



Key Economic Indicators	2022	2023	2024*	2024F
Headline Inflation (%)	54.1	23.2	25.8	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¢ 505 million, equivalent to 17.07% of the target. GH¢ 3.465 billion was approved against a target of GH¢ 2.960 billion and a maturing debt of GH¢ 2.734 billion. The weighted average interest rates for the 91-day, 182-day, and 364-day tenors were 25.45% (-10bps), 27.40% (-25bps), and 28.00% (-25bps) respectively.

### Bulk Oil Distribution Companies purchase \$20m at GHS 13.86/\$1 from Central Bank

The Bank of Ghana (BoG) held a forex forward auction with Bulk Oil Distribution Companies (BDCs) on April 30, 2024, where BDCs acquired \$20 million at a rate of GHS 13.86 per US dollar. This move aimed to stabilize the forex market, with 10 companies submitting bids between GHS 13.22 and GHS 13.60.

The transaction supports the downstream oil sector by ensuring foreign exchange availability for fuel imports, thereby helping to control fluctuations in retail fuel prices. This stability in pricing offers assurance to consumers and industry stakeholders.

The BoG's strategic action underscores its commitment to a robust and efficient forex market, crucial for economic growth. By providing BDCs with a reliable source of foreign currency, the central bank seeks to strengthen the oil distribution industry and foster a conducive environment for sustainable economic development.

### NPA to engage Finance Ministry on possible reduction of taxes on LPG

Ghana's National Petroleum Authority (NPA) is discussing with the Ministry of Finance to reduce taxes on Liquefied Petroleum Gas (LPG), aiming to make it more affordable and accessible. This initiative aligns with the government's goal to increase LPG use to 50% by 2030. Current taxes account for nearly a quarter of LPG's retail price, significantly impacting consumers. The NPA's focus on promoting LPG use reflects health and environmental concerns associated with traditional fuels like charcoal and firewood. The proposed Cylinder Recirculation Model (CRM) aims to streamline LPG distribution, reduce costs, and create employment. The strategy also involves establishing LPG cylinder bottling plants across key locations. This comprehensive approach signals Ghana's commitment to sustainable energy transitions and socioeconomic development.

### Nigeria's debt rating outlook lifted to positive by Fitch amid reforms

Fitch Ratings raised Nigeria's credit rating outlook to positive from stable, citing faster-than-expected reform progress under President Bola Tinubu. The agency affirmed Nigeria's long-term foreign-currency issuer default rating at B-. Tinubu's reforms include reducing fuel and electricity subsidies and allowing the naira to trade more freely, leading to a 70% depreciation and improved government revenue. These changes have boosted investor confidence, with Nigerian stocks reaching record highs and dollar bond yields dropping. The government aims to increase its tax-to-revenue ratio to 18% of GDP, reduce the debt service-to-revenue ratio to 45%, and manage the public debt, which has risen seven-fold since 2015. However, challenges remain due to high inflation and a 600 basis-point rise in local interest rates

### U.S. crude oil falls to \$79 a barrel, seven-week low as stockpiles surge on lackluster demand

U.S. crude oil sold off to the lowest level since March 12. West Texas Intermediate has fallen 9% from its closing high for the year of \$86.91 a barrel when traders bid up prices in April on war fears in the Middle East. U.S. commercial crude oil stockpiles, which exclude the Strategic Petroleum Reserve, surged by 7.3 million barrels to 461 million barrels total last 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