



Tuesday 22<sup>nd</sup> November 2022

### World banks see global economy slowing more in 2023, with likely US recession

The world's largest investment banks expect global economic growth to slow further in 2023 following a year roiled by a war and soaring inflation that triggered one of the fastest monetary policy tightening cycles in recent times. ([www.reuters.com](http://www.reuters.com) 21/11/22)

### Majority of banks blend research and policy function

The majority of central banks mix research and policy functions in the structure of their economics functions. The data also shows slightly over one fifth of institutions in the Economic Benchmarks 2022 restructured their economics departments in the past 12 months. ([www.centralbanking.com](http://www.centralbanking.com) 22/11/22)

### Lane says ECB won't be done raising rates in December, MNI says

The ECB will continue to raise borrowing costs next year to ensure inflation returns to its 2% target, Chief Economist Lane told. "I don't think December is going to be the last rate hike," Lane said. ([www.bloomberg.com](http://www.bloomberg.com) 21/11/22)

### Vasle says ECB may need to hike rates into restrictive territory

The ECB may need to raise borrowing costs to a level that brakes economic growth, according to Vasle. High inflation and the reasons behind it call for continuation of monetary policy normalization," Vasle said. ([www.bloomberg.com](http://www.bloomberg.com) 21/11/22)

### FSB calculates G-Sib list with revised methodology

The Financial Stability Board has published the 2022 update to its list of global systemically important banks using a revised methodology for the first time. Overall, the list contains the same 30 banks as last year. ([www.centralbanking.com](http://www.centralbanking.com) 21/11/22)

### US banks are tightening lending standards, raising the risk of a recession

The Federal Reserve isn't the only one tightening credit. Commercial banks are too. And that spells trouble for the US economy. ([www.bloomberg.com](http://www.bloomberg.com) 21/11/22)

### US needs regulatory framework for non-banks, Treasury says

Banking services provided by US non-banks are falling outside of federal regulation, creating stability and privacy concerns, warned a US Treasury Department report. Regulators need to apply a supervisory framework to relationships between banks and fintech companies. ([www.centralbanking.com](http://www.centralbanking.com) 21/11/22)

### BOE delays Leeds move as economic crisis slows levelling up plan

The BoE has delayed plans to move hundreds of staff from London to Leeds, as the economic turmoil slows the government's leveling up agenda. A spokesman said the central bank was "revisiting our plan and timetable but our presence in Leeds will continue to expand." The BOE said that it planned to move from a small satellite office. ([www.bloomberg.com](http://www.bloomberg.com) 21/11/22)

### BoE's Cunliffe details 'familiar' failings at FTX

Collapsed crypto exchange FTX suffered from a series of "familiar" failings that have also plagued the conventional financial sector throughout history, Jon Cunliffe has said. ([www.centralbanking.com](http://www.centralbanking.com) 21/11/22)

### UK budget deficit comes in smaller than expected in October

Britain's government borrowed less than expected in October despite the launch of some energy bill support measures, the Office for National Statistics said on Tuesday. ([www.reuters.com](http://www.reuters.com) 22/11/22)

### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.1811	(1.1919)	1.1813	(1.1920)
+USD/EUR	1.0250	(1.0359)	1.0250	(1.0360)
*GHS/USD	13.0988	(13.0990)	13.1120	(13.1122)
*GHS/GBP	15.4710	(15.6128)	15.4891	(15.6297)
*GHS/EUR	13.4262	(13.5692)	13.4408	(13.5839)

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

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### **China's central bank issues ¥25bn of bills in Hong Kong**

China's central bank issued ¥25bn worth of central bank bills in the Hong Kong Special Administrative Region. Of the total, ¥10bn worth of central bank bills will mature in three months, and the other ¥15bn will mature in one year, with respective interest rates of 2.09% and 2.5%, according to the PBOC. ([www.xinhuanet.com](http://www.xinhuanet.com) 21/11/22)

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

China's central bank conducted ¥2bn of reverse repos to maintain liquidity in the banking system. The interest rate for the seven-day reverse repos was set at 2%, according to the People's Bank of China. The move aims to keep liquidity in the banking system reasonable and ample, the central bank said. ([www.xinhuanet.com](http://www.xinhuanet.com) 22/11/22)

### **Bank of Israel raises key rate by 1/2 point as inflation above 5%**

The Bank of Israel raised its benchmark interest rate by half a point, the sixth straight meeting it has increased rates to try to cool inflation that remains above 5%. The central bank lifted its key rate to 3.25% from 2.75%. In April, policymakers began raising the rate from 0.1% and have been aggressive during a front-loading process. ([www.reuters.com](http://www.reuters.com) 21/11/22)

### **Hungary govt caps interest rates on large commercial bank deposits**

Commercial banks in Hungary cannot pay an interest rate that is higher than the yield on the three-month discount bill on deposits by certain large institutional and private investors, says the Minister for Economic Development. ([www.reuters.com](http://www.reuters.com) 21/11/22)

### **RBNZ poised for unprecedented jumbo rate hike to fight inflation**

New Zealand's central bank is poised to raise interest rates by an unprecedented 75 basis points, accelerating its monetary tightening to get inflation under control. The Reserve Bank will lift the Official Cash Rate to 4.25% from 3.5% on Wednesday in Wellington. ([www.bloomberg.com](http://www.bloomberg.com) 21/11/22)

### **European shares seen opening up despite wall street slide**

European stocks may open slightly higher even as fresh COVID-10 curbs in several Chinese cities, including the capital, Beijing, added to concerns about an economic slowdown. The pan European STOXX 600 finished marginally lower. The German DAX slipped 0.4%, France's CAC 40 index slid 0.2%. ([www.rttnews.com](http://www.rttnews.com) 22/11/22)

### **Oil futures recover after plunging to 10-month low, settle modestly lower**

Crude oil prices fell to a ten-month low but regained some lost ground and ended the day's session lower. WTI Crude oil futures ended lower by \$0.35 or about 0.4% at \$79.73 a barrel, off a low of \$75.08 a barrel. Brent crude futures were down \$0.31 at \$87.31 a barrel, after having plunged to \$83.26 a barrel earlier. ([www.rttnews.com](http://www.rttnews.com) 21/11/22)

### **Gold futures settle lower as dollar climbs on safe haven demand**

Gold prices fell as the dollar climbed higher, with recent comments from some Fed officials suggesting tighter policy moves by the central bank. Gold futures for December settled at \$1,739.60 an ounce, losing \$14.80. Silver futures for December ended down \$0.125 at \$20.872 an ounce. ([www.rttnews.com](http://www.rttnews.com) 21/11/22)

### **Sticky inflation to spur interest-rate hikes in seven key African economies**

Central banks in 7 of 11 African nations will likely raise interest rates at their final monetary policy committee meetings of the year to tackle stubbornly high inflation and support their currencies. Nigeria, South Africa and Ghana are among those projected to raise borrowing costs over the next two weeks. ([www.bloomberg.com](http://www.bloomberg.com) 21/11/22)

### **Kenya: Dwindling reserves see Kenya's import cover hit seven-year low**

The number of months Kenya can finance imports with its foreign-exchange reserves fell to a seven-year low, almost breaching a required buffer, according to central bank data. Reserves held by the Central Bank of Kenya stood at \$7.19bn. ([www.bloomberg.com](http://www.bloomberg.com) 21/11/22)

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