



# RESERVE BANK OF VANUATU

## FINANCIAL & ECONOMIC ANALYSIS:

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Issue 278

October 2021

### 1. INTERNATIONAL DEVELOPMENTS

In its October World economic outlook, the International Monetary Fund (IMF) had forecasted the global economy to grow 5.9 percent in 2021 and 4.9 percent in 2022, 0.1 percentage point lower for 2021 than in the July forecast.

For **Commodity**, energy prices soared in the third quarter of 2021, and are expected to remain elevated in 2022, according to the World Bank Group October report.

In **New Zealand**, data continue to suggest that the August lockdown has not impacted activity to the same degree as the 2020 lockdown. Capacity pressures remain, with supply chain disruptions and labour shortages continuing to pose barriers to growth, and will keep inflationary pressures elevated. The ANZ group had forecasted another hike in the November Monetary Policy meeting.

In **Australia**, the Delta has hit Australia harder than other OECD economies, according to the IMF. The economy is expected to have shrunk in the third quarter by 3.0 percent.

In the US, the September quarter growth came out at 0.5 percent. This is down from the 1.6 percent recorded in the previous quarter. This is due to resurgent pandemic's impact in keeping consumers at home.

In the **Euro area**, the European Commission had forecasted that the economy rebounded from the pandemic faster than expected. It had forecasted a growth rate of 5 percent, 4.3 percent and 2.5 percent in 2021, 2022 and 2023, respectively.

### 2. EXCHANGE RATES DEVELOPMENT

Over the month of October, the Vatu had appreciated against the USD and Euro by 2.8 percent and 2.1 percent, respectively, while plunging against the AUD and NZD by 2.1 percent and 1.9 percent, respectively. From October 2020 to October 2021, all 3 major currencies appreciated on average against the Vatu

with the only exception of USD, in comparison to October 2019 to October 2020.

Table 1: Exchange rates, Vatu per foreign currency

	Vatu per foreign currency					
	End Rates				Average Rates	
	USD	AUD	NZD	EURO	USD	AUD
Oct-21	109.18	82.35	78.60	127.57	110.50	81.75
Sep-21	112.35	80.63	77.17	130.32	110.84	81.10
Oct-20	113.80	80.00	75.46	132.85	113.02	80.66

### 3. FOREIGN RESERVE DEVELOPMENT

Foreign reserves remained at an adequate level, increasing from VT69, 183 million<sup>1</sup> to VT69,800 million over the month of October, capable to finance approximately 12.7 months of imports.

### 4. DOMESTIC DEVELOPMENTS

A virtual agreement was signed for the International Labour Organisation (ILO) to support the Vanuatu National Provident Fund (VNPF) address social security for Ni-Vanuatu engaged in the informal economy. ILO is providing financial and technical assistance to support VNPF with the deployment of digital platforms for the informal sector. The technical assistance provided by ILO, through the partnership with VNPF, aligns to the Vanuatu COVID-19 Recovery Strategy 2020-2023, in particularly, recovery objective 2 – Enhancing lives and livelihood. *Vanuatu Daily Post, 1 October 2021*

Finance Minister Johnny Koanapo, as Minister responsible for the Vanuatu Financial Services Commission (VFSC), officially launched the Vanuatu Digital Assets Guidelines. The amendment of Financial Dealers Licensing (FDL) Act of 2021 and the launching of the VFSC guidelines indicated that Vanuatu is moving ahead like other developed countries around the world with digital assets. These guidelines will allow VFSC to inform the public, its customers and the prospective investors on the criteria to operate a digital assets platform but also work on further amendment and on a

<sup>1</sup> Net official Reserves (Gross reserves less IMF positions)

specific detailed legislation about virtual asset business that will address the needs of Vanuatu. ***Vanuatu Daily Post, 2 October 2021***

Vanuatu's Prime Minister Bob Loughman and New Zealand's Prime Minister Jacinda Ardern signed an Arrangement allowing one-way quarantine-free travel for seasonal workers going to New Zealand. Under the new Arrangement, RSE workers will no longer need to spend 14 days in quarantine on arrival in New Zealand. Instead, they will spend up to a week in self-isolation on or near the farms where they will be employed, and most will be able to work through that time. ***Vanuatu Daily Post, 2 October 2021***

Digicel Vanuatu announced the launch of its upgraded 4G services across Vanuatu on 30<sup>th</sup> September 2021, making the 4G network 100 percent across the country. The upgrade is the cornerstone of a \$250 million investment which demonstrates Digicel's commitment to improving its communications services to the people of Vanuatu. ***Vanuatu Daily Post, 8 October 2021***

The Vanuatu Fresh Products Market's new market space is under renovation at the Bladiniere area, Port Vila. The market will cater for a wide range of fresh organic crops and local produces, and other services as well. The market will conduct a trial opening next month, with the official opening by the Government taking place early next year. ***Vanuatu Daily Post, 12 October 2021***

The New Zealand (NZ) Government, through its Ministry of Foreign Affairs and Trade (MFAT), is providing VT231 million to rebuild cyclone damage schools in Santo and another VT84 million to improve student's scientific knowledge. This was formalised in a Memorandum of Agreement (MOA), signed by the NZ High Commissioner to Vanuatu and the Minister of Education. ***Vanuatu Daily Post, 12 October 2021***

The Utilities Regulatory Authority (URA), Department of Energy (DOE) and the Office of the Registrar of Cooperatives and Business Development Services (ORCBDS) will collaborate to boost the electricity Mini-grid in South West Bay, Malekula. This is based on a Memorandum of Understanding (MOU) signed between the three institutions, where they commit to cooperate in building up the capacity of the Wintua/Lorlow Electricity Cooperatives Society Limited (Cooperative) to be able to operate the Wintua/Lorlow Electricity Mini-grid. ***Vanuatu Daily Post, 14 October 2021***

