



Wednesday, April 21, 2021

## Central banks to pour money into economy despite sharp rebound

The aggressive rebound in global economic growth still isn't enough for most of the world's central banks to pull back on their emergency stimulus. In Bloomberg's quarterly review of monetary policy covering 90% of the world economy, the Federal Reserve, ECB and Bank of Japan are among the 16 institutions set to hold interest rates this year. ([www.bloomberg.com](http://www.bloomberg.com) 20/04/21)

## Central banks need more data and better measures on climate – BCBS

The Basel Committee on Banking Supervision, part of the Bank for International Settlements, is calling for more research and data collection on climate risks in the financial sector. In two reports published on April 14, the committee reviewed the various ways environmental risks may harm financial institutions. ([www.centralbanking.com](http://www.centralbanking.com) 20/04/21)

## China has made great strides in digital economy: IMF chief

China has made great strides in reshaping its own economy based on technology and now other emerging markets are getting a push from the same digital engines, International Monetary Fund Managing Director Kristalina Georgieva has said. The IMF's most recent forecast puts global growth at 6% this year and 4.4% in 2022. ([www.xinhuanet.com](http://www.xinhuanet.com) 20/04/21)

## China's fintech continues to grow: Fitch

Financial technology (fintech) has continued to grow in China amid regulators' increasing scrutiny in controlling risks, and the trend of rising investment and innovation in the sector will progress, according to the latest report from Fitch Ratings. China's financial institutions have actively embraced fintech to protect their franchises and broaden business opportunities. ([www.xinhuanet.com](http://www.xinhuanet.com) 20/04/21)

## FCA chief announces launch of fintech 'nursery'

The chief executive of the UK's Financial Conduct Authority, Nikhil Rathi, says the regulator will set up a 'regulatory nursery' later this year to help new players enter the market. He said new entrants currently "gain regulatory status and are treated in the same way" as firms with long track records. By contrast, the new nursery is designed to allow firms to adapt more gradually to regulatory oversight. ([www.centralbanking.com](http://www.centralbanking.com) 20/04/21)

## UK unemployment rate falls unexpectedly

Despite restrictions related to the coronavirus pandemic, the UK unemployment rate dropped unexpectedly in the three months to Feb. as the government continues its job furlough scheme. The jobless rate fell to 4.9% in the three months to Feb., the Office for National Statistics has said. ([www.rtnews.com](http://www.rtnews.com) 20/04/21)

## Germany producer price inflation highest since 2011

Germany's producer prices increased in March at the fastest pace since late 2011, driven by higher energy and intermediate product prices, Destatis has reported. Producer price inflation accelerated sharply to 3.7% in March from 1.9% in Feb. This was the biggest increase since Nov. 2011 and faster than the expected rate of 3.3%. ([www.rtnews.com](http://www.rtnews.com) 20/04/21)

## BOJ warns of risks to Japan banks from Arch egos-type overseas funds

Japanese financial institutions have become more exposed to market risks triggered by non-bank and overseas funds. Since the global financial crisis in 2018, Japan's financial sector has been linked to global market moves as foreign investment funds pile into the country and domestic banks invest more in overseas securities. ([www.reuters.com](http://www.reuters.com) 20/04/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3945	(1.3986)	1.3946	(1.3987)
+USD/EUR	1.2047	(1.2029)	1.2048	(1.2029)
*GHS/USD	5.7285	(5.7285)	5.7343	(5.7343)
*GHS/GBP	7.9884	(8.0119)	7.9970	(8.0205)
*GHS/EUR	6.9015	(6.8902)	6.9083	(6.8976)

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

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### **BOJ inflation prediction to show limits of Gov Kuroda's ultra-easy policy**

Bank of Japan is set to predict for the first time that inflation will remain well short of its 2% target beyond Governor Haruhiko Kuroda's term through early 2023, say sources familiar with its thinking. The central bank is also expected to trim this fiscal year's inflation forecast reflecting cuts in cell phone charges. ([www.reuters.com](http://www.reuters.com) 20/04/21)

### **Taiwan export orders logged strong growth in March**

Taiwan's export orders logged a double-digit growth in March but the pace of expansion slowed from Feb., the Ministry of Economic Affairs has said. Export orders advanced 33.3% year-on-year in March, smaller than the 48.5% increase logged in Feb. and 49.3% rise in Jan. ([www.rttnews.com](http://www.rttnews.com) 20/04/21)

### **Indonesia central bank keeps rates on hold**

Indonesia's central bank has kept its key interest rates unchanged to maintain the rupiah exchange rate stability amid the downbeat economic outlook. The Board of Governors decided to retain the BI 7-day reverse repo rate at 3.50%. The bank last reduced the rate by 25 basis points in Feb. ([www.rttnews.com](http://www.rttnews.com) 20/04/21)

### **Czech producer prices increased in March**

The Czech Republic's producer prices increased in March, the Czech Statistical Office has said. The industrial producer price index grew 3.3 year-on-year in March, following a 1.4% increase in Feb. Economists had expected a 2.6% rise. Prices for water supply gained 6.9% yearly in March. ([www.rttnews.com](http://www.rttnews.com) 20/04/21)

### **Greece current account gap lessened in Feb**

Greece's current account deficit declined in Feb. underpinned by an improvement in the balance of goods and primary income, the Bank of Greece has said. The current account gap fell by €314m from the last year to €840m in Feb. Driven by a 9.5% rise in exports, the visible trade deficit narrowed to €1.33bn from €1.79bn last year. ([www.rttnews.com](http://www.rttnews.com) 20/04/21)

### **Oil prices went negative a year ago. Now the glut is gone**

Panic gripped the energy market last spring as a frightening realization dawned on oil traders. The world was rapidly running out of space to store excess crude. Oil inventories in developed economies spiked to a record 3.2bn barrels in Aug. That was a whopping 256m barrels above the five-year average. ([www.cnn.com](http://www.cnn.com) 20/04/21)

### **SA: Weak start to 2021, with uneven recoveries across sectors**

Economic activity got off to a weak start this year, the South African Reserve Bank has said. The bank has released its latest set of business cycle indicators. The coincident indicator, a measure of economic activity, increased at 0.1% on a month-on-month basis in Jan. ([www.news24.com](http://www.news24.com) 20/04/21)

### **Sudan permits non-Islamic banking as it rebuilds global ties**

Sudan has approved laws to permit non-Islamic banking as the country seeks to reintegrate with the global economy. The changes will allow for a dual system of both Islamic and non-Islamic banking. Sudan's banking system was Islamicized in the 1990s. ([www.bloomberg.com](http://www.bloomberg.com) 20/04/21)

### **Zimbabwe retains 7.4% growth target**

Zimbabwe's Treasury is sticking to its economic growth estimate of 7.4%, even after the nation's president said the projection would have to be lowered. The forecast is achievable after good rains that will boost farm output to the highest in four years. The IMF expects the economy to grow 3.1% this year. ([www.bloomberg.com](http://www.bloomberg.com) 20/04/21)

### **Moody's projects 4.1% growth for Ghana in 2021**

Credit rating agency Moody's Investors Service is projecting a slower economic growth rate of 4.1% for Ghana in 2021, 0.9 percentage points lower than the government's target of 5% for the period. "We expect real GDP growth of 4.1% in 2021." ([www.ghanaweb.com](http://www.ghanaweb.com) 21/04/21)

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