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World Bank cuts global growth outlook to 2.5%, warns of drop to 1.3% if war fallout spreads to markets

The World Bank on Thursday [11/06] cut its global growth forecast for 2026 to 2.5% due to the war in the Middle East, and said growth could slow to just 1.3% if energy supply disruptions prove more severe and come with substantial stress in financial markets. Global growth reached 2.9% in 2025, the bank said in its semi-annual Global Economic Prospects, up 0.2 percentage point from its estimate in Jan. (www.reuters.com 11/06/26)

World Bank says two-thirds of economies face hit from Iran war

The World Bank cut its outlook for global growth this year and said two-thirds of economies have seen prospects deteriorate as the Middle East war disrupts commodity flows and raises the cost of imports. The world economy will expand 2.5% in 2026, the Washington-based lender said in a report published Thursday [11/06]. (www.bloomberg.com 11/06/26)

ECB raises interest rates in long-telegraphed move

The ECB raised interest rates as expected, hoping to prevent an Iran war-induced surge in energy prices from broadening out into higher inflation. Surging costs for oil and gas helped push inflation across the 21-nation euro zone above 3% last month, far exceeding the ECB's 2% target, and further increases are almost certain as the conflict lasts longer than most had predicted. (www.reuters.com 11/06/26)

ECB keeping its options open for July, Nagel says

The ECB will keep all options open for its July policy meeting and will be ready to act again if necessary to stop an Iran-war-induced energy price surge from spreading, Bundesbank President Joachim Nagel said today. (www.reuters.com 11/06/26)

Supervision must be forward-looking, says ECB's Donnery

Banking supervision must be conducted in a forward-looking manner to capture an increasingly complex risk landscape, a member of the ECB's supervisory board has said. Delivering the keynote speech on the second day of the Central Banking London Meetings, Sharon Donnery rejected the idea that supervision should be watered down to promote growth. (www.centralbanking.com 11/06/26)

ECB governors eye July pause after first hike, sources says

ECB policymakers see keeping interest rates on hold at their next meeting in July as the more likely scenario, if energy prices stayed near their current level, two sources told Reuters. The ECB raised interest rates for the first time in nearly three years on Thursday [11/06] in the hope of curbing inflation before a surge in fuel costs triggered by the Iran war spreads more broadly across the euro zone economy. (www.reuters.com 11/06/26)

Four developed market central banks are now hiking rates

The developed market rate-hiking club is getting bigger, as the ECB on Thursday [11/06] joined counterparts in Australia, Norway and Japan in tightening monetary policy, while more central banks are set to follow in the coming months. (www.reuters.com 11/06/26)

US producer prices rise at fastest pace since November 2022

US producer prices rose in May at the fastest pace in more than three years as the fallout from the Iran war continued to fan inflation pressures. The producer price index increased 6.5% from a year earlier, the most since November 2022, according to Bureau of Labor Statistics data out Thursday. It advanced 1.1% from April. (www.bloomberg.com 11/06/26)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.3333	(1.3390)	1.3334	(1.3391)
+USD/EUR	1.1509	(1.1554)	1.1510	(1.1555)
*GHS/USD	11.0445	(11.4943)	11.0555	(11.5058)
*GHS/GBP	14.7256	(15.3908)	14.7414	(15.4073)
*GHS/EUR	12.7120	(13.2805)	12.7120	(13.2937)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 11/06/26 (Rates for 10/06/26 in brackets)

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UK economy began to feel fallout from Iran war in April, data shows

Britain's economy contracted by 0.1% in April, its first monthly drop since August as the Iran war's cancellation of Formula 1 Grand Prix races and other Gulf sporting events delivered a blow to the British entertainment industry. (www.reuters.com 12/06/26)

UK regulator shuts payments firm on money laundering concerns

Britain's Financial Conduct Authority (FCA) succeeded in shuttering Euro Exchange Securities on Thursday [11/06] after London's High Court approved the regulator's application to appoint administrators for the payments firm. Euro Exchange Securities UK Ltd, the London arm of an electronic money and payments firm with US and Spanish businesses, now has to ensure that client money is returned as quickly as possible, the FCA said. (www.reuters.com 11/06/26)

Germany sees slow economic recovery as energy prices weigh

Germany's economic recovery is likely to proceed in small steps at best, depending on the conflict in the Middle East, and energy and commodity prices, the economy ministry said. (www.reuters.com 12/06/26)

French inflation rises to highest in over two years at 2.8% in May

Consumer prices in France rose 2.8% year-on-year in May, the highest level since February 2024, statistics office INSEE said on Friday, confirming a preliminary reading published last month. The EU-harmonised inflation rate in the bloc's second biggest economy continued accelerating in May, after a 2.5% increase in April. (www.reuters.com 12/06/26)

Turkey signals prolonged rates pause with third straight hold

Turkey's central bank kept its main interest rate unchanged for a third consecutive time since the outbreak of the Iran war, signaling it's comfortable with the current stance favored by a cooling economy. The Monetary Policy Committee, led by Governor Fatih Karahan, held the one-week repo rate at 37%. (www.bloomberg.com 11/06/26)

Oil extends losses as Trump calls off planned strikes on Iran

Oil prices fell more than 2% today, extending losses from the previous session after U.S. President Donald Trump cancelled plans to strike Iran, reducing fears of an escalation of hostilities following tit-for-tat attacks earlier in the week. Brent futures were down \$2.11 or 2.3% at \$88.27 a barrel by 0640 GMT, while US WTI crude dropped \$1.90, or 2.2%, to \$85.81. (www.reuters.com 12/06/26)

Gold set for weekly loss as inflation, rate-hike fears persist

Gold prices fell today and were on track for a weekly loss, pressured by concerns around inflation and potential US Federal Reserve interest rate hikes. Spot gold was down 0.7% at \$4,183.19 per ounce, as of 0745 GMT, and was set for a weekly loss of 3.4%. U.S. gold futures for August delivery rose 2.2% to \$4,204.40. (www.reuters.com 12/06/26)

European shares poised for firm start on Iran peace deal hopes

European stocks may open on a firm note today after US President Donald Trump cancelled a third consecutive day of strikes on Iran, claiming that a peace deal with Tehran is close to being finalized. (www.reuters.com 12/06/26)

Tanzania hikes spending despite aid cuts, eyes 6.3% growth

Tanzania unveiled a 10% increase in the state budget despite a sharp decline in foreign development assistance, even as the government prioritizes infrastructure projects and improving social services. The government will spend TZS62.3 tn, three quarters of which will be financed by domestic revenue, Finance Minister Khamis Omar said in his budget speech in the capital, Dodoma. (www.bloomberg.com 11/06/26)

Kenya sees risks to fiscal consolidation, oil output to power Uganda's growth

Finance ministers across East Africa presented their 2026/27 budgets as investors focused on how governments will shield their economies from shocks linked to the Iran war while keeping debt in check. (www.reuters.com 11/06/26)

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