



Friday, September 10, 2021

ECB to dial down asset purchases 'moderately' in Q4

The European Central Bank (ECB) has left its main interest rates unchanged but dialled down "moderately" its pace of asset purchases. The ECB kept its key interest rates steady, including the benchmark refinancing rate at 0.0%, the marginal lending rate at 0.25% and the deposit rate at minus 0.50%. The refi and lending rate has been maintained since March 2016 and the deposit rate since Sept. 2019. (www.centralbanknews.info 09/09/21)

US weekly jobless claims near 18-month low

The number of Americans filing new claims for jobless benefits fell last week to the lowest level in nearly 18 months, offering more evidence that job growth was being hindered by labour shortages rather than cooling demand for workers. (www.reuters.com 09/09/21)

Fed's Bostic expects central bank to pull back on asset buying this year – WSJ

Federal Reserve Bank of Atlanta President Raphael Bostic believes the Fed will pull back on its asset-buying campaign this year though he does not expect a decision in this month's central bank meeting, he told the Wall Street Journal. (www.reuters.com 09/09/21)

UK financial watchdog seeks stronger powers to cancel licences

Britain's markets watchdog has set out proposals on how it will use a new power to cancel unused business licences faster and learn from the collapse of investment firm London Capital & Finance. The new power, granted to the Financial Conduct Authority under a financial services law, will shorten the process of removing a firm's licence to about a month and a half. Previously, the FCA had to wait a year before it could intervene. (www.reuters.com 09/09/21)

UK economic growth slowed sharply in July

The UK economy grew by just 0.1% in July as the last Covid restrictions were lifted in England. It was the economy's sixth consecutive month of growth, but the increase was much lower than in the previous month, which saw 1% growth. Arts, entertainment and recreation activities helped the rise. The UK economy is still 2.1% below its pre-pandemic peak. (www.bbc.com 10/09/21)

China's PPI up 9.5% in Aug

China's producer price index (PPI), which measures costs for goods at the factory gate, went up 9.5% year on year in Aug. The figure went up from a 9% year-on-year increase registered in July. On a monthly basis, China's PPI rose 0.7% in Aug., up 0.2 percentage points from July. (www.xinhuanet.com 09/09/21)

Germany CPI highest since 1993

Germany's consumer price inflation (CPI) rose to the highest level since late 1993. The CPI rose marginally to 3.9% in Aug. from 3.8% in July. A higher inflation rate was last measured in Dec. 1993. Inflation is fast approaching the 4% mark. (www.rttnews.com 10/09/21)

German finance ministry raided in money laundering probe

German prosecutors have raided the finance and justice ministries as part of an investigation into the government's anti-money laundering agency, putting the spotlight on Germany's failings in tackling financial crime. (www.reuters.com 09/09/21)

France industrial output growth slowed in June

French industrial production grew 0.3% from June, when it increased 0.6%. Economists had forecast a 0.4% gain. Manufacturing output rose 0.6% after a 1.0% rise in June. (www.rttnews.com 10/09/21)

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3846	(1.3740)	1.3847	(1.3741)
+USD/EUR	1.1814	(1.1814)	1.1815	(1.1814)
*GHS/USD	5.8532	(5.8533)	5.8590	(5.8591)
*GHS/GBP	8.1043	(8.0424)	8.1130	(8.0510)
*GHS/EUR	6.9149	(6.9152)	6.9224	(6.9220)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 10/09/21 (Rates for 09/09/21 in brackets)

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Malaysia central bank keeps rate unchanged

Malaysia's central bank has decided to leave its key interest rates unchanged, as widely expected. The Monetary Policy Committee of Bank Negara Malaysia decided to maintain the overnight policy rate at 1.75%. (www.rttnews.com 09/09/21)

Peru raises rate 2nd time, more hikes not implied

The Central Reserve Bank of Peru has raised its benchmark interest rate for the second time this year but said its monetary policy stance remains expansionary as the policy rate is still historically low and "the current decision does not necessarily imply a cycle of successive increase in the reference rate." The Bank raised its reference interest rate by another 50 basis points to 1.0% and has now raised it 75 points this year following the first rate hike in 5-1/2 years in Aug. (www.centralbanknews.info 09/09/21)

Ukraine raises rate 4th time and may tighten further

Ukraine's central bank has raised its key interest rate for the fourth time this year, as it had signalled in July. The National Bank of Ukraine raised its key policy rate by another 50 basis points to 8.50% and has now raised the rate 2.50 percentage points this year following earlier hikes in March, April and July. (www.centralbanknews.info 09/09/21)

Denmark inflation rose in Aug

Denmark's consumer price inflation increased in Aug. The consumer price index rose 1.8% year-on-year in Aug., following a 1.6% increase in July. This was the highest increase since Dec. 2012. (www.rttnews.com 10/09/21)

Finland current account surplus fell in July

Finland's current account surplus decreased in July. The current account surplus fell to €559m in July from €692m in June. The balance of goods trade showed a surplus of €159m versus €261m in the previous month. (www.rttnews.com 10/09/21)

Oil recovers as tight US supplies offset China reserves sale plan

Oil prices rose on Friday on growing signs of tightness in US markets after Hurricane Ida hit offshore output, although benchmarks were heading for weekly losses of nearly 1% after China announced plans to sell crude from its strategic reserves. (www.reuters.com 10/09/21)

Stocks extend slide as ECB weighs up taper plan

World share markets slipped for a third straight day on Thursday as Beijing took another swipe at its big tech firms, while bond markets steeled for European Central Bank signals later about a gradual withdrawal of its stimulus. (www.reuters.com 09/09/21)

Asian shares gain as Biden-Xi call helps mood

Asian shares have bounced back after two days of losses, as news of a call between leaders Xi Jinping and Joe Biden offered some relief to traders struggling to interpret choppy market reactions to the central bank's cautious moves to end stimulus. (www.reuters.com 10/09/21)

Kenya economy to rebound after first contraction in 29 years

Kenya expects a strong rebound this year after its economy contracted for the first time in nearly three decades as the coronavirus pandemic hit the nation's key sectors, including tourism and education. Output declined by 0.3% in 2020, Treasury Secretary Ukur Yatani has said. Production fell despite an overhaul of Kenya's national accounts. (www.bloomberg.com 09/09/21)

SA emerges as Namibia's largest market for both exports, imports in July

Namibia's trade composition by partner illustrated that South Africa emerged as Namibia's largest market for both exports and imports in July 2021, according to trade statistics. South Africa emerged as the country's largest export destination, with a share of 20.1% of all goods exported followed by Spain with a share of 15.1%. (www.xinhuanet.com 09/09/21)

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