



Friday, 22nd March 2024

ECB and EBA establish new bank supervisory committee

The European Central Bank (ECB) and the European Banking Authority (EBA) have created a new bank supervisory committee to improve transparency and ease reporting burdens, they announced on March 18. The new committee aims to standardise requirements on supervisory, resolution and statistical reporting in the European Union's banking sector. (www.centralbanking.com 21/03/24)

US leading economic index unexpectedly increases for first time in two years

A report released by the Conference Board on Thursday showed its reading on leading US economic indicators unexpectedly increased for the first time in two years in Feb. The Conference Board said its leading economic index inched up by 0.1% in Feb. after falling by 0.4% in Jan. (www.rttnews.com 21/03/24)

China's central government steps up spending to bolster economy

China's central government accelerated spending at the start of the year, a sign it's taking on more financing responsibility to support the economy and to avoid worsening local government debt risks. Its public expenditure jumped 14% from a year earlier to ¥482.8bn (\$66.8bn) in Jan. and Feb. combined, the fastest pace for the period in 5 years. (www.bloomberg.com 22/03/24)

BoE's pivot puts June rate cut in focus

The Bank of England has laid the groundwork for a shift to rate cuts after one of the sharpest turnarounds in guidance in recent memory, with data releases, investor bets and the UK's political calendar pointing to June for the first move. Across just 2 months, Britain's central bank has repositioned itself from a bias for higher borrowing costs to reductions. (www.bloomberg.com 21/03/24)

German economic downturn eases slightly in March -PMI

Germany's economic downturn eased slightly in March as business activity in the country's service sector came close to stabilising, a preliminary survey shows. The HCOB German Flash Composite Purchasing Managers' Index (PMI), compiled by S&P Global, rose to 47.4 in March from 46.3 in Feb. That contrasted with forecasts in a Reuters poll for an increase to 47.0. (www.reuters.com 21/03/24)

Japan nationwide inflation climbs 2.8% on year in February

Overall nationwide consumer prices were up 2.8% on year in Feb. the Ministry of Internal Affairs and Communications said on Friday. That was in line with expectations and up from 2.2% in Jan. On a monthly basis, inflation was flat for the second straight month. (www.rttnews.com 21/03/24)

French business activity declines in March on weak demand - PMI

French business activity shrank for a tenth consecutive month in March, according to a monthly survey, as demand for French goods and services deteriorated and employment fell. The HCOB flash purchasing managers index for France's dominant services sector, compiled by S&P Global, fell to 47.8, down from 48.4 in Feb. and below the 48.7 forecast in a poll. (www.reuters.com 21/03/24)

CBRT raises rates unexpectedly to 50.0%

Turkey's central bank announced a further hike in the key interest rate unexpectedly on Thursday with the aim of ensuring a decline in the underlying inflation and returning it to the 5% target in the medium term. The Monetary Policy Committee of the Central Bank of the Republic of Turkey, or CBRT decided to hike the policy rate from 45.0% to 50.0%. (www.rttnews.com 21/03/24)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2666	(1.2717)	1.2667	(1.2718)
+USD/EUR	1.0862	(1.0858)	1.0862	(1.0858)
*GHS/USD	12.7706	(12.7413)	12.7834	(12.7541)
*GHS/GBP	16.1753	(16.2031)	16.1927	(16.2206)
*GHS/EUR	13.8724	(13.8347)	13.8850	(13.8484)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 22/03/24 (Rates for 21/03/24 in brackets)

* BOG INTERNAL TRANSACTION RATES: 22/03/24 (Rates for 21/03/24 in brackets)

SK producer prices rise 0.3% in February

Producer prices in South Korea were up a seasonally adjusted 0.3% on month in Feb. the Bank of Korea said, slowing from 0.5% in Jan. Individually, prices for agricultural, forestry and marine products rose 0.8% on month, while manufacturing products were up 0.5%, utilities slumped 0.9% and services were up 0.2%. (www.rttnews.com 21/03/24)

Pakistan's forex reserves increase \$105m

The State Bank of Pakistan (SBP) said on Thursday that its foreign exchange reserves had increased by \$105m. During the week ending on March 15, the total foreign exchange reserves of the bank moved to around \$8bn, the SBP said in a statement. (www.xinhuanet.com 22/03/24)

Taiwanese central bank unexpectedly raises rates

The Central Bank of the Republic of China (Taiwan) unexpectedly raised its policy rates on March 21, in its first increase since March 2023. The central bank's board raised the benchmark discount rate by 12.5 basis points, bringing it to 2% for the first time since 2008. (www.centralbanking.com 21/03/24)

Swiss central bank cuts rates in surprise move, getting ahead of global peers

The Swiss National Bank cut its main interest rate by 25 basis points to 1.50% on Thursday, which made it the first major central bank to dial back tighter monetary policy aimed at tackling inflation. The central bank, in the first rate decision since long-serving Chairman Thomas Jordan said he would step down in Sept. (www.reuters.com 21/03/24)

Norges bank keeps policy rate 4.5%

The Norwegian central bank maintained its key interest rate at its March meeting on Thursday, as the current stance is needed for some time ahead to bring inflation back to the target within a reasonable time horizon. The Monetary Policy and Financial Stability Committee, decided to keep the policy rate at 4.50%, Norges Bank said in a statement on Thursday. (www.rttnews.com 21/03/24)

Oil traders expect stocks to fall significantly after OPEC extends cuts

Global petroleum inventories are only slightly below the long-term seasonal average but futures prices have already moved into a steep backwardation as traders anticipate they will deplete further over the rest of 2024. OECD commercial inventories of crude oil and refined products are estimated to have been around 75m barrels. (www.reuters.com 22/03/24)

SA reappoints Kganyago and top executives

South Africa's president Cyril Ramaphosa on March 15 reappointed the central bank's senior leadership, including governor Lesetja Kganyago, and named a new deputy governor. Kganyago, who led the South African Reserve Bank for a decade, will remain in post for another 5 years. (www.centralbanking.com 21/03/24)

Egypt raises wide range of fuel prices, official gazette says

Egypt raised prices on a wide range of fuel products, the official gazette said, pressing ahead with a promise it made to the IMF more than a year ago as part of a \$3bn financial support agreement. Inflation reached record levels in 2023, with prices rising by 33.7%. (www.reuters.com 22/03/24)

Ruto sees bottom-up plan bolstering Kenya economy by end of term

Kenyan President William Ruto's administration wants to speed up economic growth to 7.2% by 2027 by implementing its so-called Bottom-Up Strategy. That's an acceleration from an estimated 6.1% last year and 6.3% forecast for the current year. (www.bloomberg.com 21/03/24)

IMF mission on visit to Ethiopia, Finance Ministry official says

An International Monetary Fund staff mission is in Ethiopia, a senior finance ministry official said, as the nation faces a deadline with major creditor countries to secure a loan from the IMF. Last month, IMF spokesperson Julie Kozack said the fund would send a mission to Ethiopia to discuss its request for a loan programme. (www.reuters.com 21/03/24)

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.