



BANK OF GHANA

MONETARY POLICY REPORT

September 2026

The Monetary Policy Report highlights the economic and financial sector assessments that the Monetary Policy Committee (MPC) considered prior to the policy decision during the 132nd meetings held on September 23-24, 2026.

Monetary Policy Objective in Ghana

The primary objective of the Bank of Ghana is to ensure stability in the general level of prices, which has been defined as maintaining inflation over the medium term, within a band of 8 ± 2 percent. The Bank is also expected to support the general economic policy of the government, promote economic growth and development, foster the effective and efficient operation of the banking and credit system, and contribute to the promotion and maintenance of financial stability.

Monetary Policy Strategy

To achieve the objective of price stability, the Bank of Ghana has been granted operational independence to use whichever policy tools it sees appropriate to stabilise inflation around the target band. The Bank of Ghana's framework for conducting monetary policy is Inflation Targeting (IT), in which the central bank uses the Monetary Policy Rate (MPR) as the primary policy tool to set the monetary policy stance and anchor inflation expectations in the economy.

The MPC Process

The MPC is a statutorily constituted body established by the Bank of Ghana (Amendment) Act, 2016 (Act 918), to formulate monetary policy. The MPC consists of seven members – five from the Bank of Ghana (including the Governor, who is the Chairman) and two external members appointed by the Board of the Bank. The MPC meeting dates are determined at the beginning of each year. The MPC meets bi-monthly to assess economic conditions and risks to the inflation outlook, after which a policy decision is made on positioning the MPR. Each decision signals a monetary policy stance of tightening (increase), easing (decrease) or no change (stay put). The policy decision is arrived at by voting, with each member stating reasons underlying a preferred MPR decision. Subsequently, the decision is announced at a press conference held after each MPC meeting and a press release is issued to financial markets and the public.

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Overview of Key Considerations of the MPC

Global economic conditions remained resilient despite elevated geopolitical tensions. The global economy continued to weather the effects of the Middle East conflict better than initially anticipated, supported by accommodative financial conditions and AI-related investment. However, renewed tensions have heightened risks to growth and inflation through higher energy prices and potential supply chain disruptions.

Domestic economic activity strengthened further. Real GDP grew by 6.4 percent in the first quarter of 2026, while the Bank's Composite Index of Economic Activity recorded annual growth of 13.4 percent in May 2026. Improved private sector credit, international trade, industrial production, and tourism supported the strong growth outturn.

Inflation increased but remained below the medium-term target band. Headline inflation rose to 5.3 percent in June 2026 from 3.7 percent in May, driven mainly by base effects and higher transport costs, reflecting the surge in crude oil prices. Inflation expectations and core inflation edged up but remained broadly anchored.

The external sector remained robust and continued to support macroeconomic stability. The trade surplus widened to US\$8.8 billion in the first half of 2026, lifting the current account surplus to US\$5.1 billion. Gross International Reserves stood at US\$12.9 billion, equivalent to 5.0 months of import cover, providing an important buffer against external shocks.

Exchange rate pressures moderated. The cedi came under pressure following the escalation of tensions in the Middle East and higher energy-related import demand but recovered subsequently.

Monetary and financial conditions remained supportive of economic growth. Market interest rates declined in line with the easing cycle, while private sector credit growth accelerated sharply to 41.2 percent in June 2026. Broad money growth also strengthened, supported by increases in both net foreign and domestic assets.

The banking sector remained sound and resilient. Banking sector performance continued to strengthen, supported by robust asset growth, strong capitalisation, improved liquidity conditions, and a decline in the ratio of non-performing loans. Nevertheless, credit risk remained elevated despite improvements in asset quality indicators.

The MPC noted the strengthening domestic growth momentum, continued external sector resilience, improving fiscal performance, and increased soundness of the banking sector. However, risks to the inflation outlook have heightened due to higher crude oil prices, possible utility tariff adjustments, and increased geopolitical tensions. Against this backdrop, the Committee unanimously decided to maintain the Monetary Policy Rate at 14.0 percent.

1. Global Economic Developments

1.0 Highlights

Global growth was resilient in the first half of 2026; however, the outlook remains uncertain amid persistent geopolitical tensions. Global headline inflation is beginning to pick up across major economies due to elevated energy costs. Global financial conditions may tighten in the near-term amid elevated uncertainty. In the local FX market, pressures on the cedi were muted in August 2026.

1.1 Global Growth Developments

Global growth remained resilient in 2026H1; however, the outlook remains uncertain amid persistent geopolitical tensions. Economic activity was supported by the milder-than-expected energy shocks following the onset of the US-Israel-Iran conflict on 28 February 2026. International Energy Agency members such as the United States, Japan, and Germany, utilized strategic reserves to cushion consumers from rising energy costs. In addition, the increased adoption of alternative energy sources alongside moderation in consumer demand helped ease pressure on energy markets. Strong investment in artificial intelligence (AI) also provided significant support to global economic activity. However, the IMF projects that global growth will moderate to 3.0 percent in 2026, from 3.5 percent in 2025, reflecting heightened geopolitical uncertainties.

Looking ahead, risks to global growth remain tilted to the downside. A renewed escalation of the conflict in the Middle East and the continued closure of the Strait of Hormuz could disrupt energy supplies and weigh on economic activity. Higher energy prices and tighter financial conditions could further constrain household consumption and business investment. Geopolitical tensions and tariff barriers may also disrupt global supply chains, weaken investment, and adversely affect labour market conditions. In addition, a potential correction in AI-related investment could amplify downside risks to global growth.

Table 1.1: Overview of the World Economic Outlook Projections

(Percent change)	2024	2025	Projections	
			2026	2027
World	3.5	3.5	3.0	3.4
Advanced Economies	1.9	1.9	1.7	1.8
United States	2.8	2.1	2.3	2.2
Euro Area	1.0	1.4	0.9	1.2
Germany	-0.5	0.2	0.7	1.0
France	1.4	0.9	0.6	0.9
Italy	0.8	0.5	0.5	0.5
Spain	3.5	2.8	2.1	1.8
Japan	-0.2	1.1	0.6	0.7
United Kingdom	1.0	1.4	1.0	1.3
Canada	2.0	1.9	1.1	1.7
Other Advanced Economies	2.5	3.0	2.8	2.3
Emerging Market and Developing Economies	4.5	4.5	3.8	4.5
China	5.0	5.0	4.6	4.1
India	7.1	7.7	6.4	6.7
Russia	4.9	1.0	1.1	1.1
Brazil	3.4	2.3	2.4	2.2
Mexico	1.5	0.5	1.2	1.9
Sub-Saharan Africa	4.2	4.5	4.3	4.5
Nigeria	4.1	4.0	4.1	4.3
South Africa	0.5	1.1	1.1	1.3

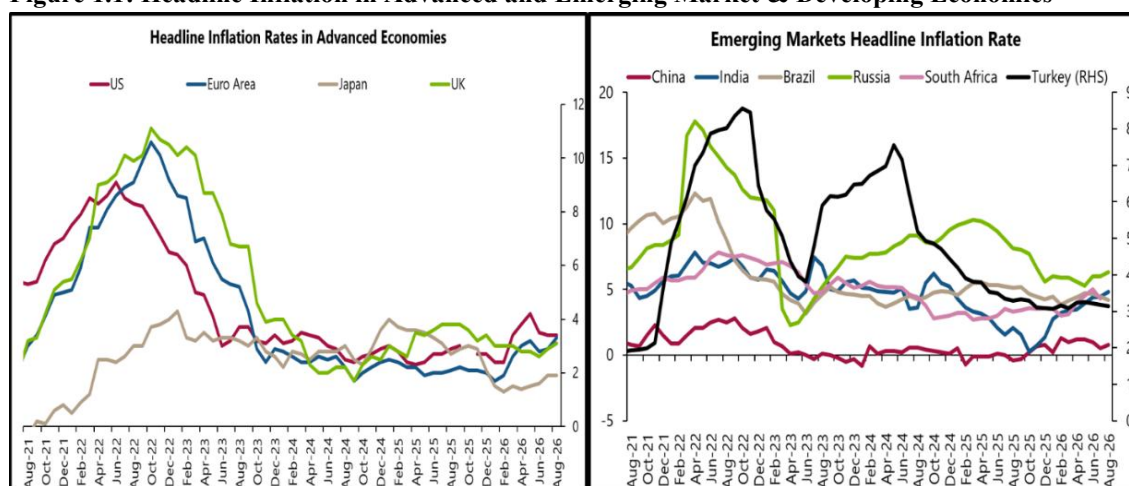
Source: IMF, WEO July 2026 Update

1.2 Global Price Developments

Global headline inflation is beginning to pick-up across major economies due to elevated energy cost. The increases were broad-based in both the advanced and emerging market economies. Brent oil prices have picked up above \$100 per barrel as the conflict in the Middle East persists. Additionally, the FAO food price index increased 1.9 percent in

August 2026, driven by supply outstripping demand. Furthermore, global climate conditions have also added another layer of uncertainty to the inflation outlook, with expectations of a strong El Niño developing in the last quarter of the year. In the outlook, risks to global inflation are tilted to the upside. A slower-than-expected disinflation path might push up household and corporate inflation expectations, potentially raising actual inflation and lower real incomes and consumer spending. Elevated levels of inflation could trigger disruptive corrections in equities, with consequences for global financial conditions and currency movements in Emerging Market and Developing Economies (EMDEs). Moreover, persistent geopolitical tensions may push up inflation again and weigh on global activity. Renewed price pressures may prompt central banks to maintain tighter policy rates, resulting in more restrictive financial conditions.

Figure 1.1: Headline Inflation in Advanced and Emerging Market & Developing Economies



Source: Bank of Ghana, Trading Economics

1.3 Global Financial Markets Developments

Global financial conditions may tighten in the near term given elevated uncertainty. The monetary policy stance of central banks remains mixed amid the renewed inflationary pressures arising from the conflict in the Middle East. While most central banks in EMDEs maintained their policy rates, major central banks have shifted from a cautious policy stance to modest tightening, alongside elevated long-term bond yields. So far, the US Federal Reserve, the European Central Bank, and the Bank of Japan have raised their policy rates on account of persistent inflation, signalling possible further tightening. Such policy actions in the near to medium term could increase global yields and tighten global financing conditions, with adverse consequences for emerging market and frontier economies. Currently, long-term bond yields remain high, supported by expectations of higher inflation in the near term while equity prices remain robust, partly reflecting strong AI investments. EM portfolio flows slowed from US\$18.8 billion in July 2026 to US\$11.3 billion in August 2026, although the appetite for EM bonds increased.

In the outlook, financial conditions may tighten, driven by elevated policy uncertainty and renewed price pressures. These measures are likely to keep policy rates tighter for longer in the advanced economies and may limit policy space in the emerging market economies. The expectations of higher inflation and policy rates, as well as elevated risk premia, will keep long-term bond yields higher. Even though equity markets have remained strong, the re-escalation of the war in the Middle East may trigger repricing of riskier assets, especially in EMDEs, and this may lead to high cost of credit and portfolio outflows in EMDEs.

Table 1.2: Monetary Policy Stance of Selected Central Banks

Country	Policy rate - Previous (%)	Policy Rate Current (%)	Forecast	Inflation July, 2026	Inflation August, 2026	Inflation Expectation/ Forecast	Real Rate	Infl Target	Overall Fiscal Deficit (2025,% of GDP)	GDP Growth (Dec.2025)	Gross Debt/GDP (2025,%)	YTD Depr/Appr 17th September 2026
U.S	3.75	4.00	4.00	3.4	3.4	3.6	0.4	2%	-6.8	2.1	123.9	
Euro Area	2.40	2.65	2.65	2.9	3.3	2.9	-0.3	< 2%	-3	1.4	87.1	2.35
UK	3.75	3.75	3.75	2.9	3.1	3.4	0.4	2%	-5.4	1.3	102.3	0.87
Japan	1.00	1.25	1.25	1.9	1.9	1.8	-0.6	2%	-1.1	1.2	206.5	0.48
Russia	14.00	14.00	14.00	6	6.3	13.7	0.3	4%	-3.9	1	17.2	
India	5.25	5.25	5.50	4.45	4.82	9.4	-4.2	4±2%	-7.4	7.6	84.1	-6.32
Brazil	14.00	13.75	14.00	4.44	4.22	4.6	9.2	4.5±1.5%	-8.1	2.3	93.3	6.75
Turkey	37.00	37.00	37.00	31.75	31.51	31.3	5.7	5±2%	-2.8	3.6	23.5	-11.86
Malaysia	2.75	2.75	2.75	1.8	1.9	2.1	0.7	3% - 4%	-3.5	5.2	70.7	-0.96
Indonesia	5.75	5.75	5.75	3.2	3.19	3.3	2.5	3.5% ± 1%	-2.9	5.1	41	-6.32
Chile	4.50	4.50	4.50	3.5	4.1	4.5	0.0	3±1%	-2.8	2.3	41.8	-6.24
Ghana	14.00	14.00	14.00	4.6	5.0	6.5	7.5	8±2%	-1.3	6	48.8	-9.10
South Africa	7.00	7.00	7.25	4.3		4.8	2.2	3%±1%	-5.8	1.1	78.6	1.84
Nigeria	26.50	26.50	26.50	15.43	15.39	15.5	11.0	6%-9%	-1.8	4	35.5	8.54
Kenya	8.75	8.75	8.75	6.5	6.6	6.7	2.1	2.5-7.5%	-6.4	4.9	69.3	-0.47
Zambia	13.50	13.25	13.00	6.5	6.2	6.2	7.1	6%-8%	-3.8	3.8	86	12.01
Morocco	2.25	2.25	2.25	-0.6		-0.8	3.1		-3.5	4.9	67.1	-4.10
Angola	15.75	14.75	14.75	9.3	8.78	8.0	6.8	9-11%	-4.1	3.1	51.3	-0.64
Egypt	19.00	19.00	19.00	14.9	14.5	13.9	5.1	7± 2%	-6.6	4.4	86.8	-8.51

Source: Growth Rate (World Bank); Debt/GDP (IMF) Policy Rates (Trading Economics);

YTD Depreciation/Appreciation (Bloomberg)

1.4 Currency Markets

On the international market, the US dollar strengthened in September due to the Fed's recent policy rate hikes and, as a result, EMDE currencies came under pressure. On the local FX market, pressures on the cedi were muted in August 2026 due to moderated demand pressures and BoG's support to the market. In the outlook, seasonal demand pressures coming from energy and commerce sectors may weigh on the cedi.

On the interbank market, the cedi depreciated by 7.11 percent, 7.78 percent, and 6.09 percent, against the dollar, pound, and euro, respectively, on a year-to-date basis in August 2026. This is against an appreciation of 28.95 percent, 19.49 percent, and 14.08 percent, against the dollar, pound, and euro, respectively, during the same period in 2025. However, the cedi was less volatile during the first 185 transaction days in 2026 than in the last four years.

Table 1.3: Interbank Exchange Rates

Exchange Rate Movements									
	US\$/GHC*	Monthly depreciation/a ppreciation	Year-to-Date depreciation/a ppreciation	GBP/GHC*	Monthly depreciation/a ppreciation	Year-to-Date depreciation/a ppreciation	Euro/GHC*	Monthly depreciation/a ppreciation	Year-to-Date depreciation/a ppreciation
2024									
Jan	12.0356	-1.3	-1.29	15.3027	-1.1	-1.11	13.0547	0.5	0.55
Feb	12.4642	-3.4	-4.69	15.8022	-3.2	-4.23	13.5234	-3.5	-2.94
Mar	12.8770	-3.2	-7.74	16.2617	-2.8	-6.94	13.9031	-2.7	-5.59
Apr	13.2739	-3.0	-10.50	16.6243	-2.2	-8.97	14.1900	-2.0	-7.50
May	14.1301	-6.1	-15.92	17.9996	-7.6	-15.92	15.3345	-7.5	-14.40
June	14.5860	-3.1	-18.55	18.4375	-2.4	-17.92	15.6270	-1.9	-16.00
July	14.9009	-2.1	-20.27	19.1305	-3.6	-20.89	16.1065	-3.0	-18.50
Aug	15.1899	-1.9	-21.79	19.9261	-4.0	-24.05	16.7828	-4.0	-21.79
Sep	15.8000	-3.9	-24.81	21.1823	-5.9	-28.56	17.6108	-4.7	-25.46
Oct	16.3000	-3.1	-27.12	20.9700	1.0	-27.83	17.6992	-0.5	-25.84
Nov	15.2700	6.7	-22.20	19.3592	8.3	-21.83	16.1291	9.7	-18.62
Dec	14.7000	3.9	-19.18	18.4008	5.2	-17.76	15.2141	6.0	-13.72
2025									
Jan	15.3001	-3.9	-3.92	19.0003	-3.2	-3.16	15.9012	-4.3	-4.32
Feb	15.5300	-1.5	-5.34	19.5484	-2.8	-5.87	16.1524	-1.6	-5.81
Mar	15.5300	0.0	-5.34	20.0951	-2.7	-8.43	16.8068	-3.9	-9.48
Apr	14.1500	9.8	3.89	18.8769	6.5	-2.52	16.0640	4.6	-5.29
May	10.2800	37.6	43.00	13.8529	36.3	32.83	11.6675	37.7	30.40
June	10.3100	-0.3	42.58	14.1252	-1.9	30.27	12.1138	-3.7	25.59
July	10.5000	-1.8	40.00	13.8942	1.7	32.44	12.0150	0.8	26.63
Aug	11.4000	-7.9	28.95	15.3897	-9.8	19.49	13.3360	-9.9	14.08
Sep	12.4200	-8.2	18.36	16.7031	-7.8	10.16	14.5859	-8.6	4.31
Oct	10.9000	13.9	34.86	14.3003	16.8	28.67	12.5667	16.1	21.07
Nov	11.2700	-3.3	30.43	14.8995	-4.0	23.50	13.0531	-3.7	16.56
Dec	10.4500	7.8	40.67	14.0579	6.0	30.89	12.2728	6.4	23.97
2026									
Jan	10.9500	-4.6	-4.57	15.0240	-6.4	-6.43	13.0112	-5.7	-5.68
Feb	10.6865	2.5	-2.21	14.3825	4.5	-2.26	12.6312	3.0	-2.84
Mar	10.9980	-2.8	-4.98	14.5091	-0.9	-3.11	12.6789	-0.4	-3.20
Apr	11.1900	-1.7	-6.61	15.2000	-4.5	-7.51	13.1289	-3.4	-6.52
May	11.7300	-4.6	-10.91	15.7997	-3.8	-11.02	13.6949	-4.1	-10.38
June	11.3500	3.9	-7.93	15.0371	5.1	-6.51	12.9535	5.7	-5.25
July	11.6900	-2.9	-10.61	15.7412	-4.5	-10.69	13.4609	-3.8	-8.83
Aug	11.2500	3.9	-7.11	15.2432	3.3	-7.78	13.0681	3.0	-6.09

Source: Bank of Ghana Staff Calculations

Reflecting exchange rate movements with our major trading partners, the cedi depreciated by 6.80 percent and 7.58 percent, respectively, in nominal trade weighted terms and nominal forex transaction weighted terms, on a year-to-date basis, in August 2026. This is compared to an appreciation of 14.22 percent and 21.60 percent, in nominal trade weighted terms and nominal forex transaction weighted terms, respectively, over the same period in 2025.

Table 1.4: Nominal Effective Exchange Rate

Month	2021=100		Monthly CHG(%)		Year-to-Date (%)	
	FXTWI	TWI	FXTWI	TWI	FXTWI	TWI
2025						
Jan-25	38.19	42.96	-4.07	-4.07	-4.07	-4.07
Feb-25	37.61	42.23	-1.54	-1.73	-5.67	-5.87
Mar-25	37.47	40.78	-0.38	-3.54	-6.07	-9.61
Apr-25	40.95	43.06	8.50	5.28	2.95	-3.82
May-25	56.35	59.15	27.33	27.20	29.47	24.42
Jun-25	55.99	57.15	-0.63	-3.49	29.03	21.78
Jul-25	55.16	57.73	-1.51	1.00	27.95	22.56
Aug-25	50.69	52.11	-8.82	-10.78	21.60	14.22
Sep-25	46.52	47.70	-8.97	-9.25	14.57	6.28
Oct-25	53.10	55.18	12.39	13.55	25.16	18.98
Nov-25	51.33	53.11	-3.45	-3.88	22.57	25.18
Dec-25	55.28	56.63	7.15	6.21	28.11	29.83
2026						
Jan-26	52.70	53.60	-4.89	-5.66	-4.89	-5.66
Feb-26	54.03	55.13	2.46	2.78	-2.31	-2.72
Mar-26	52.61	54.60	-2.70	-0.98	-5.07	-3.73
Apr-26	51.62	52.89	-1.93	-3.22	-7.09	-7.07
May-26	49.28	50.75	-4.75	-4.22	-12.18	-11.59
Jun-26	51.02	53.36	3.42	4.90	-8.34	-6.13
Jul-26	49.49	51.37	-3.10	-3.88	-11.71	-10.25
Aug-26	51.39	53.03	3.70	3.13	-7.58	-6.80

Source: Bank of Ghana Staff Calculations

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

In real bilateral terms, the Ghana cedi depreciated by 8.47 percent, 8.15 percent, and 6.97 percent against the dollar, pound, and euro, respectively, on a year-to-date basis, in August 2026. Comparatively, the Ghana cedi experienced an appreciation of 20.51 percent, 15.91 percent, and 16.94 percent, respectively, against the dollar, pound, and euro, over the same period in 2025.

Table 1.5: Real Bilateral Exchange Rate

Month	RER Index (Jan.2021=100)			MONTHLY CHANGE (Index)			Year-to-Date (%)		
	EUR	GBP	USD	EUR	GBP	USD	EUR	GBP	USD
2025									
Jan-25	97.81	89.38	82.94	-2.12	-1.18	-2.98	1.94	-1.94	-5.89
Feb-25	97.08	87.53	82.41	-0.75	-2.11	-0.64	1.21	-4.09	-6.57
Mar-25	92.78	85.11	82.42	-4.64	-2.85	0.01	-3.38	-7.05	-6.55
Apr-25	97.47	90.15	90.92	4.81	5.59	9.34	1.60	-1.07	3.40
May-25	134.99	123.62	125.80	27.79	27.08	27.73	28.95	26.30	30.19
Jun-25	127.59	118.89	123.48	-5.80	-3.98	-1.89	24.83	23.36	28.87
Jul-25	130.24	122.15	121.90	2.04	2.67	-1.29	26.36	25.41	27.96
Aug-25	115.48	108.35	110.49	-12.79	-12.74	-10.33	16.94	15.91	20.51
Sep-25	106.43	100.78	102.07	-8.50	-7.51	-8.25	9.88	9.59	13.96
Oct-25	122.59	116.52	115.72	13.18	13.51	11.80	21.8	21.8	24.1
Nov-25	119.38	113.29	113.33	-2.69	-2.85	-2.11	19.7	19.6	22.5
Dec-25	128.03	120.54	123.34	6.76	6.02	8.11	25.1	24.4	28.8
2026									
Jan-26	122.05	114.01	117.54	-4.90	-5.72	-4.93	-4.90	-5.72	-4.93
Feb-26	125.67	119.02	120.83	2.88	4.21	2.73	-1.88	-1.27	-2.07
Mar-26	123.47	117.31	116.36	-1.78	-1.46	-3.84	-3.69	-2.76	-5.99
Apr-26	119.40	112.29	114.47	-3.41	-4.47	-1.65	-7.23	-7.35	-7.74
May-26	115.76	109.24	109.70	-3.15	-2.79	-4.35	-10.60	-10.34	-12.43
Jun-26	122.52	114.73	114.02	5.52	4.78	3.79	-4.50	-5.06	-8.17
Jul-26	117.74	109.38	110.84	-4.05	-4.90	-2.87	-8.74	-10.20	-11.28
Aug-26	119.69	111.46	113.71	1.63	1.87	2.52	-6.97	-8.15	-8.47

Source: Bank of Ghana Staff Calculations

In terms of the real effective exchange rate, the Ghana cedi depreciated by 7.27 percent and 8.35 percent, respectively, in real trade weighted terms and real forex transaction weighted terms, on a year-to-date basis, in August 2026. This compared with an appreciation of 17.34 percent and 20.15 percent, respectively, in real trade weighted terms and forex transaction weighted terms, for the same period in 2025.

Table 1.6: Real Effective Exchange Rate for Major Trade Partners

Month	INDEX (2021=100)		RTWI and FXRTWI			
	RFXRTWI	RTWI	MONTHLY CHG		Year-to-Date (%)	
			RFXRTWI	RTWI	RFXRTWI	RTWI
2025						
Jan-25	84.13	94.93	-2.87	-2.15	-5.18	0.59
Feb-25	83.56	94.12	-0.68	-0.85	-5.90	-0.26
Mar-25	83.23	90.64	-0.40	-3.85	-6.32	-4.11
Apr-25	91.40	95.91	8.94	5.50	3.19	1.61
May-25	126.43	132.70	27.71	27.72	30.01	28.89
Jun-25	123.68	126.28	-2.22	-5.09	28.46	25.27
Jul-25	122.53	128.38	-0.94	1.63	27.78	26.49
Aug-25	110.82	114.16	-10.57	-12.45	20.15	17.34
Sep-25	102.37	105.33	-8.25	-8.38	13.56	10.41
Oct-25	116.25	121.11	11.94	13.03	23.88	22.08
Nov-25	113.78	118.01	-2.17	-2.63	22.23	20.04
Dec-25	123.63	126.73	7.96	6.88	28.42	25.54
2026						
Jan-26	117.80	120.72	-4.95	-4.98	-4.95	-4.98
Feb-26	121.15	124.43	2.77	2.98	-2.04	-1.85
Mar-26	116.91	121.95	-3.63	-2.03	-5.74	-3.91
Apr-26	114.80	118.10	-1.84	-3.26	-7.69	-7.31
May-26	110.14	114.35	-4.23	-3.28	-12.25	-10.82
Jun-26	114.66	120.65	3.94	5.22	-7.82	-5.03
Jul-26	111.32	116.05	-3.00	-3.97	-11.06	-9.20
Aug-26	114.10	118.14	2.44	1.77	-8.35	-7.27

Source: Bank of Ghana Staff Calculations

1.5 Global Economic Outlook and Risks

Global growth was resilient in 2026H1, but the outlook remains uncertain amid persistent geopolitical tensions, reflecting a lower impact of energy shocks than earlier feared and a boom in AI investments. Global headline inflation is beginning to pick up across major economies due to elevated energy costs, with oil prices rising above US\$100 per barrel as the conflict in the Middle East persists. Also, food prices increased, as a result of demand outstripping supply. Global financial conditions may tighten in the near term amid elevated uncertainty. Additionally, the strengthened dollar could weigh on the cedi. Against this backdrop, elevated risks to growth, inflation and the exchange rate from the external environment have heightened.

2. External Sector Developments

2.0 Highlights

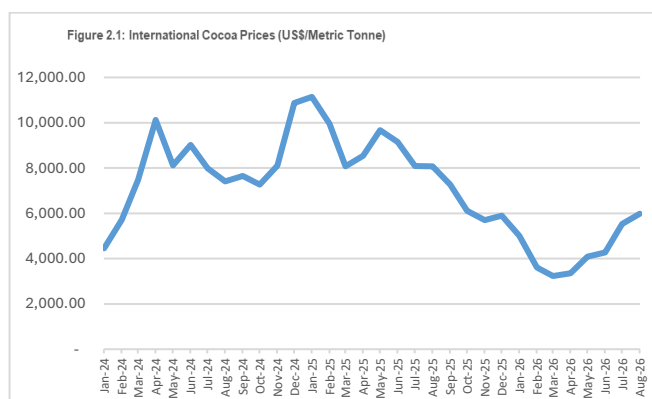
The external sector remained resilient in the first eight months of the year, despite heightened external payment pressures, which slowed the pace of reserve accumulation. Strong export earnings continued to support a widening trade surplus, notwithstanding an elevated import bill.

