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G20 warns of economic risk from COVID variants

The group of 20 rich countries has said that the economic outlook had improved since they last met in April but warned that new COVID-19 variants could threaten the recovery. “We reaffirm our resolve to use all available policy tools for as long as required to address the adverse consequences of the coronavirus pandemic,” noted the group of 20 rich countries. (www.reuters.com 10/07/21)

ECB’s Schnabel is sure inflation won’t get ‘excessively high’

Eurozone inflation will remain subdued in coming years and won’t turn out “excessively high” even after the current surge in Germany toward 4%, according to European Central Bank Executive Board member Isabel Schnabel. Her remark follows the revelation that the 2023 forecast she described is perceived widely among Governing Council members as facing “upside risks.” (www.bloomberg.com 10/07/21)

ECB officials see upside risk to medium-term inflation

European Central Bank (ECB) officials reckon inflation could turn out higher than expected in the coming years, underscoring how much uncertainty the economy still faces as it rebounds from the pandemic. The ECB’s inflation projection of 1.4% for 2023 was widely seen as subject to upward risks. (www.bloomberg.com 10/07/21)

Biden signs order to tackle corporate abuses across US economy

President Joe Biden has signed a sweeping executive order to promote more competition in the US economy, urging agencies to crack down on anti-competitive practices in sectors from agriculture to drugs and labor. If fully implemented, it will help Americans focus on labor, healthcare, technology and agriculture. (www.reuters.com 10/07/21)

China's PPI growth edges down in June with more balanced supply, demand

China's producer prices registered slower growth in June amid the country's continuous efforts to ensure supply and stabilize prices of raw materials, official data shows. China's PPI which measures costs for goods at the factory gate, went up 8.8% year on year in June, falling from the 9% growth in May, according to the National Bureau of Statistics. (www.xinhuanet.com 09/07/21)

PBOC pivots to easing as growth risks build

China’s central bank has cut the amount of cash most banks must hold in reserve, a move that went further than many economists had expected. The People’s Bank of China will reduce the reserve requirement ratio by 0.5 percentage point for most banks, according to a statement. That will unleash about ¥1tr (\$154bn) of long-term liquidity into the economy and will be effective on July 15. (www.bloomberg.com 09/07/21)

UK economic growth slowed in May

The UK's economy grew more slowly than expected in May after a rebound in the hospitality sector was offset by disruptions to car production. The economy expanded by 0.8% in May as coronavirus restrictions eased to allow pubs and restaurants to serve indoors. While that was the fourth consecutive month of growth, it was also a slowdown from the 2% growth seen in April. (www.bbc.com 09/07/21)

Japan to deploy economic stimulus

Japan stands ready to pump more money into the economy to ease the pain of a prolonged pandemic, government spokesman has said, nodding to growing political calls for additional stimulus to prop up growth. Less than two weeks before hosting the Olympics, Tokyo goes into its fourth COVID-19 state of emergency from Monday through Aug. 22. (www.reuters.com 11/07/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3847	(1.3761)	1.3848	(1.3762)
+USD/EUR	1.1867	(1.1840)	1.1867	(1.1841)
*GHS/USD	5.7773	(5.7651)	5.7831	(5.7709)
*GHS/GBP	7.9998	(7.9334)	8.0084	(7.9419)
*GHS/EUR	6.8562	(6.8262)	6.8630	(6.8329)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 12/07/21 (Rates for 09/07/21 in brackets)

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France pushes for 25% target for taxing multinationals' super-profits

Countries should be able to tax a quarter of big multinationals' profits no matter where they are earned, France proposed at a G20 finance ministers meeting focused on overhauling the rules for cross-border corporate taxation. G20 finance chiefs formally endorsed and set a global minimum corporate tax rate of 15%. (www.reuters.com 10/07/21)

Rising inflation dashes expectations of rate cut in Turkey

Soaring inflation in Turkey dashes hopes of an interest rate cut wanted by Turkish President Recep Tayyip Erdogan amid an expected wave of price hikes in the coming months, experts said. Turkey's consumer price inflation accelerated to 17.53% year-on-year in June, the highest level in over two years. (www.xinhuanet.com 09/07/21)

Portugal trade deficit widened in May

Portugal's trade deficit widened in May, figures from Statistics Portugal show. The trade deficit rose to €1.369bn in May from €947m in the same month last year. In April, the deficit was €1.302m. Exports gained 54.8 percent year-on-year in May, after an 82.1% rise in April. (www.xinhuanet.com 09/07/21)

Hungary trade surplus increases in May

Hungary's trade surplus increased in May, the Hungarian Central Statistical Office has said. Trade surplus increased to €97m in May from €87m in the same month last year. Economists had expected a surplus of € 470m. In April, the trade surplus was €347m. Exports grew 37.9% year-on-year in May, after a 74.1% increase in April. (www.rttnews.com 09/07/21)

Greece inflation rose in May

Greece's consumer prices increased for the second straight month in June, the Hellenic Statistical Authority has said. Industrial production increased at a softer pace in May, separate report from the statistical office revealed. The consumer price index rose 1.0% year-on-year in June, following a 0.1% increase in May. (www.rttnews.com 09/07/21)

Oil steadies after two-day gain with demand outlook in focus

Oil was steady after a two-day gain amid optimism that fuel demand will keep rising, despite a Covid-19 resurgence in many regions. Futures in US traded near \$75 a barrel after advancing more than 2% on Friday. The rollout of vaccines and rebound in economic activity across major economies has underpinned increasing fuel consumption. (www.bloomberg.com 12/07/21)

African ministers: Rich nations to put US\$30bn towards Africa investments

Rich countries should reallocate at least US\$30bn of new money from the International Monetary Fund towards investments in Africa to help countries battling the effects of coronavirus and climate change, four African finance ministers have said. (www.asaaseradio.com 09/07/21)

AfDB approves \$6m grant to launch West Africa regional energy program

The African Development Bank has approved a \$6m grant to launch the initial phase of the Desert to Power West Africa Regional Energy Program. The program will contribute to the overall target of 10,000 MW of new solar generation capacity, providing electricity access to 250m people by 2030. (www.xinhuanet.com 10/07/21)

Kenya eyes skills development to stimulate growth of blue economy

The Kenyan government and bilateral partners have embarked on training a critical mass of maritime cadets as part of efforts to boost the growth of the country's nascent blue economy, officials have said. (www.xinhuanet.com 10/07/21)

BoG to pursue prudent policies to safeguard objective of price stability –

The Bank of Ghana has promised to continue to pursue prudent policies to safeguard its primary objective of price stability. According to the regulator, Ghana's economy is entering a new phase of its macroeconomic developments with low inflation and well-anchored expectations. (www.myjoyonline.com 09/07/21)

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