THE MARGIN

Occasional reflections from the edge of the page

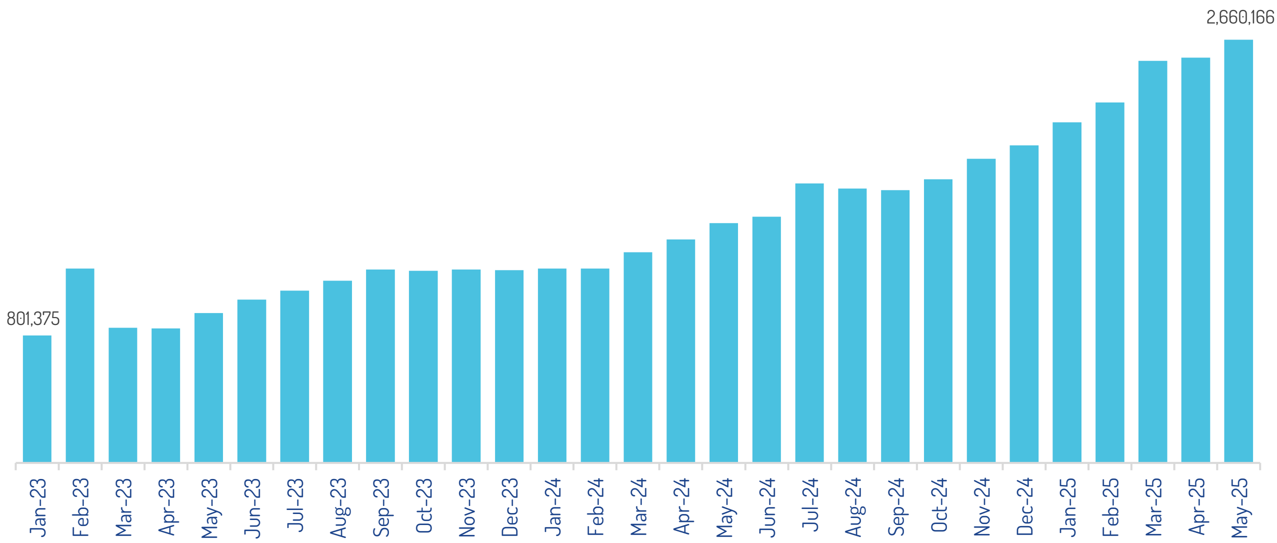
A NATION OF NEW INVESTORS

Inside Ghana's great retail awakening and the frictions testing its promise.

Ama still remembers the day she first became a shareholder. It was mid-2018, the MTN Ghana IPO was on everyone's lips, and for the first time you could buy shares through MoMo. "It felt like buying airtime," she recalls. Ama, a branch officer at a local bank, handled money every day but had never bought a stock herself, until then. When her shares increased in price, she told everyone in her church group. For her, that moment wasn't about profit; it was about belonging to Ghana's economic story.

