



Thursday, 6th June 2024

IMF's Gopinath calls for international trade co-operation

Countries must work together to prevent fragmentation of global trade, International Monetary Fund (IMF) Deputy Managing Director Gita Gopinath has said. Gopinath called on countries to limit “unilateral policy actions including industrial policies” in a speech on May 7. A rise in US-China tensions has redirected trade flows since 2017, she said. (www.centralbanking.com 05/06/24)

Most RTGS systems operate between seven and 12 hours daily

Around four-fifths of central banks keep their real time gross settlement (RTGS) systems open for seven to 12 hours daily, the Payments Benchmarks 2024 finds. The data shows that 30 (78.9%) of 38 central banks keep their RTGS system operational for seven to 12 hours each day. (www.centralbanking.com 05/06/24)

ECB delivers landmark rate cut with no signals on next Steps

The European Central Bank delivered the interest-rate reduction it's been flagging for months, moving away from a record high, but stopped short of indicating more may follow. Officials led by President Christine Lagarde lowered the key deposit rate by a quarter-point to 3.75%, as expected. (www.bloomberg.com 06/06/24)

Janet Yellen warns AI in finance poses 'significant risks'

Treasury Secretary Janet Yellen is expected to warn bankers and tech executives on Thursday [06/06] that while artificial intelligence could open the door to vast rewards for the financial system, the artificial intelligence technology also threatens to introduce new dangers, according to a speech excerpt shared first with CNN. (www.cnn.com 05/06/24)

Debt buyback program set to improve liquidity, says U.S. Treasury official

A recently launched U.S. Treasuries buyback program should improve liquidity in the U.S. government bond market while other initiatives will boost transparency on prices and visibility on the use of leverage, a Treasury official said. The Treasury launched a buyback program last month to provide market participants a regular opportunity to sell back to Treasury off-the-run securities. (www.reuters.com 05/06/24)

U.S. private payroll growth slows to 4-month low; small firms cut jobs

Hiring by U.S. private employers slid to a four-month low in May, with small firms reducing staff, and wage gains for job changers moderated for a second month, according to a report on Wednesday [05/06] that added to signs the job market is cooling. (www.reuters.com 05/06/24)

Bank of England allots record 19bn stg at weekly repo

The Bank of England allotted a record 19.096bn pounds (\$24.40bn) in its weekly short-term repo operation on Thursday, up from 17.186bn pounds the week before. The sums allotted by the BoE have been steadily rising to hit successive records in recent weeks. (www.reuters.com 05/06/24)

UK firms' wage growth expectations fall sharply, BoE survey shows

British businesses' expectations for wage growth over the coming year fell sharply last month, according to a Bank of England survey which may ease policymakers' worries that it will be hard to keep inflation on target. Expectations for wage growth over the coming year in the BoE's Decision Maker Panel survey dropped to 4.1% in May from 4.6% in April. (www.reuters.com 06/06/24)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2773	(1.2786)	1.2774	(1.2787)
+USD/EUR	1.0869	(1.0882)	1.0869	(1.0882)
*GHS/USD	14.1424	(14.1223)	14.1566	(14.1365)
*GHS/GBP	18.0641	(18.0568)	18.0836	(18.0763)
*GHS/EUR	15.3711	(15.3688)	15.3851	(15.3828)

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

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Australia trade surplus rebounds in April as imports dive

Australia's surplus on trade goods rebounded in April as imports took a dive after several months of gains, though exports of iron and coal also softened, data showed. The Australian Bureau of Statistics reported the balance on goods rose to A\$6.5bn (\$4.34bn), from a downwardly revised A\$4.8bn in March and topping market forecasts of A\$5.4bn.

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

Turkish court challenges president over governor's dismissals

Turkey's constitutional court has struck down parts of a 2018 decree by President Recep Tayyip Erdoğan which gave him the power to dismiss central bank governors. The judges in the highest court ruled on June 4 in response to a lawsuit from the opposition Republican People's Party. (www.centralbanking.com 05/06/24)

Taiwan Central Bank says weak Yen has limited impact on economy

Taiwan's central bank said the weak Japanese yen is having only a limited impact on its economy, with the Taiwan dollar experiencing less volatility than most Asian currencies, according to a report to lawmakers seen by Bloomberg News. (www.bloomberg.com 05/06/24)

RBNZ governor in dispute with pro-business group

A business-funded think-tank has accused Reserve Bank of New Zealand governor Adrian Orr of breaching the central bank's code of conduct. New Zealand Initiative, a pro-free-market organisation, made the allegation in a letter to finance minister Nicola Willis and RBNZ chair Neil Quigley. (www.centralbanking.com 05/06/24)

Rupee falls though Asian peers gain; forward premiums tick up

The Indian rupee weakened despite broad gains in Asian currencies, which were pushed higher by improved odds of the Federal Reserve cutting policy rates later this year. The rupee was at 83.43 against the U.S. dollar as of 09:35 a.m. IST, down from its close at 83.37 in the previous session. (www.reuters.com 06/06/24)

Europe rallies ahead of first ECB rate cut in nearly 5 years

World stocks were on the brink of an all-time high and the euro rose ahead of what was widely expected to be the ECB's first interest rate cut in nearly five years. With the long-awaited moment about to arrive, traders pushed the pan-European STOXX 600 (.STOXX), up 0.3% in early deals and watched the MSCI 47-country main world index.

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

Oil stabilises as expectations of September U.S. rate cut temper stock builds

Oil prices were stable, as support from growing expectations of an interest rate cut from the U.S. Federal Reserve in September offset higher U.S. inventories and OPEC+ plans to gradually increase supply. Brent crude futures were up 25 cents or 0.3% at \$78.66 a barrel by 1005 GMT. U.S. West Texas Intermediate crude futures were up 31 cents or 0.4% at \$74.38.

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

South Africa's financial system stable despite headwinds, central bank says

South Africa's central bank said it expected the country's financial system to remain resilient despite risks from worldwide elections, persistent geo-political tensions and weak domestic market conditions.

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

Kenya central bank holds benchmark rate, says inflation is stable

Kenya's central bank held its benchmark lending rate at 13.0%, saying that inflation was stable within its near-term target range, and it aimed to keep exchange rate stability. It is the second time running the bank has held its rate, after leaving it unchanged in April.

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

Zimbabwe moves to address cash shortage of new currency ZiG

Zimbabwe's central bank has moved to avert a shortage of the country's newly introduced currency, the Zimbabwe Gold (ZiG), amid concerns that the shortage is hampering people's daily transactions.

(www.xinhuanet.com 06/06/24)

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