



Tuesday, October 01, 2019

European jobs offer some joy amid manufacturing, inflation gloom

Europe's job market is giving some hope to the region's economic story, which has been dominated by a deepening slump in manufacturing that's tipped Germany close to recession. Figures show that the euro area unemployment rate fell to 7.4% in Aug., the lowest in over 11 years. Italy reported a drop to 9.5% and Germany saw the number of people out of work decline for the first time since April. (www.bloomberg.com 30/09/19)

Eurozone jobless rate unexpectedly falls, lowest since May 2008

Eurozone unemployment rate unexpectedly dropped in Aug. to its lowest level in more than a decade, preliminary data from Eurostat showed. The seasonally adjusted unemployment rate fell to 7.4% from 7.5% in July. In Aug. 2018, the jobless rate was 8%. (www.rttnews.com 30/09/19)

Eurozone should re-think stress tests, Enria says

The ECB's top banking regulator has said it must re-think how it conducts stress tests for the eurozone's biggest lenders. Andrea Enria said "it is time to rethink the design of stress tests". Since 2011, the ECB has been working with the European Banking Authority to stress test the largest eurozone banks on a regular basis. (www.centralbanking.com 30/09/19)

China's manufacturing activity index edge up in Sept, business sentiment improving

China's manufacturing activity index warmed up in Sept. as a raft of policy measures that increased support for the real economy kicked in, buoying up business sentiment. The purchasing managers' index for China's manufacturing sector edged up to 49.8 in Sept. from 49.5 in Aug., the National Bureau of Statistics said. (www.xinhuanet.com 30/09/19)

Britain's GDP contracts by 0.2% in Q2

Britain's GDP contracted by 0.2% in the second quarter, unrevised from the previous estimate, the Office for National Statistics has said. The services sector continued to provide the main positive contribution to overall GDP growth but slowed to its weakest rate in three years, alongside falls in the production and construction sectors in the second quarter. With 0.6% in the first quarter, GDP has been volatile through the first half-year of 2019. (www.xinhuanet.com 30/09/19)

UK watchdog unveils curbs on illiquid funds

The UK's financial watchdog has set new rules for certain open-ended funds that could spread market stress in a crisis due to their illiquid investment. The Financial Conduct Authority said that some open-ended funds would be designated as "funds investing in inherently illiquid assets". (www.centralbanking.com 30/09/19)

German inflation lowest since early 2018

Germany's CPI slowed for a second straight month in Sept. to its lowest level in 19 months, flash data from the Federal Statistical Office show. The CPI rose 1.2% year-on-year following a 1.4% increase in Aug. Economists had forecast 1.3% inflation. The latest rate was the lowest since Feb 2018, when inflation was 1.1%. Food inflation slowed to 1.3% from 2.7%. (www.rttnews.com 30/09/19)

Japan delivers long-delayed consumption tax hike

Japan has increased its consumption tax for the first time in five years, bringing the policy into effect despite concerns it may knock the economy. It raised the tax rate from 8% to 10%. The rate applies to nearly all goods and services, though most food will be exempt. Past sales tax rises in the country hit spending. (www.bbc.com 01/10/19)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.2304	(1.2311)	1.2305	(1.2312)
+USD/EUR	1.0901	(1.0946)	1.0903	(1.0947)
*GHS/USD	5.3134	(5.3134)	5.3188	(5.3188)
*GHS/GBP	6.5377	(6.5414)	6.5447	(6.5485)
*GHS/EUR	5.7937	(5.8177)	5.7974	(5.8214)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 01/10/19 (Rates for 30/09/19 in brackets)

* BOG INTERNAL TRANSACTION RATES: 01/10/19 (Rates for 30/09/19 in brackets)

Italy inflation steady in Sept

Italy's CPI remained stable in Sept., preliminary data from the statistical office Istat show. The CPI rose 0.4% year-on-year in Sept., the same rate as seen in Aug. Economists had expected a 0.5% rise. On a monthly basis, consumer prices fell 0.5% in Sept. The EU measure of harmonized index of consumer prices rose 0.3% annually in Sept. (www.rttnews.com 30/09/19)

Australia's central bank cuts cash rate to record low 0.75%

Australia's central bank has cut its cash rate a quarter point to a record low of 0.75% on a largely expected decision as policymakers try to spur economic growth and drive unemployment lower. The RBA made the announcement following its monthly policy meeting. (www.reuters.com 01/10/19)

Turkey trade deficit widened in Aug

Turkey trade deficit widened in Aug. amid a rise in exports and imports, data from the Turkish Statistical Institute show. The trade deficit rose to \$2.50bn in Aug. from \$2.47bn in the same month last year. Exports rose 1.6% annually in Aug. and imports grew 1.5%. (www.rttnews.com 30/09/19)

Spain's Q2 GDP growth rev down

Spain's inflation eased to the lowest since 2016 on electricity costs, flash estimates from the statistical office INE show. The flash CPI edged up 0.1% year-on-year in Sept. following a 0.3% rise in Aug. This was the lowest rate since Aug. 2016 when prices dropped 0.1%. Headline inflation slowed in Sept. (www.rttnews.com 30/09/19)

Finland trade deficit rose in July

Finland's trade deficit increased in July amid a rise in exports and imports, data from Finnish Customs show. Trade deficit rose to €448m in July from €384m the same period the previous year. Exports rose 0.7% annually in July and imports increased 1.8%. For the Jan. to July period, exports grew 3.2%, while that of imports declined 0.2%. The trade deficit was €315m. (www.rttnews.com 30/09/19)

Oil prices recover after output from US, Russia, OPEC drop

Oil prices rebounded on Tuesday on reports that production at the world's largest oil producers fell during the third quarter, although resumption in Saudi supply and demand concerns continued to keep a lid on prices. Dec. Brent crude futures rose 51 cents to \$59.76 a barrel by 0426 GMT. (www.reuters.com 01/10/19)

Kenya's economic growth slowed to 5.6% in the second quarter

Kenya's economy grew by 5.6% in the second quarter of this year, down from expanding 6.4% in the same period a year earlier, the statistics office has said. It attributed the deceleration in growth to a slowdown in the key farming sector. (www.af.reuters.com 30/09/19)

Tunisia's budget will rise in 2020 to \$16.4bn: finance minister

Tunisia's state budget will rise from TND40bn in 2019 to TND47bn in 2020 (\$16.4bn), TAP state news agency has quoted Finance Minister Ridha Chalgoum as saying. The deficit in 2020 is targeted at 3% of GDP compared to 3.9% of GDP deficit expected this year. (www.af.reuters.com 30/09/19)

Côte d'Ivoire, Kenya named rising stars of global trade

Côte d'Ivoire is the market that has most rapidly improved its trade growth potential over the past decade, according to new research from Standard Chartered. The Trade20 index which identifies the 20 rising stars of trade, places African markets Côte d'Ivoire in the top spot, and Kenya at number three. (www.myjoyonline.com 30/09/19)

Congo GDP growth to slow slightly to 5.4% in 2020 – gov't statement

The Democratic Republic of Congo's economic growth is expected to slow slightly in 2020 to 5.4%, according to a government budget proposal published. The central bank in April predicted that GDP would grow by 5.9% in 2019, though the IMF expects growth this year of 4.3%. (www.af.reuters.com 30/09/19)

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