

2024 ECONOMIC AND MARKET REVIEW AND OUTLOOK FOR 2025





Real GDP grew to **7.2%** in Q3 2024 compared to **2.2%** in Q3 2023



The Ghana Cedi depreciated by **19.18%** in 2024 compared to **27.80%** in 2023



Inflation printed at **23.8%** in Dec. 2024 compared to **23.2%** in Dec. 2023



The GSE returned **+56.17%** in 2024 compared to **+28.08%** in 2023



MPR declined to **27.00%** in Dec. 2024 from **30.00%** recorded in Dec. 2023



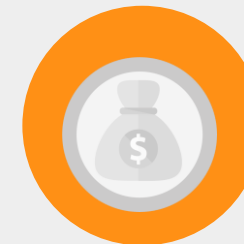
Total public debt increased to GHS **736.9** billion as at Nov. 2024 from GHS **608.6** billion at the end of 2023



Debt to GDP decreased to **72.2%** as at Nov. 2024 compared to **72.3%** at the end of 2023



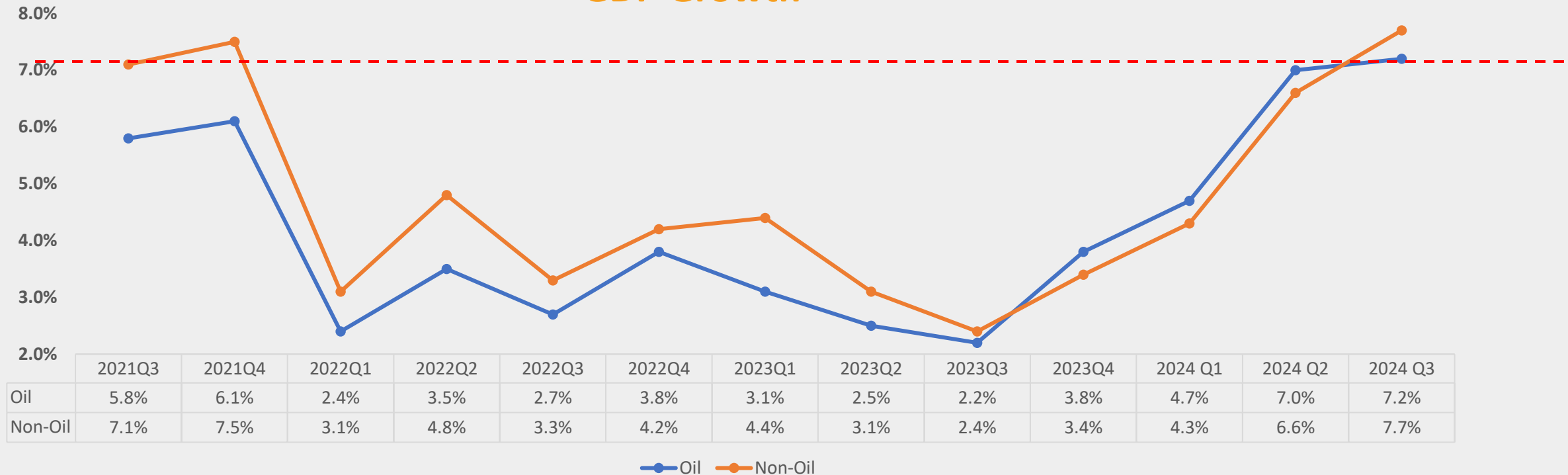
Reserves increased to **\$8.98billion** as at end of 2024 from **\$5.92bn** in Dec. 2023



