

Monthly Statistical Release

APR / MAY 2022



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**CENTRAL BANK
OF ESWATINI**
Umntsholi Wemaswati

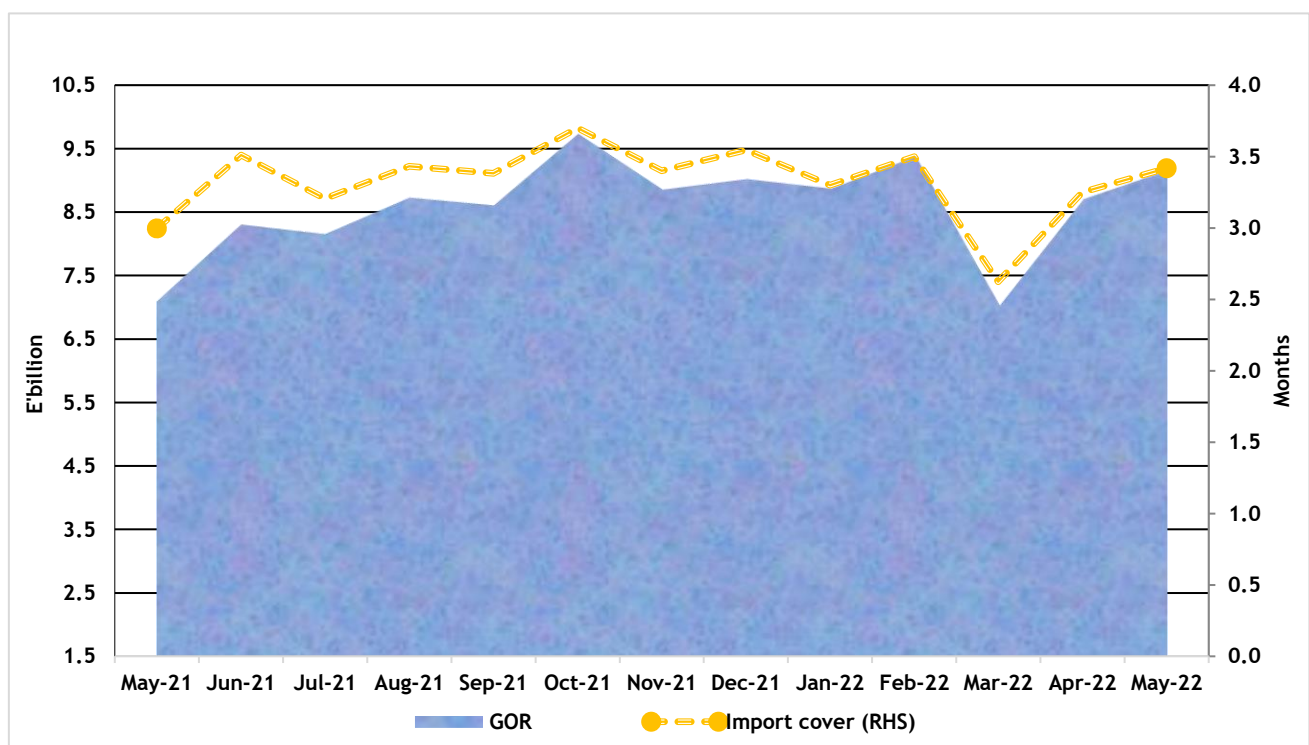


HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
Gross official reserves improved by 5.2 per cent month-on-month and 29.1 per cent year-on-year to reach E9.2 billion at the end of May 2022.	5.2 ▲	29.1 ▲
Credit extended to the private sector increased by 1.5 per cent month-on-month and 4.8 per cent year-on-year to E16.1 billion at the end of April 2022.	1.5 ▲	4.8 ▲
Broad money supply (M2) amounted to E19.9 billion at the end of April 2022, reflecting an expansion of 3.0 per cent month-on-month and a decline of 5.2 per cent year-on-year.	3.0 ▲	5.2 ▼
Domestic liquid assets grew by 4.8 per cent from March 2022 and decreased by 10.7 per cent over the year to close at E7.7 billion at the end of April 2022.	4.8 ▲	10.7 ▼
	PER CENT	
Discount rate: The Central Bank raised the discount rate by 50 basis points to 4.5 per cent in May 2022.		4.50
