

# Monthly Statistical Release

JAN/FEB 2022



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**CENTRAL BANK  
OF ESWATINI**  
Umntsholi Wemaswati



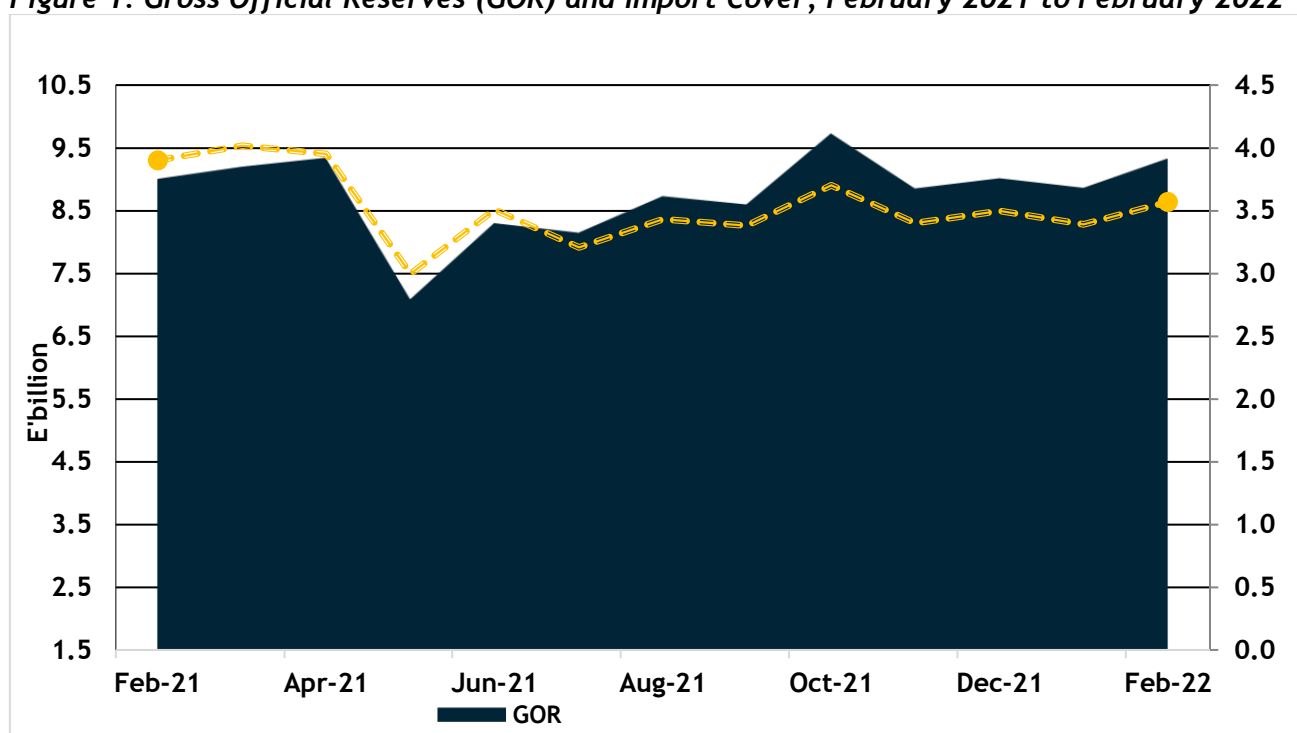
HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
<b>Gross official reserves</b> stood at E9.3 billion at the end of February 2022, higher by 5.3 per cent compared to January 2022 and 3.6 per cent year-on-year.	5.3 ▲	3.6 ▲
<b>Credit extended to the private sector</b> declined by 2.0 per cent month-on-month and grew marginal by 0.02 per cent year-on-year to close at E15.8 billion at the end of January 2022.	2.0 ▼	0.02 ▲
<b>Broad money supply (M2)</b> amounted to E19.7 billion at the end of January 2022, reflecting a contraction of 7.2 per cent over the month and 6.5 per cent over the year.	7.2 ▼	6.5 ▼
<b>Domestic liquid assets</b> reached E7.9 billion at the end January 2022, reflecting a decline of 5.7 per cent month-on-month and growth of 3.1 per cent year-on-year.	5.7 ▼	3.1 ▲
	PER CENT	
<b>Discount rate:</b> the discount rate was at 4.00 per cent in February 2022.		4.00
<b>Prime lending rate:</b> the prime lending rate was at 7.50 per cent in February 2022.		7.50

