

Monthly Statistical Release

JAN /FEB 2019

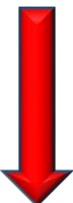
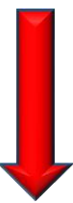
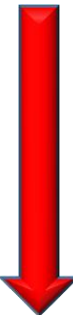

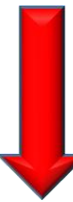
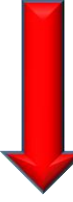
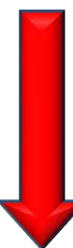



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**CENTRAL BANK
OF ESWATINI**
Umntsholi Wemaswati



HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY	ANNUAL % CHANGE
Gross Official Reserves receded by 11.6 per cent at the end of February 2019 to close at E5.6 billion. The Reserves were equivalent to an import cover of 2.5 months. Annually, the Reserves declined by 20.3 per cent.	11.6 	20.3 
Credit Extended to the Private Sector decelerated by 0.1 per cent over the review month to reach E14.9 billion. The reduction was solely driven by credit to Businesses. Credit to Other Sectors and Households depicted an increase over the review month. Year-on-year, Private Sector credit grew by 5.9 per cent.	0.1 	5.9 
Broad Money Supply (M2) contracted by 3.8 per cent month-on-month to E17.4 billion. The decline was on account of Narrow Money Supply (M1) and Quasi Money Supply. Year-on-year, M2 contracted by 0.8 per cent.	3.8 	0.8 
Domestic Liquid Assets decelerated by 6.4 per cent to E4.7 billion at the end of January 2019, due to a reduction in Banks' balances at the Central Bank and their currency holdings. Compared over the year, Liquid Assets edged up by 1.9 per cent.	6.4 	1.9 
	PERCENT	
Discount Rate: the discount rate was at 6.75 per cent in February 2019.		6.75
Prime Lending Rate: the prime lending rate was at 10.25 per cent in February 2019.		10.25

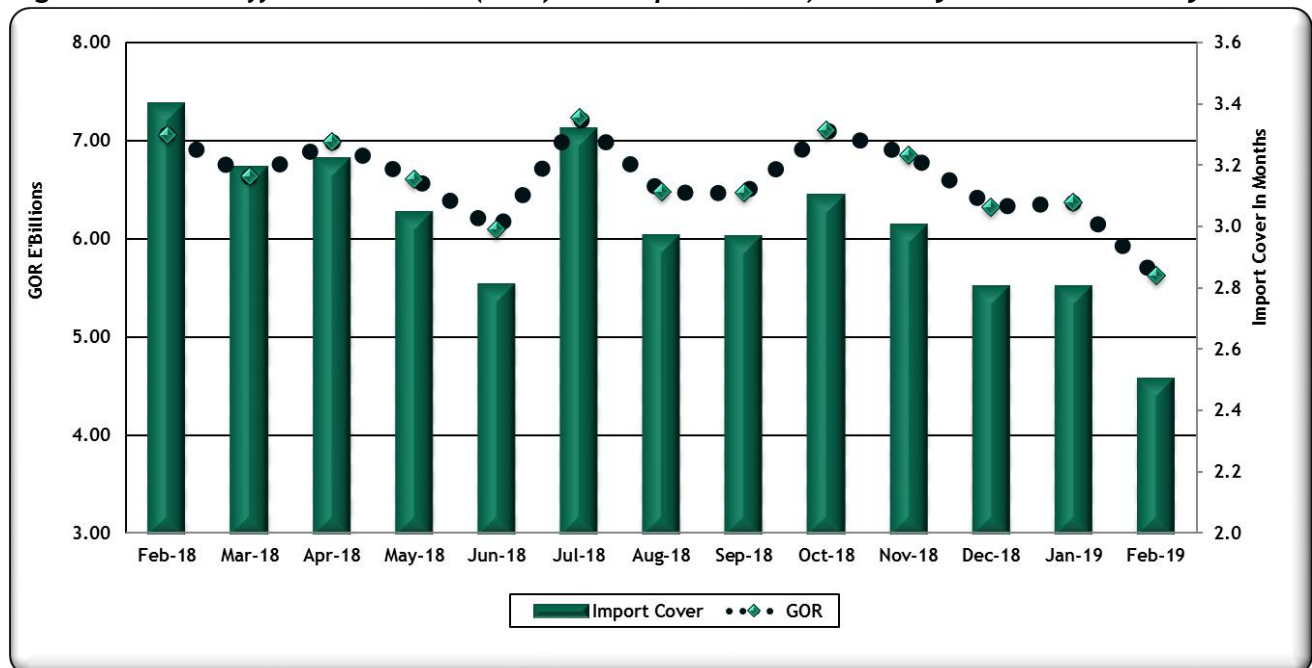
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Gross Official stood at E5.6 billion at the end of February 2019, representing a 11.6 per cent decline from the level recorded in January 2019. Consequently, the Reserves were sufficient to cover 2.5 months of imports. When compared over the year, the Reserves declined by 20.3 per cent in Emalangeni terms.

