

# اقتصادنا والعالم

## Our Economy and the World

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This week's issue of "Our Economy and the World" includes:

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  - o Reuters: Oil slumps as US stockpiles seen swelling and dollar advances

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## Our Economy and the World

### Key Global and Regional Developments over the Past Week

#### [The Economic Times: BRICS summit to discuss mechanism for trade in national currencies among members](#)

The next edition of the BRICS Summit under the South African Presidency in August could put in place a mechanism for transition to trade settlements in national currencies among member states. The BRICS member states are discussing the proposal for consideration at the Summit in August.

[\(Read Full Article\)](#)

#### [BBC: UK growth confirms recession avoided in 2022](#)

The UK economy performed better than previously estimated at the end of last year, revised official figures show. It was previously thought the economy had not grown in the last three months of 2022, but new Office for National Statistics data shows it grew by 0.1%. The latest figures confirm that the UK economy avoided falling into recession at the end of 2022. The ONS said telecommunications, construction and manufacturing had all fared better than initially thought. It also said household finances had been helped by the government's energy bill support scheme.

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### Recession narrowly avoided

Quarterly GDP growth in the UK



Source: Office for National Statistics



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### Oil Price: China and Russia look to challenge the petrodollar

The increasingly closer relations between China and Russia and the Chinese push to make its currency more relevant on the global markets are challenging the dominance of the petrodollar. The U.S. dollar, which has been the currency of choice in oil trade since the 1970s, is still the dominant currency in the market and global currency reserves. But several recent deals and highest-level summits have sought to undermine the dollar's dominance.

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### [Reuters: China's faltering March factory activity weighs on GDP outlook](#)

China's sprawling manufacturing sector, accounting for a third of the world's second-largest economy by value, lost momentum in March amid still-weak export orders, tapping the brakes on the country's economic recovery from restrictive COVID-19 policies. The Caixin/S&P Global manufacturing purchasing managers' index (PMI) fell to 50.0 in March. That followed February's reading of 51.6, which indicated the first monthly activity expansion in seven months.

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### Special Analysis

#### [Bank of International Settlements: Macroprudential policies for addressing climate-related financial risks: challenges and trade-offs](#)

- Macroprudential policies aim to maintain financial stability by increasing the resilience of the financial system (together with the microprudential framework) and containing the accumulation of systemic risks.
- Standard macroprudential instruments (such as capital add-ons on specific exposures) may not always contribute to these objectives when deployed to address the systemic implications of climate-related financial risks, as they could exacerbate transition risks.
- In order to mitigate these potential side effects, authorities need to carefully define the scope of application of such macroprudential policies.
- While overcoming these challenges is an operationally complex task, failure to do so may render such macroprudential policies ineffective and potentially counterproductive for financial stability

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### Developments in Financial and Commodity Markets in the Past Week

#### [Reuters: Gold scales 1-year peak as slowdown worries mount](#)

Safe-haven gold touched its highest in one year on Wednesday as recent U.S. economic data fanned fears of a slowdown and spurred bets the Federal Reserve may ease up on rate hikes. Spot gold was steady at \$2,020.30 per ounce by 01:46 p.m. EDT (1746 GMT), after rising to its highest since March 2022 at \$2,031.89 earlier.

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#### [Reuters: Oil steadies as economic fears counter OPEC+ cuts, US stock draw](#)

Oil prices settled largely unchanged on Wednesday, despite greater-than-expected draws in U.S. crude and fuel stockpiles, as the market weighed worsening economic prospects against expectations of U.S. crude inventory declines and plans by OPEC+ producers to reduce output. Brent crude futures settled up 5 cents, or 0.1%, at \$84.99 a barrel, while West Texas Intermediate crude ended 10 cents, or 0.1%, lower at \$80.61 a barrel.

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