BUREAU VOOR DE STAATSSCHULD

Suriname Debt Management Office (SDMO)

Quartly report **1st Report 2023**

An Overview of the Macro-economic Developments April 4, 2023

Introduction

The Suriname Debt Management office (SDMO) has decided to produce a quarterly report in 2022, titled: **"An Overview of the Macro-economic Developments**". On a quarterly base, SDMO will present the relevant international and economic developments of Suriname in this report. If you have any questions please contact us at email address: info@sdmo.org or telephone: 597 552644 and 597 552645.

Summary

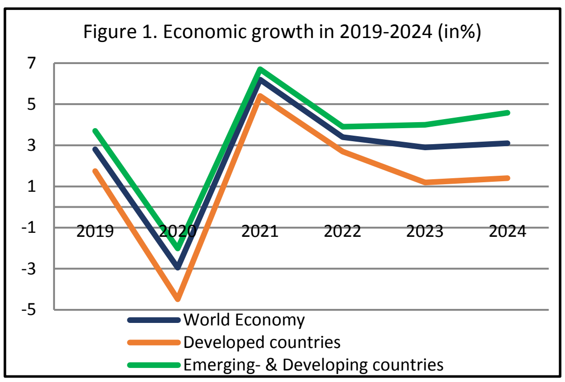
Based on the most recent, updated and available statistics and information, as well as the outlook up to and including March 2023, analysis has been made and can be summarized as follow:

- The growth of the world economy for 2022 has been revised upwards to 3.4 percent, while growth is expected to slow down to 2.9 percent in 2023. This is due to the effects of the tight monetary policy worldwide, in particular rising interest rates, inflation that will still be high this year and the declining confidence of economic actors in various countries.
- The growth for Suriname is expected to increase further in 2023 to approximately 2.3 percent and is estimated at approximately 1.3 percent for 2022. The gold production increased in 2022 for the first time, since the outbreak of the COVID-19 pandemic in 2020. However, production is still below pre-pandemic levels.
- The mining sector, relative to the non-mining sector as a whole, is structurally the main source of funding for foreign transactions and the increase of international reserve.
- International reserve in 2022 increased by approximately USD 202 million to USD 1,195 million due to revenues from the mining sector and disbursements on government borrowings from abroad.
- In the second half of 2022, the exchange rates of the SRD against the Euro and USD started to rise significantly, as a result of excess liquidity in the economy caused by high government expenditure on subsidies, among other things. The OMO policy of the CBvS has not been able to neutralize the excess liquidity since this period. Exchange rates in the first months of 2023 are still not stabilized. This trend also indicates the lack of confidence in government policies, in the authorities and the economy as a whole by the public.
- Year-end inflation has been very high in the last 3 years and was between 61-52 percent. Inflation in 2022 was mainly due to import inflation, exchange rate depreciation and the increase of electricity tariffs in June.
- Credit to the private sector by the banks increased over the past year. This increase mainly relates to non-productive sectors.
- Up to and including November 2022, the government's financing deficit was approximately -0.3 percent of GDP, while the primary balance was approximately 1.1 percent.
- In 2022, the effective government debt in SRD has increased by 51 percent as a result of a net increase in disbursements compared to repayments, rising arrears and exchange rates depreciations. Payment on arrears of the debt of Paris Club creditors, which has been restructured, were made in the last two months of the year.

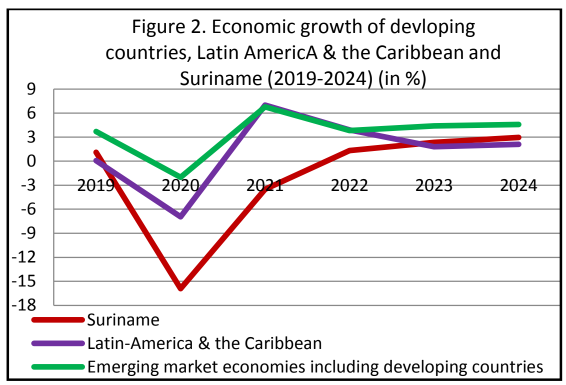
Economic growth and investments

The global economic growth in 2022 is characterized by inflation due to the war between Russia and Ukraine and a slowdown in the growth of the world's second largest economy China due to the rising COVID-19 infections and lockdown periods over the past year.
In January 2023, the IMF issued an update to the World Economic Outlook (WEO), which now estimates the global economic growth for 2022 at 3.4 percent instead of 3.2 percent, and growth for 2023 and 2024 at 2.9 percent and 3.1 percent respectively. The growth figures for 2023-2024 have been adjusted by 0.2 and -0.1 percent respectively compared to the previous estimates in October 2022 (figure 1). The estimated and projected growth rates for 2022 and 2023 have improved due to better production results in various economies in the third quarter, especially in the USA and Eurozone and for some countries (USA) also in the fourth quarter. Also, the opening of the Chinese economy in November-December of 2022 has added to the growth figures. The growth in this period has mainly been driven by rising domestic consumption, especially in services, rising private investment, the use of savings after periods of lockdown by the public and the higher than expected government contributions for spending to the public in some countries such as Brazil.

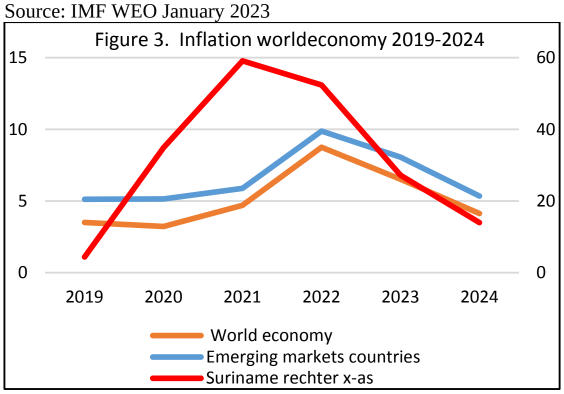
The growth projection of the world economy will be lower this year than in 2022, due to the effects of monetary policies against inflation in many countries, which resulted in rising interest rates, and a reduced confidence of economic actors in the countries. The projected global growth of 2.9 percent is still below the pre-COVID average growth rate of 3.8 percent in 2000-2019. It is expected that in 2023, the growth rate of emerging market economies, including developing countries, will rise marginally and be around 4.0 percent[1], while the growth in developed countries will decline sharply and is projected at around 1.2 percent[2].



Source: IMF WEO January 2023



Source: IMF WEO October 2022 & January 2023



Source: IMF WEO October 2022

Most countries continue to face an increase in the costs of living, especially in the cost for food and energy. Inflation in the world will be high again this year and needs to be addressed (figure 3). While average inflation in the global economy was around 9.9 percent in 2022, it is expected to be around 6.5 percent this year. For the emerging market economies & developing countries and Suriname, the average inflation in 2022 was approximately 9.9 percent and 52.4 percent, respectively.

[1] The category of emerging market economies and developed countries includes the two major economies of the world, China and India. These two countries with an estimated growth of 5.2 percent and 6.1 percent in 2023 respectively, ensure a high average growth of 4.0 percent in this category of countries.
[2] The estimated growth rates for the USA economy and the Eurozone in 2023 show a significant decrease compared to 2022, from 0.6 percent to 1.2 percent for the USA and from 2.8 percent to about 0.7 percent for the Eurozone.

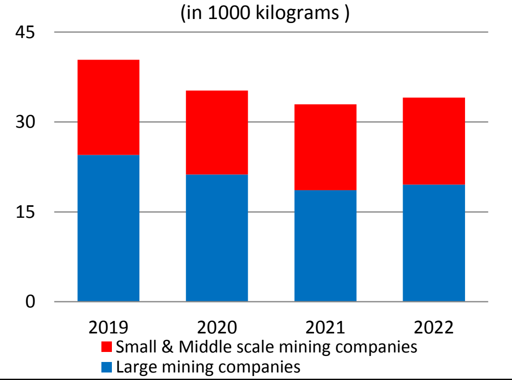
It is to be expected that the inflation rate will be around 8 and 27 percent in 2023 for this category of countries and Suriname (figure 3). The positive effect of tight monetary policy with rising interest rates to tackle /stabilize inflation will manifest in many countries in 2024. However, monetary policy will discourage investment and growth, and will worsen the fiscal- and debt position in many countries.

The growth prospects will improve in most countries, if inflation is tackled more quickly. However, global growth prospects will deteriorate due to the following factors: an escalation of the war between Russia and Ukraine and a growing geopolitical fragmentation on how to handle it, a worsening health crisis in China due to COVID-19, continued inflation, rising interest rates and a growing debt crisis for many countries and the rapid repricing of assets by financial markets[3].

Based on the WEO of October 2022, the growth of the Surinamese economy for 2022 is estimated at 1.3 percent; a marginal growth after two years of economic contraction. For 2023-2024, the Surinamese economy will grow by approximately 2.3 and 3.0 percent respectively (figure 2). The chart shows that our country's growth expectation in 2023-2024 is below the growth expectation of the emerging market economies, including developing countries, but above that of the Latin America & Caribbean region.

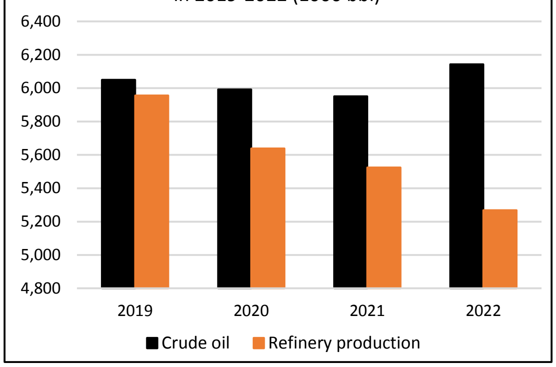
With regard to the commodity producers and other major economies in the Caribbean, Guyana is by far the fastest growing economy in our region with a growth rate of 57.8 percent in 2022 and an average growth rate of 23.3 percent in 2023-2024. Trinidad & Tobago, Jamaica and Barbados are estimated to grow by 4.0 percent, 2.8 percent and 10.5 percent respectively in 2022. The average growth projections for these countries in 2023-2024 are 3.3 percent, 2.8 percent and 4.0 percent respectively and are not much higher than Suriname.

