

HIGHLIGHTS OF MID-YEAR BUDGET TWENTY EIGHTEEN



Revenue

Full year target:
GHC 51.04b

Where we are:
GHC 17.38b

Revised target:
GHC 50.69b



Expenditure

Full year target:
GHC 62.10b

Where we are:
GHC 23.76b

Revised targets:
GHC 61.66b

BREAKDOWN OF EXPENDITURE

Capital expenditure:
Initial: **6.90b**
Revised: **6.39b**

Recurrent expenditure:
Initial: **54.25b**
Revised: **54.41b**

KEY EXPENSES AS A PERCENTAGE OF DOMESTIC REVENUE

Employee compensation
Initial: **38.8%**
Revised: **39.5%**

Interest payments
Initial: **29.6%**
Revised: **30.2%**

Statutory allocations
Initial: **23.9%**
Revised: **24.4%**

Goods & services
Initial: **7.0%**
Revised: **7.4%**

Selected year-end macroeconomic targets

GDP		Headline inflation	Fiscal deficit (% of GDP)	Primary balance (% of GDP)	Gross reserves (months of import)
Overall	Non-oil				
FULL YEAR TARGET					
6.8%	5.4%	8.9%	4.5%	+1.6%	≥ 3.5
WHERE WE ARE					
6.8% <small>As at Q1 2018</small>	5.4% <small>As at Q1 2018</small>	10.0% <small>As at June 2018</small>	2.6% <small>As at May 2018</small>	-0.4% <small>As at May 2018</small>	4.4% <small>As at May 2018</small>
REVISED TARGETS					
6.8%	5.4%	8.9%	4.5%	+1.7%	≥ 3.5

New tax measures:

- **Luxury vehicle levy** on vehicles with engine capacities of 3.0 litres and above
- **Review of personal income tax** to include an additional band of GHC 10,000 and above per month at a rate of 35%
- **Conversion of GETFund value added tax** rate of 2.5% to a straight levy of 2.5%
- **Conversion of National Health Insurance levy** of 2.5% to a straight levy of 2.5%

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