

# RESERVE BANK OF VANUATU

## FINANCIAL & ECONOMIC ANALYSIS: October 2017

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Issue 230

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### **International Developments<sup>1</sup>**

According to the October 2017 World Economic Outlook (WEO) report, global growth has been revised upward for 2017 and 2018 compared to April and July forecasts. Upward revisions are broad based. According to IMF, the growth revisions in Euro area, Japan, emerging Asia and Russia outweighed downward revisions for the US and UK. The growth in many countries remained weak, inflation is below target for most advanced economies but baseline outlook is strengthening. There is, however, downside risk in the medium term outlook signalling countries to build up resilience.

Commodity prices increased further for the fourth consecutive month in October, driven largely by base metals. Energy prices, however, declined slightly in October due to sharp falls in prices for coking and thermal coal as well as for ethanol. Overall, oil prices continued to soar in recent weeks.

### **US economy**

In the US, GDP expanded at a seasonally-adjusted annualized rate of 3.0 percent, according to a first estimate released by the Bureau of Economic Analysis (BEA) on 27 October. The growth reflected healthy private consumption growth, resilient non-residential investment and increased inventories. In terms of exchange rate developments, the United State Dollar (USD) traded near a three-month high against a basket of currencies. The Federal Reserve is also expected to raise interest rates in December in view of the latest data released.

### **Australian economy**

In Australia, recent signs of higher non-mining investment are particularly positive, and point to a rebalancing of the economy away from the primary sector. According to Reuters, earlier disappointing retail sales data drove Australian Dollar (AUD) down against the USD. Similarly, the AUD also fell

below the YEN but maintained its position against the EURO.

### **New Zealand economy**

New Zealand economy has seen healthy retail sales growth and a decrease in the unemployment rate over the course of second quarter, hence painted a positive economic picture. Going forward, the economy should expand at a healthy pace, buoyed by net migration, loose monetary policy and supportive fiscal policy. The New Zealand dollar is expected to appreciate following RBNZ Governor Lowe's announcement to stabilise cash rate at 1.5 percent<sup>2</sup>. This should follow the expectations that the economy will be gradually gaining strength.

### **EURO area economy**

Preliminary estimate released by Eurostat, depicted the Eurozone economy as robust in the third quarter of 2017. GDP increased by a seasonally-adjusted 0.6 percent over the quarter to September 2017. Developments in the exchange rate market reflected movements in the domestic economy. Reuters indicated that Euro dollar remain stronger after the European Central Bank (ECB) left its benchmark interest rate unchanged. The ECB also pledged commitment to its bond-purchase program, while continuing to take an optimistic view of the eurozone economy's growth prospects.

### **Developing economies**

The ASEAN<sup>3</sup> economy expanded in the September quarter 2017 reflecting increased growth for Singapore and Vietnam. The Chinese economy performed strongly due to healthy external demand and solid domestic activity. However, the cooling property market may threaten growth.

<sup>1</sup>Economic updates for US, Australia, NZ, Euro & developing economies are sourced from "Focus Economics" website.

<sup>2</sup>RBNZ, October 2017 Monthly Review

<sup>3</sup>Members are Thailand, Vietnam, Indonesia, Malaysia, Philippines, Singapore, Myanmar, Cambodia, Laos, Brunei

In India Industrial production continued to recover in August from its June downturn. In September the Production Manufacturing Index (PMI) for both services and manufacturing improved.

### **Exchange Rate**

Table 1 depicted VATU position at the end of October. VATU appreciated against the AUD by 0.4 percent, NZD 3 percent, and depreciated against the USD by 2.3 percent and Euro by 0.56 percent.

