Fidelity Bank Debt Capital Market Conference

Keynote Address

by

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The Chairman,
The Managing Director and Management of Fidelity Bank,
Distinguished Representatives of Government,
Colleagues from other Regulatory Institutions,
Market Leaders,
Distinguished guests, Customers,
Ladies and Gentlemen,

Good morning.

I am delighted to be here today to address this gathering of investors, market participants, policymakers, and stakeholders in Ghana's financial markets. I want to thank Fidelity Bank for convening this conference, and for providing such a platform for dialogue on the future of Ghana's debt capital market. The timing could not be more appropriate.

The debt capital market is a critical platform through which governments mobilise financing, businesses access long-term capital, and investors channel savings into productive investment. A well-functioning debt market is therefore an important pillar of financial development and sustainable economic growth.

Only a few years ago, our economy was under severe strain, characterised by elevated inflation, significant exchange-rate volatility, tightening global financial conditions, and heightened debt vulnerabilities. You will recall how these challenges ultimately led to Ghana losing access to international capital markets. They also triggered a sequence of events in the domestic bonds market: yields rose sharply, asset values deteriorated, liquidity dried up, government auctions were unsuccessful, and the financing of government operations came under significant pressure.

The lessons from this period were clear and profound: **macroeconomic stability is a fundamental prerequisite for the efficient and effective functioning of financial markets**. The policy response demanded difficult but necessary measures to restore stability and rebuild confidence. And today, the conversation has shifted from crisis management to building the foundations for durable growth. The task ahead is to convert that hard-won stability into sustainable growth, and a deeper debt capital market will be central to that transformation.

Current Macroeconomic Developments and Outlook

Ghana has made substantial progress indeed in restoring stability after the challenges of 2022 and 2023. That adjustment has been supported by coordinated fiscal and monetary action, structural reform, and the implementation of our IMF-supported programme.

The recovery is now firmly established. Real GDP growth strengthened to around 6 per cent in 2025, up from 2.8 per cent in 2023, supported by services and agriculture, with mining and the broader industrial base recovering. The momentum has carried into 2026: real GDP growth in the first quarter of 2026 was 6.4 per cent compared to 6.2 per cent in the corresponding period in 2025. Looking ahead, we expect growth of around 6 per cent in the second half of the year as the recovery matures.

Our external position has also improved considerably. Strong gold and cocoa receipts delivered a trade surplus of about US$8.8 billion in the first half of 2026, and gross international reserves at the end of June 2026 stood at US$12.9 billion equivalent to five months of import cover. The cedi, which appreciated by 40.7 per cent in 2025, has held broadly stable into this year, easing imported inflation and reinforcing confidence.

Fiscal consolidation has been a key pillar of Ghana’s economic recovery, underpinned by enhanced domestic revenue mobilisation, prudent expenditure management, and the restoration of debt sustainability. This progress has been recognised by international rating agencies, with S&P upgrading Ghana’s sovereign rating to B-/B in November 2025 from CCC+/C, and Fitch Ratings upgrading the country from B- to B in May 2026.

Furthermore, Ghana has successfully completed its IMF Extended Credit Facility (ECF) programme and transitioned to a 36-month Policy Coordination Instrument (PCI), signalling a shift from financial support to a framework focused on policy monitoring, reform implementation, and sustaining macroeconomic stability

Now, let me touch on progress on **disinflation and the inflation outlook**. The single most important achievement of recent years has been the progress on inflation. Headline inflation has fallen from a peak of 54.1 per cent in December 2022 to 4.6 per cent in July 2026. We are now comfortably within, and indeed below, our medium-term target band of 8±2 percent. This disinflation was supported by tight monetary conditions, the substantial appreciation of the cedi in 2025, fiscal consolidation, easing global commodity pressures, and better-anchored expectations.

I will be candid about the medium-term outlook. Headline Inflation is projected to remain broadly within the medium-term band of 8± 2 percent, barring any significant shocks. It is important to also indicate that quarterly adjustments in utility tariffs and re-escalation of geopolitical tensions in the Middle East are potential upside risks that could adversely impact the inflation profile going forward. However, inflation should remain within the target band through 2026.

Our Policy Direction and Priorities through the rest of 2026

Our policy direction through 2026 rests on three priorities:

First, maintaining macroeconomic and price stability. Monetary policy will remain forward-looking, and data driven. Our forecasting models and policy implementation frameworks are regularly being calibrated in line with evolving monetary conditions. We will continue to improve our communication and engagements to anchor expectations and enhance credibility.

Second, safeguarding financial-sector stability. A sound financial system is essential for monetary transmission, efficient market functioning, and for sustainable credit growth. In this regard, we will continue to strengthen resilience, improve supervision, and support confidence in the banking system. The recent bank recapitalisation exercise and several other prudential regulations have strengthened balance sheets of banks and improved their liquidity. As key participants in the debt capital market, these outcomes are expected to improve the depth of the market.

Third, we will continue to implement institutional reforms, including safeguarding the independence of the Bank of Ghana and deepening the financial markets. We are developing regulations for the Virtual Asset Services Providers following the passage of the Act. We are also developing a framework to incentivise banks to list on the equity market to improve access to long-term capital for productive investments.

