



ENSURING INVESTOR PROTECTION

# SEC NEWS

OFFICIAL NEWSLETTER OF SECURITIES & EXCHANGE COMMISSION

3<sup>RD</sup> QUARTER (JUN. - SEP.) 2021



## ***Time with the Commission: SEC Engages EOCO and CID***



*Time With The SEC Expands to Include Law Enforcement Agencies*



*IOSCO AMERC Technical Assistance Workshop on Enforcement Manuals*



*Third Quarter Market Summary Analyses & Highlights*



*Key Market Statistics*

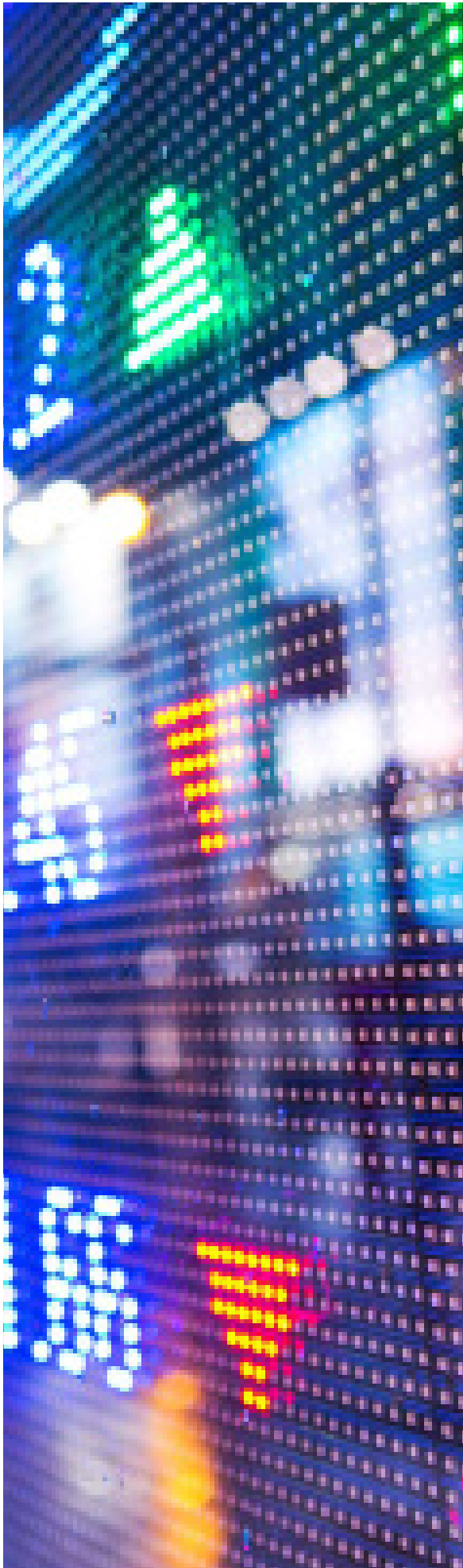


*Infractions, Penalties and Complaints Received in the Third Quarter of 2021*



*"Know what you own, and know why you own it." — George Soros*





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DESIGNED & PRINTED BY:



ISSUE 15, Q3 2021

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# NOTICE TO THE PUBLIC

## 1. PUBLIC ADVICE

Members of the general public are advised to use the Commission's Toll-Free Line 0800100065 or Main Line 0302768970-2 to contact the Commission on any issue they may have relating to the securities market and investments, including:

- Seeking general information about the securities market and products.
- Seeking information about licensed capital market operators.
- Reporting persons suspected to be operating in the securities market without a license.
- Reporting fraudulent investment schemes (e.g. ponzi schemes).
- Reporting fraudulent activities of capital market operators.
- Making complaints against capital market operators.

## 2. PUBLIC NOTICE

**SEC ENGAGES EOCO AND CID AS 'TIME WITH THE SEC' EXPANDS TO INCLUDE LAW ENFORCEMENT AGENCIES**  
**SEC/PR/006/010/2021**

### PRESS RELEASE

The Securities and Exchange Commission (SEC) yesterday engaged members of the Criminal Investigations Department (CID) and the Economic and Organized Crime Office (EOCO) through its market education program dubbed **"Time with the SEC"**.

