



MONEY AND BANKING STATISTICS

FEBRUARY 2017/MARCH 2017

HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
<p>Gross Official Reserves contracted by 2.7 per cent at the end of March 2017 to E7.3 billion. Annually the Reserves declined by 13.7 per cent. The Reserves were equivalent to an import cover of 3.4 months, lower than the 3.5 months observed in February 2017.</p>	2.7	13.7
<p>Credit Extended to the Private Sector grew by 1.2 per cent over the review month to reach E12.6 billion. Over the year, private sector credit expanded by 8.2 per cent. The monthly growth was observed in all components.</p>	1.2	8.2
<p>Broad Money Supply (M2) declined by 0.3 per cent month-on-month but grew by 16.3 per cent when compared annually. The fall in M2 was on account of a drop in Quasi Money Supply.</p>	0.3	16.3
<p>Domestic Liquid Assets decelerated by 8.6 per cent to E3.5 billion over the review month, mainly due to a decline in Other Depository Corporations' currency in vaults and cash balances with the Central Bank.</p>	8.6	27.1
	PERCENT	
<p>Discount Rate: the discount rate stood at 7.25 per cent in March 2017.</p>		7.25
<p>Prime Lending Rate: the prime lending rate stood at 10.75 per cent in March 2017.</p>		10.75



Summary of Movements in Major Monetary Aggregates

Gross Official Reserves amounted to E7.3 billion at the end of March 2017, depicting a reduction of 2.7 per cent from the level recorded at the end of February 2017. At this level the Reserves were equivalent to an import cover of 3.4 months, lower than the 3.5 months recorded at the end of February 2017. The value of the Reserves in Special Drawing Rights (SDRs) amounted to SDR404.4 million at the end of March 2017, reflecting a contraction of 5.4 per cent. Over the year, the Reserves declined by 13.7 per cent when valued in Emalangeni terms and by 1.3 per cent in SDRs terms.

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



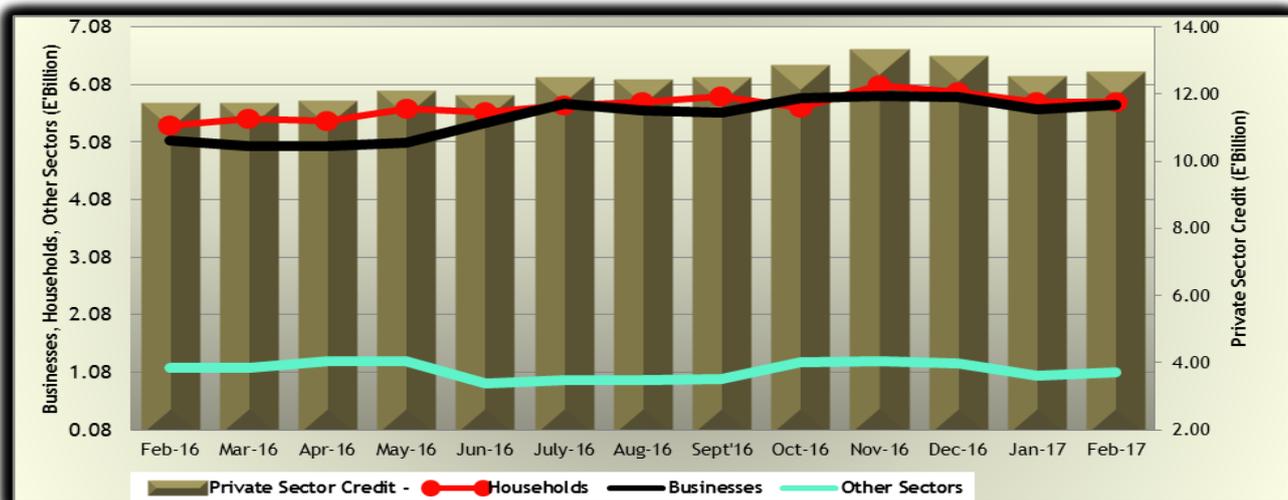
Source: Central Bank of Swaziland

Credit Advanced to the Private Sector depicted a month-on-month growth of 1.2 per cent to reach E12.6 billion at the end of February 2017, largely driven by a rise in all its components. Credit advanced to Other Sectors grew the highest by 5.5 per cent, followed by credit advanced to Businesses which grew by 1.5 per cent and credit to Households and Non-Profit Institutions Serving Households (NPISH) at 0.02 per cent. When compared over the year, Private Sector Credit expanded by 8.2 per cent.

