



RESERVE BANK OF VANUATU

PRESS RELEASE

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RBV MAINTAINS MONETARY POLICY STANCE

At its meeting on the 8th of April 2026, the Reserve Bank of Vanuatu (RBV) Board reviewed recent economic developments and agreed to maintain its monetary policy stance. This decision means the RBV policy rate remains at 2.75 percent, the Capital Adequacy Ratio (CAR) remains at 12.0 percent, the Statutory Reserve Deposit (SRD) remains at 5.5 percent and the Liquid Asset Ratio (LAR) remains at 5.0 percent. Furthermore, the level of Open Market Operations (OMO) remained unchanged at VT1.9 billion per issue, though the frequency of OMO was reduced.

In considering this decision, the Board noted that global economic growth has stabilized but faces rising downside risks over the short to medium term. While, international financial conditions remain broadly accommodative, volatility has increased amid ongoing geopolitical tensions. The current conflict is expected to disrupt global supply chains and keep energy prices elevated, which may weigh on global growth through higher costs, reduced purchasing power, and weaker trade, while also posing upside risks to inflation.

The domestic economy is expected to continue its recovery. Foreign reserves reached VT 83.7 billion in March 2026, and is projected to remain above the minimum threshold of 4 months of import cover, providing a buffer that supports stability in the face of external shocks.

On the RBV's monetary policy objectives, annual headline inflation remains within the target range and is expected to stay within it over the short term, despite ongoing external inflationary pressures. The banking sector remained sound, profitable, highly liquid and adequately capitalised. Further, the monetary and financial conditions have remained supportive of growth.

Based on the above developments, the Board believes it is appropriate to maintain the current monetary policy stances. The RBV will continue to monitor global and domestic developments and their impacts on its policy objectives and will implement further monetary policy responses if necessary.

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