Ghana's Current and Historic Economic Situation - Macroeconomic Indicators

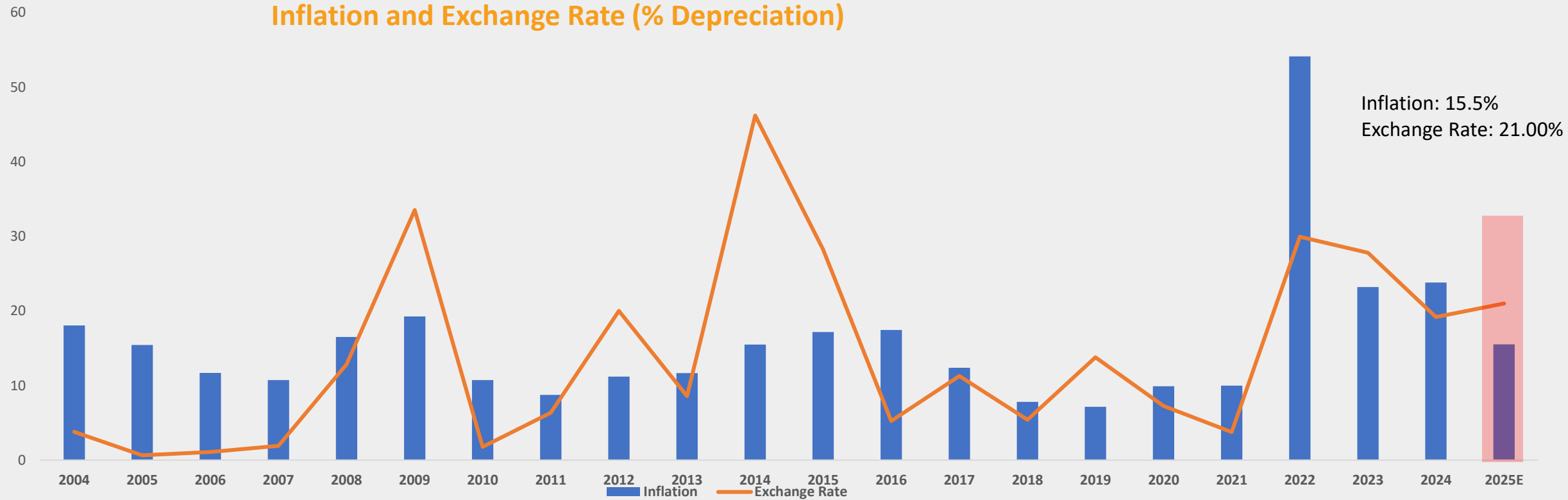
5

GDP Growth



In Q3 2024, Ghana's year-over-year (y/y) GDP growth rate improved, reaching 7.2%, compared to 7.0% in Q2 2024 and significantly surpassing the 2.2% growth recorded in Q3 2023. This growth has exceeded the levels recorded before the debt restructuring.

