


 Tuesday, 8<sup>th</sup> October 2024

**ECB to assess how weak economy affects prices, Elderson says**

The Eurozone economy is weaker than expected and the ECB must assess the knock-on effect for consumer prices at its meeting next week, Executive Board member Frank Elderson told Slovenia's Delo newspaper.

([www.bloomberg.com](https://www.bloomberg.com) 08/10/24)

**European Investment Bank to boost funding for EU tech start-ups**

The European Investment Bank proposed to help close the funding gap and retain the most innovative start-up companies looking to grow in Europe through support for the EU venture capital and private equity markets. The initiative, presented by the bank to finance ministers at a meeting in Luxembourg, is part of the EU's push to develop its capital markets and be attractive for innovative start-ups that now often relocate to the U.S. where finding financing is easier. ([www.reuters.com](https://www.reuters.com) 08/10/24)

**ECB stands firm on fining banks over climate risks**

An executive board member of the European Central Bank (ECB) has reiterated that banks could face daily fines for not complying with the required standards for managing climate- and nature-related risks. On October 4, Frank Elderson said in Amsterdam that a small number of banks had still not carried out the required assessments of the impact of climate.

([www.centralbanking.com](https://www.centralbanking.com) 07/10/24)

**Fed's Kugler calls for 'balanced approach' to future rate cuts**

Federal Reserve Governor, Adriana Kugler said the U.S. central bank should keep its focus on bringing inflation back to its 2% target, though with a "balanced approach" that avoids an "undesirable" slowdown in employment growth and economic expansion.

([www.bloomberg.com](https://www.bloomberg.com) 08/10/24)

**China stock rally fizzles as stimulus optimism fades**

A sharp rally in China shares at Tuesday's open lost steam as a hotly anticipated briefing by the country's state planner failed to sustain optimism for further stimulus. Mainland markets soared to more than two-year highs on their return from a week-long holiday, with the blue-chip CSI300, and the Shanghai Composite each rising more than 10%.

([www.reuters.com](https://www.reuters.com) 08/10/24)

**China confident on growth goal, markets await more stimulus**

China said on Tuesday it was 'fully confident' of achieving its full-year growth target but refrained from introducing stronger fiscal steps, disappointing investors who had banked on more support from policymakers to get the economy back on track.

([www.reuters.com](https://www.reuters.com) 08/10/24)

**China vows to hit economic goals, stops short of large stimulus**

China said it's confident in reaching its economic targets this year and promised to further support growth, although it held back in unleashing more major stimulus in a disappointment to investors looking for more fuel for a world-beating stock rally.

([www.bloomberg.com](https://www.bloomberg.com) 08/10/24)

**UK's borrowing costs outweigh Germany's by most in a year**

UK bonds are paying the most over German equivalents in over a year amid expectations the ECB will cut interest rates more aggressively than the Bank of England and concerns about Britain's upcoming budget. The spread between 10-year gilt and bund yields has soared 25 basis points over the past month and is now close to two percentage points, a level last seen in August 2023. ([www.bloomberg.com](https://www.bloomberg.com) 08/10/24)

**EXCHANGE RATES OF SELECTED CURRENCIES**

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.3090	(1.3111)	1.3091	(1.3112)
+USD/EUR	1.0983	(1.0958)	1.0984	(1.0959)
*GHS/USD	15.8721	(15.7821)	15.8879	(15.7979)
*GHS/GBP	20.7765	(20.6919)	20.7989	(20.7142)
*GHS/EUR	17.4329	(17.2952)	17.4502	(17.3123)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 08/10/24 (Rates for 07/10/24 in brackets)

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### **Japan sees most bankruptcies in a decade amid rising costs**

Japan saw the highest number of bankruptcies since 2013 in the six months through September as companies were increasingly hit by rising costs. Some 4,990 firms went bankrupt in that period, increasing 18.6% from the previous year, according to a report by Teikoku Databank. ([www.bloomberg.com](http://www.bloomberg.com) 08/10/24)

### **Japan trusts BOJ on monetary policy, Economy Minister says**

Japan's new Economy Minister, Ryosei Akazawa, said on Tuesday[08/10], the government has trust in the central bank's decision on how soon to raise interest rates again, amid uncertainty over the new political leadership's preference for loose monetary policy. ([www.reuters.com](http://www.reuters.com) 08/10/24)

### **MAS boosts support for training financial leaders**

The Monetary Authority of Singapore (MAS) is to launch new initiatives aimed at developing financial leaders in the city state, board member Alvin Tan announced on October 2. Speaking at an event, Tan said financial leaders were more important than ever, given the global uncertainty. ([www.centralbanking.com](http://www.centralbanking.com) 07/10/24)

### **New Zealand looks into expanding RTGS access to smaller firms**

New Zealand's central bank has launched a second consultation on a proposal to allow smaller institutions such as non-banks to access its real-time gross settlement (RTGS) system. Currently, 12 major banks, five large institutions and the central bank use the Exchange Settlement Account System (Esas) to settle payments between them. ([www.centralbanking.com](http://www.centralbanking.com) 07/10/24)

### **Asset managers look to launch higher risk India investment plans after regulatory change**

Top Indian and global asset managers are firming up plans to launch higher risk investment products, after the country's markets regulator allowed fund houses to offer investors such options. ([www.reuters.com](http://www.reuters.com) 08/10/24)

### **Miners, luxury sector drag European shares to two-week lows**

European stocks dropped to two-weeks lows on Tuesday[08/10], as lack of fresh details over China's stimulus measures sparked a selloff in sectors linked to the world's second-largest economy such as mining and luxury. The pan-European STOXX 600 index, was down 0.9%, as of 0758 GMT, touching its lowest levels since September 23. ([www.reuters.com](http://www.reuters.com) 08/10/24)

### **Oil futures close sharply higher on rising Middle East tensions**

Oil prices rose sharply on Monday [07/10] amid rising possibility of disruptions in supply in the Persian Gulf due to the escalation in tensions in the Middle East. West Texas Intermediate Crude oil futures for November ended by \$2.76 at \$77.14 a barrel, the highest close in nearly 8 weeks. ([www.rttnews.com](http://www.rttnews.com) 07/10/24)

### **South African rand weakens, focus on upcoming U.S. data**

The South African rand weakened in early trade on Tuesday[08/10] and was likely to take direction from U.S. inflation data and minutes from the Federal Reserve's September meeting due this week. At 0720 GMT, the rand traded at 17.48 against the dollar about 0.6% weaker than its previous close. ([www.reuters.com](http://www.reuters.com) 08/10/24)

### **Senegal Eurobonds extend losses after Moody's ratings cut**

Senegal's Eurobonds extended losses after Moody's Ratings cut its credit rating further into junk status and placed it on watch for further downgrade. The country's dollar bonds maturing in 2033 fell a fourth day by 0.3 cent to 84.97 cents on the dollar at 1:01 p.m. in London. ([www.bloomberg.com](http://www.bloomberg.com) 07/10/24)

### **Kenya set for first successive rate cut in four years**

Kenya's central bank is set to cut interest rates at a second straight meeting for the first time since the Covid-19 pandemic spurred an easing cycle four years ago. Most economists expect the monetary policy committee to lower its benchmark gauge by 25 to 75 basis points, with one person expecting no change. ([www.norvanreports.com](http://www.norvanreports.com) 08/10/24)

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