MINISTRY OF ECONOMIC PLANNING AND

MACROECONOMIC ANALYSIS AND RESEARCH UNIT

QUARTERLY ECONOMIC BULLETIN

2024 Q3

July– September

QUARTERLY ECONOMIC BULLETIN – 2024 QUARTER 3

Macroeconomic Analysis and Research Unit
November 2024

Key Highlights: 2024 Q3

Global economic growth estimated to remain stable at 3.2 percent in 2024 and 2025

Disinflation observed in most regions, supporting the implementation of accommodative monetary policies.

According to the results of the 2024Q3 high frequency indicator, the ES-CIEA signaled a positive trajectory.

- ❖ *10 of the 16 indicators tracked in the domestic economy performed positively,*
- ❖ *Domestic demand driven by demand for production inputs for manufacturing activities.*

Inflationary pressures remained contained, falling by 0.2 percentage points to average 4.0 percent in 2024Q3.

Inflation drivers in the period:

Food and beverages moderated by 0.2 percent in 2024Q3.

Transport inflation decelerated by 0.1 percent in 2024Q3.

The Lilangeni strengthened against the major trading currencies, over the quarter.

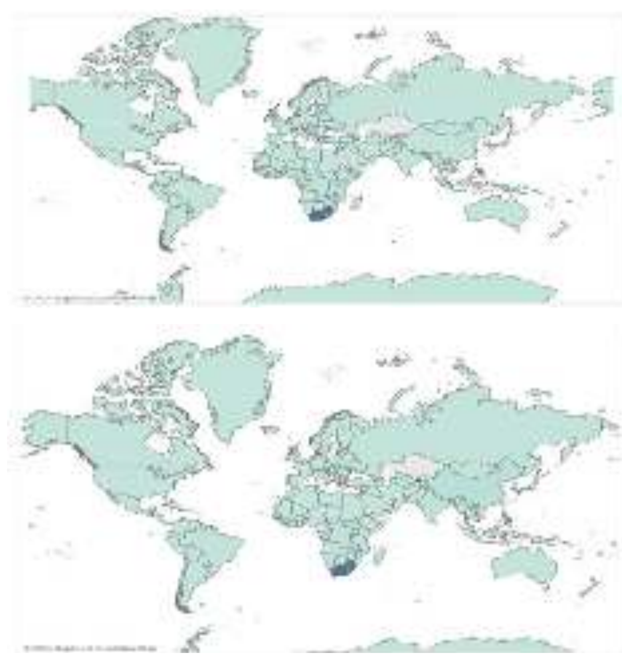
SZL/USD	SZL/GBP	SZL/Euro
2.9%	0.1%	0.9%

Interest rates cut by 25 basis points in the quarter.

	2024Q2	2024Q3
Discount rate	7.50	7.25
Prime lending rate	11.00	10.75

Total private sector credit declined by 1.7% q-o-q

2024Q2	*2024Q3*
E 20.266 Billion	**E 19.923 Billion**



Goods exports reported at E 12.326 billion and Imports at E 10.914 billion

1. International Developments

1.1. Global economic growth

The global economic outlook is expected to remain steady, though it continues to be below potential. This is largely due to potential spillover effects that have increased economies vulnerabilities to commodity price surges, as seen following the Russia-Ukraine conflict, along with significant output outflows and persistent inflation. Consequently, global growth is projected to remain steady at 3.2 percent in 2024 and 2025, unchanged from the April 2024 WEO forecasts. Despite minimal shifts at the country group level, recent shocks and policies—particularly in emerging markets and developing economies—have had a significant impact. Cuts in the production and shipping of commodities, especially oil, along with conflicts and civil unrest, have resulted in downward revisions of the regional outlooks for the Middle East, Central Asia, and sub-Saharan Africa.

Advanced economies are projected to remain steady at 1.8 percent in 2024 and 2025. Despite this overall stability, individual country dynamics vary as cyclical forces diminish and economic activity aligns with potential. In the United States, projected growth for 2024 has been revised upward to 2.8 percent, which is 0.2 percentage points higher than the July forecast, due to stronger outcomes in consumption and non-residential investment. Growth is projected to slow to 2.2 percent in 2025 as fiscal policies gradually tighten and labour markets moderate, thereby slowing consumption. In the Euro Area, growth is expected to rise to 0.8 percent in 2024, driven by better export performance, in particular of goods, and further increase to 1.2 percent in 2025 due to stronger domestic demand, although reflecting a 0.2 percentage points downward revision from the July 2024 outlook. The United Kingdom is projected to grow by 1.1 percent in 2024 and further rise to 1.5 percent in 2025, driven by decreasing inflationary pressures and interest rates, which are expected to boost domestic demand.

Similarly, the growth outlook for Emerging Market and Developing Economies reflected a 0.1 percentage point decrease from the July figures, recorded at 4.2 percent. This growth is anticipated to remain stable for 2024 and 2025, with offsetting dynamics occurring between different country groups. Emerging Asia's strong growth is projected to subside from 5.3 percent in 2024 to 5.0 percent in 2025, reflecting a sustained slowdown in China and India. China's growth is expected to slow marginally to 4.8 percent in 2024 and 4.5 percent in 2025, due to better than expected net exports.

The Sub-Saharan Africa growth has been revised downward by 0.1 percentage point for 2024 and upward by percentage point for 2025 compared to the July. This is mainly due to the ongoing conflicts that has led to a 26.0 percent contraction of the South Sudanese economy. The revision reflects slower growth in Nigeria, amid weaker-than-expected activity in the first half of the year.

South Africa's growth is projected to rise to 1.1 percent in 2024 and 1.5 percent in 2025, attributable to reduced power outages and improved rail and port operations. Lower energy and food prices will further reduce inflation in this economy. Increasing purchasing power, real wages, and employment will gradually boost consumption growth.

Table 1: World Economic Outlook – July 2024

Countries	Act.	Act.2	Est.	Proj.
	2022	**2023**	**2024**	**2025**
World Output	**3.5**	**3.3**	**3.2**	**3.2**
Advanced Economies	**7.6**	**1.7**	**1.8**	**1.8**
United states	1.9	2.5	2.8	2.2
Euro Area	3.4	0.5	0.8	1.2
United Kingdom	4.3	0.1	1.1	1.5
Emerging Markets and Developing Economies	**4.1**	**4.4**	**4.2**	**4.2**
Emerging and Developing Asia	4.4	5.7	5.3	5.0
China	3	5.2	4.8	4.5
India	7	8.2	7	6.5
Sub-Saharan Africa	4	3.4	3.6	4.2
Nigeria	3.3	2.9	2.9	3.2
South Africa	1.9	0.7	1.1	1.5

Source: International Monetary Fund October 2024, WEO

Risks to the outlook are on the balance: Public investment in advanced economies might increase, spurring green transitions, infrastructure upgrades, and science and technological investments. Additionally, structural reforms could boost productivity. On the downside, potential threats include emerging market debt distress from tighter global financing, and economic slowdowns due to spikes in commodity prices from climate shocks or geopolitical tensions.

