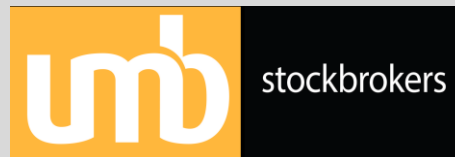




# HALF YEAR MARKET REPORT

Period ending June 2025



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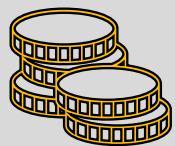
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- Equity Market (GSE)
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**KEY MARKET  
HIGHLIGHTS**



**INFLATION**



**13.70%**



**MONETARY POLICY**

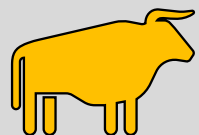


**28.00%**



**EXCHANGE RATE**

**\$1 = ₱10.31**



**GSE-CI YTD**

**27.82%**



**GSE-FSI YTD**

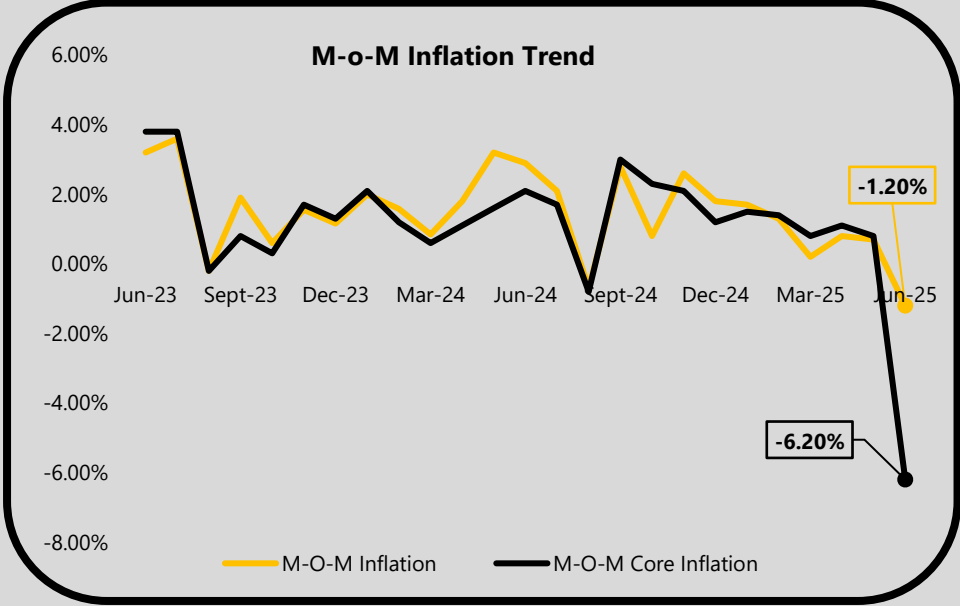
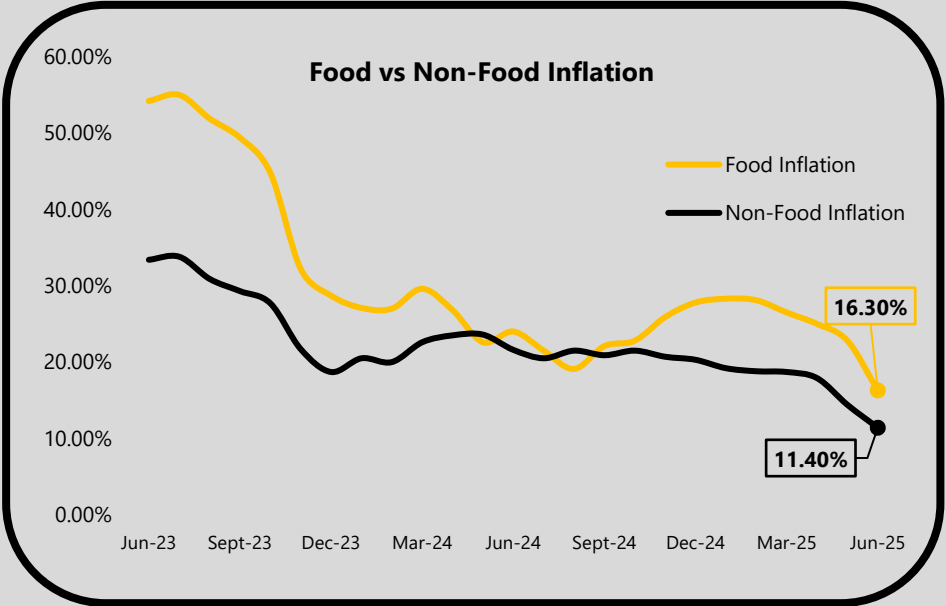
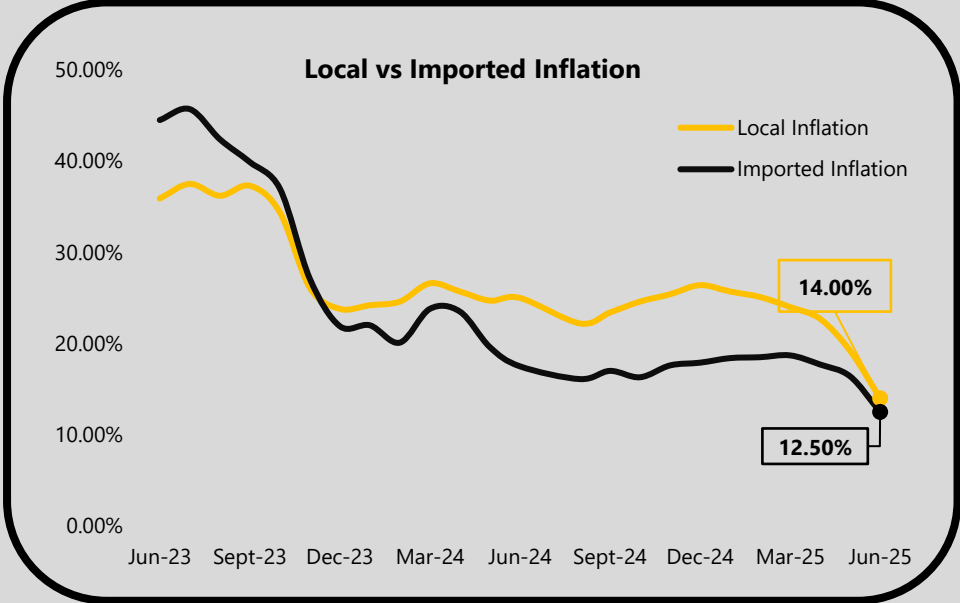
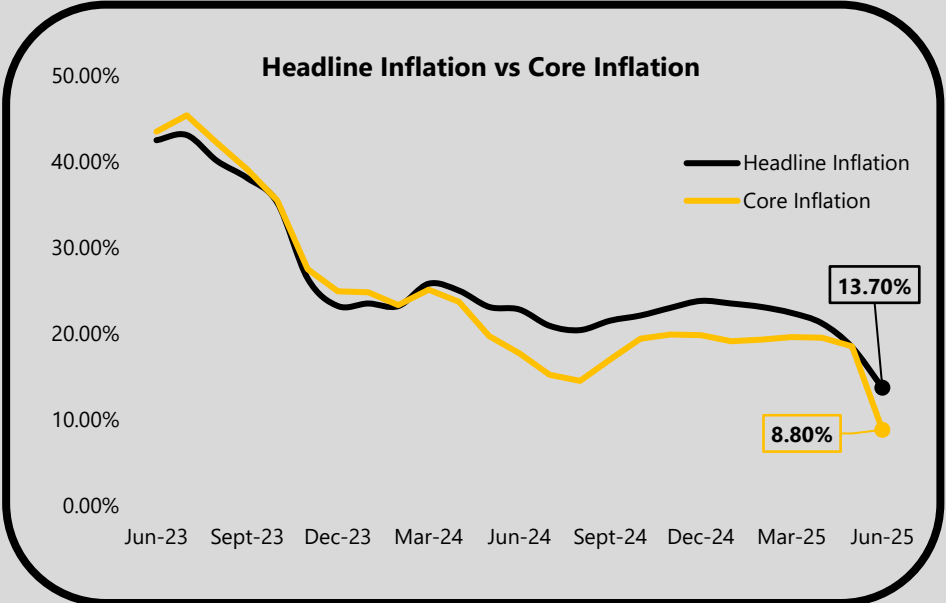
**41.80%**



