



BANK OF TANZANIA



**MONTHLY
ECONOMIC
REVIEW**

September 2018

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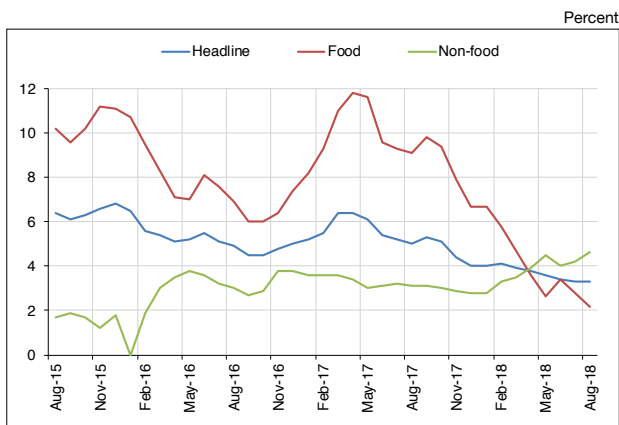


1.0 Inflation and Food Stocks

1.1 Inflation Developments

Headline inflation remained below the medium-term target of 5.0 percent and steadily falling for almost a year. In August 2018, annual headline inflation was 3.3 percent, same as in the preceding month (**Chart 1.1** and **Table 1.1**). The moderation in inflation was driven by food inflation, as non-food inflation picked up slightly in the wake of the edging up of world oil prices in the recent months. All main components of the consumer basket registered inflation rates below headline inflation, except for items under transport and housing, water, electricity, gas and fuel sub-groups. On month-to-month, overall consumer prices fell by 0.4 percent in August 2018, same as in the similar month a year ago.

Chart 1.1: Annual Inflation Rates



Source: National Bureau of Statistics

Annual food and non-alcoholic beverages inflation continued to fall for more than a year, as most parts of the country sustained adequate food supply following good harvest in the 2017/18 food crop-season. In August 2018, it eased to 2.2 percent from 2.8 percent in July 2018. Prices of food such as rice, maize grains, maize flour, wheat flour, sorghum flour, vegetables, cassava and cocoyam decreased year-on-year basis. On month-to-month basis, the food and non-alcoholic beverages inflation decreased by 1.9 percent in August 2018 compared with a decline of 1.3 percent in August 2017 (**Table 1.1**).

The twelve-month inflation of non-food items picked up to 4.6 percent in August 2018 from 4.2 percent in July 2018. On month-to-month, prices of non-food items increased by 0.6 percent compared

with an increase of 0.3 percent in August 2017. Annual energy and fuel inflation also edged up to 18.7 percent from 18.5 percent in July 2018, driven mostly by prices of kerosene and firewood. Prices of energy and fuel rose by 2.1 percent in August 2018, compared with 1.9 percent in August 2017. Annual core inflation, which excludes food and energy edged increased slightly to 2.0 percent in August 2018 from 1.6 percent in the preceding month, while on month-to-month basis it was 0.3 percent.

Table 1.1: Headline Inflation and its Main Components

Main groups	Weight	Month-to-month			Annual		
		Aug-17	Jul-18	Aug-18	Aug-17	Jul-18	Aug-18
		Base December 2015 = 100					
Food and non alcoholic beverages	38.5	-1.3	-1.3	-1.9	8.6	2.8	2.2
Alcoholic, tobacco and narcotics	3.7	0.0	0.5	0.8	2.5	0.8	1.2
Clothing and footwear	8.3	-0.2	0.4	0.2	3.4	2.4	2.7
Housing, water, elect., gas and other fuel	11.6	-0.1	0.4	1.7	8.9	12.3	12.3
Furnishing, housing equip and routine maint.	6.3	1.7	0.3	0.3	2.7	2.6	3.1
Health	2.9	0.0	-0.5	0.9	2.0	0.7	1.7
Transport	12.5	0.4	0.8	0.6	-0.6	2.5	3.4
Communication	5.6	0.8	-0.1	0.0	-1.1	-2.7	-2.6
Recreation and culture	1.6	-0.2	0.0	0.1	1.3	0.4	-0.2
Education	1.5	0.0	0.1	0.0	0.8	2.5	2.5
Restaurants and hotels	4.2	-0.1	0.1	0.2	-0.3	0.8	1.1
Miscellaneous goods and services	3.1	-0.2	0.0	-0.1	3.7	1.2	1.2
All items-(headline inflation)	100.0	-0.4	-0.3	-0.4	5.0	3.3	3.3
Other selected groups							
Food and non-alcoholic beverages - combining food consumed at home and food consumed in restaurants	37.1	-1.3	-1.3	-1.2	9.1	3.0	3.2
Energy and fuels - combining electricity and other fuels for use at home with petrol and diesel	8.7	1.9	1.1	2.1	10.4	18.5	18.7
All items less food (non-food)	62.9	0.3	0.4	0.6	3.1	4.2	4.6
All items less food and energy	54.3	0.0	0.2	0.3	1.8	1.6	2.0

Source: National Bureau of Statistics and Bank of Tanzania Computations

1.2 Food Stocks

Food supply remained adequate in most parts of the country, owing to good harvest during 2017/18-food crop season. Food stocks held by the National Food Reserve Agency (NFRA)¹ also remained stable, amounting to 62,317 tonnes at the end of August 2018 relative to 62,288 tonnes at the end of the previous month (**Table 1.2**). The agency sold 1,562 tonnes of maize to private traders, World Food Program and Prison Department during August 2018 and purchased 1,591 tonnes of maize from Rukwa, Ruvuma, Dodoma and Manyara regions.

¹ The NFRA food stocks exclude those held by private traders, which normally constitute the largest share of total stocks in the country and comprised of maize only.



Table 1.2: Food Stocks Held by National Food Reserve Agency

	Tonnes				
	2014	2015	2016	2017	2018
January	235,309.0	459,561.0	125,668.0	86,833.5	91,947.0
February	228,014.0	454,592.0	88,414.0	86,444.0	91,312.7
March	214,157.0	452,054.0	68,727.0	86,443.8	83,650.3
April	195,246.0	433,547.0	64,825.0	86,278.0	73,467.7
May	195,956.0	406,846.0	63,341.0	74,826.0	68,893.4
June	189,494.0	353,702.0	61,837.5	70,393.0	63,843.9
July	182,200.0	282,401.0	49,632.0	68,697.0	62,288.0
August	196,854.0	268,514.9	59,832.0	78,434.0	62,317.3
September	299,624.0	265,046.0	86,545.0	85,403.0	
October	426,999.0	253,655.2	90,905.0	89,248.0	
November	460,295.0	238,133.6	90,900.0	93,353.7	
December	466,583.0	180,746.3	89,691.8	92,074.0	

Source: National Food Reserve Agency

1.3 Prices of Food Crops

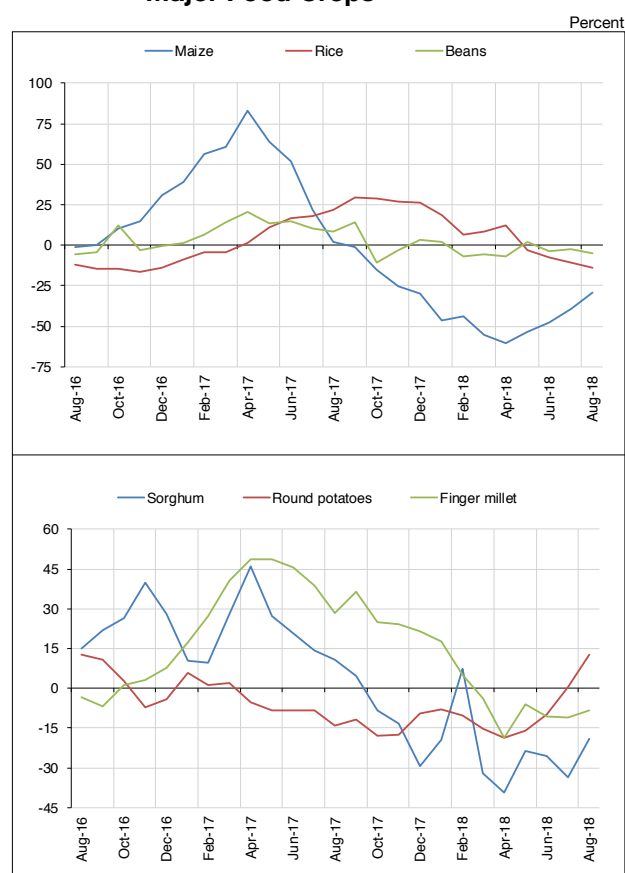
Mirroring adequacy of food supply in most parts of the country, wholesale prices of all major food crops² were lower in August 2018 than in the corresponding period in 2017, except for potatoes (**Table 1.3**). A similar trend also occurred on month-to-month basis, notwithstanding the seasonal pattern. The trend of prices of these food crops in the last three years was somewhat mixed (**Chart 1.2**). Prices of maize, sorghum, round potatoes, and finger millet generally trended downward in much of the last three years, while those of rice and beans were relatively stable.

Table 1.3: Wholesale Prices of Major Food Crops

Crop	TZS per 100kg				
				Percentage change	
	Aug-17	Jul-18	Aug-18	Jul-18 to Aug-18	Aug-17 to Aug-18
Maize	57,127.8	41,282.9	40,520.1	-1.8	-29.1
Rice	169,735.9	153,053.2	146,181.4	-4.5	-13.9
Beans	162,133.6	161,234.1	153,880.6	-4.6	-5.1
Sorghum	99,516.4	68,168.0	80,448.4	18.0	-19.2
Potatoes	70,609.6	77,358.1	79,721.3	3.1	12.9
Finger millet	139,826.8	136,345.8	128,286.9	-5.9	-8.3

Source: Ministry of Industry, Trade and Investment

Chart 1.2: Annual Change in Wholesale Prices of Major Food Crops



Source: Ministry of Industry, Trade and Investment; and Bank of Tanzania computations



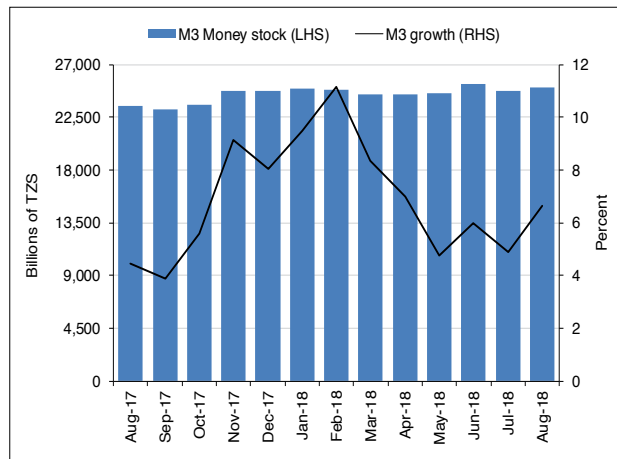
² They include maize, rice, beans, sorghum, potatoes and finger millet.

2.0 Monetary and Financial Markets

2.1 Money Supply and Credit

Growth of money supply picked up in August 2018, owing largely to a recovery in private sector credit growth. Extended broad money supply (M3) grew at annual rate of 6.6 percent, compared with 4.9 percent in the previous month and 4.4 percent in August 2017 (**Table 2.1** and **Chart 2.2**).

Chart 2.1: Developments in Money Supply



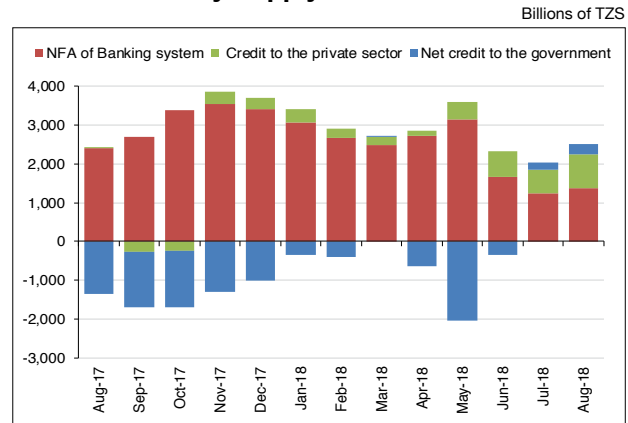
Source: Bank of Tanzania
Note: LHS refers left hand scale; and RHS, right hand scale

Table 2.1: Money Supply and Components

	Outstanding stock			Annual growth (%)		
	Aug-17	Jul-18	Aug-18	Aug-17	Jul-18	Aug-18
Net foreign assets of the banking system	10,271.1	11,217.4	11,637.1	30.6	12.3	13.3
Bank of Tanzania	11,109.3	11,330.4	11,621.4	45.2	6.7	4.6
Banks	-898.2	-113.0	15.7	---	-82.1	---
Net domestic assets of the banking system	13,213.9	13,487.8	13,405.3	-9.6	-0.6	1.4
Domestic claims	20,021.3	21,176.1	21,167.5	-6.2	3.9	5.7
Claims on central government (net)	3,310.1	3,740.4	3,584.5	-28.9	5.1	8.3
o/w Securities held by banks	5,216.6	5,408.4	5,306.6	31.4	2.6	1.7
Claims on the private sector	16,711.2	17,435.6	17,583.0	0.2	3.7	5.2
Other items net	-6,807.4	-7,688.2	-7,762.2	1.3	13.0	14.0
Extended broad money supply (M3)	23,485.0	24,705.2	25,042.4	4.4	4.8	6.6
Foreign currency deposits	6,174.6	6,439.5	6,605.0	-5.4	4.0	7.0
Broad money supply (M2)	17,310.4	18,265.7	18,437.4	8.4	5.2	6.5
Other deposits	6,772.8	7,085.6	7,083.8	7.9	6.6	4.6
Narrow money supply (M1)	10,537.6	11,180.0	11,353.6	8.8	4.3	7.7
Currency in circulation	3,664.7	3,885.1	3,865.8	-1.5	7.1	5.5
Transferable deposits	6,872.9	7,294.9	7,487.8	15.2	2.8	8.9

Source: Bank of Tanzania, and banks
Note: "----" denotes a change that exceeds 100 percent; and o/w, of which

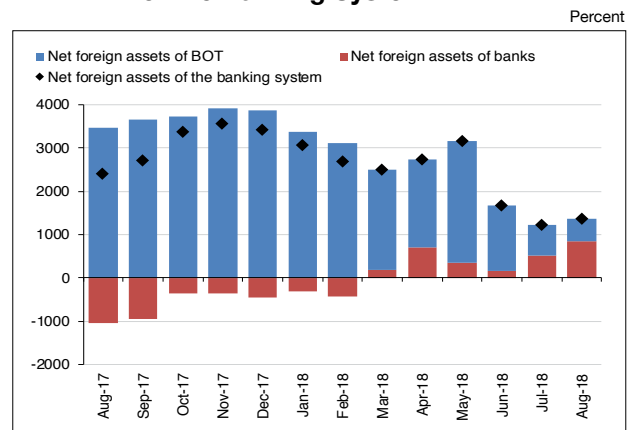
Chart 2.2: Annual Changes in Major Sources of Money Supply



Source: Bank of Tanzania, and banks
Note: NFA stands for net foreign assets

The net foreign assets (NFA) of the banking system recorded a year-on-year growth of 13.3 percent in August 2018, compared with 12.6 percent in July 2018 and 30.6 percent in August 2017 (**Table 2.1**). Net foreign asset position of banks improved, supported by increase in deposits abroad and decrease in foreign borrowing. A large portion of foreign exchange holdings of the financial system was contributed by the foreign exchange holding of the Bank of Tanzania, whose growth declined to 4.6 percent from 6.7 percent in the year to July 2018. The decline follows the increase in government foreign obligations in favour of government development projects (**Chart 2.3**).

