



RESERVE BANK OF VANUATU

PRESS RELEASE

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RBV INCREASES STATUTORY RESERVE DEPOSIT (SRD) RATIO BY 0.25 BASIS POINTS TO 5.50 PERCENT.

The Reserve Bank of Vanuatu Board decided to gradually increase the SRD ratio by 0.25 basis points, on its meeting on the 20th of December 2023. Effective January 2024, commercial banks are required to hold 5.50 percent of their deposit liabilities as statutory reserves with the RBV; from the current ratio of 5.25 percent.

The Board has taken this decision to address the current high inflationary pressures and ensure the RBV's objective of price stability is achieved in the short to medium term.

The Board also agreed that the Policy rate, the Liquid Asset Ratio (LAR) and Capital adequacy Ratio (CAR) are maintained at 2.25 percent, 5.0 percent and 10.0 percent, respectively.

The Reserve Bank of Vanuatu will continue to monitor risks and developments, and make adjustments to monetary policy accordingly, in order to maintain financial and macroeconomic stability.

Reserve Bank of Vanuatu