

Monthly Statistical Release

NOV/DEC 2018

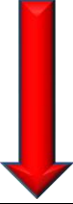
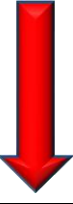



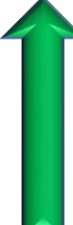




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**CENTRAL BANK
OF ESWATINI**
Umntsholi Wemaswati



HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY	ANNUAL % CHANGE
Gross Official Reserves stood at E6.3 billion in December 2018, reflecting a decrease of 7.8 per cent from November 2018. The Reserves were enough to cover 2.9 months of imports. Annually, the Reserves declined by 8.8 per cent.	7.8 	8.8 
Credit Extended to the Private Sector rose by 0.7 per cent month-on-month to E14.7 billion at the end of November 2018. Growth was observed in credit to Businesses, Households and Other Sectors. Year on year, Private Sector credit expanded by 6.2 per cent.	0.7 	6.2 
Broad Money Supply (M2) expanded by 2.4 per cent on a month-on-month basis to reach E18.3 billion in November 2018. The growth was observed in Quasi Money Supply while Narrow Money Supply (M1) declined. Year-on-year, M2 grew by 2.4 per cent.	2.4 	2.4 
Domestic Liquid Assets grew by 10.5 per cent month-on-month to E5.0 billion in November 2018. The improvement was due to a rise in Banks' balances held with the Central Bank as well as their investment in Government securities. The Banks' liquidity ratio stood at 29.3 per cent. Compared over the year, Banks' Liquid Assets improved by 13.0 per cent.	10.5 	13.0 
	PERCENT	
Discount Rate: the discount rate was at 6.75 per cent in December 2018.		6.75
Prime Lending Rate: the prime lending rate was at 10.25 per cent in December 2018.		10.25

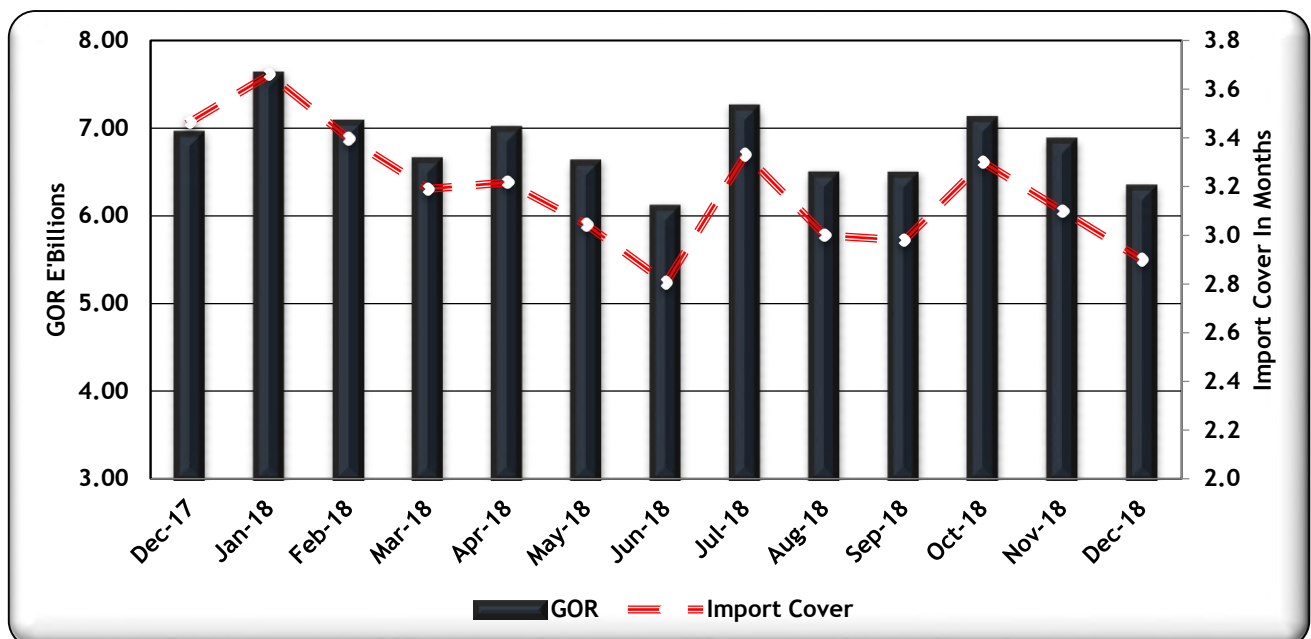
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Gross Official Reserves amounted to E6.3 billion at the end of December 2018, reflecting a decline of 7.8 per cent from the previous month. In terms of imports of goods and services, the Reserves were enough to cover 2.9 months. Compared over the year, the Reserves receded by 8.8 per cent.

