CENTRAL BANK OF SAMOA

REVIEW OF MONETARY DEVELOPMENTS
September 2026

This report is a monthly release of the latest available key monetary aggregates, official interest rate and the analysis on commercial banks' interest rates as well as other information sourced from the Central Bank, commercial banks, Ministry of Finance, non-bank financial institutions and the Samoa Bureau of Statistics.

Report No.03: 2026/27 September 2026

Monetary Target

The actual level of total money supply (M2) was 5.0 percent higher than its forecast for September 2026. This was due to a stronger than expected increase in net domestic assets (NDA). In addition, net foreign assets (NFA) were also higher than expected, reflecting strong expansions in foreign assets of both the Central Bank and the commercial banks.

Money Supply (M2)

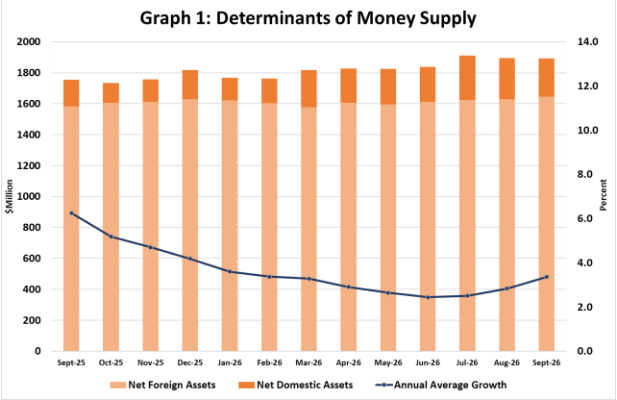
Total M2 contracted by $2.67 million (or 0.1 percent) to $1,892.10 million in September 2026. However, it was 7.8 percent higher than in September 2025.

The contraction in M2 was attributed to:

- An $18.77 million reduction in **Net Domestic Assets (NDA)** to $245.81 million. This reflected a decline in private sector credit as well as a drop in 'Other items net'.
- A $16.10 million growth in **Net Foreign Assets (NFA)** to $1,646.30 million. This was due to an expansion in foreign assets of both the commercial banks and the Central Bank of Samoa.

Nevertheless, the annual average growth rate of M2 edged up to 3.4 percent in September 2026, from 2.8 percent in the previous month, but still below 6.3 percent in September 2025 (See Graph 1).

Graph 1: Determinants of Money Supply



Credit[1]

Total financial system (FS)[2] credit expanded further by $8.51 million (or 0.4 percent) in September 2026, to $2,380.12 million. This was 5.9 percent higher than in September 2025. The hike reflected:

- $8.70 million increase in selected **non-bank financial institutions' (NBFIs) credit**.;
- $0.20 million decrease in **commercial banks' lending.**

Loans by Sector

- 99.2 percent of total loans were extended to the private sector, of which
  - 55.7 percent went to 'Households and Individuals'
  - 43.5 percent went to Businesses.
- The remaining 0.8 percent was lent to the public sector.

Loans by Industry

The expansion in FS credit was mainly lent to

- 'Electricity, gas and water'
- 'Transportation, storage and communication',

[1] Credit also means loans. This comprises of total loans by the 4 commercial banks and 3 largest non-bank financial institutions' (NBFI).

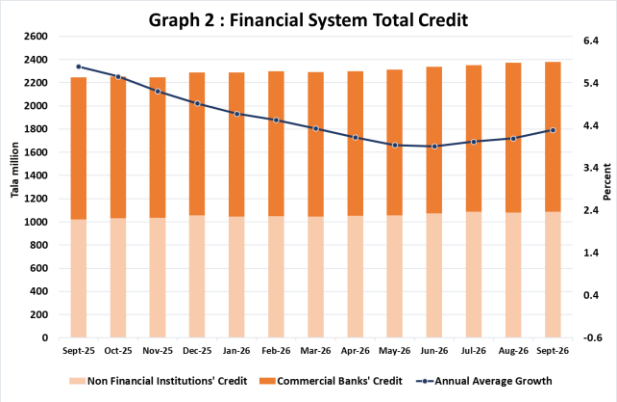
[2] Total FS credit was revised during the month following the receipt of monthly reports from DBS and SHC, which provided updated data for the preceding two months.

- 'Other activities' industries.

New loans issued by the commercial banks during the month totaled $21.49 million, a $7.88 million decline from August 2026. Most of these new loans were lent to the 'Building, construction and installation' and the 'Other activities' industries.