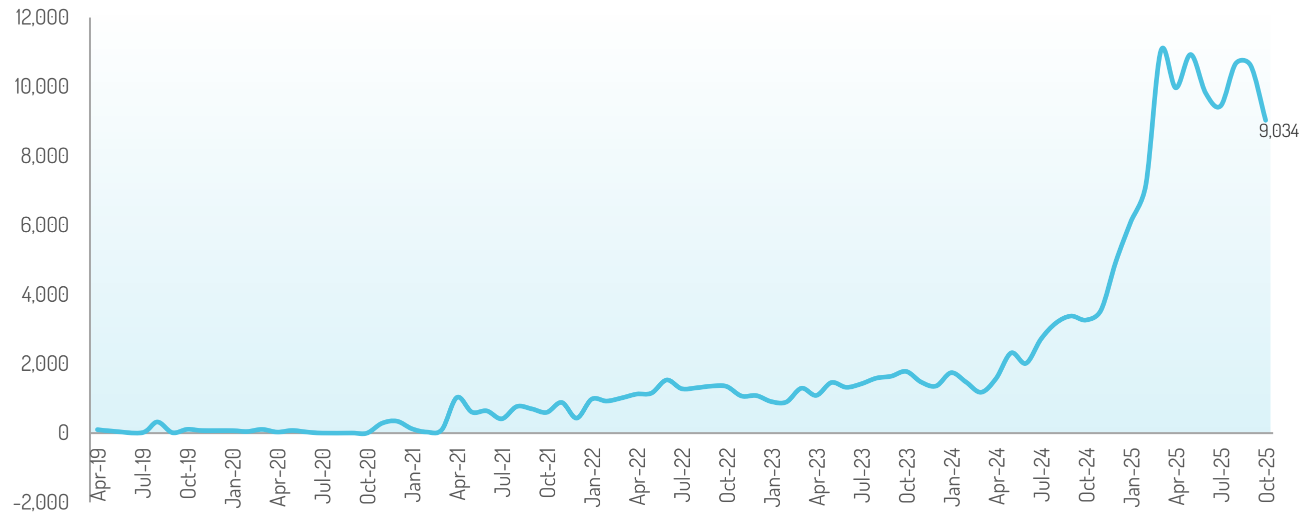
Today, Ama trades through an app. She follows market pages on TikTok, checks the Ghana Stock Exchange (GSE) index between client calls, and swaps ideas in WhatsApp groups. "It's easy," she says, "you just have to know what's moving." She represents a growing tribe of everyday Ghanaians turning to the market. As of May 2025, more than 2.6 million individual accounts had been registered with the Central Securities Depository (CSD), a figure approaching the 4 million Tier 2 pension contributors under the mandatory pension scheme. It reflects a quiet shift as millions of people voluntarily open trading accounts, drawn by the simplicity of a mobile phone rather than regulatory obligation. Yet the headline number only hints at the true depth of participation. Many investors trade through omnibus accounts, pooled structures where brokers execute orders for multiple clients under a single account. These accounts make access easier but blur ownership records, weaken KYC safeguards and expose investors to operational risks they may not fully understand. The real potential of Ghana's retail market will only be realised when onboarding becomes seamless and transparency strengthens across every layer of participation.

Total number of individual equity investors registered at the CSD



CSD

Count of Monthly retail trades by the largest broker

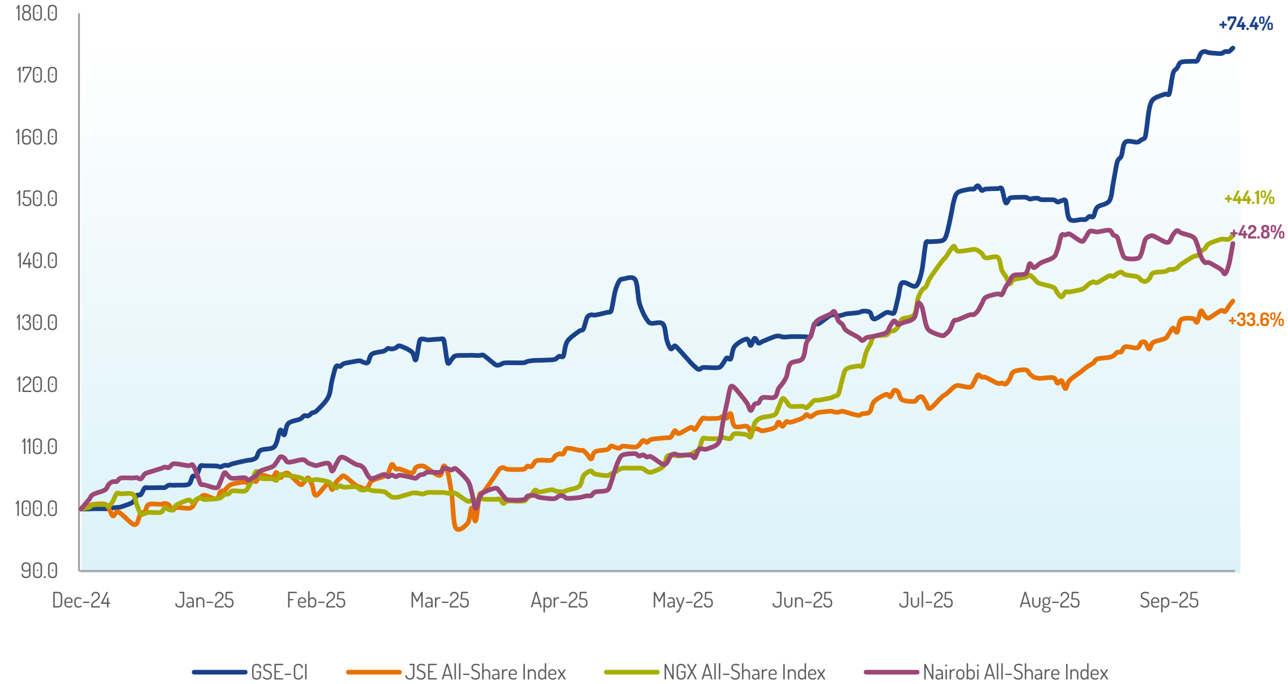


A Market Awakens.

