



MONEY AND BANKING STATISTICS

MARCH/APRIL 2017

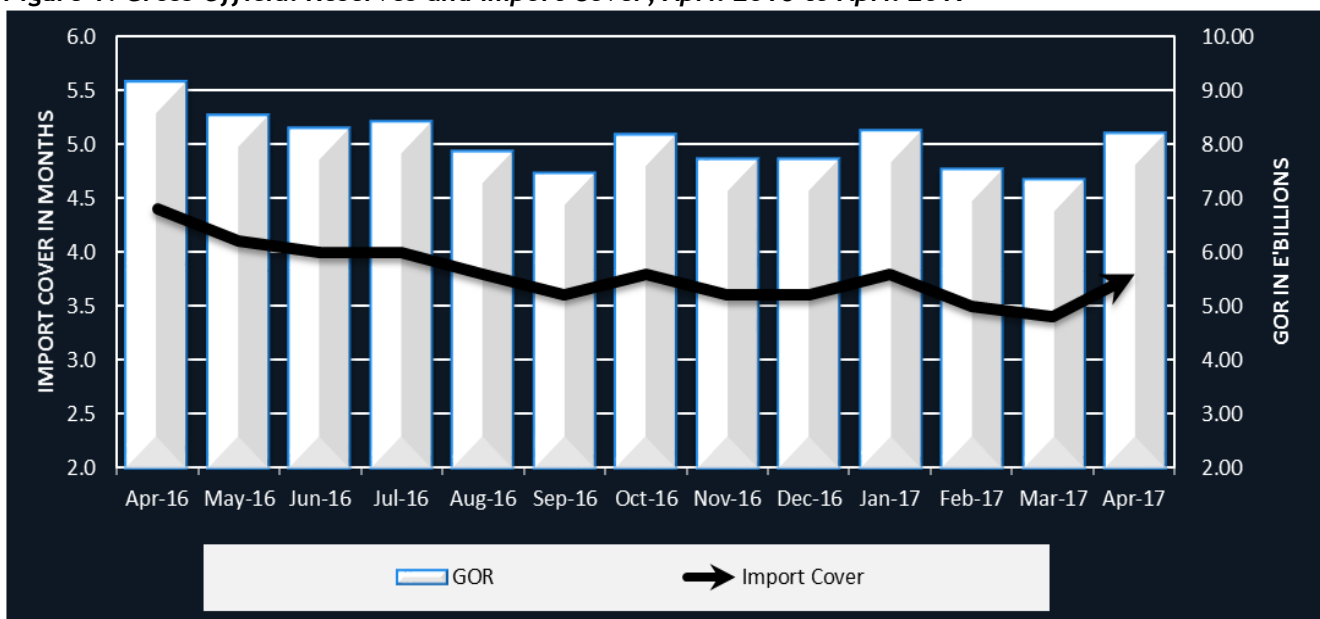
HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
Gross Official Reserves expanded by 11.8 per cent to E8.2 billion at the end of April 2017, due to the quarterly inflow of the SACU receipts. The Reserves were equivalent to an import cover of 3.8 months. Annually the Reserves declined by 10.5 per cent.	11.8	10.5
Credit Extended to the Private Sector declined by 1.0 per cent at the end of March 2017 to reach E12.5 billion. The contraction was observed in all components. Over the year, private sector credit expanded by 7.0 per cent.	1.0	7.0
Broad Money Supply (M2) declined by 4.8 per cent month-on-month but grew by 12.8 per cent when compared annually. The fall in M2 was on account of a reduction in M1 and Quasi Money.	4.8	12.8
Domestic Liquid Assets increased by 0.3 per cent to E3.5 billion over the review month, mainly due to a rise in Rand holdings and balances with the Central Bank.	0.3	17.3
	PERCENT	
Discount Rate: the discount rate stood at 7.25 per cent in April 2017.		7.25
Prime Lending Rate: the prime lending rate stood at 10.75 per cent in April 2017.		10.75



Summary of Movements in Major Monetary Aggregates

Gross Official Reserves reached E8.2 billion at the end of April 2017, higher than the E7.3 billion observed in the previous month. At this level the Reserves depicted an expansion of 11.8 per cent from March 2017. Consequently, the Reserves were enough to cover 3.8 months of imports, higher than the 3.4 months recorded in March 2017. The growth in Reserves was mainly boosted by the quarterly inflow of the SACU receipts at the beginning of April 2017. When valued in Special Drawing Rights (SDRs), the Reserves amounted to SDR449.7 million depicting a month-on-month increase of 11.2 per cent. When compared over the year, the Reserves reflected a contraction of 10.5 per cent when valued in Emalangeni terms and a contraction of 1.2 per cent in SDRs terms.