Ghana's Current and Historic Economic Situation - Macroeconomic Indicators



Source: Bank of Ghana and World Bank

* Geometric Returns calculated for FX depreciation

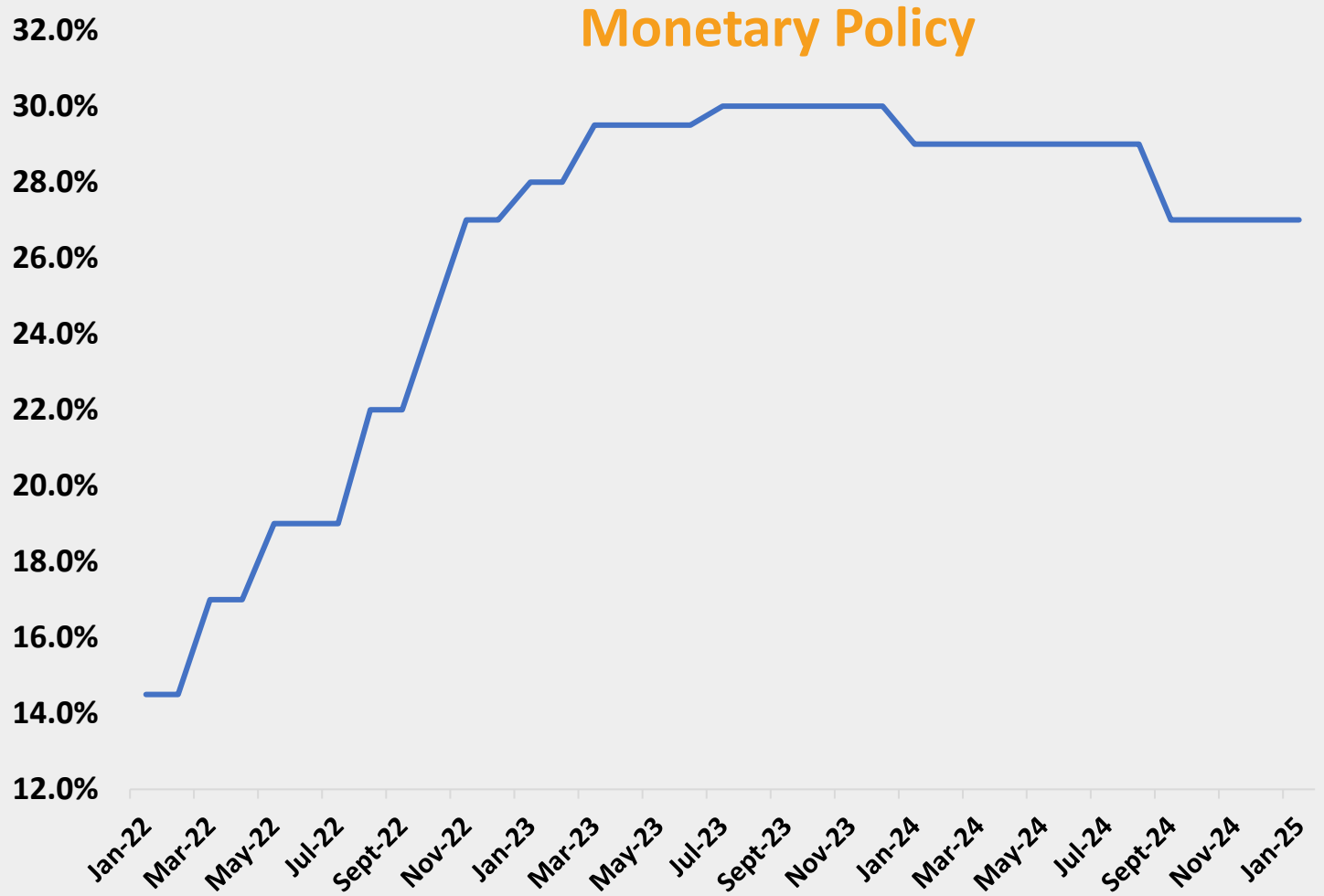
2025 Inflation Projections

BoG	8.0% ±2
IMF	11.5%
Fitch	16.2%
AfDB	11.1%

Tesah Projections

Inflation	15.5% ±1
Depreciation	21.00% ±1

Ghana's Current and Historic Economic Situation - Macroeconomic Indicators



Source: Bank of Ghana

- The Monetary Policy Rate (MPR) decreased by 300 basis points, dropping from 30.00% in December 2023 to 27.00% in December 2024.
- The MPR peaked at 30.00% in December 2023 and has since been revised downwards in two subsequent reviews.
- Given the more stable inflation and a relatively stable currency, we expect the MPC to maintain the policy rate during the next review in Q1 of 2025.

- Total Outstanding Debt as at November 2024 was GHS 736.9 billion (USD 47.9 billion).
- The depreciation of the cedi has further worsened the debt situation as value of external loans will increase even when no new debts have been added.