1.2. Global Commodity Prices

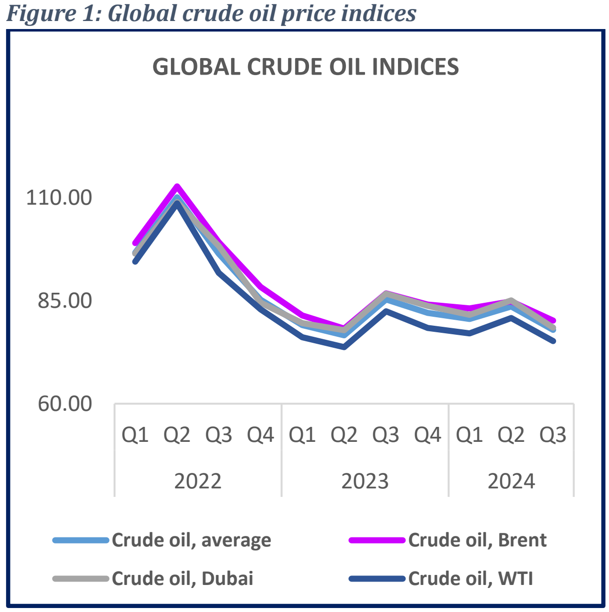
Global inflation

Global headline inflation is projected to decrease further, from an average of 6.7 percent in 2023 to 5.8 percent in 2024 and 4.3 percent in 2025, reflecting a decline in core inflation due to the delayed effect of tight monetary policies as well as diminishing pass-through effects from earlier declines in prices, especially in those for energy.

Energy Developments

Basic global commodity prices reflect a decrease in the quarter under review. Average crude oil prices traded US$77.9 per barrel, relative to the US$83.6 per barrel in 2024Q2, indicating a 6.7 percent decline q-o-q (World Bank Pink Sheet September 2024). This decline was due to reduced global oil consumption and slightly eased supply disruptions.

Figure 1: Global crude oil price indices



Source: World Bank Pink Sheets

Global food prices

Food prices moderated in the quarter under review. According to the FAO Food Price Index, globally food prices averaged 1.6 percent, driven by a notable slowdown in the prices of meat and cereals. On the other hand, the decrease in food prices was counteracted by an increase in dairy, oil and sugar prices in the quarter.

Meat prices decreased by 1.8 percentage points in the period under review, due to a decrease in poultry, pig, and ovine (sheep and related species) meat prices amid lacklustre import demand, as world bovine (cattle) meat prices increased slightly.

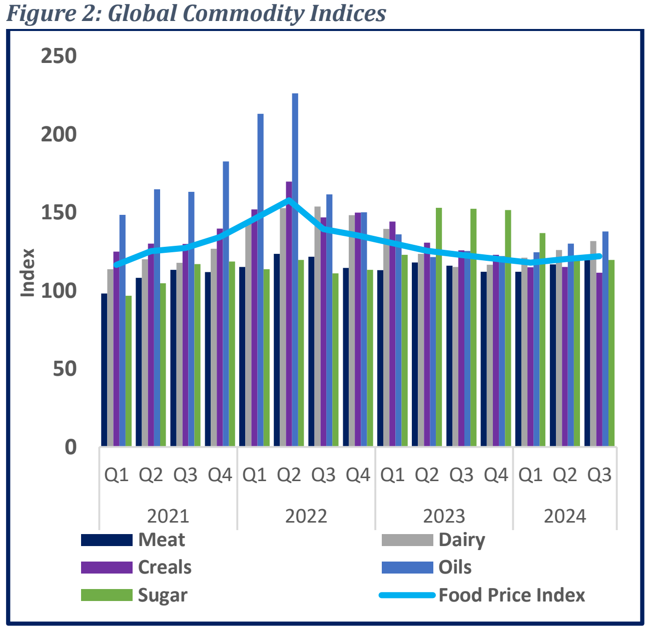
Cereals price index dropped by 3.5 percentage points during the period. This decline was due to lower global wheat export prices from affordable Black Sea supplies and better-than-expected production in Argentina and the USA. Meanwhile, world maize prices rose slightly because heat waves affected yields in parts of Europe and North America.

Conversely, the FAO dairy prices increased by 0.7 percentage point on account of an increase in prices for whole milk powder that rose due to a spike in demand for immediate supplies. Cheese prices went up with global demand, and butter prices hit a record high because of concerns about milk supply in Western Europe.

Edible oil prices rose by 4.4 percent in the quarter, driven by higher prices for palm, soy, and sunflower oils, while rapeseed oil prices remained steady. Soy oil prices bounced back due to unexpectedly low crushing in the USA. The marginal price recoveries for sunflower and rapeseed oils in 2024Q3 was driven by a tightening supply outlook.

The FAO sugar price index also increased by 10.5 percentage points, and was primarily driven by worsening crop prospects in Brazil, due to prolonged dry weather and fires that damaged sugarcane fields in late August. Additionally, concerns that India’s sugar export availability could be affected by the government's decision to lift restrictions on sugarcane use for ethanol production, also contributed to the overall increase in world sugar prices.

Figure 2: Global Commodity Indices



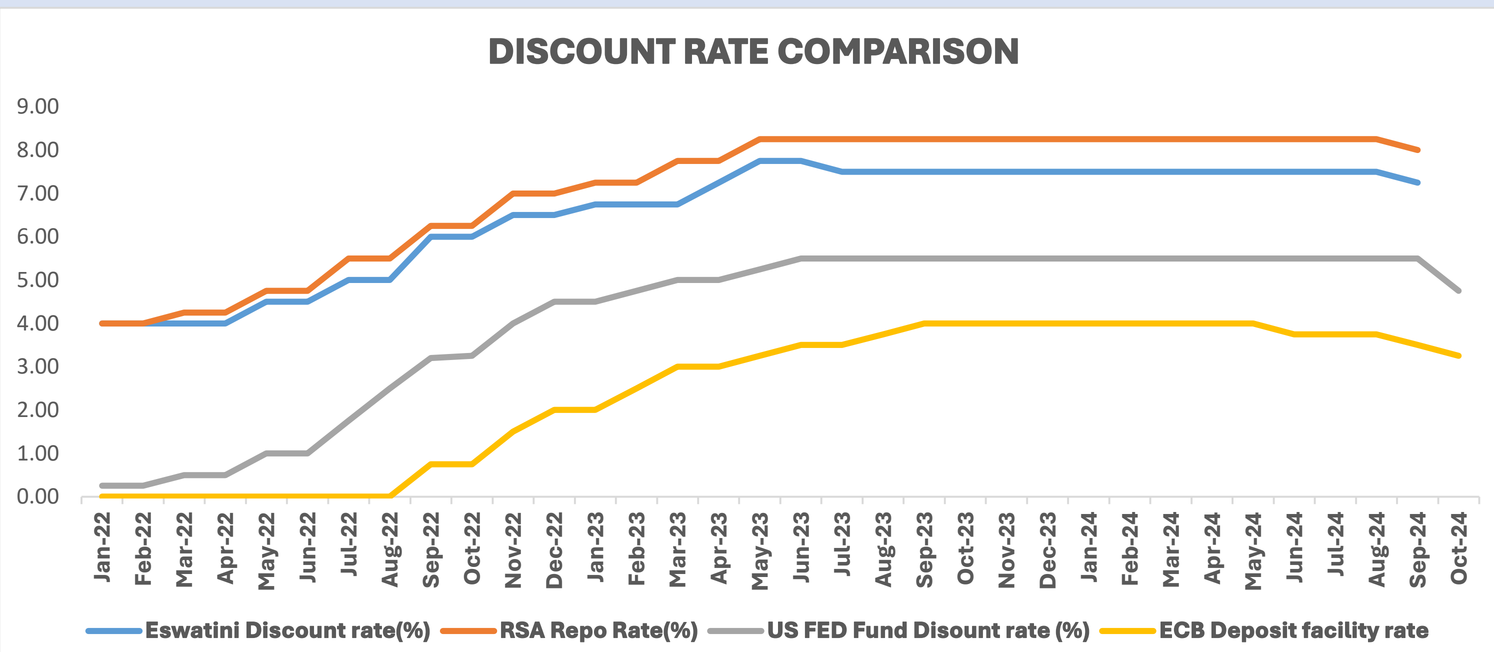
Source: FAO Food Price Index

BOX 1: THE MACROECONOMIC IMPACTS OF INTEREST RATE CUTS BY CENTRAL BANKS

Interest rates are a key instrument employed by central banks' Monetary Policy Committees (MPC) to stimulate economic activity and maintain inflation within the desired target levels. By lowering borrowing costs, central banks aim to encourage business investments and consumer spending, thereby fostering economic growth and employment creation. Concurrently, these measures are intended to keep inflation in check, ensuring it stays within the desired range.

