

Monthly Statistical Release

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**CENTRAL BANK
OF ESWATINI**
Umntsholi Wemaswati

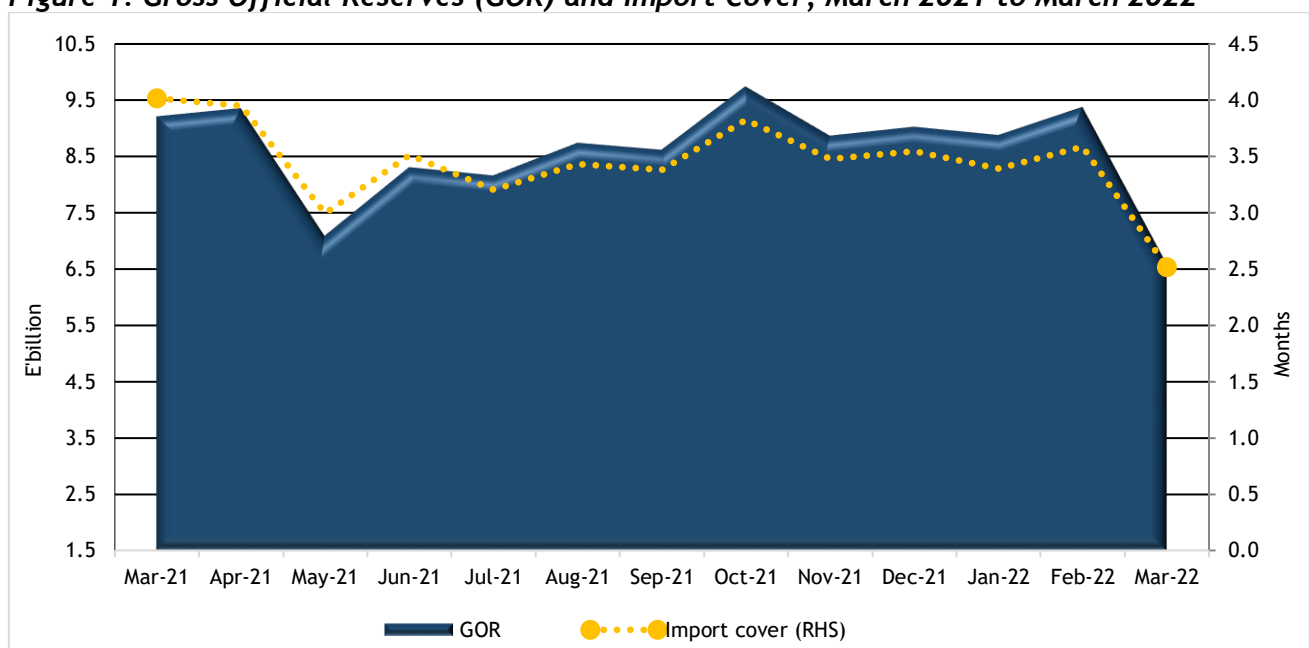


HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
Gross official reserves stood at E6.6 billion at the end of March 2022, lower by 29.8 per cent month-on-month and 28.5 per cent year-on-year.	29.8 ▼	28.5 ▼
Credit extended to the private sector increased by 0.5 per cent month-on-month and 1.7 per cent year-on-year to close at E15.8 billion at the end of February 2022.	0.5 ▲	1.7 ▲
Broad money supply (M2) amounted to E20.8 billion at the end of February 2022, reflecting an improvement of 5.2 per cent from January 2022 and a contraction of 1.2 per cent over the year.	5.2 ▲	1.2 ▼
Domestic liquid assets reached E8.5 billion at the end February 2022, expanding by 8.3 per cent month-on-month and 9.0 per cent year-on-year.	8.3 ▲	9.0 ▲
	PER CENT	
Discount rate: the discount rate was kept at 4.0 per cent in March 2022.	4.00	
Prime lending rate: the prime lending rate was also kept at 7.50 per cent in March 2022.	7.50	
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Gross official reserves stood at E6.6 billion at the end of March 2022, representing a decline of 29.8 per cent month-on-month and 28.5 per cent over the year. The notable reduction in reserves was mainly attributed to foreign currency outflows to commercial banks during the month under review. At this level, the reserves were lower than the international benchmark of 3 months as they were enough to cover 2.5 months of imports at the end of March 2022.

