

# Monthly Statistical Release

APR 2019/MAY 2019



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**CENTRAL BANK  
OF ESWATINI**  
Umntsholi Wemaswati



HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY	ANNUAL CHANGE	%
<b>Gross Official Reserves</b> declined by 3.2 per cent to settle at E5.6 billion at the end of May 2019. The Reserves were enough to cover 2.4 months of imports of goods and services. Year-on-year, the Reserves decelerated by 15.8 per cent.	-3.2 ▼	-15.8 ▼	
<b>Credit Extended to the Private Sector</b> declined by 0.8 percent to E14.8 billion in April 2019 from E15.0 billion at the end of March 2019. The decrease was explained by credit to Other Sectors and Businesses whilst credit to Households improved. Year on year, Private Sector credit rose by 5.1 per cent.	-0.8 ▼	5.1 ▲	
<b>Broad Money Supply (M2)</b> grew by 2.3 per cent month-on-month to close at E17.3 billion at the end of April 2019. This development was due to an acceleration in both Narrow Money Supply and Quasi Money Supply. M2 contracted by 0.5 per cent when compared to the previous year.	2.3 ▲	-0.5 ▼	
<b>Domestic Liquid Assets</b> improved by 2.7 per cent to reach E5.2 billion at the end of April 2019, up from E5.0 billion in March 2019. The Banks' liquidity ratio stood at 31.9 per cent at the end of April 2019. Year-on-year, Domestic Liquid Assets increased by 25.9 per cent.	2.7 ▲	25.9 ▲	
	PERCENT		
<b>Discount Rate:</b> The Central Bank of Eswatini maintained its discount rate at 6.75 per cent at the end of May 2019.		6.75	
<b>Prime Lending Rate:</b> Commercial Banks also maintained their prime lending rate at 10.25 per cent at the end of May 2019.		10.25	

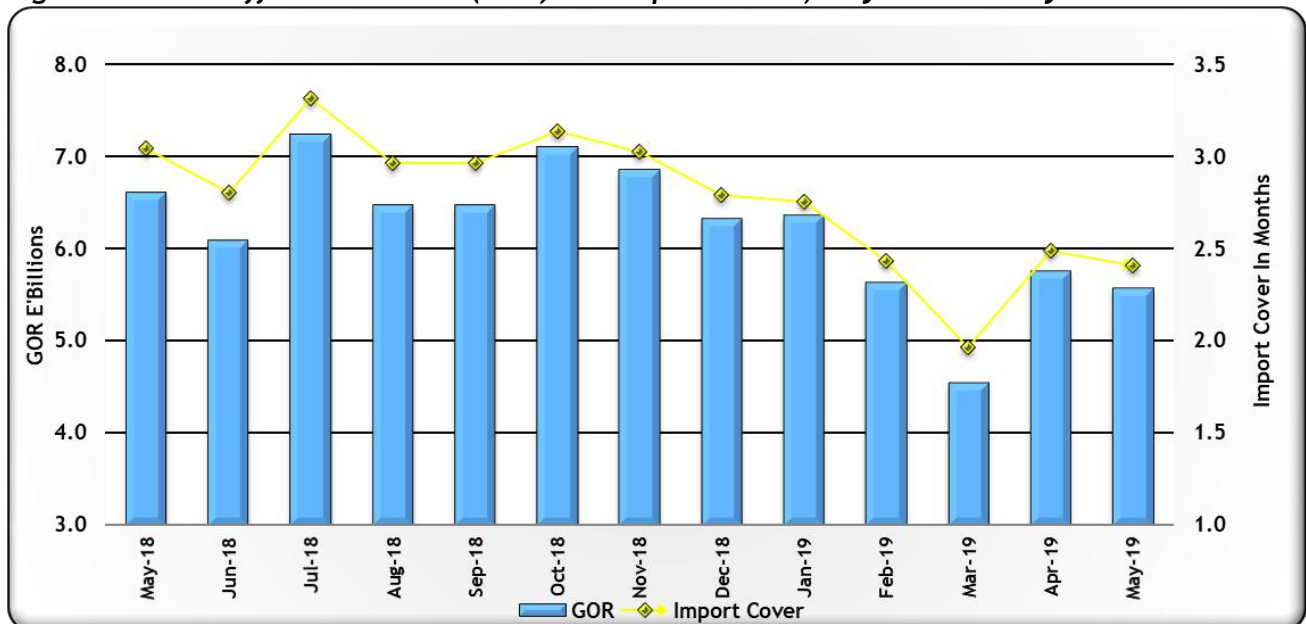
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**Gross Official Reserves** contracted by 3.2 per cent month-on-month to settle at E5.6 billion at the end of May 2019. The contraction resulted from Rand net sales to Banks and payments of Government's external obligations over the review month. At this level, the Reserves were equivalent to an import cover of 2.4 months, lower than the 2.5 months observed in April 2019. Year-on-year, Gross Official Reserves fell by 15.8 per cent.

