



Wednesday, 31<sup>st</sup> May 2023

### Most central banks use third-party payment providers

Nearly two-thirds of central banks, 64%, use third parties for payment systems purposes, data from the Payments Benchmarks 2023 shows. The Montran Corporation was the most reported third-party provider of payment services, which was also the case in the Payments Benchmarks 2022. Smaller central banks were more likely to report using third parties. ([www.centralbanking.com](http://www.centralbanking.com) 30/05/23)

### Eurozone economic confidence hits 6-month low

Adding to concerns over growth prospects, euro area economic sentiment deteriorated to the lowest in six months in May, reflecting lower confidence in industry, services and retail trade. The economic sentiment index fell to 96.5 from 99.0 in April, survey results from the European Commission shows. ([www.rttnews.com](http://www.rttnews.com) 30/05/23)

### ECB inflation target "long way off": German experts

The European Central Bank's (ECB) goal of keeping inflation below 2% "remains a long way off," the German Leibniz Center for European Economic Research (ZEW) has said. Despite an expected gradual slowdown in inflation in the Eurozone, the ECB target is unlikely to be reached before 2026. ([www.xinhuanet.com](http://www.xinhuanet.com) 31/05/23)

### US consumer confidence edges modestly lower in May

Consumer confidence in the US saw a modest decrease from an upwardly revised level in May, according to the Conference Board. The Conference Board said its CCI edged down to 102.3 in May from an upwardly revised 103.7 in April. Economists had expected the CCI to slip to 100.0 from the 101.3 originally reported for March. ([www.rttnews.com](http://www.rttnews.com) 30/05/23)

### Diverging activity in services and manufacturing highlights China's uneven recovery

China's service sector expanded rapidly in May but factory activity contracted, highlighting the uneven nature of the country's recovery from years of strict zero-Covid curbs. The official non-manufacturing purchasing managers' index, came in at 54.5 for the month, marginally lower than analysts' expectations. ([www.ft.com](http://www.ft.com) 31/05/23)

### UK business confidence falls for first time in three months

UK business confidence fell for the first time in three months as higher-than-expected inflation figures weighed on firms' sentiment about the economy. Lloyds Bank's Business Barometer showed business confidence fell 5 points in May from the month before to 28%, driven the outlook for the wider economy. ([www.bloomberg.com](http://www.bloomberg.com) 31/05/23)

### Germany import prices log biggest fall since 2009

Germany's import prices declined at the fastest pace since 2009 due to a sharp fall in energy prices, Destatis reported Wednesday. Import prices declined 7.0% on a yearly basis in April, following a 3.8 percent drop in March. This was the biggest decrease since October 2009. Prices were expected to decline 5.9%. ([www.rttnews.com](http://www.rttnews.com) 31/05/23)

### Inflation in France falls to 6% as price growth slows in most areas

Inflation in France fell to 6%, its lowest level for a year, boosting hopes that price pressures will ease quickly across the eurozone. Price growth slowed in May across almost all areas in France except tobacco, according to the National Statistics Institute. Energy inflation fell from 6.8% in April to 2% in May. ([www.ft.com](http://www.ft.com) 31/05/23)

#### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2394	(1.2332)	1.2395	(1.2334)
+USD/EUR	1.0719	(1.0708)	1.0720	(1.0709)
*GHS/USD	10.9670	(10.9700)	10.9780	(10.9810)
*GHS/GBP	13.5925	(13.5282)	13.6072	(13.5440)
*GHS/EUR	11.7562	(11.7473)	11.7669	(11.7600)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 31/05/23 (Rates for 30/05/23 in brackets)

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### **Turkey's early-2023 GDP growth to slow as economic woes mount**

Turkey's economy was boosted at the start of the year by pre-election spending and strong household consumption. The rest of 2023 will probably be tougher as the newly re-elected President battles a cost-of-living crisis. Gross domestic product probably grew 3.5% year-on-year in the first quarter and 0.5% from the previous period. ([www.bloomberg.com](http://www.bloomberg.com) 31/05/23)

### **Belgium's inflation eases to 19-month low**

Belgium's consumer price inflation continued its downward trend in May to reach its lowest level in just over one-and-a-half years amid a slowdown in prices in a broad number of categories, the statistical office has said. The CPI climbed 5.20% year-on-year in May, slower than the 5.60% rise in April. ([www.rttnews.com](http://www.rttnews.com) 30/05/23)

### **Czech economy stagnates in Q1**

The Czech Republic's economic activity showed no variations in the first quarter, revised from a slight expansion reported initially, the latest figures from the statistical office shows. GDP remained flat in the March quarter, following a 0.4% fall in the fourth quarter. In the initial estimate, the rate of increase was 0.1%. ([www.rttnews.com](http://www.rttnews.com) 30/05/23)

### **Swiss economy rebounds in Q1**

The Swiss economy rebounded at a faster-than-expected pace at the start of the year on robust domestic demand, government data shows. GDP grew 0.3% sequentially in the first quarter after stagnating in the fourth quarter of 2022, the State Secretariat for Economic Affairs, or SECO, reported. ([www.rttnews.com](http://www.rttnews.com) 30/05/23)

### **Thailand raises key rate to 8-year high to win inflation fight**

The Bank of Thailand's Monetary Policy Committee voted unanimously to raise the one-day repurchase rate by 25 basis points to 2% on Wednesday, as seen by 22 of 24 economists in a Bloomberg survey, with two predicting no change. The key rate was at 2% back in Jan; 2015. ([www.bloomberg.com](http://www.bloomberg.com) 31/05/23)

### **Oil prices tumble on US debt deal doubts**

Oil prices fell over 2% on Tuesday, with doubts about China's economic recovery and uncertainty on whether the Congress will approve the debt deal weighing on prices. Benchmark Brent crude futures fell 2.2% to \$75.42 a barrel, while WTI crude futures were down 2.1% at \$71.13. ([www.rttnews.com](http://www.rttnews.com) 30/05/23)

### **Gold rises as US treasury yields fall**

Gold futures on the COMEX division of the New York Mercantile Exchange rose on Tuesday as US treasury yields fell sharply. The most active gold contract for August delivery rose \$14.00 or 0.71 % to close at \$1,977.10 per ounce. ([www.xinhuanet.com](http://www.xinhuanet.com) 31/05/23)

### **WB approves \$1bn loan to Kenya**

The World Bank said on Tuesday it approved a \$1bn loan to Kenya to support its budget as East Africa's economic powerhouse confronts high debts and a weakening currency. The lending will be done through an instrument called a Development Policy Operations (DPO) loan. The economy is projected to expand by 5.8% in 2023, up from 4.8% in 2022. ([www.reuters.com](http://www.reuters.com) 30/05/23)

### **Informal labour accounts for two-thirds of Morocco jobs - stats agency**

Two thirds of Moroccan jobs are now in the grey economy, statistics agency has said, giving its first public assessment of a trend that the government says is depriving the economy of \$3.4bn annually. Nearly all the jobs in the agricultural sector, which represents 14% of the country's GDP, were informal, HCP agency said in the study, putting the figure at 97%. ([www.reuters.com](http://www.reuters.com) 30/05/23)

### **Nigerian parliament lifts central bank financing limit**

Nigeria's parliament voted on May 28 to treble the amount the government can legally borrow from the central bank, shortly before the new president took office. The government can now borrow an amount of up to 15% of its annual tax revenue from the central bank, up from 5%. ([www.centralbanking.com](http://www.centralbanking.com) 30/05/23)

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