

# Monthly Statistical Release

JUNE/JULY 2022



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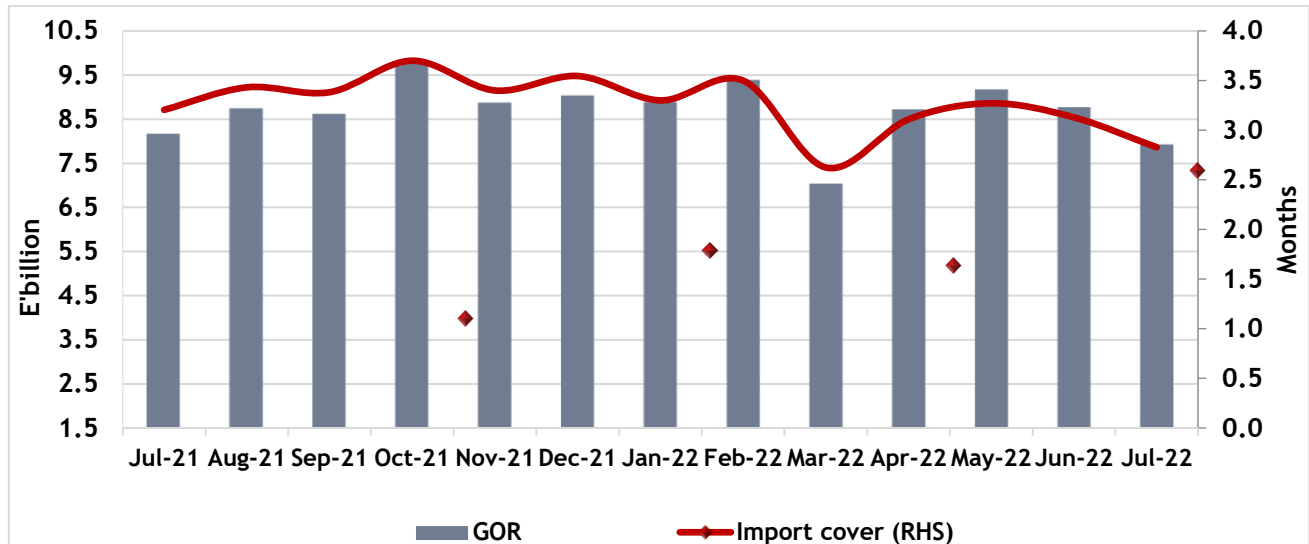
CENTRAL BANK  
OF ESWATINI  
Umntsholi Wemaswati



HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
<b>Gross official reserves</b> decreased by 9.6 per cent month-on-month and 2.9 per cent over the year to reach E7.9 billion at the end of July 2022.	9.6 ▼	2.9 ▼
<b>Credit extended to the private sector</b> grew by 1.9 per cent over the month and 4.4 per cent year-on-year to E16.6 billion at the end of June 2022.	1.9 ▲	4.4 ▲
<b>Broad money supply (M2)</b> increased by 2.6 per cent month-on-month and declined by 4.6 per cent over the year to close at E20.9 billion at the end of June 2022.	2.6 ▲	4.6 ▼
<b>Domestic liquid assets</b> declined by 1.4 per cent over the month and 9.8 per cent year-on-year to close at E7.6 billion at the end of June 2022.	1.4 ▼	9.8 ▼
	PER CENT	
<b>Discount rate:</b> The Central Bank raised the discount rate by 50 basis points to 5.0 per cent in July 2022.		5.00
<b>Prime lending rate:</b> Commercial banks also raised their prime lending rate by 50 basis points to 8.5 per cent in July 2022.		8.50
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**Gross official reserves** amounted to E7.9 billion at the end of July 2022, depicting a decline of 9.6 per cent over the month and 2.9 per cent year-on-year. The fall in reserves was mainly due to foreign currency trades between the Central Bank and local banks. The import cover fell from 3.1 months in June 2022 to 2.8 months at the end of July 2022. Valued in special drawing rights (SDR), gross official reserves stood at SDR363.1 million at end-July 2022, down by 9.6 per cent month-on-month and 7.1 per cent year-on-year.

