



RESERVE BANK OF VANUATU

FINANCIAL & ECONOMIC ANALYSIS:

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Issue 294

February 2023

1. INTERNATIONAL DEVELOPMENTS

The International Monetary Fund (IMF)¹ projected the global economy to decline to 2.9 percent in 2023, from an estimated growth rate of 3.4 percent in 2022; growth is projected to expand further by 3.1 percent in 2024. Central banks continue to tighten policy rates to ease inflation and the Russia/Ukraine war remains a drag to global economic activities. However, the reopening of the Chinese economy in early January 2023 has helped speed-up global economic recovery than expected. Global inflation is projected to drop from 8.8 percent in 2022 to 6.6 percent in 2023 and further to 4.3 percent in 2024.

The U.S Federal Reserve (Fed) raised its policy benchmark interest rate by 25 basis points to 4.75 percent in early February 2023, relative to 4.5 percent in the previous month. US headline inflation registered 6 percent in February, lower than 6.4 percent in January. Similarly, core inflation² recorded 5.5 percent. Food prices remain the main inflation driver. The unemployment rate rose by 0.2 percent in February. In terms of external trade, the U.S recorded a trade deficit of \$ 68.3 billion in January 2023.

The European Central Bank (ECB)³ raised its three key interest rates by 50 basis points, respectively. The deposit facility rate was raised to 2.5 percent, the main refinancing operations rate to 3 percent, and the marginal lending facility rate to 3.25 percent. The ongoing rise in policy rates is a continuing effort by the ECB to bring headline inflation to its 2 percent policy target. The Euro Area headline inflation rate reached 8.5 percent in February, down from 8.6 percent in January 2023. The unemployment rate in the Eurozone remained at 6 percent in January and February, respectively. The Euro Area's GDP is forecasted to be marginally positive in the first quarter of 2023.

The Reserve Bank of Australia (RBA)⁴ raised its policy interest rates by 25 basis points to 3.35 percent in a series of rate hikes to bring inflation below its 2-3 percent

target. Australia's annual headline inflation rate reached 6.8 percent in February, down from 7.4 percent in January. The two main drivers of inflation were housing and food and non-alcoholic beverages. The unemployment rate recorded 3.5 percent in January, a slight decline from 3.7 percent in the previous month. Australia recorded a trade surplus of \$12,659 million in January 2023.

In New Zealand, the Reserve Bank (RBNZ) continued to raise its Official Cash Rate (OCR). In February, it raised the OCR by 50-point basis to 4.75 percent. The underlying inflation remains elevated despite signs of easing price pressures. Employment is still beyond its maximum sustainable level. Visitor arrivals increased rapidly since borders were reopened. Reconstruction activities are projected to increase economic activities over the medium term. New Zealand recorded a monthly trade balance deficit of \$714 million in February 2023.

Most commodity prices⁵ recorded declines in February. Energy prices fell by 7.4 percent and non-energy prices by 0.3 percent. The prices of fertilizers and precious metals contracted by 6 percent and 3.1 percent, respectively relative to January 2023.

2. EXCHANGE RATES DEVELOPMENT

Over the month of February 2023, the VUV depreciated against the USD and EURO by 2.8 and 0.6 percent while it appreciated against the AUD and NZD by 1.8 and 2.1 percent, respectively.

Table 1. Exchange rate of Vatu against major currencies

Period	Exchange rate of the Vatu against Major Currencies					
	End Rates				Average Rates	
	USD	AUD	NZD	EURO	USD	AUD
Feb-23	118.0	79.6	72.8	125.2	110.3	80.4
Jan-23	114.8	81.0	74.4	124.5	116.8	80.5
% ▲	2.8	- 1.8	- 2.1	0.6	- 5.6	- 0.0
Nov-22	118.7	79.4	73.6	122.5	120.0	79.0
% ▲	- 0.5	0.3	- 1.0	2.2	- 8.1	1.8
Feb-22	113.4	81.2	75.6	126.1	113.2	80.4
% ▲	4.1	- 2.0	- 3.6	- 0.7	- 2.6	-
% ▲	(-) Appreciation of Vatu					

¹ IMF World Economic Outlook, January 2023.

² All items less food and energy.

³ European Central Bank February monetary policy report

⁴ Reserve Bank of Australia February 2023 monetary policy meeting

⁵ World Bank Commodity price data, February 2023.

3. FOREIGN RESERVE DEVELOPMENT

Official foreign reserves recorded VT 70,454 million in February 2023, a slight decline by 0.26 percent from January 2023. The level was sufficient to cover at least 9 months of imports⁶.

4. DOMESTIC DEVELOPMENTS

Partial indicators of consumption revealed a positive trend in consumption in January 2023 relative to December 2022. This was reflected in increases of 1.3 percent and 1.9 percent in lending to other resident's sector in January and over the year to January 2023.

