



BANK OF GHANA

MONETARY POLICY REPORT

November 2025

The Monetary Policy Report highlights the economic and financial sector assessments that the Monetary Policy Committee (MPC) considered prior to the policy decision during the 126th meetings held on November 24-26, 2025.

Monetary Policy Objective in Ghana

The primary objective of the Bank of Ghana is to ensure stability in the general level of prices which has been defined as maintaining inflation over the medium term, within a band of 8 ± 2 percent. Without limiting the primary objective, the Bank is also expected to support the general economic policy of the government, promote economic growth and development, foster the effective and efficient operation of the banking and credit system; and contribute to the promotion and maintenance of financial stability.

Monetary Policy Strategy

To achieve the objective of price stability, Bank of Ghana has been granted operational independence to use whichever policy tools it sees appropriate to stabilise inflation around the target band. The Bank of Ghana's framework for conducting monetary policy is Inflation Targeting (IT), in which the central bank uses the Monetary Policy Rate (MPR) as the primary policy tool to set the monetary policy stance and anchor inflation expectations in the economy.

The MPC Process

The MPC is a statutorily constituted body established by the Bank of Ghana (Amendment) Act, Act 2016 (Act 918) to formulate monetary policy. The MPC consists of seven members – five from the Bank of Ghana (including the Governor who is the Chairman) and two external members appointed by the Board of the Bank. The MPC meeting dates are determined at the beginning of each year. The MPC meets bi-monthly to assess economic conditions and risks to the inflation outlook, after which a policy decision is made on positioning the MPR. Each decision signals a monetary policy stance of tightening (increase), easing (decrease) or no change (stay put). The policy decision is arrived at by consensus with each member stating reasons underlying a preferred MPR decision. Subsequently, the decision is announced at a press conference held after each MPC meeting and a press release issued to financial markets and the public.

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Table of Contents

OVERVIEW OF KEY CONSIDERATIONS OF THE COMMITTEE	2
1. GLOBAL ECONOMIC DEVELOPMENTS.....	3
1.0 HIGHLIGHTS.....	3
1.1 GLOBAL GROWTH DEVELOPMENTS.....	3
1.2 GLOBAL PRICE DEVELOPMENTS.....	3
1.3 GLOBAL FINANCIAL MARKET DEVELOPMENTS	4
1.4 CURRENCY MARKETS.....	5
1.5 GLOBAL ECONOMIC OUTLOOK AND RISKS	7
2. EXTERNAL SECTOR DEVELOPMENTS.....	8
2.0 HIGHLIGHTS.....	8
2.1 COMMODITY PRICE TRENDS	8
2.2 TRADE BALANCE.....	9
2.5 INTERNATIONAL RESERVES.....	10
2.6 EXTERNAL SECTOR OUTLOOK.....	10
3. REAL SECTOR DEVELOPMENTS.....	11
3.0 HIGHLIGHTS.....	11
3.1 ECONOMIC GROWTH	11
3.2 TRENDS IN REAL SECTOR INDICATORS.....	11
3.3 LABOUR MARKET ACTIVITY	12
3.4 COMPOSITE INDEX OF ECONOMIC ACTIVITY	13
3.5 CONSUMER AND BUSINESS SURVEYS.....	13
4. MONETARY AND FINANCIAL DEVELOPMENTS.....	17
4.0 HIGHLIGHTS.....	17
4.1 DEVELOPMENTS IN MONETARY AGGREGATES.....	17
4.2 RESERVE MONEY	19
4.3 DEPOSIT MONEY BANKS CREDIT DEVELOPMENTS	20
4.4 MONEY MARKET DEVELOPMENTS.....	21
4.5 STOCK MARKET DEVELOPMENTS.....	22
4.6 CONCLUSION	22
5. BANKING SECTOR DEVELOPMENTS AND MACROPRUDENTIAL RISK ASSESSMENT.....	24
5.0 HIGHLIGHTS.....	24
5.1 BANKS' BALANCE SHEET	24
5.2 CREDIT RISK	27
5.3 FINANCIAL SOUNDNESS INDICATORS	28
5.4 CREDIT CONDITIONS SURVEY	31
5.5 MACROPRUDENTIAL RISK ASSESSMENT.....	32
5.6 CONCLUSION AND OUTLOOK.....	35
6. PRICE DEVELOPMENTS.....	36
6.0 HIGHLIGHTS.....	36
6.1 DOMESTIC PRICE DEVELOPMENTS	36
6.2 INFLATION RISK ASSESSMENT AND OUTLOOK	38
APPENDIX.....	39

Overview of Key Considerations of the Committee

Global growth held steady, but the outlook remains fragile amid persistent uncertainty. Global inflation continued to ease generally, however, progress towards inflation targets varied across regions. Financial conditions have eased, supported by corporate valuations and falling volatility. In the local FX market, the cedi recovered in October, supported by Bank of Ghana FX intermediation.

On the domestic front, Ghana's economy continued to demonstrate robust growth in the second half of 2025. The latest provisional data from the Ghana Statistical Service showed that the Monthly Indicator for Economic Growth (MIEG) for August 2025 grew by 5.1 percent, compared to a growth of 4.9 percent in August 2024. The latest high frequency real sector indicators pointed to a sustained pickup in economic activity in September 2025. Consumer and business confidence also remained strong, in line with improving macroeconomic conditions.

Headline inflation continued its downward trend, with broad-based declines across both food and non-food categories. This disinflation has been driven primarily by tight monetary policy, ongoing fiscal consolidation efforts and strong recovery of the cedi. Staff projections suggest a strong likelihood that inflation will continue easing into the fourth quarter of 2025.

The external sector maintained a strong performance in the first nine months of 2025. The current account posted a large surplus, fueled by a surge in the trade surplus and high private transfers, leading to a notable increase in gross international reserves.

The cedi recovered sharply in October 2025. This was in spite of high demand pressures and was mainly due to the new FX operations framework, most notably the FX intermediation introduced in October. In the outlook, the cedi is expected to remain stable in the near term, supported by the implementation of the new FX operations framework, strong reserve build-up, positive sentiment from the recent budget statement and a positive credit rating sentiment.

Monetary developments in October 2025 continued to reflect a tight monetary policy stance and active liquidity management. Broad money (M2+) and reserve money growth moderated sharply on account of contracting Net Domestic Assets and slower accumulation of Net Foreign Assets, primarily due to reduced net claims on Government, reduced claims on DMBs, and intensified sterilisation operations. Nominal credit growth remained muted but real private sector credit posted a modest expansion. On the money market, short-term interest rates declined significantly on a year-on-year basis in line with the reduction in policy rates and improved market liquidity, while medium- to long-term yields remained stable. The GSE Composite Index recorded notable gains while market capitalization increased.

The banking sector continued to demonstrate resilience, as assets growth remained strong. However, growth in the banking industry assets in October 2025 moderated mainly on the back of appreciation of the Ghana cedi. Financial Soundness Indicators (FSIs), except for those for core liquidity, recorded an improvement in October 2025 relative to the same period in 2024. Profitability remains strong and solvency has improved significantly. However, liquidity in the industry declined. The industry's Non-Performing Loans (NPLs) ratio improved though asset quality remained a challenge. In the outlook, the sector's performance would depend on banks' adherence to recapitalisation plans and full implementation of the new NPL guidelines introduced by Bank of Ghana. Meanwhile, the macro-prudential risk assessment has indicated that systemic risks have generally moderated.

Taking into account the favourable prospects for inflation, the high real interest rates, and the need to drive up private sector credit to support non-oil growth, the MPC, by a majority decision, voted to ease the policy rate by 350 basis points.

1. Global Economic Developments

1.0 Highlights

Global growth held steady despite major policy shifts, but the outlook remains fragile, and risks are tilted to the downside. Global headline inflation continues to ease gradually, though progress remains uneven across regions. Financial conditions have eased, supported by corporate valuations and falling volatility. In the local FX market, the cedi recovered in October, supported by BoG FX intermediation.

1.1 Global Growth Developments

Global trade developments continue to shape the growth outlook in the near term. Despite major trade policy shifts and increased uncertainty, growth downgrades were modest. This reflects the effect of trade deals negotiated by the U.S. with various countries, multiple exemptions by the U.S. and the fact that most countries refrained from retaliation. Also, the private sector proved agile, front-loading imports and speedily re-routing supply chains. The easing of financial conditions, a weaker dollar and fiscal stimulus in some countries (e.g., China, the Euro Area) as well as surging artificial intelligence (AI) investments supported global activity. Reflecting these conditions, the IMF now projects global growth at 3.2 percent in 2025 and 3.1 percent in 2026. The outlook, however, remains fragile, and risks are tilted to the downside despite multiple offsetting drivers. On the downside, the still volatile global trade environment could disrupt supply chains, further dampen exports, and weigh on consumption and investment. Excessively optimistic growth expectations about AI could be revised considering incoming data from early adopters which could trigger market corrections. Also, the geopolitical environment remains fragile with the potential for more negative supply disruptions. Furthermore, a deterioration in financial market sentiment could lead to tighter financing conditions, greater risk aversion, and weaker growth. On the upside, breakthroughs in trade negotiations could boost private spending and support growth.

Table 1.1: Overview of the World Economic Outlook Projections

Overview of the World Economic Outlook Projections (Percent change)		Projections		Jul-Apr WEO Projections		Oct-Jul WEO Projections	
	2024	2025	2026	2025	2026	2025	2026
World	3.3	3.2	3.1	0.4	0.1	0.2	0.0
Advanced Economies	1.8	1.6	1.6	0.2	0.1	0.1	0.0
United States	2.8	2.0	2.1	0.2	0.4	0.1	0.1
Euro Area	0.9	1.2	1.1	0.4	-0.1	0.2	-0.1
Germany	-0.5	0.2	0.9	0.2	0.0	0.1	0.0
France	1.1	0.7	0.9	0.1	-0.1	0.1	-0.1
Italy	0.7	0.5	0.8	0.1	0.0	0.0	0.0
Spain	3.5	2.9	2.0	0.4	0.2	0.4	0.2
Japan	0.1	1.1	0.6	0.5	0.0	0.4	0.1
United Kingdom	1.1	1.3	1.3	0.2	-0.1	0.1	-0.1
Canada	1.6	1.2	1.5	-0.2	-0.1	-0.4	-0.4
Other Advanced Economies	2.3	1.8	2.0	0.0	0.0	0.2	-0.1
Emerging Market and Developing Economies	4.3	4.2	4.0	0.5	0.1	0.1	0.0
China	5.0	4.8	4.2	0.8	0.2	0.0	0.0
India	6.5	6.6	6.2	0.4	-0.1	0.2	-0.2
Russia	4.3	0.6	1.0	-0.9	0.1	-0.3	0.0
Brazil	3.4	2.4	1.9	0.4	-0.1	0.1	-0.2
Mexico	1.4	1.0	1.5	1.3	0.1	0.8	0.1
Sub-Saharan Africa	4.1	4.1	4.4	0.3	0.2	0.1	0.1
Nigeria	4.1	3.9	4.2	0.9	1.5	0.5	1.0
South Africa	0.5	1.1	1.2	0.1	-0.1	0.1	-0.1

Source: IMF, WEO October, 2025, Update

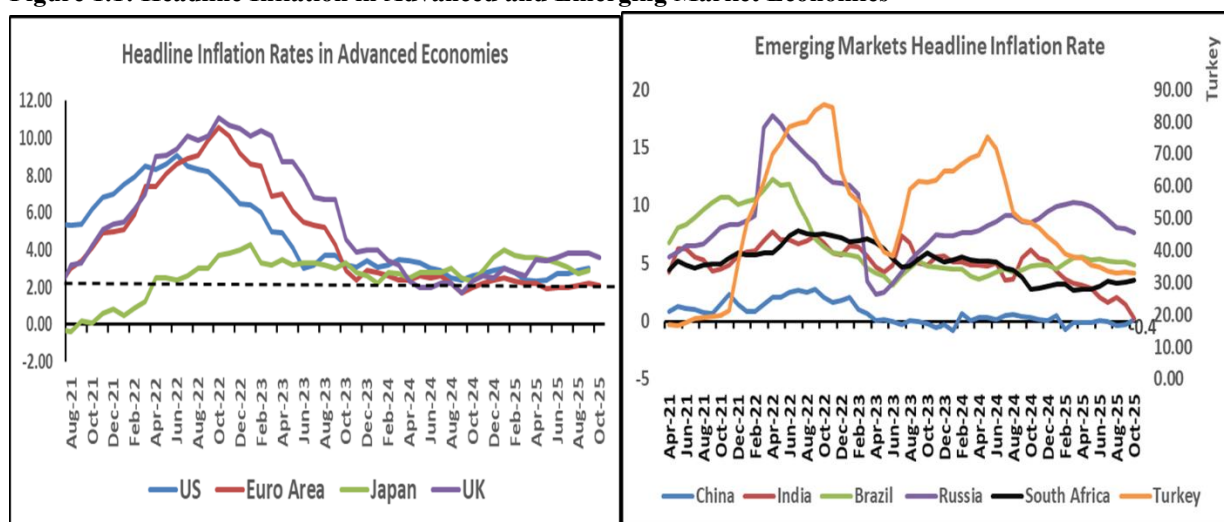
1.2 Global Price Developments

Global headline inflation continues to ease gradually, though progress remains uneven across regions. The decline in headline inflation partly reflects subdued oil prices due to weak global demand, and an uptick in production from OPEC+ countries. On the demand side, oil prices were negatively affected by subdued global oil consumption, reflecting trade tensions. On the supply side, successive OPEC+ production increases since April, which continued into early October,

weighed on oil prices, supported by the increase in U.S. crude inventories. The dynamics of headline inflation also reflect adjustments in global food prices with the FAO Food Price Index down by 1.6 percent in October. However, core inflation remained sticky in both advanced and emerging market economies, reflecting persistent services inflation. Meanwhile, longer-term inflation expectations remained stable around 2 percent. Looking ahead, IMF estimates that global headline inflation is projected to decline from 4.2 percent in 2025 to 3.7 percent in 2026. Oil prices are expected to remain subdued due to weak global demand and an uptick in production. An expected slowdown in global growth and the loosening labour markets will support the disinflation process. Even though core inflation remains sticky, it is expected to decline amid moderating wages. Also, long-term inflation expectations have remained well anchored around 2 percent.

However, importers may be forced to pass on the effects of higher tariffs to consumers. Again, escalating geopolitics could push energy prices upwards and reverse the disinflation process. Also, the attacks against Russia's oil infrastructure and U.S. sanctions on major Russian producers may be an upside risk to the oil price. Additionally, worsening climate events could also push prices up.

Figure 1.1: Headline Inflation in Advanced and Emerging Market Economies



Source: Bank of Ghana, Trading Economics

1.3 Global Financial Market Developments

Financial conditions have eased since April 2025, supported by corporate valuations and falling volatility. Central banks are leaning more towards an accommodative stance, thus supporting the easing of financial conditions. Also, long-term bond yields continue to ease amid declining policy rates with equity markets remaining strong amid increased investor appetite and an easing monetary policy stance. The strength of the equity markets is reflected in the rebound of equity flows to EMDEs by US\$12.9 billion in October 2025.

In the outlook, financial conditions will ease in the near term, reflecting declining policy rates and long-term bond yields and strong equity markets. The dollar weakness has also provided some monetary policy space for EMDEs. Nonetheless, interest rate decisions will be based on central banks' assessment of the inflation outlook and the risks surrounding it, in light of the incoming economic and financial data, as well as the dynamics of underlying inflation and the strength of monetary policy transmission.

Table 1.2: Monetary Policy Stance of Selected Central Banks

Country	Policy rate - Previous (%)	Policy Rate Current (%)	Forecast	Inflation Sept, 2025	Inflation October, 2025	Real rate	Infl Target	Overall Fiscal Deficit (2024,% of GDP)	GDP Growth (Dec.2024)	Gross Debt/GDP (2024,%)	YTD Depr/Appr 19th November 2025
U.S	4.25	4	3.75	3.0		1.0	2%	-8	2.8	122.3	
Euro Area	2.15	2.15	2.15	2.2	2.1	0.05	< 2%	-3.1	0.9	87.2	10.26
UK	4.0	4.0	3.75	3.8	3.6	0.4	2%	-5.7	1.1	101.2	4.16
Japan	0.5	0.5	0.75	2.9		-2.4	2%	-1.5	0.1	236.1	0.03
Russia	17	16.5	16.0	8	7.7	8.8	4%	-1.6	4.3	20.3	
India	5.5	5.5	5.25	1.54	0.25	5.25	4±2%	-7.9	6.5	81.6	-3.36
Brazil	15	15	15	5.17	4.68	10.32	4.5±1.5%	-6.2	3.4	87.0	15.83
Turkey	40.5	39.5	39	33.29	32.87	6.63	5±2%	-4.6	3.3	24	-16.50
Malaysia	2.75	2.75	2.75	1.5		1.3	3% - 4%	-3.9	5.1	70.1	7.78
Indonesia	4.75	4.75	4.75	2.7	2.86	1.9	3.5% ± 1%	-2.3	5	40.2	-3.36
Chile	4.75	4.75	4.5	4.4	3.4	1.35	3±1%	-2.8	2.6	41.7	6.79
Ghana	25	21.5	20	9.4	8.0	13.5	8±2%	-7.3	5.7	70.3	34.86
South Africa	7	7	6.75	3.4	3.6	3.4	3%±1%	-5.8	0.5	76.0	9.58
Nigeria	27.5	27	26	18.02	16.05	10.95	6% -9%	-1.6	4.1	39.3	6.35
Kenya	9.5	9.25	9	4.6	4.6	4.65	2.5-7.5%	-5.8	4.7	67.3	-0.54
Zambia	14.5	14.25	14	12.3	11.9	2.35	6%-8%	-3.3	4	114.9	21.70
Morocco	2.25	2.25	2.00	0.4		1.9		-3.9	3.8	67.7	9.23
Angola	19	18.5	18.5	18.2	17.43	1.1	9-11%	-1	4.4	59.9	0.15
Egypt	22	21	20.50	11.7	12.5	8.5	7± 2%	-7.1	2.4	90.9	7.29

Source: Growth rate(World Bank); Debt/GDP (IMF)

Policy Rates (Trading Economics), YTD depreciation/appreciation is from Bloomberg

Source: Growth Rate (World Bank); Debt/GDP (IMF) Policy Rates (Trading Economics)

Note: The blue colour indicates unchanged monetary policy rate; the real rate is the policy rate minus the ex-post inflation rate.

1.4 Currency Markets

The U.S. dollar index declined amid U.S. trade policy uncertainty and the Fed's policy rate cuts. However, the Fed's change in tone more recently has put some upward pressure on the dollar in November 2025. The sustained weakness of the dollar eased pressures on some EMDE currencies.

In the domestic FX market, the cedi appreciated sharply in the month of October. The strong recovery in October despite the demand pressures was mainly due to the new FX operations framework. Amongst the three pillars of the policy framework, FX intermediation introduced in October was the main driver of the recovery in the month. Also, the dollar weakness supported the cedi. In the outlook, the cedi is expected to remain stable in the near term, supported by the implementation of the new FX operations framework, strong reserve build-up, positive sentiment from the recent budget statement and a positive credit rating sentiment. However, the Fed's change in tone has put some upward pressure on the dollar, with implications for the cedi.

In the interbank market, the cedi appreciated by 34.86 percent, 28.67 percent and 21.07 percent against the dollar, pound and euro, respectively, on a year-to-date basis. This is against a depreciation of 27.12 percent, 27.83 percent and 25.84 percent against the dollar, pound and euro, respectively during the same period in 2024. However, the cedi was more volatile during the first 230 transaction days in 2025 compared to other years.

The cedi appreciated by 18.98 percent and 25.16 percent, respectively, in nominal trade weighted terms and nominal forex transaction weighted terms on a year-to-date basis in October 2025. This is against a depreciation of 35.86 percent and 37.10 percent in nominal trade weighted terms and nominal foreign exchange transaction weighted terms respectively over the same period in 2024.

In real bilateral terms, the cedi appreciated by 26.19 percent, 22.38 percent and 18.52 percent against the dollar, pound and euro, respectively, on a year-to-date basis in October 2025. Comparatively, the cedi experienced a depreciation in real terms by 19.07 percent, 19.69 percent and 16.82 percent, respectively, against the dollar, pound and the euro over the same period in 2024.