Valued in Special Drawing Rights (SDRs), the Reserves amounted to SDR315.8 million at the end of December 2018, down from the SDR359.8 million recorded in November 2018. At this level, the SDR value of Reserves eased by 12.3 per cent month-on-month and by 19.8 per cent year-on-year.

Figure 1: Gross Official Reserves (GOR) and Import Cover; December 2017 to December 2018



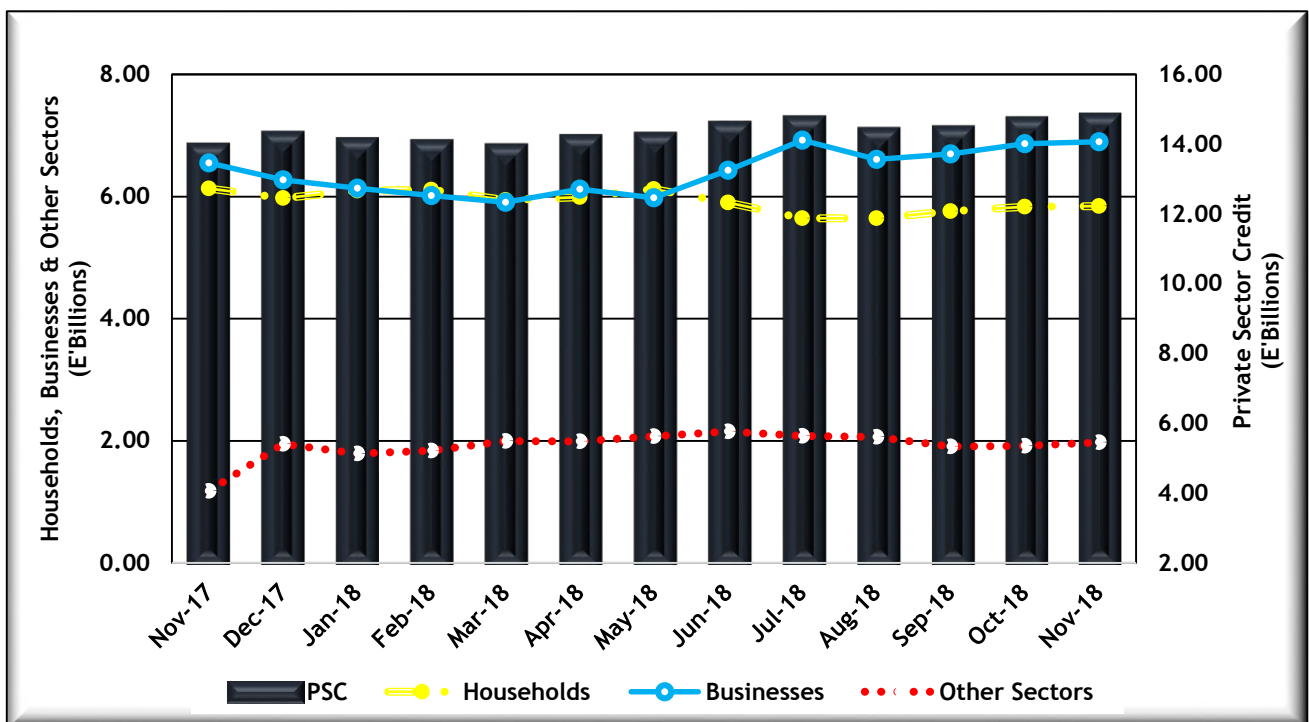
Source: Central Bank of Eswatini

Credit Extended to the Private Sector rose by 0.7 per cent month-on-month to reach E14.7 billion at the end of December 2018, depicting a weaker growth rate from the 1.8 per cent observed in October 2018. The expansion was driven by all Private Sector credit components which comprise of credit to Businesses, Households and Non Profit Making Institutions Serving Households (NPISH) and Other Sectors.