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

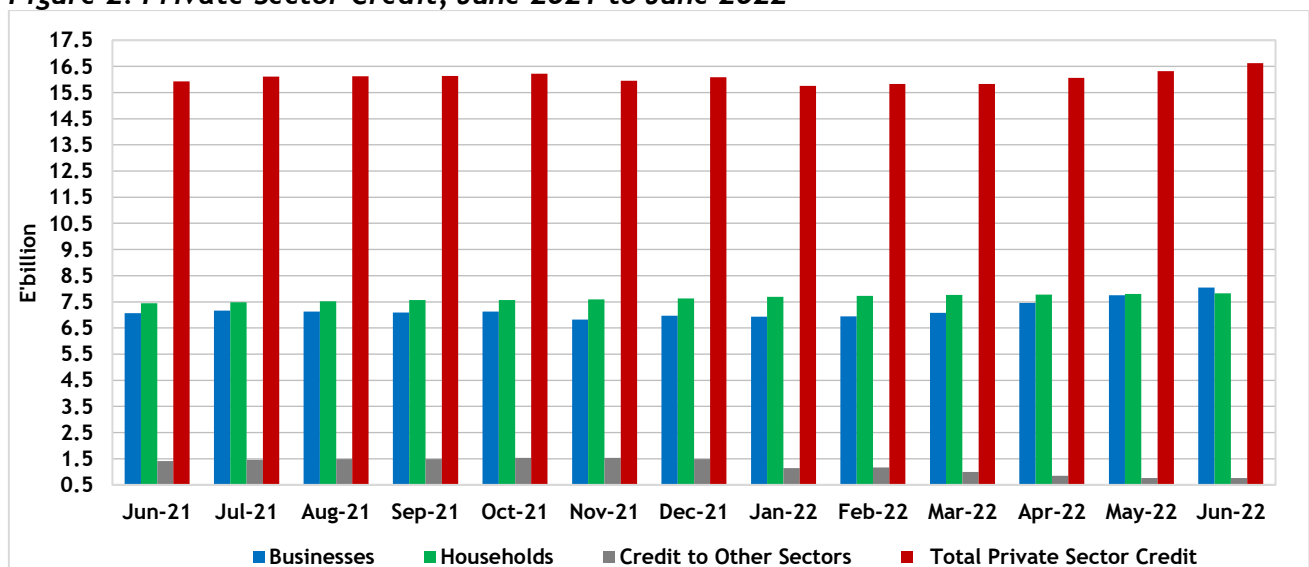


Source: Central Bank of Eswatini

\* 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** increased by 1.9 per cent month-on-month and 4.4 per cent year-on-year to close at E16.6 billion at the end of June 2022. The growth in private sector credit was observed across all its subsectors, namely, businesses, households & non-profit institutions serving households (NPISH) as well as other sectors of the economy.