Table 1.3: Interbank Exchange Rates

Exchange Rate Movements									
	US\$/GHC*	Monthly depreciation/a ppreciation	Year-to-Date depreciation/a ppreciation	GBP/GHC*	Monthly depreciation/a ppreciation	Year-to-Date depreciation/a ppreciation	Euro/GHC*	Monthly depreciation/a ppreciation	Year-to-Date depreciation/a ppreciation
2023									
Jan	10.7997	-20.6	-20.59	13.2863	-22.4	-22.39	11.7262	-22.0	-22.01
Feb	11.0135	-1.9	-22.13	13.3699	-0.6	-22.87	11.7182	0.1	-21.95
Mar	11.0137	0.0	-22.13	13.6218	-1.8	-24.30	11.9657	-2.1	-23.57
Apr	10.9516	0.6	-21.69	13.7624	-1.0	-25.07	12.0876	-1.0	-24.34
May	10.9715	-0.2	-21.83	13.5888	1.3	-24.12	11.6978	3.3	-21.82
June	10.9972	-0.2	-22.02	13.9879	-2.9	-26.28	12.0073	-2.6	-23.83
July	11.0034	-0.1	-22.06	14.1482	-1.1	-27.12	12.1272	-1.0	-24.59
Aug	11.0192	-0.1	-22.17	13.9514	1.4	-26.09	11.9473	1.5	-23.45
Sep	11.1285	-1.0	-22.94	13.5935	2.6	-24.14	11.7774	1.4	-22.35
Oct	11.4963	-3.2	-25.40	13.9399	-2.5	-26.03	12.1438	-3.0	-24.69
Nov	11.6206	-1.1	-26.20	14.6821	-5.1	-29.77	12.6756	-4.2	-27.85
Dec	11.8800	-2.2	-27.81	15.1334	-3.0	-31.86	13.1264	-3.4	-30.33
2024									
Jan	12.0356	-1.3	-1.29	15.3027	-1.1	-1.11	13.0547	0.5	0.55
Feb	12.4642	-3.4	-4.69	15.8022	-3.2	-4.23	13.5234	-3.5	-2.94
Mar	12.8770	-3.2	-7.74	16.2617	-2.8	-6.94	13.9031	-2.7	-5.59
Apr	13.2739	-3.0	-10.50	16.6243	-2.2	-8.97	14.1900	-2.0	-7.50
May	14.1301	-6.1	-15.92	17.9996	-7.6	-15.92	15.3345	-7.5	-14.40
June	14.5860	-3.1	-18.55	18.4375	-2.4	-17.92	15.6270	-1.9	-16.00
July	14.9009	-2.1	-20.27	19.1305	-3.6	-20.89	16.1065	-3.0	-18.50
Aug	15.1899	-1.9	-21.79	19.9261	-4.0	-24.05	16.7828	-4.0	-21.79
Sep	15.8000	-3.9	-24.81	21.1823	-5.9	-28.56	17.6108	-4.7	-25.46
Oct	16.3000	-3.1	-27.12	20.9700	1.0	-27.83	17.6992	-0.5	-25.84
Nov	15.2700	6.7	-22.20	19.3592	8.3	-21.83	16.1291	9.7	-18.62
Dec	14.7000	3.9	-19.18	18.4008	5.2	-17.76	15.2141	6.0	-13.72
2025									
Jan	15.3001	-3.9	-3.92	19.0003	-3.2	-3.16	15.9012	-4.3	-4.32
Feb	15.5300	-1.5	-5.34	19.5484	-2.8	-5.87	16.1524	-1.6	-5.81
Mar	15.5300	0.0	-5.34	20.0951	-2.7	-8.43	16.8068	-3.9	-9.48
Apr	14.1500	9.8	3.89	18.8769	6.5	-2.52	16.0640	4.6	-5.29
May	10.2800	37.6	43.00	13.8529	36.3	32.83	11.6675	37.7	30.40
June	10.3100	-0.3	42.58	14.1252	-1.9	30.27	12.1138	-3.7	25.59
July	10.5000	-1.8	40.00	13.8942	1.7	32.44	12.0150	0.8	26.63
Aug	11.4000	-7.9	28.95	15.3997	-9.8	19.49	13.3360	-9.9	14.08
Sep	12.4200	-8.2	18.36	16.7031	-7.8	10.16	14.5859	-8.6	4.31
Oct	10.9000	13.9	34.86	14.3003	16.8	28.67	12.5667	16.1	21.07

Source: Bank of Ghana Staff Calculations

Table 1.4: Nominal Effective Exchange Rate

Month	2021=100		Monthly CHG (%)		Year-to-Date (%)	
	FXTWI	TWI	FXTWI	TWI	FXTWI	TWI
2024						
Jan-24	48.36	52.70	-1.15	0.30	-1.15	0.30
Feb-24	46.71	50.96	-3.54	-3.42	-4.73	-3.11
Mar-24	45.22	49.38	-3.30	-3.20	-8.18	-6.41
Apr-24	43.91	48.38	-2.97	-2.06	-11.40	-8.60
May-24	41.18	44.77	-6.63	-8.05	-18.78	-17.35
Jun-24	39.94	43.83	-3.11	-2.16	-22.48	-19.88
Jul-24	39.05	42.49	-2.28	-3.14	-25.27	-23.65
Aug-24	38.23	40.96	-2.14	-3.76	-27.95	-28.29
Sep-24	36.72	39.07	-4.12	-4.82	-33.23	-34.47
Oct-24	35.68	38.67	-2.91	-1.03	-37.10	-35.86
Nov-24	38.18	42.26	6.55	8.49	-28.12	-24.33
Dec-24	39.74	44.70	3.93	5.46	-23.09	-17.54
2025						
Jan-25	38.19	42.96	-4.07	-4.07	-4.07	-4.07
Feb-25	37.61	42.23	-1.54	-1.73	-5.67	-5.87
Mar-25	37.47	40.78	-0.38	-3.54	-6.07	-9.61
Apr-25	40.95	43.06	8.50	5.28	2.95	-3.82
May-25	56.35	59.15	27.33	27.20	29.47	24.42
Jun-25	55.99	57.15	-0.63	-3.49	29.03	21.78
Jul-25	55.16	57.73	-1.51	1.00	27.95	22.56
Aug-25	50.69	52.11	-8.82	-10.78	21.60	14.22
Sep-25	46.52	47.70	-8.97	-9.25	14.57	6.28
Oct-25	53.10	55.18	12.39	13.55	25.16	18.98

Source: Bank of Ghana Staff Calculations

Table 1.5: Real Bilateral Exchange Rate

Month	RER Index (Jan.2021=100)			MONTHLY CHANGE (Index)			Year-to-Date (%)		
	EUR	GBP	USD	EUR	GBP	USD	EUR	GBP	USD
2024									
Jan-24	98.89	92.57	87.94	3.02	1.57	0.14	3.02	1.57	0.14
Feb-24	96.51	90.72	85.73	-2.46	-2.03	-2.58	0.63	-0.43	-2.44
Mar-24	93.63	88.07	83.15	-3.08	-3.01	-3.11	-2.43	-3.45	-5.63
Apr-24	93.00	87.65	81.79	-0.68	-0.59	-1.66	-3.13	-4.06	-7.38
May-24	88.40	82.92	79.12	-5.20	-5.59	-3.38	-8.49	-9.88	-11.01
Jun-24	89.04	83.17	78.84	0.73	0.30	-0.34	-7.70	-9.54	-11.39
Jul-24	88.04	81.90	78.66	-1.14	-1.56	-0.24	-8.93	-11.25	-11.66
Aug-24	83.90	77.84	76.56	-4.93	-5.21	-2.74	-14.30	-17.05	-14.71
Sep-24	82.36	75.56	75.54	-1.89	-3.02	-1.35	-16.44	-20.59	-16.26
Oct-24	82.09	76.12	73.76	-0.33	0.74	-2.41	-16.82	-19.69	-19.07
Nov-24	92.79	84.37	80.80	11.53	9.77	8.71	-3.36	-8.00	-8.70
Dec-24	99.88	90.44	85.41	7.10	6.72	5.40	3.98	-0.74	-2.82
2025									
Jan-25	97.81	89.38	82.94	-2.12	-1.18	-2.98	-2.12	-1.18	-2.98
Feb-25	97.04	87.64	82.41	-0.75	-1.99	-0.64	-2.88	-3.20	-3.64
Mar-25	92.78	85.11	82.42	-4.64	-2.97	0.01	-7.66	-6.26	-3.63
Apr-25	97.47	90.79	90.92	4.81	6.25	9.34	-2.47	0.39	6.06
May-25	134.99	123.62	125.81	27.79	26.55	27.73	26.01	26.84	32.11
Jun-25	127.62	118.89	123.48	-5.77	-3.98	-1.89	21.74	23.93	30.83
Jul-25	130.24	122.15	121.90	2.01	2.67	-1.29	23.31	25.96	29.94
Aug-25	115.49	108.35	110.49	-12.78	-12.74	-10.33	13.51	16.53	22.70
Sep-25	106.42	100.78	102.07	-8.52	-7.51	-8.25	6.14	10.26	16.32
Oct-25	122.59	116.52	115.72	13.19	13.51	11.80	18.52	22.38	26.19

Source: Bank of Ghana Staff Calculations

Table 1.6 below shows the real effective exchange rate movements of the cedi against the three major currencies (i.e., the U.S. dollar, the euro and the pound). The cedi appreciated by 19.94 percent and 25.55 percent, respectively, in real trade weighted terms and real forex transaction weighted terms on year-to-date basis in October 2025. This compared with depreciations of 17.37 percent and 18.91 percent, respectively, in real trade weighted terms and forex transaction weighted terms for the same period in 2024.

Table 1.6: Real Effective Exchange Rate for Major Trade Partners

Month	INDEX (2021=100)		MONTHLY CHG		Year-to-Date (%)	
	RFXTWI	RTWI	RFXTWI	RTWI	RFXTWI	RTWI
2024						
Jan-24	88.83	96.79	0.39	2.51	0.39	2.51
Feb-24	86.63	94.48	-2.54	-2.44	-2.14	0.13
Mar-24	84.01	91.66	-3.12	-3.07	-5.33	-2.94
Apr-24	82.71	90.91	-1.56	-0.83	-6.98	-3.80
May-24	79.87	86.61	-3.56	-4.96	-10.79	-8.95
Jun-24	79.67	87.09	-0.25	0.55	-11.06	-8.35
Jul-24	79.40	86.18	-0.34	-1.06	-11.44	-9.50
Aug-24	77.13	82.34	-2.95	-4.65	-14.73	-14.59
Sep-24	76.04	80.81	-1.43	-1.90	-16.37	-16.77
Oct-24	74.41	80.39	-2.19	-0.51	-18.91	-17.37
Nov-24	81.73	90.33	8.95	11.00	-8.27	-4.46
Dec-24	86.54	96.97	5.56	6.84	-2.24	2.69
2025						
Jan-25	84.13	94.93	-2.87	-2.15	-2.87	-2.15
Feb-25	83.56	94.13	-0.68	-0.84	-3.57	-3.01
Mar-25	83.23	90.64	-0.40	-3.86	-3.98	-6.98
Apr-25	91.40	95.97	8.94	5.56	5.31	-1.04
May-25	126.44	132.70	27.71	27.68	31.55	26.93
Jun-25	123.69	126.28	-2.22	-5.09	30.03	23.21
Jul-25	122.53	128.38	-0.95	1.63	29.37	24.47
Aug-25	110.82	114.17	-10.57	-12.44	21.90	15.07
Sep-25	102.37	105.33	-8.25	-8.40	15.46	7.94
Oct-25	116.25	121.11	11.94	13.03	25.55	19.94

Source: Bank of Ghana Staff Calculations

1.5 Global Economic Outlook and Risks

Global growth held steady despite major policy shifts. Global headline inflation continues to ease gradually. Financial conditions have eased, supported by corporate valuations and falling volatility. Reflecting the above conditions, risks from the external sector has improved. Steady global growth may continue to support Ghana's exports. The ongoing disinflation in advanced economies may decrease imported inflation, ease policy rates, especially in advanced economies, and potentially trigger a search for higher yields in EMDEs, including Ghana. The weakness in the dollar may sustain the appreciation of the cedi. However, the recent change in tone by the Fed may lead to a stronger dollar and put pressure on the cedi.

2. External Sector Developments

2.0 Highlights

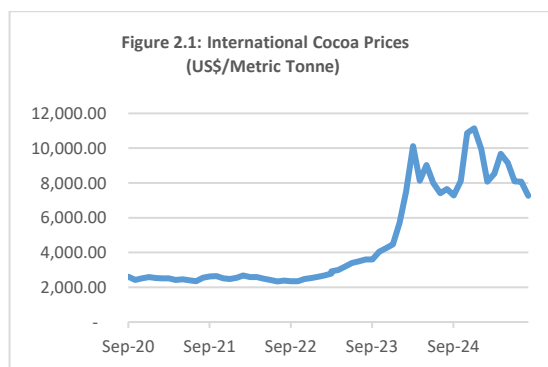
The external sector improved markedly in the first nine months of the year, posting a strong current account surplus fueled by a surge in the trade surplus and high private transfers. The robust current account surplus, along with other capital inflows, contributed to a notable increase in gross international reserves.

2.1 Commodity Price Trends

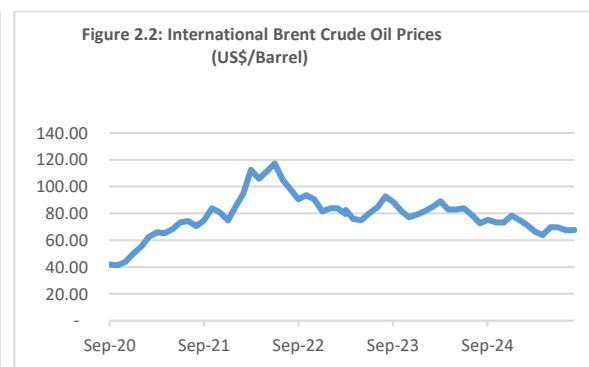
On the international commodities market, prices of Ghana's major export commodities showed mixed trends. Cocoa futures averaged \$8,884.00 per tonne in the year up to September 2025, representing a 17.6 percent increase from the \$7,552.00 per tonne recorded in the same period in 2024. The rise was mainly due to adverse weather conditions that affected supply from key producers such as Côte d'Ivoire and Ghana. Compared with the same period last year, cocoa prices declined by 5.0 percent, mainly because of weak demand from chocolate manufacturers.

Conversely, crude oil prices declined, averaging US\$70.00 per barrel from January to September 2025, compared to US\$82.00 per barrel during the same period last year. Compared to a year earlier, prices fell by 7.0 percent. Prices dropped due to weak demand from China and Europe, as well as excess supply from OPEC+ and non-OPEC members.

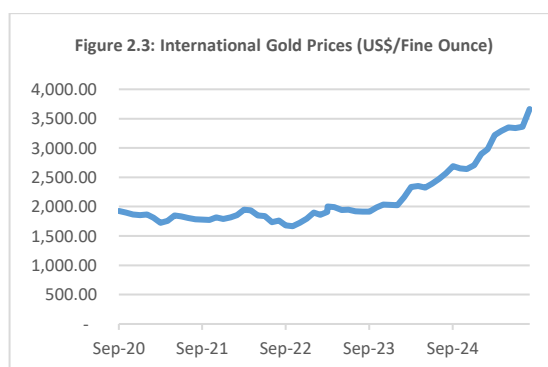
Gold prices continued to rise, reaching a year-to-date average of US\$3,201.00 per fine ounce in September 2025, representing an increase of about 39.5 percent over the \$US\$2,295.00 per fine ounce recorded during the same period in 2024. Compared to a year ago, gold prices jumped 42.6 percent from US\$2,568.81 in September 2024. The rise in gold prices was driven by U.S. Fed interest rate cuts, expectations of further monetary easing, and sustained safe-haven demand amid heightened global political uncertainty.



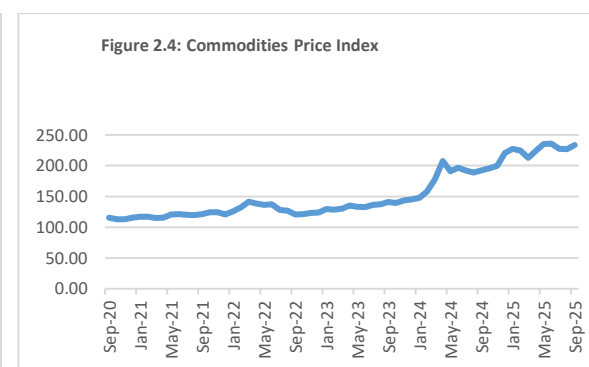
Source: Reuters



Source: Reuters



Source: Reuters



Source: BoG Staff Compilations

2.1.1 Commodity Price Index

The overall weighted average price index of Ghana's three major export commodities – cocoa, gold, and crude oil – increased in September 2025 to 233.41 from 226.99 in the previous month, a rise of 2.8 percent. The increase was driven by gains in both the gold and crude oil sub-indices, which rose by 9.0 percent and 0.5 percent, respectively, while the cocoa sub-index declined by 10.0 percent during the same period. Year-to-date, the composite commodity price index has increased by 5.8 percent, mainly due to the significant 38.7 percent jump in the gold price sub-index.

2.2 Trade Balance

The trade balance for the first nine months of the year showed a notable surplus of US\$7.45 billion, significantly higher than the US\$2.48 billion recorded during the same period in 2024. The increased trade surplus was driven by a larger rise in exports compared to imports.

The value of exports increased to US\$20.51 billion as of September 2025 from US\$13.98 billion during the same period in 2024, mainly driven by gold and cocoa exports. Gold exports rose by 71.4 percent to US\$13.26 billion from US\$7.74 billion in September 2024, fueled by increases in both volume and price. The volume of gold exports grew by 12.1 percent to 4.27 million fine ounces, while the average gold price jumped by 42.0 percent to US\$3,107.84 per fine ounce in September 2025 compared to US\$2,189.10 in September 2024, largely due to global economic uncertainty and geopolitical tensions. Receipts from cocoa exports, comprising beans and products, surged to US\$2.56 billion during the first nine months of 2025, up from US\$989.91 million in the same period in 2024, driven by higher export volumes and prices.

Crude oil exports, however, dropped by 35.9 percent to US\$1.95 billion in the first nine months of the year due to decreased export volumes and a fall in prices. The volume of crude oil exports fell by 26.3 percent to 27.52 million barrels as of September 2025, from 37.32 million barrels during the same period last year. The average price of crude oil for the period declined by 13.1 percent to US\$71.01 per barrel from US\$81.66 per barrel in September 2024. Other exports, including non-traditional exports, increased by 24.5 percent to US\$2.74 billion from US\$2.20 billion during the same review period.

Table 2.1: Trade Balance (US\$ million)

Table 1	2023 Jan - Sept	2024 Jan - Sept	2025 Jan - Sept	Abs Y/Y Chg	Rel Y/Y Chg
Trade Balance	1,638.3	2,478.0	7,450.9	4,972.9	200.7
<i>Trade Bal (% GDP)</i>	<i>2.0</i>	<i>3.0</i>	<i>8.5</i>		
Total Exports	11,776.3	13,975.1	20,514.8	6,539.6	46.8
Gold (\$'M)	5,041.5	7,736.1	13,259.7	5,523.5	71.4
Volume (fine ounces)	2,760,741.5	3,806,330.2	4,266,521.3	460,191.1	12.1
Unit Price (\$/fine ounce)	1,826.1	2,032.4	3,107.8	1,075.4	52.9
Cocoa Beans (\$'M)	1,052.0	426.7	1,301.1	874.3	204.9
Volume (tonnes)	429,795.7	157,931.2	244,852.2	86,921.0	55.0
Unit Price (\$/tonne)	2,447.6	2,702.1	5,313.7	2,611.5	96.6
Cocoa Products (\$'M)	600.8	563.2	1,259.3	696.2	123.6
Volume (tonnes)	183,967.4	136,330.8	166,629.5	30,298.7	22.2
Unit Price (\$/tonne)	3,265.6	4,130.8	7,557.7	3,426.9	83.0
Crude Oil (\$'M)	2,729.1	3,047.5	1,954.1	-1,093.4	-35.9
Volume (barrels)	33,341,913.0	37,318,793.0	27,520,368.0	-9,798,425.0	-26.3
Unit Price (\$/bbl)	81.9	81.7	71.0	-10.7	-13.0
Other Exports	2,352.9	2,201.6	2,740.6	539.0	24.5
<i>o/w: Non-Traditional Exports</i>	<i>1,800.6</i>	<i>1,647.6</i>	<i>2,170.3</i>	<i>522.7</i>	<i>31.7</i>
Total Import	10,138.0	11,497.1	13,063.9	1,566.8	13.6
Non-Oil	6,779.9	8,013.2	9,178.8	1,165.6	14.5
Oil and Gas	3,358.1	3,483.9	3,885.1	401.2	11.5
<i>of which: Products</i>	<i>2,983.0</i>	<i>3,040.7</i>	<i>3,347.3</i>	<i>306.5</i>	<i>10.1</i>
Gas	167.9	178.6	179.7	1.0	0.6
Crude Oil	207.2	264.5	358.1	93.6	35.4

Source: Bank of Ghana

Total imports rose by 13.6 percent to US\$13.06 billion during the first nine months of 2025, up from US\$11.50 billion in the corresponding period of 2024, due to increases in both oil and non-oil imports. Oil imports increased by 11.5 percent to US\$3.89 billion as of September 2025 from US\$3.48 billion in the same period 2024, as did non-oil imports, which increased to US\$9.18 billion from US\$8.01 billion during the same reference period.

2.3 Current Account

The current account posted a substantial surplus of US\$3.83 billion in the first nine months of 2025, a sharp rise over US\$553.57 million recorded during the same period in 2024. The higher current account surplus was driven by a strong improvement in the trade surplus. Net payments for services, however, increased to US\$4.00 billion from US\$1.96 billion in the same period of 2024, largely due to freight and insurance, an uptick in trade-related services, financial services and travel. Income payments to non-residents totalled US\$3.88 billion on a net basis, driven by private sector payments and interest payments on external debt. Private remittance flows increased by 11.4 percent to US\$6.00 billion in the first nine months of 2025 from US\$5.37 billion during the same period in 2024.

2.4 Capital and Financial Accounts

The capital account recorded net transfers of US\$70.9 million, reflecting mainly project grants. The total of surpluses in the current and capital accounts reached US\$3.90 billion, placing the country in a net lending position with the rest of the world. Consequently, there was net acquisition of financial assets in the financial account totalling US\$3.76 billion, significantly higher than the US\$1.06 billion recorded in the same period of 2024. Of this, other investments reached US\$3.00 billion, mainly due to increased currency and deposits in the nostro accounts of commercial banks, as well as trade credit and advances. The economy attracted net direct investments of US\$1.47 billion in September 2025, up from US\$1.27 billion in the same period in 2024, while net portfolio inflows were US\$121.5 million, down from US\$224.8 million during the same review period. Reserve assets of the Bank of Ghana also increased significantly to US\$1.84 billion from US\$983.6 million.

2.5 International Reserves

By the end of September 2025, Gross International Reserves (GIR) stood at US\$11.60 billion, enough to cover 4.9 months of import of goods and services. This compares to the end-December 2024 GIR of US\$9.11 billion (equivalent to 4.1 months of imports cover). The program definition of Net International Reserves (NIR) recorded a build-up of US\$1.69 billion to US\$3.65 billion in September 2025, exceeding the target buildup of US\$1.45 billion for December 2025.