Mortgage loans' share to total commercial bank loans edged up to 50.0 percent in September 2026 from 49.3 percent in August 2026. Moreover, total mortgage loans expanded by 1.5 percent to a total of $645.67 million in the current month.

As a result, the annual average FS credit growth edged up to 4.3 percent in September 2026, from 4.1 percent in the previous month but still below 5.8 percent recorded in September 2025 (See Graph 2).



According to the latest update from the Samoa Bureau of Statistics (SBS), total Nominal Gross Domestic Product (NGDP) for the whole year to June 2026, amounted to $3,581.98 million.

- **Ratio of M2 to NGDP** remained at 51.3 percent from the previous quarter but was higher than 49.9 percent in the same quarter of last year.
- **Ratio of FS credit to NGDP** also edged up to 65.2 percent from 64.7 percent in the previous quarter and 62.1 percent in the June quarter of last year.

Reserve Money[3]

Total Reserve Money (RM) rose by $7.10 million (or 0.8 percent**)** over the previous month to $850.04 million. This level was $21.21 million higher than its level in September 2025. The jump in RM was attributed to:

- A $10.49 million hike in **commercial banks' reserves**, of which
  - $10.09 million increase in excess reserves,
  - $0.40 million increase in required reserves.
- A $3.39 million reduction in **currency in circulation**.

Additionally, total RM was 7.6 percent and 24.1 percent higher than its averages in the past three and five years, respectively.

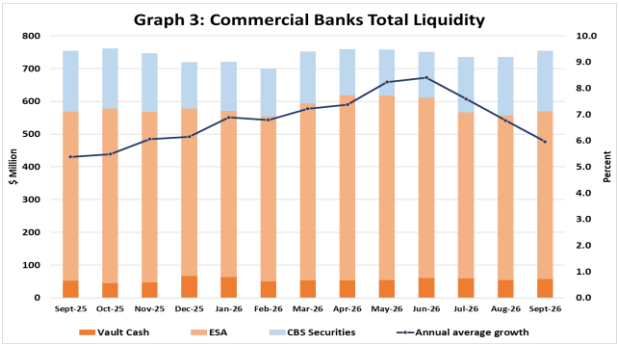
Commercial Banks' Liquidity[4]

Total commercial banks' liquidity grew by $18.88 million to $754.17 million in September 2026. In addition, this level was $0.23 million higher than its level in September 2025.

The growth over the current month reflected a:

- $10.09 million jump in **banks' exchange settlement accounts (ESA)**; a
- $3.19 million increase in the banks' **vault cash holdings**; and a
- $5.60 million rise in banks' holdings of **CBS Securities (CBSS)**. (See Graph 3).

Total liquidity in September 2026 was 10.6 percent and 37.8 percent higher than its averages in the past three and five years, in that order.



[3]Reserve Money (also known as monetary base) comprises of currency in circulation, statutory reserve deposits (SRD) and demand deposits of commercial banks with the CBS.

[4]Comprises of banks' vault cash, exchange settlement account (ESA) balances and Central Bank Securities.

CBSS and Open Market Operations (OMO)[5]

Volume of CBS Securities

Total CBSS outstanding rose to **$185.10 million** at end September 2026, from **$179.50 million** in the previous month. New CBSS issuances increased to **$68.60 million** from **$50.50 million**, while maturities also rose to **$63.00 million** from **$39.80 million** in August 2026.

Yields of CBS Securities

Average yields were **2.29 percent** (14-day), **2.58 percent** (28-day), **3.02 percent** (56-day), **3.27 percent** (91-day), **3.66 percent** (182-day), and **4.00 percent** (364-day).

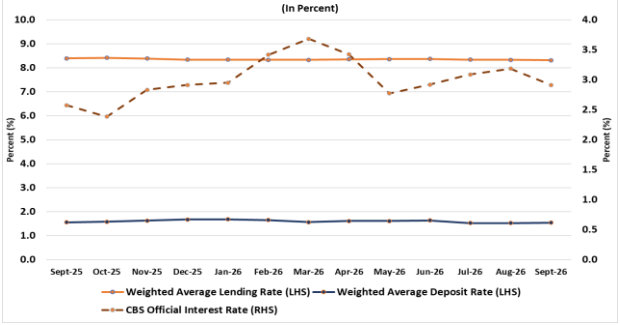
As a result, the overall weighted average official interest rate fell to 2.91 percent from 3.18 percent in August 2026. This level was above 2.58 percent recorded in September 2025.

