



BANK OF GHANA NEWS BRIEF

News Summaries from Foreign and Local Media

Monday, 20th May 2024

World Bank to issue first international CHF digital bond

The World Bank has priced the first Swiss franc-denominated digital bond issued by an international entity, it said on May 15. It will be settled using Swiss franc wholesale central bank digital currency (wCBDC) provided by the Swiss National Bank.

(www.centralbanking.com 17/05/24)

ECB's Kazaks warns against hasty interest-rate cuts after June

The pace of European Central Bank interest-rate cuts must match the gradual slowdown of euro-area inflation, according to Governing Council member Martins Kazaks. June seems the right moment to start lowering borrowing costs, but decisions on any subsequent steps are best determined by incoming data.

(www.bloomberg.com 20/05/24)

Dollar holds steady as investors wait for more Fed guidance

The dollar was broadly steady as investors awaited further clues to help chart the U.S. interest rate path in the wake of cautious comments from Federal Reserve officials, even as inflation shows signs of cooling. The euro was little changed at \$1.0871, not far from the nearly two-month high of \$1.0895 it touched last week. (www.reuters.com 20/05/24)

China leaves benchmark LPRs unchanged, in line with expectations

China left benchmark lending rates unchanged at a monthly fixing on May 20, in line with market expectations. The steady monthly LPR fixings come after China announced "historic" steps last week to stabilise its crisis-hit property sector, with the central bank facilitating 1 trillion yuan in extra funding and easing mortgage rules, in an attempt to revive housing demand. (www.reuters.com 20/05/24)

China launches its own anti-dumping probe following Biden's monster tariffs

China has hinted at possible tit-for-tat action against trade barriers imposed by the U.S. last week, as relations between the two economic superpowers become increasingly fraught. China's Ministry of Commerce said it was launching an anti-dumping probe into polyoxymethylene or POM copolymers, a thermoplastic used in industries ranging from auto parts to electronics. (www.cnn.com 20/05/24)

China's fiscal revenue shrank 2.7% in Jan-April amid shaky economic recovery

China's fiscal revenue slipped 2.7% in the first four months of 2024 from a year earlier, after a 2.3% slide in the January-March period, in a further sign of an uneven economic recovery. Fiscal expenditure rose 3.5% in the first four months, versus a 2.9% gain in the first quarter.

(www.reuters.com 20/05/24)

BOE's Broadbent says UK interest rates may drop this summer

The Bank of England will be able to cut interest rates "some time over the summer" if second round inflation pressures drop away as expected, Deputy Governor Ben Broadbent has said. In his last speech after 13 years at the UK central bank, Broadbent signaled that the decision to cut rates from the current 16-year high of 5.25% would hinge on the stickiness of wage growth.

(www.bloomberg.com 20/05/24)

Turkey's Simsek says excessive lira gains would bring risks

Turkey's lira would have appreciated had the central bank not been buying dollars to build up its reserves, Treasury and Finance Mehmet Simsek said, adding that steep currency gains would bring risks amid increased foreign demand for lira assets.

(www.bloomberg.com 20/05/24)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2701	(1.2676)	1.2702	(1.2677)
+USD/EUR	1.0869	(1.0874)	1.0870	(1.0874)
*GHS/USD	13.7931	(13.7641)	13.8069	(13.7779)
*GHS/GBP	17.5186	(17.4474)	17.5375	(17.4662)
*GHS/EUR	14.9924	(14.9673)	15.0073	(14.9822)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 20/05/24 (Rates for 17/05/24 in brackets)

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Japan's rich will invest \$1.4tr more by 2030, report says

Mega-wealthy Japanese will contribute to a more than 30% surge in the value of assets they invest by the end of the decade as cash-heavy households deploy more in markets, according to an analysis by Morgan Stanley.

(www.reuters.com 20/05/24)

Japan manufacturers want BOJ to keep yen stable, survey shows

Japan's large manufacturers saw exchange rate stability as the biggest factor they wanted out of the central bank's monetary policy, a Bank of Japan survey shows. Roughly 70% of firms polled said they experienced drawbacks from the BOJ's 25-year-long monetary easing measures including a weak yen that pushed up import costs, the survey showed.

(www.reuters.com 20/05/24)

Bank Indonesia to hold rates through Q3 to support weak rupiah, cut in Q4

Indonesia's central bank will keep its key interest rate on hold through next quarter to support a weak rupiah and only a slim majority expect a Q4 cut which would be after the likely start of policy easing in the U.S.

(www.reuters.com 20/05/24)

Taiwan export orders surge 10.8%, more than forecast

Taiwan's export orders increased for the second straight month in April and at a faster-than-expected pace on the back of strong demand for electronic products, according to data released by the Ministry of Economic Affairs. Export orders logged double-digit annual growth of 10.8% in April versus a 1.2% rise in March.

(www.rttnews.com 20/05/24)

Thailand trims 2024 growth forecast despite strong Q1, as weak exports weigh

Thailand trimmed its economic growth forecast for 2024, despite a better-than-expected expansion in the January-March quarter, saying exports were projected to increase at a slower pace than previously thought due to external risks. In Q4 of 2023, gross GDP expanded an annual 1.7%. (www.reuters.com 20/05/24)

Metals and stocks shine amid economic optimism

World shares, gold and copper started the week near record highs, buoyed by investor optimism due to slower inflation, economic growth and China's efforts to address its property crisis. Gold climbed more than 1% to a record \$2,449.89 an ounce, while three-month copper on the London Metal Exchange surged as much as 4.1% to a historic high of \$11,104.50, after climbing 28% so far this year.

(www.reuters.com 20/05/24)

Oil little changed after death of Iran's president, Saudi king's ill health

Oil prices steadied on May 20, amid political uncertainty in major producing countries after Iran's president died in a helicopter crash and Saudi Arabia's crown prince deferred a trip to Japan on account of his father, the king's, health. Brent was down 24 cents at \$83.74 a barrel by 0958 GMT. The U.S. West Texas Intermediate (WTI) crude for June, set to expire on May 21, edged 33 cents lower to \$79.73 a barrel in tepid trade.

(www.reuters.com 20/05/24)

AfDB warns about high level of debt facing African countries

The African Development Bank (AfDB) is warning about the higher level of debt that African countries are carrying even before the onset of Covid-19, when the debt stood at 61% of GDP. 25 African countries are already carrying excess debt or have a high risk of doing so. According to the Bank Group, the structure of African debt has changed considerably. Bilateral debt now represents 27% versus 52% in 2000, whereas commercial debt accounts for 43% of total debt up from 20% in 2000.

(www.myjoyonline.com 17/05/24)

Kenya's economic growth of 5.6% in 2023 fastest in two years

Kenya's economy accelerated at its fastest pace in two years in line with the government's own estimate, powered by a recovery in the agricultural sector. GDP grew by 5.6% in 2023, compared with a revised 4.9% a year earlier.

(www.bloomberg.com 20/05/24)

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