2.6 External Sector Outlook

Looking ahead, Ghana's external sector is expected to maintain a resilient performance, despite global pressures. Gold prices are projected to stay steady, supported by global economic uncertainties and geopolitical tensions, as well as concerns about the rising U.S. inflation and central bank demand. Cocoa prices are likely to trend lower due to expected increased output from major growers and weak demand. Oil prices may stay mostly stable, despite an expected increase in supply, which could be moderated by geopolitical tensions, potentially causing short-term fluctuations. External sector indicators for Ghana are expected to remain firm through the rest of 2025 and into 2026.

3. Real Sector Developments

3.0 Highlights

Ghana's economy continued to demonstrate robust growth in the second half of 2025. This was supported by the latest high frequency real sector indicators, which point to a sustained pickup in economic activity in September 2025. Consumer and business confidence also remained strong, in line with improving macroeconomic conditions.

3.1 Economic Growth

The latest provisional data from the Ghana Statistical Service showed that the Monthly Indicator for Economic Growth (MIEG) for August 2025 grew by 5.1 percent compared to a growth of 4.9 percent in August 2024. This expansion was underpinned by strong performance in the services and the agriculture sectors, whereas the industrial sector experienced a contraction. Services grew by 9.6 percent between August 2024 to August 2025, primarily supported by growth in ICT, trade and transport subsectors. Agriculture rose by 7.4 percent, mainly due to increased crop production and fish catch. Industry, however, contracted by 1.8 percent as higher gold production was outweighed by a decline in petroleum and gas output.

3.2 Trends in Real Sector Indicators

Consumer Spending

Consumer spending, proxied by domestic VAT collections and retail sales, posted a positive performance in September 2025, compared with the corresponding period in 2024. Domestic VAT collections increased by 17.7 percent on a year-on-year basis to GH¢1,635.74 million, from GH¢1,390.29 million. Cumulatively, total domestic VAT for the first three quarters of 2025 went up by 24.5 percent to GH¢15,344.62 million compared with GH¢12,325.11 million for the corresponding period of last year.

Retail sales increased marginally by 2.7 percent (year-on-year) to GH¢244.73 million in September 2025, up from the GH¢238.32 million recorded in the corresponding period in 2024. Similarly, on a month-on-month basis, retail sales improved marginally by 1.4 percent in September 2025 from GH¢241.47 million in the preceding month. In cumulative terms, retail sales for the first three quarters of 2025 went up by 22.4 percent.

Manufacturing Activities

Activities in the manufacturing sub-sector, gauged by trends in the collection of direct taxes and private sector workers' contributions to the Social Security and National Insurance Trust (SSNIT) Pension Scheme (Tier-1), improved in September 2025. Total direct taxes collected increased by 18.4 percent (year-on-year) to GH¢9,869.92 million in September 2025, relative to GH¢8,335.34 million recorded in a similar period in 2024. Cumulatively, total direct taxes collected for the first three quarters of 2025 went up by 25.5 percent to GH¢62,879.09 million, from GH¢50,107.90 million for the same period in 2024. In terms of contributions of the various sub-tax categories, corporate tax accounted for 63.7 percent, income tax (PAYE and self-employed) accounted for 22.8 percent, while "other tax sources" contributed 13.5 percent.

Total private sector workers' contribution to the SSNIT Pension Scheme (Tier-1) increased by 14.5 percent in year-on-year terms to GH¢527.17 million in September 2025, from GH¢460.34 million collected during the corresponding period in 2024. Cumulatively, for the first three quarters of 2025, the contribution grew by 22.3 percent to GH¢4,561.01 million, relative to GH¢3,728.67 million recorded in the corresponding period in 2024.

Construction Sector Activities

Activity in the construction sub-sector, proxied by the volume of cement sales, declined by 4.1 percent (year-on-year) in September 2025 to 210,826.90 tonnes, down from 219,917.77 tonnes recorded a year ago. On a month-on-month basis, total cement sales also decreased by 4.1 percent in September 2025, compared with the 219,832.35 tonnes recorded in August 2025. Cumulatively, cement sales for the first three quarters of 2025 remained largely unchanged at 2,075,072.44 tonnes compared to 2,061,663.21 tonnes for the same period of 2024. The relative decline in total cement sales, year-on-year, was due to a moderation in construction activities during the review period.

Vehicle Registration

Transport sector activities, gauged by new vehicle registrations by the Driver and Vehicle Licensing Authority (DVLA), improved by 45.5 percent to 18,209 in September 2025, from 12,511 vehicles registered during the corresponding period of 2024. Cumulatively, vehicles registered by the DVLA within the first three quarters of 2025 increased by 36.3 percent to 185,455 from 136,112 recorded a year ago.

Industrial Consumption of Electricity

Industrial consumption of electricity improved by 15.4 percent in September 2025 to 316.36 gigawatts, as against 274.26 gigawatts recorded for the corresponding period in 2024. In cumulative terms, electricity consumed by industries for the first three quarters of 2025 increased by 10.3 percent to 2,808.40 gigawatts, from 2,546.28 gigawatts for the corresponding period a year ago.

Passenger Arrivals

Passenger arrivals declined marginally by 1.3 percent in year-on-year terms to 102,078 in September 2025, down from 103,387 arrivals recorded a year ago. On a month-on-month basis, passenger arrivals decreased by 10.5 percent. Cumulatively, for the first three quarters of 2025, passenger arrivals remained largely unchanged at 938,210 arrivals recorded at the international airport and the land borders, compared with 941,692 for the corresponding period in 2024.

Ports and Harbours Activity

International trade at the country's two main harbours (Tema and Takoradi), as measured by laden container traffic for inbound and outbound containers, improved during the period under review. Total container traffic increased by 20.6 percent, year-on-year, to 73,648 in September 2025, up from 61,093 for a similar period in 2024. In cumulative terms, total container traffic for the first three quarters of 2025 went up by 23.2 percent to 647,536 compared with 525,623 for the corresponding period of last year.

3.3 Labour Market Activity

Private Sector Pension Contributors

Total number of private sector SSNIT contributors, which partially gauges employment conditions, improved by 3.7 percent to 1,089,332 in September 2025, compared with 1,050,833 for the same period in 2024. On a month-on-month basis, total number of private sector SSNIT contributors remained largely unchanged from the 1,093,922 individuals recorded in August 2025.

Advertised Jobs

The number of jobs advertised in selected print¹ and online² media, which partially gauges labour demand in the economy, increased in October 2025 relative to what was observed in the corresponding period a year ago. In total, 3,248 job adverts were recorded, as compared with 2,849 for the same period in 2024, indicating an improvement of

¹ The Daily Graphic newspaper was used to represent print media because it is the most widely circulated daily in Ghana.

² These are job adverts posted on the websites of the 10 main online job advertising/employment companies in Ghana.

14.0 percent (year-on-year). Similarly, on a month-on-month basis, the number of job vacancies in October 2025 improved by 14.7 percent from the 2,831 jobs advertised in September 2025. Cumulatively, for the first ten months of 2025, the total number of advertised jobs remained largely unchanged at 30,185, compared to 30,218 recorded during the corresponding period in 2024.

3.4 Composite Index of Economic Activity

The Bank's real Composite Index of Economic Activity (CIEA) recorded a strong annual growth of 9.6 percent in September 2025, compared to a growth of 2.9 percent for the corresponding period of 2024. Industrial production, international trade activities, commercial banks' credit to the private sector and consumption of goods and services contributed to the improvement in economic activity during the period.

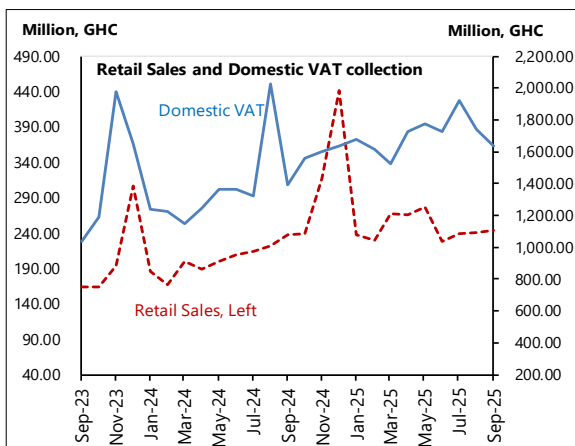
3.5 Consumer and Business Surveys

The latest confidence surveys conducted in October 2025 reflected continued optimism about current and future economic conditions. Consumer confidence remained strong, notwithstanding a slight moderation. The Consumer Confidence Index eased to 115.3 in October 2025 from 116.9 in August 2025. The Business Confidence Index remained broadly unchanged at 106.5 from 107.5 in the same comparative period. Firms' concerns about volatility of the local currency and higher input costs were largely offset by the realisation of short-term targets as well as optimism about company, industry and growth prospects. Results from the confidence surveys were aligned with the observed trend in Ghana's Purchasing Managers' Index (PMI), which signalled a marginal improvement in business conditions in October 2025. The PMI rose to 50.3 in October 2025 from 49.8 in August 2025, mainly due to an uptick in new orders.

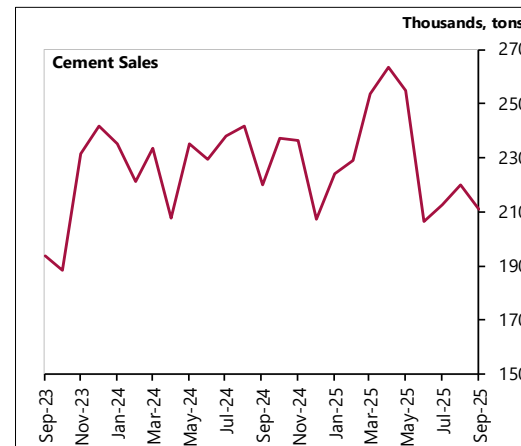
Figure 3.1a: High Frequency Economic Indicators

Panel 1

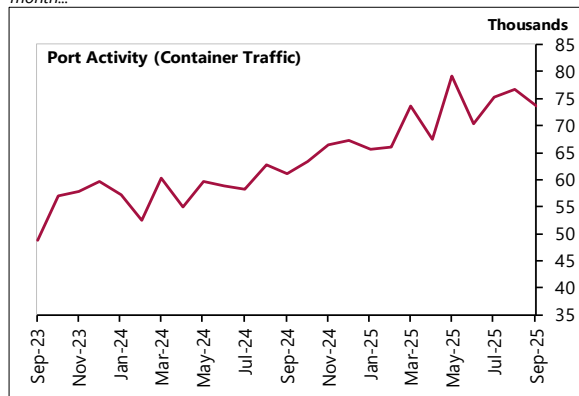
...Retail sales inched up while domestic VAT collections declined in September 2025 compared to August 2025...



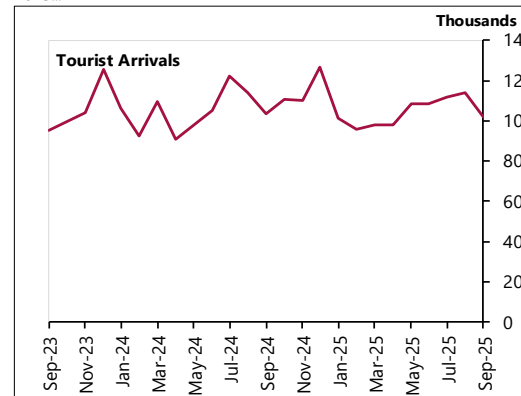
...Construction activities, proxied by cement sales, decreased in September 2025 compared to August 2025...



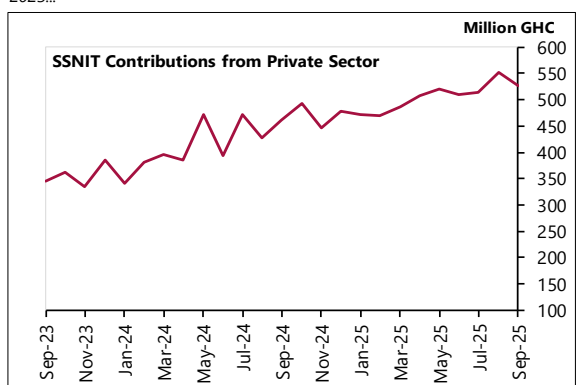
...Port activity decreased in September 2025 compared to the previous month...



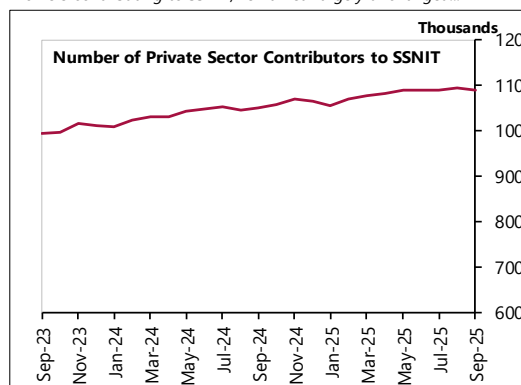
...Tourist arrivals declined in September 2025 compared to August 2025...



...Labour market conditions softened in September 2025 relative to August 2025...



...Labour hiring conditions, proxied by the number of private sector workers contributing to SSNIT, remained largely unchanged...



Sources: Bank of Ghana, Various Stakeholders

Figure 3.1b: High Frequency Economic Indicators

Panel 2

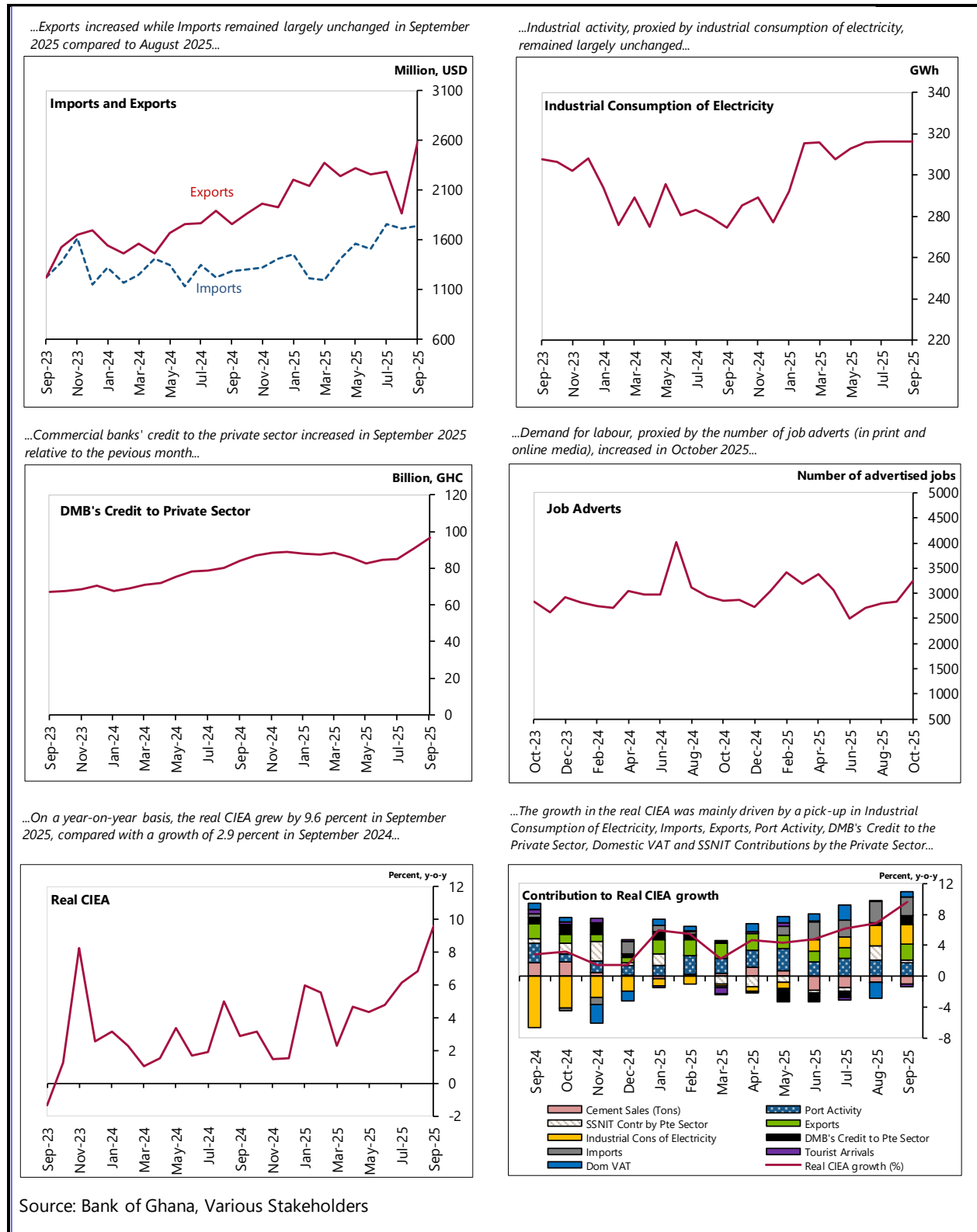
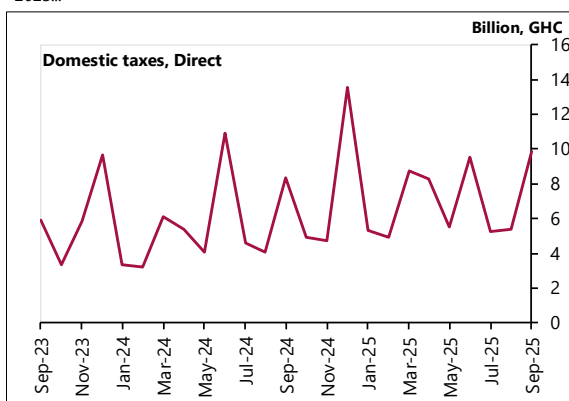


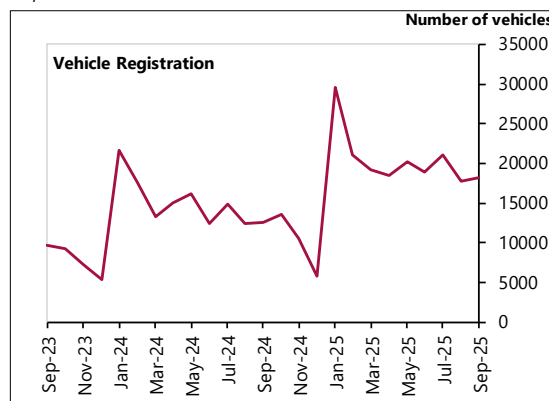
Figure 3.1c: High Frequency Economic Indicators

Panel 3

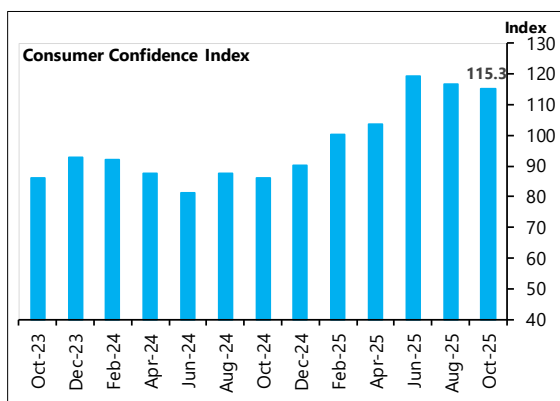
...Domestic tax collection increased in September 2025 compared to August 2025...



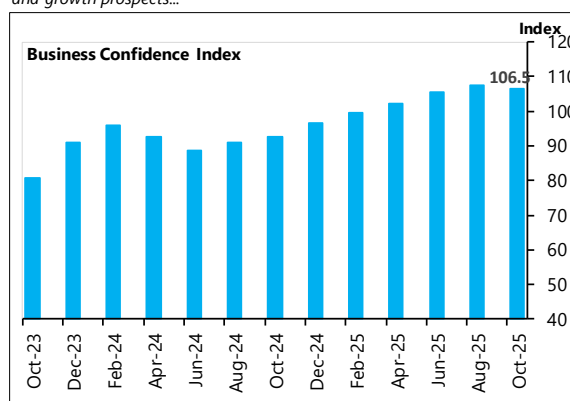
...Vehicle registration increased in September 2025 compared to the month before...



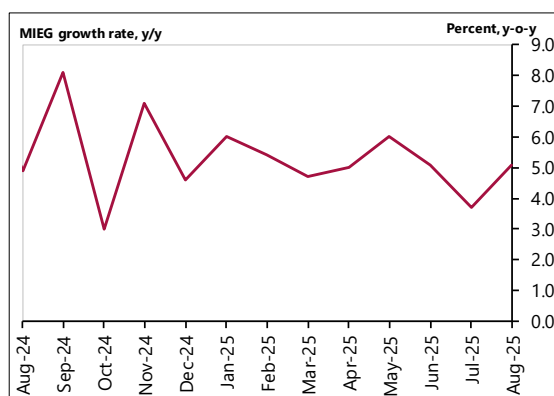
...Consumer confidence remained strong, despite some softening...



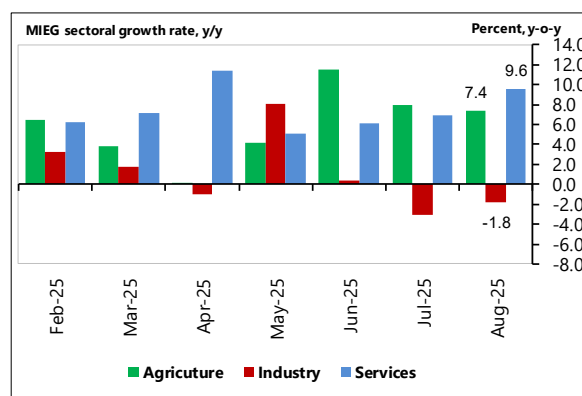
...Business Confidence remained broadly unchanged as firms' concerns about volatility of the local currency and higher input costs were largely offset by the realisation of short-term targets as well as optimism about company, industry and growth prospects...



...The MIEG for August 2025 grew by 5.1 percent compared to a growth of 4.9 percent in August 2024...



...The services and agriculture sectors drove growth in August 2025, recording growth rates of 9.6 percent and 7.4 percent respectively...



