# WESTPAC WAVE

## FIJI ECONOMIC UPDATE AND OUTLOOK

October 2025

# Great year so far despite global uncertainty

**Shamal Chand**
Senior Economist, Westpac Pacific Economics

Despite rising global uncertainty and escalating trade tensions, Fiji's economy has remained resilient through the year. Inflationary pressures have broadly eased, with the country experiencing eight consecutive months of deflation. The financial sector continues to provide support, and consumption activity has held firm. While sectoral performance has been uneven, overall sentiment around the economy remains positive, though there is significant room to unlock further growth opportunities.

Tourism rebounded strongly in August, despite being the off-season, following a sluggish start to the year. However, overall sector growth remains subdued relative to historical norms. Tourism earnings have risen notably, driven by an influx of high-spending visitors. September arrivals were solid but slightly below last year's figures. As such, our outlook for tourism remains unchanged, with expectations for a flat outcome compared to 2024.

Population migration remains a challenge, although recent data suggests the trend is easing. That said, departures for employment have picked up in recent months. Formal sector employment and wages have increased as businesses compete to retain skilled workers. With the labour market tightening, the inflow of foreign workers has moderated. Despite these underlying challenges, Fiji continues to maintain its growth trajectory.

As the festive season approaches, sustained consumer spending will be key to supporting the retail sector and bolstering government revenue. Remittance inflows are expected to reach another record high, boosting disposable incomes, particularly for low and middle income households. However, growth in remittances has slowed to single digits (below 10%) as of June, after previously expanding at double-digit pace.

Fiji's economy remains vulnerable to sectoral fluctuations. Domestic sugar production has lagged, exacerbated by the temporary closure of the Rarawai mill due to fire damages. This disruption is expected to push production into next year and may impact earnings, especially as global sugar prices currently face downward pressure from oversupply. In contrast, gold production has remained strong, supported by output from the Tuvatu mine. With global gold prices exceeding US$4,000/oz with a robust outlook, the sector is on track to deliver solid export earnings by the end of year.

As a developing economy, Fiji has the potential to grow beyond its current pace. Realising this potential requires embracing the creative destruction of markets, enabling the private sector to thrive with minimal regulatory barriers while safeguarding the rights of employers, employees, and consumers. The pandemic underscored the risks of over-reliance on a single sector, with the economy contracting by a fifth. While diversification is often discussed, it has largely focused on agriculture. This is important, but Fiji has 21 broad economic sectors, all of which require investment and development to reduce concentration risk and enhance resilience. A strategic realignment is needed.

Monetary policy remains accommodative, with the benchmark rate at 0.25%. However, transmission mechanisms remain largely untested in Fiji's closed financial system. The Fiji dollar has remained stable amid active foreign exchange markets, anchored to movements in major currencies. The country is on track for sustainable growth, supported by adequate foreign reserves and strong system liquidity.

**Global Outlook**

Westpac's October Market Outlook signals a recovery in global private demand, aided by less restrictive monetary policy. However, this rebound is clouded by rising trade and geopolitical tensions, including renewed US-China friction and the US government shutdown. While equity and bond markets remain subdued, risk indicators such as gold, Bitcoin, and the VIX have climbed, reflecting growing investor unease.

In Fiji's key markets:

- Australia shows signs of a consumer-led recovery in private spending, supported by recent data.
- New Zealand experienced a mid-year slowdown, prompting the Reserve Bank to accelerate policy easing, with further rate cuts and a weaker currency expected.
- The US faces mounting risks from the shutdown and trade tensions. GDP growth is forecast to remain below trend in 2025, with a gradual recovery expected through 2026–2028. The US Federal Reserve's visibility on the labour market has been impaired by the shutdown, increasing uncertainty.
- China's challenges are largely domestic, particularly within the household sector, where restoring consumer confidence is critical for growth.

The IMF's latest outlook projects global growth to slow to 3.2% in 2025, as temporary boosts fade and policy shifts take effect. Key risks include protectionism, labour market shocks, and fiscal vulnerabilities. The IMF has urged policymakers to rebuild buffers, maintain central bank independence, and pursue structural reforms to restore confidence.

**Risks to Fiji's Outlook**

Fiji remains vulnerable to natural disasters, with the country overdue for a major tropical cyclone. A direct hit from a Category Five storm could result in economic damage in the billions. The Government's fiscal space is limited, and disaster response funding remains modest. With three months left in the year, any uplift in visitor arrivals will be crucial to improving Fiji's near term economic outlook.

# August boost much needed

## Fiji's Tourism Sector Delivers a Surprise Boost Amid Lingering Risks

Fiji's tourism sector delivered a welcome surprise in August, traditionally a quieter month for arrivals. Visitor numbers reached 99,737, surpassing July's peak by 0.4 percent and marking a 5.2 percent increase in the year and just a touch below the magical 100,000 mark. Holiday arrivals rose even more sharply, up 8.3 percent. This rebound reversed a seven-month lag compared to 2024 levels, lifting year-to-date arrivals into positive territory.

The surge was driven by strong inflows from New Zealand, the United States, and Australia, with additional support from European and Asian markets. The Homecoming Festival and shifting global travel dynamics, including reduced US outbound travel due to domestic uncertainties, may have contributed to Fiji's appeal as a safe and welcoming alternative.

September maintained solid momentum with 92,344 visitors, although slightly down at 0.3 percent in the year and 7.4 percent below August. Year-to-date arrivals now stand at 735,154, up 0.3 percent compared to 2024. While the off-season August boost helped lift growth, the pace remains subdued. The 12-month moving average growth rate eased to 0.8 percent, down from 1.0 percent.

The United States emerged as a standout performer this year, with arrivals up 12.4 percent in the year to September. This market presents a key opportunity for further diversification, especially as arrivals from Australia, Europe, and the Pacific Islands have underperformed. New Zealand's performance was mixed, impacted by domestic airline disruptions and broader domestic economic malaise.