GHS

DOMESTIC

GHS 311.7 billion

FOREIGN

GHS 425.3 billion

USD

DOMESTIC

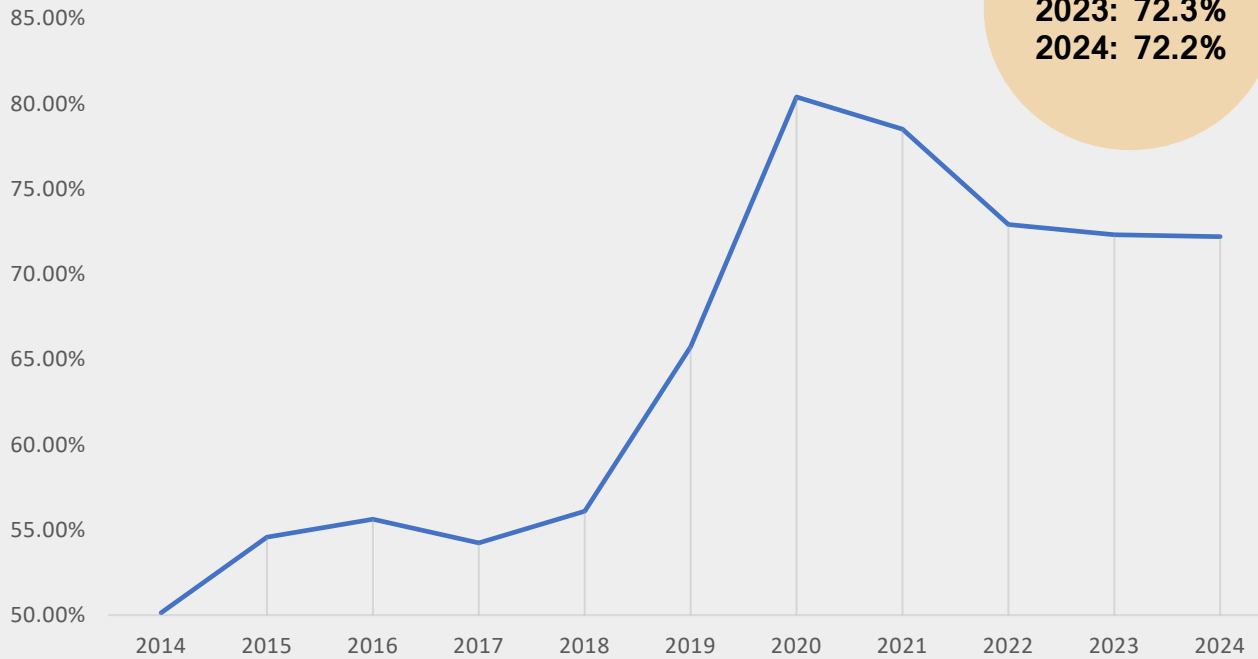
USD 20.3 billion

FOREIGN

USD 27.6 billion

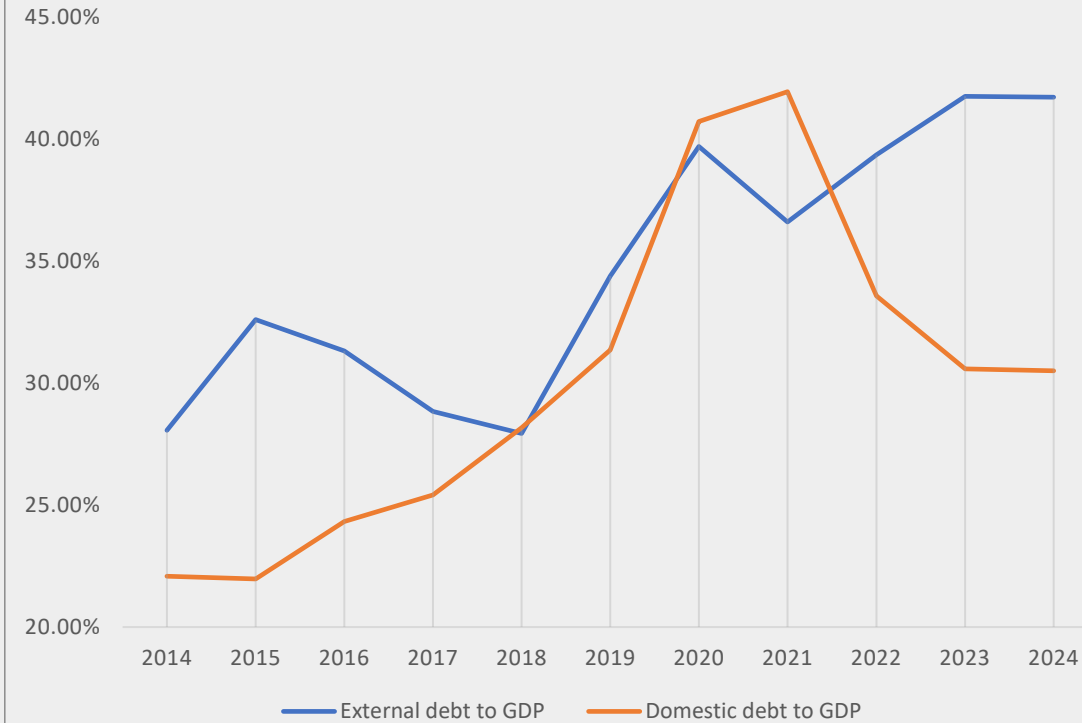
Public Debt to GDP

Total Public Debt to GDP



** as at Nov. 2024

Comparative Debt to GDP



