

**MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT**  
GOVERNMENT OF THE COOK ISLANDS

**COOK ISLANDS**  
**STATISTICAL BULLETIN**

**BANKING STATISTICS**  
**September Quarter 2018**

**Assets & Liabilities** – Net foreign assets for the September quarter 2018 increased to 207.6 million when compared to June quarter 2018 (190.6 million) for all banks surveyed.

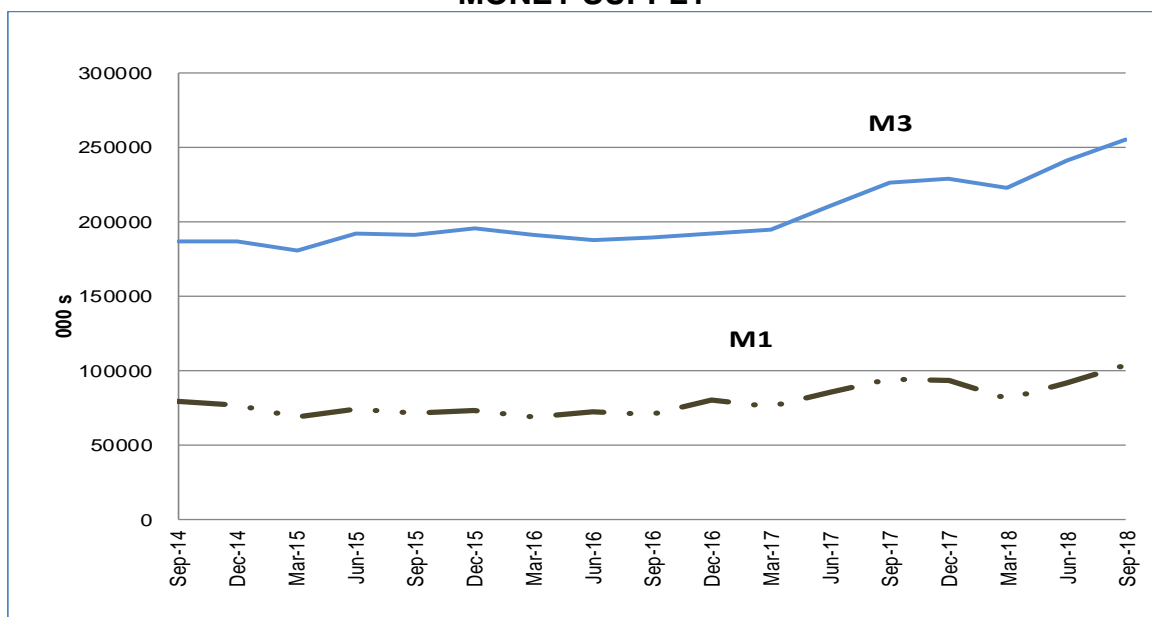
**Loans & Advances by Industry** – Total lending for the September quarter 2018 was recorded at 276.5 million increasing by 1.6 per cent when compared to the June quarter 2018.

Borrowings for the September quarter 2018 increased for, Finance and Business 19.1 percent, Agriculture and Fishing 14.3 percent, Personal Services 1.2 percent. All other categories had a drop in borrowings, the biggest drop from the Public Administration category at -57.1 percent.

**Money Supply** – Narrow money (M1) for the September quarter 2018 increased by 13.4 percent over the June 2018 quarter. Broad Money (M3) increased by 5.8 percent compared to the June quarter 2018. This increase was a result of an increase in term deposits and savings by 1.2 percent alongside the increase in M1.

**Interest Rates** – All rates remained stable through the September quarter 2018 when compared to June quarter 2018.

**MONEY SUPPLY**



Further information about this release can be obtained from the Statistics Office.

## Explanatory Notes:

### Introduction

Banking Statistics is a measure of banking activities carried out by the four commercial banks operating here in the Cook Islands.

