

BANK OF GHANA NEWS BRIEF

Friday, February 15, 2013

Weidmann Says ECB Won't Cut Interest Rates to Weaken Euro

European Central Bank council member Jens Weidmann said an appreciating euro alone won't trigger a cut in interest rates and the exchange rate's gains are justified by the economic outlook. The strength of the euro "is one factor among many in determining future inflation rates" and "we will certainly not justify any monetary policy decision with one single factor," Weidmann, who heads Germany's Bundesbank, said in a Feb. 13 interview. Looser monetary policy in the U.S. and Japan combined with mounting optimism in Europe drove the euro to 14-month and three-year highs against the dollar and the yen earlier this month. (www.bloomberg.com 15/02/2013)

G-20 Head Russia Pushes for Currency Manipulation Stance

Russia wants to head off a global currency war by pushing policy makers to make stronger commitments against exchange-rate manipulation as Group of 20 officials search for common ground in Moscow this week. The G-20 should have more "specific" language opposing exchange-rate interference in the communique that will be issued after the two-day talks among finance chiefs that end Feb. 16, Russian Finance Minister Anton Siluanov said yesterday. (www.bloomberg.com 15/02/2013).

BOJ Potential Candidate Kuroda Favors Easing in 2013

The Bank of Japan could usher in a growth spurt unseen in a generation by stepping up stimulus and ending deflation, according to Haruhiko Kuroda, the head of the Asian Development Bank and a potential contender for BOJ chief. "Japan's economy has suffered from prolonged deflation that must be eradicated -- that would raise short-to-medium term growth prospects significantly," Kuroda, 68, said in an interview in Tokyo yesterday. (www.bloomberg.com 12/02/2013)

ECB Ready to Offset Banks' Accelerated LTRO Payback

The European Central Bank is poised to offset any acceleration in emergency loan repayments by the region's banks to ensure reduced liquidity doesn't undermine its monetary policy. Two-year German yields climbed to a 10-month high as traders increased bets in January on higher money-market rates after lenders started repaying money disbursed by the central bank's Longer-Term Refinancing Operations. (www.bloomberg.com 12/02/2013)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.5524	(1.5506)	1.5527	(1.5510)
+USD/EUR	1.3368	(1.3388)	1.3371	(1.3389)
*GHS/USD	1.8795	(1.8808)	1.8899	(1.8883)
*GHS/GBP	2.9525	(2.9729)	3.0191	(3.0075)
*GHS/EUR	2.5176	(2.5580)	2.5707	(2.5784)

+SOURCE: REUTERS: 15/02/2013 7:42:11

*TRANSACTION RATES 14/02/2013

Rates for 14/02/2013 in brackets

Rates for 13/02/2013 in brackets

Currency wars come to Moscow as G20 spars over yen

It may not be hand-to-hand combat, but "currency wars" came to Moscow on Friday as finance officials from the Group of 20 nations sparred over Japan's expansive policies that have driven down the value of the yen. The G20 forum, which put together a huge financial backstop to halt a market meltdown in 2009, is back in the spotlight after a week in which the Group of Seven rich nations tried, and spectacularly failed, to speak on currencies with one voice.

(<http://www.reuters.com> 15/02/2013)

'Absence of Law will not affect oil benefits' - PC

The Petroleum Commission (PC) has denied that the absence of a new Petroleum Exploration Law, three years into oil production in the country, will deprive Ghanaians the benefits of petroleum resources. According to the Commission, petroleum agreements were negotiated taking into consideration clear benefits to be derived by the state and citizenry from petroleum resources. The Co-ordinator of Local Content at the PC, Dr. Juliette Twumasi-Anokye, told the Daily Graphic in Accra yesterday that the model agreement for negotiations in the petroleum sector had stringent clauses which clearly specify such resources as the property of Ghana (www.graphic.com.gh 15/02/2013)

Japanese Grant for some Volta Communities

The Japanese Government has given Ghana a grant of US\$293,927 for the improvement of water supply and sanitation in the Lower Volta area and the construction of CHPS compounds at Abui Tsits in the South Dayi District. An agreement to that effect was signed under the Japanese Grant Assistance for Grassroots Human Security Projects (GGHSP) scheme yesterday. The eligible recipients of the grant are basically non-profit making, non-governmental organisations (NGOs) and local public authorities ([Daily Graphic](http://www.dailygraphic.com) 15/02/2013)

Gold Export Was a Scam

The National Security Co-ordinator, Lt. Col. (rtd) Gbevlo-Lartey, has described the mysterious 80 million dollar gold export as possible scam, indicating that the cargo is fake gold. According to him, the inquiry being conducted on the transaction indicated that the said gold cargo was just "rock samples" and not gold ([The Ghanaian Times](http://www.ghanaiantimes.com) 15/02/2013)

Sub-Regional Experts in Marine Security Strategise

The Eight Exclusive Economic Zone (EEZ) Management and Operations Course for Marine and Security experts drawn from nine African countries has been held in Accra. The five day course aimed at introducing participants to modern practices in tackling marine security and safety. The Director-General of the Ghana Shippers Authority, Dr. Kofi Mbeah, who spoke at the ceremony said the discovery of oil and gas in Ghana and other countries in the gulf region called for adequate security to safeguard the marine environment. ([The Ghanaian Times](http://www.ghanaiantimes.com) 15/02/2013)

New Laws on Mine Blasting Introduced

Regulations on explosives used in the mining sector has been replaced with new ones to provide for a more current and safe use of explosives in the sector. A new regulation, LI 666, would give permission for the safe use of explosives, licence to manufacture explosives, transportation and storage, safe blasting distances, among others. Also introduces is the minerals and mining (health, safety and technical) Regulation 2012, LI 2181 which contains new provisions to regulate current mining methods and practices. These were revealed by the senior legal officer of the Minerals Commission. ([The Ghanaian Times](http://www.ghanaiantimes.com) 15/02/2013)