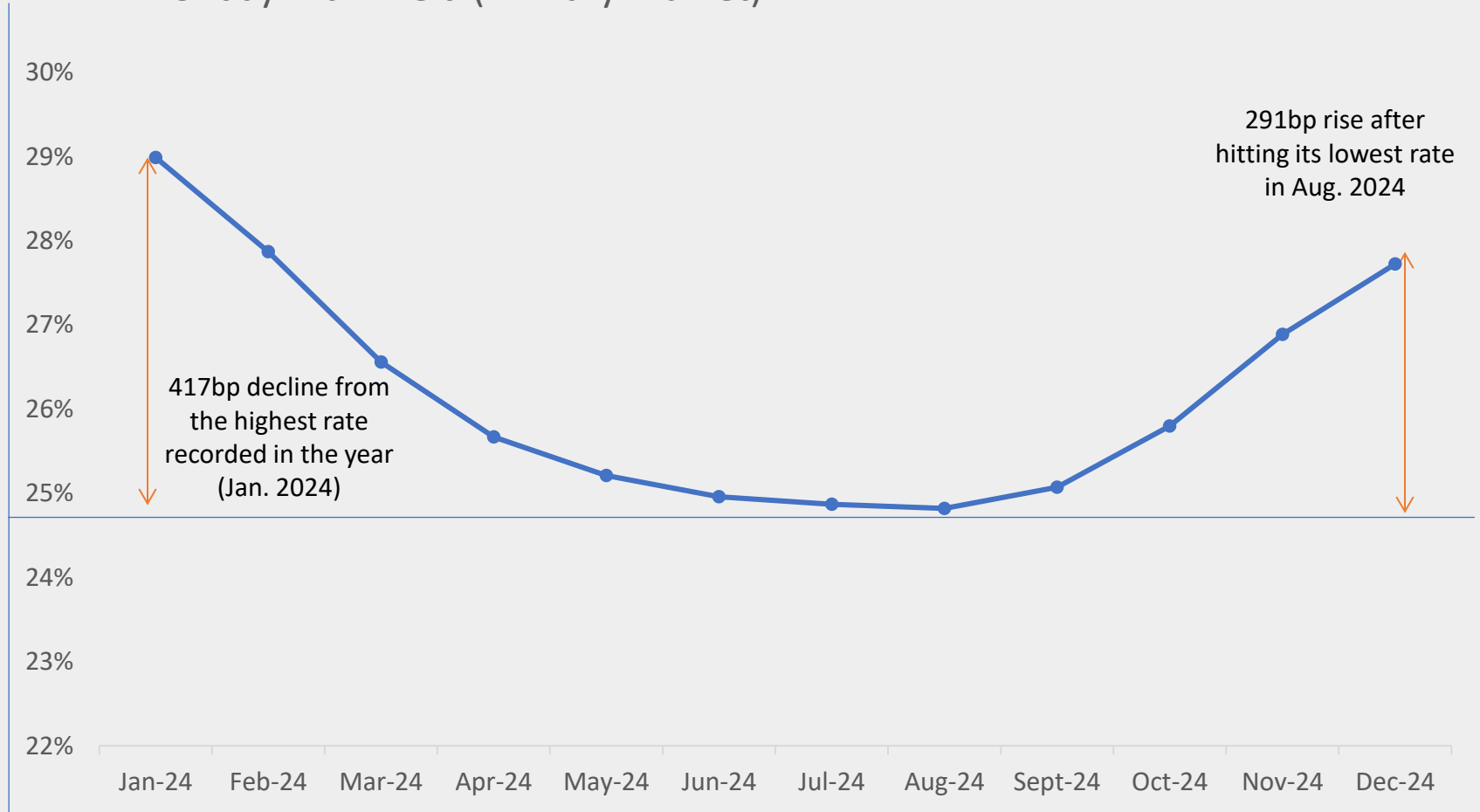
- Ghana's Public Debt-to-GDP increased by 10 percentage points from the beginning of 2024 (Jan. 2024 : 62.1%) to November 2024.
- Domestic Debt as at Nov. 2024 was 30.50% of GDP
- External Debt as at Nov. 2024 was 72.2% of GDP

