



# RESERVE BANK OF VANUATU

## FINANCIAL & ECONOMIC ANALYSIS: April 2018

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### **International Developments<sup>1</sup>**

The global economy continued to expand in the Quarter one, albeit at a slower pace. The current low inflation should limit the extent of monetary policy tightening by major central banks through this year.

In regard to manufacturing sector, after reaching a multi-year high in the prior month, Markit's global composite purchasing managers index (PMI) fell back to 53.3 in March.

World trade growth for its part, accelerated over the course of 2017, and has remained firm in the first months of 2018. This acceleration was largely driven by cyclical improvements, including a notable increase in investment growth in developed economies, according to World Trade Organisation (WTO).

Finally, with President Trump's 'withdrawal' from the Iranian nuclear deal, a sustained elevation in oil prices presents headwinds to global growth.

### **US economy**

The US economy grew at an annual rate of 2.3 percent in Quarter one<sup>2</sup>. Though this rate is still below the annualized 2.9 percent growth recorded in the previous Quarter, it is a good start to the year putting the U.S. economy firmly on track to grow about 2.8 percent in 2018. A strong labour market, federal personal tax cuts, low interest rates, and easy access to credits are all positive developments for consumers and are suggesting acceleration of growth after Quarter one of this year.

### **Australian economy**

In Australia, May consumer confidence post-budget strengthened for the fifth straight week<sup>3</sup>. Consumers were particularly optimistic about economic conditions, in particular the current financial conditions.

The 2018-2019 federal budget presented a surplus budget. This is attributed to the federal government spent less of the increase in tax revenue one year earlier. The Revenue improvement has allowed the Australian

government to lower personal income taxes, abandon the planned increase in the Medicare Levy, increase expenditure on items such as hospitals and pharmaceuticals, aged care, the Great Barrier Reef and indigenous housing.

### **New Zealand economy**

In New Zealand, the unemployment rate in Quarter four 2017 reached 4.0 percent. This is forecasted to fall further, gradually. Some wage inflation is also anticipated, this is in view of current elevated underemployment, participation on an upward trend, and overseas workers readily available.

The year ended with CPI at 1.7 percent (y-o-y), it is anticipated to rise further due to capacity constraints and expected wages rise.

### **EURO area economy**

In the Eurozone, the economy recorded a slow down during the first three months of 2018. Gross Domestic Product (GDP) rose by 0.4 percent in the three months to March, a 0.3 percentage point drop in growth compared to the previous quarter. On the flipside, unemployment is still too high in many EU countries, risking the sustainability of future growth. The International Monetary Fund (IMF)<sup>4</sup> identified economic recovery efforts following the 2008 recession and the 2013 European debt crisis was in jeopardy even in the absence of external shocks. The European Central Bank (ECB), noted that the expected slowdown has come quicker than anticipated and has the potential to turn to a longer term problem<sup>5</sup>.

### **Developing economies**

The growth strength observed in emerging economies during Quarter one can be partly attributed to China's resilient economy, which seems to be having positive spill overs throughout Asia. China's real GDP reportedly grew 6.9 percent on a year-on-year basis during Quarter one and remains well on track to hit the government's annual growth target of 6.5 percent.

<sup>1</sup> Economic updates for US, Australia, NZ, Euro & developing economies are sourced from "Focus Economics" website.

<sup>2</sup> Bureau of Economic Analysis, April 2017.

<sup>3</sup> 15 May Roy-Morgan consumer confidence

<sup>4</sup> IMF WEO, April 2018

<sup>5</sup> Chief Economist, European Central Bank

### Exchange rate developments

VATU appreciated against AUD (-0.6), NZD (-1.6) and EURO (-0.8) but depreciated against USD (+1.4) and CNY (0.8) at the end of April (Table 1)

**Table 1: Exchange Rate of VATU/ Foreign Currency**

Vatu per Foreign Currency						Average Rates	
	End Rates					Average Rates	
	US	AUD	NZD	EURO	CNY	US	AUD
Apr-18	108.9	82.7	77.1	132.4	17.2	107.7	82.9
Mar-18	107.38	83.18	78.35	133.38	17.10	107.10	83.45
% ▲	1.4	-0.6	-1.6	-0.8	0.8	0.6	-0.6
Jan-18	105.1	84.9	77.0	130.3	16.6	106.1	84.6
% ▲	3.6	-2.6	0.2	1.6	3.7	1.5	-1.9
Oct-17	108.8	83.6	75.0	126.8	16.4	107.7	83.9
% ▲	0.0	-1.1	2.8	4.4	5.3	0.0	-1.2

(-) : Appreciation of the Vatu

### Official Reserves<sup>6</sup>

Official foreign reserves reached VT42,819.4 million at the end of March, a slight increase from VT42,735.1 million recorded in February. This is sufficient to cover 10.1 months of import cover.

