


 Thursday, 21st August 2025

Six central banks report increase in AML/CFT risks

One in 10 central banks experienced an increase in anti-money laundering and countering the financing of terrorism (AML/CFT) risks in the past year, the Financial Stability Benchmarks 2025 find. Six of 43 respondents (14%) reported an increase in AML/CFT risks for the year in review. Just over a tenth (11.6%) of respondents indicated a decrease in the rate of AML/CFT risks.

(www.centralbanking.com 20/08/25)

Eurozone inflation remains at 2% as estimated

Eurozone inflation remained unchanged at the European Central Bank's 2% target in July, Eurostat said. The harmonized index of consumer prices rose 2.0% year-on-year in July, the same rate of increase as seen in June. The rate matched the estimate published on August 1. (www.rttnews.com 20/08/25)

ECB urged to target banks trailing on climate

The European Central Bank should impose greater so-called haircuts on the debt of banks most exposed to climate risk, in a move that would impact the funding costs of environmental laggards. That's according to the Anthropocene Fixed Income Institute, scrutinizing ECB's support of polluting bond issuers for years. (www.bloomberg.com 20/08/25)

Fed minutes show majority of FOMC saw inflation as greater risk

Most Fed officials highlighted inflation risks as outweighing concerns over the labour market at their meeting last month, as President Trump's tariffs fueled a growing divide within the central bank's rate-setting committee. Officials acknowledged worries over inflation and unemployment. (www.bloomberg.com 20/08/25)

Currencies steady as investors ponder Fed independence, await Powell speech

The US dollar drifted today as investors fretted about the Federal Reserve's independence after yet another attack from President Donald Trump ahead of remarks from Chair Jerome Powell later this week that could influence the outlook for rates. (www.reuters.com 21/08/25)

China's 30-year bond yields jump to highest level this year

China's 30-year yield rose to its highest level this year as expectations of a favourable outcome from trade talks with the US and Beijing's efforts to bolster the economy spur traders to switch to stocks from bonds. Yields rose a basis point to 2.12%, the highest since December, according to data compiled by Bloomberg. (www.bloomberg.com 21/08/25)

UK inflation hits 18-month high

UK consumer price inflation accelerated to an 18-month high in July on airfares and food prices, suggesting that the Bank of England is likely to delay further easing. The CPI posted an annual growth of 3.8% after rising 3.6% in June, the Office for National Statistics said. Inflation continued to remain stubbornly above the 2% target and hit the highest since January 2024. (www.rttnews.com 20/08/25)

German producer prices fall 1.5%

Germany's producer prices declined for the fifth straight month in July amid cheaper energy prices, data from Destatis showed on Wednesday [20/08]. The producer price index dropped 1.5% year-on-year in July, faster than the 1.3% fall in June. Energy prices alone logged an annual decline of 6.8% in July. Intermediate goods were also less expensive, down 0.9% from the previous year. On the other hand, consumer goods were 3.5% more expensive. (www.rttnews.com 20/08/25)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.3466	(1.3495)	1.3467	(1.3496)
+USD/EUR	1.1660	(1.1663)	1.1661	(1.1663)
*GHS/USD	10.8146	(10.7945)	10.8254	(10.8053)
*GHS/GBP	14.5629	(14.5672)	14.5786	(14.5828)
*GHS/EUR	12.6108	(12.5905)	12.6221	(12.6018)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 21/08/25 (Rates for 20/08/25 in brackets)

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Germany's economic recovery squeezed amid US tariff pressure, weak demand

Germany's economy, long hailed as the engine of Europe, is losing steam. Data released by the Fed Statistics Office shows its economy contracted by 0.1% in Q2 of 2025, erasing modest gains earlier this year and falling short of forecasts. (www.xinhuanet.com 21/08/25)

BOJ chief's dogged caution tempers board's hawkish instincts

In 2024, Kazuo Ueda delivered Japan's first-interest rate hike in 17 years, a bold shift for a central bank once dominated by advocates of ultra-loose monetary settings. Now, the Bank of Japan head is among the policy board's least hawkish members. The 73-year-old governor attends the Fed Reserve's Jackson Hole annual symposium this week. (www.reuters.com 20/08/25)

Italy current account surplus grows in June

Italy's current account surplus increased in June from the previous year, the Bank of Italy reported Wednesday [20/08]. The current account surplus rose to €5.74bn from €3.90bn in the corresponding month last year. The goods trade surplus increased to €5.53bn from €5.18bn. Similarly, the surplus in services trade climbed to €1.74m from €1.17m.

(www.rttnews.com 20/08/25)

Austria inflation rises more than estimated

Austria's consumer price inflation increased more than initially estimated in July to the highest level in more than a year, data from Statistics Austria shows. The CPI climbed 3.6% year-on-year in July, faster than the 3.3% increase in June. This was the fastest increase since April 2024. (www.rttnews.com 20/08/25)

Denmark GDP grows 1.3% In Q2

The Danish economy rebounded in the second quarter on the back of strong growth in the pharmaceutical industry, a flash estimate from Statistics Denmark showed on August 20. Gross domestic product rose 1.3% sequentially in the second quarter, reversing a 1.3% decline in the first quarter, which was the first decrease since Q4 of 2023. (www.rttnews.com 20/08/25)

Oil extends gains amid signs of strong demand

Oil prices extended gains on Thursday[21/08], bolstered by signs of strong demand in the US, with uncertainty over efforts to end the war in Ukraine also lending support. Brent crude futures hit a two-week high in early trade and were up 27 cents, or 0.40%, to \$67.11 a barrel at 0442 GMT. (www.reuters.com 21/08/25)

South Africa's inflation pushed to 10-month high by food and fuel prices

South Africa's consumer price inflation rose to 3.5% year-on-year in July, driven to its highest level since Sept., 2024 by higher food and fuel prices though still within the central bank's target range. The increase from June's 3.0% reading matched economists' expectations.

(www.reuters.com 20/08/25)

Kenya expects faster growth in 2025, signs yen-denominated loan with Japan

Kenya's economic growth this year is expected to exceed official forecasts despite higher US tariffs and other challenges, President Ruto said. Kenya's economy is forecast to grow by 5.6% this year, Ruto said, more than the 4.7% recorded last year. (www.reuters.com 20/08/25)

Uganda negotiates debt financing for 85% of planned \$3bn railway project

Uganda is in talks with development finance institutions and credit export agencies to have 85% of a planned railway project financed with debt, a senior official said on Wednesday [20/08], amid concerns over an already-high public debt pile. (www.reuters.com 20/08/25)

Ghana: Stop foreign currency cash payments to large corporates without deposits – BoG

The Bank of Ghana has directed commercial banks, with immediate effect, to halt the payment of foreign currency cash to large corporates if such payments are not backed by deposits. It said, commercial banks can only proceed with such transactions if they are “fully supported by equivalent foreign cash deposits lodged by the same institution at the Bank.” (www.myjoyonline.com 20/08/25)

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