



Thursday, 20th March 2025

Governors serve unlimited terms in half of central banks

Central bank governors are most likely to be allowed to serve unlimited consecutive terms in office, data from the Governance Benchmarks 2025 shows. Half of 64 central banks that addressed the question say governors' term in office is unlimited (50%) in their jurisdictions. At two-fifths of central banks, governors are eligible for 2 terms (42.2%), while 3 institutions are eligible for just a single term (4.7%). (www.centralbanking.com 18/03/25)

Eurozone inflation eases to 2.3%

Eurozone inflation eased more than initially estimated to a three-month low in February, as sluggish economic activity impeded inflationary pressures, official data reveals. The harmonized index of consumer prices rose 2.3% on a yearly basis in Feb., slower than the 2.5% increase in Jan., final data from Eurostat showed. The February rate was revised down from 2.4%. (www.rttnews.com 19/03/25)

US Fed warns of tariff risks amid growth concerns

The US Fed cut its growth predictions and increased inflation outlook in its latest quarterly summary of economic projections released Wednesday [19/03], reflecting its concern over the possible negative impact of tariffs on the economy. The median GDP growth projection for 2025 is 1.7%, down from 2.1% in the December estimate. (www.xinhuanet.com 20/03/25)

China's loan prime rates remain unchanged

China's one-year loan prime rate, a market-based benchmark lending rate, came in at 3.1% today[20/03], unchanged from the previous month. The over-5-year LPR, on which many lenders base their mortgage rates, also remained unchanged from the previous reading of 3.6%, according to the National Interbank Funding Center. (www.xinhuanet.com 20/03/25)

Chinese bonds recover from selloff as PBoC steps up cash support

Chinese government bonds extended a recovery after the country's central bank boosted short-term funding support. Yields on the benchmark 10-year note fell 3 basis points to 1.84%, marking a third consecutive day of declines. Futures on the 30-year paper rose as much as 1%, the most since late December.

(www.bloomberg.com 20/03/25)

Bank of England poised to take a hawkish tilt: Decision Guide

The Bank of England is likely to turn less dovish on Thursday [20/03], as officials start to fret about the fallout from Donald Trump's tariff wars and a renewed bout of domestic inflation. Markets and economists expect the Monetary Policy Committee to leave the benchmark interest rate on hold at 4.5% and reiterate a cautious approach to further cuts. The BOE will announce the decision at 12 p.m. in London. (www.bloomberg.com 20/03/25)

French central bank says losses peaked in 2024, should ease here on out

France's central bank has reported a fresh loss for 2024, but said the worst was behind it and a return to profit in the coming years was in sight. The Bank of France said its net loss last year amounted to €7.7bn (\$8.4bn) which it would carry forward against future profits although it needed to do so less than other central banks because its bigger rainy-day funds offset more of its losses. (www.reuters.com 19/03/25)

BOJ holds rates, noting unease over potential tariff impacts

The Bank of Japan kept its benchmark rate unchanged and cited worries over the potential impact from US tariff policies, suggesting that it's not in a rush to hike for now. The central bank added a reference to trade policies to its list of risks to the outlook, its statement shows.

(www.bloomberg.com 19/03/25)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2967	(1.2984)	1.2968	(1.2985)
+USD/EUR	1.0879	(1.0917)	1.0879	(1.0918)
*GHS/USD	15.5222	(15.5322)	15.5378	(15.5478)
*GHS/GBP	20.1277	(20.1670)	20.1494	(20.1888)
*GHS/EUR	16.8871	(16.9571)	16.9024	(16.9739)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 20/03/25 (Rates for 19/03/25 in brackets)

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Australia's employment plunge prompts boost in rate-cut bets

Australian employment surprisingly dropped in February, sending the currency and government bond yields lower as traders boosted bets on further interest-rate cuts this year. Employment declined by 52,800, led by full-time roles compared with a forecast 30,000 increase, government data showed on Thursday [20/03]. (www.bloomberg.com 20/03/25)

Argentina's economy shrinks 1.7% in 2024 amid austerity measures

Argentina's economy contracted 1.7% in 2024, as the government's austerity measures hit consumption and investment, the National Institute of Statistics and Censuses said. The decline was driven by a sharp 17.4% fall in investment, a 4.2% drop in private consumption. (www.xinhuanet.com 20/03/25)

Brazil's central bank raises key interest rate to 14.25%

Brazil's central bank on Wednesday [19/03] raised its annual benchmark Selic interest rate from 13.25% to 14.25%, marking its fifth consecutive hike since the monetary tightening cycle began in Aug. Analysts estimated inflation will reach 5.66% this year, above the upper limit of 4.5%. (www.xinhuanet.com 20/03/25)

Austria inflation revised down to 3.2%

Austria's consumer price inflation held steady in February, revised from a slight increase estimated initially, the latest data from Statistics Austria shows. The consumer price index climbed 3.2% year-on-year in Feb., the same as in the previous month. In the flash estimate, the rate of inflation was 3.3%. (www.rttnews.com 19/03/25)

Singapore Q4 jobless rate confirmed at 1.9%

Singapore's unemployment rate held steady as initially estimated in the final quarter of 2024, the latest data from the Ministry of Manpower showed on Wednesday [19/03]. The seasonally adjusted jobless rate stood at 1.9% in the fourth quarter, the same as in the previous quarter. That was in line with the flash data published on January 27. (www.rttnews.com 19/03/25)

Oil prices rise on strong demand outlook, weaker US dollar

Oil prices rose on Thursday [20/03], boosted by a strong outlook for demand in the US, after fuel inventories fell more than expected, and a weaker US dollar. Brent crude futures were up 34 cents, or 0.5%, to stand at \$71.12 a barrel by 0745 GMT, their highest level since March 3. US West Texas Intermediate crude gained 42 cents to \$67.58. (www.reuters.com 20/03/25)

Gold dips from record high

Gold edged down slightly on Thursday [20/03], after scaling a new record peak above \$3050 per ounce on expectations of US rate cuts and rising geopolitical tensions. Spot gold was down 0.1% at \$3,045.02 per ounce in European trade while US gold futures were up 0.3% at \$3,051.61. (www.rttnews.com 20/03/25)

South African inflation steady on eve of expected rate pause

The consumer-price index rose 3.2% in Feb. from a year earlier, the same as the previous month, Pretoria-based Statistics South Africa said in a statement. The median of 17 estimates in a Bloomberg survey of economists was 3.4%. (www.bloomberg.com 19/03/25)

Morocco cuts rates to 2.25%

The Central Bank of Morocco on March 18 reduced its benchmark rate by 25 basis points to 2.25%. This was the bank's second consecutive 25bp cut and its third since it began its loosening cycle last June. It said it expected inflation to rise but "revolve around" 2% over the next 2 years and that the cut would aid growth while ensuring price stability. (www.centralbanking.com 19/03/25)

Rwanda's economy grew 8.9% in 2024

Rwanda's economy grew 8.9% in 2024 compared with 8.2% in 2023, the country's statistics office said, driven by good harvests, and a robust performance in the industrial and service sectors. The economy expanded 8% in the fourth quarter of the year, said Ivan Murenzi, director general of the National Institute of Statistics of Rwanda. (www.reuters.com 19/03/25)