



RESERVE BANK OF VANUATU

FINANCIAL & ECONOMIC NEWS

SUMMARY

The news items covered in this publication do not necessarily imply any judgment by the Bank on the accuracy of the information or any endorsement or acceptance of such news

Issue 146

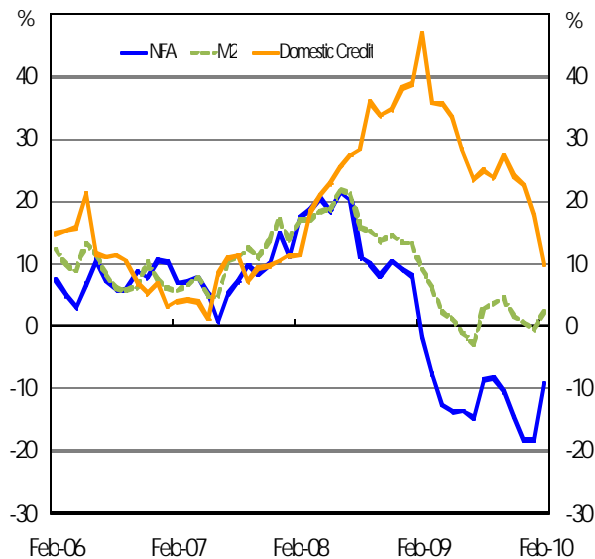
March 2010

MONETARY SURVEY

Total money supply (M2) increased by 2.0 percent in February 2010 to VT59,580.7 million, in contrast to a decline of 2.8 percent recorded in the first month of 2010. The increase during the month stemmed from increases in both net foreign assets (NFA) and domestic credit. The monthly increase pushed the annual growth rate of M2 to 2.2 percent for the year to January 2010.

Chart 1 shows that the acceleration in the growth rate of broad money supply was driven by a reversal of the declining trend of NFA, though domestic credit noted a deceleration in growth rate, its growth remain positive hence also attributed to the growth in M2.

Chart 1: Total Money Supply
(Percentage Change; Year-on-Year Growth)



Source: Commercial Banks, Credit Corp/Reserve Bank

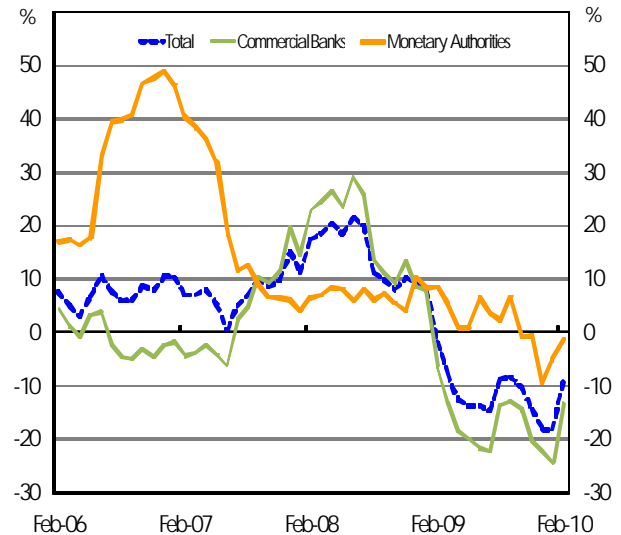
Determinants of Money Supply

Total NFA showed an increase in February after recording month-on-month decreases for almost the whole of the previous year. The increase was made up

Inside this Issue:	Page
Tourism Update- February 2010	4-5
Exchange rate Development	5-6

of a 2.7 percent increase in commercial banks' holdings as well as a 3.1 percent increase in the monetary authorities' NFA stock. Despite the monthly increase, over the year to February 2010, the NFA of the banking system as a whole remained down by 9.2 percent.

Chart 2: Net Foreign Assets
(Percentage Change; Year-on-Year Growth)



Source: Commercial Banks; RBV

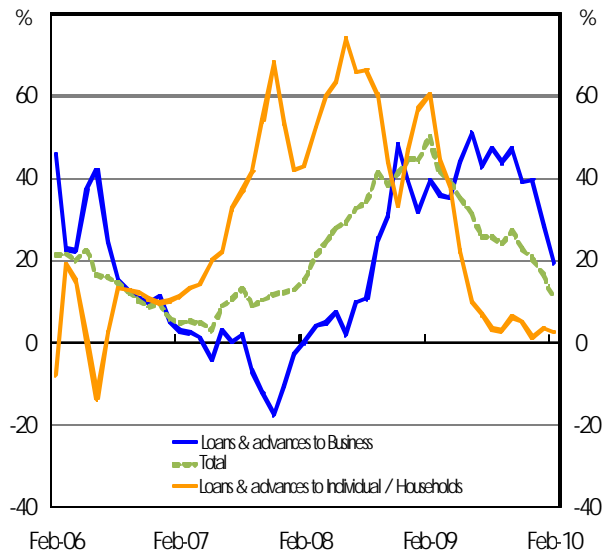
The increase in the monetary authorities' NFA reflected net inflows of foreign exchange seen during the month. The bulk of these inflows were via cash grants on behalf of the Government and purchase of foreign exchange from commercial banks which outweighed sales of foreign exchange to commercial banks and debt repayments on behalf of the Government. With the current net inflows, total foreign reserves during February were sufficient to finance 5.9 months of the country's import bills.