Prime lending rate: Commercial banks also raised their prime lending rate by 50 basis points to 8.0 per cent in May 2022.		8.00
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Gross official reserves increased by 5.2 per cent between April and May 2022 and by 29.1 per cent year-on-year to close at E9.2 billion at the end of May 2022. Growth in reserves was mainly boosted by the inflow of loans from World Bank and African Development Bank for government budget support over the review month. Consequently, the import cover improved slightly from 3.3 month in April 2022 to 3.4 months at the end of May 2022.

Valued in special drawing rights (SDR), gross official reserves stood at SDR433.7 million at the end of May 2022, higher by 6.1 per cent month-on-month and 21.5 per cent over the year.

Figure 1: Gross Official Reserves (GOR) and Import Cover; May 2021 to May 2022

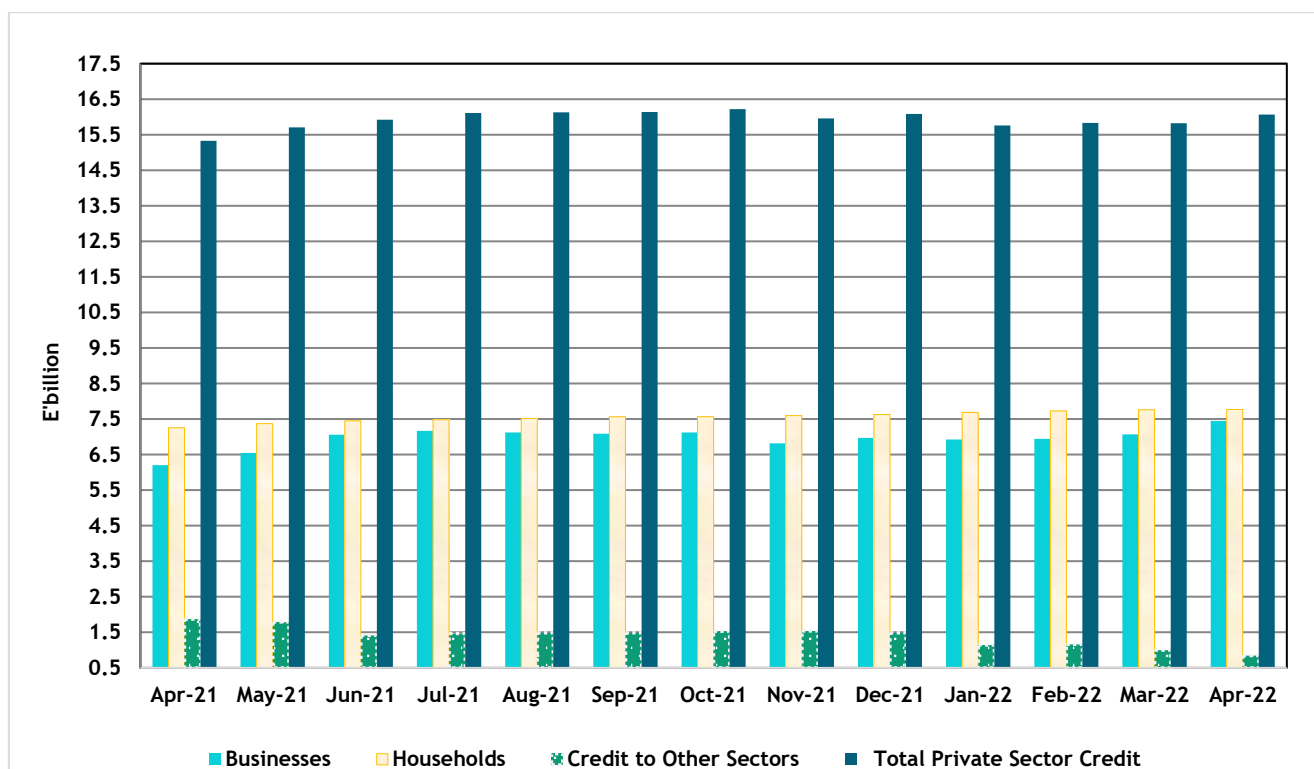


Source: Central Bank of Eswatini

* Please note that gross official reserve figures may change after the Central Bank of Eswatini closes month-end accounts.

