CBE
CENTRAL BANK OF ESWATINI
UMNTSHOLI WEMASWATI

Bek'e-Langa
Re-imagining Central Bank for a sustainable future

Monthly Statistical Release

October/November 2024

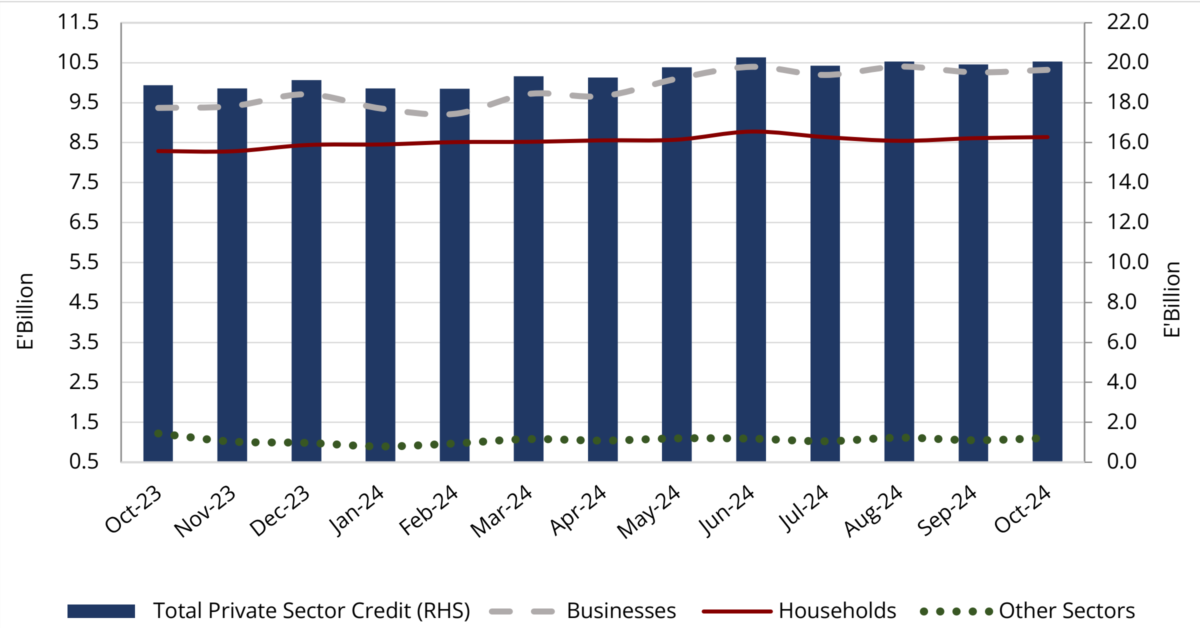
HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
Credit extended to the private sector stood at E20.1 billion in October 2024, reflecting growth of 0.7 per cent month-on-month and 6.3 per cent year-on-year.	0.7 ▲	6.3 ▲
Broad money supply (M2) amounted to E25.4 billion in October 2024, higher by 7.0 per cent month-on-month and 11.9 per cent year-on-year.	7.0 ▲	11.9 ▲
Domestic liquid assets grew by 21.2 per cent month-on-month and 35.4 per cent year-on-year to close at E9.7 billion in October 2024.	21.2 ▲	35.4 ▲
Gross official reserves rose slightly by 0.2 per cent month-on-month and 33.8 per cent year-on-year to reach E12.6 billion in November 2024.	0.2 ▲	33.8 ▲
Reserves' import cover was at 3.1 months in November 2024, maintaining the same level as in October 2024.	**November 2024** 3.1 months	**October 2024** 3.1 months
	PER CENT	
Discount rate: The discount rate was reduced by 25 basis points in November 2024 to 7.00 per cent.	7.00	
Prime lending rate: Commercial banks' prime lending rate was also reduced by 25 basis points in November 2024 to 10.50 per cent.	10.50	

DOMESTIC CREDIT (NET)

Credit extended to the private sector

At the end of October 2024, credit extended to the private sector rose slightly by 0.7 per cent month-on-month and 6.3 per cent year-on-year to reach E20.1 billion. Growth in private sector credit was observed in all sub-sectors, namely, credit to other sectors of the domestic economy, business sector and households & nonprofit institutions serving households (NPISH).

