



# RESERVE BANK OF VANUATU

## FINANCIAL & ECONOMIC ANALYSIS: October 2020

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Issue 266

October 2020

### 1. INTERNATIONAL DEVELOPMENTS

A wave of national lockdowns is sweeping across Europe, fueling risks of a double-dip recession in the Euro Area and UK in Q4 and beyond. The World Health Organization (WHO) reported that COVID-19 continued to rise with 3.3 million new cases reported during the last week of October. This brings the cumulative total to over 46 million cases and 1.2 million deaths globally. According to the WHO, the upward trend is largely driven by increased incidence in Europe and with some increases also experienced in the Americas and the Eastern Mediterranean.

In the third quarter of 2020, almost every commodity prices have recovered from steep declines earlier in 2020, according to a World Bank October Commodity Markets Outlook. Crude oil prices have doubled in the third quarter following record low levels due to supply cuts. However, they remained low compared with pre-pandemic levels, the report highlighted. Following supply disruptions and pickup in Chinese industrial activity, Metal prices recovered rapidly.

In Australia, the RBA cut the cash rate target to 0.1 percent. The 3-year bond target and the interest rate on the term funding facility (TFF) were also reduced to 0.1 percent. In addition, the RBA announced “the purchase of \$100 billion of government bonds of maturities of around 5 to 10 years over the next six months.”

In New Zealand, the labor market has deteriorated, with the unemployment rate rising to 5.3 percent and wage inflation decelerating from already low levels.

In the US, the earliest data points to a robust recovery in Q3 after the record contraction in Q2 following the COVID-19 pandemic. Unemployment in September dropped again following the decrease in August. Non-farm payrolls continued to rise; however, they are still below February levels.

In Europe, national lockdowns are replacing regional COVID-19 containment strategies, risking a double-dip recession in the Euro Area and UK in Q4 and beyond. Prolonged deflationary risks are rising, making economic

recovery harder to achieve. It is a devastating blow to the economic recovery, which saw the Euro Area GDP rise 12.7 percent q/q in Q3, erasing most of Q2's collapse in output and left GDP 4.3 percent below its Q4 2019 peak.

For Pacific economies, cheaper oil and overseas support eases pressure on reserves. Oil prices are a lot lower this year, keeping a lid on current account deficits. And any deficit has, to a large extent, been paid for by a surplus in the capital and financial account, which, in turn, has been driven by drawdowns of development partner budget support loans and grants. Pacific island countries with a pegged exchange rate can ride out the COVID-19 shock.

### 2. EXCHANGE RATES DEVELOPMENT

Over the month of October, the Vatu appreciated against the Aussie dollar and Euro by 0.8 percent and 4.2 percent, respectively. On the other hand, it lost grounds to the US dollar by 0.6 percent and NZ dollar by 0.8 percent.

Exchange rate of the Vatu against Major Currencies							
	End Rates				Average rates		
	USD	AUD	NZD	EURO	USD	AUD	
<b>Oct-20</b>	113.8	80.0	75.5	132.9	113.0	80.6	
<b>Sep-20</b>	113.2	80.7	74.8	138.7	111.8	81.2	
% ▲	0.6	-0.8	0.8	-4.2			
<b>Jul-20</b>	113.2	80.8	75.2	130.5	114.7	80.0	
% ▲	0.5	-0.9	0.3	1.8			
<b>Oct-19</b>	115.8	79.9	73.9	129.1	116.8	79.3	
% ▲	-1.7	0.1	2.0	2.9			

% ▲ (-) Appreciation of Vatu

### 3. FOREIGN RESERVE DEVELOPMENTS

At the end of October 2020, Vanuatu's official reserves stood at around VT60 billion, sufficient to finance approximately 13.0 months of imports. The October inflows were mainly sourced from the Central Government.

### 4. DOMESTIC DEVELOPMENTS

The Council of Ministers (CoM) has approved VT300 million subsidy for commodity and copra prices as part of the contribution to recovery from Tropical Cyclone Harold and

the closure of borders due to COVID-19. The CoM allocated VT150 million as subsidy to support commodities such as kava, coffee, cocoa, taro, manioc, yam and sweet potatoes. The CoM also approved a VT150 million copra price subsidy which will follow the same process of the previous subsidy that ended in May 2020. The subsidy is up to VT10,000 per tonne of copra while the subsidized price is capped at VT40,000 per tonne.

*Vanuatu Daily Post, August 07 2020*

The Vanuatu National Provident Fund (VNPF) launched a low-cost housing project that will be rolled out across 81 plots of land at the Banian Subdivision on Santo. The project is valued at VT480 million. It will provide VNPF members the opportunity to purchase land with various types and sizes of housing from only VT1.3 million, with the option of financing through the National Bank of Vanuatu (NBV) and a 20 percent guarantee provided against the purchaser's VNPF savings.

*Vanuatu Daily Post, September 19 2020*

An OXFAM Project has launched E-Vouchers as aid support to disaster affected communities in Vanuatu. The Unblocked Cash Transfer is a Cash and Voucher Assistance solution developed by OXFAM in partnership with Search Engine Marketing Professionals Organization (SEMPO) to enable rapid, efficient and transparent financial aid for disaster relief. Instead of giving money in forms of cash, OXFAM provides an e-voucher card with a deposit of VT10,000 that renews every month to affected households. The entitlements are held on the card with a deposits and withdrawals. Pilot tests have shown modest cost-savings and significant time-savings related to operational activities. The provinces covered by the program are: SANMA (Santo), SHEFA (Efate) and TAFEA (Tanna) targeting an estimated total of 5,000 households.