Credit extended to the private sector grew by 1.5 per cent month-on-month and 4.8 per cent year-on-year to close at E16.1 billion at the end of April 2022. Accounting for the rise in credit to the private sector was credit to businesses and households & non-profit institutions serving households (NPISH), whilst credit to other sectors decreased.

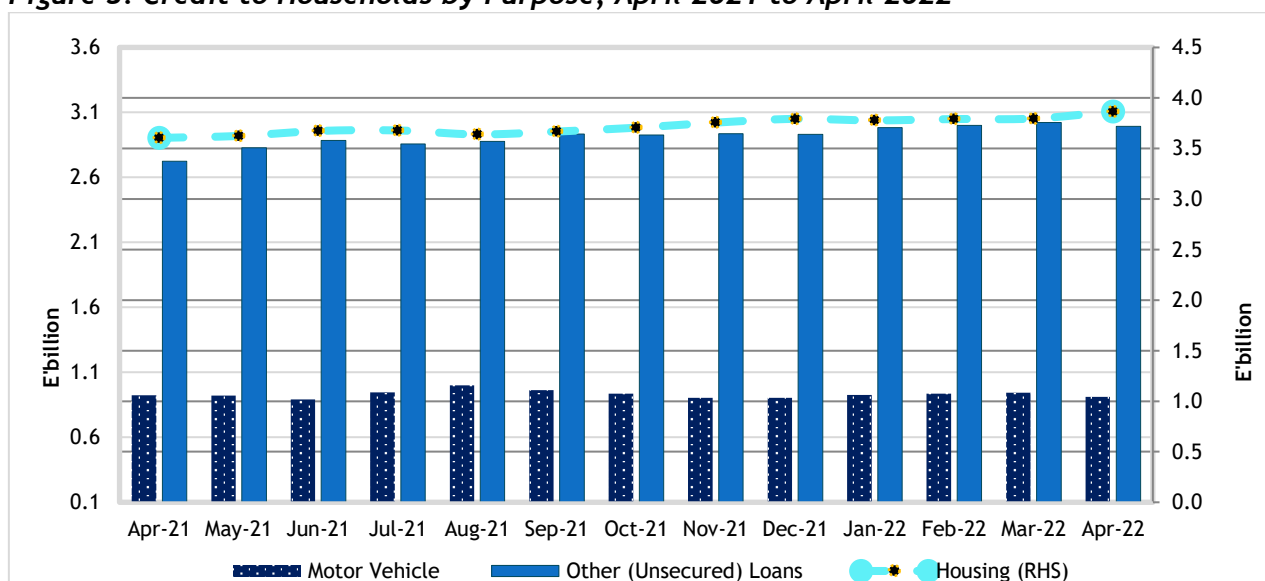
Figure 2: Private Sector Credit; April 2021 to April 2022



Source: Central Bank of Eswatini & Other Depository Corporations

Credit extended to businesses stood at E7.5 billion at the end of April 2022, reflecting an increase of 5.4 per cent over the month and 20.2 per cent relative to the previous year. Contributing to the growth in credit to businesses were all its subsectors, namely; agriculture & forestry (17.7 per cent), manufacturing (8.9 per cent), community social & personal services (4.2 per cent), real estate (4.1 per cent), construction (3.5 per cent), transport & communications (1.1 per cent), distribution & tourism (0.8 per cent) as well as mining & quarrying (0.2 per cent).

Credit extended to households & NPISH grew by 0.1 per cent month-on-month and 7.1 per cent year-on-year to E7.8 billion at the end of April 2022, due to housing loans. Housing loans rose by 1.8 per cent over the month to reach E3.9 billion. Motor vehicle loans and other personal (unsecured) loans however, fell by 3.5 per cent to E910.7 million and 1.0 per cent to E3.0 billion, respectively.

