



# Monthly Developments in the African Macroeconomic Environment

**Afreximbank Research**  
**August 2025**

African Export-Import Bank  
Banque Africaine D'Import-Export

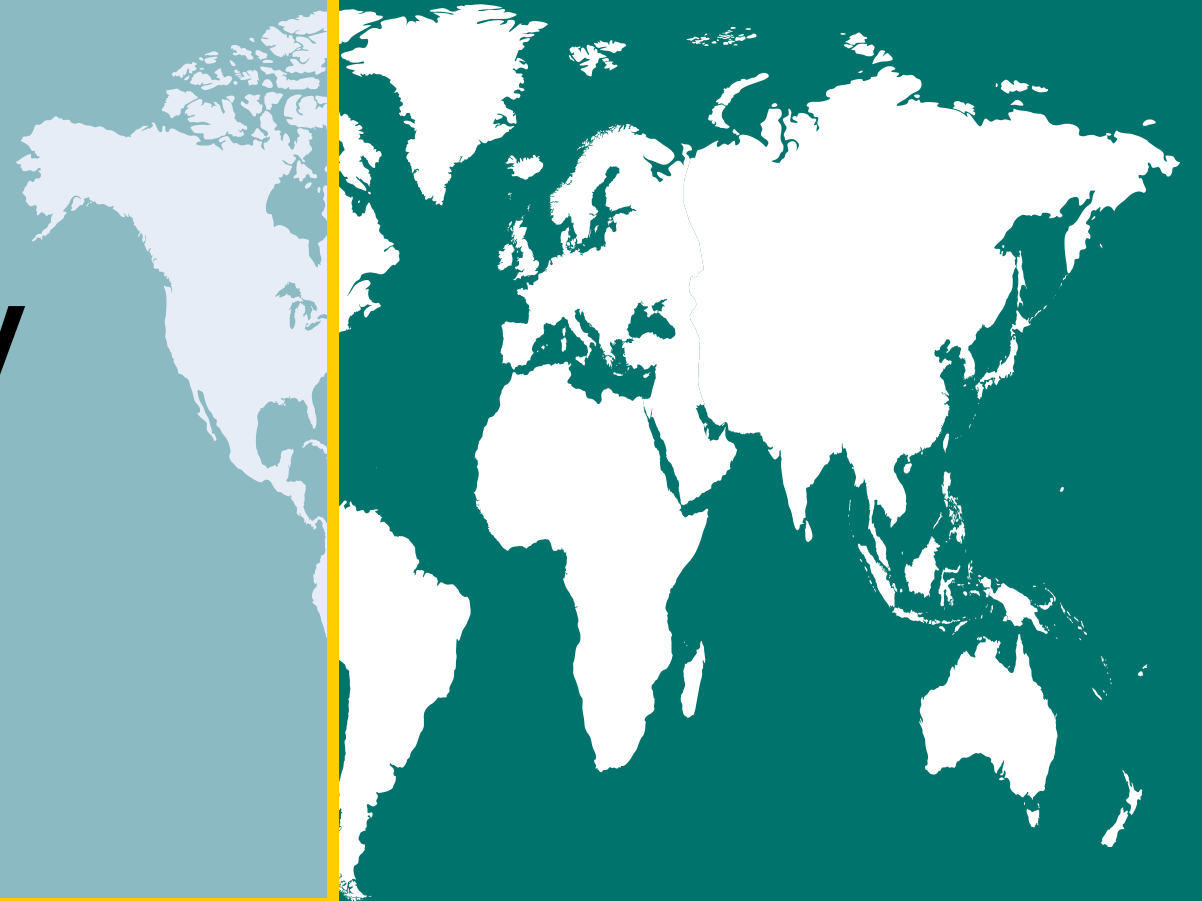
Transforming Africa's Trade

# Outline of presentation

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01

# Executive Summary

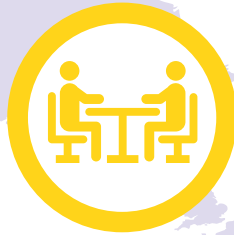


## Global Environment



### Growth

- Global growth is projected at 3.0 percent for 2025 and 3.1 percent in 2026. This reflects stronger-than-expected front-loading in anticipation of higher tariffs; lower average effective US tariff rates than announced; an improvement in financial conditions, including due to a weaker US dollar; and fiscal expansion in some major jurisdictions.



### Inflation

- Global headline inflation is expected to fall to 4.2 percent in 2025 and 3.6 percent in 2026. The overall picture hides notable cross-country differences, with forecasts predicting inflation will remain above target in the United States and be more subdued in other large economies.



### Equity Markets

- US equity markets have largely rebounded, erasing losses from the tariff fallout. Other global equity markets have also rallied, swayed by tariff-related announcements and releases of macroeconomic data that turned out to be better than expected.



### China's economy

- China's real GDP growth, shows YOY growth of 5.3%. This was mainly driven by exports, propped up by a depreciating renminbi closely tracking the dollar and with declining sales to the United States more than offset by strong sales to the rest of the world, and, to a smaller extent, by consumption, supported by fiscal measures.



# African Environment

## Trade performance



- In 2025Q1, trade in goods and services grew at 1.5 and 1.7 per cent, respectively. However, services growth remains much higher on an annual basis, at around 9 per cent

## Stable oil supply



- Global oil supply was largely unchanged in July at 105.6 mb/d, with a 230 kb/d fall in OPEC+ output offset by an equal increase in non-OPEC+.

## Medium-term outlook



- Global trade tensions are weighing on Africa's medium-run growth outlook, with the potential to create isolated balance-of-payments difficulties

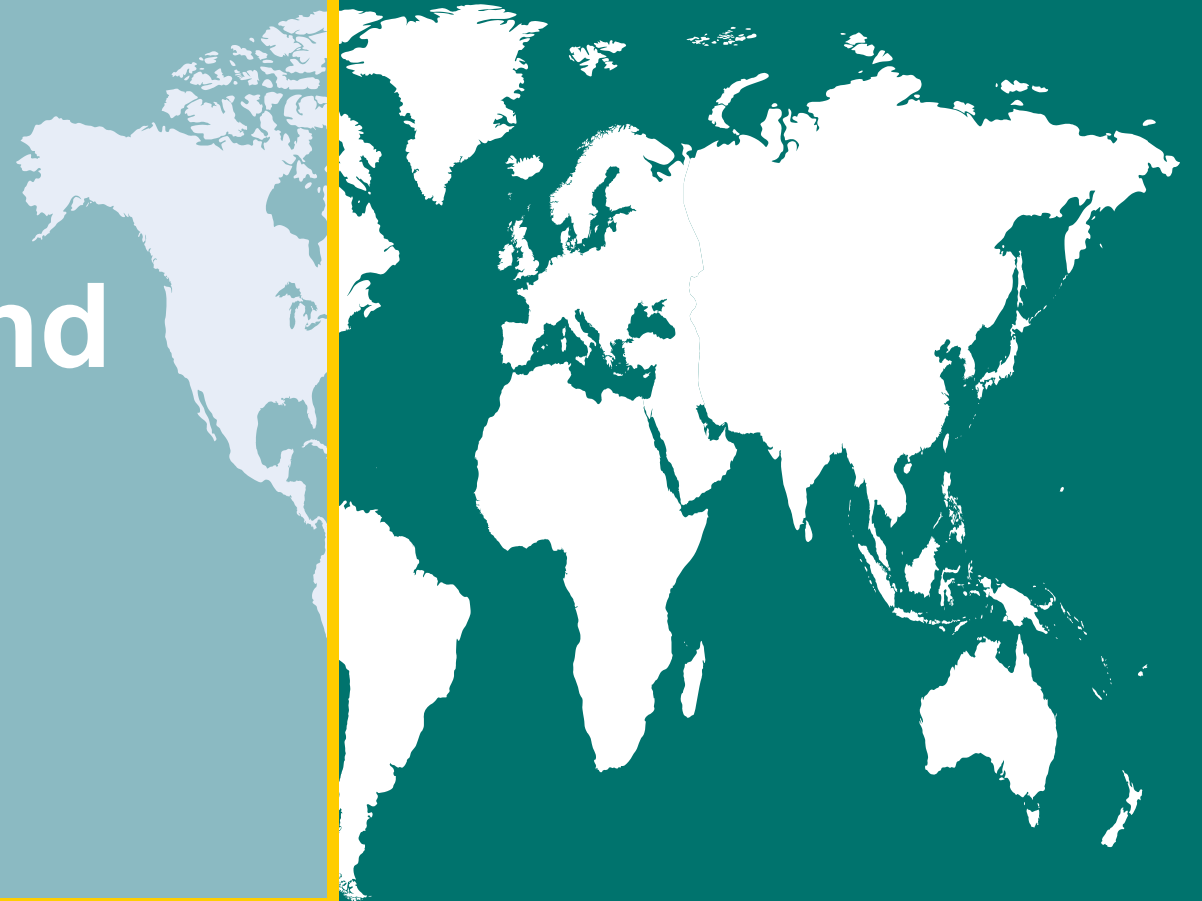
## Commodity prices



- Falling global commodity prices could impair fiscal consolidation efforts and complicate the continent's debt sustainability

02

# Emerging Trends and Shifts in the Global Macroeconomic Landscape



# Global Macro Outlook: Inflation, Employment, and Trade Risks

## Global Growth Accelerates

• The Global PMI Composite rose to 52.4 in July (from 51.7 in June), its highest since December, signaling continued expansion at an annualized 2.7%. Growth was driven by services, while manufacturing slipped back into contraction. While the front-loading of orders ahead of the tariff deadline expected earlier on July 9th supported production growth in June, July's data revealed that the effect had faded over the latest survey period.

## Inflationary pressures.

• Global inflation shows mixed trends: headline inflation varies by country but core inflation is easing in many regions. Core inflation has fallen below 2%. The euro area saw downside surprises, while U.S. inflation edged up on tariff pass-through, a weaker dollar, and higher intermediate goods costs.

## Falling Global Employment

• The number of companies worldwide reporting higher employment due to stronger customer demand has fallen sharply to the lowest since late-2023.



## Monetary policy

• Monetary policy direction saw a mixed sentiment as growth and inflation risks caused some central banks to cut while others maintained a hold on policy rates in the July/August period.

## Balance of Risks on the Downside

Global trade growth is projected to slow substantially in 2025 and then pick up in 2026–27. Merchandise trade to moderate due to new tariffs and heightened policy uncertainty. However so far impact has been minimal.

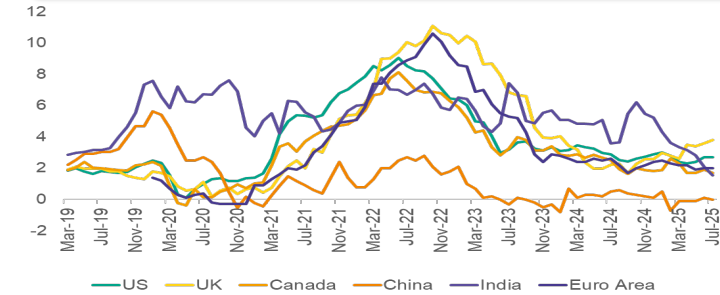
## Commodity market volatility

Commodity markets continued to experience volatility in response to shifting trade and geopolitical dynamics

## Geopolitical tensions

• Tensions continue to brew over the Russia/Ukraine war with Trump reportedly threatening tariffs and stricter sanctions on Russia and trade allies. No formal policy changes have been so far announced.

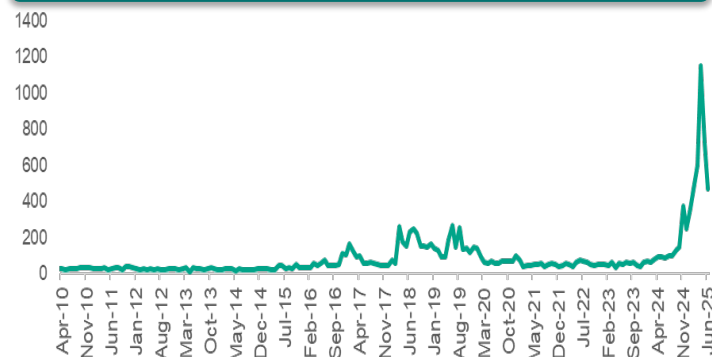
## Inflation in major economies



## J.P. Morgan Global PMI slowing in 2025

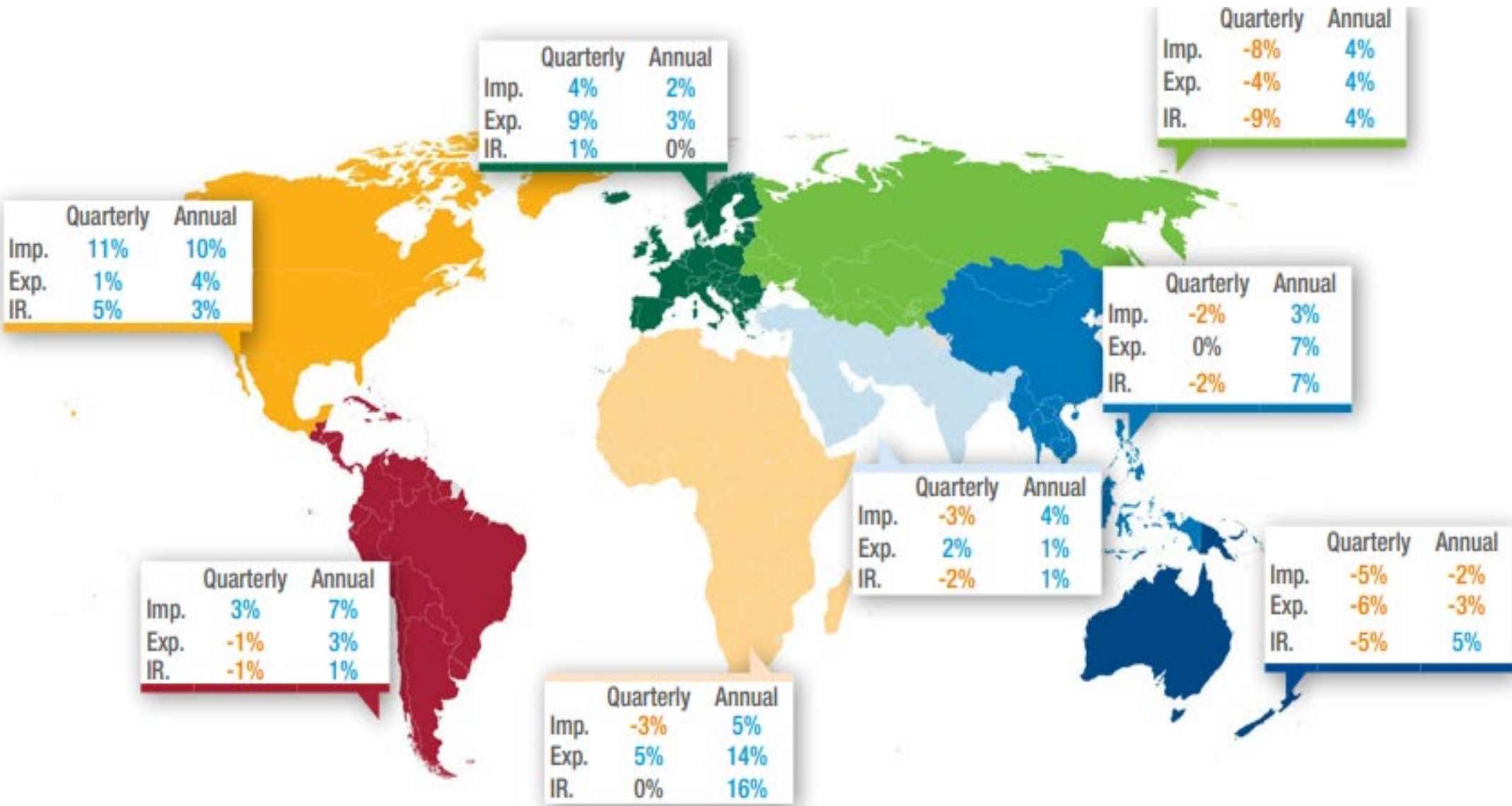


## Trade policy uncertainty stays elevated



Sources: Central Banks, S&P Global, World Trade Uncertainty

# African Exports and European Trade Surge in 2025 Q1



# Commodity Market Volatility Amid Trade and Geopolitical Shifts








Index	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y
<b>Bloomberg Commodity Index</b>	-0.45	1.36	5.05	9.71	-1.41	11.33
<b>Bloomberg Sub Agriculture</b>	-1.36	-6.44	-3.42	4.05	-2.55	11.44
Coffee	-1.07	-24.90	-1.61	42.59	23.15	24.90
Corn	-3.37	-13.95	-13.02	-1.43	-10.84	8.76
Cotton	-0.93	-0.59	-5.45	-7.48	-10.38	5.37
Soybean	-3.32	-2.24	-0.21	-1.70	-5.06	10.86
Soybean Oil	4.15	11.64	34.74	30.12	-0.69	20.76
Sugar	1.30	-6.34	-7.12	-5.35	10.03	12.48
Wheat	-2.43	-2.97	-9.81	-10.28	-20.12	-6.97
<b>Bloomberg Sub Energy</b>	<b>2.52</b>	<b>8.99</b>	<b>1.33</b>	<b>2.81</b>	<b>-14.96</b>	<b>11.71</b>
Brent Crude	9.54	22.10	4.91	1.42	1.13	24.78
Heating Oil	6.79	22.68	15.64	8.86	6.10	31.63
Natural Gas	-10.67	-15.47	-8.72	5.32	-50.33	-19.82
Unleaded Gas	6.84	12.87	3.12	-1.98	5.45	31.23
WTI Crude Oil	8.87	25.71	5.44	3.75	0.56	22.54

Index	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y
<b>Bloomberg Sub Industrial Metals</b>	-6.30	0.27	1.31	3.25	0.42	7.56
Aluminum	-1.03	7.73	1.81	13.66	0.40	7.45
Copper	-14.00	-5.51	7.42	3.42	8.68	9.64
Nickel	-1.99	-3.45	-3.33	-11.16	-14.37	1.62
Zinc	0.71	7.20	-6.87	4.77	-2.86	5.66
<b>Bloomberg Sub Precious Metals</b>	<b>0.39</b>	<b>2.13</b>	<b>24.53</b>	<b>32.07</b>	<b>22.24</b>	<b>9.50</b>
Gold	-0.06	-0.54	24.31	34.18	22.39	9.93
Platinum	-2.91	34.93	43.83	32.32	15.40	7.92
Silver	1.87	12.05	25.18	25.46	21.49	7.84
<b>Bloomberg Sub Livestock</b>	<b>2.59</b>	<b>8.15</b>	<b>16.66</b>	<b>25.03</b>	<b>12.70</b>	<b>12.15</b>
Lean Hogs	-3.34	1.39	2.59	17.64	-0.46	14.82
Live Cattle	5.95	11.96	25.13	29.53	21.08	11.51



# Highlights from select major economies:

<div>United States</div>  <div>First Quarterly Contraction in Three Years</div>	<div>China</div>  <div>Stronger than expected growth driven by Exports</div>	<div>Eurozone</div>  <div>Growth Revised Up, But Risks Remain</div>	<div>Japan</div>  <div>Weak Consumption and Gradual Policy Tightening</div>	<div>United Kingdom</div>  <div>Growth on the Upside but to Slowdown in 2026</div>
<p><b>Growth outlook</b></p> <ul style="list-style-type: none"> <li>Real GDP decreased in the United States, at an annualized rate of 0.5 percent, marking the first quarterly contraction in three years.</li> </ul> <p><b>Inflation rate</b></p> <ul style="list-style-type: none"> <li>Inflation has ticked up slightly, with tentative signs of pass-through from tariffs and a weaker dollar to consumer prices in some import-sensitive categories, and intermediate goods costs for producers have risen. Inflation is projected to remain above the 2 percent target through 2026.</li> </ul>	<p><b>Growth outlook</b></p> <ul style="list-style-type: none"> <li>China's real GDP growth, for H1 2025 was 5.3%. This was mainly driven by exports, propped up by a depreciating renminbi closely tracking the dollar and with declining sales to the United States more than offset by strong sales to the rest of the world, and, to a smaller extent, by consumption, supported by fiscal measures</li> <li>Ful year growth in 2025 for China is revised upward by 0.8 percentage point to 4.8 percent. This revision reflects stronger-than-expected activity in the first half of 2025 and the significant reduction in US–China tariffs</li> <li>Headline inflation in China is projected to remain broadly unchanged because domestic energy prices have been lower than forecast. Core inflation is revised upward slightly to 0.5 percent in 2025 and to 0.8 percent in 2026. These revisions reflect recent higher-than-expected readings and the reduced tariffs.</li> </ul>	<p><b>Growth outlook</b></p> <ul style="list-style-type: none"> <li>GDP accelerated to 2.5 percent, driven by investment and net exports, even as private consumption lost steam</li> <li>Growth is expected to accelerate to 1.0 percent in 2025 and to 1.2 percent in 2026. This is an upward revision of 0.2 percentage point for 2025, but it is largely driven by the strong GDP outturn in Ireland in the first quarter of the year, although Ireland represents less than 5 percent of euro area</li> <li>Inflationary dynamics are expected to be more subdued, in part on account of currency appreciation and one-off fiscal measures</li> </ul>	<p><b>Growth outlook</b></p> <ul style="list-style-type: none"> <li>Japan's economy contracted by an annualized 0.2 percent, as soft private consumption and weak net exports weighed on growth while strong private investment helped cushion the decline.</li> <li>Monetary policy rate set rise gradually.</li> <li>The policy rate is projected to increase gradually to 1¼ per cent by the end of 2026, as core inflation stabilizes around 2% and a negative output gap gradually closes</li> <li>Japan's underlying primary deficit is projected to narrow by 0.9% of potential GDP in the two years to 2026.</li> </ul>	<p><b>Growth outlook</b></p> <ul style="list-style-type: none"> <li>Growth is projected at 1.3% in 2025 and 1.0% in 2026, as trade tensions and elevated uncertainty persist</li> <li>Inflationary pressures to linger due to higher import prices and robust wage growth in 2025</li> <li>The labour market continues to cool, as falling vacancies are bringing the vacancy-to-unemployment ratio back to pre-pandemic levels.</li> <li>Bank Rate is projected to be lowered gradually from its current value of 4.25% and reach a terminal value of 3.5% in the second quarter of 2026</li> <li>Fiscal tightening will continue, with consolidation of about 1.2% of potential GDP between 2024 and 2026</li> </ul>

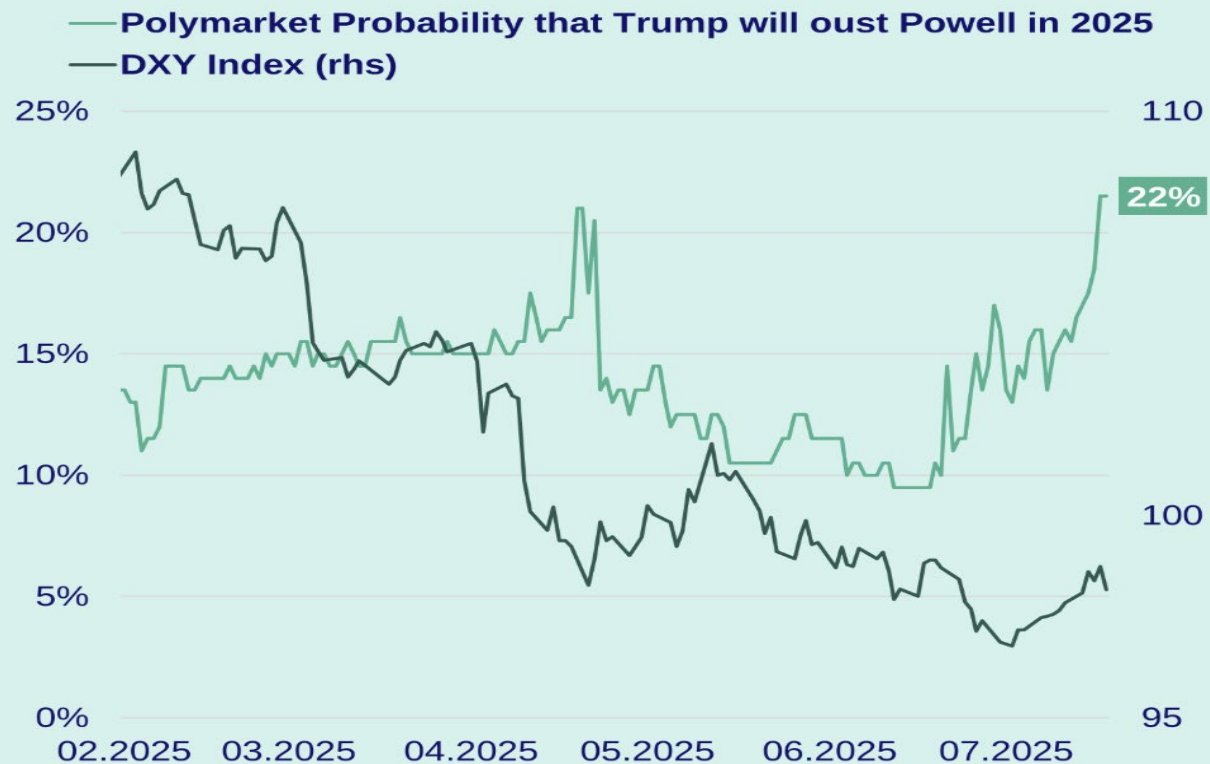
# Monetary and financial conditions...

Global Central Bank Policy Rates							
Country	Rate	Central Bank Rate (Today)	CPI YoY	Real Central Bank Rate	YoY CPI Trend vs. Prior Reading	Last Move in CB rate	Last Move Month
US	Fed Funds	4.50%	2.7%	1.8%	Higher	Hold	Jul-25
Canada	Overnight	2.75%	1.9%	0.8%	Higher	Hold	Jul-25
Mexico	Overnight Rate	7.75%	3.5%	4.1%	Lower	Cut	Aug-25
Eurozone	Deposit Rate	2.15%	2.0%	0.1%	Unchanged	Hold	Jul-25
UK	Bank Rate	4.00%	3.6%	0.4%	Higher	Cut	Aug-25
Norway	Deposit Rate	4.25%	3.0%	1.2%	Unchanged	Hold	Jul-25
Denmark	Deposit Rate	1.60%	1.9%	-0.3%	Higher	Hold	Jul-25
Poland	Repo Rate	5.00%	3.1%	1.8%	Lower	Cut	Jul-25
Switzerland	Target Rate	0.00%	0.2%	-0.2%	Lower	Hold	Jul-25
Czech Republic	Repo Rate	3.50%	2.7%	0.8%	Lower	Hold	Aug-25
Sweden	Repo Rate	2.00%	0.8%	1.2%	Higher	Hold	Jul-25
Turkey	Repo Rate	43.00%	33.5%	7.1%	Lower	Cut	Jun-25
China	Loan Prime Rate	3.00%	0.1%	2.9%	Higher	Hold	Jul-25
India	Repo Rate	5.50%	2.1%	3.3%	Lower	Hold	Aug-25
Japan	Policy Rate Bal	0.50%	3.3%	-2.7%	Lower	Hold	Jul-25
Saudi Arabia	Repo Rate	5.00%	2.3%	2.6%	Higher	Hold	Jul-25
Russia	Key Policy Rate	18.00%	9.4%	7.9%	Lower	Cut	Jul-25
Indonesia	Repo Rate	5.25%	2.4%	2.8%	Higher	Cut	Jul-25
Taiwan	Discount Rate	2.00%	1.5%	0.5%	Higher	Hold	Jul-25
Thailand	Policy Rate	1.75%	-0.7%	2.5%	Lower	Hold	Jul-25
Malaysia	Policy Rate	2.75%	1.1%	1.6%	Lower	Cut	Jul-25
South Korea	Repo Rate	2.50%	2.1%	0.4%	Lower	Hold	Jul-25
Hong Kong	Base Rate	4.75%	1.4%	3.3%	Lower	Hold	Jul-25
Philippines	Key Policy Rate	5.25%	0.9%	4.3%	Lower	Hold	Jul-25
Argentina	Overnight Repo	29.00%	39.4%	-7.5%	Lower	Hold	Jul-25
Brazil	Target Rate	15.00%	5.4%	9.2%	Higher	Hold	Jul-25
Chile	Base Rate	4.75%	4.1%	0.6%	Lower	Cut	Jul-25
Peru	Policy Rate	4.50%	1.7%	2.8%	Unchanged	Hold	Jul-25
Colombia	Repo Rate	9.25%	4.8%	4.2%	Lower	Hold	Jul-25
Australia	Cash Rate	3.85%	2.1%	1.7%	Lower	Hold	Jul-25
New Zealand	Cash Rate	3.25%	2.7%	0.5%	Higher	Hold	Jul-25
South Africa	Repo Rate	7.00%	3.0%	3.9%	Higher	Cut	Jul-25

Sources: Afreximbank Research, Trading Economics

- The US (4.50%), Canada (2.75%), Eurozone (2.15%), and UK (4.00%) maintained their policy rates, indicating a wait-and-see approach amid moderating inflation in some areas and persistent price pressures in others.
- China (3.00%) and India (5.50%) held rates steady, focusing on balancing growth concerns with inflation containment.
- Argentina kept its very high overnight repo rate at 29.00% amid still-elevated inflation (39.4%), signaling tight monetary conditions despite the negative real rate.
- Saudi Arabia (5.00%) and South Africa (7.00%) implemented rate cuts in July, aiming to support growth while inflation remained contained.
- Central banks, including those in Mexico, UK, Poland, Turkey, Russia, Indonesia, Malaysia, and Chile, South Africa, have cut rates in June-August 2025.

## Trump's Attack on the Fed ... ...weigh on the US Dollar



### Trump vs. Fed Drama Intensifies

01

- President Trump assured markets that he is unlikely to fire Fed Chair Jerome Powell amid intensifying rumors about it. By the time you read this, Trump may have changed his mind once again
- Betting markets still estimate a 22% chance that Trump will oust Powell this year.
- The independence of the Fed is crucial. Concerns about Trump's attack on the Fed can be seen in FX markets. The U.S. dollar has fallen by over 9% year-to-date.

### Fed's Waller Calls for July Rate Cut

02

- This week, Fed Governor Waller said he believes the FOMC should start cutting rates now because the labor market is "on edge" and growth is slowing.
- A policy shift in July is highly unlikely. Investors, however, see a 60% chance of a Fed rate cut in September.

### Tariff Storm Brewing Again

03

- We saw a flurry of tariff announcements. For example, tariffs on pharmaceuticals and semiconductors could be implemented as early as August 1, while Indonesia reached a trade agreement with the US.
- Despite the renewed rise in trade policy uncertainty, markets remained relatively calm.

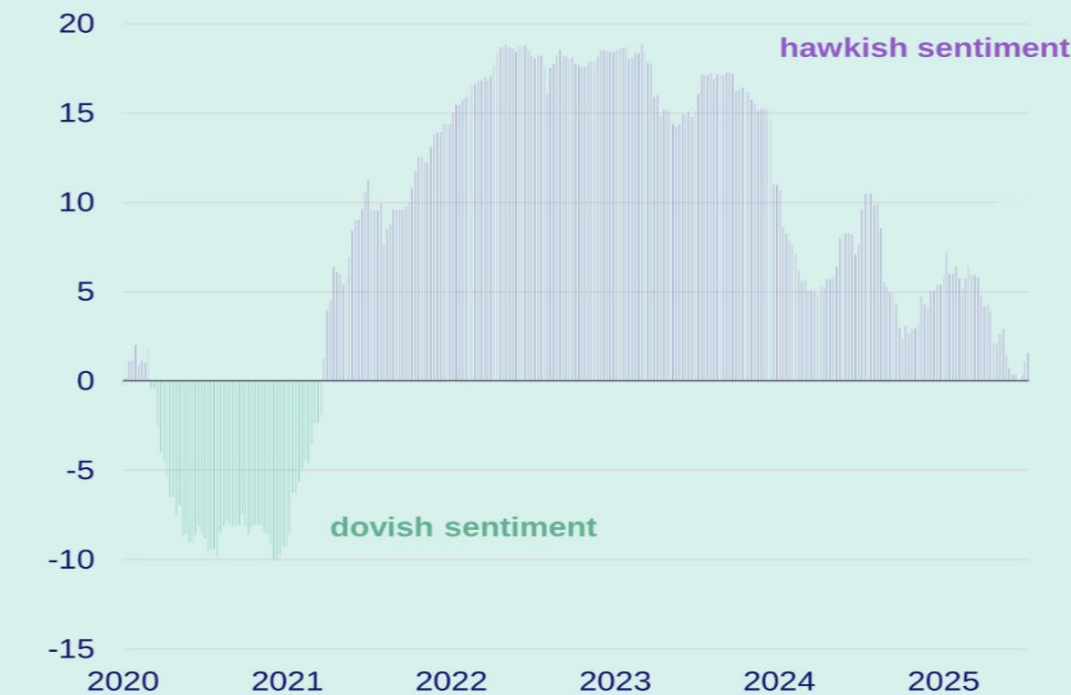




## Fed: To Cut or Not To Cut

### Uncertainty prevails

Bloomberg Economics Fed Sentiment Score

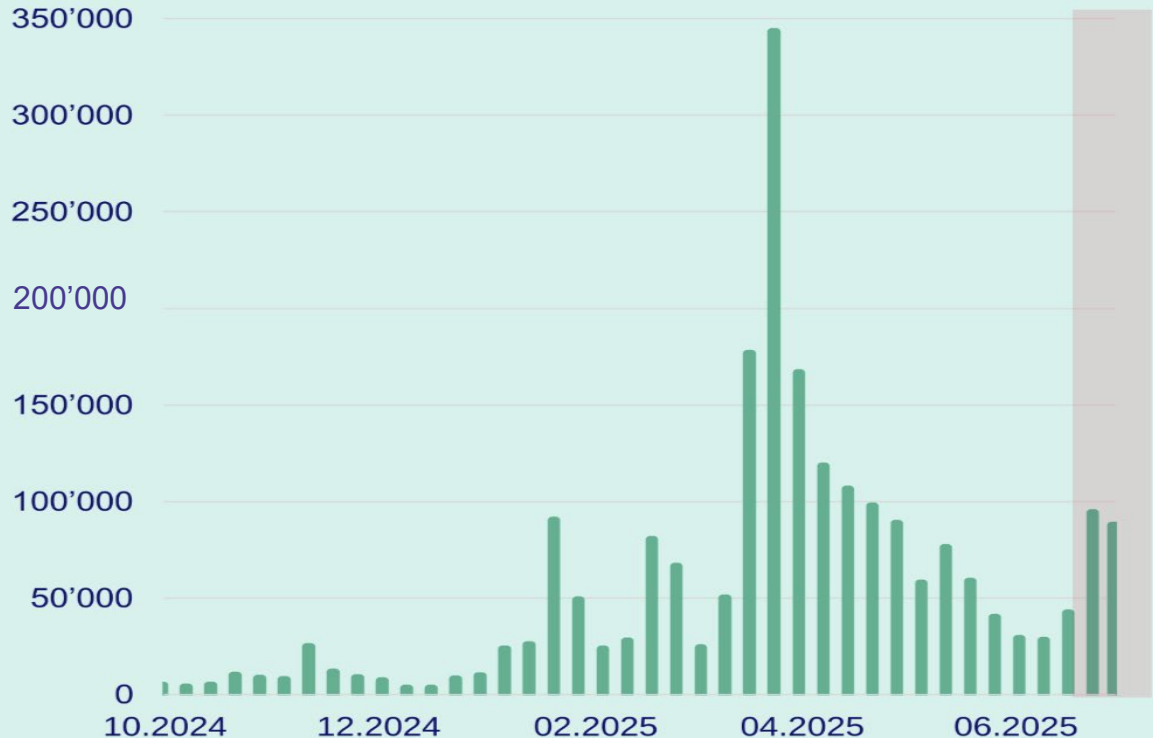


Sources: Baloise, Bloomberg Economics as of 18.07.2025  
baloise

## Tariffs: A Flurry of Tariff Announcements

### Markets however believe in TACO\*

Weekly Story Count (Trade War, Tariffs)



\*Trump Always Chickens Out  
Sources: Baloise, Bloomberg Finance as of 17.07.2025  
baloise

# Emerging Market Currency Performance and Yields

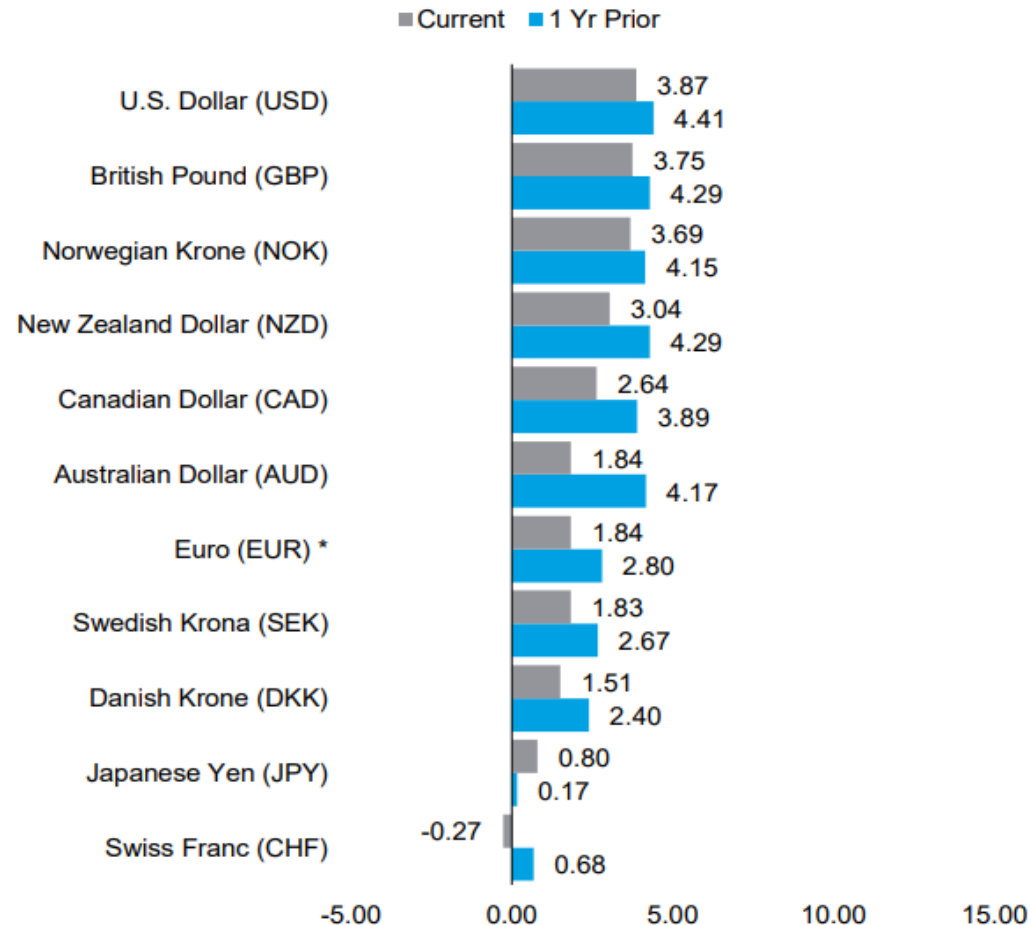


Currency	Spot Returns vs. USD (%)					Spot Returns vs. EUR (%)					Local Interest Rates (%)
	1-Mo.	YTD	1Y	3Y	5Y	1-Mo.	YTD	1Y	3Y	5Y	1Y
<b>Europe</b>											
Czech Koruna (CZK)	-1.99	13.16	9.53	3.96	0.67	0.52	2.37	3.55	0.03	1.33	3.28
Hungarian Forint (HUF)	-2.50	13.76	4.28	4.26	-3.56	0.00	2.92	-1.41	0.32	-2.93	5.96
Polish Zloty (PLN)	-3.22	10.62	6.28	7.49	-0.01	-0.74	0.08	0.48	3.42	0.64	4.01
Romanian Leu (RON)	-2.31	8.49	3.87	2.96	-1.60	0.19	-1.85	-1.80	-0.93	-0.96	6.75
Russian Ruble (RUB)	-2.37	37.02	7.30	-7.39	-1.52	0.13	23.96	1.45	-10.89	-0.87	--
Turkish New Lira (TRY)	-1.97	-12.89	-18.43	-23.86	-29.68	0.54	-21.19	-22.88	-26.74	-29.22	37.64
<b>Middle East and Africa</b>											
Ghanaian Cedi (GHS)	-1.43	40.00	48.00	-6.71	-11.24	1.09	26.66	39.92	-10.23	-10.66	17.90
Israeli Shekel (ILS)	-0.74	7.40	10.87	0.17	0.06	1.80	-2.83	4.82	-3.62	0.71	4.15
Kenyan Shilling (KES)	0.04	0.12	-0.15	-2.73	-3.57	2.60	-9.42	-5.60	-6.41	-2.93	9.72
Moroccan Dirham (MAD)	-1.40	10.79	8.56	4.06	0.37	1.12	0.24	2.64	0.13	1.03	2.18
Nigerian Naira (NGN)	-0.14	0.48	4.45	-34.81	-24.13	2.41	-9.09	-1.25	-37.27	-23.63	16.72
South African Rand (ZAR)	-1.72	4.36	0.60	-2.70	-1.19	0.79	-5.59	-4.89	-6.37	-0.55	7.66
Ugandan Shilling (UGX)	0.28	3.21	3.99	2.49	0.55	2.85	-6.63	-1.69	-1.39	1.21	15.25
Zambian Kwacha (ZMK)	4.69	22.15	14.57	-10.52	-4.35	7.37	10.51	8.32	-13.91	-3.72	14.50

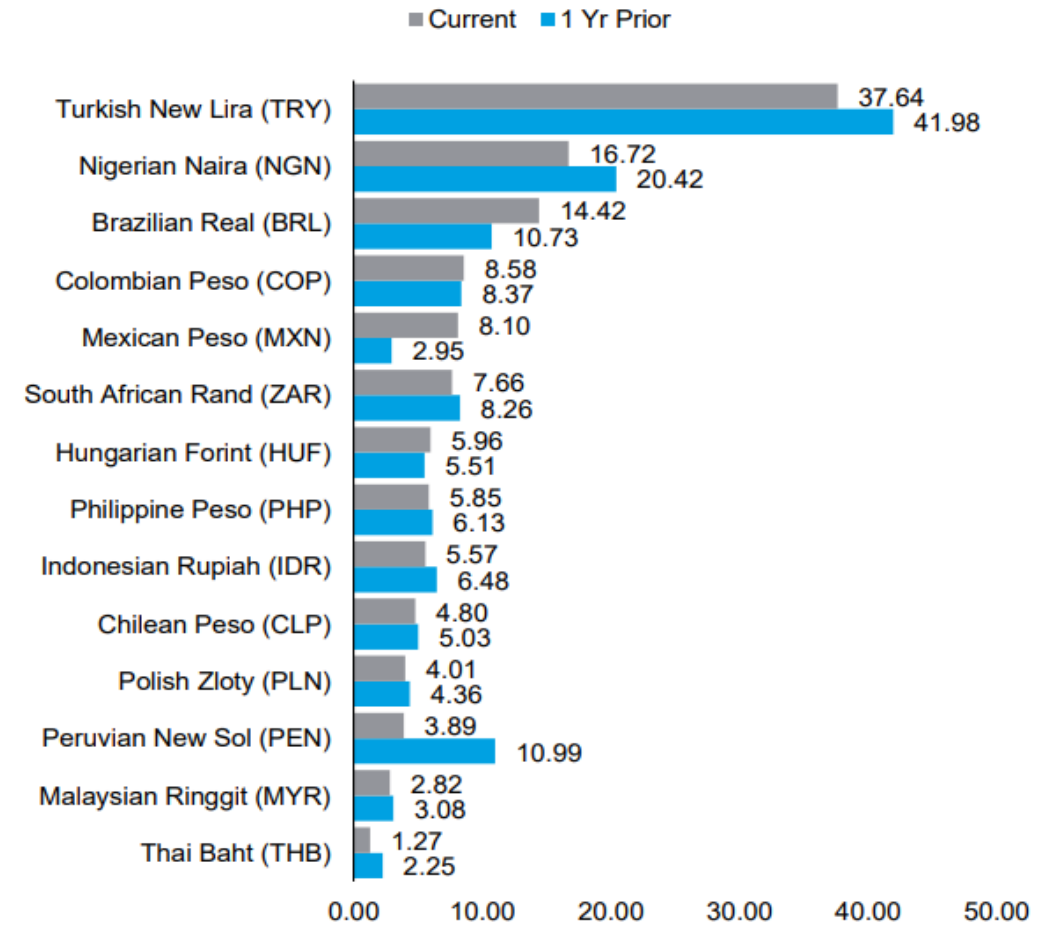
# Local Sovereign Currency Yields



## Developed Market Local Interest Rates % (1 Year)



## Emerging Market Local Interest Rates % (1 Year)





01

## Growth

- Global growth is projected at 3.0 percent for 2025 and 3.1 percent in 2026. This reflects stronger-than-expected front-loading in anticipation of higher tariffs; lower average effective US tariff rates than announced; an improvement in financial conditions, including due to a weaker US dollar; and fiscal expansion in some major jurisdictions.

