



Wednesday, 17<sup>th</sup> May 2023

### Euro zone inflation ticks up in April

Euro zone inflation accelerated last month, Eurostat said on Wednesday, confirming preliminary data pointing to increasingly stubborn price growth among the 20 nations sharing the euro. Overall price growth accelerated to 7.0% in April from 6.9% a month earlier, as rising services and energy costs offset a slowdown in food price growth. ([www.reuters.com](http://www.reuters.com) 17/05/23)

### US industrial production increases as manufacturing output rebounds

Partly reflecting a notable rebound in manufacturing output, the Fed released a report showing an unexpected increase in US industrial production in the month of April. The Fed said industrial production climbed by 0.5% in April, while revised data showed production was unchanged in each of the two previous months. ([www.rttnews.com](http://www.rttnews.com) 16/05/23)

### Fed's Bowman defends regulatory 'tailoring'

Fed Board member Michelle Bowman has challenged calls for the reversal of regulatory "tailoring" for mid-sized banks. In a May 12 speech, Bowman also contested the findings of Michael Barr's report into the failure of Silicon Valley Bank. Speaking at a symposium hosted by the European Central Bank, Bowman defended the Fed's 2019 adoption of less stringent regulations for banks with fewer than \$250 billion in assets. ([www.centralbanking.com](http://www.centralbanking.com) 16/05/23)

### China's FDI inflow up 2.2% in four months

Foreign direct investment (FDI) in the Chinese mainland, in actual use, expanded 2.2 percent year on year to 499.46 billion yuan in the first four months of the year, the Ministry of Commerce said Wednesday. In US dollar terms, the FDI inflow went down 3.3% year on year to \$73.5b. ([www.xinhuanet.com](http://www.xinhuanet.com) 17/05/23)

### UK wage growth shows little sign of easing

UK wage growth showed little sign of easing in the three months to March, according to official figures that will reinforce policymakers' concerns over the pressures fuelling inflation. The Office for National Statistics said average private sector earnings, excluding bonuses, were 7% higher than a year earlier. ([www.ft.com](http://www.ft.com) 16/05/23)

### Japanese economy rebounds on household spending recovery

Japan's economy expanded for the first time in three quarters on the back of a post-Covid recovery in household spending. GDP grew at an annualised rate of 1.6% in Jan to March from the quarter before, compared with economists' expectations of a 0.7% gain. The data translated into a quarterly growth of 0.4%, said the cabinet office. ([www.ft.com](http://www.ft.com) 17/05/23)

### Japan exits recession despite export slump

Japan has emerged from a technical recession on the back of a post-Covid recovery in household spending and tourism, sending stocks to a new 33-year high in Asia's most advanced economy. Economists warned, that the strength of Japan's recovery was modest with exports and manufacturing weak, underscoring the risks ahead if the global economy slows further. ([www.ft.com](http://www.ft.com) 17/05/23)

### French unemployment rate falls to Mitterrand-era low

French unemployment has been at a 40-year low since the end of last year excluding the swings during the Covid pandemic. The best reading since the early years of Francois Mitterrand's time in office gives Emmanuel Macron evidence his unpopular pro-business reforms and efforts to lure foreign investment are paying dividends for French workers. ([www.bloomberg.com](http://www.bloomberg.com) 17/05/23)

#### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2485	(1.2520)	1.2486	(1.2521)
+USD/EUR	1.0860	(1.0873)	1.0861	(1.0874)
*GHS/USD	10.9538	(10.9580)	10.9648	(10.9690)
*GHS/GBP	13.6758	(13.7194)	13.6906	(13.7343)
*GHS/EUR	11.8972	(11.9165)	11.9080	(11.9273)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 17/05/23 (Rates for 16/05/23 in brackets)

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### **Australia wage price index rises 0.8% in Q1**

The wage price index in Australia was up a seasonally adjusted 0.8% on quarter in the first quarter of 2023, the Australian Bureau of Statistics said. That was shy of expectations for an increase of 0.9% but was unchanged from the previous three months. On a yearly basis, the index rose 3.7% beating expectations for 3.6% and accelerating from 3.4% in the three months prior.