Valued in special drawing rights (SDR), the reserves amounted to SDR325.5 million at the end of March 2022, reflecting a decline of 26.4 per cent over the month and 26.0 per cent over the year.

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



Source: Central Bank of Eswatini

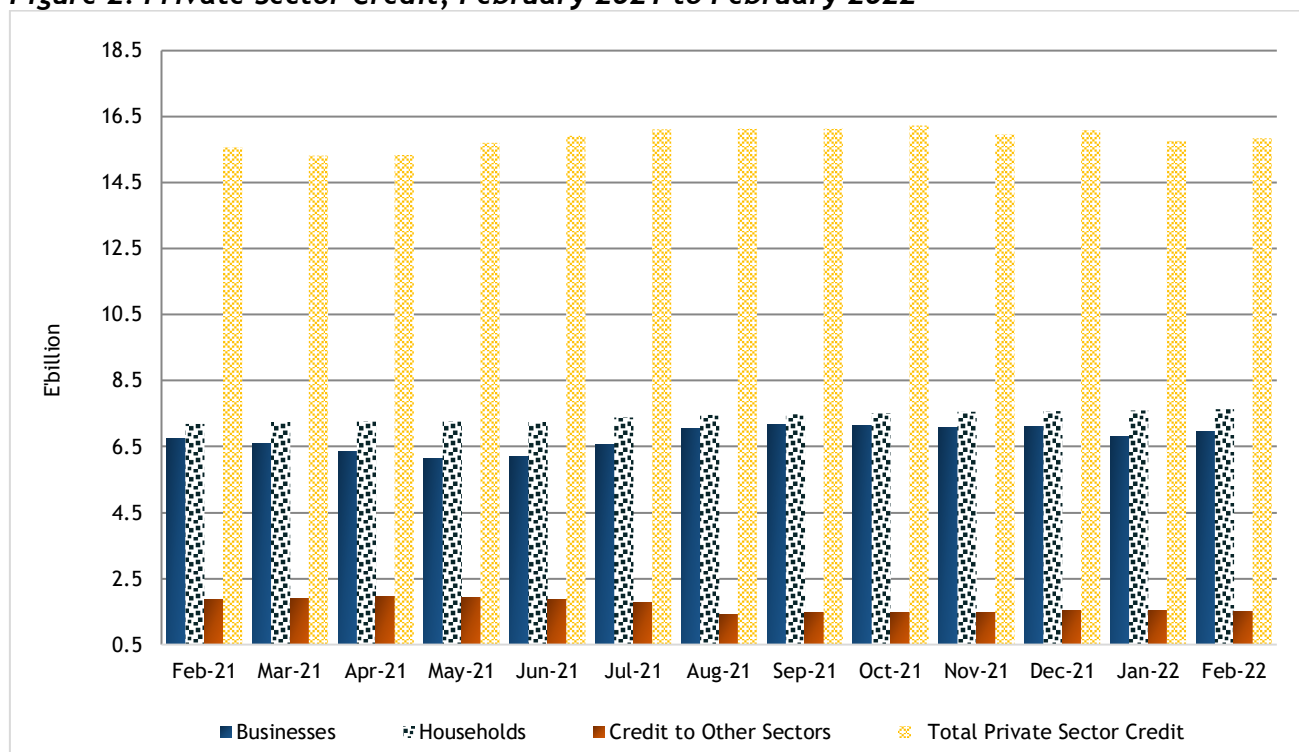
Credit extended to the private sector amounted to E15.8 billion at the end of February 2022, depicting an improvement of 0.5 per cent month-on-month and 1.7 per cent year-on-year. Growth in private sector credit was driven by all credit categories, namely credit to other sectors of the domestic economy, households & non-profit institutions serving households (NPISH) as well as businesses.

Credit to other sectors recorded an expansion of 1.4 per cent over the month under review and a contraction of 41.1 per cent at the end of February 2022. The month-on-month improvement was observed in credit to other financial corporations and public nonfinancial corporations, which rose by 1.54 per cent and 1.52 per cent, respectively. In contrast, credit to local government, decreased by 1.3 per cent month-on-month.