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

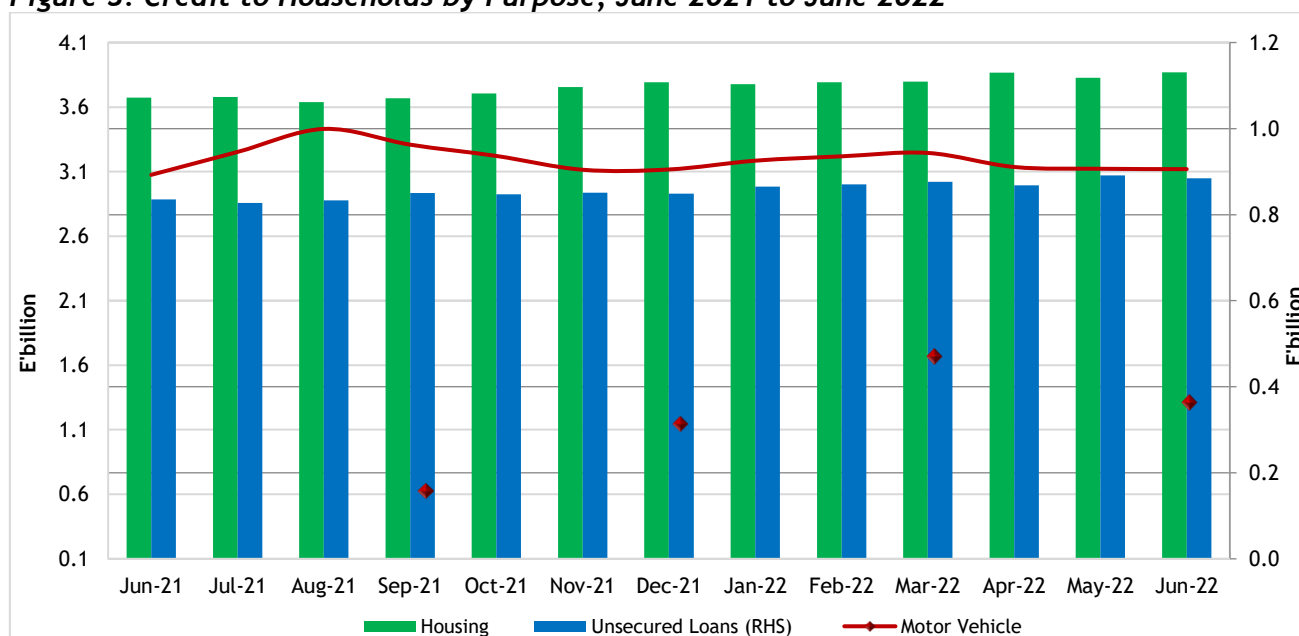


Source: Central Bank of Eswatini & Other Depository Corporations

**Credit extended to businesses** grew by 3.8 per cent over the month and 13.9 per cent relative to the previous year to close at E8.0 billion at the end of June 2022. Growth in credit to businesses emanated from a rise in credit to distribution & tourism (10.2 per cent), agriculture & forestry (9.2 per cent), manufacturing (3.9 per cent), and real estate (1.8 per cent). However, there was a decline in credit to the following subsectors; mining & quarrying (-25.7 per cent), community social & personal services (-10.4 per cent), construction (-3.0 per cent), as well as transport & communications (-0.6 per cent).

**Credit extended to households & NPISH** amounted to E7.8 billion at the end of June 2022, reflecting an increase of 0.3 per cent month-on-month and 5.0 per cent year-on-year, mainly due to housing loans. Housing loans grew by 1.1 per cent over the month to reach E3.9 billion. Other personal (unsecured) loans and motor vehicle loans, on the other hand, declined by 0.7 per cent to E3.0 billion and 0.1 per cent to E905.8 million, respectively.

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



Source: Central Bank of Eswatini & Other Depository Corporations

**Credit extended to other sectors** increased by 0.2 per cent month-on-month and declined by 46.2 per cent compared to June 2021 to close at E759.5 million at the end of June 2022. Growth in credit emanated from credit to public nonfinancial corporations and other financial corporations, which grew by 0.9 per cent to E278.4 million and 0.2 per cent to E44.2 million, respectively. Credit to local government, on the other hand, fell by 5.1 per cent to settle at E40.9 million at the end of June 2022.

**Net claims on government with the banking sector** amounted to E2.2 billion at the end of June 2022, reflecting an expansion of 48.8 per cent over the month and 57.7 per cent