**91-DAY**

**14.70%**

# INFLATION

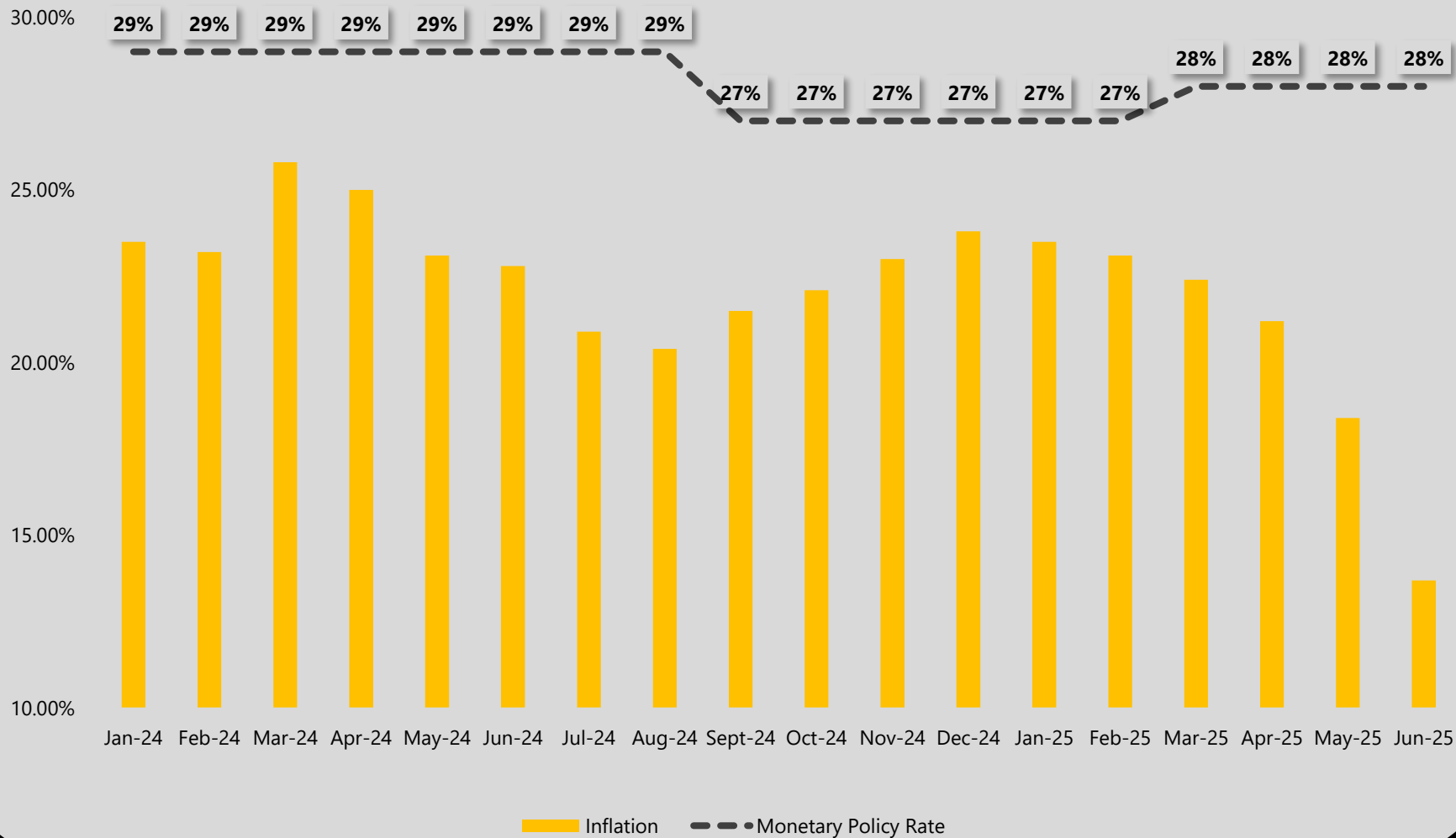


## INFLATION

- Ghana's overall headline inflation averaged about 23.9% in the first half of 2024, compared to 20.4% in the first half of 2025. The year 2025 demonstrated a more defined and consistent downward movement, with inflation steadily falling from 23.5% in January to 13.7% in June. This clearer disinflation path is largely explained by the relative stability of the Ghana cedi, which helped ease imported inflation pressures, alongside a firm monetary policy stance from the Bank of Ghana. In addition, fiscal tightening under the IMF program contributed to managing public sector-related price pressures, while softer global commodity prices also played a role in easing inflationary conditions locally.
- Core inflation, which excludes energy, utilities, and transportation, also declined from 19.1% in January to 8.8% in June 2025, reflecting broader underlying price stability beyond food and fuel. This sharper drop in core inflation alongside headline inflation signals that price pressures have softened across a wider range of goods and services.
- Month-on-month (MoM) inflation also followed a visible disinflationary pattern across the first half of 2025, slowing from 1.7% in January to -1.2% in June, the first deflation for the year and the sharpest monthly price drop during the period. This decline was mainly influenced by food price reductions, with food recording -0.5% MoM deflation in June, while non-food items posted a larger -1.8% MoM drop. Prices of locally produced goods fell by -1.1%, while imported goods declined by -1.8%, showing the impact of both improved domestic supply conditions and reduced import costs. Service prices also softened, with a notable 3.3% MoM fall in June 2025. This consistent easing across food, non-food, goods, and services indicates improving short-term price stability, especially evident between April and June.
- Regionally, Upper West Region posted the highest year-on-year inflation at 32.3% in June 2025, while Bono East Region recorded the lowest at 8.4%.

