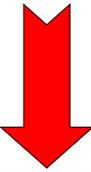




MONEY AND BANKING STATISTICS

NOVEMBER/DECEMBER 2017

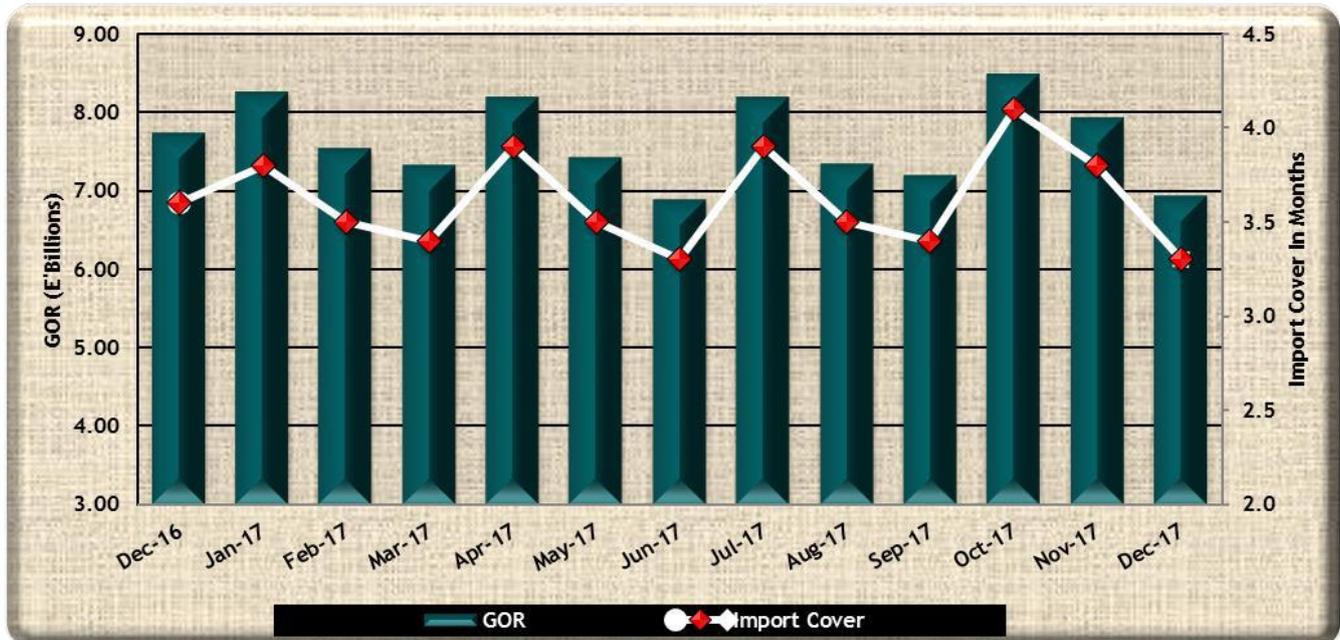
HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
Gross Official Reserves declined by 12.0 per cent month-on-month to reach E6.9 billion at the end of December 2017, equivalent to an import cover of 3.3 months. Annually the Reserves fell by 5.9 per cent.	12.0 	5.9 
Credit Extended to the Private Sector grew by 2.4 per cent month-on-month to reach E13.9 billion at the end of November 2017. The rise was observed in credit to Other Sectors, Businesses and Households. Annually, Private Sector credit rose by 4.8 per cent.	2.4 	4.8 
Broad Money Supply (M2) increased by 4.7 per cent month-on-month to E17.9 billion. The uptick was observed in both Narrow Money Supply (M1) and Quasi Money Supply. Year-on-year, M2 accelerated by 11.7 per cent.	4.7 	11.7 
Domestic Liquid Assets stood at E4.4 billion at the end of November 2017, 1 per cent higher than the previous month. This was mainly due to Other Depository Corporations balances with the Central Bank of Swaziland. Year-on-year, Liquid Assets expanded by 22.8 per cent.	1.0 	22.8 
	PERCENT	
Discount Rate: the discount rate was maintained at 7.25 per cent in December 2017.		7.25
Prime Lending Rate: the prime lending rate was also kept at 10.75 per cent in December 2017.		10.75



Summary of Movements in Major Monetary Aggregates

Gross Official Reserves amounted to E6.9 billion at the end of December 2017, reflecting a 12.0 per cent decline when compared with November 2017. In terms of estimated imports of goods and services, the Reserves were enough to cover 3.3 months at the end of December 2017, lower than the 3.8 months recorded in the previous month. When valued in Special Drawing Rights (SDRs), the Reserves receded by 3.5 per cent month-on-month to settle at SDR393.8 million. Year-on-year, the Reserves depicted a decline of 10.2 per cent in Emalangeni terms and growth of 5.9 per cent in SDR terms.

