



Monthly Statistical Release

January/February 2024



CENTRAL BANK
OF ESWATINI
Umntsholi Wemaswati



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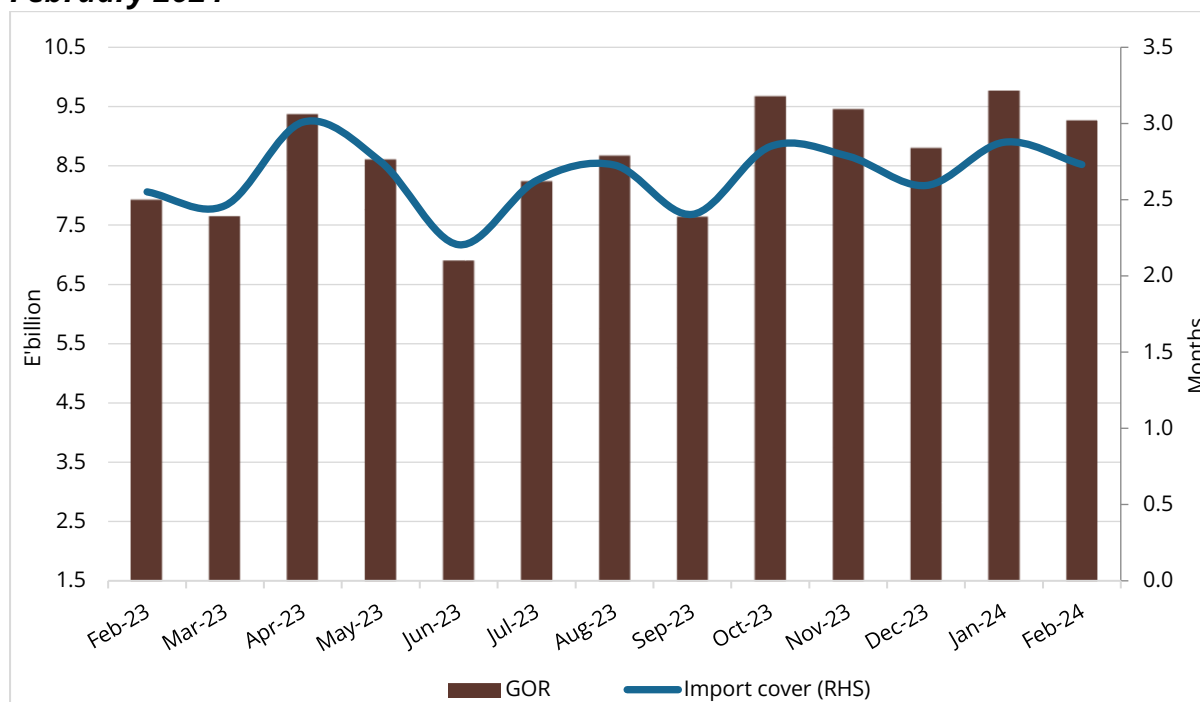


HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
Preliminary gross official reserves stood at E9.3 billion at the end of February 2024, down 5.1 per cent month-on-month and up 16.9 per cent year-on-year.	5.1 ▼	16.9 ▲
Credit extended to the private sector declined by 2.2 per cent month-on-month and grew by 7.8 per cent from the previous year to settle at E18.7 billion in January 2024.	2.2 ▼	7.8 ▲
Broad money supply (M2) amounted to E23.2 billion in January 2024, reflecting a decline of 1.1 per cent month-on-month and an increase of 12.2 per cent year-on-year.	1.1 ▼	12.2 ▲
Domestic liquid assets declined by 4.5 per cent month-on-month and rose by 2.2 per cent year-on-year to close at E7.6 billion at the end of January 2024.	4.5 ▼	2.2 ▲
	PER CENT	
Discount rate: The discount rate stood at 7.50 per cent in February 2024.	7.50	
Prime lending rate: The commercial banks' prime lending rate stood at 11.00 per cent in February 2024.	11.00	

Preliminary data indicates that gross official reserves declined by 5.1 per cent month-on-month and increased by 16.9 per cent year-on-year to reach E9.3 billion at the end of February 2024. The month-on-month fall was largely due to the net outflow of Rands from trades with commercial banks, in line with the country's import bill. At this level, the reserves were sufficient to cover an estimated 2.7 months of imports of goods and services, slightly lower than the 2.9 months recorded in January 2024.

