



Thursday 15th September 2022

CBDCs require increase in cyber security budget – BIS survey

Cybercriminals have been increasing the number of their attacks, posing a risk to financial stability, and pushing central banks particularly those developing digital currencies to invest in stronger security. (www.centralbanking.com 14/09/22)

Euro zone industrial production much weaker than expected in July

Euro zone industrial production was much weaker than expected in July, data shows, mainly because of a sharp drop in the output of capital goods that are used for making finished products and reflect business investment. (www.reuters.com 14/09/22)

For Fed, the ‘neutral rate’ is crucial, and unknown

Central banks seek to manage economies by setting interest rates at levels that speed up or slow down things like car purchases and construction projects. But the enterprise revolves around a number that’s far more ephemeral. (www.bloomberg.com 15/09/22)

US producer prices edge down in line with estimates in August

Reflecting another sharp decline in energy prices, the Labour Department released a report on Wednesday showing a modest decrease in US producer prices in the month of August. (www.rttnews.com 14/09/22)

Dollar firms with Fed in focus, yen slips back

The dollar held near recent peaks on Thursday, supported by expectations the US Federal Reserve will continue to tighten policy aggressively as it tries to curb inflation, while the yen faltered after jumping sharply the day before. (www.reuters.com 15/09/22)

Bank of England delays monthly mortgage and credit data by a day

The Bank of England said that it would delay the publication of its monthly bank and building society lending data by a day until September 30, due to a public holiday to mark Queen Elizabeth's state funeral on Sept. 19. (www.reuters.com 14/09/22)

UK consumer confidence drop feeds concern about house prices

UK consumer confidence slipped into negative territory for the first time since the pandemic lockdown in the middle of 2020. (www.bloomberg.com 15/09/22)

China holds key rate, withdraws liquidity amid yuan defense

China’s central bank drained liquidity from the banking system for a second straight month while leaving rates unchanged as it sought to ease pressure on the yuan from a widening policy divergence with the Federal Reserve. (www.bloomberg.com 15/09/22)

China's central bank adds liquidity via operations

China's central bank added liquidity to the banking system through operations of medium-term lending facility and reverse repos. The People's Bank of China injected ¥400bn into the market. (www.xinhuanet.com 15/09/22)

China's financial institutions' assets up 9.7%

China's financial institutions saw expanded balance sheets by the end of the second quarter this year, official data showed. The country's financial institutions saw their combined assets increase 9.7% year on year to ¥407.42tr by the end of Q2. (www.xinhuanet.com 14/09/22)

EXCHANGE RATES OF SELECTED CURRENCIES

| CURRENCIES | BUYING | | SELLING | |
|------------|--------|----------|---------|----------|
| +USD/GBP | 1.1562 | (1.1526) | 1.1563 | (1.1527) |
| +USD/EUR | 0.9989 | (0.9995) | 0.9990 | (0.9996) |
| *GHS/USD | 8.2656 | (8.2646) | 8.2738 | (8.2728) |
| *GHS/GBP | 9.5566 | (9.5257) | 9.5670 | (9.5361) |
| *GHS/EUR | 8.2570 | (8.2610) | 8.2645 | (8.2685) |

+SOURCE: BOG INTERNAL TRANSACTION RATES: 15/09/22 (Rates for 14/09/22 in brackets)

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China braces for a slowdown that could be even worse than 2022

Six months after China's government set ambitious economic targets for the year, growth has slowed so sharply that several major banks don't even think 3% is achievable anymore. Growth projections have come down steadily since March, when the official target of around 5.5% was first disclosed.

(www.bloomberg.com 15/09/22)

Forget 'neutral': core inflation eyed in Bank of Canada peak rate bets

As investors weigh how much further the Bank of Canada will tighten, the level of underlying inflation is likely to be a better signpost than the central bank's much scrutinized estimate of the neutral interest rate, economists say.

(www.reuters.com 14/09/22)

France is not falling into recession, Le Maire says

Finance Minister Bruno Le Maire said that the economy was not facing recession after the gov't lowered its economic outlook for 2023. Le Maire also told CNews TV that 2022 economic growth was being revised up to 2.7% from 2.5%.

(www.reuters.com 14/09/22)

Australia's central bank review panel considers board shake-up

Australia's central bank faces a potential overhaul of its interest rate-setting board that may result in more monetary policy experts and fewer business people, an independent review suggested. The 3-person panel is also considering whether the votes of individual directors should be disclosed or dissenting votes released without divulging names.

(www.bloomberg.com 15/09/22)

Irish central bank will still exchange old banknotes and coins

The Central Bank of Ireland confirmed that it would continue exchanging pre-euro banknotes and coins for euros. The central bank's director of currency, Bernard Sheridan, said: "The Central Bank of Ireland offers an exchange service for old Irish pound notes or coins, and for damaged euro notes and coins."

(www.centralbanking.com 14/09/22)

European shares may struggle for direction as rate worries persist

European stocks may struggle for direction as investors await a slew of US economic data, including reports on weekly jobless claims, retail sales and industrial production, for additional clues about the outlook for interest rates. The pan European Stoxx 600 shed 0.9%. The German DAX lost 1.2%, France's CAC 40 index dipped 0.4% and the UK's FTSE 100 gave up 1.5%.

(www.rttnews.com 14/09/22)

Crude oil futures settle notably higher

Crude oil prices climbed higher on Wednesday amid speculation the Biden administration might consider refilling the country's oil reserve, and on data showing a drop-in gasoline stockpile last week. West Texas Intermediate Crude oil futures for October ended higher by \$1.17 or about 1.3% at \$88.48 a barrel.

(www.rttnews.com 14/09/22)

Gold steady as traders weigh fed rate path amid high inflation

Gold held steady as traders weighed monetary tightening path by the US Federal Reserve after economic data pointed to elevated inflation in consumer and producer prices. A measure of producer-prices fell for a second month in August, although it increased 8.7% from a year ago.

(www.bloomberg.com 14/09/22)

IMF unlocks \$31.9 m for Madagascar

The IMF has unlocked a loan to Madagascar worth 24.4bn special drawing rights (SDR) or \$31.9m, under the country's extended credit facility. The facility provides financial assistance to countries with "protracted" balance of payments problems.

(www.centralbanking.com 14/09/22)

Tunisia agrees wage hikes with powerful union key to IMF talks

Tunisia's government and an influential labor union agreed on a wage hike for public sector workers, a move that could help ease frictions as the North African nation seeks IMF aid. The government and the UGTT union agreed to a 3.5% increase in wages for roughly 680,000 sector and civil service employees.

(www.bloomberg.com 14/09/22)

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