**Valued in Special Drawing Rights (SDRs)**, the Reserves decelerated by 4.6 per cent month-on-month to close at SDR276.1 million. Consequently, year-on-year, the SDR value of Reserves decreased by 25.3 per cent.

**Figure 1: Gross Official Reserves (GOR) and Import Cover; May 2018 to May 2019**



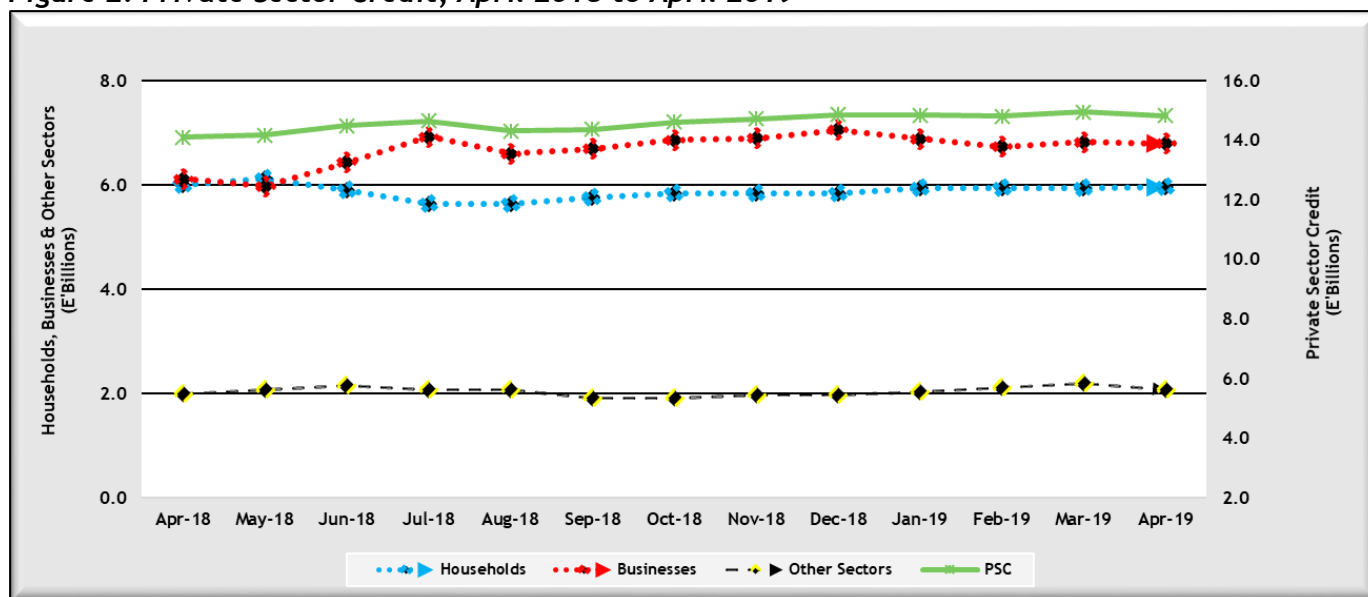
Source: Central Bank of Eswatini

**Credit Extended to the Private Sector** declined by 0.8 per cent to close at E14.8 billion at the end of April 2019. The contraction was due to the fall in credit to Other Sectors and Businesses. However, credit to Households & Non-Profit Institutions Serving Households (NPISH) depicted an expansion over the review month. Compared to the previous year, Private Sector Credit increased by 5.1 per cent.

**Credit Extended to Other Sectors** depicted a contraction of 5.3 per cent to close at E2.1 billion at the end of April 2019 from E2.2 billion the previous month. This development was due to credit to the Local Government and Other Financial Corporations, which declined by 9.7 per cent and 8.2 per cent, respectively. On the other hand, Credit to Public Non-Financial Corporations grew by 4.2 per cent.

