



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 undersubscription of GH¢ 31 million, equivalent to 0.91% of the target. GH¢ 3.341 billion was approved against a target of GH¢ 3.372 billion and a maturing debt of GH¢ 3.167 billion. The weighted average interest rates for the 91-day, 182-day, and 364-day tenors were 25.65% (-9bps), 28.90% (-24bps), and 28.48% (-25bps) respectively.

### Fitch Solutions forecasts end-year cedi to dollar rate of GH¢12.25; currency depreciates 11% to dollar.

Fitch Solutions forecasts the Ghanaian cedi to reach GH¢12.25 per US dollar by year-end, suggesting a recovery from its 11% depreciation in 2024. Concerns over debt restructuring and the strong US dollar contributed to the cedi's decline, while low international reserves limit the central bank's capacity to stabilize the currency.

Despite setbacks, Ghana's Finance Minister, Dr. Mohammed Amin Adam, noted progress in restructuring, hinting at a possible mid-2024 debt deal. Fitch expects that this could boost investor confidence, leading to a stronger cedi in the latter half of the year. Currently, the cedi trades at about GH¢12.85 per US dollar in retail markets.

### T-Bill financing of Ghanaian economy and high-interest rates happening as expected – IMF says

IMF Mission Chief to Ghana, Stephane Roudet, said that the government's reliance on Treasury Bills for financing is expected due to its loss of access to international capital markets and restructuring of medium and long-term debt. As inflation drops, the Bank of Ghana can lower interest rates, reducing borrowing costs. Despite high rates, real interest rates—adjusted for inflation—are not excessive given the drop from 55% to 25%.

Roudet noted that the IMF program is on track, with further declines in inflation expected to create more room for reducing interest rates, helping stabilize government finances.

### Ghana-Cote d'Ivoire establish CIGCI secretariat in Accra to boost joint cocoa sector growth initiative

Ghana and Cote d'Ivoire, responsible for 65% of the world's cocoa, have established a joint initiative, the Côte d'Ivoire-Ghana Cocoa Initiative (CIGCI), to support cocoa farmers and address industry challenges. The CIGCI aims to ensure fair prices, promote cocoa processing and consumption, advocate for member interests, foster innovation, share cocoa-related information, and harmonize production policies.

With headquarters in Accra, Ghana, the CIGCI intends to reshape the cocoa sector to benefit farmers and the environment, moving toward a more sustainable cocoa economy.

### Nigeria eyes \$2 billion bailout loan from the World Bank

Nigeria's Minister of Finance, Wale Edun, announced that Nigeria qualifies for a \$2 billion World Bank loan with favorable terms: a 40-year duration, a 10-year moratorium, and a one percent interest rate. This loan is meant to address Nigeria's financial challenges.

Nigeria has also received budgetary support from the African Development Bank and is in talks with foreign direct investors for additional funding.

Nigeria aims to raise its tax-to-GDP ratio from 10% to 18% through a new tax reform committee.

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