2.1 Commodity Price Trends

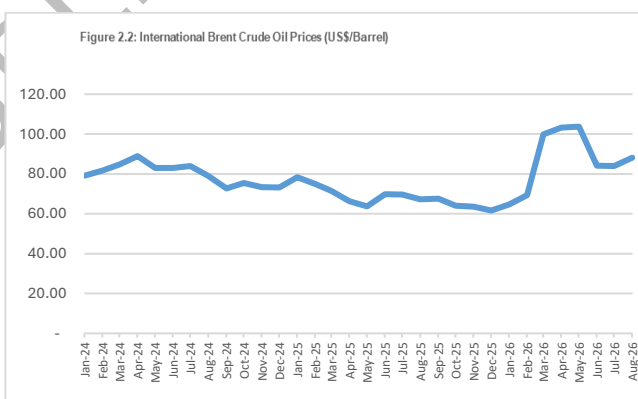
On the international market, Ghana's major export commodities (gold, cocoa and crude oil) recorded varying price movements during the period under review. Prices of gold and crude oil rose, while cocoa prices softened, in the year-to-August 2026, in response to global developments. Gold prices averaged US\$4,552.83 per fine ounce during the first eight months of the year, a 47.4 percent increase from US\$3,087.88 per fine ounce in the same period of 2025. The rally in gold prices was driven by geopolitical tensions, which sustained the yellow metal's appeal, coupled with intensified central bank purchases.

Cocoa prices softened in the first eight months of 2026 compared with the same period last year, averaging US\$4,551.84 per tonne, down 51.0 percent from US\$9,284.69 per tonne in the same period of 2025. Cocoa futures fell sharply amid expectations of a global surplus, supported by strong port arrivals in the world's largest producer, Côte d'Ivoire.

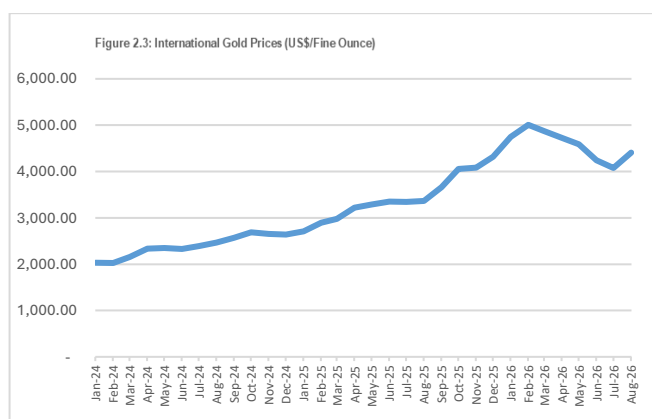
Brent crude oil prices averaged US\$84.28 per barrel in the period from January to August this year, up 19.5 percent from US\$70.51 per barrel in the corresponding period of 2025. The rise in crude oil prices was driven by the conflict in the Middle East, which disrupted shipping through the Strait of Hormuz and global oil supply.



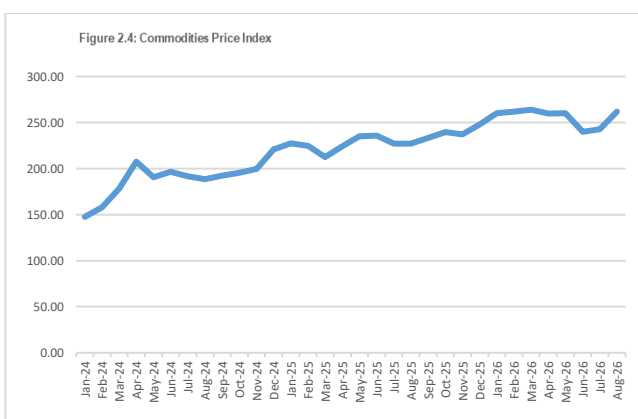
Source: Reuters



Source: Reuters



Source: Reuters



Source: BoG Staff Compilations

2.1.1 Commodity Price Index

The composite weighted average price index for cocoa, gold, and crude oil rose by 5.6 percent (year-to-date) to 261.86 in August 2026. The improvement was driven by gains across all three commodity sub-indices, with crude oil recording the strongest increase of 42.9 percent, followed by gold (2.1%) and cocoa (1.5%). On an annual basis, the overall index rose by 15.4 percent, down from a growth of 20.3 percent in August 2025, reflecting the dampening effect of the contraction in cocoa prices, which more than offset the rise in gold and crude oil prices.

2.2 Trade Balance

The trade surplus improved significantly to US\$8.80 billion during the first eight months of the year, up from US\$6.69 billion in the corresponding period of 2025, underpinned by robust growth in export earnings that outpaced the rise in imports.

Total export earnings increased by 24.8 percent to US\$22.39 billion during the review period from US\$17.94 billion in the first eight months of 2025. Export receipts rose largely because of higher prices on the international market, supported by higher crude oil and cocoa export volumes.

Gold export earnings rose by 32.9 percent to US\$14.86 billion, accounting for the bulk of the export growth during the period. The increase was primarily driven by a 44.0 percent rise in the average realised price to US\$4,374.65 per fine ounce, reflecting sustained safe-haven demand amid heightened geopolitical and financial market uncertainties. However, export volumes declined by 7.7 percent to 3.4 million fine ounces, from 3.7 million fine ounces a year earlier, largely reflecting shipment disruptions associated with the onset of the Middle East conflict.

Cocoa export receipts, comprising cocoa beans and processed cocoa products, increased by 9.9 percent to US\$2.71 billion, marginally up from US\$2.47 billion in the corresponding period of 2025, supported by both favourable realised prices and higher export volumes.

Crude oil exports also grew strongly, increasing by 32.8 percent to US\$2.42 billion during the first eight months of the year from US\$1.83 billion in the corresponding period in 2025. The performance reflected gains in both export volumes and prices. Following increased output from the Jubilee field, crude oil export volumes rose by 8.0 percent to 27.6 million barrels, compared with 25.6 million barrels in the same period of 2025. In addition, the average realised price increased by 23.1 percent to US\$87.68 per barrel from US\$71.25 per barrel, benefiting from elevated global oil prices.

In contrast, earnings from “other exports”, including non-traditional exports (NTEs), declined by 3.0 percent to US\$2.39 billion from US\$2.46 billion, reflecting declines in all sub-categories of NTEs.

Total merchandise imports increased by 20.8 percent to US\$13.58 billion from January to August 2026 from US\$11.24 billion in the corresponding period of 2025. The increase reflected higher import demand in response to the pickup in economic activity, as well as elevated oil prices. Oil imports rose sharply to US\$4.80 billion, up 47.5 percent from US\$3.25 billion a year earlier, largely reflecting the impact of higher global crude oil prices due to geopolitical tensions in the Middle East. Non-oil imports also rose to US\$8.78 billion, up 10.0 percent from US\$7.99 billion, indicating stronger demand for intermediate goods, capital equipment, and consumer goods to support the expansion of economic activity.

Table 2.1: Trade Balance (US\$ million)

	2024 Jan - Aug	2025 Jan - Aug	2026 Jan - Aug	Abs Y/Y Chg	Rel Y/Y Chg
Trade Balance	2,086.9	6,694.9	8,803.7	2,108.8	31.5
<i>Trade Bal (% GDP)</i>	2.5	5.9	6.6		
Total Exports	12,304.9	17,938.2	22,388.7	4,450.4	24.8
Gold (\$'M)	6,647.4	11,182.0	14,863.2	3,681.2	32.9
Volume (fine ounces)	3,326,680.9	3,681,564.7	3,397,579.2	-283,985.5	-7.7
Unit Price (\$/fine ounce)	1,998.2	3,037.3	4,374.6	1,337.4	44.0
Cocoa Beans (\$'M)	422.5	1,300.9	1,510.7	209.8	16.1
Volume (tonnes)	156,443.7	244,802.2	247,497.4	2,695.2	1.1
Unit Price (\$/tonne)	2,700.6	5,314.2	6,104.1	789.9	14.9
Cocoa Products (\$'M)	493.3	1,166.4	1,200.2	33.8	2.9
Volume (tonnes)	122,937.7	153,606.8	157,081.3	3,474.5	2.3
Unit Price (\$/tonne)	4,012.5	7,593.5	7,640.5	47.1	0.6
Crude Oil (\$'M)	2,765.0	1,825.3	2,424.9	599.5	32.8
Volume (barrels)	33,485,643.0	25,618,184.0	27,656,565.0	2,038,381.0	8.0
Unit Price (\$/bbl)	82.6	71.3	87.7	16.4	23.1
Other Exports	1,976.7	2,463.5	2,389.6	-73.9	-3.0
<i>o/w: Other Minreals</i>	274.4	354.4	229.1	-125.3	-35.4
<i>Non-Traditional Exports</i>	1,479.1	1,940.9	1,992.4	51.5	2.7
Total Import	10,217.9	11,243.3	13,585.0	2,341.6	20.8
Non-Oil	7,083.2	7,988.9	8,785.9	796.9	10.0
Oil and Gas	3,134.8	3,254.4	4,799.1	1,544.7	47.5
<i>of which: Products</i>	2,754.0	2,872.1	3,665.4	793.3	27.6
Gas	156.1	161.1	187.3	26.2	16.3
<i>Crude Oil</i>	224.6	221.2	946.4	725.2	327.8

Source: Bank of Ghana

2.3 International Reserves

Gross International Reserves (GIR) stood at US\$11.07 billion at the end of August 2026, equivalent to 4.2 months of import cover, supported by strong export receipts, despite elevated external payment pressures. Net International Reserves (NIR) amounted to US\$3.1 billion, reflecting the sustained resilience of the country's external position amid heightened global uncertainty.

2.4 External Sector Outlook

The external sector is expected to maintain its strong performance for the rest of the year, underpinned by robust export earnings, particularly from gold, and supported by cocoa as the 2026/2027 season begins. Following the reforms, particularly in the financing model, export proceeds from cocoa are projected to remain strong to support the accumulation of international reserves in the last quarter of the year. Overall, the outlook remains positive, despite geopolitical headwinds, higher import demand and external payment obligations.

3. Real Sector Developments

3.0 Highlights

Ghana's economy continued to demonstrate strong growth in the second quarter of 2026, albeit lower than in the corresponding period of 2025. Beyond the second quarter, the latest high frequency real sector indicators pointed to a sustained pickup in economic activity in July 2026. Consumer and business confidence also remained strong, in line with improving macroeconomic conditions.

3.1 Economic Growth

The latest data from the Ghana Statistical Service showed that real GDP grew by 6.0 percent in the second quarter of 2026, compared with 6.6 percent recorded in the corresponding quarter of 2025. Non-oil GDP grew by 5.4 percent relative to 8.5 percent over the same comparative period. The observed growth outturn was driven by the services and industry sectors, which grew by 8.0 percent and 4.3 percent, respectively, relative to growth rates of 9.5 percent and 2.4 percent in the second quarter of 2025. Agriculture, on the other hand, grew at a notably slower pace of 3.9 percent, compared to 7.1 percent in the corresponding quarter of 2025.

3.2 Trends in Real Sector Indicators

Consumer Spending

Consumer spending, proxied by domestic VAT collections and retail sales, posted a mixed performance in July 2026, compared with the corresponding period in 2025. Domestic VAT collections increased by 11.5 percent on a year-on-year basis to GH¢2,142.77 million, from GH¢1,922.60 million. Cumulatively, total domestic VAT for the first seven months of 2026 went up by 13.8 percent to GH¢13,617.76 million compared with GH¢11,965.25 million for the corresponding period of last year.

Retail sales, however, declined by 1.5 percent (year-on-year) to GH¢236.41 million in July 2026, down from the GH¢239.89 million recorded in the same period in 2025. On a month-on-month basis, retail sales moderated by 0.8 percent in July 2026 from GH¢238.25 million in the preceding month. In cumulative terms, retail sales for the first seven months of 2026 went up by 2.2 percent compared to the same period of last year.

Manufacturing Activities

Activities in the manufacturing sub-sector, gauged by trends in the collection of direct taxes and private sector workers' contributions to the Social Security and National Insurance Trust (SSNIT) Pension Scheme (Tier-1), improved in July 2026. Total direct taxes collected increased by 53.5 percent (year-on-year) to GH¢8,085.08 million in July 2026, relative to GH¢5,265.85 million recorded in the corresponding period in 2025. Cumulatively, total direct taxes collected for the first seven months of 2026 went up by 27.7 percent to GH¢60,771.44 million, from GH¢47,592.00 million for the same period in 2025. In terms of contributions of the various sub-tax categories, income tax (PAYE and self-employed) accounted for 34.7 percent, corporate tax accounted for 45.5 percent, while "other tax sources" contributed 19.8 percent.

Total private sector workers' contribution to the SSNIT Pension Scheme (Tier-1) increased by 11.2 percent in year-on-year terms to GH¢570.59 million in July 2026, from GH¢513.34 million collected during the corresponding period in 2025. Cumulatively, for the first seven months of 2026, the contribution grew by 10.7 percent to GH¢3,856.24 million, relative to GH¢3,482.26 million recorded in the same period in 2025.

Construction Sector Activities

Activity in the construction sub-sector, proxied by the volume of cement sales, declined by 4.9 percent (year-on-year) in July 2026 to 202,218.17 tonnes, from 212,735.33 tonnes recorded a year ago. Similarly, on a month-on-month basis, total cement sales moderated by 0.6 percent in July 2026 compared with the 203,435.35 tonnes recorded in June 2026. Cumulatively, cement sales for the first seven months of 2026 declined by 10.3 percent to 1,475,115.01 tonnes, from 1,644,413.19 tonnes for the same period of 2025. The relative decline in total cement sales, year-on-year, was due to a moderation in construction activities during the review period.

Vehicle Registration

Transport sector activities, gauged by new vehicle registrations by the Driver and Vehicle Licensing Authority (DVLA), improved by 51.7 percent to 31,909 in July 2026, from 21,038 vehicles registered during the corresponding period of 2025. Cumulatively, the number of vehicles registered by the DVLA within the first seven months of 2026 increased by 52.7 percent to 228,261 from 149,440 recorded a year ago.

Industrial Consumption of Electricity

Industrial consumption of electricity improved by 1.1 percent in July 2026 to 319.60 gigawatts, as against 316.04 gigawatts recorded for the corresponding period in 2025. In cumulative terms, electricity consumed by industries for the first seven months of 2026 also increased by 1.1 percent to 2,199.20 gigawatts, from 2,175.84 gigawatts for the corresponding period a year ago.

Passenger Arrivals

Passenger arrivals at the international airport and the land borders improved by 23.1 percent in year-on-year terms to 137,467 in July 2026, up from 111,631 arrivals recorded a year ago. Similarly, compared to June 2026, passenger arrivals went up by 15.3 percent. Cumulatively, for the first seven months of 2026, passenger arrivals increased to 772,250 from 722,020 for the corresponding period in 2025.

Ports and Harbours Activity

International trade at the country's two main harbours (Tema and Takoradi), as measured by laden container traffic for inbound and outbound containers, improved during the period under review. Total container traffic increased by 29.0 percent, year-on-year, to 96,966 in July 2026, up from 75,183 for the corresponding period in 2025. In cumulative terms, total container traffic for the first seven months of 2026 went up by 15.0 percent to 571,898, compared with 497,292 for the corresponding period of last year.

3.3 Labour Market Activity

Private Sector Pension Contributors

The total number of private-sector SSNIT contributors, which partially gauges employment conditions, improved by 6.1 percent to 1,178,451 in July 2026, compared with 1,110,976 for the same period in 2025. On a month-on-month basis, the total number of private-sector SSNIT contributors remained largely unchanged from the 1,176,723 individuals recorded in June 2026.

Advertised Jobs

The number of jobs advertised in selected print¹ and online² media, which partially gauges labour demand in the economy, increased in July 2026 relative to what was observed in the corresponding period a year ago. In total, 3,578 job adverts were recorded in July 2026, compared with 2,703 for the same period in 2025, indicating an increase of 32.4

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

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

percent (year-on-year). Conversely, on a month-on-month basis, the number of job vacancies in July 2026 marginally declined by 1.4 percent from the 3,629 jobs advertised in June 2026. Cumulatively, for the first seven months of 2026, the total number of advertised jobs increased by 8.2 percent to 23,052 from the 21,307 recorded during the same period in 2025.

3.4 Composite Index of Economic Activity

The Bank's real Composite Index of Economic Activity (CIEA) recorded a strong annual growth of 14.9 percent in July 2026, compared to a growth of 6.1 percent for the corresponding period of 2025. Credit to the private sector, international trade activities, tourist arrivals, as well as consumption of goods and services, contributed to the improvement in economic activity during the period.

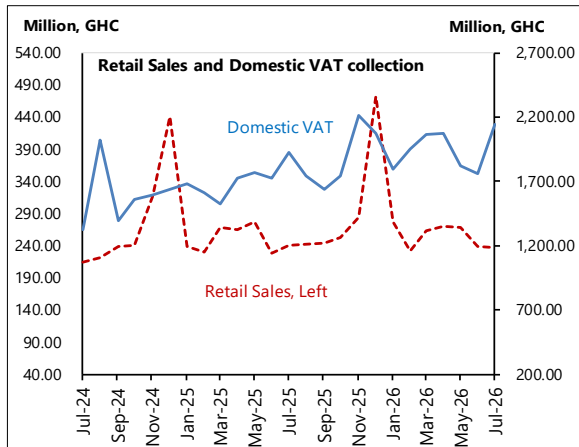
3.5 Consumer and Business Surveys

The latest confidence surveys conducted in August 2026 showed positive consumer and business sentiments. The Consumer Confidence Index remained largely unchanged at 111.9 in August 2026 from 112.7 in June 2026 on account of the relatively stable macroeconomic environment. Similarly, the Business Confidence Index remained unchanged at 107.8 relative to 107.7 in the same comparative period as firms' concerns about higher input costs were offset by the realization of short-term targets as well as optimism about growth prospects.

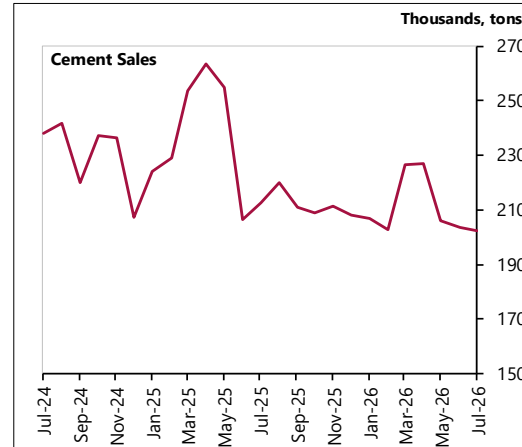
Figure 3.1a: High Frequency Economic Indicators

Panel 1:
Ghana's Leading Indicators of Economic Activity

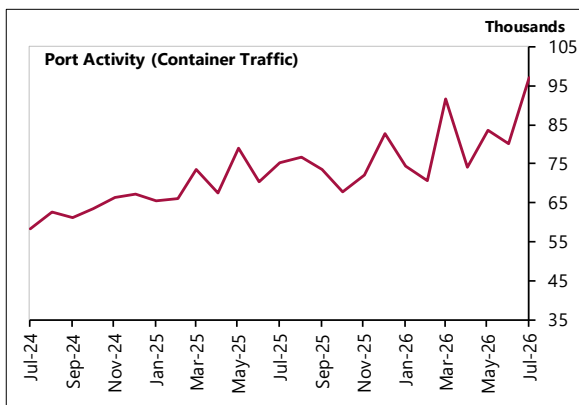
...Domestic VAT collections increased while retail sales remained largely unchanged in July 2026 compared to June 2026...



...Construction activities, proxied by cement sales, dipped in July 2026 compared to June 2026...



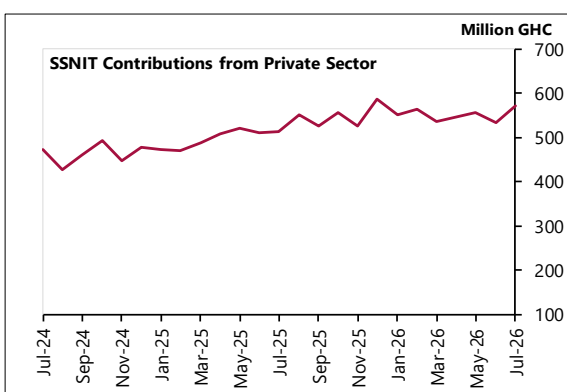
...Port activity increased in July 2026 compared to the previous month...



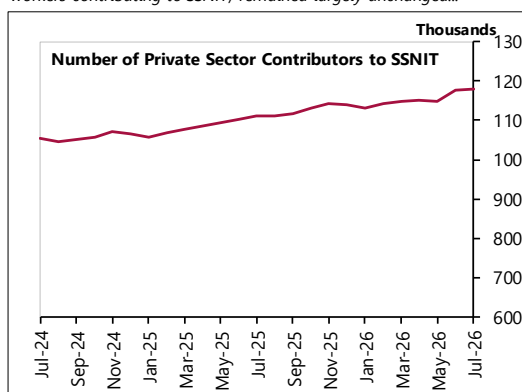
...Tourist arrivals went up in July 2026 compared to June 2026...



...Labour market conditions improved in July 2026 relative to June 2026...



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

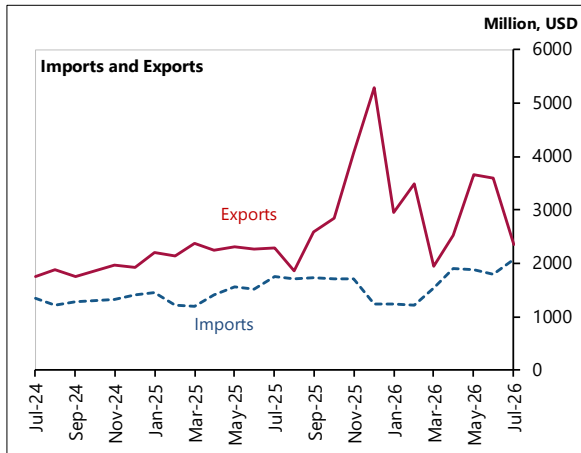


Sources: Bank of Ghana, Various Stakeholders

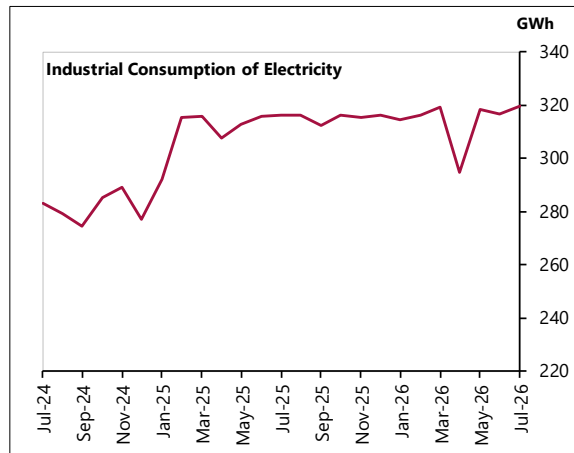
Figure 3.1b: High Frequency Economic Indicators

Panel 2: Ghana's Leading Indicators of Economic Activity

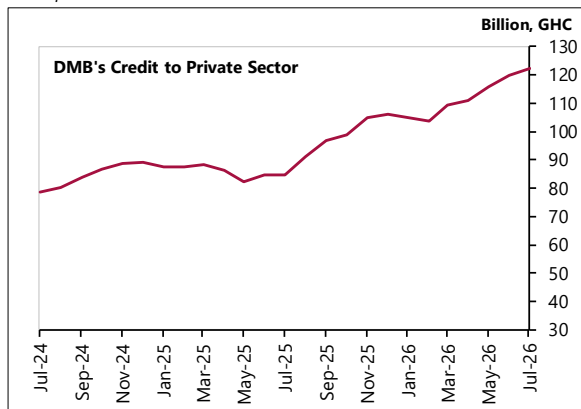
...Exports declined while imports improved in July 2026 compared to June 2026...



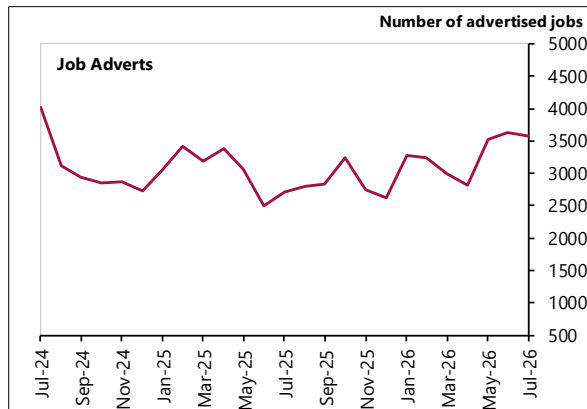
...Industrial activity, proxied by industrial consumption of electricity, increased...



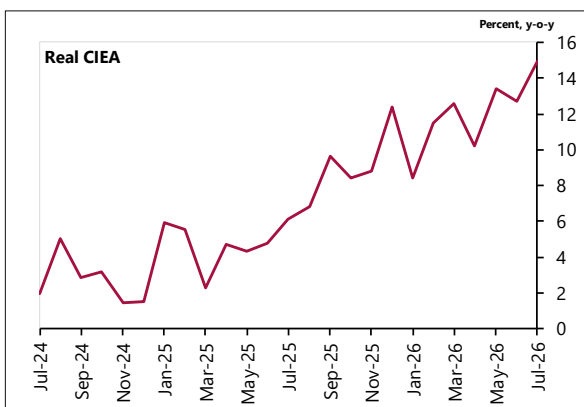
...Commercial banks' credit to the private sector increased in July 2026 relative to the previous month...



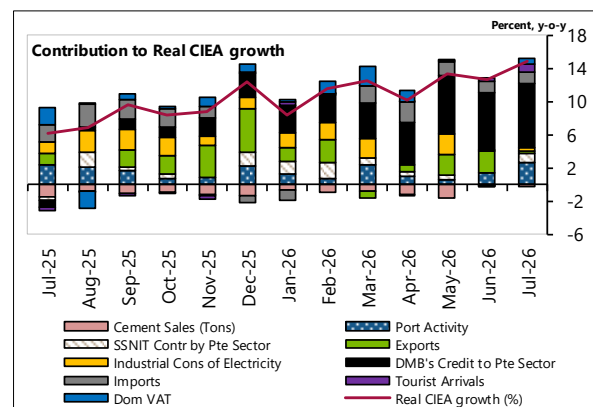
...Demand for labour, proxied by the number of job adverts (in print and online media), marginally declined in July 2026...



...On a year-on-year basis, the real CIEA grew by 14.9 percent in July 2026, compared with a growth of 6.1 percent in July 2025...