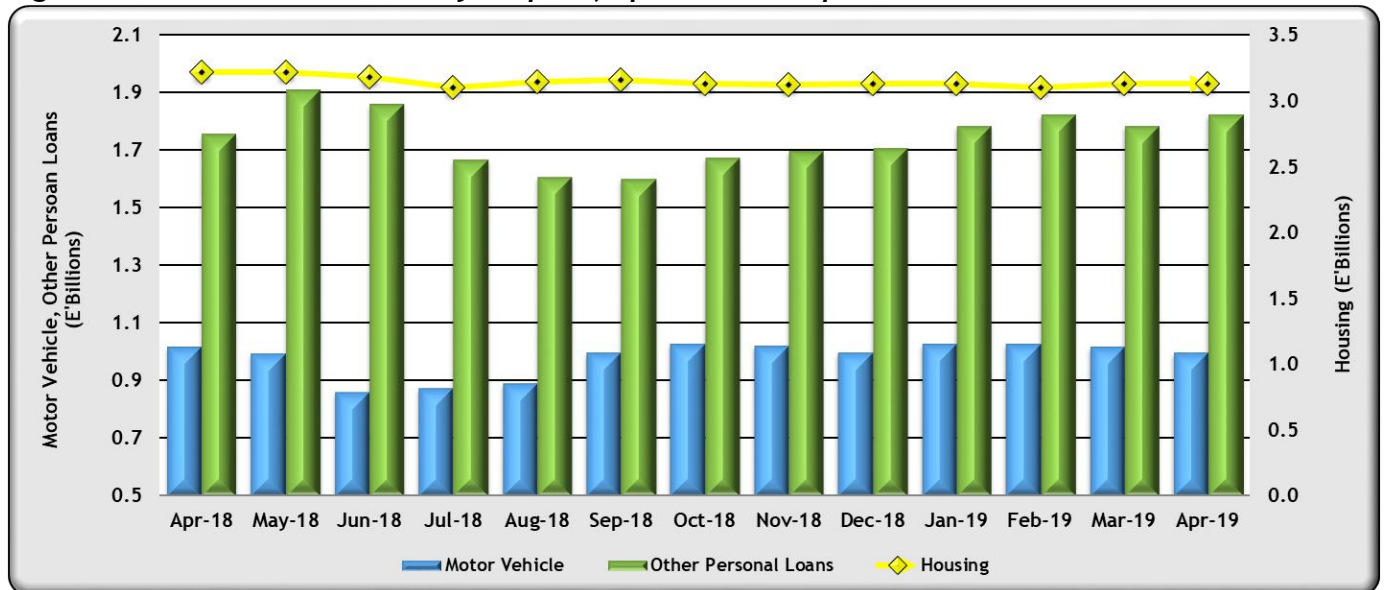
**Credit Extended to Businesses** reflected a month-on-month reduction of 0.4 per cent to end at E6.8 billion in April 2019. The lower demand for credit was observed in; Community, Social & Personal Services (-16.9 per cent), Distribution & Tourism (-13.6 per cent), Construction (-3.2 per cent) and Mining & Quarrying (-0.02 per cent) sectors. However, the fall in Credit to Businesses was partly offset by increases in the following sectors; Manufacturing (25.5 per cent), Agriculture & Forestry Sector (14.1 per cent), Transport & Communication (3.1 per cent) as well as the Real Estate Sector (0.5 per cent).

**Figure 2: Private Sector Credit; April 2018 to April 2019**



Source: Other Depository Corporations & Central Bank of Eswatini

**Credit Extended to Households & NPISH** improved by 0.3 per cent month-on-month to settle at E6.0 billion in April 2019. This development was due to an increase of 2.3 per cent in Other Personal (Unsecured) Loans to E1.8 billion, followed by a 0.1 per cent increase in Housing Loans to E3.1 billion. Motor Vehicle Finance on the other hand, fell by 2.2 per cent over the month under review to settle at E1.0 billion.