Source: Bank of Ghana, Various Stakeholders

4. Monetary and Financial Developments

4.0 Highlights

Monetary developments in October 2025 continued to reflect a tight monetary policy stance and active liquidity management as broad money (M2+) and reserve money growth moderated sharply on account of contracting Net Domestic Assets and slower accumulation of Net Foreign Assets. Declined net claims on Government, reduced claims on DMBs, and intensified sterilisation operations were the key drivers of the subdued liquidity situation.

Nominal credit growth remained muted year-on-year as banks continued to favour Bank of Ghana and Government securities. Real private sector credit posted a modest expansion, supported by strong disinflation and gradually improving borrowing conditions, particularly within the second half of the year, but recorded a moderation in growth from the previous year.

Short-term interest rates declined significantly on a year-on-year basis in line with the reduction in policy rates and improved market liquidity, while medium- to long-term yields remained stable. Financial market activity strengthened, with the GSE Composite Index recording notable gains while market capitalization increased, supported by improved investor sentiment and stronger profitability among listed firms.

Table 4.1: Key Monetary and Financial Indicators

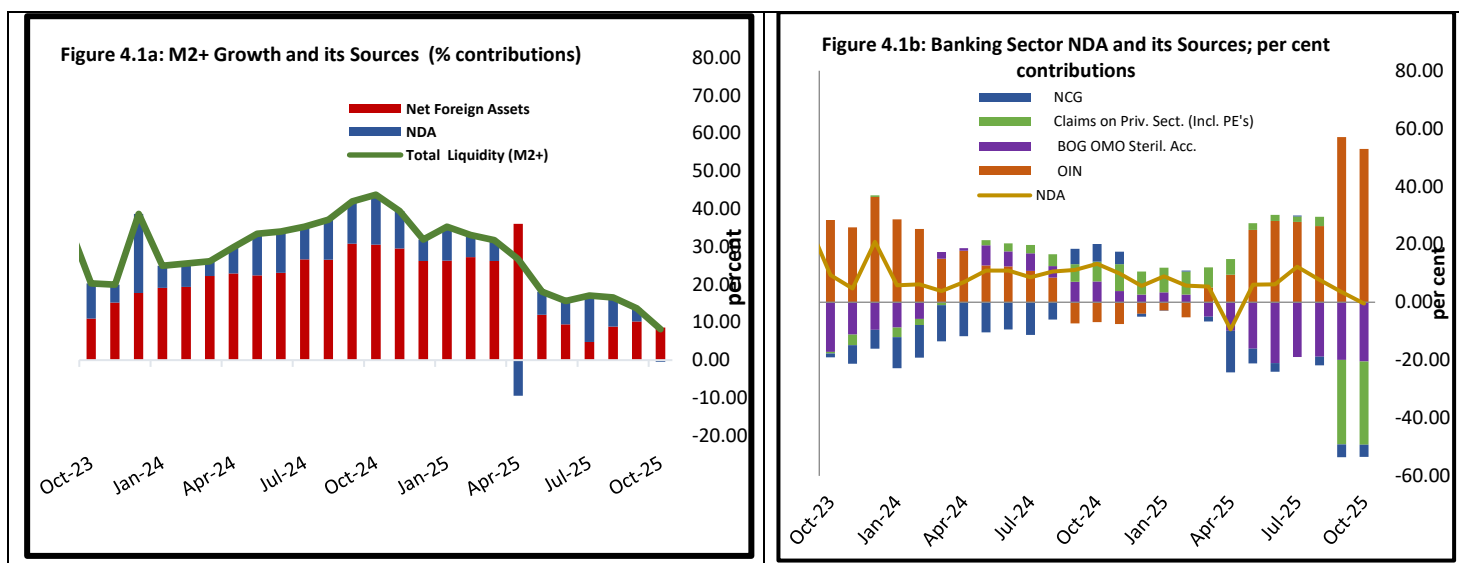
Variable	Oct-23	Dec-23	Aug-24	Sep-24	Oct-24	Dec-24	Aug-25	Sep-25	Oct-25
Broad Money (M2+)	20.35	38.69	37.14	41.99	43.80	31.89	16.57	13.75	8.19
Broad Money (M2)	34.74	37.21	38.62	44.50	45.19	33.62	28.24	21.09	18.56
Narrow Money (M1)	31.09	37.63	44.17	53.73	55.17	38.17	27.49	19.01	13.46
Reserve Money	-2.58	29.20	86.18	90.20	104.49	47.77	4.46	-6.86	0.08
Currency Outside Banks	29.71	19.73	56.48	65.71	72.23	70.46	15.99	13.94	14.40
Foreign Currency Deposits	-6.27	43.15	33.27	35.38	40.10	26.91	-14.97	-6.79	-20.35
DMBs Credit	-9.48	10.01	19.67	25.53	28.50	24.06	9.99	10.52	9.13
of which priv. sector	-7.47	10.68	21.70	25.64	28.83	26.31	13.33	15.08	13.90
Real Priv. sect credit	-31.57	-10.16	1.10	3.45	5.51	2.03	1.66	5.17	5.42
ii. Inflation, interest rates and other financial indicators									
Variable	Oct-23	Dec-23	Aug-24	Sep-24	Oct-24	Dec-24	Aug-25	Sep-25	Oct-25
Inflation (y-on-y)									
Overall	35.20	23.19	20.37	21.46	22.09	23.82	11.48	9.42	8.05
Food	44.80	28.70	19.10	22.09	22.80	27.80	14.80	11.00	9.53
Non food	27.70	18.70	21.52	20.89	21.50	20.30	8.65	8.20	6.88
MPR	30.00	30.00	29.00	27.00	27.00	27.00	25.00	21.50	21.50
Interbank rate	28.49	30.19	28.84	28.84	27.69	27.03	23.28	23.14	21.00
Treasury bill rate (91-days)	29.40	29.39	24.85	25.07	25.80	27.73	10.26	10.45	10.63
DMBs avg deposit rate (3-mnth)	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50
DMBs avg lending rate	32.69	33.75	30.79	30.62	30.45	30.25	24.15	22.71	22.22
Exchange rate (\$/GHc)	11.50	11.88	15.19	15.80	16.30	14.70	11.40	12.42	10.90
Depreciation (monthly)	3.20	2.18	2.38	3.86	3.07	-3.88	7.89	8.21	-13.94
Depreciation (Y-o-Y)	-13.15	27.81	27.46	29.57	29.47	19.18	-33.24	-27.21	-49.54
GSE Composite Index (Level)	3125.62	3130.23	4359.85	4369.44	4385.94	4888.53	7330.37	8168.35	8385.35
GSE Financial Index (Level)	1979.43	1901.57	2118.06	2190.37	2237.45	2380.79	3411.96	3799.31	4193.90

4.1 Developments in Monetary Aggregates

Money Supply

Broad money supply (M2+) growth recorded a significant moderation in October 2025, consistent with the Bank's tight monetary policy stance and sustained liquidity-management operations. Annual growth in M2+ slowed to 8.2 percent, a significant decline from the growth of 43.8 percent recorded in October 2024. This sharp deceleration reflected weaker contributions from both Net Foreign Assets (NFA) and Net Domestic Assets (NDA).

The contribution of NFA to total liquidity growth declined significantly to 8.6 percent in October 2025 compared with 30.6 percent a year earlier. This development was driven by valuation effects arising from the year-to-date appreciation of the cedi, which lowered the domestic-currency value of foreign-denominated assets. A moderation in the banking sector's foreign asset position relative to the strong inflows recorded last year further contributed to the weaker NFA growth.



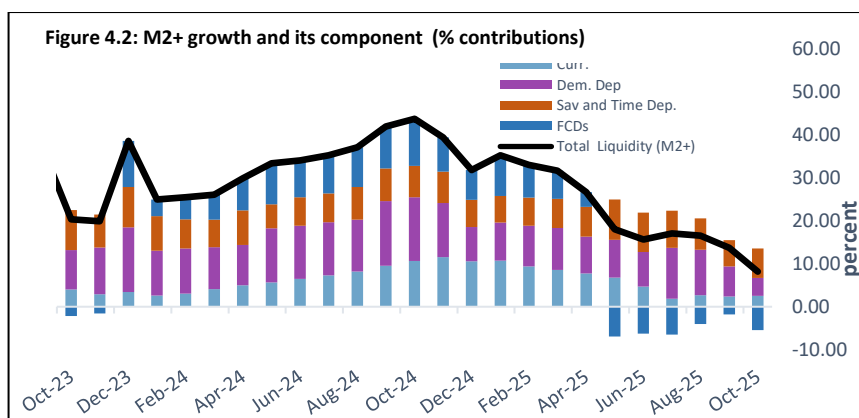
Sources: Bank of Ghana

The contribution of NDA to M2+ growth similarly declined during the review period, with its contribution decreasing to negative 0.4 percent from 13.2 percent in October 2024. The contraction in NDA was underpinned by a significant reduction in Net Claims on Government (NCG), claims on the private sector (including public enterprises), and increased sterilization through the issuance of Bank of Ghana Bills during the review period.

NCG as a contribution to NDA growth declined to *negative* 4.2 percent in line with continued fiscal consolidation and adherence to the zero-financing policy under the IMF-supported programme.

The decline in NDA was partially moderated by developments in Other Items Net (OIN), which recorded a sharp increase in its contribution to M2+ growth to 53.0 percent from negative 6.9 percent in the previous year.

The composition of M2+ growth showed a broad-based decline across all categories of deposits and currency holdings. The contribution of demand deposits to M2+ growth declined to 4.2 percent from 14.9 percent in October 2024, while the contribution of savings and time deposits moderated to 6.9 percent from 7.3 percent a year earlier, in line with slower liquidity creation by the banking system. The contribution of currency in circulation declined to 2.5 percent compared to 10.7 percent recorded in the previous year. Foreign currency deposits (FCDs) was a drag on growth in M2+, recording a contribution of negative 5.4 percent in October 2025, compared to 11.0 percent last year, driven largely by valuation effects from the stable exchange rate and a higher preference for cedi-denominated assets.



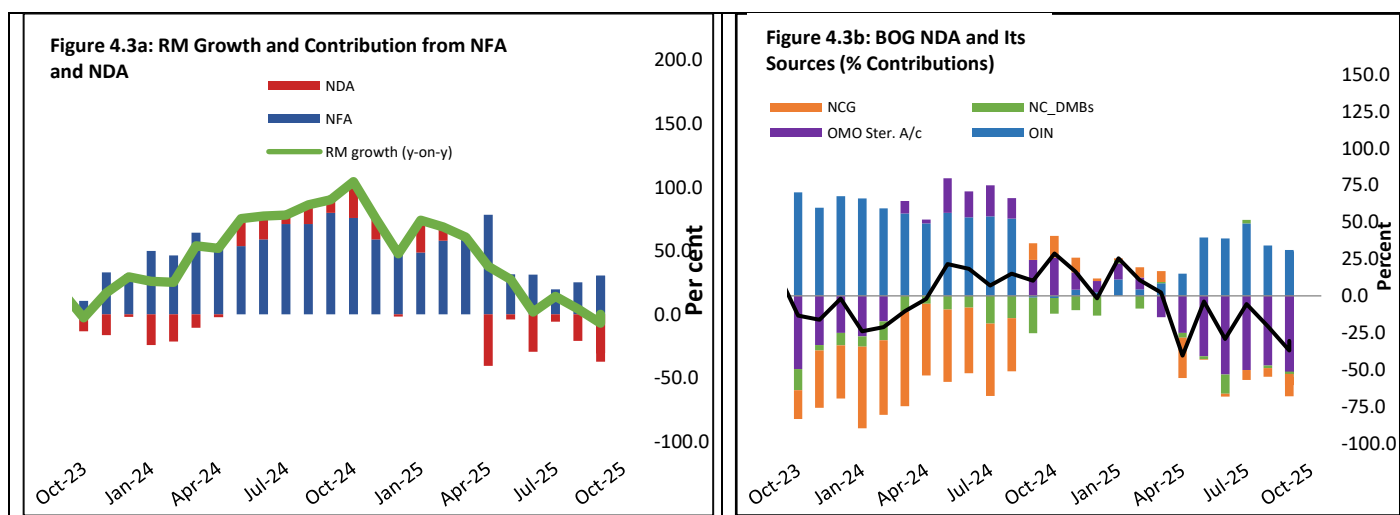
Source: Bank of Ghana

4.2 Reserve Money

Reserve Money (RM) growth continued to moderate significantly in October 2025, reflecting subdued liquidity creation from both domestic and external sources. Annual RM growth eased to 0.1 percent in October 2025, compared with the significant growth of 104.5 percent recorded in October 2024. This sharp deceleration underscores the tighter liquidity conditions shaped by ongoing monetary policy restraint and active sterilisation operations.

The decline in RM growth was primarily driven by a contraction in Net Domestic Assets (NDA). NDA contribution to RM growth declined to *negative* 30.5 percent October 2025, compared to 28.6 percent in October 2024, reflecting reduced net claims on Government (NCG), net claims on DMBs, and intense open market operations (OMO) aimed at sterilizing excess liquidity.

Developments in Net Foreign Assets (NFA) moderated the decline in RM growth. Although NFA increased on a year-on-year basis, to GH¢73,050.9 million in October 2025 from GH¢ 33,675.6 million in October 2024, the pace of accumulation slowed considerably relative to the strong external inflows recorded last year. The moderation partly reflected valuation effects associated with the year-to-date appreciation of the cedi during the year, which reduced the domestic-currency value of foreign-denominated assets. As a result, the contribution of NFA to RM growth declined to 30.5 percent in October 2025, from 75.8 percent a year earlier.



Source: Bank of Ghana

4.3 Deposit Money Banks Credit Developments

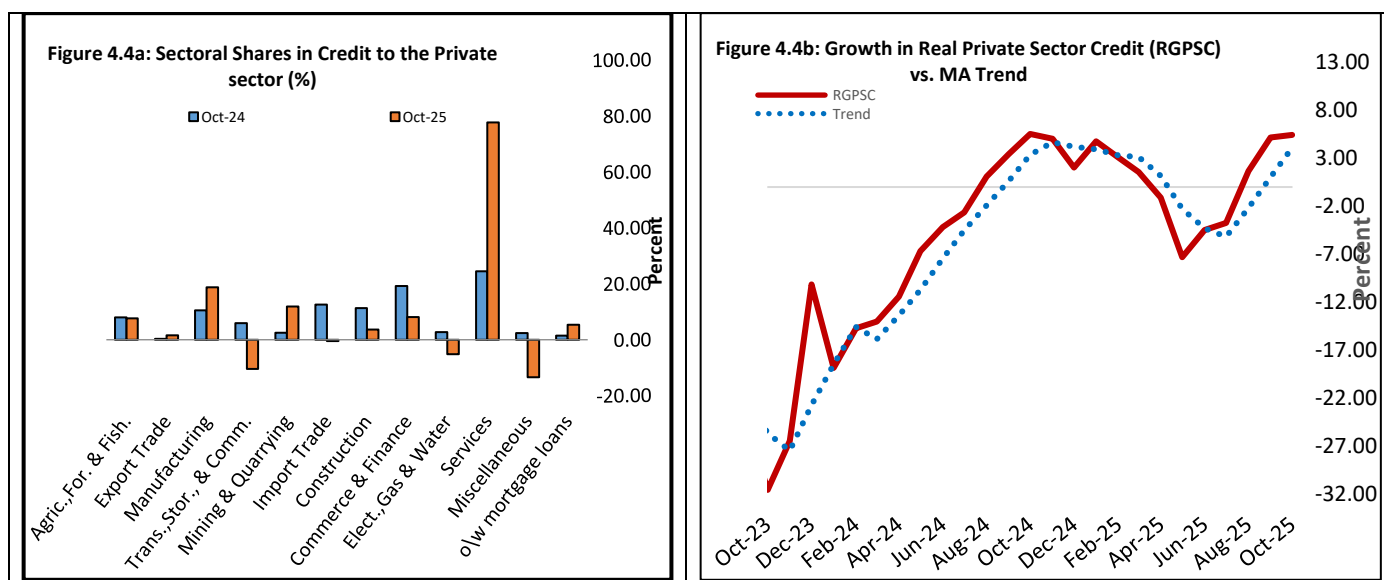
Credit conditions in the banking sector remained subdued in October 2025, reflecting banks' cautious risk-taking stance and a continued preference for Government and Bank of Ghana securities. Total net credit flows slowed to GH¢8,626 million (9.1 percent) as at end-October 2025, compared with GH¢20,952.3 million (28.5 percent) in October 2024. This sharp decline was a result of a marked reduction in lending to the public sector, alongside softer credit expansion to the private economy.

Credit to the public sector contracted significantly during the period. Public sector credit declined by GH¢3,445.9 million (-45.2 percent) in the year to October 2025, in contrast with the GH¢1,516.5 million (24.8 percent) expansion recorded a year earlier. This decline reflected the ongoing fiscal consolidation which had resulted in reduced government borrowing from the banking system.

Notwithstanding a moderation in growth in credit to the private sector, the private sector remained the primary recipient of new lending. Private sector credit expanded by GH¢12,072 million (13.9 percent) in the year to October 2025, although this reflected a moderation from the GH¢19,435.8 million (28.8 percent) growth recorded a year earlier. The private sector's share of total outstanding credit remained dominant, rising to 95.9 percent up from 91.9 percent in October 2024. Nominal private sector credit stood at GH¢98,918.6 million at end-October 2025, compared with GH¢86,846.7 million recorded in October 2024.

A sectoral breakdown of private-sector credit flows showed differentiated lending patterns. Services remained the largest destination of new credit, contributing 77.7 percent of annual credit flows in October 2025, significantly higher than the share of 24.5 percent recorded at the same time last year. The manufacturing sector accounted for 18.8 percent in October 2025, compared with 10.6 percent a year earlier. The mining and quarrying sector similarly recorded a substantial increase, absorbing 11.9 percent of annual private sector credit flows compared to 2.5 percent in 2024.

In real terms, private sector credit growth remained positive, supported by the significant decline in inflation. Real private sector credit grew by 5.4 percent in October 2025, compared to 5.5 percent in October 2024. Although the real growth rate in October 2025 was marginally lower than that of the previous year, it signalled an improving trend in real private sector growth since May 2025. Real private sector credit growth remained slightly above its long-term trend level in October 2025.



Source: Bank of Ghana

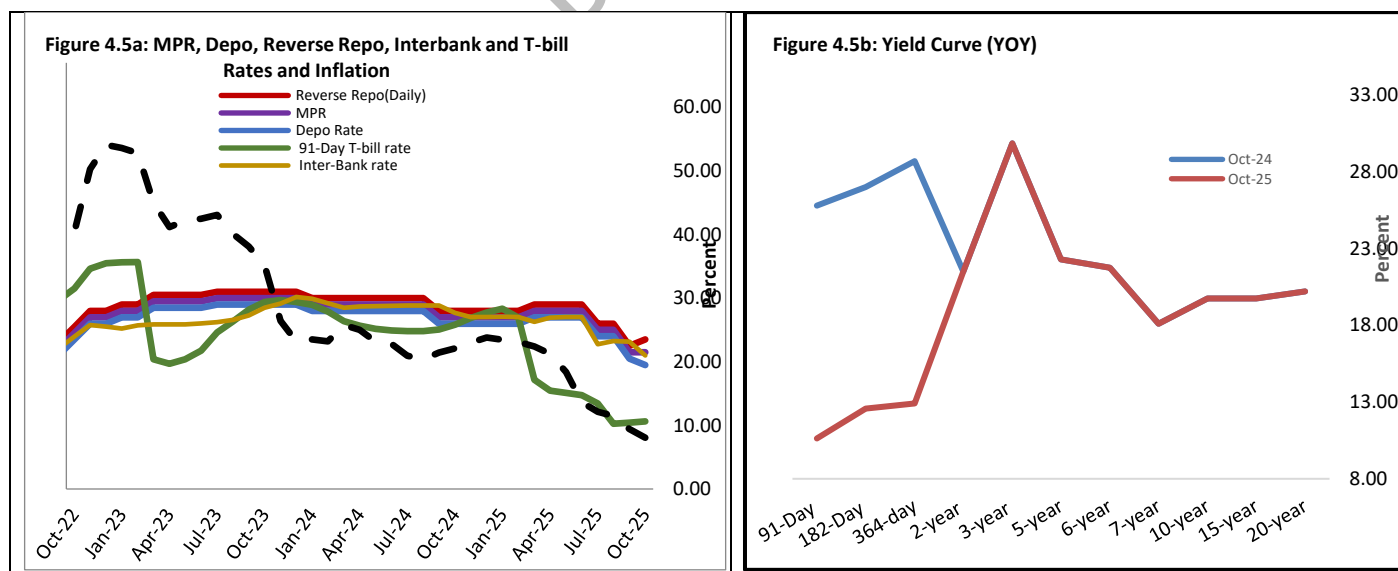
4.4 Money Market Developments

Interest rate developments in October 2025 showed broad declines across the policy, money, and Treasury-bill markets, consistent with the easing cycle initiated by the Bank of Ghana and the continued disinflation process. These movements contrast sharply with conditions in October 2024, when rates remained elevated in line with tight monetary conditions aimed at anchoring inflation expectations.

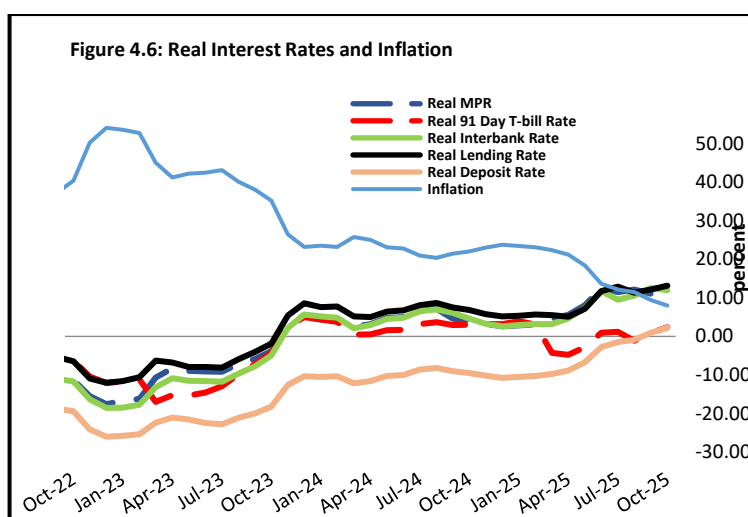
The Monetary Policy Rate (MPR) declined significantly to 21.5 percent in October 2025, from 27 percent in October 2024. This reduction reflected the cumulative policy easing undertaken in 2025 as inflation pressures abated and the macroeconomic environment stabilised. The corresponding downward adjustment in the overnight reverse repo and deposit rates reinforced the easing monetary policy stance.

