

# Commonwealth of the Northern Mariana Islands (CNMI)

## Director of Banking 2020 Annual Report



## TABLE OF CONTENTS

<b>Description</b>	<b>Page</b>
Cover Letter.....	2
Deposit and Loan Trends of Retail Banks.....	3
Consolidated Figure of Retail Banks .....	4
Consolidated Statements of Condition of Retail Banks.....	5
Quarterly Reports of Retail Banks.....	6
Consolidated Statements of Condition of Foreign Banks.....	7
Consolidated Statements of Condition of Commonwealth Banks.....	8
Statement of Financial Condition of each Bank:	
Bank of Saipan.....	9
City Trust Bank.....	10
Bank of Hawaii.....	11-12
Bank of Guam.....	13-14
First Hawaiian Bank.....	15-16
Bank Pacific, Ltd.....	17-18

The Honorable David M. Apatang  
and  
The Honorable Members of the Legislature

Pursuant to 4 CMC Division 6, Section 6116, I am pleased to present the 2020 Annual Report of the Director of Banking.

This report contains 2020 consolidated statements of financial conditions, quarterly reports, balance sheets of each bank (Commonwealth branches and consolidated), and the trends of loans from 1985 if all licensed banks in the Commonwealth. The report also includes remittance and foreign exchange reports for the same time period. All reports include historical data as well as comparisons year over year.

We are actively engaged in catching up on the annual reporting process and will update the website accordingly as years are completed.

Sincerely,



Remedio C. Mafnas  
Secretary of Commerce/  
Director of Banking

**DEPOSIT AND LOAN TRENDS OF RETAIL BANKS  
SINCE 1985  
(IN MILLIONS)**

<u>Year</u>	<u>Number of Banks in Operation</u>	<u>Amount of Deposits</u>	<u>Increase/ (Decrease) in Deposits</u>	<u>Amount of Loans</u>	<u>Increase/ (Decrease) in Loans</u>
1985	7	112.5		59.9	
1986	7	124.3	12	65.1	5
1987	7	161.4	37	78.2	13
1988	7	223.1	62	88.0	10
1989	7	326.8	104	106.6	19
1990	7	473.0	146	121.5	15
1991	7	480.4	7	147.7	26
1992	7	429.5	(51)	160.6	13
1993	7	386.1	(43)	186.7	26
1994	7	411.2	25	200.2	14
1995	7	425.2	14	216.3	16
1996	8	463.0	38	280.2	64
1997	9	481.0	18	279.9	(0)
1998	9	522.8	42	304.7	25
1999	8	570.4	48	288.4	(16)
2000	8	595.7	25	325.0	37
2001	7	599.8	4	276.2	(49)
2002	6	549.3	(51)	253.1	(23)
2003	6	553.7	4	212.0	(41)
2004	6	559.7	6	203.8	(8)
2005	6	523.7	(36)	193.8	(10)
2006	6	518.1	(6)	180.8	(13)
2007	6	531.2	13	161.6	(19)
2008	6	450.6	(81)	141.2	(20)
2009	6	445.4	(5)	127.7	(14)
2010	6	454.5	9	117.0	(11)
2011	6	461.8	7	137.2	20
2012	6	512.3	50	142.7	6
2013	6	583.3	71	151.9	9
2014	6	632.9	50	164.8	13
2015	6	714.3	81	183.1	18
2016	6	867.8	154	199.7	17
2017	6	928.4	61	211.0	11
2018	6	913.0	(15)	236.9	26
2019	6	878.4	(35)	269.6	33
2020	6	908.5	30	292.0	22

<b>CONSOLIDATED FIGURES OF RETAIL BANKS</b>										
<b>FROM 2011 TO 2020</b>										
<b>(IN MILLIONS)</b>										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Deposits:</b>										
Demand	171.2	198.1	227.5	259.1	334.6	411.1	429.9	461.8	413.8	477.0
Regular Savings	179.7	201.3	227.4	253.7	270.9	311	347.5	323.3	309.8	323.3
Time Certificates of Deposit	110.8	112.9	128.4	120.1	108.8	145.7	151	127.9	154.8	108.2
<b>Total</b>	<b>461.7</b>	<b>512.3</b>	<b>583.3</b>	<b>632.9</b>	<b>714.3</b>	<b>867.8</b>	<b>928.4</b>	<b>913.0</b>	<b>878.4</b>	<b>908.5</b>
<b>Loans:</b>										
Government	-	-	-	-	-	-	-	-	-	24.7
Consumer	45	52	64	81	104	125	140	150.7	156.1	147.4
Real Estate	55	52	46	42	38	34	30	27.6	25.4	24.1
Commercial	36	38	41	41	41	40	41	58.6	88.1	95.8
Non-Local Real Estate	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>136.0</b>	<b>142.0</b>	<b>151.0</b>	<b>164.0</b>	<b>183.0</b>	<b>199.0</b>	<b>211.0</b>	<b>236.9</b>	<b>269.6</b>	<b>292.0</b>
Loan to Deposit Ratio	29.5%	27.7%	25.9%	25.9%	25.6%	22.9%	22.7%	25.9%	30.7%	32.1%
Interest Received from Loans	7.2	10.9	9.3	9.3	9.9	11.1	11.5	12.4	12.6	14.1
Interest Paid on all Deposit Accounts	1.8	1.9	1.4	1.2	936	914	1.1	1.4	1.7	1.3

NOTE: BASED ON 4TH QUARTER REPORTS SUBMITTED TO THE DIRECTOR OF BANKING.

