



**BANK OF GHANA**  
**MONETARY POLICY REPORT**

**March 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 129<sup>th</sup> meetings held on March 16-18, 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. 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, the 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, 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 is issued to financial markets and the public.*

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## Table of Contents

<b>OVERVIEW OF KEY CONSIDERATIONS OF THE MPC</b> .....	<b>2</b>
<b>1. GLOBAL ECONOMIC DEVELOPMENTS</b> .....	<b>3</b>
<b>1.0 HIGHLIGHTS</b> .....	3
<b>1.1 GLOBAL GROWTH DEVELOPMENTS</b> .....	3
<b>1.2 GLOBAL PRICE DEVELOPMENTS</b> .....	4
<b>1.3 GLOBAL FINANCIAL MARKETS DEVELOPMENTS</b> .....	4
<b>1.4 CURRENCY MARKETS</b> .....	5
<b>1.5 GLOBAL ECONOMIC OUTLOOK AND RISKS</b> .....	7
<b>2. EXTERNAL SECTOR DEVELOPMENTS</b> .....	<b>8</b>
<b>2.0 HIGHLIGHTS</b> .....	8
<b>2.1 COMMODITY PRICE TRENDS</b> .....	8
<b>2.2 TRADE BALANCE</b> .....	9
<b>2.3 INTERNATIONAL RESERVES</b> .....	10
<b>2.4 EXTERNAL SECTOR OUTLOOK</b> .....	10
<b>3. REAL SECTOR DEVELOPMENTS</b> .....	<b>11</b>
<b>3.0 HIGHLIGHTS</b> .....	11
<b>3.1 ECONOMIC GROWTH</b> .....	11
<b>3.2 TRENDS IN REAL SECTOR INDICATORS</b> .....	11
<b>3.3 LABOUR MARKET ACTIVITY</b> .....	12
<b>3.4 COMPOSITE INDEX OF ECONOMIC ACTIVITY</b> .....	12
<b>3.5 CONSUMER AND BUSINESS SURVEYS</b> .....	13
<b>4. FISCAL DEVELOPMENTS</b> .....	<b>16</b>
<b>4.0 HIGHLIGHTS</b> .....	16
<b>4.1 REVENUE AND GRANTS</b> .....	16
<b>4.2 EXPENDITURES</b> .....	16
<b>4.3 BUDGET BALANCE AND FINANCING</b> .....	17
<b>4.4 PUBLIC DEBT ANALYSIS</b> .....	19
<b>4.5 RISKS TO THE OUTLOOK</b> .....	20
<b>5. MONETARY AND FINANCIAL DEVELOPMENTS</b> .....	<b>21</b>
<b>5.0 HIGHLIGHTS</b> .....	21
<b>5.1 DEVELOPMENTS IN MONETARY AGGREGATES</b> .....	21
<b>5.2 RESERVE MONEY</b> .....	23
<b>5.3 DEPOSIT MONEY BANKS CREDIT DEVELOPMENTS</b> .....	24
<b>5.4 MONEY MARKET DEVELOPMENTS</b> .....	25
<b>5.5 STOCK MARKET DEVELOPMENTS</b> .....	27
<b>5.6 CONCLUSION</b> .....	27
<b>6. BANKING SECTOR DEVELOPMENTS AND MACROPRUDENTIAL RISK ASSESSMENT</b> .....	<b>29</b>
<b>6.0 HIGHLIGHTS</b> .....	29
<b>6.1 BANKS' BALANCE SHEET</b> .....	29
<b>6.2 CREDIT RISK</b> .....	31
<b>6.3 FINANCIAL SOUNDNESS INDICATORS</b> .....	32
<b>6.4 CREDIT CONDITIONS SURVEY</b> .....	35
<b>6.5 MACROPRUDENTIAL RISK ASSESSMENT</b> .....	36
<b>6.6 CONCLUSION AND OUTLOOK</b> .....	39
<b>7. PRICE DEVELOPMENTS</b> .....	<b>40</b>
<b>7.0 HIGHLIGHTS</b> .....	40
<b>7.1 DOMESTIC PRICE DEVELOPMENTS</b> .....	40
<b>7.2 INFLATION RISK ASSESSMENT AND OUTLOOK</b> .....	42
<b>APPENDIX</b> .....	<b>43</b>

## Overview of Key Considerations of the MPC

**Global economic conditions remained resilient despite rising geopolitical tensions.** The Middle East conflict disrupted supply chains and heightened oil price volatility, increasing global uncertainty. Although headline inflation declined in most economies, higher energy prices pose renewed risks. Global financing conditions, while still supportive, may tighten if geopolitical pressures intensify.

**Domestic economic activity strengthened in 2025, supported by robust non-oil sector performance.** Real GDP grew by 6.0 percent, while non-oil GDP expanded by 7.6 percent. High-frequency indicators showed continued momentum, with the CIEA rising by 8.4 percent in January 2026. Growth was driven by stronger private sector credit, increased industrial output, and higher consumption levels.

**Inflation eased significantly, reflecting broad-based declines across key components.** Headline inflation fell to 3.3 percent in February 2026 from 5.4 percent in December 2025. Core inflation also moderated, and expectations across consumers, businesses, and the financial sector remained anchored. The disinflation trend was supported by tight monetary policy, cedi appreciation, and improved food supply conditions.

**External sector performance remained strong, underpinned by a widening trade surplus.** The trade surplus increased to US\$3.7 billion in the first two months of 2026, supported by higher gold export earnings and modest import growth. Gross reserves rose to US\$14.5 billion (5.8 months of import cover), compared to US\$13.8 billion at end-December 2025.

**The exchange rate remained broadly stable, supported by strong external buffers.** Improved reserve levels and favourable trade outcomes helped maintain stability in the cedi. Continued reserve accumulation under the national reserve programme is expected to strengthen FX conditions further.

**Monetary aggregates continued to moderate, reflecting restrained liquidity conditions.** Reserve money contracted by 0.5 percent year-on-year in February 2026, while broad money growth slowed to 16.0 percent. Short-term interest rates declined sharply, and average lending rates fell to 19.2 percent from 30.1 percent a year earlier. Private sector credit recovery continued gradually.

**Banking sector conditions improved, supported by stronger balance sheet performance.** Total assets increased, driven by higher deposits, borrowings, and investment growth of 57.5 percent. Financial soundness indicators strengthened across profitability, liquidity, and solvency. The NPL ratio declined to 18.7 percent, though it remains a key vulnerability requiring sustained regulatory action.

*The MPC noted improving domestic conditions but highlighted rising global risks. Inflation is projected to remain within the medium-term target band, despite upside risks from higher global oil prices. With domestic conditions favourable and real rates high, the Committee reduced the Monetary Policy Rate by 150 basis points to 14.0 percent.*

# 1. Global Economic Developments

## 1.0 Highlights

Recent data suggests continued global economic resilience, although the momentum is likely to soften going forward. Global headline inflation was on a downward trajectory, but recent geopolitical events in the Middle East may reverse this trend. Global financial conditions remain accommodative but face possible risks associated with the Iran War. In the local FX market, the cedi recovered strongly in February 2026.

## 1.1 Global Growth Developments

GDP outturn for the fourth quarter of 2025 has shown that the global economy was resilient in 2025, but the growth momentum has eased in some countries, such as the United States and those in the Euro area. Moving to Q1 of 2026, high-frequency data points to a pick-up in activity in the near term, with both manufacturing and services activity being expansionary. Reflecting continuing activity, both consumer and business confidence indices rose in January 2026. However, recent geopolitical developments and past disruptions may dim the outlook if they persist. For instance, the surge in oil prices coming out of the 28th of February war by the US and Israel against Iran has led to a spike in oil prices above \$100/barrel. If the war should last beyond three weeks, analyst projects a significant upward repricing of oil in the near term of \$100-\$120/barrel. Higher energy prices will feed into transportation costs, industrial input costs, household expenditures, and broader price increases across economies.

**Table 1.1: Overview of the World Economic Outlook Projections**

Overview of the World Economic Outlook Projections (Percent change)						
	2024	2025	Projections		Jan 26-Oct 25 WEO Projections	
			2026	2027	2026	2027
<b>World</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>3.2</b>	<b>0.2</b>	<b>0.0</b>
<b>Advanced Economies</b>	<b>1.8</b>	<b>1.7</b>	<b>1.8</b>	<b>1.7</b>	<b>0.2</b>	<b>0.0</b>
United States	2.8	2.1	2.4	2.0	0.3	0.1
Euro Area	0.9	1.4	1.3	1.4	0.1	0.0
Germany	-0.5	0.2	1.1	1.5	0.2	0.0
France	1.1	0.8	1.0	1.2	0.1	0.0
Italy	0.7	0.5	0.7	0.7	-0.1	0.1
Spain	3.5	2.9	2.3	1.9	0.3	0.2
Japan	-0.2	1.1	0.7	0.6	0.1	0.0
United Kingdom	1.1	1.4	1.3	1.5	0.0	0.0
Canada	2.0	1.6	1.6	1.9	0.1	0.0
Other Advanced Economies	2.3	1.8	2.0	2.1	0.0	0.0
<b>Emerging Market and Developing Economies</b>	<b>4.3</b>	<b>4.4</b>	<b>4.2</b>	<b>4.1</b>	<b>0.2</b>	<b>-0.1</b>
China	5.0	5.0	4.5	4.0	0.3	-0.2
India	6.5	7.3	6.4	6.4	0.2	0.0
Russia	4.3	0.6	0.8	1.0	-0.2	-0.1
Brazil	3.4	2.5	1.6	2.3	-0.3	0.1
Mexico	1.4	0.6	1.5	2.1	0.0	0.1
<b>Sub-Saharan Africa</b>	<b>4.1</b>	<b>4.4</b>	<b>4.6</b>	<b>4.6</b>	<b>0.2</b>	<b>0.1</b>
Nigeria	4.1	4.2	4.4	4.1	0.2	0.1
South Africa	0.5	1.3	1.4	1.5	0.2	0.0

Source: IMF, WEO January, 2026, Update

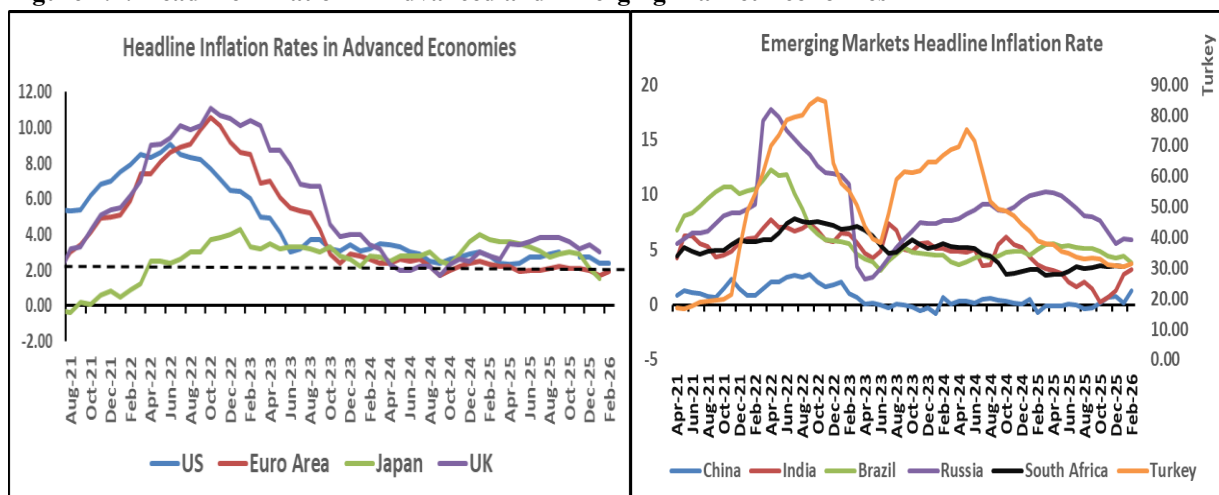
Consequently, Central banks may find it harder to ease monetary policy if inflation remains elevated, potentially delaying interest rate cuts. Higher oil prices will also significantly boost import bills, worsening trade balances. Beyond prices, supply disruptions are beginning to emerge as crude trade is halted significantly along the Strait of Hormuz and the Suez Canal corridor, which accounts for about 30% of crude transit due to the war. The Rerouting of maritime traffic around Africa's Cape of Good Hope and disruptions to air cargo operations will create logistical bottlenecks. Rising insurance costs for shipping and pressure on freight rates will increase trade costs. Moreover, the war will add to the existing economic and policy uncertainty, which may impact consumption and investment. Financial stability concerns are emerging as major stock indices in the U.S., Europe, and Asia experienced declines following reports of airstrikes and attacks. Investors have sought traditional safe-haven assets such as gold and the U.S. dollar, which appreciated amid the turmoil, with implications for Emerging Market currencies. In addition, the 2025 Tariff Wars are not fully resolved, with the Trump Administration resorting to the Trade Act of 1974 to continue to impose 10% tariff on all countries despite the U.S Supreme Court ruling on February 20 against previous tariffs. Furthermore, the global economy faces widespread concerns about AI; both as a bubble that might burst and as a force driving job losses.

Discounting the effect of the current war, the IMF projects that global growth will remain steady at 3.3% for 2026 and 3.2% for 2027. These projections will most likely change in the next review window to reflect current geopolitical conditions.

### 1.2 Global Price Developments

Global headline inflation is on a downward trajectory, but recent geopolitical events in the Middle East may reverse this trend. The dynamics of headline inflation will reflect the recent surge in oil prices in the near term. Brent crude oil averaged \$64 per barrel in January 2026 but has surged above \$100 per barrel as the war persists. The FAO Food Price Index was up by 0.9 percent in the month of February 2026, supported by sustained demand and subdued supply. Even though core inflation is currently showing signs of easing, a possible rise in input costs due to the war may reverse this trend. However, expectations of headline and core inflation for 2026 and 2027 remain unchanged. The path of global inflation in the near term will depend on how the war evolves. A prolonged war will drive up energy costs and feed into transportation costs, industrial input costs, household expenditures, and translate into broader price increases across economies. Capital Economics projects that a sustained \$100 crude price could add 0.6 to 0.7 percentage points to global inflation. However, a quick return to normalcy will have a minimal impact on inflation.

**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 across both advanced and emerging-market economies, supported by accommodative policy stances from major central banks. However, long-term bond yields remain elevated, reflecting investor expectations that inflation will stay higher for long. Equity markets have come under pressure amid the uncertainty created by the Iran war and its implications for the global monetary policy outlook, with the tension also weighing on the sovereign spreads of several African countries.

Emerging-market (EM) portfolio flows declined sharply to \$14.3 billion in February 2026, down from \$98.8 billion in January, driven by weakening investor risk appetite. Looking ahead, global financial conditions may tighten in the near term if the Iran conflict persists. The associated surge in oil prices risks reversing the ongoing disinflation process, which could complicate central banks' efforts to ease monetary policy, potentially delaying planned interest rate cuts.

Reflecting these developments, long-term bond yields have risen sharply while sovereign spreads have begun to widen. At the same time, equity performance has softened in recent weeks, and portfolio flows to EMs have weakened. The persistence of these dynamics could ultimately lead to tighter global financial conditions.

**Table 1.2: Monetary Policy Stance of Selected Central Banks**

Country	Policy rate - Previous (%)	Policy Rate Current (%)	Forecast	Inflation January, 2026	Inflation February, 2026	Real rate	Infl Target	Overall Fiscal Deficit (2024,% of GDP)	GDP Growth (Dec.2024)	Gross Debt/GDP (2024,%)	YTD Depr/App r 11th March 2026
U.S	3.75	3.75	3.75	2.4	2.4	1.4	2%	-8	2.8	122.3	
Euro Area	2.15	2.15	2.15	1.7	1.9	0.25	< 2%	-3.1	0.9	87.2	-1.55
UK	3.75	3.75	3.75	3		0.8	2%	-5.7	1.1	101.2	-0.47
Japan	0.75	0.75	0.75	1.5		-0.75	2%	-1.5	0.1	236.1	-1.41
Russia	16.00	15.50	15.50	6	5.9	9.6	4%	-1.6	4.3	20.3	
India	5.25	5.25	5.25	2.75	3.21	2.04	4±2%	-7.9	6.5	81.6	-2.33
Brazil	15.00	15.00	15.00	4.44	3.81	11.19	4.5±1.5%	-6.2	3.4	87.0	6.17
Turkey	38.00	37.00	35.00	30.65	31.53	5.47	5±2%	-4.6	3.3	24	-2.57
Malaysia	2.75	2.75	2.75	1.6		1.2	3% - 4%	-3.9	5.1	70.1	3.62
Indonesia	4.75	4.75	4.75	3.6	4.76	0.0	3.5% ± 1%	-2.3	5	40.2	1.07
Chile	4.50	4.50	4.25	2.8	2.4	2.10	3±1%	-2.8	2.6	41.7	0.46
Ghana	18.00	15.50	15.50	3.8	3.3	12.2	8±2%	-7.3	5.7	70.3	-3.42
South Africa	6.75	6.75	6.75	3.5		3.3	3%±1%	-5.8	0.5	76.0	0.44
Nigeria	27.00	26.50	25.00	15.1		11.40	6% -9%	-1.6	4.1	39.3	5.03
Kenya	9.00	8.75	8.75	4.4	4.3	4.45	2.5-7.5%	-5.8	4.7	67.3	-0.22
Zambia	14.25	13.50	13.50	9.4	7.5	6	6%-8%	-3.3	4	114.9	13.59
Morocco	2.25	2.25	2.00	-0.8		3.1		-3.9	3.8	67.7	-2.74
Angola	18.50	17.50	17.00	14.6	13.35	4.2	9-11%	-1	4.4	59.9	-0.44
Egypt	20.00	19.00	19.00	11.9	13.4	5.6	7± 2%	-7.1	2.4	90.9	-8.23

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)

## 1.4 Currency Markets

On the international currency market, the U.S. dollar index is strengthening amid safe-haven demand as the escalating Middle East conflict and rising oil prices unsettled financial markets. The strengthened dollar put some pressure on some EMDE currencies.

In the domestic FX market, the cedi faced pressures in January due to frontloading of imports ahead of the Lunar celebrations in China and other parts of Asia. The currency, however, recovered from losses of the past month and appreciated in February due to the sharp fall in FX demand following the onset of the lunar celebration. The forex market was also supported with increased inflows from mining and remittances. This coincided with market players' adoption of a wait-and-see approach, even as the cedi appreciated further, strengthening the currency. In the outlook, the U.S.-Israel-Iran war may make it difficult for GoldBod to export Gold to the UAE, which will affect FX inflows. It may lead to a higher energy import bill and put pressure on the cedi. The strengthening of the dollar may also have adverse implications for the local currency. Further pressures are expected from dividend payments scheduled for March 2026. However, BoG's \$1 Billion FX intermediation is expected to improve liquidity in the FX market.

In the interbank market, the cedi depreciated by 2.21 percent, 2.26 percent, and 2.84 percent against the dollar, pound, and euro, respectively, on a year-to-date basis. This is against a depreciation of 5.34 percent, 5.87 percent, and 5.81 percent against the dollar, pound, and euro, respectively, during the same period in 2025. However, the cedi was less volatile during the first 49 transaction days in 2026 compared to the last four years.

The cedi depreciated by 0.45 percent, and 0.04 percent, in nominal trade-weighted terms and nominal forex transaction weighted terms, respectively, against Ghana's major trading partners on a year-to-date basis in February 2026. Over the same period in 2025, the cedi experienced a depreciation of 5.87% and 5.67%, in nominal trade-weighted terms and nominal forex transaction-weighted terms, respectively.

**Table 1.3: Interbank Exchange Rates**

Exchange Rate Movements										
	US\$/GHC*		Year-to-Date depreciation/appreciation		GBP/GHC*		Year-to-Date depreciation/appreciation		Euro/GHC*	
	US\$/GHC*	Monthly depreciation/a ppreciation	Year-to-Date depreciation/appreciation	Year-to-Date depreciation/appreciation	GBP/GHC*	Monthly depreciation/a ppreciation	Year-to-Date depreciation/appreciation	Year-to-Date depreciation/appreciation	Euro/GHC*	Monthly depreciation/a ppreciation
<b>2024</b>										
Jan	12.0356	-1.3	-1.29		15.3027	-1.1	-1.11		13.0547	0.5
Feb	12.4642	-3.4	-4.69		15.8022	-3.2	-4.23		13.5234	-3.5
Mar	12.8770	-3.2	-7.74		16.2617	-2.8	-6.94		13.9031	-2.7
Apr	13.2739	-3.0	-10.50		16.6243	-2.2	-8.97		14.1900	-2.0
May	14.1301	-6.1	-15.92		17.9996	-7.6	-15.92		15.3345	-7.5
June	14.5860	-3.1	-18.55		18.4375	-2.4	-17.92		15.6270	-1.9
July	14.9009	-2.1	-20.27		19.1305	-3.6	-20.89		16.1065	-3.0
Aug	15.1899	-1.9	-21.79		19.9261	-4.0	-24.05		16.7828	-4.0
Sep	15.8000	-3.9	-24.81		21.1823	-5.9	-28.56		17.6108	-4.7
Oct	16.3000	-3.1	-27.12		20.9700	1.0	-27.83		17.6992	-0.5
Nov	15.2700	6.7	-22.20		19.3592	8.3	-21.83		16.1291	9.7
Dec	14.7000	3.9	-19.18		18.4008	5.2	-17.76		15.2141	6.0
<b>2025</b>										
Jan	15.3001	-3.9	-3.92		19.0003	-3.2	-3.16		15.9012	-4.3
Feb	15.5300	-1.5	-5.34		19.5484	-2.8	-5.87		16.1524	-1.6
Mar	15.5300	0.0	-5.34		20.0951	-2.7	-8.43		16.8068	-3.9
Apr	14.1500	9.8	3.89		18.8769	6.5	-2.52		16.0640	4.6
May	10.2800	37.6	43.00		13.8529	36.3	32.83		11.6675	37.7
June	10.3100	-0.3	42.58		14.1252	-1.9	30.27		12.1138	-3.7
July	10.5000	-1.8	40.00		13.8942	1.7	32.44		12.0150	0.8
Aug	11.4000	-7.9	28.95		15.3997	-9.8	19.49		13.3360	-9.9
Sep	12.4200	-8.2	18.36		16.7031	-7.8	10.16		14.5859	-8.6
Oct	10.9000	13.9	34.86		14.3003	16.8	28.67		12.5667	16.1
Nov	11.2700	-3.3	30.43		14.8995	-4.0	23.50		13.0531	-3.7
Dec	10.4500	7.8	40.67		14.0579	6.0	30.89		12.2728	6.4
<b>2026</b>										
Jan	10.9500	-4.6	-4.57		15.0240	-6.4	-6.43		13.0112	-5.7
Feb	10.6865	2.5	-2.21		14.3825	4.5	-2.26		12.6312	3.0

Source: Bank of Ghana Staff Calculations

**Table 1.4: Nominal Effective Exchange Rate**

Month	2021=100		Monthly CHG(%)		Year-to-Date (%)	
	FXTWI	TWI	FXTWI	TWI	FXTWI	TWI
			<b>2025</b>			
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
			<b>2026</b>			
Jan-26	51.21	52.08	-7.96	-8.75	-7.96	-8.75
Feb-26	55.26	56.38	7.33	7.64	-0.04	-0.45

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 0.19 percent, 1.11 percent, and 0.37 percent, against the dollar, pound, and euro, respectively, on a year-to-date basis in February 2026. Comparatively, the cedi experienced a depreciation in real terms of 3.64 percent, 3.20 percent, and 2.88 percent, respectively, against the dollar, pound, and the euro over the same period in 2025.

In real trade-weighted and real forex transaction related terms against the three major currencies (i.e., US dollar, the Euro and Pound), the cedi appreciated by 0.41 percent and 0.22 percent on a year-to-date basis in February 2026. For the same period in 2025, the cedi depreciated by 3.01 percent, and 3.57 percent, in real trade-weighted terms and forex transaction-weighted terms, respectively.

