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BANK OF GHANA



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Overview

This report presents a review of global and domestic economic developments during the fourth quarter of 2024. The domestic developments cover the real sector, price developments, monetary aggregates, banking sector credit, exchange rates, interest rates, the capital market, and balance of payments.

Global Economy

Global economic activity is projected to remain steady but uneven across regions, supported by the recovery of real incomes and household spending due to declining inflation and less restrictive policies.

The Domestic Economy

Real Sector

Domestic economic activity improved in the fourth quarter of 2024 compared to the same period in the previous year. Consumer spending, manufacturing activity, international tourist arrivals, vehicle registration and port activity picked up during the review quarter, while industrial consumption of electricity declined.

Inflation

Headline inflation increased to 23.8 percent at the end of the fourth quarter of 2024, up from 21.5 percent at the end of the third quarter. The increase was driven by higher food prices, following a dry spell that dampened harvests in major food-producing areas. Food inflation jumped to 27.8 percent at the end of the fourth quarter from 22.1 percent at the end of the third quarter, while non-food inflation remained relatively sticky at 20.3 percent, compared with 20.9 percent at the end of the previous quarter.

Monetary Aggregates

Annual growth in broad money supply (M2+) decreased to 31.89 percent at the end of the fourth quarter of 2024 from 38.69 percent at the end of the fourth quarter of 2023. The decrease in M2+ was driven mainly by a significant deceleration in the pace of growth in the Net Foreign Assets (NFA) of depository institutions. Similarly, the Net Domestic Assets (NDA) of the depository institutions decreased relative to the corresponding quarter of 2023. The decrease in the growth in M2+ reflected in decreased growth in demand deposits, and savings and time deposits and foreign currency deposits.

Banking Sector Credit

The nominal annual growth in banks' outstanding credit increased to 24.06 percent in the fourth quarter of 2024 from 10.01 percent in the fourth quarter of 2023. This was also higher than the growth of 25.53 percent recorded in the third quarter of 2024. At the end of the fourth quarter of 2024, total outstanding credit stood at GH¢95,540.33 million compared with GH¢77,009.67 million and GH¢91,533.85 million recorded in the fourth quarter of 2023 and third quarter of 2024, respectively. The share of private sector credit in total outstanding credit increased marginally to 93.28 percent at the end of the review period, from 91.62 percent recorded in the fourth quarter of 2023.

Exchange Rates

The Ghana cedi appreciated both on both the interbank and forex bureaux markets. On the interbank market, the Ghana cedi appreciated against the U.S. dollar, the pound sterling and the euro by 7.5 percent, 15.1 percent, and 15.8 percent, respectively. On the forex bureaux market, the cedi appreciated against the U.S. dollar, the pound sterling and the euro by 3.1 percent, 9.7 percent and 9.5 percent, respectively.

Interest Rates

Interest rates in the money market generally reflected a downward trend across the full spectrum of the yield curve. The BOG bill rate, rates on GOG securities, rates on Deposit Money Banks (DMBs) and the average lending rates (DMBs) decreased relative to the corresponding period in 2023. The Monetary Policy Rate (MPR) at the end of the fourth quarter of 2024 stood at 27.00 percent, reflecting a 300 basis point decrease compared with the MPR at the end of the fourth quarter in 2023. The interbank weighted average interest rate decreased by 316 basis points, to settle at 27.03 percent in the fourth quarter of 2024, from 30.19 percent in the corresponding quarter of 2023. On the treasury market, the 91-day, 182-day, and 364-day T-bill rates decreased cumulatively by 166 basis points, 327 basis points, and 302 basis points, respectively, compared to the fourth quarter of 2023.

Capital Market

The Ghana Stock Exchange Composite Index (GSE-CI) increased by 11.88 percent (519.09 points) in 2024Q4, and made a year-on-year gain of 56.17 percent (1758.30 points) at the end of the fourth quarter. The GSE-CI shed 1.33 percent (-42.12 points) in value in Q4 of the previous year but on year-on-year terms it recorded a gain of 28.08 percent (686.32 points). The GSE-CI increased in value in 2024Q4 due to improved investor appetite as well as election-related uncertainties, which made GOG securities unattractive.

Balance of Payments

Ghana's external transactions with the rest of the world for the fourth quarter of 2024 resulted in an overall balance of payment surplus of US\$1.25 billion, 17.9 percent higher than the surplus recorded in the fourth quarter of 2023. The surplus was driven by a large current account surplus despite lower outflows in the capital and financial account. The trade account recorded a surplus of US\$1.77 billion, 67.3 percent higher than the trade surplus of US\$1.06 billion recorded in the corresponding period of 2023. This was driven by higher exports relative to imports. The country's gross international reserves at the end of December 2024 amounted to US\$8.98 billion, a build-up of US\$3.06 billion from a stock position of US\$5.92 billion at the end of December 2023. This was sufficient to provide for 4.0 months of imports cover compared to the 2.7 months of import cover in December 2023.

1. Developments in the World Economy

Global economic activity is projected to remain steady but uneven across regions, supported by the recovery of real incomes and household spending due to declining inflation and less restrictive policies. This is despite the negative impact of heightened uncertainty arising from global trade tensions and ongoing geopolitical risks. Growth has been uneven across regions and sectors, with activity expanding strongly for the United States and China in 2024Q4, while moderating for Japan and the United Kingdom. Across sectors, high frequency data points to vulnerability in manufacturing owing to rising uncertainty, restrictive financial conditions, and lower demand. The weakness in the manufacturing sector was broad-based across regions, but more pronounced in the Euro Area. Service activity continues to support global growth; however, its impact is waning even as the labour markets cool.

The IMF projects global growth to improve to 3.3 percent for both 2025 and 2026, with advanced and emerging market economies remaining the main drivers of growth. However, the balance of risk to the growth outlook remains tilted to the downside. An unexpected increase in oil prices arising from geopolitical tensions may raise global inflation, and this in turn could cause central banks to delay their easing cycles and trigger the repricing of risky assets in financial markets. Trade and immigration policies of the new U.S. administration may also dampen consumer and business confidence and weigh on growth. These policies may also push up prices globally and delay the ongoing rate cuts across major economies' central banks. As a result, EMDE currencies may experience disorderly movements with implications for inflation in the sub-region.

Table 1.1: Overview of World Economic Outlook Projections (% change)

Overview of the World Economic Outlook Projections (Percent change)	Year over Year		
	2024	Projections	
		2025	2026
World	3.2	3.3	3.3
Advanced Economies	1.7	1.9	1.8
United States	2.8	2.7	2.1
Euro Area	0.8	1.0	1.4
Germany	-0.2	0.3	1.1
France	1.1	0.8	1.1
Italy	0.6	0.7	0.9
Spain	3.1	2.3	1.8
Japan	-0.2	1.1	0.8
United Kingdom	0.9	1.6	1.5
Canada	1.3	2.0	2.0
Other Advanced Economies	2.0	2.1	2.3
Emerging Market and Developing Economies	4.2	4.2	4.3
China	4.8	4.6	4.5
India	6.5	6.5	6.5
Russia	3.8	1.4	1.2
Brazil	3.7	2.2	2.2
Mexico	1.8	1.4	2.0
Sub-Saharan Africa	3.8	4.2	4.2
Nigeria	3.1	3.2	3.0
South Africa	0.8	1.5	1.6

Source: IMF, WEO January, 2025, Update

United States

The U.S. economy expanded at an annualised 2.3 percent in 2024Q4, the slowest growth in three quarters, owing to a contraction in government expenditure, fixed investments, and net exports. Moving into 2025, activity is expected to improve on the back of a resilient services sector in December 2024. Headline inflation also increased marginally in the month, owing to a slow decline in energy prices. The IMF estimates the U.S. economy will marginally decline to 2.7 percent in 2025 from a growth of 2.8 percent in 2024 before slowing further to 2.1 percent in 2026.

In the outlook, growth in the U.S. economy closed the year on a softer pace, albeit with a healthy labour market and robust consumer spending. Performance of the economy in the near term will largely depend on the policies of the new administration. In addition, geopolitical fragmentations and persistent inflation remain risks to growth.

United Kingdom

The British economy expanded by 0.1 percent on a quarterly basis in 2024Q4 following flat activity in Q3. Activity was driven by an increase in government spending and a pickup of the services sector. In terms of price developments, headline inflation edged lower in December as service prices slowed. The IMF projects the U.K. economy to grow by 1.6 percent in 2025, a marginal increase from 0.9 percent in 2024, before growing by 1.5 percent in 2026. In the outlook, an escalation in trade frictions could lead to a modest deterioration in business confidence and eventually output. Policy uncertainty could have a dampening effect on investments and cause higher levels of market volatility.

Euro Area

The Eurozone economy unexpectedly stalled in 2024Q4, marking its weakest performance of the year. This is coming on the back of a contraction in the largest economies in the region. Economic activity in Germany saw a sharp contraction, driven by steeper declines in output and new orders as firms struggled with weak demand. The French economy shrank, driven by a slowdown in household consumption and government expenditure. Inflation also increased across the region in December, largely due to base effects. Looking ahead, production sentiments have strengthened, with growth expectations reaching their highest level since February 2022. The IMF estimates the Euro Area economy grew by 0.8 percent in 2024, is expected to expand at 1.0 percent by the end of 2025, before accelerating to 1.4 percent in 2026. In the outlook, the balance of risks to GDP growth remains tilted to the downside, particularly due to the potential imposition of tariffs. Global uncertainty may also negatively impact business and consumer sentiment, leading to a delay in consumer and investment recovery.

Japan

The Japanese economy is expected to recover moderately in 2024Q4 on the back of a moderate increase in private consumption and accommodative financial conditions. Business sentiments also slightly improved due to business expansion plans and higher employment. However, headline inflation rose in December 2024 owing to a rise in food and energy prices. The IMF estimates the Japanese economy will grow by 1.1 percent in 2025, a sharp increase from a contraction of 0.2 percent witnessed in 2024, before moderating to 0.8 percent by the end of 2026. Looking ahead, geopolitical risks remain. The proposal of the incoming US administration to impose tariffs, if carried through, will have adverse effects on the Japanese export industry and impede growth.

China

The Chinese GDP expanded by 1.6 percent in 2024Q4, marking the strongest quarterly increase since 2023Q1. These improvements can be largely attributed to supportive policies announced since September 2024, as well as a surge in exports ahead of potential tariffs from the United States. Meanwhile, inflation edged down in December 2024, signalling mounting deflation risks in the country, despite government stimulus measures and the central bank's supportive monetary stance. The IMF projects the Chinese economy will grow by 4.6 percent in 2025, and similarly by 4.5 percent in 2026, from the 4.8 percent growth witnessed in 2024. In the outlook, the property sector is yet to truly recover amid ongoing challenges. Policymakers are expected to implement targeted fiscal and monetary measures to boost domestic demand and address deflationary pressures. Also, exporters expect higher tariffs to have a much greater impact than in Trump's first term, accelerating movement of production abroad and further shrinking profits, hurting jobs and private sector investment.

Emerging Markets and Developing Economies

Emerging Markets and Developing economies witnessed steady growth across board. Rapid increases in public infrastructure spending and ongoing strong private consumption growth in India are projected to sustain real GDP growth in December 2024. Meanwhile, in Brazil, strong job creation and wage growth are expected to support robust household consumption gains, despite higher policy interest rates. However, several EM currencies continued to face some depreciation pressures in December as portfolio flows contracted from \$19.2 billion in November 2024 to \$14.4 billion, reflecting the strengthening dollar index and high policy rates. The IMF estimates that the EMDEs will remain steady at 4.2 percent for 2024 and 2025, before expanding to 4.3 percent in 2026. In the outlook, geopolitical tensions which could disrupt global trade and commodity markets may result in weaker growth.

Sub-Saharan Africa

Sub-Saharan African economies continue to face numerous shocks and major structural challenges, driven by global uncertainties and geopolitical conflicts. The South African economy is expected to contract moderately owing to a slowdown in factory activity and exports. Inflation in Nigeria rose for the fourth straight month owing to persistently high food prices and depreciation pressures. Meanwhile, commodity and energy costs in most SSA countries for December 2024 remain high. The IMF estimates growth in SSA will remain steady at 4.2 percent for both 2025 and 2026, from 3.8 percent in 2024. Overall, the risks to the outlook are primarily influenced by region-specific factors, which are skewed to the downside. Looking ahead, the rising uncertainty due to persistent geopolitical tensions and the potential imposition of tariffs may dampen trade opportunities for SSA countries.

2. Real Sector Developments

A review of selected real sector indicators revealed an improvement in domestic economic activity in the fourth quarter of 2024 compared with trends observed during the same period in 2023.

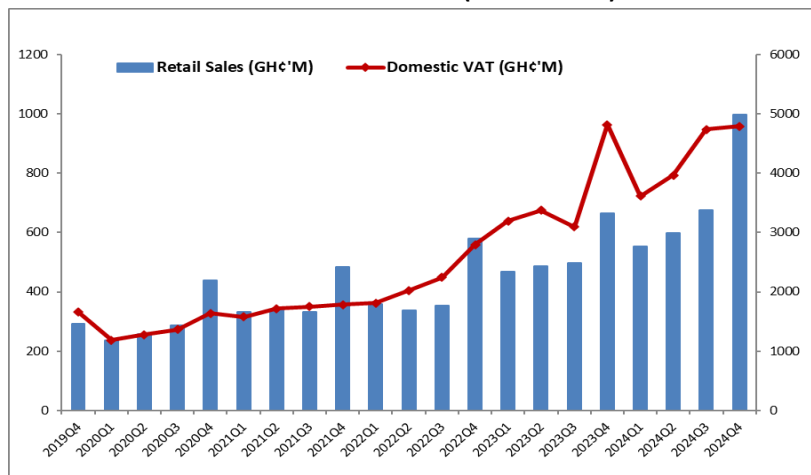
2.1 Indicators of Economic Activity

Consumer Spending

Consumer spending, proxied by domestic VAT collections and retail sales, largely improved in the fourth quarter of 2024 compared with figures recorded in the corresponding period of 2023. Domestic VAT collections remained largely unchanged at GH¢4,794.07 million, relative to GH¢4,820.07 million collected during the corresponding quarter in 2023. Domestic VAT increased marginally by 1.2 percent compared with GH¢4,739.36 million collected for the third quarter of 2024.

Retail sales increased by 50.3 percent (year-on-year) to GH¢998.41 million during the fourth quarter of 2024 from GH¢664.47 million recorded in the corresponding quarter of 2023. The comparative improvement in retail sales could be attributed to increased household spending during the review period.

Chart 2.1: Retail Sales and Domestic VAT (GH¢' Million)

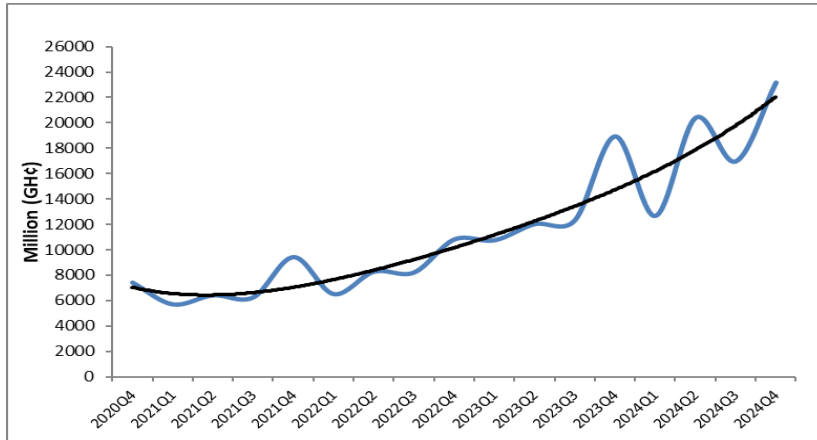


Source: GRA & Melcom Group Limited

Manufacturing Activities

Manufacturing-related activities, as proxied by trends in the collection of direct taxes (income, corporate and others) and private sector workers' contributions to the SSNIT Pension Scheme (Tier-1), posted a positive outturn during the fourth quarter of 2024, compared with what was observed in the same period of 2023. Total direct taxes collected increased by 22.4 percent (year-on-year) to GH¢23,201.23 million in the fourth quarter of 2024, relative to GH¢18,957.88 million recorded for the fourth quarter of 2023. Similarly, total direct taxes collected for the quarter under review went up by 36.5 percent from GH¢16,991.85 million collected in the third quarter of 2024. In terms of contribution of the various sub-tax categories, Corporate Tax accounted for 54.5 percent, followed by Income Tax (PAYE and self-employed) with 29.3 percent, while other tax sources contributed 16.2 percent.

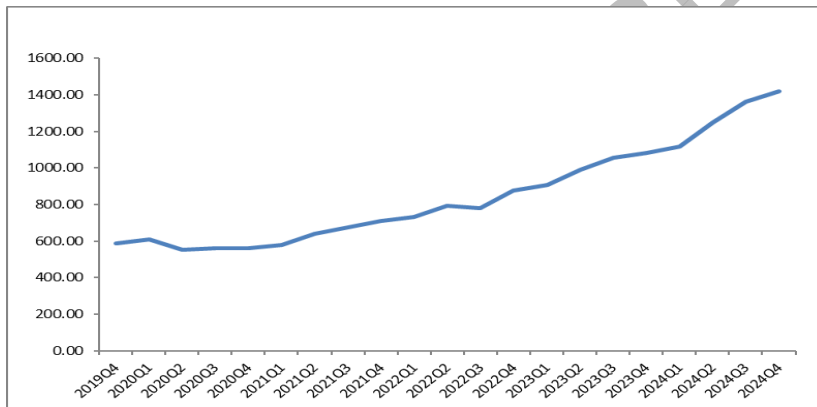
Chart 2.2: Trends in Domestic Taxes (Direct)



Source: GRA

Similarly, private sector workers’ contributions to the SSNIT Pension Scheme (Tier-1) improved by 31.3 percent (year-on-year) to GH¢1,418.80 million in the fourth quarter of 2024, from GH¢1,080.95 million collected during the corresponding quarter of 2023. The total contribution in the review period also increased by 4.2 percent when compared with GH¢1,361.21 million for the third quarter of 2024. The improvement in private workers’ contributions to the Tier-1 pension scheme could be attributed to the registration of new employees as well as improved compliance by private sector employers.