Short-term money market conditions broadly mirrored developments at the policy level. The Interbank Weighted Average Rate declined to 21.00 percent in October 2025 from 27.7 percent a year earlier, indicating declining cost of overnight funds. Similarly, the average lending rate of banks eased to 22.2 percent from 30.5 percent in October 2024, reflecting a partial pass-through of the lower policy and money-market rates to the credit market. Real rates remained broadly positive, reflecting the sharp decline in inflation during the review period.

Developments in the Treasury bill market were consistent with these trends. The 91-day, 182-day, and 364-day Treasury bill rates declined sharply to 10.6 percent, 12.6 percent, and 12.9 percent, respectively, compared with 25.8 percent, 27.0 percent, and 28.7 percent a year earlier. This decline reflects sustained investor demand at the short end of the curve and ongoing efforts to reduce Government's domestic refinancing costs. The downward movement in short-term yields also suggests renewed market confidence and improving inflation dynamics. Rates on medium- to long-term Government securities such as the 2-year, 3-year, 5-year, 6-year, 7-year, 10-year, 15-year, and 20-year bonds remained broadly unchanged, given limited activity in that segment of the market.



Source: Bank of Ghana



Source: Bank of Ghana

4.5 Stock Market Developments

Activity on the Ghana Stock Exchange (GSE) strengthened further in October 2025, supported by improved investor sentiment, stronger corporate earnings, and continued macroeconomic stability. The GSE Composite Index (GSE-CI) closed the month at 8,385.35 points, compared with 4,385.94 points in October 2024, representing a growth rate of 91.2 percent. This marked improvement reflects sustained buying interest across key counters, improved profitability among listed firms, and renewed portfolio inflows as inflation eased and financial conditions stabilised. Sectoral performance was broadly positive, with notable contributions from the distribution, IT, finance and food and beverages (F&B) sectors with annual growth rates of 173.2 percent, 94.5 percent, 87.4 percent and 58.3 percent, respectively.

The GSE Financial Stocks Index (GSE-FI) also recorded significant growth, rising to 4,193.90 points in October 2025 from 2,237.5 points a year earlier. The strong performance of financial stocks mirrors the sector's continued recovery following balance-sheet adjustments undertaken in the aftermath of the Domestic Debt Exchange Programme (DDEP) and enhanced earnings performance in the financial system.

Table 4.2: Performance of Ghana Stock Exchange

	Oct-23	Dec-23	Aug-24	Sep-24	Oct-24	Dec-24	Aug-25	Sep-25	Oct-25
GSE CI	3125.62	3130.23	4359.85	4369.44	4385.94	4888.53	7330.37	8168.35	8385.35
GSE FI	1979.43	1901.57	2118.06	2190.37	2237.45	2380.79	3411.96	3799.31	4193.90
Market Capitalization	73736.96	73893.17	92041.99	99101.87	100150.22	111356.09	149598.17	162594.44	166537.93

Source: Ghana Stock Exchange and Bank of Ghana Staff Calculations

Market capitalization continued its upward trajectory, increasing to GH¢166.54 billion at end-October 2025 from GH¢100.15 billion in October 2024. This represents a substantial expansion in overall market value, driven primarily by appreciable gains in share prices across both financial and non-financial sectors. The sharp rise in market capitalization also reflects renewed investor confidence in the equity market, improved corporate performance, and the broader macroeconomic gains achieved during the year. Sectorally, the distribution, finance, and IT sectors recorded strong gains of 173.2 percent, 131.2 percent and 94.5 percent, respectively.

4.6 Conclusion

Monetary developments in October 2025 were underpinned by the Bank's continued tight monetary policy stance and active sterilization. Growth in both broad money (M2+) and reserve money moderated sharply relative to the elevated

levels observed in October 2024, driven largely by contractions in Net Domestic Assets, particularly, reduced net claims on Government, and slower accumulation of Net Foreign Assets

Credit growth remained muted as Deposit Money Banks continued to rebalance their portfolios in favour of Bank of Ghana instruments. However, a modest pick up in credit growth was observed particularly in the second half of the year, in line with the Bank of Ghana's easing policy stance.

In the money market, short-term interest rates declined significantly on a year-on-year basis, in line with Government's strategy to lower refinancing costs at the short end of the yield curve. Policy rate adjustments flowed through the market, with declines in the interbank rate and average lending rate helping to ease the cost of financing for firms and households. At the same time, the substantial fall in inflation led to a marked improvement in real interest rates, reinforcing the Bank's disinflation stance and maintaining sufficiently tight real monetary conditions despite the nominal easing.

Activity on the Ghana Stock Exchange continued to pick up in October, with the GSE Composite Index and GSE Financial Index recording substantial year-on-year gains. Market capitalization expanded markedly, driven by broad share price appreciation—particularly among financial, IT, and distribution sectors. The recovery in stock valuations reflects improved profitability of listed firms, renewed investor confidence, and a stabilising macroeconomic environment.

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5. Banking Sector Developments and Macroprudential Risk Assessment

5.0 Highlights

The banking sector's performance in October 2025 depicted the industry's resilience as asset growth remained strong. However, growth in the banking industry assets in October 2025 moderated on the back of moderation in growth of funding sources (i.e. deposits, borrowings and shareholders' funds) largely due to appreciation of the Ghana cedi. Growth in banks' profit-before-tax and profit-after-tax were higher in the first ten months of 2025 relative to a similar period a year ago.

Also, Financial Soundness Indicators (FSIs), except for core liquidity, suggested an improvement in October 2025 relative to the same period in 2024. Profit growth strongly picked up in October 2025, and this translated into a growth in profitability indicators during the period. Banking sector solvency, as measured by the industry's Capital Adequacy Ratio (CAR) without regulatory reliefs, in October 2025 improved significantly to 16.6 percent, compared to 11.1 percent in the corresponding period in 2024. With reliefs, CAR similarly grew to 17.9 percent in October 2025, up from 14.3 percent in October 2024. The industry's Non-Performing Loans (NPLs) ratio recorded an improvement in October 2025 relative to the same period in 2024 due to a contraction in the growth of NPL stock while credit growth slowed down. However, asset quality remains a major risk to the banking sector.

In the outlook, the sector's performance is contingent on banks' adherence to recapitalisation plans and implementation of the new NPL regulatory guidelines introduced by Bank of Ghana. Financial intermediation by banks is expected to pick up as monetary policy continues to ease, which can lead to systemic risks.

5.1 Banks' Balance Sheet

Total assets of the banking sector grew by 15.3 percent to GH¢423.3 billion as at October 2025, relative to 42.4 percent growth recorded in October 2024. The growth in assets was driven largely by growth in deposits, notably domestic deposits and other funding sources. Foreign assets contracted by 30.0 percent in October 2025 from a growth of 102.3 percent in October 2024, while domestic assets increased by 21.2 percent compared to 37.1 percent during the period under review. Accordingly, the share of domestic assets in total assets rose from 88.4 percent to 93.0 percent while the share of foreign assets in total assets decreased from 11.6 percent to 7.0 percent, during the same reference period.

In October 2025, investments surged by 54.1 percent to GH¢181.8 billion, relative to a growth of 13.7 percent for the same period in October 2024. Growth in short-term instruments increased sharply by 140.5 percent from a negative growth of 2.7 percent during the same period last year and this was primarily due to increased purchases of Bank of Ghana bills by industry players in line with monetary policy. Investments in long-term securities, however, contracted by 6.7 percent in October 2025 relative to a growth of 29.0 percent the previous year. This resulted in the share of short-term bills as a proportion of total assets increasing to 27.6 percent in October 2025 from 13.2 percent in October 2024. The rebalancing of banks' portfolios in favour of short-term bills led to an increased share of investments in total assets to 43.0 percent in October 2025, from 32.1 percent in October 2024.

Credit growth slowed down within the banking sector in October 2025. Gross loans and advances grew by 9.1 percent to GH¢103.1 billion in October 2025, compared to a 28.5 percent growth in October 2024. Growth in net loans and advances (gross loans adjusted for provisions and interest in suspense) also slowed down to 12.0 percent from 23.3 percent in the previous year.

Deposits continued to be the main source of funding for the industry. Total banking deposits stood at GH¢302.0 billion as at end-October 2025. The growth in deposits moderated from 38.7 percent in October 2024 to 8.9 percent in October 2025. This moderate growth in year-on-year terms was driven mainly by domestic deposits. The foreign currency

component of deposits in cedi terms contracted by 21.1 percent to GH¢71.3 billion in October 2025, compared to a growth of 39.8 percent in the same period last year. This was due to the appreciation of the Ghana cedi during the period.

Growth in borrowings in October 2025 moderated to 67.2 percent to GH¢43.8 billion from a growth of 75.4 percent in October 2024 due to a contraction in foreign currency borrowings. On the domestic front, short-term and long-term borrowings recorded a year-on-year growths of 96.2 percent and 74.5 percent, respectively, in October 2025.

The industry's shareholders' funds (comprising paid-up capital and reserves) grew at a lower rate of 41.0 percent to GH¢53.5 billion in October 2025, compared to a growth of 49.5 percent in October 2024. The growth was driven by a strong outturn in industry profit and some recapitalization efforts by banks.

Table 5.1: Key Developments in DMBs' Balance Sheet

	(GH ¢million)			Y-on-Y Growth (%)			Shares (%)	
	<u>Oct-24</u>	<u>Aug-25</u>	<u>Oct-25</u>	<u>Oct-24</u>	<u>Aug-25</u>	<u>Oct-25</u>	<u>Oct-24</u>	<u>Oct-25</u>
TOTAL ASSETS	367,211.5	415,201.5	423,297.9	42.4	22.4	15.3	100.0	100.0
A. Foreign Assets	42,544.5	27,345.2	29,768.0	102.3	(16.6)	(30.0)	11.6	7.0
B. Domestic Assets	324,667.0	387,856.3	393,530.0	37.1	26.5	21.2	88.4	93.0
Investments	117,989.2	182,295.5	181,848.3	13.7	56.2	54.1	32.1	43.0
i. Bills	48,649.5	116,766.8	117,025.2	(2.7)	127.6	140.5	13.2	27.6
ii. Securities	69,002.2	65,114.1	64,399.3	29.0	0.1	(6.7)	18.8	15.2
Advances (Net)	77,521.3	79,371.0	86,848.6	23.3	12.7	12.0	21.1	20.5
of which Foreign Currency	24,918.1	20,078.0	19,265.3	15.7	(14.8)	(22.7)	6.8	4.6
Gross Advances	94,477.3	95,337.9	103,103.4	28.5	10.0	9.1	25.7	24.4
Other Assets	25,666.8	26,390.1	26,827.3	70.8	19.7	4.5	7.0	6.3
Fixed Assets	8,688.2	10,081.0	10,198.4	12.4	15.0	17.4	2.4	2.4
TOTAL LIABILITIES AND CAPITAL	367,211.5	415,201.5	423,297.9	42.4	22.4	15.3	100.0	100.0
Total Deposits	277,256.3	300,109.6	301,964.1	38.7	17.8	8.9	75.5	71.3
of which Foreign Currency	90,431.1	70,147.3	71,349.8	39.8	(15.6)	(21.1)	24.6	16.9
Total Borrowings	26,216.2	39,913.4	43,841.1	75.4	54.6	67.2	7.1	10.4
Foreign Liabilities	6,454.8	5,385.7	5,050.2	(0.8)	(25.7)	(21.8)	1.8	1.2
i. Short-term borrowings	3,127.4	2,508.2	2,526.9	107.0	15.8	(19.2)	0.9	0.6
ii. Long-term borrowings	2,602.2	1,656.6	1,443.7	(34.2)	(60.9)	(44.5)	0.7	0.3
iii. Deposits of non-resider	714.8	1,138.4	948.3	(31.6)	38.6	32.7	0.2	0.2
Domestic Liabilities	322,813.5	359,474.3	364,741.0	43.4	20.9	13.0	87.9	86.2
i. Short-term borrowing	18,971.7	33,663.9	37,227.3	122.0	87.4	96.2	5.2	8.8
ii. Long-term Borrowings	1,514.9	2,084.7	2,643.3	62.1	43.9	74.5	0.4	0.6
iii. Domestic Deposits	276,541.5	298,971.2	301,015.8	39.0	17.7	8.9	75.3	71.1
Other Liabilities	25,108.7	23,549.4	22,692.6	46.7	(4.4)	(9.6)	6.8	5.4
Paid-up capital	16,902.2	19,233.2	19,234.6	62.0	39.7	13.8	4.6	4.5
Shareholders' Funds	37,943.2	50,329.5	53,494.6	49.5	50.7	41.0	10.3	12.6

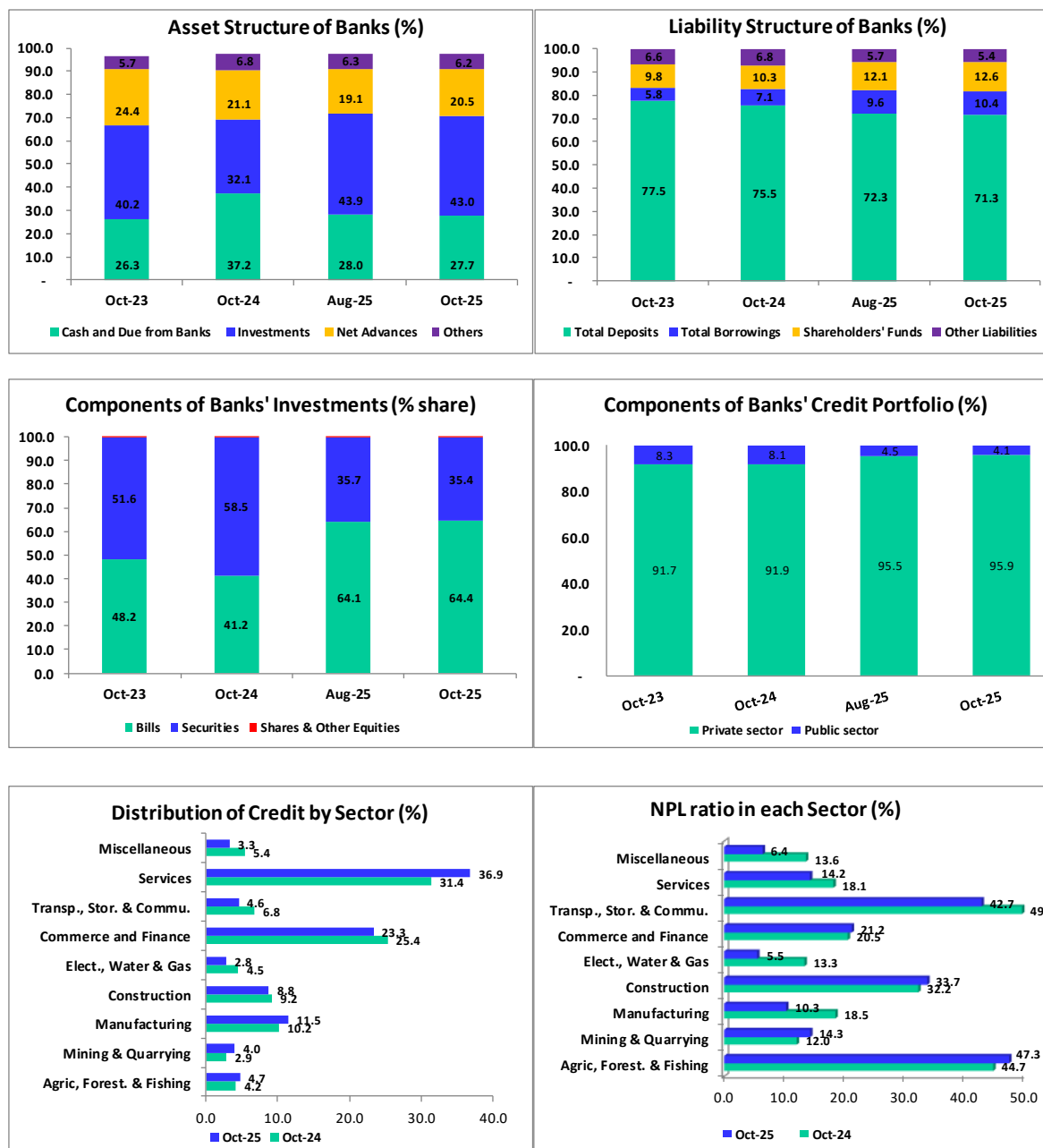
Source: Bank of Ghana

5.1.1 Asset and Liability Structure

The asset structure of the industry's balance sheet in October 2025 point toward a rebalancing of bank's portfolios towards investments. Investments (comprising bills, securities, and equity) was the largest component of the industry's assets with a share of 43.0 percent in October 2025 against its share of 32.1 percent in October 2024. Consequently, the share of cash and bank balances to total assets declined to 27.7 percent from 37.2 percent during the review period. The slowdown in credit growth reflected in a declined share of net advances of 20.5 percent from 21.1 percent in October 2024. Net advances remained the third-largest component of total assets in the banking sector. Non-earning assets (fixed assets and other assets) in banks' total assets declined in share to 8.9 percent in October 2025 from 9.5 percent a year earlier. Investments and cash and bank balances together accounted for 70.6 percent of total assets in October 2025, compared to a share of 69.4 percent in October 2024.

The funding structure of banks was largely from deposits. However, the share of deposits in banks' liabilities and shareholders' funds declined to 71.3 percent in October 2025 from 75.5 percent in the corresponding period last year while the share of borrowings increased to 10.4 percent in October 2025 from 7.1 percent in October 2024. The size of shareholders' funds in banks' liabilities and shareholders' funds increased to 12.6 percent from 10.3 percent while the share of other liabilities declined to 5.4 percent from 6.8 percent relative to same period last year.

Figure 5.1: Developments in Banks' Balance Sheet & Asset Quality



Source: Bank of Ghana

5.1.2 Share of Banks' Investments

Short-term instruments replaced long-term instruments as the largest component of banks' investment portfolio. Its share increased to 64.4 percent in October 2025 from 41.2 percent in the corresponding period of 2024. The share of long-term instruments however, dropped from 58.5 percent in October 2024 to 35.4 percent in October 2025 reflecting the industry's rebalancing of portfolios. The share of equity investments remained flat at 0.2 percent during the period under review.

5.2 Credit Risk

The industry's asset quality as measured by industry's Non-Performing Loans (NPLs) ratio recorded an improvement in October 2025 relative to the same period in 2024 mainly due to a contraction in the growth of NPL stock while credit growth slowed down.

5.2.1 Credit Portfolio Analysis

The moderation in credit growth recorded in October 2025 is attributable to the contraction in foreign currency loans. The growth of gross loans and advances moderated by 9.1 percent in October 2025 to GH¢102.4 billion compared to an annual growth of 28.5 percent in October 2024. Private sector credit (comprising credit to private enterprises and households) also grew by 13.1 percent to GH¢98.2 billion in October 2025 relative to a 28.8 percent growth in the same period a year earlier. Public sector credit however, posted a contraction of 45.2 percent to GH¢4.2 billion at end-October 2025 from a growth of 24.9 percent in October 2024. Subsequently, the share of private sector credit in total credit rose to 95.9 percent as at end-October 2025, from 91.9 percent in October 2024, while the share of public sector declined from 8.1 percent in October 2024 to 4.1 percent in October 2025.

In terms of the distribution of credit by sectors, the services sector continued to be the dominant sector that received credit. It accounted for the largest share of 36.9 percent as at end-October 2025 (from 31.4 percent in October 2024), followed by the commerce and finance sectors with a share of 23.3 percent (a moderation from 25.4 percent in October 2024). The manufacturing sector had an increased share of 11.5 percent (from 10.2 percent in October 2024). In total, these three largest sectors accounted for 71.7 percent of total credit in October 2025, compared with 67.0 percent in October 2024. The electricity, water and gas sector was the lowest recipient of industry credit with a share of 2.8 percent as of end-October 2025 relative to a share of 4.5 percent a year prior.

5.2.2 Off-Balance Sheet Activities

Off-balance sheet transactions (largely trade finance and guarantees) decreased during the period under review. Contingent liabilities contracted by 33.0 percent to GH¢18.2 billion as at end-October 2025, down from GH¢27.2 billion as at end-October 2024. Accordingly, banks' contingent liabilities as a percentage of total liabilities declined from 8.3 percent in October 2024 to 4.9 percent in October 2025.

5.2.3 Asset Quality

The industry's asset quality improved during the period under review. The industry's NPL ratio declined to 19.5 percent in October 2025, from 22.7 percent in October 2024. This ratio also improved from 9.4 percent in October 2024 to 6.8 percent end-October 2025 when adjusted for the fully provisioned loan loss category. This reflected a decrease share of sub-standard and an increase in doubtful and loss loans in the NPL stock. The decline in the NPL ratio was due to the contraction in the stock of NPL and a modest pickup in credit. The industry's NPL stock contracted by 6.2 percent to GH¢20.1 billion in October 2025 from GH¢21.4 billion in October 2024, showing the impact of increased write-offs and repayments as well as the appreciation of the Ghana Cedi.

