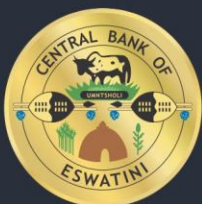


Monthly Statistical Release

NOV/DEC 2021



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**CENTRAL BANK
OF ESWATINI**
Umntsholi Wemaswati



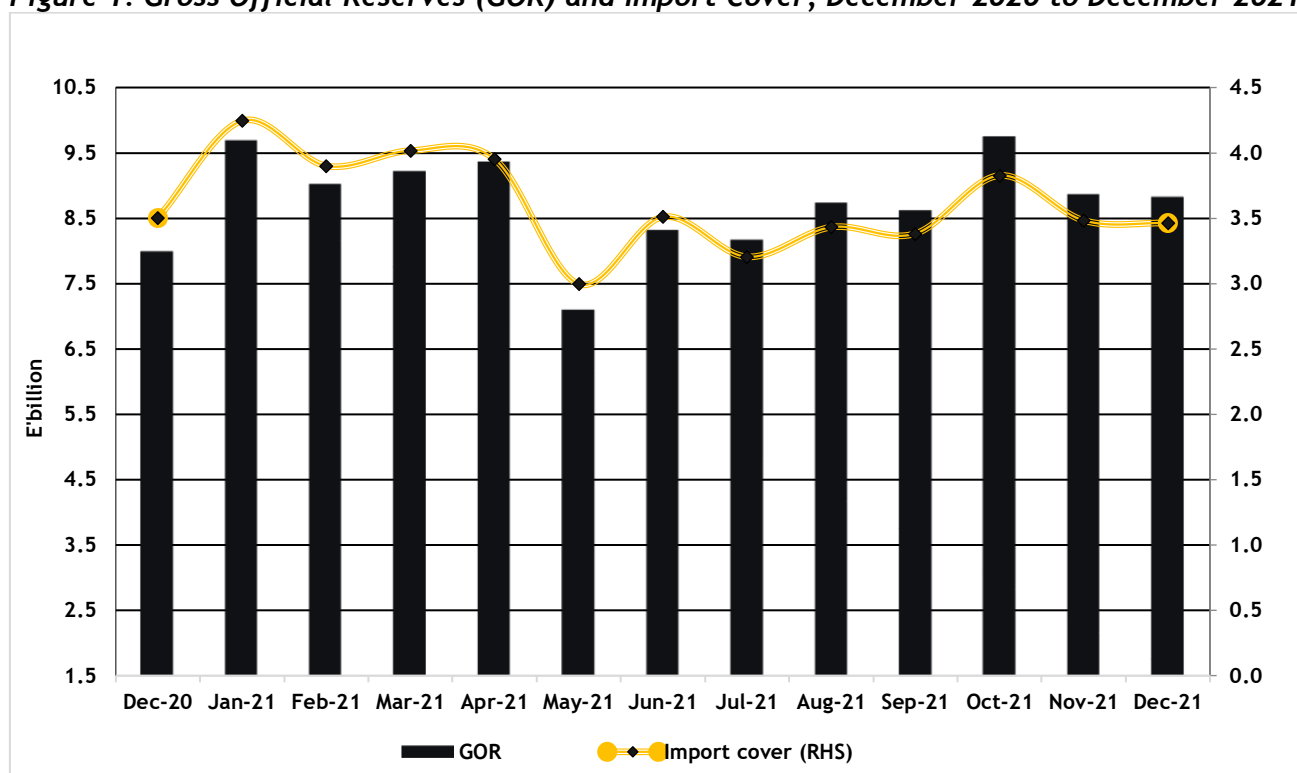
HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
Gross official reserves contracted by 0.5 per cent month-on-month but increased by 10.4 per cent year-on-year to close at E8.8 billion at the end of December 2021.	0.5 ▼	10.4 ▲
Credit extended to the private sector stood at E16.0 billion in November 2021, depicting a decline of 1.6 per cent month-on-month and growth of 3.1 per cent over the year.	1.6 ▼	3.1 ▲
Broad money supply (M2) amounted to E20.3 billion in November 2021, down by 3.7 per cent from October 2021 but up by 0.3 per cent year-on-year.	3.7 ▼	0.3 ▲
Domestic liquid assets reached E7.5 billion in November 2021, reflecting a reduction of 8.7 per cent month-on-month and an increase of 0.3 per cent over the year.	8.7 ▼	0.3 ▲
	PERCENT	
Discount rate: the discount rate was at 3.75 per cent in December 2021.		3.75
Prime lending rate: the prime lending rate was at 7.25 per cent in December 2021.		7.25
<p><i>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.</i></p>		



Gross official reserves amounted to E8.8 billion at the end of December 2021, depicting a month-on-month decline of 0.5 per cent and growth of 10.4 per cent from the previous year. At this level, the reserves were sufficient to cover 3.5 months of imports of goods and services, maintaining the same level as in November 2021.

