



Monday, July 09, 2018

## **Eurozone budget could be conditional on discipline: IMF's Lagarde**

IMF Managing Director Christine Lagarde has said that a proposed joint eurozone budget could be designed with conditions so that it does not become a no-strings-attached transfer of rich countries' cash to poorer members. The leaders of France and Germany agreed last month on a proposal for such a budget that would be used to smooth out economic difference between eurozone countries. ([www.reuters.com](http://www.reuters.com) 07/07/18)

## **EU rivals gaining on Britain as top spot for investment in finance: EY**

Britain's lead as the top European destination for international investment in financial services is starting to narrow as continental rivals vying for its business are boosted by Brexit, according to a report published. The report, by accounting and consulting firm EY, found that the UK hosted just 14 more foreign investment projects in financial services last year. ([www.reuters.com](http://www.reuters.com) 09/07/18)

## **UK labour productivity fell in Q1**

UK labour productivity fell in the first quarter due to continued strength in employment growth combined with weaker output growth. Labour productivity slid 0.4% in Q1 – the first fall in output per hour since the second quarter of 2017. Labour productivity dropped 0.2% in services and by 1.7% in manufacturing. ([www.reuters.com](http://www.reuters.com) 06/07/18)

## **Italy retail sales rose more than expected in May**

Italy's retail sales increased at a faster-than-expected pace in May, after falling in the previous two months, preliminary data show. Retail sales value rose a seasonally adjusted 0.8% month-over-month in May, reversing a 0.6% drop in April. ([www.rttnews.com](http://www.rttnews.com) 06/07/18)

## **US-China tensions to hurt countries' GDP: Indonesia's central bank governor**

Rising trade tensions between the US and China will negatively affect the economic growth of other countries, Indonesia's central bank governor has said. Other than the effect through the global supply chain, Governor Warjiyo said Indonesia and other emerging markets would be hit by investor risk aversion due to the trade war. ([www.reuters.com](http://www.reuters.com) 09/07/18)

## **China's FX reserves post surprise gain, withstand June market chaos**

China's foreign exchange reserves rose in June, bolstered by an increase in the value of its US Treasury holdings in an otherwise volatile month for Chinese markets, which were battered by fears about a Sino-US trade war. Reserves rose \$1.51bn in June to \$3.112tr, compared with a drop of \$14.23bn in May. ([www.reuters.com](http://www.reuters.com) 09/07/18)

## **Japan overall bank lending climbed in June**

Overall bank lending in Japan was up 2.2% on year in June, the Bank of Japan has said, coming in at ¥524.847tr. That follows a 2% gain in May. Excluding trusts, bank lending advanced an annual 2.1% to ¥456.475tr, accelerating from a 1.9% gain in the previous month. For the second quarter of 2018, overall bank lending was up 2.1% on year and lending, excluding trusts, advanced 2%. ([www.rttnews.com](http://www.rttnews.com) 08/07/18)

## **BOJ maintains rosy economic view for all nine regions**

Bank of Japan has maintained its economic assessment for all of the country's nine regions in a quarterly report, saying that they are either recovering or expanding. "Exports are increasing as a trend due to steady overseas growth. ([www.reuters.com](http://www.reuters.com) 09/07/18)

### **EXCHANGE RATES OF SELECTED CURRENCIES**

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3255	(1.3211)	1.3285	(1.3241)
+USD/EUR	1.1744	(1.1687)	1.1766	(1.1709)
*GHS/USD	4.5294	(4.5269)	4.5340	(4.5314)
*GHS/GBP	6.0096	(5.9864)	6.0175	(5.9941)
*GHS/EUR	5.3248	(5.2958)	5.3295	(5.3003)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 09/07/18 (Rates for 06/07/18 in brackets)

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### **Germany's exports recovered in May but imports slowed**

Germany's exports rebounded in May, while growth in imports slowed from April, figures from Destatis show. Exports grew by more-than-expected 1.8% on a monthly basis in May, reversing a 0.3% drop in April. Shipments were expected to gain only 0.7%. Imports rose at a slower pace of 0.7% after climbing 2.6% in the previous month. Economists had forecast a 0.5% fall. ([www.rttnews.com](http://www.rttnews.com) 09/07/18)

### **Finland trade balance turned to deficit in May**

Finland's foreign trade balance turned to a deficit in May from a surplus in the previous year as exports fell and imports rose, preliminary figures from Finland Customs Office show. The trade balance came in at a shortfall of €260m in May versus a surplus of €205m in the corresponding month last year. The value of exports fell 5.0% year-over-year in May, while imports climbed by 3.0%. ([www.rttnews.com](http://www.rttnews.com) 09/07/18)

### **Croatia retail sales rose for a third Month in May**

Croatia's retail sales increased for a third straight month in May, figures from the Croatian Bureau of Statistics show. The volume of retail sales climbed a seasonally and working-day-adjusted 4.6% month-over-month in May, well above a 0.2% slight rise in April. The value of retail sales grew at a faster pace of 5.1% in May, following a 0.6% gain in the prior month. ([www.rttnews.com](http://www.rttnews.com) 06/07/18)

### **Hungary industrial production growth improved unexpectedly in May**

Hungary's industrial production growth accelerated unexpectedly in May, preliminary figures show. The volume of industrial production climbed a working-day-adjusted 3.8% year-over-year in May, faster than a 2.9% rise in April. The growth was forecast to ease to 2.1%. The measure has been rising since Nov 2016. ([www.rttnews.com](http://www.rttnews.com) 06/07/18)

### **Oil prices inch up in face of tight market**

Oil prices rose as investors focused on tight market conditions after data late last week showed US crude inventories fell to their lowest in more than three years. Global benchmark Brent had climbed 49 cents, or 0.6%, to \$77.60 a barrel. US crude futures added 34 cents, or 0.5%, to \$74.14. Official data that came out a day later than it normally does due to the July 4 public holiday. ([www.reuters.com](http://www.reuters.com) 09/07/18)

### **South Africa's rand on the front foot as dollar slips**

South Africa's rand was firmer early on Monday, inching ahead to a new two-week best as slower-than-expected growth in wages in the United States pressured the dollar and solidified the local currency's break of key technical levels. The rand was 0.22% firmer at 13.4350 per dollar from a close of 13.4600 in New York. The dollar index was 0.15% lower in early trade. ([www.af.reuters.com](http://www.af.reuters.com) 09/07/18)

### **IMF disburses \$250m loan tranche to Tunisia**

The International Monetary Fund (IMF) has approved the payment of a \$250m tranche, the fourth from Tunisia's loan programme tied to economic reforms aimed at keeping its deficit under control, the Fund has said. The tranche brings disbursements so far under the four-year programme to \$1.139bn, it said in a statement. ([www.af.reuters.com](http://www.af.reuters.com) 07/07/18)

### **IMF says Cameroon's economic growth to rise to 4% in 2018**

Cameroon's economy is expected to grow 4% this year, up from 3.2% in 2017 due to the start of natural gas production and construction work for an upcoming soccer tournament, the International Monetary Fund (IMF) has said. Growth was slower in 2017 because of a sharp decline in oil output but new infrastructure projects and increased private investment should bring it to at least 5% in the medium term, the IMF said in a statement. ([www.af.reuters.com](http://www.af.reuters.com) 07/07/18)

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