The Department of Agriculture and Rural Development (DARD) has signed agreements with five communities in Luganville – Solway, Pepsi, Saint Michelle school, Santo East and Lycee de Luganville – to tackle food security. Under the agreements signed in August this year, the communities will work with DARD to address the

importance of food security through a project called 'Urban Backyard Garden', supported by the 11<sup>th</sup> European Development Fund (EDF11) project. Such project is important in improving the availability and access to fresh fruits and vegetables as it is a critical issue for Vanuatu's growing urban population health as well as resilience to natural disasters and climate change. ***Vanuatu Daily Post, 14 October 2021***

A contract has been signed for the Vanuatu Agricultural Supplies (VAS) Ltd to supply poly water tanks and associated materials, a project worth VT30 million, to schools in SANMA Province, as part of the Tropical Cyclone (TC) Harold recovery efforts. VAS will be supporting the cyclone-affected schools through funding from the Global Education Program (GEP). ***Vanuatu Daily Post, 19 October 2021***

The National School Infrastructure Development Plan (NSIDP), established by the Education Authority and School Registration Policy (EASRP) under the Ministry of Education and Training (MOET), aims to provide access to educational opportunities for children in rural and isolated areas. It is now being implemented following endorsement of the Council of Ministers (COM). As a result of the assessment process, 92 schools throughout Vanuatu were identified as suitable for rationalization in 21 different location scenarios. ***Vanuatu Daily Post, 20 October 2021***

A non-binding agreement for the VT13.2 billion construction of the Malekula Road Phase III was signed by the China Civil Engineering Construction Corporation (CCECC) and the Vanuatu Government. Nonbinding means the agreement is not legally enforced. It will come into effect once funds are secured. ***Vanuatu Daily Post, 21 October 2021***

After more than a year since trials of Tahitian lime export to New Zealand (NZ) were halted, due to biosecurity risk, Dynamic Supply Vanuatu is restarting export with a first load of 800 kilos by air. The Department of Biosecurity (DOB), DARD, Dynamic Supply Vanuatu and NZ's MPI have worked together to review the pathway system before the export resumption. ***Vanuatu Daily Post, 21 October 2021***

The Government of China will be providing additional 80,000 doses of Sinopharm COVID-19 vaccine and 80,000 disposal syringes to Vanuatu. China is supplying the extra vaccine stock following a request from the Vanuatu Government. ***Vanuatu Daily Post, 22 October 2021***

The Ministry of Agriculture, Livestock, Forestry, Fisheries and Biosecurity (MALFFB) is establishing its bases of operation in rural areas to ensure that it provide the same level of services there as those in urban areas. In

partnership with the Presbyterian Church of Vanuatu (PCV), MALFFB had recently launched its second 'Forward Operating Base' at Navota Farm in South Santo, under its 'Think Big, Increase and Multiple Project'. Established to accommodate all services within the sectors of MALFFB, Navota Operating Base is equipped with a warehouse, a tractor, a lucas mill set, 2-hectare food basket and two tilapia fish ponds. Space is allocated for small livestock breeding centre, butchery, coconut replanting and cattle restocking. Navota Farm is one of the 12 areas identified as MALFFB bases throughout Vanuatu. **Vanuatu Daily Post, 23 October 2021**

Telstra has announced it would acquire Digicel Pacific for \$US1.6 billion, subject to government and regulatory approvals, plus up to an additional US\$250 million subject to business performance over the next three years. Telstra, Australia's leading telecommunications and technology company, will continue to invest in and operate the business under the Digicel brand name across its six South Pacific markets – Papua New Guinea, Fiji, Nauru, Samoa, Tonga and Vanuatu. While the acquisition is backed by the Australian Government, the business will be 100 per cent owned and operated by Telstra. **Vanuatu Daily Post, 26 October 2021**

Vanuatu recorded 2 positive COVID-19 border cases. With the two new cases, Port Vila and outer islands' alert level was increased from 0 (low) to 1 (medium), which means that cases have been identified at border, but there has been no community transmission. The rest of Vanuatu remain at alert level 0 (low) **Vanuatu Daily Post, 26 October 2021**

Vanuatu has been ranked 2<sup>nd</sup> in the world, behind Costa Rica in the Happy Planet Index (HPI) released at midnight on October 26, 2021. According to the Vanuatu National Statistics Office (VNSO), this marks the third time for Vanuatu to be ranked in the top 5 countries in the world since the index was first reported in 2006. The HPI considers life satisfaction, life expectancy, and ecological footprint in order to rank countries by how much happiness they get from the amount of environmental resources used. Vanuatu, like most Pacific Island Countries, has a vibrant traditional economy supporting a rich cultural life with values absent from National Accounts. There is a case to be made that the countries in the Pacific would be better off transitioning to well-being economies in order to safeguard those things that support long and happy lives. **Vanuatu Daily Post, 28 October 2021**

<sup>2</sup> Special Drawing Rights (SDRs) are international reserve assets created by the IMF to supplement the official reserves of member countries. In light of the Covid-19 pandemic, the

A 3-days first Regional Kava Conference took place at the V-Lab Office in Port Vila. The conference gathered together kava producing and consuming countries to discuss during this pandemic. This regional kava virtual conference initiated by the Vanuatu Government aims to find how to collectively address the issues of the kava producing countries in the Pacific region. **Vanuatu Daily Post, 29 October 2021**

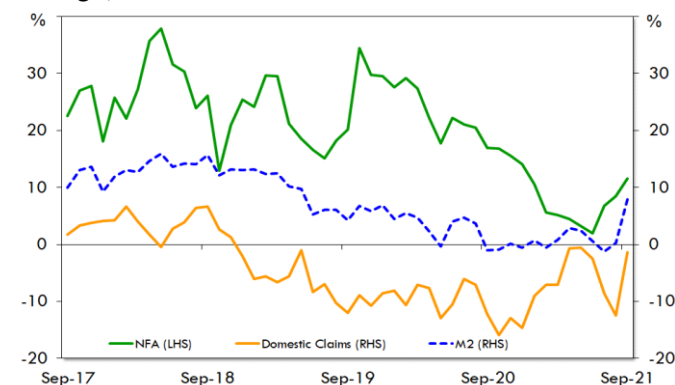
## 5. MONETARY DEVELOPMENTS

Broad money (M2) rose by 2.5 percent over the month and 7.9 percent over the year to VT99,743.9 million at the end of September 2021. Growth during the month reflected increases in both net foreign assets (NFA) and domestic credit, while the year-on-year growth continues to be driven by NFA.