**CONSOLIDATED STATEMENTS OF CONDITION OF RETAIL BANKS  
COMPARISON FROM 2011 - 2020  
(IN THOUSANDS)**

<b>Assets</b>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cash and Due from Banks	9,054	10,253	9,564	11,332	11,303	12,568	20,364	21,045	20,170	18,711
<b>Securities:</b>										
U.S. Treasury	1,385	955	804	853	905	2,025	5,235	4,223	2,207	2,270
U.S. Government Agencies	-	-	-	-	-	-	-	-	-	-
Other	4,706	6,337	6,900	12,082	15,870	358	444	2,786	1,367	240
<b>Total Securities</b>	6,091	7,292	7,704	12,935	16,775	2,383	5,679	7,009	3,574	2,510
Balances with Other Banks	1,021	1,121	1,509	1,939	3,747	14,939	17,462	13,033	10,400	5,709
<b>Loans:</b>										
Government	-	-	-	-	-	-	-	-	-	24,693
Consumer	50,814	52,650	64,029	80,577	103,738	124,716	139,573	150,735	159,326	147,414
Real Estate	55,087	52,101	46,644	42,885	38,581	34,516	30,261	27,593	24,585	24,611
Commercial	36,142	38,034	41,231	41,402	40,795	40,434	41,201	58,581	88,116	95,813
Non-Local Real Estate	-	-	-	-	-	-	-	-	-	-
Reserve for Loan Losses	(4,823)	-	-	-	-	-	-	(1,056)	(1,563)	(3,285)
<b>Total Loans</b>	137,220	142,785	151,904	164,864	183,114	199,666	211,035	235,853	270,464	289,246
Premises and Equipment	3,575	3,437	3,199	3,084	3,782	3,548	3,434	3,236	3,522	3,783
Other Real Estate Owned	112	192	385	986	1,957	1,909	1,909	1,896	1,881	1,873
<b>Due from Banks:</b>										
Head Office or Branches	340,320	359,876	421,488	450,082	502,776	642,818	682,800	639,408	573,350	595,927
Other	-	-	-	-	420	408	277	272	212	197
Provision for Losses/Unearned Discount	(2,351)	(7,168)	(7,072)	(6,566)	(2,912)	(4,227)	(3,578)	(3,123)	(3,441)	(4,395)
Other Assets	(24,536)	2,533	2,459	2,450	2,360	2,362	2,578	3,678	3,941	5,221
<b>Total Assets</b>	470,506	520,321	591,140	641,106	723,322	876,374	941,960	922,307	884,073	918,782
<b>Liabilities &amp; Stockholder's Equity</b>										
<b>Deposits:</b>										
Demand - Gov't. & Agencies	32,165	37,032	39,132	45,914	40,992	64,241	68,185	102,711	70,119	142,692
Demand - Other	139,074	161,043	188,414	212,935	293,618	346,670	361,636	359,107	344,409	334,325
Savings - Gov't. & Agencies	18,996	21,427	26,251	28,265	36,430	55,773	65,008	58,362	46,484	41,402
Savings - Other	160,791	179,921	201,128	225,440	234,506	255,258	282,501	264,969	258,123	281,942
TCD - Gov't. & Agencies	20,237	30,554	31,950	41,326	32,582	63,208	57,743	30,352	26,716	20,572
TCD - Other	90,618	82,315	96,417	78,869	76,181	82,495	93,235	97,399	127,400	87,582
Cashier's Checks, BEC & PMO	16	27	32	222	23	156	78	106	23	80
<b>Total Deposits</b>	461,897	512,319	583,324	632,971	714,332	867,801	928,386	913,006	873,274	908,595
<b>Due to Other Banks:</b>										
Head Office or Branches	-	-	-	17	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Liabilities on Acceptances Executed & Outstanding	-	-	158	-	-	-	-	-	-	-
Accrued Interest Payable & Other Liabilities	1,490	942	485	799	1,399	564	5,301	1,198	2,392	2,016
<b>Total Liabilities</b>	1,490	942	643	816	1,399	564	5,301	1,198	2,392	2,016
Capital Stock	5,802	5,802	5,802	5,820	6,012	5,821	5,223	4,622	4,485	4,485
Capital Surplus	4,937	4,944	4,898	4,934	4,769	5,061	5,382	5,507	6,085	6,085
Treasury Stock	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)
Undivided Profits	(1,064)	(1,130)	(971)	(879)	(634)	(317)	224	530	393	157
Convertible Subordinated Debts	-	-	-	-	-	-	-	-	-	-
<b>Total Stockholders' Equity</b>	7,119	7,060	7,173	7,319	7,591	8,009	8,273	8,103	8,407	8,171
<b>Total Liabilities &amp; Stockholders' Equity</b>	470,506	520,321	591,140	641,106	723,322	876,374	941,960	922,307	884,073	918,782
Interest Received from Borrowers	7,261	10,929	9,369	9,335	9,945	11,069	11,450	8,217	14,320	14,087
Interest Paid to Depositors	1,862	1,971	1,429	1,233	936	914	1,070	1,051	1,864	1,279

NOTE: BASED ON 4TH QUARTER REPORTS SUBMITTED TO THE DIRECTOR OF BANKING.