Valued in special drawing rights (SDR), the reserves rose from SDR392.1 million registered in November 2021 to SDR393.6 million recorded at the end of December 2021, representing growth of 0.4 per cent month-on-month and 4.2 per cent year-on-year.

Figure 1: Gross Official Reserves (GOR) and Import Cover; December 2020 to December 2021



Source: Central Bank of Eswatini

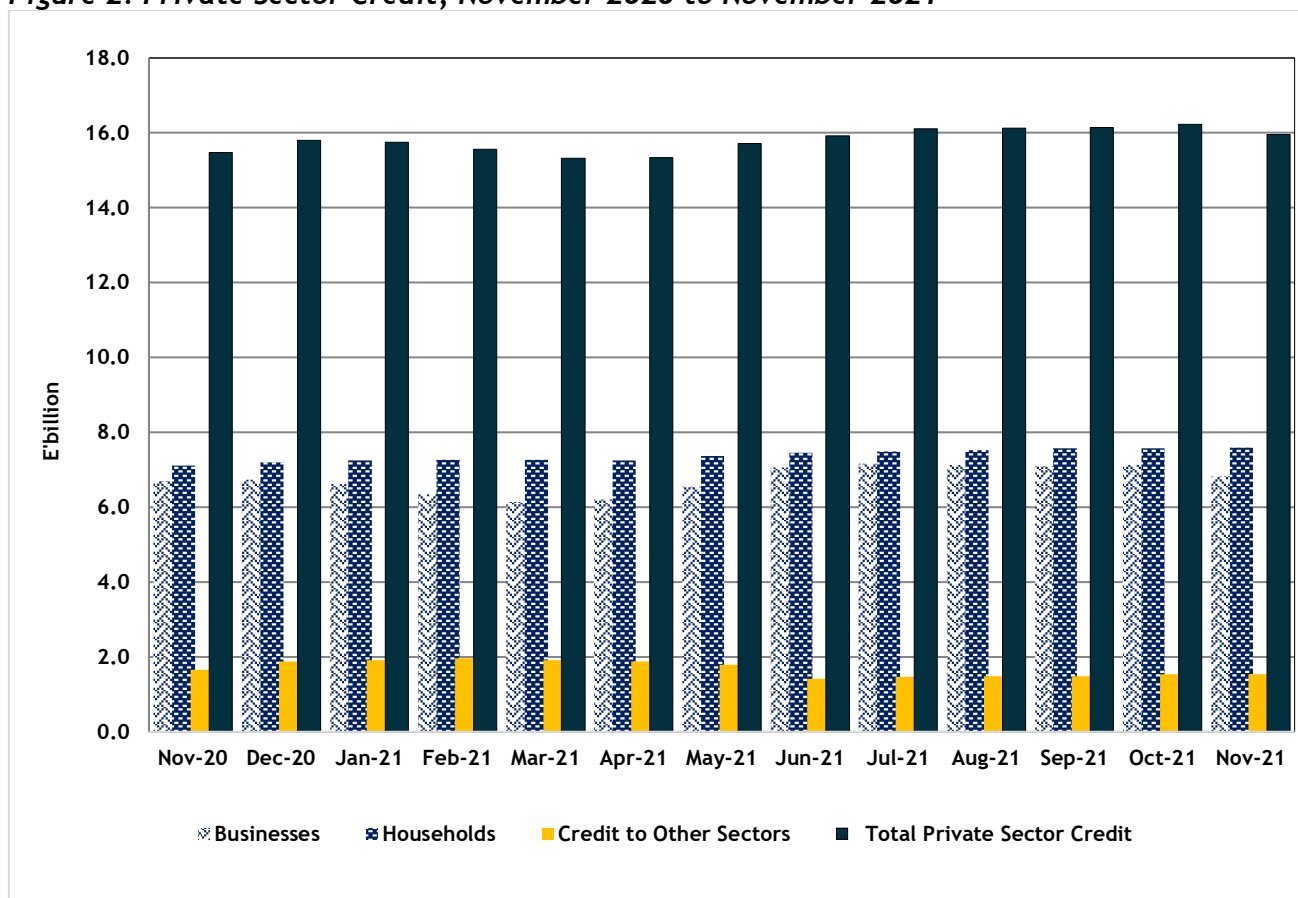
Credit extended to the private sector amounted to E16.0 billion at the end of November 2021, registering a decline of 1.6 per cent month-on-month and growth of 3.1 per cent over the year. The month-on-month decrease was driven by credit to businesses whilst credit to other sectors of the domestic economy and households & non-profit institutions serving households (NPISH) recorded an increase.