**Figure 3: Credit to Households by Purpose; April 2018 to April 2019**

Source: Other Depository Corporations & Central Bank of Eswatini

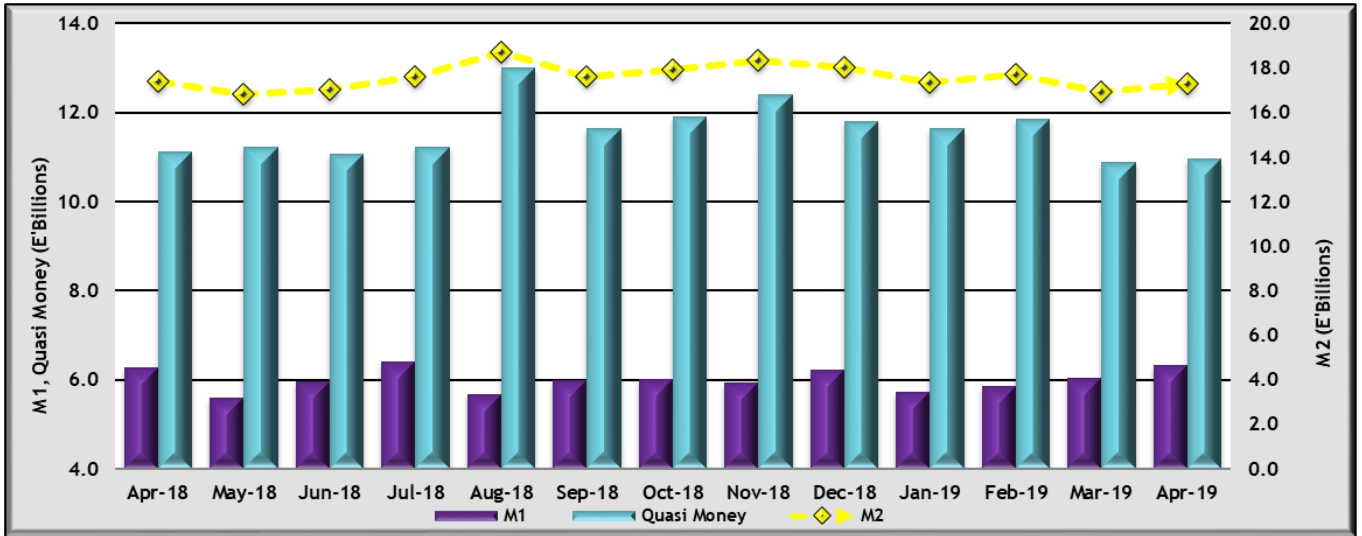
**Net Claims on Government by the banking sector** reflected a month-on-month decline of 20.4 per cent to reach E2.9 billion in April 2019 from E3.6 billion the previous month. The contraction emanated from an increase of 29.6 per cent in Government Deposits coupled with a 0.1 per cent rise in claims on Government. Compared to the previous year, net claims on Government trended downwards.

**Broad Money Supply (M2)** expanded by 2.3 percent to E17.3 billion in April 2019, from E16.9 billion recorded the previous month. This development emanated from an increase in both Narrow Money Supply and Quasi Money Supply over the review month. Year-on-year, M2, however, fell by 0.5 per cent.

**Quasi Money Supply** closed at E11.0 billion at the end of April 2019, reflecting an increase of 0.9 per cent from E10.9 billion the previous month. Explaining the upswing was an expansion of 2.6 per cent in Saving Deposits to close at E1.9 billion and Time Deposits, which rose by 0.5 per cent to settle at E9.1 billion.

**Narrow Money Supply (M1)** grew by 4.9 per cent month-on-month to settle at E6.3 billion at the end of April 2019. The growth was explained by an increase of 6.7 per cent in Transferable (Demand) Deposits, to reach E5.7 billion. However, Emalangeneni Outside Depository Corporations contracted by 8.4 per cent to settle at E642.7 million over the review month.

