



Bank of Tanzania

Monetary Policy Report

January 2026

Bank of Tanzania Monetary Policy Framework

The Bank of Tanzania is mandated to formulate and implement monetary policy, among others. Monetary policy involves actions or decisions taken to influence the amount of money circulating in the economy, which contributes to the determination of interest rates banks and financial institutions offer to customers.

Monetary policy's objectives are to maintain price stability, defined as a low and stable inflation rate over time, and to support economic growth. Inflation is measured as an annual change in the consumer price index, expressed in percentage. In the medium term (up to 5 years), the inflation target is 3-5 percent.

To fulfil these objectives, the Monetary Policy Committee (MPC) assesses economic conditions and determines the policy rate—Central Bank Rate (CBR)—which is consistent with maintaining low and stable inflation and supporting economic growth. The CBR is set to influence other interest rates in the economy. This influences consumers' and firms' decisions, thereby affecting inflation and output growth. The Bank of Tanzania implements monetary policy by steering the 7-day interbank interest rate, which is the operating target variable, along the CBR.

To align the operating target with the policy rate, the Bank uses a variety of monetary policy instruments. The main instruments are repurchase agreements (repo and reverse repo), 35-day and 91-day Treasury bills, statutory minimum reserve requirement ratio (SMR), and sale or purchase of foreign currency in the inter-bank foreign exchange market. There are also standing lending facilities—intraday and Lombard loans—that are granted to all banks on demand to facilitate smooth and efficient settlement of payments.

In implementing the Monetary Policy, the Bank exercises a high degree of transparency in its actions and decisions. The decisions of the MPC, which include setting policy rates, are communicated to banks through post-MPC meetings with Chief Executive Officers of banks and the public through the media. In addition, the Bank publishes MPC meeting statements, Monetary Policy Report, and other periodic reports containing outcomes of monetary policy implementation, monetary policy stance, decisions on policy rate, and the performance of the economy at large. The reports are available on the Bank of Tanzania website (www.bot.go.tz).

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Summary

MPC decision on Central Bank Rate: The Monetary Policy Committee (MPC) maintained the Central Bank Rate (CBR) at 5.75 percent for the first quarter of 2026. The decision was taken considering that inflation is forecast to remain within the target range of 3–5 percent. Economic conditions are expected to remain favorable, and therefore, keeping the CBR unchanged would support robust economic growth. In line with the inflation and growth forecasts, the Bank of Tanzania will implement monetary policy to ensure the 7-day interbank rate evolves within the band of 3.75 to 7.75 percent.

Global economy: In 2025, the global economy was resilient to elevated trade tariffs, geopolitical conflicts, and economic uncertainty. The IMF projects global growth of 3.2 percent in 2025 compared with 3.3 percent in the previous year and is forecast to grow at the same pace in 2026. Inflation was low and trended downward, reaching either close to or below central bank targets in most countries, largely due to low energy prices and the lagged impact of monetary policy tightening. In the period ahead, global inflation is forecast to remain low. This will continue to help inflation in Tanzania to remain subdued.

Crude oil prices declined, ranging between USD 62-65 per barrel in the fourth quarter of 2025, and are projected to remain at the same levels in the subsequent quarter, attributable to ample supply and subdued demand. This trend will continue offering relief to Tanzania's inflation, foreign currency demand, and exchange rate stability, as oil imports currently account for about 17 percent of goods imported. The price of gold hit a record high of USD 4,421.65 per troy ounce and is projected to increase further. The high price will continue boosting foreign exchange earnings and exchange rate stability in the country.

Domestic economy: Mainland Tanzania economic growth has been robust, and it is estimated to grow at around 5.9 percent in 2025, in line with the projection of 6 percent. This was driven mainly by agriculture, mining, and construction. The Zanzibar economy is estimated to have grown by 6.8 percent, driven by construction, tourism, and manufacturing activities. Credit to the private sector expanded robustly by 20.3 percent.

Growth in Mainland Tanzania is projected to remain strong at 6 percent in the first quarter of 2026, and the Zanzibar economy at 7.2 percent.

Inflation remained low, changing narrowly within the target range of 3-5 percent. In Mainland Tanzania, inflation averaged at 3.5 percent in the fourth quarter of 2025, while in Zanzibar it was 3.4 percent. This was due to prudent monetary policy and favourable global conditions, which provided relief to the exchange rate and lowered imported inflation. In the medium-term inflation is expected to remain within the target.

The banking sector remained sound, with adequate liquidity for lending and a sufficient capital buffer to withstand shocks. The loan portfolio increased, reflecting a favorable business environment. Credit risk, as reflected by the non-performing loan ratio, was low at 3.1 percent compared to the tolerable level of 5 percent. Payment systems were resilient, operating efficiently and smoothly.

The external sector of the economy improved, with the current account deficit narrowing to a five-year low of 2.2 percent of GDP in 2025, on account of a significant improvement in exports of gold, tourism, and transport. The decline in global oil prices also contributed to the narrowing of the current account. The Zanzibar economy sustained a current account surplus, driven primarily by tourism.

Foreign currency liquidity was adequate in the fourth quarter of 2025, mainly due to proceeds from exports of cashew nuts, tourism, and gold. Consequently, the Shilling remained stable against USD, recording a slight appreciation of about 0.8 percent by the end of the quarter. Foreign exchange reserves were high, amounting to more than USD 6.3 billion. This level was sufficient to cover about 4.9 months of imports, in line with the minimum requirement of 4 months. The reserves are expected to remain adequate in the first quarter of 2026, supported mainly by strong export performance and moderate oil prices.

Fiscal policy was satisfactory, with tax revenue in both Mainland Tanzania and Zanzibar improving. The public debt remained sustainable with moderate risk to distress. The Debt Sustainability Analysis (DSA) for 2024/25 indicates the ratio of public debt to GDP, in net present value terms, has declined to 40.6 percent from 41.1 percent in 2023/24. The ratio was below the maximum threshold of 55 percent.

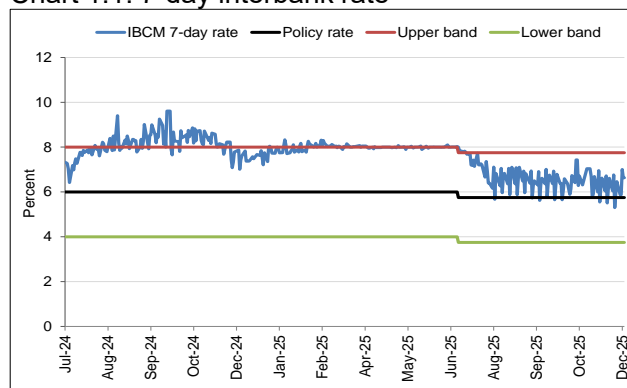
Chapter 1: Monetary Policy

Monetary policy implementation keeps 7-day interbank rate close to CBR, MPC maintains CBR at 5.75 percent

Monetary policy has continued to play a significant in reducing inflationary pressures. Inflation in 2025 remained stable, ranging between 3.1-3.6 percent¹. This was within the target of 3-5 percent. The inflation outturn was also reinforced by moderate domestic food prices, stable exchange rate, and lower import prices of consumer goods.

In the fourth quarter of 2025, monetary policy implementation succeeded in keeping the 7-day interbank rate within the target corridor, which was ± 2 percentage points of the policy rate (Central Bank Rate-CBR) of 5.75 percent (Charts 1.1). This helped to enhance the effectiveness of monetary policy in achieving the inflation target and supporting sustainable growth of the economy. The implementation of monetary policy was executed using repo and reverse repo operations, 35-day, 91-day, 182- day Treasury bills, and foreign exchange operations. Banks also squared daily liquidity positions through the Lombard window.

Chart 1.1: 7-day interbank rate



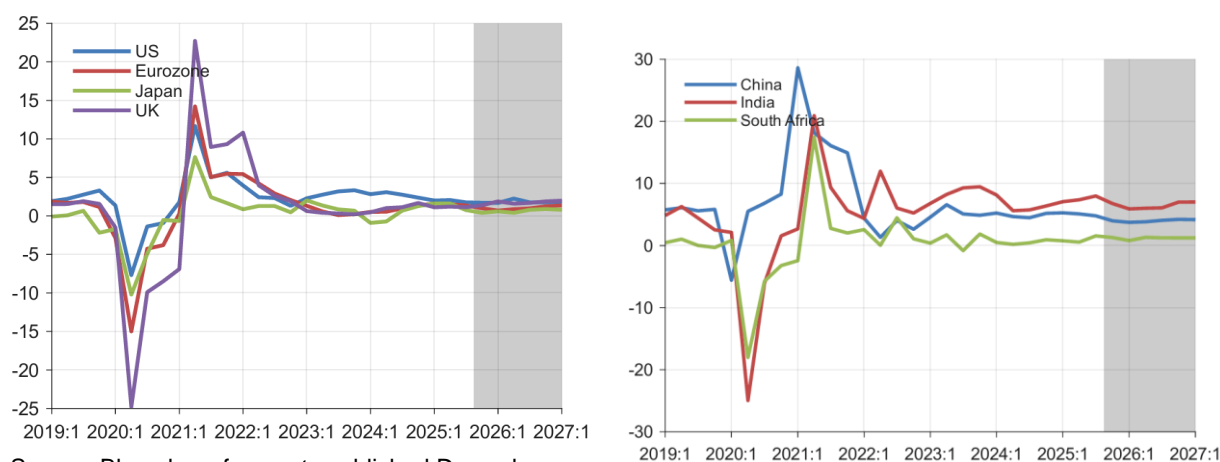
Source: Bank of Tanzania

¹ A detail discussion on inflation is presented in Chapter 2.

Leveraging the past achievements of monetary policy, on Wednesday, 7th January 2026, the Monetary Policy Committee (MPC) assessed economic conditions for the determination of the CBR for the first quarter of 2026, to continue keeping inflation within the target and support high growth of the economy.

The MPC viewed global conditions in 2025 to be favourable to the domestic economy. Looking ahead, the global economy, is projected to be resilient. The IMF forecasts global activity to expand by 3.1 percent in 2026, slightly below 3.2 percent in the preceding year, reflecting lingering uncertainties². In the first quarter, growth in advanced and emerging market economies is forecast to be significantly uneven but higher compared to the previous quarter (Chart 1.2). The robust growth is attributable to monetary policy easing, progress in trade negotiations and moderation in policy uncertainty. Projections also indicate strong growth in most sub-Saharan African economies.

Chart 1.2: Output growth in select advanced and emerging market economies



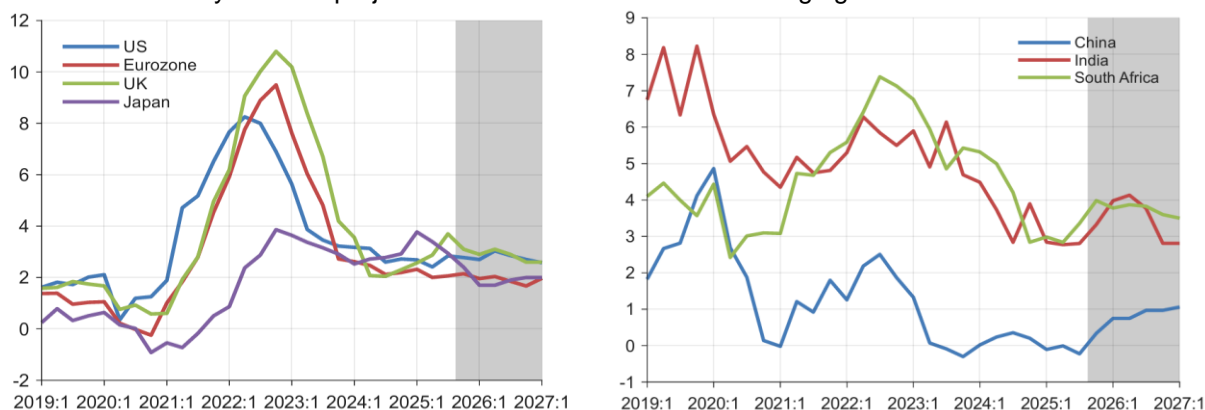
Source: Bloomberg forecasts published December 2025

Inflation is expected to continue declining across most economies, though at a slower pace compared with earlier projections (Chart 1.3). Overall, Inflation is forecast to either be close to or below central bank targets in most countries, largely driven by low energy prices and the lagged impact of monetary policy tightening. Owing to this trend, central

² IMF World Economic Outlook, October 2025

banks are expected continue cutting policy rates to stimulate investment, labour-market conditions and domestic demand. The risk to the inflation outlook is low but might increase, if geopolitical conflicts are escalated. The easing global inflation is expected to lower domestic import costs and lessen pressures on exchange rate, in that way, providing adequate monetary policy space to prioritize growth.

Chart 1.3: Quarterly inflation projection in select advanced and emerging market economies



Commodity prices are expected to exhibit a mixed trend, with gold prices to continue rising and oil prices moderating. Oil prices are projected to range between USD 62-68 per barrel, attributable to ample supply and subdued demand. This will provide relief to Tanzania's inflation, foreign currency demand, and exchange rate, as oil imports currently account for about 17 percent of goods imported. The price of gold is projected to further increase, driven by a sustained safe-haven demand and ongoing accumulation by central banks seeking to strengthen reserve buffers. Consolidated scenario based on various sources indicates the price of gold to reach either close to or slightly USD 5,000 per troy ounce. The high price will continue boosting foreign exchange earnings and exchange rate stability in the country.

The performance of the economy in 2025 was strong. Looking ahead, domestic economic conditions, are expected to remain favourable for robust growth. In Mainland Tanzania, GDP growth in the first quarter is projected to accelerate to 6.1 percent. The growth will be broad-based, reflecting the diversified nature of the economy, with agriculture, mining, and construction contributing the most, as in the preceding quarter. The Zanzibar

economy is projected grow at 7.2 percent in 2026, mainly driven by construction, tourism, and manufacturing activities. The growth pattern indicates a steady increase to the potential levels. The Market Perception and CEO Surveys conducted in December 2025 also indicate favourable economic conditions. The surveys also indicate a sustained high growth of credit to the private sector. The risk to the growth outlook is low, largely due to the widely diversified economic activities.

Inflation in 2025 was low and stable. In the subsequent year, inflationary pressures are expected to remain muted, due to favourable domestic conditions, aided by the projected positive external environment (low imported inflation and monetary policy easing). In the first quarter of 2026, inflation is expected to remain low. This is underpinned by several factors constituting the inflation dynamics in the country. Prices of food are expected to be stable, due to expectations of good harvests. The risk to the projection is low due to adequate food stocks held by the National Food Reserve Agency (NFRA) of more than 590,000 tonnes and carry-over food stocks held by private firms and households. Prices of non-food consumer goods and services are also expected to be stable. Stability is expected in energy prices owing to stability of electricity generation. This will be complemented by the projected subdued imported inflation, moderate oil prices in the world market, and stable exchange rate. The Market Perception and CEO Surveys conducted in December 2025 also indicate the economy to continue experiencing low inflation environment. Overall, inflation is forecast to be benign, remaining well-within the target of 3-5 percent.

Considering that inflation is forecast to remain within the target range of 3–5 percent, the MPC decided to maintain the CBR at 5.75 percent for the first quarter of 2026. The decision reflects the need to support robust economic growth, given the projections of stable economic conditions and low risk to the inflation outlook. In line with the inflation and growth forecasts, the Bank of Tanzania will implement monetary policy to ensure the 7-day interbank rate evolves within the band of 3.75 to 7.75 percent.

