



Monday, 4<sup>th</sup> December 2023

## **WB focuses on securitization to scale climate finance**

The World Bank is working with a club of 15 finance bosses to lower the risk of investing in climate projects in emerging economies and attract private capital for cutting emissions. Ajay Banga, the World Bank’s President, said the Private Sector Investment Lab is focused on “figuring out a model of originate-to-distribute” that would allow for deep-pocketed investors to put up large sums for climate deals. ([www.norvanreports.com](http://www.norvanreports.com) 04/12/23)

## **BIS says CBDC can be monitored without personal information**

The Bank for International Settlements (BIS) has said its Project Tourbillon has demonstrated central bank digital currency (CBDC) can provide cash-like anonymity. However, the bank says cryptography technology will need to improve before it can create a suitably speedy payment network. ([www.centralbanking.com](http://www.centralbanking.com) 01/12/23)

## **Eurozone factory sector downturn slows**

Euro area manufacturing sector remained in the contraction zone but deterioration in production and orders slowed, survey results from S&P Global shows. The final HCOB manufacturing Purchasing Managers' Index posted 44.2 in Nov. up from 43.1 in Oct. This was the highest since May and above the flash estimate of 43.8. ([www.rtnews.com](http://www.rtnews.com) 01/12/23)

## **ECB selects possible topics for new banknotes**

The governing council of the European Central Bank (ECB) moved closer to finalising the design of the new series of euro banknotes on Nov. 30, choosing “European culture” and “rivers and birds” as the two possible themes for the notes. The ECB first announced in Dec. 2021 that it would introduce a redesigned series of euro banknotes. ([www.centralbanking.com](http://www.centralbanking.com) 01/12/23)

## **Slowing inflation piles pressure on central banks to pivot**

Central bankers stand accused of reacting too slowly to signs that the inflation crisis is dissipating, less than two years after they were criticised for being late in responding to the most brutal surge in prices for a generation. Some policymakers are already warning that by waiting too long to cut borrowing costs, central banks could harm weakening economies. ([www.ft.com](http://www.ft.com) 03/12/23)

## **US deficits are testing investor patience**

US fiscal performance has reached new depths of dysfunction. In recent months, the country has endured a stressful debt-ceiling episode, Fitch has downgraded the US sovereign credit rating and the risk of a government shutdown remains on the table. Equally concerning, the federal government is swimming in a sea of red ink, with budget deficits near 6% of GDP likely in the years ahead. ([www.ft.com](http://www.ft.com) 04/12/23)

## **Chinese borrowers default in record numbers as economic crisis deepens**

Defaults by Chinese borrowers have surged to a record high since the outbreak of coronavirus, highlighting the depth of the country’s economic downturn and obstacles to a full recovery. A total of 8.54mn people between the ages of 18 and 59 are blacklisted after missing payments on everything from mortgages to loans. ([www.ft.com](http://www.ft.com) 03/12/23)

## **China's public offering fund value tops ¥27tr**

Assets under the management of China's public offering funds totaled ¥27.38tr (about \$3.85tr) by the end of Oct. the Asset Management Association of China has stated. By the end of Oct. a total of 11,268 public offering funds were being operated by 144 fund management companies. ([www.xinhuanet.com](http://www.xinhuanet.com) 03/12/23)

### **EXCHANGE RATES OF SELECTED CURRENCIES**

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2634	(1.2681)	1.2635	(1.2682)
+USD/EUR	1.0907	(1.0968)	1.0908	(1.0969)
*GHS/USD	11.6148	(11.6053)	11.6264	(11.6169)
*GHS/GBP	14.6741	(14.7167)	14.6900	(14.7326)
*GHS/EUR	12.6698	(12.7296)	12.6813	(12.7411)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 04/12/23 (Rates for 30/11/23 in brackets)

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### **RBA to hold rates on Dec. 5, Aussie home prices to rise 5% in 2024, poll shows**

The Reserve Bank of Australia will keep its key interest rate unchanged at 4.35% on Tuesday and a rate cut is now not expected to happen until the fourth quarter of next year due to a strong housing market. Even with rates at a 12-year high, Australian home prices have recovered all of their 2022 losses since finding a floor in Jan. ([www.reuters.com](http://www.reuters.com) 01/12/23)

### **Austrian economy slips into recession**

Following a 1.4% contraction in the second quarter of 2023, Austria's gross domestic product (GDP) declined by 1.8% in real terms in the third quarter of this year, indicating the country's economy has slipped into recession, Statistics Austria said. A recession is defined as two consecutive quarters of economic contraction. ([www.xinhuanet.com](http://www.xinhuanet.com) 02/12/23)

### **Mexican president unveils 20% minimum wage hike by 2024**

Mexican President Andres Manuel Lopez Obrador on Friday announced a 20% increase in the minimum wage starting 2024, calling it a "historic" move. Starting Jan. 1, Mexico's minimum wage will be 249 pesos (about \$14) per day, the president said during his daily press conference. ([www.xinhuanet.com](http://www.xinhuanet.com) 02/12/23)

### **Poland's central bank turns to ECB in spat with Tusk**

Poland's central bank is seeking support from the EU to defend it from Donald Tusk, claiming the incoming prime minister's calls to remove its governor harm its independence. The plea threatens to pull EU institutions including the European Central Bank into another fraught handover of power in Poland. ([www.ft.com](http://www.ft.com) 04/12/23)

### **Swiss economy recovers in Q3**

Switzerland's economy rebounded in the third quarter underpinned by exports and consumption, official data shows. GDP grew 0.3% sequentially, in contrast to the 0.1% fall in the previous three months, the State Secretariat for Economic Affairs said. ([www.rttnews.com](http://www.rttnews.com) 01/12/23)

### **Oil down on persistent uncertainty over OPEC+ supply cuts**

Oil futures reversed course after rising briefly on Monday amid persistent pressure from the OPEC+ decision and uncertainty over global fuel demand growth, although the risk of supply disruptions from the Middle East conflict limited the losses. Brent crude futures were down 0.6%, or 49 cents, to \$78.39 a barrel by 0406 GMT. ([www.reuters.com](http://www.reuters.com) 04/12/23)

### **Asia shares turn mixed, gold hits record above \$2,100**

Asian shares turned mixed on Monday while gold spiked to all-time peaks above \$2,100 at the start of a busy week for economic data that will test market wagers for early and aggressive rate cuts from major central banks next year. The US Nov. payrolls report needs to be solid enough to support the economic soft-landing scenario. ([www.reuters.com](http://www.reuters.com) 04/12/23)

### **African banks resilient to continued challenging operating conditions**

Fitch Ratings has disclosed in its 2024 African Banks Outlook report that African banks will remain exposed to domestic and global operating environment risks in 2024. However, most countries are showing a good degree of resilience, supported by high commodity prices. ([www.norvanreports.com](http://www.norvanreports.com) 03/12/23)

### **SARB's Tshazibana sees case for rates staying higher for longer**

South African central bank deputy governor Fundi Tshazibana said on Friday there was a good case for domestic interest rates staying "higher for longer" as financial conditions had tightened and the government's borrowing needs had risen. ([www.reuters.com](http://www.reuters.com) 01/12/23)

### **Kenya signs deals worth \$4.48bn to develop green projects**

Kenya signed deals for seven green projects on the sidelines of the COP28 summit, include geothermal generation plants, fertilizer production and a data center powered by renewable energy. Kenyan President William Ruto is pushing for Africa to become a "green powerhouse." ([www.norvanreports.com](http://www.norvanreports.com) 04/12/23)

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