The Government through the Department of Agriculture and Rural Development (DARD) continued its policy strategies to the productive sector. According to media sources (February 2023)⁷ the DARD aims to plant 185, 000-coconut seedlings throughout the country in 2023. This is part of the National Coconut Strategy, which aims to transform the coconut industry to become a major source of income for rural areas in Vanuatu. The Government assisted Tahitian lime farmers on Efate with a new 28 HP tractor to improve production and export of Tahitian lime. Similarly, the DARD has established seed centers in each province in the country to assist farmers in the production of seed varieties, centralize seed supplies to farmers, including during natural disasters and generate varieties of seeds for sustainable food and nutrition.

Major developments in the manufacturing sector included the recent establishment of specific regulations for the importation, cultivation, processing and export of medical cannabis and industrial hemp. The regulation allows for at least two medical cannabis licenses and at least three industrial hemp licenses. License holders are required to pay an annual license fee of VT10 million and will operate for a period of 10 years. The regulation limits the cultivation and production of industrial hemp to Efate, Santo, Malekula, Tanna and Erromango, while medical cannabis is limited to Efate, Santo and Malekula. In another development, the management of the Sino-Van tuna processing factory confirmed to set up a small tuna cannery processing plant this year. This facility will be established on the land owned by Sino-Van, at Salilee area in Port Vila. Sino-Van is a joint venture between the Vanuatu Government and the China National Fisheries Corporation (CNFC); of which the Vanuatu Government owns 49 percent shares and the rest is owned by CNFC. The Chinese government will be responsible for providing

30 fishing vessels to strengthen the company's production capacity by the end 2023 or 2024.

In terms of investment updates, the construction of the Vanuatu National Provident Fund (VNPF) branch in PENAMA province is currently underway with delivery and construction costs at VT22 million and 63 million, respectively. The office is expected to open in September 2023. The re-construction of the Tanna correctional center project has recently commenced. The government has allocated VT84 million for this project. The main contractor is China Jiangsu International, a PNG – Chinese based company.

In terms of credit, lending for business purposes to the following economic sectors recorded growth in January 2023: mining and quarrying (+1.7 percent), entertainment and catering (+1.6 percent), transport (+3.8 percent) and professional and other services (+1.3). On the contrary, monthly reductions were noted for lending to public utilities (-18.4) percent, distribution wholesale and retail (-4.3) percent, construction and communications (-3.9) percent, and manufacturing (-1.3) percent.

Regarding private investment, the building of a new warehouse by Teouma Valley Farms aims to expand its operations, and enable it to accommodate additional crops and improve crop growth conditions. The farm focused on meeting a high demand for lettuce, improving supply reliability, and offering safe shelter for crops during rainy seasons.

Monetary indicators depicted a positive trend as loans extended for housing and land purchase picked-up by (+0.1 percent) relative to a (-0.3) percent) negative growth over the previous month and has 3 percent year on year growth rate.

Within the transport sector, an Australian Aviation team of experts has released its report concerning the current financial distress of Air Vanuatu. The report recommended an immediate review of and support to Air Vanuatu's financial operation unit, flight operation and engineering units, which will require additional support from the Australian government. Additionally, the domestic Shipping Registry of Vanuatu is expecting a high number of imported vessels this year. The expected rise in vessels numbers will add more improvements within the inter-Islands trade and shipping industry in Vanuatu in the near term.

The domestic labour market continues to perform well over the month of February. The number of job

⁶ Imports of goods and services

⁷ Vanuatu Daily Post

advertisements increased substantially by 117 percent and 221 percent over the month and the same period of 2022, respectively. A big portion of advertisements came from the private sector reflecting the current labour shortages in the domestic economy.

In January 2023, the domestic price of fuel remains unchanged relative to December 2022. The price of petrol remained at 196VT/litre, and diesel price remained stable at 210VT/litre. The ongoing fluctuation in domestic fuel prices reflected the refinery and supply chain costs due to the Russia/Ukraine war and the recent cut in crude oil production by the OPEC+ country members. Port Vila's electricity tariff increased by + 2.71 percent or + 1.88 VT/kwh over January 2023. The increase was mainly due to a rise in the weighted average diesel cost in Vatu/litre by 5.45 percent.

5. MONETARY DEVELOPMENTS

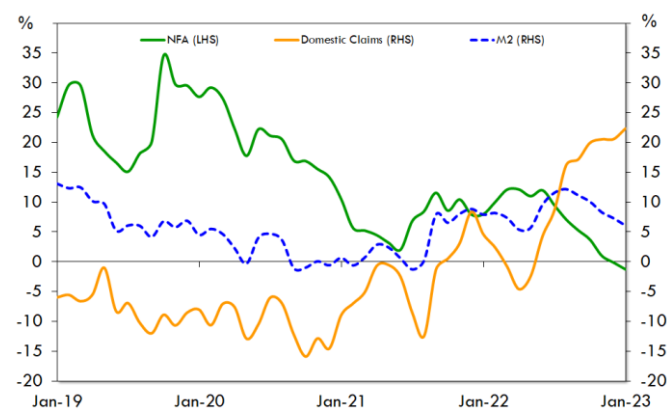
Money supply reached VT109,905.1 million in January 2023. This level was lower by 0.5 percent relative to December 2022, but higher by 6.1 percent compared to the level recorded in January 2022. The month-on-month decline was determined by slow growth in both Net Foreign Assets (NFA) and domestic credit. The annual growth however remained robust reflecting the strong growth in domestic credit; as net claims on the central Government and private sector credit both continued their increasing trend.

