



Monthly Statistical Release

February/March 2023



**CENTRAL BANK
OF ESWATINI**
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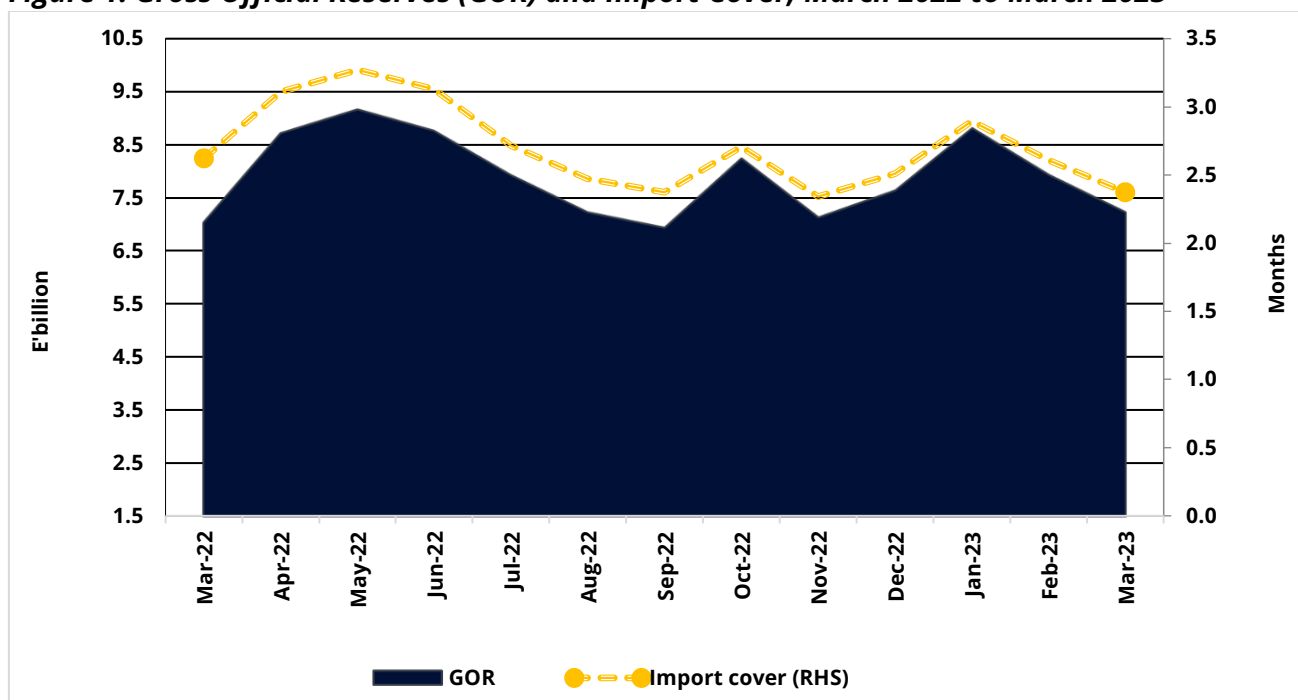
HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
Preliminary gross official reserves fell by 8.9 per cent month-on-month and grew by 2.8 per cent year-on-year to close the month of March 2023 at E7.2 billion.	8.9 ▼	2.8 ▲
Credit extended to the private sector increased by 0.5 per cent month-on-month and 10.1 per cent year-on-year to reach E17.4 billion in February 2023.	0.5 ▲	10.1 ▲
Broad money supply (M2) amounted to E19.9 billion in February 2023, reflecting a decline of 3.5 per cent month-on-month and 2.8 per cent year-on-year.	3.5 ▼	2.8 ▼
Domestic liquid assets stood at E7.0 billion in February 2023, down by 6.1 per cent month-on-month and 18.3 per cent year-on-year.	6.1 ▼	18.3 ▼
	PERCENT	
Discount rate: the discount rate stood at 6.75 per cent in March 2023.	6.75	
Prime lending rate: the prime lending rate was at 10.25 per cent in March 2023.	10.25	

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Preliminary gross official reserves figure amounted to E7.2 billion at the end of March 2023, reflecting a decline of 8.9 per cent month-on-month and growth of 2.8 per cent year-on-year. The reduction in reserves was mainly attributed to net Rand outflows from trades with local banks over the month under review. At this level, the reserves were equivalent to an import cover of 2.4 months, lower than the 2.6 months observed in February 2023.

