



Collateral Registry Quarterly Brief

Second Quarter

2024

COLLATERAL REGISTRY QUARTERLY BRIEF

QUARTER 2: 2024

1.0 Summary

The Collateral Registry recorded increases in the number of registrations, searches, realisation of security interests and discharges in the second quarter of 2024, compared with the same period in 2023.

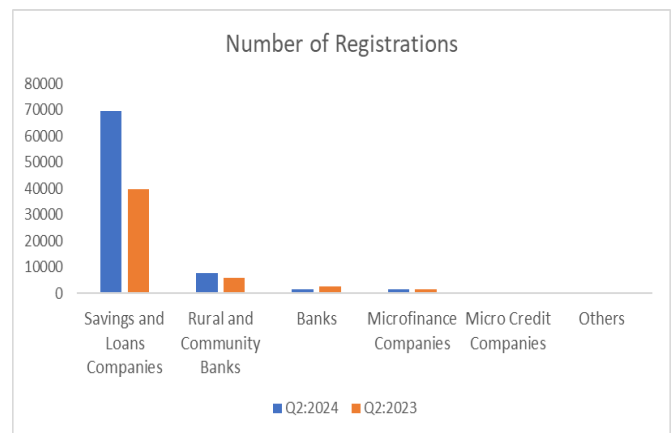
Specifically,

- The total number of registrations increased by 59.5 percent and was dominated by Savings and Loans Companies.
- Number of searches conducted increased by 10.1 percent.
- Total number of Memorandum of No Objection certificates issued increased by 32.4 percent.
- The number of discharges of collateral registrations increased significantly during the review period.
- The major collateral types used to secure loans were cash and inventories or stock of goods.
- The share of the total value of secured loans granted to males and businesses owned by males exceeded that for females and businesses owned by females. Conversely, the share of the total volume of secured loans granted to females and business owned by females far exceeded that for males and businesses owned by males.
- Across the lending institutions, the Savings and Loans companies remained the most active in terms of patronage of the Registry's services (registrations, searches, and discharges).

2.0 Registrations

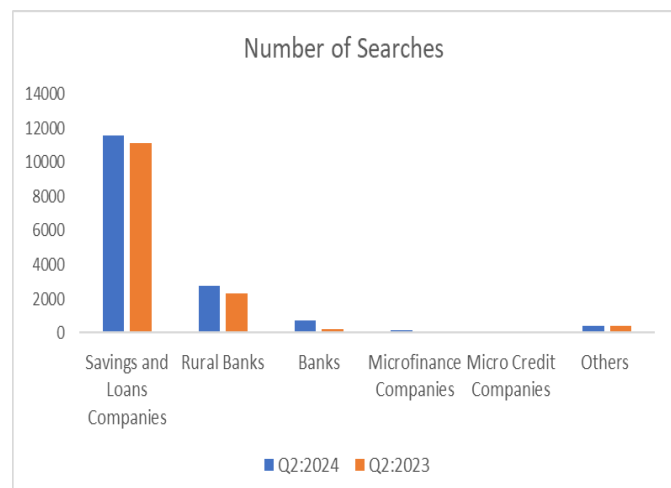
Total number of collateral registrations recorded for Q2:2024 was 80,873 compared to 50,695 registrations in the same quarter of 2023, representing 59.5 percent year-on-year growth. A breakdown of the registrations across the various categories of lenders showed that Savings and Loans Companies (S&Ls) dominated with 69,328 registrations in Q2:2024, indicating an increase of 74.2 percent from 39,796 registrations recorded in Q2:2023. Registration of collateral by Rural and Community Banks (RCBs) increased by 28.7 percent from 6,019 registrations in Q2:2023 to 7,747 in Q2:2024. Conversely, registrations by Banks declined by 43.4 percent from 2,534 in Q2:2023 to 1,433 in Q2:2024. Across the various lender types, Leasing Companies recorded only 4 registrations, the lowest during the period under review.

lending institutions and the general public accounted for the remaining 2.7 percent of the total number of searches conducted during Q2:2024.



