



Thursday 24th November 2022

Advanced economy institutions tend to produce more papers

Advanced economy central banks produced more working papers than peers in emerging market economies over the past 12 months, the Economics Benchmarks 2022 reveal. The 14 participating advanced economy central banks published an average of 10 working papers. (www.centralbanking.com 24/11/22)

ECB’s Schnabel signals it may be too soon to slow rate hikes

ECB Executive Board member Isabel Schnabel signaled it may be premature to scale back increases in interest rates with inflation continuing to pose dangers to the euro-zone economy. (www.bloomberg.com 24/11/22)

Easing euro zone downturn offers hope of milder recession

The downturn in euro zone business activity eased slightly in November offering a glimmer of hope. The expected recession may be shallower than feared, but consumers still cut spending amid a cost of living crisis, a survey showed. (www.reuters.com 23/11/22)

Europe’s top two economies contract as bloc already in recession

Private-sector activity in the euro area’s top two economies contracted in November, painting a bleak picture for a region that’s probably already in recession. (www.bloomberg.com 23/11/22)

Fed minutes may show debate over risks of aggressive rate hikes

After a headlong rush this year to raise interest rates, the Federal Reserve switched this month to a more nuanced approach that was seen as a compromise between officials most concerned about high inflation. (www.reuters.com 23/11/22)

US jobless claims hit three-month high as labor market cools

Applications for US unemployment benefits rose last week to a three-month high amid a wave of layoffs at technology companies, a sign of cooling in a tight labor market. Initial unemployment claims increased by 17,000 to 240,000, Labor Department data showed. (www.bloomberg.com 23/11/22)

BOE’s top economist says more rate rises needed to tackle inflation

The BoE needs to raise interest rates further to tackle inflationary pressures that are becoming increasingly domestic, Chief Economist Huw Pill has said. (www.bloomberg.com 23/11/22)

UK PMI sticks near 21-month low as orders weaken

British economic activity fell at close to its fastest pace in nearly two years in November, adding to signs of recession as orders sank and employment growth slowed, a survey showed. The 'flash' version of the IHS Markit/CIPS composite PMI for Britain edged up to 48.3 from 48.2. (www.reuters.com 23/11/22)

China signals likely reserve requirement cut to aid growth

China signaled that more monetary policy stimulus including a cut to the reserve requirement ratio is on the table as it looks to boost lending and support the flagging economy. (www.bloomberg.com 23/11/22)

PBoC eases rules to lure foreign bond investors

China’s central bank and foreign exchange regulator rolled out new rules aimed at attracting more foreign institutional investors to invest in the country’s bond market. The new regulations are aimed at promoting “two-way opening” of the financial market. (www.centralbanking.com 23/11/22)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2041	(1.1872)	1.2042	(1.1874)
+USD/EUR	1.0365	(1.0276)	1.0366	(1.0277)
*GHS/USD	13.0989	(13.0986)	13.1121	(13.1118)
*GHS/GBP	15.7724	(15.5507)	15.7895	(15.5689)
*GHS/EUR	13.5770	(13.4592)	13.5917	(13.4737)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 24/11/22 (Rates for 23/11/22 in brackets)

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Bank of Canada says higher interest rates still needed to tame inflation

Inflation in Canada remains too strong, and higher interest rates will be needed to cool the overheating economy, the Governor of Bank of Canada, Macklem has said. Inflation has come down in recent months, but we have yet to see a generalized decline in price pressures.

(www.reuters.com 23/11/22)

IMF reaches deal with Ukraine, paving way for billions in aid

Ukraine reached a preliminary agreement with the IMF that may open a path to a financial lifeline as the war-battered nation seeks as much as \$20bn to shore up its reserves and budget needs. The deal between Kyiv and the Washington-based lender is a so-called staff-level agreement. (www.bloomberg.com 23/11/22)

Bank of Korea's Rhee raises prospect of hike cycle nearing end

Bank of Korea Governor Rhee Chang-yong signaled the end may be near for the country's unprecedented streak of policy tightening to curb inflation, returning to a smaller interest-rate hike as concerns grow over economic growth and credit markets. "I am aware that the pain among economic players is deepening as rates rise and the economy weakens," Rhee said. (www.bloomberg.com 24/11/22)

Turkey to cut rates into single digits as pause looms

Turkey is poised to cap off its abrupt cycle of monetary easing with another interest-rate cut, before a likely pause that will test the central bank's ability to keep a grip on the lira and inflation. (www.bloomberg.com 24/11/22)

Iceland central bank hikes key rate further

Iceland's central bank raised its key interest rate by a quarter-basis point at its November meeting, in order to bring down inflationary pressures. The MPC decided to raise the key interest rate, which is the rate on seven-day term deposits, by 25 basis points to 6.0%, the Central Bank of Iceland said in a statement.

(www.rttnews.com 23/11/22)

European shares seen flat to higher in cautious trade

European stocks may open a tad higher as investors react to dovish Fed minutes released overnight. European stocks ended firmly in positive territory despite PMI reports for the region pointing to a continued slowdown in business activity. The pan European STOXX 600 advanced 0.6%. The German DAX finished marginally higher, France's CAC 40 index edged up 0.3%. (www.rttnews.com 24/11/22)

Oil futures settle sharply lower on large gasoline stockpiles, price cap on Russian oil

Crude oil prices fell sharply on Wednesday, weighed down by news that the G7 nations has considered a price cap on Russian oil and data showing a bigger than expected jump in US gasoline stockpiles. WTI Crude oil futures for December ended down \$3.01 at \$77.94 a barrel. Brent crude futures were down \$3.15 at \$85.21 a barrel. (www.rttnews.com 23/11/22)

Gold futures settle higher as dollar sheds ground ahead of Fed minutes

Gold futures settled higher as the dollar drifted lower, extending losses from the previous session, as markets awaited the release of the minutes of the Federal Reserve's most recent policy meeting. Gold futures for Dec. advanced by \$5.70 at \$1,745.60 an ounce. Silver futures for Dec. climbed \$0.318 to \$21.367 an ounce. (www.rttnews.com 23/11/22)

South Africa to stay course of aggressive rate hikes

South Africa's central bank is poised to prolong its most aggressive interest-rate hiking cycle in at least two decades, underlining its commitment to tame stubbornly high inflation even as the economy flirts with recession.

(www.bloomberg.com 23/11/22)

Kenya central bank raises key rate by 50 basis points

Kenya's central bank lifted its key interest rate at its final policy meeting of the year to anchor inflation expectations. The MPC increased the rate by 50 basis points to 8.75%.

(www.bloomberg.com 23/11/22)

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