



## Macroeconomic Overview

Quarterly report

June 29, 2021

### Introduction

The macroeconomic overview is produced by the VSB Bureau. The director of the Bureau drs. Malty Dwarkasing, is responsible for the report. If you have any questions regarding the content please contact Ms. Dwarkasing as follows: email: [malty.dwarkasing@vsbstia.org](mailto:malty.dwarkasing@vsbstia.org), telephone: +597474090 of +597 475287/475286 extension 106.

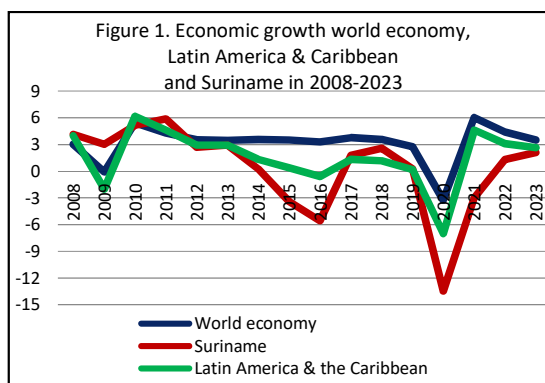
### Summary

Based on the available updated and corrected statistics, information and outlook until the end of June 2021, the analysis can be summarized as follows:

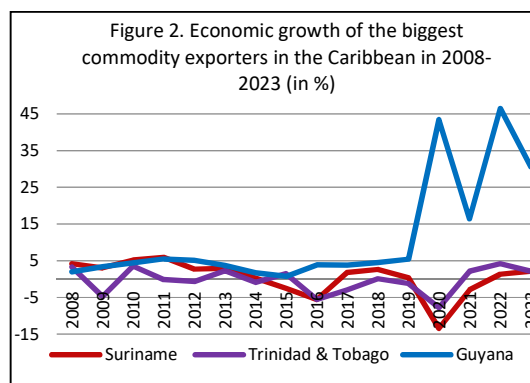
- The growth forecast for the world economy for 2021 has been adjusted upwards by the IMF to about 6 percent. This adjustment is made because of the roll-out of vaccination programs in the world. The vaccination programs are more progressive in the development countries than in developing countries.
- Suriname is now in a third wave of COVID-19 infections. The number of infections on a weekly basis as of mid-June are slowly decreasing. The contraction of the Surinamese economy in 2021 is currently estimated at approximately 3 percent.
- The positive balance on the current account of the balance of payments is also visible in the first quarter of 2021. This is mainly the result of declining imports. Due to a positive result on both the current and the financial account of the balance of payments, the International reserve is increasing.
- Monetary policy is further developed by preparing for various instruments, including Open Market Operations and the cash reserve instrument. The exchange rate mechanism has changed in June to a floating exchange rate and there is a slight decline in the rates in this month. It appears that the market rates and the average rates presented by the CBvS do not differ much from each other.
- Public finance statistics indicate that the financing gap in 2020 has almost halved compared to 2019 and is estimated at about 10.4 percent of GDP. Based on the approved budget for 2021, the financing deficit for this year is estimated at 5.4 percent. The government has not yet succeeded in reaching a debt restructuring with its foreign creditors.

## Economic growth and investment

The world economy is slowly recovering. In the months April and May, production in various sectors worldwide increased, despite a large number of infections in various countries, especially in India. The COVID-19 pandemic has claimed approximately 3.9 million lives until the third week of June 2021. The roll-out of vaccination programs is progressing smoothly in developed countries, while it is slow in emerging economies and developing countries. Due to the availability of a majority of vaccines, economic growth for this year has been adjusted upwards by the IMF in the World Economic Outlook (WEO) of April 2021. Global economic growth and activity is still subject to significant uncertainty regarding the full containment of the pandemic. In addition to this factor, other risks undermining growth expectations are social unrest in the countries, an increase in natural disasters, geopolitical and trade tensions and technological risks, especially cyber security.



Source: IMF WEO April 2021, Recovery Plan 2020-2022

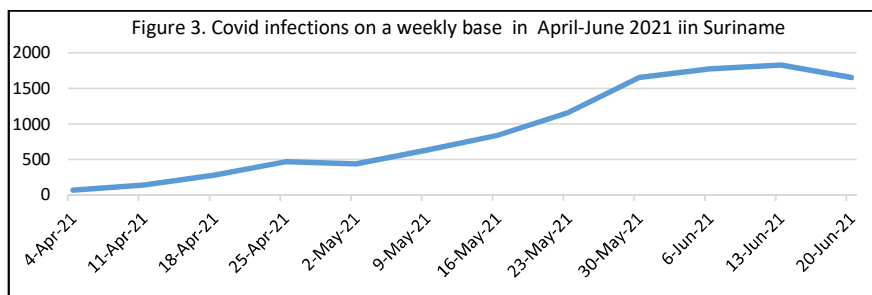


Source: IMF WEO April 2021, Recovery Plan 2020-2022

The estimated global economic growth has been adjusted upwards by 0.5 percentage point to 6.0 percent this year and 0.1 percentage point to 4.4 percent in 2022 from the January 2021 projections. This is the result of the vaccination programs and the monetary and fiscal stimulus policy measures in many countries. After 2022, the medium-term growth of the global economy is expected to be around 3.3 percent. Emerging economies and developing countries, which rely heavily on tourism and commodity exports with little fiscal space to accommodate society, are having a harder time and a longer road to recovery. The pandemic worldwide has caused approximately 95 million more people to fall below the poverty line.

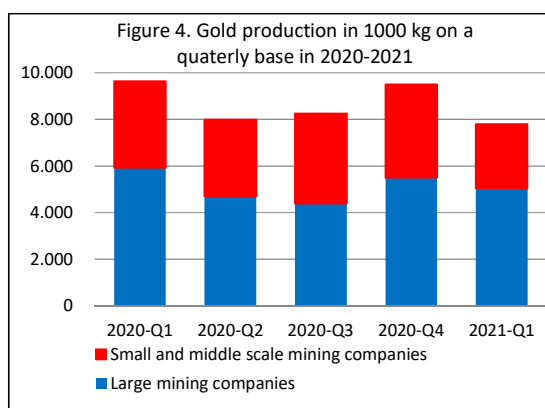
In 2020, the economy of the Latin American and Caribbean region contracted by about 7 percent and is expected to grow by 4.6 percent in 2021. The growth rates for the region are below the growth rates of the global economy (figure 1). Despite unprecedented policy support in the countries, strong trading partner performance, currently rising commodity prices and globally accommodative financial conditions, the health care crisis in many Latin American countries is putting a heavy strain on economic activities. The recent new waves of infections in countries such as Brazil, Chile, Peru, Paraguay and Uruguay and the slow progress of vaccination programs are undermining the economic recovery in these countries.

