



Tuesday 6<sup>th</sup> May 2025

## World Bank oil price forecast lower than target in 2025 budget

The World Bank has cautioned that commodity prices are set to fall sharply this year, by about 12%. The bank attributes this to weakening global economic growth. This could have some implications for government's projected revenue from the export of oil and gold in the 2025 budget. In the 2025 budget, government is projecting over \$1bn in revenue from crude oil exports, based on a benchmark price of \$74 per barrel. ([www.myjoyonline.com](http://www.myjoyonline.com) 06/05/25)

## IMF's Georgieva says IMF has been vocal about China's need to change economic model

IMF Managing Director Kristalina Georgieva on Monday [05/05] said the IMF has been vocal about its policy prescriptions for China to move away from an export-led growth model. Asked at the Milken Institute Global conference in the Los Angeles area whether the IMF needed to get tougher on China because of US ([www.reuters.com](http://www.reuters.com) 05/05/25)

## Developing nations expect AI productivity boost soon, UN Finds

Most people in the developing world expect artificial intelligence to boost productivity over the next year, the United Nations found, with new technologies potentially helping to counter an "unprecedented slowdown" in human development. ([www.bloomberg.com](http://www.bloomberg.com) 06/05/25)

## US services sector expands with hints of rising price pressures

The US services sector's growth picked up in April, while a measure of prices paid by businesses for materials and services raced to the highest level in more than 2 years, signaling a building up in inflation pressures due to tariffs. The Institute for Supply Management (ISM) shows services businesses were worried about the impact of President Donald Trump's tariffs on prices. ([www.reuters.com](http://www.reuters.com) 05/05/25)

## China service sector growth softens in April

China's service sector grew at the slowest pace in seven months in April as disruptions to goods trade amid fresh tariffs negatively impacted new work of some service providers, data from S&P Global reveals today. The Caixin Services Purchasing Managers' Index fell to 50.7 in April from 51.9 in March. The reading was forecast to drop moderately to 51.7. The score suggested that the sector continued to expand for 28 straight months. ([www.rttnews.com](http://www.rttnews.com) 06/05/25)

## Gold extends gains on demand from China following holidays

Gold extended gains following a surge of almost 3% on Monday [05/05] as the world's biggest bullion buyer came back from holiday, boosting demand despite a firmer dollar. The precious metal rose as much as 1.6% to above \$3,387 an ounce as China returned from a five-day break. Buyers have been piling into gold on the conviction that it's record-setting rally still has room to run. ([www.bloomberg.com](http://www.bloomberg.com) 06/05/25)

## Tariffs force Bank of England to consider faster pace of cuts

The Bank of England is set to cut interest rates by a quarter point this week and may even pave the way for a series of back-to-back reductions for the first time since 2009 as it responds to America's global trade war. ([www.bloomberg.com](http://www.bloomberg.com) 06/05/25)

## India service sector logs robust expansion

India's service sector logged a faster growth in April driven by a quicker increase in new order inflows, final survey results from S&P Global reveals today. The services Purchasing Managers' Index reached 58.7 in April, up from 58.5 in the previous month. But it was below the preliminary estimate of 59.1. The overall output growth was fueled by a notable rise in new business intake, which was the joint-best in 8 months. New export orders expanded the most since July 2024. ([www.rttnews.com](http://www.rttnews.com) 06/05/25)

### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.3277	(1.3283)	1.3278	(1.3285)
+USD/EUR	1.1307	(1.1327)	1.1308	(1.1328)
*GHS/USD	13.6432	(13.8931)	13.6568	(13.9070)
*GHS/GBP	18.1140	(18.4541)	18.1335	(18.4754)
*GHS/EUR	15.4280	(15.7378)	15.4420	(15.7519)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 06/05/25 (Rates for 05/05/25 in brackets)

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### **French industrial output growth eases more than forecast**

