

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
V. Key Economic Indicators	4

I. MONETARY DEVELOPMENTS

Money supply (M3) grew by 0.5% to \$7,013 million in April 2026, from \$6,980 million in March. This reflected a 1% increase in narrow money (M1) to \$6,075 million from \$6,039 million in the previous month. Conversely, other deposits (time and savings) declined by 0.3% to \$938 million.

Net foreign assets (NFA) of the banking system recorded a 1% decline in April to \$6,018 million from \$6,069 million in March. This decline was due to a fall in the NFA position of other depository corporations (ODCs) to minus \$67 million from minus \$7 million in the previous month. The Central Bank's NFA, however, rose by 0.1% to \$6,085 million. On an annual basis, NFA contracted by 2%¹.

Credit to private sector (PSC) increased by 5% to \$3,090 million in April, rebounding from a slight decline in the previous month. Net credit to government (NCG) decreased to minus \$461 million in April from minus \$558 million in March, reflecting a reduction in government deposits in the banking system.

Free liquidity² in the banking system grew by 3% to \$3,298 million in April 2026, up from \$3,188 million in March. This expansion was driven by an increase in call account deposits held at CBSI and a fall in NCG. Meanwhile, the minimum required reserve level stood at \$364 million in April.

Domestic Market Operations

The stock of CBSI's Bokolo Bills remained capped at \$430 million in April 2026 with a weighted average yield (WAY) of 0.40% as in the previous month. Total Treasury Bills (T-Bills) tendered during the month totalled \$45 million, of which \$38 million was accepted. The T-Bills WAY for 56 days, 91 days and 182 days remained unchanged at 0.75%, 1.16% and 2.39%, respectively, from the previous month.

II. EXTERNAL CONDITIONS

Trade in Goods

The trade in goods recorded a narrower deficit of \$88 million in April 2026, down from \$90 million in the previous month. This improvement reflected stronger export growth, which partially offset the increase in imports during the month. Imports rose by 10% to \$589 million from \$537 million, mainly driven by higher payments on machinery and other imports. Meanwhile, exports increased by 12% to \$501 million, mainly attributed to higher shipments of minerals and agricultural products.

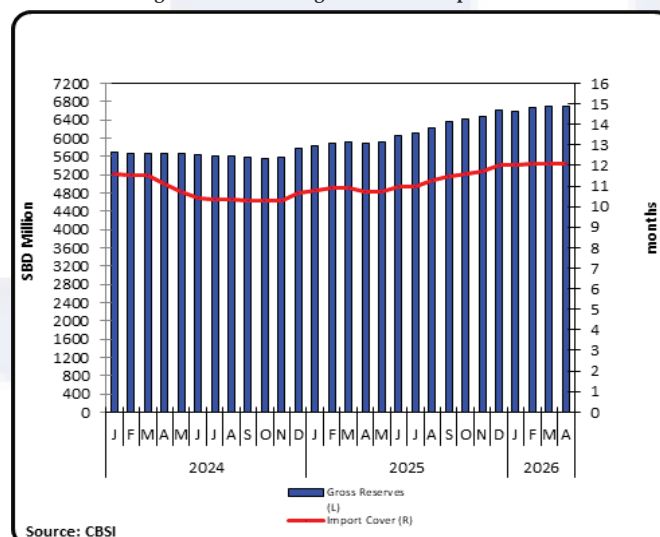
Remittances

Total inward remittances processed through money transfer operators during the month declined by 9% to \$30 million, while outward remittances rose to \$15 million from \$14 million in the previous month. As a result, net remittances recorded a surplus of \$15 million, compared to \$19 million in March 2026.

Gross Foreign Reserves

Gross foreign reserves increased slightly by 0.2% to \$6,685 million in April 2026, supported by inflows from donors and fishing receipts. This level of reserves is adequate to cover 12.1 months of imports of goods and services.

Figure 1: Gross Foreign Reserve & Import Cover.



Source: CBSI

¹ The annual growth is a comparison against December 2025

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

Exchange Rate

The Solomon Islands dollar (SBD) weakened slightly against the United States dollar (USD) by 0.02%, averaging \$8.06 per USD in April. Similarly, the SBD depreciated against the Australian dollar by 0.7% to \$5.72 per AUD. However, it appreciated against the New Zealand dollar by 0.39% to \$4.71 per NZD. The SBD also strengthened against the Japanese yen but weakened against the British pound and the Euro. As a result of these mixed movements, the trade-weighted index declined by 0.1% to 109.6 points during the month.

