

RESERVE BANK OF FIJI



CAPITAL MARKETS ADVISORY AND DEVELOPMENT TASKFORCE UPDATE: MEETING 02/2019

Date **4 July 2019**

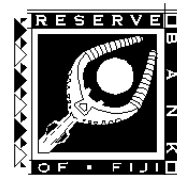
At its meeting on 1 July, the Capital Markets Advisory and Development Taskforce (CMDT) welcomed the notable progress reported by key capital market stakeholders and considered a number of development initiatives including:-

- **Preparations for 2020 World Exchange Congress (WEC) in Progress.** Fiji will be hosting the WEC from 2-4 June, 2020 at the Sofitel Fiji Resort & Spa, Denarau in Nadi. A WEC Steering Committee responsible to spearhead marketing plans, arrange visitor packages and securing sponsorships for the upcoming event has been setup by the South Pacific Stock Exchange (SPX).
- **Growth in the Unit Trusts.** The continued growth of the unit trust industry was commended by the Taskforce. Over the last six years, investments have almost tripled from \$129 million (2013) to \$344 million (Quarter 1 2019). At the end of the March 2019 quarter, the industry reported 35,898 unit holders.
- **Re-branded South Pacific Stock Exchange.** The South Pacific Stock Exchange re-branded to SPX (previously SPSE) last month and has plans to generate greater stock market activity through a number of planned initiatives including the introduction of an Over-the-Counter (OTC) trading facility for non-listed companies. The OTC would enable eligible companies to utilise facilities offered by SPX and its subsidiary, Central Share Registry Limited to raise capital and provide a trading platform that will eventually progress towards official listing on the main SPX trading board.

During the June quarter, market capitalisation rose by close to 50 percent on an annual basis to \$3.6 billion, representing 37.6 percent of GDP. The CMDT also noted an increase in interest from civil servants investing in the stock market during the review period.

- **Application to become Member of the International Organisation of Securities Commission (IOSCO).** The CMDT was informed of the decision by the Reserve Bank of Fiji (RBF) Board for the Bank to become a member of IOSCO which is an international agency that sets standards and assists development for the capital/securities markets globally. With this membership, the Reserve Bank hopes to exchange experiences and insights for enabling capital markets to be a vehicle for long term investments and capital raising in the country.

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Capital Markets Advisory and Development Taskforce membership:

Ms Makereta Konrote, Permanent Secretary for Economy, Ministry of Economy; Mr Ariff Ali, Governor, Reserve Bank of Fiji; Mr Esala Masitabua, Deputy Governor, Reserve Bank of Fiji; Mr Pradeep Patel, Senior Partner, BDO Fiji; Ms Lisa Apted, Partner, KPMG; Ms Krishika Narayan, Chief Executive Officer, South Pacific Stock Exchange; Mr Nouzab Fareed, Group Chief Executive Officer, Fijian Holdings Ltd; Mr Nitish Niranjana, Chief Executive Officer, VB Holdings Ltd; Mr Haroon Ali, BSP Fiji Country Head and Association of Banks in Fiji Representative; Mr Chris O'Neale, Head of Markets Pacific, ANZ Fiji; Mr Sakiusa Bolaira, Manager Business Development and Company Secretary, Unit Trust of Fiji; Ms Caroline Waqabaca, Chief Manager Financial Markets, Reserve Bank of Fiji; Mr Poasa Werekoro, Acting Chief Manager Financial System Development, Reserve Bank of Fiji; and Mr Apenisa Tuicakau, Manager Domestic Markets, Reserve Bank of Fiji.

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