



# Monthly Statistical Release

January/February 2023



**CENTRAL BANK  
OF ESWATINI**  
Umntsholi Wemaswati

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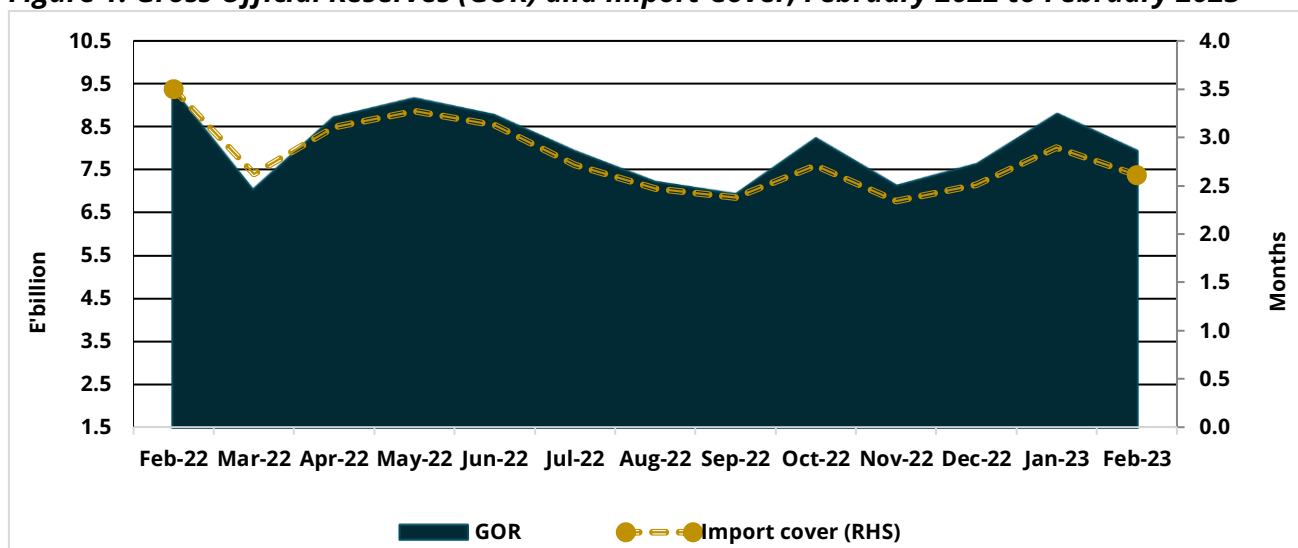
HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
<b>Preliminary gross official reserves</b> declined by 9.9 per cent month-on-month and 15.4 per cent year-on-year to E7.9 billion at the end of February 2023.	9.9 ▼	15.4 ▼
<b>Credit extended to the private sector</b> increased slightly by 0.6 per cent from December 2022 and 10.1 per cent year-on-year to reach E17.4 billion at the end of January 2023.	0.6 ▲	10.1 ▲
<b>Broad money supply (M2)</b> reflected a month-on-month decline of 6.3 per cent and year-on-year growth of 4.6 per cent to reach E20.6 billion at the end of January 2023.	6.3 ▼	4.6 ▲
<b>Domestic liquid assets</b> amounted to E7.4 billion at the end of January 2023, down by 7.8 per cent month-on-month and 5.7 per cent year-on-year.	7.8 ▼	5.7 ▼
	<b>PERCENT</b>	
<b>Discount rate:</b> the discount rate was at 6.75 per cent in February 2023.	6.75	
<b>Prime lending rate:</b> the prime lending rate was at 10.25 per cent in February 2023.	10.25	

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**Preliminary gross official reserves figure** reached E7.9 billion at the end of February 2023, lower by 9.9 per cent from January 2023 and 15.4 per cent year-on-year. The decline was mainly attributed to a net outflow of foreign currency from trades with local banks coupled with payment of government’s fiscal obligations over the month under review. The reserves were therefore, enough to cover 2.6 months of imports of goods and services, lower than the 2.9 months covered in January 2023.

**Valued in special drawing rights (SDR)**, the reserves fell by 13.4 per cent month-on-month and 26.6 per cent year-on-year to close the month under review at SDR324.5 million.

