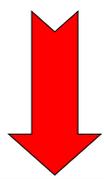
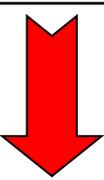
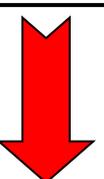
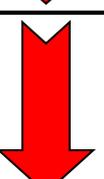




MONEY AND BANKING STATISTICS

OCTOBER/NOVEMBER 2017

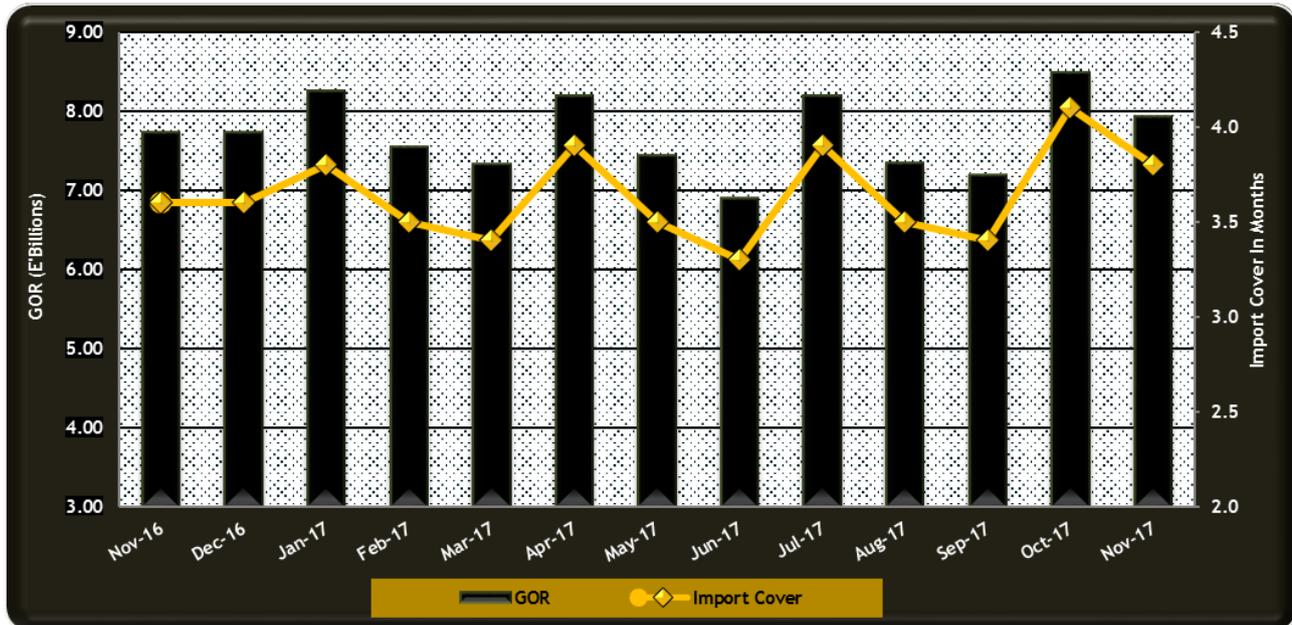
HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
Gross Official Reserves receded by 6.8 per cent month-on-month to reach E7.9 billion at the end of November 2017, representing an import cover of 3.8 months. Annually, the Reserves grew by 2.3 per cent.	6.8 	2.3 
Credit Extended to the Private Sector fell by 1.6 per cent month-on-month to reach E13.5 billion at the end of November 2017. The fall was observed in credit to Businesses and Households whilst credit to Other sectors increased. Annually, Private Sector credit rose by 5.9 per cent.	1.6 	5.9 
Broad Money Supply (M2) declined by 0.1 per cent month-on-month to E17.1 billion. The reduction was observed in Narrow Money Supply (M1) which offset growth in Quasi Money Supply. Year-on-year, M2 accelerated by 15.7 per cent.	0.1 	15.7 
Domestic Liquid Assets stood at E4.4 billion contracting by 1.0 per cent over the review month, due to a fall in Other Depository Corporations balances with the Central Bank and other banks in Swaziland. Year-on-year, Liquid Assets expanded by 20.0 per cent.	1.0 	20.0 
	PERCENT	
Discount Rate: the discount rate was maintained at 7.25 per cent in November 2017.		7.25
Prime Lending Rate: the prime lending rate was also kept at 10.75 per cent in November 2017.		10.75