Commercial banks' NFA holdings were on a declining trend since September 2009 and into the first month of 2010, before showing the most recent increase. The increase in February stemmed from an increase of 2.1

percent in commercial banks holdings of foreign assets which outweighed a 0.6 percent increase in their foreign liabilities.

Total domestic credit increased by 0.6 percent during the month under review, after falling by 3.1* percent in January. Based on recent trends, January was an exceptional month in recording a decline in aggregate lending, in that this is the first month in over a year that private sector credit has recorded a negative monthly growth rate. However, February the figure is above that for last year, with year-ended growth of 9.9 percent. The increased domestic credit in February was driven by an increase in credit to the private sector, whilst net claims on the government, claims on municipalities and non-financial public enterprises noted declines.

Chart 3: Private Sector Credit
(Percentage Change; Year-on-Year Growth)



Source: Commercial Banks; Credit Corp; RBV

Private sector credit¹ returned to a monthly positive growth with an increase of 1.4 percent, after declining by 1.7* percent during the first month of 2010. For the year-ended February growth was 10.8 percent- which is a marked reduction from the 16.5* percent year-ended growth for January, but is in large part driven by a base effect from high growth in February 2009.

Nearly all economic sectors contributed to this monthly growth with the exception of miscellaneous, manufacturing and tourism sectors which made negative contributions to growth. Likewise almost all sectors

¹ Credit to the private sector includes data from Commercial banks, Credit Corp and RBV.

* Growth rates have been revised

contributed positively to the annual growth rate with the exception of the personal and distribution sectors, which made negative contributions to the annual growth rate. Loans granted for business purposes and for personal uses increased by 1.5 percent and 3.4 percent in February, hence contributing to the overall growth in private sector credit. Although the annual growth rates of both sectors have slowed, business loans have maintained a high growth rate of 19.3 percent over the February 2010, while loans to individual and households increased by 2.3 percent over the previous year (Chart 3).

Table 1 shows private sector credit by economic sectors over the month and the year.

SECTOR	(Millions of Vatu)			% Change	
	Feb-09	Jan-10	Feb-10	1 Month	12 Months
Agriculture	521.5	613.5	685.3	11.7	31.4
Fisheries	94.34	52.7	55.8	5.9	-40.8
Mining & Quarring	105.8	86.2	87.0	1.0	0.0
Manufacturing	2256.6	2089.1	1776.1	-15.0	-21.3
Distribution	2999.1	3340.6	3448.0	3.2	15.0
Tourism	2442.5	2840.3	2659.3	-6.4	8.9
Entertainment & Catering	105	134.6	145.6	8.2	38.6
Transport	1453.6	1613.7	1637.5	1.5	12.7
Public Utilities	10.2	36.1	36.1	-0.2	253.5
Construction	4041.3	4771.7	4871.7	2.1	20.5
a) Central Government	0	3.8	0.0	0.0	0.0
b) Public Corporation	26.4	33.4	29.7	-11.1	12.4
Financial Institutions	182.7	190.5	199.4	4.7	9.1
Professional & Other Services	1631.6	1907.4	1976.5	3.6	21.1
Housing & Land Purchases	10936.6	11778.7	12129.7	3.0	10.9
Other Personal	6266.5	5804.3	6084.0	4.8	-2.9
Miscellaneous	2461.7	3413.2	3446.8	1.0	40.0
TOTAL	35,535.4	38,709.5	39,268.5	1.4	10.5
Of which : Vatu	32843.1	33775.6	33851.1	0.2	3.1

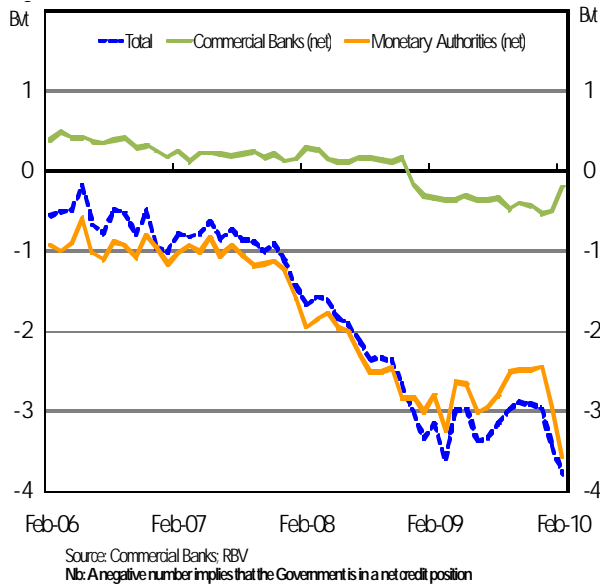
Nb: The figures highlighted have been revised.