Suriname currently is also experiencing a third wave of infections with various COVID-19 variants and a vaccination program that is running slowly. The business community is closely involved in the roll-out and promotion of the vaccination program. Figure 3 shows that the number of infections on a weekly basis has been slowly decreasing from mid-June.

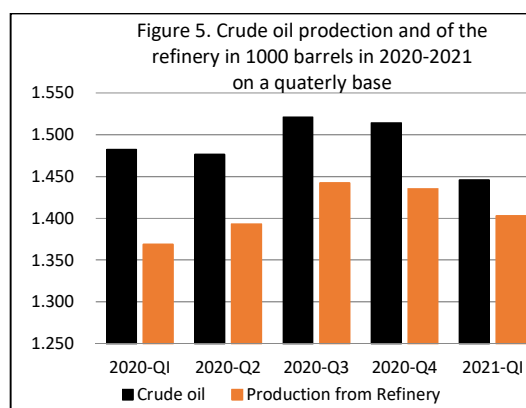


Source: Occupational Health Foundation

The economic growth of Suriname in 2020-2022 is not only below the growth of the world economy and the region (figure 1), but also below the growth of the important commodity exporters in the Caribbean, namely Guyana and Trinidad and Tobago (figure 2). Economic growth in Guyana and Trinidad is estimated at 2.1 percent and 16.7 percent respectively for 2021, while the Surinamese economy will contract by about 3 percent due to the implementation of the Recovery Plan. According to the latest estimate from the local authorities presented in the Recovery Plan, the economy will grow slowly in 2022 and 2023 at 1.3 percent and 2.1 percent respectively.



Source: CBvS



Source: Staatsolie Maatschappij Suriname N.V.

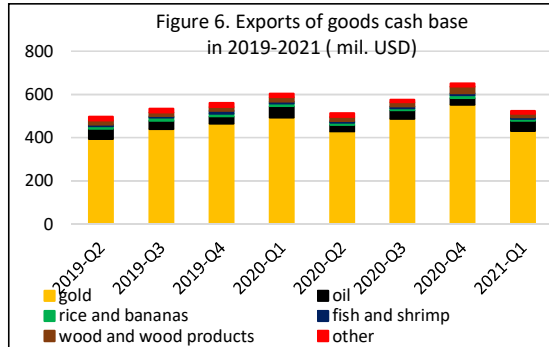
Gold production figures for the first quarter of 2021 indicate that the total production was approximately 19 percent lower than in the first quarter of 2020 (figure 4). The COVID-19 pandemic and labor tension at RGM during this period, have negatively affected the production of the multinational. The gold production of small and medium-sized gold companies was also disappointing in the first quarter of 2021 and was the lowest, compared to the quarterly production in 2020. The reasons for the low production, in addition to the COVID-19 pandemic, must be sought in rising costs due to the high (market) exchange rates during this period and the loss of revenue for the companies that buy gold from small scale miners, due to the 30 percent retention scheme that was introduced in March<sup>1</sup>. Some of these companies have also had to dispose of certain clients because of compliance to laws and regulations.

Crude oil production in the first quarter of 2021 was 2 percent lower than the first quarter of 2020, while refinery production was 3 percent higher (figure 5).

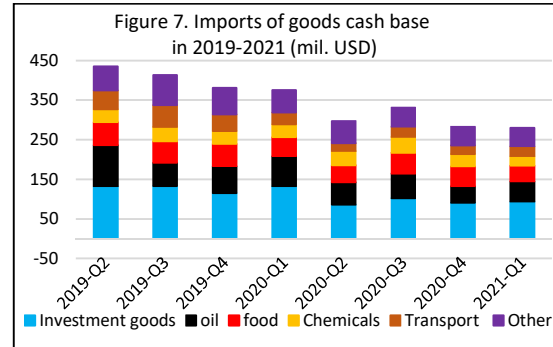
<sup>1</sup> Under the 30 percent retention scheme, exporters were required to exchange 30 percent of their export earnings at the official CBvS rate, which was lower than the market rates. The foreign currency funds raised from this measure were used for necessary imports of basic goods.

## International trade and capital flows

In the first quarter of 2021, exports of goods and services amounted to USD 545.5 million, which is 15.5 percent lower than the export value of the first quarter of 2020. The declining exports relate to all export products (figure 6). Imports of goods and services amounted to USD 384.3 million during this period, a decrease of 31.6 percent compared to the first quarter of 2020. In the first quarter of 2021, global commodity prices are recovering across the board because of the vaccination programs and improved growth prospects in the world.

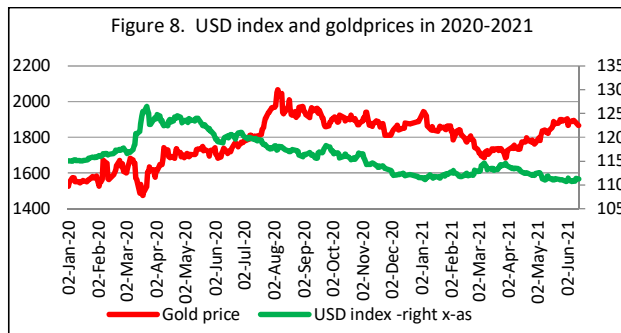


Source: CBvS

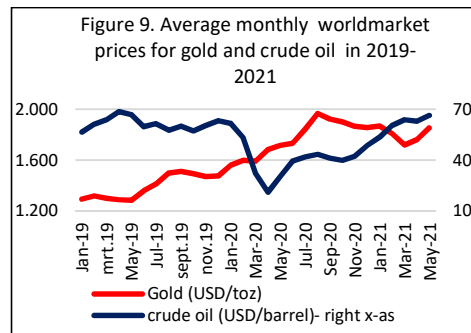


Source: CBvS

The gold statistics from the Central Bank indicate that the export volume of gold in the first quarter of 2021 was about 23 percent lower than the first quarter of 2020. The average gold prices have fluctuated sharply in the first months of 2021. In January prices rose and then declined in the following months due to a stronger USD, as a result of a good performing US economy with a growth rate of about 6.4 percent in the first quarter of 2021. After March, gold prices are on the rise again due to rising COVID-19 infections and several increasingly dangerous variants around the world; in Europe, Latin America and in May in India. The USD is also weakening again (figure 8).