Chart 2.3: Annual changes in Net foreign Asset of the Banking System



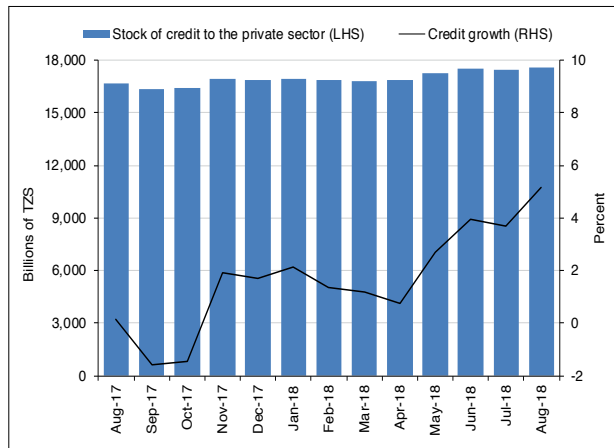
Source: Bank of Tanzania and banks

Credit extended to the private sector grew by 5.2 percent compared with 3.7 percent in the preceding months and 0.2 percent in the corresponding month in August 2017 (**Chart 2.4**). The increase is consistent with the various measures taken by the Government, Bank of Tanzania and banks in



support of recovery of credit growth. The measures include improvement of business environment and credit risk management as well as accommodative monetary policy stance. Slowdown in banks' holding of government securities and slowdown in the growth of non-performing loans also contributed to the increase in private sector credit during the period.

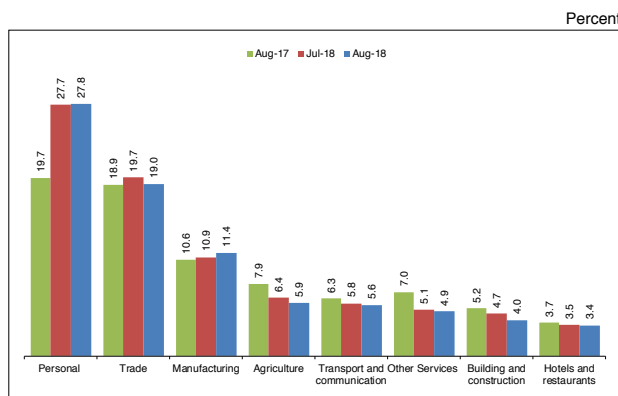
Chart 2.4: Credit to Private Sector by Banks



Source: Banks and Bank of Tanzania computations
Note: LHS denotes left hand scale; and RHS, right hand scale

Regarding share to total outstanding credit, personal loan, trade and manufacturing activities together, accounted for the largest share of 58.2 percent at the end of August 2018 (**Chart 2.5**). Meanwhile, personal loan recorded the highest growth rate of credit extended to the private sector, at 48.4 percent (**Table 2.2**). The continued growth of personal loans reflects increase in demand by households and salaried staff to finance businesses and other economic activities.

Chart 2.5: Share of Outstanding Credit Extended by Banks to Major Economic Activities



Source: Bank of Tanzania, and banks

Table 2.2: Annual Growth Rates of Banks' Credit to Major Economic Activities

Economic activity	Percent									
	Aug-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	
Personal	4.9	12.0	39.3	56.3	43.7	49.2	50.5	46.5	48.4	
Building and construction	17.6	8.4	10.3	15.0	5.0	-6.7	5.7	-6.7	-20.2	
Hotels and restaurants	14.9	4.8	5.0	11.9	0.6	0.3	3.4	-4.7	-3.9	
Manufacturing	11.0	14.6	3.7	-1.5	-5.8	1.0	-3.9	1.1	13.5	
Trade	-7.3	3.0	-0.9	-9.2	-2.5	-3.2	-2.0	-2.5	5.9	
Agriculture	5.3	-0.4	-2.1	-4.1	-5.6	-5.6	-5.2	-8.9	-22.1	
Transport and communication	-17.7	-17.2	-21.4	-7.7	-1.2	1.2	4.9	4.4	-6.9	
Other Services	-10.9	17.8	-27.0	-40.0	-40.4	-41.9	-35.4	-19.6	-26.5	

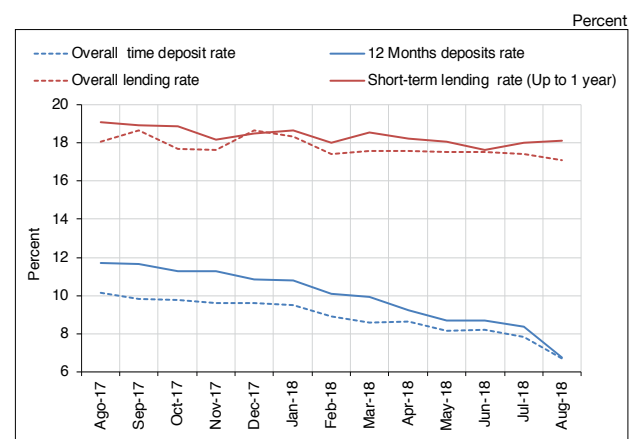
Source: Banks and Bank of Tanzania computations

2.2 Interest Rates

Interest rates charged on loans and offered to deposits by commercial banks declined in August 2018, with exception of one-year lending rate, consistent with continued accommodative monetary policy stance. Overall lending rate decreased to an average of 17.09 percent in August 2018, from 17.39 percent in July 2018 and 18.03 percent in August 2017. Meanwhile, the overall time deposit rate decreased to an average of 6.69 percent compared with 7.83 percent in the previous months and 10.17 percent in August 2017.

One-year lending rate rose to an average of 18.12 percent from 17.98 percent in July 2018, while one-year deposit rate decreased to an average rate of 6.78 percent from 8.35 percent in July 2018 and 11.69 percent in August 2017 (**Chart 2.6**).

Chart 2.6: Selected Banks Interest Rates



Source: Banks and Bank of Tanzania computations

2.3 Financial Markets

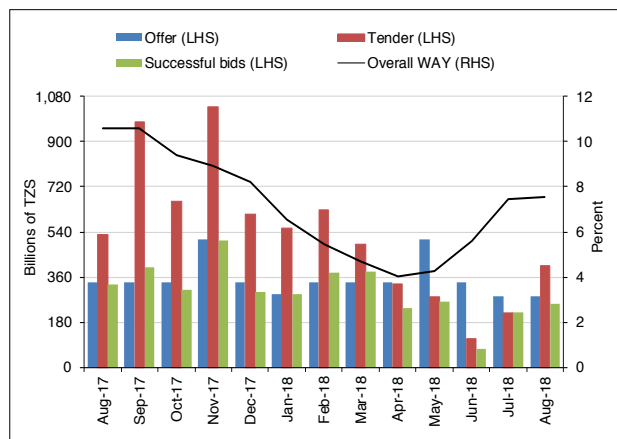
2.3.1 Treasury Bills Market

The performance of Treasury bills auctions for monetary policy and fiscal operations was satisfactory in August 2018. The Bank of Tanzania conducted two auctions worth TZS 284.0 billion



as in the preceding month; while bids amounted to TZS 404.3 billion, which was nearly double of TZS 218.9 billion tendered in July 2018 (**Chart 2.7**). Investors strongly preferred 364-day Treasury bills. Successful bids amounted to TZS 252.8 billion, most of which were 182 days and 364 days. The overall weighted average yield increased to 7.57 percent from 7.45 percent in the preceding month, sustaining an upward movement that began in April 2018. The yield on 364-day Treasury bills increased to 8.11 percent from 7.63 percent in July 2018.

Chart 2.7: Performance in Treasury Bills Market



Source: Bank of Tanzania
Note: LHS denotes left hand scale; and RHS, right hand Scale

2.3.2 Treasury Bonds Market

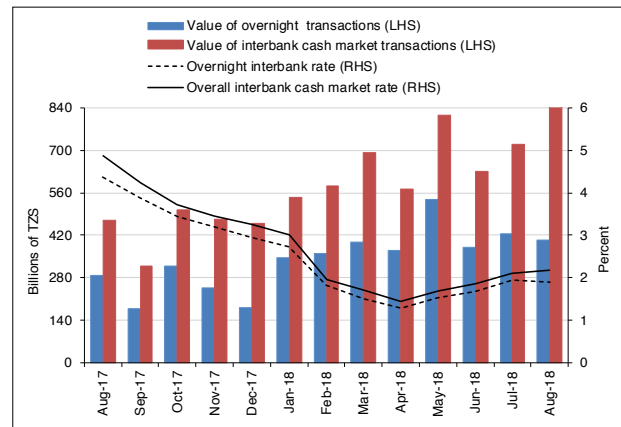
In August 2018, the Bank of Tanzania conducted auctions of 2-year, 5-year and 7-year Treasury bonds in separate intervals for government fiscal operations. The tender sizes were TZS 88 billion, TZS 113.5 billion and TZS 127.7 billion, respectively. All the auctions were undersubscribed: 2-year bond by TZS 65.3 billion, 5-year bond by TZS 94.1 billion and 7-year bond by TZS 113.8 billion. Successful bids were TZS 18.6 billion for 2-year bond, TZS 19.4 billion for 5-year bond and TZS 13.7 billion for 7-year bond. The weighted average yield to maturity (WAY) rose across the bonds to 9.0 percent, 11.88 percent, and 12.27 percent from 8.52 percent, 11.30 and 12.23 percent respectively, when they were last issued.

2.3.3 Inter-Bank Cash Market

The value of transactions in the inter-bank cash market amounted to TZS 898.75 billion in August 2018, up from TZS 719.75 billion in July 2018, of which 45.0 percent were overnight placements. Consistent with the liquidity condition among banks and seasonal demand for banks reserves, overnight

interbank cash market interest rate decreased to an average of 1.89 percent from 1.95 percent recorded in the preceding month, while the overall interbank cash market interest rate increased to 2.19 percent from 2.09 percent (**Chart 2.8**).

Chart 2.8: Inter-Bank Cash Market Transactions

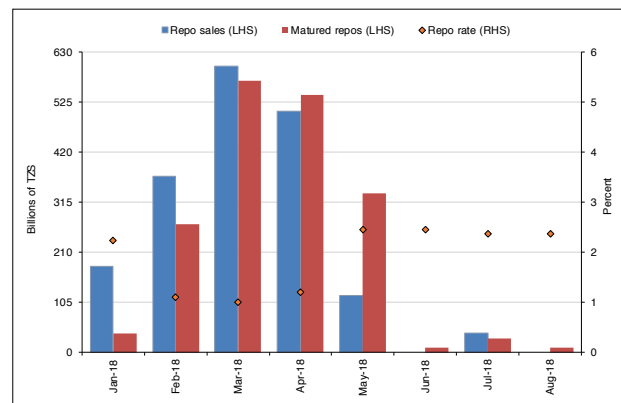


Source: Bank of Tanzania
Note: LHS refers left hand scale; and RHS, right hand scale

2.3.4 Repurchase Agreements

The Bank used repurchase agreements (repo) on both sides of the market to keep the liquidity in banks at desirable level. Reserve repo worth TZS 362.3 billion was conducted in August 2018, thus adding the same amount of liquidity in banks. This augmented the redemption of repo worth TZS 10.5 billion, which was conducted in July and August 2018. The liquidity injected was partially offset by redemption of reverse repo worth TZS 251.4 billion. Reverse repo rate decreased slightly to 3.78 percent from 3.79 percent in July 2018 (**Chart 2.9a** and **Chart 2.9b**).

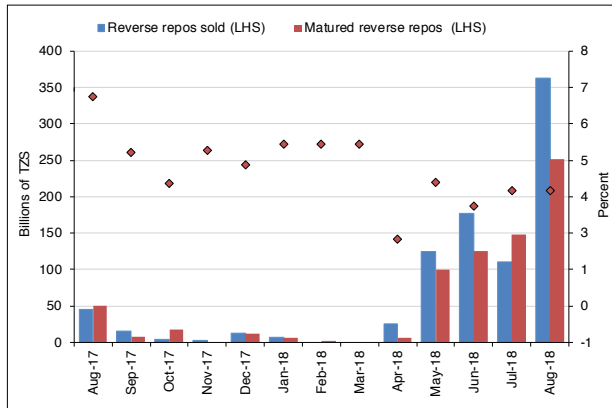
Chart 2.9a: Repurchase Agreements Transactions



Source: Bank of Tanzania
Note: LHS refers left hand scale; and RHS, right hand scale



Chart 2.9b: Reverse Repurchase Agreements Transactions

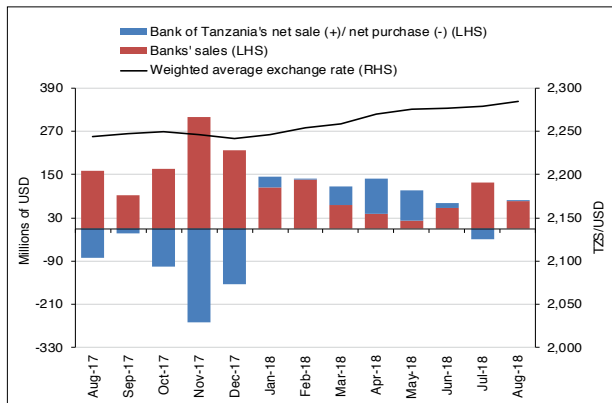


Source: Bank of Tanzania
Note: LHS refers left hand scale; and RHS, right hand scale

2.3.5 Inter-Bank Foreign Exchange Market

The value of transactions in the inter-bank foreign exchange market (IFEM) decreased to USD 96.9 million from USD 147.9 million in July 2018. The Bank of Tanzania participated in the IFEM on both sides of the market for the purpose of managing liquidity and maintaining an orderly money market, ending up with a net purchase of USD 0.95 million compared with the net sale of USD 28.4 million in the preceding month. The value of the shilling sustained relative stability against the US dollar, trading at TZS 2,285.0 per US dollar compared with TZS 2,278.9 per US dollar in the preceding month. Stability of the shilling was also manifest on annual basis, as it depreciated by 1.8 percent from TZS 2,243.5 per US dollar in July 2017 (Chart 2.10).

