



Wednesday, February 22, 2012

UK business confidence 'growing'

The number of UK businesses planning to increase their spending on marketing has risen sharply from last year. A net proportion of 38.5% of businesses intend to raise their marketing budgets this year, a survey carried out by research group Mindmetre shows. In 2011, the survey showed no net increase in companies raising spending. Mindmetre said the results showed that business confidence was growing. (www.bbc.co.uk 22/02/12)

BoE monetary policy on the right track

The Bank of England's policy is on the right track to meet its inflation target after its latest decision to pump another £50bn of quantitative easing into the economy, policymaker Adam Posen has said. "If you look at what we're forecasting, assuming the policy we have now put in place, that gets us close to target with the risks pretty balanced," he said. (www.reuters.co.uk 20/02/12)

Third of UK directors see high recession risk, says IoD

One in three company directors sees a high or very high risk of the UK falling into recession this year, a survey has suggested. The Institute of Directors' (IoD) survey of 1,000 business leaders also said that 53% thought there was a moderate recession risk. The UK economy shrank by 0.2% in the last quarter of 2011. (www.bbc.co.uk 21/02/12)

Swiss M3 money supply growth picks up

Swiss money supply growth accelerated for the second straight month in Jan., the Swiss National Bank has said. M3, the broad measure of money supply, increased 8.2% year-on-year in Jan., faster than the 7.4% expansion in Dec. The narrow money or M1 growth rose to 12.2% from 11.7% a month ago. (www.rttnews.com 21/02/12)

Call for competition in filling World Bank top job

The World Bank should consider appointing a non-American as its next president, a leading voice from the developing world says, as Robert Zoellick has said he will step down on 30 June. Nigeria's finance minister, Ngozi Okonjo-Iweala, said it is time to open it up to competition and that top jobs at international institutions should be filled on merit. (www.bbc.co.uk 20/02/12)

Japan's Azumi: No G20 agreement yet on boosting IMF resources

The Group of 20 nations have not yet arrived at an agreement over additional funding for the IMF to support Europe amid its debt crisis, Japanese Finance Minister Jun Azumi, has reportedly said. The minister said Japan and China believe there is still room for Europe to make efforts to deal with the crisis. (www.rttnews.com 20/02/12)

Turkish central bank retains policy rate at record low

Turkey's central bank has maintained its policy interest rate at a record low of 5.75%, amid heightened inflationary pressures, in line with economists' expectations. The central bank also kept the overnight borrowing rate unchanged at 5%, while the lending rate was retained at 12.5%. (www.rttnews.com 21/02/12)

Slovenian consumer sentiment unchanged

The consumer confidence index was unchanged from Jan at -26 in Feb. The reading was -18 Dec. Consumers were more downbeat about prospects for their personal finances in the coming 12 months, with the relevant index dropping to -23 in Feb. from -22 in Jan. The indicator of households' future expectations of the economic situation improved to -24 from -28. (www.rttnews.com 21/02/12)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.5790	(1.5858)	1.5792	(1.5861)
+USD/EUR	1.3240	(1.3250)	1.3241	(1.3252)
*GHS/USD	1.6622	(1.6620)	1.6774	(1.6750)
*GHS/GBP	2.2027	(2.6209)	2.7016	(2.6832)
*GHS/EUR	2.2010	(2.1830)	2.2223	(2.2492)

+SOURCE: REUTERS: 22/02/12 06:58:08 (Rates for 21/02/12 in brackets)

*TRANSACTION RATES 21/02/12 (Rates for 20/02/12 in brackets)

Dutch consumer sentiment improves in Feb

Dutch households turned slightly less pessimistic about their personal finances and Netherlands' economy in Feb. The consumer confidence index edged up to -36 in Feb. from -37 in Jan. Consumers' expectations of the economy in the next twelve-month period turned less pessimistic during the month, with the corresponding measure moving up to -52 from -57. (www.rttnews.com 21/02/12)

Croatian inflation slows further in Jan

The consumer price inflation eased to 1.2% in Jan. from 2.1% in Dec., lower than the 2.6% in Nov. Month-on-month, consumer prices fell 0.4% in Jan., same as in Dec. The harmonized index of consumer prices, measured under EU methodology, rose 2.1% annually in Jan. (www.rttnews.com 21/02/12)

S. Korean Q4 short-term external debt falls

South Korea's short-term external debt decreased by \$3.6bn at the end of 2011, while the ratio of short-term debt to total external debt fell by 3.5 percentage points to 44.4% from the end of 2010. Due to an increase in long-term debt, total external debt rose by \$39bn to \$398.4bn in the fourth quarter of 2011. At the end of 2011, external assets in debt instruments were \$496.4bn, compared to \$45.4bn for 2010. (www.rttnews.com 21/02/12)

Swiss trade surplus falls in Jan

Switzerland's trade surplus declined in Jan. due to a fall in exports, the Federal Customs Administration has said. The surplus fell to CHF1.553bn in Jan. from CHF2bn in Dec. Exports logged a monthly fall of 3.4% in Jan., partially offsetting Dec.'s 6.4% expansion. Imports slowed to 3.6% from 8.4%. (www.rttnews.com 21/02/12)

Belgium consumer confidence lowest since April 2009

Consumer confidence dropped for the second consecutive month to its lowest level in nearly three years in Feb. The consumer confidence indicator fell to -20 from Jan.'s -16. The drop in the indicator is mainly the consequence of greatly increased pessimism on the part of consumers with regard to the unemployment outlook. The corresponding index jumped to 47 from 34. (www.rttnews.com 20/02/12)

BoJ: Caution over Europe still necessary

In the minutes of Bank of Japan's latest meeting on monetary policy, it noted that caution over the impact of the European debt crisis is still needed. It acknowledged that the crisis in Europe could result in weaker growth not only in the European economy but also in the global economy. (www.fxstreet.com 17/02/12)

Latvian output price inflation rises in Jan

The producer price index increased 7.1% on an annual basis in Jan., faster than the 6.5% growth in Dec. In Nov., the inflation rate was 6.9%. Prices of goods meant for the domestic market climbed 9.4% annually, while products sold in the overseas market rose 4.1% during the month. Month-on-month producer prices rose 1.8% in Jan., following Dec.'s 0.1% decrease. (www.rttnews.com 21/02/12)

European shares edge lower

Europe's financial markets have given a muted reaction to the announcement of a second bailout deal for Greece. The euro was little changed from Monday's closing price, while leading European stock markets edged lower in early trading. London's FTSE, the Paris Cac and Frankfurt's Dax index all fell between 0.1% and 0.2%. (www.bbc.co.uk 21/02/12)

South Africa's deficit target at risk

Finance Minister Pravin Gordhan may push back the budget deficit target for the second time in four months as economic growth fails to meet projections and cuts into tax revenue. The government will probably forecast a shortfall of 5.4% of GDP in the year through March 2013 in the budget, a Bloomberg survey shows. (www.bloomberg.com 20/02/12)

Banks tighten credit to SMEs – BoG survey

A credit conditions survey conducted by the Bank of Ghana in Jan. this year points to a tightening of credit stance by banks for both households and enterprises, especially for small and medium enterprises on account of inadequate cash flow to support repayment, weak financial performance and inadequate security. Private sector credit increased in 2011 reaching GH¢8.6bn by Dec. 2011 from GH¢6.8bn in 2010, representing a year-on-year growth of 26.3%. (Ghn. Times 21/02/12 P.26)