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

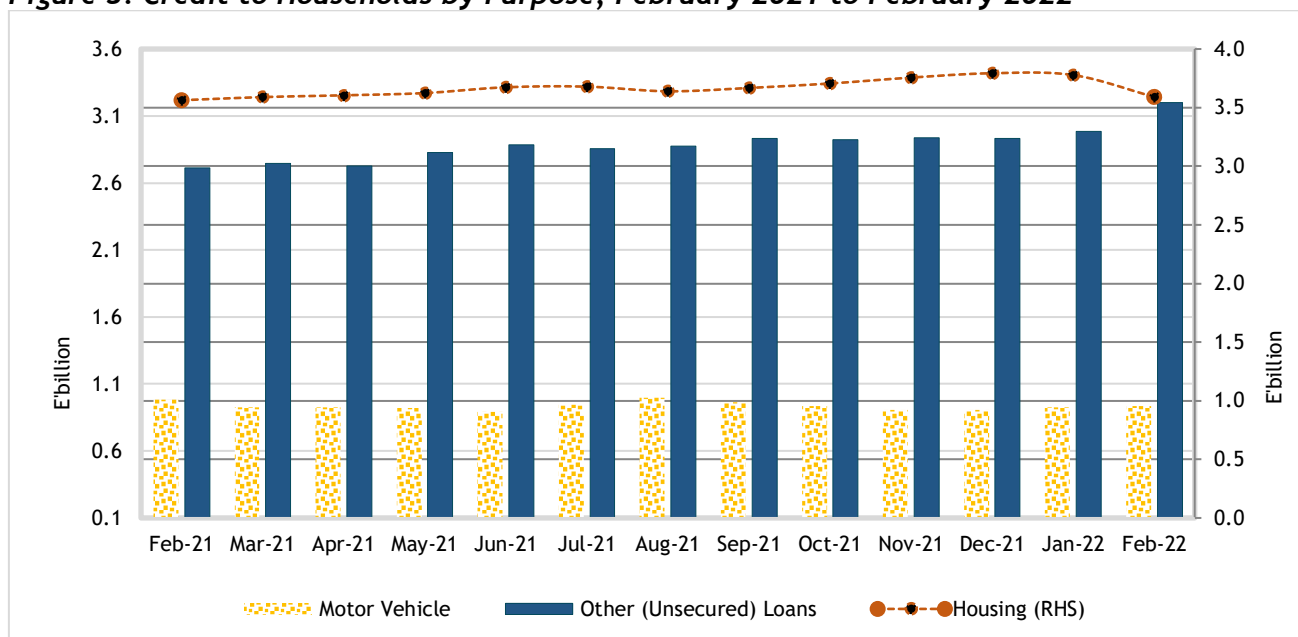
Credit extended to businesses grew by 0.2 per cent month-on-month and 9.6 per cent year-on-year to settle at E6.9 billion at the end of February 2022. Accounting for the increase in credit to businesses were the following subsectors; real estate (2.6 per cent), community, social & personal services (1.5 per cent), distribution & tourism (0.79 per cent) as well as manufacturing (0.77 per cent). This was on the back of declines in the following subsectors; agriculture & forestry (-7.7 per cent), mining & quarrying (-1.1 per cent), construction (0.6 per cent) as well as transport & communication (-0.3 per cent).

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



Source: Central Bank of Eswatini & Other Depository Corporations

Credit extended to households & NPISH stood at E7.7 billion at the end of February 2022, increasing by 0.5 per cent month-on-month and 6.5 per cent year-on-year. Growth in credit to households was observed in other personal (unsecured) loans and motor vehicle loans which rose by 7.3 per cent to E3.2 billion and 1.1 per cent to E935.5 million, respectively. Housing loans on the other hand, declined by 4.9 per cent over the month under review to settle at E3.6 billion.

