

RESERVE BANK OF FIJI

PRESS RELEASE



Press Release No.	: 03/2019	Telephone	: (679) 331 3611
		Facsimile	: (679) 330 2094
Date	: 22 Feb 2019	Email	: info@rbf.gov.fj

MONETARY POLICY STANCE UNCHANGED

The Reserve Bank of Fiji Board agreed to keep the Overnight Policy Rate unchanged at 0.5 percent following its monthly meeting on 21 February.

In announcing the decision, the Governor and Chairman of the Board, Mr Ariff Ali stated that “sectoral performances for 2019 are expected to be generally positive consistent with the current favourable outlook for the domestic economy.” Barring any major shocks, 2019 should register the tenth consecutive year of positive growth with the Fijian economy anticipated to expand by 3.4 percent.

The outlook for the Reserve Bank’s twin monetary policy objectives remains intact. Foreign reserves are adequate at \$1,965.0 million as at 21 February, sufficient to cover 4.2 months of retained imports of goods and non-factor services and are expected to remain stable in the medium term. Annual inflation edged-up to 5.1 percent in January from 4.9 percent noted in December 2018. Core inflation, excluding volatile items such as food, energy, education and yaqona, was lower at 3.4 percent. Headline inflation is expected to subside to around 3.5 percent by year-end.

Governor Ali concluded that in light of the latest global and domestic economic developments and the stable medium term outlook for inflation and foreign reserves, the monetary policy stance would remain accommodative. The Reserve Bank will continue to monitor domestic and international economic developments and align its monetary policy decisions accordingly.

RESERVE BANK OF FIJI

For further details, please contact:-

Communications Office

Telephone: (679) 3223 381

Email: info@rbf.gov.fj

Mr Mervin Singh – Manager Corporate Communications

Telephone: (679) 3223 229

Email: mervin@rbf.gov.fj