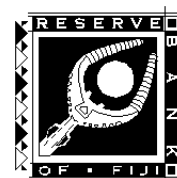


RESERVE BANK OF FIJI

PRESS RELEASE



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MONETARY POLICY STANCE REMAINS UNCHANGED

The Reserve Bank of Fiji (RBF) Board at its monthly meeting on 30 July agreed to maintain the Overnight Policy Rate (OPR) at 0.50 percent.

The Governor and Chairman of the Board, Mr Barry Whiteside stated that “on the international front, the expected pick-up in global growth has not fully materialised. As a result, Fiji’s trading partners’ recent growth outcomes have remained modest, with external inflationary pressures remaining subdued.”

Mr Whiteside noted that domestically, improved sectoral outcomes for tourism and gold and buoyant demand conditions are indicative of Fiji’s currently strong growth outlook. Improved business confidence as seen in higher recruitment intentions, combined with continued credit demand and ongoing construction and infrastructure projects confirm the robust investment activity to date. While potentially lower Government expenditure and weather-related impact on cane output present downside risks to this outlook, on balance, the Fijian economy is on track to achieve the 4.3 percent growth projected for this year.

The Governor also highlighted that the twin objectives of monetary policy remained intact, with the June inflation rate at a low 0.8 percent and the 30 July 2015 foreign reserves level adequate at \$1,988.6 million (5.0 months of retained imports of goods and non-factor services cover).

The Chairman concluded that, “the Reserve Bank of Fiji will continue to monitor global and domestic economic developments and align monetary policy accordingly.”

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