



# Monthly Statistical Release



**CENTRAL BANK  
OF ESWATINI**  
Umntsholi Wemaswati

June/July 2023

[www.centralbank.org.sz](http://www.centralbank.org.sz)



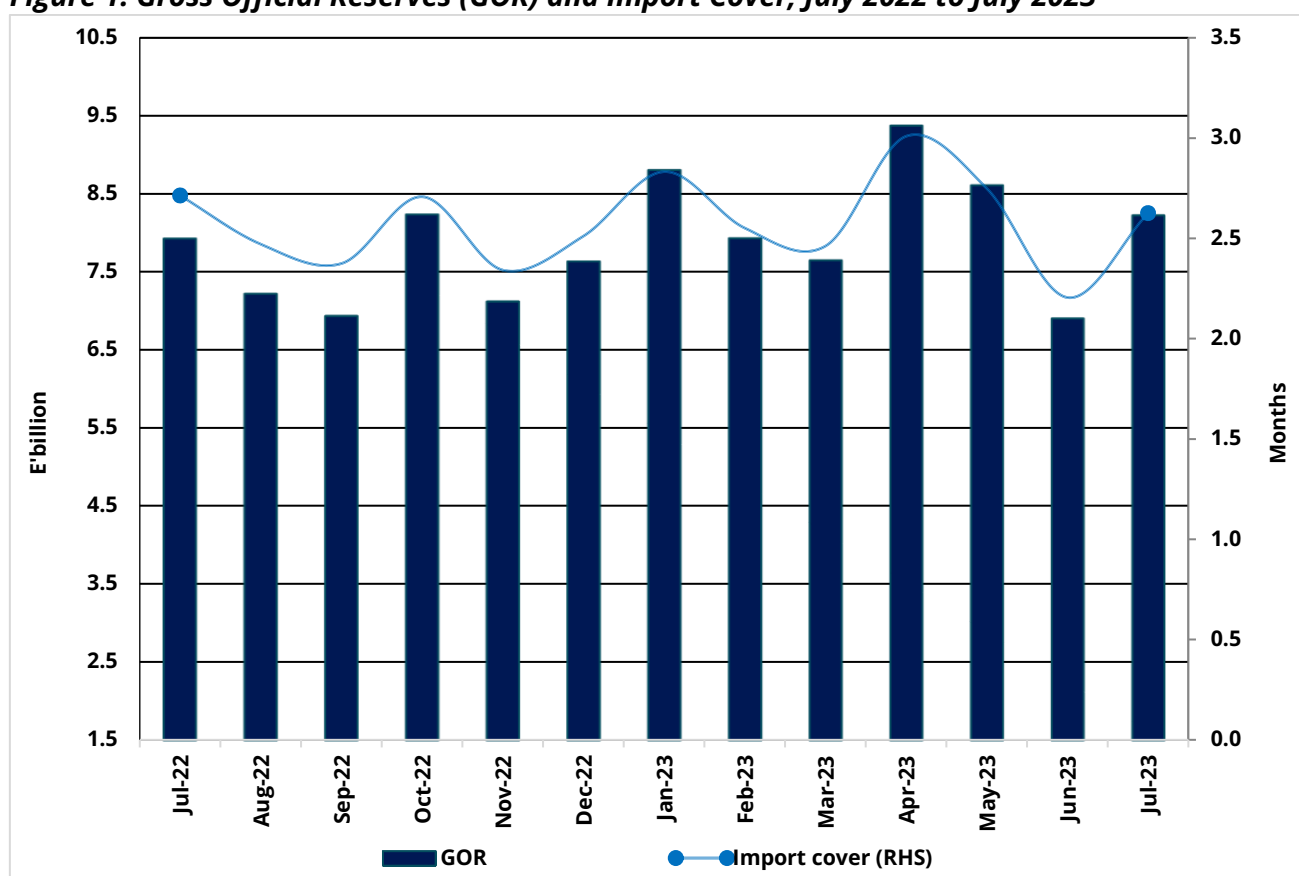
HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
<b>Preliminary gross official reserves</b> rose by 19.1 per cent month-on-month and 3.7 per cent year-on-year to E8.2 billion in July 2023.	19.1 ▲	3.7 ▲
<b>Credit extended to the private sector</b> grew by 1.7 per cent month-on-month and 9.2 per cent year-on-year to reach E18.2 billion in June 2023.	1.7 ▲	9.2 ▲
<b>Broad money supply (M2)</b> reflected a decline of 2.9 per cent month-on-month and 2.2 per cent year-on-year to reach E20.4 billion in June 2023.	2.9 ▼	2.2 ▼
<b>Domestic liquid assets</b> stood at E6.4 billion in June 2023, down by 11.3 per cent month-on-month and 15.6 per cent year-on-year.	11.3 ▼	15.6 ▼
	<b>PERCENT</b>	
<b>Discount rate:</b> the discount rate was reduced by 25 basis points in July 2023 to 7.50 per cent.	7.50	
<b>Prime lending rate:</b> likewise, commercial banks decreased the prime lending rate by 25 basis points to 11.00 per cent in July 2023.	11.00	