Summary of Movements in Major Monetary Aggregates

Gross Official Reserves receded by 6.8 per cent to E7.9 billion at the end of November 2017, down from E8.5 billion recorded in October 2017. In line with the fall in Reserves, the import cover fell from 4.1 months to 3.8 months, but still higher than the internationally recommended cover of 3 months. When valued in Special Drawing Rights (SDRs) the Reserves stood at SDR409.1 million, down from the SDR427.3 million observed in the previous month. When compared over the year, the Reserves grew by 2.3 per cent in Emalangeni terms and by 0.5 per cent in SDRs terms.

Figure 1: Gross Official Reserves and Import Cover; November 2016 to November 2017



Source: Central Bank of Swaziland

Credit Extended to the Private Sector stood at E13.5 billion at the end of October 2017, registering a monthly decline of 1.6 per cent from E13.8 billion recorded in September 2017. The decline in Private Sector credit was due to lower demand for credit by both Businesses and Households & Non-Profit Institutions Serving Households (NPISH). In contrast, credit to Other Sectors trended in the opposite direction and depicted an increase over the review month. Over the year, Private Sector credit grew by 5.9 per cent.

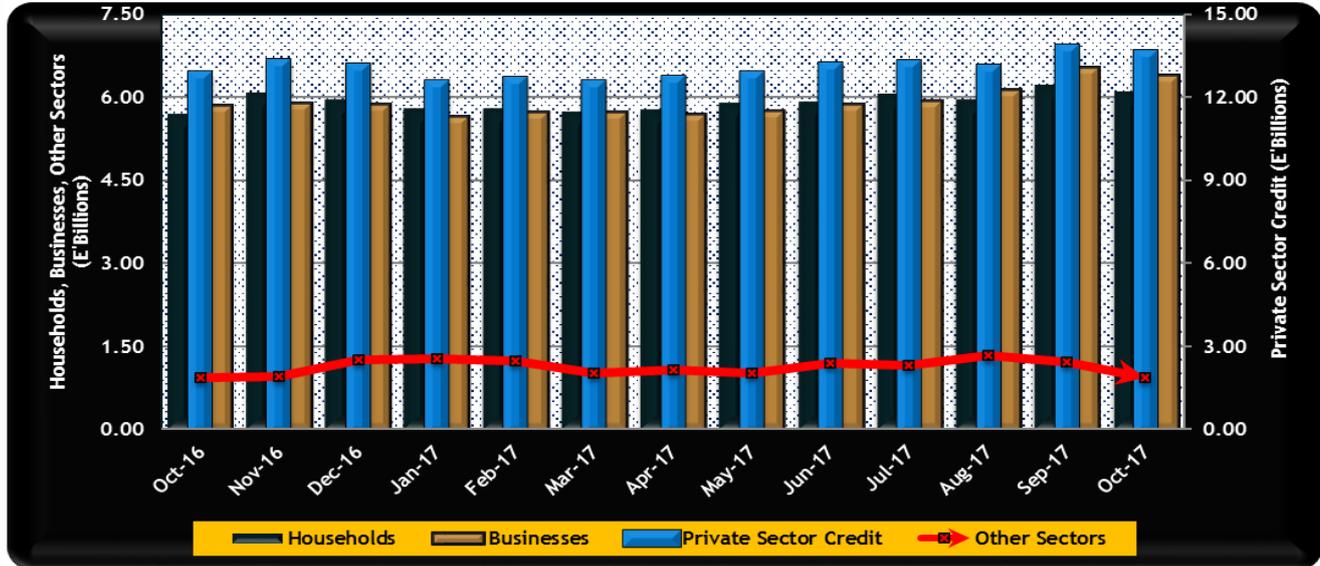
Credit Extended to Businesses contracted by 2.3 per cent from E6.5 billion recorded in September 2017 to E6.4 billion at the end of October 2017. The contraction in credit flow to Businesses was evident in the following subsectors in order of magnitude: Manufacturing (-33.8 per cent), Community, Social & Personal Services (-16.9 per cent), Agriculture & Forestry (-6.3 per cent), Construction (-2.3 per cent) and Real Estate (-0.1 per cent). Partially offsetting the declines were increases in these subsectors; Transport & Communications (29.8 per cent), Distribution & Tourism (2.3 per cent) and Mining & Quarrying (1.3 per cent).