Valued in Special Drawing Rights (SDRs), the Reserves amounted to SDR288.1 million at the end of February 2019, depicting a month-on-month fall of 16.0 per cent. Similarly, when compared over the same period last year, the SDR value of Reserves contracted by 30.7 per cent.

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



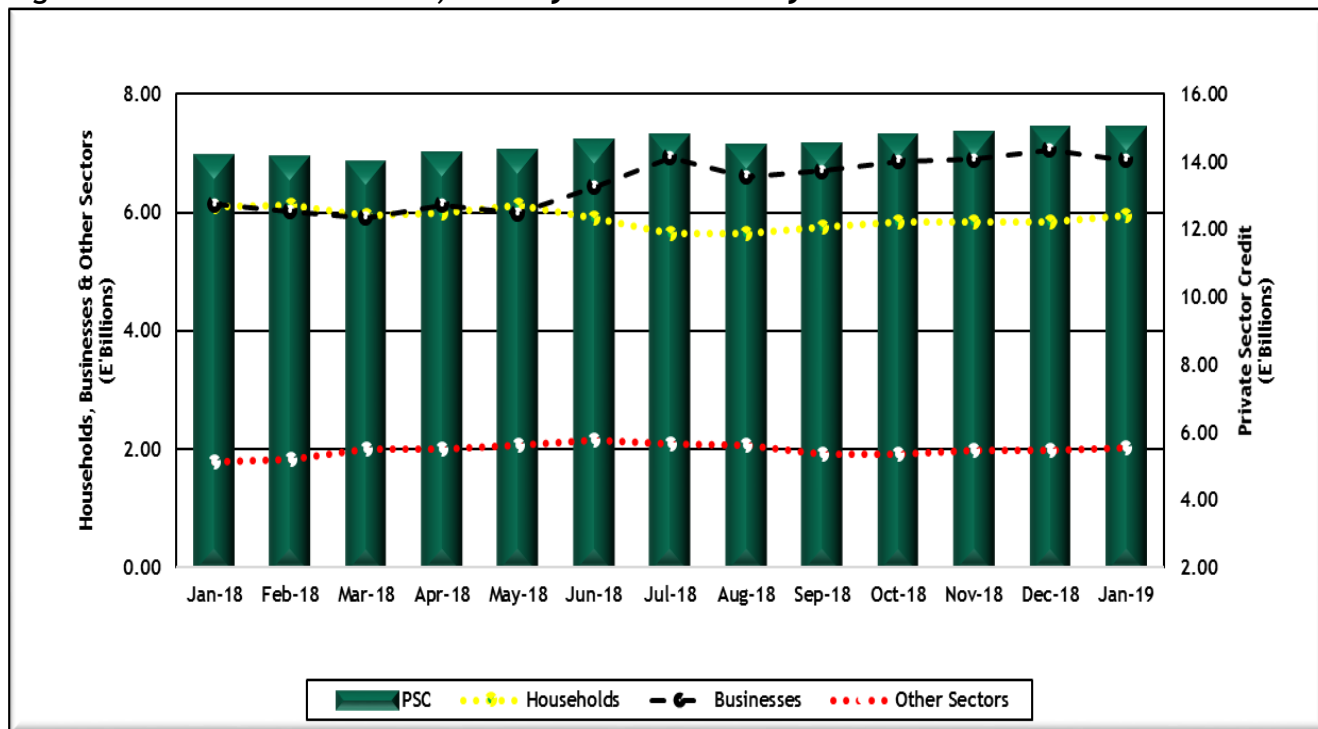
Source: Central Bank of Eswatini

Credit Extended to the Private Sector stood at E14.9 billion at the end of January 2019 reflecting a month-on-month contraction of 0.1 per cent, driven by a slowdown in credit to Businesses. Despite the overall decline, growth was recorded in credit to Other Sectors and Households & Non Profit-Making Institutions Serving Households (NPISH). Year-on-year, Private Sector credit depicted an increase of 5.9 per cent.

