Keynote Address
by
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Invest Africa in partnership with Standard Chartered
Corporate Leaders

Good morning, distinguished guests, partners, and colleagues.

Let me begin by extending my sincere thanks to Invest Africa and Standard Chartered for their kind invitation and for organizing this timely roundtable on the sidelines of the African Development Bank Annual Meetings. It is a privilege to address such a distinguished audience of investors, policymakers, and global financial leaders at this pivotal time in Africa's economic trajectory.

Allow me also to commend Ms. Chantele Carrington, Chief Executive Officer of Invest Africa, and the leadership of Standard Chartered for your continued commitment to bridging Africa's capital needs with global investment flows. Your efforts to create a collaborative platform like this where ideas meet implementation and finance meets reform are deeply appreciated.

This roundtable's theme, "De-risking Growth: Building Confidence in African Sovereign Finance," captures the essence of what our continent needs at this critical juncture: not just capital, but confidence grounded in sound policies, credible institutions, and a shared commitment to long-term transformation.

Ghana's Economic Turnaround

Ladies and gentlemen,

At the start of 2025, Ghana was at an economic crossroads. Inflation was elevated, the cedi had depreciated significantly the year before, and investor sentiment remained fragile. Fiscal consolidation had begun, but pressures were mounting. There was understandable scepticism about whether we could turn the corner quickly.

But today, I am pleased to report that the tide is turning.

With renewed leadership at both the Bank of Ghana and within Government, we have implemented a coordinated macroeconomic stabilization strategy focused on three anchors: restoring stability, rebuilding market confidence, and laying the foundations for sustained growth.

Let me highlight a few key indicators that reflect the turnaround now underway:

- Real GDP growth for 2024 came in stronger than projected at 5.7%, led by services and industry. For 2025, we expect a steady expansion of 4.0%, even amidst external headwinds.
- The Ghana cedi has appreciated by 21.5% year-to-date, reversing the sharp 19.2% depreciation in 2024—a powerful signal of improving fundamentals and policy credibility.
- Inflation has eased from 23.8% in December 2024 to 21.2% in April 2025, driven by tight monetary policy, exchange rate stability, and a broad moderation in price pressures.
- Gross international reserves have climbed to US$10.67 billion, equivalent to 4.7 months of import cover, offering a meaningful cushion against external risks.
- We posted a strong trade surplus of US$4.14 billion in the first four months of 2025 and a current account surplus of US$2.12 billion in Q1, underpinned by robust gold and cocoa exports.

These gains are not accidental, they reflect deliberate action.

At the Bank of Ghana, we have maintained a tight monetary policy stance, strengthened liquidity management through active Open Market Operations, and reinforced policy signalling. We are also working in close coordination with the Ministry of Finance to ensure fiscal alignment with our disinflation and stabilization objectives.

On the fiscal front, the Government is implementing deep expenditure controls and domestic revenue mobilization reforms to support debt sustainability. These efforts have been bolstered by our recent Staff-Level Agreement with the IMF under the Fourth Review of the Extended Credit Facility programme and the sovereign credit rating upgrade by S&P from Selective Default to CCC+.

This broad-based macroeconomic reset is helping to re-anchor expectations, restore fiscal and institutional credibility, and create an enabling environment for investment.

Confidence as Currency

Distinguished participants,

Ghana's recovery journey is still unfolding, but one thing is clear: we are back on a credible path. We fully understand that in global finance, trust is the real currency and it must be earned through consistency, transparency, and reform-minded leadership.

We are under no illusions. Stabilization is only the beginning. What lies ahead is the more complex challenge of sustaining confidence, mobilizing long-term capital, and financing our development without undermining our hard-won gains.

As we deepen structural reforms in financial intermediation, public sector governance, and investment climate improvements, we welcome private investors to become partners in Ghana's long-term economic transformation.

This roundtable represents exactly the kind of engagement we need, direct data-driven, and reform-oriented to unlock greater flows of sustainable finance across the continent.

Monetary Policy Clarity and Outlook

Distinguished guests,
One of the most powerful signals a central bank can send to markets is policy consistency, especially during periods of uncertainty. In this spirit, at its most recent meeting held just days ago, the Monetary Policy Committee (MPC) of the Bank of Ghana unanimously voted to maintain the policy rate at 28%.

This decision was grounded in a clear and focused objective: to consolidate the gains in disinflation while maintaining confidence in Ghana's macroeconomic framework. Inflation has declined from 23.8% at the end of 2024 to 21.2% in April 2025. While we recognize that risks remain — including food supply constraints and external commodity price volatility — we are seeing steady improvement in core inflation metrics and inflation expectations.

Our approach is forward-looking but cautious. The current tight monetary stance will be maintained until inflation expectations are fully re-anchored and headline inflation returns sustainably toward our medium-term target of 8 ± 2 percent.

We have also initiated important structural reforms in our liquidity management operations. We are transitioning away from passive instruments like the unremunerated Cash Reserve Ratio to a more active Open Market Operations (OMO) regime. This shift is not just technical — it will:

- Enhance transmission of monetary policy,
- Improve liquidity control, and
- Create space for targeted credit expansion to the private sector, especially as inflation continues to moderate.

In short, the direction of monetary policy in Ghana today is disciplined, transparent, and data-driven — qualities that are essential for market trust and sustainable capital inflows.

Cedi Stability

Understandably, many investors and observers are asking: *Can the cedi's current strength hold?* Let me address that directly.

As of May 20, 2025, the Ghana cedi has appreciated by 21.5% year-to-date — a remarkable reversal from the 19.2% depreciation experienced in 2024. But this appreciation is not speculative, not artificial, and not temporary. It is grounded in fundamentals.