01

## Monetary policy

- Central banks are expected to be cautious as they continue to navigate a complex economic environment marked by trade tensions and geopolitical uncertainties.

02

## Inflation

- Global headline inflation is expected to fall to 4.2 percent in 2025 and 3.6 percent in 2026. The overall picture hides notable cross-country differences, with forecasts predicting inflation will remain above target in the United States and be more subdued in other large economies.

02

## Trade

- World trade volume estimates are revised downward slightly for 2025 and 2026.
- The revision owes to the sharp increase in trade policy uncertainty, which will likely hurt investment disproportionately among trade-intensive firms.

## Growth Projections

	PROJECTIONS		
(Real GDP, annual percent change)	2024	2025	2026
<b>World Output</b>	<b>3.3</b>	<b>3.0</b>	<b>3.1</b>
<b>Advanced Economies</b>	<b>1.8</b>	<b>1.5</b>	<b>1.6</b>
United States	2.8	1.9	2.0
Euro Area	0.9	1.0	1.2
Germany	-0.2	0.1	0.9
France	1.1	0.6	1.0
Italy	0.7	0.5	0.8
Spain	3.2	2.5	1.8
Japan	0.2	0.7	0.5
United Kingdom	1.1	1.2	1.4
Canada	1.6	1.6	1.9
Other Advanced Economies	2.2	1.6	2.1
<b>Emerging Market and Developing Economies</b>	<b>4.3</b>	<b>4.1</b>	<b>4.0</b>
Emerging and Developing Asia	5.3	5.1	4.7
China	5.0	4.8	4.2
India	6.5	6.4	6.4
Emerging and Developing Europe	3.5	1.8	2.2
Russia	4.3	0.9	1.0
Latin America and the Caribbean	2.4	2.2	2.4
Brazil	3.4	2.3	2.1
Mexico	1.4	0.2	1.4
Middle East and Central Asia	2.4	3.4	3.5
Saudi Arabia	2.0	3.6	3.9
Sub-Saharan Africa	4.0	4.0	4.3
Nigeria	3.4	3.4	3.2
South Africa	0.5	1.0	1.3
<b>Memorandum</b>			
Emerging Market and Middle-Income Economies	4.3	4.0	3.9
Low-Income Developing Countries	4.0	4.4	5.0

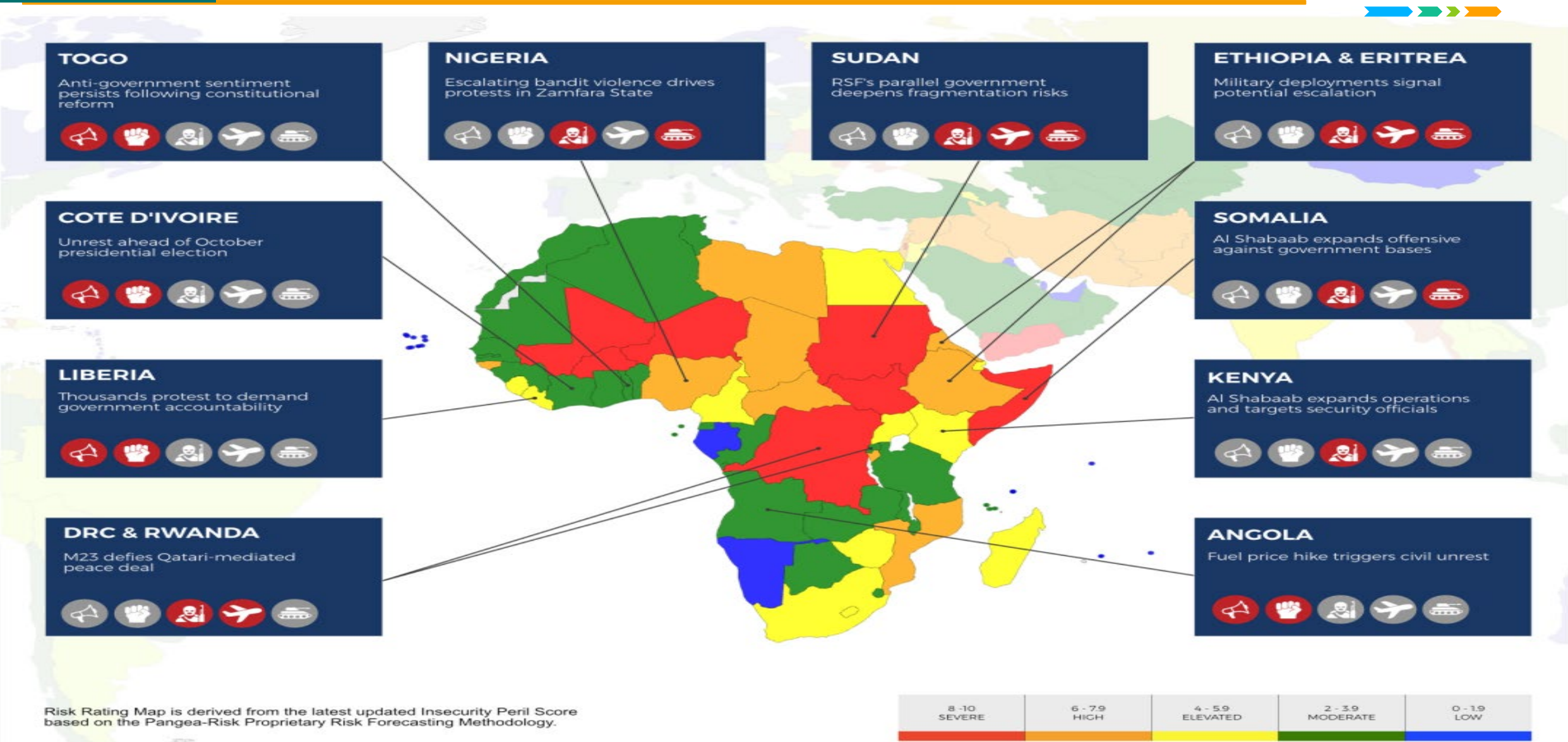
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# Current Trends and Transformations in Global Africa's Macroeconomic Landscape





# Geopolitical tensions in Africa continue to impact policy outcomes

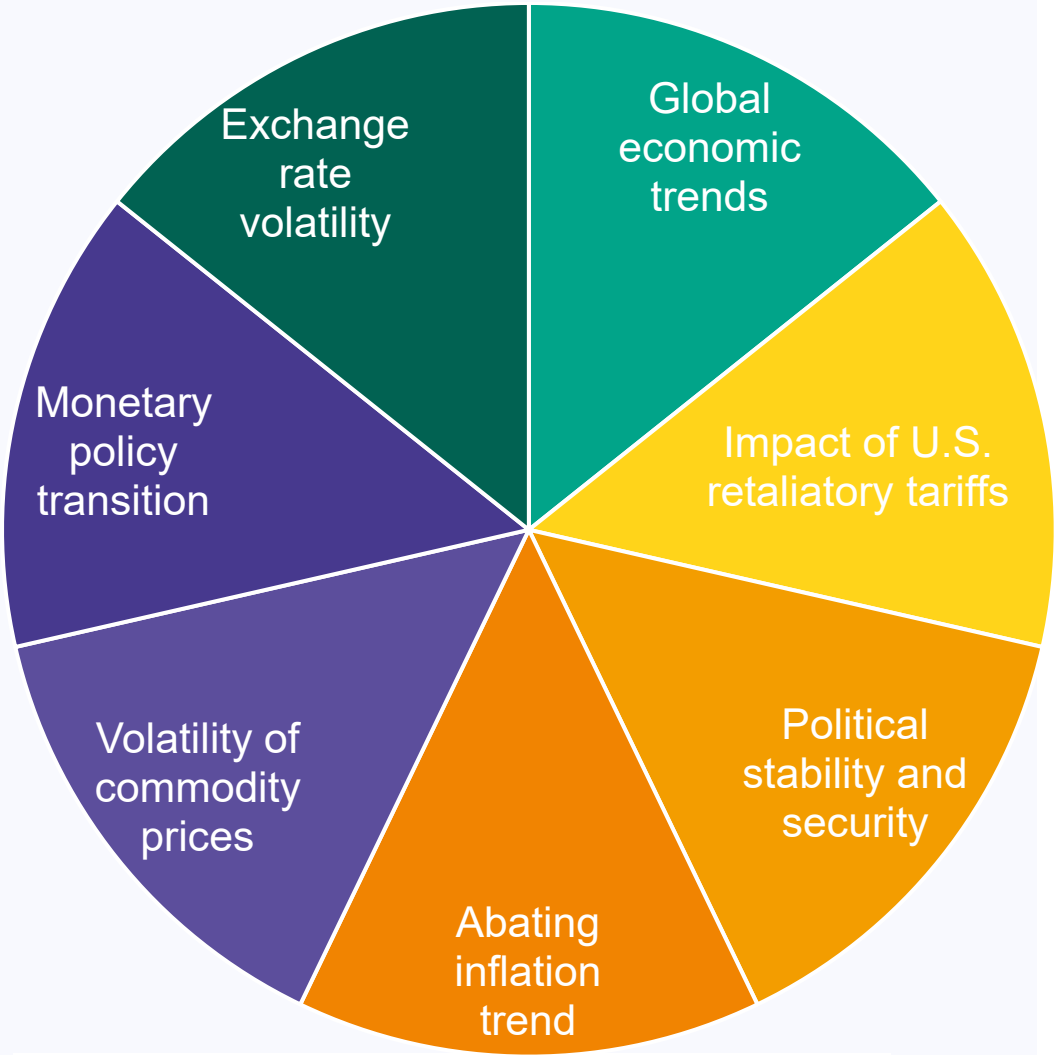


# African Growth: Resilient but Uneven Across Regions



	2025 (f) - October 2024	2025 (f) - April 2025	Difference	2025 (f) - October 2024 (Afreximbank)	Q3-2024 (YoY)	Q4-2024 (YoY)
Libya	13.7	17.3	3.7	6.7		
Senegal	9.3	8.4	-0.9	8.5	10.0	11.6
Rwanda	6.5	7.1	0.6	7.2	8.1	8.0
Guinea	5.7	7.1	1.4	6.3		
Ethiopia	6.5	6.6	0.1	6.8		
Niger	7.3	6.6	-0.7	6.6	7.3	14.4
Benin	6.5	6.5	0.0	6.0	6.6	6.8
Côte d'Ivoire	6.4	6.3	-0.1	6.8	5.6	6.5
Zambia	6.6	6.2	-0.4	5.0	3.0	8.6
Uganda	5.9	6.1	0.2	6.8	6.7	5.3
Zimbabwe	6.0	6.0	0.0	3.8		
Tanzania	6.0	6.0	0.0	6.0	5.9	5.2
Djibouti	6.0	6.0	0.0	5.7		
The Gambia	5.8	5.9	0.2	5.7	5.0	
Liberia	5.8	5.3	-0.5	6.1		
Togo	5.3	5.3	0.0	5.5	6.3	5.1
Eswatini	4.2	5.1	0.9	3.5	2.8	2.1
Guinea-Bissau	5.0	5.1	0.1	4.8	5.2	5.3
Cabo Verde	4.7	5.0	0.3	5.0	3.4	6.7
Mali	4.4	4.9	0.5	4.2	4.7	4.4
Kenya	5.0	4.8	-0.2	5.3	4.2	5.1
Democratic Republic of the Congo	5.0	4.7	-0.3	6.0		
Sierra Leone	4.5	4.7	0.1	4.4		
Mauritania	4.2	4.4	0.2	5.5	6.0	
Burkina Faso	5.8	4.3	-1.5	4.4	4.9	5.5
Ghana	4.4	4.0	-0.3	4.4	7.2	3.6
Madagascar	4.6	3.9	-0.7	4.6		
Morocco	3.6	3.9	0.3	3.7	4.3	3.7
Namibia	4.2	3.8	-0.4	3.6	3.2	3.1
Egypt	4.1	3.8	-0.3	4.1	3.5	4.3
Cameroon	4.2	3.6	-0.6	4.6	3.0	
Seychelles	3.9	3.5	-0.4	4.0	10.2	7.2
Malawi	4.0	3.5	-0.5	3.4		
Algeria	3.0	3.5	0.5	3.1	2.3	4.2
Republic of Congo	3.7	3.3	-0.4	4.1		
São Tomé and Príncipe	3.3	3.1	-0.2	3.2		
Nigeria	3.2	3.0	-0.1	3.4	3.5	3.8
Mauritius	4.0	3.0	-1.0	4.6	5.2	4.8
Central African Republic	2.9	2.9	0.0	2.8		
Gabon	2.6	2.8	0.1	2.6		
Mozambique	4.3	2.5	-1.8	5.4	3.7	-4.9
Angola	2.8	2.4	-0.4	3.1	2.6	3.5
Burundi	3.5	1.9	-1.7	5.2		
Chad	3.8	1.7	-2.1	3.3		
Lesotho	2.3	1.5	-0.8	2.2	4.6	3.6
Tunisia	1.6	1.4	-0.2	2.1	1.8	2.4
South Africa	1.5	1.0	-0.5	1.6	0.4	0.8
Botswana	5.2	-0.4	-5.6	4.3	-4.2	-2.0
Sudan	8.3	-0.4	-8.7	0.5		
Equatorial Guinea	-4.8	-4.2	0.6	-3.0		

## Factors Influencing Africa's Economic Performance in 2025



Source: Trading Economics

# Trend in African Currencies



	Current Price	LastMonth	LastYear	MoM Change	YoY Change
Tanzania	2465.0	2640.0	2695.0	-6.6	-8.5
Zambia	23.0	24.2	25.9	-4.9	-11.1
Egypt	48.5	49.7	49.2	-2.5	-1.6
Uganda	3570.0	3587.8	3724.4	-0.5	-4.1
Zimbabwe	26.8	26.9	14.0	-0.4	91.2
Namibia	17.8	17.9	18.3	-0.3	-2.8
Swaziland	17.8	17.9	18.3	-0.3	-2.8
Lesotho	17.8	17.9	18.3	-0.2	-2.8
Nigeria	1531.3	1534.9	1581.5	-0.2	-3.2
Ethiopia	138.7	138.8	99.1	-0.1	39.9
South Africa	17.8	17.9	18.4	-0.1	-3.0
Mozambique	63.9	63.9	63.9	0.0	0.0
Madagascar	4423.8	4424.1	4542.1	0.0	-2.6
Djibouti	178.1	178.1	178.0	0.0	0.1
Eritrea	15.0	15.0	15.0	0.0	0.0
Guinea	8673.0	8673.0	8617.4	0.0	0.6
Liberia	200.5	200.5	195.5	0.0	2.6
Somalia	571.5	571.5	568.0	0.0	0.6
Angola	918.7	918.6	892.3	0.0	3.0
Sudan	600.5	600.5	598.8	0.0	0.3
Malawi	1734.0	1733.7	1733.7	0.0	0.0
Kenya	129.3	129.2	129.0	0.0	0.2
South Sudan	4523.9	4521.3	1634.4	0.1	176.8
Congo	2912.0	2910.0	2845.0	0.1	2.4
Gambia	72.8	72.7	69.6	0.1	4.6
Burundi	2981.5	2979.1	2881.9	0.1	3.5
Mauritania	39.9	39.8	39.6	0.2	0.7
Cameroon	565.1	563.8	600.7	0.2	-5.9
Algeria	130.3	129.6	134.7	0.5	-3.2
Morocco	9.1	9.0	9.8	0.6	-7.5
Rwanda	1446.5	1435.5	1319.2	0.8	9.6
Sao Tome and Principe	21.3	21.1	22.4	0.9	-4.9
Cape Verde	95.4	94.3	101.3	1.1	-5.8
Botswana	13.5	13.3	13.5	1.1	-0.3
Comoros	425.5	420.5	450.8	1.2	-5.6
Mauritius	45.6	45.0	46.5	1.4	-1.8
Ghana	10.6	10.4	15.5	1.4	-32.1
Ivory Coast	565.1	557.0	600.7	1.5	-5.9
Tunisia	2.9	2.9	3.1	1.6	-4.1
Sierra Leone	23076.9	22476.5	22510.8	2.7	2.5
Seychelles	14.7	14.1	13.5	4.4	9.0

## Exchange rate dynamics recorded in July 2025:



**Currency appreciation**  
 Several regional currencies experienced appreciation, notably those of Tanzania, Zambia, Egypt, Uganda etc..



**Currency stability**  
 Concurrently, some other countries: Mozambique and Eritrea have experienced periods of stability.



**Currency depreciation**  
 19 countries experienced currency depreciations during this period.

## U.S. Dollar Index



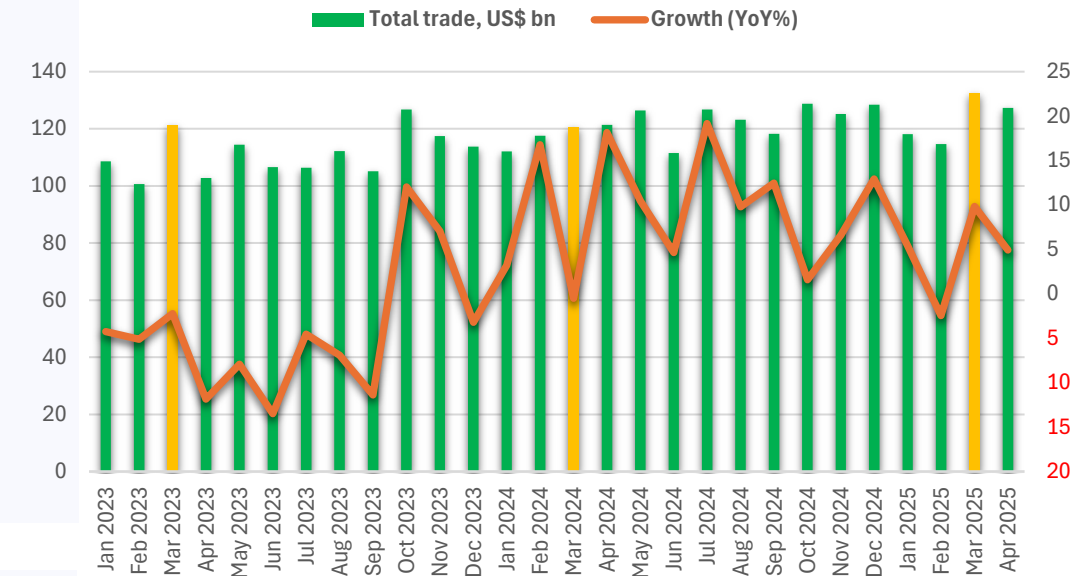


# African Trade: Monthly Decline, but Strong Year-Over-Year Growth



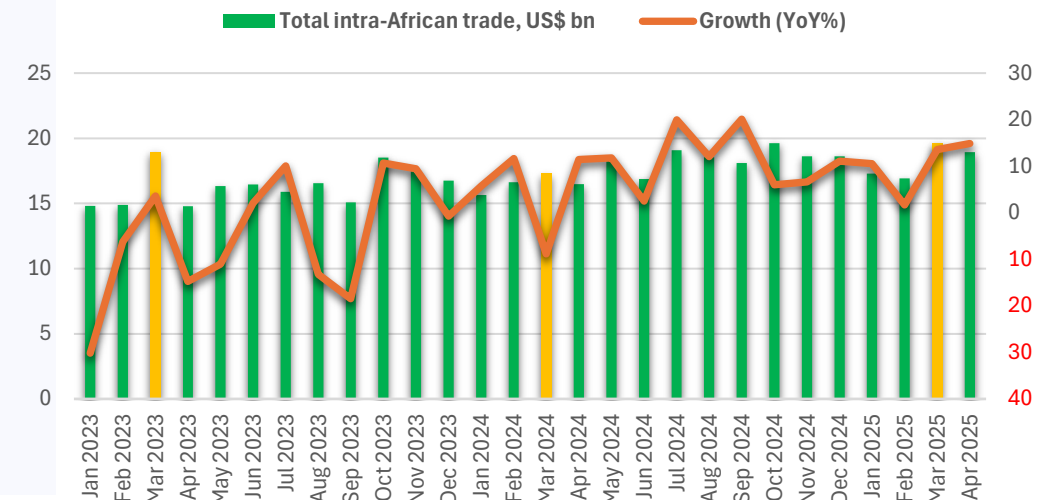
## African trade declines to US\$127.33 billion

Total African trade declined to US\$127.33 billion in April 2025, from US\$132.62 billion in March 2025. Despite this monthly decrease, the trade volume still represents a 4.92% growth compared to April 2024, showing year-over-year resilience even amid the recent monthly pullback.



## Intra-African trade grew 14.9% y-o-y in April despite m-o-m decline

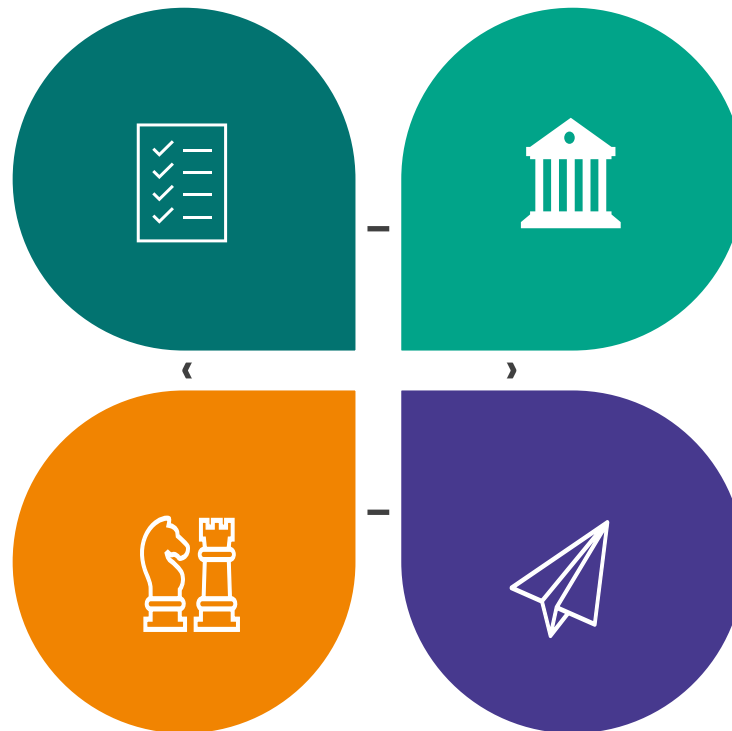
Intra-African trade also declined from US\$19.6 billion in March 2025 to \$18.93 billion in April 2025. Despite the monthly decrease, this demonstrated a 14.9% growth improvement compared to the same period in the year prior.



Africa's credit landscape is evolving due to fiscal reforms, improvements in governance, and resilient economic growth. No Ratings Updates in July.

•**Ghana** has received an upgrade from Fitch, moving from RD (Restricted Default) to B- (stable), marking a significant recovery from its previous distressed status. This upgrade reflects the country's progress in resolving its debt restructuring process.

•**Côte d'Ivoire** maintains stable ratings at BB- (stable) from both S&P and Fitch, showing consistent creditworthiness. The rating agencies continue to view the country's credit profile as stable with no changes in outlook.



•**Angola** holds steady at B- (stable) ratings from both S&P and Fitch. The rating agencies are maintaining their current assessment while monitoring the country's ongoing economic management efforts.

•**Mozambique** remains at CCC (stable) from both S&P and Fitch, indicating the country is still in the lower investment grade category. Rating agencies are keeping a stable outlook while watching for signs of improvement in the country's financial situation.

# Credit Ratings: Improvements Signal Fiscal Reforms and Stability

## 2/2



May 2025

Sovereign	Moody's			S&P			Fitch		
	Previous	Current	Direction	Previous	Current	Direction	Previous	Current	Direction
<b>UPGRADES</b>									
Nigeria	Caa1 (stable)	B3 (stable)	↑				B- (pos)	B (stable)	↑
Ghana				SD	CCC+(stable)	↑			
Togo				B (positive)	B+ (stable)	↑			
Zambia	Caa3 (stable)	Caa2 (positive)	↑						
<b>Total</b>		<b>2</b>			<b>2</b>			<b>1</b>	
<b>UNCHANGE IN CREDIT RATING OUTLOOKS</b>									
Egypt							B(stable)	B(stable)	
Lesotho							B (stable)	B (stable)	
Namibia							BB- (stable)	BB- (stable)	
Angola							B- (stable)	B- (stable)	
Cabo Verde							B (stable)	B (stable)	
<b>Total</b>								<b>5</b>	
<b>NEGATIVE CHANGE IN CREDIT RATING OUTLOOKS</b>									
Cameroon							B (stable)	B (negative)	↓
Egypt				B- (positive)	B- (stable)	↓			
Rwanda	B2 (stable)	B2 (negative)	↓				B+ (stable)	B+ (negative)	↓
Botswana	A3 (stable)	A3 (negative)	↓						
<b>Total</b>		<b>2</b>			<b>1</b>			<b>2</b>	

June 2025

Sovereign	Moody's			S&P			Fitch		
	Previous	Current	Direction	Previous	Current	Direction	Previous	Current	Direction
<b>UPGRADES</b>									
Ghana							RD (stable)	B- (stable)	↑
<b>Total</b>								<b>1</b>	
<b>UNCHANGE IN CREDIT RATING OUTLOOKS</b>									
Cote d'Ivoire							BB- (stable)	BB- (stable)	
Gabon							CCC (stable)	CCC (stable)	
Tanzania							B+ (stable)	B+ (stable)	
<b>Total</b>								<b>3</b>	

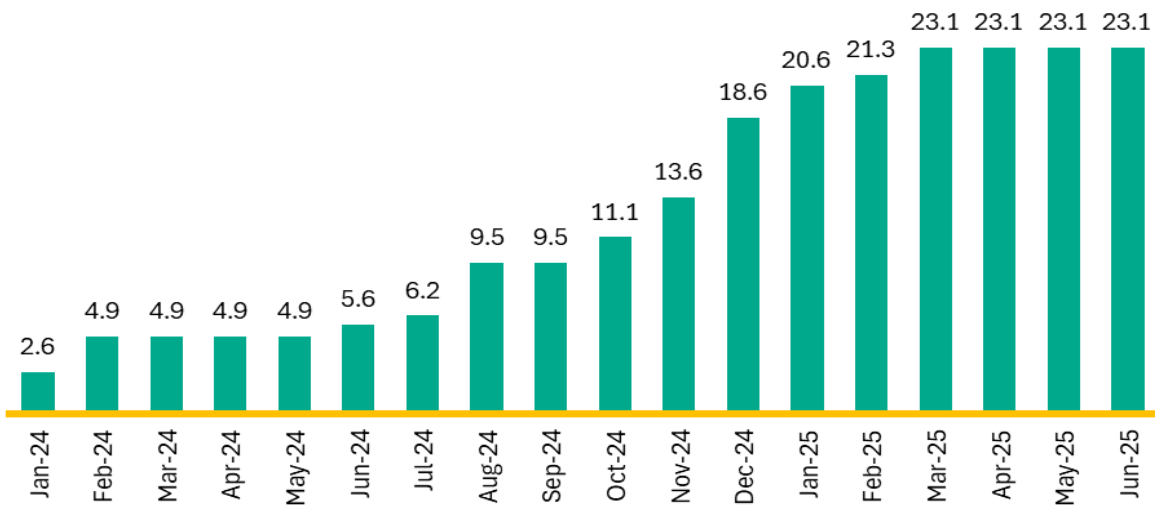
# African Market Access: Issuance Slowdown Amid Global Uncertainty



Eurobonds Issuance, Africa

	Issuances (US\$ billion)	Rates (Percent)	Maturity (Years)	Date	Rating
	1.1	7.875	9	Jan-24	Moody's: Ba3, + outlook
Côte d'Ivoire	1.5	8.5	13	Jan-24	Moody's: Ba3, + outlook
Benin	0.75	8.375	14	Feb-24	Moody's: B1, stable outlook
Kenya	1.5	10.375	7	Feb-24	Moody's: B3, - outlook
Senegal	0.75	7.75	7	Jun-24	Moody's: B1, stable outlook
					Fitch: B, - outlook
Cameroon	0.55	10.75	7	Jul-24	S&P: B-, stable outlook
Senegal	0.3	7.75	7	Nov-12	Moody's: B1, stable outlook
Nigeria	2.2	7.75	7		Fitch: B-, + outlook
South Africa	3.5	7.1-7.9	45843	Nov-13	S&P: BB-, + outlook
Angola	1.5	9.5	1	Dec-24	S&P: B-, stable outlook
Egypt	2	8.6-9.45	2	Jan-25	S&P: B- + Outlook
Gabon	0.7	6.5	5	Feb-25	S&P: CCC, stable Outlook
Côte d'Ivoire	1,75	6.45			S&P: BB, stable outlook

Cumulative Issuances (\$US billions)



## Improved outlook and rating upgrade

African countries experienced improved outlooks and rating upgrades, with resumed market access and lower key interest rates from major central banks.



## Market return of African countries

Several African countries, including Angola, Egypt, Nigeria, Côte d'Ivoire, Senegal, and Morocco, issued Eurobonds, taking advantage of favorable market conditions following earlier foreign debt success.



## Dollar-bond offering by Benin, Egypt and Gabon

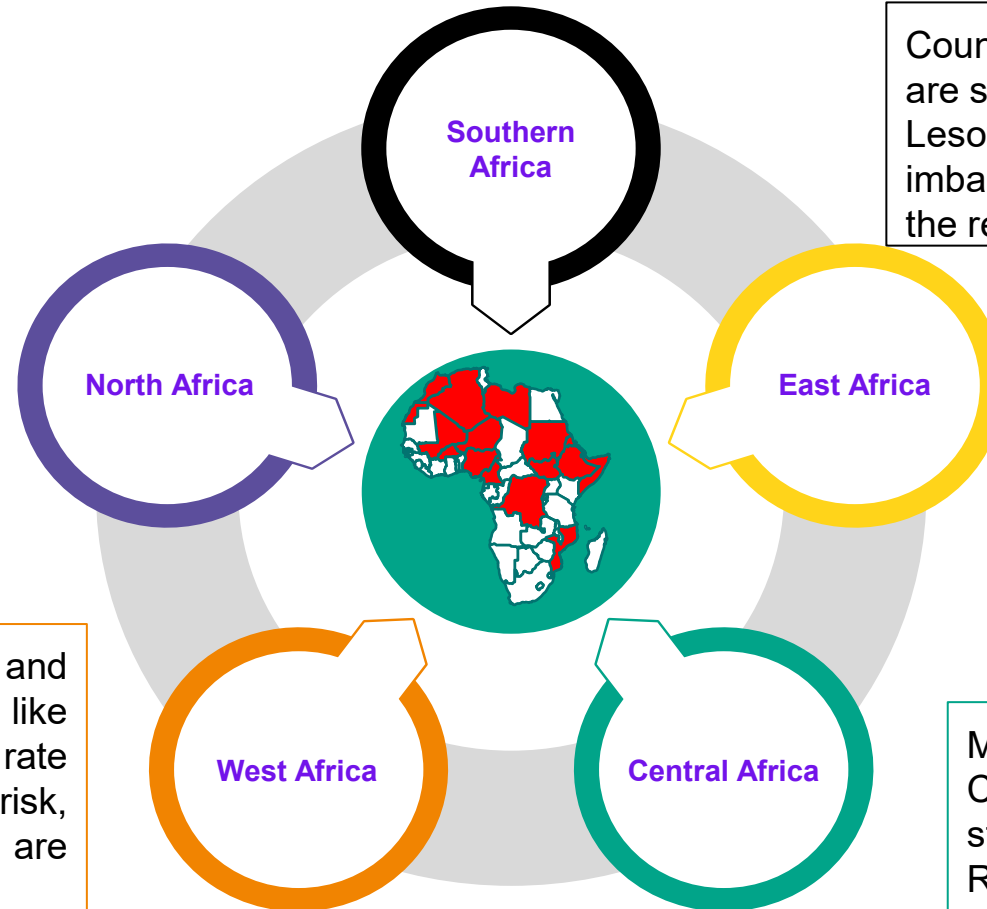
In 2025, Benin, Egypt, Gabon, and Cote d'Ivoire launched a dollar-bond offering, making them the first African sovereign issuers.

# Balance of Risks: Stability in Some Economies, Fragility in Others 1/2

Africa's macroeconomic recovery is highly heterogeneous. While many countries are experiencing stronger growth and fiscal realignment, challenges persist in inflation control, foreign exchange stability, and debt-related risks.

Growth is stable and trade remains strong, but Egypt, Libya, and Tunisia face rising inflation, currency volatility, and elevated macro risk. Morocco and Mauritania show greater resilience.

The region shows strong growth and moderating inflation. However, countries like Ghana and Nigeria face exchange rate instability, trade deficits, and heightened risk, while others like Côte d'Ivoire and Benin are relatively stable.



Countries like South Africa, Botswana, and Zambia are stabilizing, but Angola, Mozambique, and Lesotho face inflationary pressure, trade imbalances, and rising risk. Performance across the region is uneven.

Growth is solid in countries like Ethiopia, Kenya, and Uganda, but inflation and policy uncertainty persist. Fragile states such as Somalia and South Sudan continue to struggle with macro instability.

Macroeconomic conditions are mixed. Cameroon and Gabon show relative stability, but Chad and the Central African Republic face severe inflation, external imbalances, and high risk.

# Balance of Risks: Stability in Some Economies, Fragility in Others 2/2



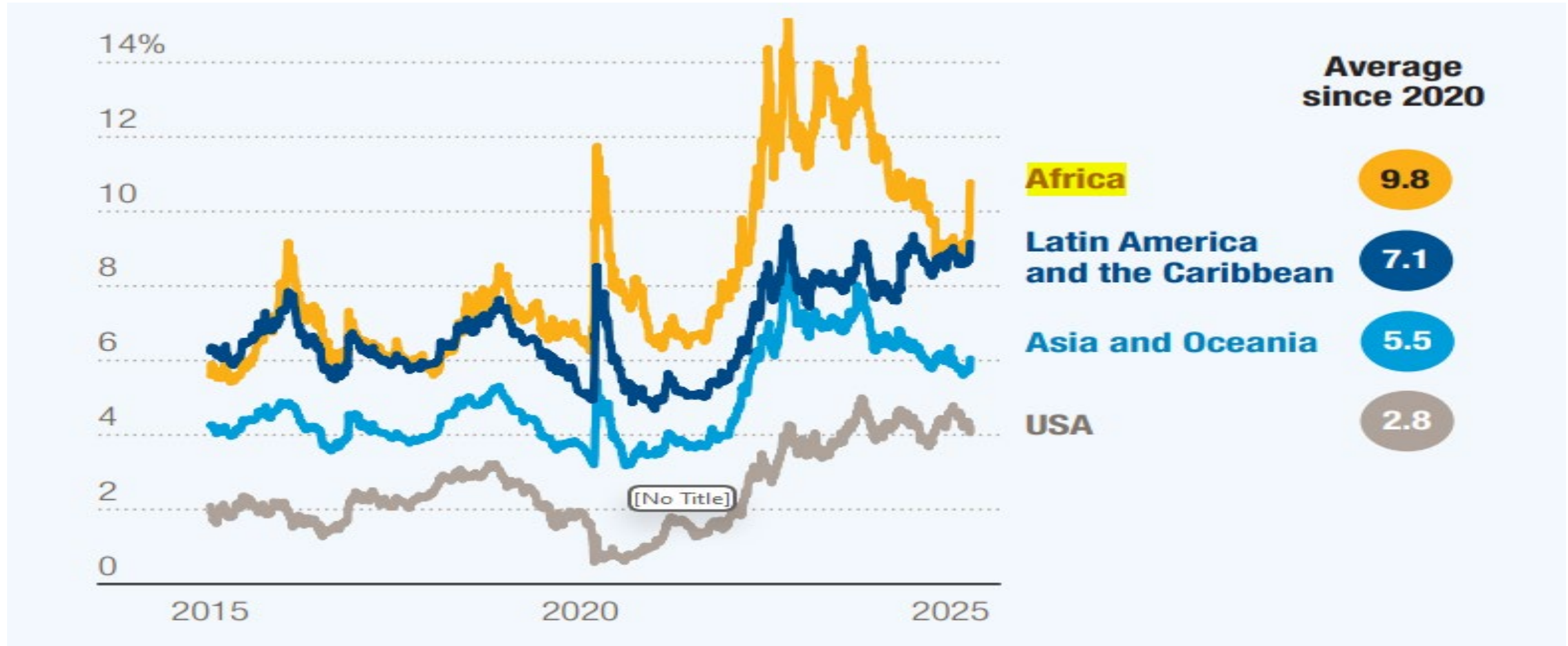
	Growth	Inflation	Policy Rate	Exch. Rate	Trade	Risk	Overall Scoring
<b>North Africa</b>							
Algeria	Stable	Deteriorating	Stable	Stable	Deteriorating	Stable	Stable
Egypt	Stable	Deteriorating	Stable	Stable	Deteriorating	Stable	Stable
Libya	Stable	Deteriorating	Stable	Stable	Deteriorating	Stable	Stable
Mauritania	Deteriorating	Stable	Stable	Stable	Deteriorating	Stable	Stable
Morocco	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Tunisia	Deteriorating	Stable	Stable	Stable	Deteriorating	Stable	Stable
<b>West Africa</b>							
Benin	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Burkina Faso	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Cabo Verde	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Cote d'Ivoire	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Gambia	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Ghana	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Guinea	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Guinea Bissau	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Liberia	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Mali	Deteriorating	Stable	Stable	Stable	Deteriorating	Stable	Stable
Niger	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Nigeria	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Senegal	Stable	Deteriorating	Stable	Stable	Deteriorating	Stable	Stable
Sierra Leone	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
Togo	Deteriorating	Stable	Stable	Stable	Deteriorating	Stable	Stable
<b>Central Africa</b>							
Cameroon	Deteriorating	Deteriorating	Stable	Deteriorating	Deteriorating	Deteriorating	Stable
Central African Republic	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable	Stable
Chad	Deteriorating	Stable	Stable	Deteriorating	Deteriorating	Stable	Stable
Gabon	Deteriorating	Stable	Stable	Deteriorating	Deteriorating	Stable	Stable
Sao Tome and Principe	Stable	Deteriorating	Stable	Stable	Deteriorating	Deteriorating	Stable
<b>East Africa</b>							
Burundi	Deteriorating	Deteriorating	Stable	Deteriorating	Deteriorating	Stable	Stable
Djibouti	Deteriorating	Deteriorating	Stable	Deteriorating	Deteriorating	Stable	Stable
Ethiopia	Stable	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
Kenya	Stable	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
Rwanda	Stable	Deteriorating	Stable	Stable	Deteriorating	Deteriorating	Stable
Somalia	Stable	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
South Sudan	Stable	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
Tanzania	Deteriorating	Stable	Stable	Stable	Deteriorating	Stable	Stable
Uganda	Stable	Stable	Stable	Stable	Deteriorating	Stable	Stable
<b>Southern Africa</b>							
Angola	Stable	Stable	Stable	Deteriorating	Stable	Deteriorating	Stable
Botswana	Stable	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
Eswatini	Stable	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
Lesotho	Stable	Deteriorating	Stable	Stable	Deteriorating	Stable	Stable
Madagascar	Stable	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
Malawi	Stable	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
Mauritius	Deteriorating	Deteriorating	Stable	Deteriorating	Deteriorating	Deteriorating	Stable
Mozambique	Deteriorating	Stable	Stable	Deteriorating	Deteriorating	Deteriorating	Stable
Namibia	Stable	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
Seychelles	Stable	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
South Africa	Stable	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
Zambia	Deteriorating	Stable	Stable	Stable	Deteriorating	Deteriorating	Stable
<b>Africa</b>							

Deteriorating ■ Stable ■ Improving ■



# Debt Sustainability: Africa faces higher borrowing costs

## Bond yields for developing regions and for the USA (2015-2025)





# Growth

Africa's growth outlook has been revised downward to 3.9 percent in 2025 and 4.0 percent in 2026, reflecting the impact of persistent external shocks and rising global uncertainty driven by tariffs. Despite this modest downgrade, growth in 21 African countries is still expected to exceed 5 percent in 2025. Economic reforms, diversification, and better macro management drives the resilience to withstand global shocks and sustain growth.



# Inflation

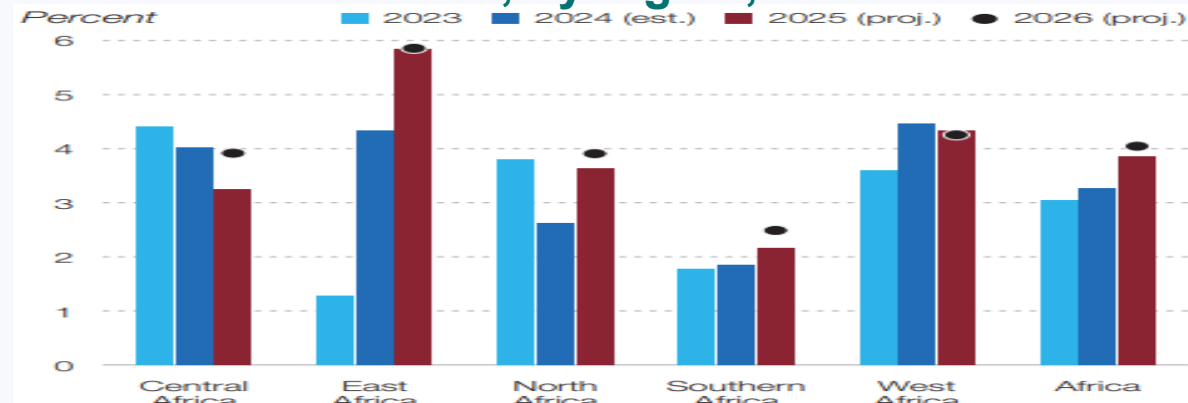
Average inflation in Africa is projected to ease to 13.8 percent in 2025 and 9.9 percent in 2026, marking the first return to single digits since the pandemic. Easing inflationary pressures largely driven by improved food supply, particularly in countries previously affected by climate-related shocks such as droughts and floods in 2024.



