THE MONTHLY ECONOMIC NOTE

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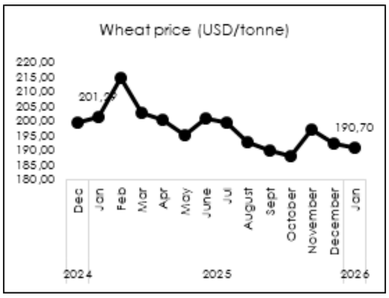
By GECAM

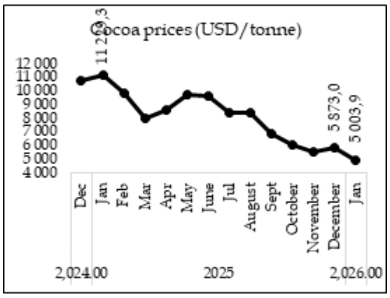
1. PRICES OF MAJOR COMMODITIES

The start of the 2026 financial year has been marked by structural adjustments in global markets. Analysis of prices in January 2026, compared with trends at the end of 2025, reveals contrasting volatility across different sectors, requiring the Cameroonian private sector to be increasingly vigilant about cost structures and export revenues.

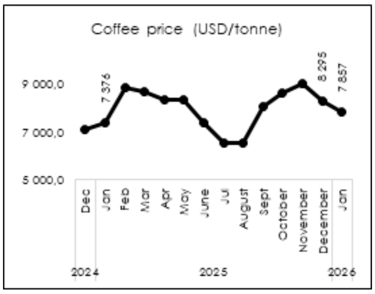
Wheat. Wheat prices stabilised at around $195 per tonne, supported by abundant harvests in Eastern Europe and a satisfactory replenishment of global stocks. This easing represents a major opportunity for the Cameroonian milling industry and helps to ease inflationary pressures on consumer products. However, this advantage in raw material prices could be partially eroded by volatility in maritime freight and insurance premiums. Local importers must remain vigilant in the face of potential disruptions to logistics corridors. A diversified sourcing strategy and careful management of safety stocks remain the necessary safeguards against potential unforeseen supply shocks.



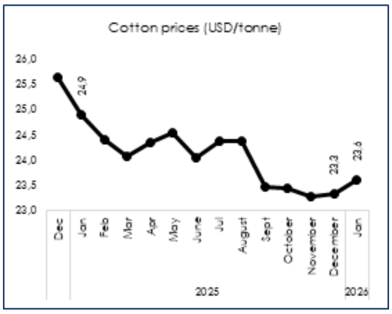
Cacao. The cocoa market begins 2026 with a consolidation phase of the downward trend after the peak observed in 2024, settling at $4,200 per tonne as a result of improved supply in West Africa. For Cameroonian exporters, this easing reduces the speculative windfall effect and calls for rigorous management of futures contracts. The quality premium remains an essential lever of competitiveness. Despite the improved harvest outlook, climate uncertainty calls for operational c . The challenge for the private sector remains to improve quality while integrating the new traceability requirements imposed by international regulators in target markets.



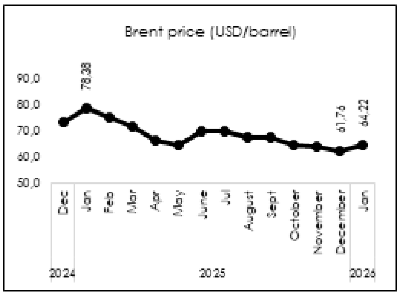
Coffee. Coffee prices, driven by Robusta, fell in January but remain relatively high compared to the trend since 2024. Structural weakness in production in Vietnam and Brazil continues to support global prices. For Cameroon, this situation offers exceptional potential for producers to increase their value. However, low local volumes are limiting the capture of this wealth. An acceleration of orchard rejuvenation programmes appears necessary. The aim is to transform this dynamic of high prices into a lever for investment to increase the productivity and competitiveness of the Cameroonian coffee sector in the long term.