3.0 Searches

The total number of searches conducted at the Collateral Registry in Q2:2024 inched up by 10.1 percent (year-on-year) from 14,184 in Q2:2023 to 15,617 in Q2:2024. Savings & Loans Companies accounted for 74.1 percent of the total number of searches conducted during the review period, followed by RCBs with 17.6 percent and banks with 4.6 percent. Microfinance Institutions and Micro Credit Companies conducted the least number of searches with respective percentage shares of 0.8 percent and 0.1 percent in Q2:2024. The other

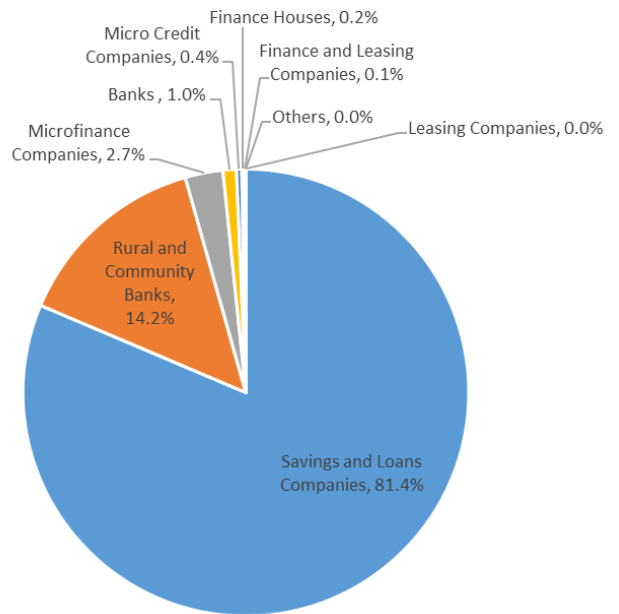


4.0 Discharge of Registrations

Collateral registration discharges rose sharply to 36,048 in Q2:2024 mainly due to loan repayments. This represented a significant year-on-year growth of 210.2 percent from 11,621 discharges recorded in Q2:2023. Savings and Loans companies recorded the highest number of discharges of 29,333 in Q2:2024, accounting for 81.4 percent of total discharges. The total discharges recorded by Savings and Loans companies represented a significant increase of 225.4 percent on year-on-year terms during the review period from 9,014 discharges recorded in Q2:2023. This was followed by the RCBs with 5,135 discharges, representing 14.2 percent of total discharges for the review period. Microfinance Institutions recorded 988 discharges, representing 2.7 percent of total discharges recorded during the review period. Banks and Micro-Credit Companies recorded 352 and 137 discharges respectively, representing respective percentage shares of 1.0 percent and 0.4 percent. Finance Houses also recorded 60 discharges in Q2:2024, representing 0.2 percent of total discharges. Discharges by Leasing Companies remained the lowest across banks and SDIs in Q2:2024.

to 0.2 percent in Q2:2024. The cumulative share of secured loans from the remaining lending institutions remained unchanged at 0.5 percent in Q2:2024 relative to Q2:2023.

Discharge of Registrations (Q2:2024)



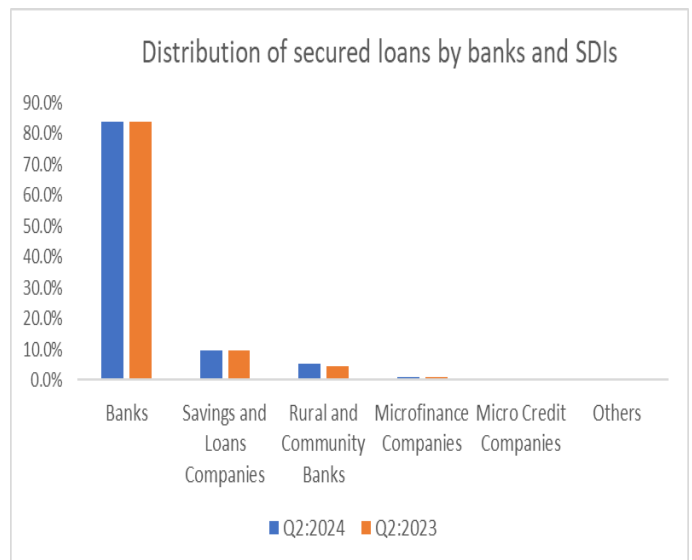
5.0 Value of Secured Loans

The total value of secured loans granted and registered by banks and SDIs in Q2:2024 was GHS 10.8 billion, relative to GHS 5.9 billion recorded in Q2:2023, indicating an increase of 83.1 percent on year-on-year terms. Banks accounted for GHS 9.1 billion of total secured loans in Q2:2024, depicting an increase of 85.7 percent from GHS 4.9 billion recorded in Q2:2023. On the other hand, the SDIs recorded a total secured loans of GHS 1.7 billion in Q2:2024, an increase of 75.1 percent from GHS 971.1 million recorded for the same period in 2023.