Figure 3: Credit to Households by Purpose; April 2021 to April 2022

Source: Central Bank of Eswatini & Other Depository Corporations

Credit extended to other sectors amounted to E846.1 million at the end of April 2022, lower by 15.0 per cent from March 2022 and 54.9 per cent from April 2021. The contraction was observed in credit to other financial corporations, which fell by 23.4 per cent over the review month. Credit to local government and public nonfinancial corporations, on the other hand, improved by 11.3 per cent and 3.6 per cent, respectively.

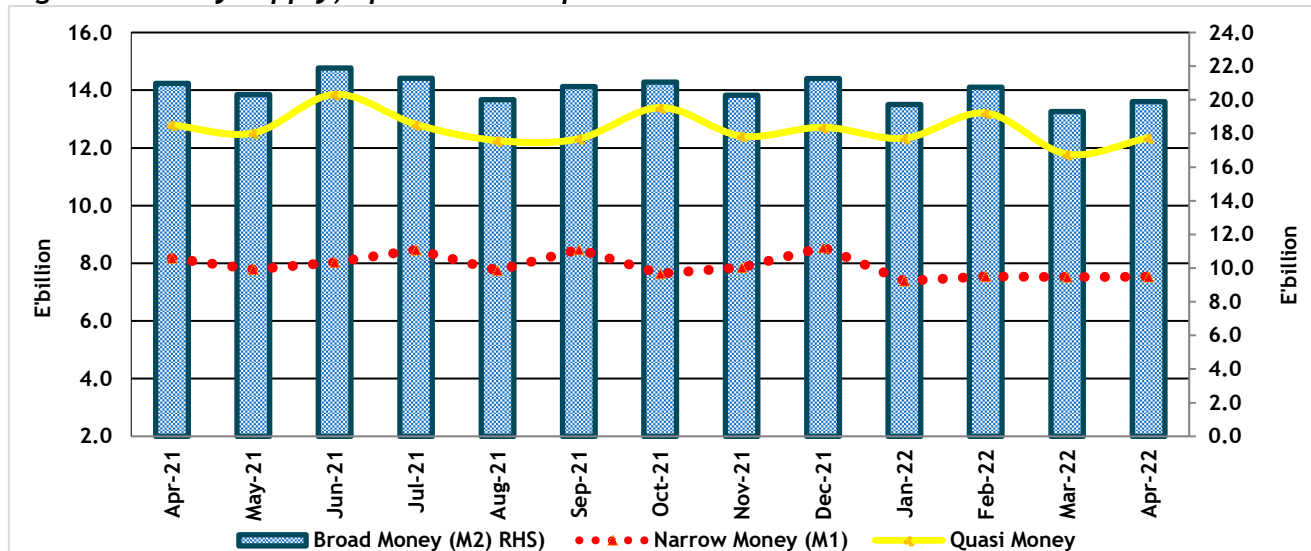
Net claims on government with the banking sector stood at E1.9 billion at the end of April 2022, reflecting a contraction of 34.7 per cent month-on-month. The reduction in net claims on government was mainly attributed to government's payment of the Central Bank advance over the month under review. Consequently, claims on government contracted by 10.5 per cent month-on-month. Government deposits on the other hand, depicted an improvement of 4.6 per cent relative to March 2022, due to the quarterly inflow of Southern African Customs Union (SACU) revenues at the beginning of April 2022.

Broad money supply (M2) grew by 3.0 per cent from the previous month and fell by 5.2 per cent year-on-year to settle at E19.9 billion at the end of April 2022. The month-on-month rise in M2 was driven by both components, quasi money supply and narrow money supply (M1).

Quasi money supply amounted to E12.4 billion at the end of April 2022, higher by 4.9 per cent month-on-month, but fell by 3.4 per cent year-on-year. The month-on-month expansion was registered in both time and savings deposits, which grew by 5.0 per cent to E10.4 billion and 4.0 per cent to E2.0 billion, respectively.