Source: Bank of Ghana

Fixed Income Market (Primary)

- The Average 91day treasury bill was 28.99% in Jan. 2024. It dropped gradually to 24.82% in August 2024.
- After that, the rates have increased by 291bp to close 2024 at 27.73%
- The heightened risk associated with the general elections, combined with the government's strong appetite for treasury bills, led investors to demand higher rates.

91day T-bill Yield (Primary Market)



Fixed Income Market (Primary)

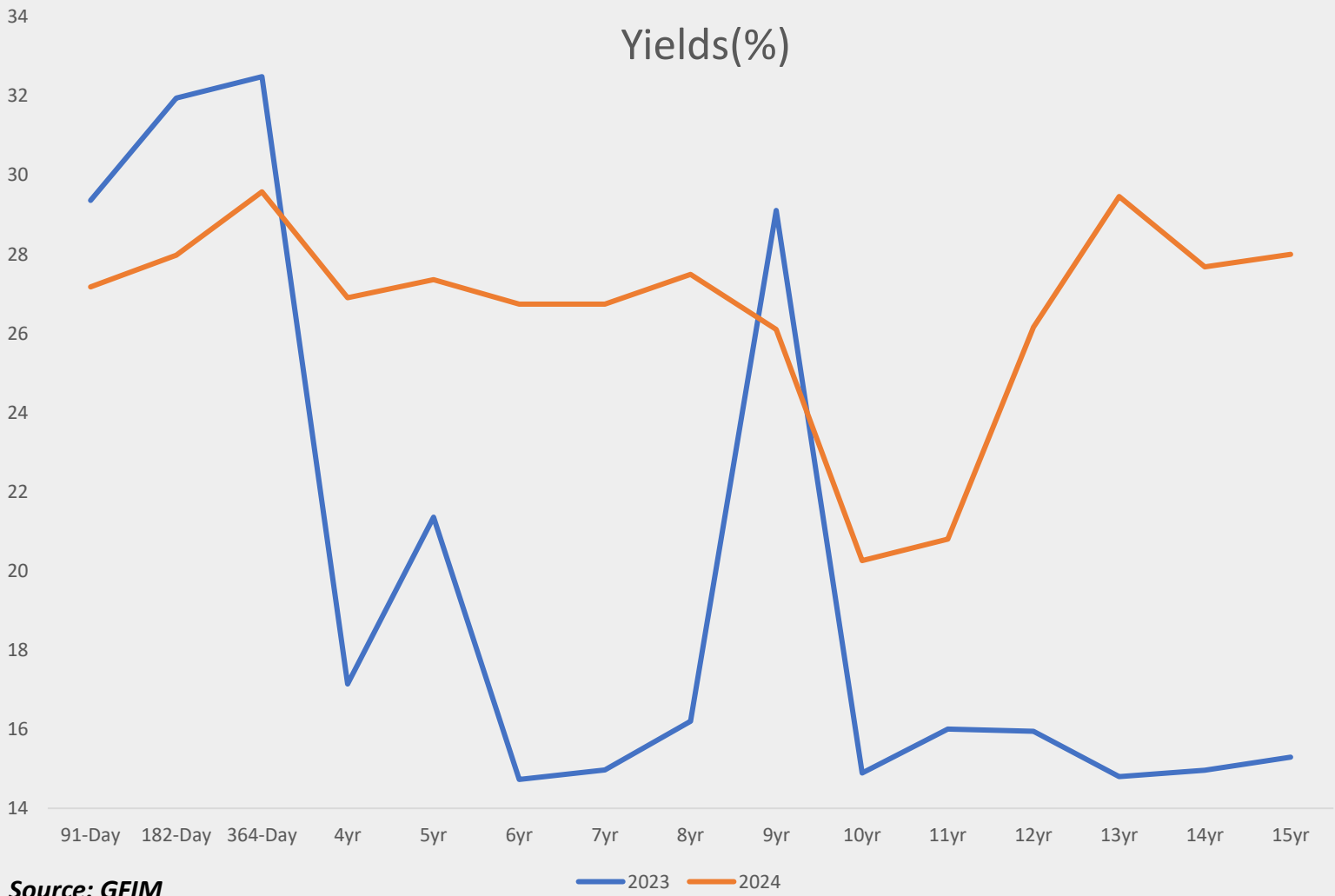
PRIMARY MARKET ACTIVITIES
Primary Auction results in GHS billion