**Table 1: Exchange Rate of VATU/ Foreign Currency**

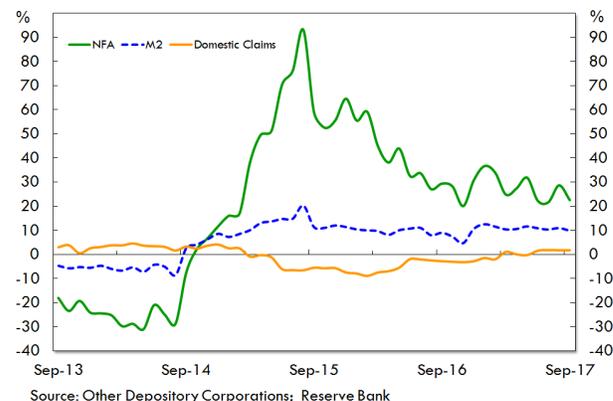
VT per Foreign Currency (\$1)							
	End Rates					Average Rates	
	US	AUD	NZD	EURO	CNY	US	AUD
<b>Oct-17</b>	108.80	83.64	75.02	126.76	16.4	107.70	83.93
<b>Sep-17</b>	106.31	84.00	77.35	126.06	16.08	106.31	84.20
<b>% ▲</b>	2.34	-0.43	-3.01	0.56	1.87	1.31	-0.32
<b>Jul-17</b>	105.82	84.30	79.05	123.58	15.70	107.36	83.44
<b>% ▲</b>	0.5	-0.4	-2.2	2.0	2.4	-1.0	0.9
<b>Oct-16</b>	108.72	82.51	77.74	119.44	16.04	108.40	82.61
<b>% ▲</b>	-2.2	1.8	-0.5	5.5	0.2	-1.9	1.9

### **Monetary Developments**

Money supply slightly rose by 0.1 percent and 9.9 percent from August 2017 and over the year to September 2017, respectively. The slight growth over the month was driven by domestic credit, in particular the increase in net credit to the central government. Net Foreign Assets (NFA), on the hand, declined. Overall, the annual growth in M2 continued to be driven by NFA.

Total NFA declined by 1.9 percent month-on-month. The decline reflected the fall of 25.5 percent in the NFA holdings of Other Depository Corporations (ODCs) outweighing the increase of 2.4 percent in the NFA holdings of the Reserve Bank of Vanuatu (RBV). Overall, the annual growth of NFA over the year to September 2017 continued to remain high at 22.5 percent.

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



Domestic credit increased slightly by 0.5 percent month-on-month and by 1.8 percent year-on-year owing mainly to the increase in net claims on the central government. Furthermore, banks have accumulated their loans to other financial corporations and other resident sectors, thus partly attributed to this trend. Total loans extended by ODCs to various sectors are depicted in table A4.

The central government's net credit position vis-a-vis the banking system deteriorated in September 2017 due to withdrawal of deposits held with both the RBV and ODCs. Overall, the fiscal net credit position remained favourable over the year to September 2017.

Claims on the central government by OFIs<sup>4</sup> remained at VT3,500 million as at end of October 2017, the same level recorded in September 2017.

### **Monetary Policy Stance**

The RBV Board resolved in its meeting on October 3, 2017 to maintain the RBV policy interest rate at 2.85 percent. Similarly, the Statutory Reserve Deposits (SRD) and the Liquid Asset Ratio were also maintained at 5.00 percent, respectively.

### **Open Market Operations (OMO)**

The RBV issued VT1,100 million worth of RBV notes in October 2017, compared to VT1,700 million issued during the previous month. Similarly, total subscriptions received, reached VT2,500 million compared to VT4,500 million in September 2017.

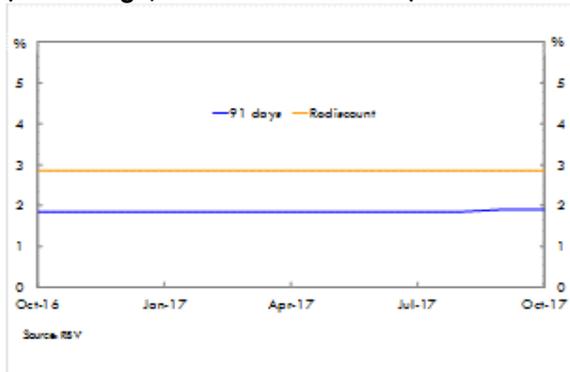
<sup>4</sup> OFI: Other Financial Institutions covers Credit Corporation; Vanuatu Agriculture Bank; and Vanuatu National Provident Fund