**Table 1.5: Real Bilateral Exchange Rate**

Month	RER Index (Jan.2021=100)			MONTHLY CHANGE (Index)			Year-to-Date (%)		
	EUR	GBP	USD	EUR	GBP	USD	EUR	GBP	USD
<b>2025</b>									
Jan-25	97.81	89.38	82.94	-2.12	-1.18	-2.98	-2.12	-1.18	-2.98
Feb-25	97.04	87.64	82.41	-0.75	-1.99	-0.64	-2.88	-3.20	-3.64
Mar-25	92.78	85.11	82.42	-4.64	-2.97	0.01	-7.66	-6.26	-3.63
Apr-25	97.47	90.79	90.92	4.81	6.25	9.34	-2.47	0.39	6.06
May-25	134.99	123.62	125.81	27.79	26.55	27.73	26.01	26.84	32.11
Jun-25	127.62	118.89	123.48	-5.77	-3.98	-1.89	21.74	23.93	30.83
Jul-25	130.24	122.15	121.90	2.01	2.67	-1.29	23.31	25.96	29.94
Aug-25	115.49	108.35	110.49	-12.78	-12.74	-10.33	13.51	16.53	22.70
Sep-25	106.42	100.78	102.07	-8.52	-7.51	-8.25	6.14	10.26	16.32
Oct-25	122.59	116.52	115.72	13.19	13.51	11.80	18.52	22.38	26.19
Nov-25	119.37	113.29	113.33	-2.69	-2.85	-2.11	16.33	20.17	24.64
Dec-25	128.03	120.54	123.34	6.76	6.02	8.11	21.98	24.97	30.75
<b>2026</b>									
Jan-26	118.59	110.78	114.20	-7.95	-8.81	-8.00	-7.95	-8.81	-8.00
Feb-26	128.50	121.89	123.56	7.71	9.12	7.58	0.37	1.11	0.19

Source: Bank of Ghana Staff Calculations

**Table 1.6: Real Effective Exchange Rate for Major Trade Partners**

Month	INDEX (2021=100)		MONTHLY CHG		Year-to-Date (%)	
	RFXTW	RTWI	RFXTW	RTWI	RFXTW	RTWI
<b>RTWI and FXRTWI</b>						
<b>2025</b>						
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
Nov-25	113.78	118.01	-2.17	-2.63	23.94	17.83
Dec-25	123.63	126.72	7.96	6.88	30.00	23.48
<b>2026</b>						
Jan-26	114.45	117.30	-8.01	-8.03	-8.01	-8.03
Feb-26	123.90	127.25	7.62	7.82	0.22	0.41

Source: Bank of Ghana Staff Calculations

## 1.5 Global Economic Outlook and Risks

Prior to the US-Israel-Iran war, the global economy was resilient. Inflation was on a downward trajectory, and financial conditions were improving markedly. However, a prolonged war could push up oil prices above \$100/barrel and lead to a resurgence in global inflation. This would force central banks to pause or even reverse the recent policy easing cycles, spook financial markets and lead to the repricing of risky assets. Tighter financial conditions, along with uncertainty associated with the war, may severely weigh on growth outlook. Weaker global growth will negatively impact Ghana's exports and reserve buildup. Against this backdrop, the country faces an elevated risk of inflation from the external environment.

## 2. External Sector Developments

### 2.0 Highlights

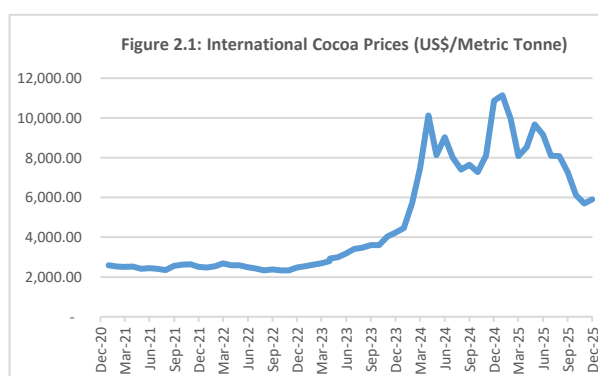
The external sector maintained a robust performance in the first two months of the year, posting a significant trade surplus driven mainly by increased gold export earnings. The large trade surplus supported the buildup in international reserves during the period under review.

### 2.1 Commodity Price Trends

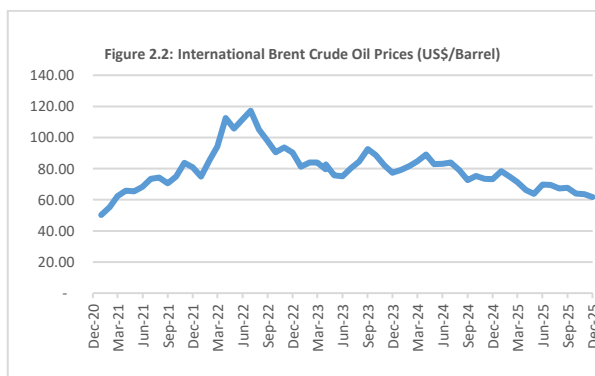
On the international commodities market, prices of Ghana’s major export commodities recorded mixed movements. Cocoa futures experienced a steep decline, dropping by 63.7 percent to an average of US\$3,608.56 per tonne in February 2026 from US\$9,946.79 per tonne in February 2025. Year to date, the cocoa bean has lost 38.8 percent of its value due to persistently weak global demand, leading to a buildup of unsold cocoa stocks across West African ports.

Crude oil prices dropped by 7.5 percent year-on-year to average US\$69.37 per barrel in February 2026, down from US\$74.95 per barrel in the same period in 2024, mainly due to weak global demand amid an oversupplied market. In the first two months of the year, crude oil prices have risen by 12.6 percent, driven by fears of potential supply disruptions due to the ongoing conflict in the Middle East.

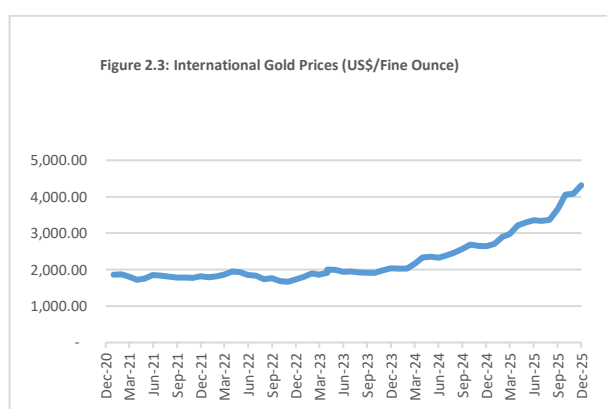
Gold prices remained firm, soaring by 72.8 percent year-on-year to US\$5,007 per fine ounce in February 2026, up from US\$2,897.26 per fine ounce in February 2025, driven by U.S. Fed rate cuts, geopolitical and geoeconomic tensions, and increased demand from central banks around the world. Year-to-date, the price of the yellow metal has risen by 16.0 percent as persisting geopolitical tensions have spurred safe-haven demand.



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) recorded a year-to-date increase of 5.6 percent to 261.72 in February 2026. This performance was mainly on account of increases in the gold and oil sub-indices, which rose by 16.0 percent, and 12.3 percent, respectively. In contrast, the cocoa sub-index contracted by 38.8 percent during the period under review.

On a year-on-year basis, the composite commodity price index increased by 16.4 percent, primarily driven by a substantial 72.8 percent increase in the gold price sub-index. In contrast, the cocoa and crude oil price sub-indices registered declines of 63.7 percent, and 7.5 percent, respectively.

### **2.2 Trade Balance**

In the first two months of 2026, the economy recorded a higher trade surplus of US\$3.69 billion, representing a 72.7 percent improvement over the US\$2.14 billion recorded during the same period in 2025. The stronger trade performance was due to a substantial increase in export earnings, while import demand dipped during the period.

The value of exports surged to US\$6.21 billion in the first two months of 2026, up from US\$4.69 billion in the same period of 2025, driven mainly by higher gold exports. Gold export receipts increased by 84.1 percent to US\$4.26 billion from US\$2.31 billion during the period under review, on account of increases in both the volume and price of gold. The volume of gold exports increased by 5.2 percent to 903,877.5 fine ounces, while the average price rose by 74.9 percent to settle at US\$4,710 per fine ounce during the same review period.

In the first two months of the year, export receipts from the export of cocoa beans and related products declined to US\$956.34 million, compared with US\$1.19 billion recorded over the same period in 2025. This contraction was largely attributable to weak global demand for cocoa, despite modest price improvements during the review period.

Crude oil exports fell by 22.3 percent to US\$451.47 million during the first two months of 2026, down from US\$581.3 million in the comparative period in 2025. Crude oil prices remained subdued during the period, averaging US\$67.7 per barrel compared with US\$76.7 per barrel in the corresponding period. Similarly, receipts from other exports (excluding gold, cocoa, and crude oil) largely comprising non-traditional exports, declined by 9.3 percent to US\$540.82 million from US\$596.25 million during the same review period.

Total import bill, on the other hand, recorded a modest decline of 1.3 percent to US\$2.52 billion during the first two months of 2026 compared to US\$2.55 billion recorded in the same period in 2025. This outcome reflected increased demand for oil and gas imports, while non-oil imports contracted over the review period. Oil and gas imports rose marginally by 3.5 percent to US\$852.7 million from US\$823.7 million in the same period in 2025 due to increased demand for crude oil by local refineries, while non-oil imports declined to US\$1.66 billion from US\$1.72 billion during the same reference period.

**Table 2.1: Trade Balance (US\$ million)**

<b>Table 1</b>	<b>2024 Jan - Feb</b>	<b>2025 Jan - Feb</b>	<b>2026 Jan - Feb</b>	<b>Abs Y/Y Chg</b>	<b>Rel Y/Y Chg</b>
<b>Trade Balance</b>	<b>311.3</b>	<b>2,136.7</b>	<b>3,689.7</b>	<b>1,553.0</b>	<b>72.7</b>
<i>Trade Bal (% GDP)</i>	<i>0.4</i>	<i>1.9</i>	<i>3.0</i>		
<b>Total Exports</b>	<b>2,802.2</b>	<b>4,685.1</b>	<b>6,206.0</b>	<b>1,520.9</b>	<b>32.5</b>
<b>Gold ( \$'M)</b>	<b>1,339.7</b>	<b>2,312.8</b>	<b>4,257.4</b>	<b>1,944.6</b>	<b>84.1</b>
Volume (fine ounces)	744,541.0	859,017.2	903,877.5	44,860.4	5.2
Unit Price (\$/fine ounce)	1,799.4	2,692.4	4,710.1	2,017.8	74.9
<b>Cocoa Beans ( \$'M)</b>	<b>275.8</b>	<b>920.8</b>	<b>634.0</b>	<b>-286.8</b>	<b>-31.1</b>
Volume (tonnes)	103,316.3	171,912.9	104,917.7	-66,995.1	-39.0
Unit Price (\$/tonne)	2,669.8	5,356.2	6,043.3	687.1	12.8
<b>Cocoa Products ( \$'M)</b>	<b>93.1</b>	<b>273.9</b>	<b>322.3</b>	<b>48.4</b>	<b>17.7</b>
Volume (tonnes)	28,983.5	44,655.0	37,673.4	-6,981.6	-15.6
Unit Price (\$/tonne)	3,213.4	6,133.3	8,554.8	2,421.5	39.5
<b>Crude Oil ( \$'M)</b>	<b>620.9</b>	<b>581.3</b>	<b>451.5</b>	<b>-129.9</b>	<b>-22.3</b>
Volume (barrels)	7,675,138.0	7,582,355.0	6,665,877.0	-916,478.0	-12.1
Unit Price (\$/bbl)	80.9	76.7	67.7	-8.9	-11.7
<b>Other Exports</b>	<b>472.6</b>	<b>596.2</b>	<b>540.8</b>	<b>-55.4</b>	<b>-9.3</b>
<i>o/w: Non-Traditional Exports</i>	<i>368.9</i>	<i>468.4</i>	<i>452.2</i>	<i>-16.2</i>	<i>-3.5</i>
<b>Total Import</b>	<b>2,490.9</b>	<b>2,548.3</b>	<b>2,516.3</b>	<b>-32.0</b>	<b>-1.3</b>
<b>Non-Oil</b>	<b>1,845.7</b>	<b>1,724.6</b>	<b>1,663.6</b>	<b>-61.0</b>	<b>-3.5</b>
<b>Oil and Gas</b>	<b>645.1</b>	<b>823.7</b>	<b>852.7</b>	<b>29.0</b>	<b>3.5</b>
<i>of which: Products</i>	<i>608.2</i>	<i>773.9</i>	<i>740.6</i>	<i>-33.2</i>	<i>-4.3</i>
Gas	33.0	39.0	42.8	3.8	9.8
Crude Oil	4.0	10.9	69.3	58.4	536.4

Source: Bank of Ghana

### 2.3 International Reserves

At the end of February 2026, Ghana's stock of Gross International Reserves (GIR) amounted to US\$14.47 billion, sufficient to provide 5.8 months of import cover for goods and services. This represented an increase from the end-December 2025 level of US\$13.83 billion, equivalent to 5.7 months of import cover. Under the IMF-ECF Program definition, Net International Reserves (NIR), which excludes the Petroleum funds and encumbered assets, stood at US\$5.65 billion as of end-February 2026.

### 2.4 External Sector Outlook

Overall, Ghana's external sector outlook remains broadly positive, notwithstanding the increasingly challenging global environment. The outlook for the prices of the country's major export commodities appears mixed. An assessment of the potential implications of the ongoing conflict in the Middle East suggests that Ghana's external sector remains resilient, underpinned by a sustained current account surplus and adequate reserve buffers.

## 3. Real Sector Developments

### 3.0 Highlights

*Growth for 2025 was robust, exceeding initial expectations. Economic activity in the first quarter of 2026 is also expected to remain firm. This is supported by the latest high-frequency real sector indicators, which point to a sustained pickup in economic activity in January 2026. Consumer and business confidence also continued to reflect positive sentiments about macroeconomic conditions.*

### 3.1 Economic Growth

The latest provisional data from the Ghana Statistical Service showed that real GDP grew by 6.0 percent in 2025, compared with 5.8 percent in 2024. Non-oil GDP growth accelerated to 7.6 percent from 6.1 percent over the same comparative period. The growth outturn was largely driven by the services and agriculture sectors, which recorded growth rates of 8.1 percent and 6.8 percent respectively. Industry, on the other hand, grew at a slower pace of 2.3 percent due to a decline in oil production.

### 3.2 Trends in Real Sector Indicators

#### *Consumer Spending*

Consumer spending, proxied by domestic VAT collections and retail sales, posted a positive performance in January 2026 compared with the corresponding period in 2025. Domestic VAT collections increased by 7.1 percent on a year-on-year basis to GH¢1,799.39 million, from GH¢1,680.59 million. However, on a month-on-month basis, domestic VAT declined by 13.1 percent in January 2026 from GH¢2,069.63 million in the preceding month.

Retail sales increased by 16.6 percent (year-on-year) to GH¢277.88 million in January 2026, up from the GH¢238.38 million recorded in the same period in 2025. Compared to December 2025, however, retail sales declined by 41.1 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), recorded a positive performance in January 2026. Total Direct Taxes collected increased by 9.0 percent to GH¢5,802.49 million in January 2026, compared with GH¢5,322.11 million recorded in January 2025. Conversely, on a month-on-month basis, total Direct Taxes collected for January 2026 declined by 64.4 percent from GH¢16,305.27 million collected in December 2025. In terms of contributions of the various sub-tax categories, Corporate tax accounted for 40.7 percent, Income tax (PAYE and self-employed) accounted for 40.3 percent, while "Other Tax Sources" contributed 18.9 percent.

Total private sector workers' contribution to the SSNIT Pension Scheme (Tier-1) went up by 16.8 percent in year-on-year terms to GH¢551.97 million in January 2026 from GH¢472.62 million collected during the corresponding period in 2025.

#### *Construction Sector Activities*

Activity in the construction sub-sector, proxied by the volume of cement sales, declined by 7.7 percent (year-on-year) in January 2026 to 206,798.89 tonnes, compared with 223,936.19 tonnes recorded a year ago. On a month-on-month basis, total cement sales remained largely unchanged in January 2026 compared with the 207,929.45 tonnes recorded in December 2025. The year-on-year decline in total cement sales was due to a slowdown 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), increased by 33.5 percent to 39,421 in January 2026 from 29,521 vehicles registered during the corresponding period of 2025. On a month-on-month basis, DVLA vehicle registrations improved significantly from the 10,613 vehicles recorded in the preceding month.

### ***Industrial Consumption of Electricity***

Industrial consumption of electricity improved by 7.6 percent in January 2026 to 314.29 gigawatts, as against 292.14 gigawatts recorded for the corresponding period in 2025. However, on a month-on-month basis, electricity consumed by industries in January 2025 remained relatively unchanged from the 316.27 gigawatts utilised in December 2025.

### ***Passenger Arrivals***

Passenger arrivals increased by 8.7 percent in year-on-year terms to 110,087 in January 2026, up from 101,237 arrivals recorded a year ago. However, compared to a month earlier, passenger arrivals recorded at the international airport and the land borders went down by 18.9 percent.

### ***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 13.6 percent, year-on-year, to 74,508 in January 2026, up from 65,594 recorded for a similar period in 2025. On a month-on-month basis, total container traffic declined by 9.8 percent when compared to 82,624 recorded in December 2025.

## **3.3 Labour Market Activity**

### ***Private Sector Pension Contributors***

Total number of private sector SSNIT contributors, which partially gauges employment conditions, improved by 7.1 percent to 1,130,757 in January 2026, compared with 1,055,959 for the same period in 2025. On a month-on-month basis, total number of private sector SSNIT contributors remained largely unchanged from the 1,125,258 individuals recorded in December 2025.

### ***Advertised Jobs***

The number of jobs advertised in selected print<sup>1</sup> and online<sup>2</sup> media, which partially gauges labour demand in the economy, decreased in February 2026 relative to what was observed in the corresponding period a year ago. In total, 3,244 job adverts were recorded as compared with 3,411 for the same period in 2025, indicating a decline of 4.9 percent (year-on-year). On a month-on-month basis, the number of job vacancies in February 2026 declined marginally by 1.0 percent from the 3,276 jobs advertised in January 2026. Cumulatively, for the first two months of 2026, the total number of advertised jobs remained largely unchanged at 6,520, compared to 6,465 recorded during the same period in 2025.

## **3.4 Composite Index of Economic Activity**

The Bank's real Composite Index of Economic Activity (CIEA) recorded an annual growth of 8.4 percent in January 2026, compared to a growth of 6.0 percent for the corresponding period of 2025. Increased credit to the private sector by banks, industrial production, international trade activities, and consumption of goods and services by households and firms contributed to the improvement in economic activity during the period.

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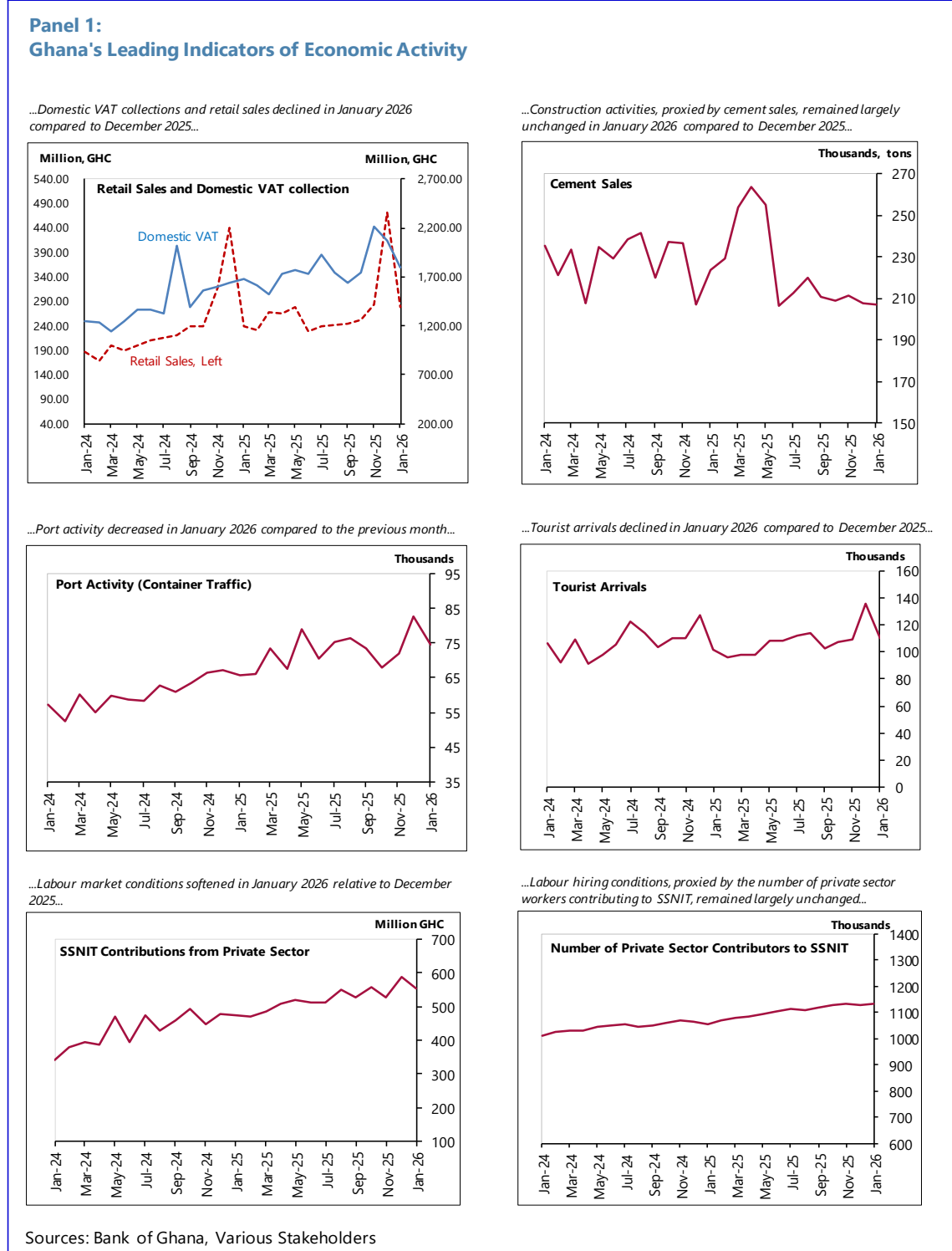
<sup>1</sup> The Daily Graphic newspaper was used to represent print media because it is the most widely circulated daily in Ghana.

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

### 3.5 Consumer and Business Surveys

The latest confidence surveys conducted in February 2026 reflected positive consumer and business sentiments. The Consumer Confidence Index improved to 117.7 in February 2026 from 116.4 in December 2025, on account of easing inflationary pressures and optimism about future economic conditions. Similarly, the Business Confidence Index increased to 110.1 from 107.7 in the same comparative period, as firms cited the realisation of their operational targets and expressed optimism about industry prospects amid improving macroeconomic conditions.

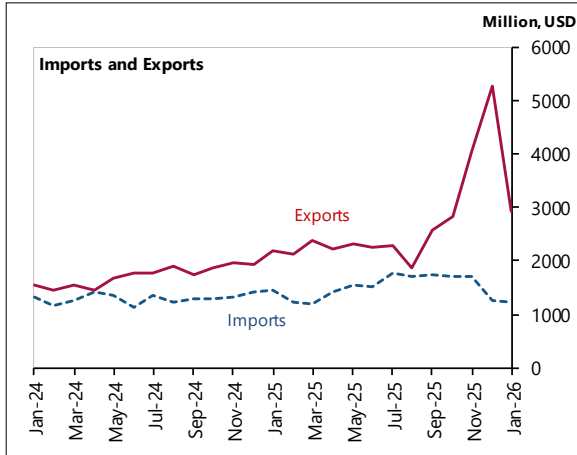
**Figure 3.1a: High Frequency Economic Indicators**



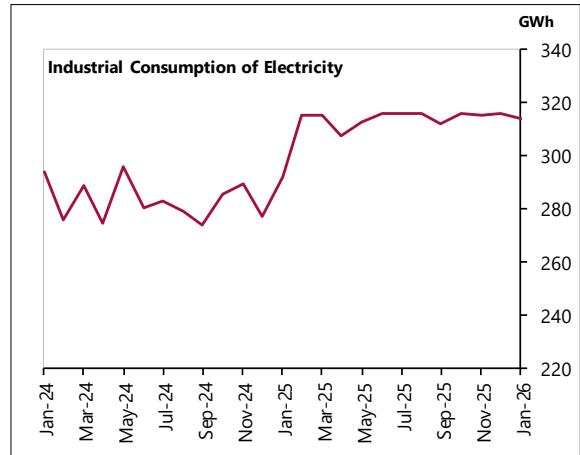
**Figure 3.1b: High Frequency Economic Indicators**

**Panel 2:  
Ghana's Leading Indicators of Economic Activity**

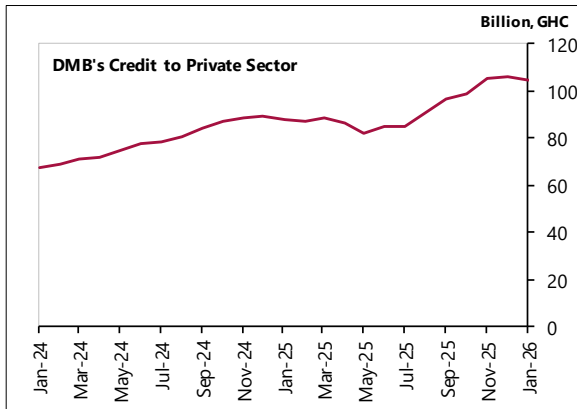
...Exports declined while imports remained largely unchanged in January 2026 compared to December 2025...