This initiative forms part of the SEC's strategic thrust of educating strategic partners including law enforcement agencies on critical issues regarding the Ghanaian Capital Market. The program was held under the theme, **"The role of the SEC in the Capital Market"** and included presentations on topics such as: the need for partnership with law enforcement agencies; the mandate and regulatory framework of the SEC; an overview of the Capital Market; the regulatory framework, tools, and enforcement powers of the SEC; and understanding the activities of Ponzi Schemes.

**"Time with the SEC"** presented an opportunity and platform for knowledge and experience sharing among the institutions and furthermore, allowed participants to comment, make suggestions and ask questions.

Speaking at the event, Rev. Daniel Ogbarmey Tetteh - the Chairman of the occasion in his remarks, underscored the need for the SEC and law enforcement agencies to work together to ensure investor protection by deepening existing partnerships and improving current practices. He also stated that the SEC together with key agencies such as the EOCO and CID would continue to work together to ensure Market Operators respond to their fiduciary duties. He highlighted some of the recent initiatives that the SEC had undertaken to protect the integrity of the market and investors including the introduction of key Guidelines such as the Conduct of Business Guidelines, Investment Guidelines for Fund Managers, and Licensing Guidelines. He noted that these Guidelines are designed to address corporate governance challenges, give effect to the "fit and proper" principle in licensing Market Operators and provide guidelines for sound investment decisions by fund managers.



In addition, he cited the SEC's digitization program which would facilitate electronic submission of returns by Market Operators and expedite prompt analysis to support supervision. He however, advised that investors should exercise a duty of care to conduct their due diligence on Market Operators and also ensure that they understand the risk-return characteristics of investment products before investing. He also indicated that access by investors to relevant information would be enhanced beyond the current color-coding scheme on the SEC website with the plan to establish a Financial Data Centre, which would be a repository of comprehensive investment information to enable all investors to better inform their investment choices.

Also speaking at the event was the Assistant Commissioner of Police (ACP) and Deputy Director General of the Criminal Investigations Department (CID), Mr. Frederick Kwadwo Agyei who stated that the primary duty of the CID was to investigate crimes and to accomplish this, the agency needed to build the capacity of its investigators. He therefore welcomed the opportunity for such an engagement and expressed optimism that via this platform, the SEC would also better appreciate the work and mandate of the CID. Mr. Agyei entreated the audience to give their maximum attention to the program and not treat the content of the presentations as personal consumption but to share with other colleagues. In conclusion, he expressed the agency's willingness to continue to work to reduce crime.

Mrs. Aba Jacqueline Opoku, Deputy Executive Director In-Charge of Monitoring and Intelligence at the Economic and Organized Crime Office (EOCO) also speaking at the event echoed the role and importance of a working capital in a developing economy. She cited countries such as Malaysia and Singapore who had used the Capital Market to develop their nations exponentially. Mrs. Opoku emphasized that a viable capital depends on effective law enforcement agencies and highlighted the role of EOCO in detecting and preventing economic crimes and taking actions against such criminal activities in collaboration with other agencies. She mentioned the existing relationship of EOCO with the SEC throughout the recent Asset Management Clean Up exercise and concluded by pledging that EOCO would work together with the SEC to bring confidence to the investment community.

The **"Time with the SEC"** was held at the Labadi Beach Hotel in Accra and brought a wide range of representatives from the CID, EOCO and the Press.

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

BY ORDER OF  
THE SECURITIES AND EXCHANGE COMMISSION  
DATED: 19<sup>th</sup> OCTOBER 2021



## 2. INTERNATIONAL UPDATES

# **IOSCO AMERC TECHNICAL ASSISTANCE WORKSHOP ON ENFORCEMENT MANUALS**

**DOROTHY YEBOAH-ASIAMAH**

Senior Manager, International Relations and Board Secretary

**T**he IOSCO Technical Assistance Workshop on Developing Enforcement Manuals for the Africa/Middle East region was held in a virtual format on 28 and 29 September 2021.

