

Banking



Global InfoAnalytics

Ghana Banking Sector Financial
Performance Ranking- May 2023



May 2023



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Executive Summary

Global InfoAnalytics Ltd's FYE2022 analysis of banks in Ghana reveals only 6 out of 22 banks recorded Profit Before Tax; none of which is Ghanaian owned. **NB: This excludes NIB's financial report which was not available at the time of releasing this report.**

The effect of the DDEP on banks was heavily felt with impairments rising to the rooftops of some banks. 9 Banks recorded impairments above GHS1bn with Absa bank, Consolidated and GCB bank recording as high as GHS2bn + each.

Of the bottom 5 worst-performing banks in terms of PBT, 3 are Ghanaian-owned. The consolidated bank recorded the worst Loss Before Tax of GHS2bn followed by Cal Bank and GCB bank recording GHS1bn and GHS0.7bn respectively. The other two foreign-owned are Absa and Zenith recording GHS0.56bn each in Losses Before Tax.

Total Customer Deposit of the Top 5 ranked banks comes to GHS72bn with Ecobank leading with 27% of that total. GCB Bank, Stanbic, Absa and Fidelity Bank followed with 24%, 20%, 15% and 13% respectively.

Two local banks, GCB Bank and Fidelity Bank represented in the Top 5 rankings based on Customer Deposits and Total Assets. However, only GCB bank made it as a Ghanaian-owned bank in the top 5 in terms of Equity.

With the exception of Stanbic which registered a CAR of 12.30%, all foreign-owned banks recorded Capital Adequacy Ratio above 13%.

4 out of 8 Ghanaian-owned banks analyzed recorded CAR of 13% and above. Cal Bank however recorded 11.9% while ADB registered 7.36%; Two other local banks- UMB and Consolidated Bank reported negative CAR of **-0.21%** and **-4.5%** respectively.

In terms of the Non-Performing Loan Ratio, GT Bank recorded the least of 2.42% while UMB recorded the highest of 33.38%.

Introduction

Global InfoAnalytics Ltd analyzed published Financial Statements of banks in Ghana for the FYE 2022. The report focused on key metrics for assessing the financial health of the banks.

- Deposit from Customers
- Loans to Customers
- Loans-to-Deposits Ratio
- Investment Securities
- Total Assets
- Equity
- Profitability
- Impairments
- Quantitative Regulatory Disclosures

The report also looks at the Loan-to-Deposit ratios as well as Investment Securities-to-Deposit ratios to better situate banks' application of customer deposits.

When ranking banks on the key indicators, only the top three banks are presented.



Deposit Drive

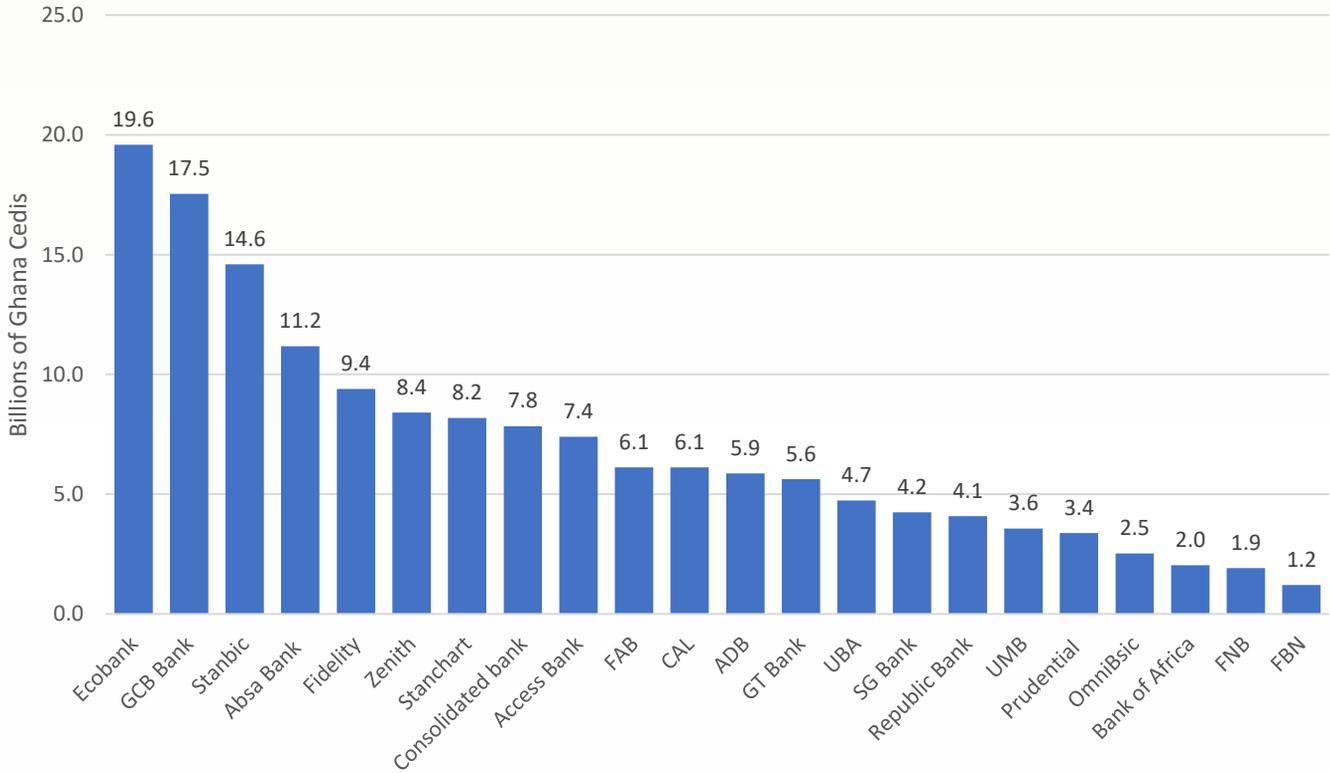
- Banks primarily accept deposits from the public and create assets from the deposits in the form of Loans and Advances
- Deposits come in the form of Savings accounts, Demand Deposit accounts, Fixed Deposits, Call Deposits and other Investments.
- FYE 2022 recorded an increase in deposits for all banks. Ecobank ranked first with **GHS19.6bn** followed by GCB bank and Stanbic with **GHS17.5bn** and **GHS14.6bn** respectively.
- Ghanaian-owned banks make up 39% of total banks in Ghana.
- Ranking of Ghanaian-owned banks saw GCB Bank topping with GHS17.5bn. This is followed by Fidelity bank and Consolidated bank who recorded GHS9.3 and GHS7.8bn respectively.
- OmniBsic recorded GHS2.5bn in deposit for the FYE 2022 to become the last in the ranking of Ghanaian-owned banks.