The Ghana Stock Exchange (GSE) has staged an extraordinary comeback, rising about 74 percent in cedi terms as of September 2025, placing it among the continent's best-performing exchanges. This rally is more than a technical rebound. It reflects a market rediscovering its confidence after a painful domestic debt exchange programme.

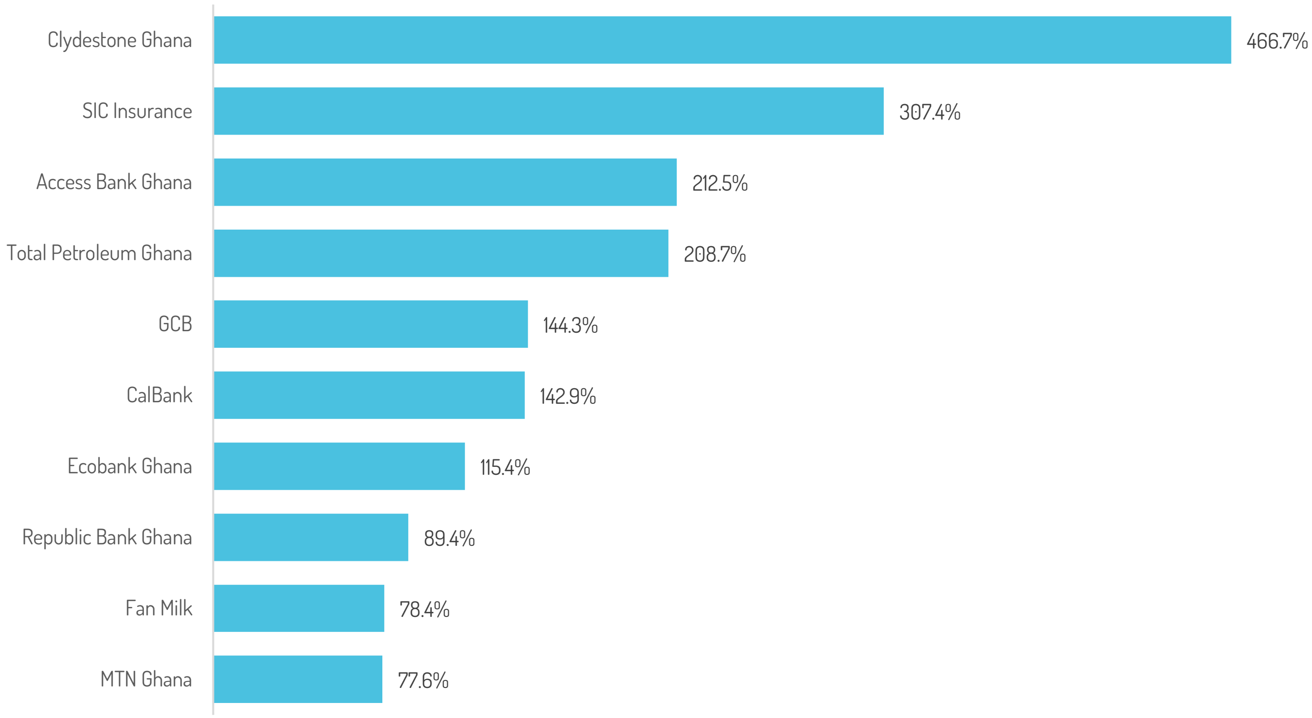
(GSE) ↑

74% CEDI TERMS



Bloomberg

GSE Top 10 Gainers: YTD



ICAMGH Insights desk: 16th October 2025

Several forces have converged. The macro picture has stabilised as inflation has fallen, the cedi has strengthened and yields on short-term government paper have eased after peaking in 2023. With fewer easy returns in treasury instruments, investors are returning to equities, particularly banks and oil marketing companies whose earnings have recovered strongly. A low base after the 2022 to 2023 sell-off has also magnified the rebound.

