



Friday, 27th May 2022

WEF calls for closer global cooperation

The 2022 annual meeting of the World Economic Forum (WEF) rounded up on Thursday with a call for closer global cooperation to achieve win-win solutions. "We are better off in a world where we meet and act together than in one where everyone is for themselves," President of the WEF Borge Brende said in a closing remark.

(www.xinhuanet.com 26/05/22)

US GDP slumps by slightly more than previously estimated in Q1

Economic activity in the US slumped by slightly more than estimated in the first quarter of 2022, according to the Commerce Department. It said real domestic product slid by 1.5% in the first quarter compared to the previously reported 1.4% drop. Economists expected the decrease in GDP to be revised to 1.3%. (www.rttnews.com 26/05/22)

US weekly jobless claims fall; first-quarter economic contraction confirmed

The number of Americans filing new claims for unemployment benefits fell last week, consistent with a labor market that remains tight amid strong demand for workers despite rising interest rates and tightening financial conditions. Initial claims decreased 8,000 to a seasonally adjusted 210,000 for the week ended May 21, the Labor Department has said.

(www.reuters.com 26/05/22)

Chinese economy resilient despite short-term downward pressure

Despite key indicators suggesting downward pressure on the Chinese economy, new investments continue to flow into the world's second-largest economy, seeking opportunities that businesses believe are irreplaceable for their long-term strategic development. Observers say that China's economic outlook remains robust due to unchanged sound growth. (www.xinhuanet.com 27/05/22)

UK: Government likely to face pressure to continue support, IFS says

The IFS said calls for help were likely to continue for "at least" another year if oil and gas prices do not fall. It comes after Chancellor Rishi Sunak announced on Thursday that every UK household would get an energy bill discount of £400 this October.

(www.bbc.com 26/05/22)

Japan April factory output seen posting first fall in 3 months on China lockdown

Japan's factory output likely fell in April for the first time in three months as some manufacturers took a hit from strict COVID-19 lockdowns in Shanghai and other industrial centres in China. Japanese industrial production likely dropped 0.2% in April from the prior month, according to the median forecast in a poll of 18 economists.

(www.reuters.com 27/05/22)

Bank of Canada 50-basis-point June 1 hike a done deal, economists say: Reuters poll

The Bank of Canada will hike its overnight rate by 50 basis points on June 1, The BoC seems set to follow an aggressive path similar to that taken by the Fed to tame soaring inflation which hit over a three-decade high of 6.8% in April and has now been above the central bank's 1-3% range for more than a year. (www.reuters.com 26/05/22)

Russia slashes key rate by 300 bps

Russia's central bank slashed its key interest rate sharply by 300 basis points, on Thursday, citing a slowdown in inflation and the recovery in the currency exchange rate. At an emergency meeting, the Board of Directors of Bank of Russia decided to cut the benchmark rate to 11.00% from 14.00%. After Russia invaded Ukraine in late February, the central bank hiked its interest rate sharply to 20.00% from 9.50%. (www.rttnews.com 26/05/22)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2584	(1.2544)	1.2585	(1.2545)
+USD/EUR	1.0727	(1.0676)	1.0728	(1.0677)
*GHS/USD	7.1342	(7.1337)	7.1414	(7.1409)
*GHS/GBP	8.9777	(8.9486)	8.9874	(8.9582)
*GHS/EUR	7.6530	(7.6164)	7.6606	(7.6240)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 27/05/22 (Rates for 26/05/22 in brackets)

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Italy consumer confidence improves more than forecast

Italy's consumer confidence improved more-than-expected in May, after worsening in the previous month, survey results from the statistical office Istat shows. The consumer confidence index rose to 102.7 in May from 100.0 in April, which was the lowest reading since Nov. 2020. (www.rttnews.com 26/05/22)

Turkey economic confidence improves in May

Turkey's economic confidence improved in May, the Turkish Statistical Institute has said. The economic sentiment index rose to 96.7 in May from 94.7 in the previous month. The growth was driven by the rise in consumer, services and retail trade confidence indices. The confidence in manufacturing industry fell to 107.0 in May. (www.rttnews.com 26/05/22)

Moody's lowers India's 2022 growth projection to 8.8%

Global credit rating agency Moody's on Thursday slashed India's economic growth projection to 8.8% for 2022 from its earlier projection of 9.1%, citing high inflation as the main reason. It said that the growth momentum at the end of 2021 had carried through into the first four months of this year. (www.xinhuanet.com 26/05/22)

BoK raises policy rate again

The Bank of Korea's monetary policy board voted to raise the bank rate by 25 basis points on May 26. The decision is the BOK's fifth 25bp hike since August and brings the bank rate to 1.75%. The monetary policy board has raised rates at five of its last seven meetings. (www.centralbanking.com 26/05/22)

HK exports recovered in April

Hong Kong's merchandise exports and imports recovered in the month of April, data from the Census and Statistics Department showed on Thursday. Exports grew 1.1% year-on-year in April, after an 8.9% decrease in March. Similarly, imports gained 2.1% annually in April, after a 6.0% fall in the previous month. (www.rttnews.com 26/05/22)

Oil lingers near 2-month high amid global supply concerns

Oil prices hovered around a two-month high on Friday, with Brent crude on track for its biggest weekly jump in 1-1/2 months, supported by the prospect of an EU ban on Russian oil. Brent crude futures for July dipped 9 cents to \$117.31 a barrel at 0247 GMT after rising to as high as \$118.17 earlier in the session. (www.reuters.com 27/05/22)

Africa risks stagflation due to pandemic, Ukraine war - AfDB

Africa risks sliding into stagflation - a cycle of slow growth and high inflation as it battles the lingering effects of the pandemic and rising fuel and food prices caused by the Ukraine conflict, the African Development Bank (AfDB) has said. (www.reuters.com 26/05/22)

SA leaving trade money on the table - EU

SA has R350bn of untapped export potential with the European Union (EU), says a new study funded by the 27-member economic bloc. While the EU is SA's biggest export market by a long way and SA benefits from a large number of duty-free items, trade relations with the EU could be exploited to far greater benefit. (www.news24.com 27/05/22)

Zimbabwe's employment returning almost to pre-pandemic level: survey

After a severe initial shock, Zimbabwe's employment has gradually returned almost to the pre-COVID-19 pandemic levels, particularly in urban areas, according to findings of a survey jointly done by the World Bank and Zimbabwe's national statistics agency, ZIMSTAT. (www.xinhuanet.com 27/05/22)

Ghana secures \$1.3bn for climate adaptation

The Global Center on Adaptation (GCA) has pledged to help Ghana secure at least \$1.3bn to implement its climate adaptation programs. It was important for the country to secure funding for adaptation through building resilient infrastructure to mitigate the dire consequences of climate change. (www.xinhuanet.com 27/05/22)

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