*Vanuatu Daily Post, September 26 2020*

The Vanuatu Government has approved a VT1 billion stimulus package, announced by the Honorable Prime Minister (PM), Bob Loughman, on Independence Day anniversary as part of the Government's priorities in addressing the socio-economic impacts of COVID-19 and cyclone Harold. Over VT600 million from the VT1 billion stimulus package allocated to the productive sector will be utilized by the Ministry of Agriculture for production and VT300 million allocated to the Ministry of Trade to be used for value adding of products. The funds are spread on a multi-year period, from 2021 to 2023. In 2020, VT300 million will be used for root crop production across all provinces of Vanuatu focusing on climate-resilient crops such as kumala, manioc, taro and yam so that there is consistent supply to enable marketing. The Ministry of Trade will use the rest of the funds to set up commodity support programs and cooperatives businesses to facilitate value-adding.

*Vanuatu Daily Post, September 26 2020*

3 Link Communications, a new broad band service provider opened its Port Vila Office. 3 Link provides satellite internet connection in a format that is completely new in Vanuatu and comes with high speed of connection and lower operational costs. It provides alternative coverage to the rural areas and will help the Vanuatu Government achieve its Universal Access Policy which has an access target coverage of 98 percent with broadband connection by the first of January 2022.

*Vanuatu Daily Post, September 29 2020*

The Vanuatu Government intends to invest in developing the local timber industry with a focus on red pine on the island of Aneityum and cordia on Malekula and aims to reduce reliance on imports. An amount of VT20 million will be allocated to the Department of Forestry (DoF) to develop the red pine industry and another VT20 million towards cordia industry. The funds are sourced from the Economic Stimulus Package allocated to developing the productive sector. A total of VT40 million will also be allocated toward the development of coconut timber. The idea is to make use of fallen coconut trunks for timber including those affected by tropical cyclone Harold and rhinoceros beetle.

*Vanuatu Daily Post, September 30 2020*

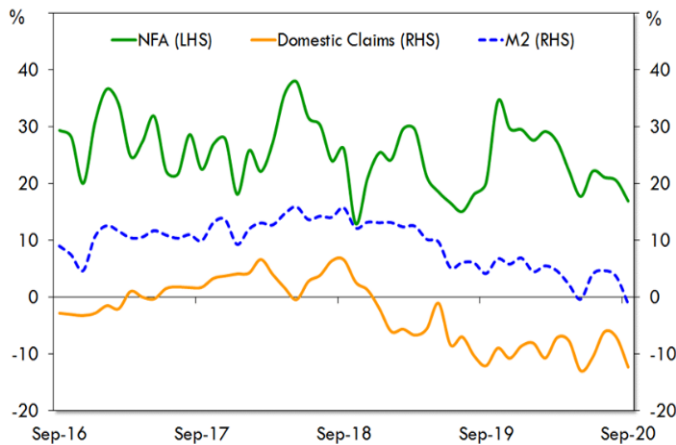
Cattle distribution for 350 farmers on the islands of Santo, Erromango, Epi, Malekula and Efate under the 11<sup>th</sup> EDF Cattle Restocking Program will start after the completion of farm assessment towards the end of the year. 192 herds have been offloaded to several sites: Ipota, Cooks Bay and Elizabeth Bay on Erromango and on to Epi Island. Around 400 to 500 cattle are ready to be distributed to Santo and will also extend to Malo, Aore, Mavea and Tutupa. Over 100 cattle have been distributed to farmers on Efate. The Vanuatu Government, through 11<sup>th</sup> EDF, will provide VT240 million towards cattle restocking, VT83 million for pasture development and another VT80 million for water accessibility.

*Vanuatu Daily Post, September 30 2020*

## 5. MONETARY DEVELOPMENTS

Money supply (M2) contracted by 4.8 percent and 1.1 percent, respectively, over the month and a year ago to September 2020. The month-on-month contraction was attributed largely to a downward trend in domestic credit and, to a lesser extent, net foreign assets (NFA). The year-on-year contraction reflected, in particular, persistent negative year ended growth in domestic credit which outweighed the positive growth in net foreign assets (NFA).

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

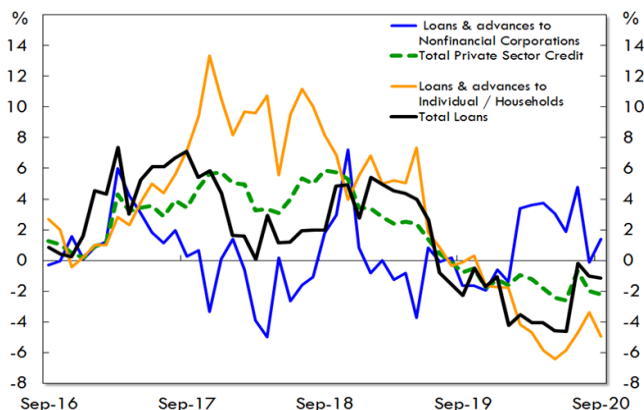


Source: Other Depository Corporations; Reserve Bank

NFA fell by 1.6 percent in September, but higher by 16.9 percent over the year to September 2020. The month-on-month decline reflected net outflows of foreign reserves recorded by both the commercial banks and the Reserve Bank; however, both institutions recorded net inflows of foreign reserves year-on-year.

Domestic credit further contracted by 6.9 percent and 12.3 percent, month-on-month and over the year to September 2020, respectively. This reduction reflected the combined effects of decreases in credit extended by commercial banks and net credit to the Central Government. Private sector credit<sup>1</sup>, in particular, recorded negative growths of 0.6 percent and 2.2 percent month-on-month and year-on-year, respectively. Total loans extended by ODCs to various sectors are depicted in table A4.