In view of the moderating global inflationary pressures, central banks have recently opted to reduce their interest rates marking the inception of the cutting cycle for most central banks and the first-rate cuts since 2020. On the global front, the United States Federal Reserve has grown more confident that inflation is sustainably moving towards the 2.0 percent target. Consequently, the Fed has reduced interest rates by 50 basis points, setting the benchmark rate between 4.75 percent and 5.00 percent. This decision marks a shift from the Fed's aggressive stance on combating inflation to focus on stimulating economic activity and promotion of employment creation. Similarly, the European Central Bank (ECB) has decided to reduce its main interest rate by 25 basis points, bringing the deposit facility rate down from 3.7 percent to 3.5 percent. This decision is part of the ECB's continued efforts to manage inflation and bolster economic growth within the eurozone.

Regionally, the South African Reserve Bank (SARB) has reduced the repo rate by 25 basis points (bps), hence the repo rate is currently at 8.0 percent, and the prime lending rate has decreased to 11.50 percent relative to the previous rates of 8.25 percent, and 11.75 percent, respectively. This reduction is expected to lead to an appreciation of the rand due to increased demand for the currency, driven by higher investor confidence and foreign capital inflows. Resultantly, imports will become cheaper, benefiting consumers and businesses that rely on imported goods and services. Domestically, the Central Bank of Eswatini cut its discount rate and prime lending rate by 25 basis points, bringing it down to 7.25 percent and 10.75 percent, respectively. The reduction in interest rates is expected to lower borrowing costs, which would benefit consumers and businesses by making loans more affordable. However, consumers earn less interest on their savings as banks typically lower interest rates paid on cash held in regular savings accounts.



Source: Eswatini Central Bank, South African Reserve Bank, European Central Bank and United States Federal Reserve

The Interest rate cuts will have several significant effects on government finances and operations. For governments with existing debt, lower interest rates reduce the cost of servicing that debt, freeing up budgetary resources for other priorities such as healthcare, education, social services and public investment.

Moreover, the loosening of monetary policy can significantly impact investments across various markets. In bond markets, lower yields on government bonds make existing bonds with higher yields more attractive, driving up their prices, while increased demand for safer investments can be observed during economic uncertainty. In stock markets, cheaper borrowing costs can boost corporate profits and stock prices, and investors might shift from bonds to stocks in search of higher returns. Real estate benefits from lower mortgage rates, making property investments more attractive and potentially driving up prices, while cheaper financing can spur new construction projects.

In currency markets, lower interest rates can lead to a weaker local currency, impacting international investments and trade balances, and making exports more competitive. Lower interest rates can result in the dollar becoming less attractive to investors seeking higher returns, which would lead to emerging market currencies more appealing, potentially strengthening the Rand. However, while the rand may strengthen initially, it can also experience increased volatility as investors react to changes in interest rates and global economic conditions. A weaker dollar can make exports cheaper and more competitive internationally, potentially improving the trade balance, but it can also make imports more expensive, contributing to inflation.

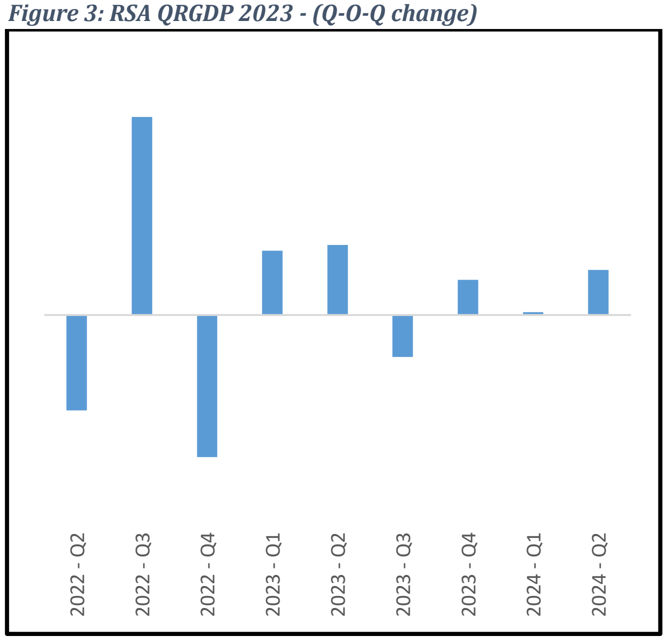
2. RSA Developments

2.1. Real GDP Growth

The South African economy recorded a marginal growth of 0.4 percent in 2024Q2, following a muted growth on 0 percent in the previous quarter. The slight recovery was mainly supported by increased activity in subsectors such as "finance, real estate and business services'', "trade, catering and accommodation", "manufacturing'' as well as the "electricity, gas and water". The "finance, real estate and business services" subsector grew by 1.3 percent in the period under review, owing to increased activity under financial intermediation, auxiliary services, real estate activities as well as other business services. Trade, catering and accommodation activities reflected a 1.2 percent growth at the back of increases in wholesale & retail trade and accommodation services. The manufacturing subsector also grew by 1.1 percent on account of increased activity under the "manufacture of motor vehicles, parts and accessories and other transport equipment", "food and beverages", "basic iron and steel, non-ferrous metal products" as well as "metal products and machinery". Additionally, the electricity, gas and water subsector reflected a growth of 3.1 percent on account of increases in electricity production as well as increased water consumption.

On the contrary, "agriculture", "mining & quarrying" as well as "transport, storage and communication" recorded declines in the quarter under review. The "agriculture" subsector fell by 2.1 percent on account of decreases in field crops and animal products emanating from the dry spells in key producing areas, which weighed negatively on crop production, as well as the outbreak of diseases which affected animal production. The "mining & quarrying" subsector contracted by 0.8 percent on account of weakened production of gold, coal and iron ore, while the transport subsector contracted by 2.2 percent as a result of decreased activity under land transport and transport support services.

Figure 3: RSA QRGDP 2023 - (Q-O-Q change)



Source: Stats SA

3. Domestic Developments

3.1. Eswatini Economic Activity

As a result of the ongoing rebasing exercise on the Eswatini National Accounts undertaken by the Central Statistical Office (CSO), the high frequency gross domestic product that is quarterly GDP is currently unavailable.

To cover the void left by the QGDP estimates in the meantime, high frequency indicators such as the Eswatini Composite Indicator of Economic Activity (ES-CIEA) is utilized to monitor economic activity. The ES-CIEA tracks and combines 16 indicators across the four sectors of the economy (i.e., real, monetary, fiscal, and external) to signal the direction of the economy.

The latest results, that is 2024Q3, suggest that the Eswatini economy continues to expand on a quarter-on-quarter and annual basis. In the review period, 10 of the 16 indicators recorded a positive performance bolstered by improved demand for production inputs coupled with easing lending conditions to support economic activity.

