

MINISTRY OF ECONOMIC  
PLANNING AND DEVELOPMENT

# **QUARTERLY ECONOMIC BULLETIN: APRIL- JUNE DEVELOPMENTS**



**2025 Q2**

## **INTRODUCTION**

The Eswatini economic bulletin is a calendar year-based quarterly report (unless stated otherwise), that provides analyses on recent economic developments in the global, regional and domestic economies in the quarter under review (April-June 2025).

The report begins with highlights of the global and regional developments, focusing primarily on the South African economy-Eswatini's major trading partner. Subsequently, in the domestic economy, the report covers developments in the real sector (GDP), monetary sector (inflation, credit extension and Gross Official Reserves), fiscal/government sector (revenue and expenditure, which are analysed on the fiscal year basis) as well as the external sector.

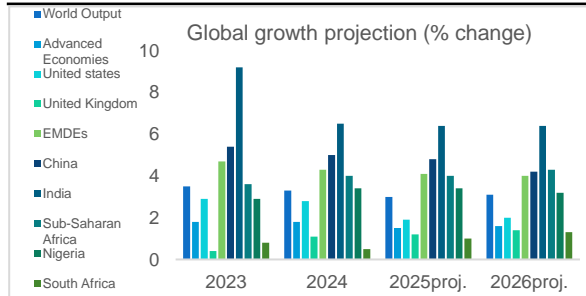
The report provides an analysis of trends for the quarter under review, with the exception of GDP developments in Eswatini and RSA, which are on a quarter lag from the data sources, i.e. January-March.

**QUARTERLY ECONOMIC BULLETIN – 2025Q2  
(APRIL-JUNE)**

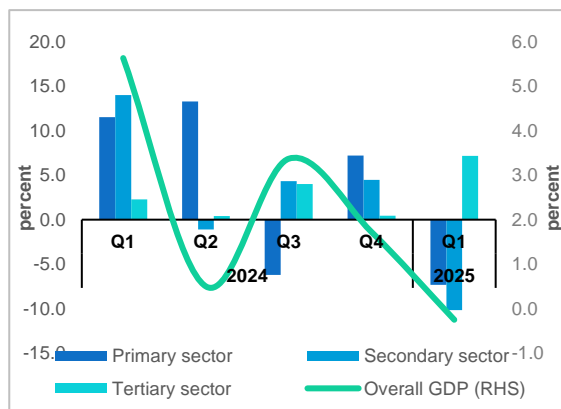


**OVERVIEW OF ECONOMIC DEVELOPMENTS IN 2025Q2**

**1. Global growth prospects have improved from the earlier projections, which were at the back of elevated uncertain economic trajectory. Global growth is projected at 3.0% in 2025 and 3.1% in**



**2. Domestic GDP contracted by 0.3 % in 2025Q1 (Y-O-Y), seasonally adjusted. However, on a quarterly basis, GDP reflected a 0.5 percent growth.**



**3. Inflation Drivers: Inflationary pressures eased as headline inflation averaged 3.1% (2025Q2) vs. 4.0 % (2025Q1).**

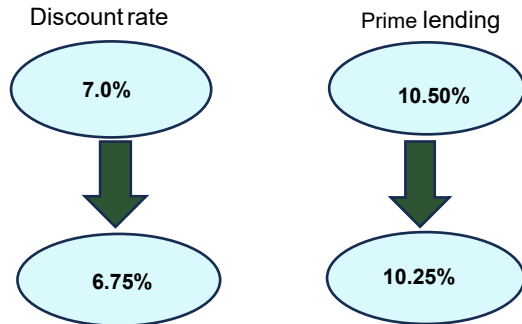


**Food and non-alcoholic beverages moderated by 0.6 percentage point.**



**Housing & Utilities inflation moderated by 2.4 percentage points.**

**4. Interest rates reduced by 25 basis points in 2025Q2. The discount rate was reported at 6.75%, while the prime rate was at 10.25%.**



**5. Accommodative monetary policy supported private sector credit, which rose by 0.8 % in 2025Q2 relative to the previous quarter.**



2025Q1	2025Q2
E21.413 Bn	E21.595 Bn

Credit growth observed in which sectors?

1. Agriculture
2. Construction
3. Real Estate
4. Other sectors

**6. Trade developments: goods exports amounted to E10.093 billion and Imports stood at E10.418 billion, indicating a trade deficit in 2025Q2.**



**7. The Lilangeni reflected contrasting dynamics against major currencies; strengthening against the US Dollar and weakening against the British Pound and the Euro.**

US\$=E18.29    £ = E24.40    € = 20.93



### 1. International Developments

#### 1.1. Global economic growth

Global growth prospects have improved from the uncertain economic trajectory projected in April 2025, emanating from the shift in trade policies by the United States (US). This has led to upward revisions of the short-to-medium term Gross Domestic Product (GDP) growth projections for most countries.

The upward revisions were mainly on account of robust front-loading in international trade, lower average effective tariff rates for most countries than previously announced, the improvement in global financial conditions as well as fiscal expansions in some jurisdictions, in the review period (IMF, WEO Update, July 2025). Against this backdrop, the global economy is projected to grow by 3.0 percent in 2025 and 3.1 percent in 2026, reflecting a 0.2 percentage point and 0.1 percentage point upward revision compared to the previous projections.

#### *Advanced Economies*

Growth in advanced economies is projected at 1.5 percent in 2025 and 1.6 percent in 2026, with the US economy expected to expand by 1.9 percent in 2025. This growth is 0.1 percentage point higher than the previous forecast, resulting from tariff rates settling at lower levels than those announced as well as looser financial conditions. Growth is projected to pick up slightly to 2.0 percent in 2026, supported primarily by tax incentives for corporate investment through the “One Big Beautiful Bill Act”(OBBBA), which seeks to provide tax relief and promote investment in the US, amongst other objectives. Similarly, in the Euro area, growth is projected to accelerate to 1.0 percent in 2025, reflecting a 0.2 percentage point upward revision compared to the previous projections. This was at

the back of a stronger GDP outturn in Ireland in 2025Q1 emanating from an upsurge in the Irish exports to the US due to front-loading, as well as the opening of new production facilities. In 2026, growth in the bloc is projected to reach 1.2 percent, which remained unchanged from the previous projections. This reflects the waning effects of front loading as well as the economy growing at potential.

#### *Emerging Market and Developing Economies*

In the Emerging Market and Developing Economies (EMDE's), growth is projected to moderate from 4.1 percent in 2025 to 4.0 percent in 2026. This represents a 0.4 and 0.1 percentage points upward revision, respectively. These revisions were largely influenced by the Chinese economy, which is expected to expand by 4.8 percent (0.8 percentage point uptick). This was on account of stronger-than-expected economic activity in the first half of 2025, as well as a significant reduction in the US-China tariffs, which have boosted growth prospects. Growth in 2026 is also revised upward by 0.2 percentage point to 4.2 percent, reflecting the lower effective tariff rates.

