



Monday, 25th March 2024

Fed’s Powell ready to support job market, even if it means lingering inflation

As inflation surged in 2022, the Fed moved to prevent a wage-hike spiral by jacking up interest rates. Now, with unemployment edging up, the Fed is signaling a willingness to cut rates to head off a job-cutting spiral even if that means somewhat higher inflation for a while. (www.bloomberg.com 24/03/24)

Traders bet BOE more likely to start rate cuts than fed or ECB

Traders are betting the Bank of England could beat its European and US peers to interest-rate cuts, a turnaround from expectations it would be a laggard in 2024. Money markets have raised wagers on easing at its next monetary-policy decision, putting the probability of a cut at 20%, compared to less than 10% for the Federal Reserve and European Central Bank. (www.bloomberg.com 25/03/24)

German Ifo business confidence brightens in March

Business confidence in Germany improved in March on stronger expectations and better assessment of the current conditions, survey results from the IFO Institute showed on Friday. The business sentiment index rose more-than-expected to 87.8 from an upwardly revised 85.7 in Feb. (www.rttnews.com 22/03/24)

Japan’s currency Chief warns against speculative moves in market

Japan’s top currency official delivered his most robust salvo of warnings in months against speculative moves in the foreign exchange market as the yen continues to hover near a 2022 intervention level. “The current weakening of the yen is not in line with fundamentals and is clearly driven by speculation,” vice finance minister for international affairs Masato Kanda said. (www.bloomberg.com 25/03/24)

Russia Central Bank keeps key rate unchanged to 16.00%

Russia's central bank left its key interest rate steady at its March meeting on Friday, as expected, as policymakers assessed inflation remains high despite a gradual easing. The board of directors of the Bank, headed by Governor Elvira Nabiullina, decided to hold the rate at 16.00%. (www.rttnews.com 22/03/24)

Australia to recommend minimum wage rise in line with inflation-Reuters

Australia's government will support a minimum wage increase in line with inflation this year as low-income families continue to grapple with costs of living, although the rise would be smaller as inflation eased. the Labor government will recommend the increase to ensure ‘the real wages of the low-paid workers do not go backwards.’ (www.reuters.com 25/03/24)

Dutch economy expands 0.4% in q4, more than estimated

The Dutch economy recovered more than initially estimated in the final quarter of 2023, the latest data from the Central Bureau of Statistics showed. GDP advanced 0.4% sequentially in the December quarter, reversing a revised 0.2 % decline in the previous quarter, which was the third successive quarterly contraction. (www.rttnews.com 25/03/24)

Singapore Feb core inflation accelerates to 7-month high amid Lunar new year

Singapore's Feb. core inflation accelerated to its fastest pace in seven months, official data showed, as seasonal effects from the Lunar New Year drove services and food prices higher. The core inflation rate, which excludes private road transport and accommodation costs, came in 3.6% in Feb from a year earlier, faster than the 3.4% forecast by economists. (www.reuters.com 25/03/24)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2597	(1.2666)	1.2598	(1.2667)
+USD/EUR	1.0816	(1.0862)	1.0816	(1.0862)
*GHS/USD	12.7936	(12.7706)	12.8064	(12.7834)
*GHS/GBP	16.1161	(16.1753)	16.1335	(16.1927)
*GHS/EUR	13.8371	(13.8724)	13.8509	(13.8850)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 25/03/24 (Rates for 22/03/24 in brackets)

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NZ and EU trade agreement to take effect on May 1

New Zealand said on Monday a free trade agreement with the European Union would come into effect on May 1, after the country's parliament ratified the deal. New Zealand notified the European Union it ratified the agreement earlier on Monday, Trade and Agriculture Minister Todd McClay said in a statement. (www.reuters.com 25/03/24)

Central Bank of Brazil cuts rate by 50bp

The Central Bank of Brazil's (BCB) monetary policy committee, known as Copom, cut its headline rate by 50 basis points on March 20 to 10.75%. The bank said it anticipates another cut of the same magnitude at its next meeting in May in a prepared statement. All 9 voting members of Copom voted in favour of the rate cut. (www.centralbanking.com 22/03/24)

Banxico cuts rates by 25bp

The Bank of Mexico (Banxico) reduced its policy rate by 25 basis points on March 21. The cut, which is effective from today (March 22), means the key interest rate is now 11%. The monetary policy committee had held the rate at 11.25% at its previous 7 meetings. In a statement, Banxico referred to the apparent strategy of monetary authorities across the world. (www.centralbanking.com 22/03/24)

Taiwan jobless rate almost stable at 3.40%

The unemployment rate in Taiwan increased marginally in Feb. the Directorate General of Budget Accounting and Statistics reported. The seasonally adjusted unemployment rate came in at 3.40% in Feb. versus 3.39% a month ago. In the same period last year, the rate was 3.56%. (www.rttnews.com 22/03/24)

Czech economic sentiment at 10-month high

The Czech economic confidence improved in March to the highest level in ten months, survey results from the Czech Statistical Office showed on Monday. The economic sentiment index climbed to 94.2 in March from 90.6 in the previous month. Further, this was the highest reading since May 2023, when it was 94.4. (www.rttnews.com 25/03/24)

Oil rises as heightened geopolitical risks exacerbate supply concerns

Oil prices rose in early Asian trading on Monday on concerns over tighter global supply brought about by escalating conflicts in the Middle East and between Russia and Ukraine, while a shrinking US rig count added to upward price pressure. Brent crude futures climbed 52 cents, or 0.6%, to \$85.95 a barrel at 0359 GMT. (www.reuters.com 25/03/24)

Asia shares stall, dollar shies from Japan warnings

Asian shares dithered on Monday as investors worried US inflation data this week could derail the outlook for lower interest rates, while the risk of currency intervention from Japan stalled the yen's decline for the moment. China's central bank also engineered a rally in the yuan after setting a firmer fix for the currency. (www.reuters.com 25/03/24)

Britain agrees \$100 mln trade finance to boost Africa food security

Development lender British International Investment (BII) said on Monday it had agreed a \$100m finance facility with the Eastern and Southern African Trade and Development Bank (STDB) to boost International trade finance, farming and food security in the region. (www.reuters.com 25/03/24)

Nigeria's public debt rises by N9.43tr in 3 months to N97.34tr

Nigeria's total public debt has increased by N9.43tr in three months to close at N97.34tr in Dec. 2023, according to the latest report by the Debt Management Office (DMO). In US dollar terms, total public debt settled at \$108.822bn, report reveals. (www.ghanaweb.com 24/03/24)

Ghana's Central Bank Holds Interest Rates Steady at 29%

BoG left its benchmark interest rate unchanged, citing modest upside risks to inflation. The MPC kept the rate at 29%, matching the median estimate of nine economists. The central bank in Jan. lowered rates by 100 bp, ending a prolonged policy tightening cycle that commenced in 2021. (www.bloomberg.com 25/03/24)

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