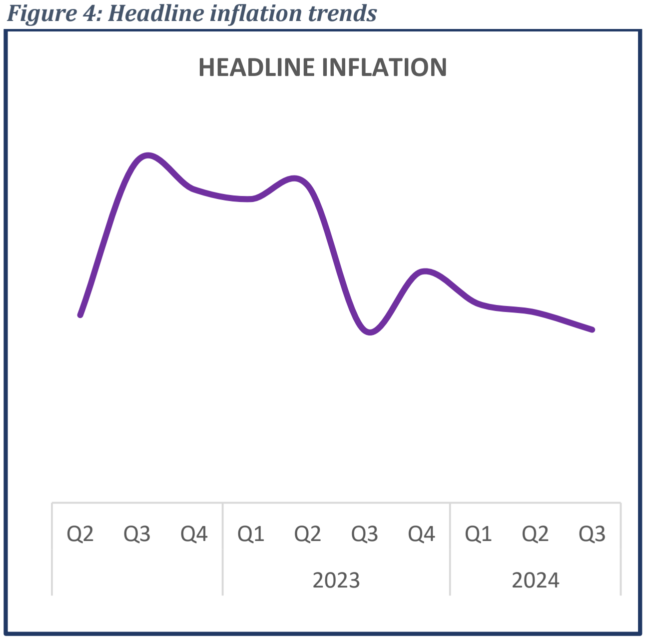
In view of the positive developments above, the ES-CIEA signaled that economic activity continued on an expansionary path, increasing by 1.9 percent in 2024Q3 on a quarter-on-quarter basis.

3.2. Prices

3.2.1. Headline inflation

Inflationary pressures slightly stabilized in 2024Q3 averaging 4.0 percent, depicting a 0.2 percentage point decrease from the 4.2 percent recorded in the preceding quarter. The moderation emanated from lower prices of 'food and non-alcoholic beverages' and 'transport', which slowed by 0.2 percentage points and 0.1 percentage point, respectively. The slow-down was however counteracted by 'housing and utilities', which remained elevated averaging 6.9 percent in the review period.

Figure 4: Headline inflation trends



Source: Central Statistics Office

3.2.2. Inflation Drivers' Analysis

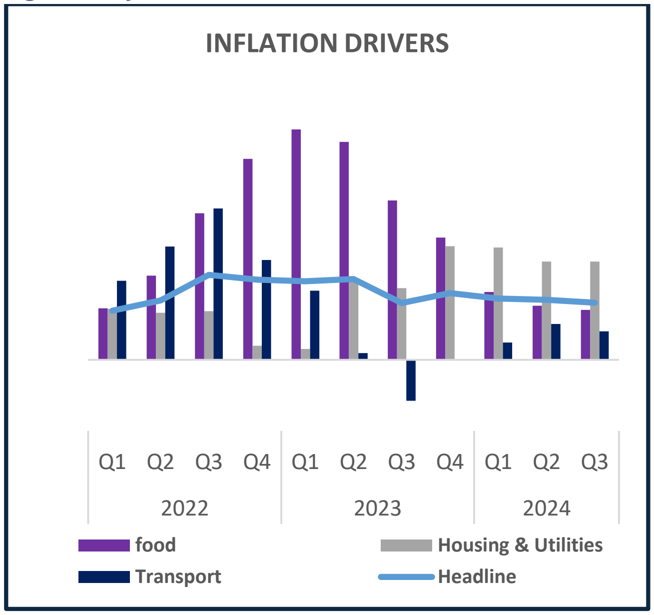
In the quarter under review, the decrease in prices for 'food and non-alcoholic beverages' was primarily attributed to developments in meat, which slowed by 0.5 percentage points. Within this category, prices for 'beef and veal' as well as poultry decelerated by 1.3 percentage points and 0.6 percentage points, respectively. Similarly, prices of milk, cheese and eggs declined by 1.0 percentage point due to baseline effects as the products were added to the VAT basket in the same period of the previous year. Sugar prices experienced significant disinflation of 8.5 percentage points, reflecting easing inflationary pressures due to improved supply in the domestic market.

Transport prices also eased during 2024Q3, with the prices for 'fuels and lubricants for personal transport equipment' receding by 2.7 percentage points to average 1.3 percent. This decline was driven by a drop in global Brent crude oil prices due to reduced demand coupled with reduced supply disruptions, which resulted in the fuel price reduction of E1.00 in the country towards the end of September 2024.

In 2024Q3, prices for goods further moderated by 0.3 percentage points on account of a decrease in prices for non-durable and semi-durable goods, which were lower by 0.4 percentage points and 0.2 percentage points, respectively. On the contrary, there were marginal increases in the prices of durable goods.

Inflation for services also reflected a decline of 0.03 percentage point, owing to 'miscellaneous goods and services', 'insurance' and 'other services. However, there were observed increases in prices for 'outpatient services' and 'accommodation services' category in the quarter.

Figure 5: Inflation Drivers

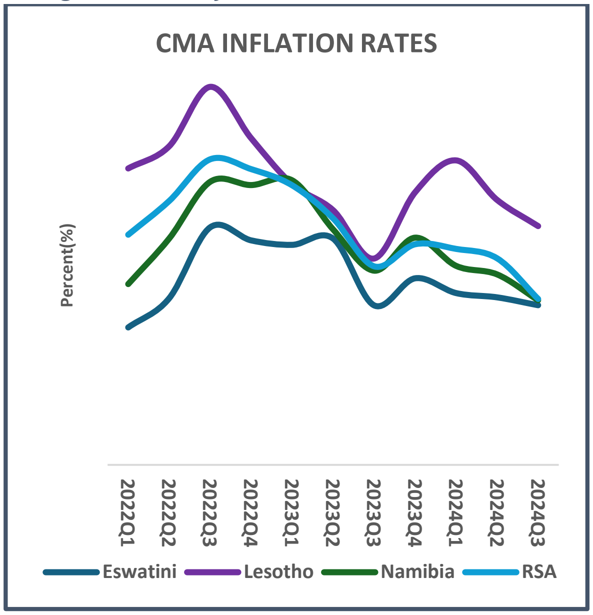


Source: Central Statistics Office

Price developments in the CMA

Inflationary pressures remained low in the Common Monetary Area (CMA), with all the average headline inflation rates falling within the 3-6 percent target band. In the quarter under review, Lesotho had the highest at 6.0 percent, followed by South Africa and Namibia at 4.2 and 4.1 percent respectively. This was mainly due to a fall in the inflation rates for housing and utilities as well as transport, which could be reflective of moderating global fuel prices in the period under review.

Figure 6: CMA inflation trends



Source: Central Statistics Office; Stats SA; Lesotho Central Bureau of Statistics; Namibia Statistics Agency.

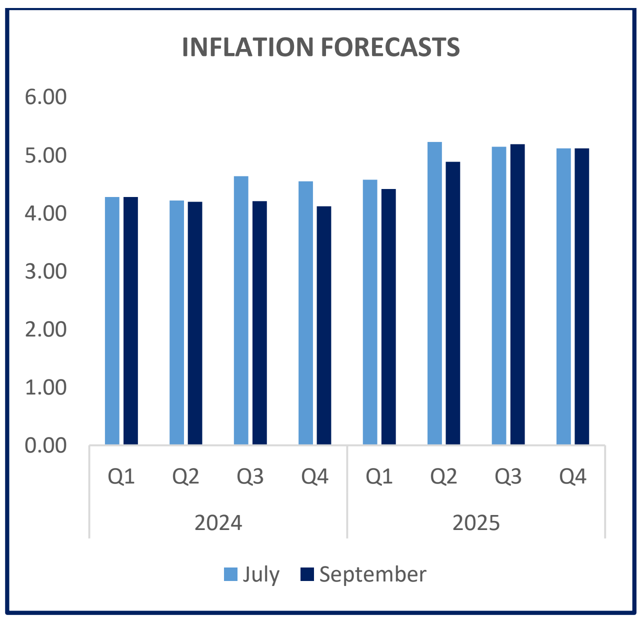
3.2.3. Inflation forecast

The September inflation forecasts by the Central Bank of Eswatini reflect that headline inflation is anticipated to average 4.2 percent in 2024. This was a 0.2 percentage point downward revision from the earlier projection of 4.4 percent produced in July 2024.