6.0 Distribution of Secured Loans

Banks registered the largest share of the total value of secured loans in Q2:2024, with 83.8 percent, relative to the share of 83.7 percent in Q2:2023. The share of secured loans by S&Ls declined to 9.5 percent in Q2:2024 from the share of 9.8 percent recorded in Q2:2023. This was followed by the RCBs with a percentage share of 5.2 percent in Q2:2024 from 4.4 percent in Q2:2023. The share of secured loans by Microfinance Institutions declined marginally to 1.0 percent in Q2:2024 from 1.1 percent in Q2:2023. The share of the total value of secured loans by Micro Credit Companies decreased marginally from 0.3 percent in Q2:2023

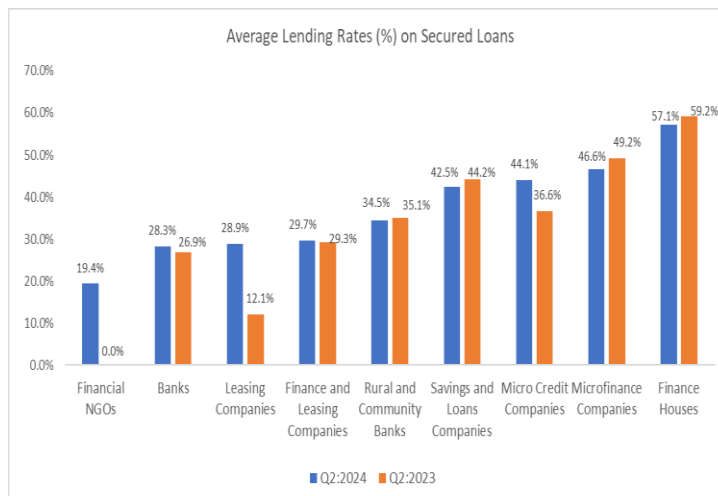
Distribution of secured loans by banks and SDIs



7.0 Average Lending Rates of Secured Loans

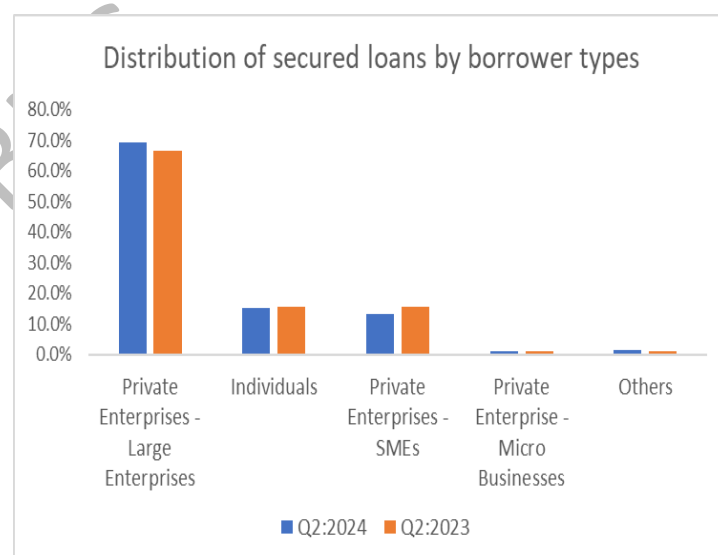
Across the lending institutions, the Financial NGOs recorded the lowest average lending rate of 19.4 for secured loans in Q2:2024. This was followed by banks with an average lending rate of 28.3 percent for secured loans in Q2:2024, a marginal increase from the 26.9 percent recorded in Q2:2023. Leasing Companies recorded an average lending rate of 28.9 percent in Q2:2024, up from the 12.1 percent recorded in Q2:2023, whilst that of RCBs declined marginally to 34.5 percent in Q2:2024 from 35.1 percent in Q2:2023. Similarly, the average lending rates on secured loans granted by Microfinance Institutions decreased from 49.2 in Q2:2023 to 46.6 percent in Q2:2024, while that of Savings and Loans Companies declined marginally to 42.5 percent in Q2:2024 from 44.2 percent recorded in Q2:2023. Of the banks and SDIs, Finance Houses recorded the highest average lending rate of 57.1 percent in Q2:2024, a marginal decrease from the 59.2 percent recorded in the same quarter of 2023.