### Real sector developments

Vanuatu received 54,549 total visitors in January 2017. Total visitor arrivals rose by 23 percent over the previous month and 35 percent over the year. Of the total, 10,130 visitors arrived by air and 44,419 visitors arrived by cruise-ships. Air arrivals rose by 13 percent over the same month of last year and cruise-ship visitors rose by 41 percent. The majority (80 percent) of air arrivals, holiday visitors, rose by 13 percent over the year, visitors arriving for other purposes rose by 27 percent, visitors visiting friends and family rose by 17 percent while stopover visitors rose by 14 percent and business visitors rose by 1 percent. The increase over the year was led by increase in the following markets: Australia (by 10 percent), New Caledonia (by 22 percent), New Zealand (by 46 percent), Other Pacific Countries (by 20 percent), North America (by 39 percent), while decline in visitor arrivals were recorded from Europe (by 5 percent), Other Countries (by 11

<sup>6</sup> One of the key objectives of the RBV; for official reserves to cover at least 4 months of import cover. Calculated as Gross foreign reserves less IMF positions.

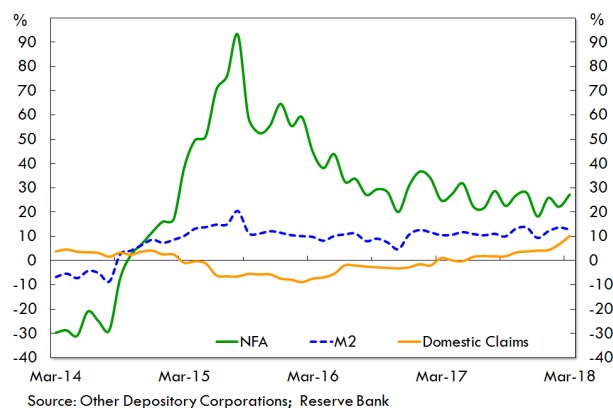
percent), China (by 6 percent) and Japan (by 16 percent).

### Monetary Developments

Money supply (M2) slightly declined by 0.3 percent in March, and triggered the annual growth to slow down to 12.8 percent compared to 13.6 percent recorded over the year to February. The decline in money growth reflected the contraction in net foreign assets (NFA). Domestic credit, however, maintained a positive growth.

NFA contracted by 1.0 percent owing to the decline in the NFA position of other depository corporations (ODC), which outweighs the increase in the NFA of the Reserve Bank of Vanuatu. Nevertheless, the year-on-year growth in NFA remained robust.

**Chart 1: Determinants of Money Supply (yoy% Change)**



Growth in domestic credit rose by 0.5 percent, reflecting the increase in claims on other sectors in particular loans extended to other non-financial corporations and other resident sectors which both increased by 1.3 percent and 0.6 percent respectively. Furthermore, the year-on-year growth in domestic credit remained positive at 4.0 percent. Total loans extended by ODCs to various sectors are depicted in table A4.

The central government's net credit position vis-à-vis the banking system improved in March 2018, due to increase in government deposits held with the ODCs. In contrast, government's net credit position slightly deteriorated over the year to March.

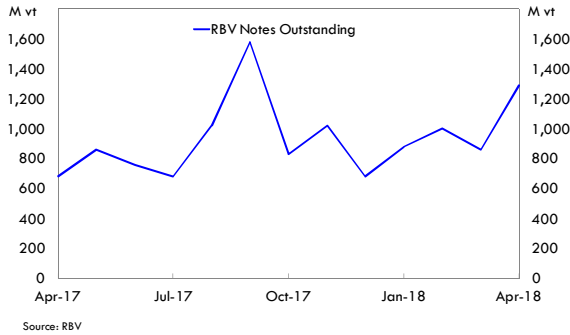
Claims on the central government by OFIs<sup>7</sup> remained at VT2,850 million as at the end of April 2018, the same level recorded in March 2018.

