



Friday, 21st February 2025

Euro area consumer confidence improves more than expected to highest in 4 months

Eurozone consumer confidence strengthened for a second straight month and at a faster than expected pace to its highest level in 4 months in February, suggesting that pessimism among households in the single currency bloc is easing, despite the increasing threat of a trade tariff war. (www.rttnews.com 20/02/25)

ECB posts record loss driven by interest bill for past policies

The European Central Bank reported a record loss in 2024, a result of its aggressive policy responses to surging inflation and past periods of weak price gains. Last year's shortfall amounted to €7.94bn (\$8.3bn) as interest expenditures exceeded income generated by bonds purchased when borrowing costs were low. (www.bloomberg.com 20/02/25)

ECB's Makhoul warns that disinflation process faces dangers

European Central Bank Governing Council member Gabriel Makhoul warned of dangers to the slowdown in consumer-price growth amid acute uncertainty. "Needless to say, the disinflation process remains subject to risks, and there is a very high degree of uncertainty surrounding the outlook," the Irish central-bank chief said. (www.bloomberg.com 20/02/25)

US Fed warns Trump's tariffs may increase prices

American shoppers may face higher prices if US President Donald Trump goes ahead with some of his proposed tariffs, the Fed warned. Minutes from the Fed's Jan., meeting revealed members of its committee believe Trump's policies might "hinder the disinflation process". "Business contacts in a number of districts had indicated that firms would attempt to pass on to consumers higher input costs arising from potential tariffs," the minutes said. (www.bbc.com 20/02/25)

China to increase credit support for private enterprises: financial regulator

China will increase credit support for private enterprises, the country's financial regulator has said. Efforts should be made to maintain a stable and effective increase in credit supply to private enterprises, and to strengthen support for first loans, renewals and credit loans to small and micro companies, the National Financial Regulatory Administration said in a statement. (www.xinhuanet.com 20/02/25)

China holds loan prime rates

The People's Bank of China has left its key lending rates unchanged for the fourth consecutive month. The central bank said on February 20, that it was keeping the one-year loan prime rate at 3.1% and the 5-year LPR at 3.6%. LPRs are normally charged to banks' best clients. (www.centralbanking.com 20/02/25)

Trump's tariff threats stress London gold market

The London gold market is facing a mounting structural crisis. Bullion banks that lend precious metals to producers and each other moved over 200 tonnes of gold to New York in the month of January in response to US President Donald Trump's tariff threats, leaving the London market desperately short of physical supplies. Dealers in London routinely borrow gold to fund customer positions. (www.centralbanking.com 20/02/25)

Japan private sector growth fastest in 5 months

Japan's private sector logged the fastest growth in 5 months in February underpinned by sustained growth in services activity, flash survey data from S&P Global shows. The au Jibun Bank flash composite output index rose to 51.6 in February from 51.1 in January. The index signaled the fastest growth in the private sector in 5 months. The services activity grew at a faster pace. (www.rttnews.com 21/02/25)

EXCHANGE RATES OF SELECTED CURRENCIES

| CURRENCIES | BUYING | | SELLING | |
|------------|---------|-----------|---------|-----------|
| +USD/GBP | 1.2640 | (1.2578) | 1.2641 | (1.2579) |
| +USD/EUR | 1.0471 | (1.0412) | 1.0471 | (1.0412) |
| *GHS/USD | 15.5422 | (15.5422) | 15.5278 | (15.5278) |
| *GHS/GBP | 19.6454 | (19.5409) | 19.6666 | (19.5701) |
| *GHS/EUR | 16.2749 | (16.1830) | 16.2897 | (16.1978) |

+SOURCE: BOG INTERNAL TRANSACTION RATES: 21/02/25 (Rates for 20/02/25 in brackets)

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Macron to visit US for talks with Trump over Ukraine, tariffs

French President Emmanuel Macron will travel to the United States for discussions with his US counterpart, Donald Trump, focusing on the Ukraine issue and impending US tariffs, French Minister Delegate for European Affairs Benjamin Haddad confirmed on Thursday [20/02]. (www.xinhuanet.com 20/02/25)

India cancels \$3bn of treasury bill sale amid tight cash

India's central bank did not accept any bids for 91 and 182-day treasury bills in an auction Thursday [20/02] amid a cash squeeze in the nation's banking system. The Reserve Bank of India rejected bids for ₹260bn (\$3bn) of sales, it said in a statement. The authority sold 70bn rupees of 364-day bills at 6.5638%, the statement added. (www.bloomberg.com 20/02/25)

Malaysia inflation steady at 1.7%

Malaysia's consumer price inflation held steady at the start of the year after easing to an 11-month low in the previous month, data from the Department of Statistics shows. The consumer price index climbed 1.7% year-on-year in Jan., as expected, unchanged from December. Meanwhile, core inflation accelerated to 1.8%. (www.rttnews.com 21/02/25)

Taiwan export orders fall 3.0%

Taiwan's export orders declined for the first time in nearly a year in January, according to data released by the Ministry of Economic Affairs on Thursday [20/02]. Export orders fell 3.0% year-on-year in Jan., reversing a 20.8% surge in December. The expected drop was 1.8%. Further, this was the first contraction since March 2024. (www.rttnews.com 20/02/25)

Hong Kong inflation rises to 2.0%

Hong Kong's consumer price inflation increased more-than-expected in January after remaining steady in the previous two months, data released by the Census and Statistics Department shows. The consumer price index climbed 2.0% year-on-year in Jan., faster than the 1.4% rise in December. Economists had expected inflation to rise to 1.8%. (www.rttnews.com 20/02/25)

Oil steady, heads for weekly gain amid improving demand, supply jitters

Oil prices were steady today [21/02] and poised for a weekly increase amid an improving outlook for demand in the US and China. Concerns over supply disruptions in Russia also lent support. Brent futures dipped 3 cents to \$76.45 a barrel by 0414 GMT, while US West Texas Intermediate crude edged down 4 cents to \$72.44. (www.reuters.com 21/02/25)

South Africa leader urges G-20 unity to tackle global challenges

South African President Cyril Ramaphosa urged the Group of 20 nations to set aside their differences and focus on tackling the world's most pressing challenges. "Geopolitical tensions and rising intolerance, conflicts and war, climate change, pandemics and energy and food insecurity do threaten and already-fragile global coexistence," Ramaphosa said. (www.bloomberg.com 20/02/25)

Nigeria hits pause on rate hikes after inflation revamp

Nigeria's central bank paused its steep campaign of monetary tightening, after an overhaul of the data used to calculate inflation showed it had significantly slowed. The monetary policy committee maintained the policy rate at 27.5%, Governor Olayemi Cardoso said. (www.bloomberg.com 20/02/25)

Chinese investment critical to Zambia's economic development, says think tank

China is among leading investors in Zambia and its investment is critical to driving the country's economic development. The Zambia Institute for Policy Analysis and Research (ZIPAR) said. Chinese investment has already yielded significant economic benefits such as job creation. (www.xinhuanet.com 21/02/25)

Botswana central bank holds key rate with inflation seen within target

Botswana's central bank left its main lending rate unchanged on Thursday [20/02] at its first monetary policy meeting of the year, saying inflation was expected to remain within its target range over the medium term. (www.reuters.com 20/02/25)

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