Valued in special drawing rights (SDR), gross official reserves stood at SDR363.0 million at the end of February 2024, reflecting a decline of 7.0 per cent month-on-month and an increase of 11.9 per cent year-on-year.

Figure 1: Gross Official Reserves (GOR) and Import Cover; February 2023 to February 2024

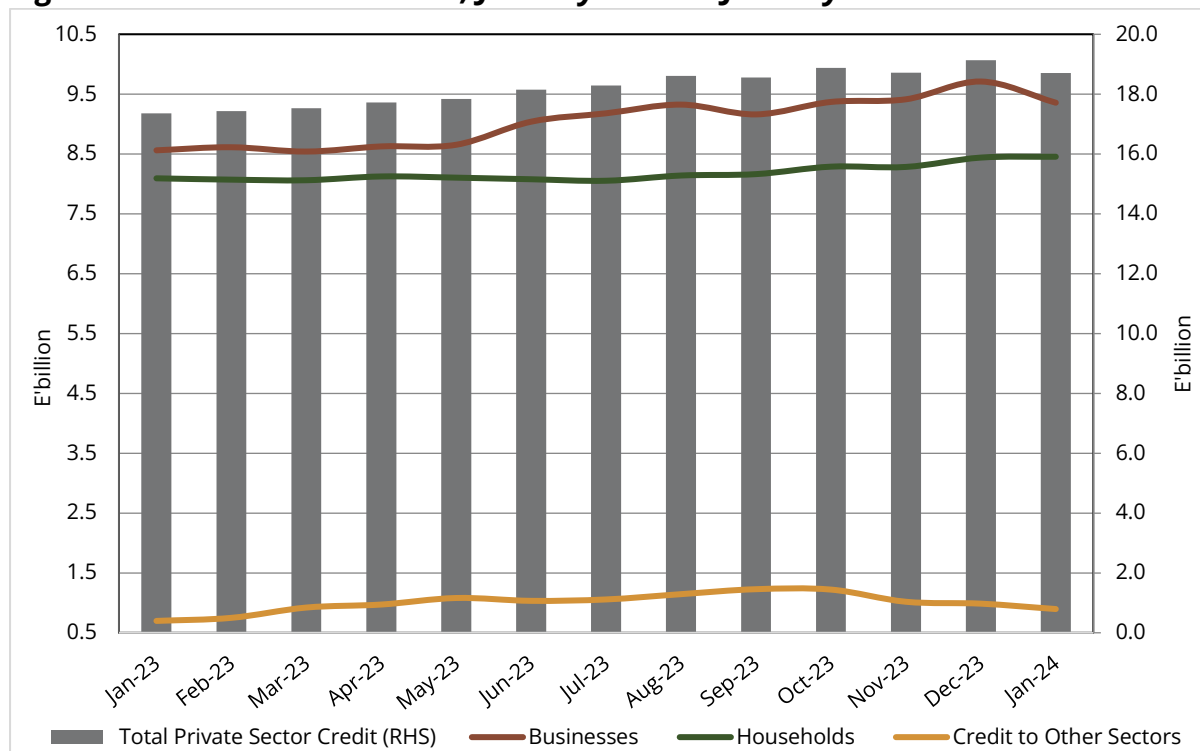


Source: Central Bank of Eswatini

Credit extended to the private sector declined by 2.2 per cent from the previous month but grew by 7.8 per cent relative to the previous year to close at E18.7 billion at the end of January 2024. The month-on-month contraction in private sector credit was driven by credit to other sectors of the economy as well as the

business sector. Credit to households & non-profit institutions serving households (NPISH), on the other hand, improved over the review month.