A few key drivers:

- Robust foreign exchange inflows from exports, particularly gold, which has surged to over US$3,200/oz due to global uncertainty.
- The Gold-for-Reserve programme, which has enhanced BoG's ability to accumulate reserves while reducing pressure on open-market dollar purchases.
- A current account surplus of US$2.12 billion in Q1 2025, and strong net reserve accumulation — now at US$10.67 billion.

- Stable remittance flows, supported by structural reforms and improved transfer systems, even as external risks like a proposed U.S. remittance tax and slowing global growth loom.

Even as we remain vigilant, we believe the cedi is entering a new phase of anchored stability. Yes, global dynamics including a possible rebound in the U.S. dollar or an easing of gold prices could soften external support. But Ghana's domestic policy stance is strong enough to cushion such shifts.

Consider this: inflation is declining, reserves are rising, fiscal policy is tightening, and real sector growth is holding steady. These are the fundamentals that give currency markets direction and they are now moving in Ghana's favour.

We are also enforcing foreign exchange market regulations more rigorously. The days of unmonitored FX transactions, speculative arbitrage, and opaque flows are behind us. We are building a market where FX pricing is fair, flows are transparent, and capital is respected.

To those still holding dollars in anticipation of a return to old patterns of depreciation, I will say this plainly: The market has changed. The narrative has changed. And the policy environment has changed.

The cedi's performance is not an illusion it is a reflection of real reforms, real discipline, and real resilience.

Investment Case for Ghana – Stability Meets Opportunity

Ladies and gentlemen,
The Ghanaian economy is not only stabilizing — it is opening up for quality investment. As confidence returns to our macroeconomic environment, we are seeing a clear window to reposition Ghana as a preferred investment destination in West Africa.

Let me briefly outline why.

First, we now have policy stability. Ghana's economic strategy is anchored on monetary discipline, fiscal prudence, and structural reform. This is not just about meeting IMF programme conditions; it's about restoring credibility, rebuilding buffers, and laying the foundation for resilient, inclusive growth. The consistency of our recent policy moves from inflation targeting to FX market reform reflects this deeper shift.

Second, our real sector fundamentals are strong. We recorded 5.7% GDP growth in 2024, and we are on track for 4.0% growth in 2025, even in a globally uncertain environment. Recovery in private sector credit, improving consumer demand, and expanding export earnings — particularly from gold, cocoa, and services — all point to a more diversified and opportunity-rich economic base.

Third, our financial sector is stable and improving. Capital Adequacy Ratios have strengthened, reaching 15.8% in April 2025 even without regulatory relief. Liquidity levels are improving, and though non-performing loans remain elevated (23.6%), the effective provisioning of losses and BoG's close supervisory role are helping restore resilience. We are also investing in digital finance, payments interoperability, and fintech innovation — not only to boost financial inclusion but to enhance systemic efficiency.

But beyond the numbers, what truly makes Ghana stand out is its readiness to partner with private capital. We are developing opportunities across several key sectors:

- Green energy and sustainable infrastructure aligned with Ghana's climate transition goals;
- Digital innovation and fintech, building on the success of platforms showcased at the recent 3i Africa Summit;
- Light manufacturing, logistics, and agribusiness, with potential linkages to regional value chains under the AfCFTA framework.

Investors are not just looking for returns — they are looking for stability, governance, and strategic alignment. Ghana offers all three — and we are building the institutions to keep it that way.

Regional and Continental Outlook

As we look beyond Ghana, it is vital to recognize the broader opportunity for regional financial integration and continental collaboration.

Central banks across Africa are increasingly playing a dual role: not only as guardians of price and financial stability, but also as enablers of cross-border investment and payment system efficiency. This evolution is essential if Africa is to unlock its full economic potential.

At the Bank of Ghana, we strongly support:

- Interoperable payment systems that reduce transaction costs and enhance intra-African trade;
- Standardized regulatory frameworks to support fintech expansion and investment mobility;
- And cooperative frameworks for managing regional risks and coordinating financial stability responses.

Under the African Continental Free Trade Area (AfCFTA), we see immense potential to boost trade, industrialization, and investment flows. But this must be underpinned by credible macroeconomic management, harmonized regulations, and reliable data frameworks — areas where central banks have a critical leadership role to play.

Africa's financial future depends not only on external capital but on the ability of our institutions to manage and multiply that capital effectively. Ghana is ready to contribute actively to that collective mission.

Closing Remarks

Ladies and gentlemen,

In a world marked by volatility and fragmentation, it is entirely reasonable for investors to seek clarity, stability, and accountability. Today, Ghana offers all three. Our macroeconomic fundamentals are stabilizing. The cedi is strengthening. Inflation is easing. Fiscal and monetary policies are aligned. And most importantly, our institutions are focused on delivering predictable outcomes anchored in reform, transparency, and resilience.

To our investor partners gathered here, let me be clear: the Ghana opportunity is not theoretical it is real, it is unfolding, and the time to engage is now. We are committed to partnerships that are long-term, anchored in shared value, and underpinned by policy consistency.

We believe in responsible capital, in co-creating solutions that support inclusive growth, and in de-risking through governance, not just guarantees.

Let me, in closing, express my deep appreciation to Invest Africa, Standard Chartered, and all our partners for convening this timely dialogue. This roundtable is not just a forum for ideas, it is a catalyst for action. I look forward to the conversations ahead and to the enduring investment relationships that will emerge from today's engagement.

Thank you once again, and may our shared efforts continue to chart a path of confidence, opportunity, and prosperity for Ghana and Africa.

End.