Credit extended to businesses receded by 4.3 per cent month-on-month, however, over the year increased by 1.8 per cent to reach E6.8 billion at the end of November 2021. The month-on-month decline in credit to businesses was mainly observed in these subsectors; distribution & tourism industry (-15.7 per cent), agriculture & forestry (-10.0 per cent), construction (-1.9 per cent) as well as transport & communication (-0.03 per cent). Growth

was however, observed in these subsectors; manufacturing (8.9 per cent), mining & quarrying (2.7 per cent), community, social and personal services (2.3 per cent) as well as real estate (0.7 per cent).

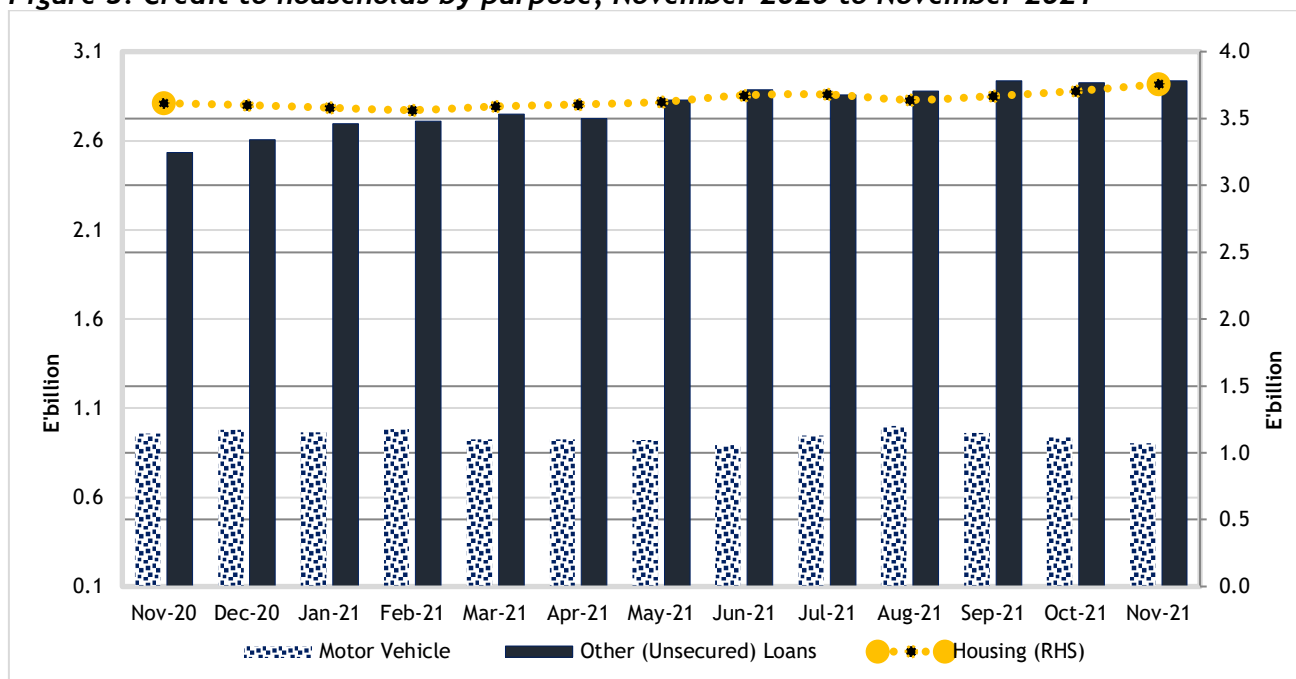
Credit to other sectors closed the review month at E1.5 billion, representing an improvement of 0.5 per cent relative to the previous month and a decline of 7.3 per cent year-on-year. The month-on-month improvement was registered in credit to local government and other financial corporations, which grew by 3.8 per cent and 0.9 per cent, respectively. Credit to public nonfinancial corporation, on the other hand, depicted a month-on-month contraction of 1.0 per cent.