III: GOVERNMENT FINANCE

The Government recorded a provisional operating deficit of \$46 million in April 2026, reversing the \$74 million surplus posted in the previous month. The outcome reflected lower revenue collections during the month. Total revenue declined by 34% to \$276 million, driven mainly by lower tax and non-tax revenues. Meanwhile, total expenditure fell by 6% to \$322 million, primarily reflecting reduced spending on goods and services.

The Government’s debt stock edged down marginally by 0.1% to \$4,289 million in April, mainly due to debt repayments during the month. In terms of debt composition, domestic debt declined by 1% to \$1,403 million, while external debt increased by 1% to \$2,886 million, largely reflecting exchange rate movements. Debt servicing totalled \$75 million in April, consisting of \$67 million in principal repayments and \$8 million in interest payments.

IV: DOMESTIC ECONOMY

The preliminary Monthly Production Index dropped to 84 points in April 2026 from the revised 129 points in March. The decline was mainly driven by lower activity in the agriculture (25 points), logging (21 points), and fishing (3 points) sectors, which more than offset the positive contribution from the mining sector (4 points). In terms of actual production volumes, cocoa output surged to 313 tons from 46 tons, mineral production increased by 25% to 7,404 gold equivalent ounces, and palm oil grew by 8% to 2,126 tons. Conversely, coconut oil output fell sharply by 57% to 257 tons, copra dropped by 52% to 575 tons, round logs output decreased by 44% to 78 cubic meters, and fishing production declined by 30% to 1,295 tons.

The CBSI Commodity Price Index declined to 122.8 points in April from 126.2 points in the previous month, driven mainly by the decline in fish and mineral prices. Fish price fell by 16% to US\$1,646 per ton, while gold prices recorded a moderate decrease of 3% to US\$4,721 per ounce. On the other hand, cocoa prices rose by 5% to US\$3,397 per ton and palm oil prices increased by

4% to US\$1,148 per ton. Coconut oil and timber prices each edged up by 1% to US\$2,609 per ton and US\$733 per cubic meter, respectively. Meanwhile, round log prices remained relatively stable at US\$187 per cubic meter.

Consumer Price Index, Inflation (MoM)

The National Consumer Price Index (NCPI) dropped to 131.0 points in March from 135.3 points in February. The decrease was mainly driven by lower prices for narcotics (betelnut), vegetables, electricity, household cooking fuels, transport-related fuels and lubricants.

Headline Inflation (Year-on-Year (YoY) -3mma)

Headline inflation (YoY) increased to 4.2% in March 2026 from 2.6% in February. This pick-up was largely driven by a surge in domestic inflation, which rose sharply from 3.8% to 6.0% mainly reflecting higher prices in narcotics (betelnut) category. In contrast, imported inflation remained subdued, recording a deflation of 0.4% in March due to lower prices recorded in transport, housing and utilities and furnishings and household equipment categories. Meanwhile, core inflation eased slightly to 1.9% in March from 2.2% in February, indicating a moderation in underlying inflationary pressures during the month

Figure 2. Headline & Core Inflation

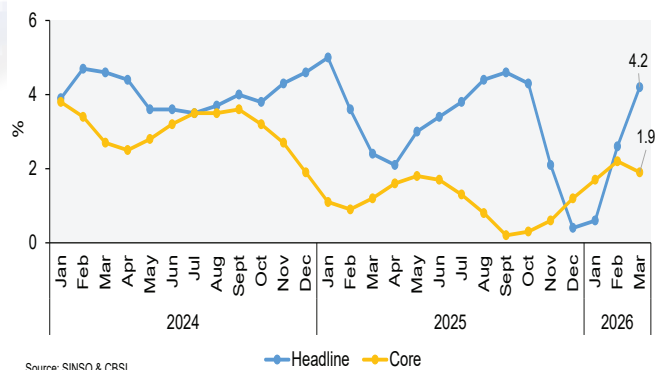
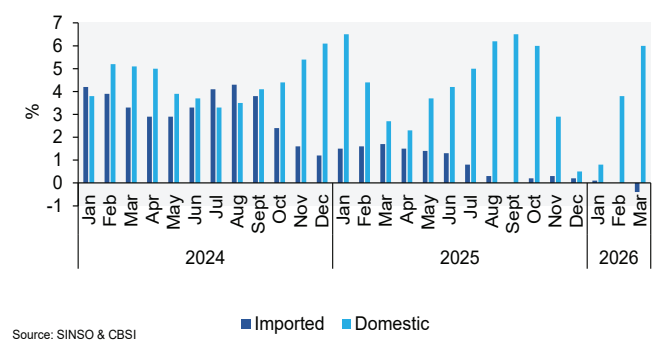


Figure 3. Domestic & Imported Inflation



CBSI Monthly Price Index (MPI)

The CBSI MPI for selected consumption goods rose to 117.3 points in April from the revised 107.6 points recorded in March. Fuel price surged by \$3.27 to \$12.69 per liter, reflecting the impact of the Middle East Conflict on domestic fuel prices. Solrice prices

increased by \$2.89 to \$157.75 for a 40lb per bag, while the price of liquefied petroleum gas grew marginally by 89 cents to \$31.36 per kilogram. In contrast, betelnut prices fell by 33 cents to \$1 per nut, and household electricity rates eased slightly by 8 cents to \$6.21 per kilowatt - hour.