The downward revision was mainly on account of sustained reduction in the prices of food coupled with a moderation in global brent crude oil prices, which weigh heavily on domestic inflation. Further downside pressures to the short-term inflation outlook are expected to come mainly from the lower South African outlook, which remains muted when compared to the previous period. The lower inflation in South Africa mainly transmits via the price of import of finished goods and services.

Inflationary pressures are expected to stabilize in the medium term, with 2025 forecasted at 4.9 percent and 2026 at 4.8 percent. This is mainly due ongoing oil production cuts and falling global oil inventories. The Rand exchange rate on the other hand, is expected to improve. The decrease in oil prices combined with the appreciation in the Rand are expected to pose as a downside pressure on domestic inflation. Furthermore, food inflation is anticipated to slow down. Negative risks include exponential tariff increases for water and electricity.

Figure 7: Inflation Forecasts - July 2024 update

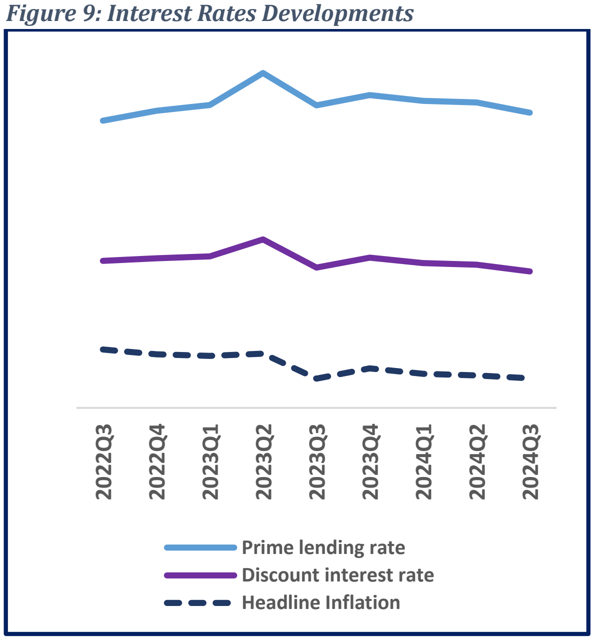


Source: Central Bank of Eswatini

3.3. Monetary Policy

The Central Bank, through the Monetary Policy Consultative Committee (MPCC), cut the discount rate by 25 basis point to 7.25 percent, which is indicative of the commencement of an easing monetary policy cycle, relative to the tightening stance that has been implemented since 2022. The prime lending rate was also cut by the same amount to reach 10.75 percent.

Figure 9: Interest Rates Developments

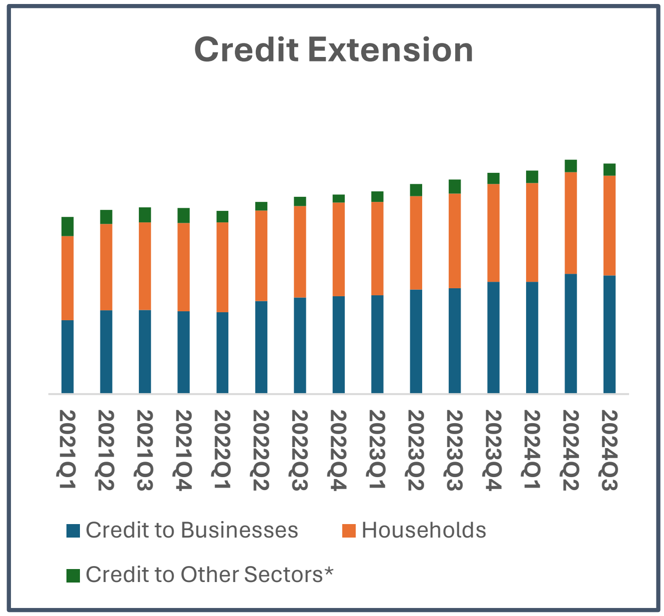


Source: Central Bank of Eswatini; Central Statistics Office

3.4 Total Credit Extension

The total credit extended to the private sector was recorded at E19.923 billion in 2024Q3, which reflected a 1.7 percent decline compared to 2024Q2. This was mainly due to a fall in credit extended to "businesses", "households" and "other sectors". In the quarter under review, credit to businesses was reported at E10.261 billion, which was 1.3 percent lower than in the previous quarter.

Figure 10: Private Sector Credit Extension

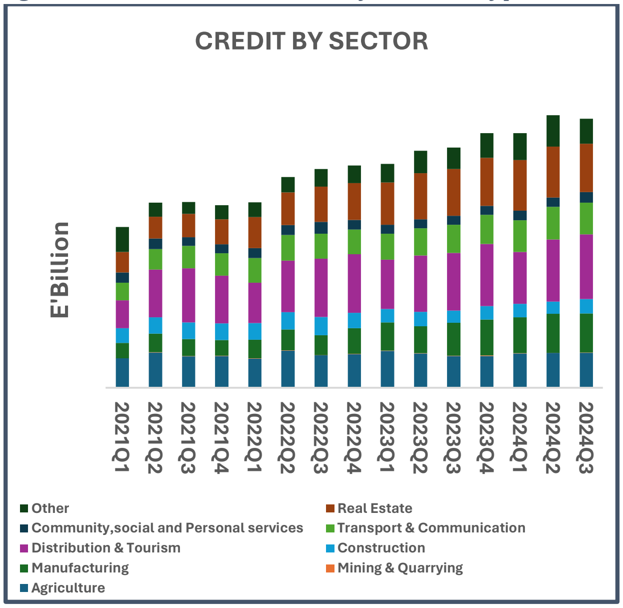


Source: Central Bank of Eswatini

3.4.1. Credit to businesses

The decline in credit extended to businesses observed in the period was reflective of a slowdown in activity. This was mainly attributed by subsectors such as "mining & quarrying" (4.1 percent), "transport & communication" (1.7 percent), "Real Estate" (4.6 percent) as well as "other sectors" (21.0 percent). However, credit extended to subsectors such as "manufacturing", "construction", agriculture as well as "community, social and personal services" was positive in the period, softening the decline.

Figure 11: Credit to Businesses - by Business Type

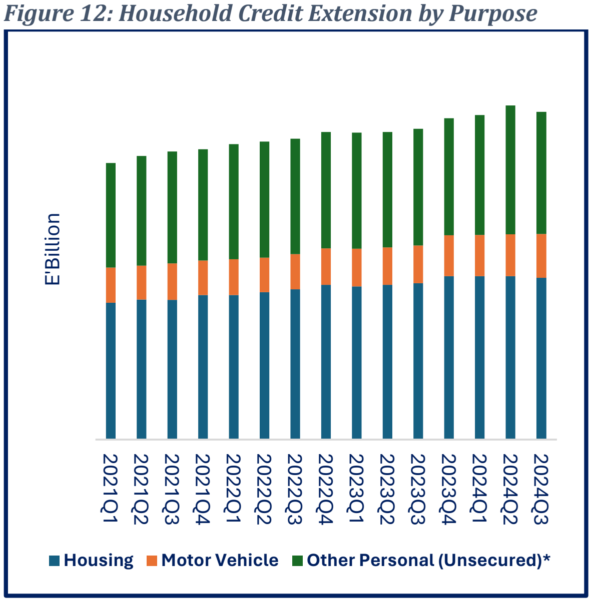


Source: Central Bank of Eswatini

3.4.2. Household credit

Credit extended to households also followed suit, declining by 1.9 percent, amounting to E8.611billion in 2024Q3. This was mainly due to a fall in other personal (unsecured) loans (5.0 percent) and housing loans (1.0 percent) while motor vehicle loans grew by 4.3 percent.