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

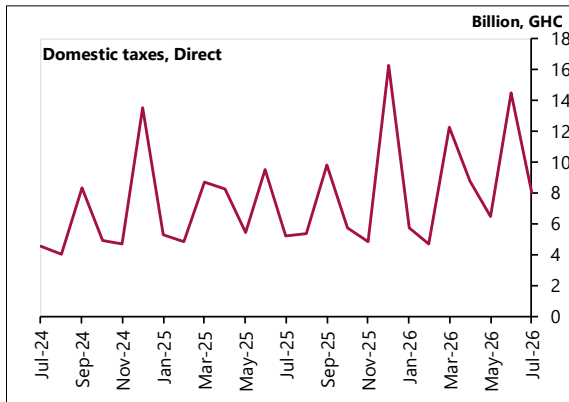


Source: Bank of Ghana, Various Stakeholders

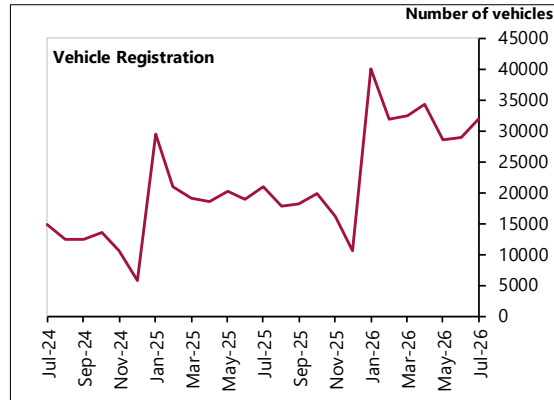
Figure 3.1c: High Frequency Economic Indicators

Panel 3: Ghana's Leading Indicators of Economic Activity

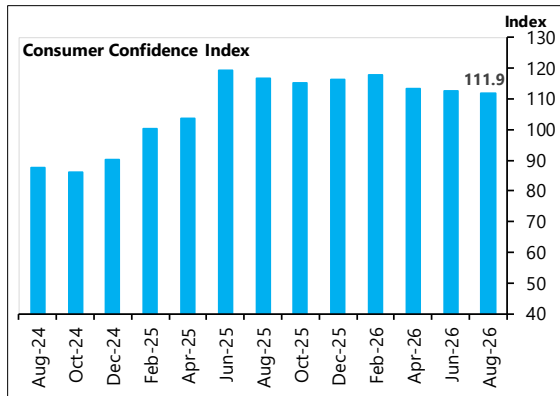
...Domestic tax collection decreased in July 2026 compared to June 2026...



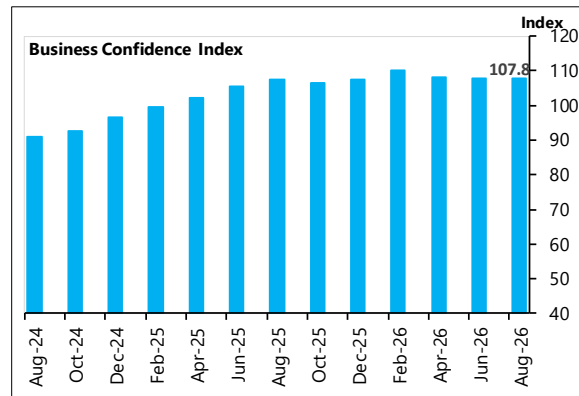
...Vehicle registration increased in July 2026 compared to the month before...



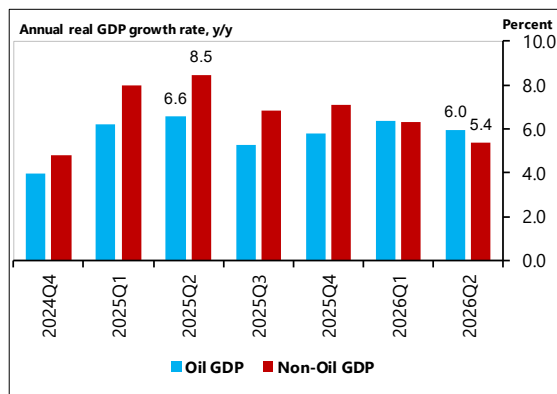
...Consumer confidence remained largely unchanged on account of the relatively stable macroeconomic environment...



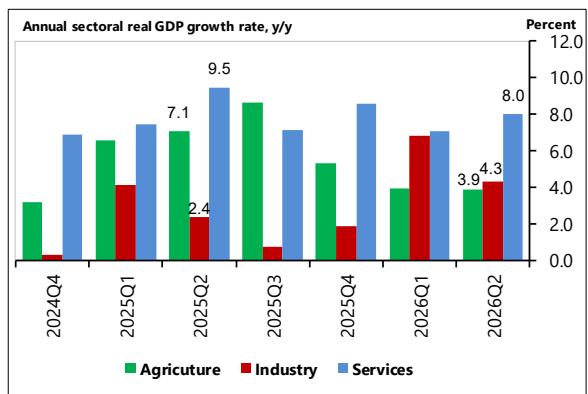
...Business Confidence remained unchanged as firms' concerns about higher input costs were offset by the realisation of short-term targets as well as optimism about growth prospects...



...Real Oil and Non-Oil GDP grew by 6.0 percent and 5.4 percent respectively in 2026Q2, compared with a growth rate of 6.6 percent and 8.5 percent for Real Oil and Non-Oil GDP in 2025Q2...



...The Services and Industry sectors drove growth in 2026Q2, recording growth rates of 8.0 percent and 4.3 percent respectively, relative to growth rates of 9.5 percent and 2.4 percent in 2025Q2...



Source: Bank of Ghana, Various Stakeholders

4. Fiscal Developments

4.0 Highlights

The provisional fiscal performance for January-July 2026 indicated a fiscal deficit of 0.2 percent of GDP, against the target of 1.9 percent of GDP. Total revenue fell marginally short of target by 0.01 percent of GDP. Total spending was constrained, resulting in a shortfall of 1.81 percent of GDP from target, out of which 0.56 percent of GDP is attributed to relatively lower interest payments. The primary balance on commitment basis registered a surplus of 1.4 percent of GDP, against a target of 0.2 percent of GDP. The overall fiscal deficit was financed mainly from domestic sources.

4.1 Revenue Performance

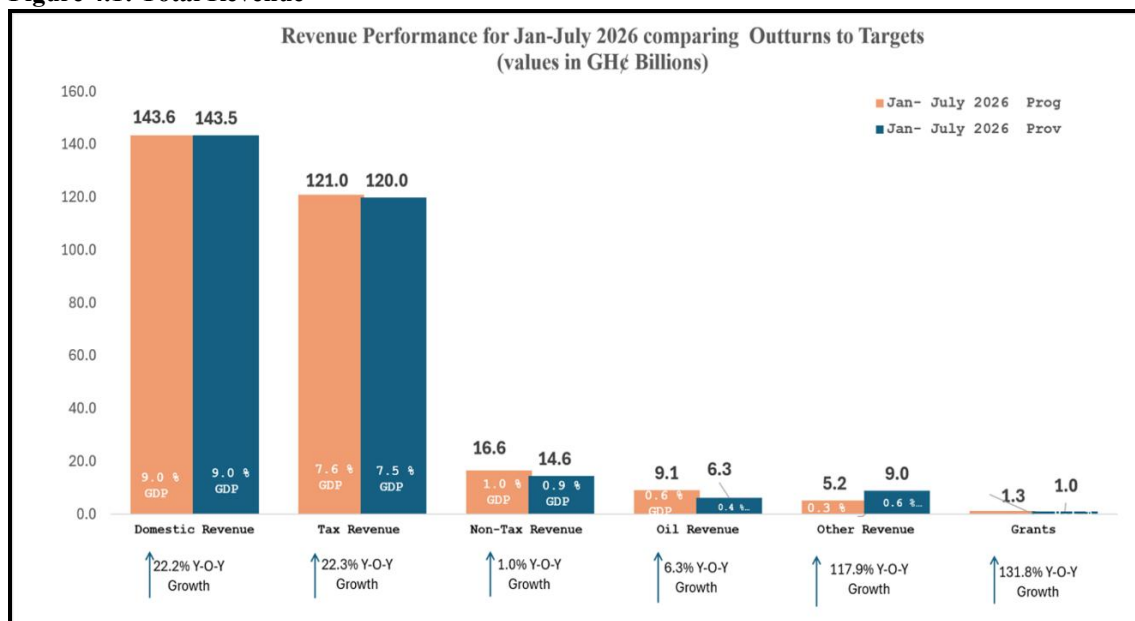
Total Revenue and Grants for January-July 2026 amounted to GH¢144,571.6 million (9.1% of GDP), lower than the target of GH¢144,951.2 million (9.1% of GDP). Over the review period, domestic revenue totalled GH¢143,522.5 million (9.0% of GDP), below the target of GH¢143,630.9 million (9.0% of GDP). The revenue outcomes reflected marginal underperformance of tax revenue, oil revenue, as well as grants.

Of the total revenue and grants:

- **Tax Revenue** (comprising taxes on income and property, taxes on domestic goods and services, international trade taxes, and oil and gas related taxes) amounted to GH¢120,008.9 million (7.5% of GDP), lower than the target of GH¢121,033.8 million (7.6% of GDP). This represented a negative deviation of 0.8 percent from the target.
- **Non-Tax Revenue** totalled GH¢14,562.7 million, below the target of GH¢16,590.9 million by 12.2 percent. Compared with the outturn for 2025, this translates into a year-on-year growth of 1.0 percent. This performance was mainly due to lower-than-programmed Dividend/Interest and Profits from Oil (CAPI) as well as the Yield from Capping Policy for the collection period.
- **Oil Revenue** was GH¢6,290.9 million, lower than the target of GH¢9,064.1 million by 30.6 percent. This tax type also recorded a year-on-year growth of 6.3 percent.
- **Other Revenue** amounted to GH¢8,950.7 million, above its target of GH¢5,174.9 million, representing an overperformance by 73 percent. This outturn was 117.9 percent above GH¢4,106.9 million collected in the corresponding period of 2025.
- **Grants** received for January-July 2026 totalled GH¢1,049.1 million, a shortfall 20.5 percent from the programmed target of GH¢1,320.3 million. This outturn was also higher than GH¢452.7 million received in the corresponding period of 2025, translating into a year-on-year growth of 131.8 percent.

4.2 Drivers of Revenue Performance

- **Corporate income tax** was 21.7 percent above target, which could be attributed to higher payments by major mining companies due to the increase in the average price of gold and growth in revenue from the banking sector.
- There was an increase in **mineral royalties**, which was due to the increase in the average gold price above the US\$4,000 per fine ounce threshold, triggering the application of a higher mineral royalty rate for taxpayers.
- Expected revenue from the **import sector** fell short of target due to undershooting of CIF targets for the period.
- Petroleum sector revenue was below target, which could be attributed AGO, Super, and LPG missing their lifted volume targets.
- There was a shortfall in **grants**, which reflected in delays in project disbursements from development partners.

Figure 4.1: Total Revenue

Source: Ministry of Finance

4.3 Expenditure Performance

Total Expenditures and Net Lending for January-July totalled GH¢147,077.8 million. This was below the target of GH¢175,931.9 million by 16.4 percent.

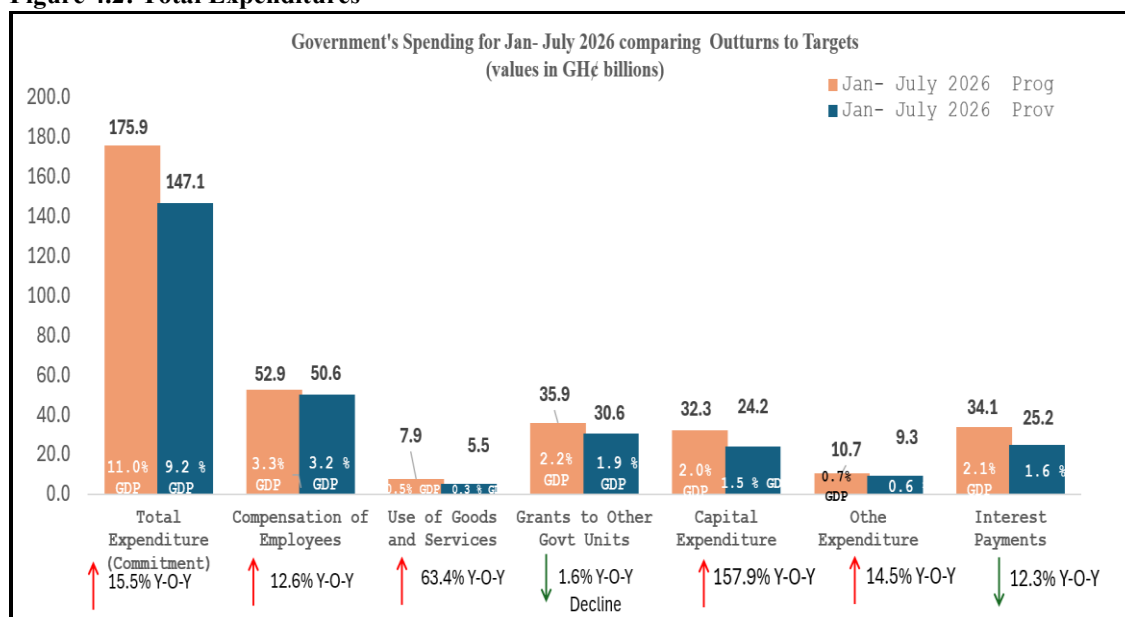
Of the total expenditure and net lending:

- **Compensation of Employees** amounted to GH¢50,553.9 million, lower than the target of GH¢52,943.3 million. This outturn was below its target by 4.5 percent but recorded a 12.6 percent year-on-year growth. The compensation budget of government employees constituted 35.2 percent of domestic revenue mobilized during the period under review.
- **Use of Goods and Services** totalled GH¢5,482.4 million, lower than the expected target of GH¢7,897.5 million. This outturn represented a year-on-year growth of 63.4 percent.
- **Total Interest Payments** amounted to GH¢25,171.7 million against the budget target of GH¢34,117.7 million and 12.3 percent below the outturn of GH¢28,686.1 million recorded in the corresponding period of 2025. The reduction in interest payments was mainly on account of lower domestic interest payments as well as front-loading of some Eurobond payments made at the end of 2025 which were originally programmed for 2026.
- **Grants to Other Government Units** amounted to GH¢30,611.0 million, lower than the target of GH¢35,866.8 million. This outturn represented a year-on-year decline of 1.6 percent.
- **Capital Expenditure** amounted to GH¢24,228.7 million (1.5% of GDP), lower than the programmed target by 25 percent. This outturn represented a year-on-year growth of 157.9 percent.
- **Other Expenditure** amounted to GH¢9,283.3 million, 13.4 percent below the target. This outturn compared with GH¢8,107.2 million recorded in the corresponding period of 2025.

4.4 Drivers of Expenditure Performance

- Improved macroeconomic conditions had a positive knock-on impact on **total interest payments**. The relative stability of the Ghana cedi also reduced external interest costs. External interest payments also fell due to the front-loading of some payments made at the end of 2025 that were originally programmed for 2026. In addition, Government benefited from reduced Eurobond debt servicing and concessional refinancing arrangements.
- The reduction in **goods and services** stemmed from the containment of administrative spending, demonstrating Government's continued focus on efficiency and value-for money across MDAs.
- "Other expenditure"** also fell, reflecting continued progress in rationalizing energy-related obligations and improving efficiency in sector financing.
- The fall in **capital expenditure** is due to the operationalisation of the commitment authorisation policy as stipulated in the PFM Act where payments for completed projects are only made on submission of invoices by contractors.

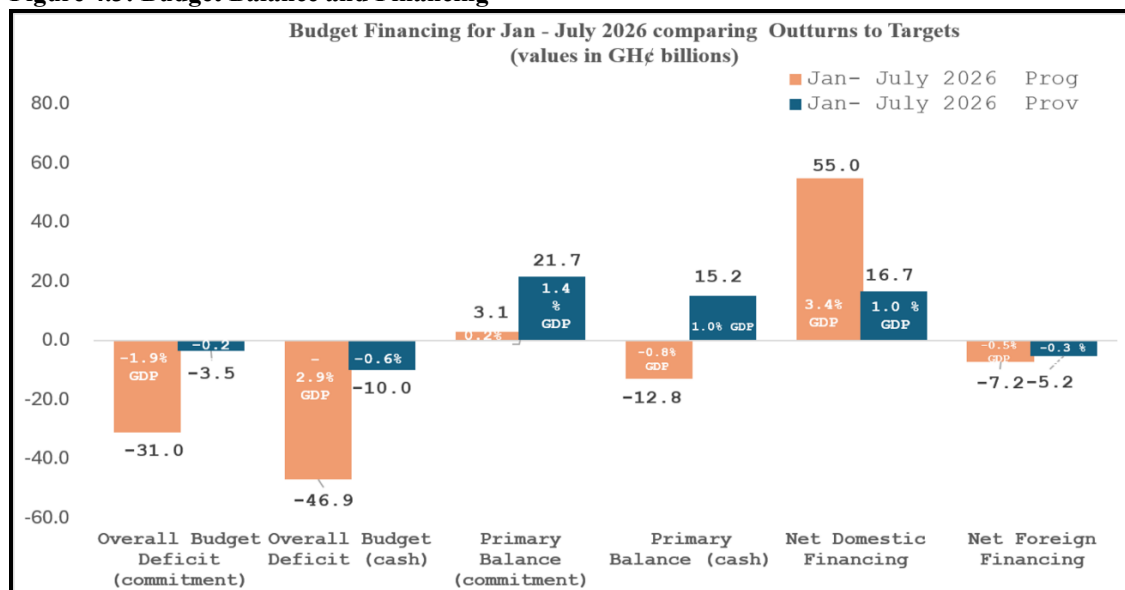
Figure 4.2: Total Expenditures



Source: Ministry of Finance

4.5 Budget Balance and Financing

- Government budgetary operations resulted in an overall budget deficit (commitment) of GH¢3,480.6 million (0.2% of GDP) for the period of January-July 2026. This was lower than the expected target of GH¢30,980.7 million (1.9% of GDP). The corresponding primary balance was a surplus of 1.4 percent of GDP, against a primary surplus target of 0.2 percent of GDP.
- On cash basis, the overall deficit amounted to GH¢9,951.1 million compared with the target of GH¢46,916.7 million. This translated into 0.6 percent of GDP, compared with a target of 2.9 percent of GDP.
- The overall fiscal deficit of GH¢9,951.1 million was financed from domestic sources. Domestic financing (net) was GH¢16,714.4 million, higher than the outturn of GH¢14,650.5 million recorded in the same period in 2025. Foreign financing recorded a net outflow of GH¢5,211.4 million (0.3% of GDP), lower than the target of GH¢7,234.4 million (0.5% of GDP).

Figure 4.3: Budget Balance and Financing

Source: Ministry of Finance

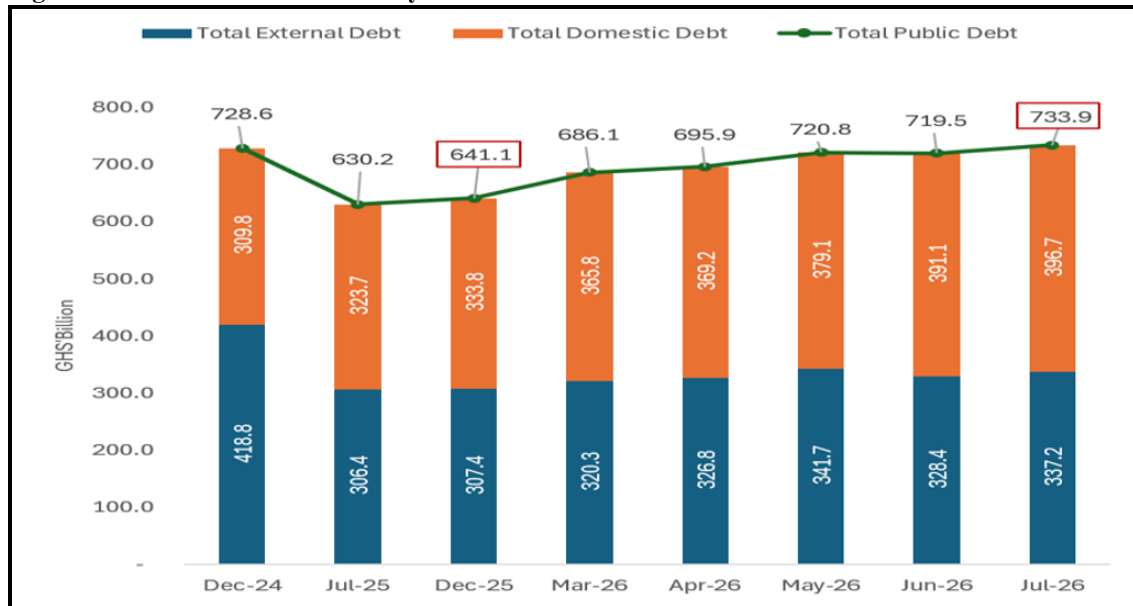
4.6 Gross Public Debt

The provisional debt stock of central government and guaranteed debt stood at GH¢733.9 billion (45.9% of GDP) at end-July 2026, up from GH¢641.1 billion (44.7% of GDP) at end-December 2025. Out of the total public debt, external debt was GH¢337.2 billion (21.1% of GDP) and domestic debt totalled GH¢396.7 billion (24.8% of GDP). The increase in the public debt was largely due to Government's strategy to build enough buffers to meet expected future debt obligations from debt restructuring and marginal exchange pressures.

The external debt decreased marginally in foreign currency terms to reflect the effect of disbursement and amortization, but in local currency terms, it increased from GH¢307.4 billion in December 2025 to GH¢337.2 billion in July 2026. The increase was mainly driven by marginal exchange rate pressures, and this added about GH¢35.6 billion (2.2% of estimated GDP) to the external debt stock denominated in local currency.

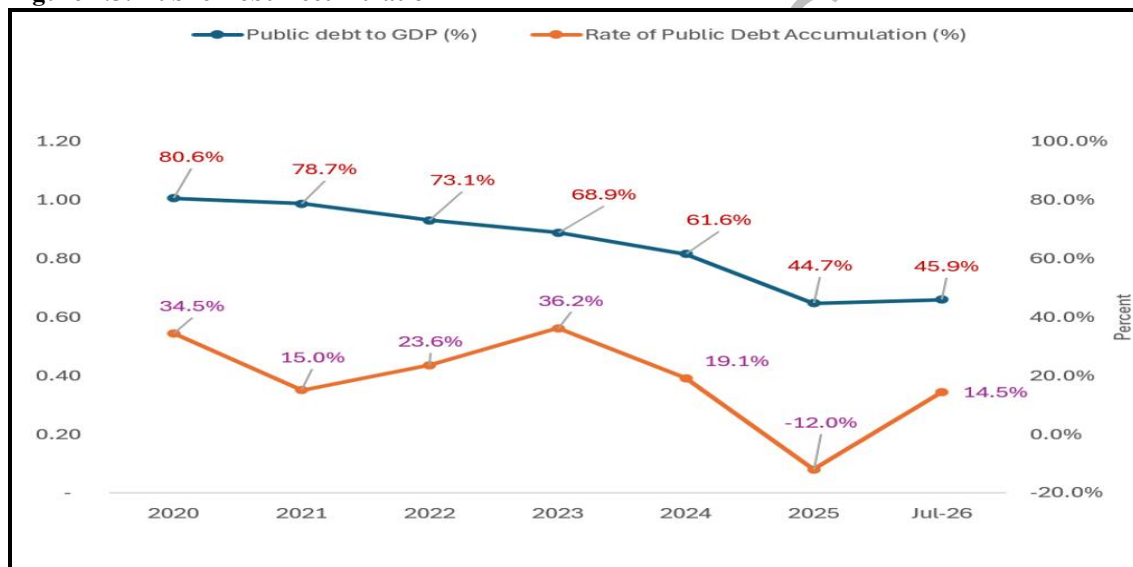
The domestic debt, on the other hand, increased from GH¢333.8 billion to GH¢396.7 billion. The increase came largely from the short-term instruments.

Figure 4.4: Gross Public Debt Analysis



Source: Ministry of Finance

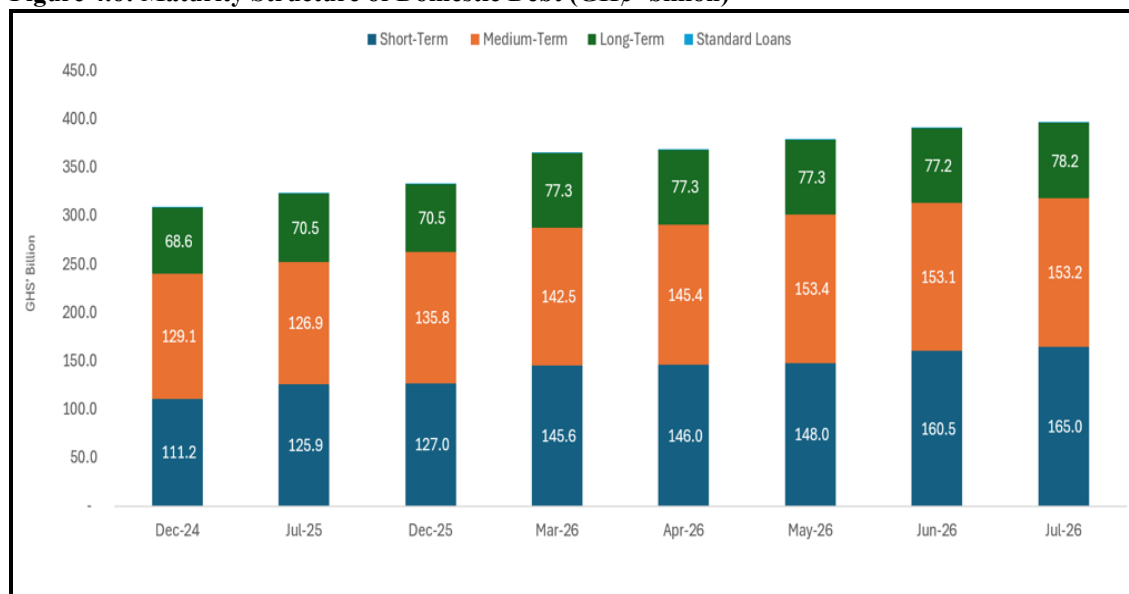
Figure 4.5: Public Debt Accumulation



Source: Ministry of Finance

Maturity Structure of Domestic Debt

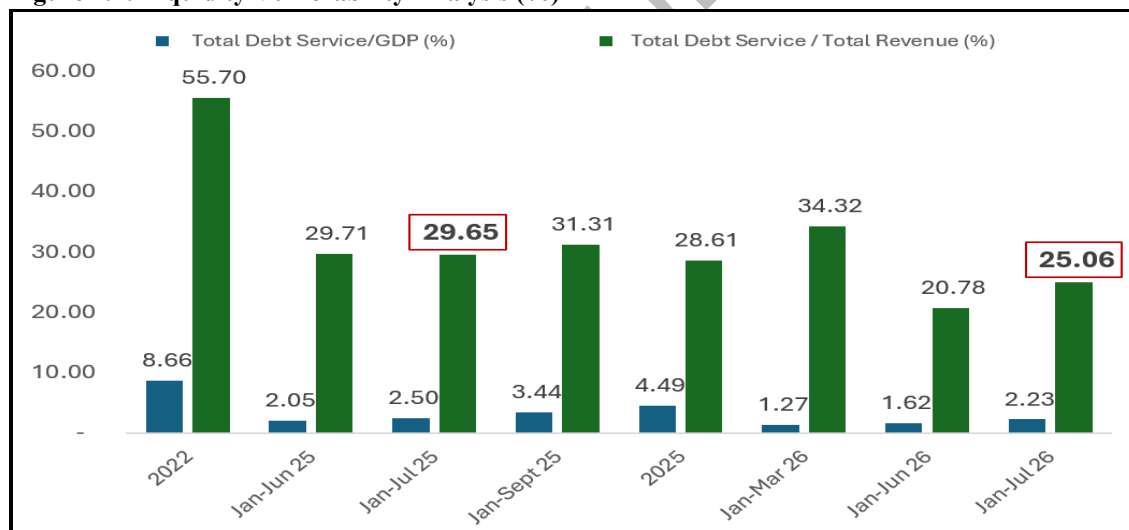
Short-term debt dominated the domestic debt profile, as of July 2026. This was mainly due to the increase in the 364-Treasury bill. The medium-term and long-term-debt also increased in the domestic debt profile mainly due to tap-ins on existing bonds. The increase observed in the short-term debt has the tendency to increase rollover and refinancing risks.

