BANK OF GHANA NEWS BRIEF
News Summaries from Foreign and Local Media

Thursday, 9th January 2025

Eurozone economic sentiment deteriorates sharply

Euro area economic confidence deteriorated to the lowest in more than a year in Dec., as the improvement in services sentiment was offset by weaker morale in industry, construction and among consumers. The economic sentiment index dropped more-than-expected to 93.7 in Dec., from 95.6 in Nov, data from the European Commission shows. (www.rttnews.com 08/01/25)

Inflation angst can be harmful, ECB's Cipollone tells Corriere

Excessive concern about possible future inflation shocks can be harmful to the economy, European Central Bank Executive Board member Piero Cipollone told Corriere della Sera in an interview. "Keeping demand low in an attempt to safeguard against future inflation shocks, is in my view, today, counterproductive," Cipollone said. (www.bloomberg.com 09/01/25)

Donald Trump refuses to rule out force to take Greenland and Panama Canal

Donald Trump has refused to rule out using force to obtain Greenland or take control of the Panama Canal, as he vowed to rename the Gulf of Mexico as the "Gulf of America". The US president-elect threatened to use his country's economic, and military might against traditional allies to further national security and territorial expansion. (www.ft.com 08/01/25)

China inflation eases to 0.1%; PPI continues to drop

China's consumer price inflation softened further in Dec., and producer prices declined for 27 consecutive months despite Beijing initiating stimulus measures to revive domestic demand. Consumer prices grew only 0.1% on a yearly basis in Dec., slower than the 0.2% increase seen in Nov., the National Bureau of Statistics reveals. (www.rttnews.com 09/01/25)

PBoC provides further financial support for tech firms

The People's Bank of China is strengthening its financial support to small- and medium-sized enterprises in the technology sector, a senior official at the central bank has said. In a press briefing, Peng Lifeng, Director General of the PBoC's credit market department, said the bank was allocating an additional ¥100bn ($13.6 bn) to tech SMEs. (www.centralbanking.com 08/01/25)

UK long-term borrowing costs hit highest level since 1998

The UK's long-term borrowing costs have hit their highest level since 1998, as a bond sell-off threatens to wipe out the "headroom" chancellor Rachel Reeves has under her recently overhauled fiscal rules. The yield on the 30-year gilt touched 5.25% , pushing past a previous peak in Oct., 2023 and eclipsing levels reached during the height of the market fallout from Liz Truss's ill-fated "mini" Budget the previous year. (www.ft.com 08/01/25)

Plunging UK markets offer fresh warning over economy and pile pressure on Starmer

Plunging UK markets are serving a fresh warning about the British economy and heaping pressure on Keir Starmer's embattled Labour government. While UK bond yields have been creeping higher in recent months, anxiety in markets kicked into overdrive this week. (www.bloomberg.com 09/01/25)

German industrial production rebounds in growth signal

German industrial production increased in Nov. offering hope that the country's struggling manufacturing sector may have begun to stabilize toward the end of last year. Output rose 1.5% from Oct. better than the 0.5% advance that economists had predicted. On a 3-month basis, it was 1.1% lower, the statistics office has said. (www.bloomberg.com 09/01/25)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2343	(1.2504)	1.2344	(1.2392)
+USD/EUR	1.0304	(1.0380)	1.0305	(1.0381)
*GHS/USD	14.7426	(14.6927)	14.7574	(14.7074)
*GHS/GBP	18.1968	(18.3717)	18.2165	(18.3915)
*GHS/EUR	15.1919	(15.2525)	15.2058	(15.2678)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 09/01/25 (Rates for 08/01/25 in brackets)
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Japan consumer confidence weakens lightly
Japan's consumer sentiment decreased unexpectedly at the end of the year, survey data from the Cabinet Office showed on Wednesday [08/01]. The seasonally adjusted consumer confidence index weakened to 36.2 in Dec., from 36.4 in Nov. Meanwhile, economists had forecast the index to rise to 36.6.
(www.rttnews.com 08/01/25)

French trade deficit at 4-month low
France's trade deficit narrowed to a four-month low in Nov. as exports growth outpaced the increase in imports, data from the customs office showed on Wednesday [08/01]. The trade shortfall fell to €7.1bn in Nov., from €7.5bn in Oct. The deficit was expected to fall to €7.0bn. Exports registered a monthly growth of 2.9% in Nov. At the same time, imports rose 1.8%. (www.rttnews.com 08/01/25)

Pound slumps to weakest since 2023 amid broad UK market selloff
The pound tumbled to its weakest level against the US dollar in more than one year as investors' concerns over the UK fiscal and inflation outlook send the nation's assets into a tailspin. Sterling fell as much as 0.7% to $1.2280, the lowest since November 2023.
(www.bloomberg.com 09/01/25)

Central Bank of Kuwait puts limits on online card transactions
The Central Bank of Kuwait has issued a circular to commercial banks telling them to set limits on card transactions made via websites, according to media reports. The central bank says that payments made through websites should be limited both in volume and number. Consumers should be able to adjust their limits internally through electronic portals or via their bank branches. (www.centralbanking.com 08/01/25)

Indonesian consumers optimistic in December
Indonesian consumer confidence strengthened further in Dec., to the highest level in 8 months, data from the Bank Indonesia shows. The consumer confidence index rose to 127.7 in Dec., from 125.9 in Nov. A reading above 100 indicates optimism among households.
(www.rttnews.com 09/01/25)

Oil prices edge down on rising US fuel inventories
Oil prices declined for a second day on Thursday[09/01] after large builds in fuel inventories in the US, the world's biggest oil user, though expectations for increasing winter fuel demand and concerns over tighter supply limited the drop. Brent crude futures fell 8 cents to $76.08 a barrel by 0409 GMT.
(www.reuters.com 09/01/25)

South African rand stable ahead of manufacturing data
South Africa's rand was little changed early on Thursday[09/01] ahead of domestic manufacturing data. At 0633 GMT, the rand traded at 18.90 against the dollar, near its Wednesday[08/01] closing level of 18.91. South Africa's benchmark 2030 government bond was slightly firmer in early deals, with the yield down 1 basis point to 9.09%.
(www.reuters.com 09/01/25)

Egypt inflation seen easing to 24.2% in Dec.
Egyptian inflation is expected to have eased to 24.2% in Dec., as food prices continued to cool, a poll released on Wednesday [08/01] reveals. The median forecast of 13 analysts polled by Reuters was for annual urban consumer inflation to have edged down to 24.2% from 25.5% in Nov. (www.reuters.com 08/01/25)

Zambia's currency stuck at record low as drought persists
Zambia's kwacha has hit a series of record lows since the start of the year as a severe drought keeps the pressure firmly on the country's economy. Analysts had hoped Zambia's emergence from default early last year would have helped sentiment, but the currency is now roughly 3% below where it was before its debt restructuring deal. (www.reuters.com 08/01/25)

Ghana inflation rises for fourth straight month in December
Ghana's consumer inflation rose for a fourth month in a row in Dec., to 23.8% year on year from 23.0% in Nov., the statistics service said on Wednesday. Government statistician Samuel Kobina Annim told a news conference that the latest increase was driven by higher food prices. (www.reuters.com 08/01/25)