



Friday, 6th January 2025

Global food prices drop 2.1% in 2024: FAO

Global food prices fell by 2.1% in 2024 compared to the average for the previous year, mainly due to declines in cereal and sugar prices, according to the latest report released on Friday [03/01] by the United Nations Food and Agriculture Organization (FAO). The FAO Food Price Index for the whole year of 2024 stands at 122 points, 2.6 points lower than the average value in 2023, the report said.

(www.xinhuanet.com 03/01/25)

ECB set for 100bp of rate cuts by autumn – Greek Governor

The Governor of the Bank of Greece expects the European Central Bank (ECB) to cut its policy interest rate by 100 basis points at some point around September to November this year. Yannis Stournaras told radio station Skai that the ECB will cut rates “unless unexpected contingencies” materialise in an interview on January 3. (www.centralbanking.com 03/01/25)

Trump haunts Central Banks primed for wary rate cuts in 2025

Global central bankers are poised to cut borrowing costs further in 2025 but only warily and with a keen eye on the policies of incoming US President Donald Trump. While almost all major economies should see monetary easing during the coming year, the pace is likely to slow. (www.bloomberg.com 06/01/25)

China service sector logs fastest growth in 7 months

China's service sector grew at the fastest pace in seven months in December, underpinned by greater business inflows, survey results from S&P Global shows. The services Purchasing Managers' Index posted 52.2 in Dec., up from 51.5 in Nov. The score was forecast to climb to 51.7. The services activity extended its expansion to 2 years. (www.rttnews.com 06/01/25)

UK: Firms to raise prices amid tax and wage 'pressures'

More than half of companies are planning to raise prices in the next three months as they face a "pressure cooker of rising costs and taxes", according to one of the UK's largest business groups. The British Chambers of Commerce (BCC) said its survey of more than 4,800 firms suggested confidence had "slumped", falling to its lowest level for 2 years. (www.bbc.com 06/01/25)

German unemployment increases less than forecast

Unemployment in Germany increased in Dec., albeit at a slower-than-expected pace with the onset of the winter break, official data shows. The number of jobless increased by 10,000 in the month of Dec., a bigger increase compared to the 6,000 in Nov., the Fed Employment Agency reported. (www.rttnews.com 03/01/25)

BOJ's Ueda sends fresh reminder to bankers on raising rates

Bank of Japan Governor Kazuo Ueda reminded bankers that he's going to raise the benchmark rate if the economy continues to improve this year. “Our stance is that we will raise the policy interest rate to adjust the degree of monetary easing if economic and price conditions keep improving,” Ueda said today in his first public speech of 2025. (www.bloomberg.com 06/01/25)

Israel set to hold rates with war fueling inflation pressures

Israel will probably hold interest rates for an eighth consecutive time, as the central bank anticipates more inflationary pressure stemming from a multi-front war against Iran-backed militias. The Bank of Israel will keep its base rate at 4.5% today, according to all but one of the 14 analysts in a featured in a Bloomberg survey. The outlier sees a cut of 25 basis points. (www.bloomberg.com 06/01/25)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2391	(1.2389)	1.2392	(1.2390)
+USD/EUR	1.0282	(1.0304)	1.0282	(1.0304)
*GHS/USD	14.7426	(14.6927)	14.7574	(14.7074)
*GHS/GBP	18.2676	(18.2027)	18.2873	(18.2224)
*GHS/EUR	15.1586	(15.1399)	15.1737	(15.1538)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 06/01/25 (Rates for 03/01/25 in brackets)

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India services growth strongest in 4 months

India's services activity expanded at an accelerated pace at the end of the year, spurred by buoyant demand conditions, final data from S&P Global shows. The HSBC final services Purchasing Managers' Index climbed to 59.3 in Dec., from 58.4 in the previous month. A reading above 50 indicates expansion in the sector. (www.rttnews.com 06/01/25)

Saudi Arabia approves 2025 borrowing plan

Saudi Finance Minister Mohammed bin Abdullah Al-Jadaan has approved the Kingdom's borrowing plan for the fiscal year 2025 which outlines financing requirements of approximately SAR139bn (\$37.01bn). The plan, endorsed by the Saudi National Debt Management Center provides a comprehensive overview of key developments in public debt for 2024. (www.xinhuanet.com 06/01/25)

Dollar slumps 1% on report of narrower Trump tariffs

The dollar slumped 1% on Monday after a report said President-elect Donald Trump was mulling tariffs that would only be applied to critical imports, potentially a relief for countries that were expecting broader levies. The Washington Post reported that Trump's aides were exploring plans that would apply tariffs to every country. (www.reuters.com 06/01/25)

Hong Kong private sector ebbs in December - S&P global

The private sector in Singapore continued to expand in Dec., albeit at a slower pace, the latest survey from S&P Global reveals with a PMI score of 51.1. That's down from 51.2 in Nov., although it remains well above the boom-or-bust line of 50 that separates expansion from contraction. (www.rttnews.com 05/01/25)

Vietnam's GDP expands 7.09% in 2024

Vietnam's gross domestic product (GDP) expanded 7.09% in 2024, driven by services and industrial production, the General Statistics Office (GSO) said. The figure exceeded the National Assembly's annual GDP target of 6.5%. The service sector made the largest contribution to the year's growth at over 49.46 percentage points. (www.xinhuanet.com 06/01/25)

Oil eases from near 3-month highs amid strong dollar ahead of economic data

Oil prices slid today [06/01] amid a strong US dollar, concerns over sanctions and ahead of key economic data by the US Fed and US payrolls later in the week. Brent crude futures slid 21 cents to \$76.3 a barrel by 0445 GMT after settling on Friday [03/01] at its highest since Oct., 14. (www.reuters.com 06/01/25)

Egypt to receive \$1.2bn as part of IMF programme in January, FM says

Egypt is expected to receive a \$1.2bn disbursement from the International Monetary Fund (IMF) this month as part of an \$8bn programme with the international lender, Finance Minister Ahmed Kouhouk said. Last month, the IMF said it reached a staff-level agreement with Egypt on the fourth review of the 46-month Extended Fund Facility arrangement. (www.reuters.com 05/01/25)

Egypt's non-oil private sector contracts in December as cost pressures rise, PMI shows

Operating conditions in Egypt's non-oil private sector deteriorated in Dec., with output and new orders falling at the sharpest rates in eight months amid rising cost pressures, S&P Global reported today [06/01]. (www.reuters.com 06/01/25)

How Nigeria's Finance Minister inspired over \$10bn inflows into the country

In 2024, Nigeria saw \$9.09bn under Wale Edun, Nigeria's Finance Minister, which was deployed for budget financing and defending of the naira. Edun had mentioned in Oct., 2023 that the country would see a \$10bn inflow into the economy in weeks to ease the pressure on the naira. (www.norvanreports.com 06/01/25)

BoG's Gold purchases programme the driving factor behind Q3 7.2% GDP growth – Dr Addison asserts

Governor of the Central Bank, Dr. Ernest Addison, has attributed the recorded 7.2% GDP growth rate in the third quarter of 2024 to the Bank's gold purchases programme. He said the double-digit growth rate recorded in the industrial sector driven by the mining industry was due to the Bank's gold purchases from the sector. (www.norvanreports.com 06/01/25)