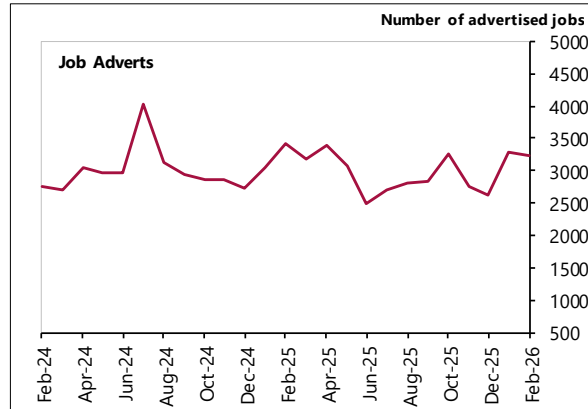
...Industrial activity, proxied by industrial consumption of electricity, remained relatively unchanged in January 2026...



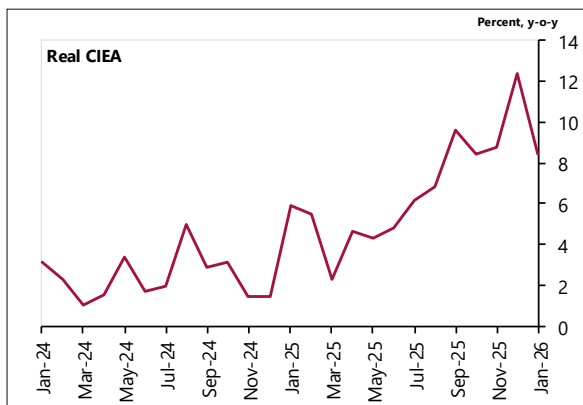
...Commercial banks' credit to the private sector remained largely unchanged in January 2026 relative to the previous month...



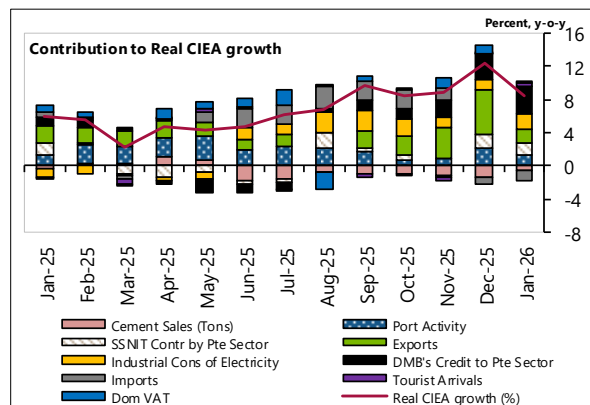
...Demand for labour, proxied by the number of job adverts (in print and online media), declined marginally in February 2026...



...On a year-on-year basis, the real CIEA grew by 8.4 percent in January 2026, compared with a growth of 6.0 percent in January 2025...



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

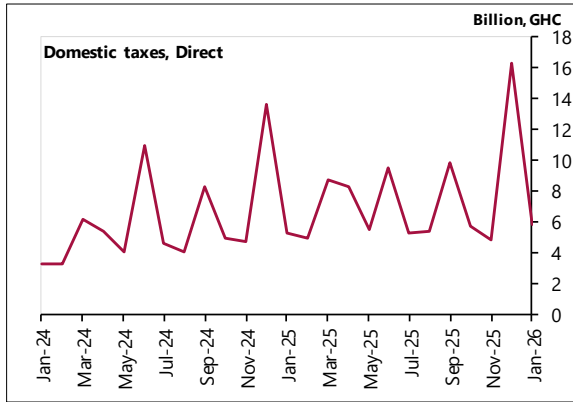


Source: Bank of Ghana, Various Stakeholders

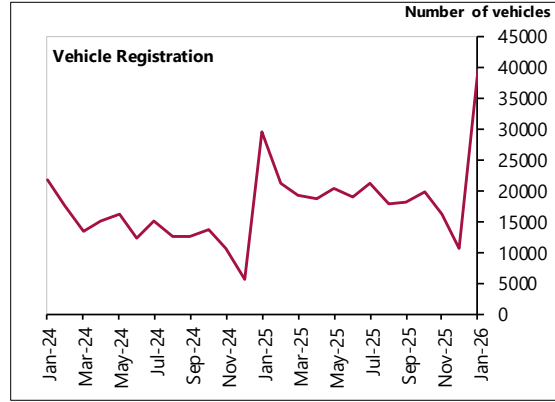
**Figure 3.1c: High Frequency Economic Indicators**

**Panel 3:  
Ghana's Leading Indicators of Economic Activity**

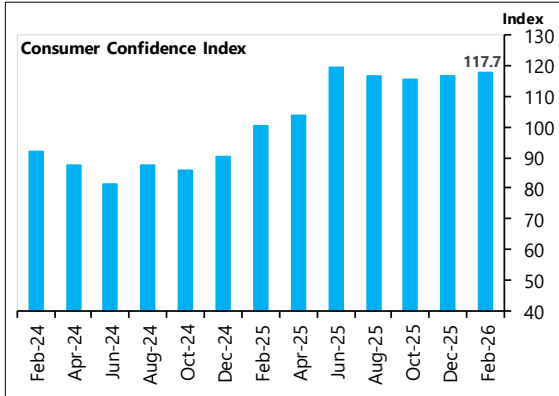
...Domestic tax collection decreased in January 2026 compared to December 2025...



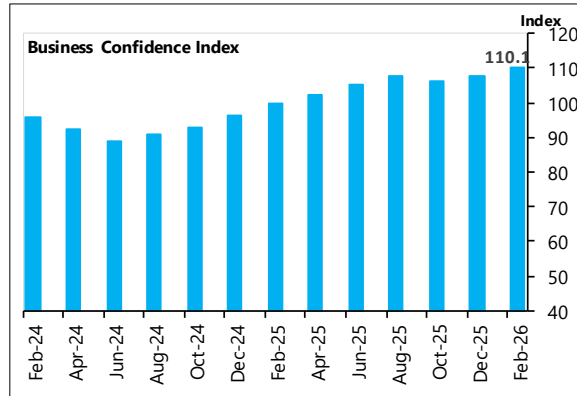
...Vehicle registration surged in January 2026 compared to the month before...



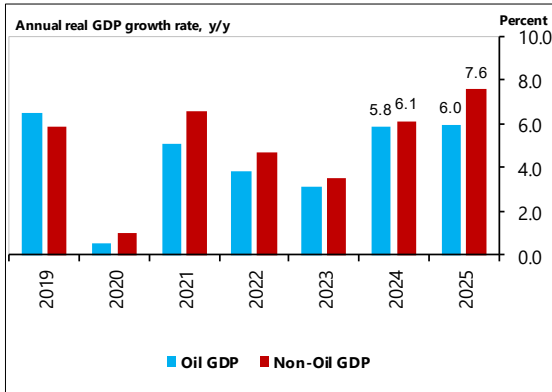
...Consumer confidence improved on account of easing inflationary pressures and optimism about future economic conditions...



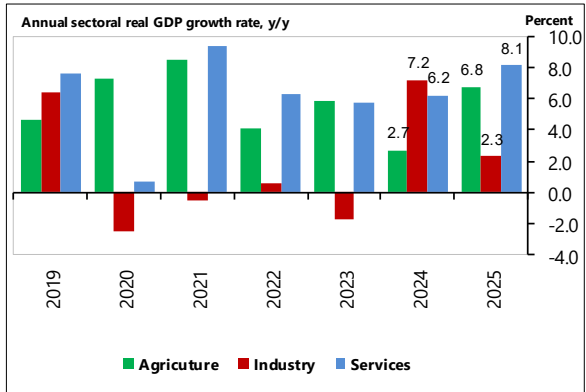
...Business Confidence improved as firms cited the realisation of operational targets and expressed optimism about industry prospects amid improving macroeconomic conditions...



...Real Oil and Non-Oil GDP grew by 6.0 percent and 7.6 percent respectively in 2025, compared with growth rates of 5.8 percent and 6.1 percent respectively in 2024...



...The Services and Agriculture sectors drove growth in 2025, recording growth rates of 8.1 percent and 6.8 percent respectively, relative to growth rates of 6.2 percent and 2.7 percent in 2024...



Source: Bank of Ghana, Various Stakeholders

## 4. Fiscal Developments

### 4.0 Highlights

*The provisional January-December 2025 fiscal performance on commitment basis indicates that: Fiscal performance for 2025 was marked by improved revenue buoyancy amid shortfalls in revenue outturns from targets. Total government expenditure for 2025 reflects deliberate fiscal restraint and improved expenditure control. Shortfalls in revenue performance was more than offset by a corresponding cut in government's spending. The fiscal deficit for the period under review was 1.0 percent of GDP, against the target of 2.8 percent of GDP. The primary balance recorded a surplus of 2.6 percent of GDP, against a primary surplus target of 1.5 percent of GDP. The overall fiscal deficit was financed from domestic and foreign sources.*

### 4.1 Revenue and Grants

Total Revenue & Grants for 2025 amounted to GH¢224,883.7 million (16.1% of GDP), lower than the target of GH¢229,949.7 million (16.4% of GDP). Over the review period, domestic revenue totalled GH¢223,059.1 million (15.9% of GDP), below the target of GH¢227,275.1 million (16.2% of GDP). The revenue outcomes reflected underperformances for tax revenue, oil and gas receipts, as well as grants. Tax revenue, comprising taxes on income & property, taxes on domestic goods and services, international trade taxes, and oil and gas related taxes, was GH¢183,987.2 million (13.1% of GDP), lower than the target of GH¢189,964.6 million (13.6% of GDP). This represented a negative deviation of 3.1 percent over the target, signalling systemic revenue leakages.

Non-Tax Revenue, totalled GH¢27,870.1 million, above the target of GH¢26,548.0 million by 5.0 percent. Compared with the outturn for 2024, this translates into a year-on-year growth of 0.5 percent. This performance was mainly due to lower than programmed Dividend/Interest & Profits from Oil (CAPI) as well as Yield from Capping Policy for the collection period.

Oil and gas receipts were GH¢8,711.0 million lower than the target of GH¢16,514.3 million by 47.3 percent. This tax type also recorded a year-on-year decline of 56.1 percent. Other revenue of GH¢10,335.6 million was above its target of GH¢9,568.9 million, therefore overperforming its target by 8.0 percent. This outturn is 109.7 percent above GH¢4,928.5 million collected in the corresponding period of 2024. Grants received for January-December 2025 totalled GH¢1,824.6 million, a shortfall of 31.8 percent from the programmed target of GH¢2,674.6 million for the review period. This outturn was also higher than GH¢1,715.7 million received in the corresponding period of 2024, translating into a year-on-year growth of 6.3 percent.

### 4.2 Expenditures

Total expenditures and net lending for the review period, totalled GH¢233,778.8 million. This was below the target of GH¢269,496.1 million by 13.3 percent.

Compensation of Employees was GH¢78,970.1 million, higher than the target of GH¢76,203.2 million. This outturn was above its target by 3.6 percent and recorded a 17.5 percent year-on-year growth. In terms of fiscal flexibility, compensation of employees constituted 35.4 percent of domestic revenue mobilised during the period under review.

Use of Goods and Services totalled GH¢6,089.6 million, lower than the expected target of GH¢6,671.1 million by 8.7 percent. This points to some restraint on the part of the government to control discretionary spending. This expense was also lower than GH¢11,509.0 million received in the corresponding period of 2024, reflecting a year-on-year decline of 47.1 percent.

Total interest payments of GH¢49,891.1 million was above the target of GH¢46,792.3 million for the review period. This outturn is 6.6 percent above the GH¢46,792.3 million recorded in the corresponding period of 2024. The reduced interest payment was mainly on account of lower domestic interest payments as well as the appreciation of the local currency on the external side.

Grants to other Government units amounted to GH¢57,719.7 million, higher than the target of GH¢46,425.5 million, resulting in a positive deviation of 5.8 percent. It also recorded a year-on-year growth of 24.3 percent.

Capital Expenditure for the period under review was GH¢20,235.3 million (1.4% of GDP), lower than the programmed target of GH¢32,661.6 million (2.3% of GDP) by 38 percent. This outturn represented a year-on-year decline of 31.1 percent over the outturn of 2024.

Other Expenditure for 2025 was GH¢17,873.8 million, 50.3 percent below the target of GH¢35,948.5 million. This outturn compares with GH¢23,993.3 million, recorded in the corresponding period of 2024.

**Table 4.1: Revenue and Grants**

<i>In GH¢ unless otherwise stated</i>	2024 Prov Outturn	2025 Budget Revised	2025 Prov Outturn	2025 Prog Q1-Q4	Deviation	Y-O-Y Growth
<b>I. REVENUES</b>						
<b>Total Revenue &amp; Grants</b>	<b>186,593.3</b>	<b>229,949.7</b>	<b>224,883.7</b>	<b>229,949.7</b>	<b>-2.2</b>	<b>20.5</b>
(per cent of GDP)	15.9	16.4	16.1	16.4		
<b>Domestic Revenue</b>	<b>184,877.6</b>	<b>227,275.1</b>	<b>223,059.1</b>	<b>227,275.1</b>	<b>-1.9</b>	<b>20.7</b>
(per cent of GDP)	15.7	16.2	15.9	16.2		
<b>Tax Revenue</b>	<b>151,155.0</b>	<b>189,964.6</b>	<b>183,987.2</b>	<b>189,964.6</b>	<b>-3.1</b>	<b>21.7</b>
(per cent of GDP)	12.9	13.6	13.1	13.6		
<b>Taxes on Income and Property</b>	<b>78,742.0</b>	<b>97,761.9</b>	<b>95,238.5</b>	<b>97,761.9</b>	<b>-2.6</b>	<b>21.0</b>
(per cent of GDP)	6.7	7.0	6.8	7.0		
Personal	23,604.5	29,051.1	26,889.3	29,051.1		
Company Taxes	33,919.4	45,870.8	46,453.9	45,870.8		
Company Taxes on Oil	7,356.8	5,220.3	3,914.2	5,220.3		
Other Direct Taxes	13,861.3	17,619.7	17,981.0	17,619.7		
<b>Taxes on Domestic Goods and Services</b>	<b>60,499.2</b>	<b>73,757.1</b>	<b>74,202.1</b>	<b>73,757.1</b>	<b>0.6</b>	<b>22.6</b>
(per cent of GDP)	5.1	5.3	5.3	5.3		
Excises	6,799.9	8,140.1	5,655.9	8,140.1		
VAT	33,683.8	42,984.9	42,904.2	42,984.9		
National Health Insurance Levy (NHIL)	7,160.3	8,571.5	9,897.6	8,571.5		
GETFund Levy	7,160.6	8,571.9	9,838.9	8,571.9		
Communication Service Tax	931.1	1,114.6	1,984.3	1,114.6		
E-Transaction Levy	2,024.1	517.7	812.7	517.7		
Covid-19 Health Levy	2,739.4	3,856.4	3,108.4	3,856.4		
<b>International Trade Taxes</b>	<b>19,917.5</b>	<b>26,013.0</b>	<b>23,304.5</b>	<b>26,013.0</b>	<b>-10.4</b>	<b>17.0</b>
(per cent of GDP)	1.7	1.9	1.7	1.9		
Import Duties	19,917.5	26,013.0	23,304.5	26,013.0		
<b>Tax Refunds</b>	<b>-8,003.7</b>	<b>-7,567.4</b>	<b>-8,757.9</b>	<b>-7,567.4</b>	<b>15.7</b>	<b>9.4</b>
(per cent of GDP)	-0.7	-0.5	-0.6	-0.5		
<b>Social Contributions</b>	<b>1,060.5</b>	<b>1,193.5</b>	<b>866.2</b>	<b>1,193.5</b>	<b>-27.4</b>	<b>-18.3</b>
(per cent of GDP)	0.1	0.1	0.1	0.1		
<b>Non-Tax Revenue</b>	<b>27,733.6</b>	<b>26,548.0</b>	<b>27,870.1</b>	<b>26,548.0</b>	<b>5.0</b>	<b>0.5</b>
(per cent of GDP)	2.4	1.9	2.0	1.9		
<b>Other Revenue</b>	<b>4,928.5</b>	<b>9,569.0</b>	<b>10,335.6</b>	<b>9,569.0</b>	<b>8.0</b>	<b>109.7</b>
(per cent of GDP)	0.4	0.7	0.7	0.7		
<b>Grants</b>	<b>1,715.7</b>	<b>2,674.6</b>	<b>1,824.6</b>	<b>2,674.6</b>	<b>-31.8</b>	<b>6.3</b>
(per cent of GDP)	0.1	0.2	0.1	0.2		
Project Grants	1,715.7	2,674.6	1,824.6	2,674.6		
Programme Grants	0.00	0.00	0.00	0.00		

Source: Ministry of Finance

### 4.3 Budget Balance and Financing

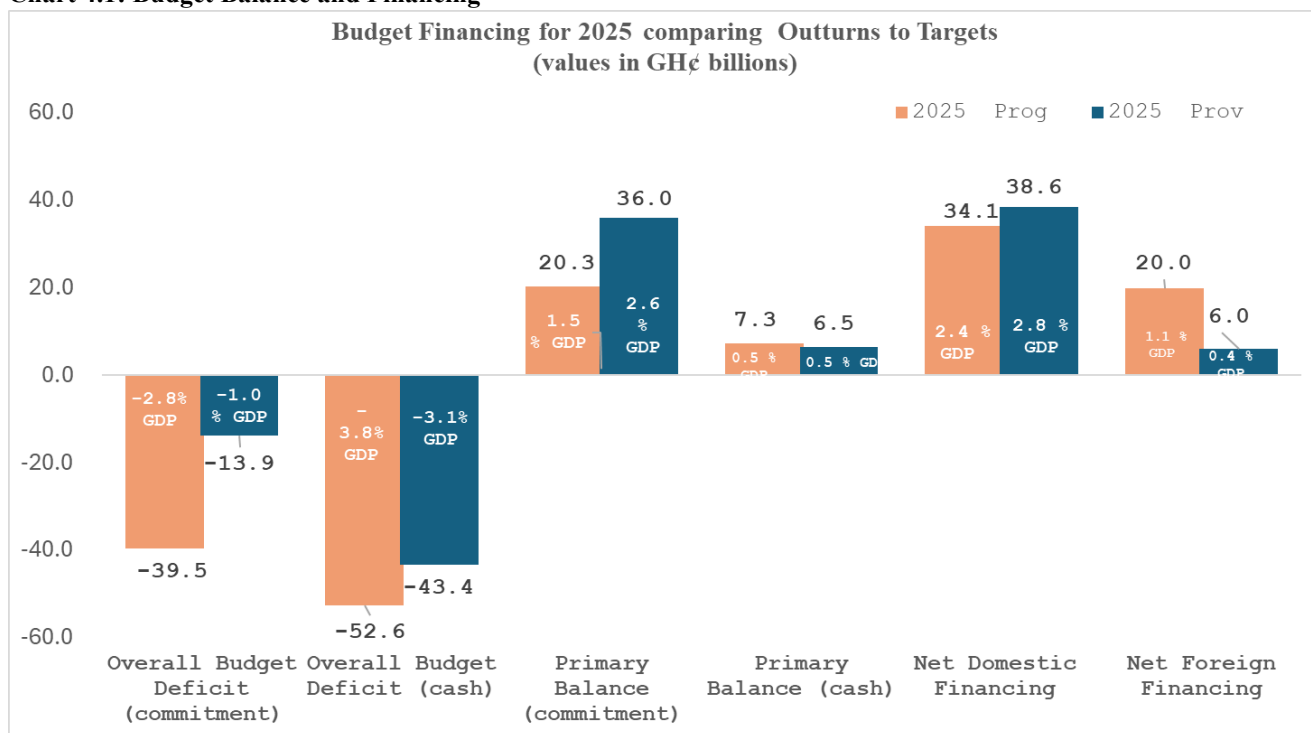
Government budgetary operations resulted in an overall budget deficit (commitment) of GH¢13,856.3 million (1.0% of GDP) for the period of January-December 2025. This was lower than the expected target of GH¢39,546.3 million (2.8% of GDP). The corresponding primary balance was a surplus of 2.6 percent of GDP, against a primary surplus target of 1.5 percent of GDP. On cash basis, the overall deficit was GH¢43,400.0 million compared with the target of GH¢52,613.9 million. This translates into 3.1 percent of GDP compared with a target of 3.8 percent of GDP. The overall fiscal deficit of GH¢43,400.0 million was financed from domestic and foreign sources. Domestic financing (net) was GH¢38,550.9 million, higher than the outturn of GH¢41,536.7 million recorded in the same period in 2024. Foreign financing recorded a net outflow of GH¢6,011.7 million (0.4% of GDP), lower than the target of GH¢19,980.5 million (1.4 % of GDP).

**Table 4.2: Expenditure**

<i>In GH¢ unless otherwise stated</i>	2024 Prov Outturn	2025 Budget Revised	2025 Prov Outturn	2025 Prog Q1-Q4	Deviation	Y-O-Y Growth
<b>II. EXPENDITURE</b>						
<b>Total Expenditure (Commitment)</b>	<b>226,243.5</b>	<b>269,496.1</b>	<b>233,778.8</b>	<b>269,496.1</b>	<b>-13.3</b>	<b>3.3</b>
(percent of GDP)	19.2	19.2	16.7	19.2		
<b>Compensation of Employees</b>	<b>67,189.0</b>	<b>76,203.2</b>	<b>78,970.1</b>	<b>76,203.2</b>	<b>3.6</b>	<b>17.5</b>
Wages & Salaries	60,351.6	68,197.3	70,987.9	68,197.3		
(percent of GDP)	5,131.0	4,871.2	5,070.5	4,871.2		
Social Contributions	6,837.4	8,005.9	7,982.2	8,005.9		
<b>Use of Goods and Services</b>	<b>11,509.0</b>	<b>6,671.1</b>	<b>6,089.6</b>	<b>6,671.1</b>	<b>-8.7</b>	<b>-47.1</b>
(percent of GDP)	1.0	0.5	0.4	0.5		
<b>Interest Payment</b>	<b>46,792.3</b>	<b>59,866.1</b>	<b>49,891.1</b>	<b>59,866.1</b>	<b>-16.7</b>	<b>6.6</b>
(percent of GDP)	4.0	4.3	3.6	4.3		
Domestic	40,058.4	51,154.9	41,317.7	51,154.9		
External	6,733.9	8,711.2	8,573.4	8,711.2		
<b>Subsidies</b>	<b>208.9</b>	<b>342.0</b>	<b>91.2</b>	<b>342.0</b>	<b>-73.3</b>	<b>-56.3</b>
(percent of GDP)	0.0	0.0	0.0	0.0		
<b>Grants to Other Government Units</b>	<b>46,425.5</b>	<b>54,566.6</b>	<b>57,719.7</b>	<b>54,566.6</b>	<b>5.8</b>	<b>24.3</b>
(percent of GDP)	3.9	3.9	4.1	3.9		
<b>Social Benefits</b>	<b>736.8</b>	<b>3,237.0</b>	<b>2,908.0</b>	<b>3,237.0</b>	<b>-10.2</b>	<b>294.7</b>
(percent of GDP)	0.1	0.2	0.2	0.2		
<b>Other Expenditure</b>	<b>23,993.3</b>	<b>35,948.5</b>	<b>17,873.8</b>	<b>35,948.5</b>	<b>-50.3</b>	<b>-25.5</b>
(percent of GDP)	2.0	2.6	1.3	2.6		
<b>Capital Expenditure</b>	<b>29,388.7</b>	<b>32,661.6</b>	<b>20,235.3</b>	<b>32,661.6</b>	<b>-38.0</b>	<b>-31.1</b>
(percent of GDP)	2.5	2.3	1.4	2.3		
Domestic Financed	14,732.6	21,006.1	14,822.9	21,006.1		
Foreign Financed	14,656.1	11,655.5	5,412.5	11,655.5		
<b>Outstanding Current Year Expenditure Claims</b>	<b>49,237.2</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		

Source: Ministry of Finance

**Chart 4.1: Budget Balance and Financing**



Source: Ministry of Finance

#### 4.4 Public Debt Analysis

The debt to GDP ratio reduced sharply due to the appreciation of the local currency, reduced borrowing cost, high primary surplus, effective debt management and higher estimated GDP in 2025. The rate of debt accumulation has declined on the back of these developments, resulting in the decreases in the stock of total public debt at the end of December 2025. In addition, improved macroeconomic developments have reduced the cost of debt service, however, the conclusion of the external debt restructuring may result in some legacy issues.