Credit Advanced to Other Sectors recorded an increase of 5.5 per cent to reach E1.1 billion at the end of February 2017. The month-on-month growth was mainly discernible in credit to Public Non-Financial Corporations (7.3 per cent), Other Financial Corporations (5.1 per cent) and Credit to Local Government (2.4 per cent).

Credit Advanced to Businesses stood at E5.7 billion at the end of February 2017, depicting an increase of 1.5 per cent from the previous month. The improvement was mainly driven by these sectors; Distribution and Tourism (8.8 per cent), Construction (8.0 per cent), Agriculture and Forestry (3.4 per cent).

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



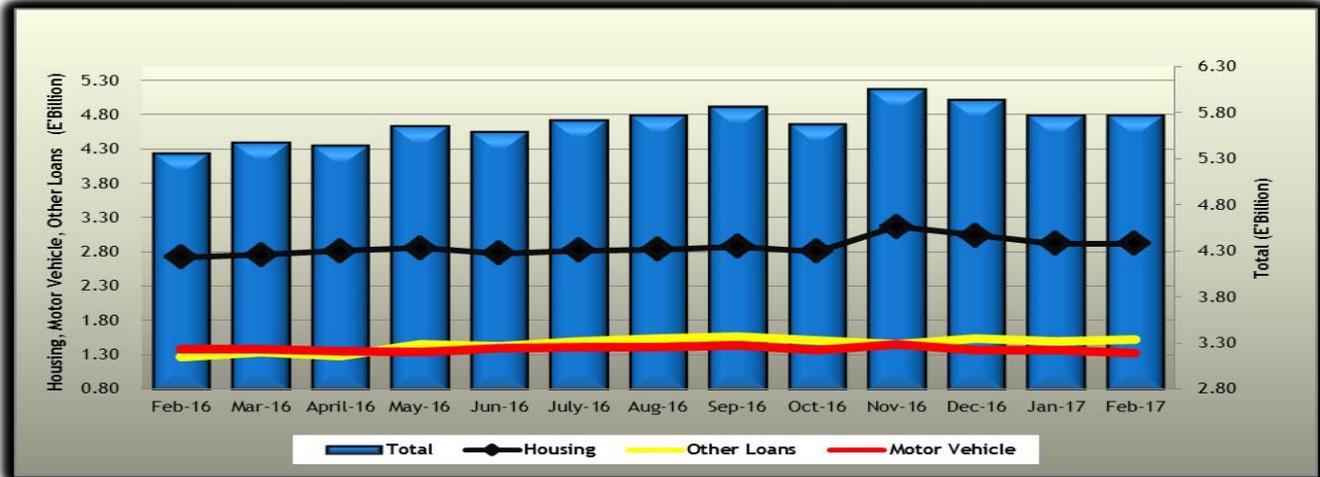
Source: Central Bank of Swaziland



Summary of Movements in Major Monetary Aggregates

Credit Advanced to Households & NPISH amounted to E5.8 billion at the end of February 2017, 0.02 per cent higher than observed in January 2017. The improvement was a result of Other (unsecured) Loans and Mortgage Finance. Other (unsecured) Loans grew by 2.5 per cent to close at E1.5 billion whilst Mortgage Finance rose by 0.1 per cent to E2.9 billion. Credit advanced to Motor Vehicle Finance on the other hand contracted by 2.8 per cent to E1.3 billion.

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



Source: Other Depository Corporations & Central Bank of Swaziland

Net Government Balances with the banking sector reflected a decline of 26.4 per cent to E1.2 billion at the end of February 2017. The contraction emanated from Government deposits which fell by 8.3 per cent at the end of February 2017. Claims on Government on the other hand grew by 0.1 per cent over the month under review. When compared over the year, Net Government Balances fell by 64.4 per cent.

Broad Money Supply (M2) stood at E15.1 billion at the end of February 2017, depicting a 0.3 per cent contraction due to Quasi Money Supply. Quasi Money Supply contracted by 0.5 per cent to settle at E10.1 billion on account of a decline in both Savings Deposits and Time Deposits over the review month. Savings Deposits fell by 1.0 per cent to E1.7 billion whilst Time Deposits shrank by 0.3 per cent to E8.3 billion. Narrow Money Supply (M1) on the other hand depicted growth of 0.1 per cent to close at E5.0 billion. Responsible for the rise in M1 were Currency Outside Depository Corporations which increased by 2.2 per cent over the month to E586.1 million. Transferable Deposits on the contrary declined by 0.1 per cent to E4.4 billion at the end of February 2017. Over the year M2 grew by 16.3 per cent, Quasi Money by 17.3 per cent and M1 by 14.3 per cent.

