



Friday, May 07, 2021

Eurozone retail sales rise for second month

Eurozone retail sales grew for the second straight month in March, but the pace of growth weakened from Feb. Retail sales rose 2.7% in March from Feb., when the volume was up 4.2%. On a yearly basis, retail sales rebounded 12%, following a 1.5% drop in Feb. (www.rttnews.com 06/05/21)

US households and businesses facing unequal recovery, Fed report finds

Businesses and households improved their balance sheets late last year with the help of government support, but some consumers and the smallest businesses continued to struggle, according to a report released by the Federal Reserve. (www.reuters.com 06/05/21)

US jobless claims drop more than expected, falling below 500,000

With the more closely watched monthly jobs report looming, the Labor Department has released a report showing first-time claims for US unemployment benefits fell by much more than expected in the week ended May 1st. The report said initial jobless claims slid to 498,000, a decrease of 92,000 from the previous week's revised level of 590,000. Economists had expected initial jobless claims to edge down to 540,000 from 553,000 originally reported for the previous week. (www.rttnews.com 06/05/21)

China's exports soar as US recovers and India stalls

China's exports unexpectedly surged last month as America's speedy recovery from the pandemic spurred demand. Stalled factory production in India, as the country struggles with a coronavirus crisis, also helped boost the global market for Chinese goods. China's exports in dollar terms surged by more than 32% from a year earlier to almost \$264bn (£190bn). (www.bbc.com 07/05/21)

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

China's central bank has conducted ¥10bn (about \$1.5bn) 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%. (www.xinhuanet.com 06/05/21)

BoE slows bond purchases, raises near-term GDP outlook

The Bank of England has decided to slow its government bond purchase programme amid rising optimism about the economic outlook with the easing of restrictions related to the coronavirus pandemic. The nine-member Monetary Policy Committee unanimously decided to leave the key interest rate unchanged at 0.10%. The bank raised the growth projections from its Feb. report and lowered its forecast for unemployment. (www.rttnews.com 06/05/21)

UK economy set to grow at fastest rate in more than 70 years

The UK economy will enjoy its fastest growth in more than 70 years in 2021 as Covid-19 restrictions are lifted, according to the Bank of England. The economy is expected to expand by 7.25% this year, with extra government spending helping to limit job losses. However, it follows a contraction of 9.9% in 2020, the biggest in 300 years. (www.bbc.com 06/05/21)

Japan services PMI improved to 49.5 in April – Jibun

The services sector in Japan continued to contract in April, albeit at a slower pace, the latest survey from Jibun Bank has revealed, with a service PMI score of 49.5. That's up from 48.3 in March, although it remains slightly below the boom-or-bust line of 50 that separates expansion from contraction. (www.rttnews.com 06/05/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3879	(1.3907)	1.3880	(1.3908)
+USD/EUR	1.2055	(1.2002)	1.2056	(1.2003)
*GHS/USD	5.7289	(5.7289)	5.7347	(5.7347)
*GHS/GBP	7.9512	(7.9672)	7.9597	(7.9758)
*GHS/EUR	6.9063	(6.8766)	6.9131	(6.8834)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 07/05/21 (Rates for 06/05/21 in brackets)

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Germany construction sector shrinks further

Germany's construction sector continued to decline in April, survey data from IHS Markit show. The Purchasing Managers' Index for the construction sector fell to 46.2 in April from 47.5 in March. (www.rttnews.com 06/05/21)

Malaysia's central bank keeps rate on hold

Malaysia's central bank has decided to keep the rate unchanged as policymakers said the current stance is appropriate and accommodative. The Monetary Policy Committee of Bank Negara Malaysia decided to maintain the overnight policy rate at 1.75%, as expected. (www.rttnews.com 06/05/21)

Turkish central bank holds rate steady

Turkey's central bank has left its key interest rate unchanged for a second policy session in a row. The Monetary Policy Committee, led by the new Governor, Sahap Kavcioglu, kept the one-week repo rate unchanged at 19%. That was in line with economists' expectations. (www.rttnews.com 06/05/21)

Brazilian central bank hikes rates as inflation rises

The Central Bank of Brazil's board increased the key Selic rate by 75 basis points to 3.5% after its monetary policy meeting on May 5. The central bank board said it was likely to follow its unanimous decision with another raise at its next meeting, scheduled for June 16. The monetary policy statement said the board foresaw "another adjustment of the same magnitude in the degree of monetary stimulus". (www.centralbanking.com 06/05/21)

Norway sticks with outlook for 2021 rate hike as economy reopens

Norway's central bank says it's still on track to begin the first interest-rate tightening cycles of the advanced world since the coronavirus crisis struck, despite ongoing uncertainty over the economy's recovery. The Oslo-based Norges Bank kept its benchmark deposit rate at zero, as predicted by all economists in a survey. (www.bloomberg.com 06/05/21)

Oil heads for back-to-back weekly surge as commodities run hot

Oil headed for a second straight weekly advance as investors bet on rising energy demand amid a broad rally in commodities, with robust trade data from China highlighting the strength of the global economy. The US benchmark has risen 2.5% this week and is on pace for the first back-to-back weekly increase since early March as vaccine-aided economic activity picks up in the US, Europe and China. (www.bloomberg.com 06/05/21)

S. Africa's net foreign reserves rise to \$51.504bn in April

South Africa's net foreign reserves rose to \$51.504bn in April from \$50.877bn in March, the Reserve Bank has said. Gross reserves also edged higher to \$53.689bn in April from \$52.995bn in March. (www.reuters.com 07/05/21)

S. Africa's rand steadies ahead of US jobs report

The South African rand steadied in early trade on Thursday, with investors' focus on a key US jobs report which may provide clues on when the Federal Reserve will dial back monetary stimulus. (www.reuters.com 06/05/21)

Moody's places Nigeria's First Bank on review for downgrade

Ratings agency Moody's says it has placed First Bank of Nigeria on review for downgrade after the central bank sacked the board of the lender and its parent and appointed new directors. The "Review will focus primarily on an assessment of evolving governance considerations at First Bank, specifically corporate governance developments," Moody's said. (www.reuters.com 06/05/21)

Zimbabwe to list bond on local bourse for first time in 20 years

Zimbabwe plans to list a bond on the local exchange for the first time in 20 years to raise funds for the expansion and upgrade of a main highway that links the country to its largest trading partner, South Africa. (www.bloomberg.com 06/05/21)

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