



BANK OF GHANA

**TRANSCRIPT OF THE 129TH MPC PRESS BRIEFING HELD ON
18 MARCH 2026, AT THE BANK SQUARE**

**TRANSCRIPT OF THE MONETARY POLICY COMMITTEE
PRESS BRIEFING HELD ON WEDNESDAY, 18 MARCH 2026**

On Wednesday, 18 March 2026, the Monetary Policy Committee (MPC) held a press briefing following its 129th meeting. The session was chaired by the Governor, who also serves as the Chairman of the Committee. Below is the edited transcript featuring questions from the press and the responses provided by the Governor.

The full recording of the briefing is available on the Bank's website: www.bog.gov.gh.

Questioner: During the pre-MPC, you raised a concern about the gold accumulation [Ghana Accelerated National Reserve Accumulation Policy]. What was the discussion at the Committee level regarding the concentration risks that it brings, as well as the liquidity impact that it will have on the market?

Governor: The Ghana Accelerated National Reserve Accumulation Policy (GANRAP) is not only about gold. If you look at the document that was issued, it is broad. There is a focus on scaling up non-traditional exports, so it is not just about gold, even though gold is a strong part of it. The issue of liquidity impact will be subject to the active reserve management that the central bank conducts, and so, we do not see a problem with that. It is a programme that the central bank put together with the Ministry of Finance, and so it is all well thought through. Of course, the fine details are still being worked out at this point, and so, we do not see the problem of concentration risk as you mentioned.

Questioner: Governor, you mentioned that the banking sector's performance is improving. On the back of this, I want to ask this question: Last year, during the 125th MPC Press Conference, you mentioned that the central bank was going to assess the nostro accounts of the commercial banks. This was during the period that commercial banks were reported to have experienced a shortage of dollars in the system. So, I want an update on the assessment of the nostro accounts of the commercial banks?

Governor: I remember sometime last year, we mentioned as part of the general FX reforms we were implementing that we were going to monitor these inflows. [I mentioned that] our FX, wherever it is, be it in the nostro accounts of banks, located anywhere, we were going to make sure that these are used

to support legitimate imports into the country. And, we have been doing a good job at that. [Do you] remember, the new FX framework that we introduced? It is working very well. We have stepped up our monitoring efforts; we are seeing remittance inflows through the banking system, and we will continue to monitor these actively, going forward. So yes, we have improved as far as our monitoring efforts are concerned on that note.

Questioner: Governor, you said that you expect inflation to remain within the central bank's bandwidth of 6 to 10 per cent. Right now, inflation is far below the minimum of that bandwidth. Does the Committee expect any uptick in inflation at all, above where it is now?

Governor: It all depends on whether the problem in the Middle East becomes persistent. You know for sure that we are net importers of petroleum products. This means if global oil prices surge, that will impact ex-pump prices right here in Ghana and as you are aware, it feeds into domestic inflation. So, certainly, there is that potential, but I must be quick to add that this is not the first time. There are measures that a government can implement to cushion the effect of these. We have all been hearing that the authorities are thinking of ways to cushion against those pressures. We are also monitoring what other countries are doing. There is this interesting one in Sri Lanka where they have reduced the five-day working week to four days, with the assumption that on holidays, people do not rely heavily on petroleum products. Probably in Ghana, it will be the reverse; I am sure people drive more even on holidays, but let's wait for the Government to come out with its set of measures to cushion the impact, in case it becomes persistent. The good thing in all these is we have accumulated enough reserves, nearly 5.9 months of import cover and that should allow us to protect the gains going forward, but we are monitoring the situation, and the MPC is ready to act if we need to re-evaluate the situation.

Questioner: Given the rise in global oil prices and geopolitical tensions, isn't this rate cut too risky at this time? Secondly, credit to the private sector seems to be subdued. What complementary measures is the Bank considering beyond the rate cut to stimulate lending?

Governor: Not at all. Remember, this has been three days of going through a lot of materials, looking at the outlook, and evaluating the issues. We looked at the banking sector; it is now solvent, liquid, and growing in terms of assets. Although Non-Performing Loans (NPLs) are elevated, the data suggests they are coming down. Private sector credit is beginning to recover. There are several things we can do: First, interest rates are trending

downwards, so certainly, the policy decision taken today should go to support higher levels of private sector credit provision. We are engaging with the banks, and you are aware that the Ghana Reference Rate (GRR), for example, which the banks compute themselves, is now at 11.71 per cent, having dropped significantly. What that means is that some borrowers can access loans within the region of 11.71 per cent. So yes, we are doing everything possible to shore up private sector credit. We are working with banks actively to make sure that financial intermediation is scaled up.