Credit Extended to Businesses depicted a month-on-month contraction of 2.5 per cent to settle at E6.9 billion at the end of January 2019. This development was predominantly discernible in the Distribution & Tourism (-5.2 per cent), Community, Social & Personal Services (-4.4 per cent), Agriculture & Forestry (-3.8 per cent) subsectors. Partly offsetting the decline was an expansion in credit to the Construction sector which rose by 2.7 per cent over the review month.

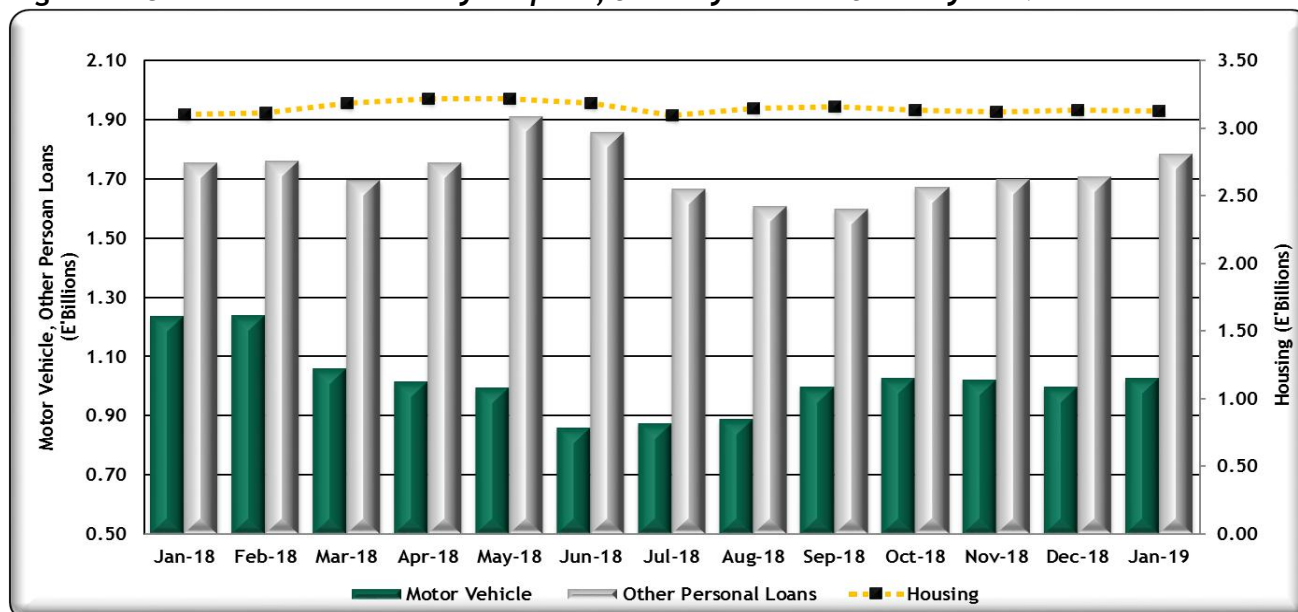
Credit Extended to Other Sectors amounted to E2.0 billion at the end of January 2019 depicting a growth of 2.8 per cent from the preceding month. The rise was supported by credit to Public Non-Financial Corporations which rose by 12.1 per cent month-on-month. The increase was partly weighed down by credit to Local Government and Other Financial Corporations which shrank by 0.5 per cent and 0.3 per cent respectively.