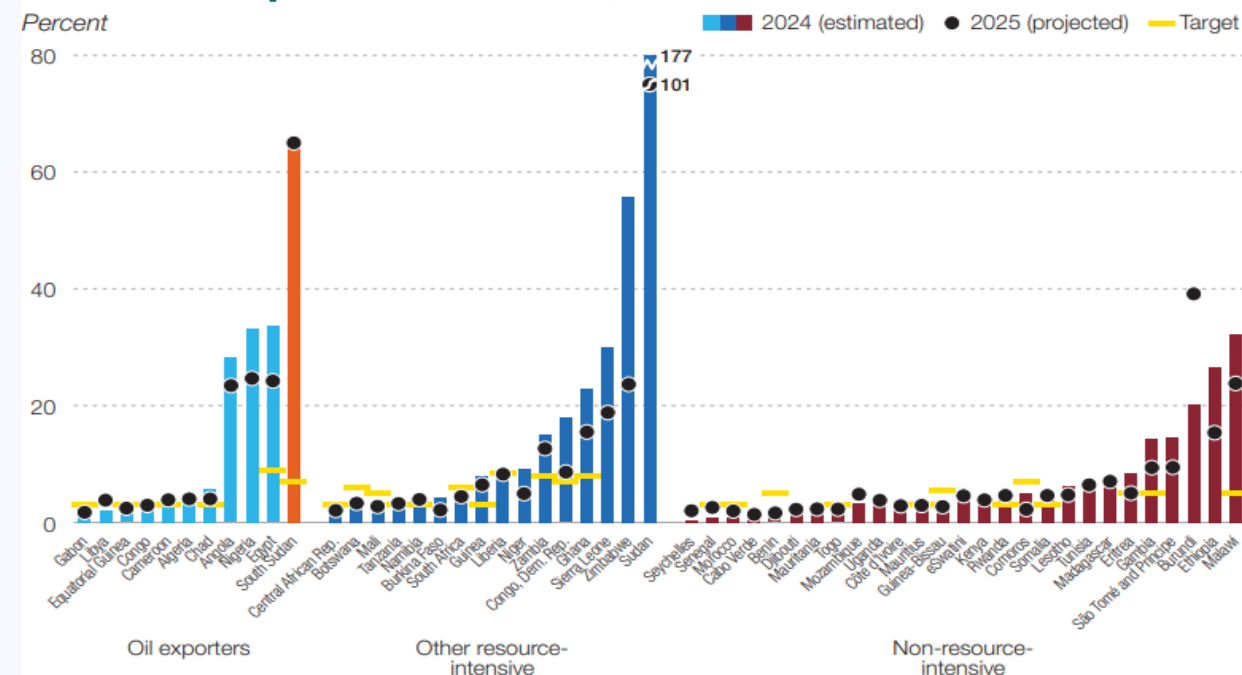
# Trade

Africa's average current account deficit is projected to widen from 1.8 percent of GDP in 2024 to 2.6 percent in 2025–26. This deterioration will be driven by a broader trade deficit, reflecting expected declines in export demand due to a weakening global economy.

## GDP Growth in Africa, by region, 2023–26



## Consumer prices inflation, 2024–25





# North Africa



# Key themes in North African countries



## Egypt – Central Bank Slashes Interest Rates by 200 bps

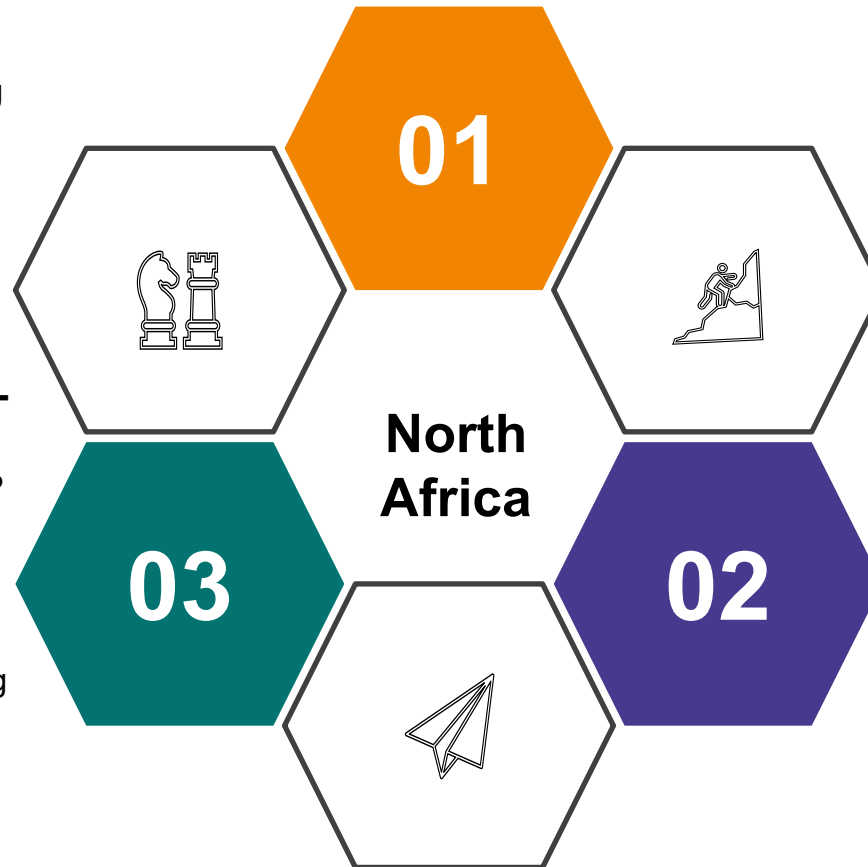
On August 28, Egypt's central bank delivered a strong policy signal, cutting its key rates by 200 basis points with deposit rates dropped to 22%, and lending rates to 23%. This aggressive move marks the third cut this year and outpaces market expectations.

## Egypt – GDP Growth Hits 4.5% in FY 2024–25

The economy rebounded impressively, with real GDP growing 4.5% in the fiscal year ending June, a substantial increase from the previous year's 2.4%. This performance outpaced the government's 4.2% projection and was driven by IMF-backed reforms, a manufacturing resurgence, and investments including a notable \$24 billion from the UAE.

## Libya — ExxonMobil Signs Offshore MoU, Returns After a Decade

ExxonMobil has re-entered Libya with a memorandum of understanding to explore four offshore blocks, marking its first such deal since 2015.



## Algeria — Sinopec Tapped for Massive 36,000 km<sup>2</sup> Gas Block Exploration

China's Sinopec signed a deal with Algeria's Sonatrach to explore the expansive GEG II gas block, signaling renewed confidence in Algeria's hydrocarbon potential.

## Morocco — Growth Forecast Slows to 4.0% in 2026 amid Export Headwinds

Morocco's statistics agency cut its 2026 growth forecast to 4.0%, citing global trade fragmentation and weaker external demand.

## Morocco — Stellantis Expands Kenitra Plant Ahead of EV Push

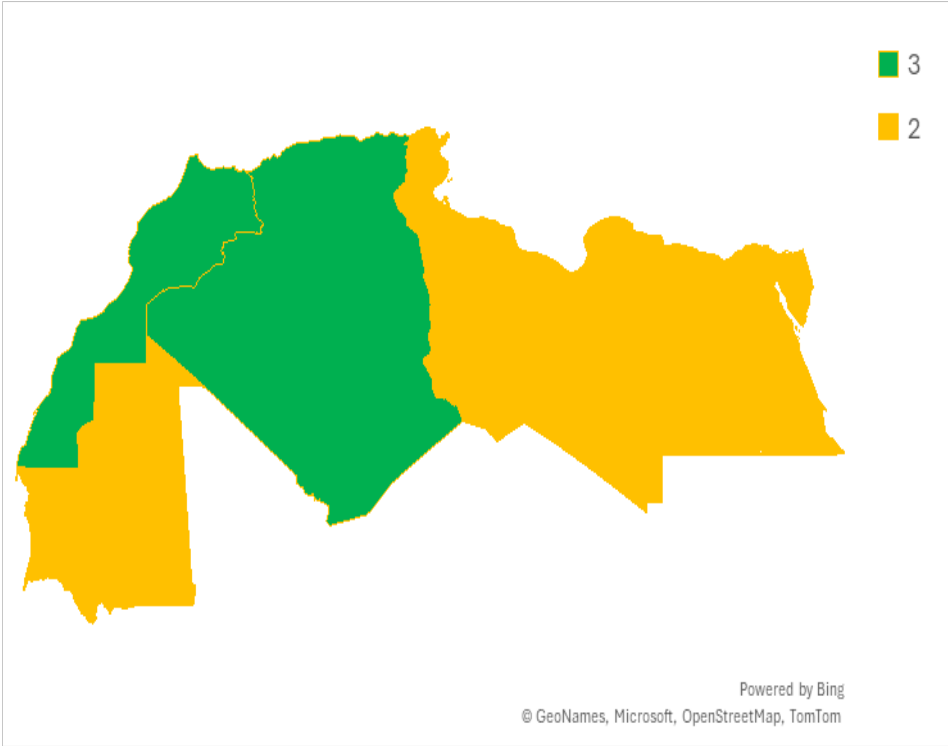
Stellantis unveiled a €1.2 billion expansion of its Kenitra plant, boosting output from 20,000 to 70,000 electric supermini cars annually, and aiming for 75% local sourcing by 2030.



All countries are characterized by stable or enhancing macroeconomic fundamentals.

## North Africa

	Growth	Inflation	Policy Rate	Exch. Rate	Trade	Risk	Overall Scoring
Algeria	Improving	Deteriorating	Stable	Improving	Deteriorating	Improving	3
Egypt	Improving	Deteriorating	Improving	Improving	Deteriorating	Improving	2
Libya	Improving	Deteriorating	Stable	Improving	Improving	Deteriorating	2
Mauritania	Deteriorating	Stable	Stable	Improving	Improving	Improving	2
Morocco	Improving	Improving	Stable	Improving	Improving	Improving	3
Tunisia	Deteriorating	Stable	Stable	Improving	Improving	Improving	2

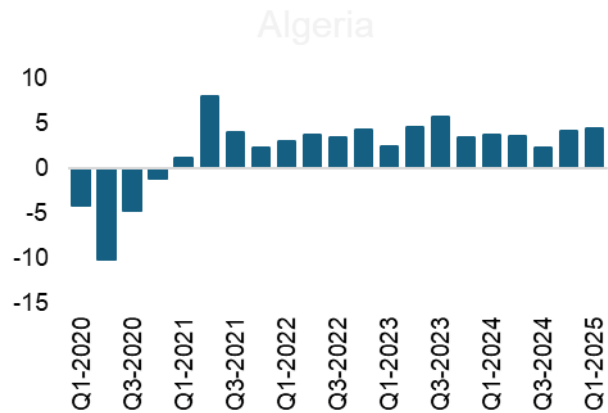


# Algeria

## Key Macroeconomic Indicators

Growth rose to 4.5% in Q1-2025 from 4.2%, whereas inflation fell to -0.22% in June from 1.43 in May. Policy rate held at 3.0% as the exchange rate appreciated by 1.2%, trading at 129.904 per USD. Total trade amounted to \$31.7 million in April. Risk score was moderate at 52.62.

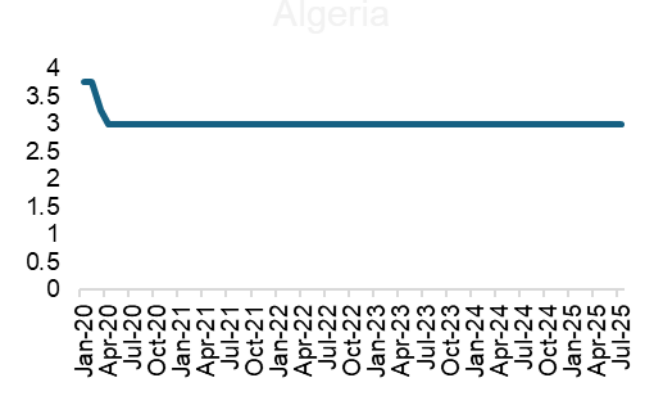
Growth rate



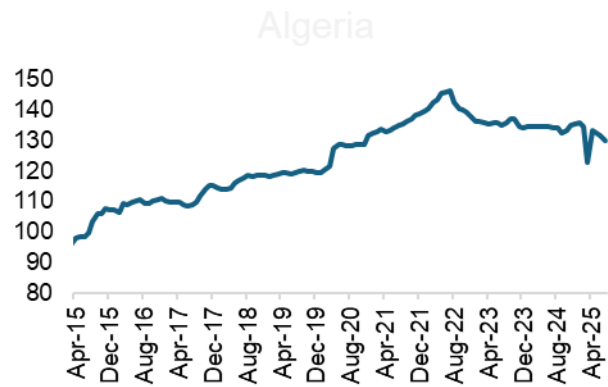
Inflation rate



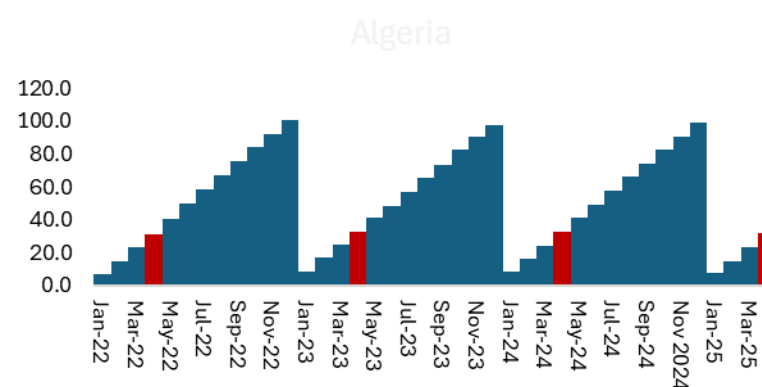
Policy rate



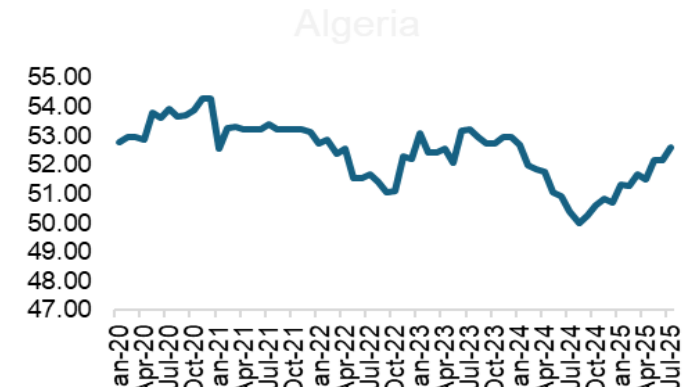
Exchange rate



Total foreign trade, \$US bn



Country Risk Index



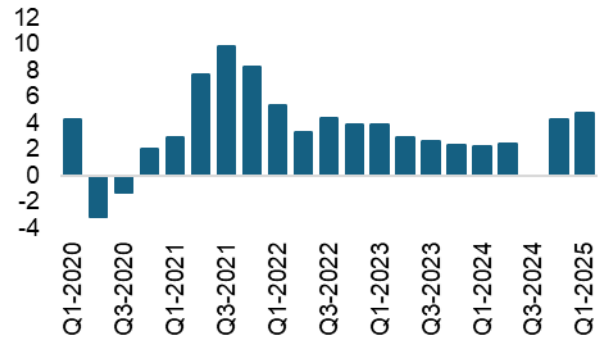
# Egypt

## Key Macroeconomic Indicators

Growth grew by 4.8% in Q1-2025, while inflation fell to 13.9% in July from 14.9% in June. Policy rate was set to 24% in July 2025, and the exchange rate appreciated by 2%, reaching 48.53 per USD. Total trade rose to \$49.9 million in April. Risk score stood at 48.69.

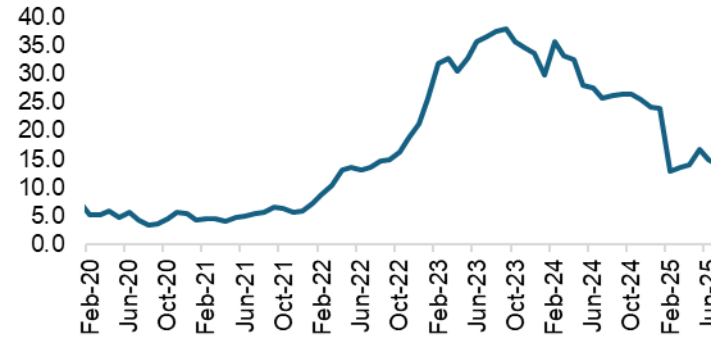
Growth rate

Egypt



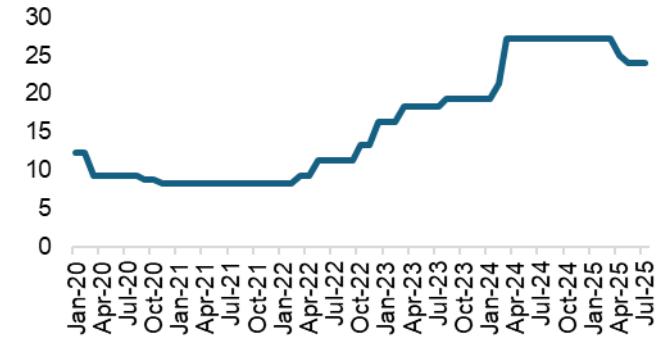
Inflation rate

Egypt



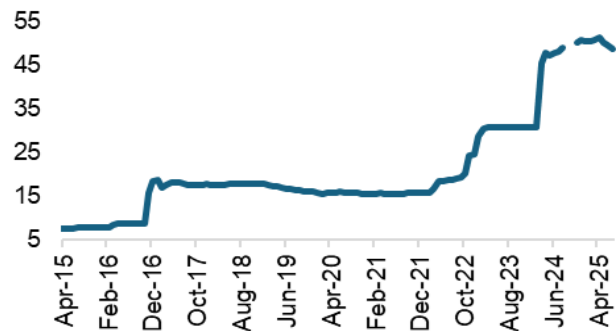
Policy rate

Egypt



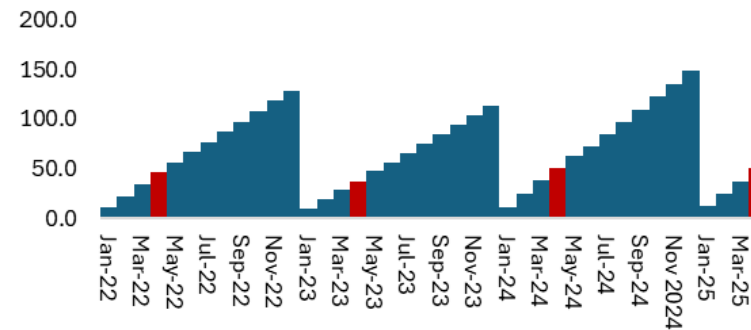
Exchange rate

Egypt



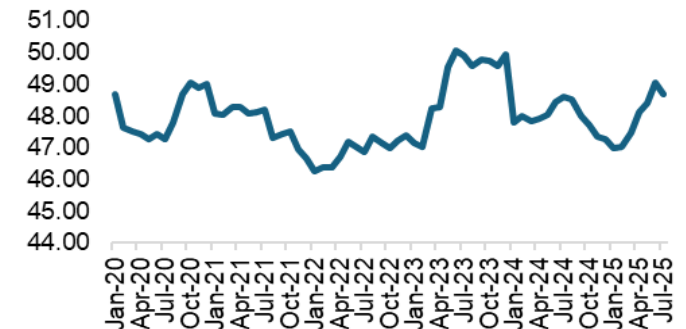
Total foreign trade, \$US bn

Egypt



Country Risk Index

Egypt



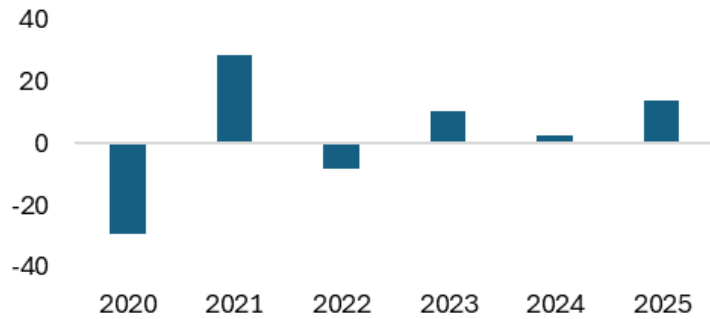
# Libya

## Key Macroeconomic Indicators

Inflation remained low at 1.6% in May 2025, and the exchange rate appreciated by 0.45% at 5.418 per USD. Total trade reached \$17.2 million in April. Risk score stood at 68.19 as of July 2025.

Growth rate

Libya



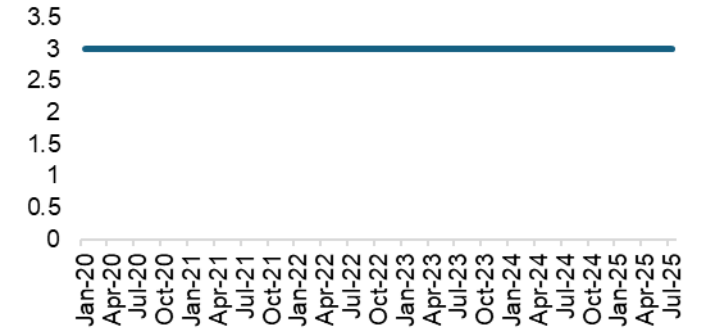
Inflation rate

Libya



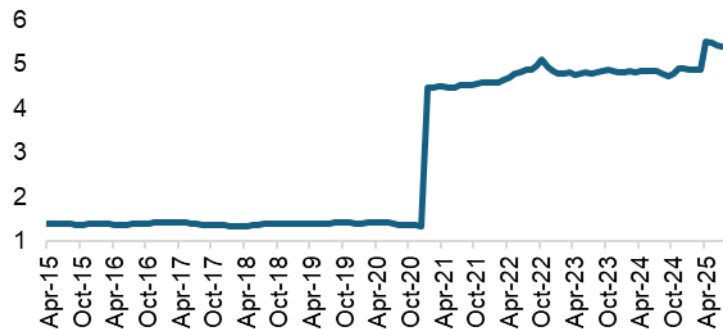
Policy rate

Libya



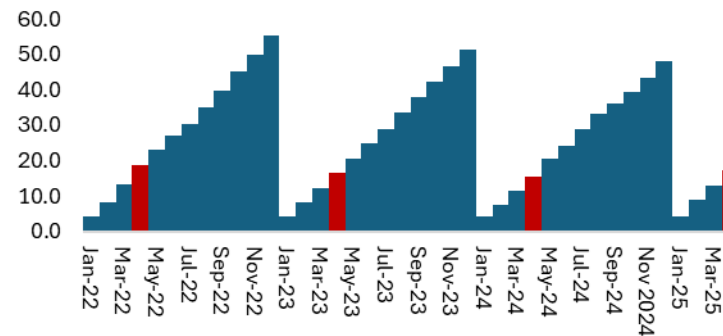
Exchange rate

Libya



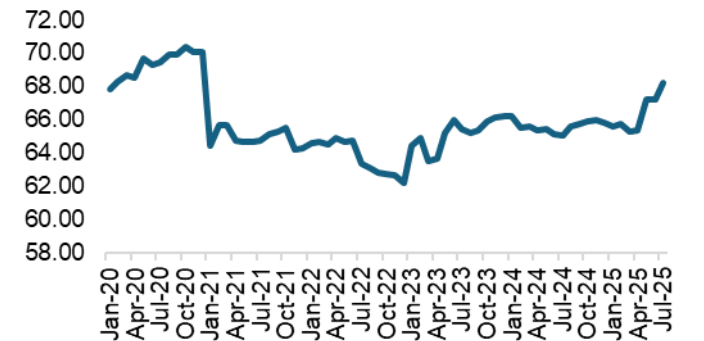
Total foreign trade, \$US bn

Libya



Country Risk Index

Libya

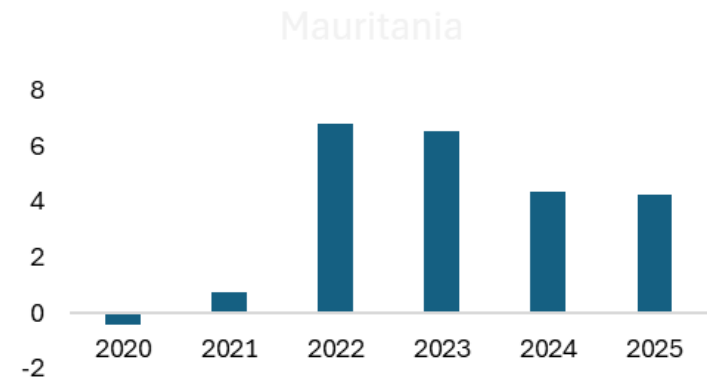


# Mauritania

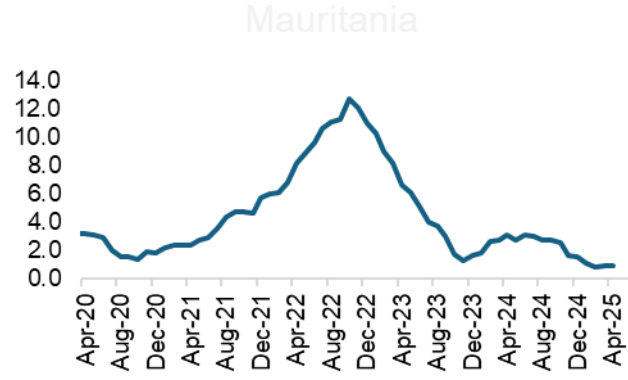
## Key Macroeconomic Indicators

Policy rate was steady at 6.75%, while the exchange rate depreciated by 0.9%, reaching 39.53 per USD. Risk score stood still at 62.44.

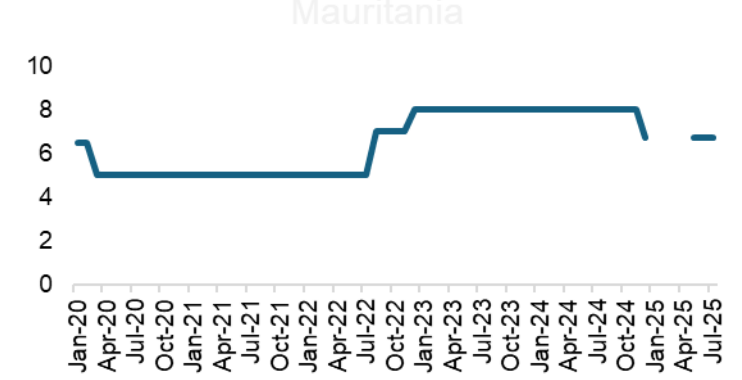
Growth rate



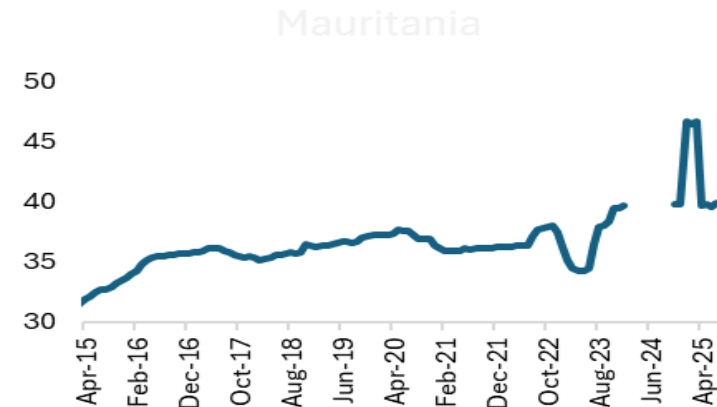
Inflation rate



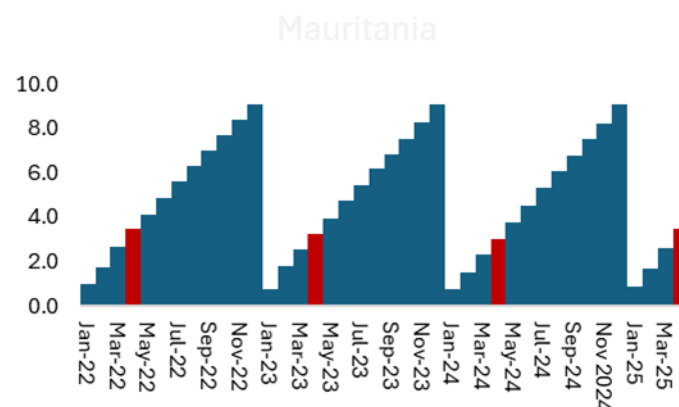
Policy rate



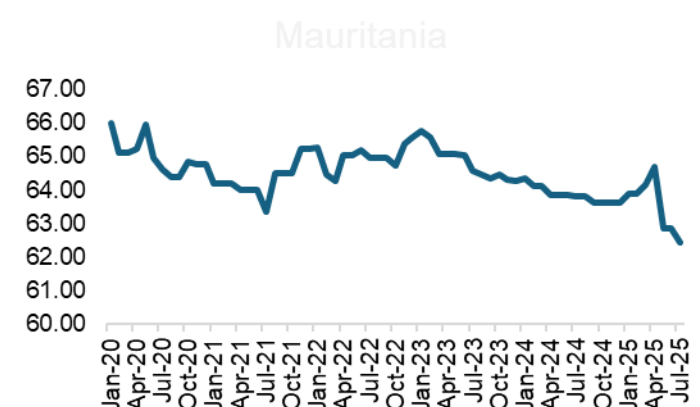
Exchange rate



Total foreign trade, \$US bn



Country Risk Index



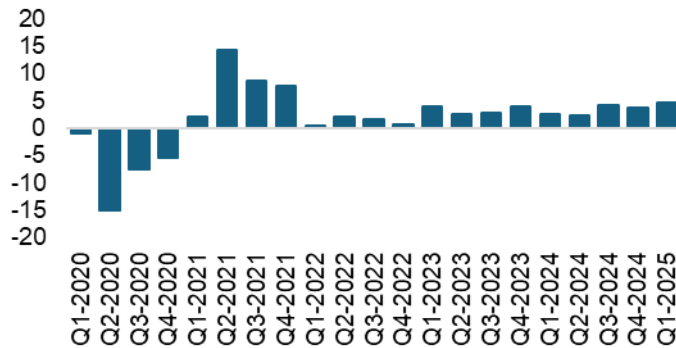
# Morocco

## Key Macroeconomic Indicators

Growth increased by 4.8% as at Q1-2025, while inflation stood at 0.4%. The policy rate held at 2.25% as the exchange rate appreciated by 1.14%, trading at 9.0492 per USD. Total trade reached \$44.5 million in April 2025. Risk score stood at 44.02 as at July 2025.

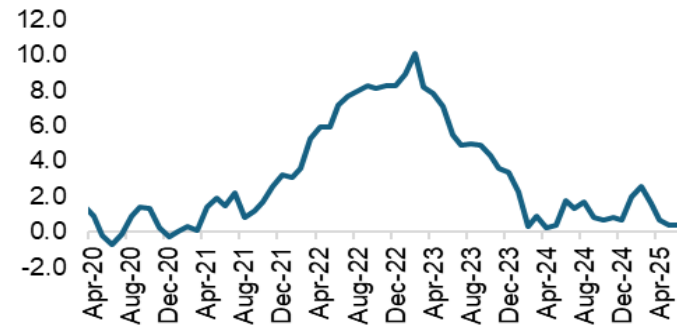
Growth rate

Morocco



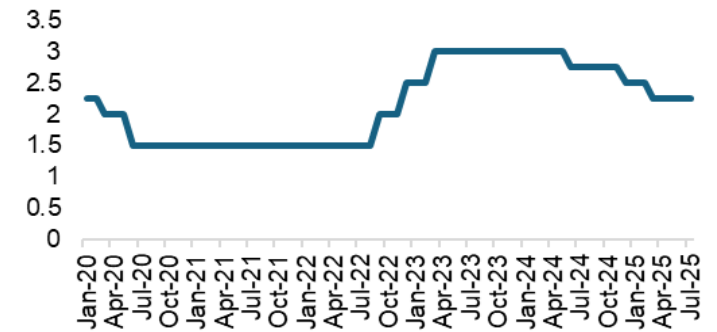
Inflation rate

Morocco



Policy rate

Morocco



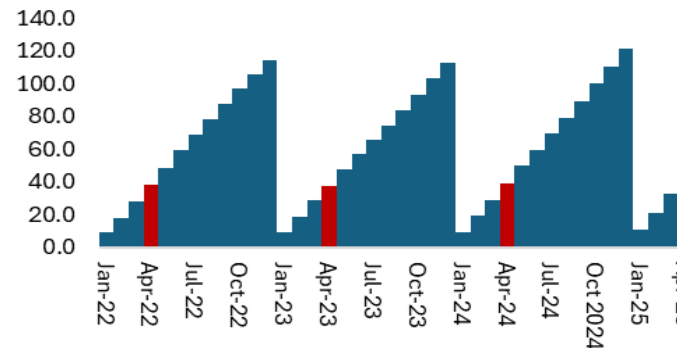
Exchange rate

Morocco



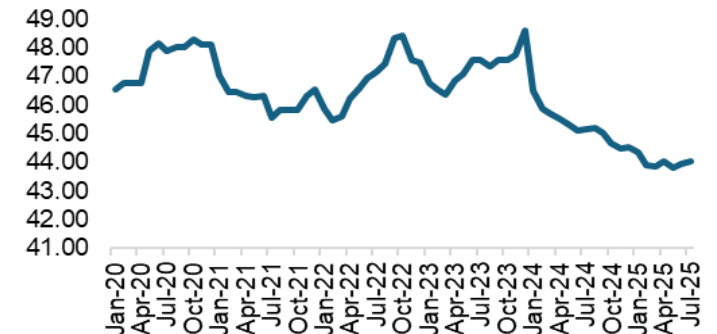
Total foreign trade, \$US bn

Morocco



Country Risk Index

Morocco



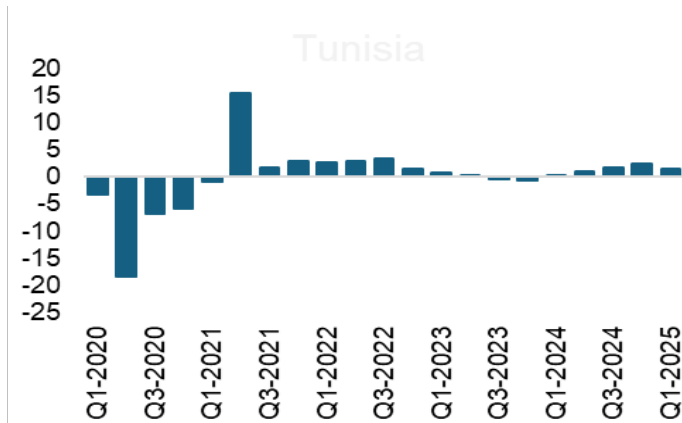


# Tunisia

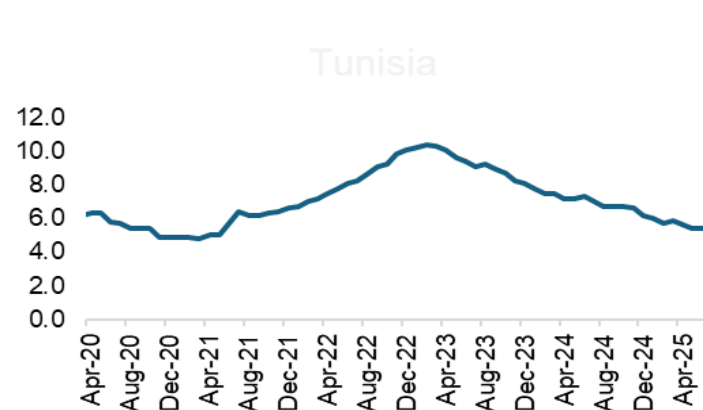
## Key Macroeconomic Indicators

Inflation fell to 5.3% in July 2025, from the previous 5.4% in June. Policy rate held at 7.50%, and the exchange rate appreciated by 0.84%, reaching 2.93 per USD. Total trade amounted to \$15.9 million in April. Risk score was 52.72.

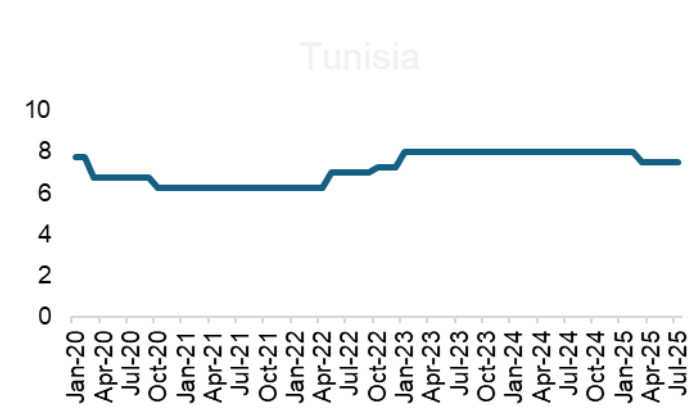
Growth rate



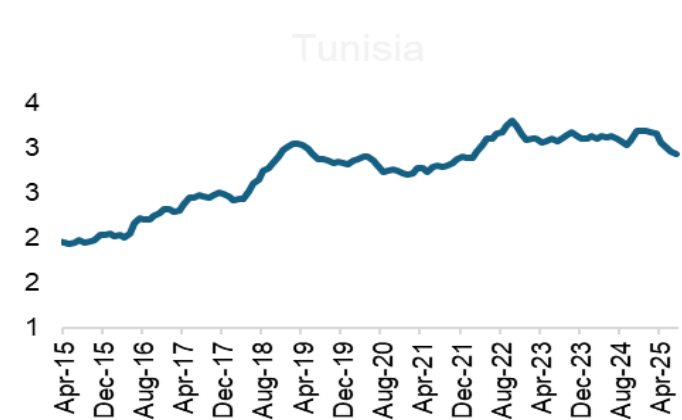
Inflation rate



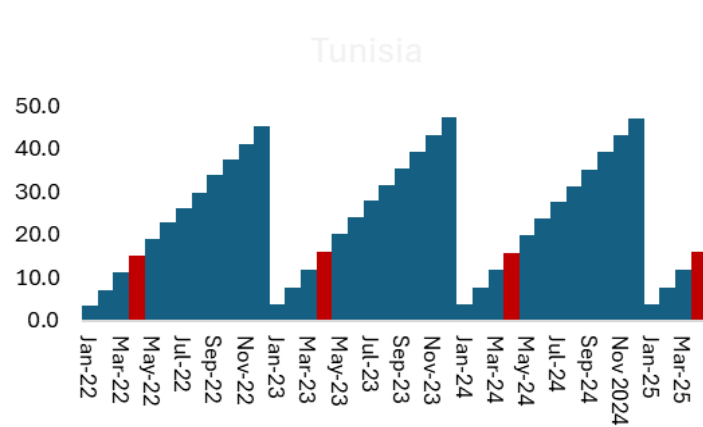
Policy rate



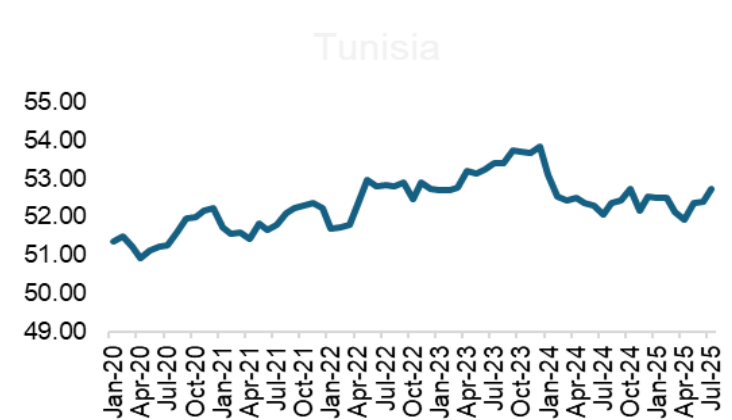
Exchange rate



Total foreign trade, \$US bn



Country Risk Index



# West Africa



# Key themes in West African countries

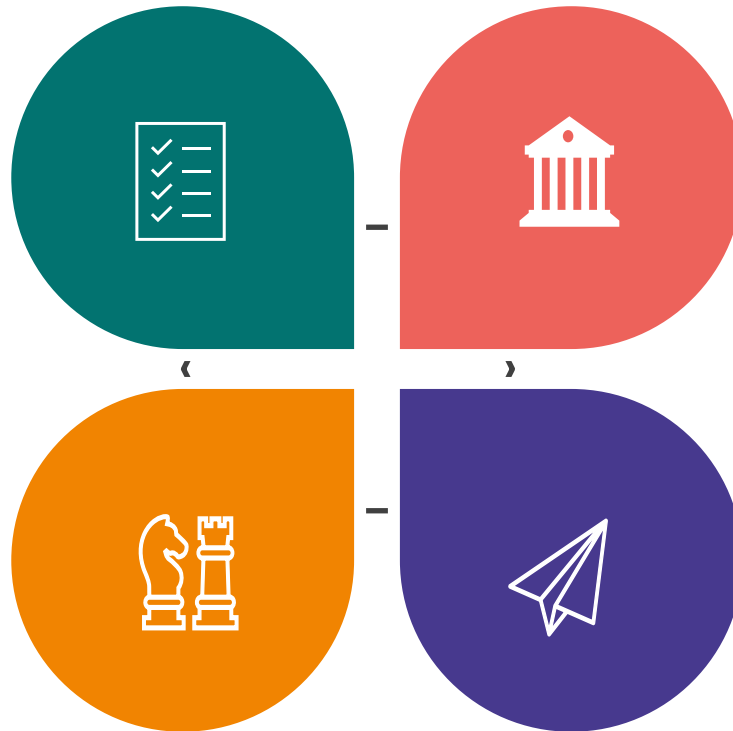


## Nigeria Pipeline theft nearly eliminated—oil output rising

Nigeria's NNPC reported that pipeline theft has dropped, with almost 100% of oil now reaching export terminals. This reflects successful coordination between security agencies and private contractors and promises production could top 2.5 million barrels per day (bpd)—a level unseen since 2005.

## Nigeria- Shea nut export ban aims to drive local processing

To spur domestic industry growth, Nigeria banned raw shea nut exports for six months. Analysts suggest this could yield \$300 million in short-term gains and up to \$3 billion by 2027, if local processing investment increases sufficiently.



## Ghana- Cocoa farmers protest low prices, threat of smuggling looms

More than 300,000 cocoa farmers are protesting against the government's marginal 4% price increase. The new rate lags behind regional benchmarks, prompting threats to bar regulators and push yokes toward smuggling. Ghana lost about 160,000 tonnes of cocoa last season due to these pressures.

## Senegal- IMF delays decision on Senegal's debt alleged misreporting case

The IMF stated that it will take several weeks to address what it says is Senegal's hidden debt, now estimated above \$11 billion. The matter must go before the IMF's Executive Board, and a waiver is needed to unblock further lending. Senegal's recovery relies heavily on new domestic financing strategies.

