



NATIONAL RESERVE BANK OF TONGA

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OFFICIAL PRESS RELEASE

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OFFICIAL FOREIGN RESERVES August 2023

Tonga's official foreign reserves declined over the month by \$25.2 million to \$920.0 million at the end of August 2023. This is equivalent to over 11 months of imports, which is higher than the optimum level of 7.5 months prescribed by the IMF. The decline in the foreign reserves was driven by higher import payments. In year ended terms, the level of foreign reserves is still higher in 2023 by \$48.9 million due to higher inflow of remittances and government funds.

OFFICIAL FOREIGN RESERVES* (Millions of Pa'anga)

	<u>Level</u>	<u>Changes</u>		<u>Ratio of official foreign reserves to imports (months)</u>
		<u>Month</u>	<u>12 Months</u>	
<u>2022</u>				
Jan	856.1	38.6	150.8	13.9
Feb	867.3	11.1	174.9	14.4
Mar	861.4	-5.8	175.8	14.5
Apr	884.0	22.6	204.4	14.9
May	880.4	-3.6	190.9	14.7
Jun	871.2	-9.2	155.9	14.4
Jul	884.8	13.6	180.1	14.2
Aug	871.0	-13.8	19.3	13.8
Sep	895.3	24.2	138.2	13.7
Oct	877.0	-18.3	120.0	13.0
Nov	866.2	-10.8	82.3	12.6
Dec	868.9	2.7	51.4	12.3
<u>2023</u>				
Jan	911.1	42.2	55.0	12.8
Feb	911.2	0.1	43.9	12.6
Mar	883.7	-27.4	22.3	12.0
Apr	860.5	-23.2	-23.5	11.4
May	864.8	4.3	-15.6	11.5
June	921.4	56.6	50.2	12.0
July	945.2	23.7	60.3	12.3
Aug	920.0	-25.2	48.9	11.9

Source: National Reserve Bank of Tonga