**Chart 2: Private Sector Credit (yoy% Change)**



Source: Other Depository Corporations; RBV

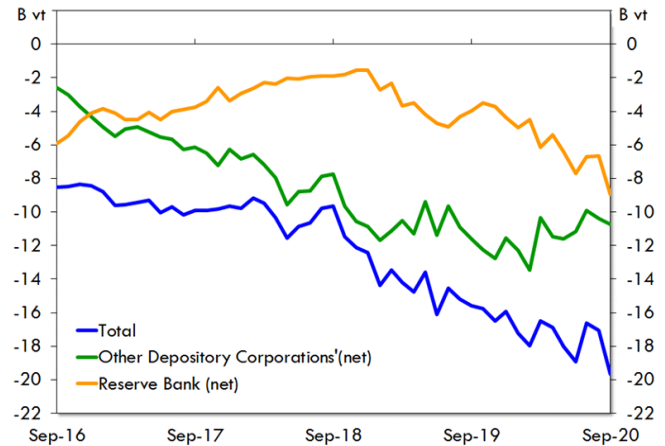
Lending by OFIs<sup>2</sup> stood at VT 1,458.9 million at the end of September 2020, representing further decreases of 4.1 percent over the month and 24.3 percent over a year ago.

<sup>1</sup> Comprises of credit to non-financial corporations and other resident sectors

<sup>2</sup> OFI: Other Financial Institutions cover Credit Corporation Vanuatu Ltd; Vanuatu Agriculture Bank; and Vanuatu National Provident Fund.

The Central Governments' net credit position vis-à-vis the banking system further improved in September 2020. This improvement reflected the accumulation of Government deposits held with both the commercial banks and the Reserve Bank. Similarly, the Government's net credit position improved over the year to September 2020. Claims on the Central Government by OFIs increased to VT4,800 million in September from VT2,100 million in August 2020, mainly reflecting the increase in holdings of Government bonds by OFIs.

**Chart 3: Net Claims of the Vanuatu Government vis-à-vis the Banking Sector (BVT)**



Source: Other Depository Corporations; RBV

**Open Market Operations (OMO)**

The Bank conducted four Open Market Operations during October 2020 where VT3000 million worth of RBV Notes were issued, compared with VT2100 million issued during the previous month.

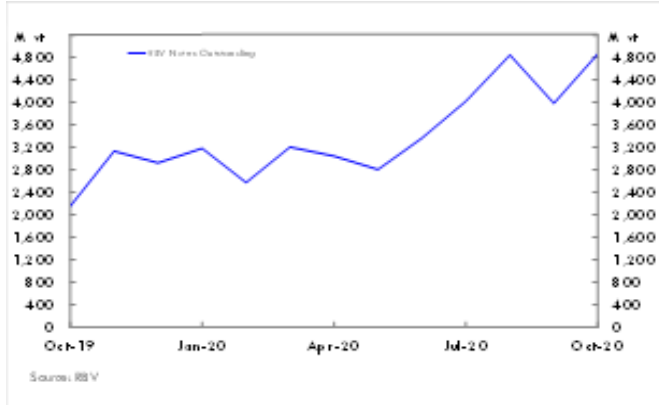
Total subscriptions received amounted to VT7260 million, up from VT6300 million received during September 2020.

Allotments were made as follow:

- 7 days: VT600 million
- 14 days: VT600 million
- 28 days: VT600 million
- 63 days: VT600 million
- 91 days: VT600 million

Depending on data availability, monthly reports for March, June, September and December covers two OFIs, while other months covers only one OFI.

**Chart 4: Outstanding RBV Notes**  
(Levels, millions of Vatu, Month-End Data)



Reflecting the increased amount of Notes allotted during October 2020, total outstanding RBV Notes increased to VT4864 million, compared with VT3984 million reported in the previous month (refer to Chart 4).

**Yields of RBV Notes**

Yields on RBV Notes as of end October 2020:

Term	End Oct.20	End Sep.20
7 days:	0.30%	0.30%
14 days:	0.30%	0.30%
28 days:	0.30%	0.30%
63 days:	0.32 %	0.32%
91 days:	0.32%	0.32%

**Chart 5: Yield on 91-days RBV Notes**  
(Levels, Percentage, Month-end Position)

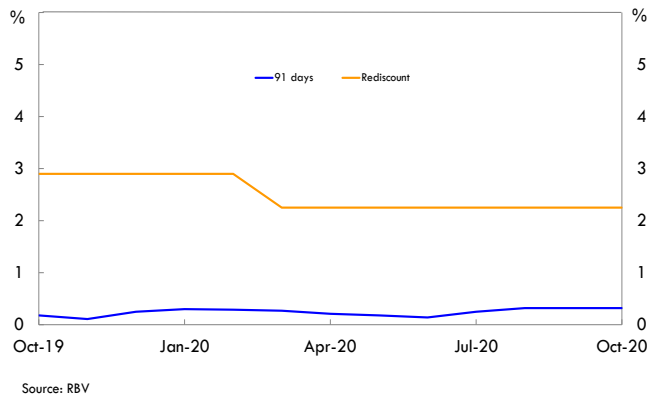


TABLE A1 : BALANCE SHEET OF THE RESERVE BANK OF VANUATU

(In Millions VT)