Credit Extended to Other Sectors recorded growth of 4.0 per cent from E1.0 billion registered in September 2017 to E1.1 billion at the end of October 2017. The increase was observed in all components of credit to Other Sectors with the exception of credit to Local Government. Credit to Other Financial Corporations grew by 8.1 per cent to settle at E544.4 million whilst credit to Public Non-Financial Corporations rose by 0.7 per cent to E439.1 million. Credit to Local Government on the other hand, decreased by 3.0 per cent to settle at E78.7 million over the month under review.



Summary of Movements in Major Monetary Aggregates

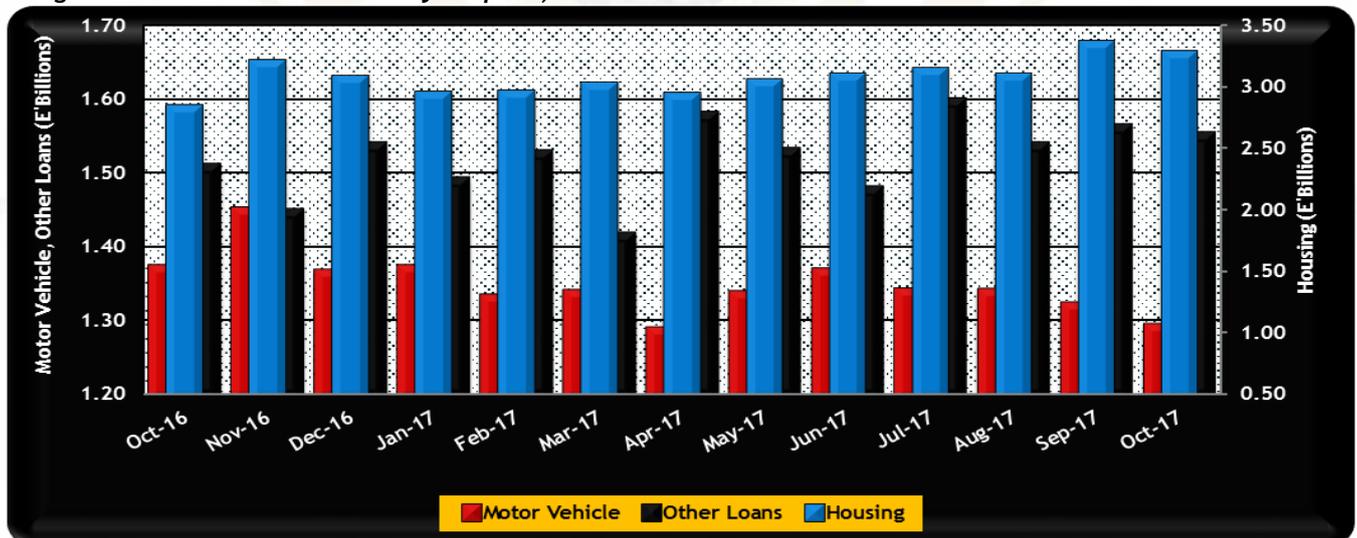
Figure 2: Private Sector Credit; October 2016 to October 2017



Source: Central Bank of Swaziland

Credit Extended to Households & NPISH registered a 1.9 per cent reduction to close the month under review at E6.1 billion at the end of October 2017 from E6.2 billion in September 2017. The decline was reflected in all subsectors of credit to Households over the review month. As a result, Mortgage Finance decelerated by 2.4 per cent to E3.3 billion, Motor Vehicle Finance by 2.3 per cent to close at E1.3 billion and Other (Unsecured) Loans by 0.7 per cent to E1.6 billion.