<sup>7</sup> OFI: Other Financial Institutions cover Credit Corporation; Vanuatu Agriculture Bank; and Vanuatu National Provident Fund

**Open Market Operations (OMO)**

The RBV issued VT1,100 million worth of RBV notes in April, compared to VT600 million issued in March 2018. Accordingly, the total subscriptions received increased to VT3,240 million compared to VT1,420 million in March.

**Chart 1: Outstanding RBV Notes (Levels, millions of VATU, month-End Data)**

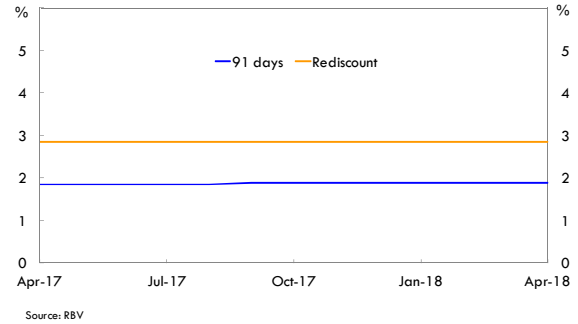


**Table 2: Amount Allotted (Millions of VATU) and Yields on RBV Notes (Percent)**

Term	Amount Allotted	Yield End Apr. 2018	Yield End Mar. 2018
7 days	300	1.60	1.60
14 days	300	1.65	1.65
28 days	220	1.75	1.75
63 days	140	1.80	1.80
91 days	140	1.90	1.90

**Chart 2: Yield on 91-days RBV Note (Percentage, Month-end Position)**

Chart 2 below shows the yield on the 91-days<sup>8</sup> RBV notes.



A total of VT670 million RBV notes matured in April 2018. The remaining balance of VT1,290 million, is still to be retired, compared to VT860 million in February.

<sup>8</sup>91 days RBV note rate plus a penalty rate of 100 basis points is the RBV policy interest rate.

TABLE A1 : CONDENSED BALANCE SHEET OF THE RESERVE BANK OF VANUATU

(In Millions Vatu)

