



Monday, 8<sup>th</sup> April 2024

## Euro zone companies expect wage increases to moderate, ECB Says

Companies in the euro area expect wage growth to slow, according to a poll by the European Central Bank, offering policymakers some comfort that inflation is safely in retreat. Salaries are seen rising 3.8% over the next 12 months, the ECB said Monday in its Survey on the Access to Finance of Enterprises. That's down from 4.5% in the previous poll in November. Selling-price expectations fell even more strongly to 3.3% from 4.5%.

([www.bloomberg.com](http://www.bloomberg.com) 08/04/24)

## ECB jostling over back-to-back summer cuts has already begun

ECB interest-rate setters are starting to position themselves for the next debate as a first cut in June becomes increasingly certain and inflation continues to slow. The question the members of the Governing Council eventually need to settle is whether to follow their initial foray into monetary easing with another move at their July policy meeting or wait at least until September.

([www.bloomberg.com](http://www.bloomberg.com) 08/04/24)

## Fed officials say strong economy gives them flexibility and time

Senior Federal Reserve officials have said they have time to watch before deciding to change US monetary policy, however Fed chair Jerome Powell nonetheless hinted the Federal Open Market Committee (FOMC) could cut rates if the US economy continued on its current course.

([www.centralbanking.com](http://www.centralbanking.com) 05/04/24)

## Yellen says US will not accept Chinese imports decimating new industries

US Treasury Secretary, Janet Yellen warned China that Washington will not accept new industries being decimated by Chinese imports as she wrapped up four days of meetings to press her case for Beijing to rein in excess industrial capacity.

([www.reuters.com](http://www.reuters.com) 08/04/24)

## Chinese yuan strengthens to 7.0947 against USD Monday

The central parity rate of the Chinese currency renminbi, or the yuan, strengthened 2 pips to 7.0947 against the U.S. dollar, according to the China Foreign Exchange Trade System. In China's spot foreign exchange market, the yuan is allowed to rise or fall by 2% from the central parity rate each trading day. The central parity rate of the yuan against the U.S. dollar is based on a weighted average of prices.

([www.xinhuanet.com](http://www.xinhuanet.com) 08/04/24)

## Bernanke tips BOE toward 'scenario forecasts' over Fed dot plots

Ben Bernanke put the U.S. Federal Reserve on the cutting edge of economics 12 years ago by collecting policymakers' forecasts, including their outlook for interest rates, into groups of "dot plots." This week, the former Fed chair is expected to suggest the Bank of England adopt a new innovation, a flexible set of "scenarios" in a bid to update its forecasting process and repair its battered reputation.

([www.bloomberg.com](http://www.bloomberg.com) 07/04/24)

## Former Japan FX tsar says yen weakening could trigger intervention at 'any time'

Japanese authorities could intervene in the foreign exchange market to stem sharp falls in the yen "at any time" if its moves are excessive enough to warrant such action, a former top currency official said. Takehiko Nakao made his comment as the Japanese currency hovered near a 34-year low touched last month against the dollar.

([www.reuters.com](http://www.reuters.com) 08/04/24)

## Japan February current account surplus rises, misses estimates

Japan's current account extended its surplus to a 13th straight month in February, Ministry of Finance data showed on Monday, thanks to the trade deficit narrowing from the previous month.

([www.reuters.com](http://www.reuters.com) 08/04/24)

### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2629	(1.2668)	1.2631	(1.2669)
+USD/EUR	1.0842	(1.0866)	1.0842	(1.0867)
*GHS/USD	12.9117	(12.9067)	12.9247	(12.9197)
*GHS/GBP	16.3062	(16.3503)	16.3251	(16.3679)
*GHS/EUR	13.9992	(14.0249)	14.0130	(14.0389)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 08/04/24 (Rates for 05/04/24 in brackets)

\* BOG INTERNAL TRANSACTION RATES: 08/04/24 (Rates for 05/04/24 in brackets)