**Table 2: Amount Allotted (Millions of VATU) and Yields on RBV Notes (Percent)**

Term	Amount Allotted	Yield End Oct. 2017	Yield End Sep. 2017
7 days	260	1.60	1.45
14 days	260	1.65	1.50
28 days	80	1.75	1.60
63 days	60	1.75	1.75
91 days	60	1.90	1.90

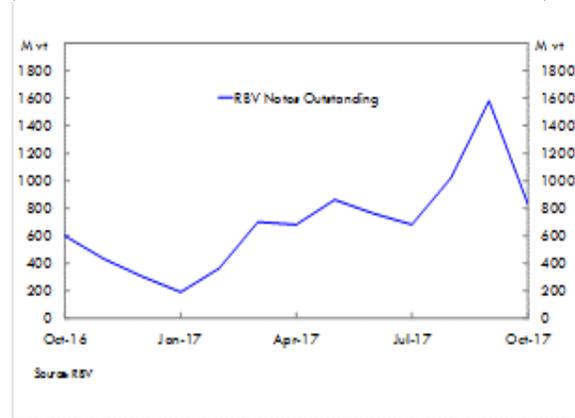
Chart 2 below shows the yield on the 91-days<sup>5</sup> RBV notes.

**Chart 2: Yield on 91-days RBV Note (Percentage, Month-end Position)**



The total amount of RBV notes matured in September 2017 reached VT1,140 million, leaving VT830 million yet to be retired, compared to VT1,580 million in the previous month.

**Chart 3: Outstanding RBV Notes (Levels, millions of VATU, month-End Data)**



<sup>5</sup>91 days RBV note rate plus a penalty rate of 100 basis points is the RBV policy interest rate.