Deposit Drive

CUSTOMERS DEPOSITS



CUSTOMER DEPOSITS- TOP 5





Loans to Customers

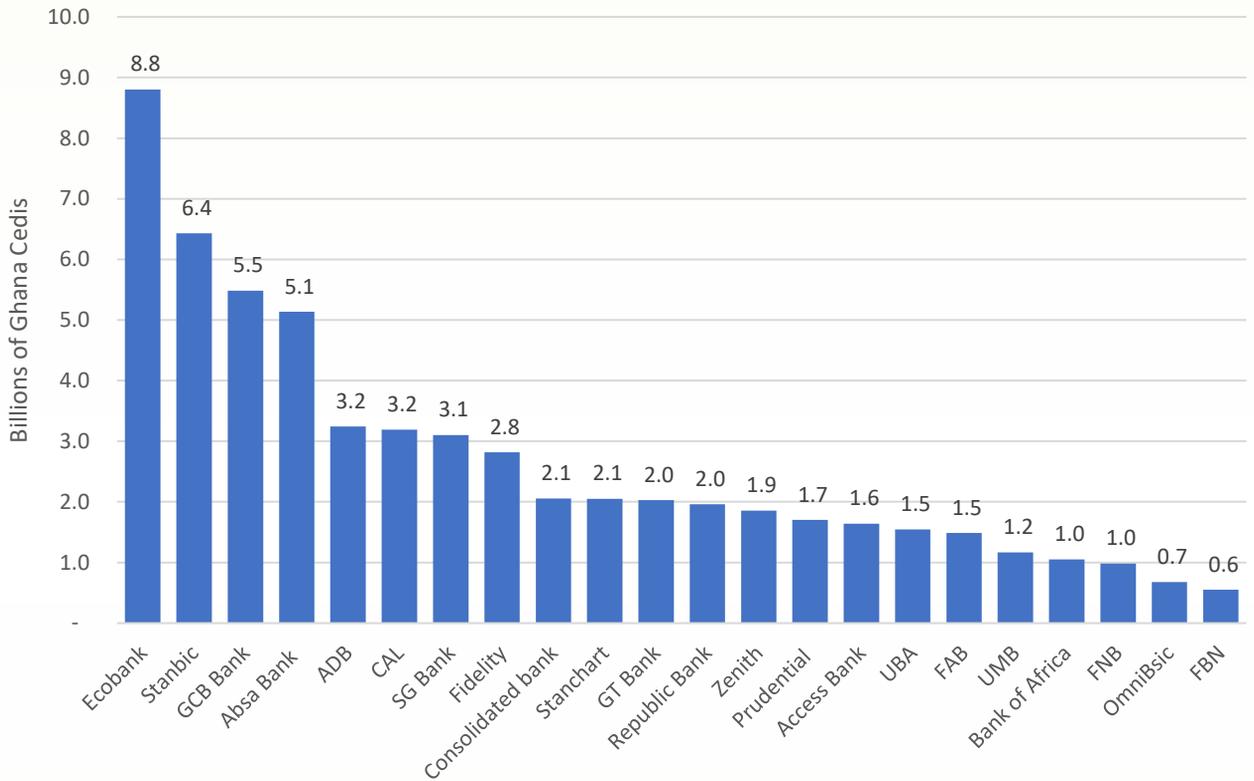
- Banks deposits from the public go into the creation of Risk Assets (Loans and Advances) and other investments. Well-priced and Performing loans generate Interest Income for banks.
- The volume of loans banks advance partly depends on deposits they are able to mobilize from the public.
- Ecobank's Loans and Advances position placed them highest with GHS8.8bn in terms of *quantum*.
- GCB which ranked 2nd in Deposits behind Ecobank slipped to 3rd place in terms of Loans and Advances, swapping places with Stanbic which ranked 3rd in Deposit ranking.



