Macroeconomic Overview

Quarterly report **13 October 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, telephone: +597474090 of +597 475287/475286 extension 106.

Summary

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

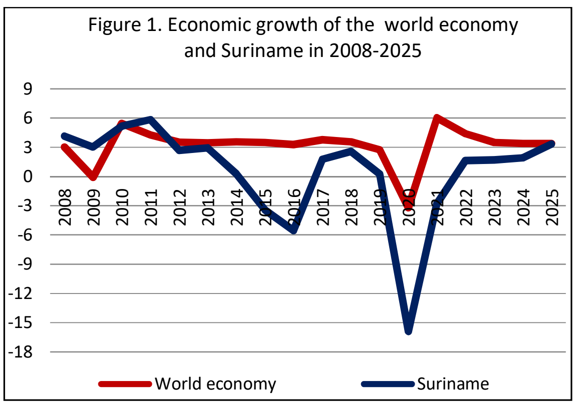
- The preliminary economic growth and GDP figure for 2020 has been issued by the General Bureau of Statistics (ABS). In 2020, the Surinamese economy has shrunk by 15.9 percent. According to the National Planning Office growth for 2021 is estimated at a contraction of 2.8 percent. The sectors that have shrunk sharply in 2020 and are also expected to shrink significantly this year are: Accommodation & food and related services, Construction, Transport & Storage, Mining, Electricity & Water and Trade.
- Suriname is currently in a fourth wave of COVID-19 infections, with the contagious delta variant causing a huge number of infected people on a daily basis. The number of people who die every day from this virus together with a healthcare system that is under severe pressure, is a major concern for the society as a whole. The percentage of fully vaccinated people of the target group 12 years and older of the population is approximately 37.6 percent.
- The international reserve has increased due to a positive balance of both the current account and the capital and financial account of the balance of payments. An influx of IMF SDRs worth USD 175 million in August, also contributed significantly to the risen reserve.
- Monetary policy in the months of June – September has ensured that the monetary base is reasonably under control, making the exchange rate fairly stable in these months. Monthly inflation peaked in June 2021 at 10.8 percent, on the one hand due to the introduction of the flexible exchange rate system and on the other hand due to the enormous price increase of food products, especially fruit and vegetables due to flooding caused by heavy rain showers in this month.
- Public finance is slowly but surely improving. The financing deficit has been reduced from 18.6 percent in 2019, to approximately 9.7 percent of GDP in 2020 and in the first half of 2021 there is a surplus of approximately 1.7 percent of GDP. The Budget for 2022 indicates a budget deficit of 2.6 percent of GDP, while the financing deficit is budgeted at 2 percent.

Economic growth and investment

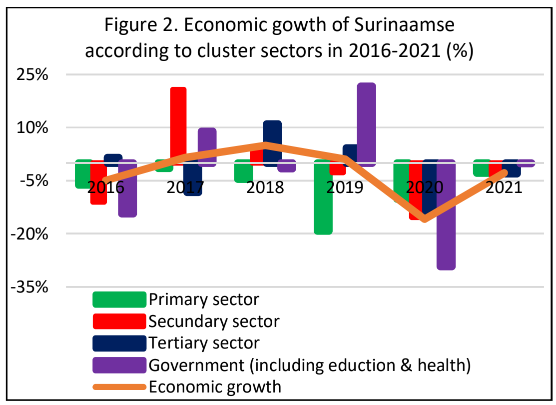
In July, the IMF again adjusted the economic growth of the world economy upwards by 0.5 percent for 2022, while growth for this year was adjusted downwards by 0.1 percent in October. Growth for this year is now estimated at 5.9 percent, while that for 2022 is projected at 4.9 percent. The minimal downwards adjustment of the estimated growth for this year is the result of declining production in the third quarter of 2021, due to rising COVID infections in a number of major economies because of the highly contagious delta variant. The growth forecast for this year is also linked to risks due to the huge debt, rising inflation and COVID-19 policy amid rising infections in many countries.

The growth outlook for developed countries looks better and these economies will return to GDP levels at pre-pandemic levels by 2022, while emerging and developing economies will need many more years to achieve this. The pace of vaccine rollout and economic stimulus policies are having a positive effect on the recovery of developed economies, while many emerging economies and developing countries are building fiscal buffers and taking monetary measures to bring the pressures of rising inflation under control.

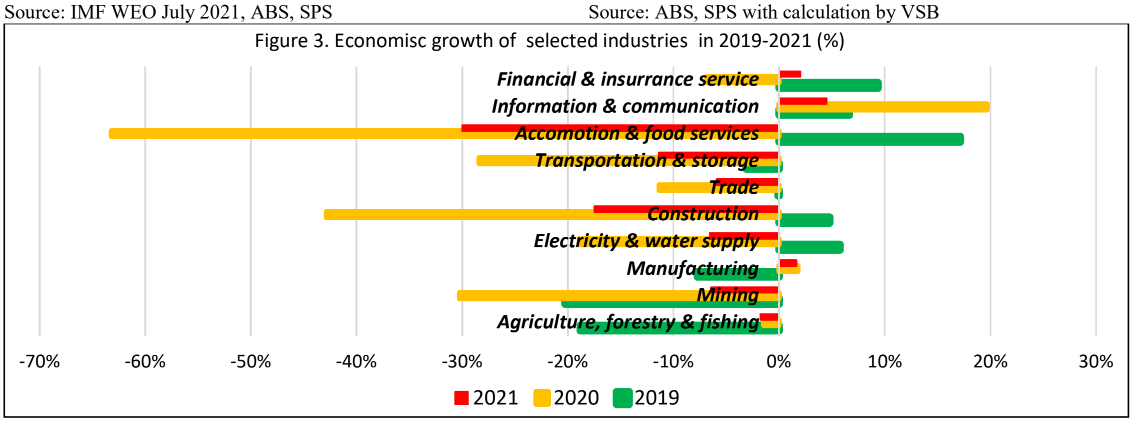
Due to the disruptions in the supply of goods because of the pandemic, there has been a mismatch between supply and demand and a scarcity of various goods. As a result, prices for raw materials are rising. These price increases, as well as the rising international container freight costs, have further fuelled inflation in many countries.