**TABLE A1 : CONDENSED BALANCE SHEET OF THE RESERVE BANK OF VANUATU** (In Millions Vatu)

End of Period	Sep-16	Jun-17	Aug-17	Sep-17	%Change		
					1 Month	3 months	12months
<b>Claims on nonresidents</b>	<b>34,038.6</b>	<b>35,871.1</b>	<b>39,936.5</b>	<b>40,770.0</b>	2.1	13.7	19.8
Monetary gold and SDR holdings	586.3	818.8	821.7	815.0	-0.8	-0.5	39.0
Reserve Assets	33,452.3	35,052.3	39,114.8	39,955.0	2.1	14.0	19.4
<b>Currency and Deposits</b>	<b>8.8</b>	<b>17.0</b>	<b>11.9</b>	<b>17.3</b>	45.0	1.8	97.6
National currency	8.8	17.0	11.9	17.3	45.0	1.8	97.6
<b>Securities other than shares</b>	<b>3,791.2</b>	<b>3,517.2</b>	<b>3,517.8</b>	<b>3,542.9</b>	0.7	0.7	-6.5
Central government	3,791.2	3,517.2	3,517.8	3,542.9	0.7	0.7	-6.5
<b>Loans</b>	<b>107.2</b>	<b>76.0</b>	<b>72.7</b>	<b>68.2</b>	-6.2	-10.4	-36.4
Other depository corporations	20.1	-	-	-			-100.0
Other residents sectors	87.1	76.0	72.7	68.2	-6.2	-10.4	-21.8
<b>Other accounts receivable</b>	<b>593.0</b>	<b>650.3</b>	<b>741.9</b>	<b>740.0</b>	-0.3	13.8	24.8
Trade credit and advances	41.4	104.5	57.3	43.1	-24.9	-58.8	4.0
Settlement accounts	27.0	43.8	25.8	32.0	23.8	-26.9	18.3
Miscellaneous Assets	524.5	502.0	658.8	664.9	0.9	32.4	26.8
<b>Nonfinancial assets</b>	<b>1,577.8</b>	<b>1,575.2</b>	<b>1,567.3</b>	<b>1,563.0</b>	-0.3	-0.8	-0.9
<b>TOTAL ASSETS</b>	<b>40,116.7</b>	<b>41,706.7</b>	<b>45,848.1</b>	<b>46,701.4</b>	1.9	12.0	16.4
<b>Monetary Base</b>	<b>23,513.0</b>	<b>26,692.6</b>	<b>30,986.5</b>	<b>31,340.5</b>	1.1	17.4	33.3
Currency in Circulation	6,793.9	7,367.0	7,471.1	7,557.6	1.2	2.6	11.2
Currency Other Depository Corporations	1,406.7	2,333.6	2,081.1	1,806.7	-13.2	-22.6	28.4
Liabilities to Other Depository Corporations	15,312.4	16,992.1	21,434.4	21,976.2	2.5	29.3	43.5
Reserve Deposits	2,806.4	3,011.8	3,079.3	3,105.5	0.9	3.1	10.7
Other Liabilities	12,506.0	13,980.3	18,355.1	18,870.7	2.8	35.0	50.9
<b>Liabilities to Central Government</b>	<b>9,720.3</b>	<b>8,018.5</b>	<b>7,426.8</b>	<b>7,318.2</b>	-1.5	-8.7	-24.7
Deposits	9,343.9	7,387.4	6,793.6	6,684.2	-1.6	-9.5	-28.5
Other							
<b>Liabilities to non residents</b>	<b>2,726.5</b>	<b>2,698.0</b>	<b>2,705.6</b>	<b>2,708.7</b>	0.1	0.4	-0.7
Deposits	2,726.5	2,698.0	2,705.6	2,708.7	0.1	0.4	-0.7
Liabilities to the IMF- Central Government	376.4	631.0	633.2	634.0	0.1	0.5	68.4
<b>Securities other than shares</b>	<b>553.4</b>	<b>758.0</b>	<b>1,044.5</b>	<b>1,575.8</b>	50.9	107.9	184.7
Central Bank	553.4	758.0	1,044.5	1,575.8	50.9	107.9	184.7
<b>Loans</b>							
<b>Other accounts payable</b>	<b>608.1</b>	<b>440.9</b>	<b>388.4</b>	<b>378.3</b>	-2.6	-14.2	-37.8
Trade credit and advances	426.7	328.9	334.4	333.6	-0.2	1.4	-21.8
Other Sectors	181.3	112.0	54.0	44.7	-17.3	-60.1	-75.4
o/w Settlement Accounts	172.3	99.5	44.5	31.2	-29.8	-68.7	-81.9
<b>Shares and other equity</b>	<b>542.0</b>	<b>652.5</b>	<b>841.3</b>	<b>922.0</b>	9.6	41.3	70.1
<b>SDR Allocation</b>	<b>2,453.3</b>	<b>2,446.4</b>	<b>2,455.0</b>	<b>2,457.9</b>	0.1	0.5	0.2
<b>TOTAL LIABILITIES</b>	<b>40,116.7</b>	<b>41,706.7</b>	<b>45,848.1</b>	<b>46,701.4</b>	1.9	12.0	16.4

