BANK OF GHANA

MONETARY POLICY REPORT

January 2026

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 128th meetings held on January 26-28, 2026.

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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Overview of Key Considerations of the MPC

The global economy proved more resilient than expected in 2025 despite higher trade barriers and significant policy uncertainty. Global headline inflation has moved closer to central bank targets, with notable heterogeneity across countries. Global financial conditions have eased considerably since April 2025 in both advanced and emerging-market Economies.

On the domestic front, Ghana's growth recovery gained momentum in 2025. The latest high-frequency real sector indicators point to a sustained pickup in economic activity in November 2025. Consumers and businesses continued to hold positive sentiments on 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, and the cedi's strong recovery. In the outlook, staff projections suggest that inflation will trend at the lower end of the medium-term target band of 8 ± 2 percent.

The external sector improved significantly in 2025, showing a record current account surplus. This was driven by a surge in the trade surplus and high inward private transfers. The strong current account surplus, together with higher capital inflows, helped the country to acquire more external financial assets, contributing to the significant buildup in international reserves and the paydown of some external liabilities.

The Ghana cedi came under some marginal pressure in early 2026 after an impressive performance in 2025. Demand pressures largely came from the energy, commerce, and manufacturing sectors. These were partly offset by BoG FX intermediation, mining and remittance flows, and export proceeds from other corporates. In the near term, the Ghanaian cedi is expected to remain stable, supported by continued BoG FX intermediation and strong reserve buildup.

Monetary and financial developments in December 2025 continued to reflect a relatively tight monetary policy stance, underpinned by active liquidity management. Growth in monetary aggregates slowed in December 2025 relative to December 2024, consistent with the objective of sustaining disinflationary process and anchoring inflation expectations. Nominal credit growth year-on-year remained muted as banks continued to favour Bank of Ghana and Government securities. Real private sector credit, however, posted a modest expansion. Short-term interest rates declined significantly year on year in line with the reduction in the policy rate, while medium- to long-term yields remained stable. The GSE Composite Index recorded notable gains supported by improved investor sentiment and stronger profitability among listed firms.

The banking sector demonstrated resilience in 2025 as the macroeconomy continued to improve. The industry's balance sheet was generally robust, driven by a growth in assets in December 2025. Higher profits were recorded in 2025 compared to 2024. Except for core liquidity, financial soundness indicators (FSIs) for the banking sector remained broadly positive. The industry's Non-Performing Loans (NPL) ratio also improved in 2025. Generally, the outlook for the banking sector remains stable, contingent on banks' adherence to recapitalisation plans, and implementation of the new NPL regulatory guidelines introduced by Bank of Ghana. The macroprudential risk assessment showed that risks generally moderated in December 2025.

The MPC observed that there had been a marked improvement in macroeconomic conditions in 2025, with inflation expectations broadly anchored, strengthened external buffers, and renewed confidence in the economy. Given these considerations, the Committee voted by a majority decision to lower the Monetary Policy Rate by 250 basis points to 15.50 percent.

1. Global Economic Developments

1.0 Highlights

The global economy proved more resilient than expected in 2025, despite higher trade barriers and significant policy uncertainty. Global headline inflation has moved closer to central bank targets, with notable heterogeneity across countries. Global financial conditions have eased considerably since April 2025 in both advanced and emerging-market Economies. In the local FX market, the cedi ended 2025 strongly and remains stable in early 2026.

1.1 Global Growth Developments

The global economy was surprisingly resilient in 2025, reflecting the front-loading of goods production and trade ahead of the introduction of higher tariff rates in early 2025. Easing global financial conditions, fiscal stimulus, real income growth, and strong demand for new AI-related investments in some countries, especially the U.S., supported growth. However, there are some underlying fragilities despite the resilience in global growth. The full effect of the ongoing trade tensions has yet to be felt, even as trade negotiations continue to evolve. Inflation has yet to return to target in some countries amid signs of weakening labour demand. Additionally, recent geopolitical events in Venezuela and elsewhere may worsen uncertainty and dampen private demand. Looking ahead to 2026, incoming high-frequency indicators suggest that both manufacturing and services growth slowed in December, signalling a near-term slowdown in global growth. However, the IMF believes several factors may offset the potential headwinds in 2026. Against this backdrop, global growth is projected to remain steady at 3.3 percent for 2025 and 2026.

Table 1.1: Overview of the World Economic Outlook Projections

Overview of the World Economic Outlook Projections (Percent change)			Projections	
	2024	2025	2026	2027
World	**3.3**	**3.3**	**3.3**	**3.2**
Advanced Economies	**1.8**	**1.7**	**1.8**	**1.7**
United States	2.8	2.1	2.4	2.0
Euro Area	0.9	1.4	1.3	1.4
Germany	–0.5	0.2	1.1	1.5
France	1.1	0.8	1.0	1.2
Italy	0.7	0.5	0.7	0.7
Spain	3.5	2.9	2.3	1.9
Japan	–0.2	1.1	0.7	0.6
United Kingdom	1.1	1.4	1.3	1.5
Canada	2.0	1.6	1.6	1.9
Other Advanced Economies	2.3	1.8	2.0	2.1
Emerging Market and Developing Economies	**4.3**	**4.4**	**4.2**	**4.1**
China	5.0	5.0	4.5	4.0
India	6.5	7.3	6.4	6.4
Russia	4.3	0.6	0.8	1.0
Brazil	3.4	2.5	1.6	2.3
Mexico	1.4	0.6	1.5	2.1
Sub-Saharan Africa	**4.1**	**4.4**	**4.6**	**4.6**
Nigeria	4.1	4.2	4.4	4.1
South Africa	0.5	1.3	1.4	1.5

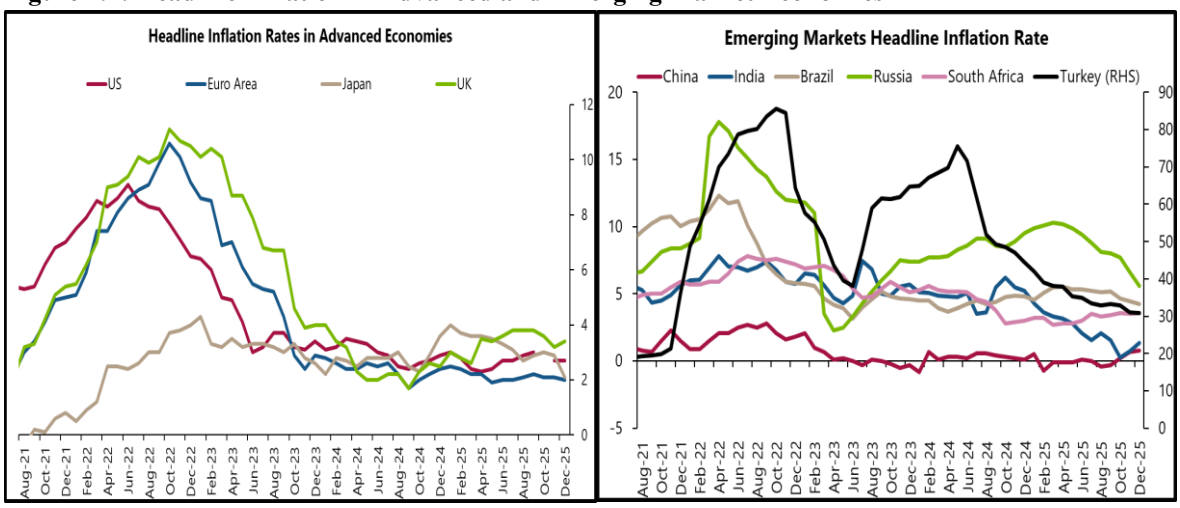
Source: IMF, WEO January, 2026, Update

1.2 Global Price Developments

Global headline inflation has moved closer to central bank targets, with notable heterogeneity across countries. The dynamics of headline inflation partly reflect the trend decline in oil prices, driven by increased supply and relatively subdued demand. Brent crude oil averaged $69 per barrel in 2025 and is projected by the World Bank to fall to $60 per barrel in 2026 amid rising supply and subdued demand. The path of headline inflation reflects adjustments in global food prices, with the FAO Food Price Index down by 0.6 percent in December as declines in the price indices for dairy products, meat, and vegetable oils more than offset increases in cereals and sugar. Furthermore, global core inflation has eased, reflecting slowing wage growth as labour demand softens, though differences across economies remained significant. Headline inflation expectations for 2025 were revised up slightly, but longer-term inflation expectations among professional forecasters remained stable around 2 percent. In the outlook, global inflation is expected to edge

down further. This reflects the impact of softening labour markets in many economies, subdued growth, and falling energy prices. However, the continued effect of tariffs may drive greater variation across major economies.

Figure 1.1: Headline Inflation in Advanced and Emerging Market Economies



Source: Bank of Ghana, Trading Economics

1.3 Global Financial Markets Developments

Global financial conditions have eased considerably since April 2025 in both advanced and emerging-market Economies. Central banks are leaning more towards an accommodative stance as inflation eases. Long-term bond yields have eased in recent months amid declining policy rates. Meanwhile, equity markets have remained strong, reflecting increased investor appetite and easing monetary policy stances. Portfolio flows to EMDEs rebounded strongly in December 2025 as a weaker U.S. dollar and declining exchange rate volatility have made emerging-market assets relatively more attractive.

Table 1.2: Monetary Policy Stance of Selected Central Banks

Country	Policy rate - Previous (%)	Policy Rate Current (%)	Forecast	Inflation November, 2025	Inflation December, 2025	Real rate	Infl Target	Overall Fiscal Deficit (2024,% of GDP)	GDP Growth (Dec.2024)	Gross Debt/GDP (2024,%)	YTD Depr/Appr 21st January 2026
U.S	4	3.75	3.75	2.7	2.7	1.1	2%	-8	2.8	122.3	
Euro Area	2.15	2.15	2.15	2.1	2	0.15	< 2%	-3.1	0.9	87.2	-0.52
UK	4.0	3.75	3.75	3.2	3.4	0.4	2%	-5.7	1.1	101.2	-0.34
Japan	0.75	0.75	0.75	2.9	2.1	-1.35	2%	-1.5	0.1	236.1	-1.00
Russia	16.5	16	16.0	6.6	5.6	10.4	4%	-1.6	4.3	20.3	
India	5.5	5.25	5.25	0.71	1.33	3.92	4±2%	-7.9	6.5	81.6	-1.99
Brazil	15	15	15	4.46	4.26	10.74	4.5±1.5%	-6.2	3.4	87.0	2.98
Turkey	38	37	37	31.07	30.89	6.11	5±2%	-4.6	3.3	24	-0.78
Malaysia	2.75	2.75	2.75	1.4	1.6	1.2	3% - 4%	-3.9	5.1	70.1	0.30
Indonesia	4.75	4.75	4.75	2.8	2.92	1.8	3.5% ± 1%	-2.3	5	40.2	-1.99
Chile	4.75	4.5	4.5	0.7	0.8	3.7	3±1%	-2.8	2.6	41.7	2.98
Ghana	21.5	18	16	6.3	5.4	12.6	8±2%	-7.3	5.7	70.3	-3.86
South Africa	7	6.75	6.75	3.5	3.6	3.2	3%±1%	-5.8	0.5	76.0	1.85
Nigeria	27	27	26	14.45	15.15	11.85	6% -9%	-1.6	4.1	39.3	1.68
Kenya	9.25	9	9	4.5	4.5	4.5	2.5-7.5%	-5.8	4.7	67.3	-0.02
Zambia	14.5	14.25	13.75	10.9	11.2	3.05	6%-8%	-3.3	4	114.9	9.62
Morocco	2.25	2.25	2.00	-0.3	-0.3	2.6		-3.9	3.8	67.7	-0.83
Angola	18.5	17.5	17.0	16.6	15.7	1.8	9-11%	-1	4.4	59.9	-0.23
Egypt	21	20	20.00	12.3	12.3	7.7	7± 2%	-7.1	2.4	90.9	0.65

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)

In the outlook, financial conditions are expected to ease in the near term. Policy rates are likely to decline in the near term as price pressures ease and long-term bond yields fall. Equity markets have remained strong, supported by investors' appetite for risk. The dollar weakness has also provided some monetary policy space for EMDEs. However,

interest rate decisions will be based on the central bank's assessment of the inflation outlook and the risks surrounding it, as well as the dynamics of underlying inflation and the strength of monetary policy transmission.

1.4 Currency Markets

On the international currency market, the US dollar index declined, reflecting shifting expectations around Federal Reserve rate cuts and improving conditions outside the U.S. The sustained weakness of the dollar eased pressures on some EMDE currencies.

In the domestic FX market, the Ghana cedi came under some marginal pressure in early 2026 after an impressive performance in 2025. Demand pressures, largely from energy, commerce, and manufacturing, were partly offset by BoG FX intermediation, mining and remittance flows, and export proceeds from other corporates. In the near term, the Ghanaian cedi is expected to remain stable, supported by continued BoG FX intermediation and strong reserve buildup. Proposed Government infrastructure bonds to be issued in 2026 could further support the cedi. Furthermore, the final tranche of the IMF loan, flows from other external partners, and continued fiscal discipline will support the currency. Additionally, the dollar's weakness, stemming from the Fed's dovish outlook, as well as concerns about the Fed's independence, will support the cedi. However, pressures from dividend payments scheduled for February and March 2026 may pose downside risks to the Ghana cedi. A fall in gold prices due to the strengthening of the global economy or a de-escalation of geopolitical tensions could also pose downside risks for the Ghana cedi.

In the interbank market, the Ghana cedi appreciated by 40.67 percent, 30.89 percent, and 23.97 percent against the dollar, pound, and euro, respectively, on a year-to-date basis. This is against a depreciation of 19.18 percent, 17.76 percent, and 13.72 percent, against the dollar, pound, and euro, respectively during the same period in 2024. The cedi was less volatile during the first 14 transaction days in 2026 compared to last year.

Table 1.3: Interbank Exchange Rates

Exchange Rate Movements									
	US$/GHC*	Monthly depreciation/appreciation	Year-to-Date depreciation/appreciation	GBP/GHC*	Monthly depreciation/appreciation	Year-to-Date depreciation/appreciation	Euro/GHC*	Monthly depreciation/appreciation	Year-to-Date depreciation/appreciation
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
Nov	11.2700	-3.3	30.43	14.8995	-4.0	23.50	13.0531	-3.7	16.56
Dec	10.4500	7.8	40.67	14.0579	6.0	30.89	12.2728	6.4	23.97

Source: Bank of Ghana Staff Calculations

On a year-to-date basis, the Ghana cedi appreciated by 29.83 percent and 28.11 percent respectively, in nominal trade weighted terms and nominal forex transaction weighted terms on a year-to-date basis in December 2025 against major trading partners. This is compared to a depreciation of 17.54 percent and 23.09 percent in nominal trade weighted terms and nominal forex transaction weighted respectively over the same period in 2024.

Table 1.4: Nominal Effective Exchange Rate

Month	2021=100 FXTWI	TWI	Monthly CHG(%) FXTWI	TWI	Year-to-Date (%) 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
Nov-25	51.33	53.11	-3.45	-3.88	22.57	25.18
Dec-25	55.28	56.63	7.15	6.21	28.11	29.83

Source: Bank of Ghana Staff Calculations

Note: TWI and FXTWI are index measures of the value, in nominal terms, of the cedi relative to Ghana's top three currencies: Euro, the Pound and the US dollar.

In real bilateral terms, the cedi appreciated by 28.80 percent, 24.41 percent, and 25.10 percent against the dollar, pound, and euro, respectively, on a year-to-date basis in December 2025. Comparatively, the Ghana cedi depreciated by 2.8 percent and 0.7 percent in real terms against the dollar and pound but appreciated by 4.0 percent against the euro over the same period in 2024.

Table 1.5: Real Bilateral Exchange Rate

Month	RER Index (Jan.2021=100 EUR	GBP	USD	MONTHLY CHANGE (Index EUR	GBP	USD	Year-to-Date (%) EUR	GBP	USD
				2024					
Jan-24	98.89	92.57	87.94	3.0	1.6	0.1	3.0	1.6	0.1
Feb-24	96.52	91.08	85.74	-2.5	-1.6	-2.6	0.6	0.0	-2.4
Mar-24	93.63	88.07	83.15	-3.1	-3.4	-3.1	-2.4	-3.4	-5.6
Apr-24	93.00	87.56	81.79	-0.7	-0.6	-1.7	-3.1	-4.1	-7.4
May-24	88.40	82.92	79.12	-5.2	-5.6	-3.4	-8.5	-9.9	-11.0
Jun-24	89.04	83.17	78.84	0.7	0.3	-0.3	-7.7	-9.5	-11.4
Jul-24	88.04	81.90	78.66	-1.1	-1.6	-0.2	-8.9	-11.2	-11.7
Aug-24	83.92	77.84	76.56	-4.9	-5.2	-2.7	-14.3	-17.0	-14.7
Sep-24	82.36	75.56	75.54	-1.9	-3.0	-1.4	-16.4	-20.6	-16.3
Oct-24	82.09	76.12	73.76	-0.3	0.7	-2.4	-16.8	-19.7	-19.1
Nov-24	92.79	84.37	80.80	11.5	9.8	8.7	-3.4	-8.0	-8.7
Dec-24	99.88	90.44	85.41	7.1	6.7	5.4	4.0	-0.7	-2.8
				2025					
Jan-25	97.81	89.38	82.94	-2.1	-1.2	-3.0	1.9	-1.9	-5.9
Feb-25	97.08	87.53	82.41	-0.7	-2.1	-0.6	1.2	-4.1	-6.6
Mar-25	92.78	85.11	82.42	-4.6	-2.8	0.0	-3.4	-7.0	-6.6
Apr-25	97.47	90.15	90.92	4.8	5.6	9.3	1.6	-1.1	3.4
May-25	134.99	123.62	125.80	27.79	27.08	27.73	28.9	26.3	30.2
Jun-25	127.59	118.89	123.48	-5.80	-3.98	-1.89	24.8	23.4	28.9
Jul-25	130.24	122.15	121.90	2.04	2.67	-1.29	26.4	25.4	28.0
Aug-25	115.48	108.35	110.49	-12.79	-12.74	-10.33	16.9	15.9	20.5
Sep-25	106.43	100.78	102.07	-8.50	-7.51	-8.25	9.9	9.6	14.0
Oct-25	122.59	116.52	115.72	13.18	13.51	11.80	21.8	21.8	24.1
Nov-25	119.38	113.29	113.33	-2.69	-2.85	-2.11	19.7	19.6	22.5
Dec-25	128.03	120.54	123.34	6.76	6.02	8.11	25.1	24.4	28.8

Source: Bank of Ghana Staff Calculations

The Ghana cedi appreciated by 25.54 percent, and 28.42 percent, respectively, in real trade weighted terms and real forex transaction weighted terms on year-to-date basis in December 2025. These compared with an appreciation of 2.68 percent in real trade weighted terms and a depreciation of 2.24 percent in real forex transaction weighted terms for the same period in 2024.

Table 1.6: Real Effective Exchange Rate for Major Trade Partners

RTWI and FXRTWI						
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

The external environment has improved somewhat, but fragilities remain. Global growth was resilient in 2025, but trade policy shifts and rising policy uncertainty cloud the outlook. Global inflation is expected to decline in 2026, but trade tensions and ongoing geopolitics may pose upside risks. Financial conditions have eased and are expected to decline further amid increased investor appetite for risk and central banks' policy easing. However, fiscal sustainability concerns may keep long-term bond yields high. The U.S. dollar is expected to remain subdued in the near term.

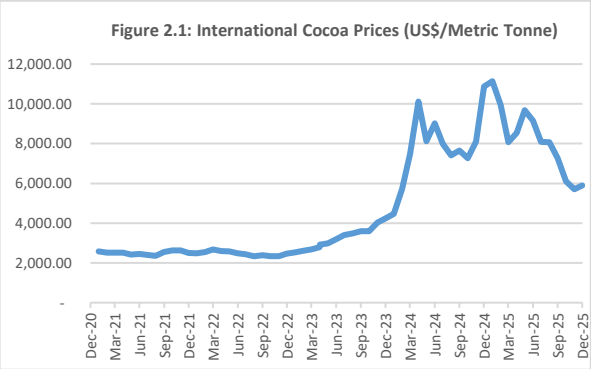
2. External Sector Developments

2.0 Highlights

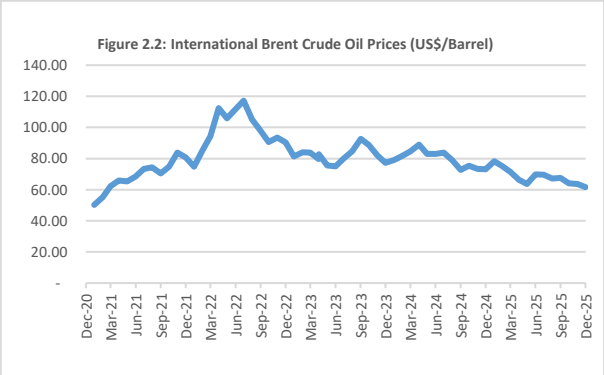
The external sector improved significantly in 2025, showing a record current account surplus driven by a surge in the trade surplus and high inward private transfers. The strong current account surplus, together with higher capital inflows, helped the country to acquire more external financial assets, contributing to the significant buildup in international reserves and the paydown of some external liabilities.