Valued in special drawing rights (SDR), the reserves declined by 6.6 per cent month-on-month and 12.8 per cent year-on-year to close the month under review at SDR303.1 million.

Figure 1: Gross Official Reserves (GOR) and Import Cover; March 2022 to March 2023



Source: Central Bank of Eswatini

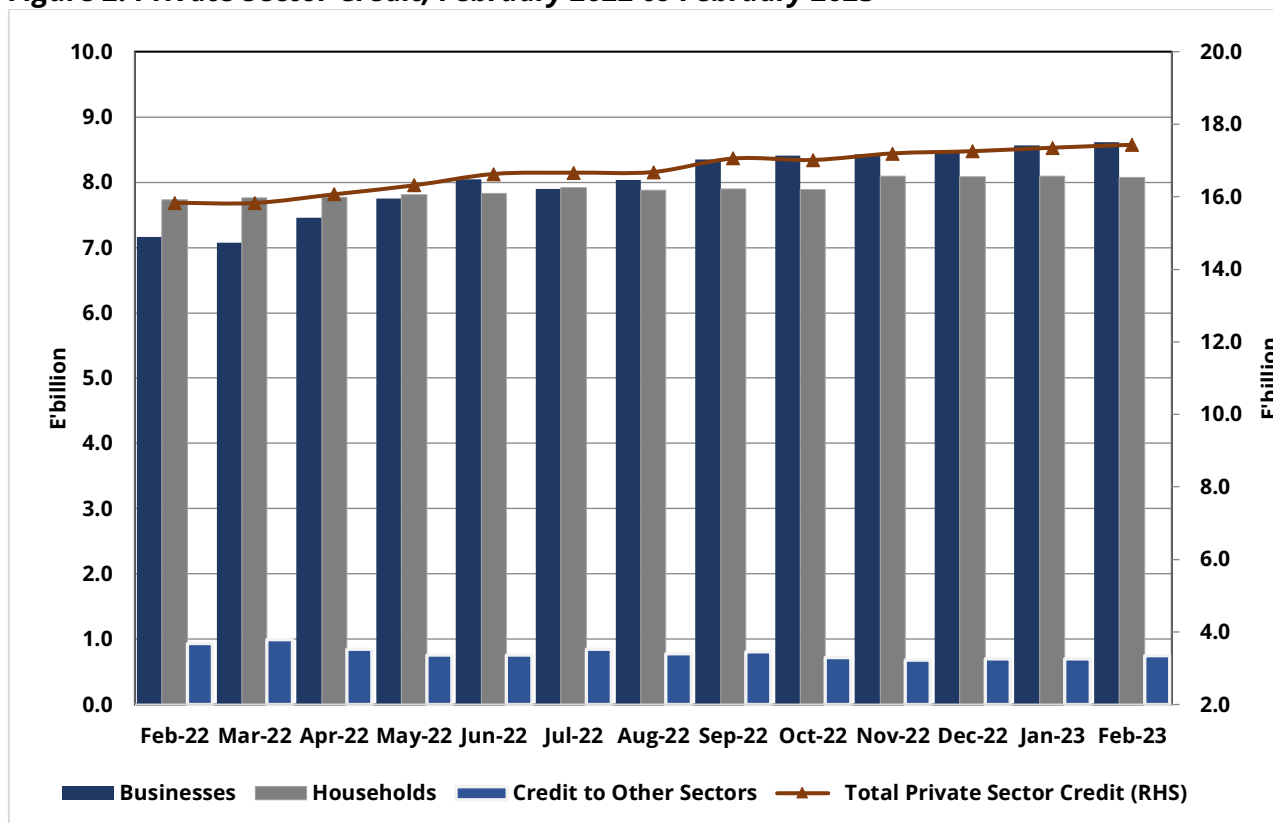
Credit extended to the private sector amounted to E17.4 billion at the end of February 2023, reflecting an improvement of 0.5 per cent month-on-month and 10.1 per cent year-on-year. The expansion was driven by credit to other sectors of the domestic economy and businesses whereas credit to households & non-profit institutions serving households (NPISH) contracted.