Figure 2: Private Sector Credit; January 2018 to January 2019



Source: Central Bank of Eswatini

Credit Extended to Households & NPISH went up from E5.8 billion realised in December 2018 to E5.9 billion at the end of January 2019. At this amount, credit to Households represented a month-on-month growth of 1.8 per cent. The improvement was registered in Other Personal (unsecured) Loans and Motor Vehicle Finance whilst Housing Finance depicted a marginal decline. Other Personal (unsecured) Loans grew by 4.5 per cent to E1.8 billion at the end of January 2019. Similarly, Motor Vehicle Finance grew by 2.9 per cent month-on-month to E1.0 billion at the end of January 2019. Mortgage Loans trended in the opposite direction and fell marginally by 0.04 per cent to settle at E3.1 billion.

Figure 3: Credit to Households by Purpose; January 2018 to January 2019

Source: Other Depository Corporations

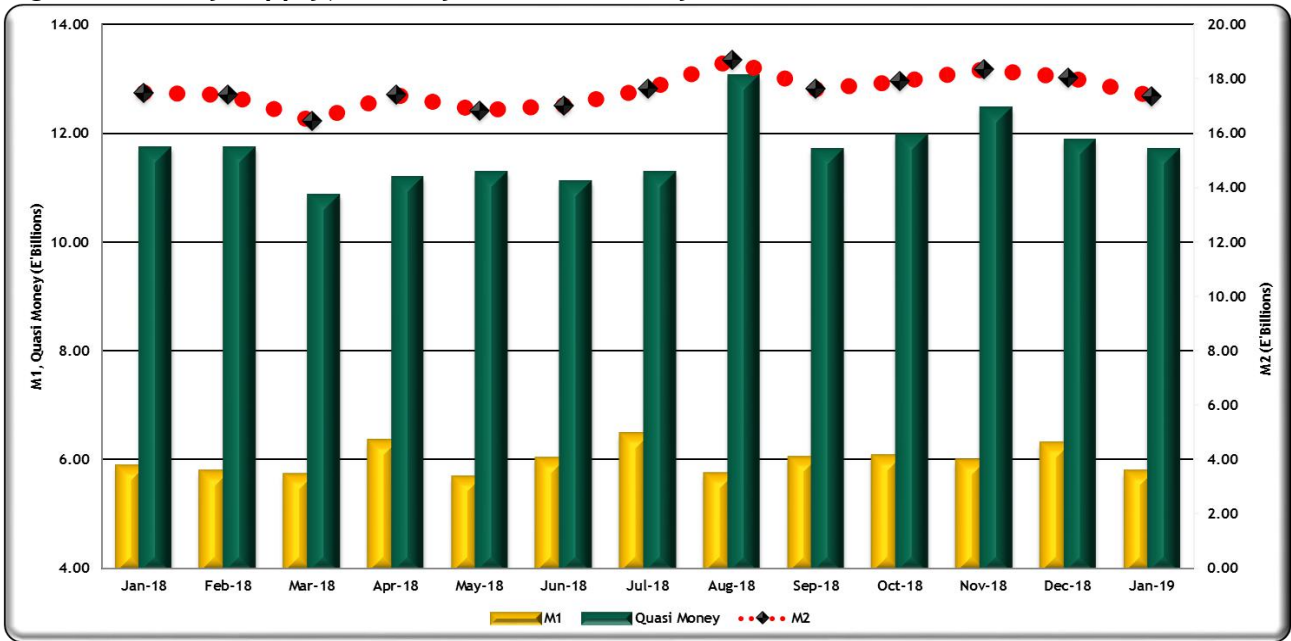
Net Claims on Government with the banking industry stood at E2.0 billion at the end of January 2019, depicting a reduction of 16.5 per cent from December 2018, a turnaround from the expansion observed in December 2018. Net Claims on Government, continued to trend downwards when compared annually.

Broad Money Supply (M2) amounted to E17.4 billion depicting a contraction of 3.8 per cent at the end of January 2019. Both components of M2, Narrow Money Supply (M1) and Quasi Money Supply trended downwards over the month under review; consistent with the monthly fall in credit to the Private sector. Year-on-year, M2 fell by 0.8 per cent.

M1 contracted by 8.2 per cent to close at E5.7 billion at the end of January 2019. The decline in M1 was attributed to Transferable Deposits which decreased by 9.2 per cent to E5.1 billion. Currency Outside Depository Corporations on the other hand, surged by 0.8 per cent to E603.1 million.

