



Friday, October 9, 2020

World food prices rise for fourth straight month

World food prices rose again in Sept. climbing to their highest levels since Feb. as higher prices for wheat, corn, and vegetable oils offset lower prices in other areas, the FAO has reported. The broad FAO World Food Price Index gained 2.1%, following gains of 2.0%, 1.2%, and 2.4% in Aug. July, and June, respectively. (www.xinhuanet.com 08/10/20)

Extreme poverty set for first rise since 1998, World Bank warns

Extreme poverty is set to rise this year for the first time in more than two decades, with coronavirus expected to push up to 115m people into that category, the World Bank has said. By 2021, this could rise to as many as 150 million, it added. Extreme poverty is defined as living on less than \$1.90 (£1.50) a day. (www.bbc.com 07/10/20)

Unemployment: The biggest risk facing the world, survey shows

Unemployment is seen as the biggest worry over the next 10 years for business executives around the world, closely followed by concern about the spread of infectious diseases, says the World Economic Forum. Unemployment rates have rocketed due to lockdowns and other restrictions to combat the coronavirus pandemic. (www.aljazeera.com 08/10/20)

Race to WTO leadership is down to the final two candidates

World Trade Organization members have selected Nigeria's Ngozi Okonjo-Iweala and South Korea's Yoo Myung-hee to advance to the final round in the race to lead the Geneva-based trade body, according to people familiar with the matter. The WTO may get its first female director-general in its 25-year history. (www.bloomberg.com 08/10/20)

US debt now projected to be larger than the US economy

As the US continues its struggle with the pandemic-induced economic recession and a sputtering recovery, its burgeoning debt is not anyone's top concern these days. Experts want an approval of another badly needed stimulus to the tune of trillions. "The US federal budget has been on an unsustainable path, for some time," Fed Chair Jerome Powell has said. (www.cnn.com 08/10/20)

US weekly jobless claims inch lower

The number of Americans filing new claims for jobless benefits drifted lower last week, signalling that the US labour market is making little fresh headway in getting millions of people back on the job after being out of work due to Covid-19 disruptions. Initial claims for state unemployment benefits totalled a seasonally adjusted 840,000 for the week ended Oct. 3. (www.reuters.com 08/10/20)

UK economy grew 2.1% in Aug

UK's economy continued its recovery in Aug., growing by 2.1%, as the 'eat out to help out' scheme boosted restaurants. The economy is still 9.2% smaller before the pandemic struck. It marked the fourth month of expansion following the slump induced by the lockdown. However, growth in Aug. was slower than the 8.7% expansion seen in June and the 6.7% rise in July. (www.bbc.com 09/10/20)

BoE's Bailey urges banks to tap capital buffers

Banks should not be uneasy about dipping into their capital buffers to keep lending to the coronavirus-hit economy, Bank of England Governor Andrew Bailey has said. The key message to the banking sector is that capital buffers are there to be used at a time like the present, he said. (www.reuters.com 08/10/20)

EXCHANGE RATES OF SELECTED CURRENCIES

| CURRENCY | BUYING | | SELLING | |
|----------|--------|----------|---------|----------|
| +USD/GBP | 1.2942 | (1.2922) | 1.2944 | (1.2923) |
| +USD/EUR | 1.1754 | (1.1769) | 1.1754 | (1.1770) |
| *GHS/USD | 5.7003 | (5.6998) | 5.7061 | (5.7056) |
| *GHS/GBP | 7.3774 | (7.3653) | 7.3859 | (7.3733) |
| *GHS/EUR | 6.7000 | (6.7086) | 6.7071 | (6.7146) |

+SOURCE: BOG INTERNAL TRANSACTION RATES: 09/10/20 (Rates for 08/10/20 in brackets)

* BOG INTERNAL TRANSACTION RATES: 09/10/20 (Rates for 08/10/20 in brackets)

German exports continued to grow in Aug

German exports continued to grow in Aug., albeit at a slower pace, and imports growth gained momentum with recovery in domestic demand, data from Destatis has revealed. Exports were up by more-than-expected 2.4% in Aug. from July. Economists had forecast growth to slow to 1.4% from 4.7% in July. (www.rttnews.com 08/10/20)

Japan posted \$19.8bn current account surplus in Aug

Japan logged a current account surplus of ¥2.10tr (\$19.82bn) in Aug., the Finance Ministry has said. The ministry also said in its preliminary report that the country had a goods trade surplus of ¥413.2bn (\$124.45m), while services trade stood at a deficit of ¥316.6bn (\$2.98bn) in the reporting period. (www.xinhuanet.com 08/10/20)

French economy rebounded 16% in third quarter: central bank

The French economy rebounded 16% in the third quarter after an unprecedented 13.8% slump in the previous three months. The eurozone's second-biggest economy slumped deep into recession in the second quarter after the country was put under one of the strictest coronavirus lockdowns in Europe for two months. (www.reuters.com 08/10/20)

Dutch inflation rose in Sept

Dutch consumer price inflation rose in Sept. after easing in the previous month, data from the Central Bureau of Statistics showed on Thursday. The CPI rose 1.1% year-on-year in Sept. after a 0.7% increase in Aug. In July, inflation was 1.7%. Prices for clothing had an upward effect on inflation as prices rose 0.1% in Sept. (www.rttnews.com 08/10/20)

Swiss jobless rate fell in Sept

Switzerland's jobless rate dropped marginally in the month of Sept., data from the State Secretariat for Economic Affairs showed on Thursday. The jobless rate fell to a seasonally adjusted 3.3% in Sept. from 3.4% in Aug. Economists had expected a rate of 3.4%. (www.rttnews.com 08/10/20)

Oil heads for weekly gain amid Norwegian supply cut

Oil prices eased on Friday, slipping at the end of a week of big gains that have been made on the risk that supplies from Norway could be slashed by up to 25% due to a strike action by oil workers. Brent crude was down by 8 cents at \$43.26 a barrel by 0740 GMT. (www.reuters.com 09/10/20)

New Zambian Governor appointed after Kalyalya dismissed

The Zambian government has appointed a new central bank chief, following the controversial dismissal of Denny Kalyalya in Aug. Christopher Mvunga, a former deputy finance minister, has taken over as Governor. Mvunga served in the Zambian government from 2015 to 2020. (www.centralbanking.com 07/10/20)

Botswana cuts rate 2nd time in 2020 amid recession

Botswana's central bank has cut its policy rate for the second time this year to 3.75% and has now cut it by 100 points this year following a similar-sized cut in April. Since Dec. 2010, the bank has been lowering its key interest rate. (www.centralbanknews.info 08/10/20)

Tanzania's central bank conducts study on cash flow

Tanzania's central bank has shed light on its study of physical movement of cash, saying it is to determine the progress Tanzania has made towards a cashless economy. The Bank of Tanzania has directed banks and financial institutions to submit daily reports on over-the-counter cash withdrawals from Sept. 7. (www.xinhuanet.com 08/10/20)

Nigeria to bolster spending in 2021, sees budget deficit stable

Nigeria's government unveiled record spending plans for next year as it bets that a swift recovery in Africa's biggest economy will help keep its budget deficit stable. The economy of Africa's biggest oil producer is likely to have contracted in the third quarter and entered its second recession in four years. (www.bloomberg.com 08/10/20)

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