2020 QUARTERLY REPORTS OF RETAIL BANKS (IN THOUSANDS)				
	1ST QTR	2ND QTR	3RD QTR	4TH QTR
<b>Deposits:</b>				
Demand - Gov't & Agencies	74,744	91,583	116,483	142,692
Demand - Other	326,468	354,228	345,878	334,325
<b>Total Demand</b>	401,212	445,811	462,361	477,017
<b>Savings:</b>				
Savings - Gov't & Agencies	46,256	41,964	43,489	41,402
Savings - Other	252,958	274,988	285,599	281,942
<b>Total Savings</b>	299,214	316,952	329,088	323,344
<b>TCD's:</b>				
TCD - Gov't & Agencies	23,344	38,872	21,302	20,572
TCD - Other	124,938	119,976	107,258	87,582
<b>Total TCD's</b>	148,282	158,848	128,560	108,154
<b>Total Deposits</b>	848,708	921,611	920,009	908,515
<b>Loans:</b>				
Government	-	-	-	24,693
Consumer	158,080	157,406	152,802	147,414
Real Estate	24,064	23,582	23,424	24,116
Commercial	97,630	101,935	123,961	95,813
Non-Local Real Estate	-	-	-	-
<b>Total Loans</b>	279,774	282,923	300,187	292,036
<b>Loan to Deposit Ratio</b>	33.0%	30.7%	32.6%	32.1%
<b>Interest Income</b>	3,908	7,009	10,234	14,087
<b>Interest Expense</b>	520	867	1,082	1,279

NOTE: BASED ON 4TH QUARTER REPORTS SUBMITTED TO THE DIRECTOR OF BANKING.

**CONSOLIDATED STATEMENTS OF CONDITION OF FOREIGN BANKS**  
**COMPARISON FROM 2011 - 2020**  
**(IN THOUSANDS)**

<b>Assets</b>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cash and Due from Banks	6,618	8,321	6,459	6,714	5,273	5,456	6,903	7,590	7,580	9,937
<b>Loans:</b>										
Government	-	-	-	-	-	-	-	-	-	24,693
Consumer	40,506	42,314	53,352	68,658	90,891	110,421	125,587	137,651	144,672	135,350
Real Estate	55,015	52,040	46,615	42,871	38,581	34,516	30,261	27,593	24,585	24,611
Commercial	30,912	33,445	36,660	36,930	37,865	36,958	36,884	48,846	77,171	85,782
Non-Local Real Estate	-	-	-	-	-	-	-	-	-	-
Reserve for Loan Losses	(4,773)	-	-	-	-	-	-	(1,056)	(1,563)	(3,285)
<b>Total Loans</b>	121,660	127,799	136,627	148,459	167,337	181,895	192,732	213,034	244,865	267,151
Premises and Equipment	3,184	3,096	2,875	2,828	3,243	3,051	2,871	2,643	2,788	2,880
Other Real Estate Owned	-	-	228	267	145	148	148	135	120	112
Due from Banks:										
Head Office or Branches	340,320	359,876	421,488	450,082	502,776	642,818	682,800	639,408	573,350	595,927
Other	-	-	-	-	-	-	-	-	-	-
Provision for Losses/Unearned Discount	(300)	(5,222)	(5,431)	(5,001)	(2,032)	(2,680)	(2,720)	(2,205)	(2,372)	(3,203)
Other assets	(25,823)	1,260	1,259	1,417	1,616	1,748	1,991	3,095	3,283	3,450
<b>Total Assets</b>	445,659	495,130	563,505	604,766	678,358	832,436	884,725	863,700	829,614	876,254
<b>Liabilities and Stockholders' Equity</b>										
<b>Deposits:</b>										
Demand - Gov't. & Agencies	32,165	37,032	39,132	45,914	40,992	64,241	68,185	102,711	70,119	142,692
Demand - Other	132,990	154,228	179,768	197,738	269,362	326,018	331,290	327,358	315,787	318,080
Savings - Gov't. & Agencies	17,130	19,557	24,465	26,976	35,538	55,773	65,008	58,362	46,484	41,402
Savings - Other	156,511	175,819	196,787	219,654	229,442	248,064	273,356	256,256	250,005	273,896
TCD - Gov't. & Agencies	20,237	30,554	31,950	41,326	32,582	63,208	57,743	30,352	26,716	20,572
TCD - Other	85,385	77,197	90,956	72,734	69,404	74,839	84,504	87,872	118,496	78,017
<b>Total Deposits</b>	444,418	494,387	563,058	604,342	677,320	832,143	880,086	862,911	827,607	874,659
Due to Other Banks:										
Head Office or Branches	-	-	-	17	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Accrued Interest Payable & Other Liabilities	1,164	696	368	358	1,018	268	4,619	827	1,985	1,577
<b>Total Liabilities</b>	1,164	696	368	375	1,018	268	4,619	827	1,985	1,577
Capital Stock	-	-	-	-	-	-	-	-	-	-
Capital Surplus	-	-	-	-	-	-	-	-	-	-
Undivided Profits	77	47	79	49	20	25	20	(38)	22	18
<b>Total Stockholders' Equity</b>	77	47	79	49	20	25	20	(38)	22	18
<b>Total Liabilities &amp; Stockholders' Equity</b>	445,659	495,130	563,505	604,766	678,358	832,436	884,725	863,700	829,614	876,254
Interest Received from Borrowers	6,544	10,258	8,678	8,662	9,262	10,295	10,702	7,401	13,365	13,681
Interest Paid to Depositors	1,759	1,881	1,364	1,168	810	831	976	936	1,768	1,206

NOTE: BASED ON 4TH QUARTER REPORTS SUBMITTED TO THE DIRECTOR OF BANKING.