Figure 1 - Gross Official Reserves and Import Cover; December 2016 to December 2017



Source: Central Bank of Swaziland

Credit Advanced to the Private Sector grew by 2.4 per cent month-on-month to E13.9 billion at the end of November 2017. The expansion was mainly driven by all Private Sector credit components which comprise of credit to Other Sectors of the economy, credit to Businesses and credit to Households and Non-Profit Institutions Serving Households (NPISH). Year-on-year, Private Sector credit increased by 4.8 per cent.

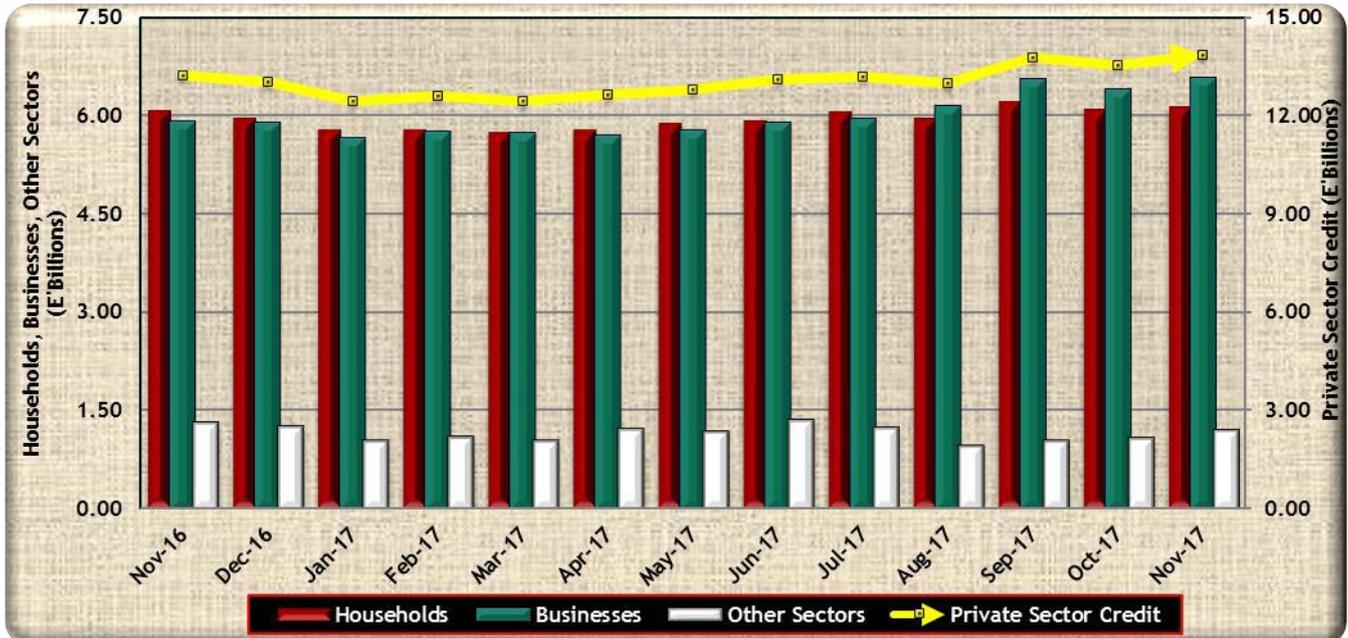
Credit Advanced to Other Sectors improved by 11.1 per cent to E1.2 billion at the end of November 2017, from E1.1 billion observed in the preceding month. This development was observed in Other Financial Corporations which rose by 16.8 per cent and Public Non-Financial Corporations which grew by 6.0 per cent at the end of November 2017. Credit to Local Government on the other hand, retreated by 0.3 per cent over the month under review.