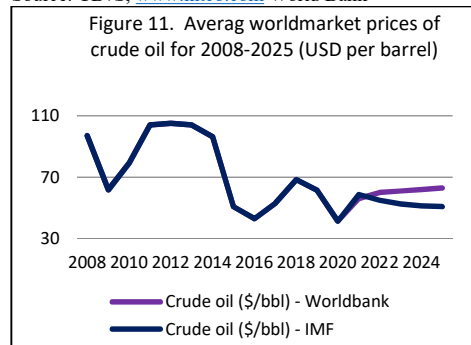
Source: <https://fred.stlouisfed.org>, [www.kitco.com](http://www.kitco.com).



Source: CBvS, [www.kitco.com](http://www.kitco.com) World Bank



Source: World Bank, Recovery Plan 2020-2022



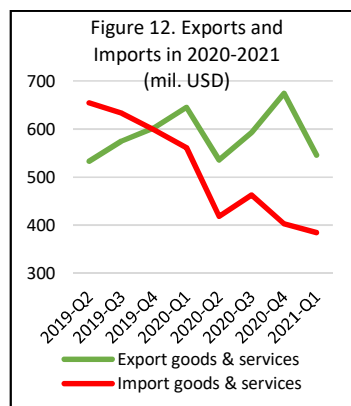
Source: IMF, World Bank

Up to and including the third week of June 2021, the average gold price for 2021 is USD 1,806 toz., an increase of 2.1 percent compared to 2020. The current gold price is currently around USD 1,790 toz.

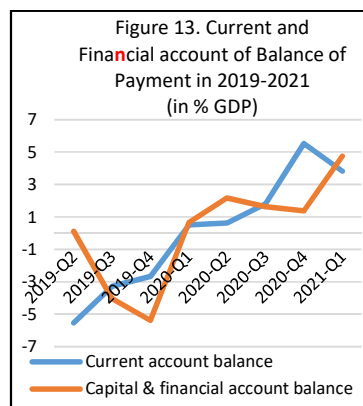
Based on the April projections, the IMF and the World Bank expect that the gold price in 2021 will still be lower than in 2020, averaging between USD 1,700 and 1,750 (figure 10).

The export value of petroleum was USD 41.9 million in the first quarter of 2021 compared to USD 50.9 million in the first quarter of 2020. The decline in export value is the result of a reduced export volume of oil during this period as more crude oil had been exported in the first quarter of 2020, due to reduced production of the refinery because of maintenance work. This year Staatsolie has also lost one of its largest export customers namely the Guyana Power Limited, which also reduced the export volume. In the first quarter of 2021, oil prices were actually higher than in 2020<sup>2</sup>.

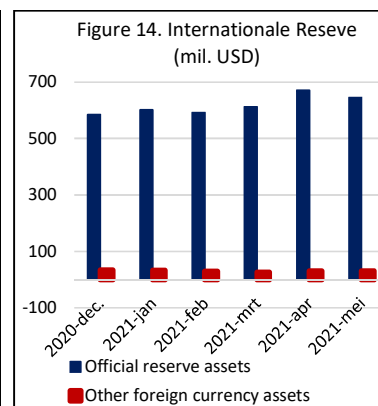
Currently, crude oil prices are around USD 70 per barrel and are showing an upward trend (figure 9). The rising oil prices this year are related to the expected economic growth. Despite rising cases of COVID-19 in the world, the International Energy Agency expects that the demand for oil will fully recover by the end of 2021. OPEC countries and their partners started slowly ramping up oil production in May. Based on the April projections, the IMF and the World Bank expect oil prices to average between USD 56 and 59 per barrel in 2021 (figure 11).



Source: CBvS



Source: CBvS and calculation VSB



Source: CBvS

Although exports of goods and services declined in the first quarter of 2021, the same can be said for imports (figure 10). Imports of goods amounted to approximately USD 280 million in this period (figure 7). As a result, the current account balance has been positive since last year (figure 13). The positive balance of the financial and capital account of the balance of payments in the first quarter of 2021 is mainly due to a positive balance of FDI.<sup>3</sup>

The positive result on the balance of payments increased the international reserves by USD 60.7 million to USD 645.4 million in May 2021 compared to year-end 2020.

## Monetary and the financial sector developments

Monetary policy has seen many developments in recent months. In March, an exchange rate range was introduced for the SRD/USD and the SRD/Euro rate, within foreign currency transactions were allowed to take place. In the same month, the 30 percent retention scheme for exporters was also implemented. Despite the range that had been introduced, the market rate often turned out to be higher. This made the retention arrangement very unfavorable for exporters. The retention scheme did not bring in the

<sup>2</sup> The average crude oil price in the first quarter of 2020 was USD 49.1 per barrel compared to USD 59.3 per barrel in the first quarter of 2021.

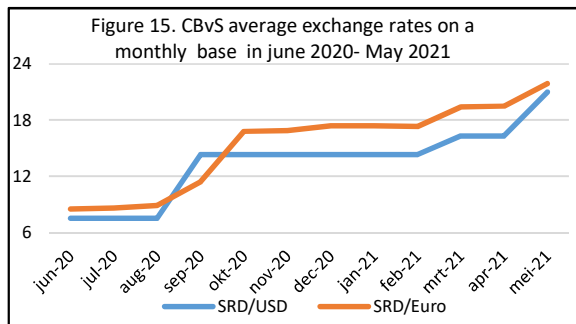
<sup>3</sup> Within the Balance of Payment manual 6 (BPM6), a positive FDI is not an inflow of funds as it was the case within the BPM5. The FDI of USD 148 million in 2021Q1 is a decrease in receivables of USD 6 million (assets) and decrease in liabilities of almost USD 154 million (liabilities) mainly in the accounts of the large mining companies and in particular those active in the gold sector. The decrease in liabilities was largely related to negative reinvestments, partly as a result of dividend payments that were well above the operating results achieved in 2021Q1.

expected amount of foreign currency. The maximum rate for the USD in the period March - May 24 was SRD 16.30 for 1 USD (figure 15).

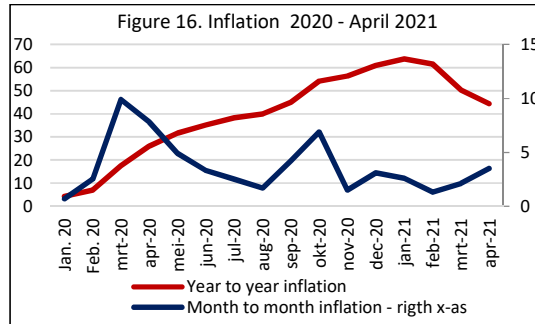
On May 24, the CBvS further liberalized its currency policy by raising the maximum rate to SRD 21 for the USD. This would be the transition phase until the exchange rate has become a floating exchange rate mechanism as of June 7, 2021. In this transitional phase, the CBvS has tried to stabilize the exchange rate through currency interventions. The CBvS now publishes the average exchange rates on a daily basis, while the customs rate is adjusted every 2 weeks.