#### *Sub Saharan Africa*

In Sub-Saharan Africa (SSA), growth is projected to be relatively stable at 4.0 percent in 2025, before picking up to 4.3 percent in 2026. These projections reflect a 0.2 percentage point and 0.1 percentage point upward revision compared to the April 2025 forecasts, owing to the positive global economic outlook. This was further supported by the recent completion of the rebasing of Nigeria's GDP, which has significantly improved the estimated size of the economy. The Nigerian economy is therefore projected to expand by 3.4 percent in 2025 and 3.2



percent in 2026 (a 0.4 and 0.5 percentage point upward revision, respectively). On the other hand, for South Africa, growth projections were maintained at 1.0 percent and 1.3 percent in 2025 and 2026, respectively.

Risks to the short-to-medium term outlook are tilted to the downside, some of which include the prevailing geopolitical tensions, which could lead to prolonged global supply chain disruptions and escalate global commodity prices. In addition, a rebound in the effective tariff rates could hamper global growth, while larger fiscal deficits could raise long term interest rates and tighten global financial conditions.

## 1.2. Global Commodity Prices

### 1.2.1 Global inflation

Global disinflation is projected to continue in the short-to-medium term, with advanced economies reaching their inflation targets much faster than emerging and developing economies. Global inflation is projected to fall from the estimated 5.6 percent in 2024 to 4.2 percent in 2025 and 3.6 percent in 2026 (IMF WEO Update, July 2025). The 2025 projection reflects a marginal 0.1 percentage point downward revision from the April 2025 projections, whilst projections for 2026 remained unchanged. The disinflation is anticipated to be supported by subdued demand growth and falling energy prices, though the impact is expected to vary across countries.

**Table 1: Global growth trends (percent)**

Countries	Est. 2024	Proj. 2025	Proj. 2026
<b>World Output</b>	3.3	3.0	3.1
<b>Advanced Economies</b>	1.8	1.5	1.6
<b>US</b>	2.8	1.9	2.0
<b>Euro Area</b>	0.9	1.0	1.2
<b>UK</b>	1.1	1.2	1.4
<b>EMDE's</b>	4.3	4.1	4.0
<b>China</b>	5.0	4.8	4.2
<b>India</b>	6.5	6.4	6.4
<b>Sub Saharan Africa</b>	4.0	4.0	4.3
<b>Nigeria</b>	3.4	3.4	3.2
<b>South Africa</b>	0.5	1.0	1.3

Source: IMF WEO, July 2025

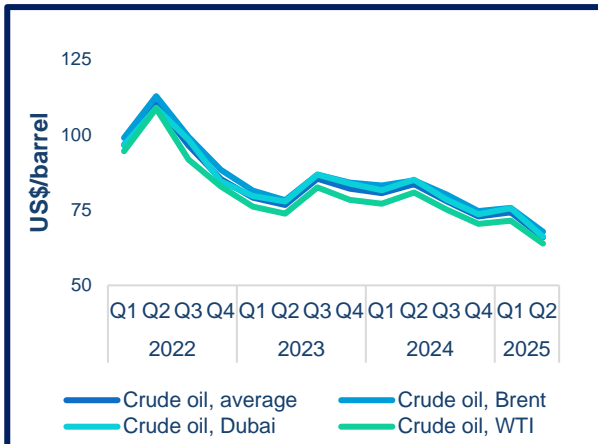
### 1.2.2 Energy Developments

In the quarter under review, global Brent crude oil traded at an average price of US\$65.93 per barrel compared to US\$74.23 per barrel in 2025Q1. This reflected a 11.2 percent decline at the back of a highly volatile economic environment, mainly caused by US trade policies (which had the potential to dampen business investments along with global trade); the ease in geopolitical tensions between Israel and Iran within the period as well as increased inventories by the Organization of Petroleum Exporting Countries (i.e. OPEC+ and non-OPEC+) with the former having unwound its voluntary production cuts in April 2025.

Similarly, coal prices declined by 6.0 percent in the review period on account of oversupply in the market. China and India, the major global consumers of coal, reduced demand and resorted to using clean energy sources in the production of electricity.



**Figure 1: Global crude oil prices**



Source: World Bank Pink Sheets

### 1.2.3 Global food prices

The FAO Food Price Index, reflected a 1.3 percent increase in global food prices in 2025Q2 relative to the previous quarter. The uptick was primarily driven by climbing meat prices as well as dairy prices, whilst prices of sugar, cereals, and oils, contracted in the review period.

Meat prices were on a consistent upward trend throughout the quarter as they reflected a notable 5.5 percent increase. The increase in meat prices stemmed mainly from high prices in all meat categories, with the exception of poultry. Global bovine meat prices were at the front-end of rising prices in meat categories, further supported by tightened export supplies from leading producers (such as Brazil). Further upward pressures came from heightened Australian export prices backed by strong demand from the United States. Poultry prices, however, remained on the downside throughout the quarter, on account of surplus supply in Brazil, which was caused by prevalence of the high pathogenicity avian influenza (HPA).

Similarly, dairy prices reflected an increase in the period and rose by 4.6 percent at the back of

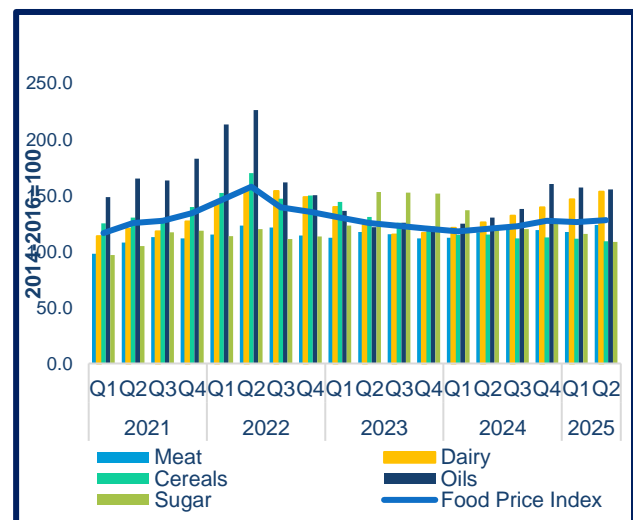
consistent escalation of prices of butter, with the highest price of the quarter recorded in June. The increase in prices of butter was mainly driven by supply tightness amidst strong demand in Asia.

On the contrary, sugar prices declined in the period. The decline was mainly due to heightened uncertainty on the global economic outlook and its potential impacts on key demanding industries; hence sugar prices fell by 6.1 percent in 2025Q2.

Cereal prices were also subdued in the period as they reflected a 2.1 percent decline. The decline in prices of cereals were felt in the last 2 months of the quarter and were on account of good maize harvests and availability in key producing countries, thus promoting price competition. Similarly, prices of rice were subdued in the quarter, reflecting reduced demand for indica varieties.

