



BANK OF TANZANIA



**MONTHLY
ECONOMIC
REVIEW**

July 2018

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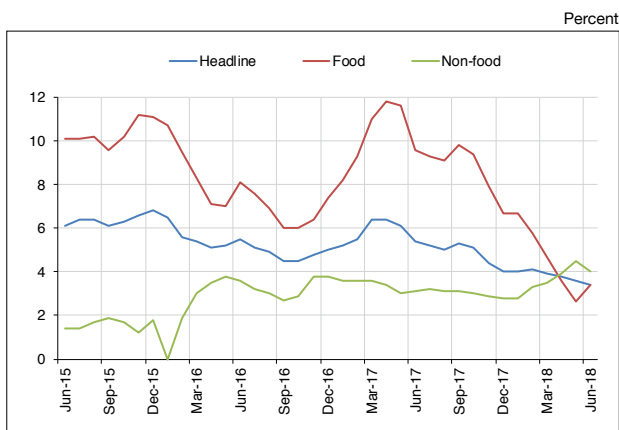


1.0 Inflation and Food Stocks

1.1 Inflation Developments

Annual headline inflation continued to hover below the medium-term target of 5.0 percent for eight months. The twelve-month headline consumer price index (CPI) inflation eased to 3.4 percent in June 2018 from 3.6 percent in the preceding month, driven by non-food inflation (**Chart 1.1** and **Table 1.1**). The headline inflation was also lower than 5.4 percent recorded in June 2016 because of easing food inflation. A similar downward pattern was observed in month-to-month developments, as headline inflation was negative 0.4 percent in June 2018 compared with negative 0.1 percent in June 2017.

Chart 1.1: Annual Inflation Rates



Source: National Bureau of Statistics

Like in the preceding month, all the main groups of CPI recorded inflation rates below headline inflation year-on-year, except for food and non-alcoholic beverages; and housing, water, and energy (electricity, gas and other fuel).

Annual food and non-alcoholic beverages inflation developments was in contrast with the headline inflation as it increased to 3.4 percent in June 2018 from 2.6 percent in the preceding month. Nonetheless, it was much lower than 9.6 percent recorded in June 2017. On month-to-month basis, food and non-alcoholic inflation remained unchanged in June 2018 compared to a decrease of 0.7 percent in June 2017 (**Table 1.1**).

Annual non-food inflation eased to 4.0 percent from 4.5 percent in May 2018, albeit higher than 3.1 percent recorded in June 2017. On month-to-month

basis, non-food inflation was negative 0.4 percent in June 2018 compared to 0.2 percent in similar month in 2017. Year-on-year energy and fuels inflation fell to 16.8 percent from 21.3 percent in May 2018 attributed to price decrease for cooking gas and firewood. On month-to-month, energy and fuels inflation fell by 1.9 percent compared to increase of 1.8 percent in June 2017.

Table 1.1: Headline Inflation and its Main Components

Main groups	Weight	Base December 2015 = 100					
		Monthly change			Annual change		
		Jun-17	May-18	Jun-18	Jun-17	May-18	Jun-18
Food and non alcoholic beverages	38.5	-0.7	-0.7	0.0	9.6	2.6	3.4
Alcoholic, tobacco and narcotics	3.7	0.2	-0.1	-0.8	3.0	1.3	0.3
Clothing and footwear	8.3	0.6	0.2	0.4	3.8	2.4	2.2
Housing, water, elect., gas and other fuel	11.6	1.2	2.4	-1.4	7.1	15.0	12.0
Furnishing, housing equipment and routine maintenance of the house	6.3	0.1	0.3	0.1	3.2	2.3	2.4
Health	2.9	0.1	0.2	0.2	2.2	1.2	1.4
Transport	12.5	-0.6	-0.3	-0.8	0.4	1.9	1.7
Communication	5.6	0.0	0.0	-2.7	-1.0	0.1	-2.6
Recreation and culture	1.6	0.0	-0.4	-0.2	0.8	0.7	0.5
Education	1.5	0.0	0.0	0.3	0.8	2.3	2.6
Restaurants and hotels	4.2	0.2	0.1	-0.2	0.7	1.0	0.7
Miscellaneous goods and services	3.1	-0.1	0.4	0.1	3.7	1.3	1.4
All items (headline inflation)	100.0	-0.1	0.0	-0.4	5.4	3.6	3.4
Other selected groups:							
Food and non-alcoholic beverages - combining food consumed at home and food consumed in restaurants	37.1	-0.7	-0.5	-0.1	9.8	3.2	3.8
Energy and fuels - combining electricity and other fuels for use at home with petrol and diesel	8.7	1.8	3.0	-1.9	10.3	21.2	16.8
All items less food (non-food)	62.9	0.2	0.7	-0.4	3.1	4.5	4.0
All items less food and energy	54.3	-0.1	0.3	0.0	1.9	1.6	1.6