The 2-day Workshop was a practical discussion regarding different approaches taken with respect to enforcement manuals and constituted a venue for sharing experiences of the implementation of such manuals so far. The Workshop was built on the AMERC targeted technical

assistance on enforcement manuals and was addressed to growth and emerging markets jurisdictions in the Africa/Middle East region.

The Workshop was based on the IOSCO Technical Assistance Program on Developing Enforcement Manuals (TA Program), which IOSCO has been rolling out in the past few years and in which in 2018-2019 a select group of GEM members from the Africa/Middle East region (AMERC) participated.

The Workshop allowed participating jurisdictions to share their work with a larger audience from the AMERC region. The Workshop was interactive, with examples and case

studies of enforcement approaches applicable in some jurisdictions.

The SEC was represented by the Head of the Legal and Enforcement Department, Mr. Calis Nii Oman Badoo, Mrs. Perpetua Vicentia Yankson and Ms. Dorothy Yeboah-Asiamah.





# HIGHLIGHTS OF THE LICENSING REQUIREMENTS GUIDELINES (LRG, 2020)

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

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

As we find ourselves in the third quarter of the year 2021, it would appropriate for us to remind ourselves of the **deadline** and few other requirements necessary for us to keep pace and remain relevant in the capital market space of Ghana.

The Commission on 8<sup>th</sup> October 2020 through a press release issued four (4) new guidelines to steer the operations and activities of capital market operators. These include

- Conduct of Business Guidelines,
- Licensing requirements for market operators
- Regulatory Sandbox Licensing Guidelines
- Corporate Governance Code for listed companies.

This edition of the newsletter brings to you highlights of the Licensing Requirements Guidelines which contains the regulatory capital needed to operate in the securities market in Ghana. The focus in this edition will be on the application by corporate bodies.

**Part 2, section 3 (Page 5)** of the Licensing Guidelines stipulates that;

1. Application for a licences is described in schedule 1: The schedule 1 refers to the types of application for licences (Page 16)
2. The Application shall be made to the Commission in the prescribed Form under Schedule 2: The schedule 2 has the 3 forms as follows;
  - **Form 1:** APPLICATION BY CORPORATE BODY FOR A GRANT / RENEWAL OF A LICENCE
  - **Form 2:** APPLICATION BY AN INDIVIDUAL FOR THE GRANT/ RENEWAL OF A LICENCE TO CARRY ON BUSINESS AS AN INVESTMENT ADVISER
  - **Form 3:** APPLICATION FOR THE GRANT/RENEWAL OF A REPRESENTATIVE LICENCE

**Part 3, section 6 (Pages 6 & 7)** of the Licensing guidelines provides for the requirements needed for corporate applications. We therefore provide the highlights of the requirements as follows; All corporate licence applications in respect of regulated activities shall be in Form 1 (Schedule 2) and the applicant shall comply with the following licensing requirements –

1. Establish to the satisfaction of the Commission that it is a fit and proper person (in accordance with the fit and proper principle set out in guideline3) to be licensed in respect of the regulated activity for which permission is sought.
2. Be a corporate body incorporated under the Companies Act, 2019 (Act 992) or the Incorporated Private Partnerships Act 1962 (Act 152).
3. Be able to meet and maintain the minimum paid-up capital requirement (as specified in Schedule 4) and liquid capital requirement in accordance with the Securities Industry (Financial Resources) Guidelines<sup>2020</sup>;
4. Be organized and structured in compliance with the Securities Industry (Conduct of Business)





Guidelines2020;

5. Neither carry on, nor hold itself out as carrying on, any business other than that permitted by its licence, and from premises specified in its licence, except only in respect of such other matters as are ancillary or incidental thereto, or as may be expressly permitted by the Commission.
6. Provide evidence that the CEO is duly qualified by reason of;
  - a. Having a minimum of first degree or its equivalent, or professional qualification in a relevant field including banking, finance, accounting, business management, law or economics with a minimum of 7 years post-qualification experience in the financial services industry.
  - b. Having a minimum of first degree or its equivalent in areas other than (a) above with a minimum of 10 years relevant post-qualification experience in the financial services industry; or
  - c. Being a non-degree holder with a minimum of 15 years post-qualification experience, 5 of which must be in a senior management position in the securities industry; Provided that in all the above a chief

executive officer shall have experience in managing and supervising staff involved in the placement or investment of money for commercial purposes as well as involvement in policy decisions concerned with the placement or investment in either a commercial, merchant or investment bank or with a dealer in securities, a finance company, a development finance institution or any other financial institutions which deals with the placement or investment of money for commercial purposes.