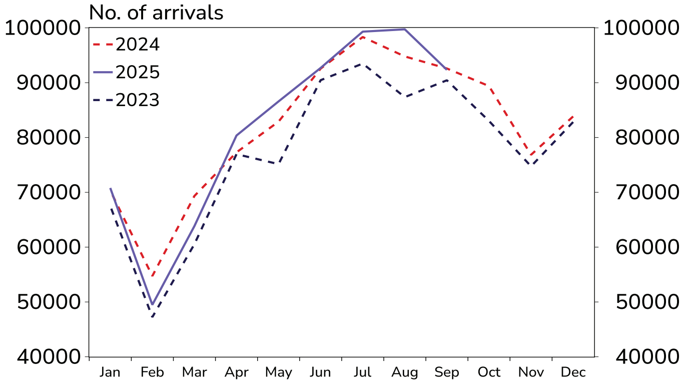
Despite shorter stays in the first half of the year, visitor spending rose. Tourists spent an average of $450.60 per day in the June quarter, up 9.5 percent from the previous year. Total tourism earnings reached $1.2 billion, a 2.2% increase. This suggests that while fewer visitors came, those who did spent more, particularly on food, accommodation, and experiences.

However, risks remain. The sector faces seasonal slowdowns, and with three months left in the year, outperforming historical trends will be essential to maintain growth. External factors such as economic uncertainty in source markets, airline capacity constraints, and weather-related disruptions could impact momentum. Fiji is also overdue for a major tropical cyclone, which poses a significant economic risk. We also note lagging New Zealand departures to Fiji in past couple of weeks.

To sustain growth, Fiji must continue diversifying its tourism markets, improving infrastructure, and enhancing resilience. The recent gains are encouraging, but the sector's long-term success will depend on strategic planning and adaptability in the face of global and domestic challenges.

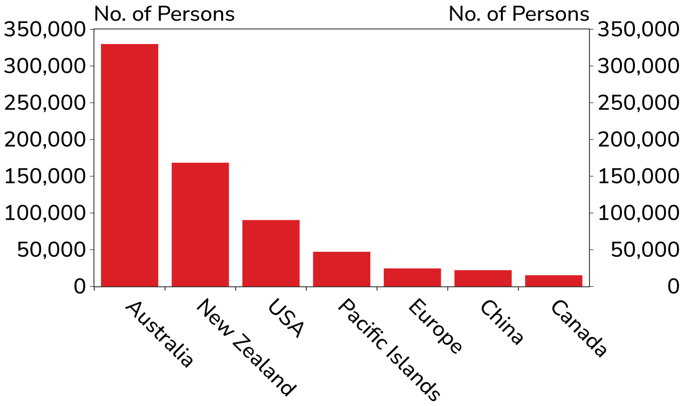
### August visitor arrivals strong

Year to date arrivals up 0.3%



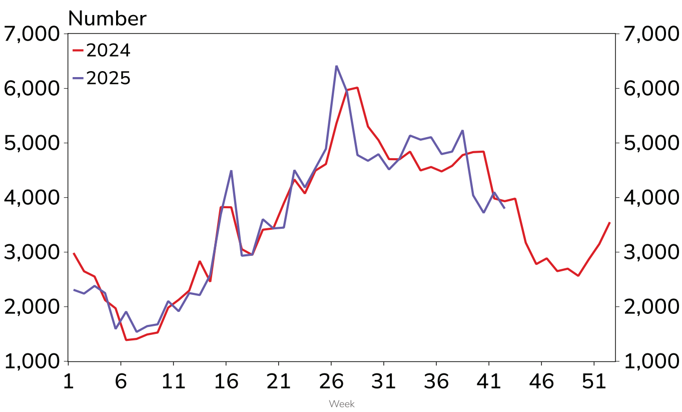

Source: FBoS, Macrobond, Westpac Economics

### Australia, New Zealand and US top markets




Source: FBoS, Macrobond, Westpac Economics

### NZ departures to Fiji




Source: Stats NZ, FBoS, Macrobond, Westpac Economics

# Fiscal trends on track

### Fiji Government Fiscal Performance FY2024–2025: A Strong Finish

Fiji closed its fiscal year 2024–2025 on a stronger-than-expected note, with the fiscal deficit narrowing to 2.4 percent of GDP, well below the original budget estimate of 4.5 percent and the previous year's 3.4 percent. This marks the lowest deficit since FY2016–2017, reflecting prudent fiscal management and improved revenue performance.

Total government revenue reached a record $4.05 billion, exceeding both the original and revised forecasts. This was driven by robust tax collections, which rose 12.2 percent year-on-year to $3.48 billion, and non-tax revenue, which increased 2.8 percent to $565 million. Notably, corporate tax, VAT, and personal income tax outperformed expectations, with VAT collections alone rising by $173.4 million compared to FY2023–2024.

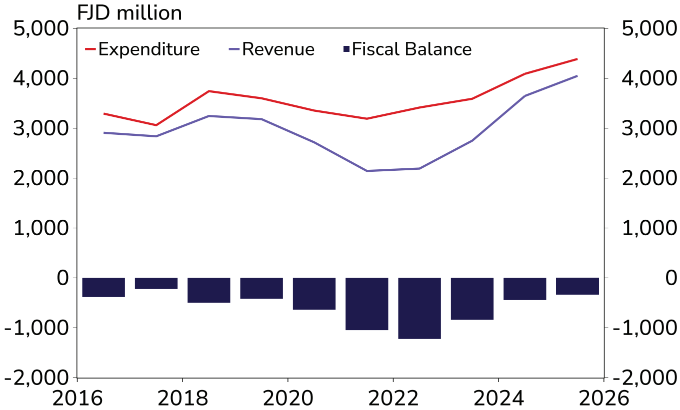
On the expenditure side, total spending was contained at $4.39 billion, 1.2 percent below the revised estimate. Operating expenditure came in at $3.25 billion, while capital expenditure was $1.06 billion, both undershooting forecasts. This underspending, particularly in capital projects, reflects the government's tendency to overestimate expenditure, a trend that has historically led to lower realised deficits.