Figure 12: Household Credit Extension by Purpose

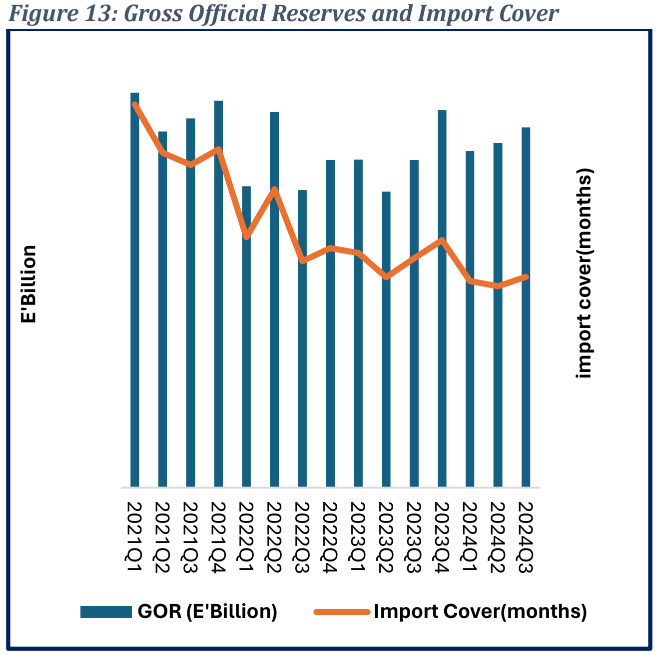


Source: Central Bank of Eswatini

3.5. Gross Official Reserves

The stock of gross official reserves was recorded at E8.398 billion in 2024Q3, which was sufficient to cover 2.2 months of imports. At this level, the reserves remained below the internationally recommended threshold of 3 months. When compared to the preceding quarter, reserves reflected a growth of 2.4 percent, owing to the increase in the net inflow of Rands from trade with local banks.

Figure 13: Gross Official Reserves and Import Cover



Source: Central Bank of Eswatini

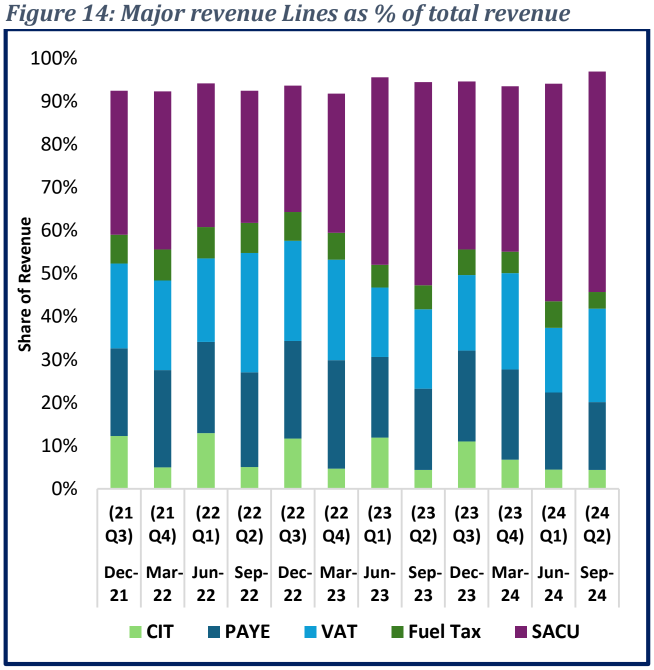
3.6. Fiscal Developments

3.6.1. Government Revenue

Total revenue reflected a growth of 2.5 percent in FY2024/25Q2 relative to FY2023/24Q2. The growth was at the back of improvements in SACU receipts coupled with better performance in Value Added

Tax (VAT) and Corporate Income Tax (CIT). In the review period, SACU receipts increased by 11.2 percent while VAT and CIT depicted a growth of 20.8 percent and 2.4 percent, respectively. VAT increased due to administrative efficiencies. On the contrary, Pay as You Earn (PAYE) and fuel tax were down in the period.

Figure 14: Major revenue Lines as % of total revenue

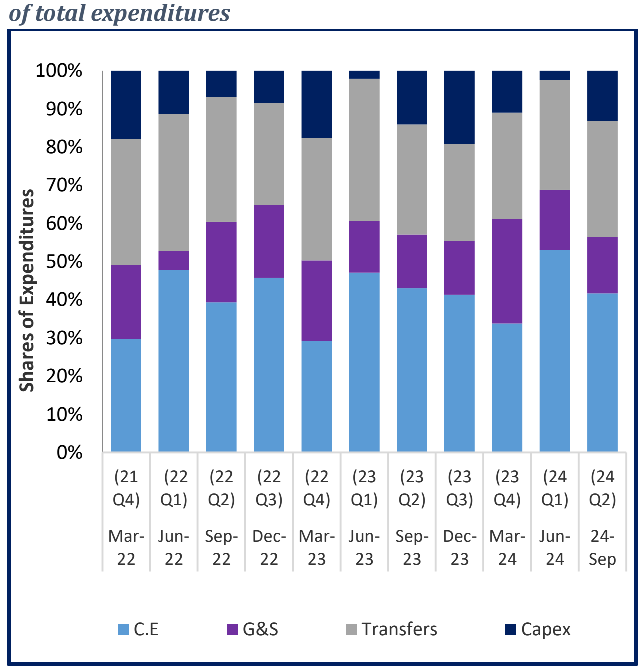


Source: Ministry of Finance

3.6.2. Government Expenditure

Total government expenditures reflected a 10.5 percent increase in 2024/25Q2 compared to the same period in 2023/24. The increase was broadly driven by all expenditure categories. Compensation of employees depicted a growth of 7.0 percent, at the back of a 4 percent cost of living adjustment award and filling of vacant posts. Similarly, goods and services, as well as transfers reflected an increase in the period. Goods and services were driven by professional services and consumables, while transfers were driven by internal transfers. Additionally, capital expenditures also reflected an increase of 3.7 percent in the period at the back of continued implementation of some projects such as ICC and emergency roads maintenance projects.