Figure 1: Private Sector Credit; October 2023 to October 2024



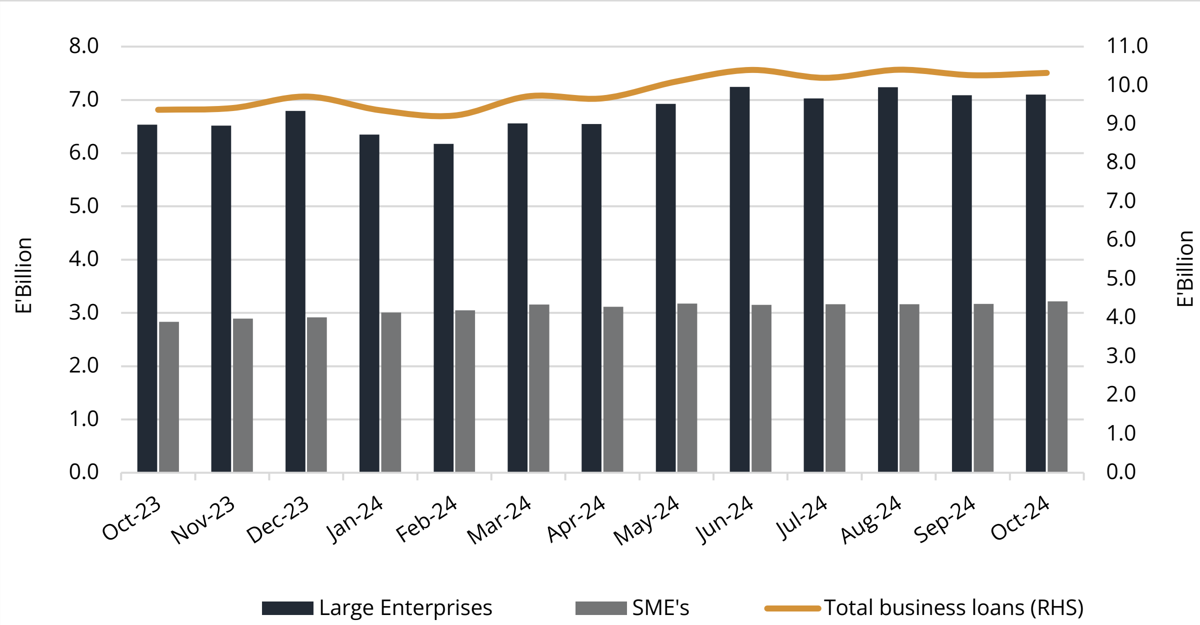
Source: Central Bank of Eswatini & Other Depository Corporations

Credit to other sectors of the domestic economy rose by 5.2 per cent month-on-month and fell by 9.5 per cent year-on-year to reach E1.1 billion at the end of October 2024. The month-on-month expansion was solely driven by credit to other financial corporations, which grew by 19.1 per cent to E671.3 million. A decline was, however, registered in credit to parastatals and local government, which decreased by 12.3 per cent to E354.8 million and 4.2 per cent to E79.8 million, respectively.

Credit extended to the business sector improved by 0.6 per cent month-on-month and 10.2 per cent year-on-year to reach E10.3 billion at the end of October 2024. Accounting for the growth were the following sub-sectors: distribution & tourism (4.3 per cent), manufacturing (1.7 per cent), mining & quarrying (1.0 per cent), and construction (0.5 per cent). The increase was somewhat weighed down by a decline in the following sub-sectors: agriculture & forestry (-7.9 per cent), community, social & personal services (-2.3 per cent), transport & communications (-0.3 per cent), as well as real estate (-0.2 per cent).

Further analysis of credit to businesses by size, showed that an increase was evident in both credit to small & medium enterprises (SMEs) and large enterprises. Consequently, credit to SMEs and large enterprises expanded by 1.5 per cent to E3.2 billion and 0.2 per cent to E7.1 billion, respectively.