7. Submit completed representative application forms (Schedule 2, Form 3) in respect of the CEO, every executive director, officer or employee who will take part directly in the execution of the regulated activity, or will deal directly with clients, which representatives shall number at least 4 including the CEO and a compliance officer, and who shall have completed and passed the appropriate courses organized by **the Ghana Investment and Securities Institute (GISI) or any other course recognized by the Commission** (unless the Commission grants a waiver

of course requirement where a director, officer or employee shows evidence of appropriate and suitable alternative qualifications and experience);

8. Provide a satisfactory business plan (as defined in these guidelines);
9. Provide satisfactory information as to its proposed internal control procedures and risk management systems to ensure its compliance with all applicable regulatory requirements;
10. Make available in every office and branch upon demand by a person a copy of its last audited financial statements (which shall be in conformity with the minimum financial disclosure requirements prescribed from time to time by the Commission and shall include a copy of the auditors' report) together with the full and correct names of all persons who are directors/partners of the licensee, and shall be published on the website of the licensee.

In addition, the minimum capital requirement for firms in the industry can be found under Schedule 4 (Page 24) of the licensing requirements guidelines which is indicated in the table below.



**MINIMUM CAPITAL REQUIREMENTS FOR MARKET OPERATORS**

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

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

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





# 4. ENFORCEMENTS

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

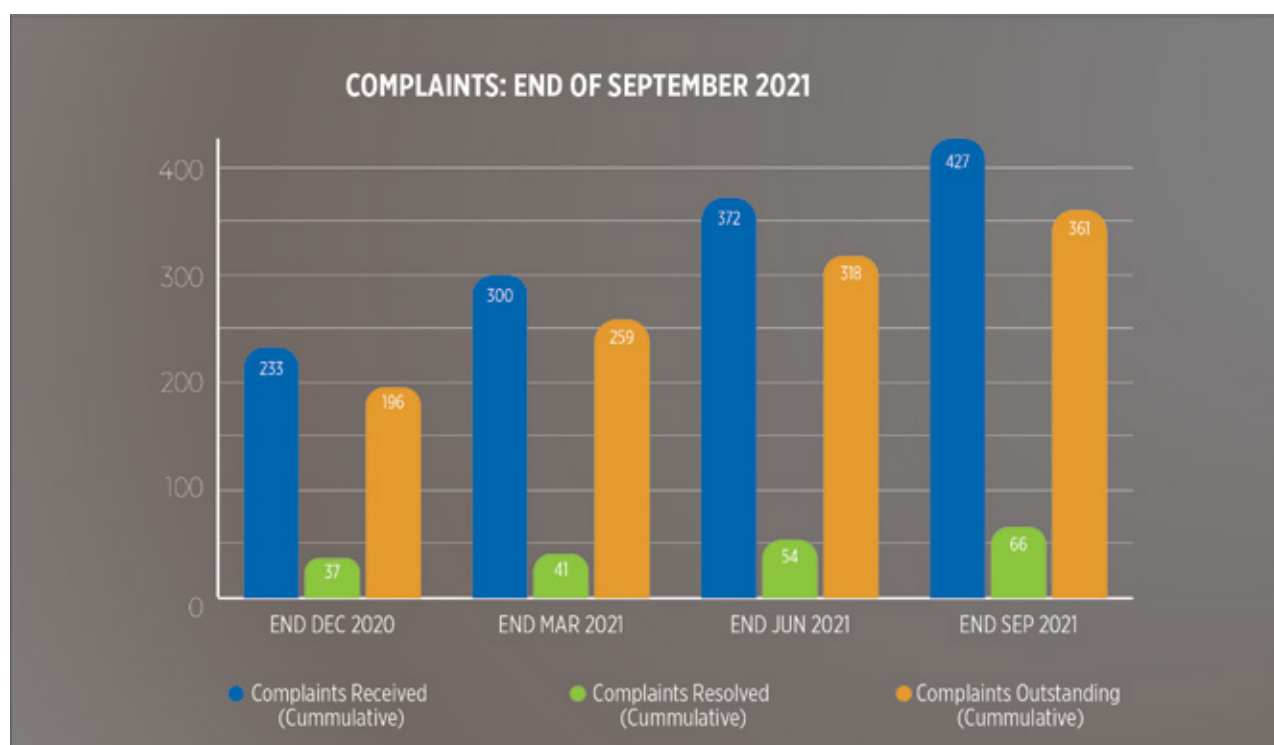
### Infractions and Penalties

COMPANY	INFRINGEMENT	PENALTY (GH¢)
Bullion Securities Limited	Late notification	1,200.00
Serengeti Capital Market Limited	Failed to produce required documentation	12,000.00
Grofin Ghana Limited	Failure to comply with Regulation 26(1) of the SEC Regulation, 2003 (L.I 1728).	500.00
Savvy Securities Limited	Failure to notify the commission of changes in Particulars	3,600.00

### Complaints

Complaints received during the Third Quarter of 2021

