



Wednesday 25<sup>th</sup> January 2023

### **Eurozone activity unexpectedly grows for first time since June**

Activity in the Eurozone unexpectedly returned to growth for the first time since June, according to a survey that could reinforce the European Central Bank’s resolve to raise rates. The S&P Global’s flash Eurozone composite purchasing managers’ index, a measure of activity in manufacturing and services, rose to 50.2 in the month of Jan. from 49.3 in the previous month, figures show. ([www.ft.com](http://www.ft.com) 24/01/23)

### **ECB estimates trillions of Euros at risk from climate change**

The European Central Bank and Eurozone national central banks have published a set of indicators to analyse how climate change affects the financial sector. Exposures due to physical risk amount to as much as €6tr (\$6.5tr) for water stress, the ECB estimated, while wildfires could cost the eurozone a further €5tr. ([www.centralbanking.com](http://www.centralbanking.com) 24/01/23)

### **US Treasury activates another maneuver to avoid breaching debt limit**

US Treasury Secretary Janet Yellen activated another extraordinary cash management measure on Tuesday to avoid breaching the federal debt limit, suspending daily reinvestments in a large government retirement fund that holds Treasury debt, the department said. ([www.reuters.com](http://www.reuters.com) 24/01/23)

### **China's gold production up 13.09% in 2022**

China produced 372.048 tonnes of gold in 2022, up 43.065 tonnes, or 13.09% year on year, according to the data released by the China Gold Association (CGA). Gold consumption in China totaled 1,001.74 tonnes last year, down 10.63% from the previous year, CGA data showed. Consumption of gold jewelry dropped 8.01% year on year to 654.32 tonnes. ([www.xinhuanet.com](http://www.xinhuanet.com) 25/01/23)

### **UK public sector borrowing more than doubles in December**

UK public sector borrowing more than doubled last month to hit the highest Dec. figure on record, driven up by higher debt interest payments and the government’s measures to help households and businesses with soaring energy prices. Public sector net borrowing hit £27.4bn last month, up from a revised £10.7bn in the same month in 2021 and the highest Dec. borrowing since monthly records began in 1993. ([www.ft.com](http://www.ft.com) 24/01/23)

### **German consumer sentiment set to improve further - GfK**

Germany's consumer confidence is set to improve for the fourth month in a row in February amid the sustained recovery in both economic and income expectations. The forward-looking CCI climbed to -33.9 from -37.6 in Jan, which was revised from -37.8. However, economists had expected a higher reading of -33. ([www.rttnews.com](http://www.rttnews.com) 24/01/23)

### **Japan private sector returns to growth in Jan**

Japan's private sector returned to growth territory in January as travel subsidy programme uplifted services activity, flash survey results from S&P Global showed Tuesday. The au Jibun Bank flash composite output index advanced to 50.8 from 49.7 in the previous month. ([www.rttnews.com](http://www.rttnews.com) 24/01/23)

### **France business confidence improves on hopes of brief economic slowdown**

Confidence among French manufacturers improved further at the start of the year, underpinned by an improvement in the assessment of past production. The manufacturing confidence index rose to 103 in Jan. from 102 in Dec. monthly survey results from the statistical office INSEE showed. ([www.rttnews.com](http://www.rttnews.com) 24/01/23)

#### **EXCHANGE RATES OF SELECTED CURRENCIES**

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2312	(1.2361)	1.2313	(1.2362)
+USD/EUR	1.0874	(1.0864)	1.0875	(1.0865)
*GHS/USD	10.3998	(10.3948)	10.4102	(10.4052)
*GHS/GBP	12.8042	(12.8490)	12.8181	(12.8629)
*GHS/EUR	11.3102	(11.2938)	11.3204	(11.3051)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 25/01/23 (Rates for 24/01/23 in brackets)

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### **Australia business conditions continue to weaken as economy slows**