Cotton. The price of cotton in January 2026 has been stagnating around an average of $23/t since September 2025. This level is well below the prices observed in January 2025. The stagnation observed reflects continued sluggish global demand for textiles. For the Cameroonian cotton sector, this lack of recovery limits the self-financing capacity of agricultural investments. Accelerating the local integration of the fibre remains a strategic necessity. Faced with a global market where prices barely cover production costs, only domestic processing will make it possible to create resilient added value that is disconnected from these downward cycles.



Oil. The price of Brent crude oil has risen slightly on a monthly basis, with the rising from $61.7 to $64.2 per barrel. This upward trend is supported by geopolitical tensions, which have led to a high «risk premium», as well as winter demand.
Winter demand: An intense cold snap in the Northern Hemisphere has stimulated demand for heating oil and, indirectly, natural gas.



2. SUB-REGIONAL ECONOMIC NEWS

The macroeconomic environment in Central Africa at the start of 2026 is marked by a search for monetary stability and a desire to diversify sources of financing. Businesses must navigate between restrictive credit conditions and new opportunities for regional integration.

Recommendations from the December 2025 session of the BEAC Monetary Policy Committee (MPC): Balancing inflation control and growth imperatives

The decision to maintain the status quo on key policy rates. The BEAC Monetary Policy Committee (MPC), meeting in December 2025, opted to maintain the status quo on its key interest rates, namely the Tender Interest Rate (TIR) at 5.00% and the Marginal Lending Facility Rate at 6.75%.

Countries encouraged to maintain efforts to combat inflation... The BEAC is maintaining its vigilant stance as 2026 approaches. Inflation in the community is stabilising at around 3.5%, gradually approaching the convergence criterion of 3%. This slowdown is accompanied by a regional growth forecast of 3.8%, mainly driven by the dynamism of non-oil activities. The regulator's recommendations focused on strict monitoring of the mechanisms for transmitting monetary policy to the real economy. The Central Bank urged Member States to continue their fiscal consolidation efforts in order to support measures to combat inflation, while calling for the banking system's resilience to be strengthened in the face of rising bad debts.

Reducing information asymmetry in the banking market: Launch of the first CEMAC Credit Information Bureau.

On 20 January 2026, Credit Info Central Africa (CICA) S.A. officially launched what will be the first Credit Information Bureau (CIB) in the CEMAC zone. The project is a response to the need for reliable financial information centres capable of reducing information asymmetry between capital holders and capital seekers, one of the obstacles identified to private sector financing in the CEMAC sub-region, particularly for small and medium-sized enterprises (SMEs) and households.

The result of a voluntary and collaborative effort between BEAC and IFC, the establishment of BICs is therefore seen as a key instrument for improving the financial inclusion of CEMAC businesses. In order to launch its activities and in line with the regulatory framework prescribed by the BEAC for BICs, the CICA will sign framework agreements with local financial institutions in February.

Reconfiguration of the sub-regional financial market and attractiveness of private debt.

LThe regional financial market is entering January 2026 in a state of rebalancing. Following the saturation of the sovereign segment in 2025, the BVMAC is seeing renewed interest in private debt securities. Institutional investors, seeking diversification, are now scrutinising the opportunities offered by large Cameroonian companies. Agence Ecofin points out that the scarcity of new government issues at the start of the year is freeing up pockets of liquidity for the corporate sector.

Dynamism of AfCFTA guided trade within CEMAC

The implementation of the AfCFTA is intensifying with the ramp-up of the Guided Trade Initiative (ICG) at the start of the year. In January 2026, several Cameroonian industrial companies, particularly in the paint and processed agri-food sectors, made their first significant exports to Congo and Gabon. This movement reflects a better understanding of certificates of origin by national operators. However, the sustainability of this momentum depends on the effective removal of non-tariff barriers at land borders.

3. MAJOR ECONOMIC DEVELOPMENTS AT THE NATIONAL LEVEL

OVERALL MACROECONOMIC OUTLOOK

The start of the 2026 financial year is marked by the implementation of new budgetary guidelines. The Cameroonian private sector must adapt to a changing fiscal environment while monitoring opportunities related to public investment.