Credit Advanced to Businesses edged up by 2.6 per cent to E6.5 billion at the end of November 2017, up from the E6.4 billion observed in October 2017. The increase was predominantly attributed to credit channeled to these sectors; Manufacturing (9.0 per cent), Distribution and Tourism (4.2 per cent) and Real Estate (3.3 per cent). Partially offsetting these increases were declines in these sectors; Transport and Communication (-13.3 per cent), Construction (-6.2 per cent), Mining and Quarrying (-2.3 per cent) and Agriculture and Forestry (-0.3 per cent).



Summary of Movements in Major Monetary Aggregates

Figure 2: Private Sector Credit; November 2016 to November 2017



Source: Central Bank of Swaziland

Credit Advanced to Households & NPISH depicted a month-on-month improvement of 0.8 per cent at the end of November 2017 to E6.13 billion from E6.08 billion recorded in the previous month. The increase was driven by Other (unsecured) Loans and Motor Vehicle loans whilst Housing Loans trended downwards at the end of November 2017. Other (unsecured) Loans reflected a month-on-month growth of 5.3 per cent to E1.6 billion whilst Motor Vehicle Loans grew by a lesser margin of 3.3 per cent to E1.3 billion. In contrast, Housing Loans fell by 2.4 per cent to settle at E3.2 billion at the end of the review month.

Figure 3: Credit to Households by Purpose; November 2016 to November 2017



Source: Other Depository Corporations

Net Government Balances with the banking sector contracted by 56.7 per cent to reach E541.1 million at the end of November 2017. The contraction was largely driven by the combined effect of a fall in both Government deposits (-17.8 per cent) and Claims on Government (-6.1 per cent). When compared over the year, Net Government Balances with the banking sector declined by 40.8 per cent.

Broad Money Supply (M2) expanded by 4.7 per cent to E17.9 billion at the end of November 2017, in line with the growth in Private Sector credit. The increase was reflected in both components of M2, Narrow Money Supply (M1) and Quasi Money Supply. When compared over the year, M2 grew by 11.7 per cent.

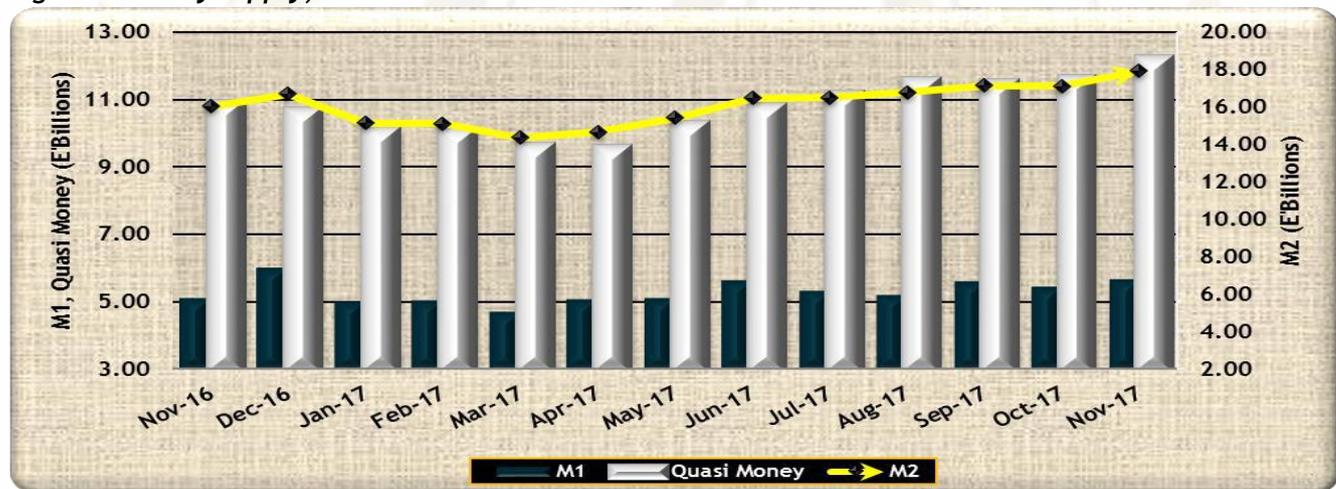


Summary of Movements in Major Monetary Aggregates

Quasi Money Supply amounted to E12.2 billion at the end of November 2017 reflecting an increasing of 4.9 per cent from E11.7 billion in October 2017. The increase was evident in both components of Quasi Money Supply, Savings and Time Deposits. Savings Deposits edged up by 6.3 per cent to close at E1.7 billion at the end of November 2017. Similarly, Time Deposits recorded an increase of 4.7 per cent to E10.5 billion from E10.0 billion observed in the previous month.