Source: National Bureau of Statistics and Bank of Tanzania computations

Meanwhile, twelve-month inflation for all items excluding food and energy—used as proxy for core inflation—was 1.6 percent in June 2018 same as in May 2018 and was lower than 1.9 percent recorded in June 2017. On month-to-month basis, core inflation was 0.0 percent in June 2018 compared to negative 0.1 percent in June 2017.

1.2 Food Stocks

Food stocks held by the National Food Reserve Agency (NFRA)¹ decreased moderately to 63,844 tonnes at the end of June 2018 from 68,893 tonnes at the end of the preceding month (**Table 1.2**). The decline in food stock largely reflects a seasonal phenomenon linked with tailing off food harvests in some parts of the country. During the month, NFRA sold 5,143.4 tonnes of food to private traders, World Food Program and prison department. NFRA also purchased 87.8 tonnes from farmers to replenish its reserves.

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	
August	196,854.0	268,514.9	59,832.0	78,434.0	
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

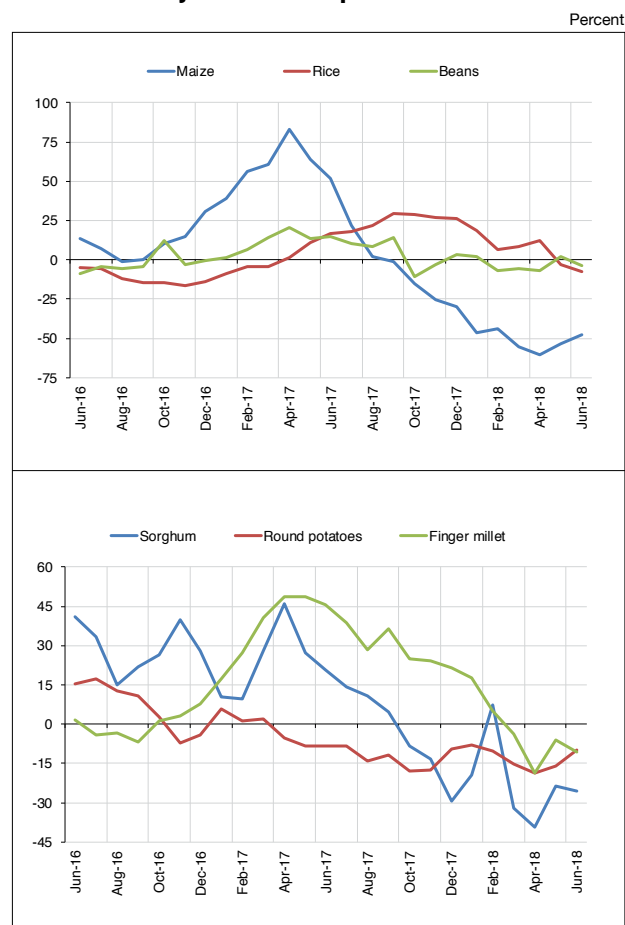
Reflecting improved food harvests in most parts of the country, wholesale prices of all major food crops² were lower in June 2018 than in the corresponding month in 2017 (**Table 1.3**). The prices of all major food crops were also lower in June 2018 than in the preceding month, with maize and sorghum recording remarkable declines. Price developments for major food crops over the last three years were somewhat mixed: prices of rice and beans were relatively stable while those of maize, sorghum, round potatoes and finger millet declined in most parts of the period (**Chart 1.2**). This trend was in part due to actions taken by the government to ensure food adequacy, which included measures to improve production and orderly marketing conditions.

