HIGHLIGHTS

Central Bank of Trinidad and Tobago
Annual Report, 2018

CENTRAL BANK OF TRINIDAD & TOBAGO

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.**