



June 2014



MONEY AND BANKING STATISTICS

HIGHLIGHTS ON MAJOR MONETARY AGGREGATES

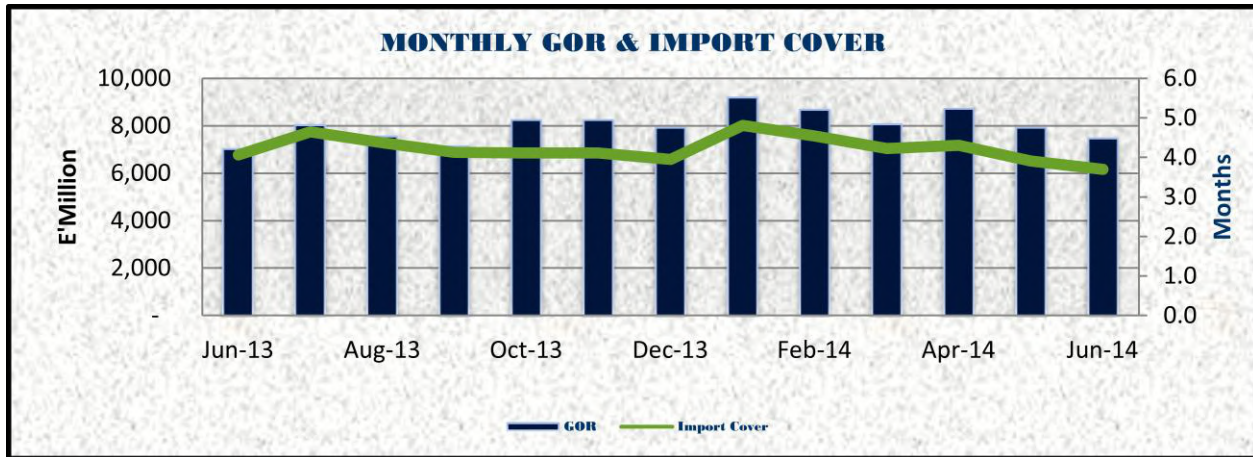
	VARIABLE	PERCENT
The Country's Gross Official Reserves (GOR) recorded a decline at the end of June 2014. The slowdown in reserves was on account of payments of government's external obligations over the review month.	GOR	5.6 ↓
Months of Import Cover. The reserves were sufficient to cover 3.7 months of imports at the end of June 2014.	IMPORT COVER	3.7 months
Credit Extended to the Private Sector (PSCE) decreased marginally from the previous month. The decline in PSCE emanated from a lower demand for credit from industries and other sectors.	PSCE	0.4 ↓
Broad Money Supply (M2) reflected a slight growth at the end of the period under review. The growth emanated from a rise in both narrow money supply and quasi money.	M2	2.3 ↑
Overall liquidity position of the banking sector declined marginally during the month of June 2014. This was due to a decline in the banks' Rand holdings and investment in government securities.	BANKS' LIQUIDITY	0.7 ↓
Discount rate. The Central Bank of Swaziland maintained its discount rate unchanged at 5 percent during the month of June 2014.	DISCOUNT RATE	5.0
Commercial Banks kept their prime lending unchanged during the month under review.	PRIME LENDING	8.5





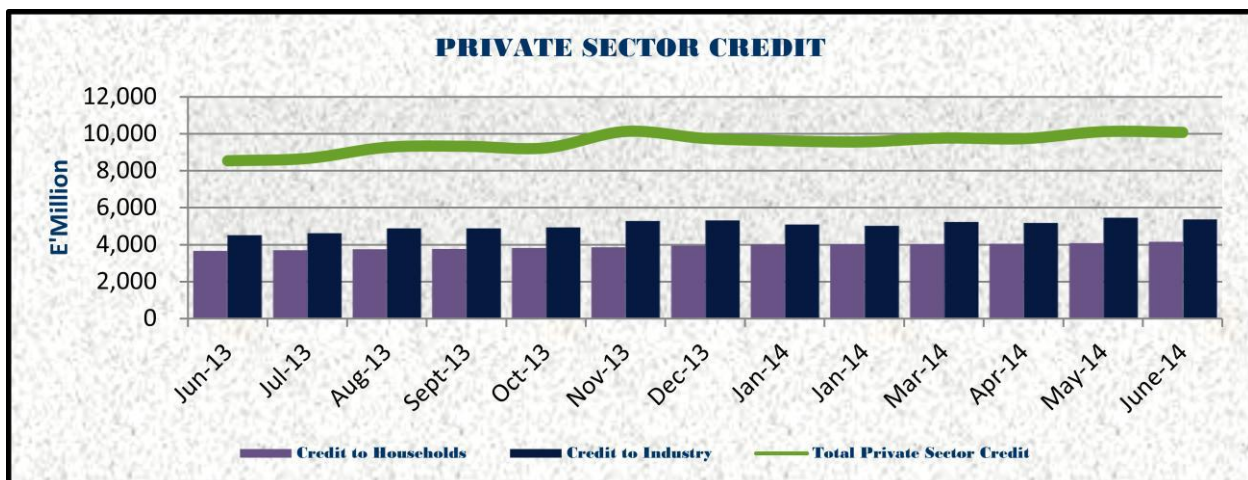
Summary of Movements in Major Monetary Aggregates

