



May 2014



## MONEY AND BANKING STATISTICS

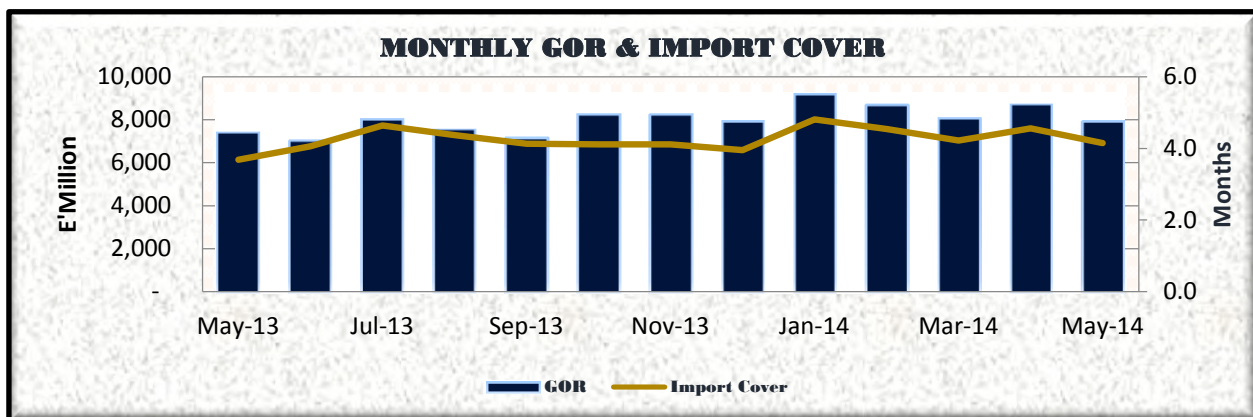
HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	VARIABLE	PERCENT
Gross Official Reserves (GOR) decreased during the month of May 2014. The decline in reserves was on account of payment of government's	GOR	9.2 ↓
Import Cover. The gross official reserves were enough to cover an estimated 4.1 months of imports.	IMPORT COVER	4.1 MONTHS
Private Sector Credit Extension (PSCE) rose at the end of May 2014. The growth was due to increased demand for credit from both businesses	PSCE	3.9 ↑
Broad Money Supply (M2) expanded at the end of the month under review. The positive growth was due to a rise in quasi money.	M2	1.8 ↑
The overall liquidity position of the banking sector increased over the month of May 2014. The rise in liquidity can be attributed to an accumulation of banks' cash holdings.	BANKS' LIQUIDITY	2.6 ↑
Discount rate was maintained at 5 percent at the end of May 2014.	DISCOUNT RATE	5
Commercial Banks kept their prime lending rates at 8.5 percent over the month of May 2014.	PRIME LENDING	8.5





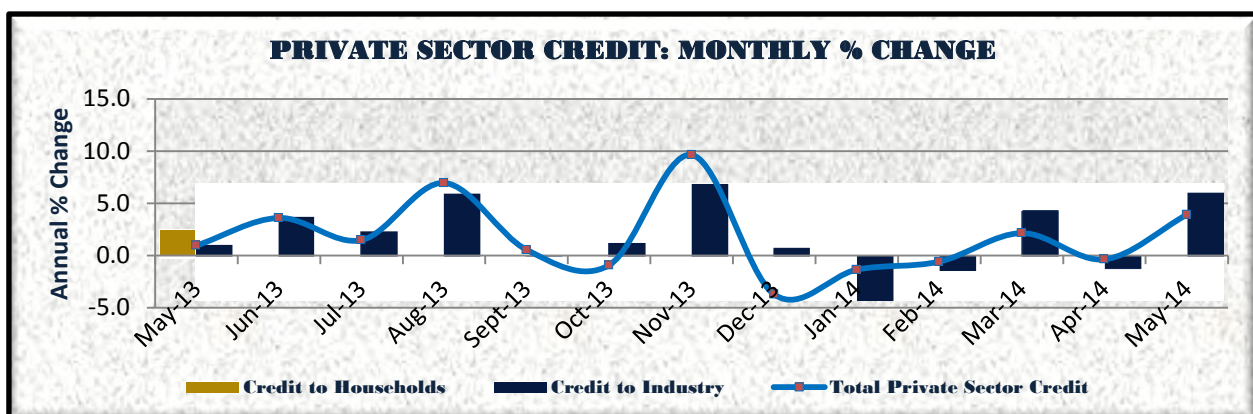
## Summary of Movements in Major Monetary Aggregates

**Gross Official Reserves** receded by 9.2 percent to settle at E7.9 billion over the month of May 2014, mainly on account of payment of government's expenditures. Consequently, the estimated import cover of goods and services fell to 4.1 months at the end of May 2014. Valued in Special Drawing Rights (SDRs), gross official reserves contracted by 8.3 percent to close at SDR488.4 million. Compared year-on-year, gross official reserves grew by 6.7 percent when valued in Emalangeni and fell by 0.1 percent when valued in SDRs.