Additionally, prices of edible oils depicted a decline, mainly in the first two months of the quarters, at the back of positive seasonal output placing downward pressure on prices of all major oils. Increased availability in Southeast Asia also placed downward pressures on oil prices.

**Figure 2: Global Food Price Indices**



Source: FAO Food Price Index



## 2. RSA Developments

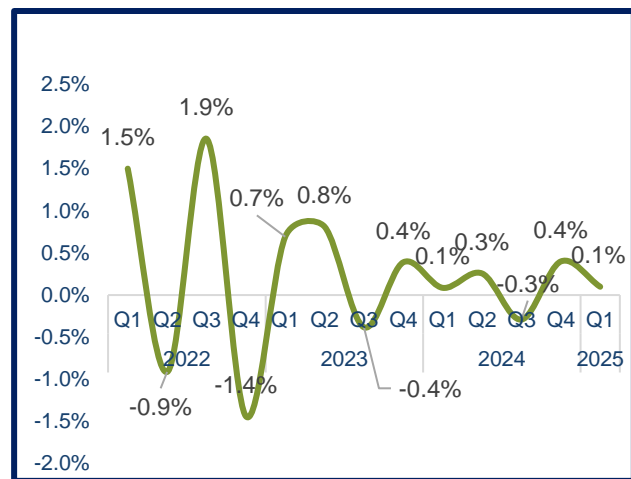
### 2.1. Real GDP Growth

Economic activity weakened, as real gross domestic product (GDP) moderated by 0.1 percent in 2025Q1 (q-o-q) after growing by 0.4 percent in 2024Q4. In the period under review, growth was observed in subsectors such as “agriculture, forestry and fishing”, “transport, storage and communication”, “trade, catering and accommodation” as well as “finance, real estate and business services”. The “agriculture, forestry and fishing” subsector continued to sustain the economy during this period, with a stellar growth of 15.8 percent in 2025Q1, after a 17.7 percent growth in the preceding quarter. This subsector was boosted by an increase in agricultural exports, emanating from favourable global commodity prices as well as an increase in output from animal and horticultural products, which resulted from the good rains received in the review period. The “transport, storage and communication” subsector rebounded by 2.4 percent after contracting by 1.1 percent in 2024 Q1, on account of increased activity in land and air transport as well as support services to transport. The “trade, catering and accommodation” subsector grew by 0.5 percent in the review period, backed by increased activity under retail and motor trade as well as “accommodation, food and beverages” activities. The “finance, real estate and business” subsector grew by 0.2 percent owing to improved performance under insurance and pension funding services as well as auxiliary activities.

However, subsectors such as “manufacturing”, “mining and quarrying”, “construction” as well as “electricity, gas and water” contracted in the period

under review. The “manufacturing” subsector contracted by 2.0 percent due to a fall in output from the petroleum, chemical products, rubber and plastic products, food and beverages, motor vehicles, parts and accessories and other transport equipment. “Mining and quarrying” activities declined by 4.1 percent mainly on account of a fall in output from the platinum group metals (PGM’s). The construction subsector contracted by 3.8 percent due to a fall in activity under the construction of residential buildings as well as construction works. The “electricity, gas and water” subsector contracted by 2.6 percent as a result of a fall in water consumption as well as electricity production and consumption in this period.

Figure 3: RSA QRGDP 2025 - (Q-O-Q change)



Source: Stats SA



### 3. Domestic Developments

#### 3.1. Eswatini Economic Activity

The domestic economy grew by 0.5 percent in 2025Q1 relative to the previous quarter. However, on a year-on-year comparison (seasonally adjusted), the domestic economy contracted by 0.3 percent in 2025 Q1 after a 5.6 percent growth in 2024Q1. This was mainly attributable to a poor performance of the primary and secondary sectors, which was however offset by a stellar performance of the tertiary sector. The primary sector contracted by 7.3 percent in 2025Q1 relative to the same period last year. This was mainly on account of a fall in output from the “mining and quarrying”, “forestry” as well as “crop production” activities, which declined by 28.9 percent, 2.0 percent and 9.5 percent respectively. However, animal production increased by 11.4 percent. The secondary sector declined by 10.2 percent due to a poor performance of the “manufacturing”, “electricity” and “water supply” activities, which contracted by 13.2 percent, 1.8 percent and 7.2 percent in the review period, respectively. The fall in the manufacturing subsector was mainly observed in activities such as the “manufacturing of chemicals and chemical products”, “manufacturing of wood and wood products”, “manufacture of beverages” as well as the “processing and preserving of fruits”. However, the construction subsector expanded by 25.9 percent, reflecting increased activity in the private and public sectors emanating from the upscaling of

the implementation of mega projects such as the Mpakeni dam construction, the International Convention Centre and Five Star (ICC-FISH) as well as the implementation of energy projects amongst others. On the other hand, the tertiary sector grew by 4.0 percent as a result of an increase in output from the Wholesale & Retail, which grew by 12.0 percent, financial and insurance services activities (14.5 percent); Information, communication and technology (ICT) (9.8 percent) emanating from continued investment by the sector players, Real Estate (6.7 percent) as well public administration (4.8 percent), reflecting continued hiring by the government in the period.

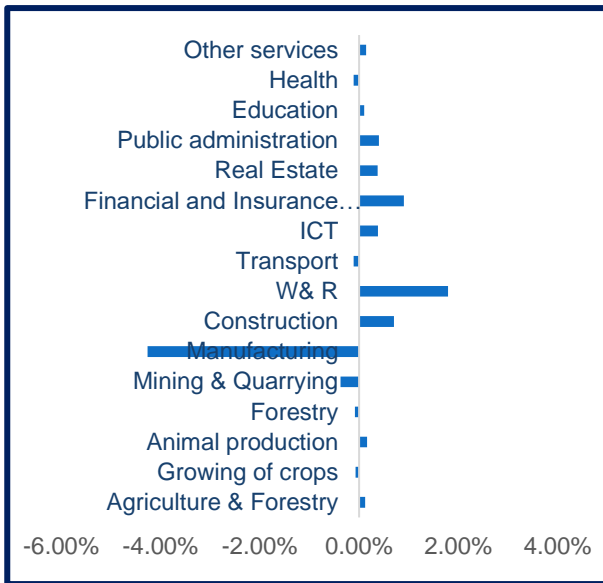
**Figure 4: Quarterly RGDP growth trends (Y-O-Y seasonally adjusted)**