**CONSOLIDATED STATEMENTS OF CONDITION OF COMMONWEALTH BANKS**  
**COMPARISON FROM 2011 - 2020**  
**(IN THOUSANDS)**

<b>Assets</b>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cash and Due from Banks	2,436	1,932	3,105	4,618	6,030	7,112	13,461	13,455	12,590	8,774
<b>Securities:</b>										
U.S. Treasury	1,385	955	804	853	905	2,025	5,235	4,223	2,207	2,270
U.S. Government Agencies	-	-	-	-	-	-	-	-	-	-
Other	4,706	6,337	6,900	12,082	15,870	358	444	2,786	1,367	240
<b>Total Securities</b>	7,112	8,413	9,213	14,874	20,522	17,322	23,141	7,009	3,574	2,510
Balances with Other Banks	1,021	1,121	1,509	1,939	3,747	14,939	17,462	13,033	10,400	5,709
<b>Loans:</b>										
Government	-	-	-	-	-	-	-	-	-	-
Consumer	10,308	10,336	10,677	11,919	12,847	14,295	13,986	13,084	14,654	12,064
Real Estate	72	61	29	14	-	-	-	-	-	-
Commercial	5,230	4,589	4,571	4,472	2,930	3,476	4,317	9,735	10,945	10,031
Non-Local Real Estate	(50)	-	-	-	420	408	277	-	-	-
<b>Total Loans</b>	15,560	14,986	15,277	16,405	16,197	18,179	18,580	22,819	25,599	22,095
Premises and Equipment	391	341	324	256	539	497	563	593	734	903
Other Real Estate Owned	112	192	157	719	1,812	1,761	1,761	1,761	1,761	1,761
<b>Due from Banks:</b>										
Head Office or Branches	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	272	212	197
Provision for Losses/Unearned Discount	(2,051)	(1,946)	(1,641)	(1,565)	(880)	(1,547)	(858)	(918)	(1,069)	(1,192)
Other Assets	1,287	1,273	1,200	1,033	744	614	587	583	658	1,771
<b>Total Assets</b>	24,847	25,191	27,635	36,340	44,964	43,938	57,235	58,607	54,459	42,528
<b>Liabilities &amp; Stockholder's Equity</b>										
<b>Deposits:</b>										
Demand - Gov't. & Agencies	-	-	-	-	-	-	-	-	-	-
Demand - Other	6,084	6,815	8,646	15,197	24,256	20,652	30,346	31,749	28,622	16,245
Savings - Gov't. & Agencies	1,866	1,870	1,786	1,289	892	-	-	-	-	-
Savings - Other	4,280	4,102	4,341	5,786	5,064	7,194	9,145	8,713	8,118	8,046
TCD - Gov't. & Agencies	5,233	-	-	-	-	-	-	-	-	-
TCD - Other	-	5,118	5,461	6,135	6,777	7,656	8,731	9,527	8,904	9,565
Cashier's Checks, BEC & PMO	16	27	32	222	23	156	78	106	23	80
<b>Total Deposits</b>	17,479	17,932	20,266	28,629	37,012	35,658	48,300	50,095	45,667	33,936
Accrued Interest Payable & Other Liabilities	326	246	275	441	381	296	682	371	407	439
<b>Total Liabilities</b>	17,805	18,178	20,541	29,070	37,393	35,954	48,982	50,466	46,074	34,375
Capital Stock	5,802	5,802	5,802	5,820	6,012	5,821	5,223	4,622	4,485	4,485
Capital Surplus	4,937	4,944	4,898	4,934	4,769	5,061	5,382	5,507	6,085	6,085
Treasury Stock	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)	(2,556)
Undivided Profits	(1,141)	(1,177)	(1,050)	(928)	(654)	(342)	204	568	371	139
<b>Total Stockholders' Equity</b>	7,042	7,013	7,094	7,270	7,571	7,984	8,253	8,141	8,385	8,153
<b>Total Liabilities &amp; Stockholders' Equity</b>	24,847	25,191	27,635	36,340	44,964	43,938	57,235	58,607	54,459	42,528
Interest Received from Borrowers	717	671	691	673	683	774	748	816	955	406
Interest Paid to Depositors	103	90	65	65	126	83	94	115	96	73

NOTE: BASED ON 4TH QUARTER REPORTS SUBMITTED TO THE DIRECTOR OF BANKING.

**THE BANK OF SAIPAN, INC.**  
**Statements of Financial Condition**  
**December 31, 2020 and 2019**  
**(in thousands)**

	2020	2019
<b>Assets</b>		
Cash and Due from Banks	\$ 4,209	\$ 12,996
Interest-Bearing Deposits with Banks	0	700
Securities Held to Maturity	2,045	1,983
Loans Receivable, Net	13,395	15,931
Foreclosed Real Estate	8	8
Accrued Interest Receivable	36	165
Premises and Equipment, Net	2,303	731
Other Assets	374	254
<b>Total Assets</b>	<b>\$ 22,371</b>	<b>\$ 32,767</b>
 <b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities:</b>		
Demand Deposits	\$ 7,062	\$ 17,889
Savings Deposits	4,214	4,937
Time Deposits	4,233	3,173
<b>Total Deposits</b>	<b>15,508</b>	<b>25,999</b>
Accrued Interest Payable	39	32
Accounts Payable and Other Accrued Expenses	666	237
<b>Total Liabilities</b>	<b>16,213</b>	<b>26,269</b>
<b>Stockholders' Equity:</b>		
Common Stock, \$1 Par Value, 3,500,000 Shares		
Authorized	2,514	2,514
Additional Paid-In Capital	6,085	6,085
Retained Earnings	116	456
	<b>8,715</b>	<b>9,055</b>
Treasury Stock, at Cost (175,176 Shares)	(2,556)	(2,556)
<b>Total Stockholders' Equity</b>	<b>6,159</b>	<b>6,499</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 22,371</b>	<b>\$ 32,767</b>

Note: Based on Audited Financial Figures.