Source: IMF WEO July 2021, ABS, SPS



Source: ABS, SPS with calculation by VSB



Source: ABS, SPS with calculation by VSB

As of October 4, 2021, there were 234.8 million infections worldwide, of which 4.8 million people have died. In July, the number of COVID infections in the world again began to rise rapidly. The countries with a higher percentage of (fully) vaccinated people show a decreasing trend in the number of deaths from the virus. In developed countries, until mid-July of 2021, about 40 percent of the population was fully vaccinated, while more than 50 percent was partially vaccinated[1]. In developing countries, the number of fully vaccinated people is less than half the percentage in the developed countries. The virus is still mutating; the delta variant spreads even faster than the other variants.

In Suriname, the delta variant is also spreading rapidly among the population. We are now in a fourth wave, without the third wave of infections having completely been dissolved. The COVID statistics on the Bureau Openbaar Gezondheid (B.O.G) website show that the number of infections had enormously risen in the past month of September, while the number of deaths was highest in the month of June[2]. The percentage of fully vaccinated people of the target group of 12 years and older as of 13 October 2021, was approximately 37.6 percent.

The pandemic and the economic crisis in our country is still in full swing. The GBS came out at the end of August with the preliminary GDP and economic growth figure for 2020. The contraction of the economy in 2020 that has been calculated by the GBS is 15.9 percent, while the National Planning Office has estimated the growth for 2021 at a contraction of approximately 2.8 percent. Figure 1 shows that the growth of the Surinamese economy since 2012 is lower than the growth of the world economy. It is expected that only after 13 years in 2025, the growth of the Surinamese economy (approx. 3.3 percent) will be almost equal to that of the world economy. In both 2020 and 2021, the contraction based on the cluster sectors primary, secondary, tertiary and government[3] is noticeable across the board.

<u>The sectors that have shrunk enormously in 2020 and are still expected to contract sharply this year are (figure 3):</u>

- Accommodation & food and related services
- Construction
- Transport & Storage
- Mining
- Electricity & Water
- Trade

The industry that had grown stronger in the past year by about 20 percent was understandably the Information & Communication sector and is estimated to grow by 4 percent this year. The manufacturing sector, which increased marginally by 2 percent in 2020, is expected to experience the same minimal growth this year. The financial sector, which has shrunk by around 7 percent in 2020, is also expected to grow by approximately 2 percent this year.

Due to the pandemic, it is clear that the tourism sector is still struggling, while activity in the construction sector has declined significantly in 2020-2021 due to the financial and economic crisis. These sectors are expected to recover more rapidly from 2023 onwards, with the understanding that the exchange rate will remain stable in the coming years, macroeconomic indicators will improve and the impact of the COVID-19 pandemic will be very much under control. This will give an enormous boost to both production and the purchasing power of society.

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[1] Source: WEO, July update, IMF en World Bank Group Monthly report July 2021

[2] Derived from the COVID statistics on the BOG website it is noted that 12,260 people were infected and 163 died in September 2021. In the month of June when the third wave of infections was underway and reached a peak, the number of infections was 6,778 people and the number of deaths 220.

[3] The ABS has presented this year's GDP statistics based on a newer version of the International Standard Industrial Classification (ISIC) rev 4, with the base year for the presentation of GDP in constant prices being 2015. The primary sectors includes the industries: Agriculture, forestry & fishing and Mining. The secondary (manufacturing) sectors includes the industries: Manufacturing, Electricity, gas, steam and air conditioning supply, Water supply and Construction. The tertiary (service) sector excluding Government includes the industries: Trade, Transportation & storage, Accommodation & food service activities, Information & communication, Financial & Insurance activities, Real estate activities, Professional, scientific and technical activities and other industries.

The gold production figures for the first half of 2021 show that total production was approximately 11 percent lower than in the first half of 2020 (figure 4). The reasons for the lower production this year must be sought in the COVID-19 pandemic, rising costs due to the high exchange rates, loss of income for the gold companies that buy up gold from small-scale gold miners porknokkers and companies due to the 30 percent retention scheme in the period March-May, the removal of clients by certain gold companies in the context of compliance with laws and regulations and heavy rains in the second quarter, as a result of which the mines were also flooded.

In the petroleum sector, the production of the first half of 2021 is almost the same as in 2021.Only the production of crude oil in this period was about 2 percent lower this year than the previous year (figure 5). The large offshore oil discoveries in 2020-2021 are not expected to be mined until 2025, which will again affect economic growth in that year.

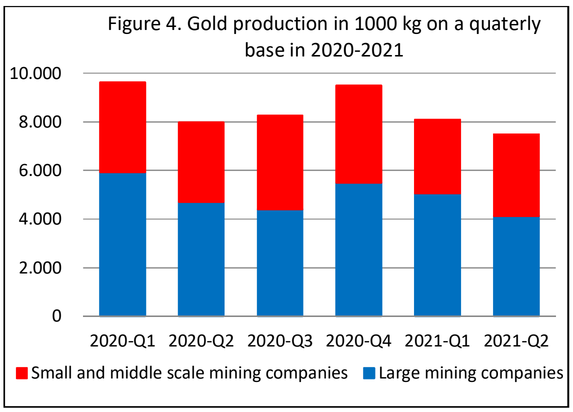
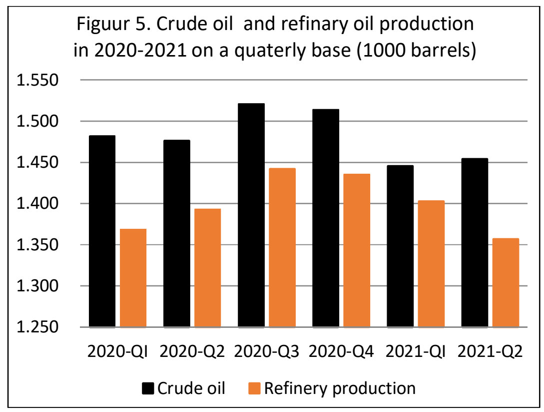


Figure 4. Gold production in 1000 kg on a quaterly base in 2020-2021

Source: CBvS



Figuur 5. Crude oil and refinary oil production in 2020-2021 on a quaterly base (1000 barrels)

Source: Staatsolie Maatschappij Suriname N.V.

