



Friday, 11th October 2024

Global trade to increase 2.7% in 2024: WTO report

The volume of global merchandise trade is expected to increase by 2.7% in 2024, the World Trade Organization (WTO) said in an update of the Global Trade Outlook and Statistics released on Thursday [10/10]. This prediction is slightly higher than the WTO's earlier forecast of 2.6% made in April.

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

Eurozone policy transmission 'more pronounced' in 2022–23

The unprecedented tightening of monetary policy by the European Central Bank (ECB) in 2022–23 was matched by a more rapid transmission of higher rates into credit markets, according to research by the Bank of Italy. The paper compares the recent tightening with that of 2005–07 when the pass-through rate was far less pronounced.

(www.centralbanking.com 10/10/24)

ECB seen cutting faster to release economic shackles next year

The European Central Bank will speed up interest-rate cuts over the months ahead to bolster the economy taking borrowing costs to levels that no longer restrict demand by the end of 2025, according to Bloomberg. With inflation now a touch below the 2% goal, analysts see the ECB decreasing its deposit rate by a quarter-point next week at every meeting through March. (www.bloomberg.com 11/10/24)

U.S. inflation fell to 2.4% in September

U.S. inflation fell to 2.4% in September but still exceeded expectations, cementing expectations that the Fed will cut interest rates by a quarter point at its next meeting in November. Thursday's headline figure from the Bureau of Labour Statistics was below August's 2.5% annual increase but above economists' expectations of 2.3%. (www.ft.com 10/10/24)

PBoC launches swap facility in bid to boost stock market

China's central bank has launched a promised CN¥500bn (\$70bn) funding programme to aid the stock market and has set up a new mechanism to boost its own government bond trades. In a statement on October 10, the Bank of China said it would start accepting applications from financial institutions to access the facility.

(www.centralbanking.com 10/10/24)

UK economy saw return to growth before budget jitters took hold

The UK economy returned to growth in August, putting Prime Minister Keir Starmer on track for a modest recovery before worries about his first budget began to weigh on sentiment. Gross domestic product rose 0.2% from July, in line with economists' expectations, according to data from the Office for National Statistics.

(www.bloomberg.com 11/10/24)

German inflation confirmed at 43-month low

Germany's consumer price inflation eased further as initially estimated in Sept.; to the lowest level in just over three-and-a-half years, the latest data from Destatis shows. The consumer price index registered an annual increase of 1.6% in Sept.; slower than the 1.9% rise in Aug. That was in line with the flash data published on Sept.; 30. (www.rttnews.com 11/10/24)

Japan September inflation seen easing, export growth to slow: Reuters poll

Japan's core consumer inflation rate likely eased in September as energy costs eased due to government subsidies, while export growth slowed sharply, a Reuters poll shows. The core consumer price index, which includes oil products but excludes fresh food prices, was expected to have risen 2.3% in September from a year earlier. (www.reuters.com 11/10/24)

EXCHANGE RATES OF SELECTED CURRENCIES

| CURRENCIES | BUYING | | SELLING | |
|------------|---------|-----------|---------|-----------|
| +USD/GBP | 1.3047 | (1.3073) | 1.3048 | (1.3074) |
| +USD/EUR | 1.0922 | (1.0945) | 1.0923 | (1.0946) |
| *GHS/USD | 15.8421 | (15.8921) | 15.8579 | (15.9080) |
| *GHS/GBP | 20.6692 | (20.7757) | 20.6914 | (20.7981) |
| *GHS/EUR | 17.3036 | (17.3957) | 17.3208 | (17.4115) |

+SOURCE: BOG INTERNAL TRANSACTION RATES: 11/10/24 (Rates for 10/10/24 in brackets)

* BOG INTERNAL TRANSACTION RATES: 11/10/24 (Rates for 10/10/24 in brackets)

French government aims to reduce deficit to 5% of GDP in 2025

The French government unveiled its 2025 draft budget Thursday [10/10] evening, committed to bringing the deficit down to 5% of its Gross Domestic Product (GDP) in 2025 from this year's 6.1%, by enacting €60.6bn (\$66.3bn) worth of spending cuts and taxes hikes, according to local media reports.

(www.xinhuanet.com 11/10/24)

Israel holds rates as conflict continues

Israel's central bank held its benchmark rate at 4.5% on Oct. 10 after inflation rose above its 1–3% target range for the second consecutive month. The Bank of Israel said it was focusing on stabilising the markets and reducing uncertainty in view of the country's continued military operations in Gaza and Lebanon. Headline inflation rose to 3.6% in August up from 3.2% in July.

(www.centralbanking.com 10/10/24)

Turkey industrial production declines 5.3%

Turkey's industrial production declined for the third straight month in August, the Turkish Statistical Institute reported Thursday [10/10]. Industrial production posted an annual decline of 5.3% in August which was worse than the 4.0% fall in July. (www.rttnews.com 11/10/24)

Bank of Korea cuts key rate for first time in more than 4 years

The Bank of Korea lowered its base rate for the first time in more than 4 years on October 11, in order to stimulate economy as inflation weakened to the lowest since early 2021 and household debt began to slow on tight macroprudential policies. The Monetary Policy Board headed by Rhee Chang Yong decided to cut the Base Rate by 25 basis points to 3.25% from 3.50%. (www.rttnews.com 11/10/24)

Romanian inflation inches lower as further rate cuts uncertain

Romania's inflation eased to the lowest level in three years, giving the nation's central bank more bandwidth to resume a recently paused monetary easing. Consumer prices rose at an annual rate of 4.6% last month, compared with 5.1% in Aug.; the statistics office in Bucharest said today [11/10]. (www.bloomberg.com 11/10/24)

Stocks flat, longer-dated Treasury yields climb after CPI data, Fed comments

Global stocks were little changed while longer-dated U.S. Treasury yields edged up in choppy trading as investors weighed the interest rate path from the Fed after economic data and comments from central bank officials. U.S. consumer prices rose slightly more than expected in September as food costs rose but the annual increase in inflation was the smallest in more than 3-1/2 years.

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

Oil retreats, but heads for weekly climb on potential Mideast supply disruption

Oil retreated today [11/10] after settling higher the previous day, but prices remained set for a second weekly gain as investors weighed the impact of hurricane damage on U.S. demand against any broad supply disruption if Israel attacks Iranian oil sites. Brent crude oil futures fell 94 cents, or 1.2%, to \$78.46 a barrel by 0650 GMT. (www.reuters.com 11/10/24)

Libya's National Oil Corporation restores output close to normal levels

Libya's National Oil Corporation (NOC) said on Thursday [10/10] that it has restored production close to levels before the country's central bank crisis, reaching 1.22m barrels per day (bpd). (www.reuters.com 10/10/24)

Zimbabwean miners expect profits to fall in 2025, report says

Zimbabwean miners expect profits to decline on the back of anticipated high costs of production and a weak outlook for platinum and lithium in 2025. A confluence of global and local factors will eat into the southern African country's mining revenue and profit next year, said the report by the Chamber of Mines of Zimbabwe (COMZ). (www.reuters.com 10/10/24)

Nigeria's NNPC raises fuel prices as it ditches costly subsidie

Nigeria's state-owned oil company, NNPC Ltd, has increased petrol prices by over 15%, marking the second hike in less than a month and the exit from a costly subsidy programme that has strained its finances.

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