



Tuesday, September 7, 2021

## **Eurozone sentix investor confidence weakens for second month**

Eurozone investor confidence weakened for a second straight month in Sept. The investor confidence index fell to 19.6 in Sept. from 22.2 in Aug. The expected reading was 19.7. The current situation index held steady at 30.8 in Sept. but the expectations index fell to 9.0 from 14.0 in Aug. ([www.rttnews.com](http://www.rttnews.com) 06/09/21)

## **China to push on with opening capital markets to foreign investors**

China will further open its capital markets to foreign investors, the country's top securities regulator has said, adding that it will pursue pragmatic cross-border cooperation to regulate overseas-listed Chinese companies. Global investors have been spooked in recent months by a flurry of Chinese regulations targeting sectors ranging from technology to private tutoring. ([www.reuters.com](http://www.reuters.com) 06/09/21)

## **PBoC to provide ¥300bn to SMEs**

The People's Bank of China will offer loans worth ¥300bn (\$46.5bn) to struggling small enterprises, as the country grapples with a resurgence of Covid-19. It is the first time the central bank will inject liquidity under a lending scheme designated for micro, small and medium enterprises since last April. China will support small businesses as many are yet to recover from the pandemic, the State Council, China's top administrative body, has said. ([www.centralbanking.com](http://www.centralbanking.com) 06/09/21)

## **UK construction sector expanded at slower pace in Aug**

The UK construction sector growth slowed in Aug. as restricted supply of materials and transport began to weigh on overall activity. The Chartered Institute of Procurement & Supply construction Purchasing Managers' Index fell to 55.2 in Aug. from 58.7 in July. ([www.rttnews.com](http://www.rttnews.com) 06/09/21)

## **M&S warns of new food supplies threat as Brexit rules change**

Marks & Spencer has warned of a range of problems for food imports to the UK when Brexit rules change next month. In a letter to suppliers, it said UK and EU bodies were not ready for new paperwork needed next month when a grace period on import checks ends. It said in some EU states, offices were not open at weekends, which would cause "significant disruption" to imports. ([www.bbc.com](http://www.bbc.com) 06/09/21)

## **Japan leading index fell in July**

Japan's leading index decreased in July after rising in June. The leading index, which measures the future economic activity, fell to 104.1 in July from 104.6 in June. In May, the index was 103.1. The coincident index decreased to 94.5 in July from 94.6 in the previous month. In July, the index was 92.5. ([www.rttnews.com](http://www.rttnews.com) 07/09/21)

## **Germany should aim to cut corporate savings – ECB paper**

German policymakers should increase the absorption of their non-financial firms' high savings, a working paper published by the ECB argues. In *The corporate saving glut and the current account in Germany*, Thorsten Klug, Eric Mayer and Tobias Schuler investigate three possible explanations for the country's high budget surplus. These hypotheses are based around the shocks caused by financial friction, labour supply and world demand. ([www.centralbanking.com](http://www.centralbanking.com) 06/09/21)

## **Germany factory orders expanded unexpectedly in July**

Germany's factory orders expanded unexpectedly in July driven by the robust demand from non-euro area economies. Factory orders grew 3.4% on a monthly basis, confounding expectations for a decline of 1%. ([www.rttnews.com](http://www.rttnews.com) 03/09/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3823	(1.3867)	1.3824	(1.3868)
+USD/EUR	1.1861	(1.1885)	1.1862	(1.1885)
*GHS/USD	5.8535	(5.8535)	5.8593	(5.8593)
*GHS/GBP	8.0913	(8.1170)	8.0999	(8.1257)
*GHS/EUR	6.9435	(6.9572)	6.9503	(6.9641)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 07/09/21 (Rates for 06/09/21 in brackets)

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### **Australia's central bank flags delay to economic recovery**

Reserve Bank of Australia Governor Philip Lowe has said the severe Delta outbreak and subsequent prolonged lockdowns in the Australian states of New South Wales and Victoria would "delay, but not derail" the nation's economic recovery. The lockdowns in Australia's two most populous states continued to plague the nation's economy and are costing an estimated 2bn Australian dollars (about \$1.5bn) per week. ([www.xinhuanet.com](http://www.xinhuanet.com) 07/09/21)

### **Danish central bank positive on ECB strategy review**

The National Bank of Denmark gave a positive assessment of the effects the European Central Bank's strategy review could have on the Danish economy. The Scandinavian central bank stresses the new symmetric 2% target "could increase the resilience of the euro area and bring inflation closer to target". This process "may also benefit the Danish economy", says the central bank in an analysis published on its website. ([www.centralbanking.com](http://www.centralbanking.com) 06/09/21)

### **Swiss jobless rate decreased in Aug**

Switzerland's jobless rate decreased marginally in Aug. The jobless rate fell a seasonally 2.9% in Aug. from 3.0% in July. On an unadjusted basis, the unemployment rate fell to 2.7% in Aug. from 2.8% in the previous month. ([www.rttnews.com](http://www.rttnews.com) 07/09/21)

### **Dutch inflation highest since Dec 2019**

Dutch consumer price inflation increased to the highest level in nearly two years in Aug. The consumer price index rose 2.4% year-on-year in Aug. after a 1.4% increase in July. ([www.rttnews.com](http://www.rttnews.com) 07/09/21)

### **Moldova makes second rate hike in two months**

The board of the National Bank of Moldova has raised the policy rate 100 basis points to 4.65%, citing strong demand and supply shocks. The decision marked the second consecutive rate hike after a 100bp increase in late July. ([www.centralbanking.com](http://www.centralbanking.com) 06/09/21)

### **World shares hit record as investors hold to dovish Fed bets**

A global stocks index hit a record high on Tuesday as investors took comfort in growing views that the US Federal Reserve is likely to delay the start of tapering its asset purchases and maintain its expansive monetary policy for the near-term. ([www.reuters.com](http://www.reuters.com) 07/09/21)

### **OPEC+ keen to keep oil prices at \$65-\$75 a barrel**

The head of Russia's No. 2 oil producer Lukoil has said that oil prices of \$65-\$75 were "comfortable" for consumers and that the OPEC+ group of leading oil-producing nations was striving to maintain that price range by regulating output. ([www.reuters.com](http://www.reuters.com) 07/09/21)

### **SA rand starts week stronger following US jobs report**

South Africa's rand strengthened early on Monday, continuing to trade on the front foot after a disappointing US jobs report made investors push back expectations for when the Federal Reserve will begin tapering stimulus measures. ([www.reuters.com](http://www.reuters.com) 06/09/21)

### **Mozambique President reappoints Governor**

The President of Mozambique has appointed Rogério Lucas Zandamela to a second term as Governor of the country's central bank. Filipe Nyusi initially appointed Zandamela in Aug. 2016, shortly after the IMF halted lending to Mozambique over a massive alleged fraud. ([www.reuters.com](http://www.reuters.com) 06/09/21)

### **Zimbabwe warns firms against using arbitrage for profiteering**

Zimbabwe's central bank Governor John Mangudya has urged large corporates to stop "manipulating the exchange rate" by exploiting the gap between the parallel-market and official currency prices for profiteering. The Governor expressed concern that companies are snapping up more foreign currency than they are allowed to through the Reserve Bank of Zimbabwe's auction system, then selling it on at inflated prices. ([www.bloomberg.com](http://www.bloomberg.com) 06/09/21)

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