



Friday 20<sup>th</sup> January 2023

### Most central banks still not using GRC systems

Most central banks do not use governance, risk and compliance (GRC) systems, although usage was higher among respondents to the Risk Management Benchmarks 2023 versus those that replied in 2022. Of the 33 institutions that responded to this data query, 14 (42.4%) banks said they use a GRC system, up from 36.7% that confirmed usage in the past year. ([www.centralbanking.com](http://www.centralbanking.com) 19/01/23)

### Eurozone current account swings to surplus of €14bn

Euro area current account balance turned to a surplus for the first time in nine months in November, underpinned by the improvement in foreign trade. The current account surplus for Nov. was €14bn, versus a €1.0bn shortfall in Oct, data published by the European Central Bank shows. ([www.rttnews.com](http://www.rttnews.com) 19/01/23)

### ECB rate hikes have a long way to go

The European Central Bank is set to continue its interest rate hikes for some time ahead as the minutes of the latest policy session in December revealed that many policymakers had sought a jumbo raise of 75 basis points due to the prospect of inflation staying high for too long, but eventually agreed on a smaller half basis point lift in a bid to have more room for higher rates in the future. ([www.rttnews.com](http://www.rttnews.com) 19/01/23)

### US weekly jobless claims unexpectedly drop below 200,000

A report released by the Labor Department on Thursday unexpectedly showed a decrease in first-time claims for US unemployment benefits in the week ended Jan 14th. The Labor Department said initial jobless claims fell to 190,000, a decrease of 15,000 from the previous week's unrevised level of 205,000. ([www.rttnews.com](http://www.rttnews.com) 19/01/23)

### PBoC adds liquidity via reverse repos

China's central bank continued to inject funds into the financial system through open market operations on Friday. The People's Bank of China said on its website that it has conducted ¥62bn (about \$9.16bn) of seven-day reverse repos at an interest rate of 2%, and ¥319bn of 14-day reverse repos at an interest rate of 2.15%. The moves are aimed at keeping liquidity stable before the upcoming Spring Festival holiday, according to the central bank. ([www.xinhuanet.com](http://www.xinhuanet.com) 20/01/23)

### Bailey: Inflation 'likely to fall rapidly' this year

Inflation is likely to fall rapidly this year as energy prices fall, Bank of England Governor Andrew Bailey has said. Speaking in Wales, Mr Bailey said a recent easing of inflation could be a sign that "a corner has been turned". The Bank was not trying to change market expectations that interest rates will peak at 4.5%, he said. ([www.bbc.com](http://www.bbc.com) 19/01/23)

### Japan inflation jumps to new 41-year high

Japan's inflation rate has jumped to a fresh 41-year high as businesses pass on higher costs to their customers. Core consumer prices for last month rose by 4% from a year earlier, double the Bank of Japan's (BOJ) target level. It puts further pressure on the central bank to put up its interest rates to help ease the rising cost of living. ([www.bbc.com](http://www.bbc.com) 20/01/23)

### TCB holds key rate unchanged for second month

Turkey's central bank left its key interest rate unchanged for the second straight month as inflation slowed notably from near 85.0%. The Monetary Policy Committee of the Central Bank of the Republic of Turkey, or TCMB, decided to hold the policy rate at 9.00%. The outcome of the meeting widely matched expectations. ([www.rttnews.com](http://www.rttnews.com) 19/01/23)

#### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2362	(1.2402)	1.2363	(1.2404)
+USD/EUR	1.0816	(1.0855)	1.0817	(1.0856)
*GHS/USD	10.3509	(10.3510)	10.3613	(10.3614)
*GHS/GBP	12.7958	(12.8373)	12.8096	(12.8523)
*GHS/EUR	11.1959	(11.2352)	11.2070	(11.2473)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 20/01/23 (Rates for 19/01/23 in brackets)

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### **BNM holds rates while Indonesia hikes again**

Malaysia's central bank unexpectedly kept its benchmark interest rate unchanged at 2.75% on Jan 19, while Indonesia's raised its rate by 25 basis points. Bank Negara Malaysia said the decision allows it to assess the impact of its previous four consecutive 25bp hikes. BNM's nine-member monetary policy committee, chaired by governor Nor Shamsiah, cited the "lag effects" of monetary policy. ([www.centralbanking.com](http://www.centralbanking.com) 19/01/23).

