



Wednesday, 29<sup>th</sup> November 2023

### Eurozone M3 money supply falls, bank lending remains weak

Eurozone money supply continued to fall and bank lending remained weak in Oct. amid tight monetary policy, data published by the European Central Bank shows. The monetary aggregate M3 declined 1.0% on a yearly basis in Oct. after a 1.2% fall in Sept. This was the fourth consecutive fall. In three months to Oct. the annual growth rate of M3 averaged -1.2%. ([www.rttnews.com](http://www.rttnews.com) 28/11/23)

### ECB's Nagel says premature to even talk about rate cuts

The European Central Bank isn't yet at a point where it should consider reducing borrowing costs, according to Bundesbank President Joachim Nagel. "It would be premature to lower interest rates soon or to speculate about such steps," the German central banker said in Nicosia. "It is not just the level of interest rates that matters for the stance, but also expectations about the future path of interest rates." ([www.bloomberg.com](http://www.bloomberg.com) 28/11/23)

### With Fed likely done hiking rates, Waller flags pivot ahead

Federal Reserve policymakers look increasingly comfortable closing out the year with U.S. interest rates on hold and the clock ticking on how soon to deliver a first rate cut as they try to engineer a "soft landing" for the economy. ([www.reuters.com](http://www.reuters.com) 29/11/23)

### China to achieve 5% annual growth target: Central Bank Governor

China's economy has, on the whole, continued to gain momentum in recovery, and is expected to achieve the 5% growth target for the whole year, People's Bank of China (PBOC) Governor Pan Gongsheng has said. "I am confident that China will enjoy healthy and sustainable growth in 2024 and beyond," Pan said. ([www.xinhuanet.com](http://www.xinhuanet.com) 28/11/23)

### UK regulators to force investment advisers to set aside money for potential compensation claims

The UK's top financial regulator has unveiled proposals for investment advisers to be forced to set aside money to deal with the cost of potential redress schemes, ensuring the "polluter pays" when consumers are harmed. The Financial Conduct Authority on Wednesday said it would consult on the proposals, which come months after the introduction of the Consumer Duty rules which require companies to demonstrate fair value for clients. ([www.ft.com](http://www.ft.com) 29/11/23)

### Fraudulent pandemic loans cost UK £1.4bn and counting

The UK has paid £1.41bn (\$1.8bn) to lenders that issued small business loans during the Covid-19 pandemic that are now suspected of being fraudulent. That's a jump from the £640m total refunded by the end of 2022, as banks that participated in the state-guaranteed emergency support programs three years ago work through a total of £77bn in loans. ([www.bloomberg.com](http://www.bloomberg.com) 28/11/23)

### Scholz says unforgivable if budget shock halts Germany's transformation

German Chancellor Olaf Scholz promised that his government will forge ahead with investments needed to modernize the economy and maintain international competitiveness after this month's court ruling upended its budget planning. ([www.bloomberg.com](http://www.bloomberg.com) 28/11/23)

### Japanese bank regulators on alert for SVB-style rate risks

Japan's regulators are raising pressure on regional banks to pre-empt the kind of risks that took down Silicon Valley Bank as the country prepares for its first interest rate rise in more than a decade. ([www.ft.com](http://www.ft.com) 29/11/23)

#### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2655	(1.2618)	1.2656	(1.2619)
+USD/EUR	1.0974	(1.0937)	1.0975	(1.0938)
*GHS/USD	11.5933	(11.5842)	11.6049	(11.5958)
*GHS/GBP	14.6713	(14.6169)	14.6872	(14.6327)
*GHS/EUR	12.7245	(12.6696)	12.7360	(12.6822)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 29/11/23 (Rates for 28/11/23 in brackets)

\* BOG INTERNAL TRANSACTION RATES: 29/11/23 (Rates for 28/11/23 in brackets)