Gross Official Reserves amounted to E7.5 billion at the end of June 2014, reflecting a decline of 5.6 percent from the previous month due to the payment of government's external obligations. As a result, the reserves were sufficient to cover 3.7 months of imports, lower than the 3.9 months recorded at the end of May 2014. When valued in Special Drawing Rights (SDRs), the reserves decelerated by 6.7 percent to close at SDR455.6 million. Over the year, gross official reserves expanded by 6.5 percent when valued in Emalangeni terms but contracted by 2.4 percent when valued in SDRs.



Source: Central Bank of Swaziland

Domestic Claims (net) stood at E7.2 billion over the month of June 2014, depicting a slight increase of 3.2 percent from the previous month. Credit extended to the private sector slowed marginally by 0.4 percent to settle at E10.1 billion on account of a reduction in credit extended to industry and other sectors at the end of the review month. Credit extended to other sectors (primarily public nonfinancial corporations and local government) fell by 2.9 percent to E570 million. Credit extended to other nonfinancial corporations (industry) also trended downward by 1.7 percent to settle at E5.4 billion due to a lower demand for credit by the 'Transport and Communication', 'Agriculture and Forestry', 'Mining and Quarrying' sectors during the month of June 2014.

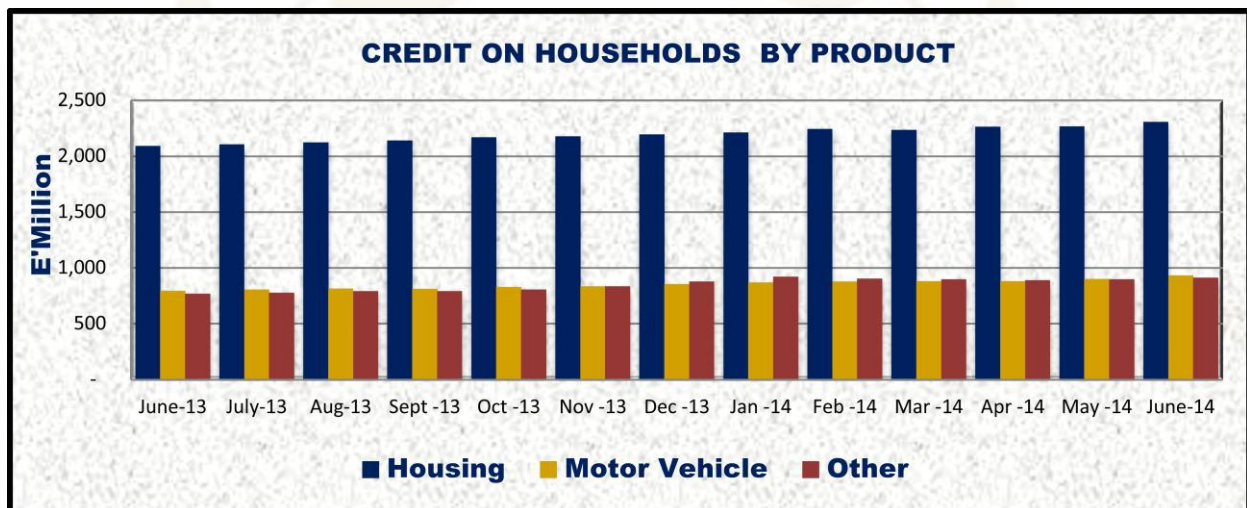


Source: Central Bank of Swaziland



Summary of Movements in Major Monetary Aggregates