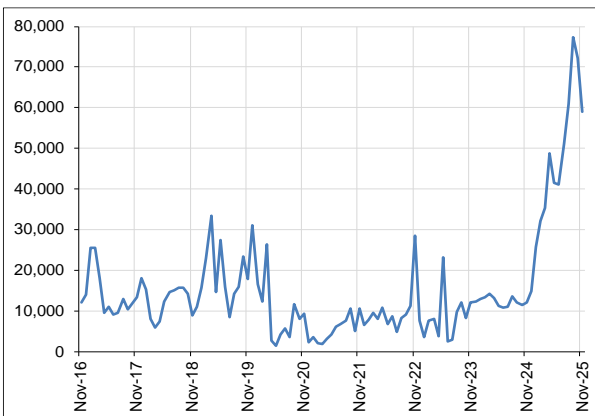
Chapter 2: Global Economy

2.1 Output performance

Moderate growth, but resilient

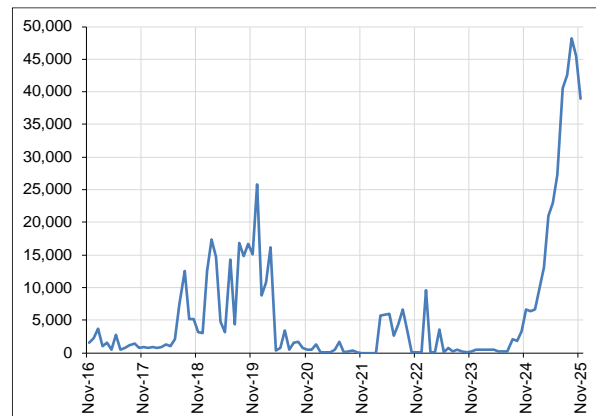
The global economy was resilient but continued to experience elevated policy and trade uncertainty in the fourth quarter of 2025. Conditions, however, have moderated somewhat over the recent period, attributed to modest progress in trade negotiations and moderation in policy uncertainty (Charts 2.1 and 2.2)³. Amid these uncertainties, global output was projected to grow at a slower pace in 2025, though it has shown signs of improvement as the year unfolded. Owing to this, the IMF revised upward the global growth projection in October 2025 to 3.2 percent for the year, from the earlier projection of 3.1. This is lower than 3.3 percent in 2024. In the fourth quarter of 2025, compared to the preceding quarter, economic activity in advanced economies improved, as in some BRICS countries (Tables 2.1 and 2.2). This was reinforced by strong domestic demand and investments.

Chart 2.1 Global economic policy uncertainty index



Source: <https://worlduncertaintyindex.com/>

Chart 2.2 Trade policy uncertainty index



Source: https://www.policyuncertainty.com/trade_cimpr.html

³ World Uncertainty Index, 2025. *Global Economic Policy Uncertainty Index*. <https://worlduncertaintyindex.com/> and PolicyUncertainty.com, 2025. *Trade Policy Uncertainty Index*. https://www.policyuncertainty.com/trade_cimpr.html

Table 2.1: Selected Advanced Economies quarterly real GDP growth

	Percent							
	2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
USA	2.9	3.0	3.1	2.4	-0.5	3.3	0.0	0.3
Euro Area	0.3	0.2	0.4	0.3	0.6	0.1	0.2	0.3
Japan	-0.6	-0.6	1.1	2.4	0.6	1.0	1.0	1.0
Germany	0.2	-0.3	0.1	-0.2	0.2	0.2	0.1	0.3
UK	0.7	0.5	0.0	0.1	0.7	0.3	0.2	0.2

Source: Bloomberg

Table 2.2: Selected emerging economies quarterly real GDP growth

	Percent							
	2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Russia		4.3	3.3	4.5	1.4	1.1	0.6	0.1
India	1.3	1.1	1.5	2	2.1	1.3	1.4	1.7
China	1.5	1.0	1.3	1.6	1.2	1.1	0.9	1.0
South Africa	0.1	0.3	-0.3	0.4	0.1	0.4	0.5	0.6
Brazil	1	1.5	0.8	0.1	1.4	0.4	-0.1	0.1

2.2 Inflation

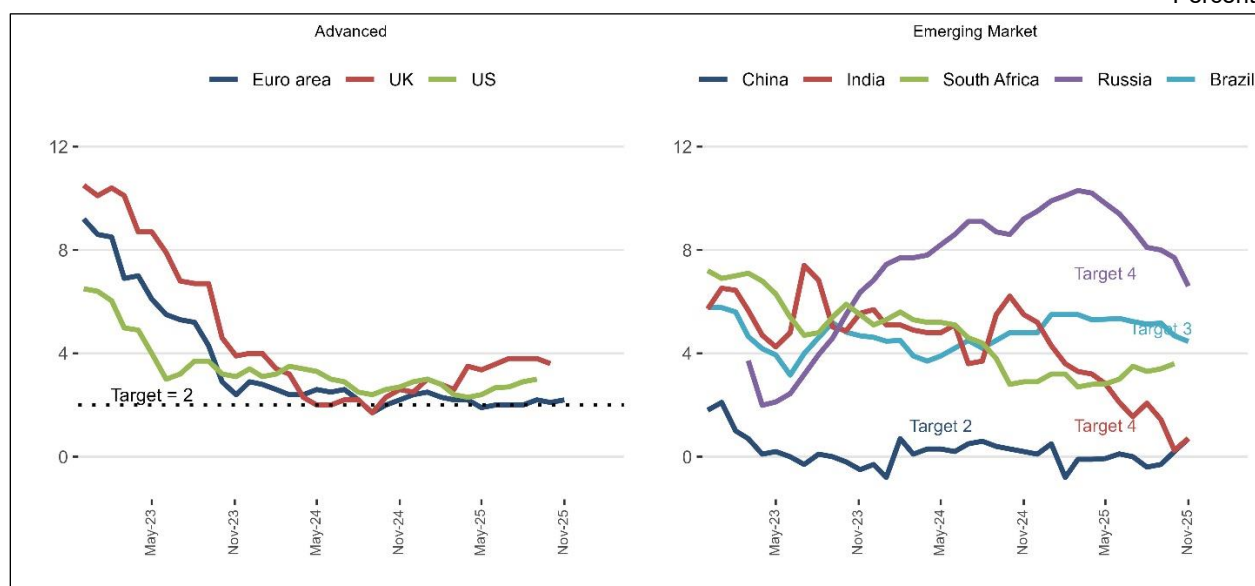
Disinflation continues, albeit at a slow pace

Inflation slowed in most countries in 2025, largely reflecting declining energy prices and lagged impact of monetary policy tightening. In countries which imposed trade tariffs, the pace of disinflation was somewhat subdued, hindering the achievement of inflation targets (Chart 2.3). In emerging markets, China recorded the lowest inflation, mainly attributable to trade tensions. In Sub-Saharan Africa, particularly the SADC and EAC blocs, most countries were able to align inflation levels within the convergence criteria. Easing inflation globally helped to reduce imported inflation, supported foreign currency liquidity and exchange rate stability, and safeguarded the adequacy of foreign reserves in Tanzania.

Consistent with the downward inflation trend, most central banks either kept their policy rates unchanged or adopted a more accommodative stance to support growth (Charts 2.4a-2.4e). Monetary policy decisions and expectations contributed most to driving global financial markets in 2025, alongside inflation dynamics and uneven global growth. During the fourth quarter of 2025, the Federal Reserve continued its easing cycle, lowering the federal funds rate to a 3.50–3.75 percent range. This decision was influenced by low inflation, softer labor market data, and the economic drag from the government shutdown. Similarly, the European Central Bank and the Bank of England also implemented policy rate cuts. By contrast, the People's Bank of China continues to favor targeted liquidity tools and sector-specific credit support over broad-based rate cuts, aiming to stabilize growth while managing capital-flow and currency risks.

Chart 2.3 Inflation in Select Advanced and Emerging Market Economies

Percent



Source: Bloomberg

Chart 2.4a: Policy Rates in Select Advanced Economies

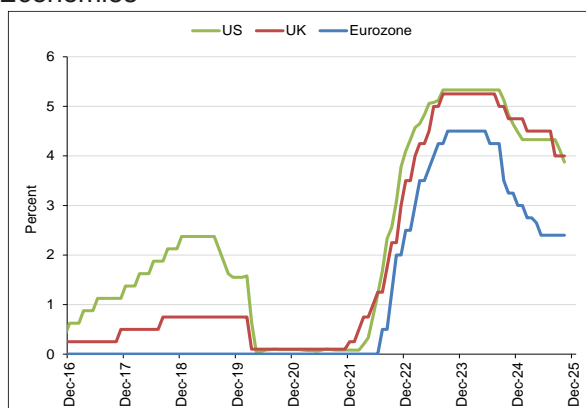


Chart 2.4b: Policy Rates in Select Emerging Markets

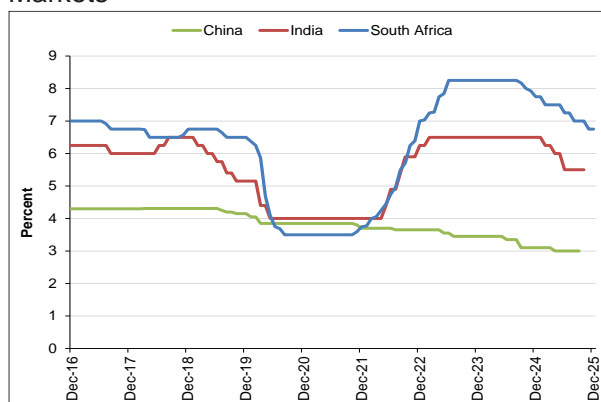


Chart 2.4c: Policy rates for select EAC countries

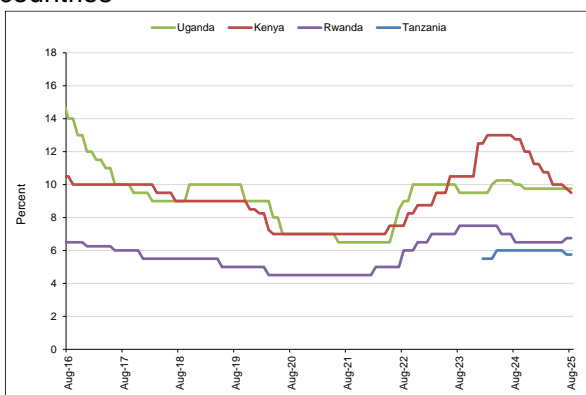
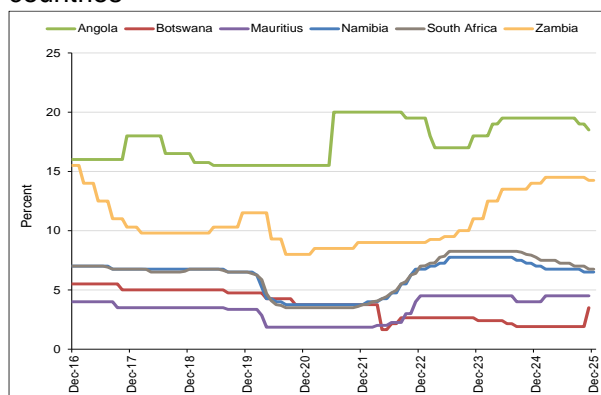
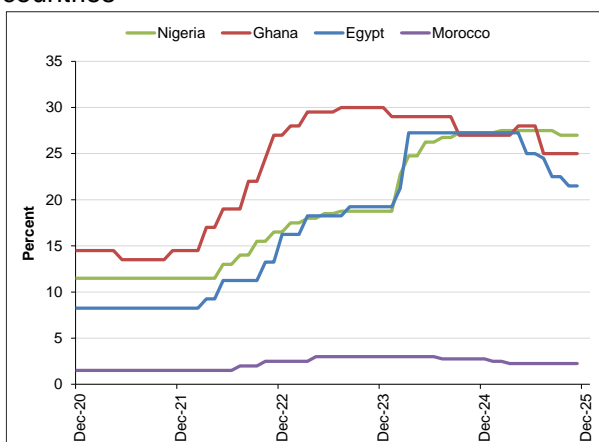


Chart 2.4d: Policy rates for select SADC countries



Source: BIS policy rate tracker

Chart 2.4e: Policy rates for select African countries



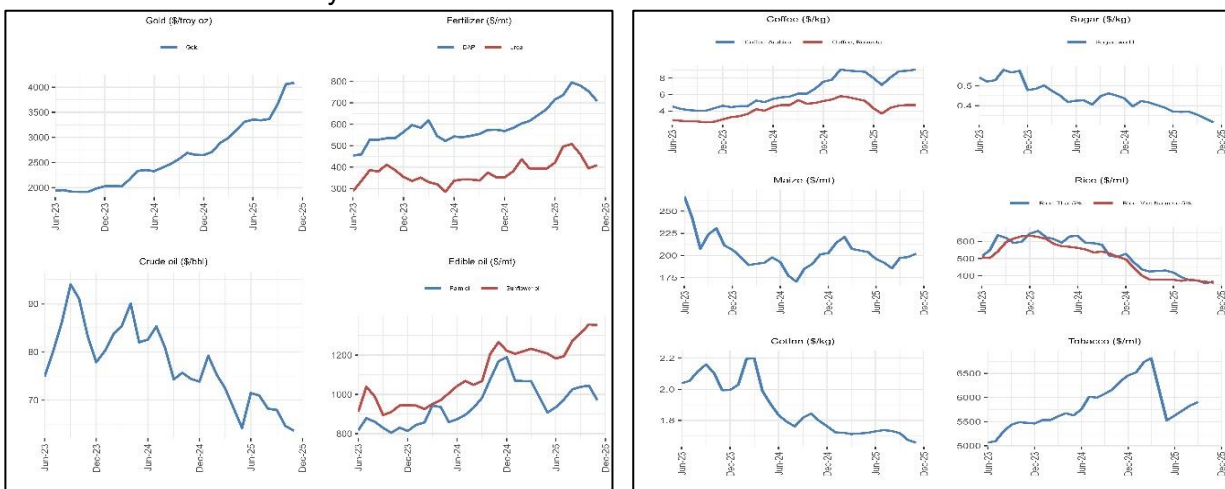
Source: Respective central banks

2.3 Commodity prices

Commodity price dynamics: declining oil prices, rising gold prices

From April 2025, crude oil prices trended downward, reflecting ample supply amid subdued demand, particularly from China and India. In the fourth quarter, the prices range between USD 62 and USD 65 per barrel. The low oil prices offered relief to Tanzania's inflation, foreign currency demand, and exchange rate pressures, given that oil imports account for about 14 percent of total imports of goods and services and 17 percent of goods imports alone. This also contributed to the narrowing of the current account deficit. The price of gold remained elevated, hitting a record high of USD 4,421.65 per troy ounce on 23rd December 2025, on the back of persistent safe-haven demand, which has been accompanied by strong central bank purchases. The high price of gold boosted foreign exchange earnings and foreign exchange reserves accumulation as well as contributing to the stability of the exchange rate. Prices of agricultural products were mixed, underpinned by both supply and demand factors (Chart 2.5).

Chart 2.5: World Commodity Prices



Source : <http://www.worldbank.org/prospects>

Chapter 3: Domestic Economy

3.1 Output performance

Output growth maintains a strong momentum

The economy was initially forecast to expand by 6 percent in 2025, up from 5.5 percent in the preceding year. The growth is estimated at 5.9 percent in 2025, reflecting a slowdown in communication, transport, and tourism activities in the fourth quarter. In the first half of the year, growth was strong, averaging 5.8 percent, supported by private and public investment, alongside improvements in domestic policies implementation and external conditions (Chart 3.1a). Strong growth in agriculture, mining and quarrying, construction, financial and insurance services contributed the most to the outturn (Chart 3.1b).

For quarters three and four, the National Bureau of Statistics has not yet released the national accounts statistics, but the Bank has estimated the growth of the economy to be 6.1 percent and 5.8 percent, respectively, based on high-frequency leading indicators and the composite index of economic activity. Notably, in the third quarter of 2025, procurement of traditional export crops increased by 32 percent compared to the corresponding period in 2024, electricity generation (14.8 percent), and mining (25.7 percent)⁴. Construction activity, proxied by cement production, rose by 17.2 percent and tourism earnings expanded by 21 percent (Chart 3.1c).

