



Tuesday, May 11, 2021

Central banks have limited tools to tackle inequality – Carstens

Inequality is a growing issue for central banks but one that they can only partially address, Agustín Carstens said in a recent speech. Income inequality has risen in both advanced economies and emerging markets, the Bank for International Settlements General Manager said on May 6. At the same time, the word ‘inequality’ has appeared more frequently in central bankers’ speeches. “Central banks are concerned about inequality,” said Carstens. (www.centralbanking.com 10/05/21)

Euro zone bond yields tick up, inflation expectations rise

Most euro zone bond yields edged slightly up as investors returned their focus to a brighter economic outlook and its implications for central bank policy after large swings following Friday’s US non-farm payrolls data. Rising crude oil prices after a major cyberattack forced the shutdown of critical fuel supply pipelines in the US meanwhile fuelled euro zone inflation expectations. (www.reuters.com 10/05/21)

Fed’s Bostic says economic inclusion goals shape policy

Raphael Bostic told researchers on May 6 that economic inclusion “animates my thinking about monetary policy”, especially the Fed’s mandate to achieve full employment. He added that “economic inclusion is among the defining economic issues of our time”. (www.centralbanking.com 10/05/21)

US Fed should require banks to hold more cash for climate risks -Think Tank

The US Federal Reserve should force banks to hold more cash to guard against potential losses due to climate change and possible steps to fight it, one of Washington's top liberal think tanks said on Tuesday. (www.reuters.com 11/05/21)

Biden says unemployed offered jobs must take them or lose benefits

US President Joe Biden defended himself against critics who say expanded unemployment benefits offered in the COVID-19 relief bill passed in March are keeping Americans from taking new jobs. Biden said the administration will remind US states this week that any unemployed American offered a comparable job must take it or risk losing unemployment benefits. (www.reuters.com 10/05/21)

Germany ZEW economic confidence data due

Economic confidence survey data from Germany is due on Tuesday, headlining a light day for the European economic news. At 2.00 am ET, Destatis releases Germany's wholesale prices for April. Prices had increased 4.4% annually in March. (www.rttnews.com 11/05/21)

Pandemic did not harm public trust in Dutch banks – DNB survey

Dutch citizens’ trust in their country’s financial system has not been affected by the pandemic, according to a survey published by the Netherlands Bank (DNB). This is in stark contrast with more negative perceptions of both politics and big tech companies. “When asked whether the Covid-19 pandemic had affected their confidence in financial institutions, a large majority of the households said this was not the case,” says the survey. (www.centralbanking.com 10/05/21)

Norway plans record election year spending from wealth fund

Norway should spend a record amount of cash from its \$1.3tr sovereign wealth fund this year as it continues to battle the pandemic’s economic impact, the centre-right minority coalition government told parliament on Tuesday. (www.reuters.com 11/05/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.4133	(1.3990)	1.4134	(1.3991)
+USD/EUR	1.2153	(1.2148)	1.2154	(1.2148)
*GHS/USD	5.7282	(5.7287)	5.7340	(5.7345)
*GHS/GBP	8.0957	(8.0145)	8.1044	(8.0231)
*GHS/EUR	6.9623	(6.9594)	6.9685	(6.9663)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 11/05/21 (Rates for 10/05/21 in brackets)

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China's inflation rises moderately; PPI inflation highest since 2017

China's consumer price inflation rose moderately at a slower-than-expected pace in April, while producer prices grew at the fastest pace in more than three years driven by higher commodity prices. Consumer price inflation rose to 0.9% in April from 0.4% in March, the National Bureau of Statistics reported Tuesday. (www.rttnews.com 11/05/21)

China demographic crisis looms as population growth slips to lowest ever

China's population grew at its slowest since the 1950s as births declined, sowing doubt over Beijing's ability to power its economy as it succumbs to the same ageing trends afflicting developed nations like Japan. (www.reuters.com 11/05/21)

Philippine economic slump extends into Q1, but signs of recovery emerge

The Philippine economy shrank more than expected in the first quarter, though sequential momentum showed a recovery was underway and suggested the central bank will keep rates at a record low at this week's policy review to support the revival. GDP fell 4.2% in the March quarter from a year earlier, the statistics agency said, worse than the median estimate of a 3.0% contraction in a Reuter's poll. (www.reuters.com 11/05/21)

India's Covid-19 catastrophe could make global shortages even worse

A terrifying and record-breaking wave of Covid-19 in India threatens to stall the country's economic recovery and send shockwaves through several important global industries. Asia's third largest economy has been struggling for weeks to control the devastating surge. Hundreds of thousands of new cases are reported every day, and economists are rethinking their forecasts for double-digit growth this year a troubling sign for a country that plunged into recession last year for the first time in nearly a quarter of a century after the government imposed a nationwide lockdown.

(www.edition.cnn.com 11/05/21)

Inflation nerves hit European stocks; Evolution Gaming tumbles

European stocks retreated from all-time highs on Friday, with shares of technology, travel and mining companies among the top losers after worries about rising US inflation knocked back US indexes. The pan-European STOXX 600 index fell 1.6% after it hit a record closing high on Monday. (www.reuters.com 11/05/21)

Oil futures settle slightly higher

Crude oil futures closed marginally higher, recovering after a fall from higher levels, due largely to news about the shutdown of critical fuel supply pipelines in the US following a major cyberattack. West Texas Intermediate Crude oil futures for June ended up \$0.02 or 0.02% at \$64.92 a barrel, after falling to a low of \$63.95 a barrel around late morning. Brent crude futures edged up by 4 cents to \$68.32 a barrel. (www.rttnews.com 10/05/21)

IMF reports 'notable progress' in talks with Zambia on credit facility

The International Monetary Fund said that there had been "notable progress" in talks with the Zambian government on key policy measures to address macroeconomic imbalances as part of negotiations for an extended credit facility. The IMF said in a statement that it looked forward to continuing discussions over the facility as important measures were taken.

(www.reuters.com 10/05/21)

Ghana Stock Exchange leads African equity markets with 5.24% gain

The Ghana Stock Exchange (GSE) once again led African equity markets as the local bourse gained 5.24% returns this week. Generally, bullish sentiments prevailed on African equity markets for this week. Among the 17 markets covered, only the Nigerian Securities Exchange (NSE) retreated. BRVM – Bulls remained in control in Abidjan as equities on the Western Africa regional exchange advanced for the sixth week in a row. Overall, the Composite Index gained another 2.53% WoW to close at 154.18.

(www.norvanreports.com 10/05/21)

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