



Wednesday 18<sup>th</sup> February 2026

**IMF urges Japan to avoid fiscal risk of cutting sales tax**

The IMF warned Japan against cutting its sales tax when borrowing costs on public debt are set to double, comments that come as Prime Minister Sanae Takaichi prepares to debate on a potential suspension of the tax on food. “The authorities should avoid reducing the consumption tax, an untargeted measure that would erode fiscal space and add to fiscal risks,” it said. ([www.bloomberg.com](http://www.bloomberg.com) 18/02/26)

**ECB says Lagarde has not taken decision on term end after FT Report**

European Central Bank President Christine Lagarde is expected to step down from her role before her eight-year term ends in October 2027, the Financial Times reported. Lagarde wants to leave before the French presidential election in April next year, which will allow French President Emmanuel Macron and German Chancellor Friedrich Merz to find her replacement. ([www.bloomberg.com](http://www.bloomberg.com) 18/02/26)

**The US economy is turning**

Last week, financial markets were prepared for a story about AI displacing workers in the US labour market. Economists were drawing up scenarios for the US economy without any net job creation. And the Trump administration was getting ready for some ugly data to explain away. The US economy created 130,000 jobs last month and an average of 30,000 roles a month in the year to Jan. 2026. ([www.ft.com](http://www.ft.com) 17/02/26)

**US markets and the economy are heading into uncharted territory**

The US economy currently is quite strong. Nominal GDP in the latest reported quarter was more than 8%, which is the strongest growth in 20 years apart from the post-pandemic period. This excludes the inflation adjustments in the headline economic growth figures. ([www.ft.com](http://www.ft.com) 17/02/26)

**US and Japan unveil first mega-projects under \$550bn trade deal**

The US and Japan have unveiled the first 3 industrial projects in America to receive financing under a \$550bn trade deal struck last year that protected Japanese companies from the worst of President Donald Trump’s tariffs. The plans, worth a combined \$36bn, followed months of negotiations and marked the first step in Japan’s commitment to act as chief financier for projects in critical sectors of the US economy. ([www.ft.com](http://www.ft.com) 18/02/26)

**Fed’s Goolsbee sees several rate cuts if inflation falls**

Federal Reserve Bank of Chicago President Austan Goolsbee said Tuesday there is potential for more interest rate cuts this year, if inflation continues to return towards the central bank’s 2% target. Warning that services inflation remains elevated, Goolsbee said if price hikes linked to tariffs are one-off, it could allow policymakers room to move. ([www.bloomberg.com](http://www.bloomberg.com) 17/02/26)

**China reports current account surplus in 2025**

China's current account recorded a surplus of \$734.9bn in 2025, preliminary data from the State Administration of Foreign Exchange showed. The capital and financial accounts, including net errors and omissions for the fourth quarter, recorded a deficit of \$760.2bn in 2025. ([www.xinhuanet.com](http://www.xinhuanet.com) 18/02/26).

**UK inflation falls sharply to 3% in January**

UK inflation fell sharply to 3% in January, strengthening the case for the Bank of England to cut interest rates as soon as its next meeting in March. Wednesday’s figure from the Office for National Statistics marked a slowdown from December’s 3.4% figure and was the lowest rate since last spring. It was in line with the expectations of economists polled by Reuters. ([www.ft.com](http://www.ft.com) 18/02/26)

**EXCHANGE RATES OF SELECTED CURRENCIES**

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.3507	(1.3629)	1.3508	(1.3630)
+USD/EUR	1.1813	(1.1853)	1.1814	(1.1854)
*GHS/USD	10.9944	(10.9935)	11.0054	(11.0045)
*GHS/GBP	14.8501	(14.9830)	14.8661	(14.9991)
*GHS/EUR	12.9900	(13.0321)	13.0017	(13.0439)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 18/02/26 (Rates for 17/02/26 in brackets)

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### **German economic confidence falls unexpectedly**