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**Gross official reserves** increased to E9.3 billion at the end of February 2022, higher than the E8.9 billion observed in the previous month, due to net inflows from foreign exchange trades with banks during the month under review. At this level, the reserves represented an increase of 5.3 per cent month-on-month and 3.6 per cent year-on-year. Consequently, the reserves were enough to cover 3.6 months of imports at the end of February 2022, higher than the 3.4 months observed in January 2022.

**Valued in special drawing rights (SDR)**, the reserves amounted to SDR440.4 million at the end of February 2022, increasing by 7.1 per cent over the month under review and 5.8 per cent year-on-year.

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



Source: Central Bank of Eswatini

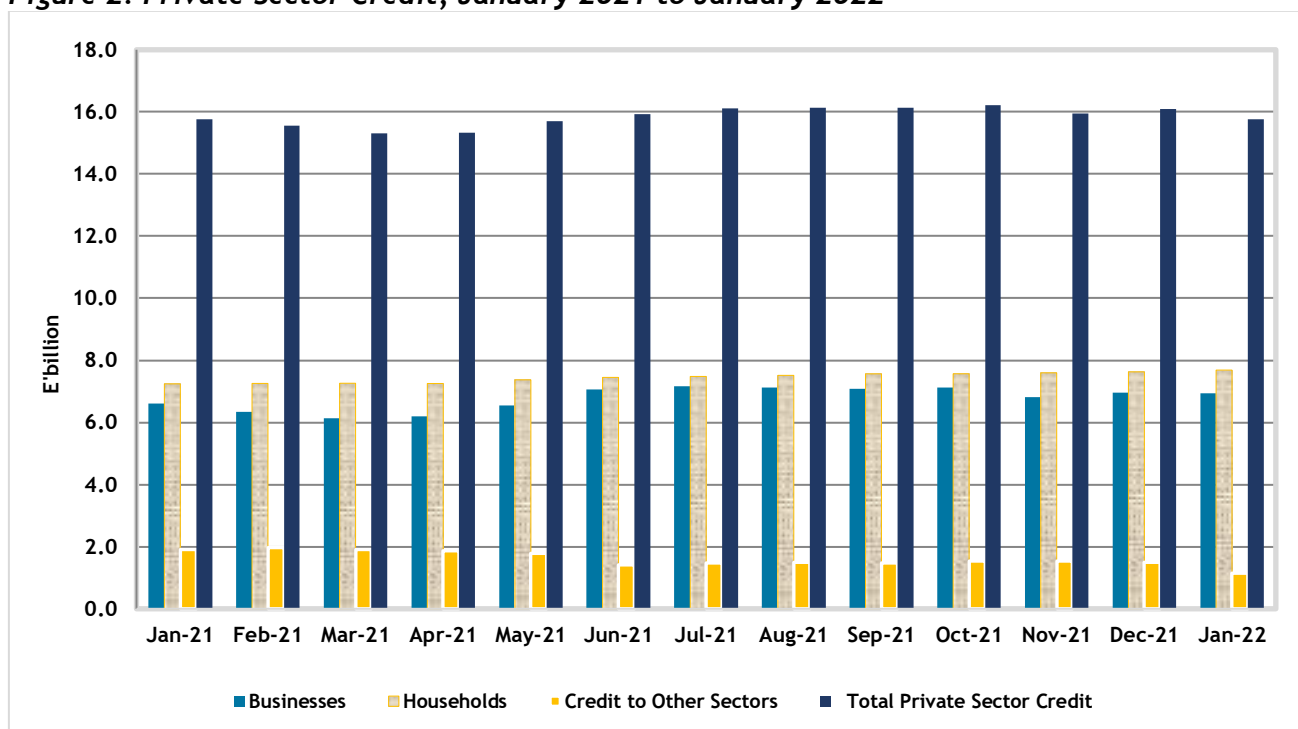
**Credit extended to the private sector** amounted to E15.8 billion at the end of January 2022, depicting a decline of 2.0 per cent relative to December 2021, however, grew marginally over the year by 0.02 per cent. The month-on-month contraction in private sector credit was driven by credit to other sectors of the domestic economy and businesses whilst credit to households & non-profit institutions serving households (NPISH) increased.