([www.rttnews.com](http://www.rttnews.com) 16/05/23)

### **Russian oil exports hit post-invasion high**

Russia exported more oil in April than in any month since its full-scale invasion of Ukraine last year, with almost 80% of crude shipments flowing to China and India, according to the International Energy Agency. Russian oil exports edged up another 50,000 barrels a day in April to a post-invasion high of 8.3mn b/d.

([www.ft.com](http://www.ft.com) 16/05/23)

### **Singapore trade surplus S\$4.713bn in April**

Singapore posted a merchandise trade surplus of S\$4.713bn in April, Statistics Singapore said on Wednesday. That was shy of expectations for a surplus of S\$6.346bn following the S\$6.207bn surplus in March. Non-oil domestic exports were up 2.7% on month.

([www.rttnews.com](http://www.rttnews.com) 16/05/23)

### **Polish economy rebounds 3.9% in Q1**

Poland's economy expanded more-than-expected in the first quarter after contracting in the previous quarter, preliminary data from Statistics Poland showed on Tuesday. Gross domestic product advanced 3.9% sequentially in the first quarter, reversing a 2.3% fall in the final quarter of 2022. The expected growth rate was 0.7%.

([www.rttnews.com](http://www.rttnews.com) 16/05/23)

### **Slovakia's GDP growth eases to 0.9%**

Slovakia's economic growth moderated further in the three months ended March, flash data from the Statistical Office of the Slovak Republic shows. GDP grew an unadjusted 0.9% year-over-year in the first quarter, following a 1.2% rise in the fourth quarter. Nonetheless, this was the ninth consecutive expansion.

([www.rttnews.com](http://www.rttnews.com) 16/05/23)

### **Oil futures settle lower on demand concerns**

Oil prices drifted lower on Tuesday amid concerns about the outlook for energy demand after data showed China's industrial production and retail sales both missed expectations. West Texas Intermediate Crude oil futures for June ended lower by \$0.25 or about 0.4% at \$70.86 a barrel. Brent crude futures settled at \$74.91 a barrel, down \$0.32 or 0.4% from the previous close.

([www.rttnews.com](http://www.rttnews.com) 16/05/23)

### **African Central banks poised to hold rates as inflation softens**

Most African central banks due to decide on interest rates in the next two weeks are set to keep them on hold as decades-high inflation eases after more than a year of tightening. Egypt, Kenya and Mozambique may also factor into their decisions a drop in global commodity prices and the unwinding of supply constraints.

([www.bloomberg.com](http://www.bloomberg.com) 17/05/23)

### **UN seeks nearly \$2.6bn for humanitarian needs in Sudan**

The United Nations humanitarian response plan is seeking \$2.56bn to help people affected by the crisis in Sudan, a senior UN official refugee agency is also seeking more funding to assist those forced to flee. "Today, 25mhe population of Sudan, need humanitarian aid and protection.

([www.reuters.com](http://www.reuters.com) 17/05/23)

### **Ethiopia's central bank issues first foreign mobile money license**

The National Bank of Ethiopia has issued Safaricom's M-Pesa with a mobile money licence, its first to a foreign investor. Ethiopia, which has 65 million mobile customers, was previously a closed market dominated by state-owned Ethio Telecom's Telebirr m-money.

([www.centralbanking.com](http://www.centralbanking.com) 16/05/23)

### **Zambia raises key interest rate to 9.5% to tame inflation**

Zambia's central bank raised its key interest rate by 25 basis points to 9.50% as inflation in the copper-rich nation remained high. The Bank of Zambia said inflation was expected to remain above the 6%-8% target band over the forecast horizon.

([www.reuters.com](http://www.reuters.com) 17/05/23)

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