Source: Central Statistical Office



**Figure 5: Quarterly GDP growth drivers-2025Q1**



Source: Central Statistical Office

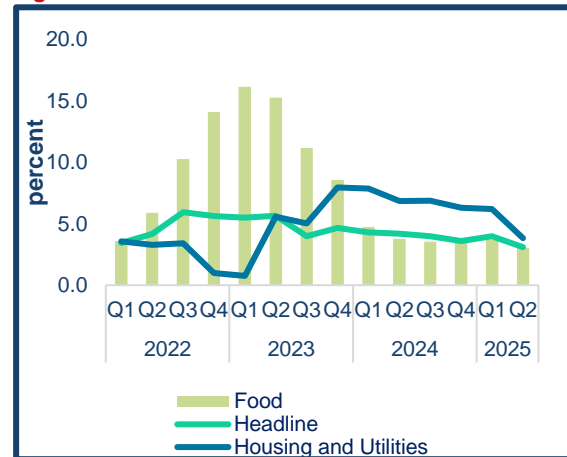
### 3.2. Prices

#### 3.2.1. Headline inflation

Inflationary pressures eased in the second quarter as headline inflation moderated from an average of 4.0 percent in 2025Q1 to 3.1 percent (a 0.8 percentage point decrease). The moderation was primarily led by a 0.6 percentage point slowdown in “food and non-alcoholic beverages” inflation, which averaged 3.0 percent in 2025Q2, relative to 3.8 percent in the previous quarter. The disinflation in the “food and non-alcoholic beverages” category was supported by a 2.4 percentage points fall in the “bread and cereals” sub-category, specifically prices of “other cereals, flour and other products”,

Furthermore, “housing and utilities” inflation decelerated by 2.9 percentage points, averaging 3.8 percent in 2025Q2, compared to 6.2 percent in the previous quarter. This was driven by cooling of inflationary pressures in the “actual rentals for housing” sub-category.

**Figure 6: Inflation Drivers**



Source: Central Statistical Office

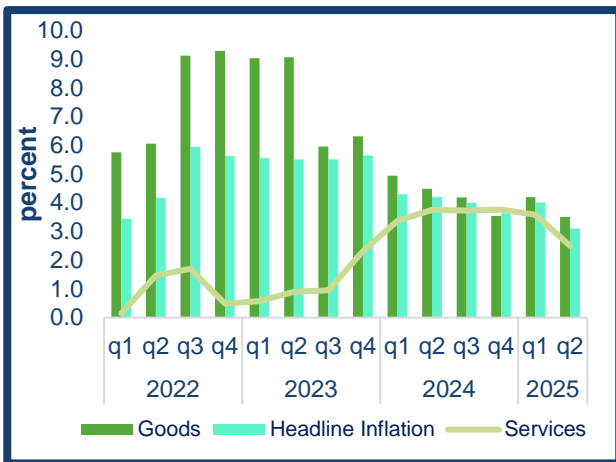
#### 3.2.2 Inflation of goods and services

Inflationary pressures of goods and services ebbed in the quarter under review, with goods moderating from an average of 3.6 percent in the previous quarter to 2.5 percent in 2025Q2. Services inflation eased by 0.7 percentage point, slowing from an average of 4.2 percent in 2025Q1 to 3.5 percent in 2025Q2.

The easing of goods inflation was primarily driven by a slowdown in the inflation rates for non-durable goods from an average of 4.4 percent in 2025Q1 to 3.6 percent in 2025Q2. This resulted from the disinflation in “food and non-alcoholic beverages”. On the contrary, semi-durable goods reflected a marginal 0.2 percentage point uptick, rising from an average of 5.1 percent in the previous quarter, to 5.3 percent in the reference period.



Figure 7: Inflation for goods and services

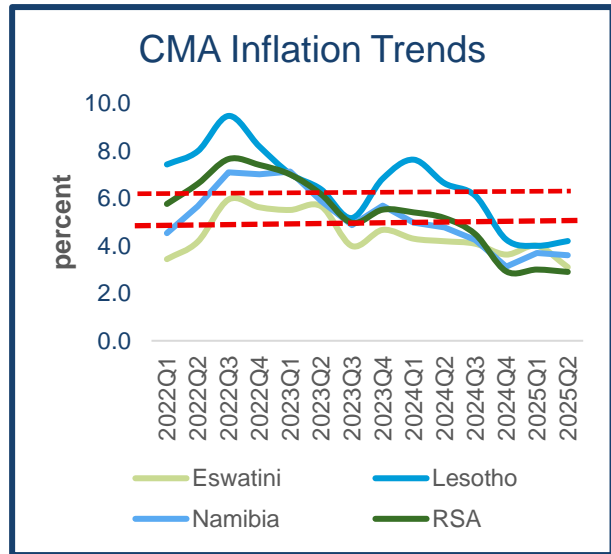


Source: Central Statistics Office

### 3.2.3 Price developments in the CMA

In the period under review, inflation in CMA countries depicted a cooling trend, characterized by marginal moderation amongst all member states. Eswatini recorded the highest disinflation, relatively, as headline inflation decelerated by 0.8 percentage point and averaged 3.1 percent, whilst headline inflation in the Namibian economy moderated by the lowest magnitude of 0.1 percentage point, averaging 3.6 percent. The Headline inflation rates remained within the 3-6 percent target band in the quarter under review, primarily driven by decelerating transport inflation in 3 countries, excluding Eswatini, where disinflation was primarily driven by inflation slowdown in the ‘food and non-alcoholic beverages category’. However, the ‘food and non-alcoholic beverages’ category reflected an upswing in the other three countries, that is, Lesotho, Namibia and South Africa.

Figure 8: CMA inflation trends



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

### 3.2.4. Inflation forecast

The inflation forecasts (Central Bank of Eswatini May 2025), reported a positive inflation outlook for the domestic economy as the short-to-medium-term forecasts were revised downwards. The downward revision comes after persistent easing of pressures from commodities with substantial weighting in the consumer basket, namely; “food and non – alcoholic beverages” as well as “housing and utilities”. Though upward pressures are expected from a weakened exchange rate, expectations of a slowdown in oil prices together with a downward review of an electricity tariff hike (initially proposed at 14.67 percent for the FY2025/2026 and 10.9 percent in FY2026/2027 by the regulator, which were adjusted downwards by the government to 8 percent and 7 percent for the respective years), are anticipated to exert downward pressures. Consequently, inflation forecast for 2025 were revised down to 3.7 percent, from 4.8 percent. Inflation expectations for the medium term are anticipated to follow the same



trajectory, with 2026 inflation rates revised down from 4.6 percent to 4.1 percent. Forecasts for 2027 were also revised down from 4.3 percent to 3.9 percent.