The introduction of the floating exchange rate is one of the IMF's requirements for their technical and financial support in the implementation of the government's Recovery Plan. The IMF has already approved the Plan at a technical level. The Board approval still needs to take place.

At the end of June, the average selling rates for the USD and Euro from the CBvS amount to SRD 21.1 and SRD 23.6 respectively, and give a good indication of the market rates at that time. Since the exchange rate became a floating rate, there has been a slight decrease in rates in the month of June. Figure 16 indicates that the month to month inflation has been rising since March, as a response to the exchange rate policy.



Source: CBvS, average exchange rates in March – May are based on the maximum exchange rate



Source: ABS

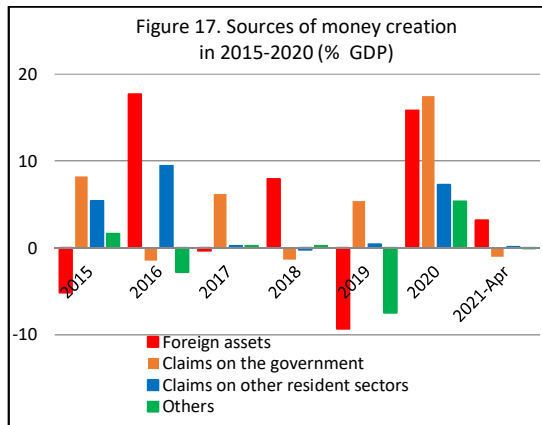
In order to stabilize the exchange rates, the CBvS intends to control the money supply and because of this the monetary base (M0) will be closely monitored. An MOU will be signed between the government and the CBvS, which prohibits the provision of advances by the central bank to the government.

A one-time Term Deposit of 3 months at an interest rate of approximately 20 percent annually will be issued through the banks with the support of the CBvS, mainly to take out excess cash SRD in circulation, in order to control the demand for foreign currency. The CBvS, with the support of the IMF, is also working on further developing its monetary instruments, namely Open Market Operations to withdraw out/inject funds into society and to introduce a more market-based interest rate policy. The banks will also be given the opportunity to absorb short-term liquidity shortages by means of an additional 20 percent withdrawal from their cash reserve at the CBvS, which on average must be cleared within 2 weeks.

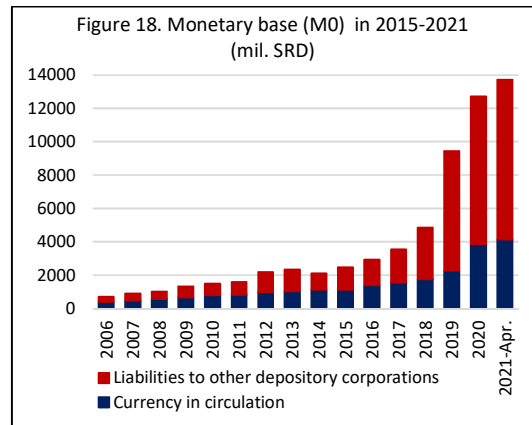
Broad money base (M2) marginally increased by 4 percent in April 2020 compared to the end of 2020. The increase in the money supply is mainly the result of a positive result on the balance of payments (figure 17). While the monetary base increased by 7.8 percent over the same period (figure 18). The increase in the monetary base is the result of the growth of overnight deposits in the banking sector (8.3 percent) and to a lesser extent due to the growth of cash money in circulation (7.1 percent).

The total amount of credit extended by the banking sector rose by approximately 0.4 percent in nominal terms in April compared to the end of 2020, while growth in real terms was -8.4 percent over the same period. Figure 19 presents the balance of credit given by the banking sector to sector at the end of April 2021. The sectors with a larger share in foreign currency loans than in SRD loans at the end of April 2021 are: mining, fisheries, transport, storage and communication, services, manufacturing and the

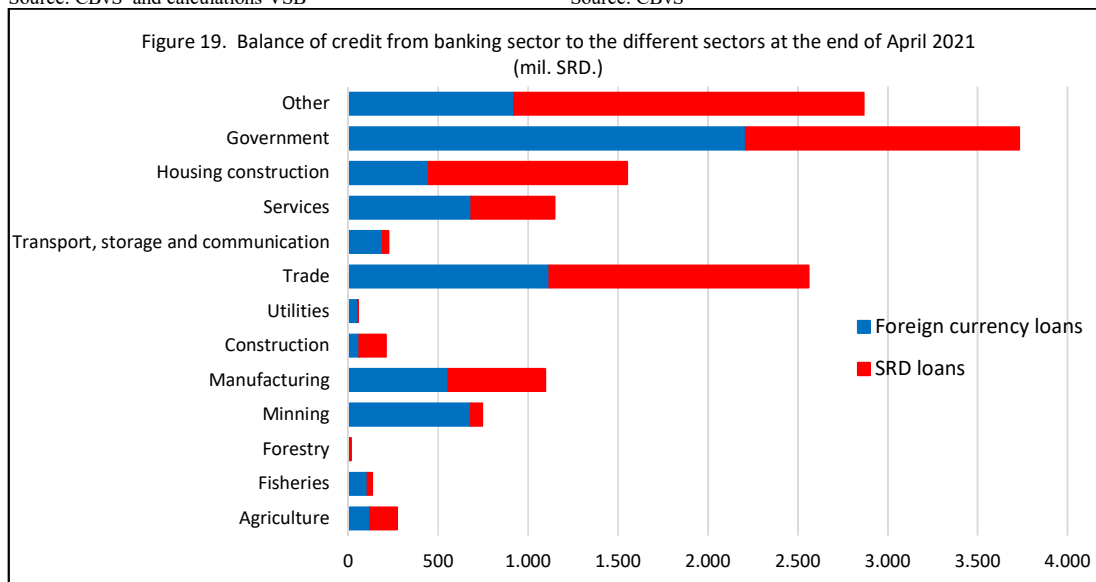
government. Due to the exchange rate increases, the debt payments on foreign currency loans in SRD have also increased.



Source: CBvS and calculations VSB



Source: CBvS



Source: CBvS and calculations VSB

The average lending interest rate on USD loans has declined marginally this year from 7.9 percent at the end of 2020 to 7.8 percent at the end of April 2021. The average lending interest rate on Euro loans remained stationary at 8.5 percent, while that on SRD loans has increased marginally from 15 percent to 15.3 percent during this period. The real interest rate on SRD loans is negative during this period due to high inflation.