Quasi Money Supply narrowed by 1.5 per cent over the review month to settle at E11.6 billion, from the E11.8 billion observed in the previous month. The reduction in Quasi Money Supply was underpinned by a reduction in both components, Savings deposits and Time Deposits. Savings Deposits shrank by 2.0 per cent to E1.7 billion whilst Time deposits fell by 1.4 per cent to E9.9 billion.

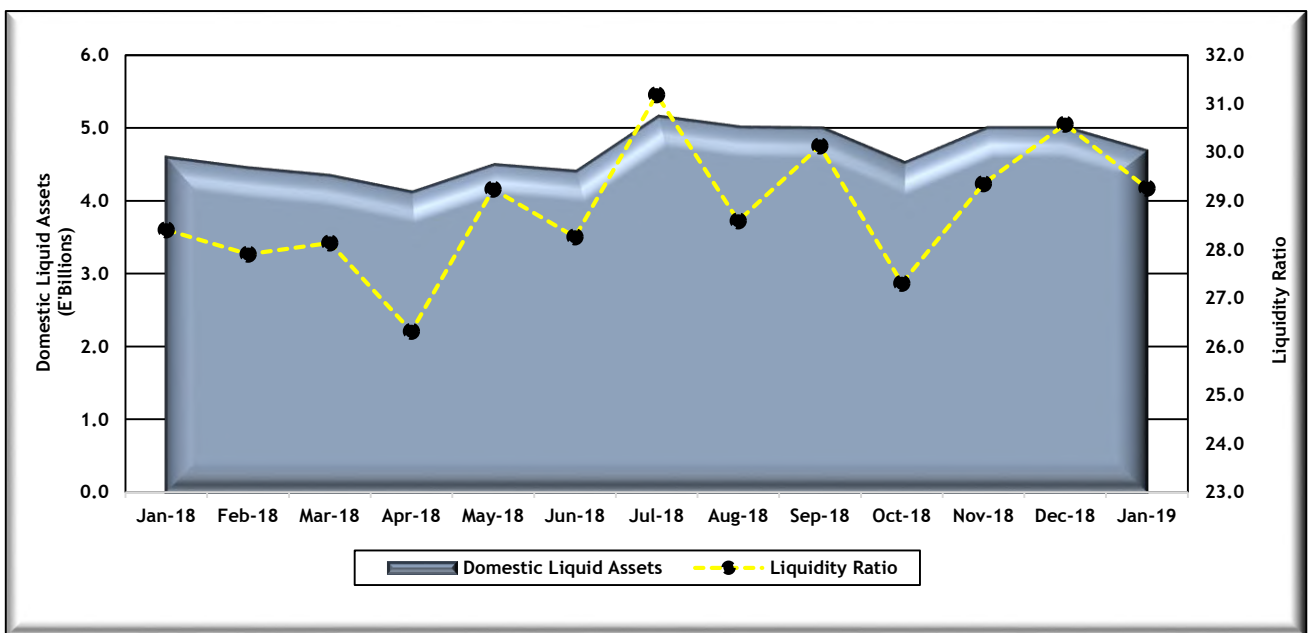
Figure 4: Money Supply; January 2018 to January 2019



Source: Other Depository Corporations & Central Bank of Eswatini

Domestic Liquid Assets of the banking industry amounted to E4.7 billion at the end of January 2019, representing a contraction of 6.4 per cent when compared with December 2018. The fall in banks’ liquid assets was mainly explained by the decline in Commercial Banks’ balances at the Central Bank and their currency holdings. Consequently, the liquidity ratio stood at 29.3 per cent lower than the 30.6 per cent registered in the previous month. Compared on an annual basis, the Banks’ Domestic Liquid Assets expanded by 1.9 per cent.