*The content of this publication is intended for general information sharing purposes only and is not intended to serve as financial or other advice. While every precaution is taken to ensure the accuracy of this information the Central Bank of Eswatini shall not be liable to any person for inaccurate information or opinions contained in this publication. For more information on this publication, contact the Research Department at Tel (+268) 2408-2243.*

**Preliminary gross official reserves** increased by 19.1 per cent from June 2023 and 3.7 per cent year-on-year to reach E8.2 billion at the end of July 2023. The growth in reserves was on account of the trimestral inflow of the Southern African Customs Union receipts at the beginning of July 2023. At this level, the reserves were enough to cover 2.6 months of imports of goods and services, reflecting an improvement from the 2.2 months covered in June 2023.

**Valued in special drawing rights (SDR)**, the reserves amounted to SDR344.2 million at the end of July 2023, reflecting an expansion of 25.1 per cent month-on-month and a decline of 5.3 per cent year-on-year.

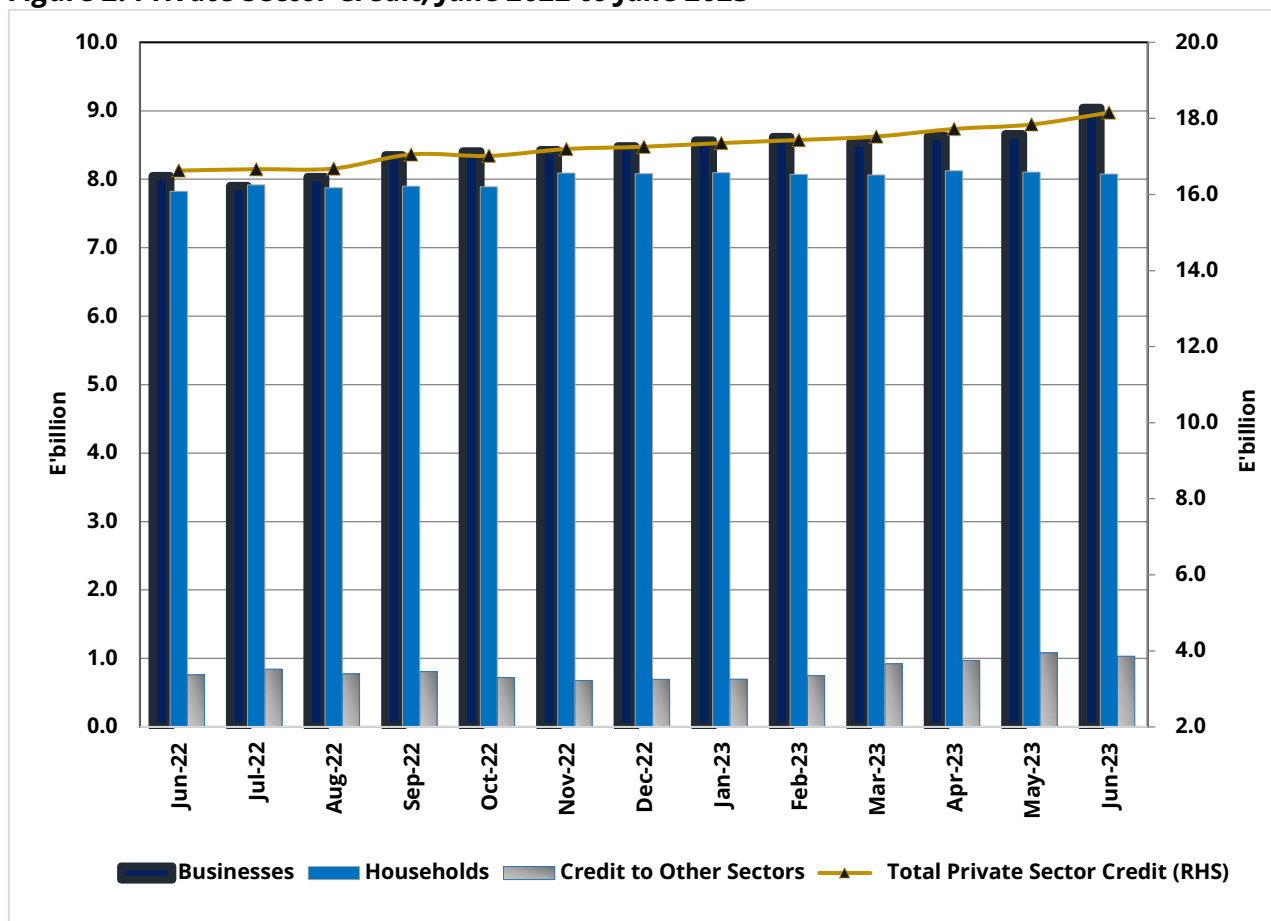
**Figure 1: Gross Official Reserves (GOR) and Import Cover; July 2022 to July 2023**



