

Monthly Economic Bulletin

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Content	Page
I. Monetary Developments	1
II. External Conditions	1
III. Government Finances	2
IV. Domestic Production	2-3
V. Key Economic Indicators	4

I. MONETARY DEVELOPMENTS

Money supply (M3) dropped by 1% in November 2025 to \$6,817 million, after a 5% expansion in October. The contraction was driven by a 1% fall in narrow money (M1), which fell to \$5,864 million from \$5,936 million in the preceding month. In contrast, other deposits (time and savings) edged up by 0.4% to \$954 million during the month.

Net foreign assets (NFA) of the banking system dipped by 2% in November 2025 to \$5,954 million, following a 6% growth in October 2025. The decline primarily reflected a 2% fall in the Central Bank's NFA to \$5,915 million. NFA of other depository corporations (ODCs) fell to \$39 million in November from \$91 million in October. On an annual basis, NFA increased by 12%.

Credit to private sector (PSC) expanded slightly by 0.3% to \$2,910 million in November, continuing from the 1% growth in the previous month. Net credit to government (NCG) continued to decline in November, falling by 2% to \$491, indicating a fall in government deposits in the banking system during the month. On an annual basis, PSC grew marginally by 2% whilst NCG fell by 25%.

Free liquidity in the banking system fell by 2% to \$3,469 million in November 2025. The downturn was due to the decline in the Commercial Banks' call account deposits held at CBSI. Meanwhile, the minimum required reserve reached \$325 million in November, 2% down from the previous month.

Domestic Market Operations

The stock of CBSI's Bokolo Bills remained capped at \$430 million during the month. The weighted average yield (WAY) for Bokolo bills was maintained at 0.40% as in the previous month. Meanwhile, total Treasury bills (T-Bills) tendered during the month amounted to \$21 million, of which only \$14 million was accepted by CBSI. The T-bills WAY for 56 days edged up to 0.75% from 0.74% in October, while the WAY for 91 days and 182 days remained unchanged at 1.16% and 2.39% respectively, as in the preceding month.

II. EXTERNAL CONDITIONS

Trade in Goods

In November 2025, the trade surplus in goods declined to \$57 million, compared with \$81 million recorded in October. This outcome was driven by a 6% increase in imports to \$433 million, alongside a marginal growth of 0.02% rise in exports to \$491 million. The modest pickup in exports was supported by minerals, agricultural products, and other exports (including re-exports), which outweighed the decline in logs and fish exports. In contrast, the increase in imports was attributed to higher inflows of fuel, machinery, and basic manufactured goods.

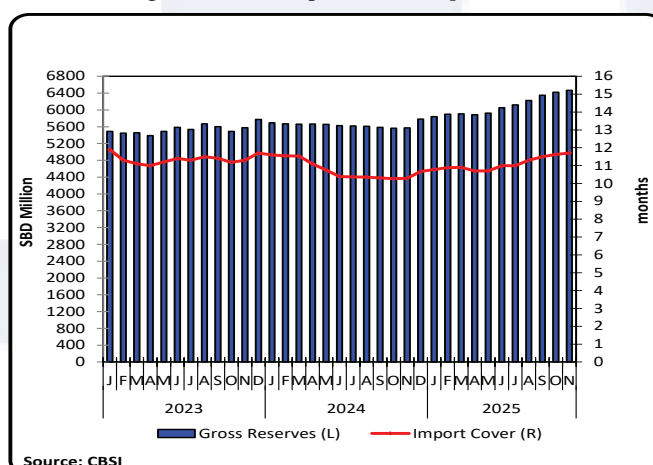
Remittances

In November 2025, inward remittances processed through money transfer operators increased to \$53 million from \$30 million in the previous month. Meanwhile, outward payments rose to \$38 million from \$22 million in October. Consequently, net remittances recorded a surplus of \$15 million, compared to \$8 million surplus in the previous month.

Gross Foreign Reserves

Gross foreign reserves rose marginally by 1% to \$6,469 million in November 2025, driven by higher trade receipts during the month. This level of reserves is adequate to cover 11.7 months of imports of goods and services.

Figure 1: Gross Foreign Reserve & Import Cover.



¹The annual growth is a comparison against December 2024

²Free liquidity is the total liquidity excluding the minimum required reserves.

Exchange Rate

In November, the Solomon Islands dollar (SBD) slightly depreciated by 0.04% against the United States dollar, settling at \$8.25 per USD. Conversely, the SBD appreciated against the Australian dollar and New Zealand dollar by 0.6% and 1.94% to \$5.37 per AUD and \$4.66 per NZD, respectively. The SBD also strengthened against the British pound, Japanese yen, and the euro. Overall, these mixed currency movements resulted in a 0.3% decline in the trade-weighted index (TWI), to 112.4 points at the end of the month.