The stock of public debt decreased to 45.3 percent of the estimated GDP in Dec. 2025 from 61.8 percent of GDP in Dec. 2024. Similarly rate of debt accumulation shifted from 19.1 percent in 2024 to negative 11.8 percent by December 2025.

The provisional debt stock of central government and guaranteed debt stood at GH¢640.99 billion (45.3% of GDP) at end-December 2025 from GH¢726.7 billion (61.8% of GDP) at end-Dec 2024. Out of the total public debt, external debt was GH¢307.2 billion (21.7% of GDP) and domestic debt totalled GH¢333.8 billion (23.6% of GDP). The sharp decline is reflected in both external and domestic debt-to-GDP ratios. The decline in the public debt was largely due to appreciation of the local currency, increased amortisation, and prudent borrowing practices, reduced borrowing cost and fiscal discipline resulting in the higher primary surplus.

The external debt increased in foreign currency terms to reflect new loan disbursement, but in local currency terms, it decreased from GH¢416.8 billion in Dec 2024 to GH¢307.2 billion in December 2025. The decline was mainly driven by strong performance of the Cedi and principal repayments of both Eurobonds and multilateral debt, resulting in a reduction in the external debt stock denominated in local currency by GH¢125.2 billion (9% of estimated GDP).

The domestic debt, on the other hand, increased modestly from GH¢309.8 billion to GH¢333.8 billion despite the reduction in the domestic debt to GDP. The rise reflects government's plan to borrow to build buffers to meet its financial obligations. The increase in domestic debt came largely from the short-term instruments.

**Table 4.3: Public Debt**

	2024	2025	2025	2025	2025	2025	2025	2025	2025	2025	Dec. 2025 - Dec. 2024
	DECEMBER	MARCH	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER		CHANGE
<b>TOTAL DOMESTIC DEBT (GH¢m)</b>	<b>309,844.8</b>	<b>326,903.1</b>	<b>312,681.1</b>	<b>323,746.1</b>	<b>322,629.4</b>	<b>317,590.8</b>	<b>310,993.5</b>	<b>314,475.1</b>	<b>333,794.2</b>		<b>23,949.3</b>
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	127,026.5		15,860.8
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	135,809.3		6,758.1
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	70,469.3		1,909.4
STANDARD LOANS	1,068.1	855.1	520.3	528.9	575.2	581.2	509.4	526.8	489.1		(579.0)
<b>HOLDINGS OF DOMESTIC DEBT (GH¢m)</b>	<b>309,844.8</b>	<b>326,903.1</b>	<b>312,681.1</b>	<b>323,746.1</b>	<b>322,629.4</b>	<b>317,590.8</b>	<b>310,993.5</b>	<b>314,475.1</b>	<b>333,794.2</b>		<b>23,949.3</b>
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	142,101.6		6,344.7
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	177,754.5		18,149.6
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	13,449.0		34.0
STANDARD LOANS	1,068.1	855.1	520.3	528.9	575.2	581.2	509.4	526.8	489.1		(579.0)
<b>TOTAL EXTERNAL (US\$m)</b>	<b>28,322.6</b>	<b>28,479.8</b>	<b>29,110.3</b>	<b>29,035.4</b>	<b>29,218.9</b>	<b>29,534.3</b>	<b>29,269.1</b>	<b>29,280.7</b>	<b>29,382.3</b>		<b>1,059.7</b>
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	12,427.7		1,192.0
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	5,868.8		594.8
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	11,085.8		(727.1)
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	307,197.4		(109,637.8)
<b>TOTAL PUBLIC DEBT (GH¢m)</b>	<b>726,680.0</b>	<b>769,416.8</b>	<b>612,959.2</b>	<b>628,771.3</b>	<b>655,891.0</b>	<b>684,590.1</b>	<b>630,187.1</b>	<b>644,633.0</b>	<b>640,991.6</b>		<b>(85,688.4)</b>
<b>EXCHANGE RATE (End Period Selling MOF)</b>	<b>14.7174</b>	<b>15.5378</b>	<b>10.3152</b>	<b>10.5053</b>	<b>11.4057</b>	<b>12.4262</b>	<b>10.9058</b>	<b>11.2756</b>	<b>10.4552</b>		
<b>MEMORANDUM ITEMS</b>											
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	1,415,764.0	1,415,764.0	
<b>TOTAL DEBT /GDP RATIO (%)</b>	<b>61.78</b>	<b>54.35</b>	<b>43.30</b>	<b>44.41</b>	<b>46.33</b>	<b>48.35</b>	<b>44.51</b>	<b>45.53</b>	<b>45.28</b>		
EXTERNAL DEBT/GDP	35.4	31.3	21.2	21.5	23.5	25.9	22.5	23.3	21.7		
DOMESTIC DEBT/GDP	26.3	23.1	22.1	22.9	22.8	22.4	22.0	22.2	23.6		
EXTERNAL DEBT/TOTAL DEBT	57.4	57.5	49.0	48.5	50.8	53.6	50.7	51.2	47.9		
DOMESTIC DEBT/TOTAL DEBT	42.6	42.5	51.0	51.5	49.2	46.4	49.3	48.8	52.1		

Source: Bank of Ghana, Ministry of Finance

#### **4.5 Risks to the Outlook**

Government overperformed in terms of its key fiscal anchor for 2025, reflecting a primary surplus on commitment basis of 2.6 percent of GDP. This outcome had a damping effect on government's debt stock and improved sustainability going forward.

Government is committed to sustaining the improvement by respecting the targets and programmes outlined in the 2026 budget. Revenue mobilisation is expected to improve with the steady implementation of the new revenue measures outlined in the 2026 budget and the infusion of technology and AI, not only to plug revenue loopholes but also to enhance efficiency in collections.

Expenditure control and efficiency gains are expected with the scale-up in the implementation of the commitment authorisation and commencement of the operations of the value for money activity.

In addition, continued fiscal consolidation efforts will help reduce debt accumulation and debt service costs. Also, sustained improvements in real growth, lower real interest rate 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 implications for the domestic currency, and more domestic savings would be needed to meet future external debt service obligations. High Reserves accumulation remains key to meet high external debt service payments, and appreciable reserves would be required to contain the exchange rate pressures.

## 5. Monetary and Financial Developments

### 5.0 Highlights

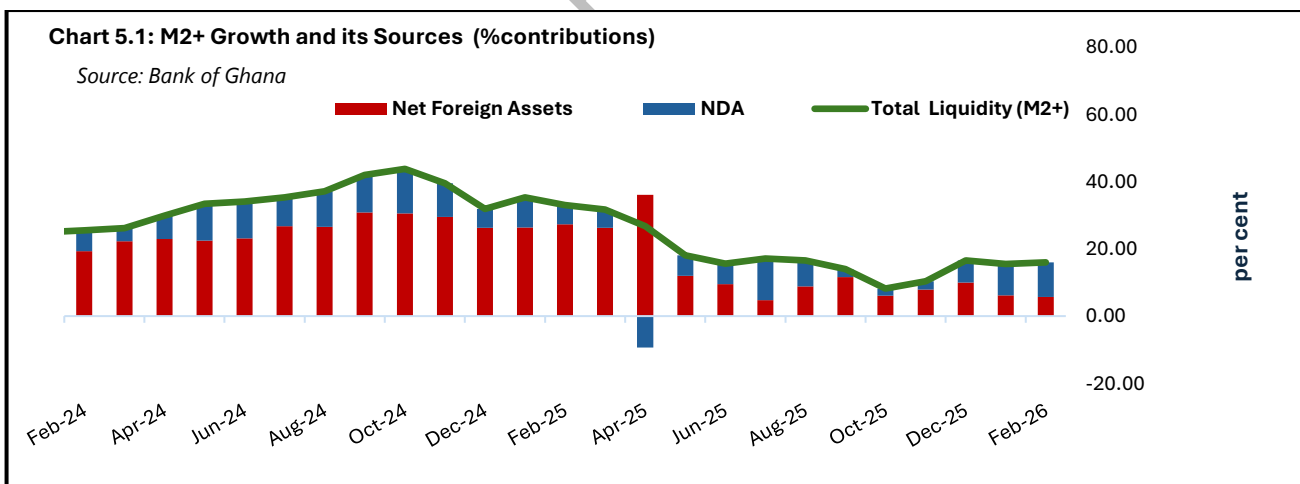
Growth in monetary aggregates slowed in February 2026 relative to February 2025, consistent with the objective of anchoring inflation expectations. Broad money supply (M2+) growth was lower at 16.0 percent in February 2026 compared to 33.1 percent in the previous year, while reserve money contracted by 0.5 percent year-on-year in February 2026, relative to a growth of 68.8 percent in February 2025. Nominal credit growth year-on-year remained subdued as banks continued to favour Bank of Ghana and Government securities. Real private sector credit, however, recorded modest gains, aided by strong disinflation and gradually improving borrowing conditions. Short-term interest rates fell sharply on a year-on-year basis, consistent with reductions in the monetary policy rate, while medium-to-long-term yields held steady. Financial market activity continued to post a strong performance in the first two months of 2026, with the GSE Composite Index recording notable gains. Market capitalisation also increased on the back of improved investor sentiment and stronger profitability among listed firms. These developments underscored a gradual improvement in financing conditions and investor confidence, thereby reinforcing overall stability in the macroeconomy.

### 5.1 Developments in Monetary Aggregates

#### Money Supply

Annual growth in broad money supply (M2+) decelerated to 16.0 percent in February 2026 from 33.1 percent in February 2025, marking a significant slowdown in liquidity expansion. This outcome reflected a decline in contributions from Net Foreign Assets (NFA), while the contribution of Net Domestic Assets (NDA) remained moderate, consistent with low liquidity creation in the banking system.

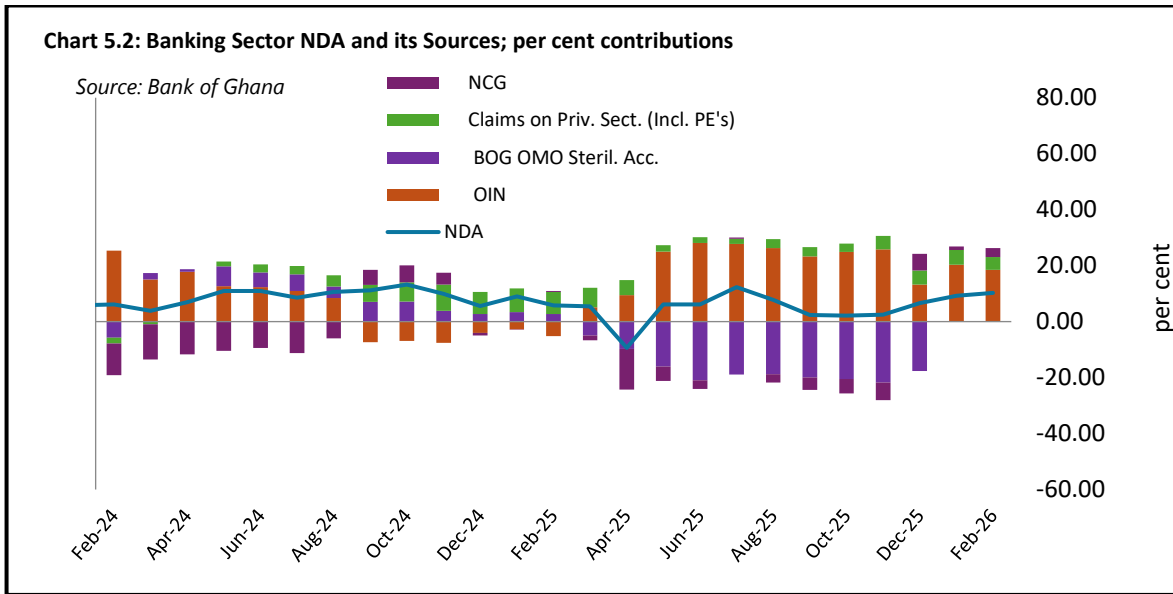
The contribution of NFA to overall liquidity growth declined markedly to 5.7 percent in February 2026, compared with 27.3 percent a year earlier. This moderation was driven primarily by valuation effects associated with the appreciation of the cedi in 2025, which reduced the domestic-currency value of foreign-denominated assets.



Source: Bank of Ghana

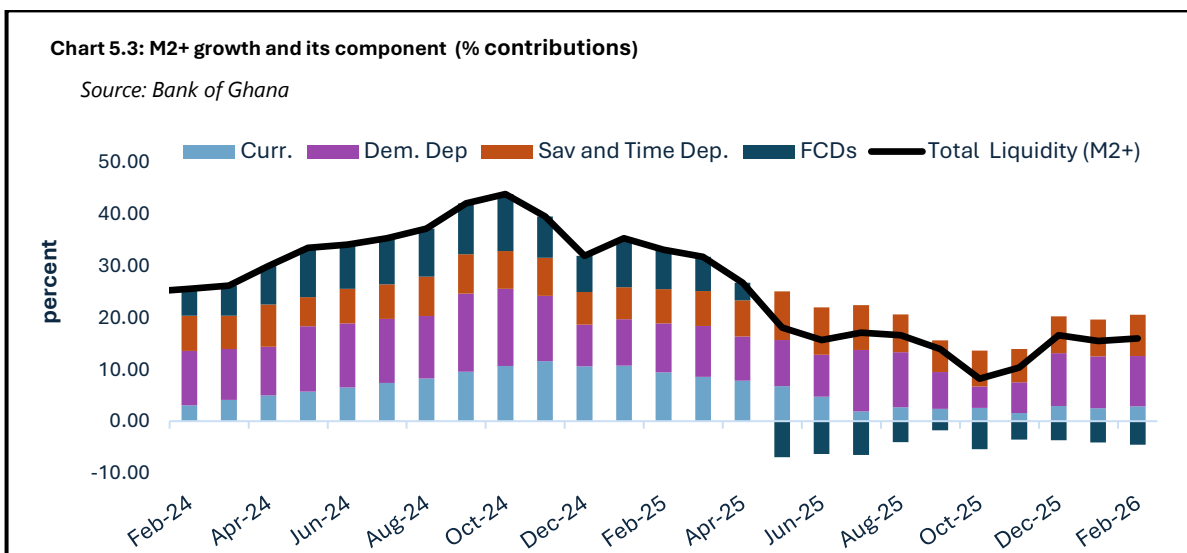
The contribution of NDA to M2+ growth increased to 10.3 percent from 5.8 percent in February 2025. This development was largely underpinned by increases in Net Claims on Government (NCG) and Other Items (Net). The contribution of NCG to NDA growth was 3.2 percent in February 2026, compared to a contribution of negative 0.4 percent a year earlier, reflecting in part an increased preference for government securities by the banks. Other Items (Net) accounted for 18.5 percent of the growth in M2+ growth, compared with negative 5.2 percent in February 2025. These upward pressures

on NDA were, however, partially offset by a decline in the contribution of claims on the private sector (including public enterprises) during the review period.



Source: Bank of Ghana

In terms of the composition of M2+ growth, the contribution of savings and time deposits increased to 8.0 percent from 6.2 percent a year earlier, while the contribution of demand deposits increased marginally to 9.7 percent from 9.5 percent in February 2025, consistent with the trend of stable deposit mobilisation by banks. In contrast, the contribution of currency declined sharply to 2.8 percent, from 9.4 percent in the previous year, reflecting restrained cash demand. Foreign currency deposits (FCDs) exerted a significant drag on money supply growth, with its contribution declining to negative 4.5 percent in February 2026, compared with 7.6 percent in February 2025. This reversal largely reflected valuation effects from the appreciation of the domestic currency in 2025, as well as a stronger preference for cedi-denominated assets amid improved confidence in domestic financial conditions.



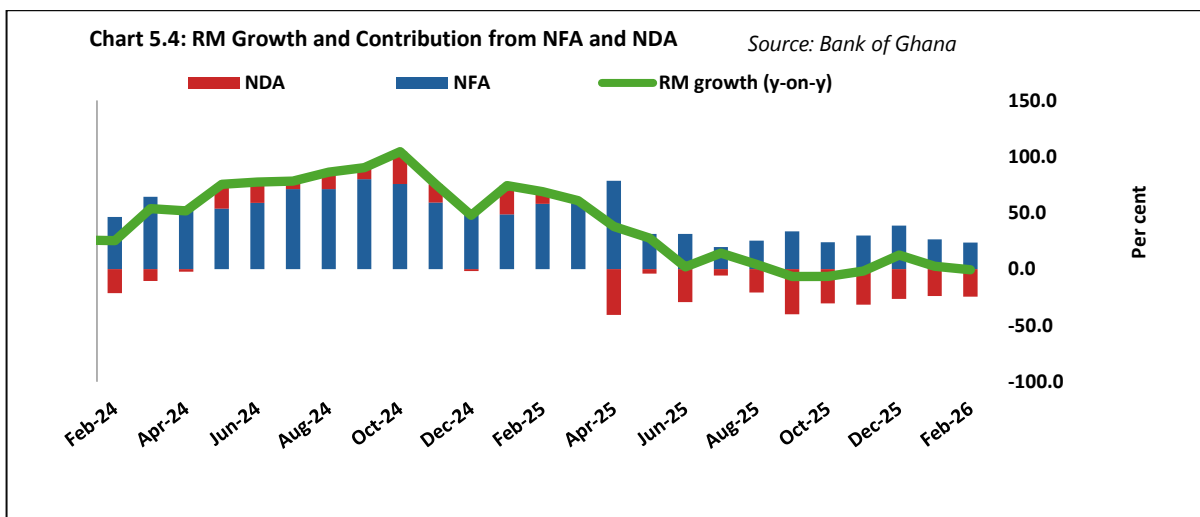
Source: Bank of Ghana

### 5.2 Reserve Money

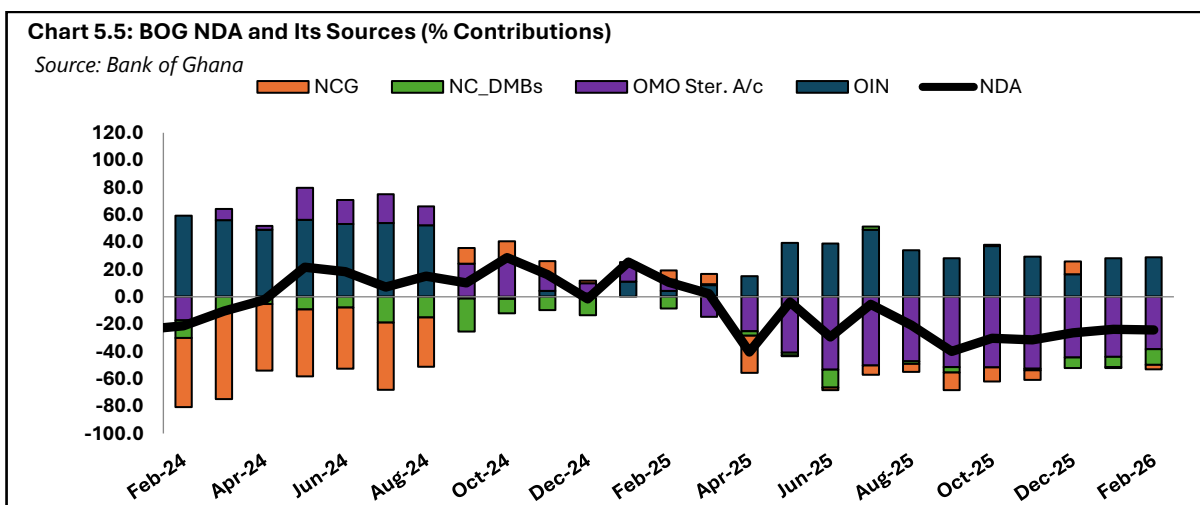
Reserve Money (RM) growth moderated significantly in February 2026 relative to February 2025, underpinned by the relatively tight monetary policy stance of the Bank of Ghana during the review period. Accordingly, RM contracted 0.5 percent in February 2026 compared with the growth of 47.8 percent recorded in February 2025.

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 24.3 percent in February 2026, compared to a contribution of 10.8 percent in February 2025, on account of intensified Open Market Operations (OMO) aimed at sterilising excess liquidity. This was, however, moderated by an 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¢91,519.5 million in February 2026 from GH¢58,014.9 million in February 2025, 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 cedi in 2025, which reduced the domestic-currency value of foreign-denominated assets. As a result, the contribution of NFA to RM growth declined to 23.8 percent in February 2026, from 58.1 percent a year earlier.



Source: Bank of Ghana



Source: Bank of Ghana

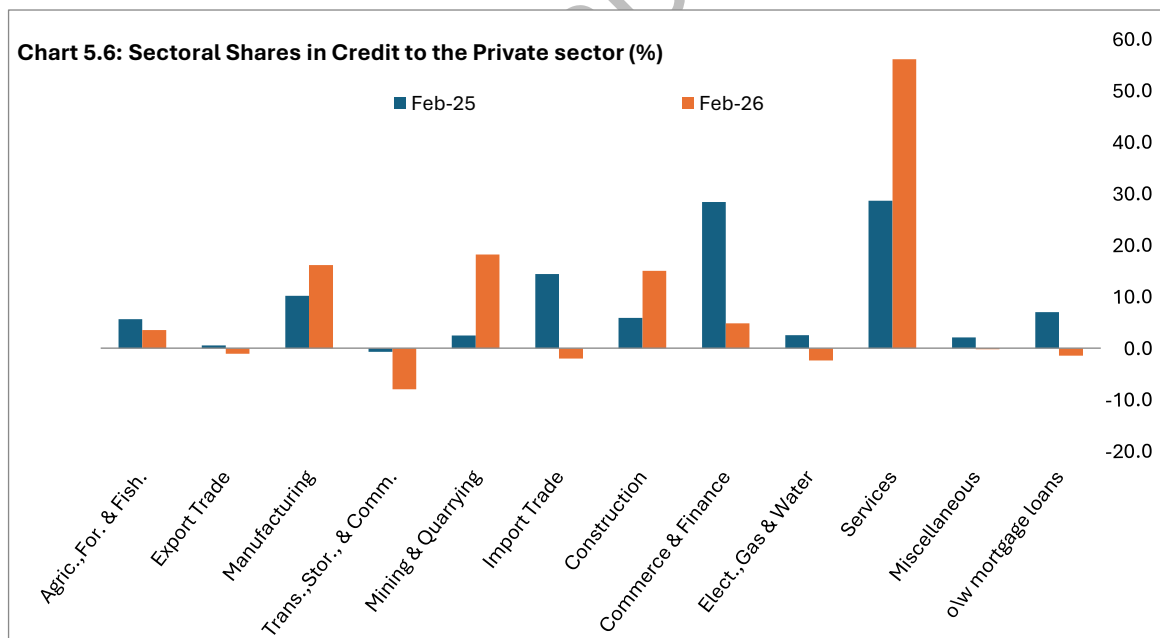
### 5.3 Deposit Money Banks Credit Developments

Credit conditions in the banking sector remained subdued in February 2026, reflecting banks’ cautious risk-taking stance and a continued preference for Government and Bank of Ghana securities. Total net credit flows slowed to GH¢14,571.66 million (15.6 percent) as at end-February 2026, compared with GH¢18,881.31 million (25.3 percent) in February 2025. The decline was a result of a marked reduction in lending to the public sector, alongside softer credit expansion to the private economy.