Solomon Islands Key Economic Indicators

		Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26
Consumer Price Index (%)	Headline inflation (3mma, YoY)	4.3	2.1	0.4	0.6	2.6	4.2	na
	Underlying inflation (3mma, YoY): core 3	0.3	0.6	1.2	1.7	2.2	1.9	na
	Headline inflation (MoM)	0.0	-1.6	0.0	5.1	0.0	-3.2	na
CBSI Monthly Price Index (MPI)	Weighted Index	114	107	108	119	110	108	117
Production Index	Index	142	113	139	122	91	129	84
Trade ¹	Exports (\$ millions)	560	522	745	272	437	446	501
	Imports (\$ millions)	409	433	356	507	314	537	589
	Trade Balance (\$ millions)	151	89	388	-235	123	-90	-88
Exchange Rates (Mid-rate, Monthly average)	SBD per USD	8.25	8.25	8.18	8.12	8.05	8.06	8.06
	SBD per AUD	5.40	5.37	5.42	5.49	5.68	5.68	5.72
	SBD per NZD	4.75	4.66	4.73	4.74	4.84	4.73	4.71
	SBD per GBP	11.02	10.84	10.93	10.98	10.95	10.78	10.84
	SBD per 100 JPY	5.46	5.32	5.25	5.18	5.20	5.09	5.06
	SBD per EUR	9.60	9.54	9.57	9.53	9.42	9.34	9.43
	SBD Currency Basket Index	111.90	112.38	110.82	110.40	109.47	109.64	109.68
Gross Foreign Reserves (eop)	\$ milions	6,422	6,469	6,620	6,595	6,678	6,684	6,685
Import Cover	Months	11.6	11.7	12.0	12.0	12.1	12.1	121.1
Liquidity ² (eop)	Free Liquidity (\$ millions)	3,541	3,469	3,881	3,440	3,307	3,188	3,298
Money and credit ² (eop)	Narrow Money, M1 (\$ millions)	5,936	5,864	6,224	5,953	6,082	6,039	6,075
	Broad Money, M3 (\$ millions)	6,886	6,817	7,179	6,896	7,022	6,980	7,013
	Private Sector credit (\$ millions)	2,901	2,910	2,949	2,914	2,962	2,950	3,090
Interest Rates (weighted average yield)	28-days Bokolo Bills rate (%)	0.40	0.40	0.40	0.40	0.40	0.40	0.40
	56-days Treasury Bills rate (%)	0.74	0.75	0.75	0.75	0.75	0.75	0.75
	91- days Treasury Bills rate (%)	1.16	1.16	1.16	1.16	1.16	1.16	1.16
	182-days Treasury Bills rate (%)	2.39	2.39	2.39	2.39	2.39	2.39	2.39
	365-days Treasury Bills rate (%)	na	na	na	na	na	na	na
Government Finance	Revenue (\$ millions)	403	288	530	235	246	417	276
	Expenditure (\$ millions)	510	396	618	240	365	343	322
	Fiscal Balance (\$ millions)	-107	-109	-89	-6	-119	74	-46
	SIG Debt stock (eop) (\$ millions)	4,283	4,308	4,274	4,269	4,290	4,292	4,287
Global Commodity Prices (monthly averages)	CBSI Commodity Price Index	114.4	113.2	116.3	122.4	126.3	126.2	122.8
	Round logs - (US\$/m3)	197	192	191	190	192	188	187
	Gold - (US\$/oz)	4,058	4,087	4,309	4,753	5,020	4,856	4,721
	Palm Oil - (US\$/tonne)	1,038	970	981	1,005	1,039	1,109	1,148
	Fish - (US\$/tonne)	1,516	1,583	1,457	1,487	1,550	1,962	1,646
	Coconut oil - (US\$/tonne)	2,547	2,469	2,323	2,197	2,259	2,574	2,609
	Cocoa - (US\$/tonne)	5,950	5,610	5,782	4,970	3,590	3,240	3,397
	Timber - (US\$/m3)	728	715	730	737	741	727	733

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.