

Monthly Statistical Release

NOV/DEC 2020



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CENTRAL BANK
OF ESWATINI
Umntsholi Wemaswati



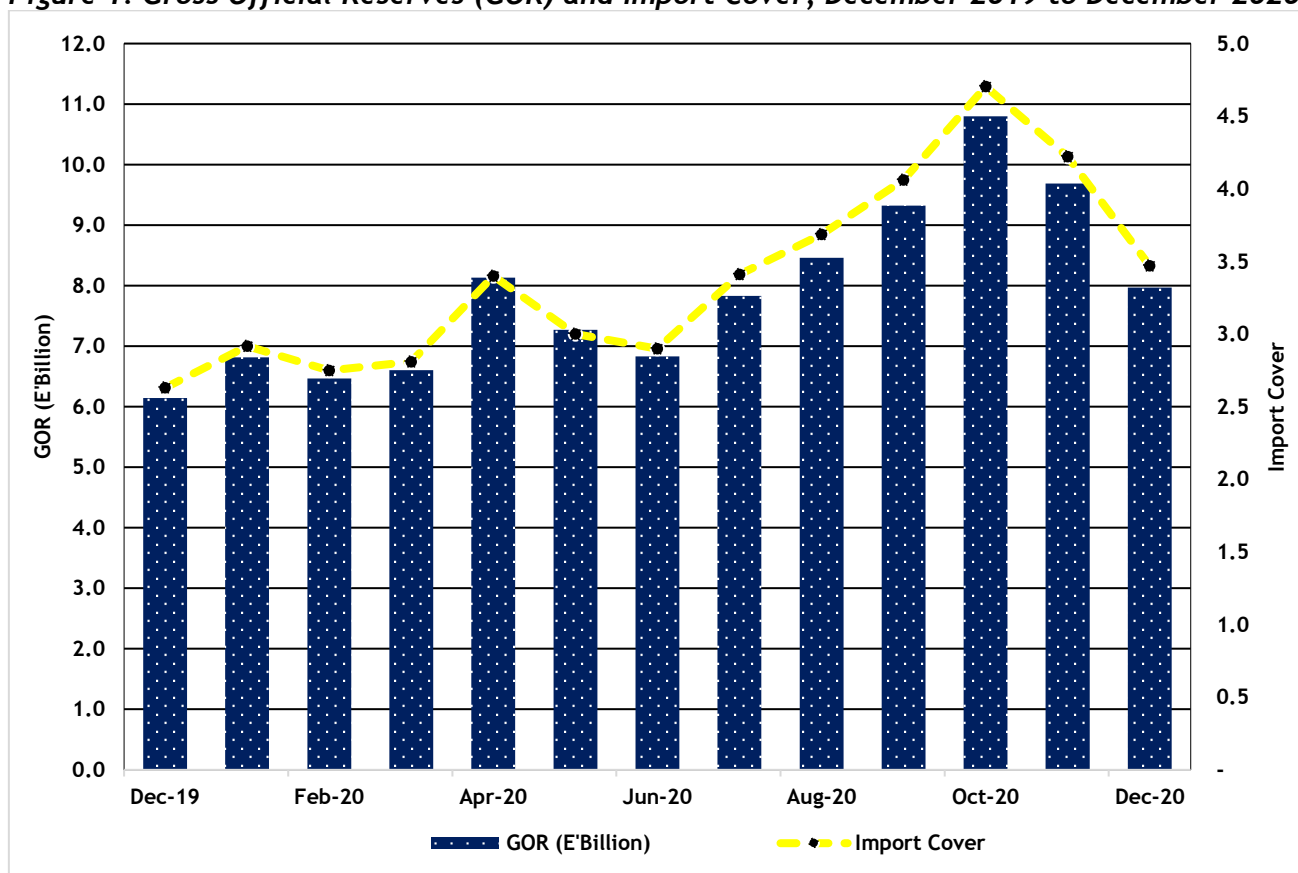
HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
Gross official reserves contracted by 17.8 per cent month-on-month but increased by 29.7 per cent year-on-year to close at E8.0 billion at the end of December 2020.	17.8 ▼	29.7 ▲
Credit extended to the private sector stood at E15.5 billion in November 2020, depicting an increase of 3.3 per cent month-on-month and 7.1 per cent over the year.	3.3 ▲	7.1 ▲
Broad money supply (M2) amounted to E20.2 billion in November 2020, expanding by 2.3 per cent month-on-month and by 10.3 per cent annually.	2.3 ▲	10.3 ▲
Domestic liquid assets reached E7.5 billion in November 2020, improving by 3.8 per cent month-on-month and by 12.6 per cent year-on-year.	3.8 ▲	12.6 ▲
	PERCENT	
Discount rate: the discount rate was at 3.75 per cent in December 2020.		3.75
Prime lending rate: the prime lending rate was at 7.25 per cent in December 2020.		7.25
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Gross official reserves amounted to E8.0 billion at the end of December 2020 depicting a month-on-month decline of 17.8 per cent and growth of 29.7 per cent from the previous year. At this level, the reserves were sufficient to cover 3.5 months of imports of goods and services, lower than the 4.2 months observed in November 2020.