Chart 2.3: SSNIT Contributions from Private Sector Workers (GH¢' Million)

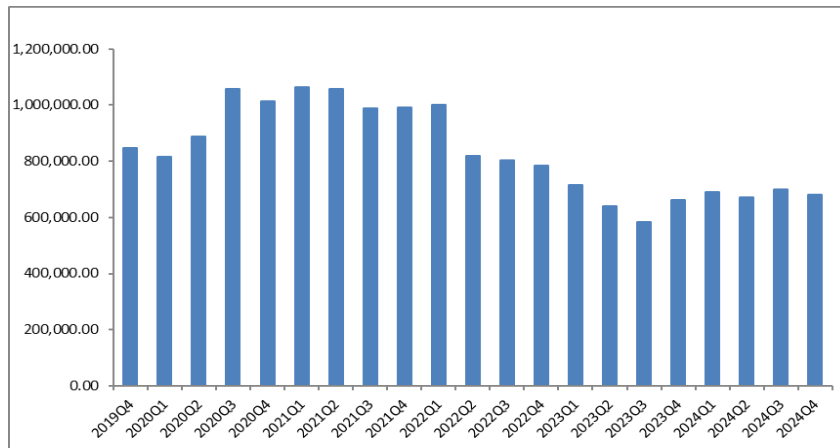


Source: SSNIT

Construction Sector Activities

Economic activity in the construction sub-sector, as proxied by the volume of cement sales, increased by 2.9 percent (year-on-year) during the fourth quarter of 2024 to 681,155.52 tonnes, from 661,785.97 tonnes recorded in the fourth quarter of 2023. Conversely, total cement sales during the review period dipped by 2.6 percent when compared with 699,657.53 tonnes recorded during the third quarter of 2024. The year-on-year improvement in total cement sales was due to an uptick in construction activities during the review period.

Chart 2.4: Cement Sales (Tonnes)

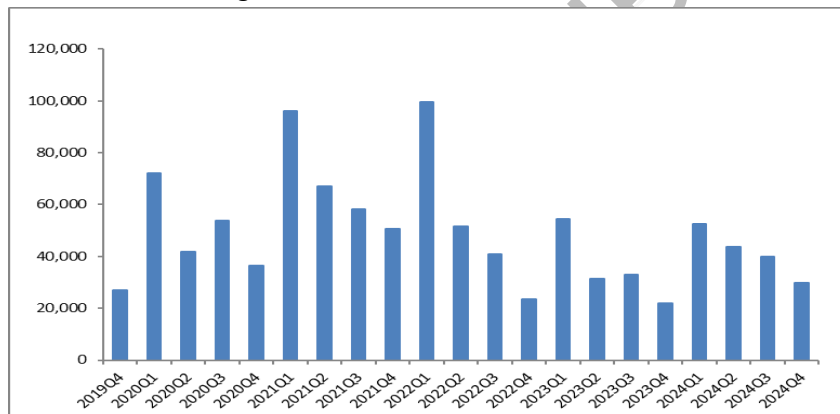


Source: Ghacem Limited & Diamond Cement Limited

Vehicle Registration

Transport-related economic activities, gauged by vehicle registration by the Driver and Vehicle Licensing Authority (DVLA), improved by 36.3 percent to 29,876 in the fourth quarter of 2024 compared to 21,923 vehicles registered during the corresponding quarter of 2023. Conversely, the number of vehicles registered during the review period declined by 25.1 percent relative to 39,868 vehicles recorded in the third quarter of 2024. The year-on-year improvement recorded in vehicle registration was likely due to an increase in vehicle importation during the review period.

Chart 2.5: Vehicle Registration

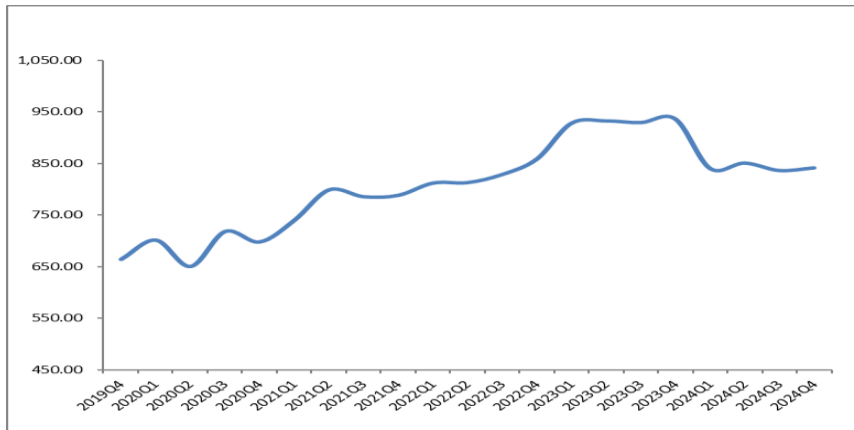


Source: Driver and Vehicle Licensing Authority

Industrial Consumption of Electricity

The consumption of electricity by industries, which is a proxy for activities within the productive sectors of the economy, went down by 10.1 percent during the fourth quarter of 2024, compared with observations made in the corresponding period of 2023. Industries utilised 841.68 gigawatts of power in the fourth quarter of 2024, as against 936.27 gigawatts recorded for the same period in 2023. Conversely, industrial consumption of electricity remained largely unchanged relative to 836.59 gigawatts utilised for the third quarter of 2024.

Chart 2.6: Industrial Consumption of Electricity (gw)

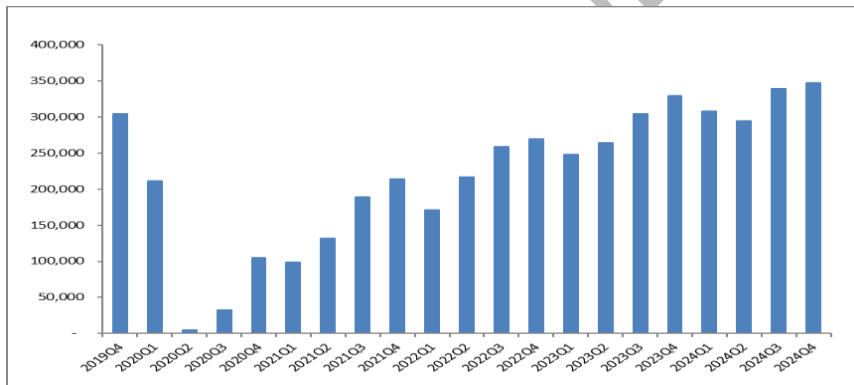


Source: Electricity Company of Ghana Limited

International Tourist Arrivals

Tourist arrivals through the country’s various ports of entry improved in the fourth quarter of 2024 when compared with figures recorded a year ago. A total of 347,127 tourists entered the country during the review period, as against 329,490 visitors received in the fourth quarter of 2023, indicating an improvement of 5.4 percent. Similarly, tourist arrivals during the period went up by 2.3 percent when compared with 339,275 visitors received in the third quarter of 2024. The year-on-year pick-up in tourist arrivals was mainly due to an increase in tourism-related activities during the review period.

Chart 2.7: Trends in Tourist Arrivals

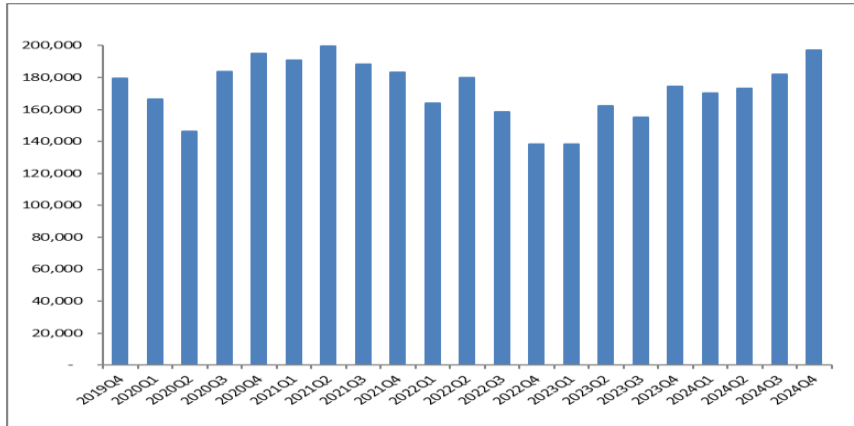


Source: Ghana Immigration Service

Port Activity

International trade at the country’s two main harbours (Tema and Takoradi), as measured by laden container traffic for inbound and outbound containers, recorded an improvement during the fourth quarter of 2024, compared with what was observed in the corresponding quarter of 2023. Total container traffic for inbound and outbound containers increased by 13.0 percent to 197,137 from 174,495 for the fourth quarter of 2023. Port activity also went up by 8.3 percent when compared to 182,108 laden containers recorded in the third quarter of 2024. The relative improvement in port activity, year-on-year, was due to an up-tick in international trade activities during the period.

Chart 2.8: Port Activity (Total Container Traffic)



Source: Ghana Ports and Harbours Authority

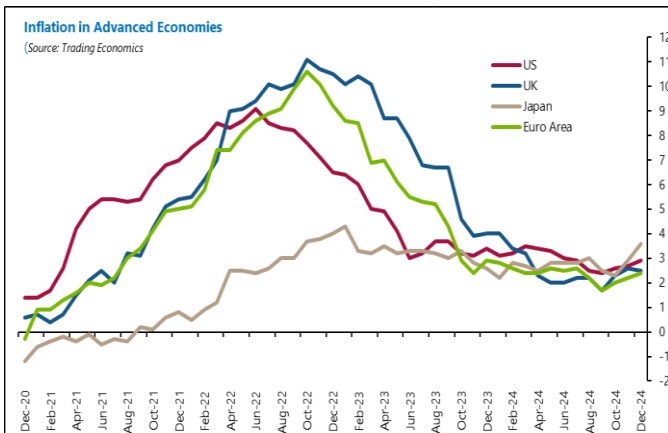
3. Price Developments

3.1 Global Inflation

Global Inflation in 2024 continued to decline towards Central Bank targets in both Advanced and Emerging Market Economies. The easing of inflationary pressures during the year was largely supported by subdued crude oil prices and tight monetary policy stances. In the outlook, global headline inflation is forecast to decline further in 2025 and 2026 as core inflation trends down due to slower wage growth. Risks to the outlook include escalating geopolitical tensions, increasing policy uncertainty, inflationary pressures in the services sector and tight labour market conditions.

Advanced Economies

Chart 3.1: Inflation in Advanced Economies (Y/Y, %)



The average inflation rate in the **United States** for the fourth quarter of 2024 increased to 2.7 percent from 2.6 percent in the previous quarter. The modest uptick was attributed to higher energy and food prices. Core inflation also rose to 3.3 percent in December 2024 from 3.2 percent in September 2024.

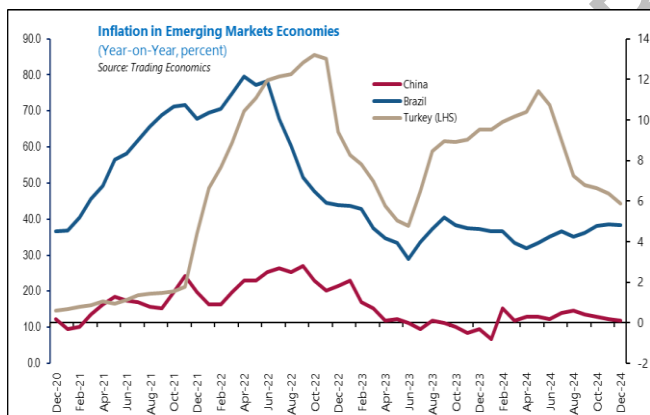
Headline inflation in the **United Kingdom** averaged 2.5 percent for the fourth quarter of 2024, up from 2.0 percent in the third quarter. At end-December 2024, headline inflation stood at 2.5 percent, an increase from the 1.7 percent recorded in September 2024. The rise in inflation was primarily attributable to higher regulated energy costs and some service prices. The core inflation rate, which excludes volatile items such as food and energy, remained unchanged in December and September 2024 at 3.2 percent.

The average inflation rate in the **Euro Area** remained unchanged in the fourth quarter of 2024, from 2.2 percent in the previous quarter. At end-December 2024, headline inflation stood at 2.4 percent, up from 1.7 percent recorded in September. The uptick in headline inflation was on the back of an increase in services inflation and a rebound in energy costs. The core inflation rate, which excludes volatile food and energy prices, was also confirmed at 2.7 percent in December 2024, unchanged from the value recorded in September 2024.

Inflation in **Japan** averaged 2.9 percent in the fourth quarter of 2024, up from the 2.8 percent recorded in the third quarter. At end-December 2024, inflation had risen to 3.6 percent from 2.5 percent in September 2024. The uptick was primarily influenced by a steep increase in electricity prices. In line with headline inflation, core inflation also increased to 3.0 percent in December 2024 from 2.4 percent in September 2024.

Emerging Market Economies

Chart 3.2: Inflation in Emerging Market Economies (Y/Y, %)



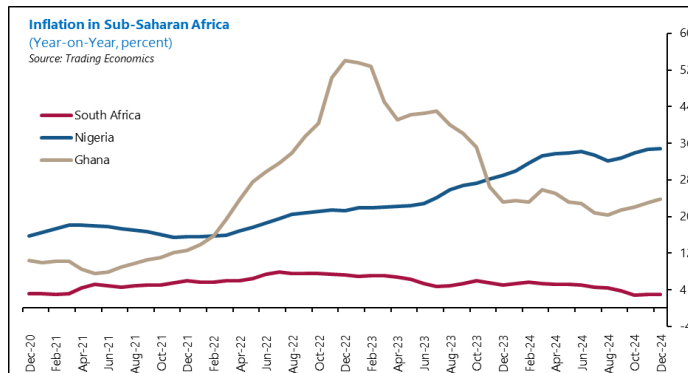
China's average inflation rate declined to 0.2 percent in the fourth quarter of 2024, down from 0.5 percent in the third quarter. By end-December 2024, inflation had eased to 0.1 percent from 0.4 percent in September 2024. This decline in inflation over the period underscored the fragility of China's economic recovery. In contrast to headline inflation, core consumer inflation, which excludes the prices of food and energy, rose to 0.4 percent in December 2024 from 0.1 percent in September 2024.

The average inflation rate in Brazil for the fourth quarter of 2024 was 4.8 percent, up from the 4.4 percent recorded in the previous quarter. Annual inflation also ticked up to 4.8 percent in December from 4.4 percent in September 2024. The uptick was on the back of an uptick in the prices of food and beverages, transport, and healthcare.

The average inflation rate in Turkey further declined to 46.7 percent in quarter four of 2024 from 54.4 percent in quarter three. Annual inflation rate in Turkey also edged down to 44.4 percent in December 2024, from 49.4 percent in September. The decline was attributed to a tight monetary policy which slowed price increases for several non-food items. Core inflation, which excludes the prices of volatile items, eased to 45.3 percent in December from 49.1 percent in September in 2024.

Sub-Saharan Africa

Chart 3.3: Inflation in Sub-Saharan Africa (Y/Y, %)



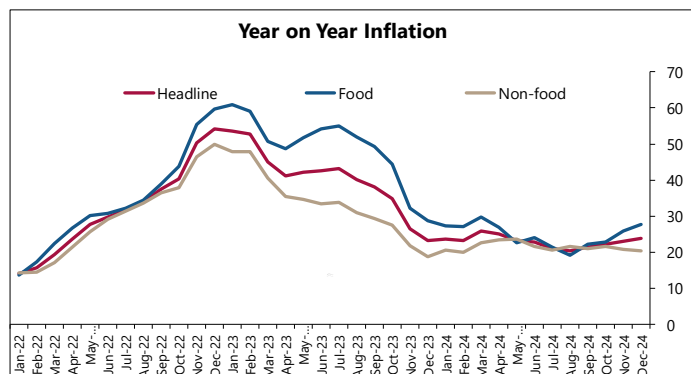
Average inflation in South Africa was 2.9 percent in quarter four of 2024, down from 4.3 percent in the previous quarter. At end-December 2024, headline Inflation decreased to 3.0 percent from 3.8 percent in September 2024. Prices primarily softened for food and non-alcoholic beverages, with most sub-categories recording lower annual rates. Consistent with headline inflation, core inflation rate declined to 3.6 percent in December 2024 from 4.1 percent in September 2024.

Average inflation in Nigeria increased to 34.4 percent in quarter four of 2024 from 32.8 percent in quarter three. The annual inflation rate also surged to 34.8 percent in December 2024, up from 32.7 percent in September. The acceleration was on account of rising fuel prices on the back of a weakening domestic currency (Naira), and the removal of government subsidies. Price pressures emanated from food, housing & utilities, beverages & tobacco. Annual core inflation, which excludes volatile food items and energy prices, increased to 29.3 percent in December 2024 from 27.4 percent in September.