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



Source: Central Bank of Eswatini

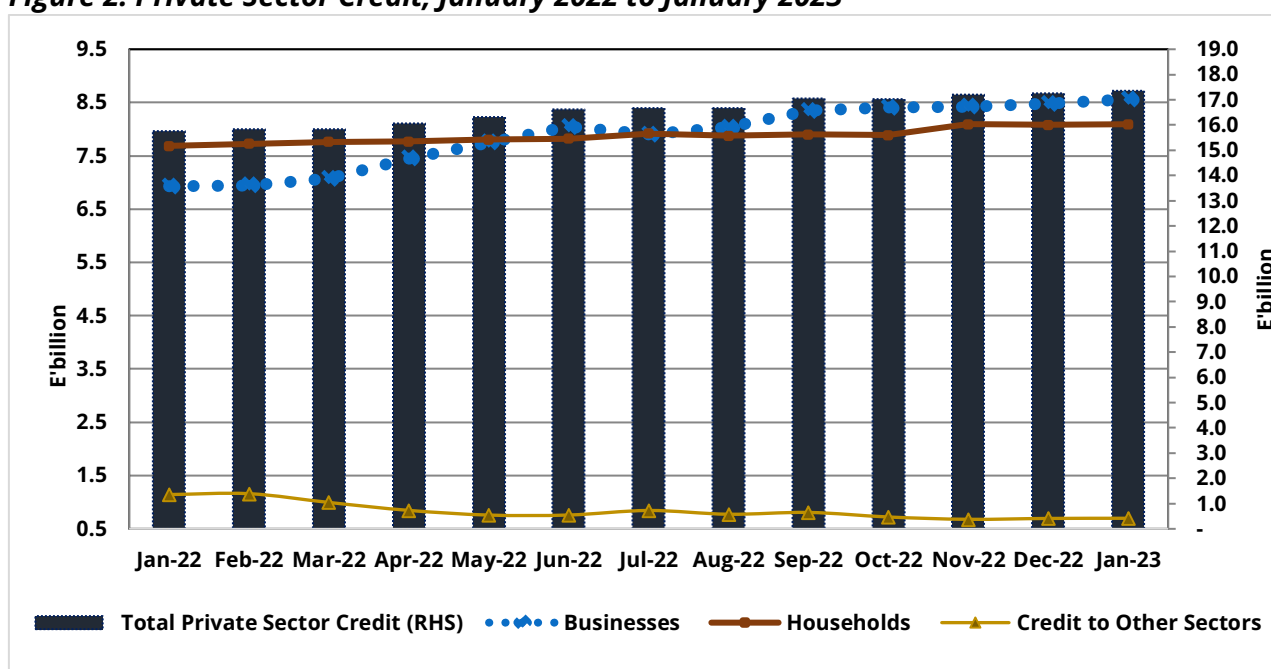
**Credit extended to the private sector** closed the month under review at E17.4 billion, recording a month-on-month and year-on-year expansion of 0.6 per cent and 10.1 per cent, respectively. Growth was on account of all credit categories; credit to businesses, other sectors of the domestic economy and households & non-profit institutions serving households (NPISH).

**Credit extended to businesses** improved by 1.0 per cent month-on-month and 19.8 per cent year-on-year to reach E8.6 billion at the end of January 2023. The increase in credit to businesses was absorbed by the agriculture & forestry, real estate and distribution & tourism sectors, which expanded by 3.5 per cent, 2.0 per cent and 0.7 per cent, respectively. The following subsectors decreased marginally namely; mining & quarrying (-6.0 per cent), manufacturing (-3.5 per cent), community, social & personal services (-2.5 per cent), construction (-2.4 per cent) as well as

transport & communication (-0.7 per cent). However, the decrease was not large enough to surpass the increase in credit to businesses.