Narrow Money Supply (M1) stood at E5.7 billion at the end of November 2017, depicting a month-on-month increased of 4.1 per cent from the previous month. Growth was observed in both Currency Outside Depository Corporations and Transferable Deposits. An analysis of the components of M1 revealed that Currency Outside Depository Corporations grew by 15.0 per cent to reach E770.0 million whilst Transferable deposits grew by 2.6 per cent to E4.9 billion at the end of November 2017.

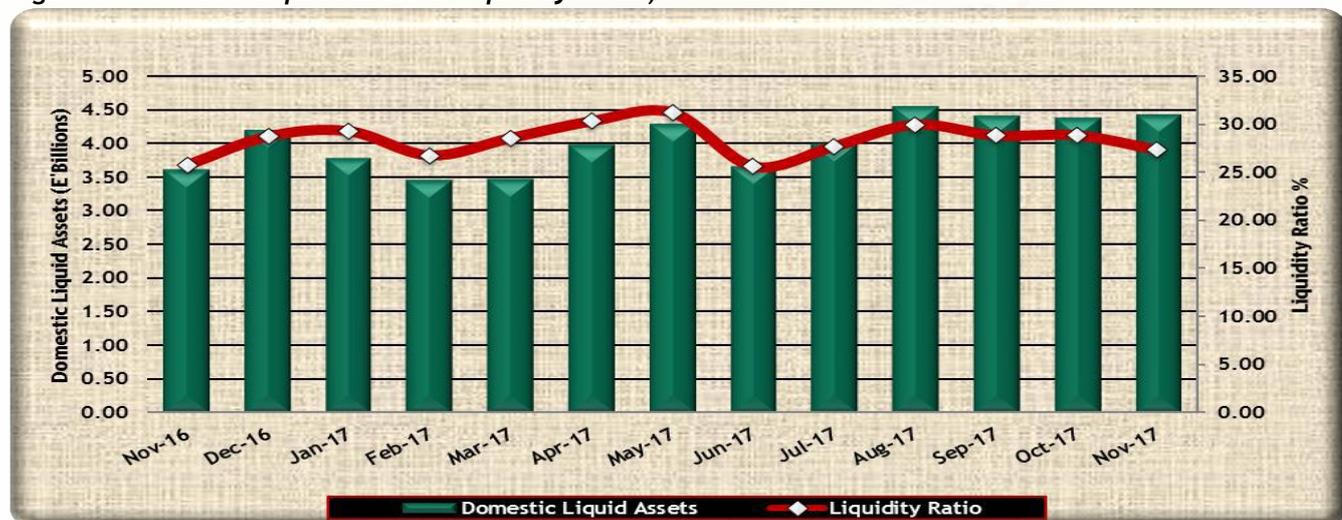
Figure 4: Money Supply; November 2016 to November 2017



Source: Other Depository Corporations & Central Bank of Swaziland

Domestic Liquidity Assets amounted to E4.4 billion at the end of November 2017, expanding by 1.0 per cent from October 2017. The growth emanated from Other Depository Corporations balances held with the Central Bank of Swaziland over the month under review. The liquidity ratio however, fell from 28.8 per cent observed in October 2017 to 27.3 per cent at the end of November 2017. Compared year-on-year, the bank's liquid assets expanded by 22.8 per cent.

