



Thursday 26<sup>th</sup> January 2023

## Global economy projected to grow 1.9% in 2023: UN report

World output growth is projected to decelerate from an estimated 3.0% in 2022 to 1.9% in 2023, marking one of the lowest growth rates in recent decades, according to a UN report launched on Wednesday. The UN World Economic Situation and Prospects 2023 report predicted global growth to moderately pick up to 2.7% in 2024, as some macroeconomic headwinds are expected to begin to subside next year. ([www.xinhuanet.com](http://www.xinhuanet.com) 25/01/23)

## ECB signs supervision cooperation deal with non-Euro zone members

The European Central Bank agreed with six non-Eurozone members to cooperate more closely on bank supervision matters, including in exchanging information about cross-border supervised banks. The agreement covers the Czech Republic, Denmark, Hungary, Poland, Romania and Sweden, the ECB said in a statement. ([www.reuters.com](http://www.reuters.com) 25/01/23)

## US economy continues to weaken

The US economy continued to weaken in Jan. with the rate of decline "among the steepest seen since the global financial crisis," said US financial information and analytics provider S&P Global. "The US economy has started 2023 on a disappointingly soft note, with business activity contracting sharply again in Jan." ([www.xinhuanet.com](http://www.xinhuanet.com) 25/01/23)

## China approves 109 fixed-asset investment projects in 2022

China's top economic planner said it approved a total of 109 fixed-asset investment projects in 2022. These projects, with a combined investment value of ¥1.48tr (about \$218.6bn), cover transportation, energy and water conservancy, Data showed China's fixed-asset investment rose 5.1% year on year to over ¥57.21tr in 2021. ([www.xinhuanet.com](http://www.xinhuanet.com) 25/01/23)

## UK factory gate inflation eases for fifth month

UK output price inflation slowed for the fifth successive month in Dec. soothing fears of high inflation, and provided more justification to the Bank of England for softening its tightening policy stance. Output price inflation unexpectedly slowed to 14.7% from 16.2% a month ago, the Office for National Statistics reported Wednesday. However, economists had forecast prices to gain at a faster pace of 16.4%. ([www.rttnews.com](http://www.rttnews.com) 25/01/23)

## Germany to narrowly avoid recession in 2023 - govt forecast

The German government has revised up its economic forecast with Europe's largest economy now expected to narrowly avoid recession this year as inflation eases, according to its annual economic report. It said gross domestic product was forecast to grow by 0.2% this year, up from the autumn forecast of a 0.4% decline. ([www.reuters.com](http://www.reuters.com) 25/01/23)

## Australian inflation hits 33-year high on energy costs and tourism rebound

Australia's inflation rate hit a 33-year high in the final quarter of 2022, pushed higher by rising costs of energy and new homes and a rebound in tourism, but the government said it hoped that price growth had peaked. Official data showed that inflation rose 7.8% year on year in the Oct. to Dec. quarter, the highest rate since 1990. ([www.ft.com](http://www.ft.com) 25/01/23)

## BoC set for one more rate hike in historic tightening campaign

The Bank of Canada is expected to raise interest rates to a 15-year high in the face of a tight job market and above-target inflation. Economists say that Canada's central bank will hike its benchmark rate by a quarter of a percentage point to 4.50%, its highest level since Dec. 2007. ([www.reuters.com](http://www.reuters.com) 25/01/23)

### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2370	(1.2312)	1.2371	(1.2313)
+USD/EUR	1.0909	(1.0874)	1.0910	(1.0875)
*GHS/USD	10.3998	(10.3998)	10.4102	(10.4102)
*GHS/GBP	12.8645	(12.8042)	12.8785	(12.8181)
*GHS/EUR	11.3464	(11.3102)	11.3567	(11.3204)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 26/01/23 (Rates for 25/01/23 in brackets)

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### **Spain PPI at 20-month low**