International trade and capital flows

In the first half of 2021, exports of goods and services amounted to USD 1,082.5 million, while imports amounted to USD 814.9 million (Figure 12). Both exports and imports were higher in the first half of 2020 than this year.

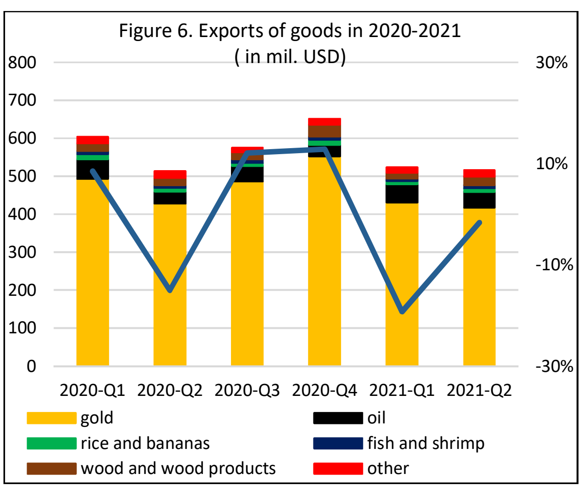


Figure 6. Exports of goods in 2020-2021 (in mil. USD)

Source: CBvS

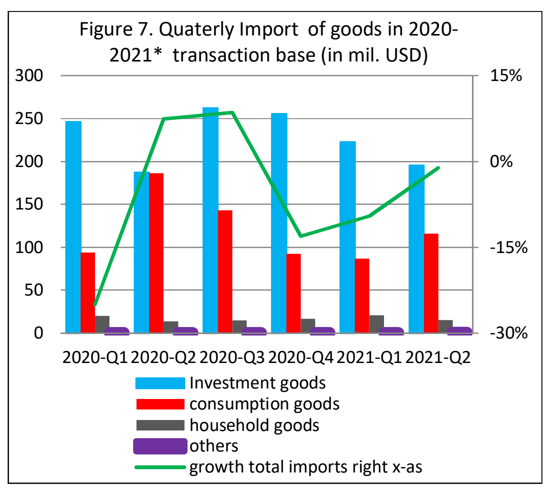


Figure 7. Quaterly Import of goods in 2020-2021* transaction base (in mil. USD)

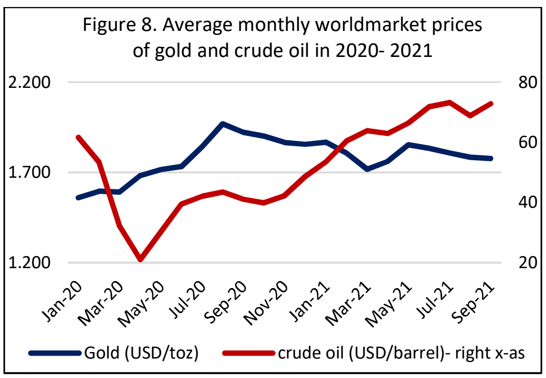
Source: ABS * preliminary figures

The export value of goods and services was 8.3 percent lower in the first half of 2021 compared to 2020, despite of the rising world market prices of raw materials this year. Figure 11 shows that international commodity prices increased across all commodity groups at the end of August 2021 compared to 2020 due to the recovery of the global economy this year and supply issues of goods.

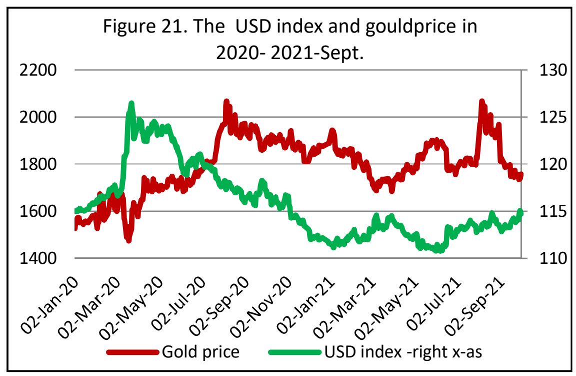
Although the average world market price of gold in this period was 9.8 percent higher than the previous year, the value of gold exports decreased by approximately 7.8 percent, due to a declining export volume of approximately 14.8 percent. The decrease in export volume can be attributed to the declining gold production and presumably the retention scheme in the period March – May 2021[4] also had an impact on this.

International gold prices are fluctuating strongly this year and are above the average price of 2020 at the level of approximately USD 1,802 per troz. until the end of September (Figure 9). Gold declines as the value of the US dollar increases (Figure 10). For example, the gold price fell to USD 1,722.90 per troz. on September 29 to its lowest level since March, down 9 percent from USD 1,895.10 per ounce at the end of 2020. This decline was accelerated by the strong U.S. dollar, which caused investors to seek higher returns on their money by holding the dollar instead of gold.

The market reacted to recent indications from the U.S. Federal Reserve that it would wind down its monthly purchases of USD 120 billion in debt and start raising interest rates more quickly, due to rising inflationary pressures. According to many market analysts, the average international gold price is expected to rise in both 2021 and 2020 due to signs that the growth of the Chinese economy is slowing due to the delta COVID variant, energy shortages and/or increased Chinese government regulation and also the growth of the US economy and value of the US dollar will decrease. As of October 8, 2021, the average gold price was approximately USD 1,773 troz.



Source: www.kitco.com, World Bank



Source: www.kitco.com, https://fred.stlouisfed.org

The export value of oil was slightly higher in the first half of 2021 than in 2020, with an export value of USD 88.6 million. Average oil prices are also higher this year than in 2020 (figure 9). In September the average price was SD 73 per barrel. In the last week of September, the oil price had approached USD 80 per barrel. Rising oil prices should not only be the result of the positive growth expectations of the global economy, but the result of the outage in oil supplies in the USA in August due to Hurricane Ida. At the beginning of October 2021, the OPEC+ countries had still decided to slowly increase the supply of oil, despite the strong price increase at the end of September.