3.2 Domestic Inflation

Headline Inflation

Chart 3.4: Ghana’s Year on Year Inflation (%)



Source: Ghana Statistical Service

Headline inflation increased to 23.8 percent at the end of the fourth quarter of 2024, up from 21.5 percent reported at the end of the third quarter. The increase was driven by higher food prices, following a dry spell that dampened harvests in major food-producing areas. Food inflation jumped to 27.8 percent at the end of the fourth quarter from 22.1 percent in the third quarter, while non-food inflation remained relatively sticky at 20.3 percent, compared with 20.9 percent in the previous quarter.

Chart 3.5: Ghana’s Headline vs. Core Inflation (%)



Source: Ghana Statistical Service

Food inflation had dropped to 28.7 percent at the end of 2023Q4 from 59.7 percent recorded at the end of 2022Q4, while non-food inflation had declined to 18.7 percent at the end of 2023Q4: from 49.9 percent at the end of 2022Q4.

The Bank’s primary core inflation measure, which excludes energy and utility items from the consumer basket, rose to 23.1 percent in the fourth quarter of 2024, up from 20.8 percent in the third quarter. The increase in core inflation highlighted some buildup of underlying inflationary pressures within the economy in the last quarter of the year.

3.3 Inflation Outlook

Recent price developments indicate that the disinflation process remains sluggish, primarily due to food supply bottlenecks caused by the recent dry spell in the planting season. Updated forecasts show that the inflationary path is elevated in the near-term but would steadily decline towards the medium-term target of 8±2 percent by the end of 2025, barring unanticipated shocks. Risks such as shocks to crude oil prices from rising geopolitical tensions, upward utility tariff adjustments and food supply bottlenecks due to the dry spell, particularly in the northern parts of the country, will need to be monitored closely. These risks are expected to be moderated by tight monetary conditions, improved reserve buffers and efficient liquidity management strategies.

4. Money and Financial Market Developments

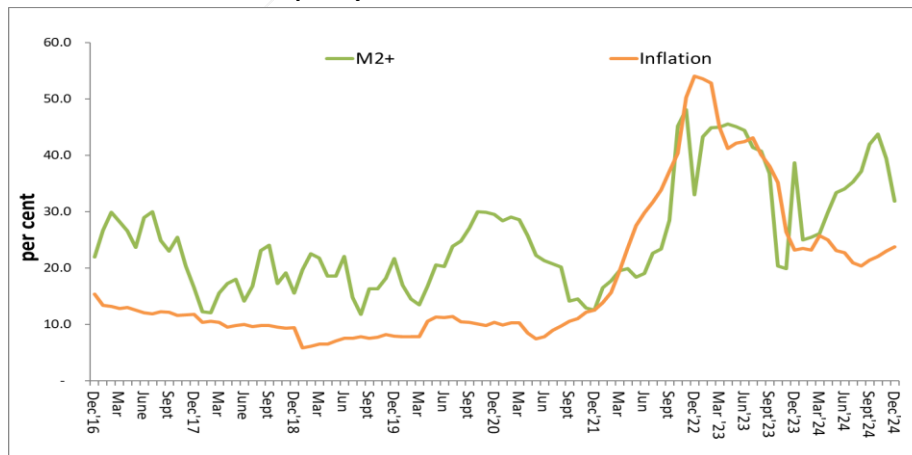
Monetary Developments

Developments in monetary aggregates for the fourth quarter of 2024 showed considerable decrease in the annual growth in M2+ relative to the corresponding quarter of 2023, driven mainly by a significant deceleration in the pace of growth in the Net Foreign Assets (NFA) of depository institutions. Similarly, the Net Domestic Assets (NDA) of the depository institutions decreased relative to the corresponding quarter of 2023. The decrease in the growth in M2+ reflected in decreased growth in demand deposits, savings and time deposits and foreign currency deposits. Growth in currency with the public, however, increased significantly over the same comparative period.

4.1 Broad Money Supply

Developments in monetary aggregates for the fourth quarter of 2024 showed declined growth in broad money supply (M2+) relative to the corresponding period in 2023. Annual growth in broad money supply (M2+) decreased to 31.89 percent in the fourth quarter of 2024 from 38.69 percent in the fourth quarter of 2023. Stock of broad money supply stood at GH¢329,738.80 million at the end of the review period compared with GH¢311,180.28 million and GH¢250,019.20 million recorded in the third quarter of 2024 and the fourth quarter of 2023, respectively. The observed decrease in the growth of M2+ reflected in decreased growth in demand deposits, savings and time deposits, and foreign currency deposits. Growth in currency with the public however, increased over the same comparative period.

Chart 4.1: Inflation and Liquidity



Source: Bank of Ghana

M2+ growth decreased in the fourth quarter of 2024 on year-on-year and quarter-on-quarter bases. Inflation for the fourth quarter of 2024 inched up, further moderating the pace of disinflation broadly observed from the beginning of the year to date.

4.2 Sources of Change in M2+

The observed decrease in the growth in M2+ was attributed to a decrease in the pace of growth of Net Domestic Assets (NDA), compared with same time in 2023, on the back of expansions in net claims on Government. Net Foreign Assets (NFA), on the other hand, increased during the review period mainly due to an expansion in the foreign assets of the Central Bank. Growth in NFA increased to 302.64 percent in fourth quarter of 2024, compared with 310.35 percent decline in the fourth quarter of 2023. The considerable growth in the NFA recorded in the fourth quarter of 2024 was significantly higher than the decline of 3,972.59 percent recorded in the third quarter of 2024. Similarly, growth in NDA slowed significantly to 6.14 percent in the fourth quarter of 2024, from 19.79 percent recorded at the end of the fourth quarter of 2023. This was also lower than the growth of 11.10 percent recorded in the third quarter of 2024.

In terms of components of NDA, growth in net claims on Government improved to *negative* 2.07 percent in the fourth quarter of 2024 from *negative* 9.28 percent in the fourth quarter of 2023. Growth in claims on public sector also increased to 549.80 percent in the fourth quarter of 2024 from *negative* 85.67 percent in the fourth quarter of 2023. Claims on private sector increased to 25.90 percent from 0.28 percent over the same comparative period. The Other Items (Net) decreased by 20.86 percent in the fourth quarter of 2024 compared to a decrease of 346.34 percent in the fourth quarter of 2023.

Table 4.1: Monetary Indicators (GH¢ million)

	Dec-21	Dec-22	Dec-23	Sep-24	Dec-24	As at end-Dec. 22		As at end-Dec. 23		As at end-Sept. 24		As at end-Dec. 24	
						abs	per cent	abs	per cent	abs	per cent	abs	per cent
Reserve Money	43,244.90	68,103.84	88,299.42	120,771.47	130,481.72	24,858.94	57.48	20,195.59	29.65	57,275.24	90.20	42,182.30	47.77
Narrow Money (M1)	69,389.31	88,484.18	121,784.44	154,345.49	168,267.50	19,094.87	27.52	33,300.26	37.63	53,944.28	53.73	46,483.06	38.17
Broad Money (M2)	105,737.27	135,142.49	185,425.80	229,253.49	247,761.96	29,405.22	27.81	50,283.30	37.21	70,605.83	44.50	62,336.16	33.62
Broad Money (M2+)	135,555.75	180,266.84	250,019.20	311,180.28	329,738.80	44,711.09	32.98	69,752.36	38.69	92,018.11	41.99	79,719.60	31.89
Currency with the Public	21,773.90	31,420.65	37,620.70	52,752.78	64,127.67	9,646.75	44.30	6,200.05	19.73	20,918.76	65.71	26,506.97	70.46
Demand Deposits	47,615.41	57,063.53	84,163.74	101,592.71	104,139.83	9,448.12	19.84	27,100.21	47.49	33,025.52	48.17	19,976.09	23.73
Savings & Time Deposits	36,347.96	46,658.31	63,641.36	74,908.00	79,494.46	10,310.35	28.37	16,983.04	36.40	16,661.54	28.61	15,853.10	24.91
Foreign Currency Deposits	29,818.48	45,124.35	64,593.40	81,926.79	81,976.84	15,305.87	51.33	19,469.05	43.15	21,412.28	35.38	17,383.44	26.91
Sources of M2+													
Net Foreign Assets (NFA)	7,531.35	(10,321.15)	21,710.89	65,801.73	87,417.32	(17,852.50)	-237.04	32,032.04	-310.35	67,500.90	-3972.59	65,706.43	302.64
BOG	8,247.02	(17,487.62)	4,021.06	34,489.38	47,647.12	(25,734.63)	-312.05	21,508.67	-122.99	50,752.51	-312.07	43,626.06	1094.94
DMBs	(715.67)	7,166.46	17,689.83	31,312.35	39,770.20	7,882.13	-1101.37	10,523.37	146.84	16,748.39	115.00	22,080.36	124.82
Net Domestic Assets	128,024.40	190,587.99	228,308.31	245,378.55	242,321.48	62,563.59	48.87	37,720.31	19.79	24,517.21	11.10	14,013.17	6.14
Claims on Government (net)	75,314.27	127,515.37	115,681.46	130,147.19	113,291.69	52,201.10	69.31	(11,833.92)	-9.28	12,247.02	10.39	(2,389.77)	-2.07
BOG	29,389.54	78,871.20	54,356.08	69,537.62	56,031.54	49,481.65	168.36	(24,515.11)	-31.08	7,164.86	11.49	1,675.45	3.08
DMBs	45,924.73	48,644.18	61,325.37	60,609.57	57,260.15	2,719.45	5.92	12,681.20	26.07	5,082.16	9.15	(4,065.22)	-6.63
Claims on Public Sector	6,347.86	7,825.04	1,121.55	8,279.35	7,287.78	1,477.18	23.27	(6,703.50)	-85.67	1,327.36	19.09	6,166.24	549.80
BOG	966.11	1,578.28	(5,328.80)	719.63	869.04	612.16	63.36	(6,907.08)	-437.63	(150.76)	-17.32	6,197.85	-116.31
DMBs	5,381.75	6,246.77	6,450.35	7,559.72	6,418.74	865.02	16.07	203.58	3.26	1,478.11	24.30	(31.61)	-0.49
Claims on Private Sector	50,502.62	71,434.32	71,631.56	85,145.66	90,184.93	20,931.69	41.45	197.24	0.28	10,388.53	13.90	18,553.38	25.90
BOG	2,117.04	7,680.86	1,072.24	1,171.53	1,063.34	5,563.82	262.81	(6,608.63)	-86.04	(6,750.53)	-85.21	(8.90)	-0.83
DMBs	48,385.58	63,753.45	70,559.32	83,974.14	89,121.60	15,367.88	31.76	6,805.87	10.68	17,139.06	25.64	18,562.28	26.31
Other Items (Net) (OIN) 1/2	(4,140.35)	(16,186.74)	39,873.75	21,806.35	31,557.07	(12,046.39)	290.95	56,060.49	-346.34	554.30	2.61	(8,316.67)	-20.86
o/w BOG OMO (Sterilisation)	(5,654.59)	(7,725.48)	(24,795.37)	(21,138.18)	(18,142.88)	(2,070.89)	36.62	(17,069.89)	220.96	15,444.52	-42.22	6,652.49	-26.83

Source: Bank of Ghana

4.3 Developments in Banks Credit

The annual growth in banks' outstanding credit to the public and private sectors in the fourth quarter of 2024 increased significantly relative to the corresponding period of 2023; the increase in the nominal growth in total outstanding credit reflected in increased growth in credit to the private sector. The nominal annual growth in banks' outstanding credit increased to 24.06 percent in the fourth quarter of 2024 from 10.01 percent in the fourth quarter of 2023. This was also higher than the growth of 25.53 percent recorded in the third quarter of 2024. At the end of the fourth quarter of 2024, total outstanding credit stood at GH¢95,540.33 million compared with GH¢77,009.67 million and GH¢91,533.85 million recorded in the fourth quarter of 2023 and third quarter of 2024, respectively.

In real terms, growth in total outstanding credit from the banks improved to 0.21 percent at end of the fourth quarter of 2024 from *negative* 10.70 percent in the same period of 2023, largely on account of increased growth in nominal credit, as well as the disinflation process. This was, however, lower than the 3.36 percent growth realised in the third quarter of 2024.

The share of private sector credit in total outstanding credit increased marginally to 93.28 percent at the end of the review period, from 91.62 percent recorded in the fourth quarter of 2023.

Table 4.2: Sectoral Distribution of Banks Outstanding Credit

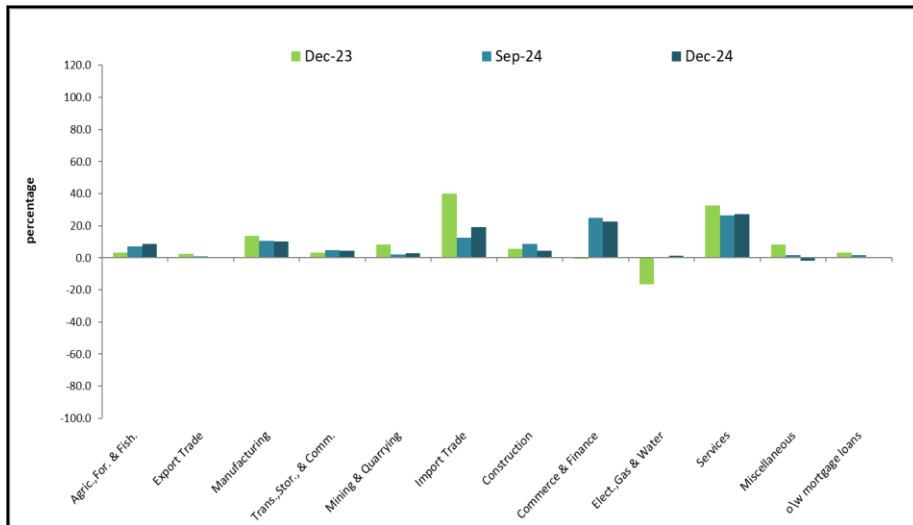
	Levels (GH¢ Millions)					Quarter-On-Quarter Variation							
	Mar-22	Mar-23	Mar-24	Dec-24	Mar-25	As at end-Mar. 2023		As at end-Mar. 2024		As at end-Dec. 2024		As at end-Mar. 2025	
						Abs	Percent	Abs	Percent	Abs	Percent	Abs	Percent
a Public Sector	5,786.14	7,764.38	5,942.64	6,418.74	6,018.74	1,978.23	36.76	(1,821.74)	(23.46)	(31.61)	(0.52)	76.10	1.18
b Private Sector	53,204.82	65,728.30	71,088.64	89,121.60	88,367.90	12,523.48	25.88	5,360.34	8.16	18,562.28	27.77	17,279.27	24.49
Agric. For. & Fish.	1,988.04	2,618.54	2,580.09	4,495.79	3,567.50	630.50	38.06	(38.45)	(1.47)	1,611.19	58.97	987.41	34.23
Export Trade	241.55	440.48	398.52	653.61	421.40	198.93	99.20	(41.96)	(9.53)	107.23	39.31	22.88	4.19
Manufacturing	5,622.05	7,965.96	8,369.57	9,970.79	10,094.82	2,343.91	41.21	403.61	5.07	1,918.94	25.22	1,725.25	21.43
Trans. Stor., & Comm.	3,473.42	3,727.15	4,507.63	4,633.18	4,427.90	253.73	7.57	780.48	20.94	846.94	23.07	(79.73)	(2.11)
Mining & Quarrying	1,056.44	2,436.64	2,191.81	2,625.40	2,745.23	1,380.20	168.85	(244.83)	(10.05)	496.65	19.87	553.43	26.00
Import Trade	1,772.93	4,552.87	5,266.86	8,396.67	7,816.92	2,779.94	160.41	713.99	15.68	3,581.35	73.26	2,550.06	52.96
Construction	5,747.29	6,413.31	6,828.89	7,692.85	7,833.74	666.02	13.09	415.57	6.48	848.36	13.49	1,004.85	14.68
Commerce & Finance	9,459.23	9,606.79	10,522.38	15,627.62	14,382.75	147.56	1.97	915.59	9.53	4,160.56	42.06	3,860.37	33.66
Elect. Gas & Water	2,439.27	2,415.77	2,396.93	2,624.66	2,536.07	(23.50)	(1.20)	(18.84)	(0.78)	254.39	10.16	139.14	5.87
Services	17,516.62	20,899.02	23,639.03	28,143.91	29,654.07	3,382.40	20.05	2,740.01	13.11	5,058.93	22.95	6,015.04	26.06
Miscellaneous	3,887.98	4,651.77	4,386.93	4,257.12	4,887.49	763.79	21.70	(264.84)	(5.69)	(322.26)	(7.27)	500.56	10.93
c Grand Total	58,990.96	73,492.68	77,031.28	95,540.33	94,386.64	14,501.72	26.97	3,538.60	4.81	18,530.67	25.41	17,355.36	22.54

Source: Bank of Ghana

Distribution of Outstanding Credit to the Private Sector

The growth in outstanding credit to the private sector increased both in nominal and real terms as at the end of the fourth quarter of 2024. In nominal terms, growth in credit to the private sector increased to 26.31 percent in the fourth quarter of 2024 from 10.68 percent recorded in the fourth quarter of 2023. This was, also higher than the 25.64 percent recorded at the end of the third quarter of 2024. The outstanding credit to the private sector at the end of the fourth quarter of 2024 was GH¢89,121.60 million, compared with GH¢ 70,559.32 million and GH¢83,974.14 million recorded in the fourth quarter of 2023 and the third quarter of 2024, respectively. In real terms, the growth in private sector credit improved to 2.03 percent at the end of the fourth quarter of 2024, from a growth of *negative* 10.16 percent recorded, same period in 2023.