Spain producer prices grew at the slowest pace in 20 months in Dec. the statistical office INE said Wednesday. PPI slowed to 14.7% in Dec. from 20.5% in the previous month. This was the slowest rate since April 2021. Excluding energy, underlying producer prices rose 11.1% annually, weaker than the 12.2% increase in Nov. ([www.rttnews.com](http://www.rttnews.com) 25/01/23)

### **Singapore inflation at 7-month low on weaker transport costs**

Singapore consumer price inflation eased at the end of 2021 to the lowest level in 7 months, due to a moderation in private transport costs, while core price growth remained steady. The CPI up 6.5% year-over-year in Dec. slower than Nov's 6.7% stable rate of increase. ([www.rttnews.com](http://www.rttnews.com) 25/01/23)

### **Pakistan's economy nears collapse as foreign currency reserves plunge**

Pakistan's economy is at risk of collapse, with rolling blackouts and a severe foreign currency shortage leaving businesses struggling to operate as authorities attempt to revive an IMF bailout to relieve the deepening crisis. Shipping containers full of imports are piling up at Pakistani ports, according to the country's central bank. ([www.ft.com](http://www.ft.com) 26/01/23)

### **RBNZ to expand FX reserves**

The Reserve Bank of New Zealand is to expand the size of its foreign exchange reserves, after agreeing a new reserves framework with the government. Reserves currently stand at around NZ\$22.8bn (US\$14.8bn), and have varied little since 2007. RBNZ and government decided to expand the economy and the FX market in the past. ([www.centralbanking.com](http://www.centralbanking.com) 25/01/23)

### **Haiti receives \$105m emergency loan**

The International Monetary Fund granted a \$105m emergency loan to Haiti on Jan. 24 under its food shock window. The funds will address a "dire humanitarian crisis" in the Caribbean country. The fund counselled that the Bank of the Republic of Haiti should "reduce monetary financing of the deficit". ([www.centralbanking.com](http://www.centralbanking.com) 25/01/23)

### **World stocks pause near five-month peaks, caution sets in**

World stocks paused near five-month highs on Wednesday, as signs that central banks might need to keep hiking interest rates for longer dampened a recent wave of optimism that aggressive monetary tightening among big central banks is almost done. Australia's dollar shot up over 0.7% to its highest in over five months. ([www.reuters.com](http://www.reuters.com) 25/01/23)

### **Crude oil futures settle slightly higher**

Crude oil futures ended slightly higher on Wednesday, with traders reacting to weekly inventory data. Traders also noted that a report that PBF Energy, a refinery producing diesel in Louisiana, was shut down after a fire on Saturday. Brent crude futures for March ended down to 1 cent at \$86.12 a barrel. ([www.rttnews.com](http://www.rttnews.com) 25/01/23)

### **Intra-African foreign direct investment shows steady growth**

Foreign Direct Investment (FDI) in Africa reached a record high of \$83bn in 2021, according to recent data. This marks a significant increase from \$39bn in 2020, and accounts for 5.2% of global FDI. In 2017, the stock of intra-Africa FDI reached a high of \$52bn, or 11% of Africa's total FDI stock. ([www.norvanreports.com](http://www.norvanreports.com) 25/01/23)

### **Nigeria sees US\$4.3bn of cash returning to banks on currency notes redesign**

The Central Bank of Nigeria expects at least N2tr (US\$4.3bn) of cash to return to banks by Jan. 31 when the deadline to replace high-value currency notes ends. Residents exchanged as much as N1.5tr of the old notes as of last week. ([www.asaaseradio.com](http://www.asaaseradio.com) 25/01/23)

### **Egypt economic growth this year seen quicker than government forecast - Reuters**

Egypt's economy will grow 4.8% in the current fiscal year, faster than predicted by the government, but will not meet government targets over the medium term, a Reuters poll showed on Wednesday. The predictions follow the approval last month of a \$3bn financial rescue package from the International Monetary Fund. ([www.reuters.com](http://www.reuters.com) 25/01/23)

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