Source: Central Bank of Eswatini

**Credit extended to the private sector** went up by 1.7 per cent from May 2023 and 9.2 per cent year-on-year to settle at E18.2 billion at the end of June 2023. Contributing to the rise in private sector credit was growth in credit to businesses. The growth was partly offset by a fall in credit to other sectors of the domestic economy as well as households & non-profit institutions serving households (NPISH).

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

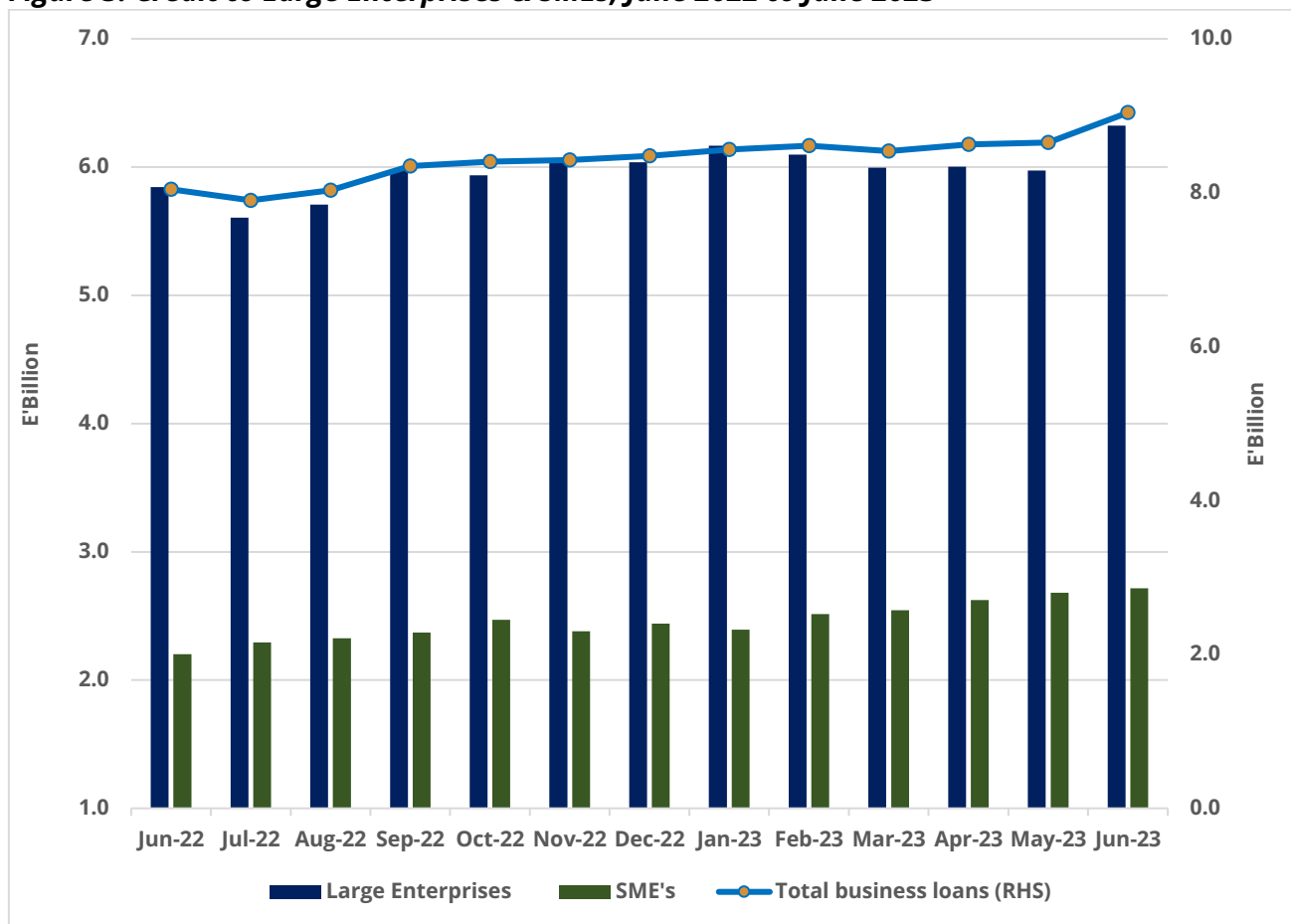


Source: Central Bank of Eswatini & Other Depository Corporations

**Credit extended to businesses** closed the month under review at E9.0 billion, reflecting an increase of 4.5 per cent month-on-month and 12.4 per cent relative to June 2022. Growth in credit to businesses was on account of credit to the following subsectors; distribution & tourism (18.1 per cent), real estate (2.3 per cent), and construction (1.2 per cent).

A further breakdown of credit to the business sector by size, showed that credit extended to large enterprises improved by 5.9 per cent month-on-month and 8.2 per cent year-on-year to E6.3 billion. The growth was mainly registered in credit extended to community, social & personal services sector and distribution & tourism sector. Credit extended to small and medium enterprises (SMEs), on the other hand, grew by 1.3 per cent to settle at E2.7 billion at the end of June 2023. The increase was mainly observed in credit to the construction and transport & communication sectors.