Source: Bank of Ghana

- In the second half of 2024, treasury bills experienced continuous undersubscription. This was primarily attributed to
 - An increase in the government's treasury bill target
 - The heightened risk associated with the December 2024 general elections.

Fixed Income Market (Secondary)

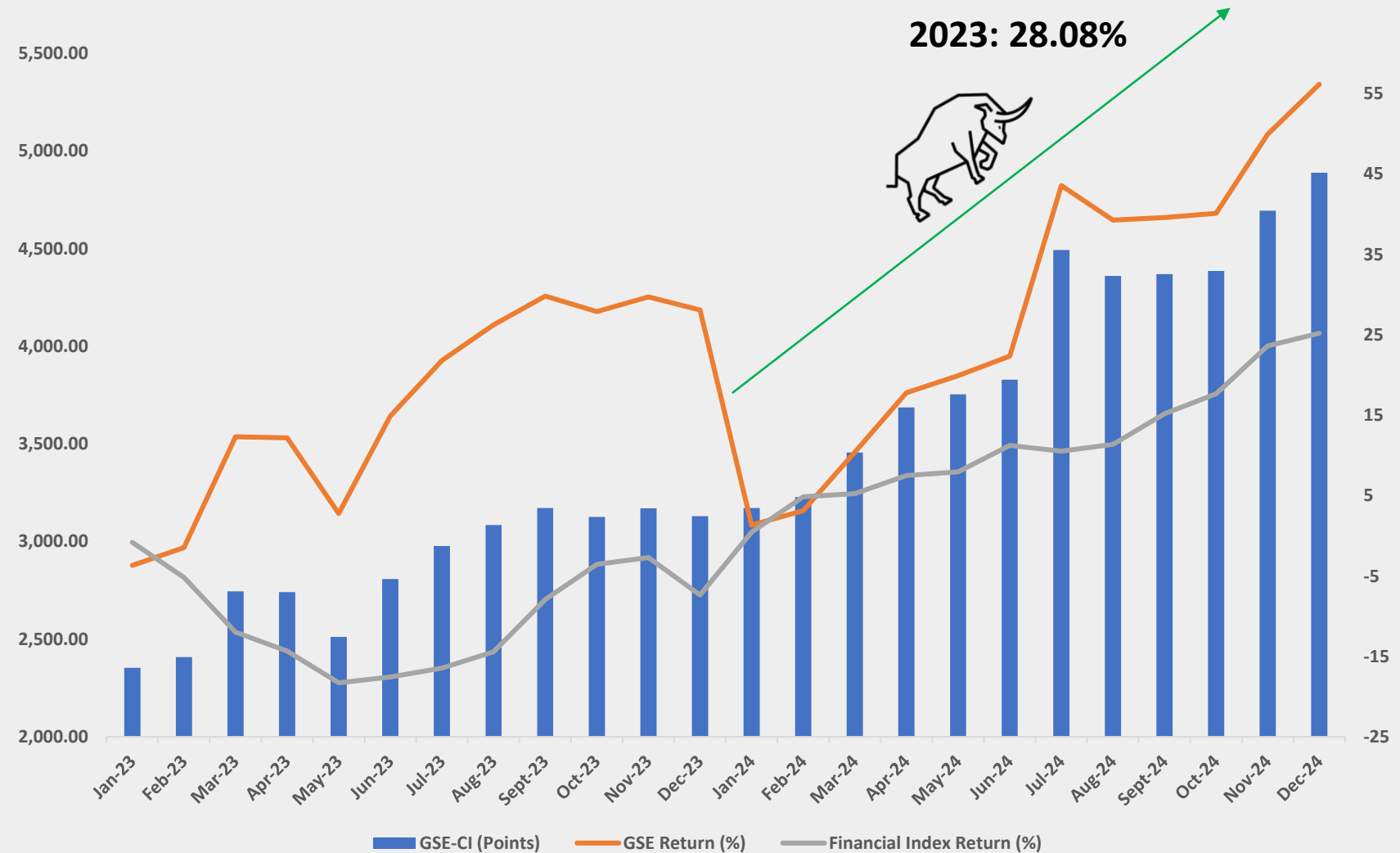


Source: GFIM

- The average yields for the General Bond category across all maturity periods at the end of 2024 was 26.14%. Compared to 17.12 in 2023
- As at the end of 2024, the yield curve was relatively flat, except for dips observed between the 9-year and 13-year bonds.
- This abnormal yield curve was because of lower coupons on government of Ghana bonds after the domestic debt restructuring.
- The secondary bond market saw significant improvements in 2024, with trade volumes increasing by 76.76% and trade values rising by 79.42%. This marks a substantial recovery compared to the declines of 57.26% in trade volumes and 63.76% in trade values recorded in the previous year.

Equity Market

- 2024 recorded a bullish market
- 2024 Return: 56.17%
- 2023 Return: 28.08%
