



Tuesday, 21st March 2023

Eurozone trade gap narrows in January

Euro area trade deficit narrowed at the start of the year as the pace of fall in imports exceeded the decline in exports. The deficit on trade in goods decreased to a seasonally adjusted €11.3bn in Jan from €13.4bn in Dec. The monthly fall in exports slowed to 1.1% in Jan. from 2.8% in Dec. Likewise, imports dropped at a slower pace of 1.8% after easing 2.9% a month ago. (www.rttnews.com 20/03/23)

ECB task isn't clouded by financial-risk worry, Lagarde says

The European Central Bank doesn't see any conflict between its inflation-targeting mission and its responsibility to stave off financial-system threats, President Christine Lagarde said. "Price stability goes with financial stability, and they are both present and come together — but there is no trade off," she said. (www.bloomberg.com 20/03/23)

US: Bank deposit outflows continue to stabilize, government official says

The stabilization of bank outflows continued into Monday, a US official has said. Regulators are closely watching bank deposits as they try to revive confidence in the banking system. The US official said volatility in the share prices of regional banks has been in no way correlated to deposit outflows. (www.cnn.com 20/03/23)

China to bolster economic recovery with RRR cut

China has announced its first cut in the amount of cash that banks must hold as reserves this year to bolster the economic growth momentum after investment stabilized and consumption rebounded in the first two months. The central bank said the move aims to serve the real economy and keep liquidity reasonably ample in the banking system. (www.xinhuanet.com 20/03/23)

UK subsidy for energy bills drives deficit to another record

The UK government borrowed at a record rate in Feb as the cost of supporting consumer energy bills surged. The shortfall of £16.7bn (\$20.5bn) was the highest for the month since records started in 1993 and higher than economists had expected. It's also more than double the £7bn posted a year ago. (www.bloomberg.com 21/03/23)

German economy to contract further in Q1: Bundesbank

Germany's economy is likely to contract further in the first quarter (Q1) of 2023 due to persistent high inflation, the country's central bank said in its monthly report. "However, the decline is expected to be smaller than in the final quarter of 2022," said Deutsche Bundesbank. In the period from Oct. to Dec. last year, GDP of Europe's largest economy fell by 0.4%. (www.xinhuanet.com 20/03/23)

SK producer prices rise 0.1% in February

Producer prices in South Korea were up 0.1 percent on month in Feb. the Bank of Korea said on Tuesday - slowing from 0.4% in January. Individually, prices for agricultural, forestry and marine products fell 0.2% on month, while manufacturing products rose 0.1%, utilities fell 0.3% and services added 0.3%. (www.rttnews.com 20/03/23)

Israel's currency devalues by 8.3% in less than 2 months

The value of Israel's currency shekel on Monday continued its downward trend, shedding 8.3% of its value against the US dollar in less than two months. Exchanges rates published by the Central Bank of Israel on Monday traded the US dollar at 3.677 shekels, registering one of the lowest exchange rates against the greenback during the past three years. (www.xinhuanet.com 21/03/23)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2264	(1.2168)	1.2266	(1.2170)
+USD/EUR	1.0719	(1.0667)	1.0720	(1.0668)
*GHS/USD	11.0085	(11.0086)	11.0195	(11.0196)
*GHS/GBP	13.5008	(13.3953)	13.5165	(13.4109)
*GHS/EUR	11.8004	(11.7440)	11.8120	(11.7557)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 21/03/23 (Rates for 20/03/23 in brackets)

* BOG INTERNAL TRANSACTION RATES: 21/03/23 (Rates for 20/03/23 in brackets)

Taiwan export orders continue to fall in Feb

Taiwan's export orders continued to decline in Feb. the Ministry of Economic Affairs has said. Export orders registered a double-digit annual fall of 18.3% after a 19.3% decline in Jan. This was the sixth consecutive contraction and also came in bigger than economists' forecast of -15.0%. (www.rttnews.com 20/03/23)

Mexican president says local economy healthy despite US banking crisis

Mexico's economy is "solid" and able to withstand external shocks such as the crisis roiling several banks in the US, said President Andres Manuel Lopez Obrador. With Mexican banks registering record profits, "the majority of Mexicans are doing well," Lopez Obrador has said. (www.xinhuanet.com 21/03/23)

IMF approves \$3bn bailout for Sri Lanka

The IMF's board has finally backed a \$3bn bailout for Sri Lanka to help the country restructure its debts and relieve a "catastrophic" economic and social crisis. The deal on the bailout which was first agreed in principle last Sept was reached after Sri Lanka overcame resistance from China, the country's biggest bilateral lender earlier this month. (www.ft.com 21/03/23)

NZ has NZ\$714m trade deficit in Feb

New Zealand posted a merchandise trade deficit of NZ\$714m in Feb. That beat forecasts for a shortfall of NZ\$1,450m following the downwardly revised NZ\$2,113m deficit in Jan (originally - NZ\$1,965m). Exports were worth NZ\$5.23bn, easing from the downwardly revised NZ\$5.30bn in the previous month (originally NZ\$5.47bn). (www.rttnews.com 20/03/23)

Swiss exports fall 2.7% in February

Switzerland's exports decreased for the first time in three months in the month of Feb. primarily due to lower demand for vehicles and chemical-pharmaceutical products, data from the Federal Customs Administration has shown. Exports fell by a real 2.7% month-on-month in of Feb. reversing a 2.6% rise in the previous month. (www.rttnews.com 21/03/23)

Oil lower as banking turmoil holds down sentiment

Oil drifted lower on Tuesday as more than a week of banking turmoil kept weighing on market confidence. Brent crude futures for May settlement dropped 71 cents, or 1%, trading at \$73.08 per barrel at 0514 GMT. U.S. West Texas Intermediate (WTI) crude futures were down 74 cents, or 1.1%, to \$66.90 a barrel. (www.reuters.com 21/03/23)

SARB expected to hike rates again

Central banks in Africa's biggest economies are poised to raise interest rates this month to contain sticky inflation and deter a selloff in their assets exacerbated by the collapse of US lender Silicon Valley Bank and stress at Credit Suisse. South Africa, along with Nigeria, Egypt, Morocco and Kenya are projected to raise borrowing costs in the next two weeks. (www.news24.com 20/03/23)

IMF staff conclude mission to Côte d'Ivoire

An International Monetary Fund (IMF) mission, led by Olaf Unteroberdoerster, visited Abidjan during March 1-14 to discuss potential IMF financial support for the authorities' program of economic policies and reforms. (www.asaaseradio.com 20/03/23)

Nigeria set to extend biggest-ever rate hikes, hold off on Naira devaluation

The Central Bank of Nigeria is set to extend its steepest phase of monetary tightening to contain inflation and attract investors back into local debt, while holding off on a widely-expected currency devaluation until later in the year. Economists predict the monetary policy committee will hike key interest rate by 50 to 100 basis points. (www.bloomberg.com 21/03/23)

Domestic revenue to jump: 3 Bills to rake in GH¢4bn yearly before Parliament

The government has laid before Parliament three amended bills as part of measures to revamp domestic revenue mobilisation. When passed, the Income Tax Amendment Bill, the Excise Duty Amendment Bill and the Growth and Sustainability Amendment Bill will together rake in about GH¢4bn annually. (www.graphic.com.gh 21/03/23)

DISCLAIMER: This information has been compiled by the Communications Office of Bank of Ghana for general reference purposes only. While every effort is made to ensure that the information is accurate, the Bank of Ghana does not guarantee nor does it accept any responsibility or liability for the accuracy or completeness of the content or for any loss which may arise from reliance on information contained in this document.