NFA expanded 1.2 percent and 11.5 percent month-on-month and year-on-year, respectively. The month-on-month and year-on-year growth reflected net inflows of foreign currency to both the Reserve Bank and commercial banks. Part of these inflows reflected the additional Special Drawings Rights (SDR)<sup>2</sup> allocations by the International Monetary Fund (IMF) via the Reserve Bank in August 2021.

Domestic Credit increased by 5.0 percent in September, owing mainly to the increase in the banking system's net claims on the Central Government and a slight pickup in private sector credit (PSC). However, domestic credit remained subdued year-on-year reflecting the improvement in the Central Governments net credit position.

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



Source: Other Depository Corporations; Reserve Bank

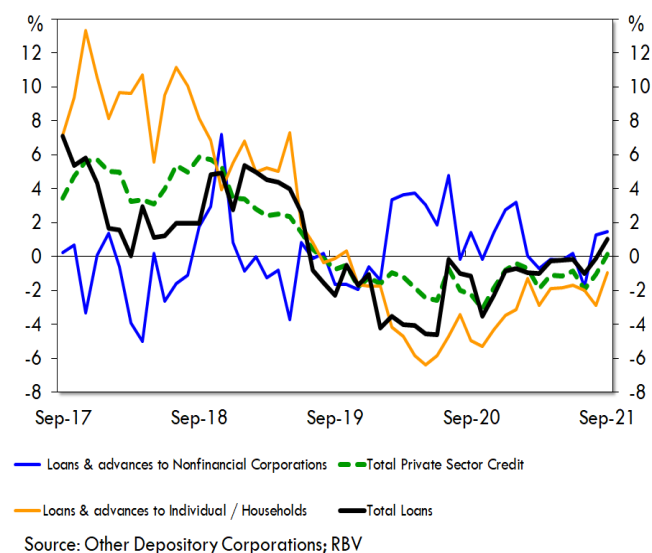
PSC<sup>3</sup> rose marginally by 0.6 percent and 0.1 percent, month-on-month and year-on-year, respectively. These

IMF released additional SDR allocations to member countries to supplement their official reserves.

<sup>3</sup> Comprises of credit to non-financial corporations and other resident sectors

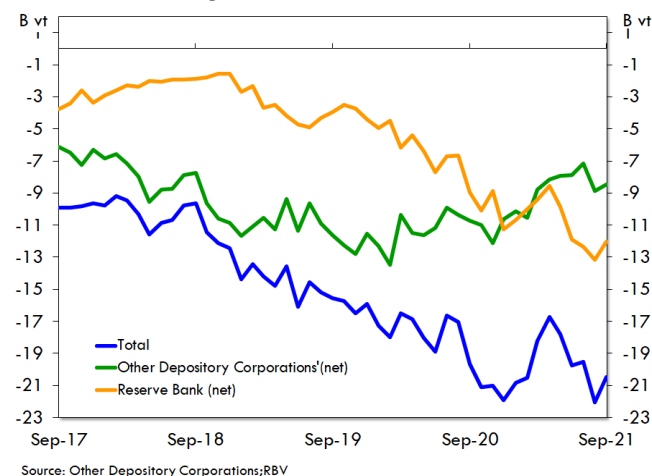
month-on-month increases reflected slight pickup in loans extended to both businesses and individual and houses, while the annual growth was attributed to loans extended to businesses. Loans extended by Other Financial Institution (OFIs)<sup>4</sup> recorded negative growths of 8.1 percent month-on-month and 38.0 percent year-on-year, respectively, to VT904.8 million in September 2021. Total loans extended by Commercial Banks to various sectors are depicted in table A4.

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



The Central Governments' net credit position vis-à-vis the banking system deteriorated in September owing to the withdrawal of Government deposits held with both the Reserve Bank and the Commercial Banks. Nevertheless, the Governments net credit position, remained improved over the year to September 2021. Claims on the Central Government by OFIs remain at VT4,700 million in September 2021, as recorded in August 2021.

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



<sup>4</sup> OFI: Other Financial Institutions cover Credit Corporation Vanuatu Ltd; Vanuatu Agriculture Bank; and Vanuatu National Provident Fund. Depending on data availability, monthly reports for March,

## Open Market Operations (OMO)

### Overview

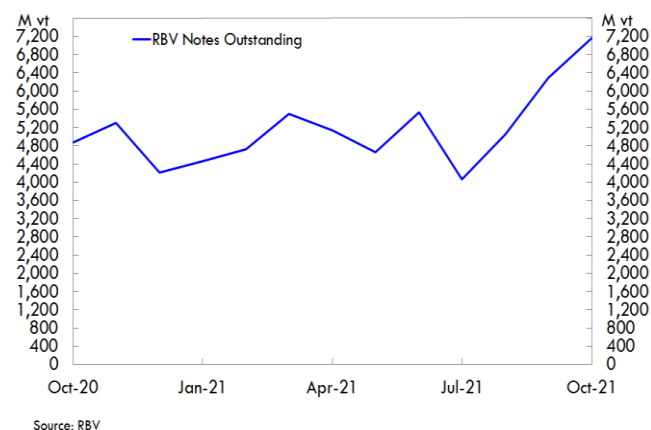
The Bank conducted three Open Market Operations during October 2021 where VT3000 million worth of RBV Notes were issued, compared with VT4500 million issued during the previous month.

Total subscriptions received for these issues stood at VT5049 million, compared with VT9070 million received throughout September 2021.