The fiscal prudence translated into a lower debt-to-GDP ratio of 77.1 percent, down from 79.0 percent the previous year. Domestic debt accounted for 64.8 percent of total debt, while external debt made up 35.2 percent. However, risks remain on the upside, with the FY2025–2026 budget projecting a significantly higher nominal deficit of $886 million or 6.0 percent of GDP, the third-largest in Fiji's fiscal history in nominal terms.

The government's cash position remains strong, with close to $900 million in bank deposits as of August 2025. This liquidity buffer provides flexibility in managing debt issuance, particularly as long-term 20-year bonds remain undersubscribed due to investor demand for higher yields. The government, backed by its cash reserves, has opted to maintain lower weighted yields, a strategy that supports debt sustainability in the short term.

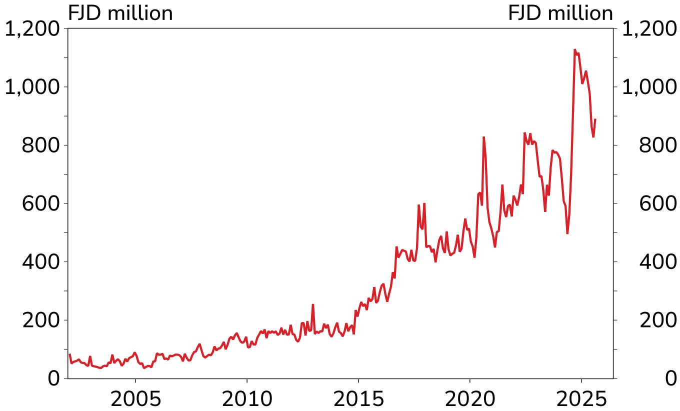
While the FY2024–2025 outcome reflects commendable fiscal discipline, the outlook for FY2025–2026 warrants caution. The projected increase in the deficit and debt levels could strain the fiscal situation, especially if revenue growth falters or expenditure pressures mount. Continued focus on realistic budgeting, efficient capital execution, and revenue diversification will be critical to maintaining fiscal stability and supporting long-term economic resilience.

## Fiji Government's Fiscal Performance



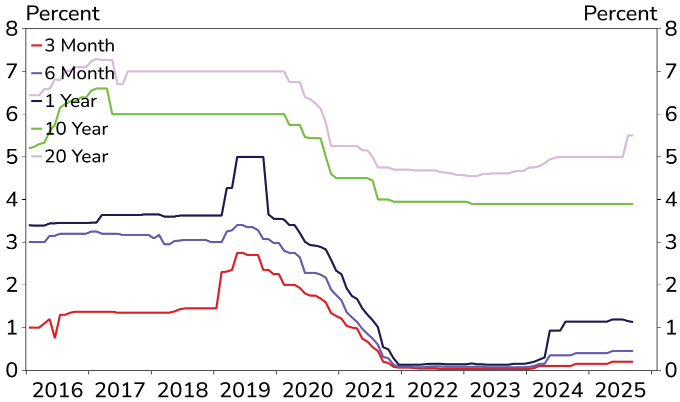

Source: , Macrobond, Westpac Economics

## Government Deposits at Banks




Source: , Macrobond, Westpac Economics

## 20-year bond yields rose to 5.5% in September




Source: RBF, Macrobond, Westpac Economics

# Deflation persists into eight months

Fiji's inflation landscape in 2025 has undergone a significant transformation, driven by a statistical rebasing of the CPI and evolving global price dynamics. The Fiji Bureau of Statistics (FBoS) rebased both the Gross Domestic Product (GDP) and Consumer Price Index (CPI) to a 2019 base year, aligning with consumption behaviour just before the pandemic. While this provides a more relevant snapshot of the economy, it also introduces challenges in interpreting trends, given the structural shifts that have occurred since 2020.

The CPI rebase is based on the 2019–2020 Household Income and Expenditure Survey, replacing the previous 2014 base. The new CPI basket includes 309 items, down from 349, with notable reductions in the Food & Non-Alcoholic Beverages and Recreation & Culture categories. Expenditure weights have also shifted, with Alcoholic Beverages, Tobacco and Narcotics seeing a sharp increase, reflecting higher household spending on beer, cigarettes and yaqona. Meanwhile, the weight for Education declined due to the continuation of free primary and secondary education.

This rebase has had a visible impact on inflation statistics. In September 2025, Fiji recorded a headline CPI decline of 3.8 percent year-on-year, marking a sharp deflationary trend for seven consecutive months. The average annual inflation for the 12 months to September stood at –0.9 percent, confirming a sustained period of price declines. This deflation was largely driven by two major categories:

- Food and Non-Alcoholic Beverages: Prices fell by 8.2 percent year-on-year.
- Transport: Prices declined by 8.1 percent, reflecting lower fuel and spare parts costs.

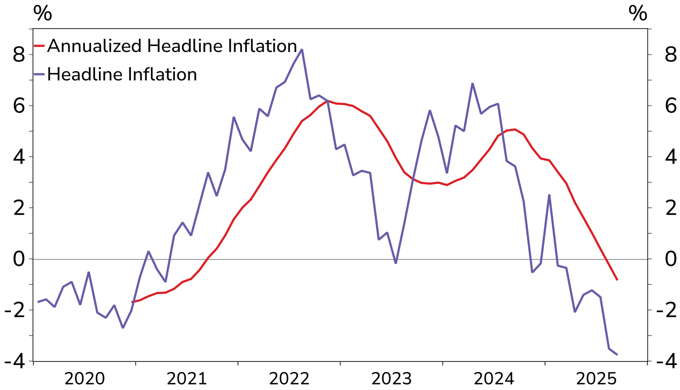
Despite the annual deflation, in the month the CPI rose by 0.3 percent, suggesting that underlying inflationary pressures may be building, particularly in food items such as meat, dairy, oils and beverages, something that has been observed in many other economies recently. This could indicate a bottoming out of price declines, with potential for inflation to re-emerge in the coming months.

The rebase also reveals that inflation peaked during the post-pandemic recovery, reaching 8.2 percent year-on-year in August 2022, validating earlier debates about the intensity of price pressures during that period. The new base provides clarity on how prices evolved, but also highlights the limitations of comparing pre and post pandemic data without accounting for structural changes in the economy.