Loans extended to non-financial public enterprises fell by 1.6 percent during the month, but remained 44.0 percent higher over the year. Loans to municipalities also fell by 25.8 percent during the month, resulting in a decline of 23.7 percent for the year-ended February 2010

The Government's net borrowing from the banking system declined by 10.1 percent during the month. This improvement mainly reflected the accumulation of Government deposits with the Reserve Bank, which offset a decline in Government deposits with commercial banks. Over the year to January 2010, the Government's net credit position vis-à-vis the banking system remained favorable, mainly reflecting its favorable position with the Reserve Banks, while its net

credit position with commercial banks somewhat deteriorated (Chart 4).

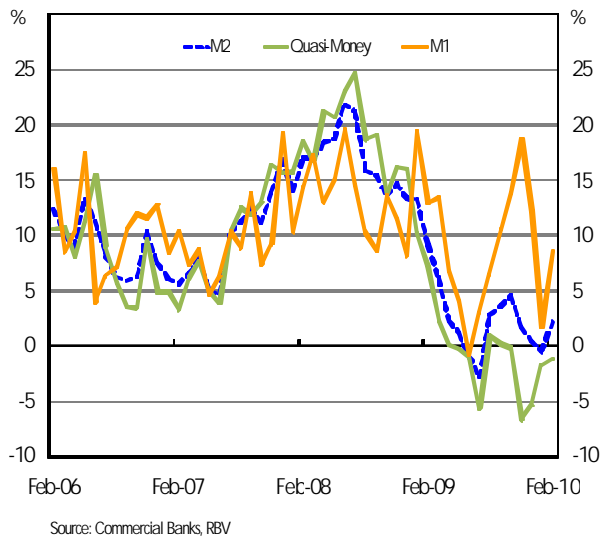
Chart 4: Net Lending Position of Government
(Vis-à-vis the Total Banking Sector; Billions of Vatu; Monthly Data)



Measures of Money Supply

Both components of M2; narrow money (M1) and quasi-money increased during the month, therefore causing the increase in total money supply (Chart 5).

Chart 5: Measures of Money
(Percentage Change; Year-on-Year Growth)



The level of M1 increased by 5.0 percent owing to an increase of 6.2 percent in demand deposits more than compensating for a 0.7 percent decline in currency outside banks. This monthly increase triggered the annual growth rate of M1 to accelerate to 8.5 percent

over the year to February 2010, as compared to 1.7 percent over the year to January 2010.

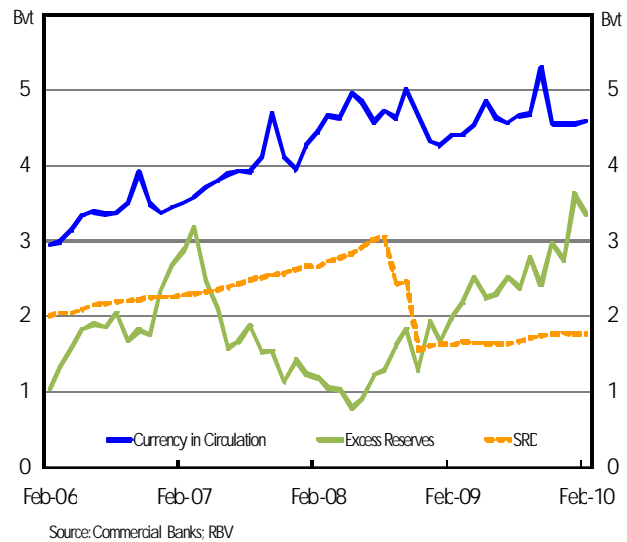
The continued but slowing decline in currency outside banks implies that the economy was nearing the tail-end of the process where currency that was withdrawn for transactions during the festive season is re-deposited into the financial system as reflected in the increase in demand deposits. The increase in demand deposits was made up of a 10.1 percent increase in its foreign currency component and a 1.5 percent increase in demand deposits denominated in the local currency.

Quasi money increased by 0.3 percent during the month under review, but was down by 1.2 percent over the year to February 2010. The monthly increase was driven by an increase of 0.7 percent in time and savings deposits in local currency, whilst time and savings deposits in foreign currency declined by 0.3 percent.

