

Monthly Statistical Release

NOVEMBER/DECEMBER 2022



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**CENTRAL BANK
OF ESWATINI**
Umntsholi Wemaswati



HIGHLIGHTS ON MAJOR MONETARY AGGREGATES	MONTHLY % CHANGE	ANNUAL % CHANGE
Preliminary gross official reserves stood at E7.6 billion in December 2022, registering an increase of 7.3 per cent month-on-month and a decline of 15.3 per cent year-on-year.	7.3 ▲	15.3 ▼
Credit extended to the private sector grew by 1.1 per cent month-on-month and 7.8 per cent year-on-year to reach E17.2 billion in November 2022.	1.1 ▲	7.8 ▲
Broad money supply (M2) increased by 3.8 per cent month-on-month and 8.0 per cent year-on-year to reach E21.9 billion in November 2022.	3.8 ▲	8.0 ▲
Domestic liquid assets amounted to E7.0 billion in November 2022, down by 0.8 per cent from the previous month and 7.1 per cent over the year.	0.8 ▼	7.1 ▼
	PERCENT	
Discount Rate: the discount rate was at 6.50 per cent in December 2022.		6.50
Prime Lending Rate: the prime lending rate was at 10.00 per cent in December 2022.		10.00

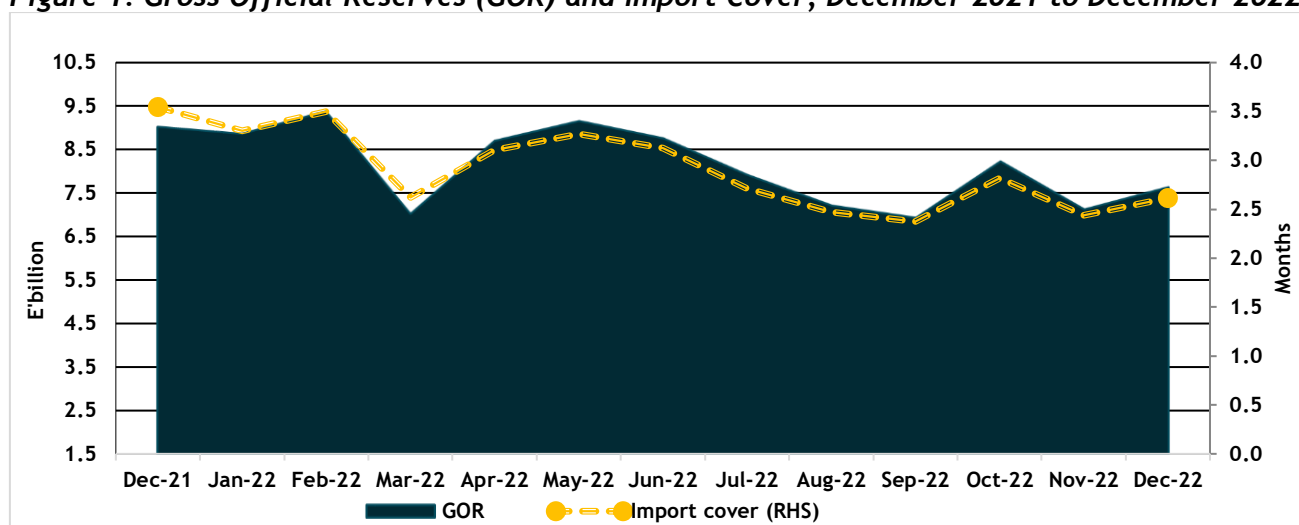
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Preliminary gross official reserves figure stood at E7.6 billion at the end of December 2022, representing an increase of 7.3 per cent from November 2022 and a decline of 15.3 per cent compared year-on-year. The month-on-month rise in reserves was on account of an inflow of foreign exchange proceeds from African Development Bank (AFDB) funding for a government project. In line with the increase in reserves, the import cover rose to 2.6 months from 2.4 months in November 2022.