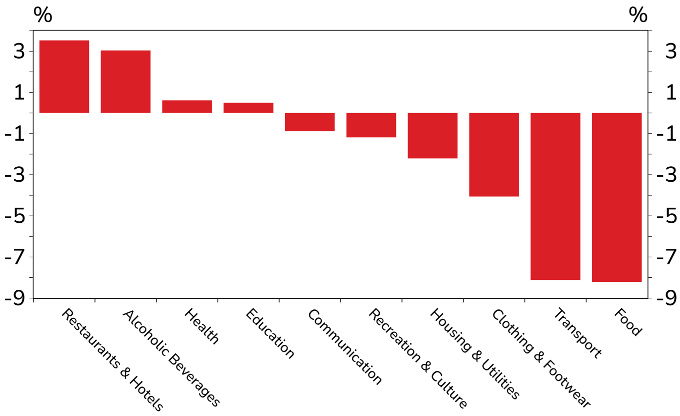
Fiji's inflation in 2025 reflects a transitional phase. The CPI rebase to 2019 better captures current consumption, revealing deflation driven by falling food and transport prices. Despite annual declines, monthly inflation rose slightly, hinting at emerging pressures. Global fuel dynamics and domestic shifts suggests that inflation may return.

### Fiji's September headline CPI falls by 3.8%yr

2019 rebase



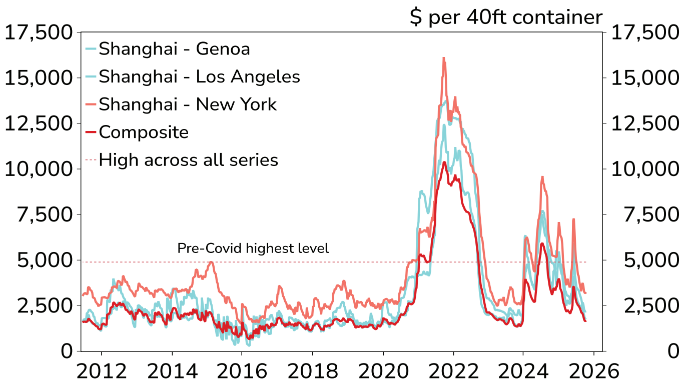

### Fiji's inflation categories in September 2025




Source: FBoS, Macrobond, Westpac Economics

### Global container shipping costs

Source: Drewry Shipping Consultants Ltd




Source: Drewry Shipping Consultants Ltd, Macrobond, Westpac Economics

# Fixed regime keeps volatility contained

The Fiji dollar (FJD) remained broadly stable in recent years, reflecting a combination of domestic resilience, global currency trends and the Reserve Bank of Fiji operating a fixed basket. As of October 2025, the Reserve Bank of Fiji's mid-rates show the FJD trading at 0.435 per USD, 0.373 per EUR, 0.671 per AUD, 0.760 per NZD, and 65.5 per JPY.

These levels indicate that the FJD has held firm against the U.S. dollar and euro, while showing some softness against the Australian and New Zealand dollars.

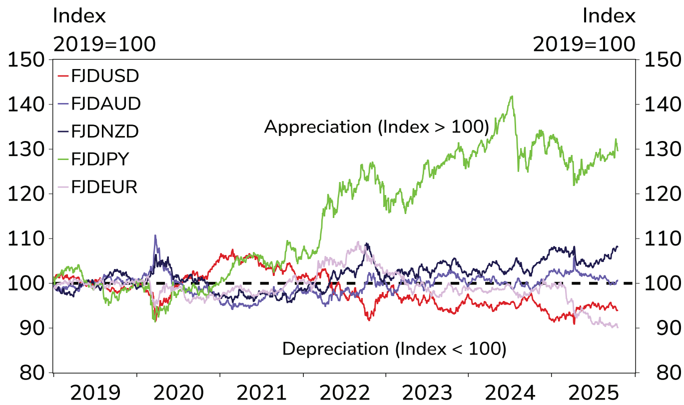
Over the past year, the FJD has moved within a relatively narrow range against the USD and AUD, providing stability for importers and exporters. However, volatility remains higher against the Japanese yen, which has seen the widest swings due to global monetary policy shifts.  AUD and NZD tend to move together, while both often move in the opposite direction to the USD. This pattern matters for businesses with exposure to multiple markets, such as tourism and commodity imports.

Looking ahead, the FJD is projected to strengthen against the USD and EUR, supported by expectations of a weaker US dollar globally. By December 2027, the FJD could appreciate by about 7 percent against the USD and 3.5 percent against the euro. This trend would help reduce the cost of imported goods, including fuel and machinery, easing inflationary pressures.

Conversely, the FJD is expected to weaken against the AUD and NZD by around 5 percent, reflecting stronger economic fundamentals and higher interest rates in Australia and New Zealand. For Fiji's tourism sector, this is positive news, as it makes Fiji more affordable for visitors from these key markets. However, it also means higher costs for imports from these countries. The yen is forecast to strengthen further, which could raise the cost of Japanese imports, especially the importation of vehicles.

For households, a stronger FJD against the USD could help keep fuel and food prices in check. For businesses, especially those in tourism, the outlook against AUD and NZD is favorable for competitiveness. Policymakers should remain alert to global risks, including commodity price shocks and interest rate changes, which could alter these projections.