Figure 2: Private Sector Credit; November 2020 to November 2021



Source: Central Bank of Eswatini & Other Depository Corporations

Credit extended to households & NPISH stood at E7.6 billion at the end of November 2021, depicting an improvement of 0.4 per cent from the preceding month and 6.9 per cent year-on-year. The month-on-month rise emanated from mortgage loans and other personal (unsecured) loans, which increased by 1.4 per cent to E3.8 billion and 0.4 per cent to E2.9 billion, respectively. On the contrary, motor vehicle loans declined by 3.4 per cent to E904.3 million over the month under review.

Figure 3: Credit to households by purpose; November 2020 to November 2021

Source: Central Bank of Eswatini & Other Depository Corporations

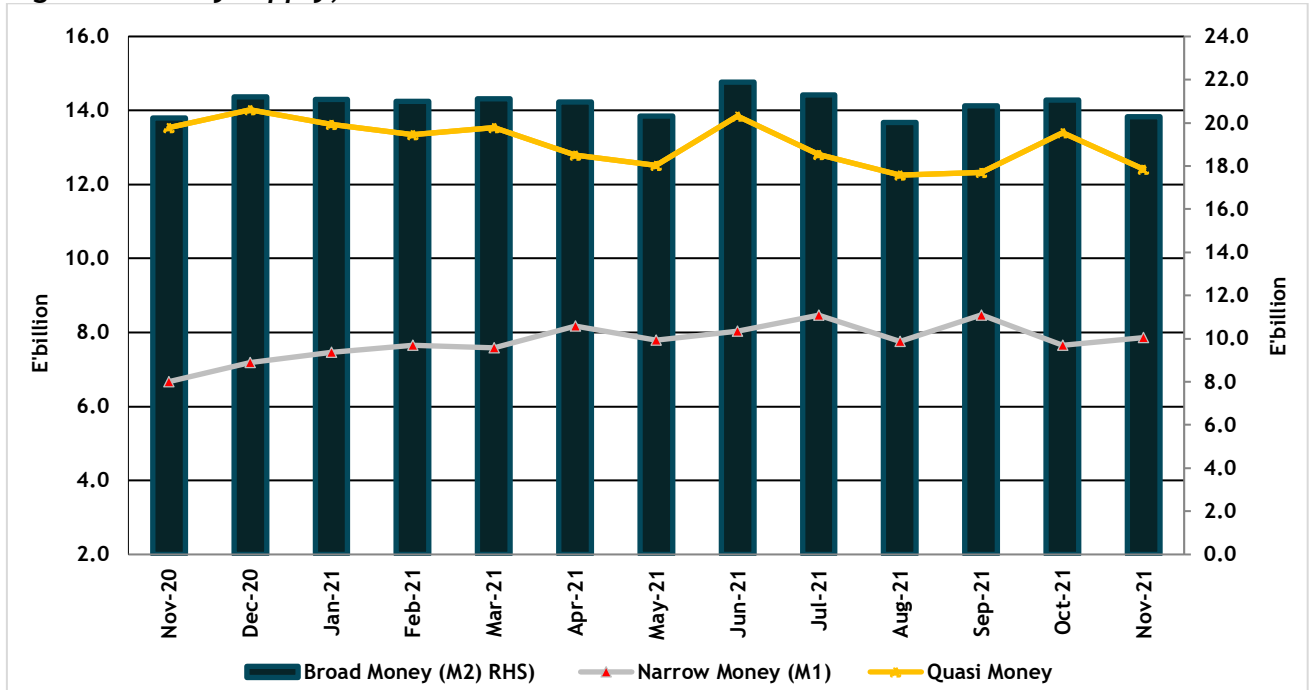
Net claims on government with the banking sector reached E1.9 billion at the end of November 2021, higher than the E1.1 billion observed in October 2021. This was largely due to the Central Bank advance to the government over the month under review. As a result, claims on government grew by 8.8 per cent month-on-month to E7.4 billion. Government deposits on the other hand, fell by 2.6 per cent month-on-month to E5.6 billion.

Broad money supply (M2) receded by 3.7 per cent over the month under review and grew by 0.3 per cent year-on-year to E20.3 billion at the end of November 2021, consistent with low domestic economic activity. The month-on-month reduction was discernible in quasi money supply whilst narrow money supply (M1) expanded.