The sectoral distribution of the remaining sectors were the Transport and Haulage sector (0.7%), Electricity, Gas and Water sector (0.1%), Cottage Industries sector (0.1%), Information & Communications sector (0.0%) and Others (28.6%).



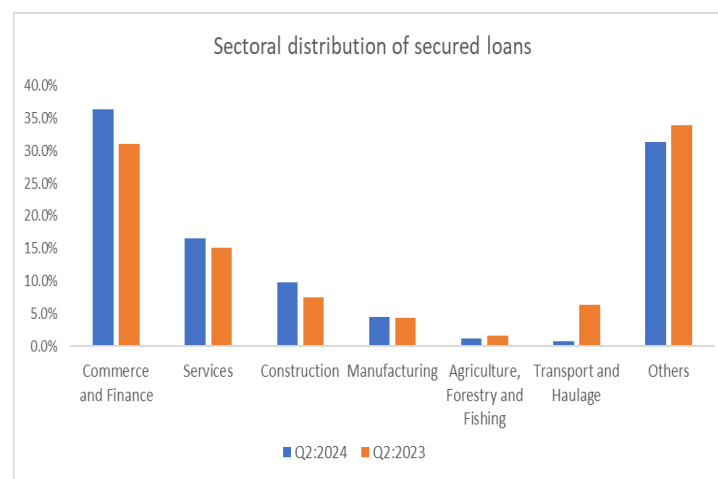
8.0 Recipients of secured loans by borrower type

In terms of borrower classification, large private enterprises constituted the largest recipient of secured loans with a percentage share of 69.2 percent in Q2:2024, up from the share of 66.4 percent recorded in Q2:2023. Individual borrowers constituted the second highest recipient of secured loans with 15.0 percent share during the review period, down from the 15.7 percent share recorded in Q2:2023. The share of secured loans to Private Enterprises – SMEs also decreased to 13.3 percent in the review period from 15.6 percent in Q2:2023. For Micro Businesses, the share of secured loans decreased from the 1.2 percent recorded in Q2:2023 to 1.1 percent in Q2:2024. The other borrower types received a share of 0.6 percent of the total value of secured loans granted by banks and SDIs during the review period, an increase from the share of 0.5 percent recorded in Q2:2023.



9.0 Sectoral distribution of Secured Loans

The Commerce and Finance sector was the highest recipient of the total value of secured loans with a percentage share of 36.3 percent in Q2:2024, followed by the Services sector 16.6 percent and the Construction sector with 9.8 percent. The Manufacturing sector accounted for 4.4 percent of the total secured loans, while the Mining and Quarrying sector received 2.2% and the Agriculture, Forestry and Fishing sector received 1.1 percent.