Allotments were made as follow:

- 7 days: VT600 million
- 14 days: VT400 million
- 28 days: VT700 million
- 63 days: VT700 million
- 91 days: VT625 million

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



Total amount of matured RBV Notes for the month of October was at VT2150 million leaving outstanding RBV Notes at VT7170 million, compared to VT6295 million as reported in the previous month.

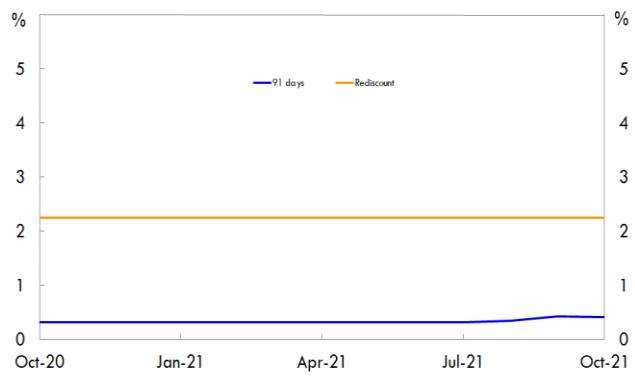
### Yields of RBV Notes

Yields on RBV Notes as of end October 2021:

Term	End October.21	End September.21
7 days:	0.43%	0.40%
14 days:	0.43%	0.40%
28 days:	0.40%	0.40%
63 days:	0.41 %	0.40%
91 days:	0.41%	0.43%

June, September and December covers two OFIs, while other months covers only one OFI.

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



Source: RBV

TABLE A1 : BALANCE SHEET OF THE RESERVE BANK OF VANUATU

(In Millions VT)

End of Period	Sep-20	Jul-21	Aug-21	Sep-21	%Change		
					1 Month	3 Months	12 Months
<b>Claims on nonresidents</b>	<b>61,885.9</b>	<b>67,361.7</b>	<b>69,729.7</b>	<b>73,420.8</b>	<b>5.3</b>	<b>9.0</b>	<b>18.6</b>
Monetary gold and SDR holdings	702.3	892.6	894.1	4,238.2	374.0	374.8	503.4
Reserve Assets	61,183.6	66,469.2	68,835.6	69,182.6	0.5	4.1	13.1
<b>Currency and Deposits</b>	<b>20.8</b>	<b>18.2</b>	<b>30.8</b>	<b>21.0</b>	<b>-31.9</b>	<b>15.3</b>	<b>1.0</b>
National currency	20.8	18.2	30.8	21.0	-31.9	15.3	1.0
<b>Securities other than shares</b>	<b>2,372.3</b>	<b>2,318.7</b>	<b>2,319.3</b>	<b>2,319.3</b>	<b>0.0</b>	<b>0.0</b>	<b>-2.2</b>
Central government	2,372.3	2,318.7	2,319.3	2,319.3	0.0	0.0	-2.2
<b>Loans</b>	<b>152.9</b>	<b>159.2</b>	<b>157.7</b>	<b>161.6</b>	<b>2.5</b>	<b>1.5</b>	<b>5.7</b>
Other depository corporations							
Other financial corporations							
Central government							
Other residents sectors	152.9	159.2	157.7	161.6	2.5	1.5	5.7
<b>Other accounts receivable</b>	<b>3,936.6</b>	<b>4,330.5</b>	<b>4,248.9</b>	<b>4,259.3</b>	<b>0.2</b>	<b>-1.6</b>	<b>8.2</b>
Trade credit and advances	17.8	96.9	51.4	28.9	-43.7	-70.2	62.9
Settlement accounts	201.7	310.0	276.6	312.7	13.0	0.9	55.0
O/W Items in the process of collection	35.7	48.5	68.7	129.7	88.8	167.3	262.9
Miscellaneous Assets	3,717.2	3,923.6	3,920.9	3,917.7	-0.1	-0.2	5.4
<b>Nonfinancial assets</b>	<b>1,682.7</b>	<b>1,774.7</b>	<b>1,769.8</b>	<b>1,767.0</b>	<b>-0.2</b>	<b>-0.4</b>	<b>5.0</b>
<b>TOTAL ASSETS</b>	<b>70,051.2</b>	<b>75,963.2</b>	<b>78,256.2</b>	<b>81,949.0</b>	<b>4.7</b>	<b>7.9</b>	<b>17.0</b>
<b>Monetary Base</b>	<b>46,233.3</b>	<b>49,169.7</b>	<b>50,541.9</b>	<b>50,895.4</b>	<b>0.7</b>	<b>3.5</b>	<b>10.1</b>
Currency in Circulation	9,703.1	10,527.1	10,359.0	10,499.2	1.4	-0.3	8.2
Currency Other Depository Corporations	2,776.4	2,661.3	2,649.8	2,651.0	0.0	-0.4	-4.5
Liabilities to Other Depository Corporations	<b>33,753.8</b>	<b>35,981.3</b>	<b>37,533.1</b>	<b>37,745.2</b>	<b>0.6</b>	<b>4.9</b>	<b>11.8</b>
Reserve Deposits	4,102.4	4,080.3	4,074.8	4,071.4	-0.1	-0.2	-0.8
Other Liabilities	29,651.4	31,901.0	33,458.3	33,673.8	0.6	5.6	13.6
<b>Liabilities to Central Government</b>	<b>11,337.4</b>	<b>14,686.9</b>	<b>15,479.3</b>	<b>14,342.0</b>	<b>-7.3</b>	<b>-2.3</b>	<b>26.5</b>
Deposits	11,337.4	14,686.9	15,479.3	14,342.0	-7.3	-2.3	26.5
Other							
<b>Liabilities to non residents</b>	<b>1,397.5</b>	<b>1,593.5</b>	<b>1,593.6</b>	<b>1,594.7</b>	<b>0.1</b>	<b>0.1</b>	<b>14.1</b>
Deposits	1,397.5	1,593.5	1,593.6	1,594.7	0.1	0.1	14.1
<b>Deposits</b>							
Other Deposits							
<b>Securities other than shares</b>	<b>2,798.4</b>	<b>3,044.1</b>	<b>3,428.0</b>	<b>4,592.0</b>	<b>34.0</b>	<b>50.8</b>	<b>64.1</b>
Other Depository Corporation	2,798.4	3,044.1	3,428.0	4,592.0	34.0	50.8	64.1
Other financial Corporation	0.0						
<b>Loans</b>	<b>-47.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>			<b>-100.0</b>
Liabilities to the IMF- Central Government	-47.4	0.0	0.0	0.0			-100.0
<b>Other accounts payable</b>	<b>329.3</b>	<b>699.3</b>	<b>427.6</b>	<b>426.4</b>	<b>-0.3</b>	<b>-39.0</b>	<b>29.5</b>
Trade credit and advances	290.8	420.1	399.4	405.2	1.5	-3.5	39.4
Other Sectors	38.5	279.2	28.3	21.1	-25.3	-92.4	-45.0
<b>o/w Settlement Accounts</b>	<b>17.4</b>	<b>260.8</b>	<b>-2.8</b>	<b>-0.1</b>	<b>-95.9</b>	<b>-100.0</b>	<b>-100.7</b>
<b>Shares and other equity</b>	<b>5,616.6</b>	<b>4,399.3</b>	<b>4,411.0</b>	<b>4,374.6</b>	<b>-0.8</b>	<b>-0.6</b>	<b>-22.1</b>
<b>SDR Allocation</b>	<b>2,386.2</b>	<b>2,370.3</b>	<b>2,374.8</b>	<b>5,723.8</b>	<b>141.0</b>	<b>141.5</b>	<b>139.9</b>
<b>TOTAL LIABILITIES</b>	<b>70,051.2</b>	<b>75,963.2</b>	<b>78,256.2</b>	<b>81,949.0</b>	<b>4.7</b>	<b>7.9</b>	<b>17.0</b>

