of GH¢7.39 billion (+5% q/q) and discretionary funds FUM of GH¢ 13.88 billion (+4% q/q). REITS were GH¢ 431 million (4% q/q) while Private Funds were fairly unchanged at GH¢ 776 million (-0.5% 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)		Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24
91-Day Bill	% p.a	29.4	29.72	29.39	28.93	27.87	25.75	25.55	25.04	24.87	24.79	24.89	25.64
182-Day Bill	% p.a	31.37	31.88	31.7	31.44	30.34	28.25	27.65	26.92	26.8	26.74	26.79	26.92
364-Day Bill	% p.a	33.16	33.45	32.97	32.05	30.9	24.85	28.25	27.91	27.79	27.86	27.91	28.67
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	25.14	14.75	17.14	18.51	23.36	18.08	20.44	24.82	22.06	22.06	27.36	35.61
5-Year Bond	% p.a	16.98	21.08	21.36	16.35	23.4	22.59	18.55	18.71	23.63	23.63	26.77	26.35
6-Year Bond	% p.a	18.95	14.74	14.73	23.98	23.33	20.85	19.47	20.22	15.12	15.12	25.84	25.36
7-Year Bond	% p.a	27.85	20.3	14.97	24.87	23.36	24.04	25.82	15	15.54	15.54	26.43	24.67
8-Year Bond	% p.a	19.45	14.63	16.2	24.79	23.32	12.49	18.75	15.08	15.52	15.52	26.19	24.04
9-Year Bond	% p.a	13.69	14.36	29.11	19.44	23.29	25.38	22.27	14.79	15.09	15.09	25.93	25.72
10-Year Bond	% p.a	26.33	14.49	14.89	19.46	23.35	29.43	17	14.65	15.15	15.15	26.93	19.69
11-Year Bond	% p.a	13.8	14.48	16	22.36	20.49	29.71	21.97	15.39	19.18	19.18	27.15	20.57
12-Year Bond	% p.a	15.1	14.55	15.95	25.37	25.37	42	18.49	15.41	27.19	27.19	26.84	17.48
13-Year Bond	% p.a	13.88	14.53	14.8	13.64	12.95	13.75	15.09	11.75	15.51	15.51	27.02	26.94
14-Year Bond	% p.a	13.91	14.55	14.96	26.31	21.15	13.7	13.31	22.48	15.4	15.4	27.35	28.08
15-Year Bond	% p.a	13.98	14.61	15.29	22.5	22.5	13.09	23.61	22.48	26.42	26.42	26.53	29.39
Volumes Traded	billion GHC	9.7	12.8	16.8	14.85	13.23	12.61	11.3	10.4	9.2	13.87	17.92	15.52
Non-Resident Holding of outstanding Debt	%	6.78%	6.06%	5.57%	5.34%	5.68%	4.34%	4.38%	4.36%	4.34%	4.37%	4.25%	4.23%

Source: BOG, GSE, GFIM, CSD

* Marked to Market Valuations from Dec 2022



TABLE 14: STOCK MARKET INDICATORS

INDICATOR	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug -24	Sep-24
GSE COMPOSITE INDEX (GSE-CI)	points 3,125.62	3,169.90	3,130.23	3,172.40	3,227.90	3,456.20	3,687.10	3,753.70	3829.6	4,493.92	4,359.85	4,369.44
GSE Financial Stock Index (GSE-FSI)	points 1,979.43	1,996.95	1,901.57	1,910.20	1,993.90	2,001.47	2,044.36	2,052.70	2,115.04	2,101.90	2,118.06	2,190.37
GSE Capitalization	billion GHC 73.74	74.23	73.89	74.4	75.1	77.7	80.3	84.02	85.1	93.35	92.04	99.1
Volume traded	million GHC 11.87	131.71	23.47	31.05	14.43	208.73	34.96	255.72	39.75	45.82	22.33	280.42
value traded	million GHC 18.99	172.37	66.06	34.03	17.55	313.5	134.4	396.15	87.97	125.29	175.91	566.98
CIS AUM	billion GHC 5.24		5.24			5.6			5.49			5.73
Others AUM	billion GHC 9.72		9.72			10.65			11.37			12.25
Pensions AUM	billion GHC 39.32		39.32			39.67			41.48			45.99
			0.758			0.758			0.78			0.776
									0.415			0.431
Total AUM	billion GHC 55.047		55.047			56.681			59.53			65.18