End of Period	Sep-19	Jun-20	Aug-20	Sep-20	%Change		
					1 Month	3 Months	12 Months
<b>Claims on nonresidents</b>	<b>53,491.2</b>	<b>61,395.2</b>	<b>61,939.6</b>	<b>61,885.9</b>	<b>-0.1</b>	<b>0.8</b>	<b>15.7</b>
Monetary gold and SDR holdings	818.0	703.4	694.5	702.3	1.1	-0.1	-14.1
Reserve Assets	52,673.3	60,691.9	61,245.0	61,183.6	-0.1	0.8	16.2
<b>Currency and Deposits</b>	<b>28.9</b>	<b>15.5</b>	<b>25.6</b>	<b>20.8</b>	<b>-19.0</b>	<b>33.6</b>	<b>-28.2</b>
National currency	28.9	15.5	25.6	20.8	-19.0	33.6	-28.2
<b>Securities other than shares</b>	<b>2,827.7</b>	<b>2,371.6</b>	<b>2,372.3</b>	<b>2,372.3</b>	<b>0.0</b>	<b>0.0</b>	<b>-16.1</b>
Central government	2,827.7	2,371.6	2,372.3	2,372.3	0.0	0.0	-16.1
<b>Loans</b>	<b>78.1</b>	<b>132.7</b>	<b>157.8</b>	<b>152.9</b>	<b>-3.1</b>	<b>15.3</b>	<b>95.8</b>
Other depository corporations							
Other financial corporations							
Central government							
Other residents sectors	78.1	132.7	157.8	152.9	-3.1	15.3	95.8
<b>Other accounts receivable</b>	<b>4,148.9</b>	<b>4,236.2</b>	<b>4,154.3</b>	<b>3,936.6</b>	<b>-5.2</b>	<b>-7.1</b>	<b>-5.1</b>
Trade credit and advances	21.1	76.6	34.1	17.8	-47.9	-76.8	-15.7
Settlement accounts	425.5	352.7	344.5	201.7	-41.5	-42.8	-52.6
O/W Items in the process of collection	202.4	127.9	134.5	35.7	-73.4	-72.1	-82.3
Miscellaneous Assets	3,702.3	3,806.9	3,775.8	3,717.2	-1.6	-2.4	0.4
<b>Nonfinancial assets</b>	<b>1,677.7</b>	<b>1,696.1</b>	<b>1,687.3</b>	<b>1,682.7</b>	<b>-0.3</b>	<b>-0.8</b>	<b>0.3</b>
<b>TOTAL ASSETS</b>	<b>62,252.6</b>	<b>69,847.3</b>	<b>70,336.9</b>	<b>70,051.2</b>	<b>-0.4</b>	<b>0.3</b>	<b>12.5</b>
<b>Monetary Base</b>	<b>43,382.5</b>	<b>47,238.4</b>	<b>47,981.7</b>	<b>46,233.3</b>	<b>-3.6</b>	<b>-2.1</b>	<b>6.6</b>
Currency in Circulation	8,813.5	9,702.4	9,869.1	9,703.1	-1.7	0.0	10.1
Currency Other Depository Corporations	2,389.7	2,645.8	2,687.2	2,776.4	3.3	4.9	16.2
Liabilities to Other Depository Corporations	<b>32,179.3</b>	<b>34,890.3</b>	<b>35,425.5</b>	<b>33,753.8</b>	<b>-4.7</b>	<b>-3.3</b>	<b>4.9</b>
Reserve Deposits	3,976.1	3,993.0	4,092.0	4,102.4	0.3	2.7	3.2
Other Liabilities	28,203.2	30,897.3	31,333.5	29,651.4	-5.4	-4.0	5.1
<b>Liabilities to Central Government</b>	<b>6,787.0</b>	<b>10,089.0</b>	<b>9,030.2</b>	<b>11,337.4</b>	<b>25.5</b>	<b>12.4</b>	<b>67.0</b>
Deposits	6,787.0	10,089.0	9,030.2	11,337.4	25.5	12.4	67.0
Other							
<b>Liabilities to non residents</b>	<b>2,017.1</b>	<b>1,445.9</b>	<b>1,383.6</b>	<b>1,397.5</b>	<b>1.0</b>	<b>-3.3</b>	<b>-30.7</b>
Deposits	2,017.1	1,445.9	1,383.6	1,397.5	1.0	-3.3	-30.7
<b>Deposits</b>							
Other Deposits							
<b>Securities other than shares</b>	<b>1,598.2</b>	<b>2,799.2</b>	<b>3,658.5</b>	<b>2,798.4</b>	<b>-23.5</b>	<b>0.0</b>	<b>75.1</b>
Other Depository Corporation	1,518.2	2,799.2	3,658.5	2,798.4	-23.5	0.0	84.3
Other financial Corporation	80.0	0.0	0.0	0.0			-100.0
<b>Loans</b>	<b>8.0</b>	<b>-47.0</b>	<b>-54.3</b>	<b>-47.4</b>	<b>-12.6</b>	<b>1.0</b>	<b>-694.7</b>
Liabilities to the IMF- Central Government	8.0	-47.0	-54.3	-47.4	-12.6	1.0	-694.7
<b>Other accounts payable</b>	<b>447.9</b>	<b>342.0</b>	<b>338.4</b>	<b>329.3</b>	<b>-2.7</b>	<b>-3.7</b>	<b>-26.5</b>
Trade credit and advances	277.9	292.9	289.8	290.8	0.3	-0.7	4.6
Other Sectors	169.9	49.1	48.6	38.5	-20.9	-21.6	-77.4
<b>o/w Settlement Accounts</b>	<b>141.2</b>	<b>33.3</b>	<b>22.7</b>	<b>17.4</b>	<b>-23.3</b>	<b>-47.6</b>	<b>-87.7</b>
<b>Shares and other equity</b>	<b>5,410.2</b>	<b>5,591.8</b>	<b>5,639.0</b>	<b>5,616.6</b>	<b>-0.4</b>	<b>0.4</b>	<b>3.8</b>
<b>SDR Allocation</b>	<b>2,601.7</b>	<b>2,388.0</b>	<b>2,359.7</b>	<b>2,386.2</b>	<b>1.1</b>	<b>-0.1</b>	<b>-8.3</b>
<b>TOTAL LIABILITIES</b>	<b>62,252.6</b>	<b>69,847.3</b>	<b>70,336.9</b>	<b>70,051.2</b>	<b>-0.4</b>	<b>0.3</b>	<b>12.5</b>