The export value of agricultural products, namely rice[5], banana, but also fish and shrimps and other goods decreased by approximately 10 percent during this period (figure 6).

Imports of goods and services amounted to USD 814.9 million in the first half of 2021 compared to USD 980 million in 2020. Both the import of investment and consumer goods decreased in this period in 2021 compared to 2020 (figure 7). Oil imports (on a cash basis) decreased by about 24 percent during

[4] 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.

[5] Rice exports have declined this year due to lower production during this period. Part of the production was also processed into animal feed.

this period. The reason for declining imports must be sought in the fact that economic growth is not yet recovered in 2021 and is expected to contract again this year.

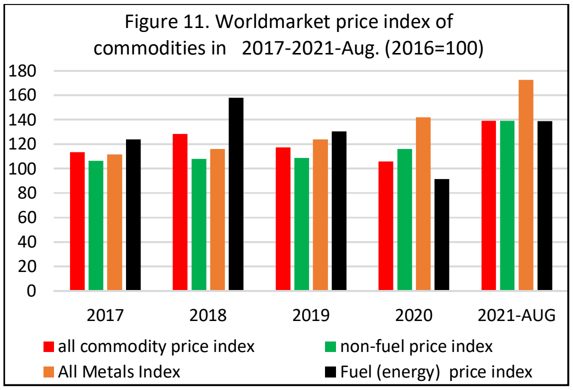


Figure 11. Worldmarket price index of commodities in 2017-2021-Aug. (2016=100)

Source: IMF, WEO world market prices Sept. 2021

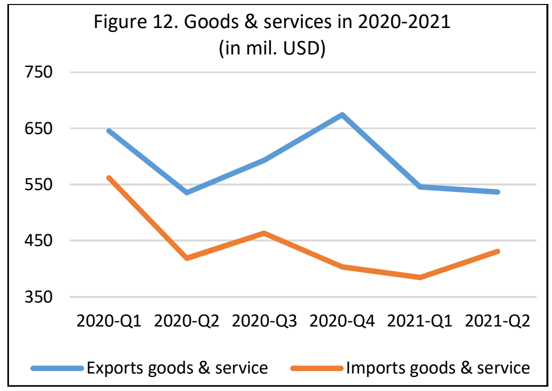


Figure 12. Goods & services in 2020-2021 (in mil. USD)

Source: CBvS

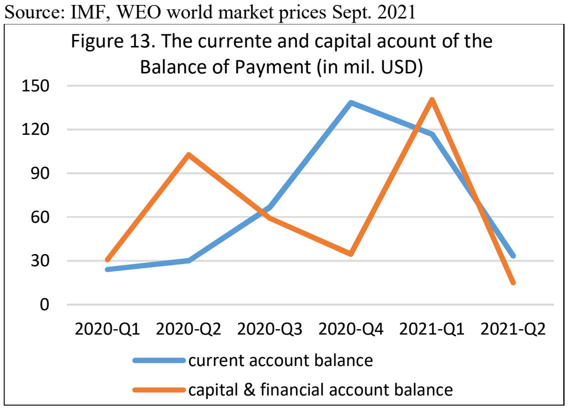


Figure 13. The currente and capital acount of the Balance of Payment (in mil. USD)

Source: CBvS

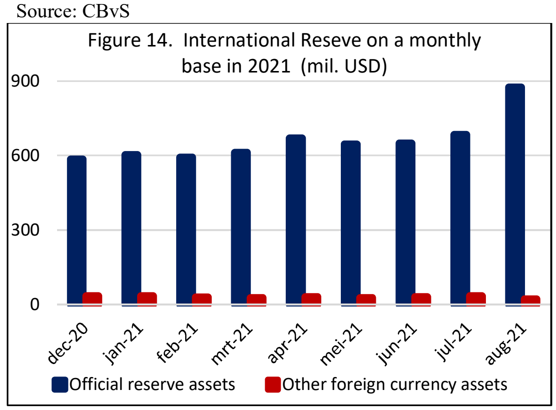


Figure 14. International Reseve on a monthly base in 2021 (mil. USD)

Source: CBvS

The current account balance that has been positive since last year, has increased significantly over this period, from USD 54 million in the first half of 2020 from USD 154 million in 2021 (figure 13). The capital and financial account has increased to a lesser extent. The positive balance in the first half of 2021 is mainly the result of a positive balance of FDI[6].

The positive result on the balance of payments in the first half has increased international reserves by USD 64.4 million to USD 649.1 million in June 2021 compared to year-end 2020.

In August 2021, the international reserve position increased by USD 225.8 million compared to June 2021 (figure 14). This increase is mainly due to the USD 175 million Special Drawing Rights (SDR) received from the IMF in August. The SDRs have been provided by the IMF to bolster the country's international reserve position at a time of global recession.

Monetary and the financial sector developments

Year-on-year inflation at the end of August 2021 was 59.8 percent, while monthly inflation peaked in June at 10.8 percent (figure 15). The peak in June can be attributed to the introduction of the flexible exchange rate system in that month, but also because of a huge price increase of the food and non-alcoholic drinks group in this month. Due to flooding caused by heavy rain showers, the prices for fruit and vegetables increased enormously in June and to a lesser extent in July.

[6] 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.

Since the introduction of the flexible exchange rates in June, exchange rates for both the USD and the Euro have been fairly stable (figure 16). The average daily rates presented by the CBvS reflect the nominal rates of the local currency markets. The stable exchange rates are the result of the monetary policy set by the monetary authorities.

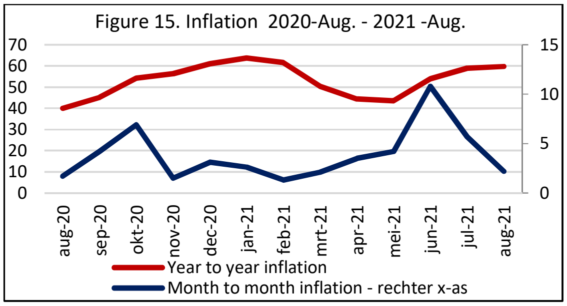


Figure 15. Inflation 2020-Aug. - 2021 -Aug.