Figure 15: Primary Expenditure Categories as a share of total expenditures



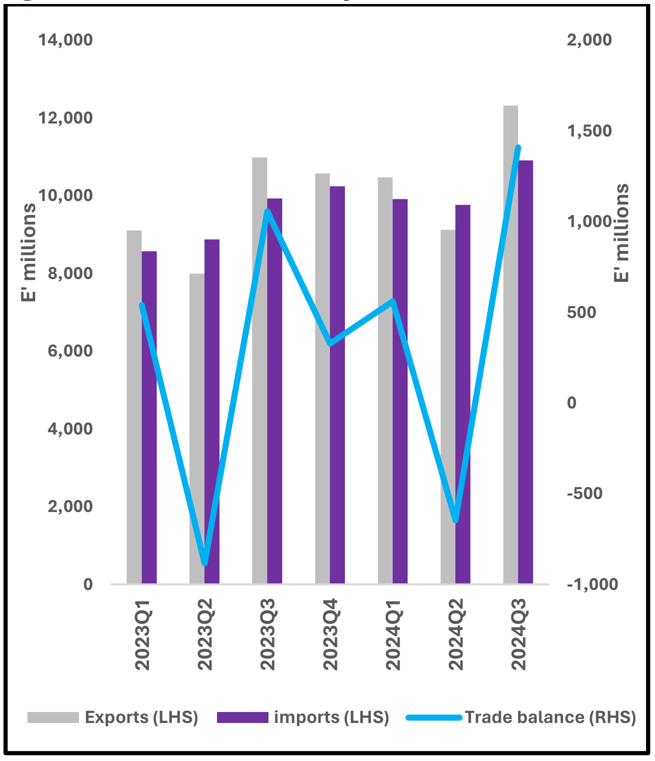
Source: Ministry of Finance

3.7. External Developments

3.7.1. Merchandise Trade Developments

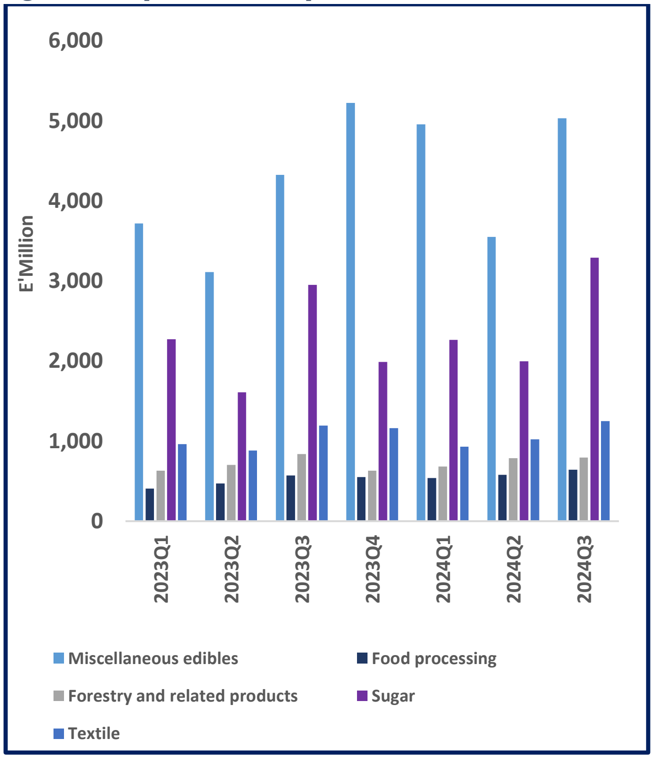
The total trade balance reflected a surplus of E1.411 billion in 2024Q3, following a deficit of E646 million in the subsequent quarter. The recovery in the trade balance was driven by improved external demand for domestically produced products with exports growing at a fast pace compared to imports. In the quarter under review, total exports were reported at E12.326 billion while total imports were E10.914 billion.

Figure 16: Overall Trade Developments



Source: Eswatini Revenue Service

Figure 17: Top 5 Eswatini Exports

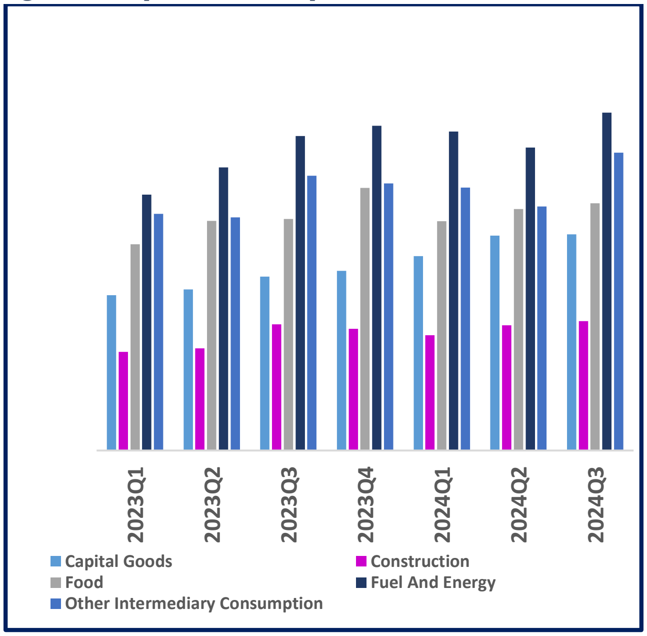


Source: Eswatini Revenue Service

Total merchandise exports depicted a stellar growth of 35 percent in 2024Q3 relative to 2024Q2. The increase was broadly attributed by most of the major exports categories, with sugar and miscellaneous edibles rebounding by 64 percent and 41 percent, respectively. Additionally, 'forestry and related products', 'textile' and 'food processing' also reflected improved external demand, growing by 1.3 percent, 22.0 percent and 11.5 percent, respectively in the review period.

Similarly, total merchandise imports reflected a growth of 11.7 percent in 2024Q3, with broadly all the major imports reflecting growth in the period. The growth was at the back of improved domestic consumption and investments, with other intermediate consumption growing by 22 percent, fuel (11.5%), food (2.5%), construction (3.4%), and capital goods (0.5%).

Figure 18: Top 5 Eswatini Imports

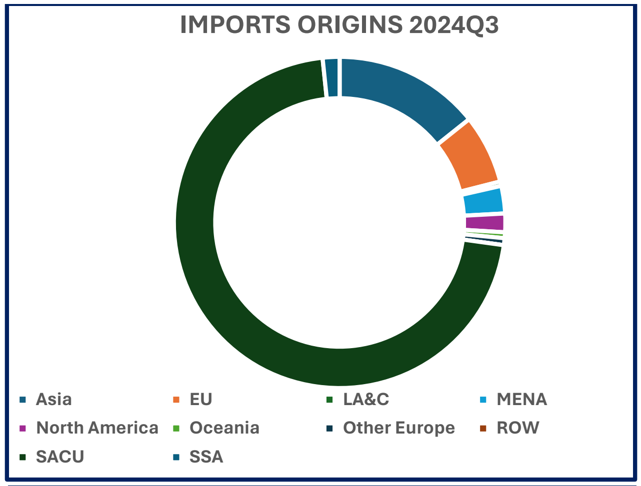


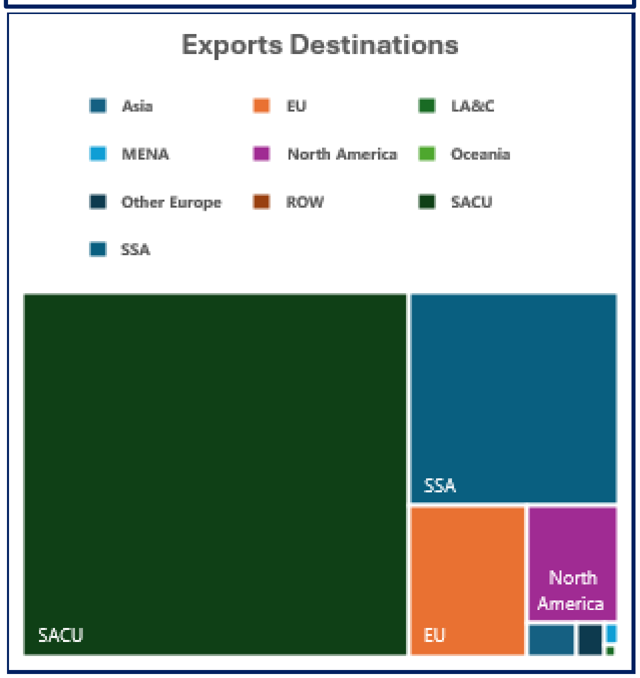
Source: Eswatini Revenue Service

In terms of imports origins, the SACU region continues to be the main source of imports for the country accounting for 71.2 percent of total imports in 2024Q3, which was a slight improvement from the 69.4 percent reported in the previous quarter. Asia continues to maintain its share as the second largest supplier of imports contributing 14.3 percent, while Europe accounted for 6.7 percent of total imports.