### Scope

These Four (4) banks are Australia and New Zealand banking group (ANZ), Bank of the South Pacific (BSP) Bank of the Cook Islands (BCI) and Capital Security Bank (CSB).

The survey does not cover offshore banking activities of the other financial institutions operating in the Cook Islands that do not offer banking facilities that residents can access, like deposit taking and loan facilities, etc.

### Data collection

Banking Statistics data was traditionally collected via banking survey forms sent to the commercial banks to fill out and return. At the start of 2013, the data for this series was collected from the Financial Supervisory Commission (FSC) using the prudential report forms. The reasons for the change in data collection include: the FSC already collects the data from the banks in its role as the monitoring agency for financial institutions; collecting the data from the FSC reduces respondent burden on the banks; and information derived from the data received from the FSC raises the reliability of the data for users.

### Data processing

FSC provides a report via email to our office for processing into the banking statistics series.

### Residents:

*Individuals and households* – Resides or intends to reside in the Cook Islands for one year or longer.

*Legal and social entities* – Includes government departments and government owned organisations, branches of foreign direct investors, corporations, companies, and non-profit institutions. A legal or social enterprise which has a centre of economic interest in the Cook Islands e.g. produces goods and services or owns land and buildings located in the Cook Islands. An international bank, financial institution or trust company which has a physical presence and conducts business in the Cook Islands, whether with residents, non-residents or both, is classified as resident. Cook Islands' embassies and consulates abroad are also considered to be

residents.

### Non Residents:

(Includes residents of New Zealand)

*Individuals and households* – Resident outside the Cook Islands or someone who intend to reside in the Cook Islands for less than one year.

*Legal and social entities* – Includes foreign governments, foreign banks, international banks, foreign embassies, international organisations corporations or companies with no centre of economic interest in the Cook Islands (but which may have a registered office in the Cook Islands).

### Public Enterprises:

These are government owned and/or controlled enterprises which obtain their revenue primarily from the sale of goods and services on a commercial basis.

### Assets defined:

The value of overseas assets owned by a nation, less the value of its domestic assets that are owned by foreigners, adjusted for changes in valuation and exchange rates. A nation's Net Foreign Assets (NFA) position is also defined as the cumulative change in its current account over time. The net foreign assets position indicates whether the nation is a net creditor or debtor to the rest of the world. A positive NFA balance means that it is a net lender, while a negative NFA balance shows that it is a net borrower.

An alternative definition of "Net Foreign Assets" from the World Bank is that it is the sum of foreign assets held by monetary authorities and deposit money banks, less their foreign liabilities



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**Table 1 Assets and Liabilities**