## Public Finance and Government debt

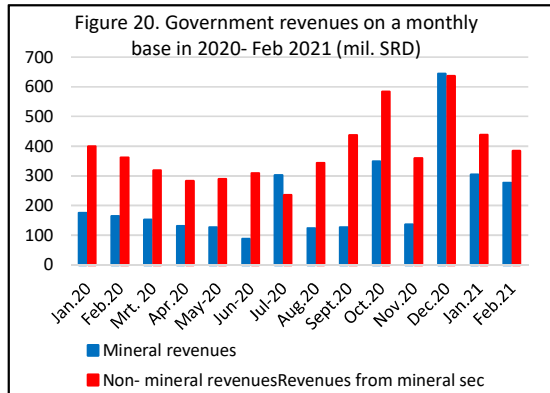
Public finance statistics are published up to and including February 2021. The 2020 statistics indicate that the financing deficit has decreased from 21.2 percent of GDP in 2019 to approximately 10.4 percent in the past year. The financing gap, including statistical differences in 2020 amounted to SRD 3.7 billion, compared to SRD 5.8 billion in 2019. In 2020 there was a negative “fiscal impulse” (figure 23) which indicate the tightening of the policy on government finances in 2020 compared to the previous year.

In figure 20 government revenues are presented on a monthly basis. In 2020, total government revenues have increased by 9.8 percent to SRD 7.1 billion, despite of the contraction of the economy by

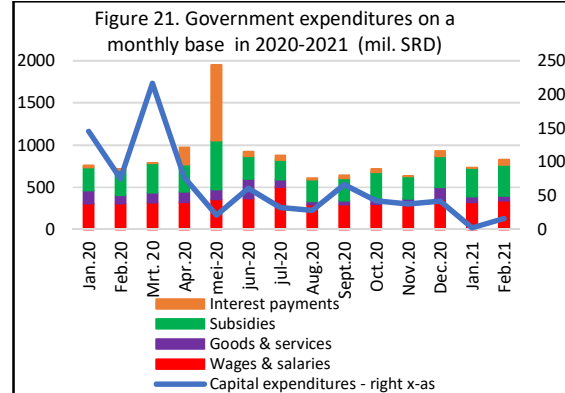


approximately 13.5 percent. This increase is the result of the rising SRD value of foreign currency revenues for the government from the gold multinationals and others, and in December the government received an advance of the income to be deposited in 2021. As a result, there was a cash surplus for the government in that month (figure 22).

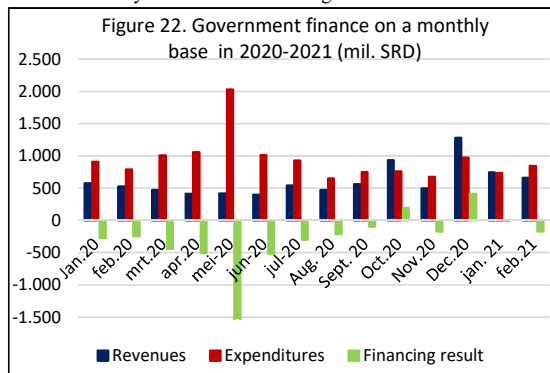
The government expenditure data of 2020 indicate a decrease of 7.8 percent to SRD 11.4 billion (figure 21) compared to 2019. Only wages and salaries and interest expenditures increased last year by 24.1 percent and 54.5 percent, respectively. This was a result of an increase in the number of civil servants and election expenditures in the first half of the year, while the exchange rate depreciation in November was one reason for an increase in interest payments.



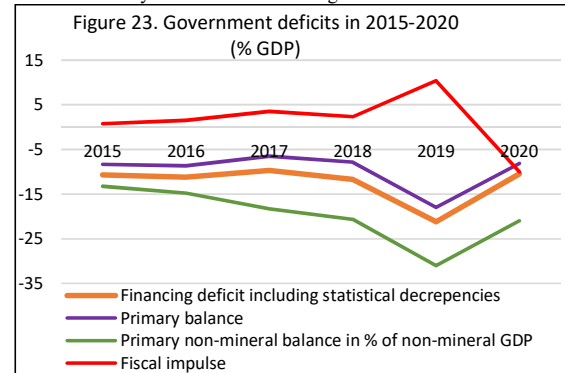
Source: Ministry of Finance & Planning



Source: Ministry of Finance & Planning

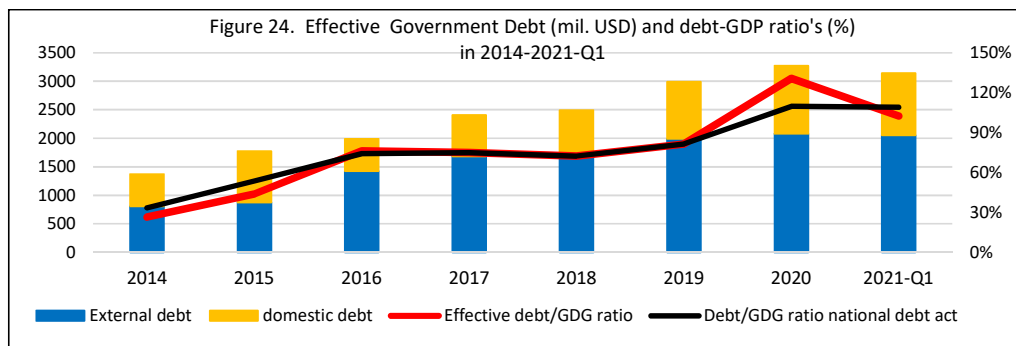


Source: Ministry of Finance & Planning with calculation by VSB



Source: Ministry of Finance & Planning with calculation by VSB

The 2021 budget has been approved, with revenues and expenditures estimated at SRD 13.6 billion and SRD 16.3 billion respectively. The financing gap amounts to SRD 2.7 billion, which is approximately 5.4 percent of GDP.



Source: Bureau voor de Staatsschuld with calculation by VSB



The effective government debt at the end of March 2021 amounts to USD 3.1 billion and makes up approximately 103 percent of the estimated GDP for 2021 (figure 24).

The government of Suriname is still negotiating a debt restructuring with its (foreign) creditors. At the beginning of June, the government made an offer to the creditors of its capital market instruments worth USD 675 million, asking for a 70 percent nominal haircut up to USD 236 million and a restructuring of the repayment period of 6 years on average.

