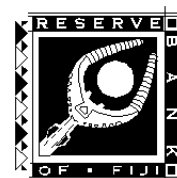


RESERVE BANK OF FIJI

PRESS RELEASE



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RESERVE BANK OF FIJI RELEASES 2013 ANNUAL REPORT

The Prime Minister and Minister for Finance, Rear Admiral Josaia V Bainimarama tabled the 2013 Annual Report of the Reserve Bank of Fiji in Cabinet on 01 July, 2014. The report included the audited accounts and the operations of the Reserve Bank for the year ended 31 December 2013.

The Governor of the Reserve Bank, Mr Barry Whiteside, stated that the year 2013 had ushered in a wave of optimism and improved confidence in the Fijian economy, despite a weaker global economic performance and recovery from the devastation of Cyclone Evan in late 2012. The surge in domestic demand had led to a significant turnaround in macroeconomic indicators, supported by accommodative monetary and fiscal policies as well as improved investor and consumer confidence.

The Annual Report highlights that the Reserve Bank met all its objectives in 2013. The monetary policy objectives of low inflation and comfortable foreign reserves were achieved. This allowed the Bank to continue its accommodative monetary policy stance and maintain the Overnight Policy Rate at 0.5 percent throughout 2013. To provide additional support to the economic recovery, unconventional policy tools were also continued.

Mr Whiteside also highlighted the soundness and stability remained intact in 2013 and prudential indicators showed improved levels of financial soundness and safety of supervised institutions. The Reserve Bank also continued to promote financial inclusion and literacy amongst the populace and assisted consumers of financial services who sought redress where required.

A combination of higher income and lower expenditure led the Bank to record a profit of \$31.9 million in 2013, higher than the \$25.4 million in 2012. The Bank transferred a total of \$39.9 million to Government for its 2013 operations on 1 April 2014, which included its entire profit and one-fifth of the balance of revaluation reserves account, which amounted to \$8.0 million.

The Annual Report also summarises the important steps undertaken by the Bank in 2013 to improve governance, transparency and risk management. Mr Whiteside was pleased to also highlight that the Reserve Bank celebrated its 40th year as a central bank in 2013 and the Annual Report features a brief history of the past four decades as well as the new look of the RBF Building and its 40th anniversary logo.

The Governor reiterated that the Reserve Bank will aspire to continue meeting its objectives diligently in the future as well. The Board would like to extend their appreciation to the staff of the Reserve Bank for this achievement. The Directors would also like to thank the Bank's customers, stakeholders and counterparts in assisting the Bank meet its objectives in 2013.

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