



China unexpectedly cuts 2 key rates, withdraws cash from banking system

SHANGHAI, Aug 15 (Reuters) - China's central bank unexpectedly cut a key interest rate for the second time this year and withdrew some cash from the banking system on Monday, to try to revive credit demand to support the COVID-hit economy.

Economists and analysts said they believe Chinese authorities are keen to support the sluggish economy by allowing a widening policy divergence with other major economies that are raising interest rates aggressively.....

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What the new interest rates mean for the city: 'The UK fares worse than the EU and US'

The Bank of England's decision to further raise interest rates from 1.25 per cent to 1.75 per cent and its two-year predictions means bad news for investors and UK residents alike.

And the pain is far from over. A top City analyst expects this to further rise



to 2.25 per cent in September.

Other than adjusting the interest rates to the accurate level to keep abreast of import inflation, the economic projections for.....

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Inflation reduction act won't have 'big effects on either growth or inflation': economist

After clearing the House last Friday, the Inflation Reduction Act (IRA) is expected to make its way to President Biden's desk this week. The President touts that the \$700 billion bill will lower the deficit, make historic investments into clean energy, and hold the top 1% accountable.

JPMorgan (JPM) Chief U.S. Economist Mike Feroli discussed the economic implications of the Inflation Reduction Act and his outlook for the U.S. economy.

"There are some potential benefits to the supply side of the economy. That said, in the longer term in theory at least, inflation should be under the control of the Fed," Feroli told Yahoo Finance Live. "Over the horizon, where these things are visible in the next year or two, we don't see big effects on either growth or inflation for that matter."

Experts are mixed on the macroeconomic effects of the Inflation Reduction Act. The Tax Foundation forecasts -0.2% long-run GDP and the loss of 29,000 full-time equivalent jobs. Revenue raisers included in the bill are also expected to take substantial time to kick in, meaning a wider budget deficit and worsening inflation.

On the other hand, Moody's Analytics suggests by the end of 2031, the consumer price inflation (CPI) index will be 33.....

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