Drivers and projections of economic growth for the 2026 financial year.

Macroeconomic projections for 2026 point to real GDP growth of around 4.5%. This momentum should be driven by the resilience of the agro-industry and the dynamism of the service sector. According to the National Institute of Statistics (INS), the consolidation of non-oil non- ctivity remains the main driver of this expected performance. For business leaders, these positive prospects must be interpreted with caution, as they remain dependent on the stability of energy supplies and control of production costs. The anticipation of strong domestic demand suggests opportunities for growth, provided that the business climate continues to improve.

National inflation dynamics

Inflation dynamics in Cameroon are entering a phase of relative deceleration after the tensions of 2025. The Harmonised Index of Consumer Prices (IHPC) shows a slowdown, although the overall level remains above the EU norm. For the private sector, this downward trend is favourable for preserving household purchasing power and, therefore, demand. However, persistent imported inflation on certain critical inputs remains a risk to industrial margins. Increased vigilance is recommended with regard to cost structures, as potential energy price adjustments could put further pressure on selling prices as early as the first quarter.

Perception of sovereign risk on public debt and impact on banks

The state of public debt as at 1 January 2026 remains a key indicator for Cameroon's sovereign rating. Active debt management by the Caisse Autonome d'Amortissement (CAA) aims to maintain long-term sustainability, despite a demanding debt service. This situation directly influences the perception of country risk by international and local financial institutions. For the private sector, the government's solvency is a major determinant of bank lending conditions. A stable perception of sovereign risk promotes bank confidence and can limit the crowding-out effect on private sector credit. Rigorous monitoring of Cameroon's commitments to its multilateral partners therefore remains essential for the stability of the national financial ecosystem.

Finances Publiques

2026 Finance Act :

Warning on the State's solvency and entry into the budgetary «red zone». The enactment of the 2026 Finance Act crystallises fears of a sovereign cash flow impasse. Cameroon is entering the budgetary «red zone», marked by a structural decline in oil revenues (-12.2% between 2025 and 2026) and a record financing requirement of CFAF 3,104 billion. The exhaustion of fiscal margins, exacerbated by a stock of unpaid taxes (RAP) of 485 billion, poses a major risk of crowding out credit to the private sector. For business leaders, this precarious public situation requires increased vigilance on payment terms and a reassessment of the risk of state counterparty risk in their cash flow plans.

Sectoral priorities and budget execution in the 2026 Finance Act

The budget allocated to public investment in 2026 confirms the priority given to projects in the third National Development Strategy (, SND30). Major road and energy infrastructure projects account for a large share of the budget, offering prospects for public procurement for construction and related services companies. However, the effectiveness of this spending depends on the speed of procurement procedures and the resolution of the issue of outstanding payments (RAP). Better financial planning remains necessary to ensure that public investment serves as a real lever for growth in the local private sector, thus avoiding cash flow problems linked to late payments by the State.

Financing the economy : The preponderance of financial assets over productive assets

A recent analysis by the National Institute of Statistics (INS) highlights a structural change in the balance sheets of Cameroonian companies. In 2024, there was a marked shift in investment flows towards financial assets (term deposits, government securities) at the expense of the acquisition of productive equipment (physical GFCF). This phenomenon of «financialisation» reflects a hedging strategy in response to the uncertain business climate and the appeal of secure returns on the money market. For GECAM, this erosion of physical investment directly threatens long-term productivity and the capacity of the industrial fabric to support the structural transformation objectives of the SND30.

Digital and Telecommunications: Connectivity and Governance

Fibre optic densification and broadband connectivity. In January 2026, the digital sector saw an acceleration in the roll-out of fibre optics by CAMTEL, targeting secondary economic activity zones as a priority. This expansion is crucial for the dematerialisation of procedures and the development of e-commerce. Private sector companies are encouraged to exploit these new capabilities to optimise their information systems and enhance their operational agility.