Chart 2.10: IFEM Transactions and Exchange Rate

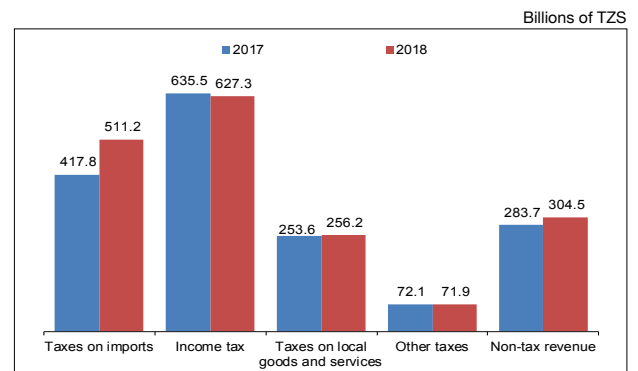


Source: Bank of Tanzania
Note: LHS refers left hand scale; and RHS, right hand scale

3.0 Government Budgetary Operations³

Provisional statistics show that domestic revenue realized by the Government in June 2018 amounted to TZS 1,829.0 billion, of which TZS 1,771.0 billion was revenue collections by the central government and the balance by local government authorities from their own sources. Tax revenue recorded annual increase of 6.3 percent to TZS 1,466.4 billion in June 2018. On the contrary, local government collections from own sources shrunk to TZS 58.0 billion, from TZS 71.9 billion in June 2017. Chart 3.1 shows Government resources during June 2017 and 2018.

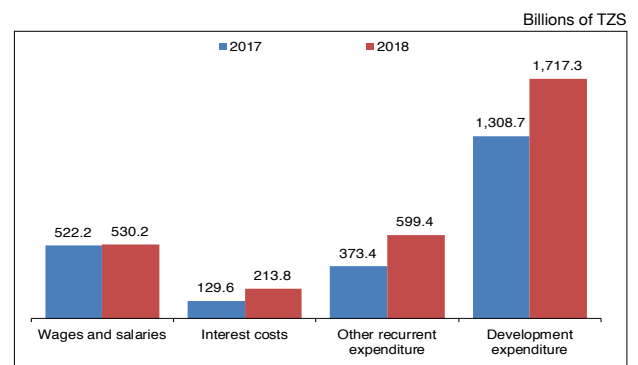
Chart 3.1: Government Resources in June



Source: Ministry of Finance and Planning, and Bank of Tanzania computations

On the expenditure side, a total of TZS 3,060.6 billion was spent by the Government in June 2018, out of which recurrent expenditure was TZS 1,343.3 billion and development expenditure was TZS 1,717.3 billion (Chart 3.2). Noteworthy, total government expenditure in June 2018 was 31.1 percent higher than that of the similar month in 2017.

Chart 3.2: Government Expenditure in June



Source: Ministry of Finance and Planning, and Bank of Tanzania computations

³ Government statistics were not available at the time of publication of this report



4.0 External Sector Performance

The overall balance of payments turned into a deficit of USD 183.0 million in the year ending August 2018 compared to a surplus of USD 1,788.8 million in the year ending August 2017, due to widening of the current account deficit. Official foreign reserves rose to USD 5,500.5 million at the end of August 2018 from USD 5,458.4 million at the end of August 2017. As in the preceding month, the reserves were sufficient to cover about 5.6 months of projected import of goods and services, excluding foreign direct investment related imports. Foreign assets of banks increased to USD 893.8 million from USD 683.7 million at the end of August 2017.

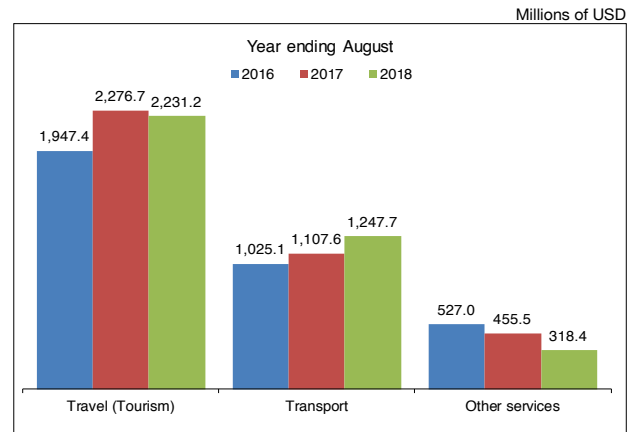
The Current account deficit widened to USD 2,008.5 million in the year ending August 2018 from a deficit of USD 1,189.6 million in the year to August 2017, due to increase in imports. Earnings from exports of goods and services amounted to USD 8,808.4 million during the year, almost unchanged from the preceding year. Traditional goods exports amounted to USD 1,157.1 million compared with USD 852.1 million.

The import bill for goods and services was USD 10,296.1 million in year ending August 2018 compared with USD 9,534.6 million in the year ending August 2017. Goods imports amounted to USD 8,079.9 million, higher than in the year ending August 2017 by 7.0 percent, and were dominated by capital and intermediate goods, which grew by 36.1 percent and 38.3 percent, respectively. The large share capital goods was a reflection of increased investment particularly in infrastructure projects. The value of oil imports was USD 1,999.3 million and accounted 24.7 percent of total imports of goods.

The services account recorded a surplus of USD 1,581.1 million in the year ending August 2018 compared with a surplus of USD 1,858.9 million in the year to August 2017, as a result of increase in services payments coupled with a decline in receipts (**Chart 4.1**). Earnings from services declined slightly to USD 3,797.3 million from USD 3,839.9 million, driven mostly by decline in receipts under travel category. Receipts from transport services improved by 12.6 percent to USD 1,247.7 million, owing to increase in volume of transit goods

to-and-from neighbouring countries, particularly with respect to Democratic Republic of the Congo, Zambia and Burundi.

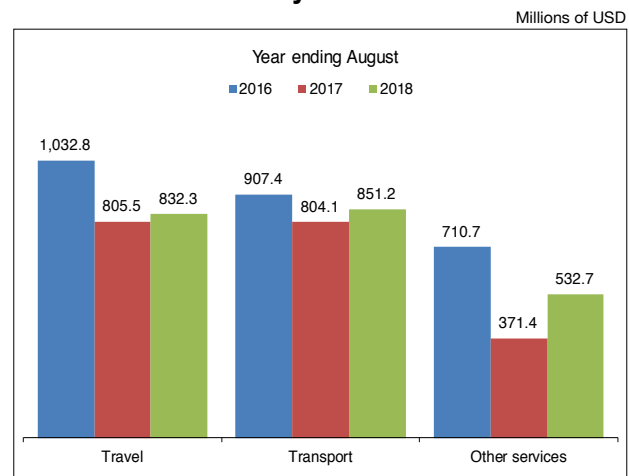
Chart 4.1: Services Receipts



Source: Bank of Tanzania and banks
Note: Other services include construction, insurance, financial, telecommunication, computer, information, government, charges for the use of intellectual property, personal and other business services

Services payments rose to USD 2,216.2 million in the year ending August 2018 from USD 1,981.0 million in the year ending August 2017. Payments for transport, travel and other services payments contributed significantly to the increase in services (**Chart 4.2**). Payments for transport accounted for 38.4 percent of total services payments and grew by 5.9 percent consistent with the increase in goods import.

Chart 4.2: Services Payments



Source: Bank of Tanzania and banks
Note: Other services include construction, insurance, financial, telecommunication, computer, information, government, charges for the use of intellectual property, personal and other business services

Primary income account, which records income from capital-related transactions and compensation of employees, was in a deficit of USD 951.8 million compared with a deficit of USD 925.3 million in the year ending August 2017. Widening of the deficit



was largely due to increase in payments related to investment, particularly interest payments. Secondary income account recorded a surplus of USD 431.0 million, 1.6 percent lower compared with the amount recorded in the year to August 2017, following increase in outflows.

4.1 World Commodity Prices

World market prices of agriculture commodities such as coffee, cotton, and cloves fell in August 2018 from July 2018, whilst price of sisal did not change (Table 4.1). The fall in prices of coffee, tea, cloves and cotton was because of increase in supply following favourable weather conditions in major producing countries. The prices of crude oil eased due to strengthening of US dollar, stock piling in the US, and the agreement in June 2018 by Organization of Petroleum Exporting Countries (OPEC) members and some non-OPEC countries to boost crude oil production. The movement of the price of white petroleum products was diverse. The price of gold went down mainly due to lower demand as an alternative investment portfolio following the strengthening of US dollar.

On year-on year basis, world market prices were also somewhat diverse in magnitude and direction. Prices of sisal and cloves fell slightly due to weak demand, while the coffee decreased significantly owing to a bumper harvest in major producing countries. Prices of cotton and gold picked up largely due to higher global demand. Crude oil and white petroleum products prices rose sizably following an agreement in November 2017 for extension of production cut by OPEC members and some non-OPEC countries.

Table 4.1: World Commodity Prices

Commodity	Unit measure	Jul-18	Aug-18	Percentage change	Year ending August		Percentage change
					2017	2018	
Robusta coffee	USD per kg	1.9	1.8	-4.3	2.9	2.0	-31.6
Arabica coffee	USD per kg	2.9	2.8	-4.2	3.6	3.0	-16.0
Cotton, "A index"	USD per kg	2.1	2.1	-1.9	1.8	2.0	8.2
Sisal (UG)	USD per kg	1.7	1.7	0.0	1.7	1.7	-0.6
Cloves	USD per kg	8.4	7.7	-8.3	8.5	8.2	-4.0
Crude oil*	USD per barrel	72.7	71.1	-2.2	49.7	65.1	30.8
Crude oil**	USD per barrel	72.7	72.1	-0.8	49.5	65.3	32.0
White products***	USD per tonne	702.2	701.7	-0.1	479.8	637.0	32.8
Jet/Kerosine	USD per tonne	688.0	683.1	-0.7	449.4	626.3	39.4
Premium gasoline	USD per tonne	716.3	720.3	0.6	510.2	647.7	27.0
Gold	USD per troy ounce	1,237.7	1,201.7	-2.9	1,244.9	1,290.5	3.7

Source: <http://www.Worldbank.org/Prospects>, World Bank Public Ledger, Bloomberg and Tanzania Sisal Board
Note: *Average of Brent, Dubai and West Texas Intermediate, ** f.o.b. Dubai, and *** West Mediterranean

5.0 National Debt

5.1 External Debt

External debt stock, comprising both public and private sector debt, amounted to USD 20,592.5 million at the end of August 2018 (Table 5.1). This was higher than the stock reached at the end of July 2018 and August 2017 by USD 708.9 million and USD 1,380.9 million, on account of new disbursements and accumulation of interest arrears. Debt owed by the central government accounted for 76.8 percent of debt stock. The central government debt increased by USD 594.6 million in July-August 2018 and by USD 637.4 million between end August 2017 and August 2018.

Table 5.1: External Debt Stock by Borrowers

Borrower	Aug-17		Jul-18		Aug-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	15,172.5	79.0	15,215.3	76.5	15,809.9	76.8
DOD	14,372.3	74.8	14,373.1	72.3	14,965.8	72.7
Interest arrears	800.2	4.2	842.2	4.2	844.1	4.1
Private sector	3,722.9	19.4	4,455.6	22.4	4,583.5	22.3
DOD	3,102.9	16.2	3,582.3	18.0	3,703.8	18.0
Interest arrears	620.0	3.2	873.3	4.4	879.7	4.3
Public corporations	316.2	1.6	212.7	1.1	199.1	1.0
DOD	288.5	1.5	181.7	0.9	168.3	0.8
Interest arrears	27.6	0.1	31.0	0.2	30.8	0.1
External debt stock	19,211.5	100.0	19,883.6	100.0	20,592.5	100.0

Source: Ministry of Finance and Planning, and Bank of Tanzania
Note: DOD denotes disbursed outstanding debt

The composition of external debt in terms of creditor category was similar to the preceding month (Table 5.2). Debt owed to multilateral institutions dominated by 46.1 percent, followed by debt owed to commercial banks, which accounted for 32.9 percent.

Table 5.2: External Debt Stock by Creditors

Creditor category	Aug-17		Jul-18		Aug-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	9,052.3	47.1	9,348.9	47.0	9,502.4	46.1
DOD	9,036.1	47.0	9,319.5	46.9	9,471.0	46.0
Interest arrears	16.2	0.1	29.4	0.1	31.4	0.2
Bilateral	1,980.2	10.3	1,788.7	9.0	1,846.9	9.0
DOD	1,180.4	6.1	946.4	4.8	1,003.2	4.9
Interest arrears	799.8	4.2	842.3	4.2	843.7	4.1
Commercial	6,392.3	33.3	6,458.8	32.5	6,768.6	32.9
DOD	6,003.9	31.3	6,097.1	30.7	6,378.5	31.0
Interest arrears	388.4	2.0	361.7	1.8	390.1	1.9
Export credit	1,786.7	9.3	2,287.3	11.5	2,474.5	12.0
DOD	1,543.3	8.0	1,774.2	8.9	1,985.2	9.6
Interest arrears	243.4	1.3	513.1	2.6	489.3	2.4
External debt stock	19,211.5	100.0	19,883.6	100.0	20,592.4	100.0

Source: Ministry of Finance and Planning, and Bank of Tanzania
Note: DOD denotes disbursed outstanding debt.