Credit extended to other sectors edged up by 7.4 per cent month-on-month, however, compared to February 2022, fell by 20.2 per cent to reach E749.5 million at the end of February 2023. The month-on-month growth was driven by all subcategories namely;

credit to other financial corporations, public nonfinancial corporations and local government. As a result, credit to other financial corporations rose by 9.1 per cent to E438.3 million, public nonfinancial corporations grew by 6.3 per cent to E250.1 million and local government rose slightly by 0.1 per cent to E61.1 million.

Credit extended to businesses grew by 0.6 per cent month-on-month and 20.2 per cent year-on-year to reach E8.6 billion at the end of February 2023, mainly driven by a significant growth in the mining & quarrying sector particularly coal mining. The following subsectors also increased however, by a lower margin; transport & communication (3.7 per cent), manufacturing (3.2 per cent), construction (2.7 per cent) and real estate (2.1 per cent). The growth was partly dampened by a contraction in credit to the following subsectors; distribution & tourism (-2.7 per cent), community, social & personal services (-0.7 per cent) as well as agriculture & forestry (-0.7 per cent).

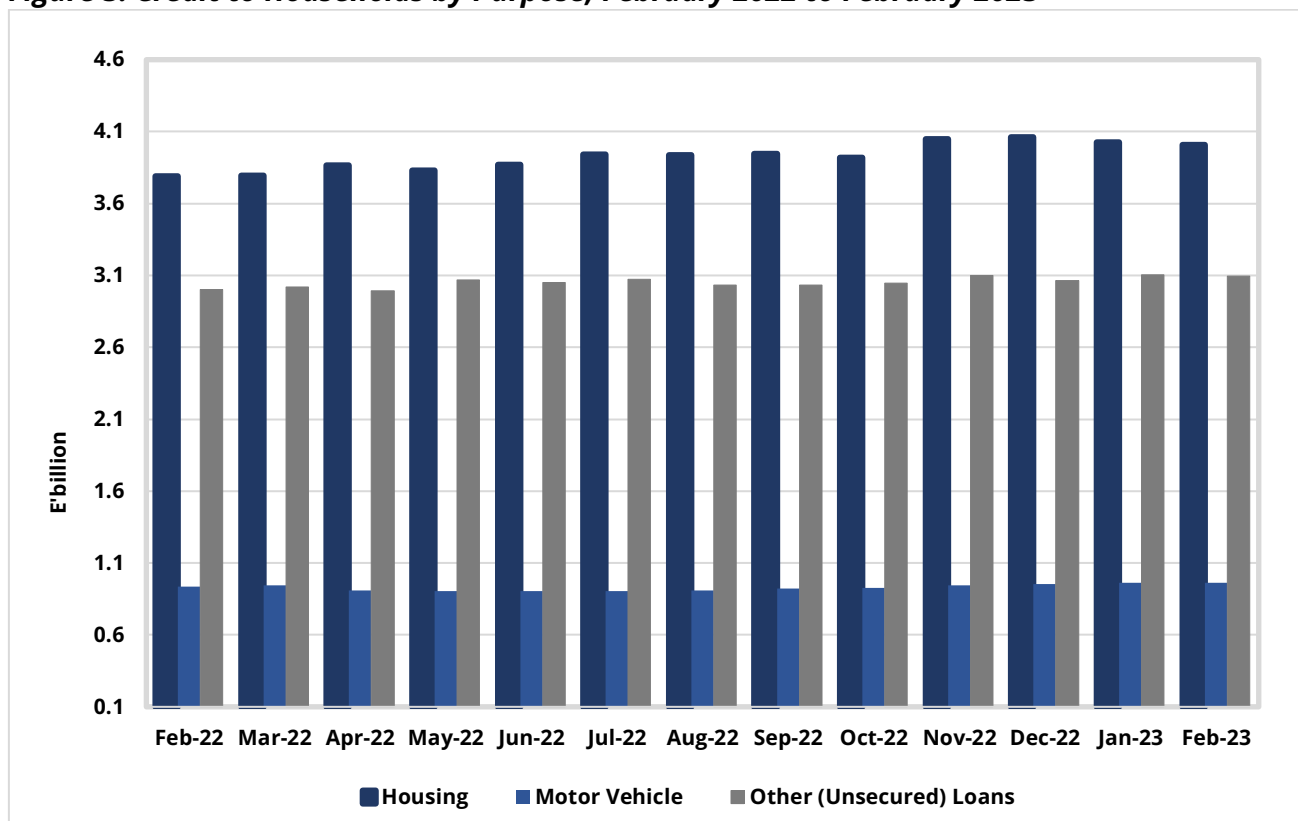
Figure 2: Private Sector Credit; February 2022 to February 2023