**CITY TRUST BANK, INC.**  
**Statements of Financial Condition**  
**December 31, 2020 and 2019**  
(in thousands)

	2020	2019
<b>Assets</b>		
Cash and Due from Banks	\$ 7,177	\$ 7,641
Interest Bearing Deposits with Banks	3,338	3,035
Debt Securities Held to Maturity	225	224
Loans, Net	7,790	8,681
Accrued Interest Receivable	24	61
Premises and Equipment, Net	134	136
Prepaid Expenses	5	-
Advances to Affiliates	426	-
Foreclosed Assets	1,525	2,280
Deferred Tax Asset, Net	50	33
Other Assets	110	95
<b>Total Assets</b>	<b>\$ 20,804</b>	<b>\$ 22,186</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Liabilities</b>		
<b>Deposits:</b>		
Noninterest Bearing	\$ 9,264	\$ 10,572
Interest Bearing	9,165	8,912
<b>Total Deposits</b>	<b>18,429</b>	<b>19,484</b>
Accrued Expenses and Other Liabilities	120	218
Unearned Loan Fees	151	119
Secured Borrowings	84	94
Deferred Lease Revenue	-	338
<b>Total Liabilities</b>	<b>18,784</b>	<b>20,253</b>
<b>Shareholders' Equity</b>		
Common Stock, \$1 Par Value, 3,500,000 Shares		
Authorized	3,500	3,500
Retained Earnings	49	(304)
Treasury Stock, at Cost	(1,529)	(1,529)
Noncontrolling Interest	-	265
<b>Total Stockholders' Equity</b>	<b>2,020</b>	<b>1,933</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 20,804</b>	<b>\$ 22,186</b>

Note: Based on Audited Financial Figures.

**Bank of Hawaii  
Saipan Branch  
Statements of Financial Condition  
December 31, 2020 and 2019  
(in thousands)**

	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Cash	\$ 2,097	\$ 713
Loans , Net of Unearned Income	38,500	33,529
Allowance for Loan Losses	(1,890)	(631)
<b>Net Loans</b>	<b>36,610</b>	<b>32,898</b>
Operating Lease Right-of-Use Assets	405	30
Accrued Interest Receivable	188	122
Due from Head Office	136,316	150,619
Premises and Equipment, Net	521	587
Other Assets	951	822
<b>Total Assets</b>	<b>\$ 177,088</b>	<b>\$ 185,791</b>
<b>Liabilities</b>		
Deposits	\$ 176,537	\$ 185,594
Operating Lease Liabilities	405	30
Accrued Interest Payable	120	142
Other Liabilities	26	25
<b>Total liabilities</b>	<b>\$ 177,088</b>	<b>\$ 185,791</b>

Note: Based on Audited Financial Figures.

**Bank of Hawaii**  
**Corporation and Subsidiaries**  
**Consolidated Statements of Financial Condition**  
**December 31, 2020 and 2019**  
(in thousands)

	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Interest-Bearing Deposits in Other Banks	\$ 1,646	\$ 4,979
Investment Securities	7,054,416	5,661,297
Funds Sold	333,022	254,574
Loans Held for Sale	82,565	39,062
Loans and Leases	11,940,020	10,990,892
Allowance for Loan and Lease Losses	(216,252)	(110,027)
Net Loans and Leases	11,723,768	10,880,865
<b>Total Earning Assets</b>	19,195,417	16,840,777
Cash and Due from Banks	279,420	299,105
Premises and Equipment, Net	199,695	188,388
Operating Lease Right-of-Use Assets	99,542	100,838
Accrued Interest Receivable	49,303	46,476
Foreclosed Real Estate	2,332	2,737
Mortgage Servicing Rights	19,652	25,022
Goodwill	31,517	31,517
Bank-Owned Life Insurance	291,480	287,962
Other Assets	435,293	272,674
<b>Total Assets</b>	\$ 20,603,651	\$ 18,095,496
<b>Liabilities and Shareholders' Equity</b>		
Deposits	\$ 18,211,621	\$ 15,784,482
Securities Sold Under Agreements to Repurchase	600,590	604,306
Operating Lease Liabilities	107,412	108,210
Retirement Benefits Payable	51,197	44,504
Accrued Interest Payable	5,117	8,040
Taxes Payable	2,463	16,085
Other Liabilities	190,263	157,472
Other Debt	60,481	85,565
<b>Total Liabilities</b>	19,229,144	16,808,664
<b>Shareholders' Equity</b>		
Common Stock	580	579
Capital Surplus	591,360	582,566
Accumulated Other Comprehensive Income (Loss)	7,822	(31,112)
Retained Earnings	1,811,979	1,761,415
Treasury Stock, at Cost	(1,037,234)	(1,026,616)
<b>Total Shareholders' Equity</b>	1,374,507	1,286,832
<b>Total Liabilities and Shareholders' Equity</b>	\$ 20,603,651	\$ 18,095,496

Note: Based on Audited Financial Figures.

**Bank of Guam  
CNMI Branches  
Statements of Financial Condition  
December 31, 2020 and 2019  
(in thousands)**

	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Cash and Due from Banks	\$ 6,456	\$ 3,951
Loans, Net of Allowance for Loan Losses	141,420	114,962
Premises and Equipment, Net	2,287	2,535
Accrued Interest Receivable	372	329
Other Assets	1,764	1,979
Due from Home Office or Holdings	212,489	165,431
<b>Total Assets</b>	<b>\$ 364,788</b>	<b>\$ 289,187</b>
<b>Liabilities</b>		
<b>Deposits</b>		
Non-Interest Bearing	143,114	76,648
Interest-Bearing	220,891	211,285
<b>Total Deposits</b>	<b>364,005</b>	<b>287,933</b>
Accrued Interest Payable	10	24
Other Liabilities	773	1,230
<b>Total Liabilities</b>	<b>\$ 364,788</b>	<b>\$ 289,187</b>

Note: Based on Audited Financial Figures.

