



Thursday, 31 July 2025

Eurozone economy fares better than expected in Q2

The euro area economy logged better-than-expected growth in the second quarter, but the pace of expansion slowed markedly as the first quarter performance was inflated after US importers frontloaded their orders to reduce the cost burden of higher tariffs. GDP grew 0.1 percent sequentially, after rising 0.6 percent in the first quarter, flash estimate from Eurostat showed on Wednesday [30/07].

(www.rttnews.com 30/07/25)

Eurozone economic confidence rises to 5-month high

Euro area economic sentiment improved to a five-month high in July largely driven by stronger confidence in industry, services and retail trade, survey data from the European Commission shows. The economic sentiment index rose to 95.8 in July from 94.2 in June.

(www.rttnews.com 30/07/25)

Trump unleashes a flurry of trade surprises on eve of deadline

Donald Trump unleashed a series of tariff deals and demands on the eve of his Friday deadline, including surprises on India and copper as the US president attempts to create a new global trade order. Trump on Wednesday [30/07] announced tariffs of 15% on imports from South Korea that matched the rate for neighbour Japan. (www.bloomberg.com 31/07/25)

Fed holds interest rates, points to slowing economic activity

Fed officials left interest rates unchanged but downgraded their view of the US economy, sign policymakers could be edging closer to lowering borrowing costs. "Although swings in net exports continue to affect the data, recent indicators suggest that growth of economic activity moderated in the first half of the year," officials said. (www.bloomberg.com 30/07/25)

China issues over CN¥2.6tr in new local government bonds in H1

China's local governments issued new bonds worth over CN¥2.6tr (about \$365.71bn) in the first six months of this year, data from the Ministry of Finance showed on Wednesday [30/07]. Of the total, general-purpose bond issuance came in at CN¥452bn for the period and special-purpose bond issuance amounted to over CN¥2.1tr. (www.xinhuanet.com 30/07/25)

China factory activity cools as demand abroad, at home weakens

China's manufacturing activity shrank for a fourth straight month in July, an official survey showed today, suggesting a surge in exports ahead of higher US tariffs. The domestic demand remained sluggish. The purchasing managers' index fell to 49.3 in July versus 49.7 in June. (www.reuters.com 31/07/25)

German economy shrinks as expected

The German economy shrank slightly as expected in the second quarter, figures from Destatis reveals. GDP fell 0.1% sequentially, in line with forecast, and reversed the downwardly revised 0.3% growth in the first quarter. On a yearly basis, the economy logged a calendar-adjusted growth of 0.4% after rising 0.3% in Q1. (www.rttnews.com 30/07/25)

Germany unveils 2026 budget draft with record investment plans

Germany's cabinet on Wednesday [30/07] approved the federal budget draft for 2026, marking the second consecutive year of record-high investment as the government aims to modernize infrastructure and bolster national security. The draft, presented by Finance Minister Lars Klingbeil, sets expenditures at €520.5bn (\$597bn) for 2026, a 3.5% increase over the 2025 budget, yet to be approved by parliament. (www.xinhuanet.com 30/07/25)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.3277	(1.3343)	1.3278	(1.3344)
+USD/EUR	1.1471	(1.1547)	1.1472	(1.1547)
*GHS/USD	10.4948	(10.4748)	10.5053	(10.4852)
*GHS/GBP	13.9339	(13.9765)	13.9489	(13.9915)
*GHS/EUR	12.0400	(12.0956)	12.0509	(12.1076)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 31/07/25 (Rates for 30/07/25 in brackets)

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BOJ turns less gloomy on economy, keeps rate-hike chance alive

The Bank of Japan revised up its inflation forecasts and offered a less gloomy outlook on the economy than 3 months ago, keeping alive the possibility of a resumption in interest rate hikes this year. The central bank maintained a pledge to keep hiking borrowing costs if economic and price developments moved in line with forecasts. (www.reuters.com 30/07/25)

Bank of Canada holds rates steady and says global trade war risk has eased

The Bank of Canada held its key policy rate at 2.75% for the third time in a row as expected, and said the risk of a severe and escalating global trade war had diminished. But for the second consecutive quarter, the central bank declined to give detailed forecasts for the Canadian economy, citing the uncertainty around US trade policy. (www.reuters.com 30/07/25)

IMF upgrades Malaysia's growth forecasts for 2025, 2026

The IMF on Wednesday [31/07] upgraded Malaysia's economic growth projections for 2025 and 2026. The IMF said in its latest World Economic Outlook report that it now projects Malaysia's real GDP to grow by 4.5% and 4% in 2025 and 2026, respectively. (www.xinhuanet.com 30/07/25)

Portugal economy rebounds in Q2

Portugal's economy expanded in the second quarter after shrinking in the first three months of the year as exports and private consumption recovered, estimates from Statistics Portugal showed. GDP increased 0.6% from Q1, when it decreased 0.4%, flash estimates revealed. (www.rttnews.com 30/07/25)

Chile cuts rates for first time this year

The Central Bank of Chile has made its first rate cut in 2025, as the threat of tariffs on the country's core exports further clouds the economic outlook. The Bank's MPC on July 29 reduced its benchmark rate by 25 basis points to 4.75% in a unanimous decision. (www.centralbanking.com 30/07/25)

Oil steady as market weighs Trump tariff threats, surprise US stockbuild

Oil prices steadied today as investors weighed the risk of supply shortages amid US President Trump's push for a swift resolution to the war in Ukraine through more tariffs. Brent crude futures for Sept.; set to expire today and fell 10 cents to \$73.14 a barrel by 0345 GMT. (www.reuters.com 31/07/25)

African central banks' gold rush faces liquidity, price risks, Fitch unit says

Sub-Saharan African central banks that have added gold to their reserves in recent years could face price and liquidity crises if the value of the precious metal slides, BMI, a unit of Fitch Group, said. Ghana, Tanzania and Nigeria have been buying gold domestically to beef up their reserves, BMI said. (www.reuters.com 30/07/25)

Tunisia's central bank keeps key interest rate at 7.5%

Tunisia's central bank said it had kept its benchmark interest rate unchanged at 7.5%, after cutting it in March for the first time in 5 years. Tunisia's inflation rate stood to 5.4% in June, its lowest level in 5 years. The government projects inflation will average 6.2% this year, down from 7% in 2024. (www.reuters.com 30/07/25)

Zambia wants to extend IMF loan programme by 12 months

Zambia's government wants to extend its IMF programme another 12 months beyond its current expiry at the end of Oct., a cabinet statement said. The country has been trying to get its public finances back on track with IMF support after running up a huge debt pile. (www.reuters.com 30/07/25)

MPC of BoG cuts policy rate sharply to 25%

The Monetary Policy Committee (MPC) of the Bank of Ghana (BoG) has significantly reduced the policy rate to 25 percent from 28 percent. The chairman of the committee, who is also the Governor of the BoG, Dr. Johnson Asiamah made the announcement on Wednesday July 30, 2025, at a press briefing in Accra. (www.myjoyonline.com 30/07/25)

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