



# Our Economy and The World

## The Weekly Report

Issue: 304 Date: 22<sup>nd</sup> January 2023

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

- Key Global and Regional Developments over the Past Week
  - Bloomberg: Villeroy Says Lagarde's Half-Point ECB Guidance Still Valid
  - BBC: Germany Says it is no Longer Reliant on Russian Energy
  - Reuters: China's COVID-19 Reopening Set to Push 2023 Oil Demand to New High -IEA
  - Reuters: BOJ Keeps Yield Control Policy Unchanged
- Special Analysis
  - IMF: Geo-Economic Fragmentation and the Future of Multilateralism
- Developments in Financial and Commodity Markets in the Past Week
  - CNBC: Dow Falls 600 Points in Final Minutes of Trading as January Rally Loses Steam
  - CNBC: Oil Eases 1% as U.S. Recession Worries Offset China Recovery Hopes

### Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.



## Our Economy and The World

### The Weekly Report

# Key Global and Regional Developments over the Past Week

#### **Bloomberg: Villeroy Says Lagarde's Half-Point ECB Guidance Still Valid**

Guidance from European Central Bank President Christine Lagarde that borrowing costs will continue to be lifted in half-point steps for some time still holds, according to Governing Council member Francois Villeroy de Galhau. Speaking to Bloomberg TV at the World Economic Forum in Davos, the Bank of France chief said it's too soon to talk about the size of the likely interest-rate increase in March, after people familiar with officials' thinking told Bloomberg that moderating inflation and declining energy prices may warrant a smaller hike.

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

#### **BBC: Germany Says it is No Longer Reliant on Russian Energy**

Germany no longer depends on Russian imports for its energy supply, the country's finance minister has told the BBC. Christian Lindner said Germany had completely diversified its energy infrastructure since Russia's invasion of Ukraine last year. Following the invasion, Russia turned off the gas taps to Europe, leading to fears of blackouts this winter.

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

#### **Reuters: China's COVID-19 Reopening Set to Push 2023 Oil Demand to New High -IEA**

The lifting of COVID-19 restrictions in China is set to boost global oil demand this year to a new record high, the International Energy Agency (IEA) said on Wednesday, while price cap sanctions on Russia could dent supply.

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

#### **Reuters: BOJ Keeps Yield Control Policy Unchanged**

The Bank of Japan on Wednesday maintained ultra-low interest rates, including its 0.5% cap for the 10-year bond yield, defying market expectations it would phase out its massive stimulus programme in the wake of rising inflationary pressure. At a two-day policy meeting, the BOJ kept intact its yield curve control (YCC) targets, set at -0.1% for short-term interest rates and around 0% for the 10-year yield, by a unanimous vote.

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

---

#### **Disclaimer**

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.



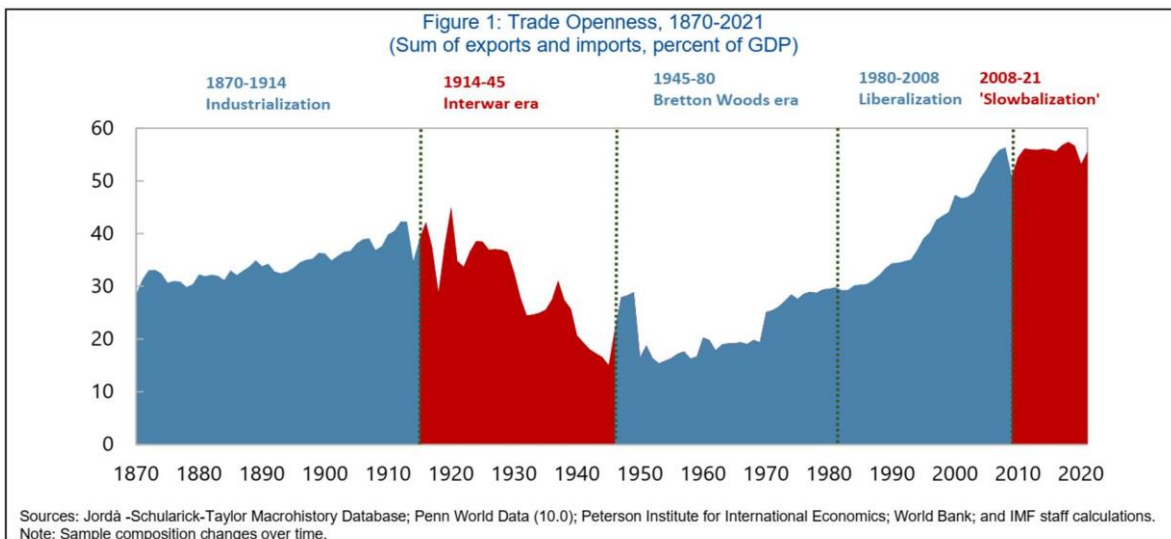
# Our Economy and The World

## The Weekly Report

### Special Analysis

#### IMF: Geo-Economic Fragmentation and the Future of Multilateralism

After several decades of increasing global economic integration, the world is facing the risk of policy-driven geoeconomic fragmentation (GEF). This note explores the ramifications. It identifies multiple channels through which the benefits of globalization were earlier transmitted, and along which, conversely, the costs of GEF are likely to fall, including trade, migration, capital flows, technology diffusion and the provision of global public goods. It explores the consequences of GEF for the international monetary system and the global financial safety net. Finally, it suggests a pragmatic path forward for preserving the benefits of global integration and multilateralism.