II: GOVERNMENT FINANCE

The government posted an operational deficit of \$108 million in November 2025, broadly unchanged from \$107 million deficit in October. The negative outcome was driven by a notable decline in revenue, which more than offset expenditure restraint. Total revenue fell by 29% to \$288 million, reflecting weaker collections from customs and excise duties and non-tax receipts, owing to subdued economic activity and compliance challenges. Meanwhile, total expenditure contracted by 22% to \$396 million, largely due to reduce payments for goods and services.

The Central Government's total debt stock grew marginally by 0.5% to \$4,225 million at the end of November, mainly driven by an additional loan disbursement from the World Bank. Consequently, external debt increased by 2% to \$2,818 million, while domestic debt fell by 2% to \$1,408 million due to debt servicing repayment. During the month, debt servicing totaled \$51 million, comprising \$43 million in principal repayments and \$8 million on interest charges.

V: DOMESTIC ECONOMY

The preliminary Monthly Production Index dropped sharply in November, falling from 140 points to 104 points. The outcome was driven by significant declines in forestry (8 points), mining (6 points), and agriculture (24 points), while fishing showed modest growth (2 points). In terms of actual production, round log output decreased to 67,288 cubic meters, from 89,255 cubic meters in October. Mineral production dwindled by 19% to 8,025 gold equivalent ounces, coconut oil dropped by 43% to 403 tons, cocoa fell by 36% to 121 tons, and copra decreased by 8% to 2,889 tons. Meanwhile, fish catch increased by 11% to 3,036 tons.

The commodity price index edged down to 113.9 points in November from 114.8 points in October, reflecting weaker prices across several major commodities. Palm oil prices dropped by 7% to US\$970 per ton, while cocoa prices declined by 6% to US\$5,610 per ton. Coconut oil prices also eased by 3% to US\$2,469 per ton.

In the forestry sector, round logs and timber prices fell by 2% to US\$192 and US\$715 per cubic meter, respectively. In contrast, fish prices climbed by 4% to US\$1,583 per ton, while gold prices edged up by 1% to 4,087 per ounce.

National Consumer Price Index, Inflation (MoM)

The National Consumer Price Index (NCPI) remained unchanged at 132.7 points in October, reflecting net movements in the CPI baskets during the month. Food and non-alcoholic beverages, particularly fruit and vegetables prices, declined during the month. Conversely, prices of alcoholic beverages, tobacco and narcotics and housing utilities categories increased compared to the previous month.

Headline Inflation (YoY - 3mma)

On a year-on-year basis, headline inflation eased to 5.6% in October, from 5.7% in September. This outcome reflected lower domestic inflation, which fell to 7.9%, from 8.2% mainly due to reduced price pressures in the food and non-alcoholic categories. Meanwhile, imported inflation edged up to 0.2% in October from 0% in September. Similarly, core inflation increased marginally to 0.3% from the previous month.

Figure 1: Headline and Core inflation

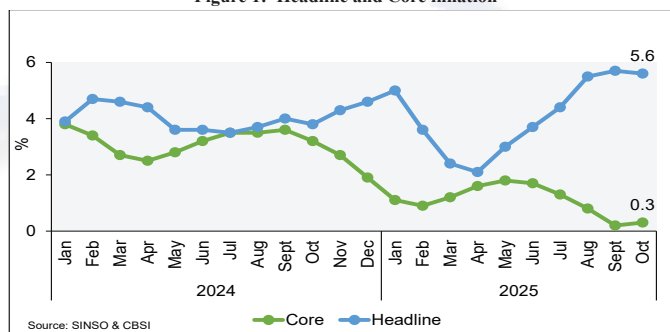
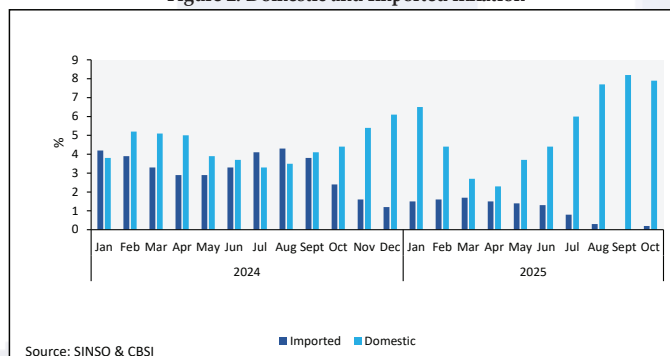


Figure 2: Domestic and Imported inflation



CBSI Monthly Price Index (MPI)

The CBSI Monthly Price Index (MPI) for selected consumption items dropped from 113.8 points in October to 106.1 points in November, indicating a general decline in consumer prices across monitored items.