**Figure 9: Inflation Forecasts –May 2025**

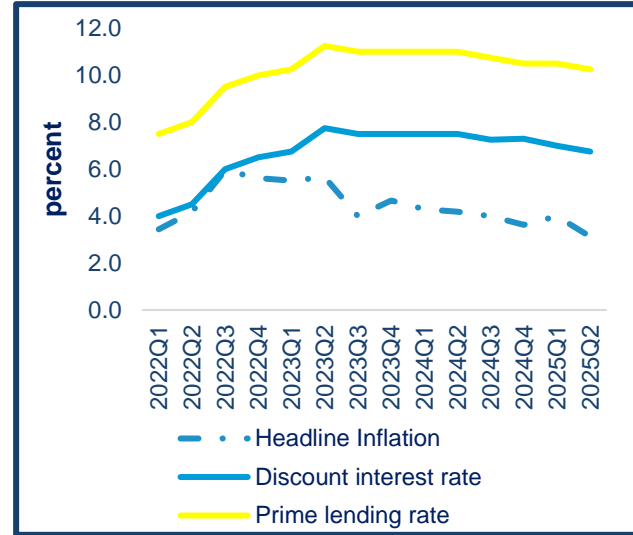


Source: Central Bank of Eswatini

### 3.3. Monetary Policy

According to the May 2025 release of the Monetary Policy Statement, in the quarter, an expansionary monetary policy stance was adopted as interest rates were lowered by 25 basis points. As such, the discount rate was reduced from 7.0 percent to 6.75 percent. Similarly, the prime lending rate was reduced from 10.5 percent to 10.25 percent. The stance taken by the Monetary Policy Consultative Committee was well aligned with the bank’s efforts to support economic growth and maintain price stability.

**Figure 10: Interest Rates Developments**



Source: Central Bank of Eswatini; Central Statistics Office

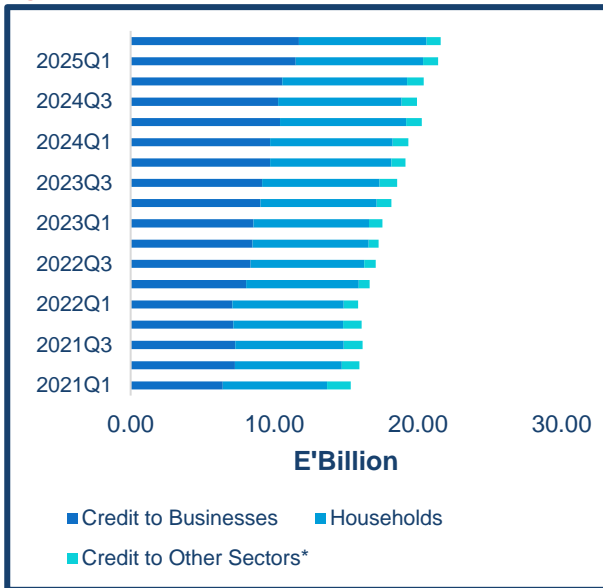
### 3.4 Total Credit Extension

Dynamics in total credit extension continued to show mixed performance as credit to “households” and “businesses” reflected marginal increases of 0.3 percent and 1.9 percent, respectively, in the quarter under review. On the contrary, credit to “other sectors”<sup>1</sup> remained on the downside, depicting a 6.9 percent decline. As a result, total credit extended to the private sector showed a 0.8 percent uptick, rising from E21.413 billion in the previous quarter to E21.585 billion in 2025Q2.

<sup>1</sup> Inclusive of other financial corporations, parastatals and local governments.



Figure 11: Credit Extension



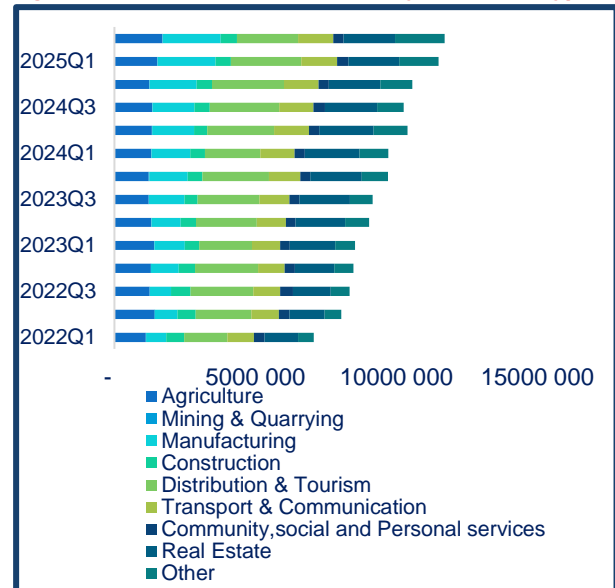
Source: Central Bank of Eswatini

### 3.4.1. Credit to businesses

In the quarter, credit to businesses remained on the upside, although sectors portrayed mixed performance which led to an overall 2.0 percent uptick of credit extended to businesses. At the front-end of the positive performance was credit to “other”<sup>2</sup> sectors, which realized a 26 percent growth in the period. To a lesser, yet notable extent was growth in credit to “Agriculture”, “Construction”, and “Real Estate”, growing by 12 percent, 6 percent, and 1 percent, respectively. Credit extended to “Mining and Quarrying”, “Distribution and Tourism”, and “Community, social and Personal services”, declined by 11 percent, 13 percent, and 10 percent respectively.

<sup>2</sup> Includes Non-Profit Institutions serving Households (NPISH).

Figure 12: Credit to Businesses - by Business Type



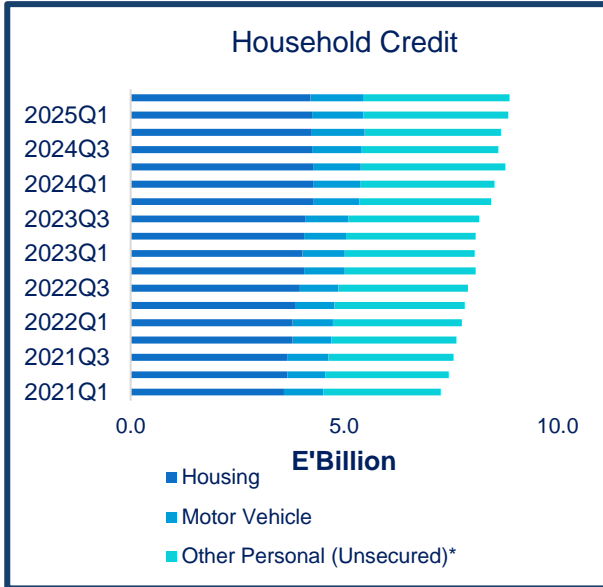
Source: Central Bank of Eswatini

### 3.4.2. Household credit

In the period, credit to households reflected a mixed performance. Overall credit to households increased from E8.85 billion in 2025Q1 to E8.87 billion in 2025Q2. The increase was driven by “Motor vehicle” loans and “Other personal loans”, which rose by 2.9 percent and 1.0 percent, respectively. On the contrary, “Housing Loans” amounted to E4.21 billion relative to E4.25 billion in the previous quarter, reflecting a 1.0 percent decrease.