### **HK jobless rate falls to 3.5%**

Hong Kong's unemployment rate decreased for the eighth month in a row in Dec. the labor force statistics from the Census and Statistics Department shows. The seasonally adjusted unemployment rate fell to 3.5% in the Oct. to Dec. period from 3.7% in the Sept. to Nov. period. ([www.rttnews.com](http://www.rttnews.com) 19/01/23)

### **Cuban foreign exchange reserves have fallen, state says**

Cuba's foreign exchange reserves have fallen sharply in recent years, according to figures published on the government's Cubadebate news site. The disclosure, published in Jan, is considered highly unusual by observers. In the third part of the article, published on Jan. 6. ([www.centralbanking.com](http://www.centralbanking.com) 19/01/23)

### **Swiss producer and import prices rise 3.2%**

Switzerland's producer and import prices increased in Dec. data from the Fed Statistical Office shows. Producer and import prices rose 3.2% year-on-year in Dec. The PPI climbed 2.6% annually in Dec. and import prices grew 4.4%. Compared to the previous month, producer and import prices declined 0.7% in Dec. ([www.rttnews.com](http://www.rttnews.com) 19/01/23)

### **NCB signals rate hike in March**

The Norwegian Central Bank has decided to keep its benchmark interest rate unchanged at its Jan. meeting, in line with market expectations. The Monetary Policy and Financial Stability Committee, headed by Governor Ida Bache, unanimously decided to hold the policy rate at 2.75%, Norges Bank said. ([www.rttnews.com](http://www.rttnews.com) 19/01/23)

### **Oil prices set for second week of gains on brighter China outlook**

Oil prices were set to post a second straight weekly gain on Friday, spurred largely by brightening economic prospects for China which should boost fuel demand in the world's second-biggest economy. Brent futures for March delivery gained 26 cents to \$86.42 a barrel by 0655 GMT, while U.S. crude advanced 43 cents to \$80.76 per barrel, a 0.5% gain. ([www.reuters.com](http://www.reuters.com) 20/01/23)

### **Deeper ties on Yellen's mind as US begins year of African engagement**

US Treasury Secretary Janet Yellen will kick off a year of visits by top US officials to Africa on Friday aiming to firm up US-Africa ties after decades in which China has dominated investment across the continent. ([www.reuters.com](http://www.reuters.com) 19/01/23)

### **AfDB projects 3.3% growth rate for Ghana in 2023**

The African Development Bank (AfDB) is projecting 3.3% expansion of the Ghanaian economy in 2023. This is higher than the Government of Ghana's forecast of 2.8% in 2023, the World Bank's 2.7% and the International Monetary Fund's 2.8%. ([www.myjoyonline.com](http://www.myjoyonline.com) 19/01/23)

### **Morocco's central bank caps its first treasury bond purchases**

Morocco's central bank said on Thursday it planned to limit its first ever liquidity-boosting purchase operations of treasury bonds to MAD25bn, citing the dampening impact of market uncertainty over rate outlook on demand. The bank has so far injected MAD16.2bn through treasury bond purchases on Jan. 9 and Jan. 16. ([www.reuters.com](http://www.reuters.com) 19/01/23)

### **Ethiopia replaces central bank boss amid high inflation**

The head of Ethiopia's central bank has been replaced as the country continues to grapple with high inflation rates. Yinager Dessie was appointed as governor of the National Bank of Ethiopia (NBE) in 2018 shortly after Prime Minister Abiy Ahmed came to power. ([www.bbc.com](http://www.bbc.com) 20/01/23)

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