MONETARY  
POLICY

MPR and Inflation

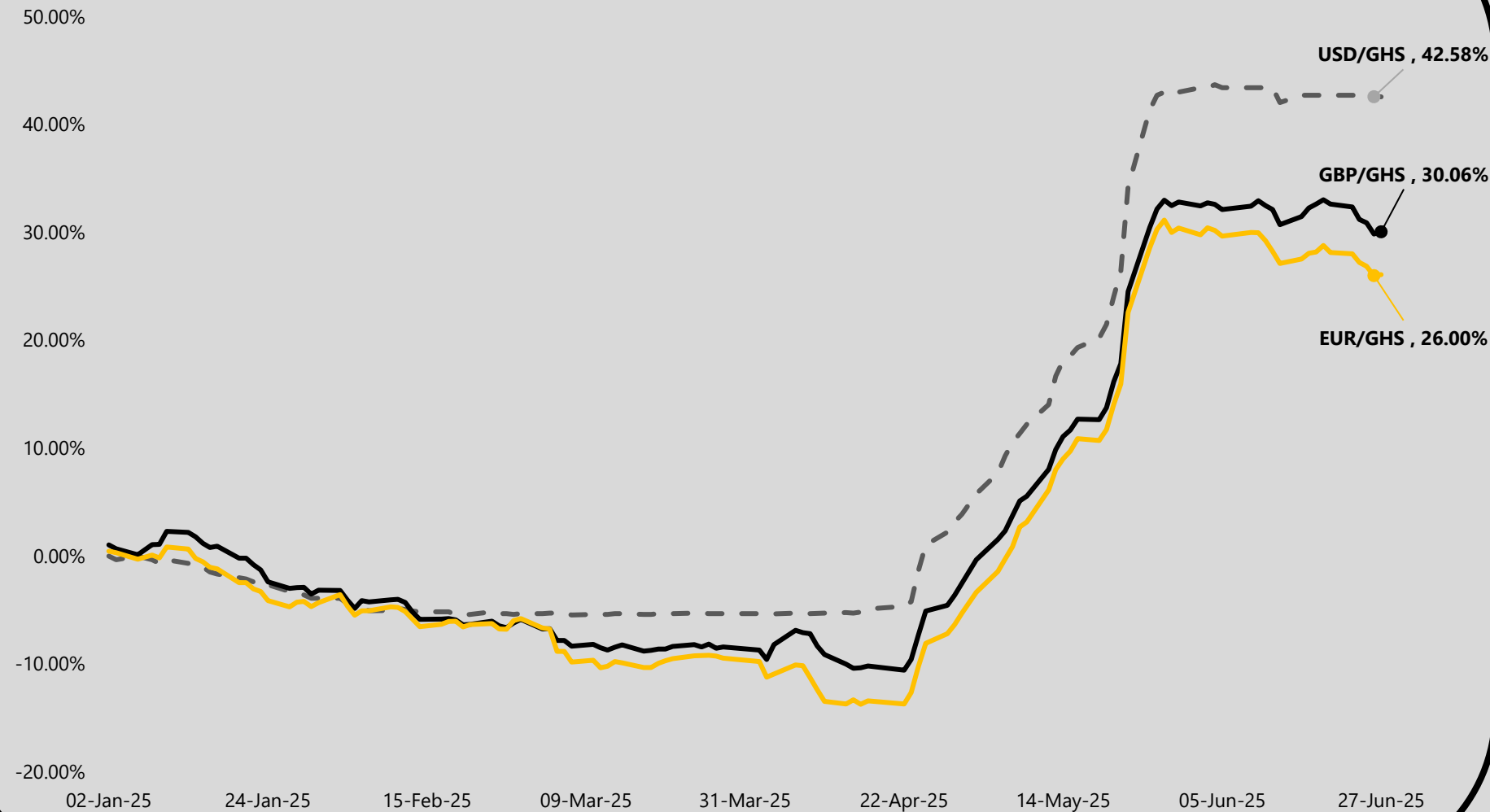


## MONETARY POLICY

- Ghana's monetary policy stance remained tight throughout the first half of 2025, with the Monetary Policy Rate (MPR) maintained at 28 percent from March through June 2025. This reflected the Bank of Ghana's measured approach in consolidating the significant disinflation gains achieved, with headline inflation declining steadily from 23.5% in January to 13.7% in June 2025. At the May 2025 MPC meeting, the decision to hold the MPR unchanged was driven by the need to anchor inflation expectations firmly, despite improving inflation numbers. The Bank assessed that potential risks such as exchange rate movements, external price shocks, and second-round effects from past inflation still warranted a cautious stance rather than premature policy easing.
- This position was supported by developments in the domestic money market. Treasury bill rates across all tenors generally declined during the first half of 2025, moving in line with easing inflation expectations. Despite this downward adjustment in market interest rates, the Monetary Policy Rate was deliberately maintained above prevailing Treasury bill rates to preserve positive real interest rate differentials. Keeping the MPR steady at 28% ensured that returns on short-term government securities remained attractive relative to inflation, encouraging continued investor participation in cedi-denominated assets.