Questioner: Given that most of our raw gold exports go to the Middle East region and given the ongoing travel restrictions and bans across the region, how is that affecting the export of our gold and, by extension, the FX inflows. Are there any alternative markets that are maybe safer to receive Ghana's gold, especially from the small-scale sector?

Governor: Concentration of any kind can be risky, and I am sure the GoldBod will be better placed, as far as the small-scale gold is concerned. But based on the data we have, there has not been a significant disruption. Export of small-scale gold is ongoing. We can get you the precise figures. I believe the Head of the Gold Desk is right here. He can give you a sense of the exports that have been going to Dubai and other destinations over the past two months. But I do agree with you on the need to diversify the destinations going forward.

Questioner: Governor, how have we assessed the impact of the war on the FX markets, and would the Bank take any additional measures in that regard, aside from the spot FX sales?

Governor: If oil prices surge, for example, now I hear it is around \$100 per barrel, what that means is that the oil import bill also surges accordingly, and you need more FX to be able to support the same volumes as you were doing before, directly affecting the FX situation. If it turns out that the global shock is temporary or just transitory, that is easy to manage. But if it turns out that it is persistent, then you must have a set of measures to stem the situation. A lot depends on what we do, but also what the fiscal authorities do. So, the first thing we are saying is that we do have adequate reserves to support these for a while, but we are working together with the fiscal authorities, and I am sure the Government will come out shortly based on their assessment of the situation. Whether this is going to be consistent or not, I believe the Government is working on something, so we can wait to hear from Government in that respect. But let me assure you that we engage with them

regularly. We will make sure that we are ready to protect the gains that have been made.

Questioner: My question is on the legacy debt owed by COCOBOD and the government's plan regarding it. How would that reflect on the Bank of Ghana's balance sheet, and would it affect future monetary policy operations?

Governor: Yes, there is a debt of about \$1.38 billion that COCOBOD owes the central bank. But I must say that COCOBOD has been servicing the interest and coupon payments. COCOBOD has never defaulted, they have been servicing these, and these are not new debt. This is debt that has been accumulated for a long time now. We are aware that the Government has taken the decision to take over that debt. For us, that would be a good thing. It will help our capitalisation, but at this point, we are still in talks with the Government, and I can only assure you it will not adversely impact our monetary policy operations. On the contrary, it should rather help our capitalisation going forward.

Questioner: Governor, with an end to the war not in sight, would you want to reconsider your international reserves targets of 15-month import cover by the end 2028? Secondly, is there any collaboration with the fiscal side on concrete measures to cushion Ghanaians? Have they come to you with any concrete measures or support?

Governor: Yes, we are thinking through it. As I mentioned, we need to assess whether it is going to be a transitory global shock or whether it will be persistent. At this MPC round, we are still observing the situation. We are looking at oil prices. We are looking at all other commodity prices. As of this morning, when I checked, gold prices had declined sharply to about \$4,800. So, there is a lot of volatility out there. It is for us to keep watching to assess the situation, and then we will take the appropriate decision.

Questioner: Governor, would you want to reconsider the international reserves target of 15 months import cover by 2028 because of the geopolitical tensions?

Governor: The 15 months of import cover under the GANRAP is a target by 2028. It is not a target for this year. This is a medium-term target that we expect to achieve, and as I mentioned, it is about the reserves, it is not just about gold. That target has a lot of components in there. Scaling up of gold reserves and non-traditional exports are all part of it. If we achieve that level

of reserve, it is good, it strengthens our external resilience. As a commodity-exporting country, as you know, previously, we were borrowing from the Eurobond market just to add to our reserves. We were doing swaps [and those were very expensive] to build reserves. Fortunately, now we do not have to borrow anymore. We can accumulate these reserves and then build up our resilience. So, that is what we seek to do. Yes, the way to accumulate those reserves is important. You must make sure that any negative impacts are kept to the barest minimum. We have heard people talk about its possible liquidity impacts. However, we have it covered and figured out. We have thought through it deeply, and as I mentioned, the central bank was very much a part of that strategy. We worked together with the Minister for Finance and his team, and so, we have it all covered. This is not new to us, and so we will manage the process until we get to that target.