End of Period	Mar-17	Dec-17	Feb-18	Mar-18	%Change		
					1 Month	3 months	12months
<b>Claims on nonresidents</b>	<b>33,379.2</b>	<b>42,472.0</b>	<b>43,563.3</b>	<b>43,656.8</b>	0.2	2.8	30.8
Monetary gold and SDR holdings	814.2	816.5	828.3	837.5	1.1	2.6	2.9
Reserve Assets	32,565.0	41,655.5	42,735.1	42,819.4	0.2	2.8	31.5
<b>Currency and Deposits</b>	<b>24.6</b>	<b>27.9</b>	<b>36.6</b>	<b>32.5</b>	-11.1	16.4	32.0
National currency	24.6	27.9	36.6	32.5	-11.1	16.4	32.0
<b>Securities other than shares</b>	<b>3,764.4</b>	<b>3,197.0</b>	<b>2,953.0</b>	<b>2,826.5</b>	-4.3	-11.6	-24.9
Central government	3,764.4	3,197.0	2,953.0	2,826.5	-4.3	-11.6	-24.9
<b>Loans</b>	<b>86.2</b>	<b>62.7</b>	<b>65.7</b>	<b>67.7</b>	3.1	8.0	-21.5
Other depository corporations	-	-	-	-	-	0.0	-
Other residents sectors	86.2	62.7	65.7	67.7	3.1	8.0	-21.5
<b>Other accounts receivable</b>	<b>835.2</b>	<b>1,078.0</b>	<b>1,328.2</b>	<b>4,009.2</b>	201.8	271.9	380.0
Trade credit and advances	145.8	145.9	114.9	110.1	-4.2	-24.5	-24.5
Settlement accounts	158.3	-	366.7	67.8	-81.5	0.0	-57.1
Miscellaneous Assets	531.0	932.2	846.6	3,831.3	352.5	311.0	621.5
<b>Nonfinancial assets</b>	<b>1,572.0</b>	<b>1,564.5</b>	<b>1,563.6</b>	<b>1,583.4</b>	1.3	1.2	0.7
<b>TOTAL ASSETS</b>	<b>39,661.7</b>	<b>48,402.1</b>	<b>49,510.4</b>	<b>52,176.1</b>	5.4	7.8	31.6
<b>Monetary Base</b>	<b>24,114.3</b>	<b>34,221.3</b>	<b>35,251.2</b>	<b>36,305.7</b>	3.0	6.1	50.6
Currency in Circulation	6,866.9	7,832.2	7,242.6	7,439.7	2.7	-5.0	8.3
Currency Other Depository Corporations	1,636.7	2,698.5	2,360.1	2,075.2	-12.1	-23.1	26.8
Liabilities to Other Depository Corporations	15,610.7	23,690.6	25,648.6	26,790.9	4.5	13.1	71.6
Reserve Deposits	2,932.2	3,267.8	3,296.8	3,333.3	1.1	2.0	13.7
Other Liabilities	12,678.5	20,422.8	22,351.8	23,457.6	4.9	14.9	85.0
<b>Liabilities to Central Government</b>	<b>8,241.0</b>	<b>6,545.5</b>	<b>5,567.3</b>	<b>5,114.3</b>	-8.1	-21.9	-37.9
Deposits	7,618.0	6,536.7	5,549.2	5,097.8	-8.1	-22.0	-33.1
Other	-	-	-	-	-	-	-
<b>Liabilities to non residents</b>	<b>2,668.6</b>	<b>2,743.8</b>	<b>2,785.6</b>	<b>2,814.9</b>	1.0	2.6	5.5
Deposits	2,668.6	2,743.8	2,785.6	2,814.9	1.0	2.6	5.5
Liabilities to the IMF- Central Government	622.9	8.8	18.1	16.5	-8.8	87.1	-97.4
<b>Securities other than shares</b>	<b>698.3</b>	<b>578.4</b>	<b>897.4</b>	<b>757.5</b>	-15.6	31.0	8.5
Central Bank	698.3	578.4	897.4	757.5	-15.6	31.0	8.5
<b>Loans</b>							
<b>Other accounts payable</b>	<b>872.1</b>	<b>471.2</b>	<b>1,139.6</b>	<b>431.0</b>	-62.2	-8.5	-50.6
Trade credit and advances	360.5	368.1	348.5	338.0	-3.0	-8.2	-6.3
Other Sectors	511.6	103.1	791.1	93.0	-88.2	-9.7	-81.8
o/w Settlement Accounts	511.2	74.8	754.4	60.3	-92.0	-19.4	-88.2
<b>Shares and other equity</b>	<b>652.5</b>	<b>1,356.5</b>	<b>1,347.9</b>	<b>4,203.4</b>	211.8	209.9	544.2
<b>SDR Allocation</b>	<b>2,415.0</b>	<b>2,485.4</b>	<b>2,521.3</b>	<b>2,549.3</b>	1.1	2.6	5.6
<b>TOTAL LIABILITIES</b>	<b>39,661.7</b>	<b>48,402.1</b>	<b>49,510.4</b>	<b>52,176.1</b>	5.4	7.8	31.6

