

RESERVE BANK OF FIJI



PRESS RELEASE

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RESERVE BANK INCREASES STATUTORY RESERVE DEPOSIT REQUIREMENT FOR COMMERCIAL BANKS IN FIJI

The Reserve Bank of Fiji Board approved at its meeting on 19 May 2010 to increase the Statutory Reserve Deposit requirement to 10.0 percent.

All licensed commercial banks in Fiji are required under Section 40 of the Reserve Bank Act to hold a proportion of their deposits and similar liabilities with the Reserve Bank. This requirement is known as the Statutory Reserve Deposit (SRD).

The SRD currently stands at 7 percent. Effective from 7 June 2010, the SRD requirement will be increased to 8.5 percent. The SRD requirement will be further increased to 10.0 percent, effective from 07 July 2010.

The Reserve Bank will continue to monitor the situation closely and introduce further measures when necessary.

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