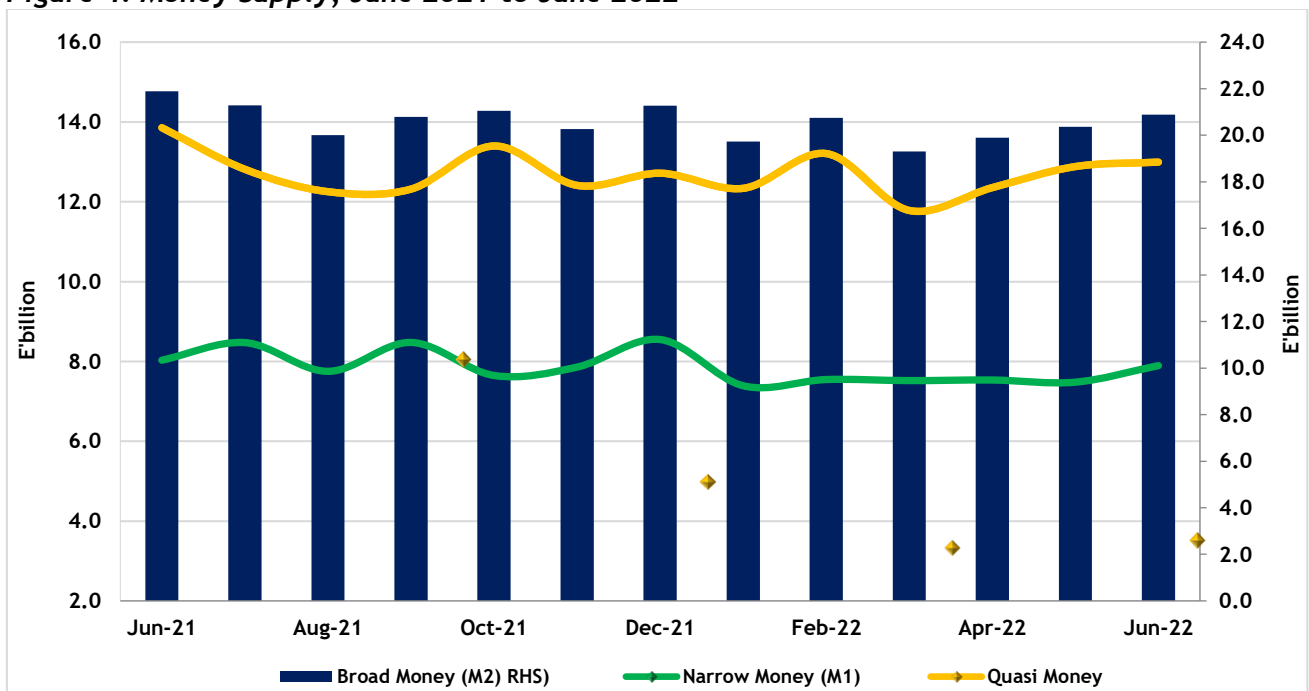
relative to June 2021. The rise in net claims on government emanated from a fall in government deposits while claims on government increased. Government deposits declined by 6.1 per cent over the month to E5.7 billion at the end of June 2022. Claims on government, however, recorded growth of 4.5 per cent to reach E7.8 billion over the review month.

**Broad money supply (M2)** grew by 2.6 per cent from the previous month and fell by 4.6 per cent year-on-year to settle at E20.9 billion at the end of June 2022. The month-on-month increase in M2 was in line with the improvement with credit extended to the private sector, and was observed on both narrow money supply (M1) and quasi money supply.

**Narrow money supply (M1) expanded** by 5.5 per cent over the month and fell by 1.7 per cent year-on-year to close at E7.9 billion at the end of June 2022, driven by both its components. Transferable (demand) deposits grew by 5.8 per cent to E7.2 billion while Emalangeni outside depository corporations rose by 2.6 per cent to E690.5 million at the end of June 2022.

**Quasi money supply** improved by 0.9 per cent month-on-month but fell by 6.2 per cent year-on-year to settle at E13.0 billion at the end of June 2022. Time deposits recorded an increase of 0.9 per cent over the month to reach E11.0 billion. Savings deposits expanded by 0.4 per cent to E2.0 billion at end-June 2022.

