



Wednesday, October 09, 2019

UN warns it may default on salaries by Nov in a cash crisis

The United Nations Secretary-General Antonio Guterres has warned that the global body is facing its worst cash crisis in about a decade and runs the risk of defaulting on payments to staff and vendors. Many members are behind on their payments, forcing the UN to cut back on travel, purchases of goods and services and conferences, Guterres has said. (www.bloomberg.com 08/10/19)

New IMF chief warns of ‘serious risk’ global slowdown will spread

Kristalina Georgieva, in her first major address as head of the IMF, painted a downbeat picture of the world economy and said a more severe slowdown could require governments to coordinate fiscal-stimulus measures. In July, the fund lowered its projection to 3.2% this year and 3.5% next year. (www.bloomberg.com 09/10/19)

IMF boss Kristalina Georgieva warns of ‘painful’ Brexit

The new head of the IMF has warned that Brexit in whatever form will be "painful", adding to the effects of a global slowdown. Kristalina Georgieva said the split will hurt not only the UK and EU, but also low income countries with economic ties to them. (www.bbc.com 08/10/19)

Central banks must use “unconstrained” negative rates, Rogoff tells ECB

Policy makers need to carry out major reforms to how banks hold money or future attempts to use negative interest rates are likely to fail, Kenneth Rogoff has warned the European Central Bank (ECB). Rogoff claims the case for implementing effective negative interest rate policy was presented at ECB’s conference on monetary policy. (www.centralbanking.com 08/10/19)

Former Draghi lieutenant appeals for calm in ECB stimulus row

Former European Central Bank (ECB) Chief Economist Peter Praet has appealed for calm in an increasingly bitter row over monetary policy that threatens to mar President Mario Draghi’s final weeks in office. Responding to criticism of ECB policy by his predecessors and policy makers, Praet said the memorandum they signed lambasting the institution’s efforts to stoke inflation was emotional. (www.bloomberg.com 09/10/19)

Fed's Powell signals resumption of balance sheet growth

Fed Chairman Jerome Powell has said that the central bank intends to resume increasing the size of its balance sheet. The Fed chief stressed that the growth of the Fed's balance sheet for reserve management purposes should not be confused with the large-scale asset purchase programs deployed after the financial crisis. (www.rttnews.com 08/10/19)

China introduces regulation to improve business and investment

China will soon release a national regulation on bettering the country's business environment. This is to enable all market players, domestic and foreign as equals and to provide institutional safeguards in the form of government regulation, for investment and business operation by all types of market players. (www.xinhuanet.com 09/10/19)

UK productivity suffers worst drop in five years

Productivity in the UK fell at its fastest annual pace in five years in the April-to-June quarter, according to the Office for National Statistics. The figure, measured by output per hour fell by 0.5%, after two previous quarters of zero growth. (www.bbc.com 08/10/19)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.2211	(1.2321)	1.2215	(1.2323)
+USD/EUR	1.0953	(1.0991)	1.0956	(1.0994)
*GHS/USD	5.3175	(5.3174)	5.3229	(5.3228)
*GHS/GBP	6.4932	(6.551)	6.5019	(6.5592)
*GHS/EUR	5.8251	(5.8450)	5.8302	(5.8507)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 09/10/19 (Rates for 08/09/19 in brackets)

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Germany wants a woman to succeed Lautenschlaeger at ECB: Scholz

Germany's Finance Minister Olaf Scholz said he was in favor of a woman succeeding German board member Sabine Lautenschlaeger at the European Central Bank (ECB). The ECB said Lautenschlaeger, Germany's nominee is the only woman on the ECB's executive board and an outspoken policy hawk. (www.reuters.com 09/10/19)

Japan Eco watchers current conditions improve, outlook weakens further

A measure of the public assessment of the Japanese economy improved for the second month in a row in Sept., data from Cabinet shows. The conditions index of the Economy Watchers Survey rose to 46.7 in Sept. from 42.8 in Aug. (www.rttnews.com 08/10/19)

Italy retail sales fall at steady pace in Aug

Italy's retail sales remained stable in Aug., data from the statistical office ISTAT shows. Retail sales declined 0.6% month-on-month in Aug. the same rate as seen in July. In June, sales rose 1.9%. Sales of food products declined 0.9% monthly in Aug. and that of non-food products fell by 0.3%. (www.rttnews.com 08/10/19)

World Bank raises Poland's 2019 GDP growth forecast to 4.3%

The World Bank has raised its forecast for Poland's GDP growth in 2019 to 4.3% from the 4.0% in April, citing rising consumption and a rebound in investment. The bank has maintained its growth projections for Poland's economy in 2020 and 2021 at 3.6% and 3.3%, respectively. (www.reuters.com 09/10/19)

BSP governor rules out Philippines involvement in Asian currency war

The governor of the Bank of the Philippines has dismissed concerns that Asian nations such as his would be forced to devalue their currencies to ensure their export competitiveness with China, after the People's Bank of China allowed renminbi to fall against the US dollar. (www.centralbanking.com 08/10/19)

Asian shares, oil ease as U.S.-China standoff spreads

Asian stocks fell the most in a week on Wednesday as the US and China's broadening dispute over trade and foreign policy showed little sign of coming to an end, weighing on global economic growth. MSCI's broadest index of Asia-Pacific shares outside Japan was down 0.61%. (www.reuters.com 09/10/19)

Nigerian president offers record N10.33tn budget for 2020

Nigerian President Muhammadu Buhari presented a record N10.33tn (\$33.8bn) budget for 2020 to lawmakers, the first spending plan since his re-election in Feb. The plan for Africa's top oil exporter assumes crude production of 2.18m barrels a day and oil price of \$57 per barrel. (www.af.reuters.com 08/10/19)

Zimbabwe hikes average electricity tariff by 320% - energy regulator

Zimbabwe has increased the average electricity tariff by 320% to let the state power utility ramp up production and improve supplies at a time of daily rolling power cuts, the national energy regulator has said. Power cuts lasting up to 18 hours have been cited by the treasury as the main reason why the economy is set to contract by up to 6% this year. (www.af.reuters.com 09/10/19)

Botswana's economy to grow 4.3% in 2019 - deputy finance sec

Botswana's economy is expected to grow 4.3% in 2019 and 4.6% in 2020, benefiting from a developing services sector, Deputy Secretary in the ministry of finance, Kelapile Ndobano has said. (www.af.reuters.com 08/10/19)

Kenya's biggest bank chases down defaulters to stem loan losses

KCB Group Plc is pursuing defaulters as Kenya's biggest lender combines recently purchased National Bank of Kenya into its operations. "You'll see more actions, more demand letters going after our customers" who aren't repaying loans, KCB said. (www.bloomberg.com 08/10/19)

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