⁴ Increased procurement was mostly observed in Tobacco, which grew by 113 percent to 21,787 tonnes and Cotton that rose by 63 percent to 70,722.4 tonnes

Chart 3.1a: GDP performance

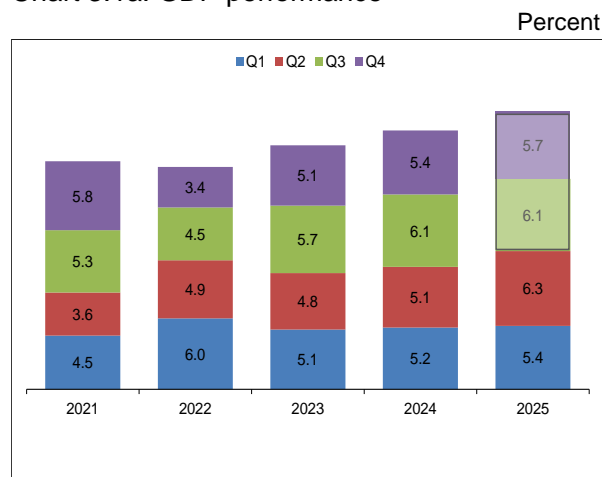
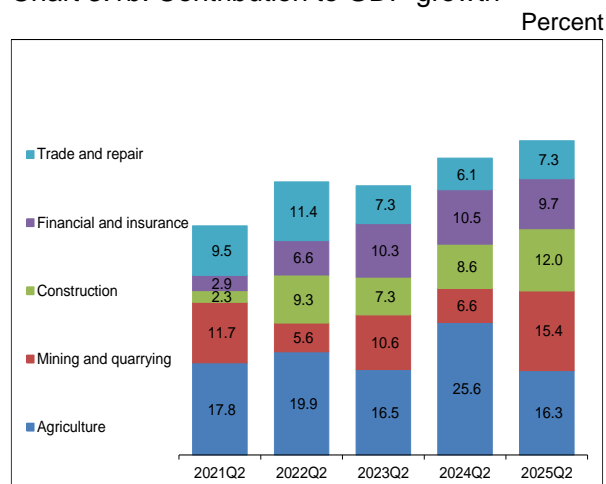
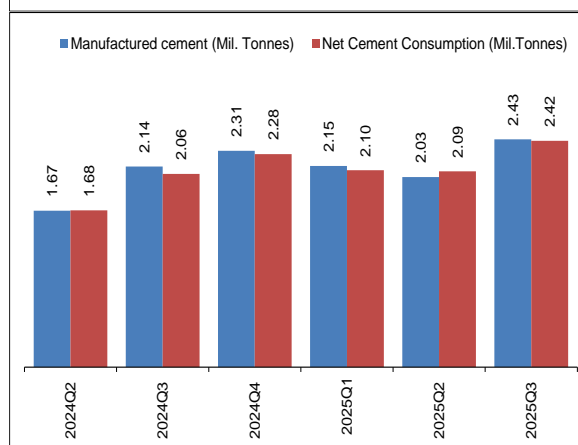
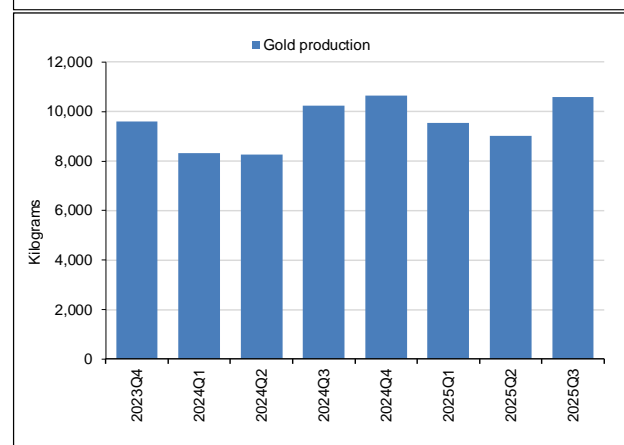
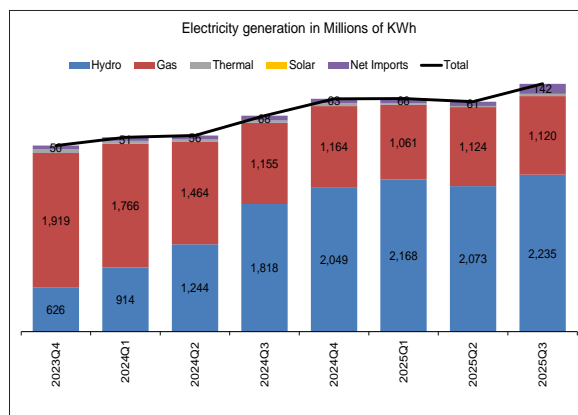
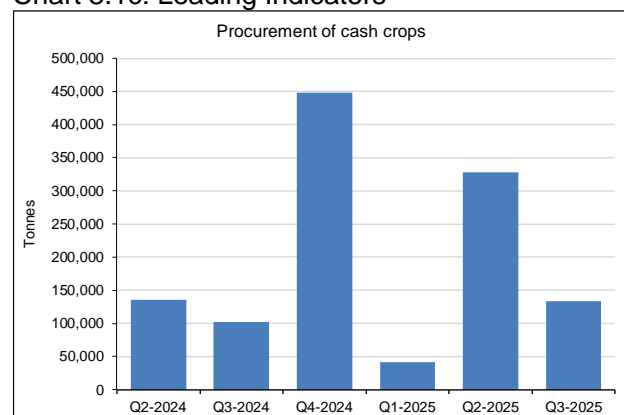


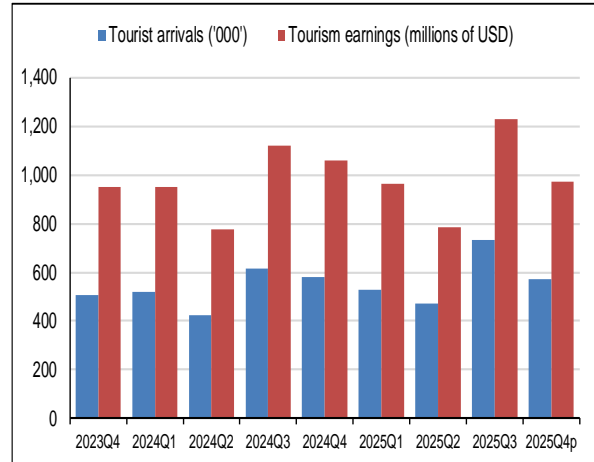
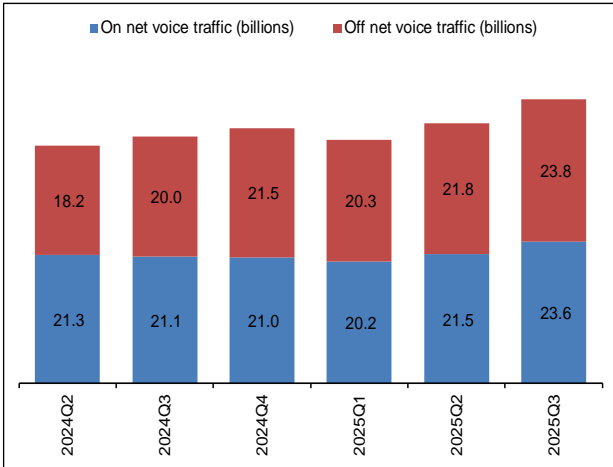
Chart 3.1b: Contribution to GDP growth



Source: National Bureau of Statistics and Bank of Tanzania computations

Chart 3.1c: Leading Indicators





Source: National Bureau of Statistics, Crop Boards, TANESCO, Tanzania Mining Commission and BoT Computations

The Zanzibar economy was projected to grow at 6.8 percent in 2025. In the first half of 2025, growth was strong at 6.6 percent, driven by construction, accommodation and food services (mainly tourism), and manufacturing (Charts 3.2a and 3.2b). Based on growth outturn of 6.6 percent in the first half and estimated growth rate of 7 percent in the third quarter of 2025 and 6.8 percent in the fourth quarter, there is a highly likelihood for the growth projection of the year to be realized.

Chart 3.2a: GDP performance

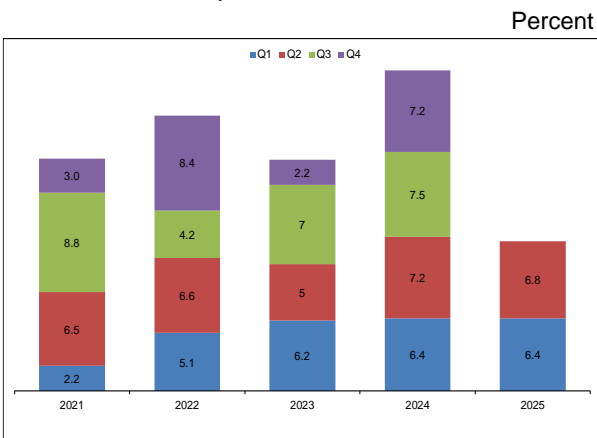
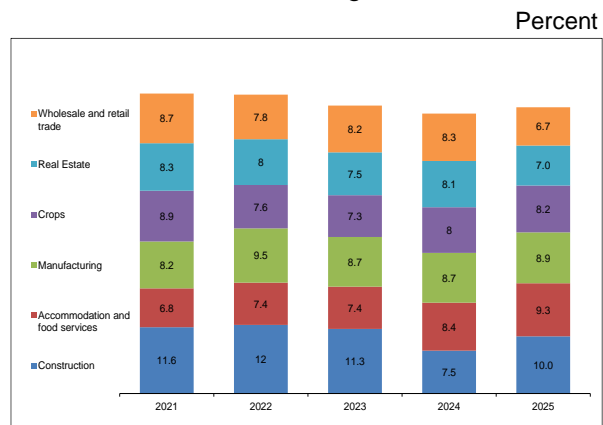


Chart 3.2b: Contribution to growth



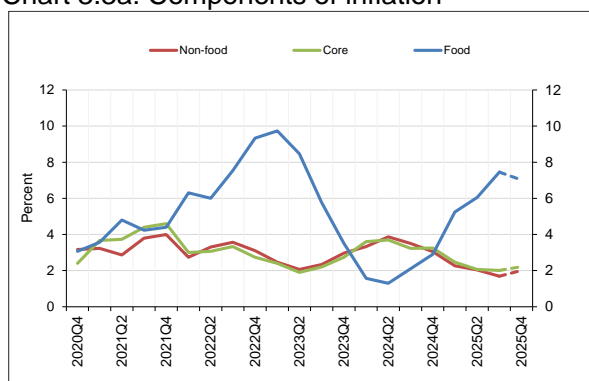
Source: Office of the Chief Government Statistician and BOT computations

3.2 Inflation

Inflation remains low and stable

Inflation remained low and stable in 2025, driven by the lagged impact of monetary policy, subdued exchange rate pass-through, and reduced imported inflation of consumer goods, particularly petroleum products. Headline (overall) inflation in Mainland Tanzania averaged 3.5 percent in the fourth quarter of 2025, compared to 3 percent in the similar quarter in 2024, within the 3–5 percent target, and in line with the EAC and SADC convergence criteria of an utmost 8 percent and 3–7 percent, respectively (Charts 3.3a and 3.3b). Across the EAC and SADC regional blocs, most economies maintained inflation within the convergence criteria of less than 8 percent and 3–7 percent, respectively (Charts 3.3c and 3.3d).

Chart 3.3a: Components of inflation



Source: NBS and BOT computations

Chart 3.3b: Headline inflation and targets

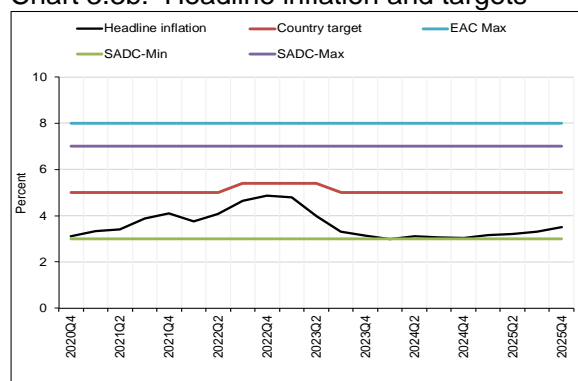
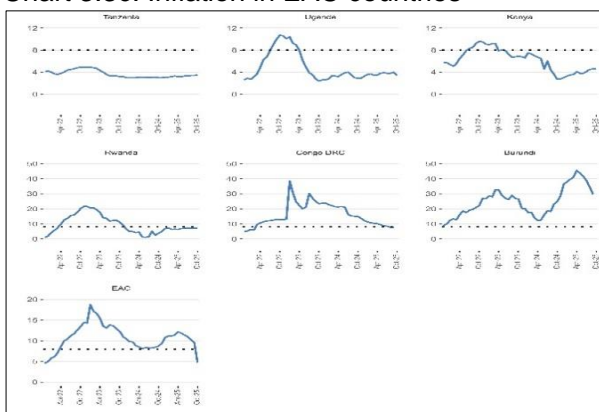


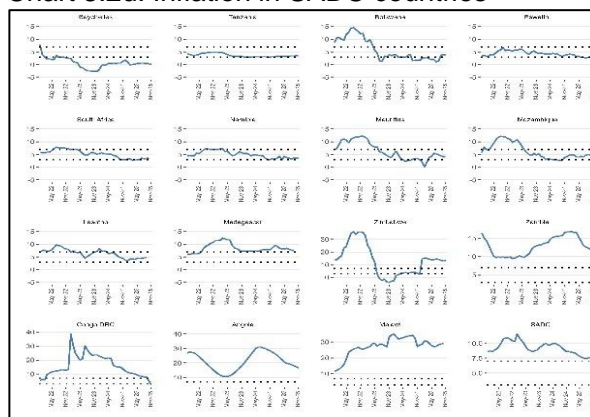
Chart 3.3c: Inflation in EAC countries



Source: Respective National Statistics Offices

Notes: The dotted lines indicate the targets

Chart 3.2d: Inflation in SADC countries



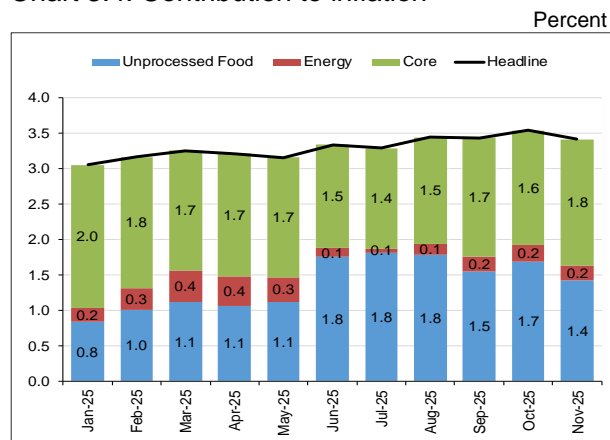
Developments in the components of the consumer price index show that core and food inflation continued to contribute significantly to the evolution of the headline (overall) inflation. In the fourth quarter of 2025, core inflation slowed to 2.2 percent, compared to 3.1 percent in the corresponding quarter in 2024, yet its contribution to headline was at 1.8 percent (Chart 3.4). The elevated contribution to overall inflation primarily reflects the weight of core items in the CPI basket. However, the easing of core inflation was largely driven by a decrease in the prices of clothes, school uniforms and some packaged and processed products, such as sunflower oil. Food inflation increased, averaging 7 percent compared to 3.4 percent in the corresponding period in 2024. The increase was observed in prices of unprocessed foods, particularly maize, rice, sorghum, finger millet and wheat (Table 3.1 and Table 3.2). Meanwhile, food stocks held by NFRA amounted to 590,425 tonnes, almost unchanged from the beginning of the year (Table 3.3).