EXCHANGE  
RATE

Exchange Rate Trends Reflecting Recent Appreciation of the Ghana Cedi



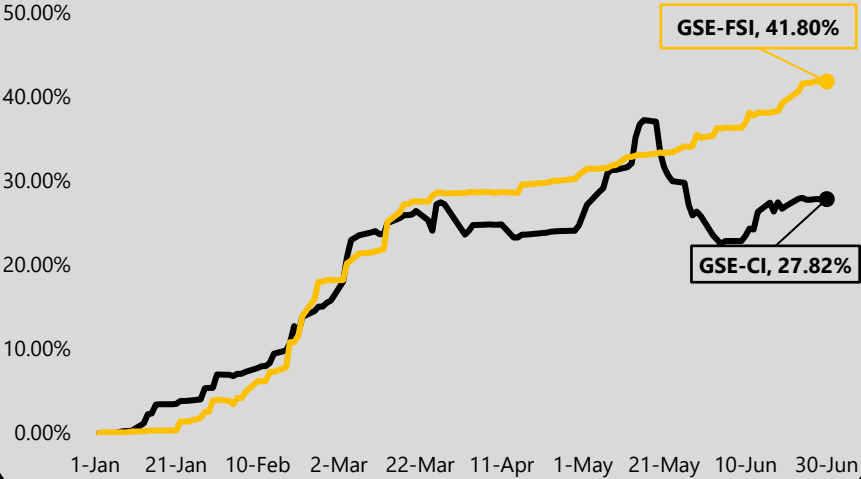


## EXCHANGE RATE

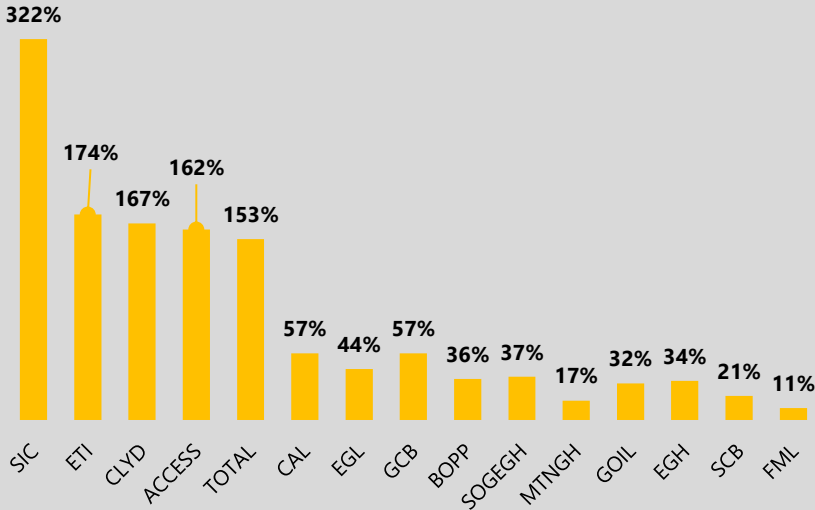
- Ghana's cedi recorded a strong performance in the second quarter of 2025, beginning April with a gradual recovery and accelerating into one of the world's best-performing currencies by May and June. At the start of Q2, the cedi was still showing cumulative depreciation against major currencies, standing at around -5.3% against the US dollar, -9.77% against the Euro, and -8.72% against the British Pound in mid-April 2025. However, from the second half of April through June, the currency appreciated sharply, closing June at +42.58% against the US Dollar, +26.00% against the Euro, and +30.60% against the British Pound.
