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IMF maintains lending capacity at \$1trn

The International Monetary Fund has maintained its lending capacity at around US\$1tr for the coming years. According to the fund, this is of particular importance in the context of increased demand for IMF resources due to the Covid-19 and ongoing heightened risks. (www.ghanaweb.com 13/01/21)

BoE's Ben Broadbent says UK economy may be better than it looks

The UK economy could be stronger than output data suggest as consumers switched their spending in response to the pandemic, according to Bank of England Deputy Governor Ben Broadbent. The difficulty in responding to large and rapid shifts in demand means the impact on inflation may have been softened, he said. (www.bloomberg.com 12/01/21))

ECB to disregard any temporary inflation rises, Schnabel says

The European Central Bank will disregard any temporary pickup in inflation this year caused by pent-up demand, according to Executive Board Member Isabel Schnabel. The eventual easing of restrictions aimed to stop the spread of Covid-19 could lead prices for things like trips or restaurant meals to “develop a certain dynamic.” (www.bloomberg.com 12/01/21)

Fed sees possible economic boom if vaccine gets on track

One US Fed official says there is now a “clearer focus” about the economy’s path forward and a horizon for a fuller recovery. Another says the pandemic’s “endgame” is here. A third predicts 2021 will prove “impressive.” After a catastrophic spell when economic conditions were so confounded by the coronavirus that the Fed stopped making projections altogether, US central bankers now like what they see. (www.reuters.com 12/01/21)

US job openings fall in Nov; layoffs rise

US job openings fell in Nov. while layoffs mounted at restaurants and hotels amid rampant Covid-19 infections, supporting views that the labour market recovery from the pandemic was stalling. The job openings rate slipped to 4.4% from 4.5% in Oct. Layoffs increased 295,000 to nearly 2.0m. That lifted the layoffs rate to 1.4% from 1.2% in Oct. (www.reuters.com 12/01/21)

China's new yuan-denominated loans rose in 2020

China's new yuan-denominated loans totalled 19.63tr yuan (\$3.03tr) in 2020, up by ¥2.82tr year on year, central bank data showed on Tuesday. In Dec. alone, new loans stood at ¥1.26tr up by ¥11117bn year on year, according to the People's Bank of China. (www.xinhuanet.com 12/01/21)

German economy minister says no further stimulus needed – Die Zeit

Germany does not need a second stimulus package to counter the impact of the Covid-19 outbreak, given the existing support measures and as vaccination takes hold, economy minister Peter Altmaier told Die Zeit in an interview. Altmaier said that with infection rates remaining high, Germany faces a very difficult two to three months ahead but stopped short of saying extra support measures were needed. (www.reuters.com 12/01/21)

India's inflation slows to 15-month low before RBI rate decision

India's consumer price inflation cooled to a 15-month low in Dec., boosting the case for the central bank to resume interest rate cuts to support the economy. Consumer prices rose 4.59% last month from a year earlier, data released by the Ministry of Statistics showed. (www.bloomberg.com 12/01/21)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3601	(1.3468)	1.3602	(1.3469)
+USD/EUR	1.2150	(1.2142)	1.2151	(1.2142)
*GHS/USD	5.7574	(5.7576)	5.7632	(5.7634)
*GHS/GBP	7.8307	(7.7544)	7.8391	(7.7627)
*GHS/EUR	6.9954	(6.9916)	7.0023	(6.9985)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 13/01/21 (Rates for 12/01/21 in brackets)

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Dutch inflation rose in Dec

Dutch consumer price inflation rose in Dec., the Central Bureau of Statistics has said. The CPI rose 1.0% year-on-year in Dec. after a 0.8% increase in Nov. Prices for motor fuels and accommodation had an upward effect on inflation, as prices for motor fuels fell 7.4% in Dec., which was a smaller fall compared to Nov's 8.9% decline. (www.rttnews.com 12/01/21)

Finland current account swings to deficit

Finland's current account balance swung to a deficit in Nov., the Statistics Finland has said. The current account balance registered a deficit of €0.9bn in Nov. versus a surplus of 0.35bn in Oct. The balance of goods trade showed a surplus of €0.32bn versus €0.41bn in the previous month. (www.rttnews.com 12/01/21)

Norway GDP contracted in Nov for first time since April

The Mainland Norway economy contracted in Nov. for the first time in seven months due to Covid-related restrictions, Statistics Norway reported on Tuesday. GDP fell 0.9% month-on-month in Nov., reversing a 1.2% rise in the previous month. This was the first decline since April. GDP was forecast to fall 1.4%. (www.rttnews.com 12/01/21)

Romania Q3 GDP growth revised up

Romania's economy recovered at a faster than estimated pace in the third quarter, second estimates from the National Institute of Statistics showed on Tuesday. GDP grew 5.8% sequentially in the third quarter instead of 5.6% estimated previously. The economy had contracted 12.2% in the second quarter. (www.rttnews.com 12/01/21)

Oil hits 11-month high towards \$57 as Saudi cut supports

Oil hit an 11-month high towards \$57 a barrel on Tuesday as tighter supply and expectations of a drop in US inventories offset concerns over climbing coronavirus cases globally. Brent crude was 75 cents higher at \$56.41 a barrel by 1022 GMT and earlier hit \$56.75, the highest since Feb. (www.reuters.com 12/01/21)

World Bank plans to invest over US\$5bn in drylands in Africa

The World Bank plans to invest over US\$5bn over the next five years to help restore degraded landscapes, improve agriculture productivity, and promote livelihoods across 11 African countries on a swathe of land stretching from Senegal to Djibouti. World Bank Group President David Malpass has announced. (www.ghanaweb.com 12/01/21)

AfDB President named champion of Africa's climate-adaptation initiative

African Development Bank President Akinwumi A. Adesina has been named as a champion of Africa's Great Green Wall initiative. The green wall will act as a barrier against desertification and aims to create over 10 million green jobs in the region. (www.ghanaweb.com 12/01/21)

Africa urged to enhance security for digital commerce platforms

African countries should enhance the security of online commerce platforms amid risk of attack by cybercriminals. Ebrima Fatty, a chief executive officer of a Kenyan-based e-commerce platform said strengthening cyber defenses is key to ensure that online trading is safe and seamless on the continent. (www.allafrica.com 11/01/21)

South Sudan says corruption, insecurity frustrating foreign investors

South Sudan's vice president has said that rampant corruption amid intermittent insecurity is frustrating foreign investors in the country. James Wani Igga, vice president for economic cluster said without mitigating the two vices, investors will continue to shy away from the country. (www.xinhuanet.com 12/01/21)

Ghana ranked 12 out of 54 African countries that trade within continent

Ghana is ranked 12th among African countries that exports to countries that are signatories to the African Continental Free Trade Agreement AfCFTA, IMF Trade Statistics show. Ghana accounts for 17% of total exports to the 54 members. (www.ghanaweb.com 12/01/21)

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