



Monday, 12th February 2024

IMF's Georgieva says Mideast growth to slow in 2024 on oil cuts, Gaza

The IMF said Middle East economies were lagging below growth projections due to oil production cuts and the Israel-Gaza conflict, even as the global economic outlook remained resilient. Despite uncertainties, "the global economy has been surprisingly resilient," IMF managing director told the Arab Fiscal Forum in Dubai. (www.reuters.com 11/02/24)

Dollar steady, US inflation data tops this week's bill

The dollar was steady as a holiday in most major Asian markets subdued the start of what could turn into a busy week, with all eyes on US inflation data for clues on when the Federal Reserve may start to cut rates. The euro was down a whisker at \$1.0778, edging off a 10-day high touched in early trading. (www.reuters.com 12/02/24)

Slower US inflation is set to fuel Fed rate-cut optimism

The pulse of US inflation likely continued to slow at the start of the year, helping to feed expectations that the Federal Reserve will find interest-rate cuts more palatable in the coming months. Core consumer price index is seen increasing 3.7% in January from a year earlier. (www.bloomberg.com 11/02/24)

UK set to learn if recession started after months of stagnation

The UK government publishes data this week that will show whether a stagnating economy tipped into recession last year, capping a pivotal week for markets and politics. GDP shrank in the third quarter by 0.1% and flat-lined over October and November. Figures from the Office for National Statistics are due on Thursday. (www.bloomberg.com 12/02/24)

UK employers plan smaller pay rises for 2024

British employers plan smaller pay rises over the coming year than they did three months ago, the first such drop in nearly four years, reflecting less willingness to tolerate higher labour costs, a major survey showed. The figures are likely to increase the confidence among Bank of England policymakers that domestic inflation pressures are easing following recent sharp falls in energy prices. (www.reuters.com 12/02/24)

China's rural policy bank issues loans totaling ¥2.78tr in 2023

The Agricultural Development Bank of China, the country's rural policy bank, has said that it issued loans totaling approximately ¥2.78tr (about 391.35bn US dollars) in the country in 2023. By the end of 2023, the balance of loans stood at ¥8.79tr, the policy bank said. (www.xinhuanet.com 12/02/24)

German economy probably stalled at start of 2024, survey shows

Germany's economy probably failed to grow again at the start of the year, according to a Bloomberg poll. Having already expanded during only one quarter of 2023, analysts surveyed Feb. 2-8 said they now expect gross domestic product to stall in the three months through March. (www.bloomberg.com 12/02/24)

New Zealand central bank blames inflation for restrictive policy

New Zealand's top central banker said the inflation challenge was still not over and cited broad financial pressure for retaining a "restrictive monetary policy" position. Reserve Bank of New Zealand (RBNZ) Governor, appearing before a parliamentary committee, said the current inflation rate at 4.7% was still too high. (www.reuters.com 12/02/24)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2622	(1.2607)	1.2623	(1.2608)
+USD/EUR	1.0780	(1.0763)	1.0781	(1.0764)
*GHS/USD	12.1117	(12.0940)	12.1239	(12.1061)
*GHS/GBP	15.2874	(15.2468)	15.3039	(15.2633)
*GHS/EUR	13.0573	(13.0181)	13.0702	(13.0300)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 12/02/24 (Rates for 09/02/24 in brackets)

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Mexican central bank holds rates again

The Bank of Mexico (Banxico) held its policy rate at 11.25% for the seventh consecutive meeting on February 8, despite recent rises in inflation. The central bank's five-member policy board voted to unanimously keep the overbank interest rate at the same level it has been at since March 2023.

(www.centralbanking.com 09/02/24)

Swedes turn more upbeat on housing with rate cuts on horizon

Swedish households grew more optimistic on housing prices as the central bank has signaled it may start reducing borrowing costs in the first half of this year. SEB AB's housing price indicator for this month rose 6 points to 25, with 45% of respondents now expecting prices to rise compared with 20% who anticipate a decrease. (www.bloomberg.com 12/02/24)

Norway inflation slows slightly; producer prices fall further

Norway's consumer price inflation eased marginally in January after remaining stable in the previous month, while producer prices continued to decline sharply, reports Statistics Norway. The CPI climbed 4.7% year-over-year in January following a 4.8% gain in the previous month. (www.rttnews.com 09/02/24)

Denmark inflation rises to 1.2%, highest in 5 months

Denmark's consumer price inflation increased further in January to the highest level in five months, data from Statistics Denmark. The consumer price index rose 1.2% year-over-year in January following a 0.7% increase in December. (www.rttnews.com 12/02/24)

Rupee to inch up on dollar dip to kick off US inflation data week

The Indian rupee is expected to open marginally higher on Monday on the back of the dollar's weakness versus its major peers in the lead-up to the US inflation data. Non-deliverable forwards indicate rupee will open at around 82.99-83.01 to the US dollar compared with 83.0350 in the previous session. (www.reuters.com 12/02/24)

Oil starts week lower after Israel says 'concluded' Gaza strikes

Oil prices fell in early Asian trade on Monday after Israel said it had "concluded" a series of strikes in southern Gaza, slightly easing concerns about supply from the Middle East. Brent crude futures were 31 cents, or 0.4% lower, at \$81.88 a barrel, while US West Texas Intermediate crude futures were also down 31 cents, or 0.4%, at \$76.53 a barrel at 0520 GMT. (www.reuters.com 12/02/24)

New Kenya bond exchange sees opportunity in budding debt market

The new East African Bond Exchange, a would-be competitor for the Nairobi Securities Exchange, sees the prospect for exponential growth in Kenya's bond market as it prepares to start operating in the first half of this year. (www.bloomberg.com 12/02/24)

SA: Markets to continue to brace for risk

With South African President Cyril Ramaphosa's State of the Nation Address (Sona) leaving the financial markets with more questions than answers, and many of the country's structural risks remaining unsolved, the markets should brace for continued volatility in the lead-up to the National Budget Speech on Feb 21, 2024. (www.iol.co.za 12/02/24)

Zimbabwe to announce new money supply growth mechanisms, create currency board

Zimbabwe will announce new measures to stabilise its local currency, including linking the exchange rate to hard assets such as gold and creating a currency board, Finance Minister Mthuli Ncube said. The Zimbabwean dollar has fallen about 40% since the start of the year. (www.reuters.com 12/02/24)

Nigeria's Naira: Currency Crisis or Global Joke?

Nigeria's economic landscape stands at a precarious crossroads. Once revered as a symbol of stability, the Naira now grapples with domestic anxieties and international scrutiny. As an indicator of national health, the currency demands an honest, in-depth examination. (www.norvanreports.com 12/02/24)

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