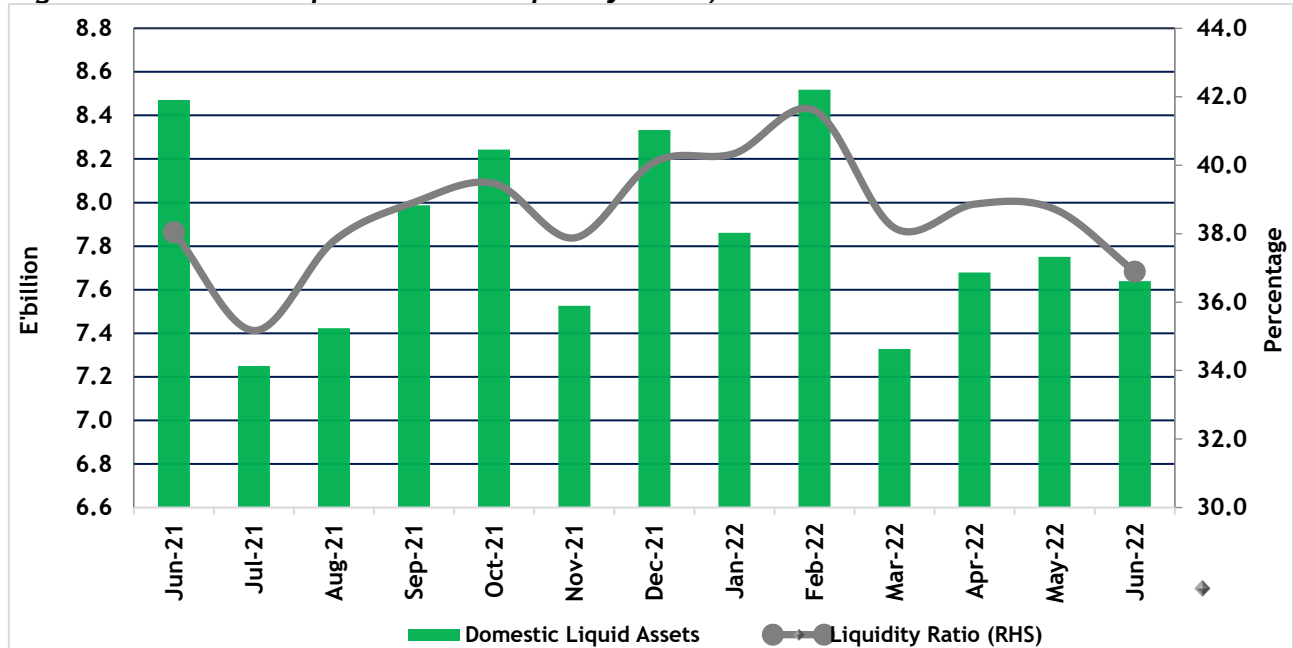
**Figure 4: Money Supply; June 2021 to June 2022**



Source: Central Bank of Eswatini & Other Depository Corporations

**Banks' liquid assets** stood at E7.6 billion at the end of June 2022, depicting a decline of 1.4 per cent month-on-month and 9.8 per cent over the year. The fall in liquidity resulted from reduced banks' cash holdings, balances held at the Central Bank, as well as reduced investment in government securities in June 2022. As a result, the liquidity ratio fell by 1.8 percentage points from 38.7 per cent in May 2022 to 36.9 per cent in June 2022.

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



Source: Central Bank of Eswatini & Other Depository Corporations

**RELEASE OF MONEY AND BANKING STATISTICS**

ITEM	Jun-22	May-22	Jun-21
	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)
<b>CENTRAL BANK OF ESWATINI</b>			
Claims on Non-residents	10,320,887	10,667,718	9,772,456
Claims on Domestic Economy	3,207,638	2,834,847	2,934,637
Government	3,173,957	2,801,274	2,901,474
Other Depository Corporations	2,082	2,082	2,082
Other Resident Sectors	31,600	31,491	31,081
Other Assets	548,915	610,617	634,771
Total Assets/Liabilities	14,077,440	14,113,182	13,341,863
<b>OTHER DEPOSITORY CORPORATIONS</b>			
Cash and Deposits with CBS	3,374,612	3,499,925	4,174,956
Net Balances with Banks Outside Eswatini	2,210,465	1,845,345	3,005,007
Loans and advances	16,272,871	15,961,946	15,120,113
Government Securities	4,613,327	4,650,874	4,594,657
Treasury Bills	2,293,425	2,309,891	2,563,068
Government Bonds	2,319,902	2,340,983	2,031,589
Other	0	0	0
Total Deposits	22,545,578	22,029,598	23,906,250
Transferable/Demand	7,734,236	7,249,140	8,161,381
Savings	2,074,456	2,069,042	1,919,237
Time	12,736,886	12,711,416	13,825,632
Capital and Reserves	4,725,799	4,764,768	4,352,954
Total Assets/Liabilities	30,184,275	29,296,048	31,047,906
Total Liquid Assets (Banks only)	7,639,919	7,751,584	8,470,582
Required Liquidity (Banks only)	4,094,739	3,957,416	4,415,469
Surplus/ Deficiency (-) (Banks only)	3,545,179	3,794,168	4,055,114
<b>RATIOS (%)</b>			
Actual Liquidity to Domestic Liabilities (Banks Only)	36.9	38.7	38.0
Loans and Advances to Deposits	72.2	72.5	63.2