Table 3.1: Quarterly inflation developments

Main groups	Weight	Percent							
		2024				2025			
		Q3	Q4	Q1	Q2	Q3	Q4		
Food and non-alcoholic beverages	28.2	2.1	3.4	5.3	6.0	7.5	7.0		
Alcoholic beverages and tobacco	1.9	2.1	2.1	3.5	3.4	3.2	3.5		
Clothing and footwear	10.8	1.8	1.6	2.0	2.0	1.8	2.0		
Housing, water, electricity, gas and other fuels	15.1	6.0	4.1	3.0	3.0	1.9	2.3		
Furnishings, household equipment and routine household maintenance	7.9	2.4	2.1	2.2	2.2	2.5	3.1		
Health	2.5	1.7	1.8	1.3	1.7	1.4	1.3		
Transport	14.1	4.4	3.6	2.6	1.8	1.6	2.3		
Information and communication	5.4	1.2	1.2	0.3	0.1	0.3	0.3		
Recreation, sports and culture	1.6	2.7	2.1	1.7	1.5	1.1	0.7		
Education services	2.0	3.3	3.1	4.3	3.5	3.0	3.0		
Restaurants and accommodation services	6.6	3.0	2.7	1.7	1.6	1.0	1.0		
Insurance and financial services	2.1	1.1	1.2	0.7	0.7	0.5	0.3		
Personal care, social protection and miscellaneous goods and services	2.1	5.7	6.0	3.2	2.3	2.2	1.6		
All items-(headline inflation)	100.0	3.1	3.0	3.2	3.2	3.4	3.5		
Other selected groups									
Core	73.9	3.2	3.1	2.5	2.0	2.0	2.2		
Non-core	26.1	2.8	2.6	5.0	6.1	7.0	6.8		
Energy, fuel and utilities	5.7	12.4	6.9	5.6	5.2	2.4	3.9		
Services	37.2	2.4	2.0	1.1	1.0	1.0	1.3		
Goods	62.8	3.5	3.5	4.3	4.4	4.7	4.7		
Education services and products ancillary to education	4.1	2.9	3.0	4.0	3.3	2.7	2.5		
All items less food and non-alcoholic beverages	71.8	3.5	2.9	2.3	2.0	1.7	2.0		

Source: NBS and BOT computations

Chart 3.4: Contribution to inflation



Source: NBS and BOT computations

Table 3.2: Wholesale prices of main food crops
TZS per 100 kgs

Food crop	Quarter ending				
	Sep-24	Mar-25	Jun-25	Sep-25	Dec-25
Maize	65,453.2	80,581.8	84,368.7	83,028.0	82,443.7
Rice	202,930.9	224,071.9	242,048.8	242,749.7	247,969.9
Beans	264,634.0	282,177.0	282,953.9	269,044.1	267,143.6
Sorghum	140,840.7	138,660.2	146,679.0	144,319.6	148,131.8
Round potatoes	103,120.7	98,957.2	93,400.8	91,757.0	91,310.8
Finger millet	168,851.0	214,582.0	233,241.2	245,300.7	242,606.5
Wheat	173,518.3	171,525.7	172,873.2	197,985.3	185,902.0

Source: Ministry of Industry and Trade

Table 3.3: Food stocks held by NFRA.
Tonnes

Period	2021	2022	2023	2024	2025
Jan	110,398	207,899	124,736	270,984	646,480
Feb	110,389	203,297	106,881	326,172	619,659
Mar	109,231	200,626	80,123	336,099	587,062
Apr	109,231	190,366	63,808	340,102	557,228
May	108,284	149,402	51,367	340,002	509,990
Jun	107,384	141,576	46,665	340,479	477,923
Jul	107,384	140,695	94,088	368,855	485,930
Aug	123,635	144,410	210,020	489,187	537,571
Sep	150,057	149,044	244,169	651,403	570,519
Oct	192,408	151,794	244,289	708,399	593,485
Nov	209,057	147,401	244,223	702,502	590,425
Dec	214,968	137,655	248,282	677,115	

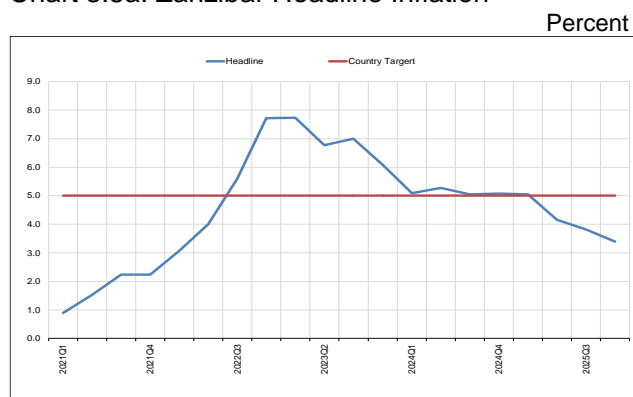
Source: National Food Reserve Agency

In Zanzibar, headline inflation eased to an average of 3.4 percent in the fourth quarter of 2025, from 5.1 percent in the corresponding quarter of 2024 (Chart 3.5a)⁵. This outturn was mainly driven by a slowdown in both food and non-food inflation. Food inflation declined to an average of 5.8 percent, from 7.6 percent recorded in the similar period of 2024 (Chart 3.5b). The moderation in food inflation suggests improved food supply in domestic markets, supported by a stable exchange rate. In addition, RGOZ implemented fiscal and administrative measures to contain food inflation, including reductions in import levies and wharfage fees, waivers of storage charges for food products, and

⁵ This is an estimate for the quarter, to be updated after obtaining data for December 2025

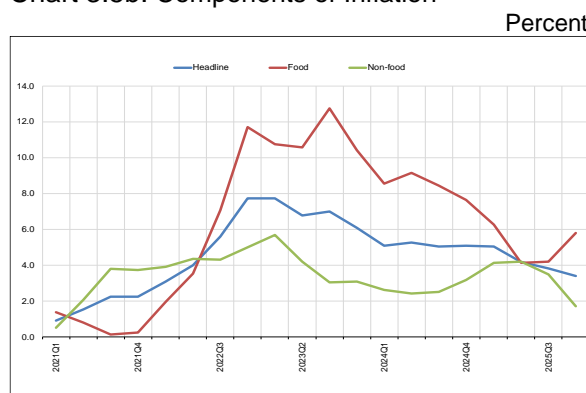
encouragement of direct food importation through local ports. Likewise, non-food inflation decreased to an average of 1.7 percent from 3.2 percent recorded in the similar period in 2024.

Chart 3.5a: Zanzibar Headline Inflation



Source: Office of the Chief Government Statistician

Chart 3.5b: Components of Inflation

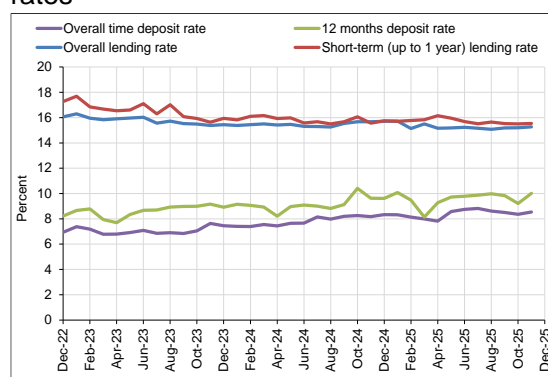


3.3 Interest rates

Sticky interest rates on loans and deposits

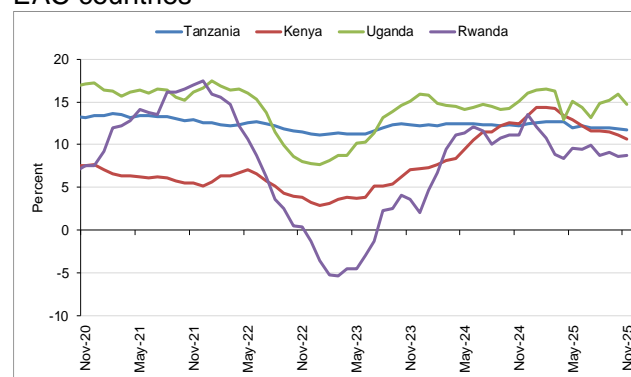
Interest rates on loans and deposits remained broadly unchanged in 2025. The overall lending rates hovered between 15 and 16 percent, and deposit rates were around 8 percent (Chart 3.6a). Negotiated lending rate charged on loans extended to prime customers stood at around 12 percent, while negotiated deposit rate averaged 11 percent. Nonetheless, these interest rate levels were relatively lower than in most EAC countries (Chart 3.6b). The recent reform measures to broaden the scope of eligible collateral and the introduction of the price comparator system, which increases transparency in the pricing of financial services, are expected to promote competition in credit pricing. This goes hand in hand with the ongoing efforts to increase financial literacy.

Chart 3.6a: Lending and deposit interest rates



Source: Banks and Bank of Tanzania computations

Chart 3.6b: Real lending interest rates in select EAC countries



Source: Central Banks across EAC

3.4 Money supply and credit to private sector

Strong Growth in Money Supply and Private Sector Credit

Money supply continued to expand steadily, consistent with the monetary policy stance and the pace of economic growth. Reflecting the accommodative monetary policy as indicated by a lower policy rate, reserve money (monetary base) expanded strongly at 26.2 percent in 2025 compared with 19.1 percent in the preceding year. With the money multiplier remaining fairly stable over the year, the extended broad money (M3) is estimated to expand by 24.6 percent in 2025, compared with 11.1 percent in 2024 (Chart 3.7a). The outturn was mostly driven by private sector credit growth following a rapid increase in shilling deposits (Charts 3.7b and 3.7c). The growth of M2 was also high at 26.2 percent compared with 9.2 percent. In the fourth quarter of the year, growth of M3 averaged 23 percent, compared with 13.1 percent in the corresponding period in 2024, while M2 grew at 26 percent compared with 9.8 percent.

Chart 3.7a: M2 and M3 growth rates



Chart 3.7b: Contribution to M3 growth, asset side

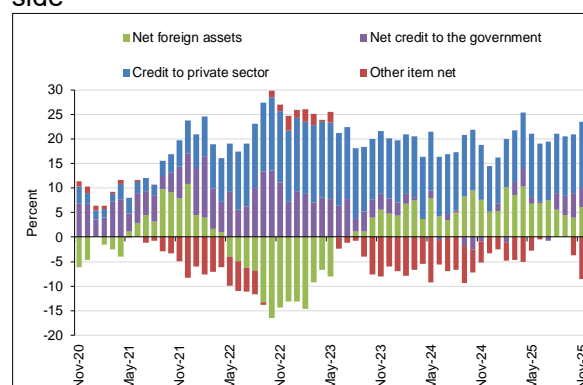
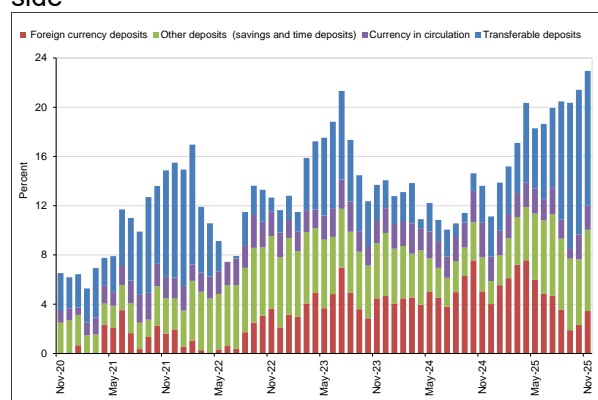


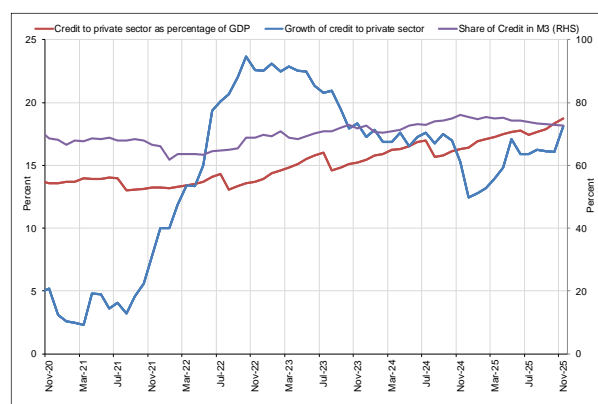
Chart 3.7c: Contribution to M3 growth, liability side



Source: Banks and Bank of Tanzania computations

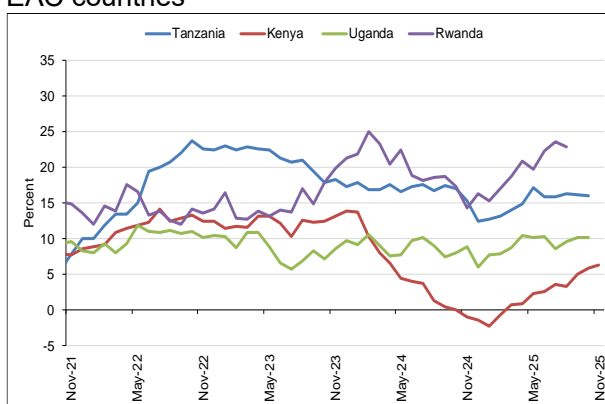
The growth of private sector credit remained strong throughout 2025. The stock of credit outstanding is estimated to be TZS 43,421.9 billion at the end of December 2025, equivalent to 21 percent of GDP, up from 17.4 percent of GDP in the preceding year (Chart 3.8a). The trend was broadly consistent with most of the EAC and SADC countries, though the pace and level of expansion varied across economies, reflecting diverse domestic conditions (Charts 3.8b and 3.8c).

Chart 3.8a: Growth of private sector credit



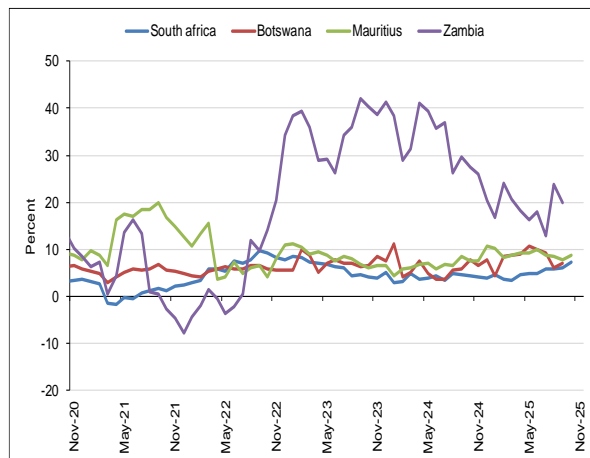
Source: Banks and Bank of Tanzania computations

Chart 3.8b: Private sector credit growth in select EAC countries



Source: Respective central banks

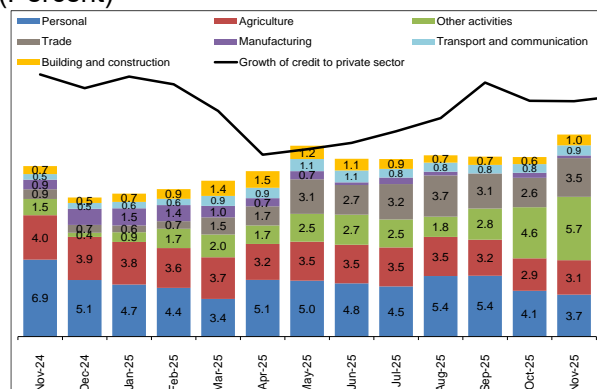
Chart 3.8c: Private sector credit growth in select SADC countries



Source: Respective central banks

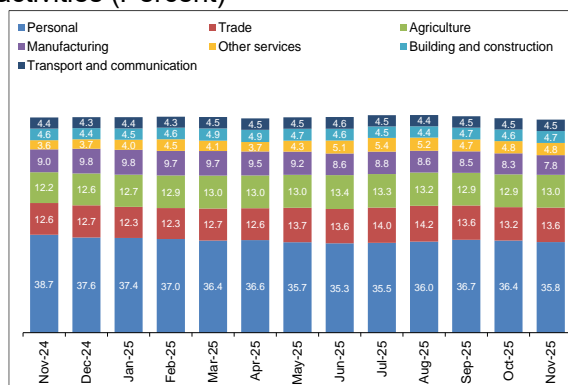
The growth of credit to private sector averaged at 18.1 percent in the fourth quarter of 2025, compared with 14.9 percent in the corresponding period in the preceding year. Personal loans, largely representing credit extended to small and medium-sized enterprises (SMEs), continued to account for the lion's share of private sector lending and remained the principal driver of overall credit growth, followed by trade and agriculture (Charts 3.8d and 3.8e). Credit to mining and quarrying registered the highest growth at 30.1 percent, followed by agriculture at 29.8 percent. Growth of credit to agriculture was partly reinforced by credit extended through the Bank of Tanzania's TZS 1 trillion special loan facility and the SMR relief window.

Chart 3.8d: Contribution to credit growth (Percent)



Source: Banks and Bank of Tanzania computations

Chart 3.8e: Share of credit by economic activities (Percent)



3.5 Developments in foreign exchange market

Foreign Exchange Market Remains Stable

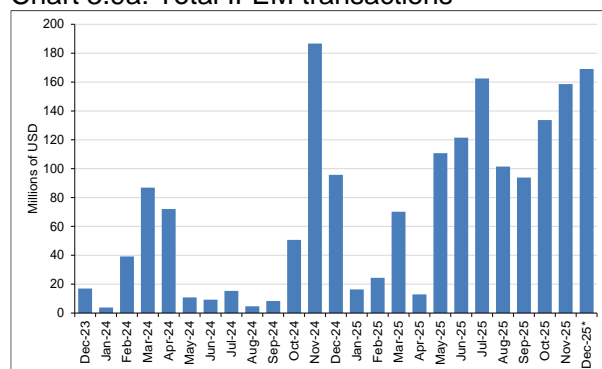
The foreign exchange market in the fourth quarter of 2025 was characterized by adequate liquidity and stability of the exchange rate, amid stable demand. The liquidity condition was bolstered by export proceeds, particularly from cashew nuts, tourism, and gold. Most banks maintained a positive foreign exchange net open position for most of the fourth quarter of 2025. In addition, an increase in foreign exchange reserves held by the Bank and prudent monetary policy execution further reinforced foreign exchange market stability.