TABLE A2a : BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS IN VANUATU

(In Millions VT)

END OF PERIOD	Sep-19	Jun-20	Aug-20	Sep-20	%Change		
					1 Month	3 Months	12 Months
<b>Monetary gold and SDR</b>							
<b>Currency and deposits</b>	<b>56,890.5</b>	<b>58,234.6</b>	<b>58,844.6</b>	<b>57,058.6</b>	<b>-3.0</b>	<b>-2.0</b>	<b>0.3</b>
<b>Currency</b>	<b>2,715.5</b>	<b>3,268.9</b>	<b>3,525.7</b>	<b>3,272.6</b>	<b>-7.2</b>	<b>0.1</b>	<b>20.5</b>
National	2,389.7	2,645.8	2,687.2	2,776.4	3.3	4.9	16.2
Foreign	325.8	623.1	838.6	496.1	-40.8	-20.4	52.3
<b>Transferable deposits</b>	<b>35,384.9</b>	<b>36,922.9</b>	<b>38,204.3</b>	<b>37,506.5</b>	<b>-1.8</b>	<b>1.6</b>	<b>6.0</b>
<i>In Local currency:</i>	<b>33,118.2</b>	<b>34,603.4</b>	<b>35,135.0</b>	<b>34,156.0</b>	<b>-2.8</b>	<b>-1.3</b>	<b>3.1</b>
Central Bank	33,024.0	34,598.8	35,127.8	34,151.7	-2.8	-1.3	3.4
Other depository corporations	66.5	0.0	0.0	0.0			
Other financial corporation							
Nonresidents	<b>27.7</b>	<b>4.5</b>	<b>7.1</b>	<b>4.3</b>	<b>-39.7</b>	<b>-4.9</b>	<b>-84.5</b>
Head offices and Branches	0.0	0.0	0.0	0.0			
Other depository corporations	27.7	4.5	7.1	4.3	-39.7	-4.9	-84.5
<i>In foreign currency:</i>	<b>2,266.7</b>	<b>2,319.5</b>	<b>3,069.3</b>	<b>3,350.5</b>	<b>9.2</b>	<b>44.4</b>	<b>47.8</b>
Other depository corporations							
Other financial corporation							
Other depository corporations	580.2	1.6	2.1	2.1	-0.2	36.1	-99.6
Nonresidents	<b>1,686.5</b>	<b>2,317.9</b>	<b>3,067.2</b>	<b>3,348.4</b>	<b>9.2</b>	<b>44.5</b>	<b>98.5</b>
Head offices and Branches	57.1	309.1	268.2	303.9	13.3	-1.7	431.9
Other depository corporations	1,629.4	2,008.8	2,799.0	3,044.4	8.8	51.6	86.8
<b>Other deposits</b>	<b>18,790.1</b>	<b>18,042.8</b>	<b>17,114.6</b>	<b>16,279.5</b>	<b>-4.9</b>	<b>-9.8</b>	<b>-13.4</b>
<i>In Local currency:</i>							
Other depository corporations	526.3	488.2	488.2	488.3	0.0	0.0	-7.2
Other financial corporation							
Nonresidents	7.7	0.0	0.0	0.0			
Head offices and Branches							
Other depository corporations	7.7	0.0	0.0	0.0			
<i>In foreign currency:</i>							
Other depository corporations							
Other financial corporation							
Other depository corporations	2,029.6	651.1	907.8	1,018.8	12.2	56.5	-49.8
Nonresidents	<b>16,226.5</b>	<b>16,903.5</b>	<b>15,718.5</b>	<b>14,772.4</b>	<b>-6.0</b>	<b>-12.6</b>	<b>-9.0</b>
Head offices and Branches	1,237.9	0.0	0.0	0.0			-100.0
Other depository corporations	14,988.6	16,903.5	15,718.5	14,772.4	-6.0	-12.6	-1.4
<b>Securities other than shares</b>	<b>2,805.7</b>	<b>3,986.7</b>	<b>4,546.0</b>	<b>3,685.9</b>	<b>-18.9</b>	<b>-7.5</b>	<b>31.4</b>
Central Bank	1,518.2	2,799.2	3,658.5	2,798.4	-23.5	0.0	84.3
Central Government	1,287.5	1,187.5	887.5	887.5	0.0	-25.3	-31.1
<b>Loans</b>	<b>63,337.3</b>	<b>61,940.7</b>	<b>62,042.2</b>	<b>61,673.7</b>	<b>-0.6</b>	<b>-0.4</b>	<b>-2.6</b>
Central bank							
Other depository corporations	0.2	0.2	0.2	0.0	-97.8	-97.7	-97.6
Other financial corporations	76.4	66.6	67.8	71.9	6.0	7.9	-5.9
Central government	0.0	0.0	0.0	0.0			
State and local government	62.7	59.7	60.9	59.8	-1.7	0.2	-4.6
Public nonfinancial corporations	1,097.7	807.3	878.8	875.3	-0.4	8.4	-20.3
Other nonfinancial corporations	25,893.5	26,398.6	26,145.9	26,257.5	0.4	-0.5	1.4
Other residents sectors	34,727.3	33,150.4	33,423.7	32,937.6	-1.5	-0.6	-5.2
Nonresidents	1,479.4	1,457.9	1,464.9	1,471.5	0.5	0.9	-0.5
<b>Interbank Funds sold</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>			
<b>Shares and Other Equity</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>			
Other depository corporations	0.0	0.0	0.0	0.0			
<b>Other accounts receivable</b>	<b>4,022.6</b>	<b>4,357.8</b>	<b>4,228.7</b>	<b>4,172.5</b>	<b>-1.3</b>	<b>-4.3</b>	<b>3.7</b>
Trade credit and advances	114.3	157.5	124.4	112.5	-9.6	-28.6	-1.6
Settlement accounts	2,281.8	2,653.8	2,776.3	2,709.5	-2.4	2.1	18.7
Miscellaneous assets items	1,626.6	1,546.5	1,328.0	1,350.5	1.7	-12.7	-17.0
<b>Nonfinancial assets</b>	<b>5,866.4</b>	<b>6,286.7</b>	<b>6,316.9</b>	<b>6,396.0</b>	<b>1.3</b>	<b>1.7</b>	<b>9.0</b>
<b>TOTAL ASSETS</b>	<b>132,922.6</b>	<b>134,806.5</b>	<b>135,978.4</b>	<b>132,986.8</b>	<b>-2.2</b>	<b>-1.3</b>	<b>0.0</b>