**Bank of Guam**  
**Holding Company and Subsidiaries**  
**Consolidated Statements of Financial Condition**  
**December 31, 2020 and 2019**  
(in thousands)

	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Cash and Due from Banks	\$ 42,875	\$ 37,870
Interest-Bearing Deposits in Banks	244,753	93,846
<b>Total Cash and Cash Equivalents</b>	287,628	131,716
Restricted Cash	150	400
Investment Securities	564,414	434,557
Federal Home Loan Bank Stock, at Cost	2,335	2,267
Loans, Net	1,392,722	1,275,272
Accrued Interest Receivable	8,068	5,581
Premises and Equipment	19,921	19,754
Other Assets	77,123	83,515
<b>Total Assets</b>	\$ 2,352,361	\$ 1,953,062
<b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities:</b>		
Deposits:	\$ 770,037	\$ 582,967
Non-Interest Bearing	1,348,807	1,146,939
Interest bearing	2,118,844	1,729,906
<b>Total Deposits</b>		
	77	118
Accrued Interest Payable	14,777	14,751
Subordinated Debt, Net	41,607	44,044
Other Liabilities	2,175,305	1,788,819
<b>Total Liabilities</b>		
<b>Stockholders' Equity:</b>		
Common Stock	2,029	2,023
Preferred Stock	980	980
Additional Paid-In Capital, Common Stock	24,777	24,478
Additional Paid-In Capital, Preferred Stock	8,803	8,803
Retained Earnings	137,646	129,576
Accumulated Other Comprehensive Income (Loss)	3,111	(1,327)
Common Stock in Treasury, at Cost	(290)	(290)
<b>Total Stockholders' Equity</b>	177,056	164,243
<b>Total Liabilities and Stockholders' Equity</b>	\$ 2,352,361	\$ 1,953,062

Note: Based on Audited Financial Figures.

**First Hawaiian Bank  
CNMI Branches  
Statements of Financial Condition  
December 31, 2020 and 2019  
(in thousands)**

	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Cash	\$ 1,264	\$ 2,735
Loans:		
Consumer	67,392	78,286
Commercial	5,243	6,175
Real Estate	7,210	6,349
Total Loans	79,845	90,810
Less Allowance for Credit Losses	(4,386)	(1,580)
Net Loans	75,459	89,230
Premises and Equipment, Net	124	151
Accrued Interest Receivable	310	313
Other Assets	539	871
<b>Total Assets</b>	<b>\$ 77,696</b>	<b>\$ 93,300</b>
<b>Liabilities</b>		
Deposits:		
Interest-Bearing	177,202	195,899
Noninterest-Bearing	158,707	149,581
Total Deposits	335,909	345,480
Accrued Interest Payable	210	342
Other Liabilities	597	1,718
<b>Total Liabilities</b>	336,716	347,540
Due from Head Office	(259,020)	(254,240)
<b>Total Liabilities and Due from Head Office</b>	<b>\$ 77,696</b>	<b>\$ 93,300</b>

Note: Based on Audited Financial Figures.

**First Hawaiian Bank**  
**Holding Company and Subsidiaries**  
**Consolidated Statements of Financial Condition**  
**December 31, 2020 and 2019**  
(in thousands)

	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Cash and Due from Banks	\$ 303,373	\$ 360,375
Interest-Bearing Deposits in Other Banks	737,571	333,642
Investment Securities	6,071,415	4,075,644
Loans and Leases	13,290,676	13,212,554
Less Allowance for Loan and Lease Losses	(208,454)	(130,530)
Net Loans and Leases	13,082,222	13,082,024
Premises and Equipment, Net	322,401	316,885
Other Real Estate Owned and Repossessed Personal Property	-	319
Accrued Interest Receivable	69,626	45,239
Bank-Owned Life Insurance	466,537	453,873
Goodwill	995,492	995,492
Mortgage Servicing Rights	10,731	12,668
Other Assets	603,463	490,573
<b>Total Assets</b>	<b>\$ 22,662,831</b>	<b>\$ 20,166,734</b>
<b>Liabilities and Stockholders' Equity</b>		
<b>Deposits</b>		
Interest-Bearing	11,705,609	10,564,922
Noninterest-Bearing	7,522,114	5,880,072
<b>Total Deposits</b>	19,227,723	16,444,994
Short-Term Borrowings	-	400,000
Long-Term Borrowings	200,010	200,019
Retirement Benefits Payable	143,373	138,222
Other Liabilities	347,621	343,241
<b>Total Liabilities</b>	19,918,727	17,526,476
<b>Stockholders' Equity</b>		
Common Stock	1,402	1,399
Additonal Paid-In Capital	2,514,014	2,503,677
Retained Earnings	473,974	437,072
Accumulated other Comprehensive Loss, Net	31,604	(31,749)
Treasury Stock	(276,890)	(270,141)
<b>Total Stockholders' Equity</b>	2,744,104	2,640,258
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 22,662,831</b>	<b>\$ 20,166,734</b>

Note: Based on Audited Financial Figures.

**BANK PACIFIC, LTD.**  
**Saipan Branch**  
**Statements of Financial Condition**  
**June 30, 2020 and 2019**  
**(in thousands)**

	2020	2019
<b>Assets</b>		
Cash and Due from Banks	\$ 218	\$ 126
Loans, Net	4,856	4,396
Accrued Interest Receivable	47	41
Due from Other Branches	4,434	3,630
Foreclosed Real Estate, Net	112	96
Premises and Equipment, Net	75	39
<b>Total Assets</b>	<b>\$ 9,742</b>	<b>\$ 8,327</b>
<b>Liabilities and Equity (Deficit)</b>		
Deposits	\$ 9,651	\$ 8,317
Accrued Expenses and Other Liabilities	42	28
<b>Total Liabilities</b>	9,693	8,346
Home Office Equity (Deficit)	49	(18)
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ 9,742</b>	<b>\$ 8,327</b>

Note: Based on Audited Financial Figures.