Quasi money supply closed the review month at E12.4 billion, lower by 7.4 per cent from the preceding month and 8.4 per cent over the year. Accounting for the decrease was both time and savings deposits, which fell by 8.5 per cent to E10.4 billion and 1.0 per cent to E2.0 billion, respectively.

Narrow money supply (M1) stood at E7.9 billion at the end of November 2021, higher by 2.8 per cent relative to October 2021 and 17.8 per cent year-on-year. The increase was driven by transferable (demand) deposits, which grew by 3.9 per cent month-on-month to reach E7.0 billion. Emalangi outside depository corporations on the other hand, fell by 5.4 per cent month-on-month to reach E864.6 million at the end of November 2021.

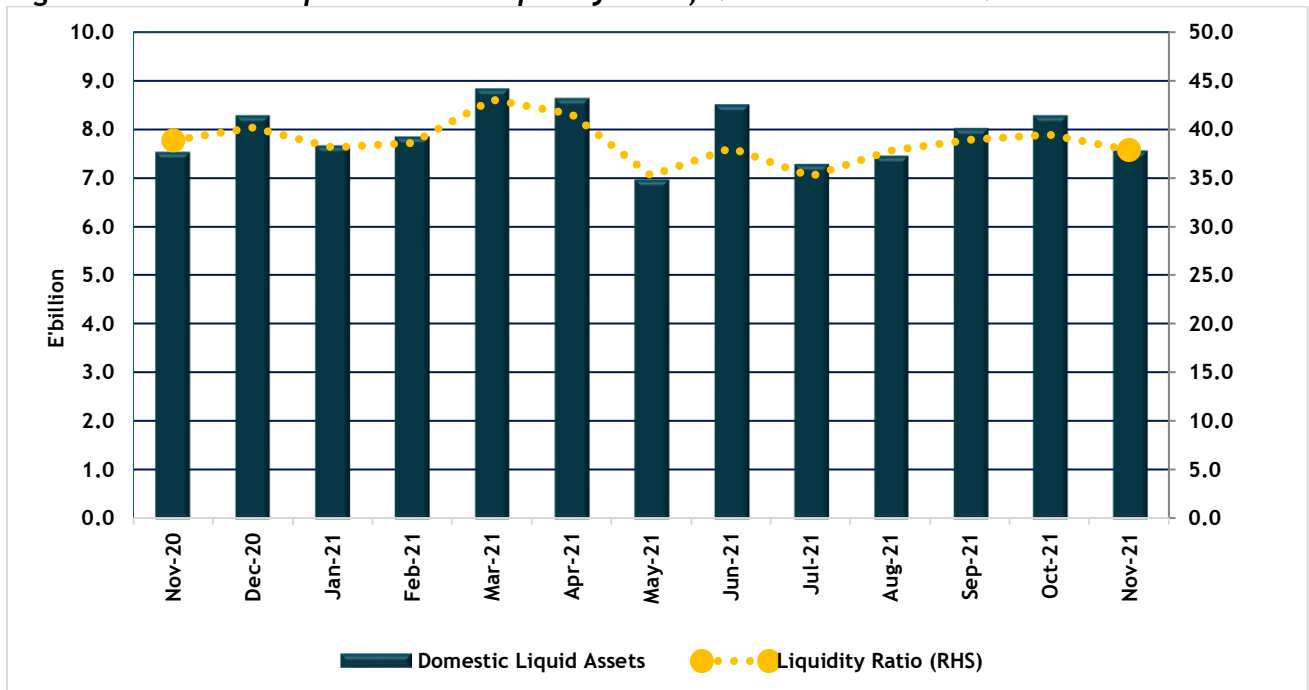
Figure 4: Money supply; November 2020 to November 2021



Source: Central Bank of Eswatini & Other Depository Corporations

The overall liquidity position of the banking industry stood at E7.5 billion at the end of November 2021, reflecting a decline of 8.7 per cent month-on-month and grew by 0.3 per cent year-on-year. The month-on-month reduction was attributed to a fall in the banks’ balances with the Central Bank as well as investments in government securities. The banks’ liquidity ratio receded by 1.6 percentage points from 39.5 per cent registered in October 2021 to 37.9 per cent at the end of November 2021.