Figure 2: Private Sector Credit; January 2023 to January 2024



Source: Central Bank of Eswatini & Other Depository Corporations

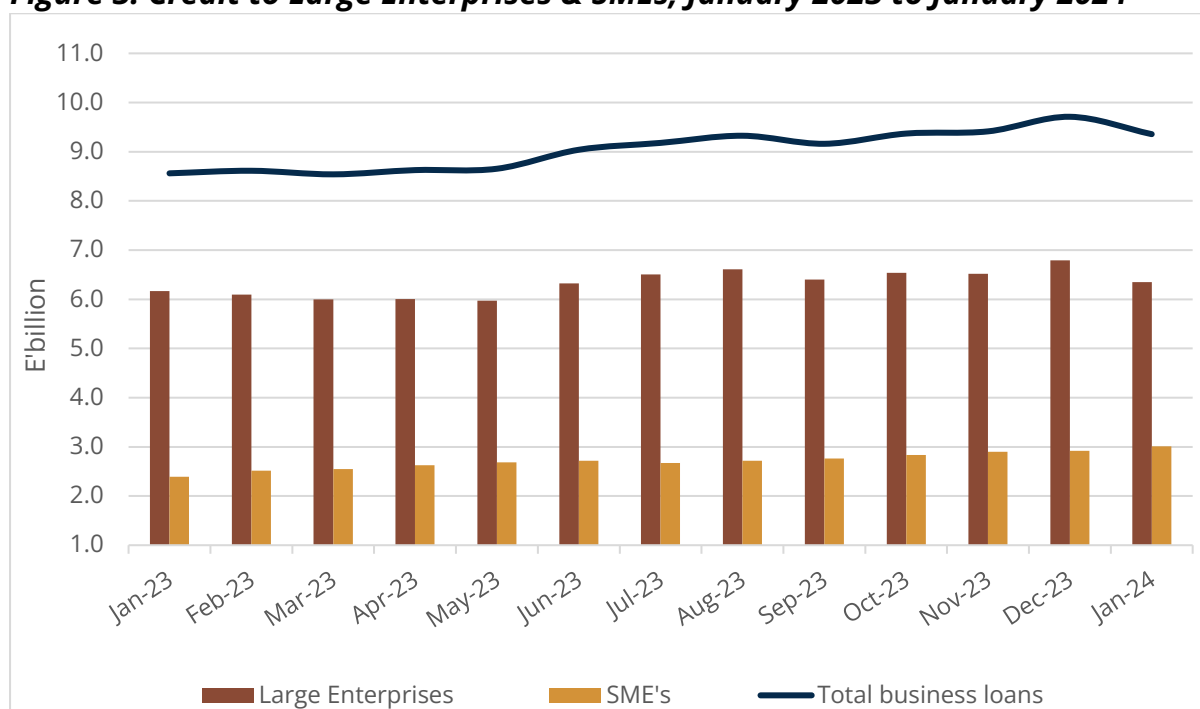
Credit extended to other sectors of the economy decreased by 9.1 per cent month-on-month and rose by 28.4 per cent year-on-year to settle at E896.6 million at the end of January 2024. Responsible for the month-on-month contraction was lower credit towards other financial corporations and local government. Credit to other financial corporations fell by 16.0 per cent to E508.2 million whilst credit to local government receded by 4.7 per cent to E80.5 million. However, credit to public nonfinancial corporations improved over the review month, rising by 3.6 per cent to reach E307.9 million.

Credit extended to businesses decreased by 3.6 per cent month-on-month and rose by 9.3 per cent year-on-year to close at E9.4 billion at the end of January 2024. The month-on-month contraction in credit to businesses emanated from reduced credit to the following subsectors: distribution & tourism (-18.5 per cent),

construction (-3.1 per cent), mining & quarrying (-1.7 per cent) and manufacturing (-1.3 per cent). The fall was partly offset by increased credit to real estate (3.9 per cent), community, social & personal services (3.1 per cent), agriculture & forestry (3.0 per cent), as well as transport & communication (1.1 per cent).

A breakdown of credit to businesses by size indicates that credit to large enterprises contracted by 6.5 per cent month-on-month but grew by 2.9 per cent year-on-year to settle at E6.3 billion at the end of January 2024. However, credit to small & medium enterprises (SMEs) expanded by 3.1 per cent month-on-month and an impressive 25.7 per cent year-on-year to reach E3.0 billion at the end of January 2024.