Reserve Money

Reserve money² decreased by 2.1 percent during the month, however remained higher by 16.3 percent over the year to February 2010. The decline mainly reflected decreases in the level of currency in circulation and excess reserves by 0.2 percent and 6.8 percent respectively. SRD on the other hand increased by 0.8 percent, implying that the average deposits of residents in the local currency and demand deposits in foreign currency over the month of December 2009 and January 2010 have increased. The decline in excess reserves was due in part to the accommodative open market operation by the Reserve Bank and partly the increase in private sector credit during the month

Chart 6: Components of Reserve Money
(In Billions of Vt)



²Reserve money comprises of currency in circulation, Statutory Reserve Deposits (SRD) and Excess Reserves.

Open Market Operations (OMO) – March 2010

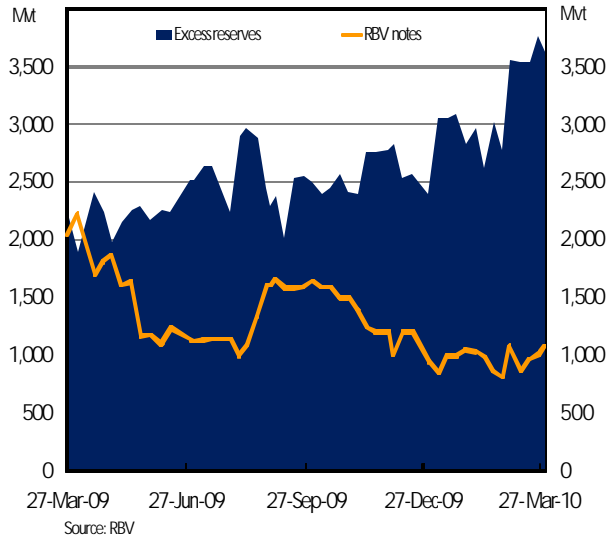
The Bank conducted four OMOs during March 2010 where VT900 million worth of RBV notes were issued compared to VT700 million in February 2010.

Total subscription received for these issues was VT2,315 million compared to VT1,275 million received during the previous month. This high level of subscription compared to the level of issue reflects the high level of liquidity in the system and tough competition in RBV notes market.

Allotments were made as follow:

- 7 days: VT300 million
- 14 days: VT200 million
- 28 days: VT200 million
- 63 days: VT150 million
- 91 days: VT200 million

Chart 7: Commercial Banks Liquidity (Levels; Millions of Vatu; Weekly Data)



Total maturity for the month was VT1,060 million leaving outstanding notes at VT1,085 million as of end March compared to VT820 at the end of the previous month.

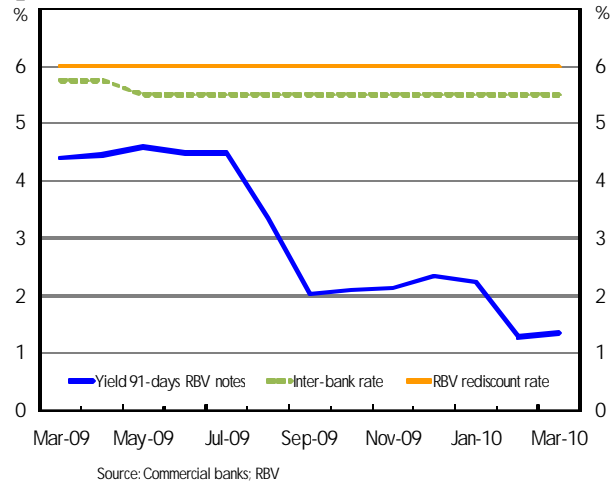
Yields of RBV Notes

Yields on RBV Notes as of end March 2010:

Term	End Mar. 10	End Feb. 10
7 Days:	0.94%	1.00 %
14 days:	0.94 %	1.00 %
28 days:	0.94 %	1.00 %
63 days:	1.20 %	1.00 %
91 days:	1.35 %	1.30 %

The inter-bank rate remained at 5.5 percent.

Chart 8: Short-term Interest rates



Interest Rates

Commercial banks' deposit and lending interest rates have been maintained as in the previous two months with the exception of the minimum interest rates on housing loans which increased by 0.1 basis points. See Table 2.

	Savings	1-mnth	2-6 Months	Above 6 Months
Dec09	0.5-5.00	1.25-8.00	1.25-8.00	2.25-9.80
Jan10	0.5-5.00	1.25-8.00	1.60-8.45	2.50-9.80
Feb10	0.5-5.00	1.25-8.00	1.60-8.45	2.50-9.80

	Commercial	Personal	Housing	Agriculture
Dec09	9.50-23.0	5.5-26.5	8.90-13.0	9.99-19.5
Jan10	9.50-23.0	5.5-26.5	8.90-13.0	9.99-19.5
Feb10	9.50-23.0	5.5-26.5	9.0-13.0	9.99-19.5