2.1 Commodity Price Trends

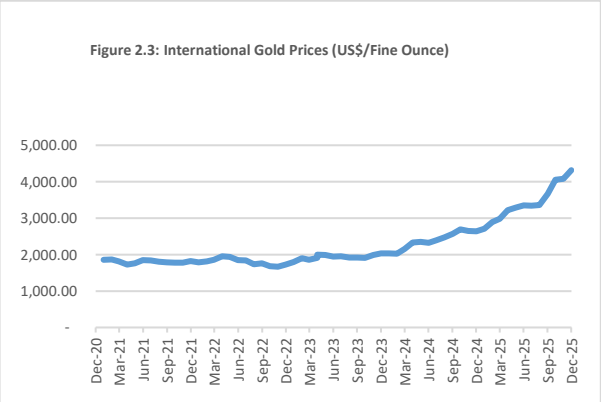
On the international commodities market, prices of Ghana's major export commodities traded mixed in 2025. Gold prices rallied during the year, rising by 63.4 percent to reach an average price of US$4,316.29 per fine ounce in December 2025, compared with US$2,641.45 per fine ounce during the same period in 2024. This development was driven by intensified safe-haven demand from heightened geopolitical and geoeconomic uncertainties during the year, increased central bank purchases and successive cuts in the U.S. Fed rate. Cocoa futures, however, declined by 45.7 percent to an average of US$5,899.05 per tonne in December 2025, down from US$10,869.14 per tonne in December 2024, due to increased supply from improved weather conditions. Similarly, crude oil prices fell by 15.8 percent to close at an average of US$61.63 per barrel in December 2025, from US$73.18 per barrel in December 2024, due to higher supply and weak demand amid slower global economic activity.



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) rose by 12.3 percent in December 2025 to 247.91, up from 220.71 in December 2024. The increase stemmed from a 63.4

percent rise in the gold sub-index, which offset the 45.7 percent and 15.8 percent declines in the cocoa and crude oil sub-indices, respectively.

2.2 Trade Balance

The trade balance for 2025 showed a substantial surplus of US$13.66 billion, significantly higher than the US$9.88 billion recorded in the comparative period in 2024. The improved trade surplus resulted from a surge in export proceeds during the year.

The value of exports rose to US$31.11 billion at end-December 2025, up from US$19.16 billion in the same period in 2024, driven mainly by gold and cocoa exports. The value of gold exports more than doubled to US$20.98 billion in 2025 from US$10.31 billion in 2024, on account of increases in both the volume and price of gold. The volume of gold exports increased by 35.7 percent to 6.17 million fine ounces, up from 4.55 million fine ounces, while the average price of gold increased by 49.9 percent to US$3,400.35 per fine ounce in 2025, compared to US$2,022.53 per fine ounce in 2024, largely due to global economic uncertainty and geopolitical tensions. Receipts from cocoa exports, both beans and products, almost doubled to US$3.86 billion in 2025, from US$1.94 billion in the same period in 2024, driven by higher export volumes and elevated prices.

The value of crude oil exports, however, declined by 32.3 percent to US$2.62 billion in 2025, down from US$3.87 billion in 2024, due to lower export volumes and prices. The volume of crude oil exports decreased by 21.3 percent to 38.16 million barrels from 48.48 million barrels, while the average price of crude oil fell by 13.9 percent to US$68.66 per barrel from US$79.79 per barrel during the review period. Other exports, including non-traditional exports, increased by 9.5 percent to US$3.65 billion in 2025 from US$3.04 billion in 2024. The value of non-traditional exports also grew by 27.1 percent to US$2.91 billion from US$2.29 billion over the same period.

The value of total imports also increased by 13.4 percent to US$17.45 billion in 2025, from US$15.39 billion in 2024, due to broad-based increases in both oil and non-oil imports. Oil imports increased by 10.6 percent to US$5.13 billion in 2025 from US$4.63 billion in 2024, while non-oil imports expanded by 14.6 percent to US$12.33 billion from US$10.76 billion during the same review period.

Table 2.1: Trade Balance (US$ million)

	2023 Jan - Dec	2024 Jan - Dec	Prov. 2025 Jan - Dec	Abs Y/Y Chg	Rel Y/Y Chg
Trade Balance ($'M)	**1,707.3**	**3,773.3**	**13,655.1**	**9,881.8**	**261.9**
Trade Bal (% GDP)	***2.1***	***4.5***	***12.1***		
Total Exports ($'M)	**15,715.8**	**19,164.8**	**31,107.2**	**11,942.4**	**62.3**
Gold ($'M)	6,613.6	10,314.8	20,975.3	**10,660.5**	**103.4**
Volume (fine ounces)	3,616,929.7	4,546,986.6	6,168,572.6	1,621,586.0	35.7
Unit Price ($/fine ounce)	1,828.5	2,268.5	3,400.4	1,131.9	49.9
Cocoa Beans ($'M)	1,360.0	992.3	2,104.3	**1,112.0**	**112.1**
Volume (tonnes)	548,002.0	280,629.1	360,657.4	80,028.3	28.5
Unit Price ($/tonne)	2,481.8	3,536.0	5,834.5	2,298.5	65.0
Cocoa Products ($'M)	792.4	946.1	1,757.5	**811.4**	**85.8**
Volume (tonnes)	240,896.4	192,429.1	224,902.9	32,473.9	16.9
Unit Price ($/tonne)	3,289.4	4,916.4	7,814.3	2,897.9	58.9
Crude Oil ($'M)	3,837.3	3,868.2	2,620.3	**-1,247.8**	**-32.3**
Volume (barrels)	46,922,278.0	48,481,930.0	38,163,206.0	-10,318,724.0	-21.3
Unit Price ($/bbl)	81.8	79.8	68.7	-11.1	-13.9
Other Exports	3,112.4	3,043.4	3,649.9	288.5	9.5
o/w Non-Traditional Exports	2,384.1	2,285.2	2,905.6	**620.4**	**27.1**
Total Import ($'M)	**14,008.5**	**15,391.5**	**17,452.1**	**2,060.6**	**13.4**
Non-Oil	9,533.2	10,758.1	12,325.5	1,567.4	14.6
Oil and Gas	4,475.3	4,633.4	5,126.6	493.2	10.6
of which: Products	3,948.0	4,073.3	4,359.9	286.6	7.0
Gas ($'M)	232.8	254.4	243.2	-11.2	-4.4

Source: Bank of Ghana

2.3 Current Account

The current account recorded a significant surplus of US$9.08 billion in 2025, up from US$1.47 billion in 2024. The higher current account surplus was largely driven by a surge in the trade surplus during the year, despite a rise in the net payment for services to US$4.57 billion from US$2.22 billion, due to higher payments for freight, insurance, trade-related services, financial services, and travel. Net income payments to non-residents amounted to US$5.32 billion in 2025, up from US$5.50 billion in 2024, driven by higher private sector payments and interest payments on government external debt. Inward private transfers increased to US$7.79 billion from US$7.10 billion, while outward private transfers increased to US$2.48 billion from US$1.68 billion during the period under review.

2.4 Capital and Financial Accounts

The capital account recorded net transfers of US$156.2 million, reflecting mainly project grants. The sum of the surpluses in the current and capital accounts amounted to US$9.23 billion, putting the country in a net lending position with the rest of the world.

Consequently, there was a net acquisition of financial assets in the financial account amounting to US$9.06 billion, significantly higher than the US$1.80 billion recorded in 2024. Of this, other investments totalled US$5.89 billion, up from US$1.88 billion in 2024, largely driven by increased currency and deposits in the nostro accounts of commercial banks and a sharp decline in liabilities to non-residents. The economy attracted net direct investments of US$1.88 billion in 2025, up from US$1.76 billion in 2024, and a reduction in net liabilities of US$938.22 million in the portfolio account from US$192.25 million in 2024, due to the Eurobond payment made during the year. The Bank of Ghana's reserve assets improved significantly to US$3.98 billion, up from US$1.48 billion in 2024, indicating a stronger overall balance of payments surplus in 2025 than in 2024.

2.5 International Reserves

At the end of 2025, the stock of Gross International Reserves (GIR) stood at US$13.83 billion, enough to provide cover for 5.7 months of imports of goods and services. This compares with the end-December 2024 GIR of US$9.11 billion (equivalent to 4.1 months of imports cover). The program Net International Reserves (NIR) recorded a build-up of US$4.00 billion to US$5.96 billion in December 2025, surpassing the performance target buildup under the IMF Program of US$1.45 billion.

2.6 External Sector Outlook

The external sector outlook is broadly favourable amid global uncertainties. In 2025, gold prices surged as investors sought safe-haven assets amid heightened geopolitical and economic uncertainties. Other contributory factors included trade tensions, sustained central bank purchases, and a weakening U.S. dollar. These supportive factors are expected to persist into 2026, underpinning a continued positive outlook for gold. Cocoa prices began 2025 at elevated levels, which constrained demand for cocoa beans and related products and contributed to downward price pressures toward the end of the year. In 2026, cocoa prices are projected to ease further, reflecting continued weak demand alongside a recovery in supply from West Africa. Crude oil prices in 2025 were driven by excess supply, despite elevated geopolitical risks that disrupted supply expectations and, in some cases, actual production. These tensions have carried over into the current period and are expected to keep prices elevated, as markets remain highly sensitive to developments that could affect production, transportation, or global trade flows.

3. Real Sector Developments

3.0 Highlights

Ghana's growth recovery gained momentum in 2025. This is supported by the latest high frequency real sector indicators which point to a sustained pickup in economic activity in November 2025. Consumer and business confidence also continued to point to improved sentiments on macroeconomic conditions.

3.1 Economic Growth

The latest provisional data from the Ghana Statistical Service showed that overall real GDP expanded at an annual rate of 6.1 percent during the first three quarters of 2025, relative to 5.8 percent during the corresponding period in 2024. Similarly, non-oil GDP grew by 7.5 percent from 5.8 percent over the same comparative period. The growth outturn was mainly driven by the services and agriculture sectors.

3.2 Trends in Real Sector Indicators

Consumer Spending

Consumer spending, proxied by domestic VAT collections and retail sales, posted a mixed performance in November 2025 compared with the corresponding period in 2024. Domestic VAT collections increased by 38.2 percent on a year-on-year basis to GH¢2,209.23 million, from GH¢1,598.91 million. Cumulatively, total domestic VAT for the first eleven months of 2025 went up by 24.6 percent to GH¢19,295.86 million, compared with GH¢15,484.72 million for the corresponding period of last year.

Retail sales declined by 10.5 percent (year-on-year) to GH¢284.43 million in November 2025, down from the GH¢317.86 million recorded in the same period in 2024. Conversely, on a month-on-month basis, retail sales improved by 12.7 percent in November 2025 from GH¢252.47 million in the preceding month. In cumulative terms, retail sales for the first eleven months of 2025 went up by 16.3 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 November 2025. Total direct taxes collected increased by 3.7 percent (year-on-year) to GH¢4,887.19 million in November 2025, relative to GH¢4,710.65 million recorded in a similar period in 2024. Cumulatively, total direct taxes collected for the first eleven months of 2025 went up by 23.1 percent to GH¢73,535.42 million, from GH¢59,743.79 million for the same period in 2024. In terms of contributions of the various sub-tax categories, income tax (PAYE and self-employed) accounted for 60.9 percent, corporate tax accounted for 24.8 percent, while "other tax sources" contributed 14.3 percent.

Total private sector workers' contribution to the SSNIT Pension Scheme (Tier-1) increased by 17.8 percent in year-on-year terms to GH¢526.99 million in November 2025, from GH¢447.19 million collected during the corresponding period in 2024. Cumulatively, for the first eleven months of 2025, the contribution grew by 20.9 percent to GH¢5,644.38 million, relative to GH¢4,668.40 million recorded in the same period in 2024.

Construction Sector Activities

Activity in the construction sub-sector, proxied by the volume of cement sales, declined by 10.5 percent (year-on-year) in November 2025 to 211,499.52 tonnes, down from 236,442.97 tonnes recorded a year ago. However, on a month-on-month basis, total cement sales increased marginally by 1.2 percent in November 2025, compared with the 208,892.80 tonnes recorded in October 2025. Cumulatively, cement sales for the first eleven months of 2025 declined marginally

by 1.6 percent to 2,495,464.76 tonnes compared to 2,535,491.78 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 53.0 percent to 16,179 in November 2025, from 10,574 vehicles registered during the corresponding period of 2024. Cumulatively, vehicles registered by the DVLA within the first eleven months of 2025 increased by 38.2 percent to 221,421 from 160,267 recorded a year ago.

Industrial Consumption of Electricity

Industrial consumption of electricity improved by 9.3 percent in November 2025 to 316.29 gigawatts, as against 289.27 gigawatts recorded for the corresponding period in 2024. In cumulative terms, electricity consumed by industries for the first eleven months of 2025 increased by 10.3 percent to 3,440.95 gigawatts from 3,120.96 gigawatts for the corresponding period a year ago.

Passenger Arrivals

Passenger arrivals declined marginally by 1.1 percent in year-on-year terms to 108,725 in November 2025, down from 109,929 arrivals recorded a year ago. On a month-on-month basis, passenger arrivals increased by 1.6 percent. Cumulatively, for the first eleven months of 2025, passenger arrivals remained largely unchanged at 1,153,899 arrivals recorded at the international airport and the land borders, compared with 1,162,028 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 8.6 percent, year-on-year, to 72,117 in November 2025, up from 66,382 for a similar period in 2024. In cumulative terms, total container traffic for the first eleven months of 2025 went up by 20.1 percent to 787,409 compared with 655,439 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 3.8 percent to 1,111,627 in November 2025, compared with 1,070,753 for the same period in 2024. On a month-on-month basis, total number of private sector SSNIT contributors declined marginally from the 1,117,118 individuals recorded in October 2025.

Advertised Jobs

The number of jobs advertised in selected print[1] and online[2] media, which partially gauges labour demand in the economy, decreased in December 2025 relative to what was observed in the corresponding period a year ago. In total, 2,615 job adverts were recorded as compared with 2,725 for the same period in 2024, indicating a decline of 4.0 percent (year-on-year). Similarly, on a month-on-month basis, the number of job vacancies in December 2025 dipped by 4.8 percent from the 2,746 jobs advertised in November 2025. Cumulatively, for 2025, the total number of advertised jobs declined marginally to 35,546, compared to 35,810 recorded for 2024.

[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.

3.4 Composite Index of Economic Activity

The Bank's real Composite Index of Economic Activity (CIEA) recorded a strong annual growth of 8.8 percent in November 2025, compared to a growth of 1.5 percent for the corresponding period of 2024. International trade, commercial banks' credit to the private sector, industrial production, and consumption of goods and services contributed to improved economic activity during the period.

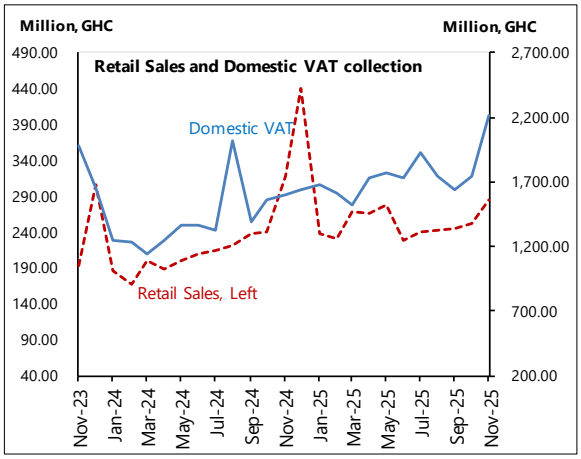
3.5 Consumer and Business Surveys

The latest confidence surveys conducted in December 2025 continued to indicate improved sentiment toward macroeconomic conditions. The Consumer Confidence Index improved to 116.4 in December 2025 from 115.3 in October 2025, largely on account of easing inflationary pressures. Similarly, the Business Confidence Index increased to 107.7 from 106.5 in the same comparative period as firms cited the attainment of company targets, a stable currency and prospects for lower borrowing costs as reasons for their optimism. Results from the confidence surveys were aligned with the observed trend in Ghana's Purchasing Managers' Index (PMI) which also signalled an improvement in business conditions in December 2025. The PMI rose to 51.1 in December 2025 from 50.1 in the previous month mainly due to an uptick in new orders.

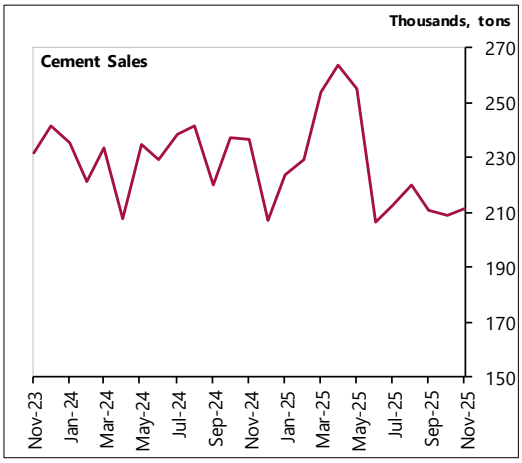
Figure 3.1a: High Frequency Economic Indicators

Panel 1:
Ghana's Leading Indicators of Economic Activity

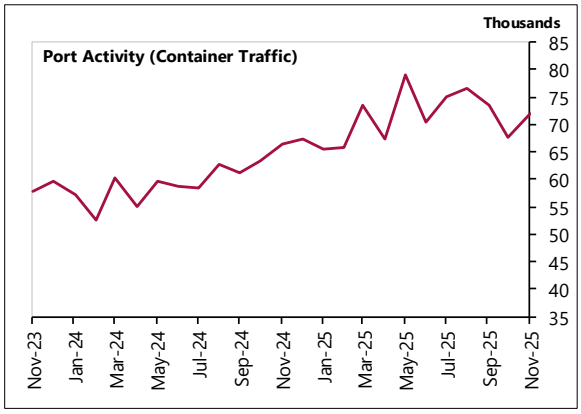
...Domestic VAT collections and retail sales improved in November 2025 compared to October 2025...



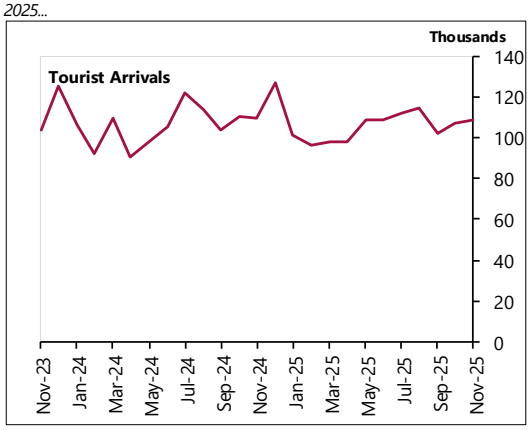
...Construction activities, proxied by cement sales, picked up in November 2025 compared to October 2025...



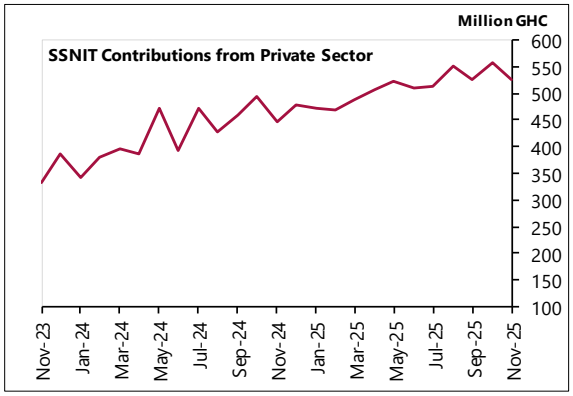
...Port activity increased in November 2025 compared to the previous month...



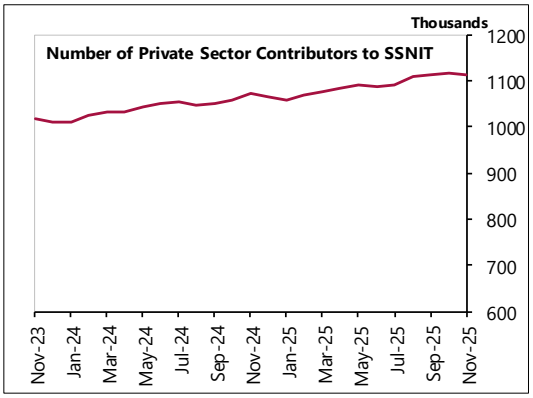
...Tourist arrivals increased in November 2025 compared to October 2025...



...Labour market conditions softened in November 2025 relative to October 2025...



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

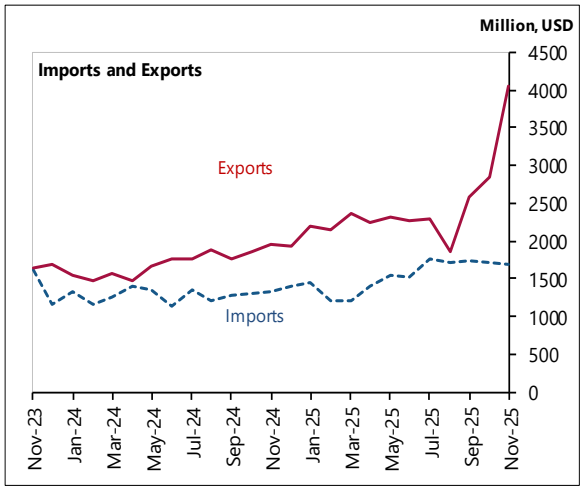


Sources: Bank of Ghana, Various Stakeholders

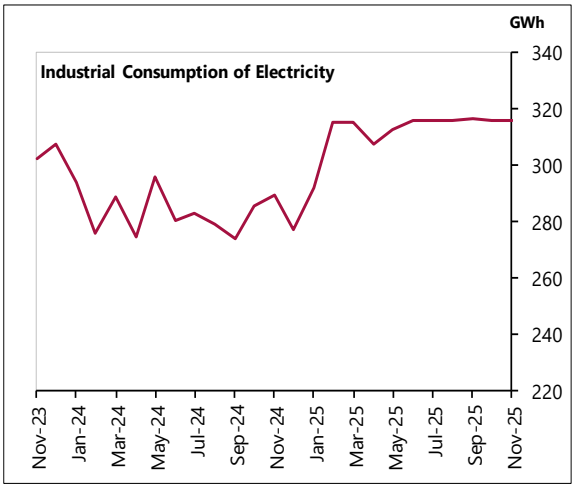
Figure 3.1b: High Frequency Economic Indicators

Panel 2:
Ghana's Leading Indicators of Economic Activity

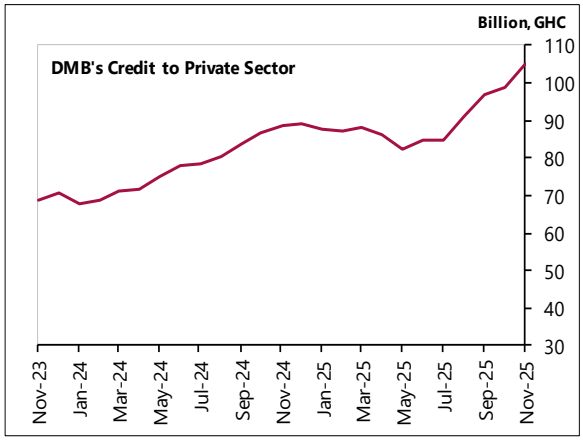
...Exports surged while imports remained largely unchanged in November 2025 compared to October 2025...



