



Message from the CEO  
**INVEST IN YOUR FINANCIAL  
INDEPENDENCE**



Dear clients:

As I spent time with friends and family during the recent Independence Day celebrations, I began to think about the concept of independence, financial independence in particular, and how independent we really are as Ghanaians. Some people erroneously believe that to be financially independent you must be a millionaire. I beg to differ. Financial independence is possible even if you are not a millionaire. Here's why...

Financial independence is about being able to do what you want to do, when you want to do it, while avoiding unnecessary debt. Imagine an individual with one million cedis, but also one million cedis worth of debt. With interest accruing, this person actually has a negative net worth. I would not consider this person to be financially independent. On the other hand, you could have someone who has accumulated one hundred thousand cedis, but has debt of GHC 20,000, for example. This person is actually in a better position to be financially independent than the individual who seems to be a millionaire. This doesn't mean that there aren't millionaires who are financially independent, because there are many. **The key, however, to financial independence, is to make your money work for you.** You have to make every cedi count – whether you have a little or a lot. And investing your money (versus saving it or keeping it in a box at home) is one key step in putting your money to work for you.

### **The power of investing**

Let's quickly look at an example of a young man, Kofi, who would like to accumulate one million cedis in the next 25 years. He doesn't have a lot of money at the moment to take advantage of purchasing real estate as some of his friends have done. He is weighing his options of putting his money in a savings account or investing it. On average a savings account pays 4-6 percent per year, while investment accounts can pay 10, 15, 20, even 30 percent or more per year. Last year, Epack, our flagship mutual fund, returned almost 36%, while the Ghana Stock Exchange returned less than 6%. It is important to remember that equity funds do fluctuate, and may result in some periods of negative performance. However, equity investments have historically outperformed every other asset class.

Here's what these numbers mean to Kofi. If he wants to accumulate one million cedis in the next 25 years in a savings account that is paying 5% interest per year, he would need to invest GHC 1,672 per month. If, however, he invests it in a mutual fund that is giving him an average return of 20% per year, he would only need to invest **GHC 116 per month** to achieve the same target. That is the power of investing in your financial independence.

### **Databank reaches out**

I am, therefore, thrilled to let you know that your ability to invest with Databank has now gotten a lot easier. **Databank has partnered with GTBank to be closer to you.** In a move that marks another first for Databank, the investment industry and an independent commercial bank, you can now visit

select GTBank branches and interact with Databank staff. Similar to our main Databank branches, you will be able to open new investment accounts, top up your mutual fund investments, check your account balances, and even place withdrawal requests. To start, we've set up these "partner locations" in the following GTBank branches: Accra (Airport, East Legon, Osu), Ashaiman, Cape Coast and Tamale. Eventually, we will have these partner locations in all GTBank branches nationwide. In addition, you can also go into any GTBank branch nationwide and top up your Databank mutual fund investments – you just need your Databank account number. GTBank is a strong brand, with an unwavering commitment to putting the customer first, and so we are excited about the benefits to both existing Databank and GTBank clients, as well as new clients who want to enjoy the investing and/or banking at the same time.

As I have mentioned in the past, financial independence is not just a catch phrase at Databank. It's something I personally believe is possible for all Ghanaians. It will take time, it will take education and it will take commitment. At Databank, we're committed to spending the time to educate all Ghanaians on the benefits of investing to help move them toward their financial independence.

On behalf of Databank, I thank you for your continued support and look forward to helping you achieve the financial independence that you deserve. Stay tuned for many more exciting initiatives that we've got in store for you this year. Until next time...

Your Chief Servant,

Kojo Addae-Mensah  
Group CEO, Databank



### Ask the CEO

Do you have a question for the CEO of Databank? He would love to hear it! Send your questions to [ceo@databankgroup.com](mailto:ceo@databankgroup.com). We will post his answers on our website as well as in upcoming letters from the CEO.