Questioner: Governor, the deadline for the two banks that are left to meet the capital requirements was in March. So, what is the current update as we are heading to the end of March.

Governor: As of December 2025, [as] I mentioned this at the first MPC meeting, all banks except two had met it. For the two remaining banks, we gave them up to the end of March [2026] to also meet it. As we speak, one of the two banks is on course to meet it, while the other one is also making some strong efforts in that regard. So, we envisage that the two banks will indeed be able to recapitalise. For one of the two, they may have to be given a little extension, but eventually, we do expect that by mid-year, at the latest, both banks will also be able to recapitalise and then we can move forward.

Questioner: I want to find out from you what the projection for the local currency is for this year. At the end of the year, what should we expect regarding the performance of the currency?

Governor: Unfortunately, we treat the cedi as an endogenous variable. So, we do not issue a target for the cedi. The target we have is for inflation. We allow the cedi to float. To be determined by all other variables, and so, we do not have any explicit target for it. I have always mentioned that what we have is a floating exchange rate framework. It is a managed floating framework operationally. So, our aim in all these is to ensure that there is no excessive volatility, that is what we try to control; but as for the rates that the cedi achieves or attains at any point in time, we allow that to be market-determined. For those of you who are familiar with the new FX framework, there is an auction twice a week, and banks freely submit their bids at the auction, where everything is transparent. We have issued Notices to that

effect. We do not have any explicit target for the cedi at all. All we can tell you is that we think we will be able to avoid excessive volatility in the cedi, barring any unforeseen shocks, such as persistence in the Middle East crisis and its potential impacts. We should be able to maintain exchange rate stability.

Questioner: Can you share with us some of the mitigating measures you are putting in place to limit the pass-through effects of the global price shocks on our markets, especially given that we still intend to keep inflation within the target band?

Governor: The situation is still evolving. The MPC took a deep dive into what we can do as a central bank. That discussion is still on. Remember, a good part of it must be from the other side, the fiscal authorities. So, you might as well ask the Minister for Finance. We are aware that there are some discussions ongoing, even from this week. They are studying the situation, and they will come out with what the Government intends to do to mitigate the impact. For us, our job is to maintain an appropriate monetary policy stance. Our job is to ensure that we have adequate reserve buffers if we must act, so we can deploy the set of tools needed to contain the situation. I mentioned that the MPC has signalled its readiness to respond. If we must have an emergency meeting just to evaluate the situation and consider other tools necessary, we will, but as of now, we have not announced any set of measures. The whole situation is being monitored, and hopefully, very soon, we might hear something, but it might as well turn out to be a temporary crisis. Who knows, if the war ends next week, it goes with all the potential challenges that could come with it. So that is where we are currently. We will announce if we develop those measures.

Questioner: Governor, I would want to find out how far you have reached in ensuring that the losses incurred from Gold-for-Reserves (G4R) are transferred onto the Government's books, and since January 2026, what specific measures have been taken to address these losses and what has been the impact?

Governor: There is an ongoing audit of the entire Domestic Gold Purchase Programme (DGPP). Not just for the G4R, but also for the other components, including the Gold-for-Oil (G4O). The audit is ongoing, and we want to wait for the results of that audit before taking the next steps. I am happy to announce that the Government is doing its part to support the central bank in this regard. Remember, in line with the Bank of Ghana Amendment Law, which was passed about two months ago, the Government has committed to recapitalising the Bank of Ghana. As you are aware, our net equity position

has deteriorated. What it means is that the Bank of Ghana itself needs to recapitalise. The Minister for Finance has done a good job. They have front-loaded that recapitalisation agenda. They have already issued some bonds to us, which is a good step, showing the Government's commitment to recapitalise the central bank and to address the negative net equity position.

So, as far as our balance sheet is concerned, the Government is doing everything possible to help us get back to positive net equity. However, the actual losses in terms of the DGPP from the time it started in 2022 up to now, are all being audited. After they are audited, the appropriate measures will be taken.

Questioner: Governor, when we hear the word recapitalisation, it takes us to a few years back and then, of course, there is something called the minimum capital requirement [for banks] that used to be GHC400million, but to hear the central bank needs recapitalisation is not a phrase we hear all the time. Tell us, when you talk about that, what do you mean? How much money are you talking about to take you from the negative net equity position to a positive net equity position? At least a range.

