



BANK OF GHANA NEWS BRIEF

News Summaries from Foreign and Local Media

Eurozone inflation eases on energy prices

Eurozone inflation slowed as expected on lower energy prices at the start of the year, giving more time for the central bank to start tightening. Headline inflation came in at 1.3% in Jan, in line with expectations, but weaker than December's 1.4%, flash data from Eurostat revealed. The inflation figure continues to stay below the European Central Bank's target of below, but close to 2%. Excluding energy, food, alcohol and tobacco, core inflation rose marginally to 1% from 0.9% in December. (www.rttnews.com 31/01/18)



India to propose long-term capital gains tax on equities

Prim Minister Narendra Modi's government is proposing a long-term capital gains tax for investing in the nation's stocks, according to people with knowledge of the information-news that sent both equities and the rupee lower. The government may tax profits from stock investments held for more than a year, the people said, asking not to be identified as Finance Minister Arun Jaitley's budget speech was underway in parliament. (www.bloomberg.com 01/02/18)



Narendra Modi

Highlights

Eurozone: Jobless rate at 8-year low

China: Manufacturing sector growth below forecasts

USA: Deficit prompts more long-term bonds

United Kingdom: House price inflation at 10-month high

Ghana: Stock market in bullish run

South Africa: Consumer confidence improves

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY		BUYING		SELLING
+USD/GBP	1.4160	(1.4119)	1.4193	(1.4089)
+USD/EUR	1.2450	(1.2431)	1.2473	(1.2457)
*GHS/USD	4.4218	(4.4218)	4.4262	(4.4262)
*GHS/GBP	6.2675	(6.2493)	6.2759	(6.2573)
*GHS/EUR	6.4463	(5.5021)	5.5153	(5.5052)

+SOURCE: BOG INTERNAL TRANSACTION RATES:01/02/18 (Rates 31/01/18 in brackets)

* BOG INTERNAL TRANSACTION RATES: 01/02/18 (Rates for 31/01/18 in brackets)



BANK OF GHANA NEWS BRIEF

News Summaries from Foreign and Local Media

EUROZONE

Eurozone jobless rate steady at 8.7%

The euro area unemployment rate held steady at the lowest level in 8 years in December, Eurostat reported. The jobless rate remained stable at seasonally adjusted 8.7%, the lowest since Jan. 2009. The number of unemployed totaled 14.137m in Dec, down by 134,000 from Nov. On a yearly basis, unemployment declined by 1.536m. The youth unemployment rate declined to 17.9% from 18.1% in Nov. (www.rttnews.com 31/01/18)

Greece wants clean break from lenders, preparing own post-bailout plan: finance minister

Greece expects to make a clean break with official lenders when its international bailout expires in August and has no reason to seek a precautionary credit line, its finance minister has told Reuters. Instead, Euclid Tsakalotos said, the country is building up its own protective buffer that, along with unused European bailout funds, will cover Greece “for well over a year”, if needed. In coming months, he said, the country would be preparing its own post-bailout plan with an emphasis on reforms, social policies and growth. (www.reuters.com 31/01/18)

Germany defends large current account surplus

Germany defended its wide current account surplus from criticism that it contributes to imbalances in the global economy, saying the government was trying to reverse the trend by promoting higher wages and stronger consumption. Economy Minister Brigitte Zypries said oil prices and Germany’s aging population of savers limit the government’s ability to narrow the current account surplus, which was the largest in the world last year. (www.reuters.com 31/01/18)

CHINA

January official factory PMI below forecasts

Growth in China’s manufacturing sector slowed more than expected in Jan. in the face of a cooling property market and tighter pollution rules that have curtailed factory output. The official Purchasing Managers’ Index (PMI) released dipped to 51.3 in Jan, from 51.6 in Dec. But it remained comfortably above the 50-point mark that separates growth from contraction on a monthly basis. (www.reuters.com 31/01/18)

USA

Employment costs in US match fastest 12-month gain since 2008

Priate-sector wages and salaries rose from a year earlier by 2.8% also matching the best gain of this expansion. Several industry groups registered increases of 3% or higher, led by transportation and material moving at 3.5% and service occupations at 3.3%, underscoring demand for labor. While wage growth has gradually improved, a sustained acceleration is yet to occur in the current economic expansion. (www.bloomberg.com 31/01/18)

US raises longer-term debt sales as budget deficit worsens

President Donald Trump’s administration will increase the amount of long-term bonds it sells to \$66 billion this quarter, marking the first boost in borrowing since 2009 as the Treasury seeks to cover mounting budget deficits. The Treasury is shaping the government’s borrowing plans against a budget shortfall that grew to \$665.7bn last fiscal year. (www.bloomberg.com 31/01/18)



BANK OF GHANA NEWS BRIEF

News Summaries from Foreign and Local Media

UK

House price inflation unexpectedly climbs to 10-month high

UK house price inflation accelerated to its highest level in 10 months in Jan, defying expectations for a slowing, results of a survey showed. The house price index rose 3.2% year-on-year after a 2.6% increase in Dec, results of the survey by the Nationwide Building Society showed. Economists had expected 2.5% gain. The latest inflation figure was the highest since March 2017, when the rate was 3.5%. (www.rttnews.com 01/02/18)

SUB-SAHARAN /NORTH AFRICA

South African consumer confidence improves

Consumer confidence in South Africa improved slightly in the fourth quarter, reflecting stronger-than-expected economic growth in previous quarters, a survey showed on Wednesday. The consumer confidence index, sponsored by First National Bank (FNB) and compiled by the Bureau for Economic Research, improved to -8 from -9 in the second quarter. (www.af.reuters.com 31/01/18)

Optimism in Accra turns Ghana stocks into January world beaters

Optimism about prospects for Ghana's economy has proved a tonic for Accra-traded stocks, the country's benchmark index sits atop the world as Jan. draws to a close. The Ghana Stock Exchange Composite Index has gained almost 20% since the year began in dollar terms, the most among benchmarks tracked by Bloomberg. (www.bloomberg.com 31/01/18)

Nigeria's corn output expected to fall 7% on pests, rising imports

Nigeria's corn output for the 2017-18 season will probably decline by as much as 750,000 metric tons due to the impact of pests and increased imports, the producers' association said. Africa's most-populous country is estimated to produce 10m tons of corn in the current season, 7% less than 10.75m tons in the 2016-17 season, Tunji Adenola, president of the Maize Association of Nigeria, said. (www.bloomberg.com 01/02/18)



REQUESTS ? QUESTIONS !!! COMPLAINTS

HOTLINE : +233 302 611733

Website: www.bog.gov.gh | Email: contactcentre@bog.gov.gh

DISCLAIMER: This information has been compiled using various sources and it is provided for general reference purposes only. Whilst every effort is made to ensure that the information is accurate, the Bank of Ghana does not guarantee, nor does it accept any responsibility or liability for the accuracy or completeness of the content or for any loss which may arise from reliance on information contained in this document.