

The 29th SEOB Bulletin provides an overview of recent economic developments in Suriname. SEOB is an independent institution, established on 1 June 2023, with the primary objective of monitoring the IMF-supported programme. Since the completion of the IMF programme, SEOB has focused on monitoring key macroeconomic indicators and providing advice to the Government and other key stakeholders. The performance indicators used are based on internationally recognized standards. Statistics are regularly published in a clear and accessible format on our website: www.seob.sr.

Key developments

- Economic activity continued to strengthen during the first quarter of 2026. MEAI growth accelerated from 5.6% in January to 6.3% in March, although the pace of recovery remained uneven across sectors.
- Year-on-year inflation increased slightly to 10.9% in April 2026, while month-on-month inflation rose to 0.8%. This confirms that inflationary pressures have intensified once again and that Suriname continues to experience double-digit inflation.
- Exchange rate developments remained relatively stable during April and May. The exchange rate of the US dollar remained around SRD 37.5, while the euro exchange rate reached SRD 43.8 in May following a slight increase in April.
- The SRD component of the monetary base (M0) declined marginally by 0.1% in April to approximately SRD 26.6 billion, following an increase of 3.5% in March.
- The SRD component of the broad money supply (M2) increased by a further 2.0% in April to approximately SRD 39.9 billion. This growth was partly driven by higher total SRD-denominated lending, particularly for housing, other lending categories, and government borrowing.
- International reserves remained at a solid level but declined slightly in April to USD 1.88 billion. Import coverage decreased from 7.9 months in March to 7.7 months in April, while remaining well above internationally accepted benchmarks.
- Public finances improved in January 2026, with total government revenues amounting to SRD 6.6 billion and total expenditures totaling SRD 4.0 billion. As a result, both the current balance and the overall fiscal balance recorded surpluses.
- Public debt remained elevated during the first quarter of 2026. In March, the debt-to-GDP ratio stood at 86.9% under the statutory definition and 123.3% under the international definition, remaining well above generally accepted debt sustainability thresholds.
- The weighted average lending rate remained at 14.0% in April 2026, while the weighted average savings rate increased to 7.1%. Consequently, the interest rate spread narrowed further, although borrowing costs for credit recipients remained relatively high.
- The banking sector remained resilient, with a capital adequacy ratio of 20.3% in April. The gross non-performing loan (NPL) ratio increased slightly to 3.1%, but remained at a manageable level.

Although economic activity continues to strengthen, the exchange rate has recently stabilized, and public finances temporarily recorded a fiscal surplus, inflation remains in double digits. The persistent inflationary pressure can be attributed, among other factors, to the delayed pass-through of earlier cost increases, imported inflation, domestic cost pressures, and continued credit growth.

Recent economic developments

Economic activity¹

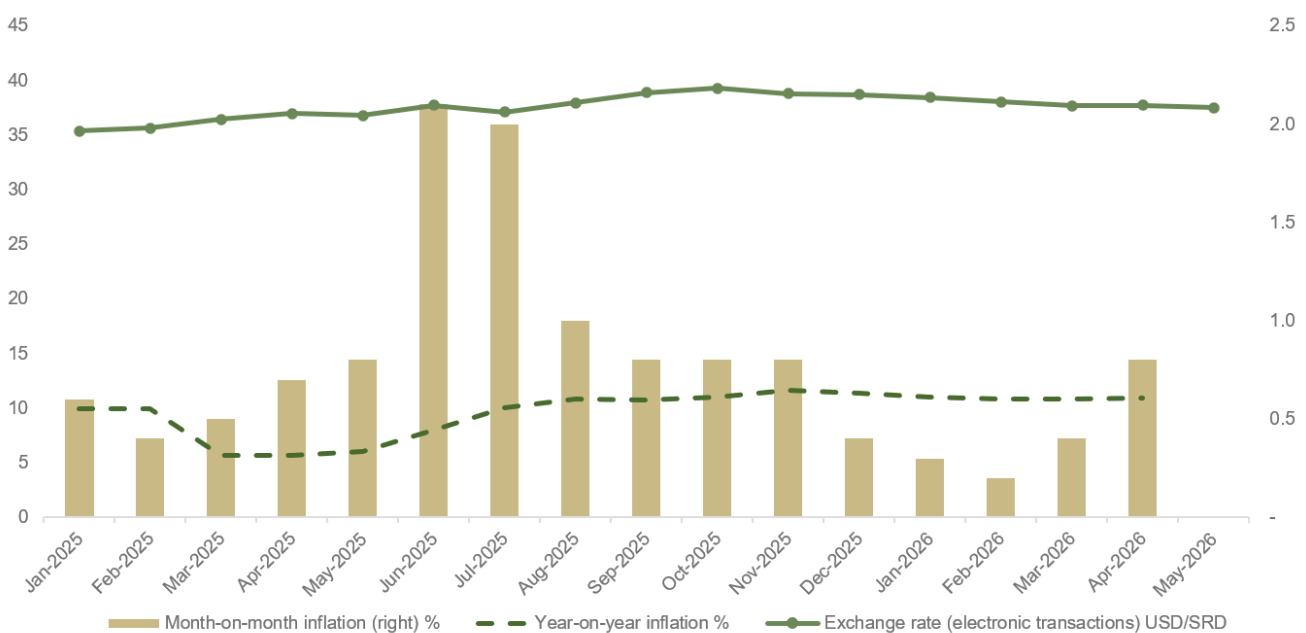
Economic activity in Suriname continued to strengthen during the first quarter of 2026. MEAI growth accelerated from 5.6% in January 2026 to 6.3% in March, indicating a continued upward trend. This development suggests that economic activity strengthened on a year-on-year basis, despite fluctuations in the monthly index levels.