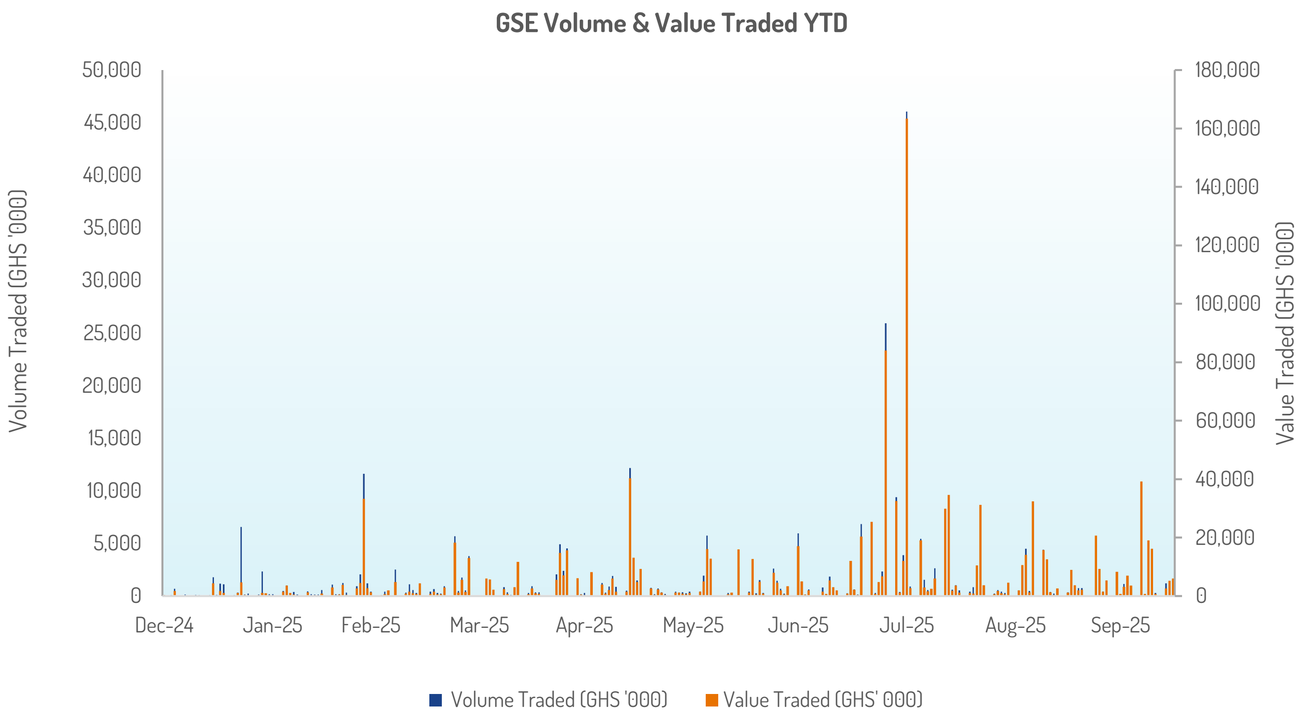
There is a growing sense that policy credibility is improving. The government's fiscal consolidation plan and IMF-supported reforms have signalled discipline, while local pension and mutual funds have gradually rotated into undervalued names.

The rally marks a shift from fear to participation. The market is no longer a place investors avoid but one they are learning to explore again, helped by digital access, improved transparency and a generation of first-time traders who see opportunity where earlier investors saw uncertainty. Yet beneath this recovery, some of the strongest-performing stocks show signs of retail overexuberance, suggesting that parts of the rally may be running ahead of earnings.

Lessons in Liquidity.

The market's new vibrancy hides an old constraint: thin liquidity. Prices often rise not because value improves, but because few are selling.