Commercial Banks' Interest Rates

The **weighted average deposit (WAD) rate** increased by 2 basis points to 1.54 percent over the previous month but was 2 basis points lower than in September 2025. The **weighted average lending (WAL) rate** fell by 2 basis points to 8.31 percent and was 8 basis points lower than its rate in September 2025 (See Graph 4).
As a result, the **weighted average interest rate spread** for September 2026 fell by 4 basis points to 6.77 percent and was 6 basis points lower than its level in September 2025.

The current WAD rate remains below its three-year and five-year averages of 1.63 percent and 1.72 percent, respectively. Similarly, the WAL rate also remained below its three-year and five-year averages of 8.37 percent and 8.37 percent, in that given order.

Graph 4: Overall Yield on CBS Securities and Commercial Banks Interest Rates
(In Percent)



NBFIs[6] Lending Rates

The overall weighted average lending (WAL)[7] rate for selected NBFIs increased by 1 basis point to 8.14 percent over the month. However, this was lower than 8.20 percent recorded in September 2025.

The WAL rates for SNPF and DBS remained steady at 8.66 percent and 4.13[8] percent, respectively, while SHC's WAL rate increased by 4 basis points to 9.43 percent.

At its current level, the overall NBFI WAL rate remained below its three-year average of 8.16 percent and five-year average of 8.21 percent.

CENTRAL BANK OF SAMOA
11th November 2026

[5]Central Bank of Samoa Securities (CBSS) is the main instrument for implementing monetary policy in the country and it is traded in various maturities in the domestic financial market through the OMO.
[6] Non-Bank Financial Institutions. Only reports the main NBFIs, Samoa National Provident Fund (SNPF), Development Bank of Samoa (DBS) and Samoa Housing Corporation (SHC). Effective October 2018, SHC started reporting to CBS on monthly basis, as was previously reported on quarterly basis.

[7] The previous overall NBFI WAL rate as well as DBS's and SHC's lending rates were revised following the receipt of monthly reports from these two institutions for the months of July and August.
[8] The WAL rate for DBS is estimated pending receipt of its September report.