The first proposed principal payment would then take place on June 1, 2025 and the other payments in the following 4 years. The proposed interest rate was as follows:

- 4% annualized for the period December 1, 2021- June 1, 2025
- 5% on an annual basis for the period June 1, 2025 - June 1, 2028
- 6% annualized for the period June 1, 2028 – until final payment.

Proposals have also been made for a debt restructuring on the external commercial and bilateral debts. The government has also proposed that parts of the income from future oil revenues will be allocated to creditors in the form of a so-called Value Recovery Mechanism (VRM).

The external capital market creditors have not accepted the government's proposal and negotiations are continuing.

## Selected macro-economic indicators

<b>Annual statistics 2014-2021</b>									
<b>Real Sector</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b> schat.	<b>2021</b> proj.	<b>2022</b> proj.	<b>Source</b>
Economic growth (%)	-3,4	-5,6	1,8	2,6	0,3				ABS
GDP nominal market pr. (mil. SRD)*	16.357	19.489	24.082	25.918	27.575				ABS
Economic growth (%)	-3,4	-5,6	1,8	2,6	0,3	-13,5	-3,0	1,3	ABS/HP schat+proj.
GDP nominal market pr. (mil. SRD)*	16.357	19.489	24.082	25.918	27.575	35.738	49.963	61.242	ABS/HP schat+proj.
GDP per capita in USD**	8.439,2	5.498,9	5.260,0	5.798,2	6.490,1				ABS/calc. VSB proj.
Inflation rate – average (%)	6,9	55,5	22,0	6,8	4,4	34,9	52,1	29,0	ABS/HP
Inflation rate – e.o.p. (%)	25,1	52,4	9,2	5,4	4,2	61,0	40,5	24,5	ABS/HP
Unemployment rate (%)	7,0	10,0	7,0	9,0	9,0	11,3	11,2	10,9	IMF
<b>Balance of Payments (cash base)- From 2017 the data presented in based on the Balance of Payment Manual 6</b>									
Total export- Goods & Services (mil. USD)	<u>1.856,4</u>	<u>1.625,1</u>	<u>2.143,3</u>	<u>2.235,8</u>	<u>2.286,7</u>	<u>2.446,5</u>			CBvS
• Gold	916,2	1.036,7	1.608,4	1.631,6	1.732,2	1.959,5			CBvS
• Alumina	232,7	7,1	0	0	0	0			CBvS
• Oil	156,4	150,3	178,1	206,6	171,0	154,4			CBvS
• Rice and banana	69,5	61,1	51,0	52,6	45,6	43,5			CBvS
• Wood and wood products	32,3	40	59,5	69,1	71,44	89,1			CBvS
• Fish and shrimp	37,8	33,0	38,8	41,6	37,6	33,6			CBvS
• Other goods	207,3	110,4	56,1	68,6	68,7	65,1			CBvS
• Net exports goods under merchenting			-6,9	-5	2,8	-1,3			
• Services	204,2	186,5	158,3	170,7	157,4	102,6			
Total import- Goods & Services (mil. USD)	<u>2.695,0</u>	<u>1.721,1</u>	<u>1.779,9</u>	<u>2.069,8</u>	<u>2.412,7</u>	<u>1.845,6</u>			CBvS
• Services	666,8	469,1	569,3	666,9	815,1	562,6			CBvS
Balance current account (mil. USD)	-786,4	-160,5	69,2	-118,7	-448,3	259,2			CBvS
Balance Cap. + Fin. acc. (mil. USD)**	771,0	501,9	-112,6	-299,2	-535,2	227,4			CBvS
Of which incoming FDI (mil. USD)	266,7	300,0	-98,2	-119,2	7,8	-0,1			CBvS
Balance Current account (% GDP)**	-16,7	-5,2	2.2	-3.4	-12.2	6.8			CBvS/calc. VSB
Balance Cap. + Fin. acc. (% GDP)**	16,3	15,5	-3.5	-8.7	-14.6	6.0			CBvS/calc. VSB
Statistical discrepancies (% GDP)**	-5,3	-8,4	-5.0	-0.9	-7.9	-3.0			CBvS/calc.. VSB
Total imported goods - transaction base (mil. USD)	<u>2.309,5</u>	<u>1.174,9</u>	<u>1.209,5</u>	<u>1.526,9</u>	<u>1.711,4</u>	<u>1.533,1</u>			ABS
• Investment goods	1.283,7	601,1	692,0	987,2	1.030,6	951,5			ABS
• Consumption goods	904,7	509,1	441,2	459,4	589,0	515,1			ABS
• House hold goods	106,2	61,0	73,3	75,9	89,6	64,8			ABS
• Other goods	14,9	3,7	3,0	4,4	2,2	1,7			ABS
International Reserve (mil. USD)	330,2	381,4	424,4	580,7	647,5	584,7			CBvS
<b>World market prices in USD</b>									
Gold USD/troz	1.160,1	1.250,7	1.257,5	1.268,8	1.392,6	1.769,6	1.700,0	1.600,0	World bank proj. Apr. 21
Crude oil USD/bbl.	50,8	42,8	52,8	68,3	61,4	41,3	56,0	60,0	World Bank proj. Apr. 21
Crude oil USD/bbl.	50,8	42,8	52,8	68,3	61,4	41,3	58,5	54,8	IMF proj.
<b>Monetary and Financial sector</b>									
Liquidity ratio (M2 in % GDP)	65	83,1	73,1	74,1	73,6	92,0			CBvS/calc. VSB
Balance of credit by banking sector (mil. SRD)	6.884,3	9.212,4	10.355,5	10.491,0	10.588,3	14.534,9			CBvS/calc. VSB

	2015	2016	2017	2018	2019	2020 schat..	2021 proj.	2022 Proj.	Source
Balance of credit by banking sector to private sector (mil. SRD)	6.275,5	8.096,3	8.163,9	8.165,4	8.218,8	10.787,3			CBvS/calc.. VSB
Selling rate SRD/USD (e.o.p.)	4	7,5	7,5	7,5	7,5	14,3			CBvS
Selling rate SRD/USD average	3,5	6,3	7,6	7,5	7,5	14,3			CBvS
Selling rate SRD/Euro (e.o.p.)	4,4	7,8	8,9	8,6	8,4	17,6			CBvS
Selling rate SRD/Euro average	3,8	7	8,5	8,9	8,4	17,4			CBvS
Average SRD lending interest rate	13,4	14,1	14,3	14,4	15,2	15,0			CBvS
Interbank SRD interest rate	8,1	10,9	17,4	10,1	10,6	11,9			CBvS
Average USD lending interest rate	9,8	9,5	9,1	8,3	8,6	7,9			CBvS
Average Euro lending interest rate	9,2	9	8,8	8,5	8,3	8,5			CBvS