New ART requirements on quality of service. At the same time, the Telecommunications Regulatory Agency (ART) has published new quality of service guidelines. These requirements strengthen the protection of businesses against connectivity interruptions and require operators to be more transparent about actual speeds. This strengthening of the regulatory framework has been welcomed by employers, as digital stability is now as critical a production input as energy.

Finance and Strategic Support

Leasing boosts industrial modernisation. LIn January 2026, the financial sector showed renewed interest in leasing. Several credit institutions have launched dedicated lines of credit for the renewal of production equipment for SMEs. This mechanism, which requires fewer collateral guarantees, offers a concrete alternative to traditional bank loans for the modernisation of production tools, thus responding to a strong demand from employers.

Digital banking and real-time cash management. The banking ecosystem continues to transform with the roll-out of highly integrated digital banking platforms. These tools now enable corporate treasurers to manage their domestic and cross-border financial flows in real time. This digitalisation of tertiary services reduces transaction costs and improves financial visibility, a major advantage in a context of limited monetary liquidity.

SECTOR NEWS

Energy:

Commissioning of the Nachtigal dam. The energy sector reached a decisive milestone at the beginning of 2026 with the full commissioning of the Nachtigal dam. This 420 MW infrastructure, operated by NHPC, enables a massive injection of clean energy into the Southern Interconnected Grid (SIG). This advance, in the absence of an operational infrastructure for transporting energy to areas of industrial concentration, limits the expected contribution of this investment to the industrialisation process of our economy.

Sunna Design partnership and smart public lighting. Alongside major production projects, the energy efficiency segment is seeing the arrival of innovative solutions through the partnership with Sunna Design. The deployment of autonomous solar public lighting solutions in several industrial areas and urban communities marks a desire to reduce pressure on the conventional network. This «Lighting as a Service» model enables companies to secure their operating perimeters at a lower operational cost, while contributing to a sustainable energy transition.

The critical weight of the energy bill. Cameroon's trade balance is under increased pressure from the cost of refined product imports. The fuel bill reached nearly USD 600 million in the first half of 2025 alone. This colossal financial volume weighs heavily on foreign exchange reserves and fuels the structural deficit in foreign trade. This dependence highlights the urgent need to effectively revive national refining capacity and accelerate the energy transition. Maintaining such a high level of imports, in a context of volatile world prices, weakens macroeconomic stability and reduces the budgetary leeway needed to support productive investment.

An investment of USD 520 million by 2027 for the rehabilitation of SONARA. The national energy security strategy has reached a milestone with the announcement of the SONARA rehabilitation plan, estimated at around USD 520 million (more than FCFA 312 billion). This major investment aims to fully restore refining capacity by 2027, following the disaster in 2019. For the private sector, this prospective in s promise sustainable stabilisation of prices at the pump and a reduction in the exchange rate asymmetry mentioned above. GECAM sees this industrial revival as a driver for the national downstream oil sector, capable of breathing new life into the trade balance and securing supply chains for companies that consume finished petroleum products.

Agro-industry

Expansion and Land Facilitation

New facilities for setting up on MAGZI sites. With a view to supporting the import substitution policy, MAGZI is introducing new facilities for setting up on its industrial sites. These measures include administrative simplifications for access to developed land and tariff incentives for structuring agro-industrial projects. This initiative offers local investors secure opportunities for the deployment of processing units, thereby strengthening the territorial anchoring of the industrial fabric.

Improving the supply of palm oil: new investments by CAMVERT in Campo. LCAMVERT's agro-industrial complex in Campo is seeing a significant acceleration in investment at the start of this financial year. The expansion of plantations and the completion of primary processing infrastructure are aimed at providing a sustainable solution to the national deficit in crude palm oil. This investment, estimated at over 250 billion CFA francs, is strategic for securing supplies to local soap factories and refineries, thereby reducing exposure to fluctuations in global prices for fatty substances.

