



Thursday, 30th January 2025

**ECB cut all but certain with price goal in view**

The European Central Bank is set to lower interest rates for a fifth meeting as inflation that's nearing the 2% target lets officials further loosen the shackles on the economy. Analysts polled by Bloomberg are unanimous in predicting a quarter-point reduction in the deposit rate to 2.75%, on Thursday [30/01].

([www.bloomberg.com](http://www.bloomberg.com) 30/01/25)

**Trump says Fed has done 'terrible job' on banking regulation**

President Donald Trump assailed the Federal Reserve's approach to bank regulation and accused Chair Jay Powell of fumbling the fight against inflation, while refraining from directly commenting on interest rates. "The Fed has done a terrible job on Bank Regulation. Treasury is going to lead the effort to cut unnecessary Regulation and will unleash lending for all American people and businesses,". ([www.bloomberg.com](http://www.bloomberg.com) 29/01/25)

**Fed guided by economic goals and the law, not politics, says Powell**

Fielding a range of questions about the imprint of the Trump administration on the US central bank, Federal Reserve Chair Jerome Powell on Wednesday said that politics had not prompted the Fed's decision to leave a global climate-focused group and would not affect its interest-rate calls. ([www.reuters.com](http://www.reuters.com) 30/01/25)

**China's SOEs log revenue growth in 2024**

The revenues of China's state-owned enterprises (SOEs) went up 1.3% in 2024 from the previous year, recent official data showed. The SOEs raked in CN¥84.72tr (11.77tr) in operating revenues in 2024, data from the Ministry of Finance showed. The combined profits of SOEs edged up 0.4% year on year to CN¥4.35tr in 2024. ([www.xinhuanet.com](http://www.xinhuanet.com) 30/01/25)

**Bank of England readies rate cut and could hint at more to come**

The Bank of England looks likely to cut interest rates next week, when it could also nudge investors to expect faster reductions than they currently predict as the economy flatlines. Economists expect the BoE to cut its benchmark rate to 4.5%, from 4.75%, on Feb. 6, when it will also update its economic growth and inflation forecasts. ([www.reuters.com](http://www.reuters.com) 30/01/25)

**UK government considers relaxing rules on pension levy**

Britain is considering plans to relax rules on the Pension Protection Fund (PPF) to allow it to reduce the levy it collects from pension schemes, the government said, hoping it would release millions of pounds for investment. Under current rules, the PPF has limitations on changing the levy it collects from schemes the statement said. ([www.reuters.com](http://www.reuters.com) 30/01/25)

**Germany's recession fears return ahead of election**

The German economy contracted more than expected in the final quarter of last year, reigniting recession fears as Europe's biggest economy is beset by political uncertainty ahead of a snap election. Germany's GDP with the previous three-month period, preliminary data from the statistics office showed on Thursday. ([www.reuters.com](http://www.reuters.com) 30/01/25)

**Japan sees debt-service costs jumping 25% by 2028 as BOJ hikes**

The Japanese government expects its annual debt-servicing costs to rise to almost \$230bn over the next 4 years as the central bank's campaign to raise interest rates drives up financing costs. Under the optimistic of 2 projected growth scenarios, debt-servicing costs are rising to ¥35.3tr (\$229bn) in the year starting April 2028. ([www.bloomberg.com](http://www.bloomberg.com) 30/01/25)

**EXCHANGE RATES OF SELECTED CURRENCIES**

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2426	(1.2429)	1.2427	(1.2430)
+USD/EUR	1.0414	(1.0422)	1.0415	(1.0423)
*GHS/USD	15.2424	(15.2424)	15.2576	(15.2576)
*GHS/GBP	18.9402	(18.9447)	18.9607	(18.9652)
*GHS/EUR	15.8761	(15.8866)	15.8906	(15.9024)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 30/01/25 (Rates for 29/01/25 in brackets)

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### **Bank of Japan board reshuffle to bring it closer to 'normal' central banking**

The fading shadow of reflationists in the Bank of Japan, and the latest addition to the board of an academic favouring an end to ultra-low interest rates, will likely bring the central bank's thinking closer to global peers taking a more conventional approach on monetary policy.

