



Tuesday, June 19, 2018

World needs stronger EU, "fair globalization", says UN chief

UN Secretary General Antonio Guterres said on Monday the world would need a stronger and "more intervening" EU. Addressing a major think tank seminar in Finland, Guterres said the EU is "missing action" in many areas where the UN and others would need it. "We need multilateral systems and a clear set of rules for international relations. This is where the EU has an absolutely crucial role to play," Guterres said. (www.xinhuanet.com 18/06/18)

US house prices to rise at twice the speed of inflation and pay: Reuters poll

An acute shortage of affordable homes in the US will continue over the coming year, driving prices up faster than inflation and wage growth, a majority of property market analysts polled by Reuters say. The poll taken May 16-June 5 shows the S&P/Case Shiller composite index of home prices in 20 cities is expected to gain a further 5.7% this year. (www.reuters.com 06/06/18)

UK house price growth slowed in May

House price rises in the UK slowed in the year to the end of May, increasing by 1.9%, according to the Halifax. It said the cost of a typical home was now £224,439. It also said flats had seen bigger price gains over the past five years, increasing in value by 48% between 2013 and 2018 compared to 39% for all property types over the same period. (www.bbc.com 07/06/18)

Mongolia maintains rate

Mongolia's central bank has kept its policy rate at 10.0%, saying the outlook for inflation is stable around the target level of 8%. The inflation rate rose to 6.1% in May from 6.0% in April. (www.centralbanknews.info 18/06/18)

China's business confidence improves in Q2: central bank survey

Business confidence among Chinese entrepreneurs continued to improve in the second quarter of the year, a central bank survey shows. The entrepreneur confidence index climbed for the ninth straight quarter, rising to 75.8 in the second quarter from 74.2 in the first quarter. Bankers' confidence in the economy dipped to 81.2 in the second quarter after rising for nine quarters from 81.9 in the first quarter. (www.xinhuanet.com 15/06/18)

Italy trade surplus shrank in April

Italy's foreign trade surplus decreased in April from a year ago, as imports grew faster than exports. The trade surplus fell to €2.94bn in April from €3.60bn in the corresponding month last year. The surplus also declined from €4.53bn in March. Exports rose 6.6% year-over-year in April and imports surged by 9.6%. On a monthly basis, both exports and imports increased by 0.1% and 0.7%, respectively in April. (www.rttnews.com 18/06/18)

Turkey retail sales improved in April

Turkey's retail sales growth accelerated slightly in April after easing in the previous two months, figures from the Turkish Statistical Institute show. The volume of retail sales climbed 8.0% year-over-year in April, faster than a 7.7% rise in March. On a monthly basis, retail sales increased a seasonally and calendar-adjusted 0.5% from March, when it advanced by 0.8%. (www.rttnews.com 18/06/18)

Czech PPI rose more than expected in May

Czech producer prices climbed 1.5% year-over-year in May, after remaining flat in April. That was above 1.0% rise economists forecast. On a monthly basis, producer prices increased 1.0% in May. (www.rttnews.com 18/06/18)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3230	(1.3319)	1.3261	(1.3347)
+USD/EUR	1.1596	(1.1627)	1.1618	(1.1646)
*GHS/USD	4.4534	(4.4512)	4.4580	(4.4557)
*GHS/GBP	5.8981	(5.9343)	5.9055	(5.9412)
*GHS/EUR	5.1697	(5.1806)	5.1739	(5.1839)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 19/06/18 (Rates for 18/06/18 in brackets)

* BOG INTERNAL TRANSACTION RATES: 19/06/18 (Rates for 18/06/18 in brackets)

Singapore's growth forecast for 2018 kept

Economists and analysts polled in the survey of professional forecasters kept their forecast for Singapore's 2018 economic growth at 3.2%, according to the survey result issued by the Monetary Authority of Singapore. They forecast that Singapore's economic growth for 2019 will stand at 2.8%, which is unchanged from a previous survey that was released in March. (www.xinhuanet.com 13/06/18)

Japan May trade deficit ¥578.321bn

Japan posted a merchandise trade shortfall of ¥578.321bn in May, the Ministry of Finance has said. That missed expectations for a shortfall of ¥205.2bn following a ¥624.6bn surplus in April. Exports climbed 8.1% on year to ¥6.323tr, exceeding forecasts for 7.5% and up from 7.8% in the previous month. Imports soared an annual 14.0% to ¥6.901tr versus forecasts for 8.0% and up from 5.9% a month earlier. (www.rttnews.com 18/06/18)

Brazil: Economists trim 12-month inflation forecast to 4.39%

The median forecast for Brazil's consumer price inflation in the next 12 months fell again after three consecutive decreases to 4.39% from 4.49% a week before, economists surveyed by the central bank say. For 2018, the economists increased their inflation forecast for a fifth week, from 3.82% to 3.88%. For 2019, the forecast rose to 4.10%, from 4.07%. The annual inflation rate in Brazil accelerated to 2.86% in May, from 2.76% in April. (www.xinhuanet.com 18/06/18)

Argentine central bank chief resigns

Argentine Central Bank President Federico Sturzenegger has resigned as the country's currency tumbled to a record low on the retail market. "In the past few months, various factors have deteriorated my credibility as president of the Central Bank," he said in his resignation letter. The peso took another hit to a record low on Thursday, dropping 1.70 pesos to close trading at 28.20 to the dollar on the retail market, according to Banco de la Nacion Argentina. (www.xinhuanet.com 15/06/18)

Moody's Investors Service maintains Malaysia's debt at 50.8% of GDP

Moody's has maintained Malaysia's direct government debt at 50.8% of GDP in 2017, although the new government has introduced some policy uncertainty. Examining the impacts of new policies on Malaysia's credit profile, it recognized that fiscal measures are a particular area of focus, given that the country's high debt burden acts as a credit constraint. (www.xinhuanet.com 13/06/18)

Stock markets fall amid trade fears

Stock markets have fallen sharply amid fears of a further deterioration in US-Chinese trade relations. Tensions in Germany's coalition government over migration policy added to investors' uncertainty. The DAX in Frankfurt ended 1.4% lower, the CAC in Paris closed down 0.9% and Madrid fell 0.8% on Monday, while London's FTSE 100 made up for earlier losses to close almost flat. On Wall Street, the Dow Jones fell 0.6%, while the S&P 500 was 0.4% lower. (www.bbc.com 18/06/18)

South Africa's rand falls to 6-1/2 month low

South Africa's rand fell to 6-1/2 month lows early on Tuesday as US President Donald Trump threatened new tariffs in an escalating tit-for-tat trade war with China. At 0705 GMT, the rand was 1.65% weaker at 13.875/dlr, its lowest since the start of Dec. Technically, the rand could be in for a rebound as momentum indicators tracked by chartists show it has now been thrust deeply into oversold territory. In fixed income, the yield for the benchmark government bond due in 2026 was up 6 basis points to 9.16%. (www.af.reuters.com 19/06/18)

Mozambique cuts rate a 7th time

The Bank of Mozambique has cut its monetary policy rate by another 75 basis points to 15.75% and has now cut the rate by 600 basis points since April last year when the rate replaced the standing facility rate as the new signal rate and set it at 21.75%. The standing deposit facility rate was cut by 50 basis points to 12.0% and the standing lending facility rate kept at 18.05. (www.centralbanknews.info 18/06/18)

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