France's industrial production growth eased more than expected in March, the statistical office reveals. Industrial output grew only 0.2% in March from Feb. when production expanded 1.0%. Production was expected to climb 0.4%. Similarly, growth in manufacturing output more than halved to 0.6% from 1.3% in Feb. ([www.rttnews.com](http://www.rttnews.com) 06/05/25)

### **FOREX Dollar slides against peers, weighed down by fresh tariff worries**

The US dollar weakened against major currencies, including the yen and the euro, on Monday [05/05] as markets weighed continued uncertainty from President Donald Trump's tariff policies and their impact on the economy. ([www.reuters.com](http://www.reuters.com) 06/05/25)

### **Brazil's economy can grow 3% annually, Haddad says**

Brazilian Finance Minister Fernando Haddad said on Monday [05/05] the country has the conditions to grow at an average pace of 3% per year, which is the goal of President Luiz Inacio Lula da Silva's administration. Brazil's Finance Ministry officially projects 2.3% gross GDP growth for Latin America's largest economy this year. ([www.reuters.com](http://www.reuters.com) 05/05/25)

### **Mexico inflation rate seen rising in April but within target range - Reuters poll**

Mexico's annual inflation rate likely ticked up in April but remained within the central bank's target, analysts support expectations that the central bank will continue cutting its benchmark interest rate. The median estimate from 16 analysts was for the year-on-year headline inflation rate for April to rise to 3.90% from 3.80% in March. ([www.reuters.com](http://www.reuters.com) 05/05/25)

### **Hong Kong ramps up FX intervention to defend currency peg**

Hong Kong authorities ramped up sales of the local dollar as the greenback's slide threatened the foreign-exchange peg. The Hong Kong Monetary Authority sold a record HK\$60.5bn (\$7.8bn) of the city's currency, according to an alert sent on its Bloomberg page today in Asia. ([www.bloomberg.com](http://www.bloomberg.com) 06/05/25)

### **Oil climbs \$1 as price drop triggers buying; oversupply worries weigh**

Oil gained more than \$1 per barrel today, rebounding on technical factors and bargain hunting after a decision by OPEC+ to boost output sent prices down the previous session, although concerns about the market surplus outlook persisted. Brent crude futures rose \$1.15 to \$61.38 a barrel by 0623 GMT. ([www.reuters.com](http://www.reuters.com) 06/05/25)

### **Stocks drift, dollar steadies as focus turns to Asian currencies**

Global stocks were in a tight range today and the dollar clawed back some of its recent losses against Asian counterparts as investors' concerns about US tariffs and their impact on economic growth re-emerged. Those worries also kept crude prices languishing near four-year low. ([www.reuters.com](http://www.reuters.com) 06/05/25)

### **South African business activity stabilises as PMI hits neutral mark**

South Africa's private sector showed signs of stabilisation in April, emerging from a four-month downturn as sales picked up slightly and supply chains strengthened. The S&P Global South Africa Purchasing Managers' Index rose to 50.0 in April, up from 48.3 in March. ([www.reuters.com](http://www.reuters.com) 06/05/25)

### **IMF to begin 5th review of Egypt's economic programme this week**

The IMF will begin the fifth review of Egypt's \$8bn economic reform programme, with a team scheduled to arrive in Cairo this week, the IMF said on Monday [05/05]. The IMF board approved the fourth review on March 11, unlocking a disbursement of \$1.2bn in a 46-month IMF loan programme first approved in 2022. ([www.reuters.com](http://www.reuters.com) 05/05/25)

### **Ghana's banking sector vulnerable with high NPLs, low CAR – Fitch Solutions**

Ghana's banking sector is particularly vulnerable, with a high non-performing loan ratio of 21.8% and a Capital Adequacy Ratio of 14.0%. According to Fitch Solutions, this is a result of the domestic debt exchange programme and high interest rates. ([www.myjoyonline.com](http://www.myjoyonline.com) 05/05/25)

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