**Figure 13: Household Credit Extension by Purpose**

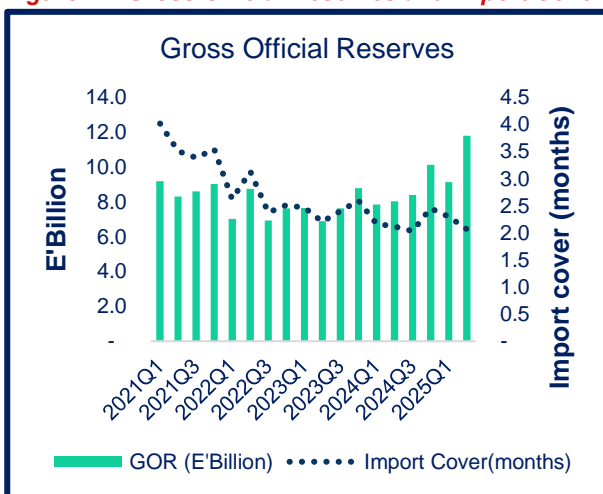


Source: Central Bank of Eswatini

### 3.5. Gross Official Reserves

The stock of gross official reserves was recorded at E11.8 billion in 2025Q2, reflecting a 29.1 percent increase relative to 2025Q1. This was mainly on account of an increase in the inflow of SACU receipts in April 2025. The reserves remained below the internationally recommended threshold of 3 months as they were sufficient to cover only 2.1 months of imports.

**Figure 14: Gross Official Reserves and Import Cover**



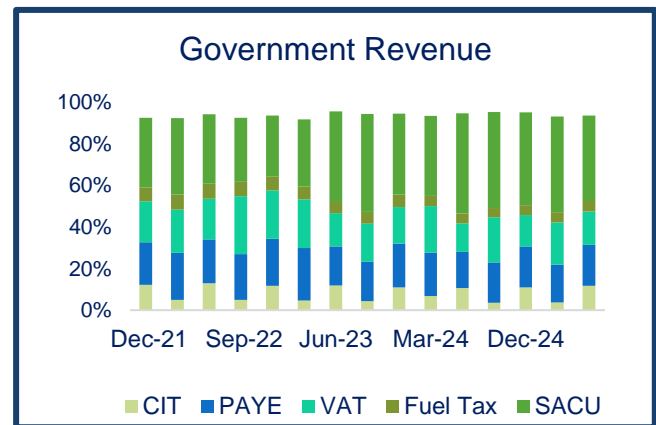
Source: Central Bank of Eswatini

## 3.6. Fiscal Developments

### 3.6.1. Government Revenue

The total Government revenues declined by 1.8 percent in FY 2025/26Q1 relative to FY 2024/25Q1. This was mainly attributable to a fall in SACU receipts and fuel tax, which contracted by 20.4 percent and 19.4 percent, respectively. Fuel tax declined on account of a fall in the fuel volumes sold during this period, however, Value Added Tax (VAT), Pay-as-you Earn (PAYE), Corporate Income Tax (CIT) and “other income taxes” performed positively. PAYE grew by 8.0 percent, reflecting the continuous filling of critical positions in the civil service. Similarly, CIT expanded by 160.1 percent on account of the increase in provisional tax payments in line with efforts to increase compliance in the period under review.

**Figure 15: Major revenue Lines as % of total revenues**



Source: Ministry of Finance

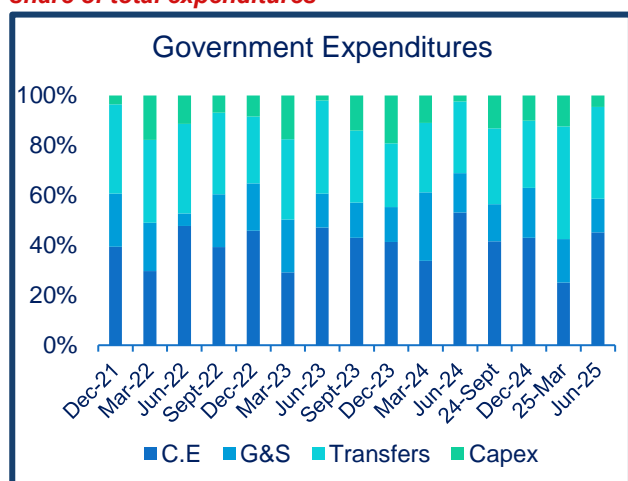
### 3.6.2. Government Expenditure

Total government expenditures surged by 24.2 percent in FY 2025/26Q1 compared to the same period in FY 2024/25. This was mainly driven by a rise in both recurrent and capital expenditure, which grew by 21.5 percent and 132.5 percent,



respectively. The increase in recurrent expenditures was mainly on account of an increase in expenses on compensation of employees, goods and services as well as transfers, which grew by 5.6 percent, 6.3 percent and 59.3 percent, respectively. The increase in spending on the compensation of employees reflected increased government hiring in the review period; the increase in spending on goods and services was mainly on account of an increase in spending on durable materials, drugs, travel, transport and communication as well as CTA charges.

**Figure 16: Primary Expenditure Categories as a share of total expenditures**



Source: Ministry of Finance

### 3.7. External Developments

#### 3.7.1. Merchandise Trade Developments

Trade data showed a slowdown in merchandise exports, while merchandise imports recorded a slight increase in the quarter under review. Overall, the country's trade balance reflected a deficit amounting to E325 million in 2025Q2 following a surplus of E1.027 billion in the previous quarter.

The total merchandise exports were recorded at E10.093 billion in 2025Q2, which reflects a 9.3 percent decline relative to the preceding quarter.

This was mainly driven by a drop in the exports of “sugar”, (23.5 percent), “miscellaneous edibles” (18.0 percent) as well as “textiles” (2.7 percent), all of which account for more than half the value of total exports. However, growth was recorded on the exports of “forestry and related products” (8.1 percent), and “food processing” (16.0 percent). Year on year comparison show a 10.6 percent increase in exports. In terms of exports destinations, exports to the SACU region, which accounted for 72.8 percent of total exports, historically fell by 5.0 percent, while exports to the rest of the Sub-Saharan Africa (SSA) Region increased by 1.6 percent. Exports to the EU also declined by 73.2 percent (notably, major exports to the EU such as sugar and beef).

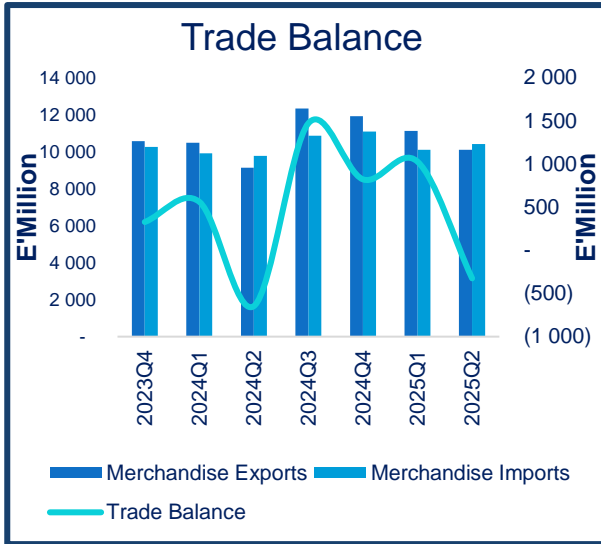
On the other hand, the total merchandise imports grew by 3.2 percent in 2025Q2 and were recorded at E10.418 billion compared to E10.096 billion in 2025Q1. The growth of the imports was on account of a rise in the imports of ‘Construction materials’, “other final consumption goods”, “other intermediary consumption goods”, “capital goods” and “food” imports, which grew by 22.1 percent, 10.2 percent, 5.8 percent, 2.8 percent and 1.8 percent respectively. However, “fuel and energy” imports declined by 5.3 percent. Year on year comparison show that imports grew by 7 percent.