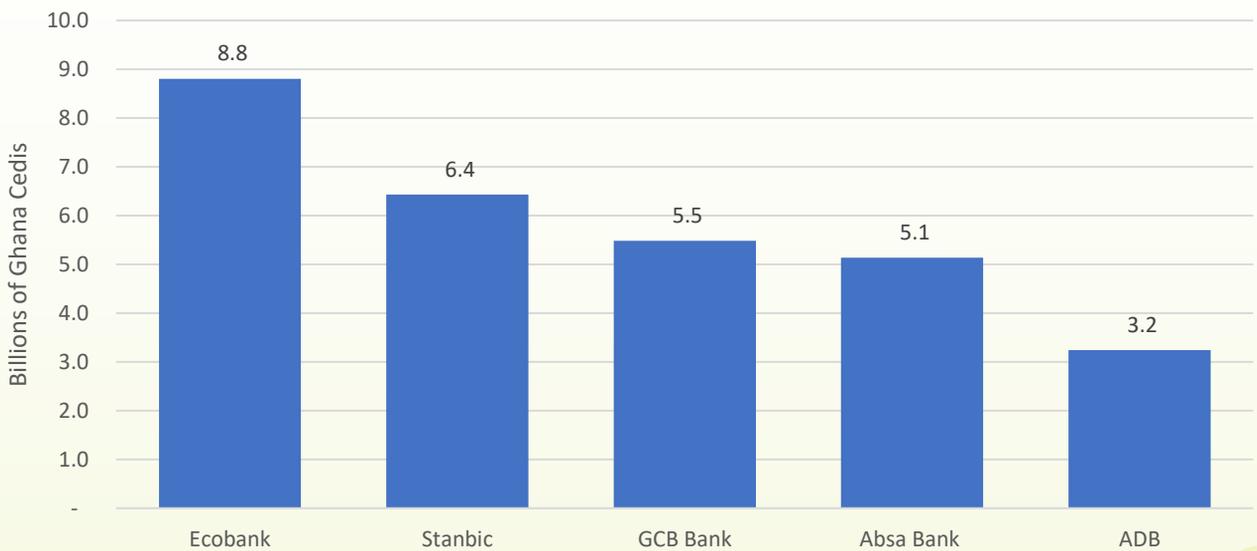


Loans to Customers

LOANS AND ADVANCES TO CUSTOMERS



LOANS AND ADVANCES TO CUSTOMERS- TOP 5



Loans-to-Deposits

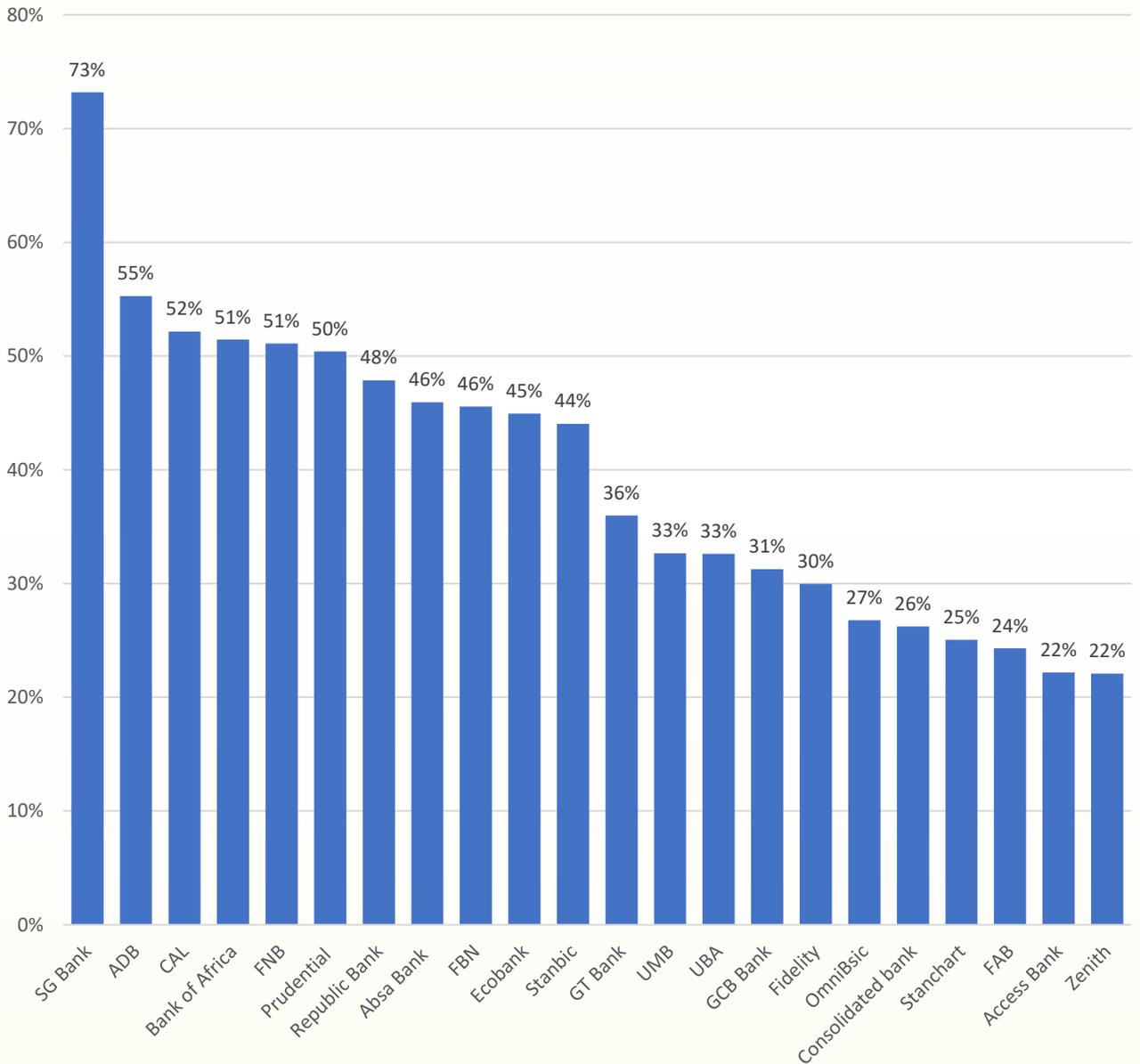
- Loan-to-deposit (LDR) ratio is one measure of a bank's liquidity. High LDR means less funds available to meet unforeseen withdrawal requirements. Alternatively, very low LDR means excess liquidity which defeats the intermediary role of banks. A balance is therefore required to be able to meet withdrawal requirements while also meeting the borrowing needs of customers.
- Assessing a bank in terms of the quantum of its loans and Advances may not give a good measure of how it applies its customer deposits. LDR, therefore, gives a good measure to ascertain how much of customer deposits are given out in loans.
- The average industry Loan-to-Deposit ratio was 40%
- Zenith and Access Bank ranked the lowest with 22% LDR.
- SG-Bank, ADB, Prudential, Bank of Africa, FNB and Prudential bank recorded LDR above 50%.