\* From October 2018 data includes Wanfuteng Bank

TABLE A2b : CONDENSED BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS IN VANUATU

( In Millions VT)

END OF PERIOD	Sep-19	Jun-20	Aug-20	Sep-20	%Change		
					1 Month	3 Months	12 Months
<b>Deposits</b>	<b>103,129.9</b>	<b>103,920.2</b>	<b>103,997.7</b>	<b>99,674.2</b>	<b>-4.2</b>	<b>-4.1</b>	<b>-3.4</b>
<b>Transferable deposits</b>	<b>60,763.2</b>	<b>63,444.8</b>	<b>65,734.2</b>	<b>63,682.9</b>	<b>-3.1</b>	<b>0.4</b>	<b>4.8</b>
<i>In Local currency:</i>	<b>39,121.9</b>	<b>40,686.6</b>	<b>44,030.8</b>	<b>42,438.7</b>	<b>-3.6</b>	<b>4.3</b>	<b>8.5</b>
Other depository corporation	579.6	412.9	541.1	605.4	11.9	46.6	4.5
Other financial corporations	3,902.0	2,655.1	4,409.8	2,810.4	-36.3	5.8	-28.0
Central government	4,951.5	3,404.5	4,025.7	3,914.7	-2.8	15.0	-20.9
State and local governments	154.9	143.5	80.0	99.9	24.9	-30.4	-35.5
Public nonfinancial corporations	1,074.5	699.2	751.4	705.9	-6.1	1.0	-34.3
Other non financial corporations	12,081.0	14,041.0	14,670.2	14,611.4	-0.4	4.1	20.9
Other residents sectors	16,580.8	19,458.3	19,687.0	19,726.8	0.2	1.4	19.0
<b>Non-residents</b>	<b>1,568.1</b>	<b>1,637.2</b>	<b>1,694.0</b>	<b>1,642.4</b>	<b>-3.0</b>	<b>0.3</b>	<b>4.7</b>
Head office and Branches							
Other Depository and financial corporations	12.4	11.5	21.4	14.5	-32.2	26.2	16.9
Other non residents	1,555.7	1,625.7	1,672.6	1,627.9	-2.7	0.1	4.6
<i>In Foreign currency:</i>	<b>18,916.6</b>	<b>19,514.3</b>	<b>18,523.8</b>	<b>18,223.2</b>	<b>-1.6</b>	<b>-6.6</b>	<b>-3.7</b>
Other depository corporation	675.6	104.0	93.3	92.3	-1.0	-11.2	-86.3
Other financial corporations	429.7	482.7	480.9	655.7	36.4	35.8	52.6
Central government	1,055.7	1,934.1	486.3	890.7	83.1	-53.9	-15.6
State and local governments							
Public nonfinancial corporations	257.5	352.9	334.7	329.2	-1.6	-6.7	27.8
Other non financial corporations	11,711.5	13,326.3	13,286.4	12,926.1	-2.7	-3.0	10.4
Other residents sectors	4,311.8	2,749.1	3,268.6	2,752.7	-15.8	0.1	-36.2
<b>Non-residents</b>	<b>1,156.5</b>	<b>1,606.7</b>	<b>1,485.7</b>	<b>1,378.5</b>	<b>-7.2</b>	<b>-14.2</b>	<b>19.2</b>
Head office and Branches	69.1	0.0	44.1	0.0	-100.0		-100.0
Other Depository and financial corporations	48.1	128.1	46.5	52.2	12.4	-59.2	8.6
Other non residents	1,039.3	1,478.6	1,395.2	1,326.3	-4.9	-10.3	27.6
<b>Other deposits</b>	<b>42,366.8</b>	<b>40,475.4</b>	<b>38,263.5</b>	<b>35,991.4</b>	<b>-5.9</b>	<b>-11.1</b>	<b>-15.0</b>
<i>In Local currency:</i>	<b>25,670.3</b>	<b>24,011.4</b>	<b>22,001.2</b>	<b>20,127.5</b>	<b>-8.5</b>	<b>-16.2</b>	<b>-21.6</b>
Other depository corporation	484.1	818.9	820.2	820.7	0.1	0.2	69.5
Other financial corporations	5,492.7	5,270.3	3,440.1	1,590.1	-53.8	-69.8	-71.1
Central government	6,884.4	6,062.1	5,828.2	5,845.4	0.3	-3.6	-15.1