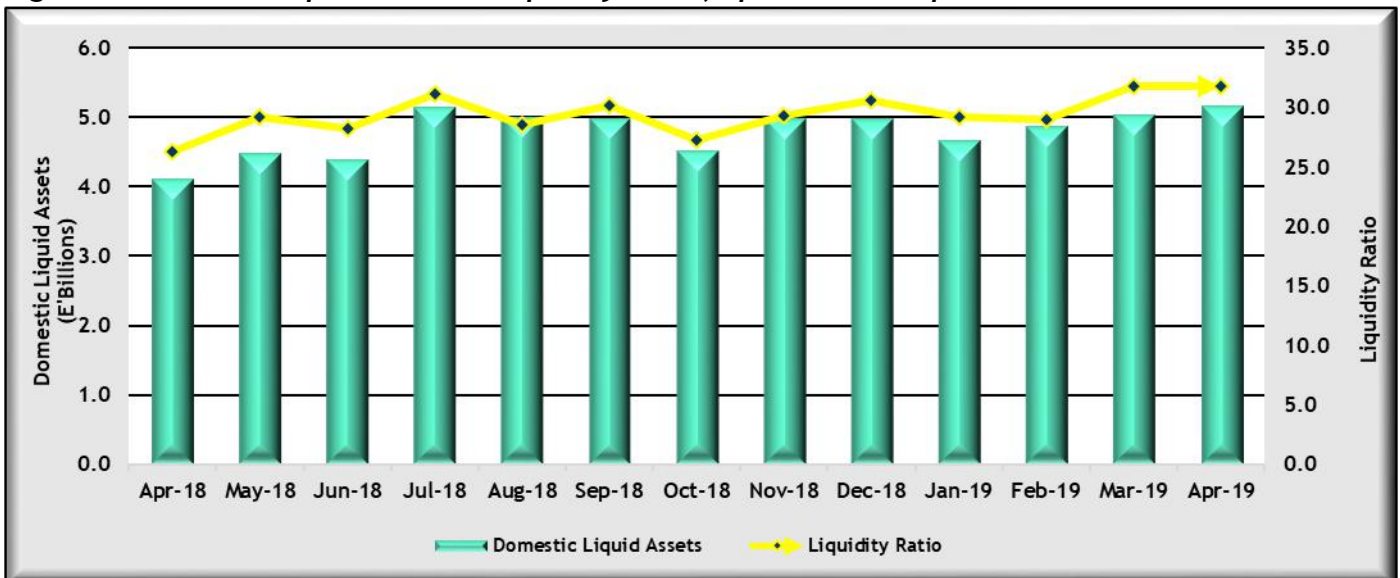
**Figure 4: Money Supply; April 2018 to April 2019**



Source: Other Depository Corporations & Central Bank of Eswatini

**The Overall Liquidity Position of the Banking Industry** grew by 2.7 per cent to close at E5.2 billion at the end of April 2019. This development was driven by a rise in Banks’ Emalangenzi holdings and balances with the Central Bank of Eswatini. Also contributing to the expansion was the increase in Government Securities over the review month. Consequently, the Liquidity ratio rose from 31.8 per cent in March 2019 to 31.9 per cent in April 2019. Year-on-year, the Liquidity Position of the Banking Industry grew by 25.9 per cent.

**Figure 5: Domestic Liquid Assets & Liquidity Ratio; April 2018 to April 2019**



Source: Other Depository Corporations & Central Bank of Eswatini



## RELEASE OF MONEY AND BANKING STATISTICS

### Notes:

- 1.Data supplied in this Monthly Release represent an abstract of those provided regularly in the Central Bank's Quarterly Review.
- 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 the relevant notes in the Central Bank's Quarterly Review.

ITEM	Apr-19	Mar-19	Apr-18
	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)
<b>CENTRAL BANK OF ESWATINI</b>			
Claims on Non-residents	7,182,164	5,980,730	8,273,509
Claims on Domestic Economy	3,036,702	3,037,925	1,328,241
Government	3,006,462	3,007,685	1,295,402
Other Depository Corporations	2,064	2,064	2,038
Other Resident Sectors	28,176	28,176	30,801
Other Assets	423,662	464,574	1,368,655
<b>Total Assets/Liabilities</b>	<b>10,642,528</b>	<b>9,483,229</b>	<b>10,970,406</b>
<b>OTHER DEPOSITORY CORPORATIONS</b>			
Cash and Deposits with CBS	2,438,591	2,311,132	1,774,559
Net Balances with Banks Outside Eswatini	1,801,903	1,373,172	2,557,195
Loans and advances	13,356,676	13,336,720	13,441,798
Government Securities	3,030,414	3,027,116	2,538,423
Treasury Bills	2,001,013	2,066,697	1,600,312
Government Bonds	1,029,402	960,419	938,111
Other	0	0	0
<b>Total Deposits</b>	<b>17,630,708</b>	<b>17,010,573</b>	<b>17,084,906</b>
Transferable/Demand	5,913,188	5,524,266	5,668,122
Savings	1,909,275	1,862,626	1,643,296
Time	9,808,245	9,623,681	9,773,488
Capital and Reserves	3,872,462	3,853,189	3,711,287
<b>Total Assets/Liabilities</b>	<b>23,930,593</b>	<b>23,675,726</b>	<b>22,917,878</b>
<b>Total Liquid Assets (Banks only)</b>	<b>5,176,518</b>	<b>5,041,617</b>	<b>4,112,219</b>
Required Liquidity (Banks only)	4,004,868	3,902,605	3,855,655
Surplus/ Deficiency (-) (Banks only)	1,171,651	1,139,011	256,564
<b>RATIOS (%)</b>			
Actual Liquidity to Domestic Liabilities (Banks Only)	31.9	31.8	26.3
Loans and Advances to Deposits	75.8	78.4	78.7