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

Source: Central Bank of Eswatini & Other Depository Corporations

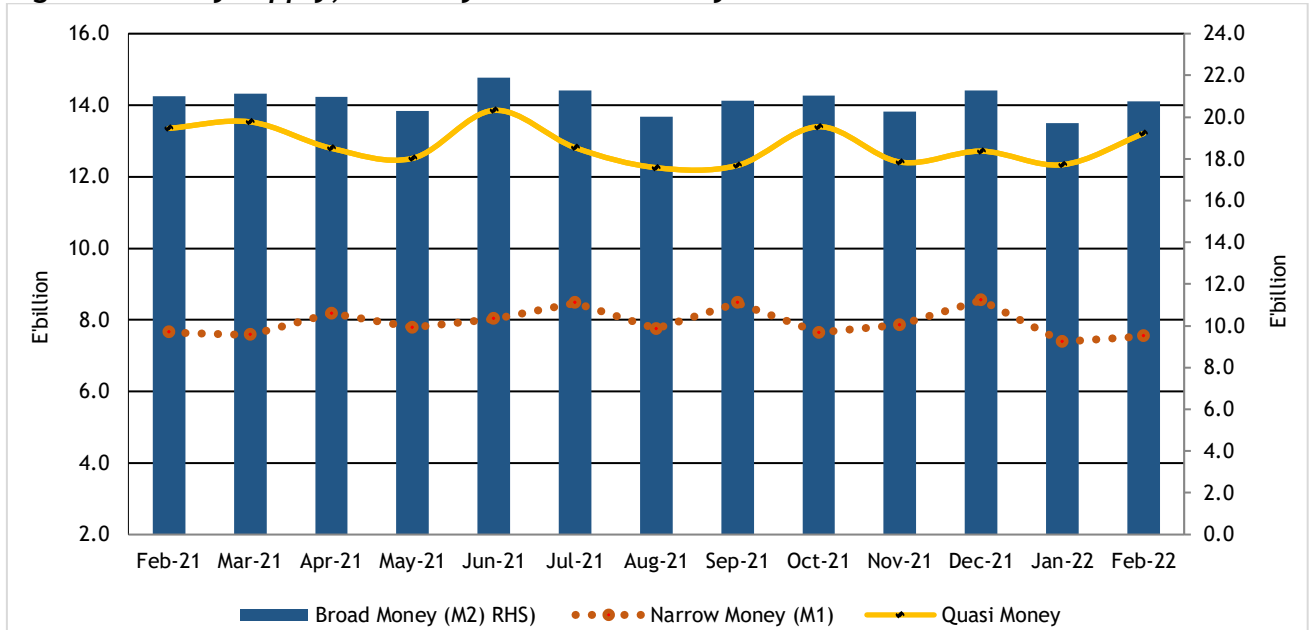
Net claims on government with the banking sector increased from E1.5 billion in January 2022 to E2.5 billion at the end of February 2022. Notably, claims on government rose by 6.8 per cent month-on-month to reach E7.4 billion at the end of February 2022, on account of an advance from the Central Bank. Government deposits on the other hand, fell by 9.4 per cent from the previous month to reach E5.0 billion at the end of February 2022.

Broad money supply (M2) stood at E20.8 billion at the end of February 2022, increasing by 5.2 per cent from January 2022, however, over the year, contracted by 1.2 per cent. The month-on-month growth was supported by both quasi money supply and narrow money supply (M1).

Quasi money supply amounted to E13.2 billion at the end of February 2022, higher by 7.1 per cent relative to the previous month, but over the year declined by 1.1 per cent. The month-on-month rise was driven by both components, time and savings deposits, which rose by 8.1 per cent to settle at E11.3 billion and 1.1 per cent to E1.9 billion, respectively.

M1 rose by 2.1 per cent month-on-month and decreased by 1.4 per cent year-on-year to settle at E7.5 billion at the end of February 2022, driven by both components, Emalangeni outside depository corporations and transferable (demand) deposits. As a result, Emalangeni outside depository corporations and transferable deposits, went up by 4.6 per cent to E791.1 million and 1.8 per cent to E6.8 billion, respectively.