**Figure 3: Credit to Large Enterprises & SMEs; June 2022 to June 2023**

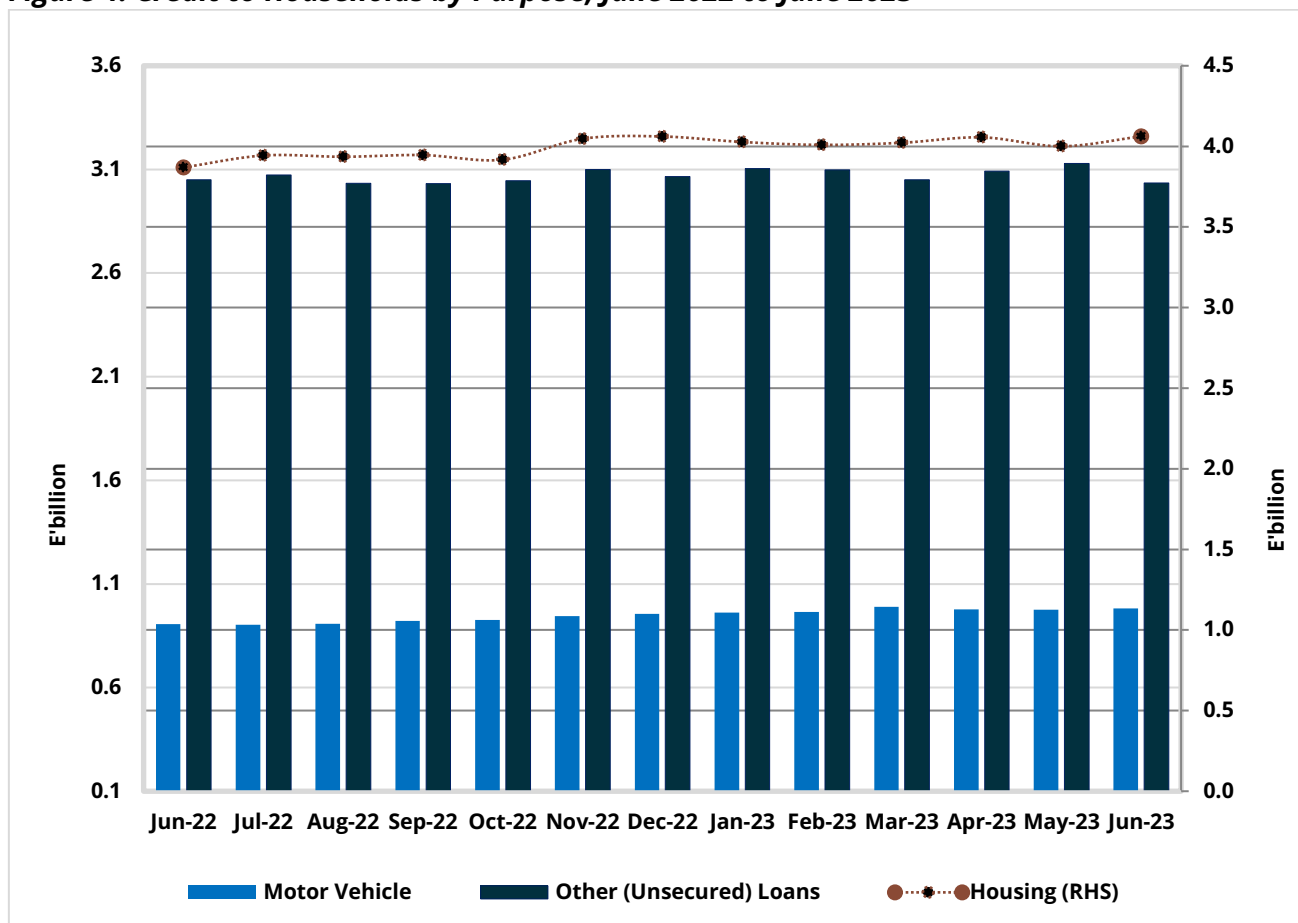


Source: Central Bank of Eswatini & Other Depository Corporations

**Credit extended to other sectors** contracted by 4.4 per cent month-on-month and grew by 36.0 per cent year-on-year to close the month under review at E1.0 billion. The month-on-month reduction was driven by credit to other financial corporations and public nonfinancial corporations, which fell by 4.9 per cent to E643.6 million and 4.8 per cent to E325.2 million, respectively. In contrast, credit to local government grew by 3.2 per cent to close the review month at E64.5 million.

**Credit extended to households & NPISH** closed the month under review at E8.1 billion, reflecting a contraction of 0.3 per cent month-on-month and growth of 3.2 per cent year-on-year. The month-on-month reduction was driven by other personal (unsecured) loans, which decelerated by 3.0 per cent to E3.0 billion. Mortgage and motor vehicle loans, on the other hand, improved by 1.5 per cent to E4.1 billion and 0.7 per cent to E981.7 million, respectively.