Figure 4. Gold production in 2019-2022 (in 1000 kilograms)



Source: CBvS

Figure 5. Crude & refined oil production in 2019-2022 (1000 bbl)



Source: State Oil Suriname Company N.V.

The production of our main export products gold and oil in 2022 was as follows. In the past year, since the outbreak of the COVID-19 pandemic, there has been an increase in gold production of approximately 3.4 percent to a production level of approximately 43.1 thousand kg (figure 5). However, production is still below pre-pandemic levels. The increase in production is particularly noticeable for the large mining companies with an increase of 4.5 percent. This increase is due to a higher production level from Rosebeld Gold Mines (RGM) operations including the Sarramacca mine by 18.6 percent[4].
The production of the Merian mine of Newmont Suriname decreased in 2022 by approximately 7.8 percent compared to 2021[5]. The decline is due to the depletion of alluvial gold, which means that mining

[3] "Premature easing in financial conditions in response to lower headline inflation data could complicate anti-inflation policies and necessitate additional monetary tightening. For the same reason, unfavorable inflation data could trigger sudden repricing of assets and increase volatility in financial markets. Such movements could strain liquidity and the functioning of critical markets, with ripple effects on the real economy" – IMF, WEO update January 2023 page 7.

[4] According to the Production Summary on IAMGOLD's website, RGM production was 713 thousand ounces in 2022 compared to production of 601 thousand ounces in 2021.

[5] Annual Report 2022 of Newmont's indicates on page 81 that the Merian mine production was 403 thousand ounces in 2022 compared to 437 thousand ounces in 2021.

has to be done deeper into the rocks. The gold production of this multinational is expected to decrease further in 2023.

The acquisition of the shares of the Canadian company IAMGOLD by the Chinese company Zijin Mining Group Co Ltd. in the Rosebel Gold Mines (RGM) operations (95 percent) and in the Saramacca mine (70 percent) was finalized on February 1, 2023 for an amount of approximately USD 400 million.

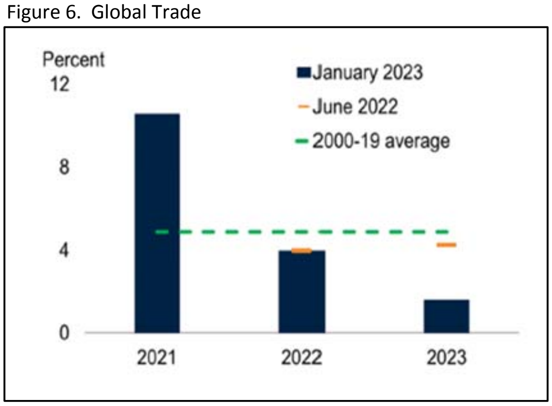
With regard to crude oil production increased by 3.2 percent in 2022 to a production level of 6.2 million barrels, while the refinery's production decreased by approximately 4.6 percent compared to 2021. The increase in crude petroleum production was the result of the optimization of existing wells, through the application of the high fluid rate (HFR) strategy, which was introduced in 2021. The lower production of refined oil was due to maintenance work on the refinery in the first and third quarters of the year.

On 23rd of February 2023, the Apache Corporation announced successful drilling and flow testing of the Sapakara South-2 well. This was the second well on the previously announced Block 58 discovery. The well is located approximately 4.6 kilometers south of the Sapakara South-1 well. Total Energies indicated in March (via Bloomberg) that they are very close to giving approval for the oil development in Suriname. This news strongly suggests that FID (Final Investment Decision) for offshore oil production in Block 58, will take place this year.

International trade and capital flows

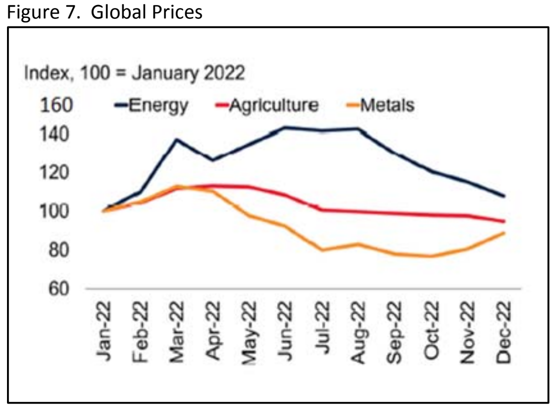
According to the World Bank, the growth of the volume of world trade in 2022 has decreased compared to 2021. This is due to declining economic growth as a result of a slowdown in global industrial production (figure 6). It can be noted, however that the production and international trade of services has been recovered further in the past year. This is especially the case in the tourism sector in countries where travel restrictions have been relaxed. The expectation for 2023 is that global trade growth will decline further due to the further slowdown in growth expectations this year.

Figure 6. Global Trade



Source: Global Monthly, Jan. 2023, World Bank Group

Figure 7. Global Prices



Source: Global Monthly, Jan. 2023, World Bank Group

The world market prices of raw materials indicate a downward trend from mid-2022 on, as a result of the slowing global growth and declining demand (figure 7). The strong decline is particularly noticeable in energy products, while the prices of metals are rising precisely during this period. The prices of agricultural products have remained relatively high despite a slight fall in the price of wheat and vegetable oils in particular.

Concerns about global food security due to the war between Russia and Ukraine, have led many countries to suspend food exports and impose other trade restrictions, so that food production could be consumed domestically.

If we look at Suriname's trade and capital flows with foreign countries, we must conclude that the mining sector has an enormous impact on our balance of payments.

Table 1: The Impact of the Mining sector on the Balance of Payment 2019-2022 (in USD million)

Balance of payment Accounts	2019			2020			2021			2022		
	Mining Sector	Non-Mining Sector	Total	Mining Sector	Non-Mining Sector	Total	Mining Sector	Non-Mining Sector	Total	Mining Sector	Non-Mining Sector	Total
Trade balance (goods & services)	1.108,70	1.234,70	-126.0	1.569,80	-968,5	601,3	1.564,60	1.141,50	423	1.690,70	1.433,60	257,1
Current Account	776,8	-1.225,1	-448,3	1.240,0	-980,2	259,8	1.278,8	-1.102,7	176,1	1.453,8	-1.386,5	67,2
Capital Account	0,0	-2,9	-2,9	0,0	0,0	0,0	0,0	37,0	37,0	0,0	0,0	0,0
Financial Account	563,5	-1.095,7	-532,2	864,4	-644,6	219,9	852,6	-934,0	-81,4	875,2	-887,6	-12,4
Net Errors and Omissions	-97,1	-191,5	-288,6	-260,9	137,7	-123,2	-135,3	257,8	122,5	-348,4	488,7	140,3
Financing Items	116,2	-323,8	-207,6	114,7	-198,1	-83,4	291,0	126,0	417,0	230,2	-10,2	220,0
Reserve assets²	116,2	-323,8	-207,6	114,7	-198,1	-83,4	291,0	126,0	417,0	230,2	-10,2	220,0
Memorandum Item *Valuation and other changes³*		274,4	274,4		20,9	20,9		-9,8	-9,8		-17,6	-17,6

Source: CBvS
Note: (2) Valuation changes are excluded; (3) Valuation and other changes also include (de) monetization of monetary gold.

Table 1 shows that the mining sector, whose main products are gold and oil, exerts an enormous influence on the foreign transactions of the country compared to the non-mining sector as a whole.
First, the trade balance of the mining sector is structurally positive in 2019-2022[6]. This means that the mining sector exports more (goods and services) than it imports. This only applies to the gold sector. In figure 8, where the trade account for goods of oil is presented for the same period, there is a negative balance[7].

The rest of the economy as a whole, imports more than it exports. This trend is reflected in the current account of the balance of payments for the non-mining sector. This means that the mining sector is the main source for financing foreign transactions and for the increase in the international reserve. The positive balance on the financial account in the mining sector is the result of an increase in receivables from and/or a decrease in liabilities to foreign countries.

Total exports and imports of goods and services in 2022, amounted to respectively USD 2.6 billion and USD 2.3 billion (figure 9). In 2022 there was an increase of 13 percent and 24.8 percent respectively for exports and imports compared to 2021. Due to the marginal positive economic growth and the increased international prices for goods and services, the import value rose sharply in 2022.

Figure 10 shows that the increased import value is noticeable across all categories, but the largest increase mainly relates to oil imports (49.5 percent), chemical products (26.8 percent) and other goods (23.9 percent).

[6] Given the fact that the export value of gold and oil accounts for approximately 90 percent of the total export value of the country in 2019-2022, it is not surprising that the balance between the export – and import value of the mining sector is positive.
[7] The services account for the oil sector also shows a negative balance. Foreign investments in the offshore oil industry are currently not included in the balance of payments.