Ghana Stock Exchange Daily Volume and Value Traded YTD



ICAMGH Insights desk: 16th October 2025

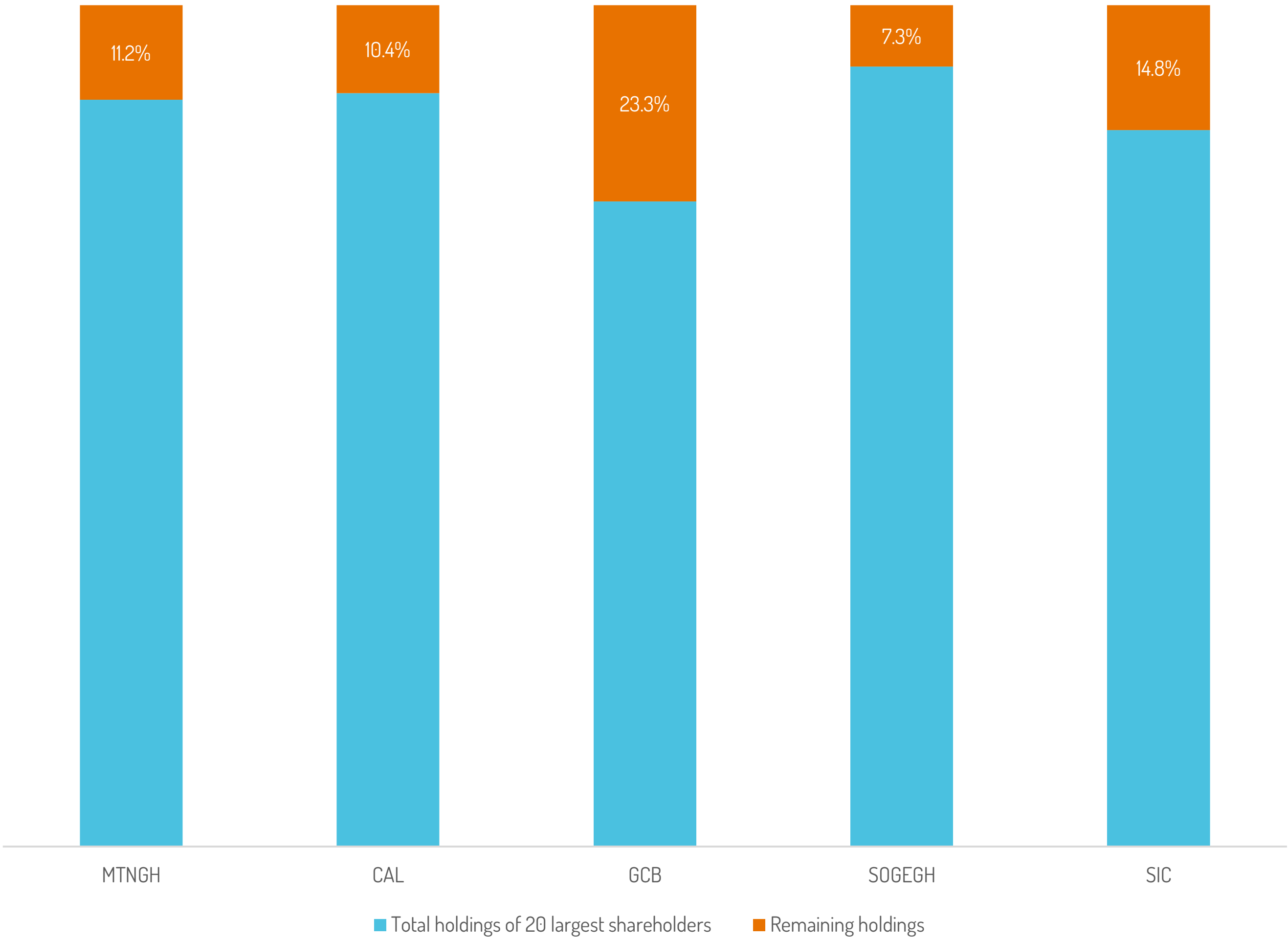
At a recent private-pension conference, the Social Security and National Insurance Trust (SSNIT), the country's largest pension manager, was accused of hoarding shares and refusing to sell. The criticism seemed fair until an official from the state fund calmly replied, "If I sell my stake in these listed companies, what would I buy?" His answer revealed the heart of the problem; a scarcity of investable options that traps capital and freezes turnover.

The same frustration echoes for individuals who invest. One retail investor reportedly called his broker after four months of unfilled sell orders, furious that nothing had been executed. What he missed, as many do, is that every seller needs a buyer.

From the largest pension fund to the individual investor, both sides are stuck in a market with shallow demand. Liquidity, it turns out, isn't just about capital; it's about depth, patience, and trust.

On a recent call with the leadership team of a listed company, a concern was raised that value wasn't being reflected in the share price. The stock was thinly traded because the parent company held nearly 80 percent of the shares, leaving less than 10 percent in public hands once other institutions were accounted for.

Free Float of Top 5 Most Actively Traded Stocks on the Ghana Stock Exchange (Jan – Sep 2025)



ICAMGH Insights desk: December 2024

When asked why the company would not release a portion of their holding to deepen the market float and allow a truer price discovery, the CEO's reply was revealing: "If we release too much, we'll be at the mercy of retail emotions, the price will swing with every headline."

