



Tuesday, 12th March 2024

Eurogroup advocates for slight fiscal contraction for 2025

Eurozone finance ministers agreed Monday that a slight fiscal contraction in 2025 is "appropriate," given the current macroeconomic outlook, the need to continue to enhance fiscal sustainability and to support the ongoing disinflationary process. In a joint statement of the Eurogroup meeting in Brussels, the ministers also said that policies should "remain agile in view of the prevailing uncertainty." (www.xinhuanet.com 12/03/24)

ECB is leaning toward keeping banks' minimum reserve level at 1%

The European Central Bank is leaning against any immediate change in the amount of money lenders need to park with it interest-free, removing for now the threat of a hit to bank profitability. Ahead of a crucial meeting on Wednesday on a revamp of the ECB's framework for implementing monetary policy. (www.bloomberg.com 11/03/24)

US CPI won't inspire Fed to cut rates, Bloomberg economics says

A monthly report on US consumer prices due Tuesday won't convince Fed officials it's safe to begin lowering interest rates, according to Bloomberg Economics. The core consumer price index, excluding food and energy, probably rose 0.3% in Feb. Bloomberg economists Anna Wong and Stuart Paul wrote. (www.bloomberg.com 12/03/24)

Biden's \$7.3tr budget is campaign pitch for spending, tax goals

President Joe Biden sketched his policy vision for a potential second four-year term on Monday, unveiling a \$7.3tr election-year budget aimed at convincing skeptical Americans that he can run the economy better than Donald Trump. Biden wants to raise taxes by trillions on corporations and high earners. (www.reuters.com 12/03/24)

China's foreign trade expected to maintain growth in H1 2024: official

It is estimated that China's foreign trade will basically maintain the upward momentum in the first half of 2024, Yu Jianhua, head of the General Administration of Customs (GAC), said Monday. According to the latest customs statistics, since the beginning of this year, China's imports and exports have continued to improve, Yu said on the sidelines of the annual session of the national legislature. (www.xinhuanet.com 11/03/24)

German inflation weakest since mid-2021

German consumer prices posted its weakest rise since mid-2021, as initially estimated, on weaker energy and food prices in February, final data from Destatis revealed Tuesday. The consumer price inflation slowed to 2.5% in Feb. from 2.9% in Jan. The last time inflation was lower was in June 2021, when it stood at 2.4%. (www.rttnews.com 12/03/24)

Japan's business lobby head sees near-term chance of BOJ policy shift

The head of Japan's leading business lobby said on Monday the central bank was highly likely to normalize its ultra-loose monetary policy soon amid heightening momentum for wage hikes. "There is greater momentum for wage hikes at this year's spring wage negotiations compared with last year," Masakazu Tokura, chairman of business lobby Keidanren said. (www.reuters.com 11/03/24)

BOJ chief Ueda slightly tones down optimism on economy

Bank of Japan Governor Kazuo Ueda said the economy was recovering but also showing some signs of weakness, offering a slightly bleaker assessment than in January in a nod to a recent batch of soft data on consumption. The remarks come ahead of the central bank's policy meeting next week. (www.reuters.com 12/03/24)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2812	(1.2849)	1.2813	(1.2851)
+USD/EUR	1.0920	(1.0940)	1.0921	(1.0941)
*GHS/USD	12.5477	(12.5412)	12.5603	(12.5538)
*GHS/GBP	16.0761	(16.1142)	16.0935	(16.1329)
*GHS/EUR	13.7028	(13.7201)	13.7164	(13.7348)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 12/03/24 (Rates for 11/03/24 in brackets)

* BOG INTERNAL TRANSACTION RATES: 12/03/24 (Rates for 11/03/24 in brackets)

Portugal trade deficit narrows in January

Portugal's foreign trade deficit decreased in January from a year ago as exports rose amid a fall in imports, figures from Statistics Portugal showed on Monday. The trade deficit dropped to €1.66bn in Jan from €2.06bn in the corresponding month last year. In Dec. the shortfall was €2.4bn. (www.rttnews.com 11/03/24)

Dutch inflation confirmed at 2.8%

The Netherlands' consumer price inflation eased as initially estimated in Feb. the latest data from the Central Bureau of Statistics shows. The consumer price index rose 2.8% year-over-year in Feb. slower than Jan's 6-month high of 3.2%. That was in line with the flash data published on March 1.

(www.rttnews.com 12/03/24)

Argentina cuts rates to 80% in surprise move as inflation Cools

Argentina's central bank unexpectedly cut its benchmark interest rate to 80% from 100% as policymakers see monthly inflation cooling while the peso continues to strengthen against the US dollar in parallel markets. Despite annual inflation over 250%, the monetary authority cited a range of factors in explaining the cut. (www.bloomberg.com 12/03/24)

Venezuela incurs \$700bn GDP loss from US sanctions, says VP

U.S. sanctions against Venezuela have caused losses of nearly \$700bn in GDP, Venezuelan Vice President Delcy Rodriguez said Monday. Venezuela's oil industry sustained losses of almost 232 billion dollars due to the sanctions, which have in addition frozen more than \$22bn Venezuelan assets in international banks. (www.xinhuanet.com 12/03/24)

Czech inflation eases to 2.0%, lowest in over 5 years

The Czech Republic's consumer price inflation eased more-than-expected in Feb. to the lowest level in more than five years, largely due to a decline in food costs, data from the Czech Statistical Office showed on Monday. Consumer prices climbed 2.0% year-over-year in Feb. slower than the 2.3% rise in Jan.

(www.rttnews.com 11/03/24)

Stocks dip from record highs with US inflation data on deck

A gauge of global stocks retreated for a second straight session on Monday, easing further from a record high ahead of U.S. inflation data this week which could heavily influence the Federal Reserve's interest rate path. Stocks have hit multiple record highs this year.

(www.reuters.com 11/03/24)

Oil price gains capped by demand concerns

Oil prices rose in trade as tensions in the Middle East continued to spur concern, but gains were capped by bearish demand sentiment ahead of monthly reports from oil agencies. Brent futures for May delivery were up 48 cents, or 0.6%, at \$82.69 a barrel by 0936 GMT. The April U.S. crude contract rose 40 cents, or 0.5%, to \$78.33.

(www.reuters.com 12/03/24)

Egypt's currency floatation targets lower inflation, stable exchange rate

The recent decisions of Egypt's central bank to float the country's local currency and raise the interest rates by 6% seek to curb the rising inflation and stabilize the currency exchange market, said Egyptian economist Fakhri al-Fiqi in a recent interview with Xinhua.

(www.xinhuanet.com 12/03/24)

Kenya launches WB-funded project for SMEs

Kenya on Monday launched a World Bank-funded \$51.7m loan project for small and medium enterprises (SMEs). Rebecca Miano, cabinet secretary in the Ministry of Investments, Trade and Industry, said the supporting access to Finance and Enterprise Recovery project will provide participating financial institutions with concessional loans.

(www.xinhuanet.com 11/03/24)

Inflation to decline between 13-17% by December 2024 – BoG

The Bank of Ghana is forecasting a further decline in headline inflation to between 13 – 17% by the end of 2024, before gradually trending back to within the medium-term target range of 6 – 10% by 2025. This is barring unanticipated shocks.

(www.myjoyonline.com 12/03/24)

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