Loans-to-Deposits

LDR



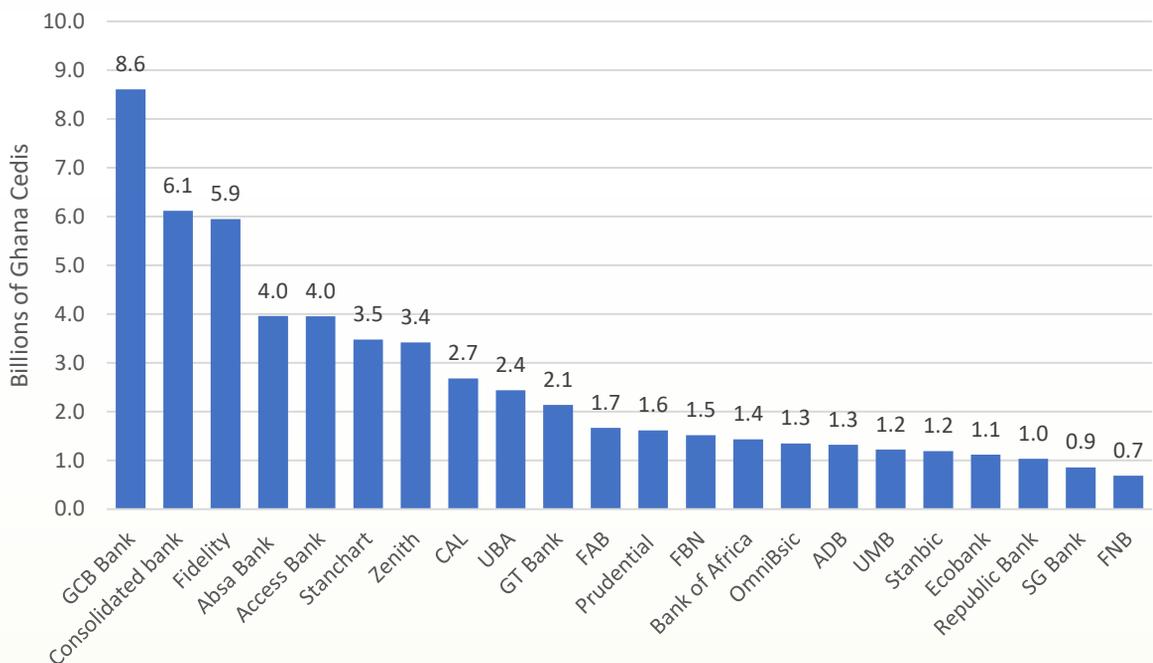


Investment securities

Investment in securities appears one very lucrative avenue for banks as shown in their financial statements. The DDEP however derailed gains for the FYE2022 resulting in monumental impairments and subsequent losses for all but 6 banks.

The top 3 banks with the highest investment in securities are all local Banks. GCB topped with GHS8.6bn, followed by Consolidated Bank and Fidelity who recorded GHS6bn each. FNB recorded the least with GHS0.68bn

INVESTMENT SECURITIES

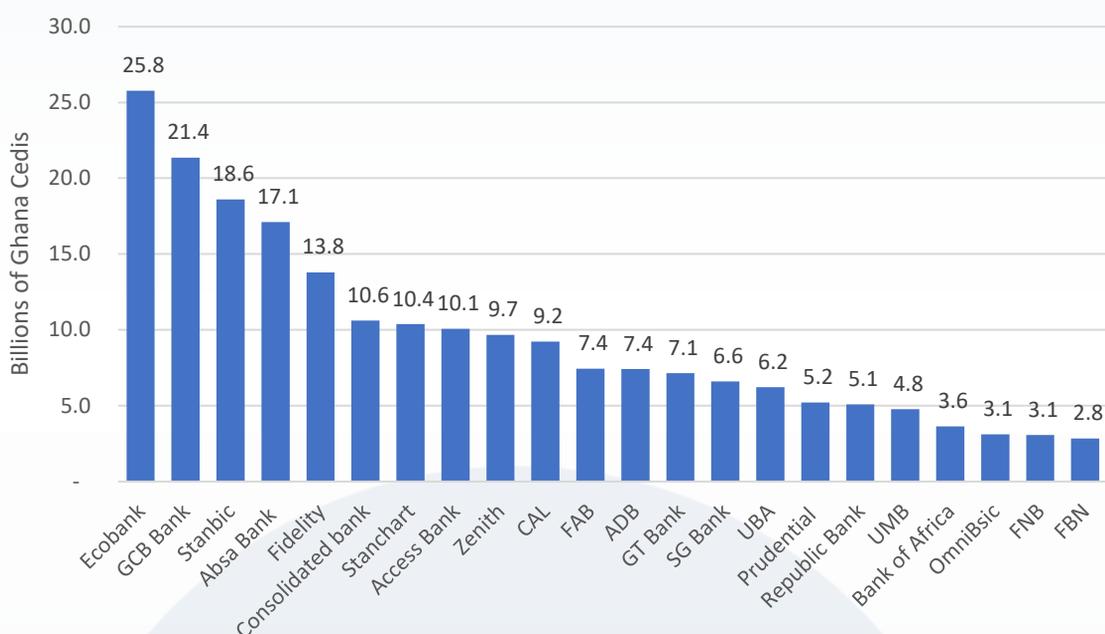




Total Assets

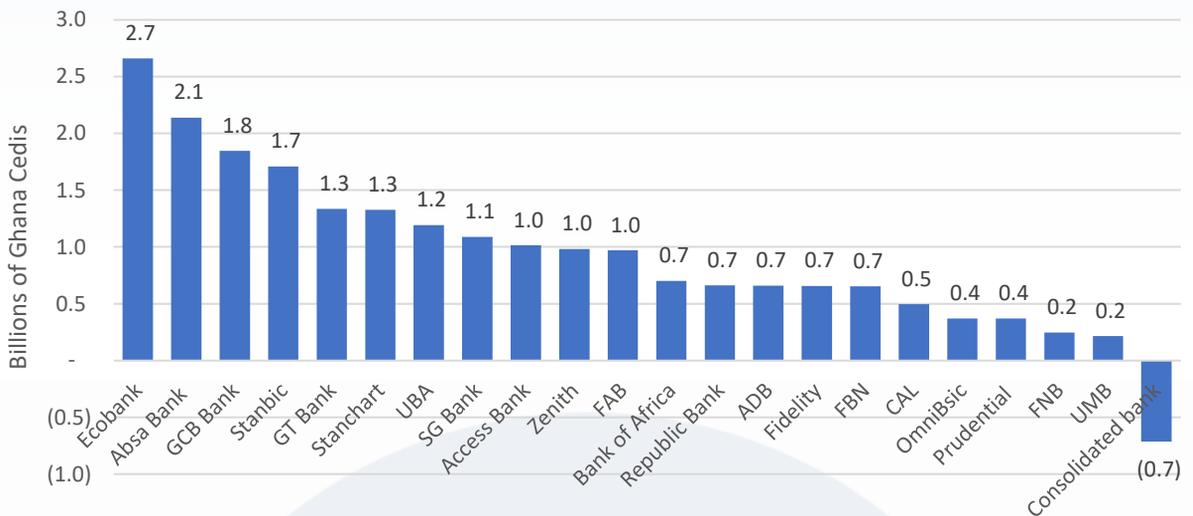
- With Total Assets size of GHS25.8bn, Ecobank ranked highest from the FYE2022 figures available. Closely following is GCB Bank with GHS21.4bn and Stanbic with GHS18.6bn.
- The bottom 3, OmniBsic, FNB and FBN recorded GHS3.1bn, GHS3.1bn and GHS2.8bn respectively.