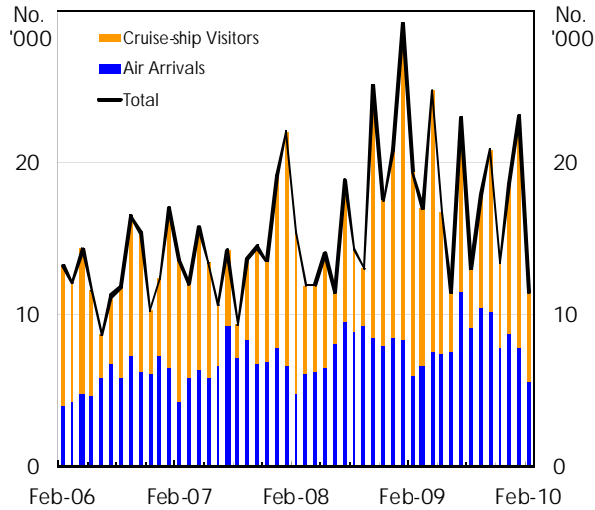
Tourism Update - February 2010

Tourism statistics compiled by the National Statistics Office for February 2010, showed total non-resident visitor arrivals (air plus cruise-ship visitors) to Vanuatu dropped in the month by 50 percent to 11,466 visitors as both air and cruise visitors declined in month. Compared to February 2009, total visitor arrivals declined by 41 percent reflecting a seasonally low month for visitor arrivals.

In February, Day-visitors dropped in the month by 62 percent to 5,860 visitors as the P&O Cruise scheduled calls to Port Vila fell from 7 in January to 2 during February, with no calls to Vanuatu's outer island ports. Compared with February 2009, cruise-ship visitors declined 57 percent over the year to February 2010.

Over the month, air visitor arrivals declined by 28 to 5,606 visitors, as visitors coming for holiday and visiting friends dropped, mainly from the major market of Australia as this was a low season for holiday visitors. The decline in the month was mainly contributed by decline in growth led by the following markets: Australia (-40%), New Caledonia (-29%), New Zealand (-39%), Europe (-3%), offsetting the positive growth reflected for Other Pacific Countries (92%), North America (6%), New Zealand (39%), Japan (2%) and Other Countries (2%).

Chart 9: Tourism Arrivals
(Number of Arrivals; Monthly Data)



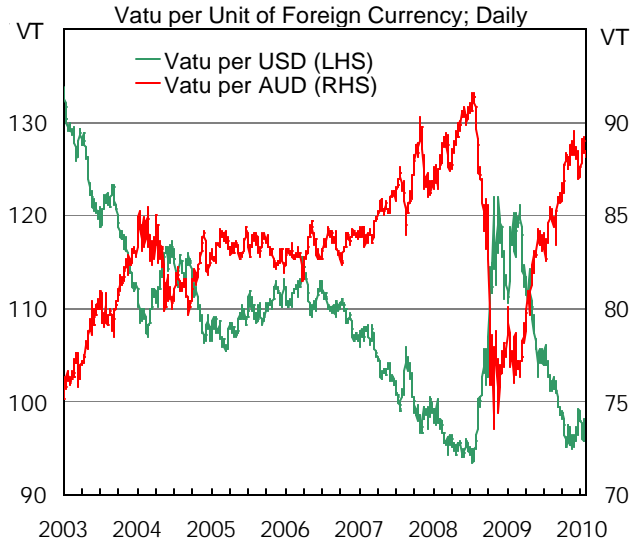
Source: National Statistics Office

Over the year to February 2010, air arrivals declined by 5 percent mainly in the holiday, visiting friends and meeting /conference categories. Decline in growth in visitor arrival was led by the following two markets: Australia (-30%) and Other Countries (-3%), while all other markets show increases over the year. This was led by New Caledonia (69%), Other Pacific Countries (142%), New Zealand (18%), North America (25%), Europe (7%), and Japan (22%). The highest ranked visitor by type, holiday visitors (accounting for 74 percent of total air visitor arrivals in the month) declined 38 percent in the month and for the second consecutive month, declined in annual growth terms (by 7 percent) over February 2010 after 6 months of positive growth. Visitors arriving for Meetings/Conferences rose significantly by 90 percent in the month and 49 percent over the year, as a result of various regional meetings that took place in Vanuatu in the month. The average length of stay for all air-visitors in Vanuatu rose in the month to 11.7 days, reflecting increases of 3.5 days compared to February 2009. Air arrivals to Port Vila, the major port of entry of air visitors, declined in growth by 27 percent in the month and 4 percent over the year. Visitor arrivals to Vanuatu's second town, Luganville, recorded a stronger decline in growth by 80 percent in the month and 64 percent over the year,

reflecting the cancelation of the once-a-week Brisbane-Santo direct flight by Air Vanuatu in the month. However, the direct flight is, expected to resume beginning April 2010.