In terms of Import origins, as per the norm, 70.7 percent of the country's imports were sourced from the SACU market, growing by 3.1 percent in the period under review. Imports from Asia, which is the country's second largest market, grew by 7.7 percent. North American imports increased by 7.7 percent while those from the EU grew by 1.2 percent. However, the country's imports from the



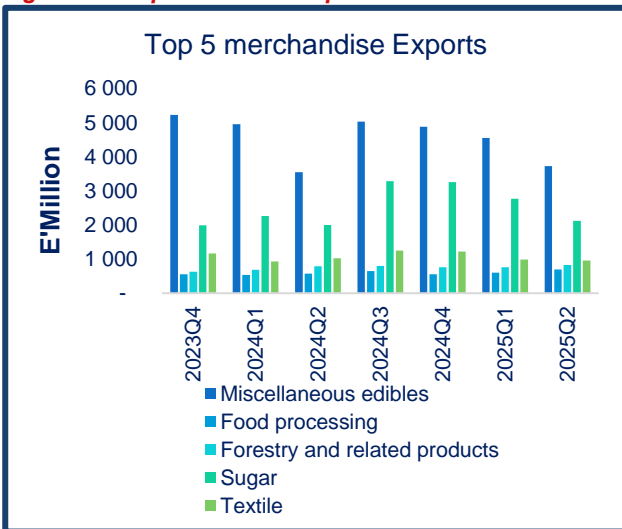
Middle East and North Africa market (MENA) and the rest of Sub-Saharan Africa (SSA) declined by 13 percent and 6.0 percent, respectively.

**Figure 17: Overall Trade Developments**



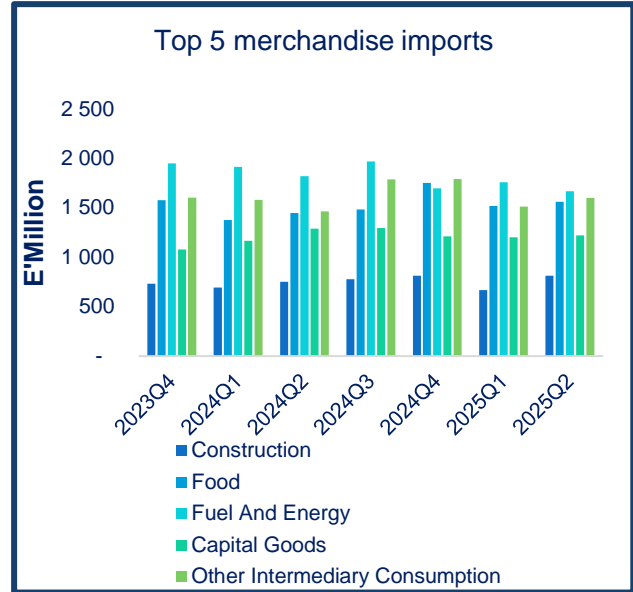
Source: Eswatini Revenue Service

**Figure 18: Top 5 Eswatini Exports**



Source: Eswatini Revenue Service

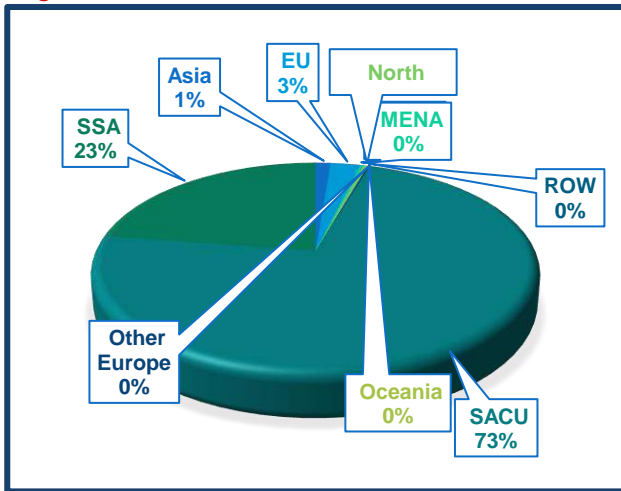
**Figure 19: Top 5 Eswatini Imports**



Source: Eswatini Revenue Services



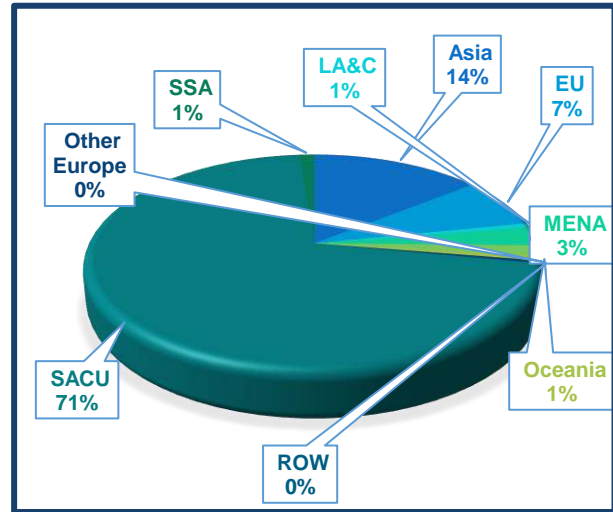
Figure 20: Eswatini Export Destinations & Import Origins



### 3.7.2. Exchange Rate Developments

Currency movements during the reference period showed that the Lilangeni strengthened against the dollar, with the dollar averaging E18.29 compared to E18.50 recorded in the previous quarter, thus depicting an appreciation of 1.2%. On the contrary, the Lilangeni weakened when compared to the British Pound and Euro, trading at an average of E24.40 and 20.93 respectively against E23.30 and 19.46 recorded in the previous quarter, thus showing a depreciation of 4.5% and 7.02% respectively.

