



Wednesday, 9th October 2024

ECB's Villeroy says rate cut next week very probable, isn't last

The European Central Bank will very probably lower interest rates next week and will loosen monetary policy again at future meetings depending on progress combating price rises, Governing Council member Francois Villeroy de Galhau has said. "A cut is very probable, furthermore it won't be the last but the following pace will simply depend on the evolution of the fight against inflation," he said today[09/10]. (www.bloomberg.com 09/10/24)

ECB's Stournaras backs two quarter-point rate cuts in 2024, FT says

ECB policymaker Yannis Stournaras is backing two interest rate cuts this year and expects further easing in 2025 as inflation continues to trend lower, he told the Financial Times, in an interview published today[09/10]. "Even if we have one cut of 25 basis points now and another one in December, we will be back to just 3% still in highly restrictive territory," Stournaras told the newspaper. (www.reuters.com 09/10/24)

Euro zone inflation on the decline but job not yet done, ECB's Nagel says

Euro zone inflation is on the decline but the ECB must remain vigilant and ensure that price growth settles at its 2% target even over the medium term, Bundesbank President Joachim Nagel said. (www.reuters.com 08/10/24)

China Finance Minister plans briefing as investors seek stimulus

China announced it would hold a briefing on fiscal policy as investors look for additional measures to stimulate the world's No. 2 economy. Finance Minister Lan Fo'an will introduce moves to strengthen fiscal policy to shore up growth, and answer questions from reporters, the State Council Information Office said in a statement. (www.bloomberg.com 09/10/24)

UK's richest pay in income tax revealed

Sixty of the wealthiest people in the UK collectively contributed more than £3bn a year in income tax, the BBC has learned. The amount of income tax they paid is roughly equivalent to around two-thirds of Labour's entire additional spending commitments in their manifesto earlier this year. Each of the 60 individuals had an income of at least £50m a year in 2021/22, but many will have earned far more and probably pay large amounts in other taxes too. (www.bbc.com 08/10/24)

Northern Ireland's private sector continues to grow

Northern Ireland's private sector continued to grow in the third quarter of this year, an Ulster Bank survey has suggested. Every month the bank surveys a representative sample of about 200 firms in the four main parts of the private sector. September's survey suggested the service sector continued to be the engine of growth, and that manufacturing may be recovering after a difficult period. (www.bbc.com 09/10/24)

German trade surplus increases as exports rise unexpectedly, imports fall

Germany's trade surplus increased in August on an unexpected increase in exports amid a bigger-than-expected decline in imports, official data shows. Exports posted a monthly growth of 1.3% in August following July's 1.7% increase, Destatis reported.

(www.rttnews.com 09/10/24)

France's years of 'fiscal murder' are catching up with it

France is waking up to a harsh reality: its fall from favour in the eyes of global investors is pointing to a long, painful and uncertain rehabilitation. (www.bloomberg.com 09/10/24)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.3091	(1.3090)	1.3092	(1.3091)
+USD/EUR	1.0966	(1.0983)	1.0967	(1.0984)
*GHS/USD	15.8221	(15.8721)	15.8379	(15.8879)
*GHS/GBP	20.7127	(20.7765)	20.7350	(20.7989)
*GHS/EUR	17.3517	(17.4329)	17.3689	(17.4502)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 09/10/24 (Rates for 08/10/24 in brackets)

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Dollar firm ahead of Fed minutes, kiwi falls after hefty rate cut

The dollar drifted sideways today[09/10], giving some relief to the yen and other major currencies after a sharp rally to a seven-week high last week, as investors paused to assess the interest rate outlook for the U.S. The New Zealand dollar slumped to its lowest since August 19 at \$0.60705.

(www.reuters.com 09/10/24)

India cenbank holds rates, shifts stance to 'neutral' signalling rate cuts ahead

The Reserve Bank of India (RBI) kept its key interest rate unchanged today[09/10] as widely expected but changed its policy stance to "neutral", opening the door for rate cuts as early as December. The Monetary Policy Committee kept the repo rate at 6.50% for a tenth straight policy meeting. (www.reuters.com 09/10/24)

India cenbank governor warns non-bank lenders of 'growth-at-any-cost' approach

Some Indian non-banking finance companies (NBFCs) are aggressively pursuing growth and chasing excessive returns on equity, which could pose financial stability risks, the central bank governor said. The Reserve Bank of India is "closely monitoring" this and "will not hesitate to take appropriate action, if necessary," Governor Shaktikanta Das said.

(www.reuters.com 09/10/24)

Thai Finance Ministry wants weaker baht, rate cut in 2024

Thailand's Finance Ministry ratcheted up pressure on the Bank of Thailand to cut interest rates to boost the economy and weaken the baht, just a day after an influential former governor warned against meddling in the central bank. (www.bloomberg.com 08/10/24)

Denmark trade surplus shrinks slightly in August

Denmark's foreign trade surplus decreased slightly in August as exports fell faster than imports, figures from Statistics Denmark shows. The total trade surplus dropped to DKK 28.3bn in August from DKK 28.6bn in the previous month. (www.rttnews.com 09/10/24)

European shares likely to open on mixed note

European stocks are seen opening mixed on Wednesday[09/10] despite a positive lead from U.S. markets. Asian stocks traded mixed, with mainland Chinese markets plummeting due to disappointment over the lack of details on how Beijing plans to implement new stimulus measures announced in late September. The pan European STOXX 600 dipped 0.6%. The German DAX slid 0.2%, France's CAC 40 shed 0.7% and the UK's FTSE 100 fell 1.4%. (www.rttnews.com 09/10/24)

Oil inches higher in cautious trade

Oil prices recovered some ground on Wednesday[09/10] after tumbling the most in more than a year the previous day on worries over Chinese demand. Benchmark Brent crude futures climbed 0.8% to \$77.79 a barrel in European trade, after having lost 4.6% on Tuesday [08/10] as Beijing held back on major fresh stimulus, raising concerns about the trajectory for demand growth from the world's biggest crude importer. (www.reuters.com 08/10/24)

Ethiopia sees bondholder losses as unavoidable, hopes for fresh talks at IMF meeting

Ethiopia's bondholders will have to take a writedown as part of the country's debt restructuring, State Finance Minister Eyob Tekalign told Reuters, adding he still hoped the debt rework could be completed by year-end.

(www.reuters.com 09/10/24)

Both state, private sectors key to driving Africa's economic growth

The African Continental Free Trade Area is poised to continue its growth trajectory, with the involvement of both state and private sectors, according to Secretary-General of the AfCFTA Secretariat Wamkele Mene.

(www.xinhuanet.com 09/10/24)

Kenya expects more IMF money by year-end, c.bank governor says

Kenya expects to receive more money from the IMF by the end of the year, Central Bank of Kenya Governor Kamau Thugge said today.

(www.reuters.com 08/10/24)

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