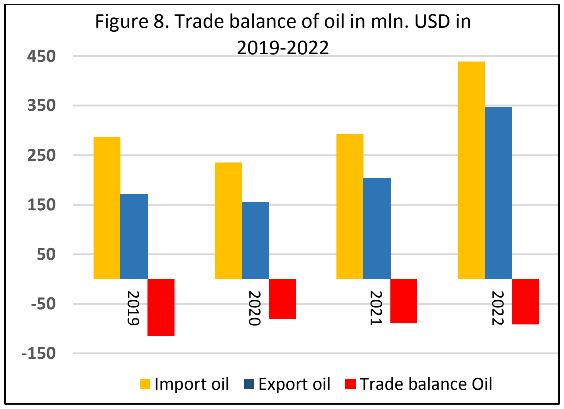


Figure 8. Trade balance of oil in mln. USD in 2019-2022

Souce: CBvS

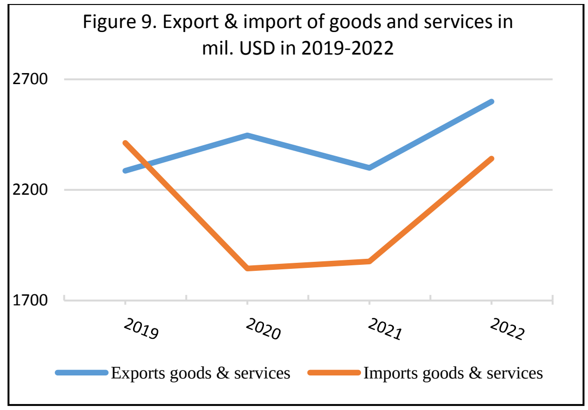


Figure 9. Export & import of goods and services in mil. USD in 2019-2022

Source: CBvS

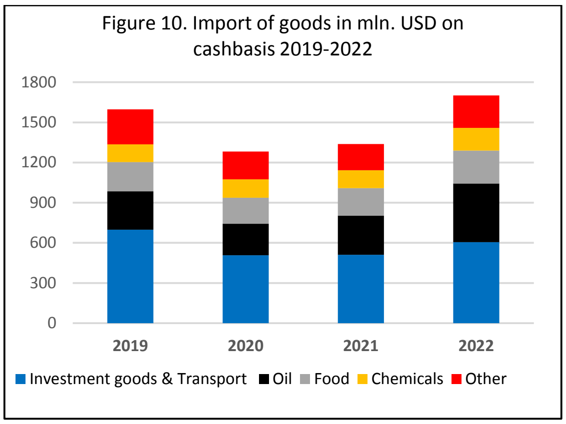


Figure 10. Import of goods in mln. USD on cashbasis 2019-2022

Source: CBvS

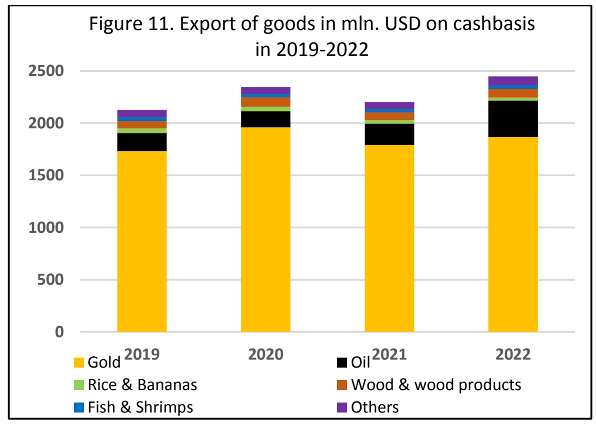


Figure 11. Export of goods in mln. USD on cashbasis in 2019-2022

Source: CBvS

Regarding the export value of goods (figure 11) last year, the largest increase can be seen in **oil** exports (70.2 percent), wood and wood products (18.8 percent) and other exports (25.7 percent). The reason for the sharply rising export and import value of oil, is the rising international price for this product. The oil price peaked at USD 120 per barrel in June 2022 and showed a downward trend in the second half of the year (figure 12). The downward trend is the result of the economic slowdown in various countries and the future growth prospects preceived by the capital markets. In February 2023, the crude oil price was around USD 83 per barrel.

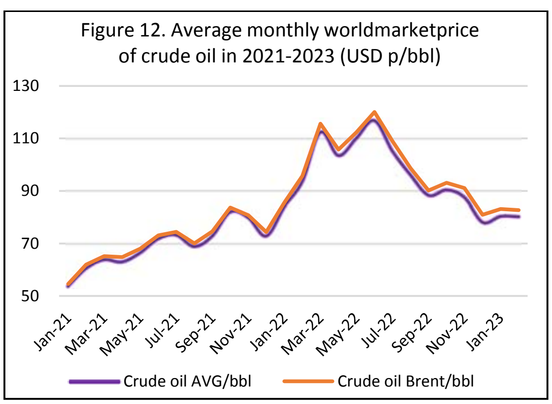


Figure 12. Average monthly worldmarketprice of crude oil in 2021-2023 (USD p/bbl)

Source: World Bank

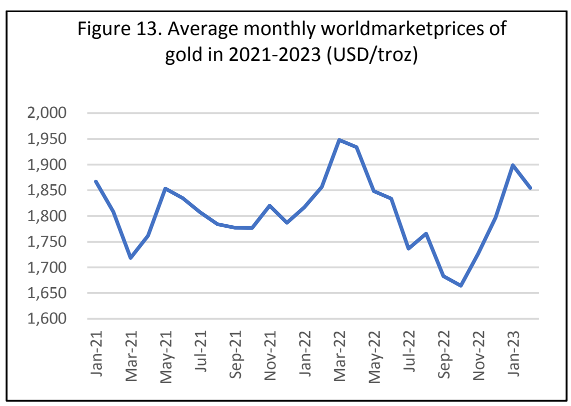


Figure 13. Average monthly worldmarketprices of gold in 2021-2023 (USD/troz)

Source: World Bank

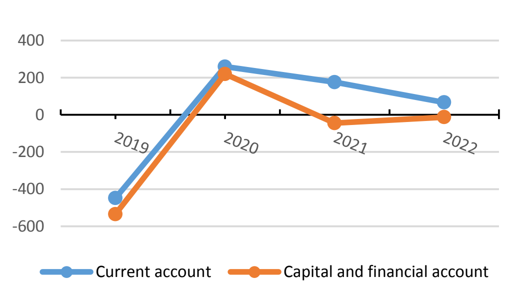
In 2022, the export value of **gold** has increased marginally by 4.3 percent, due to a marginal increase of the export volume by approximately 4.4 percent. The average world market gold price in 2022 amounted to approximately USD 1,800 toz. and has hardly increased, compared to the price of USD 1,798 toz. in 2021. Figure 13 indicates that the gold price has been very volatile in the past two years. The gold price peaked at USD 1.949 toz in April 2022 and fell to a low of USD 1.664 toz. in November 2022.

The declining trend in this period can be traced back to the strong US-dollar due to an increase in the US interest rate on the Federal Reserve Funds over the past period and the inverse correlation between the US-dollar and the gold price. After November 2022, gold prices are rising again, due to turbulent capital markets, rising recession expectations and an increased demand for physical gold by central banks. In February 2023, the price averaged about USD 1,855 toz.

The rising export value of **wood and wood products** is mostly the result of the rising FOB value of round wood of USD 140 per m3 in 2021 to USD 180 per m3 in the first quarter of 2022. In March 2023, the rates for various quality of roundwood/timber will be further adjusted to USD 210 - USD 220 per m3.

In 2022, the export value of the **agricultural products rice and bananas** decreased by USD 8.5 million to a value of USD 26 million. The major part of the combined export value concerns rice. The decreasing rice exports are a result of decreasing production due to low sowing level of paddy/brown rice, and rising production costs in the past year.

Figure 14. The balance of the Current account and the Capital & Financial account in mil. USD in 2019-2022

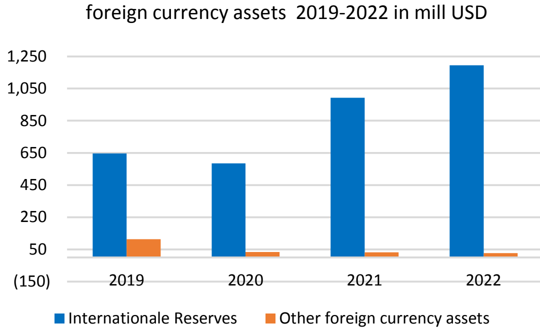


Source: CBvS

In 2022, the current account balance of the balance of payments was positive and amounted to USD 67 million. This balance was lower than USD 176 million in 2021, due to the stronger increase in imports compared to exports in the past year. Once again, the balance of the capital and financial account shows a negative result of USD 12 million compared to the negative result of USD 44 million in 2021 (figure 14).

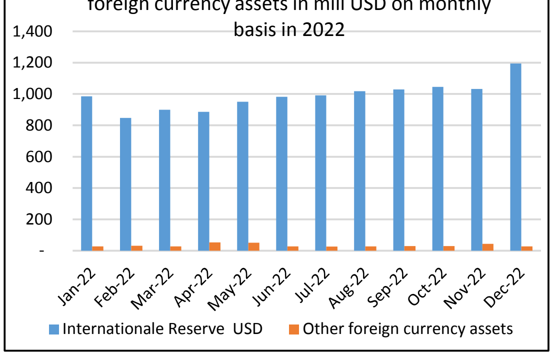
The negative result on the capital and financial account was due to the negative results on the direct investment account of USD 7.3 million, the negative balance on other financial transactions of USD 24.5 million, while the balance of portfolio investments was positive and was USD 19.4 million.
According to the balance of payments, the total negative capital and financial account is a reflection of the incoming capital flows from abroad due to decreased foreign claims, particularly by the general banks. As already indicated, the sub-accounts of the financial account are dominated by transactions of the mining sector, especially the large mining companies. The "statistical differences" item amounts to USD 140.3 million at the end of 2022. This item, which also influences the result of the balance of payments, is characterized as a balancing/closing item.