Source: Central Bank of Eswatini & Other Depository Corporations

Credit extended to households & NPISH amounted to E8.1 billion at the end of February 2023, down by 0.3 per cent relative to the previous month and higher by 4.4 per cent compared to February 2022. The month-on-month decline was on account of mortgage and other personal (unsecured) loans, which fell by 0.5 per cent to E4.0 billion and 0.2 per cent to E3.1 billion, respectively. Motor vehicle loans, on the other hand, increased by 0.3 per cent month-on-month to E1.0 billion.

Figure 3: Credit to Households by Purpose; February 2022 to February 2023



Source: Central Bank of Eswatini & Other Depository Corporations

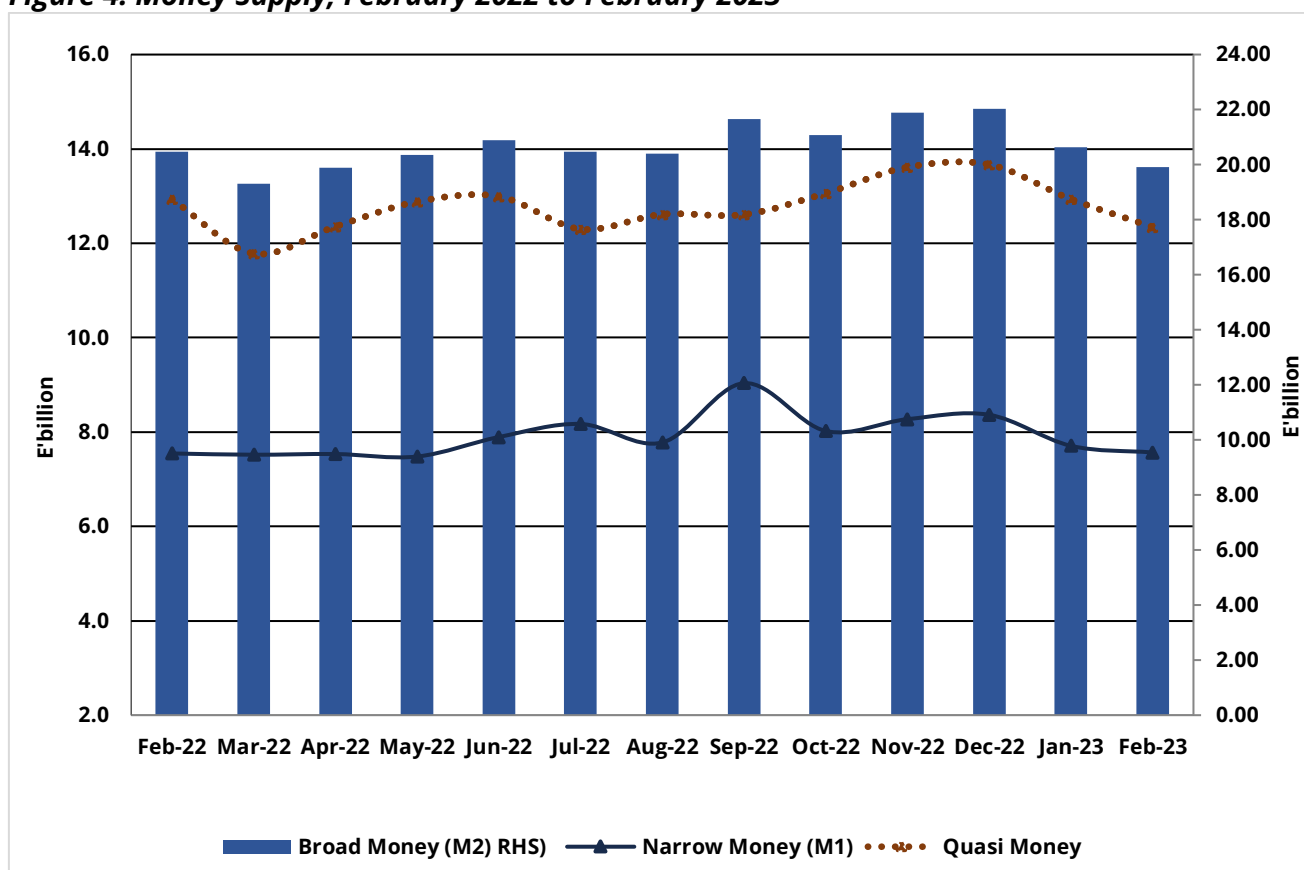
Net claims on government with the banking sector closed the month under review at E2.9 billion, reflecting an increase of 31.6 per cent month-on-month and 31.0 per cent year-on-year, due to an advance from the Central Bank. Consequently, claims on government rose by 5.6 per cent month-on-month to E7.4 billion. Government deposits, on the other hand, receded by 6.2 per cent to E4.5 billion at the end of February 2023.

Broad money supply (M2) contracted by 3.5 per cent month-on-month and 2.8 per cent year-on-year to reach E19.9 billion at the end of February 2023. The month-on-month reduction in M2 was observed in both components; quasi money supply and narrow money supply (M1).

Quasi money supply stood at E12.3 billion at the end of February 2023, showing a contraction of 4.6 per cent month-on-month and 4.5 per cent year-on-year. The reduction was driven by time deposits, which fell by 5.5 per cent month-on-month to settle at E10.5 billion. Savings deposits, on the contrary, improved by 1.0 per cent to close the review month at E1.9 billion.

M1 closed the month under review at E7.6 billion, depicting a contraction of 1.8 per cent month-on-month and growth of 0.3 per cent year-on-year. The month-on-month reduction in M1 was driven by transferable (demand) deposits, which decelerated by 2.2 per cent to E6.9 billion. In contrast, Emalangeni outside depository corporations grew by 2.5 per cent month-on-month to E690.9 million.