Figure 3: Credit to Large Enterprises & SMEs; January 2023 to January 2024

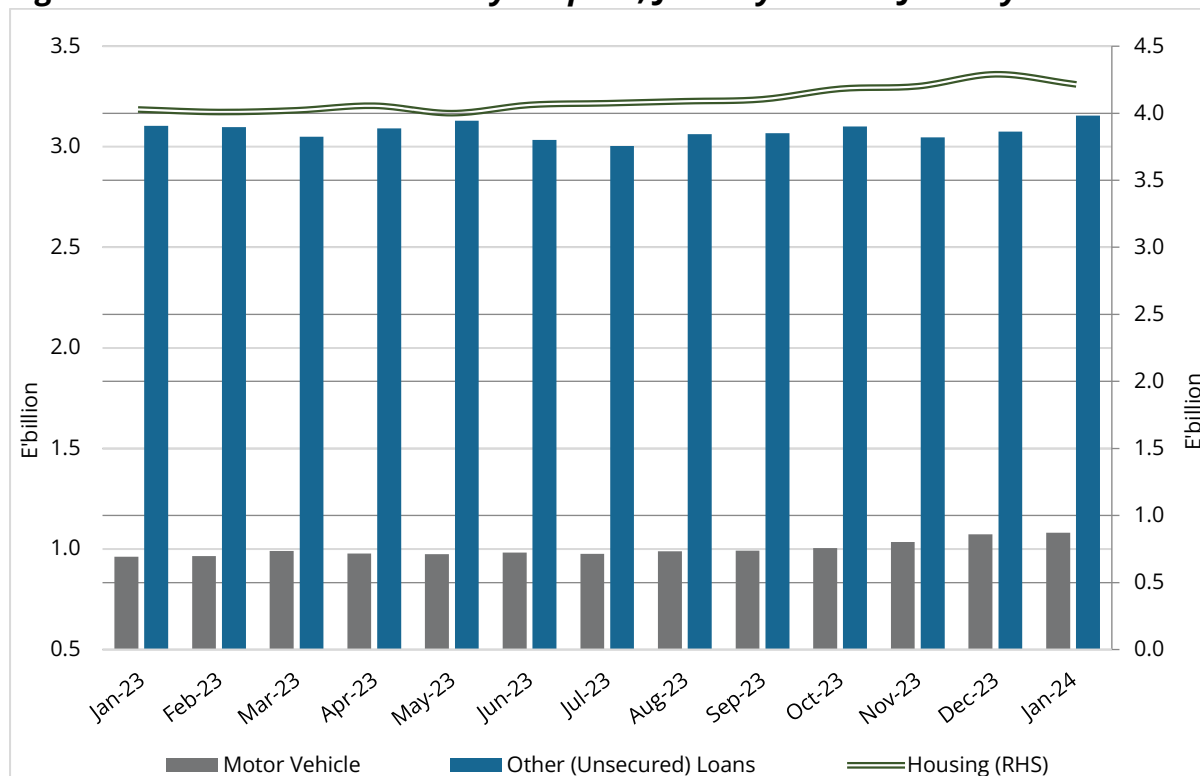


Source: Central Bank of Eswatini & Other Depository Corporations

Credit extended to households & NPISH amounted to E8.5 billion at the end of January 2024, reflecting an increase of 0.2 per cent month-on-month and 4.5 per cent year-on-year. The month-on-month improvement was driven by other personal (unsecured) and motor vehicle loans, which grew by 2.5 per cent to E3.2 billion and 0.8 per cent to E1.1 billion, respectively. However, housing loans

recorded a decline of 1.7 per cent to close at E4.2 billion at the end of January 2024.