## Senegal- New recovery plan leans heavily on domestic funding

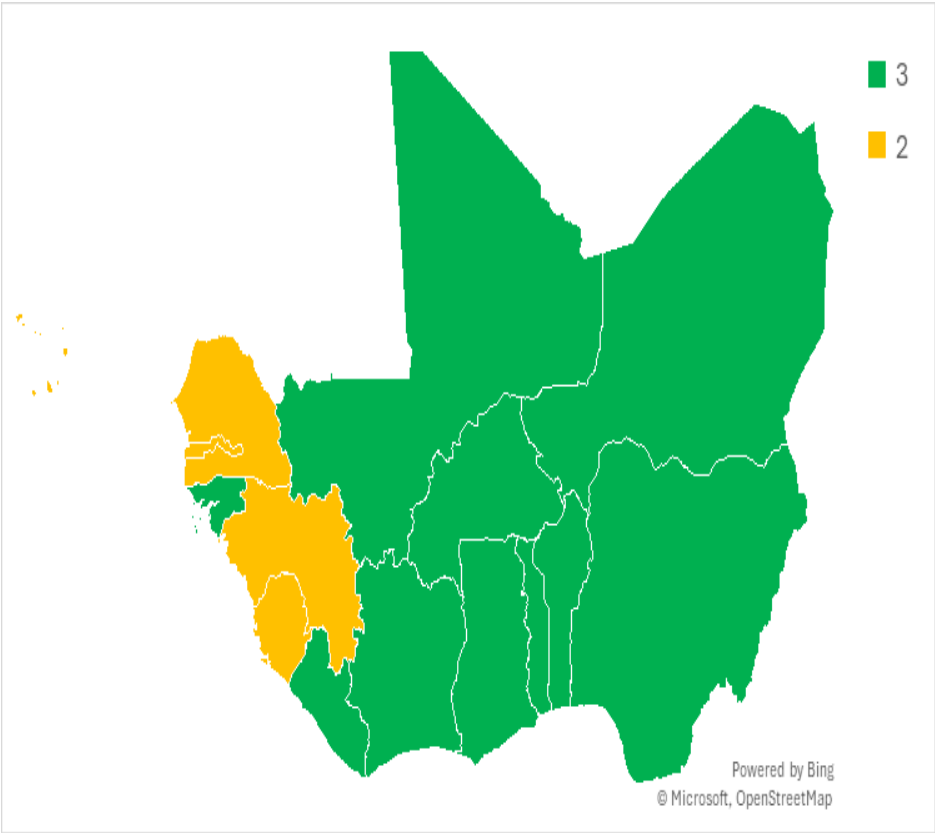
Prime Minister Ousmane Sonko unveiled an economic recovery plan funding 90% from domestic resources. External partners would only aid via asset recycling, reflecting a strategic pivot in the wake of financial instability caused by previously undisclosed commitments.

10 out of 15 countries are characterized by stable or enhancing macroeconomic fundamentals.



West Africa

	Growth	Inflation	Policy Rate	Exch. Rate	Trade	Risk	Overall Scoring
Benin	Improving	Improving	Improving	Improving	Improving	Improving	3
Burkina Faso	Improving	Improving	Improving	Deteriorating	Deteriorating	Improving	3
Cabo Verde	Improving	Stable	Stable	Deteriorating	Deteriorating	Stable	2
Cote d'Ivoire	Improving	Improving	Improving	Improving	Improving	Improving	3
Gambia	Improving	Stable	Deteriorating	Deteriorating	Deteriorating	Improving	2
Ghana	Improving	Stable	Improving	Improving	Deteriorating	Improving	3
Guinea	Improving	Stable	Deteriorating	Deteriorating	Deteriorating	Stable	2
Guinea Bissau	Improving	Improving	Improving	Improving	Improving	Stable	3
Liberia	Improving	Stable	Improving	Improving	Improving	Improving	3
Mali	Deteriorating	Improving	Improving	Improving	Improving	Improving	3
Niger	Improving	Improving	Improving	Deteriorating	Deteriorating	Improving	3
Nigeria	Improving	Stable	Improving	Improving	Deteriorating	Improving	3
Senegal	Improving	Deteriorating	Improving	Improving	Deteriorating	Deteriorating	2
Sierra Leone	Improving	Improving	Improving	Deteriorating	Deteriorating	Deteriorating	2
Togo	Deteriorating	Improving	Improving	Improving	Improving	Stable	3

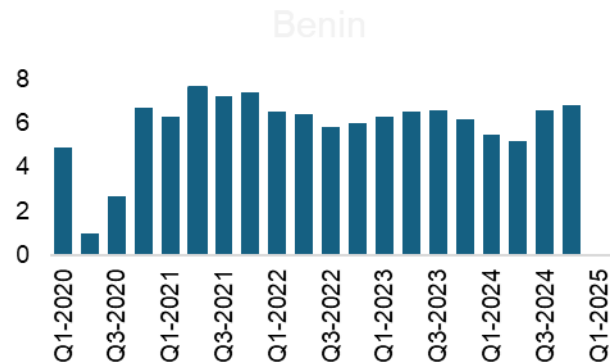


# Benin

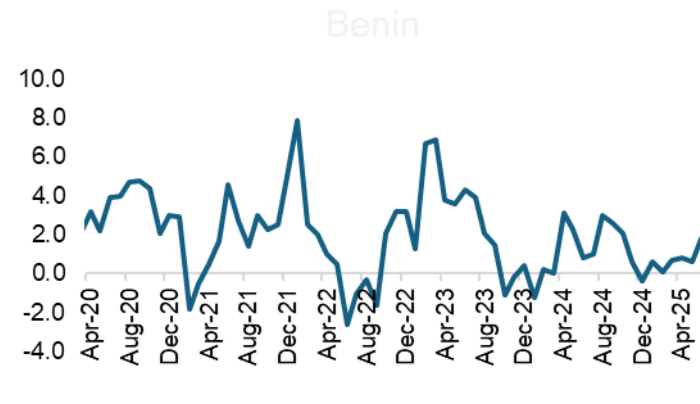
## Key Macroeconomic Indicators

Inflation fell to 1% in July 2025. Policy rate remained at 5.25% in July 2025, and the exchange rate appreciated by 1.4% to 573.5 per USD in June 2025. Total trade reached \$1.8 million in April. Risk score stood at 56.50.

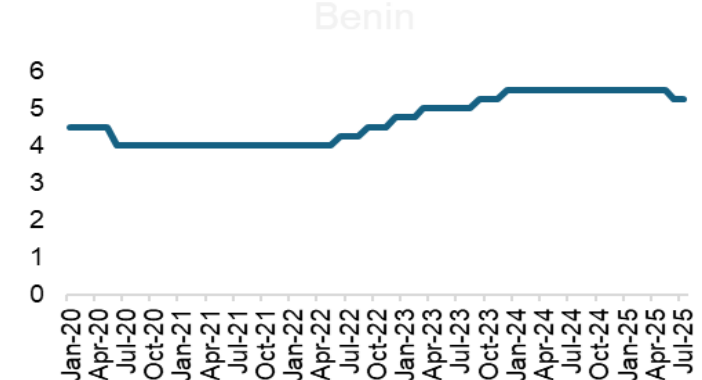
Growth rate



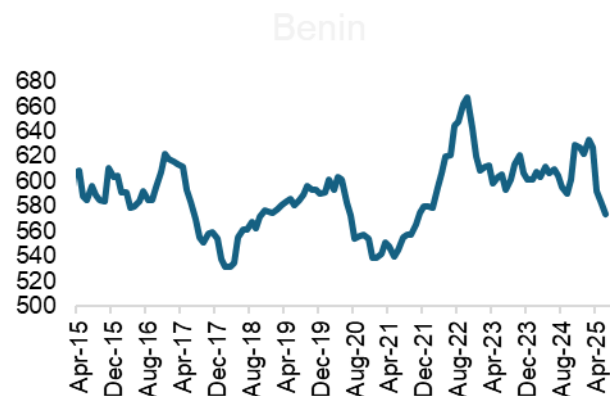
Inflation rate



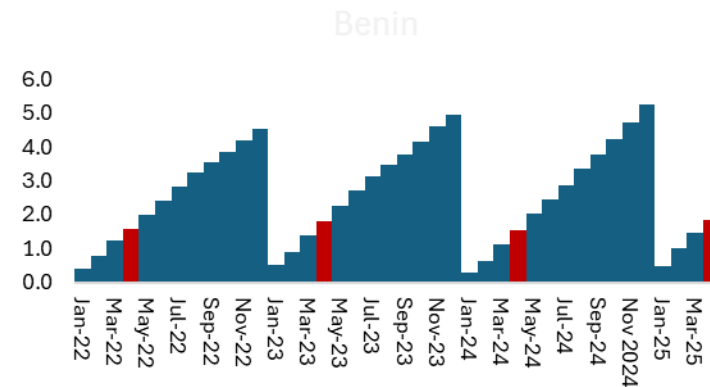
Policy rate



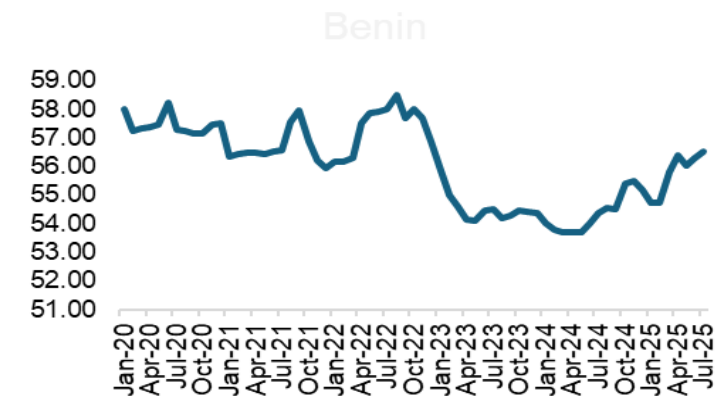
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

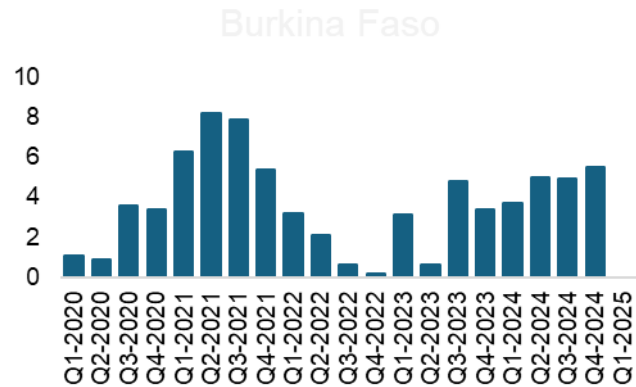


# Burkina Faso

## Key Macroeconomic Indicators

Inflation eased to 1.1% in June. Policy rate remained at 5.25%, in July 2025, with the exchange rate appreciating by 1.4% to 573.5 per USD in June 2025. Total trade declined to \$3.9 million in April 2025. Risk score stood at 67.12.

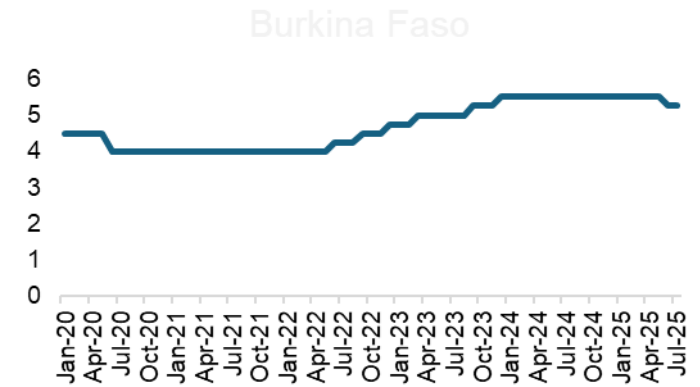
Growth rate



Inflation rate



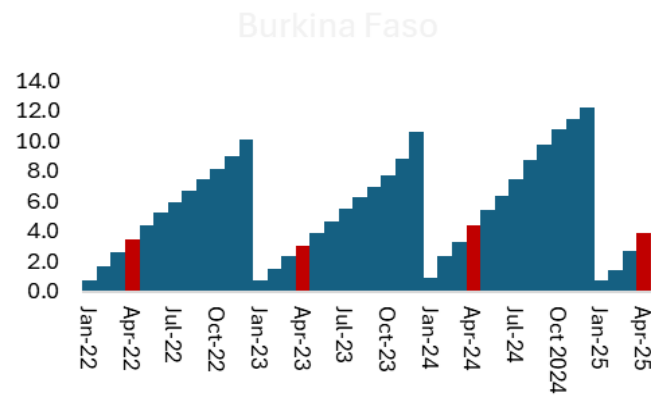
Policy rate



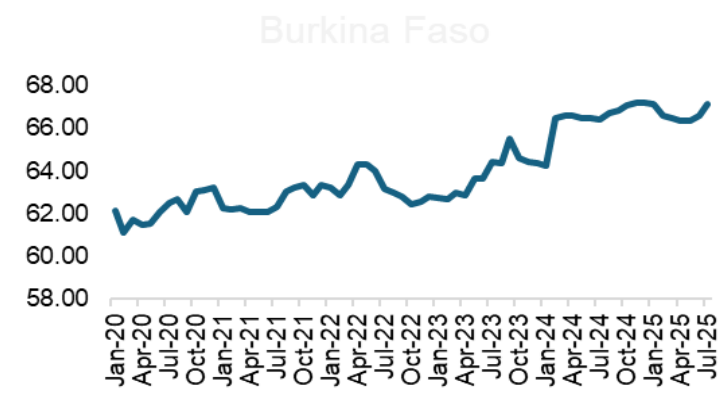
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

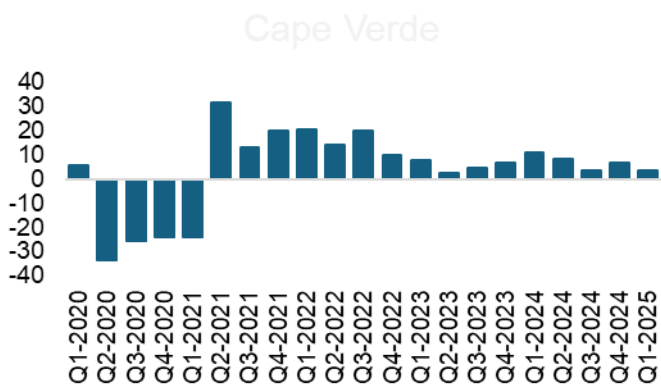


# Cape Verde

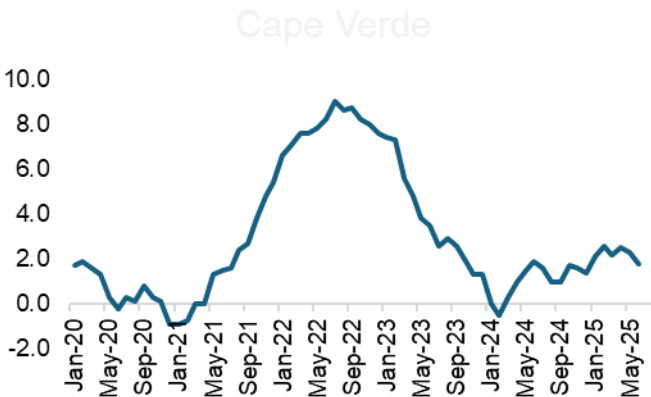
## Key Macroeconomic Indicators

Growth rate fell to 3.7% in Q1-2025. Inflation fell from 2.3% in May 2025 to 1.8% in June. The policy rate remains unchanged at 2.5%. The exchange rate saw an appreciation of 2% to 94.93 per USD in July 2025. Country risk stood at 54.72 as of July 2025.

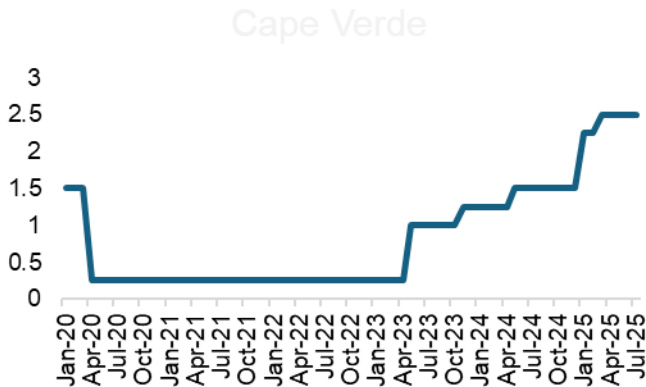
Growth rate



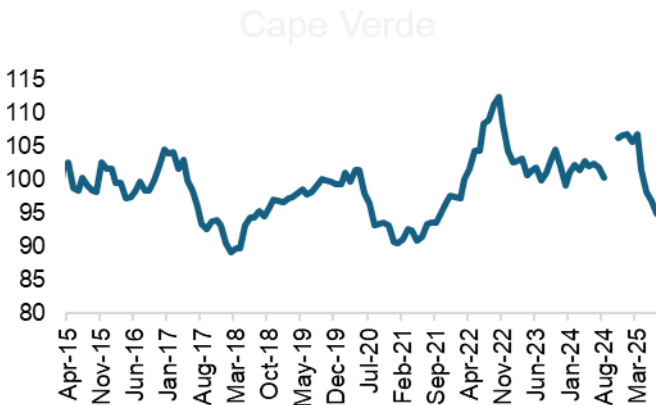
Inflation rate



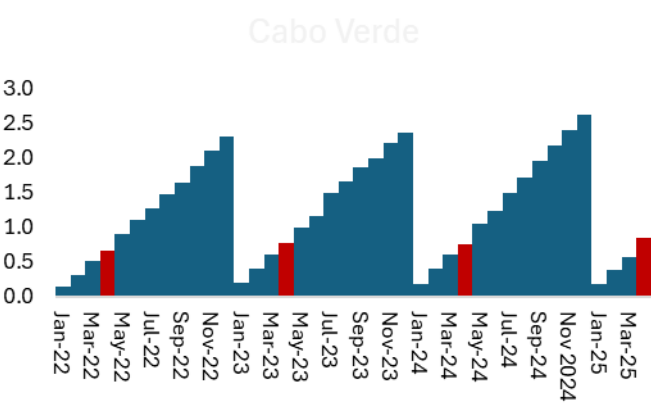
Policy rate



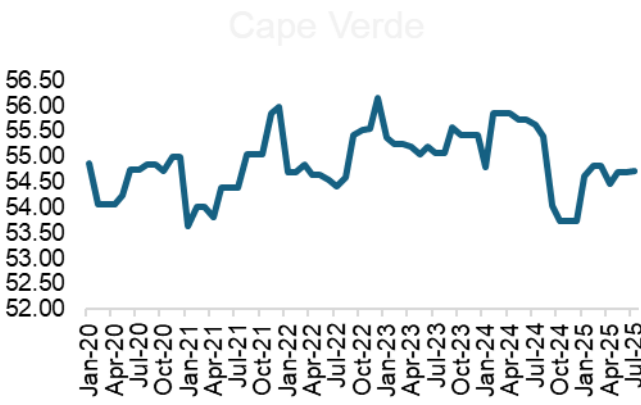
Exchange rate



Total foreign trade, \$US bn



Country Risk Index





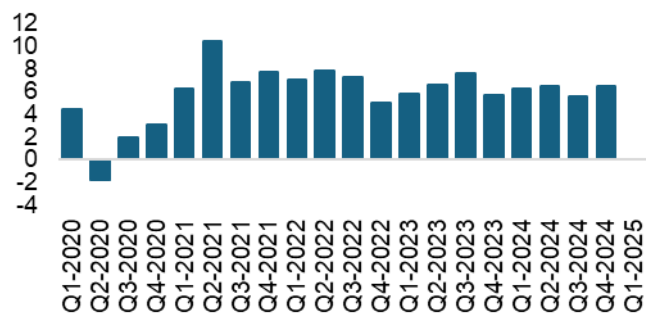
# Côte d'Ivoire

## Key Macroeconomic Indicators

Growth rate rose to 6.5% in Q4-2024. Inflation fell to -0.6 in June 2025 from the previous -0.1% figure in May. The stood at 5.25% July 2025. Currency appreciated to 573.5 per USD from 581.62 per USD. Total trade reached \$15.6 million in April. Risk stood at 51.06.

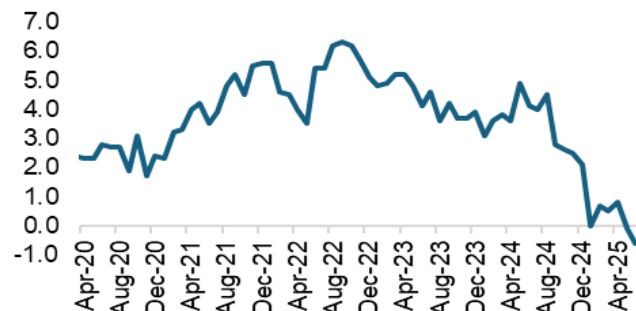
Growth rate

Ivory Coast



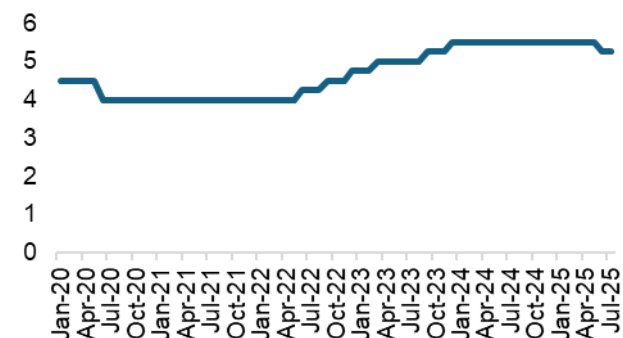
Inflation rate

Ivory Coast



Policy rate

Ivory Coast



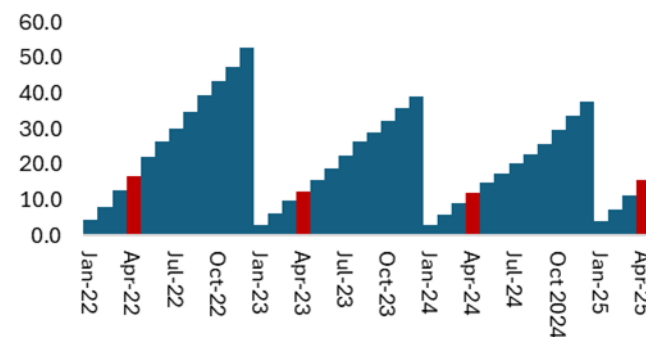
Exchange rate

Cote D'Ivoire



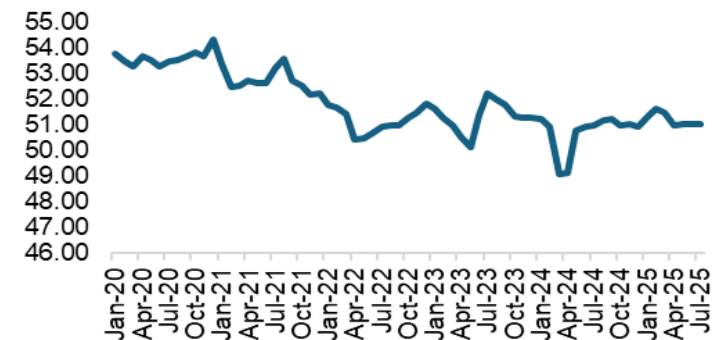
Total foreign trade, \$US bn

Côte d'Ivoire



Country Risk Index

Cote D'Ivoire

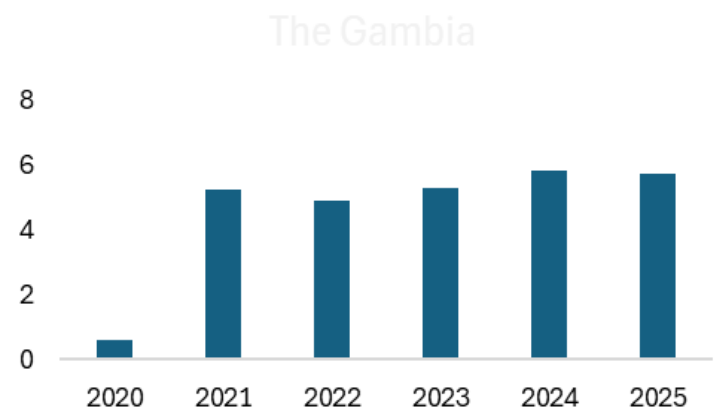


# The Gambia

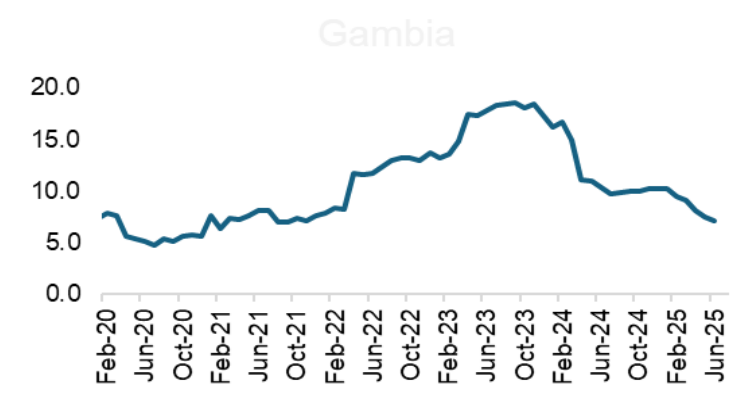
## Key Macroeconomic Indicators

Inflation eased to 7.16% in June 2025 from 7.45% in May. Policy rate was held at 17.0%, and the exchange rate depreciated slightly by 0.07% to 72.8 per USD. Total trade rose to \$0.7 million from the previous year. Risk score fell to 63.54.

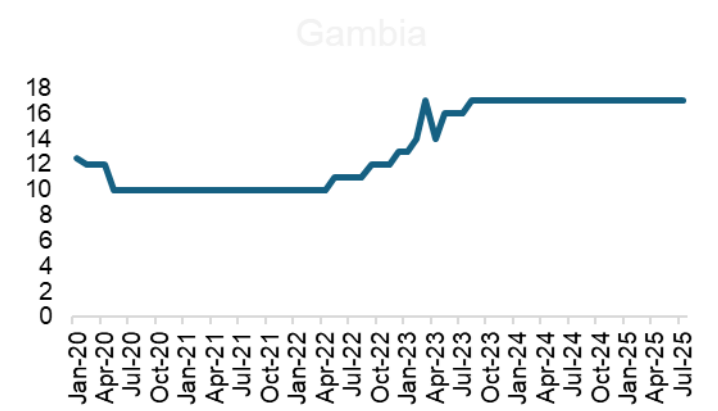
Growth rate



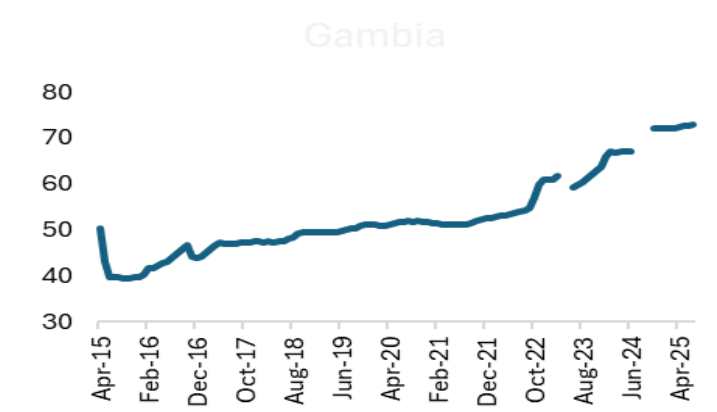
Inflation rate



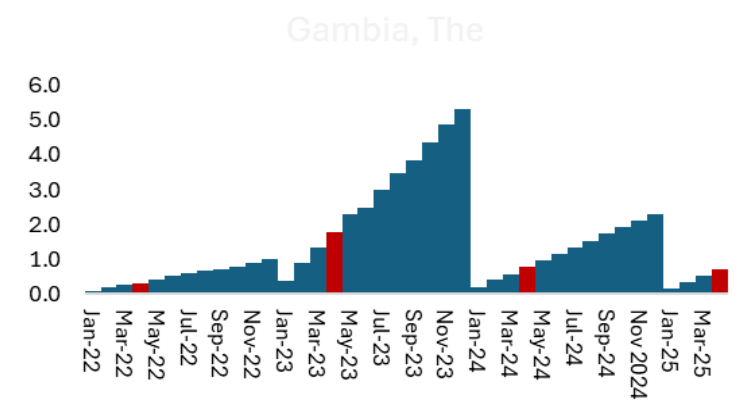
Policy rate



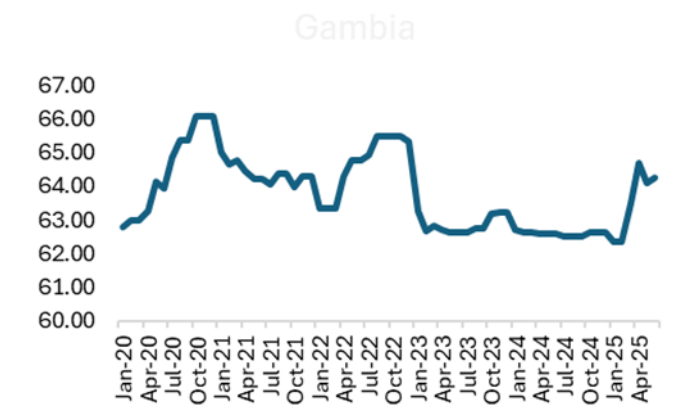
Exchange rate



Total foreign trade, \$US bn



Country Risk Index



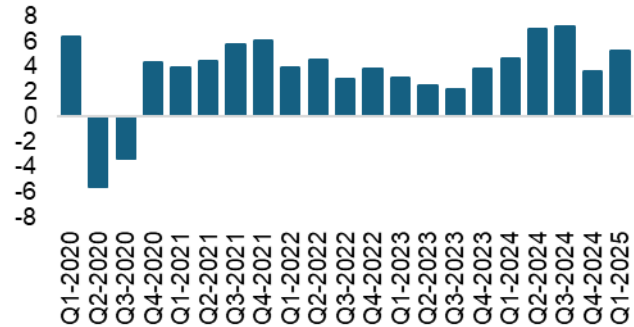
# Ghana

## Key Macroeconomic Indicators

Growth increased to 5.3% in Q1-2025 from 3.6% in Q4-2024, while inflation declined to 12.1% in July 2025. The policy rate fell to 25%, and the exchange rate depreciated by 3.2% to 10.54 per USD. Total trade climbed to \$15.7 million in April. The risk score rose slightly to 48.83.

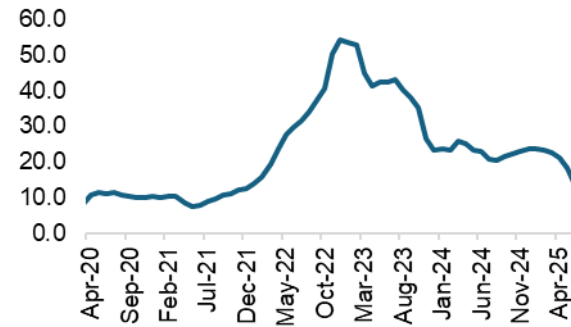
Growth rate

Ghana



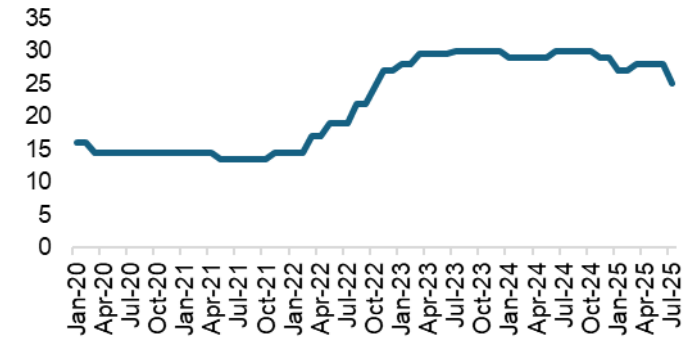
Inflation rate

Ghana



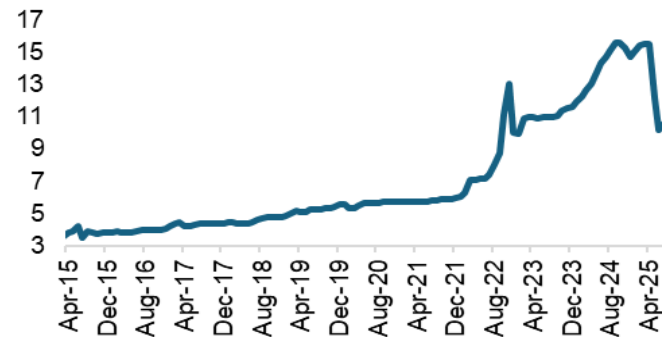
Policy rate

Ghana



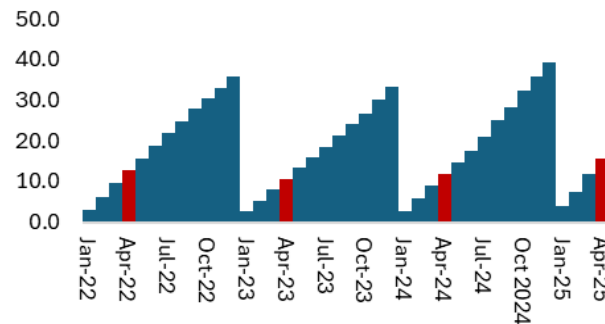
Exchange rate

Ghana



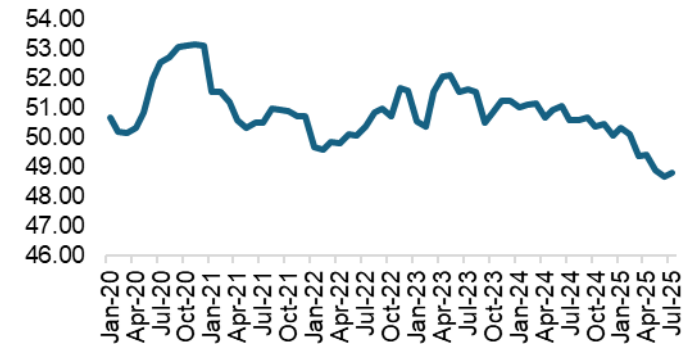
Total foreign trade, \$US bn

Ghana



Country Risk Index

Ghana

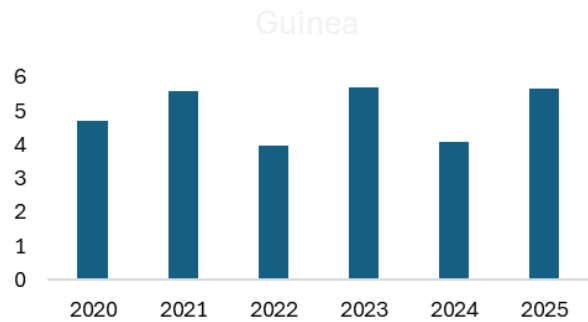


# Guinea

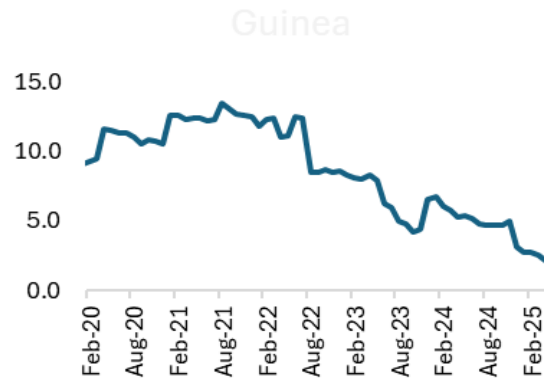
## Key Macroeconomic Indicators

Inflation eased to 2.2% in April 2025 from 2.5% in March. Policy rate remained at 10.25% in July 2025, and the exchange rate depreciated slightly by 0.05% to 8671.5 per USD. Total trade rose to \$4.5 million in April. Risk score was 58.67.

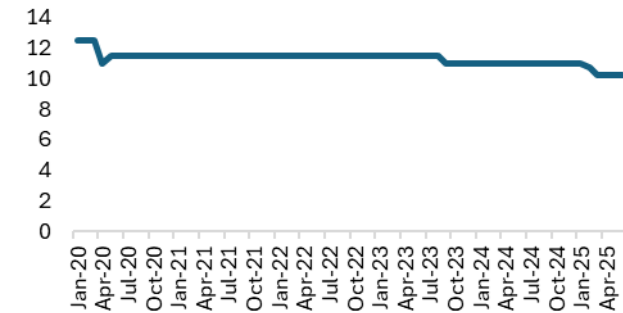
Growth rate



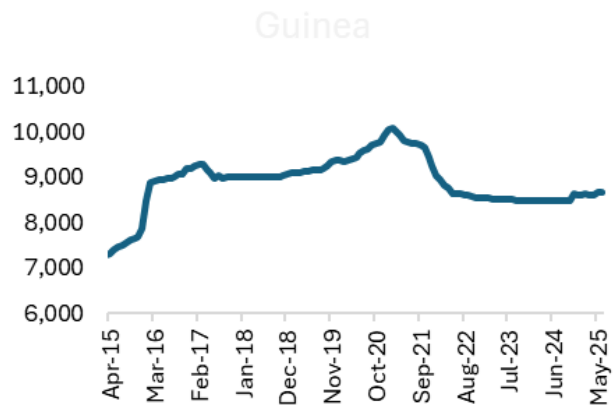
Inflation rate



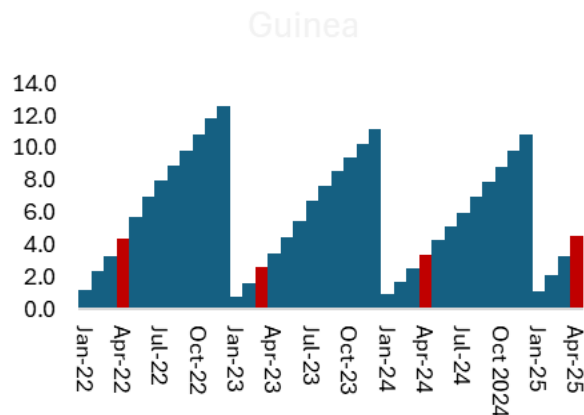
Policy rate



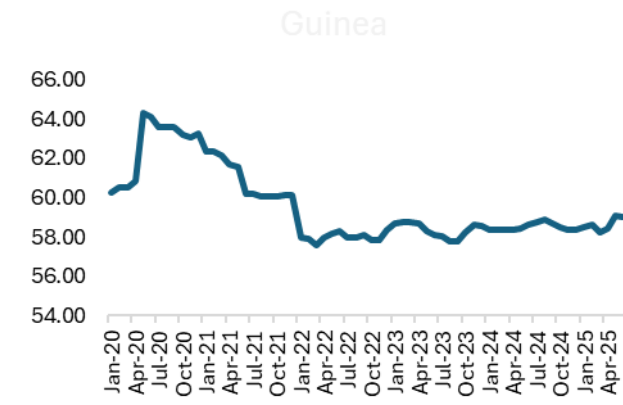
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

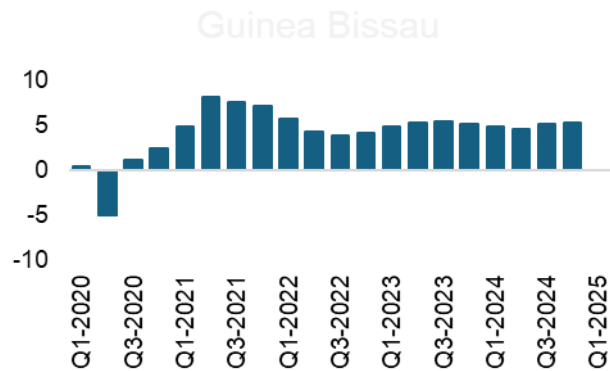


# Guinea-Bissau

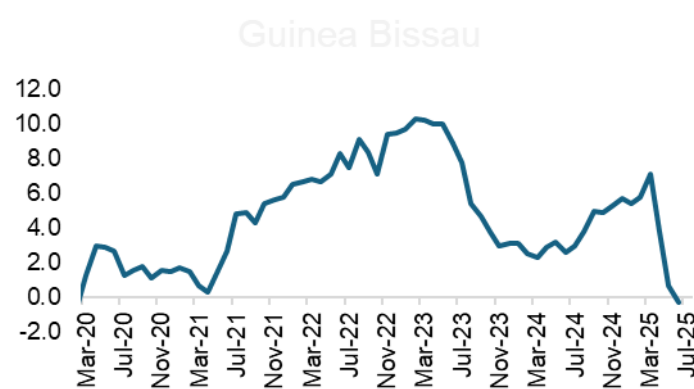
## Key Macroeconomic Indicators

Growth increased to 5.3% in Q4-2024. Inflation drastically decreased from 0.7% in May 2025 to -0.3% in June, with policy rate remaining unchanged at 5.25% in July 2025. The exchange rate appreciated to 573.5 per USD in June. Trade stood at \$0.2 million in April 2025 and risk was 67.20.

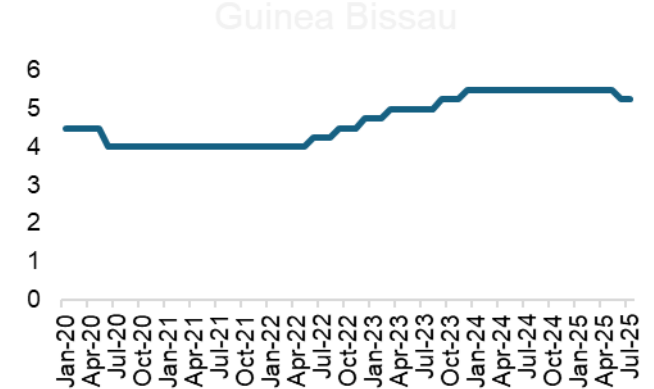
Growth rate



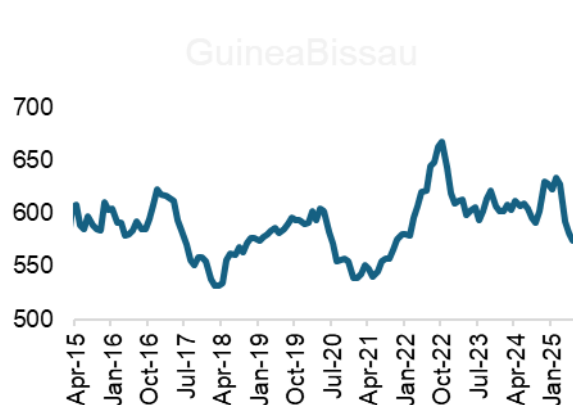
Inflation rate



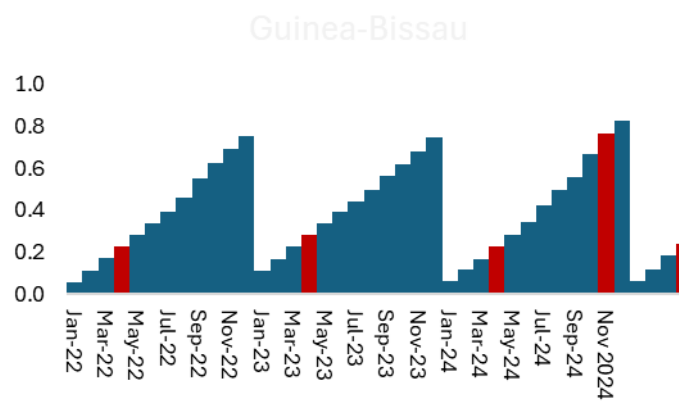
Policy rate



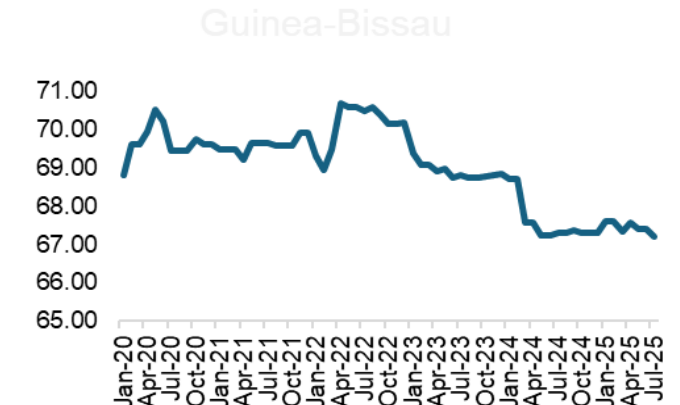
Exchange rate



Total foreign trade, \$US bn



Country Risk Index



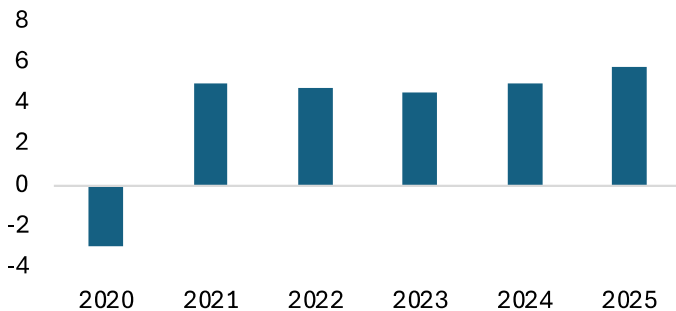
# Liberia

## Key Macroeconomic Indicators

Inflation eased to 9.9% in June 2025 from 11.7% in May. The policy rate was held at 17.25% in July 2025, and the exchange rate depreciated by 0.5% to 200.5 per USD. Total trade rose to \$0.8 million in April. The risk score was 64.04 in July 2025.