Source: ABS

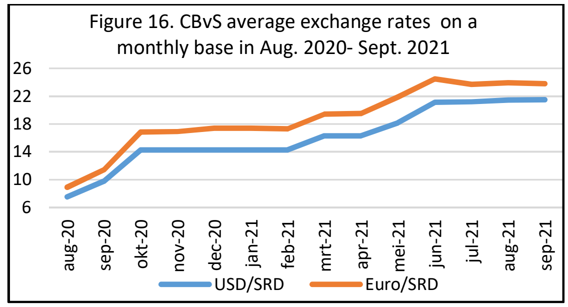


Figure 16. CBvS average exchange rates on a monthly base in Aug. 2020- Sept. 2021

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

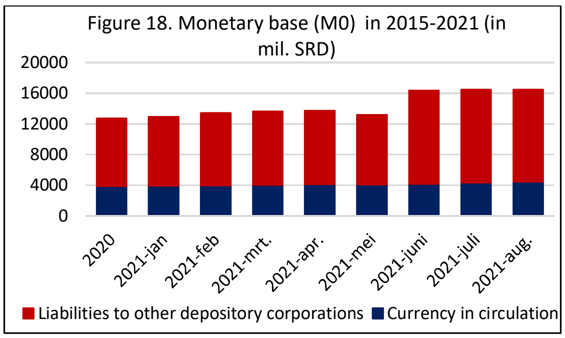


Figure 18. Monetary base (M0) in 2015-2021 (in mil. SRD)

Source: CBvS

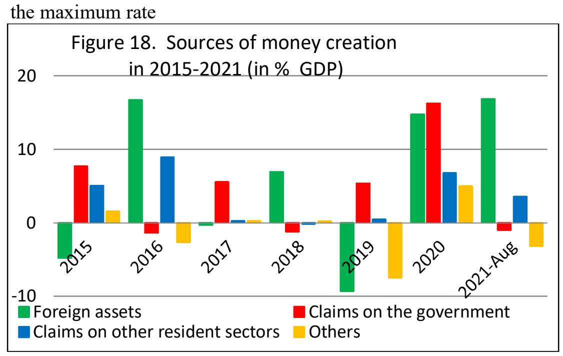


Figure 18. Sources of money creation in 2015-2021 (in % GDP)

Source: CBvS with calculation by VSB

As of June, the CBvS has focused on the “Reserve Money Targeting Regime” through its monetary policy, whereby a target is set for the monetary base (M0) in order to influence inflation. By controlling mainly the SRD part of the base money supply, by monitoring the liquidities of the banks, the growth of the money supply is aligned with the development of the other economic indicators in order to target the inflation rate as determined by the CBvS.

In order to influence the SRD liquidity of the banking sector, Open Market Operations (OMOs) are carried out via an auction system by offering term deposits or securities from the CBvS to the banking sector. This also indirectly influences interest rates. The banks also have the opportunity to absorb short-term liquidity shortages through various instruments[7].
On July 2, 2021 the governor of the CBvS and the Minister of Finance & Planning signed an MOU stating that government deficits will no longer be financed by monetary means. This in the context of controlling the money supply.

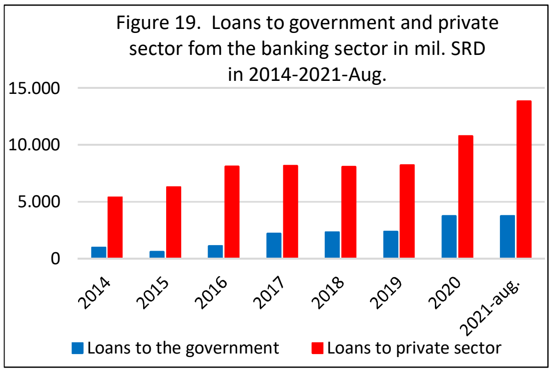
Figure 17 shows that the monetary base in the months of June – August 2021 was fairly stable, after an increase of 24 percent in June as a result of the exchange rate adjustment in that month.

The broad money supply (M2)[8] increased by 39.2 percent at the end of August 2021 compared to the end of 2020. This increase is mainly the result of the increase in the international reserve (figure 18). Money was also created through the claims on other residents and other sources. Due to the significant exchange rate adjustments in June in particular, foreign exchange claims from other residents in SRD value, have increased, which also contributed to the increase of M2.

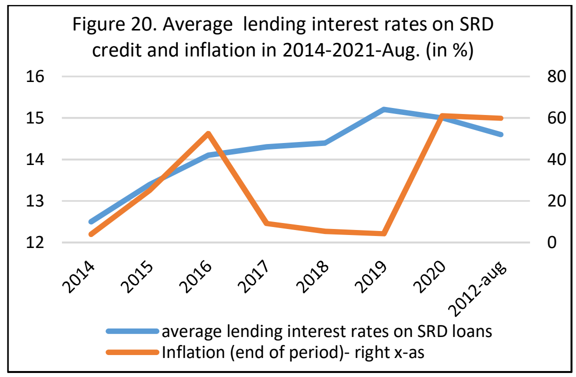
[7] The instruments are cash reserve, permanent facility and the emergency liquidity assistance.
[8] There is a difference between M2 and M0. M0 the monetary base is the total amount of currency (coins and banknotes) of the banking sector and reserves that banks hold at the CBvS. M2 the broad money supply is much broader and relates to currency and money deposits of the total public including the banking sector.

The other sources relate to Equity (EV) and other assets/liabilities of money-creating institutions. It appears that the item other assets/liabilities of money-creating institutions is negative from December 2020 on. The negative amounts fluctuate on a monthly basis and amounted to - SRD 33 million in December 2020 and - SRD 1.9 billion in August 2021. The money creation here largely relates to the increasing liabilities of the CBvS to the banking sector and government in SRD value, mostly due to the exchange rate adjustment in this period. As a result, the EV of the CBvS has decreased, which resulted in an increase of the broad money supply (M2).