Valued in special drawing rights (SDR), the reserves accelerated by 5.6 per cent month-on-month and fell by 18.5 per cent year-on-year to settle at SDR338.1 million at the end of December 2022.

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



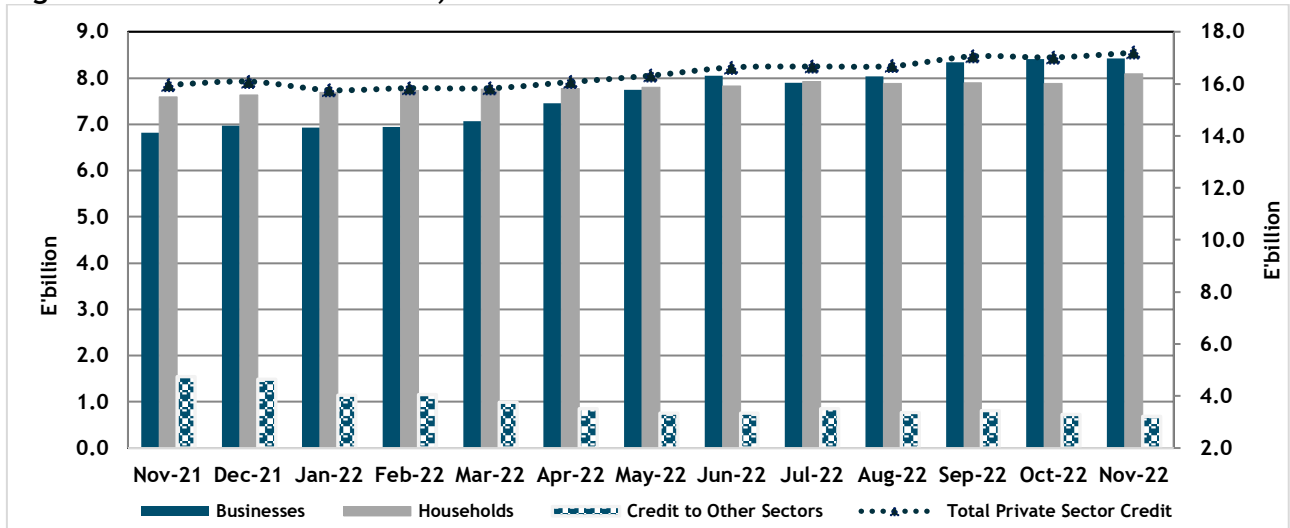
Source: Central Bank of Eswatini

Credit extended to the private sector stood at E17.2 billion at the end of November 2022, reflecting an increase of 1.1 per cent month-on-month and 7.8 per cent year-on-year. Growth in private sector credit was driven by credit to the households & non-profit institutions serving households (NPISH) and businesses. However, credit to other sectors of the domestic economy declined over the month under review.

Credit extended to businesses amounted to E8.4 billion at the end of November 2022, higher by 0.2 per cent from the preceding month and 23.5 per cent year-on-year. The rise was reflected in credit to the following subsectors; mining & quarrying (99.6 per cent), manufacturing (6.9 per cent), distribution & tourism (3.9 per cent) as well as real estate (2.1 per cent). A decline was however, observed in credit to the following subsectors; construction (-16.2 per cent), transport & communication (-0.6 per cent), community, social & personal services (-0.5 per cent) and agriculture & forestry (-0.4 per cent).

Credit extended to other sectors was at E678.8 million at the end of November 2022, lower by 6.0 per cent from October 2022 and 55.9 per cent from November 2021. The contraction was observed across all credit categories namely; other financial corporations, local government and public nonfinancial corporations, which fell by 9.3 per cent, 8.1 per cent and 0.1 per cent, respectively.