Figure 4: Credit to Households by Purpose; January 2023 to January 2024



Source: Central Bank of Eswatini & Other Depository Corporations

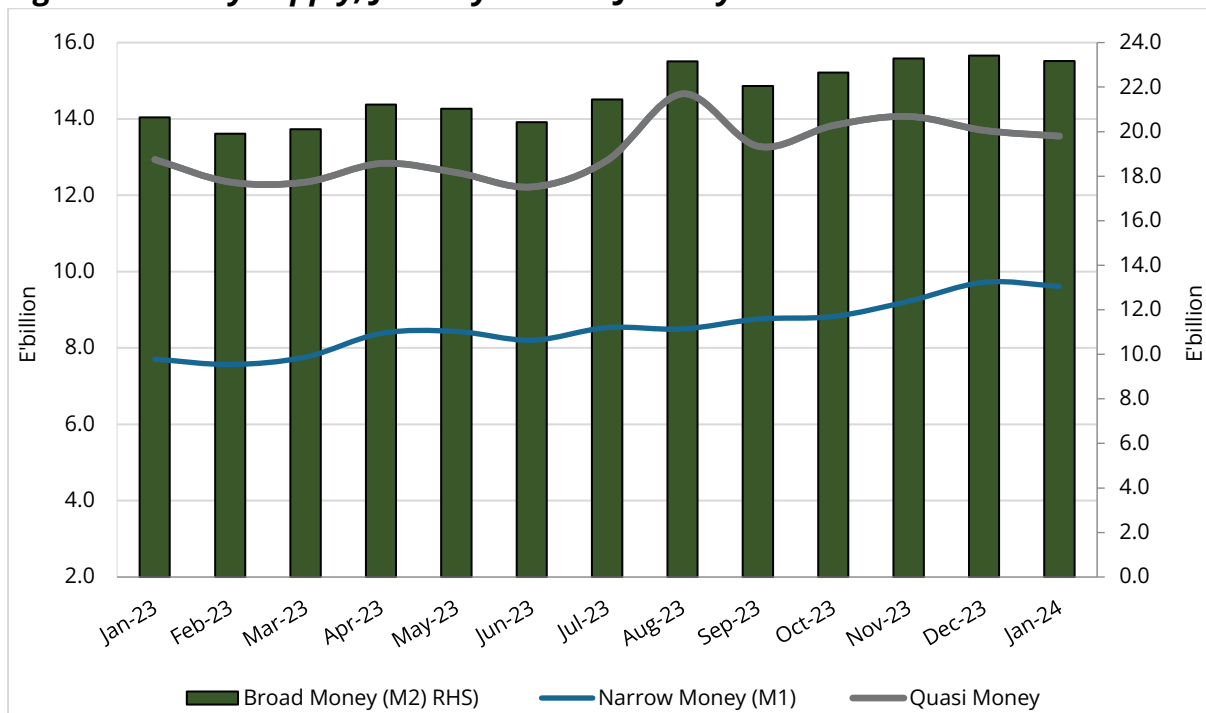
Net claims on government by the banking sector stood at E1.6 billion at the end of January 2024, reflecting a decline of 36.5 per cent month-on-month and 24.8 per cent year-on-year. This development was driven by a 15.6 per cent decrease in claims against government to E6.5 billion, on account of the repayment of the advance from the Central Bank. Government deposits fell by 5.0 per cent to E4.8 billion due to the payment of budgetary commitments.

Broad money supply (M2) decreased by 1.1 per cent month-on-month, however, was up 12.2 per cent year-on-year to close at E23.2 billion at the end of January 2024, in line with the levelling off, of deposits related to the festive season and the fall in private sector credit. The month-on-month decline was observed across both its components, namely, quasi money supply and narrow money supply.

Quasi money supply declined by 1.1 per cent month-on-month and grew by 4.7 per cent year-on-year to settle at E13.5 billion at the end of January 2024, as both its components receded. Savings deposits shrank by 4.5 per cent to E2.0 billion whilst time deposits contracted by a lesser 0.5 per cent to E11.5 billion.

Narrow money supply (M1) amounted to E9.6 billion at the end of January 2024, reflecting a month-on-month contraction of 1.1 per cent and a year-on-year increase of 24.7 per cent. The month-on-month fall in M1 was driven by Emalangenzi outside depository corporations, which declined by 17.9 per cent to E709.7 million. In contrast, transferable (demand) deposits improved by 0.6 per cent to E8.9 billion.