**TABLE A2a : CONDENSED BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS IN VANUATU ( In Millions VT)**

END OF PERIOD	Mar-17	Dec-17	Feb-18	Mar-18	%Change		
					1 Month	3 months	12 Months
<b>Monetary gold and SDR</b>							
<b>Currency and deposits</b>	<b>32,050.4</b>	<b>37,681.7</b>	<b>40,898.1</b>	<b>42,164.0</b>	3.1	11.9	31.6
<b>Currency</b>	1,955.9	3,366.1	2,860.8	2,418.8	-15.4	-28.1	23.7
National	1,636.7	2,698.5	2,360.1	2,075.2	-12.1	-23.1	26.8
Foreign	319.1	667.7	500.7	343.7	-31.4	-48.5	7.7
<b>Transferable deposits</b>	18,567.7	25,225.8	27,540.9	29,516.7	7.2	17.0	59.0
<i>In Local currency : Central Bank</i>	15,610.7	23,690.6	25,648.6	26,790.9	4.5	13.1	71.6
Other depository corporations	-	-	-	-			
Nonresidents	24.6	40.5	27.2	25.9	-5.1	-36.2	4.9
Head offices and Branches	5.2	-	-	-			
Other depository corporations	19.4	40.5	27.2	25.9	-5.1	-36.2	33.2
<i>In foreign currency :</i>							
Nonresidents	2,932.3	1,494.6	1,865.0	2,700.0	44.8	80.6	-7.9
Head offices and Branches	108.6	42.3	28.1	41.4	47.5	-2.1	-61.9
Other depository corporations	2,823.6	1,452.3	1,837.0	2,658.6	44.7	83.1	-5.8
<b>Other deposits</b>	11,526.9	9,089.8	10,496.5	10,228.5	-2.6	12.5	-11.3
<i>In Local currency :</i>							
Other depository corporations	476.2	483.0	485.2	485.2	-	0.5	1.9
Nonresidents	-	-	-	-			
Other depository corporations	-	-	-	-			
<i>In foreign currency :</i>							
Other depository corporations	1,063.3	1,578.3	1,478.0	2,441.2	65.2	54.7	129.6
Nonresidents	9,987.4	7,028.5	8,533.3	7,302.0	-14.4	3.9	-26.9
Head offices and Branches	-	-	-	-			
Other depository corporations	9,987.4	7,028.5	8,533.3	7,302.0	-14.4	3.9	-26.9
<b>Securities other than shares</b>	<b>1,685.8</b>	<b>2,125.9</b>	<b>2,184.9</b>	<b>2,045.0</b>	-6.4	-3.8	21.3
Central Bank	698.3	578.4	897.4	757.5	-15.6	31.0	8.5
Central Government	987.5	1,547.5	1,287.5	1,287.5	0.0	-16.8	30.4
<b>Loans</b>	<b>60,604.0</b>	<b>61,624.2</b>	<b>61,757.4</b>	<b>62,217.3</b>	0.7	1.0	2.7
Other depository corporations	-	0.1	-	0.1	0.0	-16.5	0.0
Other financial corporations	0.9	35.8	36.6	35.3	-3.5	-1.5	3835.2
Central government	-	-	-	-			
State and local government	110.6	107.9	94.3	85.9	-8.9	-20.4	-22.4
Public nonfinancial corporations	1,319.9	1,271.1	1,339.5	1,313.1	-2.0	3.3	-0.5
Other nonfinancial corporations	26,950.3	25,632.7	25,570.9	25,902.4	1.3	1.1	-3.9
Other residents sectors	30,358.9	32,992.9	33,103.1	33,304.6	0.6	0.9	9.7
Nonresidents	1,863.4	1,583.6	1,613.1	1,575.9	-2.3	-0.5	-15.4
Interbank Funds sold	-	-	-	-			
<b>Other accounts receivable</b>	<b>3,819.3</b>	<b>3,117.6</b>	<b>4,099.3</b>	<b>3,305.4</b>	-19.4	6.0	-13.5
Trade credit and advances	233.4	45.4	243.5	181.0	-25.6	299.2	-22.4
Settlement accounts	2,340.8	2,166.6	2,196.2	2,240.2	2.0	3.4	-4.3
Miscellaneous assets items	1,245.2	905.7	1,659.6	884.2	-46.7	-2.4	-29.0
<b>Nonfinancial assets</b>	<b>4,553.1</b>	<b>4,441.1</b>	<b>4,479.5</b>	<b>4,495.5</b>	0.4	1.2	-1.3
<b>TOTAL ASSETS</b>	<b>102,712.6</b>	<b>108,990.5</b>	<b>113,419.3</b>	<b>114,227.3</b>	0.7	4.8	11.2

