



Thursday, 25<sup>th</sup> April 2024

### **‘Do I die, or do I survive?’ Officials reflect on Basel III complexity**

Current and former Central Bank Governors defended the complexity of Basel III and reflected on the tough negotiations that produced the accord at an event in Basel on 24/04/24. The conference, marking 50 years since the Basel Committee on Banking Supervision formed, brought together central bankers. ([www.centralbanking.com](http://www.centralbanking.com) 24/04/24)

### **Paul Tucker calls for collateral Prepositioning**

Paul Tucker said central banks need to adopt a prepositioning policy to improve their ability to handle crises, in remarks at an international conference of banking supervisors on 24/04/24. He said he was shocked to hear that a central bank did not believe in resolving a commercial bank in 2023. ([www.centralbanking.com](http://www.centralbanking.com) 24/04/24)

### **Inequality exacerbates crises in several ways, Fed research finds**

Inequality may exacerbate financial vulnerabilities through various channels, researchers with the Federal Reserve Board find in new research. “Inequality is associated with different financial sector vulnerabilities,” Anni Isojaervi and Sam Jerow say in the paper. ([www.centralbanking.com](http://www.centralbanking.com) 24/04/24)

### **Better U.S.-China ties but still deep disagreements as Blinken starts visit**

U.S. Secretary of State, Antony Blinken arrived in Shanghai on Wednesday [24/04/24] with U.S.-China ties on a steadier footing, but with a daunting array of unresolved issues threatening the stability of relations between the global rivals. Blinken will meet with business leaders before heading to Beijing for talks on Friday [26/04/24] with Foreign Minister Wang Yi. ([www.reuters.com](http://www.reuters.com) 24/04/24)

### **Sterling rises versus euro and dollar, eyes BoE policy path**

Sterling rose versus the dollar and the euro as investors assessed the Bank of England's monetary policy path after recent mixed signals from policymakers. The pound dropped late last week and on Monday [22/04/24] versus the greenback as Governor Andrew Bailey said that inflation was broadly declining in line with BoE forecasts, which would indicate that interest rates might fall more quickly than the market currently expects. ([www.reuters.com](http://www.reuters.com) 25/04/24)

### **BoE reports record usage of short-term liquidity repo**

The Bank of England allotted a record amount of one-week funds in a short-term repo operation as it seeks to offset the impact on market interest rates of running down its stock of government bonds. The BoE provided 7.587bn pounds (\$9.49bn) of 7-day funds in its short-term repo operation, the largest single usage of the facility since it launched in October 2022. ([www.reuters.com](http://www.reuters.com) 25/04/24)

### **German consumer sentiment to rise in may**

German consumer confidence is set to rise again in May, survey conducted by the market research group GfK and the Nuremberg Institute for Market Decisions (NIM) shows. The forward-looking consumer sentiment index rose to -24.2 in May from revised -27.3 in April. ([www.rtnnews.com](http://www.rtnnews.com) 25/04/24)

### **German debt ratio likely to rise slightly in 2024**

The German debt-to-GDP ratio is likely to rise slightly this year but then fall steadily until 2028, the Finance Ministry says. The Ministry expects the debt-to-GDP ratio at 64% in 2024. ([www.reuters.com](http://www.reuters.com) 24/04/24)

#### **EXCHANGE RATES OF SELECTED CURRENCIES**

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2430	(1.2437)	1.2431	(1.2438)
+USD/EUR	1.0684	(1.0697)	1.0684	(1.0698)
*GHS/USD	13.1355	(13.0693)	13.1487	(13.0823)
*GHS/GBP	16.3275	(16.2542)	16.3451	(16.2718)
*GHS/EUR	14.0343	(13.9809)	14.0482	(13.9936)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 25/04/24 (Rates for 24/04/24 in brackets)

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### **Yen at multi-decade lows, dollar drops before U.S. data**

The yen hit a fresh 34-year low versus the dollar and a 16-year low against the euro as investors expect a Bank of Japan policy meeting that ends on Friday [26/04/24] to not be hawkish enough to support the Japanese currency. ([www.reuters.com](http://www.reuters.com) 25/04/24)

### **Fragile yen could make BOJ's Ueda tilt more towards hawkish stance**

The yen's slide to fresh 34-year lows is likely to force Bank of Japan Governor Kazuo Ueda to walk a delicate line in guiding monetary policy this week as he tries to maintain a calibrated path to exiting ultra-easy rates without upending the currency. The BOJ chief will be mindful of avoiding the episode of 2022, when his predecessor's dovish remarks triggered a yen plunge that forced Tokyo to intervene to prop up the currency. ([www.reuters.com](http://www.reuters.com) 25/04/24)

### **South Korea prepares system to detect illegal stock short selling**

South Korea's financial market watchdog said on Thursday [25/04/24] it was checking the effectiveness of a new monitoring system designed to detect illegal short-selling of domestic stocks before lifting a ban on such trades. ([www.reuters.com](http://www.reuters.com) 25/04/24)

### **Japan feels inflation heat from Fed's 'higher for longer' shift**

Investors are increasing their bets that the Bank of Japan will need to keep raising borrowing costs as a weaker yen fuels inflation and puts pressure on the central bank to tighten its policy to prop up the currency. ([www.ft.com](http://www.ft.com) 25/04/24)

### **Bank Indonesia unexpectedly raises rates to support rupiah**

Bank Indonesia (BI) raised its benchmark interest rate for the first time in six months to support the rupiah, a move that surprised most market analysts.

([www.centralbankingonline](http://www.centralbankingonline) 25/04/24)

### **European shares seen opening lower with tech earnings in focus**

European stocks may open on a sluggish note Thursday [24/04/24] as investors react to Facebook parent Meta Platforms' disappointing Q2 revenue outlook and plans to spend nearly \$100bn this year in its AI products. The pan European STOXX 600 declined 0.4%. The German DAX dipped 0.3%, France's CAC 40 eased 0.2% and the UK's FTSE 100 finished marginally lower. ([www.rttnews.com](http://www.rttnews.com) 25/04/24)

### **Oil holds decline in cautious trade**

Oil held a decline as geopolitical risk premium moderated further due to easing Middle East tensions. Benchmark Brent crude futures slipped 0.1% to \$87.91 a barrel, while WTI crude futures were down 0.2% at \$82.63. ([www.rttnews.com](http://www.rttnews.com) 25/04/24)

### **Inflation in key African economies to slow into next year**

Inflation in key African economies will slow into next year but remain stubbornly high in Nigeria due to sporadic flooding and difficult terrain for the naira currency, a Reuters poll found. ([www.reuters.com](http://www.reuters.com) 25/04/24)

### **South African rand little changed before producer inflation data**

The South African rand was little changed in early trade, as traders looked ahead to the release of domestic producer inflation figures. The rand traded at 19.1950 against the dollar, not far from its Wednesday [24/04/24] close of 19.2100. Statistics South Africa will release the March Producer Price Index on Thursday [25/04/24]. ([www.reuters.com](http://www.reuters.com) 25/04/24)

### **Nigeria's naira rebounds sharply after bumper interest rate rises**

The Nigerian naira has reversed recent losses to become the world's best performing currency, lifted by two huge interest rate rises. The currency, which hit a record low against the dollar of N1,625 on March 11 on the official market, has since rebounded by more than 26%. ([www.ft.com](http://www.ft.com) 24/04/24)

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