Figure 5: Money Supply; January 2023 to January 2024

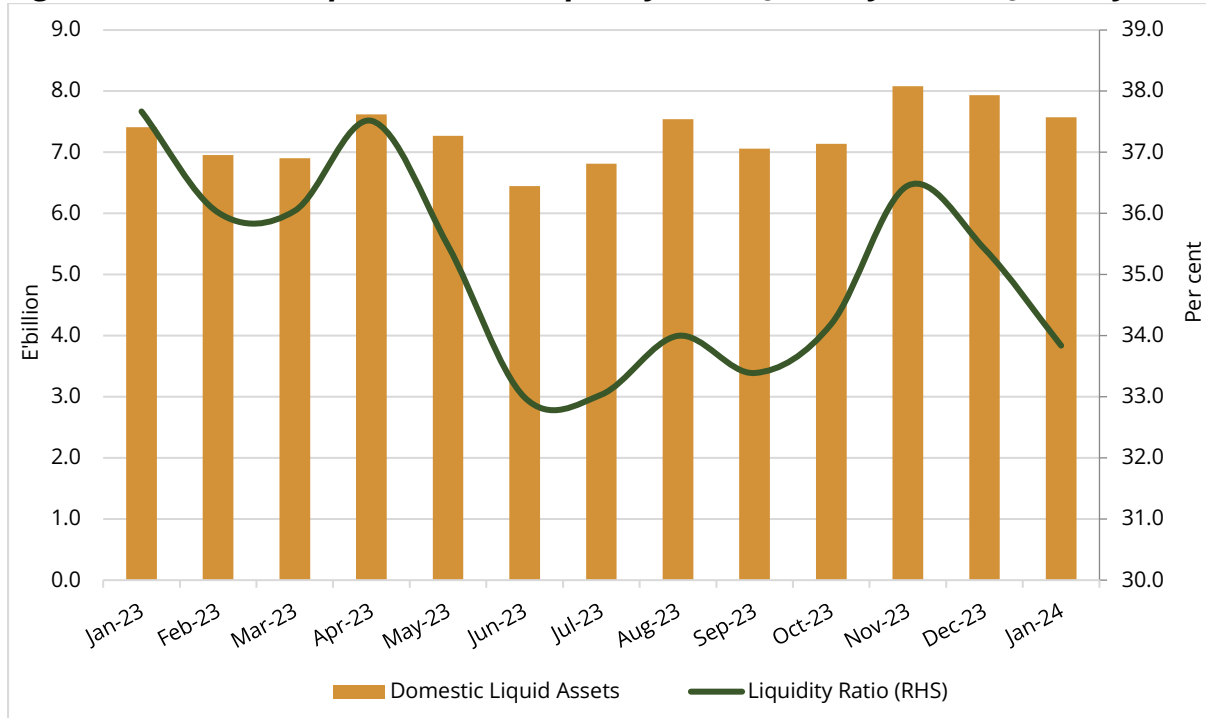


Source: Central Bank of Eswatini & Other Depository Corporations

The liquidity position of the banking industry worsened over the review month with domestic liquid assets falling by 4.5 per cent from the previous month but 2.2 per cent higher compared to the previous year to settle at E7.6 billion at the end of January 2024. The month-on-month fall in domestic liquid assets was

largely driven by reduced holdings of Government securities as well as the banks' balances held with the Central Bank. Resultantly, the liquidity ratio fell from 35.4 per cent in December 2023 to 33.8 per cent at the end of January 2024.

