



Friday, 7th March 2025

European Central Bank continues easing with 25bp cut

The European Central Bank cut rates by 25 basis points on March 6. In a statement, the ECB president Christine Lagarde lamented the extraordinary levels of uncertainty surrounding the Eurozone. She said the bank's monetary policy was becoming "meaningfully less restrictive" after nine months in which it had eased rates by a total of 150bp over 6 decisions. (www.centralbanking.com 06/03/25)

Jobless claims by us federal workers remain high for second week

Applications for unemployment benefits filed by Fed employees remained at an elevated level for a second week as the Trump administration moves to shrink the size of the Fed government. There were 1,580 initial claims filed nationwide in Unemployment Compensation for Fed Employees program for the week ended March 1, slightly down from 1,634 the previous week. (www.bloomberg.com 06/03/25)

US labor market seen holding steady ahead of tariffs turbulence

US job growth likely picked up in February with the unemployment rate expected to hold steady at 4.0%, but growing uncertainty over trade policy and deep federal government spending cuts could erode the labor market's resilience in the months ahead. (www.reuters.com 07/03/25)

China exports growth eases; imports logs unexpected fall

China's exports growth eased more than expected at the start of the year and imports logged an unexpected sharp decline amid mounting trade tensions, official data reveals today. Exports grew at a slower pace of 2.3% annually in the January to February period, following a 10.7% rise in December, data from the customs office showed. (www.rttnews.com 07/03/25)

China's bonds see worst slide this year as rate-cut doubts grow

China's benchmark sovereign bond yield jumped the most this year as the central bank sowed doubts over further interest-rate cuts and a stock rally lured investors away from government debt. Yields on China's 10-year government bonds gained six basis points today to 1.83%, set for the biggest rise since September. (www.bloomberg.com 07/03/25)

Disinflation is still on track, BoE governor insists

Bank of England governor Andrew Bailey on March 5 told members of the UK parliament's treasury select committee that disinflation was still on track. Defending his decision to vote for the 25-basis point cut that took the bank rate to 4.5% on February 5, Bailey said the "underlying disinflation story" still held. (www.centralbanking.com 06/03/25)

BoE proposes to ease regulations for small-scale lenders

The Bank of England has proposed lifting the threshold for when lenders need to comply with leverage ratio requirements, in a move it says is aimed at easing the regulatory burden for smaller financial institutions and boosting their competitiveness. Currently, UK lenders banks, building societies and investment firms need to comply with leverage ratio requirements set by the PRA if they hold more than £50bn (\$64.4bn) in retail deposits. (www.centralbanking.com 06/03/25)

Japanese bonds set to lose mantle of lowest yielding major market to China

Japanese investors expect the nation's benchmark 10-year government bond yield to climb as high as 2% this year in a move that looks likely to relegate China's sovereign debt to the lowest yielding of major markets. (www.bloomberg.com 07/03/25)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2863	(1.2863)	1.2864	(1.2864)
+USD/EUR	1.0754	(1.0754)	1.0755	(1.0755)
*GHS/USD	15.5122	(15.5122)	15.5278	(15.5278)
*GHS/GBP	19.9534	(19.9534)	19.9749	(19.9749)
*GHS/EUR	16.6834	(16.6834)	16.6986	(16.6986)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 07/03/25 (Rates for 05/03/25 in brackets)

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Canada's January trade surplus at 32-month high as firms stockpile on tariff threat

Canada's trade surplus in January exceeded expectations by a wide margin posting a 32-month record as fears of tariffs from the US pushed exports of cars and energy products higher, especially south of its border, data shows. The trade surplus rose to C\$3.97bn (\$2.78bn), more than double the upwardly revised C\$1.69bn seen in December Statistics Canada said. (www.reuters.com 07/03/25)

Turkey Central bank slashes rate by 250 bps

Turkey's central bank lowered its benchmark rate for the third straight time on Thursday [06/03] as the underlying trend of inflation softened. The Monetary Policy Committee, headed by Yasar Fatih Karahan, decided to reduce the policy rate to 42.5% from 45.0%, as widely expected. (www.rttnews.com 06/03/25)

Malaysia Central Bank keeps rates on hold

Malaysia's central bank maintained its benchmark rate on Thursday [06/03] as the current level is conducive to sustainable growth amid price stability. The Monetary Policy Committee of Bank Negara Malaysia, led by Governor Abdul Rasheed Ghaffour decided to maintain the Overnight Policy Rate at 3%. (www.rttnews.com 06/03/25)

Kazakhstan hikes key rate to 16.5%

Kazakhstan's central bank unexpectedly hiked its key interest rate to help tame accelerating inflation that's running at almost double the target. The National Bank of Kazakhstan raised the benchmark to 16.5% on Friday. Seven out of eight economists surveyed by Bloomberg forecast no change from 15.25%, while one analyst expected a 50-basis point increase. (www.xinhuanet.com 07/03/25)

Vietnam's foreign trade up 12% in 2 months

Vietnam posted a foreign trade record of \$127.07bn in the first two months of 2025, up 12% year on year with a trade surplus of \$1.47bn, according to the General Statistics Office. Specifically, export revenue stood at \$64.27bn, up 8.4% year on year, while import revenue surged 15.9% to \$62.8bn. (www.xinhuanet.com 06/03/25)

Oil set for biggest weekly drop since October on tariff uncertainty, supply gains

Oil prices were little changed today but were set for their biggest weekly decline since October as the uncertainty around US tariff policy is creating concerns about demand growth at the same time major producers are set to increase output. Brent futures rose 17 cents, or 0.24%, to \$69.63 a barrel by 0315 GMT. (www.reuters.com 07/03/25)

Stocks slip amid US trade policy uncertainty, bond selloff eases

Investors were met with some calm today after a turbulent week besieged by US trade policy confusion and a global rise in borrowing costs, as a steep selloff in bonds abated and currencies steadied, though stocks tracked Wall Street lower. (www.reuters.com 07/03/25)

South African rand flat after four straight days of gains; eyes on US payrolls data

South Africa's rand was little changed early on Friday as investors awaited US non-farm payrolls data for dollar direction, after four consecutive days of gains for the local unit. At 0622 GMT, the rand traded at 18.1450 against the US dollar, near its previous close of 18.1475. (www.reuters.com 07/03/25)

IMF urges Nigeria to balance painful reforms with social investments

Nigeria's sweeping economic reforms have reignited investor confidence and earned praise from global institutions, but the toll on the nation's poorest citizens has cast a shadow over the gains. As Africa's largest economy charts a new course towards fiscal stability, the IMF has sounded a cautionary note urging the government to cushion the reforms. (www.businessday.ng 06/03/25)

Foreign investors boost Nigerian Eurobonds' February rally

Nigeria's Eurobond market closed the month of February in positive territory, signalling sustained foreign investor confidence. According to data from the Debt Management Office the average yield on Nigeria's Eurobonds closed at 8.80%. (www.businessday.ng 06/03/25)

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