Period	NET FOREIGN ASSETS <sup>1</sup>	NET DOMESTIC CREDIT <sup>2</sup>	Claims on			LIQUID LIABILITIES <sup>3</sup>	Deposits			OTHER ITEMS (NET) <sup>4</sup>	CAPITAL ACCOUNT
			Government (net)	Public Enterprises	Private Sector		Demand	Savings	Term		
<b>YEAR</b>						<b>\$'000</b>					
2013/14	47,820	170,530	(74,580)	2,408	242,702	175,338	70,104	39,360	65,874	16,230	59,242
2014/15	75,324	169,792	(75,182)	1,495	243,479	192,266	73,377	42,512	76,377	11,691	64,541
2015/16	102,557	136,313	(93,491)	1,077	228,727	187,155	71,845	42,258	73,052	18,145	69,860
2016/17	157,660	111,262	(118,035)	0	229,297	210,231	84,990	45,279	79,962	4,541	63,232
2017/18	190,551	121,858	(109,372)	1,615	229,615	241,464	91,275	53,199	96,990	(11,989)	58,956
<b>QUARTER</b>											
<b>2014</b>											
Mar	37,876	176,799	(71,427)	2,579	245,647	177,778	63,401	38,141	76,236	21,021	57,918
Jun	47,820	170,530	(74,580)	2,408	242,702	175,338	70,104	39,360	65,874	16,230	59,242
Sep	65,633	164,312	(75,847)	1,833	238,326	186,574	78,884	41,756	65,934	18,553	61,924
Dec	79,038	159,292	(79,243)	2,057	236,478	186,689	76,298	41,679	68,712	12,051	63,692
<b>2015</b>											
Mar	58,661	173,061	(75,925)	1,678	247,308	180,214	68,349	39,178	72,687	11,045	62,553
Jun	75,324	169,792	(75,182)	1,495	243,479	192,266	73,377	42,512	76,377	11,691	64,541
Sep	82,300	163,882	(79,938)	1,314	242,506	191,246	71,153	43,163	76,930	11,630	66,566
Dec	97,971	160,449	(81,781)	1,122	241,108	195,204	73,007	44,162	78,035	860	64,076
<b>2016</b>											
Mar	95,154	156,547	(86,018)	1,457	241,108	190,621	68,100	44,745	77,776	9,192	70,272
Jun	102,557	136,313	(93,491)	1,077	228,727	187,155	71,845	42,258	73,052	18,145	69,860
Sep	129,478	115,313	(109,807)	311	224,809	188,846	70,268	43,190	75,388	13,004	68,949
Dec	137,593	113,996	(114,736)	110	228,622	191,779	79,715	40,916	71,148	7,249	67,150
<b>2017</b>											
Mar	136,134	110,480	(119,576)	-	230,056	194,621	75,839	43,019	75,763	13,289	65,282
Jun	157,660	111,262	(118,035)	-	229,297	210,231	84,990	45,279	79,962	4,541	63,232
Sep	158,927	134,988	(91,382)	-	226,370	226,071	93,505	47,495	85,071	(4,768)	63,076
Dec	188,049	136,870	(95,570)	-	232,440	228,833	93,238	50,070	85,525	(31,077)	65,009
<b>2018</b>											
Mar	185,540	129,135	(99,677)	781	228,031	223,051	80,779	48,703	93,569	(27,159)	64,465
Jun	190,551	121,858	(109,372)	1,615	229,615	241,464	91,275	53,199	96,990	(11,989)	58,956
Sep (p)	207,647	128,735	(100,301)	1,910	227,126	255,462	103,503	55,423	96,536	(20,072)	60,848

Source: Financial Supervisory Commission

1. Net foreign assets is the gross foreign assets less foreign liabilities of the financial institutions surveyed.
2. Net Domestic Credit represents net lending to government, gross lending to public enterprises and to the private sector by the financial institutions surveyed.
3. Liquid Liabilities is total demand, savings and term deposits of the public enterprises and private sector held by the financial institutions surveyed.

