



Thursday, June 03, 2021

Global home prices rise most since 2006, fueling bubble concerns

Housing prices worldwide are rising the most since before the global financial crisis, following a market frenzy seen in places from New Zealand to Canada to Singapore during the pandemic. Average prices jumped 7.3% in the 12 months to March, the fastest pace since the fourth quarter of 2006, Knight Frank's Global House Price Index report showed Thursday. (www.bloomberg.com 03/06/21)

Eurozone producer price inflation (PPI) accelerated sharply in April

Eurozone producer price inflation accelerated sharply in April driven by higher energy prices, data from Eurostat show. The PPI rose to 7.6% in April from 4.3% in March. This was bigger than economists' forecast of 7.3%. Excluding energy, producer prices rose 3.5% on year, following a 2.3% increase in March. (www.rttnews.com 02/06/21)

Eurozone manufacturing growth at record high

Euro area manufacturing expanded at a record rate in May, led by continued solid growth in output and new orders, latest survey data from IHS Markit confirmed on Tuesday. The final eurozone manufacturing purchasing managers' index rose to 63.1 in May from 62.9 in April. The flash reading for the index was 62.8. (www.rttnews.com 01/06/21)

US Treasury says G7 expected to endorse US global minimum tax proposal

The G7 wealthy democracies are expected to endorse Washington's proposal for an ambitious global corporate minimum tax when their leaders meet later this week in Britain, a US Treasury official has said. The Treasury will be meeting the G7 to advance global corporate tax negotiations toward a broader G20 finance meeting in July in Italy. (www.reuters.com 03/06/21)

Amid hiring troubles, rising prices, US growth gains speed – Fed

The US economic recovery accelerated recently even as a long list of supply chain troubles, hiring difficulties and rising prices cascaded through the country, the Fed has said in its latest review of economic conditions. The economy grew at a "somewhat faster rate" from early to late May, the Fed reported in its Beige Book summary of anecdotal reports about the economy. (www.reuters.com 03/06/21)

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

China's central bank on Wednesday conducted ¥10bn (about \$1.57bn) 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 the central bank. (www.xinhuanet.com 02/06/21)

Japan services PMI fell to 46.5 in May – Jibun

The services sector in Japan continued to contract in May, and at a faster pace, the latest survey from Jibun Bank has revealed, with a services PMI score of 46.5. That's up from 49.5 in April and it moves further beneath the boom-or-bust line of 50 that separates expansion from contraction. New business declined at a faster pace in the latest survey period. (www.rttnews.com 02/06/21)

Bank of France steps up call for disclosure of climate risks

Governor Francois Villeroy de Galhau's call ahead of a G7 finance ministers' meeting is part of call for action from central bankers and regulators to prod financial companies into reducing their support for polluters that contribute to global warming. "Disclosure should become mandatory, at least as a first step for financial institutions", Villeroy said. (www.bloomberg.com 02/06/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.4179	(1.4170)	1.4180	(1.4171)
+USD/EUR	1.2217	(1.2249)	1.2218	(1.2250)
*GHS/USD	5.7443	(5.7443)	5.7501	(5.7501)
*GHS/GBP	8.1449	(8.1397)	8.1536	(8.1484)
*GHS/EUR	7.0178	(7.0364)	7.0247	(7.0433)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 03/06/21 (Rates for 02/06/21 in brackets)

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Spain unemployment declines most since 1996

Spain's unemployment logged its biggest drop since the historical series began in 1996, the labour ministry said on Wednesday. The number of registered unemployed fell by 129,378 from the previous month to 3.78m in May, following April's decline of 39,012. In the same period last year, unemployment grew by 26,573. (www.rttnews.com 02/06/21)

Turkey central bank pushes back against premature rate cut fears

Turkey's central bank Governor Sahap Kavcioglu has told investors that fears of a premature interest rate cut are unjust. "Expectations for an early easing of policy, which aren't based on a just reasoning, need to disappear," Kavcioglu has said. (www.bloomberg.com 02/06/21)

Indian central bank seen retaining low rates policy: decision guide

India's monetary policy makers will likely maintain interest rates at a record low for a sixth straight meeting, while retaining their dovish bias for as long as needed to revive the economy from the pandemic. The Reserve Bank of India's MPC will keep the benchmark repurchase rate at 4% on Friday. (www.bloomberg.com 03/06/21)

Indonesia consumer prices rise more than expected in May

Indonesia's consumer prices increased more than expected in May, the statistics bureau has said. Consumer prices rose 1.68% year-on-year in May. Economists had expected a 1.67% rise. Core inflation was 1.37% in May which was above the 1.28% economists had forecast. (www.rttnews.com 02/06/21)

Iran dismisses central bank Governor

The Iranian government removed Abdolnaser Hemmati as Governor of the Central Bank of Iran on May 30, after three years in the post. The Iranian president's office reported that the Deputy Governor, Akbar Komeijani, will act as Governor. (www.centralbanking.com 01/06/21)

Oil rises for a third day on expectations for fuel demand pickup

Oil prices rose for a third day on Thursday on expectations for a surge in fuel demand, particularly in the US and Europe and China, later this year. At the same time major producers are maintaining supply discipline. Brent crude futures were up 49 cents, or 0.7%, at \$71.84 a barrel by 0233 GMT. (www.reuters.com 03/06/21)

Recovery in SA economy vital for tourism – Basa

The recovery of the South African economy was critical for the improved bankability of the country's tourism businesses, the Banking Association of South Africa has said, linking it to the government's administration of the Covid-19 vaccine roll-out, because it would drive the sector. (www.iol.co.za 02/06/21)

SA: Record unemployment rate data hinders rand's rally against the dollar

The rand lost steam yesterday and retreated 4c to R13.76 against a softer dollar yesterday by 5pm as data showed that South Africa's unemployment rate hit a new record 13-year high in the first quarter, having touched a near 2-year high of R13.69 earlier in the day. (www.iol.co.za 02/06/21)

Kenya plans to increase labour exports to boost remittances: official

Kenya plans to boost labour exports in order to enhance remittances from the diaspora, a senior government official has said. Data shows the East African nation earned 309bn Kenyan shillings (about \$2.9bn) in remittances in 2020. (www.xinhuanet.com 03/06/21)

Senegal to use Eurobond proceeds for fund spurred by youth riots

Senegal will use part of the proceeds of a Eurobond sale for a new fund created in response to protests that engulfed the West African nation earlier this year. The fund of 450bn CFA francs (\$836m) aims to address youth unemployment by supporting small- and micro-enterprises. (www.bloomberg.com 02/06/21)

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