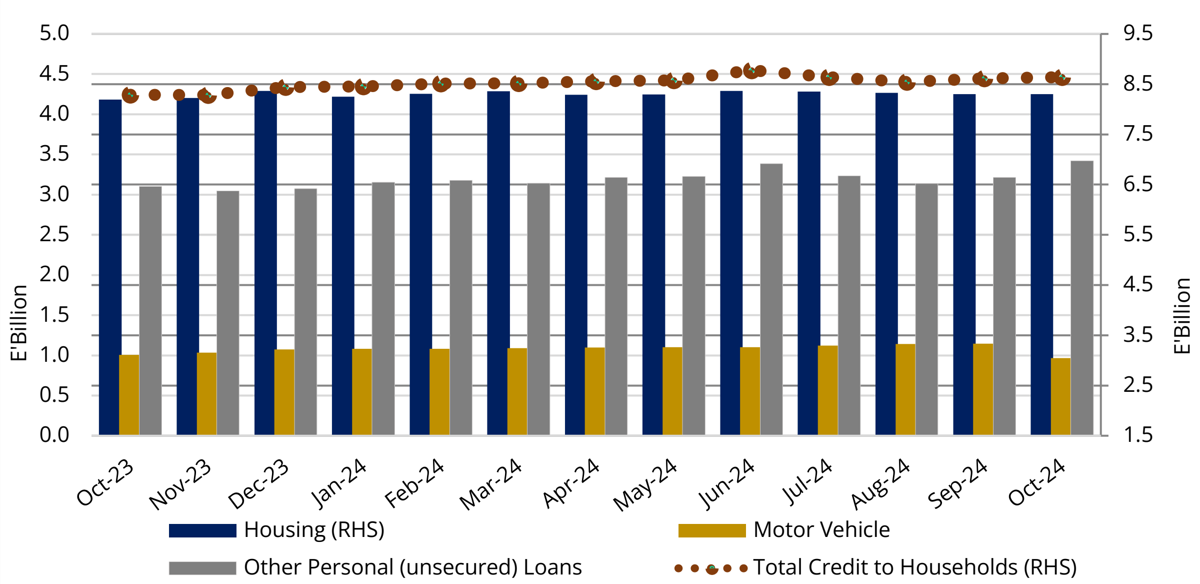
Figure 2: Credit to Large Enterprises and SMEs: October 2023 to October 2024



Source: Central Bank of Eswatini & Other Depository Corporations

Credit extended to households & NPISH edged up by 0.3 per cent month-on-month and 4.2 per cent year-on-year to reach E8.6 billion at the end of October 2024. The improved performance was supported by other personal (unsecured) and housing loans which went up by 6.5 per cent to E3.4 billion and 0.05 per cent to E4.3 billion, respectively. Motor vehicle loans on the contrary, receded by 15.8 per cent to close the month under review at E1.0 billion.

Figure 3: Credit to Households: October 2023 to October 2024



Source: Central Bank of Eswatini and Other Depository Corporations

Government balances

During the month under review, government balances held with the banking sector fell significantly by 77.4 per cent month-on-month and 73.6 per cent year-on-year to reach E410.7 million. The decline was a result of government repaying the advance from the Central Bank, utilising part of the Southern African Customs Union revenue received at the beginning of October 2024. Therefore, claims on government declined by 14.2 per cent to E7.1 billion. Government deposits, on the other hand, grew by 3.7 per cent to close the month under review at E6.7 billion.

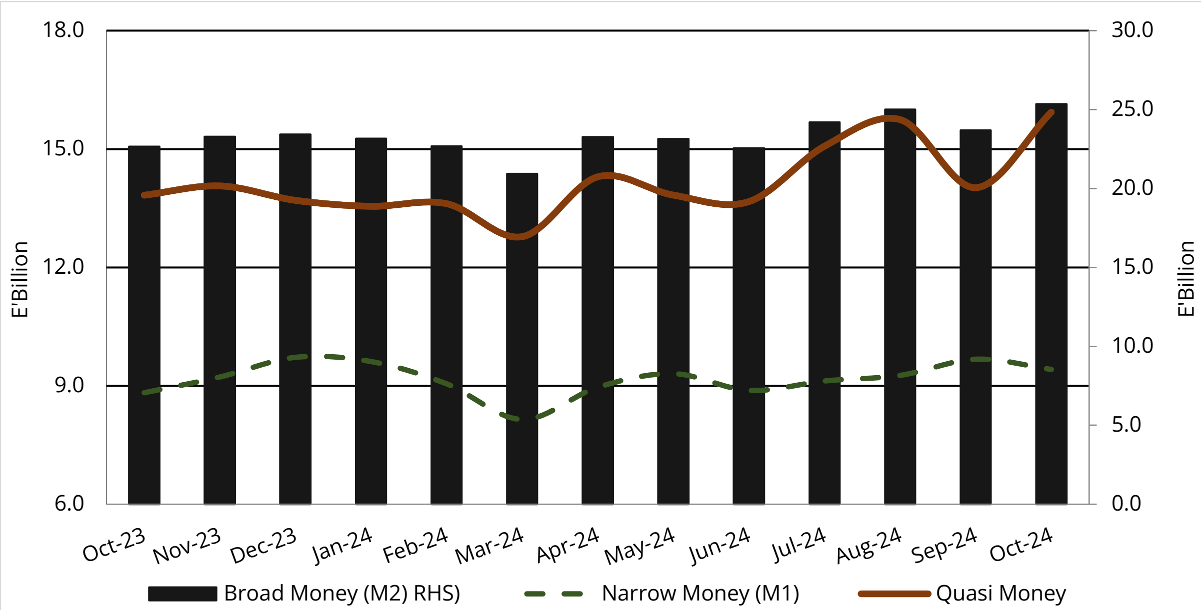
Broad money supply M2)