Credit Extended to Other Sectors registered growth of 3.2 per cent from E1.9 billion observed in October 2018 to E2.0 billion at the end of November 2018. The improvement was recorded in all credit categories of Other Sectors over the month under review. Credit to Public Non-Financial Corporations which was the major contributor rose by 9.3 per cent. Credit to Other Financial Corporations by 1.5 per cent while credit to Local Government by 0.1 per cent.

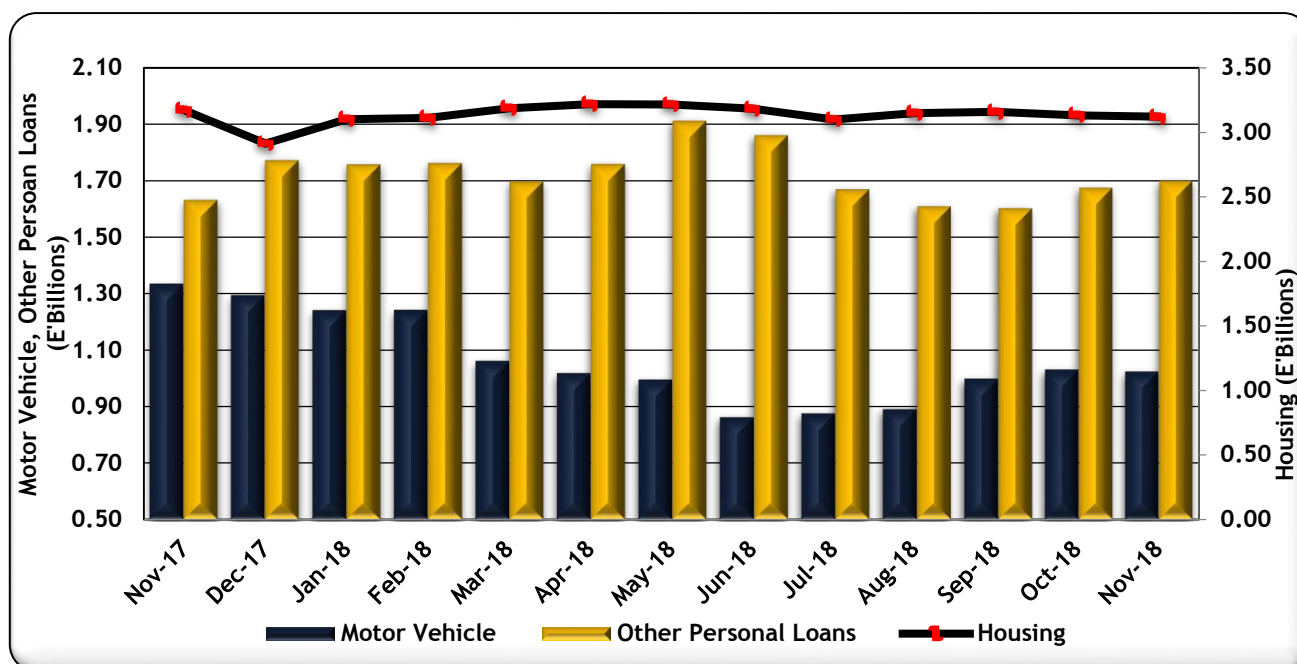
Credit Extended to Businesses amounted to E6.9 billion at the end of November 2018, depicting growth of 0.5 per cent from the previous month. The rise in credit was observed in Mining and Quarrying (7.3 per cent), Construction (6.8 per cent) as well as Transport and Communication (0.4 per cent). The increase was partially offset by declines in credit extended to Agriculture & Forestry (-6.1 per cent), Community, Social & Personal Services (-2.4 per cent), Manufacturing (-1.7 per cent), Real Estate (-0.4 per cent) and Distribution & Tourism (-0.1 per cent)

Figure 2: Private Sector Credit; November 2017 to November 2018



Source: Central Bank of Eswatini

Credit Extended to Households & NPISH rose marginally by 0.1 per cent month-on-month to E5.8 billion at the end of November 2018. The monthly growth was driven by Other Personal (unsecured) Loans which rose by 1.5 per cent to reach E1.7 billion. In contrast, Motor Vehicle Finance receded by 0.6 per cent to E1.0 billion while Housing Finance decreased by 0.3 per cent to E3.1 billion over the review month.