The acceleration in growth indicates that the economic recovery is becoming more broad-based, although sectoral performance remains mixed. In March, the strongest performance was recorded in water supply and sanitation, wholesale and retail trade, accommodation and food service activities, public administration, and several service sectors. At the same time, sectors such as transportation and storage, mining, and parts of the production sector remained relatively weak or volatile. Overall, the increase in MEAI growth points to a further improvement in economic momentum; however, the underlying differences across sectors indicate that the recovery has not yet become firmly established throughout the entire economy.

Inflation and exchange rate

Year-on-year inflation increased slightly to 10.9% in April 2026, up from 10.8% in March. Inflationary pressures also intensified on a month-on-month basis, with consumer prices increasing by 0.8% in April, compared to 0.4% in March and 0.2% in February. This development confirms that Suriname has once again been experiencing double-digit inflation since July 2025 and that inflationary pressures strengthened further in April. As a result, household purchasing power is eroding more rapidly, business costs are increasing, the real value of savings is declining, and economic uncertainty is rising. This is an unfavorable development, as the country had been progressing toward a return to single-digit inflation as an indicator of continued macroeconomic recovery and price stability. For Suriname, these developments underscore that lasting price stability has not yet been achieved and that consistent monetary and fiscal policies remain essential.

Figure 1. Exchange rate and inflation



Sources: ABS and CBvS.

¹ Source: CBvS Monthly Economic Activity Index.

