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Big ECB hike called into doubt by credit Suisse: decision guide

The ECB's plan to raise interest rates by another half-point has been thrown into question by banking turmoil that began in the US but has since landed with a jolt much closer to home. The crisis at Credit Suisse Group AG that followed the collapse of Silicon Valley Bank has left analysts less certain that the intended hike will in fact materialize. (www.bloomberg.com 16/03/23)

Financial stability risks add uncertainty to ECB policy path

Heightened financial stability risks pose a serious challenge to the European Central Bank (ECB) as it readies another rate rise on March 16. Following the collapse of Silicon Valley Bank (SVB) last week, which also hit some regional US lenders, major European banks recorded hefty stock price losses today (March 15). (www.centralbanking.com 15/03/23)

ECB urged to reconsider rate hike plans amid financial market chaos

The ECB's governing council meets on March 16 to decide how much to raise borrowing costs to tackle high inflation. Financial markets are gyrating wildly after Silicon Valley Bank collapsed in the US and shares of Credit Suisse and other European banks have fallen on worries the crisis could, complicate the ECB's task. (www.ft.com 16/03/23)

Moody's downgrades outlook on US banking system to negative

Rating agency Moody's slashed its outlook on the entire US banking system to negative in the wake of recent bank turmoil in the country. "We have changed to negative from stable our outlook on the US banking system to reflect the rapid deterioration in the operating environment. (www.xinhuanet.com 15/03/23)

US banking collapses muddy monetary policy outlook

After the second-largest bank failure in US history, the Fed's monetary policy path is suddenly unclear. Silicon Valley Bank collapsed on March 10. Two other smaller lenders also failed in the past week. That has led to concerns that tighter interest rates could trigger further insolvencies. However, the media blackout period for Fed officials begins a Fed Open Market Committee meeting. (www.centralbanking.com 15/03/23)

China's foreign trade in goods registers surplus of \$25.9bn

China's foreign trade in goods registered a surplus of \$25.9bn in Feb, on par with the same period last year, the country's forex regulator has said. China's service trade deficit was \$4.3bn last month, slightly down both on a monthly basis and on a yearly basis, data from the State Administration of Foreign Exchange (SAFE) shows. (www.xinhuanet.com 15/03/23)

UK Gov't says economy to shrink 0.2% this year but avoid technical recession

The UK economy is set to contract this year yet avoid a technical recession due to the changing global developments and support measures taken by the government, Chancellor Jeremy Hunt said in his budget speech. The Office for Budget Responsibility, also known as the OBR. (www.rttnews.com 15/03/23)

Germany wholesale price inflation at 22-month low

Germany's wholesale prices increased at the slowest pace in nearly two years in Feb. figures from Destatis shows. The wholesale price index rose 8.9% year-on-year in Feb. slower than the 10.6% rise in Jan. This was the slowest rate since April 2021, when prices had grown 7.2%. (www.rttnews.com 15/03/23)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2057	(1.2164)	1.2058	(1.2165)
+USD/EUR	1.0536	(1.0718)	1.0537	(1.0719)
*GHS/USD	11.0084	(11.0081)	11.0194	(11.0191)
*GHS/GBP	13.2728	(13.3902)	13.2872	(13.4047)
*GHS/EUR	11.6011	(11.7986)	11.6106	(11.8103)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 16/03/23 (Rates for 15/03/23 in brackets)

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Japan has Y897.7bn trade deficit in Feb

Japan posted a merchandise trade deficit of ¥897.7bn in Feb. the Ministry of Finance said. That exceeded expectations for a shortfall of ¥1,069.4bn following the ¥3,498.6bn deficit in Ja. Exports were up 6.5% on year to ¥7.654tr missing forecasts for an increase of 7.1% but up from the 3.5% gain in the previous month. (www.rttnews.com 15/03/23)

French inflation hits record high

France's harmonized inflation rose more than initially estimated in Feb to hit a record high on higher food prices and services cost, the statistical office INSEE has said. EU harmonized inflation advanced to 7.3% from 7.0% in the previous month. The rate was revised up from 7.2% estimated on Feb 28. (www.rttnews.com 15/03/23)

Australia employment rebounds in Feb, jobless drops to 3.5%

Australia employment rebounded strongly in Feb. while the jobless rate fell back to near 50-year lows, though the upbeat result was overshadowed by worries about global recession amid a rout in bank shares. Figures from the Australian Bureau of Statistics showed net employment rose 64,600 in Feb from Jan. (www.reuters.com 16/03/23)

IMF poised to announce \$15.6bn lending programme for Ukraine

The IMF is finalising a four-year lending programme worth \$15.6bn for Ukraine, with a person close to the talks saying an announcement is "imminent". The multilateral lender has been under pressure to pull together a comprehensive aid package for the country devastated by Russia's invasion in Feb. 2022. (www.ft.com 15/03/23)

Finland's economy expands 1.4% in Jan

Finland's gross domestic product continued to expand at the start of the year and at a faster pace, largely attributed to the growth in the industrial and agricultural sectors, data from Statistics Finland show. Output of the national economy rose a working-day-adjusted 1.4% year-over-year in Jan, faster than the 0.4% rise in Dec. (www.rttnews.com 15/03/23)

Oil regains a bit of ground as Credit Suisse secures lifeline

Oil prices clawed back some ground on Thursday after sliding to 15-month lows in the previous session as markets calmed somewhat after Credit Suisse (CSGN.S) was thrown a financial lifeline by Swiss regulators. But battered by fears of a deepening crisis for banks worldwide. (www.reuters.com 16/03/23)

SA trade conditions subdued in Feb: survey

The South African Chamber of Commerce and Industry (SACCI) said Wednesday that the country's overall trade conditions were subdued and remained in the negative territory in February. There were some improvements in merchandise export volumes and inward tourism. (www.xinhuanet.com 16/03/23)

Ivory Coast 2022 gold output up 14% to record high

Ivory Coast produced a record high of about 48 tonnes of gold in 2022, up 14% from the previous year, a document from the Ministry of Mines, Petrol and Energy showed. Ivory Coast, the world's top cocoa producer, is seeking to develop its long-neglected mining sector to diversify its revenue mobilisation. (www.reuters.com 15/03/23)

Nigerian inflation quickens again in February

Nigeria's inflation picked up again in Feb. hitting 21.91% in annual terms from 21.82% in Jan. the statistics agency said on Wednesday. Inflation rose in Africa's biggest economy for 10 straight months last year. Food inflation, which accounts for the bulk of Nigeria's inflation basket, rose to 24.35% in Feb. from 24.32% in Jan. (www.reuters.com 15/03/23)

Zambia says it is pushing to agree debt restructuring despite delays

Zambia is working very hard with its creditors, including China, so that a debt restructuring can be agreed by the end of March or shortly afterwards, Finance Minister Situmbeko Musokotwane has said. Zambia was the first African country to default on its sovereign debt in 2020. (www.reuters.com 15/03/23)

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