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World trade outlook indicator shows momentum easing further in Q3

Trade expansion will likely slow further in Q3 of 2018, the World Trade Organization's latest World Trade Outlook Indicator (WTOI) has indicated. The most recent WTOI reading of 100.3 is below the previous value of 101.8 and just above the baseline value of 100 for the index. (www.xinhuanet.com 09/08/18)

Interview: IMF chief economist says US tariffs won't reduce trade deficit

Raising tariffs against imports is not the right way to reduce the US trade deficit, which is likely to increase further because of the planned US fiscal stimulus, International Monetary Fund chief economist Maurice Obstfeld has said. The US is misguided to impose new tariffs on various imports valued at hundreds of billions of US dollars in a bid to reduce the country's massive trade deficit, Obstfeld said. (www.xinhuanet.com 09/08/18)

US PPI for final demand unchanged in July

The United States Producer Price Index for final demand was unchanged in July, seasonally adjusted, the US Department of Labor has said. Final demand prices advanced 0.3% in June and 0.5% in May. On an unadjusted basis, the final demand index increased 3.3% for the 12 months ending in July. (www.xinhuanet.com 09/08/18)

China price growth accelerates; factory gate inflation slows

China's inflation accelerated on higher food and non-food prices, but remained well within the government's target and producer price inflation slowed in July, giving space for monetary policy adjustment. The CPI rose to 2.1% in July from 1.9% in June, data from the National Bureau of Statistics show. (www.rttnews.com 09/08/18)

Chinese financial institutions report net FDI inflows in Q2

China's financial institutions, including banks, insurers and securities firms, saw net investment inflows from overseas investors in the second quarter (Q2), the nation's foreign exchange regulator has said. FDI in China's financial institutions was US\$3.47bn in the April-June period, while US\$2.59bn of investment flowed out resulting in an US\$88m net inflow, the State Administration of Foreign Exchange said. (www.reuters.com 09/08/18)

UK GDP growth accelerated in Q2

UK economic growth doubled in the second quarter driven by stronger growth in both services and construction sectors. GDP rose 0.4%, faster than a 0.2% expansion seen in the first quarter. On a yearly basis, GDP advanced 1.3% versus a 1.2% growth seen a quarter ago. (www.rttnews.com 10/08/18)

Treasury readying Brexit contingency plans for finance industry

The Treasury has said it would soon start putting contingency arrangements in place for financial services regulation if the country crashes out of the EU without a deal. The Treasury said that firms should still continue to plan for a transition phase of just less than two years. (www.reuters.com 09/08/18)

Japan's economy rebounds in the second quarter

Japan's economy rebounded in the second quarter, returning to growth despite growing global trade tensions. The economy expanded by a faster-than-expected annualised pace of 1.9%, supported by private consumption. The growth came after Japan's economy shrank in the first quarter of 2018 for the first time in two years. (www.bbc.com 10/08/18)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.2855	(1.2859)	1.2882	(1.2889)
+USD/EUR	1.1563	(1.1588)	1.1582	(1.1608)
*GHS/USD	4.6968	(4.6957)	4.7015	(4.7003)
*GHS/GBP	6.0438	(6.0443)	6.0504	(6.0521)
*GHS/EUR	5.4366	(5.4468)	5.4400	(5.4509)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 10/08/18 (Rates for 09/08/18 in brackets)

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US curbs on Russian banks would be act of economic war: PM

Russia would consider any US move to curb the operations of Russian banks or their foreign currency dealings a declaration of economic war, Prime Minister Dmitry Medvedev has said. The United States has announced a new round of sanctions targeting Russia that pushed the rouble to two-year lows and sparked a wider sell-off over fears that Russia was locked in a spiral of never-ending sanctions. (www.reuters.com 10/08/18)

France industrial output recovered in June

France's industrial and manufacturing output rebounded in June driven by a recovery in petroleum output, data from the statistical office Insee show. Industrial output climbed 0.6% month-on-month in June, reversing a 0.2% fall in May. Production was expected to gain 0.5%. Likewise, manufacturing output advanced 0.6%, in contrast to a 0.5% fall a month ago. Economists had forecast output to remain flat. (www.rttnews.com 10/08/18)

Philippines raises rate 50 bps, signals it may now pause

The central bank of the Philippines has raised its monetary policy rate for the third month in a row to "rein in inflation expectations and prevent sustained supply-side price pressures from driving further second-round effects," but signalled that it may now pause in its tightening campaign. Bangko Sentral Ng Pilipinas raised its benchmark overnight reverse repurchase facility rate by a sharp 50 basis points to 4% and has now raised it by a total of 100 points this year. (www.centralbanknews.info 09/08/18)

Ireland consumer prices rose in July

Ireland's consumer prices increased for the third straight month in July. The consumer price index climbed 0.8% year-over-year in July, faster than a 0.4% rise in June. Utility costs grew 5.4% annually in July and transport costs went up by 2.2%. The EU measure of inflation increased at a faster pace of 1.0% yearly in July. (www.rttnews.com 09/08/18)

European shares slide amid trade tensions

European stocks fell on Thursday as investors remained focused on the US-China trade spat as well as the new US sanctions on Russia. The Russian rouble sank to hover near its lowest level in nearly two years and the Turkish lira hit a fresh record low, reflecting rising geopolitical tensions. The pan-European Stoxx Europe 600 index was down 0.15% at 389.09 in late opening deals after declining 0.2% on Wednesday. (www.rttnews.com 09/08/18)

Oil up as US sanctions on Iran kick in

Oil rose on Thursday, recouping some of the previous day's steep price slide, after the first round of US sanctions against Iran came into effect, although confidence in crude demand has been hit by the escalating China-US trade dispute. Brent crude futures were up 19 cents at \$72.47 barrel by 1315 GMT, after having lost more than 3% on Wednesday. (www.reuters.com 09/08/18)

Nigerian stocks drop to 9-month low on mixed earnings, political risk

Nigerian stocks dropped to a more than nine-month low on Thursday, hurt by mixed second-quarter earnings and worries about political risk in the run-up to next year's presidential election. The stock index fell for a fifth straight session, down 0.4% to 36,154 points. Stocks have fallen 5.1% so far this year, after climbing 42% last year. Second-quarter earnings have been mixed, with most lenders posting declines in loan growth, citing a weak economy, while several consumer goods companies have recorded lower profits. (www.reuters.com 09/08/18)

Egypt's annual urban consumer price inflation fell to 13.5% in July

Egypt's urban consumer price inflation fell to an annual 13.5% in July from 14.4% in June. Prices had soared after the import-dependent country floated its currency in Nov. 2016, reaching a record 33% in July 2017. Inflation rates have since gradually eased, reaching their lowest levels in almost two years in March. (www.reuters.com 09/08/18)

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