Table 1.3: Wholesale Prices of Major Food Crops

Crop	TZS per 100kg				
	Percentage change				
	Jun-17	May-18	Jun-18	May-18 to Jun-18	Jun-17 to Jun-18
Maize	81,938.2	90,149.9	42,721.9	-52.6	-47.9
Rice	172,652.3	176,330.5	160,080.8	-9.2	-7.3
Beans	171,700.9	170,510.2	165,420.6	-3.0	-3.7
Sorghum	117,939.3	119,452.7	87,824.4	-26.5	-25.5
Potatoes	82,144.6	84,358.4	74,153.3	-12.1	-9.7
Finger millet	161,074.9	154,788.6	144,003.9	-7.0	-10.6

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

2.0 Monetary and Financial Markets

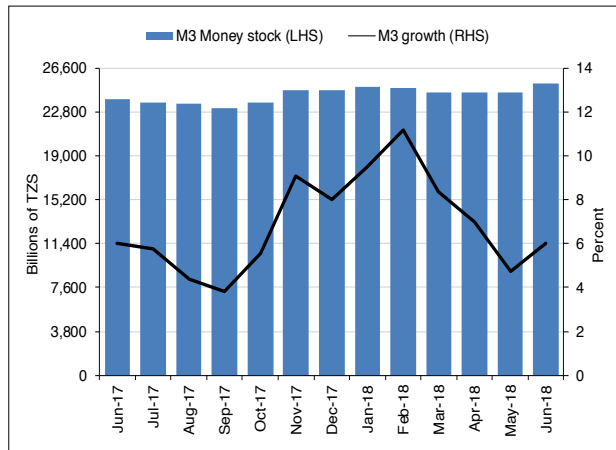
2.1 Money Supply and Credit

Money supply growth picked up in June 2018 after a moderate slowdown since February 2018. Extended broad money supply (M3) recorded a year-on-year growth of 6.0 percent in June 2018, same as in the corresponding month in 2017, but higher than 4.8 percent in May 2018 (**Chart 2.1**). Net foreign assets (NFA) of the banking system and credit to private sector drove the expansion of M3 (**Table 2.1** and **Chart 2.2**).

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



Chart 2.1: Developments in Money Supply



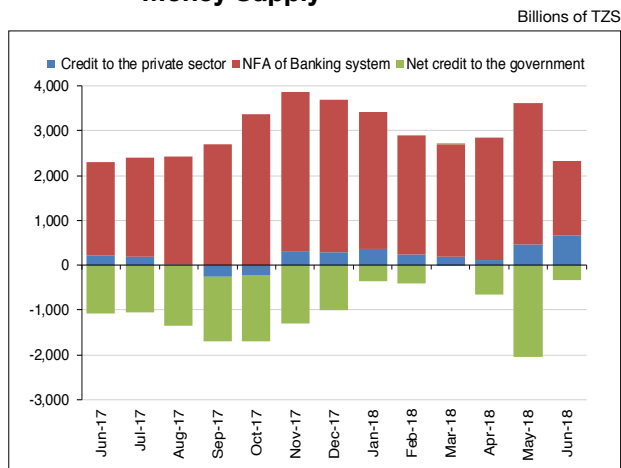
Source: Bank of Tanzania
Note: LHS refers left hand scale; and RHS, right hand scale

Table 2.1: Money Supply and Components

	Billions of TZS					
	Outstanding stock			Annual growth(%)		
	Jun-17	May-18	Jun-18	Jun-17	May-18	Jun-18
Net foreign assets of the banking system	9,573.1	11,249.5	11,236.7	27.9	39.0	17.4
Bank of Tanzania	10,016.8	11,530.2	11,514.8	40.0	32.0	15.0
Banks	-443.7	-280.7	-278.2	---	-56.1	-37.3
Net domestic assets of the banking system	14,292.3	13,273.5	14,057.9	-4.9	-13.3	-1.6
Domestic claims	21,038.9	20,390.2	21,362.7	-3.9	-7.3	1.5
Claims on central government (net)	4,172.7	3,125.2	3,829.4	-20.4	-39.7	-8.2
o/w. Securities held by banks	5,221.8	5,472.6	5,370.8	20.7	9.9	2.9
Claims on the private sector	16,866.2	17,265.0	17,533.3	1.3	2.7	4.0
Other items net	-6,746.6	-7,116.7	-7,304.9	-1.6	6.6	8.3
Extended broad money supply (M3)	23,865.4	24,522.9	25,294.5	6.0	4.8	6.0
Foreign currency deposits	6,177.9	6,218.3	6,343.3	-2.4	1.6	2.7
Broad money supply (M2)	17,687.5	18,304.7	18,951.2	9.3	5.9	7.1
Other deposits	6,816.2	7,193.9	7,189.3	7.4	6.2	5.5
Narrow money supply (M1)	10,871.3	11,110.7	11,762.0	10.5	5.6	8.2
Currency in circulation	3,615.3	3,749.0	3,926.2	-3.3	9.9	8.6
Transferable deposits	7,256.0	7,361.7	7,835.7	19.0	3.6	8.0