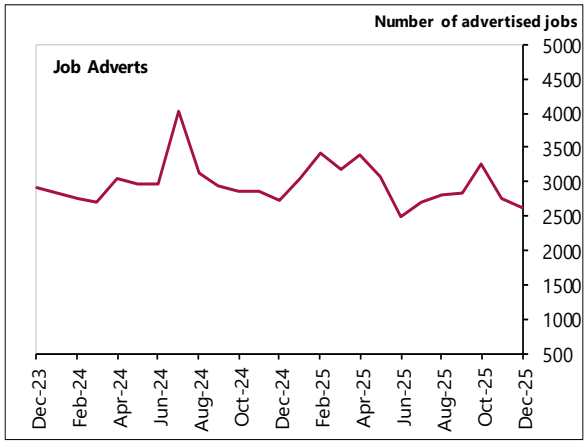
...Industrial activity, proxied by industrial consumption of electricity, remained largely unchanged...



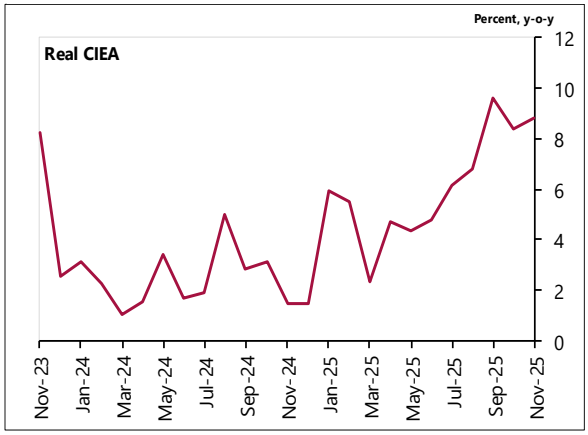
...Commercial banks' credit to the private sector increased in November 2025 relative to the pevious month...



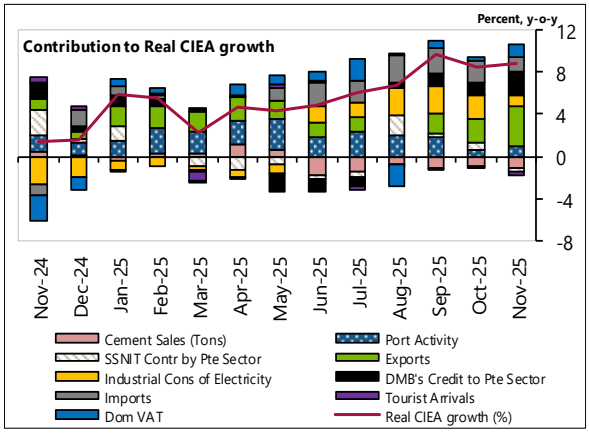
...Demand for labour, proxied by the number of job adverts (in print and online media), decreased in December 2025...



...On a year-on-year basis, the real CIEA grew by 8.8 percent in November 2025, compared with a growth of 1.5 percent in November 2024...



...The growth in the real CIEA was driven by a pick-up in Exports, DMB's Credit to the Private Sector, Imports, Industrial Consumption of Electricity, Domestic VAT and Port Activity...

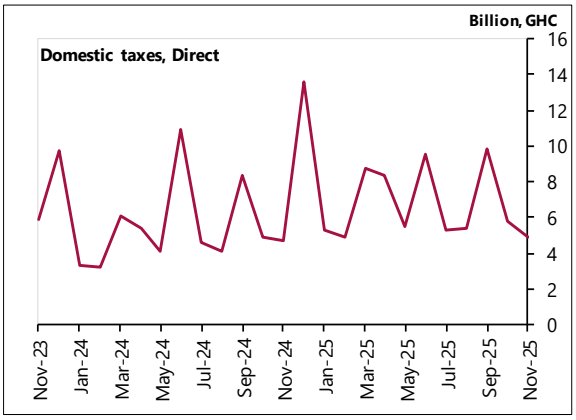


Source: Bank of Ghana, Various Stakeholders

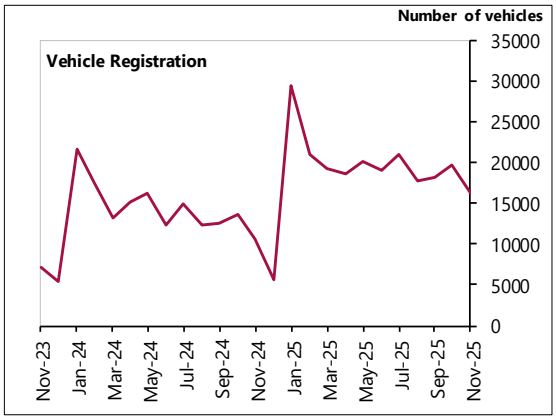
Figure 3.1c: High Frequency Economic Indicators

Panel 3:
Ghana's Leading Indicators of Economic Activity

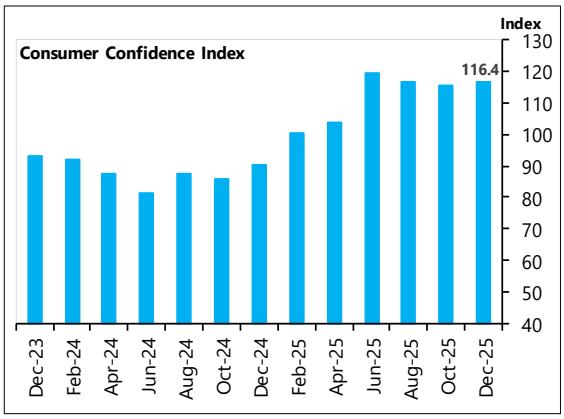
...Domestic tax collection decreased in November 2025 compared to October 2025...



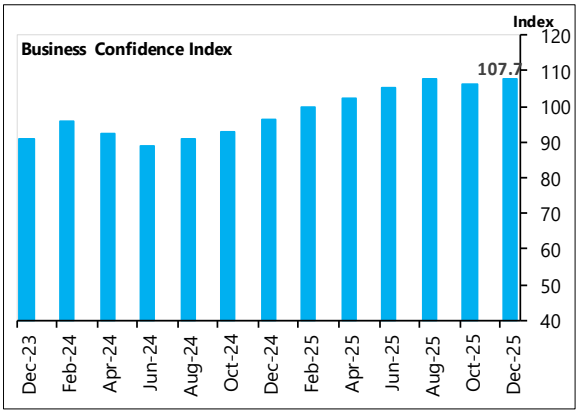
...Vehicle registration decreased in November 2025 compared to the month before...



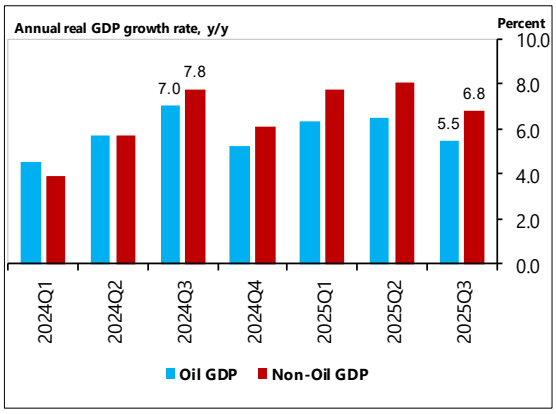
...Consumer confidence improved largely on account of easing inflationary pressures...



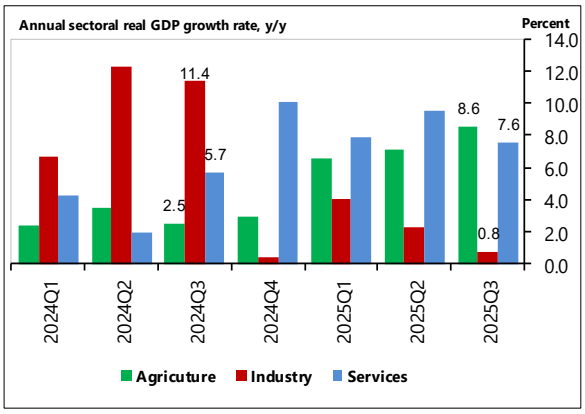
...Business Confidence improved as firms cited the attainment of company targets, a stable currency and prospects for lower borrowing costs as reasons for their optimism...



...Real Oil and Non-Oil GDP grew by 5.5 percent and 6.8 percent respectively in 2025Q3, compared with a growth rate of 7.0 percent and 7.8 percent for Real Oil and Non-Oil GDP in 2024Q3...



...The Agriculture and Services sectors drove growth in 2025Q3, recording growth rates of 8.6 percent and 7.6 percent respectively, relative to growth rates of 2.5 percent and 5.7 percent in 2024Q3...



Source: Bank of Ghana, Various Stakeholders

4. Fiscal Developments

4.0 Highlights

The provisional January-November 2025 fiscal performance on commitment basis indicated an improvement in revenue performance, although there were shortfalls in revenue outturns compared to targets. Government spending was within target mainly due to commitment control measures that placed restraint on expenditure for the period. The fiscal deficit for the period under review was 0.5 percent of GDP, against the target of 3.5 percent of GDP. The primary balance recorded a surplus of 2.8 percent of GDP, against a primary surplus target of 0.6 percent of GDP. The overall fiscal deficit was financed from domestic and foreign sources.

4.1 Revenue and Grants

Total Revenue and Grants for the first eleven months of 2025 was GH¢187,870.6 million (13.4% of GDP), lower than the target of GH¢201,372.6 million (14.4% of GDP). Over the review period, domestic revenue totalled GH¢186,569.9 million (13.3% of GDP), below the target of GH¢199,045.8 million (14.2% of GDP). The revenue outcomes reflected poor performances for tax revenue, oil and gas receipts, as well as grants.

Of the total revenue and grants:

- **Non-Oil Tax Revenue,** comprising taxes on income & property, taxes on domestic goods and services and international trade taxes, excluding oil and gas related taxes was GH¢149,163.8 million (10.7% of GDP), lower than the target of GH¢156,144.1 million (11.2% of GDP). This represented a 4.5 percent negative deviation from the target, signalling systemic revenue leakage.
- **Non-Oil Non-Tax Revenue** totalled GH¢22,197.4 million, above the target of GH¢16,921.7 million by 31.2 percent. Compared with the 2024 outturn, this translates to a year-on-year growth of 35 percent. This performance was mainly due to lower than programmed Dividend/Interest& Profits as well as Fees and Charges for the collection period.
- **Oil and Gas Receipts** were GH¢5,918.5 million, lower than the target of GH¢16,514.3 million by 64.2 percent. This tax type also recorded a year-on-year decline of 66.6 percent.
- **Other Revenue** of GH¢9,290.2 million was below its target of GH¢9,465.7 million by 1.9 percent. This outturn is 69.2 percent above GH¢5,490.6 million collected in the corresponding period of 2024.
- **Grants** received for Jan-November 2025 totalled GH¢1,300.7 million, a shortfall 44.1 percent from the programmed target of GH¢2,326.8 million for the review period. This outturn was also lower than GH¢1,714.4 million received in the corresponding period of 2024, translating into a year-on-year decline of 24.1 percent.

4.2 Expenditures

Total Expenditures and Net Lending for the review period, totalled GH¢194,361.8 million. This was below the target of GH¢250,311.2 million by 22.4 percent.

- **Compensation of Employees** (including wages and salaries, pensions & gratuities, and other wage related expenditure) was GH¢71,273.8 million, higher than the target of GH¢70,037.4 million. This outturn was above its target by 1.8 percent but recorded 16 percent year-on-year growth. In terms of fiscal flexibility, compensation of employees constituted 38.2 percent of domestic revenue mobilized during the period under review.
- **Use of Goods and Services** totalled GH¢5,271.8 million, lower than the expected target of GH¢6,335.6 million by 16.8 percent. This points to some restraint on the part of the government in controlling discretionary spending. This expense was also lower than GH¢38,438.1 million received in the corresponding period of 2024, reflecting a year-on-year decline of 86.3 percent.
- **Total Interest Payments** of GH¢46,211.4 million was below the target of GH¢57,869.1 million for the review period. This outturn is 5.8 percent above the GH¢43,682.7 million recorded in the corresponding period of 2024.

The reduced interest payments were mainly due to lower domestic interest rates and the appreciation of the local currency.

- **Grants to Other Government Units** (made up of National Health Fund, Education Trust Fund [GET Fund], Road Fund, Energy Fund, District Assemblies Common Fund [DACF], Retention of IGFs, transfer to GNPC, Ghana Infrastructure Fund and other earmarked funds) all summed up to GH¢50,805.3 million, higher than the target of GH¢48,978.0 million, resulting in an positive deviation of 3.7 percent. It also recorded a year-on-year growth of 24.2 percent.
- **Capital Expenditure** for the period under review was GH¢12,978.4 million (0.9% of GDP), lower than the programmed target of GH¢31,401.3 million (2.2% of GDP) by 58.7 percent. This outturn represented a year-on-year decline of 50.6 percent over the outturn of 2024.
- **Other Expenditure** for eleven months of 2025 was GH¢14,499.6 million, 59.4 percent below the target of GH¢35,689.9 million. This outturn compares with GH¢24,766.7 million recorded in the corresponding period of 2024.

Table 4.1: Revenue and Grants

No.	Indicators (GH₵ million)	2024	2025				
		Prov. Jan-Nov	Target Jan-Nov	Outturn Jan-Nov	Dev (GH₵)	Dev (%)	y/y (%)
1	Total Revenue & Grants	159,496.5	201,372.6	187,870.6	-13,502	-6.7	17.8
	% of GDP	13.6	14.4	13.4			
2	Domestic Revenue	157,782.1	199,045.8	186,569.9	-12,476	-6.3	18.2
	% of GDP	13.4	14.2	13.3			
3	Non-oil Tax Revenue	118,144.9	156,144.1	149,163.8	-6,980	-4.5	26.3
	% of GDP	10.0	11.2	10.7			
4	Non-Oil Non-Tax Revenue	16,437.0	16,921.7	22,197.4	5,276	31.2	35.0
	% of GDP	1.4	1.2	1.6			
5	Oil and Gas Receipt	17,709.5	16,514.3	5,918.5	-10,596	-64.2	-66.6
	% of GDP	1.5	1.2	0.4			
6	Other Revenue	5,490.6	9,465.7	9,290.2	-175	-1.9	69.2
	% of GDP	0.5	0.7	0.7	0.1		
7	Grants	1,714.4	2,326.8	1,300.7	-1,026	-44.1	-24.1
	% of GDP	0.1	0.2	0.1	0.1		
	Memo Item						
8	Non-oil Domestic Revenue	140,072.5	182,531.5	180,651.4	-1,880	-1.0	29
	% of GDP	11.9	13.0	12.9	0.1		
9	Non-oil Public Revenue	134,581.9	173,065.8	171,361.2	-1,705	-1.0	27
	% of GDP	11.4	12.4	12.2	0.1		

Source: Ministry of Finance

Table 4.2: Expenditure

No.	Indicators (GH₵ million)	2024	2025				
		Prov. Jan-Nov	Target Jan-Nov	Outturn Jan-Nov	Dev (GH₵)	Dev (%)	y/y (%)
1	Total Exp. (Commitment, Incl Discrepancy)1	240,137.2	250,311.2	194,361.8	-55,949	-22.4	-19.1
	% of GDP	20.4	17.9	13.9			
2	Primary Expenditures (Commitment, Incl Discrepancy)1	196,454.5	192,442.2	148,150.4	-44,292	-23.0	-24.6
	% of GDP	16.7	13.7	10.6			
3	Compensation of Employees	61,432.2	70,037.4	71,273.8	1,236	1.8	16.0
	% of GDP	5.2	5.0	5.1			
	o/w Wages and Salaries	55,186	62,514	63,934			
4	Use of Goods and Services	38,438.1	6,335.6	5,271.8	-1,064	-16.8	-86.3
	% of GDP	3.3	0.5	0.4			
5	Grants to Other Gov't Units	40,891.8	48,978.0	50,805.3	1,827	3.7	24.2
	% of GDP	3.5	3.5	3.6			
6	Capital Expenditure	26,253.2	31,401.3	12,978.4	-18,423	-58.7	-50.6
	% of GDP	2.2	2.2	0.9			
	o/w Domestic Financed	13,013.2	20,167.6	8,568.3	-11,599	-57.5	-34.2
	o/w Foreign Financed	13,240.0	11,233.7	4,410.1	-6,824	-60.7	-66.7
7	Other Expenditure	24,766.7	35,689.9	14,499.6	-21,190	-59.4	-41.5
	% of GDP	2.1	2.5	1.0			
8	Other Outstanding Expenditure Claims	29,131	0	0	0		
	% of GDP	2.5	0.0	0.0			
8	Interest Payment	43,682.7	57,869.1	46,211.4	-11,658	-20.1	5.8
	% of GDP	3.7	4.1	3.3			
	o/w Domestic	37,156.0	49,495.9	39,801.2	-9,695	-19.6	7.1
	o/w Foreign	6,526.6	8,373.2	6,410.2	-1,963	-23.4	-1.8
Memo Item							
8	Total Exp. (Cash)	229,380.0	263,378.8	207,114.8	-56,264	-21.4	-9.7
	% of GDP	0.9	-0.9	-0.9			
	o/w Arrears clearance (net change)	10,757	-13,068	-12,753	315	-	-
	o/w Discrepancy	-4,673	0	6,679	6,679		

Source: Ministry of Finance

4.3 Budget Balance and Financing

The fiscal deficit (on commitment basis) for January- November 2025 was equivalent to 0.5 percent of GDP, better than the expected deficit target of 3.5 percent of GDP. On cash basis, the deficit was 1.4 percent, compared with the deficit target of 4.4 percent.

- Government budgetary operations resulted in an overall budget deficit (commitment) of GH¢6,491 million (0.5% of GDP) for the period of January-November 2025. This was lower than the expected target of GH¢48,938.6 million (3.5% of GDP). The corresponding primary balance was a surplus of 2.8 percent of GDP, against a primary surplus target of 0.6 percent of GDP.
- On cash basis, the overall deficit was GH¢19,244.2 million, compared with the target of GH¢62,006.2 million. This translates into 1.4 percent of GDP compared with a target of 4.4 percent of GDP.
- The overall fiscal deficit of GH¢19,244.2 million was financed from domestic and foreign sources. Domestic financing (net) was GH¢11,757.5 million, lower than the outturn of GH¢43,174.4 million recorded in the same period in 2024. Foreign financing recorded a net inflow of GH¢8,397.9 million (0.6% of GDP), lower than the target of GH¢20,315.7 million (1.5 % of GDP).

Table 4.3: Budget Balance and Financing

Indicators (GH₵ million)	2024	2025				
	Prov. Jan-Nov	Target Jan-Nov	Outturn Jan-Nov	Dev (GH₵)	Dev (%)	y/y (%)
Total Financing	69,883.5	62,006.2	19,244.2	-42,762	-69.0	-72.5
% of GDP	5.9	4.4	1.4			
Foreign Financing	19,979.2	20,315.7	8,397.9	-11,918	-59	-58.0
% of GDP	1.7	1.5	0.6			
Borrowing	27,738.4	30,460.8	15,776.9	-14,684	-48.2	-43.1
o/w Project Loans	11,525.6	8,906.8	3,109.5	-5,797	-65.1	-73.0
o/w Programme Loans	16,212.8	21,554.0	12,667.4	-8,887	-41.2	-21.9
Amortisation (due)	-7,759.1	-10,145.2	-7,379.0	2,766	-27.3	-4.9
Domestic Financing	49,904.3	41,690.6	10,846.3	-30,844	-74.0	-78.3
% of GDP	4.2	3.0	0.8			
o/w Domestic (net)	51,687.3	43,174.4	11,757.5	-31,417	-72.8	-77.3
o/w Ghana Petroleum Funds	-1,645.5	-1,203.1	-911.2	292	-24.3	-44.6
o/w Sinking Fund	-138	-281	0	281	-100.0	
Primary Balance	-26,200.8	-4,137.2	26,967.2	31,104	-751.8	-202.9
% of GDP	-2.2	-0.3	1.9			
Nominal GDP	1,176,219.9	1,400,006.1	1,400,006.1			

Source: Ministry of Finance

4.4 Public Debt Analysis

The combined effects of exchange rate appreciation and slower debt accumulation reduced the stock of total public debt at the end of November 2025. The stock of public debt decreased from 61.8 percent (revised GDP) in December 2024 to 45.5 percent in November 2025. Similarly rate of debt accumulation shifted from 19.1 percent in 2024 to *negative* 11.3 percent by November 2025.

The provisional debt stock of central government and guaranteed debt stood at GH¢630.2 billion (45.0% of GDP) at end-October 2025, down from GH¢726.7 billion (61.8% of GDP) at end-December 2024. Out of the total public debt, external debt was GH¢319.2 billion (22.8% of GDP) and domestic debt totalled GH¢311.0 billion (22.2% of GDP). The sharp decline reflected in the external debt. The decline in the public debt was largely due to the appreciation of the currency, effective debt management, reduced borrowing cost and fiscal discipline, reflecting in the posting of a significant primary surplus.