TABLE A2a : BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS IN VANUATU

(In Millions VT)

END OF PERIOD	Sep-20	Jul-21	Aug-21	Sep-21	%Change		
					1 Month	3 Months	12 Months
<b>Monetary gold and SDR</b>							
<b>Currency and deposits</b>	<b>57,058.6</b>	<b>56,644.4</b>	<b>58,434.0</b>	<b>58,668.8</b>	<b>0.4</b>	<b>3.6</b>	<b>2.8</b>
<b>Currency</b>	<b>3,272.6</b>	<b>3,368.6</b>	<b>3,360.1</b>	<b>3,356.9</b>	<b>-0.1</b>	<b>-0.3</b>	<b>2.6</b>
National	2,776.4	2,661.3	2,649.8	2,651.0	0.0	-0.4	-4.5
Foreign	496.1	707.4	710.2	705.9	-0.6	-0.2	42.3
<b>Transferable deposits</b>	<b>37,506.5</b>	<b>41,228.4</b>	<b>42,063.7</b>	<b>42,153.1</b>	<b>0.2</b>	<b>2.2</b>	<b>12.4</b>
<i>In Local currency:</i>	<b>34,156.0</b>	<b>36,002.6</b>	<b>37,499.6</b>	<b>37,538.7</b>	<b>0.1</b>	<b>4.3</b>	<b>9.9</b>
Central Bank	34,151.7	35,996.7	37,494.6	37,534.9	0.1	4.3	9.9
Other depository corporations	0.0	0.0	0.0	0.0			
Other financial corporation							
<i>Nonresidents</i>	<b>4.3</b>	<b>5.9</b>	<b>5.0</b>	<b>3.8</b>	<b>-22.7</b>	<b>-35.5</b>	<b>-10.7</b>
Head offices and Branches	0.0	0.0	0.0	0.0			
Other depository corporations	4.3	5.9	5.0	3.8	-22.7	-35.5	-10.7
<i>In foreign currency:</i>	<b>3,350.5</b>	<b>5,225.8</b>	<b>4,564.1</b>	<b>4,614.4</b>	<b>1.1</b>	<b>-11.7</b>	<b>37.7</b>
Other depository corporations							
Other financial corporation							
Other depository corporations	2.1	23.2	18.3	4.1	-77.6	-82.2	92.1
<i>Nonresidents</i>	<b>3,348.4</b>	<b>5,202.7</b>	<b>4,545.7</b>	<b>4,610.3</b>	<b>1.4</b>	<b>-11.4</b>	<b>37.7</b>
Head offices and Branches	303.9	1,397.2	1,298.9	1,331.8	2.5	-4.7	338.2
Other depository corporations	3,044.4	3,805.4	3,246.9	3,278.5	1.0	-13.8	7.7
<b>Other deposits</b>	<b>16,279.5</b>	<b>12,047.3</b>	<b>13,010.3</b>	<b>13,158.8</b>	<b>1.1</b>	<b>9.2</b>	<b>-19.2</b>
<i>In Local currency:</i>							
Other depository corporations	488.3	209.3	209.3	209.3	0.0	0.0	-57.1
Other financial corporation							
<i>Nonresidents</i>	0.0	0.0	0.0	0.0			
Head offices and Branches							
Other depository corporations	0.0	0.0	0.0	0.0			
<i>In foreign currency:</i>							
Other depository corporations							
Other financial corporation							
Other depository corporations	1,018.8	261.8	664.9	0.0	-100.0	-100.0	-100.0
<i>Nonresidents</i>	<b>14,772.4</b>	<b>11,576.2</b>	<b>12,136.1</b>	<b>12,949.5</b>	<b>6.7</b>	<b>11.9</b>	<b>-12.3</b>
Head offices and Branches	0.0	0.0	0.0	0.0			
Other depository corporations	14,772.4	11,576.2	12,136.1	12,949.5	6.7	11.9	-12.3
<b>Securities other than shares</b>	<b>3,685.9</b>	<b>4,044.1</b>	<b>4,428.0</b>	<b>5,592.0</b>	<b>26.3</b>	<b>38.3</b>	<b>51.7</b>
Central Bank	2,798.4	3,044.1	3,428.0	4,592.0	34.0	50.8	64.1
Central Government	887.5	1,000.0	1,000.0	1,000.0	0.0	0.0	12.7
<b>Loans</b>	<b>61,673.7</b>	<b>61,358.7</b>	<b>61,116.1</b>	<b>61,444.3</b>	<b>0.5</b>	<b>0.1</b>	<b>-0.4</b>
Central bank		0.0	0.0	0.0			
Other depository corporations	0.0	0.0	0.0	0.0	-100.0		-100.0
Other financial corporations	71.9	109.0	104.6	102.1	-2.3	-6.3	42.1
Central government	0.0	392.2	392.6	399.8	1.8	1.9	
State and local government	59.8	32.0	31.5	31.4	-0.5	-2.1	-47.6
Public nonfinancial corporations	875.3	1,043.1	1,042.3	1,031.9	-1.0	-1.1	17.9
Other nonfinancial corporations	26,257.5	26,553.5	26,482.7	26,644.5	0.6	0.3	1.5
Other residents sectors	32,937.6	32,647.1	32,454.5	32,623.5	0.5	-0.1	-1.0
<i>Nonresidents</i>	1,471.5	581.8	607.9	611.1	0.5	5.0	-58.5
<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>4,172.5</b>	<b>5,471.1</b>	<b>5,285.2</b>	<b>5,149.8</b>	<b>-2.6</b>	<b>-5.9</b>	<b>23.4</b>
Trade credit and advances	112.5	102.3	97.7	80.9	-17.2	-21.0	-28.1
Settlement accounts	2,709.5	3,018.6	3,092.3	3,062.6	-1.0	1.5	13.0
Miscellaneous assets items	1,350.5	2,350.3	2,095.2	2,006.3	-4.2	-14.6	48.6
<b>Nonfinancial assets</b>	<b>6,396.0</b>	<b>6,161.8</b>	<b>6,161.8</b>	<b>6,218.0</b>	<b>0.9</b>	<b>0.9</b>	<b>-2.8</b>
<b>TOTAL ASSETS</b>	<b>132,986.8</b>	<b>133,680.2</b>	<b>135,425.2</b>	<b>137,072.9</b>	<b>1.2</b>	<b>2.5</b>	<b>3.1</b>