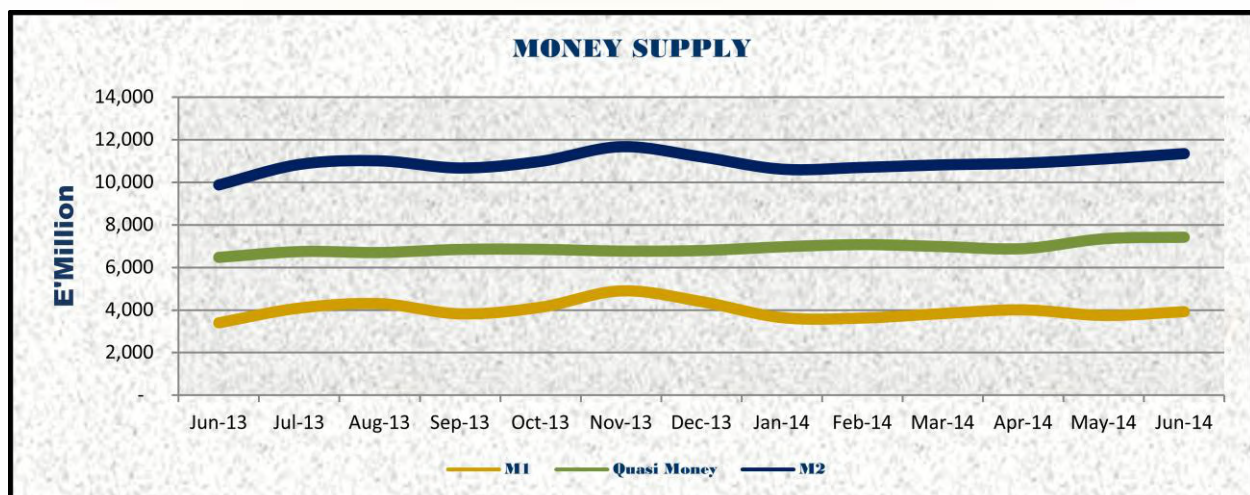
Credit extended to other resident sectors [Households & Non-Profit Institutions Serving Households (NPISH)] grew by 1.7 percent to E4.1 billion, mainly driven by a rise in all its credit categories. Motor vehicle finance rose by 3.6 percent to settle at E931 million, housing finance by 1.7 percent to E2.3 billion and lastly other personal loans rose by 1.5 percent to settle at E910 million. Compared over the year, credit to the private sector grew by 18 percent.



Source: Other Depository Corporations

At the end of June 2014, net government balances with the banking system decelerated by 8.2 percent to E2.9 billion whilst on an annual basis grew by 38.2 percent.

Broad Money Supply (M₂) amounted to E11.4 billion depicting an increase of 2.3 percent over the month under review. The expansion in M₂ was reflected in both narrow money supply (M₁) and quasi money. M₁ increased by 4.7 percent to E3.9 billion mainly driven by a rise in transferable deposits which outpaced a fall in currency outside depository corporations. Transferable deposits went up by 6 percent to E3.5 billion whilst currency outside depository corporations fell by 3.7 percent to E472.4 million. Quasi money grew by 1 percent to E7.4 billion due to time deposits which rose by 1.4 percent to E5.9 billion. Savings deposits on the other hand shrank by 0.6 percent to E1.5 billion. Compared annually, M₂ grew by 14.9 percent, M₁ by 15.4 percent and quasi money by 14.6 percent.