Figure 15. International Reserves & Other foreign currency assets 2019-2022 in mill USD



Source: CBvS

Figure 16. International Reserves & Other foreign currency assets in mill USD on monthly basis in 2022



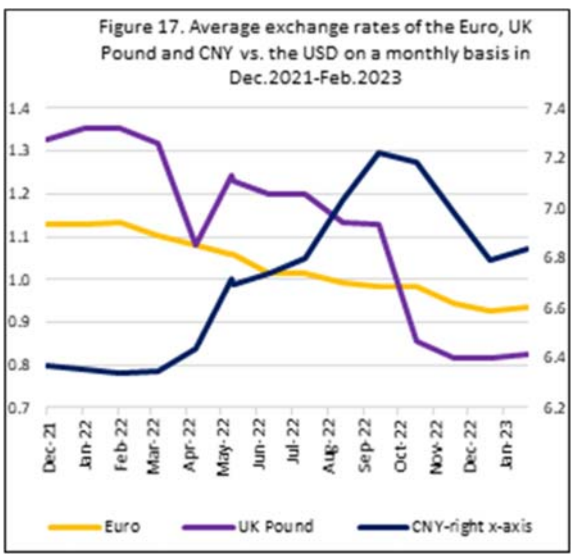
Source: CBvS

At the end of 2022, international reserves increased by USD 202 million to USD 1,195 million compared to 2021 (figure 15). The increase of the international reserve is the result of disbursements on foreign government loans (mostly from IADB, IsDB and CDB) and government foreign exchange revenues (dividend, income tax and royalties) from the mining sector.
At the end of November and December 2022, the international reserve amounted to respectively USD 1,032 million and USD 1,195 million, which is an increase of approximately 15.8 percent in December (figure 16). The high increase in December 2022 is due to disbursements on two government IADB loans, one for budget support of USD 150 million and a loan of USD 10 million for Labor Market Alignment with New Industries.

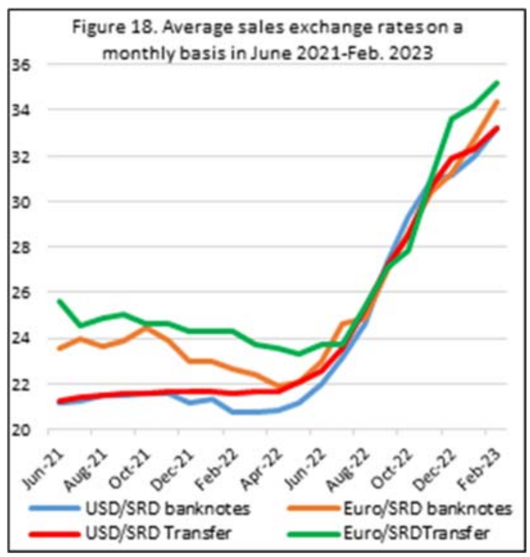
Monetary and the financial sector developments

The International exchange rates are still volatile. The strong US-dollar, which had been rising against the other currency since October 2022, is slowly decreasing in 2023. This is especially noticeable in February 2023 (figure 17).

In the fourth quarter of 2022, the forces that led to the rise of the dollar began to slowly change, causing a gradual decline of this currency against the other major currencies. The main reason for a decline of the value of the US-dollar must be sought in the fact that the Fed, after months of declining inflation in the US, significantly slowed the pace of interest rate hikes, creating the expectation that borrowing costs in the US will not rise sharply in 2023. On the other hand, the central banks of Eurozone and UK have remained steadfast in rapid interest rate increases, to strengthen their currencies. Also, the economic growth prospects for Europe and China improved significantly in the last quarter due to falling energy prices and the termination of zero-COVID policy in China. This also contributed to the strengthening of the Euro and CNY.



Source: IMF



Source: CBvS

The SRD compared to USD and Euro, started to rise from May-June 2022 and still shows a strong upward trend through February 2023 (figure 18). At the end of 2022, the depreciation of the SRD against the USD and Euro was 46.7 percent and 34.7 percent respectively. The reason for rising exchange rates is the result of the government policies on public finances, which have contributed to the increase in the base money supply, namely the SRD-share of it in the past year. In addition, the Open Market Operations (OMO) of the central bank did not fully function well, to neutralize excess SRD liquidity after May and June.

The OMO policy is to issue Term Deposits (TDs) to banks at maturities of 1 week, 1 month, 3 months, and 6 months. In March 2023, the CBvS also started to issue Central Bank Certificates (CBCs) to the wholesale segment (general banks, non-bank financial institutions, and certain legal entities) of society. At the first auction on March 16, the total amount of CBCs allocated was SRD 202.5 million at a maturity of 6 months and an interest rate of 32.7 percent.

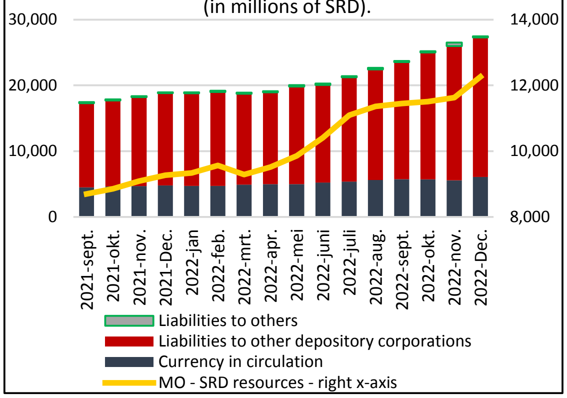
In addition to the increase in base money (excess liquidity in the economy), currency speculation and a sharp decline in public confidence in the economy, are the reasons why exchange rates have still not stabilized after more than six months. The depreciation of the local currency due to high inflation over the past three years, has significantly damaged the confidence of economic actors in the government, its policies, and the economy as a whole.

On March 28, 2023, the government announced in The National Assembly of Suriname (DNA) that a task force will be set up under the leadership of the State Attorney's Office (Openbaar Ministerie OM) to address the exchange rate problem. The measures taken for the rest of the year that had been presented include:

- Government spending and neutralizing excess SRD liquidity will be done in a coordinated manner through proper consultation by the monetary authorities.
- In addition to the OMOs, the CBvS will issue other instruments to encourage the public to save in SRD and not in foreign currency; these are the CBCs for the retail segment, which will be launched in the last week of April. The retail segment includes Surinamese residents, namely natural persons, especially households and legal entities, including companies that fall within this group.
- Currency transactions will be more efficient to restrain the purchase of currency from non-authorized persons;
- OM and CBvS will take action against illegal currency trading.

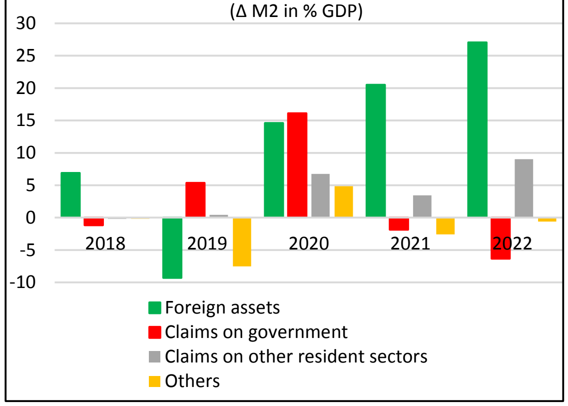
Figure 18 also shows that cash and transferable exchange rates do not differ much in the second half of 2022 and the first months of 2023. Regarding the Euro/SRD exchange rate, especially after October, this discrepancy is again noticeable. The increase of transferable deposits of Euro's with the banks and shipping of these Euros have decreased in recent months, making it difficult for banks to accept cash Euros and for cambios to apply a significant discount on cash Euro [8].

Figure 19. Base money supply (M0) in 2021-2022 (in millions of SRD).



Source: CBvS

Figure 20. Sources of money creation in 2019 - 2022 (Δ M2 in % GDP)



Source: CBvS

[8] In the month of August, the CBvS again started money transports of cash foreign currency resources from the banks to abroad. The CBvS receives the cash USD from the banks and then transfers the received amounts to the accounts of the local banks to their correspondent banks abroad.

Figure 19 presents the course of the monetary base in 2021 and 2022. There is an increase in the SRD share of the monetary base noticeable after June and again in December 2022. The increase in December relates to both government spending and the repayment of matured OMOs (TDs) and interest on these instruments.

Total money creation in 2022 is mainly due to increased international reserves because of the net capital inflows from abroad (figure 20). The significant exchange rate depreciation has also led to money creation on foreign current credit by the banking sector to the private sector (figure 24). There has been no money creation from credit by the banking sector to the government.
On the contrary, net lending to the government declined in 2022. The other sources of money creation in 2022 are mostly related to OMO-interest payments to the banking sector.

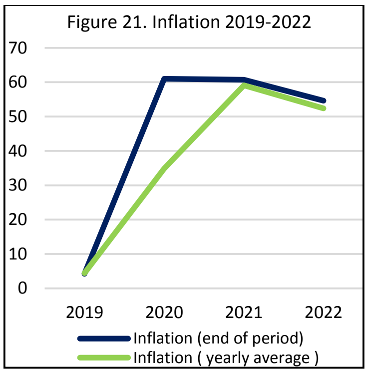


Figure 21. Inflation 2019-2022

Source: ABS

Figure 22. Inflation on a monthly base in 2022 (%).

Source: ABS

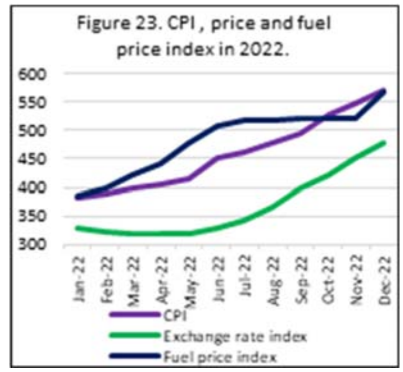


Figure 23. CPI, price and fuel price index in 2022.

Source: ABS

The year-end inflation was very high in the past three years, ranging between 61-52 percent. Average inflation in 2022 was 52.4 percent, down a few percentage points from 2021 (figure 21).
Inflation in 2022 was due to import inflation, increased electricity tariffs in June and the exchange rate depreciation. Inflation on a monthly base in 2022 (figure 22) peaked in June, afterwards decreased a lot and in the last few months of the year was heavily influenced by movements in the exchange rate and in fuel price (figure 23). In December 2022, monthly inflation was 4.7 percent. In that month the fuel prices were increased by SRD 2 per litre.