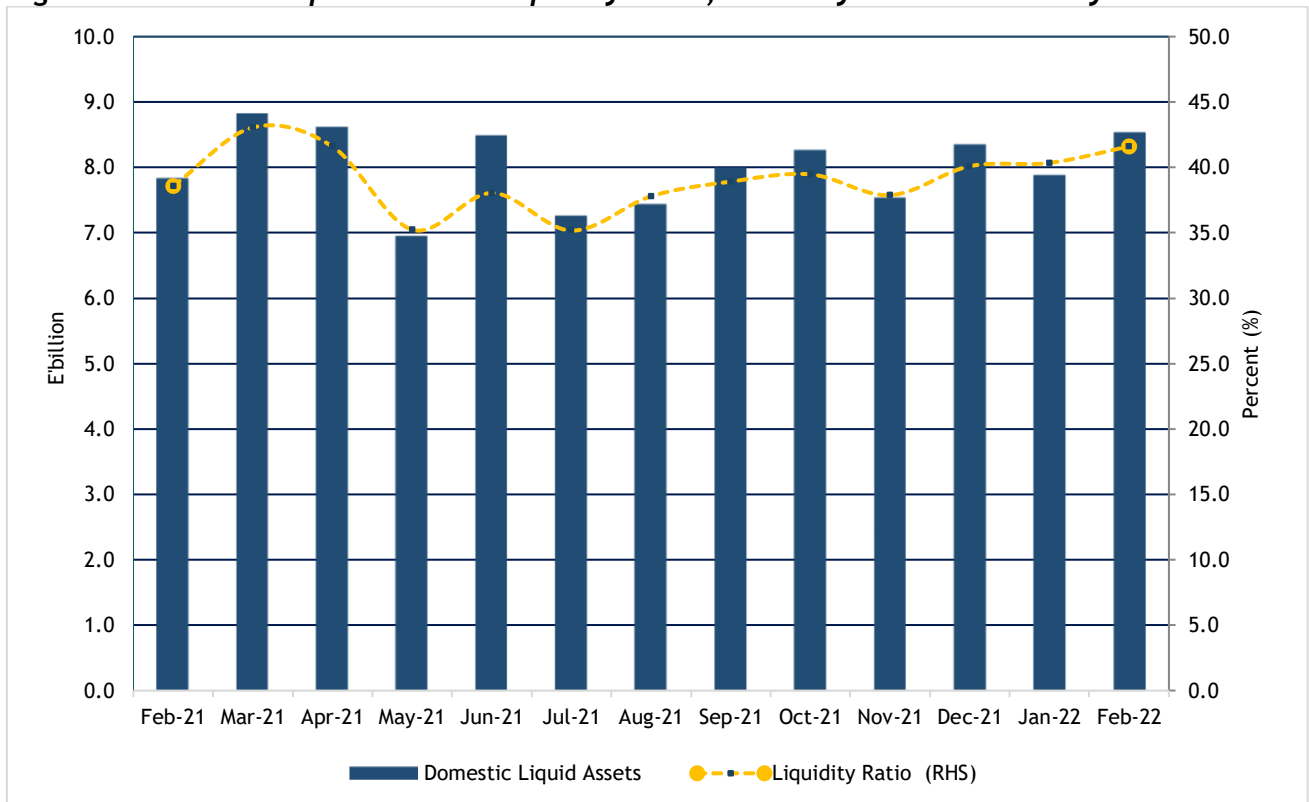
Figure 4: Money Supply; February 2021 to February 2022



Source: Central Bank of Eswatini & Other Depository Corporations

Banks' liquid assets increased by 8.3 per cent relative to January 2022 and 9.0 per cent over the year to settle at E8.5 billion at the end of February 2022. Growth was attributed to a rise in the banks' balances with the Central Bank as well as their investment in government securities over the review month. Consequently, the banks' liquidity ratio rose from 40.3 per cent in January 2022 to 41.6 per cent at the end of February 2022.