**Figure 4: Credit to Households by Purpose; June 2022 to June 2023**



Source: Central Bank of Eswatini & Other Depository Corporations

**Net claims on government with the banking sector** edged up by 11.9 per cent month-on-month and 64.6 per cent year-on-year to settle at E3.5 billion at the end of June 2023, due to an advance from the Central Bank combined with a fall in deposits with the banking sector. Consequently, claims on government increased by 0.9 per cent month-on-month to E7.4 billion. Government deposits, on the contrary, decelerated by 7.4 per cent to close the month under review at E3.9 billion.

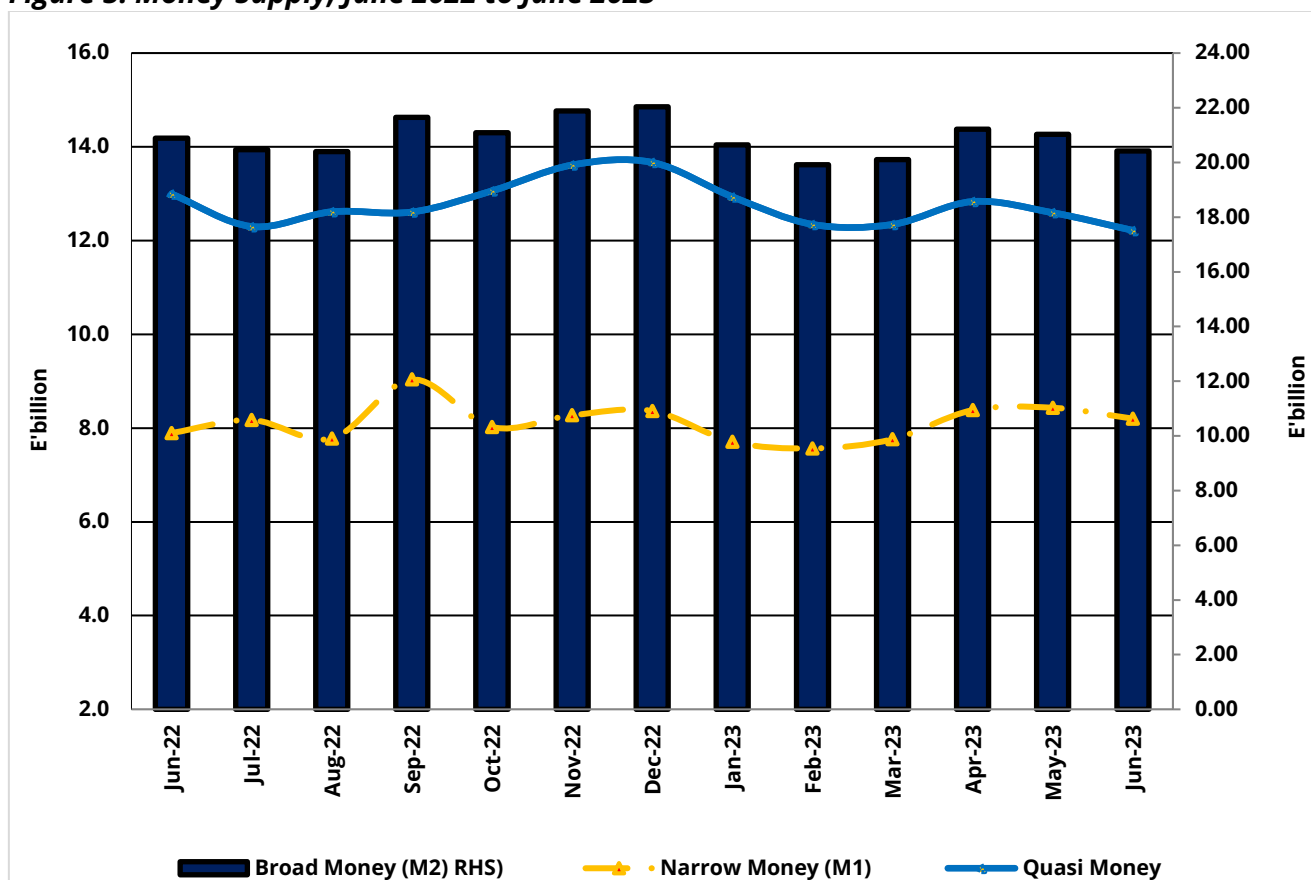
**Broad money supply (M2)** amounted to E20.4 billion at the end June 2023, representing a contraction of 2.9 per cent from the previous month and 2.2 per cent year-on-year. The decline was in line with the fall in net foreign assets and was recorded in both components of M2; quasi money supply and narrow money supply (M1).

