



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 under subscription of GH¢ 247 million, equivalent to 8.81% of the target. GH¢ 2.561 billion was approved against a target of GH¢ 2.808 billion and a maturing debt of GH¢ 2.638 billion. The weighted average interest rates for the 91-day, 182-day, and 364-day tenors were 25.73% (-2bps), 28.23% (-2bps), and 28.84% (-1bps) respectively.

### Gov't exceeds Q1 2024 T-Bill borrowing target by 24.8%

In Q1 2024, Ghana exceeded treasury bill borrowing targets by 24.8%, raising GH¢24.6 billion amid strong investor interest. Despite initial inflation concerns, yields declined significantly. Regulatory adjustments may temper bidding activity. Ghana's yields remain highest in key African markets, but recent dip in demand signals changing sentiment. Analysts foresee softened demand and slower yield declines ahead, urging stakeholders to adapt to evolving market conditions.

### Zimbabwe becomes first country to use a new currency backed by gold.

The Reserve Bank of Zimbabwe has launched a new gold-backed currency called ZiG to stabilize the economy and protect citizens from currency fluctuations and high inflation. Introduced by Central Bank Governor John Mushayavanhu, ZiG aims to replace the depreciating Zimbabwean dollar, with a 21-day period for citizens to convert old cash into the new currency. The US dollar will remain legal tender during this transition. The new currency will be available in denominations of 1, 2, 5, 10, 50, 100, and 200 ZiG, with coins also backed by Zimbabwe's gold reserves. While the move is expected to instill confidence leveraging gold reserves, experts question the adequacy of reserves and potential volatility in gold prices.

### Gold poised to hit \$3,000 per ounce as upcoming Fed rate cuts occur, top economist David Rosenberg says.

Despite a record-breaking stock market, gold prices have also surged to historic levels, reaching \$2,328.7 per ounce. An economist predicts that the momentum could drive gold prices to \$3,000, marking a 30% increase. This rise comes despite dollar strength, falling inflation expectations, and a Fed stance favoring prolonged higher interest rates, factors that would typically suppress gold prices.

### The US economy grew by a solid 3.2% in the fourth quarter, slightly lower than the government's initial estimate.

The U.S. economy grew at a solid 3.2% annual pace in the fourth quarter, slightly lower than initially estimated. This growth was driven by healthy consumer spending, with GDP slipping from the previous quarter's 4.9%. Despite the downgrade, the economy has seen six consecutive quarters of growth exceeding 2%, defying recession fears amid high interest rates. For all of 2023, the economy grew by 2.5%, surpassing 2022's growth rate of 1.9%. Notably, consumer spending increased by 3%, while state and local government spending rose by 5.4%, the fastest pace since 2019. Growing exports also contributed to the fourth-quarter growth.

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