



Monday, October 14, 2019

WTO authorizes US to target EU goods with tariffs over Airbus

The WTO has formally authorized the US to impose tariffs on up to \$7.5bn of imports of EU goods after a decision earlier this month by a WTO arbitrator over subsidies to plane maker Airbus. The WTO's dispute settlement body cleared Washington to take countermeasures against the EU and Airbus-producing countries Britain, France, Germany and Spain. (www.reuters.com 14/10/19)

US postpones next tariff hike after China trade talks

The US has agreed to suspend its next tariff hike on Chinese imports after two days of trade talks in Washington. US President Donald Trump said negotiators had reached a "phase one deal" that would include increased agricultural purchases and address financial services and technology theft. China's top negotiator Liu He also said he was "happy" with progress. (www.bbc.com 11/10/19)

China's foreign trade up 2.8% in first three quarters

China's foreign trade maintained stable growth in the first three quarters of this year by expanding 2.8% year on year. Total foreign trade volume reached ¥22.91tr (about \$3.23tr) in the first nine months. Exports expanded 5.2% while imports dropped 0.1%. (www.xinhuanet.com 14/10/19)

China's imports, exports both worse than expected in Sept

China's exports and imports shrank more than expected in Sept. Exports decreased 3.2% in dollar terms from a year earlier while imports declined 8.5%, leaving a trade surplus of \$39.65bn, the customs administration has said. Economists had forecast that exports would drop 2.8% while imports would shrink by 6%. (www.bloomberg.com 14/10/19)

EU says Johnson's Brexit plan not good enough ahead of summit

UK Prime Minister Boris Johnson has told his Cabinet that a Brexit deal can be achieved, but EU negotiators warned that his plans are not yet good enough to be the basis for an agreement. The British premier said that while a path to an agreement could be seen, a significant amount of work is still required and the UK must be prepared to leave the bloc at the end of the month, according to a spokesperson. (www.bloomberg.com 13/10/19)

India industrial production declined in Aug

India's industrial output declined in Aug. on weak manufacturing, data from the statistics ministry show. Industrial output dropped 1.1% year-on-year in Aug., reversing a 4.6% expansion in July. Economists forecast growth at a moderate pace of 1.8%. The decline was largely driven by a 1.2% fall in manufacturing output. (www.rttnews.com 11/10/19)

NZ services sector slowed in Sept – BusinessNZ

The services sector in New Zealand continued to expand in Sept., albeit at a slower rate, the latest survey from BusinessNZ shows, with a Performance of Services Index score of 54.4. That is down from 54.6 in Aug., although it remains well above the boom-or-bust line of 50 that separates expansion from contraction. (www.rttnews.com 13/10/19)

Germany's wholesale prices fall most since mid-2016

Germany's wholesale prices declined at the fastest pace since mid-2016 in Sept., data from Destatis has revealed. Wholesale prices fell 1.9% year-on-year in Sept., following a 1.1% decrease in Aug. On a monthly basis, wholesale prices dropped 0.4%, but slower than the 0.8% fall posted in Aug. (www.rttnews.com 14/10/19)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.2688	(1.2303)	1.2692	(1.2307)
+USD/EUR	1.1037	(1.1007)	1.1041	(1.1008)
*GHS/USD	5.3191	(5.3171)	5.3245	(5.3225)
*GHS/GBP	6.7489	(6.5417)	6.7578	(6.5504)
*GHS/EUR	5.8722	(5.8528)	5.8769	(5.8574)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 14/10/19 (Rates for 11/10/19 in brackets)

* BOG INTERNAL TRANSACTION RATES: 14/10/19 (Rates for 11/10/19 in brackets)

Singapore eases monetary policy

Singapore's central bank has loosened its monetary policy stance for the first time since April 2016 as inflationary pressures are expected to remain muted. GDP grew by an annual 0.1% in the third and second quarters. The Monetary Authority expects the economy to pick up modestly in 2020 but output is expected to remain below potential. (www.centralbanknews.info 13/10/19)

Romania's industrial production up in Aug

Romania's industrial production grew in Aug. driven by an expansion in the manufacturing sector, data from the National Institute of Statistics show. Industrial production edged up 0.1% in Aug. compared to the previous month as manufacturing output rose 1.1%. (www.rttnews.com 14/10/19)

Ireland construction sector contracts for first time since 2013

Ireland's construction sector contracted for the first time in more than six years in Sept., data from IHS Markit show. The Ulster Bank construction Purchasing Managers' Index fell to 48.3 in Sept. from 53.7 in Aug. (www.rttnews.com 14/10/19)

Malaysia lowers 2020 fiscal deficit forecast

Malaysia's government has lowered its fiscal deficit target for next year in the Budget 2020 unveiled on Friday. The Finance Minister said the fiscal deficit is forecast to narrow to 3.2% of GDP in 2020 from 3.4% projected. However, the outlook for 2020 was slightly bigger than 3% projected. The economy is forecast to grow in the range of 4.5-5% over 2020-2022. (www.rttnews.com 11/10/19)

Facebook's digital currency dealt another blow

Facebook's Libra cryptocurrency must not go ahead until the company proves it is safe and secure, according to a report by the world biggest economies. In a blow to the social media giant, the report by the G7 group of nations warns cryptocurrencies like Libra pose a risk to the global financial system. (www.bbc.com 11/10/19)

Oil drops after biggest gain in a month as trade optimism ebbs

Oil dropped after surging the most in almost a month on Friday on signs that investors are skeptical that progress in the US-China trade talks will improve a worsening global demand outlook. Futures in New York fell as much as 1.2% after closing up 2.2% in the previous session. (www.bloomberg.com 13/10/19)

Ramaphosa says far-reaching reforms needed to achieve FDI target

South African President Cyril Ramaphosa has said far-reaching reforms will be needed to achieve 1.2tr rand (\$81bn) of investment that his government wants to attract over five years. "To attract investment we need to make it easier to do business in South Africa," he said. (www.bloomberg.com 14/10/19)

Nigeria starts talks with oil majors to end \$62bn dispute

Nigeria began preliminary talks with international oil companies to settle a dispute over revenue. The government, citing a 2018 Supreme Court ruling, says it's entitled to \$62bn from the companies after they failed to comply with a 1993 law that hands the state a greater share of income when oil exceeds \$20 a barrel. The companies are challenging the claim. (www.bloomberg.com 13/10/19)

Egypt cuts stock exchange fees in bid to boost investments

The Egyptian Financial Regulatory Authority (FRA) said it had approved lowering stock exchange trading fees to encourage investment and competitiveness with other regional markets. The FRA approved cutting trading service fees to 0.005% from 0.00625%, and clearing and settlement fees to 0.0100% from 0.0125%. (www.af.reuters.com 13/10/19)

Gabon's GDP growth to rise to 3.4% this year – IMF

Gabon's economy is expected to grow by 3.4% in 2019, up from 0.8% last year, due to strong performances by the oil, mining and timber sectors, the IMF has said. (www.af.reuters.com 12/10/19)

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