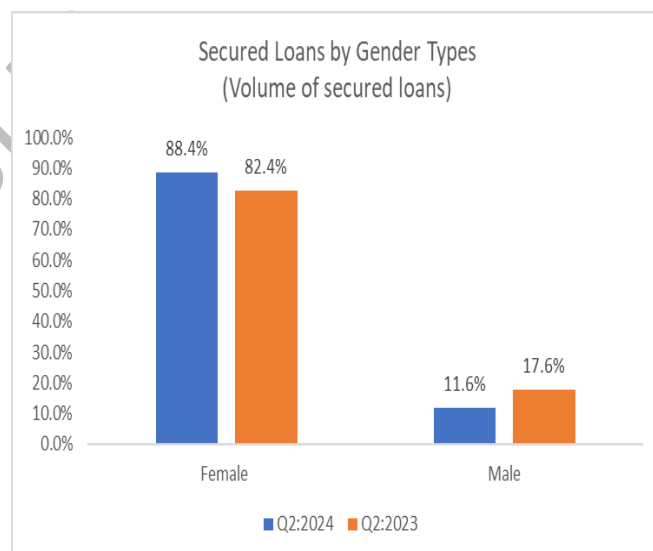
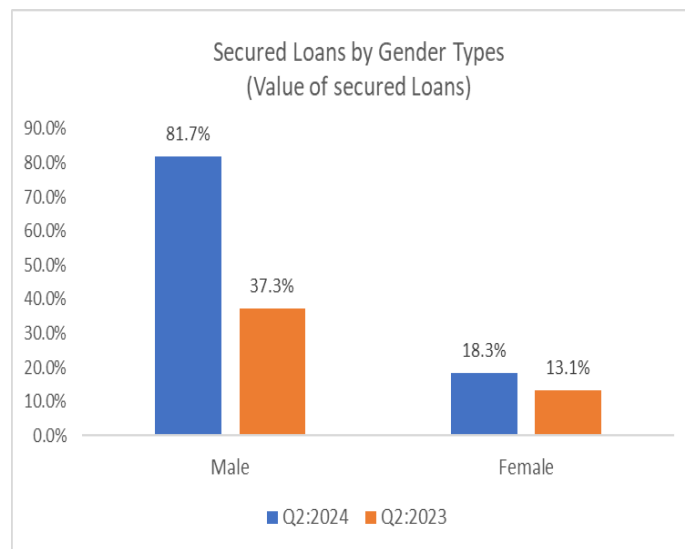
10.0 Gender Distribution of Total Value of Secured Loans

A breakdown of the total value of secured loans by gender shows that individual females and businesses owned by females accounted for GHS 1.1 billion, an increase by 42.6 percent from GHS 781.4 million recorded in Q2:2023. On the other hand, secured loans granted to individual male borrowers and businesses owned by males increased by 122.7 percent from GHS 2.2 billion in Q2:2023 to GHS 4.9 billion in Q2:2024. In relative terms, the percentage share of secured loans to individual male borrowers and businesses owned by males increased from 37.3 percent in Q2:2023 to 81.7 percent in Q2:2024. Consequently, the share of secured loans for individual female borrowers and businesses owned by females also increased to 18.3 percent during the period under review from 13.1 percent recorded in Q2:2023.

percent in Q2:2024 from 56.1 percent in Q2:2023. In all, the foreign-owned banks were the main drivers of secured loans granted by banks during the review period, followed by the domestically-owned banks.

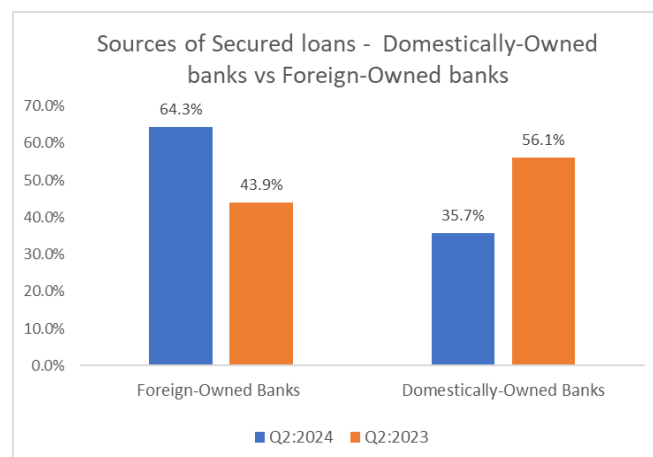
10.1 Gender Distribution of Total Volume of Secured Loans

A breakdown of the total volume of secured loans by gender showed that secured loans granted to individual female borrowers and businesses owned by females stood at 70,980 in Q2:2024. This represented a significant increase of 71.4 percent from the 41,413 secured loans recorded in Q2:2023. On the other hand, the total volume of secured loans granted to individual male borrowers and businesses owned by males was 9,318 in Q2:2024, indicating a year-on-year increase of 5.6 percent from the 8,827 secured loans recorded in Q2:2023. Comparatively, the percentage share of the total volume of secured loans granted to females and businesses owned by females (88.4 percentage share) far exceeded that of males and businesses owned by males (11.6 percentage share) during the second quarter of 2024.



