



Friday, 18th October 2024

**Global soft landing could ameliorate US inflation – research**

A global soft landing could help reduce inflation in the US, according to research from the Federal Reserve Bank of San Francisco. The paper, published on October 15, says that during normal times domestic Phillips curve factors are the primary drivers of US inflation. However, it adds that international factors can occasionally have a major impact.

([www.centralbanking.com](http://www.centralbanking.com) 17/10/24)

**World Bank's Banga says more bilateral debt forgiveness needed**

World Bank President Ajay Banga said on Thursday [17/10] that bilateral creditors need to provide more debt forgiveness to poor debt-distressed countries, and that the development lender was working on ways to ease service costs to improve development outcomes.

([www.reuters.com](http://www.reuters.com) 17/10/24)

**Eurozone trade surplus falls sharply on weak exports**

Eurozone trade surplus declined notably in Aug. due to the fall in exports, data shows. Exports decreased 2.4% on a yearly basis, in contrast to the 9.4% increase in July. Likewise, imports dropped 2.3% after prior month's 3.6% gain. As a result, trade surplus fell to an unadjusted €4.6bn in Aug. from €4.8bn in the prior year. ([www.rttnews.com](http://www.rttnews.com) 17/10/24)

**Traders bet the ECB's rate-cut floodgates are open**

Traders raised their bets on quick-fire European Central Bank rate cuts on Thursday [17/10], taking the bank's first consecutive rate cut in 13 years as a green light from policymakers that a speedier easing cycle has begun. A worsening economic outlook and signs that inflation is increasingly under control prompted the ECB to cut its deposit rate by 25 basis points (bps) to 3.25%. ([www.reuters.com](http://www.reuters.com) 18/10/24)

**ECB's Muller sees inflation retreat but warns on services**

Inflation is heading for the European Central Bank's 2% goal as the region's economy weakens but upside dangers to prices persist, according to Governing Council Member Madis Muller. "There's still a risk that the still rather rapid increase in the price of services and the related average-wage increase may keep inflation in the euro area faster than the ECB's target," the Estonian central-bank chief said.

([www.bloomberg.com](http://www.bloomberg.com) 18/10/24)

**US business inventories increase in line with estimates in August**

A report released by the Commerce Department showed business inventories in the US increased in line with economist estimates in the month of August. The Commerce Department said business inventories rose by 0.3% in Aug. matching a downwardly revised increase in July. ([www.rttnews.com](http://www.rttnews.com) 17/10/24)

**White House warns China using overproduction for global dominance**

The United States will use restrictive tools like tariffs to push back against China's practice of making far more goods than it needs in order to dominate global markets, White House official Daleep Singh said on Thursday [17/10].

([www.reuters.com](http://www.reuters.com) 17/10/24)

**China urges swift implementation of expansive financial policies**

China's central bank and financial regulators have held meetings with key financial institutions, urging them to swiftly implement expansive policies to support the economy and the capital markets. The People's Bank of China (PBOC) said in a statement on its website on Friday that it urged financial institutions to boost credit support for the real economy.

([www.reuters.com](http://www.reuters.com) 18/10/24)

**EXCHANGE RATES OF SELECTED CURRENCIES**

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.3006	(1.3004)	1.3007	(1.3005)
+USD/EUR	1.0825	(1.0868)	1.0825	(1.0869)
*GHS/USD	15.9920	(15.9220)	16.0080	(15.9380)
*GHS/GBP	20.7992	(20.7050)	20.8216	(20.7273)
*GHS/EUR	17.3110	(17.3047)	17.3282	(17.3218)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 18/10/24 (Rates for 17/10/24 in brackets)

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### **China's Q3 GDP hits weakest pace since early 2023, backs call for more stimulus**

China's economy grew at the slowest pace since early 2023 in the third quarter, and though consumption and factory output figures beat forecasts last month a tumbling property sector remains a major challenge for Beijing as it races to revitalise growth. Authorities have sharply ramped up policy stimulus since late September. ([www.reuters.com](http://www.reuters.com) 18/10/24)

### **Japan's core inflation slows on fuel subsidies, demand-driven pressure intact**

Japan's core inflation slowed in Sept. due to the rollout of energy subsidies. A Reuters poll, however, showed inflation in Tokyo seen as a leading indicator of nationwide trends likely to fall below the Bank of Japan's 2% target in October. ([www.reuters.com](http://www.reuters.com) 18/10/24)

### **Turkey holds rates for seventh consecutive time**

Turkey's central bank held its key interest rate on Oct 17, after monthly inflation edged up in September. The Central Bank of the Republic of Turkey (CBRT) said it was holding its one-week repurchase auction rate at 50% because the pace at which inflation was falling remained uncertain. ([www.centralbanking.com](http://www.centralbanking.com) 17/10/24)

### **Malaysia trade surplus shrinks in Sept**

The Malaysian foreign trade surplus decreased notably in Sept. from a year ago as imports grew much faster than exports, data from the statistical office showed on Friday. The trade surplus shrank to MYR 13.2bn in September from MYR 24.4bn in the same month last year. Meanwhile, the surplus grew from MYR 5.5bn in Aug. ([www.rttnews.com](http://www.rttnews.com) 18/10/24)

### **Sweden jobless rate rises to 8.2%**

Sweden's jobless rate increased for the second straight month in Sept. figures from Statistics Sweden shows. The unadjusted unemployment rate rose to 8.2% in Sept. from 7.9% in Aug. In the same month last year, the jobless rate was also 7.7%. The number of unemployed rose to 468,000 persons in Sept. from 453,000 persons in August. ([www.rttnews.com](http://www.rttnews.com) 18/10/24)

### **Europe's STOXX 600 rises on tech rebound, set for weekly gains**

Europe's STOXX 600 climbed today, as tech stocks made a strong comeback this week, while the European Central Bank's rate cut, and a flurry of corporate earnings set up the main stocks index for a second straight week of gains. ([www.reuters.com](http://www.reuters.com) 18/10/24)

### **Oil futures rebound from recent losses, settle modestly higher**

Oil futures settled higher on Thursday [17/10], after recording losses in the previous four sessions amid concerns about outlook for demand and easing fears of supply disruptions. Data showing an unexpected drop in crude inventories supported oil prices. Oil prices closed at their lowest levels since Oct. 2 on Wednesday after OPEC and the International Energy Agency cut demand forecasts for 2024 and 2025. ([www.rttnews.com](http://www.rttnews.com) 17/10/24)

### **Japan Supports African Development Fund with \$421m concessional loan**

The African Development Bank Group and the Japan International Cooperation Agency (JICA) have signed a landmark 51.67bn Japanese yen (US\$421m) concessional donor loan (CDL) agreement towards the African Development Fund. ([www.norvanreports.com](http://www.norvanreports.com) 17/10/24)

### **Heightened Egyptian demand in tight market buoys European fuel oil prices**

A spike in Egyptian imports of fuel oil used for power generation has coincided with lower supply in Europe, helping to push refiners' profit margins for the fuel to their highest in over a year, traders and analysts told Reuters. ([www.reuters.com](http://www.reuters.com) 17/10/24)

### **South African rand firms, inflation print next week**

South Africa's rand firmed in early trade on Friday, paring some losses from Thursday [17/10], ahead of a domestic inflation reading next week which could provide clues on the central bank's rate cutting path. At 0630 GMT, the rand traded at 17.60 against the dollar, about 0.4% stronger than its previous close. The dollar last traded about 0.2% softer against a basket of currencies. ([www.reuters.com](http://www.reuters.com) 18/10/24)