## Fiji dollar performance since 2019




Source: , Macrobond, Westpac Economics

## Foreign exchange forecast

| Cross Rates | Current | Dec–25 | Mar–26 | Jun–26 | Sep–26 | Dec–26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 |
|---|---|---|---|---|---|---|---|---|---|---|
| FJD-USD | 0.4369 | 0.4449 | 0.4488 | 0.4525 | 0.4565 | 0.4567 | 0.4607 | 0.4625 | 0.4646 | 0.4663 |
| FJD-AUD | 0.6666 | 0.6542 | 0.6504 | 0.6465 | 0.6429 | 0.6433 | 0.6398 | 0.6423 | 0.6364 | 0.6387 |
| FJD-EUR | 0.3751 | 0.3770 | 0.3771 | 0.3803 | 0.3804 | 0.3806 | 0.3807 | 0.3822 | 0.3839 | 0.3854 |
| FJD-JPY | 66.78 | 64.50 | 64.18 | 63.81 | 63.45 | 62.57 | 62.19 | 61.51 | 61.32 | 61.08 |
| FJD-NZD | 0.7567 | 0.7540 | 0.7480 | 0.7419 | 0.7362 | 0.7366 | 0.7312 | 0.7226 | 0.7259 | 0.7174 |
| DXY | 98.82 | 98.4 | 97.9 | 97.4 | 96.8 | 96.4 | 95.9 | 95.3 | 94.8 | 94.4 |

Source: Westpac Fiji

# Migration trends

Fiji is undergoing a significant demographic shift driven by strong outward migration and a growing reliance on foreign labour. Between 2021 and 2024, the number of Fiji-born residents in Australia surged from 76,370 to 92,550, a 21% increase, reflecting robust demand for overseas opportunities.

Many Fijians have migrated under labour mobility schemes or through education pathways. In 2024, 8,117 students were enrolled in Australian institutions, yet only 4,000 commenced studies, highlighting the use of student visas as a migration route. Despite policy changes reducing part-time work hours for international students, this pathway remains active, with 5,458 enrolments recorded by May 2025.

Long-term departures, especially for education, employment, and emigration, have continued to ease since late 2022, providing some relief to domestic labour supply. However, there has been a slight pickup in the number of Fijians departing for overseas employment in recent months.

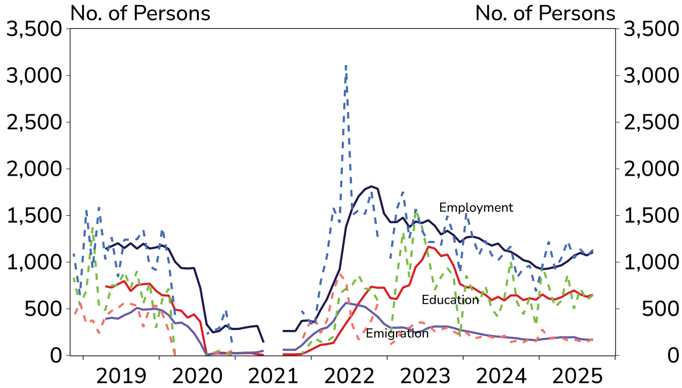
Labour mobility programs continue to attract Fijian workers. As of July 2025, 5,205 Fijians were employed under the Pacific Australia Labour Mobility (PALM) Scheme, including 4,363 in long-term roles and 1,010 in short-term streams. These opportunities provide income and remittance flows but also contribute to domestic skill shortages, particularly in construction, healthcare, and hospitality.

To offset these gaps, Fiji has seen an influx of foreign workers, primarily from South and Southeast Asia, filling roles in construction, manufacturing, and tourism. While this supports economic activity, it raises challenges around labour regulation, housing, and social integration.

Overall, migration remains a defining feature of Fiji's economic landscape. While remittances bolster household incomes and foreign reserves, sustained outflows of skilled labour underscore the need for policies that strengthen vocational training, streamline foreign worker permits, and create incentives for skilled Fijians to return.

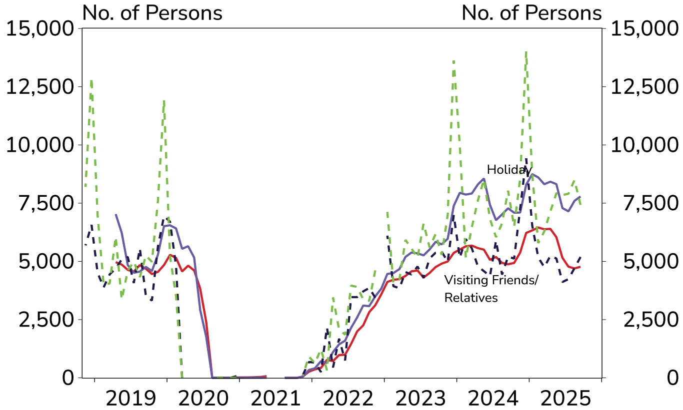
### Long-term Fiji resident departures - the three Es

Employment migration rising, 6-month moving average




Source: FBoS, Macrobond, Westpac Economics

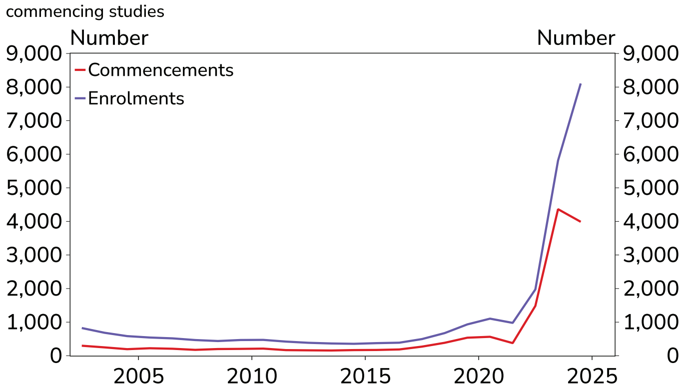
### Short-term resident departures up




Source: FBoS, Macrobond, Westpac Economics

### Fijian students in Australia

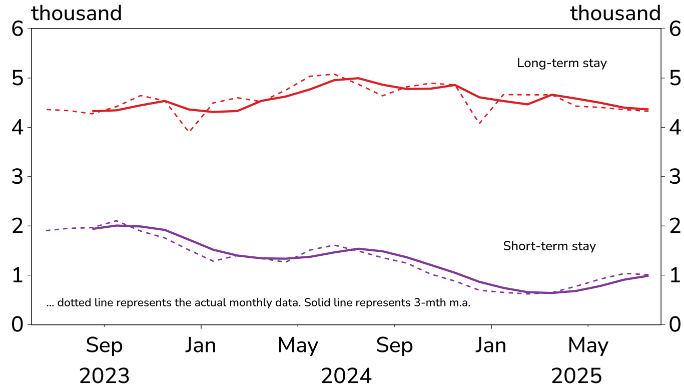
Significant difference in the number of students enrolled and those actually commencing studies




Source: Australian Department of Education, Macrobond, Westpac Economics

### Fijian workers under PALM scheme

5,340 workers as at Jul-25




Past performance is not a reliable indicator of future performance. The forecasts given above are predictive in character. Whilst every effort has been taken to ensure that the assumptions on which the forecasts are based are reasonable, the forecasts may be affected by incorrect assumptions or by known or unknown risks and uncertainties. The results ultimately achieved may differ substantially from these forecasts.