### **German exports fall more than expected**

Germany's exports declined more than expected in February after recovering a month ago, data from Destatis revealed. Exports dropped 2.0% month-on-month in February, in contrast to the 6.3% increase in January. Economists had forecast a monthly fall of 0.5%. At the same time, imports logged an unexpected growth of 3.2% after rising 3.3% a month ago. Imports were expected to fall 1.0%. ([www.rttnews.com](http://www.rttnews.com) 08/04/24)

### **Norway's industrial output falls 4.3%**

Norwegian industrial production declined for the first time in five months in February, data from Statistics Norway showed on Monday. Industrial production fell a seasonally adjusted 4.3% month-on-month in Feb, reversing a 2.2% expansion in the previous month. Data showed that manufacturing output decreased 1.1% after remaining flat in January. ([www.rttnews.com](http://www.rttnews.com) 08/04/24)

### **Swiss jobless rate stable at 2.4%**

Switzerland's unemployment rate held steady in March after falling slightly in the previous month, the State Secretariat for Economic Affairs, or SECO, said. The unadjusted unemployment rate stood at 2.4% in March, the same as in February. In the corresponding month last year, the jobless rate was 2.0%. The number of registered unemployed persons decreased to 108,593 in March from 111,879 in the prior month. ([www.rttnews.com](http://www.rttnews.com) 08/04/24)

### **RBA's guarded policy stance highlights sticky inflation worries**

It's been five months since Australia last raised interest rates and in the interim inflation has moderated and the economy slowed to a crawl. Yet Reserve Bank Governor Michele Bullock insists she can't rule out another hike. ([www.bloomberg.com](http://www.bloomberg.com) 07/04/24)

### **Philippines signals rate cut delay if inflation risks rise**

The Philippine central bank, which kept the benchmark interest rate steady at a 17-year high, has signalled that monetary easing may be pushed back to early next year if inflation risks persist. ([www.bloomberg.com](http://www.bloomberg.com) 08/04/24)

### **European shares inch higher as investors look to ECB**

European stocks were broadly higher on Monday as Middle East tensions eased, and investors looked ahead to an ECB policy meeting and key U.S. inflation data due later this week for important clues on the interest rate path. Meanwhile, investors cheered data showing that German industrial production rose more than expected in February, helped by a recovery in the construction and car industry. ([www.rttnews.com](http://www.rttnews.com) 08/04/24)

### **Oil prices edge lower after sharp gains last week**

Oil prices were moving lower on Monday after logging a second straight weekly gain to hit a six-month high last week. Benchmark Brent crude futures dipped 0.7 percent to \$90.57 a barrel, while WTI crude futures were down 0.6 percent at \$86.40. Investors kept a close eye on the geopolitical tensions in the Middle East. ([www.rttnews.com](http://www.rttnews.com) 08/04/24)

### **Egyptian inflation slightly eases even after currency plunge**

Egyptian inflation slowed in March despite a dramatic currency flotation aimed at turning around the battered economy that some analysts saw as likely to fuel another surge in costs. Consumer prices in urban parts of the North African country grew an annual 33.3% last month compared with 35.7% in February. ([www.bloomberg.com](http://www.bloomberg.com) 08/04/24)

### **Nigeria's ex-central bank head Emeziele faces fresh charges on Monday**

Nigeria's former central bank Governor Godwin Emeziele will appear in a Lagos court on Monday after the country's anticorruption body on Friday filed 26 fresh charges against him alleging misuse of authority and corrupt practices. ([www.reuters.com](http://www.reuters.com) 06/04/24)

### **South African rand firms after foreign reserves data**

SA's rand firmed in early trade on Monday, after central bank data showed that foreign reserves had increased last month. At 0809 GMT, the rand was trading at 18.6100 against the US dollar, about 0.4% stronger than its previous close. ([www.reuters.com](http://www.reuters.com) 08/04/24)

**DISCLAIMER:** This information has been compiled by the Communications Department 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.