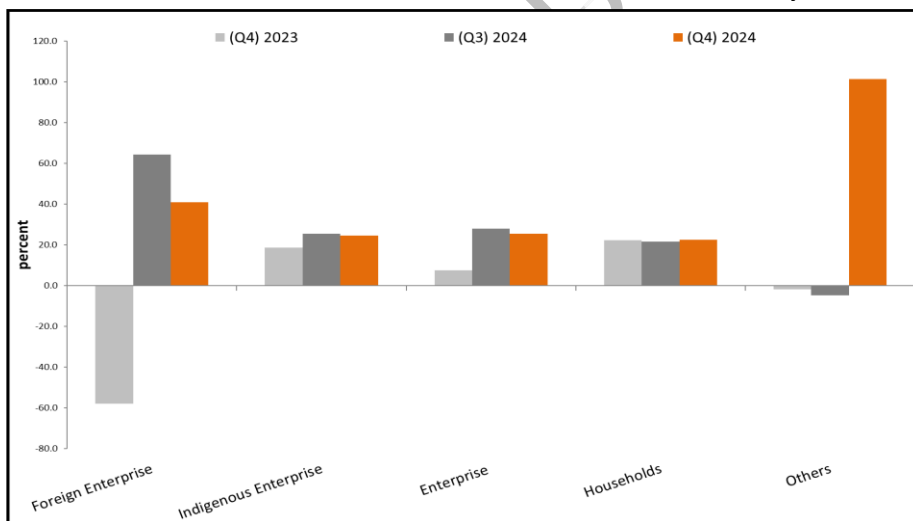
Chart 4.2: Allocation of Annual Flow of Credit to the Private Sector



Source: Bank of Ghana

The recorded growth in credit to the private sector during the fourth quarter of 2024 reflected in increased share of annual flow of credit to the following sectors, relative to same period in 2023: agriculture, forestry and fisheries; commerce and finance; transport, storage & communication; and electricity, gas and water. The top five (5) sectors with significant share of annual private sector credit flows in the fourth quarter of 2024 were: services (27.25%); commerce and finance (22.41%), import trade (19.29%), manufacturing (10.34%), and agriculture, forestry and fisheries (8.68%).

Chart 4.3: Growth Rate of Annual Flow of Credit to the Private Sector by Borrower



Source: Bank of Ghana

In terms of annual flow of credit to private sector by borrower, at the end of the fourth quarter of 2024, flows to the foreign enterprises, indigenous enterprises, households subsectors and to the “Others” category all increased relative to the corresponding period of 2023.

4.4 Sources and Uses of Banks; Flow of Funds

The provisional figures for the fourth quarter of 2024 showed that the share of commercial banks' fund flows allocated to bank credit, foreign assets and balances with Bank of Ghana increased, while the proportion of fund flows allocated to investment in Government securities and other assets decreased relative to that of the corresponding quarter in 2023.

The proportion of fund flows to foreign assets and balances with Bank of Ghana increased to 23.68 percent and 35.32 percent respectively, in the fourth quarter of 2024 relative to 12.73 percent and 20.59 percent respectively, in the fourth quarter of 2023. The significant increase in the share of balances with Bank of Ghana was on account of the implementation of the dynamic Cash Reserve Requirement which induced banks to increase their reserve balances with Bank of Ghana. The proportion of fund flows to bank credit increased to 20.84 percent in the fourth quarter of 2024 from 9.95 percent at the end of the fourth quarter in 2023. This was, also, higher than the 17.80 percent recorded in the third quarter of 2024.

The share of bank funds allocated to investments in Government securities decreased significantly to *negative* 0.82 percent in the fourth quarter of 2024 from 18.66 percent in the corresponding period in 2023. This reflected a decrease in the share of fund flows to investments in short-term bills and medium- to long-term securities. Share of fund flows to investment in short-term Government instruments decreased to 6.07 percent in the fourth quarter of 2024, from 11.20 percent recorded in the fourth quarter of 2023. The proportion of fund flows to investment in medium- to long-term securities decreased to *negative* 6.89 percent from 7.46 percent over the same comparative period. Similarly, the proportion of fund flows to other assets decreased to 20.98 percent from 38.07 percent over the same comparative period.

Table 4.3: Sources and Uses of Banks' Funds

	Percentage of Annual Flows (Quarter-on-Quarter)					Percentage of Annual Flows (Quarter-on-Quarter)							
						As at end-Dec. 2022		As at end-Dec. 2023		As at end-Sept. 2024		As at end-Dec. 2024	
	Dec-21	Dec-22	Dec-23	Sep-24	Dec-24	Abs	% of Change	Abs	% of Change	Abs	% of Change	Abs	% of Change
Sources of Funds													
Total Deposits	109,533.9	143,890.8	199,770.0	251,169.2	258,026.2	34,356.9	82.1	55,879.1	79.3	69,451.4	66.4	58,256.2	65.5
Domestic	79,715.5	98,766.5	135,176.6	169,242.4	176,049.4	19,051.0	45.5	36,410.1	51.7	48,039.1	45.9	40,872.8	46.0
Demand Deposits	43,367.5	52,108.2	71,535.2	94,334.4	96,554.9	8,740.7	20.9	19,427.0	27.6	31,377.5	30.0	25,019.7	28.1
Savings Deposits	19,693.1	25,199.3	32,499.4	43,149.7	48,366.2	5,506.3	13.2	7,300.0	10.4	13,086.6	12.5	15,866.9	17.8
Time Deposits	16,654.9	21,459.0	31,142.0	31,758.3	31,128.2	4,804.1	11.5	9,683.0	13.7	3,574.9	3.4	13.8	0.0
Foreign Currency	29,818.5	45,124.3	64,593.4	81,926.8	81,976.8	15,305.9	36.6	19,469.1	27.6	21,412.3	20.5	17,383.4	19.5
Credit From BOG	2,618.5	1,123.7	497.1	271.4	1,631.5	1,494.8	3.6	626.7	0.9	314.8	0.3	1,134.5	1.3
Balances Due to Non-Resident Banks	11,167.1	7,739.9	6,181.1	5,997.8	5,158.4	3,427.2	8.2	1,558.8	2.2	437.6	0.4	1,022.6	1.2
Capital	11,100.4	11,289.6	13,896.6	16,698.5	17,130.4	189.3	0.5	2,607.0	3.7	5,408.9	5.2	3,233.7	3.6
Reserves	14,645.5	17,519.3	16,152.4	20,316.8	22,766.5	2,873.8	6.9	1,366.8	1.9	6,207.0	5.9	6,614.1	7.4
Other Liabilities*	33,347.5	42,703.5	58,199.0	81,143.8	78,905.4	9,356.0	22.4	15,495.5	22.0	23,383.7	22.4	20,706.4	23.3
Total	182,412.9	224,266.9	294,696.2	375,597.7	383,618.4	41,854.0	100.0	70,429.3	100.0	104,573.7	100.0	88,922.2	100.0
Uses of Funds													
Bank Credit	53,767.3	70,000.2	77,009.7	91,533.9	95,540.3	16,232.9	38.8	7,009.4	10.0	18,617.2	17.8	18,530.7	20.8
o/w Private Sector Credit	48,385.6	63,753.5	70,559.3	83,974.1	89,121.6	15,367.9	36.7	6,805.9	9.7	17,139.1	16.4	18,562.3	20.9
Investment in Government Securities	54,303.2	59,647.8	72,786.5	74,638.2	72,061.4	5,344.6	12.8	13,138.7	18.7	8,146.1	7.8	725.2	0.8
Short Term	6,719.4	9,133.7	17,021.3	21,807.5	22,418.9	2,414.2	5.8	7,887.7	11.2	7,936.9	7.6	5,397.6	6.1
Medium/Long Term	47,583.8	50,514.2	55,765.2	52,830.7	49,642.5	2,930.4	7.0	5,251.0	7.5	209.1	0.2	6,122.7	6.9
Foreign Assets	10,451.4	14,906.3	23,870.9	37,310.2	44,928.6	4,454.9	10.6	8,964.6	12.7	17,186.0	16.4	21,057.7	23.7
Balances with BOG	21,679.6	40,609.4	55,114.1	85,662.4	86,518.6	18,929.8	45.2	14,504.7	20.6	44,992.3	43.0	31,404.5	35.3
Other Assets**	42,211.3	39,103.1	65,915.0	86,453.0	84,569.4	3,108.3	7.4	26,811.9	38.1	15,632.2	14.9	18,654.5	21.0
Total	182,412.9	224,266.9	294,696.2	375,597.7	383,618.4	41,854.0	100.0	70,429.3	100.0	104,573.7	100.0	88,922.2	100.0

*Includes margin deposits, cheques for clearing, interest in suspense, borrowings from other resident banks and other unclassified liabilities.

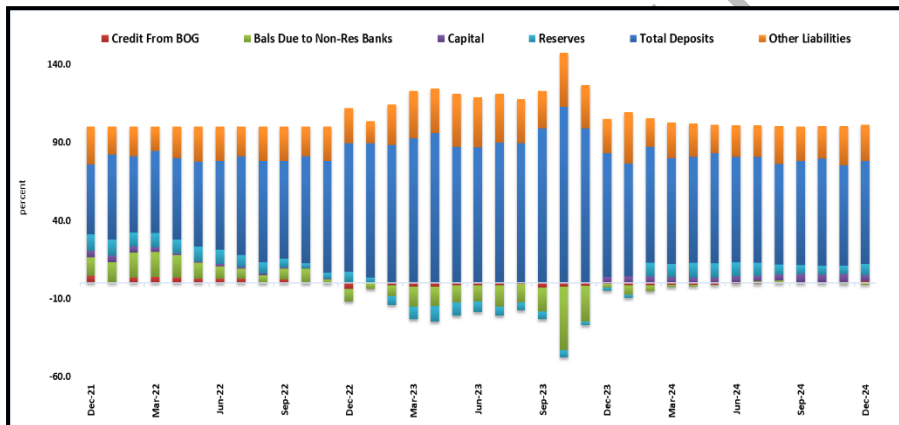
**Includes real estate and equipment and other unclassified assets

Source: Bank of Ghana

The main source of funds flows for financing of banks assets was deposits. Its share in the sources of funds, however, decreased to 65.51 percent in the fourth quarter of 2024 from 79.34 percent in the fourth quarter of 2023. This was also lower than the 66.41 percent recorded in the third quarter of 2024. The proportion of fund flows from domestic deposits decreased to 45.96 percent in the fourth quarter of 2024 from 51.70 percent in fourth quarter of 2023. This reflected in decreases in the shares of time deposits, while the share of demand and savings deposits increased to moderate the decreases in domestic deposits. Similarly, share of fund flows from foreign currency deposits decreased to 19.55 percent in the third quarter of 2024 from 27.64 percent in the fourth quarter of 2023.

Share of fund flows from bank capital decreased marginally in the fourth quarter of 2024 compared to the fourth quarter of 2023, while fund flows from bank reserves increased over the same comparative period. Share of fund flows from bank capital decreased to 3.64 percent from 3.70 percent, while share of fund flows from reserves increased to 7.44 percent from *negative* 1.94 percent. The share of fund flows attributed to credit from Bank of Ghana and balances due to non-resident banks increased to 1.28 percent and *negative* 1.15 percent respectively, in the fourth quarter of 2024 from *negative* 0.89 percent and *negative* 2.21 percent respectively, in the fourth quarter of 2023. Similarly, the share of funds flows attributed to other liabilities increased to 23.29 in the fourth quarter of 2024, from 22.00 percent in the fourth quarter of 2023.

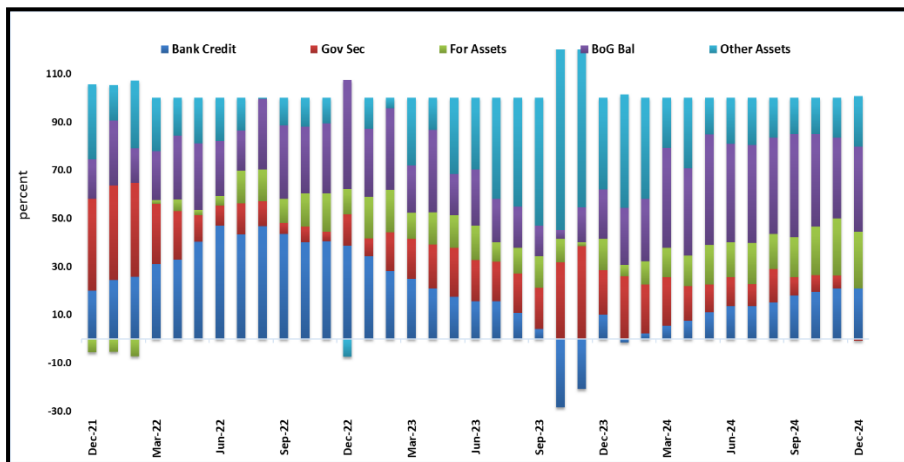
Chart 4.4: Sources of Banks' Annual Flow of Funds



Source: Bank of Ghana

Total deposits remained the dominant source of liquidity flow into the banking system in the fourth quarter of 2024. This was followed by other liabilities, which include margin deposits, cheques in transit, interest in suspense accounts, and borrowings from other resident banks.

Chart 4.5: Uses of Banks' Annual Flow of Funds



Source: Bank of Ghana

Balances with BoG received the largest share of the total flow of funds into the banking system in fourth quarter of 2024. This was followed by Foreign Assets and Other Assets, respectively.

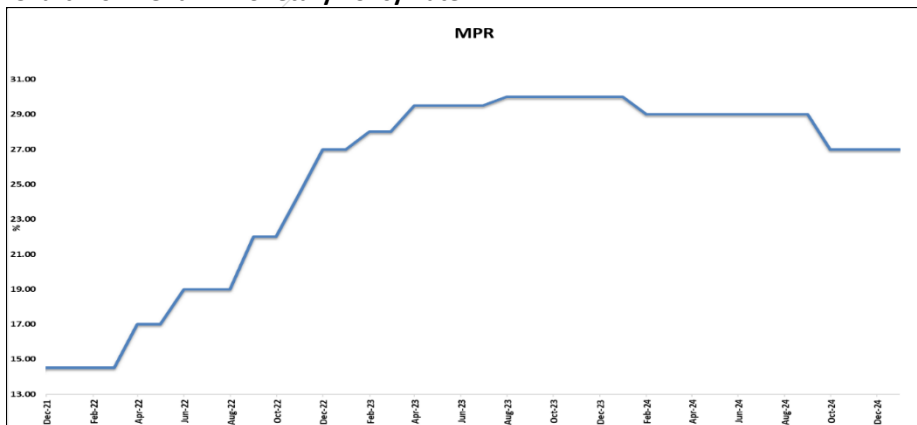
4.5 Interest Rate Developments

Developments in interest rates on the money market, for the fourth quarter of 2024, generally reflected a downward trend across all spectrums of the yield curve. The BOG bill rate, rates on GOG securities, rates on Deposit Money Banks (DMBs) and the average lending rates decreased relative to the corresponding period in 2023.

Monetary Policy Rate

The Monetary Policy Rate (MPR) at the end of the fourth quarter of 2024 stood at 27.00 percent, reflecting a 300 basis points decrease compared with the MPR at the end of the fourth quarter in 2023. In the September 2024 MPC meeting, the Monetary Policy Committee (MPC) announced a 200-basis point cut in the MPR from 29 percent to 27 percent. The reduction in the MPR was on the back of improvement in the macroeconomic fundamentals and significant stability in the economy, broadly observed from the beginning of the year to date.

Chart 4.6: Trend in Monetary Policy Rate



Source: Bank of Ghana

BOG Bills

The interest equivalent on the 56-day BOG bill decreased by 300 basis points to 27.00 percent in the fourth quarter of 2024 compared to 29.99 percent in the corresponding quarter in 2023. When compared to the third quarter of 2024, the 56-day rate decreased by 200 basis points. The interest equivalent on the 14-day BOG bills decreased by 158 basis points from 29.50 percent in the fourth quarter of 2023 to 27.92 percent in quarter four 2024.

Government Securities

On the Treasury bills market, interest rate developments in fourth quarter of 2024 showed downward trends relative to corresponding quarter of 2023. The yields on the 91-day, 182-day and 364-day T-bills decreased by 166 basis points, 327 basis points and 302 basis points, respectively compared to the fourth quarter in 2023. However, the interest rate on the 91-day, 182-day and 364-day T-bills increased by 265 basis points, 161 basis points and 182 basis points, respectively compared with the third quarter of 2024.

In the fourth quarter, rates on the 2-year, 3-year, and 5-year notes remained unchanged at 21.50 percent, 29.85 percent, and 22.30 percent, respectively compared to the fourth quarter in 2023. Similarly, yields for the 6-year, 7-year, 10-year, 15-year, and 20-year GOG bonds remained stable when compared to the corresponding quarter in 2023 due to non-issuance.

