



Monday, October 5, 2020

Eurozone inflation remains negative for a second month

Eurozone consumer prices declined for the second straight month in Sept. adding pressure on the ECB to add stimulus and kick start the economy from the coronavirus driven downturn. Consumer prices decreased 0.3% on a yearly basis, following a 0.2% drop in Aug. flash data from Eurostat show. (www.rttnews.com 02/10/20)

ECB steps up research on ‘digital euro’

The ECB is significantly increasing its work on a possible “digital euro”, issuing a report on the subject. “We should be prepared to issue a digital euro, should the need arise,” says ECB president Christine Lagarde. The ECB will open a public consultation on a central bank-issued digital currency on Oct. 12. (www.centralbanking.com 02/10/20)

US jobs growth slower than expected in Sept

The US added fewer jobs than expected in Sept. in a sign that America's rebound from the economic collapse triggered by the coronavirus pandemic is slowing. Employers added 661,000 jobs against the more than 800,000 expected. The jobless rate fell to 7.9%, dropping for a fifth month, but the minority workers hit hardest saw little change. (www.bbc.com 02/10/20)

China's refined oil consumption dropped in Jan-Aug period

China's refined oil consumption registered a drop in the Jan.-Aug. period, industrial data show. Apparent consumption of refined oil came in at 217.33m tonnes for the period, down 3.5% year on year, the National Development and Reform Commission has said. Consumption of gasoline fell 0.5% year on year and consumption of aviation fuel dropped 38.4%. (www.xinhuanet.com 04/10/20)

FCA grants UK firms 15 months to comply with post-Brexit rules

The UK’s Financial Conduct Authority will give financial firms 15 months following the end of the Brexit transition period to comply with the new regulatory environment. The UK left the EU in Jan. 2020, entering a transition period that is due to end in Dec. this year. UK has adopted all EU financial rules into UK law. (www.centralbanking.com 02/10/20)

Japan consumer confidence at 7-month high

Japan's consumer confidence improved to the highest level in seven months in Sept., data from the Cabinet Office show. On a seasonally adjusted basis, the consumer confidence index rose to 32.7 in Sept. from 29.3 in Aug. Among four sub-indexes of the consumer confidence index, the index reflecting households' willingness to buy durable consumer goods rose to 34.9 in Sept. (www.rttnews.com 02/10/20)

Italy public deficit widened in Q2

Italy's net borrowing to GDP ratio widened in the second quarter to its highest level in over a decade, preliminary data from ISTAT show. General government net borrowing to GDP ratio climbed to 10.3% from 9.8% in the first quarter. In the same period last year, the ratio was zero percent. (www.rttnews.com 02/10/20)

Singapore private sector PMI climbed to 45.1 in Sept. – IHS Markit

The private sector economy in Singapore continued to contract in Sept. albeit at a slower pace, the latest survey from IHS Markit showed on Monday with a PMI score of 45.1. That's up from 43.6 in Aug. although it remains beneath the boom-or-bust line of 50 that separates expansion from contraction. Individually, output declined at a slower rate, while last month saw the slowest job shedding since Feb. (www.rttnews.com 04/10/20)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.2936	(1.2895)	1.2937	(1.2896)
+USD/EUR	1.1719	(1.1753)	1.1720	(1.1755)
*GHS/USD	5.7000	(5.6998)	5.7058	(5.7056)
*GHS/GBP	7.3736	(7.3500)	7.3815	(7.3579)
*GHS/EUR	6.6802	(6.7000)	6.6862	(6.7061)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 05/10/20 (Rates for 02/10/20 in brackets)

* BOG INTERNAL TRANSACTION RATES: 05/10/20 (Rates for 02/10/20 in brackets)

SK manufacturing PMI Rises to 49.8 in Sept. – IHS Markit

The manufacturing sector in South Korea continued to contract in Sept. albeit at a slower pace, the latest survey from IHS Markit shows with a PMI score of 49.8. That's up from 48.5 in Aug. although it remains beneath the boom-or-bust line of 50 that separates expansion from contraction. (www.rttnews.com 04/10/20)

Turkish inflation seen marching higher on summer loan frenzy

Turkey's summertime credit binge and weak lira are still pushing prices higher, fuelling expectations that the central bank will be forced to keep access to credit tight after a surprise interest-rate increase. Data show consumer prices rose an annual 12.1% in Sept. (www.bloomberg.com 05/10/20)

Argentina allows peso to fall faster

The Central Bank of Argentina has raised the policy repo rate from 19% to 24%, allowing a faster currency depreciation, amid continuing economic crisis. The bank's move comes despite stringent official restrictions on foreign currency which has failed to bring unofficial exchange rates in line with the official value. (www.centralbanking.com 02/10/20)

Hungary July trade surplus revised lower

Hungary's merchandise trade surplus for July has been revised lower amid sharp revisions in the export and import declines, latest data from the Hungarian Central Statistical Office showed on Friday. The trade surplus was revised down to €207m from a preliminary estimate of €262m. (www.rttnews.com 02/10/20)

NZ consumer confidence fell in Sept

New Zealand consumer confidence weakened marginally in Sept., survey data from ANZ show. The ANZ-Roy Morgan consumer confidence index fell to 100.0 in Sept. from 100.2 in Aug. The current conditions index dropped to 99.0 and the future conditions index fell to 100.6. Consumers' perceptions of their current financial situation declined 3 points to -2. (www.rttnews.com 02/10/20)

Oil prices rebound 2% on Trump's health

Oil prices rose more than 2% on Monday, lifted by comments from doctors for US President Donald Trump, suggesting he could be discharged from hospital as soon as Monday. Brent was up 98 cents, or 2.5%, to \$40.10 a barrel by 0613 GMT, gaining 83 cents. US WTI crude was at \$37.94 a barrel, up 89 cents. (www.reuters.com 05/10/20)

African countries urged to remove non-tariff barriers to realize AfCFTA

The African Union Commission on Sunday called for addressing non-tariff barriers in order to realize the major aspirations of the African Continental Free Trade Area Agreement. "The African continent is about to become the world's largest free trade area. (www.xinhuanet.com 04/10/20)

Ethiopian gold exports surge after crackdown on smuggling

Ethiopian gold exports surged after the central bank offered higher prices for the metal in a bid to curb smuggling and as part of wider efforts to spur investment in mining. Ethiopia's gold industry is currently dominated by small-scale artisanal miners. (www.classfmonline.com 04/10/20)

IMF offers second instalment of \$102m emergency loan to Malawi

The IMF has extended an emergency loan of \$101.96m for Malawi to plug its fiscal deficit, a second instalment of credit offered to tide over the financial hit from Covid-19. The first loan of \$91m was disbursed in May to fund a gap in balance of payment. (www.theafricanmirror.africa/ 04/10/20)

Nigeria's cabinet proposes 3% economic growth target for 2021 budget

Nigeria's cabinet proposed on Wednesday a 3% economic growth target and 11.95% inflation target for its 2021 budget, a presidency aide said on his official Twitter account. The cabinet also plans to target a \$40 per barrel oil benchmark and 1.86 million barrels per day of crude production in the budget. (www.theafricanmirror.africa/ 01/10/20)

DISCLAIMER: This information has been compiled by the Secretary's Department of Bank of Ghana for general reference purposes only. While 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.