



Monday, 6th May 2024

Global housing shortages are crushing immigration-fueled growth

Across much of the developed world, one of the most dependable drivers of economic growth is faltering. For decades, the rapid inflow of migrants helped countries including Canada, Australia and the UK stave off the demographic drag from aging populations and falling birth rates. (www.bloomberg.com 05/05/24)

Eurozone unemployment rate steady at 6.5% for fifth month

Euro area jobless rate remained unchanged at a record low for the fifth month in a row in March and the unemployment decreased, while a tight labor market could urge the European Central Bank to remain cautious even as policymakers gear up for an interest rate cut in June. The seasonally adjusted unemployment rate was 6.5% in March. (www.rttnews.com 03/05/24)

Eurozone at turning point needs consumers to get out and spend

The Eurozone's economy is waiting for a resounding vote of confidence from its own consumers for its long-awaited rebound to finally take shape. With employment at a record, wages rising steeply and inflation not far from 2%, the conditions are there for people to get out and spend.

(www.bloomberg.com 06/05/24)

ECB rate cut case getting stronger, says chief economist lane

The case for a European Central Bank interest rate cut in June is getting stronger as services inflation is finally starting to ease, ECB Chief Economist Philip Lane said Monday [06/05]. The ECB has all but promised a rate cut on June 6, provided incoming data strengthen policymakers' belief that inflation will head back to its 2% target by the middle of next year.

(www.reuters.com 06/05/24)

The US economy added just 175,000 jobs last month and unemployment rose to 3.9%

US job growth slowed considerably last month, with just 175,000 positions added in the month of April, according to the Bureau of Labor Statistics. The slower-than-expected gains April's tally is the lowest since Oct of last year come as the Fed has sought to cool demand to tame high inflation.

(www.cnn.com 03/05/24)

China's services activity eases in April but still solid

China's services activity expansion slowed a touch amid rising costs, but growth in new orders accelerated and business sentiment rose solidly in a boost to hopes of a sustained economic recovery, a private sector survey showed on Monday [06/05]. The Caixin/S&P Global services purchasing managers' index (PMI) eased to 52.5 from 52.7 in March.

(www.reuters.com 06/05/24)

Russian finance flows slump after US targets Vladimir Putin's war machine

A US crackdown on banks financing trade in goods for Vladimir Putin's invasion of Ukraine has made it much more difficult to move money in and out of Russia, according to senior western officials and Russian financiers. Moscow's trade volumes with key partners such as Turkey and China have slumped in the first quarter of this year.

(www.ft.com 05/05/24)

Russian services activity expands least in 15 months

The Russian services activity grew at the weakest pace in more than a year in April amid softer demand conditions, survey results from S&P Global showed on Monday [06/05]. The services purchasing managers' index, or PMI, dropped to 50.5 in April from 51.4 in March.

(www.rttnews.com 06/05/24)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2551	(1.2504)	1.2552	(1.2505)
+USD/EUR	1.0772	(1.0705)	1.0772	(1.0705)
*GHS/USD	13.4094	(13.3667)	13.4228	(13.3801)
*GHS/GBP	16.8301	(16.7137)	16.8483	(16.7318)
*GHS/EUR	14.4452	(14.3097)	14.4596	(14.3239)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 06/05/24 (Rates for 03/05/24 in brackets)

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Slowing global economy to mean smaller revenue bump in Australian budget

Global economic weakness and a slowing domestic economy were among the reasons Australia will report a smaller revenue increase in its federal budget for the year ended June 30 compared to recent years, the government said on Sunday. The Labor government is expected to report a budget surplus on May 14. (www.reuters.com 05/05/24)

RBNZ must keep policy restrictive until inflation falls within target, OECD says

The Organisation for Economic Co-operation and Development (OECD) said on Monday [06/05] that New Zealand's monetary policy must remain restrictive until inflation is brought within the central bank's target range and urged the government to curb spending. (www.reuters.com 06/05/24)

Saudi Arabia posts budget deficit as Capex spending climbs

Saudi Arabia recorded a sixth straight quarterly budget deficit as increased spending on capital expenditure and other areas outpaced growth in revenue. The shortfall stood at 12.4 billion riyals (\$3.3 bn) in the first quarter, more than four times higher than a year ago (www.bloomberg.com 05/05/24)

HK private sector PMI slips in April - S&P Global

The private sector in Hong Kong continued to expand in April, although at a slower pace, S&P Global reveals a services PMI score of 50.6. That's down from 50.9 in March, although it remains above the boom-or-bust line of 50 that separates expansion from contraction. (www.rttnews.com 05/05/24)

NZ's public servants see jobs cut

New Zealand government ministries will see a total of 3,700 jobs cut, about 5.6% of the size of the country's public service workforce. Government-ordered spending cuts could see several thousand public service workers lose their jobs over coming months, depending on the decisions made in this year's budget, (www.xinhuanet.com 06/05/24)

Asia shares rally on China's gains, Fed cut bets; yen weakens

Asian stocks rose to their highest in over a year on Monday [06/05/] on renewed bets that the Federal Reserve would most likely ease rates this year while the yen weakened after a strong surge last week from Tokyo's suspected currency intervention. Trading was thin in Asia with Japan out for a holiday. (www.reuters.com 06/05/24)

Oil climbs after Saudi Arabia hikes prices

Oil futures climbed after Saudi Arabia hiked June crude prices for most regions and as the prospect of a Gaza ceasefire deal appeared slim, renewing fears the Israel-Hamas conflict could still widen in the key oil producing region. Brent crude futures gained 34 cents, or 0.4%, to \$83.30 a barrel at 0518 GMT. (www.reuters.com 06/05/24)

AfDB President calls for 'bold and innovative approach' from multilateral dev't banks to tackle global challenges

Dr Akinwumi Adesina, president of the African Development Bank Group, emphasised the urgent need for a "bold and innovative approach" from Multilateral Development Banks (MDBs) to effectively address the rapidly evolving challenges facing the world. (www.norvanreports.com 04/05/24)

East Africa's future in energy shines brighter on the continent

The value of renewable energy in Africa cannot be stressed enough. The perks of creating green energy are numerous, ranging from combating energy poverty and promoting economic growth to improving energy security and reducing climate change. (www.norvanreports.com 05/05/24)

SA's Ramaphosa confident government can stabilize debt

South Africa's President Cyril Ramaphosa says he's confident that his government has found the balance between spending on services while reining in the nation's ballooning debt levels. He was responding to questions from supporters of ANC during a 5-day election campaign. (www.bloomberg.com 04/05/24)

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