**Quasi money supply** settled at E12.2 billion at the end of June 2023, depicting a fall of 3.0 per cent month-on-month and 6.0 per cent year-on-year. The reduction in quasi money was

observed in time deposits, which declined by 3.7 per cent to E10.3 billion. Savings deposits, on the other hand, grew by 0.7 per cent to E2.0 billion at the end of June 2023.

**M1** stood at E8.2 billion at the end of June 2023, representing a contraction of 2.7 per cent month-on-month and an improvement of 3.9 per cent year-on-year. The month-on-month contraction was on account of transferable (demand) deposits which decreased by 4.4 per cent to E7.4 billion. Emalangenzi outside depository corporations, on the contrary, accelerated by 15.7 per cent to E787.9 million.

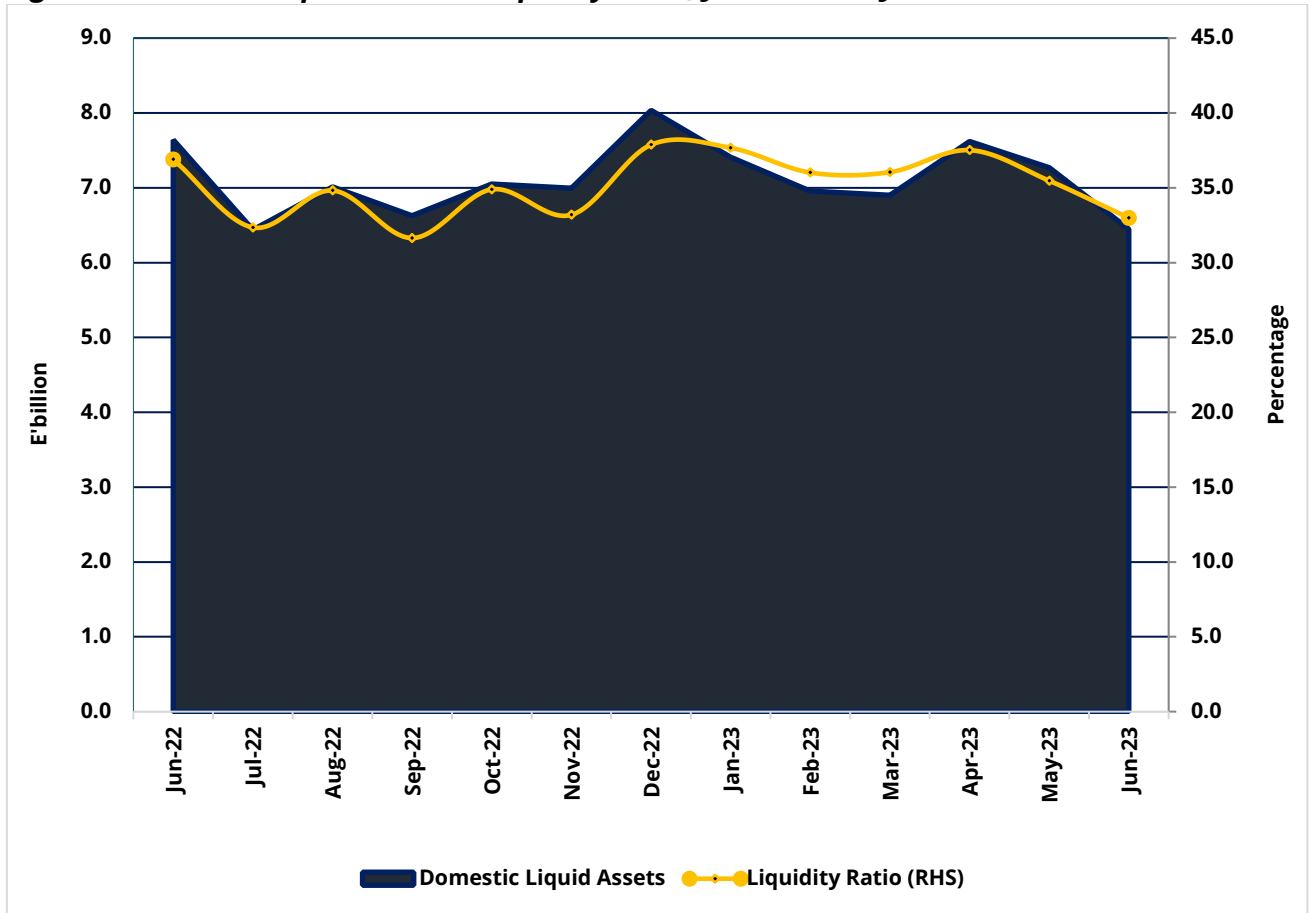
**Figure 5: Money Supply; June 2022 to June 2023**



Source: Central Bank of Eswatini & Other Depository Corporations

**The overall liquidity position of the banking industry** receded by 11.3 per cent month-on-month and 15.6 per cent year-on-year to settle at E6.4 billion at the end of June 2023. The reduction was predominantly on account of a fall in the banks' cash holdings, balances held with the Central Bank and investment in government securities. The liquidity ratio closed the month under review at 33.0 per cent, lower than the 35.5 per cent observed in May 2023.

**Figure 6: Domestic Liquid Assets & Liquidity Ratio; June 2022 to June 2023**



Source: Central Bank of Eswatini & Other Depository Corporations



## RELEASE OF MONEY AND BANKING STATISTICS

ITEM	Jun-23	May-23	Jun-22
	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)
<b>CENTRAL BANK OF ESWATINI</b>			