Figure 3: Credit to Households by Purpose; November 2017 to November 2018

Source: Other Depository Corporations

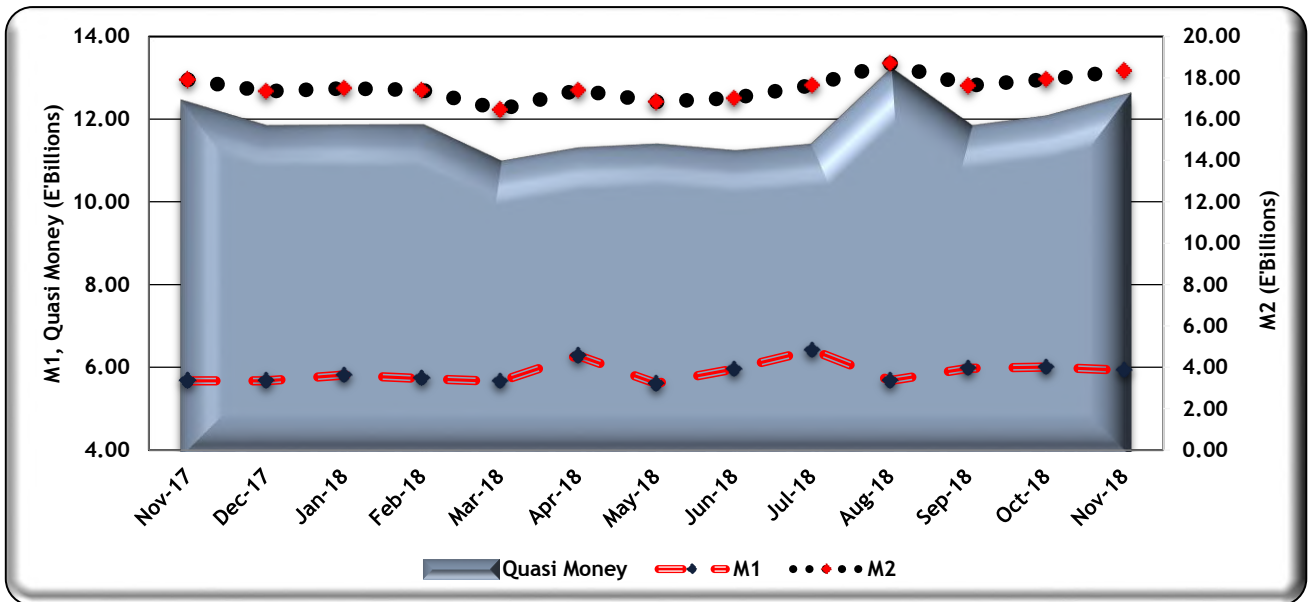
Net Claims on Government by the banking sector expanded by 69.7 per cent month-on-month to reach E1.4 billion at the end of November 2018. The improvement emanated from a combined effect of a rise in claims on Government (4.7 per cent) and a reduction in Government deposits held by the banking sector (-12.7 per cent). Compared annually, net claims on Government trended downwards.

Broad Money Supply (M2) continued to grow steadily reflecting a month-on-month growth of 2.4 per cent at the end of November 2018 from 1.6 per cent realised in October 2018. The month-on-month increase in M2 was driven by Quasi Money Supply which surpassed a contraction in Narrow Money Supply. Compared annually, M2 improved by 2.4 per cent.

Quasi Money Supply stood at E12.4 billion at the end of November 2018, 4.2 per cent higher than in the previous month. Growth in Quasi Money was attributed to both Time and Savings Deposits. Time Deposits accelerated by 4.5 per cent to settle at E10.7 billion while Savings Deposits rose by 2.6 per cent to E1.8 billion at the end of the review month.

Narrow Money Supply (M1) declined by 1.3 per cent month-on-month to settle at E5.9 billion at the end of November 2018, on account of a reduction in Transferable Deposits. Transferable Deposits contracted by 2.7 per cent to E5.2 billion over the review month. Emalangi Outside Depository Corporations, on the contrary, edged up by 10.0 per cent to E730.3 million.

