



Thursday, May 06, 2021

Eurozone private sector growth accelerated in April

The euro area private sector economy expanded further in April driven by gains in both manufacturing and service sectors. The composite output index rose to 53.8 in April from 53.2 in the previous month. The flash reading was 53.7. The final services PMI came in at 50.5, up from 49.6 a month ago. (www.rttnews.com 05/05/21)

ECB's lane rebuffs prospect of lasting surge in inflation

European Central Bank (ECB) chief economist Philip Lane played down mounting global inflation pressures, saying price gains won't stage a lasting comeback in the eurozone. Speaking at the Official Monetary and Financial Institutions Forum, Lane said the inflation resurgence seen this year is largely a reaction to last year's negative shock. (www.bloomberg.com 05/05/21)

Fed's Evans says policy likely on hold for some time

Though much more optimistic about US economic growth and unemployment than just a few months ago, Chicago Federal Reserve Bank President Charles Evans has reiterated his worries about reaching the Fed's 2% inflation goal and said he expects monetary policy to stay super-easy for some time. (www.reuters.com 05/05/21)

US services index unexpectedly pulls back off all-time in April

After reporting an unexpected slowdown in US manufacturing growth earlier this week, the Institute for Supply Management (ISM) has released a report showing the pace of US service sector growth unexpectedly slowed in the month of April. The ISM said its services PMI edged down to 62.7 in April after jumping to an all-time high of 63.7 in March. (www.rttnews.com 05/05/21)

China's trade surplus at ¥60.9bn in March

China's international goods and services trade surplus stood at ¥60.9bn (about \$9.42bn) in March, official data show. The country's trade income amounted to over ¥1.72tr, and expenditure stood at about ¥1.66tr, according to data released by the State Administration of Foreign Exchange. (www.xinhuanet.com 05/05/21)

China 'indefinitely' suspends key economic dialogue with Australia

China has "indefinitely" suspended key economic dialogue with Australia, the latest in a growing diplomatic rift between both countries. Relations have been on the decline since Australia called for a probe into the origins of the virus and banned Huawei from building its 5G network. Last year, China imposed sanctions on Australian goods like wine and beef. (www.bbc.com 06/05/21)

BoE watchers look for signs of tightening ahead: Decision Guide

The Bank of England may add fuel to investors' expectations that its next move will be to tighten monetary policy rather than provide fresh stimulus to the economy as the pandemic eases. The UK central bank is set to significantly upgrade its growth outlook as the debate shifts away from whether it should cut interest rates below zero to how fast can the economy recoup its pandemic-induced losses. (www.bloomberg.com 06/05/21)

Goldman Sachs tells bankers to return to office in June

Goldman Sachs has told its UK bankers they need to be ready to return to the office in June. While for many working from home has become normal, Goldman boss David Solomon previously described it as "an aberration". But rival investment bank JP Morgan is planning for "significantly" less office space. (www.bbc.com 05/05/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3907	(1.3873)	1.3908	(1.3874)
+USD/EUR	1.2002	(1.2018)	1.2003	(1.2019)
*GHS/USD	5.7289	(5.7291)	5.7347	(5.7349)
*GHS/GBP	7.9672	(7.9480)	7.9758	(7.9566)
*GHS/EUR	6.8766	(6.8850)	6.8834	(6.8924)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 06/05/21 (Rates for 05/05/21 in brackets)

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India central bank unveils measures to counter Covid-19 impact

India's central bank has unveiled a slew of measures as the second wave of the coronavirus pandemic cause severe strains on healthcare and medical facilities. In an unscheduled speech, Reserve Bank of India Governor Shaktikanta Das announced that the central bank will provide an on-tap liquidity window of INR 500bn, in order to provide immediate liquidity to the emergency healthcare infrastructure and services. (www.rttnews.com 05/05/21)

Germany's factory orders growth accelerated in March

Germany's factory orders growth accelerated more than expected in March. Factory orders increased 3% month-on-month in March, faster than the revised 1.4% increase seen in Feb. Orders were expected to climb 1.7%. On a yearly basis, new order growth increased sharply to 27.8% from 5.8% in the previous month. (www.rttnews.com 05/05/21)

Spain unemployment fell for second straight month in April

Spain's unemployment decreased for the second straight month in April with the easing of restrictions related to the coronavirus pandemic. Unemployment fell by 39,012, or 0.99%, in April from the previous month. This followed a decline of 59,149 in March. (www.rttnews.com 05/05/21)

Sweden services growth strengthened in April

Sweden's services sector activity expanded at a faster pace in April. The Purchasing Managers' Index for the services sector rose to 65.6 in April from a revised 61.9 in March. (www.rttnews.com 05/05/21)

Thai central bank holds key rate

Thailand's central bank has kept its key interest rate unchanged at a record low, as widely expected. The Monetary Policy Committee of Bank of Thailand unanimously decided to retain the interest rate at 0.50%. (www.rttnews.com 05/05/21)

Oil prices rise on drawdown in US crude inventory

Oil prices edged higher on Thursday, recouping early losses, as crude stockpiles in the United States, the world's largest oil consumer, fell more sharply than expected as refining output rose and exports surged. Brent crude oil futures rose by 17 cents, or 0.3%, to \$69.13 a barrel by 0643 GMT, and US West Texas Intermediate crude futures gained by 9 cents, or 0.1%, to \$65.72 a barrel. (www.reuters.com 06/05/21)

Africa faces fiscal bind without more IMF special drawing rights

The International Monetary Fund's additional special drawing rights of \$33bn allotted to Africa fall short of what the continent needs to tackle the fallout from the coronavirus pandemic. The continent is urging the IMF to reallocate significant amounts of Special Drawing Rights meant for rich nations that don't need them to poor nations, according to Donald Kaberuka, a special African Union envoy for the coronavirus pandemic. (www.bloomberg.com 05/05/21)

S. African telecom operator MTN's Q1 revenue jumps 18%

Mobile operator MTN Group has posted a near 18% jump in first-quarter revenue, led by a double-digit growth in commercial operations across South Africa, Nigeria and Ghana. The company's revenue for the quarter ended March 31 was up 17.8% at 42.3bn rand (\$2.93bn). (www.af.reuters.com 05/05/21)

Kenya's foreign direct investment posts double-digit fall in 2020 due to COVID-19

Kenya's foreign direct investment declined 18% in 2020 as compared to 2019 due to disruptions caused by the COVID-19 pandemic, the country's investment agency has said. Moses Ikiara, managing director of Kenya Investment Authority (KenInvest), told Xinhua in Nairobi that total investments in Kenya are estimated at 140bn shillings (about \$1.31bn) in 2020. (www.xinhuanet.com 05/05/21)

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