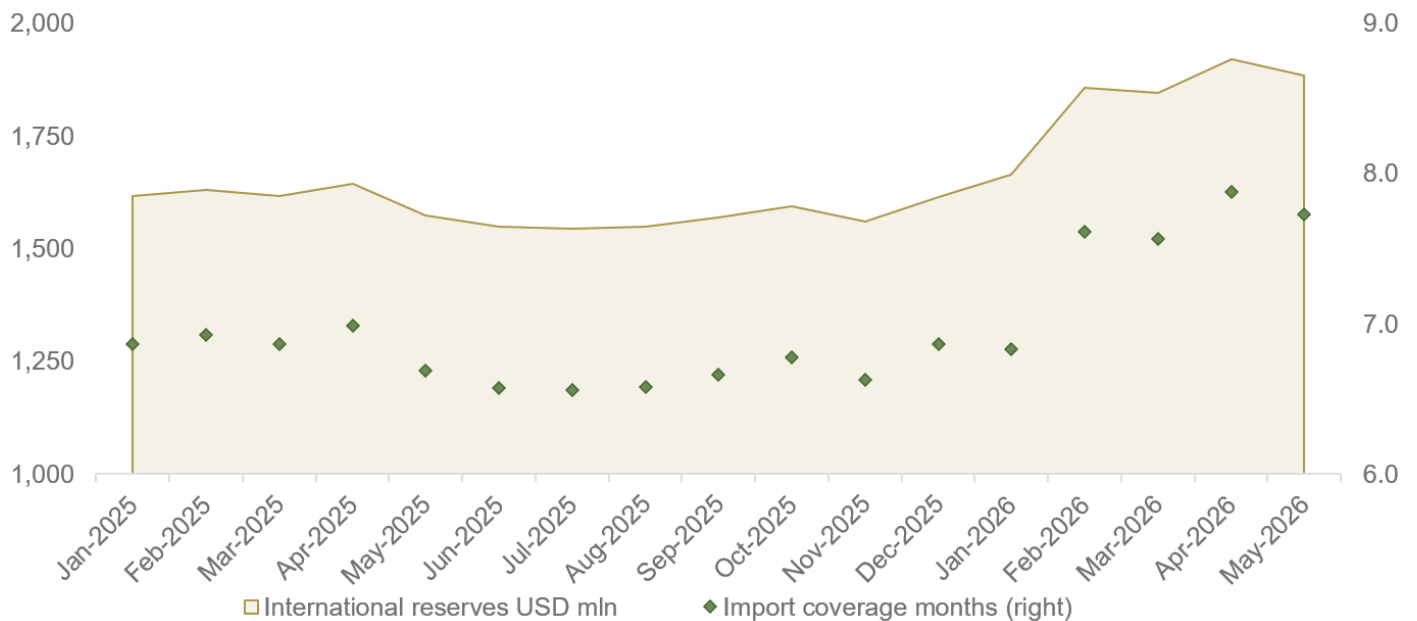
The Surinamese dollar (SRD) strengthened against both the US dollar and the euro in March 2026. The USD exchange rate declined to SRD 37.7 in March, indicating an appreciation of the SRD. In April, the USD exchange rate remained virtually unchanged at SRD 37.7, before stabilizing further at around SRD 37.5 in May. The SRD also appreciated against the euro, with the EUR exchange rate declining to SRD 43.7 in March. Although the euro exchange rate increased slightly to SRD 44.1 in April, it eased to SRD 43.8 in May. Overall, the May figures indicate relatively stable exchange rate developments against both the US dollar and the euro. While recent exchange rate movements reflect some strengthening and stabilization of the SRD, the exchange rate remains vulnerable to external factors, international currency market developments, and domestic macroeconomic conditions.

Monetary developments

Developments through April 2026 present a mixed picture of the monetary base (M0). Following a modest decline in February, the SRD component of the M0 increased by 3.5% in March, driven in part by a sharp increase in net claims on the government compared with February. This trend moderated in April, when the SRD component of M0 declined slightly by 0.1% to approximately SRD 26.6 billion. This suggests that the expansion in base liquidity observed in March did not continue into April.

The SRD component of the broad money supply (M2) continued to expand in both March and April. Following growth of 1.85% in March, SRD-denominated M2 increased by a further 2.0% in April to approximately SRD 39.9 billion. This expansion was partly driven by an increase in total SRD-denominated credit, which rose from approximately SRD 17.0 billion in February to SRD 17.3 billion in April. Credit growth was primarily supported by higher lending for housing, other lending categories, and government borrowing. Against the backdrop of persistently elevated inflation, it remains important to closely monitor developments in money supply and credit growth.

Figure 2. International Reserves and import coverage



Source: CBvS.