External loans received amounted to USD 33.5 million in August 2018, of which the central government received 33.0 percent, whilst the amount disbursed during the year ending August 2018 was USD

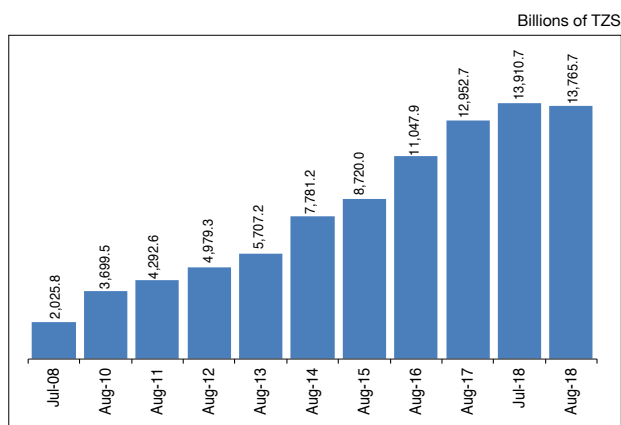


1,347.7 million, of which, USD 1,146.8 million was received by the central government and the balance by private sector. Debt service in August 2018 was USD 34.9 million, of which USD 26.9 million was principal repayment by both central government and private sector. Debt service during the year ending August 2018 amounted to USD 1,087.3 million, of which the principal repayment was USD 796.0 million and the balance was interest payment.

5.2 Domestic Debt

Domestic debt amounted to TZS 13,765.7 billion at the end of August 2018, a decrease of TZS 145.0 billion from end of the preceding month, as a result of redemption of stock and marketable debt instruments (**Chart 5.1**). However, the debt rose by TZS 813.0 billion from the end of August 2017.

Chart 5.1: Government Domestic Debt Stock



Source: Bank of Tanzania

Treasury bonds and stocks dominated the composition of domestic debt, accounting for 73.6 percent (**Table 5.3**). The composition of the debt in terms of maturity profile was in line with the government medium-term debt management strategy, which endeavour to mitigate refinancing risk through lengthening of maturity portfolio.

Table 5.3: Government Domestic Debt by Borrowing Instruments

Instruments	Aug-17		Jul-18		Aug-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	12,180.2	91.0	12,838.4	92.3	12,828.3	93.2
Treasury bills	3,836.6	28.7	2,685.4	19.3	2,689.9	19.5
Government stocks	257.1	1.9	257.1	1.8	252.7	1.8
Government bonds	8,086.4	60.4	9,895.91	71.1	9,885.57	71.8
Tax certificates	0.1	0.0	0.06	0.0	0.06	0.0
Non-securitized debt	1,202.5	9.0	1,072.3	7.7	937.4	6.8
Other Liabilities*	18.4	0.1	18.4	0.1	18.4	0.1
Overdraft	1,184.2	8.8	1,053.9	7.6	919.0	6.7
Total dom. debt (without liq. paper)	13,382.7	100.0	13,910.7	100.0	13,765.7	100.0

Source: Ministry of Finance and Bank of Tanzania

Note: * includes NMB bank Plc standard loan and duty drawback

The profile of domestic debt by creditor category was dominated by debt owed to banks at 38.5 percent, followed by pension funds at 26.6 percent (**Table 5.4**). The proportion of the debt owed to the Bank of Tanzania, which includes advances, decreased to 16.0 percent from 16.8 percent, because of redemption of stock and advances

Table 5.4: Government Domestic Debt by Holders

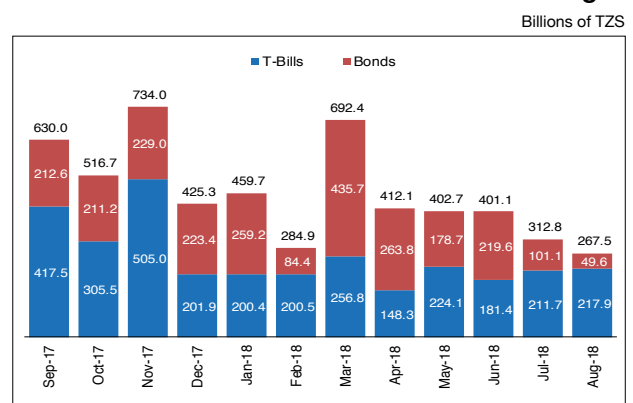
Holders	Aug-17		Jul-18		Aug-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	5,569.2	41.6	5,177.3	37.2	5,303.2	38.5
Bank of Tanzania	2,143.9	16.0	2,339.13	16.8	2,199.9	16.0
Pension funds	3,591.5	26.8	3,679.6	26.5	3,657.1	26.6
Insurance	1,249.8	9.3	1,220.3	8.8	1,188.1	8.6
BOT's special funds	293.4	2.2	266.42	1.9	277.7	2.0
Others	534.9	4.0	1,228.0	8.8	1,139.7	8.3
Total	13,382.7	100.0	13,910.7	100.0	13,765.7	100.0

Source: Bank of Tanzania

Note: Others include other public institutions, private companies and individuals.

Government debt securities issued for fiscal operations in August 2018 amounted to TZS 267.5 billion, out of which TZS 217.9 billion was Treasury bills and TZS 49.6 billion was Treasury bonds. Total debt issued during the year ending August 2018 was TZS 5,539.1 billion, of which the largest part was Treasury bills (**Chart 5.2**). Domestic debt which fell due for payment in August 2018 amounted to TZS 371.0 billion compared with TZS 317.6 billion in the preceding month, of which principal amounting to TZS 255.8 billion was rolled over whilst interest component amounting to TZS 115.2 billion was paid out. Debt service during the year ending August 2018 amounted to TZS 5,922.9 billion, out of which TZS 4,573.4 billion was principal and the other component was interest payment.

Chart 5.2: Domestic Debt Issued for Financing



Source: Bank of Tanzania

Note: Figures on top of each bar are totals



6.0 Economic Developments in Zanzibar

6.1 Inflation Developments

Annual headline inflation edged up slightly to 4.0 percent in August 2018 from 3.9 percent in July 2018 but remained low compared to August 2017 (**Table 6.1** and **Chart 6.1**). The slowdown was driven by food inflation, particularly maize flour, bananas, sugar, and cooking oils. Annual non-food inflation was 5.4 percent in July and August 2018 compared with 5.6 percent in August 2017. Most of the major items in the consumer basket were below the headline inflation, except for transport; furnishing and household equipment; housing, water, electricity, gas and other fuels; and education sub-groups. On monthly basis, consumer prices increased by 1.0 percent in August 2018, same as in August 2017.

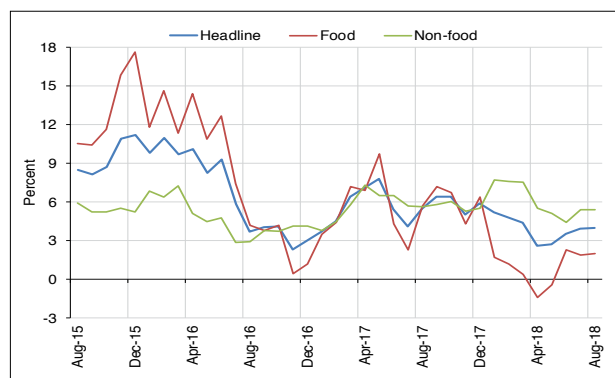
Table 6.1: Headline Inflation and its Main Components

Base: January 2017=100

Main groups	Weight	Month-to-month			Annual		
		Aug-17	Jul-18	Aug-18	Aug-17	Jul-18	Aug-18
Food and non-alcoholic beverages	43.6	1.6	-1.3	1.7	5.7	1.9	1.9
Alcoholic beverages, tobacco and narcotics	0.2	0.0	0.0	4.9	3.3	0.0	4.9
Clothing and footwear	6.9	-0.1	0.2	-0.1	5.4	1.5	1.4
Housing, water, electricity, gas and other fuels	18.4	1.6	1.6	1.1	10.7	6.0	5.6
Furnishing, household equipment	5.5	-0.1	0.2	0.3	1.4	12.9	13.3
Health	2.1	0.0	0.2	-0.1	4.1	2.8	2.6
Transport	9.6	-0.6	2.4	-0.2	1.1	10.9	11.4
Communication	4.2	0.0	0.0	0.0	0.0	-0.9	-0.9
Recreation and culture	1.3	0.0	0.0	0.0	3.0	2.8	2.8
Education	1.9	0.0	0.0	0.1	4.1	5.3	5.4
Restaurants and hotels	3.9	0.0	-3.3	1.6	1.0	-2.4	-0.8
Miscellaneous goods and services	2.3	0.0	0.0	0.0	2.4	2.3	2.4
All items (headline inflation)	100.0	1.0	-0.1	1.0	5.5	3.9	4.0
Other selected groups							
Non-food	57.3	0.4	0.8	0.5	5.6	5.4	5.4

Source: Office of the Chief Government Statistician, Zanzibar
Note: New weights are based on Zanzibar 2014/15 Household Budget Survey (HBS)

Chart 6.1: Twelve-Month Inflation

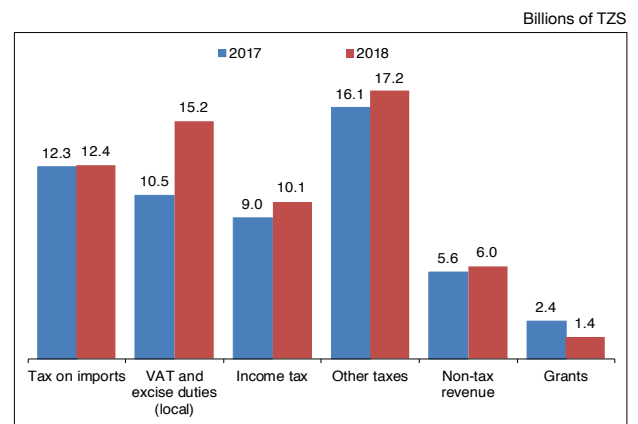


Source: Office of the Chief Government Statistician, Zanzibar

6.2 Government Budgetary Operations

Revenue and foreign grants amounted to TZS 62.3 billion in August 2018, of which TZS 60.9 billion was revenue (**Chart 6.2**). Domestic revenue collection was below the target by 5.1 percent, with only income tax surpassing the target by 4.0 percent. Tax and non-tax revenues were TZS 54.9 billion and 6.0 billion, respectively.

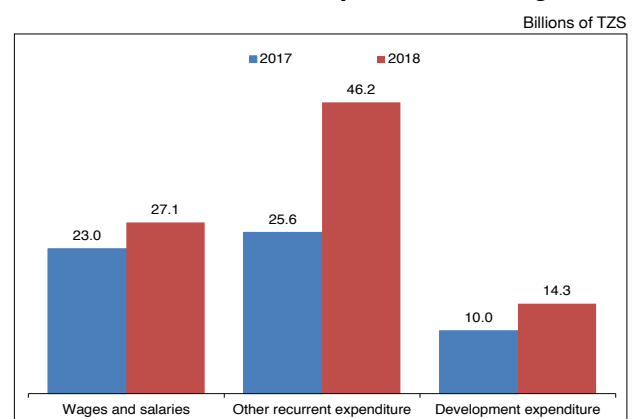
Chart 6.2: Government Resources in August



Source: Ministry of Finance and Planning - Zanzibar
Note: Other taxes include hotel and restaurant levies, tour operator levy, revenue stamps, airport and seaport service charges, road development fund and petroleum levy

Expenditure amounted to TZS 87.6 billion in August 2018, below the estimate by 6.3 percent. Recurrent expenditure was TZS 73.4 billion and TZS 14.3 billion was development expenditure. All expenditure categories were below estimates, except for wages and salaries. Development expenditure was funded by local resources amounting to TZS 8.2 billion and foreign resources to the tune of TZS 6.1 billion (**Chart 6.3**). An overall deficit of TZS 4.7 billion was realized during August 2018 and was financed through program loans.

Chart 6.3: Government Expenditure in August



Source: Ministry of Finance and Planning - Zanzibar
Note: Other expenditure include transfers, domestic debt interest, consolidated fund service and other charges



6.3 External Sector Performance

6.3.1 Current Account

The current account balance turned to a deficit of USD 3.7 million in the year ending August 2018 from a surplus of USD 18.4 million in the year ending August 2017, owing to a rise in imports from USD 190.3 million to USD 281.1 million. Goods account balance was a deficit of USD 142.8 million compared with a deficit of USD 104.3 million, while service account recorded a surplus of USD 98.2 million, an increase of 14.3 percent, due to increase in receipts from travel services (Table 6.2).

Table 6.2: Current Account Balance

	Millions of USD					Percentage change
	Aug-17	Jul-18	Aug-18 ^p	2017	2018 ^p	
Goods account	-12.2	-22.5	-14.8	-104.3	-142.8	37.0
Exports	4.9	0.9	0.6	24.9	69.4	--
Imports (fob)	17.1	23.4	15.4	129.2	212.2	64.2
Services account	9.2	9.3	9.4	85.9	98.2	14.3
Receipts	13.4	14.6	15.0	147.1	167.1	13.6
Payments	4.2	5.4	5.6	61.2	68.9	12.6
Goods and services	-3.0	-13.2	-5.4	-18.3	-44.7	--
Exports of goods and services	18.2	15.5	15.6	172.0	236.4	37.5
Imports of goods and services	21.3	28.7	21.0	190.3	281.1	47.7
Income account	0.3	1.0	0.7	7.8	9.9	26.9
Receipts	0.5	1.4	1.1	12.8	14.7	14.8
Payments	0.2	0.4	0.4	5.1	4.8	-5.9
Current transfers	2.0	3.5	1.1	28.9	31.1	7.6
Inflows	2.3	3.8	1.2	30.4	33.1	8.9
Outflows	0.2	0.3	0.2	1.5	2.0	33.3
Current account balance	-0.7	-8.7	-3.6	18.4	-3.7	-52.6

Source: Tanzania Revenue Authority and Bank of Tanzania computations
Note: p denotes provisional data; "----" denotes change that exceeds 100 percent

6.3.2 Exports

Goods and services exports increased by 37.5 percent in the year ending August 2018 to USD 236.4 million, due to increase in both goods and services exports (Table 6.2 and Table 6.3). Much of the increase in the earnings came from cloves exports, which fetched USD 55.1 million compared with USD 17.7 million, on account of volume. Seaweeds exports earnings also increased because of increase in volume, same as earnings from exports of fish and fish products, manufactured goods⁴ and other exports. Fish and fish products export earnings increased almost ten-folds, owing to growing fish farming and growing markets, especially in neighbouring countries.