**TABLE A2b : CONDENSED BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS IN VANUATU ( In Millions VT)**

END OF PERIOD	Mar-17	Dec-17	Feb-18	Mar-18	%Change		
					1 Month	3 months	12 Months
<b>Deposits</b>	<b>78,430.1</b>	<b>83,396.6</b>	<b>87,520.4</b>	<b>87,299.3</b>	-0.3	4.7	11.3
<b>Transferable deposits</b>	45,424.3	43,044.4	50,482.2	49,926.9	-1.1	16.0	9.9
<i>In Local currency:</i>	27,021.6	26,953.5	32,636.0	32,160.3	-1.5	19.3	19.0
Other depository corporation	247.0	170.5	232.3	197.6	-14.9	15.9	-20.0
Other financial corporations	4,938.9	3,300.7	3,923.9	3,617.9	-7.8	9.6	-26.7
Central government	1,518.7	1,160.3	1,094.5	1,085.0	-0.9	-6.5	-28.6
State and local governments	93.0	63.4	114.7	161.2	40.5	154.3	73.3
Public nonfinancial coporations	375.0	381.2	423.7	408.2	-3.7	7.1	8.8
Other non financial coporations	8,358.8	9,188.2	10,175.4	10,799.1	6.1	17.5	29.2
Other residents sectors	11,490.1	12,689.1	16,671.4	15,891.3	-4.7	25.2	38.3
<i>Non-residents</i>	1,337.4	1,183.0	1,746.2	1,496.3	-14.3	26.5	11.9
Other Depository and financial corporations	14.0	25.4	0.7	48.2	6,684.4	89.7	245.2
Other non residents	1,323.4	1,157.6	1,745.5	1,448.1	-17.0	25.1	9.4
<i>In Foreign currency:</i>	13,894.8	13,328.4	14,100.1	14,535.5	3.1	9.1	4.6
Other depository corporation	162.9	317.8	534.0	763.1	42.9	140.1	368.4
Other financial corporations	610.6	545.5	579.2	546.0	-5.7	0.1	-10.6
Central government	3,413.2	443.4	512.8	1,118.0	118.0	152.1	-67.2
Public nonfinancial coporations	89.7	194.6	166.7	186.9	12.2	-4.0	108.5
Other non financial coporations	6,611.0	8,687.1	9,252.3	8,474.2	-8.4	-2.5	28.2
Other residents sectors	3,002.6	3,135.8	3,050.4	3,442.5	12.9	9.8	14.7
<i>Non-residents</i>	3,170.6	1,579.4	2,000.0	1,734.8	-13.3	9.8	-45.3
Head office and Branches	-	3.8	155.5	3.8	-97.5	0.7	0.0
Other Depository and financial corporations	61.6	50.6	132.5	47.8	-63.9	-5.5	-22.4
Other non residents	3,109.0	1,525.1	1,712.0	1,683.2	-1.7	10.4	-45.9
<b>Other deposits</b>	<b>33,005.8</b>	<b>40,352.3</b>	<b>37,038.1</b>	<b>37,372.3</b>	0.9	-7.4	13.2
<i>In Local currency:</i>	21,225.7	28,806.9	25,817.8	25,964.4	0.6	-9.9	22.3
Other depository corporation	660.6	348.4	350.5	350.5	0.0	0.6	-46.9
Other financial corporations	3,268.2	5,186.7	5,491.3	5,842.1	6.4	12.6	78.8
Central government	1,131.7	6,236.2	6,257.4	6,255.5	0.0	0.3	452.8
State and local governments	107.5	119.2	117.6	117.7	0.0	-1.3	9.5
Public nonfinancial coporations	579.2	841.2	977.1	965.9	-1.1	14.8	66.8
Other non financial coporations	2,994.2	4,150.0	3,257.3	2,990.1	-8.2	-27.9	-0.1
Other residents sectors	12,484.3	11,925.3	9,366.5	9,442.5	0.8	-20.8	-24.4
<i>Non-residents</i>	1,450.3	1,156.3	802.8	767.5	-4.4	-33.6	-47.1
Other Depository and financial corporations	-	-	-	-	0.0	0.0	0.0
Other non residents	1,450.3	1,156.3	802.8	767.5	-4.4	-33.6	-47.1
<i>In Foreign currency:</i>	9,239.3	9,579.5	9,610.7	9,777.6	1.7	2.1	5.8
Other depository corporation	1,735.1	477.1	476.3	473.0	-0.7	-0.9	-72.7
Other financial corporations	864.1	2,236.4	2,335.8	2,344.9	0.4	4.8	171.4
Central government	-	-	-	-	-	-	-
Public nonfinancial coporations	91.6	90.7	101.0	101.5	0.5	11.9	10.8
Other non financial coporations	1,444.2	1,704.1	1,690.7	1,964.4	16.2	15.3	36.0
Other residents sectors	5,104.3	5,071.2	5,006.8	4,893.8	-2.3	-3.5	-4.1
<i>Non-residents</i>	1,090.5	809.5	806.9	862.9	6.9	6.6	-20.9
Other Depository and financial corporations	-	-	-	-	-	-	-
Other non residents	1,090.5	809.5	806.9	862.9	6.9	6.6	-20.9
<b>Loans</b>	<b>3,237.5</b>	<b>4,076.3</b>	<b>4,101.2</b>	<b>4,933.7</b>	20.3	21.0	52.4
Other depository Corporations	-	1,377.0	1,239.9	1,714.4	38.3	24.5	0.0
<i>Non residents</i>	3,237.5	2,699.3	2,861.3	3,219.3	12.5	19.3	-0.6
Head office and Branches	3,209.4	2,609.4	2,803.6	3,155.6	12.6	20.9	-1.7
Other financial corporations	28.1	89.9	57.7	63.7	10.5	-29.2	127.0
<b>Other accounts payable</b>	<b>7,599.6</b>	<b>8,529.9</b>	<b>8,697.1</b>	<b>8,806.2</b>	1.3	3.2	15.9
Trade credit and advances	83.5	74.0	124.0	106.3	-14.3	43.5	27.3
Settlement accounts	2,189.8	1,987.3	2,063.6	2,088.9	1.2	5.1	-4.6
Provisions for losses	1,041.6	2,251.9	2,312.6	2,314.7	0.1	2.8	122.2
Accumulated depreciation	2,547.8	2,277.4	2,335.6	2,365.3	1.3	3.9	-7.2
Miscellaneous liability items	1,736.9	1,939.3	1,861.2	1,931.1	3.8	-0.4	11.2
<b>Shares and other equity</b>	<b>13,445.5</b>	<b>12,987.7</b>	<b>13,100.6</b>	<b>13,188.2</b>	0.7	1.5	-1.9
<b>TOTAL LIABILITIES</b>	<b>102,712.6</b>	<b>108,990.5</b>	<b>113,419.3</b>	<b>114,227.3</b>	0.7	4.8	11.2