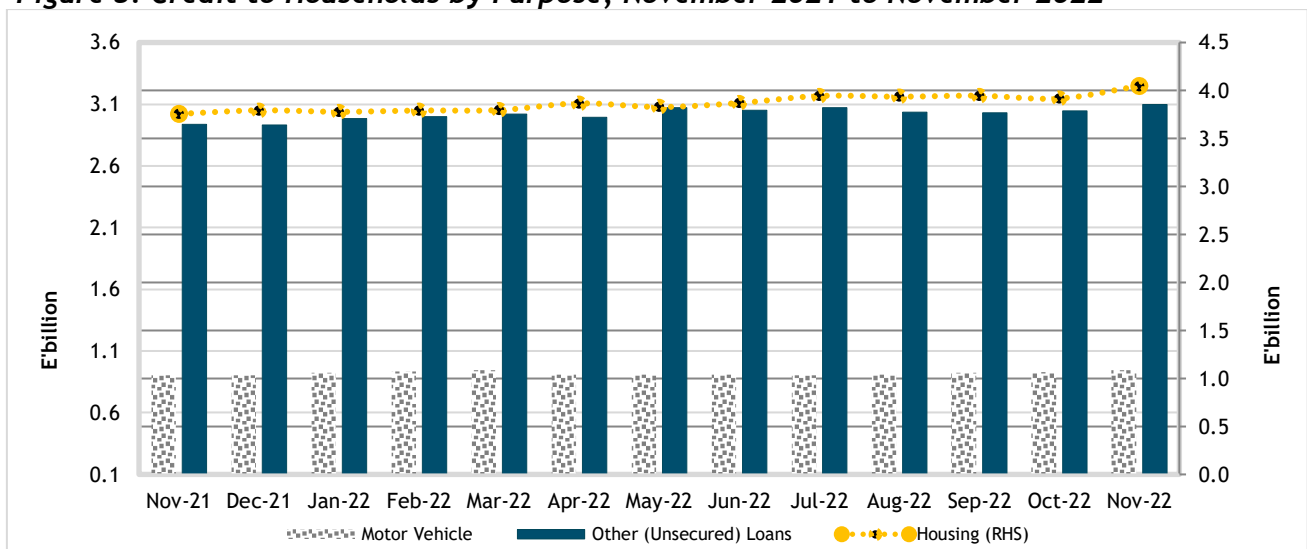
Figure 2: Private Sector Credit; November 2021 to November 2022



Source: Central Bank of Eswatini & Other Depository Corporations

Credit extended to households & NPISH grew by 2.6 per cent compared to October 2022 and 6.5 per cent year-on-year to close at E8.1 billion at the end of November 2022. All loans categories registered a positive performance over the month under review. Consequently, mortgage, motor vehicle and other personal (unsecured) loans grew by 3.3 per cent to E4.0 billion, 2.1 per cent to E945.6 million and 1.8 per cent to E3.1 billion, respectively.