Figure 4.6: Maturity Structure of Domestic Debt (GH¢' billion)

Source: Ministry of Finance

Liquidity Vulnerability

For the period January-July 2026, Government's capacity to meet its short-term financing obligations improved compared to the corresponding period in 2025, mainly driven by increased revenue generation. Increasing efforts to enhance domestic revenue mobilization is key to meeting debt service obligations going forward.

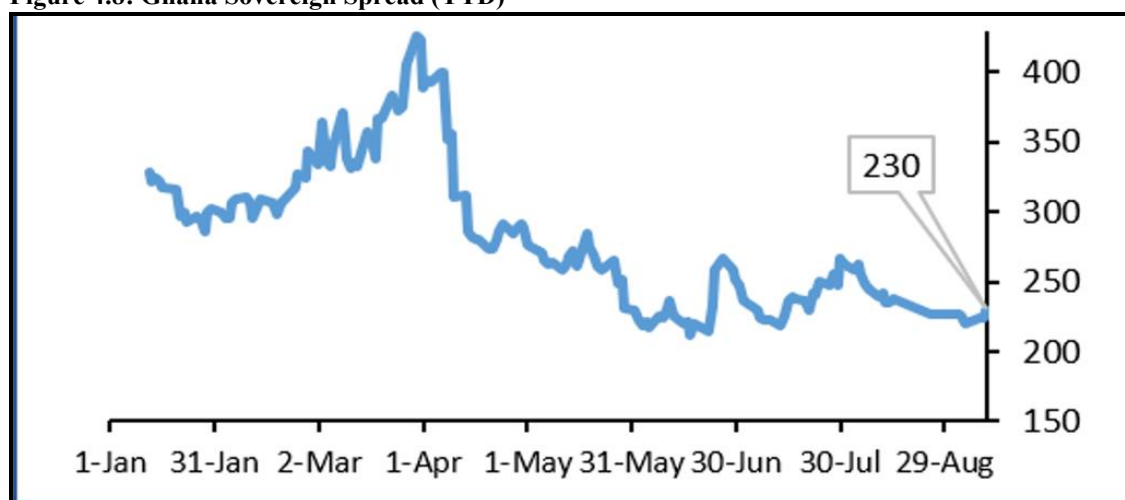
Figure 4.7: Liquidity Vulnerability Analysis (%)

Source: Ministry of Finance

External Vulnerability

The Global Risk Perception Index for Ghana continued to trend downward from March 2026. The index is below the Emerging Market threshold of 600 bps. The decline in the index will improve financing conditions by reducing the cost of debt rollovers and new borrowings in international financial markets.

Figure 4.8: Ghana Sovereign Spread (YTD)



Source: Bloomberg

4.7 Risks to the Outlook

Fiscal policy implementation so far in 2026 poses a downside risk to inflation. It must be noted, however, that the US-Iran conflict – with its impact on crude oil prices – may put pressure on Government to offer periodic reliefs, which may pose some challenges to the Budget. The rest of 2026 is expected to witness a scale-up in government spending and there are concerns over the absorptive capacity of contractors executing government projects, which could have implications for inflation. Government remains committed to controlling expenditure, boosting efficiency gains, and adhering to value-for-money standards. At the same time, Government aims to strengthen domestic revenue mobilization to enable it to meet debt service obligations, thus ensuring long-term debt sustainability. (It must also be noted that the full completion of bilateral and commercial debt restructuring is expected to lead to an increase in future debt service payments.) With respect to debt sustainability, in general, fiscal management must be strengthened to reduce the rate of debt accumulation and the resulting debt servicing costs. The currently high proportion of short-term debt heightens rollover and refinancing risks, potentially limiting the fiscal space for productive investments and growth-enhancing expenditures. In the long term, higher domestic savings will be required to meet external debt repayments, with potential implications for exchange rate stability. Sustained real GDP growth, lower real interest rates, and continued exchange rate stability are the prerequisites for improving Ghana's debt sustainability and preserving its status of moderate risk of debt distress.

5. Monetary and Financial Developments

5.0 Highlights

Growth in monetary aggregates expanded in August 2026 compared to August 2025, mainly reflecting an increase in net domestic assets of the banking sector, as well as a moderate increase in net foreign assets. Broad money supply (M2+) grew by 20.4 percent in August 2026, compared with 16.6 percent in August 2025. Reserve money (RM) also expanded by 29.7 percent in August 2026, a significant increase from the 4.5 percent growth recorded in the previous year. The increase in RM growth was, however, partly ring-fenced in banks' reserves with the central bank following the change in reserve requirements for banks in June 2026.

Money market conditions eased, with short-term interest rates declining year-on-year, consistent with the ease in the monetary policy rate during the review period, while medium- to long-term yields remained steady. The average lending rate also declined, signalling the transmission of the policy rate reduction to the banking sector. Accordingly, private-sector credit growth improved in both nominal and real terms, supported by improved financing conditions and easing inflation over the review period.

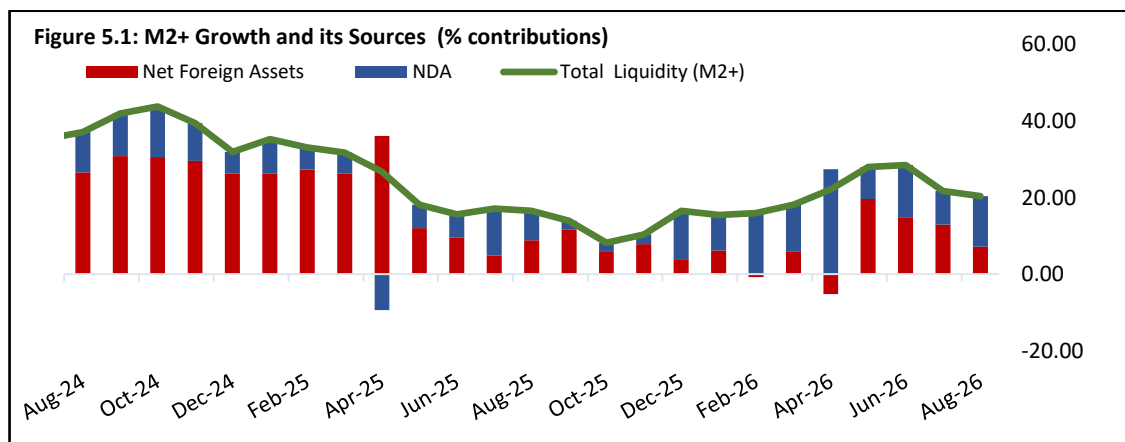
Capital market activity remained robust, with the GSE Composite Index and the GSE Financial Index recording significant gains. Market capitalization expanded significantly in August 2026 compared to the previous year, driven by increased demand for equities, strong performance of financial-sector stocks, lower interest rates and portfolio reallocation, improved corporate performance, and the broader macroeconomic improvements during the year.

5.1 Developments in Monetary Aggregates

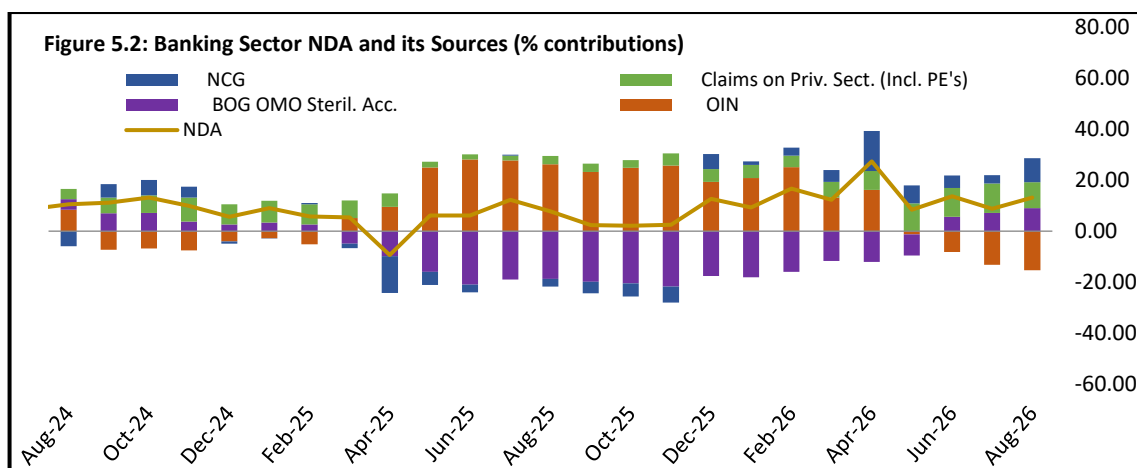
Money Supply

Annual growth in broad money supply (M2+) increased to 20.4 percent in August 2026, from 16.6 percent in August 2025. The increase in broad money growth was largely driven by a significant build-up in Net Domestic Assets (NDA) while growth in Net Foreign Assets (NFA) declined to moderate the growth in M2+.

The contribution of NFA to total liquidity growth decreased marginally to 7.2 percent in August 2026 from 8.8 percent in August 2025, reflecting a moderation in the rate of foreign asset accumulation in the banking sector during the period under review.



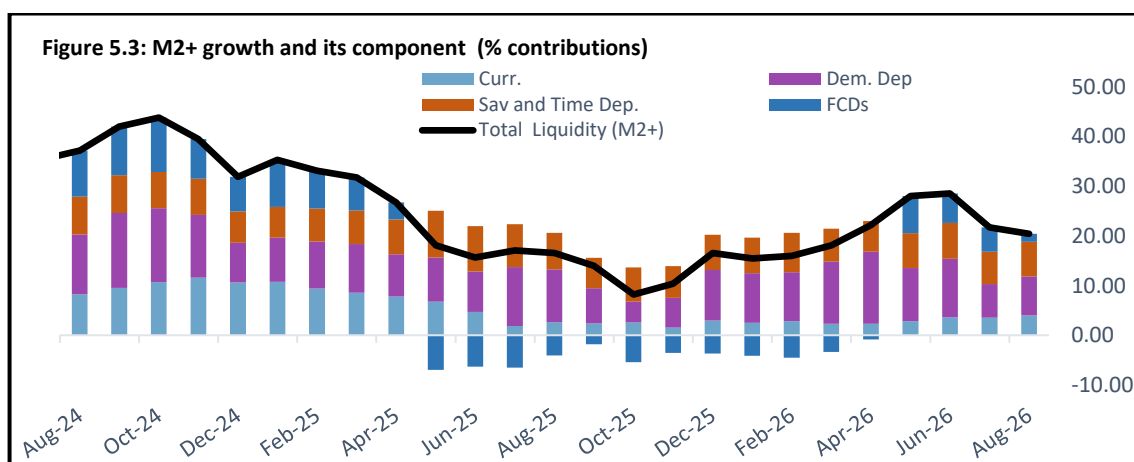
Source: Bank of Ghana



Source: Bank of Ghana

The contribution of NDA to M2+ growth, however, increased to 13.2 percent in August 2026 from 7.7 percent in August 2025. The stronger contribution of NDA in August 2026 was largely driven by increases in Net Claims on Government (NCG) and Claims on the Private Sector. The contribution of NCG to NDA growth was 9.4 percent in August 2026, compared with negative 3.0 percent in August 2025, reflecting in part increased banking sector holdings of Government of Ghana (GoG) securities, while the contribution of credit to the private sector (including public enterprises) also increased to 10.2 percent from 3.2 percent during the review period. A moderation in Bank of Ghana OMO (Open Market Operations) led to a decline in sterilization during the review period, which also contributed to the increase in NDA. This resulted in a net contribution of 9.0 percent to the increase in NDA in August 2026, compared to a contribution of *negative* 18.8 percent in the previous year.

In terms of the composition of M2+ growth, the contribution of demand deposits decreased to 7.8 percent from 10.6 percent during the review period. However, the contribution of foreign currency deposits (FCDs) to money supply growth increased significantly to 1.6 percent in August 2026, compared with *negative* 4.0 percent in August 2025, mainly reflecting the effect of the discontinued dual currency Cash Reserve Ratio (CRR) policy. Similarly, the contribution of currency outside banks increased to 4.0 percent in August 2026 from 2.7 percent in August 2025, reflecting increased demand for cash holdings. The contribution of savings and time deposits declined to 7.0 percent from 7.3 percent over the same comparative period.

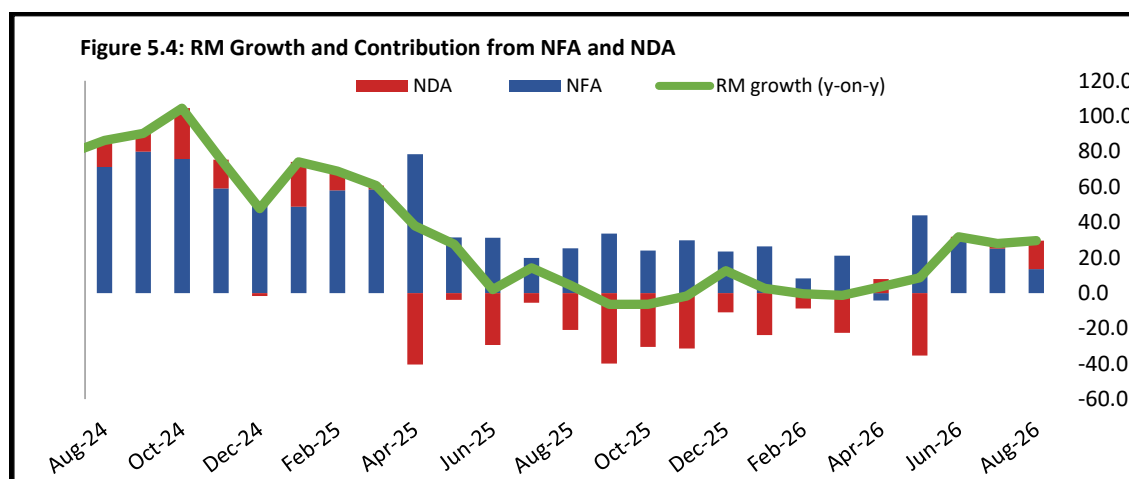


Source: Bank of Ghana

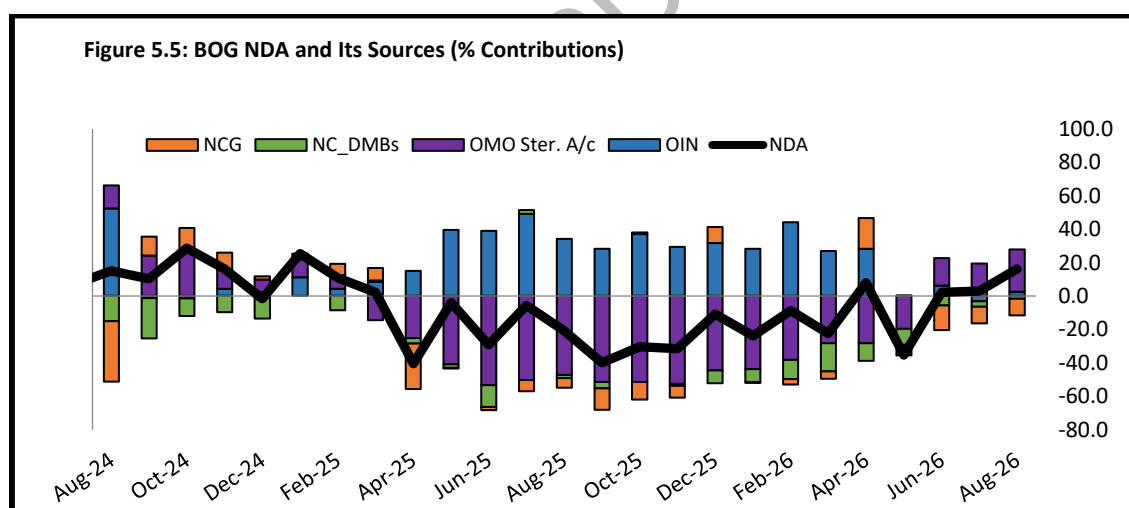
5.2 Reserve Money

Annual Reserve Money (RM) growth increased to 29.7 percent in August 2026 from 4.5 percent in August 2025. The increase in RM growth was driven by increases in the Bank of Ghana's NFA and NDA positions. The contribution of NFA to RM growth, however, declined to 13.5 percent in August 2026, from 25.3 percent in August 2025. This decline in NFA's contribution to RM growth reflected the decline in foreign asset accumulation during the year.

In contrast, the contribution of NDA to RM growth increased relative to the previous year. This increased to 16.2 percent in August 2026 from a contribution of *negative* 20.8 percent in August 2025. This was mainly driven by reduced OMO sterilisation, which reflected the effects of the change in reserve requirements in June 2026 resulting in banks reducing their stock of Bank of Ghana bills to meet reserve requirements.



Source: Bank of Ghana



Source: Bank of Ghana

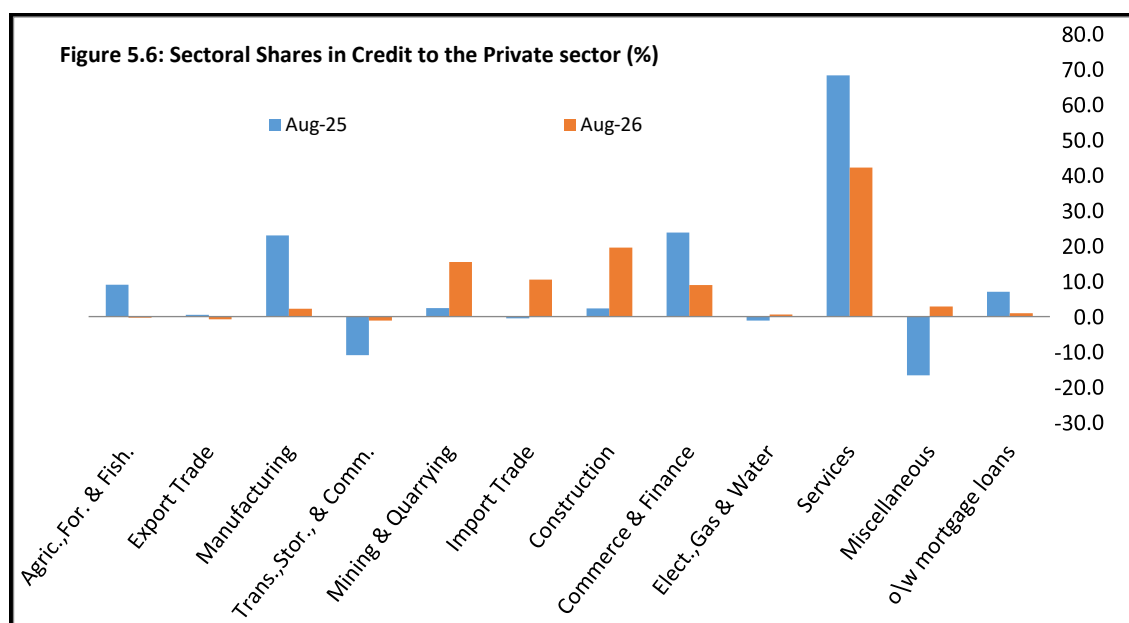
5.3 Deposit Money Banks' Credit Developments

Credit conditions in the banking sector improved in August 2026 relative to the previous year, supported by improved macroeconomic conditions. Expansion in banking sector credit continued, with lending activity increasingly concentrated in the private sector. Year-on-year, total credit flows increased by GH¢32.96 billion (34.6%) as at end-August 2026, compared with GH¢8.66 billion (10.0%) in August 2025. The stronger outturn was driven largely by increased lending to the private sector, particularly the services, construction, and mining and quarrying sectors. Credit

to the public sector also increased over the same comparative period, growing by 16.1 percent in August 2026, compared to a contraction of 26.9 percent in the previous year.

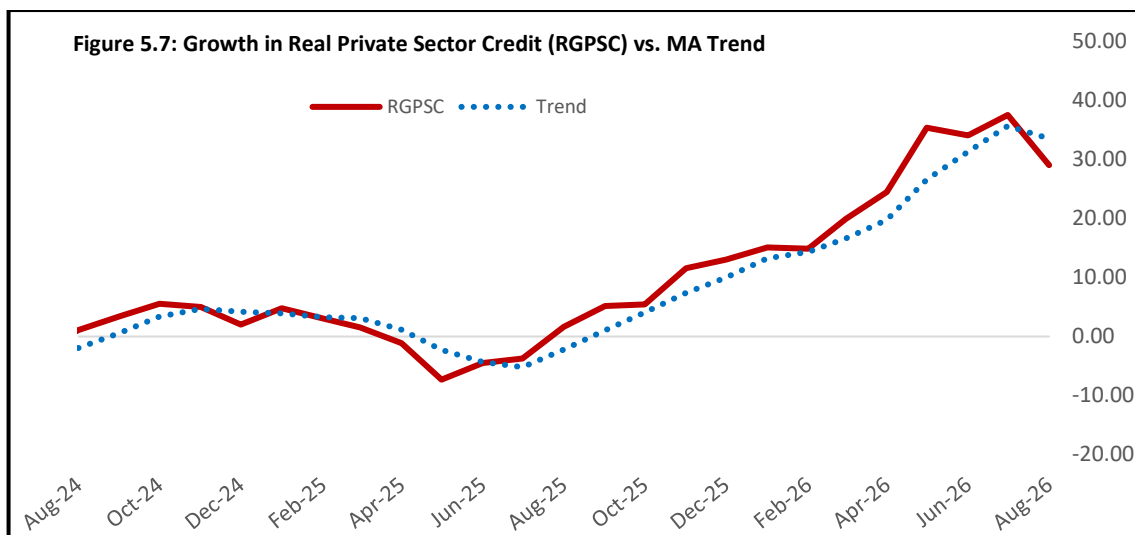
Private sector credit growth accelerated during the review period, increasing by GH¢32.27 billion (35.5%) in August 2026, compared with GH¢10.71 billion (13.3%) in August 2025. Consequently, the stock of nominal private sector credit rose to GH¢123.30 billion at end-August 2026, from GH¢91.0 billion in the same period a year earlier. The private sector's share of total outstanding credit also increased to 96.1 percent in August 2026, from 95.5 percent in August 2025.

A sectoral analysis of private sector credit indicated that the services sector continued to hold the largest proportion of annual private sector credit, followed by the commerce and finance sector. The share of private sector credit flows attributed to the services sector, however, moderated to 42.2 percent in August 2026, from 68.2 percent in August 2025. Similarly, the percentage share of credit flows to the commerce and finance sector declined to 9.0 percent from 23.8 percent over the same comparative period.



Source: Bank of Ghana

In real terms, private sector credit growth improved during the year, supported by the increase in nominal private sector credit growth as well as the decline in inflation during the review period. Real private sector credit growth increased to 29.0 percent in August 2026, compared with a growth of 1.7 percent in August 2025.



Source: Bank of Ghana

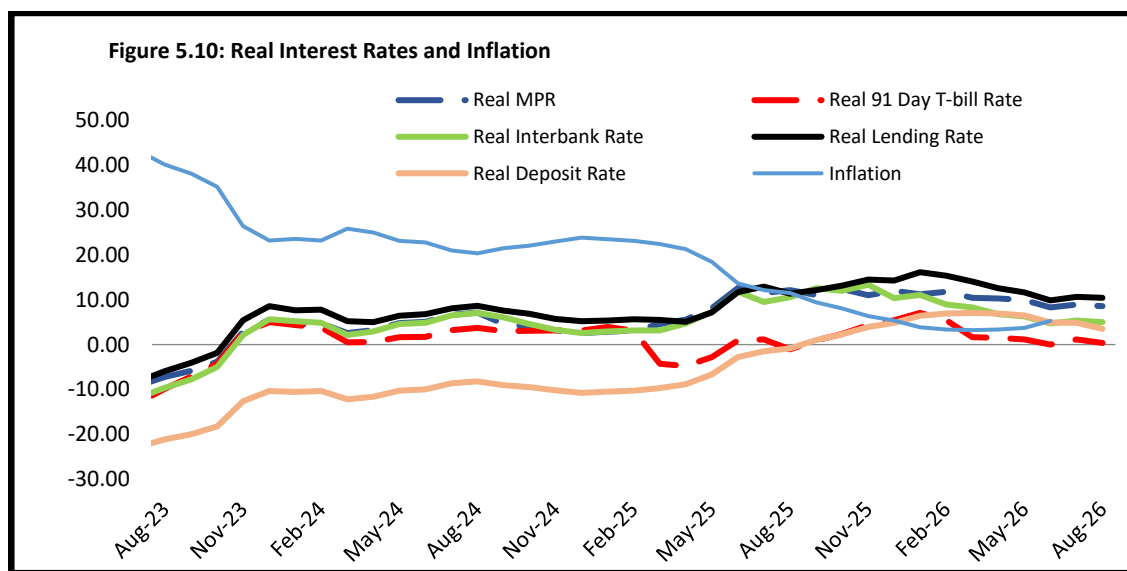
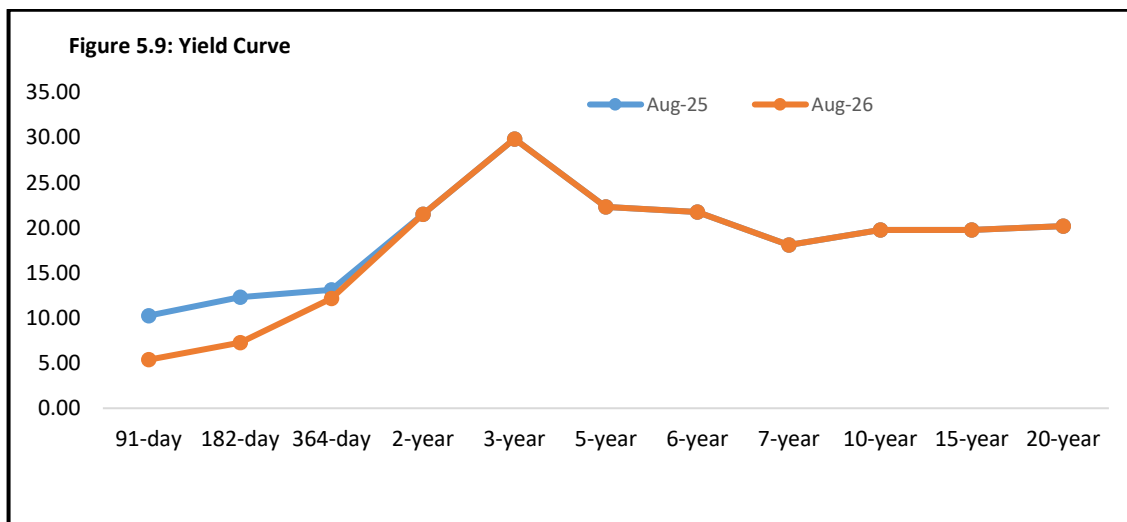
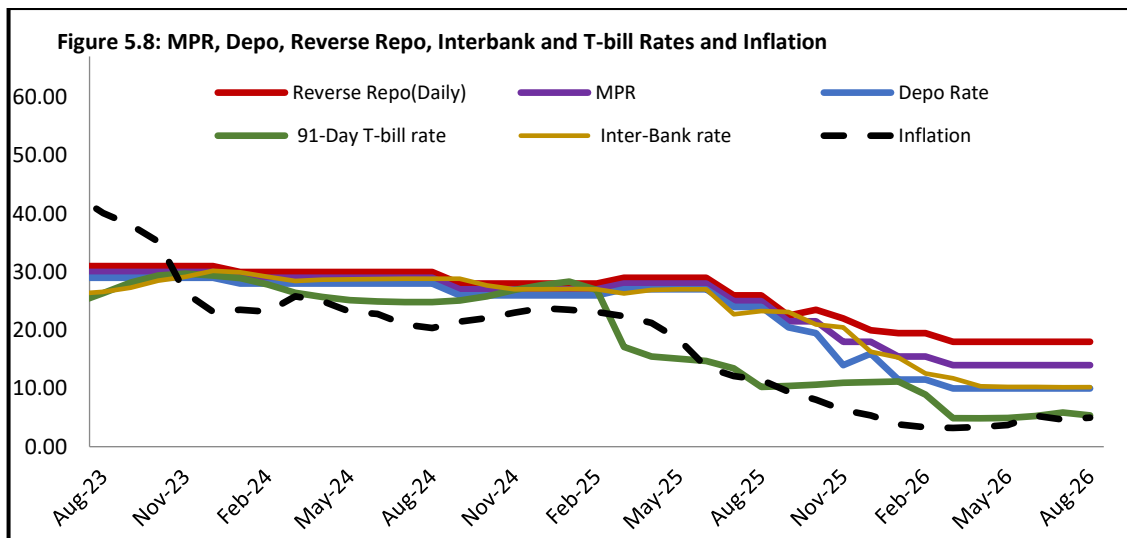
5.4 Money Market Developments

Interest rate developments in August 2026 continued to reflect the more expansionary monetary policy environment in the second half of 2025. Relative to August 2025, policy and market interest rates declined, consistent with the ease in inflationary pressures and improved macroeconomic conditions. Real interest rates, however, remained positive during the period under review.