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



Source: Other Depository Corporations

Net Government Balances with the banking sector expanded from E2.7 million in September 2017 to E1.2 billion at the end of October 2017, largely due to the quarterly Southern African Customs Union (SACU) revenues at the beginning of October 2017. The rise was largely reflected in Government deposits which recovered from a fall of 5.8 per cent observed in the previous month to growth of 33.7 per cent at the end of October 2017. However, year-on-year, net Government balances decelerated by 21.6 per cent.

Broad Money Supply (M2) trended downwards by 0.1 per cent to E17.1 billion at the end of October 2017, in line with the fall in Private sector credit. The month-on-month decline was driven by Narrow Money Supply which outweighed an expansion in Quasi Money Supply over the review month. However, compared annually, M2 increased by 15.7 per cent.

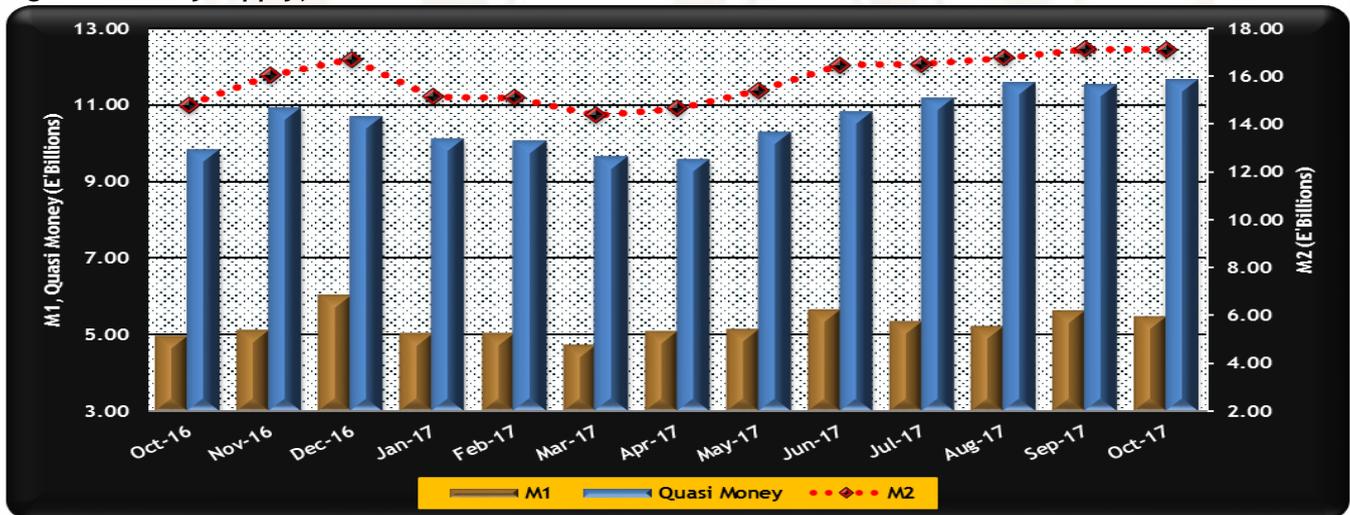


Summary of Movements in Major Monetary Aggregates

Narrow Money Supply (M1) stood at E5.4 billion at the end of October 2017, depicting a 2.7 per cent decline from the E5.6 billion recorded in September 2017. Responsible for the contraction was a reduction in both Currency Outside Depository Corporation and Transferable (Demand) Deposits. Currency Outside Depository Corporation shrank by 4.1 per cent to E669.7 million and Transferable (Demand) Deposits by 2.5 per cent to E4.8 billion.