11.0 Sources of Secured Loans: Domestic vs. Foreign-Owned Banks in Ghana

The percentage share of the total value of secured loans granted by foreign-owned banks¹ in Ghana increased to 64.3 percent in Q2:2024 from 43.9 percent recorded in Q2:2023. This accounted for the higher share of the total value secured loans granted by banks in the review period. The share of the total value of secured loans granted by domestically-owned banks² decreased to 35.7

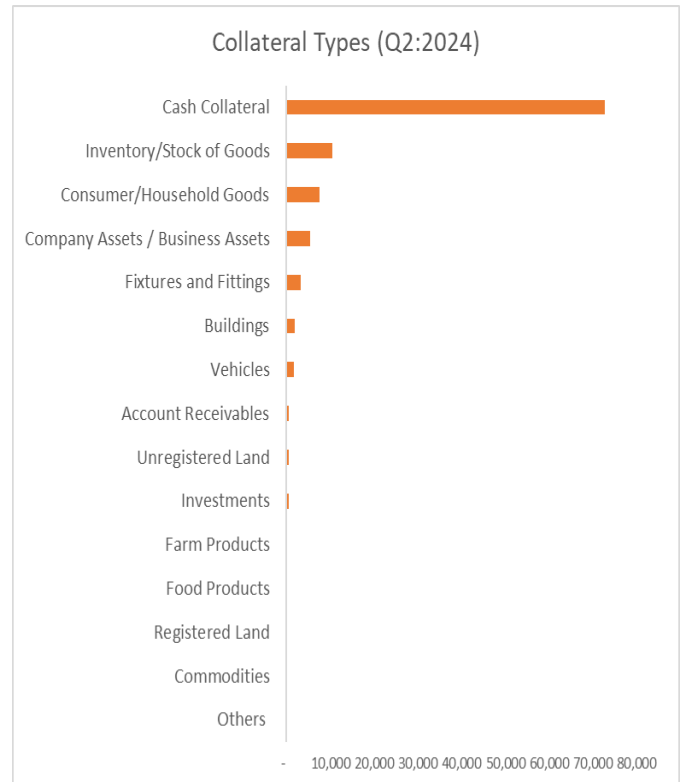


¹ Foreign-Owned Banks- Foreign-owned banks domiciled in Ghana

² Domestically-Owned Banks – Locally owned banks in Ghana.

12.0 Distribution of Registered Collateral

The total number of assets registered as collateral to secure loans stood at 106,352 in Q2:2024, an increase of 29.9 percent from the total of 81,880 assets registered as collateral in Q2:2023. A total of 86,334 movable assets were registered in Q2:2024, constituting the largest share of 81.2 percent of registered collaterals. Immovable assets contributed the lowest proportion of registered collateral, a total of 2,008 assets, representing a percentage share of 1.9 percent in Q2:2024. Both Immovable and Movable assets (e.g., Company/Business Assets) accounted for a total of 18,010 of registered assets, representing a proportionate share of 16.9 percent during the second quarter of 2024. Cash collateral remained the highest type of asset registered as security with a total of 72,768 registrations, followed by Inventories/Stock of Goods with a total of 10,573 registrations. The lowest number of assets registered as collateral for Q2:2024 were Livestock and Negotiable instruments with 3 and 1 registration respectively.



13.0 Realisation of Security Interests

The Collateral Registry received a total of 133 realisation requests from various lending institutions and agents in Q2:2024, out of which 94 Memorandum of No Objection certificates were issued to facilitate collateral enforcement. This represents a year-on-year increase of 32.4 percent, compared with 71 certificates issued in the same period in 2023. Banks received a total of 42 Memorandum of No Objection certificates, the highest share of 44.7 percent across the lending institutions, followed by Savings and Loans Companies with 34 Memorandum of No Objection certificates, representing 36.2 percent. Micro Credit Companies and Rural and Community Banks received a total of 12 and 2 Memorandum of No Objection certificates respectively, representing respective shares of 12.8 and 2.1 percent. Microfinance Institutions received 1 Memorandum of No Objection certificate, the lowest across the lending institutions, representing 1.1 percent of the total number of Memorandum of No Objection certificates issued during the period under review.