<b>Claims on Non-residents</b>	<b>8,700,649</b>	<b>10,482,647</b>	<b>10,320,887</b>
<b>Claims on Domestic Economy</b>	<b>3,205,875</b>	<b>2,840,520 *</b>	<b>3,207,638 *</b>
Government	3,150,242	2,785,117	3,173,957
Other Depository Corporations	2,082	2,082	2,082
Other Resident Sectors	53,551	53,322	31,600
<b>Other Assets</b>	<b>492,132</b>	<b>514,114</b>	<b>548,915</b>
<b>Total Assets/Liabilities</b>	<b>12,398,655 *</b>	<b>13,837,281</b>	<b>14,077,440</b>
<b>OTHER DEPOSITORY CORPORATIONS</b>			
<b>Cash and Deposits with CBE</b>	<b>2,435,269</b>	<b>2,956,768</b>	<b>3,374,612</b>
<b>Net Balances with Banks Outside Eswatini</b>	<b>1,641,526</b>	<b>2,027,528</b>	<b>2,210,465</b>
<b>Loans and advances</b>	<b>17,647,241</b>	<b>17,313,100</b>	<b>16,272,871</b>
<b>Government Securities</b>			
Treasury Bills	1,525,360	1,872,554	2,293,425
Government Bonds	2,710,904	2,659,913	2,319,902
<b>Other</b>	-	-	-
<b>Total Deposits</b>	<b>21,582,552</b>	<b>22,374,833 *</b>	<b>22,545,578</b>
Transferable/Demand	7,892,210	8,128,174	7,734,236
Savings	2,018,878	2,002,567	2,074,456
Time	11,671,464	12,244,091	12,736,886
<b>Capital and Reserves</b>	<b>5,139,191</b>	<b>5,057,150</b>	<b>4,725,799</b>
<b>Total Assets/Liabilities</b>	<b>30,738,393</b>	<b>31,381,792</b>	<b>30,184,275</b>
<b>Total Liquid Assets (Banks only)</b>	<b>6,445,477</b>	<b>7,268,937</b>	<b>7,639,919</b>
<b>Required Liquidity (Banks only)</b>	<b>4,261,224</b>	<b>4,471,336</b>	<b>4,094,739</b>
<b>Surplus/ Deficiency (-) (Banks only)</b>	<b>2,184,253</b>	<b>2,797,601</b>	<b>3,545,179 *</b>
<b>RATIOS (%)</b>			
<b>Actual Liquidity to Domestic Liabilities (Banks Only)</b>	<b>33.0</b>	<b>35.5</b>	<b>36.9</b>
<b>Loans and Advances to Deposits</b>	<b>81.8</b>	<b>77.4</b>	<b>72.2</b>