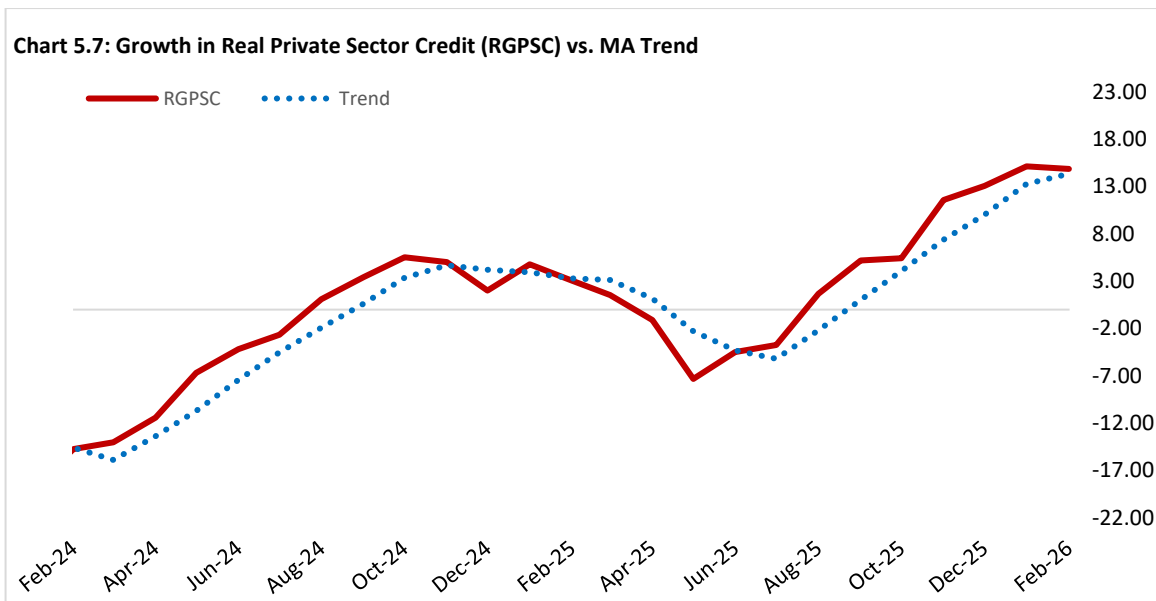
Credit to the public sector contracted significantly during the review period. Public sector credit declined by GH¢1,762.62 million (-27.8 percent) in February 2026, in contrast with the GH¢357.58 million (6.0 percent) expansion recorded a year earlier. This decline reflected the ongoing fiscal consolidation, which had resulted in reduced government borrowing from the banking system during the period.

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¢16,334.27 million (18.7 percent) between February 2025 and February 2026, although this reflected a moderation from the increase of GH¢18,523.73 million (26.9 percent growth) recorded a year earlier. The private sector’s share of total outstanding credit, however, increased to 95.8 percent from 93.7 percent in February 2025. Nominal private sector credit stood at GH¢103,667.90 million at end-February 2026, compared with GH¢87,333.63 million recorded in February 2025.

Sectoral breakdown of private-sector credit flows indicated that the Services sector received the largest proportion of annual credit flows of GH¢9,164.21 million (32.6 percent) in February 2026, significantly higher than the flows of GH¢5,305.02 million (23.2 percent) recorded same time last year. The Mining and Quarrying sector also received increased flows of GH¢2,965.95 million (110.2 percent) in February 2026 compared with GH¢451.11 million (20.1 percent) a year earlier. Credit flows to the transport, storage and communication sector, however, declined significantly during the period under review.



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 14.9 percent in February 2026, compared to 3.1 percent in February 2025. This reflected an improving trend in real private sector growth since the second half of 2025. Real private sector credit growth remained marginally above its long-term trend level in February 2026.

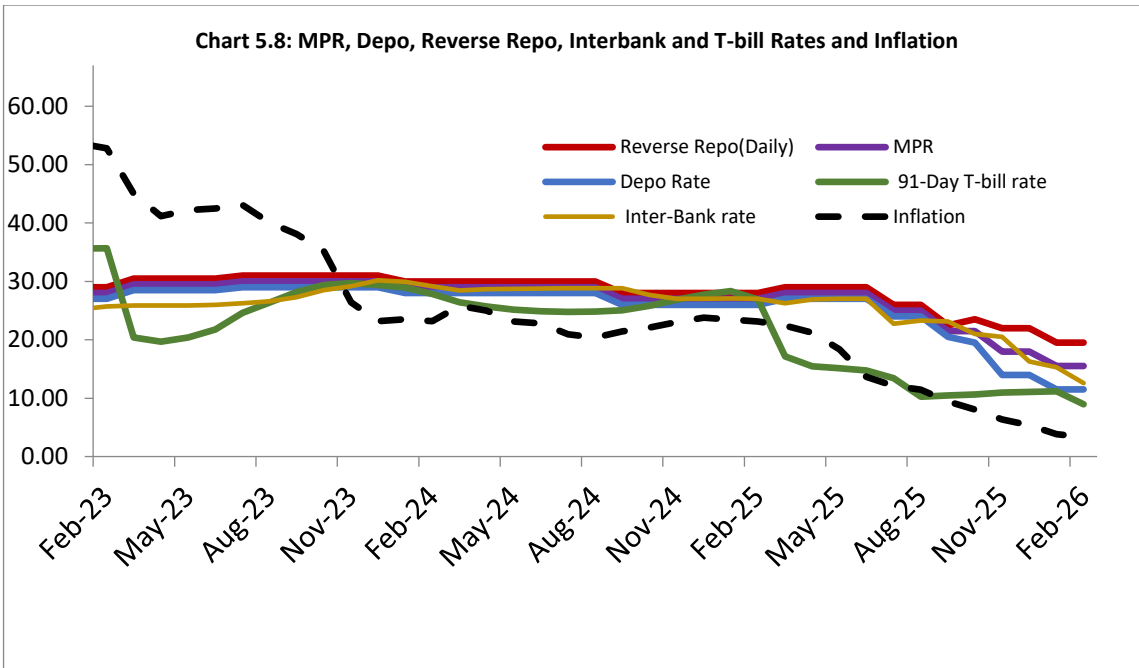
#### 5.4 Money Market Developments

Interest rate developments in February 2026 showed broad declines consistent with the easing cycle initiated by the Bank of Ghana since the second half of 2025 and the continued trend in disinflation. These movements contrast sharply with conditions in February 2025, when rates remained elevated, consistent with tight monetary conditions aimed at anchoring inflation expectations.

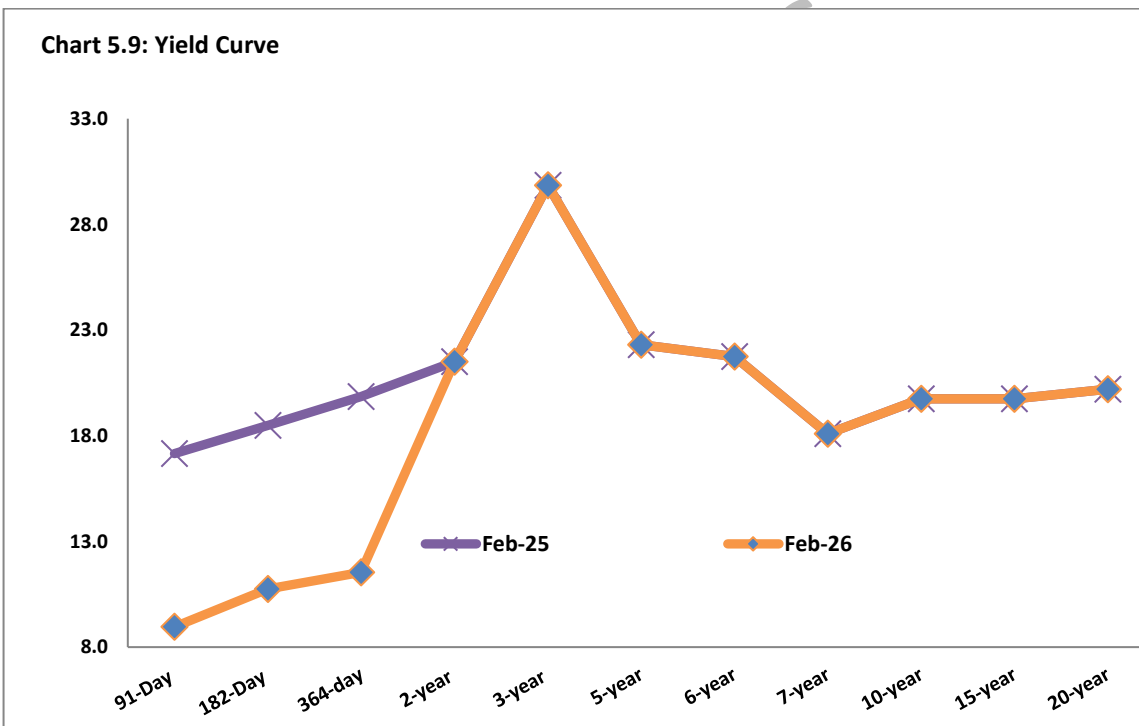
The Monetary Policy Rate (MPR) declined significantly to 15.5 percent in February 2026, from 27.0 percent in February 2025. The 11.5 percentage points reduction in the MPR reflected the cumulative policy easing undertaken in 2025 and 2026, as inflation pressures abated and the macroeconomic environment 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 12.6 percent in February 2026 from 27.0 percent a year earlier, indicating a declining cost of overnight borrowing. Similarly, the average lending rate of banks eased to 19.2 percent from 30.1 percent in February 2025, reflecting a pass-through of the reduction in policy rate to market rates. Real rates, however, remained broadly positive on account of the faster pace of disinflation relative to the declines in nominal rates during the review period.

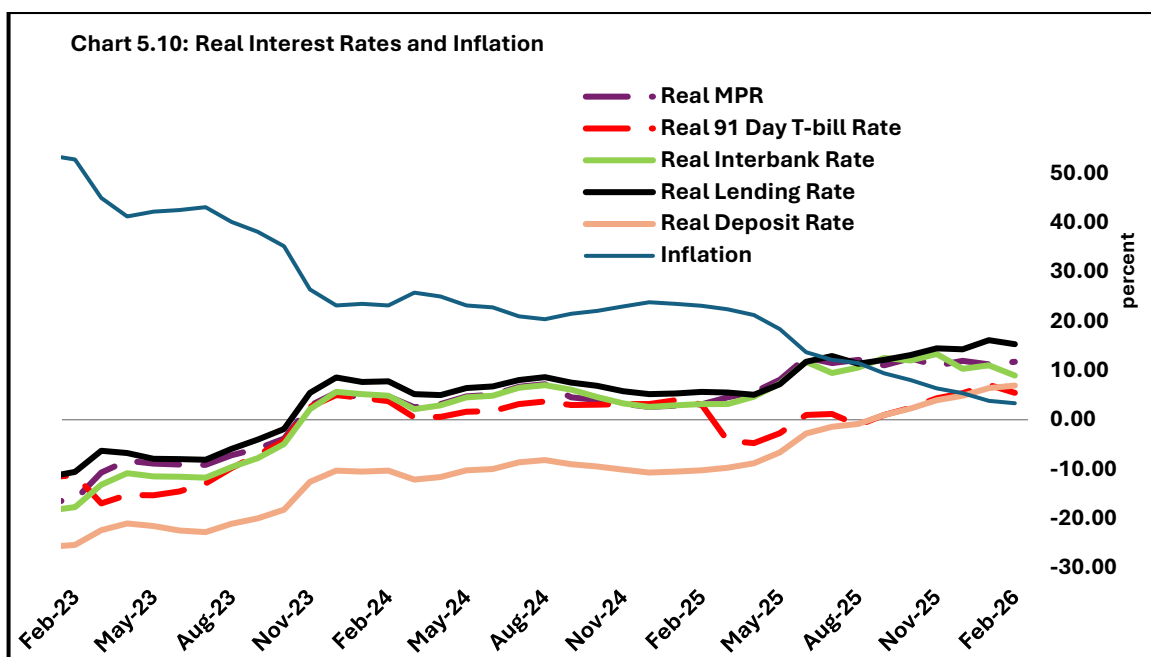
Developments in the Treasury bill market were consistent with the general decline in interest rates. The 91-day, 182-day, and 364-day Treasury bill rates declined sharply to 9.0 percent, 10.8 percent, and 11.5 percent, respectively, compared with 26.9 percent, 27.7 percent, and 28.9 percent a year earlier. 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



Source: Bank of Ghana

### 5.5 Stock Market Developments

Activity on the Ghana Stock Exchange (GSE) strengthened in February 2026, supported by improved investor sentiment, stronger corporate earnings, and continued macroeconomic stability. The GSE Composite Index (GSE-CI) closed the month at 12,869.2 points, compared with 5,659.8 points in February 2025, representing a growth rate of 127.4 percent. This marked improvement reflects sustained buying interest across key counters, improved profitability among listed firms, and renewed portfolio inflows as inflation eased and financial conditions stabilised. Sectoral performance was broadly positive, with notable contributions from the Food and Beverage Agriculture, Distribution, and Finance and IT sectors with annual growth rates of 178.7, 175.9 percent, 168.3 percent and 157.4 percent, respectively.

The GSE Financial Stocks Index (GSE-FI) also recorded significant growth, rising to 7,692.9 points in February 2026 from 2,814.3 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.

Market capitalisation continued its upward trajectory, increasing to GH¢235,736.20 billion at end-February 2026 from GH¢127,820.29 billion in February 2025. This represents a substantial expansion in overall market value, driven primarily by appreciable gains in share prices across both financial and non-financial sectors. The sharp rise in market capitalisation also reflects renewed investor confidence in the equity market, improved corporate performance, and the broader macroeconomic gains achieved during the year.

### 5.6 Conclusion

Monetary developments in February 2026 remained relatively tight compared to monetary conditions in the same period last year. Growth in both broad money (M2+) and reserve money moderated sharply in February 2026 relative to the elevated levels observed in February 2025, while nominal credit growth moderated over the review period, notwithstanding the pickup in real private sector credit growth over the same comparative period.

In the money market, short-term interest rates declined on a year-on-year basis, in line with Government's fiscal consolidation efforts. Policy rate adjustments flowed through the market, with declines in the interbank rate and average

lending rate easing the cost of financing for firms and households. Notwithstanding the substantial fall in inflation, real interest rates remained positive, reinforcing the Bank's relatively tight policy stance despite the nominal easing.

Activity on the Ghana Stock Exchange continued to pick up in February 2026, with the GSE Composite Index and GSE Financial Index recording substantial year-on-year gains. Market capitalisation expanded markedly, driven by broad share price appreciation—particularly among financial, IT, and distribution sectors. The recovery in stock valuations reflects improved profitability of listed firms, renewed investor confidence, and a stabilising macroeconomic environment.

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## 6. Banking Sector Developments and Macroprudential Risk Assessment

### 6.0 Highlights

*The banking sector posted a strong performance during the first two months of 2026, on the back of sustained growth in total assets and deposits. The industry's balance sheet was robust, with growth in assets in February 2026 funded principally by deposits and other funding sources. The industry was profitable as profit-before-tax (PBT) and profit-after-tax (PAT) for February 2026 was higher compared to profits in February 2025. The Financial Soundness Indicators (FSIs) for the banking sector, except for core liquidity and profitability, remained broadly positive with improvements in solvency, efficiency and asset quality indicators in February 2026 relative to February 2025. The industry's Non-Performing Loans (NPL) improved in February 2026 on account of a higher growth in loans and advances relative to a contraction in the NPL stock. The outlook for the banking sector remains largely stable, dependent on banks' adherence to the NPL regulatory guidelines and enforcement of strict credit underwriting standards. Financial intermediation by banks is expected to pick up as monetary policy continues to ease, which can lead to expansion in credit to the private sector as an engine of growth and spur the real sector activities in the domestic economy.*

### 6.1 Banks' Balance Sheet

Total assets of the banking industry grew by 21.0 percent (year-on-year) to GH¢465.4 billion as at February 2026, lower than the 34.0 percent growth recorded in the same period of 2025. Domestic assets picked up by 28.8 percent in February 2026, from 29.3 percent in February 2025, while foreign assets contracted by 36.9 percent in February 2026 from a growth of 83.2 percent during the same period a year ago. Consequently, the share of domestic assets improved to 93.8 percent from 88.0 percent during the reference period, while the share of foreign assets in total assets declined to 6.2 percent in February 2026 from 12.0 percent in a similar period in 2025.

In terms of components, growth in investments surged significantly in February 2026 relative to February 2025 on account of the pick-up in rates on the money market during the review period. Investments grew by 57.5 percent in February 2026 to GH¢192.8 billion, compared to a growth of 8.6 percent recorded in February 2025. The significant growth in investments reflected in growth in short-term investments, which grew to 130.1 percent in February 2026 from 1.6 percent in February 2025, on account of the increase in rates on the money market. Long-term investments, however, contracted by 1.4 percent in February 2026 compared to a growth rate of 14.7 percent in February 2025.

Credit growth slowed in the industry in February 2026. Gross loans and advances grew by 15.6 percent to GH¢108.2 billion at end-February 2026 from 25.2 percent in February 2025. Growth in net loans and advances (gross loans adjusted for provisions and interest in suspense) also decreased to 20.5 percent from 25.3 percent over the same review period.

Deposits remained the main source of funding for the banking sector, growing by 18.0 percent to GH¢338.5 billion as at end-February 2026 from GH¢286.9 billion in February 2025, 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 recapitalisation efforts of banks. Accordingly, shareholders' funds grew by 44.1 percent to GH¢60.6 billion as at end-February 2026 compared to a 40.0 percent growth in February 2025. Borrowings also grew by 40.3 percent to GH¢39.8 billion in February 2026, compared to a growth of 96.0 percent recorded a year earlier.

Table 6.1: Key Developments in DMBs' Balance Sheet

Table 5.1: Key Developments in DMBs' Balance Sheet								
	(GH c'million)			Y-on-Y Growth (%)			Shares (%)	
	Feb-25	Dec-25	Feb-26	Feb-25	Dec-25	Feb-26	Feb-25	Feb-26
<b>TOTAL ASSETS</b>	<b>384,726.3</b>	<b>446,900.7</b>	<b>465,378.9</b>	<b>34.0</b>	<b>21.5</b>	<b>21.0</b>	<b>100.0</b>	<b>100.0</b>
<b>A. Foreign Assets</b>	46,029.9	26,464.7	29,029.8	83.2	(41.0)	(36.9)	12.0	6.2
<b>B. Domestic Assets</b>	338,696.4	420,436.0	436,349.1	29.3	30.2	28.8	88.0	93.8
<b>Investments</b>	122,401.1	175,444.0	192,801.7	8.6	55.2	57.5	31.8	41.4
i. Bills	54,493.3	109,333.5	125,411.2	1.6	139.8	130.1	14.2	26.9
ii. Securities	67,494.3	65,296.4	66,553.4	14.7	(2.7)	(1.4)	17.5	14.3
<b>Advances (Net)</b>	77,089.5	94,425.4	92,892.8	25.3	19.3	20.5	20.0	20.0
of which Foreign Currency	23,423.4	20,861.4	21,458.4	7.9	(9.7)	(8.4)	6.1	4.6
<b>Gross Advances</b>	<b>93,670.3</b>	<b>110,972.7</b>	<b>108,241.9</b>	25.2	16.2	15.6	24.3	23.3
<b>Other Assets</b>	25,403.4	27,793.9	28,164.0	48.7	16.4	10.9	6.6	6.1
<b>Fixed Assets</b>	9,484.5	10,639.6	10,544.3	14.3	19.2	11.2	2.5	2.3
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>384,726.3</b>	<b>446,900.7</b>	<b>465,378.9</b>	<b>34.0</b>	<b>21.5</b>	<b>21.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Total Deposits</b>	<b>286,920.9</b>	<b>325,262.7</b>	<b>338,546.1</b>	<b>27.9</b>	<b>17.8</b>	<b>18.0</b>	<b>74.6</b>	<b>72.7</b>
of which Foreign Currency	91,510.3	71,597.0	75,036.1	27.0	(16.2)	(18.0)	23.8	16.1
<b>Total Borrowings</b>	28,334.1	37,850.3	39,757.6	96.0	35.6	40.3	7.4	8.5
<b>Foreign Liabilities</b>	6,923.6	4,934.8	4,143.3	3.5	(13.9)	(40.2)	1.8	0.9
i. Short-term borrowings	2,560.0	2,377.5	1,551.6	13.8	32.1	(39.4)	0.7	0.3
ii. Long-term borrowings	2,746.0	1,337.3	1,296.5	(27.4)	(52.9)	(52.8)	0.7	0.3
iii. Deposits of non-residents	1,570.9	1,184.7	1,267.2	138.7	10.0	(19.3)	0.4	0.3
<b>Domestic Liabilities</b>	335,415.0	383,618.5	400,465.3	34.5	19.1	19.4	87.2	86.1
i. Short-term borrowing	21,244.1	31,658.0	34,712.2	200.5	46.2	63.4	5.5	7.5
ii. Long-term Borrowings	1,784.0	2,477.5	2,197.3	31.6	52.7	23.2	0.5	0.5
iii. Domestic Deposits	285,350.0	324,078.0	337,278.9	27.5	17.8	18.2	74.2	72.5
Other Liabilities	26,527.9	24,155.0	25,634.0	51.2	4.3	(3.4)	6.9	5.5
<b>Paid-up capital</b>	17,118.3	21,741.5	21,717.0	31.3	27.0	26.9	4.4	4.7
<b>Shareholders' Funds</b>	42,175.6	58,335.4	60,758.2	40.0	46.3	44.1	11.0	13.1

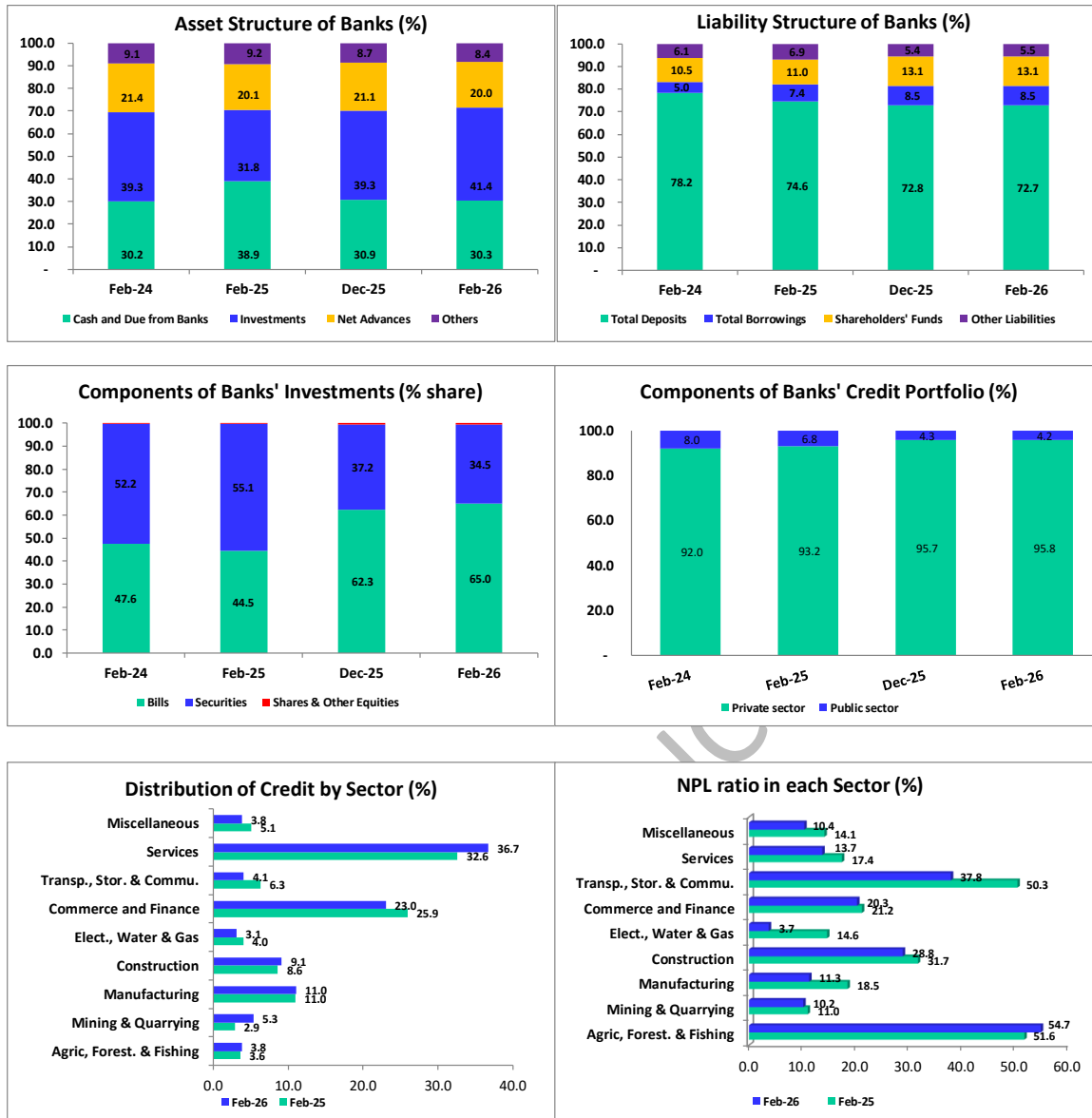
Source: Bank of Ghana

### 6.1.1 Asset and Liability Structure

The asset structure of the industry's balance sheet in February 2026 reflected the rebalancing of banks' portfolio in favour of investments. Consequently, investments (comprising bills, securities, and equity) were the largest component of total assets, with its share improving from 31.8 percent to 41.4 percent compared to the same period in 2025, following a pickup in rates on the money market during the review period. The share of cash and bank balances in total assets, however, decreased from 38.9 percent in February 2025 to 30.3 percent in February 2026 on account of portfolio rebalancing away from less risky assets. Similarly, the proportion of net advances in total assets was stable at 20.0 percent from 20.1 percent while the share of non-earning assets (fixed assets and other assets) declined from 9.2 percent to 8.4 percent during the review period.