PERIOD	COMPLAINTS RECEIVED (CUMULATIVE)	COMPLAINT RESOLVED (CUMULATIVE)	COMPLAINTS OUTSTANDING (CUMULATIVE)
End Dec 2020	233	37	196
End Mar 2021	300	41	259
End June 2021	372	54	318
End Sep 2021	427	66	361



The above complaints were mainly related to:

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



# 5 FACTS & FIGURES

## MARKET STATISTICS OFFERS & OTHER APPROVALS

### MARKET STATISTICS

**Table Q: Assets under Management (3<sup>rd</sup> Quarter 2021)**

AUM (GH¢)	END SEPT 2021	END JUNE 2021	% CHANGE
Pensions	26,465,465,838.92*	25,541,232,530.80	3.62
CIS	6,721,098,199.10	3,697,537,511.69	81.77
Other funds	6,889,851,978.93	4,788,140,928.02	43.89
<b>Total (GH¢)</b>	<b>40,076,416,016.95</b>	<b>34,026,910,970.51</b>	<b>17.78</b>

*\*Adjusted values from custodians*

### Offers and Other Approvals

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

**a. Approval of Licenses**

	LICENCED FIRM	CATEGORY
1	First Atlantic Income Fund	Mutual Fund
2	Fidelity Money Market Trust	Unit Trust
3	Sentinel Africa Sovereign Bond Trust	Unit Trust
4	Sentinel Ghana Fixed Income Trust	Unit Trust
5	Sentinel Africa Eurobond Trust	Unit Trust
6	Republic Wealth Trust	Unit Trust
7	PSL Fixed Income Trust	Unit Trust
8	Bora Fixed Income Unit Trust	Unit Trust

**b. Change of Name**

	OLD NAME	NEW NAME
1	Kiddifund Mutual Fund	Tesah Future Fund Limited Plc

**2. Offers, Approvals and Listings (Primary and Secondary Market)****List of Approvals****1. Offers and Approvals and Listing (Primary and Secondary Market)**

	APPROVAL OF NOTE TRANCHES			
	ISSUER	TRANCHE NUMBER	AGGREGATE SIZE	SUBSCRIPTION (%)
1	ESLA	E3 (re-tap)	500M	214.6%
2	ESLA	E5	1.146B	179%
3	Daakye Trust Plc	D1 (re-tap)	100M	198%
4	Daakye Trust Plc	D2 (re-tap)	100M	195%
5	Letshego Savings & Loans	26	30M	179%
6	Letshego Savings & Loans	27	30M	53.9%

**2. Total Number of Issuing Houses**

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



## CAPITAL MARKET STATISTICS AND ANALYSIS

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

	CATEGORY OF LICENSED OPERATORS	END SEPT 2021	END JUNE 2021	CHANGE
1	Broker-Dealers	26	26	0
2	Custodians	17*	18	(1)
3	Exchange Traded Funds	1	1	0
4	Investment Advisers	11	11	0
5	Fund Managers	85	85	0
6	Mutual Funds	46	46	0
7	Primary Dealers	12	12	1
8	Registrars	4	4	0
9	Securities Depositories	1	1	0
10	Securities Exchange	2	2	0
11	Trustees	7	7	0
12	Issuing House	8	8	0
13	Unit Trusts	23	23	0
14	Private Funds	2	2	0
<b>TOTAL</b>		<b>245</b>	<b>246</b>	<b>(1)</b>

