



Friday, September 3, 2021

Central banks can improve reserves handling – World Bank

Central banks where boards are directly involved in reserves management oversight record better policy outcomes, according to a new research paper from the World Bank. The paper analyses how governance structures affect portfolio management and financial returns, using data from 105 central banks. It focuses on the link between the investment decision-making process and risk-taking and asset diversification.

(www.centralbanking.com 02/09/21)

EU ruling on euro clearing to take months, financial chief says

The European Union will take months to decide if banks can continue clearing derivatives in London, the EU's financial services chief said on Thursday in a sign of how Brussels is keeping up pressure to shift business to Frankfurt. (www.reuters.com 02/09/21)

Euro zone business activity strong in Aug but supply issues weighed-PMI

Euro zone business activity remained strong last month, despite fears about the Delta variant of the coronavirus and widespread supply chain issues, according to a survey which suggested the bloc's economy could be back to pre-Covid-19 levels by year-end. (www.reuters.com 03/09/21)

UK economy lost more momentum in August, PMI survey shows

Britain's economic recovery from the Covid-19 pandemic lost more momentum last month than originally estimated as staff shortages and supply chain issues weighed on companies in the country's huge services sector, a survey showed. The IHS Markit/CIPS UK Services Purchasing Managers' Index (PMI) fell to 55.0 in Aug, revised lower from a preliminary "flash" reading of 55.5 and down sharply from 59.6 in July. (www.reuters.com 03/09/21)

Fed likely to announce taper in November, former Fed official says

The US Federal Reserve is likely to announce the tapering of its asset purchases in Nov. and begin the process a month later, former Federal Reserve official Dennis Lockhart said. Waiting until Nov. will give policymakers more data on the labor market's recovery and economic growth, Lockhart told the Reuters Global Markets Forum (GMF).

(www.reuters.com 03/09/21)

US job growth seen slowing in August as Delta variant curbs services demand

US employment growth likely pulled back in Aug. after gaining nearly 2m jobs in the past two months as soaring Covid-19 cases reduced demand for travel and entertainment, but the pace was probably enough to sustain the economic expansion. The Labor Department's closely watched employment report on Friday would come as economists have been sharply marking down their Gross Domestic Product estimates for the third quarter.

(www.reuters.com 03/09/21)

German Bund curve steepens as strong business surveys come in

German 30-year government bond yields saw their gap over benchmark Bunds hit the widest level in around two months as euro zone business surveys signposted a rapidly recovering economy. Purchasing Managers' Index (PMI) surveys for the services sector in Italy, France, Germany and the euro zone came out early, all pointing to healthy growth.

(www.reuters.com 03/09/21)

Turkish lira slips as inflation jumps above interest rate

Turkey's lira fell up to 0.8% after inflation jumped more than expected and above the country's key interest rate, leaving the central bank in a tricky situation amid President Tayyip Erdogan's calls for a rate cut.

(www.reuters.com 03/09/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3826	(1.3791)	1.3827	(1.3792)
+USD/EUR	1.1861	(1.1854)	1.1862	(1.1854)
*GHS/USD	5.8485	(5.8483)	5.8543	(5.8541)
*GHS/GBP	8.0861	(8.0654)	8.0948	(8.0740)
*GHS/EUR	6.9373	(6.9332)	6.9441	(6.9400)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 03/09/21 (Rates for 02/09/21 in brackets)

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China securities regulator announces draft rules for new stock exchange

China's securities regulator announced draft rules for share sales trading and delisting on the new stock exchange in Beijing on Friday. The China Securities Regulatory Commission announced the rules at a press briefing after Chinese President unveiled plans for a new exchange on Thursday.

(www.reuters.com 03/09/21)

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

China's central bank conducted ¥10bn (\$1.55bn) 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 a statement on the website of the People's Bank of China.

(www.xinhuanet.com 03/09/21)

Key economic policy stances of Japan's next PM candidates

Japanese Prime Minister Yoshihide Suga, his support ratings in tatters ahead of a general election, said he would step down, setting the stage for his replacement as premier and heightening uncertainty on the outlook for economic policy. (www.reuters.com 03/09/21)

JGBs slip after Japan PM Suga offers to step down

Japanese government bond (JGBs) prices slipped after Prime Minister Yoshihide Suga said he would not seek another term as a ruling party leader and hence the Prime Minister. His decision boosted risk appetite and lifted Japanese stock prices on hopes the ruling coalition under a new Prime Minister will compile economic stimulus.

(www.reuters.com 03/09/21)

Japan seen upgrading Q2 GDP on stronger business spending

Japan's economy likely grew more than initially reported in the second quarter thanks to stronger business spending, a Reuters poll showed, though a resurgence of coronavirus infections is seen weighing on growth going forward. (www.reuters.com 03/09/21)

European shares likely to see cautious opening

European stocks are likely to open on a flat note on Friday as investors await key US jobs data due later in the day for important clues about the Fed's tapering timeline. The pan European Stoxx 600 advanced 0.3%. The German DAX and France's CAC 40 index both inched up 0.1%, while the UK's FTSE 100 rose 0.2%. (www.rttnews.com 03/09/21)

Crude oil futures settle at 1-month high

Crude oil prices rose sharply, lifting the most active crude futures contract to a one-month closing high, amid optimism about a strong global economic recovery and increased demand for oil. West Texas Intermediate Crude oil futures for Oct. ended up by \$1.40 or about 2% at \$69.99 a barrel, the highest settlement since Aug 3. Brent crude futures were up \$1.30 or 1.8% at \$72.89 a barrel. (www.rttnews.com 02/09/21)

South African rand pauses, with focus on US jobs report

The South African rand paused, ahead of a closely watched US jobs report that kept the dollar on the back foot. The Federal Reserve has made a labour market recovery a condition for paring back its pandemic-era asset purchases, making Friday's non-farm payrolls data a major market event. Along with other risk-sensitive currencies, the rand moves regularly on shifts in the outlook for US monetary policy. (www.reuters.com 03/09/21)

Development assistance accounted for 16% of Ghana's GDP – First Deputy Governor

First Deputy Governor of the Bank of Ghana, Dr Maxwell Opoku-Afari, has said official Development Assistance (ODA) accounted for 16 percentage points of Ghana's GDP in 2004. According to him, ODA from bilateral and multilateral sources in the late 1980s and early 2000s was a major source of medium- to long-term concessional financing to the country and was intended to support infrastructure and human capital development, but sometimes used as balance of payments support. (www.norvanreports.com 03/09/21)

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