**Credit to other sectors** fell by 23.2 per cent over the review month and 40.0 per cent when compared to the previous year to reach E1.1 billion at the end of January 2022. The contraction was driven by credit to other financial corporations, which fell by 37.5 per cent

whilst credit to public nonfinancial corporations and local government rose by 5.9 per cent and 0.5 per cent, respectively.

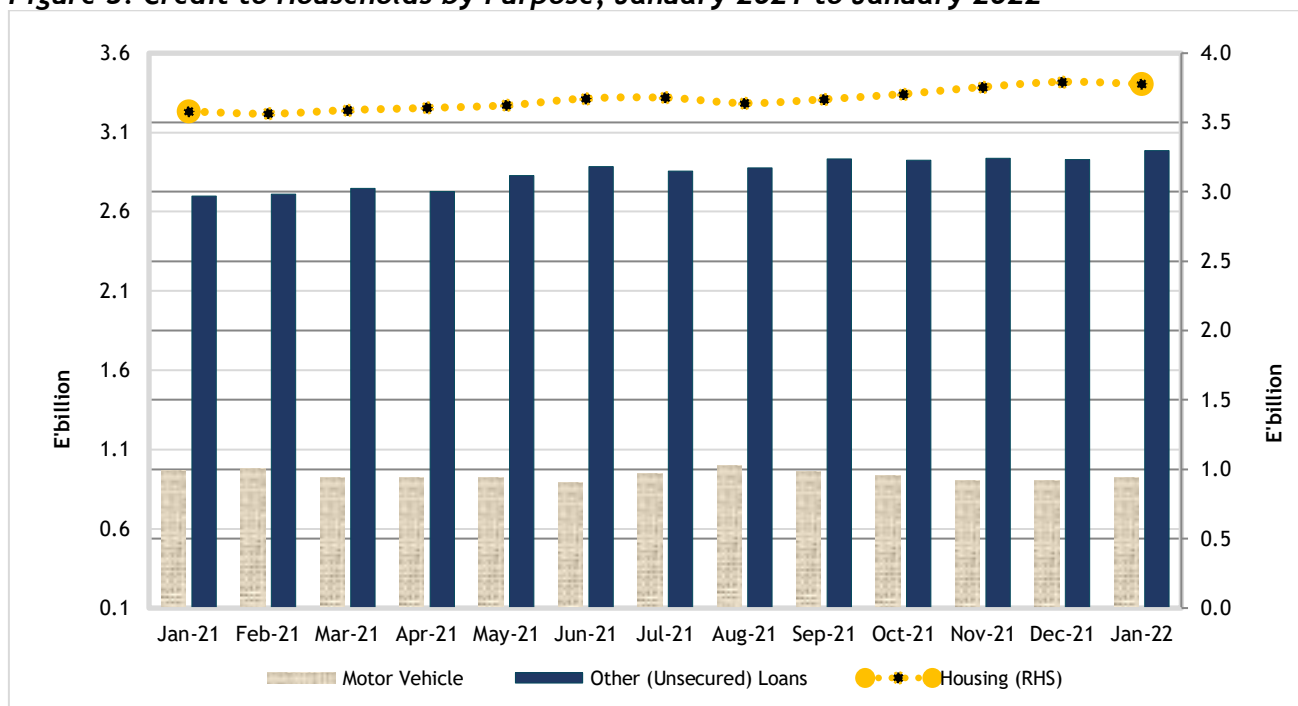
**Credit extended to businesses** fell by 0.5 per cent month-on-month but grew by 4.9 per cent year-on-year to reach E6.9 billion at the end of January 2022. Accounting for the decline in credit to businesses were the following subsectors; distribution & tourism (-2.8 per cent), construction (-1.8 per cent), real estate (-1.7 per cent) as well as agriculture & forestry (-0.01 per cent). Partly offsetting the decrease were increases in the following subsectors; community, social & personal services (8.8 per cent), transport & communications (8.7 per cent), mining & quarrying (1.6 per cent) and manufacturing (1.3 per cent).