Yields on the Domestic Debt Exchange Programme (DDEP) bonds

On the secondary market, yields on the Domestic Debt Exchange Programme (DDEP) bonds were 26.90 percent, 27.36 percent, 26.74 percent, and 26.74 percent for the 4-year, 5-year, 6-year, and 7-year bonds, respectively. The yields on the 8-year, 9-year, 10-year, and 11-year DDEP bonds, were 27.49 percent, 26.10 percent, 20.23 percent, and 20.80 percent, respectively. The yields on the 12-year, 13-year, 14-year, and 15-year DDEP bonds stood at 26.16 percent, 29.46 percent, 27.68 percent, and 28.0 percent, respectively.

Interbank Market

The interbank weighted average interest rate decreased by 316 basis points, to settle at 27.03 percent in the fourth quarter of 2024 from 30.19 percent in the corresponding quarter of 2023. When compared to the third quarter of 2024, the IWAR increased by 181 basis points.

Time and Savings Deposit Rates

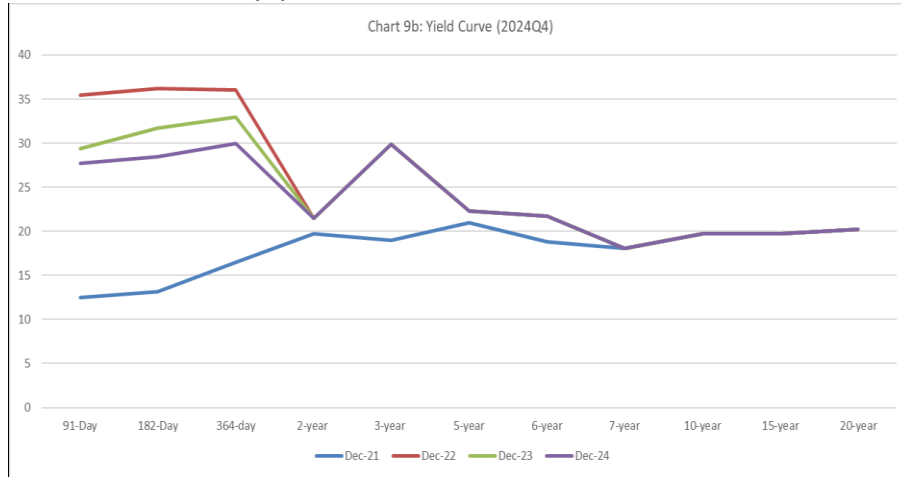
In the fourth quarter of 2024, the average interest rate on the DMBs' 3-month time deposits remained unchanged at the end of the fourth quarter of 2024 at 10.50 percent from the corresponding quarter of 2023. Similarly, the rate on the savings deposits remained unchanged at 5.00 percent compared to the fourth quarter of 2023. When compared to third quarter of 2023, the rates on the 3-month time deposits and the savings deposits remained unchanged.

Lending Rates

The average lending rate trended downwards during the review quarter, decreasing by 350 basis points to 30.25 percent compared to 33.75 percent recorded at the end of fourth quarter of 2023. When compared with the third quarter of 2024, the average lending rate decreased by 37 basis points.

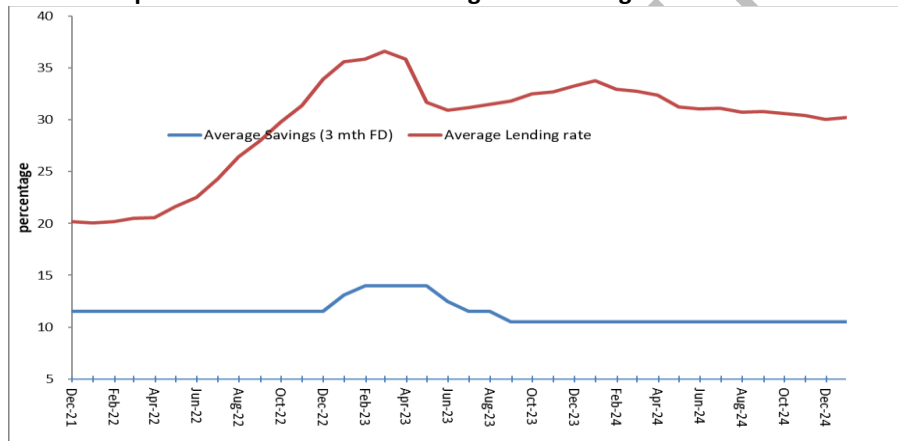
The spread between the borrowing and lending rates contracted by 350.0 basis points compared to the fourth quarter of 2023. When compared to the third quarter in 2024, the spread between the borrowing and lending rates decreased by 37 basis points. The yield curves and spreads between the lending and borrowing rates for the review period are indicated in the graphs below.

Chart 4.7: Yield Curve (%)



Source: Bank of Ghana

Chart 4.8: Spread between Nominal Savings and Lending Rates



Source: Bank of Ghana

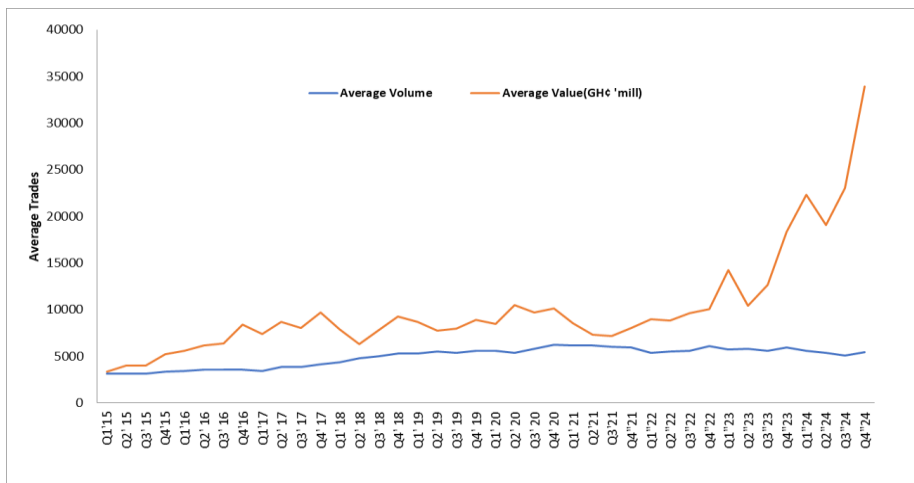
4.6 Payment Systems Developments

Settlement of Interbank Transactions

The volume of transactions settled through the Ghana Interbank System (GIS) during the fourth quarter of 2024 amounted to 341,671, with a total value of GH¢2,137,064 million. This represented a decrease in volume by 7.19 percent and an increase in value by 88.00 percent when compared to the transactions in the fourth quarter of 2023. In comparison with the transactions settled during the third quarter of 2024, there was an increase in both the volume and value of transactions by 5.70 percent and 45.00 percent respectively. On average, a total of 5,423.35 transactions were settled daily through the GIS, with a value of GH¢33,921.65

million during the reviewed quarter, compared to a total of 5,937.89 transactions, valued at GH¢18,334.55 million during the fourth quarter of 2023. In the third quarter of 2024, an average of 5,050.67 transactions were settled daily, with a value of GH¢23,028.46 million.

Chart 4.9: Quarterly Trends in the Settlement of Interbank Transactions (Averages)

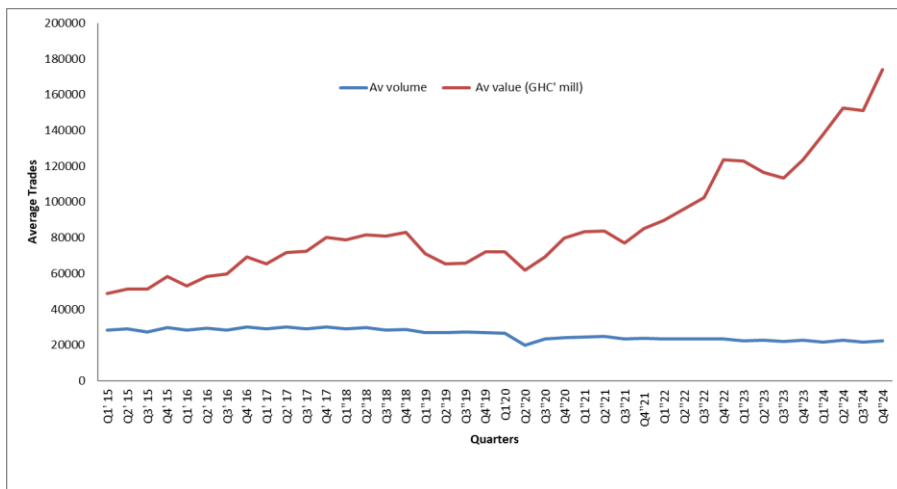


Source: Bank of Ghana

Cheques Cleared

The volume of cheques cleared during the quarter of 2024 amounted to 1,435,811.00 with a value of GH¢111,349.46 million. This represented an increase in volume and value by 2.38 percent and 45.45 percent respectively, compared to the cheques cleared in the fourth quarter of 2023. When compared to the third quarter of 2024, the volume and value of transactions increased by 3.78 percent and 15.19 percent, respectively. Daily, an average of 24,983.21 cheques, valued at GH¢2,009.26 million, were cleared during the reviewed period, compared to 22,620.35 cheques, valued at GH¢1,234.78 million, cleared during the fourth quarter of 2023. In the third quarter of 2024, an average of 21,617.67 cheques were cleared daily, with a value of GH¢1,510.39 million.

Chart 4.10: Quarterly Trends in Cheques Cleared (Averages)



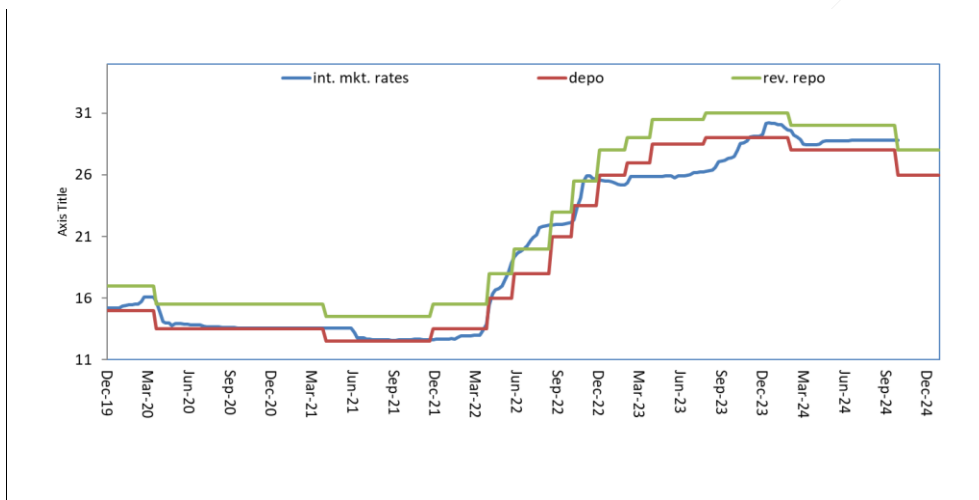
Source: Bank of Ghana

4.7 Money Market

Depos amounted to GH¢537,606.00 million in the fourth quarter of 2024, compared to GH¢313,970.00 million recorded in the third quarter of 2024. In comparison to the fourth quarter in the previous year, depo trades increased by 100.89 percent, from GH¢267,613.00 million in the fourth quarter of 2023. Compared to the third quarter of 2024, depo transactions increased by 71.23 percent.

Reverse repo trades for the fourth quarter of 2024 amounted to GH¢4,200.00 million. In the previous quarter, reverse repo was GH¢1,790.00 million. On the interbank market, the value of trades during the fourth quarter ranged between GH¢2,100.00 million and GH¢11,279.00 million, at a weighted average rate ranging from 27.01 percent to 28.26 percent. In the previous quarter, the values of trades ranged between GH¢220.00 million and GH¢7,030.00 million, at a weighted average rate ranging between 28.04 percent to 30.22 percent. In the previous year, trades during the third quarter ranged between GH¢2,059.00 million and GH¢11,536.00 million, at a weighted average rate ranging between 28.82 percent to 28.84 percent.

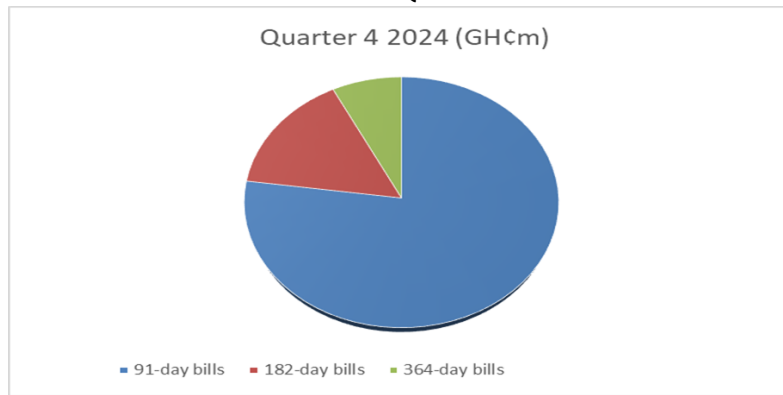
Chart 4.11: Money Market Rates



Source: Bank of Ghana

Tender Results

Total sales at the auction during the fourth quarter of 2024 amounted to GH¢120,194.47 million, with maturities totalling GH¢112,144.41 million. This resulted in a net sale of GH¢8,050.06 million; out of which GH¢12,371.43 million represents a net sale from the Government auctions, while the remaining GH¢4,321.37 million represents net payment from the Open Market Operations (OMO).

Chart 4.12: Tender Results for 2024Q4

Source: Bank of Ghana

4.8 Currency Markets

The International Currency Market

The U.S. dollar had a strong performance in the fourth quarter of 2024. The dollar rose due to remarks from Federal Reserve Chair Jerome Powell, heightened tensions in the Middle East, an election victory and strong economic data. Regarding the Pound Sterling, it had a mixed performance during the review period. Dovish remarks from the Bank of England (BOE) Governor, comments from the BOE's chief economist, borrowing data, strong economic data and a dovish stance of some policy makers contributed to the performance of the currency. The euro was weak in the last quarter of 2024. This was due to weak Eurozone data, concerns over the potential impact of Donald Trump's election victory on eurozone exports, growing political uncertainties and an ECB cut on interest rates. Concerning the Japanese yen, it experienced a very weak performance in the fourth quarter of 2024 due to uncertainties surrounding the next interest rate hike, minutes from a Bank of Japan meeting, election results in Japan's parliamentary coalition, the widening interest rate gap between the U.S. and Japan and weak economic data.

The pound sterling was also weak on the international market due to news of a slowdown in the U.K. economy, with economists anticipating a recession and a tepid comment from the Governor of the Bank of England (BOE). The euro, at the end of the review period, had a mixed performance. Unavailability of economic data to settle investors' uncertainties, rising U.S. treasury yields, and a dovish comment from the President of the European Central Bank (ECB) led to a weak performance of the currency. This was countered by the decision of the ECB to maintain interest rates unchanged, as well as a positive statement from ECB President. The yen experienced a strong performance at the end of 2023Q4. Positive statements from the Bank of Japan (BOJ) Governor and the growing conviction that the Fed was done raising interest rates led to the strength of the currency.

The U.S. dollar had a strong performance in the fourth quarter of 2024. The dollar's strength began in early October as the currency was bolstered by remarks from Federal Reserve Chair Jerome Powell, which cast doubt on the likelihood of another rate cut by the Federal Reserve. The dollar also gained from increased safe-haven demand following heightened tensions in the Middle East. In early November, the dollar gained strength after Trump won the elections, driven by strong demand. In late November, hawkish remarks from some Federal Reserve officials and a rise in the composite PMI index for the month provided support to the dollar. At the start of December, threats by U.S. President-elect Donald Trump to impose a 100 percent tariff

on BRICS countries to prevent the use of an alternative currency for trade boosted the dollar. Towards the end of December, reports of a resilient labour market and persistent inflation, combined with signals from the Fed suggesting a hawkish outlook, helped the dollar maintain its strength. At the end of the fourth quarter, the U.S. Dollar appreciated against the Pound Sterling, Euro and the Japanese Yen by 7.1 percent, 7.7 percent and 9.9 percent respectively.

The pound sterling had a mixed performance during the period under review. In early July, the pound fell early in October with dovish remarks from Bank of England (BOE) Governor, Andrew Bailey, suggesting that the central bank might adopt a more aggressive stance on rate cuts due to falling inflation, which led to a depreciation of the British Pound. Comments from the BOE's chief economist, advocating for a more gradual approach to rate cuts, failed to reverse these losses. In the latter part of November, a surprise uptick in inflation for October failed to provide sufficient support for the pound. Around the same period, borrowing data revealed a higher-than-expected level of net borrowing for October, marking the second-largest October borrowing figure since 1993, which added further pressure on the pound. In the early periods of December, the pound rose on data indicating that the UK's economic activity remained in expansionary territory. Additionally, the currency was supported by rising house prices, which increased for the fifth consecutive month in November. Although the BOE kept interest rates steady as expected, the pound weakened due to the dovish stance of some policymakers who signalled support for future rate cuts in late December. Consequently, the pound sterling appreciated against the euro and the Japanese yen by 0.6 percent and 2.6 percent, respectively, but depreciated against the U.S. dollar by 6.6 percent.