On the liability side, the share of deposits in banks' liabilities and shareholders' funds decreased to 72.7 percent in February 2026 from 74.6 percent in February 2025, reflecting the slowdown in deposit growth in 2026. The increase in borrowings, however, translated into an increased share of 8.5 percent in February 2026 from 7.4 percent in February 2025. The proportion of shareholders' funds in banks' total funding also improved to 13.1 percent in February 2026 from 11.0 percent a year earlier, while the share of other liabilities declined from 6.9 percent to 5.5 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 44.5 percent in February 2025 to 65.0 percent in February 2026. The share of long-term securities, however, declined from 55.1 percent in February 2025 to 34.5 percent in February 2026, in line with the contraction in its growth recorded during the reference period. Equity investments remained negligible, although their share increased marginally from 0.3 percent in February 2025 to 0.4 percent in February 2026.

### 6.2 Credit Risk

The industry's asset quality improved in February 2026 relative to February 2025, reflecting a decline in both the non-performing loan (NPL) ratio and the NPL stock during the review period.

### 6.2.1 Credit Portfolio Analysis

The stock of gross loans and advances increased by 15.6 percent in February 2026 to GH¢108.2 billion, compared to a growth of 25.2 percent in February 2025, reflecting increases in private sector credit. Private sector credit (comprising credit to private enterprises and households) grew by 18.7 percent to GH¢103.7 billion in February 2026 compared to a growth of 26.9 percent in the previous year. However, public sector credit contracted by 27.8 percent to GH¢4.6 billion at end-February 2026 after the growth of 6.0 percent in February 2025. Consequently, the share of private sector credit in total credit rose to 95.8 percent in February 2026 from 93.2 percent in February 2025, while the share of public sector declined to 4.2 percent from 6.8 percent a year earlier.

In terms of the distribution of credit by sectors, the services sector remained the largest beneficiary of the industry's credit, accounting for a share of 36.7 percent at end-February 2026 (from 32.6 percent in February 2025), followed by the commerce and finance sector with a share of 23.0 percent (from 25.9 percent in February 2025). The share for the manufacturing sector remained at 11.0 over the period. These three sectors constituted 70.8 percent of total credit in February 2026, compared with 69.5 percent in February 2025. The electricity, water and gas sector was the lowest recipient of total credit with a share of 3.1 percent in February 2026, compared to 4.0 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 13.0 percent to GH¢20.4 billion as at end-February 2026, from GH¢23.4 billion as at end-February 2025 (y/y growth of 0.3 percent). In relative terms, contingent liabilities as a percentage of total liabilities also declined to 5.0 percent in February 2026 from 6.8 percent in February 2025.

### 6.2.3 Asset Quality

Asset quality risks remained elevated in February 2026, even though the industry's NPL ratio declined to 18.4 percent in February 2026 from 22.6 percent in February 2025. Similarly, the NPL ratio adjusted for the fully provisioned loan loss category declined from 8.9 percent to 5.4 percent during the same comparative period. The NPL stock also contracted by 5.8 percent to GH¢19.9 billion in February 2026 compared with a growth of 14.9 percent recorded in February 2025.

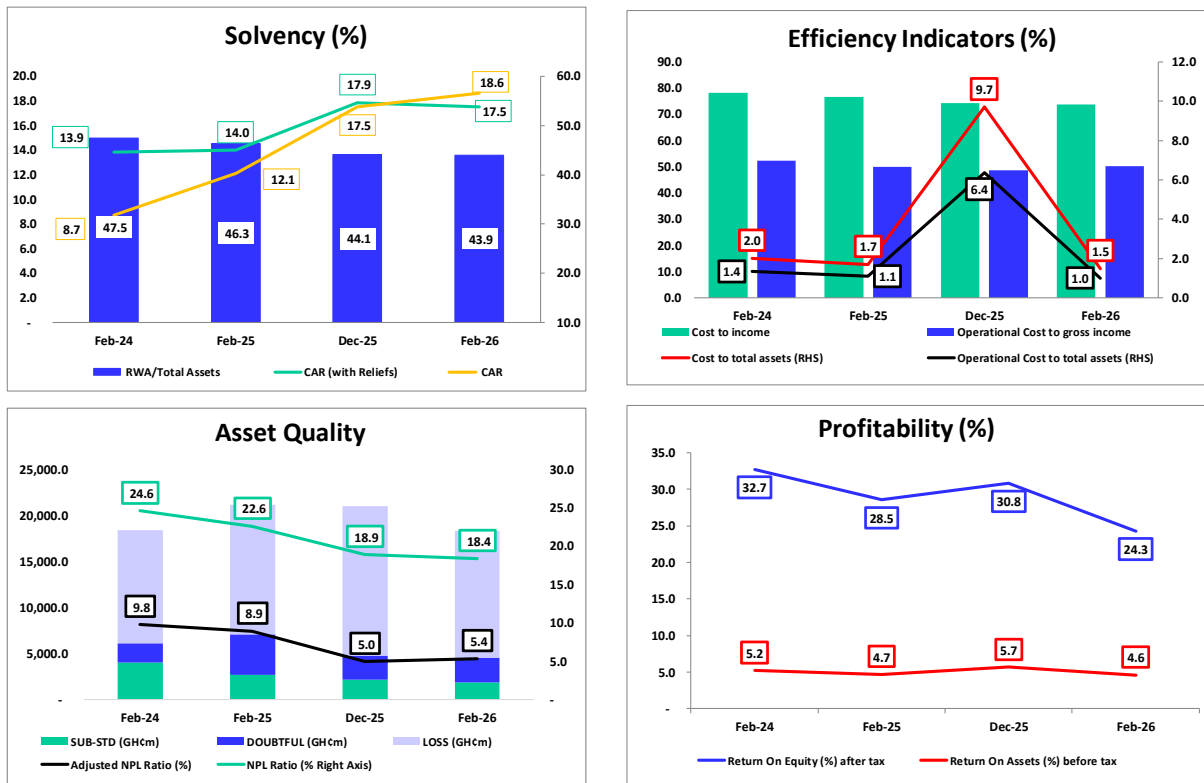
Decomposition of the NPL showed that the private sector accounted for the most non-performing loans, in line with its dominant holdings in total credit. The proportion of NPLs attributable to the private sector increased to 98.1 percent in February 2026 from 96.2 percent in February 2025, while that of the public sector declined to 1.9 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 the agriculture, forestry and fishing sector during the review period. Accordingly, the NPL ratio in the agriculture, forestry and fishing sector increased from 51.6 percent to 54.7 percent during the review period. All other sectors recorded improvements in asset quality during the review period.

### 6.3 Financial Soundness Indicators

The financial soundness indicators in February 2026 were broadly positive following improvements in solvency, efficiency, and asset quality indicators. Liquidity and profitability indicators, however, moderated during the review period.

Figure 6.2: Key Financial Soundness Indicators



Source: Bank of Ghana Staff Calculations

### 6.3.1 Liquidity Indicators

The industry's liquidity position remained strong in February 2026; 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 February 2026 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 52.1 percent at end-February 2025 to 41.6 percent in February 2026, while the ratio of core liquid assets to total assets also decreased from 38.9 percent to 30.3 percent over the same comparative period. However, the ratio of broad liquid assets to total deposits increased from 94.6 percent to 98.3 percent while the ratio of broad liquid assets to total assets increased to 71.5 percent from 70.6 percent during the review period.

### 6.3.2 Capital Adequacy Ratio

The industry's solvency position, measured by the Capital Adequacy Ratio (CAR), stood at 18.6 percent in February 2026, up from 12.1 percent a year earlier and above the prudential minimum of 13 percent. This improvement in the solvency of the banking sector was due to the recapitalisation efforts by undercapitalised banks.

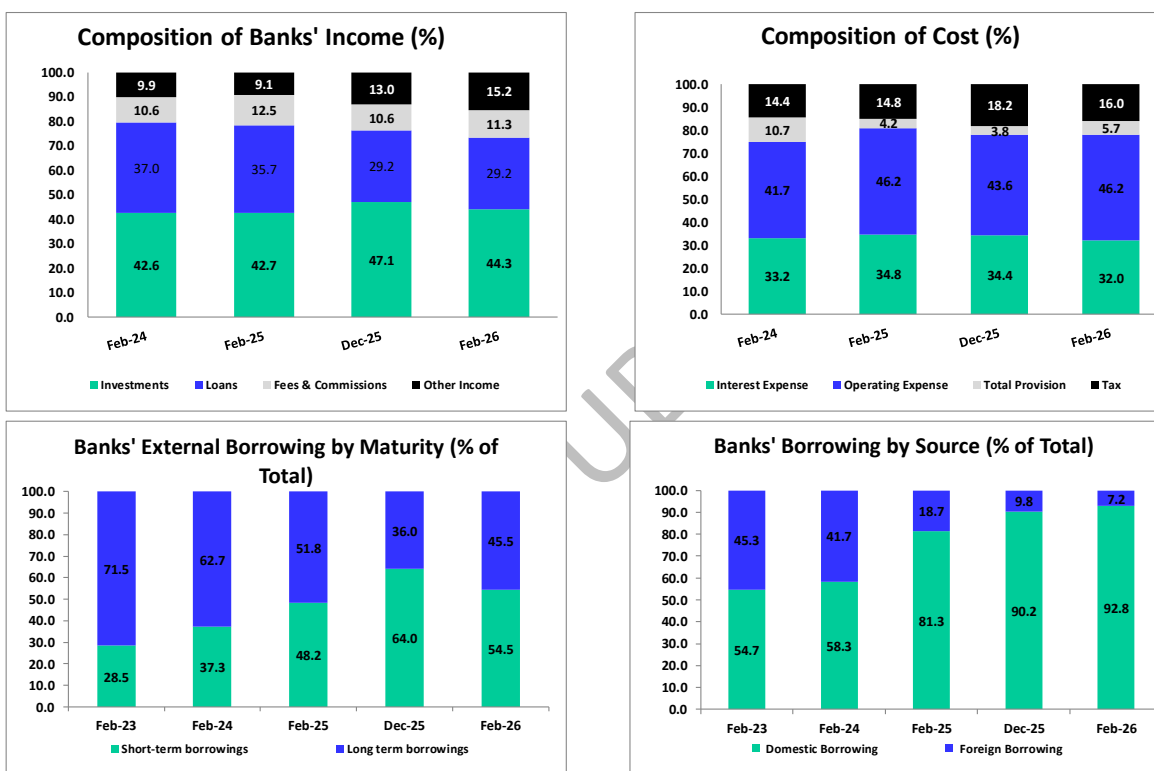
### 6.3.3 Profitability

Profitability of the banking sector as at end-February 2026 increased relative to the outturn as at end-February 2025. The industry recorded profit-after-tax (PAT) of GH¢2.5 billion as at end-February 2026 compared to GH¢2.0 billion in the same period a year earlier. As a result, growth in PAT increased to 24.1 percent in February 2026 from 23.1 percent in the previous year. Similarly, profit-before-tax (PBT) recorded a growth of 21.0 percent in February 2026 relative to a growth of 20.7 percent in February 2025.

Except for other income, which recorded a higher growth rate in 2026 relative to 2025, all income lines grew in February 2026, but at a slower pace compared to the same period last year. Growth in net interest income was lower at 6.2 percent in 2026 from 11.0 percent in 2025, 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, contracted by 0.6 percent in 2026 relative to a growth of 35.8 percent in 2025.

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 6.1 percent in February 2026, compared to 24.7 percent in 2025, reflecting the moderation in growth in staff costs and non-staff related expenses. Provisions for depreciation, bad debt, and impairment losses on financial assets also grew by 43.4 percent in February 2026 compared to the 55.5 percent contraction recorded in February 2025.

**Figure 6.3: Composition of Income, Cost and Borrowing**



*Source: Bank of Ghana Staff Calculations*

*(a) Return on Assets and Return on Equity*

Profitability indicators for the banking sector declined in February 2026. The sector’s Return on Assets (ROA) declined marginally to 4.6 percent in February 2026 from 4.7 percent in February 2025. In addition, banks’ Return on Equity (ROE) decreased to 24.3 percent in February 2026 from 28.5 percent in February.

*(b) Interest Margin and Spread*

Interest spread for the industry narrowed from 2.0 percent in February 2025 to 1.5 percent in February 2026. The decrease in spread resulted from the marginal decline in interest payable to 0.7 percent from 0.9 percent a year earlier. Gross yields also declined to 2.2 percent in February 2026 compared to 2.8 percent a year ago. The ratio of gross income to total assets (asset utilisation) also dropped from 2.2 percent to 2.0 percent, whereas the profitability ratio recorded an increase from 23.3 percent in February 2025 to 26.2 percent in February 2026.

### *(c) Composition of Banks' Income*

Interest income from investments continued to be the largest component of banks' total income in February 2026, with its share increasing from 42.7 percent to 44.3 percent during the review period. The share of interest income from loans declined from 35.7 percent to 29.2 percent. The share of banks' income from fees and commissions, likewise, decreased from 12.5 percent to 11.3 percent, while the share of income from other sources increased from 9.1 percent to 15.2 percent during the same reference period.

#### **6.3.4 Operational Efficiency**

The banking sector was relatively cost-efficient as a result of the slowdown in the growth of operating expenses during the period under review. The cost-to-income ratio fell from 76.7 percent in February 2025 to 73.8 percent in February 2026, while the cost-to-total assets ratio also declined marginally from 1.7 percent to 1.5 percent. The operational cost to gross income ratio increased marginally from 50.0 percent to 50.1 percent, whereas the operational cost to total asset ratio improved from 1.1 percent to 1.0 percent over the same comparative period.

#### **6.3.5 Banks' Counterparty Relationships**

Total offshore balances contracted by 35.8 percent to GH¢27.0 billion in February 2026, compared to the 102.6 percent growth recorded in the previous year. This was largely driven by contractions in nostro balances and placements. Nostro balances contracted by 46.4 percent in February 2026 compared with a growth of 89.9 percent in February 2025. Growth in industry placements also contracted by 28.1 percent in February 2026 compared to the growth of 113.6 percent during the same period last year. Consequently, the ratio of offshore balances to net worth decreased significantly to 44.4 percent in February 2026 from 99.8 percent in February 2025.

The share of banks' external borrowings in total borrowings declined to 7.2 percent in February 2026 from 18.7 percent in February 2025, while the share of domestic borrowings increased to 92.8 percent from 81.3 percent in February 2025. Banks' external borrowings were largely short-term in nature, as the share of short-term borrowings in total external borrowings increased to 54.5 percent, from 48.2 percent, while the share of long-term borrowings declined to 45.5 percent, from 51.8 percent a year earlier.

#### **6.4 Credit Conditions Survey**

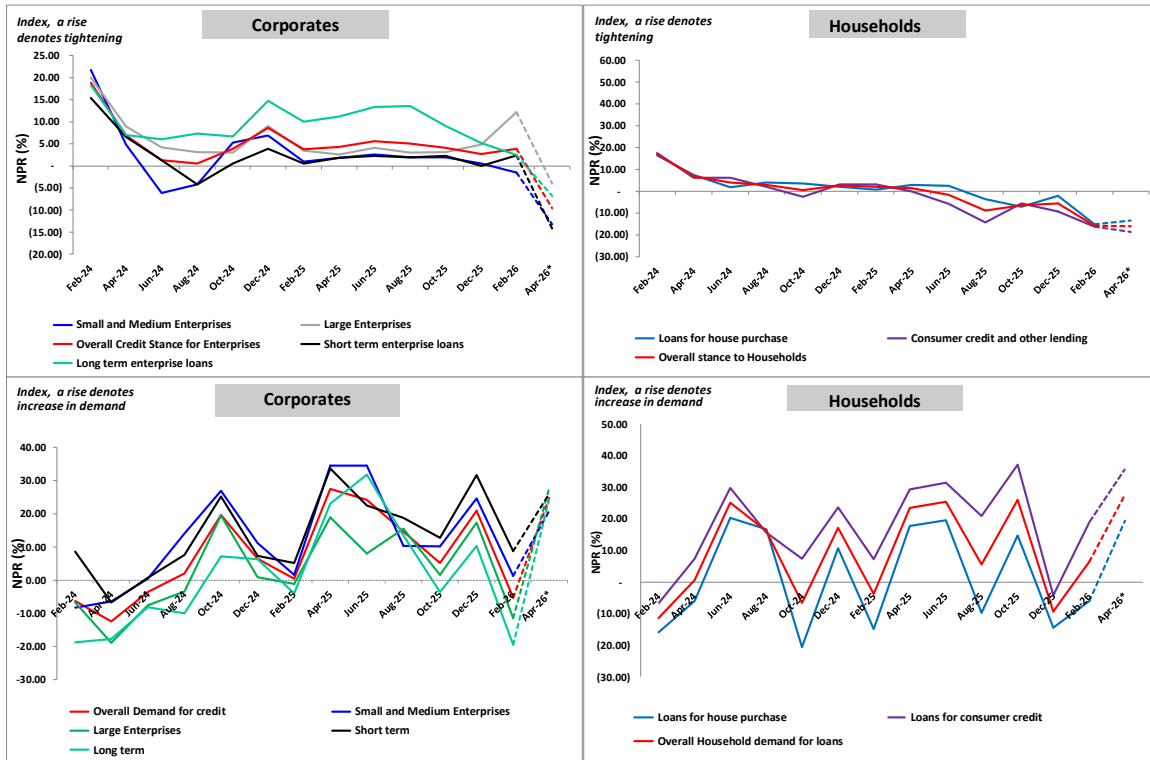
Banks reported a net tightening in the stance on loans to corporates in the February 2026 Credit Conditions Survey round compared to the December 2025 survey round. The net tightening in the overall credit stance to corporates was due to a net tightening stance on all sub-categories except for small and medium enterprises. Banks project the overall stance on loans to corporates to ease in the next two months of 2026 from a projected net ease in the stance on all sub-categories.

The stance on loans to households, however, eased during the first two months of 2026. The net easing in the overall credit stance to households was due to the eased stance on loans for house purchases, consumer credit and other lending. Banks projected a further easing in the overall stance on household loans in the next two months, driven by an easing in the stance on loans for consumer credit and other lending.

The February 2026 survey round pointed to a softening in the overall demand for credit by corporates, which reflected in increases in demand for loans for all sub-categories. Credit demand by corporates is, however, projected to be stronger in March and April 2026.

Banks reported an increase in the demand for loans by households in the first two months of 2026, driven by increases in demand for loans for house purchases as well as consumer credit. Demand for household loans is projected to pick up further in the next two months of 2026.

Figure 6.4: Credit Conditions Survey Results



Source: Bank of Ghana Staff Calculations

### 6.5 Macroprudential Risk Assessment

#### Credit-to-GDP<sup>3</sup>

The Credit-to-GDP<sup>4</sup> gap widened slightly in February 2026 relative to the level reported at the previous MPC meeting, though it remains negative. This negative gap indicates limited systemic vulnerabilities from excessive credit growth and supports a measured expansion of credit, underpinned by improving macroeconomic conditions and prudent credit risk management.

Figure 6.6: Credit-to-GDP Gap



Source: Bank of Ghana

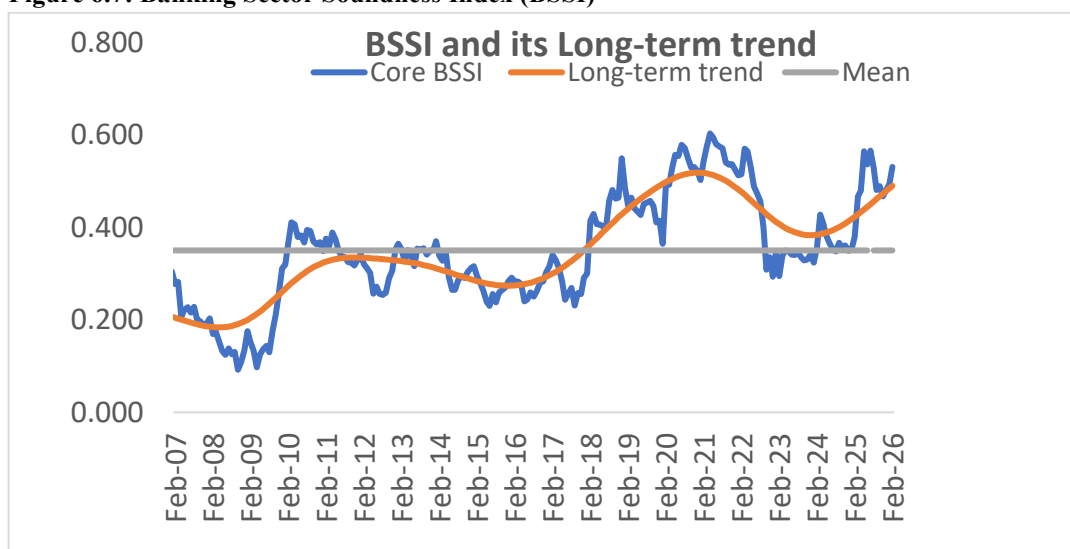
<sup>3</sup> The Credit-to-GDP gap is an early warning signal that measures excessive credit growth by comparing the private sector credit-to-GDP ratio to its optimal trend. A positive gap signals that credit levels have surpassed their sustainable or optimal trend, highlighting potential risks of credit overheating in the economy.

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### Banking Sector Soundness Index (BSSI)<sup>5</sup>

The banking sector's soundness improved year-on-year and strengthened relative to the level reported at the previous MPC. This reflects marked moderation in financial stability risks relative to the preceding year. The moderation in risks stems from improvements in solvency, asset quality, sustained profitability, adequate liquidity, and efficiency. Accordingly, the Banking Sector Soundness Index (BSSI)<sup>6</sup>, which tracks soundness of the industry, trended upward significantly in February 2026 compared to February 2025. The observed improvement was driven by increased recapitalisation, a slowdown in the build-up of non-performing loans, sound credit and liquidity risks management, anchored on improved corporate governance systems and the sustained recovery in macroeconomic fundamentals. The outlook of the banking sector remains positive, underpinned by 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<sup>7</sup>

The heatmap of financial soundness indicators continued to show a sound banking sector. The heatmap showed that the banking sector remains well-capitalised, profitable, cost-efficient, and liquid as at end-February 2026. Asset quality measures have improved over the same period (now the 3rd-best performing period); however, NPLs remain elevated, and the enforcement of prudential NPL-reduction measures is expected to help banks reduce NPLs amid improving macroeconomic outcomes.