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

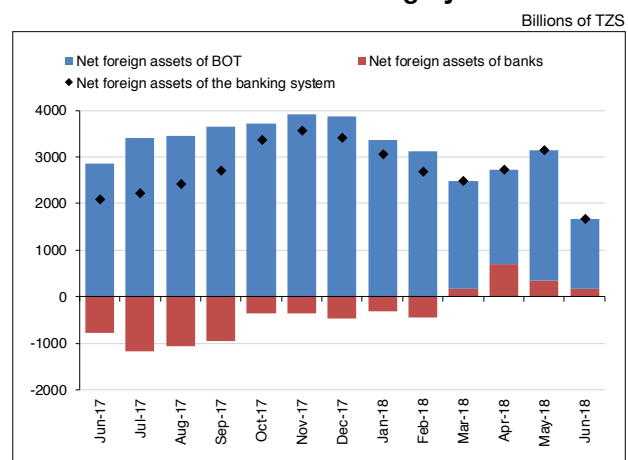
Chart 2.2: Annual Changes in Major Sources of Money Supply



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

Year-on-year growth of net foreign assets (NFA) of the banking system slowed to 17.4 percent in June 2018, from 27.9 percent and 39.0 percent in June 2017 and May 2018, respectively. Bank of Tanzania holdings remained the main driver on the outturn of the NFA of the banking system. NFA of the Bank of Tanzania grew by 15.0 percent compared with 40.0 percent and 32.0 percent in the year ending June 2017 and May 2018, respectively following lower foreign exchange inflows against sizable foreign obligations (Table 2.1 and Chart 2.3).

Chart 2.3: Annual Changes in Net Foreign Assets of the Banking System



Source: Bank of Tanzania and banks, Bank of Tanzania computations

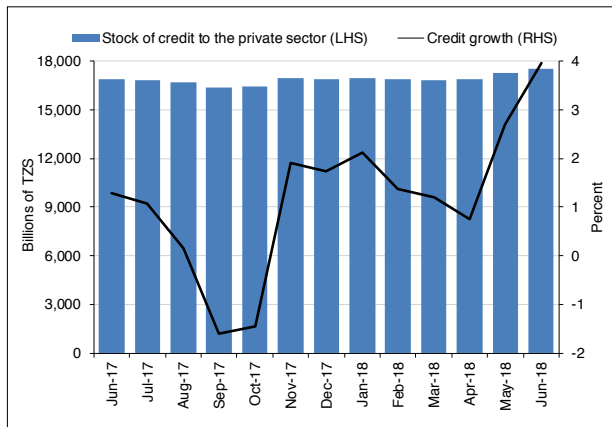
Total domestic credit by the banking system, comprising of credit extended to the government and private sector, grew by 1.5 percent during the year to June 2018. This represents a recovery from a contraction of 3.9 percent and 7.3 percent in the corresponding period in 2017 and year to May 2018, respectively. The expansion was driven by the continued pick up of growth of credit to the private sector, which recorded year-on-year growth of 4.0 percent in June 2018 compared with 1.3 percent in June 2017 and 2.7 percent in May 2018 (Chart 2.4). The growth was mostly due to measures taken by the Bank of Tanzania to ensure adequacy of liquidity in the banking system, as well as efforts to reduce non-performing loans and credit risk. Government fiscal measures to incentivise borrowing also partly explain the observed growth in credit to the private sector.

By contrast, credit to the government from the banking system decreased on year-on year basis (Chart 2.5). Much of the decrease emanated from the government transactions with the Bank of Tanzania following relative building up of government deposits at the Bank of Tanzania due



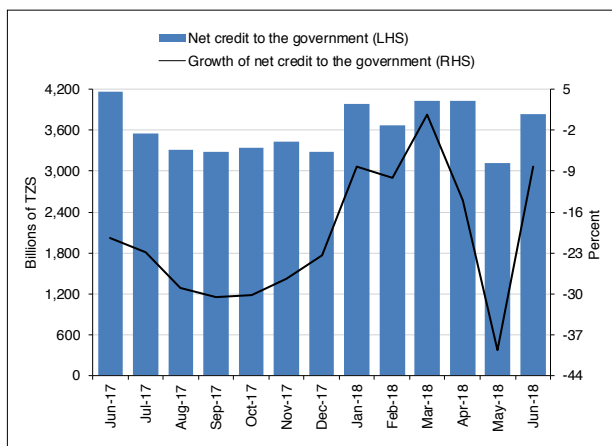
to improvement in revenue collection and realisation of external non-concessional loans. Meanwhile, the government continued to borrow from commercial banks through issuance of government securities, but at a slower pace, providing more room for extension of credit to the private sector.