The performance of the euro in the last quarter of 2024 was weak. At the beginning of the fourth quarter, the euro experienced losses after Germany reported unexpectedly weak producer price index (PPI) data for September and the ECB announced a 0.25% interest rate cut. At the start of November, the currency declined amid a political crisis in Germany and concerns over the potential impact of Donald Trump's election victory on eurozone exports. Investor sentiment in Germany and the broader euro area, as reflected in the ZEW index, fell in November, adding to the euro's struggles. Towards the end of November, the euro remained under pressure following data showing a drop in France's consumer confidence and Germany's annual inflation falling short of expectations. From the start of December, growing political uncertainties, particularly the possibility of a government collapse in France, weighed on the currency as the odds of a rate cut by the European Central Bank (ECB) increased. The euro came under further pressure after data indicated a sharp decline in business activity across the Eurozone. In late December, despite a slight boost from an increase in Spain's annual EU-harmonised inflation for December, the euro's weakness deepened due to a dovish outlook from ECB President Christine Lagarde. At the end of the quarter, the euro depreciated against the U.S. dollar and the pound sterling by 6.3 percent and 4.7 percent, respectively, but appreciated against the Japanese yen by 4.5 percent.

The Japanese yen had a very weak performance in the last quarter of 2024. The outlook for the yen was weak in October 2024, driven by uncertainties surrounding the timing of the next interest rate hike by the Bank of Japan (BOJ). Minutes from a Bank of Japan meeting revealed divisions among policymakers on the future path of interest rates, adding to market uncertainty. Additionally, the yen lost ground following election results indicating that Japan's parliamentary coalition had lost its majority for the first time since 2009. The losses became more pronounced when the BOJ decided to maintain its ultra-low-interest rate policy in October. The currency suffered losses from the start of December following reports that the Bank of Japan

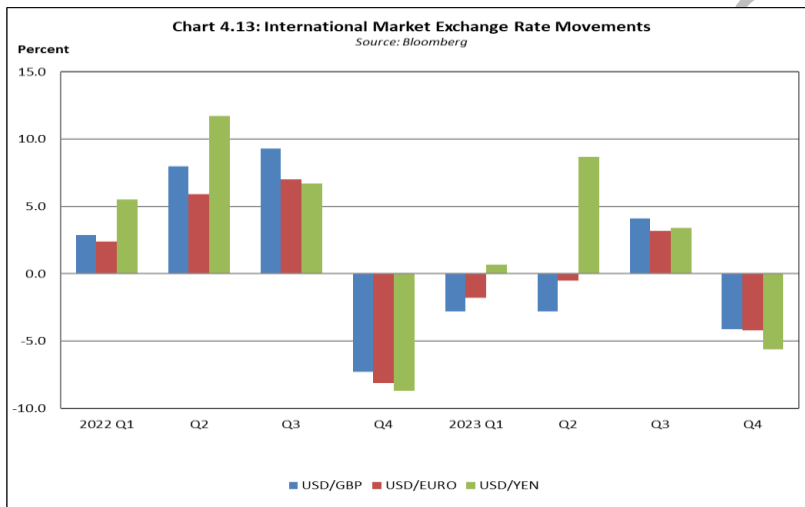
(BOJ) would not hike interest rates as previously expected by the media. Additionally, the widening interest rate gap between the U.S. and Japan, coupled with a reported decline in factory output in November, further weakened the yen in December. As a result of these, the Japanese yen depreciated against the U.S. dollar, the pound sterling and the euro by 10.4 percent, 8.8 percent and 4.3 percent, respectively.

Table 4.4: International Market Exchange Rate Movements

End Period	Quarterly		Annual		Quarterly		Annual		Quarterly		Annual	
	US\$/€	depreciation/ appreciation	depreciation/ appreciation	US\$/€	depreciation/ appreciation	depreciation/ appreciation	US\$/¥	depreciation/ appreciation	depreciation/ appreciation	US\$/¥	depreciation/ appreciation	
2022	Q1	1.3149	2.9	1.1107	2.4		0.0082	5.5				
	Q2	1.2177	8.0	1.0484	5.9		0.0074	11.7				
	Q3	1.1142	9.3	0.9803	7.0		0.0069	6.7				
	Q4	1.2024	-7.3	12.5	1.0664	-8.1	6.6	0.0076	-8.7	14.8		
2023	Q1	1.2368	-2.8	1.0864	-1.8		0.0075	0.7				
	Q2	1.2720	-2.8	1.0919	-0.5		0.0069	8.7				
	Q3	1.2215	4.1	1.0583	3.2		0.0067	3.4				
	Q4	1.2739	-4.1	-5.6	1.1049	-4.2	-3.5	0.0071	-5.6	6.8		

Depreciation (-)/ Appreciation (+)

Source: Bloomberg



Source: Bank of Ghana

The Domestic Currency Market

In the fourth quarter of 2024, the Ghana cedi had a strong performance. The domestic currency appreciated both on the interbank and forex bureaux market. On the interbank market, the cedi's appreciation was driven by muted demand pressures and improved liquidity from the central bank, interbank transactions, remittances, and mining services, which collectively supported the currency's stability. On the forex bureau market, rate adjustments by some dealers, supported by improved liquidity and positive market sentiment. Additionally, low demand, influenced by market expectations of further appreciation, further bolstered the currency.

On the interbank market, the Ghana cedi appreciated against the U.S. dollar, the pound sterling and the euro by 7.5 percent, 15.1 percent and 15.8 percent, respectively, in the fourth quarter of 2024. However, during the same period in 2023 the Ghana cedi had a weak performance. In the fourth quarter of 2023, the Ghana cedi depreciated against the U.S. dollar, the pound sterling and the euro by 6.3 percent ,10.2 percent and 10.3 percent, respectively.

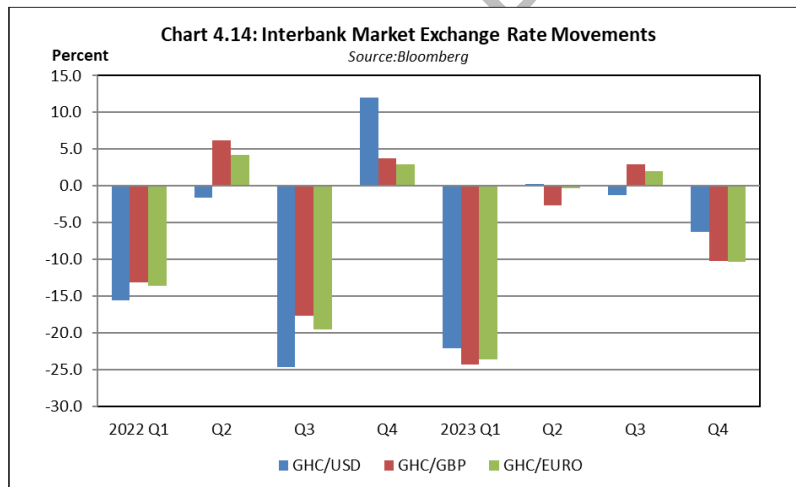
On the forex bureau market, the cedi appreciated against the U.S. dollar, the pound sterling and the euro by 3.1 percent, 9.7 percent and 9.5 percent, respectively. The cedi’s performance strengthened against the U.S. dollar, the pound sterling and the euro in the fourth quarter of 2024 compared to its corresponding period of 2023, when it had depreciated against the U.S. dollar, the euro and the pound sterling by 4.5 percent, 4.4 percent and 6.4 percent, respectively.

Table 4.5: Interbank Market Exchange Rate Movements

End Period	Quarterly depreciation/ appreciation		Annual depreciation/ appreciation		Quarterly depreciation/ appreciation		Annual depreciation/ appreciation		Quarterly depreciation/ appreciation	
	¢/US\$		¢/GBP		¢/Euro					
2022	Q1	7.1122	-15.6	9.3515	-13.1	7.8986	-13.6			
	Q2	7.2305	-1.6	8.8043	6.2	7.5797	4.2			
	Q3	9.6048	-24.7	10.7017	-17.7	9.4147	-19.5			
	Q4	8.5760	12.0	10.3118	3.8	9.1457	2.9	-25.3		
2023	Q1	11.0137	-22.1	13.6218	-24.3	11.9657	-23.6			
	Q2	10.9972	0.2	13.9879	-2.6	12.0073	-0.3			
	Q3	11.1285	-1.2	13.5935	2.9	11.7774	2.0			
	Q4	11.8800	-6.3	15.1334	-10.2	13.1264	-10.3	-30.3		

Depreciation (-)/ Appreciation (+)

Source: Bank of Ghana



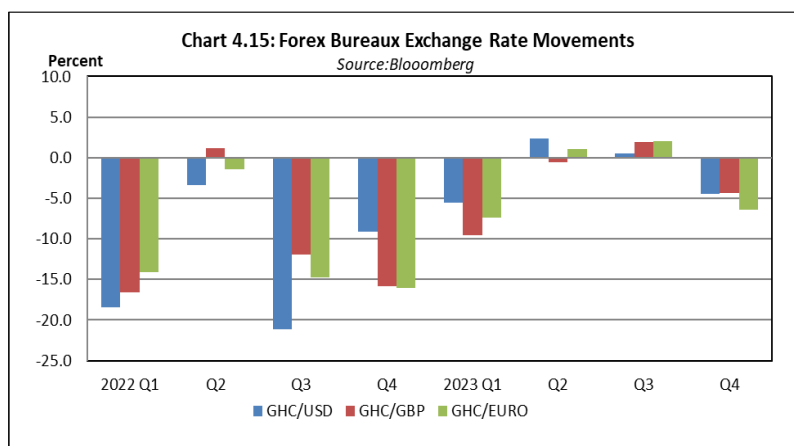
Source: Bank of Ghana

Table 4.6: Forex Bureaux Exchange Rate Movements

End Period	Quarterly		Annual		Quarterly		Annual		Quarterly		Annual	
	¢/US\$	depreciation/ appreciation	depreciation/ appreciation	¢/GBP	depreciation/ appreciation	depreciation/ appreciation	¢/Euro	depreciation/ appreciation	depreciation/ appreciation	depreciation/ appreciation	depreciation/ appreciation	
2022	Q1	7.8175	-18.4		9.9990	-16.6		8.3100	-14.1			
	Q2	8.0900	-3.4		9.8850	1.2		8.4250	-1.4			
	Q3	10.2525	-21.1		11.2200	-11.9		9.8845	-14.8			
	Q4	11.2800	-9.1	-43.5	13.3250	-15.8	-37.4	11.7750	-16.1	-39.4		
2023	Q1	11.9362	-5.5		14.7334	-9.6		12.7111	-7.4			
	Q2	11.6517	2.4		14.8239	-0.6		12.5778	1.1			
	Q3	11.5895	0.5		14.5473	1.9		12.3362	2.0			
	Q4	12.1322	-4.5	-7.0	15.2139	-4.4		13.1833	-6.4	-10.7		

Depreciation (-)/ Appreciation (+)

Source: Bank of Ghana



Source: Bank of Ghana

Foreign Exchange Transaction Market

At the end of the fourth quarter of 2024, the total volume of forex purchases recorded was US\$6,720.26 million. Commercial bank purchases contributed 68.2 percent of the total purchases (US\$4,580.56 million). The Central Bank's support to the market accounted for 31.1 percent (US\$2,090.95 million) and purchases from forex bureaus contributed 0.7 percent (US\$48.75 million). Compared to the third quarter of 2024, the total volume purchases increased by 51.8 percent. Commercial Bank purchases also increased by 15.6 percent and the Bank of Ghana's support also increased by 401.7 percent. Forex bureau purchases also increased by 6.1 percent. Similarly, compared to the corresponding quarter of 2023, the volume of total purchases increased by 95.4 percent. Commercial bank purchases increased by 43.1 percent and the Bank of Ghana's support also increased by 1113.1 percent. Forex bureau purchases decreased by 26.8 percent.

Regarding sales, the total volume recorded was US\$6,587.01 million. Commercial bank sales amounted to US\$6,538.45 million (99.3% of the total amount). Forex bureaus contributed the difference of US\$48.56 million (0.7% of the total amount). The total volume of sales increased by 58.1 percent on a quarterly basis

and increased by 92.6 percent on a year-on-year basis. Forex bureau sales increased by 9.2 percent on a quarterly basis. On a year-on-year basis, it decreased by 26.5 percent. Commercial bank Sales increased by 58.6 percent on a quarterly basis and increased by 95.0 percent on a year-on-year basis.

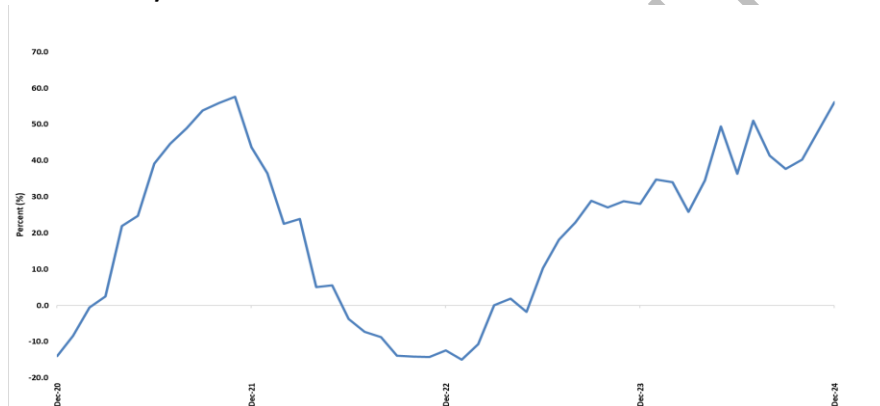
4.9 The Stock Market

The GSE-CI increased by 11.88 percent in the fourth quarter of 2024 (2024Q4), bringing the year-on-year growth to 56.17 percent. Consequently, market capitalisation increased by 12.37 percent during the fourth quarter, recording a year-on-year growth of 50.70 percent. The sectors that contributed to the gain recorded by the GSE-CI were mainly the Manufacturing and Mining sectors. Despite the relatively stable domestic currency, the increases in inflation in the fourth quarter and uncertainties regarding Ghana’s 2024 general election induced investors to diversify their portfolios and invest in the stock market.

The GSE-CI

The GSE-CI increased by 11.88 percent (519.09 points) in 2024Q4, with a year-on-year gain of 56.17 percent (1758.30 points) at the end of the fourth quarter. Similarly, the GSE-CI shed 1.33 percent (-42.12 points) in value in Q4 of the previous year, but on year-on-year terms, it recorded a gain of 28.08 percent (686.32 points). The GSE-CI increased value in 2024Q4 due to improved investor appetite as well as election-related uncertainties, thereby making GOG securities unattractive.

Chart 4.16: Y/Y Growth of the GSE-CI



Source: Ghana Stock Exchange

Sectoral Performance

The performance of the GSE-CI in 2024Q4 was mainly as a result of share price appreciation of stocks in the Manufacturing (17.03 percent; 261.28 points) and Mining (15.02 percent; 29.96 points) sectors. The Finance sector, which usually influences the performance of the GSE-CI, gained 8.69 percent (190.42 points), but this marginally contributed to the increase in the GSE-CI. Other sectors that recorded gains were the Food and Beverage (14.12 percent, 313.62 points) and IT (14.68 percent, 12.49 points) sectors.

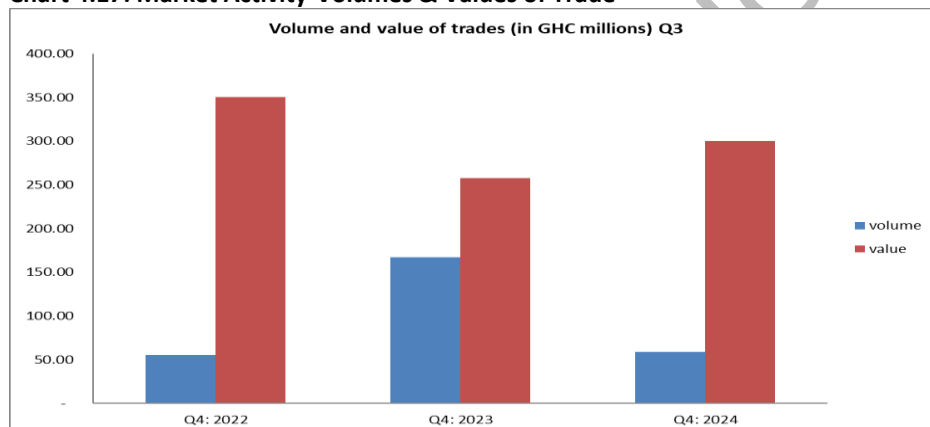
Table 4.7: Sectors' Contribution to the Growth of GSE-CI

Month	SECTOR											GSE-CI
	F&B	MAN	FINANCE	DISTR	MINING	IT	AGRIC	OIL	ETFund	EDUC	AD. & PROD.	
Dec-23	1722.04	804.95	1901.57	3733.61	165.30	54.66	4400.00	40.58	5044.98	100.01	100	3130.23
Sep-24	2221.38	1534.04	2190.37	4673.53	199.47	85.11	5042.00	40.81	9371.89	90.92	100	4369.44
Dec-24	2535.00	1795.32	2380.79	4824.56	229.44	97.60	5052.00	40.83	9016.32	90.92	100	4888.53
QTR CHG												
ABS	313.62	261.28	190.42	151.03	29.96	12.49	10.00	0.02	-355.57	0.00	0.00	519.09
(%)	14.12	17.03	8.69	3.23	15.02	14.68	0.20	0.04	-3.79	0.00	0.00	11.88
Yoy												
ABS	812.96	990.36	479.22	1090.95	64.14	42.94	652.00	0.25	3971.34	-9.09	0.00	1758.30
(%)	47.21	123.03	25.20	29.22	38.80	78.57	14.82	0.60	78.72	-9.09	0.00	56.17

Source: Ghana Stock Exchange

Market Performance

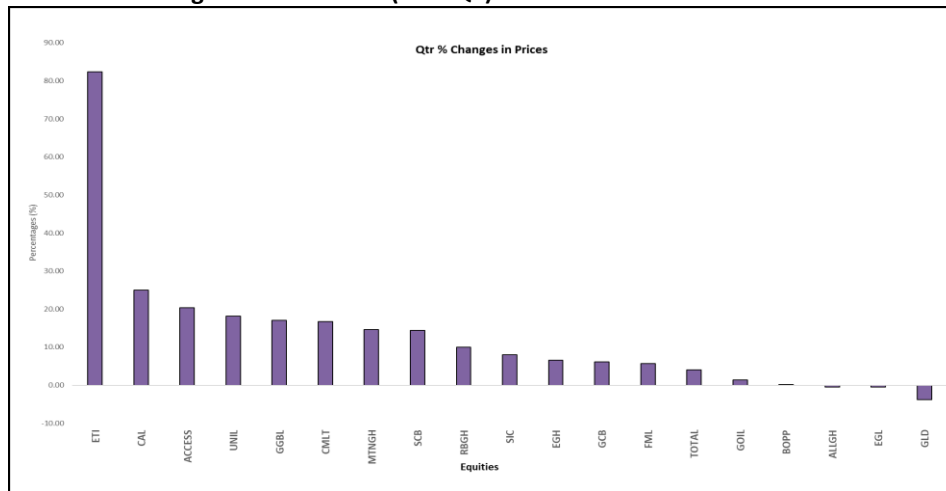
The total volume of trades on the GSE in 2024Q4 amounted to 77.45 million shares, with a value of GH¢300.37 million, which compares with a volume of 167.05 million shares with a value of GH¢257.43 million in the corresponding quarter in 2023. During the period, MTNGH and CAL recorded the highest volume and value of trades.