**BANK PACIFIC, LTD.**  
**Holding Corporation and Subsidiaries**  
**Consolidated Statements of Financial Condition**  
**June 30, 2020 and 2019**  
(in thousands)

	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Cash and Due from Banks	\$ 3,564	\$ 2,837
Interest-Bearing Deposits in Banks	29,809	9,681
Cash and Cash Equivalents	33,373	12,517
Investment Securities	1,065	1,076
Federal Home Loan Bank Stock, at Cost	297	412
Loans, Net	124,968	121,146
Accrued Interest Receivable	466	508
Real Estate Held for Investment	436	498
Foreclosed Real Estate, Net	112	96
Mortgage Servicing Rights, Net	1,035	1,198
Deferred Tax Assets	93	54
Other Assets	1,264	1,076
Premises and Equipment, Net	5,496	5,766
<b>Total Assets</b>	<b>\$ 168,605</b>	<b>\$ 144,348</b>
<b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities:</b>		
Deposits	\$ 148,653	\$ 120,569
Borrowed Funds	0	4,100
Guam Income Tax Payable	89	189
Accrued Expenses and Other Liabilities	2,482	2,374
<b>Total Liabilities</b>	151,224	127,232
<b>Stockholders' Equity:</b>		
Common Stock, \$1 Par Value, 1,000,000 Shares		
Authorized	640	640
Additional Paid-in Capital	525	525
Retained Earnings	16,572	16,307
Common Stock in Treasury, at Cost (45,866 Shares)	(356)	(356)
<b>Total Stockholders' Equity</b>	17,381	17,116
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 168,605</b>	<b>\$ 144,348</b>

Note: Based on Audited Financial Figures.



David M. Apatang, Governor  
Dennis James C. Mendiola, Lt. Governor

**Department of Commerce**  
**Office of the Director of Banking**  
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Remedio C. Mafnas, Secretary

**Remittances Annual Report**  
**Reporting Period: 2018 - 2022**

*I. OVERVIEW*

Remittances represent funds transmitted by workers in the Commonwealth of the Northern Mariana Islands (CNMI) to family members and dependents abroad through licensed money transmitters under Title 4 CMC Division 6. These transfers form a major channel of financial outflow, reflecting the CNMI’s labor composition and household spending behavior.

Between 2018 and 2022, total remittances out of the CNMI reached \$535.84 million, indicating a consistent pattern of capital outflow despite economic disruptions caused by Typhoon Yutu (2018) and the COVID-19 pandemic (2020–2021).

*II. ANNUAL REMITTANCE FLOW SUMMARY*

Year	Q1	Q2	Q3	Q4	Annual	% Change
2018	\$19.79M	\$22.54M	\$27.11M	\$25.55M	\$94.98M	-1.90%
2019	\$24.43M	\$23.82M	\$24.98M	\$23.53M	\$97.76M	1.87%
2020	\$21.08M	\$20.85M	\$28.69M	\$29.66M	\$100.28M	3.64%
2021	\$28.30M	\$35.76M	\$31.18M	\$31.46M	\$126.69M	26.34%
2022	\$30.91M	\$30.47M	\$28.75M	\$27.00M	\$117.13M	-7.54%
<b>Total Cash Outflow</b>					<b>\$535.84M</b>	

*III. TREND ANALYSIS*

- Pre-COVID Stability (2018–2019): Remittance outflows during this period averaged around \$96 million annually. Employment in tourism, construction, and services supported steady income levels among both resident and foreign workers. Despite Typhoon Yutu’s effects in late 2018, remittance levels remained stable, showing that the obligation to support families abroad continued even amid local disruptions.
- COVID-19 Shock and Worker Commitment (2020): When the pandemic caused major shutdowns and job reductions, remittances rose slightly to \$100.28 million. This increase reflects that sending money home was a non-negotiable household duty. Even as local spending contracted, workers continued prioritizing family obligations abroad, highlighting the resilience and social importance of remittances to overseas households.

3. Peak Recovery (2021): As economic activity resumed, total remittances jumped 26.34% to \$126.69 million, the highest in five years. This surge indicates a “catch-up” phase, as families compensated for reduced support during lockdown periods. The increase also mirrors the gradual restoration of tourism and employment, leading to improved earnings and liquidity in the workforce.
4. Market Adjustment (2022): Remittance volume eased to \$117.13 million, reflecting a stabilization phase rather than a downturn. GDP growth during 2022 (+16.7%) confirmed broader recovery, while remittance levels remained historically high. This suggests that remittance patterns are structural and not merely tied to temporary economic shocks.

#### *IV. OBSERVATIONS AND INSIGHTS*

1. Resilient Household Behavior: Remittances remained consistently high across all five years, proving to be income-inelastic. Workers continued to remit even during times of reduced income or uncertainty.
2. Labor Force Composition: The CNMI’s reliance on non-resident contract workers creates a consistent outward flow of earnings. These workers routinely send fixed portions of their wages to dependents overseas.
3. Limited Local Circulation: Funds sent abroad bypass local businesses, utilities, and service providers. This reduces the domestic spending multiplier and slows recovery in retail and consumption-based sectors.
4. Foreign Exchange and Transfer Costs: The per-transaction fees and FX charges incurred on remittances further reduce the amount of money retained in the CNMI economy.
5. Post-Pandemic Continuity: Even as tourism and employment rebounded, the persistence of high outflows into 2022 indicates that remittance behavior has become a permanent economic feature, influenced by household priorities rather than short-term trends.

#### *V. ECONOMIC INTERPRETATION*

Over the five-year span, remittance activity in the CNMI reflects a stable yet outward-oriented cash flow pattern. The total of \$535.84 million transferred abroad underscores both the earning capacity of the workforce and the limited retention of liquidity within the islands.

While the pandemic temporarily affected earnings, remittance behavior proved resilient. The strong rebound in 2021 and sustained high levels in 2022 highlight a dependable remittance stream that supports overseas households but constrains domestic consumption growth.

