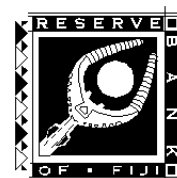


RESERVE BANK OF FIJI

PRESS RELEASE



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MONETARY POLICY STANCE REMAINS UNCHANGED

The Reserve Bank of Fiji Board at its monthly meeting on 25 March agreed to maintain the Overnight Policy Rate at 0.5 percent.

In announcing the decision, the Governor and Chairman of the Board, Mr Barry Whiteside stated that economic activity has been robust, driven by strong business confidence and accommodative monetary and fiscal policies. This has resulted in buoyant credit growth and higher consumption and investment activity. As expected given that Fiji is a growing open economy, imports have also continued to outpace exports. Based on recent data, Mr Whiteside highlighted that this trend is expected to persist in 2015.

Mr Whiteside cautioned that these positive economic outcomes have filtered into some pressure on Fiji's balance of payments position through a growing trade deficit, although stronger tourism and remittance receipts countered this to a large extent.

Foreign reserves were around \$1,778 million on 25 March, sufficient to cover 4.4 months of retained imports of goods and non-factor services. Inflation was 2.1 percent in February and is expected to remain stable throughout 2015 given the soft global commodity prices (oil and food) and low trading partner inflation.

The Reserve Bank will continue to monitor domestic and international economic conditions and align its policy decisions accordingly.

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