



Monday, 2<sup>nd</sup> December 2024

## ECB to discuss bigger rate cut but uncertainty high, Kazaks Says

The European Central Bank is likely to cut interest rates again next week and while policymakers are set to debate a bigger-than-usual move, they should proceed carefully, according to Governing Council member Martins Kazaks. "We'll definitely discuss this," the Latvian official told Delfi TV on Monday[02/12]. ([www.bloomberg.com](http://www.bloomberg.com) 02/12/24)

## ECB's Lane says bank should focus on future risks for policy decisions, FT reports

The European Central Bank should make future monetary policy decisions based on upcoming risk rather than the latest economic data, ECB chief economist Philip Lane told the Financial Times. "Once the disinflation process (is) completed, then I think monetary policy needs to be essentially forward-looking," Lane told the FT. ([www.reuters.com](http://www.reuters.com) 02/12/24)

## China private factory gauge grows again in sign of stabilization

China's manufacturing activity expanded for a second straight month, according to a private survey, a further sign of stabilization after Beijing unleashed a stimulus package to shore up the economy. The Caixin manufacturing purchasing managers index rose to 51.5 last month, according to a statement. ([www.bloomberg.com](http://www.bloomberg.com) 02/12/24)

## China's 10-year yield sinks to record low on bets PBOC will ease

China's 10-year yield dropped past the key psychological milestone of 2% and was at a record low, as traders ramped up wagers that authorities would ease monetary policy further to bolster the weak economy. After declining for a fifth straight week, the benchmark yield dropped two basis points to 1.9995%. The 30-year yield also declined four basis points to 2.16%. ([www.bloomberg.com](http://www.bloomberg.com) 02/12/24)

## UK business tax raid crashing private sector, CBI survey finds

Business activity in the UK is on course to shrink for the first time in more than 2 years as companies cut jobs and rein in investment following the budget, according to the Confederation of British Industry's monthly growth indicator. The employer group's survey of member firms found that the budget measures announced in Oct.; including a £26 billion increase to payroll tax, "has hit sentiment across the private sector." ([www.bloomberg.com](http://www.bloomberg.com) 02/12/24)

## Japan's yields rise as Ueda's comments bolster hike expectations

Japan's government bond yields rose after Bank of Japan Governor Kazuo Ueda said interest rate hikes are "nearing" as economic trends develop in line with the central bank's forecasts. ([www.bloomberg.com](http://www.bloomberg.com) 02/12/24)

## Le Pen says Government has 'Put an end' to budget talks

The French government "has put an end to discussions" on possible changes to the social security bill, Marine Le Pen told AFP on Sunday [02/12], paving the way for a possible no-confidence vote soon. "The government has expressed its wish" not to modify the bill which is part of the budget to be submitted to the National Assembly, the far-right leader said. ([www.bloomberg.com](http://www.bloomberg.com) 01/12/24)

## Australia's central bank says risks from non-bank lenders limited

Australia's central bank said on Monday[02/12] that risks from non-bank lenders in securitisation are limited as the labour market remained resilient, supporting households and businesses, and the size of the sector remains small. David Jacobs, head of domestic markets department at the Bank of Australia has said. ([www.reuters.com](http://www.reuters.com) 02/12/24)

### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2701	(1.2641)	1.2702	(1.2642)
+USD/EUR	1.0562	(1.0541)	1.0562	(1.0542)
*GHS/USD	15.2624	(15.4823)	15.2776	(15.4977)
*GHS/GBP	19.3847	(19.5711)	19.4057	(19.5922)
*GHS/EUR	16.1217	(16.3215)	16.1364	(16.3378)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 02/12/24 (Rates for 29/11/24 in brackets)

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### **Rupee falls to new record low, bonds gain after growth glows**

The Indian rupee declined to a new all-time low after data showed a sharp slowdown in the economic growth. Bonds extended gains on bets the central bank may cut interest rates sooner than anticipated. The rupee fell over 0.2% to 84.6850 per dollar after a government report showed the economy grew at the slowest pace in 2 years. ([www.bloomberg.com](http://www.bloomberg.com) 02/12/24)

### **Turkish manufacturing shows signs of recovery in November, PMI shows**

Turkish factory activity contracted for the eighth month in a row in November with output and new orders moderating, although the sector showed signs of recovery. The Purchasing Managers' Index for Turkish manufacturing rose to 48.3 in November from 45.8 in October. ([www.reuters.com](http://www.reuters.com) 02/12/24)

### **South Korea's export grows for 14th month in November**

South Korea's export grew for the 14th straight month due to strong demand for locally-made semiconductors. Export, which accounts for about half of the export-driven economy, rose 1.4% over the year to \$56.35bn in Nov.; continuing to expand since Oct.; last year, according to the Ministry of Trade, Industry and Energy. ([www.xinhuanet.com](http://www.xinhuanet.com) 01/12/24)

### **Euro drops 0.50% versus strengthening dollar, France in focus**

The euro dropped versus a strengthening dollar today[02/12], with investors concerned about political developments in France. France's far-right National Rally (RN) party will likely back a no-confidence motion against the government in the coming days unless there is a "last minute miracle", RN president Jordan Bardella said on Monday[02/12]. ([www.reuters.com](http://www.reuters.com) 02/12/24)

### **Sweden manufacturing activity expands further**

Sweden's manufacturing sector continued to expand strongly for the fourth straight month in November, survey data shows. The purchasing managers' index for the manufacturing sector rose to 53.8 in November from 53.2 in October. ([www.rttnews.com](http://www.rttnews.com) 02/12/24)

### **Oil rises on upbeat China data, shaky Israel-Lebanon ceasefire**

Oil prices rose on Monday[02/12], supported by strong factory activity in China, the world's second-largest oil consumer, and heightened tensions in the Middle East as Israel resumed attacks on Lebanon despite a ceasefire agreement. ([www.reuters.com](http://www.reuters.com) 02/12/24)

### **European shares lack direction after PMI data**

European stocks struggled for direction on Monday[02/12] and the euro lost momentum against a strengthening dollar after a survey showed Eurozone manufacturing PMI hit a 2-month low of 45.2 in Nov. Sentiment was also dented by U.S. President-elect Donald Trump's threat of 100% tariff on BRICS countries if they pursue new currency alternatives to the U.S. dollar. ([www.rttnews.com](http://www.rttnews.com) 02/12/24)

### **African countries applaud China's zero-tariff treatment for least developed countries**

Starting Sunday, China will give all the least developed countries with which it has diplomatic relations zero-tariff treatment for 100 percent tariff lines, becoming the first major developing country and the first major economy to take such a significant measure. ([www.xinhuanet.com](http://www.xinhuanet.com) 02/12/24)

### **South African rand weaker ahead of manufacturing PMI**

South Africa's rand weakened early on Monday[02/12], ahead of a purchasing managers' index (PMI) survey for the domestic manufacturing sector. At 0620 GMT, the rand traded at 18.15 against the dollar, 0.64% softer than its previous close. ([www.reuters.com](http://www.reuters.com) 02/12/24)

### **Ghana's trade surplus hits \$3.8bn by October 2024**

Ghana's trade surplus reached an impressive \$3.8bn at the end of October 2024, according to the Bank of Ghana's latest Summary of Economic and Financial Data for November 2024. This achievement underscores the country's sustained export growth despite challenging global economic conditions. ([www.citiroom.com](http://www.citiroom.com) 02/12/24)

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