The private sector, continued to be the largest recipient of the industry's credit and thus, accounted for the largest share of NPLs as at end-October 2025. The proportion of NPLs attributable to the private sector increased marginally from

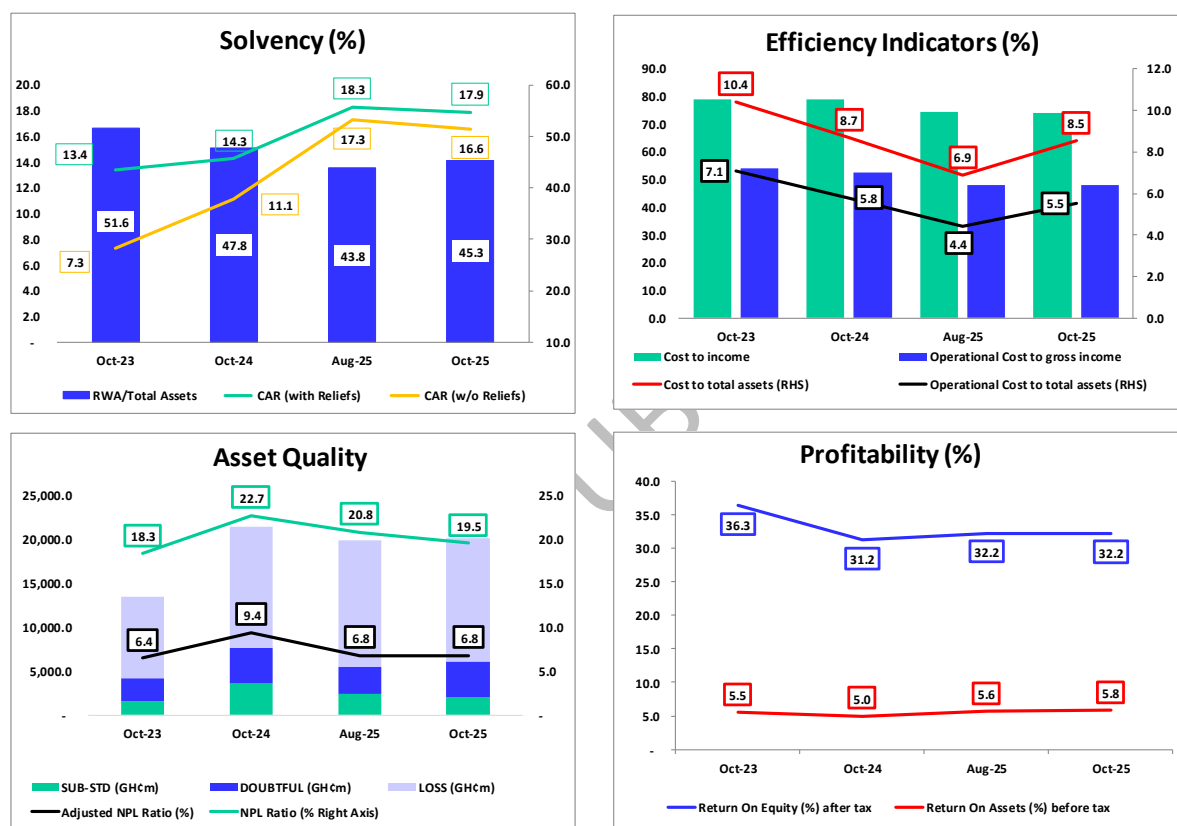
96.0 percent in October 2024 to 97.3 percent in October 2025, while that of the public sector declined from 4.0 percent in October 2024 to 2.7 at end-October 2025.

In terms of the sectorial distribution of loans, the electricity, water & gas sector recorded the lowest NPL ratio (from 13.3 percent to 5.5 percent). During the review period, the manufacturing, electricity, water & gas, transport, storage and communication and services sector recorded improvement in their NPL ratios. The agriculture, forestry and fishing sector recorded the highest NPL ratio of 47.3 percent (from 44.7 percent). It was followed by the transportation, storage, and communication sector with an NPL ratio of 42.7 percent (from 49.4 percent).

5.3 Financial Soundness Indicators

Trends in the industry's Financial Soundness Indicators (FSIs) indicated an improvement during the period under review.

Figure 5.2: Key Financial Soundness Indicators



Source: Bank of Ghana

5.3.1 Liquidity Indicators

The banking industry maintained a strong overall liquidity position in October 2025; however, performance across liquidity indicators was uneven, with a notable divergence between core liquidity and broad liquidity measures. This suggests that while aggregate funding capacity remains adequate, underlying structural liquidity dynamics may require closer monitoring to ensure sustained short-term resilience. Core liquidity declined in October 2025 as industry players decreased their cash and bank holdings while broad liquidity increased due to the pick in investments. The ratio of core liquid assets (mainly cash and due from banks) to total deposits declined to 38.8 percent in October 2025 from 49.3 percent in October 2024, while core liquid assets to total assets ratio also decreased to 27.7 percent from 37.2 percent. However, the ratio of broad liquid assets to total deposits increased from 91.7 percent to 98.8 percent, while the broad liquid assets to total assets ratio also increased to 70.5 percent from 69.3 percent over the review period.

5.3.2 Capital Adequacy Ratio

The industry's solvency position, measured by the Capital Adequacy Ratio (CAR) improved year-on-year. The industry recorded a CAR of 16.6 percent in October 2025 compared to 11.2 percent in October 2024. This was on account of the recapitalisation by banks as well as profitability realised by the sector. With regulatory reliefs, CAR was 17.9 percent in October 2025, compared to 14.3 percent in October 2024.

5.3.3 Profitability

The banking industry remained profitable for the first ten months of 2025. It recorded a sharp profit-before-tax (PBT) growth of 43.8 percent (from 18.2 percent) to GH¢19 billion in October 2025 and an after-tax growth of 47.8 percent (from 19.9 percent) to GH¢12.6 billion in October 2025 relative to the corresponding period last year.

All income lines recorded growth in October 2025 with other income growing at 48.5 percent compared to 4.9 percent the similar period last year. On year-on-year basis, interest income moderated by 18.4 percent to GH¢37.1 billion in October 2025 from GH¢31.3 billion in October 2024. Net interest income saw a moderation of 17.9 percent to GH¢24.4 billion from 18.3 percent in October 2024. Interest expenses slowed down by 19.5 percent to GH¢12.7 billion in October 2025 from a growth of 24.0 percent (GH¢10.1 billion) in October 2024. The growth in net interest income is attributable to the slowdown in interest expense due to lower interbank lending rates in October 2025 compared to October 2024.

Net fees and commissions recorded a slower growth of 8.6 percent from 26.0 percent a year ago. These developments resulted in a 24.0 percent growth in the industry's net operating income in October 2025 compared with the 14.4 percent growth recorded in the previous year.

The cost lines also recorded increases in October 2025. There was a marginal difference in growth rates in the period under review. The industry's operating expenses slowed down by 16.9 percent in October 2025, compared to 21.0 percent in 2024, on the back of a thin growth in staff costs and other operating (administrative) expenses. Provisions for depreciation, bad debt and impairment losses on financial assets however contracted by 56.7 percent in October 2025 compared to the 1.0 percent expansion recorded in October 2024.

(a) Return on Assets and Return on Equity

The sector's profitability indicators, namely, return-on-assets (ROA) and return-on-equity (ROE), improved during the period under review. This is on account of the robust growth of profit-before-tax and profit-after-tax. The ROE increased from 31.2 percent in October 2024 to 32.2 percent in October 2025, while the ROA also increased to 5.8 percent from 5.0 percent over the same comparative period.

(b) Interest Margin and Spread

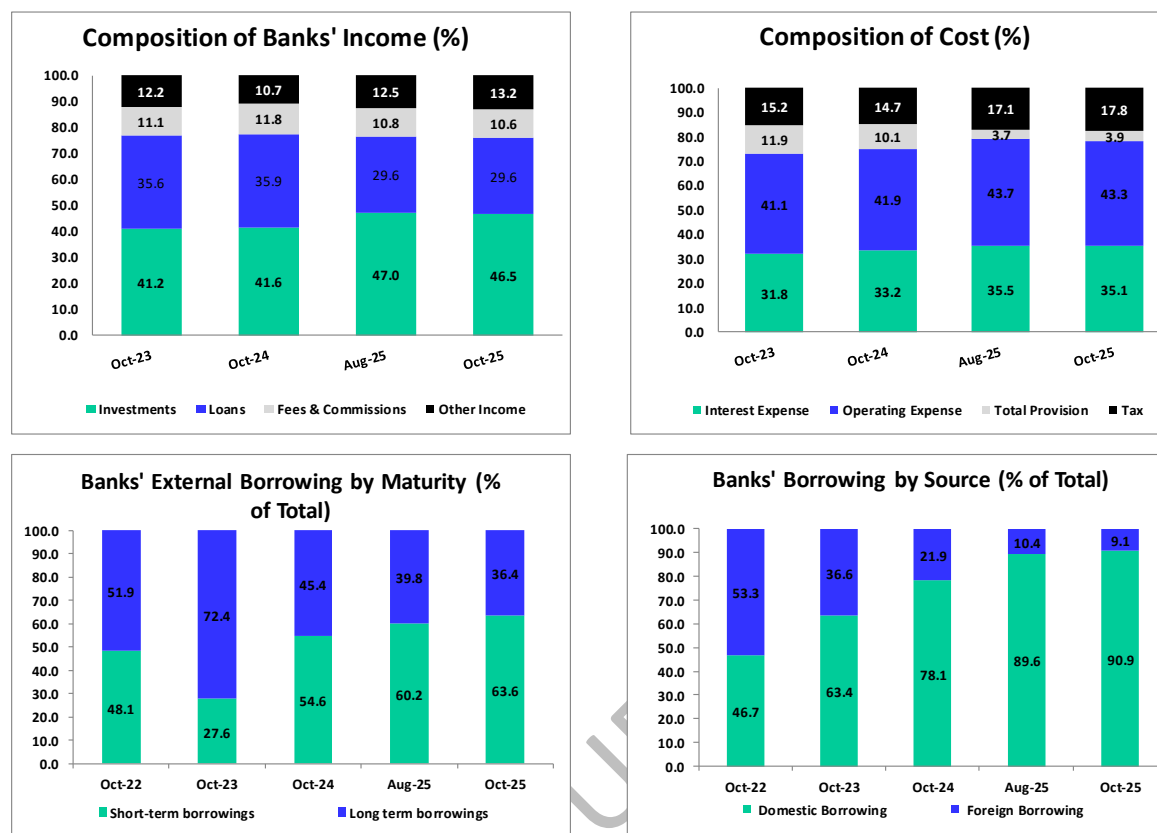
Interest spreads for the banking sector slowed down to 9.7 percent in October 2025, from 10.8 percent in October 2024. The decrease in spreads was due to a marginal decline in interest payable to 4.7 percent from 4.8 percent in a similar period last year. Gross yields declined marginally during the reference period. The interest margin to total assets ratio also increased from 5.6 percent to 5.8 percent within the reference period, while interest margin to gross income recorded a decline from 51.3 percent to 50.2 percent. The ratio of gross income to total assets (asset utilisation) improved to 11.5 percent in October 2025 from 11.0 percent in October 2024, while the profitability ratio increased from 21.1 percent to 25.9 percent over the review period.

(c) Composition of Banks' Income

The largest component of banks' total income in October 2025 was income from investments. It's share grew from 41.6 percent in October 2024 to 46.5 percent in 2025. Subsequently, the share of interest income from loans reduced from

35.9 percent to 29.6 percent. Similarly, the share of income from fees and commissions, reduced from 11.8 percent to 10.6 percent. The share of income from other sources increased from 10.7 percent to 13.2 percent.

Figure 5.3: Composition of Income, Cost and Borrowings



Source: Bank of Ghana

5.3.4 Operational Efficiency

The efficiency of the banking sector improved, driven primarily by a deceleration in the growth of operating expenses during the review period. The cost-to-income ratio improved from 78.9 percent in October 2024 to 74.1 percent in October 2025, indicating enhanced operational efficiency. Similarly, the cost-to-total-assets ratio strengthened to 8.5 percent in October 2025, compared with 8.7 percent recorded in the corresponding period last year. The operational cost-to-total assets ratio also declined to 5.5 percent, from 5.8 percent last year, while the ratio of operational cost to total income improved from 52.7 percent in October 2024, to 48.1 percent in October 2025.

5.3.5 Banks' Counterparty Relationships

Total offshore balances contracted by 29.1 percent to GH¢27.5 billion in October 2025, compared with the 125.7 percent increase recorded in the corresponding period of the previous year. This development was primarily attributable to contractions in both nostro balances and placements. Growth in nostro balances declined sharply by 43.3 percent in October 2025 compared with a growth of 176.6 percent in October 2024. Growth in industry placements also declined by 14.8 percent in October 2025, compared to a growth of 90.8 percent during the same period last year. Accordingly, the ratio of offshore balances to net worth dropped to 51.4 percent in October 2025, from 102.2 percent in October 2024.

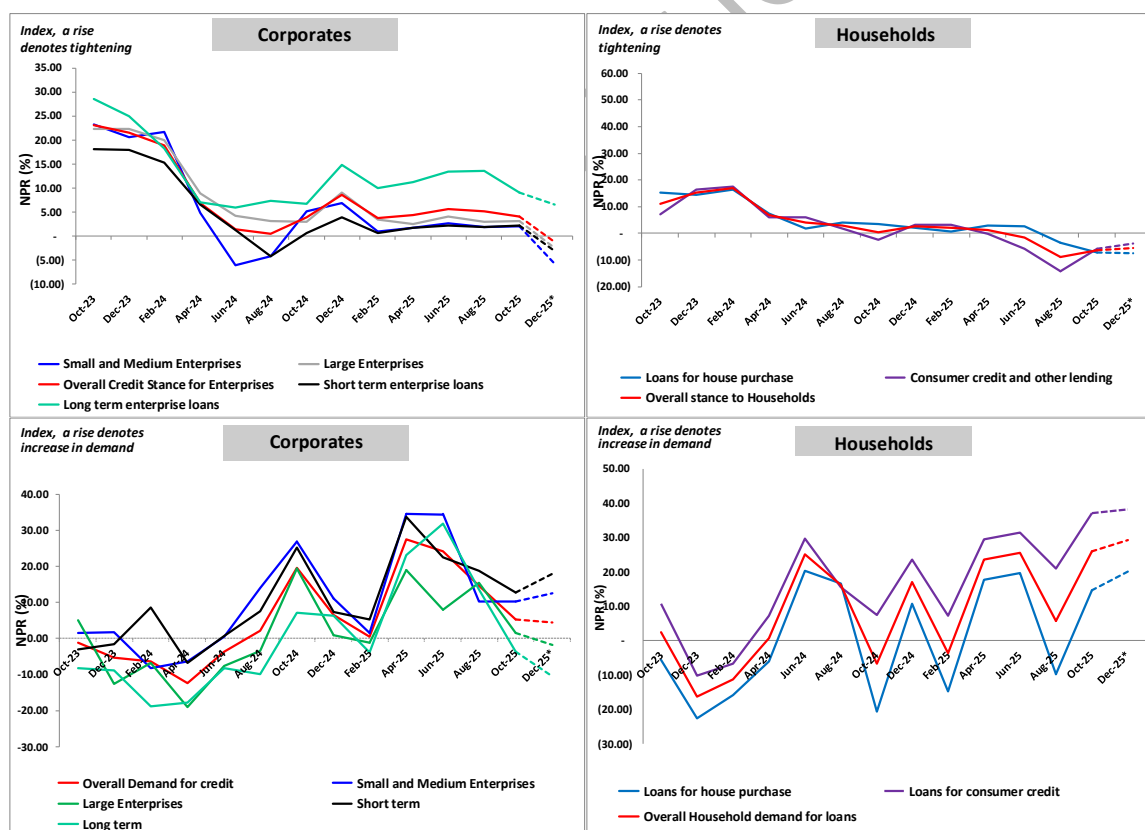
The share of banks' external borrowings in total borrowings declined to 9.1 percent in October 2025, from 21.9 percent in October 2024, while the share of domestic borrowings increased to 90.9 percent from 78.1 percent over the same period. External borrowing activity was predominantly directed toward short-term instruments. Accordingly, the share of short-term borrowings increased to 63.6 percent in October 2025, compared with 54.6 percent a year earlier, whereas the share of long-term borrowings in total external borrowings decreased to 36.4 percent from 45.4 percent.

5.4 Credit Conditions Survey

The October 2025 Credit Conditions Survey indicated a net easing in the overall credit stance toward enterprise lending during September and October 2025. This development was primarily driven by a relaxation in lending conditions for long term enterprise loans as lending conditions for large corporates, small and medium enterprises and short-term enterprise loans remain relatively tight. Furthermore, banks anticipate a continued easing of their overall credit stance on enterprise loans over the next two months, supported by expected loosening across all components of enterprise lending.

The October 2025 Credit Conditions Survey also indicated a tightening in the overall credit stance toward household lending, reversing the previous easing observed in both consumer credit and mortgage segments. Looking ahead, banks project a further tightening of household credit conditions over the next two months, primarily driven by more restrictive policies on loans for consumer credit and other lending.

Figure 5.4: Credit Conditions Survey Results



Source: Bank of Ghana

The survey further reported a decline in overall demand for enterprise loans, primarily reflecting reductions across all enterprise loan components. This trend is likely attributable to seasonal factors, as firms scale down operations towards

the close of the year. Looking ahead, banks anticipate a further decline in corporate loan demand over the next two months, driven predominantly by weaker demand for long-term facilities and loans to large enterprises, alongside a more moderate increase in short-term credit and SME borrowing.

Conversely, household credit demand increased between August and October 2025, reversing the earlier decline observed in mortgage, consumer credit, and other lending between July and August 2025. Looking ahead, banks project a further strengthening in household loan demand over the next two months, supported by anticipated growth in both consumer credit and mortgage financing, which is expected to drive an overall expansion in household borrowing.

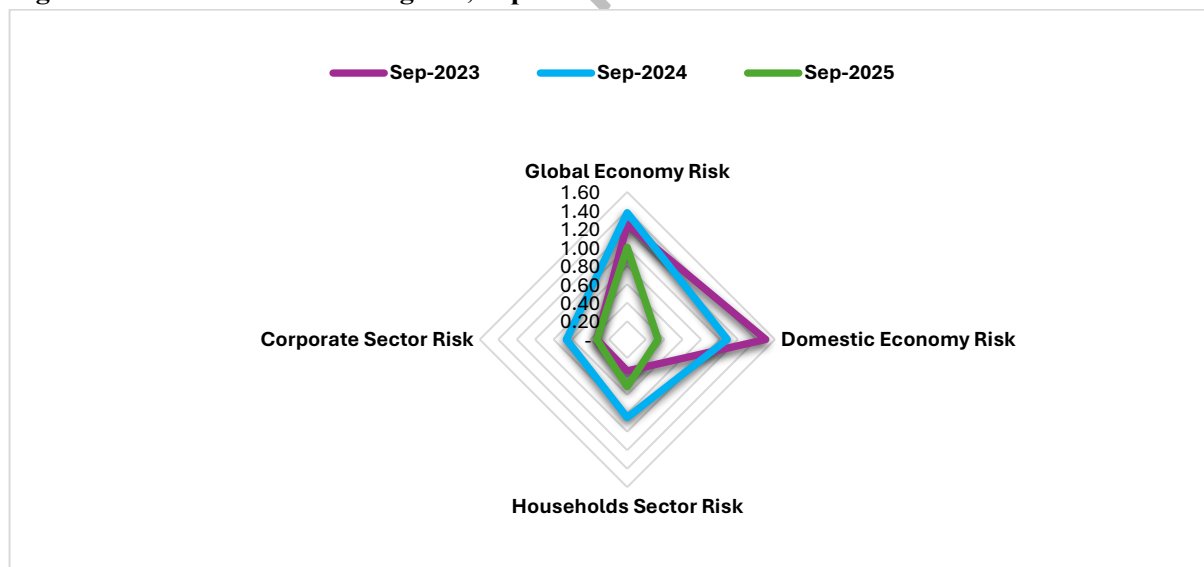
5.5 Macprudential Risk Assessment

Cobweb Assessment³

The latest macro-financial risks assessment revealed that risks emerging from the global and domestic macroeconomic environment as well as those from the corporate and household sectors have moderated considerably year-on-year. The broad-based moderation in risks was partly driven by easing global inflation and lending conditions, amid favourable domestic macroeconomic developments resulting from low inflation, currency stability, reduction in public debt, robust growth and strong external position. The sustained improvement in the macroeconomic environment enhanced the debt servicing capacity of the corporate and household sectors.

In the near term, the observed moderation in risks emerging from the various risks dimensions (global, domestic, corporate and household) is expected to be sustained on the back of continuous easing in global inflation and lending rate, and favourable domestic macroeconomic prospects. The favourable macroeconomic prospect is expected to improve the debt servicing capacity of corporates and households as the declines in inflation and interest rate impact positively on cost of credit. In addition, the Bank of Ghana's regulatory measures to reduce NPLs to the prudential threshold of 10% is expected to reduce asset quality risks from corporates and households.

Figure 5.5: Ghana Cobweb Diagram, September 2023 – 2025



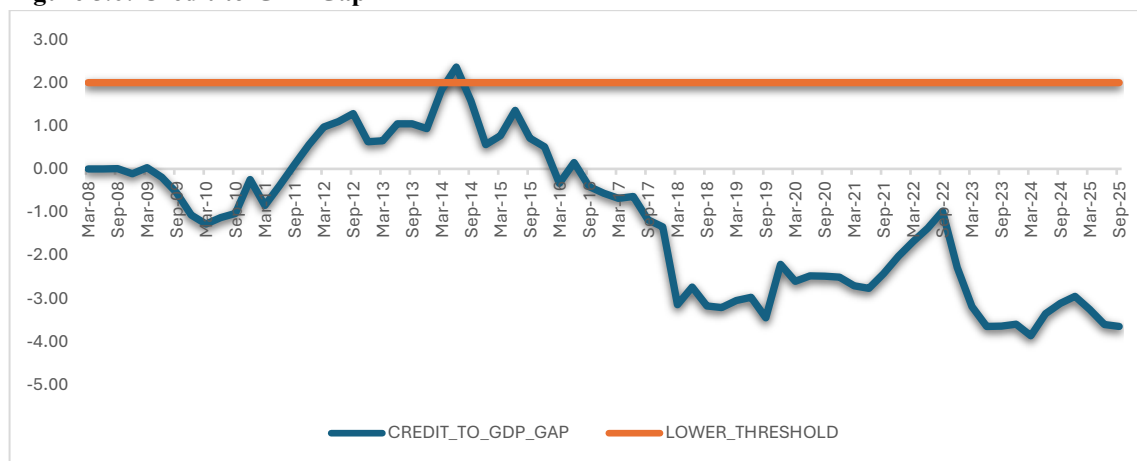
Source: Bank of Ghana

³ The Cobweb diagram illustrates changes in macro-financial risks impacting the banking sector from four dimensions—global macroenvironment, domestic macroenvironment, corporate, and household sectors—using risk scores derived from sector-specific indicators. Movements outward from the origin denote higher risk.

