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Global investors flock to ex-US markets for better growth, valuations

Global ex-US equity funds received their biggest inflows in more than four-and-a-half years in July, as investors redirected capital away from the United States on concerns over the economy, stretched stock values, and a weakening dollar. These funds began seeing inflows earlier this year as President Donald Trump's economic policies hurt the appeal of US markets. (www.reuters.com 13/08/25)

European Q2 corporate profit outlook improves further

The outlook for European corporate health has considerably improved, the latest earnings forecasts show, showing a continued rise after the extension of the US-China tariff truce and the EU-US trade deal. European companies are expected to report 4.8% growth in Q2 earnings, on average, according to LSEG I/B/E/S data. (www.reuters.com 12/08/25)

US deficit grows to \$291bn in July despite tariff revenue surge

The US government's budget deficit grew nearly 20% in July to \$291bn despite a nearly \$21bn jump in customs duty collections from President Donald Trump's tariffs, with outlays growing faster than receipts, the Treasury Department said on Tuesday [12/08]. The deficit for July was up 19%, or \$47bn, from July 2024. (www.reuters.com 12/08/25)

US small business optimism up but uncertainty clouds outlook

US small-business sentiment rose in July, though owners were becoming increasingly uncertain about the economic outlook and many worried about the quality of labour available. The National Federation of Independent Business said its Small Business Optimism Index rebounded 1.7 points to 100.3 last month. (www.reuters.com 12/08/25)

Investors double down on September Fed cut after CPI

Investors are betting harder on a Sept., Fed interest rate cut after last month's mild inflation bump, which indicated the pass-through from President Trump's sweeping import duties to goods prices so far been limited. July inflation numbers released on August 12 came in largely within expectations. (www.reuters.com 12/08/25)

China consumer loan subsidy seen driving trillions in new credit

China's fresh consumer subsidy program could spur several trillion yuan in new loans to boost spending, helping the world's second-largest economy amid a tariff standoff with the US, analysts said. The government's plan to support banks in lending to consumers would stimulate ¥5tr (\$696bn) of newly issued loans, assuming the subsidies reach ¥50bn, analysts say. (www.bloomberg.com 13/08/25)

UK labour market cools in Q2

The UK labour market softened in Q2 as wage growth eased, the unemployment rate held steady at a four-year high and job vacancies continued to decline sharply, official data revealed on Tuesday [12/08]. The ILO jobless rate held steady at 4.7% in Q2, figures from the Office for National Statistics revealed and was in line with expectations. (www.rttnews.com 12/08/25)

German ZEW economic confidence deteriorates on trade deal

Economic sentiment in Germany deteriorated sharply in August due to the disappointing trade agreement reached with the US, and due to the declining economic output in Q2, results of the monthly survey conducted by the think tank ZEW said on Tuesday [12/08]. The ZEW Indicator of Economic Sentiment plummeted to a three-month low of 34.7 in August from 52.7 in July. (www.rttnews.com 12/08/25)

EXCHANGE RATES OF SELECTED CURRENCIES

| CURRENCIES | BUYING | | SELLING | |
|------------|---------|-----------|---------|-----------|
| +USD/GBP | 1.3519 | (1.3413) | 1.3520 | (1.3414) |
| +USD/EUR | 1.1691 | (1.1604) | 1.1692 | (1.1605) |
| *GHS/USD | 10.6247 | (10.5947) | 10.6353 | (10.6053) |
| *GHS/GBP | 14.3635 | (14.2107) | 14.3789 | (14.2259) |
| *GHS/EUR | 12.4230 | (12.2940) | 12.4342 | (12.3062) |

+SOURCE: BOG INTERNAL TRANSACTION RATES: 13/08/25 (Rates for 12/08/25 in brackets)

* BOG INTERNAL TRANSACTION RATES: 13/08/25 (Rates for 12/08/25 in brackets)

Japan manufacturers' sentiment rises in August after US trade deal, but tariffs cloud outlook

Japanese manufacturers grew more confident about business conditions in Aug., after a trade agreement between Tokyo and Washington but remained cautious about the outlook due to potential US tariff impacts, a Reuters Tankan poll showed. (www.reuters.com 12/08/25)

Australia's CBA posts record annual profit, but investors shed pricey shares

Commonwealth Bank of Australia reported its best full-year cash earnings of A\$10.25bn (\$6.69Bn) and a record dividend payout today, but investors dumped shares in the bank considered one of the most expensive in the whole world. (www.reuters.com 13/08/25)

Korea to spend \$150bn to fund President Lee's policy goals

South Korea unveiled a ₩210tr (\$152bn) fiscal plan for 2026-2030 to support President Lee Jae Myung's core pledges, with funding to be drawn from enhanced revenue measures and greater spending efficiency. The plan, announced today by the state affairs planning committee, will allocate funds across 123 projects. (www.bloomberg.com 13/08/25)

Portugal inflation confirmed at 2.6%

Portugal's consumer price inflation increased slightly as initially estimated in July, the latest data from Statistics Portugal showed on Tuesday [12/08]. CPI rose to 2.6% in July from 2.4% in June. That was in line with the flash data published on July 31. The annual price growth in unprocessed products quickened to 6.1% from 4.7%. (www.rttnews.com 12/08/25)

Philippines to borrow \$47bn in 2026 as budget gap widens

The Philippine government plans to borrow 2.68tr pesos in 2026, slightly higher than this year's estimate, as it seeks to spend more for priority projects including infrastructure, education and healthcare. President Marcos Jr. told the nation last month that the gov't plans to roll out more social programs. (www.bloomberg.com 13/08/25)

Oil stable as market waits for inventory data, US-Russia meeting

Oil prices were steady as investors awaited clearer indications of US inventory data, while eyeing an upcoming meeting between US President Donald Trump and Russian President Vladimir Putin. Brent crude futures were flat at \$66.12 a barrel at 0330 GMT, while US West Texas Intermediate crude futures dipped 6 cents to \$63.11. (www.reuters.com 13/08/25)

Gold prices remain range-bound before inflation test

Gold prices were moving in a narrow range following a 1.6% drop on Monday[11/08] after US President Donald Trump declared that gold imports would not face additional tariffs. Spot gold edged up by 0.2% to \$3,348.94 per ounce in European trade. (www.rttnews.com 12/08/25)

South African jobless rate rises, highlighting coalition challenge

South Africa's unemployment rate rose for the second quarter in a row, official data showed on Tuesday, August 12, highlighting one of the biggest challenges faced by the country's year-old coalition government. The official unemployment rate stood at 33.2% in April-June. (www.reuters.com 12/08/25)

Kenya central bank cuts rates for seventh time with inflation in target

Kenya's central bank lowered its benchmark lending rate (KECBIR=ECI), by 25 basis points on Tuesday[12/08], saying there was room to ease monetary policy further as inflation remains well within target. (www.reuters.com 12/08/25)

Ghana's fiscal deficit to end 2025 at 3.9% of GDP

Ghana's fiscal deficit is expected to end 2025 at 3.9% of Gross Domestic Product (GDP), higher than the 3.8% projected by the government. According to IC Research, a leading economic research firm, the government's commitment to sustain expenditure rationalisation measures in the second half of 2025, while driving revenue growth will trigger this. (www.myjoyonline.com 12/08/25)

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