

News Release

Purchasing Managers' Index™
MARKET SENSITIVE INFORMATION
Embargoed until: 09:00 (Accra) / 09:00 (UTC) October 4th 2017

Stanbic Bank Ghana PMI™

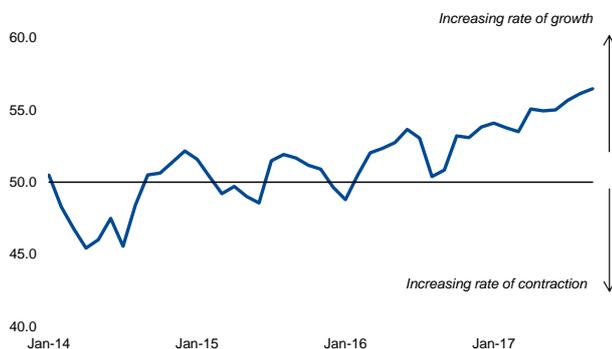
PMI posts highest reading since survey began in January 2014

Data collected September 12-27

- PMI hits record high of 56.5
- Rising workloads lead to marked employment growth
- Output increases for twelfth successive month

Stanbic Bank Ghana PMI

sa, 50 = no change on previous month



Sources: Stanbic Bank, IHS Markit.

Business conditions improved to the greatest extent in the 45-month survey history in September. Sharp increases in output and new orders fed through to a record rise in employment. Stocks of purchases also increased at the sharpest pace in the survey so far on the back of strong growth of purchasing activity. Competitive pricing was reportedly a factor helping to generate new order growth. Both input costs and output prices rose at relatively modest rates.

The headline figure derived from the survey is the Purchasing Managers' Index™ (PMI™). Readings above 50.0 signal an improvement in business conditions on the previous month, while readings below 50.0 show a deterioration.

Commenting on September's survey findings, Ayomide Mejabi, Economist at Stanbic Bank said:

"Real GDP growth in Ghana will probably continue to accelerate at a strong pace in coming months. The fact that the Stanbic Bank Ghana PMI hit a record high of 56.5 in September from 56.1 in August further reinforces this point. The strong September PMI reading was driven by strong growth in output as well as new orders. We remain confident that growth of the Ghanaian economy will continue to be buoyed by robust output from the oil sector, reaching 6.0% y/y in 2017. That said, we have our reservations about a revenue-inspired fiscal consolidation effort and look for authorities to cut expenditure in line with revenue undershoots."

The main findings of the September survey were as follows:

The PMI hit a record high for the third month running in September, rising to 56.5 from 56.1 in August. Business conditions have now improved in 20 consecutive months.

Sharp growth of new business continued to be a key driver of stronger operating conditions. September saw the rate of growth ease only fractionally from August's series record. Panellists mentioned a greater willingness among consumers to spend, with competitive pricing helping to attract clients.

Higher new orders amid improving economic conditions resulted in another monthly increase in output at Ghanaian companies. The rate of growth was marked, despite easing to a six-month low. Output has now increased on a monthly basis throughout the past year.

Rises in output were facilitated by increased operating capacity as companies took on extra staff at the sharpest pace since the survey began in January 2014. This helped firms to make further inroads into backlogs of work, which have now decreased in four consecutive months.

A record increase was also seen with regards to stocks of purchases as companies raised their purchasing activity sharply in line with new order growth. The rate of expansion in input buying was little-changed from August's survey high.

Overall input prices rose at a solid pace in September, but one that remained relatively modest. Higher fuel costs and port duties contributed to a sharp rise in purchase

prices, while staff costs increased in line with greater workloads.

Reports of competitive pricing were consistent with a relatively modest increase in output prices in September. Charges rose for the third month running in line with higher input costs. Some panellists were able to reduce output prices, however, which they linked to efforts to attract customers.

Suppliers' delivery times lengthened for the second time in three months during September. Panellists indicated that shortages of materials had been behind delivery delays.