Figure 4: Money Supply; February 2022 to February 2023

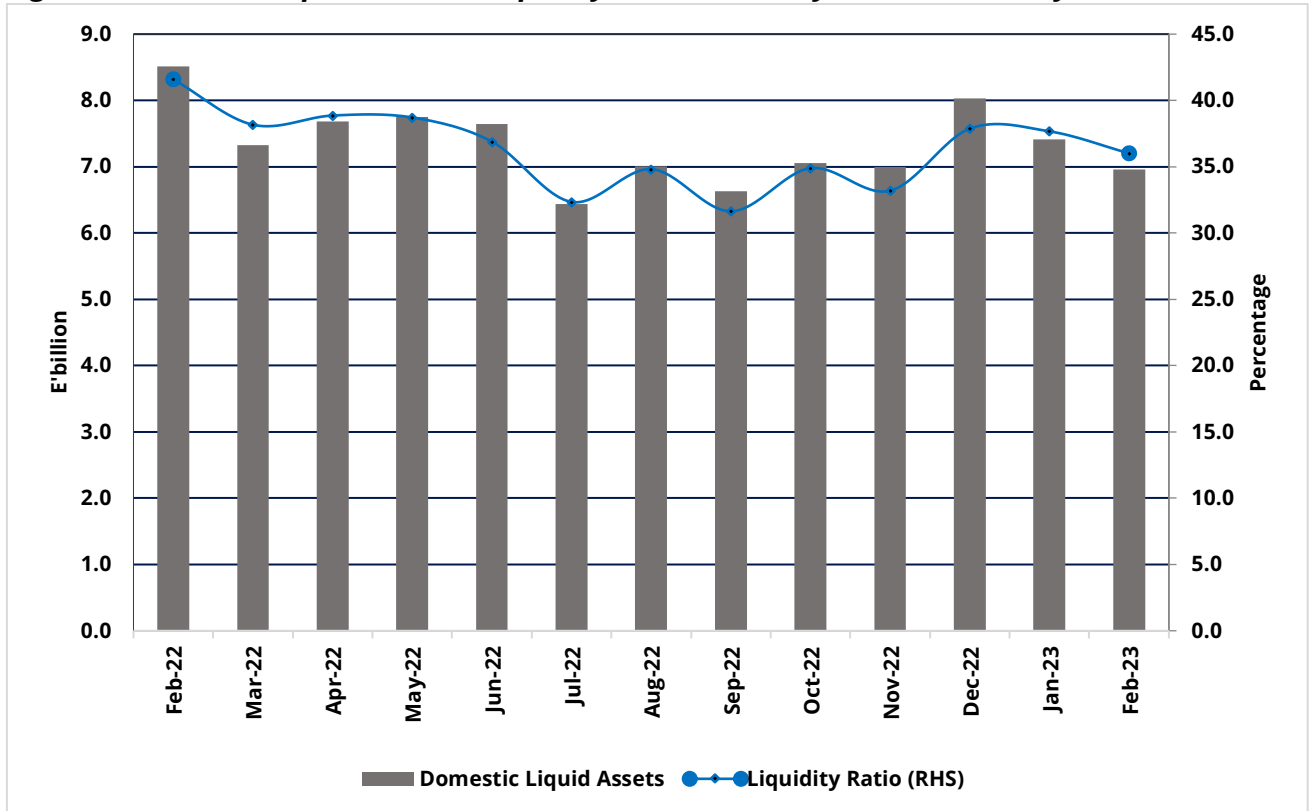


Source: Central Bank of Eswatini & Other Depository Corporations

Overall liquidity position of banks' assets decreased by 6.1 per cent month-on-month and 18.3 per cent year-on-year to close at E7.0 billion at the end of February 2023. The decline mainly emanated from a decrease in the banks' balances with the Central Bank, cash holding in their tills as well as investment in government securities. The banks' liquidity ratio, receded by 1.7

percentage points from 37.7 per cent recorded in January 2023 to 36.0 per cent at the end of February 2023.

Figure 5: Domestic Liquid Assets & Liquidity Ratio; February 2022 to February 2023



