



Republic of Ghana
MINISTRY OF INFORMATION
P. O. BOX M 41, ACCRA

Tel No: +233-(0)30-2227201

Fax No: +233-(0)30-2229786

EMAIL: info.moi@moi.gov.gh

Date: March 21, 2019

FOR IMMEDIATE RELEASE

**EUROBOND MARKET OVERWHELMINGLY ENDORSES GHANA AS THE
COUNTRY SUCCESSFULLY NEARS COMPLETION OF THE IMF PROGRAMME**

1. Ghana successfully raised US\$3 billion in Eurobonds yesterday. The country's strong macroeconomic performance over the past two years and bright future prospects were confirmed by the Capital Markets with an unprecedented order-book in excess of US\$21 billion; an oversubscription of more than seven (7) times the largest ever in Africa to-date.
2. The bonds were issued in three tranches with the following terms:
 - an amount of US\$750 million for a 7-year bond issued at 7.875%;
 - an amount of US\$1,250 million for a 12-year bond issued at 8.125%; and
 - an amount of US\$1,000 million for a 31-year bond issued at 8.950%.
3. The interest rates compare very favourably to the interest rates obtained in the 2018 Eurobond issue, when taking into account the 70 bps increase in the Federal Funds Rate from 1.700% to 2.400% over the period. As an example, we issued the 31-year yesterday at 8.950% compared to the 30-year which was issued at 8.627% last year, which is only 0.323% higher despite the 0.700% increase in the Fed Rate over the same period.
4. The results provide compelling evidence of the progress made under the Akufo-Addo government and demonstrate strong interest in the Ghanaian economy from the international investor base. During the process, bids submitted exceeded US\$21 billion – compared to over US\$8 billion in bids recorded in 2018. At US\$21 billion, this is the highest ever order- book for bonds issued in Sub-Saharan Africa.
5. This landmark issuance recognises the credibility of the Economic Management Team, which has led Ghana to the successful completion of the IMF ECF Programme that derailed under the erstwhile NDC Government. It also confirms the confidence of the international investor community in the strength of Ghana's economic outlook. The competitively priced 31-year bond has the longest-ever tenor for bonds issued by an African Sovereign, exemplifying investors' confidence in Ghana's long-term prospects.

6. The Ministry of Finance, on behalf of the Government of Ghana, undertook a three (3) day intensive roadshow, dubbed “Ghana on the Rise”, to New York (USA), Boston (USA) and London (UK). The team, led by Hon. Ken Ofori- Atta (Minister for Finance), Dr Ernest Addison (Governor, Bank of Ghana), Hon. Charles Adu Boahen (Deputy Minister for Finance), Hon. Amin Adam (Deputy Minister for Energy) and Dr Maxwell Opoku- Afari (Deputy Governor, Bank of Ghana), met with over 120 investors face-to-face and via conference calls.
7. Prior to the roadshow, the Ministry of Finance obtained approvals from Cabinet and Parliament in 2018, as part of the budget approval process, in order to be able to go to the market quickly in 2019 depending on favourable market conditions. The Ministry appointed international Joint Lead Managers, domestic Co-Managers, and External and Local Counsels to support the Sovereign issuance. The Lead Managers were Bank of America Merrill Lynch, JP Morgan Chase, Morgan Stanley, Standard Bank, and Standard Chartered. The Co-Managers were Databank, Ghana Commercial Bank, Fidelity Bank, IC Securities, and SAS Finance Group.
8. Going forward, Government is committed to continuing to entrench structural irreversibilities to sustain and anchor the macroeconomic gains, including strict enforcement of the **Public Financial Management Act**, implementation of the **Fiscal Responsibility Act** and the establishment of the **Fiscal Responsibility Council** and **Financial Stability Council** to monitor fiscal/debt sustainability and financial stability respectively.
9. Proceeds from the Eurobond will also help support Bank of Ghana’s reserves. The local currency has appreciated against the Dollar by more than 10% over the past week and is currently trading at around GH¢5.43.
10. This exceptional performance and strong appetite for Ghana’s bonds is yet another endorsement of the progress made by the Government of Ghana. The funds will help finance the budget driving Government’s transformative economic agenda to support job creation and prosperity, and help move the country towards a Ghana Beyond Aid.

END

Signed,



KOJO OPPONG NKRUMAH (MP)
MINISTER