In terms of exports destination, the SACU market continues to be the major destination for Eswatini produced products, absorbing about 64.9 percent of the total exports in 2024Q3, though slightly down from the previous quarter, which was at 67.0 percent. The SSA region remains the second largest destination accounting for 20.6 percent of total exports in the period, while EU and North America absorbed 8.2 percent and 4.9 percent, respectively in the period. There was a massive improvement in exports going to North America compared to the previous period, which was recorded at 0.5 percent of total exports.

Figure 19: Eswatini Import Origins & Export Destination



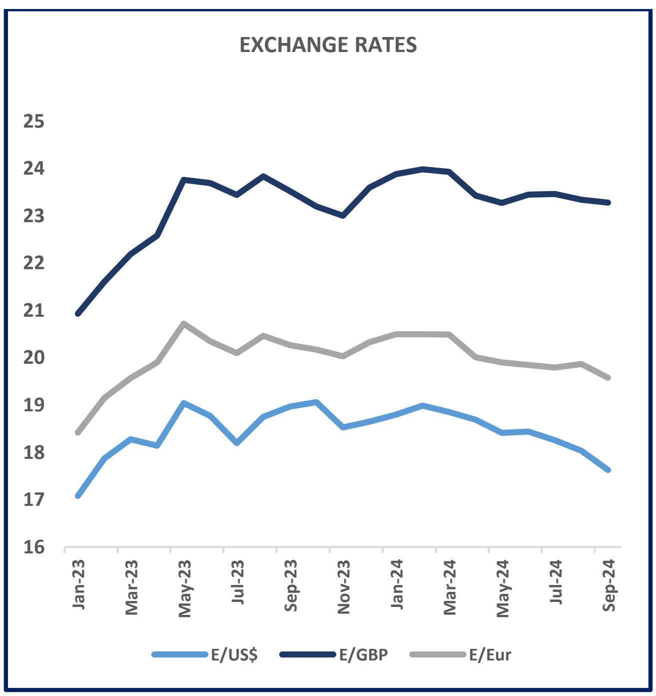


Source: Eswatini Revenue Service

** MENA – Middle East & North America * Other Europe – countries not affiliated with the Euro Zone*

3.7.2. Exchange Rate Developments

The Lilangeni, which is pegged to the Rand, when compared to major currencies maintained its momentum strengthening further in the review period. Against the US dollar, the Lilangeni appreciated by 2.9 percent relative to the preceding quarter, to be recorded at E17.97 per USD. When paired against the Euro and British Sterling Pound, the Lilangeni strengthened by 0.9 percent and 0.1 percent and traded at E19.74 per Euro and E23.36 per Pound, respectively. The Lilangeni, which is pegged to the rand rallied behind strong investor sentiments about the South African economy, following the formation of a coalition government after successful elections in May 2024, coupled with the commencement of the cutting cycle by most central banks including the US Fed.



Box 2: Macroeconomic Analysis and Research Unit

Changes in the Release Calendar

The Ministry of Economic Planning and Development's Macroeconomic Analysis and Research Unit has revised its quarterly Economic Bulletin (EB) release dates. Indicators' data is released from sources at different intervals ranging from weeks – to quarter lags.

Due to this reason, quarterly GDP growth (both Eswatini and RSA) reporting will maintain a quarter lag i.e., economic bulletin 2022Q4 will analyze QGDP 2022Q3, while the rest of the document analyses developments within 2022Q4.

The release schedule, which will be added to the last page of every EB, will be as follows:

Economic Bulletin Release Calendar	
Timelines	**Schedule date**
Q1	*1st week May*
Q2	*1st week August*
Q3	*1st week November*
Q4	*1st week February*

SOCIO-ECONOMIC INDICATOR	2017	2018	2019	2020	2021	2022	2023	2024
POPULATION	1,093,238	1,120,092	1,133,522	1,146,903	1,160,362	1,174,014	1,187,956	1,202,285
GDP AT MARKET PRICES (E'MILLION)*	58,689	61,768	64,965	65,588	71,712	78,390	84,847	92,642
GDP PER CAPITA (E')	53,043	55,162	57,312	57,187	61,802	66,771	71,423	77,055
GDP PER CAPITA (US $)	4,002	4,167	3,959	3,471	4,180	4,078	3,872	4,231
GDP GROWTH RATE (%)	2.0	2.4	2.7	-1.6	10.7	0.5	4.8	4.9
SHARE OF AGRICULTURE& FORESTRY TO GDP (%)	8.4	8.5	8.5	8.1	8.1	8.6		
SHARE OF MANUFACTURING TO GDP (%)	24.4	25.0	26.8	24.3	27.3	27.9		
SHARE OF TERTIARY SECTOR TO GDP (%)	43.4	45.9	46.9	49.2	53.9	53.0		
UNEMPLOYMENT RATE (%)	-	-	-	-	33.3	-	35.4	-
HUMAN DEVELOPMENT INDEX (HDI)	0.597	0.605	0.611	-	0.597	-		
PROPORTION OF POPULATION BELOW POVERTY LINE (%)	-	-	-	-	-	-	58.9	
INFLATION RATE (%)	6.2	4.8	2.6	3.9	3.7	4.8	5.0	
CPI (JUNE 2020 =100)	89.6	94.0	96.4	100.1	103.9	108.9	114.2	
DISCOUNT RATE (%)	7.25	6.75	6.5	3.75	3.75	6.50	7.50	
PRIME LENDING RATE (%)	10.75	10.25	10	7.25	7.25	10.0	11.0	
AVERAGE EXCHANGE RATE (E/US DOLLAR)	13.33	13.24	14.48	16.45	14.79	16.37	18.44	
AVERAGE EXCHANGE RATE (E/POUND STERLING)	17.04	17.64	18.45	21.00	20.33	20.18	22.95	
MERCHANDISE EXPORTS (E' MILLION)	24,006	24,345	28,856	28,577	30,531	32,327	38,682	
MERCHANDISE IMPORTS (E' MILLION)	21,374	23,956	26,425	25,939	30,322	33,423	37,708	
MERCHANDISE TRADE BALANCE (E' MILLION)	2,632	387	2,431	2,638	209	1,096	974	
GROSS OFFICIAL RESERVES (E' MILLION)	6,933	6,321	6,171	8,002	9,015	7,630	8,793	
GROSS OFFICIAL RESERVES (MONTHS OF IMPORT COVER)	3.3	2.9	2.6	3.5	3.5	2.6	2.6	
TOTAL REVENUE AND GRANTS (E' MILLION)	16,785	15,684	17,893	19,289	17,986	18,773	24,640	
TOTAL EXPENDITURE (E' MILLION)	20,343	19,997	22,148	22,319	21,279	22,655	26,439	
FISCAL SURPLUS/DEFICIT (E' MILLION)	(3,558)	(4,313)	(4,255)	(3,030)	(3,293)	(3,881)	(1,799)	
FISCAL SURPLUS/DEFICIT AS % OF GDP	-6.0	-6.9	-6.5	-4.6	-4.6	-5.1	-2.2%	
TOTAL DEBT (E' MILLION)	13,019	16,615	20, 453	25,944	27,157	32,738	34,150	
TOTAL DEBT AS % OF GDP	21.9	26.5	31.4	39.0	37.9	43.4	41.9	

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