**Table 2 Loans and Advances by Industry**

	All Industries	Agriculture & Fishing	Wholesale & Retail Trade	Hotels & Motels	Transport & Communication	Finance & Business	Public Administration	Personal Services	Other
<b>YEAR</b>	<b>\$'000</b>								
2013/14	246,141	288	19,560	71,934	11,448	8,008	-	108,094	26,809
2014/15	248,730	203	14,675	69,989	9,291	9,730	-	114,404	30,438
2015/16	298,503	185	11,729	67,052	7,619	63,591	-	113,303	35,024
'2016/17	288,797	226	11,530	63,762	6,565	53,353	11	113,151	40,199
'2017/18	272,201	272	11,011	64,683	8,981	32,409	7	114,919	39,919
<b>QUARTER</b>									
<b>2014</b>									
Mar	249,986	732	18,298	73,657	10,883	7,675	-	112,686	26,055
Jun	246,141	288	19,560	71,934	11,448	8,008	-	108,094	26,809
Sep	242,286	236	16,887	71,365	9,578	7,993	-	108,808	27,419
Dec	242,208	226	15,541	70,690	10,224	9,013	-	107,530	28,984
<b>2015</b>									
Mar	253,034	222	15,419	71,531	9,065	9,493	-	117,707	29,597
Jun	248,730	203	14,675	69,989	9,291	9,730	-	114,404	30,438
Sep	247,352	227	8,071	68,668	5,896	7,200	-	126,071	31,219
Dec	245,772	212	7,191	67,718	5,622	9,135	-	123,881	32,013
<b>2016</b>									
Mar	311,296	202	12,006	66,476	8,068	73,438	-	115,881	35,225
Jun	298,503	185	11,729	67,052	7,619	63,591	-	113,303	35,024
Sep	292,434	167	12,778	63,846	7,523	60,978	12	109,250	37,880
Dec	293,474	156	12,104	62,505	7,058	63,192	15	111,497	36,947
<b>2017</b>									
Mar	292,344	154	11,793	62,860	6,780	61,296	15	111,500	37,946
Jun	288,797	226	11,530	63,762	6,565	53,353	11	113,151	40,199
Sep	284,976	170	11,161	62,927	6,321	50,782	14	114,332	39,269
Dec	267,546	195	12,232	62,706	6,391	32,771	20	113,964	39,267
<b>2018</b>									
Mar	268,950	285	11,738	62,986	6,877	31,962	15	114,283	40,804
Jun	272,201	272	11,011	64,683	8,981	32,409	7	114,919	39,919
Sep (p)	276,512	311	10,224	63,278	8,810	38,591	3	116,351	38,944
<b>Percentage change over the previous quarter</b>									
<b>2014</b>									
Mar	-1.1	-11.4	-3.9	5.2	-8.5	-13.2	0.0	-3.6	3.7
Jun	-1.5	-60.7	6.9	-2.3	5.2	4.3	0.0	-4.1	2.9
Sep	-1.6	-18.1	-13.7	-0.8	-16.3	-0.2	0.0	0.7	2.3
Dec	0.0	-4.2	-8.0	-0.9	6.7	12.8	0.0	-1.2	5.7
<b>2015</b>									
Mar	4.5	-1.8	-0.8	1.2	-11.3	5.3	0.0	9.5	2.1
Jun	-1.7	-8.6	-4.8	-2.2	2.5	2.5	0.0	-2.8	2.8
Sep	-0.6	11.8	-45.0	-1.9	-36.5	-26.0	0.0	10.2	2.6
Dec	-0.6	-6.6	-10.9	-1.4	-4.6	26.9	0.0	-1.7	2.5
<b>2016</b>									
Mar	0.1	-4.7	67.0	-1.8	43.5	-2.8	0.0	-7.3	11.2
Jun	-4.1	-8.4	-2.3	0.9	-5.6	-13.4	0.0	-2.2	-0.6
Sep	-2.0	-9.7	8.9	-4.8	-1.3	-4.1	100.00	-3.6	8.2
Dec	0.4	-6.6	-5.3	-2.1	-6.2	3.6	25.0	2.1	-2.5
<b>2017</b>									
Mar	-0.4	-1.3	-2.6	0.6	-3.9	-3.0	0.0	0.0	2.7
Jun	-1.2	46.8	-2.2	1.4	-3.2	-13.0	-26.7	1.5	5.9
Sep	-1.3	-24.8	-3.2	-1.3	-3.7	-4.8	27.3	1.0	-2.3
Dec	-6.1	14.7	9.6	-0.4	1.1	-35.5	42.9	-0.3	-0.0
<b>2018</b>									
Mar	0.5	46.2	-4.0	0.4	7.6	-2.5	-25.0	0.3	3.9
Jun	1.2	-4.6	-6.2	2.7	30.6	1.4	-53.3	0.6	-2.2
Sep (p)	1.6	14.3	-7.1	-2.2	-1.9	19.1	-57.1	1.2	-2.4