The Monetary Policy Rate declined to 14.0 percent from 25.0 percent in August 2025. The reduction in the policy rate by 11 percentage points reflected the cumulative monetary easing undertaken by the Bank of Ghana in response to the moderation in inflation during the review period, as well as improvements in macroeconomic fundamentals.

The corresponding downward adjustment in the Interbank Weighted Average Rate (IWAR) reinforced the easing of the monetary policy stance. The IWAR declined to 10.2 percent in August 2026 from 23.3 percent a year earlier. Similarly, the average lending rate of banks eased to 15.9 percent from 24.2 percent in August 2025, reflecting a pass-through effect of the reduction in the policy rate to market rates. Real interest rates remained broadly positive during the review period, reflecting the faster pace of disinflation relative to the decline in nominal interest rates.

Developments in the Treasury bill market were consistent with the general decline in interest rates. The 91-day, 182-day, and 364-day Treasury bill rates declined sharply to 5.4 percent, 7.3 percent, and 12.2 percent, respectively, compared with 10.3 percent, 12.3 percent, and 13.1 percent, a year earlier. This decline reflected sustained investor demand at the short end of the curve, improved inflation expectations, and ongoing efforts by Government to reduce domestic financing costs. Rates on medium- to long-term Government securities, such as the 2-year, 3-year, 5-year, 6-year, 7-year, 10-year, 15-year and 20-year bonds, however, remained broadly unchanged, given limited activity in that segment of the market.



5.5 Stock Market Developments

Activity on the Ghana Stock Exchange (GSE) remained buoyant in August 2026, supported by strong investor confidence, improved corporate earnings, easing inflation and continued macroeconomic stability. The GSE Composite Index (GSE-CI) closed the month at 15,076.3 points, compared with 7,330.4 points in August 2025, representing a year-on-year increase of 105.7 percent. The strong performance reflected broad-based gains across most sectors of the exchange, particularly the Food and Beverage, Finance, Agriculture, Manufacturing and IT sectors with annual growth rates of 431.9 percent, 131.7 percent, 123.2 percent, 120.3 percent, and 80.5 percent, respectively.

The GSE Financial Stocks Index (GSE-FI) also recorded significant growth, rising to 7,904.6 points in August 2026, from 3,412.0 points in August 2025, representing year-on-year growth of 131.7 percent. The strong performance of financial stocks reflected improved profitability, stronger balance sheet positions, and sustained investor confidence in the banking and financial services sector.

Market capitalization stood at GH¢285.58 billion at end-August 2026, representing a significant increase from GH¢149.59 billion recorded in August 2025. This represents an increase of GH¢90.9 billion, equivalent to growth of 136.0 percent over the period. The expansion in market capitalisation was broad-based across sectors, driven primarily by substantial appreciation of listed share prices across both financial and non-financial sectors. The sharp rise in market capitalisation also reflected strong investor confidence and increased demand for equities, strong performance of financial-sector stocks, lower interest rates and portfolio reallocation, improved corporate performance, and broader macroeconomic improvements during the year.

Table 5.1: Performance of the Ghana Stock Exchange

	Dec-24	Aug-25	Dec-25	Jun-26	Jul-26	Aug-26
GSE CI	4888.5	7330.4	8770.3	14724.3	15434.9	15076.3
GSE FI	2380.8	3412.0	4647.2	8269.4	8238.1	7904.6
Market Capitalization	111356.1	149598.2	172042.6	287481.7	292511.7	285576.7

Source: Ghana Stock Exchange and Bank of Ghana Staff Calculations

5.6 Conclusion

Growth in monetary aggregates strengthened in August 2026 relative to August 2025. Broad money (M2+) growth increased, reflecting a stronger contribution from Net Domestic Assets while the contribution from Net Foreign Assets declined but remained positive. Reserve Money growth also increased during the period under review.

Money market conditions eased during the period, with interest rates declining significantly year-on-year, broadly reflecting the downward adjustment in the MPR. The reduction in the policy rate was transmitted to the interbank market and other market rates, resulting in lower financing costs. Despite the decline in nominal interest rates, real interest rates remained positive during the review period, supported by the faster pace of disinflation. Consequently, credit conditions improved in both nominal and real terms, supported by broader improvements in macroeconomic conditions as well as the moderation in interest rates and financing costs during the review period.

Activity on the Ghana Stock Exchange remained robust in August 2026, with the GSE Composite Index and the GSE Financial Index recording strong year-on-year gains. Market capitalisation expanded significantly, supported by broad-based improvements across key sectors, particularly the Food and Beverage, Finance, Agriculture, Manufacturing and Information Technology sectors. The strong performance of the equity market was supported by increased demand for equities, strong performance of financial-sector stocks, lower interest rates and portfolio reallocation, improved corporate performance, and the broader macroeconomic improvements during the year.

6. Banking Sector Developments and Macroprudential Risk Assessment

6.0 Highlights

The banking industry remained resilient and recorded a strong performance as of end-August 2026, supported by continued growth in the asset base. The expansion in the sector's balance sheet was largely driven by improved deposit mobilization and other funding sources. The industry remained profitable despite moderated profits relative to the corresponding period in August 2025. The banking sector's Financial Soundness Indicators (FSIs) remained broadly sound, with improvements in solvency, liquidity, and asset quality compared to a year earlier, underscoring the sector's continued resilience and stability.

The outlook of the sector is expected to maintain its positive momentum, supported by sustained deposit growth, healthy credit demand, and a stable macroeconomic environment. However, expansion in credit remains subject to evolving economic and market conditions, requiring continued attention by banks to managing risks and preserving asset quality. In this regard, ongoing supervisory oversight is critical to ensure adherence to prudent lending standards and effective monitoring of loan portfolios in line with the NPL Directive. Strengthening credit risk management frameworks will be essential for the early detection of vulnerabilities, preserving financial stability, and supporting broad-based economic growth. Macro-financial risks remained contained on account of favourable macroeconomic conditions, declining sovereign risk perceptions, and strengthening investor confidence, thereby diminishing the risk of capital flight.

6.1 Banks' Balance Sheet

The banking industry's asset base continued to expand at a moderate pace, with total assets growing by 20.5 percent (year-on-year) to GH¢500.2 billion as at end-August 2026, compared with 22.4 percent growth recorded in the same period of 2025. This performance reflected robust growth in the sector's foreign asset portfolios. Foreign assets rebounded significantly, registering a 28.9 percent growth in August 2026, relative to 16.6 percent contraction in the same period last year; meanwhile, domestic assets growth moderated (year-on-year) to 19.9 percent in August 2026 from 26.5 percent growth in August 2025. The asset portfolio thus exhibited a marginal rebalancing in favour of foreign assets and credit expansion over the reference period, as the proportion of domestic assets eased to 93.0 percent from 93.4 percent, while the proportion of foreign asset holdings rose correspondingly to 7.0 percent from 6.6 percent.

The industry experienced a significant acceleration in lending activity over the review period. Gross loans and advances grew by 34.6 percent (year-on-year) to GH¢128.3 billion at end-August 2026 from 10.0 percent growth recorded a year earlier. After adjusting for provisions and interest in suspense, net loans and advances grew by 41.7 percent in August 2027 relative to growth of 12.7 percent in the corresponding period of 2025, thus indicating stronger credit intermediation and enhanced capacity of the banking sector to support real sector activities.

Growth in the industry's investment holdings moderated considerably during the period under review, with year-on-year investment growth slowing to 4.7 percent at end-August 2026 from 56.2 percent a year earlier. This performance was underpinned by the prevailing lower-yield environment in the domestic money market and portfolio repositioning efforts by banks following the rollout of the revised CRR regime. As a result, the stock of investments rose to GH¢190.8 billion from GH¢182.3 billion in the corresponding period of 2025. Despite the slowdown in growth, investment holdings continued to constitute a significant component of the industry's asset portfolio, supporting liquidity management and income generation.

Deposits remained the primary source of funding for the banking sector, increasing robustly by 20.7 percent (year-on-year) to GH¢362.2 billion as at end-August 2026, from GH¢300.1 billion in the corresponding period of 2025. The expansion in the deposit base was broad-based, supported by growth in both domestic and foreign currency deposits,

reflecting sustained deposit mobilisation efforts and improved confidence in the banking system following the previous challenges faced by the sector.

The growth in shareholders' funds moderated to 25.1 percent, reaching GH¢63.0 billion in August 2026, compared with 50.7 percent growth in the corresponding period of 2025. Borrowings similarly expanded at a slower pace, increasing by 11.3 percent to GH¢44.4 billion, relative to 54.6 percent growth recorded a year earlier.

Table 6.1: Key Developments in DMBs' Balance Sheet

	(GH c'million)			Y-on-Y Growth (%)			Shares (%)	
	Aug-25	Jun-26	Aug-26	Aug-25	Jun-26	Aug-26	Aug-25	Aug-26
TOTAL ASSETS	415,201.5	502,432.4	500,198.9	22.4	30.7	20.5	100.0	100.0
A. Foreign Assets	27,345.2	37,852.5	35,244.9	(16.6)	69.1	28.9	6.6	7.0
B. Domestic Assets	387,856.3	464,579.9	464,954.0	26.5	28.4	19.9	93.4	93.0
Investments	182,295.5	191,657.9	190,813.1	56.2	18.0	4.7	43.9	38.1
i. Bills	116,766.8	117,703.1	117,621.8	127.6	20.1	0.7	28.1	23.5
ii. Securities	65,114.1	73,019.1	72,227.1	0.1	14.1	10.9	15.7	14.4
Advances (Net)	79,371.0	108,797.9	112,460.5	12.7	50.2	41.7	19.1	22.5
of which Foreign Currency	20,078.0	27,150.7	26,084.1	(14.8)	59.7	29.9	4.8	5.2
Gross Advances	95,337.9	124,301.4	128,297.8	10.0	39.4	34.6	23.0	25.6
Other Assets	26,390.1	26,948.6	28,797.3	19.7	(2.0)	9.1	6.4	5.8
Fixed Assets	10,081.0	10,951.9	11,131.3	15.0	10.5	10.4	2.4	2.2
TOTAL LIABILITIES AND CAPITAL	415,201.5	502,432.4	500,198.9	22.4	30.7	20.5	100.0	100.0
Total Deposits	300,109.6	370,769.6	362,244.9	17.8	32.4	20.7	72.3	72.4
of which Foreign Currency	70,147.3	82,135.1	75,380.4	(15.6)	31.8	7.5	16.9	15.1
Total Borrowings	39,913.4	41,219.2	44,432.2	54.6	25.2	11.3	9.6	8.9
Foreign Liabilities	5,385.7	5,033.5	4,874.0	(25.7)	12.1	(9.5)	1.3	1.0
i. Short-term borrowings	2,508.2	2,604.5	2,181.1	15.8	39.8	(13.0)	0.6	0.4
ii. Long-term borrowings	1,656.6	1,281.5	1,198.7	(60.9)	(18.1)	(27.6)	0.4	0.2
iii. Deposits of non-residents	1,138.4	1,047.2	1,494.1	38.6	5.0	31.2	0.3	0.3
Domestic Liabilities	359,474.3	435,064.5	432,349.2	20.9	31.3	20.3	86.6	86.4
i. Short-term borrowing	33,663.9	35,896.4	39,713.1	87.4	31.2	18.0	8.1	7.9
ii. Long-term Borrowings	2,084.7	1,436.7	1,339.3	43.9	(32.3)	(35.8)	0.5	0.3
iii. Domestic Deposits	298,971.2	369,722.4	360,750.7	17.7	32.5	20.7	72.0	72.1
Other Liabilities	23,549.4	27,490.2	29,661.5	(4.4)	26.7	26.0	5.7	5.9
Paid-up capital	19,233.2	21,750.9	22,791.7	39.7	15.2	18.5	4.6	4.6
Shareholders' Funds	50,329.5	62,334.4	62,975.7	50.7	29.9	25.1	12.1	12.6

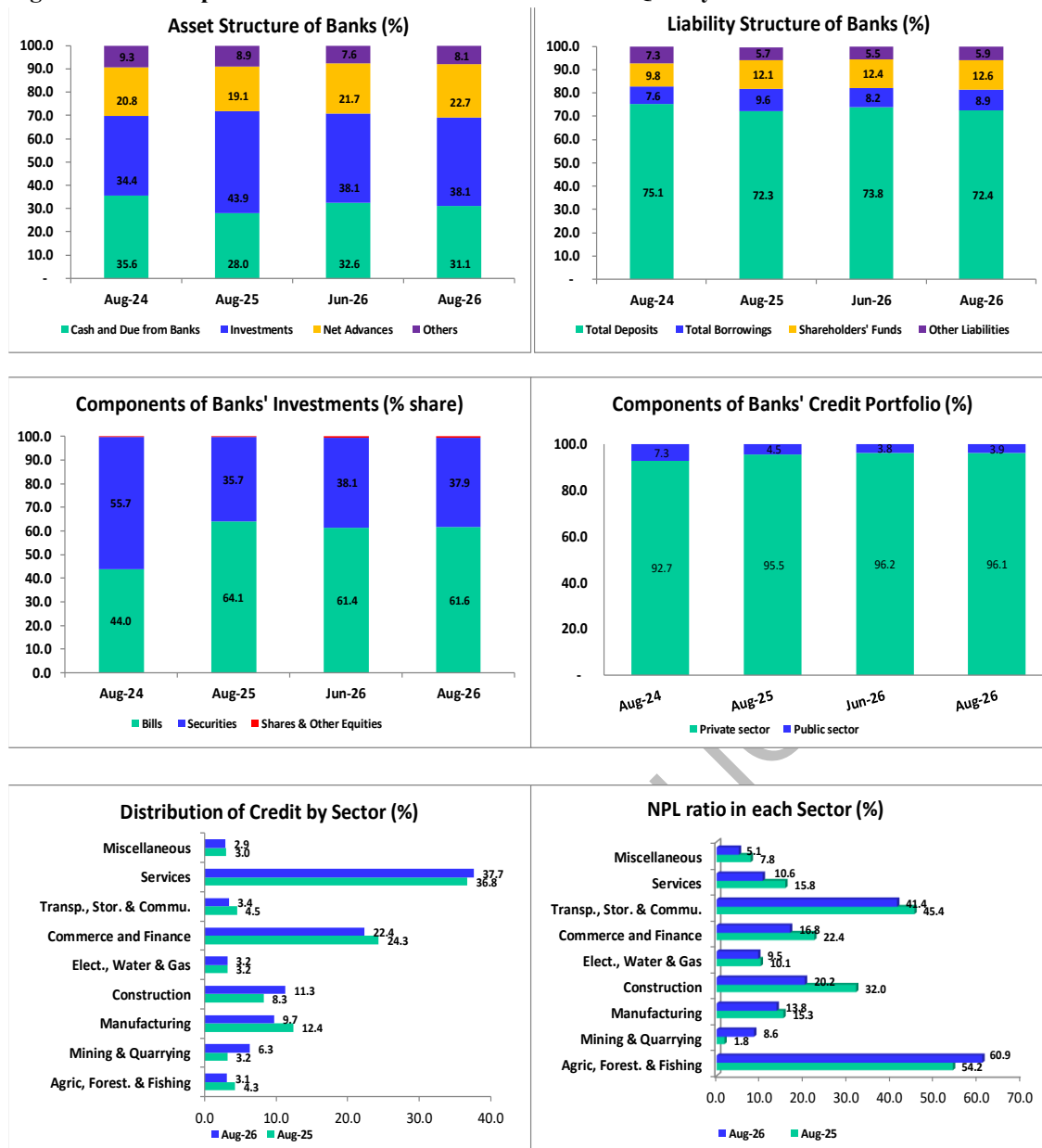
Source: Bank of Ghana

6.1.1 Asset and Liability Structure

The asset composition of the banking industry in August 2026 reflected a gradual portfolio rebalancing in loan creation and cash holdings, although investments remained the largest asset class. The share of investments (bills, securities, and equity) to total assets declined to 38.1 percent in August 2026 from 43.9 percent in August 2025, partly reflecting the prevailing low-interest-rate environment. The proportion of net advances, however, increased to 22.7 percent from 19.1 percent, while the share of cash and bank balances advances also rose to 31.1 percent from 28.0 percent over the same period. Meanwhile, the share of non-earning assets declined to 8.1 percent from 8.9 percent.

Deposits continued to dominate the funding mix of the banking sector, increasing its share of total funding slightly to 72.4 percent in August 2026 from 72.3 percent in August 2025. As the dominant source of bank funding, deposits provide a stable and cost-effective base for balance sheet expansion, enhancing the industry's capacity to support credit intermediation and absorb potential liquidity pressures. Meanwhile, borrowings declined as a proportion of total funding to 8.9 percent from 9.6 percent, while shareholders' funds and other liabilities increased marginally to 12.6 percent and 5.9 percent, respectively.

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



Source: Bank of Ghana Staff Calculations

6.1.2 Share of Banks' Investments

Bills (short-term debt instruments) continued to constitute the largest component of banks' investment portfolio during the review period. However, its share declined to 61.6 percent in August 2026 from 64.1 percent in August 2025. Conversely, the proportion of long-term securities increased to 37.9 percent from 35.7 percent, while the proportion of equity investments remained negligible despite its marginal increase from 0.2 percent to 0.5 percent.

6.2 Credit Risk

Asset quality in the banking industry improved during the review period, as reflected in the decline in the non-performing loans (NPL) ratio. Consequently, the industry's credit portfolio exhibited stronger performance in August 2026 relative to the corresponding period in 2025, supported by enhanced loan recovery efforts and more effective credit risk management practices.

6.2.1 Credit Portfolio Analysis

Credit growth accelerated significantly during the review period, with gross loans and advances increasing by 34.6 percent to GH¢128.3 billion as at end-August 2026, compared with 10.0 percent growth a year earlier. The expansion was driven primarily by stronger lending to the private sector, alongside a rebound in public sector credit. Consequently, the private sector's share of total credit increased to 96.1 percent from 95.5 percent, highlighting the continued concentration of bank lending toward private sector activities.

The sectoral allocation of bank credit at end-August 2026 remained concentrated in a few key sectors of the economy. The services sector continued to receive the largest proportion of industry credit, representing 37.7 percent of total lending, which was higher than its share in the corresponding period of 2025. The commerce and finance sector followed with a share of 22.4 percent, while the construction sector recorded a notable increase, accounting for 11.3 percent of total credit. Collectively, these three sectors absorbed 71.3 percent of total industry lending, slightly below the 73.5 percent recorded a year earlier, indicating a modest diversification in the sectoral distribution of credit.

6.2.2 Off-Balance Sheet Activities

Contingent liabilities (comprised mainly of trade finance instruments and guarantees) recorded a strong recovery during the review period. Contingent liabilities surged by 15.7 percent year-on-year to GH¢21.5 billion at end-August 2026, compared with a 31.6 percent contraction in the corresponding period of the previous year. Notwithstanding this robust growth, the share of contingent liabilities in total liabilities declined to 4.9 percent.

6.2.3 Asset Quality

Asset quality indicators improved during the review period, with the NPL ratio declining to 15.7 percent in August 2026 from 20.8 percent a year earlier, while the adjusted NPL ratio fell to 3.8 percent from 6.8 percent. Despite these improvements, the stock of non-performing loans increased marginally to GH¢20.2 billion from GH¢19.8 billion, largely reflecting valuation effects on foreign currency-denominated NPLs. Consequently, credit risk conditions strengthened, although asset quality vulnerabilities remain elevated.

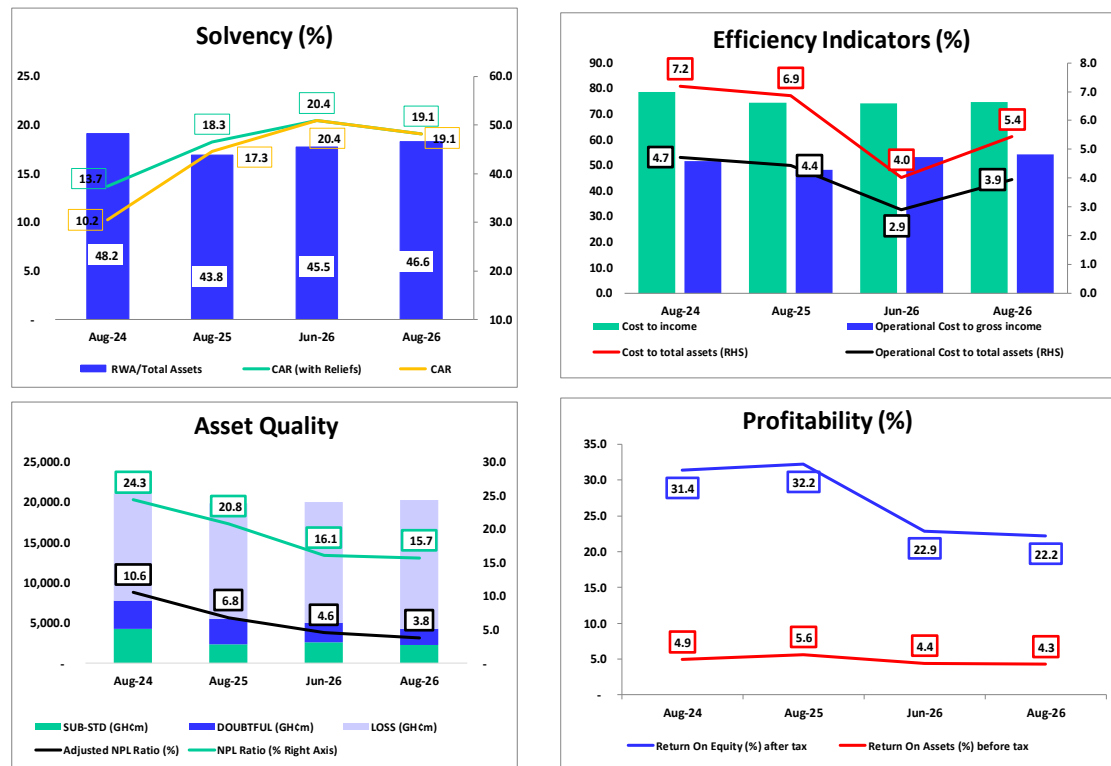
The decomposition of non-performing loans (NPLs) continued to reflect the dominance of private sector credit in banks' loan portfolios. The private sector accounted for the largest share of NPLs, with its contribution rising to 98.0 percent in August 2026 from 97.4 percent in August 2025. In contrast, the share of NPLs attributable to the public sector declined to 2.0 percent from 4.0 percent over the same period. The distribution of NPLs remains broadly consistent with the sectoral composition of industry credit exposures.

The improvement in asset quality was broad-based across the banking industry's credit portfolio, with most sectors recording lower NPL ratios during the review period. The exception was the agriculture, forestry and fishing sector, where the NPL ratio increased significantly to 60.9 percent in August 2026 from 54.2 percent a year earlier. Nevertheless, improvements in asset quality across the remaining sectors outweighed the deterioration in the agriculture, forestry and fishing sector, resulting in an overall strengthening of the industry's asset quality position.

6.3 Financial Soundness Indicators

The Financial Soundness Indicators in August 2026 were broadly positive following improvements in solvency, core liquidity, and asset quality indicators. Efficiency and profitability indicators, however, moderated during the review period.

Figure 6.2: Key Financial Soundness Indicators



Source: Bank of Ghana Staff Calculations

6.3.1 Liquidity Indicators

Liquidity conditions in the banking sector remained favourable during the review period. Core liquidity strengthened, supported by higher cash holdings and balances with banks, while broad liquid assets continued to grow. Nevertheless, broad liquidity indicators eased somewhat, reflecting slower growth in investments. As a result, the ratios of broad liquid assets to deposits and total assets declined to 95.4 percent and 69.1 percent, respectively, from 99.4 percent and 71.9 percent a year earlier. Notwithstanding this moderation, liquidity levels remained comfortable and supportive of the sector's funding needs.

6.3.2 Capital Adequacy Ratio

The banking sector's solvency position strengthened further in August 2026, with the industry's Capital Adequacy Ratio (CAR) rising to 19.1 percent from 17.3 percent in August 2025, remaining well above the regulatory minimum requirement of 13.0 percent. The continuous improvement in the solvency profile of the industry reflects the banking industry's robust capitalisation and reinforces its resilience to potential shocks.