Reflecting the slowdown in the economy, Australia's business conditions weakened for a third month in a row in Dec. and are likely to ease further, while sentiment logged a moderate improvement, survey results from the National Australia Bank showed Tuesday. The NAB business conditions index fell eight points to 12 in Dec. ([www.rttnews.com](http://www.rttnews.com) 24/01/23)

### **Brazil's financial market raises 2023 inflation forecast to 5.48%**

Brazil's financial market raised its inflation forecast for both this year and the next, from 5.39 percent to 5.48% in 2023 and from 3.7% to 3.84% in 2024, the Central Bank of Brazil has said. Target inflation for 2023 has been set at 3.25% and at 3% for 2024, with a 1.5 percentage point margin of tolerance in both cases. ([www.xinhuanet.com](http://www.xinhuanet.com) 24/01/23)

### **Thailand's exports drop 14.6% in Dec 2022**

Thailand's exports declined for the third month in a row in Dec. 2022 as the economic slowdown continued to impact its trading partners, data shows. Exports, a main driver of the country's economic growth, fell 14.6% in Dec. from a year earlier to \$21.72bn according to data released by the country's Ministry of Commerce. ([www.xinhuanet.com](http://www.xinhuanet.com) 24/01/23)

### **Pakistan rates 100bp amid reserves crisis**

Amid critically low reserve levels, the State Bank of Pakistan raised policy rates on Jan. 23 by 100 basis points to 17%. The SBP monetary policy committee cited "persisting" and "broad-based" inflation, rising core inflation and increasing inflation expectations. Headline inflation was 24.5% year on year in Dec. ([www.centralbanking.com](http://www.centralbanking.com) 24/01/23)

### **Finland PPI slows to 14.5%**

Finland's producer price inflation eased for the sixth straight month in Dec. to the lowest level in one and a half years, though it remained strong overall, data from Statistics Finland showed on Tuesday. Producer price inflation eased to 14.5% in Dec. from 18.8% in Nov. ([www.rttnews.com](http://www.rttnews.com) 24/01/23)

### **European shares may see tepid start with focus on earnings**

European stocks may drift lower at open as investors await more U.S. economic data as well as management commentary on the demand outlook from prominent companies for further clarity on the economic outlook. U.S. stock futures fell after Capital One posted earnings. ([www.rttnews.com](http://www.rttnews.com) 25/01/23)

### **Oil falls \$2/barrel on economic jitters, US crude stock build**

Crude oil prices slipped on Tuesday on concerns about a global economic slowdown and as preliminary data indicated a bigger than expected build in US oil inventories. Brent futures for March delivery fell \$2.06 to \$86.13 a barrel. US crude fell \$1.49 to \$80.13 per barrel. US business activity contracted in Jan for the seventh straight month. ([www.reuters.com](http://www.reuters.com) 24/01/23)

### **Gold futures settle higher on weak dollar**

Gold futures settled higher, gaining for a fourth straight session, as the dollar stayed weak amid hopes the Fed will slow the pace of interest rate hikes. The dollar index, which dropped to 101.72 in the Asian session, recovered to 102.43 around mid-morning before easing to 101.95, down by about 0.19% from the previous close. Gold futures for February ended higher by \$6.80 or about 0.4%. ([www.rttnews.com](http://www.rttnews.com) 24/01/23)

### **Nigeria central bank raises main interest rate to 17.5%**

Nigeria's central bank raised its benchmark lending rate by 100 basis points to 17.5% in a decision announced on Tuesday. The central bank's decision came after inflation dipped for the first time in 11 months in Dec. ([www.reuters.com](http://www.reuters.com) 24/01/23)

### **Bank of Ghana to raise rates by 175 basis points later in January**

The Bank of Ghana, wrestling with runaway inflation, is expected to deliver another hefty interest rate hike at its meeting later this month, with the country's currency and public finances still under pressure, a Reuters poll of economists showed. ([www.reuters.com](http://www.reuters.com) 24/01/23)

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