\*One licence withdrawn

### 3. Stock Market Statistics AT A GLANCE

INDICATORS	END SEPT 2021	END JUNE 2021	% CHANGE
Number of Listed Companies (Main Market)	30	30	0
Number of Listed Companies (Ghana Alternative Market)	6	6	0
Volume of Trades: Cumulative (Equities)	400,603,123	327,100,005	22.47
Value of Trades (GH¢): Equities	411,103,001.35	307,556,990.03	33.67
Market Capitalization (GH¢ million)	64,170.83	61,331.40	4.63
GSE- Composite Index (GSE-CI)	2,855.29	2,643.67	8.00
GSE- CI YTD Returns (%)	47.06	36.16	30.14
GSE- Financial Stock Index (GSE-FSI)	2,055.20	1,871.41	9.82



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

NO.	NAME OF COMPANY	CODE	CLOSING PRICE(GH¢) END SEPT 2021	CLOSING PRICE (GH¢) END JUNE 2021	CHANGE (GAIN/LOSS) END SEPT 2021
1	Access Bank Ghana PLC	ACCESS	3.49	3.49	0.00
2	Agricultural Development Bank PLC	ADB	5.06	5.06	0.00
3	AngloGold Ashanti Ltd.	AGA	37.00	37.00	0.00
4	Aluworks Limited	ALW	0.10	0.10	0.00
5	Benso Palm Plantation PLC	BOPP	2.86	2.17	0.69
6	Cal Bank PLC	CAL	0.74	0.70	0.04
7	Clydestone (Ghana) Ltd.	CLYD	0.03	0.03	0.00
8	Camelot Ghana Ltd.	CMLT	0.11	0.11	0.00
9	Cocoa Processing Co. Ltd.	CPC	0.02	0.03	-0.01
10	Dannex Ayrton Starwin Plc.	DASPHARMA	0.40	0.40	0.00
11	Ecobank Ghana PLC.	EGH	7.81	7.00	0.81
12	Enterprise Group PLC	EGL	2.30	1.80	0.50
13	Ecobank Transnational Inc.	ETI	0.08	0.05	0.03
14	Fan Milk PLC.	FML	3.22	1.34	1.88
15	GCB Bank Ltd.	GCB	5.38	5.40	-0.02
16	Guinness Ghana Breweries PLC	GGBL	1.65	1.29	0.36
17	Ghana Oil Company Limited	GOIL	1.70	1.55	0.15
18	Golden Star Resources Ltd.	GSR	9.50	9.50	0.00
19	Mega African Capital Ltd	MAC	5.98	5.98	0.00
20	Scancom PLC	MTNGH	1.24	1.20	0.04
21	*** PBC Ltd. ***	PBC	0.03	0.03	0.00
22	Republic Bank (Ghana) PLC	RBGH	0.43	0.45	-0.02
23	Standard Chartered Bank Gh. PLC	SCB	20.35	18.60	1.75
24	SIC Insurance Company Ltd.	SIC	0.07	0.07	0.00
25	Societe Generale Ghana PLC	SOGEGH	1.25	0.90	0.35
26	*** Sam Woode Ltd. ***	SWL	0.05	0.05	0.00
27	Trust Bank Gambia Ltd	TBL	0.34	0.34	0.00
28	Total Petroleum Ghana PLC	TOTAL	4.65	3.65	1.00
29	Tullow Oil Plc	TLW	11.92	11.92	0.00
30	Unilever Ghana PLC	UNIL	5.90	3.33	2.57
<b>Ghana Alternative Exchange (GAX)</b>					
31	Samba Foods Limited	SAMBA	0.55	0.55	0.00
32	Meridian Marshalls Holding Company	MMH	0.11	0.11	0.00
33	Hords Ltd	HORDS	0.1	0.10	0.00
34	Intravenous Infusions Limited	IIL	0.05	0.05	0.00
35	Digicut Production & Advertising Ltd	DIGICUT	0.09	0.09	0.00
36	Pesewa One Plc	POP	0.65	0.65	0.00
<b>Others (Depository and Pref Shares, ETFs)</b>					
37	AngloGold Ashanti Depository Shares	AADS	0.41	0.41	0.00
38	Standard Chartered Bank Pref. Shares	SCB PREF	0.9	0.78	0.12
39	NewGold:Exchange Tradeable Funds (ETFs)	GLD	102.5	97.30	5.20





