


 Tuesday, 18<sup>th</sup> June 2024

**Central banks continue climate action despite political pressure**

Central banks are pressing ahead with action to tackle climate change, even as the political environment turns hostile in some jurisdictions. Reserve managers have been adding new green assets and improving sustainability tracking, speakers at the Central Banking Summer Meetings have said. Some people have begun to aim for a positive impact on the climate as well as managing the risks.

([www.centralbanking.com](http://www.centralbanking.com) 17/06/24)

**Eurozone labour cost growth exceeds expectations**

The Euro area hourly labour cost growth accelerated more than expected in the first quarter, which aligns with trends revealed by other indicators and the European Central Bank's view that wage pressures are set to remain elevated for some time before entering a downward trajectory next year.

([www.rttnews.com](http://www.rttnews.com) 17/06/24)

**Chinese economy extends upward trend amid policies to prop up growth**

The Chinese economy extended an upward recovery trend in the month of May, as shown by faster consumption growth and steady expansion in industrial production, latest government data showed. Important economic indicators rebounded during the month amid government measures to prop up growth.

([www.xinhuanet.com](http://www.xinhuanet.com) 17/06/24)

**PBoC holds key rate for tenth consecutive month**

The People's Bank of China (PBoC) kept a key policy rate unchanged for the tenth consecutive month on June 17. The PBoC held the rate on CN¥182bn of one-year medium-term lending facility (MLF) loans to financial institutions at 2.5% 2023.

([www.centralbanking.com](http://www.centralbanking.com) 17/06/24)

**BIS and BoE launch project to simplify FX transactions**

The Bank for International Settlements (BIS) and the Bank of England (BoE) launched a new project to simplify foreign exchange transactions, they announced on June 14. The "Project Meridian FX" trial will use a "synchronisation operator", which orchestrates the settlement process interlinking ledgers, keeping all parties to the transaction updated.

([www.centralbanking.com](http://www.centralbanking.com) 17/06/24)

**UK investment rate worst in G-7 with £1.9tr gap, IPPR says**

Britain has trailed all other major advanced economies for investment in 24 of the last 30 years, with dire consequences for productivity and living standards, new analysis shows. The Institute for Public Policy Research estimated the UK would have received an extra £1.9tr (\$2.4tr) in real terms had investment from private firms and the government stayed at the Group of 7 average in the last three decades.

([www.bloomberg.com](http://www.bloomberg.com) 18/06/24)

**BOJ's Ueda keeps July rate hike door open amid skepticism**

Bank of Japan Governor Ueda kept the door open to a possible interest rate increase in July, defying market skepticism over the potential for such action after the bank said it would take another big step toward quantitative tightening next month.

([www.bloomberg.com](http://www.bloomberg.com) 18/06/24)

**RBA discussed rate hike, pledges vigilance on sticky inflation**

Australia's central bank discussed the case to raise interest rates before maintaining current settings at a 12-year high as policymakers try to balance inflation against a weakening economy. The Reserve Bank held its cash rate at 4.35%.

([www.bloomberg.com](http://www.bloomberg.com) 18/06/24)

**EXCHANGE RATES OF SELECTED CURRENCIES**

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2682	(1.2752)	1.2683	(1.2753)
+USD/EUR	1.0697	(1.0748)	1.0698	(1.0749)
*GHS/USD	14.2943	(14.2659)	14.3087	(14.2801)
*GHS/GBP	18.1281	(18.1918)	18.1477	(18.2115)
*GHS/EUR	15.2915	(15.3336)	15.3054	(15.3489)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 18/06/24 (Rates for 14/06/24 in brackets)

\* BOG INTERNAL TRANSACTION RATES: 18/06/24 (Rates for 14/05/24 in brackets)

### **Austrian inflation eases less than estimated to 3.4%**

Austria's consumer price inflation (CPI) eased less than estimated to the lowest level in thirty-two months in May, the latest data from Statistics Austria showed on Tuesday [18/06]. The CPI climbed 3.4% year-on-year in May, slightly slower than the 3.5% increase in April. In the flash report, the inflation rate was 3.3%. ([www.rttnews.com](http://www.rttnews.com) 18/06/24)

### **Dollar edges up as traders await Fed rate cut clues**

The dollar edged higher on Tuesday[18/06] as traders awaited a key U.S. retail sales report and comments from Federal Reserve officials to better gauge the timing and pace of interest rate cuts. The U.S. dollar index, which measures the currency against the euro, sterling, yen and three other major peers, rose 0.11%. ([www.reuters.com](http://www.reuters.com) 18/06/24)

### **Hungary to wrap up easing cycle with smaller cut**

Hungary's central bank is poised to finish its more than yearlong monetary easing cycle with one last interest rate cut, which is likely to err on the side of caution after a plunge in the forint. The Bank of Hungary will on Tuesday [18/06] lower the benchmark rate by a quarter point to 7%. ([www.bloomberg.com](http://www.bloomberg.com) 18/06/24)

### **Norway trade surplus grows in May**

Norway's foreign trade surplus increased notably in May from a year ago as exports grew faster than imports, data from Statistics Norway shows. The trade surplus rose to NOK 58.7bn in May from NOK 45.3bn in the same month last year. Nonetheless, the surplus declined from NOK 65.8bn in April. ([www.rttnews.com](http://www.rttnews.com) 17/06/24)

### **Denmark producer prices continue to fall**

Denmark's producer prices continued their declining trend in May, figures from Statistics Denmark shows. The producer price index fell 1.0% year-on-year in May, following a 0.9% drop in April. Prices have been falling since May last year. The price index for energy supply slumped 17.5% annually in June. ([www.rttnews.com](http://www.rttnews.com) 17/06/24)

### **Oil edges down amid cautious demand outlook**

Oil prices edged down in Asian trade, after posting gains in the previous session, as markets remained cautious about global demand growth prospects amid expectations of stronger supplies. Global benchmark Brent crude futures slipped 12 cents, or 0.14%, to \$84.13 per barrel at 0615 GMT. ([www.reuters.com](http://www.reuters.com) 18/06/24)

### **European stocks rise after U.S. and Asia tech rally: markets wrap**

European stocks followed Asian shares higher after a rally in large U.S. tech companies drove Wall Street to another record peak. The Stoxx Europe 600 benchmark climbed 0.6% after the S&P 500 advanced to an all-time high for the 30th time this year, defying concern about narrow breadth and higher-for-longer U.S. interest rates. ([www.bloomberg.com](http://www.bloomberg.com) 18/06/24)

### **Kenya eyes 10-fold jump in minimum bank capital to boost lenders**

Kenya plans to raise the minimum capital requirement for the country's banks 10-fold to 10bn shillings (\$78m), Treasury Secretary Njuguna Ndung'u said. He presented the strategy in his budget speech to lawmakers in capital, Nairobi. ([www.norvanreports.com](http://www.norvanreports.com) 17/06/24)

### **Ethiopia plans to allow foreign banks acquire local lenders**

Ethiopia plans to allow overseas lenders to acquire up to 30% in its commercial banks, the latest step by the government to encourage investment in one of Africa's biggest economies. A draft by Ethiopia's Council of Ministers circulated to domestic lenders on Oct. 5 and seen by Bloomberg stipulates the amount of equity that foreigners can purchase. ([www.norvanreports.com](http://www.norvanreports.com) 17/06/24)

### **Nigerian inflation rises in May to new 28-year high**

Nigeria's annual inflation rose to a new 28-year high of 33.95% in May, official data shows, worsening hardships that have fuelled public anger against President Bola Tinubu's economic reforms. ([www.reuters.com](http://www.reuters.com) 15/06/24)

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