TOTAL ASSETS



- The extent of impairment in the FYE2022 impacted equity negatively resulting in Consolidated Bank recording a negative Equity of GHS700m.
- Ecobank's strong Total Assets position saw them record GHS2.7bn in Equity. 9 banks recorded Equity above GHS1bn with GCB being the only Ghanaian-owned in that category.

EQUITY

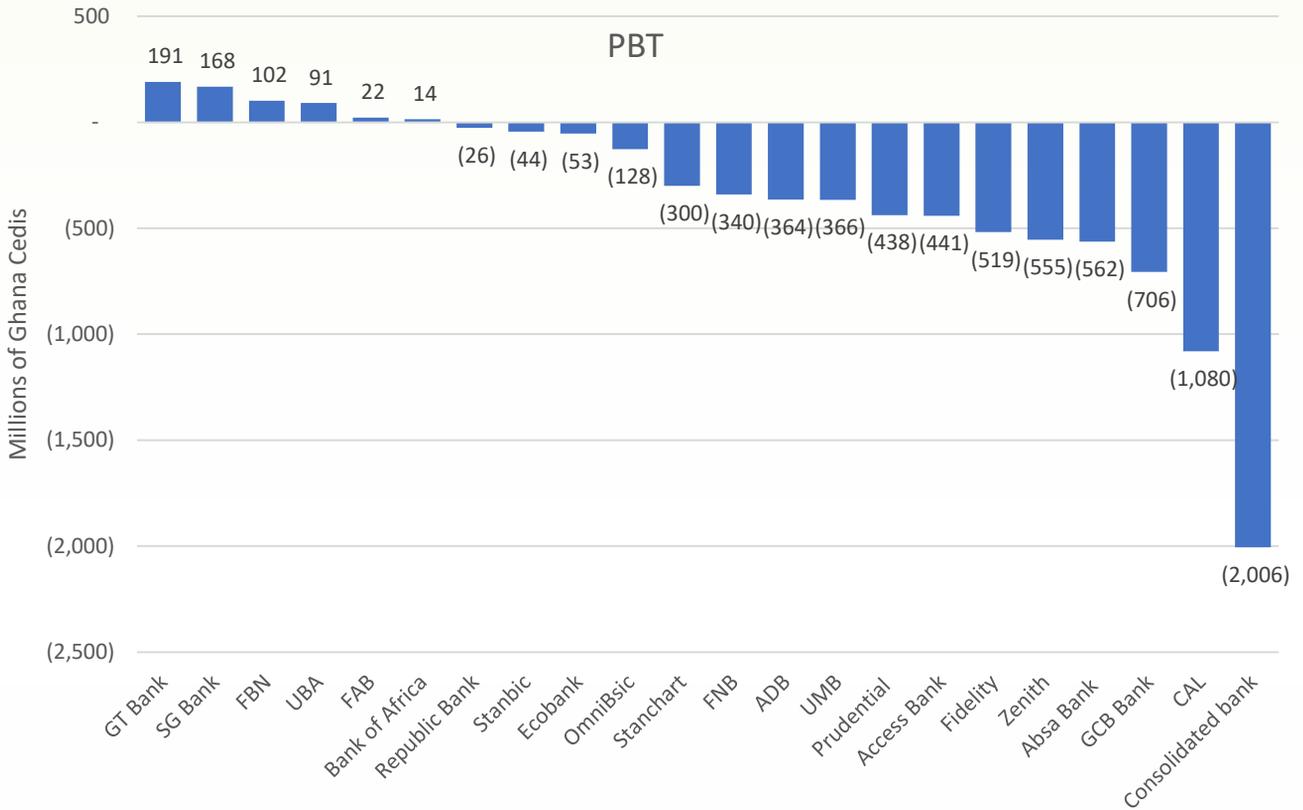


- The level of impairments recorded following the DDEP wiped a lot of gains by banks.
- 6 out of the 23 banks recorded Profit Before Tax.
- Bank of Africa recorded the least profit of GHS14m while GT bank recorded the highest of GHS191m.
- None of the Ghanaian-owned banks featured in the League of profitable banks. GT bank recorded the highest of GHS191m, followed by SG-Bank of GHS168m while FBN recorded GHS102m
- The worst performance relative to PBT was reported by the Consolidated bank in the amount of GHS2bn. The second worst was by Cal bank in the amount of GHS1bn, followed by GCB who recorded GHS0.7bn; all local banks.
- 3 other banks recorded losses in the GHS0.5bn region- Zenith, Fidelity and Absa.