Review of Monetary Developments
Monetary Aggregates

End of Period Figures	Average level in the previous 3-years	5-years	Sep-25	Jul-26	Aug-26	Sep-26
Determinants of Money Supply (M2)						
Net Foreign Assets	1344.27	1077.72	1582.53	1624.10	1630.20	1646.30
Net Domestic Assets	343.03	472.84	172.41	286.32	264.58	245.81
Money Supply (M2)	***1687.31***	***1550.56***	***1754.946***	***1910.42***	***1894.78***	***1892.10***
Trend / Annual Average (%)	*9.53*	*7.53*	*6.3*	*2.5*	*2.8*	*3.4*
Narrow Money (M1)	895.44	782.72	*933.11*	*1004.15*	*996.33*	*971.17*
Currency outside banks	168.38	152.35	179.06	209.12	203.48	196.90
Transferable Deposits[2]	727.05	630.37	754.05	795.03	792.85	774.27
Quasi Money	*791.87*	*767.85*	*821.83*	*906.27*	*898.45*	*920.94*
Other Deposits[3]	791.87	767.85	821.83	*906.27*	*898.45*	*920.94*
Central Bank of Samoa						
Open Markets Operations						
CBS Securites Official Rate (%)	*1.22*	*0.80*	*2.58*	*3.09*	*3.18*	*2.91*
Reserve Money[1]						
Total	***789.87***	***685.04***	***828.83***	***859.77***	***842.93***	***850.04***
Trend / Annual Growth (%)	*14.67*	*12.22*	*0.3*	*10.6*	*10.3*	*10.0*
Financial System (FS) Credit						
Commercial Banks	**1192.78**	**1190.28**	**1226.00**	**1266.86**	**1291.93**	**1291.73**
Trend / Annual Growth (%)	*0.88*	*0.67*	*4.8*	*2.5*	*2.7*	*3.1*
Non-Bank Financial Institutions (NBFIs)	**965.71**	**913.42**	**1020.81**	**1085.46**	**1079.68**	**1088.39**
Trend / Annual Growth (%)	*5.72*	*5.05*	*7.0*	*5.8*	*5.8*	*5.8*
Private Sector	***2147.11***	***2088.72***	***2236.38***	***2335.88***	***2355.30***	***2361.20***
Businesses	*1005.68*	*1009.55*	*1019.60*	*1026.78*	*1033.94*	*1035.39*
Individuals	*1141.43*	*1079.16*	*1216.78*	*1309.10*	*1321.35*	*1325.81*
Public Sector (NFIs, NPEs, & Govt)	***10.89***	***14.70***	***10.43***	***16.44***	***16.32***	***18.93***
Total FS Credit	***2158.00***	***2103.41***	***2246.81***	***2352.32***	***2371.61***	***2380.12***
Trend / Annual Growth (%)	*2.91*	*2.48*	*5.8*	*4.0*	*4.1*	*4.3*
Commercial Banks						
Liquidity						
Total	***681.74***	***547.15***	***753.95***	***735.58***	***735.29***	***754.17***
Trend / Annual Growth (%)	*28.17*	*19.60*	*5.4*	*7.6*	*6.8*	*6.0*
Interest Rates (%)						
Overall Weighted Average Lending	**8.37**	**8.37**	**8.39**	**8.34**	**8.33**	**8.31**
Australia New Zealand Bank (Sāmoa) Limited	7.52	7.61	7.49	7.14	7.16	7.16
Bank South Pacific (Sāmoa) Limited	7.30	7.53	7.39	7.56	7.57	7.55
National Bank of Sāmoa Limited	9.04	8.68	9.39	9.41	9.40	9.42
Samoa Commercial Bank Limited	9.69	9.80	9.27	8.98	8.93	8.84
Overall Weighted Average Deposit	**1.63**	**1.72**	**1.56**	**1.53**	**1.52**	**1.54**
Australia New Zealand Bank (Sāmoa) Limited	0.54	0.66	0.44	0.39	0.40	0.39
Bank South Pacific (Sāmoa) Limited	1.63	1.73	1.49	1.42	1.34	1.41
National Bank of Sāmoa Limited	2.25	2.35	2.29	2.13	2.18	2.28
Samoa Commercial Bank Limited	2.12	2.22	2.05	2.12	2.11	2.03
Market Shares (%)						
Lending						
Australia New Zealand Bank (Sāmoa) Limited	18.97	21.53	16.48	16.12	16.74	15.70
Bank South Pacific (Sāmoa) Limited	31.63	30.74	32.87	30.90	30.21	30.28
National Bank of Sāmoa Limited	22.77	22.77	22.38	22.57	22.81	22.82
Samoa Commercial Bank Limited	26.63	24.95	28.27	30.41	30.24	31.20
Deposit[5]						
Australia New Zealand Bank (Sāmoa) Limited	20.48	22.48	18.59	19.29	18.86	18.99
Bank South Pacific (Sāmoa) Limited	41.16	36.63	43.61	38.98	39.75	40.00
National Bank of Sāmoa Limited	16.82	18.03	16.93	17.93	17.92	17.09
Samoa Commercial Bank Limited	21.53	22.87	20.87	23.80	23.47	23.92
Non-Bank Financial Institutions (NBFIs)						
Weighted Average Lending (WAL)						
Sāmoa National Provident Fund (SNPF)	8.60	8.66	8.68	8.58	8.66	8.66
Development Bank of Samoa (DBS) ®	3.93	3.91	4.26	4.14	4.13	4.13
Samoa Housing Corporation (SHC)	11.29	11.89	9.95	9.38	9.39	9.43
NFIs' Overall WAL ®	**8.16**	**8.21**	**8.20**	**8.07**	**8.13**	**8.14**

Source: Central Bank of Samoa

(1) Reserve Money is composed of: Currency in Circulation and commercial banks Exchange Settlement Accounts (ESA) and Statutory Required Deposits (SRDs).

(2) Comprised of demand deposits, foreign currency deposits of residents, and interest payable on these deposits.

(3) Comprised of time deposits, savings deposits, and the interest payable on these deposits.

(4) Samoa received the IMF-Special Drawing Rights (SDRs) allocation of SDR15.5 million and equivalent of around $55.5 million Tala in August 2021.

(5) Effective April 2023, the calculation of deposit shares takes into account all deposit liabilities of the banking system from both resident and non-resident sectors. Historical series has been revised to reflect these changes.

'® Revised

(6) Revised to include Foreign Currency Deposits of Residents to the calculation of Weighted Average Deposit Interest Rates of Commercial Banks.