



Tuesday, 3rd April 2025

ECB's Stournaras says US tariffs no obstacle to April rate cut

The tariffs announced by the US administration are expected to “negatively influence the euro-area’s GDP growth rate with a first estimate of the order of 0.3% to 0.4% in the first year,” European Central Bank Governing Council member Yannis Stournaras tells Bloomberg News. (www.bloomberg.com 03/04/25)

Nagel says US tariffs will put ECB policy progress to test

US President Donald Trump’s array of tariffs threatens the global economy and calls into question the European Central Bank’s achievements in fighting inflation, according to Governing Council member Joachim Nagel. “The US administration’s decisions to impose tariffs endanger global economic stability,” the Bundesbank president said in a statement on Thursday[03/04]. (www.bloomberg.com 03/04/25)

EU vows to respond with countermeasures to Trump’s 20% Tariffs

The European Union, the United States of America’s largest trading partner, vowed to retaliate after President Trump announced sweeping tariffs against the bloc in his bid to dismantle the global trading system. (www.bloomberg.com 03/04/25)

US emerges as biggest loser in markets from Trump’s tariffs

Donald Trump’s shake-up of the global trading system is hurting US assets more than those in many of the big economies he has just slapped with additional tariffs. US equity index futures tumbled more than 4% after the US President announced a sweeping series of tariffs following the market close on Wednesday [02/04], and a gauge of the dollar slumped. But the impact elsewhere was less extreme. (www.bloomberg.com 03/04/25)

US tariff rate rockets to 22%, highest since 1910, Fitch economist says

The US tariff rate on all imports has rocketed to 22% from just 2.5% in 2024 under the new global levies imposed by President Donald Trump, Fitch Ratings’ US economic research chief said. “That rate was last seen around 1910,” Olu Sonola, Fitch’s head of US economic research, said in a statement. (www.reuters.com 02/04/25)

Trump’s ‘reciprocal’ tariff formula is all about trade deficits

President Trump’s administration calculated its raft of new tariffs primarily based on existing trade balances — a departure from pledges to match the tariff rates and other trade barriers from other countries. (www.bloomberg.com 03/04/25)

US monetary policy affects income inequality – Fed research

US monetary policy affects income inequality, according to research from the Federal Reserve Board. The study, published on March 31, says surprise rate hikes increase inequality, while surprise cuts reduce it. (www.centralbanking.com 02/04/25)

China services growth picks up with economy pressured by tariffs

China’s service activity picked up in March, according to a private survey, a welcome sign before extra US tariffs pile pressure on the world’s second-largest economy. (www.bloomberg.com 03/04/25)

China maintains support for yuan after US imposes new tariffs

China’s central bank retained support for its currency after the US hit the world’s No. 2 economy with the biggest-ever tariff hike. (www.bloomberg.com 03/04/25)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2980	(1.2939)	1.2981	(1.2940)
+USD/EUR	1.0858	(1.0822)	1.0858	(1.0823)
*GHS/USD	15.5222	(15.5222)	15.5378	(15.5378)
*GHS/GBP	20.1479	(20.0842)	20.1696	(20.1059)
*GHS/EUR	16.8545	(16.7984)	16.8698	(16.8151)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 03/04/25 (Rates for 02/04/25 in brackets)

* BOG INTERNAL TRANSACTION RATES: 03/04/25 (Rates for 02/04/25 in brackets)

China urges US to immediately lift tariffs, vows retaliation

China urged the US to immediately cancel its latest tariffs and vowed countermeasures to safeguard its own interests, after President Donald Trump declared sweeping levies on all US trading partners around the world. The US move disregards the balance of interests reached in multilateral trade negotiations over the years and the fact that it has long benefited greatly from international trade, the Chinese Commerce Ministry said in a statement. (www.reuters.com 03/04/25)

Russian service sector nears stagnation as new order growth weakens, PMI shows

Russia's service sector lost further momentum in March, with business activity growing at its shallowest rate in nine months as new order growth eased and employment contracted, a business survey showed on Thursday. The S&P Global Purchasing Managers' Index for Russian services fell to 50.1 in March from 50.5 in February, indicating only a tiny expansion in output. (www.reuters.com 03/04/25)

IMF sees Japan sustainably hitting central bank's inflation target

Japan is showing signs of sustainably achieving the central bank's 2% inflation target with robust consumption and capital expenditure likely to underpin the economy, the IMF said. "After three decades of near-zero inflation, signs are growing that Japan's economy can reach a new equilibrium with inflation sustained at the Bank of Japan's 2% headline inflation target and growth at the 0.5% potential." (www.reuters.com 03/04/25)

What Trump's reciprocal tariffs mean for India

"Tariff king." A "big abuser" of tariffs. A "very high tariff nation." US President Donald Trump has repeatedly made it clear over the years what he thinks of India's protectionist trade policies. That's put the South Asian country squarely in the firing line of the Trump administration's new reciprocal tariffs. (www.bloomberg.com 03/04/25)

European shares sink as Trump's aggressive tariffs threaten economic growth

European shares slumped to a two-month low on Thursday[03/04] after a fresh round of aggressive US tariffs, with bank stocks bearing the brunt of fears that the escalating trade war would slam the brakes on economic growth. The pan-European STOXX 600, has sunk 1.5% by 0753 GMT. The rout was led by a 1.8% slide in equities in Germany whose biggest trading partner last year was the US, according to the statistics office. (www.reuters.com 03/04/25)

World Bank backs Africa digital data push with \$100m Raxio deal

The World Bank's private investment arm is backing the rush into digital data in Africa with a \$100m investment in regional data centre developer and operator Raxio Group, funding centres from Ethiopia to Angola. Digital demand on the continent is surging, but infrastructure remains scarce. Africa accounts for less than 1% of the world's data centre capacity even as mobile data usage grows by around 40% annually - nearly double the global average, according to US advocacy group Internet Society. (www.reuters.com 03/04/25)

IMF approves 2-year \$4.5bn flexible credit line arrangement for Morocco

The IMF approved a new two-year \$4.5bn flexible credit line arrangement for Morocco on Wednesday [02/04], the IMF said in a statement. "In a highly uncertain environment, the arrangement will enhance Morocco's external buffers and provide insurance against downside risks." (www.reuters.com 02/04/25)

South Africa seeks new US trade deal after tariff hike, says presidency

South Africa's presidency said on Thursday[03/04] that the new US tariffs underscore the need to negotiate a new bilateral trade deal with Washington to ensure long-term trade certainty. US President Donald Trump unveiled global reciprocal tariffs on most goods imported to the US on Wednesday [02/04]. (www.reuters.com 03/04/25)