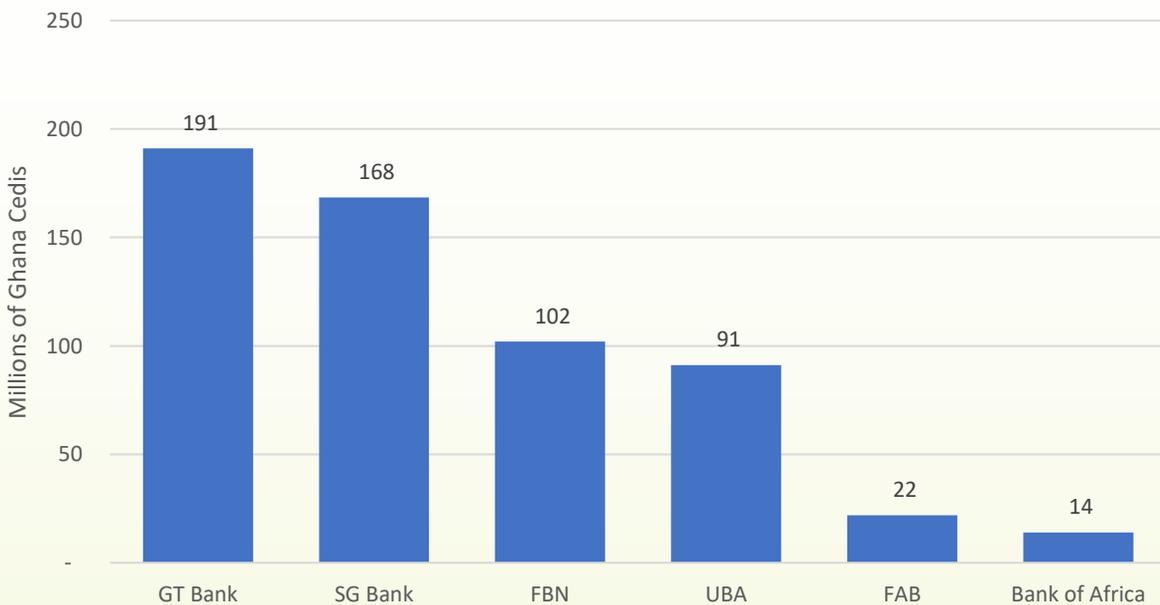




Profitability- PBT



PBT- THE PROFITABLE 6

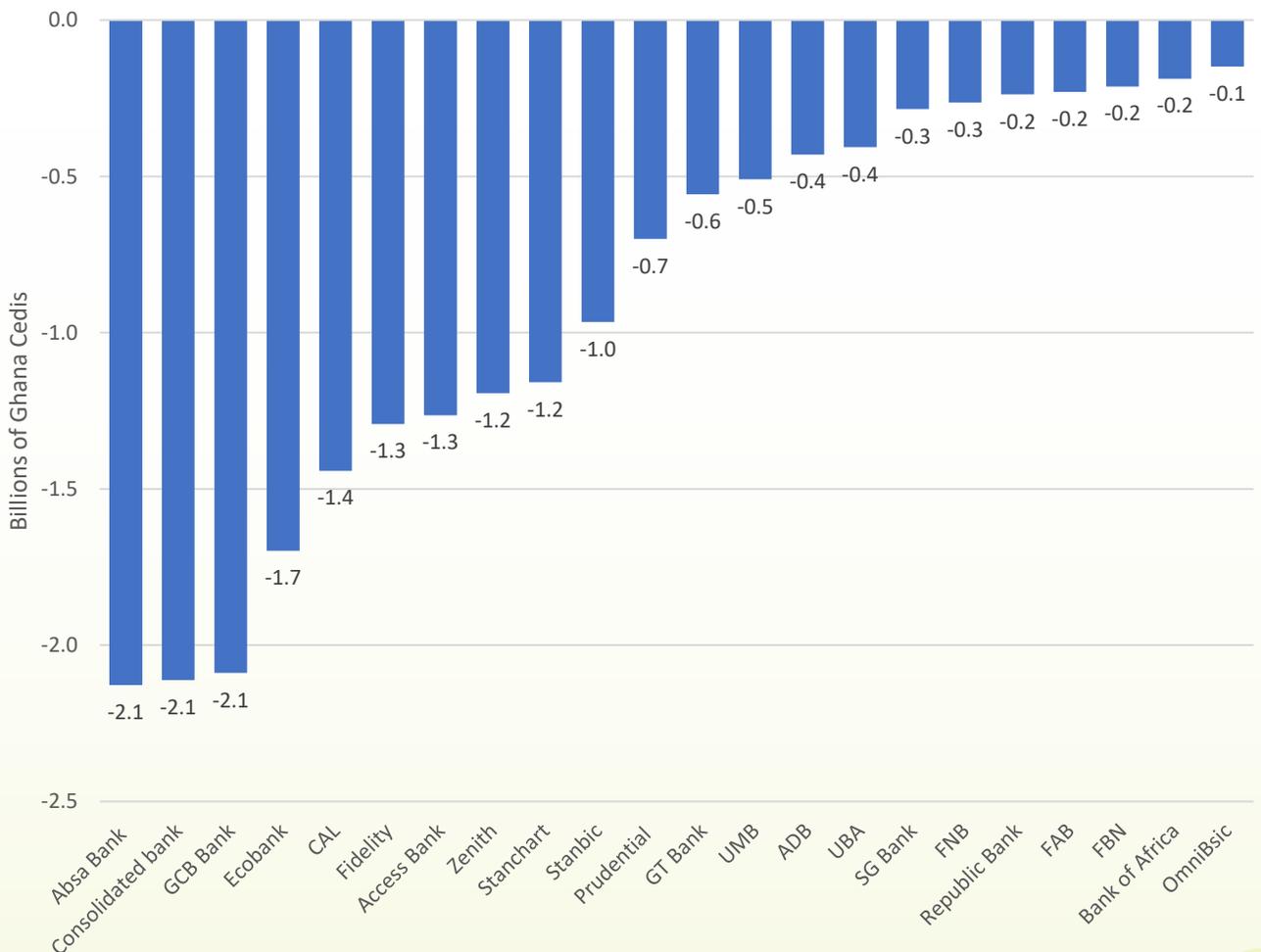




Impairments

- The level of impairments recorded by banks particularly local banks for the FYE2022 was exceptionally high following the impact of the DDEP.
- Amongst the 5 worst-hit banks by impairments, three are Ghanaian-owned- Consolidated Bank, GCB Bank and Cal Bank.
- Absa, Consolidated and GCB bank recorded the highest impairment of GHS2bn each.
- 9 other banks recorded impairments in excess of GHS1bn.