### **BoI keeps interest rates unchanged**

The Bank of Israel's monetary policy committee keeps interest rates unchanged at 4.75% at its meeting on Nov. 27. This is the second time it has held rates since Hamas's attacks on Oct 7 initiated the war between Israel and the terrorist group. The BoI also revised down its growth forecast for the Israeli economy. ([www.centralbanking.com](http://www.centralbanking.com) 28/11/23)

### **RBA's Bullock says economic activity is stronger than expected**

The Reserve Bank of Australia's (RBA) governor Michele Bullock said on Nov. 28 that economic activity was stronger than expected, despite tighter monetary policy. "We have been surprised by a little bit on the strength of activity recently," Bullock said. ([www.centralbanking.com](http://www.centralbanking.com) 28/11/23)

### **S. Korea's real wage falls in Jan.-Sept. on high inflation**

South Korea's real wage, adjusted for inflation, fell for the first nine months of this year due to the still high inflation. The per-capita nominal monthly average wage in businesses with one or more regular employees grew 2.5% over the year to 3,961,000 won (\$3,070) during the Jan.-Sept. period. ([www.xinhuanet.com](http://www.xinhuanet.com) 29/11/23)

### **Brazil inflation cools as central bank commits to rate cuts**

Brazil's annual inflation slowed roughly in line with expectations in early November, approaching the target range as central bankers forge ahead with plans for more monetary easing. Official data released Tuesday showed consumer prices rose 4.84% from a year earlier. ([www.bloomberg.com](http://www.bloomberg.com) 28/11/23)

### **Bangladesh, ADB ink \$1bn loan deal for 5 projects**

The Bangladeshi government and the Asian Development (ADB) have inked five loan agreements worth over \$1bn in total to help Bangladesh enhance energy efficiency, ensure vaccine supply security, develop infrastructure, clean water and information technology. ([www.xinhuanet.com](http://www.xinhuanet.com) 29/11/23)

### **Oil slightly higher as OPEC+ awaited, Black Sea storm disrupts supply**

Oil edged higher on Wednesday as investors turned cautious ahead of a crucial OPEC+ meeting to decide on output policy in the coming months, while a supply disruption caused by a storm in the Black Sea provided a lift for prices. Brent crude futures climbed 3 cents to \$81.71 a barrel at 0625 GMT. ([www.reuters.com](http://www.reuters.com) 28/11/23)

### **Global Bonds surge toward best month since 2008 financial crisis**

Global bonds are soaring at the fastest pace since the 2008 financial crisis. A Bloomberg gauge of global sovereign and corporate debt has returned 4.9% in Nov. heading for the biggest monthly gain since it surged 6.2% in the depths of the recession in Dec. 2008. ([www.bloomberg.com](http://www.bloomberg.com) 28/11/23)

### **Kenya Eurobond freeze makes 2023 the year Africa got locked out**

Kenya's announcement that it's giving up on plans to sell a dollar bond make it all but certain that 2023 will close without a single international bond offering from a nation in Sub-Saharan Africa. The drought of issuance shows the disproportionate impact that higher US interest rates are having on the world's poorest continent. ([www.bloomberg.com](http://www.bloomberg.com) 27/11/23)

### **Rwanda's economy shows resilience amid global challenges**

Rwanda's economy remained resilient in the 2022-2023 fiscal year despite the global economic slowdown, the National Bank of Rwanda said in its latest report. The report said the economic resilience primarily stemmed from a robust performance in the services sector. ([www.xinhuanet.com](http://www.xinhuanet.com) 28/11/23)

### **BoG to commence monetary policy loosening by March 2024, forecasts GCB Capital Research**

BoG commences monetary policy loosening by March 2024, forecasts GCB Capital Research. In a recent analysis, GCB Capital Research sheds light on the evolving economic landscape, projecting a pivotal shift (loosening) in monetary policy by March 2024. ([www.norvanreports.com](http://www.norvanreports.com) 29/11/23)

**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.