



Thursday, 2<sup>nd</sup> May 2024

### World economy looks to dodge stagflation rut as outlook perks up

The world's economic outlook is perking up as growth proves more resilient and inflation is set to cool faster than previously expected in many countries, the OECD said. While conflicts in the Middle East or more persistent price increases could still knock the economy from its more stable footing.

([www.bloomberg.com](http://www.bloomberg.com) 02/05/24)

### ECB staff speak out against changes to internal survey

European Central Bank (ECB) staff have accused the institution of removing sensitive questions pertaining to harassment and discrimination in an internal survey. Some staff said the questions seemed to have been removed to improve how the central bank is perceived.

([www.centralbanking.com](http://www.centralbanking.com) 01/05/24)

### Fed leaves rates unchanged, flags 'lack of further progress' on inflation

The U.S. Fed held interest rates steady on Wednesday [01/05] and signaled it is still leaning towards eventual reductions in borrowing costs but put a red flag on recent disappointing inflation readings that could make those rate cuts a while in coming. Indeed, Fed Chair Jerome Powell said that after starting 2024 with 3 months of faster-than-expected price increases.

([www.reuters.com](http://www.reuters.com) 02/05/24)

### UK house prices unexpectedly fall

UK house prices declined unexpectedly in April, reflecting affordability pressures amid rising longer term interest rates, data published by the Nationwide Building Society revealed on Wednesday. House prices posted a monthly decline of 0.4% after easing 0.2% in March. Prices were expected to climb 0.1%. On a yearly basis, house price growth eased more-than-expected to 0.6% from 1.6% in March.

([www.rttnews.com](http://www.rttnews.com) 01/05/24)

### Bailey grapples with divisions at BOE over when to cut UK rates

Bank of England policymakers appear the most divided since they brought their hiking cycle to a close last year, illustrating the challenge that Governor Andrew Bailey faces in steering his colleagues toward possible interest rate cuts in the coming weeks.

([www.bloomberg.com](http://www.bloomberg.com) 02/05/24)

### Japan household spending likely accelerated pace of declines in March: Reuters poll

Japanese household spending probably accelerated its pace of declines in March, a Reuters poll showed on Thursday [02/05], underscoring the difficulties facing policymakers keen to engineer self-sustaining economic growth and normalise monetary policy.

([www.reuters.com](http://www.reuters.com) 02/05/24)

### Japan consumer confidence weakens unexpectedly

Japan's consumer sentiment decreased unexpectedly in April to the lowest level in three months, data from the Cabinet Office showed. The seasonally adjusted consumer confidence index dropped to 38.3 in April from 39.5 in March. Meanwhile, economists had forecast the index to rise to 39.7. The latest survey was conducted on April 15 among 8,400 households.

([www.rttnews.com](http://www.rttnews.com) 02/05/24)

### Growth to slow in Asia-Pacific this year, IMF says

Economic growth is likely to slow in the Asia-Pacific region this year as a result of ageing populations and lower productivity, the IMF says in its latest regional economic outlook report. The region grew by 5% last year but is expected to slow to 4.5% in 2024. Growth next year will drop to 4.3%, the fund predicts.

([www.centralbanking.com](http://www.centralbanking.com) 01/05/24)

#### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2523	(1.2549)	1.2525	(1.2550)
+USD/EUR	1.0690	(1.0716)	1.0691	(1.0717)
*GHS/USD	13.2673	(13.2376)	13.2805	(13.2508)
*GHS/GBP	16.6146	(16.6118)	16.6339	(16.6298)
*GHS/EUR	14.1823	(14.1872)	14.1976	(14.2001)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 02/05/24 (Rates for 30/04/24 in brackets)

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### **SK inflation flat on month in April**

Consumer prices in South Korea were flat on a seasonally adjusted monthly basis, Statistics Korea said on Thursday [02/05]. That was shy of expectations for an increase of 0.2% and was down from 0.1% in March. On a yearly basis, inflation was up 2.9% again beneath forecasts for 3.0%. and down from 3.1% in the previous month. ([www.rttnews.com](http://www.rttnews.com) 01/05/24)

### **Taiwan manufacturing sector expands in April - S&P Global**

The manufacturing sector in Taiwan moved back into expansion territory in April, S&P Global revealed on Thursday [02/05] with a manufacturing PMI score of 50.2. That's up from 49.3 in March and above the boom-or-bust line of 50 that separates expansion from contraction. Output and new orders both increased in April. ([www.rttnews.com](http://www.rttnews.com) 01/05/24)

### **Iraqi PM to diversify national economy**

Iraqi Prime Minister Mohammed Shia' al-Sudani on Wednesday [01/05] said his government is committed to bolstering the industry, agriculture, trade and tourism sectors, with the aim of reducing the country's reliance on oil and transitioning to a diversified economy. ([www.xinhuanet.com](http://www.xinhuanet.com) 02/05/24)

### **Sri Lankan inflation rises in April**

Annual headline inflation in Sri Lanka rose to 1.5% last month on a year-on-year basis, compared with 0.9% in March, the Central Bank of Sri Lanka (CBSL) said on April 30. This was accompanied by a rise in core inflation, which went up by 3.4% in April from 3.1% in March. But monthly inflation declined, the CBSL said.

([www.centralbanking.com](http://www.centralbanking.com) 01/05/24)

### **Mongolia's central bank buys 4.3 tons of gold**

Mongolia's central bank has purchased a total of 4.3 tons of gold from legal entities and individuals since the beginning of this year, the bank said. Purchasing gold is one of the keyways for the central bank to ensure the country's economic stability by consistently increasing foreign exchange reserves.

([www.xinhuanet.com](http://www.xinhuanet.com) 02/05/24)

### **Asia stocks rise as Fed tamps down hike fears; yen leaps**

Asian stocks and U.S. futures rose on Thursday [02/05] after the Federal Reserve downplayed risks of an interest rate hike, while the yen was bumpy after another burst of suspected intervention from Japan. Shortly after Fed Chair Jerome Powell had finished telling reporters the Fed may have to leave rates elevated, the yen surged against the dollar. ([www.reuters.com](http://www.reuters.com) 02/05/24)

### **Oil prices rebound on hopes US will replenish strategic reserve**

Oil prices rose on Thursday [02/05], rebounding from three days of losses, on expectations the lower levels may prompt the U.S., the world's biggest crude consumer, to start replenishing its strategic reserve, putting a floor under prices. Brent crude futures for July gained 58 cents to \$84.02 a barrel by 0633 GMT. ([www.reuters.com](http://www.reuters.com) 02/05/24)

### **10 African countries with the lightest debt burden in 2024**

Although foreign loans can serve as a valuable tool for financing growth and bridging immediate financial shortfalls, the unregulated accumulation of debt, especially in African countries, often fosters economic instability.

([www.norvanreports.com](http://www.norvanreports.com) 01/05/24)

### **Revenue: IMF says SSA's critical mineral reserves can increase region's GDP by 12%**

The International Monetary Fund says the critical mineral deposits in sub-Saharan Africa can boost the region's Gross Domestic Product by 12% in 2050. The lender said that the region has an opportunity to develop critical minerals markets and processing industries to maximize the coming boom associated with them. ([www.norvanreports.com](http://www.norvanreports.com) 01/05/24)

### **SA rand strengthens as Fed holds rates**

The South African rand strengthened after the U.S. Fed held interest rates steady as expected and reiterated inflationary concerns. At 0742 GMT the rand traded at 18.5050 against the dollar 0.68% stronger than its previous close.

([www.reuters.com](http://www.reuters.com) 02/05/24)

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