



Thursday, April 29, 2021

Women lost \$800bn in income last year

The fallout from the COVID-19 pandemic has been disastrous for women. Millions of women in the world have been disproportionately affected by job losses, with many more left to bear the brunt of massive disruptions to childcare and education. Globally, women lost at least \$800bn in income last year, according to a new report from Oxfam International. (www.edition.cnn.com 29/04/21)

ECB's Centeno sees "very accommodative" monetary policy continuing

The European Central Bank's monetary policy is expected to remain "very accommodative" to prod inflation to life and help the economy recover from the COVID-19 pandemic, ECB Governing Council member Mario Centeno said. (www.reuters.com 28/04/21)

ECB's Lagarde sees rapid rebound as vaccinations take off

The euro zone economy is set for rapid growth in the second half of the year as the deployment of coronavirus vaccines surges and life starts to return to normal, European Central Bank President Christine Lagarde said. Less than a quarter of the bloc's population has received their first shot so far and much of Europe is still in economic lockdown as the immunisation campaign is progressing painfully slowly. (www.reuters.com 28/04/21)

Euro zone bond selloff pauses as Fed plays down taper talk

Euro zone government bond yields were anchored below two-month highs on Thursday after policymakers in the US suggested they would keep the stimulus taps flowing for now even in the face of a growing economy and rising inflation. (www.reuters.com 29/04/21)

Fed plays down US economic rebound

The Federal Reserve held its monetary policy steady on April 28, emphasising in a statement that the US economy is not yet ready for stimulus to be withdrawn. During the post-meeting press conference, chair Jerome Powell said the economy remained a "long way from our goals". He added: "It is likely to take some time before substantial further progress is achieved." (www.centralbanking.com 28/04/21)

Dollar discovers downsides of global growth, twin deficits

The dollar slid to nine-week lows on Thursday as a doggedly dovish outlook from the US Federal Reserve and bold spending plans from the White House gave a green light for the global reflation trade. President Joe Biden's push for another \$1.8tr in spending also risked blowing out the US budget and trade deficits. The twin deficits have long been an Achilles heel for the dollar. (www.reuters.com 29/04/21)

US Fed tames taper talk, but investors look for clues in coming months

Investors have received some reassurance that the Federal Reserve will not imminently reduce its support of the US economic recovery, but they expect the Fed to provide more concrete clues on a tapering of bond purchases in the months ahead. (www.reuters.com 29/04/21)

Germany inflation, unemployment data due

Consumer prices and unemployment data from Germany and economic confidence survey results from the euro area are due on Thursday, headlining a busy day for the European economic news. At 2.00 am ET, Destatis is set to issue import prices and unemployment figures for March. Import price inflation is seen at 6% compared to 1.4% in Feb. (www.rtnews.com 29/04/21)

| CURRENCY | BUYING | | SELLING | |
|----------|--------|----------|---------|----------|
| +USD/GBP | 1.3919 | (1.3914) | 1.3920 | (1.3915) |
| +USD/EUR | 1.2098 | (1.2081) | 1.2099 | (1.2082) |
| *GHS/USD | 5.7288 | (5.7288) | 5.7346 | (5.7346) |
| *GHS/GBP | 7.9740 | (7.9711) | 7.9825 | (7.9796) |
| *GHS/EUR | 6.9315 | (6.9212) | 6.9383 | (6.9286) |

+SOURCE: BOG INTERNAL TRANSACTION RATES: 29/04/21 (Rates for 28/04/21 in brackets)

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Asian currencies benefit from weaker dollar after Fed

Asian currencies strengthened on Thursday, benefiting from a slide in the US dollar to a near nine-week low after the US Federal Reserve maintained a dovish outlook and quashed speculation on early bond tapering. US Treasury yields fell overnight, pulling the dollar along with it, after Fed Chair Jerome Powell said "it is not time yet" to begin discussing any change in policy, implying a continuation of the central bank's accommodative policy settings. (www.reuters.com 29/04/21)

BoJ forecasts weaker inflation but stronger growth

The Bank of Japan has pared back its forecast for inflation in the 2021 fiscal year, but now estimates that growth will be stronger than previously expected. The central bank's latest forecasts, published on April 27, show policy board members expect growth of 3.6 – 4.4% in this fiscal year, which began in April. This was an upward revision from the 3.3 – 4% forecast in Jan. The board also raised its forecasts for fiscal 2022. (www.centralbanking.com 28/04/21)

MAS proposes 'unbundling digital currency stack'

The Monetary Authority of Singapore has proposed "unbundling the digital currency stack" as a possible way to allow multiple CBDCs to be hosted on the same infrastructure. In a blogpost, Toh Wee Kee, a specialist leader in distributed ledger technology at the MAS, notes m-CBDC arrangements are most effective and efficient if they run on the same platform. (www.centralbanking.com 28/04/21)

S.Korea stocks slide on profit-taking after corporate earnings

South Korean shares ended lower on Thursday, as investors booked profits following a series of corporate earnings reports from technology giants, offsetting a near 7% surge in LG Chem. Both the won and the benchmark bond yield rose. (www.reuters.com 29/04/21)

European shares seen higher as yields ease

European stocks may open higher on Thursday as US Treasury yields eased after rallying initially on upbeat consumer confidence data, progress on vaccinations and strong policy support. The pan European Stoxx 600 ended flat with a positive bias. The German DAX and the UK's FTSE 100 both rose around 0.3% while France's CAC 40 index added half a percent. (www.rttnews.com 29/04/21)

Crude oil futures settle notably higher

Crude oil prices moved higher amid hopes energy demand will see an increase in the near future. West Texas Intermediate Crude oil futures for June ended higher by \$0.92 or about 1.5% at \$63.86 a barrel, the highest closing level in six weeks. Brent crude futures were up \$0.68 or 1.03% at \$66.55 a barrel a little while ago. (www.rttnews.com 28/04/21)

Central banks play growing role as local gold buyers

An increasing number of emerging central banks are turning to local gold production to boost their holdings, and the purchases may be helping to foster better practices in the mining industry. (www.centralbanking.com 28/04/21)

SA's GDP suffered contractions of more than 4% in 2020

Finance Minister Tito Mboweni has warned that S. Africa was unlikely to reach its 2019 output levels before 2023, as the economy fell into a deeper contraction last year. Mboweni said the country's economy was among those that fell into the "severely affected" category in Africa because of Covid-19, suffering contractions of more than 4% of GDP last year. (www.iol.co.za 28/04/21)

S. Africa Consumers focus on credit card payments during pandemic

South African's focused on seeing that their credit cards were in good standing during the Covid-19 crisis by making timely payments rather than resorting to personal loans, as they shopped more online and used their cards to settle other debts, according to a new study by TransUnion. (www.iol.co.za 29/04/21)

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