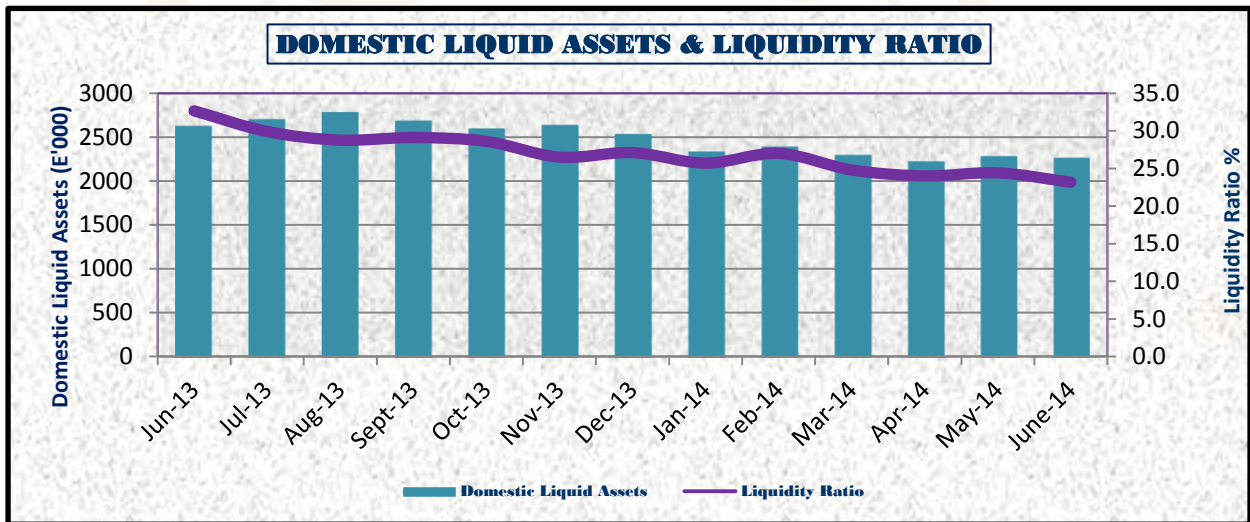


Source: Other Depository Corporations & Central Bank of Swaziland



Summary of Movements in Major Monetary Aggregates

Domestic Banks' Liquid Assets receded by 0.7 percent to settle at E2.3 billion over the month under review. Responsible for this fall was a decline in banks' Rand holdings and investment in government securities over the month under review. Consequently, the banks' liquidity ratio closed at 23.2 percent, lower than the 24.4 percent recorded at the end of May 2014. Compared annually, the banks' domestic liquid assets contracted by 13.7 percent.



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	2014	2014	2013
	Jun-14	May-14	Jun-13
	Amount (E'000)	Amount (E'000)	Amount (E'000)
CENTRAL BANK OF SWAZILAND			
Claims on Non-residents	8,196,999	8,627,628	7,680,459
Claims on Domestic Economy	82,120	62,788	88,128
Government	1,979	1,484	58,111
Other Depository Corporations	60,534	41,845	8,835
Other Resident Sectors	19,607	19,459	21,182
Other Assets	407,435	415,089	310,614
Total Assets/Liabilities	8,686,554	9,105,505	8,079,200
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBS	1,028,510	981,262	954,213
Net Balances with Banks Outside Swaziland	1,293,302	977,253	609,863
Loans and advances	9,857,924	9,908,981	8,435,439
Government Securities	1,389,311	1,462,066	1,825,946
Total Deposits	11,064,758	10,597,029	9,408,550
Transferable/Demand	3,464,116	3,271,085	2,921,344
Savings	1,557,903	1,566,181	1,460,225
Time	6,042,739	5,759,763	5,026,981
Capital and Reserves	2,349,403	2,344,198	1,986,655
Total Assets/Liabilities	15,068,711	14,786,541	13,592,332
Total Liquid Assets (Banks only)	2,266,415	2,282,728	2,627,311

	Jun-14	May-14	Jun-13
	Amount (E'000)	Amount (E'000)	Amount (E'000)
Required Liquidity (Banks only)	1,920,227	1,833,603	1,572,258
Surplus/ Deficiency(-)(Banks only)	346,188	449,125	1,055,053
RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	23.2	24.4	32.7
Loans and Advances to Deposits	89.1	93.5	89.7
DEPOSITORY CORPORATIONS SURVEY			
Net Foreign Assets	7,829,753	7,990,748	6,844,641
Net Domestic Claims	7,161,085	6,941,179	6,432,275
Net Claims on Government	(2,918,582)	(3,180,196)	(2,111,774)
Claims on other sectors	10,079,667	10,121,374	8,544,049
Other nonfinancial corporations(Industry)	5,362,343	5,457,637	4,507,437
Other resident sectors(Households & NPISH)	4,147,322	4,076,669	3,668,998
Other sectors	570,003	587,069	367,613
Broad Money Supply(M2)	11,350,030	11,100,054	9,880,145
Narrow Money Supply(M1)	3,925,906	3,749,888	3,403,450
Currency outside depository corporations(E)	472,428	490,521	495,290
Transferable(Demand)deposits	3,453,478	3,259,367	2,908,160
Quasi Money	7,424,123	7,350,166	6,476,695
Savings Deposits	1,530,421	1,539,183	1,435,107
Time Deposits	5,893,702	5,810,983	5,041,588
Shares and other equity	3,857,266	3,789,055	3,437,594
Other Items (net)	-216,458	42,817	-40,823
SWAZILAND'S INTERNATIONAL RESERVES			
Total Official (Gross)	7,472,947	7,912,607	7,016,895
- E			
SDR	455,551	488,445	466,741
Central Bank	7,472,947	7,912,607	7,016,895
Government	66,351	65,566	62,387
Import Cover (Reserves to months of estimated imports)	3.7	3.9	3.5
Net Bank Holdings	1,186,840	860,168	502,697