International reserves

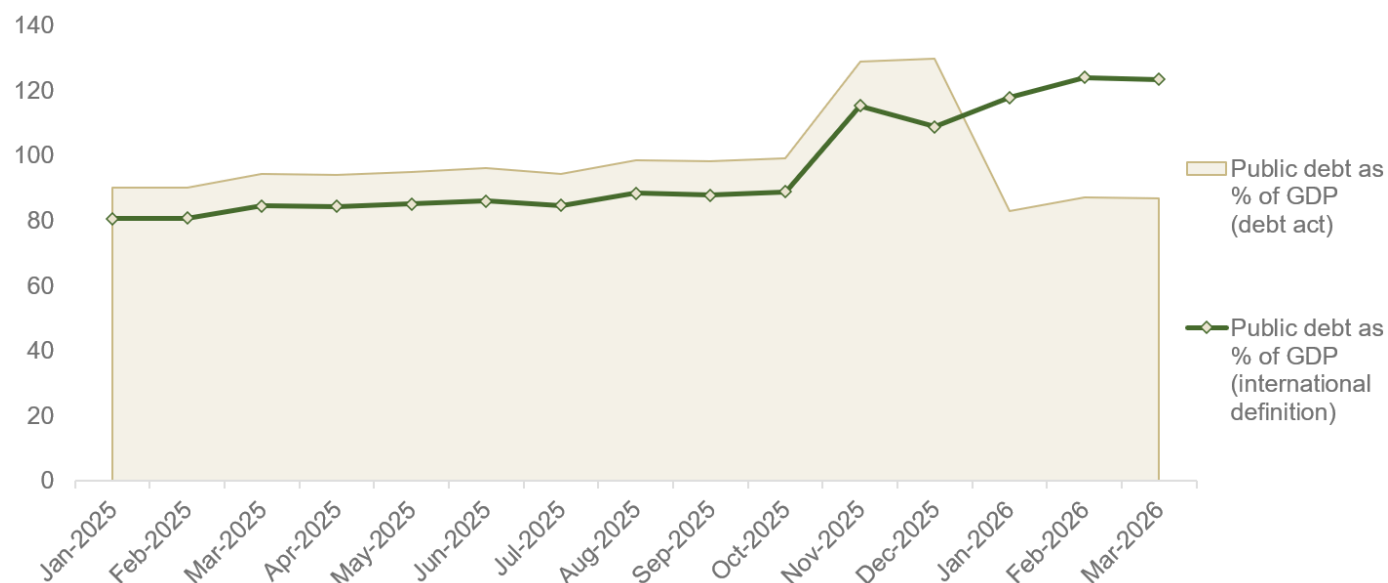
International reserves remained at a relatively strong level during the first months of 2026, although they declined slightly in April. Following an increase from USD 1.85 billion in February to USD 1.92 billion in March, reserves decreased to USD 1.88 billion in April. Import coverage also declined marginally, from 7.9 months in March to 7.7 months in April. Despite this decrease, the external reserve buffer remains well above the internationally accepted benchmark of three months of import coverage. These developments indicate that Suriname continues to maintain a solid reserve position. Nevertheless, further strengthening of international reserves remains important to enhance resilience against external shocks, support exchange rate stability, and preserve confidence in the country's macroeconomic policy framework.

Public finances

Public finances improved in January 2026 compared with December 2025. Total government revenues increased to SRD 6.6 billion, while total expenditures declined to SRD 4.0 billion. As a result, the current balance recorded a surplus of SRD 3.0 billion, and the overall fiscal balance improved to a surplus of SRD 2.6 billion. This development points to a temporary easing of fiscal pressure at the beginning of 2026, driven by higher revenues and lower expenditures. Nevertheless, caution remains warranted, as monthly fiscal surpluses do not necessarily indicate a structural improvement in the public finances. With government expenditure remaining elevated and revenues potentially subject to volatility, the fiscal position remains vulnerable, underscoring the need for continued fiscal discipline.

In 2025, total government revenues amounted to SRD 51.7 billion, while total expenditures reached SRD 64.7 billion, resulting in an overall fiscal deficit of SRD 13.0 billion. The negative annual outcome was largely attributable to an exceptionally high expenditure peak in January, which accounted for approximately 83% of the total annual deficit. Excluding this outlier, fiscal developments were considerably more stable throughout the year. In particular, the fourth quarter showed a marked improvement, with the overall fiscal balance recording a surplus of SRD 2.7 billion, driven by strong revenue performance in October and December. The significant increase in revenues in December 2025 appears to have been supported in part by higher tax receipts associated with seasonally stronger sales during the holiday period. This development indicates a temporary easing of fiscal pressure at the end of the year.

Figure 3. Public debt (% of GDP)



Source: SDMO.

Public debt

Public debt remained elevated, despite a slight decline in March compared with February. Under the statutory definition, the debt-to-GDP ratio increased from 83.0% in January to 87.0% in February, before declining marginally to 86.9% in March. Under the international definition, the debt-to-GDP ratio also declined slightly, reaching 123.3% in March.

Despite these modest improvements, public debt remains well above both the statutory threshold of 60% of GDP and internationally accepted debt sustainability benchmarks. The persistently high debt burden points to limited fiscal space, higher interest costs, and continued vulnerability of the public finances to both domestic and external shocks. Active debt management and continued fiscal consolidation therefore remain essential to support macroeconomic stability.