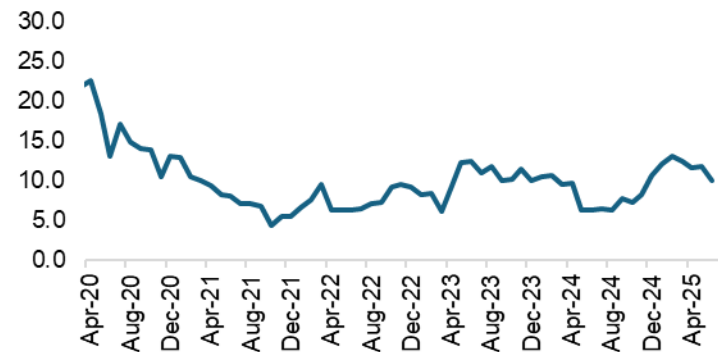
Growth rate

Liberia



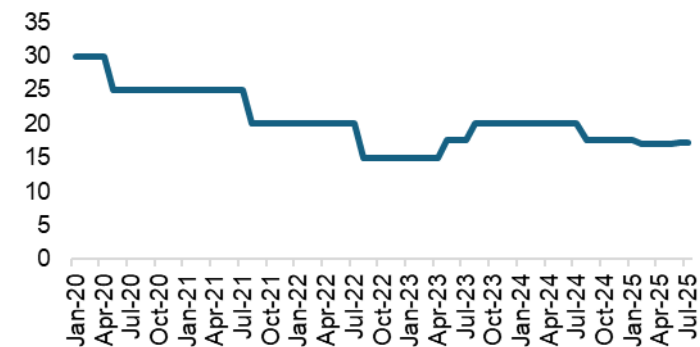
Inflation rate

Liberia



Policy rate

Liberia



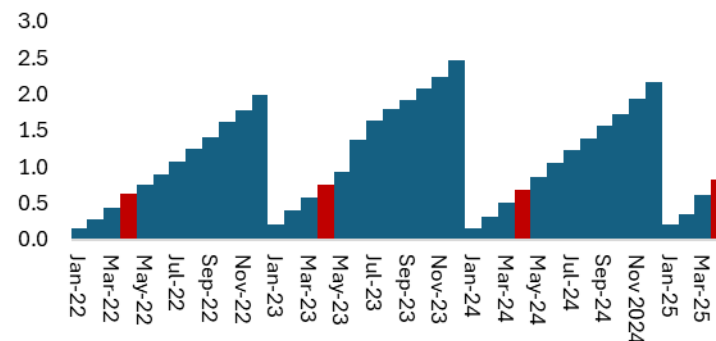
Exchange rate

Liberia



Total foreign trade, \$US bn

Liberia



Country Risk Index

Liberia



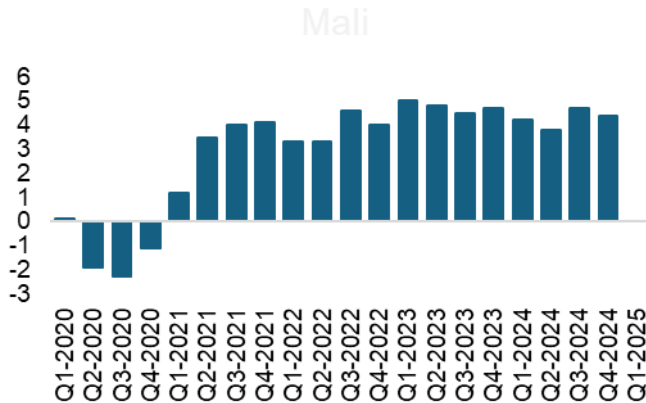


# Mali

## Key Macroeconomic Indicators

Growth decelerated to 4.4% in Q4-2024 from 4.7%, while inflation eased to 5.3% in June. Policy rate remained unchanged at 5.25% July 2025, and the exchange rate appreciated by 1.4% to 573.5 per USD in June 2025. Total trade reached \$4.6 million in April 2025. Risk score was 69.18.

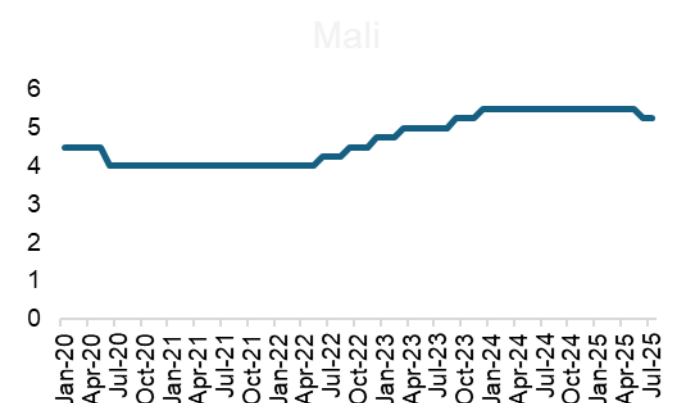
Growth rate



Inflation rate



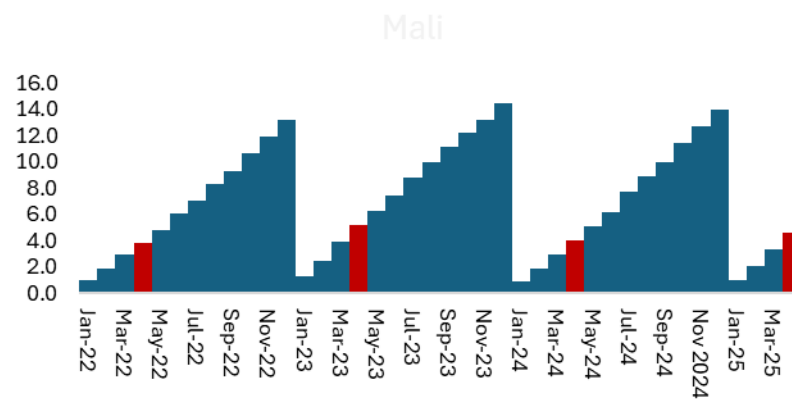
Policy rate



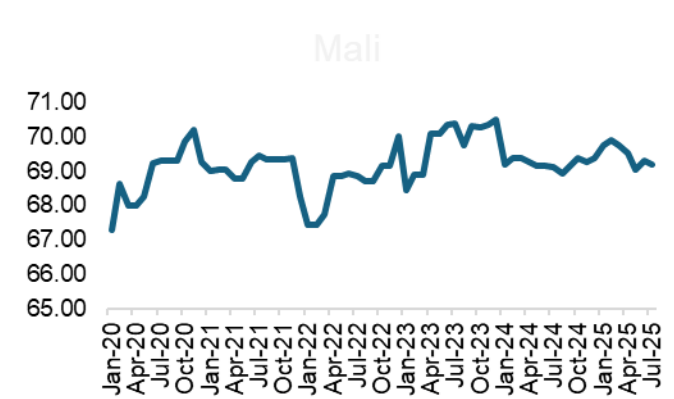
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

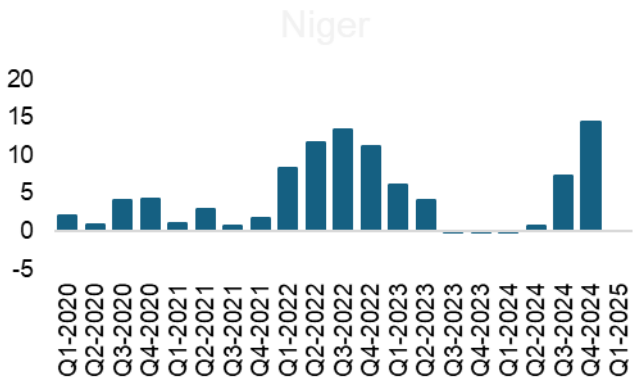


# Niger

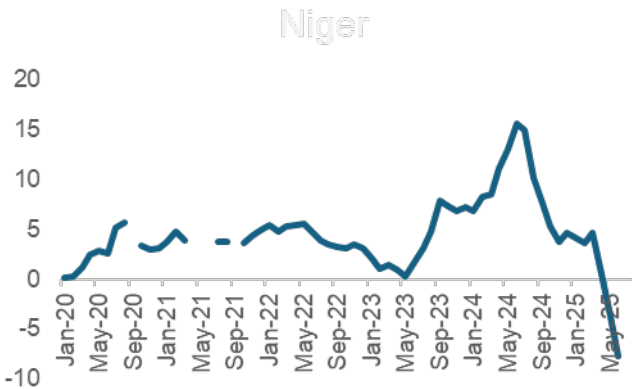
## Key Macroeconomic Indicators

Growth increased to 14.4% in Q4-2024 from 7.3% in June 2025, while inflation dropped sharply to -7.72% in June 2025. The policy rate remained unchanged at 5.25% in July 2025, with the exchange rate appreciating by 1.4% to 573.5 per USD in June 2025. Total trade reached \$1.1 million in April 2025. The risk score was 66.41 in July 2025.

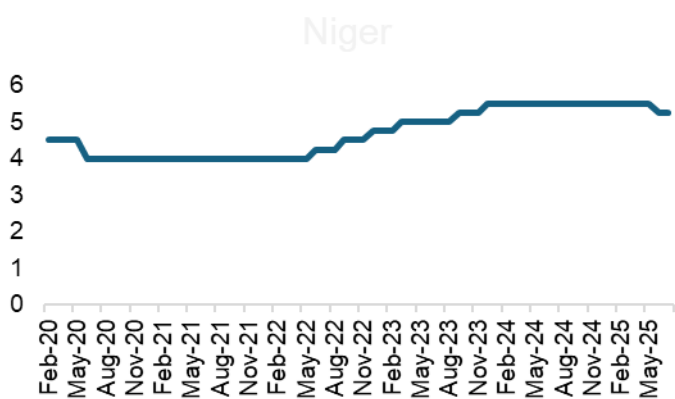
Growth rate



Inflation rate



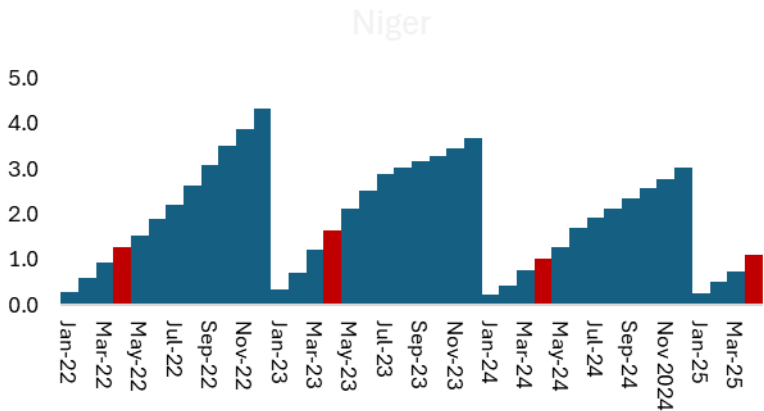
Policy rate



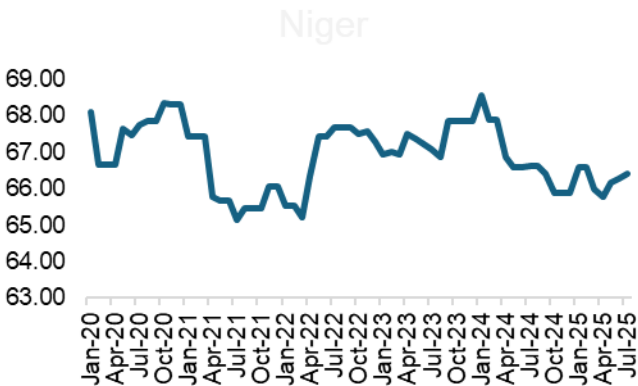
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

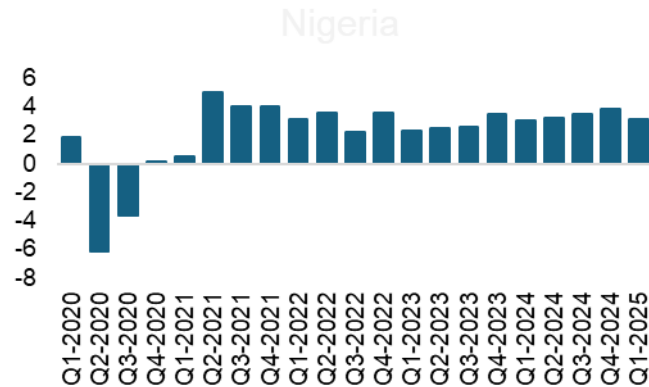


# Nigeria

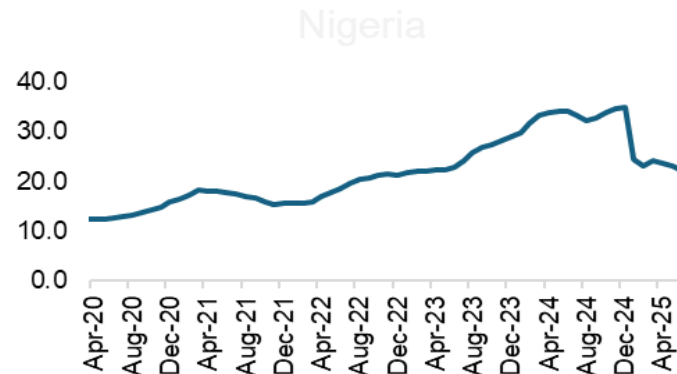
## Key Macroeconomic Indicators

Growth rate fell to 3.13% in Q1-2025, while inflation declined to 22.22% in June 2025. Policy rate remained at 27.5%, and the exchange rate appreciated by 0.8% to N1532.25 per USD in July 2025. Total trade reached \$63.2 million in April 2025. Risk score was 61.95 in July 2025.

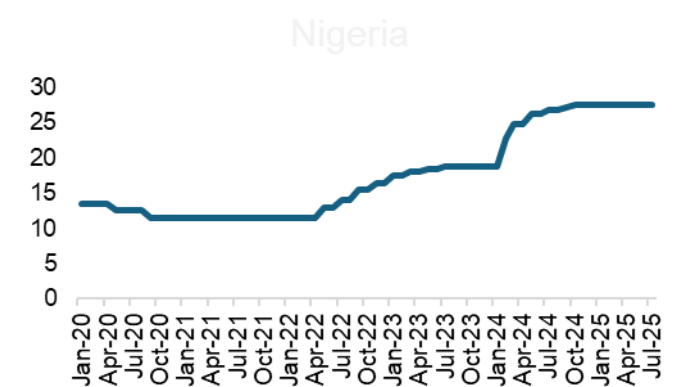
Growth rate



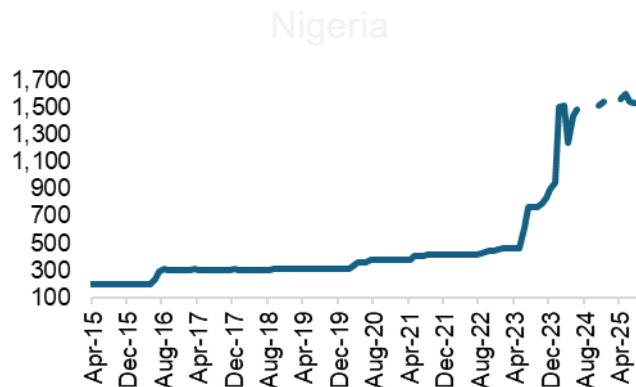
Inflation rate



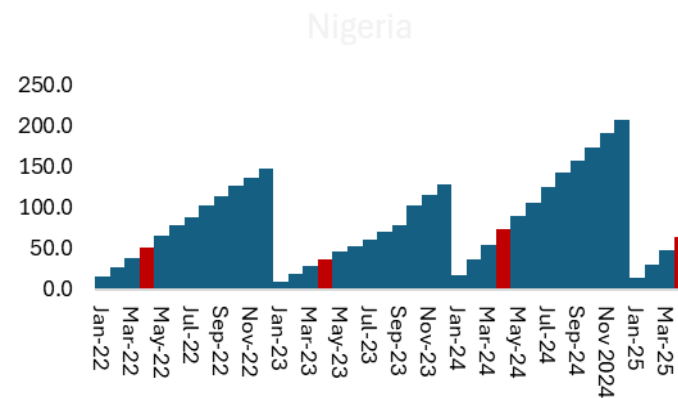
Policy rate



Exchange rate



Total foreign trade, \$US bn



Country Risk Index



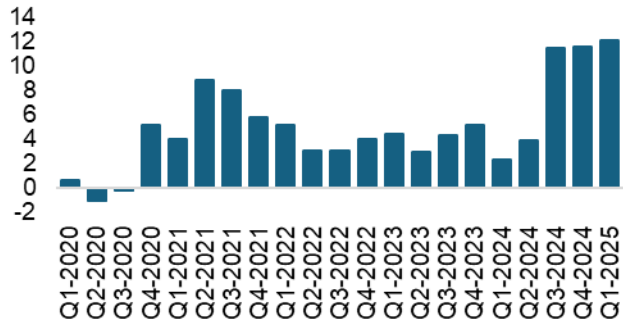
# Senegal

## Key Macroeconomic Indicators

Growth rate rose to 12.1% in Q1-2025 from 11.6% in Q4-2024, and inflation rose to 1.8% in July 2025. The policy rate stood at 5.25% in July 2025, and the exchange rate appreciated by 1.4% to 573.5 per USD in June 2025. Total trade increased to \$7.7 million in April 2025. Risk score was 55.55 in July 2025.

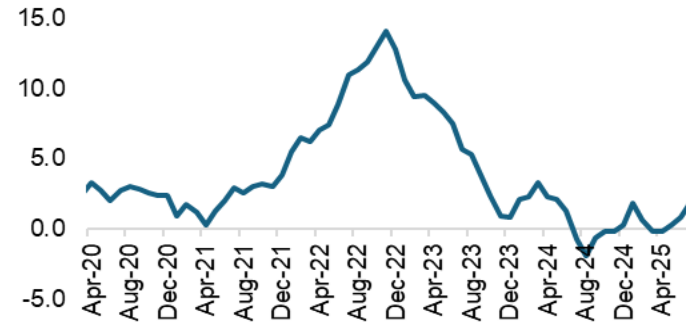
Growth rate

Senegal



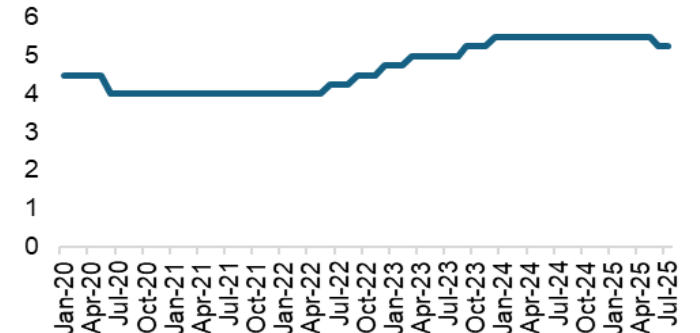
Inflation rate

Senegal



Policy rate

Senegal



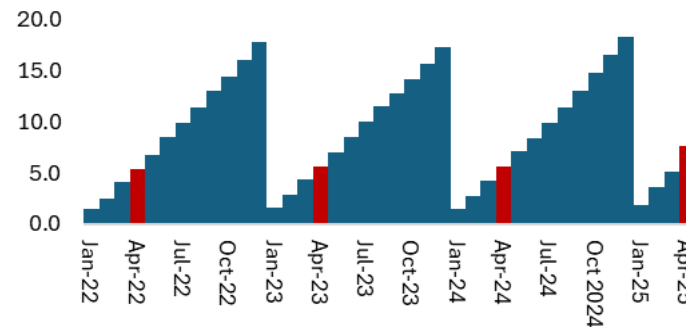
Exchange rate

Senegal



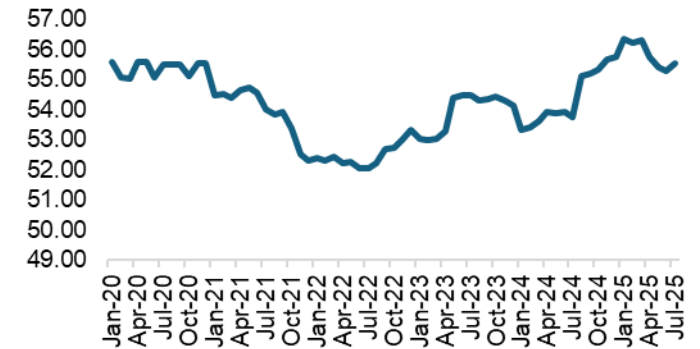
Total foreign trade, \$US bn

Senegal



Country Risk Index

Senegal



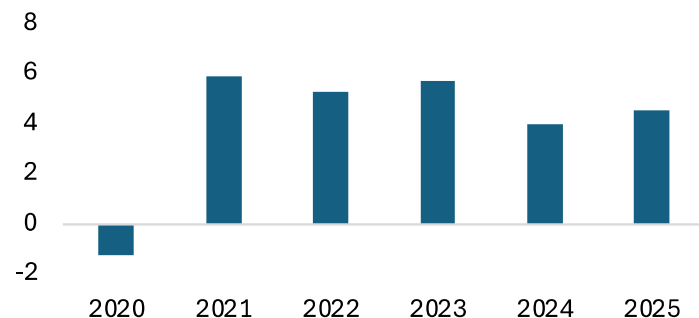
# Sierra Leone

## Key Macroeconomic Indicators

Inflation decreased to 7.1% in May 2025 from 7.55% in April. The policy rate decreased slightly to 21.75%, and the exchange rate depreciated by 2.77% to 23,077 per USD. Total trade declined to \$0.9 million in March. Risk score was 64.33.

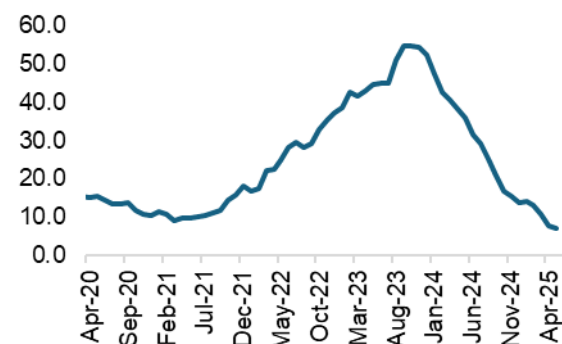
Growth rate

Sierra Leone



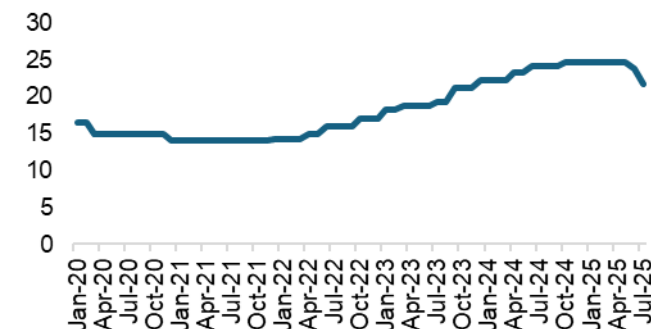
Inflation rate

Sierra Leone



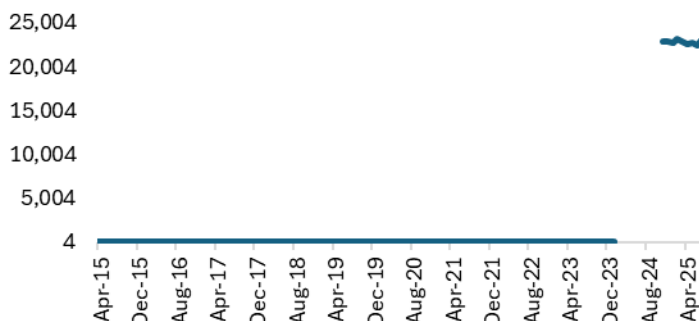
Policy rate

Sierra Leone



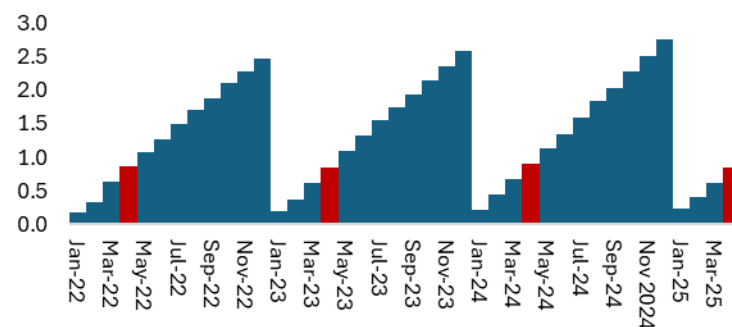
Exchange rate

Sierra Leone



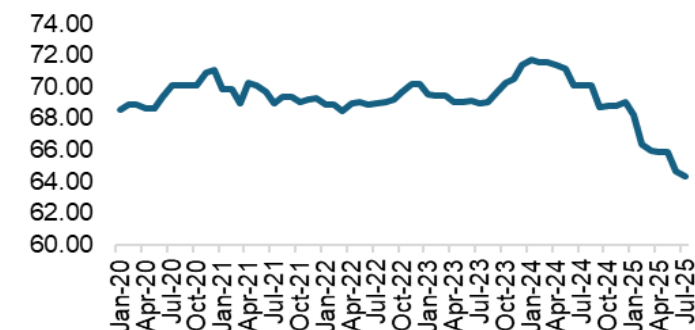
Total foreign trade, \$US bn

Sierra Leone



Country Risk Index

Sierra Leone

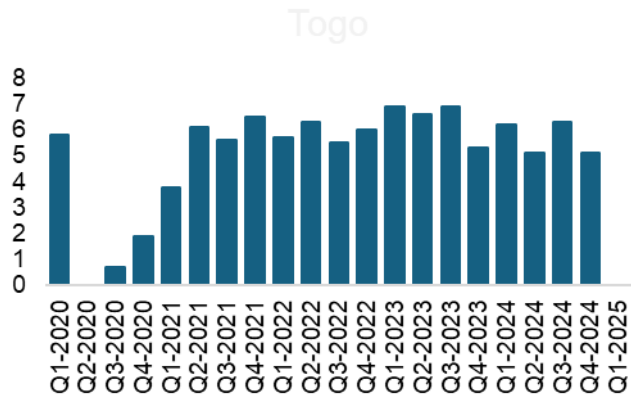


# Togo

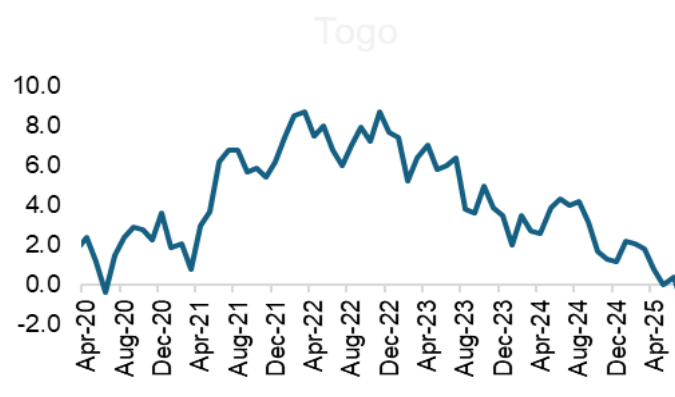
## Key Macroeconomic Indicators

Growth decreased to 5.1% in Q4-2024 from 6.3%, and inflation increased to -1.1% in July 2025. Policy rate remained steady at 5.25% in July 2025 with the exchange rate appreciating by 1.4% to 573.5 per USD. Total trade increased to \$2.2 million in April. Risk score stood at 60.84.

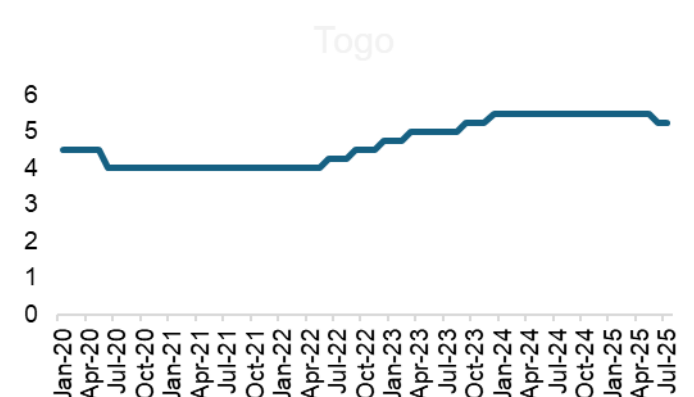
Growth rate



Inflation rate



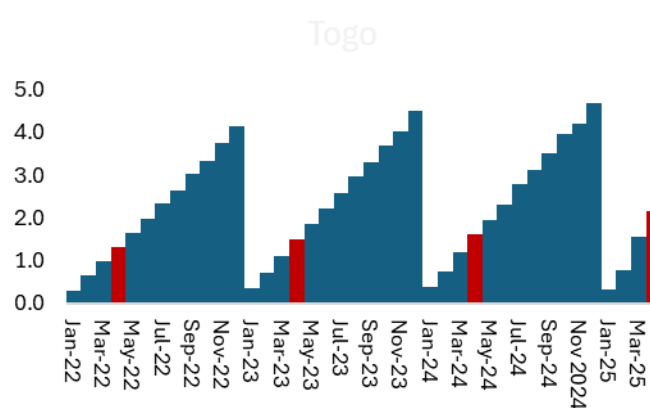
Policy rate



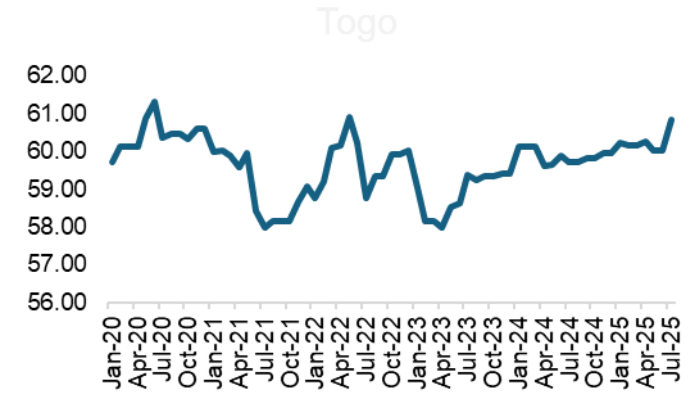
Exchange rate



Total foreign trade, \$US bn



Country Risk Index





# Central Africa



# Key themes in Central African countries



## Democratic Republic of Congo – Cobalt Exports Still Blocked, Glencore Stockpiles Output

Glencore, the world's second-largest cobalt producer, warns much of its 2025 output may remain unsold due to the DRC's extended cobalt export ban. Despite boosting production by 19% in H1, much of it is stuck domestically. The ban is aimed at stabilizing global prices and allowing the government time to design a quota system.

## Equatorial Guinea — Economic Growth Slows to 0.9%, Risks Ahead

The World Bank reports Equatorial Guinea's GDP grew just 0.9% in 2024, with inflation rising from 2.4% to 3.4%, and poverty affecting 57% of citizens. The IMF projects a further contraction of -1.6% in 2025, driven by hydrocarbon declines and limited diversification.

Sustainable economic resilience hinges on reform and revenue base broadening.



## Gabon — Eramet Taps Processing Executive Ahead of Manganese Export Ban

French mining giant Eramet has appointed Clement Jakymiw as Director of Value Chain Transformation in Gabon, aligning with the government's plan to ban raw manganese exports by 2029 and drive local mineral processing.

This move signals a major shift toward value addition and industrialization in a mineral-dependent economy.

## Democratic Republic of Congo – Veteran Executive Named Mines Minister Amid Sector Shake-Up

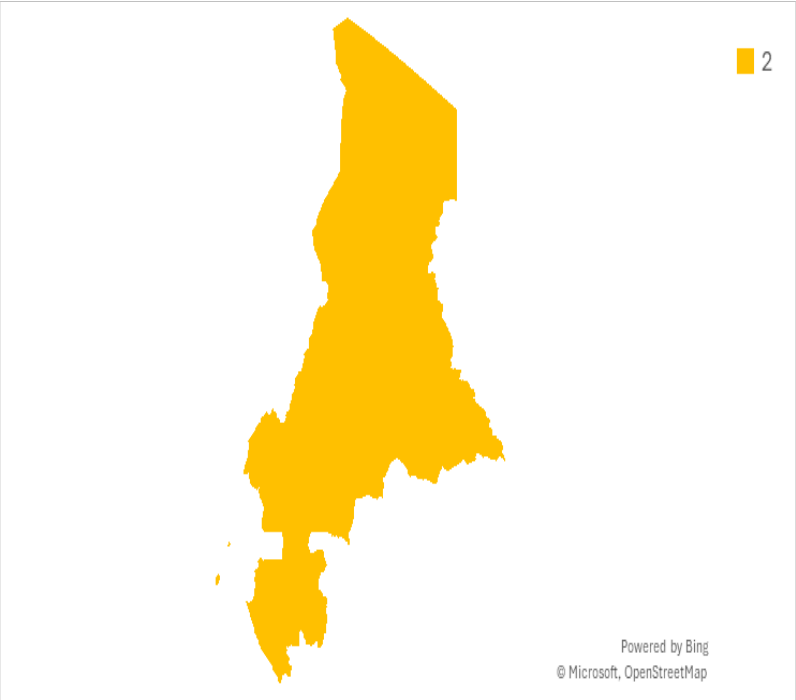
Louis Watum Kabamba, a seasoned mining executive with experience on major projects like Kibali and Ivanhoe's ventures, was appointed as the new Mines Minister. His appointment comes at a critical moment as the DRC deliberates whether to extend the cobalt export ban or shift toward a quota-based system to encourage domestic processing and broader industrial growth.



Some countries show stability, but fragility persists in others.

## Central Africa

	Growth	Inflation	Policy Rate	Exch. Rate	Trade	Risk	Overall Scoring
Cameroon	Deteriorating	Deteriorating	Stable	Deteriorating	Improving	Deteriorating	Stable
Central African Republic	Improving	Improving	Stable	Deteriorating	Deteriorating	Stable	Stable
Chad	Improving	Improving	Stable	Deteriorating	Deteriorating	Improving	Stable
Gabon	Deteriorating	Improving	Stable	Deteriorating	Deteriorating	Improving	Stable
Sao Tome and Principe	Improving	Deteriorating	Stable	Improving	Deteriorating	Deteriorating	Stable

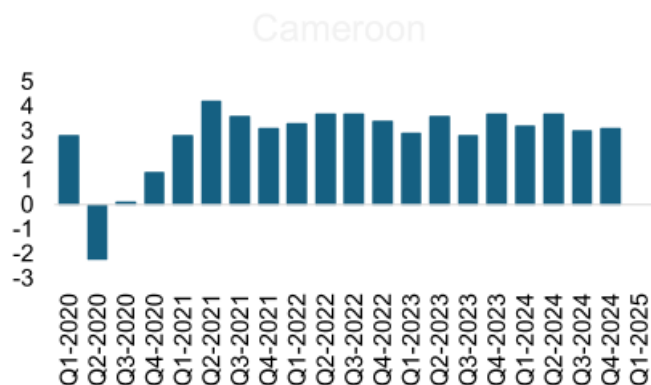


# Cameroon

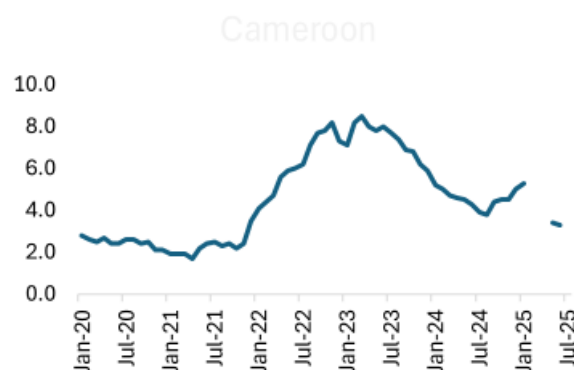
## Key Macroeconomic Indicators

Growth reported at 3% in Q3-2024 with a projected growth of 3.7% in 2025 and 4.1% in 2026. Inflation remained elevated at 3.3% in June. Policy rate held at 4.5%, while the exchange rate appreciated by 3.69% as of July 2025 to 563.3 per USD. Total trade grew to \$4.9 million in April. The risk score was 61.80.

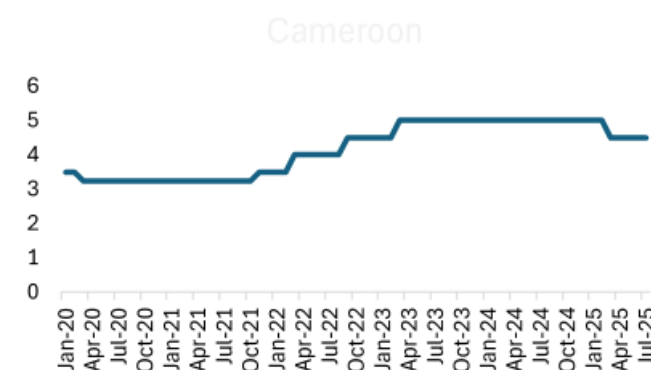
Growth rate



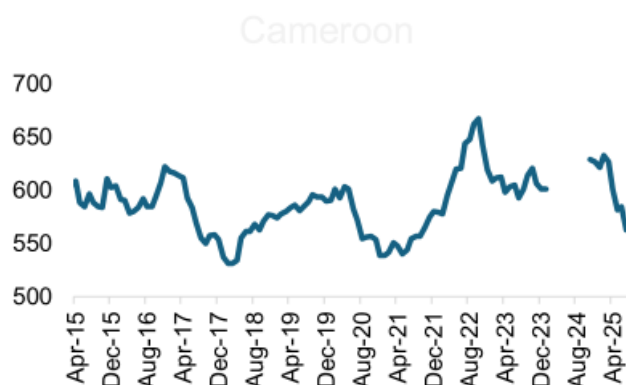
Inflation rate



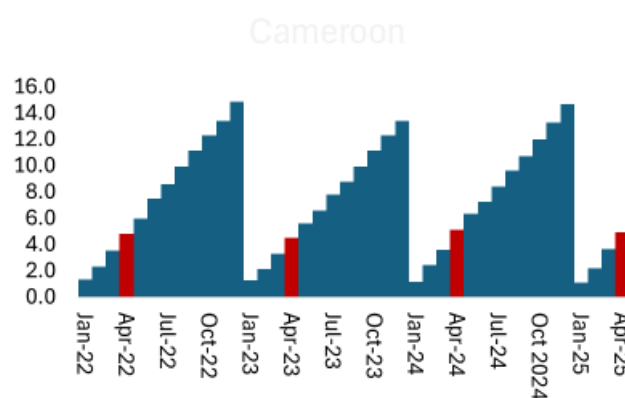
Policy rate



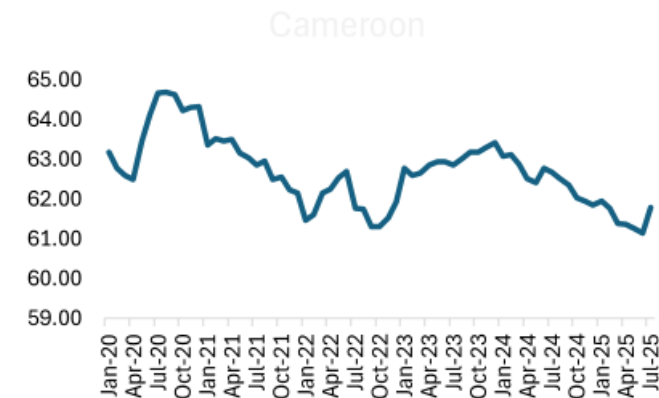
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

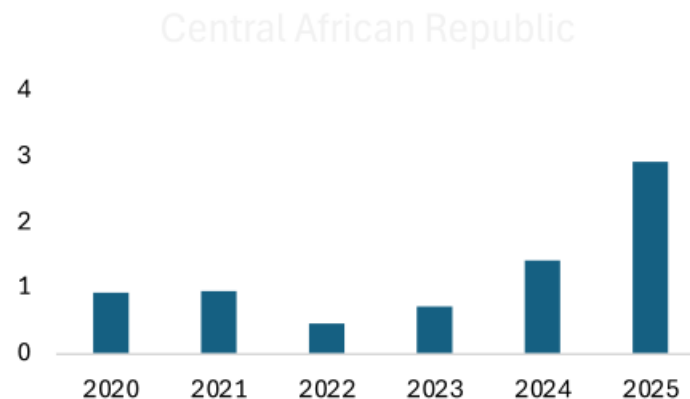


# Central African Republic

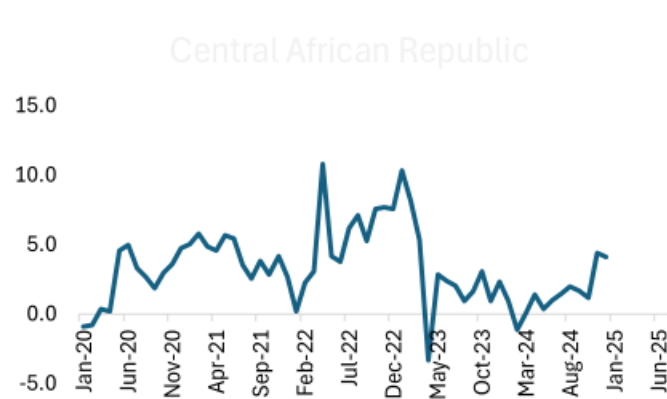
## Key Macroeconomic Indicators

Inflation rose to 9.1% in April from 7.3% in March. The policy rate remained at 4.5%, and the exchange rate depreciated by 0.56% as of June 2025 to 584.9 per USD. Total trade stood at \$0.6 million as of April 2025. The risk score stood at 74.39.