External debt fell by GH¢86.7 billion (6% of GDP) from GH¢416.8 billion in December 2024 to GH¢330.2 billion in November 2025.The decline was mainly driven by cedi appreciation reducing the external debt in local currency by GH¢100.8 billion (8% of estimated GDP). However, domestic debt increased slightly from GH¢309.8 billion to GH¢314.5 billion. The rise reflects controlled domestic financing aligned with the 2025 budget.

Table 4.4: Public Debt

	2024	2025	2025	2025	2025	2025	2025	2025	Nov. 2025 - Dec. 2024
	DECEMBER	MARCH	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	CHANGE
TOTAL DOMESTIC DEBT (GH¢m)	309,844.8	326,903.1	312,681.1	323,746.1	322,629.4	317,590.8	310,993.5	314,475.1	4,630.3
SHORT TERM	111,165.7	124,988.6	114,734.1	125,861.1	123,985.2	118,132.5	112,893.9	107,066.6	(4,099.1)
MEDIUM-TERM	129,051.2	130,943.1	126,949.4	126,878.8	127,591.7	128,399.7	127,112.8	136,404.3	7,353.2
LONG-TERM	68,559.9	70,116.2	70,477.3	70,477.3	70,477.3	70,477.3	70,477.3	70,477.3	1,917.4
STANDARD LOANS	1,068.1	855.1	520.3	528.9	575.2	581.2	509.4	526.8	(541.2)
HOLDINGS OF DOMESTIC DEBT (GH¢m)	309,844.8	326,903.1	312,681.1	323,746.1	322,629.4	317,590.8	310,993.5	314,475.1	4,630.3
BANKING SYSTEM	135,756.9	135,691.3	131,807.5	151,401.0	148,346.3	144,936.7	139,073.0	129,458.3	(6,298.6)
NON-BANK	159,604.8	176,331.5	167,410.3	159,721.9	161,516.3	159,374.9	158,651.0	172,343.2	12,738.4
FOREIGN SECTOR (Non-Resident)	13,415.0	14,025.2	12,943.0	12,094.3	12,191.7	12,697.9	12,760.0	12,146.7	(1,268.3)
STANDARD LOANS	1,068.1	855.1	520.3	528.9	575.2	581.2	509.4	526.8	(541.2)
TOTAL EXTERNAL(US$m)	28,322.6	28,479.8	29,110.3	29,035.4	29,218.9	29,534.3	29,269.1	29,280.7	958.1
MULTILATERAL	11,235.7	11,390.6	11,637.2	11,853.3	11,935.5	12,176.6	11,973.5	11,967.1	731.4
BILATERAL	5,274.0	5,403.5	5,664.2	5,589.1	5,667.7	5,739.2	5,699.4	5,709.6	435.6
COMMERCIAL	11,812.9	11,685.7	11,808.9	11,592.9	11,615.6	11,618.5	11,596.2	11,604.1	(208.9)
TOTAL EXTERNAL(GH¢m)	416,835.2	442,513.7	300,278.1	305,025.2	333,261.6	366,999.3	319,193.6	330,157.8	(86,677.3)
TOTAL PUBLIC DEBT (GH¢m)	726,680.0	769,416.8	612,959.2	628,771.3	655,891.0	684,590.1	630,187.1	644,633.0	(82,047.0)
EXCHANGE RATE (End Period Selling MOF)	14.7174	15.5378	10.3152	10.5053	11.4057	12.4262	10.9055	11.2756	
MEMORANDUM ITEMS									
NOMINAL GDP (GH¢m)	1,176,219.9	1,415,764.0	1,415,764.0	1,415,764.0	1,415,764.0	1,415,764.0	1,415,764.0	1,415,764.0	
TOTAL DEBT /GDP RATIO (%)	61.78	54.35	43.30	44.41	46.33	48.35	44.51	45.53	
EXTERNAL DEBT/GDP	35.4	31.3	21.2	21.5	23.5	25.9	22.5	23.3	
DOMESTIC DEBT/GDP	26.3	23.1	22.1	22.9	22.8	22.4	22.0	22.2	
EXTERNAL DEBT/TOTAL DEBT	57.4	57.5	49.0	48.5	50.8	53.6	50.7	51.2	
DOMESTIC DEBT/TOTAL DEBT	42.6	42.5	51.0	51.5	49.2	46.4	49.3	48.8	

Source: Bank of Ghana, Ministry of Finance

4.5 Risks to the Outlook

The weak revenue performance and pressures from compensation of employees for the period pose fiscal risks to the outlook. Continued fiscal consolidation efforts will reduce debt accumulation and debt service costs. Furthermore, sustained improvements in real growth, lower real interest rates and exchange rate stability remain key to achieving medium-term debt sustainability. Completion of the remaining external debt restructuring negotiations may create potential short-term external payments challenges and this may have implication for the domestic currency. More domestic savings would be needed to meet external debt service obligations going forward. Significantly large reserve accumulation remains key to meeting high external debt service payments and containing exchange rate pressures.

5. Monetary and Financial Developments

5.0 Highlights

Monetary developments in December 2025 continued to reflect a relatively tight monetary policy stance, underpinned by active liquidity management. Growth in monetary aggregates slowed in December 2025 relative to December 2024, consistent with the objective of sustaining disinflationary process and anchoring inflation expectations. Nominal credit growth year-on-year remained muted as banks continued to favour Bank of Ghana and Government securities. Real private sector credit, however, posted a modest expansion, supported by strong disinflation and gradually improving borrowing conditions particularly within the second half of the year. Short-term interest rates declined significantly on a year-on-year basis in line with the reduction in the policy rate, 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.

5.1 Developments in Monetary Aggregates

Money Supply

Growth in broad money supply (M2+) moderated sharply in December 2025, reflecting the Bank's tight monetary policy stance and sustained liquidity-management operations over the review period. Annual M2+ growth decelerated to 16.5 percent from 31.9 percent in December 2024, marking a significant slowdown in liquidity expansion. This outcome reflected a decline in contributions from Net Foreign Assets (NFA) while contribution of Net Domestic Assets (NDA) remained moderate, consistent with low liquidity creation in the banking system.

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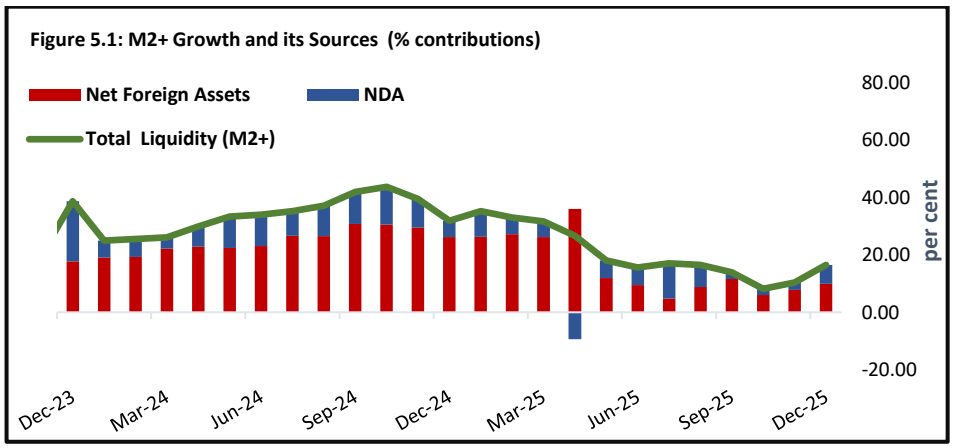
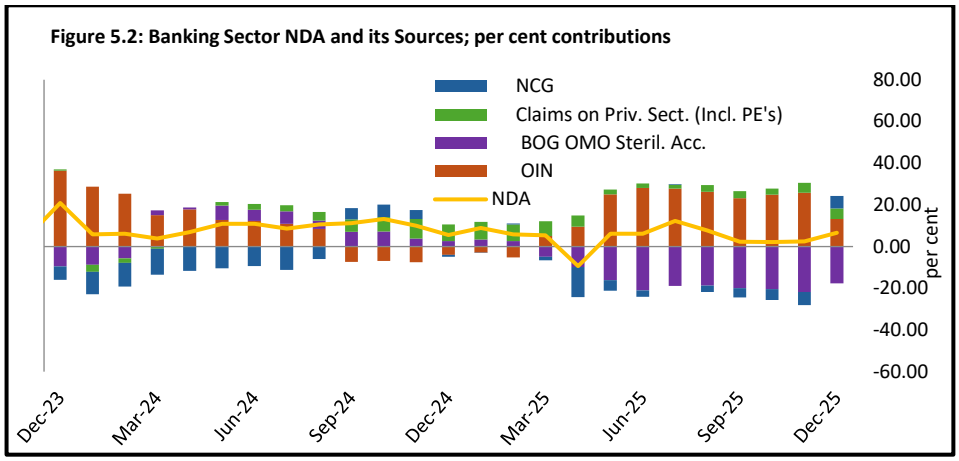
The contribution of NFA to overall liquidity growth declined markedly to 10.0 percent in December 2025 compared with 26.3 percent a year earlier. This moderation was driven primarily by valuation effects associated with the year-to-date appreciation of the Ghana cedi, which reduced the domestic-currency value of foreign-denominated assets. In addition, foreign asset accumulation in the banking sector was more subdued relative to the strong external inflows recorded in 2024, further dampening NFA's contribution to money supply growth.



Source: Bank of Ghana

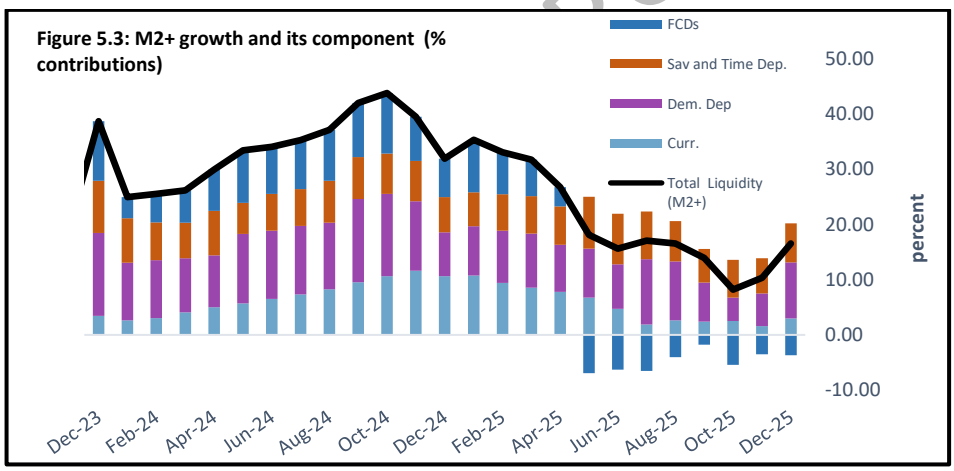
The contribution of NDA to M2+ growth increased modestly to 6.6 percent from 5.6 percent in December 2024. This development was largely underpinned by a sharp turnaround in Net Claims on Government (NCG) and a significant rise in Other Items (Net). The contribution of NCG to NDA growth was 5.9 percent in December 2025, compared to a contraction of *negative* 1.0 percent recorded a year earlier, reflecting in part increased preference for government instruments by the banks. Other Items (Net) accounted for 13.2 percent of M2+ growth, compared with a *negative* 4.0

percent in December 2024. These upward pressures on NDA were, however, partially offset by a decline in the contribution of claims on the private sector (including public enterprises), alongside heightened sterilisation efforts through the issuance of Bank of Ghana bills.



Source: Bank of Ghana

In terms of the composition of M2+ growth, the contribution of demand deposits increased to 10.2 percent from 8.0 percent in December 2024, while the contribution of savings and time deposits increased marginally to 7.1 percent from 6.3 percent a year earlier, consistent with slower but more stable deposit mobilisation by banks. In contrast, the contribution of currency declined sharply to 3.0 percent, from 10.6 percent in the previous year, reflecting restrained cash demand. Foreign currency deposits (FCDs) exerted a significant drag on money supply growth, contributing negative 3.7 percent in December 2025, compared with 7.0 percent contribution in December 2024. This reversal largely reflected valuation effects from the appreciation of the domestic currency, as well as a stronger preference for cedi-denominated assets amid improved confidence in domestic financial conditions.



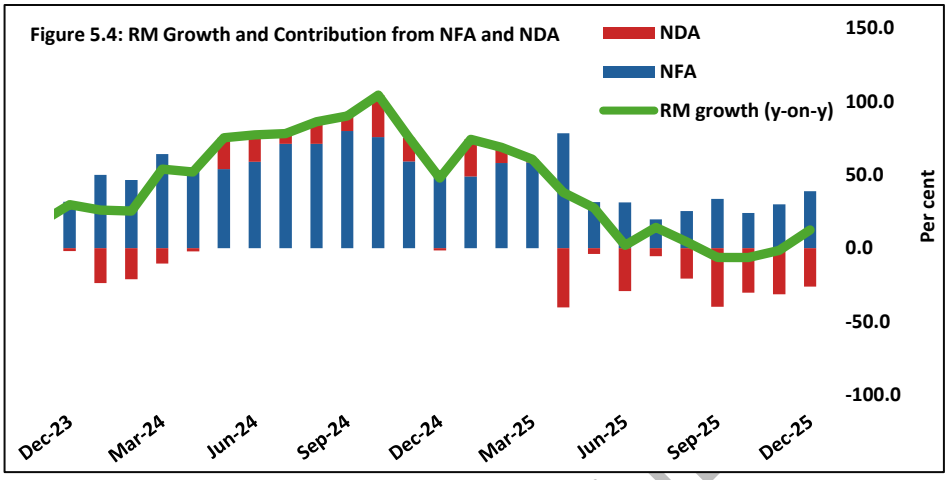
Source: Bank of Ghana

5.2 Reserve Money

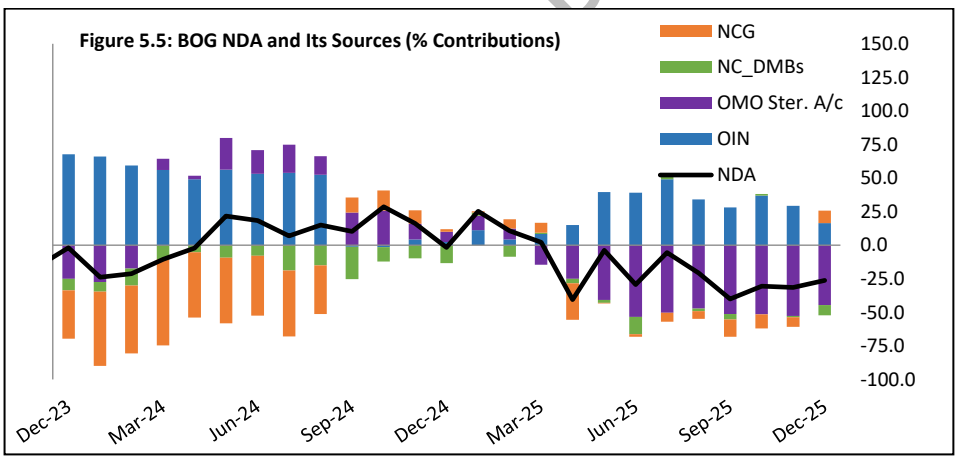
Reserve Money (RM) growth moderated significantly in December 2025, reflecting subdued liquidity conditions from both domestic and external sources. Annual RM growth eased to 12.5 percent in December 2025, down from 47.8 percent in December 2024. This sharp deceleration underscores the tighter liquidity 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) of the central bank. NDA contribution to RM growth declined to *negative* 26.3 percent December 2025, compared to *negative 1.6* percent in December 2024, on account of intensified Open Market Operations (OMO) aimed at sterilizing excess liquidity. This was however, moderated by increase in Net Claims on Government (NCG), and Other Items (Net).

Developments in Net Foreign Assets (NFA) also contributed to the decline in RM growth. Although NFA increased on a year-on-year basis to GH¢98,298.1 million in December 2025 from GH¢47,647.1 million in December 2024, the pace of accumulation slowed considerably relative to the strong external inflows recorded in the previous year. The moderation partly reflected valuation effects associated with the appreciation of the Ghana 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 38.8 percent in December 2025, from 49.4 percent a year earlier.



Source: Bank of Ghana



Source: Bank of Ghana

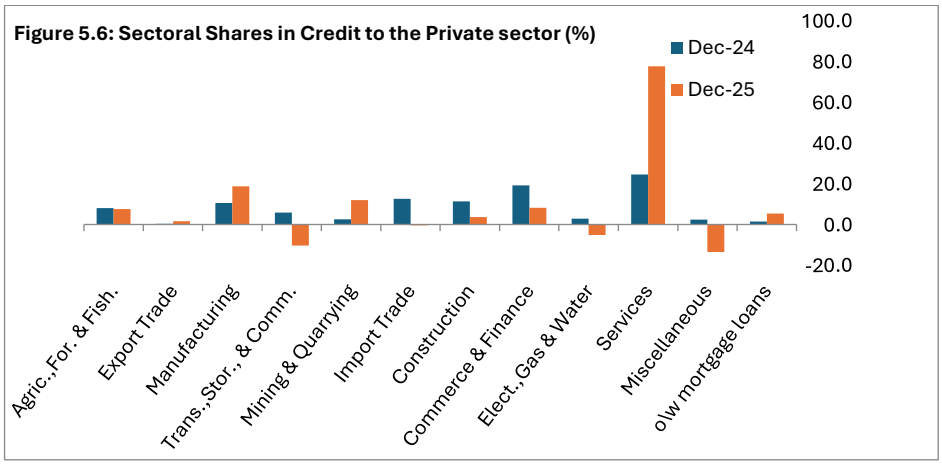
5.3 Deposit Money Banks Credit Developments

Credit conditions in the banking sector remained subdued in December 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¢15,432.4 million (16.2 percent) as at end-December 2025, compared with GH¢18,530.7 million (24.1 percent) in December 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.

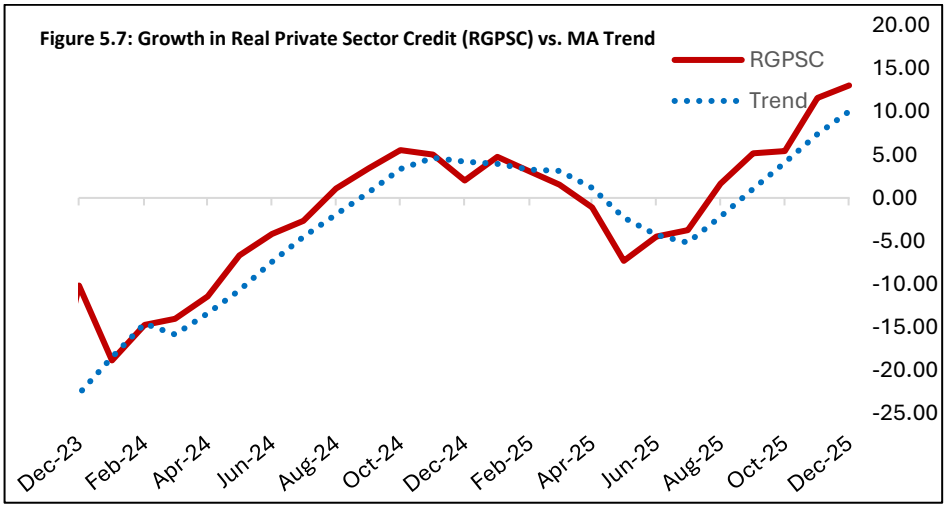
Credit to the public sector contracted significantly during the period. Public sector credit growth declined by GH¢1,635.7 million (-25.5 percent) in the year to December 2025, in contrast with the GH¢31.6 million (0.5 percent) contraction recorded a year earlier. This decline reflected the ongoing fiscal consolidation which had resulted in reduced government borrowing from the banking system in the first half of the year.

Notwithstanding a moderation in growth in credit to the public sector, the private sector remained the primary recipient of new lending. Private sector credit expanded by GH¢17,068.1 million (19.2 percent) in the year to December 2025, although this reflected a moderation from the GH¢18,562.3 million (26.3 percent) growth recorded a year earlier. The private sector's share of total outstanding credit, however, increased to 95.7 percent from 93.3 percent in December 2024. Nominal private sector credit stood at GH¢106,189.7 million at end-December 2025 compared with GH¢89,121.6 million recorded in December 2024.

Sectoral breakdown of private-sector credit flows indicated that the services sector received the largest proportion of annual credit flows of 77.7 percent in December 2025, significantly higher than the share of 24.5 percent recorded same time last year. The manufacturing sector accounted for 18.8 percent in December 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.



Source: Bank of Ghana



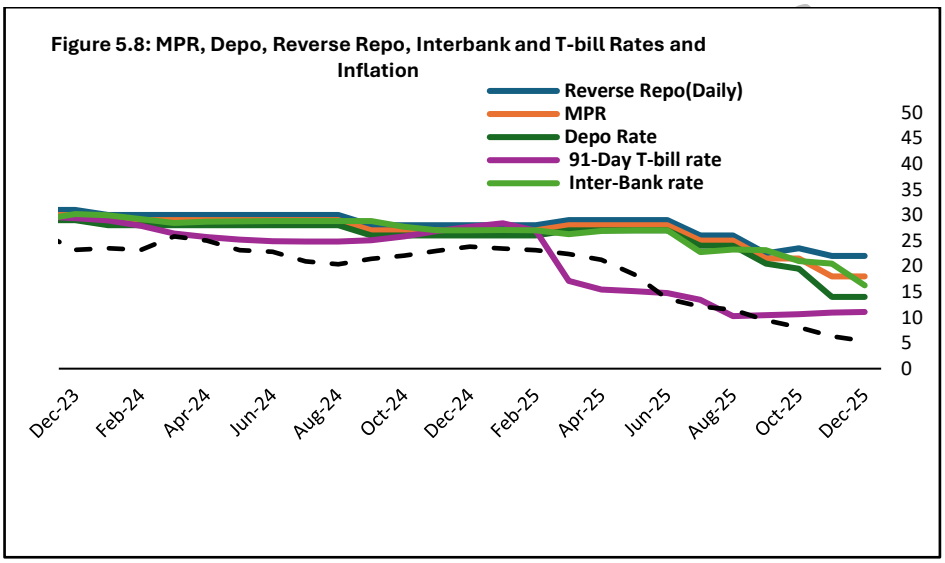
Source: Bank of Ghana

In real terms, private sector credit growth remained positive, supported by the significant decline in inflation. Real private sector credit grew by 13.1 percent in December 2025 compared to 2.0 percent in December 2024. This reflected an improving trend in real private sector growth since May 2025. Real private-sector credit growth remained slightly above its long-term trend in December 2025.