M1 grew by 0.2 per cent from March 2022 and fell by 7.9 per cent compared to the previous year to close at E7.5 billion at the end of April 2022, driven by transferable (demand) deposits. As a result, transferable (demand) deposits grew by 0.4 per cent month-on-month to settle at E6.8 billion. Emalangenzi outside depository corporations, however, receded by 2.0 per cent to E742.6 million at the end of April 2022.

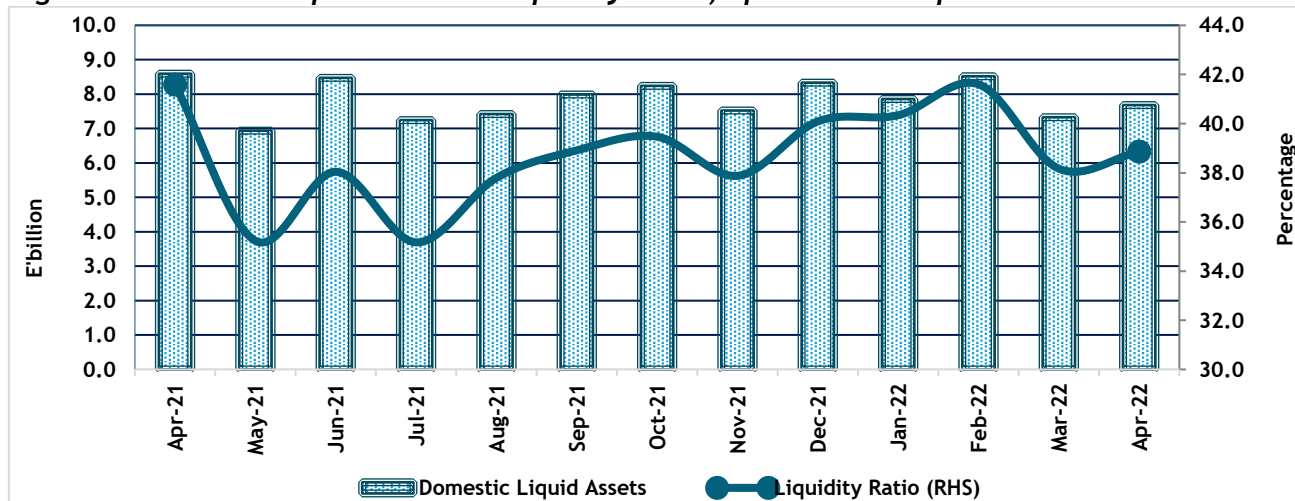
Figure 4: Money Supply; April 2021 to April 2022



Source: Central Bank of Eswatini & Other Depository Corporations

Banks' liquid assets increased by 4.8 per cent from March 2022, however, over the year decreased by 10.7 per cent to reach E7.7 billion at the end of April 2022. Responsible for the month-on-month rise in banks' liquid assets was mainly a rise in the banks' balances held with the Central Bank. Consequently, the banks' liquidity ratio grew marginally from 38.2 per cent in March 2022 to 38.9 per cent at the end of April 2022.