**TABLE A2a : CONDENSED BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS IN VANUATU ( In Millions VT)**

END OF PERIOD	Sep-16	Jun-17	Aug-17	Sep-17	%Change		
					1 Month	3 months	12 Months
<b>Monetary gold and SDR</b>							
<b>Currency and deposits</b>	<b>29,870.7</b>	<b>35,016.4</b>	<b>36,239.8</b>	<b>36,390.9</b>	0.4	3.9	21.8
<b>Currency</b>	1,766.2	2,907.8	2,592.3	2,417.7	-6.7	-16.9	36.9
National	1,406.7	2,333.6	2,081.1	1,806.7	-13.2	-22.6	28.4
Foreign	359.5	574.3	511.2	611.0	19.5	6.4	70.0
<b>Transferable deposits</b>	23,477.1	19,631.3	24,152.1	25,220.3	4.4	28.5	7.4
<i>In Local currency : Central Bank</i>	15,312.4	16,992.1	21,434.4	21,976.2	2.5	29.3	43.5
Other depository corporations	-	-	-	-			
Nonresidents	21.9	25.4	50.7	30.7	-39.5	20.8	40.3
Head offices and Branches	5.4	-	-	-			-100.0
Other depository corporations	16.5	25.4	50.7	30.7	-39.5	20.8	85.9
<i>In foreign currency :</i>							
Nonresidents	8,142.8	2,613.8	2,667.0	3,213.5	20.5	22.9	-60.5
Head offices and Branches	2,746.1	147.5	392.8	244.6	-37.7	65.8	-91.1
Other depository corporations	5,396.7	2,466.3	2,274.2	2,968.9	30.5	20.4	-45.0
<b>Other deposits</b>	4,627.4	12,477.2	9,495.5	8,752.9	-7.8	-29.8	89.2
<i>In Local currency :</i>							
Other depository corporations	413.2	478.4	480.4	480.4	0.0	0.4	16.3
Nonresidents	-	-	-	-			
Other depository corporations	-	-	-	-			
<i>In foreign currency :</i>							
Other depository corporations		1,478.8	1,474.7	1,838.0	24.6	24.3	
Nonresidents	4,214.2	10,520.0	7,540.4	6,434.4	-14.7	-38.8	52.7
Head offices and Branches	57.2	-	426.4	-	-100.0		-100.0
Other depository corporations	4,157.0	10,520.0	7,113.9	6,434.4	-9.6	-38.8	54.8
<b>Securities other than shares</b>	<b>1,440.9</b>	<b>2,245.5</b>	<b>2,532.0</b>	<b>3,063.3</b>	21.0	36.4	112.6
Central Bank	553.4	758.0	1,044.5	1,575.8	50.9	107.9	184.7
Central Government	887.5	1,487.5	1,487.5	1,487.5	0.0	0.0	67.6
<b>Loans</b>	<b>58,851.2</b>	<b>61,039.3</b>	<b>60,921.4</b>	<b>61,054.8</b>	0.2	0.0	3.7
Other depository corporations	0.0	-	-	-			-100.0
Other financial corporations	1.8	0.7	1.1	478.2	43,058.5	67,251.5	26392.9
Central government	-	-	-	-			
State and local government	125.4	119.5	108.1	109.9	1.7	-8.1	-12.4
Public nonfinancial corporations	1,131.7	1,351.3	1,176.2	696.9	-40.8	-48.4	-38.4
Other nonfinancial corporations	25,800.3	26,395.0	26,420.1	25,866.4	-2.1	-2.0	0.3
Other residents sectors	29,977.8	31,616.3	31,620.3	32,148.9	1.7	1.7	7.2
Nonresidents	1,814.2	1,556.5	1,595.6	1,754.5	10.0	12.7	-3.3
Interbank Funds sold	-	-	-	-			
<b>Other accounts receivable</b>	<b>3,260.0</b>	<b>7,059.2</b>	<b>8,925.4</b>	<b>10,201.5</b>	14.3	44.5	212.9
Trade credit and advances	98.9	164.3	139.0	112.5	-19.1	-31.5	13.7
Settlement accounts	2,123.0	5,396.7	6,192.3	7,789.9	25.8	44.3	266.9
Miscellaneous assets items	1,038.1	1,498.3	2,594.1	2,299.1	-11.4	53.5	121.5
<b>Nonfinancial assets</b>	<b>4,516.4</b>	<b>4,582.0</b>	<b>4,014.5</b>	<b>4,030.6</b>	0.4	-12.0	-10.8
<b>TOTAL ASSETS</b>	<b>97,939.2</b>	<b>109,942.3</b>	<b>112,633.1</b>	<b>114,741.1</b>	1.9	4.4	17.2

