



Monday, July 26, 2021

### IMF raises caps on loans to poorer countries

The IMF has announced that it was raising or eliminating limits on loans to low-income countries and allocating new resources to its Poverty Reduction and Growth Trust. The reforms will support the IMF's longer-term pandemic response. In the future, the IMF will provide most pandemic recovery funding "through multi-year lending arrangements". ([www.centralbanking.com](http://www.centralbanking.com) 23/07/21)

### Eurozone private sector grows at 21-year high

The euro area private sector expanded at the fastest pace in 21 years in July, as the member countries eased Covid-19 restrictions, IHS Markit has said. The composite output index hit a 252-month high in July, up from 59.5 in June and economists' forecast of 60.0. The services activity grew the most in 15 years, while growth in manufacturing moderated to a four-month low due to worsening supply lines. ([www.rttnews.com](http://www.rttnews.com) 23/07/21)

### US Treasury Secretary Yellen warns Congress on debt limit

US Treasury Secretary Janet Yellen urged lawmakers on Friday to increase or suspend the nation's debt limit as soon as possible and warned that if Congress does not act by Aug. 2 the Treasury Department would need to take "extraordinary measures" to prevent a US default. ([www.reuters.com](http://www.reuters.com) 23/07/21)

### US business activity cools further in July

US business activity grew at a moderate pace for a second straight month in July amid supply constraints, suggesting a cooling in economic activity after what was expected to have been a robust second quarter. Data firm IHS Markit showed on Friday its flash US Composite PMI Output Index, which tracks the manufacturing and services sectors, fell to a four-month low of 59.7 from 63.7 in June. ([www.reuters.com](http://www.reuters.com) 23/07/21)

### China's foreign-currency bank deposits up \$129.7bn in H1

China's bank deposits in foreign currencies increased by \$129.7bn in the first half of this year, a senior official has said. By the end of June, the balance of foreign-currency bank deposits had surpassed \$1tr, the deputy director and spokesperson of the State Administration of Foreign Exchange said. ([www.xinhuanet.com](http://www.xinhuanet.com) 23/07/21)

### UK private sector growth moderates in July

The UK private sector growth slowed to a four-month low in July as the shortages of staff and materials weighed on recovery, flash survey results from IHS Markit showed on Friday. The Chartered Institute of Procurement & Supply composite output index dropped more-than-expected to 57.7 from 62.2 in June. The reading was seen falling to 61.9. Nonetheless, the index has remained above the 50.0 no change level for the fifth consecutive month in July. ([www.rttnews.com](http://www.rttnews.com) 23/07/21)

### German private sector logs record growth in July

Germany's private sector logged a record growth in July driven by an ongoing rapid recovery in services activity. The composite output index rose to 62.5 in July from 60.1 in June. The latest score was the highest since Jan. 1998 and above economists' forecast of 60.8. ([www.rttnews.com](http://www.rttnews.com) 23/07/21)

### France private sector growth moderates in July

France's private sector remained strong in July but the pace of expansion moderated from June, flash survey results from IHS Markit show. The flash composite output index dropped to 56.8 from 57.4 in June. The score was forecast to rise to 58.5. Nonetheless, a reading above 50.0 suggests expansion in the private sector. ([www.rttnews.com](http://www.rttnews.com) 23/07/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3759	(1.3744)	1.3760	(1.3746)
+USD/EUR	1.1771	(1.1760)	1.1772	(1.1760)
*GHS/USD	5.7974	(5.7934)	5.8032	(5.7992)
*GHS/GBP	7.9766	(7.9262)	7.9852	(7.9716)
*GHS/EUR	6.8246	(6.8131)	6.8314	(6.8197)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 26/07/21 (Rates for 23/07/21 in brackets)

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### **Russia raises rate 4th time, will consider more hikes**

Russia's central bank has raised its key interest rate for the fourth time to contain accelerating inflation and inflation expectations and said it would consider further rate hikes to prevent inflation from exceeding its target for a long period. The Bank raised its key interest rate by one percentage point to 6.50% and has now raised it 2.25 percentage points this year. ([www.centralbanknews.info](http://www.centralbanknews.info) 23/07/21)

### **Singapore inflation remained even at 2.4% in June**

Singapore's consumer prices remained stable in June, the Monetary Authority of Singapore has said. The CPI rose 2.4% year-on-year in June, same as seen in May. Economists had expected a 2.5% rise. This latest consumer prices outcome was largely due to a rise in prices for private transportation and accommodation cost. ([www.rttnews.com](http://www.rttnews.com) 23/07/21)

### **Poland jobless rate declined in June**

Poland's jobless rate decreased in June, the statistical office has said. The jobless rate fell to 5.9% in June from 6.1% in May. In the same month last year, the jobless rate was 6.1%. The newly registered unemployed persons increased to 84,100 in June from 85,300 in May. ([www.rttnews.com](http://www.rttnews.com) 23/07/21)

### **Iceland inflation steady in July**

Iceland's consumer price inflation remained stable in July, Statistics Iceland has said. The CPI rose 4.3% year-on-year in July, same as seen in June. Excluding housing cost, inflation was 3.4% in July. On a monthly basis, prices rose 0.16% in July, after a 0.26% increase in June. ([www.rttnews.com](http://www.rttnews.com) 23/07/21)

### **Colombian central bank joins DLT bond issuance pilot**

The Central Bank of Colombia is participating in the launch of a pilot blockchain bond issuance, the institution said on July 22. The Inter-American Development Bank and the local bank Davivienda are leading the project which is expected to last six months. ([www.centralbanking.com](http://www.centralbanking.com) 23/07/21)

### **Asia stocks hit 2021 lows as China skids, funds favour Wall Street**

Asian shares skidded to their lows for this year on Monday as concerns over tightening regulations upended Chinese equities and strong US corporate earnings sucked funds out of emerging markets into Wall Street. Chinese blue chips shed 4.4% to their lowest since Dec., in the biggest daily decline in more than a year. ([www.reuters.com](http://www.reuters.com) 26/07/21)

### **Fitch affirms triple A-rating of AfDB with stable outlook**

Global credit rating agency Fitch Ratings has affirmed the African Development Bank's credit rating at 'AAA', with a stable outlook. It said the triple-A rating was driven by the 'extraordinary support' of its shareholders. Fitch views the Bank's risk-management policies as 'conservative' and assesses them as 'excellent'. ([www.asaaseradio.com](http://www.asaaseradio.com) 23/07/21)

### **S. Africa's economy given a shot in the arm**

South Africa's stunted economy has received a much-needed boost as the government announced the easing of lockdown restrictions, the ramping up of Covid-19 vaccinations and the reinstatement of social support grants. ([www.iol.co.za](http://www.iol.co.za) 26/07/21)

### **Egypt seeks to boost economy with 2021-2022 budget: experts**

The Egyptian government aims at boosting and activating the economy in an accelerated manner by enforcing the 2021-2022 budget, economic experts have said. Parliament on June 14 approved a 2.46tr Egyptian pound (nearly \$157bn) budget for the financial year effective July 1. ([www.xinhuanet.com](http://www.xinhuanet.com) 23/07/21)

### **IMF backs BoG to keep policy rate tight over inflation scare**

The International Monetary Fund (IMF) has urged the Monetary Policy Committee of the Bank of Ghana (BoG) to keep the policy rate tight if inflation pressures persist. The MPC is set to announce a new policy rate for the next few months on Monday 26 July. ([www.asaaseradio.com](http://www.asaaseradio.com) 23/07/21)

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