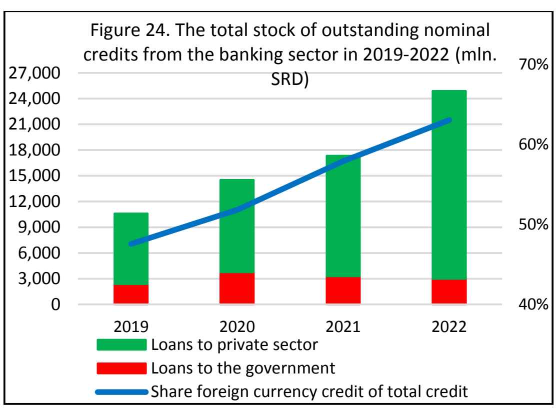


Figure 24. The total stock of outstanding nominal credits from the banking sector in 2019-2022 (mln. SRD)

Source: CBvS with calculations by SDMO

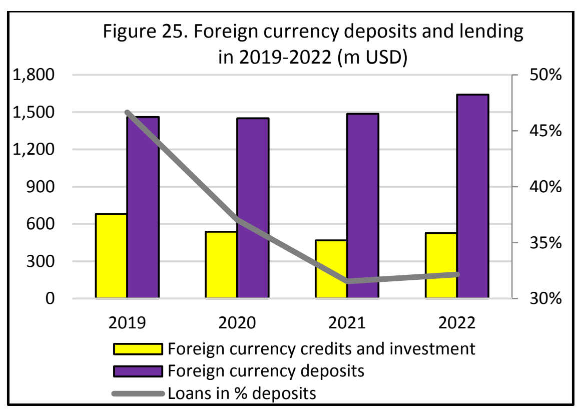


Figure 25. Foreign currency deposits and lending in 2019-2022 (m USD)

Source: CBvS with calculations by SDMO

The total stock of outstanding nominal credit from the banking sector in SRD at the end of 2022 was SRD 25.6 billion (figure 24). This is an increase of 47.8 percent compared to the end of 2021. In real terms, the outstanding credit has declined by 4.4 percent. Net credit to the private sector in nominal and real terms has increased last year by 61.9 percent and 4.7 percent, respectively. The increase relates to both SRD and USD-funds. Most of the credit to the private sector was directed to the category of other non-productive sectors.

After analyzing the total amount of foreign currency deposits with banks, there is an increase in deposits of about USD 154 million to USD 1,640 million by the end of 2022 due to the transfer of foreign currency funds in the second half of 2022 (figure 25). The figure also shows that foreign currency credit increased by approximately USD 59 million in 2022.

Table 2. Financial soundness indicators of the banking sector in 2019-2023-Jan. (in %)

	2019	***2020***	***2021***	***2022***	***2023-Jan.***
Solvability*					
*Regulatory Tier 1 capital***/ Risk-weighted assets:* ***capital adequacy ratio***	10.8	10.5	12.9	16.8	16.0
Regulatory capital /Risk-weighted assets	11.4	11.8	14.3	15.5	17.3
Tier 1/total assets	5.2	4.9	5.7	6.6	6.8
Quality of loan portfolio					
Non-performing Loans/gross loans	12.0	4.6	12.8	12.4	11.7
Non-performing Loans (minus provision)/Capital				36.1	32.6
Earnings and profitability					
Return on Asset	1.0	2.0	1.8	3.3	0.4
Return on equity	16.7	34.8	29.6	48.1	5.4
Share of interest income in total income				37.1	31.8
Difference between debit and credit interest rates (%points))				8.1	8.3
Liquidity					
Cash and cash equivalents/ total assets	46.8	51.5	58.8	54.3	53.6
Cash and cash equivalents/ short-term debt	93.4	101.3	117.0	107.0	105.6
Total loans/total deposits				74.1	74.4

Source: CBvS
* Solvency ratio is based on guidelines of the CBvS regarding the capital adequacy ratio. The norm for the solvency ratio set by the CBvS for banks is 10 percent.
** Tier 1 capital: used to describe the capital availability of a bank and includes equity and reserves.

Table 2 the financial soundness indicators of the banking sector are presented. In general, it can be concluded that the solvency and profitability, as well as the liquidity indicators, show an improvement in 2022 and in January 2023 compared to previous years. The CBvS capital adequacy ratio of 10 percent was achieved by the total banking sector at that time.

The improved solvency of banks is also due to the effects of the depreciation of the exchange rate and the implementation of IFRS-standards. According to the CBvS in their Financial Stability Report of 2022, there has been no improvement in the quality of banks' credit portfolios, but it has further deteriorated due to the poor economic situation of the previous years. The share of non-performing loans relative to the total credit portfolio of about 12 percent for 2022-January 2023 is still very high.

In table 3 the monetary measures that are stated in the Recovery Plan of the government are presented and reviewed by realization. In May 2021, the government's Economic Recovery Plan was issued and approved by the National Assembly of Suriname. The overall objective of the plan is to restore stability and eliminate macroeconomic imbalances that have resulted in a fiscal and balance of payments crisis.

This includes a significant reduction of the budget deficit, ending monetary financing of the budget, moving to a floating exchange rate, and restoring the level of international reserves. A successful implementation of this plan, the combination of policy measures should lead to a slow reduction in inflation and a return to a sustainable fiscal path. This plan gives priority to protection of the most vulnerable groups in society that are affected by these necessary adjustments.

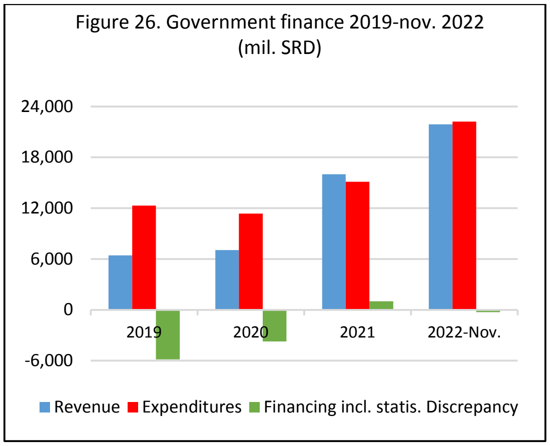
Table 3. Realization of the Monetary policy measures in the Recovery Plan 2020-2022.

	Policy area	Responsibility	Description of the measurement	Output	Realization
1	Exchange Rate Policy	CBvS	Adjustment of the exchange rate from SRD 7.52 to SRD 14.29 for USD 1, monitor the exchange rate with a subsequent adjustment of exchange rate regime to the flexible exchange rate. (Government Agreement Urgency Phase Measure 9).	An exchange rate that properly reflects fundamental macroeconomic relationships	As of September 22, 2020, the exchange rate is set at SRD 14.29 per USD. As of June 7, 2021, the flexible exchange rate system has been in effect
2	Remittance of export earnings	Commercial banks	Exporters must repatriate all export proceeds and sell 30% of export earnings to the CBvS.	The foreign exchange reserve is being built up and part of it is being made available for essential imports	The measure had already been implemented in 2021, but has not yet been able to generate the necessary foreign exchange for the government.
3	Increase cash reserve percentage	CBvS	The cash reserve rate will be increased from 35% to 39% (absorbs approximately SRD 350 million).	Absorption of excess liquidity in the banking system	Starting December 30, 2020, the SRD cash reserve rate has been adjusted to 39 percent
4	Modification of Banking Act to strengthen independence of CBvS	President CBvS DNA	Legislative amendment to restore the independent position of the CBvS (Coalition Agreement Urgency Phase Measure No. 7).	A reliable and independent CBvS	Draft Law June 10, 2022 approved in DNA. Publication of the law has not yet taken place.
5	Repeal Currency Act of 2020.	President DNA	The so-called Currency Act has not worked and is being repealed. Note: The court had already suspended the effect of the law. (Coalition Agreement Urgency Phase Measure No. 8). (Regeerakkoord Urgentie fase maatregel nr. 8).	The Currency Act has been repealed	Law had been repealed in early 2021. Another currency law was passed by DNA in March 2021.
6	Sharpening Money Transaction Offices Supervision Act (2012).	President CBvS DNA	The cambios are meant for spot transactions and not banking transactions. Through tighter supervision and regulation, cambios should be limited to these spot transactions. Illegal cambios will be dealt with.	The cambios comply with their legal duties and do not distort the foreign exchange market.	Amendment of Money Transaction Offices Supervision Act on April 8, 2021
7	Memorandum of Understanding between Finance and the CBvS	Min. Finance CBvS	The agreement between the two monetary authorities is to prevent new and indirect monetary financing by the CBvS.	There is a MoU between the ministry and the CBvS, which governs funding arrangements.	MoU signed on July 2, 2021 between Governor of CBvS Maurice Roemer and Minister Armand Achaibersing
8	MoU on data exchange	Min. Finance CBvS	Entering into an agreement to exchange regular data to strengthen monitoring of liquidity and forecasting.	Data on liquidity is regularly exchanged	MoU Data Exchange signed dated June 8, 2021 between the Ministry of Finance and Planning and the CBvS

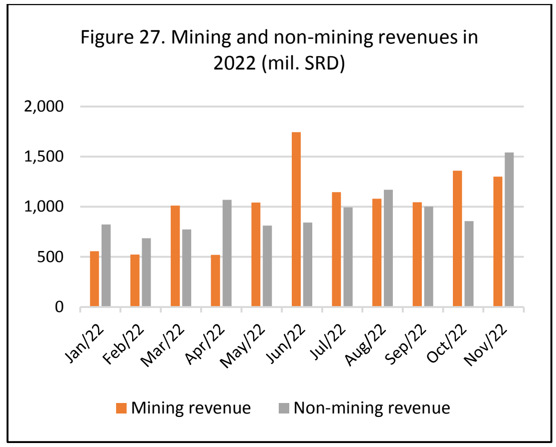
Source: Recovery plan 2020-2022, edited by SDMO

Public Finance and Government Debt

Up to and including November 2022, government revenues amounted to SRD 21.9 billion compared to expenditures of SRD 22.2 billion (figure 26). Up to that point there was a financing deficit (overall balance) of SRD 274.5 million, which is approximately -0.3 percent of GDP[9]. The funding of the deficit came mostly from disbursements on foreign loans.