⁴ Includes manufactured goods re-exports

Table 6.3: Goods Export Performance

Units	Year ending August					Percentage change	
	Aug-17	Jul-18	Aug-18 ^p	2017	2018 ^p		
Traditional exports							
Clove							
Value	000' USD	4,122.9	-	-	17,677.1	55,055.7	--
Volume	000 Tonnes	0.5	-	-	2.3	7.0	--
Unit price	USD/Tonne	8,414.0	-	-	7,846.0	7,905.8	0.8
Non-traditional exports							
Seaweeds							
Value	000' USD	119.8	291.3	345.2	1,670.7	4,784.3	--
Volume	000 Tonnes	0.39	0.9	1.2	3.6	14.5	--
Unit price	USD/Tonne	305.0	341.1	287.0	467.4	329.4	-29.5
Manufactured goods	000' USD	612.7	451.4	140.2	4,878.1	6,753.8	38.5
Fish and fish products	000' USD	0.9	55.2	57.1	38.6	366.1	--
Others exports	000' USD	0.5	58.0	34.5	639.5	2,395.6	--
Sub-total	000' USD	734.0	855.8	577.1	7,226.9	14,299.8	97.9
Grand-total	000' USD	4,856.9	855.8	577.1	24,904.0	69,355.5	--

Source: Tanzania Revenue Authority and Bank of Tanzania computations
Note: p denotes provisional data; other exports' mainly include souvenirs and spices; and "----"change that exceeds 100 percent

6.3.3 Imports

Imports of goods and services (f.o.b) increased by 47.7 percent to USD 281.1 million from the year ending August 2017 (Table 6.2). All major import categories, mostly food, foodstuffs and machinery, increased. Capital and intermediate goods accounted for 73.2 percent of merchandise imports and 55.2 percent of imports of goods and services, while oil accounted for 30.4 percent of merchandise imports. Merchandise imports was 75.5 percent of total imports in the year ending August 2018 (Table 6.4).

Table 6.4: Zanzibar Goods Imports by Major Categories

	Millions of USD					Percentage change
	Aug-17	Jul-18	Aug-18 ^p	2017	2018 ^p	
Capital goods	5.7	7.5	4.7	38.0	59.4	56.3
Transport equipment	1.4	2.7	1.2	16.1	24.2	50.3
Building and construction	1.0	1.8	1.0	7.1	9.5	33.8
Machinery	3.2	2.9	2.4	14.9	25.7	72.5
Intermediate goods	6.8	9.1	8.0	61.8	95.9	55.2
Oil imports	4.9	5.8	5.9	47.7	64.6	35.4
Industrial raw materials	2.0	3.3	2.1	14.0	31.2	--
Consumer goods	5.3	9.1	3.3	41.2	65.7	59.5
Food and food stuffs	1.6	4.4	0.9	15.4	27.0	75.3
All other consumer goods	3.7	4.7	2.4	25.8	38.7	50.0
Grand total (c.i.f)	17.8	25.7	16.0	141.0	221.0	56.7
Grand total (f.o.b)	17.1	23.4	15.4	129.2	212.2	64.2

Source: Tanzania Revenue Authority and Bank of Tanzania computations
Note: p denotes provisional data; and "----"change that exceed 100 percent



Statistical Tables

Table A1: Selected Economic Indicators

	Unit	2012	2013	2014	2015 ^r	2016 ^r	2017 ^p
National accounts and prices							
1.1 Change in GDP at current prices	Percent	16.4	15.5	12.4	14.0	13.5	12.5
1.2 Change in GDP at constant prices	Percent	5.1	7.3	7.0	7.0	7.0	7.1
1.3 GDP per capita-current prices (TZS)	'000' TZS	1,408.2	1,576.5	1,716.7	1,896.2	2,086.2	2,275.6
1.4 GDP per capita-current prices (USD)	USD	896.0	986.1	1,038.9	955.1	958.2	1,021.0
1.5 Change in consumer price index (Inflation)	Percent	16.1	7.9	6.1	5.6	5.2	5.3
1.6 Saving to GNDI ratio	Percent	13.2	8.7	16.7	19.4	17.2	15.5
Money, credit and interest rates							
2.1 Change in extended broad money supply (M3)	Percent	12.5	10.0	15.6	18.8	3.4	8.0
2.2 Change in broad money supply (M2)	Percent	16.0	10.9	17.0	13.4	5.3	10.4
2.3 Change in narrow money supply (M1)	Percent	17.3	10.4	14.8	15.6	5.3	10.6
2.4 Change in reserve money (M0)	Percent	10.1	11.1	17.5	15.6	0.3	1.5
2.5 Total credit to GDP ratio ¹	Percent	18.0	18.2	20.2	22.4	20.2	17.4
2.6 Non-government sector credit to GDP ratio ¹	Percent	14.7	14.6	15.6	17.1	16.1	14.6
2.7 Ratio of credit to non-government sector to total credit	Percent	81.7	80.3	77.3	76.0	79.5	83.8
2.8 12-Months deposit rate ²	Percent	11.3	11.6	10.8	10.8	11.5	11.7
2.9 Overall treasury bill rate ²	Percent	13.6	14.2	13.6	12.9	16.2	11.1
2.10 Long-term lending rate ²	Percent	16.0	15.7	16.2	15.3	15.6	17.9
Balance of payments							
3.1 Exports of goods (f.o.b)	Mill. USD	5,889.2	5,258.1	5,194.1	5,316.8	5,661.2	4,827.8
3.2 Imports of goods (f.o.b)	Mill. USD	-10,319.1	-11,029.1	-10,917.8	-9,843.1	-8,463.6	-7,551.7
3.3 Trade balance	Mill. USD	-4,429.9	-5,771.1	-5,723.7	-4,526.3	-2,802.5	-2,723.9
3.4 Current account balance	Mill. USD	-3,769.6	-4,988.5	-4,843.9	-3,610.7	-2,107.9	-1,726.2
3.5 Overall balance	Mill. USD	326.2	507.9	-251.8	-199.1	305.5	1,649.5
3.6 Gross official reserves	Mill. USD	4,068.1	4,676.2	4,377.2	4,093.7	4,325.6	5,906.2
3.7 Reserves months of imports (of goods and services) (excluding FDI related imports)	Months	4.1	4.5	4.7	5.1	6.0	6.6
3.8 Exchange rate:							
Annual average	TZS/USD	1,571.7	1,598.7	1,652.5	1,985.4	2,177.1	2,228.9
End of period	TZS/USD	1,571.6	1,578.6	1,725.8	2,148.5	2,172.6	2,230.1
		2012/13	2013/14	2014/15	2015/16	2016/17 ^r	2017/18 ^p
Public finance							
4.1 Current revenue to GDP ratio ¹	Percent	12.8	13.5	12.9	14.3	15.6	15.1
4.2 Grants to GDP ratio ¹	Percent	2.1	2.1	1.2	0.5	1.0	0.8
4.3 Current expenditure to GDP ratio ¹	Percent	13.7	13.3	12.8	13.8	10.9	10.5
4.4 Development expenditure to GDP ratio ¹	Percent	5.5	5.2	4.4	4.5	6.8	6.8
4.5 Budget balance to GDP ratio (excluding grants) ¹	Percent	-6.5	-5.0	-4.3	-4.0	-2.1	-2.1
4.6 Budget balance to GDP ratio (including grants) ^{1,3}	Percent	-4.4	-2.9	-3.1	-3.5	-1.1	-1.3
Total external debt stock							
5.1 Disbursed debt	Mill. USD	11,086.4	12,632.1	14,548.3	15,948.1	17,091.6	18,765.1
5.2 Interest Arrears	Mill. USD	1,395.8	1,604.8	1,335.7	1,232.8	1,399.9	1,737.9

Source: Bank of Tanzania

Note: ¹ Calculated on the basis of GDP at current market prices; ² annual average; ³ includes expenditure float, adjustment to cash and other items (net); GNDI denotes Gross National Disposable Income; n.a., not available; r, revised data; and p, provisional data



Table A2: Central Government Operations (Cheques Issued) – Tanzania Mainland

	Million of TZS			
	2017/18		Jun-18	
	Budget	Actual ^P	Estimate	Actual ^P
Total revenue (including LGAs)	19,977,001.5	17,969,030.7	1,957,276.0	1,828,997.4
Central government revenue	19,289,695.3	17,427,531.7	1,900,666.7	1,770,953.5
Tax revenue	17,059,639.0	15,099,797.6	1,632,793.3	1,466,425.2
Taxes on imports	6,292,627.9	5,488,877.4	496,474.2	511,160.6
Sales/VAT and excise on local goods	3,865,213.5	3,438,889.3	278,102.9	256,150.1
Income taxes	5,810,731.4	5,157,105.9	773,344.5	627,255.5
Other taxes	1,091,066.2	1,014,925.0	84,871.7	71,859.0
Non- tax revenue	2,230,056.3	2,327,734.0	267,873.4	304,528.3
LGA own sources	687,306.1	541,499.1	56,609.4	58,044.0
Total expenditure ¹	25,581,106.4	20,445,960.2	1,440,476.1	3,060,641.5
Recurrent expenditure	13,581,514.1	12,415,919.9	1,035,580.8	1,343,334.9
Wages and salaries	7,205,768.4	6,327,676.8	618,021.7	530,152.3
Interest payments	1,699,037.6	1,990,293.1	0.0	213,829.1
Domestic	1,025,546.0	1,317,546.0	0.0	102,170.6
Foreign	673,491.5	672,747.1	0.0	111,658.6
Other goods, services and transfers	4,676,708.1	4,097,950.0	417,559.1	599,353.5
Development expenditure and net lending	11,999,592.3	8,030,040.4	404,895.3	1,717,306.6
Local	8,969,747.0	5,811,305.6	203,298.2	1,389,384.6
Foreign	3,029,845.3	2,218,734.8	201,597.1	327,921.9
Balance before grants	-5,604,104.9	-2,476,929.5	516,800.0	-1,231,644.1
Grants	1,462,558.6	925,349.5	89,326.2	25,187.3
Program	190,022.6	247,285.4	0.0	16,468.5
Project	1,071,914.5	566,197.5	89,326.2	8,718.8
Basket funds	200,621.5	111,866.5	0.0	0.0
Balance (cheques issued) after grants	-4,141,546.3	-1,551,580.0	606,126.2	-1,206,456.7
Expenditure float	0.0	-71,767.9	0.0	0.0
Adjustments to cash and other items (net)	0.0	-677,381.8	0.0	-15,564.2
Overall balance	-4,141,546.3	-2,300,729.7	606,126.2	-1,222,021.0
Financing	4,141,546.3	2,300,729.7	-606,126.2	1,222,021.0
Foreign financing (net)	2,920,878.3	1,702,082.3	704,007.5	256,614.5
Loans	4,103,529.4	3,009,653.4	704,007.5	313,904.3
Program loans	751,235.1	0.0	591,736.6	0.0
Development project loans	2,996,840.5	2,938,575.6	112,270.9	313,904.3
o/w: Non-concessional borrowing	1,594,985.0	1,474,281.6	0.0	0.0
Basket support	355,453.8	71,077.8	0.0	0.0
Amortization	-1,182,651.1	-1,307,571.1	0.0	-57,289.8
Domestic (net) ²	1,220,668.1	598,647.5	-1,310,133.6	965,406.5
Bank and non-bank financing	1,220,668.1	598,647.5	-1,310,133.6	965,406.5
Bank borrowing	1,098,601.3	-343,325.5	-1,179,120.3	704,168.8
Non-bank (net of amortization)	122,066.8	941,973.0	-131,013.4	261,237.6
Borrowing/roll-over	4,948,229.0	4,835,199.3	401,037.1	214,913.7
Domestic and contingent debt amortization	-4,948,229.0	-4,835,199.3	-401,037.1	-214,913.7

Source: Ministry of Finance and Planning

Note: ¹ Exclude amortization and expenditure float, includes road fund and retention expenditure

² Positive value means financing and a negative value means repayment/build up of deposits

LGA stands for Local Government Authority; VAT, value added tax; MDRI, multilateral debt relief initiative; MCA(T), millennium challenge account (Tanzania); NDF, net domestic financing; p, provisional data; and o/w, of which