Data Sources: BOG, GSE, GFIM

* Marked to Market Valuations from Dec 2022



GLOSSARY OF TERMS

Security	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).
Capital Market	The capital market is the long-term segment of the financial market. It is the mechanism through which institutions and governments raise long-term funds through the issue of shares and bonds.
Equities Market	The equities market is a market in which shares of companies are issued and traded, either through exchanges or over-the-counter markets.
Ghana Fixed Income Market (GFIM)	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.
Commodities Market	The Commodities Market is the marketplace for buying, selling, and trading raw materials or primary products.
Fund Management Industry	The Fund Management Industry comprises of Fund Managers managing retail and institutional portfolios, Pension Funds and Collective Investment Schemes (consisting of Mutual Funds and Unit Trusts), and Custodians.
Money Market	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.
Broker Dealer	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.
Custodian	A person who takes responsibility for safeguarding a firm's or individual's financial assets and holds the assets in safekeeping on behalf of the firm or individual.
Securities Depository	A Securities depository is an institution that holds securities. A depository facilitates trading of securities by transferring ownership of a security after trade execution.
Fund Manager	Manages funds on behalf of a client pursuant to a contract or arrangement with the client.
Investment Advisor	An investment advisor is any person or group that makes investment recommendations or conducts securities analysis in return for a fee, whether through direct management of clients' assets or by way of written publications.
Issuing House	A merchant bank or firm of stockbrokers which buys shares issued by a company and coordinates their sale to the public.
Mutual Fund	A public company incorporated to operate by pooling money from investors and investing in securities on their behalf.
Unit Trust	A unit trust is an arrangement where investors' funds are pooled together and invested in a portfolio of securities and other financial assets, with the beneficial interest in the assets of the trust divided into units.
Primary Dealer	A body corporate which buys government securities directly from the government with the intention of reselling to any other person.
Registrar	A registrar is an institution responsible for keeping records (ie. registers) of bondholders and shareholders of issuers of securities.
Trustee	A body corporate in which the property subject to a trust created may be vested in accordance with the terms of the trust deed for the beneficiaries named.



Securities Exchange	A securities exchange is an organized market on which securities such as shares, and bonds can be bought and sold.
Private Equity Fund	A private equity fund is a pooled investment vehicle where the adviser pools together the money invested in the fund by all the investors and uses that money to make investments on behalf of the fund.
Primary Market	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.
Secondary Market	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.
Money Market	The Money Market is the segment of the market where short-term debt investments of up to one year maturity are bought and sold. It involves the purchase and sale of overnight swaps of large amounts between banks and also between banks and Central banks. Companies play in the money market by selling CPs to Funds. They can also purchase bank CDs as safe place to park money in the short-term. An individual may invest in the money market by purchasing a money market mutual fund, treasury bill or open a fixed deposit account with a bank. Money market instruments are characterized by safety, liquidity, low risk and low return. Ordinarily not regulated by the SEC. However, Fund managers and CIS' invest in money market instruments as part of their portfolios.
Exchange Traded Fund	An exchange-traded fund (ETF) is a type of pooled investment security that operates much like a mutual fund. Typically, ETFs will track a particular index, sector, commodity, or other assets, but unlike mutual funds, ETFs can be purchased or sold on a stock exchange the same way that a regular stock can. An ETF can be structured to track anything from the price of an individual commodity to a large and diverse collection of securities. ETFs can even be structured to track specific investment strategies.
Equities (shares)	Indicate part ownership of investors in a firm and also enable investors to participate in the firm's profit in the form of dividends.
Ordinary Share	Also called common shares are stocks sold on a public exchange. Each share of stock generally gives its owner the right to one vote at a company shareholders' meeting. Unlike in the case of preferred shares, the owner of ordinary shares is not guaranteed a dividend.
Preference Shares/ Preference Stock	Preference shares, more commonly referred to as preferred stock, are shares of a company's stock with dividends that are paid out to shareholders before common stock dividends are issued. If the company enters bankruptcy, preferred stockholders are entitled to be paid from company assets before common stockholders. Most preference shares have a fixed dividend, while common stocks generally do not. Preferred stock shareholders also typically do not hold any voting rights, but common shareholders usually do.
Debt Securities	A debt security is a debt instrument that can be bought or sold between two parties and has basic terms defined, such as the notional amount (the amount borrowed), interest rate, and maturity and renewal date.
Government Bond	A government bond is a debt security issued by a government to support government spending and obligations. Government bonds can pay periodic interest payments called coupon payments. Government bonds issued by national governments are often considered low-risk investments since the issuing government backs them.
Corporate Bond	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.
Bond	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.
Commodities	A commodity is a basic good used in commerce that is interchangeable with other goods of the same type. Commodities are most often used as inputs in the production of other goods or services. A commodity thus usually refers to a raw material used to manufacture finished goods.



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



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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
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