Source: Central Bank of Swaziland

**Domestic Claims (net)** expanded by 22.1 percent over the month under review to settle at E6.9 billion. The growth was due to private sector credit which rose by 3.9 percent to E10.1 billion, on account of increased borrowing by both business and household sectors. Credit extended to businesses recorded a rise of 5.6 percent to settle at E5.5 billion, mainly discernible in 'Agriculture and Forestry', 'Mining and Quarrying', and 'Manufacturing' sectors. Credit extended to other sectors (mainly other financial corporations) expanded by 11.9 percent to E587.1 million over the month.

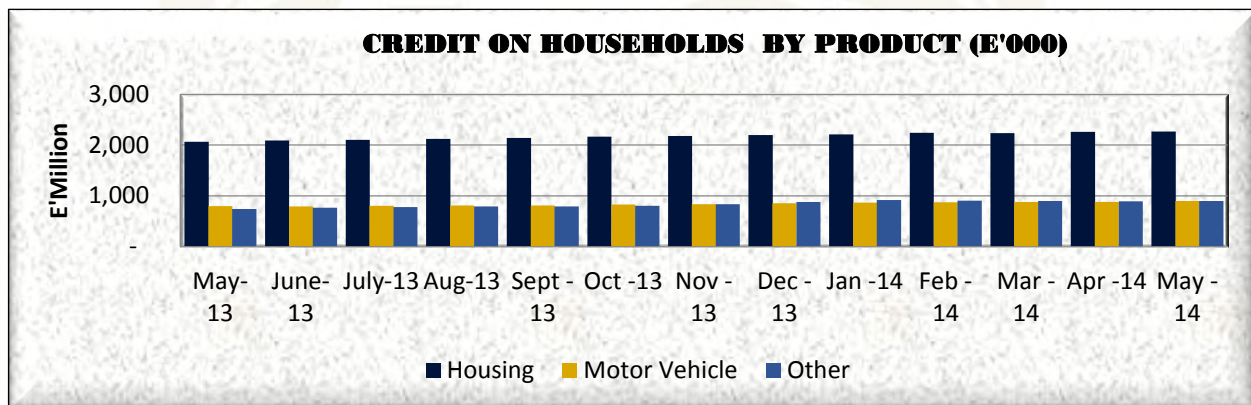


Source: Central Bank of Swaziland



## Summary of Movements in Major Monetary Aggregates

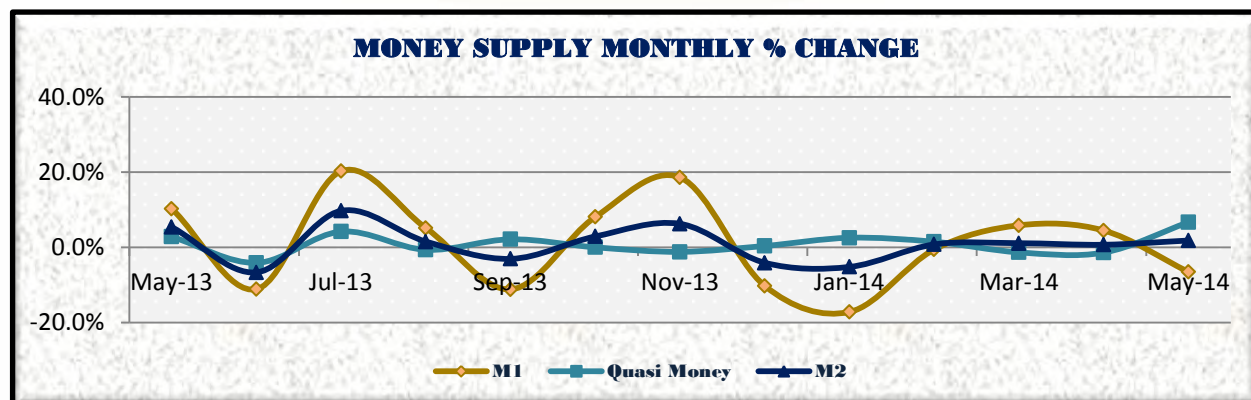
Credit extended to other resident sectors [Households & Non-Profit Institutions Serving Households (NPISH)] increased slightly by 0.7 percent to E4.1 billion. Analysis of household credit by product revealed that housing finance rose marginally by 0.1 percent to E2.3 billion whilst motor vehicle finance grew by 2 percent to E898.6 million. Other personal loans on the other hand, slowed down by 0.9 percent to E897.4 million over the month. Compared over the year, credit to the private sector grew by 22.7 percent.



