



Tuesday, October 6, 2020

Eurozone economic recovery floundered in Sept. as services struggled – PMI

The eurozone’s economic recovery faltered in Sept. as the re-imposition of some restrictions on activity to halt resurgence of Covid-19 sent the bloc’s dominant service sector into reverse, a survey shows. The ECB plans to make €1.35tr of pandemic-related additional asset purchases to support the economy and the EU has announced a €750bn recovery fund to kick in next year. (www.reuters.com 05/10/20)

Eurozone investor morale deteriorates in Oct, Sentix says

Investor morale in the eurozone has deteriorated in Oct., ending five consecutive monthly improvements, a survey showed on Monday, signalling concerns about rising coronavirus infections. Sentix’s index for the eurozone fell to -8.3 from -8.0 in Sept. compared with a Reuters forecast for a reading of -9.5. (www.reuters.com 05/10/20)

Fed must be 'in it to win it' on inflation goal: Evans

Chicago Fed President Charles Evans once said he expects US inflation to reach 2% by 2023 and wants to push it to 2.5% to offset years of below-target price rises. The Fed “needs to have an ‘in it to win it’ attitude toward our inflation objective,” he said at a virtual meeting of the National Association for Business Economics. (www.reuters.com 05/10/20)

US service sector growth unexpectedly accelerated in Sept

Activity in the US service sector unexpectedly grew at a faster rate in the month of Sept., according to the Institute for Supply Management (ISM). The ISM said its services PMI inched up 57.8 in Sept. from 56.9 in Aug. with a reading above 50 indicating growth in the service sector. (www.rttnews.com 05/10/20)

China's proven gold reserves about 14,131 tonnes in 2019

China's proven gold reserves were 14,131.06 tonnes at the end of 2019, a rise of 3.61% compared to 2018, the China Gold Association has said in the 2020 yearbook on China's gold industry, adding that the country has maintained steady year-on-year growth in proven gold reserves since 2012. Output of gold dipped 5.21% year on year to 380.23 tonnes in 2019. (www.xinhuanet.com 05/10/20)

UK growth slowed less than thought in Sept: PMI data

Britain’s economy proved more resilient than initially thought, despite a tightening of lockdown restrictions and an end to a temporary government subsidy for businesses such as restaurants and bars. The IHS Markit/CIPS PMI Index for the services sector fell to 56.1 in Sept. from Aug’s 58.8. (www.reuters.com 05/10/20)

German economic recovery remains on course despite slacking services: PMI

Germany’s service sector barely grew in Sept. but strong manufacturing helped the private sector to remain on track for a solid recovery in the third quarter, a survey shows. IHS Markit’s final services Purchasing Managers’ Index (PMI) fell to 50.6 from 52.5 in the previous month. (www.reuters.com 05/10/20)

BOJ's Kuroda warns pandemic to keep economic uncertainty 'very high'

Bank of Japan Governor Haruhiko Kuroda has said uncertainty over the country’s economic and price outlook remained “very high” as Covid-19 continued to inflict pain on global growth. Kuroda said the world’s third-largest economy was emerging from a severe downturn and was headed for a moderate recovery. (www.reuters.com 05/10/20)

EXCHANGE RATES OF SELECTED CURRENCIES

| CURRENCY | BUYING | | SELLING | |
|----------|--------|----------|---------|----------|
| +USD/GBP | 1.2967 | (1.2936) | 1.2968 | (1.2937) |
| +USD/EUR | 1.1785 | (1.1719) | 1.1785 | (1.1720) |
| *GHS/USD | 5.7000 | (5.7000) | 5.7058 | (5.7058) |
| *GHS/GBP | 7.3913 | (7.3736) | 7.3992 | (7.3815) |
| *GHS/EUR | 6.7175 | (6.6802) | 6.7241 | (6.6862) |

+SOURCE: BOG INTERNAL TRANSACTION RATES: 06/10/20 (Rates for 05/10/20 in brackets)

* BOG INTERNAL TRANSACTION RATES: 06/10/20 (Rates for 05/10/20 in brackets)

Spain's services sector sank deeper into the red in Sept: PMI

Spanish service sector activity shrank again in Sept. as business and travel restrictions related to a surge of coronavirus cases weighed on the country's economy, a survey shows. Markit's Purchasing Managers' Index of services companies accounting for around half of the country's economic output fell to 42.4 in Sept. from 47.7 in Aug. (www.reuters.com 05/10/20)

Australia business conditions, confidence improved in Sept

Australia's business conditions and confidence improved in Sept., the National Australia Bank has said. The business confidence index rose to -4 from -8 in the previous month. Confidence rose in all industries except finance, business & property services, which was flat. (www.rttnews.com 05/10/20)

Turkey consumer price inflation slowed in Sept; producer prices rose

Turkey's consumer price inflation eased marginally in Sept. and producer price inflation increased, figures from the Turkish Statistical Institute showed on Monday. The consumer prices index rose 11.75% year-on-year in Sept. after an 11.77% increase in Aug. (www.rttnews.com 05/10/20)

UAE non-oil private sector highest in 11 months

The UAE non-oil private sector recovered in Sept. amid a rise in new orders, and reached its best level in nearly a year, survey data from IHS Markit show. The Purchasing Managers' Index rose to 51.0 in Sept. from 49.4 in Aug. This was the highest reading for eleven months. (www.rttnews.com 05/10/20)

Philippines' inflation rate dipped to 2.3% in Sept

The Philippines' headline inflation further slowed to 2.3% in Sept. 2020 from 2.4% in Aug. 2020, a four-month low driven by lower food and non-alcoholic beverage prices, the Philippine Statistics Authority says. In Sept. 2019, inflation was lower at 0.9%. (www.xinhuanet.com 06/10/20)

Oil prices edge up after Trump's return to White House

Oil prices rose on Tuesday following US President Donald Trump's return to the White House from hospital after being treated for Covid-19 last Friday, while another storm brewing in the US Gulf of Mexico posed a threat to refineries. Brent crude futures rose 21 cents, or 0.5%, to \$41.50 a barrel. (www.reuters.com 06/10/20)

Africa can rise from the ashes of the Covid-19 pandemic

While Covid-19 has dealt a blow to the world economy, the portents for Africa are much more ominous. The African Development Bank estimates that Africa has lost a "decade of economic growth" due to Covid-19 and predicts Africa's recovery will be long and difficult. (www.theafricanmirror.africa/ 06/10/20)

S. African labour federation calls strike to protest poor economy, corruption

The Congress of South African Trade Unions has called on all workers to stay away from work on Wednesday in protest against deteriorating economy and corruption. Cosatu general secretary Bheki Ntshalintshali said the work stoppage targets the government, private sector employers and law enforcement agencies. (www.xinhuanet.com 05/10/20)

Zimbabwe finance minister says Covid-19 won't hit economy as hard as elsewhere

Zimbabwe's finance minister says the economy would not be as severely impacted by Covid-19 as initially feared and foreign currency inflows had shown resilience. The country was already grappling with runaway inflation. (www.theafricanmirror.africa/ 06/10/20)

Ghana's overall exports and imports decline due to poor oil performance

The value of Ghana's total exports decreased to \$9.6bn in the first eight months of 2020, from \$10.6bn in the same period last year, the Summary of Macroeconomic and Financial Data for Sept. 2020 released by the central bank, Bank of Ghana, show. (www.citibusinessnews.com 06/10/20)

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