([www.reuters.com](http://www.reuters.com) 30/01/25)

### **Bank of Canada cuts rates and ends quantitative tightening**

The Bank of Canada reduced its policy rate by 25 basis points to 3% on Jan 29 and ended its quantitative tightening programme. Governor Tiff Macklem said there was “no doubt” the threat of tariffs had weighed on the bank’s decision. He said, however, that monetary policy cannot fully offset the negative effects of tariffs. ([www.centralbanking.com](http://www.centralbanking.com) 29/01/25)

### **RBA ramps up scrutiny on Australian pension fund liquidity risks**

Australia’s central bank is honing its focus on potential financial shocks linked to the nation’s fast-growing A\$4.1tr (\$2.6tr) pensions industry and working through multiple scenarios with regulators. ([www.bloomberg.com](http://www.bloomberg.com) 30/01/25)

### **Hong Kong central bank keeps base rate unchanged as Fed holds steady**

The Hong Kong Monetary Authority left its base rate unchanged at 4.75% on Thursday, tracking a move by the US Federal Reserve to keep rates steady. Hong Kong's monetary policy moves in lock-step with the United States as the city's currency is pegged to the greenback in a tight range of 7.75-7.85 per dollar. ([www.bloomberg.com](http://www.bloomberg.com) 30/01/25)

### **Philippines Q4 GDP grows 5.2% y/y, below expectations**

The Philippine economy expanded a lower than expected 5.2% in the fourth quarter from a year earlier, official data showed on Thursday, weighed down by weaker consumption and weather disruption that squeezed farm output. The reading matched the previous quarter's 5.2% expansion but was below the median forecast of 5.4% growth in a Reuters poll of economists. ([www.reuters.com](http://www.reuters.com) 30/01/25)

### **Oil dips, focus on Trump tariff threats vs Canada, Mexico**

Oil prices slipped for a second day on Thursday after US crude stockpiles rose more than expected, though attention remained on tariffs threatened by US President Donald Trump on Mexico and Canada, the two largest suppliers of crude to the United States. Brent crude futures were down 43 cents, or 0.6%, at \$76.15 a barrel at 1007 GMT. US crude futures were down 46 cents, also 0.6%, to \$72.16. US crude futures had settled at their lowest price this year on Wednesday [29/01]. ([www.reuters.com](http://www.reuters.com) 30/01/25)

### **Stocks gain as megacap earnings land; dollar firm after Fed pause**

Global shares rose as investors digested earnings from Microsoft (MSFT.O) and Meta (META.O) in the wake of this week's rout in technology stocks, while the dollar was steady against most other currencies after the Federal Reserve left rates unchanged.

([www.reuters.com](http://www.reuters.com) 30/01/25)

### **AfDB's head sees regional refinancing facility operational soon**

The African Development Bank's regional refinancing facility for hard-pressed African nations with maturing international bonds will be activated soon, the AfDB's president said on Wednesday, after heads of state grant their approval in two weeks. ([www.reuters.com](http://www.reuters.com) 30/01/25)

### **South African central bank set to turn more hawkish as it cuts rates**

The South African Reserve Bank is set to lower borrowing costs by another frugal 25 basis points on Thursday while warning that uncertainty around US monetary and trade policies may hinder future cuts. Most economists expect Governor Lesetja Kganyago to reduce the benchmark interest rate to 7.5%.

([www.bloomberg.com](http://www.bloomberg.com) 30/01/25)

### **Namibia's jobless rate at 36.9% in 2023: government survey**

Namibia's unemployment rate in 2023 stood at 36.9%, up 3.5 percentage points from 33.4 % in 2018, according to the latest Labor Force Survey of the Namibia Statistics Agency (NSA). ([www.xinhuanet.com](http://www.xinhuanet.com) 30/01/25)

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