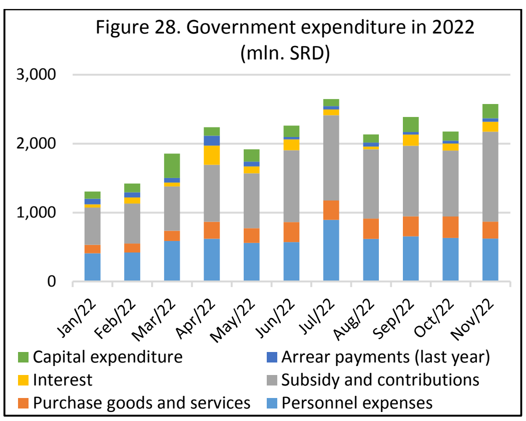


Source: Ministry of Finance & Planning

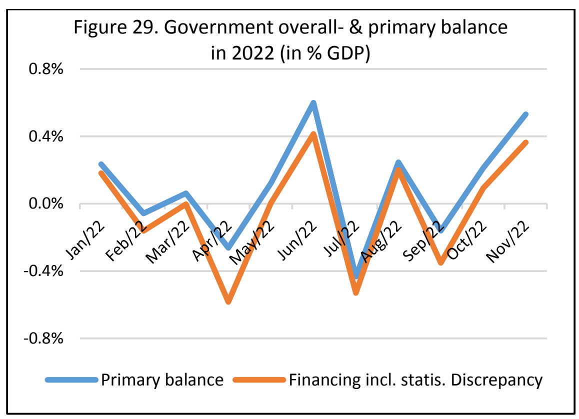


Source: Ministry of Finance & Planning

The primary balance of the government[10], on the other hand, shows a surplus of approximately SRD 944.0 million up to and including November 2022, which is approximately 1.1 percent of GDP (figure 29). This surplus is still well below the standard of 1.7 percent for 2022 as set in the IMF-EFF Program. It is not expected that the result of government finances in December 2022, will lead to the realization of this target in 2022. Figure 26 indicates that government finances have improved over the past two years. However, it is not going at a fast pace to achieve the fiscal targets that are set in the program.



Source: Ministry of Finance & Planning



Source: Ministry of Finance & Planning

The analysis of government expenditure shows the following pattern. After temporizing expenditure in the months of August to October, it increased in November. Figure 28 shows that in addition to subsidies and contributions, interest payments and capital expenditure have also increased in November. The increase in interest payment is related to the settlement of some interest arrears on external debt, while rising capital expenditures were mostly funded by disbursements from external loans for the implementation of projects and from domestic creditors for infrastructure works.

9 The GDP figure used for this calculation is SRD 86,482.0 million and is an estimate of the IMF for the year 2022

10 The **government financing or overall balance**, is the difference between government revenue and current government expenditure, excluding disbursements and repayments on debt. The **primary balance** is the difference between government revenue and non-interest-bearing expenditure. The primary balance is the most accurate reflection of the budgetary policy decisions of the government, it is basically the financing balance, which does not include interest charges on the expenditure side.

The largest government expenditures are structurally subsidy and contributions and personnel expenses. Up to and including November, these 2 items accounted for 45 percent and 30 percent respectively of the total government expenditures in 2022. The total subsidies amounted to approximately SRD 10 billion in this period and the largest recipients of these are:

- EBS: 29 percent
- SZF: 10 percent.
- Health sector: 15 percent
- Fuel: 14 percent. In November, an additional payment was made to SOL, whereby SRD 202 million was paid extra for fuel subsidy to this entrepreneur.

On February 24, 2023 the government budget was approved after amendments had been made. The budget indicates a primary surplus that will amount to 2.6 percent of the estimated GDP for 2023, while the financing deficit amounts to approximately 1 percent. The target within the IMF-EFF program for the primary balance in 2023 is set at 3.5 percent of GDP. This surplus is necessary to be able to pay off the (rescheduled) debts. In the discussions that are currently being held between the Government of Suriname and the IMF regarding the adjustments of some targets within the program, the proposal is to reduce this surplus to 2.5 percent of GDP in 2023.

Table 4. Approved government budget over 2023

	In billion SRD	**In % GDP**
Total revenues including disbursements	50,8	42,4 %
Total expenditures including redemptions	52,7	43,9 %
Primary balance	3,1	2,6 %
Financing balance	-1,2	-1,0 %
Overall balance (total revenues – expenditures)	1,9	-1,6 %

Source: "Wijzigingen Ontwerp Wet Staatsbegroting 2023" with calculations by SDMO
Estimated GDP 2023 = SRD 119.9 billion (IMF- estimate)

Table 5 evaluates the measures relating to public finances that are mentioned in the Economic Recovery Plan 2020-2022 and reviews what has been achieved. The plan aims to improve the government's primary balance by about 14 percentage points of GDP over the period 2021-2024.

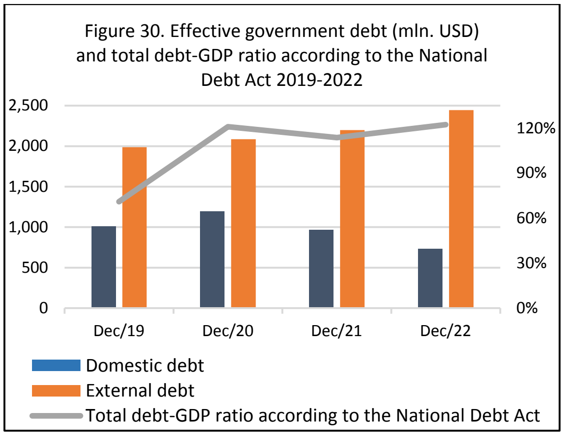
At the end of 2022, the total effective government debt amounted to USD 3.2 billion, the equivalent of SRD 101.1 billion. The total debt-to-GDP ratio according to the National Debt Act, at that time was 122 percent. At the end of 2021, the effective debt was also USD 3.2 billion, but the national debt was SRD 114.4 billion. Compared to 2021, the effective debt in SRD has increased by 51 percent in the past year. The 51 percent increase in debt in 2022 is due to the following reasons:

- Total disbursements minus principal was (USD 316.5 billion – USD 134.5 billion) USD 182.0 billion;
- Arrears on the total debt portfolio increased by 12 percent to USD 523.5 million;
- Exchange rate depreciation of the SRD against the USD of 33 percent in 2022. In addition, there had also been an exchange rate depreciation of the Euro, CNY and SDR against the USD of 6 percent, 10 percent and 5 percent respectively in last year. The foreign exchange risk on the government debt with a share of 88 percent (figure 31) is very high and contributes to the rising debt in case of unstable exchange rates.

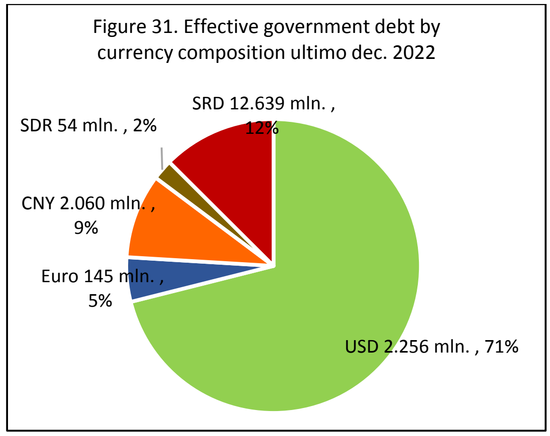
Table 5. Implementation of measures with regard to public finances in the Recovery Plan 2020-2022

Revenue enhancing measures		Expenditure reducing measures	
Measures	**Realization**	**Measures**	**Realization**
1. Solidarity levy on wages and salaries income tax on natural persons and entities.	Act approved on January 20, 2021. Effective from February 1, 2021 to January 1, 2022.	1. Reduce expenses of all ministries with at least 10%.	In the 2020 budget this measure was applied to all ministries. In the years after 2020 this measure was released.
2. Negotiate with the 2 largest gold companies for solidarity levy of around 7% of royalties.	Not yet realized.	2. Phasing out subsidies to EBS.	In process. As of June 1, 2022, the rates have already increased by 15%.
3. Collection of back taxes.	The tax authorities have started this and have already collected some resources.	3. Clean up the Basic Health Insurance database.	Not yet realized.
4. Revision policy exemptions on semi-finished products and discounts on capital investments.	The tax office is currently discussing with businesses about how to further develop and realize this measure.	4. Public Sector Reform phase 1 & 2	In process. In February 2023 the amended personnel law was approved.
5. Increase sales tax from 10% to 12%.	Act passed on August 12, 2021. Effective from October 1, 2021.	5. Amendment national debt act.	Act approved in parliament, yet to be published.
6. Introduction VAT.	Act passed on August 30, 2022. Effective from January 1, 2023.	6. Restructuring of government debt.	In process. Debt to the Paris Club already restructured. For domestic debt some of the debt to commercial banks and debt for infrastructure works have already been restructured.
7. Increase government take on gasoline with SRD 1.	Effective from August 23, 2020.		
8. Increase export tax round wood.	Missive issued February 17, 2023.		
9. Adjustment of fish export tariff.	Not yet realized. There is already a proposal developed and will be implemented this year.		
10. Increase royalties from 2.75% to 7.5% on gold from small-scale gold mining.	The royalties were increased in January 2022 from 2.75% to 4.5%.		
11. Adjustment of land rent.	Missive issued February 17, 2023. Earnings in 2024.		
12. Conversion land rent to property right.	According to the 2023 budget this measure will be approved and implemented in 2023.		
13. Installation of container scan on the port.	This was taken into use on May 5, 2022.		
14. Adjustment wealth tax.	Not yet realized.		
15. Funding COVID virus disease emergency loan by CDB for $8.2 million.	Agreement signed on July 6, 2020. In December 2021 it was fully disbursed.		