14.0 Conclusion

The Registry recorded increased patronage of its services in the second quarter of 2024 compared with the same period in 2023. Volumes of collateral registration, searches, realisation of security interests and discharges showed appreciable increases within the review period.

Appendix

Table 1: Registered Collateral Types by Lender Types

Collateral Type	Banks	Finance and Leasing Companies	Finance Houses	FNGOs	Leasing Companies	Micro Credit Companies	Microfinance Institutions	Other	RCBs	S&L Companies	Grand Total
Account Receivables	72	-	13	1	-	-	90	-	328	124	628
Buildings	192	-	2	-	-	21	64	23	856	770	1,928
Cash Collateral	927	-	224	-	-	-	921	5	6,189	64,502	72,768
Chemical Products	-	-	3	-	-	1	-	-	-	-	4
Commodities	-	-	80	-	-	-	2	-	1	30	113
Company Assets / Business Assets	93	-	-	-	-	138	19	-	221	4,903	5,374
Consumer/Household Goods	1	-	1	-	-	48	23	-	27	7,482	7,582
Farm Harvest	-	-	-	-	-	-	4	-	1	11	16
Farm Products	-	-	7	-	-	-	-	-	70	134	211
Fixtures and Fittings	1	-	-	-	-	4	2	-	13	3,279	3,299
Food Products	-	-	137	-	-	-	2	-	12	3	154
Inventory/Stock of Goods	211	-	1	-	-	163	166	-	194	9,838	10,573
Investments	131	8	1	4	-	-	31	-	45	306	526
Livestock	-	-	-	-	-	-	-	-	-	3	3
Negotiable instruments	-	-	-	-	-	-	1	-	-	-	1
Others	69	-	-	-	-	128	11	-	50	484	742
Pharmaceutical Product	-	-	1	-	-	-	-	-	-	5	6
Plant & Equipment	7	-	-	-	5	-	13	5	28	52	110
Registered Land	49	-	5	-	-	3	46	3	30	8	144
Unregistered Land	3	-	4	-	-	30	93	13	284	115	542
Vehicles	64	-	37	-	-	69	312	22	266	858	1,628
Grand Total	1,820	8	516	5	5	605	1,800	71	8,615	92,907	106,352