5.4 Money Market Developments

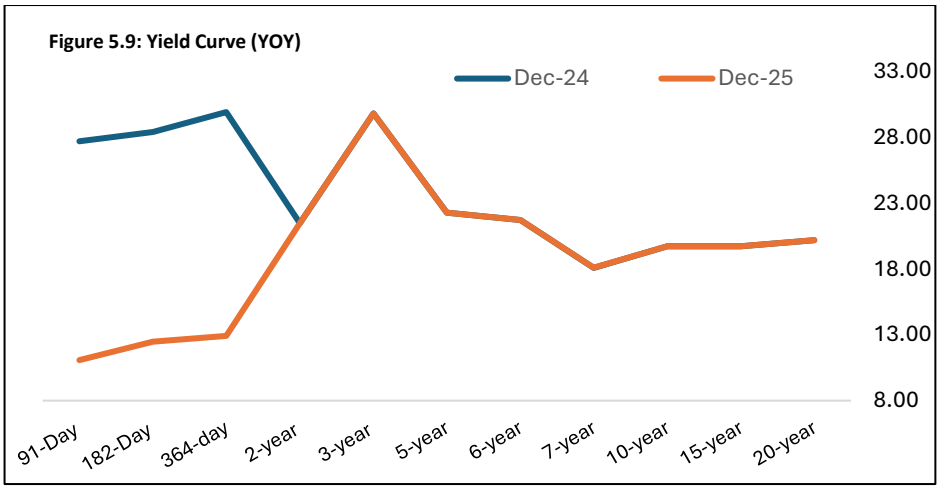
Interest rate developments in December 2025 showed broad declines, consistent with the easing cycle initiated by the Bank of Ghana in the second half of the year and the ongoing process of disinflation. These movements contrasted sharply with conditions in December 2024, when rates remained elevated in line with tight monetary conditions aimed at anchoring inflation expectations. The Monetary Policy Rate (MPR) declined significantly to 18 percent in December 2025, from 27 percent in December 2024. The 900-basis point 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 16.3 percent in December 2025, from 27.0 percent a year earlier, indicating declining cost of overnight borrowing. Similarly, the average lending rate of banks eased to 20.5 percent from 30.3 percent in December 2024, reflecting a pass-through of the reduction in policy rate to market rates. Real rates remained broadly positive, reflecting the sharp decline in inflation during the review period.

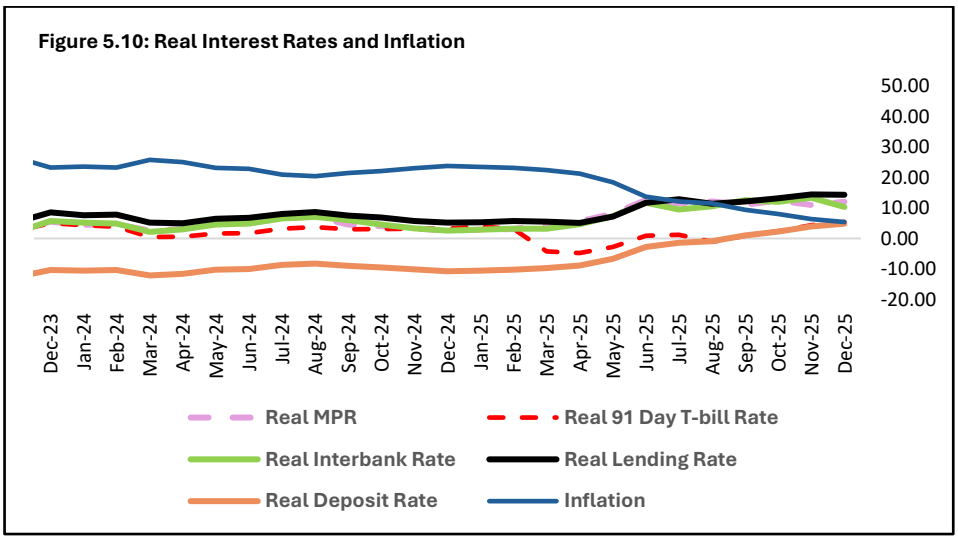


Source: Bank of Ghana

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 financing costs. 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, however, remained broadly unchanged, given limited activity in that segment of the market.



Source: Bank of Ghana



Source: Bank of Ghana

5.5 Stock Market Developments

Activity on the Ghana Stock Exchange (GSE) strengthened in December 2025, supported by improved investor sentiment, stronger corporate earnings, and continued macroeconomic stability. The GSE Composite Index (GSE-CI) closed the month at 8,770.3 points, up 79.4 percent from 4,888.5 points in December 2024. 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, Agriculture, Finance and IT sectors with annual growth rates of 173.9 percent, 121 percent, 110.1 percent, and 68.0 percent, respectively.

The GSE Financial Stocks Index (GSE-FI) also recorded significant growth, rising to 4,647.17 points in December 2025 from 2,380.8 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 5.1: Performance of Ghana Stock Exchange

	Nov-23	Dec-23	Nov-24	Dec-24	Sep-25	Oct-25	Nov-25	Dec-25
GSE CI	3169.9	3130.2	4694.4	4888.5	8168.4	8385.4	8610.2	8770.25
GSE FI	1997.0	1901.6	2351.2	2380.8	3799.3	4193.9	4456.4	4647.17
Market Capitalization	74234.3	73893.2	108368.9	111356.1	162594.4	166537.9	165108.7	172042.59

Source: Ghana Stock Exchange and Bank of Ghana Staff Calculations

5.6 Conclusion

Monetary developments in December 2025 were underpinned by the Bank's relatively tight monetary policy stance and active sterilization. Growth in both broad money (M2+) and reserve money moderated sharply in December 2025 relative to the elevated levels observed in December 2024. Credit growth remained muted as Deposit Money Banks continued to rebalance their portfolios in favour of Government of Ghana and 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 were transmitted through the market, with declines in the interbank rate and the average lending rate easing financing costs 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 December, with the GSE Composite Index and GSE Financial Index recording substantial year-on-year gains. Market capitalization expanded markedly, driven by broad-based share price appreciation—particularly in the 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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6. Banking Sector Developments and Macroprudential Risk Assessment

6.0 Highlights

The banking sector demonstrated resilience in 2025 as the macroeconomy continued to improve. The industry's balance sheet was generally robust, with the growth in assets in December 2025 funded largely by deposits and other funding sources. The industry remained profitable as profit-before-tax (PBT) and profit-after-tax (PAT) for 2025 were higher relative to profits in 2024. Financial Soundness Indicators (FSIs) for the banking sector, except for core liquidity, remained broadly positive with improvements made in solvency, profitability, and efficiency in December 2025 relative to December 2024. The industry's Non-Performing Loans (NPL) ratio also improved in 2025 on account of a higher growth in loans and advances relative to the growth in NPL stock. Generally, the outlook for the banking sector remains stable, contingent on banks' adherence to recapitalisation plans, and implementation of the new NPL regulatory guidelines introduced by Bank of Ghana. The macroprudential risk assessment showed that risks generally moderated in December 2025.

6.1 Banks' Balance Sheet

Total assets of the banking industry increased by 21.5 percent (year-on-year) to GH¢ 446.9 billion as at end-December 2025, lower than the 33.8 percent growth recorded in December 2024. Foreign assets growth contracted by 41.0 percent in December 2025, from a growth of 87.9 percent in December 2024, while domestic assets grew by 30.2 percent in December 2025 compared to 28.6 percent growth a year earlier. The share of foreign assets in total assets consequently declined from 12.2 percent to 5.9 percent, while the share of domestic assets increased from 87.8 percent to 94.1 percent, during the same reference period.

In terms of components, growth in investments surged significantly in 2025 relative to 2024 on account of the pick-up in rates on the money market during the review period. Investments grew by 55.2 percent to GH¢175.4 billion, compared to a growth of 12.9 percent in December 2024. The increase in investment growth reflected a rise in short-term investments, which grew by 139.8 percent in December 2025 from 9.1 percent in December 2024, on account of increased holdings of Bank of Ghana instruments. Long-term investments however contracted by 2.7 percent in December 2025 compared to a growth rate of 15.4 percent in December 2024.

Credit growth slowed in the industry in December 2025. Gross loans and advances grew by 16.2 percent to GH¢111.0 billion at end-December 2025 from 24.1 percent in December 2024. Growth in net loans and advances (gross loans adjusted for provisions and interest in suspense) also moderated to 19.3 percent from 21.0 percent over the same review period.

Deposits remained the main source of funding for the banking sector, growing by 17.8 percent to GH¢325.3 billion in December 2025 from GH¢276.2 billion in December 2024, driven mainly by increases in deposits from domestic sources. The industry's shareholders' funds position (comprising paid-up capital and reserves) continued to improve on account of the strong profit outturn and some recapitalization efforts of banks. Accordingly, shareholders' funds grew by 46.3 percent to GH¢58.3 billion as at end-December 2025, compared to a 36.6 percent growth in December 2024. Borrowings also grew by 35.6 percent to GH¢37.9 billion in December 2025, compared to a growth of 85.9 percent recorded a year earlier.

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Table 6.1: Key Developments in DMBs' Balance Sheet

	(GH ¢'million)			Y-on-Y Growth (%)			Shares (%)	
	Dec-24	Oct-25	Dec-25	Dec-24	Oct-25	Dec-25	Dec-24	Dec-25
TOTAL ASSETS	**367,805.1**	**423,297.9**	**446,900.7**	**33.8**	**15.3**	***21.5***	***100.0***	***100.0***
A. Foreign Assets	44,855.0	29,768.0	26,464.7	87.9	(30.0)	*(41.0)*	*12.2*	*5.9*
B. Domestic Assets	322,950.1	393,530.0	420,436.0	28.6	21.2	*30.2*	*87.8*	*94.1*
Investments	113,080.2	181,848.3	175,444.0	12.9	54.1	*55.2*	*30.7*	*39.3*
i. Bills	45,588.3	117,025.2	109,333.5	9.1	140.5	*139.8*	*12.4*	*24.5*
ii. Securities	67,086.6	64,399.3	65,296.4	15.4	(6.7)	*(2.7)*	*18.2*	*14.6*
Advances (Net)	79,147.2	86,848.6	94,425.4	21.0	12.0	*19.3*	*21.5*	*21.1*
of which Foreign Currency	23,098.0	19,265.3	20,861.4	7.3	(22.7)	*(9.7)*	*6.3*	*4.7*
Gross Advances	**95,540.3**	**103,103.4**	**110,972.7**	24.1	9.1	***16.2***	***26.0***	***24.8***
Other Assets	23,879.7	26,827.3	27,793.9	49.2	4.5	*16.4*	*6.5*	*6.2*
Fixed Assets	8,925.7	10,198.4	10,639.6	7.7	17.4	*19.2*	*2.4*	*2.4*
TOTAL LIABILITIES AND CAPITAL	**367,805.1**	**423,297.9**	**446,900.7**	**33.8**	**15.3**	***21.5***	***100.0***	***100.0***
Total Deposits	**276,160.4**	**301,964.1**	**325,262.7**	**28.8**	**8.9**	***17.8***	***75.1***	***72.8***
of which Foreign Currency	85,416.8	71,349.8	71,597.0	26.8	(21.1)	*(16.2)*	*23.2*	*16.0*
Total Borrowings	27,920.9	43,841.1	37,850.3	85.9	67.2	*35.6*	*7.6*	*8.5*
Foreign Liabilities	5,732.1	5,050.2	4,934.8	(11.3)	(21.8)	*(13.9)*	*1.6*	*1.1*
i. Short-term borrowings	1,800.5	2,526.9	2,377.5	(15.6)	(19.2)	*32.1*	*0.5*	*0.5*
ii. Long-term borrowings	2,837.6	1,443.7	1,337.3	(22.9)	(44.5)	*(52.9)*	*0.8*	*0.3*
iii. Deposits of non-resider	1,076.9	948.3	1,184.7	67.5	32.7	*10.0*	*0.3*	*0.3*
Domestic Liabilities	322,176.1	364,741.0	383,618.5	35.1	13.0	*19.1*	*87.6*	*85.8*
i. Short-term borrowing	21,660.6	37,227.3	31,658.0	170.4	96.2	*46.2*	*5.9*	*7.1*
ii. Long-term Borrowings	1,622.2	2,643.3	2,477.5	35.7	74.5	*52.7*	*0.4*	*0.6*
iii. Domestic Deposits	275,083.5	301,015.8	324,078.0	28.6	8.9	*17.8*	*74.8*	*72.5*
Other Liabilities	23,167.7	22,692.6	24,155.0	47.5	(9.6)	*4.3*	*6.3*	*5.4*
Paid-up capital	17,118.3	19,234.6	21,741.5	31.3	13.8	*27.0*	*4.7*	*4.9*
Shareholders' Funds	39,884.8	53,494.6	58,335.4	36.6	41.0	*46.3*	*10.8*	*13.1*

Source: Bank of Ghana

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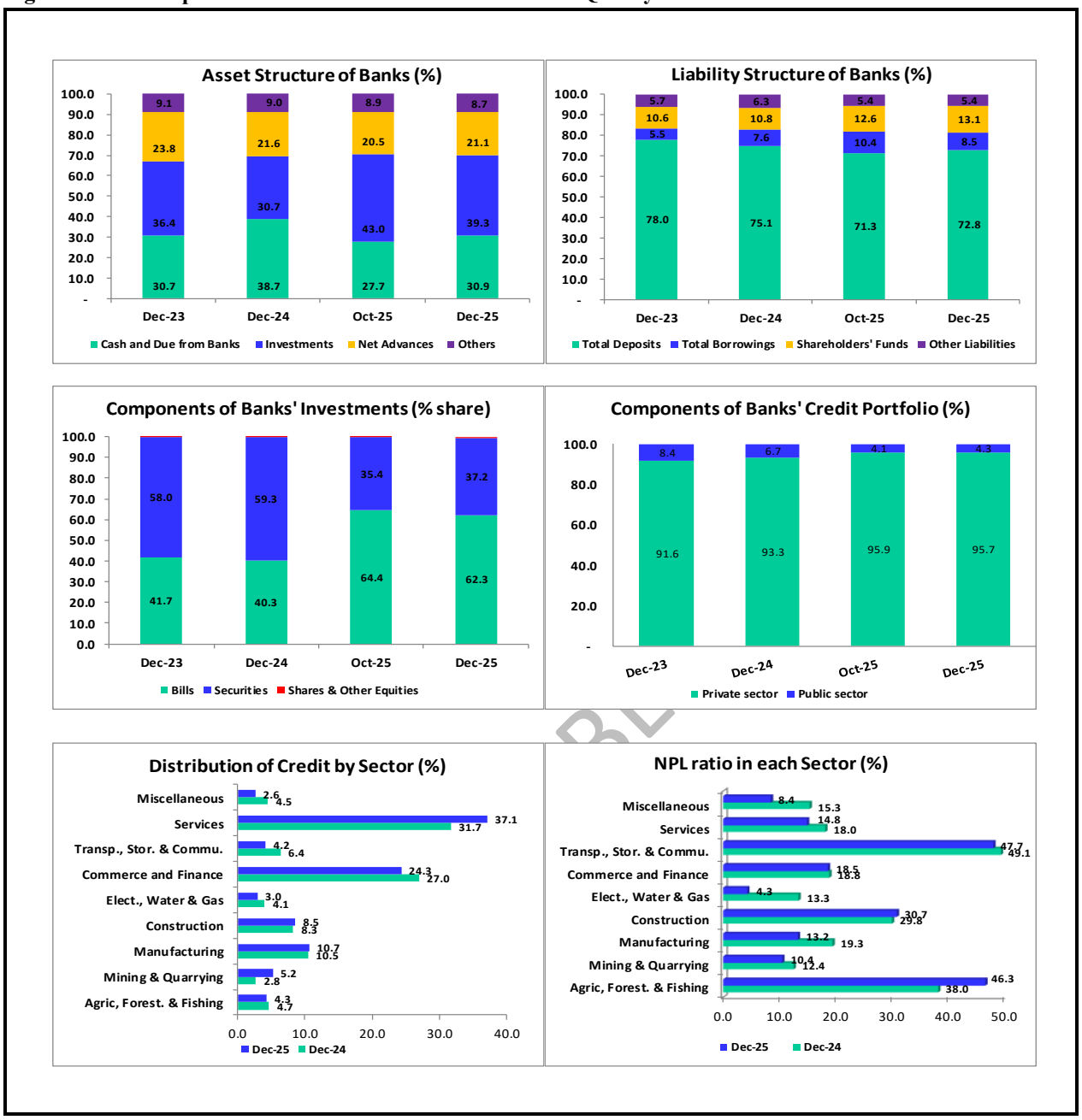
6.1.1 Asset and Liability Structure

The asset structure of the industry's balance sheet in December 2024 reflected a rebalancing of banks' portfolios in favour of investments. Consequently, investments (comprising bills, securities, and equity) became the largest component of total assets, with its share improving from 30.7 percent to 39.3 percent compared to the same period in 2024. The share of cash and bank balances in total assets, however, decreased from 38.7 percent in December 2024 to 30.9 percent in December 2025 due to portfolio rebalancing away from less risky assets. Similarly, the proportion of net advances in total assets declined marginally to 21.1 percent from 21.6 percent, while the share of non-earning assets (fixed assets and other assets) reduced from 9.0 percent to 8.7 percent during the review period.

On the liability side, the share of deposits in banks' liabilities and shareholders' funds decreased to 72.8 percent in December 2025 from 75.1 percent in December 2024, reflecting the slowdown in deposit growth in 2025. The increase in borrowings, however, translated into an increased share of 8.5 percent in December 2025 from 7.6 percent in December 2024. The proportion of shareholders' funds in banks' total funding also improved to 13.1 percent in December 2025 from 10.8 percent a year earlier, while the share of other liabilities declined from 6.3 percent to 5.4 percent during the same comparative period.

Figure 6.1: Developments in Banks' Balance Sheet & Asset Quality



Source: Bank of Ghana Staff Calculations

6.1.2 Share of Banks' Investments

Bills (short-term debt instruments) constituted the largest component of banks' investment portfolio, with its share increasing from 40.3 percent in December 2024 to 62.3 percent in December 2025. The share of long-term securities, however, declined from 59.3 percent in December 2024 to 37.2 percent in December 2025, in line with the growth moderation recorded during the reference period. The share of equity investments remained negligible but increased marginally from 0.4 percent in December 2024 to 0.5 percent in December 2025.

6.2 Credit Risk

The industry's asset quality improved in December 2025 relative to December 2024, reflected in a decline in the non-performing loan (NPL) ratio, although the NPL stock increased marginally during the review period.

6.2.1 Credit Portfolio Analysis

The stock of gross loans and advances increased by 16.2 percent in December 2025 to GH¢111.0 billion compared to a growth of 24.1 percent in December 2024, reflecting increases in private sector credit. Private sector credit (comprising credit to private enterprises and households) grew by 19.2 percent to GH¢106.2 billion in December 2025 compared to a growth of 26.3 percent in the previous year. However, public sector credit contracted further by 25.5 percent to GH¢4.8 billion at end-December 2025 after the initial decline of 0.5 percent in December 2024. Consequently, the share of private sector credit in total credit inched up to 95.7 percent in December 2025 from 93.3 percent in December 2024, while the share of public sector credit declined to 4.3 percent from 6.7 percent a year earlier.

In terms of the distribution of credit by sectors, the services sector remained the largest recipient of the industry's credit, accounting for a share of 37.1 percent at end-December 2025 (from 31.7 percent in December 2024), followed by the commerce and finance sector with a share of 24.3 percent (from 27.0 percent in December 2024). The share for the manufacturing sector increased marginally to 10.7 percent from 10.5 percent in December 2024. These three sectors constituted 72.1 percent of total credit in December 2025 compared with 69.3 percent in December 2024. The electricity, water and gas sector was the lowest recipient of total credit with a share of 3.0 percent in December 2025, compared to 4.1 percent recorded a year earlier.

6.2.2 Off-Balance Sheet Activities

Off-balance sheet transactions (largely trade finance and guarantees) declined during the review period. Banks' contingent liabilities contracted by 32.6 percent to GH¢16.1 billion as at end-December 2025, from GH¢24.0 billion as at end-December 2024 (y/y growth of 6.2 percent). In relative terms, contingent liabilities as a percentage of total liabilities also declined to 4.2 percent in December 2025 from 7.3 percent in December 2024.

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6.2.3 Asset Quality

Asset quality risks remained elevated in December 2025, although the industry's NPL ratio declined to 18.9 percent in December 2025, from 21.8 percent in December 2024. Similarly, the NPL ratio adjusted for the fully provisioned loan loss category declined from 8.5 percent to 5.0 percent during the same comparative period. The NPL stock, however, increased by 0.8 percent to GH¢21.0 billion in December 2025 compared with a growth of 31.4 percent recorded in December 2024.