Figure 4: Money Supply; February 2016 to February 2017



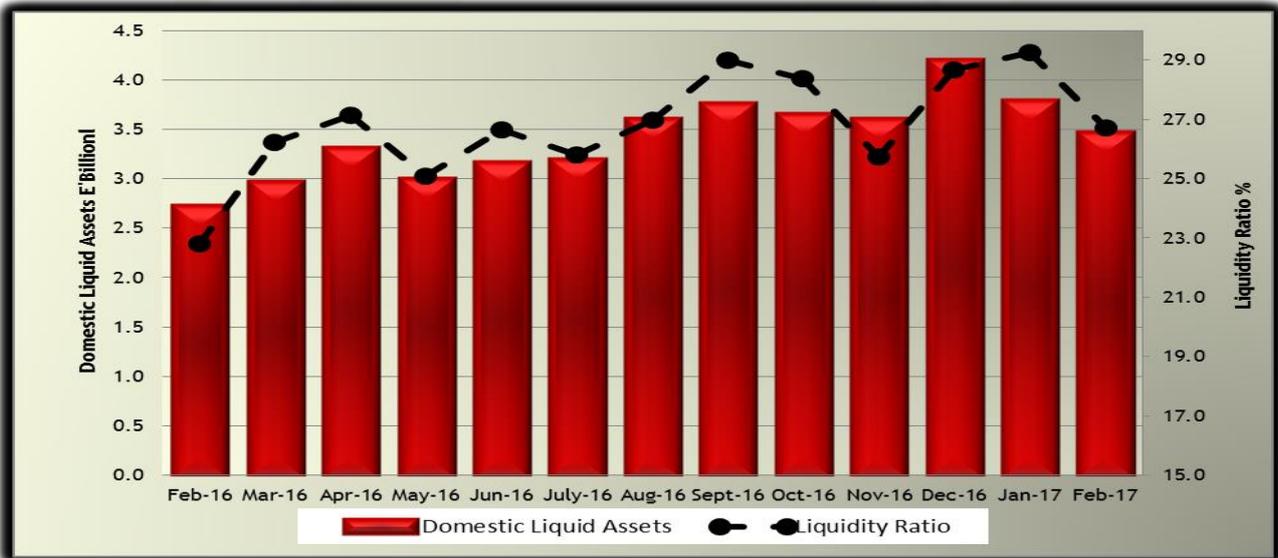
Source: Other Depository Corporations & Central Bank of Swaziland



Summary of Movements in Major Monetary Aggregates

The liquidity position of the banking industry contracted by 8.6 per cent to E3.5 billion over the month under review. The decline was predominantly observed in Other Depository Corporations' cash holdings and balances with the Central Bank at the end of February 2017. As a result, Other Depository Corporations' liquidity ratio stood at 26.7 per cent, 2.6 percentage point lower than the previous month. Compared on an annual basis, the banks' liquidity position expanded by 27.1 per cent.

Figure 5: Domestic Liquid Assets & Liquidity Ratio; February 2016 to February 2017



Source: Other Depository Corporations

RELEASE OF MONEY AND BANKING STATISTICS

Notes:

1. Data supplied in this Monthly Release represent an abstract of those
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