Impairment on loans/other financial instruments



Regulatory Disclosures

- Key quantitative regulatory disclosures assist with the measurement of the financial health of banks. They help ascertain how well-capitalized banks are, how well performing their assets are as well as how liquid they are.
- 7 out of the 22 banks recorded single-digit NPL with GT bank recording the lowest of 2.42% followed by Zenith of 3.8%
- 4 Ghanaian-owned banks featured in the bottom 5 in terms of NPL ranking with UMB recording the worst NPL ratio of 33.38%.
- CAR measures a bank's capital in relation to its risk-weighted assets. Hence how well-capitalized banks are to cover loan losses. The BOG until December 2022 placed the minimum CAR at 13%.
- However, in order to reduce the negative impact of the DDEP on the banks, the CAR was reviewed downward to 10%.
- In terms of CAR, the last 4 banks with the least CAR are all Ghanaian-owned. Cal Bank recorded 11.9%; ADB, 7.36%; UMB, -0.21% and Consolidated Bank being the worst with -0.45%
- No Ghanaian-owned bank made it into the league of the top 10 with CAR between 19% and 37%. Access recorded 36.93%, the highest ranked followed by Zenith Bank with 36% and GT Bank with 33.42%.
- With respect to Liquidity ratio, 7 banks recorded Liquidity ratio of 100%+



Our Services



Who We Are

Global InfoAnalytics is an independent research company founded in 2019. We use sophisticated methodology with modern technology backed by unrivalled experience to provide bespoke research, analysis and strategic counsel tailored to the individual needs of our clients.



Vision

To become a renowned independent market research company and pollster in the world



Mission

To promote a data-driven culture by providing real time analytics, deep-dive insights and ad-hoc reporting support to our clients in unearthing the hidden value in their data.



Our Services



Voice of Customer (VoC) Survey



Financial Modelling



Customer Experience (CX) including *Mystery Shopping*



Business and Economic Research



Employee Survey: *Satisfaction survey, 360° Feedback*



Public Policy Survey



Public Opinion Poll



Exit Polls



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Appendices-

Income Statement & Balance Sheet

INCOME STATEMENT

BANK	INTEREST INCOME (Millions)	INTEREST EXPENSE (Millions)	FEES & COMM (Millions)	OPERATING INCOME (Millions)	Impairment on loan/other financial instruments (Millions)	PBT (Millions)
GCB Bank	2,814	(722)	439	2,971	(2,089)	(706)
Zenith	1,061	(344)	176	1,049	(1,194)	(555)
Fidelity	1,875	(979)	244	1,433	(1,292)	(519)
CAL	1,276	(690)	85	768	(1,442)	(1,080)
GT Bank	649	(176)	244	967	(557)	191
OmniBsic	328	(223)	46	207	(149)	(128)
Absa Bank	1,960	(594)	248	2,069	(2,127)	(562)
Bank of Africa	335	(91)	45	369	(187)	14
Stanchart	1,009	(201)	191	1,210	(1,159)	(300)
Consolidated bank	1,724	(1,109)	150	947	(2,111)	(2,006)
Ecobank	2,859	(393)	402	2,894	(1,698)	(53)
Prudential	750	(364)	97	549	(700)	(438)
SG Bank	659	(135)	105	802	(285)	168
FNB	301	(182)	83	213	(263)	(340)
UBA	799	(262)	75	682	(407)	91
Stanbic	1,504	(349)	441	1,732	(966)	(44)
FAB	572	(159)	137	517	(230)	22
UMB	530	(369)	81	422	(510)	(366)
Access Bank	993	(458)	117	1,122	(1,264)	(441)
Republic Bank	605	(234)	52	494	(238)	(26)
ADB	892	(470)	114	648	(430)	(364)
FBN	327	125	20	454	(212)	102

BALANCE SHEET

BANK	LOANS AND ADVANCES TO CUSTOMERS (Millions)	INVESTMENT SECURITIES (Millions)	DEPOSIT FROM CUSTOMERS (Millions)	TOTAL ASSETS (Millions)	EQUITY (Millions)
GCB Bank	5,482	8,611	17,532	21,357	1,846
Zenith	1,856	3,420	8,408	9,660	982
Fidelity	2,816	5,945	9,393	13,786	656
CAL	3,190	2,676	6,116	9,219	497
GT Bank	2,026	2,134	5,630	7,133	1,336
OmniBsic	676	1,343	2,525	3,109	370
Absa Bank	5,135	3,958	11,177	17,102	2,138
Bank of Africa	1,049	1,427	2,038	3,635	700
Stanchart	2,050	3,473	8,184	10,367	1,327
Consolidated bank	2,056	6,120	7,837	10,616	(713)
Ecobank	8,802	1,117	19,590	25,774	2,661
Prudential	1,701	1,613	3,375	5,206	369
SG Bank	3,103	854	4,240	6,596	1,089
FNB	981	683	1,920	3,068	246
UBA	1,545	2,439	4,736	6,210	1,191
Stanbic	6,430	1,187	14,596	18,597	1,708
FAB	1,487	1,661	6,119	7,428	969
UMB	1,165	1,219	3,565	4,771	214
Access Bank	1,641	3,954	7,399	10,057	1,014
Republic Bank	1,958	1,027	4,090	5,080	662
ADB	3,242	1,317	5,865	7,413	658
FBN	550	1,512	1,207	2,834	652



Appendices-

Deposit And Loans

CUSTOMER DEPOSIT RANKING	
BANK	DEPOSIT FROM CUSTOMERS (Millions)
Ecobank	19,590
GCB Bank	17,532
Stanbic	14,596
Absa Bank	11,177
Fidelity	9,393
Zenith	8,408
Stanchart	8,184
Consolidated bank	7,837
Access Bank	7,399
FAB	6,119
CAL	6,116
ADB	5,865
GT Bank	5,630
UBA	4,736
SG Bank	4,240
Republic Bank	4,090
UMB	3,565
Prudential	3,375
OmniBsic	2,525
Bank of Africa	2,038
FNB	1,920
FBN	1,207

LOANS AND ADVANCES RANKING	
BANK	LOANS AND ADVANCES TO CUSTOMERS (Millions)
Ecobank	8,802
Stanbic	6,430
GCB Bank	5,482
Absa Bank	5,135
ADB	3,242
CAL	3,190
SG Bank	3,103
Fidelity	2,816
Consolidated bank	2,056
Stanchart	2,050
GT Bank	2,026
Republic Bank	1,958
Zenith	1,856
Prudential	1,701
Access Bank	1,641
UBA	1,545
FAB	1,487
UMB	1,165
Bank of Africa	1,049
FNB	981
OmniBsic	676
FBN	550