State and local governments	120.5	117.6	119.2	119.2	0.0	1.3	-1.1
Public nonfinancial corporations	1,205.2	1,116.1	1,068.0	1,068.1	0.0	-4.3	-11.4
Other non financial corporations	2,858.3	2,751.1	2,768.4	2,733.7	-1.3	-0.6	-4.4
Other residents sectors	8,625.1	7,875.4	7,957.1	7,950.5	-0.1	1.0	-7.8
<b>Non-residents</b>	<b>605.4</b>	<b>893.0</b>	<b>899.2</b>	<b>1,474.0</b>	<b>63.9</b>	<b>65.1</b>	<b>143.5</b>
Head office and Branches							
Other Depository and financial corporations	0.0	0.0	0.0	0.0			
Other non residents	605.4	893.0	899.2	1,474.0	63.9	65.1	143.5
<i>In Foreign currency:</i>	<b>13,761.6</b>	<b>14,161.1</b>	<b>13,900.5</b>	<b>13,507.2</b>	<b>-2.8</b>	<b>-4.6</b>	<b>-1.8</b>
Other depository corporation	1,490.4	0.0	0.0	0.0			
Other financial corporations	2,929.4	3,244.3	2,671.8	2,727.1	2.1	-15.9	-6.9
Central government							
State and local governments							
Central government	0.0	970.9	930.6	948.0	1.9	-2.4	
Public nonfinancial corporations	93.9	93.9	708.7	92.9	-86.9	-1.1	-1.1
Other non financial corporations	4,988.1	5,580.5	5,656.6	5,839.9	3.2	4.6	17.1
Other residents sectors	4,259.7	4,271.5	3,932.9	3,899.4	-0.9	-8.7	-8.5
<b>Non-residents</b>	<b>2,329.6</b>	<b>1,409.9</b>	<b>1,462.5</b>	<b>882.7</b>	<b>-39.6</b>	<b>-37.4</b>	<b>-62.1</b>
Head office and Branches							
Other Depository and financial corporations	0.0	0.0	0.0	0.0			
Other non residents	2,329.6	1,409.9	1,462.5	882.7	-39.6	-37.4	-62.1
<b>Loans</b>	<b>2,495.5</b>	<b>1,839.2</b>	<b>2,432.0</b>	<b>2,757.6</b>	<b>13.4</b>	<b>49.9</b>	<b>10.5</b>
Central bank							
Other depository Corporations	515.9	650.8	1,152.1	1,260.6	9.4	93.7	144.3
Other financial corporations							
Central government							
<b>Non residents</b>	<b>1,979.5</b>	<b>1,188.4</b>	<b>1,279.9</b>	<b>1,497.0</b>	<b>17.0</b>	<b>26.0</b>	<b>-24.4</b>
Head office and Branches	1,894.7	1,135.0	1,260.2	1,432.3	13.7	26.2	-24.4
Other financial corporations	84.8	53.4	19.6	64.7	229.5	21.0	-23.7
Other non residents							
<b>Interbank Funds Purchased</b>							
<b>Other accounts payable</b>	<b>12,297.5</b>	<b>13,637.6</b>	<b>13,742.7</b>	<b>13,764.8</b>	<b>0.2</b>	<b>0.9</b>	<b>11.9</b>
Trade credit and advances	167.0	113.7	108.4	146.2	34.9	28.6	-12.4
Settlement accounts	2,146.0	2,412.5	2,547.7	2,457.9	-3.5	1.9	14.5
Provisions for losses	3,973.3	3,912.1	3,942.2	3,882.5	-1.5	-0.8	-2.3
Accumulated depreciation	2,961.8	3,233.5	3,319.8	3,365.8	1.4	4.1	13.6
Dividends payable							
Miscellaneous liability items	3,049.5	3,965.8	3,824.6	3,912.4	2.3	-1.3	28.3
<b>Shares and other equity</b>	<b>14,999.6</b>	<b>15,409.5</b>	<b>15,806.0</b>	<b>16,790.2</b>	<b>6.2</b>	<b>9.0</b>	<b>11.9</b>
<b>TOTAL LIABILITIES</b>	<b>132,922.6</b>	<b>134,806.5</b>	<b>135,978.4</b>	<b>132,986.8</b>	<b>-2.2</b>	<b>-1.3</b>	<b>0.0</b>



TABLE A3 : DEPOSITORY CORPORATION SURVEY

(In Million VT)