Valued in special drawing rights (SDR), the reserves declined from SDR439.9 million registered in November 2020 to SDR377.3 million recorded at the end of December 2020, representing a month-on-month decrease of 14.2 per cent and year-on-year growth of 19.1 per cent.

Figure 1: Gross Official Reserves (GOR) and Import Cover; December 2019 to December 2020



Source: Central Bank of Eswatini

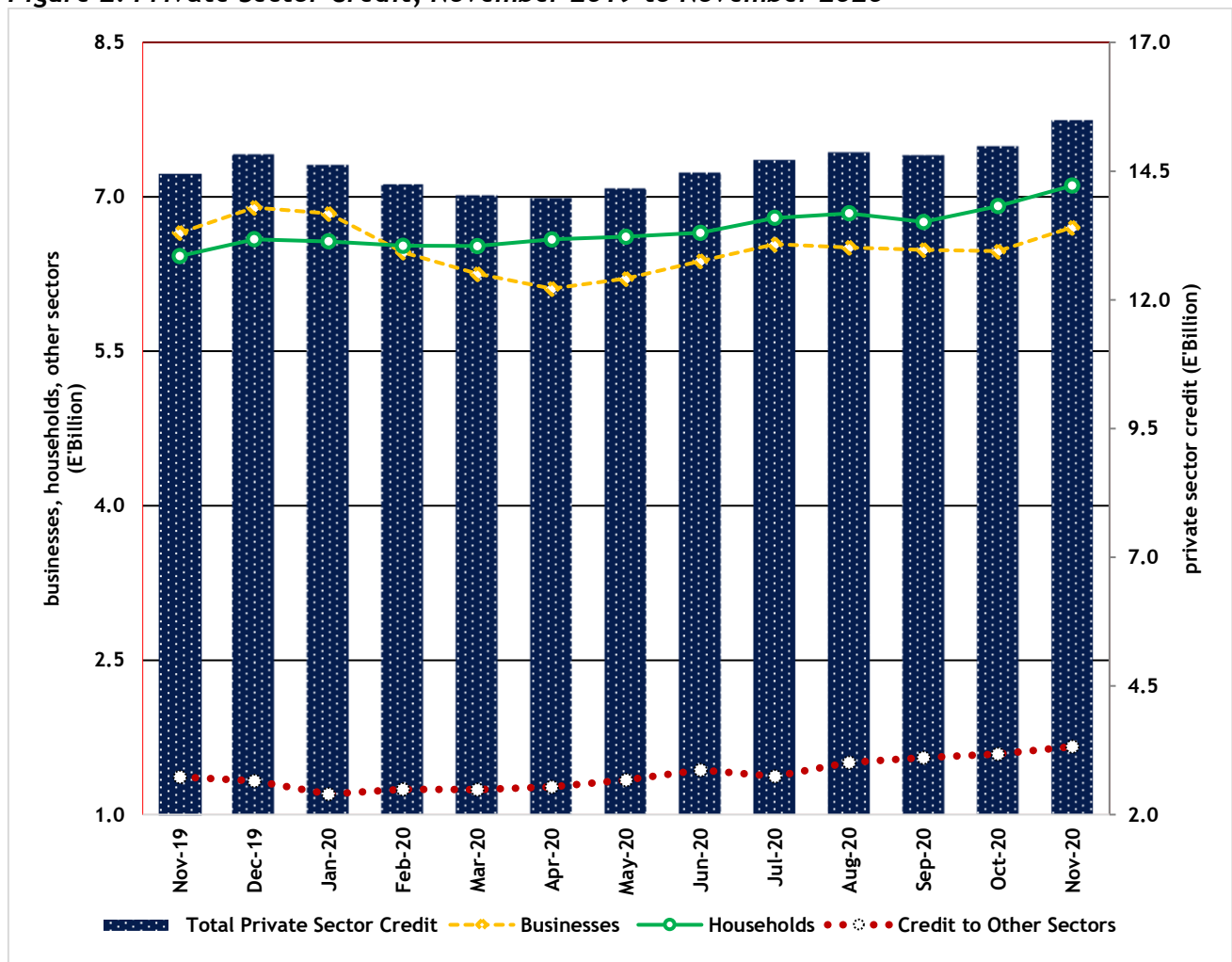
Credit extended to the private sector amounted to E15.5 billion at the end of November 2020, registering growth of 3.3 per cent month-on-month and 7.1 per cent over the year. The month-on-month expansion was observed in all components of private sector credit, which are credit to other sectors, businesses and households & non-profit institutions serving households (NPISH)).