DEPOSITORY CORPORATIONS SURVEY	DEPOSITORY CORPORATIONS SURVEY	Jun-23	May-23	Jun-22
<b>Net Foreign Assets (E)</b>		<b>6,087,811</b>	<b>8,145,445</b>	<b>9,074,754</b>
<b>Net Official Assets</b>		<b>4,294,943 *</b>	<b>5,949,969 *</b>	<b>6,349,848</b>
Foreign Assets - Central Bank of Eswatini		8,726,891	10,508,890	10,347,129
Foreign Liabilities - Central Bank of Eswatini		4,431,949	4,558,922	3,997,281
<b>Net Other Depository Corporations Foreign holdings (ODC)</b>		<b>1,792,868</b>	<b>2,195,477</b>	<b>2,724,906</b>
Foreign Assets - ODC		3,969,920	4,135,866	3,785,009
Foreign Liabilities - ODC		2,177,052	1,940,389	1,060,103
<b>Net Foreign Assets (SDR)</b>		<b>242,903</b>	<b>311,156</b>	<b>416,531</b>
<b>Net Domestic Claims</b>		<b>21,696,482</b>	<b>21,007,116 *</b>	<b>18,783,047</b>
<b>Net Claims on Government</b>		<b>3,545,561</b>	<b>3,167,295</b>	<b>2,154,644</b>
Claims on Central Government		7,426,388	7,356,546	7,831,681
Government Deposits		3,880,827	4,189,251	5,677,037
<b>Claims on other sectors</b>		<b>18,150,921</b>	<b>17,839,820 *</b>	<b>16,628,403</b>
Other nonfinancial corporations (Industry)		9,039,778	8,654,274	8,044,541
Other resident sectors (Households & NPISH)		8,077,857	8,104,485	7,824,359
Other sectors		1,033,286	1,081,062	759,503
<b>Broad Money Supply (M2)</b>		<b>20,420,206</b>	<b>21,028,422</b>	<b>20,888,734</b>
<b>Narrow Money Supply (M1)</b>		<b>8,202,341</b>	<b>8,433,408</b>	<b>7,894,902</b>
Currency outside depository corporations (E)		787,923	681,058	690,503
Transferable (demand) deposits		7,414,418	7,752,350	7,204,399
<b>Quasi Money</b>		<b>12,217,865</b>	<b>12,595,014</b>	<b>12,993,832 *</b>
Savings Deposits		1,961,941	1,947,815	2,030,109
Time Deposits		10,255,924	10,647,199	10,963,722
Shares and Other Equity		8,592,298	8,781,917	7,633,610
Central Bank Of Eswatini		2,778,894	3,053,726	2,204,276
Other Depository Corporations		5,813,404	5,728,191	5,429,334
<b>Other Items (net)</b>		<b>-1,228,211</b>	<b>-657,777</b>	<b>-664,543</b>
<b>GROSS OFFICIAL RESERVES</b>				
	<b>Jul-23</b>	<b>Jun-23</b>	<b>May-23</b>	<b>Jun-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>8,214,464</b>	<b>6,897,687</b>	<b>8,599,449</b>	<b>8,753,606</b>
<b>Special Drawing Rights (SDR)</b>	<b>344,187</b>	<b>275,217</b>	<b>328,499</b>	<b>401,790</b>
<b>Central Bank</b>	<b>8,214,464</b>	<b>6,897,687</b>	<b>8,599,449</b>	<b>8,753,606</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>2.2</b>	<b>2.7</b>	<b>3.1</b>
<b>Net Bank Holdings</b>		<b>1,792,868</b>	<b>2,195,477</b>	<b>2,724,906</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.