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EU economy grows for second quarter, recession fears linger

The Eurozone's GDP increased by 0.7%, while the European Union's GDP grew 0.6% in the second quarter of 2022, according to the Europe's statistics office Eurostat. Despite the growth achieved in the second quarter, some experts believe that the triple pressure of the energy crisis, high inflation and tightening of monetary policy may plunge Europe into a recession. (www.xinhuanet.com 03/08/22)

Eurozone private sector slips into contraction

The euro area private sector contracted in July as a deepening downturn in manufacturing was accompanied by another slowdown in the service sector, survey results from S&P Global show. In June, retail sales declined unexpectedly, as high inflation weighed on spending, figures from Eurostat show. (www.rttnews.com 03/08/22)

Eurozone consumers brace for recession and high inflation

Consumers in the Eurozone are bracing for the economy to shrink and for high inflation to continue eating into their income in the next year, a European Central Bank survey shows. The Consumer Expectations Survey, showed households were beginning to lose faith in the ECB's ability to bring inflation back down to its 2% goal. (www.reuters.com 04/08/22)

Fed's Mester sees policy rate above 4%, hikes through mid-2023

The US Federal Reserve should raise interest rates to above 4% to help bring inflation down and must aim to keep tightening through the first half of next year, Cleveland Fed President Loretta Mester said on Thursday. "I would pencil in going a bit above four as appropriate," Mester told reporters. (www.reuters.com 04/08/22)

China service sector growth accelerated in July

China's service sector growth gained momentum in July, driven by a recovery in operating conditions and client demand, following the easing of the pandemic related restrictions, S&P Global has said. The Caixin services Purchasing Managers' Index rose to 55.5 in July from 54.5 in June. A score above 50.0 indicates expansion in the sector. (www.rttnews.com 03/08/22)

BoE raises rates by most since 1995 even as long recession looms

The Bank of England raised interest rates by the most in 27 years, despite warning that a long recession is on its way, as it rushed to smother a rise in inflation which is now set to top 13%. Reeling from a surge in energy prices caused by Russia's invasion of Ukraine, the BoE's MPC voted 8-1 for a half percentage point rise in Bank Rate to 1.75%. (www.reuters.com 04/08/22)

Germany factory orders fell less than expected in June

Germany factory orders declined less than expected in June as the fall in foreign demand was partially offset by the improvement in domestic orders, data published by Destatis show. Factory orders decreased 0.4% on a monthly basis in June, after a revised 0.2% drop in May. (www.rttnews.com 04/08/22)

Taiwan Governor says 'no need to worry' about capital outflows

Taiwan's Central Bank Governor downplayed concerns over capital outflows and potential foreign exchange volatility on Aug. 3, amid increasing tension between China and the island. "There is no need to worry," Yang Chin-Long, Governor of the Bank of China said when asked about state of foreign capital outflows. (www.centralbanking.com 03/08/22)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2110	(1.2210)	1.2111	(1.2212)
+USD/EUR	1.0133	(1.0196)	1.0133	(1.0197)
*GHS/USD	7.6432	(7.6402)	7.6508	(7.6478)
*GHS/GBP	9.2559	(9.3287)	9.2659	(9.3395)
*GHS/EUR	7.7449	(7.7901)	7.7526	(7.7992)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 05/08/22 (Rates for 03/08/22 in brackets)

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Turkish CPI, producer prices rise

Turkey's consumer price inflation and producer prices increased further in July to set new highs, figures from the Turkish Statistical Institute show. The consumer prices index climbed 79.60% year-on-year in July following a 78.62% increase in June.

(www.rttnews.com 03/08/22)

Dutch inflation accelerated in July

Dutch consumer price inflation rose at the fastest rate in July, data from the Central Bureau of Statistics showed on Thursday. The consumer price index rose 10.3% year-on-year in July, following an 8.6% increase in June.

(www.rttnews.com 04/08/22)

Ireland unemployment rate falls

Ireland's unemployment rate decreased marginally in July, figures from the Central Statistics Office show. The seasonally adjusted jobless rate dropped to 4.2% in July from 4.3% in June, which was revised down from 4.8%. (www.rttnews.com 04/08/22)

Central Bank of Oman warns of climate risks to financial stability

The Central Bank of Oman has warned climate change is an emerging risk to the financial system of the oil-exporting country.

“There is growing awareness and concern about the implications of climate change on the financial stability of Oman,” the central bank wrote in its 2022 financial stability report. (www.centralbanking.com 03/08/22)

Armenia orders 25bp interest rate hike

The board of the Central Bank of Armenia raised its benchmark rate by 25 basis points, to 9.5%, on August 2. Armenian policy-makers have been raising the key rate since Dec. 2020 from a pandemic low of 4.25%, following the Armenia-Azerbaijan war between Sept. and Nov. 2020. (www.centralbanking.com 03/08/22)

Madagascar raises rates 90bp

The Central Bank of Madagascar raised its key interest rates by 90 basis points on August 2. The BFM raised its deposit facility rate to 6.9%, and the marginal lending facility rate to 8.9%. (www.centralbanking.com 03/08/22)

Oil prices stabilise after drop to near 6-month low

Oil prices were broadly steady on Thursday as the market weighed tight supply against fears of a demand slowdown, after a build in US crude and gasoline stocks sent prices to multi-month lows in the previous session. Brent crude futures were down 3 cents to \$96.75 a barrel by 1200 GMT, while West Texas Intermediate futures were up 40 cents, a 0.44% gain, at \$91.06. (www.reuters.com 04/08/22)

Ghana: National AfCFTA policy framework and action plan launched to boost trade

Ghana's President, Nana Akufo-Addo has urged the Ministry for Trade and Industry to ensure the hastened implementation of programs under the African Continental Free Trade Area (AfCFTA) agreement to allow for businesses to export significantly across the continent. (www.citibusinessnews.com 03/08/22)

Egypt non-oil private sector activity decline slows

Egypt's non-oil private sector activity deteriorated at a softer pace in July, survey data from S&P Global showed on Wednesday. The Purchasing Managers' Index, or PMI, rose to 46.4 in July from a two-year low of 45.2 in June. This was the highest reading seen in over a year. (www.rttnews.com 03/08/22)

Morocco's trade deficit up 48.7% as of June

Morocco's trade deficit increased by 48.7% year-on-year to \$14.9bn as of June, the kingdom's foreign exchange regulator has said. In the first half of 2022, Morocco's imports increased by 44.2% year-on-year to \$36.19bn, while its exports reached \$21.29bn, up by 41.2%, the Foreign Exchange Office reported. (www.xinhuanet.com 03/08/22)

Zambia's growth target shaky as copper output drops, prices plunge

Zambia's economic-growth targets for this year are looking shaky as its copper production plunges along with prices of the metal it relies on for more than 70% of export earnings. Output fell 7.4% to 364,089 tons in the first half of 2022, the Zambia Chamber of Mines has said. (www.bloomberg.com 03/08/22)

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