Credit to other sectors closed the review month at E1.7 billion, reflecting an increase of 4.4 per cent on a monthly basis and 21.6 per cent annually. The month-on-month improvement was driven by credit to public nonfinancial corporation and other financial

corporations which grew by 8.2 per cent and 2.8 per cent, respectively. Credit to local government on the other hand, depicted a month-on-month contraction of 2.4 per cent.

Credit extended to businesses improved by 3.6 per cent month-on-month and 0.8 per cent year-on-year to reach E6.7 billion at the end of November 2020. The month-on-month improvement in credit to businesses was observed in these subsectors; distribution & tourism industry (26.2 per cent), agriculture & forestry (3.7 per cent), real estate (3.7 per cent), transport & communication (2.1 per cent) as well as construction (1.2 per cent). The increase was partially dampened by a fall in these subsectors; community, social & personal services (-6.3 per cent), manufacturing (-4.7 per cent) as well as mining & quarrying (-0.7 per cent).

Figure 2: Private Sector Credit; November 2019 to November 2020

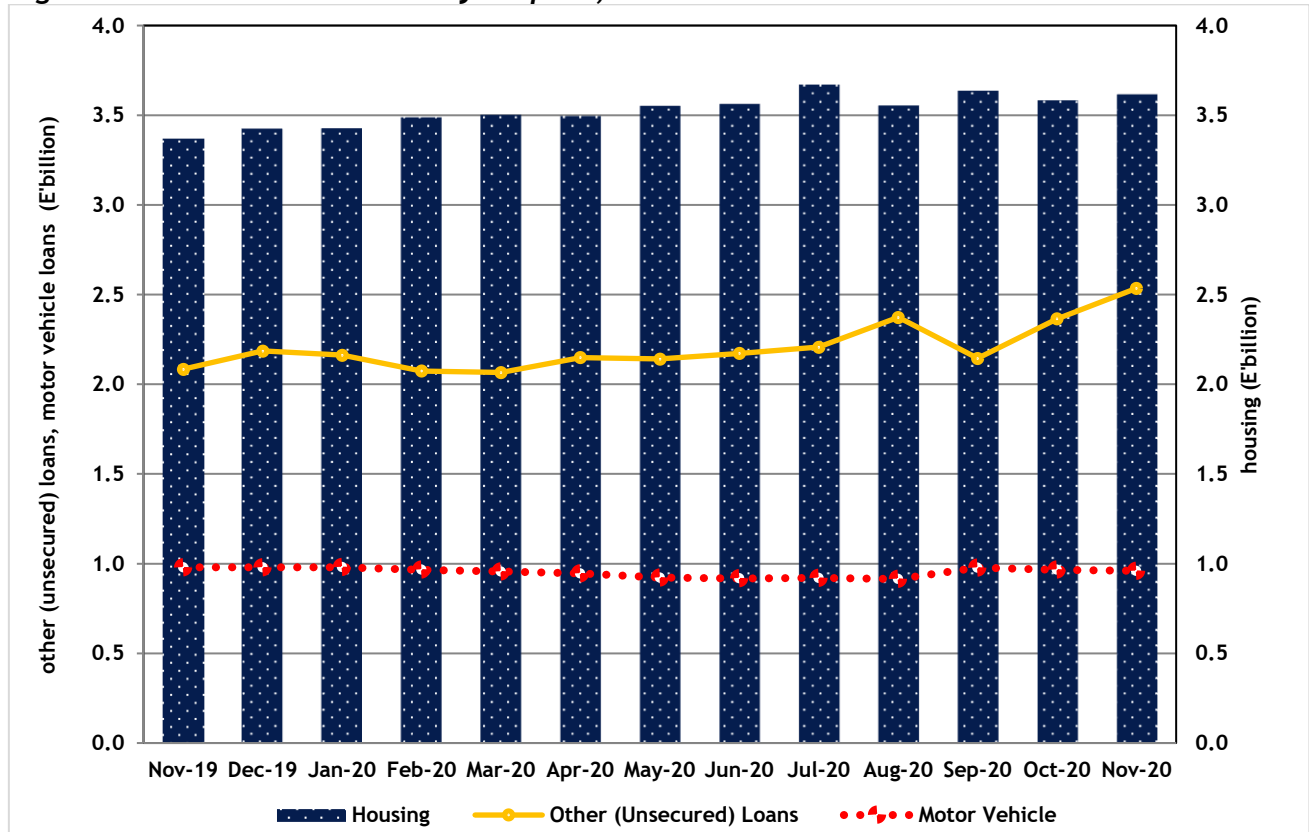


Source: Central Bank of Eswatini & Other Depository Corporations

Credit extended to households & NPISH stood at E7.1 billion at the end of November 2020, depicting an improvement of 2.9 per cent from the preceding month and 10.6 per cent over the year. The month-on-month rise was driven by other personal (unsecured) loans and

housing loans whilst motor vehicle loans depicted a reduction. As a result, credit to other personal (unsecured) loans accelerated by 7.2 per cent to E2.5 billion whilst housing loans rose by a lower margin of 1.0 per cent to E3.6 billion. In contrast, motor vehicle loans receded by 0.7 per cent to E1.0 billion over the month under review.

Figure 3: Credit to Households by Purpose; November 2019 to November 2020



Source: Central Bank of Eswatini & Other Depository Corporations

Net claims on government with the banking sector reached -E529.9 billion at the end of November 2020, representing a decrease of 53.6 per cent month-on-month and 125.5 per cent over the year.