The stock of total nominal lending increased by approximately 21 percent in August 2021 compared to year-end 2020, while growth in real terms over the same period was -11.5% (figure 19).



Source: CBvS with calculation by VSB



Source: CBvS, ABS

The average lending interest rate on SRD loans in 2020-2021 is declining marginally and is around 15 percent (figure 20). The interest rates of the Open Market auctions for time deposits with a maturity of one week that started in September 2021, are above the average SRD lending interest rate. The weighted interest rate of this instrument at the last auction on October 13, 2021 was 19.0 percent for a term deposit with a maturity of 1 week. The interest rate is rising compared to interest rates that emerged from the auctions in September.

Public Finance and Government debt

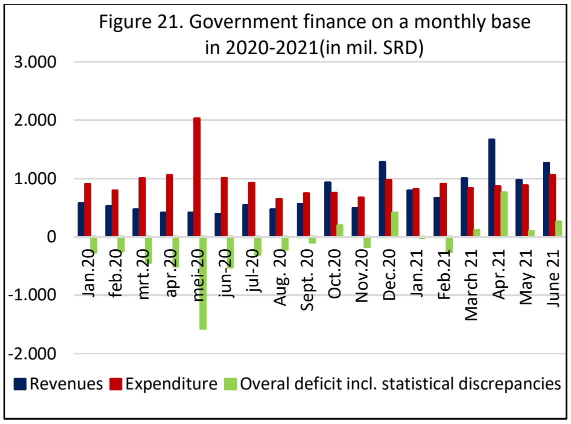
Public finances are slowly but surely improving. The financing gap has been reduced from 18.6 percent in 2019 to 9.7 percent of GDP in 2020 and in the first half of 2021 there will be a surplus of approximately 1.7 percent of GDP.

Figure 21 presents government revenues on a monthly basis, which shows that there was a realized surplus in the months of March to June 2021. The surplus for the first half of 2021 amounts to approximately SRD 965.1 million. This surplus is mainly due to the fact that very few debts are being repaid this year due to the “standstill” on the debt payments from the foreign capital market – and bilateral debts in the context of foreign exchange the ongoing talks with creditors about debt restructuring. Up to and including July 2021, the government's total debt paid was USD 64.8 million. At the moment, only the multilateral foreign debts are paid on time.

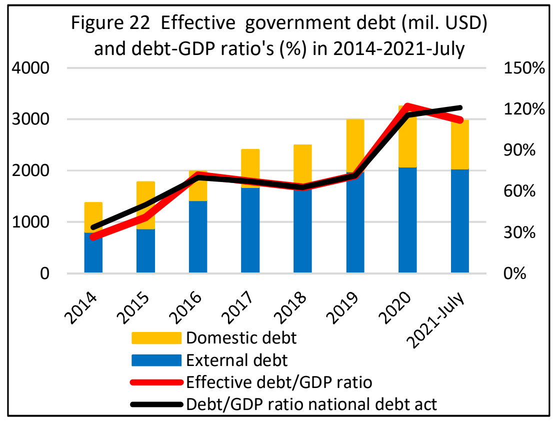
In addition to decreasing expenses, revenues have increased in the months of March-June due to revenues from the mining sector, as the gold multinationals also contributed to this year's solidarity levy. Revenues from the March-May retention scheme with a positive exchange rate difference also contributed to rising government revenues.
The government budget for 2022 indicates a budget deficit of 2.6 percent of GDP, while the budget deficit is estimated at 2 percent[9].

[9]In addition to tax and non-tax income, the government budget presented by the Ministry of Finance also budgets disbursements on loan agreements and other debt as part of total revenue. In the amount of total expenditures, in addition to personnel expenditure, subsidies, purchases of goods and services, interest charges and capital expenditure,

The revenues for 2022 are estimated to increase by 40 percent compared to budgeted revenues for 2021. This increase is mostly attributed to the introduction of the value added tax (VAT). The government intended to introduce the VAT on January 1, 2022, but apparently this date for introduction in conjunction with other tax measures, is not feasible. It is not clear when the government will introduce the VAT. Non-tax revenues will also increase, implying that other revenue-enhancing measures will be taken. A huge 40 percent increase of government revenues, with an expected decreasing inflation, marginal economic growth of about 1.6 percent in 2022 and so many sectors that are not yet fully recovered from the crisis, seems quite optimistic.



Source: Min. of Finance &Planning with calculations by VSB



Source: Suriname Debt Management Office with calculations by VSB

On the expenditure side of the 2022 budget (excluding debt repayment), an increase of 27 percent is noted. What is not clear, because the restructuring of the government debt has not yet been completed, is to what extent the budgeted debt burden (repayment and interest) has been realistically estimated for 2022. Government capital expenditures for 2022 represent only about 9 percent of total expenditures, indicating that the government will minimally support economic activity through investments and thereby facilitating domestic businesses and suppliers.

At the end of July 2021, the effective government debt amounted to USD 3 billion compared to the USD 3.3 billion at the end of December 2020. Domestic government debt in USD decreased during this period (figure 22), due to the exchange rate depreciation that started in March. The effective debt-to-GDP ratio at the end of July 2021 is estimated at 128 percent.

repayments on loans are also included. The difference between total revenues and expenditure is then called the budget deficit. The financing result of government finances indicates the amount that must actually be covered by taking on debt. This amount is derived by excluding the disbursements as part of the revenues and the debt repayments on the expenditure side, because these items are considered financing items of the government overall deficit. The balance of disbursements and repayments of both foreign and domestic old and new debts must cover the government's financing deficit in the year in question.