Table A3: Depository Corporations Survey

Items	Billions of TZS												
	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18
Net foreign assets	10,271.1	10,396.7	10,981.3	11,427.6	11,596.1	11,380.8	11,196.2	10,881.2	10,750.8	11,249.5	11,236.7	11,217.4	11,637.1
Bank of Tanzania	11,109.3	11,302.5	11,320.3	11,947.8	12,149.9	11,771.7	11,687.6	11,149.2	10,734.0	11,530.2	11,514.9	11,330.4	11,621.4
Other depository corporations	-838.2	-905.8	-339.0	-520.2	-553.8	-390.9	-491.4	-268.0	16.8	-280.7	-278.2	-113.0	15.7
Net domestic assets	13,213.9	12,730.6	12,617.9	13,273.0	13,118.2	13,566.4	13,683.6	13,595.7	13,683.0	13,273.4	14,057.9	13,487.8	13,405.3
Domestic claims	20,021.3	19,635.8	19,760.7	20,379.1	20,171.1	20,913.1	20,543.8	20,851.3	20,890.7	20,390.2	21,362.7	21,176.1	21,167.5
Claims on central government (net)	3,310.1	3,279.1	3,349.0	3,429.0	3,275.7	3,989.6	3,675.4	4,037.0	4,037.9	3,125.2	3,829.4	3,740.4	3,584.5
Claims on central government	7,841.3	7,880.5	7,969.4	8,246.4	8,081.8	8,225.0	8,512.7	8,877.7	8,937.1	7,912.3	9,124.7	8,240.3	8,179.7
Liabilities to central government	4,531.2	4,601.4	4,620.4	4,817.4	4,806.1	4,235.4	4,837.3	4,840.8	4,899.2	4,787.0	5,295.3	4,499.9	4,595.2
Claims on non-government sector	16,711.2	16,356.6	16,411.7	16,950.2	16,895.4	16,923.5	16,868.4	16,814.3	16,852.8	17,265.0	17,533.3	17,435.6	17,583.0
Other items (net)	-6,807.4	-6,905.2	-7,142.8	-7,106.1	-7,052.9	-7,346.6	-6,860.3	-7,255.6	-7,207.7	-7,116.8	-7,304.9	-7,688.2	-7,762.2
Broad money liabilities	23,485.0	23,127.3	23,599.2	24,700.6	24,714.3	24,947.2	24,879.8	24,476.8	24,433.8	24,522.9	25,294.5	24,705.2	25,042.4
Currency outside depository corporations	3,664.7	3,609.1	3,561.8	3,697.3	3,831.6	3,676.3	3,614.1	3,704.0	3,620.3	3,749.0	3,926.2	3,885.1	3,865.8
Transferable deposits	10,545.7	10,288.6	10,561.4	11,064.7	11,012.8	11,356.2	11,408.0	11,047.2	10,963.3	10,836.5	11,569.7	11,054.2	11,287.7
Non-transferable (other) deposits	9,274.6	9,229.5	9,476.0	9,938.6	9,870.0	9,914.6	9,857.6	9,725.6	9,850.2	9,937.4	9,798.6	9,765.9	9,888.9
Memorandum items:													
Monetary aggregates													
Reserve money (M0)	6,861.3	6,551.3	6,682.3	7,189.6	6,954.4	7,169.2	7,143.2	6,744.9	6,487.7	6,811.9	7,136.6	6,680.3	6,753.2
Extended broad money (M3)	23,485.0	23,127.3	23,599.2	24,700.6	24,714.3	24,947.2	24,879.8	24,476.8	24,433.8	24,522.9	25,294.5	24,705.2	25,042.4
Deposits in foreign Currency (FCD)	6,174.6	6,037.2	6,291.6	6,459.6	6,364.4	6,405.2	6,700.1	6,287.0	6,359.3	6,218.3	6,343.3	6,439.5	6,605.0
<i>FCD in millions of USD</i>	2,762.8	2,697.9	2,811.5	2,893.2	2,853.9	2,861.1	2,984.8	2,796.0	2,810.9	2,744.7	2,798.8	2,835.1	2,903.4
Broad money (M2)	17,310.4	17,090.0	17,307.6	18,241.0	18,349.9	18,542.0	18,179.7	18,189.8	18,074.5	18,304.7	18,951.2	18,265.7	18,437.4
Other deposits in national currency (i.e. savings and time deposits)	6,772.8	6,797.8	6,861.9	7,162.4	7,194.6	7,195.1	7,204.5	7,063.1	7,046.1	7,193.9	7,189.3	7,085.6	7,083.8
Narrow money (M1)	10,537.6	10,292.2	10,445.7	11,078.6	11,155.3	11,346.9	10,975.2	11,126.7	11,028.3	11,110.7	11,762.0	11,180.0	11,353.6
Currency in circulation	3,664.7	3,609.1	3,561.8	3,697.3	3,831.6	3,676.3	3,614.1	3,704.0	3,620.3	3,749.0	3,926.2	3,885.1	3,865.8
Transferable deposits in national currency	6,872.9	6,683.1	6,883.9	7,381.2	7,323.7	7,670.6	7,361.1	7,422.7	7,408.0	7,361.7	7,835.7	7,294.9	7,487.8

Source: Bank of Tanzania

Table A4: Interest Rate Structure

Items	Percent												
	2017					2018							
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
A: Domestic currency													
1. Interbank cash market rates													
Overnight	4.36	3.87	3.43	3.19	2.95	2.74	1.83	1.50	1.29	1.53	1.69	1.95	1.89
2 to 7 days	5.14	4.56	4.24	3.70	3.40	3.15	2.07	1.95	1.73	2.01	2.06	2.28	2.42
8 to 14 days	7.14	4.93	4.11	3.80	4.04	4.08	2.60	1.87	1.70	2.01	2.15	2.46	2.74
15 to 30 days	7.65	6.30	6.30	4.00	5.43	4.19	3.90	3.53	3.53	3.50	3.33	1.50	4.00
31 to 60 days	7.52	6.50	6.50	9.00	9.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
61 to 90 days	16.75	9.00	9.00	9.00	9.00	8.50	8.50	3.25	3.25	3.25	3.25	2.50	2.50
91 to 180 days	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
181 and above	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94
Overall interbank cash market rate	4.87	4.93	3.72	3.46	3.26	3.00	1.97	1.71	1.45	1.70	1.85	2.09	2.19
2. Lombard rate	7.16	7.20	6.90	6.75	6.75	5.10	3.91	3.00	3.00	3.69	3.69	3.56	3.97
3. REPO rate	2.23	2.23	2.23	2.23	2.23	2.24	1.10	1.00	1.21	2.46	2.46	2.37	2.37
4. Treasury bills rates													
35 days	4.77	4.80	4.60	4.50	4.50	3.40	2.61	2.00	2.00	2.00	2.00	2.25	2.65
91 days	4.07	4.10	4.00	4.00	4.00	3.75	3.45	2.52	2.05	1.91	2.70	2.87	2.96
182 days	9.42	8.91	7.51	7.16	5.87	4.29	3.85	3.35	3.06	2.69	2.68	3.83	5.31
364 days	11.42	11.42	10.50	9.60	8.71	7.48	6.58	5.48	4.74	4.80	6.27	7.63	8.11
Overall treasury bills rate	10.61	10.58	9.41	8.93	8.19	6.54	5.45	4.69	4.04	4.28	5.59	7.45	7.57
5. Treasury bonds rates													
2-years	12.45	11.76	11.76	11.76	11.10	11.10	9.21	9.21	8.52	8.52	8.52	8.52	9.00
5-years	13.96	13.96	13.96	13.64	13.64	12.16	12.16	11.06	11.06	11.06	11.30	11.30	11.88
7-years	14.28	14.28	14.98	14.98	13.98	13.98	12.96	12.96	12.96	12.23	12.23	12.23	12.27
10-years	15.75	15.75	15.89	15.89	15.89	15.09	15.09	13.86	13.86	13.94	13.94	14.41	14.41
15-years	16.15	16.74	16.74	15.87	15.87	14.65	14.65	14.65	14.17	14.17	14.47	14.80	14.80
6. Discount rate	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
7. Savings deposit rate	3.15	2.84	2.81	2.81	2.80	2.86	2.76	2.77	2.19	2.11	2.09	2.25	2.24
8. Overall time deposits rate													
1 month	11.24	10.65	9.24	9.68	10.26	10.41	10.31	9.51	9.17	8.89	9.19	7.95	6.50
2 months	11.52	9.82	11.66	10.73	11.19	11.16	10.09	8.69	9.10	8.77	8.20	8.58	6.77
3 months	9.54	11.61	10.53	10.92	10.99	10.01	8.41	8.89	8.51	7.70	8.63	7.62	6.83
6 months	11.28	11.36	11.21	10.49	10.15	9.72	9.26	8.99	8.96	9.14	8.80	8.41	6.97
9 months	11.28	11.36	11.21	10.49	10.15	9.72	9.26	8.99	8.96	9.14	8.80	8.41	6.97
12 months	11.69	11.65	11.30	11.27	10.86	10.77	10.09	9.92	9.22	8.68	8.68	8.35	6.78
24 months	12.29	11.21	12.24	12.13	11.82	12.36	12.21	12.08	13.54	11.80	11.94	11.98	11.85
9. Negotiated deposit rate	11.82	10.62	10.30	11.11	11.10	10.90	10.40	10.19	9.87	9.39	9.37	9.43	9.06
10. Overall lending rate													
Short-term (up to 1 year)	19.09	18.90	18.86	18.17	18.47	18.65	18.01	18.54	18.19	18.05	17.61	17.98	18.12
Medium-term (1-2 years)	20.02	19.96	18.92	19.17	20.40	20.08	18.85	19.43	19.49	18.75	18.65	18.41	17.94
Medium-term (2-3 years)	17.57	19.00	17.35	17.14	18.79	18.76	17.34	17.04	17.00	17.27	17.79	17.43	17.34
Long-term (3-5 years)	18.01	19.54	18.05	18.06	19.24	18.82	17.96	17.92	17.87	17.93	17.47	17.61	16.82
Term Loans (over 5 years)	15.48	15.86	15.24	15.59	16.21	15.24	14.79	15.03	15.32	15.64	15.97	15.51	15.22
11. Negotiated lending rate	17.38	17.91	17.72	17.08	16.82	15.88	16.20	16.47	16.23	16.01	16.23	16.19	15.90
B: Foreign currency													
1. Deposits rates													
Savings deposits rate	0.28	0.28	0.29	0.29	0.24	0.70	1.16	0.81	0.77	1.07	1.02	0.75	0.71
Overall time deposits rate	3.30	3.41	3.69	3.79	3.41	4.21	4.10	3.90	4.04	3.65	3.49	3.41	3.52
1-months	2.24	1.97	3.21	3.81	2.54	3.70	3.95	4.18	3.79	4.20	3.84	3.33	3.42
2-months	3.28	3.40	3.98	3.79	2.92	4.25	4.42	3.74	4.44	3.76	3.39	3.64	3.17
3-months	3.70	3.84	3.30	3.00	3.91	4.59	3.72	4.36	5.23	3.45	3.66	3.73	3.84
6-months	3.53	3.47	3.72	4.13	4.03	4.69	4.65	3.87	3.77	3.73	3.73	3.49	4.13
12-months	3.77	4.35	4.24	4.21	3.67	3.83	3.74	3.35	2.99	3.11	2.82	2.87	3.02
2. Overall lending rate													
Short-term (up to 1 year)	8.12	8.56	7.94	8.05	7.81	7.96	8.39	8.02	8.31	8.32	8.38	8.32	7.93
Medium-term (1-2 years)	8.87	9.07	8.15	8.66	7.82	8.48	8.84	8.32	8.30	8.54	8.55	8.99	8.67
Medium-term (2-3 years)	7.39	8.98	7.40	7.38	7.25	7.29	7.92	8.34	8.35	8.03	8.18	8.86	7.99
Long-term (3-5 years)	8.37	8.42	8.40	8.43	8.29	8.34	8.27	7.71	8.31	8.42	8.40	7.44	7.55
Term loans (over 5 years)	8.25	8.25	8.13	8.11	8.07	8.01	8.03	8.17	8.17	8.17	8.47	8.33	8.08
Term loans (over 5 years)	7.75	8.09	7.63	7.64	7.61	7.69	8.89	7.57	8.43	8.44	8.28	8.01	7.36

Source: Bank of Tanzania



Table A5: Tanzania Balance of Payments

	Millions of USD				
Item	2013	2014 ^r	2015 ^r	2016 ^r	2017 ^p
A. Current account	-4,988.5	-5,048.6	-3,986.9	-1,953.2	-1,481.2
Goods: exports f.o.b.	5,258.1	5,194.1	5,316.8	5,661.2	4,827.8
Traditional	868.9	828.8	793.3	885.6	1,020.2
Non-traditional	3,703.3	3,798.6	4,040.1	4,260.9	3,368.7
o/w Gold	1,644.8	1,324.1	1,183.3	1,449.4	1,541.1
Unrecorded trade	685.8	566.8	483.3	514.7	438.9
Goods: imports f.o.b.	-11,029.1	-10,917.8	-9,843.1	-8,463.6	-7,551.7
Balance on goods	-5,771.1	-5,723.7	-4,526.3	-2,802.5	-2,723.9
Services: credit	3,201.7	3,396.0	3,412.4	3,599.3	3,831.4
Transport	811.8	902.6	1,024.9	1,053.6	1,140.6
Travel	1,880.4	2,010.1	1,902.0	2,131.6	2,250.3
Other	509.5	483.2	485.5	414.1	440.5
Services: debit	-2,488.5	-2,668.7	-2,629.1	-2,176.4	-2,039.9
Transport	-1,137.8	-1,163.0	-1,047.0	-893.7	-800.3
Travel	-1,033.9	-1,101.6	-1,195.3	-922.3	-807.3
Other	-316.7	-404.1	-386.8	-360.4	-432.3
Balance on services	713.2	727.3	783.3	1,422.9	1,791.5
Balance on goods and services	-5,057.9	-4,996.4	-3,743.0	-1,379.6	-932.4
Primary income: credit	130.1	118.4	110.3	98.5	125.3
o/w Investment income	99.9	86.5	87.8	67.6	86.1
Compensation of employees	30.2	31.9	22.5	31.0	39.3
Primary income: debit	-835.8	-647.9	-834.6	-1,053.6	-1,076.2
o/w Direct investment income	-617.0	-445.0	-550.0	-625.2	-672.8
Interest payments	-148.2	-150.9	-248.6	-379.9	-356.0
Compensation of employees	-67.9	-49.1	-33.2	-46.1	-45.0
Balance on primary income	-705.7	-529.5	-724.3	-955.1	-950.8
Balance on goods, services and primary income	-5,763.6	-5,525.9	-4,467.3	-2,334.7	-1,883.2
Secondary income: credit	836.9	535.5	560.5	452.7	485.2
Government	485.2	177.9	195.2	81.1	121.8
o/w Miscellaneous current transfers (Multilateral HIPC relief)	0.0	0.0	0.0	0.0	0.0
Financial corporations, nonfinancial corporations, households and NPISHs	351.7	357.6	365.3	371.6	363.4
o/w Personal transfers	351.7	357.6	365.3	371.6	363.4
Secondary income: debit	-61.8	-58.2	-80.2	-71.2	-83.2
Balance on secondary income	775.1	477.3	480.4	381.5	402.0
B. Capital account	658.8	522.2	354.4	420.4	351.0
Capital transfers credit	658.8	522.2	354.4	420.4	351.0
General government	595.2	457.9	290.3	357.3	287.8
Other capital transfer (Investment grant)	595.2	457.9	290.3	357.3	287.8
Debt forgiveness (including MDRI)	0.0	0.0	0.0	0.0	0.0
Financial corporations, nonfinancial corporations, households and NPISHs	63.6	64.2	64.0	63.2	63.2
Capital transfers:debit	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-4,329.7	-4,526.4	-3,632.5	-1,532.8	-1,130.2
C. Financial account, excl. reserves and related items	-5,021.0	-3,244.5	-2,819.8	-1,820.6	-2,370.0
Direct investments	-2,087.3	-1,416.1	-1,506.0	-864.0	-1,125.6
Direct investment abroad	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	2,087.3	1,416.1	1,506.0	864.0	1,125.6
Portfolio investment	-4.5	-11.5	-27.6	5.0	-2.9
Other investment	-2,929.3	-1,816.9	-1,286.1	-961.5	-1,241.5
Assets	186.4	-29.4	331.7	-129.1	-117.8
Loans (Deposit-taking corporations, except the central bank)	-0.1	-24.5	186.8	-95.8	-34.5
Currency and deposits	186.6	-4.9	144.9	-33.3	-83.4
Deposit-taking corporations, except the central bank	-20.7	-87.9	69.5	-150.1	-4.9
Other sectors	207.3	83.0	75.4	116.8	-78.5
Other assets	0.0	0.0	0.0	0.0	0.0
Liabilities	3,115.7	1,787.5	1,617.8	832.4	1,123.7
Trade credits	0.8	-1.0	-0.1	0.2	9.7
Loans	2,927.6	1,774.0	1,715.3	901.5	1,131.1
Monetary authority	0.0	0.0	0.0	0.0	0.0
SDR allocation	0.0	0.0	0.0	0.0	0.0
General government	1,750.8	1,337.4	1,247.0	381.9	734.1
Drawings	1,834.4	1,476.8	1,440.7	828.5	1,238.8
Repayments	-83.6	-139.3	-193.8	-446.5	-504.7
Deposit-taking corporations, except the central bank	188.5	14.6	97.3	209.2	176.1
Other sectors	988.3	422.0	371.0	310.3	220.8
Drawings	1,070.6	494.5	547.4	453.3	318.9
Repayments	-82.3	-72.5	-176.4	-142.9	-98.1
Currency and deposits	187.3	14.4	-97.5	-69.3	-17.1
Total, Groups A through C	-9,350.7	-7,770.9	-6,452.3	-3,353.3	-3,500.2
D. Net errors and omissions	-183.4	1,030.1	613.7	17.8	429.8
Overall balance	507.9	-251.8	-199.1	305.5	1,669.6
E. Reserves and related items	507.9	-251.8	-199.1	305.5	1,669.6
Reserve assets	621.4	-307.3	-273.7	232.2	1,598.7
Use of Fund credit and loans	-113.5	55.5	74.6	73.3	70.9
Memorandum items:					
GDP(mp) billions of TZS	70,953.2	79,718.4	90,863.8	103,168.6	116,101.9
GDP(mp) millions of USD	44,382.8	48,240.9	45,766.1	47,388.8	52,090.3
CAB/GDP	-11.2	-10.5	-8.7	-4.1	-2.8
CAB/GDP (excl. current official transfers)	-12.3	-10.8	-9.1	-4.3	-3.1
Gross official reserves	4,689.7	4,377.2	4,093.7	4,325.6	5,900.3
Months of imports	4.1	4.2	4.6	5.4	6.1
Months of Imports(Excluding FDI related imports)	4.5	4.7	4.9	6.0	6.6
Exchange rate (TZS per USD) (end of period)	1,578.6	1,725.8	2,148.5	2,172.6	2,230.1
Exchange rate (TZS per USD) (annual average)	1,598.7	1,652.5	1,985.4	2,177.1	2,228.9