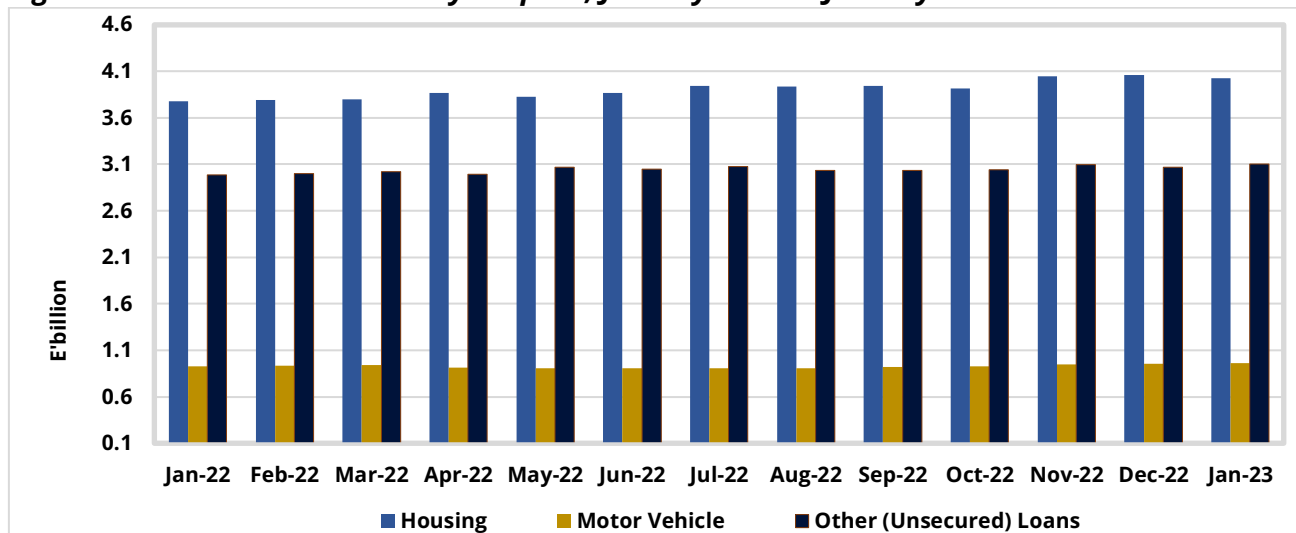
**Credit extended to other sectors** increased slightly by 0.4 per cent month-on-month, however, compared to January 2022, fell by 24.5 per cent to close at E698.2 million at the end of January 2023. The month-on-month growth was observed in credit to local government and other financial corporations, which rose by 8.3 per cent to E61.1 million and 2.3 per cent to E401.8 million, respectively. In contrast, credit to public nonfinancial corporations declined by 4.5 per cent to close the review month at E235.3 million.

**Figure 2: Private Sector Credit; January 2022 to January 2023**



Source: Central Bank of Eswatini & Other Depository Corporations

**Credit extended to households & NPISH** closed the month under review at E8.1 billion, reflecting a month-on-month and year-on-year growth of 0.1 per cent and 5.3 per cent, respectively. Growth was driven by other personal (unsecured) and motor vehicle loans, which increased by 1.3 per cent to E3.1 billion and 0.6 per cent to E961.7 million, respectively. Housing loans, on the contrary, declined marginally by 0.8 per cent to close the review month at E4.0 billion.