Figure 1: Gross Official Reserves and Import Cover; April 2016 to April 2017



Source: Central Bank of Swaziland

Credit Extended to the Private Sector amounted to E12.5 billion at the end of March 2017, reflecting a month-on-month contraction of 1.0 per cent from the previous month. The decrease mainly stemmed from all credit categories which comprise Credit to Other Sectors, Credit to Businesses, and Credit to Households and Non-Profit Institutions Serving Households (NPISH)). When compared year-on-year, Private Sector Credit expanded by 7.0 per cent.

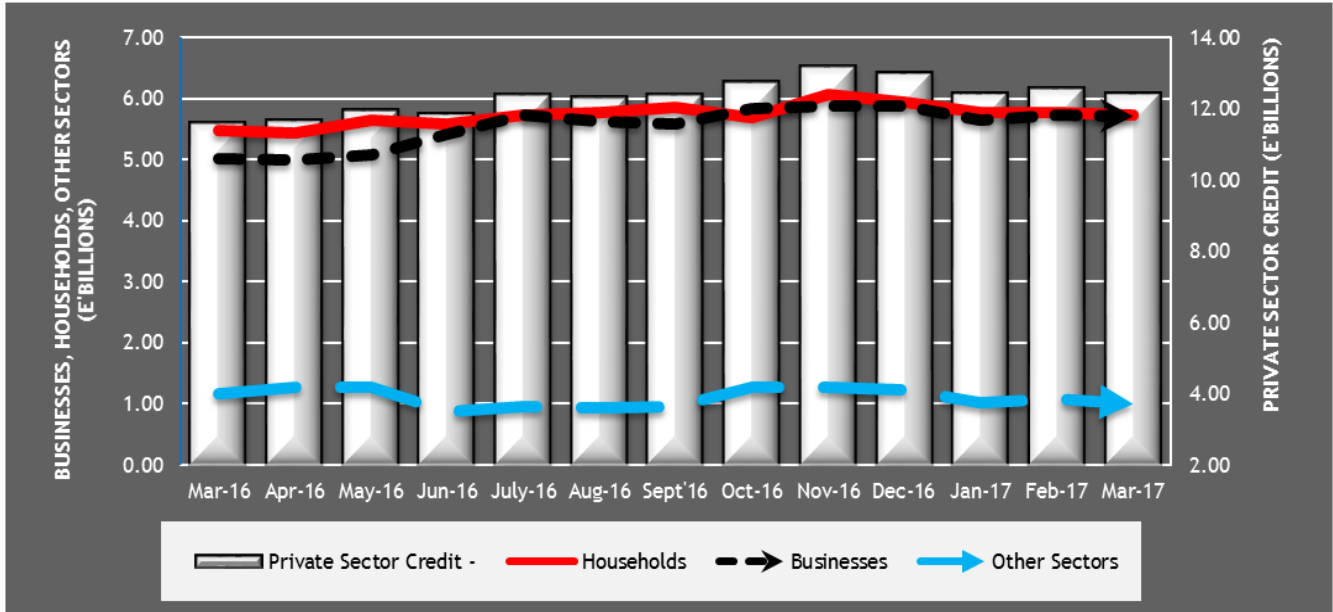
Credit Extended to Other Sectors recorded a 6.6 per cent decline to reach E1 billion at the end of March 2017, mainly driven by a decline in all its components; Local Government (-15.8 per cent), Other Financial Corporations (-7.7 per cent) and Public Nonfinancial Corporations (-1.7 per cent).

Credit Extended to Businesses as at the end of March 2017 amounted to E5.7 billion depicting a decline of 0.2 per cent from the previous month. The fall was mainly on account of a decline in credit extended to these sectors; Community, Social and Personal Services (-12.9 per cent), Construction (-0.7 per cent) as well as Manufacturing (-0.5 per cent).