NFA have remained weak in the beginning of 2023; it recorded a slight growth of 0.4 percent in January 2023; but recorded a decline of 1.3 percent over the year to January 2023, respectively, to record VT81,445.6 million. The month-on-month growth reflected mainly the net inflows of foreign reserves recorded by the Commercial Banks. On the other hand, the annual decline reflected net outflows of foreign reserves from both the commercial banks and the Reserve Bank. Generally, this weak trend continues to reflect the tighter global financial conditions, external price shocks posed by geopolitical tensions (Ukraine-Russia War) and the slowdown in Government revenues from abroad via the Citizenship by Investment (CBI) initiative.

Domestic credit remained robust in the beginning of 2023; it recorded growths of 0.2 percent and 23.3 percent in January and over the year to January 2023.

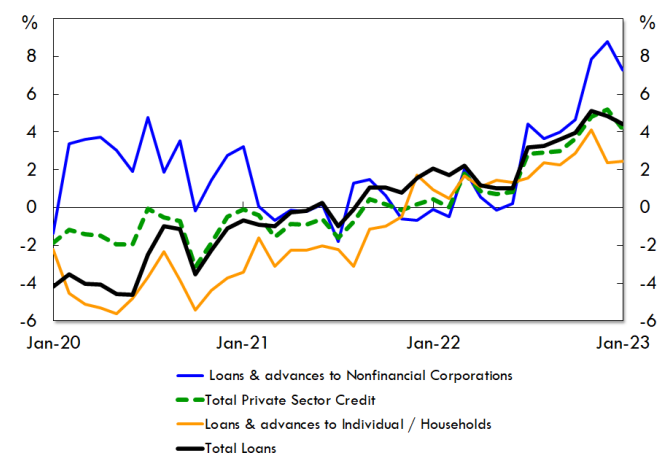
The month-on-month growth was attributed to the increase in net claims on the central government; furthermore, the robust growth year-on-year reflected the increase in both the net claims on the central government and private sector credit.

Chart 1: Determinants of Money Supply (Y-O-Y% Change)



Private Sector Credit (PSC⁸) slightly fell by 0.3 percent in January 2023. However, over the year to January 2023 it recorded a growth of 4.8 percent. The month-on-month decline reflected mainly the reduction in credit extended to businesses. In contrast, the year-on-year growth was attributed to the increase in credit to both businesses and households.

Chart 2: Private Sector Credit (Y-O-Y% Change)



Loans extended by one of the Other Financial Institutions (OFIs)⁹ rose by 1.0 percent month-on-month; but fell by 15.2 percent year-on-year to record VT658.8 million in

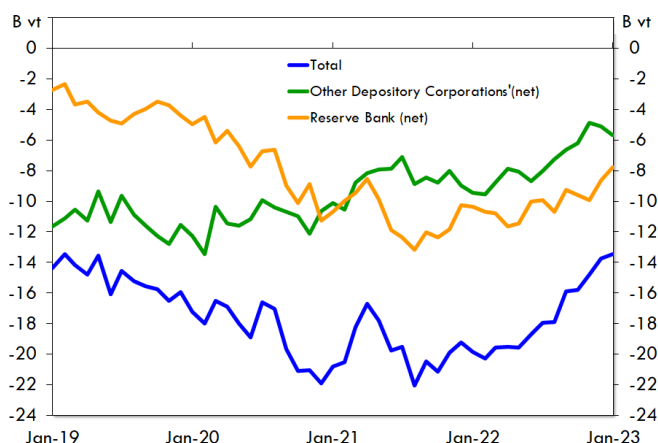
⁸ Private Sector Credit comprises of credit to non-financial corporations and other resident sectors

⁹ OFI: Other Financial Institutions cover Credit Corporation Vanuatu Ltd; Vanuatu Agriculture Bank; and Vanuatu National

January 2023. Total loans extended by Commercial Banks to various sectors are depicted in table A4.

The central government's net credit position¹⁰ with the banking system further deteriorated in January 2023. This reflected the decline in government deposits with the Reserve Bank. Similarly, the Government's net credit position with the banking system has deteriorated over the year to January 2023. Claims on the Central Government by OFIs fell to VT4,400 million in January 2023, from VT5,000 million previously recorded in December 2022.

