

MARKET UPDATE

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Sri Lanka to temporarily suspend foreign debt payments - c. bank governor

Sri Lanka will temporarily suspend foreign debt payments to avoid a hard default, the central bank governor said on Tuesday, with its limited foreign reserves required for imports of essential items such as fuel.

"It has come to a point that making debt payments are challenging and impossible. The best action that can be taken is to restructure debt and avoid a hard default," Governor P. Nandalal Weerasinghe told reporters.

Sri Lanka is due to start talks with the International Monetary Fund (IMF) on a loan programme next week, with the country suffering from prolonged power cuts alongside shortages of food and medicines.

UK jobless rate falls to lowest since 2019

Britain's jobless rate slipped further below its level immediately before the coronavirus pandemic, underscoring the risk of inflation pressure in the labour market that has the Bank of England on alert.

The unemployment rate fell to 3.8% in the three months to February, down from the previous reading of 3.9% and below its 4.0% level in early 2020, shortly before COVID-19 cases first swept Europe.

The last time the British unemployment rate was lower than 3.8% was in 1974.

However, there were some signs of a slowing in demand for staff.

Deutsche Bank and Commerzbank shares fall after investor sale

Shares of Deutsche Bank (DE:DBKGn) and Commerzbank (DE:CBKG) opened sharply lower on Tuesday after an undisclosed investor on Monday evening sold stakes of more than 5% in Germany's top two lenders.



Oil rises as Shanghai eases some COVID curbs, OPEC warns of tight supply

Oil prices climbed on Tuesday on easing concerns about demand in China after Shanghai relaxed some COVID-19-related restrictions and OPEC warned it would be impossible to increase output enough to offset lost Russian supply.

Brent crude futures were up \$2.98 or 3.03% to \$101.46 a barrel, and U.S. West Texas Intermediate was up \$3 or 3.18% to \$97.29 a barrel at 0640 GMT. Both contracts had settled down around 4% on Monday.

Nokia to stop doing business in Russia

Telecoms equipment maker Nokia (NYSE:NOK) is pulling out of the Russian market, its CEO told Reuters, going a step further than rival Ericsson (BS:ERICAs), which said on Monday it was indefinitely suspending its business in the country.

Hundreds of foreign companies are cutting ties with Russia following its Feb. 24 invasion of Ukraine and after Western sanctions against Moscow.

While several sectors, including telecoms, have been exempted from some sanctions on humanitarian or related grounds, Nokia said it had decided that quitting Russia was the only option.

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