



Monday 21<sup>st</sup> November 2022

### Growth and inflation are top forecast indicators

Central banks generally forecast a wide range of economic indicators, but growth and inflation remain the most common forecasts in the Economics Benchmarks 2022. All 31 respondents said they forecast growth, while 30 of 31 banks forecast inflation and 20 institutions forecast the current account balance. ([www.centralbanking.com](http://www.centralbanking.com) 21/11/22)

### Humbled central bankers scale back their ambitions

Once seen as the world’s go-to economic crisis fighters, central bankers are now desperately trying to contain a problem they allowed to happen. ([www.bloomberg.com](http://www.bloomberg.com) 20/11/22)

### Recession dangers augur new era of policy trade-offs

A new snapshot of the global economy’s weakening growth and persistent inflation will arrive in the coming week, as surveys reveal headwinds for manufacturers from the US to Europe and Japan. ([www.bloomberg.com](http://www.bloomberg.com) 19/11/22)

### Euro-Zone banks return €296bn in cheap ECB funding

Banks will return €296.3bn of cheap loans to the ECB after their terms were toughened to help the battle against record inflation. The repayment represents just under 15% of the total outstanding amount of TLTRO loans. ([www.bloomberg.com](http://www.bloomberg.com) 18/11/22)

### Lagarde says rates to rise more, may need to become restrictive

European Central Bank President Christine Lagarde said interest rates may need to be lifted to levels that restrict economic expansion in order to drive down inflation that’s rocketed to more than five times the official target. ([www.bloomberg.com](http://www.bloomberg.com) 18/11/22)

### Fed’s Collins says her view on rate hikes unchanged by recent data

Federal Reserve Bank of Boston President Susan Collins reiterated her view that options are open for the size of policymakers’ December interest-rate increase, including the possibility of a 75 basis-point move. ([www.bloomberg.com](http://www.bloomberg.com) 18/11/22)

### IMF backs UK plan for \$65bn of budget tightening

The IMF’s Managing Director, Kristalina Georgieva, said she had spoken with British finance minister Jeremy Hunt to welcome his latest plan for £55bn pounds (\$65bn) of budget tightening. ([www.reuters.com](http://www.reuters.com) 18/11/22)

### UK consumer confidence ticks up in ‘sigh of relief’ after Truss

UK consumer confidence ticked higher for a second month after Prime Minister Rishi Sunak worked to stabilize the economy following the disastrous and short tenure of his predecessor. The market research firm GfK Ltd; said its measure of sentiment rose three points to minus 44 in November. ([www.bloomberg.com](http://www.bloomberg.com) 18/11/22)

### China leaves key lending rates unchanged

China kept its main lending rates unchanged for the third straight month as the weakening yen impede the ability of the central bank to support slower economic growth. The PBOC left its one-year loan prime rate, or LPR, unchanged at 3.65%. ([www.rttnews.com](http://www.rttnews.com) 21/11/22)

### China's central bank conducts reverse repos to boost liquidity

China's central bank conducted ¥3bn of reverse repos to maintain liquidity in the banking system. The interest rate for the seven-day reverse repos was set at 2%. ([www.xinhuanet.com](http://www.xinhuanet.com) 21/11/22)

#### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.1919	(1.1773)	1.1920	(1.1780)
+USD/EUR	1.0359	(1.0331)	1.0360	(1.0331)
*GHS/USD	13.0990	(13.0991)	13.1122	(13.1123)
*GHS/GBP	15.6128	(15.4216)	15.6297	(15.4462)
*GHS/EUR	13.5692	(13.5266)	13.5839	(13.5470)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 21/11/22 (Rates for 18/11/22 in brackets)

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### **Chinese MPC member calls for 5% growth target in 2023**

China should aim for GDP growth of 5% for 2023 after struggling to meet this year's target, a member of the People's Bank of China's monetary policy committee, Liu Shijin has indicated. Liu Shijin said growth of 5% in 2023 was crucial for China to meet its urgent demand for stable growth and achieve its long-term modernisation goal.

([www.centralbanking.com](http://www.centralbanking.com) 18/11/22)

### **Germany PPI inflation eases more than forecast**

Germany's PPI eased more-than-expected in October to reach its lowest level in four months, data from Destatis showed. Producer prices climbed 34.5% year-on-year in October, slower than the 45.8% surge in September. That was also well below the 41.5% rise expected by economists.

([www.rttnews.com](http://www.rttnews.com) 21/11/22)

### **Israeli inflation surprise divides rate hike calls**

Israel's faster-than-expected inflation in October means it's not a question of if, but how much, the central bank will raise interest rates as part of its longest unbroken cycle of monetary tightening in two decades.

([www.bloomberg.com](http://www.bloomberg.com) 21/11/22)

### **Dutch consumer confidence improves slightly**

Dutch consumer confidence rose marginally in November, as consumers were somewhat less pessimistic about the economy than a month ago, data from the Central Bureau of Statistics showed on Monday. The consumer confidence index increased to -57 in November from -59 in October. ([www.rttnews.com](http://www.rttnews.com) 21/11/22)

### **Japan's inflation hits 40-year high as BOJ sticks to easy policy**

Japan's core consumer inflation accelerated to a 40-year high in October, driven by currency weakness and imported cost pressures that the central bank shrugs off, as it sticks to a policy of ultra-low interest rates. The nationwide core CPI was up 3.6% on a year earlier, exceeding the 3.5% rise and the 3.0% gain seen in September. ([www.reuters.com](http://www.reuters.com) 18/11/22)

### **European shares poised for lower opening amid china concerns**

European stocks are seen opening on a tepid note, as investors fret about weakening demand in China and repeated rate hikes by the Federal Reserve to cool inflation. European markets closed higher on Friday despite some hawkish remarks from Fed officials and ECB President Christine Lagarde. The pan European STOXX 600 jumped 1.2%. The German DAX advanced 1.2%, France's CAC 40 gained 1% and the UK's FTSE 100 edged up half a percent. ([www.rttnews.com](http://www.rttnews.com) 21/11/22)

### **Oil futures settle sharply lower on demand worries**

Crude oil prices fell to a six-week low amid concerns about outlook for demand from China, and easing worries about supply. WTI Crude oil futures for December dropped to \$80.08, down \$1.56 or about 1.9%. WTI crude futures shed about 10% this week, after having posted a loss of about 4% in the previous week. ([www.rttnews.com](http://www.rttnews.com) 18/11/22)

### **Gold futures settle lower as dollar advances on rate hike bets**

Gold prices drifted lower as the dollar strengthened against most of its major rivals amid rising bets the Federal Reserve will continue to aggressively hike interest rates to tame inflation. Gold futures for December ended lower by \$8.60 or about 0.5% at \$1,754.40 an ounce. ([www.rttnews.com](http://www.rttnews.com) 18/11/22)

### **Tunisia seeking partners for \$3.2 billion of projects, economy minister says**

Tunisia is seeking international partners for investment projects worth 10bn Tunisian dinars, Economy Minister Samir Saied said on Saturday at a summit of leaders of French-speaking countries it is hosting.

([www.reuters.com](http://www.reuters.com) 19/11/22)

### **IMF cuts Nigeria 2022 growth forecast to 3%**

The IMF has revised Nigeria's 2022 real GDP growth forecast down to 3% from 3.4% earlier, citing weak oil production and the adverse effects of recent flooding. Nigeria is battling to halt crude theft. ([www.reuters.com](http://www.reuters.com) 19/11/22)