**TABLE A2b : CONDENSED BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS IN VANUATU ( In Millions VT)**

END OF PERIOD	Sep-16	Jun-17	Aug-17	Sep-17	%Change		
					1 Month	3 months	12 Months
<b>Deposits</b>	<b>76,031.4</b>	<b>81,278.6</b>	<b>82,281.6</b>	<b>82,796.0</b>	0.6	1.9	8.9
<b>Transferable deposits</b>	<b>41,356.3</b>	<b>48,543.7</b>	<b>45,141.6</b>	<b>45,490.6</b>	0.8	-6.3	10.0
<i>In Local currency:</i>	24,818.7	29,719.2	29,123.6	28,657.3	-1.6	-3.6	15.5
Other depository corporation	91.8	194.4	152.6	180.2	18.1	-7.3	96.2
Other financial corporations	4,650.6	8,556.5	4,806.7	4,983.1	3.7	-41.8	7.2
Central government	952.0	1,386.5	1,501.9	1,198.1	-20.2	-13.6	25.9
State and local governments	78.0	66.1	93.3	88.6	-5.0	34.0	13.5
Public nonfinancial coporations	445.0	269.5	269.2	414.2	53.9	53.7	-6.9
Other non financial coporations	7,844.4	6,973.2	9,811.5	9,314.8	-5.1	33.6	18.7
Other residents sectors	10,756.9	12,273.0	12,488.4	12,478.3	-0.1	1.7	16.0
<i>Non-residents</i>	1,147.0	1,466.8	1,286.0	2,004.2	55.8	36.6	74.7
Other Depository and financial corporations	6.2	7.3	5.6	9.1	63.1	25.1	46.8
Other non residents	1,140.8	1,459.6	1,280.4	1,995.1	55.8	36.7	74.9
<i>In Foreign currency:</i>	11,948.3	16,016.6	13,221.4	13,428.3	1.6	-16.2	12.4
Other depository corporation	566.1	140.3	284.1	266.9	-6.1	90.2	-52.9
Other financial corporations	362.2	616.2	663.5	594.9	-10.3	-3.5	64.3
Central government	1,422.1	4,493.9	1,083.6	1,257.8	16.1	-72.0	-11.6
Public nonfinancial coporations	168.5	114.4	141.0	142.1	0.8	24.2	-15.7
Other non financial coporations	6,553.0	8,170.3	8,548.4	8,072.7	-5.6	-1.2	23.2
Other residents sectors	2,872.0	2,475.6	2,495.4	3,091.6	23.9	24.9	7.6
<i>Non-residents</i>	3,442.2	1,341.1	1,510.6	1,400.8	-7.3	4.4	-59.3
Head office and Branches	-	15.7	170.1	133.9	-21.3	754.1	-
Other Depository and financial corporations	7.8	-	70.0	39.0	-44.2	-	401.3
Other non residents	3,434.5	1,325.4	1,270.5	1,227.8	-3.4	-7.4	-64.3
<b>Other deposits</b>	<b>34,675.1</b>	<b>32,734.8</b>	<b>37,140.0</b>	<b>37,305.5</b>	0.4	14.0	7.6
<i>In Local currency:</i>	21,422.6	20,902.4	25,392.9	25,469.6	0.3	21.8	18.9
Other depository corporation	263.6	268.9	268.9	269.8	0.3	0.3	2.4
Other financial corporations	3,239.2	3,659.2	3,395.9	3,717.8	9.5	1.6	14.8
Central government	1,109.0	1,142.0	5,159.0	5,167.6	0.2	352.5	366.0
State and local governments	104.2	112.4	112.1	112.2	0.1	-0.2	7.7
Public nonfinancial coporations	699.9	591.0	652.4	647.8	-0.7	9.6	-7.5
Other non financial coporations	3,483.3	2,836.0	3,479.4	3,644.7	4.7	28.5	4.6
Other residents sectors	12,523.3	12,292.9	12,325.2	11,909.6	-3.4	-3.1	-4.9
<i>Non-residents</i>	1,765.2	1,132.0	1,085.9	1,095.1	0.8	-3.3	-38.0
Other Depository and financial corporations	-	-	-	-	-	-	-
Other non residents	1,765.2	1,132.0	1,085.9	1,095.1	0.8	-3.3	-38.0
<i>In Foreign currency:</i>	8,975.8	9,916.0	9,934.8	9,976.8	0.4	0.6	11.2
Other depository corporation	322.0	426.2	408.2	415.6	1.8	-2.5	29.1
Other financial corporations	1,809.0	2,466.1	1,938.1	2,409.6	24.3	-2.3	33.2
Central government	-	-	-	-	-	-	-
Public nonfinancial coporations	79.4	89.4	433.1	90.2	-79.2	0.9	13.6
Other non financial coporations	1,598.5	1,852.0	2,013.3	1,984.0	-1.5	7.1	24.1
Other residents sectors	5,166.9	5,082.3	5,142.2	5,077.3	-1.3	-0.1	-1.7
<i>Non-residents</i>	2,511.6	784.4	726.5	764.0	5.2	-2.6	-69.6
Other Depository and financial corporations	33.4	-	-	-	-	-	-100.0
Other non residents	2,478.2	784.4	726.5	764.0	5.2	-2.6	-69.2
<b>Loans</b>	<b>1,672.4</b>	<b>4,080.2</b>	<b>4,094.4</b>	<b>4,054.2</b>	-1.0	-0.6	142.4
Other depository Corporations	-	1,254.9	2,614.1	1,947.5	-25.5	55.2	-
<i>Non residents</i>	1,672.4	2,825.3	1,480.3	2,106.7	42.3	-25.4	26.0
Head office and Branches	1,621.7	2,783.7	1,420.9	2,039.6	43.5	-26.7	25.8
Other financial corporations	50.7	41.6	59.4	67.1	13.0	61.3	32.4
<b>Other accounts payable</b>	<b>7,419.3</b>	<b>10,983.8</b>	<b>12,412.7</b>	<b>14,526.2</b>	17.0	32.3	95.8
Trade credit and advances	155.6	79.2	62.6	70.0	11.8	-11.6	-55.0
Settlement accounts	2,062.7	5,279.3	6,062.0	7,644.0	26.1	44.8	270.6
Provisions for losses	1,066.5	1,250.0	1,426.0	1,585.2	11.2	26.8	48.6
Accumulated depreciation	2,480.9	2,605.6	2,188.1	2,216.8	1.3	-14.9	-10.6
Miscellaneous liability items	1,653.6	1,769.6	2,673.9	3,010.1	12.6	70.1	82.0
<b>Shares and other equity</b>	<b>12,816.0</b>	<b>13,599.8</b>	<b>13,844.5</b>	<b>13,364.7</b>	-3.5	-1.7	4.3
<b>TOTAL LIABILITIES</b>	<b>97,939.2</b>	<b>109,942.3</b>	<b>112,633.1</b>	<b>114,741.1</b>	1.9	4.4	17.2