Figure 5: Domestic Liquid Assets & Liquidity Ratio; April 2021 to April 2022



Source: Central Bank of Eswatini & Other Depository Corporations

RELEASE OF MONEY AND BANKING STATISTICS

ITEM	Apr-22	Mar-22	Apr-21
	Amount (E'000)	Amount (E'000)	Amount (E'000)
CENTRAL BANK OF ESWATINI			
Claims on Non-residents	10,229,604	8,475,407	10,823,783
Claims on Domestic Economy	2,204,374	3,092,767	1,882,748
Government	2,171,507	3,059,180	1,849,115
Other Depository Corporations	1,652	2,082	2,512
Other Resident Sectors	31,215	31,505	31,121
Other Assets	- 4,403,452	543,730	723,873
Total Assets/Liabilities	8,030,526	12,111,905 *	13,430,404
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBE	3,369,518	3,045,209	4,141,377
Net Balances with Banks Outside Eswatini	1,654,342	1,854,560	2,344,000
Loans and advances	15,653,331	15,232,089	14,103,863
Government Securities	4,708,739	4,661,548	4,738,678
Treasury Bills	2,393,754	2,351,557	2,677,937
Government Bonds	2,314,985	2,309,991	2,060,740
Other	-	-	-
Total Deposits	21,415,011 *	20,935,149 *	22,870,449
Transferable/Demand	7,237,836	7,188,791	7,962,107
Savings	2,113,157	2,018,196	1,973,672
Time	12,064,019	11,728,163	12,934,670
Capital and Reserves	4,731,680	4,757,358	4,389,753
Total Assets/Liabilities	28,801,345	28,106,883	29,560,321
Total Liquid Assets (Banks only)	7,678,791	7,327,809	8,598,184
Required Liquidity (Banks only)	3,905,355	3,794,900	4,097,824
Surplus/ Deficiency (-) (Banks only)	3,773,437 *	3,532,910 *	4,500,360
RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	38.9	38.2	41.6
Loans and Advances to Deposits	73.1	72.8	61.7

DEPOSITORY CORPORATIONS SURVEY		Apr-22	Mar-22	Apr-21	
Net Foreign Assets (E)		8,862,400	7,259,118	11,142,335	
Net Official Assets		6,434,928	4,813,905	8,014,089	
Foreign Assets - Central Bank of Eswatini		10,255,847	8,501,650	10,850,025	
Foreign Liabilities - Central Bank of Eswatini		3,820,919	3,687,745	2,835,936	
Net Other Depository Corporations Foreign holdings (ODC)		2,427,472 *	2,445,213 *	3,128,245 *	
Foreign Assets - ODC		2,880,785	2,847,112	3,652,763	
Foreign Liabilities - ODC		453,314	401,898	524,518	
Net Foreign Assets (SDR)		416,533	359,327	535,947	
Net Domestic Claims		18,004,687 *	18,796,288	15,276,604	
Net Claims on Government		1,936,873	2,968,061 *	55,112	
Claims on Central Government		6,955,556	7,767,762	6,622,941	
Government Deposits		5,018,683	4,799,702	6,678,053	
Claims on other sectors		16,067,815	15,828,227 *	15,331,716 *	
Other nonfinancial corporations (Industry)		7,451,948	7,072,120	6,201,871	
Other resident sectors (Households & NPISH)		7,769,786	7,761,101	7,254,714	
Other sectors		846,081	995,007	1,875,132	
Broad Money Supply (M2)		19,889,355	19,301,739	20,971,710 *	
Narrow Money Supply (M1)		7,534,322	7,519,352	8,177,051	
Currency outside depository corporations (E)		742,614	757,919	831,460	
Transferable (demand) deposits		6,791,708	6,761,433	7,345,591	
Quasi Money		12,355,033	11,782,387 *	12,794,658	
Savings Deposits		1,999,147	1,921,845	1,915,671	
Time Deposits		10,355,886	9,860,541	10,878,987	
Shares and Other Equity		7,567,947	7,320,297	6,301,388	
Central Bank Of Eswatini		2,134,871	1,851,860	1,241,349	
Other Depository Corporations		5,433,075	5,468,437	5,060,039	
Other Items (net)		-590,214	-566,630	-854,159	
GROSS OFFICIAL RESERVES		May-22	Apr-22	Mar-22	Apr-21
		Amount	Amount	Amount	Amount
		(E'000)	(E'000)	(E'000)	(E'000)
Total Official (Gross) - Emalangeni E		9,150,080	8,699,005	7,022,111	9,345,026
Special Drawing Rights (SDR)		433,715	408,853	347,595	449,496
					357,099
Central Bank		9,150,080	8,699,005	7,022,111	9,345,026
Government		26,243	26,243	26,243	26,243
Import Cover (reserves to months of estimated imports)		3.4	3.3	2.6	4.0
					3.0
Net Bank Holdings		2,427,472	2,445,213	3,128,245	3,129,558

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.