Source: Bank of Tanzania and Tanzania Revenue Authority

Note: r denotes revised data; and p, provisional data



Table A6(i): National Consumer Price Index (Urban and Rural), Twelve-Month Percentage Change (Main Groups)

Base: Dec 2015 = 100

Weight (%)	Headline overall index	Food and non-alcoholic beverages	Transport	Housing, water, electricity, gas and other fuel	Furnishing, housing equipment and routine maintenance of the house	Clothing and footwear	Restaurants and hotels	Miscellaneous goods and services	Alcoholic, tobacco and narcotics	Communication	Education	Recreation and culture	Health
100.0	100.0	38.5	12.5	11.6	6.3	8.3	4.2	3.1	3.7	5.6	1.5	1.6	2.9
2016-Jan	6.5	10.7	1.3	1.1	3.5	4.8	4.3	4.0	1.7	0.5	3.4	3.6	4.4
Feb	5.6	9.5	2.0	0.8	3.1	4.5	2.8	3.9	1.8	0.4	3.6	3.3	6.0
Mar	5.4	8.3	2.6	5.5	3.8	4.2	2.8	3.6	2.1	-1.0	2.6	4.1	6.2
Apr	5.1	7.1	2.0	7.0	4.9	4.3	4.8	3.9	4.1	-1.0	2.6	4.1	6.4
May	5.2	7.0	1.6	8.8	4.4	4.5	4.9	3.9	4.9	-0.6	2.7	3.9	6.6
Jun	5.5	8.1	1.3	7.6	4.2	4.6	5.3	3.7	4.9	-0.6	2.7	3.4	6.8
Jul	5.1	7.6	0.4	7.4	3.4	4.2	4.3	4.0	5.5	-0.4	2.8	3.3	6.0
Aug	4.9	6.9	-0.4	6.8	3.6	3.7	5.2	3.9	5.2	-0.2	3.0	3.5	5.9
Sep	4.5	6.0	-0.8	6.5	3.5	4.2	5.2	3.3	5.3	-0.4	2.9	1.2	6.0
Oct	4.5	6.0	0.1	7.2	3.6	3.8	4.3	3.2	5.3	-0.7	2.9	1.5	5.8
Nov	4.8	6.2	0.7	10.9	4.3	3.9	4.4	3.1	5.6	-0.6	2.9	1.8	5.5
Dec	5.0	7.0	0.3	9.9	4.0	3.7	4.2	2.9	5.1	-0.9	2.6	1.8	4.7
2017-Jan	5.2	7.6	0.6	9.5	3.3	3.4	3.9	2.3	5.0	-0.9	1.8	0.7	4.8
Feb	5.5	8.7	0.6	8.7	3.8	3.2	3.9	1.9	5.2	-1.5	0.8	1.4	3.3
Mar	6.4	11.0	1.6	6.8	3.9	3.4	3.6	3.6	5.2	-0.1	0.8	1.2	3.0
Apr	6.4	11.8	1.9	5.8	3.1	3.9	0.8	4.3	3.5	-0.5	0.8	1.3	2.5
May	6.1	11.6	1.3	4.6	3.2	3.7	0.9	4.0	3.0	-0.8	0.7	1.2	2.9
Jun	5.4	9.6	0.4	7.1	3.2	3.8	0.7	3.7	3.0	-1.0	0.8	0.8	2.2
Jul	5.2	8.9	0.1	7.1	3.3	3.8	0.8	4.0	2.4	-1.0	0.9	1.0	2.4
Aug	5.0	8.6	-0.6	8.9	2.7	3.4	-0.3	3.7	2.5	-1.1	0.8	1.3	2.0
Sep	5.3	9.3	-0.3	8.8	2.6	3.4	-0.3	3.4	2.5	-1.0	0.8	1.9	1.9
Oct	5.1	8.8	0.2	7.6	2.8	3.4	0.6	3.0	2.6	-0.9	0.8	1.9	2.1
Nov	4.4	7.4	0.1	7.8	1.8	3.1	0.3	2.6	2.5	-1.0	0.8	1.6	2.0
Dec	4.0	6.2	0.0	8.3	1.3	2.9	0.3	2.5	2.6	-1.0	0.8	0.9	2.0
2018-Jan	4.0	6.3	0.3	7.1	1.8	2.7	0.8	2.6	2.6	-1.0	2.5	2.0	1.6
Feb	4.1	5.4	1.6	8.6	1.6	3.3	0.9	2.7	2.3	-0.2	2.5	1.5	1.6
Mar	3.9	4.7	1.4	10.4	1.9	3.2	0.8	1.2	2.0	-0.2	2.4	1.1	1.6
Apr	3.8	3.6	1.8	13.1	2.0	2.6	0.8	0.9	1.6	0.1	2.4	1.2	1.6
May	3.6	2.6	1.9	15.0	2.3	2.4	1.0	1.2	1.3	0.1	2.3	0.7	1.2
Jun	3.4	3.4	1.7	12.0	2.4	2.2	0.7	1.4	0.3	-2.6	2.6	0.5	1.4
Jul	3.3	2.8	2.5	12.3	2.6	2.4	0.8	1.2	0.8	-2.7	2.5	0.4	0.7
Aug	3.3	2.2	3.4	12.3	3.1	2.7	1.1	1.2	1.2	-2.7	2.5	-0.2	1.7

Source: National Bureau of Statistics



Table A6 (ii): National Consumer Price Index (Urban and Rural), Twelve-Month Percentage Change (Other Selected Groups)

Base: Dec 2015 = 100

Period	Food (combining food consumed at home and in restaurants)	Energy and fuels (combining electricity and other fuels for use at home with petrol and diesel)	Non-food (all items less food)	All items less food and energy
Weight (%)	37.1	8.7	62.9	54.3
2016-Jan	10.3	0.3	2.0	2.4
Feb	8.1	-0.6	1.9	2.5
Mar	8.0	5.2	3.0	2.8
Apr	7.3	6.6	3.5	3.0
May	7.2	9.0	3.8	3.0
Jun	8.3	7.5	3.6	3.0
Jul	7.8	7.3	3.2	2.6
Aug	7.0	5.9	3.0	2.6
Sep	6.0	4.9	2.6	2.4
Oct	6.0	6.2	2.9	2.5
Nov	6.4	11.7	3.8	2.6
Dec	7.4	11.7	3.8	2.5
2017-Jan	8.2	11.5	3.6	2.3
Feb	9.3	12.3	3.6	2.2
Mar	11.7	11.5	3.6	2.2
Apr	12.0	9.9	3.4	2.3
May	11.8	7.4	3.0	2.2
Jun	9.8	10.3	3.1	1.9
Jul	9.3	8.8	3.1	2.2
Aug	9.1	10.4	3.1	1.8
Sep	9.8	10.9	3.1	1.7
Oct	9.4	10.6	3.0	1.7
Nov	7.9	11.1	2.9	1.4
Dec	6.7	11.4	2.8	1.3
2018-Jan	6.7	10.4	2.8	1.4
Feb	5.8	12.1	3.3	1.7
Mar	5.0	14.1	3.5	1.6
Apr	4.0	18.4	3.9	1.4
May	3.2	21.2	4.5	1.6
Jun	3.8	16.8	4.0	1.6
Jul	3.0	18.5	4.2	1.6
Aug	3.2	18.7	4.6	2.0

Source: National Bureau of Statistics



Table A6 (iii): National Consumer Price Index (Urban and Rural), Month-on-Month Percentage Change (Main Groups)

Base: Dec 2015 = 100

Period	Headline overall index	Food and non-alcoholic beverages	Transport	Housing, water, electricity, gas and other fuel	Furnishing, housing equipment and routine maintenance of the house	Clothing and footwear	Restaurants and hotels	Miscellaneous goods and services	Alcoholic, tobacco and narcotics	Communication	Education	Recreation and culture	Health
Weight (%)	100.0	38.5	12.5	11.6	6.3	8.3	4.2	3.1	3.7	5.6	1.5	1.6	2.9
2016-Jan	0.7	1.0	-0.3	1.6	0.5	0.9	0.3	0.6	0.2	0.0	1.0	0.3	0.5
Feb	0.7	1.2	-0.5	2.0	-0.2	0.2	0.1	0.4	0.1	0.0	1.2	-0.1	1.5
Mar	0.5	0.7	-0.5	2.5	0.3	0.0	0.5	-0.2	0.3	-1.4	0.0	0.6	0.3
Apr	0.5	0.5	0.1	0.2	0.9	0.2	-0.1	0.3	2.0	0.0	0.1	-0.1	0.5
May	0.5	0.5	0.2	1.8	-0.2	0.6	-0.1	0.3	0.8	0.3	0.1	0.2	0.2
Jun	0.5	1.1	0.4	-1.1	0.1	0.5	0.3	0.2	0.2	0.2	0.0	0.4	0.7
Jul	0.0	-0.1	0.2	0.1	0.0	0.2	0.0	0.0	0.6	0.1	0.1	-0.2	0.0
Aug	-0.2	-1.0	0.6	0.0	0.4	0.3	0.9	0.2	0.2	0.0	0.2	0.5	0.3
Sep	-0.2	-1.0	-0.1	1.5	0.3	0.0	0.0	0.3	0.1	-0.1	0.0	-0.4	0.1
Oct	0.1	0.2	-0.3	0.9	-0.1	0.0	-0.9	0.1	0.0	-0.1	0.0	0.3	0.2
Nov	1.1	2.2	0.4	0.7	1.0	0.3	0.4	0.4	0.4	0.0	0.0	0.3	0.1
Dec	0.7	1.6	0.3	-0.6	0.8	0.4	0.0	0.1	0.1	0.0	0.0	0.1	0.1
2017-Jan	0.8	1.6	0.0	1.2	-0.1	0.6	0.0	0.1	0.1	0.0	0.1	-0.8	0.5
Feb	1.0	2.3	-0.5	1.3	0.3	0.0	0.1	0.0	0.3	-0.7	0.2	0.5	0.1
Mar	1.4	2.8	0.4	0.7	0.4	0.2	0.2	1.5	0.3	0.0	0.0	0.3	0.0
Apr	0.5	1.3	0.4	-0.8	0.1	0.6	0.0	1.0	0.4	-0.4	0.0	0.0	0.0
May	0.2	0.3	-0.4	0.7	0.0	0.4	-0.1	0.0	0.2	0.0	0.1	0.1	0.6
Jun	-0.1	-0.7	-0.6	1.2	0.1	0.6	0.2	-0.1	0.2	0.0	0.0	0.0	0.1
Jul	-0.2	-0.7	0.0	0.2	0.1	0.2	0.0	0.2	0.0	0.0	0.2	0.1	0.2
Aug	-0.4	-1.3	-0.2	1.7	-0.2	-0.1	-0.2	0.0	0.4	0.0	0.0	0.8	-0.1
Sep	0.0	-0.4	0.2	1.3	0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.2	0.0
Oct	-0.1	-0.2	0.3	-0.2	0.1	0.1	0.0	-0.3	0.1	0.0	0.0	0.3	0.5
Nov	0.5	0.8	0.3	0.9	0.1	0.1	0.2	0.0	0.3	0.0	0.0	0.0	0.0
Dec	0.2	0.5	0.2	-0.2	0.3	0.2	0.0	0.0	0.2	0.0	0.0	-0.5	0.1
2018-Jan	0.8	1.7	0.3	0.1	0.4	0.4	0.4	0.2	0.1	0.0	1.8	0.3	0.2
Feb	1.1	1.4	0.8	2.7	0.2	0.6	0.2	0.1	0.0	0.2	0.2	0.0	0.0
Mar	1.2	2.1	0.2	2.4	0.7	0.1	0.1	-0.1	0.0	0.0	0.0	0.0	0.0
Apr	0.4	0.3	0.8	1.6	0.3	0.1	0.0	0.7	0.0	0.0	0.0	0.1	0.0
May	0.0	-0.7	-0.3	2.4	0.3	0.2	0.1	0.4	-0.1	0.0	0.0	-0.4	0.2
Jun	-0.4	0.0	-0.8	-1.4	0.1	0.4	-0.2	0.1	-0.8	-2.7	0.3	-0.2	0.2
Jul	-0.3	-1.3	0.8	0.4	0.3	0.4	0.1	0.0	0.5	-0.1	0.1	0.0	-0.5
Aug	-0.4	-1.9	0.6	1.7	0.3	0.2	0.2	-0.1	0.8	0.0	0.0	0.1	0.9

