

# MARKET UPDATE

10/05/2022

## **Oil drops as economic worries, strong dollar weigh**

Oil prices dropped more than 1% on Tuesday, extending the previous day's steep declines as coronavirus lockdowns in top oil importer China, a strong dollar and growing recession risks fed worries about the outlook for global demand.

The falls reflected trends in global financial markets, as investors shed riskier assets on worries about interest rate rises and resulting impact on economic growth.

## **Dollar Stabilizes Below 20-Year High, Bostic Comments in Focus**

The U.S. dollar stabilized in early European trade Tuesday after earlier falling back from a two-decade high as traders reappraise the likelihood of aggressive Federal Reserve rate increases.

Weighing on the dollar were comments from Atlanta Federal Reserve President Raphael Bostic on Monday, who played down talk of the U.S. central bank lifting interest rates by more than half a percentage point at its next meeting in June.

## **S.Korea's Yoon suggests 'audacious' economic plan if N.Korea abandons nukes**

South Korea's new president, Yoon Suk-yeol, said on Tuesday that North Korea's weapons programmes pose a threat but that he is ready to provide an "audacious" economic plan if the North is committed to denuclearisation.

Yoon gave the remarks in his inauguration speech after being sworn in at a ceremony in Seoul. He won a tight election in March as the standard bearer of the main conservative People Power Party, less than a year after entering politics following a 26-year career as a prosecutor.

Yoon, 61, will face two major problems as he takes office: a belligerent North Korea testing new weapons and inflation threatening to undermine an economic recovery from two years of COVID-19 gloom.



## Standard Bank appoints Nyembezi as chairman

Standard Bank Group Ltd, Africa's largest lender by assets, said on Tuesday it has appointed Nonkululeko Nyembezi as the chairman designate of the company's board.

Nyembezi will also be the chairman designate of The Standard Bank of South Africa Ltd's board, the lender said, adding that she will take over the roles from June 1.

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