



Tuesday, January 12, 2021

Euro area heads for double-dip recession as lockdowns drag on

The euro area economy is poised to shrink again at the start of this year as the resurgent pandemic plunges the region into a double-dip recession. Analysts at banks including JPMorgan Chase & Co. and UBS Group AG are downgrading forecasts to account for renewed lockdowns in some places tougher than ever and the prospect that the Covid-19 variant ravaging the UK will do same on the continent. (www.bloomberg.com 12/01/21)

Eurozone investor confidence turns positive in Jan: Sentix

Eurozone investor confidence rose to a positive level in Jan. for the first time since early 2020 as investors became more confident about vaccination strategy, ignoring the current lockdowns, data from Sentix show. The investor sentiment index rose to 1.3 in Jan. from -2.7 in Dec. (www.rttnews.com 11/01/21)

EU lawmakers hope to oversee implementation of EU-UK agreement

Lawmakers of the European Union demanded to be involved in the implementation and monitoring of the trade agreement between the EU and the UK. At their first discussion of the EU-UK trade deal, the MPs sitting on the International Trade Committee welcomed that the deal had avoided a no-deal scenario, which would have spelt disaster for citizens and companies. (www.xinhuanet.com 12/01/21)

China's banking regulator hands out year's first penalties

China's top banking and insurance regulator has slapped fines totalling almost ¥200m (about \$30.9m) on institutions and individuals including state-owned Industrial and Commercial Bank of China in its first crackdown on financial violations this year. (www.xinhuanet.com 11/01/21)

China's consumer inflation remains stable, within target in 2020

China's consumer price index (CPI), a main gauge of inflation, rose 2.5% year on year, staying within the government's annual target of around 3.5%. The annual figure was down from 2.9% in 2019 but up from 2.1% in 2018. In Dec., the CPI rose 0.2% year on year, up from a 0.5% decrease in Nov. (www.xinhuanet.com 11/01/21)

UK economy 'to get worse before it gets better'

The UK economy will "get worse before it gets better" as the country battles the pandemic, Chancellor Rishi Sunak has warned. "Even with the significant economic support we've provided, over 800,000 people have lost their job since Feb.," he said. "Sadly, we have not and will not be able to save every job and every business." (www.bbc.com 11/01/21)

Retail sales in 2020 'worst for 25 years'

Retailers suffered their worst annual sales performance on record in 2020, driven by slump in demand for fashion and homeware products. While food sales growth rose 5.4% on 2019, non-food fell about 5%, the British Retail Consortium (BRC) said. It meant an overall fall of 0.3% in a year dominated by the Covid-19 impact, the worst annual change since the BRC began collating the data in 1995. (www.bbc.com 12/01/21)

Japan has ¥1,878.4bn current account surplus

Japan posted a current account surplus of ¥1,878.4bn in Nov., the Ministry of Finance has said. That exceeded expectations for a surplus of ¥1,551bn and was down from ¥2,144.7bn in Oct. Exports fell 3.4% on year to ¥6.039tr, and imports sank an annual 13.6% to ¥5.423tr. (www.rttnews.com 11/01/21)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3468	(1.3566)	1.3469	(1.3567)
+USD/EUR	1.2142	(1.2236)	1.2142	(1.2237)
*GHS/USD	5.7576	(5.7576)	5.7634	(5.7634)
*GHS/GBP	7.7544	(7.8108)	7.7627	(7.819)
*GHS/EUR	6.9916	(7.0450)	6.9985	(7.0519)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 12/01/21 (Rates for 11/01/21 in brackets)

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Turkey jobless rate steady in Oct

Turkey's jobless rate remained stable in Oct., data from the Turkish Statistical Institute show. The seasonally adjusted unemployment rate was 12.7% in Oct., the same as seen in Oct. On an unadjusted basis, the jobless rate fell to 12.7% in Oct. from 13.4% in the same month last year. (www.rttnews.com 11/01/21)

RBI warns bad debt surge threatens India's financial stability

India's central bank expects banks' bad-loan ratios to almost double this year and warned that soaring markets and a weakened economy threaten financial stability. The Reserve Bank of India forecasts non-performing assets will rise to 13.5% of total advances by the end of Sept. from 7.5% a year ago. (www.bloomberg.com 12/01/21)

BOK frets over uneven recovery as SK waits for vaccine

South Korea's central bank meets this week with Governor Lee Ju-yeol flagging the fragility of an economic recovery threatened by the resurgence of the virus. The Bank is expected to maintain its support for the economy by keeping interest rates at a record low and showing a readiness to help stabilize the markets. (www.bloomberg.com 11/01/21)

Romania trade deficit widened in Nov

Romania's trade deficit increased in Nov. as imports rose faster than exports, figures from the National Institute of Statistics showed on Monday. The trade deficit widened to €1.573bn in Nov. from €1.494bn in the same month last year, the agency reported. In Oct., the trade deficit was €1.799bn. (www.rttnews.com 11/01/21)

Hungary trade surplus rose in Nov

Hungary's trade surplus increased in Nov., as both exports and imports declined, the Hungarian Central Statistical Office has said. The trade surplus increased to €811m in Nov. from €329m in the same month last year. Economists had expected a surplus of €524m. (www.rttnews.com 11/01/21)

Oil prices dip on rising virus cases; expected stock draw stems losses

Oil prices slipped on Tuesday as investors remained concerned about climbing coronavirus cases globally, but expectations of a drawdown in crude oil inventory in the United States for a fifth straight week kept losses in check. Brent crude oil futures slipped 10 cents to \$55.56 a barrel by 0500 GMT. (www.reuters.com 12/01/21)

Egypt to invest \$7bn in new petroleum refining projects: Minister

Egyptian Minister of Petroleum and Mineral Resources Tarek Al-Molla has said they are implementing new petroleum refining projects with investments amounting to \$7bn. He said several petroleum refining companies would have their budgets approved for the 2021-2022 fiscal year. (www.xinhuanet.com 12/01/21)

IMF to disburse \$488m to Angola as it seeks to curb debt

The IMF has approved the disbursement of \$488m to Angola and reiterated its confidence that Africa's second-biggest oil producer will rein in public debt to sustainable levels. The approval comes four months after the fund increased the size of the loan by almost a quarter to \$4.5bn to help Angola weather the fallout of the Covid-19 pandemic. (www.bloomberg.com 12/01/21)

Ghana's growth rate revised to 14%

The World Bank has revised Ghana's 2021 growth rate and forecasted the economy to grow at 1.4% this year. This year's forecasted GDP growth rate is below the 3.4% the Bank earlier projected in June last year and weaker than the Sub-Saharan growth rate of 2.7% in 2021. (www.ghanaweb.com 11/01/21)

BoG Governor demands measures to help businesses succeed in AfCFTA era

Governor of the Bank of Ghana Dr. Ernest Addison says the commencement of operations of the Africa Continental Free Trade Area (AfCFTA) requires the building of a competitive Ghanaian economy. (www.citibusinessnews.com 11/01/21)

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