At the end of October 2024, M2 growth was underpinned by the increase in private sector credit and grew by 7.0 per cent month-on-month and 11.9 per cent year-on-year to reach E25.4 billion. The growth in M2 was reflected in quasi money supply while narrow money supply (M1) decreased.

Quasi money supply improved by 13.7 per cent month-on-month and 15.2 per cent year-on-year to settle at E15.9 billion at the end of October 2024. The expansion was driven by both components of quasi money supply, time and savings deposits, which grew by 15.2 per cent to E14.0 billion and 3.5 per cent to E2.0 billion, respectively.

M1 stood at E9.4 billion at the end of October 2024, registering a reduction of 2.7 per cent month-on-month and growth of 6.7 per cent year-on-year. The month-on-month decrease was driven by transferable (demand) deposits, which fell by 4.2 per cent to E8.6 billion. However, Emalangeni outside the banking sector, accelerated by 16.0 per cent to close the month under review at E864.9 million.

Figure 4: Money Supply; October 2023 to October 2024

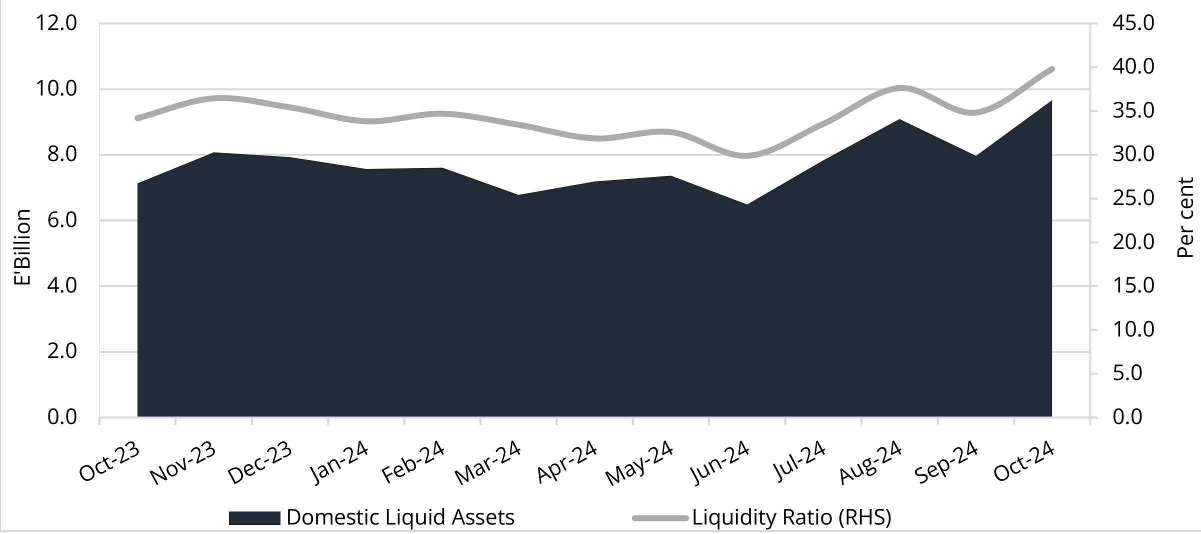


Source: Central Bank of Eswatini & Other Depository Corporations

The liquidity position of the banking industry

Over the month under review, the liquidity position of banks increased by 21.2 per cent month-on-month and 35.4 per cent year-on-year to E9.7 billion. The rise was attributed to a significant accumulation of banks' balances held with the Central Bank over the month under review. Against this backdrop, a reduction was observed in banks' cash vaults and investments in government securities. Therefore, the liquidity ratio rose to 39.8 per cent in October 2024 from 34.8 per cent in September 2024.