<i>DEPOSITORY CORPORATIONS SURVEY</i>		Jun-22	May-22	Jun-21		
<b>Net Foreign Assets (E)</b>		<b>9,074,754</b>	<b>9,205,484</b>	<b>10,537,845</b>		
<b>Net Official Assets</b>		<b>6,349,848</b>	<b>6,817,931</b>	<b>6,959,450</b>		
Foreign Assets - Central Bank of Eswatini		10,347,129	10,693,961	9,798,699		
Foreign Liabilities - Central Bank of Eswatini		3,997,281	3,876,029	2,839,249		
<b>Net Other Depository Corporations Foreign holdings (ODC)</b>		<b>2,724,906</b>	<b>2,387,553</b>	<b>3,578,395</b>		
Foreign Assets - ODC		3,785,009	3,121,069	4,072,491		
Foreign Liabilities - ODC		1,060,103	733,516	494,096		
<b>Net Foreign Assets (SDR)</b>		<b>416,531</b>	<b>436,341</b>	<b>517,408</b>		
<b>Net Domestic Claims</b>		<b>18,783,047</b>	<b>17,761,670</b>	<b>17,292,010</b>		
<b>Net Claims on Government</b>		<b>2,154,644</b>	<b>1,447,830</b>	<b>1,366,696</b>		
Claims on Central Government		7,831,681	7,496,258	7,544,275		
Government Deposits		5,677,037	6,048,428	6,177,579		
<b>Claims on other sectors</b>		<b>16,628,403</b>	<b>16,313,840</b>	<b>15,925,314</b>		
Other nonfinancial corporations (Industry)		8,044,541	7,750,725	7,063,743		
Other resident sectors (Households & NPISH)		7,824,359	7,804,790	7,450,826		
Other sectors		759,503	758,325	1,410,746		
<b>Broad Money Supply (M2)</b>		<b>20,888,734</b>	<b>20,363,605</b>	<b>21,886,608</b>		
<b>Narrow Money Supply (M1)</b>		<b>7,894,902</b>	<b>7,481,177</b>	<b>8,030,831</b>		
Currency outside depository corporations (E)		690,503	672,836	829,075		
Transferable (Demand) deposits		7,204,399	6,808,342	7,201,756		
<b>Quasi Money</b>		<b>12,993,832</b>	<b>12,882,427</b>	<b>13,855,777</b>		
Savings Deposits		2,030,109	2,021,261	1,880,111		
Time Deposits		10,963,722	10,861,167	11,975,666		
Shares and Other Equity		7,633,610	7,502,421	6,442,926		
Central Bank Of Eswatini		2,204,276	2,036,203	1,422,504		
Other Depository Corporations		5,429,334	5,466,218	5,020,423		
<b>Other Items (net)</b>		<b>(664,543)</b>	<b>(898,872)</b>	<b>(499,680)</b>		
<b>GROSS OFFICIAL RESERVES</b>		<b>Jul-22</b>	<b>Jun-22</b>	<b>May-22</b>	<b>Jun-21</b>	<b>Jul-21</b>
		<b>Amount</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>(E'000)</b>
<b>Total Official (GSoss) - Emalangeni E</b>		<b>7,910,944</b>	<b>8,753,606</b>	<b>9,150,034</b>	<b>8,300,781</b>	<b>8,147,987</b>
<b>Special Drawing Rights (SDRs)</b>		<b>363,112</b>	<b>401,790</b>	<b>433,713</b>	<b>407,568</b>	<b>390,695</b>
<b>Central Bank</b>		<b>7,910,944</b>	<b>8,753,606</b>	<b>9,150,034</b>	<b>8,300,781</b>	<b>8,147,987</b>
<b>Government</b>		<b>26,243</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 imp)</b>		<b>2.8</b>	<b>3.1</b>	<b>3.3</b>	<b>3.5</b>	<b>3.2</b>
<b>Net Bank Holdings</b>		<b>2,724,906</b>	<b>2,387,553</b>	<b>3,578,395</b>	<b>3,338,806</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 fiGVres 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 fiGVres are subject to revision as import fiGVres used have a 3 month lag.
- 6.Owing to the rounding of fiGVres, the sum of separate items will sometimes differ in the final digit from the total shown.