**Figure 3: Credit to Households by Purpose; January 2022 to January 2023**

Source: Central Bank of Eswatini & Other Depository Corporations

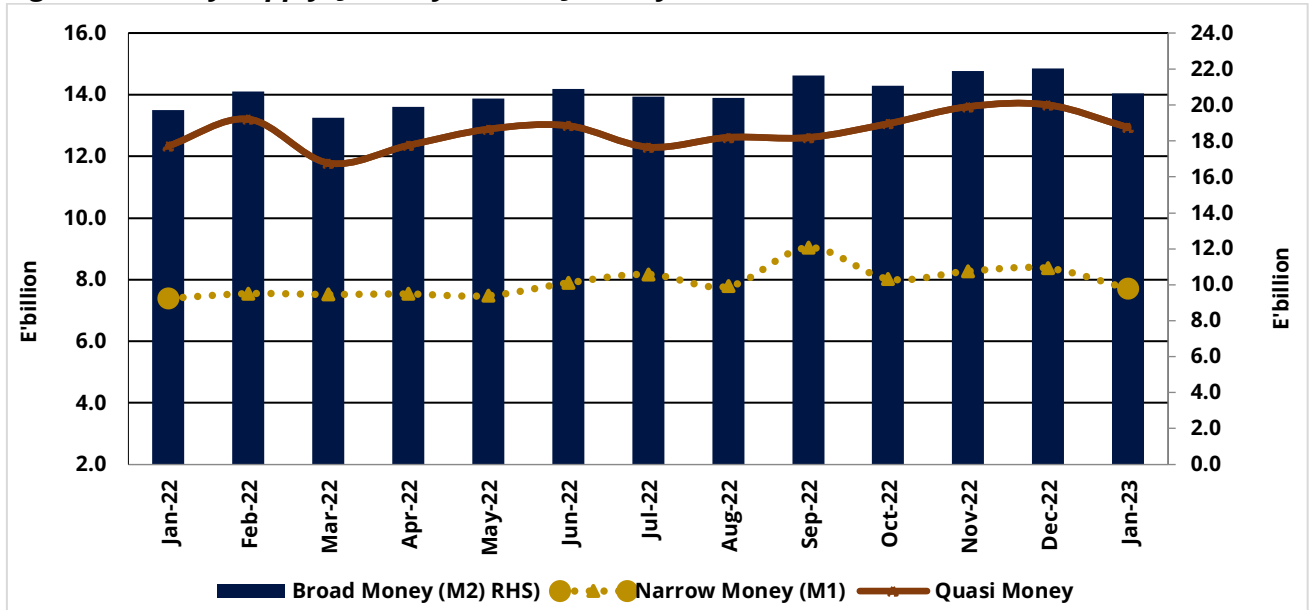
**Net claims on government with the banking sector** depicted a month-on-month reduction of 39.2 per cent and year-on-year growth of 47.1 per cent to close the review month at E2.2 billion. This outturn was reflective of the partial repayment of the advance from the Central Bank by government. The payment was effected after receipt of the quarterly proceeds from the Southern African Customs Union pool at the beginning of January 2023. As a result, claims on government went down by 12.8 per cent month-on-month to E7.0 billion. Government deposits, on the other hand, improved by 8.7 per cent from the previous month to settle at E4.8 billion.

**Broad money supply (M2)** reflected a month-on-month reduction of 6.3 per cent and year-on-year growth of 4.6 per cent to stand at E20.6 billion at the end of January 2023. The month-on-month contraction in M2 was registered in both components of M2; narrow money supply (M1) and quasi money supply.

**Narrow money supply (M1)** declined by 7.9 per cent month-on-month and increased by 4.3 per cent year-on-year to settle at E7.7 billion at the end of January 2023, due to both components. As a result, currency outside depository corporations and transferable (demand) deposits decreased by 12.6 per cent to E674.1 million and 7.4 per cent to E7.0 billion, respectively.

**Quasi money supply** reflected a reduction of 5.4 per cent month-on-month and growth of 4.9 per cent year-on-year to settle at E12.9 billion at the end of January 2023. The month-on-month decline was driven by both components, savings and time deposits, which fell by 5.5 per cent to E11.1 billion and 4.3 per cent to E1.9 billion, respectively.

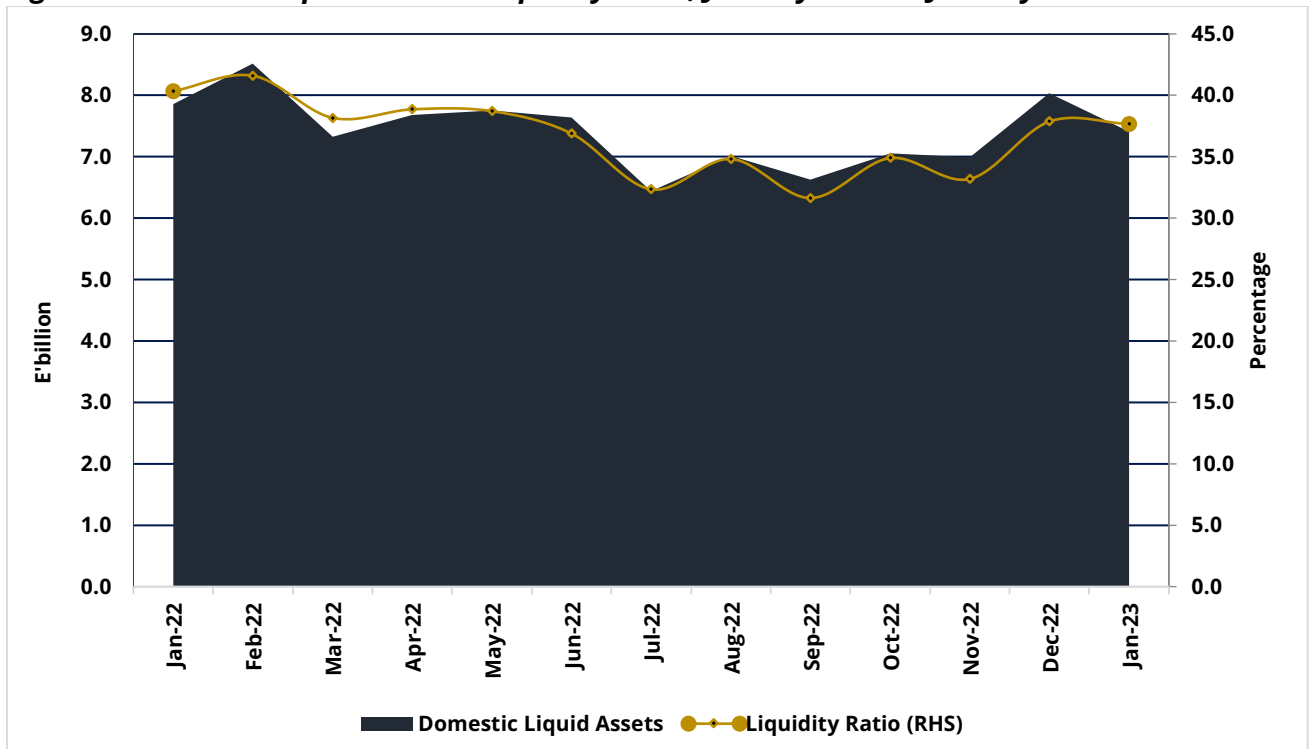
**Figure 4: Money Supply; January 2022 to January 2023**