**TABLE A3 : DEPOSITORY CORPORATION SURVEY**
**(MVT)**

END OF PERIOD	Mar-17	Dec-17	Feb-18	Mar-18	%Change		
					1 Month	3 months	12 Months
<b>1. Net Foreign Assets</b>	<b>33,137.1</b>	<b>40,630.9</b>	<b>42,578.6</b>	<b>42,159.3</b>	-1.0	3.8	27.2
Monetary Authorities (Net)	28,295.6	37,242.8	38,256.4	38,292.7	0.1	2.8	35.3
Other Depository Corporations (Net)	4,841.5	3,388.1	4,322.2	3,866.6	-10.5	14.1	-20.1
<b>2. Net Domestic Claims</b>	<b>39,047.5</b>	<b>38,029.8</b>	<b>38,963.7</b>	<b>39,259.7</b>	0.8	3.2	0.5
<b>(a) Domestic Claims</b>	<b>49,274.2</b>	<b>50,462.2</b>	<b>51,018.4</b>	<b>51,250.2</b>	0.5	1.6	4.0
<b>(i) Net claims on central government</b>	<b>(9,552.6)</b>	<b>(9,640.9)</b>	<b>(9,191.6)</b>	<b>(9,458.8)</b>	-2.9	1.9	1.0
Monetary Authorities	(4,476.5)	(3,348.6)	(2,614.4)	(2,287.8)	12.5	31.7	48.9
Other Depository Corporations	(5,076.1)	(6,292.4)	(6,577.2)	(7,171.0)	-9.0	-14.0	-41.3
<b>(ii) Claims on other Sectors</b>	<b>58,826.8</b>	<b>60,103.2</b>	<b>60,210.0</b>	<b>60,709.0</b>	0.8	1.0	3.2
Other Financial Corporations	0.9	35.8	36.6	35.3	-3.5	-1.5	3,835.2
State and local government	110.6	107.9	94.3	85.9	-8.9	-20.4	-22.4
Public nonfinancial corporations	1,319.9	1,271.1	1,339.5	1,313.1	-2.0	3.3	-0.5
Other nonfinancial corporations	26,950.3	25,632.7	25,570.9	25,902.4	1.3	1.1	-3.9
Other residents sectors	30,445.1	33,055.6	33,168.8	33,372.3	0.6	1.0	9.6
<b>(b) Other items (net)</b>	<b>(10,226.7)</b>	<b>(12,432.5)</b>	<b>(12,054.7)</b>	<b>(11,990.5)</b>	-0.5	-3.6	17.2
<b>3. Broad Money (M2)</b>	<b>72,184.6</b>	<b>78,660.7</b>	<b>81,675.2</b>	<b>81,418.9</b>	-0.3	3.5	12.8
<b>(a) Money (M1)</b>	<b>42,851.3</b>	<b>46,510.5</b>	<b>52,504.2</b>	<b>51,932.5</b>	-1.1	11.7	21.2
(i) Currency in circulation	6,866.9	7,832.2	7,242.6	7,439.7	2.7	-5.0	8.3
(ii) Transferable deposits	35,984.4	38,678.2	45,128.8	44,492.8	-1.4	15.0	23.6
<b>(b) Quasi-money</b>	<b>29,333.3</b>	<b>32,150.2</b>	<b>29,171.0</b>	<b>29,486.4</b>	1.1	-8.3	0.5
Other Deposits	29,333.3	32,150.2	29,171.0	29,486.4	1.1	-8.3	0.5