Source: National Bureau of Statistics



Table A6 (iv): National Consumer Price Index (Urban and Rural), Month-on-Month Percentage Change (Other Selected Groups)

Base: Dec 2015 = 100

Period	Food (combining food consumed at home and food consumed in restaurants)	Energy and fuels (combining electricity and other fuels for use at home with petrol and diesel)	Non-food (all items less food)	All items less food and energy
Weight (%)	37.1	54.3	8.7	62.9
2016-Jan	1.1	0.4	1.4	0.5
Feb	0.4	1.4	0.4	0.2
Mar	0.7	2.1	0.5	0.2
Apr	0.9	0.0	0.3	0.3
May	0.5	2.9	0.6	0.2
Jun	1.1	-0.8	0.1	0.2
Jul	-0.1	1.0	0.0	0.1
Aug	-1.1	0.4	0.3	0.3
Sep	-1.1	1.5	0.1	0.3
Oct	0.1	0.5	0.1	0.1
Nov	2.3	1.0	0.4	0.3
Dec	1.7	-0.3	0.1	0.2
2017-Jan	1.7	0.2	1.2	0.3
Feb	2.4	2.1	0.1	0.4
Mar	2.9	1.4	0.4	0.2
Apr	1.2	-1.4	0.2	0.4
May	0.3	0.6	0.1	0.2
Jun	-0.7	1.8	-0.1	0.2
Jul	-0.6	-0.4	0.1	0.2
Aug	-1.3	1.9	0.3	0.0
Sep	-0.4	1.9	0.3	0.0
Oct	-0.3	0.2	0.0	0.0
Nov	0.8	1.4	0.1	0.3
Dec	0.5	0.0	0.1	0.1
2018-Jan	1.8	0.3	0.3	0.3
Feb	1.5	0.4	3.7	0.9
Mar	2.2	3.3	0.6	0.1
Apr	0.3	2.3	0.6	0.2
May	-0.5	3.0	0.7	0.3
Jun	-0.1	-1.9	-0.4	0.0
Jul	-1.3	1.1	0.4	0.2
Aug	-1.2	2.1	0.3	0.6

Source: National Bureau of Statistics



Table A7: National Debt Developments

Millions of USD													
Item	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18
1. Overall total debt committed ²	26453.2	26351.1	26272.0	26284.5	26665.7	26887.4	27210.8	27181.5	27010.9	28218.4	28063.1	26863.7	28091.6
Disbursed outstanding debt	17665.2	17671.9	17642.9	17660.4	17629.4	17861.3	18445.4	18467.5	18384.6	18825.3	18765.1	18137.1	18837.9
Undisbursed debt	8788.0	8679.3	8629.1	8624.1	9036.3	9026.1	8765.4	8714.0	8626.3	9393.1	9298.0	8726.6	9253.7
2. Disbursed debt by creditor category ²	17665.2	17671.9	17642.9	17660.4	17629.4	17861.3	18445.4	18467.5	18384.6	18825.3	18765.1	18137.1	18837.9
Bilateral debt	999.4	985.4	979.2	970.8	971.7	996.8	1019.1	1030.8	1013.4	991.3	981.7	946.4	1003.2
Multilateral debt	9035.4	9092.1	9061.6	9115.3	9091.9	9120.7	9584.7	9705.0	9622.1	9541.3	9509.2	9319.5	9471.0
Commercial debt	6083.7	5978.9	5996.4	5950.0	5794.0	5958.8	5981.9	5851.3	5865.7	6519.4	6498.5	6097.1	6378.5
Export credits	1546.7	1615.4	1605.7	1624.3	1771.8	1785.0	1859.7	1880.4	1883.4	1773.3	1775.7	1774.2	1985.2
3. Disbursed debt by borrower category ²	17665.2	17671.9	17642.9	17660.4	17629.4	17861.3	18445.4	18467.5	18384.6	18825.3	18765.1	18137.1	18837.9
Central government	14240.5	14190.3	14165.4	14176.3	14189.6	14467.9	14722.4	14725.8	14638.2	15015.6	14978.8	14373.1	14965.8
Public corporations	288.5	286.6	285.0	287.7	220.5	203.5	207.4	208.1	215.3	212.4	180.4	181.7	168.3
Private sector	3136.2	3195.0	3192.6	3196.4	3219.3	3189.9	3515.6	3533.6	3531.1	3597.3	3605.9	3582.3	3703.8
4. Disbursed debt by use of funds ²	17665.2	17671.9	17642.9	17660.4	17629.4	17861.3	18445.4	18467.5	18384.6	18825.3	18765.1	18137.1	18837.9
Balance of payments and budget support	3005.4	2931.7	2882.2	2874.4	2812.9	2915.4	2845.5	2850.3	2820.4	2772.7	2723.7	2715.9	2768.5
Transport and telecommunication	4009.9	3976.6	3975.1	3965.2	4000.9	4031.4	4102.0	4344.0	4343.0	4041.0	4077.0	4272.5	4127.6
Agriculture	1193.6	1189.6	1184.1	1187.3	1188.7	1185.5	1219.0	1226.0	1208.0	1196.0	1207.0	1169.7	1216.1
Energy & mining	2880.5	2878.5	2910.2	2916.0	2927.4	2929.3	2993.0	3024.0	3012.0	2986.0	2970.0	2697.7	2991.2
Industries	458.6	532.8	538.0	541.0	542.4	540.0	585.0	587.0	605.0	617.0	605.0	604.0	633.3
Social welfare & education	2611.9	2657.0	2645.7	2662.5	2697.7	2795.7	2902.0	3018.2	2987.0	2972.0	2999.0	2778.8	2922.0
Finance and insurance	905.5	913.2	914.6	915.7	924.0	921.0	1004.0	1015.0	1023.0	1024.0	1049.0	1009.6	992.5
Tourism	67.1	67.6	67.1	67.2	67.6	66.6	67.0	68.0	68.0	68.0	68.0	68.2	108.1
Real estate and construction	801.7	804.4	803.4	816.1	816.4	811.0	1079.0	833.0	839.0	1092.0	1096.0	841.5	1098.2
Other	1730.9	1720.7	1722.4	1715.1	1651.4	1665.4	1648.9	1502.0	1479.2	2056.6	1970.4	1979.2	1980.3
5. Total amount of loan contracted ¹	11.5	78.3	1.7	0.4	24.0	32.3	11.0	76.7	7.1	30.5	1.5	2.1	44.3
Central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private sector	11.5	78.3	1.7	0.4	24.0	32.3	11.0	76.7	7.1	30.5	1.5	2.1	44.3
6. Disbursements ¹	154.5	168.3	44.7	4.6	47.2	112.2	118.3	153.4	51.5	531.8	76.0	6.1	33.5
Central government	151.3	95.4	43.3	4.5	43.0	67.2	94.1	112.4	51.1	531.6	67.2	4.0	33.0
Public corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private Sector	3.2	72.9	1.4	0.1	4.2	45.0	24.2	41.0	0.4	0.2	8.8	2.1	0.5
7. Actual debt service ¹	46.1	147.5	26.1	75.0	159.1	200.0	19.5	184.6	43.2	61.9	109.4	26.1	34.9
Principal	16.6	99.7	14.2	62.5	122.2	135.0	15.0	143.1	29.7	55.8	66.9	25.0	26.9
Interest	29.4	47.8	11.9	12.5	36.9	65.0	4.5	41.5	13.5	6.1	42.5	1.1	8.0
Other payments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8. Net flows on debt ¹	137.9	68.7	30.5	-57.9	-75.0	-22.8	103.4	10.3	21.8	476.0	9.1	-18.9	6.6
9. Net transfers on debt ¹	108.5	20.9	18.6	-70.4	-111.9	-87.8	98.9	-31.2	8.3	469.9	-33.4	-20.0	-1.4
10. Arrears by creditors category ²	3267.5	3334.5	3365.0	3428.7	3589.5	3604.8	3918.6	4041.8	4026.8	4152.1	4279.5	4306.8	4358.5
Principal	1819.5	1866.0	1893.7	1951.2	2038.6	2048.0	2254.1	2352.7	2383.7	2451.2	2541.6	2560.2	2604.0
Bilateral debt	350.5	349.4	302.6	305.1	312.6	319.9	320.0	319.6	317.9	327.0	326.0	325.7	323.2
Multilateral debt	77.2	80.0	91.1	92.0	87.1	88.9	87.4	90.1	98.7	97.3	100.7	101.3	101.4
Commercial debt	770.9	801.2	833.9	849.4	723.2	725.0	810.2	764.3	769.2	776.6	807.3	823.4	931.8
Export credits	620.9	635.4	666.1	704.7	915.8	914.2	1036.5	1178.7	1197.9	1250.3	1307.6	1309.8	1247.6
Interest	1448.0	1468.5	1471.3	1477.5	1550.8	1556.8	1664.5	1689.1	1643.1	1700.9	1737.9	1746.5	1754.5
Bilateral debt	799.8	799.7	790.8	794.0	827.5	839.4	841.9	846.4	842.9	839.5	840.9	842.3	843.7
Multilateral debt	16.6	17.9	21.7	22.2	23.3	22.5	24.5	26.0	28.4	28.1	29.4	29.4	31.4
Commercial debt	387.8	401.3	405.6	401.5	331.1	330.2	343.0	351.2	300.5	351.7	359.9	361.7	390.1
Export credits	243.8	249.7	253.2	259.8	368.9	364.7	455.1	465.5	471.3	481.6	507.7	513.1	489.3
11. External debt stock	19113.2	19140.4	19114.3	19137.9	19180.2	19418.1	20109.9	20156.6	20027.7	20526.2	20503.0	19883.6	20592.4
12. Domestic debt stock	5458.3	5530.8	5614.2	5687.8	6013.8	6206.2	6279.7	6265.4	6273.9	6082.3	6725.2	6317.3	6021.1
13. Total debt stock	24571.4	24671.2	24728.4	24825.7	25194.1	25624.3	26389.6	26422.0	26301.5	26608.5	27228.2	26200.9	26613.5
End period exchange rate	2234.9	2237.8	2237.8	2233.1	2230.1	2250.8	2255.9	2259.8	2273.6	2276.8	2277.7	2282.6	2286.2

Source: Bank of Tanzania

Note: Multilateral arrears are those owed by the private sector; 1 denotes debt flows during the period and 2 denotes stock position at the end of period



Glossary

Broad money (M2)

A definition of money that comprises of narrow money (M1) plus the shilling time and savings deposits of the Tanzanian residents with other depository corporations (banks) in the country.

Currency in circulation outside banks

Notes and coins of Tanzanian shillings circulating outside the banking system, i.e., outside the Bank of Tanzania and other depository corporations.

Core inflation

This is a measure of price movements caused by factors other than food and energy prices over a specified period of time. It provides better indication of the effectiveness of monetary policy.

Discount rate

The rate of interest that the Bank of Tanzania charges on loans it extends to banks and the Government. It uses the average of 91-day and 182-day Treasury bills yields as a base plus a loaded factor.

Exchange rate

The price at which one unit of a currency can be purchased with another currency, for instance TZS per US dollar.

Extended broad money (M3)

A definition of money that consists of broad money (M2) plus foreign currency deposits of the Tanzanian residents with other depository corporations in the country.

Lombard facility

An overnight loan facility available for banks to borrow from the Bank of Tanzania, at their own discretion, by pledging eligible government securities as collateral.

Lombard rate

The rate that the Bank of Tanzania charges a bank for borrowing through the use of a Lombard Facility. This rate is computed basing on the prevailing weighted average yield of 35-day T-bill, repo or overnight inter-bank rate, whichever is higher in the market plus a margin.

Money supply

The sum of currency circulating outside banking system and Tanzanian residents' deposits with other

depository corporations defined at various levels of aggregation. In Tanzania, three aggregates of money supply are compiled and reported, namely; narrow money (M1), broad money (M2), and extended broad money (M3).

Narrow money (M1)

Consists of currency in circulation outside banking system and the shilling demand deposits of Tanzanian residents with other depository corporations in the country.

Non-food inflation

This is a measure of price movements caused by factors other than food prices.

Other depository corporations

These are the resident financial corporations and quasi-corporations, except the central bank, whose principal activity is financial intermediation and that issue liabilities in the form of deposits or financial instruments that are close substitutes for deposits included in the measures of money supply. These entities are elsewhere referred to as banks.

Repurchase agreements (repo)

An arrangement involving sale of securities at a specified price with commitment to repurchase the same or similar securities at a fixed price on a specified future date.

Reverse repo

An arrangement involving buying of securities at a specified price with commitment to resale the same or similar securities at a fixed price on a specified future date.

Reserve money (M0)

The Bank of Tanzania's liabilities in the form of currency in circulation outside the banking system, cash held by banks in their vaults and deposits of banks kept with the Bank of Tanzania in national currency. Reserve money is also referred to as base money, or the monetary base or high-powered money.

Weighted yields of Treasury bills

This is the average yield of Treasury bills, which is weighted by the volume sold of 35-day, 91-day, 182-day, and 364-day Treasury bills, expressed in percentage per year.



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