- This strong second-quarter performance was driven by three key factors: strong export performance, particularly from cocoa, gold, and oil, which boosted foreign exchange earnings; rising remittance inflows, which provided additional support to the cedi; and coordinated fiscal and monetary policies, including tight monetary policy and fiscal consolidation under the IMF-supported programme, which strengthened investor and market confidence.
- Looking ahead, maintaining the cedi's stability will depend on sustaining export performance, ensuring continued remittance inflows, and preserving disciplined fiscal and monetary policies. While short-term gains have been significant, structural reforms to deepen the foreign exchange market and diversify the export base will be essential to securing lasting currency stability and protecting against future external shocks.

EQUITY  
MARKET (GSE)

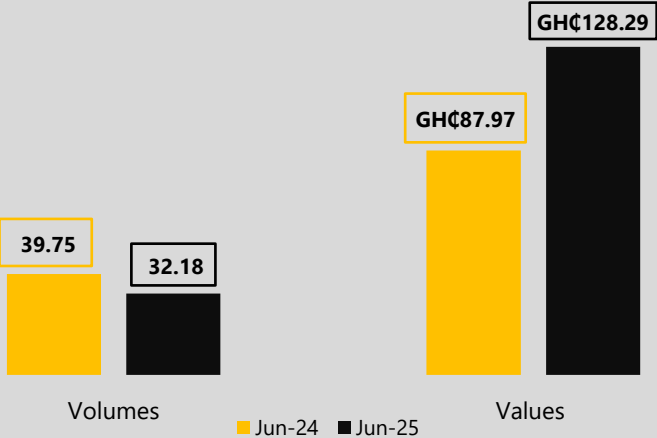
GSE Year-to-date Performance



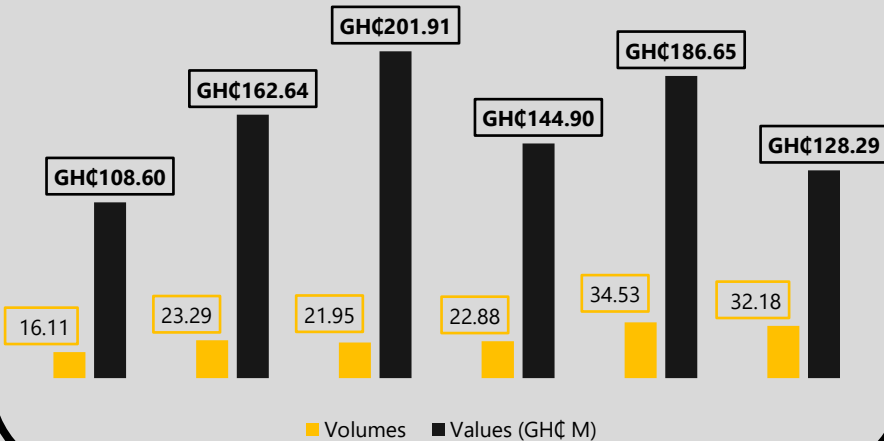
Top YTD Gainers



Y-o-Y Market Activity (GH¢ Million)