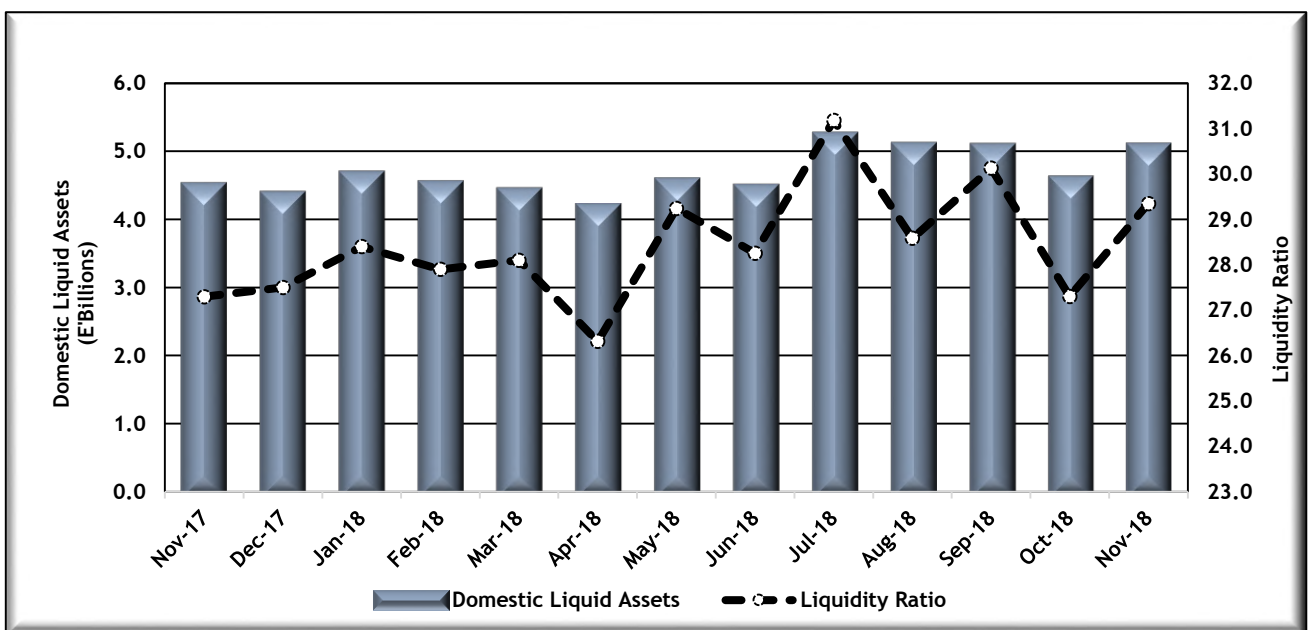
Figure 4: Money Supply; November 2017 to November 2018



Source: Other Depository Corporations & Central Bank of Eswatini

The Overall Liquidity Position of the Banking Industry amounted to E5.0 billion at the end of November 2018, representing growth of 10.5 per cent from October 2018. The improvement in Banks’ Liquid Assets emanated from Banks’ balances with the Central Bank as well as their investment in Government securities over the month under review. The liquidity ratio also rose from 27.3 per cent recorded in October 2018 to 29.3 per cent at the end of November 2018. When compared over the year, Banks’ Domestic Liquid Assets grew by 13.0 per cent.

Figure 5: Domestic Liquid Assets & Liquidity Ratio; November 2017 to November 2018



Source: Other Depository Corporations

ITEM	Nov-18	Oct-18	Nov-17
	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)
CENTRAL BANK OF ESWATINI			
<i>Claims on Non-residents</i>	8 224 543	8 574 952	9 268 594
<i>Claims on Domestic Economy</i>	1 340 735	1 305 740	1 346 785
Government	1 304 850	1 270 779	1 314 683
Other Depository Corporations	2 038	2 038	2 061
Other Resident Sectors	33 847	32 922	30 042
<i>Other Assets</i>	463 678	518 038	1 866 435
Total Assets/Liabilities	10 028 956	10 398 729	12 481 815
OTHER DEPOSITORY CORPORATIONS			
<i>Cash and Deposits with CBS</i>	2 514 261	2 172 376	2 049 230
<i>Net Balances with Banks Outside Eswatini</i>	2 509 247	2 527 616	2 627 873
<i>Loans and advances</i>	13 952 813	13 870 278	13 257 744
Government Securities			
Treasury Bills	1 777 010	1 627 542	1 639 800
Government Bonds	956 054	956 580	940 321
<i>Other</i>	0	0	0
Total Deposits	18 272 532	18 031 415	17 304 043
Transferable/Demand	5 321 601	5 461 630	4 934 660
Savings	1 799 046	1 753 746	1 750 654
Time	11 151 884	10 816 038	10 618 728
Capital and Reserves	3 678 497	3 637 164	3 518 547
Total Assets/Liabilities	24 489 508	23 788 896	23 159 173
Total Liquid Assets (Banks only)	4 995 206	4 518 753	4 420 544
Required Liquidity (Banks only)	4 200 430	4 083 286	3 996 752
Surplus/ Deficiency (-) (Banks only)	794 776	435 467	423 792
RATIOS (%)			
<i>Actual Liquidity to Domestic Liabilities (Banks Only)</i>	29.3	27.3	27.3
<i>Loans and Advances to Deposits</i>	76.4	76.9	76.6