6.3.3 Profitability

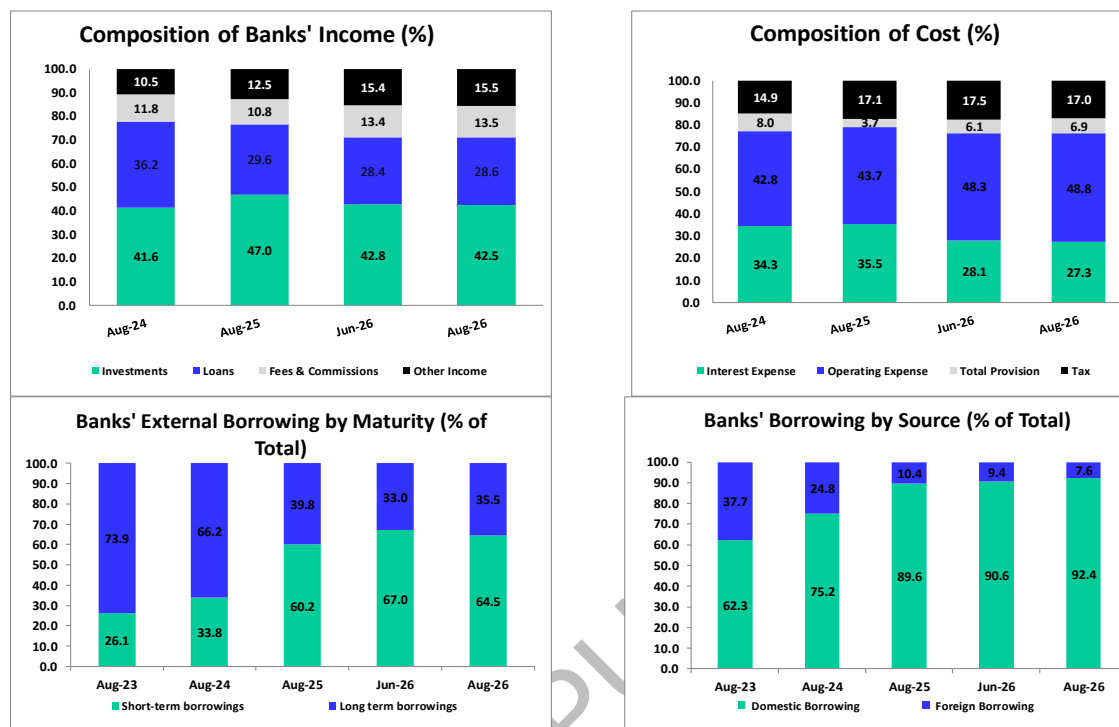
The banking industry remained profitable as at end-August 2026, although profitability moderated compared with the corresponding period in 2025. Profit-after-tax (PAT) declined marginally to GH¢9.2 billion from GH¢9.7 billion a year earlier, representing a contraction of 5.7 percent, compared with growth of 46.1 percent recorded in August 2025. Similarly, profit-before-tax (PBT) contracted by 5.7 percent on a year-on-year basis, in contrast to the 42.0 percent growth recorded in the corresponding period of 2025.

Growth across the banking industry's major income lines moderated during the review period, except for fees and commissions income, which increased by 17.9 percent in August 2026 compared with 13.1 percent a year earlier. In contrast, net interest income contracted by 4.2 percent, reversing the 21.8 percent growth recorded in August 2025,

largely reflecting the low-interest-rate environment and its dampening effect on interest earnings. Similarly, growth in other income slowed relative to the corresponding period in 2025.

Growth in the banking industry's cost base moderated during the review period, with operating expenses increasing by 6.4 percent in August 2026, down from 19.5 percent a year earlier. The moderation reflected slower growth in staff costs and a contraction in non-staff expenses. In contrast, provisions for depreciation, bad debts and impairment losses rose sharply by 76.3 percent, reversing the 46.0 percent contraction recorded in August 2025.

Figure 6.3: Composition of Income, Cost and Borrowing



Source: Bank of Ghana Staff Calculations

(a) Return on Assets and Return on Equity

Profitability indicators for the banking sector moderated in August 2026, reflecting the slowdown in earnings growth during the review period. The industry's Return on Equity (ROE) declined to 22.2 percent in August 2026 from 32.2 percent in August 2025. Similarly, Return on Assets (ROA) decreased to 4.3 percent from 5.6 percent over the same period.

(b) Interest Margin and Spread

Interest spread for the industry narrowed to 5.9 percent in August 2026 from 7.9 percent in August 2025. The decrease in spread resulted from the marginal decline in interest payable to 2.2 percent, from 3.8 percent a year earlier. Gross yields also declined to 8.1 percent in August 2026 compared to 11.6 percent a year ago. The ratio of gross income to total assets (asset utilisation) also dropped to 7.3 percent from 9.2 percent whereas the profitability ratio also recorded a marginal decline to 25.3 percent in August 2026 from 25.4 percent in August 2025.

(c) Composition of Banks' Income

The composition of banks' income shifted modestly during the review period. While investment income remained the largest source of earnings, its share of total income declined to 42.5 percent in August 2026 from 47.0 percent a year earlier, while the contribution from loans and advances fell to 28.6 percent from 29.6 percent.

Conversely, the share of non-interest income increased, driven by higher contributions from fees and commissions income and other income. This trend highlights the gradual diversification of banks' revenue streams and the growing role of non-interest income in supporting profitability amid the prevailing low-interest-rate environment.

6.3.4 Operational Efficiency

Efficiency in the banking sector was relatively mixed during the period under review. The cost-to-income ratio rose marginally to 74.7 percent in August 2026 from 74.6 percent in August 2025. However, over the same period, the cost-to-total assets ratio improved to 5.4 percent from 6.9 percent. The operational cost to gross income ratio increased to 54.3 percent from 48.1 percent, whereas the operational cost to total asset ratio improved to 3.9 percent from 4.4 percent over the same comparative period.

6.3.5 Banks' Counterparty Relationships

Total offshore balances grew significantly during the review period, increasing by 28.8 percent to GH¢32.2 billion in August 2026, compared with a 14.5 percent contraction in the corresponding period of 2025. The growth was driven primarily by strong expansion in placements with foreign banks, together with a moderation in the decline of nostro balances. Consequently, the ratio of offshore balances to net worth increased to 51.2 percent from 49.7 percent a year earlier.

The composition of banks' borrowings shifted further towards domestic funding sources during the review period. Domestic borrowings accounted for 92.4 percent of total borrowings in August 2026, up from 89.6 percent a year earlier, while the share of external borrowings declined to 7.6 percent from 10.4 percent. External borrowings remained predominantly short-term, with their share increasing to 64.5 percent from 60.2 percent, while the proportion of long-term external borrowings declined to 35.5 percent from 39.8 percent. This indicates a greater reliance on domestic funding and shorter-term external financing.

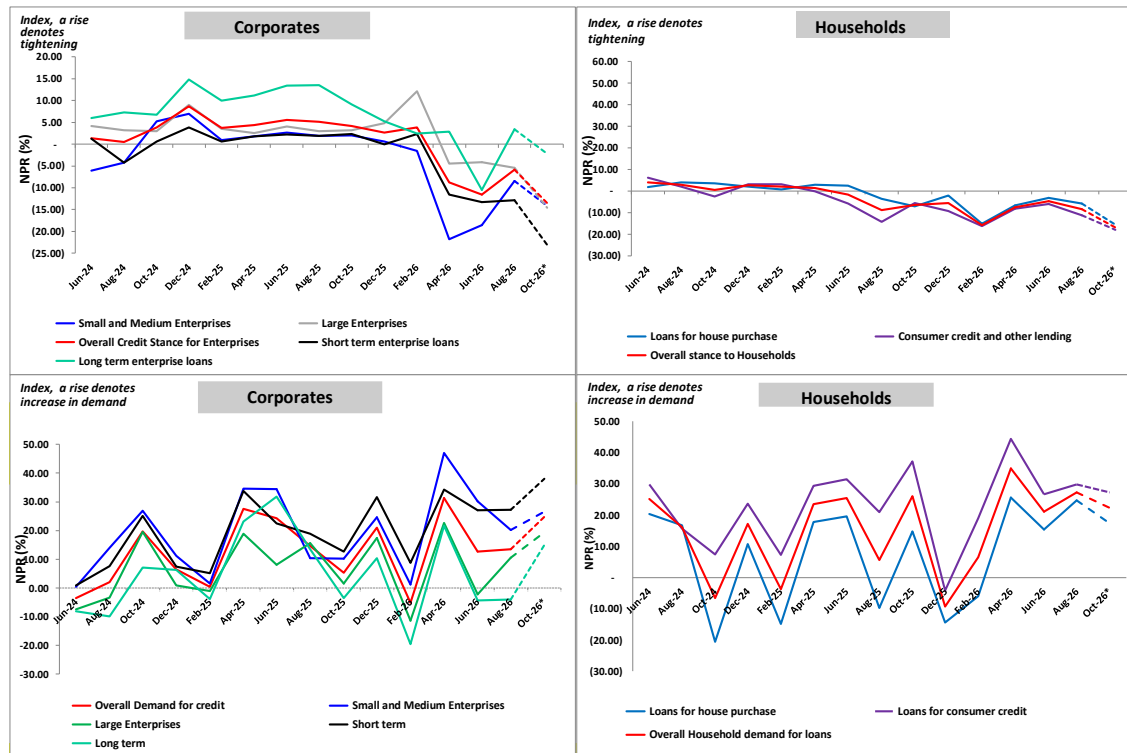
6.4 Credit Conditions Survey

The August 2026 Credit Conditions Survey suggested a further net easing in banks' lending stance towards corporates, consistent with the trend observed in the June 2026 survey round. The easing was driven by more accommodative lending conditions across most corporate borrower categories, although lending standards for SMEs remained relatively tight. Looking ahead, banks expect corporate credit conditions to ease further over the next two months.

The stance on household lending eased in the August 2026 survey round, reflecting more favourable credit conditions for housing loans and consumer credit, and other household lending. Banks expect a further easing in household credit conditions over the next two months, driven mainly by mortgage and consumer lending.

The August 2026 survey round pointed to a marginal pick-up in the overall demand for credit by corporates, which reflected in increased demand for loans, mainly from large enterprises. Credit demand by corporates is, however, projected to be stronger in September and October 2026. Demand for loans by households in August 2026 picked up generally, driven by increases in demand for loans for house purchases as well as consumer credit. In the next two months, the demand for household loans is projected to pick up further but at a diminishing rate.

Figure 6.4: Credit Conditions Survey Results

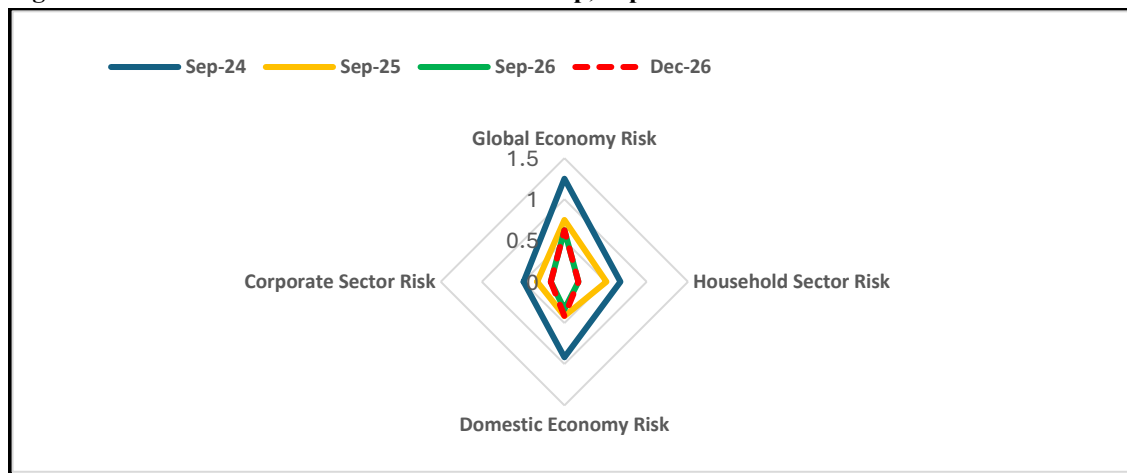


Source: Bank of Ghana Staff Calculations

6.5 Macro-financial Risk Assessment

Macro-financial Risk Assessment Map

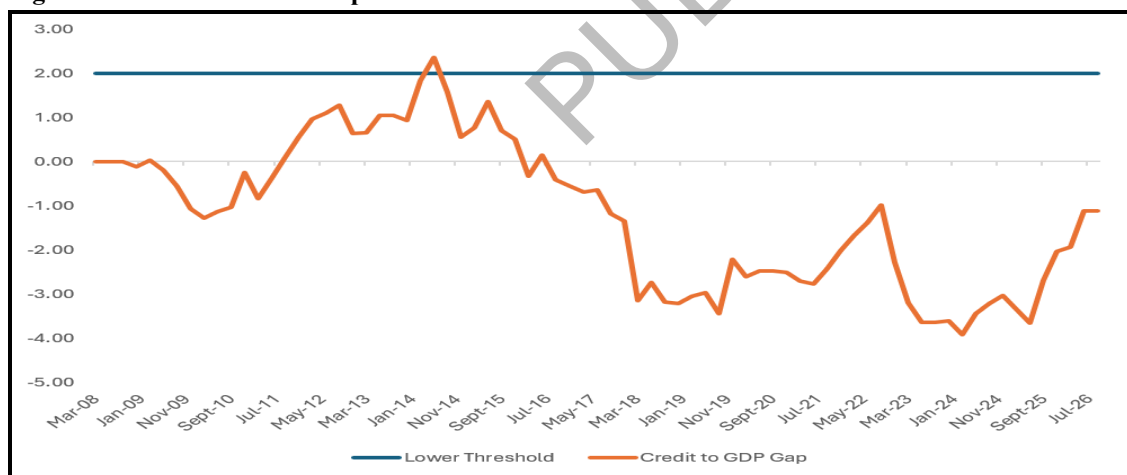
Macro-financial risks assessment showed a projected moderation in risks as at end-September 2026 compared to same period last year. Risks from the global macroeconomic environment eased on the back of lower inflation and easing lending conditions in advanced economies. On the domestic front, risks moderated, reflecting the impact of declining fiscal deficit, lower inflation and exchange rate stability as well as declining public debt. Risks from the corporate and household sectors declined, supported by enhanced debt-servicing capacity of both the corporate and household sectors. In the outlook, risks are expected to generally remain unchanged, however, the risk profile could shift depending on the geopolitical developments in the Middle East. Such global developments have implications for the domestic economy, and the corporate and household sectors. That notwithstanding, the near-term outlook for the domestic economy remains favourable considering the expected low levels of inflation, strong reserve build-up and improved financing conditions.

Figure 6.5: Macro-financial Risks Assessment Map, September 2024-2026

Source: Bank of Ghana

Credit-to-GDP Gap

The credit-to-GDP gap remained negative, indicating the economy is still in a low-risk credit environment. There has been continuous growth in credit, however, the growth is weaker relative to the growth of the size of the economy. The negative gap points to the absence of excessive credit build-up and limited systemic risks and signals room for measured credit expansion to further support the real sector of the economy. The recovery in credit growth has been underpinned by the resilience of the banking sector, which continues to facilitate financial intermediation. It is expected that favourable macroeconomic conditions will continue to sustain the recovery in private sector credit without creating stress on overall financial stability.

Figure 6.6: Credit-to-GDP Gap

Source: Bank of Ghana

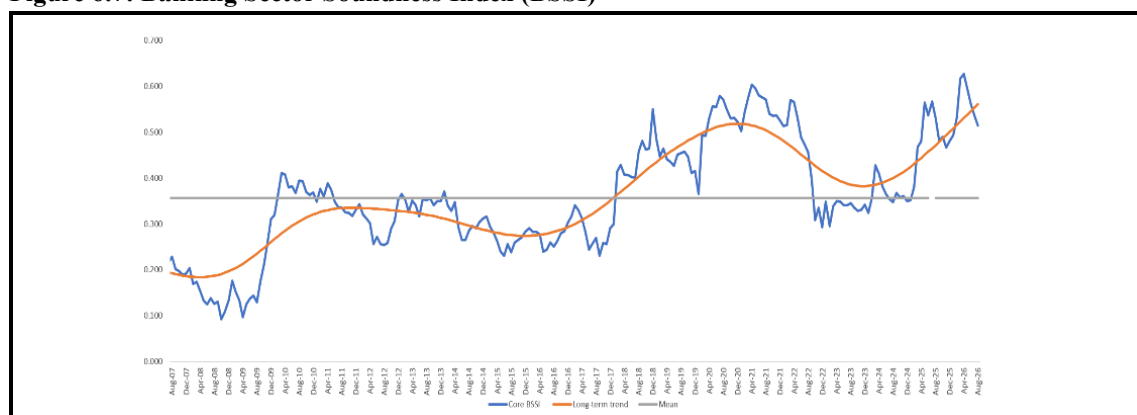
6.6 Banking Sector Soundness

Banking Sector Soundness Index (BSSI) and Heatmap of FSIs

The banking sector remained sound and resilient despite experiencing a drop in the second quarter of 2026. The BSSI and the heatmap of core financial soundness indicators continued to indicate resilience across capital adequacy, liquidity, profitability, and asset quality. Banks maintained strong solvency positions, while liquidity levels remained adequate across the industry. Asset quality also improved in response to the NPL directives by BOG, reflecting in the gradual decline in non-performing loans. Profitability indicators remained favourable despite operational cost pressures,

underscoring the sector's capacity to absorb potential shocks. The outlook for banking sector soundness remains positive, supported by favourable macroeconomic conditions, sustained supervisory vigilance, and continued efforts by banks to strengthen risk management frameworks.

Figure 6.7: Banking Sector Soundness Index (BSSI)



Source: Bank of Ghana

Table 6.2: Heatmap

FSIs	Dec-22	Feb-23	Dec-23	Feb-24	Mar-24	Jun-24	Sep-24	Dec-24	Feb-25	Mar-25	Jun-25	Aug-25	Sep-25	Dec-25	Jan-26	Mar-26	May-26	Jun-26	Jul-26	Aug-26
Capital Adequacy																				
Regulatory capital to risk weighted assets (Threshold)	15.44	12.60	13.87	13.58	15.88	14.27	14.38	14.00	14.35	17.10	19.29	18.78	17.52	17.51	17.71	21.95	21.33	20.45	19.68	19.30
Regulatory capital to risk weighted assets (Distribution)	15.44	12.60	13.87	13.58	15.88	14.27	14.38	14.00	14.35	17.10	19.29	18.78	17.52	17.51	17.71	21.95	21.33	20.45	19.68	19.30
Regulatory tier I capital to risk-weighted assets	14.25	10.74	11.04	11.03	13.55	11.46	11.51	11.13	11.74	14.89	16.62	16.14	14.75	15.58	15.79	20.14	19.42	18.49	17.73	17.32
Asset Quality																				
Nonperforming loans net of loan-loss provision to capital	10.32	8.48	14.55	17.09	19.45	15.36	12.29	11.10	10.82	11.98	8.32	7.62	8.32	7.62	7.08	7.87	7.37	7.16	7.12	6.98
Nonperforming loans to total gross loans	16.59	16.56	20.68	24.61	26.74	24.13	22.77	21.79	22.57	23.44	23.09	20.77	20.43	18.92	17.90	18.11	17.00	16.06	15.93	15.66
Banks provisions to NPL	83.58	84.41	73.19	72.03	71.70	75.66	78.35	78.74	78.42	76.67	80.73	80.63	79.10	78.82	78.40	76.23	77.69	77.64	77.95	78.28
Earnings																				
Return on assets	(3.83)	5.07	5.37	5.20	5.63	5.40	5.05	5.04	4.67	4.96	5.61	5.64	5.70	5.66	4.96	4.55	4.21	4.40	4.30	4.26
Return on equity	(25.48)	32.39	34.16	32.72	36.36	35.25	32.12	30.84	28.51	29.92	32.21	32.21	31.61	30.81	28.28	23.55	21.70	22.89	22.14	22.18
Interest margin to gross income	47.82	48.38	51.80	53.58	54.23	51.41	51.10	50.92	51.72	51.82	50.11	50.18	50.16	50.75	50.97	49.78	50.94	50.41	50.81	50.61
Liquidity																				
Core liquid assets to total assets	27.53	26.65	29.34	29.22	31.00	34.47	35.39	36.16	37.41	36.24	27.50	26.91	27.22	28.78	27.86	30.24	28.26	30.91	30.13	29.12
Core liquid assets to short-term liabilities	33.21	32.79	35.47	35.40	37.34	41.39	42.54	43.31	45.23	43.47	33.68	32.80	33.00	35.29	34.14	36.78	34.38	37.34	36.50	35.45
Core liquid assets to total deposits	36.47	35.35	37.61	37.37	40.06	45.31	46.82	48.16	50.15	48.20	37.73	37.23	37.65	39.54	37.86	40.78	38.55	41.87	41.49	40.21
Broad liquid assets to total assets	59.45	62.47	65.72	68.40	68.38	67.55	67.58	66.87	68.08	69.44	69.67	70.72	69.65	67.85	69.16	70.03	68.78	68.87	68.61	67.07
Broad liquid assets to short-term liabilities	71.71	76.87	79.46	82.88	82.34	81.10	81.23	80.09	83.53	83.30	85.31	85.19	84.46	83.20	84.74	85.18	84.89	83.20	83.11	81.68
Efficiency																				
Noninterest expenses to gross income	97.08	43.64	43.04	41.01	38.86	37.65	39.43	40.83	38.63	37.78	35.70	35.33	34.98	35.20	38.08	39.06	41.05	40.33	41.27	41.61
Personnel expenses to gross income	16.45	15.03	15.67	16.27	16.19	16.62	16.57	16.45	18.21	17.25	16.71	16.88	16.78	17.11	18.23	19.25	20.25	20.22	20.41	20.82

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

Source: Bank of Ghana

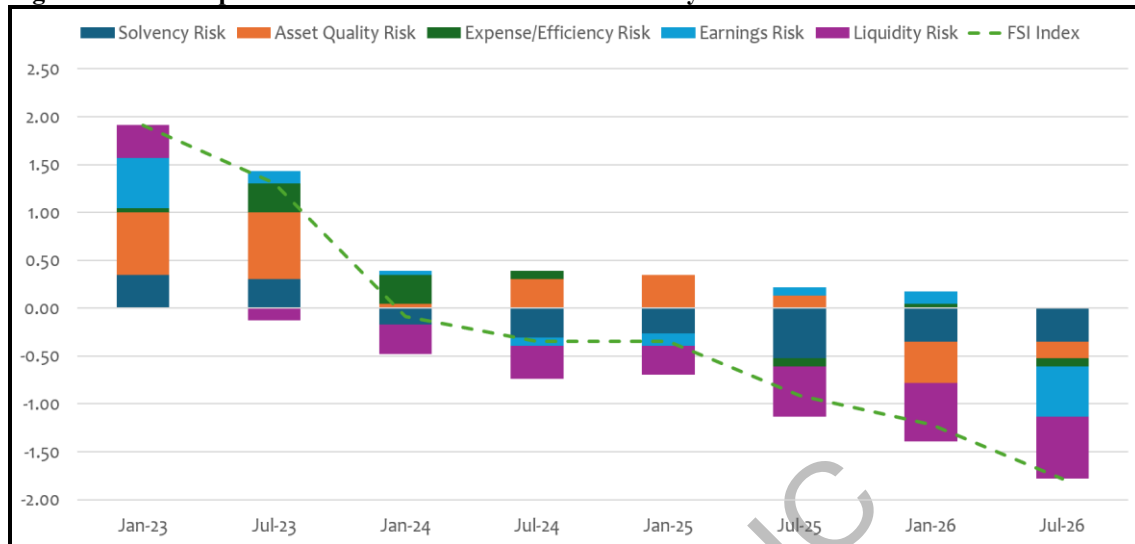
6.7 Systemic Risk Survey- July 2026

Banks expect risks to soundness and macroeconomic stability to moderate over the next one year according to the July 2026 Systemic Risk Survey (SRS). The Bank of Ghana conducts a SRS of banks to assess their perception of risks to, and level of confidence in, the financial system. The SRS is a semi-annual survey aimed at tracking banks' perception of financial stability risks in a forward-looking manner. In the outlook, banks expect risks to soundness to moderate driven by perceived sustained improvements in liquidity, asset quality, solvency and profitability in the banking sector in the next one year.

Generally, the perception of the likelihood and impact of systemic risk emanating from the macroeconomy is expected to moderate in the next one year. However, banks perceive adverse global economic conditions and risks associated with

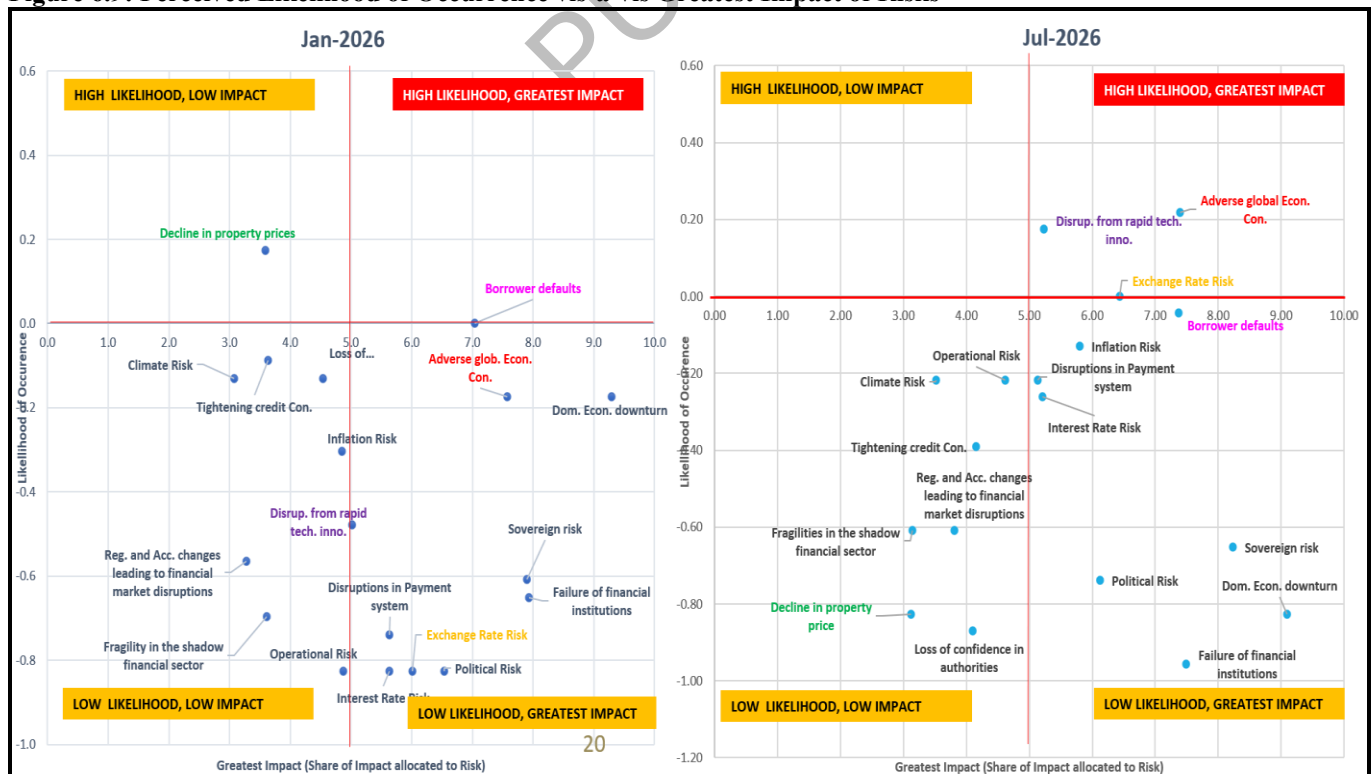
rapid technological innovations as the main sources of vulnerabilities in the Ghanaian financial system in the next one year. These perceptions were largely driven by the lingering geopolitical tensions in the Middle East over the near term, and slower-than-expected increase in the skills and supervisory controls needed to keep pace with the rapid expansion of virtual assets and digital financial services. Banks are, however, largely optimistic about the stability of the financial system in the near to medium term.