Source: Central Bank of Eswatini & Other Depository Corporations

**Overall liquidity position of banks' assets** stood at E7.4 billion at the end of January 2023, representing a month-on-month and year-on-year decrease of 7.8 per cent and 5.7 per cent, respectively. The reduction was predominantly explained by the banks' cash holdings as well as their balances held with the Central Bank. The banks' liquidity ratio fell from 37.9 per cent observed in December 2022 to 37.7 per cent at the end of January 2023.

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



Source: Central Bank of Eswatini & Other Depository Corporations

**RELEASE OF MONEY AND BANKING STATISTICS**

ITEM	Jan-23	Dec-22	Jan-22
	Amount (E'000)	Amount (E'000)	Amount (E'000)
<b>CENTRAL BANK OF ESWATINI</b>			
Claims on Non-residents	10,483,950	9,254,061	10,414,712
Claims on Domestic Economy	2,217,721 *	3,184,170 *	2,287,514
Government	2,181,931	3,149,408	2,253,333
Other Depository Corporations	2,082	2,082	1,422
Other Resident Sectors	33,709	32,681	32,759
Other Assets	819,800	536,031	880,915
<b>Total Assets/Liabilities</b>	<b>11,881,872 *</b>	<b>12,974,262</b>	<b>13,583,141</b>
<b>OTHER DEPOSITORY CORPORATIONS</b>			
Cash and Deposits with CBE	2,866,909	3,431,307	3,484,947
Net Balances with Banks Outside Eswatini	1,161,816	2,249,542	1,933,979
Loans and advances	17,051,652	16,962,365	15,235,004
<b>Government Securities</b>	<b>4,771,787 *</b>	<b>4,834,901</b>	<b>4,653,513</b>
Treasury Bills	2,214,619	2,271,305	2,482,329
Government Bonds	2,557,167	2,563,596	2,171,184
Other	-	-	-
<b>Total Deposits</b>	<b>21,919,884 *</b>	<b>23,382,898</b>	<b>21,625,592 *</b>
Transferable/Demand	7,443,528	8,097,106	7,151,321
Savings	1,918,222	1,999,709	1,991,930
Time	12,558,135	13,286,083	12,482,340
Capital and Reserves	5,104,926	5,016,188	4,754,779
<b>Total Assets/Liabilities</b>	<b>31,102,946</b>	<b>32,009,488</b>	<b>28,610,359</b>
Total Liquid Assets (Banks only)	7,411,009	8,034,828	7,861,213
Required Liquidity (Banks only)	4,294,850	4,633,910	3,853,316
Surplus/ Deficiency (-) (Banks only)	3,116,158 *	3,400,918	4,007,897
<b>RATIOS (%)</b>			
Actual Liquidity to Domestic Liabilities (Banks Only)	37.7	37.9	40.3
Loans and Advances to Deposits	77.8	72.5	70.4

