Centrale Bank van Suriname

Presentation for FIF II

Data Sources and Central Bank Functions
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Main functions of the CBvS governed by the Bank Act

I. Price stability
II. Financial stability
III. Regulation and supervision
IV. Exchange rate policy and operations
V. Functioning of financial markets
VI. Statistics
VII. Issuance of banknotes and other functions
I. Price stability (1)

- Bank Act: Promote the stability of the Surinamese dollar
  - No quantitative target: single digits headline inflation
- Monetary policy framework: exchange rate targeting
  - Since beginning 2006 shift to monetary targeting (base money)
II. Price stability (2)

- Monetary instruments
  - Reserve requirements
  - Foreign exchange interventions
  - Coordination fiscal and monetary policy
  - Moral suasion

- Short-term actions
  - Standing facilities
  - T-bills auctioning
  - Open market operations
II. Financial Stability (1)

- FST Department was established in March 2014
- First FST report published in October 2015
  - Stress testing, solvency of banks per December 2014
  - Contribution to the Caribbean Regional FST Report 2015
- Macro prudential policies
  - FX reserve requirements (50%)
  - Regulation on FX credit to FX earners has been relaxed with increasing FX RR
II. Financial Stability (2)

- Data sources

- Plans
  - Expand stress testing to liquidity of banks and to insurance companies
  - Introduce Deposit Insurance Scheme
III. Regulation and Supervision

- Regular on-site and off-site inspections
  - Assessment include AML/CFT framework

- Two departments involved
  - Supervision Dept.
    - Deposit takers, insurance companies, pension funds
  - Financial Markets Dept.
    - Money transfers houses and foreign exchange houses (cambios)
    - Markets, i.e. stock market, foreign exchange market

- Data sources
  - Balance sheets, income statements, on-site inspections, annual reports, media, meetings, specific data
IV. Exchange rate policy and operations

- FX interventions
  - Aimed to reduce volatility
- Currently: FX auctions
- Daily management reports as input for FX policy design
- Reserve management
  - Investment committee has advisory role
- Electronic interbank FX trading platform being prepared
- Data sources: daily direct reporting, meetings
V. Functioning of Financial markets

- **New payment system: Automated Transfer System (ATS)**
  - **Aim:** promoting and ensuring a safe, sound and efficient payments system
  - **Core components:** RTGS, ACH, CSD, and automated cheque processing
  - **ATS** will be fully integrational and on real time in Q2 2016

- **Platform for data collection**

- **Preparations for introduction oversight function for the payments system and operationalization of the National Payments Council**
VI. Statistics (1)

**Data sources**
- Finance Ministry
- Statistics Bureau
- ODCs
- Corporations

**Output**
- Monetary statistics
- External sector statistics
  - BOP/IIP/EDS/IR
- REAL sector
  - MEAI (monthly economic activity index)
  - Mining sector data
- GFS: financing data
- Forex data: volume and exchange rate
- FSIs

**Balance sheet/annexes**
- Income statement
- Onsite inspections
- Annual reports
- Analyses
- Meetings
- Media
- Specific data
- Surveys
- FX shipment
- ITRS
VII. Statistics (2)

- Dissemination
  - ARC
  - Website CBvS
  - Centralized in one section on main menu
  - Non confidential non-published data can be requested

- Meta data/ methodologies
  - Also on IMF’s DSBB
VII. Issuance of banknotes and other functions

- CBvS issues bank notes, while Ministry of Finance issues coins
- Economic research
- Financial education