Figure 3: Credit to Households by Purpose; November 2021 to November 2022



Source: Central Bank of Eswatini & Other Depository Corporations

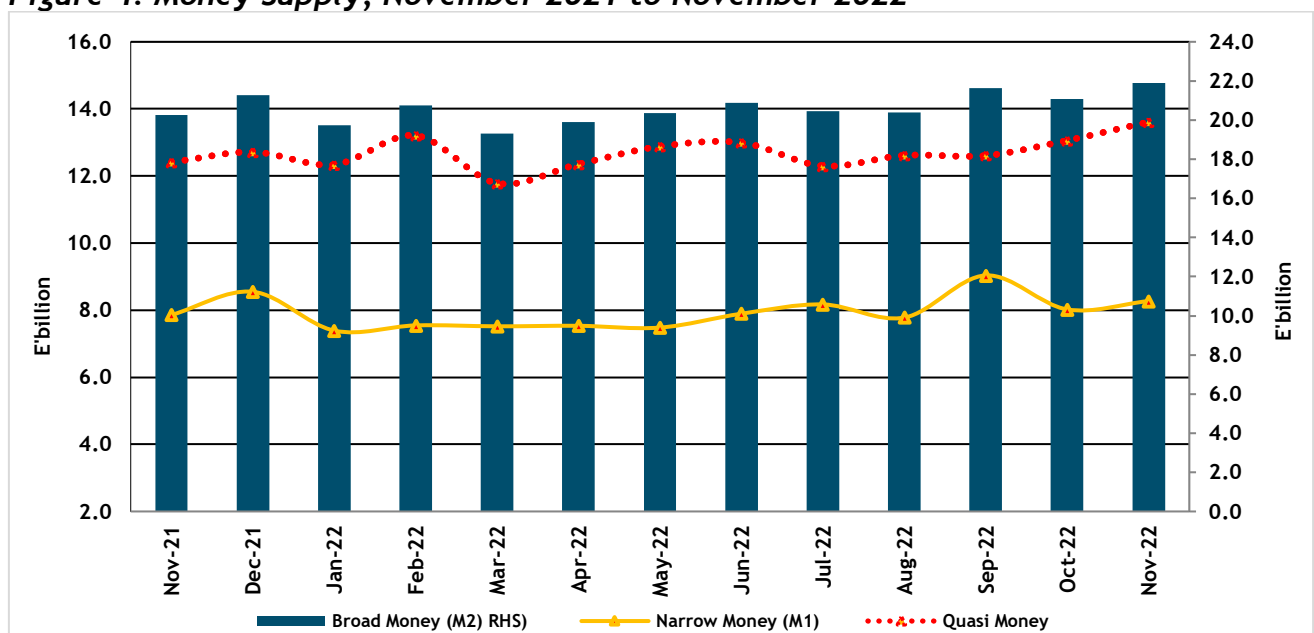
Net claims on government rose markedly by 20.0 per cent month-on-month and 64.7 per cent year-on-year to stand at E3.1 billion at the end of November 2022, due to an advance from the Central Bank. As a result, claims on government expanded by 7.9 per cent while government deposits grew by a lesser margin of 1.0 per cent from October 2022.

Broad money supply (M2) closed the month under review at E21.9 billion, depicting an improvement of 3.8 per cent relative to October 2022 and 8.0 per cent over the year. Growth was observed in both components of M2; quasi money supply and narrow money supply (M1).

Quasi money supply edged up by 4.2 per cent month-on-month and 9.7 per cent compared to November 2021 to reach E13.6 billion. The month-on-month increase in quasi money was evident in time deposits, which grew by 5.4 per cent to settle at E11.7 billion at the end of November 2022. However, savings deposit receded by 2.5 per cent to E1.9 billion at the end of November 2022.

Narrow money supply (M1) amounted to E8.3 billion at the end of November 2022. This development translated to an increase of 3.1 per cent month-on-month and 5.3 per cent year-on-year. Growth in M1 was attributed to both components; Emalangi outside depository corporations and transferable (demand) deposits. As a result, Emalangi outside depository corporations and transferable (demand) deposits improved by 6.7 per cent to E844.9 million while transferable (demand) deposits rose by a lower margin of 2.7 per cent to E7.4 billion.