Credit-to-GDP⁴

Ghana's credit-to-GDP gap remained negative in September 2025, despite modest increases in private sector credit. The negative gap indicates that total credit relative to the size of the economy is below its long-term trend, as shown in the figure below. It also suggests scope for measured credit expansion amid improving macroeconomic fundamentals, supported by strong credit risk management across the banking sector.

Figure 5.6: Credit-to-GDP Gap

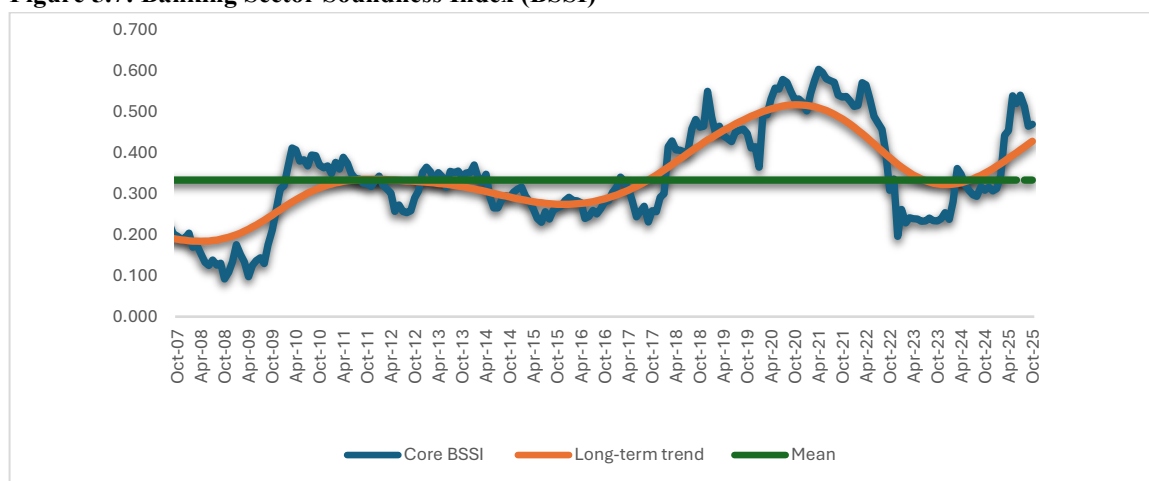


Source: Bank of Ghana

Banking Sector Soundness Index (BSSI)⁵

The soundness of the banking sector as at end-October 2025 improved markedly year-on-year. The Banking Sector Soundness Index (BSSI) improved in October 2025 compared with the same period in 2024, reflecting strong solvency, adequate liquidity, earnings, and improving asset quality. The outlook of the banking sector remains positive amid a favourable macroeconomic environment, enhanced supervision, ongoing recapitalisation efforts, sustained earnings and expected strengthening of risk management systems by banks.

Figure 5.7: Banking Sector Soundness Index (BSSI)



Source: Bank of Ghana

⁴ The Credit-to-GDP gap is an early warning signal that measures excessive credit growth by comparing the private sector credit-to-GDP ratio to its optimal trend. A positive gap signals that credit levels have surpassed their sustainable or optimal trend, highlighting potential risks of credit overheating in the economy.

⁵ The BSSI is a composite index that combines a set of financial soundness indicators relating to capital adequacy, asset quality, management efficiency, earnings, and liquidity. An upward-trending BSSI connotes a general improvement in the performance of the banking system.

FSI Heatmap⁶

The heatmap showed a broad-based improvement in financial soundness indicators across the banking sector. It showed improvements in capital adequacy, and profitability year-on-year. Notwithstanding these gains, non-performing loans remain elevated.

Table 5.2: Heatmap

FSIs	Jun-23	Sep-23	Oct-23	Dec-23	Mar-24	Jun-24	Sep-24	Oct-24	Dec-24	Mar-25	Jun-25	Aug-25	Sep-25	Oct-25
Capital Adequacy														
Regulatory capital to risk weighted assets (Threshold - Without Reliefs)	7.36	7.39	7.33	8.27	11.69	10.55	11.17	11.14	11.28	15.54	17.83	17.67	16.44	16.59
Regulatory capital to risk weighted assets (Distribution - Without Reliefs)	7.36	7.39	7.33	8.27	11.69	10.55	11.17	11.14	11.28	15.54	17.83	17.67	16.44	16.59
Regulatory tier I capital to risk-weighted assets	11.60	11.03	10.67	11.04	13.56	11.46	11.51	11.40	11.13	14.89	16.62	16.14	14.75	15.22
Asset Quality														
Nonperforming loans net of loan-loss provision to capital	14.26	11.28	11.14	14.55	19.45	15.36	12.29	11.76	11.10	11.98	8.32	7.62	8.32	7.15
Nonperforming loans to total gross loans	18.71	17.99	18.31	20.58	26.74	24.13	22.77	22.67	21.79	23.44	23.09	20.77	20.43	19.48
Banks provisions to NPL	76.76	78.89	79.01	73.19	71.70	75.66	78.35	79.17	78.74	76.67	80.73	80.63	79.10	80.95
Earnings														
Return on assets	5.54	5.33	5.52	5.37	5.63	5.40	5.05	4.96	5.04	4.96	5.61	5.64	5.70	5.81
Return on equity	37.59	35.58	36.35	34.16	36.36	35.25	32.12	31.19	30.84	29.92	32.21	32.21	31.61	32.16
Interest margin to gross income	49.06	51.27	51.56	51.80	54.23	51.41	51.10	51.27	50.92	51.82	50.11	50.18	50.16	50.15
Liquidity														
Core liquid assets to total assets	26.77	24.73	24.91	29.34	30.99	34.47	35.39	34.78	36.16	36.24	27.50	26.91	27.22	25.93
Core liquid assets to short-term liabilities	32.29	29.83	30.18	35.48	37.32	41.39	42.54	41.69	43.31	43.47	33.68	32.80	33.00	31.66
Core liquid assets to total deposits	34.60	31.71	32.14	37.61	40.04	45.31	46.82	46.06	48.16	48.20	37.73	37.23	37.65	36.33
Broad liquid assets to total assets	63.78	64.73	65.04	65.69	68.35	67.55	67.58	66.88	66.87	69.44	69.67	70.72	69.65	68.79
Broad liquid assets to short-term liabilities	76.92	78.07	78.78	79.42	82.31	81.10	81.23	80.18	80.09	83.30	85.31	86.19	84.46	84.01
Efficiency														
Noninterest expenses to gross income	41.26	42.69	41.93	43.04	38.86	37.65	39.43	41.06	40.83	37.78	35.70	35.33	34.98	34.96
Personnel expenses to gross income	15.49	15.65	15.78	15.67	16.19	16.62	16.67	16.47	16.45	17.25	16.71	16.88	16.78	16.85

Color Code	Green	Blue	Yellow	Red
Performing Period	1st Best	2nd Best	3rd Best	4th Best

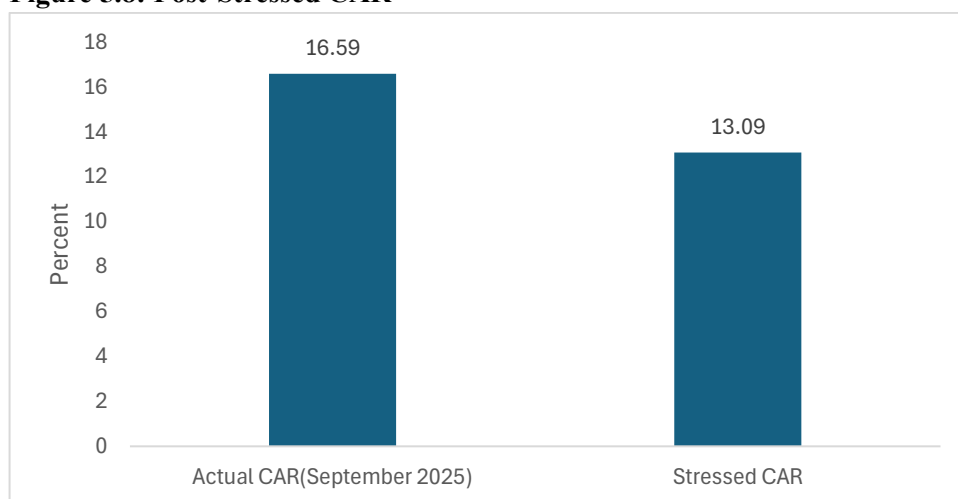
Source: Bank of Ghana

Banking Sector Resilience

Stress tests assessed at this round of MPC focused on the implications of revaluation of banks' holding of the restructured government bonds at prevailing financial market conditions on the solvency conditions of the banking sector. The assessment estimated the fair value of bonds from their respective prices on the Ghana Fixed Income Market and Bloomberg. The estimated net present value (NPV) is compared to the book value, and where the fair value is lower than the book value, the difference is the required additional impairment to be booked; otherwise, no additional impairment booking is required.

The results of the stress tests indicated that the banking sector appears resilient to shocks emanating from the repricing of such government instruments, on the back of the declining trend in interest rates on the money markets. Further, the improving strong capital positions of banks and the pre-emptive actions of banks to timely estimate and book required impairments also provided some cushion to their resilience.

⁶ The heat map is a quartile-based analysis that reflects the performance of the banking system over a period of time (using monthly data), starting from January 2007 to date.

Figure 5.8: Post-Stressed CAR

Source: Bank of Ghana

5.6 Conclusion and Outlook

The banking sector's performance in October 2025 reaffirmed its resilience amid evolving macro-financial conditions. Strong asset growth, primarily driven by investment holdings, reflects a cautious portfolio rebalancing strategy in response to credit risk considerations. Financial soundness indicators generally improved year-on-year, except for core liquidity, which warrants close monitoring given its potential implications for short-term funding stability. The Capital Adequacy Ratio (CAR), excluding regulatory reliefs, recorded a significant improvement and remained well above the prudential limit, supported by sustained profitability and ongoing recapitalisation of undercapitalised banks. This strengthening of capital buffers enhances the sector's capacity to absorb shocks, particularly as credit risk remains elevated despite improvements in asset quality. Non-performing loans (NPLs), while moderating, continue to pose structural risks that could constrain credit intermediation if not addressed decisively. The industry's outlook remains broadly stable, contingent on the timely completion of recapitalisation by the end-2025 deadline and effective enforcement of the Bank of Ghana's NPL regulatory guidelines.

The macroprudential risk assessment shows that risks have generally moderated. The negative credit-to-GDP gap supports measures designed to improve credit, without significant risk build-up, provided banks maintain sound credit risk management systems. Systemic risks within the sector have remained broadly subdued due to strong solvency and earnings positions amid adequate liquidity conditions. There has been a continuous, gradual improvement in key asset quality indicators, suggesting that credit risk management has improved, though NPLs remain high. The banking sector appears well-positioned to contain interest rate risk related to government instruments.

6. Price Developments

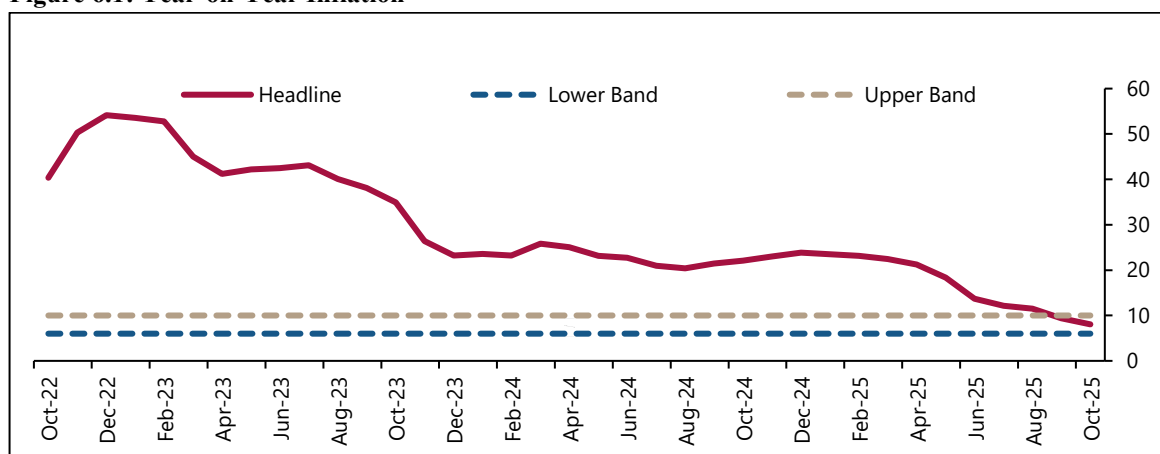
6.0 Highlights

Headline inflation continued its downward trend, with broad-based declines across both food and non-food categories. This disinflation was primarily driven by tight monetary policy, ongoing fiscal consolidation, and the strong recovery of the cedi. Staff projections suggest a strong likelihood that inflation will decline further into the fourth quarter of 2025.

6.1 Domestic Price Developments

Headline inflation continued its downward trend, declining to 8.0 percent in October 2025 from 9.4 percent in September 2025. This marked the tenth consecutive monthly decline, driven by broad-based easing across both food and non-food components. Food inflation eased to 9.5 percent in October from 10.8 percent in September, largely due to a bumper harvest. Non-food inflation also declined to 6.8 percent in October from 8.2 percent in September, reflecting the combined effects of tight monetary policy, fiscal consolidation, easing global inflationary pressures, bumper harvest, and a strong appreciation of the Ghana cedi in the second quarter of 2025.

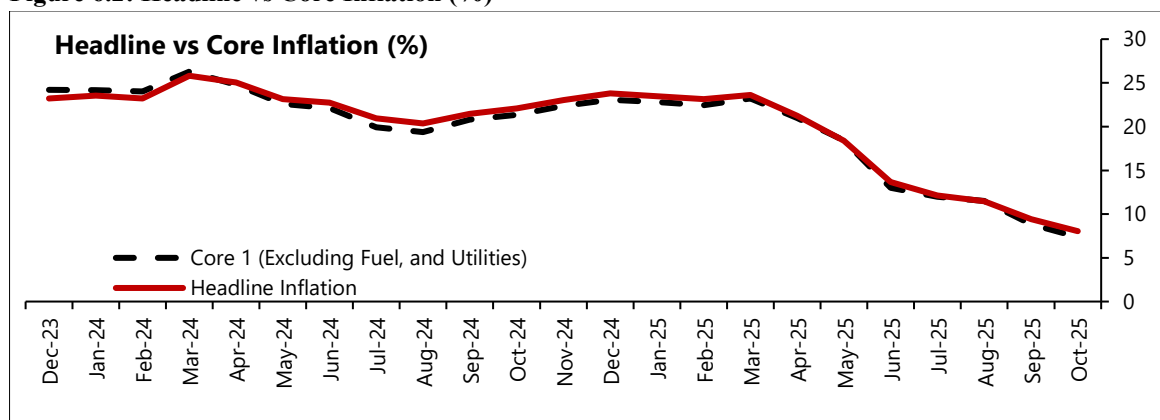
Figure 6.1: Year-on-Year Inflation



Source: GSS and Bank of Ghana Staff Calculations

Underlying inflationary pressures also continued to ease. The Bank's core measure of inflation, which excludes energy and utility items from the consumer basket, declined to 7.4 percent in October, down from 8.8 percent in September. Inflation expectations, based on surveys of banks, businesses, and consumers, also remained well-anchored, reflecting the continued easing of underlying inflationary pressures.

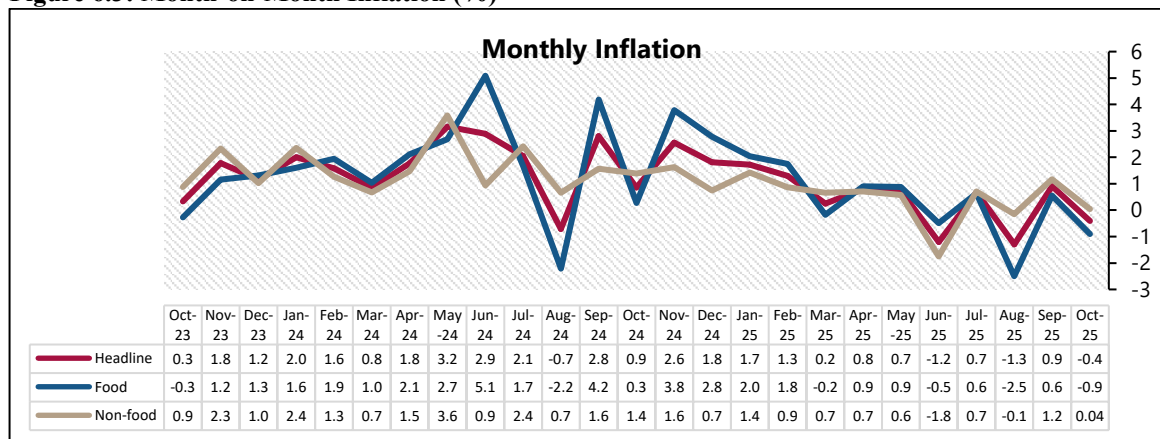
Figure 6.2: Headline vs Core Inflation (%)



Source: GSS and Bank of Ghana Staff Calculations

On a month-on-month basis, headline inflation fell sharply to -0.4 percent in October 2025 from 0.9 percent in September 2025. On the back of a bumper harvest, monthly food inflation fell to -0.9 percent in October, down from 0.6 percent in September 2025. Similarly, non-food inflation declined to 0.04 percent from 1.2 percent over the same comparative period.

Figure 6.3: Month-on-Month Inflation (%)



Source: Ghana Statistical Service

Table 6.1: CPI Components

CPI Components (%)														
	Weghts (%)	2023	2024						2025					
		Dec	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Apr	Jul	Aug	Sept	Oct
Overall	100.0	23.2	20.9	20.4	21.5	22.1	23.0	23.8	23.5	21.2	12.1	11.5	9.4	8.0
Food and Beverages	42.7	28.7	21.5	19.1	22.1	22.8	25.9	27.8	28.6	25.0	15.1	14.8	10.8	9.5
Non-food	57.4	18.7	20.5	21.5	20.9	21.5	20.7	20.3	19.2	17.9	9.5	8.7	8.2	6.8
Alcoholic Beverages, Tobacco & Narcotics	3.9	38.2	26.8	25.0	27.6	31.5	30.0	28.4	27.2	24.0	18.3	19.4	15.4	10.4
Clothing and footwear	8.0	22.3	16.9	17.9	19.0	20.2	20.1	20.0	19.8	19.7	14.8	12.9	11.0	9.5
Housing and Utilities	10.2	19.5	28.6	31.8	26.4	26.9	29.2	26.3	24.6	22.5	19.0	14.2	15.8	13.9
Furnishings, Household Equipment	3.2	26.9	14.3	12.6	14.5	16.8	16.7	16.7	15.3	15.1	9.2	11.0	8.7	6.4
Health	0.7	23.0	21.2	20.6	22.3	23.9	22.2	21.4	18.4	15.0	9.5	9.9	7.8	6.2
Transport	10.5	4.4	18.1	17.4	16.3	16.1	16.5	16.8	16.9	14.9	-7.7	-5.2	-3.9	-4.0
Information and Communication	3.6	14.2	10.1	12.4	14.2	13.1	11.9	12.0	11.6	10.9	7.3	5.2	3.1	3.3
Recreation & Culture	3.5	24.9	17.1	19.6	18.7	19.2	17.9	17.4	17.4	22.8	18.3	16.4	16.6	15.1
Education	6.6	13.9	18.0	22.0	23.7	21.7	19.5	19.1	13.9	11.7	4.5	4.2	4.5	4.3
Restaurants and accommodation services	4.3	28.0	28.3	29.5	27.9	24.6	18.4	16.5	16.5	10.7	8.0	6.0	7.8	7.4
Insurance and Financial services	0.4	8.1	11.3	12.4	13.3	16.6	16.5	16.5	15.4	16.9	8.8	7.0	6.6	2.8
Personal care, social protection & Miscellaneous services	2.5	31.1	16.0	14.9	17.3	19.8	19.9	19.3	17.9	17.2	10.5	11.9	9.6	7.4
Source: Ghana Statistical Service														

Source: Ghana Statistical Service

6.2 Inflation Risk Assessment and Outlook

In the outlook, headline inflation is expected to be within the lower bound of the medium-term target of 8 ± 2 percent. This projection reflects the combined impact of the maintenance of an appropriate monetary policy stance, ongoing fiscal consolidation and adequate reserve buffers.

Decision on the Monetary Policy Rate

The Committee observed a marked improvement in macroeconomic conditions, with inflation expectations broadly anchored, strengthened external buffers, and renewed confidence in the economy. They further noted that headline inflation is expected to be within the lower bound of the medium-term target of 8 ± 2 percent by the fourth quarter of 2025.

Looking ahead, the Committee noted that the possible upward adjustments in utility tariffs and spillover effects from US tariff-related price pressures could exert some upside risks to the outlook. Notwithstanding this, the maintenance of an appropriate monetary policy stance, strong sterilisation efforts, ongoing fiscal consolidation, and adequate reserve buffers was expected to sustain the disinflation process going forward.

Given these considerations, the Committee, in a majority decision, voted to lower the Monetary Policy Rate by 350 basis points to 18.0 percent. Looking ahead, the Committee noted that they will continue to assess incoming data and take appropriate policy decisions, as needed, to reinforce the disinflation trend.