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

(In Millions VT)

END OF PERIOD	Sep-20	Jul-21	Aug-21	Sep-21	%Change		
					1 Month	3 Months	12 Months
<b>Deposits</b>	<b>99,674.2</b>	<b>99,978.4</b>	<b>102,033.5</b>	<b>104,140.9</b>	<b>2.1</b>	<b>4.2</b>	<b>4.5</b>
<b>Transferable deposits</b>	<b>63,682.9</b>	<b>66,141.3</b>	<b>67,529.8</b>	<b>69,557.0</b>	<b>3.0</b>	<b>5.2</b>	<b>9.2</b>
<b>In Local currency:</b>	<b>42,438.7</b>	<b>45,925.2</b>	<b>47,724.7</b>	<b>48,424.8</b>	<b>1.5</b>	<b>5.4</b>	<b>14.1</b>
Central Bank		0.4	0.2	0.3	70.3	-14.0	
Other depository corporation	605.4	521.0	533.5	572.2	7.2	9.8	-5.5
Other financial corporations	2,810.4	2,248.7	2,537.8	2,719.2	7.2	20.9	-3.2
Central government	3,914.7	1,324.6	2,917.9	2,668.7	-8.5	101.5	-31.8
State and local governments	99.9	1,602.2	138.5	159.8	15.4	-90.0	59.9
Public nonfinancial corporations	705.9	401.0	476.3	255.4	-46.4	-36.3	-63.8
Other non financial corporations	14,611.4	19,169.2	19,313.1	19,784.0	2.4	3.2	35.4
Other residents sectors	19,726.8	20,706.6	21,876.2	22,394.8	2.4	8.2	13.5
<b>Non-residents</b>	<b>1,642.4</b>	<b>1,987.4</b>	<b>1,589.9</b>	<b>1,786.6</b>	<b>12.4</b>	<b>-10.1</b>	<b>8.8</b>
Head office and Branches							
Other Depository and financial corporations	14.5	10.8	10.1	55.2	445.4	412.9	279.4
Other non residents	1,627.9	1,976.7	1,579.8	1,731.5	9.6	-12.4	6.4
<b>In Foreign currency:</b>	<b>18,223.2</b>	<b>17,110.0</b>	<b>17,123.5</b>	<b>18,231.0</b>	<b>6.5</b>	<b>6.6</b>	<b>0.0</b>
Other depository corporation	92.3	65.5	64.9	62.9	-3.0	-4.0	-31.9
Other financial corporations	655.7	736.0	801.4	709.9	-11.4	-3.6	8.3
Central government	890.7	779.7	901.0	707.8	-21.4	-9.2	-20.5
State and local governments							
Public nonfinancial corporations	329.2	59.5	93.7	78.4	-16.3	31.7	-76.2
Other non financial corporations	12,926.1	10,676.7	10,457.4	11,494.3	9.9	7.7	-11.1
Other residents sectors	2,752.7	3,282.3	3,257.4	3,638.0	11.7	10.8	32.2
<b>Non-residents</b>	<b>1,378.5</b>	<b>1,118.8</b>	<b>1,091.7</b>	<b>1,114.6</b>	<b>2.1</b>	<b>-0.4</b>	<b>-19.1</b>
Head office and Branches	0.0	0.0	0.0	0.0			
Other Depository and financial corporations	52.2	3.6	2.6	2.7	3.8	-26.2	-94.9
Other non residents	1,326.3	1,115.2	1,089.2	1,111.9	2.1	-0.3	-16.2
<b>Other deposits</b>	<b>35,991.4</b>	<b>33,837.1</b>	<b>34,503.7</b>	<b>34,584.0</b>	<b>0.2</b>	<b>2.2</b>	<b>-3.9</b>
<b>In Local currency:</b>	<b>20,127.5</b>	<b>18,972.3</b>	<b>18,772.8</b>	<b>18,810.0</b>	<b>0.2</b>	<b>-0.9</b>	<b>-6.5</b>
Central bank		0.03	0.03	0.03	0.0	0.0	
Other depository corporation	820.7	690.8	691.4	691.9	0.1	0.2	-15.7
Other financial corporations	1,590.1	1,656.1	1,550.2	1,552.5	0.1	-6.3	-2.4
Central government	5,845.4	5,487.6	5,514.3	5,519.5	0.1	0.6	-5.6
State and local governments	119.2	68.5	67.0	67.0	0.0	-2.2	-43.8