**Figure 2: Private Sector Credit; January 2021 to January 2022**



Source: Central Bank of Eswatini & Other Depository Corporations

**Credit extended to households & NPISH** stood at E7.7 billion at the end of January 2022, reflecting an increase of 0.8 per cent month-on-month and 6.1 per cent year-on-year. The improvement in credit extension to households was observed in motor vehicle loans and other (personal) loans, which rose by 2.3 per cent to E925.4 million and 1.8 per cent to E3.0 billion, respectively. Housing loans on the other hand, decreased by 0.4 per cent to E3.8 billion over the review month.

**Figure 3: Credit to Households by Purpose; January 2021 to January 2022**

Source: Central Bank of Eswatini & Other Depository Corporations

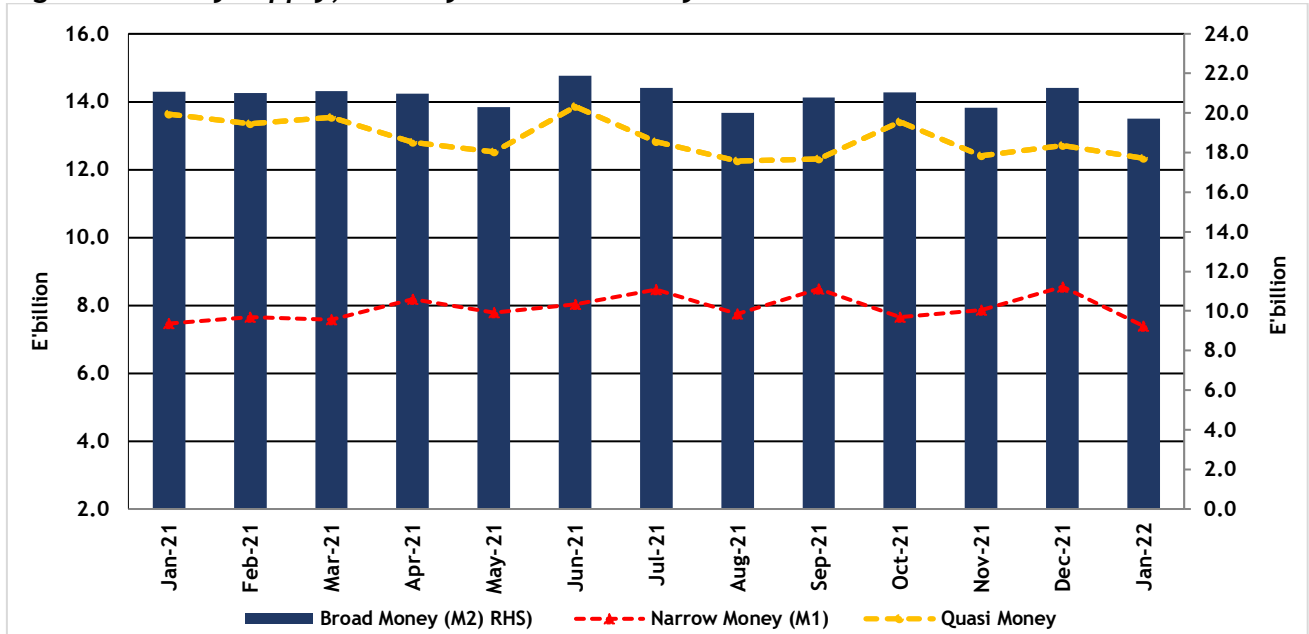
**Net claims on government with the banking sector** reached E1.5 billion at the end of January 2022, lower than the E2.5 billion observed in December 2021. The decline in net claims on government was largely on account of government reducing the advance from the Central Bank, after receiving SACU receipts at the beginning of January 2022. Government deposits also fell by 2.5 per cent from the previous month.

