



Thursday, 28<sup>th</sup> March 2024

### Eurozone economic confidence strengthens in March

Eurozone economic sentiment rose to a three-month high in March driven by the improvement across all sectors except construction, survey data from the European Commission revealed on Wednesday. The economic sentiment index climbed to 96.3 in March, as expected, from 95.5 in the previous month. ([www.rttnews.com](http://www.rttnews.com) 27/03/24)

### ECB economists highlight smooth quantitative tightening

The eurozone bond market is so far managing to absorb a larger supply of bonds, as the European Central Bank (ECB) executes a multi-trillion euro reduction in its bond holdings, its economists say in a blogpost. The Eurosystem balance sheet has declined by around €2tr (\$2.2tr) since mid-2022. ([www.centralbanking.com](http://www.centralbanking.com) 27/03/24)

### US fiscal stimulus boosted vehicle price pressures – Fed research

Stimulus checks to consumers and loans to small businesses increased vehicle sales and prices, researchers with the Fed Board find. The results add evidence on how generous fiscal stimulus in the US made have added to the subsequent inflationary surge. Receiving a stimulus check increased the probability of purchasing new vehicles, say the authors. ([www.centralbanking.com](http://www.centralbanking.com) 27/03/24)

### PBoC names first female deputy Governor since 2015

China appointed the first female deputy chief of the central bank in nine years, a hire that stands out in President Xi Jinping’s male-dominated administration. Tao Ling, 52, a longtime central banker and financial regulator, took up her post as deputy governor of the People’s Bank of China on Wednesday. ([www.bloomberg.com](http://www.bloomberg.com) 28/03/24)

### UK economy shrinks 0.3% as estimated

The UK economy contracted in the fourth quarter, as initially estimated, the Office for National Statistics reveals. GDP fell by unrevised 0.3% after a 0.1% drop in the third quarter. The statistical office thus confirmed a technical recession towards the end of 2023. Consequently, the economy grew only 0.1% in 2023, much weaker than the 4.3% expansion seen in 2022. ([www.rttnews.com](http://www.rttnews.com) 28/03/24)

### BoE says risk of ‘sharp correction’ in asset prices has risen

The Bank of England warns asset prices are “stretched” and the risk of a “sharp correction” has risen, which could impact the functioning of the UK government bond (gilt) market. “Conditions remain challenging,” the BoE said today (March 27), in a summary of the latest financial policy committee (FPC) meeting. ([www.centralbanking.com](http://www.centralbanking.com) 27/03/24)

### German unemployment rises less than expected, supporting rebound

German unemployment rose less than expected in March further evidence of labor-market resilience that may help underpin a modest economic recovery later this year. Joblessness increased by 4,000, while economists polled by Bloomberg had predicted a gain of 10,000. The unemployment rate was unchanged at 5.9%. ([www.bloomberg.com](http://www.bloomberg.com) 28/03/24)

### BOJ summary hints at cautious approach to further rate increases

Bank of Japan board members discussed the need to stay cautious at a policy meeting last week, where the bank ended its massive easing program with Japan’s first interest rate increase since 2007. “The bank would need to emphasize its cautious stance in the case of terminating the negative interest rate policy,” ([www.bloomberg.com](http://www.bloomberg.com) 28/03/24)

#### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2624	(1.2628)	1.2625	(1.2629)
+USD/EUR	1.0821	(1.0837)	1.0822	(1.0838)
*GHS/USD	12.8624	(12.8558)	12.8752	(12.8686)
*GHS/GBP	16.2375	(16.2343)	16.2550	(16.2518)
*GHS/EUR	13.9186	(13.9326)	13.9313	(13.9452)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 28/03/24 (Rates for 27/03/24 in brackets)

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### **French consumer confidence improves in March**

France's consumer confidence unexpectedly improved slightly in March, monthly survey data from the statistical office INSEE showed on Wednesday. The consumer sentiment index rose to 91 from 90 in the previous month. Meanwhile, economists had expected the score to remain stable at 90. Nonetheless, the index was still remained below its long-term average of 100. ([www.rttnews.com](http://www.rttnews.com) 27/03/24)

### **Australia inflation steady at 3.4%**

Australia's consumer price inflation remained unchanged in Feb. data from the Australian Bureau of Statistics showed on Wednesday. The monthly consumer price index posted an annual increase of 3.4% in February, which was slightly weaker than economists' forecast of 3.5%. ([www.rttnews.com](http://www.rttnews.com) 27/03/24)

### **Spain inflation rises on energy prices**

Spain's consumer prices posted a faster growth in March reflecting increase in electricity and fuel prices, data from the statistical office INE shows. The consumer price index advanced 3.2% on a yearly basis, following Feb's 2.8% rise. The rate came in line with expectations. ([www.rttnews.com](http://www.rttnews.com) 27/03/24)

### **Saudi Arabia's net FDI at 13bn riyals in Q4 of 2023**

Net inflows of foreign direct investment (FDI) to Saudi Arabia reached SAR13.1bn (\$3.49bn) in the fourth quarter of 2023, up 16% from 1SAR1.4bn riyals (\$3.04bn) in the third quarter, government data showed on Thursday. ([www.reuters.com](http://www.reuters.com) 28/03/24)

### **BoK warns of economic hit if property slump lasts**

The Bank of Korea warned Thursday that a further slump in the real estate sector would undermine broader economic activity, as it pointed to worsening delinquencies among developers in the latest signal of continuing woes in the credit market. The rising delinquency rate underscores more risks associated with project-finance projects. ([www.bloomberg.com](http://www.bloomberg.com) 28/03/24)

### **Oil prices advance as investors reassess US inventories data**

Oil prices edged up on Thursday, following two consecutive sessions of decline, as investors reassessed the latest data on U.S. crude oil and gasoline inventories and returned to buying mode. Brent crude futures for May were up 40 cents, or 0.5%, at \$86.49 a barrel while the more actively traded June contract rose 36 cents, or 0.4%, to \$85.77 at 0757 GMT. ([www.reuters.com](http://www.reuters.com) 28/03/24)

### **European shares edge higher ahead of Easter break**

European stocks were seeing modest gains on Thursday ahead of a long Easter holiday weekend. Major European markets will be shut for two days on Friday and Monday to celebrate Easter. In economic releases, German retail sales posted an unexpected decline in February. ([www.rttnews.com](http://www.rttnews.com) 27/03/24)

### **SA's tepid economy and high rates crimp credit growth**

South African's appetite for credit softened toward the end of last year amid high interest rates, weak economic conditions and muted consumer spending. the South African Reserve Bank said loan demand growth for companies slowed to 3.3% year-on-year in Jan. ([www.bloomberg.com](http://www.bloomberg.com) 28/03/24)

### **Zambian inflation at 25-month high as El Niño fans food costs**

Zambia's annual inflation rate leapt to a more than two-year high as its worst drought on record for large parts of the country led to a surge in food prices. The consumer price index rose to 13.7% in March, compared with 13.5% last month, acting Statistician General Chola Daka said. ([www.bloomberg.com](http://www.bloomberg.com) 28/03/24)

### **Ghana: \$300m WB facility hits BoG's account**

The \$300m World Bank facility to support some projects in 2024 has finally been credited to the Bank of Ghana's (BoG) account. This was after Ghana met all the necessary conditions, including Cabinet and Parliament's approval to facilitate the transfer of the funds. ([www.myjoyonline.com.com](http://www.myjoyonline.com.com) 27/03/24)

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