

Wednesday 18th June 2025

ECB has found ‘equilibrium’ on rates, prices, growth, Stournaras says

European Central Bank Governing Council member Yannis Stournaras says it seems the euro area has reached an equilibrium when it comes to inflation, banking-sector developments and economic growth. (www.bloomberg.com 17/06/25)

US manufacturing output barely rises in May

US factory production barely rose in May as a surge in motor vehicle and aircraft output was partially offset by weakness elsewhere, and the outlook for manufacturing remains clouded by tariffs. Manufacturing output edged up 0.1% last month after a downwardly revised 0.5% decline in April, the Fed said on Tuesday [17/06]. Economists had forecast production rebounding 0.2% after a previously reported 0.4% drop. (www.reuters.com 17/06/25)

Emerging market local currency debt could end decade-long drought as dollar wanes

A weakening US dollar is lifting a long-neglected asset class emerging market local currency debt after a more than decade-long drought. Emerging market local-currency bond funds saw a new record of inflows in the week to Wednesday [18/06], according to EPFR data, notching eight straight weeks of inflows. (www.reuters.com 17/06/25)

Fed to hold rates steady again as officials wait for more clarity on economy

Federal Reserve officials are widely expected to leave interest rates unchanged for a fourth straight meeting today, reiterating they want more clarity on the economic impact of a wide array of government policy changes before adjusting borrowing costs. Policymakers have warned President Donald Trump’s tariffs could boost inflation and unemployment. (www.bloomberg.com 17/06/25)

PBOC Chief envisions new world currency order after dollar reign

People’s Bank of China Governor Pan Gongsheng laid out his vision for the future of a new global currency order after decades of dollar dominance, predicting a more competitive system will take root in the years to come. (www.bloomberg.com 18/06/25)

UK inflation holds at highest level in more than a year

UK inflation remained at its highest level in over a year, keeping price pressures uncomfortably high as the Bank of England prepares to give its latest signal on whether it will carry on cutting interest rates amid the threat of another energy price spike. CPI was 3.4% in May, slightly above economists’ expectations for 3.3% and in line with BOE forecasts. (www.bloomberg.com 18/06/25)

German economic sentiment strengthens in June

Investor confidence in Germany improved more than expected in June underpinned by rising consumer demand and spending plans of the new government, think tank ZEW showed on Tuesday [17/06]. The ZEW Indicator of Economic Sentiment surged to a three-month high of 47.5 in June from 25.2 in the previous month. (www.rttnews.com 17/06/25)

Japan’s exports drop raises recession risks as US tariffs bite

Japan’s exports fell for the first time in eight months as the US tariff campaign weighed on global trade, raising the risk of a technical recession after the economy contracted at the start of the year. Exports measured by value dropped 1.7% in May from a year earlier led by cars, steel and mineral fuel, the Ministry of Finance reported today. While the fall was smaller than the median analyst estimate of a 3.7% decline. (www.bloomberg.com 18/06/25)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.3507	(1.3589)	1.3509	(1.3590)
+USD/EUR	1.1533	(1.1582)	1.1534	(1.1582)
*GHS/USD	10.2949	(10.2949)	10.3052	(10.3052)
*GHS/GBP	13.9053	(13.9897)	13.9212	(14.0047)
*GHS/EUR	11.8737	(11.9234)	11.8863	(11.9351)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 18/06/25 (Rates for 17/06/25 in brackets)

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BOJ to slow pace of bond tapering next year as fresh risks emerge

The Bank of Japan kept interest rates steady on Tuesday and decided to decelerate the pace of its balance sheet drawdown next year, signaling its preference to move cautiously in removing remnants of its massive, decade-long stimulus. (www.reuters.com 17/06/25)

BOK warns of inflation risks from US tariffs, Israel-Iran crisis

While South Korea's inflation has stabilized near the central bank's 2% target, US tariffs and the Israel-Iran conflict are adding uncertainty to the outlook, according to the Bank of Korea. Households also remain burdened by high costs of essentials like food and housing, the BOK said in a semiannual review of inflation published today. (www.bloomberg.com 18/06/25)

Dollar wobbles as investors monitor Israel-Iran conflict ahead of Fed decision

The U.S. dollar wavered against most major currencies today, as fighting between Israel and Iran left investors nervous ahead of a keenly awaited Fed decision on interest rates later in the day. Israel has pounded Iran over the past 6 days to halt its nuclear activity and has asserted the need for a change of government in the Islamic Republic. (www.reuters.com 18/06/25)

Hong Kong jobless rate rises to 3.5%

Hong Kong's unemployment rate increased in the March-May period, labor force statistics from the Census and Statistics Department showed on Tuesday [17/06]. The seasonally adjusted unemployment rate stood at 3.5% in March-May, up slightly from 3.4% in the Feb.-April period. (www.rttnews.com 17/06/25)

Sweden jobless rate rises to 9.7%

Sweden's jobless rate increased further in May to the highest level in 4 months, Statistics Sweden has said. The unadjusted unemployment rate rose to 9.7% in May from 8.9% in April. In the same month last year, the jobless rate was 8.7 %. The number of unemployed increased to 561,000 persons in May from 513,000 persons in April. (www.rttnews.com 17/06/25)

World oil demand to keep growing this decade despite 2027 China peak, IEA says

Global oil demand will keep growing until around the end of this decade despite peaking in top importer China in 2027, as cheaper gasoline and slower electric vehicle adoption in the US support consumption, the International Energy Agency said. (www.reuters.com 17/06/25)

Oil prices ease as Iran-Israel conflict enters sixth day

Oil prices eased in Asian trade today, after a gain of 4% from the previous session, as markets weighed the chance of supply disruptions from the Iran-Israel conflict against a US Fed rates decision that could weigh on oil demand. Brent crude futures slipped 49 cents, or 0.6%, to \$75.96 a barrel by 0620 GMT. (www.reuters.com 18/06/25)

Zimbabwe maintains policy rate to ensure economic stability

Zimbabwean monetary authorities have decided to maintain the bank policy rate at 35 percent to ensure economic stability amid global trade tensions, Reserve Bank of Zimbabwe (RBZ) Governor John Mushayavanhu said on Tuesday [17/06]. (www.xinhuanet.com 18/06/25)

We have built adequate buffers to withstand external threats – BoG Governor assures

The Governor of the Bank of Ghana (BoG) Dr. Johnson Asiama has assured that the country has built the needed buffers to withstand external threats to the economy, particularly from the Iran Israel war in the Middle East. He said, "Ghana's foreign reserve position, inflation trajectory, and fiscal adjustment efforts provide a solid cushion for the country now". (www.myjoyonline.com 18/06/25)

BoG unveils new policy measures to boost digital financial ecosystem

The Bank of Ghana has announced a series of new policy measures aimed at strengthening Ghana's digital economy and enhancing the operations of financial technology firms, which will require all financial service providers to adopt interoperable digital identity standards. (www.myjoyonline.com 18/06/25)

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