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



Source: Other Depository Corporations; RBV

Open Market Operations (OMO)

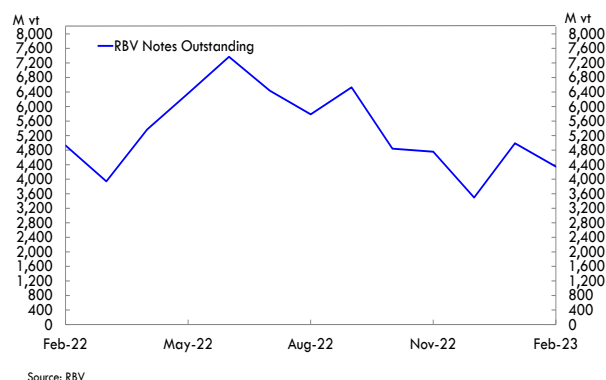
The Reserve Bank conducted two Open Market Operations during February 2023. It issued VT3,000 million worth of RBV notes compared to VT3,600 million issued during the previous month.

Note subscriptions totaled VT5,316 million compared to VT8,743 million received during the previous month.

Allotments were made as follow:

- 7 days: VT160 million
- 14 days: VT300 million
- 28 days: VT880 million
- 63 days: VT196 million
- 91 days: VT520 million

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



Source: RBV

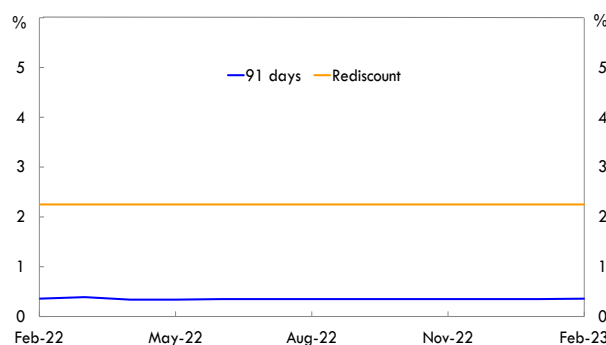
The amount of matured RBV notes totaled VT2,700 million in February while outstanding notes amounted to VT4,346 million, compared to VT4,990 million as reported in the previous month.

Yields of RBV Notes

Yields on RBV Notes as of end February 2023:

Term	End Feb.23	End Jan.23
7 days	0.38%	0.38%
14 days:	0.40%	0.35%
28 days:	0.40%	0.40%
63 days:	0.35%	0.34%
91 days:	0.36%	0.35%

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



Source: RBV

¹⁰ The Central Governments' net credit position vis-à-vis the banking system is determined by the movements in the

Government's financial assets (deposits) and Government's financial liabilities (credit) with the banking system.

TABLE A1 : BALANCE SHEET OF THE RESERVE BANK OF VANUATU

(In Millions VT)

End of Period	Jan-22	Oct-22	Dec-22	Jan-23	%Change		
					1 Month	3 Months	12 Months
Claims on nonresidents	75,568.2	74,923.8	74,601.4	74,436.1	-0.2	-0.7	-1.5
Monetary gold and SDR holdings	4,152.7	4,015.3	3,841.7	3,797.8	-1.1	-5.4	-8.5
Reserve Assets	71,415.5	70,908.5	70,759.7	70,638.3	-0.2	-0.4	-1.1
Currency and Deposits	25.5	26.1	25.0	15.6	-37.4	-40.1	-38.6
National currency	25.5	26.1	25.0	15.6	-37.4	-40.1	-38.6
Securities other than shares	2,323.9	3,326.2	3,325.2	3,322.2	-0.1	-0.1	43.0
Central government	2,323.9	3,326.2	3,325.2	3,322.2	-0.1	-0.1	43.0
Loans	156.2	287.5	294.5	291.4	-1.1	1.3	86.5
Other depository corporations							