<i>DEPOSITORY CORPORATIONS SURVEY</i>		Nov-18	Oct-18	Nov-17	
<i>Net Foreign Assets (E)</i>		8 435 797	8 737 832	9 577 028	
<i>Net Official Assets</i>		5 910 649	6 194 062	6 930 735	
Foreign Assets - Central Bank of Eswatini		8 250 786	8 601 195	9 294 837	
Foreign Liabilities - Central Bank of Eswatini		2 340 137	2 407 133	2 364 102	
<i>Net Other Depository Corporations Foreign holdings (ODC)</i>		2 525 148	2 543 770	2 646 293	
Foreign Assets - ODC		2 976 043	2 822 226	2 862 774	
Foreign Liabilities - ODC		450 894	278 456	216 481	
<i>Net Foreign Assets (SDR)</i>		442 880	426 406	495 998	
Domestic Claims					
<i>Net Domestic Claims</i>		16 115 967	15 438 728	13 320 119	
<i>Net Claims on Government</i>		1 396 904	823 100	-541 141	
Claims on Central Government		4 076 794	3 892 961	3 897 547	
Government Deposits		2 679 890	3 069 861	4 438 688	
<i>Claims on other sectors</i>		14 719 064	14 615 628	13 861 260	
Other nonfinancial corporations (Industry)		6 898 982	6 864 518	6 549 589	
Other resident sectors (Households & NPISH)		5 843 039	5 835 197	6 131 693	
Other sectors		1 977 042	1 915 913	1 179 978	
Broad Money Supply (M2)					
<i>Broad Money Supply (M2)</i>		18 343 543	17 915 630	17 907 909	
Narrow Money Supply (M1)					
<i>Narrow Money Supply (M1)</i>		5 928 863	6 005 437	5 674 089	
Currency outside depository corporations (E)		730 259	664 004	769 983	
Transferable (Demand) deposits		5 198 603	5 341 433	4 904 106	
Quasi Money					
<i>Quasi Money</i>		12 414 680	11 910 193	12 233 820	
Savings Deposits		1 764 362	1 719 392	1 719 058	
Time Deposits		10 650 318	10 190 801	10 514 761	
Shares and Other Equity		6 649 787	6 866 898	6 977 078	
Central Bank Of Eswatini		2 422 048	2 679 763	2 967 661	
Other Depository Corporations		4 227 739	4 187 135	4 009 417	
<i>Other Items (net)</i>		-441 566	-605 969	-1 987 839	
GROSS OFFICIAL RESERVES					
	<i>Dec-18</i>	<i>Nov-18</i>	<i>Oct-18</i>	<i>Nov-17</i>	<i>Dec-17</i>
	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>
	<i>(E'000)</i>	<i>(E'000)</i>	<i>(E'000)</i>	<i>(E'000)</i>	<i>(E'000)</i>
<i>Total Official (Gross) - Emalangeni E</i>	6 321 371	6 854 293	7 100 809	7 879 569	6 932 595
<i>Special Drawing Rights (SDR)</i>	315 753	359 851	325 286	408 086	393 788
<i>Central Bank</i>	6 321 371	6 854 293	7 100 809	7 879 569	6 932 595
<i>Government</i>	26 243	26 243	26 243	26 243	26 243
<i>Import Cover (Reserves to months of estimated imports)</i>	2.9	3.1	3.3	3.9	3.5
Net Bank Holdings		2 525 148	2 543 770	2 646 293	2 646 293
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.					