Quasi Money Supply stood at E11.7 billion at the end of October 2017, 1.1 per cent higher than in the previous month. The growth was reflective of monthly increases in both Time and Savings Deposits. Time Deposits increased by 1.2 per cent to E10.0 billion and Savings Deposits by 0.9 per cent to E1.6 billion over the month under review.

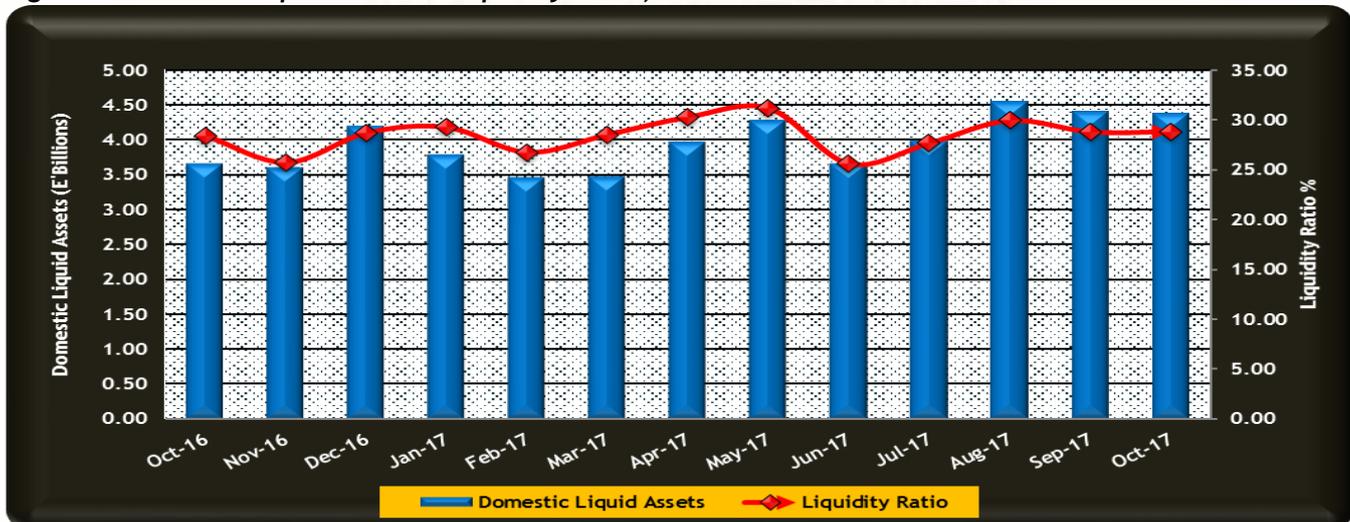
Figure 4: Money Supply; October 2016 to October 2017



Source: Other Depository Corporations & Central Bank of Swaziland

The Liquidity Position of the Banking Industry closed the month of October 2017 at E4.4 billion, depicting a 1.0 per cent decline from the E4.4 billion observed in September 2017. The contraction emanated from a reduction in Other Depository Corporations balances held with the Central Bank and other banks in Swaziland. Accordingly, the banks' liquidity ratio stood at 28.8 per cent, 0.03 percentage points lower than the level observed in September 2017. However, when compared year-on-year, the banks' liquid assets expanded by 20.0 per cent.