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



Source: Bank of Ghana

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



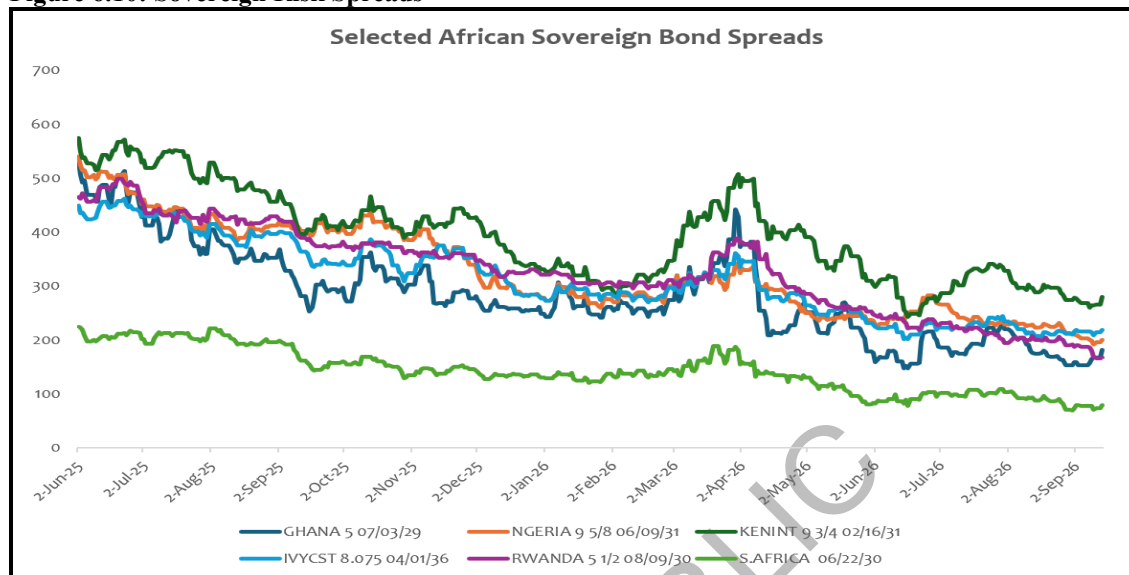
Source: Bank of Ghana

6.8 Risk of Capital Flight

Sovereign Risk Spreads

Ghana's sovereign risk spreads have been relatively stable since the last MPC meeting and compared favourably with peer economies in the sub-Saharan Africa region. The stability reflects improved investor sentiments, and this is expected to have a positive knock-on effect on the risk ratings of the country while supporting inflow of portfolio investment and foreign direct investment.

Figure 6.10: Sovereign Risk Spreads

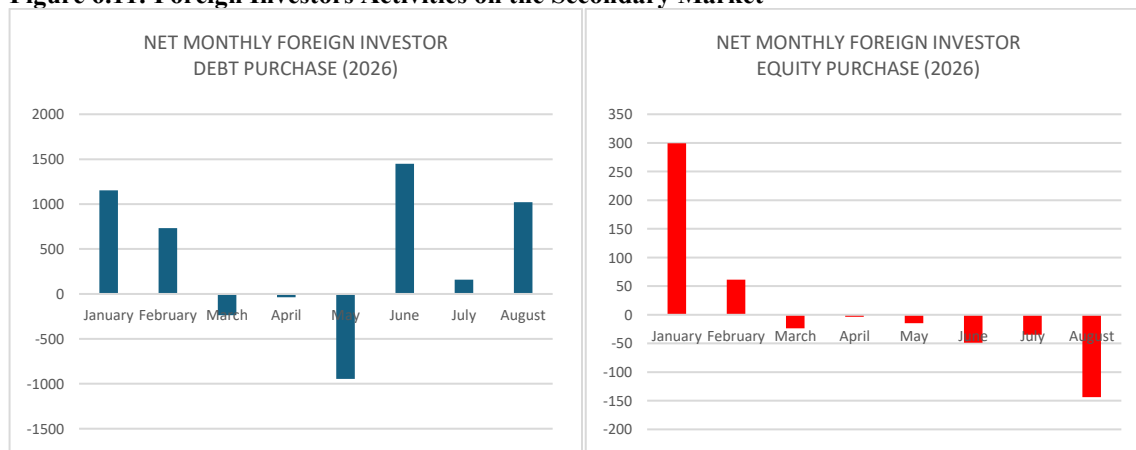


Source: Bank of Ghana

Foreign Investor Behaviour on the Secondary Market

Foreign investor participation in the capital markets strengthened considerably in the first half of 2026, supporting a decline in risk of capital flight. The improvement was on the back of the issuance of the new bonds amidst improved macroeconomic conditions and financial market prospects. Improved macroeconomic conditions, declining sovereign risk perceptions, and continued exchange rate stability contributed to maintaining investor confidence and reducing the risk of sudden capital outflows. Overall, foreign investor participation is expected to remain robust if current macroeconomic stability is sustained.

Figure 6.11: Foreign Investors Activities on the Secondary Market



Source: CSD and Bank of Ghana

6.9 Conclusion and Outlook

The banking sector demonstrated continued resilience in June 2026, supported by an improving macro-financial environment and stronger balance sheet growth. Total assets expanded at a faster pace than in June 2025, driven primarily by robust growth in deposits and other funding sources. The increase in assets was largely attributable to higher cash and bank balances, as well as growth in net advances, reflecting banks' ongoing portfolio rebalancing efforts in response to regulatory requirements, prevailing interest rate conditions, and evolving credit risk considerations. Financial soundness indicators generally strengthened during the review period, with the sector's Capital Adequacy Ratio (CAR) improving year-on-year, supported by recapitalisation efforts and sustained profitability across the industry. Although the non-performing loans (NPL) ratio declined, underlying asset quality risks remain and continue to pose a potential challenge to the sector. Overall, the banking sector's outlook remains favourable, underpinned by strong capitalization, sustained profitability, and a resilient financial position that enhances its ability to withstand emerging risks and support economic activity.

The macroprudential assessment at the September 2026 MPC round showed that systemic vulnerabilities within Ghana's banking industry remain broadly subdued. Macro-financial risks remained contained on account of favourable macroeconomic conditions, declining sovereign risk perceptions, and strengthening investor confidence, thereby diminishing the risk of capital flight. The credit-to-GDP gap remains negative but is gradually narrowing, signalling increased private-sector credit growth without significant risk of credit overheating. The banking sector continues to exhibit strong capital adequacy, liquidity, profitability, and strong asset quality, with contagion risks remaining well-contained. The July 2026 Systemic Risk Survey round indicated that banks remain broadly optimistic about the stability of the financial system over the next year. However, there are concerns regarding adverse global economic conditions and disruption from rapid technological innovation going forward. The Bank of Ghana will continue to monitor developments in global economic conditions and implement policies to minimise the impact of adverse global economic outcomes on the domestic economy. On risk from rapid technological change, the Bank of Ghana will continue to work with other stakeholders and enforce the cybersecurity directive to ensure banks maintain robust operational systems.

7. Price Developments

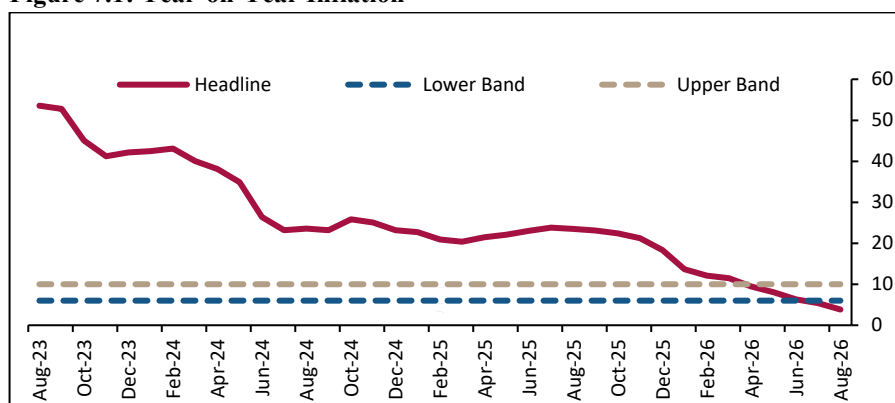
7.0 Highlights

Headline inflation increased in August 2026 to 5.0 percent on the back of increasing non-food inflation. In the outlook, inflation is projected to trend within the medium-term target band of 8 ± 2 percent.

7.1 Domestic Price Developments

Headline inflation increased to 5.0 percent in August 2026 from 4.6 percent in July 2026. The increase in headline inflation observed over the period was driven by an increase in non-food inflation. Non-food inflation rose to 6.8 percent in August from 6.1 percent in July, largely on the back of some pass-through from adjustments in utility tariffs and elevated crude oil prices. In contrast, food inflation declined marginally to 3.0 percent in August from 3.1 percent in July due to improved food supply conditions associated with the harvest.

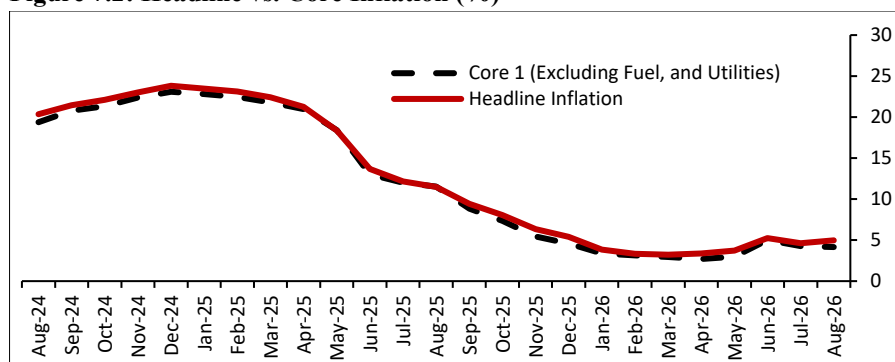
Figure 7.1: Year-on-Year Inflation



Source: GSS and Bank of Ghana Staff Calculations

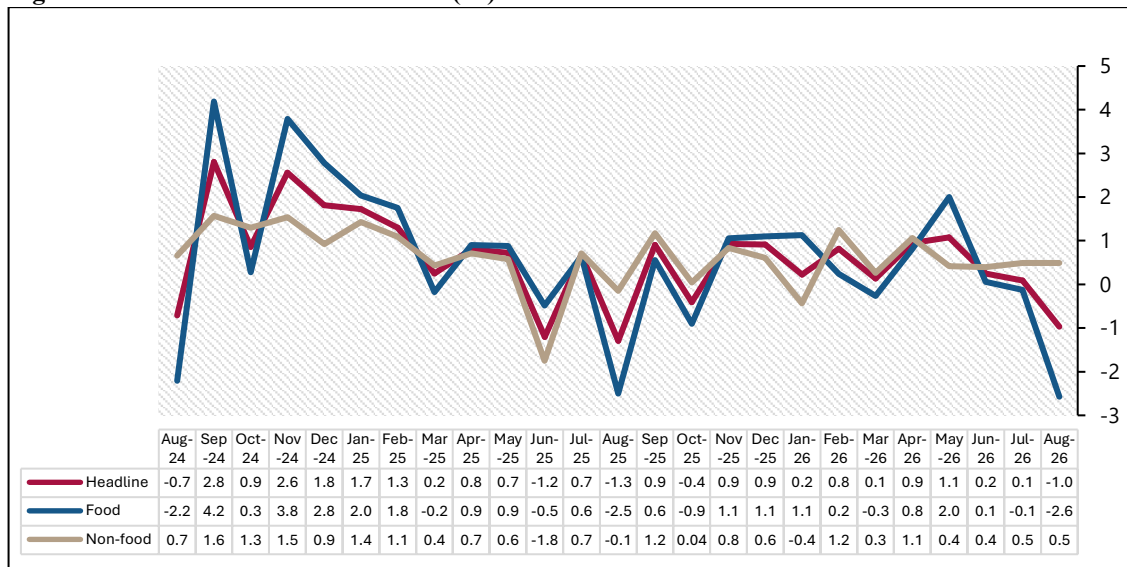
The Bank's core inflation measure, which excludes energy and utility items from the consumer basket, decreased to 4.2 percent in August 2026 from 4.3 percent in July 2026. This decline suggests a moderation in underlying inflation pressures over the period.

Figure 7.2: Headline vs. Core Inflation (%)



Source: GSS and Bank of Ghana Staff Calculations

On a month-on-month basis, headline inflation declined to -1.0 percent in August 2026 from 0.1 percent in July 2026. Similarly, monthly food inflation decreased to -2.6 percent from -0.1 percent over the same comparative period. Non-food inflation, on the other hand, remained unchanged at 0.5 percent over the review period.

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

Source: Ghana Statistical Service

Table 7.1: CPI Components

CPI Components (%)				2025								2026							
	Weights (%)	2023 Dec	2024 Dec	2025 Jan	2025 Apr	2025 May	2025 Jun	2025 Jul	2025 Aug	2025 Dec		2026 Jan	2026 Feb	2026 Mar	2026 Apr	2026 May	2026 June	2026 July	2026 August
Overall	100.0	23.2	23.8	23.5	21.2	18.4	13.7	12.1	11.5	5.4		3.8	3.3	3.2	3.4	3.7	5.3	4.6	5.0
Food and Beverages	42.7	28.7	27.8	28.6	25.0	22.8	16.3	15.1	14.8	4.9		3.9	2.4	2.3	2.2	3.3	3.9	3.1	3.0
Non-food	57.4	18.7	20.3	19.2	17.9	14.4	11.4	9.5	8.7	5.8		3.9	4.0	3.9	4.2	4.1	6.3	6.1	6.8
Alcoholic Beverages, Tobacco & Narcotics	3.9	38.2	28.4	27.2	24.0	22.4	16.0	18.3	19.4	8.7		2.4	3.3	3.2	2.2	1.7	5.6	3.7	3.0
Clothing and footwear	8.0	22.3	20.0	19.8	19.7	19.3	17.2	14.8	12.9	9.9		4.8	4.0	3.6	2.6	1.8	2.6	3.1	3.0
Housing and Utilities	10.2	19.5	26.3	24.6	22.5	21.6	24.9	19.0	14.2	11.8		9.3	12.6	12.4	12.4	11.8	7.9	8.3	11.6
Furnishings, Household Equipment	3.2	26.9	16.7	15.3	15.1	13.9	10.5	9.2	11.0	5.3		4.3	3.3	3.1	2.9	2.0	3.4	2.4	2.1
Health	0.7	23.0	21.4	18.4	15.0	14.1	11.3	9.5	9.9	6.1		4.9	4.2	2.9	2.1	2.0	3.3	1.9	1.4
Transport	10.5	4.4	16.8	16.9	14.9	3.1	-8.5	-7.7	-5.2	-5.0		-5.9	-7.5	-7.3	-3.4	-2.8	9.1	7.5	7.6
Information and Communication	3.6	14.2	12.0	11.6	10.9	9.7	10.4	7.3	5.2	2.6		2.4	0.8	1.2	0.7	0.1	-0.7	0.3	-0.1
Recreation & Culture	3.5	24.9	17.4	17.4	22.8	22.5	20.1	18.3	16.4	12.7		10.7	10.3	6.4	4.8	4.2	6.5	6.1	6.8
Education	6.6	13.9	19.1	13.9	11.7	6.3	6.0	4.5	4.2	3.8		4.1	7.1	8.1	7.5	7.8	8.7	9.4	9.3
Restaurants and accommodation services	4.3	28.0	16.5	16.5	10.7	10.4	9.6	8.0	6.0	7.0		5.5	6.2	6.2	7.5	7.2	8.2	8.2	7.9
Insurance and Financial services	0.4	8.1	16.5	15.4	16.9	16.9	15.9	8.8	7.0	3.6		8.0	8.8	8.4	7.9	7.9	8.1	9.7	10.6
Personal care, social protection & Miscellaneous services	2.5	31.1	19.3	17.9	17.2	17.2	11.4	10.5	11.9	8.3		4.8	3.8	3.8	2.8	2.8	7.2	5.3	4.8

Source: Ghana Statistical Service

Source: Ghana Statistical Service

7.2 Inflation Risk Assessment and Outlook

At the 132nd MPC Meeting, the Committee noted elevated external risks arising from the global economy amid relatively favourable domestic conditions. The Committee also observed an uptick in headline inflation in August, driven largely by an increase in non-food inflation. Despite this uptick, the Committee noted an easing of inflation expectations and core inflation measures over the period, suggesting a moderation in underlying inflationary pressures. Following its evaluation of global and domestic developments, the Committee maintained that headline inflation remained on course to return to its target range of 8 ± 2 percent over the medium term, barring any shocks.

Upward adjustments in utility tariffs, rising ex-pump petroleum prices, strengthening of the US dollar, and adverse spillovers from global supply chain disruptions posed upside risks to the inflation outlook. These risks were, however, expected to be largely offset by downside risks emanating from fiscal consolidation, improved food supply conditions, and exchange rate stability.

Decision on the Monetary Policy Rate

In its assessment at the 132nd Meeting, the Monetary Policy Committee viewed the balance of risks to inflation and growth as broadly balanced and voted by a unanimous decision to maintain the Monetary Policy Rate at 14.0 percent.

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Appendix

Table A.1: Fiscal Indicators (GH¢' billion)

	2026 Budget Revised	2024 Prov Jan-July	2024 Prog Jan-July	2025 Prov Jan-July	2025 Prog Jan-July	2026 Prov Jan-Jul	2026 Prog Jan-Jul	Deviation	Y-O-Y Growth (2025)	Y-O-Y Growth (2026)
Domestic Revenue	265.0	94.3	86.9	117.5	121.6	143.5	143.6	-0.1	24.6	22.2
(percent of GDP)	16.6	8.0	7.4	8.4	8.7	9.0	9.0			
Domestic expenditure	235.7	98.5	83.1	96.5	106.8	120.3	137.1	-12.2	-2.0	24.6
(percent of GDP)	14.8	8.4	7.1	6.9	7.6	7.5	8.6			
Domestic Primary Balance	29.3	-4.2	3.7	21.0	14.8	23.2	6.6	253.3	-598.5	10.9
(percent of GDP)	1.8	-0.4	0.3	1.5	1.1	1.5	0.4			
Primary Balance (Commitment)	23.3	-16.7	-3.5	18.2	6.4	21.7	3.1	591.5	-208.8	19.4
(percent of GDP)	1.5	-1.4	-0.3	1.3	0.5	1.4	0.2			
Primary Balance (Cash)	-6.5	-26.1	-10.6	10.1	-1.8	15.2	-12.8	-218.9	-138.8	50.3
(percent of GDP)	-0.4	-2.2	-0.9	0.7	-0.1	1.0	-0.8			
Non-oil Primary Balance	-20.1	-37.2	-19.6	4.2	-12.1	8.9	-21.9	-140.8	-111.3	112.0
(percent of GDP)	-1.3	-3.2	-1.7	0.3	-0.9	0.6	-1.4			
Overall Balance (Commitment)	-34.4	-37.7	-28.7	-10.5	-29.7	-3.5	-31.0	-88.8	-72.1	-66.9
(percent of GDP)	-2.2	-3.2	-2.4	-0.8	-2.1	-0.2	-1.9			
Overall Balance (cash, discrepancy)	-64.2	-47.1	-35.8	-18.6	-37.8	-10.0	-46.9	-78.8	-60.6	-46.4
(percent of GDP)	-4.0	-4.0	-3.0	-1.3	-2.7	-0.6	-2.9			
Oil Revenue	13.6	11.0	9.0	5.9	10.3	6.3	9.1	-30.6	-46.4	6.3
(percent of GDP)	0.9	0.9	0.8	0.4	0.7	0.4	0.6			
Non-Oil Revenue and Grants	254.5	84.6	79.8	112.0	112.6	138.3	135.9	1.8	32.4	23.5
(percent of GDP)	15.9	7.2	6.8	8.0	8.0	8.7	8.5			
Benchmark Oil Revenue	11.0	8.4	7.0	4.9	8.3	5.3	7.6	-29.9	-42.0	9.2
(percent of GDP)	0.7	0.7	0.6	0.3	0.6	0.3	0.5			
Annual Budget Funding Amount (ABFA)	7.7	5.9	4.9	3.4	5.8	3.7	5.3	-29.9	-42.0	9.2
(percent of GDP)	0.5	0.5	0.4	0.2	0.4	0.2	0.3			
Nominal GDP	1,597.5	1,176.2	1,176.2	1,400.0	1,400.0	1,597.5	1,597.5			
Non-Oil Nominal GDP	1,556.3	1,128.2	1,128.2	1,350.6	1,350.6	1,556.3	1,556.3			

Source: Ministry of Finance

Table A.2: Revenue Performance (GH¢' billion)

	2026 Budget Revised	2024 Prov Jan-July	2024 Prog Jan-July	2025 Prov Jan-July	2025 Prog Jan-July	2026 Prov Jan-Jul	2026 Prog Jan-Jul	Deviation	Y-O-Y Growth (2025)	Y-O-Y Growth (2026)
I. REVENUES										
Total Revenue & Grants	268.1	95.6	88.7	117.9	122.9	144.6	145.0	-0.3	23.3	22.6
(per cent of GDP)	16.8	8.1	7.5	8.4	8.8	9.050	9.074			
Domestic Revenue	265.0	94.3	86.9	117.5	121.6	143.5	143.6	-0.1	24.6	22.2
(per cent of GDP)	16.6	8.0	7.4	8.4	8.7	8.984	8.991			
Tax Revenue	223.9	76.0	69.6	98.1	101.0	120.0	121.0	-0.8	29.2	22.3
(per cent of GDP)	14.0	6.5	5.9	7.0	7.2	7.5	7.6			
Taxes on Income and Property	115.4	38.9	31.1	50.5	49.6	64.6	60.1	7.5	30.0	27.8
(per cent of GDP)	7.2	3.3	2.6	3.6	3.5	4.0	3.8			
Personal	35.7	12.5	12.2	15.1	15.6	17.7	19.7	-10.1		
Company Taxes	52.7	14.8	11.4	21.8	21.2	31.3	25.7	21.7		
Company Taxes on Oil	5.6	4.1	2.6	1.8	3.3	2.3	3.7	-37.9		
Other Direct Taxes	21.4	7.5	4.9	11.7	9.5	13.3	11.0	21.3		
Taxes on Domestic Goods and Services	86.4	31.1	34.2	40.7	40.6	41.3	48.3	-14.5	30.8	1.3
(per cent of GDP)	5.4	2.6	2.9	2.9	2.9	2.6	3.0			
Excises	11.3	3.8	5.1	3.5	4.7	3.7	6.5	-43.3		
VAT	53.5	17.1	17.6	23.3	23.5	28.1	29.6	-5.1		
National Health Insurance Levy (NHIL)	9.9	3.7	4.0	5.3	4.6	4.1	5.6	-25.7		
GETFund Levy	9.9	3.7	4.0	5.3	4.6	4.2	5.6	-25.4		
Communication Service Tax	1.9	0.5	0.7	1.0	0.6	0.9	1.1	-19.2		
E-Transaction Levy	0.0	1.0	1.1	0.8	0.0	0.0	0.0			
Covid-19 Health Levy	0.0	1.3	1.7	1.5	2.1	0.3	0.0			
International Trade Taxes	31.1	10.2	9.2	12.8	14.8	16.2	17.5	-7.4	25.8	26.0
(per cent of GDP)	1.9	0.9	0.8	0.9	1.1	1.0	1.1			
Import Duties	31.1	10.2	9.2	12.8	14.8	16.2	17.5			
Tax Refunds	-9.0	-4.3	-4.8	-6.0	-4.0	-2.0	-4.8	-57.8	39.9	-65.9
(per cent of GDP)	-0.6	-0.4	-0.4	-0.4	-0.3	-0.1	-0.3			
Social Contributions	1.4	0.7	0.5	0.8	0.7	0.0	0.8		15.0	-100.0
(per cent of GDP)	0.1	0.1	0.0	0.1	0.0	0.0	0.1			
Non-Tax Revenue	26.5	14.7	13.1	14.4	15.9	14.6	16.6	-12.2	-2.1	1.0
(per cent of GDP)	1.7	1.3	1.1	1.0	1.1	0.912	1.039			
Other Revenue	12.9	2.9	3.6	4.1	4.1	9.0	5.2	73.0	40.6	117.9
(per cent of GDP)	0.8	0.2	0.3	0.3	0.3	0.6	0.3			
Grants	3.1	1.3	1.9	0.5	1.3	1.0	1.3	-20.5	-66.0	131.8
(per cent of GDP)	0.2	0.1	0.2	0.0	0.1	0.1	0.1			
Project Grants	3.1	1.3	1.2	0.5	1.3	1.0	1.3			
Programme Grants	0.0	0.0	0.7	0.0	0.0	0.0	0.0			

Source: Ministry of Finance

Table A.3: Expenditure Performance (GH¢' billion)

	2026 Budget Revised	2024 Prov Jan-July	2024 Prog Jan-July	2025 Prov Jan-July	2025 Prog Jan-July	2026 Prov Jan-Jul	2026 Prog Jan-Jul	Deviation	Y-O-Y Growth (2025)	Y-O-Y Growth (2026)
II. EXPENDITURE	332.3									
Total Expenditure (Commitment)	302.5	123.7	117.4	127.3	152.6	147.1	175.9	-16.4	3.0	15.5
(percent of GDP)	18.9	10.5	10.0	9.1	10.9	9.2	11.0			
Compensation of Employees	90.8	37.8	35.2	44.9	44.7	50.6	52.9	-4.5	18.8	12.6
(percent of GDP)	5.7	3.2	3.0	3.2	3.2	3.2	3.3			
Wages & Salaries	81.4	33.9	31.9	40.4	39.8	45.4	47.5	-4.5		
(percent of GDP)	5.1	2.9	2.7	2.9	2.8	2.8	3.0			
Social Contributions	9.3	3.9	3.3	4.5	4.9	5.2	5.4	-4.6		
Use of Goods and Services	13.2	5.4	4.7	3.4	3.8	5.5	7.9	-30.6	-37.6	63.4
(percent of GDP)	0.8	0.5	0.4	0.2	0.3	0.3	0.5			
Interest Payment	57.7	21.0	25.2	28.7	36.0	25.2	34.1	-26.2	36.7	-12.3
(percent of GDP)	3.6	1.8	2.1	2.0	2.6	1.6	2.1			
Domestic	50.1	20.3	20.7	23.0	28.9	22.0	27.7	-20.4		
External	7.6	0.7	4.5	5.7	7.1	3.2	6.4	-51.1		
Subsidies	0.0	0.1	0.2	0.0	0.0	0.0	0.0	0.0	-79.1	0.0
(percent of GDP)	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
Grants to Other Government Units	63.6	24.2	20.7	31.1	29.8	30.6	35.9	-14.7	28.5	-1.6
(percent of GDP)	4.0	2.1	1.8	2.2	2.1	1.9	2.2			
Social Benefits	3.5	0.4	0.5	1.7	1.9	1.7	2.1	-16.9	358.7	1.1
(percent of GDP)	0.2	0.0	0.0	0.1	0.1	0.1	0.1			
Other Expenditure	21.2	15.4	10.7	8.1	13.9	9.3	10.7	-13.4	-47.3	14.5
(percent of GDP)	1.3	1.3	0.9	0.6	1.0	0.6	0.7			
o/w Energy Sector Payment Shortfalls	15.2	12.7	4.8			8.9	10.1	-12.4		
Capital Expenditure	52.5	19.4	20.3	9.4	22.4	24.2	32.3	-25.0	-51.5	157.9
(percent of GDP)	3.3	1.6	1.7	0.7	1.6	1.5	2.0			
Domestic Financed	43.5	10.4	11.2	6.2	12.6	21.6	27.5	-21.4		
Foreign Financed	9.0	9.0	9.1	3.2	9.8	2.6	4.8	-45.3		