<sup>5</sup> 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.

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<sup>7</sup> 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	Dec-22	Feb-23	Dec-23	Feb-24	Mar-24	Jun-24	Sep-24	Dec-24	Feb-25	Mar-25	Jun-25	Sep-25	Dec-25	Feb-26
<b>Capital Adequacy</b>														
Regulatory capital to risk weighted assets (Threshold)	15.44	12.60	13.87	13.58	15.88	14.27	14.38	14.00	14.35	17.10	19.29	17.52	17.51	18.65
Regulatory capital to risk weighted assets (Distribution)	15.44	12.60	13.87	13.58	15.88	14.27	14.38	14.00	14.35	17.10	19.29	17.52	17.51	18.65
Regulatory tier I capital to risk-weighted assets	14.25	10.74	11.04	11.03	13.56	11.46	11.51	11.13	11.74	14.89	16.62	14.75	15.58	16.90
<b>Asset Quality</b>														
Nonperforming loans net of loan-loss provision to capital	10.32	8.48	14.55	17.09	19.45	15.36	12.29	11.10	10.82	11.98	8.32	8.32	7.62	7.51
Nonperforming loans to total gross loans	16.59	16.56	20.58	24.61	26.74	24.13	22.77	21.79	22.57	23.44	23.09	20.43	18.92	18.40
Banks provisions to NPL	83.58	84.41	73.19	72.03	71.70	75.66	78.35	78.74	78.42	76.67	80.73	79.10	78.82	77.08
<b>Earnings</b>														
Return on assets	(3.83)	5.07	5.37	5.20	5.63	5.40	5.05	5.04	4.67	4.96	5.61	5.70	5.66	4.62
Return on equity	(25.48)	32.39	34.16	32.72	36.36	35.25	32.12	30.84	28.51	29.92	32.21	31.61	30.81	24.27
Interest margin to gross income	47.82	46.38	51.80	53.58	54.23	51.41	51.10	50.92	51.72	51.82	50.11	50.16	50.75	49.85
<b>Liquidity</b>														
Core liquid assets to total assets	27.53	26.65	29.34	29.22	31.00	34.47	35.39	36.16	37.41	36.24	27.50	27.22	28.78	29.53
Core liquid assets to short-term liabilities	33.21	32.79	35.47	35.40	37.34	41.39	42.54	43.31	45.23	43.47	33.68	33.00	35.29	36.14
Core liquid assets to total deposits	36.47	35.35	37.61	37.37	40.06	45.31	46.82	48.16	50.15	48.20	37.73	37.65	39.54	40.60
Broad liquid assets to total assets	59.45	62.47	65.72	68.40	68.38	67.55	67.58	66.87	69.08	69.44	69.67	69.65	67.85	70.78
Broad liquid assets to short-term liabilities	71.71	76.87	79.46	82.88	82.34	81.10	81.23	80.09	83.53	83.30	85.31	84.46	83.20	86.61
<b>Efficiency</b>														
Noninterest expenses to gross income	97.04	43.64	43.04	41.01	38.86	37.65	39.43	40.83	38.63	37.78	35.70	34.98	35.20	38.29
Personnel expenses to gross income	16.45	15.03	15.67	16.27	16.19	16.62	16.67	16.45	18.21	17.25	16.71	16.78	17.11	18.92

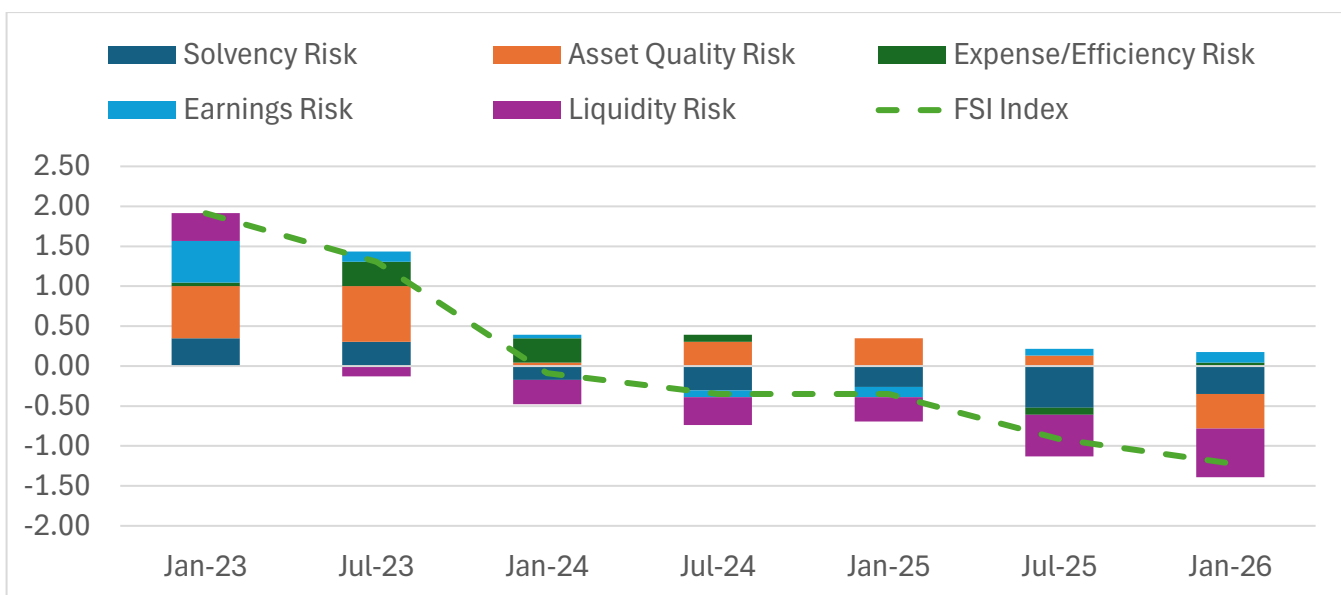
Color Code	Green	Blue	Yellow	Red
Performing Period	1st Best	2nd Best	3rd Best	4th Best

Source: Bank of Ghana

**Systemic Risk Survey- January 2026**

The Bank of Ghana conducts a Systemic Risk Survey (SRS) of banks to assess their perception of risks to, and level of confidence in, the financial system. The SRS is a semi-annual survey aimed at tracking banks’ perception of financial stability risks in a forward-looking manner. The results of the survey conducted in January 2026 suggest that banks expect risks to banking sector soundness and macroeconomic stability to moderate further over the next one year. In the outlook, banks expect risks to soundness to moderate, driven by perceived improvements in liquidity, asset quality and solvency conditions. However, risks emanating from earnings are perceived to be high in the near to medium term, driven mainly by the current low-interest-rate environment.

**Figure 6.8: Decomposition of the Overall FSI Risk Index- 1-year ahead**



Generally, the perception of the likelihood and impact of risks emanating from the macroeconomy is expected to moderate in the near to medium term. Additionally, banks are largely optimistic about the stability of the financial system in the near to medium term.

**Figure 6.9: Perceived Likelihood of Occurrence vis-à-vis Greatest Impact of Risks**



**6.6 Conclusion and Outlook**

The banking sector’s performance in the first two months of 2026 reaffirmed its resilience amid improving macro-financial conditions. Growth in assets improved in February 2026 relative to February 2025, driven principally by strong growth in both deposits and other funding sources. Robust asset growth, predominantly due to a pickup in investment holdings, reflected 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 February 2026 relative to February 2025, with the industry Capital Adequacy Ratio (CAR) improving due to 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, conditional on the recapitalisation of the sector by the end of March 2026, as well as the implementation of Bank of Ghana’s NPL regulatory guidelines to address asset quality concerns in the sector.

The macroprudential risk assessment shows that, generally, risks to financial stability have moderated. The negative credit-to-GDP gap supports measures designed to improve credit delivery, without significant risk build-up, provided banks maintain sound credit risk management practices and systems. Systemic risks within the sector have remained broadly subdued due to the strong solvency and earnings positions of banks supported by adequate liquidity conditions. There has been a continuous, gradual improvement in key asset quality indicators, suggesting that credit risk management has improved, though NPLs remain elevated. The banking sector appears well-positioned to contain risks from potential adverse macroeconomic shocks in the outlook.

## 7. Price Developments

### 7.0 Highlights

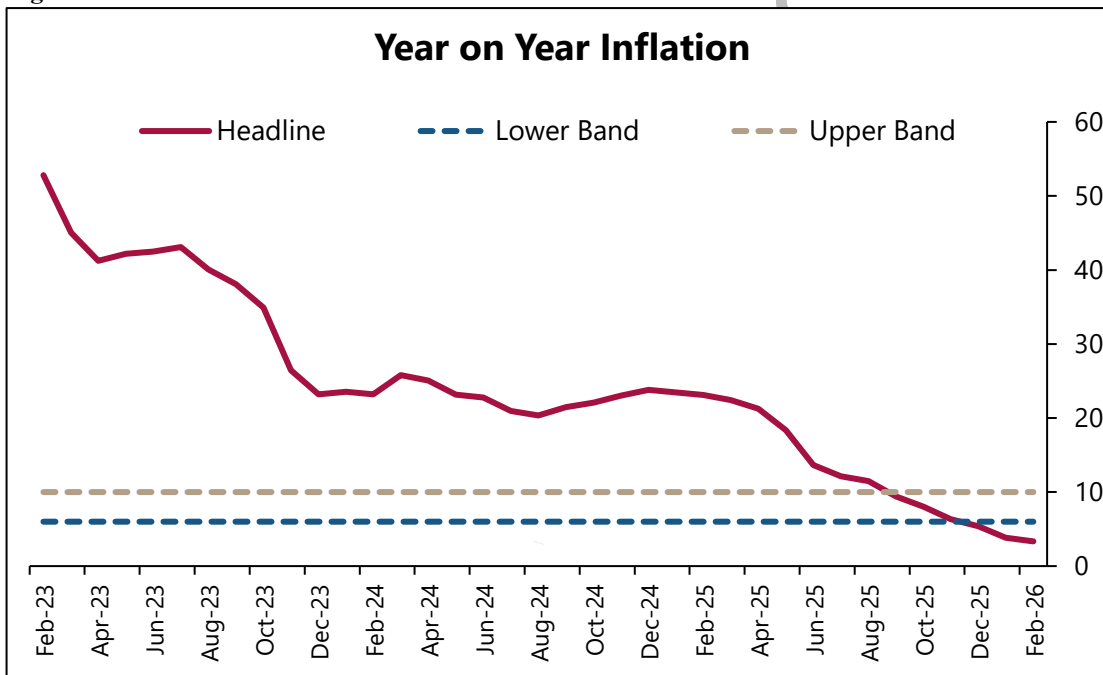
Headline inflation continued its downward trend, reflecting broad-based declines across both food and non-food components of the consumer price index (CPI). This disinflation has been primarily driven by tight monetary policy stance, ongoing fiscal consolidation measures, and the strong recovery of the cedi. In the outlook, inflation is projected to converge into the medium-term target band of 8 percent  $\pm$  2.

### 7.1 Domestic Price Developments

Headline inflation continued its downward trend, declining to 3.8 percent in January 2026 from 5.4 percent in December 2025, and further declining to 3.3 percent in February 2026. This outturn marked a consecutive fourteen-month decline in headline inflation.

On the back of a bumper harvest, food inflation declined to 3.9 percent in January 2026 from 4.9 percent in December 2025. Non-food inflation also moderated on the back of a tight policy stance to 3.9 percent in January 2026 from 5.8 percent in December 2025. In February, however, it edged up slightly to 4.0 percent on the back of increasing utility costs. Despite the uptick, the Bank’s core inflation measure, which excludes energy and utility items, continued to decline. Core inflation declined from 4.6 percent in December 2025 to 3.4 percent in January 2026 and 3.1 percent in February 2026.

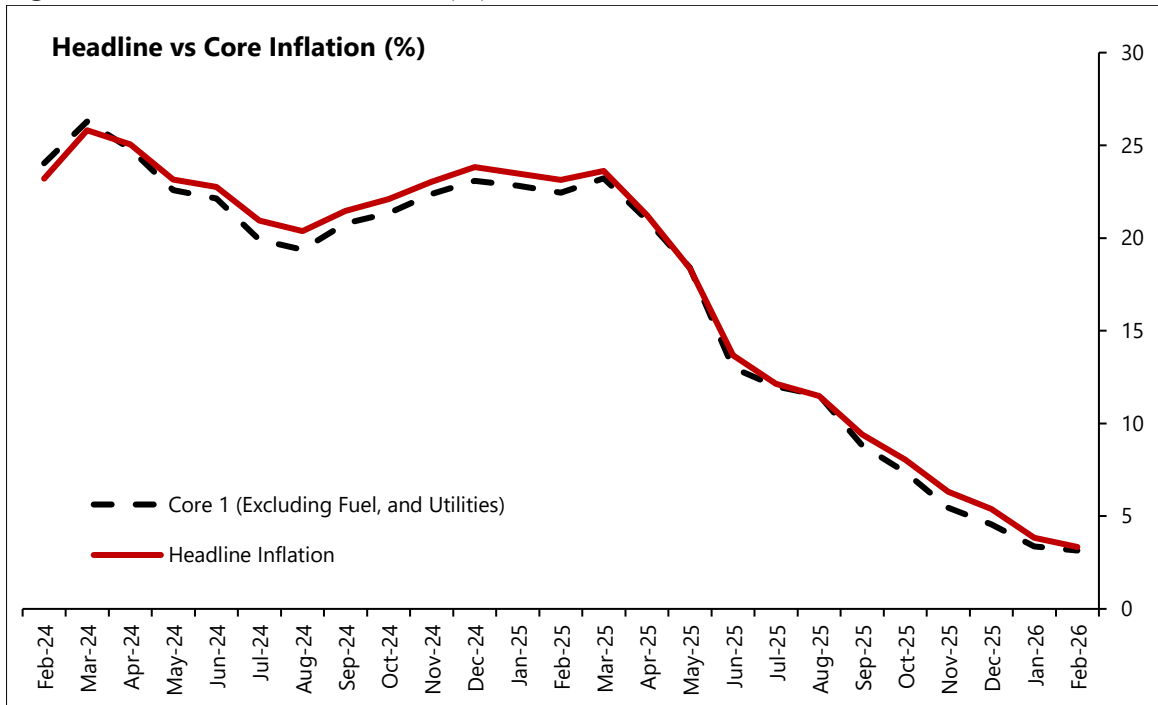
Figure 7.1: Year-on-Year Inflation



Source: GSS and Bank of Ghana Staff Calculations

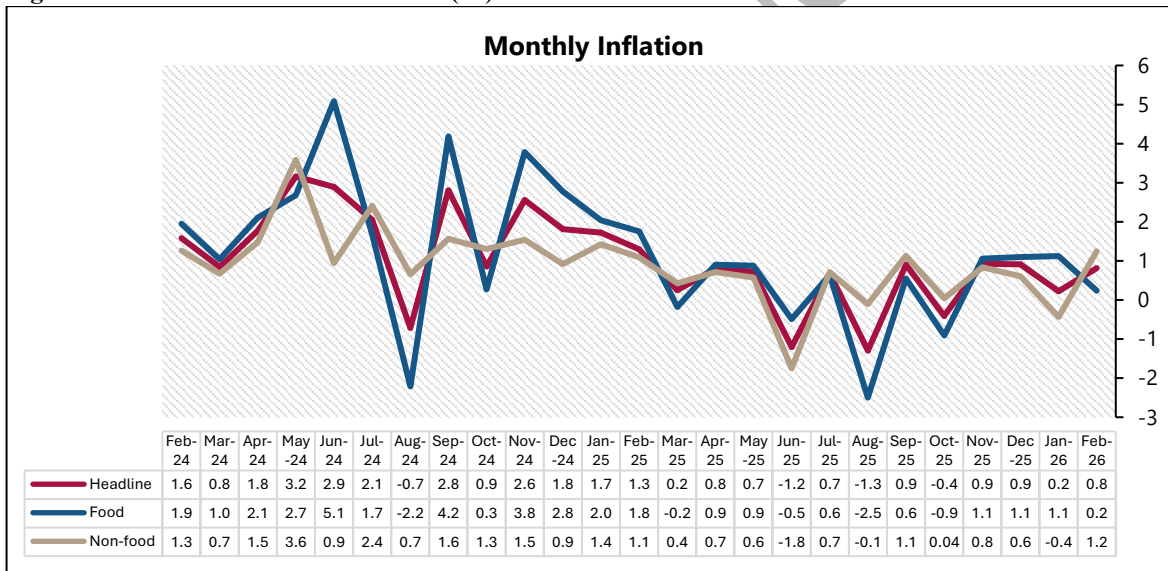
On a month-on month basis, headline inflation declined from 0.9 percent in December 2025 to 0.2 percent in January 2026 but picked up in February 2026 to 0.8 percent. Monthly food inflation followed a downward trend, declining from 4.9 percent in December 2025 to 3.9 percent in January 2026 and further to 2.4 percent in February 2026. Monthly non-food inflation, however, fell from 5.8 percent in December 2025 to 3.9 percent in January 2026, but increased slightly to 4.0 percent in February 2026.

Figure 7.2: Headline vs Core Inflation (%)



Source: GSS and Bank of Ghana Staff Calculations

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



Source: Ghana Statistical Service

**Table 7.1: CPI Components**

CPI Components (%)													
	Weights (%)	2023	2024	2025								2026	
		Dec	Dec	Jan	Feb	Mar	Jun	Sep	Oct	Nov	Dec	Jan	Feb
<b>Overall</b>	100.0	23.2	23.8	<b>23.5</b>	<b>23.1</b>	<b>22.4</b>	13.7	9.4	8.0	6.3	5.4	<b>3.8</b>	<b>3.3</b>
<b>Food and Beverages</b>	42.7	28.7	27.8	<b>28.6</b>	<b>28.1</b>	<b>26.5</b>	16.3	10.8	9.5	6.6	4.9	<b>3.9</b>	<b>2.4</b>
<b>Non-food</b>	57.4	18.7	20.3	<b>19.2</b>	<b>18.8</b>	<b>18.7</b>	11.4	8.2	6.8	6.1	5.8	<b>3.9</b>	<b>4.0</b>
Alcoholic Beverages, Tobacco & Narcotics	3.9	38.2	28.4	<b>27.2</b>	<b>25.6</b>	<b>23.8</b>	16.0	15.4	10.4	7.9	8.7	<b>2.4</b>	<b>3.3</b>
Clothing and footwear	8.0	22.3	20.0	<b>19.8</b>	<b>19.2</b>	<b>19.3</b>	17.2	11.0	9.5	9.9	9.9	<b>4.8</b>	<b>4.0</b>
Housing and Utilities	10.2	19.5	26.3	<b>24.6</b>	<b>24.3</b>	<b>25.1</b>	24.9	15.8	13.9	13.2	11.8	<b>9.3</b>	<b>12.6</b>
Furnishings, Household Equipment	3.2	26.9	16.7	<b>15.3</b>	<b>15.4</b>	<b>15.3</b>	10.5	8.7	6.4	5.7	5.3	<b>4.3</b>	<b>3.3</b>
Health	0.7	23.0	21.4	<b>18.4</b>	<b>16.6</b>	<b>16.8</b>	11.3	7.8	6.2	6.0	6.1	<b>4.9</b>	<b>4.2</b>
Transport	10.5	4.4	16.8	<b>16.9</b>	<b>17.9</b>	<b>16.8</b>	-8.5	-3.9	-4.0	-4.8	-5.0	<b>-5.9</b>	<b>-7.5</b>
Information and Communication	3.6	14.2	12.0	<b>11.6</b>	<b>10.8</b>	<b>10.8</b>	10.4	3.1	3.3	3.0	2.6	<b>2.4</b>	<b>0.8</b>
Recreation & Culture	3.5	24.9	17.4	<b>17.4</b>	<b>16.5</b>	<b>20.7</b>	20.1	16.6	15.1	12.8	12.7	<b>10.7</b>	<b>10.3</b>
Education	6.6	13.9	19.1	<b>13.9</b>	<b>12.3</b>	<b>11.3</b>	6.0	4.5	4.3	3.9	3.8	<b>4.1</b>	<b>7.1</b>
Restaurants and accommodation services	4.3	28.0	16.5	<b>16.5</b>	<b>14.2</b>	<b>13.3</b>	9.6	7.8	7.4	6.8	7.0	<b>5.5</b>	<b>6.2</b>
Insurance and Financial services	0.4	8.1	16.5	<b>15.4</b>	<b>16.1</b>	<b>16.6</b>	15.9	6.6	2.8	2.7	3.6	<b>8.0</b>	<b>8.8</b>
Personal care, social protection & Miscellaneous services	2.5	31.1	19.3	<b>17.9</b>	<b>17.1</b>	<b>17.4</b>	11.4	9.6	7.4	9.7	8.3	<b>4.8</b>	<b>3.8</b>

Source: Ghana Statistical Service

## 7.2 Inflation Risk Assessment and Outlook

In the outlook, headline inflation is expected to return to the medium-term target of  $8 \pm 2$  percent, barring any shocks. Upside risks from geopolitical tensions in the Middle East, however, remain significant, highlighting the importance of maintaining an appropriate monetary stance going forward.

### 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  $8 \pm 2$  percent in the first quarter of 2026.

Looking ahead, the Committee noted that upward adjustments in utility tariffs and geopolitical tensions could exert some upside risks to the inflation outlook. Notwithstanding this, the maintenance of an appropriate monetary policy stance, strong sterilisation efforts, ongoing fiscal consolidation, and adequate reserve buffers was expected to steer inflation back to the medium-term target of  $8 \pm 2$ .