The market turnover was USD 461.4 million during the fourth quarter of 2025, with the Bank contributing almost 40 percent after selling USD 182.5 million, against a purchase of USD 9.5 million (Charts 3.9a and 3.9b)⁶. The shilling remained stable, depreciating within narrow ranges, trading between TZS 2,432.77 and 2,471.73 per US dollar. On a quarterly basis, the shilling appreciated by 0.8 percent compared to an appreciation of 6.5 percent in the preceding quarter. On an annual basis, the shilling weakened by almost 1.3 percent against the US dollar (Chart 3.9c). The nominal and real effective exchange rates (NEER and REER) appreciated, but depreciated slightly towards the end of the

⁶ Position as at 30th December 2025

quarter, with the latter moving slightly below its equilibrium level, implying it was consistent with economic fundamentals.

Chart 3.9a: Total IFEM transactions



Source: Bank of Tanzania

Chart 3.9b: BOT IFEM transactions

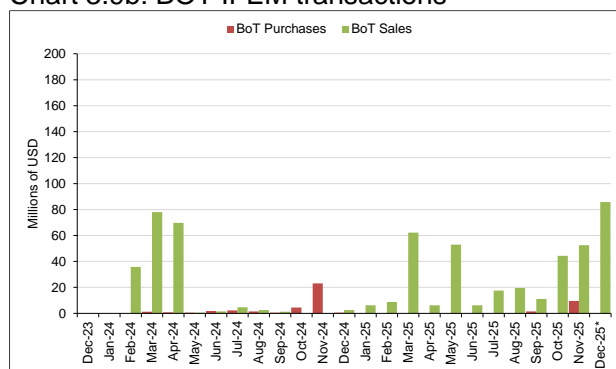
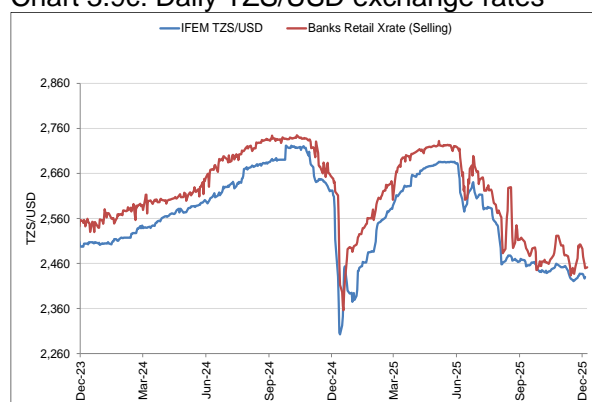


Chart 3.9c: Daily TZS/USD exchange rates



Source: Bank of Tanzania

3.6 Banking sector and payment systems performance

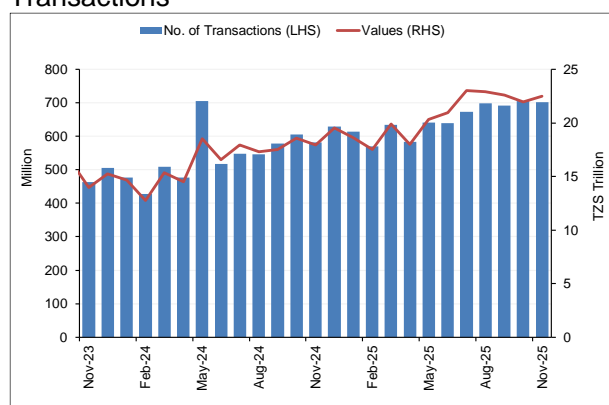
Strong performance and resilient banking sector and payment systems

The banking sector continued to demonstrate strong performance and resilience. The sector had adequate liquidity for lending and a sufficient capital buffer to withstand shocks. The growth of the loan portfolio was supported by the expansion of deposits. The growth of the loan portfolio was reinforced by a favourable business environment and a low credit risk, as shown by a lower non-performing loans ratio of 3.1 percent compared to the tolerable threshold of 5 percent.

The payment and settlement systems continued to operate smoothly during the fourth quarter of 2025. A notable increase in transactions was recorded on the Tanzania Instant

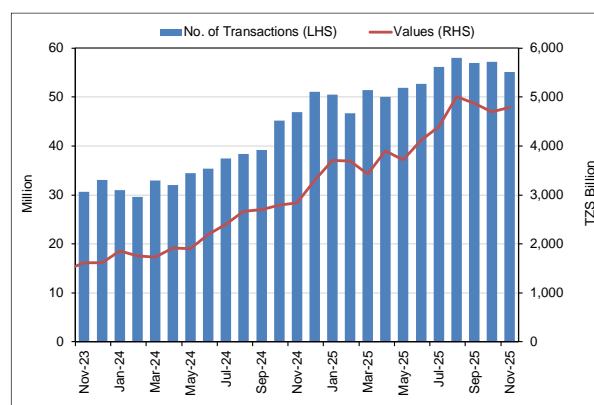
Payment System due to the expansion of use cases, which included payments to government entities (Chart 3.10b). The increase was further bolstered by the adoption of interoperable merchant payments and the reduction of barriers to digital financial services, such as the decrease in transaction fees on interoperable payments.

Chart 3.10a: Mobile Payment Services Transactions Chart 3.10b: TIPS Transactions



Source: Mobile Electronic Money Issuers

Note: LHS refers to the left-hand scale, and RHS is right-hand scale.

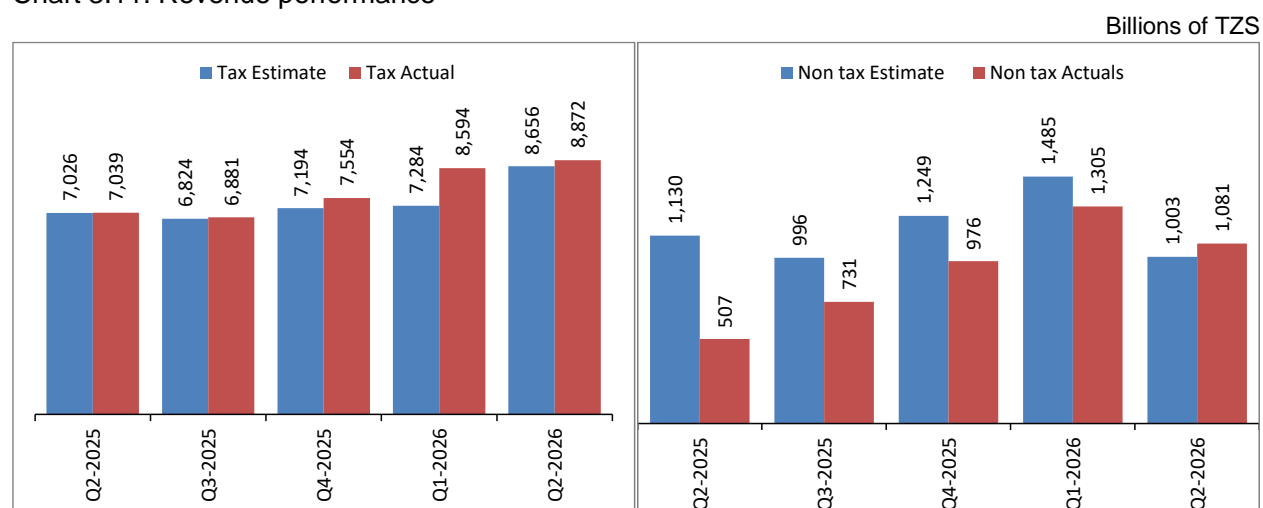


Source: Bank of Tanzania

3.7 Fiscal policy

Fiscal policy continued to focus on sustaining growth, improving revenue, managing debt, and aligning expenditure with available resources. Performance in the second quarter of 2025/26 was broadly satisfactory. Tax revenue reached TZS 8,872.6 billion, exceeding the projection by 2.5 percent, with nearly all tax categories surpassing their targets (Charts 3.11). Enhanced tax administration and increased taxpayer compliance contributed significantly to improved tax revenue. Similarly, non-tax revenue amounted to TZS 1,081.3 billion, surpassing the target by 7.9 percent, supported by dividend payments and contributions from parastatals. External financing was below expectations, amounting to TZS 1,271 billion, compared to the projection of TZS 1,876.6 billion.

Chart 3.11: Revenue performance



Source: Ministry of Finance

Note: Q denotes quarter; years follow the fiscal-year format, meaning that 2025 refers to FY 2024/25; and data for Q2-2026 are estimates based on expert judgment.

Government expenditure was aligned with available resources, amounting to TZS 11,583.7 billion, compared with the estimates of TZS 12,747.4 billion. Of this, 76.5 percent was recurrent expenditure, including domestic and external interest payments. The fiscal deficit for the quarter is estimated at TZS 1,546.1 billion, financed through a mix of foreign and domestic borrowing, including issuance of debt securities.

Public debt remains sustainable, with a moderate risk of debt distress. The Debt Sustainability Analysis (DSA) conducted in November 2025 indicates the ratio of public debt-to-GDP in 2024/25 declined to 40.6 percent in present value terms, down from 41.1 percent in the preceding year. This level is well below the debt sustainability benchmark of 55 percent and the EAC convergence criterion of 50 percent⁷. In nominal terms, the debt is estimated to be 49 percent of GDP, below the SADC convergence ceiling of 60 percent.

By November 2025, public debt remained broadly unchanged from its September 2025 levels, amounting to USD 44,807.54 million, with external debt accounting for 65 percent (Chart 3.12a). The external debt was mostly owed to multilateral institutions and

⁷ Based on Debt Sustainability Analysis conducted in November 2025.

commercial creditors, together accounting for approximately 94.5 percent of the stock. The disbursed external public debt remained largely concentrated in balance of payments and budget support at 27.4 percent, social welfare and education (23.1 percent), and transport and telecommunications (23 percent). Private sector external debt stood at USD 7,062.7 million at the end of November 2025, a 9 percent increase from end September 2025 position, and was predominantly owed to commercial lenders (80 percent), followed by export credits (12.9 percent).

Domestic debt remained almost the same over the quarter, reflecting fiscal prudence and minimal impact on private sector credit. The debt was about TZS 37,438.3 billion as of 22nd December 2025, a marginal decline from TZS 37,459 billion recorded in end September 2025, with Treasury bonds contributing the most to the change. The debt was about 16 percent of GDP, with Treasury bonds dominating at 66.8 percent. During the quarter, sale of Treasury bonds amounted to TZS 613.2 billion, with oversubscription recorded across the maturity spectrum⁸. Sale of Treasury bills for fiscal operations amounted to TZS 405 billion, and auctions were also oversubscribed. The oversubscriptions indicate strong investor appetite and confidence in the instruments. Owing to the high demand, yields declined. Most of domestic debt was owed to commercial banks and pension funds (Chart 3.12b).

⁸ The amount excludes Treasury bonds issued in favour of the Revolutionary Government of Zanzibar, amounting to TZS 216.5 billion.

Chart 3.12a: Debt developments

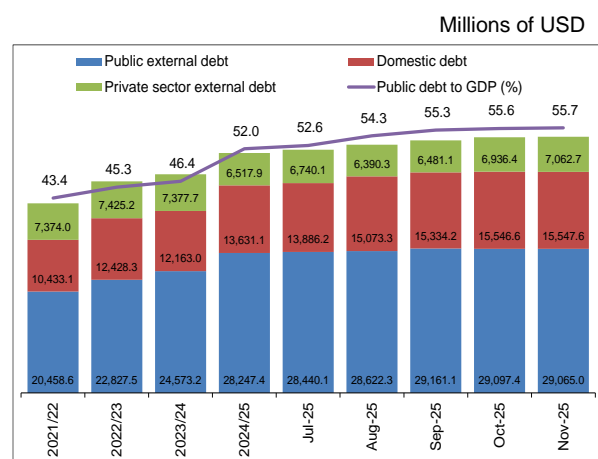
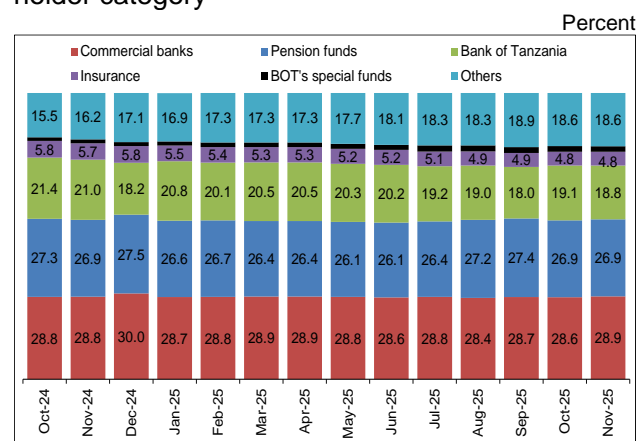


Chart 3.12b: Composition of domestic debt by holder category



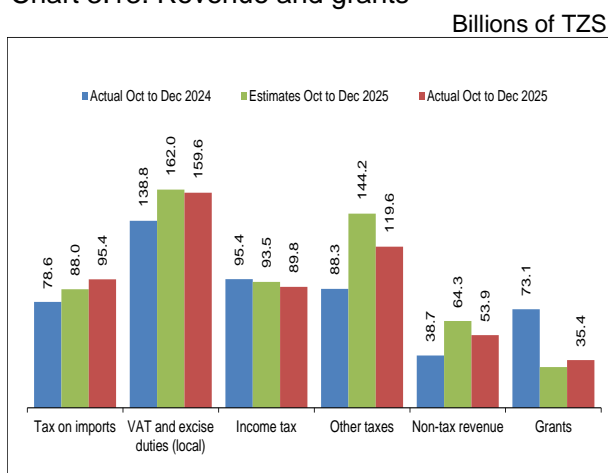
Source: Ministry of Finance and Bank of Tanzania

Note: Others include public institutions, private companies, individuals, and non-residents

Zanzibar fiscal policy focused on promoting economic growth, increasing revenue and aligning expenditure with available resources. Domestic revenue and grants during the quarter ending December 2025 were estimated at TZS 553.8 billion, equivalent to 95.1 percent of the target⁹, and domestic revenue was TZS 518.4 billion. Tax revenue amounted to TZS 464.4 billion, equivalent to 95.2 percent of the target, with strong performance across all tax categories, largely reflecting improved taxpayer compliance and strengthened tax administration efforts. Non-tax revenue totalled TZS 53.8 billion, equivalent to 83.8 percent of the target (Chart 3.13). Expenditure amounted to TZS 844.3 billion, of which about 51 percent was recurrent expenditure (Chart 3.14). The overall fiscal deficit was TZS 355.2 billion and was financed through domestic and external borrowing. Domestic debt stood at TZS 2,016.7 billion at the end of November 2025, increasing from TZS 1,843.1 billion in September 2025. Borrowing from commercial banks accounted for 50 percent, followed by Government Securities at 48.8 percent and balance being loans from pension funds.