Source: Recovery plan 2020-2022, edited by SDMO



Source: SDMO



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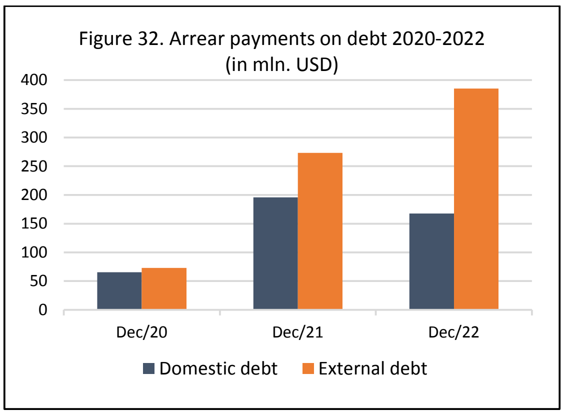

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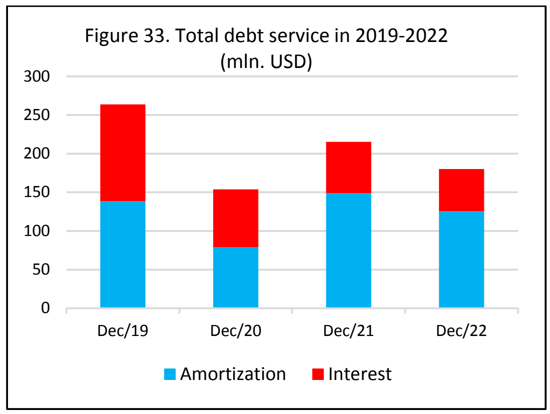

Source: SDMO

In the past year, the restructuring process of external commercial and bilateral debt has not been fully completed. Only the debt with Paris Club bilateral creditors have been settled. As a result, arrears on the total government debt have increased. At the end of December 2022, the total arrears on these loans amounted to USD 385 million (figure 32).

The arrears on domestic debt decreased by 6 percent and amounted to SRD 4.4 billion, at the end of December. This decrease is mainly due to the roll-over of treasury bills and the settlement of interest arrears on the consolidated debt with the CBvS. In total, SRD 1.3 billion in treasury bills, which had been in arrears for some time, were rolled over and approximately SRD 562.7 million on the arrears of interest on the consolidated debt with the CBvS was paid. Total debt payments in 2022 amounted to approximately USD 180 million (figure 33).

Selected macroeconomic indicators

Annual statistics 2017-2023									
Real Sector	**2017**	**2018**	**2019**	**2020**	**2021**	**2022** Est.	**2023** proj.	**2024** proj.	**Source**
Economic growth (%) *	1.6	4.9	1.1	-15.9	-3.5	1.8	2.3	3.0	ABS/IMF Est.+ proj.
Economic growth (%)	1.6	4.9	1.1	-15.9	-2.7	2.1	2.4	3.3	ABS/SPS Est.+ proj.
GDP nominal market pr. (mil. SRD)	26,893	29,822	31,732	38,720	58,799	86,482	119,880		ABS/IMF Est.+proj.
GDP per capita in USD	6,157	6,772	6,663	4,787	4,681	4,842	4,994		IMF
National Income per capita in USD	5,432	6,059	6,367	6,001	4,356				ABS/calcul. SDMO
Inflation rate – average (%)	22.0	6.9	4.4	34.9	59.1	52.4	27.2	14.0	ABS/IMF
Inflation rate – e.o.p. (%)	9.3	5.4	4.2	60.7	60.6	25.8	22.9	12.1	ABS/IMF
Economic growth (%)	7.0	9.0	8.8	11.1	11.2	10.9	10.6	10.3	IMF
Balance of Payments (combination cash- and accrual base) From 2017 the data presented in based on the Balance of Payment Manual 6									
Total export- Goods & Services (mil. USD)	2.143,4	2.235,8	2,286.8	2,446.4	2,299.5	**2,598.6**			CBvS
• Gold	1,608.4	1,631.6	1,732.2	1,959.5	1,792.1	1,869.6			CBvS
• Alumina	0	0	0	0	0.0	0.0			CBvS
• Oil	178.1	206.6	171.0	154.4	204.0	347.3			CBvS
• Rice and banana	50.9	52.6	45.6	43.5	34.5	26.0			CBvS
• Wood and wood products	59.5	69.1	71.4	89.1	72.3	85.9			CBvS
• Fish and shrimp	38.8	41.6	37.5	33.5	31.9	32.4			CBvS
• Other goods	56.1	68.6	68.7	65.1	69.0	86.7			CBvS
• Net exports goods under merchanting		-6.9	-5.0	2.8	-1.3	7.9			CBvS
• Services	158.3	170.7	157.4	102.6	95.9	143.0			CBvS
Total import- Goods & Services (mil. USD)	1,779.9	2,069.8	2,412.7	1,845.1	1,876.4	2,341.6			CBvS
• Services	569.3	666.9	815.1	562.6	537.9	640.2			CBvS
Balance current account (mil. USD)	69.2	-118.7	-448.3	259.8	176.1	67.2			CBvS
Balance Cap. + Fin. Acc. (mil. USD) **	-112.6	-299.2	-535.2	219.9	-44.5	-12.4			CBvS
Balance current account (% GDP)	2.0	-3.0	-10.6	6.3	5.5	1.9			CBvS/calcul. SDMO
Balance Cap. + Fin. Acc. (% GDP) **	-3.2	-7.5	-12.7	5.3	-1.4	-0.4			CBvS/calcul. SDMO
Statistical discrepancies (% GDP)	-4.5	-0.8	-6.8	-3.0	3.8	4.0			CBvS/calcul. SDMO
Total imports (F.O.B. value mil. USD)	1,210.5	1,402.9	1,597.6	1,282.5	1,338.5	1,701.4			CBvS
• Investment & transportation	485.7	570.6	698.4	507.8	510.3	604.5			CBvS
• Oil	264.6	286.3	235.3	235.3	293.3	438.9			CBvS
• Consumption goods	190.7	202.1	219.5	194.0	206.2	246.9			CBvS
• Chemical goods	120.2	129.4	131.5	137.3	132.8	168.4			CBvS
• Other goods	196.8	236.2	262.0	208.1	195.9	242.7			CBvS
	2017	**2018**	**2019** .	**2020**	**2021**	**2022** Est.	**2023** proj.	**2024** proj.	**Source**
Internationally Reserve (mil. USD)	424.4	580.7	647.5	585.0	992.2	1,194.6			CBvS
World market prices in USD									
Gold USD/troz	1,257.1	1,268.5	1,392.6	1,769.6	1,798.6	1,800.1	1,700.0	1,650.0	World bank proj. Oct. 22
Crude oil USD/bbl.	52.8	68.3	61.4	41.3	69.1	97.1			World bank proj. Oct. 22
Crude oil USD/bbl.	54.4	71.1	64.0	42.3	70.4	99.8	92.0	80.0	IMF proj. Oct.22

Monetary and Financial sector									
Liquidity ratio (M2 in % GDP)	65.4	64.4	73.6	84.9	80.5	80.3			CBvS/calcul. SDMO
Balance of credit by banking sector to government (mil. SRD)	2,191.6	2,312.4	2,369.5	3,747.6	3,293.0	2,900.0			CBvS/calcul. SDMO
Balance of credit by banking sector to private sector (mil. SRD)	8,164.1	8,094.6	8,218.8	10,787.0	14,037.0	22,719.0			CBvS/calcul. SDMO
Selling rate SRD/USD (e.o.p.)	7.5	7.5	7.5	14.3	21.1	31.9			CBvS
Selling rate SRD/USD average	7.6	7.5	7.5	9.4	18.5	24.6			CBvS
Selling rate SRD/Euro (e.o.p.)	8.9	8.6	8.4	17.6	23.0	33.9			CBvS
Selling rate SRD/Euro average	8.5	8.9	8.4	10.8	21.1	33.6			CBvS
Average SRD lending interest rate	14.3	14.4	15.2	14.8	14.9	14.7			CBvS
Interbank SRD interest rate	17.4	10.1	11.7	11.9	9.4	85.0			CBvS
Average USD lending interest rate	9.1	8.3	8.6	7.9	8.5	8.1			CBvS
Average Euro lending interest rate	8.8	8.5	8.3	8.3	8.2	7.8			CBvS
Government Finance and Debt (cash base)									
Overall balance including statistical differences. (% GDP)	-8.7	-10.1	-18.4	-9.6	1.8				MoF/calcul. SDMO
Commitment balance including Statistical differences. (% GDP)	-7.8	-6.8	-15.8	-11.0	2.4				MoF/calcul. SDMO
Primary non-mineral balance in % of non--mineral GDP	-18.3	-20.6	-31.0	-19.6	-12.9				MoF/calcul. SDMO
Fiscal impulse (%)	3.5	2.3	10.4	-11.4	-6.6				MoF/calcul. SDMO
Governm. Debt (national def.) (Mil. SRD??)	18,093.6	18,703.8	22,513.4	46,797.4	67,261.9	71,841.8			SDMO
Effective Governm. Debt (intern. def.) (mil. USD)	2,406.1	2,487.2	2,993.8	3,274.8	3,158.4	3,174.2			SDMO
External debt (mil. USD)	1,682.7	1,715.9	1,987.1	2,084.1	2,197.9	2,443.5			SDMO
Domestic debt (mil. USD)	723.4	771.3	1,006.7	1,190.5	960.6	731.3			SDMO
Domestic debt to banking sector (mil. USD) **	290.2	347.6	396.0	392.6	212.1	172.3			SDMO
Effect. Debt-GDP ratio (%)	67.3	62.7	70.9	120.9	114.4	116.9			SDMO
Governm. Debt nat.def. GDP ratio (%)	67.3	62.7	70.9	120.9	114.4	122.2			SDMO
Disbursements on external debt (mil. USD)	291.8	186.3	357.7	87.9	102.6	299.3			SDMO
Debt service payments (mil. USD)	212.7	357.5	263.7	153.8	215.3	203.5			

