



In Summary:

- The backdrop in which the Central Bank operated in FY2017/18 was relatively stable but challenging. Nevertheless, the Central Bank significantly progressed most of its strategic initiatives.
- Multi-year supervisory plans for commercial banks were established and greater focus was placed on the sharing of information and analysis of regional entities with other regulators.
- A National Financial Education Committee was established to build concrete financial literacy programmes nationwide.
- Enterprise-wide risk assessment procedures and the cyber security framework were fortified.

MONETARY POLICY

STREAMLINE CURRENCY ISSUE AND BANKING OPERATIONS



The **1¢ coin** was demonetised in July 2018.



30Mn 1¢ coins were redeemed and recycled.



Currency in circulation stood at **\$8.7Bn** at end September 2018.



69Mn new notes were issued.

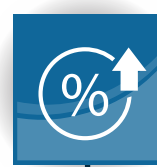
ENHANCE MANAGEMENT OF INTERNATIONAL RESERVES



New **Strategic Asset Allocation Plan** for the international reserve portfolio was developed, with a key change being a reduction in investments in sovereign bonds.



Net Official Reserves stood at **US\$7.5Bn** or **8.1 months** of import cover.



1.35% return on investment, up from 0.83% in FY2016/17.

FINANCIAL STABILITY

IMPROVE GOVERNANCE STANDARDS



New **Insurance Act** assented to on June 4, 2018.



Worked in collaboration with the FIU, to **strengthen the AML/CFT legislative and regulatory framework for** the financial and non-financial sector.

IMPROVE RISK-BASED SUPERVISION



Assessed financial institutions' implementation of **IFRS 9**.



Issued a **Code of Practice** for Central Bank's engagement with external auditors of financial institutions.



Expanded supervisory cooperation and information sharing with regional regulators with two **bilateral MOUs**.

INTERNAL OPERATIONS



Conducted **Bank-wide Risk Assessment Programme**.



Amended staff **rotation policy** and revised and implemented the **promotions policy**.



Participated in constituting the **National Financial Education Committee**.