

RESERVE BANK OF FIJI

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RESERVE BANK SAYS RESERVES ARE HOLDING UP WELL

The Reserve Bank of Fiji has released information on Fiji's foreign exchange reserves. The Bank put in place several policy measures on 22 May 2000 to protect reserves and has been closely monitoring the situation over the past month.

The Bank has confirmed that the earlier measures, which include tighter exchange controls and a credit ceiling on overall bank lending, are working well with reserves being maintained at close to pre-coup levels.

On 19 May 2000, foreign exchange reserves were around F\$850 million. As at 20 June 2000, reserves were a little over F\$840 million. This level of reserves is sufficient to cover over 5 months of imports.

Although there has been some increase in outflows over the month, particularly for advance payments for imports and emigration remittances, the flows are quite modest and have been easily accommodated without any substantial reduction in reserves.

The Bank is hopeful that with the reserves remaining strong, some controls may be reviewed in coming months.

Savenaca Narube
Governor

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