Source: Financial Supervisory Commission

**Table 3 Money Supply**

Period	Narrow Money (M1)			Broad Money (M3)	
	Notes & Coins in Circulation	Demand Deposits	M1 Total	Term/Savings Deposits	M3 Total
<b>YEAR</b>			<b>\$'000</b>		
2013/14	137	70,104	70,241	105,234	175,475
2014/15	137	73,377	73,514	118,889	192,403
2015/16	137	71,845	71,982	115,310	187,292
2016/17	137	84,990	85,127	125,241	210,368
2017/18	137	91,275	91,412	150,189	241,601
<b>QUARTER</b>					
<b>2014</b>					
Mar	137	63,401	63,538	114,377	177,915
Jun	137	70,104	70,241	105,234	175,475
Sep	137	78,884	79,021	107,690	186,711
Dec	137	76,298	76,435	110,391	186,826
<b>2015</b>					
Mar	137	68,349	68,486	111,865	180,351
Jun	137	73,377	73,514	118,889	192,403
Sep	137	71,153	71,290	120,093	191,383
Dec	137	73,007	73,144	122,197	195,341
<b>2016</b>					
Mar	137	68,100	68,237	122,521	190,758
Jun	137	71,845	71,982	115,310	187,292
Sep	137	70,268	70,405	118,578	188,983
Dec	137	79,715	79,852	112,064	191,916
<b>2017</b>					
Mar	137	75,839	75,976	118,782	194,758
Jun	137	84,990	85,127	125,241	210,368
Sep	137	93,505	93,642	132,566	226,208
Dec	137	93,238	93,375	135,595	228,970
<b>2018</b>					
Mar	137	80,779	80,916	142,272	223,188
Jun	137	91,275	91,412	150,189	241,601
Sep ( p )	137	103,503	103,640	151,959	255,599
			<b>Percentage change over previous quarter</b>		
<b>2014</b>					
Mar	-	6.9	6.9	-4.3	-0.6
Jun	-	10.6	10.5	-8.0	-1.4
Sep	-	12.5	12.5	2.3	6.4
Dec	-	-3.3	-3.3	2.5	0.1
<b>2015</b>					
Mar	-	-10.4	-10.4	1.3	-3.5
Jun	-	7.4	7.3	6.3	6.7
Sep	-	-3.0	-3.0	1.0	-0.5
Dec	-	2.6	2.6	1.8	2.1
<b>2016</b>					
Mar	-	(6.7)	(6.7)	0.3	(2.3)
Jun	-	5.5	5.5	(5.9)	(1.8)
Sep	-	(2.2)	(2.2)	2.8	0.9
Dec	-	13.4	13.4	(5.5)	1.6
<b>2017</b>					
Mar	-	(4.9)	(4.9)	6.0	1.5
Jun	-	12.1	12.0	5.4	8.0
Sep	-	10.0	10.0	5.8	7.5
Dec	-	(0.3)	(0.3)	2.3	1.2
<b>2018</b>					
Mar	-	(13.4)	(13.3)	4.9	(2.5)
Jun	-	13.0	13.0	5.6	8.2
Sep ( p )	-	13.4	13.4	1.2	5.8

