



Wednesday, 12th February 2025

European politicians clash over ECB review, climate, digital euro

The European Parliament on February 11, approved its annual report on the European Central Bank's performance in 2024. The report was prepared by the parliament's committee on economic and monetary affairs. Its author, Anouk Van Brug, is a Dutch politician representing the conservative-liberal People's Party for Freedom and Democracy, which is part of the Renew Europe group in the parliament. (www.centralbanking.com 11/02/25)

Powell tells congress Fed still in no rush to lower rates

Fed Chair, Jerome Powell said the central bank doesn't need to rush to adjust interest rates, again signaling that officials will be patient before lowering borrowing costs further. "With our policy stance now significantly less restrictive than it had been and the economy remaining strong, we do not need to be in a hurry to adjust our policy stance," Powell said. (www.bloomberg.com 12/02/25)

Fed's Hammack says rates on hold until inflation ebbs further

The Fed Reserve Bank of Cleveland, President Beth Hammack said it's appropriate to keep interest rates steady for "some time" while policymakers await further downward progress on inflation and analyze the economic effects of new government policies. (www.bloomberg.com 11/02/25)

China's SME development index up in Jan.

An index tracking the development of China's small and medium-sized enterprises (SMEs) edged up in January, data from an industry association shows. The SME development index rose by 0.1 points to 89.0, compared to the previous month, the China Association of Small and Medium Enterprises data showed. (www.xinhuanet.com 11/02/25)

UK's poorest will be worse off until 2027, economists forecast

Living standards for Britain's poorest households will take until 2027 to recover from the inflation shock, according to new analysis that underscores the difficulty facing the Labour government to meet its promise to make voters feel better off. The National Institute of Economic and Social Research warned that predicted rises in real disposable incomes in 2025 and 2026 will not compensate for the recent slump for the bottom 40% of households. (www.bloomberg.com 12/02/25)

UK recession fears mount with data set to show economy shrinking

The UK economy may have shrunk in the fourth quarter, putting Britain back on the brink of recession and piling more pressure on Chancellor Rachel Reeves and her promise to turbocharge growth. Economists reckon GDP fell 0.1%, following a stagnant third quarter, amid the fallout from Reeves' tax-raising budget. (www.bloomberg.com 12/02/25)

BOJ governor says higher food prices in Japan may alter inflation expectations

Bank of Japan Governor, Kazuo Ueda said on Wednesday, the central bank will conduct monetary policy bearing in mind there are risks that food prices may continue to be high and affect people's inflation expectations. "We're aware that a rise of more than 2% in prices of fresh foods and other commonly purchased products are negatively impacting people's lives," Ueda said. (www.reuters.com 12/02/25)

French unemployment rate drops slightly

France's unemployment rate dropped marginally in the fourth quarter, the statistical office INSEE shows. The jobless rate fell unexpectedly to 7.3% from 7.4% in the third quarter. The rate was forecast to rise to 7.5%. (www.rttnews.com 11/02/25)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2408	(1.2389)	1.2409	(1.2390)
+USD/EUR	1.0340	(1.0314)	1.0341	(1.0315)
*GHS/USD	15.4423	(15.4723)	15.4577	(15.4877)
*GHS/GBP	19.1608	(19.1686)	19.1815	(19.1893)
*GHS/EUR	15.9686	(15.9592)	15.9832	(15.9751)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 12/02/25 (Rates for 11/02/25 in brackets)

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US tariffs would stack for Canada, official says as countries condemn Trump moves

US President Donald Trump's planned 25% tariffs on steel and aluminum imports would pile on top of other levies on Canadian goods, resulting in a total 50% tariff, if threatened duties on all imports from Canada are enacted in March, a White House official said on Tuesday [11/02]. (www.reuters.com 12/02/25)

India's inflation eases in January, Justifying RBI rate cut

India's inflation eased to a five-month low in January, justifying the central bank interest rate cut, though risks remain amid a depreciating currency and threat of tariffs. 'The consumer price index rose 4.31% last month from a year earlier, data from the statistics ministry showed Wednesday. (www.bloomberg.com 12/02/25)

Yen underperforms major currencies on Trump tariff uncertainties

The yen is on track for its longest losing streak in more than a month amid heightened concerns Japan may be included in Donald Trump's tariff plan. Japan's currency dropped as much as 0.8% to 153.73 against the dollar on Wednesday [12/02], its weakest level in a week and lagging all major peers. (www.bloomberg.com 12/02/25)

Mexico rejects US tariffs on steel, aluminium

Mexico on Tuesday[12/02] rejected the 25% tariffs on all steel and aluminium imports announced a day earlier by the US administration. Noting that Mexico has a deficit with the United States in steel and aluminium trade, Mexican President Claudia Sheinbaum told reporters that there is no point in placing tariffs on Mexico's steel and aluminium exports. (www.xinhuanet.com 12/02/25)

Norges Bank considers joining T2

Norway's central bank is considering joining the European Central Bank's T2 settlement system. Norges Bank said on February 4 that it was entering a formal dialogue with the ECB to iron out the details, especially those related to security and contingency arrangements, before making its decision.

(www.centralbanking.com 11/02/25)

Oil prices retreat after report of US crude stockpile rise

Oil prices edged down on Wednesday[12/02] as an industry report showed an increase in US crude stockpiles and tariff worries weighed on sentiment, though stronger refining margins limited the market's downside. Brent futures fell 25 cents, or 0.3%, to \$76.75 a barrel by 0408 GMT. (www.reuters.com 12/02/25)

Gold's record rally hits pause as traders assess Powell's speech

Gold fell for a second day, retreating from a record high, as the US central bank signaled that it's in no hurry to deliver more interest-rate cuts. Bullion dropped below \$2,888 an ounce, after peaking above \$2,942 before ending lower. Fed Chair Jerome Powell said officials would be patient before easing monetary policy further. (www.bloomberg.com 12/02/25)

UN report urges bold reforms to boost Africa's economic resilience

The United Nations Trade and Development (UNCTAD) released its 2024 Economic Development in Africa in Abidjan, outlining strategies to transform the continent's challenges into opportunities through policy reforms, infrastructure investment, and regional trade integration. (www.xinhuanet.com 12/02/25)

South Africa set to lower inflation target in 2026, poll shows

South Africa will probably wait until next year to lower its inflation target to address more pressing issues such as weak economic growth and fiscal consolidation, according to a survey of investors and analysts. The South African Bank and National Treasury have been working on revising the inflation goal for almost a year. (www.bloomberg.com 12/02/25)

Kenya's cabinet approves \$33bn spending for 2025/26 fiscal year

Kenya's cabinet has approved planned spending of KES4.2tr (\$32.65bn) for the 2025/26 fiscal year, a statement from President William Ruto's office said on Tuesday[11/02]. The proposed spending for 2025/26 is detailed in the Finance Ministry's Budget Policy Statement.

(www.reuters.com 11/02/25)

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