German economic confidence weakened unexpectedly in Feb. after a strong rebound at the start of the year, the financial market survey conducted by the think tank ZEW showed Tuesday [17/02]. The ZEW indicator of economic sentiment dropped to 58.3 in Feb. from 59.6 in Jan. which was the highest since July 2021. ([www.rttnews.com](http://www.rttnews.com) 17/02/26)

### **Japan exports jump, business mood improves as IMF warns of risks to growth**

Japan's exports jumped in Jan. and manufacturers' confidence improved this month, data showed today, offering Tokyo some hope that robust Asian demand will help shore up a stuttering economy as it navigates global and domestic risks.

([www.reuters.com](http://www.reuters.com) 18/02/26)

### **Canadian annual inflation rate edges down in January as gasoline costs drop**

Canada's annual inflation rate in Jan. accelerated at a slower pace than the previous month as a big drop in gasoline prices helped cushion the impact of higher food and clothing prices, Statistics Canada said on Tuesday [17/02]. The CPI rose 2.3% in Jan. compared with 2.4% in Dec. ([www.reuters.com](http://www.reuters.com) 17/02/26)

### **Italy trade surplus grows in December**

Italy's trade surplus increased in Dec. from a year ago as exports grew faster than imports, the statistical office ISTAT reported Tuesday [17/02]. The trade surplus rose to a 5-month high of €6.04bn in Dec. from a €5.15bn surplus in the corresponding month last year. In Nov. the surplus was €5.1bn.

([www.rttnews.com](http://www.rttnews.com) 17/02/26)

### **Irish trade surplus rises in December**

Ireland's foreign trade surplus increased in Dec. as imports fell faster than exports, figures from the central statistics office showed on Tuesday [17/02]. the seasonally adjusted trade surplus rose to €4.9bn in Dec from €4.1bn in the previous month. in the corresponding month last year, the trade balance showed a surplus of €6.7bn. ([www.rttnews.com](http://www.rttnews.com) 17/02/26)

### **Oil trims losses as traders weigh progress in US–Iran talks**

Oil prices steadied in Asian trade on Wednesday after falling about 2% in the previous session as investors assessed progress in U.S.–Iran talks but remained cautious about the prospects of a final deal that could ease supply concerns. Brent futures rose 23 cents or 0.34% to \$67.65 a barrel by 0412 GMT. ([www.reuters.com](http://www.reuters.com) 17/02/26)

### **South Africa's unemployment rate drops to 31.4% in Q4 2025**

South Africa's official unemployment rate fell by 0.5 percentage points to 31.4% in Q4 of 2025. According to the Quarterly Labor Force Survey released by Statistics South Africa the number of employed persons rose by 44,000 to 17.1m in Q4. ([www.xinhuanet.com](http://www.xinhuanet.com) 18/02/26).

### **Mozambique needs fiscal consolidation as financing problems mount, IMF says**

Mozambique needs to implement ambitious fiscal consolidation measures to mitigate worsening debt dynamics, delays in debt servicing and limited external financing that weigh on the economy, the IMF warned. The fiscal deficit is projected to have narrowed to 4.5% of GDP last year from 6.2% in 2024. ([www.reuters.com](http://www.reuters.com) 17/02/26)

### **Ghana: Gov't pays GH¢10bn in DDEP interest, signals strong fiscal health**

Government has paid GH¢10bn in interest under the Domestic Debt Exchange Programme marking a major milestone in the country's fiscal consolidation efforts. The payment, , is the sixth coupon settlement under the programme and the second made entirely in cash. ([www.myjoyonline.com](http://www.myjoyonline.com) 18/02/26).

### **Cedi safe amid digital asset growth – BoG**

The Bank of Ghana has clarified that digital innovation, and virtual assets will not sideline or weaken the Ghana cedi, assuring the public that the local currency remains central to the country's monetary system. The bank said digital financial developments are intended to complement not undermine the cedi. ([www.myjoyonline.com](http://www.myjoyonline.com) 17/02/26).

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