Public nonfinancial corporations	1,068.1	366.6	366.6	368.2	0.4	0.4	-65.5
Other non financial corporations	2,733.7	3,291.7	3,219.5	3,278.6	1.8	-0.4	19.9
Other residents sectors	7,950.5	7,410.9	7,363.8	7,332.2	-0.4	-1.1	-7.8
<b>Non-residents</b>	<b>1,474.0</b>	<b>1,483.5</b>	<b>1,483.7</b>	<b>1,502.4</b>	<b>1.3</b>	<b>1.3</b>	<b>1.9</b>
Head office and Branches							
Other Depository and financial corporations	0.0	0.0	0.0	0.0			
Other non residents	1,474.0	1,483.5	1,483.7	1,502.4	1.3	1.3	1.9
<b>In Foreign currency:</b>	<b>13,507.2</b>	<b>12,728.0</b>	<b>13,595.7</b>	<b>13,625.8</b>	<b>0.2</b>	<b>7.1</b>	<b>0.9</b>
Other depository corporation	0.0	0.0	0.0	0.0			
Other financial corporations	2,727.1	2,295.9	2,220.4	2,224.7	0.2	-3.1	-18.4
Central government							
State and local governments							
Central government	948.0	936.5	940.1	950.8	1.1	1.5	0.3
Public nonfinancial corporations	92.9	70.3	70.5	71.5	1.3	1.7	-23.1
Other non financial corporations	5,839.9	5,113.5	6,087.2	6,109.9	0.4	19.5	4.6
Other residents sectors	3,899.4	4,311.9	4,277.5	4,268.9	-0.2	-1.0	9.5
<b>Non-residents</b>	<b>882.7</b>	<b>653.4</b>	<b>651.4</b>	<b>645.7</b>	<b>-0.9</b>	<b>-1.2</b>	<b>-26.8</b>
Head office and Branches							
Other Depository and financial corporations	0.0	0.0	0.0	0.0			
Other non residents	882.7	653.4	651.4	645.7	-0.9	-1.2	-26.8
<b>Loans</b>	<b>2,757.6</b>	<b>1,266.6</b>	<b>1,185.1</b>	<b>397.4</b>	<b>-66.5</b>	<b>-68.6</b>	<b>-85.6</b>
Central bank							
Other depository Corporations	1,260.6	838.9	837.2	15.5	-98.2	-98.2	-98.8
Other financial corporations							
Central government							
<b>Non residents</b>	<b>1,497.0</b>	<b>427.7</b>	<b>347.9</b>	<b>381.9</b>	<b>9.8</b>	<b>-10.7</b>	<b>-74.5</b>
Head office and Branches	1,432.3	279.3	270.5	367.9	36.0	31.7	-74.3
Other financial corporations	64.7	148.4	77.4	14.0	-81.9	-90.6	-78.4
Other non residents							
<b>Interbank Funds Purchased</b>							
<b>Other accounts payable</b>	<b>13,764.8</b>	<b>14,749.0</b>	<b>13,986.8</b>	<b>13,947.9</b>	<b>-0.3</b>	<b>-5.4</b>	<b>1.3</b>
Trade credit and advances	146.2	120.1	147.5	202.3	37.1	68.4	38.4
Settlement accounts	2,457.9	2,876.5	2,938.3	2,920.4	-0.6	1.5	18.8
Provisions for losses	3,882.5	3,379.0	3,436.0	3,080.2	-10.4	-8.8	-20.7
Accumulated depreciation	3,365.8	3,712.4	3,747.1	3,789.0	1.1	2.1	12.6
Dividends payable		205.3	205.3	205.3	0.0	0.0	
Miscellaneous liability items	3,912.4	4,455.7	3,512.6	3,750.6	6.8	-15.8	-4.1
<b>Shares and other equity</b>	<b>16,790.2</b>	<b>17,686.2</b>	<b>18,219.8</b>	<b>18,586.7</b>	<b>2.0</b>	<b>5.1</b>	<b>10.7</b>
<b>TOTAL LIABILITIES</b>	<b>132,986.8</b>	<b>133,680.2</b>	<b>135,425.2</b>	<b>137,072.9</b>	<b>1.2</b>	<b>2.5</b>	<b>3.1</b>



**TABLE A3 : DEPOSITORY CORPORATION SURVEY**

(In Million VT)