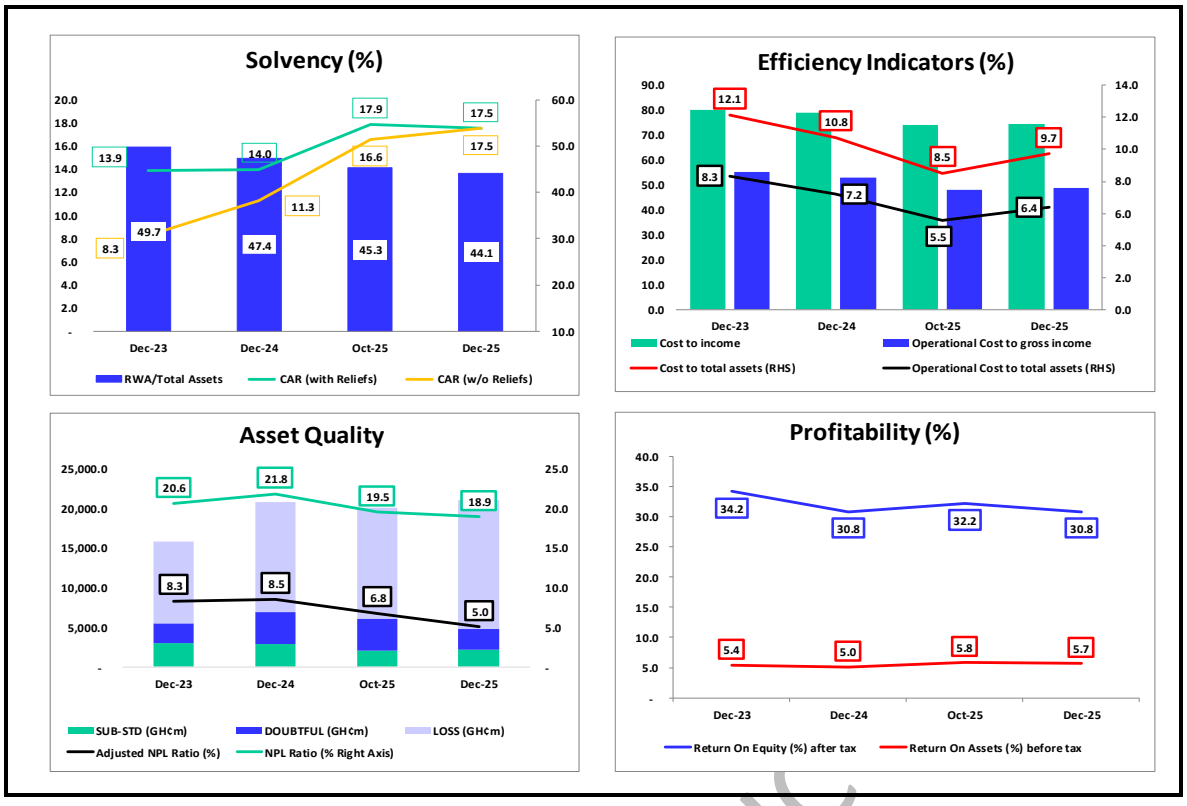
Decomposition of the NPL showed that the private sector accounted for the most non-performing loans, due to its dominant holdings in total credit. The proportion of NPLs attributable to the private sector increased to 97.5 percent in December 2025, from 96.2 percent in December 2024, while that of the public sector declined to 2.5 percent, from 3.8 percent a year earlier.

The decline in the industry NPL ratio year-on-year reflected improvements in asset quality across all but two sectors during the review period. Accordingly, the NPL ratios in the construction, and agriculture, forestry and fishing sectors increased from 29.8 percent and 38.0 percent to 30.7 percent and 46.3 percent, respectively. All other sectors recorded improvements in asset quality during the review period.

6.3 Financial Soundness Indicators

The financial soundness indicators in December 2025 were broadly positive following improvements in solvency, profitability, efficiency, and asset quality indicators. Liquidity indicators however, moderated during the review period.

Figure 6.2: Key Financial Soundness Indicators



Source: Bank of Ghana Staff Calculations

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6.3.1 Liquidity Indicators

The industry's liquidity position remained strong in December 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 December 2025 as industry players decreased their cash and bank holdings while broad liquidity increased due to the surge in investments. The ratio of core liquid assets (mainly cash and due from banks) to total deposits decreased from 51.5 percent at end-December 2024 to 42.4 percent in December 2025, while the ratio of core liquid assets to total assets also decreased from 38.7 percent to 30.9 percent over the same comparative period. However, the ratio of broad liquid assets to total deposits increased from 92.3 percent to 96.1 percent while the ratio of broad liquid assets to total assets increased from 69.3 percent to 70.0 percent during the review period.

6.3.2 Capital Adequacy Ratio

The industry's solvency position, measured by the Capital Adequacy Ratio (CAR) was 17.5 percent in December 2025, compared to 11.3 percent a year ago, higher than the revised prudential minimum of 10 percent. This improvement in the solvency of the banking sector was due to the recapitalisation efforts by undercapitalised banks. As part of reliefs to minimise the impact of the DDEP, banks were allowed to spread derecognition losses on the restructured bonds till the end of 2025. When the DDEP regulatory reliefs are considered, the CAR increases to 17.5 percent in December 2025, compared to 14.0 percent in December 2024.

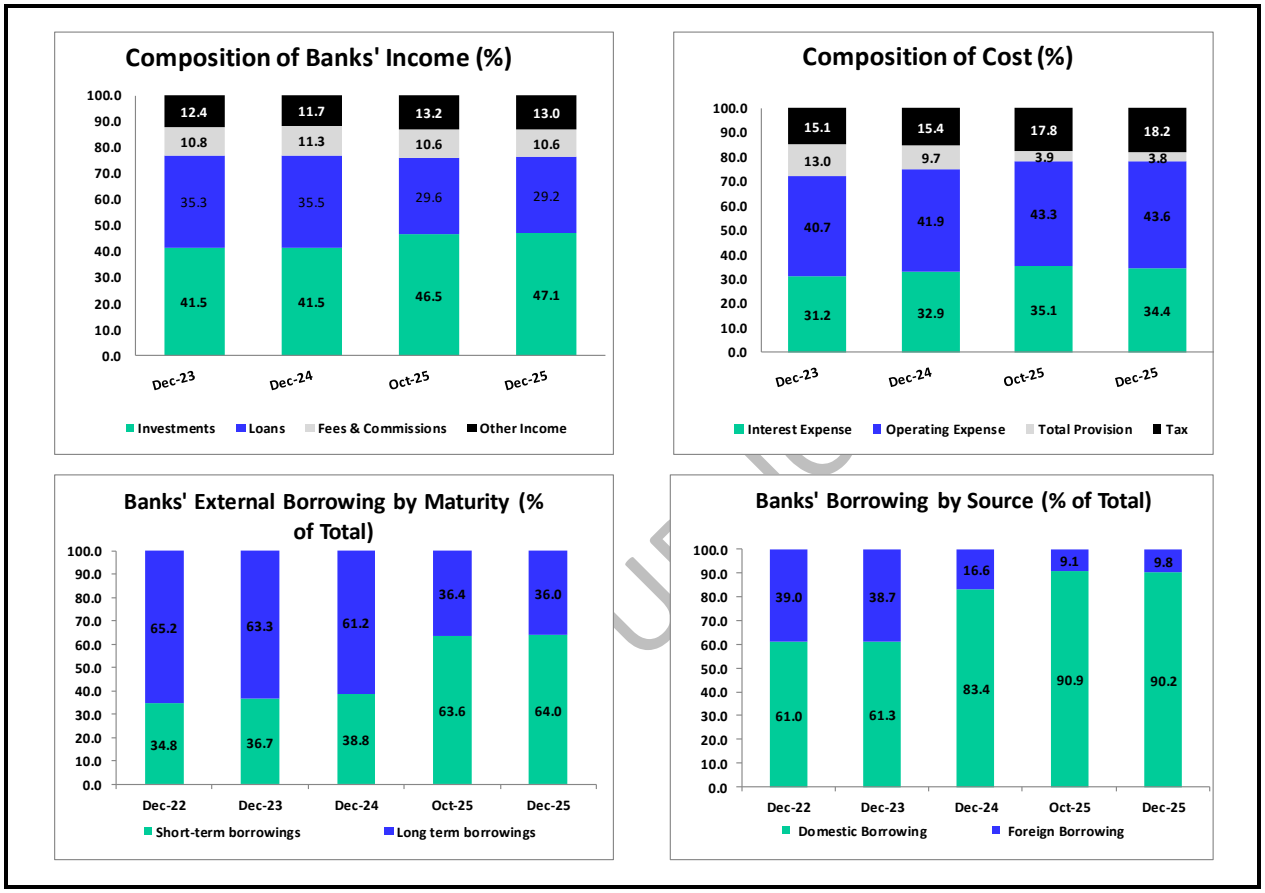
6.3.3 Profitability

Profitability of the banking sector increased in 2025 relative to the outturn in 2024. The industry recorded profit after tax (PAT) of GH¢15.0 billion for the year 2025 compared to GH¢10.4 billion in 2024. As a result, growth in PAT

increased to 43.5 percent in December 2025, from 26.2 percent in the previous year. Similarly, profit before tax (PBT) grew 38.4 percent in December 2025, compared with 24.4 percent in December 2024.

Apart from other income, which recorded a higher growth rate in 2025 relative to 2024, all income lines grew (albeit at a slower pace) in December 2025 compared to the same period last year. Growth in net interest income was lower at 16.4 percent in 2025 from 18.0 percent in 2024, reflecting the decline in growth in interest income which was due to the decline in lending rates and rates on money market instruments during the review period. Fees and commissions, however, grew by 9.5 percent in 2025 relative to a growth of 25.8 percent in 2024.

Figure 6.3: Composition of Income, Cost and Borrowing



Source: *Bank of Ghana Staff Calculations*

Similar declines in growth in cost lines outweighed the impact of the decline in growth in income lines on the bottom line. The industry's operating expenses grew by 14.0 percent in December 2025, compared to 22.0 percent in 2024, reflecting a moderation in growth in staff costs and non-staff-related expenses. Provisions for depreciation, bad debt, and impairment losses on financial assets also contracted by 57.1 percent in December 2025, compared to the 11.7 percent contraction recorded in December 2024.

(a) Return on Assets and Return on Equity

Profitability indicators for the banking sector improved in December 2025, driven by increases in profit before tax and profit after tax recorded during the year. The sector's Return on Assets (ROA) improved to 5.7 percent in December 2025 from 5.0 percent in December 2024. Also, banks' Return on Equity (ROE) was stable at 30.8 percent over the same comparative period in 2023.

(b) Interest Margin and Spread

Interest spread for the industry narrowed from 12.9 percent in December 2024 to 11.5 percent in December 2025. The decrease in spread resulted from the marginal decline in interest payable to 5.4 percent, from 5.8 percent a year earlier. Gross yields also declined to 16.9 percent in December 2025, down from 18.7 percent a year earlier. The ratio of gross income to total assets (asset utilisation) also dropped from 13.6 percent to 13.1 percent whereas the profitability ratio recorded an increase from 20.9 percent in December 2024 to 25.7 percent in December 2025.

(c) Composition of Banks' Income

Interest income from investments remained the largest component of banks' total income in December 2025, with its share increasing from 41.5 percent to 47.1 percent over the review period. The share of interest income from loans declined from 35.5 percent to 29.2 percent. The share of banks' income from fees and commissions, likewise, decreased from 11.3 percent to 10.6 percent, while the share of income from other sources declined from 11.7 percent to 13.0 percent during the same reference period.

6.3.4 Operational Efficiency

The banking sector was relatively cost-efficient due to the slowdown in the growth of operating expenses during the period under review. The cost-to-income ratio fell from 79.1 percent in December 2024 to 74.3 percent in December 2025, while the cost-to-total assets ratio improved from 10.8 percent to 9.7 percent. The operational cost-to-gross income ratio declined from 53.1 percent to 48.8 percent, while the operational cost-to-total asset ratio improved from 7.2 percent to 6.4 percent over the same period.

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6.3.5 Banks' Counterparty Relationships

Total offshore balances contracted by 41.1 percent to GH¢24.5 billion in December 2025, compared to the 110.1 percent growth recorded in the previous year, driven largely by contractions in nostro balances and placements. Nostro balances contracted by 61.3 percent in December 2025 compared with a growth of 118.4 percent in December 2024. Growth in industry placements also contracted by 21.0 percent in December 2025, compared to the growth of 102.9 percent during the same period last year. Consequently, the ratio of offshore balances to net worth decreased significantly to 41.9 percent in December 2025 from 104.1 percent in December 2024.

The share of banks' external borrowings in total borrowings declined to 9.8 percent in December 2025 from 16.6 percent in December 2024, while the share of domestic borrowings increased to 90.2 percent from 83.4 percent in December 2024. Banks' external borrowings were largely short-term in nature, as the share of short-term borrowings in total external borrowings increased to 64.0 percent, from 38.8 percent, while the share of long-term borrowings declined to 36.0 percent, from 61.2 percent a year earlier.

6.4 Credit Conditions Survey

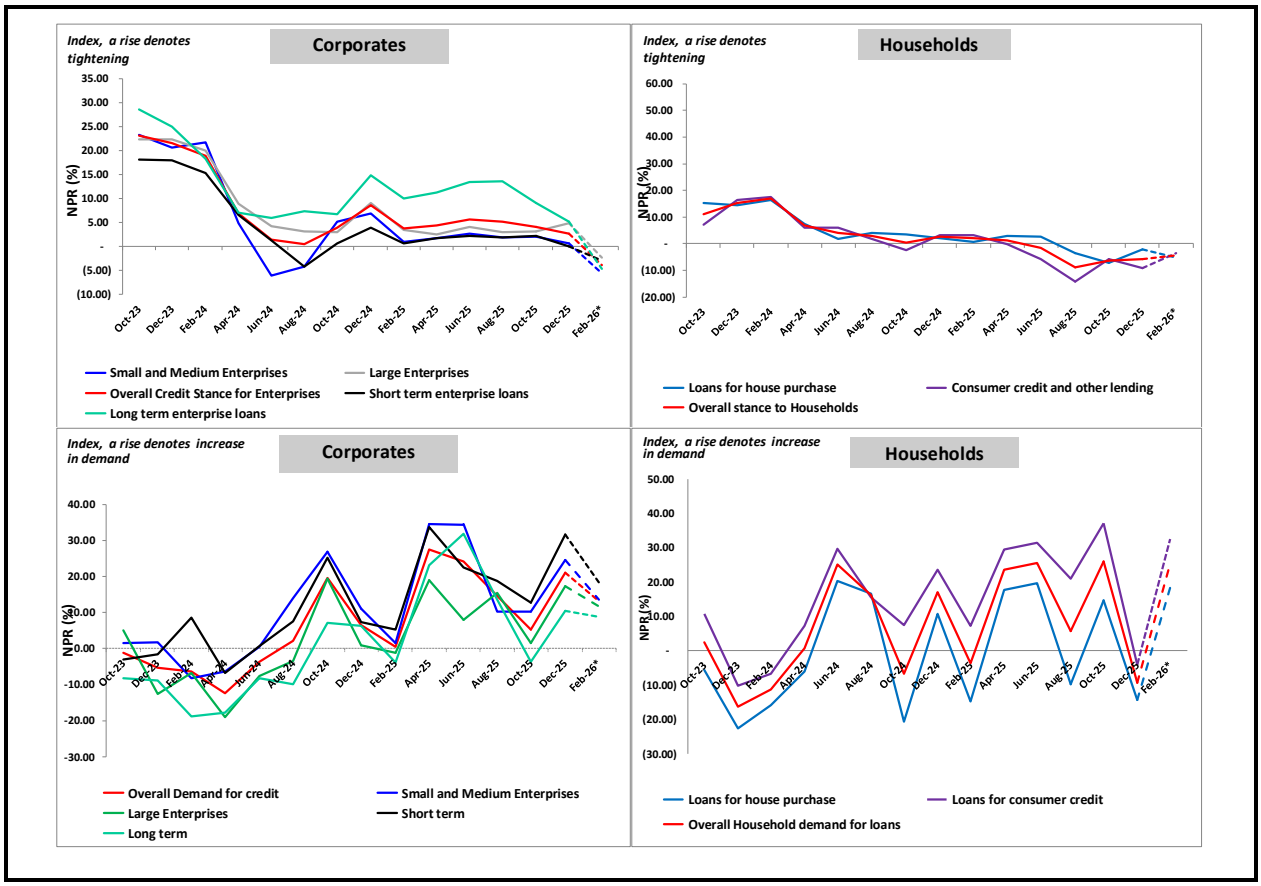
Notwithstanding banks' relative eased stance on loans in 2025 relative to 2024, banks reported a net tightening in the stance on loans to households in the December 2025 Credit Conditions Survey round compared to the October 2025 survey round. The net tightening in the overall credit stance to households was due to the tight stance on loans for house purchases. Banks projected a net tightening in the overall stance on household loans in the first two months of 2026, driven by a tightening in the stance on loans for consumer credit and other lending.

The stance on loans to corporates, however, eased during the last two months of 2025, except for large enterprises, which remained net eased. Banks project the overall stance on loans to corporates to ease further during the first two months of 2026 from a projected net ease in the stance on all sub-categories.

The December 2025 survey round pointed to a softening in the overall demand for credit by households which reflected in decline in demand for loans for house purchases as well as consumer credit. However, household credit demand is projected to be stronger in the first two months of 2026.

Banks reported an increase in corporate loan demand in the last two months of 2025, driven by higher demand across all subcategories. Demand for corporate loans is, however, projected to decline in the first two months of 2026, in line with decreased demand for loans by all sub-categories of corporate loans.

Figure 6.4: Credit Conditions Survey Results



Source: Bank of Ghana Staff Calculations

6.5 Macroprudential Risk Assessment

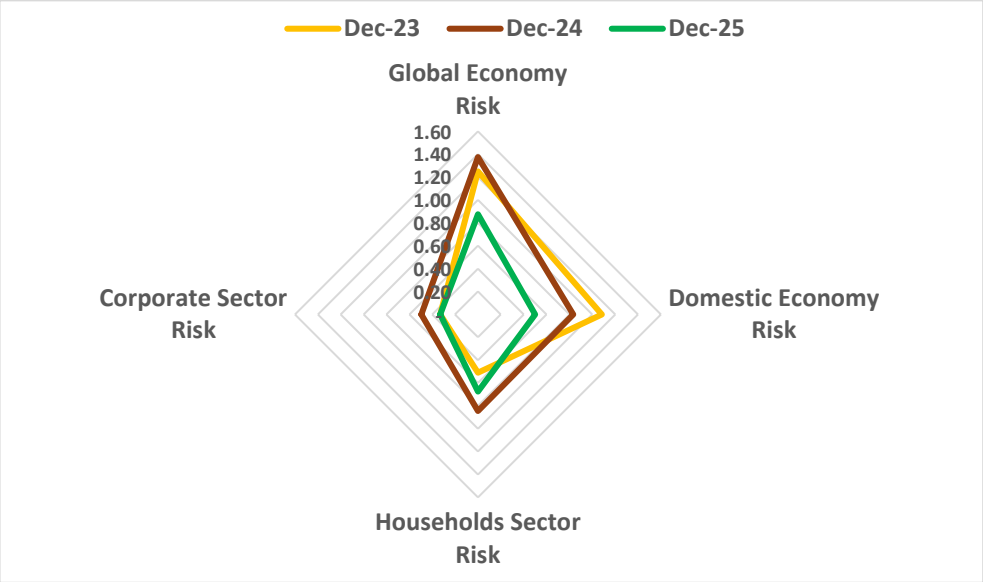
Cobweb Assessment[3]

The updated macro-financial risks assessment as at December 2025 points to continuous moderation in risks from both the global and domestic macroeconomic environments. A more resilient global economic growth, a decline in global inflation, and easing financing conditions accounted for the decline in global risks, while domestic risks declined on the back of lower inflation, currency stability, robust growth, reduced public debt and strong reserve build-up. In the corporate and household sectors, moderation in risks was largely driven by improved debt servicing capacity, reduction in leverage, and strong net asset position with the banking sector.

[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.

In the outlook, risks emerging from the various risk dimensions – global economy, domestic economy, corporate sector, and household sector – are broadly tilted to the downside due to expectations of favourable global and domestic macroeconomic environments. The favourable macroeconomic outlook is expected to positively impact on the loan repayment performance of corporates and households, and thereby moderate asset quality risks in the banking sector.

Figure 6.5: Cobweb Diagram of Macro-Financial Risks Developments, Dec. 2023 - 2025



Source: Bank of Ghana

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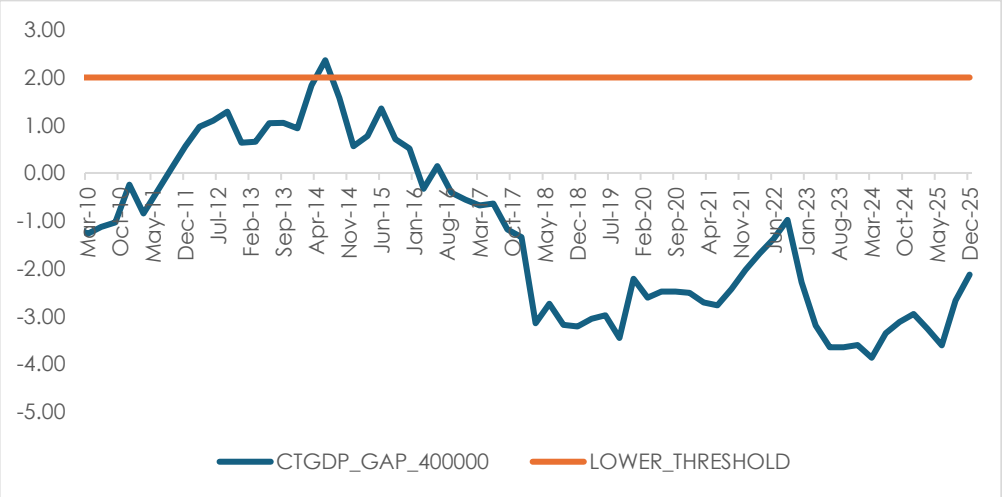
Credit-to-GDP[4]

The credit-to-GDP gap picked up in December 2025 due to private sector credit growth, but it remains negative. The negative gap suggests less systemic financial vulnerabilities from excessive credit and provides scope for measured credit expansion amid improving macroeconomic fundamentals and sound credit risk management.