Increased value of Robusta coffee on international markets. Unlike certain cash crops, which are experiencing stagnation, Cameroonian Robusta coffee is benefiting from favourable price dynamics in January 2026. Driven by supply shortages in Southeast Asia, domestic Robusta coffee is commanding higher quality premiums on the stock markets. Exporters are encouraged to prioritise certification and traceability, which are essential conditions for sustaining these gains, penetrating certain sufficiently lucrative markets and improving producers' incomes in the East and Littoral regions.

Transport and Logistics: Fluidity and Urban Mobility

With significant delays at the PAD, shippers are paying the price for the lack of consensus on the procedures for scanning goods. January 2026 was marked by a series of developments concerning the scanning of goods, a major step in the customs clearance or export process, at the port of Douala, Cameroon's main goods hub. This situation, which remains uncertain despite the instructions issued by the Prime Minister and the working sessions between the parties involved, raises the risk of disruption to national supply, with consequences in terms of speculation and rising inflation..

Launch of work on the Douala Bus Rapid Transit (BRT) system. Urban planning and logistics in the economic metropolis are entering an active phase with the launch of major works on the Douala BRT, supported by the World Bank. This structural project aims to radically transform urban mobility on the most congested routes. For businesses, improving transport flow is a major productivity lever for their human capital and enables the optimisation of urban logistics.

Consulting services and compliance with AfCFTA standards. The consulting sector is seeing growing demand for export support under the AfCFTA regime. At the start of this year, new expert structures are helping Cameroonian businesses to master rules of origin and simplified customs procedures. This dynamism in specialised services is a sign of the private sector's increased readiness to conquer continental markets.

Business opportunities around Aracari gold. The extractive sector is coming to life at the start of this year with the promising prospects offered by the Aracari gold deposit. This opportunity brings significant business potential for local companies, from logistics to specialised mining maintenance services. The structuring of this gold industry is an essential lever for diversification of the national economy. The challenge is to promote the emergence of a robust local value chain around gold, requiring technological investment and a stable regulatory framework to transform this raw resource into an engine of industrial development for mining regions.

Massive investment by the Emirati fund Aracari Resource Group. The Cameroonian mining sector is enjoying a historic boost with the announcement by the Emirati fund Aracari Resource Group of a major investment plan worth USD 795 million (approximately FCFA 480 billion) over the next ten years. This strategic project, focused on gold mining in the East and Adamaoua regions, provides not only for the industrialisation of mining but also for the development of major social infrastructure (health, education). This massive injection of foreign capital is a strong signal of attractiveness. It opens up major subcontracting opportunities for local companies in civil engineering, logistics and specialised services, while requiring strict enforcement of local content policies to maximise economic benefits.

ACRONYMS AND ABBREVIATIONS

ART	Telecommunications Regulatory Agency
BEAC	Bank of Central African States
BIC	Credit Information Bureau
BRT	Bus Rapid Transit (High-level bus service system)
BVMAC	Central African Stock Exchange
CAA	Autonomous Amortisation Fund
CEMAC	Economic and Monetary Community of Central Africa
CICA	Central African Credit Information
CPM	Monetary Policy Committee
GFCF	Gross Fixed Capital Formation
FCFA	African Financial Cooperation Franc
GECAM	Group of Cameroonian Companies
ICG	Guided Trade Initiative (ZLECAf)
IHPC	Harmonised Index of Consumer Prices
INS	National Institute of Statistics
MAGZI	Mission for the Development and Management of Industrial Zones
MW	Megawatt
NEM	Monthly Economic Report
NHPC	Nachtigal Hydro Power Company
PAD	Autonomous Port of Douala
PIEAC	Cameroon-Chad Electricity Interconnection Project
SME	Small and Medium-sized Enterprises
RAP	Remaining Payments
RIS	Southern Interconnected Network
SGS	Société Générale de Surveillance
SND30	National Development Strategy 2020-2030
SONARA	National Refining Company
TIAO	Tender Interest Rate
USD	United States Dollar
ZLECAf	African Continental Free Trade Area