Source: Other Depository Corporations

Net government balances with the banking system shrank by 21.5 percent to E3.2 billion on a month-on-month basis. When compared year-on-year, net government balances with banks surged by 25.8 percent.

**Broad Money Supply (M2)** edged up by 1.8 percent over the month to settle at E11.1 billion. The rise was mainly reflected in quasi money supply which rose by 6.7 percent to E7.4 billion over the month. Time deposits grew by 9 percent to E5.8 billion while savings deposits tapered by 1.2 percent to E1.5 billion. Narrow money supply (M1) on the other hand, decreased by 6.5 percent to E3.8 billion, driven by a decline in transferable (demand) deposits. Transferable deposits therefore, declined by 7.8 percent to E3.3 billion whilst currency outside depository corporations rose by 2.6 percent to E490.5 million. Compared annually, M2 grew by 4.9 percent and quasi money by 8.8 percent while narrow money supply slowed by 2 percent.

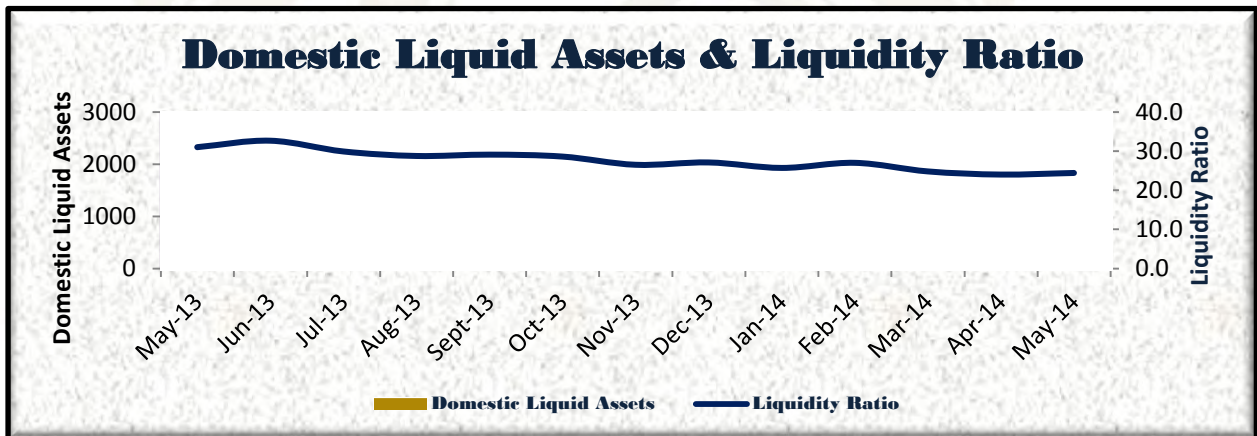


Source: Other Depository Corporations & Central Bank of Swaziland



## Summary of Movements in Major Monetary Aggregates

**Banks' Domestic Liquid Assets** amounted to E2.3 billion reflecting an increase of 2.6 percent at the end of May 2014. At this level, the banks' liquidity ratio went up to 24.4 percent, 0.4 percentage higher than the level recorded at the end of the previous month. Year-on-year, the banks' domestic liquid assets decelerated by 16.5 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
	May-14	Apr-14	May-13
	Amount (E'000)	Amount (E'000)	Amount (E'000)
<b>CENTRAL BANK OF SWAZILAND</b>			
<b>Claims on Non-residents</b>	<b>8,627,628</b>	<b>9,432,587</b>	<b>8,081,614</b>
<b>Claims on Domestic Economy</b>	<b>62,788</b>	<b>32,843</b>	<b>80,965</b>
Government	1,484	1,512	57,870
Other Depository Corporations	41,845	11,841	1,844
Other Resident Sectors	19,459	19,490	21,250
<b>Other Assets</b>	<b>415,089</b>	<b>402,644</b>	<b>341,313</b>
<b>Total Assets/Liabilities</b>	<b>9,105,505</b>	<b>9,868,074</b>	<b>8,503,892</b>
<b>OTHER DEPOSITORY CORPORATIONS</b>			
<b>Cash and Deposits with CBS</b>	<b>981,262</b>	<b>962,799</b>	<b>1,016,476</b>
<b>Net Balances with Banks Outside Swaziland</b>	<b>977,253</b>	<b>1,186,352</b>	<b>1,727,248</b>
<b>Loans and advances</b>	<b>9,908,981</b>	<b>9,578,032</b>	<b>8,138,036</b>
<b>Government Securities</b>	<b>1,462,066</b>	<b>1,448,351</b>	<b>1,871,996</b>