Chart 4.17: Market Activity-Volumes & Values of Trade

Source: Ghana Stock Exchange

In 2024Q4, sixteen (16) stocks gained value while three (3) stocks declined to moderate the gains recorded by the GSE-CI. The rest remained unchanged at the end of the review period. ALLGH, EGL and GLD were the worst performers and led the list of losers with share price decreases of 0.49 percent, 0.50 percent and 3.79 percent, respectively. However, ETI, CAL and ACCESS gained 82.35 percent, 25.00 percent and 20.37 percent, respectively, to top the gainers.

Chart 4.18: Change in Share Prices (2024Q4)



Source: Ghana Stock Exchange

Market Capitalisation

Total market capitalisation as at the end of 2024Q4 stood at GH¢111,356.09 million, representing an increase of 12.37 percent (GH¢12,254.22 million). Comparatively, market capitalisation decreased by 0.40 percent (GH¢296.18 million) in the same period in 2023. The main sectors that accounted for the increase in market capitalisation in 2024Q4 were Finance (17.97 percent; GH¢3,999.97) and Manufacturing (17.03 percent; GH¢187.64). However, the ET Fund sector (-3.79 percent; GH¢44.66) recorded a loss to moderate the gain in market capitalisation in the fourth quarter. Market capitalisation increased mainly on account of share price appreciation.

Table 4.8: Sectors' Contribution to the Growth of Market Capitalisation

Month	SECTOR(GH¢ mill)											MKT. CAP.
	F&B	MAN	FINANCE	DISTR	MINING	IT	AGRIC	OIL	ETFund	EDUC	AD. & PROD.	
Dec-23	1479.04	578.07	13508.94	1604.26	19486.21	18531.66	765.60	17284.49	633.65	10.57	10.70	73893.17
Sep-24	1907.93	1101.66	22257.14	2008.13	23514.84	28855.87	877.31	17381.54	1177.11	9.61	10.70	99101.87
Dec-24	2177.29	1289.30	26257.11	2073.02	27047.13	33091.45	879.05	17388.99	1132.45	9.61	10.70	111356.09
QTR CHG												
ABS	269.37	187.64	3999.97	64.89	3532.29	4235.57	1.74	7.45	-44.66	0.00	0.00	12254.22
(%)	14.12	17.03	17.97	3.23	15.02	14.68	0.20	0.04	-3.79	0.00	0.00	12.37
Yoy												
ABS	698.25	711.23	12748.17	468.76	7560.92	14559.79	113.45	104.51	498.80	-0.96	0.00	37462.92
(%)	47.21	123.03	94.37	29.22	38.80	78.57	14.82	0.60	78.72	-9.09	0.00	50.70

Source: Ghana Stock Exchange

The Bond Market

The total value of Government of Ghana Notes and Bonds listed on the GFIM as at the end of 2024Q4 stood at GH¢225,745.48 million, representing 61.88 percent of tradable fixed income securities on the GFIM.

Comparatively, it was GH¢225,753.50 million in the corresponding period in 2023. The total value of corporate bonds stood at GH¢9,023.47 million at the end of 2024Q4 compared with GH¢-13,424.23 million at the end of December 2023.

The cumulative volume of trades on the GFIM from the beginning of the year to the end of 2024Q4 stood at GH¢174,003.35 million, and the number of trades was 448,307. This compares to GH¢98,439.23 million and 399,522 in terms of volume and number of trades, respectively, in 2023. In terms of value, trades increased to GH¢143,545.01 million in 2024Q4 from GH¢80,003.21 million at the end of December 2023.

5. Balance of Payments

Ghana's external transactions with the rest of the world for the fourth quarter of 2024 resulted in an overall balance of payment surplus of US\$1.25 billion, 17.9 percent higher than the surplus recorded in the fourth quarter of 2023. The surplus was driven by large current account surplus and lower outflows in the capital and financial account.

Table 5.1: Balance of Payments (US\$' million)

	2022	2023	2024*	Q4'2023/24	
	Q4	Q4	Q4	Absolute	% Change
CURRENT ACCOUNT	318.2	495.4	1,417.84	922.4	186.2
Merchandise Exports (f.o.b.)	4,416.2	4,926.8	5,645.27	718.5	14.6
Cocoa beans and products	606.26	499.69	706.21	206.5	41.3
Gold	1,806.66	2,559.30	3,292.79	733.5	28.7
Timber products	37.49	33.99	29.62	-4.4	-12.9
Oil	1,258.26	1,108.24	820.67	-287.6	-25.9
Others (including non-traditionals)	707.49	725.54	795.99	70.5	9.7
Merchandise Imports (f.o.b.)	-3,154.2	-3,870.5	-3,878.49	-8.0	0.2
Non-oil	-2,217.68	-2,753.32	-2,744.77	8.6	-0.3
Oil	-936.52	-1,117.17	-1,133.73	-16.6	1.5
Trade Balance	1,262.0	1,056.3	1,766.78	710.5	67.3
Services (net)	-906.9	-875.7	-872.26	3.4	-0.4
Receipts	2,034.87	2,212.52	2,759.86	547.3	24.7
Payments	-2,941.73	-3,088.18	-3,632.12	-543.9	17.6
Income (net)	-1,126.7	-597.1	-964.46	-367.4	61.5
Receipts	260.05	214.84	84.01	-130.8	-60.9
Payments	-1,386.76	-811.90	-1,048.47	-236.6	29.1
Current Transfers (net)	1,089.8	911.9	1,487.78	575.9	63.1
Official	0.06	84.25	0.00	-84.3	-100.0
Private	1,089.76	827.66	1,487.78	660.1	79.8
Services, Income and Current Transfers (net)	-943.7	-560.8	-348.94	211.9	-37.8
CAPITAL & FINANCIAL ACCOUNT	-547.6	635.2	-175.24	-810.4	-127.6
Capital Account (net)	26.1	41.2	7.53	-33.6	-81.7
Capital transfers (net)	26.06	41.16	7.53	-33.6	-81.7
Financial Account (net)	-573.7	594.0	-182.77	-776.8	-130.8
Direct Investments (net)	322.12	398.66	484.75	86.1	21.6
Portfolio Investments (net)	-189.02	-66.76	-21.28	45.5	-68.1
Financial Derivatives (net)	330.43	36.96	220.72	183.8	497.1
Other Investments (net)	-1,037.2	225.2	-867.0	-1,092.1	-485.0
Of Which:					
Official Capital (net)	1.70	104.12	456.38	352.3	338.3
Other Private Capital (net)	-875.59	-76.87	-926.58	-849.7	1,105.4
Short-term capital (net)	-163.34	197.91	-396.77	-594.7	-300.5
ERRORS AND OMISSIONS	232.8	4.8	-89.26	-94.1	-1,962.3
OVERALL BALANCE	3.37	1,135.42	1,153.34	17.9	1.6
FINANCING	-3.4	-1,135.4	-1,153.34	-17.9	1.6
Changes in international reserves	-3.37	-1,135.42	-1,153.34	-17.9	1.6

Source: Bank of Ghana

5.1 The Current Account

The current account balance recorded a higher surplus of US\$1.42 billion in the fourth quarter of 2023, compared to the surplus of US\$495.45 million observed in 2023Q4. The surplus was driven mainly by an improvement in the trade surplus and higher inward remittances.

Table 5.2: Current Account Balance (US\$' million)

	Q4'2022	Q4'2023	Q4'2024	% Change
				Q4'2023/24
Current Account Balance	318.21	495.45	1,417.84	186.2
Trade Balance	1,261.95	1,056.27	1,766.78	67.3
Services Balance	-906.86	-875.66	-872.26	-0.4
Investment income Balance	-1,126.71	-597.07	-964.46	61.5
Net Unilateral Transfers	1,089.82	911.91	1,487.78	63.1

Source: Bank of Ghana

Merchandise Trade

The trade account recorded a surplus of US\$1.77 billion, 67.3 percent higher than the trade surplus of US\$1.06 billion recorded in the corresponding period of 2023. This was driven by higher exports relative to imports.

Table 5.3: Merchandise Exports (US\$' million)

	Q4 '2022	Q4'2023	Q4 '2024	Q4'2023/24	
				Abs.	% change
Exports					
Gold	1,806.66	2,559.30	3,292.79	733.50	28.7
Cocoa Beans	361.73	308.05	323.31	15.25	5.0
Cocoa Products	244.54	191.64	382.90	191.26	99.8
Timber	37.49	33.99	29.62	-4.38	-12.9
Crude oil	1,258.26	1,108.24	820.67	-287.57	-25.9
Others	707.49	725.54	795.99	70.45	9.7
Total	4,416.16	4,926.76	5,645.27	718.51	14.6

Source: Bank of Ghana

Exports

The value of merchandise exports for the fourth quarter of 2024 was estimated at US\$5.65 billion, indicating an increase of 14.6 percent over the export value of US\$4.93 billion recorded in the same period of 2023. The export performance was driven mainly by gold, cocoa and other exports, including non-traditional exports.

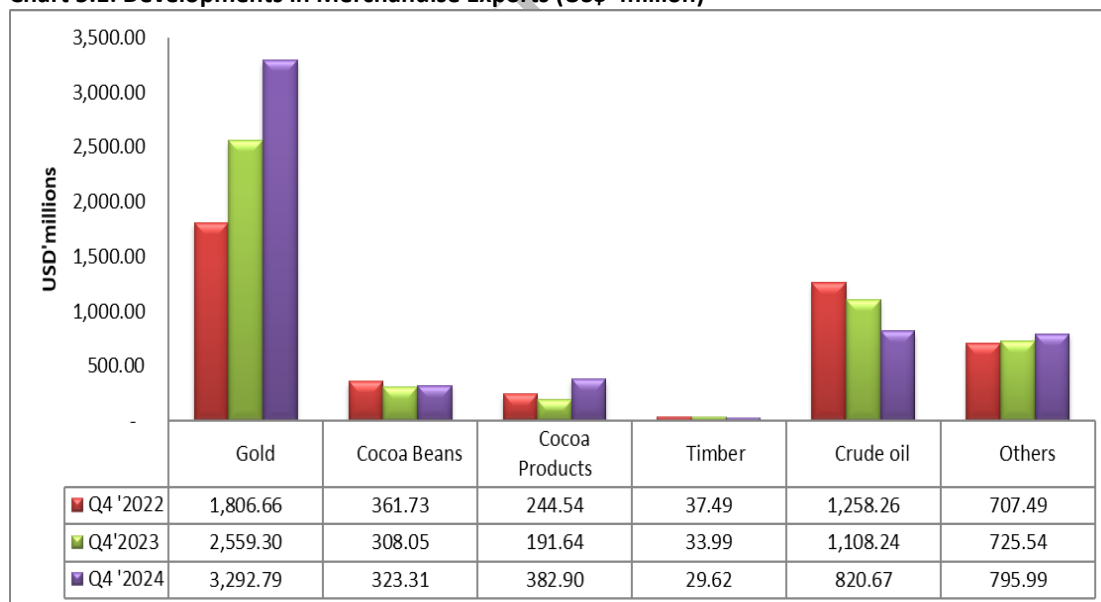
The value of gold exports during the review period amounted to US\$3.29 billion, compared to US\$2.56 billion recorded during the same period in 2023. The increase in receipts was driven by a rise in the average price. The average realised price increased by 35.6 per cent to settle at US\$2,545.42 per fine ounce. The volume of gold exported, however, decreased by 5.1 per cent to 1,293,617 fine ounces.

The value of crude oil exports was US\$ 820.67 million, compared to US\$1.11 billion recorded in the same period of 2023. The decrease in value was on account of both volume and price effects. The average realised price decreased by 9.9 percent to settle at US\$73.52 per barrel, and the volume of crude oil exported also decreased by 17.8 percent to 11,163,137 barrels.

Earnings from cocoa beans and products exports totalled US\$706.21 million, as compared to US\$ 499.69 million for the same period in 2023, representing an increase of 41.3 percent. The value of cocoa beans exports amounted to US\$323.31 million, a 5.0 percent rise from the level recorded in 2023. This was influenced by a 13.9 percent increase in the average realised price of cocoa to settle at US\$3,215.66 per tonne. The volume exported, however, decreased by 7.9 percent to 100,542 tonnes. Earnings from the export of cocoa products increased by 99.8 percent year on year to US\$382.90 million on account of a more than 100 percent increase in prices to US\$6,825.48 per tonne, whilst the volume exported decreased by 1.5 percent to 56,098 tonnes.

The value of timber products exports was US\$29.62 million, down from US\$33.99 million in 2023. The value of “other exports” made up of non-traditional exports and other minerals (bauxite, diamond, aluminium and manganese) was estimated at US\$795.99 million, a 9.7 percent increase over the value recorded in the fourth quarter of 2023.

Chart 5.1: Developments in Merchandise Exports (US\$' million)



Source: Bank of Ghana

Top Ten Exported Non-Traditional Items

The value of the top ten non-traditional items exported during the period under review amounted to US\$286.21 million, compared to US\$246.29 million recorded for the same period in 2023. Among the ten top non-traditional items exported were shea nuts, technically specified natural rubber, and aluminium.

Table 5.4: Top Ten Non-Traditional Exports: Oct – Dec 2023/2024

Oct - Dec 2023			Oct - Dec 2024		
Description	US\$'M	% Distr.	Description	US\$'M	% Distr.
Tunas, skipjack and Atlantic bonito (<i>Sarda spp.</i>), whole or in pieces, but not minced	38.99	15.83	Iron/Steel	55.50	19.39
Iron/Steel	29.52	11.98	Shea nuts	31.84	11.13
Non-refractory ceramic bricks, tiles, pipes and similar products	27.79	11.29	Tuna, skipjack and atlantic bonito, prepared or not minced	43.32	15.13
Aluminium, not alloyed	27.72	11.25	Shea (karite) oil and fractions	41.27	14.42
Shea (karite) oil and fractions	27.47	11.15	Technically specified natural rubber (TSNR)	37.11	12.97
Technically specified natural rubber (TSNR)	25.57	10.38	Aluminium, not alloyed	11.44	4.00
Flat-rolled products of iron or non-alloy steel; plated with zinc	20.21	8.21	Napkins and napkin liners for babies	14.93	5.22
Bananas (including plantains), fresh or dried	17.86	7.25	Bananas (including plantains), fresh or dried	6.98	2.44
Sacks and bags (incl. cones) of polymers ethylene	16.38	6.65	Non-refractory ceramic bricks, tiles, pipes and similar products	25.22	8.81
Napkins and napkin liners for babies	14.77	6.00	Sacks and bags (incl. cones) of polymers ethylene	18.58	6.49
Total	246.29	100.0	Total	286.21	100.0

Source: Bank of Ghana

Imports

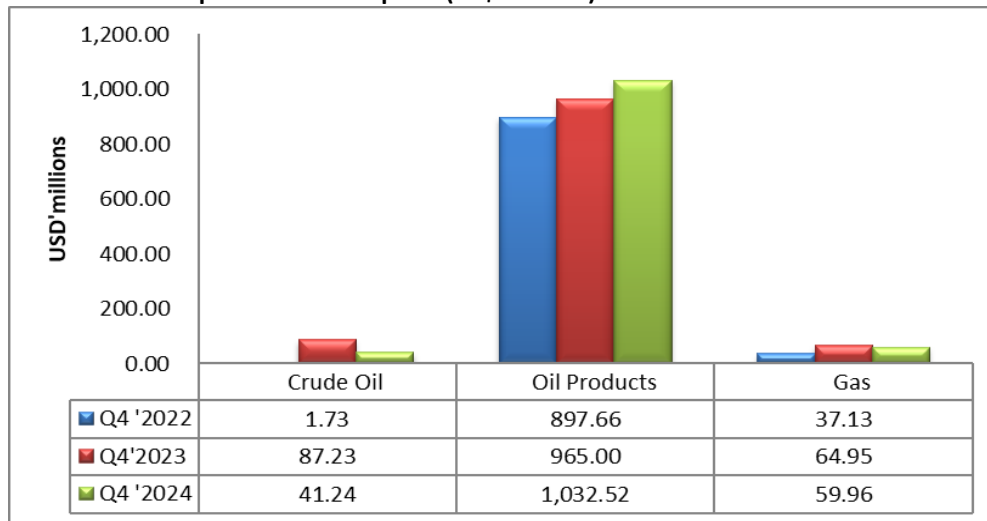
The total import bill for the fourth quarter of 2024 amounted to US\$3,878.49 million, up marginally by 0.2 percent compared to US\$3,870.49 million recorded in 2023. This was reflected in oil imports.