Figure 6.6: Credit-to-GDP Gap



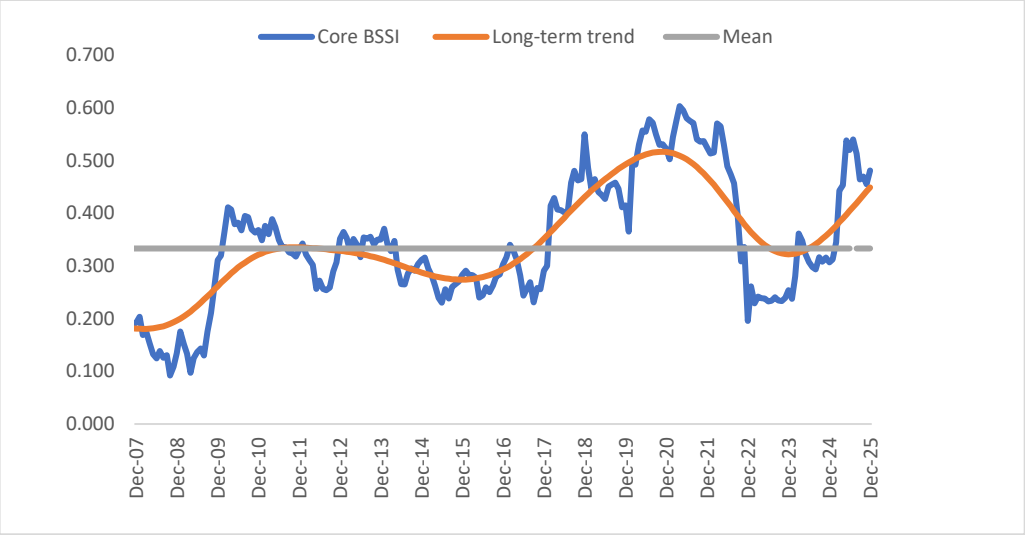
Source: Bank of Ghana

[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.

Banking Sector Soundness Index (BSSI)[5]

The soundness of the banking sector in the second half of 2025 reflected marked moderation in financial stability risk relative to the previous year. The moderation in risks reflected improvements in solvency and asset quality, sustained profitability, and adequate liquidity and efficiency. Accordingly, the Banking Sector Soundness Index (BSSI), which tracks the soundness of the industry, trended upward significantly in December 2025 compared to December 2024. The observed improvement was driven by increased recapitalisation, a slowdown in the build-up of non-performing loans, sound credit and liquidity risk management, anchored on improved corporate governance systems and sustained improvement in macroeconomic fundamentals. The outlook of the banking sector remains positive amid a favourable macroeconomic environment, enhanced supervision, improved capital buffers, sustained earnings, and further strengthening of risk management systems.

Figure 6.7: Banking Sector Soundness Index (BSSI)



Source: Bank of Ghana

FSI Heatmap[6]

The heatmap of financial soundness indicators continued to show a sound banking sector. The heatmap showed that the banking sector remained well-capitalised, profitable, cost-efficient, and liquid in 2025. Asset quality measures over the same period have improved; however, NPLs remain elevated, and the enforcement of prudential NPL-reduction measures is expected to help banks reduce them amid improving macroeconomic conditions.

[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.

[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.

Table 6.2: 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	Nov-25	Dec-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	16.43	17.51
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	16.43	17.51
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	14.54	15.58
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	7.88	7.62
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	18.97	18.92
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	79.28	78.82
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	5.63	5.66
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	31.31	30.81
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	50.44	50.75
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	25.13	28.78
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	30.93	35.29
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	35.29	39.54
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	68.31	67.85
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	84.10	83.20
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	35.37	35.20
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	17.03	17.11

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

Source: Bank of Ghana

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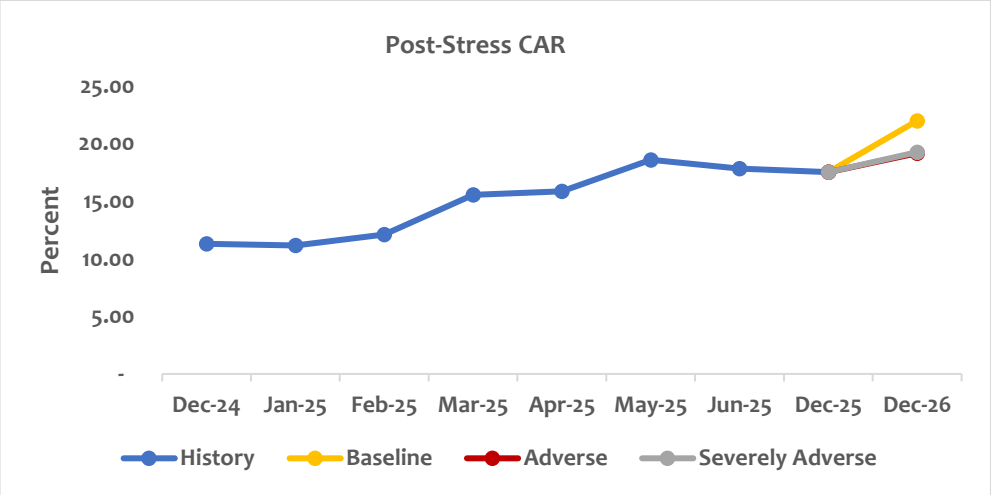
Banking Sector Resilience

The macro stress tests conducted in January 2026 assessed the implications of adverse macroeconomic developments for the banking sector's solvency. Due to strong capital buffers, an improving macro environment and large holdings of government instruments by banks, the stress tests revealed that the banking sector is robust to adverse macroeconomic developments. A deterioration in macroeconomic conditions could negatively impact asset quality and increase operational costs, but these would be offset by gains from net interest income.

Figure 6.8: Results of Macro Stress Tests



6.6 Conclusion and Outlook

The banking sector's performance in 2025 reaffirmed its resilience amid improving macro-financial conditions. Asset growth increased in December 2025 relative to December 2024, supported by higher flows from deposits and other funding sources. 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 industry's solvency position improved in December 2025 relative to December 2024, with the industry Capital Adequacy Ratio (CAR) without reliefs improving due to on-going recapitalisation of the sector as well as sustained profitability in the industry. Although the NPL ratio moderated, asset quality concerns remain, representing an upside risk to the banking sector. Overall, the industry's outlook remains stable, contingent on the sector's recapitalisation by the end of March 2026 and the implementation of Bank of Ghana's NPL regulatory guidelines to address asset quality concerns.

The macroprudential risk assessment showed 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, driven by strong solvency and earnings positions and adequate liquidity. 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 any risks from potential adverse macroeconomic shocks in the outlook.

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7. Price Developments

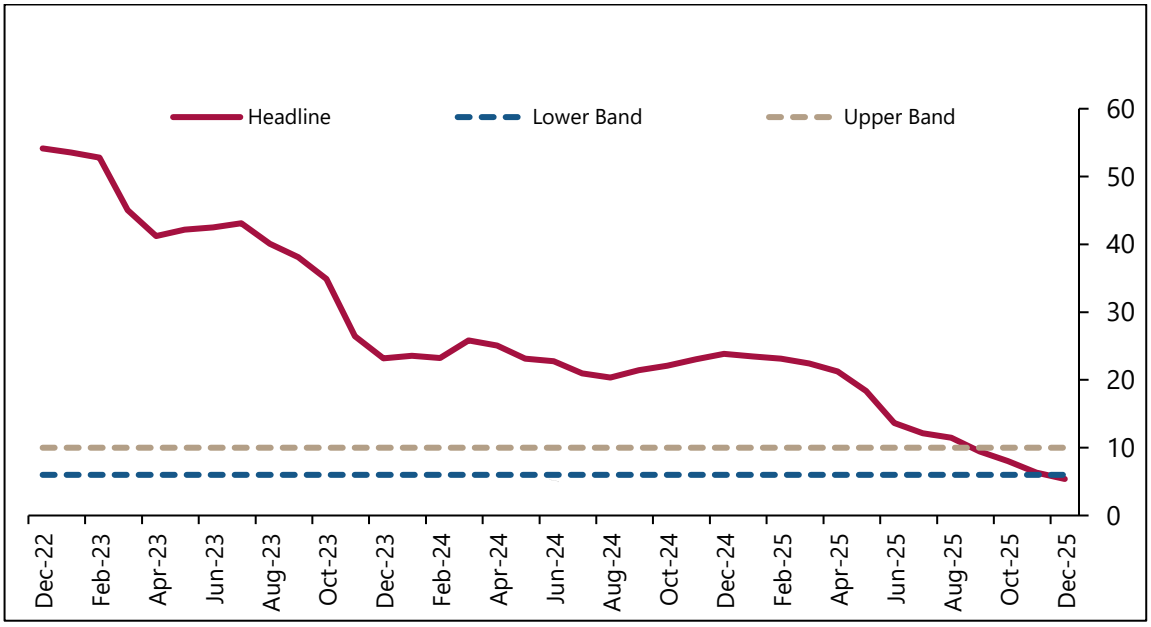
7.0 Highlights

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, and the cedi's strong recovery. In the outlook, staff projections suggest that inflation will trend at the lower end of the medium-term target band of 8 ± 2 percent.

7.1 Domestic Price Developments

Headline inflation continued its downward trend, declining to 5.4 percent in December 2025 from 6.3 percent in November 2025. This marked the twelfth consecutive monthly decline, reflecting broad-based easing across both food and non-food components. Food inflation eased to 4.9 percent in December from 6.6 percent in November, largely due to a bumper harvest. Non-food inflation also declined to 5.8 percent in December from 6.1 percent in November, reflecting the combined effects of tight monetary policy, fiscal consolidation, easing global inflationary pressures, bumper harvest, and a strong appreciation of the Ghana cedi.

Figure 7.1: Year-on-Year Inflation

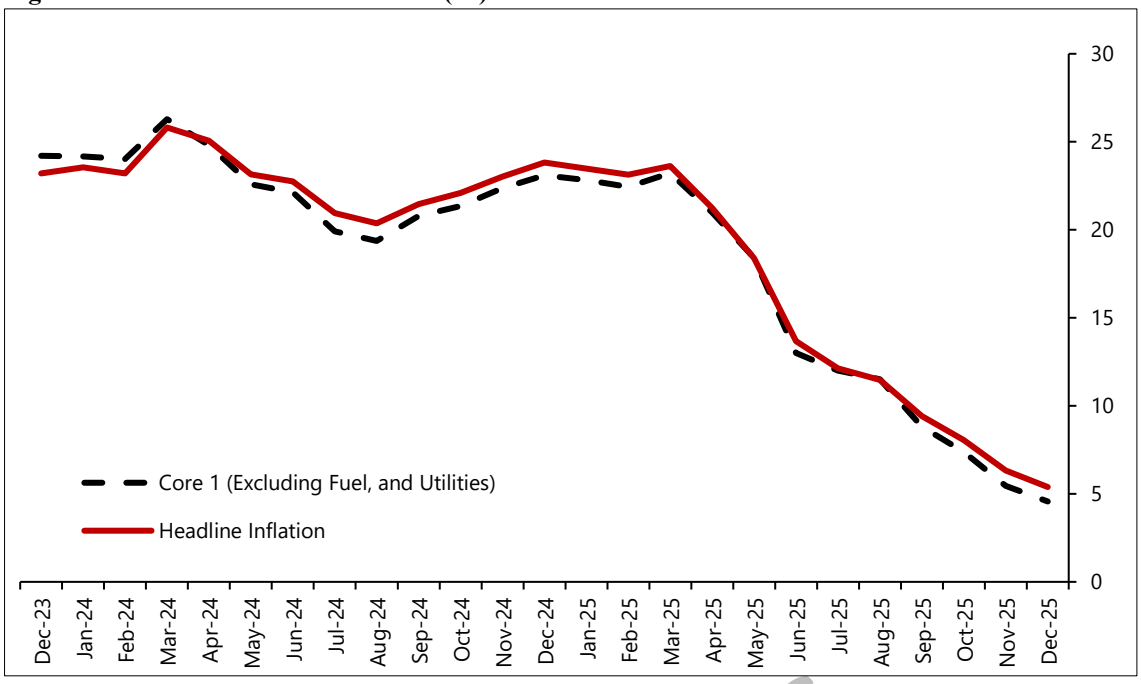


Source: GSS and Bank of Ghana Staff Calculations

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 4.6 percent in December, down from 5.4 percent in November. Inflation expectations, based on surveys of banks, businesses, and consumers, also remained well-anchored, reflecting the continued easing of underlying inflationary pressures.

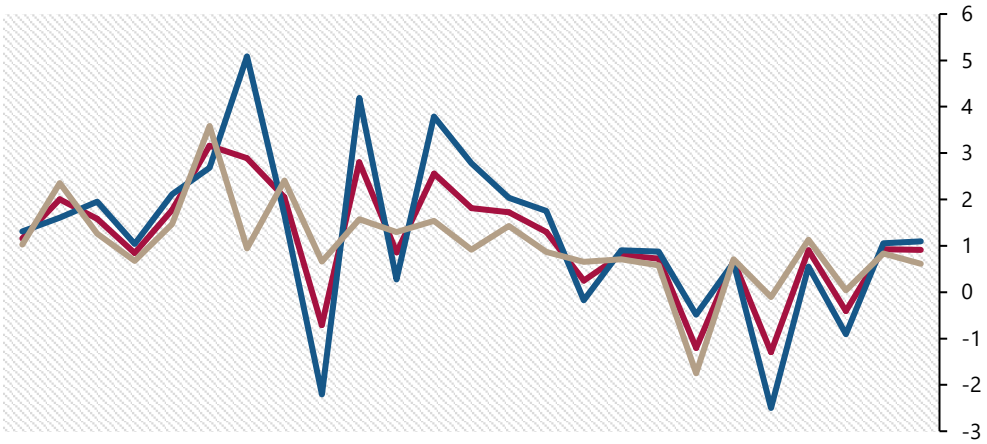
On a month-on-month basis, headline inflation remained unchanged at 0.9 percent in December 2025, the same rate as November 2025. Monthly food inflation remained unchanged at 1.1 percent in December, the same rate as recorded in November 2025. Non-food inflation, however, declined to 0.6 percent from 0.8 percent over the same comparative period.

Figure 7.2: Headline vs Core Inflation (%)



Source: GSS and Bank of Ghana Staff Calculations

Figure 7.3: Month-on-Month Inflation (%)



	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May -24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May -25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Headline	1.2	2.0	1.6	0.8	1.8	3.2	2.9	2.1	-0.7	2.8	0.9	2.6	1.8	1.7	1.3	0.2	0.8	0.7	-1.2	0.7	-1.3	0.9	-0.4	0.9	0.9
Food	1.3	1.6	1.9	1.0	2.1	2.7	5.1	1.7	-2.2	4.2	0.3	3.8	2.8	2.0	1.8	-0.2	0.9	0.9	-0.5	0.6	-2.5	0.6	-0.9	1.1	1.1
Non-food	1.0	2.4	1.3	0.7	1.5	3.6	0.9	2.4	0.7	1.6	1.3	1.5	0.9	1.4	0.9	0.7	0.7	0.6	-1.8	0.7	-0.1	1.1	0.04	0.8	0.6

Source: Ghana Statistical Service

Table 7.1: CPI Components

CPI Components (%)												
		2023	2024				2025					
	Weghts (%)	Dec	Jul	Oct	Nov	Dec	Jan	Apr	Jun	Oct	Nov	Dec
Overall	100.0	23.2	20.9	22.1	**23.0**	23.8	23.5	21.2	13.7	8.0	6.3	**5.4**
Food and Beverages	42.7	28.7	21.5	22.8	**25.9**	27.8	28.6	25.0	16.3	9.5	6.6	**4.9**
Non-food	57.4	18.7	20.5	21.5	**20.7**	20.3	19.2	17.9	11.4	6.8	6.1	**5.8**
Alcoholic Beverages, Tobacco & Narcotics	3.9	38.2	26.8	31.5	**30.0**	28.4	27.2	24.0	16.0	10.4	7.9	**8.7**
Clothing and footwear	8.0	22.3	16.9	20.2	**20.1**	20.0	19.8	19.7	17.2	9.5	9.9	**9.9**
Housing and Utilities	10.2	19.5	28.6	26.9	**29.2**	26.3	24.6	22.5	24.9	13.9	13.2	**11.8**
Furnishings, Household Equipment	3.2	26.9	14.3	16.8	**16.7**	16.7	15.3	15.1	10.5	6.4	5.7	**5.3**
Health	0.7	23.0	21.2	23.9	**22.2**	21.4	18.4	15.0	11.3	6.2	6.0	**6.1**
Transport	10.5	4.4	18.1	16.1	**16.5**	16.8	16.9	14.9	-8.5	-4.0	-4.8	**-5.0**
Information and Communication	3.6	14.2	10.1	13.1	**11.9**	12.0	11.6	10.9	10.4	3.3	3.0	**2.6**
Recreation & Culture	3.5	24.9	17.1	19.2	**17.9**	17.4	17.4	22.8	20.1	15.1	12.8	**12.7**
Education	6.6	13.9	18.0	21.7	**19.5**	19.1	13.9	11.7	6.0	4.3	3.9	**3.8**
Restaurants and accommodation services	4.3	28.0	28.3	24.6	**18.4**	16.5	16.5	10.7	9.6	7.4	6.8	**7.0**
Insurance and Financial services	0.4	8.1	11.3	16.6	**16.5**	16.5	15.4	16.9	15.9	2.8	2.7	**3.6**
Personal care, social protection & Miscellaneous services	2.5	31.1	16.0	19.8	**19.9**	19.3	17.9	17.2	11.4	7.4	9.7	**8.3**

Source: Ghana Statistical Service

7.2 Inflation Risk Assessment and Outlook

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

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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 trend below the midpoint of the medium-term target of 8 ± 2 percent in the first quarter of 2026. Looking ahead, the Committee noted that potential upward adjustments to utility tariffs and global trade uncertainties could pose upside risks to the outlook. Notwithstanding this, maintaining an appropriate monetary policy stance, strong sterilisation efforts, ongoing fiscal consolidation, and adequate reserve buffers are 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 250 basis points to 15.50 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.

APPENDIX

Table A.1: Fiscal Indicators

Indicators (GH₵ million)	2024	2025				
	Prov. Jan-Nov	Target Jan-Nov	Outturn Jan-Nov	Dev (GH₵)	Dev (%)	y/y (%)
Total Revenue & Grants	159,496.5	201,372.6	187,870.6	-13,502	-6.7	17.8
% of GDP	13.6	14.4	13.4			
Total Exp. (Commitment, Incl Discrepancy)1	240,137.2	250,311.2	194,361.8	-55,949	-22.4	-19.1
% of GDP	20.4	17.9	13.9			
Overall Balance (Commitment)	-80,640.7	-48,938.6	-6,491.2	42,447	-86.7	-92.0
% of GDP	-6.9	-3.5	-0.5			
Primary Balance (Commitment)	-36,958.0	8,930.4	39,720.2	30,790	344.8	-207.5
% of GDP	-3.1	0.6	2.8			
Arrears clearance (net)	10,757.2	-13,067.6	-12,753.0	315	-2.4	-218.6
% of GDP	0.9	-0.9	-0.9			
o/w Clearance of Arrears & Outstanding Payables	-34,025.3	-13,067.6	-7,499.7			
o/w Clearance Energy Sector Related Arrears	0	0	-5,253.3			
o/w Payables build-up	44,782.5	0	0			
Overall Balance (cash)	-69,883.5	-62,006.2	-19,244.2	42,762	-69.0	-72.5
% of GDP	-5.9	-4.4	-1.4			
Primary Balance (Cash)	-26,200.8	-4,137.2	26,967.2	31,104	-751.8	-202.9
% of GDP	-2.2	-0.3	1.9			
Nominal GDP	1,176,219.9	1,400,006.1	1,400,006.1			

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Table A.2: Key Monetary and Financial Indicators

Variable	Oct-23	Dec-23	Jan-24	Oct-24	Dec-24	Jan-25	Oct-25	Nov-25	Dec-25
Broad Money (M2+)	20.3	38.7	25.0	43.8	31.9	35.3	8.2	10.4	16.5
Broad Money (M2)	34.7	37.2	29.8	45.2	33.6	35.0	18.6	18.6	26.9
Narrow Money (M1)	31.1	37.6	28.2	55.2	38.2	41.4	13.5	14.8	25.7
Reserve Money	-2.6	29.2	26.0	104.5	47.8	74.2	-2.3	-1.6	12.5
Currency Outside Banks	29.7	19.7	16.7	72.2	70.5	73.0	14.4	8.2	15.2
Foreign Currency Deposits	-6.3	43.1	13.2	40.1	26.9	36.2	-20.3	-14.0	-14.8
DMBs Credit	-9.5	10.0	-1.2	28.5	24.1	26.9	9.1	15.2	16.2
of which priv. sector	-7.5	10.7	0.2	28.8	26.3	29.4	13.9	18.7	19.2
Real Priv. sect credit	-31.6	-10.2	-18.9	5.5	2.0	4.8	5.4	11.6	13.1

ii. Inflation, interest rates and other financial indicators

Variable	Oct-23	Dec-23	Jan-24	Oct-24	Dec-24	Jan-25	Oct-25	Nov-25	Dec-25
Inflation (y-on-y)									
Overall	35.2	23.2	23.5	22.1	23.8	23.5	8.0	6.3	5.4
Food	44.8	28.7	27.1	22.8	27.8	28.3	9.5	6.6	4.9
Non food	27.7	18.7	20.5	21.5	20.3	19.2	6.9	6.1	5.8
MPR	30.0	30.0	29.0	27.0	27.0	27.0	21.5	18.0	18.0
Interbank rate	28.5	30.2	29.9	27.7	27.0	27.1	21.0	20.5	16.3
Treasury bill rate (91-days)	29.4	29.4	28.9	25.8	27.7	28.4	10.6	11.0	11.1
DMBs avg deposit rate (3-mnth)	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5
DMBs avg lending rate	32.7	33.8	32.9	30.5	30.3	30.1	22.2	21.7	20.5
Exchange rate ($/GHc)	11.5	11.9	12.0	16.3	14.7	15.3	10.9	11.3	10.5
Depreciation (monthly)	3.2	2.2	1.3	3.1	-3.9	3.9	-13.9	3.3	-5.3
Depreciation (Y-o-Y)	-13.2	27.8	10.3	29.5	19.2	21.3	-49.5	-35.5	-37.4
GSE Composite Index (Level)	3125.6	3130.2	3172.4	4385.9	4888.5	5229.4	8385.4	8610.2	8770.3

