



Friday, 22nd September 2023

EU trade chief seeks more balanced economic ties on China visit

Europe's trade chief will push Beijing for fewer restrictions on European businesses on a four-day visit to China, when he can expect tough conversations over a planned EU investigation into electric car imports. Trade Commissioner Valdis Dombrovskis will take part in a joint economic and trade dialogue, meet officials and European companies active in China. (www.reuters.com 22/09/23)

ECB's Stournaras deems cut likeliest next with rates at peak

The European Central Bank is more likely to lower borrowing costs as a next move, rather than raise them further, Governing Council member Yannis Stournaras said in the clearest remarks yet on rates likely having reached their peak. (www.bloomberg.com 21/09/23)

US jobless claims unexpectedly decrease to seven-month low

First-time claims for US unemployment benefits unexpectedly fell to a seven-month low in the week ended Sept. 16, the Labor Department reported. The report said initial jobless claims dipped to 201,000, a decrease of 20,000 from the previous week's revised level of 221,000. Economists had expected jobless claims to inch up to 225,000 from the 220,000 originally reported for the previous week. (www.rttnews.com 21/09/23)

US interest rates unchanged, another hike likely before year-end

The US Fed left interest rates unchanged Wednesday but another increase is likely to occur before this year-end. At its Sept. meeting, the Fed held the benchmark rate steady at 5.25-5.5% a 22-year-high. "Given how far we've come, we are in a position to proceed carefully," Fed Chair Jerome Powell stated. (www.xinhuanet.com 21/09/23)

China's non-financial ODI up 18.8% in January-August

China's non-financial outbound direct investment (ODI) increased 18.8% year on year to ¥585.61bn in the first eight months of the year, official data shows. In US dollar terms, the ODI stood at \$83.73bn in the period, up \$11.5 from a year earlier, according to the Ministry of Commerce. The non-financial ODI in Belt and Road partner countries came in at \$20.07bn in the first eight months of 2023. (www.xinhuanet.com 21/09/23)

UK Government borrowing rose to £11.6bn in August

Government borrowing was higher than economists had expected in August, new official figures show. Borrowing the difference between spending and tax income rose to £11.6bn last month, according to the Office for National Statistics (ONS). That was £3.5bn more than a year earlier and the fourth highest Aug. borrowing since monthly records began in 1993. (www.bbc.com 21/09/23)

UK budget deficit widens in August

The UK budget deficit widened to the fourth highest level for the month of August but remained below the official estimate, the Office for National Statistics reveals. Public sector net borrowing excluding public sector banks increased £3.5bn from the previous year to £11.6bn in Aug. (www.rttnews.com 21/09/23)

Germany's non-EU exports fall in August

German exports outside the EU continued to fall, as manufacturers in Europe's largest economy suffered from slowing global demand, particularly in China. Goods exports from Germany to non-EU countries fell 1.7% in Aug. from July, a 4.3% decline from a year earlier. Exporters that focus on highly cyclical goods are more exposed to the recent downturn. (www.ft.com 21/09/23)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2413	(1.2385)	1.2414	(1.2386)
+USD/EUR	1.0733	(1.0682)	1.0734	(1.0684)
*GHS/USD	11.0690	(11.0681)	11.0800	(11.0791)
*GHS/GBP	13.7399	(13.7078)	13.7548	(13.7226)
*GHS/EUR	11.8816	(11.8232)	11.8924	(11.8339)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 22/09/23 (Rates for 20/09/23 in brackets)

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Japan inflation above central bank's target for 17th consecutive month

Japan's consumer price growth held steady in August, exceeding the central bank's target for the 17th consecutive month and adding to the debate about whether the country should finally exit its ultra-easy monetary policy. Japan's "core" inflation rate, which excludes volatile fresh food prices, increased by 3.1% in August. (www.ft.com 22/09/23)

Turkey lifts interest rate to 30% in bid to damp rampant inflation

Turkey has boosted borrowing costs for the fourth time since June as the country steps up its campaign to tame inflation that is running at nearly 60%. The central bank on Thursday boosted its benchmark one-week repo rate by 5 percentage points to 30%, matching economist estimates in a FactSet poll. (www.ft.com 21/09/23)

Canadian official says mortgage rates not big cause of inflation

A Bank of Canada official acknowledged Canadians' increasing mortgage burdens, a problem that has encouraged politicians to attack the central bank in recent months. However, she said there was little point in taking mortgage interest out of inflation calculations. (www.centralbanking.com 21/09/23)

Pakistan's forex reserves rise by \$56m

The State Bank of Pakistan (SBP) said its foreign exchange reserves increased by \$56m to around \$7.695bn dollars during the week ended on Sept. 15, the central bank said in a statement on Thursday. Net foreign reserves held by commercial banks came at \$5.5bn, it added. (www.xinhuanet.com 21/09/23)

HK inflation steady at 1.8%

Hong Kong's consumer price inflation remained stable in August after easing in the previous three months, data released by the Census and Statistics Department showed on Thursday. The CPI climbed 1.8% year-on-year in August, the same as in July. Clothing and footwear prices alone grew 6.6% annually in August, and utility costs were 5.7% higher. (www.rttnews.com 21/09/23)

Oil prices rise as supply concerns outweigh demand fears

Oil prices rose on Friday as concerns that a Russian ban on fuel exports could tighten global supply outweighed fears that further US interest rate hikes could dent demand, but they were still headed for their first weekly loss in four weeks. Brent futures climbed 46 cents, or 0.5%, to \$93.76 a barrel by 0630 GMT. (www.reuters.com 22/09/23)

Emerging-market stocks to erase 2023 gains

Emerging-market stocks are set to erase their gains for the year as stubborn inflation and bets on a prolonged period of high interest rates undermine growth prospects in the developing world. The MSCI Emerging Markets Index slid 1.5% as of 3:32 p.m. (www.bloomberg.com 21/09/23)

SA holds rates again as inflation risks persist

South Africa's central bank kept its benchmark interest rate unchanged, while signaling that borrowing costs are likely to stay higher for longer because of persistent inflation risks. The monetary policy committee maintained the rate at a 14-year high of 8.25% for the second time. (www.bloomberg.com 21/09/23)

Egypt's central bank keeps key interest rates unchanged

Egypt's central bank, as widely expected, left its key overnight interest rates unchanged on Thursday, saying both economic growth and core inflation were slowing. The bank kept its lending rate at 20.25% and its deposit rate at 19.25%. The median forecast by analysts had been for the bank's Monetary Policy Committee (MPC) to leave rates steady. (www.reuters.com 21/09/23)

Ghana's economy records 3.2% growth in quarter 2, 2023; 0.1% lower than quarter 1

Provisional estimate from the Ghana Statistical Service indicates that Ghana's economy recorded a 3.2% growth rate in quarter two (April to June) of 2023. This is compared to 3.5% recorded during the same period in 2022, and 3.3% (revised) in quarter one, 2023. (www.myjoyonline.com 20/09/23)

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