Figure 5: Domestic liquid assets & liquidity ratio; November 2020 to November 2021



Source: Central Bank of Eswatini & Other Depository Corporations

RELEASE OF MONEY AND BANKING STATISTICS

ITEM	Nov-21	Oct-21	Nov-20
	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)
CENTRAL BANK OF ESWATINI			
Claims on Non-residents	10,474,024	11,282,962	11,249,927
Claims on Domestic Economy	2,701,620	2,042,926	2,478,702
Government	2,667,056	2,008,935	2,445,523
Other Depository Corporations	2,082	2,082	2,512
Other Resident Sectors	32,482	31,909	30,667
Other Assets	549,138	573,960	549,304
Total Assets/Liabilities	13,724,782	13,899,848	14,277,933
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBE	3,087,116	3,715,286	3,849,275
Net Balances with Banks Outside Eswatini	2,354,606	2,461,913	1,571,233
Loans and advances	14,963,531	15,242,595	14,487,997
Government Securities	4,736,670 *	4,787,189 *	3,918,908 *
Treasury Bills	2,557,162	2,599,698	2,382,435
Government Bonds	2,179,509	2,187,490	1,536,472
Other	-	-	-
Total Deposits	22,036,974	22,739,744	21,445,497
Transferable/Demand	7,489,401	7,273,597	6,180,947
Savings	2,084,391	2,098,349	2,152,682
Time	12,463,182	13,367,798	13,111,868
Capital and Reserves	4,623,352	4,583,590	4,252,207
Total Assets/Liabilities	29,110,133	29,887,248	27,826,671
Total Liquid Assets (Banks only)	7,525,814	8,242,761	7,502,108
Required Liquidity (Banks only)	3,932,229	4,137,897	3,822,405
Surplus/ Deficiency (-) (Banks only)	3,593,586 *	4,104,863 *	3,679,704 *
RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	37.9	39.5	38.9
Loans and Advances to Deposits	67.9	67.0	67.6

DEPOSITORY CORPORATIONS SURVEY		Nov-21	Oct-21	Nov-20	
Net Foreign Assets (E)		9,301,509	10,341,097	10,968,019	
Net Official Assets		6,518,148	7,448,513 *	8,403,593	
Foreign Assets - Central Bank of Eswatini		10,500,267	11,309,205	11,276,169	
Foreign Liabilities - Central Bank of Eswatini		3,982,119	3,860,691	2,872,576	
Net Other Depository Corporations Foreign holdings (ODC)		2,783,362	2,892,584	2,564,426	
Foreign Assets - ODC		3,502,103	3,437,186	2,870,634	
Foreign Liabilities - ODC		718,741	544,602	306,208	
Net Foreign Assets (SDR)		412,056	478,792	497,949	
Net Domestic Claims		17,825,704	17,338,986	14,936,972	
Net Claims on Government		1,868,262	1,116,111	534,863	
Claims on Central Government		7,448,738	6,843,310	6,408,367	
Government Deposits		5,580,476	5,727,199	6,943,230	
Claims on other sectors		15,957,442	16,222,875	15,471,835	
Other nonfinancial corporations (Industry)		6,820,999	7,124,189	6,702,946	
Other resident sectors (Households & NPISH)		7,597,640	7,567,311	7,108,680	
Other sectors		1,538,803	1,531,375	1,660,209	
Broad Money Supply (M2)		20,268,040	21,045,335	20,214,935	
Narrow Money Supply (M1)		7,857,700	7,647,121	6,671,307 *	
Currency outside depository corporations (E)		864,635	913,680	975,269	
Transferable (demand) deposits		6,993,065	6,733,441	5,696,039	
Quasi Money		12,410,340	13,398,214	13,543,628	
Savings Deposits		1,964,752	1,983,647	2,082,479	
Time Deposits		10,445,588	11,414,567	11,461,149	
Shares and Other Equity		7,649,049	7,410,179	6,400,654	
Central Bank Of Eswatini		2,346,735	2,155,485	1,531,610	
Other Depository Corporations		5,302,314	5,254,693	4,869,045	
Other Items (net)		-789,875	-775,431	-710,599	
GROSS OFFICIAL RESERVES		Dec-21	Nov-21	Oct-21	Nov-20
		Amount	Amount	Amount	Amount
		(E'000)	(E'000)	(E'000)	(E'000)
Total Official (Gross) - Emalangeni E		8,804,807	8,850,137	9,729,222	9,689,791
Special Drawing Rights (SDR)		393,574	392,060	450,462	439,917
Central Bank		8,804,807	8,850,137	9,729,222	9,689,791
Government		26,243	26,243	26,243	26,243
Import Cover (reserves to months of estimated imports)		3.5	3.5	3.8	4.3
Net Bank Holdings		2,783,362	2,892,584	2,564,426	2,621,360

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.