Other financial corporations							
Central government							
Other residents sectors	156.2	287.5	294.5	291.4	-1.1	1.3	86.5
Other accounts receivable	4,263.1	4,560.3	4,453.3	4,809.4	8.0	5.5	12.8
Trade credit and advances	113.1	250.5	439.0	368.2	-16.1	47.0	225.7
Settlement accounts	242.7	469.4	188.4	618.9	228.4	31.8	155.0
O/W Items in the process of collection	51.2	384.5	0.0	407.5		6.0	695.5
Miscellaneous Assets	3,907.4	3,840.4	3,825.9	3,822.3	-0.1	-0.5	-2.2
Nonfinancial assets	1,758.4	1,740.1	1,734.6	1,728.1	-0.4	-0.7	-1.7
TOTAL ASSETS	84,095.3	84,864.0	84,434.1	84,602.8	0.2	-0.3	0.6
Monetary Base	55,658.5	55,973.1	57,100.6	56,732.7	-0.6	1.4	1.9
Currency in Circulation	10,872.4	13,126.1	13,553.5	12,932.9	-4.6	-1.5	19.0
Currency Other Depository Corporations	2,656.3	3,198.7	4,952.9	3,793.3	-23.4	18.6	42.8
Liabilities to Other Depository Corporations	42,129.8	39,648.3	38,594.3	40,006.5	3.7	0.9	-5.0
Reserve Deposits	4,228.0	4,468.3	4,454.6	4,454.6	0.0	-0.3	5.4
Other Liabilities	37,901.8	35,180.0	34,139.7	35,551.9	4.1	1.1	-6.2
Liabilities to Central Government	12,699.0	12,909.5	11,946.8	11,109.9	-7.0	-13.9	-12.5
Deposits	12,699.0	12,909.5	11,946.8	11,109.9	-7.0	-13.9	-12.5
Other							
Liabilities to non residents	1,490.1	1,406.2	1,274.2	6,263.5	391.6	345.4	320.3
Deposits	1,490.1	1,406.2	1,274.2	6,263.5	391.6	345.4	320.3
Deposits							
Other Deposits							
Securities other than shares	4,197.3	4,836.4	3,493.4	4,986.7	42.7	3.1	18.8
Other Depository Corporation	4,197.3	4,836.4	3,493.4	4,986.7	42.7	3.1	18.8
Other financial Corporation							
Loans	0.0	0.0	2.5	0.0	-100.0		
Liabilities to the IMF- Central Government	0.0	0.0	2.5	0.0	-100.0		
Other accounts payable	445.5	750.7	1,360.8	1,112.3	-18.3	48.2	149.7
Trade credit and advances	402.3	396.7	475.0	461.2	-2.9	16.3	14.6
Other Sectors	43.3	354.0	885.8	651.1	-26.5	83.9	1,404.8
O/W Settlement Accounts	17.5	327.6	860.5	635.2	-26.2	93.9	3,522.6
Shares and other equity	3,826.0	3,218.3	3,544.5	3,748.1	5.7	16.5	-2.0
SDR Allocation	5,778.9	5,769.9	5,711.2	5,646.0	-1.1	-2.1	-2.3
TOTAL LIABILITIES	84,095.3	84,864.0	84,434.1	89,599.2	6.1	5.6	6.5