That hesitation captures the quiet fear among many institutional holders: that liquidity might come at the cost of stability. The result is a market where price discovery is constrained by ownership concentration and sentiment risk.

This delicate balance between control and participation defines Ghana's capital market today — cautious at the top, restless at the bottom.

The Gold Rush and Beyond

If equities have stirred curiosity, gold has ignited passion.
The country's decade-old gold ETF, once overlooked, has come alive as prices surge on geopolitical tensions and global unease. Ghana's emergence as Africa's leading gold producer makes the connection personal. Buying the ETF feels like owning a piece of the national story.

GOLD

YTD 62.4%

Social-media timelines now glitter with price charts and "safe-haven" slogans. Retail investors have taken to gold like a craze, rarely pausing to remember that even the yellow metal moves in cycles. One shudders to imagine the mood when it cools.

And just beyond the formal market lies crypto — the frictionless frontier.

According to IMANI, an Accra-based think tank, 17% of Ghanaian adults, some 3.4 million people now trade cryptocurrency. For them, onboarding is instant, returns (on paper) spectacular, and the ecosystem borderless. It proves a simple point: Ghanaians are not risk-averse; they are system-averse. When access is easy, participation explodes.

From MoMo to markets, from gold to crypto, the pattern repeats: the thrill of entry outpaces the patience of understanding.

The New Language of Risk

Before TikTok traders, there were betting slips, the thrill of predicting a score long before the idea of owning a share. The rise of Ghana's retail investing mirrors the explosion of sports betting; both products of cheap data, mobile money, and the constant buzz of social media. Betting was the first digital economy that taught millions how to take risk with a handset.

Scroll through social feeds and the parallels are unmistakable: screenshots of winning tickets sit next to snapshots of trading dashboards. In both worlds, gains are broadcast instantly, and losses quietly vanish. The same dopamine loop that rewards a successful bet now fuels short-term trading. A feedback cycle that celebrates participation more than patience.

Betting culture, for all its critics, normalised risk-taking. It trained a generation to think in probabilities, to live comfortably with uncertainty, and to find entertainment in financial outcomes. That instinct has seemingly migrated to the stock market, where the difference between a wager and an investment is not always philosophical, it's temporal.

Social media completes the loop. It turns both betting and investing into public performances of confidence. Influencers post "stock picks" the way punters share odds, each looking for the same thing, attention, not necessarily alpha. The result is a new retail class fluent in access but still learning restraint. A generation for whom finance feels like a game, even when the stakes are real.

Owning What Comes Next

Institutional investors watch this retail awakening with mixed emotions. Their playbook is slower, built on cash flows and governance rather than group chats and price screens. Both camps are needed; one provides breadth, the other ballast.

The MTN Ghana IPO remains the defining symbol of mass ownership, the day financial inclusion met technology. Yet its legacy underscores a harder truth; inclusion is not the same as comprehension. When markets rise, everyone looks brilliant; when they fall, only understanding, typically not widespread, endures.

If brokers, fund managers, and regulators invest as much in financial education as in digital onboarding, Ghana's retail revolution could mature into conviction, not just excitement. Simplified digital KYC, fractional investing, and joint literacy curriculums, even through our education system, could turn access into genuine inclusion; ownership not only on paper but in principle.

Prices fluctuate. Hype fades. Cycles turn. What lasts is the ability to see a share not as a ticket to quick profit but as a stake in a living business

A Note to Regulators

Regulators could fast-track e-KYC service-level agreements and require brokers to disclose order-fill times and free-float data. Brokers can publish execution-quality stats and embed in-app literacy nudges. Issuers should explore voluntary float-increase programs and structured market-making arrangements. Together, these steps would shift Ghana's market from episodic rallies to durable depth.

Conclusion

A nation of new investors has emerged. The challenge now is to match enthusiasm with understanding, so that ownership endures when the noise fades.

About the Author

Isaac Adomako Boamah is the Chief Executive Officer of IC Asset Managers (Ghana) Ltd and the firm's former Chief Investment Officer. He enjoys connecting the dots through his writing - often looking back into history to make sense of the present and its implications for the future. When he's not immersed in the world of markets, he enjoys shooting hoops on the basketball court or exploring nature through his camera lens.

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