Governor: Rest assured that the central bank's negative net equity position does not in any way prevent it from carrying out its mandates. We have always maintained that the central bank is a peculiar institution. We can conduct our operations as mandated continually. We say that we are still policy solvent, but we must recapitalise in the light of the negative net equity position that started from somewhere in 2022, during the crisis that occurred, and I have indicated that during last year, the negative net equity position deteriorated further. However, the Government is the sole shareholder of the central bank and so, when you need to recapitalise, who else must recapitalise the central bank? It is Government. The Government has committed to doing that. The law mandates it [Government] to do it by 2032. However, the Government has decided to start immediately, and they have given us a bond to that effect already, which is a good sign. The Government has given us an MOU committing to getting us out of that position as early as possible.

So, rest assured, no worries at all. We will continue to meet our mandate of price and exchange rate stability as well as financial sector stability.

Questioner: There is a saying that “follow the money”. In all that you said about the central bank’s recapitalisation...you did not put an amount of money to it. So, say that maybe XYZ is needed, a million, a billion, for this

whole process, for the central bank of the Republic of Ghana to be solvent and then have a positive equity position.

Governor: We will publish our financial accounts...and then you can see where the pressures came from. For example, our law mandates that the Government help us to meet the cost of monetary policy. In 2025, we incurred a cost to achieve the low inflation that was recorded. The exchange rate stability we got last year also came at a cost. To give you some figures for monetary operations alone, we spent close to 17 billion cedis last year. It does not come cheap, but stability itself is a public good. It is the bedrock of everything we do in this country, and the law mandates that the Government supports us when it comes to those. And so, what I'm telling you is we have engaged the Government, and the Government has shown the good way. [Government] has already started helping us to recover some of those losses. We are talking with them. We have an MOU that we are working on so that over time, we can recover all those losses and be able to work our way back into positive equity. Remain assured that the work we are mandated to do under our Act will not be impacted at all. We are still policy solvent. We will continue to do what the people of Ghana have asked us to do for them.

Questioner: Governor, on Monday [16 March 2026], when you opened the MPC Meeting, you highlighted that the Middle East crisis poses significant threats to the fundamentals of this economy. Last week, the CEO of the National Petroleum Authority (NPA) explained that about 60 per cent of the oil that we import into this country come from Europe, and then we have Tema Oil Refinery and Sentuo also doing about 30 per cent. So, really, we are not getting that much from the Middle East. So, I want to ask or find out from you to what extent does this Middle East crisis pose a danger to our economy, given that we do not import a lot from the Middle East?

Governor: It may be true that 60 per cent of our oil comes from Europe, but global oil prices are global oil prices. It is what it is, and when oil prices go up, they do not go up in Europe without affecting the Middle East. It is the same international price, regardless of country. So, the risks are significant. As I mentioned earlier, it all depends on whether it is transitory or whether it is persistent. The good part is, we have adequate reserves as far as the central bank is concerned. But if it is going to be persistent, the Government is discussing these issues. I am sure very soon they will come out, especially if it is a crisis that will be persistent. There are a few relief measures that can be rolled out to protect Ghanaians, and so, the Government will do its part, but we are also monitoring the situation on our side.

Questioner: So, before this Press Conference, I spoke to the Ghana Union of Traders Associations (GUTA), and they said that they applauded you for reducing the [policy] rate, but they want it to reflect on lending rates. So, can you assure them that it will happen?

Governor: GUTA would want to see lower lending rates. They want to see the policy rate reflect, and I believe so far, we have done that compared to where we started last year. Lending rates have gone down significantly. So, we are on course, we are on the right path. Look at where Government Treasury bill rates are currently. Gradually, banks are calling people, and I am hearing those reports that banks are calling them on the phone, asking them to apply for loans.

Gradually, we are getting there, but as I always say, one problem we have in this country is that everybody goes to the bank to borrow money, but it must not be so. Banks are financial intermediaries. You should be able to go to the stock exchange and borrow money directly. There are companies that can issue commercial paper, and banks will not be involved. Most of the time, you will get such money cheaper than you would through a bank. The only thing is that you will be required to have some higher standards when it comes to governance, when it comes to transparency, when it comes to accountability. You are held up to higher standards, and we want to see more companies going for that type of financing, especially when what you are looking for is longer-term financing. There is what you can use a bank loan for, but if it is a longer-term financing, you are looking for, a bank is not the first place you should go. So, we are working together with the capital market regulator...to increase access to such financing by Ghanaian firms. So, we will do our part to improve the situation for GUTA and its members.