Exchange Rate Developments – March 2010

Vanuatu Vatu



Vanuatu Vatu

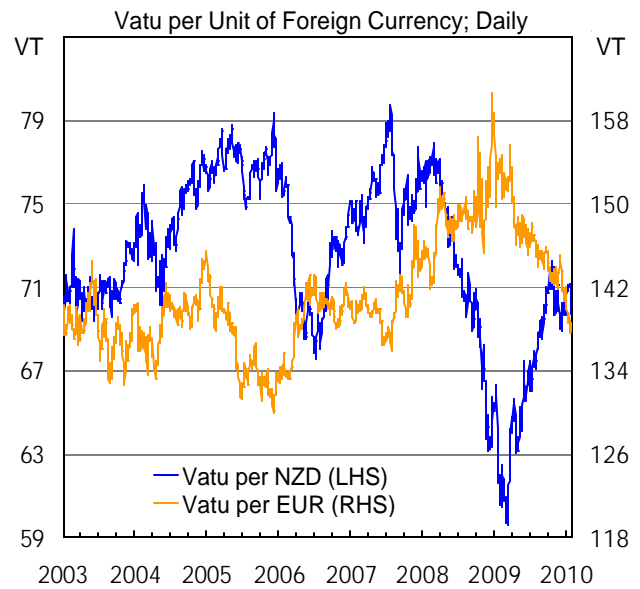


Table 3: Vatu Mid-Rates for March 2010

Major Currency	1-Mar-10	31-Mar-10	% Change Over Mar-10	Low	High
USD	98.88	98.05	-0.84%	97.43	98.88
EUR	134.94	131.55	-2.51%	131.18	135.10
AUD	88.75	90.06	1.48%	88.75	90.06
NZD	69.17	69.60	0.62%	68.43	69.77
JPY	1.1128	1.0610	-4.65%	1.0597	1.1145

Nb. A negative change denotes an appreciation of the Vatu

Table 4: USD Mid -Rates for March 2010

Major Currency	1-Mar-10	31-Mar-10	% Change Over Mar-10	Low	High
EUR	1.3647	1.3417	-1.69%	1.3278	1.3776
AUD	0.8975	0.9185	2.34%	0.8975	0.9233
NZD	0.6995	0.7098	1.47%	0.6941	0.7139
GBP	1.5167	1.5071	-0.63%	1.4813	1.5319
JPY	88.86	92.85	4.49%	88.46	92.85

*Nb. A negative change denotes an appreciation of the USD
nb2. JPY figures alone are reported in direct quotes.*

The U.S. dollar appreciated slightly over the month of March 2010 against most major currencies, with the exception of the AUD and NZD, after the Federal Open Market Committee (FOMC) held its benchmark target rate at 0-0.25%, as widely expected. The support for the USD against other currencies came as a result of approving the health reform bill and putting an end to political uncertainty, which was driving investors out of the market. However, the FOMC suggested that economic activity has continued to strengthen and that the labor market is stabilizing.

The Australian Dollar (AUD) appreciated significantly over the month of March, gaining 2.34% against the USD. The main drivers behind the appreciation of AUD over the month were: (1) RBA lifting its Official Cash Rate (OCR) early during the month by 25 basis points from 3.75% to 4.00%. (2) Real GDP rising by 0.9% in Q4 2009, reflecting rises in private (up 1.5%) and public (up 3.8%) spending. (3) The number of full-time jobs increasing by 30,100 in March, offsetting the decrease in part-time employment of 10,600 and (4) strengthening commodities and equities markets.

The New Zealand Dollar (NZD) had a mixed performance over March 2010. It rallied 1.47%

against the USD. The NZD faced dampening pressure after the Reserve Bank of New Zealand watered down expectations for rate hikes. However, economic data released during the month under review showed signs of improvement and indicated that the New Zealand economy continued to expand. The NZD also found support from strengthening commodities and equities markets.

The Euro depreciated moderately over the month, losing 1.69% against the USD. Continued concerns for the fiscal position of Greece and the probability of a bailout weighed on the EUR for most of the month. But Greece was not the sole source of EUR selling pressure. A rating downgrade for Portugal, soft economic data, the fall in Euro zone employment for the 5th consecutive quarter and inflation pressures also contributed to EUR sales during the month.

The Japanese Yen (JPY) was the underperforming currency of the month falling 4.49% against the USD. Contributing to the sale of JPY over the month were (1) improved risk appetite as commodities and equities gained ground, (2) a 22 basis point rise in the 10 year US bond yield (attracting Japanese investment), (3) some further signs of improvement in the Japanese economy, which tends to encourage the Japanese to invest offshore.

The Vatu depreciated against the AUD and NZD, and appreciated against the rest of the major currencies listed in Table 3.