<b>Total Deposits</b>	<b>10,597,029</b>	<b>10,436,098</b>	<b>10,200,151</b>
Transferable/Demand	3,271,085	3,545,642	3,395,786
Savings	1,566,181	1,567,485	1,462,030
Time	5,759,763	5,322,971	5,342,335
<b>Capital and Reserves</b>	<b>2,344,198</b>	<b>2,287,040</b>	<b>1,995,869</b>
<b>Total Assets/Liabilities</b>	<b>14,786,541</b>	<b>14,533,133</b>	<b>13,877,775</b>
<b>Total Liquid Assets (Banks only)</b>	<b>2,282,728</b>	<b>2,225,269</b>	<b>2,735,337</b>

	May-14	Apr-14	May-13
	Amount (E'000)	Amount (E'000)	Amount (E'000)
<b>Required Liquidity (Banks only)</b>	<b>1,833,603</b>	<b>1,815,023</b>	<b>1,725,960</b>
<b>Surplus/ Deficiency(-)(Banks only)</b>	<b>449,125</b>	<b>410,246</b>	<b>1,009,377</b>
<b>RATIOS (%)</b>			
<b>Actual Liquidity to Domestic Liabilities (Banks Only)</b>	<b>24.4</b>	<b>24.0</b>	<b>31.0</b>
<b>Loans and Advances to Deposits</b>	<b>93.5</b>	<b>91.8</b>	<b>79.8</b>
<b>DEPOSITORY CORPORATIONS SURVEY</b>			
<b>Net Foreign Assets</b>	<b>7,998,134</b>	<b>8,998,095</b>	<b>8,368,173</b>
<b>Net Domestic Claims</b>	<b>6,933,793</b>	<b>5,678,318</b>	<b>5,712,243</b>
Net Claims on Government	-3,187,582	-4,060,656	-2,534,169
Claims on other sectors	10,121,374	9,738,974	8,246,411
Other nonfinancial corporations(Industry)	5,457,637	5,166,117	4,346,652
Other resident sectors(Households &NPISH)	4,076,669	4,048,015	3,615,372
Other sectors	587,069	524,842	284,388
<b>Broad Money Supply(M2)</b>	<b>11,100,054</b>	<b>10,899,935</b>	<b>10,581,012</b>
<b>Narrow Money Supply(M1)</b>	<b>3,749,888</b>	<b>4,011,714</b>	<b>3,828,179</b>
Currency outside depository corporations(E)	490,521	478,221	443,612
Transferable(Demand)deposits	3,259,367	3,533,493	3,384,567
<b>Quasi Money</b>	<b>7,350,166</b>	<b>6,888,221</b>	<b>6,752,833</b>
Savings Deposits	1,539,183	1,557,516	1,437,237
Time Deposits	5,810,983	5,330,705	5,315,596
<b>Shares and other equity</b>	<b>3,789,055</b>	<b>3,942,550</b>	<b>3,551,234</b>
<b>Other Items (net)</b>	<b>42,817</b>	<b>-166,073</b>	<b>-51,831</b>
<b>SWAZILAND'S INTERNATIONAL RESERVES</b>			
<b>Total Official (Gross) - E</b>	<b>7,912,607</b>	<b>8,710,411</b>	<b>7,412,338</b>
<b>SDR</b>	<b>488,445</b>	<b>532,366</b>	<b>488,837</b>
Central Bank	7,912,607	8,710,411	7,412,338
Government	72,952	70,665	62,813
Import Cover (Reserves to months of estimated imports)	4.1	4.6	3.7
<b>Net Bank Holdings</b>	<b>860,168</b>	<b>1,069,200</b>	<b>1,603,299</b>