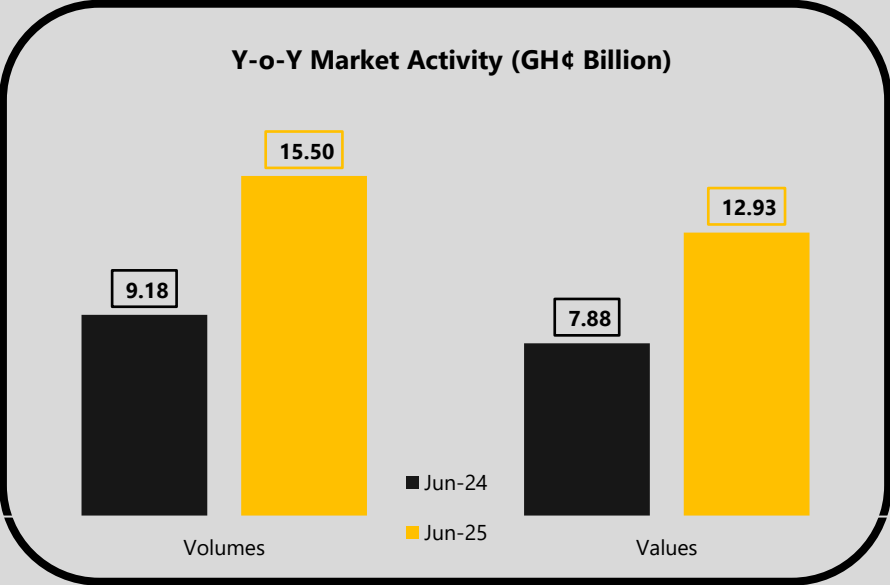
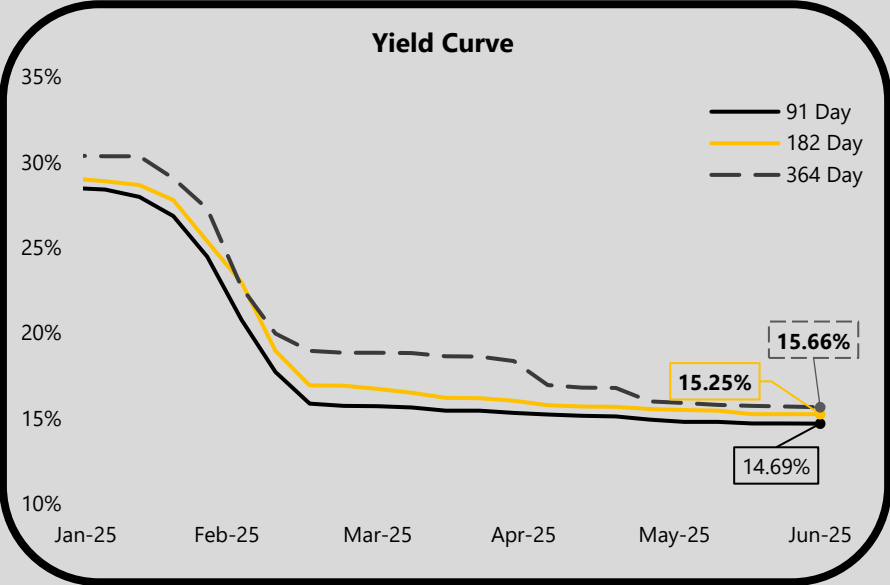
M-o-M Market Activity