MONETARY AND FINANCIAL STATISTICS

TABLE A1 : CONDENSED BALANCE SHEET OF RESERVE BANK OF VANUATU

END OF PERIOD	Feb-09	Nov-09	Jan-10	Feb-10	%Change		
					1 Month	3 months	12months
Foreign Assets	12580.1	15124.6	14777.8	15151.6	2.5	0.2	20.4
Foreign Exchange 1/	11920.4	11629.9	14151.4	14527.6	2.7	24.9	21.9
Reserve Position with IMF	434.2	434.2	382.2	382.2	0.0	-12.0	-12.0
SDR Holdings	225.6	3060.5	244.1	241.8	-1.0	-92.1	7.2
Claims on Government	620.8	618.5	618.5	452.8	-26.8	-26.8	-27.1
Advances to Statutory bodies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Advances to Commercial Banks	500.0	0.0	0.0	0.0	0.0	0.0	0.0
o/w under Repurchase agreement	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Assets	1509.8	2209.2	2070.3	2091.4	1.0	-5.3	38.5
Total Assets	15210.7	17952.2	17466.5	17695.8	1.3	-1.4	16.3
Reserve Money	7828.2	9164.4	9297.7	9101.6	-2.1	-0.7	16.3
Currency outside banks 3/	3376.5	3895.9	3665.6	3638.3	-0.7	-6.6	7.8
Commercial Banks Cash	932.0	778.7	892.6	911.5	2.1	17.0	-2.2
Commercial Banks Deposit with RBV	3519.7	4489.8	4739.6	4551.8	-4.0	1.4	29.3
Foreign Liabilities 2/	163.5	3368.0	2871.8	2873.5	0.1	-14.7	1657.0
Government Deposits, of wch	3422.9	3108.6	3560.7	4029.3	13.2	29.6	17.7
Government contribution to RTP	434.2	434.2	382.2	382.2	0.0	-12.0	-12.0
RBV Notes	2325.9	1195.3	1046.3	817.6	-21.9	-31.6	-64.9
Other Liabilities	1470.1	1116.0	690.0	873.9	26.7	-21.7	-40.6
TOTAL LIABILITIES	15210.7	17952.2	17466.5	17695.8	1.3	-1.4	16.3

1/ Reserve Bank's foreign currency accounts with residents commercial banks are included in foreign exchange holdings of the Bank.

2/ Including deposits by the Asian Development Bank and the Commission of the European Communities (CEC)

3/ Currency Outside Banks was revised to comply with the Monetary and Financial Statistics Manual

TABLE A2 : CONDENSED BALANCE SHEET OF COMMERCIAL BANKS IN VANUATU

END OF PERIOD	Feb-09	Nov-09	Jan-10	Feb-10	%Change		
					1 Month	3 months	12 Months
Domestic currency	932.0	778.7	892.6	911.5	2.1	17.0	-2.2
Deposits with RBV	3519.7	4489.8	4739.6	4551.8	-4.0	1.4	29.3
RBV Notes	2325.9	1195.3	1046.3	817.6	-21.9	-31.6	-64.9
Foreign Assets, of wch	32714.1	30507.8	28902.2	29518.5	2.1	-3.2	-9.8
Claims on non-residents banks	31489.7	27581.6	25588.6	26190.9	2.4	-5.0	-16.8
Claims on Private sector	35448.9	38767.2	38589.1	39153.6	1.5	1.0	10.5
Claims on Government	435.0	434.5	434.5	587.0	35.1	35.1	34.9
Other claims 1/	86.6	120.9	120.4	114.9	-4.6	-5.0	32.6
Other Assets	3021.7	3320.4	3251.3	3047.2	-6.3	-8.2	0.8
TOTAL ASSETS	78483.9	79614.6	77976.0	78702.1	0.9	-1.1	0.3
Demand Deposits, of wch	16927.1	19111.8	17333.6	18400.4	6.2	-3.7	8.7
Foreign currency	8333.4	10770.8	9326.0	10266.8	10.1	-4.7	23.2
Savings deposits, of which	3971.3	4529.7	4540.8	4512.7	-0.6	-0.4	13.6
Foreign currency	258.1	229.4	415.1	406.1	-2.2	77.1	57.4
Time deposits, of which	34031.2	32424.0	32895.4	33029.3	0.4	1.9	-2.9
Foreign Currency	18081.1	15578.7	15731.2	15692.8	-0.2	0.7	-13.2
Foreign Liabilities, of which	7999.2	8170.0	8045.5	8093.8	0.6	-0.9	1.2
Non residents Banks	898.0	3114.8	2974.4	3048.2	2.5	-2.1	239.4
Government Deposits	776.9	861.8	933.8	799.6	-14.4	-7.2	2.9
Credit from RBV	500.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Liabilities, including shareholders' funds	14278.2	14517.3	14227.0	13866.3	-2.5	-4.5	-2.9
TOTAL LIABILITIES	78483.9	79614.6	77976.0	78702.1	0.9	-1.1	0.3

