



Monday, April 26, 2021

Black people in finance face ‘insidious’ racism – FCA official

A senior official at the UK’s Financial Conduct Authority has said Black people working within the financial services industry are often subject to “subtle and insidious” forms of racism. Speaking on April 22, the FCA’s Executive Director, Sheldon Mills noted many Black people face non-overt forms of racism that has prevented many from being able to succeed.

(www.centralbanking.com 23/04/21)

Euro zone bond yields nudge higher as global sentiment improves

Euro zone bond yields edged higher on Monday, reflecting brighter sentiment in world markets and a growing sense the worst may be behind for a coronavirus-battered economy. Most 10-year bond yields across the currency bloc were up 1-2 basis points on the day, while US Treasury yields were also a touch higher. While bond markets have stabilised from a US led selloff earlier this year, improving economic indicators and a pick up in the COVID-19 vaccination rollout have started to put some upward pressure on euro area borrowing costs.

(www.reuters.com 26/04/21)

UK economy set to grow faster than the US this year

Britain looks set to see faster economic growth than the US this year as the country races ahead with its vaccination programme after its slump in 2020, Goldman Sachs said on Sunday. The bank said in a note to clients that it now expects British GDP to grow by a “striking” 7.8% this year, “above our expectations for the US”. A Reuters poll of analysts published on April 13 showed an average forecast for growth of 5.0% in the UK, the world’s fifth-biggest economy in 2021. (www.reuters.com 25/04/21)

Fed must clarify future of QE, IMF says

The Federal Reserve’s lack of clarity on future asset purchases is pushing US Treasury yields higher, with important global effects, the International Monetary Fund warned. The IMF warning came in a note authored among others by Tobias Adrian, Director of the Fund’s Monetary and Capital Markets Department. The note argues uncertainty about the Fed’s quantitative easing programme, and US fiscal policy pushed yields on 10-year Treasury sharply higher earlier in 2021.

(www.centralbanking.com 23/04/21)

German IFO business confidence due

Business confidence survey data from Germany is due on Monday, headlining a light day for the European economic news. At 2.00 am ET, Statistics Finland publishes producer price data for March. (www.rttnews.com 26/04/21)

Turkish lira nears record low, rattled by US ties and rates policy

Turkey’s lira slid on Monday to near an all-time low as a chill settled on relations with the US, and after the new Central Bank Chief signalled that rate hikes would harm the economy. The currency, among the worst performers in emerging markets this year, weakened as much as 0.6% to 8.48 versus the dollar, close to its 2021 low water mark and closing in on its record of 8.58 reached in early Nov. (www.reuters.com 25/04/21)

Mexican 100-peso note wins international award

The International Bank Note Society, a non-profit collectors’ association, awarded the Mexican 100-peso banknote its “Bank Note of the Year Award” for 2020. The polymer issue was one of 24 banknotes nominated for the annual honour. The winner is chosen by the IBNS’s membership, which numbers about 2,000. (www.centralbanking.com 23/04/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3848	(1.3839)	1.3849	(1.3840)
+USD/EUR	1.2069	(1.2020)	1.2070	(1.2020)
*GHS/USD	5.7280	(5.7280)	5.7338	(5.7338)
*GHS/GBP	7.9322	(7.9270)	7.9407	(7.9355)
*GHS/EUR	6.9132	(6.8853)	6.9200	(6.8921)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 26/04/21 (Rates for 23/04/21 in brackets)

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Yuan inches up, markets await key policy meetings

China's Yuan inched up against the dollar, while investors awaited key policy meetings at home and abroad for more clues about policymakers' priorities that could affect exchange rates. Markets expect US Federal Reserve Chairman to shun talks of tapering bond purchases at this week's policy meeting, which is set to end on Wednesday, with such expectations pressuring US Treasury yields and the dollar. (www.reuters.com 26/04/21)

China's central bank conducts ¥10bn of reverse repos

China's central bank conducted ¥10bn (about \$1.54bn) of reverse repos to maintain reasonably ample liquidity in the banking system. The interest rate for the seven-day reverse repos was set at 2.2%, according to a statement on the website of the People's Bank of China. A reverse repo is a process in which the central bank purchases securities from commercial banks through bidding, with an agreement to sell them back in the future. (www.xinhuanet.com 26/04/21)

Japan's services prices rebound but outlook clouded by new COVID-19 curbs

Japan's services prices showed signs of a pick-up in March as advertising and transportation fees rose; data showed, suggesting the economy was recovering moderately from last year's severe hit as the coronavirus pandemic took hold. But the third state of emergency, rolled out on Sunday to combat a resurgence of new COVID-19 infections, clouds the outlook, with requests for retailers to close likely to hurt consumption. (www.reuters.com 26/04/21)

JGB yields rise on weak results of BOJ's bond buying

Japanese government bond (JGB) yields rose as somewhat weak results of the Bank of Japan's bond buying operation weighed on investor sentiment. The 10-year JGB yield rose 0.5 basis point to 0.070%. The 20-year JGB yield rose 0.5 basis point to 0.435%. (www.reuters.com 26/04/21)

European shares flat as weakness in autos negate mining gains

European stocks were largely flat on Monday as losses in automakers countered gains in miners, while investors braced for a busy week of corporate earnings and economic data. The pan-European STOXX 600 index inched up 0.02% in early trading after it recorded its first weekly loss in eight on Friday. (www.reuters.com 26/04/21)

Crude oil futures settle notably higher

Crude oil prices moved higher, lifting the most active crude futures contract to a firm close for the day, although the contract posted a weekly loss due to weak outlook for energy demand. West Texas Intermediate Crude futures for June ended up by \$0.71 or about 1.2% at \$62.14 a barrel. WTI crude futures shed 1.7% in the week. Brent Crude futures were up \$0.76 or 1.16% at \$66.16 a barrel a little while ago. (www.rttnews.com 23/04/21)

Growing burden of public debts on economy

"We think that debt has to be seen from the standpoint of its origins. Debt's origins come from colonialism's origins. Those who lend us money are those who had colonised us before. Under its current form, that is imperialism-controlled, debt is a cleverly managed reconquest of Africa, aiming at subjugating its growth and development through foreign rules. Thus, each one of us becomes the financial slave, which is to say a true slave." (www.guardian.ng 26/04/21)

S. Africa: 'Fragile economy can't afford more strikes' - analysts

The looming strike season over the impasse in the public sector wage negotiations could have the potential to derail South Africa's expected economic recovery this year. This week, analysts warned that strikes could override the gains made since the easing of lockdown restrictions and the vaccination rollout. "Our recovery is fragile and lower than the rest of the world. We cannot now afford to have economic activity halted again," he said. (www.iol.co.za 25/04/21)

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