



**بروني دارالسلام سنترال بڠكا**  
**BRUNEI DARUSSALAM CENTRAL BANK**

**PRESS RELEASE**

**BDCB POLICY STATEMENT 1/2021**

1. Brunei Darussalam Central Bank (BDCB) today published its bi-annual policy statement.
2. In its Policy Statement 1/2021, BDCB noted that the global economy is expected to grow 6.0% in 2021. Meanwhile, the domestic economy contracted by 1.4% year-on-year in Q1 2021. BDCB's inflation forecast for 2021 has been revised upwards to the range of 1% to 2%.
3. BDCB also highlighted that the overall risk level of the banking sector in Q1 2021 remained the same as Q4 2020. As part of BDCB's continued management of systemic risk in the financial sector, the Domestic Systemically Important Bank(s) [D-SIBs] for the period June to December 2021 have been identified.
4. The banking industry continues to have a robust capital position. Despite the lingering impact from the COVID-19 outbreak, the capital position of the banking industry as of Q1 2021 remains robust, with an aggregate Capital Adequacy Ratio of 21.4%. Nevertheless, in light of the heightened uncertainties associated with the COVID-19 pandemic as well as the low global interest/profit rates environment, the profitability of the banking industry has declined slightly.
5. BDCB has also extended the period for assistance to businesses and individuals affected by the COVID-19 pandemic and the waiver of fees and charges (excluding third party charges) for online local interbank fund transfers from 1 April 2021 to 30 September 2021. In light of the second wave of COVID-19 cases in Brunei Darussalam starting in August 2021, the period of assistance has been extended further to 31 December 2021.
6. To further promote market transparency and discipline, BDCB has refined the existing public disclosure requirements by issuing a Regulatory Notice on Pillar 3 – Public Disclosure Requirements. Meanwhile, to ensure effective controls and management of conflict of interest when producing or disseminating research reports to any investors or potential investors concerning securities or issuers of securities, whether in electronic, print or other forms, BDCB had issued the Guideline on Handling of Conflict of Interest upon Promoting Research Reports.
7. As part of BDCB's continuous efforts to strengthen financial consumer protection in the current developments in financial products and services, BDCB has issued two enhanced notices, namely Notice on Market Conduct and Notice for the Establishment of a Complaints Handling Function within Financial Institutions.



8. The full version of BDCB Policy Statement 1/2021 can be found at BDCB's website at [www.bdcg.gov.bn](http://www.bdcg.gov.bn). For further information and enquiries, members of the public may contact BDCB by calling the BDCB hotline at 2388388, or by emailing [info@bdcg.gov.bn](mailto:info@bdcg.gov.bn).

Brunei Darussalam Central Bank

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