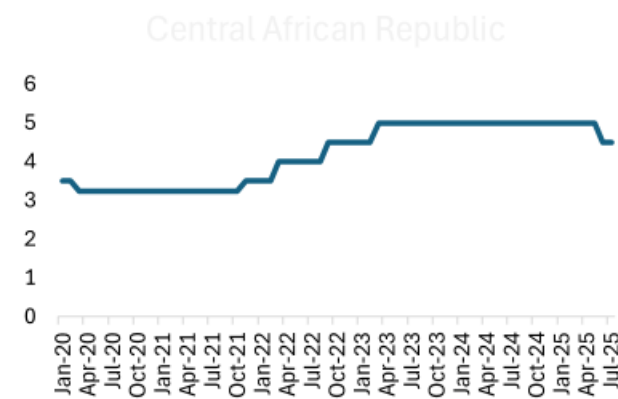
Growth rate



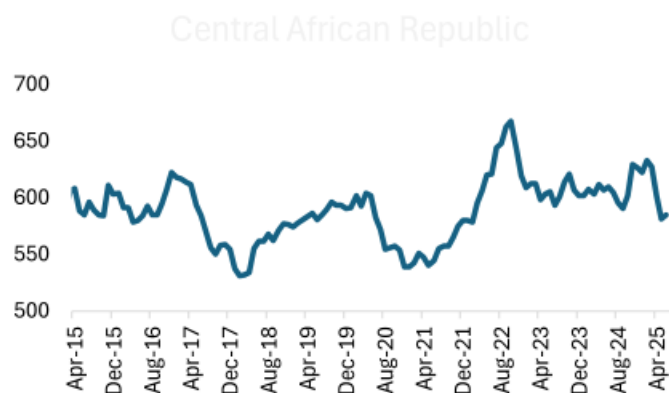
Inflation rate



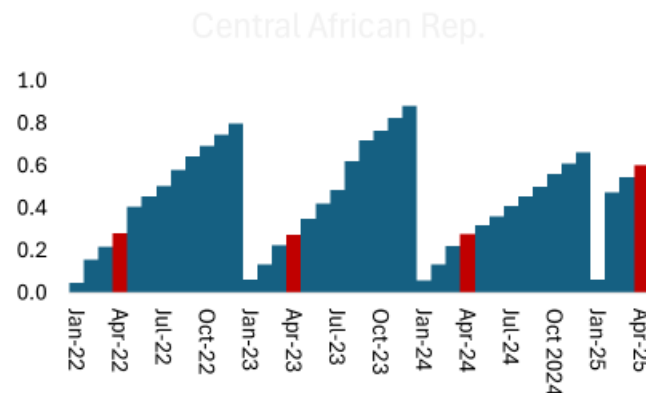
Policy rate



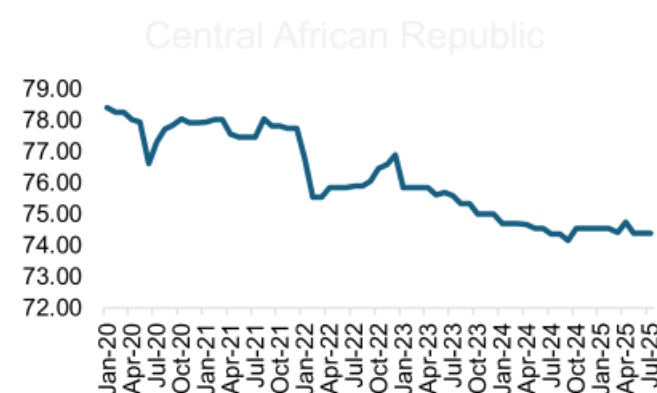
Exchange rate



Total foreign trade, \$US bn



Country Risk Index



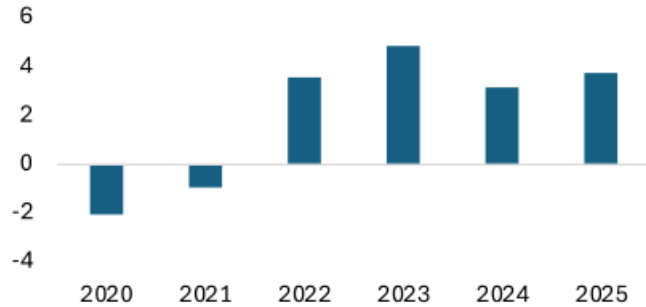
# Chad

## Key Macroeconomic Indicators

Inflation decreased to -3.4 in June from -3.10% in May 2025. The policy rate stayed at 5%, while the exchange rate depreciated by 0.56% as of June 2025 to 584.9 per USD. Total trade was reported as \$1.7 million in April. The risk score stood at 71.59.

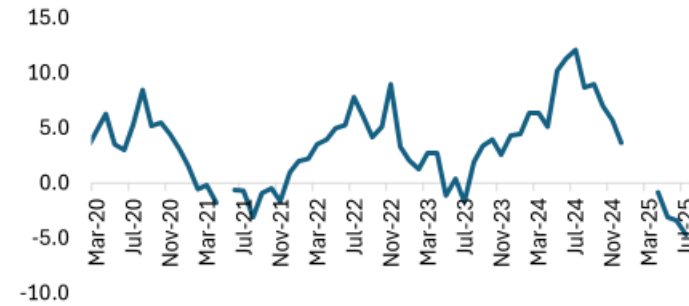
Growth rate

Chad



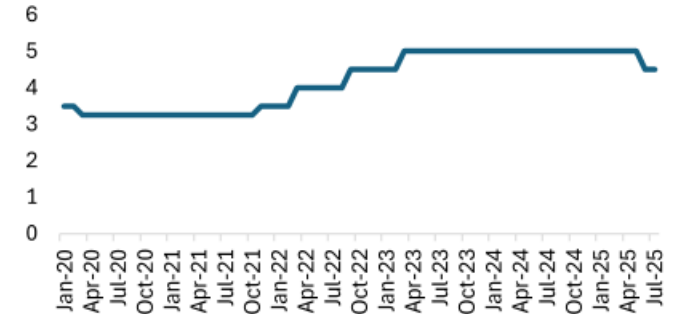
Inflation rate

Chad



Policy rate

Chad



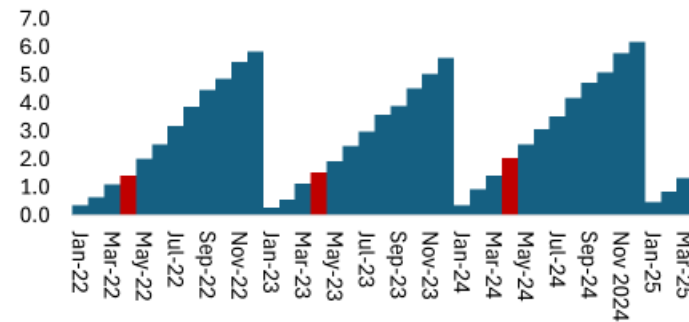
Exchange rate

Chad



Total foreign trade, \$US bn

Chad



Country Risk Index

Chad



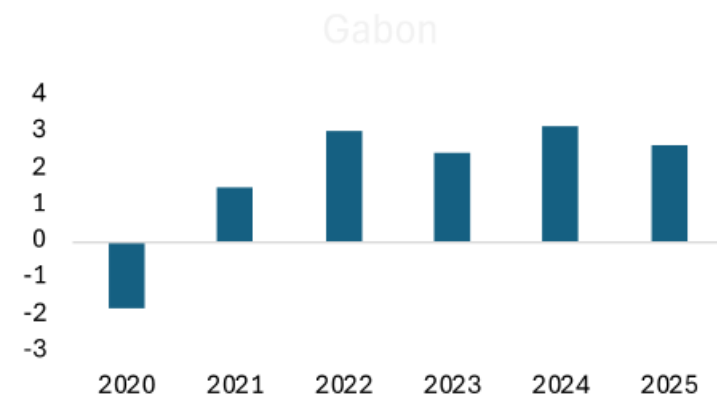


# Gabon

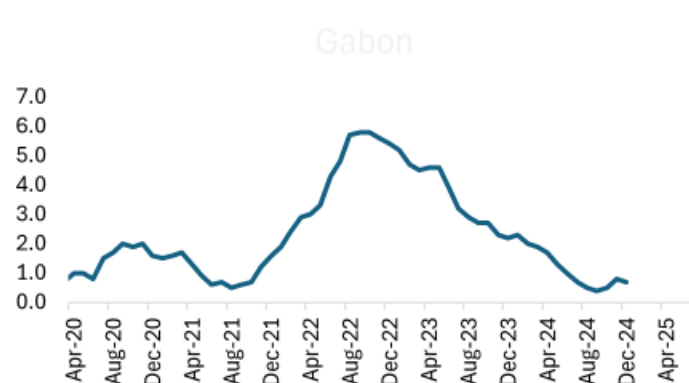
## Key Macroeconomic Indicators

Growth rates projected to be 2.3% in 2025, and 2.1% in 2026, due to the decline in oil production (−2.1% in 2025 and −4.7% in 2026) from aging oil fields. Policy rate remained at 4.5%, with the exchange rate depreciating by 0.56% as at June 2025 to 584.9 per USD. Total Trade reported at 4.5 million in April. The risk score was 58.10.

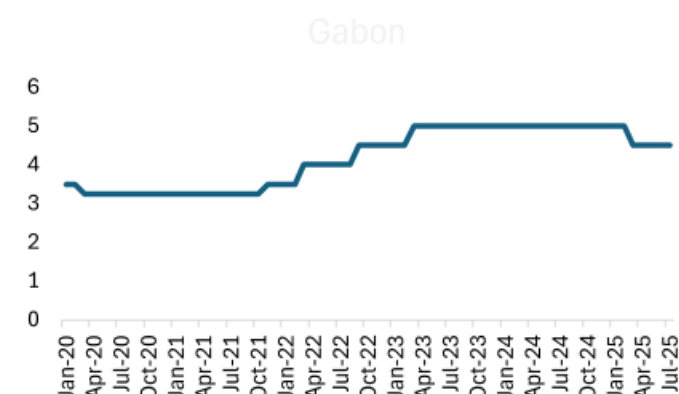
Growth rate



Inflation rate



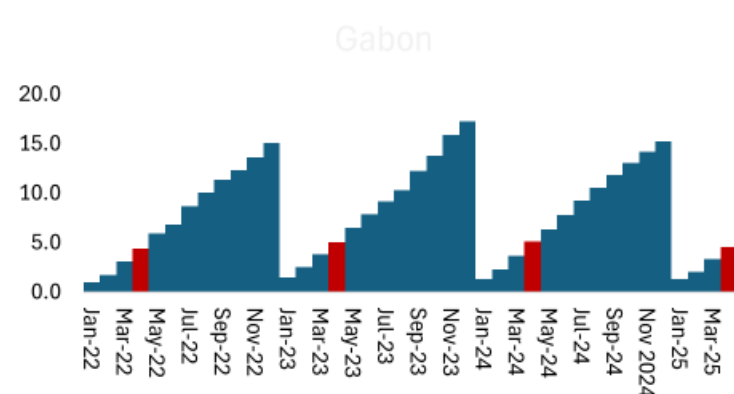
Policy rate



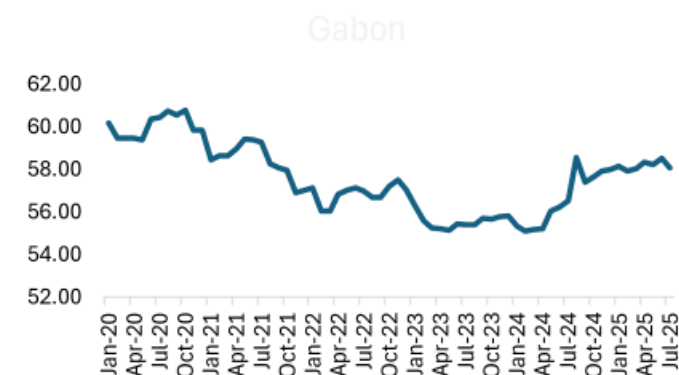
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

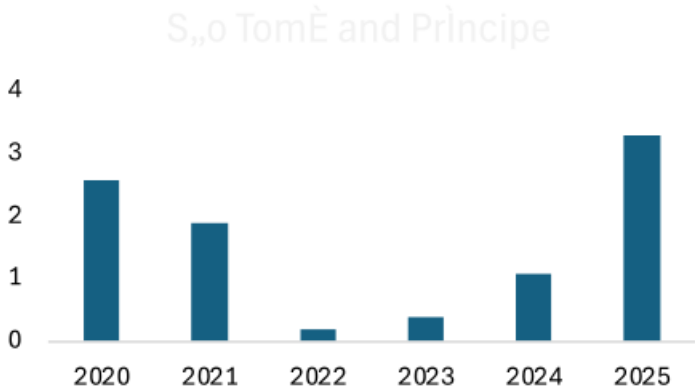


# Sao Tome and Principe

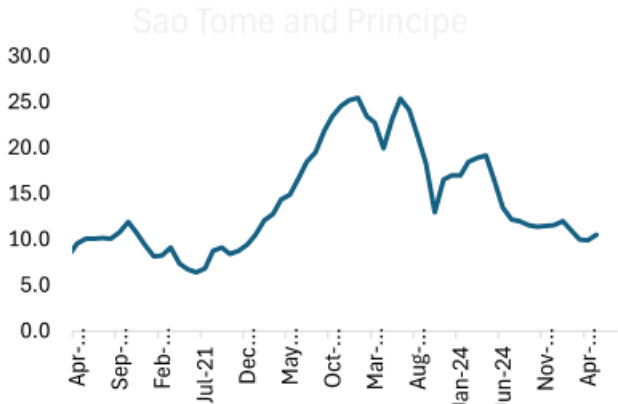
## Key Macroeconomic Indicators

Inflation slightly increased to 10.50% in May 2025 from 9.90% in April. Policy rate held at 10%, and the exchange rate appreciated by 1.01% to 21.26 per USD. Trade decrease to \$0.1 million as at April 2025 in comparison to the previous year. Risk score stood at 61.72.

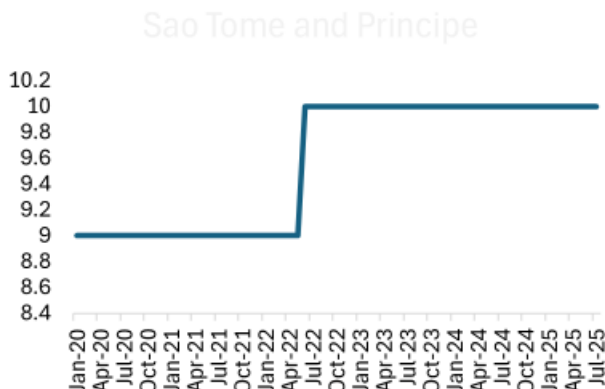
Growth rate



Inflation rate



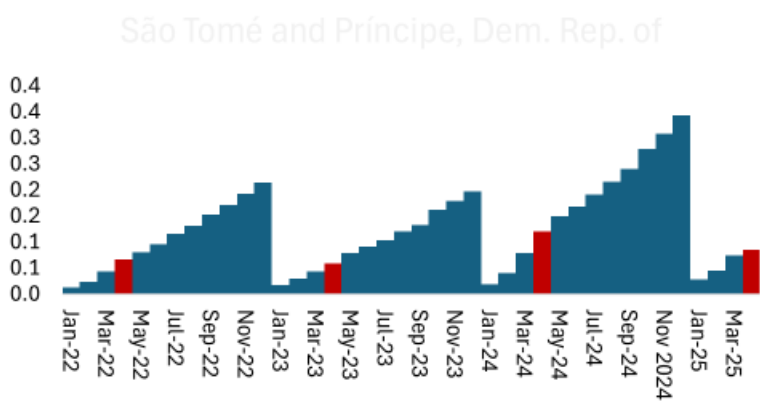
Policy rate



Exchange rate



Total foreign trade, \$US bn



# East Africa



# Key themes in East African countries



## Kenya — Growth Forecast Revised Up to 5.6% for 2025

President Ruto announced that Kenya's economy is projected to grow by 5.6% in 2025, surpassing previous forecasts from the finance ministry (5.3%) and central bank (5.2%). This highlights strong economic resilience amid global trade disruptions and climate-linked shocks.

## Kenya — Inflation Rises to 4.5% in August, Within Target

Inflation rose to 4.5% year-on-year in August, up from 4.1% in July, driven by higher food and transport prices. Nevertheless, it remains comfortably within the Central Bank's 2.5–7.5% target range. Additionally, the central bank delivered its seventh consecutive rate cut, bringing the benchmark rate down to 9.50%.



## Uganda — Inflation Eases to 3.8% in August with Stable Economic Momentum

Uganda saw its headline inflation hold steady at 3.8% in August, supported by easing food prices. The Composite Index of Economic Activity rose to 1.1% in June (up from 0.3% in May), while the private sector PMI remained expansionary at 53.6. Despite a widening trade deficit, the shilling strengthened modestly, and private credit continued to expand.

## Tanzania–Burundi — New \$2bn Rail Link to Boost Trade & Mining Logistics

In August, Tanzania and Burundi began construction of a \$2 billion Standard Gauge Railway (SGR), aimed at transporting over 3 million tonnes of minerals annually—particularly nickel, lithium, and cobalt. This infrastructure leap is a key enabler for regional trade and resource export efficiency.

## Tanzania — North Mara Gold Boosts Revenues but Sparks Human Rights Alarm

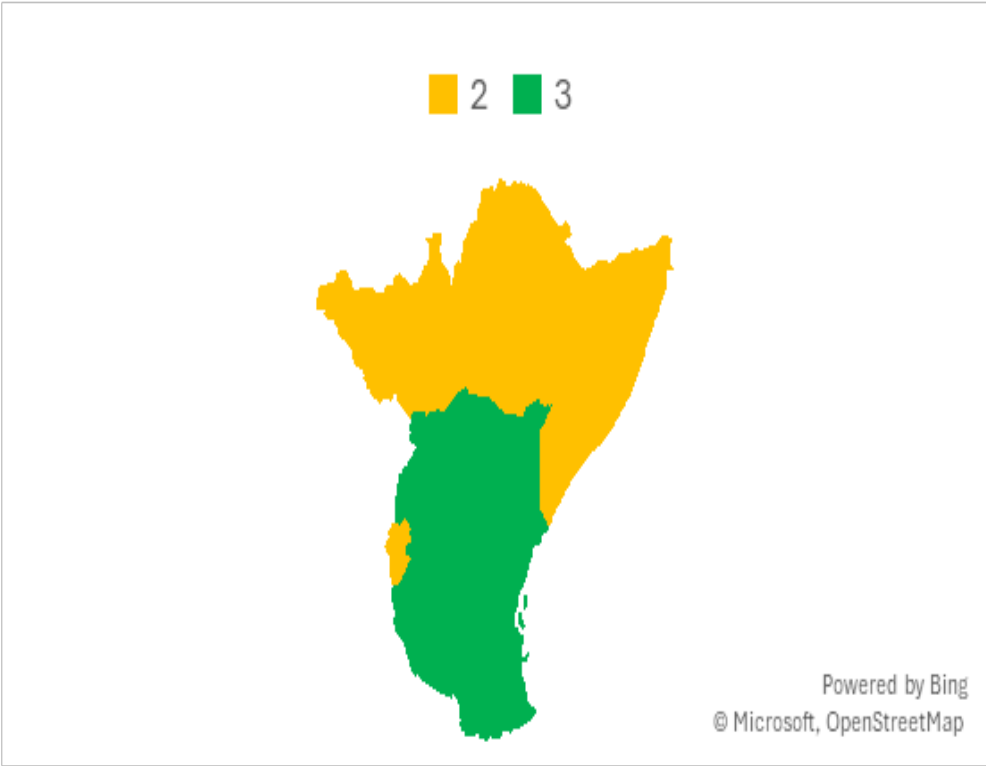
Tanzania's North Mara gold mining operation, which projects \$1.05 billion in production for 2025, continues to be a cash generator. Yet, the mine is embroiled in controversy—villagers report ongoing security-related violence, kidnappings, and torture linked to mine operations and state security forces.



All the countries are characterized by stable or enhancing macroeconomic fundamentals.

## East Africa

	Growth	Inflation	Policy Rate	Exch. Rate	Trade	Risk	Overall Scoring
Burundi	Deteriorating	Deteriorating	Stable	Deteriorating	Improving	Improving	Stable
Djibouti	Deteriorating	Deteriorating	Stable	Deteriorating	Deteriorating	Improving	Stable
Ethiopia	Improving	Stable	Stable	Deteriorating	Improving	Deteriorating	Stable
Kenya	Improving	Stable	Improving	Improving	Deteriorating	Deteriorating	Improving
Rwanda	Stable	Deteriorating	Stable	Deteriorating	Improving	Deteriorating	Stable
Somalia	Stable	Improving	Deteriorating	Stable	Deteriorating	Deteriorating	Stable
South Sudan	Stable	Improving	Stable	Deteriorating	Improving	Deteriorating	Stable
Tanzania	Deteriorating	Stable	Improving	Improving	Improving	Improving	Improving
Uganda	Improving	Stable	Stable	Improving	Improving	Improving	Improving



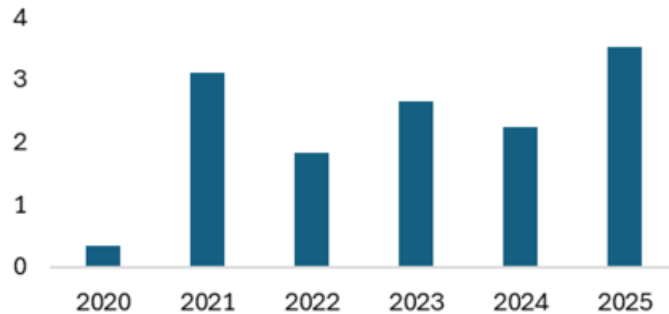
# Burundi

## Key Macroeconomic Indicators

Real GDP growth rates are projected at 3.52% in 2025 and 4.5% in 2026. Inflation declined to 41.6% in June to 43.9% in May 2025. Policy rate remained at 12.0%, while the exchange rate slightly depreciated by 0.16% to 2,981.88 per USD. Total trade reported 0.26 million as at March. Risk score was 70.68.

Growth rate

Burundi



Inflation rate

Burundi



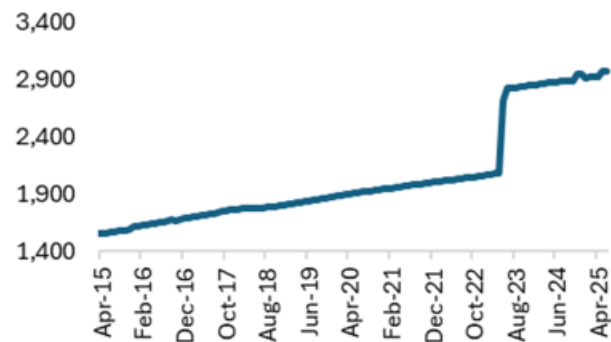
Policy rate

Burundi



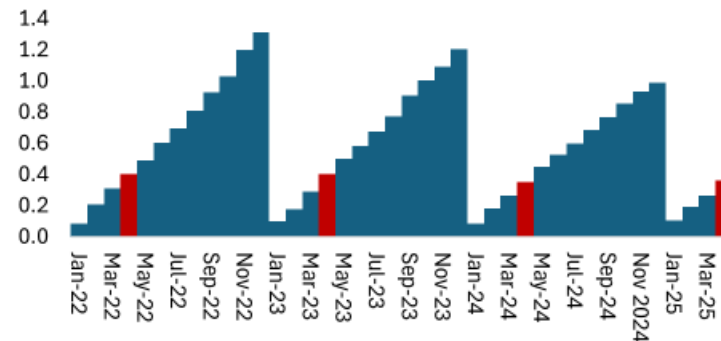
Exchange rate

Burundi



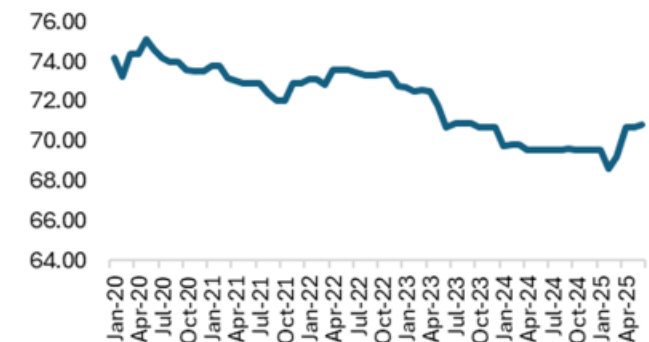
Total foreign trade, \$US bn

Burundi



Country Risk Index

Burundi

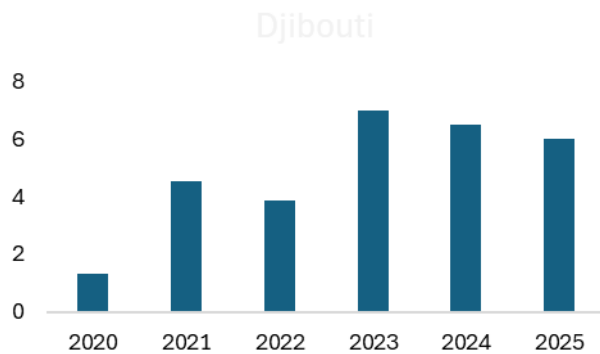


# Djibouti

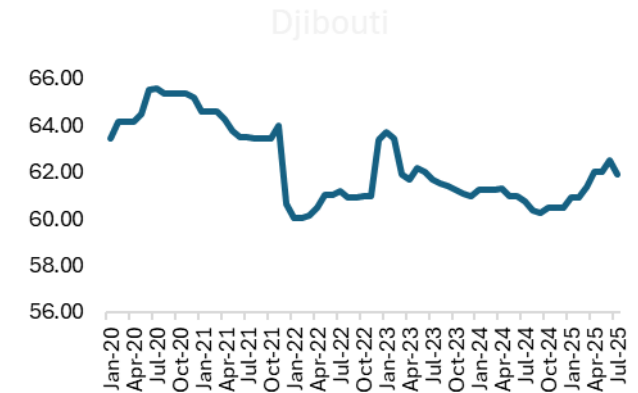
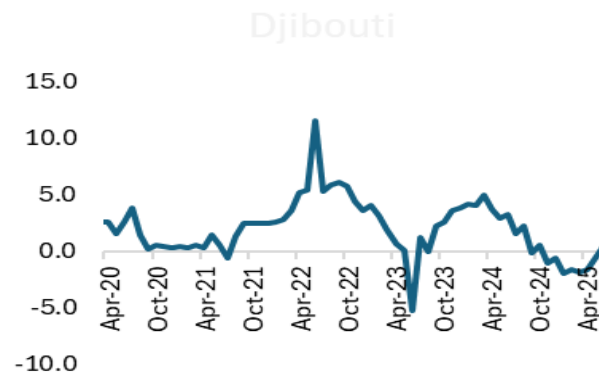
## Key Macroeconomic Indicators

Growth forecast at 6.3% in 2025 and 6.6% in 2026, supported by continued transshipment operations and a recovery in construction. Inflation increased slightly to -0.60% in May 2025 from 1.60% in April. The exchange rate is unchanged at 0% at 178.08 per USD. Total Trade stood at 1.73 million. Risk score fell to 61.89

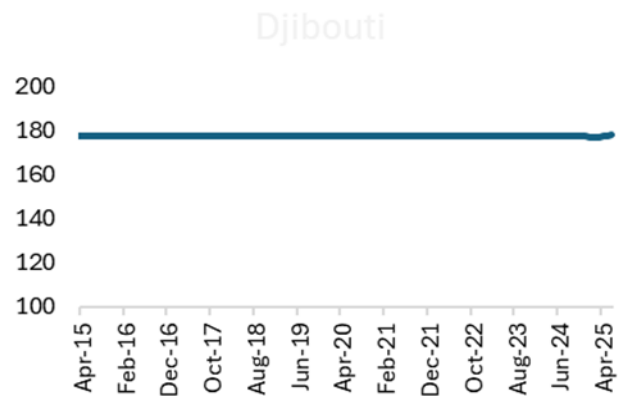
Growth rate



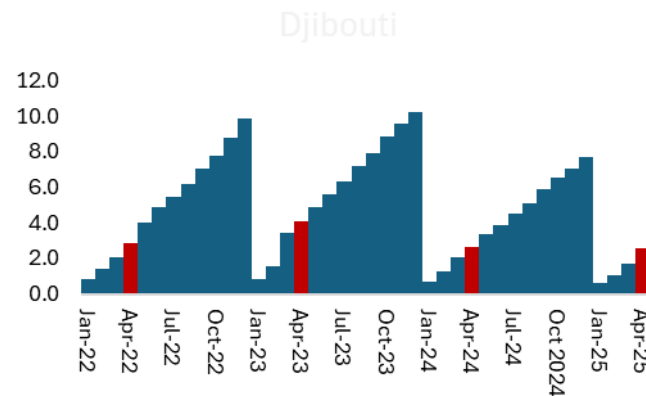
Inflation rate



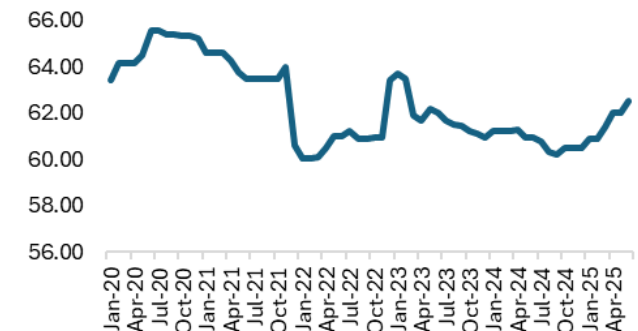
Exchange rate



Total foreign trade, \$US bn



Country Risk Index



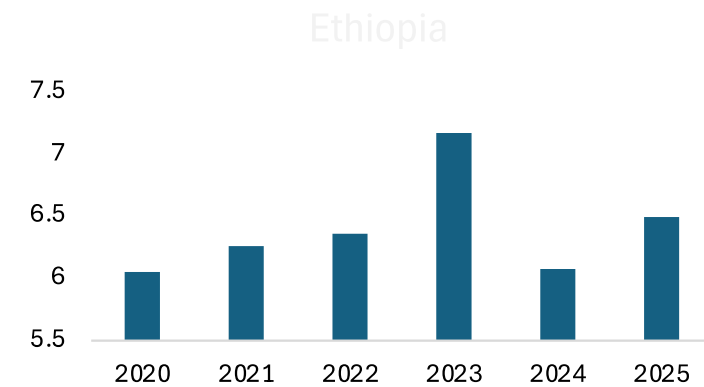


# Ethiopia

## Key Macroeconomic Indicators

Growth is expected to be robust at 7% in 2025/26. Inflation fell to 13.9% in June from 14.40% from April 2025. The policy rate remained at 15%, while the exchange rate depreciated by 1.49% to 136.66 per USD. Total trade rose to \$7.1 million, and the risk score stood at 66.94.

Growth rate



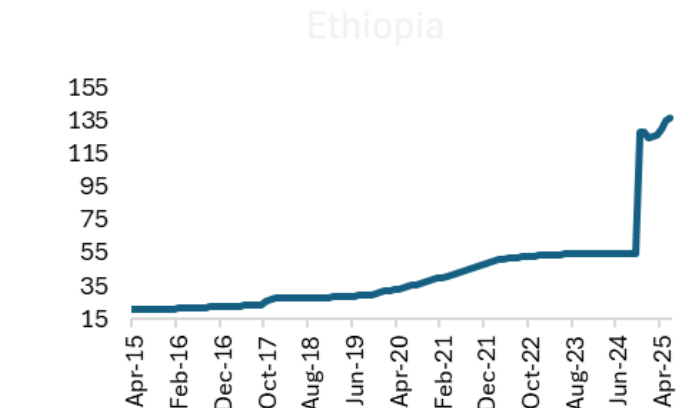
Inflation rate



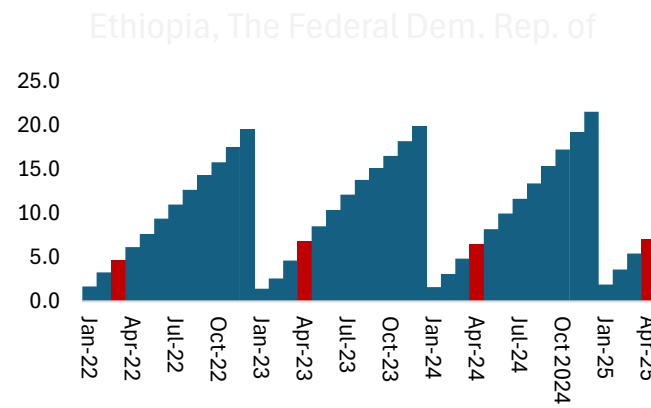
Policy rate



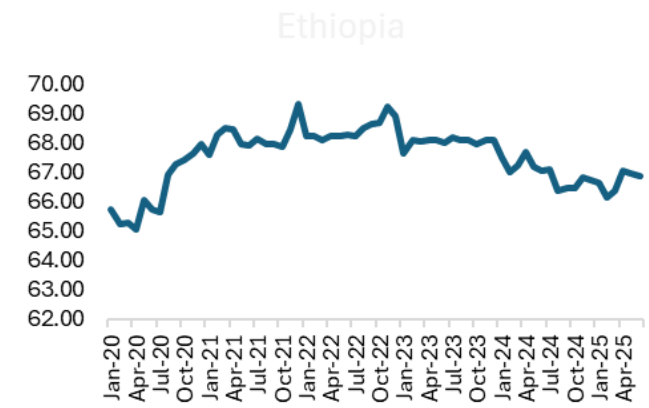
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

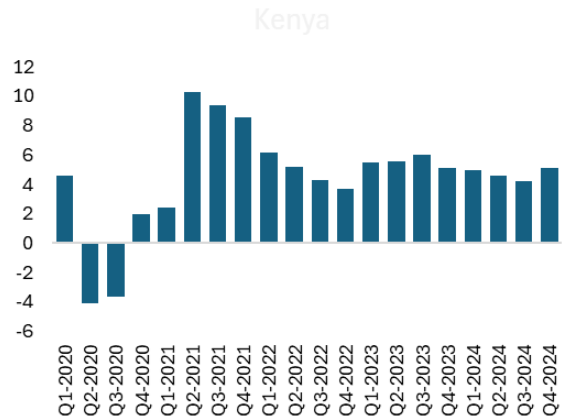


# Kenya

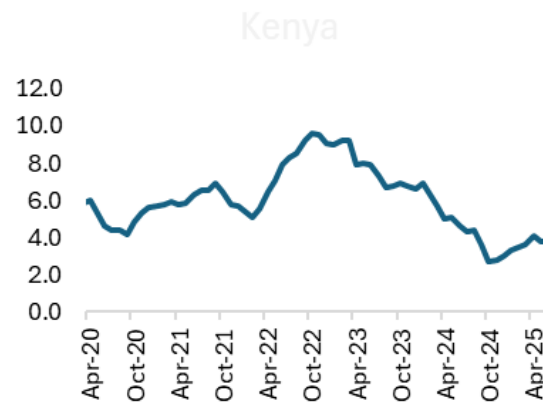
## Key Macroeconomic Indicators

Growth increased to 5.1% in Q4-2024 from 4.2% in Q3-2025, and inflation was steady at 3.80% from May to June 2025. The policy rate remained steady at 9.75%, while the exchange rate appreciated by 0.04% to 129.2 per USD. Total trade increased to \$9.2 million in April. The risk score stood at 53.99.

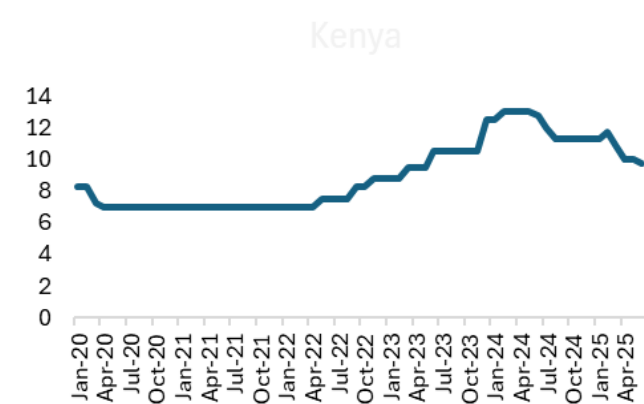
Growth rate



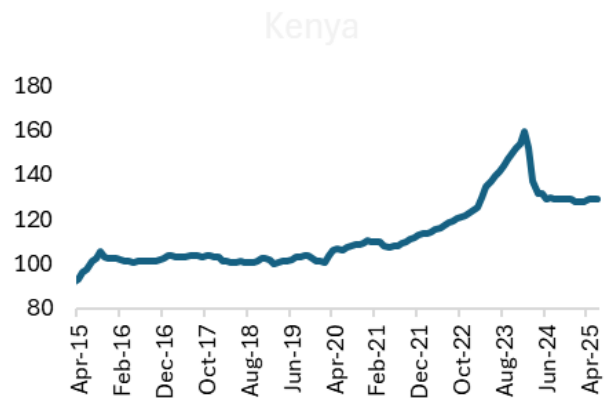
Inflation rate



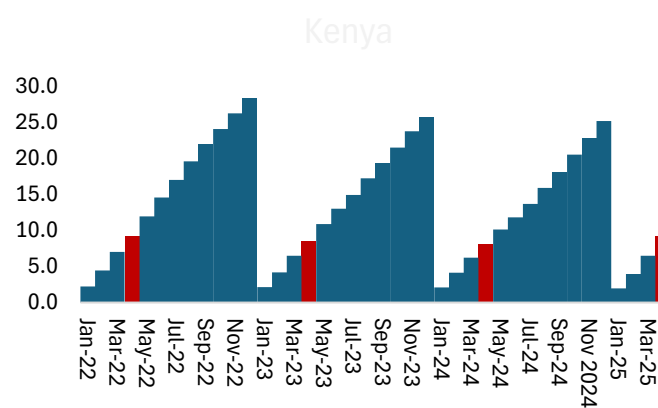
Policy rate



Exchange rate



Total foreign trade, \$US bn



Country Risk Index

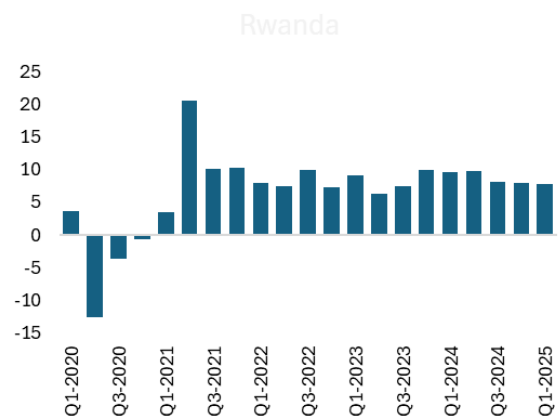


# Rwanda

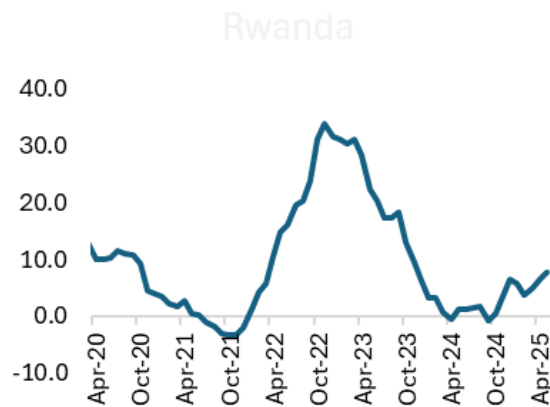
## Key Macroeconomic Indicators

Growth decreased slightly to 7.8% in Q1-2025 from 8% in Q4-2024, while inflation decreased to 7.8% in July from 8.3% in June. Policy rate held steady at 6.5%, and the exchange rate depreciated by 1.68% to 1,445.4 per USD. Total trade reached \$2.3 million in April. Risk score stood at 58.76.