Questioner: What specific domestic indicators gave the MPC enough confidence to ease so aggressively at this point, if you can tell us that? Additionally, we have been worried about how the cuts in the policy rates are transmitted within the economy. So, we want to find out from you how quickly the Bank expects today's decision to be transmitted into lower lending rates for businesses and households, and what is your message to commercial banks themselves to ensure that the cut delivers real relief to the productive sectors rather than remaining largely on paper?

Governor: Domestic inflation is on the decline, and from the assessment, as far as the outlook is concerned, the MPC felt that the trend should continue. We weighed the risks, and at this MPC round, we must wait and watch. The significant risk in the outlook is the Middle East crisis and its potential

impact. As we speak, it is not very clear if this is going to be persistent or not. We hear the U.S. President, for example, saying that they are going to wrap this up very soon. I listened to him about three days ago. So, we are monitoring the situation. If indeed they can wrap it up very soon, that means it will be short-term, and we will get over this. So, we are monitoring the situation.

Secondly, lending rates are beneficial, whether it is to a productive sector or not, but what we would want to see from the central bank is that these firms patronise not just the banks, but also the capital market. Even as lending rates go down, we want to see them take advantage of the opportunities that are there and as we speak, maybe you can engage the capital market regulator to see what is going on there. There are firms that are borrowing cheaper through the capital market. The only thing is for you to commit to being subjected to higher standards. When it comes to ownership, transparency and regulatory issues, the standards are higher, but at the end of the day, it helps to run your business. We should encourage more of our colleagues to take advantage of those.

Questioner: Governor, I am reading from Kofi Benti's page. He said, [and]I quote, "don't forget this Government sold 18 tonnes of our gold when all data showed that gold prices were rising. Now, they want to buy it back at a loss of almost \$2 billion. I sincerely hope they have good reasons for that. So far, I haven't heard any good reason."

Governor, I get confused when I hear some of these things. Did we sell our gold for good reasons, and did it benefit Ghanaians?

Governor: You must put them into proper context. It's not that literal. So, as I said, today, gold prices are at \$4,800 [an ounce]. It went up to \$5,300 [an ounce]. Now, what that tells you is that it's very volatile. There is no guarantee that it will stay at \$5,300 forever. Now, a decision was taken last year to diversify. At the time, there was no indication that the Venezuela crisis, for example, was going to escalate or that the Iran crisis was going to escalate. At the time, everyone thought prices had peaked, and then it was around \$4,200, everyone thought the prices had gone up to maximum levels. Now, in taking those decisions, the appropriate channels were used. There were no breaches. A lot of the things we hear out there are just things you do not even want to respond to. We have all the information. I was in Parliament last week to answer all those questions. Just ask Kofi Benti to give me a call. I am available to open the books. Those things being said outside there, I do not know what it's supposed to achieve, but we are here, transparently, to walk you through the books, why we had to take that decision, and why we believe

it was a good decision at that time. Going forward, it is still a good idea to accumulate gold. Why? Given where we are now, we can expect gold prices to go up over the next couple of years. If you study what is happening geopolitically, it makes sense to accumulate gold right now, whether at \$4,800 or \$4,500 or at \$5,300. You can be sure that gold prices will go up significantly within the next two or three years. So, it is fine to acquire new gold...In the future, prices will go up, and if at some point, strategically, a decision is made to diversify again, you do it. Remember, with that transaction, we made a profit of over \$1.3 billion. It is all within our international reserves, and when we say we have 5.9 months of imports cover, it is all in there. There are no losses, nothing lost whatsoever. If we knew that gold prices would forever be at \$5,300, maybe that would be considered but today, as we speak, prices have dropped, and it could go down, it could go up. It's a very volatile commodity, and so, we should not just draw such conclusions. They are two separate things. What was done last year to diversify was a different thing. What is being done now under GANRAP and other strategies to accumulate is also a different thing. Maybe through your channel, encourage Mr Kofi Bentil to pay me a visit. He should stop all those wild allegations. We are transparent. We are ready to answer him. I thought he would be in Parliament when we went there to discuss it. We are ready. He should just make a call and come over. We are ready to walk him through it.