Banking sector

The weighted average lending rate continued its gradual decline, standing at 14.0% in April 2026, down from 14.3% in January. Meanwhile, the weighted average savings rate increased to 7.1% in April, up from 6.8% in March. As a result, the interest rate spread within the banking sector narrowed further. This indicates that borrowing costs for credit recipients remained relatively high, while savers benefited from a modest increase in the return on their deposits.

The banking sector's capital adequacy ratio remained at a solid 20.3% in April 2026, indicating that commercial banks continue to maintain sufficient capital buffers to absorb potential risks. The gross non-performing loan (NPL) ratio increased marginally to 3.1% in April, compared to 3.0% in March. Despite this slight increase, overall asset quality remained sound and manageable. The combination of a strong capital position and a relatively low NPL ratio indicates that the banking sector continues to demonstrate resilience.

SEOB recommendations

The Surinamese economy remains fragile, despite the acceleration in economic growth. Although inflation declined to single-digit levels during 2025, it has risen above 10% in recent months. In addition, public finances and the level of public debt remain matters of concern.

SEOB calls attention to the high level of government subsidies, particularly those related to electricity. Furthermore, SEOB advocates for the continued strengthening of the social safety net, as well as enhanced transparency and anti-corruption oversight mechanisms, in anticipation of the substantial increase in revenues expected from offshore oil production. SEOB also recommends strengthening and operationalizing key institutions, including the Savings and Stabilization Fund (SSFS), and introducing a five-year public financial plan that incorporates expenditure ceilings and a medium-term public debt sustainability target. Despite the country's pressing development needs, the authorities will need to exercise strict expenditure restraint. SEOB emphasizes that strengthening institutions is essential to promoting long-term macroeconomic stability.

The SEOB recommends:

- Maintain the AML-PIU, as a well-functioning inter-institutional platform is essential in the lead-up to the next evaluation cycle to ensure that Suriname sustains the progress achieved and continues to comply with international AML/CFT standards.
- Maintain strict fiscal discipline to preserve the stability achieved and anchor a sustainable economic recovery.
- Enhance fiscal transparency and establish a clear fiscal policy framework.

- Develop a coherent medium-term framework for tax policy.
- Broaden government revenues through a regime comparable to the RIGI model (Suriname's version of an investment law). A modern investment framework is essential to attract new and sustainable foreign exchange inflows.
- Break the cycle of fiscal deficits, inflation, and exchange rate pressures through a comprehensive strategy that combines fiscal consolidation with structural reforms and targeted economic diversification.
- Ensure that the national budget reflects an integrated government policy framework in which each ministry incorporates a sustainable revenue-generating model within its mandate.
- Strengthen public finances by transparently divesting non-strategic, loss-making state-owned enterprises that require substantial government subsidies to the private sector.
- Enact the Public Procurement Act to promote transparency, establish clear rules for public procurement and tendering processes, and improve cost control.
- Strengthen and preserve international reserves through export growth and investment promotion.
- Economic diversification beyond the mining sector, with a particular focus on agriculture, including fisheries and agro-processing, services, and (eco-)tourism, is essential.
- Develop, in the short term, a joint production and export growth strategy between the Government and the private sector to promote investment and export expansion.
- Intensively monitor inflation while protecting vulnerable groups through well-targeted social programmes.
- Pursue active public debt management in light of the country's elevated debt burden.
- Ensure the independent and sustainable development of human capital within key institutions, including the Tax Authority, Customs Administration, and government ministries.
- Improve digital tax collection and strengthen the collection of import duties to reduce the fiscal deficit.
- Ensure close coordination between fiscal and monetary policy to contain inflationary pressures and support the stability of the Surinamese dollar (SRD). Safeguarding the independence of the Central Bank, in accordance with the Central Bank Act 2022, should remain a priority.
- Safeguard financial stability through prudent bank lending practices, with particular emphasis on lending to SMEs and households, while preserving adequate capital buffers. High lending rates currently continue to constrain investment.
- Restore confidence through consistent policymaking and clear communication of the country's socio-economic strategy for the years ahead.
- Place greater emphasis on the National Risk Assessment (NRA) to safeguard the integrity of the financial system by preventing money laundering and terrorist financing, thereby strengthening confidence, attracting investment, promoting financial inclusion, and supporting sustainable economic growth.

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