Summary of Movements in Major Monetary Aggregates

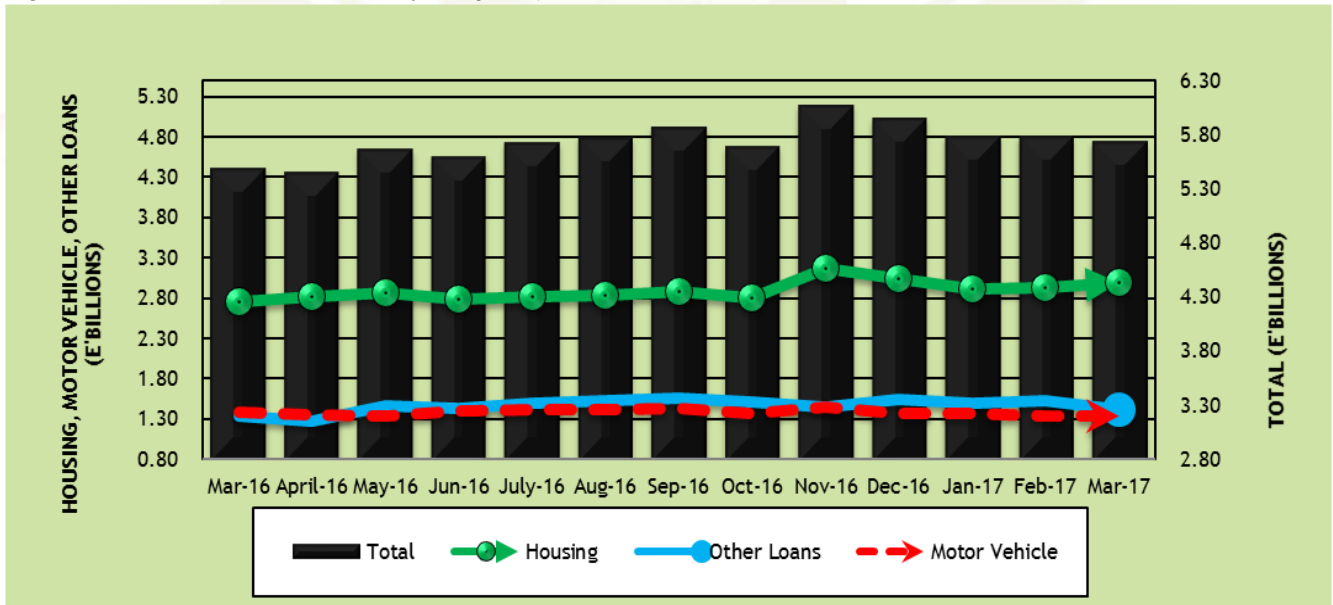
Figure 2: Private Sector Credit; March 2016 to March 2017



Source: Central Bank of Swaziland

Credit Extended to Households & NPISH as at the end of March 2017 closed at E5.7 billion decreasing by 0.8 per cent from the previous month. The contraction was mainly driven by Other Unsecured Loans which fell by 7.4 per cent to E1.4 billion. Mortgage Finance on the contrary, expanded by 2.2 per cent to E3 billion whilst Motor Vehicle Finance grew by 0.4 per cent to E1.3 billion.