TABLE A2a : CONDENSED BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS IN VANUATU

(In Millions VT)

END OF PERIOD	Jan-22	Oct-22	Dec-22	Jan-23	%Change		
					1 Month	3 Months	12 Months
Monetary gold and SDR							
Currency and deposits	62,569.5	61,843.0	62,195.5	61,617.4	-0.9	-0.4	-1.5
Currency	3,297.0	4,240.7	6,234.3	4,930.5	-20.9	16.3	49.5
National	2,656.3	3,198.7	4,952.9	3,793.3	-23.4	18.6	42.8
Foreign	640.7	1,042.1	1,281.5	1,137.2	-11.3	9.1	77.5
Transferable deposits	45,747.8	42,396.7	41,386.9	43,194.9	4.4	1.9	-5.6
<i>In Local currency:</i>	41,660.8	39,510.0	38,501.9	39,318.7	2.1	-0.5	-5.6
Central Bank	41,652.5	39,469.7	38,475.3	39,278.9	2.1	-0.5	-5.7
Other depository corporations	0.0	0.0	0.0	0.0			
Other financial corporation							
Nonresidents	8.3	40.3	26.6	39.8	49.5	-1.1	378.9
Head offices and Branches	0.0	0.0	0.0	0.0			
Other depository corporations	8.3	40.3	26.6	39.8	49.5	-1.1	378.9
<i>In foreign currency:</i>	4,087.0	2,886.7	2,885.0	3,876.2	34.4	34.3	-5.2
Other depository corporations							
Other financial corporation							
Other depository corporations	3.3	0.0	0.0	0.0			-100.0
Nonresidents	4,083.7	2,886.7	2,885.0	3,876.2	34.4	34.3	-5.1
Head offices and Branches	763.5	783.9	560.8	622.3	11.0	-20.6	-18.5
Other depository corporations	3,320.2	2,102.8	2,324.2	3,254.0	40.0	54.7	-2.0
Other deposits	13,524.7	15,205.5	14,574.2	13,491.9	-7.4	-11.3	-0.2
<i>In Local currency:</i>							
Other depository corporations	146.5	146.5	148.6	148.6	0.0	1.5	1.5
Other financial corporation							
Nonresidents	0.0	0.0	0.0	0.0		-88.2	-60.0
Head offices and Branches							
Other depository corporations	0.0	0.0	0.0	0.0		-88.2	-60.0
<i>In foreign currency:</i>							
Other depository corporations							
Other financial corporation							
Other depository corporations	0.0	447.2	356.3	350.1	-1.7	-21.7	
Nonresidents	13,378.3	14,611.8	14,069.3	12,993.2	-7.6	-11.1	-2.9
Head offices and Branches	0.0	0.0	493.3	0.0	-100.0		
Other depository corporations	13,378.3	14,611.8	13,576.0	12,993.2	-4.3	-11.1	-2.9
Securities other than shares	5,197.3	5,836.4	5,893.4	7,286.7	23.6	24.8	40.2
Central Bank	4,197.3	4,836.4	3,493.4	4,986.7	42.7	3.1	18.8
Central Government	1,000.0	1,000.0	2,400.0	2,300.0	-4.2	130.0	130.0
Loans	62,000.6	63,748.7	64,961.3	64,782.5	-0.3	1.6	4.5
Central bank	0.0	0.0	0.0	0.0			
Other depository corporations	1.2	0.0	0.0	0.0			-100.0
Other financial corporations	506.6	417.5	518.8	500.6	-3.5	19.9	-1.2
Central government	398.5	393.8	395.3	393.8	-0.4	0.0	-1.2
State and local government	29.6	26.4	25.5	25.7	0.8	-2.8	-13.2
Public nonfinancial corporations	1,130.9	1,141.4	1,145.3	1,162.2	1.5	1.8	2.8
Other nonfinancial corporations	26,219.3	27,627.7	28,525.3	28,130.5	-1.4	1.8	7.3
Other residents sectors	33,144.2	33,571.7	33,704.1	33,931.3	0.7	1.1	2.4
Nonresidents	570.4	570.2	647.0	638.4	-1.3	12.0	11.9
Interbank Funds sold	0.0	0.0	0.0	0.0			
Shares and Other Equity	0.0	0.0	0.0	0.0			
Other depository corporations	0.0	0.0	0.0	0.0			
Other accounts receivable	5,156.9	5,513.5	5,511.5	5,071.1	-8.0	-8.0	-1.7
Trade credit and advances	207.3	98.1	76.1	132.6	74.1	35.1	-36.1
Settlement accounts	3,224.3	3,511.5	3,720.9	3,605.5	-3.1	2.7	11.8
Miscellaneous assets items	1,725.3	1,903.8	1,714.5	1,333.0	-22.3	-30.0	-22.7
Nonfinancial assets	6,184.7	6,427.7	6,503.5	6,545.2	0.6	1.8	5.8
TOTAL ASSETS	141,109.0	143,369.3	145,065.2	145,302.9	0.2	1.3	3.0