Our new FX Operations Framework has enhanced the transparency and predictability of our FX operations. We are also rebuilding external buffers through the gold-accumulation programme under the Ghana Accelerated National Reserve Accumulation Policy (GANRAP), in coordination with the Ministry of Finance.

Government Securities Market: Reopening and Renewal

The government securities market has evolved profoundly. During the period of heightened uncertainty, investors understandably favoured shorter-dated instruments, with Treasury bills becoming the dominant segment of the market as investors sought to minimise duration and interest-rate risk.

The most significant development this year is the reopening of the domestic bond market. In March, following the expiry of the three-year restriction imposed under the Debt Exchange, the Government re-entered the bond market for the first time since 2022, issuing a seven-year cedi-denominated bond that settled in April. This is a milestone, a transition from crisis management to active, orderly debt management. To support it, the framework of Primary Dealers and Bond Market Specialists has been strengthened, with the new bonds trading on the Ghana Fixed Income Market (GFIM).

The improvement in conditions is visible in both pricing and participation. Treasury-bill yields have fallen dramatically as inflation and the policy rate declined, the 91-day rate moving from above 35 per cent in early 2023 to single digits this year. Demand has been strong: weekly auctions through late 2025 and early 2026 were consistently oversubscribed, reflecting deep liquidity in the banking sector and renewed appetite for sovereign paper. More recently, the market has become more two-sided, with episodes of softer demand and yields firming modestly which I regard as healthy normalisation – that is a market finding its own level rather than one driven by distress.

More importantly, participation is also broadening. The restoration of confidence has drawn in domestic investors of every kind; banks, pension funds, insurers, fund managers, and other institutions. And the reopening of the bond market has restored the long-dated investment options that institutional investors had lacked since the restructuring. Our objective is clear: to rebuild a credible yield curve, because government securities are the benchmark against which corporate bonds, infrastructure instruments, and other private debt are priced. Liquidity is central to that endeavour, and it remains a priority of the Bank of Ghana.

Outlook and Implications for Market Participants

The fixed-income market is far more than a financing platform. It is a critical channel for monetary policy transmission, a benchmark for pricing risk, a source of long-term capital, and an important pillar of financial-sector development. Its outlook is therefore closely linked to the broader macroeconomic recovery. As inflation remains contained, fiscal conditions improve, and confidence strengthens, we should expect the market to become deeper, more liquid and more stable.

We also expect greater participation by corporate and quasi-governmental issuers. For instance, the Ghana Cocoa Board has indicated its intention to finance operations for the 2026/2027 crop season through commercial paper issuances, targeting US$1 billion in three phases. Such developments point to the growing potential of the Ghana Fixed Income Market as an alternative source of financing for businesses and other institutions.

Looking ahead, I expect to see **three important transformations in the near term.**

- **First,** we should see greater diversification of issuers and instruments**.** Government securities currently dominate Ghana's debt capital market. As macroeconomic conditions improve further and interest rates moderate, we would like to see a greater presence of private-sector issuers, through commercial papers and corporate bonds. This will require us to continue addressing the structural and regulatory constraints that may discourage private-sector participation and to develop frameworks that make market-based financing more accessible, efficient and attractive to corporate issuers.

- **Second**, we should see greater use of technology to deepen market participation and improve market efficiency**.** We can leverage financial technology to develop platforms that are integrated with the Central Securities Depository and facilitate the seamless exchange of funds and securities. Such platforms can improve transparency, efficiency and convenience for market participants, while also supporting greater participation in the secondary debt market.

- **Third**, we should see greater mobilisation of domestic and diaspora savings into long-term investment**.** There are ongoing institutional collaborations to develop safer and more efficient investment channels for domestic investors and the Ghanaian diaspora. These initiatives seek to provide Ghanaians abroad with secure opportunities to invest in debt instruments and productive sectors of the domestic economy. The Bank of Ghana is also leading initiatives under the **Remit2Invest** programme, which seeks to channel a greater proportion of diaspora remittances towards sustainable, long-term investments.

Certainly, these transformations will not happen automatically. They will require continued collaboration among key stakeholders. They will also require continued attention to market infrastructure, investor protection, transparency, financial literacy and the development of appropriate regulatory frameworks.

In conclusion, the proof of a deeper debt capital market will not be found only on an auction sheet. It will be found in that power project that was completed, that factory that expanded, the housing development that was financed and the SME that finds room on a bank's balance sheet because the right capital reached the right use.

So, last April, the market was in effect asked to look seven years into Ghana's future. Its answer was encouraging; and our task now is to make those seven years credible, and to build a market that can look further.

Let me once again commend Fidelity Bank for convening this important conference. Platforms such as this provide an opportunity for constructive engagement among market participants and policymakers and can help shape the future of Ghana's debt capital market. I hope that the discussions at this conference will advance the ideas, institutions and market confidence needed to transform our current economic recovery into greater resilience, investment into opportunity, and growth into lasting prosperity for all Ghanaians.

I thank you for your kind attention.