



Friday, October 04, 2019

## Eurozone private sector growth weakest since mid-2013

The euro area private sector expanded at the slowest pace in more than six years in Sept., data from IHS Markit show. The final composite output index fell to 50.1 in Sept. from 51.9 in Aug. The reading was below the flash estimate of 50.4. Sept's figure was the lowest since June 2013 and signalled a broad stagnation of the private sector economy at the end of the third quarter of 2019. ([www.rttnews.com](http://www.rttnews.com) 03/10/19)

## EU will respond to US tariffs with its own measures: Germany's Maas

The EU will take retaliatory measures in response to new US tariffs on European goods, Germany's foreign minister, Heiko Maas, has said. "The EU now will have to react after obtaining the approval of the WTO, probably impose punitive tariffs as well." ([www.reuters.com](http://www.reuters.com) 04/10/19)

## Fed lifts thresholds for 'interlocking' bank directors

The Fed has lifted the threshold at which bank directors can sit on two boards, in an effort to help smaller banks find qualified directors. The regulatory change means a director can now sit on two unaffiliated bank boards – a process called interlocking – if the institutions individually hold assets of less than \$10bn. ([www.centralbanking.com](http://www.centralbanking.com) 03/10/19)

## US jobless claims edge up amid GM strike, factory malaise

Filings for US jobless benefits rose to a four-week high, another sign of potential labour market weakness ahead of monthly jobs report though part of the increase may reflect effects from a strike by GM workers. Jobless claims rose from 4,000 to 219,000 in the week ended Sept. 28, according to Labor Department figures. ([www.bloomberg.com](http://www.bloomberg.com) 03/10/19)

## UK economy facing 'heightened risk of recession'

The UK's economy may have tipped into recession following a downturn in the dominant service sector, according to closely-watched figures. The IHS Markit/CPS purchasing managers' index for services fell to a six-month low of 49.5 in Sept. It suggests the economy shrank 0.1% in the three months to Sept., after a 0.2% fall in the previous quarter. ([www.bbc.com](http://www.bbc.com) 03/10/19)

## UK economic conditions deteriorate on weak manufacturing activity: BCC

UK economic conditions weakened in the third quarter, reflecting a marked deterioration in manufacturing sector activity, survey results from the British Chambers of Commerce show. The balance of manufacturing firms reporting increased export sales dropped to +3, the lowest level since the fourth quarter of 2015. ([www.rttnews.com](http://www.rttnews.com) 03/10/19)

## French budget deficit stood at €123.1bn at end-Aug

France's budget deficit stood at €123.1bn (\$135bn) at the end of Aug. compared with a deficit of €97.3bn a year earlier, according to official figures released on Friday. The INSEE official statistics agency forecast this week that the French economy would maintain a quarterly economic growth rate of 0.3% throughout 2019. ([www.reuters.com](http://www.reuters.com) 04/10/19)

## India's banking woes add to RBI worries ahead of rate cut

India's worsening banking problems are adding a new layer of complexity to the central bank's monetary policy as it prepares to cut interest rates again to spur economic growth. The Reserve Bank of India is set to lower its benchmark repurchase rate for a fifth time this year. ([www.bloomberg.com](http://www.bloomberg.com) 03/10/19)

### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.2406	(1.2309)	1.2410	(1.2313)
+USD/EUR	1.0990	(1.0949)	1.0994	(1.0953)
*GHS/USD	5.3126	(5.3129)	5.3182	(5.3183)
*GHS/GBP	6.5909	(6.5397)	6.5996	(6.5484)
*GHS/EUR	5.8399	(5.8188)	5.8450	(5.8234)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 04/10/19 (Rates for 03/09/19 in brackets)

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### **Turkish inflation lowest since early 2017**

Turkey's inflation fell to the lowest level in nearly three years in Sept., figures from the Turkish Statistical Institute show. The CPI slowed 9.26% year-on-year in Sept. after a 15.01% increase in Aug. Economists had expected a 9.70% rise. The latest inflation was the lowest since Jan. 2017, when it was 9.22%. ([www.rttnews.com](http://www.rttnews.com) 03/10/19)

### **Russia services sector growth at 6-month high**

Russia's service sector expanded at the fastest pace in six months in Sept. supported by new order growth and a rebound in hiring, survey data from IHS Markit show. The services Purchasing Managers' Index increased to 53.6 in Sept. from 52.1 in Aug. Any score above 50 indicates expansion. ([www.rttnews.com](http://www.rttnews.com) 03/10/19)

### **Hong Kong private sector continues to shrink**

Hong Kong's private sector economy continued to contract in Sept. as trade tensions and local protests continue to hurt demand, survey results from IHS Markit show. The IHS Markit Hong Kong SAR Purchasing Manager's Index edged up to 41.5 in Sept. from 40.8 in Aug. A reading below 50 indicates contraction. ([www.rttnews.com](http://www.rttnews.com) 04/10/19)

### **Malaysia exports fell in Aug**

Malaysia's exports fell unexpectedly in Aug. and imports declined faster-than-forecast, data from the Department of Statistics show. Exports declined 0.8% year-on-year to MYR81.4bn in Aug. Economists had expected a 2.7% rise. Imports dropped 12.5% to MYR 70.4bn. ([www.rttnews.com](http://www.rttnews.com) 04/10/19)

### **Philippine inflation slowest in more than 3 years**

Philippine inflation eased to the lowest in more than three years in Sept. largely on food prices, figures from Philippine Statistics Authority show. The consumer price index slowed to 0.9% in Sept. from 1.7 % in Aug. In the same period last year, inflation was 6.7%. ([www.rttnews.com](http://www.rttnews.com) 04/10/19)

### **Oil climbs but still set for big weekly loss over demand worries**

Oil futures were higher ahead of the weekend but remained on track for large weekly losses on fears that slower global economic growth will hurt fuel demand, even as Saudi Arabia said it has fully restored oil output after recent attacks. Brent crude oil futures rose 28 cents, or 0.5%, to \$57.99 a barrel by 0450 GMT. ([www.reuters.com](http://www.reuters.com) 04/10/19)

### **S. Africa debt-to-GDP could reach 95% by 2024, IIF says**

South Africa's public debt could rise as high as 95% of GDP by 2024 if the government doesn't restructure the state-run utility Eskom and implement a workable growth plan. The central bank has warned about government debt, which has doubled from less than 30% of GDP before the 2008 global financial crisis to nearly 60%. ([www.af.reuters.com](http://www.af.reuters.com) 03/10/19)

### **S. Africa, Nigeria mend relations and agree trade deals**

South Africa and Nigeria have signed 30 trade and cooperation agreements, weeks after a wave of violence against Nigerian nationals in Johannesburg and Pretoria strained the relations between Africa's top two economies. ([www.af.reuters.com](http://www.af.reuters.com) 03/10/19)

### **Nigeria's central bank pressures lenders with loan requirement increase**

Nigeria's central bank has increased its target for lending by commercial banks for the second time in three months, to help boost growth. The bank, in a circular dated Sept. 30, ordered lenders to increase their minimum loan-to-deposit ratio to 65% from 60%, which it set in July. ([www.af.reuters.com](http://www.af.reuters.com) 03/10/19)

### **Egypt discussing possible new IMF cooperation – cenbank Governor**

Egypt is discussing possible further assistance from the IMF to help it carry out structural reforms once its current three-year IMF programme ends next month, its central bank Governor has said. Egypt signed a three-year \$12bn Extended Fund Facility on Nov. 11, 2016. ([www.af.reuters.com](http://www.af.reuters.com) 04/10/19)

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