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

(In Millions VT)

END OF PERIOD	Jan-22	Oct-22	Dec-22	Jan-23	%Change		
					1 Month	3 Months	12 Months
Deposits	107,680.7	107,944.7	109,319.5	109,592.2	0.2	1.5	1.8
Transferable deposits	73,742.2	77,810.9	79,668.4	79,771.4	0.1	2.5	8.2
<i>In Local currency:</i>	50,900.4	55,247.2	57,081.1	56,925.9	-0.3	3.0	11.8
Central Bank	0.5	0.4	1.1	0.8	-29.6	123.3	63.2
Other depository corporation	552.6	324.5	264.6	235.2	-11.1	-27.5	-57.4
Other financial corporations	3,783.0	4,697.9	4,355.1	4,691.2	7.7	-0.1	24.0
Central government	2,405.4	3,116.5	3,115.9	3,253.2	4.4	4.4	35.2
State and local governments	165.5	130.0	125.6	116.0	-7.7	-10.8	-29.9
Public nonfinancial corporations	235.4	326.6	380.5	293.8	-22.8	-10.0	24.9
Other non financial corporations	20,932.3	21,646.0	22,327.6	22,653.1	1.5	4.7	8.2
Other residents sectors	22,877.0	25,389.9	26,510.8	26,090.1	-1.6	2.8	14.0
Non-residents	1,745.3	1,981.5	2,114.5	2,119.2	0.2	6.9	21.4
Head office and Branches							
Other Depository and financial corporations	12.2	32.8	127.4	114.6	-10.1	249.1	842.8
Other non residents	1,733.1	1,948.7	1,987.1	2,004.6	0.9	2.9	15.7
<i>In Foreign currency:</i>	19,977.4	19,417.9	19,046.5	19,506.6	2.4	0.5	-2.4
Other depository corporation	54.9	38.5	35.2	31.5	-10.5	-18.3	-42.7
Other financial corporations	667.7	859.5	801.9	816.5	1.8	-5.0	22.3
Central government	2,255.0	622.3	973.9	1,299.7	33.4	108.8	-42.4
State and local governments							
Public nonfinancial corporations	228.3	237.7	148.2	147.5	-0.5	-38.0	-35.4
Other non financial corporations	11,471.8	12,807.9	12,394.6	12,429.7	0.3	-3.0	8.3
Other residents sectors	3,338.4	3,150.6	3,031.3	3,126.5	3.1	-0.8	-6.3
Non-residents	1,119.2	1,164.3	1,426.3	1,219.7	-14.5	4.8	9.0
Head office and Branches	91.7	0.0	275.8	0.0	-100.0		-100.0
Other Depository and financial corporations	2.7	2.3	6.9	72.8	954.0	3,099.6	2,567.3
Other non residents	1,024.7	1,162.0	1,143.7	1,146.9	0.3	-1.3	11.9
Other deposits	33,938.5	30,133.8	29,651.1	29,820.8	0.6	-1.0	-12.1
<i>In Local currency:</i>	19,581.3	15,919.4	15,418.5	15,550.3	0.9	-2.3	-20.6
Central bank	0.03	0.03	0.03	0.03	0.0	0.0	0.0
Other depository corporation	694.0	699.4	699.4	699.5	0.0	0.0	0.8
Other financial corporations	1,544.4	722.8	626.0	749.2	19.7	3.7	-51.5
Central government	5,564.6	2,832.6	2,833.0	2,833.0	0.0	0.0	-49.1
State and local governments	50.7	48.0	48.0	48.0	0.0	0.0	-5.4
Public nonfinancial corporations	368.4	429.4	429.5	398.5	-7.2	-7.2	8.2
Other non financial corporations	2,896.4	2,744.2	2,556.4	2,485.1	-2.8	-9.4	-14.2
Other residents sectors	8,462.7	8,443.1	8,226.2	8,337.1	1.3	-1.3	-1.5
Non-residents	435.5	460.8	473.9	473.1	-0.2	2.7	8.6
Head office and Branches	0.0	0.0	0.0	0.0			
Other Depository and financial corporations	0.0	0.0	0.0	0.0			
Other non residents	435.5	460.8	473.9	473.1	-0.2	2.7	8.6
<i>In Foreign currency:</i>	13,449.7	13,318.9	13,318.2	13,350.5	0.2	0.2	-0.7
Other depository corporation	0.0	0.0	0.0	0.0			
Other financial corporations	2,195.8	1,766.7	1,715.1	1,707.9	-0.4	-3.3	-22.2
Central government							
State and local governments							
Central government	971.3	1,039.1	996.3	975.2	-2.1	-6.1	0.4
Public nonfinancial corporations	73.1	78.2	75.0	73.4	-2.1	-6.1	0.4
Other non financial corporations	5,126.4	5,912.4	6,000.6	6,020.5	0.3	1.8	17.4
Other residents sectors	5,083.0	4,522.5	4,531.2	4,573.5	0.9	1.1	-10.0
Non-residents	472.0	434.6	440.5	447.0	1.5	2.8	-5.3
Head office and Branches							
Other Depository and financial corporations	0.0	0.0	0.0	0.0			
Other non residents	472.0	434.6	440.5	447.0	1.5	2.8	-5.3
Loans	706.4	749.2	1,272.6	807.3	-36.6	7.8	14.3
Central bank							
Other depository Corporations	0.0	446.8	356.1	304.0	-14.6	-32.0	
Other financial corporations							
Central government							
Non residents	706.4	302.3	916.5	503.2	-45.1	66.5	-28.8
Head office and Branches	689.1	267.4	901.5	474.6	-47.4	77.4	-31.1
Other financial corporations	17.3	34.9	15.0	28.7	91.4	-17.8	65.9
Other non residents							
Interbank Funds Purchased							
Other accounts payable	13,895.8	15,400.0	15,053.8	15,149.8	0.6	-1.6	9.0
Trade credit and advances	129.6	199.4	216.3	176.7	-18.3	-11.4	36.4
Settlement accounts	3,017.2	3,350.1	3,431.3	3,316.9	-3.3	-1.0	9.9
Provisions for losses	3,117.6	3,116.3	3,202.2	3,099.4	-3.2	-0.5	-0.6
Accumulated depreciation	3,949.6	4,233.5	4,318.2	4,347.5	0.7	2.7	10.1
Dividends payable	205.3	302.7	302.7	302.7	0.0	0.0	47.4
Miscellaneous liability items	3,476.4	4,197.9	3,583.2	3,906.6	9.0	-6.9	12.4
Shares and other equity	18,826.1	19,275.5	19,419.2	19,753.6	1.7	2.5	4.9
TOTAL LIABILITIES	141,109.0	143,369.3	145,065.2	145,302.9	0.2	1.3	3.0

TABLE A3 : DEPOSITORY CORPORATION SURVEY

(In Million VT)