Figure 3: Credit to Households by Purpose; March 2016 to March 2017



Source: Other Depository Corporations



Summary of Movements in Major Monetary Aggregates

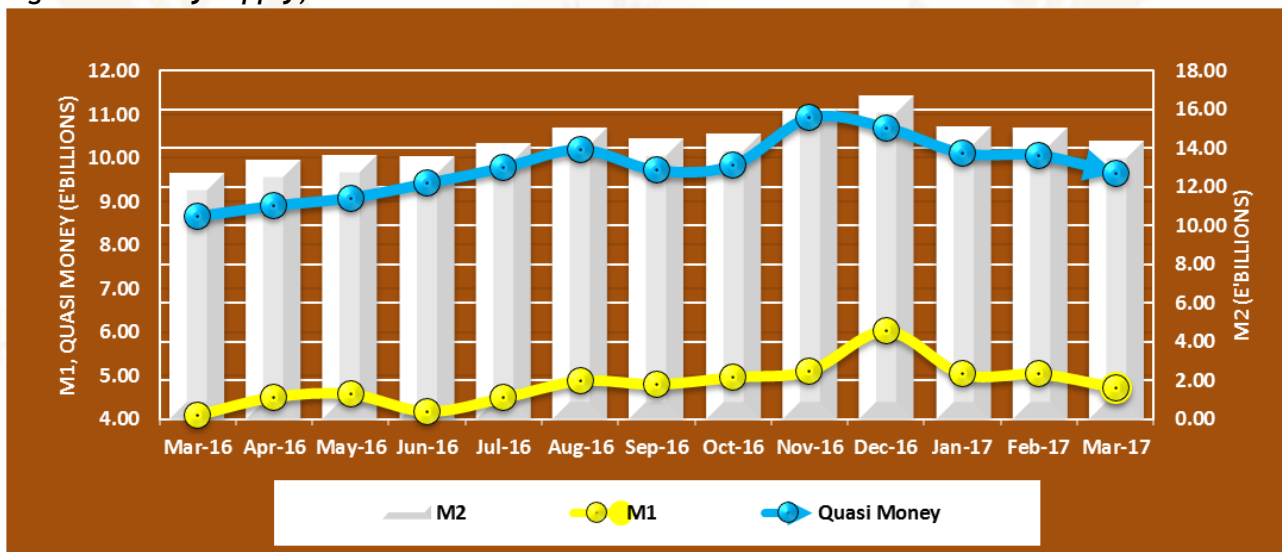
Net Government Balances with the banking sector stood at E798.7 million registering a contraction of 33.0 per cent relative to the previous month. The reduction emanated from Government deposits which contracted by 8.6 per cent alongside a reduction of 0.2 per cent in claims on Government. Compared annually the balances decelerated by 71.5 per cent.

Broad Money Supply (M2) slowed by 4.8 per cent from the previous month to settle at E14.4 billion, in line with the decline in Private Sector credit. The contraction was reflected in both Narrow Money Supply and Quasi Money Supply over the month under review. Compared over the year, M2 depicted growth of 12.8 per cent.

M1 depicted a month-on-month contraction of 6.3 per cent to settle at E4.7 billion at the end of March 2017, mainly driven by Transferable Deposits. As a result, Transferable Deposits declined by 7.3 per cent to E4.1 billion whilst Currency Outside Depository Corporations rose by 1.4 per cent to E594.5 million.

Quasi Money Supply receded by 4.1 per cent at the end of March 2017 to reach E9.7 billion, due to Time Deposits which fell by 5.4 per cent to E7.9 billion. Savings Deposits on the contrary, rose by 2.1 per cent to E1.8 billion over the month under review.

Figure 4: Money Supply; March 2016 to March 2017



Source: Other Depository Corporations & Central Bank of Swaziland

The liquidity position of the banking industry increased by 0.3 per cent month-on-month to E3.5 billion, over the month of March 2017. The growth was predominantly observed in Other Depository Corporations Rand holdings and balances with the Central Bank. The banks' liquidity ratio stood at 28.5 per cent, 1.8 percentage points higher than the previous month. Compared on an annual basis, the banks' liquidity position expanded by 17.3 per cent.

RELEASE OF MONEY AND BANKING STATISTICS

Notes:

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- 2.This Release is issued every month.
- 3.All figures shown are subject to revision.
- 4.For definitions of concepts used reference should be made to therelevant notes in the Central Bank's Quarterly Review.