<b>DEPOSITORY CORPORATIONS SURVEY</b>		<b>Jan-23</b>	<b>Dec-22</b>	<b>Jan-22</b>	
<b>Net Foreign Assets (E)</b>		<b>8,010,198</b>	<b>7,931,026</b>	<b>8,960,572</b>	
<b>Net Official Assets</b>		<b>6,317,412 *</b>	<b>5,194,876</b>	<b>6,564,304</b>	
Foreign Assets - Central Bank of Eswatini		10,510,193	9,280,303	10,440,955	
Foreign Liabilities - Central Bank of Eswatini		4,192,782	4,085,427	3,876,651	
<b>Net Other Depository Corporations Foreign holdings (ODC)</b>		<b>1,692,787</b>	<b>2,736,150 *</b>	<b>2,396,268</b>	
Foreign Assets - ODC		4,184,372	4,680,997	2,986,113	
Foreign Liabilities - ODC		2,491,585	1,944,848	589,845	
<b>Net Foreign Assets (SDR)</b>		<b>341,234</b>	<b>351,344</b>	<b>415,771</b>	
<b>Net Domestic Claims</b>		<b>19,538,525 *</b>	<b>20,852,170 *</b>	<b>17,246,521</b>	
<b>Net Claims on Government</b>		<b>2,186,100</b>	<b>3,596,560</b>	<b>1,486,410</b>	
Claims on Central Government		6,996,606	8,023,677	6,956,413	
Government Deposits		4,810,506	4,427,117	5,470,003	
<b>Claims on other sectors</b>		<b>17,352,424 *</b>	<b>17,255,611</b>	<b>15,760,111</b>	
Other nonfinancial corporations (Industry)		8,560,887	8,477,132	7,148,822	
Other resident sectors (Households & NPISH)		8,093,369	8,083,098	7,686,978	
Other sectors		698,169	695,381	924,311	
<b>Broad Money Supply (M2)</b>		<b>20,643,330</b>	<b>22,033,781</b>	<b>19,726,573</b>	
<b>Narrow Money Supply (M1)</b>		<b>7,708,069</b>	<b>8,365,448</b>	<b>7,389,975</b>	
Currency outside depository corporations (E)		674,106	771,171	756,482	
Transferable (demand) deposits		7,033,963	7,594,277	6,633,493	
<b>Quasi Money</b>		<b>12,935,261 *</b>	<b>13,668,333</b>	<b>12,336,598</b>	
Savings Deposits		1,867,360	1,951,098	1,891,658	
Time Deposits		11,067,900	11,717,235	10,444,940	
Shares and Other Equity		8,055,364	7,688,378	7,876,137	
Central Bank Of Eswatini		2,254,551	1,982,531	2,437,652	
Other Depository Corporations		5,800,813	5,705,847	5,438,485	
<b>Other Items (net)</b>		<b>-1,149,971</b>	<b>-938,963</b>	<b>-1,395,618</b>	
<b>GROSS OFFICIAL RESERVES</b>		<b>Feb-22</b>	<b>Jan-23</b>	<b>Dec-22</b>	<b>Jan-22</b>
		<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
		<b>(E'000)</b>	<b>(E'000)</b>	<b>(E'000)</b>	<b>(E'000)</b>
<b>Total Official (Gross) - Emalangeni E</b>		<b>7,925,464</b>	<b>8,795,261</b>	<b>7,630,174</b>	<b>8,864,320</b>
<b>Special Drawing Rights (SDR)</b>		<b>324,548</b>	<b>374,678</b>	<b>338,016</b>	<b>411,305</b>
<b>Central Bank</b>		<b>7,925,464</b>	<b>8,795,261</b>	<b>7,630,174</b>	<b>8,864,320</b>
<b>Government</b>		<b>26,243</b>	<b>26,243</b>	<b>26,243</b>	<b>26,243</b>
<b>Import Cover (reserves to months of estimated imports)</b>		<b>2.6</b>	<b>2.9</b>	<b>2.5</b>	<b>3.3</b>
<b>Net Bank Holdings</b>		<b>1,692,787</b>	<b>2,736,150</b>	<b>2,396,268</b>	<b>2,522,849</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.
- 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.