- Total Volume and value traded in 2024 increased by 71.16% and 163.15% Y/Y.
- There was an improvement in the trades from foreign investors
- Foreign investors contributed to 55.90% and 56.72% of value and volume traded compared to 51.73% and 49.59% respectively in 2023.



Source: GSE

Equity Market

Top 5 Gainers

Unilever Ghana PLC	+140.44%
Ecobank Transnational Incorporation	+106.67%
GCB Bank Ltd	+87.35%
MTN Ghana Ltd	+78.57%
Guinness Ghana Breweries PLC	+61.76%

Top 5 Losers

Cal Bank PLC	-27.08%
Enterprise Group PLC	-17.15%
Meridian Marshal Holdings Societe	-9.09%
General Ghana Ltd	-4.46%

Source: GSE

Economy

GDP

GDP growth expected to be at **4.4% (IMF)**



INFLATION

Inflation is expected to decline to **15.5% ±1 (Tegah)**



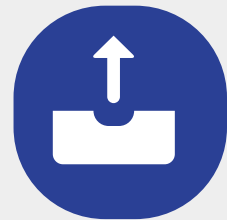
POLICY RATE

Policy rate is expected to be maintained at the next MPC meeting and reduced further within the year as inflation declines.

End Year MPR : 20% (Fitch)

EXCHANGE RATE

The Cedi is expected to depreciate against the USD by **21% ±1 (Tegah)**





Invest the TESAH Way

Download Tesah
Mobile and achieve your
investment goals

Available on



...grow your wealth