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APPENDIX

Table A.1: Sources of Growth in Total Liquidity (GH¢ Millions, unless otherwise stated)

Appendix 1: Sources of Growth in Total Liquidity (M2+) (millions of Ghana cedis unless otherwise stated)									
	Oct-23	Dec-23	Aug-24	Sep-24	Oct-24	Dec-24	Aug-25	Sep-25	Oct-25
Net Foreign Assets	1043.65	21710.89	53694.05	65801.73	70066.63	87417.32	79695.02	97734.54	97983.07
Bank of Ghana	(14153.57)	4021.06	27734.59	34489.38	33675.59	47647.12	57250.04	71040.29	73050.87
Commercial Banks	15197.22	17689.83	25959.46	31312.35	36391.04	39770.20	22444.98	26694.24	24932.20
Net Domestic Assets	224795.30	228308.31	240594.18	245378.55	254687.83	242321.48	263353.98	256220.55	253379.21
ow: Claims on government (net)	118699.03	115681.46	131576.91	130147.19	132334.10	113291.69	122778.13	116430.08	118845.87
ow: Claims on Private sector(Incl. PE's)	88835.75	86096.51	96451.37	101487.64	104305.33	105901.21	105834.25	10647.15	10843.99
BOG OMO Sterilisation Acc.	(37864.75)	(24795.37)	(26026.81)	(21138.18)	(21570.86)	(18142.88)	(81280.12)	(83198.40)	(88046.78)
Total Liquidity (M2+)	225838.95	250019.20	294288.23	311180.28	324754.46	329739.01	343049.00	353955.08	351362.28
ow: Broad Money Supply (M2)	164098.14	185425.80	214821.11	229253.49	238258.07	247762.17	275478.06	277591.66	282466.98
ow: Foreign Currency Deposits(€million)	61740.81	64593.40	79467.11	81926.79	86496.39	81976.84	67570.94	76363.42	68895.29
Change from previous year (in per cent)									
Net Foreign Assets	(105.34)	(310.35)	(1745.76)	(3972.59)	6613.61	302.64	48.42	48.53	39.84
Net Domestic Assets	8.50	19.79	10.44	11.10	13.30	6.14	9.46	4.42	(0.51)
ow: Claims on government (net)	(2.04)	(9.28)	(8.89)	9.93	11.49	(2.07)	(6.69)	(10.54)	(10.19)
ow: Claims on Private sector(Incl. PE's)	(1.12)	1.20	9.92	15.14	17.41	23.00	9.73	(89.51)	(89.60)
ow: BOG OMO Sterilisation Acc.	(564.32)	(220.96)	25.06	42.22	43.03	26.83	(212.29)	(293.59)	(308.17)
Total Liquidity (M2+)	20.35	38.69	37.14	41.99	43.80	31.89	16.57	13.75	8.19
Broad Money Supply (M2)	34.74	37.21	38.62	44.50	45.19	33.62	28.24	21.09	18.56
Foreign Currency Deposits (FCDs)	(6.27)	43.15	33.27	35.38	40.10	26.91	(14.97)	(6.79)	(20.35)
Cummulative change from previous year end (in per cent)									
Net Foreign Assets	(110.11)	(310.35)	147.31	203.08	222.73	302.64	(8.83)	11.80	12.09
Net Domestic Assets	17.95	19.79	5.38	7.48	11.55	6.14	8.68	5.74	4.56
ow: Claims on government (net)	(6.91)	(9.28)	13.74	12.50	14.40	(2.07)	8.37	2.77	4.90
Broad Money(M2+)	25.28	38.69	17.71	24.46	29.89	31.89	4.04	7.34	6.56
Annual per cent contribution to money growth									
Net Foreign Assets	10.96	17.77	26.54	30.80	30.56	26.28	8.84	10.26	8.60
NDA	9.38	20.92	10.60	11.19	13.24	5.60	7.73	3.48	(0.40)
Total Liquidity (M2+)	20.35	38.69	37.14	41.99	43.80	31.89	16.57	13.75	8.19
Memorandum Items									
Reserve Money	63065.75	87987.66	116795.08	120771.47	128961.15	130481.72	123548.00	123548.00	129061.00
NFA (\$million)	90.78	1827.52	3534.85	4164.67	4298.57	5946.76	6990.79	7869.13	8989.27
Currency ratio	0.17	0.18	0.20	0.20	0.21	0.24	0.20	0.20	0.23
FCD/M2+	0.27	0.26	0.27	0.26	0.27	0.25	0.20	0.22	0.20
FCD/Total Deposit	0.32	0.30	0.32	0.32	0.32	0.31	0.24	0.26	0.24
RM multiplier	2.60	2.11	1.84	1.90	1.85	1.90	2.23	2.25	2.19

Source: Bank of Ghana Staff Calculations

Table A.2: Sources of Growth in Reserve Money (GH¢ Millions, unless otherwise stated)

Appendix 2: Sources of Growth in Reserve Money (millions of Ghana cedis unless otherwise stated)									
	Oct-23	Dec-23	Aug-24	Sep-24	Oct-24	Dec-24	Aug-25	Sep-25	Oct-25
Net Foreign Assets (NFA)	(14,153.57)	4021.1	27734.6	34489.4	33675.6	47647.1	57250.0	71040.3	73050.9
Net Domestic Assets (NDA)	8725.1	19682.4	20397.6	21502.4	27713.3	16105.3	(43786.3)	(60852.2)	(50363.8)
of which:									
ow: Claims on government (net)	61494.8	54356.1	64947.6	69537.6	70877.4	56031.5	58101.8	53983.3	60885.1
Claims on DMB's (net)	(14904.9)	(9878.4)	(18523.3)	(26897.1)	(21593.3)	(21783.3)	(20608.0)	(31637.1)	(23202.1)
OMO Sterilisation Account.	(37864.8)	(24795.4)	(26026.8)	(21138.2)	(21570.9)	(18142.9)	(81280.1)	(83198.4)	(88046.8)
Reserve Money (RM)	63065.7	88299.4	116795.1	120771.5	128961.2	130481.7	122002.2	112482.4	129061.0
ow: Currency	33301.2	37620.7	48951.9	52752.8	57354.0	64127.7	56777.3	60104.0	65613.7
DMB's reserves	23829.1	38050.2	60668.6	60760.4	64317.5	58769.1	57206.8	44605.0	55400.7
Non-Bank deposits	5935.5	12628.5	7174.5	7258.3	7289.6	7584.9	8018.1	7773.4	8046.5
Change from previous year (in per cent)									
Net Foreign Assets	(32.9)	(123.0)	(264.0)	(312.1)	(337.9)	1084.9	106.4	106.0	116.9
Net Domestic Assets	(10.0)	(1.5)	11.8	8.2	23.4	(1.7)	(27.3)	(52.0)	(41.2)
ow: Claims on government (net)	(17.0)	(31.1)	(25.9)	11.5	15.3	3.1	(10.5)	(22.4)	(14.1)
Claims on DMB's (net)	(162.4)	(143.5)	(103.9)	(131.1)	(44.9)	(120.5)	(11.3)	(17.6)	(7.5)
OMO Sterilisation Account.	(564.3)	(221.0)	25.1	42.2	43.0	26.8	(212.3)	(293.6)	(308.2)
Reserve Money (RM)	(7.4)	29.7	32.3	36.8	46.0	47.8	38.2	27.4	46.2
ow: Currency	6.0	19.7	30.1	40.2	52.5	70.5	50.9	59.8	74.4
Cumulative change from previous year end (in per cent)									
Net Foreign Assets (NFA)	(19.1)	(123.0)	589.7	757.7	737.5	1084.9	1323.8	1666.7	1716.7
Net Domestic Assets (NDA)	(9.8)	(1.5)	5.7	2.4	13.1	(1.7)	(23.2)	(50.8)	(33.5)
ow: Claims on government (net)	(22.0)	(31.1)	19.5	27.9	30.4	3.1	6.9	(0.7)	12.0
Reserve Money (RM)	(7.4)	29.7	32.3	36.8	46.0	47.8	38.2	27.4	46.2
Annual per cent contribution									
Net Foreign Assets	10.73	31.58	71.17	79.93	75.84	49.41	25.27	30.26	30.53
Net Domestic Assets (NDA)	(13.31)	(1.93)	15.02	10.27	28.65	(1.64)	(20.81)	(37.13)	(30.46)
RM growth (y-o-y)	(2.58)	29.65	86.18	90.20	104.49	47.77	4.46	(6.86)	0.08

Source: Bank of Ghana Staff Calculations

Table A.3: DMB's Credit Allocations (GH¢ Millions, unless otherwise stated)

	Levels (GH¢ Millions)			Year -On-Year Variation					
	Oct-23	Oct-24	Oct-25	As at end-Oct.2023		As at end Oct.2024		As at end-Oct.2025	
				Abs	Percent	Abs	Percent	Abs	Percent
a Public Sector	6,114.20	7,630.69	4,184.78	(2,260.26)	(26.99)	1,516.49	24.80	(3,445.91)	(45.16)
b Private Sector	67,410.86	86,846.65	98,918.62	(5,440.71)	(7.47)	19,435.78	28.83	12,071.98	13.90
Agric., For. & Fish.	2,418.16	3,968.14	4,890.33	(636.86)	(20.85)	1,549.98	64.10	922.19	23.24
Export Trade	466.44	534.94	722.33	74.51	19.01	68.50	14.69	187.39	35.03
Manufacturing	7,484.72	9,538.83	11,809.10	(741.52)	(9.01)	2,054.11	27.44	2,270.27	23.80
Trans., Stor., & Comm.	3,625.33	4,773.33	3,516.14	(693.30)	(16.05)	1,148.00	31.67	(1,257.19)	(26.34)
Mining & Quarrying	2,229.34	2,717.69	4,159.04	430.12	23.91	488.36	21.91	1,441.34	53.04
Import Trade	4,994.18	7,432.99	7,380.90	2,563.85	105.49	2,438.81	48.83	(52.09)	(0.70)
Construction	6,201.03	8,406.79	8,848.06	(1,953.68)	(23.96)	2,205.76	35.57	441.28	5.25
Trade & Finance	10,719.27	14,443.02	15,428.15	(2,584.36)	(19.43)	3,723.75	34.74	985.13	6.82
Elect., Gas & Water	2,318.62	2,858.68	2,239.82	(1,577.86)	(40.49)	540.06	23.29	(618.86)	(21.65)
Services	22,405.92	27,165.52	36,540.46	(466.08)	(2.04)	4,759.59	21.24	9,374.94	34.51
Miscellaneous	4,547.87	5,006.72	3,384.30	144.47	3.28	458.85	10.09	(1,622.42)	(32.40)
c Grand Total	73,525.06	94,477.34	103,103.40	(7,700.97)	(9.48)	20,952.27	28.50	8,626.07	9.13

Source: Bank of Ghana Staff Calculations

Table A.4: Performance of the GSE-CI by Sectors

MONTH	SECTOR											GSE-CI
	F&B	MAN	FINANCE	DISTR	MINING	IT	AGRIC	OIL	ETFund	EDUC	AD.& PROD.	
Oct-24	2248.5	1534.0	2237.5	4739.93	201.30	84.3	5052.0	40.8	10412.3	90.9	100.0	4,385.9
Dec-24	2535.0	1795.3	2380.8	4824.56	229.44	97.6	5052.0	40.8	9016.3	90.9	100.0	4,888.5
Sep-25	2771.2	1838.0	3799.3	11826.40	229.82	169.8	7562.0	40.9	12909.7	90.9	100.0	8,168.4
Oct-25	3558.2	1820.6	4193.9	12947.43	229.82	164.0	7800.0	41.0	12073.2	90.9	100.0	8,385.4
Mon. Chg												
ABS	786.96	-17.41	394.59	1121.04	0.00	-5.84	238.00	0.07	-836.46	0.00	0.00	217.00
(%)	28.40	-0.95	10.39	9.48	0.00	-3.44	3.15	0.18	-6.48	0.00	0.00	2.66
YTD												
ABS	1023.19	25.24	1813.11	8122.88	0.39	66.39	2748.00	0.17	3056.93	0.00	0.00	3496.82
(%)	40.36	1.41	76.16	168.37	0.17	68.02	54.39	0.43	33.90	0.00	0.00	71.53
YoY												
ABS	1309.69	286.52	1956.45	8207.50	28.52	79.67	2748.00	0.19	1660.96	0.00	0.00	3999.41
(%)	58.25	18.68	87.44	173.16	14.17	94.47	54.39	0.46	15.95	0.00	0.00	91.19

Source: Bank of Ghana Staff Calculations

Table A.5: Market Capitalization by Sectors

MONTH	SECTOR (GH 'Million)											MKT. CAP.
	F&B	MAN	FINANCE	DISTR	MINING	IT	AGRIC	OIL	ETFund	EDUC	AD.& PROD.	
Oct-24	1,931.21	1,101.7	23,169.7	2,036.7	23,730.3	28,591.2	879.0	17,382.5	1307.78	9.61	10.70	100150.22
Dec-24	2,177.29	1,289.3	26,257.1	2,073.0	27,047.1	33,091.4	879.0	17,389.0	1132.45	9.61	10.70	111356.09
Sep-25	2,380.19	1,319.9	48,742.9	5,081.6	27,092.6	57,583.1	1,315.8	17,432.6	1621.46	9.61	10.70	162594.44
Oct-25	3,056.10	1,307.4	53,556.1	5,563.3	27,092.6	55,601.5	1,357.2	17,463.1	1516.40	9.61	10.70	166537.93
Mon. Chg												
ABS	675.91	-12.50	4813.21	481.69	0.00	-1981.69	41.41	30.51	-105.06	0.00	0.00	3943.49
(%)	28.40	-0.95	9.87	9.48	0.00	-3.44	3.15	0.18	-6.48	0.00	0.00	2.43
YTD												
ABS	878.81	18.13	27298.99	3490.25	45.50	22510.01	478.15	74.08	383.95	0.00	0.00	55181.84
(%)	40.36	1.41	103.97	168.37	0.17	68.02	54.39	0.43	33.90	0.00	0.00	49.55
YoY												
ABS	1124.89	205.76	30386.40	3526.61	3362.35	27010.31	478.15	80.59	208.62	0.00	0.00	66387.71
(%)	58.25	18.68	131.15	173.16	14.17	94.47	54.39	0.46	15.95	0.00	0.00	66.29

Source: Bank of Ghana Staff Calculations

Table A.6: Asset and Liability Structure of the Banking Sector

	<u>Oct-22</u>	<u>Oct-23</u>	<u>Oct-24</u>	<u>Aug-25</u>	<u>Oct-25</u>
Components of Assets (% of Total)					
Cash and Due from Banks	27.2	26.3	37.2	28.0	27.7
Investments	34.0	40.2	32.1	43.9	43.0
Net Advances	28.9	24.4	21.1	19.1	20.5
Others	7.6	5.7	6.8	6.3	6.2
Components of Liabilities and Shareholders' Funds (% of Total)					
Total Deposits	68.9	77.5	75.5	72.3	71.3
Total Borrowings	12.2	5.8	7.1	9.6	10.4
Shareholders' Funds	10.6	9.8	10.3	12.1	12.6
Other Liabilities	8.4	6.6	6.8	5.7	5.4

Source: Bank of Ghana Staff Calculations

Table A.7: Credit Growth

Economic Sector	Gh¢million				y/y growth (%)	
	Oct-23	Oct-24	Aug-25	Oct-25	Oct-24	Oct-25
Public Sector	6,114.20	7,634.96	4,309.31	4,184.78	24.9	-45.2
Private Sector	67,410.86	86,842.39	91,028.58	98,208.21	28.8	13.1
- Private Enterprises	48,687.99	64,183.22	63,855.25	69,657.59	31.8	8.5
o/w Foreign	2,997.28	4,798.64	3,914.44	3,783.10	60.1	-21.2
Indigeneous	45,690.71	59,384.58	59,940.81	65,874.50	30.0	10.9
- Households	17,284.45	21,085.05	23,567.94	25,492.75	22.0	20.9
Gross Loans	73,525.06	94,477.34	95,337.89	102,392.99	28.5	8.4

Source: Bank of Ghana Staff Calculations

Table A.8: Contingent Liabilities

	<u>Oct-23</u>	<u>Oct-24</u>	<u>Aug-25</u>	<u>Oct-25</u>
Contingent Liabilities (GH¢million)	19,458.15	27,195.92	18,542.56	18,212.61
Growth (y-o-y)	-37.7	39.8	-31.6	-33.0
% of Total Liabilities	8.4	8.3	5.1	4.9

Source: Bank of Ghana Staff Calculations

Table A.9: Distribution of Loans and NPLs by Economic Sector (%)

	Oct-23		Oct-24		Aug-25		Oct-25	
	Share in Total Credit	Share in NPLs	Share in Total Credit	Share in NPLs	Share in Total Credit	Share in NPLs	Share in Total Credit	Share in NPLs
a. Public Sector	8.3	5.2	8.1	4.0	4.5	2.6	4.1	2.7
i. Government	3.1	2.3	2.0	1.0	1.1	1.0	0.8	1.0
ii. Public Institutions	1.7	0.0	2.5	0.0	0.9	0.5	1.0	0.5
iii. Public Enterprises	3.5	3.0	3.6	2.9	2.5	1.2	2.3	1.3
b. Private Sector	91.7	94.8	91.9	96.0	95.5	97.4	95.9	97.3
i. Private Enterprises	66.2	84.3	67.9	83.4	67.0	84.4	68.0	84.9
o/w Foreign	4.1	2.4	5.1	2.4	4.1	1.9	3.7	1.8
Indigeneous	62.1	81.9	62.9	81.0	62.9	82.5	64.3	83.0
ii. Households	23.5	9.7	22.3	11.7	24.7	12.0	24.9	12.0
iii. Others	2.0	0.8	1.7	0.9	3.8	1.0	3.0	0.4

Source: Bank of Ghana Staff Calculations

Table A.10: Liquidity Ratios

	<u>Oct-23</u>	<u>Oct-24</u>	<u>Aug-25</u>	<u>Oct-25</u>
Liquid Assets (Core) - (GH¢'million)	67,888.76	136,712.97	116,462.20	117,066.93
Liquid Assets (Broad) -(GH¢'million)	171,375.59	254,364.64	298,343.07	298,491.42
Liquid Assets to total deposits (Core)-%	34.0	49.3	38.8	38.8
Liquid Assets to total deposits (Broad)- %	85.7	91.7	99.4	98.8
Liquid assets to total assets (Core)- %	26.3	37.2	28.0	27.7
Liquid assets to total assets (Broad)- %	66.5	69.3	71.9	70.5

Source: Bank of Ghana Staff Calculations

Table A.11: Profitability Indicators (%)

	Oct-23	Oct-24	Aug-25	Oct-25
Gross Yield	15.4	15.6	11.6	14.4
Interest Payable	5.0	4.8	3.8	4.7
Spread	10.4	10.8	7.9	9.7
Asset Utilitisation	13.2	11.0	9.2	11.5
Interest Margin to Total Assets	6.8	5.6	4.6	5.8
Interest Margin to Gross income	51.6	51.3	50.2	50.2
Profitability Ratio	20.9	21.1	25.4	25.9
Return On Equity (%) after tax	36.3	31.2	32.2	32.2
Return On Assets (%) before tax	5.5	5.0	5.6	5.8

Source: Bank of Ghana Staff Calculations

Table A.12: DMBs' Income Statement

	Oct-23	Oct-24	Aug-25	Oct-25	Oct-24	Aug-25	Oct-25
	<u>(GH c'million)</u>				<u>Y-o-y Growth (%)</u>		
Interest Income	26,041.9	31,296.8	29,310.0	37,057.9	20.2	21.5	18.4
Interest Expenses	(8,538.2)	(10,589.9)	(10,117.6)	(12,651.9)	24.0	20.9	19.5
Net Interest Income	17,503.7	20,706.9	19,192.3	24,406.0	18.3	21.8	17.9
Fees and Commissions (Net)	3,776.2	4,756.3	4,146.6	5,166.4	26.0	13.1	8.6
Other Income	4,133.0	4,336.9	4,792.1	6,438.7	4.9	47.3	48.5
Operating Income	25,412.9	29,800.1	28,131.0	36,011.0	17.3	24.0	20.8
Operating Expenses	(11,038.7)	(13,357.6)	(12,459.4)	(15,615.5)	21.0	19.5	16.9
Staff Cost (deduct)	(5,356.0)	(6,652.3)	(6,457.6)	(8,200.0)	24.2	24.1	23.3
Other operating Expenses	(5,682.6)	(6,705.3)	(6,001.8)	(7,415.6)	18.0	14.8	10.6
Net Operating Income	14,374.3	16,442.5	15,671.6	20,395.5	14.4	28.0	24.0
Total Provision (Loan losses, Depreciation & others)	(3,196.3)	(3,227.4)	(1,055.7)	(1,398.5)	1.0	(46.0)	(56.7)
Income Before Tax	11,177.9	13,215.2	14,615.9	18,997.0	18.2	42.0	43.8
Tax	(4,077.0)	(4,699.9)	(4,885.3)	(6,413.2)	15.3	34.5	36.5
Net Income	7,101.0	8,515.3	9,730.6	12,583.8	19.9	46.1	47.8
Gross Income	33,951.1	40,390.0	38,248.7	48,662.9	19.0	23.2	20.5

Source: Bank of Ghana Staff Calculations

Table A.13: Developments in Offshore Balances

	<u>Oct-23</u>	<u>Oct-24</u>	<u>Aug-25</u>	<u>Oct-25</u>
Offshore balances as % to Networth	67.7	102.2	49.7	51.4
Annual Growth in Offshore balances (%)	4.6	125.7	(14.5)	(29.1)
Annual Growth in Nostro Balances (%)	-21.5	176.6	(11.2)	(43.3)
Annual Growth in Placement (%)	36.0	90.8	(17.0)	(14.8)

Source: Bank of Ghana Staff Calculations