



Our Economy and The World

The Weekly Report

Issue: 149 Date: 14th July 2019

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

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 - Bloomberg: U.K. Economy Probably Shrank for First Time in Seven Years
 - BBC:Nigeria signs African free trade area agreement
 - Bloomberg: Australia's Rate Cuts Fail to Lift Gloom Hanging Over Economy
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- **Recent Developments in Financial and Commodity Markets**
 - Oil prices rise amid bigger-than-expected fall in US stockpiles
 - Reuters: Asian shares stumble as bets off on sharp U.S. rate cuts

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Key Global and Regional Developments over the Past Week

BBC: US labour market booms in June

The US labour market boomed in June, creating many more jobs than expected, according to the latest report from the Bureau of Labor Statistics. It showed that 224,000 jobs were created in June, many more than the 160,000 that economists had forecast.

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

Bloomberg: U.K. Economy Probably Shrank for First Time in Seven Years

The U.K. economy probably shrank for the first time since 2012 in the second quarter, according to Bloomberg's latest survey of economists. The prediction for a 0.1% contraction in the three months through June marks a downgrade from the previous poll, when economists only predicted stagnation. The forecast came as retail industry reported another drop in sales and said "the picture is bleak."

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

BBC: Nigeria signs African free trade area agreement

African superpower Nigeria has signed an agreement which aims to increase trade between African countries. This leaves Eritrea as the only African country not to be part of the trading bloc. Nigerian President Muhammadu Buhari signed the landmark agreement at the African Union (AU) summit in Niger. The first step is to cut tariffs for goods from countries within the bloc but the timeframe to do this is yet to be announced.

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Bloomberg: Australia's Rate Cuts Fail to Lift Gloom Hanging Over Economy

Australia's interest-rate cuts failed to gain traction as households' worries about the economic outlook sent consumer confidence slumping to a two-year low. The sentiment index fell 4.1% to 96.5 in July, the weakest reading since August 2017, Westpac Banking Corp. said in a statement Wednesday. The biggest decline was in the sub-index tracking expectations for the economy in the next 12 months, which plunged 12.3%.

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Special Analysis: IMF - Fintech : The Experience So Far

The paper finds that while there are important regional and national differences, countries are broadly embracing the opportunities of fintech to boost economic growth and inclusion, while balancing risks to stability and integrity.

The Bali Fintech Agenda (BFA) was approved last year by the IMF and World Bank Group. It lays out key issues to consider in how technological innovation is changing the provision of financial services with implications for economic efficiency and growth, financial stability, inclusion, and integrity.

In approving the BFA, IMF Executive Directors asked staff to review fintech developments and consider their implications within the mandates of the IMF and the World Bank. This paper responds to this call and takes stock of country fintech experiences and identifies key fintech-related issues that merit further attention by the membership and international bodies. It draws upon (a) discussions with country authorities raised in the context of IMF surveillance and World Bank country work; (b) the findings of a survey of the membership on their approach to the BFA; and (c) deeper exploration on selected fintech topics by staff.

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Recent Developments in Financial and Commodity Markets

[CNBC: Oil prices rise amid bigger-than-expected fall in US stockpiles](#)

Oil prices rose on Wednesday, led by U.S. crude after an industry group reported that U.S. stockpiles fell for a fourth week in a row, alleviating concerns about oversupply amid global trade tensions. West Texas Intermediate (WTI) crude had climbed 81 cents, or 1.4%, to \$58.64 by 0151 GMT. Brent was up 61 cents, or 1%, at \$64.77, having earlier hit \$64.95.

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[Reuters: Asian shares stumble as bets off on sharp U.S. rate cuts](#)

Asian shares were a sea of red on Monday after strong U.S. job gains tempered expectations the Federal Reserve will deliver a large rate cut, while the Turkish lira hovered near two-week lows on worries about central bank independence. Share sentiment was also dampened by U.S. investment bank Morgan Stanley's decision to reduce its exposure to global equities due to misgivings about the ability of policy easings to offset weaker economic data.

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