Selected macro-economic indicators

Annual statistics 2015-2022									
Real Sector	**2015**	**2016**	**2017**	**2018**	**2019** .	**2020**	**2021** proj.	**2022** proj.	**Source**
Economic growth (%)	-3.4	-4.9	1.6	4.9	1.1	-15.9	-2.8	1.6	ABS/SPS Est./proj.
GDP nominal market pr. (mil. SRD)*	17,515	20,663	26,893	29,822	31,483	38,353	56,985	63,505	ABS/SPS Est./proj.
GDP per capita in USD**	8,897	5,725	6,106	6,716	7,001	6,772	4,792	4,900	ABS/SPS proj
National Income per capita in USD	8,874	5,432	5,430	6,059	6,312	6,000	4,029	4,146	ABS/calculation VSB /SPS 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
Balance of Payments (cash base)- From 2017 the data presented in based on the Balance of Payment Manual 66									
Total export- Goods & Services (mil. USD)	1,856.4	1,625.1	2,143.3	2,235.8	2,286.7	2,446.5			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	71.4	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 export goods under merchanting			-6.9	-5.0	2.8	-1.3			CBvS
• Services	204.2	186.5	158.3	170.7	157.4	102.6			CBvS
Total import- Goods & Services (mil. USD)	2,695.	1,721.1	1,779.9	2,069.8	2,412.7	1,845.6			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)**	-15.6	-4.9	1.9	-3.0	-10.7	6.7			CBvS/ calculationVSB
Balance Cap. + Fin. acc.(% GDP)**	15.2	14.7	3.2	7.5	12.4	-6.4			CBvS/ calculationVSB
Statistical discrepancies (% GDP)**	-5.3	-8.4	-5.0	-0.9	-7.9	-3.0			CBvS/ calculationVSB
Total imported goods - transaction base (mil. USD)	2,309.5	1,174.9	1,209.5	1,526.9	1,711.4	1,533.1			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
World market prices in USD									
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	Worldbank proj. Apr. 21
Crude oil USD/bbl.	50.8	42.8	52.8	68.3	61.4	41.,3	56.0	60.0	Worldbank 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.
Monetary and Financial sector									
Liquidity ratio (M2 in % GDP)	60.7	78.4	65.4	64.4	73.6	85.7			CBvS/ calculation 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/ calculation VSB
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/ calculation VSB
Selling rate SRD/USD (e.o.p.)	4.0	7.5	7.5	7.5	7.5	14.3			CBvS

	2015	2016	2017	2018	2019	2020 Est.	2021 proj.	2022 Proj.	Source
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	89	8.6	8.4	17.6			CBvS
Selling rate SRD/Euro average	3.8	7.0	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	9.0	8.8	8.5	8.3	8.5			CBvS
Government Finance and Debt (cash base)									
Overall balance including statistical differences. (% GDP)	-10.0	-10.6	-8.7	-10.1	-18.6	-9.7			MvF/calculation VSB
Commitment balance including statistical differences. (% GDP)	-9.1	-10.1	-7.8	-6.8	-16.0	-11.1			MvF/calculation VSB
Primary non-mineral balance in % of non-mineral GDP	-11.3	-13.9	-12.2	-14.6	-26.3	-15.6			MvF/calculation VSB
Fiscal impulse (%)	0.8	1.5	3.5	2.3	10.4	-11.4			MvF/calculation 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 (%)	40.9	71.9	67.2	62.8	71.3	121.9			BSS/calc. VSB
Government debt (national def.)-GDP ratio (%)	50.1	70.0	67.1	62.8	71.3	115.5			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 2019-2021

Balance of Payments (cash base)	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	Source
Total export- G+S (mil. USD)	575.2	602.7	645.3	535.4	593.2	674.4	545.5	536.2	CBvS
• Gold	439.4	465.1	492.9	427.9	486.3	552.5	431.3	417.6	CBvS
• Oil	39.6	32.6	51.9	31.6	40.8	30.0	47.1	41.5	CBvS
• Rice and banana	12.9	12.3	13.6	9.8	8.1	13.9	8.8	9.3	CBvS
• Wood and wood products	17.2	17.7	20.,1	18.9	19.0	310	16.1	23.5	CBvS
• Fish and shrimp	7.6	14.0	8.4	7.3	9.2	8.6	6.6	7.7	CBvS
• Other goods	16.2	19.7	18.1	18.3	12.7	16.0	14.0	16.7	CBvS
• Net export goods under merchanting	1.8	-0.1	-0.7	-0.1	-0.3	-0.2	0.,0	-0.2	
• Services	40.5	41.4	41.0	21.7	17.4	22.6	21.6	20.1	CBvS
Total import- G+S (mil. USD)	633.5	598.3	561.5	418.5	462.7	402.9	384.3	430.6	CBvS
• Services	220.6	217.9	186.0	124.6	131.7	120.3	104.6	133.0	CBvS
Balance current account (mil. USD)	-120.5	-97.8	24.0	30.1	66.7	138.4	116.7	33.4	CBvS
Balance Cap. + Fin. acc. (mil. USD)**	-147.8	-197.6	30.8	102.7	59.4	34.5	140.3	15.0	CBvS
Of which incoming FDI (mil. USD)	-19.,1	63.1	40.0	-15.0	21.2	-46.2	147.5	-10.3	CBvS
Balance Current account (% GDP)**	-2.9	-2.3	0.5	0.6	1.8	5.5	3.0	1.1	CBvS/calc. VSB
Balance Cap. + Fin. acc.(% GDP)**	-3.5	-4.7	0.6	2.2	1.6	1.4	3.6	0.5	CBvS/calc. VSB
Statistical discrepancies (% GDP)**	-0.1	-4.3	-1.5	0.8	0.1	-3.1	-0.3	0.4	CBvS/calc. VSB

	2019 Q3	2019Q Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	Source
Total imported goods - transaction base (mil. USD)	446.8	480.8	360.3	387.1	420.3	365.4	330.6	326.9	ABS-prelim. data
• Investment goods	258.9	291.7	246.3	187.2	262.3	255.7	222.5	195.1	ABS
• Consumption goods	163.4	163.9	93.9	186.1	143.0	92.2	86.7	115.8	ABS
• House hold goods	23.9	24.4	19.8	13.6	14.6	16.9	20.7	15.2	ABS
• Other goods	0.6	0.4	0.4	0.3	0.4	0.6	0.6	0.8	ABS
Government Finance and debt (cash base)**									
Overall balance including statistical differences. (% GDP)	-2.6	-10.1	-2.5	-6.8	-1.6	1.1	-0.3	2.0	MvF/calc. VSB
Commitment balance including statistical differences. (% GDP)	-2.1	-9.8	-2.6	-7.0	-1.8	0.3	-0.2	2.1	MvF/calc. VSB

Monthly statistics 2020 Oct. – 2021 Sept.