Source: Central Bank of Eswatini & Other Depository Corporations

RELEASE OF MONEY AND BANKING STATISTICS

ITEM	Feb-23	Jan-23	Feb-22
	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)
CENTRAL BANK OF ESWATINI			
Claims on Non-residents	9,679,108	10,483,950	10,896,226
Claims on Domestic Economy	2,813,049	2,217,721 *	2,699,362
Government	2,697,585	2,181,931	2,665,599
Other Depository Corporations	82,082	2,082	2,082
Other Resident Sectors	33,382	33,709	31,681
Other Assets	530,984	- 819,800	170,088
Total Assets/Liabilities	13,023,142 *	11,881,872 *	13,765,676
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBE	2,534,829	2,866,909	4,110,445
Net Balances with Banks Outside Eswatini	1,325,962	1,161,816	2,076,835
Loans and advances	17,133,822	17,051,652	15,296,669
Government Securities	4,650,240 *	4,771,787 *	4,717,400
Treasury Bills	1,985,380	2,214,619	2,437,537
Government Bonds	2,664,861	2,557,167	2,279,863
Other	-	-	-
Total Deposits	21,296,394	21,919,884 *	22,383,394
Transferable/Demand	7,355,858	7,443,528	7,327,122
Savings	1,937,547	1,918,222	2,008,181
Time	12,002,989	12,558,135	13,048,091
Capital and Reserves	5,169,946	5,104,926	4,726,354
Total Assets/Liabilities	30,413,583	31,102,946	29,429,589
Total Liquid Assets (Banks only)	6,955,978	7,411,009	8,517,570
Required Liquidity (Banks only)	4,216,066	4,294,850	4,051,694
Surplus/ Deficiency (-) (Banks only)	2,739,912	3,116,158 *	4,465,877 *
RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	36.0	37.7	41.6
Loans and Advances to Deposits	80.5	77.8	68.3

DEPOSITORY CORPORATIONS SURVEY		Feb-23	Jan-23	Feb-22	
Net Foreign Assets (E)		7,128,289	8,010,198	9,630,113	
Net Official Assets		5,411,192	6,317,412 *	7,107,264	
Foreign Assets - Central Bank of Eswatini		9,705,351	10,510,193	10,922,469	
Foreign Liabilities - Central Bank of Eswatini		4,294,159	4,192,782	3,815,205	
Net Other Depository Corporations Foreign holdings (ODC)		1,717,097	1,692,787	2,522,849	
Foreign Assets - ODC		3,913,102	4,184,372	3,003,743	
Foreign Liabilities - ODC		2,196,005	2,491,585	480,894	
Net Foreign Assets (SDR)		291,904	341,234	454,542	
Net Domestic Claims		20,310,482 *	19,538,525 *	18,029,159	
Net Claims on Government		2,877,335 *	2,186,100	2,196,056	
Claims on Central Government		7,388,843	6,996,606	7,428,805	
Government Deposits		4,511,507	4,810,506	5,232,749	
Claims on other sectors		17,433,146	17,352,424 *	15,833,103	
Other nonfinancial corporations (Industry)		8,612,723	8,560,887	7,165,575	
Other resident sectors (Households & NPISH)		8,070,930	8,093,369	7,728,338	
Other sectors		749,493	698,169	939,190	
Broad Money Supply (M2)		19,913,021	20,643,330	20,477,144	
Narrow Money Supply (M1)		7,567,090	7,708,069	7,546,302 *	
Currency outside depository corporations (E)		690,880	674,106	791,066	
Transferable (demand) deposits		6,876,210	7,033,963	6,755,235	
Quasi Money		12,345,931	12,935,261 *	12,930,842	
Savings Deposits		1,885,904	1,867,360	1,912,585	
Time Deposits		10,460,027	11,067,900	11,018,257	
Shares and Other Equity		8,389,949	8,055,364	7,731,916	
Central Bank Of Eswatini		2,529,877	2,254,551	2,313,342	
Other Depository Corporations		5,860,072	5,800,813	5,418,574	
Other Items (net)		-864,199	-1,149,971	-549,788	
GROSS OFFICIAL RESERVES					
	Mar-22	Feb-23	Jan-23	Feb-22	Mar-22
	Amount	Amount	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)	(E'000)	(E'000)
Total Official (Gross) - Emalangeni E	7,215,483	7,922,376	8,795,261	9,372,112	7,022,111
Special Drawing Rights (SDR)	303,051	324,422	374,678	442,365	347,595
Central Bank	7,215,483	7,922,376	8,795,261	9,372,112	7,022,111
Government	26,243	26,243	26,243	26,243	26,243
Import Cover (reserves to months of estimated imports)	2.4	2.6	2.9	3.5	2.6
Net Bank Holdings		1,717,097	1,692,787	2,522,849	2,445,213

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.