	<i>Mar-17</i>	<i>Feb-17</i>	<i>Mar-16</i>
	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>
<i>ITEM</i>	<i>(E'000)</i>	<i>(E'000)</i>	<i>(E'000)</i>
CENTRAL BANK OF SWAZILAND			
<i>Claims on Non-residents</i>	8 628 457	8 795 272	9 979 334
<i>Claims on Domestic Economy</i>	1 156 343	1 145 469	28 712
Government	1 123 211	1 116 653	3 278
Other Depository Corporations	6 530	2 017	1 310
Other Resident Sectors	26 603	26 799	24 124
<i>Other Assets</i>	439 953	430 395	445 577
<i>Total Assets/Liabilities</i>	10 224 753	10 371 136	10 453 623
OTHER DEPOSITORY CORPORATIONS			
<i>Cash and Deposits with CBS</i>	1 288 545	1 291 600	1 378 970
<i>Net Balances with Banks Outside Swaziland</i>	999 063	1 810 592	1 318 110
<i>Loans and advances</i>	11 874 596	12 002 523	10 995 884
Government Securities			
Treasury Bills	1 412 396	1 428 112	1 066 653
Government Bonds	873 518	872 299	599 148
<i>Other</i>	0	0	0
Total Deposits			
Transferable/Demand	4 145 768	4 463 000	3 595 516
Savings	1 791 884	1 750 699	1 609 281
Time	7 881 731	8 388 730	7 326 781
<i>Capital and Reserves</i>	3 288 239	3 290 787	2 916 889
<i>Total Assets/Liabilities</i>	18 757 163	19 492 474	17 842 507
<i>Total Liquid Assets (Banks only)</i>	3 466 942	3 456 062	2 955 580
<i>Required Liquidity (Banks only)</i>	2 993 825	3 187 888	2 216 467
<i>Surplus/ Deficiency (-) (Banks only)</i>	473 117	268 174	739 113
RATIOS (%)			
<i>Actual Liquidity to Domestic Liabilities (Banks Only)</i>	28.5	26.7	26.2
<i>Loans and Advances to Deposits</i>	85.9	82.2	87.7

DEPOSITORY CORPORATIONS SURVEY					
Net Foreign Assets (E)		7 073 602	8 082 286	8 719 323	
Net Official Assets		6 074 078	6 260 846	7 385 462	
Foreign Assets - Central Bank of Swaziland		8 654 700	8 821 514	10 013 599	
Foreign Liabilities - Central Bank of Swaziland		2 580 621	2 560 668	2 628 137	
Net Other Depository Corporations Foreign holdings (ODC)		999 523	1 821 440	1 333 861	
Foreign Assets - ODC		1 293 446	1 994 989	2 400 980	
Foreign Liabilities - ODC		293 923	173 549	1 067 119	
Net Foreign Assets (SDR)		390 462	459 059	420 874	
Net Domestic Claims		11 657 165	11 393 016	8 838 969	
Net Claims on Government		-798 749	-1 192 323	-2 802 891	
Claims on Central Government		3 479 779	3 486 814	1 685 891	
Government Deposits		4 278 528	4 679 137	4 488 783	
Claims on other sectors		12 455 914	12 585 339	11 641 860	
Other nonfinancial corporations (Industry)		5 716 412	5 730 516	5 005 480	
Other resident sectors (Households &NPISH)		5 732 460	5 776 685	5 476 975	
Other sectors		1 007 041	1 078 138	1 159 405	
Broad Money Supply (M2)		14 370 228	15 097 210	12 741 608	
Narrow Money Supply (M1)		4 720 167	5 035 591	4 088 228	
Currency outside depository corporations (E)		594 520	586 108	530 454	
Transferable (Demand) deposits		4 125 647	4 449 483	3 557 774	
Quasi Money		9 650 061	10 061 618	8 653 381	
Savings Deposits		1 758 805	1 722 152	1 580 395	
Time Deposits		7 891 256	8 339 467	7 072 986	
Shares and Other Equity		5 187 025	5 048 846	4 716 405	
Central Of Swaziland		1 438 432	1 300 259	1 403 193	
Other Depository Corporations		3 748 594	3 748 587	3 313 212	
Other Items (net)		-831 006	-670 753	100 278	
GROSS OFFICIAL RESERVES					
	Apr-17	Mar-17	Feb-17	Mar-16	Apr-16
	Amount	Amount	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)	(E'000)	(E'000)
Total Official (Gross) - Emalangeni E	8 188 410	7 325 225	7 528 714	8 488 976	9 151 270
Special Drawing Rights (SDR)	449 688	404 351	427 617	409 755	455 015
Central Bank	8 188 410	7 325 225	7 528 714	8 488 976	9 151 270
Government	26 243	26 243	26 243	34 265	33 657
Import Cover (Reserves to months of estimated imports)	3.8	3.4	3.5	3.9	4.4
Net Bank Holdings		999 523	1 821 440	1 333 861	1 422 785

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- 5.Import cover figures are subject to revision as import figures used have a 3 month lag.