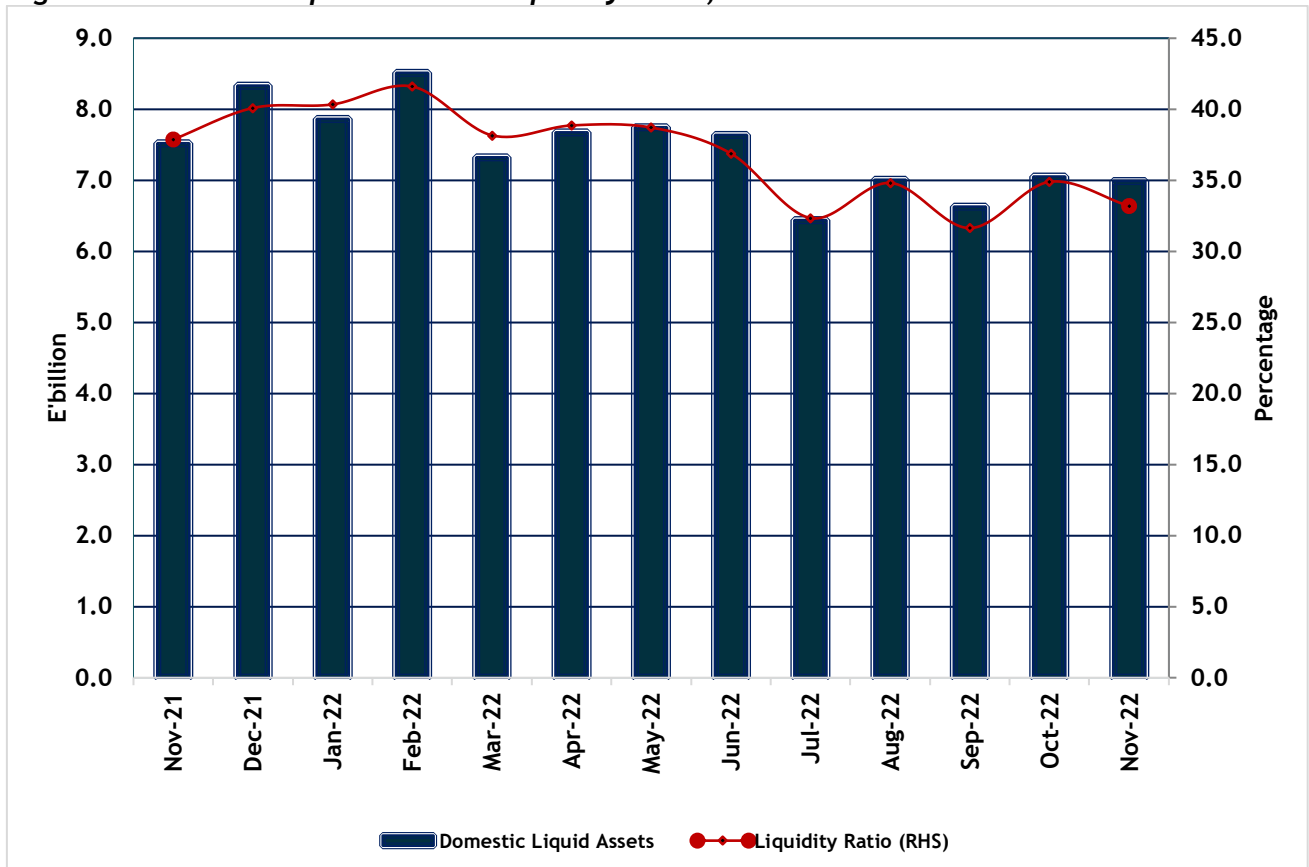
Figure 4: Money Supply; November 2021 to November 2022



Source: Central Bank of Eswatini & Other Depository Corporations

Overall liquidity position of banks' assets receded slightly by 0.8 per cent from the previous month and 7.1 per cent compared to November 2021. This outturn emanated from the banks' balances held with other local banks and the Central Bank. An improvement was however, observed in the banks' balances held in Rands as well as investments in government securities. Consequently, the banks' liquidity ratio fell to 33.2 per cent from 34.9 per cent in October 2022.