**Broad money supply (M2)** stood at E19.7 billion at the end of January 2022, reflecting a month-on-month decline of 7.2 per cent and 6.5 per cent year-on-year. The fall in M2 was driven by both components of M2, narrow money supply (M1) and quasi money supply.

**Narrow money supply (M1)** stood at E7.4 billion at the end of January 2022, lower by 13.5 per cent compared to December 2021 and 1.0 per cent over the year. This was evident in both components of M1; transferable (demand) deposits and Emalangeni outside depository corporations, which decreased by 14.7 per cent to E6.6 billion and 1.6 per cent to E756.5 million, respectively.

**Quasi money supply** stood at E12.3 billion at the end of January 2022, down by 3.0 per cent month-on-month and 9.5 per cent year-on-year. The contraction in quasi money supply was driven by both components, savings and time deposits. As a result, savings and time deposits fell by 5.2 per cent to E1.9 billion and 2.6 per cent to E10.4 billion, respectively.

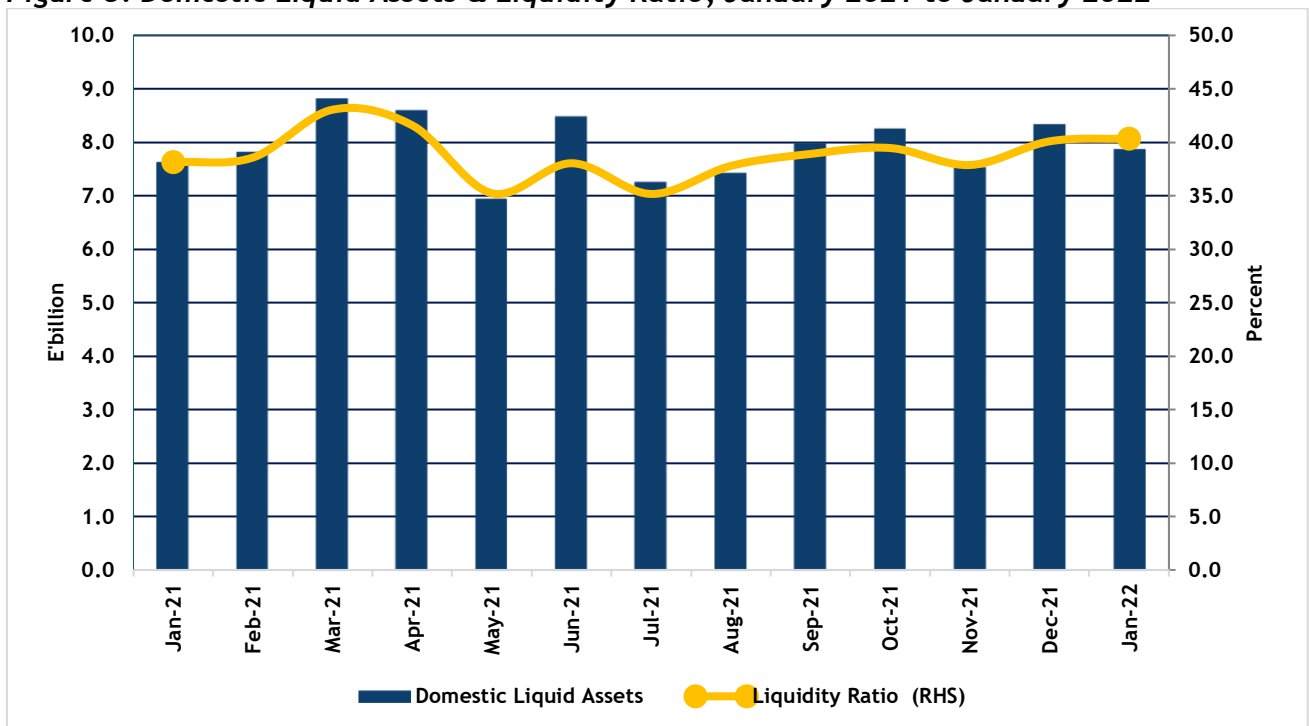
**Figure 4: Money Supply; January 2021 to January 2022**