Appendices-

Total Assets and Equity

BANK	TOTAL ASSETS (Millions)
Ecobank	25,774
GCB Bank	21,357
Stanbic	18,597
Absa Bank	17,102
Fidelity	13,786
Consolidated bank	10,616
Stanchart	10,367
Access Bank	10,057
Zenith	9,660
CAL	9,219
FAB	7,428
ADB	7,413
GT Bank	7,133
SG Bank	6,596
UBA	6,210
Prudential	5,206
Republic Bank	5,080
UMB	4,771
Bank of Africa	3,635
OmniBsic	3,109
FNB	3,068
FBN	2,834

BANK	EQUITY (Millions)
Ecobank	2,661
Absa Bank	2,138
GCB Bank	1,846
Stanbic	1,708
GT Bank	1,336
Stanchart	1,327
UBA	1,191
SG Bank	1,089
Access Bank	1,014
Zenith	982
FAB	969
Bank of Africa	700
Republic Bank	662
ADB	658
Fidelity	656
FBN	652
CAL	497
OmniBsic	370
Prudential	369
FNB	246
UMB	214
Consolidated bank	(713)



Appendices- Investment Securities/ Impairment

BANK	IMPAIRMENT ON LOANS/OTHER FINANCIAL INSTRUMENTS (Millions)	INVESTMENT SECURITIES (Millions)
GCB Bank	(2,089)	8,611
Consolidated bank	(2,111)	6,120
Fidelity	(1,292)	5,945
Absa Bank	(2,127)	3,958
Access Bank	(1,264)	3,954
Stanchart	(1,159)	3,473
Zenith	(1,194)	3,420
CAL	(1,442)	2,676
UBA	(407)	2,439
GT Bank	(557)	2,134
FAB	(230)	1,661
Prudential	(700)	1,613
FBN	(212)	1,512
Bank of Africa	(187)	1,427
OmniBsic	(149)	1,343
ADB	(430)	1,317
UMB	(510)	1,219
Stanbic	(966)	1,187
Ecobank	(1,698)	1,117
Republic Bank	(238)	1,027
SG Bank	(285)	854
FNB	(263)	683

Appendices-

PBT



BANK	PBT (Millions)
GT Bank	191
SG Bank	168
FBN	102
UBA	91
FAB	22
Bank of Africa	14
Republic Bank	(26)
Stanbic	(44)
Ecobank	(53)
OmniBsic	(128)
Stanchart	(300)
FNB	(340)
ADB	(364)
UMB	(366)
Prudential	(438)
Access Bank	(441)
Fidelity	(519)
Zenith	(555)
Absa Bank	(562)
GCB Bank	(706)
CAL	(1,080)
Consolidated bank	(2,006)



Appendices-

Local Banks' outlook and Rankings

BANK	Impairment on loan/other financial instruments (Millions)	PBT (Millions)	LOANS AND ADVANCES TO CUSTOMERS (Millions)	INVESTMENT SECURITIES (Millions)	DEPOSIT FROM CUSTOMERS (Millions)	TOTAL ASSETS (Millions)	EQUITY (Millions)
GCB Bank	(2,089)	(706)	5,482	8,611	17,532	21,357	1,846
Fidelity	(1,292)	(519)	2,816	5,945	9,393	13,786	656
CAL	(1,442)	(1,080)	3,190	2,676	6,116	9,219	497
OmniBsic	(149)	(128)	676	1,343	2,525	3,109	370
Consolidated bank	(2,111)	(2,006)	2,056	6,120	7,837	10,616	(713)
Prudential	(700)	(438)	1,701	1,613	3,375	5,206	369
UMB	(510)	(366)	1,165	1,219	3,565	4,771	214
ADB	(430)	(364)	3,242	1,317	5,865	7,413	658

BANK	PBT (Millions)
Consolidated bank	(2,006)
CAL	(1,080)
GCB Bank	(706)
Fidelity	(519)
Prudential	(438)
UMB	(366)
ADB	(364)
OmniBsic	(128)

BANK	DEPOSIT-CUSTOMERS (Millions)
GCB Bank	17,532
Fidelity	9,393
Consolidated Bank	7,837
CAL	6,116
ADB	5,865
UMB	3,565
Prudential	3,375
OmniBsic	2,525

BANK	TOTAL ASSETS (Millions)
GCB Bank	21,357
Fidelity	13,786
Consolidated Bank	10,616
CAL	9,219
ADB	7,413
Prudential	5,206
UMB	4,771
OmniBsic	3,109

BANK	EQUITY (Millions)
GCB Bank	1,846
ADB	658
Fidelity	656
CAL	497
OmniBsic	370
Prudential	369
UMB	214
Consolidated bank	(713)



Appendices-

Quantitative Disclosures

QUANTITATIVE REGULATORY DISCLOSURES			
BANK	Capital Adequacy ratio	Non-performing loan ratio	Liquidity ratio
GCB Bank	17.86%	20.59%	69.66%
Zenith	36.00%	3.80%	73.00%
Fidelity	16.79%	7.83%	152.48%
CAL	11.90%	11.70%	168.50%
GT Bank	33.42%	2.42%	57.51%
OmniBsic	21.70%	28.40%	89.00%
Absa Bank	19.47%	15.96%	67.65%
Bank of Africa	31.62%	13.30%	148.20%
Stanchart	22.90%	12.04%	62.91%
Consolidated bank	-4.50%	19.34%	87.00%
Ecobank	14.63%	9.47%	48.37%
Prudential	14.23%	28.78%	166.00%
SG Bank	16.00%	13.48%	88.36%
FNB	19.82%	7.09%	
UBA	20.20%	15.80%	75.40%
Stanbic	12.30%	8.96%	90.00%
FAB	18.00%	12.00%	113.00%
UMB	-0.21%	33.38%	107.00%
Access Bank	36.93%	3.38%	65.93%
Republic Bank	21.25%	19.25%	146.70%
ADB	7.36%	29.74%	86.11%
FBN	56.90%	24.94%	137.20%