**Table A4: Other Depository Corporations Sectoral Distribution of Loans and Advances in Vatu and Foreign Currency (MVT)**

SECTOR	Mar-17			Mar-18			YOY % Change		
	VT	FC	Total	VT	FC	Total	VT	FC	Total
Depository Institutions Domestic	0.0	0.0	0.0	0.1	0.1	0.2			
Other Financial Corporations Domestic	0.9	0.0	0.9	1.4	33.9	35.3	60.6		3835.2
Central Government	0.0	0.0	0.0	0.0	0.0	0.0			
Provincial Assemblies & Local Government	110.6	0.0	110.6	85.9	0.0	85.9	-22.4		-22.4
Statutory Non-financial Corporations Domestic	872.7	447.2	1319.9	972.9	340.3	1313.1	11.5	-23.9	-0.5
Manufacturing	1012.2	274.7	1286.9	946.1	520.7	1466.8	-6.5	89.5	14.0
Agriculture	424.8	46.3	471.2	400.6	106.6	507.2	-5.7	130.2	7.6
Public Utilities	11.2	130.9	142.1	15.0	15.0	30.0	34.2	-88.5	-78.9
Forestry	7.9	0.0	7.9	0.0	0.0	0.0	-100.0		-100.0
Fisheries	29.6	0.0	29.6	23.7	0.0	23.7	-20.0	-100.0	-20.0
Mining & Quarrying	135.2	0.0	135.2	35.9	0.0	35.9	-73.4	-100.0	-73.4
Construction	2490.6	1449.9	3940.6	2357.5	1441.8	3799.4	-5.3	-0.6	-3.6
Distribution (Wholesale and Retail)	4235.0	865.2	5100.2	4019.8	1184.5	5204.3	-5.1	36.9	2.0
Tourism	2016.0	4865.7	6881.7	1311.0	5152.0	6463.0	-35.0	5.9	-6.1
Transport	591.1	207.4	798.5	757.4	160.0	917.4	28.1	-22.9	14.9
Communications	1276.6	851.5	2128.1	1184.3	813.3	1997.7	-7.2	-4.5	-6.1
Entertainment & Catering	699.5	300.4	999.9	574.4	511.3	1085.7	-17.9	70.2	8.6
Professional & Other Services	3185.8	1842.8	5028.6	2565.8	1696.5	4262.3	-19.5	-7.9	-15.2
Housing & Land Purchases	14678.6	4447.2	19125.8	14608.6	3086.3	17694.9	-0.5	-30.6	-7.5
Other individual	9524.1	1491.4	11015.4	11686.6	3707.5	15394.1	22.7	148.6	39.8
Non Profit Institutions Serving Households	217.6	0.0	217.6	215.5	0.0	215.5	-1.0	-100.0	-1.0
<b>Grand Total</b>	<b>41,519.8</b>	<b>17,220.8</b>	<b>58,740.6</b>	<b>41,762.6</b>	<b>18,769.8</b>	<b>60,532.4</b>	0.6	9.0	3.1