END OF PERIOD	Sep-20	Jul-21	Aug-21	Sep-21	%Change		
					1 Month	3 Months	12 Months
<b>1. Net Foreign Assets</b>	<b>71,320.3</b>	<b>75,801.2</b>	<b>78,601.6</b>	<b>79,551.6</b>	<b>1.2</b>	<b>4.9</b>	<b>11.5</b>
Monetary Authorities (Net)	58,102.3	63,397.9	65,761.3	66,102.3	0.5	4.3	13.8
Other Depository Corporations (Net)	13,218.0	12,403.3	12,840.2	13,449.3	4.7	8.4	1.7
<b>2. Net Domestic Claims</b>	<b>21,080.6</b>	<b>20,933.0</b>	<b>18,700.9</b>	<b>20,192.3</b>	<b>8.0</b>	<b>-3.5</b>	<b>-4.2</b>
<b>(a) Domestic Claims</b>	<b>40,678.9</b>	<b>41,039.7</b>	<b>38,232.6</b>	<b>40,125.3</b>	<b>5.0</b>	<b>-2.2</b>	<b>-1.4</b>
<b>(i) Net claims on central government</b>	<b>-19,676.2</b>	<b>-19,504.2</b>	<b>-22,040.7</b>	<b>-20,469.7</b>	<b>7.1</b>	<b>-5.0</b>	<b>-4.0</b>
Monetary Authorities	-8,965.1	-12,368.1	-13,159.9	-12,022.7	8.6	2.8	-34.1
Other Depository Corporations	-10,711.2	-7,136.1	-8,880.8	-8,447.0	4.9	-18.4	21.1
<b>(ii) Claims on other Sectors</b>	<b>60,355.1</b>	<b>60,543.9</b>	<b>60,273.3</b>	<b>60,595.0</b>	<b>0.5</b>	<b>0.1</b>	<b>0.4</b>
Other Financial Corporations	71.9	109.0	104.6	102.1	-2.3	-6.3	42.1
State and local government	59.8	32.0	31.5	31.4	-0.5	-2.1	-47.6
Public nonfinancial corporations	875.3	1,043.1	1,042.3	1,031.9	-1.0	-1.1	17.9
Other nonfinancial corporations	26,257.5	26,553.5	26,482.7	26,644.5	0.6	0.3	1.5
Other residents sectors	33,090.5	32,806.3	32,612.2	32,785.1	0.5	-0.1	-0.9
<b>(b) Other items (net)</b>	<b>-19,598.2</b>	<b>-20,106.7</b>	<b>-19,531.7</b>	<b>-19,933.0</b>	<b>2.1</b>	<b>-0.9</b>	<b>1.7</b>
<b>3. Broad Money (M2)</b>	<b>92,401.0</b>	<b>96,734.2</b>	<b>97,302.5</b>	<b>99,743.9</b>	<b>2.5</b>	<b>3.1</b>	<b>7.9</b>
<b>(a) Money (M1)</b>	<b>65,559.7</b>	<b>71,458.0</b>	<b>71,388.3</b>	<b>73,778.4</b>	<b>3.3</b>	<b>3.2</b>	<b>12.5</b>
(i) Currency in circulation	9,703.1	10,527.1	10,359.0	10,499.2	1.4	-0.3	8.2
(ii) Transferable deposits	55,856.5	60,930.9	61,029.3	63,279.3	3.7	3.9	13.3
<b>(b) Quasi-money</b>	<b>26,841.3</b>	<b>25,276.1</b>	<b>25,914.2</b>	<b>25,965.4</b>	<b>0.2</b>	<b>2.7</b>	<b>-3.3</b>
Other Deposits	26,841.3	25,276.1	25,914.2	25,965.4	0.2	2.7	-3.3

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

(In Million VT)

*SECTOR	Sep-20			Sep-21			YOY % Change		
	VT	FC	Total	VT	FC	Total	VT	FC	Total
Depository Institutions Domestic	0.0	0.0	0.0	0.0	0.0	0.0	-100.0		-100.0
Other Financial Corporations Domestic	14.8	57.1	71.9	46.7	55.4	102.1	216.0	-2.9	42.1
Central Government	0.0	0.0	0.0	399.8	0.0	399.8			
Provincial Assemblies & Local Government	59.8	0.0	59.8	31.4	0.0	31.4	-47.6		-47.6
Statutory Non-financial Corporations Domestic	467.2	408.2	875.3	710.4	321.5	1,031.9	52.1	-21.2	17.9
Manufacturing	1,117.5	585.5	1,703.1	1,311.1	223.9	1,534.9	17.3	-61.8	-9.9
Agriculture	795.1	116.4	911.5	990.1	54.0	1,044.1	24.5	-53.6	14.5
Public Utilities	110.1	63.3	173.4	1.6	43.0	44.6	-98.5	-32.1	-74.3
Forestry	0.0	83.8	83.8	0.1	93.8	93.9		12.0	12.1
Fisheries	13.8	0.0	13.8	3.9	0.0	3.9	-71.4		-71.4
Mining & Quarrying	91.0	0.0	91.0	65.3	0.0	65.3	-28.2		-28.2
Construction	2,449.3	1,271.9	3,721.2	2,316.8	1,223.8	3,540.7	-5.4	-3.8	-4.9
Distribution (Wholesale and Retail)	3,834.3	1,262.7	5,097.0	4,283.5	1,339.2	5,622.7	11.7	6.1	10.3
Tourism	1,716.7	5,411.5	7,128.2	2,122.7	5,674.4	7,797.1	23.6	4.9	9.4
Transport	568.0	423.2	991.2	666.3	185.2	851.5	17.3	-56.2	-14.1
Communications	857.2	0.0	857.2	684.3	0.0	684.3	-20.2		-20.2
Entertainment & Catering	188.2	171.1	359.3	220.7	173.1	393.7	17.2	1.2	9.6
Professional & Other Services	3,061.2	2,065.6	5,126.8	2,888.5	2,079.3	4,967.8	-5.6	0.7	-3.1
Housing & Land Purchases	13,489.7	3,249.9	16,739.6	13,775.8	2,698.5	16,474.3	2.1	-17.0	-1.6
Other individual	13,889.7	2,112.0	16,001.7	13,321.8	2,573.8	15,895.6	-4.1	21.9	-0.7
Non Profit Institutions Serving Households	196.2	0.0	196.3	253.6	0.0	253.6	29.2	20.0	29.2
<b>Grand Total</b>	<b>42,920.1</b>	<b>17,282.1</b>	<b>60,202.2</b>	<b>44,094.4</b>	<b>16,738.9</b>	<b>60,833.2</b>	<b>2.7</b>	<b>-3.1</b>	<b>1.0</b>

\* As of October 2018 data includes Wanfuteng Bank