END OF PERIOD	Sep-19	Jun-20	Aug-20	Sep-20	%Change		
					1 Month	3 Months	12 Months
<b>1. Net Foreign Assets</b>	<b>60,998.5</b>	<b>72,133.1</b>	<b>72,471.2</b>	<b>71,320.3</b>	<b>-1.6</b>	<b>-1.1</b>	<b>16.9</b>
Monetary Authorities (Net)	48,872.4	57,561.4	58,196.3	58,102.3	-0.2	0.9	18.9
Other Depository Corporations (Net)	12,126.1	14,571.7	14,274.9	13,218.0	-7.4	-9.3	9.0
<b>2. Net Domestic Claims</b>	<b>32,596.2</b>	<b>23,571.0</b>	<b>24,583.3</b>	<b>21,080.6</b>	<b>-14.2</b>	<b>-10.6</b>	<b>-35.3</b>
<b>(a) Domestic Claims</b>	<b>46,372.4</b>	<b>41,713.8</b>	<b>43,693.7</b>	<b>40,678.9</b>	<b>-6.9</b>	<b>-2.5</b>	<b>-12.3</b>
<b>(i) Net claims on central government</b>	<b>-15,563.4</b>	<b>-18,901.5</b>	<b>-17,041.2</b>	<b>-19,676.2</b>	<b>-15.5</b>	<b>-4.1</b>	<b>-26.4</b>
Monetary Authorities	-3,959.3	-7,717.4	-6,657.9	-8,965.1	-34.7	-16.2	-126.4
Other Depository Corporations	-11,604.1	-11,184.1	-10,383.3	-10,711.2	-3.2	4.2	7.7
<b>(ii) Claims on other Sectors</b>	<b>61,935.8</b>	<b>60,615.3</b>	<b>60,734.8</b>	<b>60,355.1</b>	<b>-0.6</b>	<b>-0.4</b>	<b>-2.6</b>
Other Financial Corporations	76.4	66.6	67.8	71.9	6.0	7.9	-5.9
State and local government	62.7	59.7	60.9	59.8	-1.7	0.2	-4.6
Public nonfinancial corporations	1,097.7	807.3	878.8	875.3	-0.4	8.4	-20.3
Other nonfinancial corporations	25,893.5	26,398.6	26,145.9	26,257.5	0.4	-0.5	1.4
Other residents sectors	34,805.4	33,283.1	33,581.5	33,090.5	-1.5	-0.6	-4.9
<b>(b) Other items (net)</b>	<b>-13,776.2</b>	<b>-18,142.7</b>	<b>-19,110.4</b>	<b>-19,598.2</b>	<b>2.6</b>	<b>8.0</b>	<b>42.3</b>
<b>3. Broad Money (M2)</b>	<b>93,392.3</b>	<b>95,704.1</b>	<b>97,054.5</b>	<b>92,401.0</b>	<b>-4.8</b>	<b>-3.5</b>	<b>-1.1</b>
<b>(a) Money (M1)</b>	<b>60,844.9</b>	<b>64,564.7</b>	<b>67,911.5</b>	<b>65,559.7</b>	<b>-3.5</b>	<b>1.5</b>	<b>7.7</b>
(i) Currency in circulation	8,813.5	9,702.4	9,869.1	9,703.1	-1.7	0.0	10.1
(ii) Transferable deposits	52,031.4	54,862.4	58,042.4	55,856.5	-3.8	1.8	7.4
<b>(b) Quasi-money</b>	<b>32,547.4</b>	<b>31,139.4</b>	<b>29,143.0</b>	<b>26,841.3</b>	<b>-7.9</b>	<b>-13.8</b>	<b>-17.5</b>
Other Deposits	32,547.4	31,139.4	29,143.0	26,841.3	-7.9	-13.8	-17.5

\* From October 2018 data includes Wanfuteng Bank

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

(In Million VT)

* SECTOR	Sep-19			Sep-20			YOY % Change		
	VT	FC	Total	VT	FC	Total	VT	FC	Total
Depository Institutions Domestic	0.2	0.0	0.2	0.0	0.0	0.0	-97.8		-97.8
Other Financial Corporations Domestic	25.8	57.1	82.9	14.8	57.1	71.9	-42.7	0.0	-13.3
Central Government	0.0	0.0	0.0	0.0	0.0	0.0			
Provincial Assemblies & Local Government	60.1	0.0	60.1	59.8	0.0	59.8	-0.4		-0.4
Statutory Non-financial Corporations Domestic	462.4	404.7	867.1	467.2	408.2	875.3	1.0	0.9	1.0
Manufacturing	1,283.2	597.1	1,880.3	1,117.5	585.5	1,703.1	-12.9	-1.9	-9.4
Agriculture	589.1	124.2	713.2	795.1	116.4	911.5	35.0	-6.3	27.8
Public Utilities	129.4	68.0	197.4	110.1	63.3	173.4	-14.9	-6.9	-12.2
Forestry	0.0	86.6	86.6	0.0	83.8	83.8		-3.2	-3.2
Fisheries	13.5	0.0	13.5	13.8	0.0	13.8	2.2		2.2
Mining & Quarrying	92.0	0.0	92.0	91.0	0.0	91.0	-1.1		-1.1
Construction	2,155.6	1,265.3	3,420.9	2,449.3	1,271.9	3,721.2	13.6	0.5	8.8
Distribution (Wholesale and Retail)	3,815.7	1,070.6	4,886.2	3,834.3	1,262.7	5,097.0	0.5	17.9	4.3
Tourism	1,573.0	5,765.1	7,338.0	1,716.7	5,411.5	7,128.2	9.1	-6.1	-2.9
Transport	601.8	417.3	1,019.1	568.0	423.2	991.2	-5.6	1.4	-2.7
Communications	861.3	728.6	1,589.8	857.2	0.0	857.2	-0.5	-100.0	-46.1
Entertainment & Catering	234.7	170.1	404.8	188.2	171.1	359.3	-19.8	0.6	-11.3
Professional & Other Services	3,257.0	2,143.7	5,400.7	3,061.2	2,065.6	5,126.8	-6.0	-3.6	-5.1
Housing & Land Purchases	13,519.6	2,479.4	15,999.0	13,489.7	3,249.9	16,739.6	-0.2	31.1	4.6
Other individual	13,985.1	3,145.5	17,130.6	13,889.7	2,112.0	16,001.7	-0.7	-32.9	-6.6
Non Profit Institutions Serving Households	200.5	0.0	200.5	196.2	0.0	196.3	-2.1	-16.7	-2.1
<b>Grand Total</b>	<b>42,859.7</b>	<b>18,523.3</b>	<b>61,383.0</b>	<b>42,920.1</b>	<b>17,282.1</b>	<b>60,202.169</b>	<b>0.1</b>	<b>-6.7</b>	<b>-1.9</b>

\* As of October 2018 data includes Wanfuteng Bank