⁹ Data for December 2025 are estimates

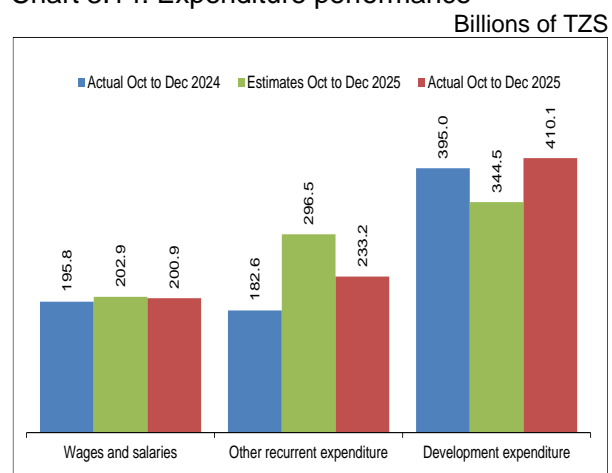
Chart 3.13: Revenue and grants



Source: President's Office, Finance and Planning, Zanzibar

Note: Other taxes include hotel and restaurant levies, tour operator levies, revenue stamps, airport and seaport service charges, road development fund, and petroleum levy

Chart 3.14: Expenditure performance



Source: President's Office, Finance and Planning, Zanzibar

Note: Other expenditure includes transfers, domestic debt interest payment, consolidated fund service, and other charges

3.8 External sector performance

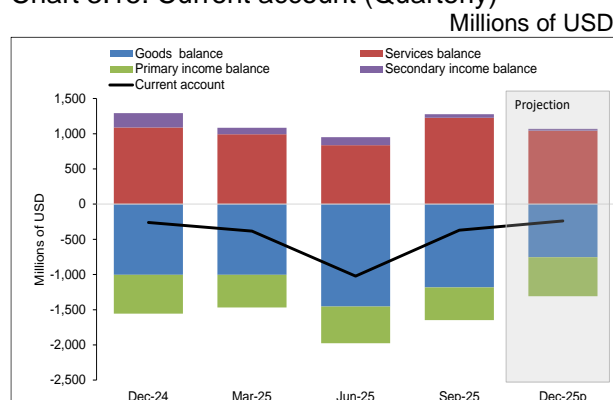
External sector remained resilient supported by robust exports

The external sector continued to strengthen, with the current account deficit narrowing significantly on the back of strong growth in exports, especially gold, tourism, and transport relative to imports, reflecting improving terms of trade. Imports of intermediate and capital goods continued to be the main drivers of the deficit, which, in the medium term, are expected to strengthen export capacity. The current account was sustainable, financed by FDI and concessional loans.

Estimates for the fourth quarter indicate that the current account deficit has narrowed to USD 239.3 million, compared to USD 261.7 million in the corresponding period in 2024 (Chart 3.15). For the full year 2025, the current account deficit is estimated to have narrowed to USD 2,015.2 million, equivalent to a five-year low of 2.2 percent of GDP, from USD 2,379.8 million (2.9 percent of GDP) in the previous year (Table 3.4). In the outer period, projections suggest the deficit will continue to narrow marginally, reaching about 2 percent of GDP in the subsequent year, driven by elevated gold prices, low fuel prices, and improving traditional export crops (Chart 3.16). The outlook remains

favourable, with risks assessed as low, but could be undermined by a reversal of gold and fuel prices in the world market.

Chart 3.15: Current account (Quarterly)



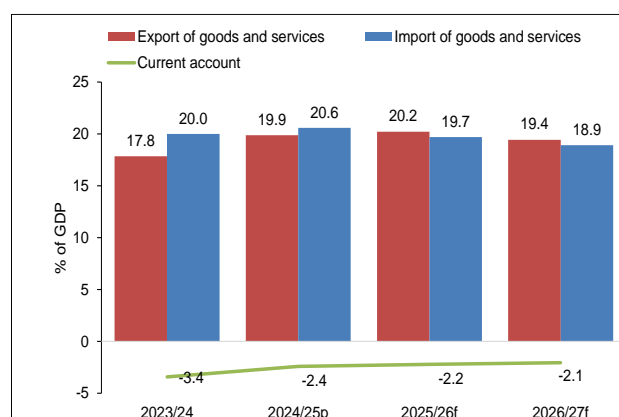
Source: TRA and BOT computation

Note: p denotes provisional data

Table 3.4: Current account

	Annual			Quarter ending		
	2023	2024	2025 ^p	Dec-24	Sep-25	Dec-25 ^p
Goods account balance	-6,032.3	-5,074.0	-4,399.4	-1,003.1	-1,184.5	-755.3
Exports	7,696.6	9,121.6	10,282.4	2,912.1	2,881.2	3,107.4
Imports	-13,728.9	-14,195.6	-14,681.8	-3,915.3	-4,065.7	-3,862.8
Services account balance	3,835.9	4,051.7	4,099.3	1,087.7	1,227.5	1,041.7
Receipts	6,231.7	6,846.8	7,241.2	1,892.6	2,065.6	1,872.9
Payments	-2,395.9	-2,795.0	-3,141.9	-804.9	-838.0	-831.2
Goods and services balance	-2,196.5	-1,022.3	-300.1	84.6	43.0	286.4
Exports of goods and services	13,928.3	15,968.4	17,523.5	4,804.7	4,946.8	4,980.3
Imports of goods and services	-16,124.8	-16,990.7	-17,823.7	-4,720.2	-4,903.7	-4,694.0
Primary income account balance	-1,496.6	-1,887.4	-1,998.7	-551.6	-463.5	-552.2
Receipts	301.2	311.7	409.6	86.9	135.9	98.2
Payments	-1,797.7	-2,199.2	-2,408.3	-638.5	-599.4	-650.4
Secondary income account balance	732.5	529.9	283.6	205.3	50.4	26.5
Inflows	1,280.9	1,177.4	851.9	321.4	204.4	214.0
o/w Official transfers	131.0	139.2	32.1	80.8	4.6	13.9
Outflows	-548.4	-647.5	-568.3	-116.1	-153.9	-187.6
Current account balance	-2,960.6	-2,379.8	-2,015.2	-261.7	-370.1	-239.3

Chart 3.16: Current account outlook



Source: TRA and BOT computation

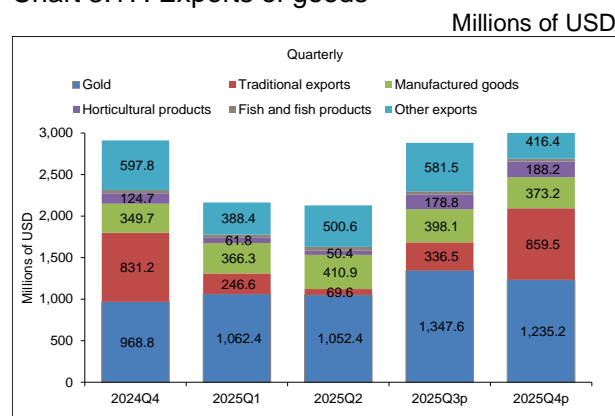
Note: p denotes provisional; f denotes forecast

Exports performance remained strong

In the fourth quarter of 2025, exports of goods and services are estimated at USD 4,992.1 million, up from USD 4,804.7 million in the corresponding period of 2024 (Chart 3.17). The performance was largely supported by gold, tourism, cashew nuts, and transport services to neighboring countries. On an annual basis, exports also improved, reaching an estimated amount of USD 17,572.7 million in 2025, equivalent to 18.9 percent of GDP, compared to USD 15,968.4 million in 2024 (19.6 percent of GDP). Key drivers include gold, tourism, manufactured goods, transport services and tobacco (Table 3.5). Gold export amounted to USD 4,697.6 million, up from USD 3,419.6 million, primarily due to

favourable prices. International tourist arrivals are estimated at 2,283,685 in 2025 compared with 2,141,895 in 2024¹⁰. Meanwhile, the volume of transit goods is estimated to have surged by 33.8 percent to 13.6 million tonnes in 2025, reflecting continued expansion in cross-border trade.

Chart 3.17: Exports of goods



Source: Bank of Tanzania and Tanzania Revenue Authority

Note: p denotes provisional data; and Q, quarter

Table 3.5: Exports of goods and services

Millions of USD

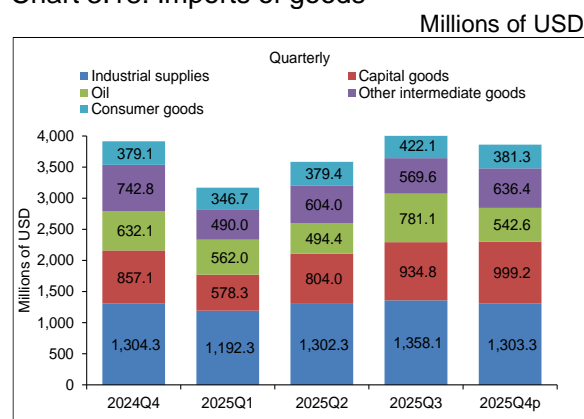
	Annual			Quarter ending		
	2023	2024	2025 ^p	Dec-24	Sep-25	Dec-25 ^p
Traditional	953.3	1,473.3	1,512.2	831.2	336.5	859.5
o/w Cashew nut	206.4	541.7	412.3	492.9	0.0	377.6
Tobacco	340.4	509.5	579.5	180.3	203.9	273.6
Non-traditional	6,321.6	7,228.8	8,403.2	1,936.0	2,471.5	2,138.3
Minerals	3,551.4	4,119.9	5,326.5	1,144.1	1,502.0	1,374.2
o/w Gold	3,058.9	3,419.6	4,697.6	968.8	1,347.6	1,235.2
Horticultural	417.2	507.1	479.3	124.7	178.8	188.2
Manufactured	1,363.3	1,341.3	1,548.6	349.7	428.1	399.8
Cereals	173.0	300.8	234.2	131.0	33.1	24.6
Fish and fish products	164.0	180.6	157.9	39.9	38.6	35.1
Oil seeds	306.5	298.6	276.9	15.1	180.2	13.5
Other exports	211.0	239.6	234.7	68.8	62.3	64.5
Services receipts	6,231.7	6,846.8	7,241.2	1,892.6	2,065.6	1,884.7
o/w Travel	3,373.8	3,903.1	3,865.2	1,059.2	1,141.2	944.5
Transportation	2,333.4	2,353.4	2,870.6	684.7	779.4	783.3
Goods and services	13,928.3	15,968.4	17,523.5	4,804.7	4,976.8	4,992.1

Decline in oil prices exerting low pressure on imports

Import trends show robust demand for machinery, petroleum products, and transport equipment, driven by continued investment in transportation, manufacturing and infrastructure. Estimates for the fourth quarter of 2025 indicate that imports of goods and services declined slightly to USD 4,694 million, compared with USD 4,720.2 million in the same quarter in 2024 (Chart 3.18 and Table 3.6). The decline was most evident in petroleum products, parts and accessories, and plastic items. Imports of petroleum products fell to USD 542.6 million from USD 632.1 million, consistent with the decline in world market prices. On an annual basis, imports are estimated to have risen to USD 17,823.7 million in 2025, equivalent to 19.2 percent of GDP, up from USD 16,990.7 million (20.8 percent of GDP) in 2024. This increase was driven by imports of industrial supplies (mainly fertilizers), services payments, pharmaceuticals, and insecticides.

¹⁰ The number of international tourists during the first 11 months of 2025 was 2,097,823 higher than 1,924,240 in similar period of 2024. Arrivals for December 2025 are estimated at 185,862.

Chart 3.18: Imports of goods



Source: Bank of Tanzania

Note: p denote provisional data; Q, quarter

Table 3.6: Imports of goods and services

Millions of USD

	Annual			Quarter ending		
	2023	2024	2025 ^p	Dec-24	Sep-25	Dec-25 ^p
Capital	2,893.4	2,971.5	3,316.2	857.1	934.8	999.2
Machinery and mechanical appliances	1,242.7	1,087.2	1,166.6	293.6	352.1	293.5
Industrial transport equipment	937.2	1,110.1	1,218.2	360.0	327.8	375.5
Intermediate	9,389.1	9,819.9	9,834.0	2,678.6	2,708.3	2,481.8
Industrial supplies	4,307.1	4,641.0	5,156.0	1,304.3	1,358.1	1,303.3
Fuel and lubricants	2,915.7	2,784.1	2,418.8	663.6	785.1	564.1
o/w Refined white products	2,725.8	2,552.3	2,380.1	632.1	781.1	542.6
Parts and accessories	998.6	1,095.3	1,062.5	361.0	286.4	269.1
Food and beverages for industrial use	828.8	937.3	776.1	60.8	177.8	232.4
o/w Wheat grain	418.8	342.8	373.7	89.0	83.0	131.8
Motor cars for household	338.1	360.5	412.0	84.3	100.6	105.3
Consumer	1,444.2	1,402.1	1,529.4	379.1	422.1	381.3
Food and beverages mainly for household	240.1	192.5	210.1	43.1	47.4	48.9
Non-industrial transport equipment	141.7	166.3	203.3	37.2	60.6	57.1
Other consumer goods	1,062.4	1,045.5	1,116.0	270.9	314.0	275.3
Services payment	2,395.9	2,795.0	3,141.9	804.9	838.0	831.2
o/w Transportation	1,326.4	1,411.9	1,436.1	409.4	374.6	401.2
Goods and services	16,124.8	16,990.7	17,823.7	4,720.2	4,903.7	4,694.0

Tourism receipts continue to support Zanzibar's external sector performance

Zanzibar has continued to sustain a current account surplus, driven primarily by tourism and related service receipts. The current account surplus is estimated at USD 834.1 million in 2025, compared with USD 685.6 million in 2024 (Table 3.7). On a quarterly basis, the current account surplus is estimated at USD 219.5 million in the fourth quarter of 2025, up from USD 189.1 million in the corresponding quarter of 2024 (Table 3.8). This improvement was mainly driven by higher service receipts, particularly from tourism, which accounted for about 96 percent of total exports of goods and services. Tourist arrivals increased, reaching 888,543 in 2025 from 736,755 in 2024, underpinned by sustained tourism promotion and investment in infrastructure, notably airports and roads.

Table 3.7: Current Account

Millions of USD

Description	Year ending				
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25 ^p
Goods account (net)	-440.3	-479.5	-503.9	-525.2	-531.0
Exports	53.9	33.5	33.3	30.5	36.2
Imports (fob)	494.2	513.0	537.2	555.7	567.2
Services account (net)	949.8	1,019.5	1,088.5	1,189.2	1,409.9
Receipts	1,046.5	1,119.3	1,167.1	1,290.0	1,509.1
Payments	96.8	99.8	78.7	100.9	99.2
Goods and services (net)	509.5	539.9	584.6	664.0	813.4
Exports of goods and services	1,100.5	1,152.8	1,200.4	1,320.5	1,545.4
Imports of goods and services	591.0	612.8	615.9	656.5	666.5
Primary Income account (net)	17.9	20.7	23.3	18.8	18.8
Receipts	26.1	30.2	33.9	27.4	27.6
Payments	8.2	9.5	10.7	8.6	8.8
Secondary income (net)	2.5	2.9	3.3	2.8	1.9
Inflows	4.3	5.0	5.6	4.9	4.7
Outflows	1.8	2.1	2.4	2.1	2.8
Current account balance	529.9	563.5	611.1	685.6	834.1

Source: TRA and BOT computation

Note: p denotes provisional data

Table 3.8: Current Account

Millions of USD

Description	Quarter ending				
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25 ^p
Goods account (net)	-117.4	-202.9	-202.3	-179.7	-140.9
Exports	18.2	15.9	15.4	15.1	18.3
Imports (fob)	135.6	218.9	217.7	194.7	159.2
Services account (net)	301.6	353.3	245.4	451.5	359.6
Receipts	328.1	377.1	269.2	478.2	384.6
Payments	26.6	23.8	23.8	26.7	25.0
Goods and services (net)	184.2	150.4	47.5	202.0	218.7
Exports of goods and services	346.4	393.1	289.0	423.4	402.9
Imports of goods and services	162.2	242.7	241.5	221.4	184.2
Primary Income account (net)	4.5	2.1	1.2	0.7	0.6
Receipts	6.6	2.9	1.6	0.9	0.7
Payments	2.1	0.8	0.4	0.2	0.1
Secondary income (net)	0.5	0.2	0.1	0.1	0.2
Inflows	1.1	0.5	0.3	0.1	0.4
Outflows	0.6	0.2	0.1	0.1	0.2
Current account balance	189.1	152.7	48.9	202.8	219.5

The transformation of the Zanzibar economy in recent years has broadened its export base, adding manufacturing to the traditional list of tourism, cloves and seaweeds. In 2025, exports of goods and services are estimated at USD 1,545.4 million, up from USD 1,320.5 million in 2024. The improvement was driven by service receipts, mainly tourism. In the quarter ending December 2025, exports of goods rose to USD 17.2 million from USD 16.1 million in the corresponding quarter in 2024, driven by clove exports (Table 3.9). Imports of goods and services are estimated at USD 666.5 million in 2025 compared to USD 591 million in 2024. The increase was mainly driven by intermediate and capital goods. On a quarterly basis, goods imports amounted to USD 150.6 million in December 2025, almost the same as in the corresponding quarter in 2024. This growth was largely attributed to increased importation of capital goods, mainly electrical machinery and equipment, and consumer goods (Table 3.10).