Figure 5: Domestic Liquid Assets & Liquidity Ratio; October 2023 to October 2024



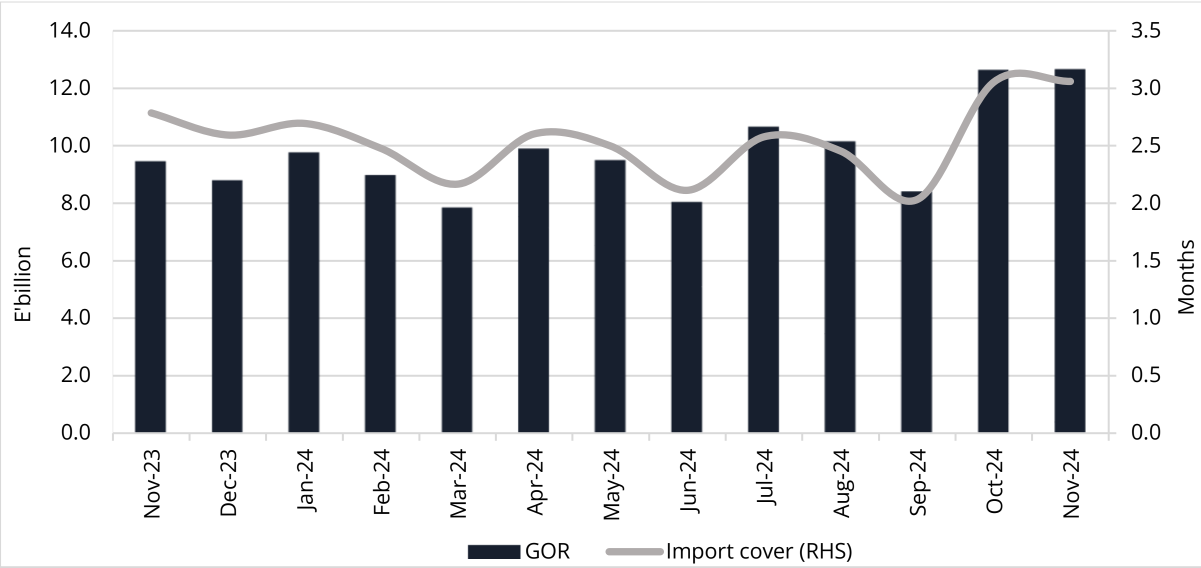
Source: Central Bank of Eswatini & Other Depository Corporations

Gross official reserves

Gross official reserves rose slightly by 0.2 per cent month-on-month, however, compared over the year grew significantly by 33.4 per cent to close at E12.6 billion at the end of November 2024. The increase in reserves was mainly driven by an inflow of Rands from trades with local banks over the month under review. The reserves' import cover was at 3.1 months in November 2024, maintaining the same level recorded in October 2024.

Valued in special drawing rights (SDR), the reserves contracted by 1.5 per cent month-on-month and rose by 39.9 per cent year-on-year to reach SDR528.4 million.

Figure 6: Gross Official Reserves (GOR) & Import Cover; November 2023 to November 2024



Source: Central Bank of Eswatini

Depository Corporations Surveys

MONEY AND BANKING STATISTICS	Oct-24	Sep-24	Oct-23
ITEM	Amount (E'000)	Amount (E'000)	Amount (E'000)
CENTRAL BANK OF ESWATINI			
Claims on Non-residents	***14,310,458***	***10,078,400***	***11,426,063***
Claims on Domestic Economy	***2,086,836***	***3,238,209*** *	***2,170,275***
Government	2,016,669	3,170,150	2,109,018
Other Depository Corporations	2,082	2,082	2,082
Other Resident Sectors	68,085	65,978	59,175
Other Assets	**1,379,951**	**1,255,982**	**921,020**
Total Assets/Liabilities	***17,777,244*** *	***14,572,592*** *	***14,517,358***
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBE	***4,913,723***	***3,206,643***	***3,049,376***
Net Balances with Banks Outside Eswatini	***1,695,899***	***2,091,163***	***2,516,787***
Loans and advances	***19,590,443***	***19,570,784***	***18,096,916***
Government Securities	***4,920,718***	***4,927,581***	***4,297,863*** *
Treasury Bills	1,631,295	1,579,186	1,602,659
Government Bonds	3,289,423	3,348,395	2,695,203
Other	-	-	-
Total Deposits	***26,603,196*** *	***24,974,514*** *	***23,629,697*** *
Transferable/Demand	9,355,352	9,684,535	8,459,945
Savings	2,034,535	1,966,492	2,185,916
Time	15,213,308	13,323,488	12,983,837
Capital and Reserves	5,537,382	5,595,846	5,307,046
Total Assets/Liabilities	36,584,882	35,167,787	33,298,832
Total Liquid Assets (Banks only)	**9,665,537**	**7,974,624**	**7,136,360**
Required Liquidity (Banks only)	***5,301,064***	***4,997,706***	***4,457,537***
Surplus/ Deficiency (-) (Banks only)	***4,364,473***	***2,976,918***	***2,678,823***

RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	***39.8***	***34.8***	***34.2***
Loans and Advances to Deposits	***73.6***	***78.4***	***76.6***

DEPOSITORY CORPORATIONS SURVEYDEPOSITORY CORPORATIONS SURVEY	*Oct-24*	*Sep-24*	*Oct-23*
Net Foreign Assets (E)	***11,494,180***	***7,715,118***	***9,442,753***
Net Official Assets	***9,643,225***	**5,429,414**	**6,626,728**
Foreign Assets - Central Bank of Eswatini	14,336,700	10,104,643	11,452,306
Foreign Liabilities - Central Bank of Eswatini	4,693,475	4,675,229	4,825,578
Net Other Depository Corporations Foreign holdings (ODC)	**1,850,955**	**2,285,704**	**2,816,025** *
Foreign Assets - ODC	4,320,731	4,677,507	4,826,289
Foreign Liabilities - ODC	2,469,776	2,391,803	2,010,265
Net Foreign Assets (SDR)	**488,503**	**330,207**	**384,792**
Net Domestic Claims	***20,477,406***	***21,743,413*** *	***20,435,722***
Net Claims on Government	*410,749*	*1,820,071*	*1,556,497*
Claims on Central Government	7,104,993	8,278,540	6,438,028
Government Deposits	6,694,244	6,458,469	4,881,531
Claims on other sectors	***20,066,657***	***19,923,343***	***18,879,225*** *
Other nonfinancial corporations (Industry)	10,321,906	10,261,098	9,369,394
Other resident sectors (Households &NPISH)	8,638,853	8,610,791	8,288,236
Other sectors	1,105,898	1,051,454	1,221,596
Broad Money Supply (M2)	***25,350,847*** *	***23,694,513*** *	***22,654,443*** *
Narrow Money Supply (M1)	**9,416,143**	**9,674,559**	**8,825,399**
Currency outside depository corporations (E)	864,875	745,305	820,562
Transferable (demand) deposits	8,551,268	8,929,254	8,004,837
Quasi Money	***15,934,705***	***14,019,955***	***13,829,043*** *
Savings Deposits	1,970,482	1,903,049	2,125,199
Time Deposits	13,964,223	12,116,906	11,703,845
	11,847,498		
Shares and Other Equity	7,757,580	7,638,675	7,202,605
Central Bank Of Eswatini	1,526,580	1,353,151	1,226,182
Other Depository Corporations	6,231,000	6,285,524	5,976,423
Other Items (net)	***(1,136,841)***	***(1,874,657)***	***21,428***

GROSS OFFICIAL RESERVES	*Nov-24*	*Oct-24*	*Sep-24*	*Oct-23*	*Nov-23*
	Amount (E'000)	*Amount (E'000)*	*Amount (E'000)*	*Amount (E'000)*	*Amount (E'000)*
Total Official (Gross) - Emalangeni E	*12,601,304*	*12,617,795*	*8,397,601*	*9,660,709*	*9,445,392*
Special Drawing Rights (SDR)	*526,735*	*536,257*	*359,417*	*393,674*	*377,816*
Central Bank	*12,601,304*	*12,617,795*	*8,397,601*	*9,660,709*	*9,445,392*
Government	*26,243*	*26,243*	*26,243*	*26,243*	*26,243*
Import Cover (reserves to months of estimated imports)	*3.1*	*3.1*	*2.0*	*2.8*	*2.8*
Net Bank Holdings		1,850,955	2,285,704	2,816,025	2,445,220

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.