



Friday, July 09, 2021

Global tax deal will survive Europe digital-tax plan, OECD says

The EU's plan to propose a new digital-services tax is unlikely to undermine global talks aimed at eliminating such levies, according to the head of the international group spearheading the discussions. "I know for a fact that the EU is very conscious of the importance of this deal on international tax reform," Mathias Cormann, secretary-general of the OECD said. (www.bloomberg.com 08/07/21)

Global food costs finally drop after surge to decade high

Global food prices fell for the first time in a year, potentially offering some relief for consumers and easing inflationary pressures. A UN gauge of food costs dropped 2.5% in June, easing from a nine-year high and marking the first decline since May 2020. Prices of vegetable oils and cereals declined during the month, offsetting gains in meat and sugar. (www.bloomberg.com 08/07/21)

IMF chief upbeat on growth prospects in central and eastern Europe

The economies of countries in central and Eastern Europe will grow at a faster rate than those in Western Europe in the next few years, International Monetary Fund Managing Director Kristalina Georgieva has said. She told a summit of the Three Seas Initiative of 12 European Union member states that are mainly in central and Eastern Europe. (www.reuters.com 08/07/21)

ECB adopts 2% symmetric inflation target

The European Central Bank has adopted a 2% symmetric inflation target after the conclusion of its strategy review, it has announced. As reported by Central Banking on July 6, the ECB's governing council decided to avoid the move following the US Federal Reserve's stance and adopt average inflation targeting. (www.centralbanking.com 08/07/21)

US jobless claims unexpectedly rose, overall trend points lower

The number of Americans filing new claims for unemployment benefits rose slightly last week but continuing claims dropped, another indication that the labour market recovery from the Covid-19 pandemic continues to be choppy. Initial claims for state unemployment benefits rose 2,000 to a seasonally adjusted 373,000 for the week ended July 3, the Labor Department has said. (www.reuters.com 08/07/21)

China's forex reserves fell in June

China's foreign exchange reserves shrank to \$3.214tr at the end of June, down \$7.8bn from a month earlier. The amount fell by 0.24% from the end of May, according to the State Administration of Foreign Exchange (SAFE). In June, the forex market maintained stable operation, with rational transactions, said SAFE spokesperson Wang Chunying. (www.xinhuanet.com 07/07/21)

UK regulators propose new policies to foster diversity

A group of the UK's financial regulators have outlined a series of policy measures to improve levels of diversity and inclusion in the financial sector. In a discussion paper published on July 7, the regulators said that they did not intend to "prescribe a 'one size fits all' approach", but believed a policy approach nevertheless has an "essential part to play in driving the needed change". (www.centralbanking.com 07/07/21)

German exports log marginal growth; imports recover

Germany's exports expanded at a marginal pace in May, while imports grew after falling in April, data from Destatis revealed on Thursday. Exports grew only 0.3% month-on-month in May, following a 0.2% rise in April. Economists had forecast an increase of 0.6%. (www.rttnews.com 08/07/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3761	(1.3779)	1.3762	(1.3780)
+USD/EUR	1.1840	(1.1794)	1.1841	(1.1794)
*GHS/USD	5.7651	(5.7621)	5.7709	(5.7679)
*GHS/GBP	7.9334	(7.9396)	7.9419	(7.9481)
*GHS/EUR	6.8262	(6.7959)	6.8329	(6.8026)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 09/07/21 (Rates for 08/07/21 in brackets)

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Japan overall bank lending climbed 1.4% on year in June

The value of overall bank lending in Japan was up 1.4% on year in June, coming in at ¥577.832tr. That follows a downwardly revised 2.8% increase in May (originally 2.9%). Excluding trusts, bank lending rose an annual 0.8% to ¥501.459tr while lending from trusts climbed 5.6% on year to ¥76.373tr. (www.rttnews.com 07/07/21)

Malaysia keeps rate on hold amid lockdown

Malaysia held its benchmark interest rate at a record low on Thursday, maintaining support for the economy amid mounting political instability and a prolonged virus lockdown. Bank Negara Malaysia kept the overnight policy rate at 1.75%, a decision expected by 19 of 21 economists surveyed by Bloomberg. (www.bloomberg.com 08/07/21)

Taiwan inflation eased in June

Taiwan's consumer price inflation eased in June, data released by the Directorate General of Budget, Accounting & Statistics revealed on Wednesday. Consumer prices rose 1.89% year-on-year in June, after 2.48% increase in May. The indices for fuels and lubricants surged 27.78% due to a relatively lower comparison base. (www.rttnews.com 06/07/21)

Sri Lanka central bank imposes capital controls

The Central Bank of Sri Lanka announced new capital controls on July 2, limiting the movement of foreign currency out of the country for six months. The move comes as Sri Lanka faces a depreciating currency, a fragile reserve position and an increasing risk of default. (www.centralbanking.com 07/07/21)

Estonia inflation rose in June

Estonia's consumer prices increased in June, data from Statistics Estonia showed on Monday. The consumer price index rose 3.8% year-on-year in June, after a 3.6% rise in May. The latest inflation was mainly due to higher prices of motor fuels. Diesel fuel prices grew 21.4% and petrol prices rose by 19.1%. (www.rttnews.com 06/07/21)

Oil prices extend losses as OPEC+ uncertainty lingers

Oil prices fell for a third day on Thursday amid uncertainty over supply after the collapse this week of talks among major producers which could potentially cause the current output agreement to be abandoned. Brent crude oil futures slipped by 23 cents, or 0.3%, to \$73.20 a barrel by 0644 GMT, (www.reuters.com 08/07/21)

AfDB to support creation of agricultural value chains in Côte d'Ivoire

The African Development Bank will support Côte d'Ivoire in creating agricultural value chains to create more jobs and make economic growth more inclusive, the bank's president, Dr. Akinwumi A. Adesina said on Tuesday during a meeting with Ivorian Prime Minister Patrick Achi. (www.ghanaweb.com 08/07/21)

Remittances of Egypt's expats up by 10.5%

The remittances of Egyptian expatriates rose by 10.5% in the first 10 months of the fiscal year 2020-2021 to \$25.8bn up from \$23.4bn last year, the Central Bank of Egypt has said. The statement also reported a rise in April's remittance by 34% compared to the same month in 2020. (www.xinhuanet.com 08/07/21)

Botswana breaks own diamond record with new discovery

A huge rough diamond, an impressive stone with a silvery sheen that fits in the palm of a hand, was discovered in June in Botswana, the Canadian company Lucara has said. The 1,174-carat gem, discovered on June 12, steals third place on the podium of the world's largest diamonds. (www.africanews.com 08/07/21)

Ghana: We'll firmly stabilize cedi with all resources – BoG

The Bank of Ghana has stated that it will do everything possible to ensure that the cedi is stabilized despite pressure from external factors such as the impact of Covid-19 on trading. The BoG has given an assurance that it will use all its resources and tools to guard the cedi against the dwindling pressure it is being faced with. (www.ghanaweb.com 08/07/21)

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