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



Source: Central Bank of Eswatini & Other Depository Corporations



RELEASE OF MONEY AND BANKING STATISTICS

ITEM	Nov-22	Oct-22	Nov-21
	Amount	Amount	Amount
	(E'000)	(E'000)	(E'000)
CENTRAL BANK OF ESWATINI			
Claims on Non-residents	8,713,842	9,919,972	10,474,024
Claims on Domestic Economy	2,831,504	2,379,439	2,701,620
Government	2,797,222	2,324,492	2,667,056
Other Depository Corporations	2,082	23,082	2,082
Other Resident Sectors	32,200	31,865	32,482
Other Assets	540,808	540,141	549,138
Total Assets/Liabilities	12,086,154	12,839,553 *	13,724,782
OTHER DEPOSITORY CORPORATIONS			
Cash and Deposits with CBE	2,475,097	2,667,053	3,087,116
Net Balances with Banks Outside Eswatini	2,992,537	2,277,108	2,354,606
Loans and advances	16,883,829	16,657,661	14,963,531
Government Securities	4,670,610	4,670,610	4,736,670 *
Treasury Bills	2,276,304	2,322,740	2,557,162
Government Bonds	2,474,192	2,347,870	2,179,509
Other	-	-	-
Total Deposits	23,046,369	22,256,191 *	22,036,974
Transferable/Demand	7,828,991	7,631,375	7,489,401
Savings	1,980,800	2,027,292	2,084,391
Time	13,236,578	12,597,525	12,463,182
Capital and Reserves	4,943,309	4,887,865	4,623,352
Total Assets/Liabilities	31,883,247	31,171,829	29,110,133
Total Liquid Assets (Banks only)	6,993,874	7,051,667	7,525,814
Required Liquidity (Banks only)	4,170,576	3,997,393	3,932,229
Surplus/ Deficiency (-) (Banks only)	2,823,298	3,054,273 *	3,593,586 *
RATIOS (%)			
Actual Liquidity to Domestic Liabilities (Banks Only)	33.2	34.9	37.9
Loans and Advances to Deposits	73.3	74.8	67.9

DEPOSITORY CORPORATIONS SURVEY		Nov-22	Oct-22	Nov-21		
Net Foreign Assets (E)		8,275,250	8,566,388	9,301,509		
Net Official Assets		4,721,873 *	5,765,822 *	6,518,148		
Foreign Assets - Central Bank of Eswatini		8,740,085	9,946,215	10,500,267		
Foreign Liabilities - Central Bank of Eswatini		4,018,212	4,180,394	3,982,119		
Net Other Depository Corporations Foreign holdings (ODC)		3,553,376	2,800,567	2,783,362		
Foreign Assets - ODC		5,558,907	5,014,740	3,502,103		
Foreign Liabilities - ODC		2,005,531	2,214,173	718,741		
Net Foreign Assets (SDR)		372,387	364,072	412,056		
Net Domestic Claims		20,272,610	19,578,877	17,825,704		
Net Claims on Government		3,077,336	2,564,526 *	1,868,262		
Claims on Central Government		7,589,211	7,033,615	7,448,738		
Government Deposits		4,511,875	4,469,090	5,580,476		
Claims on other sectors		17,195,274	17,014,351	15,957,442		
Other nonfinancial corporations (Industry)		8,424,446	8,403,759	6,820,999		
Other resident sectors (Households & NPISH)		8,092,049	7,888,262	7,597,640		
Other sectors		678,779	722,330	1,538,803		
Broad Money Supply (M2)		21,885,329 *	21,082,036	20,268,040		
Narrow Money Supply (M1)		8,273,069	8,021,961	7,857,700		
Currency outside depository corporations (E)		844,891	791,659	864,635		
Transferable (demand) deposits		7,428,178	7,230,302	6,993,065		
Quasi Money		13,612,261 *	13,060,075 *	12,410,340		
Savings Deposits		1,932,754	1,981,420	1,964,752		
Time Deposits		11,679,506	11,078,654	10,445,588		
Shares and Other Equity		7,467,724	7,904,689	7,649,049		
Central Bank Of Eswatini		1,836,571	2,330,643	2,346,735		
Other Depository Corporations		5,631,153	5,574,047	5,302,314		
Other Items (net)		-805,194	-841,460	-789,875		
GROSS OFFICIAL RESERVES		Dec-22	Nov-22	Oct-22	Nov-21	Dec-21
		Amount	Amount	Amount	Amount	Amount
		(E'000)	(E'000)	(E'000)	(E'000)	(E'000)
Total Official (Gross) - Emalangi E		7,632,496	7,115,216	8,227,309	8,850,137	9,015,180
Special Drawing Rights (SDF)		338,119	320,185	349,661	392,060	414,699
Central Bank		7,632,496	7,115,216	8,227,309	8,850,137	9,015,180
Government		26,243	26,243	26,243	26,243	26,243
Import Cover (reserves to months of estimated imports)		2.6	2.4	2.8	3.4	3.5
Net Bank Holdings		2,800,567	2,800,567	2,783,362	2,798,722	

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.