



CENTRAL BANK of SOLOMON ISLANDS
P.O. BOX 634, Honiara, Solomon Islands

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CBSI Release 2017 Financial Stability Report

(Honiara 06.06.18) - “The Central Bank of Solomon Islands (CBSI) is pleased to announce the release of its second edition of Financial Stability Report (FSR).

The report covers CBSI’s assessment of vulnerabilities and risks undermining or likely to be undermining Solomon Islands financial sector, infrastructure, and system as well as policy actions taken by the CBSI to mitigate impacts of those vulnerabilities and risks to the system across 2017.

The report highlights that new risks have emerged since the publication of the first edition of *FSR*. These risks included the marginalization of one bank from the global financial system, the entry of demonetized foreign currencies and counterfeit Solomon Islands banknotes into the system, and the emergence of cyber security risks.

There are four chapters in the report. The first chapter contains the summary of the report. An overview of developments in global financial system is presented in chapter two. Chapter three discusses the vulnerabilities and risks that Solomon Islands financial system is exposed to and describes policy actions that CBSI has taken across 2017 to reduce the exposure of Solomon Islands financial system to those vulnerabilities and risks. The fourth and final chapter of the report discusses developments of the banking, superannuation, insurance, and credit union sectors across 2017.

The *FSR* is published biannually and the next *FSR* will be released in August. The full copy of the second edition of the *FSR* is available at the CBSI website: www.cbsi.com.sb

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