TABLE A3 : DEPOSITORY CORPORATION SURVEY

(MVT)

END OF PERIOD	Sep-16	Jun-17	Aug-17	Sep-17	%Change		
					1 Month	3 months	12 Months
<b>1. Net Foreign Assets</b>	<b>32,873.7</b>	<b>38,467.9</b>	<b>41,052.3</b>	<b>40,277.5</b>	-1.9	4.7	22.5
Monetary Authorities (Net)	28,858.8	30,726.8	34,775.9	35,603.4	2.4	15.9	23.4
Other Depository Corporations (Net)	4,014.9	7,741.1	6,276.4	4,674.1	-25.5	-39.6	16.4
<b>2. Net Domestic Claims</b>	<b>37,602.5</b>	<b>38,431.0</b>	<b>36,346.8</b>	<b>37,188.5</b>	2.3	-3.2	-1.1
<b>(a) Domestic Claims</b>	<b>48,599.4</b>	<b>49,522.7</b>	<b>49,232.4</b>	<b>49,457.2</b>	0.5	-0.1	1.8
<b>(i) Net claims on central government</b>	<b>(8,524.6)</b>	<b>(10,036.1)</b>	<b>(10,166.1)</b>	<b>(9,911.3)</b>	2.5	1.2	-16.3
Monetary Authorities	(5,929.0)	(4,501.3)	(3,909.0)	(3,775.3)	3.4	16.1	36.3
Other Depository Corporations	(2,595.6)	(5,534.8)	(6,257.0)	(6,136.0)	1.9	-10.9	-136.4
<b>(ii) Claims on other Sectors</b>	<b>57,124.1</b>	<b>59,558.8</b>	<b>59,398.5</b>	<b>59,368.5</b>	-0.1	-0.3	3.9
Other Financial Corporations	1.8	0.7	1.1	478.2	43,058.5	67,251.5	26,392.9
State and local government	125.4	119.5	108.1	109.9	1.7	-8.1	-12.4
Public nonfinancial corporations	1,131.7	1,351.3	1,176.2	696.9	-40.8	-48.4	-38.4
Other nonfinancial corporations	25,800.3	26,395.0	26,420.1	25,866.4	-2.1	-2.0	0.3
Other residents sectors	30,064.9	31,692.3	31,693.0	32,217.1	1.7	1.7	7.2
<b>(b) Other items (net)</b>	<b>(10,996.9)</b>	<b>(11,091.7)</b>	<b>(12,885.6)</b>	<b>(12,268.6)</b>	-4.8	10.6	11.6
<b>3. Broad Money (M2)</b>	<b>70,476.2</b>	<b>76,898.9</b>	<b>77,399.1</b>	<b>77,466.0</b>	0.1	0.7	9.9
<b>(a) Money (M1)</b>	<b>41,186.9</b>	<b>47,222.4</b>	<b>47,230.4</b>	<b>47,187.4</b>	-0.1	-0.1	14.6
(i) Currency in circulation	6,793.9	7,367.0	7,471.1	7,557.6	1.2	2.6	11.2
(ii) Transferable deposits	34,392.9	39,855.5	39,759.3	39,629.7	-0.3	-0.6	15.2
<b>(b) Quasi-money</b>	<b>29,289.4</b>	<b>29,676.5</b>	<b>30,168.7</b>	<b>30,278.7</b>	0.4	2.0	3.4
Other Deposits	29,289.4	29,676.5	30,168.7	30,278.7	0.4	2.0	3.4