Table 3.9: Export of goods

Description	Units	Year ending December		Quarter ending		
		2024	2025 ^p	Dec-24	Sept-25 ^r	Dec-25 ^p
Traditional exports						
Clove						
Value	'000' of USD	14,189.8	17,225.3	581.5	4,856.3	11,594.8
Volume	'000' Tonnes	2.4	2.6	0.2	0.7	1.7
Unit price	USD/Tonne	6,026.9	6,551.6	2,594.9	6,630.7	6,802.8
Non-traditional exports						
Seaweeds						
Value	'000' of USD	4,504.4	2,504.4	821.6	526.7	367.0
Volume	'000' Tonnes	7.8	4.5	1.6	1.0	0.7
Unit price	USD/Tonne	580.6	559.3	604.9	505.6	555.2
Manufactured goods	'000' of USD	22,469.6	10,643.4	9,609.0	3,712.0	2,241.8
Fish and fish products	'000' of USD	2,203.4	488.0	287.3	112.5	116.8
Others exports	'000' of USD	10,551.1	5,366.0	4,825.1	375.3	2,880.3
Sub-total	'000' of USD	39,728.5	19,001.9	15,543.0	4,726.5	5,605.9
Grand-total	USD ('000)	53,918.3	36,227.2	16,124.5	9,582.8	17,200.7

Table 3.10: Import of goods

Description	Millions of USD					
	Year ending December		Quarter ending			
	2024	2025 ^p	Dec-24	Sept-25	Dec-25 ^p	
Capital	58.2	83.1	26.7	26.7	28.6	
Machinery and mechanical appliances	21.6	32.6	9.1	11.4	11.2	
Industrial transport equipment	19.3	15.8	12.8	4.7	3.4	
Intermediate	368.7	397.9	104.8	99.6	93.1	
Industrial supplies	98.7	160.4	30.8	48.8	43.1	
Fuel and lubricants	164.1	116.2	39.5	17.2	21.4	
o/w Refined white products	162.4	116.2	39.5	17.2	21.4	
Parts and accessories	15.4	25.8	5.0	7.9	11.0	
Food and beverages for industrial use	69.9	79.5	0.0	0.0	0.0	
o/w Wheat grain	25.9	23.6	8.9	6.9	5.5	
Motor cars for household	20.6	16.0	8.4	4.5	3.5	
Consumer	67.4	86.2	19.2	25.4	28.9	
Food and beverages mainly for household consumption	16.7	16.6	4.6	4.1	4.8	
Non-industrial transport equipment	1.9	2.8	0.7	0.8	0.9	
Other consumer goods	48.8	66.8	13.9	20.6	23.2	
Total (f.o.b)	494.3	567.2	150.7	151.8	150.6	

Source: TRA and BOT computation

Note: p denotes provisional data

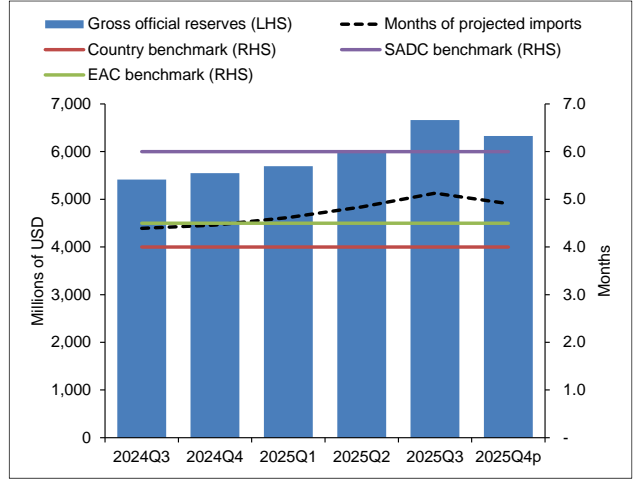
3.9 Foreign reserves

Foreign reserves remain adequate

Foreign exchange reserves were adequate, fluctuating narrowly in 2025. The reserves were accumulated through foreign loans and grants, BOT's domestic gold purchase, and strong export performance. In the fourth quarter of 2025, the reserves closed at USD 6,329.0 million, equivalent to an import cover of 4.9 months, which exceeds the national

minimum requirement of 4 months and the EAC convergence criterion of 4.5 months, albeit below the SADC benchmark of at least 6 months (Chart 3.19). The adequacy of reserves provides strength for debt servicing, bolsters market and investor confidence, and serves as a buffer against external shocks. The reserve position is expected to remain adequate, supported by the Bank’s gold purchase program and robust export performance, particularly in gold, tourism, and traditional exports.

Chart 3.19: Foreign reserves and import cover



Source: Bank of Tanzania

Notes: LHS refers to left-hand scale; and RHS, right-hand scale

Appendices

Appendix 1: Word Commodity Price Developments

	Crude oil average (USD per barrel)	Crude oil Brent (USD per barrel)	Crude oil Dubai (USD per barrel)	White products (USD per tonne)	Coffee Arabica (USD per kg)	Coffee Robusta (USD per kg)	Tea average (USD per kg)	Tea Mombasa (USD per kg)	Palm oil (USD per tonne)	Wheat (hard) (USD per tonne)	Tobacco (USD per tonne)	Cotton, A index (USD per kg)	DAP (USD per tonne)	Urea (USD per tonne)	Maize (USD per tonne)	Rice (USD per tonne)	Sugar (USD per tonne)	Gold (USD per troy oz)
Dec/21	72.9	74.3	72.8	675.8	5.9	2.5	2.8	2.6	1,270.3	376.8	4,182.2	2.6	745.0	890.0	264.5	400.0	415.4	1,790.4
Jan/22	83.9	85.5	83.1	776.9	6.0	2.4	2.9	2.7	1,344.8	374.2	4,184.6	2.9	699.4	846.4	276.6	427.0	402.1	1,816.0
Feb/22	93.5	95.8	93.1	859.5	6.2	2.4	2.8	2.7	1,522.4	390.5	4,219.6	3.1	747.1	744.2	292.6	427.0	393.7	1,856.3
Mar/22	112.4	115.6	113.1	1,092.2	5.7	2.3	2.6	2.5	1,777.0	486.3	4,258.0	3.1	938.1	872.5	335.5	422.0	420.0	1,947.8
Apr/22	103.4	105.8	102.7	1,120.3	5.9	2.3	3.2	2.5	1,682.7	495.3	4,263.3	3.4	954.0	925.0	348.2	431.0	433.4	1,936.9
May/22	110.1	112.4	108.3	1,205.1	5.7	2.3	3.0	2.4	1,716.9	522.3	4,277.1	3.6	842.5	707.5	344.8	464.0	428.8	1,848.5
Jun/22	116.8	120.1	115.7	1,303.9	6.0	2.3	3.0	2.1	1,501.1	459.6	4,206.1	3.4	783.8	690.0	335.7	444.0	417.8	1,836.6
Jul/22	105.1	108.9	106.5	1,094.1	5.6	2.2	3.3	2.4	1,056.6	382.5	4,268.4	2.9	784.0	601.0	323.0	418.0	402.8	1,732.7
Aug/22	96.0	98.6	97.8	1,029.9	5.9	2.4	3.4	2.4	1,026.0	382.9	4,356.6	2.7	749.4	591.3	289.8	431.0	393.5	1,784.6
Sep/22	88.2	90.2	90.6	935.5	5.9	2.5	3.3	2.4	908.3	419.1	4,147.0	2.6	752.0	678.0	312.7	439.0	390.7	1,680.8
Oct/22	90.3	93.1	90.6	1,026.6	5.3	2.3	3.1	2.5	889.0	438.0	4,325.2	2.2	725.0	636.3	343.6	431.0	386.9	1,664.5
Nov/22	87.4	91.1	86.3	941.7	4.7	2.0	3.1	2.5	945.7	422.7	4,333.3	2.2	665.6	588.8	320.9	440.0	407.4	1,725.1
Dec/22	78.1	80.9	76.8	847.6	4.6	2.0	2.9	2.4	940.4	386.3	4,399.3	2.2	625.0	519.4	302.2	467.0	417.3	1,797.6
Jan/23	80.4	83.1	80.0	908.9	4.6	2.1	2.8	2.3	942.0	380.4	4,475.6	2.2	631.0	443.8	302.8	517.0	416.0	1,897.7
Feb/23	80.3	82.7	81.2	826.7	5.1	2.3	2.7	2.3	950.0	394.8	4,492.3	2.2	612.5	357.5	298.2	492.0	446.0	1,854.5
Mar/23	76.5	78.5	77.5	823.6	4.9	2.3	2.7	2.4	972.1	369.9	4,525.7	2.1	606.0	313.5	282.5	476.0	452.4	1,912.7
Apr/23	82.5	84.1	83.8	809.3	5.1	2.6	3.0	2.3	1,005.2	378.2	4,586.6	2.1	637.0	313.4	291.1	501.0	529.3	1,999.8
May/23	74.1	75.7	75.1	744.2	4.9	2.7	2.7	2.2	934.1	367.7	4,786.8	2.1	510.0	329.3	268.1	510.0	560.0	1,992.1
Jun/23	73.3	74.9	74.7	763.2	4.6	2.9	2.7	2.1	817.0	345.5	5,064.7	2.0	454.6	287.5	266.9	514.0	542.1	1,942.9
Jul/23	79.0	80.1	80.5	826.1	4.3	2.8	2.5	2.1	878.5	345.5	5,098.2	2.1	458.8	334.6	242.4	547.0	521.2	1,951.0
Aug/23	84.7	86.2	86.6	922.2	4.1	2.7	2.8	2.2	860.8	315.8	5,295.8	2.1	528.8	385.6	207.6	635.0	528.0	1,918.7
Sep/23	84.0	84.0	83.1	939.0	4.1	2.7	2.9	2.3	829.6	314.7	5,437.4	2.2	527.9	390.0	223.8	620.0	579.6	1,916.0
Oct/23	89.1	91.1	90.6	853.7	4.1	2.6	2.8	2.2	804.3	298.1	5,488.2	2.1	534.8	411.4	230.7	590.0	567.0	1,916.3
Nov/23	81.4	83.2	83.5	801.5	4.4	2.7	2.7	2.2	830.5	283.6	5,475.3	2.0	535.6	385.5	211.3	598.0	575.0	1,984.1
Dec/23	75.7	77.9	77.2	755.4	4.7	3.0	2.7	2.2	813.5	291.1	5,461.8	2.0	563.8	354.0	206.6	644.0	478.2	2,026.2
Jan/24	77.7	80.2	78.7	777.8	4.5	3.3	2.7	2.2	844.9	283.9	5,533.8	2.0	596.3	335.4	198.6	660.0	484.6	2,034.0
Feb/24	80.5	83.8	81.2	816.6	4.6	3.4	2.7	2.2	856.9	278.5	5,535.0	2.2	583.8	351.3	189.1	624.0	501.6	2,023.2
Mar/24	83.5	85.4	84.7	833.8	4.6	3.7	2.7	2.2	942.9	274.8	5,608.2	2.2	617.5	330.0	190.6	613.0	475.1	2,158.0
Apr/24	88.0	90.1	89.4	840.3	5.3	4.2	3.0	2.3	935.7	272.3	5,674.5	2.0	545.0	320.0	191.7	592.0	451.1	2,331.5
May/24	81.4	82.0	83.5	776.6	5.1	4.0	3.2	2.2	859.2	289.4	5,629.9	1.9	522.0	284.8	197.8	628.0	417.8	2,351.1
Jun/24	81.2	82.6	82.2	773.0	5.5	4.5	3.2	2.1	873.7	265.6	5,754.6	1.8	543.0	336.3	192.5	632.0	425.3	2,326.4
Jul/24	83.3	85.3	83.9	784.7	5.7	4.7	3.3	2.2	896.1	260.3	6,015.5	1.8	539.4	342.5	177.4	590.0	425.9	2,398.2
Aug/24	78.1	80.9	78.0	708.7	5.8	4.7	3.2	2.2	932.6	250.9	5,998.6	1.8	546.0	342.5	170.3	589.0	405.7	2,470.2
Sep/24	72.4	74.3	73.4	649.5	6.1	5.3	3.3	2.1	982.8	269.7	6,078.9	1.8	554.8	337.5	185.0	580.0	448.0	2,570.6
Oct/24	74.0	75.7	74.7	673.7	6.1	4.9	3.1	2.1	1,077.3	272.9	6,166.3	1.8	573.4	374.8	190.3	515.0	461.6	2,690.0
Nov/24	72.3	74.4	72.8	670.5	6.7	5.0	3.1	2.2	1,168.6	253.8	6,338.6	1.8	574.5	352.3	201.3	511.0	450.4	2,651.1
Dec/24	72.3	73.8	73.3	661.7	7.6	5.2	3.0	2.2	1,189.7	252.2	6,458.3	1.8	568.3	352.0	202.6	527.0	436.3	2,648.0
Jan/25	78.2	79.2	80.1	713.5	7.8	5.4	2.7	2.2	1,070.3	254.1	6,519.4	1.7	582.7	380.5	214.4	478.0	396.2	2,709.7
Feb/25	73.8	75.2	75.0	713.5	9.0	5.8	2.7	1.8	1,067.3	264.6	6,735.8	1.7	603.8	436.5	220.9	437.0	422.8	2,894.7
Mar/25	70.7	72.6	71.7	687.0	8.9	5.7	2.7	2.2	1,069.0	255.4	6,813.0	1.7	615.1	394.5	207.4	425.0	416.5	2,983.3
Apr/25	65.9	67.7	66.9	655.8	8.6	5.4	2.9	2.1	994.4	249.6	6,870.9	1.7	635.0	386.9	215.0	415.0	366.8	3,217.6
May/25	62.7	64.2	63.0	649.8	8.8	5.2	3.0	1.9	907.6	237.0	6,924.0	1.7	669.2	392.0	203.9	431.0	368.5	3,309.5
Jun/25	69.1	71.5	68.5	691.9	8.0	4.3	3.0	2.0	935.4	240.1	6,986.5	1.7	715.4	420.5	196.1	419.0	368.8	3,352.7
Jul/25	69.2	71.0	69.2	700.7	7.2	3.7	3.0	2.1	976.4	235.0	5,790.7	1.7	736.0	496.0	192.0	392.0	368.2	3,340.2
Aug/25	66.7	68.2	67.9	677.2	8.1	4.4	3.0	2.1	1,026.0	231.1	5,835.4	1.7	795.1	507.7	185.5	375.0	369.1	3,368.0
Sep/25	66.5	68.0	67.8	679.3	8.8	4.7	2.9	2.1	1,036.7	233.8	5,941.2	1.7	780.6	461.1	197.4	374.0	354.1	3,667.7
Oct/25	63.0	64.7	64.3	659.8	8.9	4.7	3.0	2.2	1,045.0	230.8	...	1.7	754.0	394.4	198.1	356.0	335.3	4,058.3
Nov/25	62.3	63.6	63.8	695.9	9.1	4.7	3.0	2.3	970.4	245.9	...	1.7	708.3	409.3	202.0	368.0	315.5	4,087.2
2023	82.6	84.5	82.7	713.5	4.5	2.6	2.7	2.2	886.0	340.0	5,016.0	2.1	550.0	358.0	253.0	554.0	520.0	1,943.0
2024	80.7	82.7	80.7	713.5	5.6	4.4	3.0	2.0	963.4	268.7	5,899.4	1.9	563.7	338.3	190.6	598.0	448.6	2,387.7
2025 f	64.0	66.0	64.0	649.8	8.5	5.5	2.5	2.0	1,020.0	283.0	5,300.0	1.7	600.0	390.0	187.0	530.0	440.0	3,250.0