The elevated uncertainty regarding the US tariffs, coupled with the de-escalation of the war in the Middle East (as investors move from risk-off to risk-on behaviour) amongst others led to weaker US Dollar. This continued to negatively affect global investor sentiments which saw investors respond by investing in higher-yielding emerging market assets. On the domestic front, the South African Treasury committed to fiscal prudence through exercising discipline in spending and debt

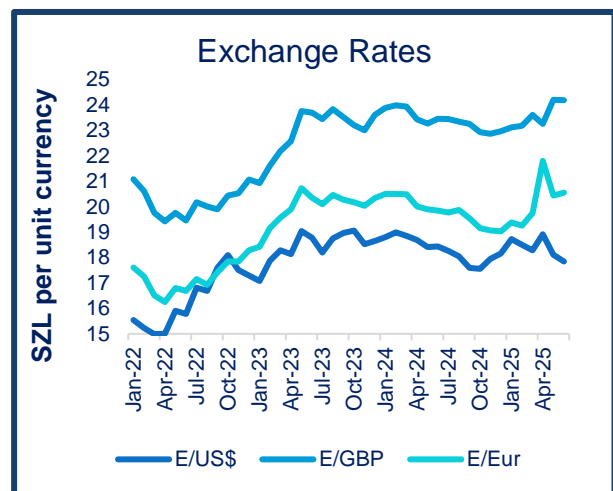


Source: Eswatini Revenue Service\* MENA – Middle East & North America \* Other Europe – countries not affiliated with the Euro Zone

containment, thus the Rand held steady. Moreover, the Republic of South Africa terms of trade improved in the period under review supported by rising prices of key minerals particularly gold and platinum thus sustaining the Rand.

Additionally, the South African Reserve Bank (SARB) has maintained high interest rates relative to developed economies, a move which has yielded positive results for yield-seeking investors amid the low global interest rate environment.

Figure 21: Exchange Rates Developments



Source: Central Bank of Eswatini



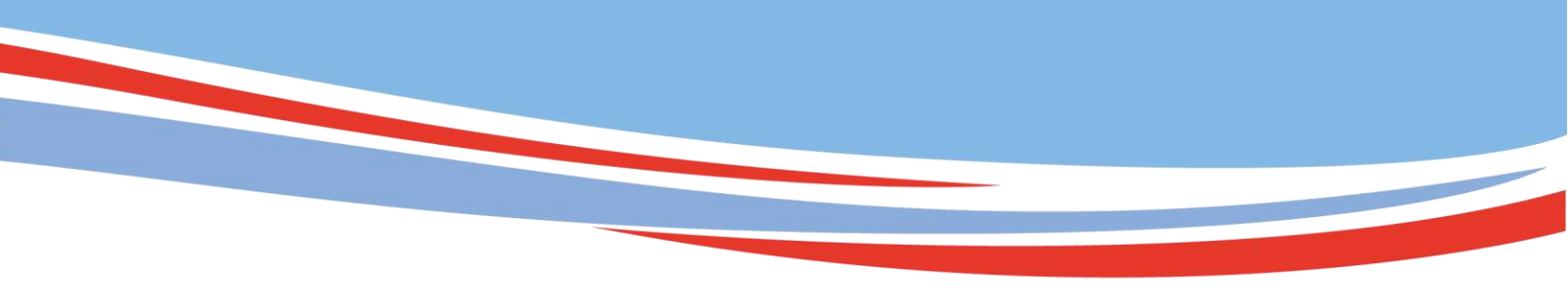
## ANNEX 1. RELEASE CALENDAR

### Economic Bulletin Release Calendar

<b>Timelines</b>	<b>Schedule date</b>
Q1	<i>2<sup>nd</sup> week May</i>
Q2	<i>2<sup>nd</sup> week August</i>
Q3	<i>2<sup>nd</sup> week November</i>
Q4	<i>2<sup>nd</sup> week February</i>

## ANNEX 2. INDICATORS TABLE

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	66,403	67,623	70,039	76,827	81,986	88,968
GDP PER CAPITA (E')	53,043	55,162	58,581	58,961	60,359	65,439	69,014	73,999
GDP PER CAPITA (US \$)	4,002	4,167	3,959	3,471	4,082	3,997	3,742	4,039
ANNUAL GDP GROWTH RATE (%)	2.0	2.4	2.7	-1.6	3.4	-0.1	5.0	4.8
SHARE OF AGRICULTURE & FORESTRY TO GDP (%)	8.4	8.5	8.5	8.1	8.1	7.9	7.1	7.1
SHARE OF MANUFACTURING TO GDP (%)	24.4	25.0	26.8	24.3	27.3	29.3	28.8	30.2
SHARE OF TERTIARY SECTOR TO GDP (%)	43.4	45.9	46.9	49.2	53.9	50.4	51.3	50.2
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	-	-	-	-	-	-	-
ANNUAL INFLATION RATE (%)	6.2	4.8	2.6	3.9	3.7	4.8	5.0	4.0
CPI (JUNE 2020 =100)	89.6	94.0	96.4	100.1	103.9	108.9	114.2	118.8
DISCOUNT RATE (%)	7.25	6.75	6.5	3.75	3.75	6.50	7.50	7.0
PRIME LENDING RATE (%)	10.75	10.25	10	7.25	7.25	10.0	11.0	10.5
AVERAGE EXCHANGE RATE (E/US DOLLAR)	13.33	13.24	14.48	16.45	14.79	16.37	18.44	18,31
AVERAGE EXCHANGE RATE (E/POUND STERLING)	17.04	17.64	18.45	21.00	20.33	20.18	22.95	23.39
MERCHANDISE EXPORTS (E' MILLION)	24,006	24,345	28,856	28,577	30,531	32,327	38,682	43,884
MERCHANDISE IMPORTS (E' MILLION)	21,374	23,956	26,425	25,939	30,322	33,423	37,708	41,703
MERCHANDISE TRADE BALANCE (E' MILLION)	2,632	387	2,431	2,638	209	1,096	974	2,181
GROSS OFFICIAL RESERVES (E' MILLION)	6,933	6,321	6,171	8,002	9,015	7,630	8,793	10,122
GROSS OFFICIAL RESERVES (MONTHS OF IMPORT COVER)	3.3	2.9	2.6	3.5	3.5	2.6	2.6	2.5
TOTAL REVENUE AND GRANTS (E' MILLION)	16,785	15,684	17,893	19,289	17,986	20,198	26,974	27,794
TOTAL EXPENDITURE (E' MILLION)	20,343	19,997	22,148	22,319	21,279	23,910	27,032	29,611
FISCAL SURPLUS/DEFICIT (E' MILLION)	(3,558)	(4,313)	(4,255)	(3,030)	(3,293)	(3,712)	(59)	(1,817)
FISCAL SURPLUS/DEFICIT AS % OF GDP	-6.0	-6.9	-6.5	-4.6	-4.6	-4.8	-0.1	-2.0
TOTAL DEBT (E' MILLION)	13,019	16,615	20,453	25,944	27,157	31,395	34,007	36,642
TOTAL DEBT AS % OF GDP	21.9	26.5	31.4	39.0	37.9	40.2	39.2	41.0



MINISTRY OF ECONOMIC  
PLANNING AND DEVELOPMENT