END OF PERIOD	Jan-22	Oct-22	Dec-22	Jan-23	%Change		
					1 Month	3 Months	12 Months
1. Net Foreign Assets	82,502.2	82,555.2	81,153.5	76,449.2	-5.8	-7.4	-7.3
Monetary Authorities (Net)	68,299.2	67,747.8	67,615.9	62,526.6	-7.5	-7.7	-8.5
Other Depository Corporations (Net)	14,203.0	14,807.4	13,537.6	13,922.6	2.8	-6.0	-2.0
2. Net Domestic Claims	21,082.7	26,863.8	29,345.1	33,455.9	14.0	24.5	58.7
(a) Domestic Claims	41,013.9	47,272.3	50,468.1	50,586.7	0.2	7.0	23.3
(i) Net claims on central government	-20,172.9	-15,800.0	-13,745.4	-13,455.0	2.1	14.8	33.3
Monetary Authorities	-10,375.1	-9,583.3	-8,621.6	-7,787.7	9.7	18.7	24.9
Other Depository Corporations	-9,797.8	-6,216.7	-5,123.8	-5,667.3	-10.6	8.8	42.2
(ii) Claims on other Sectors	61,186.7	63,072.3	64,213.5	64,041.7	-0.3	1.5	4.7
Other Financial Corporations	506.6	417.5	518.8	500.6	-3.5	19.9	-1.2
State and local government	29.6	26.4	25.5	25.7	0.8	-2.8	-13.2
Public nonfinancial corporations	1,130.9	1,141.4	1,145.3	1,162.2	1.5	1.8	2.8
Other nonfinancial corporations	26,219.3	27,627.7	28,525.3	28,130.5	-1.4	1.8	7.3
Other residents sectors	33,300.4	33,859.3	33,998.6	34,222.7	0.7	1.1	2.8
(b) Other items (net)	-19,931.1	-20,408.5	-21,123.0	-17,130.8	-18.9	-16.1	-14.0
3. Broad Money (M2)	103,584.9	109,418.9	110,498.6	109,905.1	-0.5	0.4	6.1
(a) Money (M1)	77,089.8	84,052.4	85,591.2	84,812.5	-0.9	0.9	10.0
(i) Currency in circulation	10,872.4	13,126.1	13,553.5	12,932.9	-4.6	-1.5	19.0
(ii) Transferable deposits	66,217.4	70,926.3	72,037.8	71,879.6	-0.2	1.3	8.6
(b) Quasi-money	26,495.1	25,366.6	24,907.4	25,092.6	0.7	-1.1	-5.3
Other Deposits	26,495.1	25,366.6	24,907.4	25,092.6	0.7	-1.1	-5.3

TABLE A4 : OTHER DEPOSITORY CORPORATIONS SECTORAL DISTRIBUTION OF LOANS AND ADVANCES IN VATU AND FOREIGN CURRENCY

(In Million VT)

*SECTOR	Jan-22			Jan-23			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			
Other Financial Corporations Domestic	3.4	279.1	282.5	284.6	216.0	500.6	8,298.8	-22.6	77.2
Central Government	396.7	0.0	396.7	393.8	0.0	393.8	-0.7		-0.7
Provincial Assemblies & Local Government	31.3	0.0	31.3	25.7	0.0	25.7	-18.0		-18.0
Statutory Non-financial Corporations Domestic	706.6	293.3	999.9	780.2	382.0	1,162.2	10.4	30.3	16.2
Manufacturing	1,274.5	299.2	1,573.7	1,137.1	198.8	1,335.9	-10.8	-33.6	-15.1
Agriculture	1,062.2	51.7	1,113.9	869.2	44.2	913.4	-18.2	-14.5	-18.0
Public Utilities	0.9	37.5	38.4	0.3	18.3	18.6	-64.1	-51.3	-51.6
Forestry	0.0	89.1	89.1	0.0	135.9	135.9	160.0	52.6	52.6
Fisheries	2.7	0.0	2.7	3.8	0.0	3.8	42.8		42.8
Mining & Quarrying	67.4	0.0	67.4	78.1	0.1	78.1	15.8	490.0	15.9
Construction	2,401.3	1,191.1	3,592.4	2,142.3	895.0	3,037.3	-10.8	-24.9	-15.5
Distribution (Wholesale and Retail)	4,177.8	1,309.2	5,487.0	4,774.2	1,283.3	6,057.5	14.3	-2.0	10.4
Tourism	2,064.4	5,669.2	7,733.7	2,463.1	6,112.7	8,575.8	19.3	7.8	10.9
Transport	697.1	185.3	882.4	1,308.5	334.8	1,643.3	87.7	80.6	86.2
Communications	574.5	0.0	574.5	429.1	0.0	429.1	-25.3		-25.3
Entertainment & Catering	260.0	167.8	427.8	330.2	160.0	490.2	27.0	-4.6	14.6
Professional & Other Services	2,930.1	1,706.1	4,636.3	4,070.2	1,341.3	5,411.5	38.9	-21.4	16.7
Housing & Land Purchases	13,994.7	2,649.6	16,644.2	14,576.6	2,572.0	17,148.6	4.2	-2.9	3.0
Other individual	13,762.9	2,480.9	16,243.7	14,487.2	2,059.5	16,546.7	5.3	-17.0	1.9
Non Profit Institutions Serving Households	256.2	0.0	256.2	236.0	0.0	236.1	-7.9	428.6	-7.9
Grand Total	44,664.8	16,409.0	61,073.8	48,390.3	15,753.8	64,144.2	8.3	-4.0	5.0

* As of October 2018 data includes Wanfuteng Bank