Oil and Gas Imports

During the period under review, oil imports (made up of crude, gas and refined products) increased by 1.5 percent to US\$1,133.73 million from US\$1,117.17 million in 2023. The value of crude oil imports was US\$41.24 million, resulting from the volume of 560,949 barrels exported at an average realised price of US\$73.52 per barrel. During the same period in 2023, the value of crude oil imports was US\$87.23 million from 985,568 barrels exported at an average realised price of US\$88.50 per barrel.

In addition, the VRA imported 7,184,133 MMBTu (Million Metric British Thermal units) of gas worth US\$59.96 million from the West African Gas Company (WAGP) at an average price of US\$8.3 per MMBTu for its operations. For the same period last year, 7,501,874 MMBTu of gas worth US\$64.95 million was imported. The value of finished oil products imported in the fourth quarter of 2024 amounted to US\$1,032.52 million compared to US\$965.00 million in the same period in 2023.

Chart 5.2: Developments in Oil Imports (US\$ 'Million)



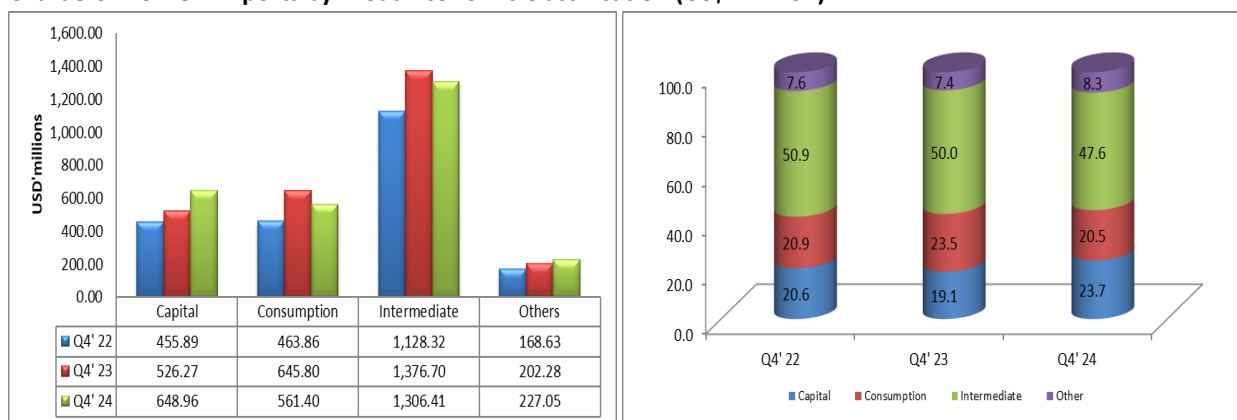
Source: Bank of Ghana

Merchandise Non-Oil Imports

Total non-oil imports in the fourth quarter of 2024 decreased by 0.26 percent to US\$2,743.83 million, influenced by consumption and intermediate goods. The value of capital goods imported during the period was US\$648.96 million, up by 23.3 percent. This was on account of an increase in the imports of both Capital goods and Industrial Transport sub-categories. Consumption goods imported however, decreased by 13.1 percent to US\$561.40 million from US\$645.80 million recorded a year ago, driven by a decrease in non-durable consumer goods, processed food and beverages and semi-durable consumer goods. The value of intermediate goods imported also decreased by 5.1 percent to US\$1,306.41 million compared to US\$1,376.70 million recorded a year ago.

The value of other goods imported, mainly passenger vehicles, was US\$227.05 million, 12.3 percent more than the previous year's level.

Chart 5.3: Non-Oil Imports by Broad Economic Classification (US\$' Million)



Source: Bank of Ghana

During the period, 10,106,700 kWh of electricity valued at US\$1.06 million was imported by VRA compared to 21,754,200.00 kWh worth US\$2.27 million imported during the same period in 2023.

Top Ten Non-Oil Imports

The total value of the top ten non-oil merchandise imports for the fourth quarter of 2024 amounted to US\$616.42 million, compared to US\$750.21 million recorded a year ago. Some of the top-ranked items were self-propelled bulldozers, rice, and cement clinkers.

Table 5.5: Top Ten Non-Oil Imports, Oct - Dec 2023/2024

Oct - Dec 2023			Oct - Dec 2024		
Description	US\$'M (fob)	% Distr.	Description	US\$'M (fob)	% Distr.
Capital	209.07	27.9	Capital	250.36	40.6
Dumpers designed for off-highway use	126.30	16.8	Self-propelled bulldozers, excavators nes	115.33	18.7
Self-propelled bulldozers	82.77	11.03	Motor vehicles for the transport of goods,	135.03	21.91
Consumption	197.80	26.37	Consumption	98.87	16.04
Fungicides put up in forms or packings for	84.87	11.3	Broken rice	45.18	7.3
Rice	65.20	8.7	internal combustion piston engine of a cylind	28.20	4.6
Cereal grains, worked but not rolled or of other	47.73	6.4	Frozen cuts and offal of fowl (Gallus - eg chick	25.49	4.1
Intermediate	157.51	21.00	Intermediate	113.71	18.45
Parts of machinery	41.66	5.55	Cement clinkers	34.02	5.52
Iron and steel bars and rods	39.71	5.29	Guts, bladders and stomachs of animals (othe	27.13	4.40
Cement clinkers	38.27	5.1	Iron and steel bars and rods	26.28	4.3
Polyethylene	37.87	5.0	Polyethylene	26.28	4.3
Other	185.83	24.8	Other	153.47	24.9
Motor vehicles for the transport of persons,	185.83	24.8	Motor vehicles for the transport of persons,	153.47	24.9
Total	750.21	100.00	Total	616.42	100.00

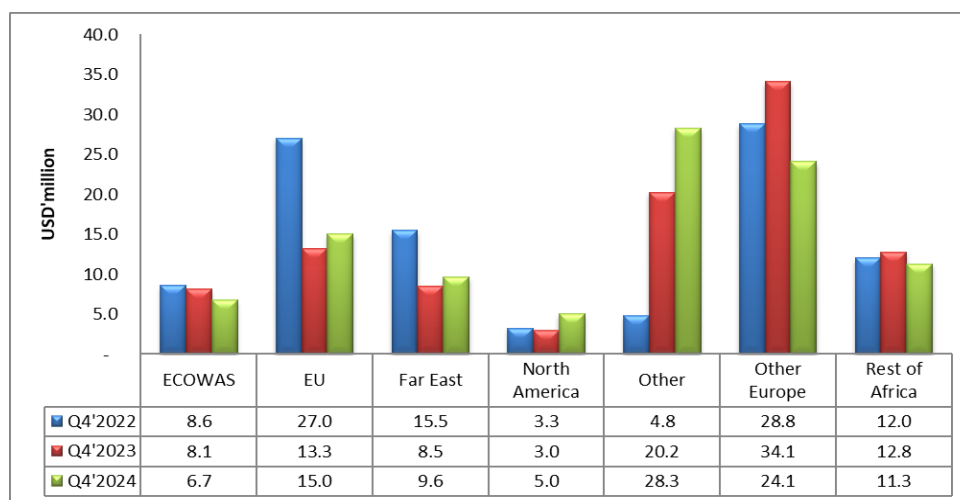
Source: Bank of Ghana

Direction of Trade

Destination of Exports

During the review period, the Other Economies region received the largest share of Ghana's exports, 28.3 per cent of total exports. The other recipients were the Other Europe (24.1%), European Union (15.0%), the Rest of Africa (11.3%), Far East (9.6%), ECOWAS (6.7%) and North America (5.0%).

Chart 5.4: Destination of Merchandise Exports

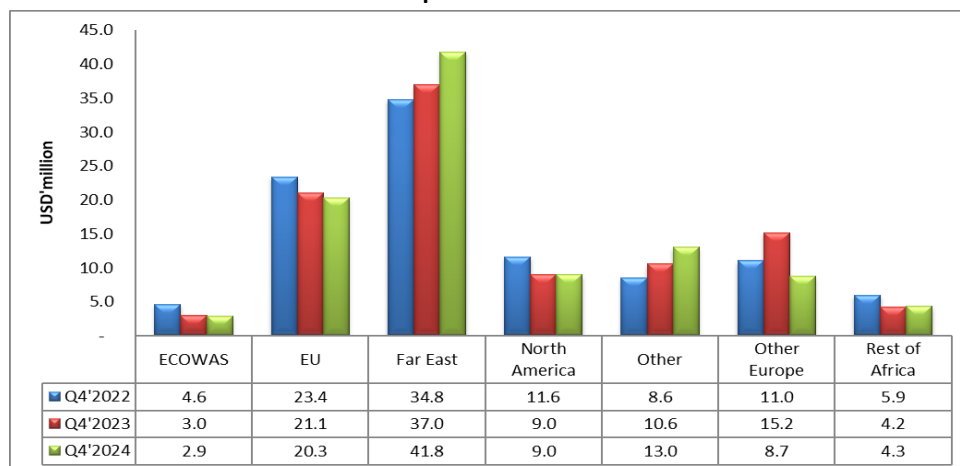


Source: Bank of Ghana

Sources of Merchandise Imports

The Far East emerged as the leading source of imports, accounting for 41.8 percent of the total. The European Union followed with a share of 20.3 percent. Other Economies (13.0%), North America (9.0%), Other Europe (8.7%), Rest of Africa (4.3%) and ECOWAS (2.9%) followed.

Chart 5.5: Sources of Merchandise Imports



Source: Bank of Ghana

Services, Income and Transfers Account

During the period under review, the Services, Income and Current Transfers' account recorded a deficit of US\$348.94 million, less than the deficit of US\$560.82 million recorded in 2023. This was mainly on account of an increase in private remittances. Current transfers, which are mostly private remittances, increased from US\$911.91 million in 2023Q4 to US\$1,487.78 million in 2024Q4. The income account deficit increased from US\$597.07 million to US\$964.46 million. Balance on the Services account decreased marginally from a deficit of US\$875.66 million to a deficit of US\$872.26 million.

Table 5.6: Services, Income and Current Transfers (net) in US\$ millions

	2022Q4:	2023Q4:	2024Q4:	2023/2024Q4:	
			prov.	Abs.	% change
<i>Amounts in millions of U.S. dollars</i>					
Services (net)	-906.86	-875.66	-872.26	3.40	-0.4
Freight and Insurance	-317.29	-259.99	-292.54	-32.54	12.5
Other Services	-589.57	-615.67	-579.72	35.95	-5.8
Income (net)	-1,126.71	-597.07	-964.46	-367.39	61.5
Current Transfers (net)	1,089.82	911.91	1,487.78	575.87	63.1
Official	0.06	84.25	0.00	-84.25	0.0
Private	1,089.76	827.66	1,487.78	660.12	79.8
Services, Income and Current Transfers (net)	-943.75	-560.82	-348.94	211.88	-37.8

Source: Bank of Ghana

5.2 Capital and Financial Account

During the review period, the capital and financial account recorded a net outflow of US\$175.24 million, as against the inflows of US\$635.18 million recorded for the same period in 2023.

Table 5.7: Capital and Financial Account (US\$' million)

	2022Q4:	2023Q4:	2024Q4:	2023/2024Q4:	
			(prov.)	Absolute	% change
<i>Amounts in millions of U.S. dollars</i>					
Capital and Financial Accounts	-547.64	635.18	-175.24	-810.4	-127.6
Capital transfers	26.06	41.16	7.53	-33.6	-81.7
Financial Account	-573.70	594.02	-182.77	-776.8	-130.8
<i>Foreign Direct Investments</i>	322.12	398.66	484.75	86.1	21.6
<i>Portfolio Investments</i>	-189.02	-66.76	-21.28	45.5	-68.1
<i>Other Investments</i>	-706.80	262.12	-646.24	-908.4	-346.5
Official	-25.31	158.66	365.16	206.5	130.1
Disbursements	163.13	250.98	586.57	335.6	133.7
Amortisation	-188.44	-92.31	-221.41	-129.1	139.8
Private	-545.16	-39.91	-705.86	-666.0	1,668.7
Disbursements	4,334.65	3,707.95	1,736.03	-1,971.9	-53.2
Amortisation	-4,879.81	-3,747.86	-2,441.89	1,306.0	-34.8
Short-term	-163.34	197.91	-396.77	-594.7	-300.5
Non-Monetary	650.88	399.74	118.72	-281.0	-70.3
Monetary	-814.22	-201.83	-515.49	-313.7	155.4
Government Oil Investments	27.01	-54.54	91.23	145.8	-267.3
Inflow	90.25	72.12	225.91	153.8	0.0
Outflow	-63.24	-126.66	-134.69	-8.0	6.3

Source: Bank of Ghana

Capital Account

The capital account received transfers totalling US\$7.53 million during the review period, compared to US\$41.16 million received in the same period in 2023.

Financial Account

Transactions in the financial account resulted in a net outflow of US\$182.77 million compared to an inflow of US\$594.02 million in the corresponding period of 2023. During the fourth quarter of 2024, net foreign direct investments inflows were estimated at US\$484.75 million, compared to US\$398.66 million recorded for the same quarter last year. Net Portfolio investment outflows were valued at US\$21.28 million, lower than the outflow of US\$66.76 million in 2023Q4. 'Other investments' recorded a net outflow of US\$646.24

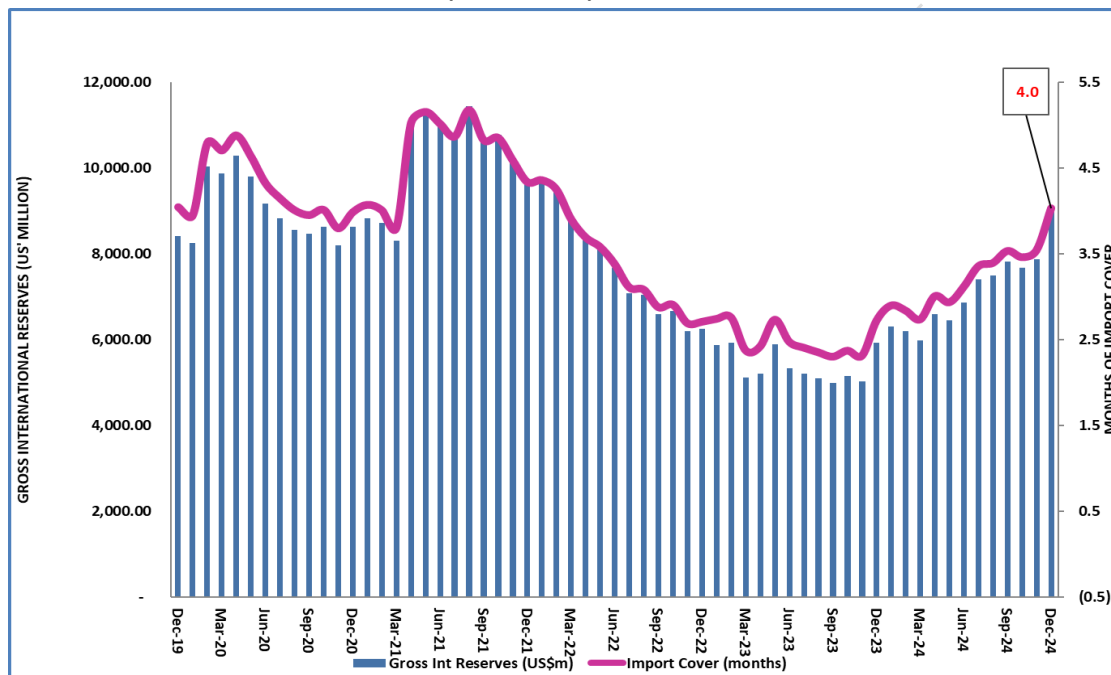
million in 2024Q4 against a net inflow of US\$262.12 million recorded in 2023Q4 on the back of increased outflows in short-term capital, as well as net private sector payments.

The combined effect of current account surplus and the Capital & Financial Account inflows resulted in a balance of payments surplus of \$1.15 billion for the fourth quarter of 2024, compared with the surplus of US\$1.14 billion for the same period in 2023.

5.3 International Reserves

The stock of Net International Reserves (NIR) at the end of December 2024 was US\$6.38 billion, a build-up of US\$3.18 billion from a stock position of US\$3.19 billion at the end of December 2023. The country’s Gross International Reserves at the end of December 2024 amounted to US\$8.98 billion, a build-up of US\$3.06 billion from a stock position of US\$5.92 billion as at the end of December 2023. This was sufficient to provide for 4.0 months of imports cover compared to the 2.7 months of import cover in December 2023.

Chart 5.6: Gross International Reserves (US\$' million)



Source: Bank of Ghana