



Tuesday, April 20, 2021

Eurozone current account surplus declined in Feb

The euro area current account surplus declined in Feb. largely due to a fall in the goods trade surplus, the ECB's data show. The current account surplus totalled €26bn versus a €35bn surplus in Jan. The surplus on goods trade fell to €32bn from €38bn and that on services trade decreased to €11bn from €12bn in the previous month. (www.rttnews.com 19/04/21)

ECB implements yield curve control

As Covid-19 cases rose sharply across the eurozone in Dec. 2020, the European Central Bank increased its Pandemic Emergency Purchase Programme (PEPP) by €500bn to €1.85tr (\$600bn to \$2.2tr). It also extended the period of net asset purchases under the PEPP by nine months until March 2022. (www.centralbanking.com 19/04/21)

Fed rate-hike wagers put on back burner as blackout begins

The Fed rate-hike expectations have been aggressively reduced over the past two weeks in the Eurodollar futures market, just as policy makers enter their usual silent period before their April 28 decision. The rapid repricing has removed around 15 basis points of rate increases from the Dec. 2022 Eurodollar futures contract. (www.bloomberg.com 19/04/21)

China pledges targeted policies, necessary support for economic recovery

China will maintain the necessary support for economic recovery and implement targeted structural tax cuts and other measures to consolidate its growth momentum. China's economy grew 18.3% year on year in the first quarter of 2021, as strong domestic and foreign demand powered recovery from a low base in early 2020 when Covid-19 stalled the world's second-largest economy. (www.xinhuanet.com 19/04/21)

PBoC's Yi says central banks can contribute to net zero

The People's Bank of China plans to mandate climate risk disclosures as part of its efforts to incentivize the financial market to address climate change risk. In a speech delivered on April 15, Governor Yi Gang said central banks had a role to play in providing financial firms with "policy incentives" to make their businesses more sustainable. (www.centralbanking.com 19/04/21)

Brexit sparks 1tr UK assets switch to EU: Study

UK banks and insurers have shifted more than £1.0tr to the EU in response to Brexit, a study published on Friday found. More than 440 firms operating in the UK banking and finance sector have relocated parts of their business, moved staff or established new EU entities in response to Brexit, according to 'New Financial'. (www.news24.com 19/04/21)

BoE to consider digital money plan

Bank of England and the Treasury have announced they are setting up a taskforce to explore the possibility of a central bank digital currency. The aim is to look at the risks and opportunities involved in creating a new kind of digital money. Issued by the Bank for use by households and businesses, it would exist alongside cash and bank deposits, rather than replacing them. (www.bbc.com 19/04/21)

Bundesbank report says German economy shrank in Q1

Germany's economic output decreased in the first quarter as activity was dampened in all sectors, a monthly report from Bundesbank shows. Industrial production continued to fall in Feb. "Supply bottlenecks for raw materials must have played an important role in the decline, so that there were production delays despite the good order situation," the report said. (www.rttnews.com 19/04/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3986	(1.3820)	1.3987	(1.3822)
+USD/EUR	1.2029	(1.1980)	1.2029	(1.1980)
*GHS/USD	5.7285	(5.7290)	5.7343	(5.7348)
*GHS/GBP	8.0119	(7.9175)	8.0205	(7.9266)
*GHS/EUR	6.8902	(6.8627)	6.8976	(6.8700)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 20/04/21 (Rates for 19/04/21 in brackets)

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Japan had Y663.7bn trade deficit in March

Japan posted a merchandise trade surplus of ¥663.7bn in March, the Ministry of Finance has said. That exceeded expectations for a surplus of ¥490.0bn following a ¥215.9bn surplus in Feb. Exports jumped 16.1% on year to ¥7.378tr, beating forecasts for an increase of 11.6% following a 4.5% decline in Jan. (www.rttnews.com 18/04/21)

Bank of Israel: vaccination fuelling rapid recovery

The Bank of Israel says the advanced Covid-19 vaccination campaign in the country is fuelling a fast economic recovery. "The Israeli economy is recovering at a rapid pace, following the exit from the third lockdown," said the central bank in its policy statement. (www.centralbanking.com 19/04/21)

Portugal producer prices grew in March

Portugal's producer prices grew in March, figures from Statistics Portugal showed on Monday. The producer price index increased 0.7% year-on-year in March, after a 2.0% decline in Feb. Excluding the energy group, producer prices rose 1.7% yearly in March, following a 0.6% growth in the previous month. (www.rttnews.com 19/04/21)

NZ service sector moves to expansion – BusinessNZ

The service sector in New Zealand swung into expansion territory in March, the latest survey from BusinessNZ revealed on Monday with a Performance of Service Index score of 52.4. That's up from 49.7 in Feb. and it moved above the boom-or-bust line of 50 that separates expansion from contraction. (www.rttnews.com 18/04/21)

Ukraine's central bank orders transparency for non-bank sector

Ukraine's central bank has passed a wide-ranging regulatory order allowing it to force non-bank financial institutions to increase their transparency. The National Bank of Ukraine published the order on April 16, two days after it was passed by a board vote. (www.centralbanking.com 19/04/21)

NYSE market value surpasses the US GDP

The New York Stock Exchange's value increased due to the recent growth of the stock market amid the coronavirus pandemic. Financial website Finbold recently released data that indicated that the \$25.62tr market capitalisation of the New York Stock Exchange (NYSE) is higher than the US GDP of \$21.67tr. (www.iol.co.za 20/04/21)

Morocco's forex reserves up to \$35.3bn

Morocco's foreign exchange reserves elevated to \$35.3bn by April 9, up by 3% on yearly basis, Morocco's central bank has said. From April 8 to 14, the central bank injected \$8bn in the financial market, while the local currency dirham appreciated by 0.58% against the US dollar and remained stable against the euro. (www.xinhuanet.com 19/04/21)

Tanzania pledges strengthened cooperation with WB

Tanzanian President Samia Suluhu Hassan has pledged her country's cooperation with the World Bank, saying the bank was a catalyst for economic development. "The World Bank is supporting Tanzania in improving social services such as education and health, and in improving the infrastructure," said President Hassan. (www.xinhuanet.com 19/04/21)

Nigeria vows to shun central-bank cash amid budget squeeze

The Nigerian federal and state governments need to cut back spending to deal with a drop in revenues instead of depending on the central bank for financing, Finance Minister Zainab Ahmed has said. She denied claims that the central bank printed money to make up a N50bn (\$122m) shortfall on federal revenues. (www.bloomberg.com 19/04/21)

Ghana's economy to hit \$70bn in 2021

The size of Ghana's economy is expected to jump from US\$62.8bn to hit US\$70bn by the end of the year, Fitch Solutions, research arm of ratings agency, Fitch's April 2021 West Africa Monitor has revealed. This will translate into per capita income of US\$2,206 in 2021, from US\$2,020 recorded last year. (www.myjoyonline.com 19/04/21)

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