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



Source: Other Depository Corporations

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	Jan-19	Dec-18	Jan-18
	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)
CENTRAL BANK OF ESWATINI			
Claims on Non-residents	7 700 287	7 761 573	8 849 448
Claims on Domestic Economy	2 030 385	2 036 012	1 363 413
Government	1 994 194	2 000 668	1 329 766
Other Depository Corporations	2 064	2 077	2 056
Other Resident Sectors	34 127	33 266	31 590
Other Assets	465 777	452 396	1 873 940
Total Assets/Liabilities	10 196 450	10 249 981	12 086 800
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBS	2 178 932	2 450 277	1 990 633
Net Balances with Banks Outside Eswatini	1 794 769	1 877 736	2 489 027
Loans and advances	13 419 619	13 436 536	13 434 360
Government Securities	2 796 600	2 734 891	2 790 379
Treasury Bills	1 808 191	1 831 337	1 862 651
Government Bonds	988 409	903 554	927 728
Other	0	0	0
Total Deposits	17 436 513	18 117 666	17 365 980
Transferable/Demand	5 270 550	5 779 947	5 305 464
Savings	1 769 419	1 803 597	1 672 687
Time	10 396 544	10 534 121	10 387 829
Capital and Reserves	3 767 906	3 709 881	3 630 467
Total Assets/Liabilities	23 747 330	23 930 070	23 272 941
Total Liquid Assets (Banks only)	4 678 692	4 997 093	4 590 057
Required Liquidity (Banks only)	3 942 155	4 030 535	3 990 118
Surplus/ Deficiency (-) (Banks only)	736 538	966 558	599 939
RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	29.3	30.6	28.4
Loans and Advances to Deposits	77.0	74.2	77.4



<i>DEPOSITORY CORPORATIONS SURVEY</i>		Jan-19	Dec-18	Jan-18	
Net Foreign Assets (E)		7 095 153	7 230 416	9 134 666	
Net Official Assets		5 390 242	5 362 841	6 625 301	
Foreign Assets - Central Bank of Eswatini		7 726 530	7 787 816	8 875 691	
Foreign Liabilities - Central Bank of Eswatini		2 336 288	2 424 974	2 250 390	
Net Other Depository Corporations Foreign holdings (ODC)		1 704 911	1 867 575	2 509 365	
Foreign Assets - ODC		2 246 790	2 382 085	2 911 537	
Foreign Liabilities - ODC		541 879	514 510	402 171	
Net Foreign Assets (SDR)		382 428	361 160	528 168	
Net Domestic Claims		16 884 141	17 300 383	13 125 079	
Net Claims on Government		2 029 881	2 429 912	-897 907	
Claims on Central Government		4 825 429	4 773 870	4 128 726	
Government Deposits		2 795 548	2 343 959	5 026 633	
Claims on other sectors		14 854 260	14 870 471	14 022 985	
Other nonfinancial corporations (Industry)		6 882 238	7 059 245	6 137 660	
Other resident sectors (Households & NPISH)		5 944 604	5 839 619	6 095 995	
Other sectors		2 027 419	1 971 606	1 789 329	
Broad Money Supply (M2)		17 362 798	18 047 643	17 495 119	
Narrow Money Supply (M1)		5 718 229	6 231 539	5 811 871	
Currency outside depository corporations (E)		603 073	598 083	550 735	
Transferable (Demand) deposits		5 115 156	5 633 456	5 261 136	
Quasi Money		11 644 569	11 816 104	11 683 248	
Savings Deposits		1 733 226	1 767 851	1 641 373	
Time Deposits		9 911 343	10 048 253	10 041 875	
Shares and Other Equity		6 900 102	7 035 109	6 756 071	
Central Bank Of Eswatini		2 576 165	2 772 458	2 622 344	
Other Depository Corporations		4 323 937	4 262 651	4 133 726	
Other Items (net)		-283 606	-551 992	-1 991 444	
GROSS OFFICIAL RESERVES		Feb-19	Jan-19	Dec-18	Jan-18
		Amount	Amount	Amount	Amount
		(E'000)	(E'000)	(E'000)	(E'000)
Total Official (Gross) - Emalangeni E		5 627 134	6 365 626	6 321 371	7 605 277
Special Drawing Rights (SDR)		288 109	343 107	315 753	439 739
Central Bank		5 627 134	6 365 626	6 321 371	7 605 277
Government		26 243	26 243	26 243	26 243
Import Cover (Reserves to months of estimated imports)		2.5	2.8	2.8	3.4
Net Bank Holdings			1 704 911	1 867 575	2 509 365
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5.Import cover figures are subject to revision as import figures used have a 3 month lag.					