### Government Finance and Debt (cash base)

Overall balance including statistical differences. (% GDP)	-9,8	-11,3	-9,3	-11,4	-21,2	-10,4	-5,4		MvF/calc. VSB
Commitment balance including statistical differences. (% GDP)	-9,8	-10,7	-8,8	-7,8	-18,2	-11,9			MvF/calc. VSB
Primary non-mineral balance in % of non-mineral GDP	-12,2	-14,8	-17,8	-20,3	-31,1	-23,2			MvF/calc. VSB
Fiscal impulse (%)	-0,2	2,6	3	2,5	10,7	-7,9			MvF/calc. VSB
Governm. Debt (national def.) (mil. SRD)	8.779,6	9.555,8	17.991,6	18.741,3	22.453,5	30.242,0			BSS
Governm. Debt (national def.) (mil. USD)	2.173,2	1.276,7	2.392,5	2.492,2	2.985,8	4.021,5			BSS/calc. VSB
Domestic debt to banking sector (mil. USD)***	145,3	121,4	286,3	348,5	392,6	423,0			BSS/calc. VSB
Effective debt (mil. USD)	1.773,5	1.986,8	2.405,4	2.490,8	2.988,9	3.270,8			BSS/calc. VSB
External debt (mil. USD)	1.214,4	1.425,4	1.682,7	1.715,9	1.987,0	2.076,8			BSS/calc. VSB
Domestic debt (mil. USD)	897,4	561,4	722,7	774,9	1.001,9	1.194,0			BSS/calc. VSB
Effective debt-GDP ratio (%)	43,8	76,3	75,1	723	81,5	130,8			BSS/calc. VSB
Government debt (national def.)-GDP ratio (%)	53,7	74,2	75,0	72,3	81,4	110,0			BSS/calc. VSB
Disbursements on external debt (mil.USD)	113,8	758,8	291,8	186,5	357,7	90,1			BSS
Debt service payments (mil. USD)	387,9	393,1	212,7	336,2	262,2	288,2			BSS/calc. VSB

### Quarterly statistics 2018-2020

<b>Balance of Payments (cash base)</b>	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	Source
Total export- G+S (mil. USD)	<u>533,1</u>	<u>575,2</u>	<u>602,7</u>	<u>645,3</u>	<u>535,4</u>	<u>593,2</u>	<u>674,4</u>	<u>545,5</u>	CBvS
• Gold	393,6	439,4	465,1	492,9	427,9	486,3	552,5	431,3	CBvS
• Oil	47,5	39,6	32,6	51,9	31,6	40,8	30,0	47,1	CBvS
• Rice and banana	10,9	12,9	12,3	13,6	9,8	8,1	13,9	8,8	CBvS
• Wood and wood products	19,5	17,2	17,7	20,1	18,9	19,0	31,0	16,1	CBvS
• Fish and shrimp	9,1	7,6	14,0	8,4	7,3	9,2	8,6	6,6	CBvS
• Other goods	16,1	16,2	19,7	18,1	18,3	12,7	16,0	14,0	CBvS
• Net export goods under merchanting	0,7	1,8	-0,1	-0,7	-0,1	-0,3	-0,2	0,0	
• Services	35,7	40,5	41,4	41,0	21,7	17,4	22,6	21,6	CBvS
Total import- G+S (mil. USD)	<u>654,8</u>	<u>633,5</u>	<u>598,3</u>	<u>561,5</u>	<u>418,5</u>	<u>462,7</u>	<u>402,9</u>	<u>384,3</u>	CBvS
• Services	219,5	220,6	217,9	186,0	124,6	131,7	120,3	104,6	CBvS
Balance current account (mil. USD)	-202,9	-120,5	-97,8	24,0	30,1	66,7	138,4	117,0	CBvS
Balance Cap. + Fin. acc. (mil. USD)**	3,9	-147,8	-197,6	30,8	102,7	59,4	34,5	145,3	CBvS
Of which incoming FDI (mil. USD)	23,3	-19,1	63,1	40,0	-15,0	21,2	-46,2	147,6	CBvS
Balance Current account (% GDP)**	-5,5	-3,3	-2,7	0,5	0,6	1,8	5,5	3,8	CBvS/calc. VSB
Balance Cap. + Fin. acc.(% GDP)**	0,1	-4,0	-5,4	0,6	2,2	1,6	1,4	4,7	CBvS/calc.VSB

	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	Source
Statistical differences (% GDP)**	2,0	-0,2	-4,9	-1,7	0,8	0,1	-3,1	-0,2	CBvS/calc. VSB
Total imported goods - transaction base (mil. USD)	416,3	446,8	480,8	360,3	387,1	420,3	365,4		ABS-prelim. data
• Investment goods	250,1	258,9	291,7	246,3	187,2	262,3	255,7		ABS
• Consumption goods	147,7	163,4	163,9	93,9	186,1	143,0	92,2		ABS
• House hold goods	18,0	23,9	24,4	19,8	13,6	14,6	16,9		ABS
• Other goods	0,5	0,6	0,4	0,4	0,3	0,4	0,6		ABS

#### **Government Finance and debt (cash base)\*\***

Overall balance including statistical differences. (% GDP)	-3,0	-3,0	-11,5	-2,7	-7,3	-1,7	1,2		MvF/calc.. VSB
Commitment balance including statistical differences. (% GDP)	-2,1	-2,4	-11,2	-2,9	-7,5	-1,9	0,4		MvF/calc. VSB

#### **Monthly statistics 2020 June – 2021 May**

	June 2020	July 2020	Aug. 2020	Sept. 2020	Oct. 2020	Nov. 2020	Dec. 2020	Jan. 2021	Feb. 2021	Mar. 2021	Apr. 2021	May 2021	Source
<b>Inflation (%)</b>													
Inflation – month to previous month	3,3	2,5	1,7	4,2	6,9	1,5	3,1	2,6	1,3	2,1			ABS
Inflation – month to month of previous year	35,2	38,3	40	45,1	54,2	56,4	61	63,8	61,6	50,4			ABS

#### **International Reserve Position (mil. USD)**

International Reserve	527,5	563,5	561,7	551	570,1	550,9	584,7	601,8	592,1	612,1	670,5		CBvS
-----------------------	-------	-------	-------	-----	-------	-------	-------	-------	-------	-------	-------	--	------

#### **World market prices in USD**

Gold USD/troz	1.732	1.843	1.969	1.922	1.900	1.866	1.857	1.867	1.808	1.718	1.762	1.853	<a href="http://www.kitco.com">www.kitco.com</a>
Crude oil USD/bbl.	39,5	42,1	43,4	41,1	39,9	42,3	48,7	53,6	60,5	63,8	63,0	66,4	World Bank