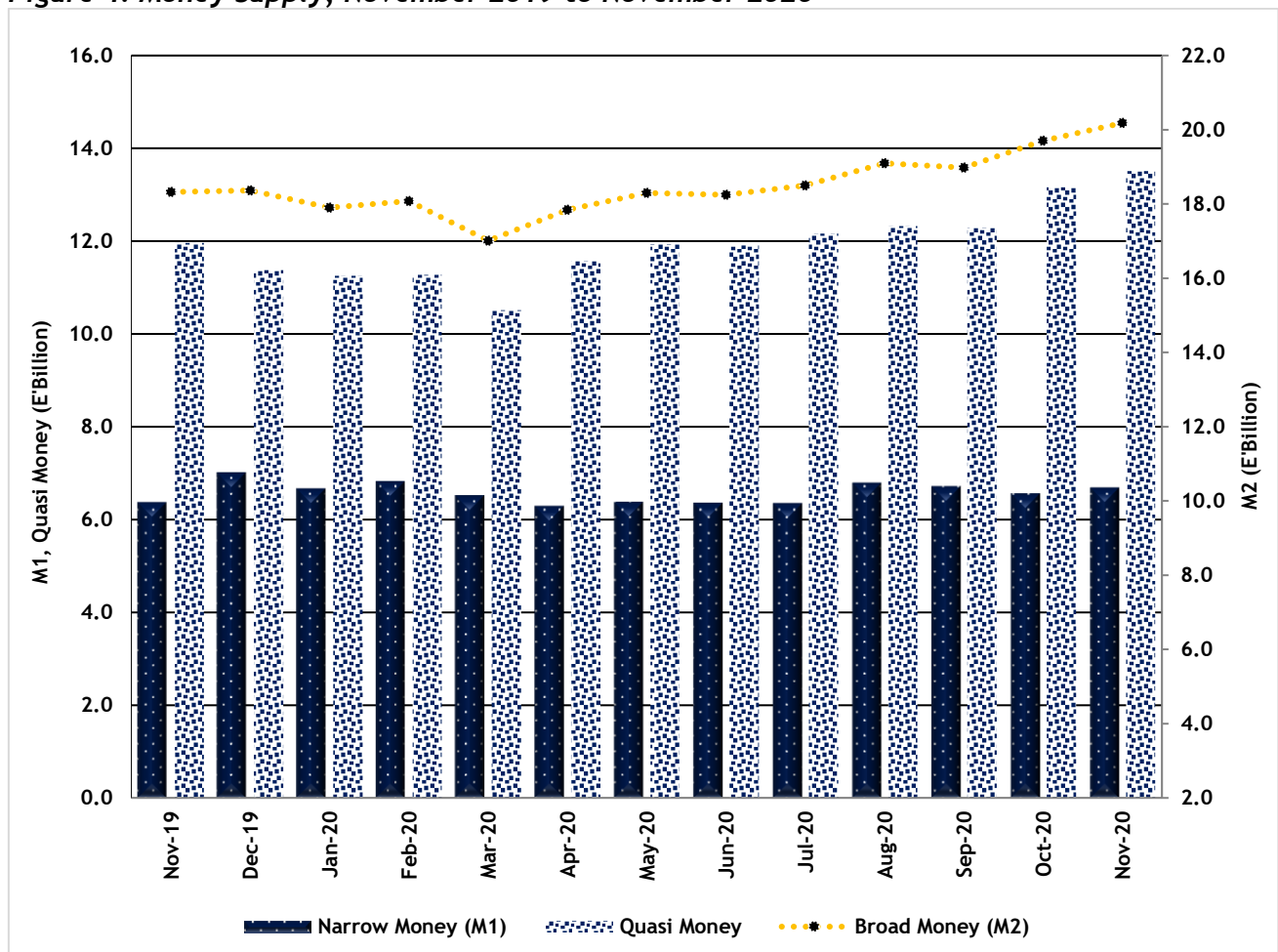
Broad money supply (M2) depicted an improvement from E19.8 billion registered in October 2020 to E20.2 billion at the end of November 2020, depicting growth of 2.3 per cent month-on-month and 10.3 per cent annually. Growth was driven by both components of M2, quasi money supply and narrow money supply (M1).

Quasi money supply closed the review month at E13.5 billion, higher by 2.5 per cent from the preceding month and 13.2 per cent over the year. The monthly increase was driven by time deposits which outweighed a fall in savings deposits. Time deposits grew by 3.0 per cent month-on-month and by 14.3 per cent year-on-year to E11.5 billion at the end of November 2020. Savings deposits on the contrary, retreated by 0.2 per cent over the review

month but rose by 7.6 per cent annually to settle at E2.1 billion at the end of November 2020.

Narrow money supply (M1) stood at E6.7 billion at the end of November 2020, higher by 1.9 per cent relative to October 2020 and 4.9 per cent compared over the year. Growth was driven by transferable (demand) deposits whilst Emalangeni outside depository corporations contracted. Transferable (demand) deposits expanded by 2.4 per cent month-on-month and 2.6 per cent over the year to settle at E5.7 billion at the end of November 2020. Emalangeni outside depository corporations however, fell by 0.8 per cent month-on-month but grew by 20.6 per cent annually to reach E975.3 million at the end of November 2020.