# Fiji's growth outlook holds steady

Fiji's economic growth is expected to moderate over the medium term following a strong post-pandemic rebound. Our outlook reflects more of a balanced assessment of both upside and downside risks, with forecasts now based on the rebased 2019 GDP levels. After expanding by 17.7 percent in 2022 and 9.4 percent in 2023, real GDP growth slowed to 3.5 percent in 2024 and Fiji's economy is expected to grow by a further 3.0 percent in 2025. The medium term growth is expected to stabilise at around 3.3–3.4 percent - historical average. This marks a transition from recovery-driven momentum to more sustainable growth, supported by tourism, remittances, and domestic activity.

Just briefly recapping, Fiji's GDP rebasing from 2014 to 2019 reveals notable structural changes. Agriculture's share surged from 6.5 percent to 11.3 percent, highlighting its growing role. Net taxes fell sharply from 21.3 percent to 15.1 percent, while wholesale and retail trade, accommodation, and construction activities increased, reflecting robust consumption and tourism-driven sectoral share. The energy supply nearly doubled in terms of relative share, signaling infrastructure investment. Conversely, the relative contributions of financial services and ICT to overall GDP declined. Transport also fell slightly, while health and education gained modestly. Overall, the economy appears more agriculture- and service-oriented, with tourism and domestic trade strengthening.

Moving on, the lower-than-historical average growth expected in 2025 is largely due to assumptions of no growth in visitor arrivals and an upward revision of prior year's growth. Despite strong August arrivals, September fell short, and similar patterns are anticipated for the remainder of the year. From 2026 onwards, modest annual growth of around 3 percent is expected, reflecting a maturing tourism sector that will need to diversify into new markets to ensure sustainable growth.

Inflation is projected to turn negative in 2025, continuing a trend observed over the past eight months. Average inflation is expected at –1.3 percent, with year-end inflation at –0.7 percent. This follows the rebasing to 2019 price levels and reflects easing price pressures driven by lower food and transport costs. Inflation is expected to return to positive territory from 2026, gradually rising to around 2.5–2.8 percent.

Remittance growth has been revised down from 10 percent to 5 percent for 2025, as year-to-date inward remittances eased to 6.3 percent. Nevertheless, remittances remain a stable source of foreign exchange and household income for low- and middle-income families, supporting consumption. With migration easing, population growth is expected to stabilise, supporting consumption and labour market recovery over the medium term.

Major infrastructure investments are expected to boost medium-term growth. Energy Fiji Limited plans to invest significantly in renewable energy infrastructure over the next 10 years, with nearly $2 billion in capital investments expected within the next five years in response to expected pick-up in energy demand. A $270 million portfolio of two large-scale hotel developments in Suva (Tabua Tower) and Nadi (Koro Fiji) will support both tourism and construction, alongside other major hotel projects.

While consumption and construction indicators show renewed optimism and government spending remains supportive, the 2025 growth outlook of 3.0 percent reflects a cautiously balanced view shaped by flat tourism and lower-than-expected inward remittances with prevailing upside risks.

Overall, Fiji's outlook remains one of cautious optimism, underpinned by key sectors but tempered by external risks and structural constraints.

## Medium-term growth outlook

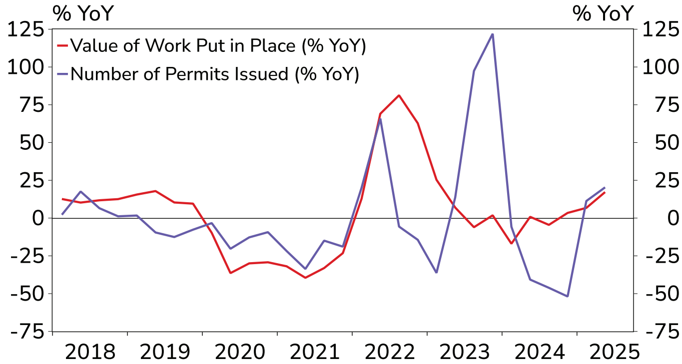
| Indicators (%) | 2022 | 2023 | 2024 | 2025f | 2026f | 2027f | 2028f |
|---|---|---|---|---|---|---|---|
| Real GDP growth | 17.7 | 9.4 | 3.5 | 3.0 | 3.3 | 3.4 | 3.4 |
| Inflation, average | 6.1 | 3.0 | 3.9 | -1.3 | 1.3 | 2.7 | 2.5 |
| Inflation, year-end | 4.3 | 4.8 | -0.2 | -0.7 | 2.8 | 2.5 | 2.5 |
| GDP Deflator | 2.5 | 4.1 | 4.5 | 0.1 | 1.1 | 3.2 | 3.2 |
| Visitor Arrivals | 1,912 | 46.1 | 5.7 | 0.0 | 3.0 | 3.0 | 3.0 |
| Tourism earnings | 2,014 | 55.1 | 5.7 | 0.8 | 3.5 | 3.5 | 3.5 |
| Remittances | 23.6 | 20.4 | 6.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Population | -0.5 | -1.5 | -0.4 | 0.1 | 0.1 | 0.1 | 0.1 |