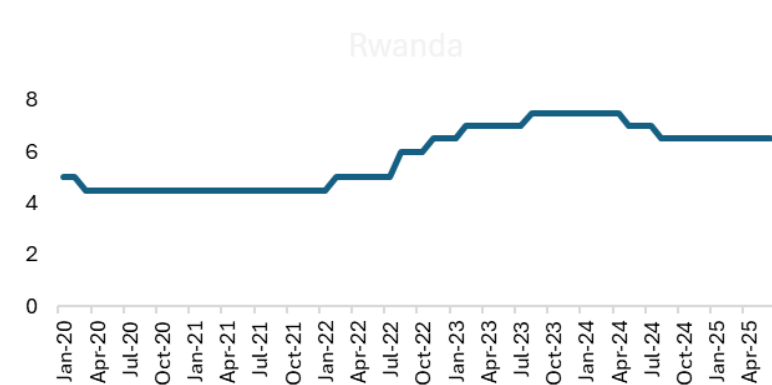
Growth rate



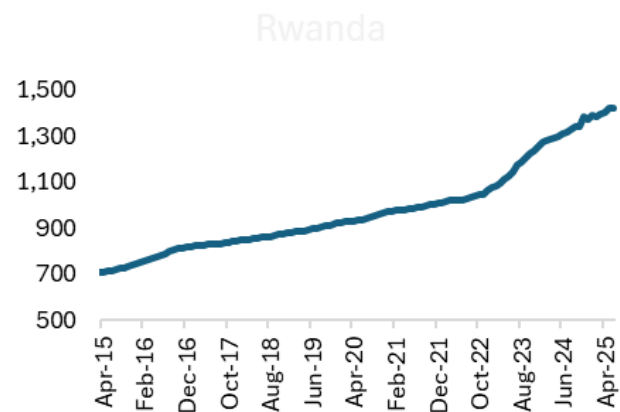
Inflation rate



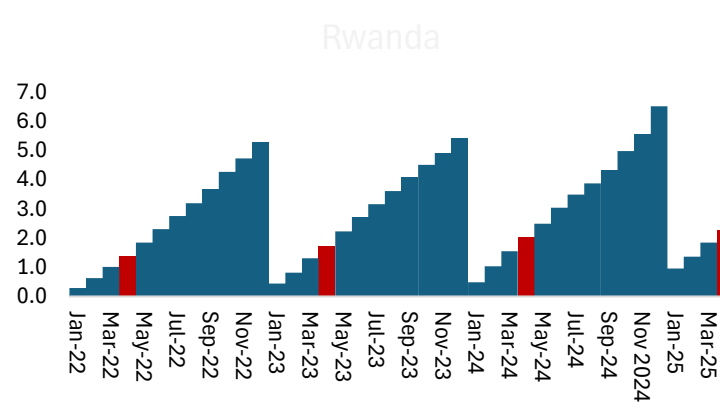
Policy rate



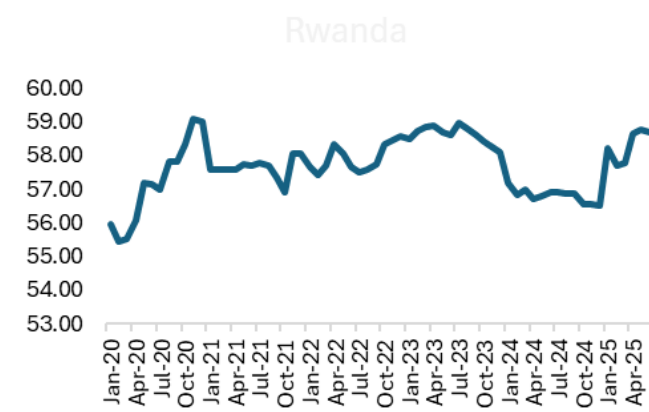
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

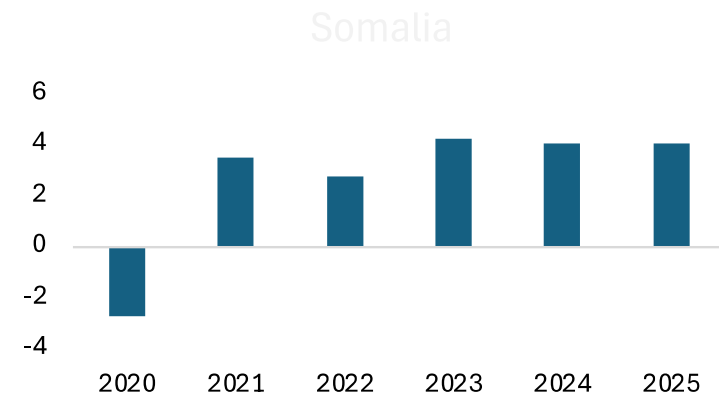


# Somalia

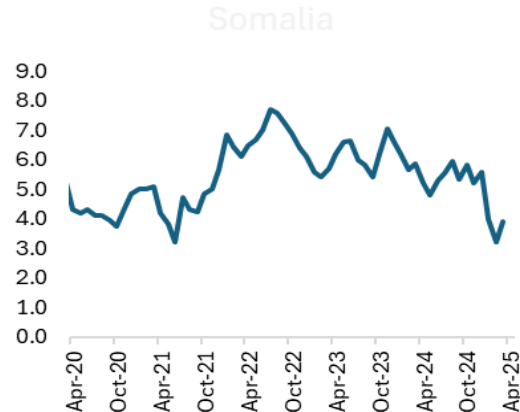
## Key Macroeconomic Indicators

The economy is expected to grow at 4% in 2025 and 4.1% in 2026, driven by agriculture, favorable rains, strong household consumption, and increased investments from both the private and public sectors. The exchange rate appreciated by 0.07% to 571.08 per USD ; Also total trade grew to \$1.7 million in April. Risk score fell to 76.77

Growth rate

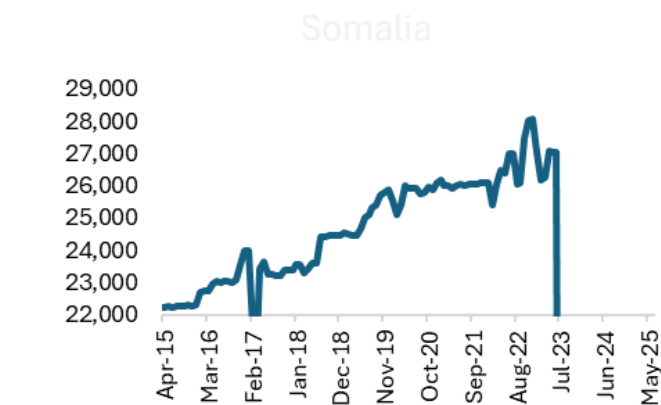


Inflation rate

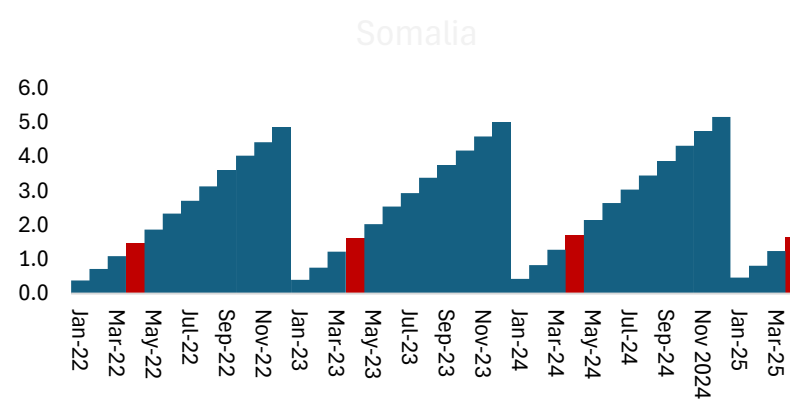


Policy rate

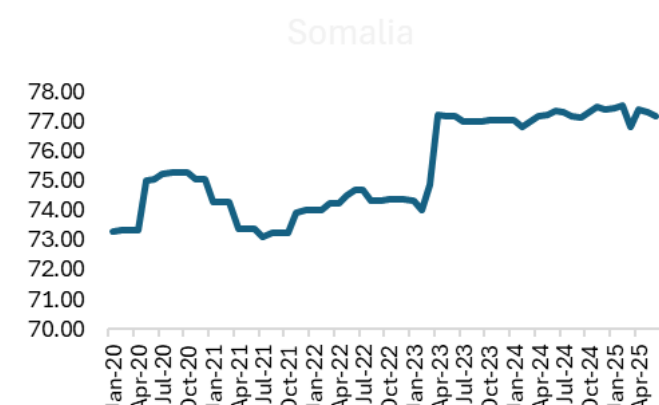
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

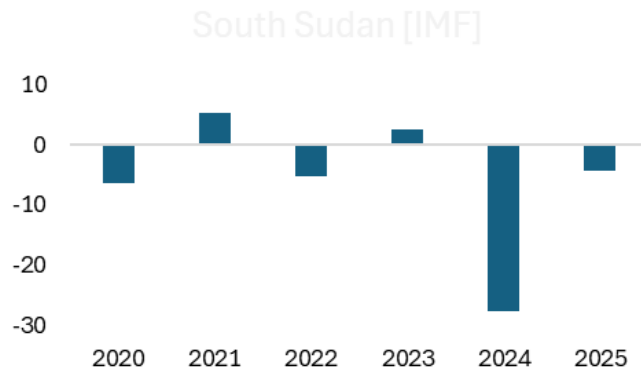


# South Sudan

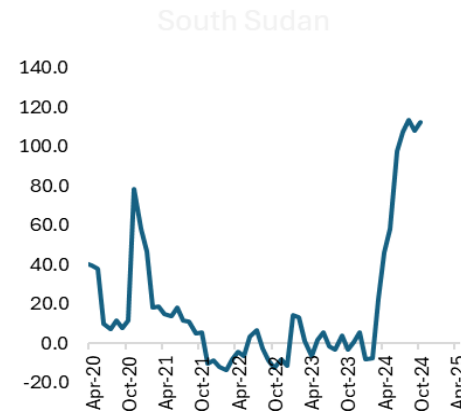
## Key Macroeconomic Indicators

A negative growth rate of -4.3% is projected for 2025 due to the disruption of the pipeline in Sudan. Policy rate stayed steady at 12% in July 2025. Exchange rate has experienced a depreciation of 0.30%, with the 4526 equivalent to 1 USD. Total trade rose \$0.80 million from the previous year. Risk score stood at 81.00.

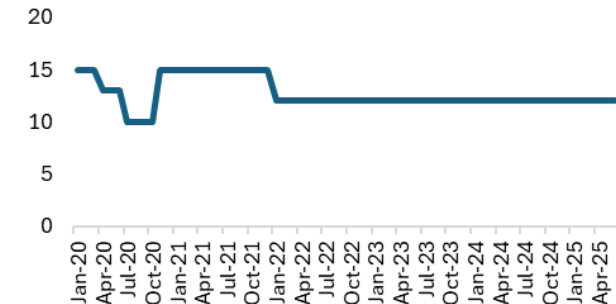
Growth rate



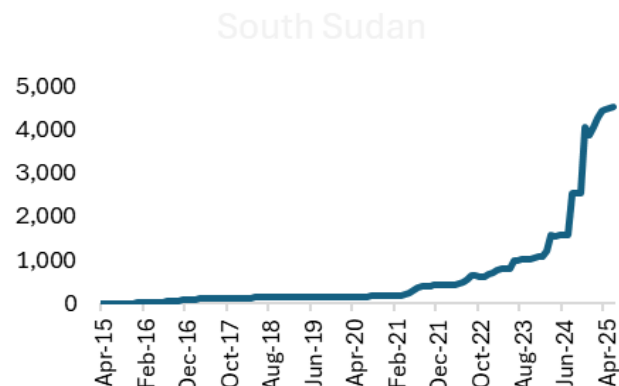
Inflation rate



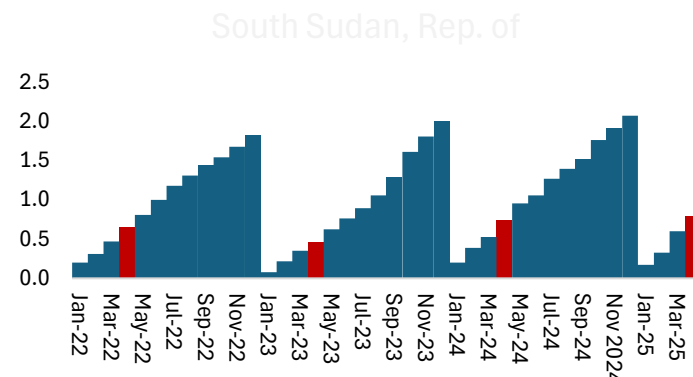
Policy rate



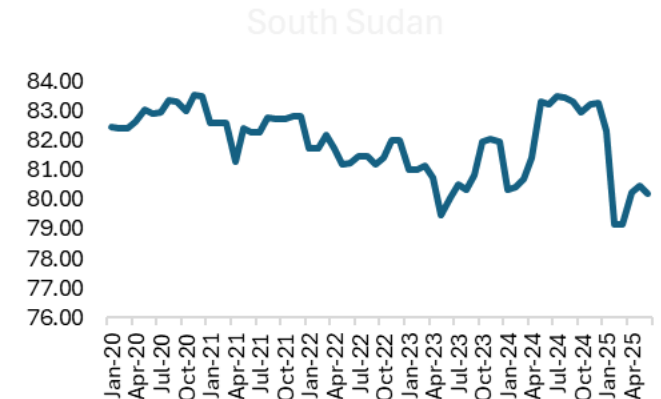
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

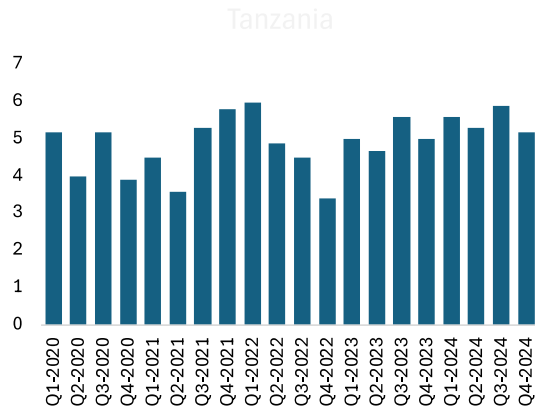


# Tanzania

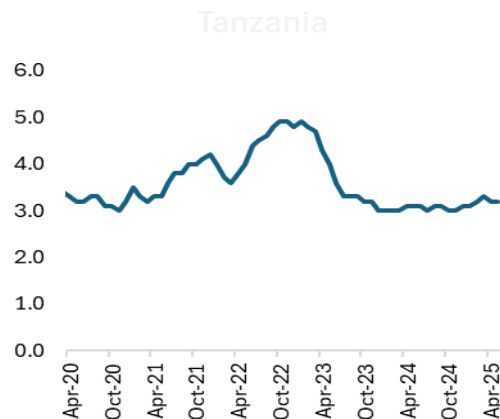
## Key Macroeconomic Indicators

Growth slowed to 4.9% in Q1-2025 from 5.2% in Q4-2024, while inflation remained steady at 3.3% in July 2025. Policy rate decreased slightly to 5.75% in July 2025 from 6.0% in June, and the exchange rate appreciated by 5.15% to 2,485 per USD. Total trade amounted to \$9.4 million in April. The risk score was 55.98

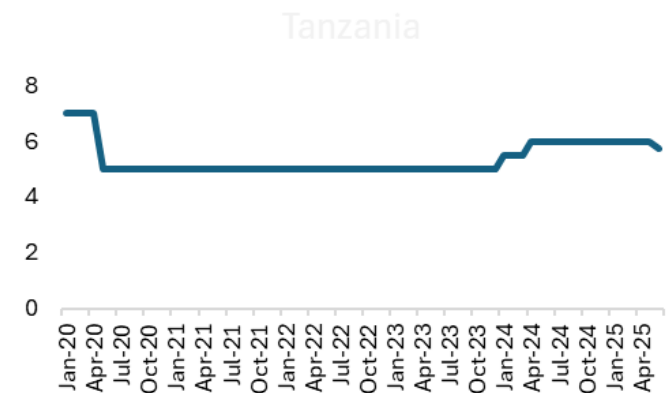
Growth rate



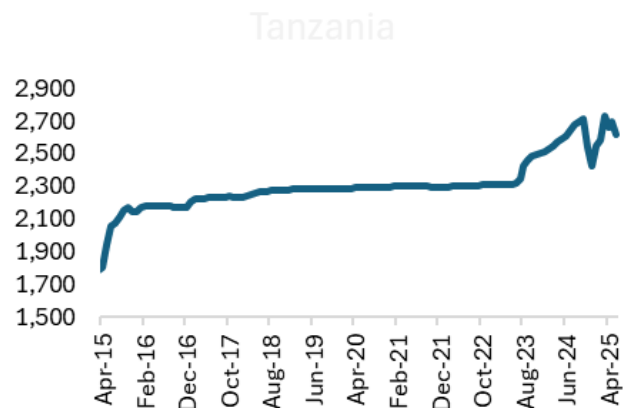
Inflation rate



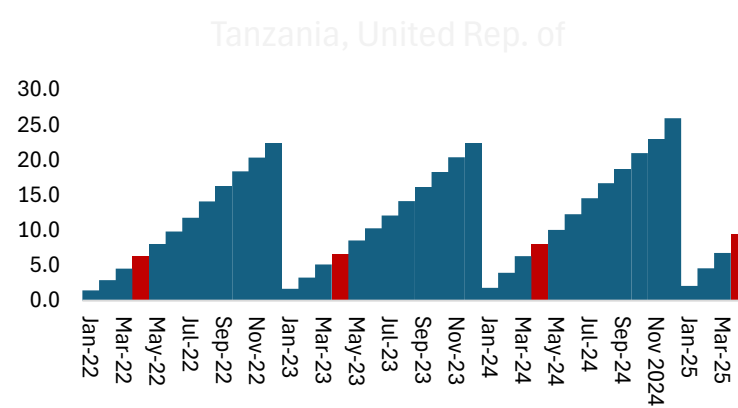
Policy rate



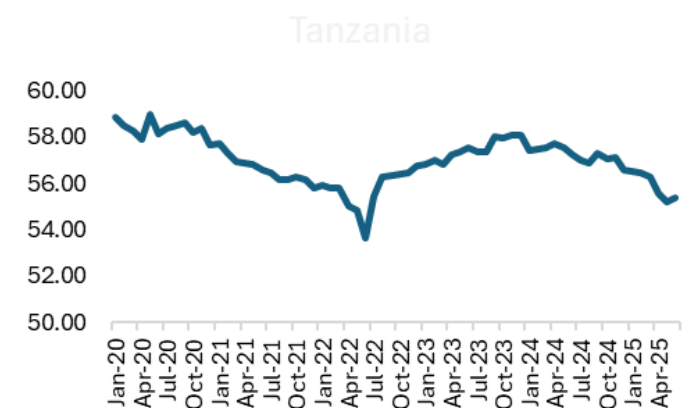
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

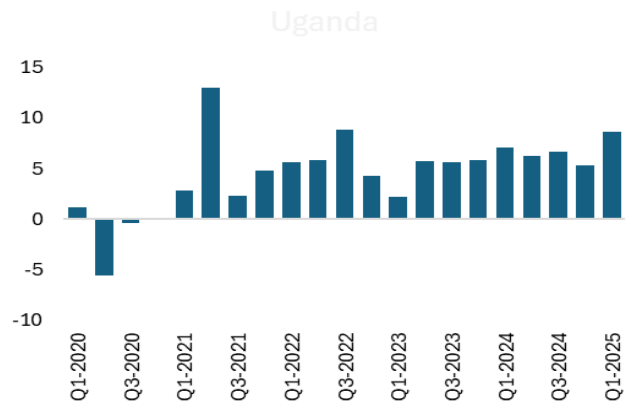


# Uganda

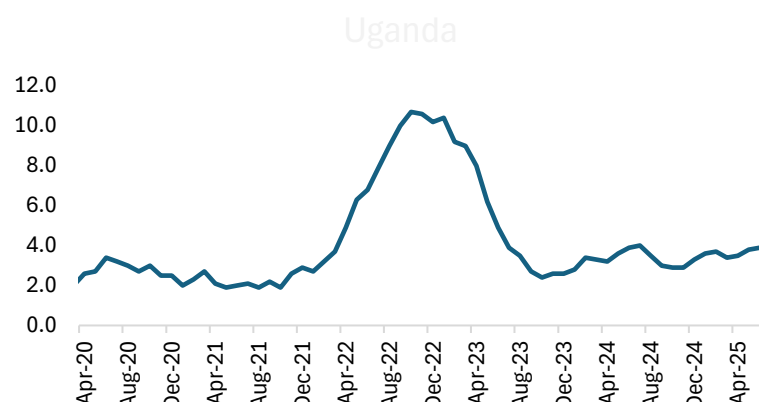
## Key Macroeconomic Indicators

Growth increased from 5.3% in Q4-2024 to 8.6% in Q1-2025, while inflation fell slightly to 3.8% in July from 3.9% in June. Policy rate was unchanged at 9.75%, and the exchange rate appreciated by 1.13% to 3,565.62 per USD. Total trade grew to \$7.2 million in April. The risk score was 60.22.

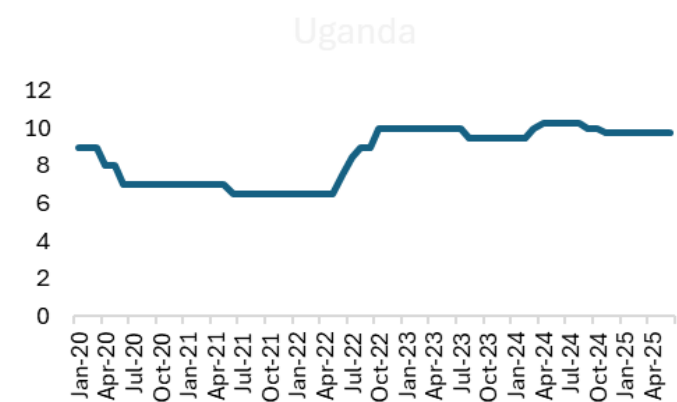
Growth rate



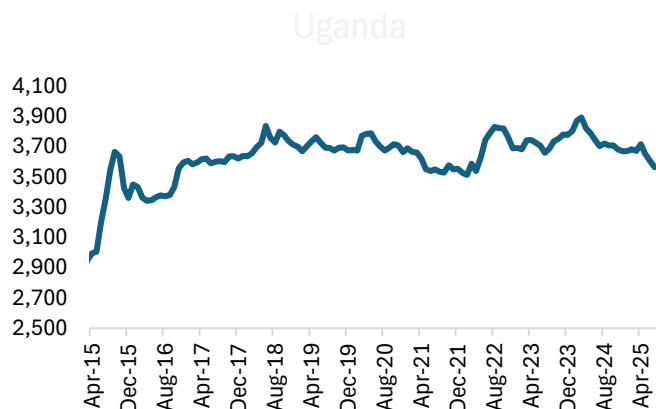
Inflation rate



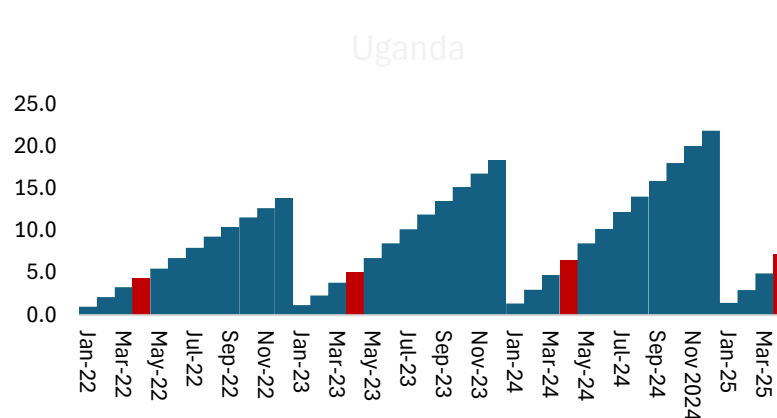
Policy rate



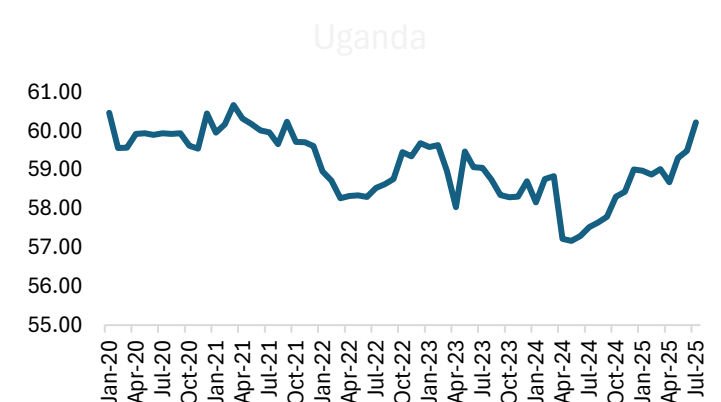
Exchange rate



Total foreign trade, \$US bn



Country Risk Index





# Southern Africa



# Key themes in Southern African countries



## South Africa – Rand Slips Amid U.S. Dollar Strength

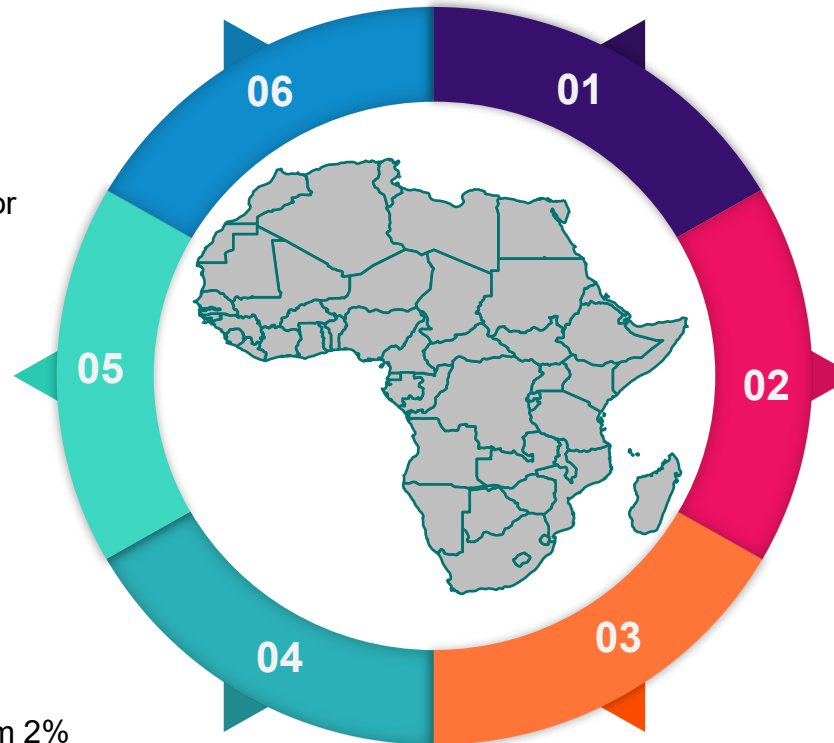
The rand weakened by 0.5% to 17.7/USD as global market pressures and a firmer dollar dampened appetite for emerging-market risk. Investors await upcoming local summaries on money supply, credit, and trade balance for clearer guidance.

## South Africa – Platinum Miner Prepares Long-Term Underground Ramp-Up

Valterra Platinum plans an underground trial in late 2026 at its Mogalakwena mine, transitioning half of its output underground. If successful, production could increase 10–50%, with long-term supply aimed at clean energy applications like hydrogen fuel cells.

## Zimbabwe – On Track for 6% Growth

Zimbabwe is forecast to grow 6% in 2025, a rebound from 2% in 2024, bolstered by improved agriculture, electricity, and stable inflation alongside the gold-backed ZiG currency. Fiscal constraints persist, however—especially due to grain import costs.



## Zimbabwe – Maize Import Ban Returns Following Surplus Harvest

Following a robust harvest, Zimbabwe reinstated a maize import ban, protecting domestic farmers and reducing pressure on forex. The government also encourages crop diversification to buffer climate-driven volatility.

## Zambia – Requests Additional \$145M via IMF Extension

Zambia is seeking an additional \$145 million by extending its current IMF programme, reinforcing fiscal stability and investor confidence as the existing facility nears expiry later this year.

## Zambia – Stronger Growth Outlook at 6.4% in 2026

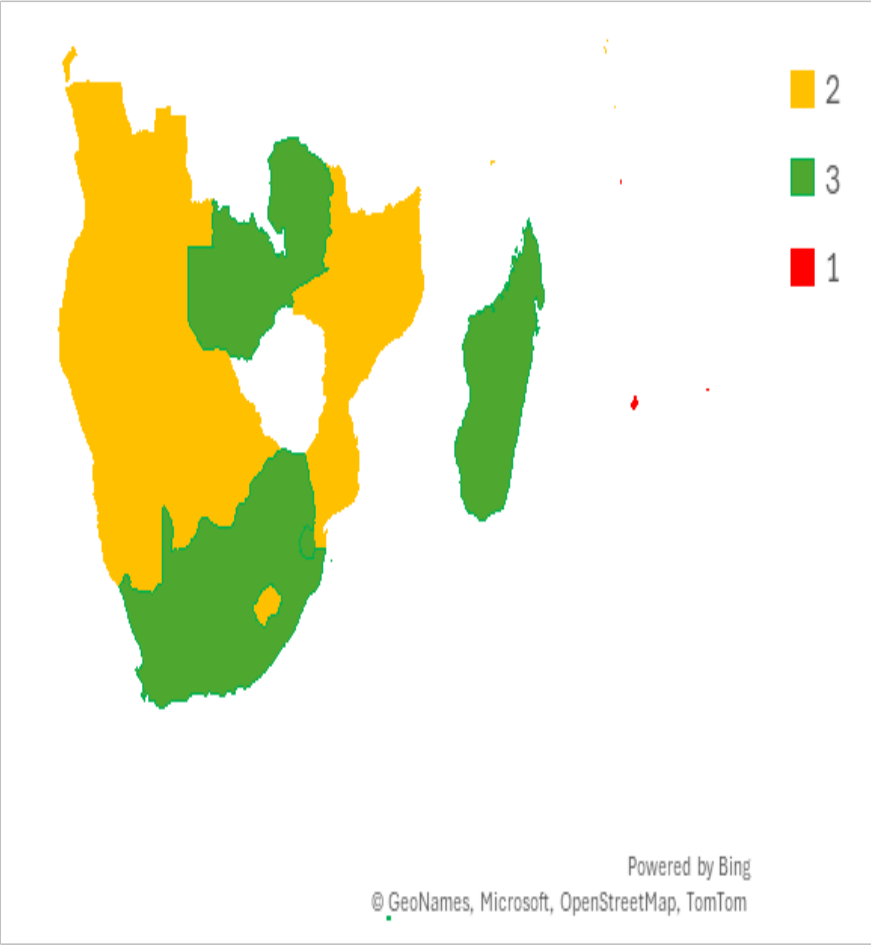
Economic growth is projected to accelerate to 6.4% in 2026 from 5.8% in 2025. Key drivers include mining growth, agricultural recovery, and investment in solar energy and copper infrastructure.

11 out of 12 countries are characterized by stable or enhancing macroeconomic fundamentals.



Southern Africa

	Growth	Inflation	Policy Rate	Exch. Rate	Trade	Risk	Overall Scoring
Angola	Improving	Improving	Stable	Deteriorating	Improving	Deteriorating	Stable
Botswana	Improving	Improving	Stable	Improving	Deteriorating	Deteriorating	Stable
Eswatini	Stable	Stable	Stable	Improving	Improving	Improving	Improving
Lesotho	Stable	Deteriorating	Improving	Improving	Deteriorating	Improving	Stable
Madagascar	Stable	Stable	Stable	Improving	Improving	Improving	Improving
Malawi	Improving	Stable	Stable	Improving	Deteriorating	Stable	Stable
Mauritius	Deteriorating	Deteriorating	Stable	Deteriorating	Deteriorating	Deteriorating	Deteriorating
Mozambique	Deteriorating	Stable	Improving	Deteriorating	Deteriorating	Deteriorating	Stable
Namibia	Deteriorating	Stable	Stable	Improving	Improving	Deteriorating	Stable
Seychelles	Improving	Stable	Stable	Improving	Improving	Deteriorating	Stable
South Africa	Stable	Stable	Stable	Improving	Improving	Improving	Improving
Zambia	Deteriorating	Improving	Stable	Improving	Improving	Improving	Improving

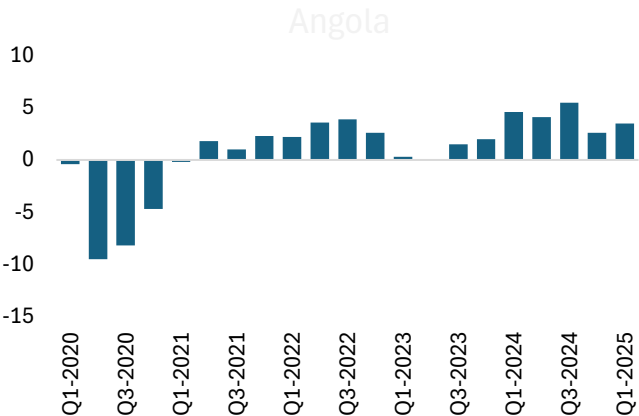


# Angola

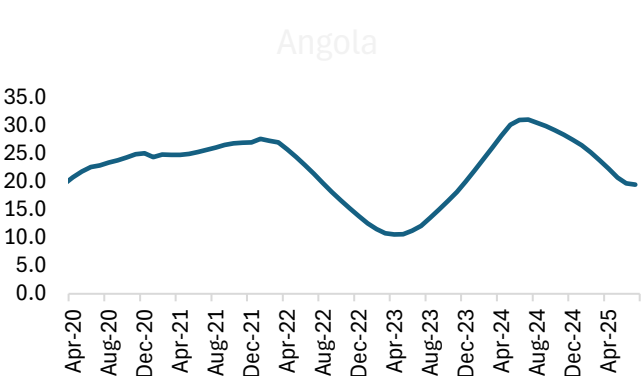
## Key Macroeconomic Indicators

Growth increased to 3.5% in Q1-2025 from 2.6% in Q4-2024, while inflation dropped to 19.48% in July from 19.73% in May. Policy rate remained 19.5% in June 2025, and the exchange rate appreciated by 0.3% to 918.65 per USD. Total trade reached \$17.1 million in April. Risk score was 61.29.

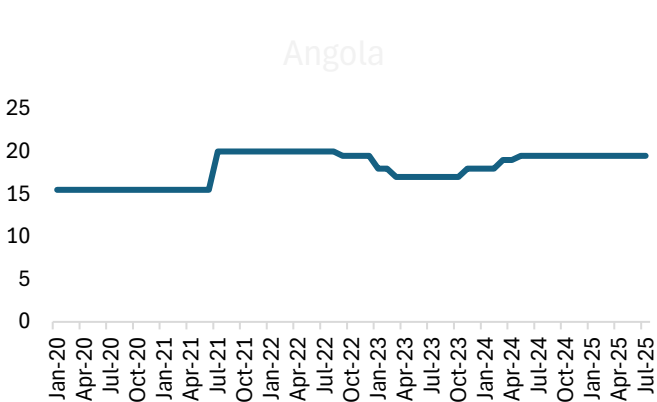
Growth rate



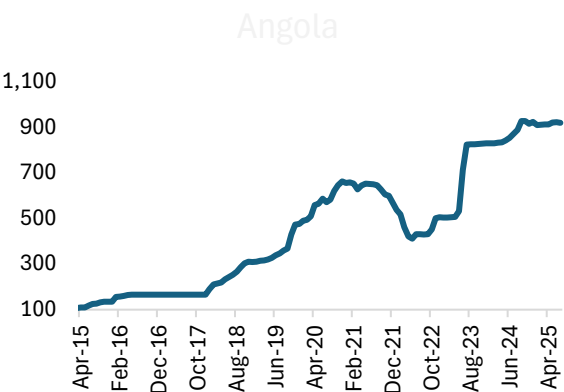
Inflation rate



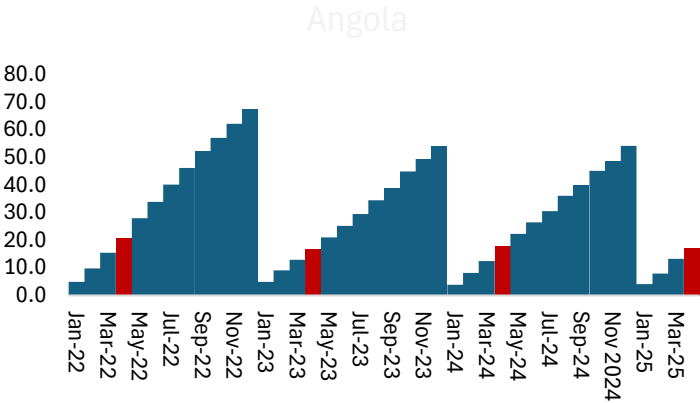
Policy rate



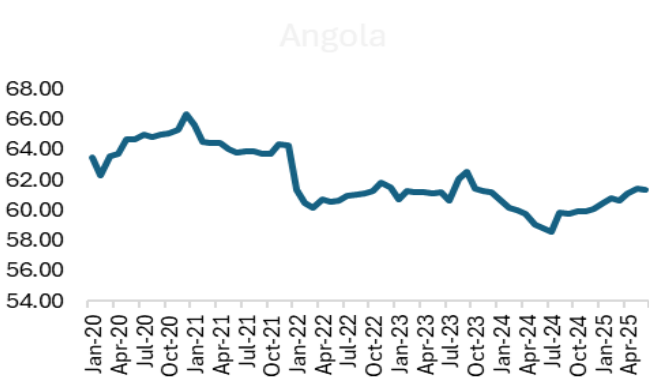
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

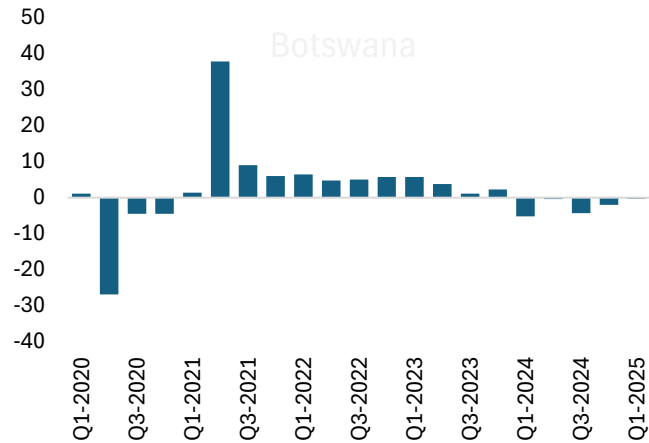


# Botswana

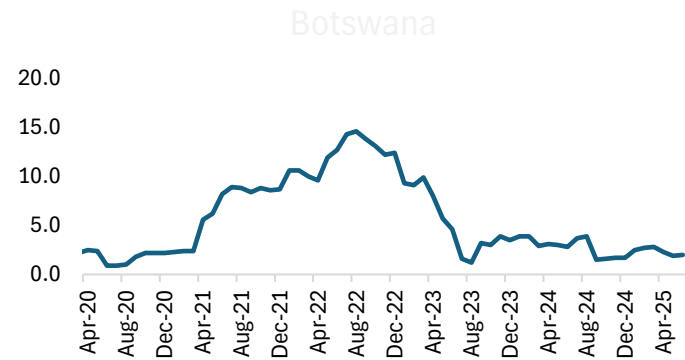
## Key Macroeconomic Indicators

Growth is on the rise with a growth rate of -0.3 in Q1-2025 from -2% in Q4-2024. Inflation declined to 2% in June from 1.9% in May 2025. Policy rate was unchanged at 1.9%, while the exchange rate depreciated by 0.37% to 13.45 per USD. Total trade stood at \$2.9 million in April. Risk score was 49.89.

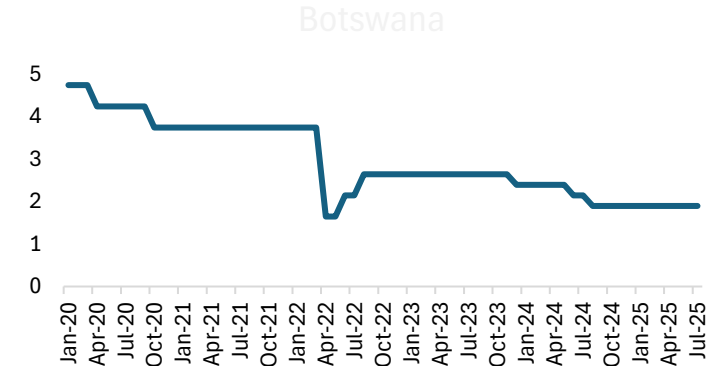
Growth rate



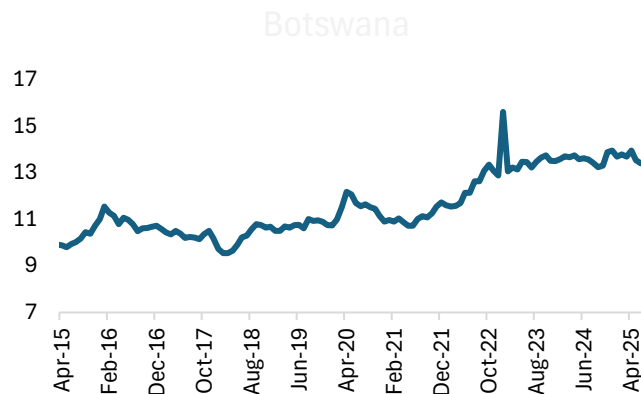
Inflation rate



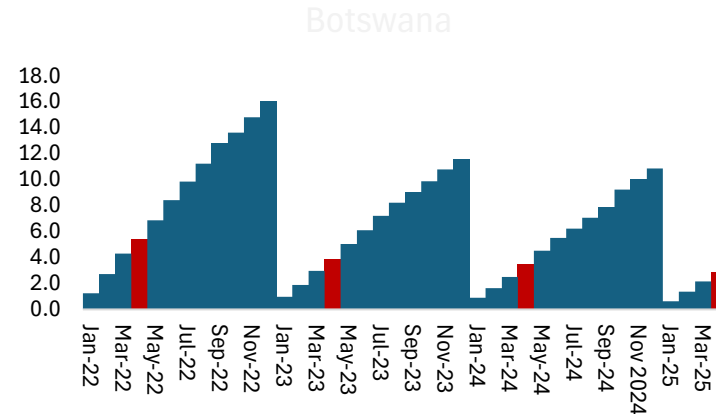
Policy rate



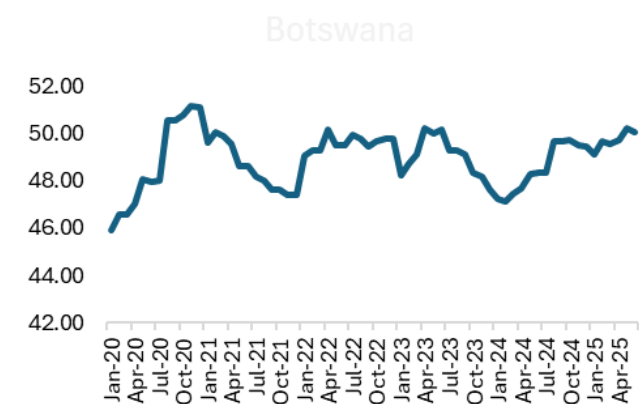
Exchange rate



Total foreign trade, \$US bn



Country Risk Index



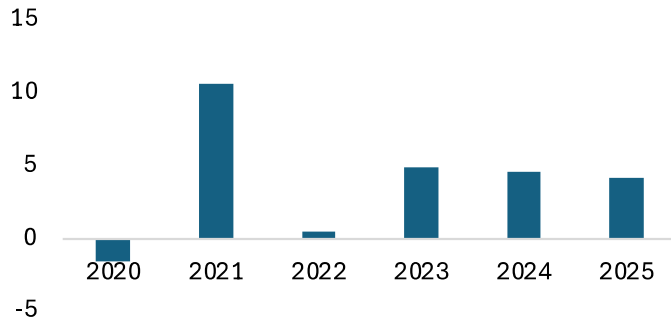
# Eswatini

## Key Macroeconomic Indicators

Real GDP growth is projected at 4.2% for 2025. Inflation decrease of 3.3% in April. Policy rate remained unchanged at 6.75 in June 2025. The exchange rate appreciated by 2.22% to 17.70 per USD, and total trade rose to \$1.32 million and risk score stood at 59.63 as of June 2025.

Growth rate

Eswatini



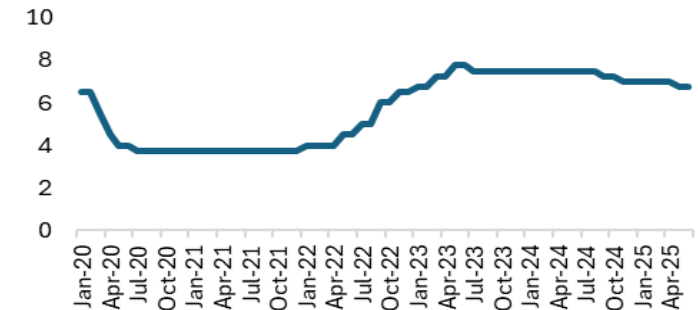
Inflation rate

Swaziland



Policy rate

Swaziland



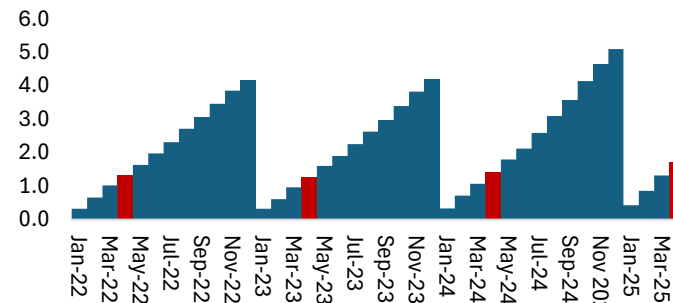
Exchange rate

Eswatini



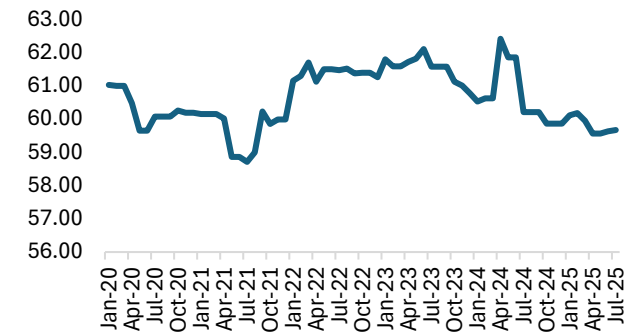
Total foreign trade, \$US bn

Eswatini



Country Risk Index

Eswatini

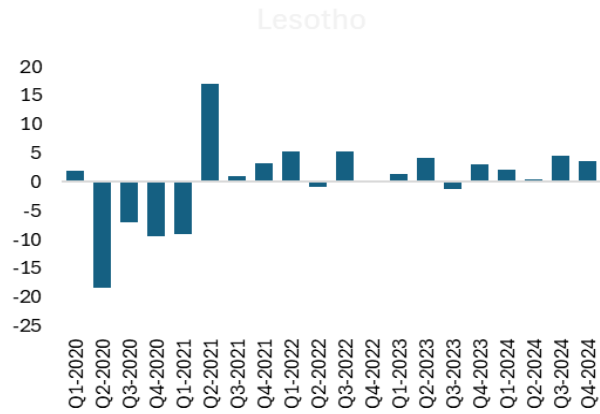


# Lesotho

## Key Macroeconomic Indicators

Growth rate decreased from 4.58% Q3-2024 to 3.56% in Q4-2024. Inflation decreased to 4.3% in June from 4.4% in May 2025. Policy rate held at 7%, and the exchange rate depreciated by 0.14% to 17.73 per USD. Total trade stood at \$0.7 million in April 2025. Risk score rose to 63.54.