Figure 4: Money Supply; November 2019 to November 2020

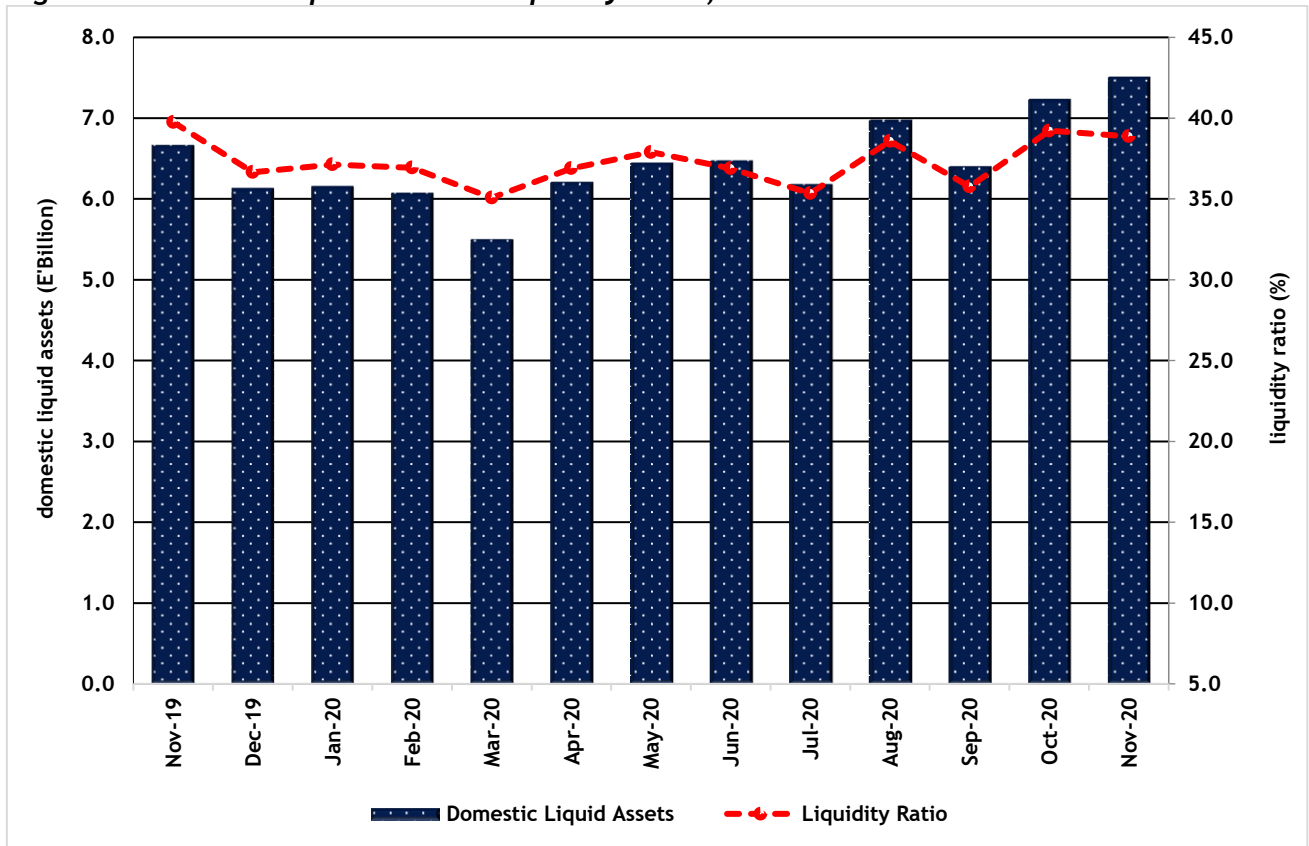


Source: Central Bank of Eswatini & Other Depository Corporations

Bank liquid assets amounted to E7.5 billion at the end of November 2020, reflecting an increase of 3.8 per cent month-on-month and 12.6 per cent over the year. The month-on-month improvement was mainly due to a rise in the banks' cash holdings, balances with the Central Bank as well as investments in government securities. The banks' liquidity ratio

however, receded by 0.3 percentage points from 39.2 per cent registered in October 2020 to 38.9 per cent at the end of November 2020.

Figure 5: Domestic Liquid Assets & Liquidity Ratio; November 2019 to November 2020