Quarterly statistics 2021-2022

Balance of Payments (cash base)	**2021 Q1**	**2021 Q2**	**2021 Q3**	**2021 Q4**	**2022 Q1**	**2022 Q2**	**2022 Q3**	**2022 Q4**	**Source**
Total export- G+S (mil. USD)	**546.38**	**535.95**	**566.75**	**650.38**	**665.55**	**652.01**	**596.46**	**685.22**	CBvS
• Gold	431.31	417.56	442.09	501.12	477.19	458.21	426.18	508.01	CBvS
• Oil	47.10	41.47	51.35	64.08	90.84	94.48	83.94	77.99	CBvS
• Rice and banana	8.79	9.37	8.94	7.36	5.93	7.69	6.93	5.43	CBvS
• Wood and wood products	16.06	23.53	13.15	19.53	29.85	19.65	12.97	23.39	CBvS
• Fish and shrimp	7.56	7.70	8.23	8.44	8.47	8.42	9.21	6.34	CBvS
• Other goods	13.97	16.66	17.77	20.58	20.99	26.99	19.49	19.60	CBvS
• Net export goods under merchanting	0.05	-0.19	0.34	-0.37	-0.27	2.79	2.20	3.18	CBvS
	2021 Q1	**2021 Q2**	**2021 Q3**	**2021 Q4**	**2022 Q1**	**2022 Q2**	**2022 Q3**	**2022 Q4**	**Source**
• Services	21.55	19.85	24.89	29.66	32.54	33.61	35.55	41.28	CBvS
Total import- G+S (mil. USD)	**384.31**	**425.05**	**517.46**	**549.58**	**517.4**	**585.5**	**603.1**	**635.5**	CBvS
• Services	104.57	128.07	146.83	158.46	155.32	161.57	158.35	164.93	CBvS

Balance current account (mil. USD)	116.75	37.38	18.70	3.24	102.26	-2.40	24.02	-56.64	CBvS
Balance Cap. + Fin. account (mln. USD)***	140.10	-3.86	-146.66	-34.27	192.74	-130.41	99.05	-173.81	CBvS
Balance Current account (% GDP)	2.84	1.05	0.68	0.12	2.48	-0.06	0.70	-2.00	CBvS/calcul. SDMO
Balance Cap. + Fin. Acc. (% GDP)**	3.40	-0.11	-5.34	-1.26	4.67	-3.21	2.87	-6.12	CBvS/calcul. SDMO
Statistical discrepancies (% GDP	-0.27	-0.29	2.75	2.50	-0.03	-0.61	4.13	0.83	CBvS/calcul. SDMO
Total imports (F.O.B. value mil. USD)	**279.75**	**296.98**	**370.64**	**391.13**	**362.12**	**423.89**	**444.80**	**470.61**	CBvS
• Investment & transportation	118.58	123.74	132.22	135.76	135.87	141.59	158.93	168.14	CBvS
• Oil	50.46	49.80	87.68	105.35	81.04	114.75	112.32	130.79	CBvS
• Consumption goods	40.73	46.56	59.19	59.74	54.08	61.48	61.37	69.94	CBvS
• Chemical goods	23.36	31.91	40.51	37.03	35.61	45.39	46.95	40.49	CBvS
• Other goods	46.61	44.97	51.04	53.25	55.52	60.67	65.22	61.25	CBvS
Government Finance and debt (cash base)									
Primary balance (% GDP)	0.3	2.0	1.4	0.1	0.2	0.5	-0.3		MvF/calcul. SDMO
Overall balance including statistical differences. (% GDP)	0.1	1.6	0.3	-0.3	0.1	-0.3	-0.7		MvF/calcul. SDMO
Commitment balance including statistical differences. (% GDP)	0.1	1.7	0.6	-0.1	0.3	0.1	-0.5		MvF/calcul. SDMO

Monthly statistics March 2022 – February 2023

	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Source
Inflation (%)													
Inflation – month to previous month	2.2	1.9	2.7	9.1	1.7	4.0	3.3	6.5	3.7	4.7	3.7	3.3	ABS
Inflation – month to. month of previous year	62.2	59.8	57.5	55.1	49.2	39.1	41.90	49.0	49.5	54.6	55.6	57.9	ABS
International Reserve in USD													
International Reserve	899	886	951	983	991	1.018	1.029	1.045	1.032	1.195	1.219	1.188	CBvS
World market prices in USD													
Gold USD/troz	1,948	1,934	1,848	1,834	1,736	1,766	1,683	1,665	1,726	1,797	1,899	1,855	World Bank
Crude oil USD/bbl.	112.4	103.4	110.1	116.8	105.1	96.0	88.2	90.3	87.4	78.1	80.4	80.3	World Bank
Liquidity ratio (M2 in % GDP) and balance of credit from the banking sector (mil. SRD)													
Liquidity ratio	55.1	55.9	57.1	59.0	*62.0*	64.5	67.8	73.6	78.6	80.3	59.0	61.6	CBvS/calcul. SDMO
M0 (broad definition)	18,881	19,110	20,025	20,280	21,413	22,654	23,723	25,205	26,514	27,470	29,489	28,890	CBvS
M2	47,619	48,347	49,351	51,037	*53,652*	55,804	58,625	63,625	67,958	69,486	70,738	73,877	CBvS
Balance of total credit	17,247	17,329	18,011	18,885	19,558	20,534	21,555	23,331	24,911	25,619	26,026	26,984	CBvS/calcul. SDMO
Balance of credit to government	4,546	4,346	4,283	4,390	*4,585*	4,838	5,059	5,576	5,919	5,869	5,839	6,000	CBvS/calcul. SDMO
Balance of credit to private sector	12,701	12,984	13,728	14,495	14,973	15,696	16,497	17,756	18,992	19,751	20,186	20,984	CBvS/calcul. SDMO
CBvS Exchange rates (selling rates banknotes) ****													
SRD/USD (e.o.p.)	20.8	20.9	21.3	22.5	24.4	25.1	28.9	29.8	31.8	31.9	32.5	33.8	CBvS
SRD/USD average	20.7	20.8	21.1	22.0	23.1	24.6	27.4	28.5	30.7	31.9	32.3	33.2	CBvS
SRD/Euro (e.o.p.)	22.4	21.9	22.1	23.0	24.6	24.8	27.0	28.6	32.6	33.9	34.9	35.4	CBvS
SRD/Euro average	22.4	22.3	21.9	22.5	22.1	24.5	26.4	27.8	31.0	33.6	34.2	35.2	CBvS
SRD credit	14.9	15.0	15.0	15.0	14.9	14.8	14.8	14.6	14.5	13.4	13.3	13.5	CBvS
Interbanking SRD interest rate	9.3	11.5	11.5	10.0	10.0	10.0	10.0	85.0	-	-	-	-	CBvS
USD credit	8.2	8.2	8.1	8.1	8.0	8.0	8.0	8.1	8.1	8.2	7.9	7.9	CBvS
Euro credit	7.9	7.9	7.8	7.8	7.7	7.8	7.7	7.7	7.6	7.5	7.4	7.4	CBvS
Government finance (mil. SRD) en debt (mil. USD)													
Tot.Revenues cash base	1,785	1,588	1,853	2,586	2,140	2,250	2,046	2,215	2,841				MoF

	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Source
Tot. Expend. cash base	1,788	2,093	1,849	2,228	2,599	2,076	2,351	2,135	2,526				MoF
Government debt (national def.-mil. SRD)	68,433	68,026	68,845	68,750	68,579	68,743	68,461	68,355	68,417	71,842	72,343	71,775	SDMO
Debt to central bank (mil. SRD)	11,239	11,093	11,177	11,140	11,202	11,263	11,214	11,275	11,335	11,250	11,310	11,149	SDMO
Domestic debt to banking sector (mil. USD)***	4,473	4,273	4,184	4,273	4,542	4,659	4,799	5,217	5,554	5,489	5,579	5,726	SDMO
Effective debt (intern. Def.mil. USD)	3,205	3,179	3,205	3,184	3,144	3,121	3,091	3,038	3,013	3,175	3,189	3,150	SDMO
External debt (mil. USD)	2,248	2,249	2,292	2,291	2,281	2,288	2,279	2,274	2,277	2,443	2,450	2,436	SDMO
Domestic debt (mil. USD)	957	929	913	893	849	833	812	764	736	731	739	714	SDMO
Government debt (National def.)-GDP ratio	116	116	117	117	117	117	116	116	116	122	123	122	SDMO
Disbursements on external debt (mil.USD))	23.2	0.3	51.9	1.8	3.6	19.7	1.1	4.6	10.4	161.2	4.2	0.1	SDMO
Tot. Debt service paym. (mln. USD)	8.3	30.3	23.5	15.7	16.1	6.8	12.0	13.8	31.1	25.2	18.9	18.0	SDMO

e.o.p. = end of period
ABS = General Bureau of Statistics, IMF- International Monetary Fund, CBvS = Central Bank of Suriname, MoF = Ministry of Finance & Planning, SDMO = Suriname Debt Management Office
* GDP figures of 2018 -2021 are prelimenary figures.
** This is the balance of capital transfers and the financial account of the balance of payments saldo
*** Government domestic debt of the banking sector includes treasury paper and loans.

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, revenues 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 GDP of the respective year, while the legal national debt-GDP ratio is based on the latest GDP figure from the ABS.