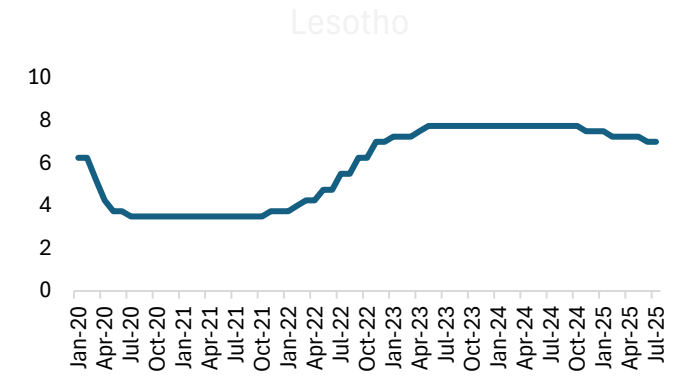
Growth rate



Inflation rate



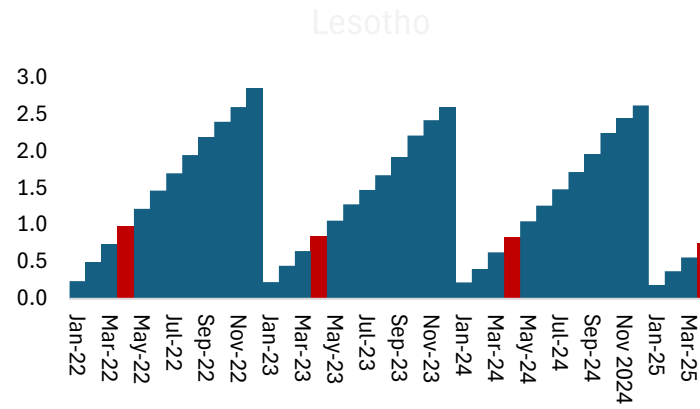
Policy rate



Exchange rate



Total foreign trade, \$US bn



Country Risk Index





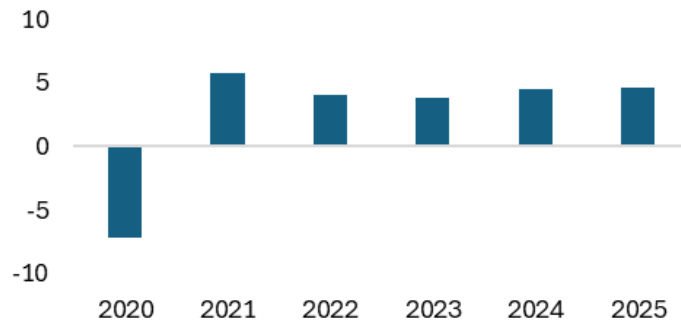
# Madagascar

## Key Macroeconomic Indicators

Real GDP is expected to grow by 4.6% in 2025 and 4.7% in 2026. Inflation declined to 8.1% in May from 8.2% in April. Policy rate held at 12%, and the exchange rate appreciated by 1.68% to 4,409.79 per USD. Total trade reached \$2.2 million in April. Risk score was 65.96

Growth rate

Madagascar



Inflation rate

Madagascar



Policy rate

Madagascar



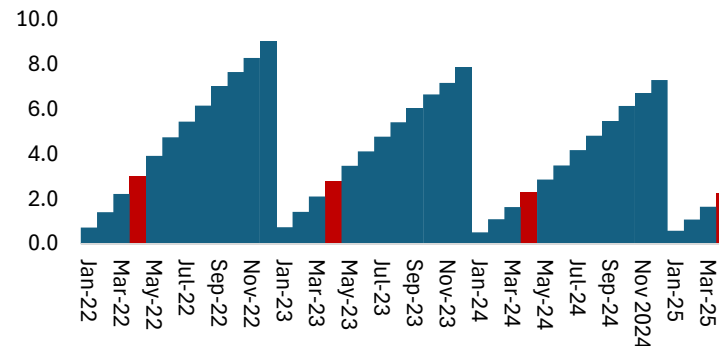
Exchange rate

Madagascar



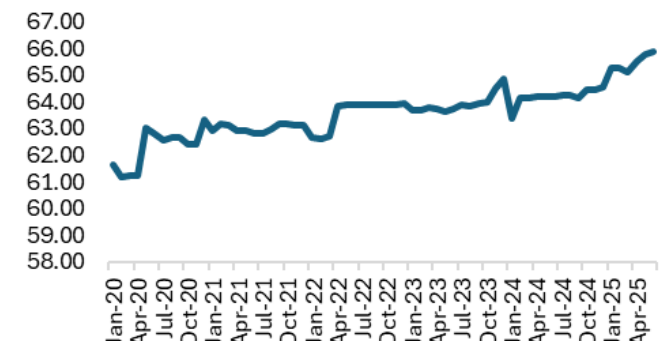
Total foreign trade, \$US bn

Madagascar



Country Risk Index

Madagascar

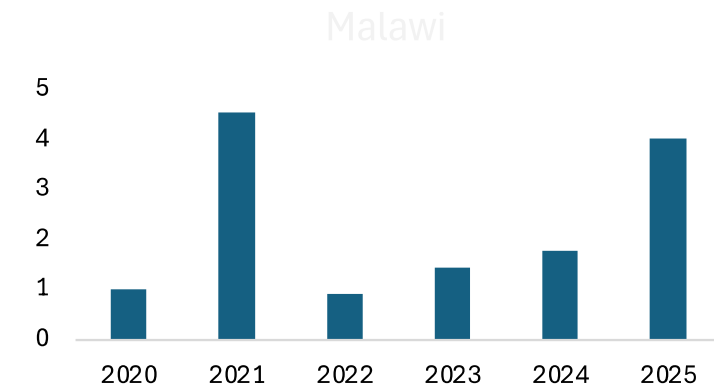


# Malawi

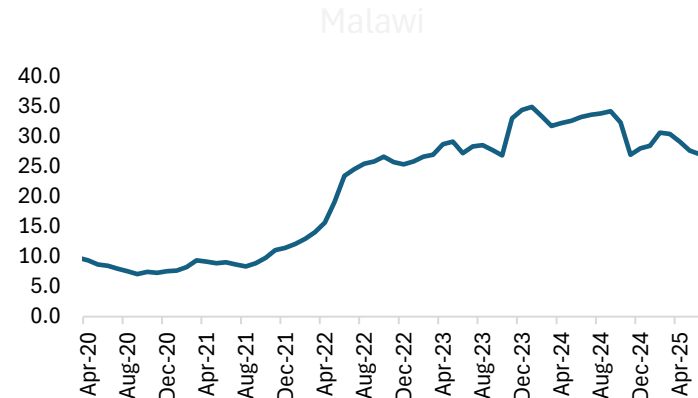
## Key Macroeconomic Indicators

Inflation eased to 27.1% in June 2025 from 27.70% in May. Policy rate remained at 26.0%, while the exchange rate depreciated by 0.196% to 1,734.01 per USD. Total trade increased at \$1.1 million in April. Risk score rose to 62.38

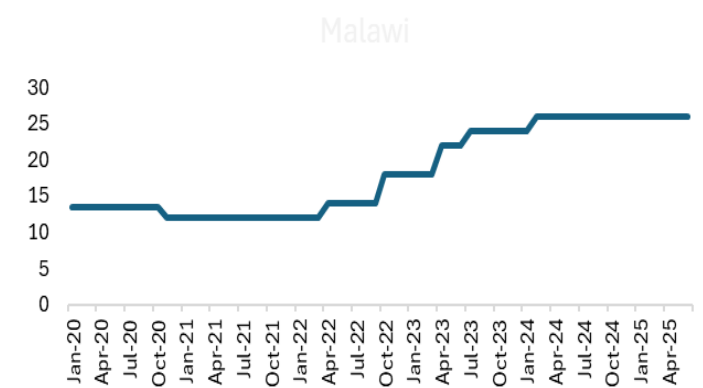
Growth rate



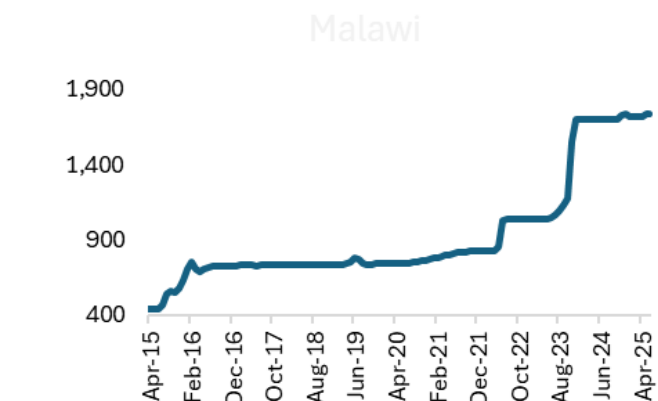
Inflation rate



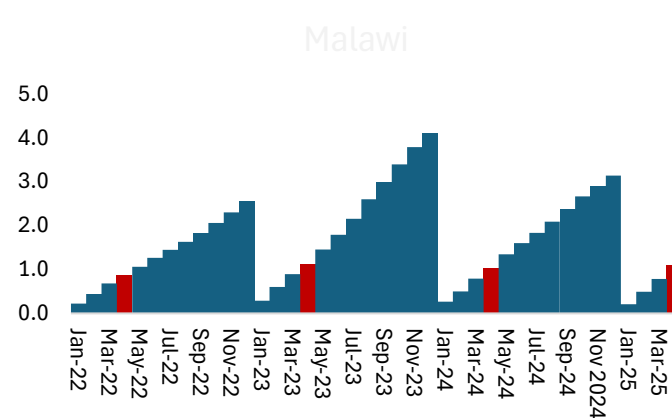
Policy rate



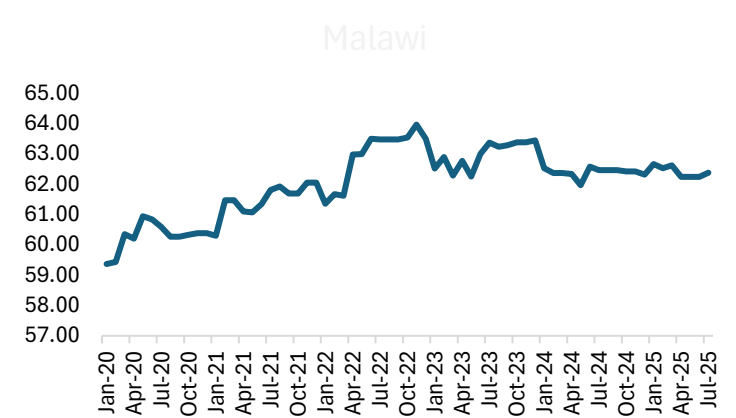
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

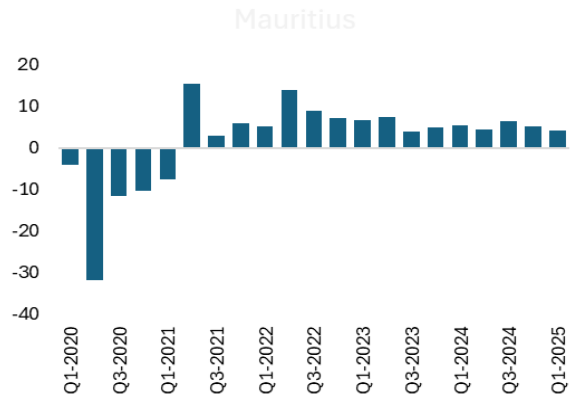


# Mauritius

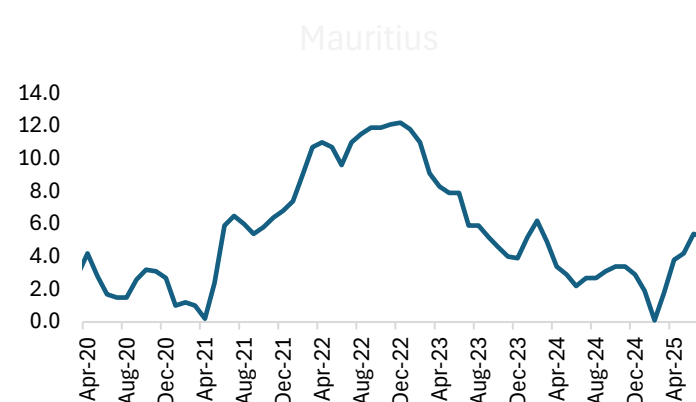
## Key Macroeconomic Indicators

Growth rate continues to decrease in Q1-2025 at 4.2% in comparison to 5.2% in Q4-2024 and 6.3% in Q3-2024. Inflation rose to 5.4% in June 2025 from 4.2% in May. Policy rate remained unchanged at 4.5%, while the exchange rate appreciated by 0.98% to 45.41 per USD. Total trade grew to 6.4 million in April. Risk score stood at 40.96.

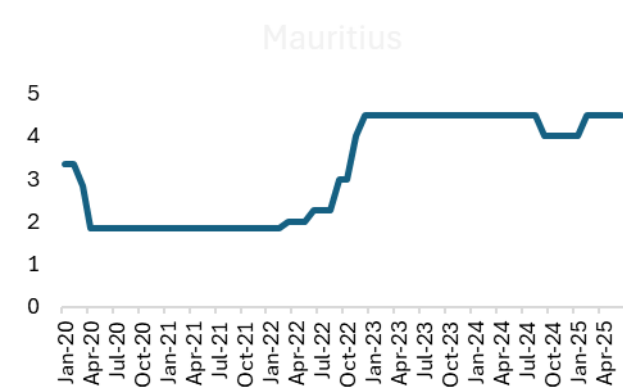
Growth rate



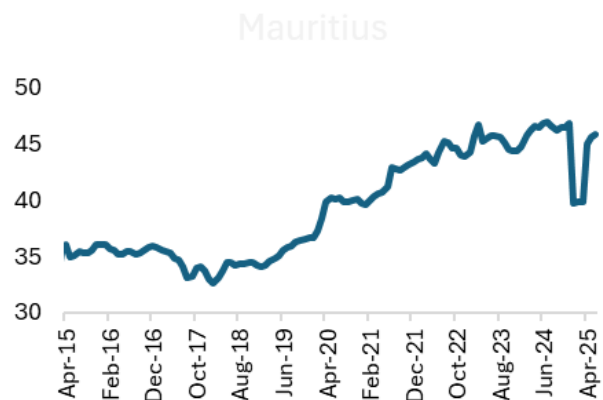
Inflation rate



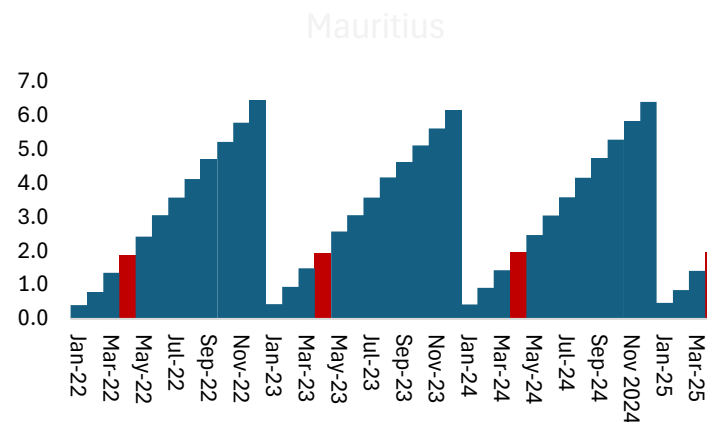
Policy rate



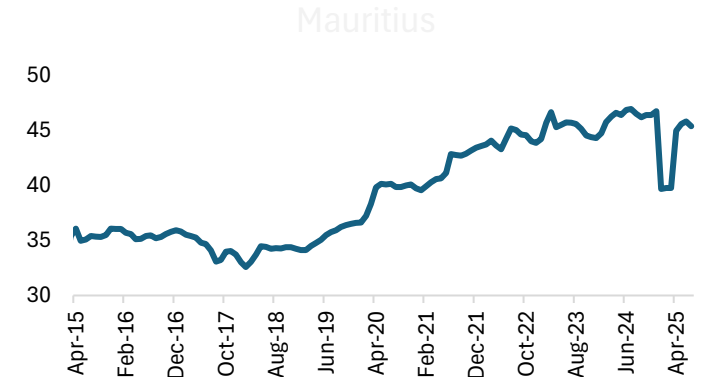
Exchange rate



Total foreign trade, \$US bn



Country Risk Index



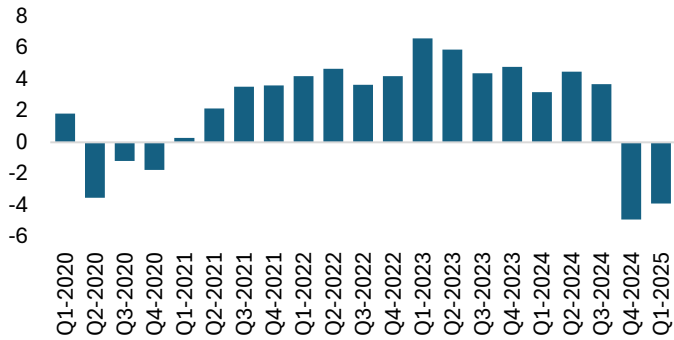
# Mozambique

## Key Macroeconomic Indicators

Growth rate fell to -3.9% in Q1-2025 from -4.9% in Q4-2024. Inflation declined to 3.96 in July 2025 from 4.15% in April. Policy rate fell to 10.25%, and the exchange rate appreciated by 0.03% to 63.89 per USD. Total trade stood at \$6.4 million in April. Risk score fell to 51.95

Growth rate

Mozambique



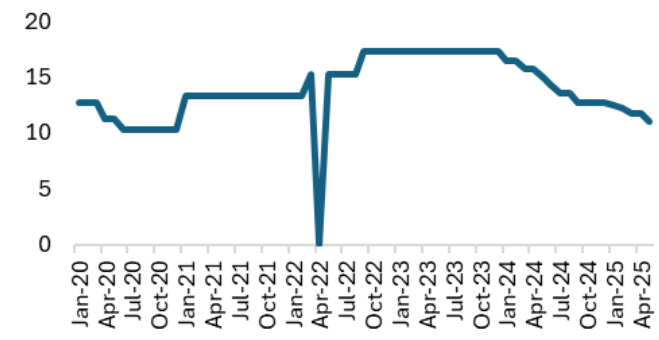
Inflation rate

Mozambique



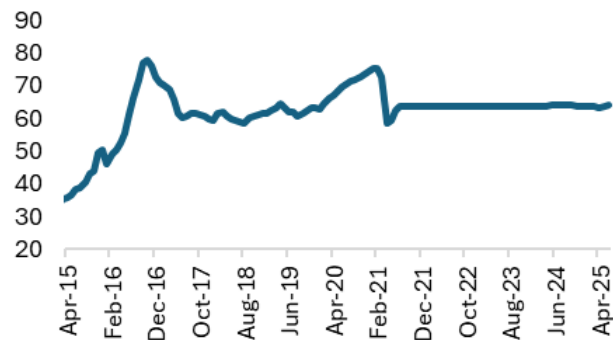
Policy rate

Mozambique



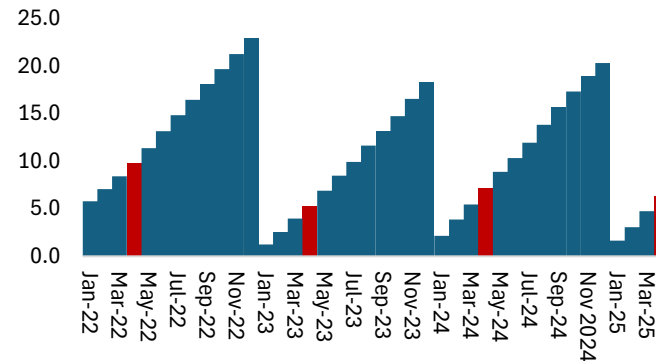
Exchange rate

Mozambique



Total foreign trade, \$US bn

Mozambique



Country Risk Index

Mozambique

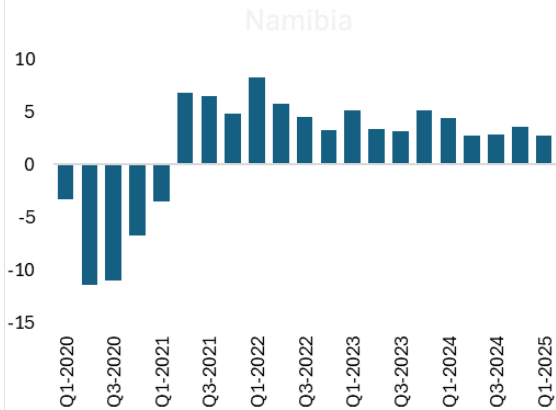


# Namibia

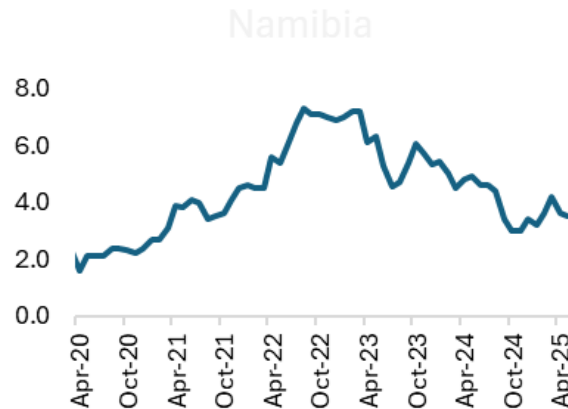
## Key Macroeconomic Indicators

Growth rate decreased to 2.7% in Q1-2025 from 3.6% in Q4-2024. Inflation slightly decreased from 3.7% in June 2025 to 3.5% in July. Policy rate remained at 6.75%, while the exchange rate depreciated by 0.08% to 17.73 per USD. Total trade increased to \$5 million in April 2025. Risk score stood at 51.95.

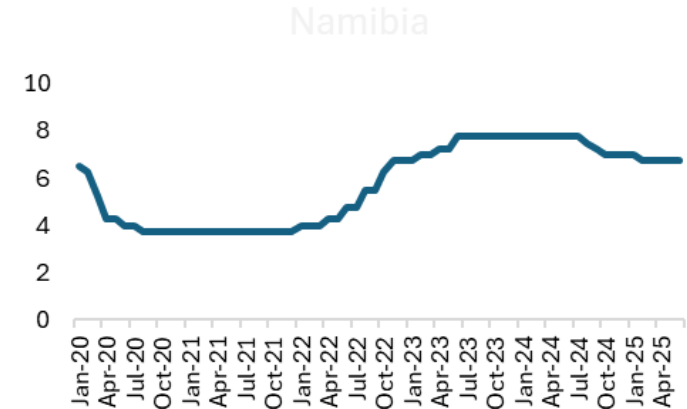
Growth rate



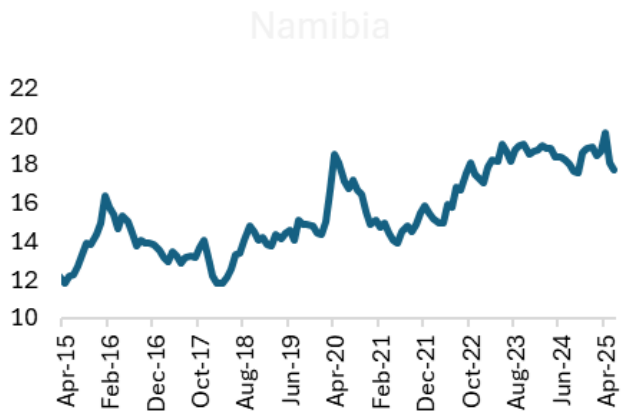
Inflation rate



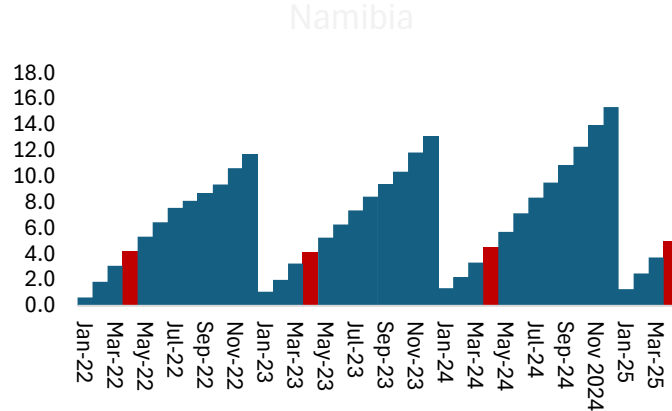
Policy rate



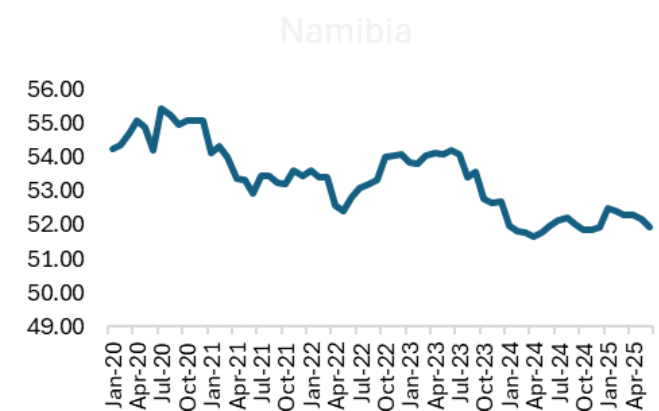
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

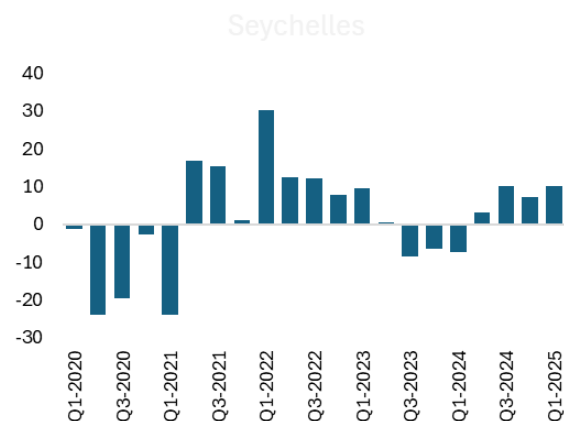


# Seychelles

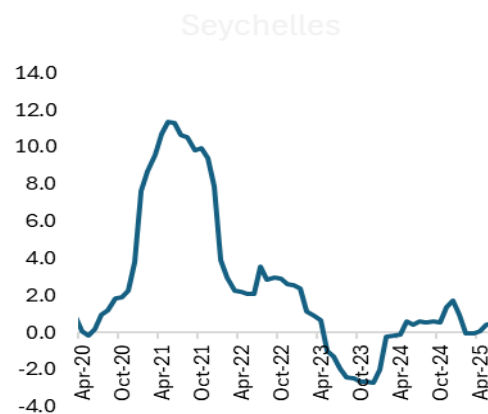
## Key Macroeconomic Indicators

Growth rates returned to levels seen in Q3-2024, with a 10.2% increase followed by 7.3% in Q4-2024 and 10.1% in Q1-2025. Inflation remained low at 0.64% in July 2025. Policy rate remained steady at 1.75%, while the exchange rate depreciated by 2.9% to 14.73 per USD. Total trade reached \$0.9 million in April. Risk score was 45.45.

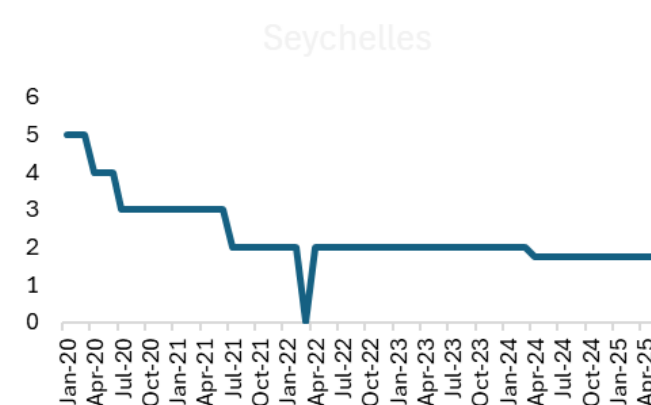
Growth rate



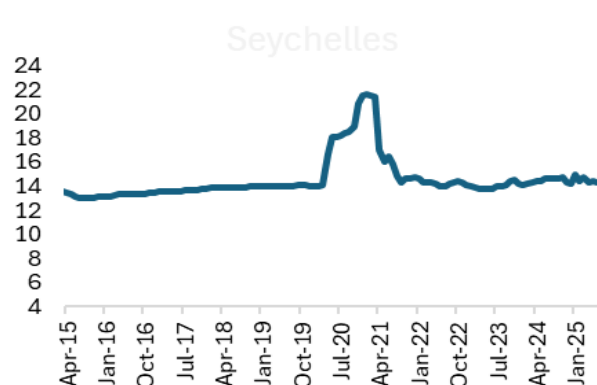
Inflation rate



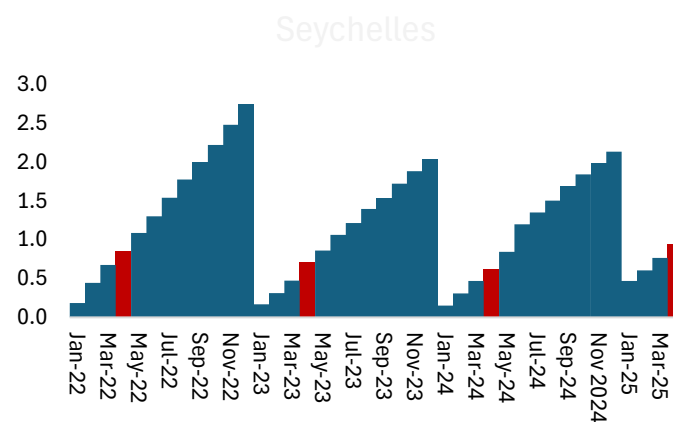
Policy rate



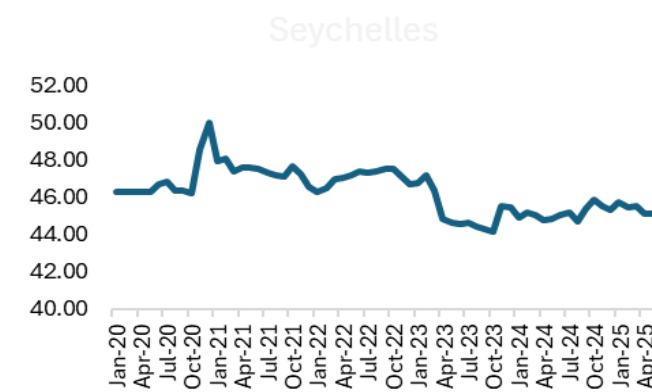
Exchange rate



Total foreign trade, \$US bn



Country Risk Index

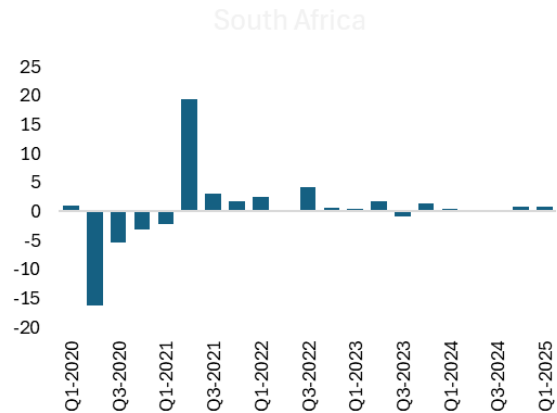


# South Africa

## Key Macroeconomic Indicators

Growth rate remained steady at 0.8% in Q1-2025. Inflation rose to 3% in June 2025. Policy rate cut to 7.0%, and the exchange rate depreciated by 0.8% to 17.72 per USD. Total trade increased to \$69.5 million in April. Risk score stood at 52.48

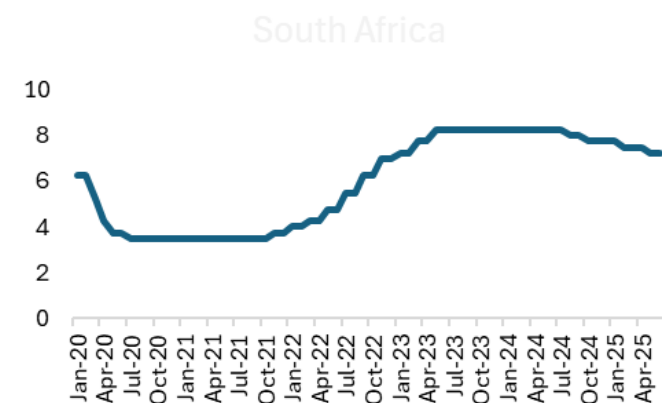
Growth rate



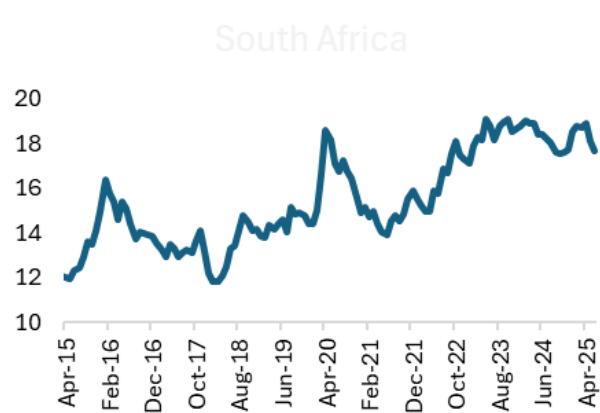
Inflation rate



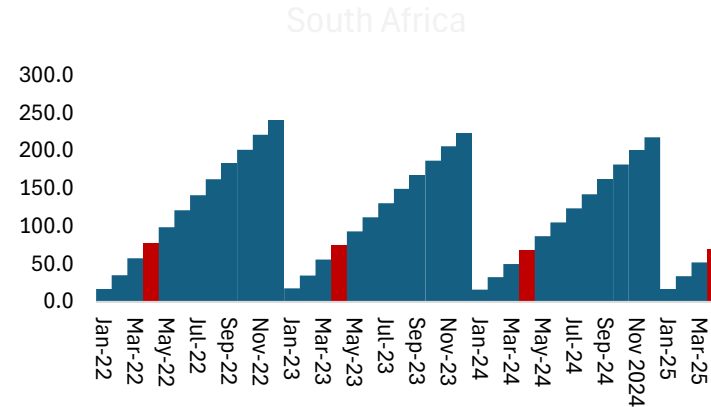
Policy rate



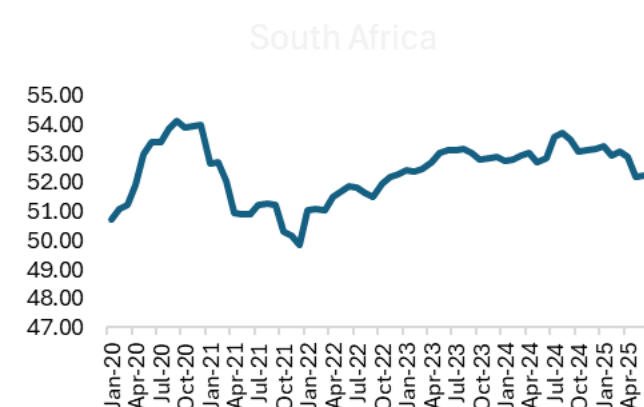
Exchange rate



Total foreign trade, \$US bn



Country Risk Index



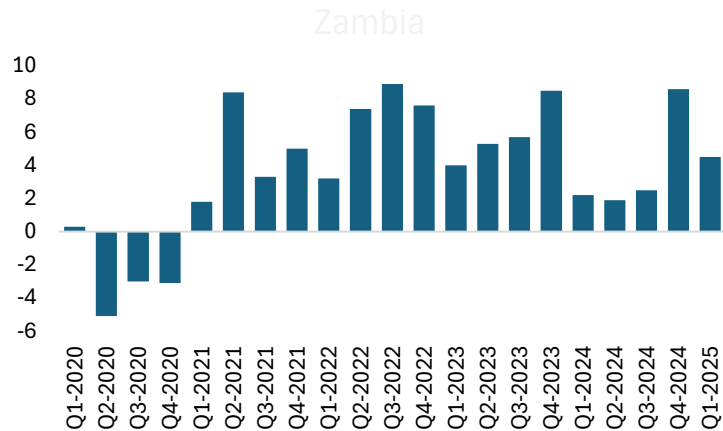


# Zambia

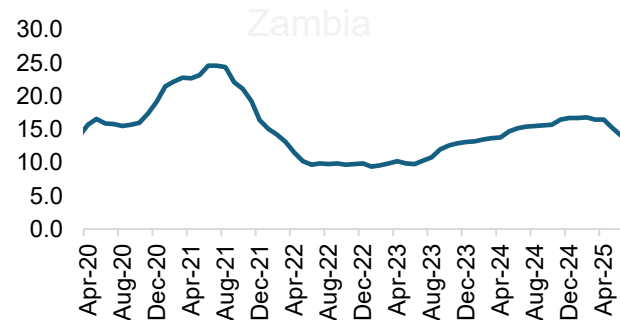
## Key Macroeconomic Indicators

Growth decreased to 4.5% in Q1-2025 from 8.6%, while inflation declined to 13% in July from 14.1% in June. Policy rate remained at 14.5%, and the exchange rate appreciated by 8.42% to 23.16 per USD. Total trade stood at \$9.6 million in April. Risk score was 59.59

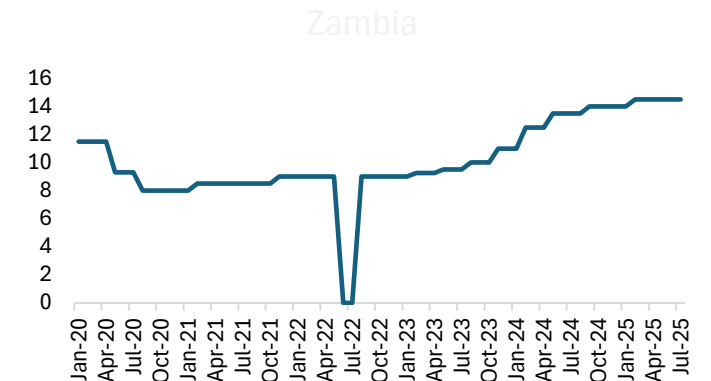
Growth rate



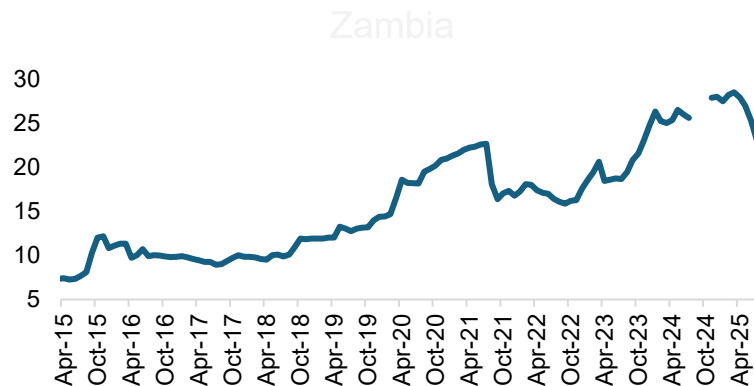
Inflation rate



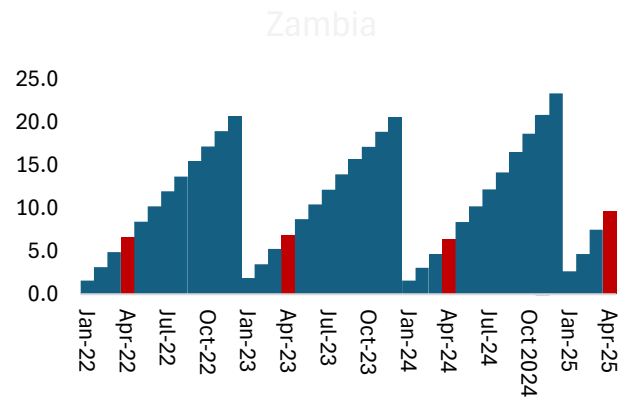
Policy rate



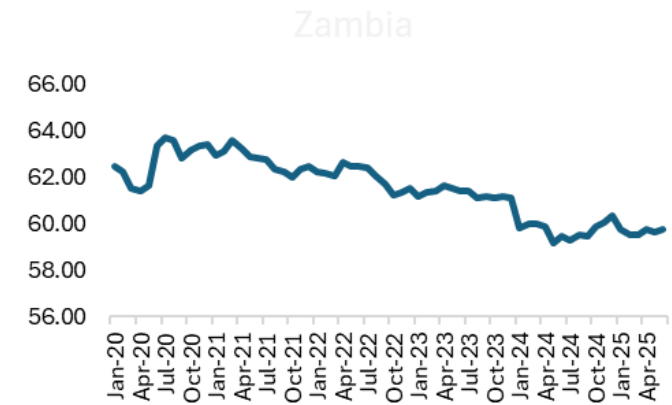
Exchange rate



Total foreign trade, \$US bn



Country Risk Index



04

## **Conclusion and Recommendations**



# Conclusion and Recommendations

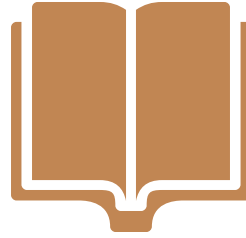
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## Conclusion

- Despite contraction in US growth in Q2 2025, global growth remains positive (3.0% in 2025; 3.1% in 2026), but trade tensions and tariffs continue to pose downside risks.
- Inflationary trends are diverging: while headline inflation is easing globally, the U.S. and some African economies face persistent price pressures.
- Africa shows resilience, with 21 countries expected to grow above 5% in 2025, though risks remain from commodity volatility, debt burdens, and currency instability.
- Regional performance is uneven: East and Southern Africa show strong fundamentals, while parts of West and Central Africa face fiscal and external imbalances.

## Recommendations

- Strengthen Fiscal Buffers: Advance domestic resource mobilization and prudent borrowing to mitigate external debt vulnerabilities.
- Promote Trade Diversification: Reduce reliance on commodity exports by deepening intra-African trade and industrial value chains (AfCFTA opportunities).
- Enhance Monetary Coordination: Central banks should balance inflation containment with supporting growth, especially under volatile global financial conditions.
- Invest in Infrastructure & Green Transition: Prioritize projects that boost competitiveness, logistics, and clean energy to build long-term resilience.
- Risk Management & Policy Flexibility: Countries should adopt proactive strategies to manage geopolitical shocks, currency volatility, and climate-related risks.



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