-Ends-

For further information, please contact:

Stanbic Bank:

Ayomide Mejabi, Economist, Research
Telephone +234 1 422 8651
Email ayomide.mejabi@stanbicibtc.com

Kojo Akoi-Larbi, Manager, Communications
Telephone +233 (0)302 610 690
Email Akoi-LarbiK@stanbic.com.gh

IHS Markit:

Andrew Harker, Associate Director
Telephone +44-1491-461-016
Email andrew.harker@ihsmarkit.com

Joanna Vickers, Corporate Communications
Telephone +44-207-260-2234
Email joanna.vickers@ihsmarkit.com

Note to Editors:

The Stanbic Bank Ghana Purchasing Managers' Index™ is based on data compiled from monthly replies to questionnaires sent to purchasing executives in approximately 400 private sector companies, which have been carefully selected to accurately represent the true structure of the Ghanaian economy, including agriculture, construction, industry, services and wholesale & retail. The panel is stratified by GDP and company workforce size. Survey responses reflect the change, if any, in the current month compared to the previous month based on data collected mid-month. For each of the indicators the 'Report' shows the percentage reporting each response, the net difference between the number of higher/better responses and lower/worse responses, and the summary unadjusted and seasonally adjusted values. The unadjusted summary value is calculated as the sum of the positive responses plus a half of those responding 'the same'.

The Purchasing Managers' Index™ (PMI™) is a composite index based on five of the individual sub-components with the following weights: New Orders - 0.3, Output - 0.25, Employment - 0.2, Suppliers' Delivery Times - 0.15, Stock of Items Purchased - 0.1, with the Suppliers' Delivery Times sub-component inverted so that it moves in a comparable direction.

The headline PMI and individual summary values for each question have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change. A reading above 50 indicates an overall increase in that variable, below 50 an overall decrease. IHS Markit do not revise underlying survey data after first publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

Historical data relating to the underlying (unadjusted) numbers, first published seasonally adjusted series and subsequently revised data are available to subscribers from IHS Markit. Please contact economics@ihsmarkit.com.

About Stanbic Bank Ghana

Stanbic Bank Ghana is part of the Standard Bank Group, Africa's largest bank by assets.

Standard Bank Group reported total assets of about USD143 billion at 31 December 2016, while its market capitalisation was about USD 18 billion.

The group has direct, on-the-ground representation in 20 African countries. Standard Bank Group has over 1 200 branches and more than 8 800 ATMs in Africa, making it one of the largest banking networks on the continent. It provides global connections backed by deep insights into the countries where it operates.

Stanbic Bank Ghana provides the full spectrum of financial services. Its Corporate & Investment Banking division serves a wide range of requirements for banking, finance, trading, investment, risk management and advisory services. Corporate & Investment Banking delivers this comprehensive range of products and services relating to: investment banking; global markets; and global transactional products and services.

Stanbic Bank Ghana's personal & business banking unit offers banking and other financial services to individuals and small-to-medium enterprises. This unit serves the increasing need among Africa's small business and individual customers for banking products that can meet their shifting expectations and growing wealth. Website

About IHS Markit (www.ihsmarkit.com)

IHS Markit (Nasdaq: INFO) is a world leader in critical information, analytics and expertise to forge solutions for the major industries and markets that drive economies worldwide. The company delivers next-generation information, analytics and solutions to customers in business, finance and government, improving their operational efficiency and providing deep insights that lead to well-informed, confident decisions. IHS Markit has more than 50,000 key business and government customers, including 85 percent of the Fortune Global 500 and the world's leading financial institutions. Headquartered in London, IHS Markit is committed to sustainable, profitable growth.

IHS Markit is a registered trademark of IHS Markit Ltd. All other company and product names may be trademarks of their respective owners © 2017 IHS Markit Ltd. All rights reserved.

About PMI

Purchasing Managers' Index™ (PMI™) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely-watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. To learn more go to www.markit.com/product/pmi.

The intellectual property rights to the Stanbic Bank Ghana PMI™ provided herein are owned by or licensed to IHS Markit. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without IHS Markit's prior consent. IHS Markit shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall IHS Markit be liable for any special, incidental, or consequential damages, arising out of the use of the data. Purchasing Managers' Index™ and PMI™ are either registered trade marks of Markit Economics Limited or licensed to Markit Economics Limited. Stanbic Bank use the above marks under licence. IHS Markit is a registered trade mark of IHS Markit Limited.