



Press release

Nouméa - September 13, 2016

New Caledonia's economy in 2015 Morale falls again, but fundamentals resilient

Nouméa's IEOM agency has published today the English version of its note No.188 "New Caledonia's economy in 2015". This annual report gives in four pages an assessment of the territory's economic and financial situation.

The consolidation of New Caledonia's economy, which started in 2014, did not gain hold in 2015. While the main economic indicators remained stable, New Caledonian business owners consider that there was a substantial downturn in the economy and say that they are much less confident in their business. In this gloomy economic context, the labour market deteriorated again, marked by a continuous rise in demand for employment, against subdued job opportunities. However, household consumption, albeit limited, did hold up. Investment remained strong, despite a sharp deterioration in the future investment plans of business owners in the second half of the year. Foreign trade declined in value, mainly due to the fall in the prices of the main goods traded.

At sectoral level, there were mixed trends. Nickel operators are suffering from the deterioration in world prices, which has a long-term impact on the value of their exports and forces them to defer their investments. The primary sector showed mixed results following a further year of drought. However, despite the slowdown in public procurement, activity in the construction sector generally remained positive, driven in particular by private construction. Finally, there was a significant increase in the number of tourist visits, breaking with several years of slowdown.

In this ailing economic context, banking activity remained dynamic overall. There was a marked increase in total gross outstanding loans allocated to economic agents, as was the case with deposit collection. The performance of local credit institutions remained positive, despite a slight deterioration in the quality of their credit portfolio.

The Institut d'émission d'outre-mer (IEOM) is the central bank for the three French overseas territories located in the Pacific region: French Polynesia, New Caledonia, Wallis and Futuna. The Institut d'émission d'Outre-Mer (IEOM), a Paris-based national public institution, was founded and chartered by the French government in December 1966 and empowered to issue a uniform currency in the French territories of the Pacific.

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