The price of a 40lb bag of Solrice declined by \$5 to \$144 and liquefied petroleum (LP) gas reduced by \$4.73 to \$26.58 per kilogram. The average price of betel-nut went down by 67 cents to \$1.50 per nut, while

household electricity tariffs fell by 28 cents to \$6.48 per kilowatt-hour. On the other hand, fuel prices recorded a marignal increase of 13 cents to \$9.66 per litre.

Solomon Islands Key Economic Indicators

		Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25
Consumer price index (%)	Headline inflation (3mma, YoY)	3.7	4.4	5.5	5.7	5.6	na
	Underlying inflation (3mma, YoY): core 3	1.7	1.3	0.8	0.2	0.3	na
	Headline inflation(MoM)	0.8	1.8	2.4	-1.6	0.0	na
CBSI Monthly Price Index	Weighted Index	103	104	103	112	114	106
Production Index	Index	82	127	125	96	140	104
Trade ¹	Exports (\$ millions)	394	555	418	488	490	491
	Imports (\$ millions)	393	621	504	458	409	433
	Trade Balance (\$ millions)	1	-66	-86	30	81	57
Exchange Rates (Mid-rate, Monthly average)	SBD per USD	8.35	8.30	8.25	8.23	8.25	8.25
	SBD per AUD	5.42	5.43	5.36	5.43	5.40	5.37
	SBD per NZD	5.03	4.98	4.87	4.85	4.75	4.66
	SBD per GBP	11.32	10.76	11.09	11.12	11.02	10.84
	SBD per 100 JPY	5.78	5.66	5.59	5.57	5.46	5.32
	SBD per EUR	9.38	8.92	9.60	9.66	9.60	9.54
	SBD Currency Basket Index	114.2	112.3	112.2	111.9	112.02	112.38
Gross Foreign Reserves(eop)	\$ millions	6,054	6,120	6,224	6,349	6,422	6,469
Import Cover	Months	11.0	11.0	11.3	11.5	11.6	11.7
Liquidity ² (eop)	Free Liquidity (\$ millions)	2,788	2,829	2,855	2,869	3,541	3,469
Money and credit ² (eop)	Narrow Money, M1 (\$ millions)	5,577	5,621	5,726	5,637	5,936	5,864
	Broad Money, M3 (\$ millions)	6,531	6,547	6,659	6,582	6,886	6,817
	Private Sector credit (\$ millions)	2,842	2,895	2,867	2,883	2,901	2,910
Interest Rates (weighted average yield)	28-days Bokolo Bills rate (%)	0.38	0.39	0.40	0.41	0.40	0.40
	56-days Treasury Bills rate (%)					0.74	0.75
	91- days Treasury Bills rate (%)	1.15	1.15	1.15	1.15	1.16	1.16
	182-days Treasury Bills rate (%)	2.39	2.39	2.39	2.39	2.39	2.39
	365-days Treasury Bills rate (%)	2.60	2.59	2.59	2.58		
Government Finance	Revenue (\$ millions)	324	313	262	395	403	288
	Expenditure (\$ millions)	323	395	259	332	510	396
	Fiscal Balance (\$ millions)	1	-82	3	63	-107	-108
	SIG Debt stock (eop) (\$ millions)	3,753	3,749	3,761	4,042	4,027	4,225
Global Commodity Prices (monthly averages)	CBSI Commodity Price Index	106.0	105.3	106.3	110.1	114.8	113.9
	Round logs - (US\$/m3)	206	203	202	201	197	192
	Gold - (US\$/oz)	3,353	3,340	3,368	3,668	4,058	4,087
	Palm Oil - (US\$/tonne)	935	975	1,026	1,038	1,038	970
	Fish - (US\$/tonne)	1,403	1,422	1,422	1,422	1,516	1,583
	Coconut oil - (US\$/tonne)	2,699	2,771	2,845	2,589	2,547	2,469
	Cocoa - (US\$/tonne)	8,400	7,370	7,602	7,030	5,950	5,610
	Timber - (US\$/m3)	739	736	733	736	728	715

¹ Value in terms of free on Board (FOB)

² Based on weekly statistics provided by other depository corporations (ODCs).

Note;
na : not available at the time of publication.