Source: Ministry of Finance

Table A.4: Public Debt Analysis as of July 2026 (GH¢' million)

	2025	2025	2026	2026	2026	2026	2026	2026	2026	Jul. 2026-Dec 2025
	JULY	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	CHANGE
TOTAL DOMESTIC DEBT (GH¢m)	323,746.1	333,755.8	340,977.8	360,447.4	365,839.7	369,150.5	379,110.9	391,115.6	396,691.0	62,935.1
SHORT TERM	125,861.1	127,026.5	133,850.5	145,351.2	145,616.7	146,018.5	148,030.7	160,458.6	165,009.9	37,983.3
MEDIUM-TERM	126,878.8	135,809.3	136,201.1	141,377.4	142,493.2	145,428.5	153,359.4	153,058.5	153,213.7	17,404.4
LONG-TERM	70,477.3	70,469.3	70,469.3	73,343.2	77,343.2	77,343.2	77,343.2	77,233.1	78,150.6	7,681.3
STANDARD LOANS	528.9	450.7	457.0	375.7	386.7	360.3	377.6	365.4	316.9	(133.9)
HOLDINGS OF DOMESTIC DEBT (GH¢m)	323,217.2	333,305.1	340,520.9	360,071.7	365,453.0	368,790.2	378,733.3	390,750.2	396,374.1	63,069.0
BANKING SYSTEM	151,401.0	142,101.6	148,720.4	160,600.9	171,203.1	174,718.4	175,239.0	185,634.2	190,053.1	47,951.5
NON-BANK	159,721.9	177,754.5	176,637.7	183,804.6	178,905.3	178,732.6	189,078.5	188,919.5	189,923.1	12,168.6
FOREIGN SECTOR (Non-Resident)	12,094.3	13,449.0	15,162.8	15,666.1	15,344.7	15,339.3	14,415.8	16,196.5	16,397.9	2,948.9
STANDARD LOANS	528.9	450.7	457.0	375.7	386.7	360.3	377.6	365.4	316.9	(133.9)
TOTAL EXTERNAL (US\$m)	29,035.4	29,397.4	29,476.9	29,386.4	29,154.7	29,219.6	29,154.3	28,934.3	28,849.2	(548.1)
MULTILATERAL	11,853.3	12,441.4	12,503.4	12,432.3	12,265.8	12,269.6	12,212.5	12,120.7	12,531.3	89.9
BILATERAL	5,589.1	5,870.1	5,887.7	5,868.4	5,803.0	5,864.2	5,856.0	5,775.1	5,804.5	(65.6)
COMMERCIAL	11,592.9	11,085.8	11,085.8	11,085.8	11,085.8	11,085.8	11,085.8	11,038.6	10,513.4	(572.4)
TOTAL EXTERNAL (GH¢m)	305,025.2	307,355.3	322,772.1	314,038.3	320,643.2	326,967.9	341,980.5	328,404.5	337,247.5	29,892.3
TOTAL PUBLIC DEBT (GH¢m)	628,771.3	641,111.1	663,749.9	674,485.7	686,483.0	696,118.3	721,091.4	719,520.1	733,938.5	92,827.4
EXCHANGE RATE (End Period Selling MOF)	10.5053	10.4552	10.9500	10.6865	10.9980	11.1900	11.7300	11.3500	11.0900	
MEMORANDUM ITEMS										
NOMINAL GDP (GH¢m)	1,400,006.1	1,434,114.7	1,597,456.6	1,597,456.6	1,597,456.6	1,597,456.6	1,597,456.6	1,597,456.6	1,597,456.6	
TOTAL DEBT /GDP RATIO (%)	44.91	44.70	41.55	42.22	42.97	43.58	45.14	45.04	45.94	
EXTERNAL DEBT/GDP	21.8	21.4	20.2	19.7	20.1	20.5	21.4	20.6	21.1	
DOMESTIC DEBT/GDP	23.1	23.3	21.3	22.6	22.9	23.1	23.7	24.5	24.8	
EXTERNAL DEBT/TOTAL DEBT	48.5	47.9	48.6	46.6	46.7	47.0	47.4	45.6	46.0	
DOMESTIC DEBT/TOTAL DEBT	51.5	52.1	51.4	53.4	53.3	53.0	52.6	54.4	54.0	

Source: Ministry of Finance

Table A.5: Key Monetary and Financial Indicators

Key Monetary and Financial Indicators						
Variable	Dec-24	Aug-25	Dec-25	Jun-26	Jul-26	Aug-26
Broad Money (M2+)	31.9	16.6	16.5	28.5	21.7	20.4
Broad Money (M2)	33.6	28.2	26.9	27.7	20.5	23.4
Narrow Money (M1)	38.2	27.5	25.7	29.1	19.1	22.4
Reserve Money	47.8	4.5	12.5	31.7	27.9	29.7
Currency Outside Banks	70.5	16.0	15.2	20.0	21.3	24.1
Foreign Currency Deposits	26.9	-15.0	-14.8	32.2	27.5	8.3
DMBs Credit	24.1	10.0	16.2	39.4	42.0	34.6
of which priv. sector	26.3	13.3	19.2	41.2	43.9	35.5
Real Priv. sect credit	2.0	1.7	13.1	34.1	37.6	29.0
ii. Inflation, interest rates and other financial indicators						
Variable	Dec-24	Aug-25	Dec-25	Jun-26	Jul-26	Aug-26
Inflation (y-on-y)						
Overall	23.8	11.5	5.4	5.3	4.6	5.0
Food	27.8	14.8	4.9	3.9	3.1	3.0
Non food	20.3	8.7	5.8	6.3	6.1	6.8
MPR	27.0	25.0	18.0	14.0	14.0	14.0
Interbank rate	27.0	23.3	16.3	10.2	10.2	10.2
Treasury bill rate (91-days)	27.7	10.3	11.1	5.3	5.8	5.4
DMBs avg deposit rate (3-mnth)	10.5	10.5	10.5	10.5	9.7	8.7
DMBs avg lending rate	30.3	24.2	20.5	15.6	15.8	15.9
Exchange rate (\$/GHc)	14.7	11.4	10.5	11.4	11.7	11.3
Depreciation (monthly)	-3.9	7.9	-7.8	-3.3	2.9	-3.9
Depreciation (Y-o-Y)	19.2	-33.2	-40.7	9.2	10.2	-1.3
GSE Composite Index (Level)	4888.5	7330.4	8770.3	14724.3	15434.9	15076.3
GSE Financial Index (Level)	2380.8	3412.0	4647.2	8269.4	8238.1	7904.6

Source: Bank of Ghana

Table A.6: Sources of Growth in Total Liquidity (GHc Millions, unless otherwise stated)

	Dec-23	Aug-24	Dec-24	Aug-25	Dec-25	Jul-26	Aug-26
Net Foreign Assets	21,710.89	53,694.05	87,417.32	79,695.02	118,047.00	111,257.63	104,348.91
Bank of Ghana	4,021.06	27,734.59	47,647.12	57,250.04	96,091.53	79,808.38	73,739.41
Commercial Banks	17,689.83	25,959.46	39,770.20	22,444.98	21,955.47	31,449.25	30,609.50
Net Domestic Assets	228,308.31	240,594.18	244,764.84	263,353.98	266,245.41	298,686.29	308,691.79
ow: Claims on government (net)	115,681.46	131,576.91	113,291.69	122,778.13	131,538.35	130,609.08	154,939.61
ow: Claims on Private sector(Incl. PE's)	86,096.51	96,451.37	105,748.36	105,834.25	122,607.55	139,118.51	140,978.68
BOG OMO Sterilisation Acc.	(24,795.37)	(26,026.81)	(18,142.88)	(81,280.12)	(76,195.09)	(51,759.16)	(50,419.03)
Total Liquidity (M2+)	250,019.20	294,288.23	329,739.01	343,049.00	384,293.31	409,943.91	413,040.71
ow: Broad Money Supply (M2)	185,425.80	214,821.11	247,762.17	275,478.06	314,416.39	333,591.04	339,882.42
ow: Foreign Currency Deposits(\$million)	64,593.40	79,467.11	81,976.84	67,570.94	69,876.92	76,352.87	73,158.29
Change from previous year (in per cent)							
Net Foreign Assets	(310.35)	(1,745.76)	302.64	48.42	35.04	64.52	30.94
Net Domestic Assets	19.79	10.44	7.21	9.46	8.78	10.96	17.22
ow: Claims on government (net)	(9.28)	(8.89)	(2.07)	(6.69)	16.11	9.14	26.19
ow: Claims on Private sector(Incl. PE's)	1.20	9.92	22.83	9.73	15.94	39.19	33.21
ow: BOG OMO Sterilisation Acc.	(220.96)	25.06	26.83	(212.29)	(319.97)	31.60	37.97
Total Liquidity (M2+)	38.69	37.14	31.89	16.57	16.54	21.71	20.40
Broad Money Supply (M2)	37.21	38.62	33.62	28.24	26.90	20.46	23.38
Foreign Currency Deposits (FCDs)	43.15	33.27	26.91	(14.97)	(14.76)	27.49	8.27
Cummulative change from previous year end (in per cent)							
Net Foreign Assets	(310.35)	(620.23)	(946.97)	(872.15)	35.04	(5.75)	(11.60)
Net Domestic Assets	19.79	26.24	28.43	38.18	8.78	12.18	15.94
o/w: Claims on government (net)	(9.28)	3.19	(11.15)	(3.72)	16.11	(0.71)	17.79
Broad Money(M2+)	38.69	63.25	82.92	90.30	16.54	6.67	7.48
Annual per cent contribution to money growth							
Net Foreign Assets	17.77	26.54	26.28	8.84	9.29	12.95	7.19
NDA	20.92	10.60	6.58	7.73	6.51	8.76	13.22
Total Liquidity (M2+)	38.69	37.14	32.86	16.57	15.80	21.71	20.40
Memorandum items							
Reserve Money	87,987.66	116,795.08	130,481.72	122,002.22	146,826.74	158,069.38	158,213.61
NFA (\$million)	1,827.52	3,534.85	5,946.76	6,990.79	11,032.43	9,517.33	9,275.46
Currency ratio	0.18	0.20	0.24	0.20	0.24	0.20	0.21
FCD/M2+	0.26	0.27	0.25	0.20	0.18	0.19	0.18
FCD/Total Deposit	0.30	0.32	0.31	0.24	0.23	0.22	0.21
RM multiplier	2.11	1.84	1.90	2.26	2.14	2.11	2.15

Source: Bank of Ghana Staff Calculations

Table A.7: Sources of Growth in Reserve Money (GH¢ Millions, unless otherwise stated)

	Dec-23	Aug-24	Dec-24	Aug-25	Dec-25	Jul-26	Aug-26
1 Net Foreign Assets (NFA)	4,021.06	27,734.59	47,647.12	57,250.04	78,205.34	79,808.38	73,739.41
2 Net Domestic Assets (NDA)	84,278.36	89,060.49	82,834.60	64,752.19	68,621.40	78,261.01	84,474.20
of which:							
3 ow: Claims on government (net)	54,356.08	64,947.63	56,031.54	58,101.76	68,380.17	37,285.37	45,893.06
4 Claims on DMB's (net)	(9,878.36)	(18,523.26)	(21,783.32)	(20,607.98)	(31,759.07)	(21,202.48)	(22,625.53)
5 OMO Sterilisation Account.	(24,795.37)	(26,026.81)	(18,142.88)	(81,280.12)	(76,195.09)	(51,759.16)	(50,419.03)
6 Reserve Money (RM)	88,299.42	116,795.08	130,481.72	122,002.22	146,826.74	158,069.38	158,213.61
7 ow: Currency	37,620.70	48,951.94	64,127.67	56,777.34	73,898.01	67,519.51	70,448.74
8 DMB's reserves	38,050.20	60,668.61	58,769.12	57,206.79	63,542.04	80,614.02	77,719.24
9 Non-Bank deposits	12,628.52	7,174.52	7,584.93	8,018.09	9,386.69	9,935.85	10,045.62
Change from previous year (in per cent)							
10 Net Foreign Assets	(122.99)	(264.02)	1,084.94	106.42	64.13	63.36	28.80
11 Net Domestic Assets	(1.53)	11.83	(1.71)	(27.29)	(17.16)	4.78	30.46
12 ow: Claims on government (net)	(31.08)	(25.90)	3.08	(10.54)	22.04	(25.03)	(21.01)
13 Claims on DMB's (net)	(143.47)	(103.88)	(120.52)	(11.25)	(45.80)	(23.40)	(9.79)
14 OMO Sterilisation Account.	(220.96)	25.06	26.83	(212.29)	(319.97)	31.60	37.97
15 Reserve Money (RM)	29.65	32.27	47.77	(6.50)	12.53	7.67	7.76
16 ow: Currency	19.73	30.12	70.46	(11.46)	15.24	(8.63)	(4.67)
Cumulative change from previous year end (in per cent)							
17 Net Foreign Assets (NFA)	(122.99)	589.73	1,084.94	20.15	64.13	(16.95)	(23.26)
18 Net Domestic Assets (NDA)	(1.53)	5.67	(1.71)	(21.83)	(17.16)	54.29	66.54
19 o/w: Claims on government (net)	(31.08)	19.49	3.08	3.69	22.04	(44.57)	(31.77)
20 Reserve Money (RM)	29.65	32.27	47.77	(6.50)	12.53	7.67	7.76
Annual per cent contribution							
21 Net Foreign Assets	31.58	71.17	49.41	25.27	23.42	25.05	13.52
22 Net Domestic Assets (NDA)	(1.93)	15.02	(1.64)	(20.81)	(10.89)	2.89	16.17
23 RM growth (y-o-y)	29.65	86.18	47.77	4.46	12.53	27.94	29.68

Source: Bank of Ghana Staff Calculations

Table A.8: DMB's Credit Allocations (GH¢ Millions, unless otherwise stated)

		Levels (GH¢ Millions)			As at end-Aug. 24		Year -On-Year Variation			
		Aug-24	Aug-25	Aug-26	Abs	Percent	As at end-Aug. 25		As at end-Aug. 26	
							Abs	Percent	Abs	Percent
a	Public Sector	6,359.32	4,309.31	5,000.86	(71.23)	(1.11)	(2,050.01)	(32.24)	691.55	16.05
b	Private Sector	80,318.06	91,028.58	123,296.93	14,319.18	21.70	10,710.52	13.34	32,268.35	35.45
	Agric., For. & Fish.	3,111.52	4,080.46	3,987.15	843.34	37.18	968.93	31.14	(93.31)	(2.29)
	Export Trade	476.23	529.74	281.86	78.40	19.71	53.51	11.24	(247.88)	(46.79)
	Manufacturing	9,256.86	11,714.69	12,418.76	1,559.76	20.26	2,457.83	26.55	704.07	6.01
	Trans., Stor., & Comm.	4,469.65	3,302.93	2,942.99	629.04	16.38	(1,166.72)	(26.10)	(359.94)	(10.90)
	Mining & Quarrying	2,800.43	3,052.68	8,029.12	287.32	11.43	252.25	9.01	4,976.44	163.02
	Import Trade	6,729.29	6,672.19	10,045.96	1,730.17	34.61	(57.10)	(0.85)	3,373.77	50.56
	Construction	7,437.02	7,686.16	13,998.06	1,044.23	16.33	249.14	3.35	6,311.90	82.12
	Commerce &									
	Finance	12,863.79	15,412.24	18,303.33	3,670.16	39.92	2,548.45	19.81	2,891.08	18.76
	Elect., Gas & Water	2,487.52	2,367.71	2,545.91	(9.08)	(0.36)	(119.82)	(4.82)	178.20	7.53
	Services	26,041.47	33,350.61	46,969.39	4,361.58	20.12	7,309.14	28.07	13,618.78	40.84
	Miscellaneous	4,644.26	2,859.17	3,774.39	124.26	2.75	(1,785.10)	(38.44)	915.22	32.01
c	Grand Total	86,677.38	95,337.89	128,297.79	14,247.95	19.67	8,660.51	9.99	32,959.90	34.57

Source: Bank of Ghana Staff Calculations

Table A.9: Performance of the GSE-CI by Sectors

MONTH	F&B	MAN	FINANCE	DISTR	MINING	SECTOR		OIL	ETFund	EDUC	AD.& PROD.	GSE-CI	
Aug-25	2851.76	1873.64	3411.96	10442.50	229.82	IT	151.09	6870.00	40.93	10738.69	90.92	100.00	7330.37
Dec-25	3581.91	1820.55	4647.17	13214.55	229.88	IT	164.01	11164.00	41.28	12993.63	90.92	100.00	8770.25
Jul-26	16149.00	3092.31	8238.07	17680.75	264.90	IT	279.22	15998.00	61.66	12516.98	90.92	100.00	15434.87
Aug-26	15169.24	4127.22	7904.58	17621.81	259.20	IT	272.70	15334.00	63.00	12516.98	100.01	100.00	15076.25
Mon. Chg													
ABS	-979.77	1034.91	-333.49	-58.94	-5.70		-6.51	-664.00	1.34	0.00	9.09	0.00	-358.61
(%)	-6.07	33.47	-4.05	-0.33	-2.15		-2.33	-4.15	2.17	0.00	10.00	0.00	-2.32
Ytd													
ABS	11587.32	2306.67	3257.41	4407.25	29.32		108.69	4170.00	21.72	-476.65	9.09	0.00	6306.00
(%)	323.50	126.70	70.09	33.35	12.76		66.27	37.35	52.61	-3.67	10.00	0.00	71.90
Yoy													
ABS	12317.48	2253.58	4492.62	7179.30	29.38		121.61	8464.00	22.07	1778.29	9.09	0.00	7745.89

Source: Bank of Ghana Staff Calculations

Table A.10: Market Capitalisation by Sectors

SECTOR (GH¢' mill)													
MONTH	F&B	MAN	FINANCE	DISTR	MINING	IT	AGRIC	OIL	ETFund	EDUC	AD. & PROD.	MKT. CAP.	
Aug-25	2449.36	1345.55	42998.96	4486.95	27092.63	51227.74	1195.38	17432.56	1348.78	9.61	10.70	149598.17	
Dec-25	3076.48	1307.43	58097.09	5678.04	27098.90	55607.58	1942.54	17582.27	1632.00	9.61	10.70	172042.59	
Jul-26	13870.26	2220.74	112288.93	7597.09	31227.89	94667.80	2783.65	26261.95	1572.13	10.57	10.70	292511.66	
Aug-26	13028.75	2963.96	107880.66	7571.76	30555.54	92459.47	2668.12	26831.55	1572.13	11.53	33.29	285576.70	
Mon. Chg													
ABS	-841.51	743.22	-4408.27	-25.33	-672.35	-2208.33	-115.54	569.60	0.00	0.96	22.59	-6934.96	
(%)	-6.07	33.47	-3.93	-0.33	-2.15	-2.33	-4.15	2.17	0.00	9.09	211.11	-2.37	
Ytd													
ABS	9952.27	1656.53	49783.57	1893.71	3456.64	36851.89	725.58	9249.28	-59.87	1.92	22.59	113534.11	
(%)	323.50	126.70	85.69	33.35	12.76	66.27	37.35	52.61	-3.67	20.00	211.11	65.99	
Yoy													
ABS	10579.39	1618.40	64881.70	3084.81	3462.91	41231.73	1472.74	9398.99	223.35	1.92	22.59	135978.52	
(%)	431.93	120.28	150.89	68.75	12.78	80.49	123.20	53.92	16.56	20.00	211.11	90.90	

Source: Bank of Ghana Staff Calculations

Table A.11: Asset and Liability Structure of the Banking Sector

	Aug-23	Aug-24	Aug-25	Jun-26	Aug-26
Components of Assets (% of Total)					
Cash and Due from Banks	25.9	35.6	28.0	32.6	31.1
Investments	39.7	34.4	43.9	38.1	38.1
Net Advances	25.3	20.8	19.1	21.7	22.7
Others	9.2	9.3	8.9	7.6	8.1
Components of Liabilities and Shareholders' Funds (% of Total)					
Total Deposits	77.6	75.1	72.3	73.8	72.4
Total Borrowings	5.7	7.6	9.6	8.2	8.9
Shareholders' Funds	9.8	9.8	12.1	12.4	12.6
Other Liabilities	6.8	7.3	5.7	5.5	5.9

Source: Bank of Ghana Staff Calculations

Table A.12: Credit Growth

Economic Sector	Ghc'million				y/y growth (%)	
	Aug-24	Aug-25	Jun-26	Aug-26	Aug-25	Aug-26
Public Sector	6,359.32	4,309.31	4,660.27	5,000.84	-32.2	16.0
Private Sector	80,318.06	91,028.58	119,094.81	124,173.78	13.3	36.4
- Private Enterprises	58,327.82	63,855.25	83,279.85	85,578.57	9.5	34.0
o/w Foreign	4,008.61	3,914.44	5,316.52	4,833.22	-2.3	23.5
Indigeneous	54,319.21	59,940.81	77,963.33	80,745.35	10.3	34.7
- Households	20,189.70	23,567.94	32,878.32	35,901.06	16.7	52.3
Gross Loans	86,677.38	95,337.89	124,301.38	129,174.62	10.0	35.5

Source: Bank of Ghana Staff Calculations

Table A.13: Contingent Liabilities

	Aug-24	Aug-25	Jun-26	Aug-26
Contingent Liabilities (GHc'million)	27,114.8	18,542.6	22,070.2	21,454.1
Growth (y-o-y)	50.2	(31.6)	31.3	15.7
% of Total Liabilities	8.9	5.1	5.0	4.9

Source: Bank of Ghana Staff Calculations

Table A.14: Distribution of Loans and NPLs by Economic Sector (%)

	Aug-24		Aug-25		Jun-26		Aug-26	
	Share in Total Credit	Share in NPLs	Share in Total Credit	Share in NPLs	Share in Total Credit	Share in NPLs	Share in Total Credit	Share in NPLs
a. Public Sector	7.3	4.0	4.5	2.6	3.8	2.0	3.9	2.0
i. Government	2.2	1.1	1.1	1.0	0.6	0.9	0.5	0.9
ii. Public Institutions	1.6	0.0	0.9	0.5	0.8	0.0	1.1	0.0
iii. Public Enterprises	3.5	3.0	2.5	1.2	2.4	1.1	2.3	1.1
b. Private Sector	92.7	96.0	95.5	97.4	96.2	98.0	96.1	98.0
i. Private Enterprises	67.3	83.6	67.0	84.4	67.3	85.9	66.3	86.2
o/w Foreign	4.6	2.2	4.1	1.9	4.3	2.1	3.7	2.4
Indigeneous	62.7	81.4	62.9	82.5	63.0	83.7	62.5	83.8
ii. Households	23.3	11.5	24.7	12.0	26.6	11.6	27.8	11.4
iii. Others	2.1	0.9	3.8	1.0	2.4	0.5	2.1	0.5

Source: Bank of Ghana Staff Calculations

Table A.15: Liquidity Ratios

	Aug-24	Aug-25	Jun-26	Aug-26
Liquid Assets (Core) - (GHc'million)	120,794.36	116,462.20	163,652.85	155,776.93
Liquid Assets (Broad) -(GHc'million)	237,149.92	298,343.07	354,375.00	345,625.86
Liquid Assets to total deposits (Core)-%	47.4	38.8	44.1	43.0
Liquid Assets to total deposits (Broad)- %	93.1	99.4	95.6	95.4
Liquid assets to total assets (Core)- %	35.6	28.0	32.6	31.1
Liquid assets to total assets (Broad)- %	69.9	71.9	70.5	69.1

Source: Bank of Ghana Staff Calculations

Table A.16: Profitability Indicators (%)

	Aug-24	Aug-25	Jun-26	Aug-26
Gross Yield	12.2	11.6	6.1	8.1
Interest Payable	3.9	3.8	1.7	2.2
Spread	8.3	7.9	4.4	5.9
Asset Utilisation	9.1	9.2	5.4	7.3
Interest Margin to Total Assets	4.6	4.6	2.7	3.7
Interest Margin to Gross income	50.8	50.2	50.4	50.6
Profitability Ratio	21.5	25.4	25.9	25.3
Return On Equity (%) after tax	31.4	32.2	22.9	22.2
Return On Assets (%) before tax	4.9	5.6	4.4	4.3

Source: Bank of Ghana Staff Calculations

Table A.17: DMBs' Income Statement Highlights

	Aug-24	Aug-25	Jun-26	Aug-26	Aug-25	Jun-26	Aug-26
	(GH c'million)				Y-o-y Growth (%)		
Interest Income	24,126.8	29,310.0	19,423.1	25,806.1	21.5	(10.3)	(12.0)
Interest Expenses	(8,368.5)	(10,117.6)	(5,679.2)	(7,421.4)	20.9	(23.9)	(26.6)
Net Interest Income	15,758.3	19,192.3	13,743.9	18,384.7	21.8	(3.1)	(4.2)
Fees and Commissions (Net)	3,666.8	4,146.6	3,649.7	4,888.2	13.1	18.2	17.9
Other Income	3,252.3	4,792.1	4,193.3	5,628.4	47.3	17.1	17.5
Operating Income	22,677.4	28,131.0	21,587.0	28,901.3	24.0	3.5	2.7
Operating Expenses	(10,429.5)	(12,459.4)	(9,764.2)	(13,251.7)	19.5	6.0	6.4
Staff Cost (deduct)	(5,202.4)	(6,457.6)	(5,514.5)	(7,599.9)	24.1	16.6	17.7
Other operating Expenses	(5,227.0)	(6,001.8)	(4,249.7)	(5,651.9)	14.8	(5.2)	(5.8)
Net Operating Income	12,247.9	15,671.6	11,822.8	15,649.6	28.0	1.6	(0.1)
Total Provision (Loan losses, Depreciation & others)	(1,953.6)	(1,055.7)	(1,232.7)	(1,861.2)	(46.0)	38.0	76.3
Income Before Tax	10,294.3	14,615.9	10,590.0	13,788.3	42.0	(1.5)	(5.7)
Tax	(3,632.3)	(4,885.3)	(3,532.0)	(4,616.2)	34.5	(1.7)	(5.5)
Net Income	6,662.0	9,730.6	7,058.1	9,172.2	46.1	(1.3)	(5.7)
Gross Income	31,045.9	38,248.7	27,266.2	36,322.8	23.2	(3.7)	(5.0)

Source: Bank of Ghana Staff Calculations

Table A.18: Developments in Offshore Balances

	Aug-24	Aug-25	Jun-26	Aug-26
Offshore balances as % to Networth	87.6	49.7	56.9	51.2
Annual Growth in Offshore balances (%)	88.6	-14.5	80.0	28.8
Annual Growth in Nostro Balances (%)	99.6	-11.2	58.2	-3.6
Annual Growth in Placement (%)	81.5	-17.0	96.9	55.0

Source: Bank of Ghana Staff Calculations