



Tuesday, July 13, 2021

Global economy to recover faster in H2: report

The global economy is likely to recover at a faster pace in the second half of this year, according to the Bank of China (BOC). In the relevant report on the economic and financial outlook for the third quarter, the BOC Research Institute said that it expects the global economy to grow by around 5.8% in 2021. The global economic recovery is likely to speed up in the second half of 2021. (www.xinhuanet.com 11/07/21)

UN chief calls for action from G20 on vaccine equity, debt relief, climate finance

UN Secretary-General Antonio Guterres has asked the Group of 20 largest economies to address COVID-19 vaccine gap, provide debt relief to developing economies, and finance climate action. Guterres spoke virtually to the third meeting of G20 finance ministers and central bank governors, which was being held in Venice, Italy. (www.xinhuanet.com 11/07/21)

Eurozone bond yields dip near lows, investors watch central bankers

Eurozone bond yields dipped towards recent lows on Monday as risk aversion boosted demand for safe-haven bonds, while investors watched for clues from central bankers ahead of Tuesday's US inflation print. Last week's bond rally - driven by hedge funds unwinding bets against US. (www.reuters.com 12/07/21)

ECB's Lagarde foresees July policy shift, 2022 'transition'

European Central Bank President Christine Lagarde told investors to prepare for new guidance on monetary stimulus in 10 days and signaled that fresh measures might be brought in next year to support the euro-area economy after the current emergency bond program ends. She said the ECB raised its inflation goal to 2% and acknowledged it may overshoot the target. (www.bloomberg.com 12/07/21)

Low interest rates help US economy recover, but worsen inequality

The Fed has kept "real" US short-term interest rates at, or even below zero, after taking inflation into account, according to Karen Petrou, managing partner of Federal Financial Analytics. The Fed now plans to keep rates ultra-low until about 2023, even if inflation ticks up, the article said. "This results in even wider wealth inequalities as the gap between rich and everyone else grows," it said. (www.xinhuanet.com 12/07/21)

China's banking sector expected to see 3% profit growth in Q2, Q3

Chinese commercial banks are likely to see their profits grow by around 3% in both the second and third quarters of 2021, the Bank of China Research Institute has said. Net profits of Chinese commercial banks in the first quarter rose 2.4% year on year to total ¥614.3bn (about \$95.07bn), the China Banking and Insurance Regulatory Commission has shown. (www.xinhuanet.com 12/07/21)

Japan producer prices jump 0.6% in June

Producer prices in Japan were up 0.6% on month in June, the Bank of Japan has said - following the upwardly revised 0.8% increase in May (originally 0.7%). On a yearly basis, producer prices climbed 5.0% - easing slightly from 5.1% in the previous month. Export prices were up 1.0% on month and 11.3% on year. (www.rttnews.com 11/07/21)

Turkey jobless rate fell in May

Turkey's jobless rate decreased in May, data from the Turkish Statistical Institute shows. On an unadjusted basis, the jobless rate fell to 12.4% in May from 12.9% in April. The seasonally adjusted unemployment rate increased marginally to 13.2% in May from 13.5% in the same month last year. In April, unemployment rate was 13.8%. (www.rttnews.com 12/07/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3880	(1.3847)	1.3881	(1.3848)
+USD/EUR	1.1859	(1.1867)	1.1860	(1.1867)
*GHS/USD	5.7771	(5.7773)	5.7829	(5.7831)
*GHS/GBP	8.0186	(7.9998)	8.0272	(8.0084)
*GHS/EUR	6.8512	(6.8562)	6.8585	(6.8630)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 13/07/21 (Rates for 12/07/21 in brackets)

* BOG INTERNAL TRANSACTION RATES: 13/07/21 (Rates for 12/07/21 in brackets)

Malaysia industrial growth slowed in May

Malaysia's industrial production grew at a softer pace in May, the Department of Statistics has said. Industrial production rose 26.0% year-on-year in May, after a 50.1% increase in April. Economists had expected a 46.1% rise. The growth in production was mainly driven by a rise in production of manufacturing industry, mining and quarrying, and electricity. (www.rttnews.com 12/07/21)

India industrial production expanded in May

India's industrial production grew notably in May, largely reflecting low base effects. Industrial output grew 29.3% on a yearly basis in May, after surging 134.6% in April. Output was forecast to advance 32%. Manufacturing output registered a double-digit growth of 34.5% and mining output advanced 23.3%. (www.rttnews.com 12/07/21)

Denmark inflation steady at 1.7%

Denmark's consumer price inflation remained stable in June, the Statistics Denmark has said. The CPI rose 1.7% year-on-year in June, same as seen in May. The CPI for May is affected by Covid-19, as the drop in price observations remained slightly larger than normal, the agency said. (www.rttnews.com 12/07/21)

RBNZ to consider CBDC as cash use declines

The Reserve Bank of New Zealand (RBNZ) will hold a consultation on central bank digital currency, as part of a wider review into access to central bank money. Assistant governor Christian Hawkesby said the RBNZ was concerned the public's access to central bank money had decreased due to a decline in cash usage. (www.centralbanking.com 09/07/21)

Latvia trade deficit widened in May

Latvia's trade deficit widened in May, amid a rise in both exports and imports, data from the Central Statistical Bureau has indicated. The trade deficit fell to €357.1m in May from €128.3m in the same month last year. In April, the trade deficit was €216.8mn. (www.rttnews.com 12/07/21)

Oil climbs on expected further draw in US crude inventories

Oil prices climbed on Tuesday, reversing some of the previous day's losses, as tight supply and expectations of a further draw in US crude inventories provided support, although fears over the spreading COVID-19 variant capped gains. Brent crude for Sept. rose 19 cents to \$75.35 a barrel by 0421 GMT, after losing 0.5% on Monday. (www.reuters.com 13/07/21)

S A needs emergency action to create jobs, WB

South Africa's unemployment rate stood at a record 32.6% in the first quarter of 2021, the third-highest of 82 countries tracked by Bloomberg. The rate has remained above 20% for at least two decades, even though the economy expanded by 5% or more a year in the early 2000s. (www.bloomberg.com 12/07/21)

Botswana woos Chinese investors as lenders shun coal projects

Botswana has more than 200bn tons of untapped coal reserves and is developing six new coal mines. With banks shying away from the industry, Botswana has turned to investors from the largest global coal consumer, China. (www.news24.com 12/07/21)

Uganda coffee exports hit 30-year record high

Uganda's coffee exports in June and for the 2020/21 financial year hit a 30-year record high, the Uganda Coffee Development Authority has said. The East African country exported 618,388 60-kg bags worth \$58.56m in June, the highest monthly record since 1991. (www.xinhuanet.com 13/07/21)

Bank of Ghana warns against lifting policy support too soon

The Bank of Ghana has warned policy makers against the early withdrawal of support measures instituted to address the effects of the COVID-19 pandemic, saying it could harm economic recovery process. Dr Maxwell Opoku-Afari, the first deputy Governor of Bank of Ghana has said in an interview. (www.xinhuanet.com 10/07/21)

DISCLAIMER: This information has been compiled by the Secretary's Department of Bank of Ghana for general reference purposes only. While every effort is made to ensure that the information is accurate, the Bank of Ghana does not guarantee nor does it accept any responsibility or liability for the accuracy or completeness of the content or for any loss, which may arise from reliance on information contained in this document.