Given these considerations, the Committee, in a majority decision, voted to lower the Monetary Policy Rate by 150 basis points to 14 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

<i>In GH¢ unless otherwise stated</i>	2024	2025	2025	2025		
	Prov	Budget	Prov	Prog	Deviation	Y-O-Y Growth
	Outturn	Revised	Outturn	Q1-Q4		
<b>Total Revenue &amp; Grants</b>	<b>186,593.3</b>	<b>229,949.7</b>	<b>224,883.7</b>	<b>229,949.7</b>	<b>-2.2</b>	<b>20.5</b>
(per cent of GDP)	15.9	16.4	16.1	16.4		
<b>Total Expenditure (Commitment)</b>	<b>226,243.5</b>	<b>269,496.1</b>	<b>233,778.8</b>	<b>269,496.1</b>	<b>-13.3</b>	<b>3.3</b>
(percent of GDP)	14.3	14.1	13.1	14.1		
<b>Overall Balance (Commitment)</b>	<b>-92,647.2</b>	<b>-39,546.3</b>	<b>-13,856.3</b>	<b>-39,546.3</b>	<b>-65.0</b>	<b>-85.0</b>
(percent of GDP)	-7.9	-2.8	-1.0	-2.8		
<b>Primary Balance (Commitment)</b>	<b>-45,855.0</b>	<b>20,319.8</b>	<b>36,034.8</b>	<b>20,319.8</b>	<b>77.3</b>	<b>-178.6</b>
(percent of GDP)	-3.9	1.5	2.6	1.5		
<b>Arrears clearance (net change)</b>	<b>31,236.6</b>	<b>-13,067.6</b>	<b>-29,543.7</b>	<b>-13,067.6</b>	<b>126.1</b>	<b>-194.6</b>
o/w Clearance of Arrears/BTAs	-36,279.5	-13,067.6	-18,067.6	-13,067.6		
o/w Clearance Energy Sector Related Arrears	0.00	0.00	-11,476.1	0.00		
<b>o/w Payables build-up</b>	<b>67,516.1</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		
<b>Overall Balance (cash)</b>	<b>-61,410.6</b>	<b>-52,613.9</b>	<b>-43,400.0</b>	<b>-52,613.9</b>	<b>-17.5</b>	<b>-29.3</b>
(percent of GDP)	-5.2	-3.8	-3.1	-3.8		
<b>Primary Balance (Cash)</b>	<b>-14,618.4</b>	<b>7,252.2</b>	<b>6,491.1</b>	<b>7,252.2</b>	<b>-10.5</b>	<b>-144.4</b>
(percent of GDP)	-1.2	0.5	0.5	0.5		
<b>Nominal GDP</b>	<b>1,176,219.9</b>	<b>1,400,006.1</b>	<b>1,400,006.1</b>	<b>1,400,006.1</b>		

Table A.2: Key Monetary and Financial Indicators

Key Monetary and Financial Indicators							
Variable	Dec-23	Feb-24	Dec-24	Feb-25	Dec-25	Jan-26	Feb-26
Broad Money (M2+)	38.69	25.52	31.89	33.06	16.54	14.94	15.98
Broad Money (M2)	37.21	28.61	33.62	34.95	26.90	25.91	27.73
Narrow Money (M1)	37.63	29.64	38.17	39.97	25.75	24.14	25.24
Reserve Money	29.20	25.29	47.77	68.81	12.53	2.62	-0.51
Currency Outside Banks	19.73	19.76	70.46	64.36	15.24	13.40	15.74
Foreign Currency Deposits	43.15	17.92	26.91	27.99	-14.76	-15.65	-17.29
DMBs Credit	10.01	1.75	24.06	25.25	16.15	16.88	15.56
of which priv. sector	10.68	5.06	26.31	26.92	19.15	19.54	18.70
Real Priv. sect credit	-10.16	-14.73	2.03	3.08	13.06	15.12	14.87
<b>ii. Inflation, interest rates and other financial indicators</b>							
Variable	Dec-23	Feb-24	Dec-24	Feb-25	Dec-25	Jan-26	Feb-26
Inflation (y-on-y)							
Overall	23.19	23.20	23.82	23.13	5.39	3.83	3.34
Food	28.70	27.00	27.80	28.06	4.86	3.93	2.38
Non food	18.70	20.00	20.30	18.77	5.81	3.76	4.03
MPR	30.00	29.00	27.00	27.00	18.00	15.50	15.50
Interbank rate	30.19	29.19	27.03	27.04	16.29	15.29	12.58
Treasury bill rate (91-days)	29.39	27.87	27.73	26.93	11.08	11.17	8.96
DMBs avg deposit rate (3-mnth)	10.50	10.50	10.50	10.50	10.50	10.50	10.50
DMBs avg lending rate	33.75	32.77	30.25	30.12	20.45	20.58	19.17
Exchange rate (\$/GH¢)	11.88	12.46	14.70	15.53	10.45	10.95	10.69
Depreciation (monthly)	2.18	3.44	-3.88	1.48	-7.85	4.57	-2.47
Depreciation (Y-o-Y)	27.81	11.64	19.18	19.74	-40.67	-39.73	-45.32
GSE Composite Index (Level)	3130.23	3227.85	4888.53	5659.76	8770.25	9006.51	12869.20
GSE Financial Index (Level)	1901.57	1993.92	2380.79	2814.30	4647.17	4932.42	7692.88

Source: Bank of Ghana

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

	Dec-23	Feb-24	Dec-24	Feb-25	Dec-25	Jan-26	Feb-26
<b>Net Foreign Assets</b>	21710.89	28251.71	87417.32	97486.68	120253.58	111044.01	116768.11
Bank of Ghana	4021.06	9522.02	47647.12	58014.87	98298.11	85058.87	91519.46
Commercial Banks	17689.83	18729.70	39770.20	39471.81	21955.47	25985.14	25248.65
<b>Net Domestic Assets</b>	228308.31	225447.39	242321.48	240088.97	264039.73	273554.54	274758.95
ow: Claims on government (net)	115681.46	123262.55	113291.69	124364.42	132653.02	122625.35	135090.07
ow: Claims on Private sector( Incl. PE's)	86096.51	83865.15	105901.21	103849.81	122740.45	121245.14	119151.51
BOG OMO Sterilisation Acc.	(24795.37)	(29850.45)	(18142.88)	(23038.55)	(76195.09)	(82155.21)	(76917.85)
<b>Total Liquidity (M2+)</b>	250019.20	253699.10	329739.01	337575.65	384293.31	382840.19	391527.06
ow: Broad Money Supply (M2)	185425.80	184855.96	247762.17	249466.30	314416.39	308667.20	318650.50
ow: Foreign Currency Deposits(¢million)	64593.40	68843.15	81976.84	88109.36	69876.92	74172.99	72876.56
<b>Change from previous year (in per cent)</b>							
<b>Net Foreign Assets</b>	(310.35)	(360.67)	302.64	245.06	37.56	22.85	19.78
<b>Net Domestic Assets</b>	19.79	5.87	6.14	6.49	8.96	12.72	14.44
ow: Claims on government (net)	(9.28)	(15.61)	(2.07)	0.89	17.09	3.76	8.62
ow: Claims on Private sector( Incl. PE's)	1.20	(4.90)	23.00	23.83	15.90	16.86	14.73
ow: BOG OMO Sterilisation Acc.	(220.96)	(63.15)	26.83	22.82	(319.97)	(278.64)	(233.87)
<b>Total Liquidity (M2+)</b>	38.69	25.52	31.89	33.06	16.54	14.94	15.98
Broad Money Supply (M2)	37.21	28.61	33.62	34.95	26.90	25.91	27.73
Foreign Currency Deposits (FCDs)	43.15	17.92	26.91	27.99	(14.76)	(15.65)	(17.29)
<b>Cummulative change from previous year end (in per cent)</b>							
<b>Net Foreign Assets</b>	(310.35)	30.13	302.64	11.52	37.56	(7.66)	(2.90)
<b>Net Domestic Assets</b>	19.79	(1.25)	6.14	(0.92)	8.96	3.60	4.06
o/w: Claims on government (net)	(9.28)	6.55	(2.07)	9.77	17.09	(7.56)	1.84
<b>Broad Money(M2+)</b>	38.69	1.47	31.89	2.38	16.54	(0.38)	1.88
<b>Annual per cent contribution to money growth</b>							
<b>Net Foreign Assets</b>	17.77	19.34	26.28	27.29	9.96	6.20	5.71
NDA	20.92	6.18	5.60	5.77	6.59	9.27	10.27
<b>Total Liquidity (M2+)</b>	38.69	25.52	31.89	33.06	16.54	15.47	15.98
<b>Memorandum items</b>							
Reserve Money	87987.66	83520.29	130481.72	140992.88	146826.74	141370.77	140277.61
NFA (\$million)	1827.52	2266.63	5946.76	6277.31	11507.52	10141.01	10926.69
Currency ratio	0.18	0.17	0.24	0.22	0.24	0.23	0.22
<b>FCD/M2+</b>	0.26	0.27	0.25	0.26	0.18	0.19	0.19
<b>FCD/Total Deposit</b>	0.30	0.32	0.31	0.32	0.23	0.24	0.23
RM multiplier	2.11	2.21	1.90	1.77	2.14	2.18	2.27

Source: Bank of Ghana Staff Calculations

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

	May-23	Dec-23	Dec-24	Feb-25	Nov-25	Dec-25	Jan-26	Feb-26
<b>Net Foreign Assets ( NFA)</b>	(17,154.60)	4021.1	47647.1	58014.9	75780.4	98298.1	85058.9	91519.5
<b>Net Domestic Assets ( NDA)</b>	78882.5	84278.4	82834.6	82978.0	56604.3	48528.6	56311.9	48758.2
<b>of which:</b>								
ow: Claims on government (net)	87329.6	54356.1	56031.5	60833.1	59317.4	68380.2	54887.3	56173.3
Claims on DMB's (net)	(6221.4)	(9878.4)	(21783.3)	(21892.5)	(18398.1)	(31759.1)	(23703.1)	(38179.3)
OMO Sterilisation Account.	(31024.1)	(24795.4)	(18142.9)	(23038.5)	(94376.3)	(76195.1)	(82155.2)	(76917.8)
<b>Reserve Money ( RM)</b>	61727.9	88299.4	130481.7	140992.9	132384.7	146826.7	141370.8	140277.6
ow:Currency	31616.7	37620.7	64127.7	61029.7	67459.6	73898.0	71003.9	70633.3
DMB's reserves	24824.8	38050.2	58769.1	72109.5	56524.1	63542.0	61556.9	60798.2
Non-Bank deposits	5286.5	12628.5	7584.9	7853.7	8401.0	9386.7	8810.0	8846.1
<b>Change from previous year (in per cent)</b>								
<b>Net Foreign Assets</b>	349.9	(123.0)	1084.9	509.3	112.6	106.3	74.8	57.8
<b>Net Domestic Assets</b>	56.4	(1.5)	(1.7)	12.1	(42.8)	(41.4)	(36.8)	(41.2)
ow: Claims on government (net)	78.6	(31.1)	3.1	10.3	(14.0)	22.0	(1.3)	(7.7)
Claims on DMB's (net)	(51.3)	(143.5)	(120.5)	(48.5)	(8.2)	(45.8)	(80.0)	(74.4)
OMO Sterilisation Account.	(498.6)	(221.0)	26.8	22.8	(301.7)	(320.0)	(278.6)	(233.9)
<b>Reserve Money ( RM)</b>	(9.4)	29.7	47.8	8.1	1.5	12.5	(3.7)	(4.5)
ow:Currency	0.6	19.7	70.5	(4.8)	5.2	15.2	(3.9)	(4.4)
<b>Cummulative change from previous year end (in per cent)</b>								
<b>Net Foreign Assets ( NFA)</b>	(1.9)	(123.0)	1084.9	21.8	59.0	106.3	(13.5)	(6.9)
<b>Net Domestic Assets ( NDA)</b>	(7.8)	(1.5)	(1.7)	0.2	(31.7)	(41.4)	16.0	0.5
o/w: Claims on government (net)	10.7	(31.1)	3.1	8.6	5.9	22.0	(19.7)	(17.9)
<b>Reserve Money ( RM)</b>	(9.4)	29.7	47.8	8.1	1.5	12.5	(3.7)	(4.5)
<b>Annual per cent contribution</b>								
<b>Net Foreign Assets</b>	(28.62)	31.58	49.41	58.06	29.82	38.82	26.42	23.76
<b>Net Domestic Assets ( NDA)</b>	61.04	(1.93)	(1.64)	10.75	(31.44)	(26.29)	(23.80)	(24.27)
RM growth ( y-o-y)	32.42	29.65	47.77	68.81	(1.62)	12.53	2.62	(0.51)

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					
	Feb-24	Feb-25	Feb-26	As at end- Feb.2024		As at end Feb.2025		As at end-Feb.2026	
				Abs	Percent	Abs	Percent	Abs	Percent
a Public Sector	5,979.06	6,336.64	4,574.02	(2,024.79)	(25.30)	357.58	5.98	(1,762.62)	(27.82)
b Private Sector	68,809.90	87,333.63	103,667.90	3,312.48	5.06	18,523.73	26.92	16,334.27	18.70
Agric., For. & Fish.	2,339.27	3,384.98	3,954.09	(510.64)	(17.92)	1,045.72	44.70	569.11	16.81
Export Trade	375.51	474.91	293.19	12.77	3.52	99.40	26.47	(181.72)	(38.26)
Manufacturing	8,261.74	10,147.20	12,785.78	171.78	2.12	1,885.46	22.82	2,638.58	26.00
Trans., Stor., & Comm.	4,453.32	4,325.36	3,019.86	701.28	18.69	(127.97)	(2.87)	(1,305.50)	(30.18)
Mining & Quarrying	2,240.13	2,691.24	5,657.19	(193.10)	(7.94)	451.11	20.14	2,965.95	110.21
Import Trade	5,432.86	8,101.37	7,776.40	1,121.89	26.02	2,668.51	49.12	(324.97)	(4.01)
Construction	6,753.19	7,843.42	10,291.40	445.93	7.07	1,090.23	16.14	2,447.98	31.21
Commerce & Finance	9,781.88	15,033.31	15,820.82	(3.51)	(0.04)	5,251.43	53.69	787.51	5.24
Elect., Gas & Water	2,034.49	2,502.46	2,115.47	(269.69)	(11.70)	467.97	23.00	(386.99)	(15.46)
Services	22,823.95	28,128.97	37,293.18	1,696.32	8.03	5,305.02	23.24	9,164.21	32.58
Miscellaneous	4,313.56	4,700.40	4,660.51	139.46	3.34	386.84	8.97	(39.89)	(0.85)
c Grand Total	74,788.96	93,670.27	108,241.92	1,287.69	1.75	18,881.31	25.25	14,571.66	15.66

Source: Bank of Ghana Staff Calculations

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

MONTH	SECTOR											GSE-CI
	F&B	MAN	FINANCE	DISTR	MINING	IT	AGRIC	OIL	ETFund	EDUC	AD.& PROD.	
Feb-25	2578.0	1795.3	2814.3	5381.80	229.44	113.6	5262.0	40.8	9826.8	90.9	100.0	5,659.8
Dec-25	3581.9	1820.6	4647.2	13214.55	229.88	164.0	11164.0	41.3	12993.6	90.9	100.0	8,770.3
Jan-26	3605.6	1820.6	4932.4	13234.12	261.92	164.0	12520.0	41.3	12634.1	90.9	100.0	9,006.5
Feb-26	7184.5	2444.6	7692.9	14443.16	264.22	217.1	14520.0	41.3	14453.6	90.9	100.0	12,869.2
Mon. Chg												
ABS	3578.81	624.00	2760.46	1209.04	2.30	53.12	2000.00	0.00	1819.41	0.00	0.00	3862.69
(%)	99.26	34.28	55.97	9.14	0.88	32.39	15.97	0.00	14.40	0.00	0.00	42.89
Ytd												
ABS	3602.54	624.00	3045.71	1228.61	34.34	53.12	3356.00	0.00	1459.92	0.00	0.00	4098.95
(%)	100.58	34.28	65.54	9.30	14.94	32.39	30.06	0.00	11.24	0.00	0.00	46.74
Yoy												
ABS	4606.48	649.24	4878.58	9061.36	34.77	103.53	9258.00	0.44	4626.80	0.00	0.00	7209.44

Source: Bank of Ghana Staff Calculations

Table A.7: Market Capitalisation by Sectors

MONTH	SECTOR											Market Cap
	F&B	MAN	FINANCE	DISTR	MINING	IT	AGRIC	OIL	ETFund	EDUC	AD.& PROD.	
Feb-25	2,214.20	1,289.3	36,874.04	2,312.5	27,048.0	38,518.3	915.6	17,393.9	1234.24	9.61	10.70	127820.29
Dec-25	3,076.48	1,307.4	55,180.93	5,678.0	27,098.9	55,607.6	1,942.5	17,582.3	1632.00	9.61	10.70	172042.59
Jan-26	3,096.86	1,307.4	57,948.81	5,686.5	30,876.6	55,608.9	2,178.5	17,582.3	1586.85	9.61	10.70	178835.59
Feb-26	6,170.68	1,755.6	94,893.76	6,206.0	31,147.3	73,618.3	2,526.5	17,582.3	1815.37	9.61	10.70	235736.20
Mon. Chg												
ABS	3073.82	448.13	36944.95	519.50	270.75	18009.36	348.00	0.00	228.52	0.00	0.00	56900.61
(%)	99.26	34.28	63.75	9.14	0.88	32.39	15.97	0.00	14.40	0.00	0.00	31.82
Ytd												
ABS	3094.20	448.13	39712.83	527.91	4048.45	18010.72	583.94	0.00	183.37	0.00	0.00	63693.61
(%)	100.58	34.28	71.97	9.30	14.94	32.39	30.06	0.00	11.24	0.00	0.00	37.02
Yoy												
ABS	3956.48	466.25	58019.72	3893.50	4099.34	35100.02	1610.89	188.41	581.13	0.00	0.00	107915.91
(%)	178.69	36.16	157.35	168.37	15.16	91.13	175.94	1.08	47.08	0.00	0.00	84.43

Source: Bank of Ghana Staff Calculations

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

	<u>Feb-23</u>	<u>Feb-24</u>	<u>Feb-25</u>	<u>Dec-25</u>	<u>Feb-26</u>
<b>Components of Assets (% of Total)</b>					
Cash and Due from Banks	28.0	30.2	38.9	30.9	30.3
Investments	35.9	39.3	31.8	39.3	41.4
Net Advances	26.7	21.4	20.1	21.1	20.0
Others	9.4	9.1	9.2	8.7	8.4
<b>Components of Liabilities and Shareholders' Funds (% of Total)</b>					
Total Deposits	75.4	78.2	74.6	72.8	72.7
Total Borrowings	7.6	5.0	7.4	8.5	8.5
Shareholders' Funds	9.4	10.5	11.0	13.1	13.1
Other Liabilities	7.4	6.1	6.9	5.4	5.5

Source: Bank of Ghana Staff Calculations

Table A.9: Credit Growth

Economic Sector	Gh¢million				y/y growth (%)	
	Feb-24	Feb-25	Dec-25	Feb-26	Feb-25	Feb-26
<b>Public Sector</b>	<b>5,979.06</b>	<b>6,336.64</b>	<b>4,783.02</b>	<b>4,574.02</b>	<b>6.0</b>	<b>-27.8</b>
<b>Private Sector</b>	<b>68,809.90</b>	<b>87,333.63</b>	<b>106,189.69</b>	<b>103,667.90</b>	<b>26.9</b>	<b>18.7</b>
- Private Enterprises	50,145.60	62,954.05	74,923.73	73,410.80	25.5	16.6
o/w Foreign	2,871.36	4,178.77	4,825.31	4,235.42	45.5	1.4
Indigeneous	47,274.24	58,775.28	70,098.42	69,175.38	24.3	17.7
- Households	17,620.52	21,765.83	27,705.56	27,755.47	23.5	27.5
<b>Gross Loans</b>	<b>74,788.96</b>	<b>93,670.27</b>	<b>110,972.72</b>	<b>108,241.92</b>	<b>25.2</b>	<b>15.6</b>

Source: Bank of Ghana Staff Calculations

Table A.10: Contingent Liabilities

	<u>Feb-24</u>	<u>Feb-25</u>	<u>Dec-25</u>	<u>Feb-26</u>
<b>Contingent Liabilities (GH¢million)</b>	23,348.18	23,414.18	16,144.33	20,361.17
<b>Growth (y-o-y)</b>	15.4	0.3	-32.6	-13.0
<b>% of Total Liabilities</b>	9.1	6.8	4.2	5.0

Source: Bank of Ghana Staff Calculations

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

	Feb-24		Feb-25		Dec-25		Feb-26	
	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
<b>a. Public Sector</b>	<b>8.0</b>	<b>5.5</b>	<b>6.8</b>	<b>3.8</b>	<b>4.3</b>	<b>2.5</b>	<b>4.2</b>	<b>1.9</b>
i. Government	2.7	1.7	1.6	1.0	0.7	0.9	0.6	1.0
ii. Public Institutions	1.8	0.7	1.4	0.2	1.1	0.4	1.0	0.4
iii. Public Enterprises	3.5	3.1	3.8	2.6	2.5	1.2	2.6	0.5
<b>b. Private Sector</b>	<b>92.0</b>	<b>94.5</b>	<b>93.2</b>	<b>96.2</b>	<b>95.7</b>	<b>97.5</b>	<b>95.8</b>	<b>98.1</b>
i. Private Enterprises	67.0	83.0	67.2	83.4	67.5	84.8	67.8	84.5
o/w Foreign	3.8	2.0	4.5	2.4	4.3	4.7	3.9	1.9
Indigeneous	63.2	81.0	62.7	81.0	63.2	80.1	63.9	82.7
ii. Households	23.6	11.1	23.2	11.9	25.0	12.3	25.6	13.1
iii. Others	1.4	0.5	2.8	0.9	3.2	0.4	2.3	0.4

Source: Bank of Ghana Staff Calculations

**Table A.12: Liquidity Ratios**

	<u>Feb-24</u>	<u>Feb-25</u>	<u>Dec-25</u>	<u>Feb-26</u>
<b>Liquid Assets (Core) - (GH¢'million)</b>	86,707.40	149,495.17	138,039.57	140,799.24
<b>Liquid Assets (Broad) -(GH¢'million)</b>	199,176.39	271,482.77	312,669.47	332,763.90
<b>Liquid Assets to total deposits (Core)-%</b>	38.6	52.1	42.4	41.6
<b>Liquid Assets to total deposits (Broad)- %</b>	88.8	94.6	96.1	98.3
<b>Liquid assets to total assets (Core)- %</b>	30.2	38.9	30.9	30.3
<b>Liquid assets to total assets (Broad)- %</b>	69.4	70.6	70.0	71.5

Source: Bank of Ghana Staff Calculations

**Table A.13: Profitability Indicators (%)**

	<b>Feb-24</b>	<b>Feb-25</b>	<b>Dec-25</b>	<b>Feb-26</b>
<b>Gross Yield</b>	3.1	2.8	16.9	2.2
<b>Interest Payable</b>	1.0	0.9	5.4	0.7
<b>Spread</b>	2.1	2.0	11.5	1.5
<b>Asset Utilitisation</b>	2.6	2.2	13.1	2.0
<b>Interest Margin to Total Assets</b>	1.4	1.1	6.6	1.0
<b>Interest Margin to Gross income</b>	53.6	51.7	50.8	49.9
<b>Profitability Ratio</b>	21.8	23.3	25.7	26.2
<b>Return On Equity (%) after tax</b>	32.7	28.5	30.8	24.3
<b>Return On Assets (%) before tax</b>	5.2	4.7	5.7	4.6

Source: Bank of Ghana Staff Calculations

Table A.14: DMBs' Income Statement

	Feb-24	Feb-25	Dec-25	Feb-26	Feb-25	Dec-25	Feb-26
	<u>(GH c'million)</u>				<u>Y-o-y Growth (%)</u>		
Interest Income	5,896.8	6,690.6	44,575.0	6,903.9	13.5	15.8	3.2
Interest Expenses	(1,924.3)	(2,279.3)	(14,942.9)	(2,220.4)	18.5	14.7	(2.6)
<b>Net Interest Income</b>	<b>3,972.6</b>	<b>4,411.3</b>	<b>29,632.1</b>	<b>4,683.5</b>	<b>11.0</b>	<b>16.4</b>	<b>6.2</b>
Fees and Commissions (Net)	785.3	1,066.7	6,206.0	1,060.7	35.8	9.5	(0.6)
Other Income	732.1	772.6	7,602.2	1,430.5	5.5	30.3	85.1
Operating Income	5,489.9	6,250.6	43,440.3	7,174.7	13.9	17.5	14.8
Operating Expenses	(2,421.7)	(3,019.8)	(18,908.4)	(3,203.0)	24.7	14.0	6.1
Staff Cost (deduct)	(1,206.0)	(1,553.0)	(9,991.5)	(1,777.5)	28.8	21.5	14.5
Other operating Expenses	(1,215.7)	(1,466.9)	(8,916.9)	(1,425.5)	20.7	6.6	(2.8)
<b>Net Operating Income</b>	<b>3,068.3</b>	<b>3,230.7</b>	<b>24,531.9</b>	<b>3,971.7</b>	<b>5.3</b>	<b>20.4</b>	<b>22.9</b>
Total Provision (Loan losses, Depreciation & Income Before Tax	(619.0)	(275.2)	(1,641.4)	(394.8)	(55.5)	(57.1)	43.4
Tax	2,449.3	2,955.5	22,890.5	3,577.0	20.7	38.4	21.0
<b>Net Income</b>	<b>1,613.1</b>	<b>1,986.4</b>	<b>14,975.6</b>	<b>2,465.3</b>	<b>23.1</b>	<b>43.5</b>	<b>24.1</b>
Gross Income	7,414.2	8,529.9	58,383.2	9,395.1	15.0	16.8	10.1

Source: Bank of Ghana Staff Calculations

Table A.15: Developments in Offshore Balances

	<u>Feb-24</u>	<u>Feb-25</u>	<u>Dec-25</u>	<u>Feb-26</u>
<b>Offshore balances as % to Networth</b>	69.0	99.8	41.9	44.4
<b>Annual Growth in Offshore balances (%)</b>	22.0	102.6	-41.1	-35.8
<b>Annual Growth in Nostro Balances (%)</b>	-20.8	89.9	-61.3	-46.4
<b>Annual Growth in Placement (%)</b>	120.3	113.6	-21.0	-28.1

Source: Bank of Ghana Staff Calculations