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

SECTOR	Sep-16			Sep-17			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	1.8	0.0	1.8	443.0	35.2	478.2	24445.4		26392.9
Central Government	0.0	0.0	0.0	0.0	0.0	0.0			
Provincial Assemblies & Local Government	125.4	0.0	125.4	109.9	0.0	109.9	-12.4		-12.4
Statutory Non-financial Corporations Domestic	848.4	283.2	1131.7	304.3	392.6	696.9	-64.1	38.6	-38.4
Manufacturing	994.2	234.2	1228.4	877.3	475.9	1353.3	-11.8	103.3	10.2
Agriculture	424.9	46.6	471.5	394.4	139.9	534.3	-7.2	200.1	13.3
Public Utilities	7.1	196.7	203.8	5.7	129.6	135.3	-19.8	-34.1	-33.6
Forestry	29.5	0.0	29.5	1.6	0.0	1.6	-94.6		-94.6
Fisheries	3.3	0.0	3.4	27.5	0.0	27.5	722.1	100.0	721.9
Mining & Quarrying	139.0	0.0	139.0	28.2	0.0	28.2	-79.7		-79.7
Construction	2066.6	1387.0	3453.6	2051.2	1475.8	3527.0	-0.7	6.4	2.1
Distribution (Wholesale and Retail)	4411.1	812.5	5223.5	4003.4	1110.4	5113.8	-9.2	36.7	-2.1
Tourism	1868.5	4657.5	6526.0	1465.0	4847.8	6312.8	-21.6	4.1	-3.3
Transport	623.1	207.6	830.7	628.2	173.1	801.3	0.8	-16.6	-3.5
Communications	464.1	845.6	1309.8	1253.2	821.0	2074.2	170.0	-2.9	58.4
Entertainment & Catering	700.8	193.8	894.7	607.5	487.5	1095.0	-13.3	151.5	22.4
Professional & Other Services	3663.0	1823.4	5486.4	3232.5	1629.6	4862.1	-11.8	-10.6	-11.4
Housing & Land Purchases	14487.4	4017.1	18504.4	14650.4	4343.8	18994.2	1.1	8.1	2.6
Other individual	9562.0	1620.2	11182.2	10904.4	2017.5	12922.0	14.0	24.5	15.6
Non Profit Institutions Serving Households	291.2	0.0	291.2	269.2	0.2	269.3	-7.6	15600.0	-7.5
<b>Grand Total</b>	<b>40,711.6</b>	<b>16,325.4</b>	<b>57,037.0</b>	<b>41,256.9</b>	<b>18,080.0</b>	<b>59,336.9</b>	1.3	10.7	4.0