<i>DEPOSITORY CORPORATIONS SURVEY</i>	Apr-19	Mar-19	Apr-18
<b>Net Foreign Assets (E)</b>	<b>6,530,581</b>	<b>4,888,193</b>	<b>8,640,115</b>
<b>Net Official Assets</b>	<b>4,817,336</b>	<b>3,614,461</b>	<b>6,027,235</b>
Foreign Assets - Central Bank of Eswatini	7,208,406	6,006,973	8,299,752
Foreign Liabilities - Central Bank of Eswatini	2,391,070	2,392,512	2,272,517
<b>Net Other Depository Corporations Foreign holdings (ODC)</b>	<b>1,713,244</b>	<b>1,273,732</b>	<b>2,612,880</b>
Foreign Assets - ODC	2,019,903	1,794,622	3,046,367
Foreign Liabilities - ODC	306,659	520,890	433,487
<b>Net Foreign Assets (SDR)</b>	<b>328,488</b>	<b>243,921</b>	<b>482,639</b>
<b>Net Domestic Claims</b>	<b>17,686,759</b>	<b>18,537,653</b>	<b>13,661,404</b>
<b>Net Claims on Government</b>	<b>2,851,556</b>	<b>3,581,667</b>	<b>-448,250</b>
Claims on Central Government	6,080,232	6,072,269	4,078,338
Government Deposits	3,228,676	2,490,602	4,526,588
<b>Claims on other sectors</b>	<b>14,835,203</b>	<b>14,955,987</b>	<b>14,109,654</b>
Other nonfinancial corporations (Industry)	6,800,569	6,825,178	6,123,496
Other resident sectors (Households & NPISH)	5,955,187	5,936,058	5,993,117
Other sectors	2,079,447	2,194,751	1,993,042
<b>Broad Money Supply (M2)</b>	<b>17,322,707</b>	<b>16,927,651</b>	<b>17,971,534</b>
<b>Narrow Money Supply (M1)</b>	<b>6,339,927</b>	<b>6,041,542</b>	<b>6,282,813</b>
Currency outside depository corporations (E)	642,721	701,460	633,962
Transferable (Demand) deposits	5,697,206	5,340,082	5,648,851
<b>Quasi Money</b>	<b>10,982,780</b>	<b>10,886,110</b>	<b>11,688,721</b>
Savings Deposits	1,872,792	1,825,772	1,636,833
Time Deposits	9,109,989	9,060,338	10,051,888
Shares and Other Equity	6,888,593	6,540,534	5,844,786
Central Bank Of Eswatini	2,443,258	2,123,472	1,619,075
Other Depository Corporations	4,445,334	4,417,062	4,225,711
<b>Other Items (net)</b>	<b>6,040</b>	<b>-42,339</b>	<b>-1,348,666</b>

<i>GROSS OFFICIAL RESERVES</i>	May-19	Apr-19	Mar-19	Apr-18	May-18
	Amount (E'000)	Amount (E'000)	Amount (E'000)	Amount (E'000)	Amount (E'000)
<b>Total Official (Gross) - Emalangeni</b>	<b>5,565,737</b>	<b>5,751,982</b>	<b>4,539,081</b>	<b>6,985,687</b>	<b>6,608,540</b>
<b>Special Drawing Rights (SDR)</b>	<b>276,060</b>	<b>289,325</b>	<b>226,500</b>	<b>390,223</b>	<b>369,417</b>
<b>Central Bank</b>	<b>5,565,737</b>	<b>5,751,982</b>	<b>4,539,081</b>	<b>6,985,687</b>	<b>6,608,540</b>
<b>Government</b>	<b>26,243</b>	<b>26,243</b>	<b>26,243</b>	<b>26,243</b>	<b>26,243</b>
<b>Import Cover (Reserves to months of estimated imports)</b>	<b>2.4</b>	<b>2.5</b>	<b>2.0</b>	<b>3.2</b>	<b>3.0</b>
Net Bank Holdings		1,713,244	1,273,732	2,612,880	1,803,678

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