Figure 5: Domestic Liquid Assets & Liquidity Ratio; November 2016 to November 2017



Source: Other Depository Corporations

	Nov-17	Oct-17	Nov-16
	Amount	Amount	Amount
ITEM	(E'000)	(E'000)	(E'000)
CENTRAL BANK OF SWAZILAND			
Claims on Non-residents	9 268 594	9 903 420	9 085 402
Claims on Domestic Economy	1 346 785	1 337 621	1 144 000
Government	1 314 683	1 306 471	1 117 149
Other Depository Corporations	2 061	2 055	1 853
Other Resident Sectors	30 042	29 095	24 998
Other Assets	1 866 435	1 876 435	442 285
Total Assets/Liabilities	12 481 815	13 117 477	10 671 687
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBS	2 049 230	1 732 073	1 510 405
Net Balances with Banks Outside Swaziland	2 627 873	2 166 976	1 987 428
Loans and advances	13 257 744	13 022 120	12 362 643
Government Securities	2 580 121	2 839 132	2 143 453
Treasury Bills	1 639 800	1 898 596	1 472 911
Government Bonds	940 321	940 536	670 541
Other	0	0	0
Total Deposits	17 304 043	16 635 235	15 497 971
Transferable/Demand	4 934 660	4 807 982	4 520 544
Savings	1 750 654	1 648 397	1 823 037
Time	10 618 728	10 178 855	9 154 390
Capital and Reserves	3 518 547	3 475 486	3 256 545
Total Assets/Liabilities	23 159 173	22 011 000	20 722 812
Total Liquid Assets (Banks only)	4 420 544	4 375 941	3 598 636
Required Liquidity (Banks only)	3 996 752	3 742 502	3 445 227
Surplus/ Deficiency (-) (Banks only)	423 792	633 438	153 409
RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	27.3	28.8	25.7
Loans and Advances to Deposits	76.6	78.3	79.8

DEPOSITORY CORPORATIONS SURVEY		Nov-17	Oct-17	Nov-16	
Net Foreign Assets (E)		8 365 646	9 681 711	8 254 726	
Net Official Assets		5 719 353	7 487 413	6 242 498	
Foreign Assets - Central Bank of Swaziland		9 294 837	9 929 663	9 113 728	
Foreign Liabilities - Central Bank of Swaziland		3 575 484	2 442 250	2 871 229	
Net Other Depository Corporations Foreign Holdings (ODC)		2 646 293	2 194 298	2 012 227	
Foreign Assets - ODC		2 862 774	2 413 158	2 476 044	
Foreign Liabilities - ODC		216 481	218 860	463 816	
Net Foreign Assets (SDR)		433 260	488 056	442 971	
Net Domestic Claims		13 320 119	12 283 498	12 307 656	
Net Claims on Government		-541 141	-1 248 956	-913 819	
Claims on Central Government		3 897 547	4 148 901	3 271 347	
Government Deposits		4 438 688	5 397 857	4 185 166	
Claims on other sectors		13 861 260	13 532 454	13 221 476	
Other nonfinancial corporations (Industry)		6 549 589	6 385 367	5 881 393	
Other resident sectors (Households & NPISH)		6 131 693	6 084 848	6 059 946	
Other sectors		1 179 978	1 062 240	1 280 137	
Broad Money Supply (M2)		17 907 909	17 111 153	16 029 433	
Narrow Money Supply (M1)		5 674 089	5 448 131	5 107 523	
Currency outside depository corporations (E)		769 983	669 737	666 580	
Transferable (Demand) deposits		4 904 106	4 778 394	4 440 943	
Quasi Money		12 233 820	11 663 021	10 921 910	
Savings Deposits		1 719 058	1 616 488	1 792 961	
Time Deposits		10 514 761	10 046 534	9 128 949	
Shares and Other Equity Central Of Swaziland		5 765 696	6 972 131	5 156 997	
Other Depository Corporations		1 756 279	3 010 422	1 446 577	
Other Depository Corporations		4 009 417	3 961 709	3 710 420	
Other Items (net)		-1 987 839	-2 118 074	-624 048	
GROSS OFFICIAL RESERVES	29-Dec-17	Nov-17	Oct-17	Nov-16	Dec-16
	Amount	Amount	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)	(E'000)	(E'000)
Total Official (Gross) - Emalangeri E	6 932 595	7 879 569	8 476 361	7 721 490	7 723 035
Special Drawing Rights (SDR)	393 788	408 086	427 294	407 262	418 287
Central Bank	7 253 960	7 879 569	8 476 361	7 721 490	7 723 035
Government	26 243	26 243	26 243	28 326	26 745
Import Cover (Reserves to months of estimated imports)	3.3	3.8	4.1	3.6	3.6
Net Bank Holdings		2 646 293	2 194 298	2 012 227	1 020 525
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.					