#### **Liquidity ratio (M2 in % GDP)\*\* and balance of credit from the banking sector (mil. SRD)**

Liquidity ratio	60,1	61,7	62,8	90,3	90,8	91,5	92,0	66,2	66,8	67,1	68,4		CBvS/calc. VSB
Balance of total credit	10.542	10.760	10.934	14.457	14.403	14.490	14.535	14.402	14.435	14.435	14.597		
Balance of credit to government	2.193	2.468	2.676	3.789	3.732	3.743	3.748	3.730	3.734	3.716	3.731		CBvS/calc. VSB
Balance of credit to private sector	8.349	8.292	8.258	10.668	10.670	10.747	10.787	10.673	10.701	10.718	10.866		CBvS/calc. VSB

#### **CBvS Exchange rates – selling rates**

SRD/USD (e.o.p.)	7,5	7,5	7,5	14,3	14,3	14,3	14,3	14,3	14,3	16,3	16,3	21,0	CBvS
SRD/USD average	7,5	7,5	7,5	9,8	14,3	14,3	14,3	14,3	14,3	16,3	16,3	18,2	CBvS
SRD/Euro (e.o.p.)	8,5	8,8	9,0	16,7	16,7	17,0	17,6	17,3	17,4	19,1	19,8	25,6	CBvS
SRD/Euro average	8,5	8,6	8,9	11,4	16,8	16,9	17,4	17,4	17,3	19,4	19,5	21,9	CBvS

#### **Average lending interest rate (%) of the banking sector**

On SRD credit	15,2	15,1	15,0	15,0	15,0	15,1	15,0	15,0	15,2	15,2	15,3		CBvS
Interbanking SRD rate	15,0	12,8	12,5	12,3	12,3	11,9	11,9	11,9	11,9	9,6	8,3		CBvS
On USD credit	8,1	8,1	8,0	7,9	7,9	8,0	7,9	7,8	7,8	7,8	7,8		CBvS
On Euro credit	8,1	8,1	8,1	8,3	8,3	8,3	8,5	8,5	8,5	8,3	8,5		CBvS

#### **Government finance (mil. SRD) en debt (mil. USD)**

Tot. Revenues cash base	396	537	467	563	932	494	1.280	741	661				MvF
Tot. Expenditures cash base	1.008	924	648	747	780	756	1.171	734	843				MvF
Government debt (national def.) (mil. SRD)	28.763	29.182	29.326	29.637	29.814	30.403	30.242	30.237	30.151	30.071			BSS
Debt to central bank (mil. SRD)	9.573	9.573	9.573	9.573	9.573	9.823	9.823	9.823	9.823	9.823			BSS

	June 2020	July 2020	Aug. 2020	Sept. 2020	Oct. 2020	Nov. 2020	Dec. 2020	Jan. 2021	Feb. 2021	Mar. 2021	Apr. 2021	May 2021	Source
Domestic debt to banking sector (mil. USD)***	3.335	3.326	3.383	3.404	3.140	2.865	2.952	3.186	3.186	3.186			BSS
Effective debt (mil. USD)	3.825	3.883	3.902	3.205	3.227	3.290	3.271	3.268	3.257	3.142			BSS/calc. VSB
External debt (mil. USD)	2.028	2.036	2.053	2.059	2.088	2.098	2.077	2.073	2.062	2.051			BSS/calc. VSB
Domestic debt (mil. USD)	1.796	1.847	1.849	1.146	1.139	1.193	1.194	1.195	1.195	1.091			BSS/calc. VSB
Domestic debt from banking sector (mil. USD)***	104	106	106	108	108	110	110	110	109	109			BSS/calc. VSB
Effective debt-GDP ratio (%)	81	82	82	128	129	132	131	94	93	103			BSS/calc. VSB
Government debt (national def.)-GDP ratio (%)	6,7	3,4	13,2	15,0	5,2	1,7	2,2	1,1	1,6	2,3			BSS
Disbursements on external debt (mil.USD)	11,0	17,9	6,7	77,9	9,5	6,4	16,8	4,0	17,9	7,9			BSS/calc. VSB

e.o.p. = end of period      FDI = Foreign Direct Investment

ABS- General Bureau of Statistics, IMF- International Monetary Fund, CBvS- Central Bank of Suriname, MvF- Ministry of Finance & Planning, BSS- Suriname Debt Management Office

\*\* Calculated GDP ratios (indicators in percentage of GDP) in 2019 and 2020 are based on the nominal GDP projection of the IMF and VSB.

\*\*\* Government domestic debt of the banking sector includes treasury paper and loans.

\*\*\*\* This is the balance of capital transfers and the financial account of the balance of payments

### **Explanation of certain terms:**

1. Government overall balance is government income minus expenditure. If the balance is a deficit, then debt needs to be attracted to finance the deficit and thereby will lead to an increase of the government debt.
2. Government Commitment balance is the overall balance minus government arrear payments related to previous financial years.
3. Primary government balance is the overall balance excluding interest payments on government debt. The primary balance indicates the extent to which the current government policy contributes to attracting new debts, without taking into account payments on old debt.
4. To indicate the fiscal impulse for pro-cyclicality, income from the mineral sector is deducted from the primary deficit and the whole is expressed as a percentage of GDP, excluding the mineral sector.
5. The difference between the effective debt (government debt, according to the international definition) and government debt according to the national definition, is the exchange rate that is use to convert foreign currency debts to SRD. When compiling the government debt, according to the national definition, foreign currency debt must be converted to SRD at the year-end exchange rate of the last published GDP by the ABS. The effective debt calculation, which is based on the international debt definition, uses the exchange rate of the moment to which the debt relates.
6. The effective debt-GDP ratio is calculated with the projected the GDP of the respective year, while the legal national debt-GDP ratio is based on the latest GDP figure from the ABS.

Adres: Prins Hendrikstraat # 18  
Telefoon: (597) 475286/87  
Fax: (597) 472287  
Email: [vsbstia@sr.net](mailto:vsbstia@sr.net)  
Website: [www.vsbstia.org](http://www.vsbstia.org)

#### **Missie**

Toegewijd werken aan een competitief ondernemerschap dat hoogwaardige goederen en diensten produceert op een maatschappelijk en milieu verantwoorde wijze.

#### **Visie**

De VSB is de toonaangevende vertegenwoordiger en belangenbehartiger van het Surinaams bedrijfsleven en streeft als werkgeversorganisatie naar een leidende rol in de regio.