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



Source: Other Depository Corporations

	Oct-17	Sep-17	Oct-16
	Amount	Amount	Amount
ITEM	(E'000)	(E'000)	(E'000)
CENTRAL BANK OF SWAZILAND			
Claims on Non-residents	9 903 420	8 553 290	9 505 065
Claims on Domestic Economy	1 337 621	1 329 558	1 189 541
Government	1 306 471	1 298 403	1 128 235
Other Depository Corporations	2 055	2 065	36 847
Other Resident Sectors	29 095	29 090	24 458
Other Assets	1 876 435	436 303	463 259
Total Assets/Liabilities	13 117 477	10 319 151	11 157 864
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBS	1 732 073	1 851 672	1 507 559
Net Balances with Banks Outside Swaziland	2 166 976	2 076 516	996 897
Loans and advances	13 022 120	13 299 742	11 916 654
Government Securities	2 839 132	2 737 130	2 195 321
Treasury Bills	1 898 596	1 802 765	1 521 316
Government Bonds	940 536	934 364	674 005
Other	0	0	0
Total Deposits	16 635 235	16 628 867	14 210 357
Transferable/Demand	4 807 982	4 940 478	4 343 984
Savings	1 648 397	1 634 576	1 829 109
Time	10 178 855	10 053 813	8 037 264
Capital and Reserves	3 475 486	3 423 770	3 229 031
Total Assets/Liabilities	22 011 000	21 937 352	19 810 453
Total Liquid Assets (Banks only)	4 375 941	4 420 676	3 646 001
Required Liquidity (Banks only)	3 742 502	3 787 539	3 164 491
Surplus/ Deficiency (-) (Banks only)	633 438	633 138	481 510
RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	28.8	28.8	28.4
Loans and Advances to Deposits	78.3	80.0	83.9

DEPOSITORY CORPORATIONS SURVEY		Oct-17	Sep-17	Oct-16	
Net Foreign Assets (E)		9 681 711	8 299 308	7 689 404	
Net Official Assets		7 487 413	6 205 777	6 668 878	
Foreign Assets - Central Bank of Swaziland		9 929 663	8 579 533	9 531 810	
Foreign Liabilities - Central Bank of Swaziland		2 442 250	2 373 756	2 862 932	
Net Other Depository Corporations Foreign Holdings (ODC)		2 194 298	2 093 531	1 020 525	
Foreign Assets - ODC		2 413 158	2 175 175	1 773 578	
Foreign Liabilities - ODC		218 860	81 644	753 052	
Net Foreign Assets (SDR)		435 927	488 473	365 303	
Net Domestic Claims		12 283 498	13 761 527	11 187 419	
Net Claims on Government		-1 248 956	2 749	-1 592 049	
Claims on Central Government		4 148 901	4 038 954	3 336 679	
Government Deposits		5 397 857	4 036 204	4 928 729	
Claims on other sectors		13 532 454	13 758 777	12 779 469	
Other nonfinancial corporations (Industry)		6 385 367	6 533 804	5 839 948	
Other resident sectors (Households & BNPIH)		6 084 848	6 203 925	5 678 714	
Other sectors		1 062 240	1 021 048	1 260 807	
Broad Money Supply (M2)		17 111 153	17 131 384	14 788 251	
Narrow Money Supply (M1)		5 448 131	5 599 767	4 960 267	
Currency outside depository corporations (E)		669 737	698 082	693 107	
Transferable (Demand) deposits		4 778 394	4 901 685	4 267 160	
Quasi Money		11 663 021	11 531 617	9 827 984	
Savings Deposits		1 616 488	1 601 944	1 799 792	
Time Deposits		10 046 534	9 929 674	8 028 192	
Shares and Other Equity		6 972 131	5 370 246	5 022 907	
Central Of Swaziland		3 010 422	1 463 872	1 342 328	
Other Depository Corporations		3 961 709	3 906 374	3 680 579	
Other Items (net)		-2 118 074	-433 987	-934 335	
GROSS OFFICIAL RESERVES		Nov-17	Oct-17	Sep-17	Oct-16
		Amount	Amount	Amount	Amount
		(E'000)	(E'000)	(E'000)	(E'000)
Total Official (Gross) - Emlangeni E		7 899 200	8 476 361	7 183 709	8 165 597
Special Drawing Rights (SDR)		409 103	427 294	377 329	438 546
Central Bank		7 899 200	8 476 361	7 183 709	8 165 597
Government		409 103	26 243	26 243	26 745
Import Cover (Reserves to months of estimated imports)		3.8	4.1	3.5	3.8
Net Bank Holdings			2 194 298	2 093 531	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.					