1/ Includes: Claims on other Financial Institutions and Interbank Claims, Claims on Municipalities and Claims on Public Enterprises

Nb: Figures highlighted have been revised

TABLE A3 : MONETARY SURVEY: A CONSOLIDATED STATEMENTS OF ACCOUNTS OF THE MONETARY INSTITUTIONS

END OF PERIOD	Feb-09	Nov-09	Jan-10	Feb-10	% Change		
					1 Month	3 months	12 Months
1 Net Foreign Assets	37,131.5	34,094.5	32,762.7	33,702.9	2.9	-1.1	-9.2
Monetary Authorities (Net)	12,416.6	11,756.6	11,906.0	12,278.2	3.1	4.4	-1.1
Commercial Banks (Net)	24,714.9	22,337.8	20,856.7	21,424.7	2.7	-4.1	-13.3
2 Net Domestic Assets	21,174.6	25,867.0	25,672.7	25,877.9	0.8	0.0	22.2
(a) Domestic Credit	32,927.2	36,655.7	35,997.5	36,199.3	0.6	-1.2	9.9
(i) Net claims on Government	(3,144.1)	(2,917.4)	(3,441.5)	(3,789.0)	-10.1	-29.9	-20.5
Monetary Authorities	(2,802.1)	(2,490.2)	(2,942.3)	(3,576.5)	-21.6	-43.6	-27.6
Commercial Banks	(341.9)	(427.3)	(499.3)	(212.6)	57.4	50.3	37.8
(ii) Claims on Non financial public enterprises(NFPE)	72.1	108.2	105.5	103.8	-1.6	-4.1	44.0
(iii) Claims on Private Sector (1)	35,984.6	39,452.2	39,318.7	39,873.4	1.4	1.1	10.8
(iv) Claims on other financial Institution	0.0	0.0	0.0		0.0	0.0	0.0
(v) Claims on Municipalities	14.5	12.6	14.9	11.1	-25.8	-12.4	-23.7
(b) Other items (net)	(11,752.6)	(10,788.7)	(10,324.8)	(10,321.4)	0.0	-4.3	-12.2
3 Total Assets = Total Money Supply (M2)	58,306.1	59,961.4	58,435.4	59,580.7	2.0	-0.6	2.2
(a) Money (M1)	20,303.6	23,007.7	20,999.2	22,038.7	5.0	-4.2	8.5
(i) Currency outside banks	3,376.5	3,895.9	3,665.6	3,638.3	-0.7	-6.6	7.8
(ii) Demand deposits	16,927.1	19,111.8	17,333.6	18,400.4	6.2	-3.7	8.7
(b) Quasi Money	38,002.5	36,953.7	37,436.2	37,542.0	0.3	1.6	-1.2
(i) Savings Deposits	3,971.3	4,529.7	4,540.8	4,512.7	-0.6	-0.4	13.6
(ii) Time deposits	34,031.2	32,424.0	32,895.4	33,029.3	0.4	1.9	-2.9

1)Includes RBV staff loans and Credit Corp

Nb: Figures highlighted have been revised

TABLE A4 : MONTHLY CHANGES IN TOTAL MONEY SUPPLY

END OF PERIOD	Feb-09	Nov-09	Jan-10	Feb-10
1 Net Foreign Assets	(2,975.7)	4.4	(646.3)	940.1
Monetary Authorities	(120.4)	47.8	306.3	372.2
Commercial Banks	(2,855.3)	(43.3)	(952.6)	567.9
2 Domestic Money Creation	2,537.9	577.6	(1,063.8)	205.1
(a) Domestic Credit	2,419.3	177.3	(1,136.9)	201.7
Net Claims on Government	191.5	(22.4)	(470.6)	(347.5)
Monetary Authorities (net)	208.9	3.0	(503.0)	(634.2)
Commercial Banks (net)	(17.4)	(25.5)	32.4	286.7
Claims on non financial public enterprises(NFPE)	(0.1)	(0.4)	(1.8)	(1.7)
Claims on Private Sector	2,226.5	200.2	(663.0)	554.8
(b) Other Domestic Factor	118.6	400.3	73.1	3.4
3 Money Supply Creation(M4)	(437.8)	582.0	(1,710.2)	1,145.3
Money (M1)	(343.9)	1,345.4	(1,449.1)	1,039.5
Quasi Money	(93.9)	(763.4)	(261.1)	105.8

Address editorial correspondences to: The Director, Research and Statistics Department, Reserve Bank of Vanuatu, Private Mail Bag 9062, Port Vila, S.W.Pacific, Tel. No. (678) 23333 (ext 130) Fax No. (678) 24231; e-mail: parubilake@rbv.gov.vu