



Monday, 26th February 2024

Regtech strategy still lacking in majority of central banks

A regulatory technology (regtech) strategy is available in just over one-fifth of central banks, the Fintech Benchmarks 2024 shows. The statistics reveal that only eight (22.2%) of 36 respondents have a regtech strategy. By contrast, the vast majority (77.8%) do not. (www.centralbanking.com 26/02/24)

EU adopts euro instant payments rules to take on Visa, Mastercard

The European Union Council on Monday adopted rules to make instant payments in the euro currency fully available round-the-clock in a move it expected to help European payments companies compete against US firms Visa (V.N), opens new tab and Mastercard (MA.N), opens new tab. The new regulation will allow customers to transfer euro-denominated money within 10 seconds at any time, including outside business hours, not only within the same country but also to another EU member state, the EU Council said. (www.reuters.com 26/02/24)

Fed-favored inflation gauge seen rising most in a year

Underlying US inflation probably rose in Jan. by the most in a year, as tracked by the Fed's preferred metric, highlighting the long and bumpy path to taming price pressures. The core personal consumption expenditures price index, which excludes food and energy costs, is seen rising 0.4% from a month earlier. (www.Bloomberg.com 25/02/24)

Chinese banks' dollar purchases via swaps from clients hit record high in Jan

Chinese banks purchased the most dollars from their clients via FX swaps in January, official data from the FX regulator showed, suggesting exporters preferred to only temporarily acquire the local currency while holding on to dollars. (www.reuters.com 26/02/24)

China refutes US report denying its contributions to global trade

China on Monday strongly opposed a US report that denies China's contribution to the multilateral trading system and global economy after it acceded to the World Trade Organization (WTO) over two decades ago. The Ministry of Commerce said that China as the largest developing WTO member has always firmly supported the multilateral trading system. (www.xinhuanet.com 26/02/24)

Chinese economy remains a global pillar -- Zambian expert

China's economy has remained upbeat and China-proposed initiatives are beneficial to the world, a Zambian expert told Xinhua in an interview. Kelvin Chisanga, a Lusaka-based social economist, said the Chinese economic model has made the country resilient despite the continuous negative campaigns by some Western media. "The Chinese economy has remained strongly upbeat," Chisanga said. (www.xinhuanet.com 26/02/24)

Chinese companies axe IPO plans amid listing scrutiny

Companies have scrambled to scuttle plans for initial public offering in China this year as the securities watchdog tightens rules on share listings in a bearish market. Forty-seven companies pulled their listing plans from China's stock exchanges so far this year, compared with 29 withdrawals during the same period one year earlier, data from stock exchanges showed. (www.reuters.com 26/02/24)

Russia finance minister says in talks with China on yuan loans

Russia's finance ministry has been discussing with its Chinese counterparts the possibility of taking out loans in yuan, but there has been no decision yet, Russian Finance Minister Anton Siluanov told state media in remarks published on Monday. (www.reuters.com 26/02/24)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2678	(1.262)	1.2679	(1.2623)
+USD/EUR	1.0810	(1.0814)	1.0820	(1.0815)
*GHS/USD	12.3815	(12.3815)	12.3939	(12.3939)
*GHS/GBP	15.6973	(15.6267)	15.7142	(15.6448)
*GHS/EUR	13.3970	(13.3905)	13.4092	(13.4037)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 26/02/24 (Rates for 23/02/24 in brackets)

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War and Fed shape Israel rate decision that looks like a toss-up

Israel will diverge even further from the policy path set out by the Federal Reserve if most economists prove right and the central bank cuts interest rates again to help the war-hit economy. The Bank of Israel already broke with its US counterparts in cutting rates to start the year. (www.bloomberg.com 26/02/24)

Funds' short yen bets to test Japan's intervention resolve

Hedge funds are wagering one of their biggest bets against the Japanese yen in years, pushing Japanese authorities' tolerance of the currency's slide towards new 34-year depths to the limit. Although Tokyo has cranked up the warnings recently that "rapid" moves in the exchange rate are "undesirable", there are reasons to believe there may be less appetite to carry out large-scale yen-buying intervention. (www.reuters.com 26/02/24)

Pakistan met IMF conditions for \$1.2bn loan, report says

Pakistan has met the International Monetary Fund's requirements for power sector debt and electricity prices, a move that may help the country access the next loan tranche of \$1.2bn, The Express Tribune says. The country kept end-Dec. targets related to containing the flow of circular debt below 385bn rupees. (www.bloomberg.com 25/02/24)

Norway jobless rate climbs to 4.5%, highest in 30 months

Norway's unemployment rate increased in January to the highest level in two-and-a-half years, the labour force survey data showed. The seasonally adjusted jobless rate came in at 4.5% in January up from 3.5% in December. (www.rttnews.com 26/02/24)

Poland jobless rate rises to 5.4%, highest in 10 months

The unemployment rate in Poland increased further in January to the highest level in nearly a year. The unemployment rate rose to 5.4% in January from 5.1% in December. (www.rttnews.com 23/02/24)

World shares off record highs ahead of inflation tests

World shares stalled just below record highs on Monday as investors awaited inflation data from the US and Eurozone that could further refine interest rate expectations. MSCI's global equity index <.MIWO00000PUS> was trading flat, after rising to a record high last week when US stocks touched new highs helped by huge gains for AI diva Nvidia (NVDA.O), opens new tab. (www.reuters.com 26/02/24)

Asia shares drift ahead of inflation tests

Asian shares stalled short of 7-month highs on Monday as investors awaited inflation data from the US, Japan and Europe that will help refine expectations for future rate moves. The Fed's favoured measure of inflation the core personal consumption expenditures (PCE) price index is due on Thursday and forecasts are for a rise of 0.4%. (www.reuters.com 26/02/24)

Oil extends losses after dollar strengthens on interest rate outlook

Oil prices fell on Monday, extending losses from the previous session after the dollar rose amid market concerns that higher-than-expected inflation could delay cuts to high US interest rates that have been capping global fuel demand growth. Brent crude futures fell 35 cents, or 0.4%, to \$81.27 a barrel by 0419 GMT. (www.reuters.com 26/02/24)

SA rand weakens in early trade; stocks fall

South Africa's rand weakened in early trade on Monday, extending last week's losses, with analysts citing the negative impact of the 2024 national budget on investor sentiment. At 0824 GMT, the rand traded at 19.3400 against the dollar, 0.25% weaker than its previous close. (www.reuters.com 26/02/24)

Nigeria is world's second most expensive country to produce oil

It's much cheaper to produce crude oil in war-torn Iraq, Saudi Arabia and Iran than in Nigeria, Africa's biggest oil producer. Nigeria is the second most expensive place to extract black gold after the US's shale oil patch. (www.norvanreports.com 26/02/24)

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