Figure 6: Domestic Liquid Assets & Liquidity Ratio; January 2023 to January 2024



Source: Central Bank of Eswatini & Other Depository Corporations

RELEASE OF MONEY AND BANKING STATISTICS			
	<i>Jan-24</i>	<i>Dec-23</i>	<i>Jan-23</i>
<i>ITEM</i>	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>
	<i>(E'000)</i>	<i>(E'000)</i>	<i>(E'000)</i>
CENTRAL BANK OF ESWATINI			
Claims on Non-residents	11,553,720	10,591,411	10,483,950
Claims on Domestic Economy	2,273,050	3,236,072	2,217,721 *
Government	2,209,011	3,172,349	2,181,931
Other Depository Corporations	2,082	2,082	2,082
Other Resident Sectors	61,957	61,641	33,709
Other Assets	641,922	644,612	533,702
Total Assets/Liabilities	14,468,693 *	14,472,095	13,235,374 *
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBE	3,519,774	3,694,219	2,866,909
Net Balances with Banks Outside Eswatini	3,137,408	2,417,810	1,161,816
Loans and advances	18,318,874	18,663,897	17,051,652
Government Securities			
	4,200,306	4,428,537	4,771,787 *
Treasury Bills	1,643,686	1,669,063	2,214,619
Government Bonds	2,556,620	2,759,474	2,557,167
Other	-	-	-
Total Deposits	24,438,402	24,641,135	21,919,884 *
Transferable/Demand	9,376,959	9,507,724	7,443,528
Savings	2,070,179	2,163,285	1,918,222
Time	12,991,264	12,970,126	12,558,135
Capital and Reserves	5,534,565	5,445,556	5,104,926
Total Assets/Liabilities	34,098,822	34,165,863	31,102,946
Total Liquid Assets (Banks only)	7,573,000	7,933,830	7,411,009
Required Liquidity (Banks only)	4,886,591	4,890,851	4,294,850
Surplus/ Deficiency (-) (Banks only)	2,686,409	3,042,979	3,116,158 *
RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	33.8	35.4	37.7
Loans and Advances to Deposits	75.0	75.7	77.8

DEPOSITORY CORPORATIONS SURVEY	DEPOSITORY CORPORATIONS SURVEY	Jan-24	Dec-23	Jan-23	
Net Foreign Assets (E)		9,984,049	8,309,859	8,010,243 *	
Net Official Assets		6,680,959 *	5,716,967	6,317,457	
Foreign Assets - Central Bank of Eswatini		11,579,963	10,617,653	10,510,193	
Foreign Liabilities - Central Bank of Eswatini		4,899,005	4,900,686	4,192,736	
Net Other Depository Corporations Foreign holdings (ODC)		3,303,090	2,592,892	1,692,787	
Foreign Assets - ODC		5,390,831	4,800,808	4,184,372	
Foreign Liabilities - ODC		2,087,741	2,207,916	2,491,585	
Net Foreign Assets (SDR)		399,362	332,394	341,236	
Net Domestic Claims		20,352,006	21,726,349	19,538,525	
Net Claims on Government		1,644,681	2,589,648 *	2,186,100	
Claims on Central Government		6,466,674	7,665,130	6,996,606	
Government Deposits		4,821,993	5,075,481	4,810,506	
Claims on other sectors		18,707,325	19,136,701	17,352,424 *	
Other nonfinancial corporations (Industry)		9,356,811	9,710,507	8,560,887	
Other resident sectors (Households & NPISH)		8,453,964	8,439,604	8,093,369	
Other sectors		896,550	986,590	698,169	
Broad Money Supply (M2)		23,164,162	23,420,877	20,643,375	
Narrow Money Supply (M1)		9,615,729	9,721,397	7,708,069	
Currency outside depository corporations (E)		709,680	864,734	674,106	
Transferable (demand) deposits		8,906,049	8,856,663	7,033,963	
Quasi Money		13,548,433	13,699,480	12,935,306 *	
Savings Deposits		2,010,406	2,104,189	1,867,360	
Time Deposits		11,538,027	11,595,291	11,067,945	
		11,177,301			
Shares and Other Equity		8,516,340	7,898,257	7,974,764	
Central Bank Of Eswatini		2,308,215	1,782,610	2,173,951	
Other Depository Corporations		6,208,125	6,115,647	5,800,813	
Other Items (net)		(1,344,447)	(1,282,925)	(1,069,371)	
GROSS OFFICIAL RESERVES					
	Feb-24	Jan-24	Dec-23	Jan-23	Feb-23
	Amount	Amount	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)	(E'000)	(E'000)
Total Official (Gross) - Emalangeni E	9,259,408	9,755,266	8,792,956	8,795,261	7,922,376
Special Drawing Rights (SDR)	362,969	390,211	351,718	374,678	324,422
Central Bank	9,259,408	9,755,266	8,792,956	8,795,261	7,922,376
Government	26,243	26,243	26,243	26,243	26,243
Import Cover (reserves to months of estimated imports)	2.7	2.9	2.6	2.8	2.6
Net Bank Holdings		3,303,090	2,592,892	1,692,787	1,717,097

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.
- 7.*The figures of total assets/liabilities reflected in this table includes all assets/liabilities however, only selected assets/liabilities are listed in the table above.