



Tuesday, 21st November 2023

ECB rates probably at plateau for a few quarters, Villeroy says

The European Central Bank will likely keep rates at 4% for a few quarters and may wind down its Covid bond-buying portfolio earlier than planned, Governing Council member Francois Villeroy de Galhau said, pushing back against expectations for a hasty loosening of inflation-fighting measures.

(www.bloomberg.com 20/11/23)

Yellen says US making ‘considerable progress’ reducing inflation

The U.S. is making “considerable progress” in bringing down inflation, which is especially notable given the labor market remains strong, Treasury Secretary Janet Yellen says. The annual inflation rate, as measured by the government’s consumer price index, has dropped to 3.2% in Oct. from its 2022 peak of more than 9% after the Fed embarked on campaign of interest-rate increases to cool price pressures. (www.bloomberg.com 20/11/23)

Renminbi touches 4-month high as PBoC strengthens trading band

China’s currency touched a four-month high against the US dollar after the country’s central bank announced a markedly stronger level for its trading band. The renminbi rose as much as 0.5% to Rmb7.131 per dollar on Tuesday, the highest level since late Sept.

(www.ft.com 21/11/23)

UK: Government borrowing rises ahead of Autumn statement

Government borrowing in October was higher than expected at £14.9bn, largely pushed up by higher benefit payments, official figures show. But the figures showed a smaller-than-expected deficit across the first half of the financial year. This was due to higher tax receipts in previous months, reflecting higher wages and inflation. (www.bbc.com 21/11/23)

BoE Governor says UK interest rates may have to rise again

Bank of England Governor Andrew Bailey warned the central bank may have to raise interest rates again and that food and energy costs remain an upside risk to the inflation outlook. He said policy makers are “on watch for further signs of inflation persistence that may require interest rates to rise again,” he said. (www.bloomberg.com 20/11/23)

German economy to shrink again in Q4: Bundesbank

Germany’s economy is likely to contract again in the fourth quarter, the Bundesbank said in its monthly report on Monday. The economy is set to recover only arduously from the period of weakness that has persisted since the beginning of the war in Ukraine, the bank said. The Bundesbank forecast a slight increase in economic output in the first quarter of 2024.

(www.rttnews.com 21/11/23)

Germany looking at relaxing debt restrictions after court ruling

Germany is exploring a drastic overhaul of its budget for this year, including relaxing restrictions on net new debt, following last week’s ruling by the country’s top court. Judges have said that unused debt authorizations can’t be transferred into an off-budget fund for initiatives like greening manufacturing and expanding solar power.

(www.bloomberg.com 20/11/23)

Japanese and Treasury bond yields decline after US auction boosts sentiment

Yields of Japanese government bonds and Treasuries declined on Tuesday, after a successful auction of new U.S. government debt bolstered sentiment. The yield on the 10-year JGB note shed 0.05 percentage points to 0.696% during Asian trading.

(www.ft.com 21/11/23)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2495	(1.2417)	1.2496	(1.2419)
+USD/EUR	1.0941	(1.0875)	1.0942	(1.0876)
*GHS/USD	11.5552	(11.5552)	11.5668	(11.5668)
*GHS/GBP	14.4382	(14.3481)	14.4538	(14.3648)
*GHS/EUR	12.6429	(12.5662)	12.6544	(12.5797)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 21/11/23 (Rates for 20/11/23 in brackets)

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Argentina's next president Milei must tame inflation, turn around economy

Argentina's libertarian President-elect Javier Milei has won a closely fought election. Now comes the hard part: dealing with economic crises. Inflation is at 143%, net reserves of foreign currency are deep in the red, savers are ditching the peso, and a recession is looming - if not already here. (www.reuters.com 20/11/23)

RBA's Bullock says inflation remains a 'crucial challenge'

Australia's central bank chief said taming consumer prices remains a "crucial challenge" for policymakers after they resumed raising interest rates two weeks ago to ensure inflation expectations stay contained. "Inflation is a crucial challenge over the next one to two years," Reserve Bank Governor Michele Bullock has said. (www.bloomberg.com 21/11/23)

Taiwan export orders fall 4.6%, less than forecast

Taiwan's export orders continued to decline in October, though at a slower-than-expected rate, according to data released by the Ministry of Economic Affairs on Monday. Export orders dropped 4.6% year-on-year in October, much slower than the 15.6% slump in September. The expected drop was 4.93%. (www.rttnews.com 20/11/23)

Finland jobless rate falls to 6.8%

Finland's unemployment rate decreased in October after rising in the previous month, figures from Statistics Finland showed on Tuesday. The jobless rate dropped to 6.8% in October from 7.0% in Sept. In the same month last year, the unemployment rate was 5.8%. (www.rttnews.com 21/11/23)

Thai GDP growth slows in Q3

Thailand's economic growth unexpectedly softened in the third quarter on falling government spending and weaker exports, the Office of the National Economic and Social Development Council said on Monday. Gross domestic product grew 1.5% annually after rising 1.8% in the second quarter. (www.rttnews.com 20/11/23)

Oil falls as demand concerns outweigh prospect of further OPEC+ cuts

Oil futures fell on Tuesday, reversing the previous day's rally, as concerns over weaker demand amid a slowing global economy outweighed the prospect of deepening supply cuts by OPEC and its allies such as Russia. Brent crude futures fell 36 cents to \$81.96 a barrel by 0439 GMT. (www.reuters.com 21/11/23)

African countries urged to speed up efforts in enhancing agricultural development

African countries have made tangible progress in enhancing agricultural productivity, promoting sustainable farming practices and addressing food security and rural poverty, but more efforts are needed to mitigate food-related challenges, African Union (AU) Commissioner for Rural Economy and Agriculture Josefa Sacko has said. (www.xinhuanet.com 20/11/23)

WB expects \$12bn support for Kenya in next 3 years

The World Bank said on Monday it expects to provide \$12bn in support for Kenya in the next three years. In a statement issued in Nairobi, the capital of Kenya, the World Bank said that it's fully committed to supporting the east African nation in its journey to become an upper-middle-income country by 2030. (www.xinhuanet.com 20/11/23)

IMF staff agree second review of Zambia facility, unlocking \$184m

The International Monetary Fund has reached a staff-level agreement with Zambia on the second review of its Extended Credit Facility, unlocking another \$184m upon IMF board approval, the Fund said on Monday. (www.reuters.com 20/11/23)

Ghana unveils ambitious \$550bn plan for net-zero targets by 2060

President Akufo-Addo has underscored the nation's ambitious pursuit of climate goals, revealing the need for financial injection to the tune of \$550bn into its National Energy Transition framework over the next 4 decades. (www.norvanreports.com 21/11/23)

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