Source: Bank of Ghana

Table A.3: Sources of Growth in Total Liquidity (GH¢ Millions, unless otherwise stated)

	Nov-23	Dec-23	Sep-24	Nov-24	Dec-24	Sep-25	Nov-25	Dec-25
Net Foreign Assets	5245.45	21710.89	65801.73	74315.55	87417.32	101765.89	99941.33	120253.58
Bank of Ghana	(9723.05)	4021.06	34489.38	35652.90	47647.12	75071.65	75780.42	98298.11
Commercial Banks	14968.50	17689.83	31312.35	38662.65	39770.20	26694.24	24160.91	21955.47
Net Domestic Assets	228601.93	228308.31	245378.55	251851.07	242321.48	252805.97	260041.51	264039.73
ow: Claims on government (net)	121210.39	115681.46	130147.19	131327.71	113291.69	116425.40	110672.41	132653.02
ow: Claims on Private sector(Incl. PE's)	83516.04	86096.51	101487.64	105396.23	105901.21	111856.79	121075.63	122740.45
BOG OMO Sterilisation Acc.	(32427.89)	(24795.37)	(21138.18)	(23492.53)	(18142.88)	(83198.40)	(94376.26)	(76195.09)
Total Liquidity (M2+)	233847.38	250019.20	311180.28	326166.62	329739.01	354048.30	359982.84	384293.31
ow: Broad Money Supply (M2)	170445.63	185425.80	229253.49	244128.78	247762.17	277684.89	289444.84	314416.39
ow: Foreign Currency Deposits(¢million)	63401.75	64593.40	81926.79	82037.84	81976.84	76363.42	70538.00	69876.92
Change from previous year (in per cent)								
Net Foreign Assets	(121.46)	(310.35)	(3972.59)	1316.76	302.64	54.66	34.48	37.56
Net Domestic Assets	4.18	19.79	11.10	10.17	6.14	3.03	3.25	8.96
ow: Claims on government (net)	(9.35)	(9.28)	9.93	8.35	(2.07)	(10.54)	(15.73)	17.09
ow: Claims on Private sector(Incl. PE's)	(7.71)	1.20	15.14	26.20	23.00	10.22	14.88	15.90
ow: BOG OMO Sterilisation Acc.	(207.72)	(220.96)	42.22	27.55	26.83	(293.59)	(301.73)	(319.97)
Total Liquidity (M2+)	19.93	38.69	41.99	39.48	31.89	13.78	10.37	16.54
Broad Money Supply (M2)	32.66	37.21	44.50	43.23	33.62	21.13	18.56	26.90
Foreign Currency Deposits (FCDs)	(4.65)	43.15	35.38	29.39	26.91	(6.79)	(14.02)	(14.76)
Cummulative change from previous year end (in per cent)								
Net Foreign Assets	(150.82)	(310.35)	203.08	242.30	302.64	16.41	14.33	37.56
Net Domestic Assets	19.95	19.79	7.48	10.31	6.14	4.33	7.31	8.96
o/w: Claims on government (net)	(4.94)	(9.28)	12.50	13.53	(2.07)	2.77	(2.31)	17.09
Broad Money(M2+)	29.72	38.69	24.46	30.46	31.89	7.37	9.17	16.54
Annual per cent contribution to money growth								
Net Foreign Assets	15.23	17.77	30.80	29.54	26.28	11.56	7.86	9.96
NDA	4.71	20.92	11.19	9.94	5.60	2.39	2.51	6.59
Total Liquidity (M2+)	19.93	38.69	41.99	39.48	31.89	13.94	10.37	16.54
Memorandum items								
Reserve Money	76709.79	87987.66	120771.47	134567.43	130481.72	113060.70	132384.72	146826.74
NFA ($million)	451.39	1827.52	4164.67	4866.77	5946.76	8193.71	8867.91	11507.52
Currency ratio	0.18	0.18	0.20	0.24	0.24	0.20	0.23	0.24
FCD/M2+	0.27	0.26	0.26	0.25	0.25	0.22	0.20	0.18
FCD/Total Deposit	0.32	0.30	0.32	0.31	0.31	0.26	0.24	0.23
RM multiplier	2.22	2.11	1.90	1.81	1.90	2.46	2.19	2.14

Source: Bank of Ghana Staff Calculations

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Table A.4: Sources of Growth in Reserve Money (GH¢ Millions, unless otherwise stated)

	Nov-23	Dec-23	Sep-24	Nov-24	Dec-24	Sep-25	Nov-25	Dec-25
Net Foreign Assets (NFA)	(9,723.05)	4021.1	34489.4	35652.9	47647.1	75071.6	75780.4	98298.1
Net Domestic Assets (NDA)	86432.8	84278.4	86282.1	98914.5	82834.6	37989.0	56604.3	48528.6
of which:								
ow: Claims on government (net)	61161.1	54356.1	69537.6	68939.8	56031.5	53978.6	59317.4	68380.2
Claims on DMB's (net)	(9535.7)	(9878.4)	(26897.1)	(17002.5)	(21783.3)	(31633.4)	(18398.1)	(31759.1)
OMO Sterilisation Account.	(32427.9)	(24795.4)	(21138.2)	(23492.5)	(18142.9)	(83198.4)	(94376.3)	(76195.1)
Reserve Money (RM)	76709.8	88299.4	120771.5	134567.4	130481.7	113060.7	132384.7	146826.7
ow:Currency	35213.8	37620.7	52752.8	62344.8	64127.7	60197.2	67459.6	73898.0
DMB's reserves	35906.9	38050.2	60760.4	65111.7	58769.1	44566.5	56524.1	63542.0
Non-Bank deposits	5589.1	12628.5	7258.3	7110.9	7584.9	8297.0	8401.0	9386.7
Change from previous year (in per cent)								
Net Foreign Assets	(69.1)	(123.0)	(312.1)	(466.7)	1084.9	117.7	112.6	106.3
Net Domestic Assets	(11.0)	(1.5)	8.2	14.4	(1.7)	(56.0)	(42.8)	(41.4)
ow: Claims on government (net)	(29.5)	(31.1)	11.5	12.7	3.1	(22.4)	(14.0)	22.0
Claims on DMB's (net)	(33.5)	(143.5)	(131.1)	(78.3)	(120.5)	(17.6)	(8.2)	(45.8)
OMO Sterilisation Account.	(207.7)	(221.0)	42.2	27.6	26.8	(293.6)	(301.7)	(320.0)
Reserve Money (RM)	12.6	29.7	36.8	52.4	47.8	28.0	49.9	66.3
ow:Currency	12.1	19.7	40.2	65.7	70.5	60.0	79.3	96.4
Cumulative change from previous year end (in per cent)								
Net Foreign Assets (NFA)	(44.4)	(123.0)	757.7	786.7	1084.9	1767.0	1784.6	2344.6
Net Domestic Assets (NDA)	1.0	(1.5)	2.4	17.4	(1.7)	(54.9)	(32.8)	(42.4)
o/w: Claims on government (net)	(22.5)	(31.1)	27.9	26.8	3.1	(0.7)	9.1	25.8
Reserve Money (RM)	12.6	29.7	36.8	52.4	47.8	28.0	49.9	66.3
Annual per cent contribution								
Net Foreign Assets	33.17	31.58	79.93	59.15	49.41	33.60	29.82	38.82
Net Domestic Assets (NDA)	(16.26)	(1.93)	10.27	16.27	(1.64)	(39.99)	(31.44)	(26.29)
RM growth (y-o-y)	16.91	29.65	90.20	75.42	47.77	(6.38)	(1.62)	12.53

Source: Bank of Ghana Staff Calculations

Table A.5: DMB's Credit Allocations (GH¢ Millions, unless otherwise stated)

		Levels (GH¢ Millions)			Year -On-Year Variation					
					As at end-Dec.2023		As at end Dec.2024		As at end-Dec.2025	
		Dec-23	Dec-24	Dec-25	Abs	Percent	Abs	Percent	Abs	Percent
a	**Public Sector**	6,450.35	6,418.74	4,783.02	203.58	3.26	(31.61)	(0.49)	(1,635.72)	(25.48)
b	**Private Sector**	70,559.32	89,121.60	106,189.69	6,805.87	10.68	18,562.28	26.31	17,068.10	19.15
	Agric.,For. & Fish.	2,884.60	4,495.79	4,805.21	220.58	8.28	1,611.19	55.85	309.42	6.88
	Export Trade	546.39	653.61	1,185.40	159.69	41.29	107.23	19.62	531.78	81.36
	Manufacturing	8,051.85	9,970.79	11,788.71	921.98	12.93	1,918.94	23.83	1,817.91	18.23
	Trans.,Stor., & Comm.	3,786.24	4,633.18	3,447.35	223.95	6.29	846.94	22.37	(1,185.83)	(25.59)
	Mining & Quarrying	2,128.74	2,625.40	5,772.90	564.63	36.10	496.65	23.33	3,147.50	119.89
	Import Trade	4,815.32	8,396.67	7,602.43	2,723.19	130.16	3,581.35	74.37	(794.24)	(9.46)
	Construction	6,844.49	7,692.85	9,298.41	389.75	6.04	848.36	12.39	1,605.56	20.87
	Commerce & Finance	11,467.06	15,627.62	17,558.92	(46.36)	(0.40)	4,160.56	36.28	1,931.31	12.36
	Elect.,Gas & Water	2,370.27	2,624.66	2,323.26	(1,131.45)	(32.31)	254.39	10.73	(301.39)	(11.48)
	Services	23,084.98	28,143.91	39,511.85	2,229.03	10.69	5,058.93	21.91	11,367.94	40.39
	Miscellaneous	4,579.38	4,257.12	2,895.27	550.87	13.67	(322.26)	(7.04)	(1,361.85)	(31.99)
c	**Grand Total**	77,009.67	95,540.33	110,972.72	7,009.45	10.01	18,530.67	24.06	15,432.38	16.15

Source: Bank of Ghana Staff Calculations

Table A.6: Performance of the GSE-CI by Sectors

	SECTOR											
MONTH	**F&B**	**MAN**	**FINANCE**	**DISTR**	**MINING**	**IT**	**AGRIC**	**OIL**	**ETFund**	**EDUC**	**AD.& PROD.**	**GSE-CI**
Dec-24	2535.00	1795.32	2380.79	4824.56	229.44	97.60	5052.00	40.83	9016.32	90.92	100.00	**4888.53**
Sep-25	2771.23	1837.96	3799.31	11826.40	229.82	169.84	7562.00	40.93	12909.71	90.92	100.00	**8168.35**
Oct-25	3558.18	1820.55	4193.90	12947.43	229.82	163.99	7800.00	41.00	12073.25	90.92	100.00	**8385.35**
Nov-25	3581.91	1820.55	4456.43	13124.64	229.88	164.40	9140.00	41.28	12177.74	90.92	100.00	**8610.15**
Dec-25	3581.91	1820.55	4647.17	13214.55	229.88	164.40	11164.00	41.28	12993.63	90.92	100.00	**8770.25**
Monthly												
ABS	**0.00**	**0.00**	**190.74**	**89.92**	**0.00**	**0.00**	**2024.00**	**0.00**	**815.89**	**0.00**	**0.00**	**160.10**
(%)	***0.00***	***0.00***	***4.28***	***0.69***	***0.00***	***0.00***	***22.14***	***0.00***	***6.70***	***0.00***	***0.00***	***1.86***
Yoy												
ABS	**1046.92**	**25.24**	**2266.38**	**8390.00**	**0.44**	**66.80**	**6112.00**	**0.45**	**3977.31**	**0.00**	**0.00**	**3881.72**
(%)	***41.30***	***1.41***	***95.19***	***173.90***	***0.19***	***68.44***	***120.98***	***1.11***	***44.11***	***0.00***	***0.00***	***79.40***

Source: Bank of Ghana Staff Calculations

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Table A.7: Market Capitalization by Sectors

	SECTOR (GH¢' mill)											
MONTH	**F&B**	**MAN**	**FINANCE**	**DISTR**	**MINING**	**IT**	**AGRIC**	**OIL**	**ETFund**	**EDUC**	**AD. & PROD.**	**MKT. CAP.**
Dec-24	2177.29	1133.05	26257.11	2073.02	27047.13	33091.45	879.05	17388.99	1132.45	9.61	10.70	**111356.09**
Sep-25	2380.19	1319.93	48742.88	5081.58	27092.63	57583.15	1315.79	17432.56	1621.46	9.61	10.70	**162594.44**
Oct-25	3056.10	1307.43	53556.10	5563.27	27092.63	55601.46	1357.20	17463.07	1516.40	9.61	10.70	**166537.93**
Nov-25	3076.48	1307.43	51524.13	5639.41	27098.90	55739.94	1590.36	17582.27	1529.52	9.61	10.70	**165108.74**
Dec-25	3076.48	1307.43	55165.20	5678.04	27098.90	55607.58	1942.54	17582.27	1632.00	9.61	10.70	**172042.59**
Monthly												
ABS	**0.00**	**0.00**	**3641.07**	**38.64**	**0.00**	**-132.36**	**352.18**	**0.00**	**102.48**	**0.00**	**0.00**	**3943.49**
(%)	***0.00***	***0.00***	***7.07***	***0.69***	***0.00***	***-0.24***	***22.14***	***0.00***	***6.70***	***0.00***	***0.00***	***2.39***
Yoy												
ABS	**899.19**	**174.38**	**28908.09**	**3605.02**	**51.76**	**22516.13**	**1063.49**	**193.28**	**499.55**	**0.00**	**0.00**	**60686.50**
(%)	***41.30***	***15.39***	***110.10***	***173.90***	***0.19***	***68.04***	***120.98***	***1.11***	***44.11***	***0.00***	***0.00***	***54.50***

Source: Bank of Ghana Staff Calculations

Table A.8: Asset and Liability Structure of the Banking Sector

	Dec-22	Dec-23	Dec-24	Oct-25	Dec-25
Components of Assets (% of Total)					
Cash and Due from Banks	29.1	30.7	38.7	27.7	30.9
Investments	32.0	36.4	30.7	43.0	39.3
Net Advances	28.2	23.8	21.6	20.5	21.1
Others	10.6	9.1	9.0	8.9	8.7
Components of Liabilities and Shareholders' Funds (% of Total)					
Total Deposits	75.5	78.0	75.1	71.3	72.8
Total Borrowings	8.9	5.5	7.6	10.4	8.5
Shareholders' Funds	8.7	10.6	10.8	12.6	13.1
Other Liabilities	6.8	5.7	6.3	5.4	5.4

Source: Bank of Ghana Staff Calculations

Table A.9: Credit Growth

Economic Sector	Gh¢million				y/y growth (%)	
	Dec-23	Dec-24	Oct-25	Dec-25	Dec-24	Dec-25
Public Sector	**6,450.35**	**6,418.74**	**4,184.78**	**4,783.02**	**-0.5**	**-25.5**
Private Sector	**70,559.32**	**89,121.60**	**98,208.21**	**106,189.69**	**26.3**	**19.2**
- Private Enterprises	51,833.29	65,068.65	69,657.59	74,923.73	25.5	15.1
o/w Foreign	2,917.62	4,111.03	3,783.10	4,825.31	40.9	17.4
Indigeneous	48,915.67	60,957.62	65,874.50	70,098.42	24.6	15.0
- Households	17,315.34	21,212.00	25,492.75	27,705.56	22.5	30.6
Gross Loans	**77,009.67**	**95,540.33**	**102,392.99**	**110,972.72**	**24.1**	**16.2**

Source: Bank of Ghana Staff Calculations

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Table A.10: Contingent Liabilities

	Dec-23	Dec-24	Oct-25	Dec-25
Contingent Liabilities (GH¢million)	22,549.69	23,953.90	18,212.61	16,144.33
Growth (y-o-y)	17.0	6.2	-33.0	-32.6
% of Total Liabilities	9.2	7.3	4.9	4.2

Source: Bank of Ghana Staff Calculations

Table A.11: Distribution of Loans and NPLs by Economic Sector (%)

	Dec-23		Dec-24		Oct-25		Dec-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	**8.4**	**6.9**	**6.7**	**3.8**	**4.1**	**2.7**	**4.3**	**2.5**
i. Government	2.9	2.2	1.6	1.1	0.8	1.0	0.7	0.9
ii. Public Institutions	2.0	0.8	1.1	0.2	1.0	0.5	1.1	0.4
iii. Public Enterprises	3.6	3.9	4.0	2.6	2.3	1.3	2.5	1.2
b. Private Sector	**91.6**	**93.1**	**93.3**	**96.2**	**95.9**	**97.3**	**95.7**	**97.5**
i. Private Enterprises	67.3	80.2	68.1	83.1	68.0	84.9	67.5	84.8
o/w Foreign	3.8	2.0	4.3	2.2	3.7	1.8	4.3	4.7
Indigeneous	63.5	78.2	63.8	80.9	64.3	83.0	63.2	80.1
ii. Households	22.5	12.3	22.2	12.2	24.9	12.0	25.0	12.3
iii. Others	1.8	0.6	3.0	0.9	3.0	0.4	3.2	0.4

Source: Bank of Ghana Staff Calculations

Table A.12: Liquidity Ratios

	Dec-23	Dec-24	Oct-25	Dec-25
Liquid Assets (Core) - (GH¢'million)	84,399.63	142,259.39	117,066.93	138,039.57
Liquid Assets (Broad) -(GH¢'million)	184,325.02	254,934.26	298,491.42	312,669.47
Liquid Assets to total deposits (Core)-%	39.3	51.5	38.8	42.4
Liquid Assets to total deposits (Broad)- %	85.9	92.3	98.8	96.1
Liquid assets to total assets (Core)- %	30.7	38.7	27.7	30.9
Liquid assets to total assets (Broad)- %	67.0	69.3	70.5	70.0

Source: Bank of Ghana Staff Calculations

Table A.13: Profitability Indicators (%)

	Dec-23	Dec-24	Oct-25	Dec-25
Gross Yield	18.8	18.7	14.4	16.9
Interest Payable	6.1	5.8	4.7	5.4
Spread	12.7	12.9	9.7	11.5
Asset Utilitisation	15.1	13.6	11.5	13.1
Interest Margin to Total Assets	7.8	6.9	5.8	6.6
Interest Margin to Gross income	51.8	50.9	50.2	50.8
Profitability Ratio	19.9	20.9	25.9	25.7
Return On Equity (%) after tax	34.2	30.8	32.2	30.8
Return On Assets (%) before tax	5.4	5.0	5.8	5.7

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Source: Bank of Ghana Staff Calculations

Table A.14: DMBs' Income Statement

	Dec-23	Dec-24	Oct-25	Dec-25	Dec-24	Oct-25	Dec-25
	(GH ¢'million)				Y-o-y Growth (%)		
Interest Income	31,989.8	38,489.4	37,057.9	44,575.0	20.3	18.4	15.8
Interest Expenses	(10,420.0)	(13,032.6)	(12,651.9)	(14,942.9)	25.1	19.5	14.7
Net Interest Income	**21,569.8**	**25,456.8**	**24,406.0**	**29,632.1**	**18.0**	**17.9**	**16.4**
Fees and Commissions (Net)	4,505.8	5,670.0	5,166.4	6,206.0	25.8	8.6	9.5
Other Income	5,144.3	5,832.6	6,438.7	7,602.2	13.4	48.5	30.3
Operating Income	31,219.9	36,959.4	36,011.0	43,440.3	18.4	20.8	17.5
Operating Expenses	(13,592.9)	(16,588.4)	(15,615.5)	(18,908.4)	22.0	16.9	14.0
Staff Cost (deduct)	(6,525.4)	(8,222.0)	(8,200.0)	(9,991.5)	26.0	23.3	21.5
Other operating Expenses	(7,067.4)	(8,366.4)	(7,415.6)	(8,916.9)	18.4	10.6	6.6
Net Operating Income	**17,627.1**	**20,370.9**	**20,395.5**	**24,531.9**	**15.6**	**24.0**	**20.4**
Total Provision (Loan losses, Depreciation & others)	(4,331.0)	(3,825.6)	(1,398.5)	(1,641.4)	(11.7)	(56.7)	(57.1)
Income Before Tax	13,296.1	16,545.3	18,997.0	22,890.5	**24.4**	**43.8**	**38.4**
Tax	(5,028.3)	(6,107.9)	(6,413.2)	(7,914.9)	21.5	36.5	29.6
Net Income	**8,267.8**	**10,437.4**	**12,583.8**	**14,975.6**	**26.2**	**47.8**	**43.5**
Gross Income	41,640.0	49,992.0	48,662.9	58,383.2	20.1	20.5	16.8

Source: Bank of Ghana Staff Calculations

Table A.15: Developments in Offshore Balances

	Dec-23	Dec-24	Oct-25	Dec-25
Offshore balances as % to Networth	67.7	104.1	51.4	41.9
Annual Growth in Offshore balances (%)	47.7	110.1	-29.1	-41.1
Annual Growth in Nostro Balances (%)	-0.7	118.4	-43.3	-61.3
Annual Growth in Placement (%)	169.6	102.9	-14.8	-21.0

Source: Bank of Ghana Staff Calculations

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