ITEM	Feb-17	Jan-17	Feb-16
	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)
CENTRAL BANK OF SWAZILAND			
<i>Claims on Non-residents</i>	8 795 272	9 561 012	10 345 708
<i>Claims on Domestic Economy</i>	1 145 845	1 159 436	27 344
Government	1 116 653	1 130 052	1 904
Other Depository Corporations	2 393	2 925	1 846
Other Resident Sectors	26 799	26 458	23 593
<i>Other Assets</i>	430 395	428 550	429 852
<i>Total Assets/Liabilities</i>	10 371 512	11 148 997	10 802 903
OTHER DEPOSITORY CORPORATIONS			
<i>Cash and Deposits with CBS</i>	1 291 600	1 605 578	1 148 138
<i>Net Balances with Banks Outside Swaziland</i>	1 810 592	1 488 596	1 545 854
<i>Loans and advances</i>	12 002 523	11 888 772	11 037 623
<i>Government Securities</i>	2 300 411	2 288 384	1 658 930
Treasury Bills	1 428 112	1 420 969	1 060 240
Government Bonds	872 299	867 415	598 690
<i>Other</i>	0	0	0
<i>Total Deposits</i>	14 602 428	14 676 801	12 879 585
Transferable/Demand	4 463 000	4 522 295	3 878 523
Savings	1 750 699	1 767 692	1 601 315
Time	8 388 730	8 386 814	7 399 747
<i>Capital and Reserves</i>	3 290 787	3 316 331	2 870 621
<i>Total Assets/Liabilities</i>	19 492 474	19 818 287	17 690 687
<i>Total Liquid Assets (Banks only)</i>	3 456 062	3 779 515	2 720 224
<i>Required Liquidity (Banks only)</i>	3 187 888	3 186 045	2 349 095
<i>Surplus/ Deficiency (-) (Banks only)</i>	268 174	593 470	371 129
RATIOS (%)			
<i>Actual Liquidity to Domestic Liabilities (Banks Only)</i>	26.7	29.3	22.8
<i>Loans and Advances to Deposits</i>	82.2	81.0	85.7
DEPOSITORY CORPORATIONS SURVEY			
<i>Net Foreign Assets (E)</i>	8 084 369	8 446 269	9 547 584
<i>Net Official Assets</i>	6 262 930	6 933 493	7 989 833
Foreign Assets - Central Bank of Swaziland	8 823 598	9 589 338	10 381 622
Foreign Liabilities - Central Bank of Swaziland	2 560 668	2 655 844	2 391 789
<i>Net Other Depository Corporations Foreign holdings (ODC)</i>	1 821 440	1 512 776	1 557 750
Foreign Assets - ODC	1 994 989	2 123 963	2 065 001
Foreign Liabilities - ODC	173 549	611 187	507 250
<i>Net Foreign Assets (SDR)</i>	459 177	462 161	420 874

Net Domestic Claims	11 390 933	10 818 401	8 279 460		
<i>Net Claims on Government</i>	<i>-1 194 406</i>	<i>-1 622 723</i>	<i>-3 352 836</i>		
Claims on Central Government	3 486 814	3 483 667	1 677 066		
Government Deposits	4 681 220	5 106 390	5 029 902		
<i>Claims on other sectors</i>	<i>12 585 339</i>	<i>12 441 124</i>	<i>11 632 295</i>		
Other nonfinancial corporations (Industry)	5 730 516	5 643 840	5 114 728		
Other resident sectors (Households & NPISH)	5 776 685	5 775 279	5 364 158		
Other sectors	1 078 138	1 022 006	1 153 410		
Broad Money Supply (M2)	15 097 210	15 135 768	12 979 296		
<i>Narrow Money Supply (M1)</i>	<i>5 035 591</i>	<i>5 028 450</i>	<i>4 405 152</i>		
Currency outside depository corporations (E)	586 108	573 559	564 513		
Transferable (Demand) deposits	4 449 483	4 454 891	3 840 639		
<i>Quasi Money</i>	<i>10 061 618</i>	<i>10 107 318</i>	<i>8 574 144</i>		
Savings Deposits	1 722 152	1 739 081	1 572 091		
Time Deposits	8 339 467	8 368 237	7 002 053		
<i>Shares and other equity</i>	<i>3 787 853</i>	<i>5 158 862</i>	<i>5 391 180</i>		
Central Of Swaziland	39 266	1 378 095	2 122 612		
Other Depository Corporations	3 748 587	3 780 767	3 268 569		
<i>Other Items (net)</i>	<i>-671 129</i>	<i>-1 029 959</i>	<i>-543 433</i>		
GROSS OFFICIAL RESERVES	Mar-17	Feb-17	Jan-17	Feb-16	Mar-16
	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>
	<i>(E'000)</i>	<i>(E'000)</i>	<i>(E'000)</i>	<i>(E'000)</i>	<i>(E'000)</i>
<i>Total Official (Gross) - Emalangeni E</i>	<i>7 325 225</i>	<i>7 528 714</i>	<i>8 246 298</i>	<i>8 758 924</i>	<i>8 488 976</i>
<i>Special Drawing Rights (SDR)</i>	<i>404 351</i>	<i>427 617</i>	<i>451 219</i>	<i>397 093</i>	<i>409 755</i>
<i>Central Bank</i>	<i>7 325 225</i>	<i>7 528 714</i>	<i>8 246 298</i>	<i>8 758 924</i>	<i>8 488 976</i>
<i>Government</i>	<i>28 326.07</i>	<i>28 326</i>	<i>28 326</i>	<i>35 915</i>	<i>34 265</i>
Import Cover (Reserves to months of estimated imports)	3.4	3.5	3.8	4.1	3.9
Net Bank Holdings		1 821 440	1 512 776	1 557 750	1 333 861

NOTES:

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4. For definitions of concepts used reference should be made to the relevant notes in the Central Bank's Quarterly Review.
5. Import cover figures are subject to revision as import figures used have a 3 month lag.