	Oct. 2020	Nov. 2020	Dec. 2020	Jan. 2021	Feb. 2021	Mar. 2021	Apr. 2021	May 2021	June 2021	July 2021	Aug. 2021	Sept. 2021	Source
Inflation (%)													
Inflation – month to previous month	6.9	1.5	3.1	2.6	1.3	2.1	3.5	4.2	10.8	5.7	2.2		ABS
Inflation – month to month of previous year	54.2	56.4	61.0	63.8	61.6	50.4	44.4	43.6	54.0	58.9	59.8		ABS
International Reserve Position (mil. USD)													
International Reserve	570.2	551.0	584.7	601.8	592.1	612.1	670.5	645.4	649.1	683.4	874.9		CBvS
World market prices in USD													
Gold USD/troz	1,900	1,867	1,855	1,867	1,808	1,718	1,762	1,856	1,835	1,807	1,784	1,777	www.kitco.com
Crude oil USD/bbl.	39.9	42.3	48.7	53.6	60.5	63.8	63.0	66.4	71.8	73.3	68.9	72.8	World Bank
Liquidity ratio (M2 in % GDP) ** and balance of credit from the banking sector (mil. SRD)													
Liquidity ratio	84.6	85.3	85.7	58.0	58.6	58.8	60.0	60.2	78.2	79.2	80.3		CBvS/calc. VSB
M0	12,253	12,389	12,710	12,906	13,413	13,589	13,712	13,156	16,359	16,485	16,470		CBv
Balance of total credit	14,403	14,490	14,535	14,402	14,435	14,435	14,597	14,677	17,940	17,908	17,583		CBvS/calc. VSB
Balance of credit to government	3,732	3,743	3,748	3,730	3,734	3,716	3,731	3,741	3,752	3,762	3,743		CBvS/calc. VSB
Balance of credit to private sector	10,670	10,747	10,787	10,673	10,701	10,718	10,866	10,936	14,188	14,146	13,840		CBvS/calc. VSB
CBvS Exchange rates – selling rates****													
SRD/USD (e.o.p.)	14.3	14.3	14.3	14.3	14.3	16.3	16.3	21.0	21.2	21.4	21.5	21.5	CBvS
SRD/USD average	9.8	14.3	14.3	14.3	14.3	16.3	16.3	18.2	21.1	21.2	21.5	21.5	CBvS
SRD/Euro (e.o.p.)	16.7	16.7	17.0	17.6	17.3	19.4	19.8	25.5	23.5	24.0	23.7	23.9	CBvS
SRD/Euro average	11.4	16.8	16.9	17.4	17.4	19.4	19.5	21.9	24.5	23.7	23.9	23.8	CBvS
Average lending interest rate (%) of the banking sector													
On SRD credit	15.0	15.1	15.0	15.0	15.2	15.2	15.3	15.2	14.6	14.7	14.6		CBvS
Interbanking SRD rate	12.3	11.9	11.9	11.9	11.9	9.6	8.8	8.2	8.0	8.2	14.8		CBvS
On USD credit	7.9	8.0	7.9	7.8	7.8	7.8	7.8	7.7	7.6	7.6	7.7		CBvS
On Euro credit	8.3	8.3	8.5	8.5	8.5	8.3	8.3	8.3	8.4	8.3	8.3		CBvS
Government finance (mil. SRD) en debt (mil. USD)													
Tot.Revenues cash base	932	494	1.280	789	661	1,004	1,663	971	1,268				MvF
Tot. Expenditures cash base	757	672	971	812	909	832	863	881	1,058				MvF
Government debt (national def.) (mil. SRD)	29,801	30,338	30,217	30,217	30,167	30,111	30,195	30,197	30,310	46,415			BSS
Debt to central bank (mil. SRD)	9,573	9,823	9,823	9,823	9,823	9,823	9,823	9,823	10,073	10,073			BSS

	okt. 2020	nov. 2020	dec. 2020	jan. 2021	feb. 2021	mrt. 2021	apr. 2021	mei 2021	juni 2021	Juli 2021	aug. 2021	sept. 2021	Source
Domestic debt to banking sector (mil. USD)***	3,200	3,200	3,185	3,186	3,186	3,186	3,186	3,186	3,192	4,815			BSS
Effective debt (mil. USD)	3,227	3,290	3,271	3,266	3,259	3,.147	3,159	2,993	2,976	2,974			BSS/calc. VSB
External debt (mil. USD)	2,088	2,098	2,077	2,072	2,064	2,054	2,064	2,062	2,042	2,044			BSS/calc. VSB
Domestic debt (mil. USD)	1,139	1,193	1,194	1,193	1,196	1,093	1,095	931	934	929			BSS/calc. VSB
Domestic debt from banking sector (mil. USD)***	115	116	115	115	115	115	115	115	115	121			BSS/calc. VSB
Effective debt-GDP ratio (%)	120	123	122	93	93	103	103	126	127	128			BSS/calc. VSB
Government debt (national def.)-GDP ratio (%)	5.2	1.7	2.2	1.1	4.2	3.9	1.2	2.2	5.6	2.6			BSS
Disbursements on external debt (mil.USD)	9.5	6.4	16.8	4.0	17.9	8.2	3.3	12.7	13.0	5.6			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

**** The exchange rates in March - June 2021 are the maximum exchange rates set by the CBvS as of March 1, 2021. After June, the exchange rate is flexible and is determined on a daily basis through supply and demand.

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 debts.
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 used 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.

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Mission
Dedicated to working towards a competitive entrepreneurship that produces high-quality goods and services in a socially and environmentally responsible manner.

Vision
The VSB is the leading representative and advocate of the Surinamese business community and strives for a leading role in the region as an employer’s organization.