



Key Economic Indicators	2022	2023	2024*	2024F
Headline Inflation (%)	54.1	23.2	23.2	15.0
Monetary Policy Rate (%)	27.0	30.0	29.0	
GDP Growth Rate (%)	3.7	2.0	2.0	2.8
FX Reserves (\$bn)	6.2	5.2	5.9	-
FX Reserves Cover (Months)	2.7	2.4	2.7	3.0

*Provisional figures

Treasury Bill Auction

The Treasury Bill Auction witnessed an oversubscription of GH¢ 1,392 million, equivalent to 41.16% of the target. GH¢ 4.759 billion was approved against a target of GH¢ 3.383 billion and a maturing debt of GH¢ 3.172 billion. The weighted average interest rates for the 91-day, 182-day, and 364-day tenors were 26.00% (-50bps), 28.50% (-50bps), and 29.01% (-50bps) respectively.

Ghana's reserves dip to \$6.1bn; import cover declines to 2.8 months

Ghana's gross international reserves fell to \$6.19 billion in February 2024 from \$6.31 billion in January. The country's trade surplus shrank by 54% to \$392.8 million due to a smaller cocoa harvest, leading to lower cocoa export revenue of \$508.4 million. Adverse weather and other factors have reduced cocoa production, with the harvest for 2023-2024 expected to be 650,000 to 700,000 tons, down from an initial forecast of 850,000 tons.

Cedi records 6.2% average depreciation loss in value to dollar, pound and euro in Q1 2024

The Ghanaian Cedi experienced an average depreciation of 6.2% against major currencies like the dollar, pound, and euro, according to the latest data from the Bank of Ghana. In March 2023, the cedi was valued at GHS 12.74 to \$1, marking a year-to-date depreciation of 6.8%. Depreciation rates against the dollar for January, February, and March were 1.3%, 4.7%, and 6.8% respectively. Despite this, there's a notable reduction in the cedi's depreciation compared to the previous year. The cedi's depreciation against the pound and euro followed similar trends, with significant reductions year-on-year. Despite this, Bloomberg ranks the cedi as the third weakest currency in Africa due to its year-to-date depreciation against the dollar.

Zimbabwe to keep local dollar despite losses, revamp plans

Zimbabwe intends to retain its local currency despite its consistent depreciation against the US dollar. Finance Minister Mthuli Ncube underscores the importance of having a domestic currency for transactions and monetary policy. The Zimbabwean dollar's value has plummeted below 20,000 against the US dollar, sparking concerns about its future. Consultations are ongoing for currency reform, potentially involving gold backing. The delay in releasing a monetary policy statement aims to ensure careful planning. Zimbabwe's currency has sharply declined by 70% against the US dollar this year. Additionally, the country plans to engage with the IMF in June to address economic challenges and stabilize the exchange rate.

Oil prices rise as heightened geopolitical risk exacerbates supply concern

Oil prices rose in early Asian trading on Monday on concern over tighter global supply brought about by escalating conflict in the Middle East and between Russia and Ukraine, while a shrinking U.S. rig count added to upward price pressure. Brent crude futures had climbed 24 cents, or 0.3%, to \$85.67 a barrel at 0029 GMT. U.S. crude futures gained 25 cents, or 0.3%, to \$80.88 per barrel. Both benchmarks logged less a than 1% change last week versus the previous week.

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Sources: Bank of Ghana, Ministry of Finance, Bloomberg, Reuters, dmarketforces.com, norvanreports.com, citibusinessnews.com, cnbc.com, Graphic.com.gh