Source: Central Bank of Eswatini & Other Depository Corporations

**Banks' liquid assets** decelerated by 5.7 per cent relative to December 2021 however, over the year improved by 3.1 per cent to settle at E7.9 billion at the end of January 2022. The month-on-month decline was attributed to a fall in cash balances held by banks, balances with the Central Bank as well as their investment in government securities. The banks' liquidity ratio however, rose by 0.2 percentage points to reach 40.3 per cent at the end of January 2022.

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



Source: Central Bank of Eswatini & Other Depository Corporations

## RELEASE OF MONEY AND BANKING STATISTICS

ITEM	Jan-22	Dec-21	Jan-21
	Amount (E'000)	Amount (E'000)	Amount (E'000)
<b>CENTRAL BANK OF ESWATINI</b>			
Claims on Non-residents	10,414,712	10,579,054	11,227,449
Claims on Domestic Economy	2,287,514	3,302,746	2,058,723 *
Government	2,253,333	3,267,882	1,910,191
Other Depository Corporations	1,422	2,082	117,512
Other Resident Sectors	32,759	32,782	31,020
Other Assets	880,915	814,627	400,798
<b>Total Assets/Liabilities</b>	<b>13,583,141</b>	<b>14,696,427</b>	<b>13,686,971</b>
<b>OTHER DEPOSITORY CORPORATIONS</b>			
Cash and Deposits with CBE	3,484,947	4,030,839	3,582,258
Net Balances with Banks Outside Eswatini	1,933,979	2,303,787	2,272,143
Loans and advances	15,235,004	15,186,575	14,519,160
<b>Government Securities</b>	<b>4,653,513 *</b>	<b>4,746,279 *</b>	<b>4,419,324 *</b>
Treasury Bills	2,482,329	2,557,495	2,401,213
Government Bonds	2,171,184	2,188,785	2,018,110
Other	-	-	-
<b>Total Deposits</b>	<b>21,625,592</b>	<b>23,102,829</b>	<b>22,504,393</b>
Transferable/Demand	7,151,321	8,307,349	7,171,493
Savings	1,991,930	2,123,390	2,115,502
Time	12,482,340	12,672,090	13,217,398
Capital and Reserves	4,754,779	4,693,975	4,343,463
<b>Total Assets/Liabilities</b>	<b>28,610,359</b>	<b>29,913,467</b>	<b>29,380,195</b>
Total Liquid Assets (Banks only)	7,861,213	8,333,677	7,621,719
Required Liquidity (Banks only)	3,853,316	4,115,982	3,963,425
Surplus/ Deficiency (-) (Banks only)	4,007,897	4,217,695 *	3,658,294
<b>RATIOS (%)</b>			
Actual Liquidity to Domestic Liabilities (Banks Only)	40.3	40.1	38.1
Loans and Advances to Deposits	70.4	65.7	64.5