Source: Westpac Fiji

# Key sectors gaining momentum

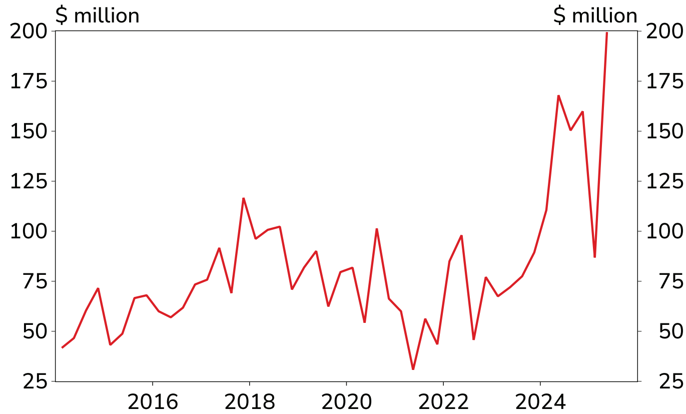
## Fiji's construction sector shows optimism

Actual value of work put-in-place up 20% year-on-year
No. of permits issued for new construction up 17% year-on-year




Source: , Macrobond, Westpac Economics

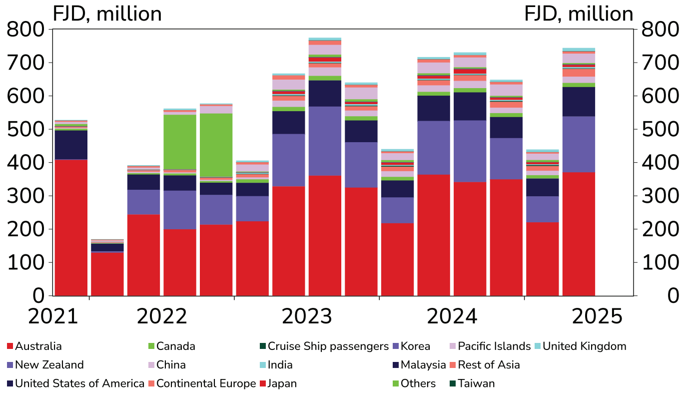
## New construction permits issued are high-valued




Source: , Macrobond, Westpac Economics

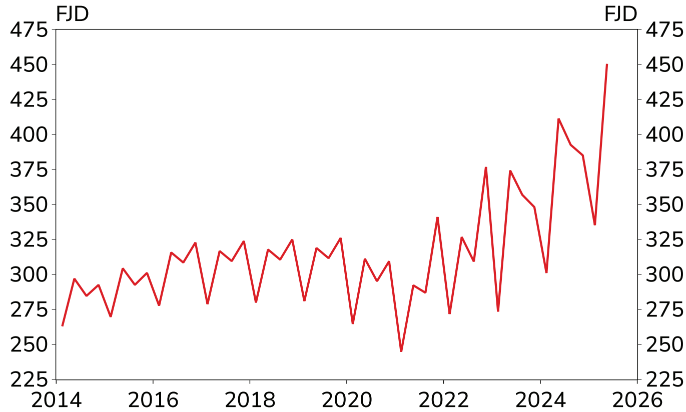
## Fiji's tourism earnings hit $744 million in Q2 2025

... $1.2 billion in total earnings during first half of 2025



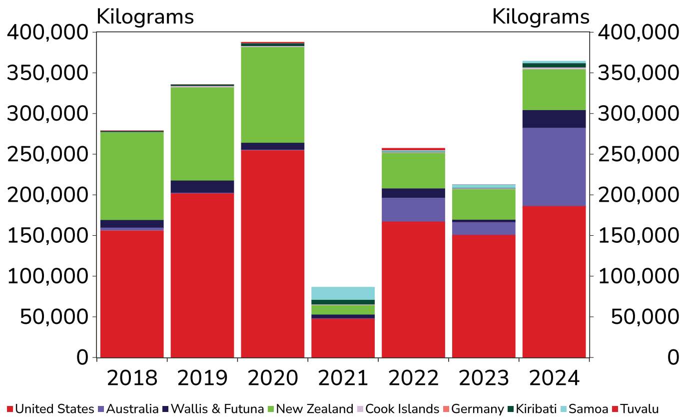

Source: FBoS, Macrobond, Westpac Economics

## Tourists spend higher at $450 per day stay in Fiji



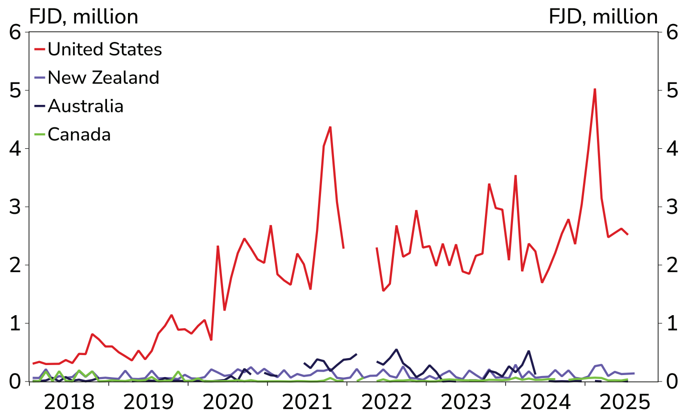

Source: FBoS, Macrobond, Westpac Economics

## Fiji Kava exports




Source: COMTRADE, Macrobond, Westpac Economics

## Ginger and turmeric exports



## Key domestic economic statistics

| Fiji | Feb-25 | Mar-25 | Apr-25 | May-25 | Jun-25 | Jul-25 | Aug-25 |
|---|---|---|---|---|---|---|---|
| Visitor arrivals (%) | -3.8 | -5.3 | -2.7 | -1.0 | -0.8 | -0.4 | 0.4 |
| Net VAT (%) | 7.4 | 11.7 | 10.0 | 8.2 | 7.9 | 5.4 | 3.3 |
| Personal remittance (%) | 16.9 | 10.4 | 10.4 | 14.5 | 11.5 | 8.6 | 6.3 |
| Private sector credit (%) | 12.5 | 11.0 | 11.5 | 9.7 | 8.7 | 9.5 | 10.1 |
| Liquidity (F$M) | 2,079.2 | 1,989.7 | 1,913.9 | 1,986.5 | 2,110.3 | 2,180.7 | 2,168.3 |
| Foreign reserves (F$M) | 3,581.6 | 3,521.0 | 3,499.8 | 3,600.7 | 3,756.1 | 3,847.8 | 3,890.5 |
| Months of retained imports | 5.8 | 4.7 | 5.6 | 5.6 | 5.9 | 6.0 | 6.1 |
| Inflation (%) | -0.3 | -0.4 | -2.1 | -1.4 | -1.2 | -1.5 | -3.5 |
| Overnight policy rate (OPR) | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 |