#### *VI. CONCLUSION*

From 2018 through 2022, remittances in the CNMI have remained a significant economic outflow, averaging over \$107 million per year. Despite global disruptions,

workers maintained consistent support to families overseas, confirming remittance payments as a core component of CNMI's financial structure.

This trend illustrates both the strength of household financial responsibility and the economic reality of a workforce heavily composed of non-resident labor. The data collectively show that remittance flows are resilient, predictable, and closely tied to employment levels, with long-term implications for local economic circulation and spending capacity.



David M. Apatang, Governor  
Dennis James C. Mendiola, Lt. Governor

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Remedio C. Mafnas, Secretary

**FOREIGN EXCHANGE REPORT**  
**Reporting Period: 2018 – 2022**

*I. INTRODUCTION*

Pursuant to 4 CMC Division 6, the Banking Division regulates all licensed foreign currency exchange (FX) entities operating within the CNMI. Each entity is required to submit quarterly reports reflecting total currency conversions and related activities. This Annual Report consolidates five years of submissions (2018-2022) for supervisory reference, trend monitoring, and policy evaluation.

This report also aligns with NMIAC Title 20-20.1 (Foreign Currency Exchange Rules and Regulations), which authorizes the Division to collect, verify, and analyze FX transactional data from all registered operators.

*II. TOTAL FOREIGN EXCHANGE TRANSACTIONS (in USD)*

YEAR	Q1	Q2	Q3	Q4	Total	% of Change from Previous Year
2018	\$ 2,315,747.00	\$ 1,696,443.00	\$ 585,680.00	\$ 267,590.00	<b>\$ 4,865,460.00</b>	-
2019	\$ (29,417.67)	\$ 80,958.53	\$ 235,630.81	\$ 10,354.00	<b>\$ 297,525.67</b>	<b>-94%</b>
2020	\$ 93,221.48	\$ 121.95	\$ -	\$ -	<b>\$ 93,343.43</b>	<b>-69%</b>
2021	\$ 121.95	\$ 121.95	\$ 209.06	\$ 219.76	<b>\$ 672.72</b>	<b>-99%</b>
2022	\$ 317.71	\$ 287.75	\$ 3,651.28	\$ 5,554.20	<b>\$ 9,810.94</b>	<b>1358%</b>

*III. FIVE-YEAR PERFORMANCE SUMMARY*

2018 – Highest recorded activity

The total foreign currency exchange volume reached \$4.86 million, dominated by hotel-based exchange counters and casino-related transactions. Primary contributors included the Imperial Pacific Internation (CNMI) LLC, Hyatt Regency Saipan, Grandvrio Resort, Fiesta Resort, and Kanoa Resort. This year reflected robust pre-pandemic and pre-typhoon economic conditions.

2019 – Contraction Phase

Activity dropped drastically to \$297,525.67, a 94% decline. This collapse was strongly influenced by the aftermath of Super Typhoon Yutu, which struck the CNMI in late October 2019 and caused extensive damage to Saipan and Tinian’s major hotels and resorts. Many licensed FX operators temporarily closed or operated at reduced capacity due to infrastructure damage, power loss, and decreased tourist arrivals. The Imperial Pacific account also recorded a negative adjustment (-\$7,322.00), reflecting financial reversals and business disruption.

#### 2020-2021 COVID-19 Pandemic Disruption

Foreign exchange activity continued to deteriorate during the global pandemic, as borders closed and tourism ceased. Total volumes declined from \$93,343 in 2020 to \$673 in 2021, marking the lowest levels ever recorded. Nearly all licensed FX operators reported “No Activity” during these years, consistent with government emergency directives and international travel restrictions.

#### 2022 Gradual Post-Pandemic Rebound

Partial recovery occurred with the reopening of international borders. FX activity rose to \$9,810.94, driven by limited hotel-based exchanges such as Kensington Hotel, Grandvrio, and Hyatt Regency. However, transactions remain more than 98% below 2018 levels, underscoring a slow and uneven recovery from both Typhoon Yutu and the COVID-19 crisis.

### *IV. REGULATORY FINDINGS AND ACTIONS*

1. Reporting Compliance: Several quarters from 2020-2021 reflect “No Report” or zero activity. The Division will verify whether these represent verified business suspensions, late filings, or closures under Typhoon Yutu recovery and COVID-19 restrictions.
2. License Verification: All reported FX activity must correspond with a valid license under NMIAC Title 20-20.1. Entities reporting transactions without a valid license period will be reviewed for administrative compliance.
3. Disaster and Emergency Impacts: The Banking Division recognizes Super Typhoon Yutu (2018) and COVID-19 (2020-2021) as major external shocks affecting reporting continuity, financial performance, and liquidity of FX operators. These events will be noted in the Division’s historical performance log for long-term economic analysis and audit tracking.

### *V. ANALYSIS AND CONCLUSION*

The five-year trend (2018-2022) illustrates the CNMI’s economic sensitivity to catastrophic events. The sharp contraction following Super Typhoon Yutu disrupted the

tourism-dependent FX sector, while the subsequent COVID-19 pandemic nearly erased all foreign exchange transactions for two consecutive years.

Although 2022 shows modest recovery as travel reopened, the sector has yet to regain pre-Yutu and pre-pandemic stability. This dual-impact period highlights the necessity for:

- Strengthened business continuity planning among licensees,
- Improved data submission timelines even during disasters, and
- Enhanced coordination between the Banking Division, hotel operators, and tourism agencies for economic resilience tracking.

The Division will continue to monitor quarterly filings, verify reactivation of suspended licenses, and uphold compliance with 4 CMC Division 6 to ensure accuracy, stability, and public confidence in CNMI's financial reporting framework.