<b>DEPOSITORY CORPORATIONS SURVEY</b>				<i>Jan-22</i>	<i>Dec-21</i>	<i>Dec-21</i>
<b>Net Foreign Assets (E)</b>				<b>8,960,572</b>	<b>9,499,090</b>	<b>11,577,966</b>
<b>Net Official Assets</b>				<b>6,564,304</b>	<b>6,700,368</b>	<b>8,361,225</b>
Foreign Assets - Central Bank of Eswatini				10,440,955	10,605,297	11,253,692
Foreign Liabilities - Central Bank of Eswatini				3,876,651	3,904,929	2,892,467
<b>Net Other Depository Corporations Foreign holdings (ODC)</b>				<b>2,396,268</b>	<b>2,798,722 *</b>	<b>3,216,741 *</b>
Foreign Assets - ODC				2,986,113	3,332,665	3,922,164
Foreign Liabilities - ODC				589,845	533,942	705,424
<b>Net Foreign Assets (SDR)</b>				<b>415,771</b>	<b>436,959</b>	<b>534,903</b>
<b>Net Domestic Claims</b>				<b>17,246,521</b>	<b>18,538,312</b>	<b>15,228,879 *</b>
<b>Net Claims on Government</b>				<b>1,486,410</b>	<b>2,453,406</b>	<b>- 528,711 *</b>
Claims on Central Government				6,956,413	8,061,828	6,365,249
Government Deposits				5,470,003	5,608,422	6,893,961
<b>Claims on other sectors</b>				<b>15,760,111</b>	<b>16,084,906</b>	<b>15,757,590 *</b>
Other nonfinancial corporations (Industry)				6,929,743	6,967,017	6,608,937
Other resident sectors (Households & NPISH)				7,686,978	7,628,751	7,242,499
Other sectors				1,143,390	1,489,138	1,906,155
<b>Broad Money Supply (M2)</b>				<b>19,726,573</b>	<b>21,263,762 *</b>	<b>21,089,322</b>
<b>Narrow Money Supply (M1)</b>				<b>7,389,975</b>	<b>8,548,071 *</b>	<b>7,463,124</b>
Currency outside depository corporations (E)				756,482	768,450	867,990
Transferable (demand) deposits				6,633,493	7,779,620	6,595,134
<b>Quasi Money</b>				<b>12,336,598</b>	<b>12,715,692 *</b>	<b>13,626,198</b>
Savings Deposits				1,891,658	1,996,096	2,044,925
Time Deposits				10,444,940	10,719,595	11,581,273
Shares and Other Equity				7,876,137	7,969,515	6,303,978
Central Bank Of Eswatini				2,437,652	2,594,036	1,335,359
Other Depository Corporations				5,438,485	5,375,479	4,968,619
<b>Other Items (net)</b>				<b>-1,395,618</b>	<b>-1,195,875</b>	<b>-586,456</b>
<b>GROSS OFFICIAL RESERVES</b>		<i>Feb-22</i>	<i>Jan-22</i>	<i>Dec-21</i>	<i>Jan-21</i>	<i>Feb-21</i>
		<i>Amount</i>	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>
		<i>(E'000)</i>	<i>(E'000)</i>	<i>(E'000)</i>	<i>(E'000)</i>	<i>(E'000)</i>
<b>Total Official (Gross) - Emalangeni E</b>		<b>9,330,488</b>	<b>8,864,320</b>	<b>9,015,180</b>	<b>9,670,346</b>	<b>9,006,034</b>
<b>Special Drawing Rights (SDR)</b>		<b>440,400</b>	<b>411,305</b>	<b>414,699</b>	<b>446,770</b>	<b>416,079</b>
<b>Central Bank</b>		<b>9,330,488</b>	<b>8,864,320</b>	<b>9,015,180</b>	<b>9,670,346</b>	<b>9,006,034</b>
<b>Government</b>		<b>26,243</b>	<b>26,243</b>	<b>26,243</b>	<b>26,243</b>	<b>26,243</b>
Import Cover (reserves to months of estimated imports)		3.6	3.4	3.5	4.2	3.9
<b>Net Bank Holdings</b>				<b>2,396,268</b>	<b>2,798,722</b>	<b>3,216,741</b>

**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.