# 6 SUMMARY & HIGHLIGHTS

## THIRD QUARTER MARKET SUMMARY/ANALYSIS

**FRANK BINEY DONKOR**

Manager, Policy & Research

### EQUITY MARKET

**T**he Ghana Stock Exchange Composite Index (GSE-CI), closed at **2,885.29 points** at the end of third quarter (Q3) of 2021 from **2,643.67 points** recorded at the end of the half-year (Q2) of 2021. This represents a 47.06% year-to-date (YTD) change compared to 36.16% YTD as at the end of June 2021.

This indicates a progressive improvement from the previous quarters which was impacted by the covid-19 pandemic. At the end of the third quarter 2021, the GSE had thirty-six (36) listed equities on its platform. Out of the thirty-six (36) listed equities, thirty (30) of the stocks are listed on the Main trading platform of the GSE whilst the six (6) remaining stocks are listed on the Ghana Alternative Market (GAX) trading platform of the GSE.

At the end of the period under consideration, thirteen (13) stocks appreciated in price, three (3) equities recorded price decline and the remaining twenty (20) stocks traded flat. The total market capitalization recorded during the period under consideration

was **GH¢ 64,170.83 million** compared to **GH¢ 61,331.40 million** as at the end second quarter of 2021. This represents an increase of 4.63% in market capitalization at the end of third quarter of 2021. The increase in market capitalization was mainly attributed to rises in equity prices.

Cumulative volume and value of equities traded on the GSE to the end of the third quarter of 2021 were **400,603,123** shares and **GH¢ 411,103,001.35** respectively based on **11,650** trade transactions.

#### Fixed Income/Debt Market:

At the end of the period under review, the number of notes and bonds (fixed income/debt securities) listed on the Ghana Fixed Income Market (GFIM) were 199 compared to 190 fixed income securities the previous quarter. The debt securities listed are made up of 54 corporate bonds, 136 Ghana Government (GOG) bonds and 9 Eurobonds respectively.

The total value of listed/outstanding Government (GOG) and Corporate debt on the GFIM at the end of September 2021 was **GH¢ 148,535.00 (million)** and **GH¢ 35,223.24 (million)**, respectively.

**2,885.29  
points**

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

**GH¢64,170.83  
Million**

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

**GH¢40,076,416,  
016.95**

The total asset under management for the third quarter of 2021



Finally, the total value of debt instruments traded (cumulative) as at the end of September 2021 was **GH¢ 155,045.31** (million), for which GOG and Corporate debt accounted for **GH¢ 137,855.38** and **GH¢ 17,189.93 (million)** respectively. Hence the **level of liquidity** on the GFIM as at the end of third quarter 2021 was **84.37% compared to 61.77% at end of previous quarter.**

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

The total Assets under Management (AUM) for the **third quarter** of 2021 in the Funds Management sector was **GH¢ 40,076,416,016.95** which represented an **increase of 17.78%** from the previous quarter. The total assets under management are made up of Pension Funds (**GH¢ 26,465,465,838.92**), Collective Investment Schemes (CIS =

**GH¢ 6,721,098,199.10**) and Other Funds (**GH¢ 6,889,851,978.93**) managed by fund managers as indicated in table Q of page 10.

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



## **ANSWERS TO INVESTING QUIZ IN PREVIOUS ISSUE**

- 1) A. Security Analysis
- 2) D. Treasury bills.
- 3) B. Dividend yield
- 4) B. Invest only in municipal bonds.



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

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

### MINIMUM CAPITAL REQUIREMENTS FOR MARKET OPERATORS

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

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

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

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



"ENSURING INVESTOR PROTECTION"

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