Source: Central Bank of Eswatini & Other Depository Corporations



RELEASE OF MONEY AND BANKING STATISTICS

ITEM	Nov-20	Oct-20	Nov-19
	Amount (E'000)	Amount (E'000)	Amount (E'000)
CENTRAL BANK OF ESWATINI			
Claims on Non-residents	11,249,927	12,453,467	8,728,623
Claims on Domestic Economy	2,478,702	1,962,408	2,579,886 *
Government	2,445,523	1,929,597	2,544,002
Other Depository Corporations	2,512	2,512	2,038
Other Resident Sectors	30,667	30,299	33,847
Other Assets	549,304	555,077	2,237,217
Total Assets/Liabilities	14,277,933	14,970,952	13,545,727 *
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBE	3,849,275	3,727,985	4,422,042
Net Balances with Banks Outside Eswatini	1,571,233	1,557,714	855,008
Loans and advances	14,487,997	14,004,934	13,620,801
Government Securities	3,923,908 *	3,787,801	2,572,024 *
Treasury Bills	2,387,435	2,400,973	1,627,033
Government Bonds	1,536,472	1,386,828	944,992
Other	-	-	-
Total Deposits	21,445,497	20,742,932	18,358,632 *
Transferable/Demand	6,180,947	6,063,119	5,716,406
Savings	2,152,682	2,161,989	1,983,703
Time	13,111,868	12,517,824	10,658,524
Capital and Reserves	4,252,207	4,211,790	4,124,557
Total Assets/Liabilities	27,826,671	26,896,590	25,008,723
Total Liquid Assets (Banks only)	7,502,108	7,229,727	6,660,031
Required Liquidity (Banks only)	3,822,405	3,649,081	4,133,268
Surplus/ Deficiency (-) (Banks only)	3,679,704 *	3,580,646	2,526,763
RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	38.9	39.2	39.8
Loans and Advances to Deposits	67.6	67.5	74.2



DEPOSITORY CORPORATIONS SURVEY				Nov-20	Oct-20	Nov-19
Net Foreign Assets (E)		10,968,019	12,035,151	7,775,743		
Net Official Assets		8,403,593	9,543,567	6,326,395	*	
Foreign Assets - Central Bank of Eswatini		11,276,169	12,479,710	8,754,866		
Foreign Liabilities - Central Bank of Eswatini		2,872,576	2,936,143	2,428,470		
Net Other Depository Corporations Foreign holdings (ODC)		2,564,426	2,491,584	1,449,347		
Foreign Assets - ODC		2,870,634	2,782,727	1,919,297		
Foreign Liabilities - ODC		306,208	291,143	469,950		
Net Foreign Assets (SDR)		497,949	522,926	386,455		
Net Domestic Claims		14,941,972	13,829,565	16,522,442	*	
Net Claims on Government		-529,863	-1,142,297	2,080,031		
Claims on Central Government		6,413,367	5,749,151	5,153,396		
Government Deposits		6,943,230	6,891,447	3,073,365		
Claims on other sectors		15,471,835	14,971,861	14,442,410		
Other nonfinancial corporations (Industry)		6,702,946	6,472,196	6,652,087		
Other resident sectors (Households &NPISH)		7,108,680	6,909,795	6,425,114		
Other sectors		1,660,209	1,589,870	1,365,209		
Broad Money Supply (M2)		20,214,935	19,760,929	18,320,972	*	
Narrow Money Supply (M1)		6,671,307	6,545,702	6,357,645		
Currency outside depository corporations (E)		975,269	982,877	808,393		
Transferable (demand) deposits		5,696,039	5,562,826	5,549,252		
Quasi Money		13,543,628	13,215,227	11,963,328	*	
Savings Deposits		2,082,479	2,087,355	1,935,755		
Time Deposits		11,461,149	11,127,872	10,027,572		
Shares and Other Equity		6,400,654	6,712,880	6,388,590		
Central Bank Of Eswatini		1,531,610	1,895,361	1,700,494		
Other Depository Corporations		4,869,045	4,817,518	4,688,096		
Other Items (net)		-705,599	-609,094	-411,378		
GROSS OFFICIAL RESERVES						
	Dec-20	Nov-20	Oct-20	Nov-19	Dec-19	
	Amount	Amount	Amount	Amount	Amount	
	(E'000)	(E'000)	(E'000)	(E'000)	(E'000)	
Total Official (Gross) - Emalangeni E	7,968,365	9,689,791	10,797,813	7,143,573	6,144,815	
Special Drawing Rights (SDR)	377,303	439,917	469,164	355,036	316,766	
Central Bank	7,968,365	9,689,791	10,797,813	7,143,573	6,144,815	
Government	26,243	26,243	26,243	26,243	26,243	
Import Cover (reserves to months of estimated imports)	3.5	4.2	4.7	3.1	2.6	
Net Bank Holdings		2,564,426	2,491,584	1,449,347	1,566,377	

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.
- 5.Import cover figures are subject to revision as import figures used have a 3 month lag.
- 6.* Owing to the rounding of figures , the sum of separate items will sometimes differ in the final digit from the total shown.