Source: Westpac Fiji, RBF, FBOS, MOF. Cumulative year-on-year % change

## Fiji Government yields

| Month | 3 mths | 6 mths | 12 mths | 10 yrs | 15 yrs | 20 yrs |
|---|---|---|---|---|---|---|
| Sep-25 | 0.20 | 0.45 | 1.13 | 3.90 | 4.15 | 5.50 |
| Aug-25 | 0.20 | 0.45 | 1.15 | 3.90 | 4.15 | 5.50 |
| Jul-25 | 0.20 | 0.45 | 1.19 | 3.90 | 4.15 | 5.00 |
| Jun-25 | 0.20 | 0.45 | 1.19 | 3.90 | 4.15 | 5.00 |
| May-25 | 0.20 | 0.45 | 1.19 | 3.90 | 4.15 | 5.00 |
| Apr-25 | 0.15 | 0.40 | 1.14 | 3.90 | 4.15 | 5.00 |
| Mar-25 | 0.15 | 0.40 | 1.14 | 3.90 | 4.15 | 5.00 |

Source: Westpac Fiji

## Interest rate forecast

| Economies | Latest | Dec-25 | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Australia** | | | | | | | | | | |
| Cash | 3.60 | 3.35 | 3.10 | 2.85 | 2.85 | 2.85 | 2.85 | 2.85 | 2.85 | 2.85 |
| 10 Year Bond | 4.25 | 4.30 | 4.35 | 4.40 | 4.45 | 4.50 | 4.55 | 4.60 | 4.60 | 4.65 |
| **United States** | | | | | | | | | | |
| Fed Funds | 4.125 | 3.875 | 3.875 | 3.875 | 3.875 | 3.875 | 3.875 | 3.875 | 3.875 | 3.875 |
| 10 Year Bond | 4.03 | 4.15 | 4.20 | 4.25 | 4.30 | 4.40 | 4.50 | 4.60 | 4.65 | 4.70 |
| **New Zealand** | | | | | | | | | | |
| Cash | 2.50 | 2.25 | 2.25 | 2.25 | 2.25 | 2.50 | 2.75 | 3.00 | 3.25 | 3.50 |
| 10 Year Bond | 4.06 | 4.15 | 4.30 | 4.45 | 4.55 | 4.70 | 4.85 | 4.90 | 4.95 | 4.95 |

## Global and trading partner growth forecast (year-average)

| Country | 2020 | 2021 | 2022 | 2023 | 2024 | 2025f | 2026f | 2027f |
|---|---|---|---|---|---|---|---|---|
| World | -2.7 | 6.6 | 3.6 | 3.5 | 3.3 | 3.2 | 3.1 | 3.2 |
| United States | -2.2 | 6.1 | 2.5 | 2.9 | 2.8 | 1.9 | 1.3 | 1.6 |
| China | 2.3 | 8.4 | 3.1 | 5.4 | 5.0 | 5.0 | 4.6 | 4.5 |
| Japan | -4.2 | 2.7 | 0.9 | 1.5 | 0.1 | 0.9 | 0.8 | 0.8 |
| India | -5.8 | 9.7 | 7.6 | 9.2 | 6.5 | 6.7 | 6.4 | 6.3 |
| Euro Zone | -6.0 | 6.3 | 3.5 | 0.4 | 0.9 | 1.4 | 1.1 | 1.5 |
| Australia | -2.0 | 5.4 | 4.1 | 2.1 | 1.0 | 1.7 | 2.3 | 2.5 |
| New Zealand | -1.3 | 5.7 | 2.9 | 1.8 | -0.6 | 0.4 | 2.5 | 3.5 |

Source: Westpac Economics June Market Outlook

# Corporate Directory

## Westpac Economics / Australia

**Sydney**
Level 19, 275 Kent Street
Sydney NSW 2000
Australia

E: economics@westpac.com.au

**Luci Ellis**
Chief Economist Westpac Group
E: luci.ellis@westpac.com.au

**Matthew Hassan**
Head of Australian Macro-Forecasting
E: mhassan@westpac.com.au

**Elliot Clarke**
Head of International Economics
E: eclarke@westpac.com.au

**Sian Fenner**
Head of Business and Industry Economics
E: sian.fenner@westpac.com.au

**Justin Smirk**
Senior Economist
E: jsmirk@westpac.com.au

**Pat Bustamante**
Senior Economist
E: pat.bustamante@westpac.com.au

**Mantas Vanagas**
Senior Economist
E: mantas.vanagas@westpac.com.au

**Ryan Wells**
Economist
E: ryan.wells@westpac.com.au

**Illiana Jain**
Economist
E: illiana.jain@westpac.com.au

**Neha Sharma**
Economist
E: neha.sharma1@westpac.com.au

## Westpac Economics / New Zealand

**Auckland**
Takutai on the Square
Level 8, 16 Takutai Square
Auckland, New Zealand

E: economics@westpac.co.nz

**Kelly Eckhold**
Chief Economist NZ
E: kelly.eckhold@westpac.co.nz

**Michael Gordon**
Senior Economist
E: michael.gordon@westpac.co.nz

**Darren Gibbs**
Senior Economist
E: darren.gibbs@westpac.co.nz

**Satish Ranchhod**
Senior Economist
E: satish.ranchhod@westpac.co.nz

**Paul Clark**
Industry Economist
E: paul.clarke@westpac.co.nz

## Westpac Economics / Fiji

**Suva**
1 Thomson Street
Suva, Fiji

**Shamal Chand**
Senior Economist
E: shamal.chand@westpac.com.au

IQ
westpaciq.com.au

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