## EQUITY MARKET (GSE)

- The Ghana Stock Exchange (GSE) sustained its upward momentum through the first half of 2025, closing at 6,248.48 points, which translated into a strong year-to-date return of 27.82%, underscoring investor confidence and the market's resilience amid improving macroeconomic conditions.
- A key contributor to this performance was the robust recovery of financial stocks, reflected in the GSE Financial Stock Index (GSE-FSI), which surged by 41.80% during the same period. Renewed investor optimism in the banking and insurance sectors, supported by stronger earnings, balance sheet improvements, and greater sector stability, helped fuel the broader market rally.
- Market dynamics were further strengthened by a shift in capital away from the fixed income space, where Treasury bill rates declined in line with inflation. With returns on government securities becoming less competitive, equities regained appeal as investors sought higher real returns and portfolio diversification. This strategic capital rotation reflects growing optimism about Ghana's economic recovery and the earnings potential of listed companies.
- Supporting this rally, trading activity remained robust, particularly in terms of value traded. In June 2025, total value traded rose to GH¢128.29 million, up from GH¢87.97 million in June 2024, despite a modest dip in volumes from 39.75 million to 32.18 million shares. The rise in value traded suggests growing interest in fundamentally sound and higher-priced stocks.

FIXED INCOME  
MARKET (GFIM)



Auction Results

Date	Security	Bids Tendered	Bids Accepted	Target	Over/ Under Subscription
All amounts in GH¢ Millions					
02-Jun-25	91-day	2,697.32	2,697.32	3,890.00	-9.06%
02-Jun-25	182-day	554.06	554.06		
02-Jun-25	364-day	286.17	286.17		
09-Jun-25	91-day	3,507.58	2,652.90	6,669.00	-17.96%
09-Jun-25	182-day	1,806.28	1,674.14		
09-Jun-25	364-day	157.18	48.44		
16-Jun-25	91-day	6,025.40	6,025.40	7,588.00	-4.78%
16-Jun-25	182-day	995.27	995.27		
16-Jun-25	364-day	204.50	173.40		
23-Jun-25	91-day	2,418.24	2,191.41	4,551.00	-25.94%
23-Jun-25	182-day	716.29	603.74		
23-Jun-25	364-day	236.09	157.76		
30-Jun-25	91-day	2,896.69	2,896.69	3,860.00	-5.62%
30-Jun-25	182-day	616.75	385.82		
30-Jun-25	364-day	129.60	60.81		

## **FIXED INCOME MARKET (GFIM)**

- The fixed income market witnessed a notable recovery in the first half of 2025, driven by improved investor sentiment and increased trading activity. Year-on-year comparisons show a significant rise in both volumes and values traded. Total market volume rose from GH¢9.18 billion in June 2024 to GH¢15.50 billion in June 2025, while total value traded jumped from GH¢7.88 billion to GH¢12.93 billion, reflecting renewed appetite for government securities and stronger participation in the secondary market.
- Despite this momentum, Treasury bill yields declined significantly, reflecting ongoing disinflation and easing monetary conditions. By June 2025, the 91-day bill rate had dropped to 14.70 percent from 24.87 percent a year earlier. Similarly, the 182-day and 364-day instruments fell to 15.25 percent and 15.69 percent, compared to 26.80 percent and 27.79 percent in June 2024. These lower yields point to reduced inflationary pressures and a less aggressive monetary stance but also signal diminished real returns for short-term debt investors.
- As a result, the primary market experienced persistent undersubscription throughout June, reflecting a shift in investor preference. With declining returns on Treasury instruments, many investors are reallocating capital into the equity market, which has offered stronger year-to-date returns and better real yield prospects.

## **OUTLOOK & EXPECTATIONS**

### **Inflation**

Headline inflation is projected to continue declining, potentially reaching single digits by Q4 2025, aided by a stable cedi, easing import costs, and disciplined fiscal and monetary policy. This may create room for the BoG to cautiously lower interest rates if inflation expectations remain anchored.

### **Cedi Stability**

The Ghanaian Cedi is expected to remain stable in the near term, supported by remittances, export earnings, and IMF inflows. However, second-half pressures from debt repayments and import demand could challenge this stability, calling for careful reserve and FX management.

### **Equity Market Momentum**

Ghana's equity market is set to sustain its momentum in H2 2025, supported by strong earnings, renewed investor confidence, and upcoming dividend declarations. Attractive valuations and sector-specific growth are expected to draw increased interest from both institutional and retail investors.

### **Fixed Income Rebound**

The fixed income space is expected to see increased participation as yields moderate and macroeconomic stability improves. Rising demand for Treasury bills, along with investor appetite for longer-duration instruments, reflects growing confidence in the country's fiscal and monetary outlook.

Join us today and let us **grow**  
your **wealth.**

**Talk to us!**

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