Source: Collateral Registry Department

COLLATERAL REGISTRY INDICATORS

NO.	Lender Type	Number of Registered Secured Loans				Number of Searches				Number of Discharges			
		Q2:2024	Q2:2023	Year-on-Year Growth (%)	Share (%)	Q2:2024	Q2:2023	Year-on-Year Growth (%)	Share (%)	Q2:2024	Q2:2023	Year-on-Year Growth (%)	Share (%)
1	Savings and Loans Companies	69,328	39,796	74.2	85.7	11,571	11,149	3.8	74.1	29,333	9,014	225.4	81.4
2	Rural Banks	7,747	6,019	28.7	9.6	2,755	2,290	20.3	17.6	5,135	1,597	221.5	14.2
3	Banks	1,433	2,534	(43.4)	1.8	717	201	256.7	4.6	352	318	10.7	1.0
4	Microfinance Companies	1,546	1,498	3.2	1.9	125	69	81.2	0.8	988	526	87.8	2.7
5	Micro Credit Companies	454	495	(8.3)	0.6	19	41	(53.7)	0.1	137	122	12.3	0.4
6	Finance Houses	279	276	1.1	0.3	7	13	(46.2)	0.0	60	31	93.5	0.2
7	Leasing Companies	4	4	0.0	0.0	1	-	0.0	0.0	5	1	400.0	0.0
8	Finance and Leasing Companies	8	10	(20.0)	0.0	0	-	0.0	0.0	29	2	1350.0	0.1
9	Financial NGOs	5	-	0.0	0.0	0	-	0.0	0.0	-	-	0.0	0.0
11	Others	69	63	9.5	0.1	422	421	0.2	2.7	9	10	(10.0)	0.0
Total		80,873	50,695	59.5	100	15,617	14,184	10.1	100.0	36,048	11,621	210.2	100.0
Value of Registered Security Interests by Lender Type						Average Lending Rates		Gender Distribution of Secured Loans					
NO.	Lender Type	GHS MILLION		Year-on-Year Growth (%)	Share (%)	Q2:2024	Q2:2023	NO.	Gender /Owner Composition	GHS MILLION		Year-on-Year Growth (%)	Shares (%)
		Q2:2024	Q2:2023							Q2:2024	Q2:2023		
1	Banks	9,126.9	4,995.6	82.7	83.8	28.3	26.9	1	Female (Individual)	913.1	508.6	79.5	15.0
2	Savings and Loans Companies	1,029.7	585.0	76.0	9.5	42.5	44.2	2	Female Owned Business	201.1	272.9	(26.3)	3.3
3	Rural Banks	563.1	260.5	116.2	5.2	34.5	35.1	3	Male (Individual)	664.6	411.8	61.4	10.9
4	Microfinance Companies	108.6	66.9	62.3	1.0	46.6	49.2	4	Male owned Business	4,301.7	1,813.3	137.2	70.7
5	Finance Houses	10.9	18.3	(40.4)	0.1	57.1	59.2	Total		6,080.5	3,006.5	102.2	100.0
6	Micro Credit Companies	17.9	18.8	(4.8)	0.2	44.1	36.6	Sources of Secured Loans: Domestically-Owned Banks vs. Foreign-Owned Banks					
7	Finance and Leasing Companies	3.0	0.7	334.8	0.0	29.7	29.3	No.	Sources of Secured Loans: Domestic vs. External	GHS MILLION		Year-on-Year Growth (%)	Share (%)
8	Leasing Companies	12.6	20.9	(39.7)	0.1	28.9	12.1			Q2:2024	Q2:2023		
9	Financial NGOs	22.5	-	0.0	0.2	19.4	0.0	1	Domestically-Owned Banks	3,258.8	2,801.7	16.3	35.7
Total		10,895.2	5,966.6	82.6	100.0			2	Foreign-Owned Banks	5,868.1	2,193.8	167.5	64.3
						Total				9,126.9	4,995.5	82.7	100.0
Sectoral Distribution of Registered Security Interest						Value of Secured Loans by Borrower Type							
NO.	Sector	GHS MILLION		Year-on-Year Growth (%)	Share (%)	NO.	Type Borrower	GHS MILLION		Year-on-Year Growth (%)	Share (%)		
		Q2:2024	Q2:2023					Q2:2024	Q2:2023				
1	Commerce and Finance	3,953.5	1,853.9	113.3	36.3	1	Private Enterprises - Large Enterprises	7,535.5	3,961.1	90.2	69.2		
2	Services	1,803.4	904.4	99.4	16.6	2	Private Enterprises - SMEs	1,445.9	929.9	55.5	13.3		
3	Mining and Quarrying	239.8	91.1	163.2	2.2	3	Individuals	1,635.0	938.9	74.1	15.0		
4	Manufacturing	481.7	261.1	84.5	4.4	4	Private Enterprise - Micro Businesses	117.5	68.6	71.2	1.1		
5	Electricity, Gas and Water	14.6	1,719.1	(99.2)	0.1	5	Association/Union	11.4	14.7	(22.4)	0.1		
6	Others	3,120.0	207.2	1405.8	28.6	6	Others	70.0	14.6	379.2	0.6		
7	Construction	1,063.5	449.7	136.5	9.8	7	Public Institutions - Non Profit Making Institutions	0.2	38.3	(99.5)	0.0		
8	Agriculture, Forestry and Fishing	124.0	95.4	30.0	1.1	8	Public Enterprises - Profit Making Institutions	79.8	0.5	173.1	0.7		
9	Transport and Haulage	76.4	379.5	(79.9)	0.7	9	Government Institutions	-	-	0.0	0.0		
10	Cottage Industries	13.9	4.2	231.0	0.1	Total		10,895.2	5,966.6	82.6	100		
11	Information and Communications	4.4	1.0	340.0	0.0								
Total		10,895.2	5,966.6	82.6	100.0								