



PRESS RELEASE

BDCB POLICY STATEMENT 2/2024

1. Brunei Darussalam Central Bank (BDCB) today published its second semi-annual policy statement for the year 2024.
2. In its Policy Statement 2/2024, BDCB noted that the International Monetary Fund (IMF) projected the global growth rate to remain at 3.2% in 2024 and 2025. Meanwhile, the domestic economy expanded by 6.4% in the first half of 2024, largely driven by expansions in both the Oil and Gas sector and the Non-Oil and Gas sector by 8.3% and 4.8%, respectively. Looking ahead, the growth momentum for the domestic economy is expected to persist throughout 2024 on the back of positive developments in the Oil and Gas and Non-Oil and Gas sectors, as well as in Foreign Direct Investment (FDI) projects. However, downside risks remain, potentially stemming from lower commodity prices and weaker demand from key trading partners.
3. The global disinflationary trend has contributed to domestic deflation for most of the year 2024. Other influencing factors include subsidies, administrative price controls, and the country's monetary policy. Imported inflation has been minimised by the Brunei dollar's parity with the Singapore dollar, supported by the Monetary Authority of Singapore's decision to maintain its latest monetary policy stance in October 2024. Considering these factors and available Consumer Price Index data, BDCB has revised its inflation forecast for Brunei Darussalam for 2024 within the range of -0.7% to 0.3%.
4. BDCB noted that the financial sector's total assets increased by 4.1% in Q3 2024, amounting to BND24.3 billion, of which BND14.3 billion (58.7%) was held by the Islamic finance sector. Deposit-taking institutions made up 91.5% of the total financial sector assets with an asset base of BND22.2 billion. The banking industry continues to remain resilient with an aggregate Capital Adequacy Ratio of 21.7% as of Q3 2024. However, there was a slight decline recorded in the banking sector's profitability in the same quarter.
5. In line with BDCB's commitment to fostering a dynamic digital economy and supporting the establishment of a digital economy, BDCB has issued amendments to the Money Remittance Licensing Criteria. Furthermore, in efforts to facilitate capital market development, BDCB has also issued the Brunei Darussalam Investment Data Supply-Side Survey Reporting Guideline to licensed capital market intermediaries in Brunei Darussalam.
6. The full version of BDCB Policy Statement 2/2024 can be found on BDCB's website at www.bdcg.gov.bn. For further information and enquiries, members of the public may contact BDCB at 8318388, or email info@bdcg.gov.bn.

Brunei Darussalam Central Bank

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