



2023 BANKING SECTOR PERFORMANCE REVIEW

Based on half year
unaudited Financials



BANK PERFORMANCE EVALUATION AND RANKING

The bank performance evaluation rankings were based on the financial statements released by the banks for HY 2023. The rankings focused on twenty (20) out of the twenty-three (23) commercial banks in Ghana

A thorough analysis of essential financial ratios encompassing liquidity, asset quality, management efficiency, and profitability were employed in two different methodologies; (1) assigning weights to the key aspects assessed (2) key aspects were considered to be of equal importance.

Zenith Bank, Guaranty Trust Bank, Standard Chartered Bank, Access Bank Ghana and Stanbic Bank were the top three (5) banks with strong performances in the period under review using the unequally weighted methodology. On the contrary, Republic Bank, Bank of Africa, Prudential Bank Ghana, First National Bank and Universal Merchant Bank were the least ranked banks

The table below shows the various proxies assessed and the key weights assigned to the key aspects using the first methodology.

PROXIES USED

Key Aspect	Proxy	Weight
Liquidity	CAR	37.50%
	Loans-to Deposits	
	Core Liquid Assets to Deposits	
Asset Quality	Asset Size	25.00%
	NPL	
Management Efficiency	Cost-to-Income (CIR)	12.50%
Profitably	ROA	15.00%
	ROE	
	Net Interest Margin	
Business Diversification Risk	Non-Interest Income to Operating income	10.00%

BANK PERFORMANCE EVALUATION AND RANKING

BANK	Unequally Weighted Score*	Rank	Equally Weighted Score*	Rank
Zenith Bank Ghana	1.75	1	5.3	2
Guaranty Trust Bank	2.05	2	4.4	1
Standard Chartered Bank	2.1	3	6	4
Access Bank Ghana	2.35	4	5.9	3
ABSA Ghana	2.4	5	6.8	5
Stanbic Bank	2.6	6	8.7	7
GCB Bank	2.7	7	11.3	11
United Bank of Africa	2.7	7	8.4	6
EcoBank Ghana	2.75	9	10.7	9
Fidelity Bank Ghana	2.95	10	11.8	13
First Atlantic Bank Ghana	3.15	11	12.1	14
OmniBSIC	3.15	12	11.1	10
Société Générale Bank Ghana	3.3	13	11.4	12
Cal Bank	3.35	14	13.9	18
FBN Bank Ghana	3.45	15	10.4	8
Republic Bank Ghana	3.65	16	13.1	16
Bank of Africa	3.9	17	12.9	15
Prudential Ghana	3.95	18	16.4	20
First National Bank	4.15	19	13.5	17
Universal Merchant Bank	4.25	20	15.9	19

*Unequally Weighted Score: 1st methodology involving the assigning of unequal weights

*Equally Weighted Score: 2nd methodology involving the assigning of equal weights

PROXY DETAILS

	ABSA	ABG	ADB	BOA	CAL	CBG	EGH	FAB	FID	FBN	FNB
Asset Size (in billion GHS)	17.95	8.73	6.56	3.46	9.88	11.47	21.62	5.05	14.03	2.08	2.86
NPL ratio (%)	10.73	3.49	27.26	11.67	9	2.08	4.98	8	5.74	3.71	5.04
Cost -to- Income ratio (%)	33.52	26.53	84.09	46.38	48.99	84.18	44.56	55.71	47.8	53.96	88.79
Capital Adequacy Ratio (%)	18.09	37.23	11.17	40.39	19	17.69	16.05	21	21.37	49.27	34.13
Return on Assets (%)	1.76	2.58	0.63	1.31	1.34	0.18	1.82	1.16	1.76	2.03	0.27
Return on Equity (%)	12.11	14.6	4.25	5.74	10.31	3	12.21	7.1	18.37	6.55	1.25
Net Interest Margin (%)	7.02	5.65	8.04	4.76	4.53	3.76	9.34	7.2	6	9.54	3.65
Loans to Deposits (%)	62.33	27.53	57.9	54.68	47.63	25.36	39.09	26.35	30.99	50.65	58.12
Liquid Asset to Deposit (%)	101.74	113.75	38.73	139.91	105.95	124.45	74.02	67.04	134.5	133.41	113.06
Non-Interest Income to Revenue (%)	27.88	41.37	31.04	28.24	27.87	30.07	28.1	28.32	29.17	26.88	48.62

PROXY DETAILS

	GCB	GTB	OMNI	PRB	RGB	SCB	SOGE	STB	UBA	UMB	ZEN
Asset Size (in billion GHS)	21.23	6.18	2.43	4.93	4.33	10.64	5.89	16.96	5.63	4.71	9.07
NPL ratio (%)	15.2	2.58	44.98	22.38	18.22	10.56	7.22	7.62	27.44	17.26	3.95
Cost -to- Income ratio (%)	55.55	24.09	68.5	51.79	56.43	30.4	51.81	42.72	32.02	62.45	40.13
Capital Adequacy Ratio (%)	21.1	44.49	24.13	20.34	21.89	19.37	19.49	16.29	24.75	14.83	47.93
Return on Assets (%)	1.62	3.9	1.03	1.34	1.02	2.46	1.97	1.72	1.52	0.58	2.22
Return on Equity (%)	12.05	16.74	6.39	8.18	5.94	16.39	10.49	13.97	6.85	4.68	12.42
Net Interest Margin (%)	7.24	7.74	3.31	5.62	8.75	6.86	8.25	5.1	5.51	4.68	5.29
Loans to Deposits (%)	35.46	38.26	33.71	51.79	57.61	33.53	73.62	49.88	27.1	47.87	24.92
Liquid Asset to Deposit (%)	99.25	70.53	89.14	92.93	27.63	87.02	44.89	62.6	99.28	73.3	90.85
Non-Interest Income to Revenue (%)	26.63	48.9	40.8	28.75	31.56	45.11	48.42	48.45	26.28	50.3	24.95

Foreign Banks



ABSA



BOA



ABG



EGH



FAB



FBN



FNB



GTB



OMNI



RBG



SCB



SOGE



STB



UBA



ZEN

Local Banks



UBB



CAL



CBG



GCB



ADB



FID



PRB



NIB

ABSA- ABSA Ghana, ABG –Access Bank Ghana, ADB- Agricultural Development Bank, BOA – Bank of Africa, CAL- CAL Bank, CBG – Consolidated Bank Ghana, EGH – EcoBank Ghana, FAB – First Atlantic Bank Ghana, FID – Fidelity Bank Ghana, FBN -FBN Bank Ghana, FNB – First National Bank, GCB- Ghana Commercial Bank, GT – Guaranty Trust Bank, OMNI – OmniBSIC, PRB – Prudential Bank Ghana, RBG – Republic Bank Ghana, SCB – Standard Chartered Bank, SOGE – Société Générale Bank Ghana, STB – Stanbic Bank, UBA – United Bank of Africa, UMB – Universal Merchant Bank, ZEN – Zenith Bank Ghana.

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