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



Source: Central Bank of Eswatini & Other Depository Corporations 083359040

RELEASE OF MONEY AND BANKING STATISTICS

ITEM	Feb-22	Jan-22	Feb-21
	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)
CENTRAL BANK OF ESWATINI			
Claims on Non-residents	10,896,226	10,414,712	10,563,138
Claims on Domestic Economy	2,699,362	2,287,514	2,396,436
Government	2,665,599	2,253,333	2,363,093
Other Depository Corporations	2,082	1,422	2,512
Other Resident Sectors	31,681	32,759	30,831
Other Assets	170,088	880,915	410,998
Total Assets/Liabilities	13,765,676	13,583,141	13,370,571 *
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBE	4,110,445	3,484,947	3,666,038
Net Balances with Banks Outside Eswatini	2,076,835	1,933,979	2,394,045
Loans and advances	15,296,669	15,235,004	14,238,011
Government Securities	4,717,400	4,653,513	4,542,194
Treasury Bills	2,437,537	2,482,329	2,515,787
Government Bonds	2,279,863	2,171,184	2,026,407
Other	-	-	-
Total Deposits	22,383,394	21,625,592 *	22,476,469 *
Transferable/Demand	7,327,122	7,151,321	7,377,725
Savings	2,008,181	1,991,930	2,046,164
Time	13,048,091	12,482,340	13,052,581
Capital and Reserves	4,726,354	4,754,779	4,377,283
Total Assets/Liabilities	29,429,589	28,610,359	28,831,427
Total Liquid Assets (Banks only)	8,517,570	7,861,213	7,813,024
Required Liquidity (Banks only)	4,051,694	3,853,316	4,012,226
Surplus/ Deficiency (-) (Banks only)	4,465,877 *	4,007,897	3,800,798
RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	41.6	40.3	38.6
Loans and Advances to Deposits	68.3	70.4	63.3

DEPOSITORY CORPORATIONS SURVEY		Feb-22	Jan-22	Feb-21	
Net Foreign Assets (E)		9,630,113	8,960,572	10,850,552	*
Net Official Assets		7,107,264	6,564,304	7,697,673	*
Foreign Assets - Central Bank of Eswatini		10,922,469	10,440,955	10,589,380	
Foreign Liabilities - Central Bank of Eswatini		3,815,205	3,876,651	2,891,708	
Net Other Depository Corporations Foreign holdings (ODC)		2,522,849	2,396,268	3,152,880	*
Foreign Assets - ODC		3,003,743	2,986,113	3,435,359	
Foreign Liabilities - ODC		480,894	589,845	282,480	
Net Foreign Assets (SDR)		454,542	415,771	501,296	
Net Domestic Claims		18,305,971	17,246,521	15,965,909	
Net Claims on Government		2,472,868	1,486,410	402,988	
Claims on Central Government		7,428,805	6,956,413	6,946,855	
Government Deposits		4,955,937	5,470,003	6,543,867	
Claims on other sectors		15,833,103	15,760,111	15,562,921	
Other nonfinancial corporations (Industry)		6,945,083	6,929,743	6,337,108	
Other resident sectors (Households & NPISH)		7,728,338	7,686,978	7,256,997	
Other sectors		1,159,682	1,143,390	1,968,816	
Broad Money Supply (M2)		20,753,956	19,726,573	21,008,796	
Narrow Money Supply (M1)		7,546,302	7,389,975	7,655,940	
Currency outside depository corporations (E)		791,066	756,482	858,532	
Transferable (demand) deposits		6,755,235	6,633,493	6,797,408	
Quasi Money		13,207,654	12,336,598	13,352,856	
Savings Deposits		1,912,585	1,891,658	1,975,323	
Time Deposits		11,295,069	10,444,940	11,377,533	
Shares and Other Equity		7,731,916	7,876,137	6,287,057	
Central Bank Of Eswatini		2,313,342	2,437,652	1,279,164	
Other Depository Corporations		5,418,574	5,438,485	5,007,893	
Other Items (net)		-549,788	-1,395,618	-479,392	
GROSS OFFICIAL RESERVES					
	Mar-22	Feb-22	Jan-22	Feb-21	Mar-21
	Amount	Amount	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)	(E'000)	(E'000)
Total Official (Gross) - Emalangeni E	6,575,763	9,372,112	8,864,320	9,006,034	9,198,355
Special Drawing Rights (SDR)	325,501	442,365	411,305	416,079	439,681
Central Bank	6,575,763	9,372,112	8,864,320	9,006,034	9,198,355
Government	26,243	26,243	26,243	26,243	26,243
Import Cover (reserves to months of estimated imports)	2.5	3.6	3.4	3.9	4.0
Net Bank Holdings		2,522,849	2,396,268	3,152,880	2,639,435

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.