Source: Financial Supervisory Commission

**Table 4 Interest Rates**

Period	Personal Savings Accounts Balance up to \$300			Fixed Term Deposits 3 Months			Housing Loans Owner occupied			Business Loans Base rates only			Personal Loans Secured			
	ANZ	BSP	BCI	ANZ	BSP	BCI	ANZ	BSP	BCI	ANZ	BSP	BCI	ANZ	BSP	BCI	CSB
<b>YEAR</b>																
2013/14	0.20	0.00	0.00	2.62	3.25	3.30	1.10	9.50	8.99	6.90	9.50	8.20	15.80	16.25	12.50	..
2014/15	0.22	0.00	0.00	3.54	3.25	3.30	1.10	9.50	8.49	6.90	9.50	7.70	15.80	16.25	12.50	..
2015/16	0.18	0.00	0.00	3.27	3.25	3.30	1.10	9.50	8.25	6.90	9.50	7.70	15.80	16.25	12.50	1.77
2016/17	0.30	0.25	0.00	3.10	3.25	3.25	0.00	9.50	8.25	0.00	9.50	7.70	15.80	16.25	12.50	1.77
2017/18	0.10	2.50	0.00	2.40	3.25	3.25	0.00	9.50	8.25	0.00	9.50	7.70	15.80	16.25	12.50	1.77
<b>QUARTER</b>																
<b>2014</b>																
Mar	0.19	0.00	0.00	3.25	3.25	3.30	1.10	9.50	8.99	6.90	9.50	8.20	15.80	16.25	12.50	..
Jun	0.20	0.00	0.00	2.62	3.25	3.30	1.10	9.50	8.99	6.90	9.50	8.20	15.80	16.25	12.50	..
Sep	0.80	0.00	0.00	3.50	3.25	3.30	1.10	9.50	8.99	6.90	9.50	8.20	15.80	16.25	12.50	..
Dec	0.80	0.00	0.00	4.00	3.25	3.30	1.10	9.50	8.99	6.90	9.50	8.20	15.80	16.25	12.50	..
<b>2015</b>																
Mar	0.24	0.00	0.00	3.68	3.25	3.30	1.10	9.50	8.99	6.90	9.50	8.20	15.80	16.25	12.50	..
Jun	0.22	0.00	0.00	3.54	3.25	3.30	1.10	9.50	8.49	6.90	9.50	7.70	15.80	16.25	12.50	..
Sep	0.27	0.00	0.00	3.62	3.25	3.30	1.10	9.50	8.49	6.90	9.50	7.70	15.80	16.25	12.50	..
Dec	0.34	0.00	0.00	3.54	3.25	3.30	1.10	9.50	8.49	6.90	9.50	7.70	15.80	16.25	12.50	..
<b>2016</b>																
Mar	0.34	0.00	0.00	3.01	3.25	3.30	1.10	9.50	8.49	6.90	9.50	7.70	15.80	16.25	12.50	1.77
Jun	0.18	0.00	0.00	3.27	3.25	3.30	1.10	9.50	8.25	6.90	9.50	7.70	15.80	16.25	12.50	1.77
Sep	0.30	0.25	0.00	3.10	3.25	3.30	1.17	9.50	8.25	6.90	9.50	7.70	15.80	16.25	12.50	1.77
Dec	0.30	0.25	0.00	3.10	3.25	3.25	0.20	9.50	8.25	6.90	9.50	7.70	15.80	16.25	13.50	1.77
<b>2017</b>																
Mar	0.30	0.25	0.00	3.10	3.25	3.25	0.85	9.50	8.25	6.90	9.50	7.70	15.80	16.25	12.50	0.00
Jun	0.30	0.25	0.00	3.10	3.25	3.25	0.00	9.50	8.25	0.00	9.50	7.70	15.80	16.25	12.50	0.00
Sep	0.30	0.25	0.00	3.10	3.25	3.25	0.00	9.50	8.25	0.00	9.50	7.70	15.80	16.25	12.50	1.77
Dec	0.10	0.25	0.00	2.30	3.25	3.25	0.00	9.50	8.25	0.00	9.50	7.70	15.80	16.25	12.50	0.00
<b>2018</b>																
Mar	0.10	0.25	0.00	2.40	3.25	3.25	0.00	9.50	8.25	0.00	9.50	7.70	15.80	16.25	12.50	0.00
Jun (r)	0.10	0.25	0.00	2.40	3.25	3.25	0.00	9.50	8.25	0.00	9.50	7.70	15.80	16.25	12.50	0.00
Sep	0.10	0.25	0.00	2.40	3.25	3.25	0.00	9.50	8.25	0.00	9.50	7.70	15.80	16.25	12.50	0.00

Source: Financial Supervisory Commission

note: BSP began operating September 2015