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

#### Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.



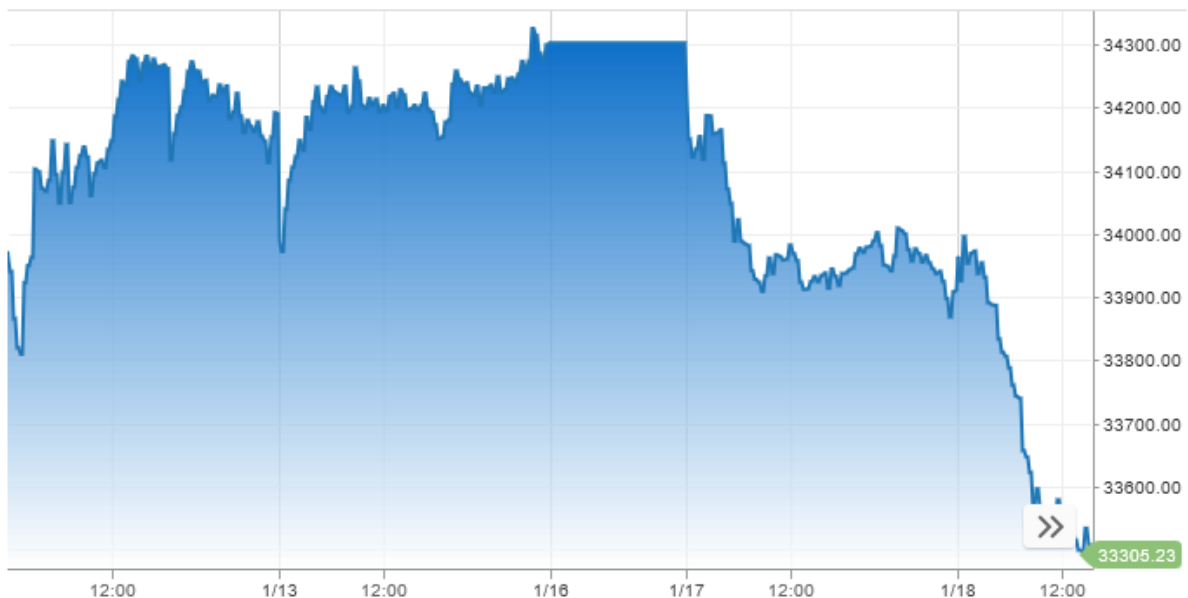
## Our Economy and The World

### The Weekly Report

# Developments in Financial and Commodity Markets in the Past Week

## CNBC: Dow Falls 600 Points in Final Minutes of Trading as January Rally Loses Steam

Stocks gave back earlier gains on Wednesday as investors hit the brakes on the new year's rally, now in its third week. Yung-Yu Ma, chief investment strategist at BMO Wealth Management, attributed the reversal to a combination of skittishness and profit taking.



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

## CNBC: Oil Eases 1% as U.S. Recession Worries Offset China Recovery Hopes

Oil prices fell about 1% on Wednesday, surrendering early gains as worries about a possible U.S. recession outweighed optimism that China's lifting of COVID-19 curbs will fuel demand for crude in the world's top oil importer. Brent futures fell 94 cents, or 1.1%, to settle at \$84.98 a barrel. U.S. West Texas Intermediate (WTI) crude fell 70 cents, or 0.9%, to settle at 79.48.

### Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.

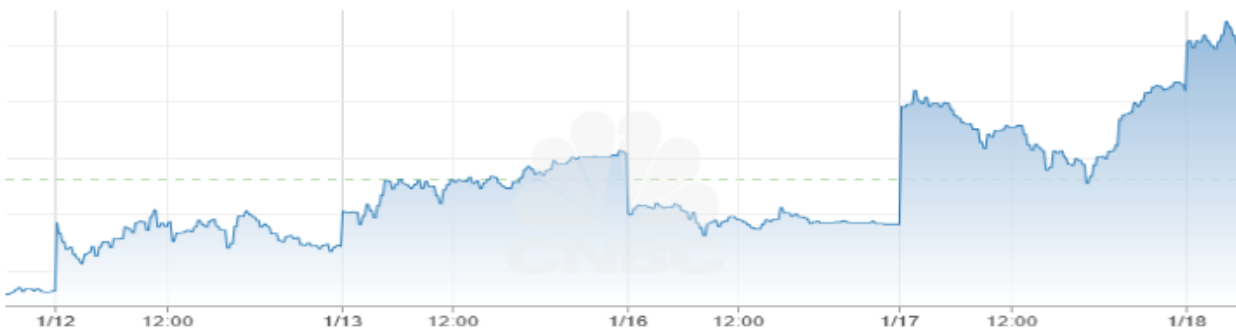


## Our Economy and The World

### The Weekly Report

## Brent Crude Oil (Jun'23) (@LCO.4:Intercontinental Exchange)

USD  
Last | 10:16 PM BST  
**84.63** -0.86 (1.01%)  
5 Day



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

#### Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.