Source: World Bank – Pink Sheet

Appendix 2: Summary of the Depository Corporations Survey

Billions of TZS

Items	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Net foreign assets	13,296.5	13,558.2	12,688.5	14,706.2	15,442.1	14,658.6	14,028.1	15,509.5	15,726.1	15,766.0	15,896.7	15,715.4	16,298.6
Bank of Tanzania	11,445.5	11,863.4	10,927.2	13,020.1	13,217.7	12,273.9	11,844.6	13,623.0	13,884.0	13,933.2	14,467.3	13,334.3	13,892.1
Other depository corporations	1,851.0	1,694.8	1,761.4	1,686.1	2,224.4	2,384.7	2,183.6	1,886.5	1,842.1	1,832.8	1,429.3	2,381.1	2,406.5
Net domestic assets	36,221.2	35,346.8	37,146.0	35,942.2	36,699.8	38,679.1	39,313.4	39,973.8	40,565.0	41,689.9	41,957.4	44,073.3	44,586.4
Domestic claims	48,998.9	47,559.0	49,255.1	48,836.1	50,109.3	51,989.3	52,813.1	52,139.4	52,548.3	54,561.2	54,854.2	56,509.3	57,628.4
Claims on central government (net)	12,257.1	11,461.6	12,679.0	11,853.4	12,110.0	13,233.5	13,021.1	11,590.4	11,576.1	13,030.4	12,854.4	14,122.4	14,242.9
Claims on non-government sector	36,741.8	36,097.4	36,576.1	36,982.7	37,999.3	38,755.8	39,792.0	40,549.0	40,972.2	41,530.9	41,999.9	42,386.9	43,385.6
Broad money liabilities	49,517.7	48,905.0	49,834.5	50,648.4	52,141.9	53,337.7	53,341.5	55,483.3	56,291.1	57,455.9	57,854.0	59,788.6	60,885.1
Currency outside depository corporations	7,597.1	7,351.6	6,997.7	6,954.5	7,190.0	7,024.1	7,438.9	7,874.8	8,122.1	8,036.4	7,730.8	8,410.1	8,571.4
Transferable deposits	22,617.6	22,454.7	23,353.0	23,777.1	24,483.7	25,351.5	25,031.6	25,988.3	26,155.4	27,442.8	28,352.1	29,032.2	28,992.8
Non-transferable (other) deposits	19,303.0	19,098.7	19,483.8	19,916.7	20,468.2	20,962.1	20,871.0	21,620.3	22,013.5	21,976.7	21,771.2	22,346.4	23,320.9
Reserve money (M0)	11,859.0	12,024.5	11,670.3	12,078.7	11,793.1	11,878.9	11,800.7	12,451.7	13,423.8	13,537.9	13,717.6	15,068.7	15,162.0
Extended broad money (M3)	49,517.7	48,905.0	49,834.5	50,648.4	52,141.9	53,337.7	53,341.5	55,483.3	56,291.1	57,455.9	57,854.0	59,788.6	60,885.1
Deposits in foreign Currency (FCD)	12,345.2	11,765.3	12,419.3	12,818.2	13,605.9	13,846.3	13,543.4	13,769.3	13,653.2	13,696.3	13,337.2	13,882.1	14,056.5
FCD in millions of USD	4,708.5	4,954.3	4,995.3	4,951.9	5,120.7	5,169.1	5,045.8	5,286.6	5,369.8	5,560.2	5,462.9	5,662.4	5,767.2
Broad money (M2)	37,172.5	37,139.7	37,415.2	37,830.2	38,536.0	39,491.4	39,798.1	41,714.0	42,637.9	43,759.6	44,516.8	45,906.5	46,828.5
Other deposits in national currency (i.e. savings and time deposits)	14,355.4	14,234.2	14,342.2	14,711.5	14,994.3	15,478.3	15,583.2	16,060.1	16,406.3	16,357.2	16,600.4	16,848.4	17,618.1
Narrow money (M1)	22,817.1	22,905.5	23,073.0	23,118.8	23,541.7	24,013.1	24,214.9	25,653.9	26,231.6	27,402.4	27,916.4	29,058.1	29,210.4
Currency in circulation	7,597.1	7,351.6	6,997.7	6,954.5	7,190.0	7,024.1	7,438.9	7,874.8	8,122.1	8,036.4	7,730.8	8,410.1	8,571.4
Transferable deposits in national currency	15,219.9	15,553.9	16,075.4	16,164.2	16,351.7	16,989.0	16,776.0	17,779.1	18,109.4	19,366.0	20,185.6	20,648.0	20,639.0

Appendix 3: Interest Rates Structure

													Percent
	2024		2025										
Items	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
A: Domestic currency													
1. Interbank cash market rates													
Overnight	7.73	7.07	7.69	7.87	7.91	7.90	7.95	7.93	6.62	6.15	6.29	6.45	6.08
2 to 7 days	8.11	7.38	7.74	8.02	8.02	7.98	7.96	7.96	7.43	6.52	6.43	6.29	6.19
8 to 14 days	8.23	7.68	8.51	8.62	8.21	8.08	8.28	8.12	7.57	6.71	6.93	6.92	6.84
15 to 30 days	9.10	9.40	8.58	8.77	8.44	8.37	8.35	6.95	7.12	6.87	7.35	7.07	7.23
31 to 60 days	7.88	8.88	9.03	8.00	9.83	8.53	8.53	8.53	8.53	6.90	7.50	7.28	7.00
61 to 90 days	9.00	9.00	6.75	7.00	9.83	9.11	9.14	9.14	9.14	9.14	9.14	9.14	7.00
91 to 180 days	7.87	7.87	7.87	10.42	10.08	12.00	12.00	12.00	11.39	7.00	7.00	9.75	8.89
181 and above	10.93	10.93	10.93	10.93	10.93	10.93	10.93	10.93	10.93	10.93	10.93	10.93	10.93
Overall interbank cash market rate	8.06	7.41	7.80	8.06	8.12	8.00	7.98	7.94	7.35	6.48	6.45	6.38	6.30
2. Lombard rate	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.75	7.75	7.75	7.75	7.75
3. REPO rate	5.30	5.30	5.30	5.30	5.30	5.30	5.30	5.30	5.30	5.30	4.79	4.79	4.79
4. Reverse REPO rate	7.72	6.26	7.21	7.21	7.21	7.21	7.21	7.21	5.77	5.78	5.76	5.76	5.77
5. Treasury bills rates													
35 days	5.93	5.93	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.20	5.94	5.64
91 days	5.94	5.94	7.76	7.76	7.42	7.50	7.50	7.50	7.46	7.36	6.81	6.21	6.08
182 days	8.30	8.30	8.20	8.20	8.20	8.47	8.24	8.24	8.24	7.46	6.56	6.41	5.92
364 days	12.78	12.95	12.63	11.99	10.11	8.92	8.92	8.92	8.13	6.79	5.99	6.00	6.45
Overall treasury bills rate	12.68	12.95	12.51	11.93	10.10	8.86	8.89	8.89	8.13	6.83	6.03	6.27	6.25
6. Treasury bonds rates													
2-years	11.64	11.64	11.64	12.55	12.55	12.08	12.08	12.08	12.17	12.17	12.17	10.05	10.05
5-years	12.41	12.41	12.41	12.41	13.14	13.14	12.94	12.94	13.18	13.18	12.48	12.48	10.54
7-years	9.71	9.71	9.71	9.71	9.71	9.71	9.71	9.71	9.71	9.71	9.71	9.71	9.71
10-years	13.26	13.26	14.08	14.08	14.08	14.26	14.26	14.26	13.74	13.74	13.74	12.45	12.45
15-years	15.76	15.76	15.76	15.76	14.63	14.63	14.63	14.63	14.63	13.91	13.91	13.91	12.08
20-years	15.64	15.71	15.71	15.28	15.28	15.11	15.11	14.50	14.50	14.50	13.55	13.55	13.55
25-years	15.93	15.93	15.84	15.84	15.84	15.84	15.29	14.80	14.80	14.42	13.19	13.19	13.19
7. Discount rate	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.25	8.25	8.25	8.25	8.25
8. Savings deposit rate	2.69	2.84	2.97	2.98	2.86	2.89	2.52	2.90	2.90	2.90	2.92	2.93	2.88
9. Overall time deposits rate	8.18	8.33	8.31	8.13	8.00	7.82	8.58	8.74	8.83	8.61	8.50	8.36	8.54
1 month	10.62	10.68	9.60	9.90	9.88	7.94	10.47	9.90	11.50	10.70	9.65	9.10	9.31
2 months	8.14	8.90	9.61	9.02	8.81	8.78	9.25	9.85	10.75	10.07	9.28	10.09	9.67
3 months	8.91	9.26	8.84	9.24	9.42	9.43	9.85	11.12	10.19	8.59	9.61	9.38	9.42
6 months	9.19	9.30	9.86	9.40	9.68	9.36	9.82	10.28	10.28	10.44	10.12	10.06	10.01
12 months	9.63	9.62	10.08	9.48	8.14	9.27	9.72	9.79	9.88	9.99	9.84	9.21	10.02
24 months	8.29	7.71	7.23	6.94	6.90	6.66	7.49	6.95	5.99	7.16	7.63	7.05	7.92
10. Negotiated deposit rate	10.14	10.39	11.80	11.40	10.35	10.52	10.64	11.21	10.72	10.99	11.05	11.22	11.67
11. Overall lending rate	15.67	15.71	15.73	15.14	15.50	15.16	15.18	15.23	15.16	15.07	15.18	15.19	15.27
Short-term (up to 1 year)	15.56	15.74	15.70	15.77	15.83	16.15	15.96	15.69	15.51	15.64	15.52	15.50	15.53
Medium-term (1-2 years)	16.93	16.79	16.89	16.06	16.56	16.33	16.35	16.49	16.41	16.45	16.26	16.42	16.42
Medium-term (2-3 years)	16.36	16.21	16.35	15.53	16.44	15.25	15.24	15.38	15.22	15.01	15.19	15.13	15.18
Long-term (3-5 years)	15.17	15.24	15.25	14.09	14.32	13.88	14.19	14.35	14.39	14.02	14.26	14.24	14.43
Term Loans (over 5 years)	14.35	14.58	14.45	14.25	14.36	14.19	14.17	14.25	14.28	14.22	14.66	14.68	14.79
12. Negotiated lending rate	12.77	12.83	12.80	13.42	12.94	12.88	12.99	12.68	12.56	12.72	12.84	12.40	12.61
B: Foreign currency													
1. Deposits rates													
Savings deposits rate	0.71	0.81	0.90	0.76	0.77	0.53	1.33	0.89	0.83	0.93	0.98	1.75	0.57
Overall time deposits rate	3.99	4.20	4.22	3.66	2.98	2.94	3.65	3.60	3.75	4.11	3.94	4.17	4.03
1-months	3.13	3.58	4.36	3.52	3.01	2.43	2.46	2.47	2.50	2.46	2.46	2.44	2.45
2-months	3.84	4.72	4.77	3.50	2.34	2.08	3.54	3.52	3.02	4.02	4.98	4.93	6.12
3-months	4.97	4.79	4.47	3.31	2.23	3.62	3.53	3.03	4.31	4.98	2.56	4.55	2.87
6-months	4.44	4.36	3.89	4.11	3.81	3.55	4.61	4.92	4.94	4.60	5.10	5.05	5.25
12-months deposit rate	3.57	3.54	3.62	3.88	3.50	3.01	4.10	4.06	4.00	4.47	4.61	3.86	3.46
2. Overall deposit rate	8.53	8.80	8.83	8.97	8.93	8.89	8.81	8.70	8.82	8.59	8.43	8.71	8.52
Short-term (up to 1 year)	9.50	9.44	9.89	9.93	9.99	9.97	9.99	9.93	9.91	9.89	9.89	9.88	9.89
Medium-term (1-2 years)	7.74	7.78	7.58	7.64	7.94	8.16	8.39	8.22	8.23	8.11	7.49	7.73	7.65
Medium-term (2-3 years)	8.02	9.19	8.81	8.57	8.28	8.23	8.49	6.88	7.03	7.16	7.25	7.43	7.49
Long-term (3-5 years)	8.01	8.23	8.18	9.11	8.61	8.36	8.17	9.43	9.42	9.30	9.16	9.23	9.30
Term loans (over 5 years)	9.36	9.34	9.70	9.62	9.83	9.70	9.01	9.06	9.52	8.49	8.35	9.28	8.28

Source: Bank of Tanzania

Appendix 4: Banking Financial Soundness Indicators

Particulars	Percent						
	Dec-20	Dec-21	Dec-22	Dec-23	Nov-24	Dec-24	Nov-25
Capital Adequacy							
Core capital/TRWA+OBSE	17.2	19.5	18.0	17.7	18.7	19.4	18.9
Core capital/Total deposits	17.5	17.6	17.5	17.2	18.6	18.9	18.4
Total capital/TRWA+OBSE	18.1	20.2	18.9	18.4	20.0	20.0	19.4
Total capital/Total assets	13.1	13.2	12.9	12.5	13.6	13.4	13.3
Asset Quality							
Gross non-performing loans/Gross loans	9.4	8.5	5.8	4.4	3.6	3.4	3.1
NPLs net of provisions/Total capital	36.6	31.3	23.5	19.8	14.6	14.1	12.8
Earnings							
Return on assets-ROA	1.9	2.8	3.5	4.4	5.3	5.2	4.9
Return on equity-ROE	7.6	11.3	14.6	20.5	24.1	23.7	22.2
Interest margin to Total income	55.6	56.6	53.8	52.1	51.0	51.4	50.0
Non interest expenses/Total income	53.8	49.7	43.7	40.4	36.9	37.3	36.1
Personnel expenses/Non-interest expenses	50.0	52.0	51.4	49.1	48.7	48.5	49.4
Liquidity							
Liquid assets/Demand liabilities	30.7	29.4	26.4	28.8	27.7	28.6	28.3
Liquid assets/Total assets	24.6	25.5	23.1	23.2	24.6	23.9	23.9
Liquid assets/Customer deposits liabilities	37.0	37.2	34.8	35.2	37.7	36.5	35.8
Total loans/Customer deposits	86.8	82.0	89.3	92.5	92.7	92.5	90.1
Access to lending							
Claims on the private sector to GDP	12.5	13.4	16.7	19.9	22.5	22.6	26.4
Claims on non-government sector to GDP	13.1	14.0	17.3	21.0	24.0	24.0	27.9
Sensitivity to market risk							
Net open positions in FX/Total capital	9.0	7.8	2.5	4.5	6.3	4.7	4.9

Source: Bank of Tanzania

Appendix 5: Tanzania Imports by Major Category

	Millions of USD				
	Dec-24	Mar-25	Jun-25	Sep-25	Projection Dec-25
Capital	857.1	578.3	804.0	934.8	999.2
Machinery and mechanical appliances	293.6	229.8	291.2	352.1	293.5
Industrial transport equipment	360.0	197.6	317.4	327.8	375.5
Electrical machinery and equipment	120.0	83.4	107.2	169.1	223.7
Other capital goods	83.4	67.6	88.2	85.8	106.5
Intermediate	2,678.6	2,243.8	2,400.1	2,708.3	2,481.8
Industrial supplies	1,304.3	1,192.3	1,302.3	1,358.1	1,303.3
O/w Iron and steel and articles thereof	324.9	290.4	393.5	320.2	284.5
Plastic and articles thereof	215.6	192.0	207.0	212.0	187.3
Fertilisers	98.8	96.4	56.4	120.3	151.8
Fuel and lubricants	663.6	564.5	505.1	785.1	564.1
o/w Refined white products	632.1	562.0	494.4	781.1	542.6
Parts and accessories	361.0	237.4	269.6	286.4	269.1
Food and beverages for industrial use	242.4	159.1	206.8	177.8	232.4
OW Wheat grain	84.3	72.2	86.7	83.0	131.8
Edible oil and its fractions not refined	66.1	22.4	41.9	48.3	37.0
Sugar for industrial use	52.7	33.9	40.7	32.3	45.6
Motor cars for household	106.4	90.0	116.2	100.6	105.3
Consumer	379.1	346.7	379.4	422.1	381.3
Food and beverages mainly for household con	60.8	65.7	48.0	47.4	48.9
Non-industrial transport equipment	49.7	35.9	49.6	60.6	57.1
OW Motocycles and Cycles fitted with an aux	42.2	31.9	44.8	51.8	49.1
Other consumer goods	270.9	245.1	281.7	314.0	275.3
OW Pharmaceutical products	53.8	67.7	78.0	72.7	77.3
Insecticides, rodenticides and similar pro	43.4	38.0	35.7	85.0	49.4
Soap and detergents	16.3	15.6	15.3	5.4	8.7
Textiles apparels	14.4	11.9	19.3	12.9	12.3
Footwear and other products	17.0	10.4	13.8	15.0	12.9
Paper and paper products	9.1	8.5	5.7	4.0	9.6
Total	3,915.3	3,169.3	3,584.0	4,065.7	3,862.8

Source: TRA and BOT computation

Note: p denotes provisional