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

Chart 2.5: Net Credit to Government from Banking System



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

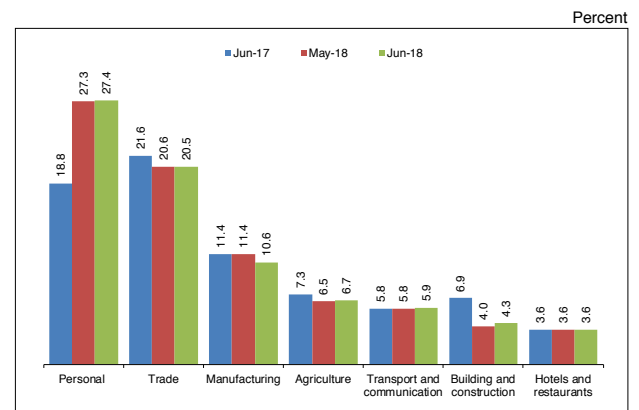
Personal loans recorded the highest growth rate of the credit extended to the private sector, at 50.5 percent in the year to June 2018 (**Table 2.2**). The observed higher growth in personal loans is partly explained by reclassification of salaried loans, which previously were considered as part of loans to other services in favour of health and education. In terms of shares to outstanding credit to the private sector, loans to personal and trade activities dominated as in the preceding month, accounting for 27.4 percent and 20.5 percent, respectively (**Chart 2.6**).

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

Economic activity	Jun-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Personal	-5.8	12.0	39.3	56.3	43.7	49.2	50.5
Building and construction	5.5	8.4	10.3	15.0	5.0	-6.7	5.7
Mining and quarrying	12.3	0.6	-7.8	3.5	14.5	29.2	5.8
Hotels and restaurants	7.9	4.8	5.0	11.9	0.6	0.3	3.4
Manufacturing	16.6	14.6	3.7	-1.5	-5.8	1.0	-3.9
Trade	16.1	3.0	-0.9	-9.2	-2.5	-3.2	-2.0
Agriculture	-0.2	-0.4	-2.1	-4.1	-5.6	-5.6	-5.2
Transport and communication	-22.1	-17.2	-21.4	-7.7	-1.2	1.2	4.9
Other services	-11.3	17.8	-27.0	-40.0	-40.4	-41.9	-35.9

Source: Banks and Bank of Tanzania computations

Chart 2.6: Share of Outstanding Credit Extended by Banks to Major Economic Activities



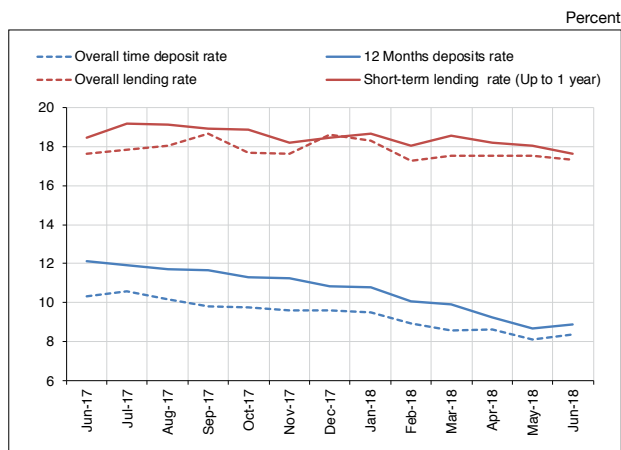
Source: Banks and Bank of Tanzania computations

2.2 Interest Rates

Interest rates charged on loans and offered to deposits by banks moved in diverse directions in June 2018 from the preceding month, but the magnitude of the change was marginal. Overall lending rates decreased to an average rate of 17.34 percent in June 2018, from 17.53 percent in May 2018, while overall deposit rate rose to an average of 8.35 percent from 8.13 percent. One-year lending rate averaged at 17.61 percent compared with 18.05 percent and 18.45 percent in May 2018 and June 2017, respectively. The 12-month deposit rate averaged at 8.88 percent in June 2018, higher than 8.68 percent in May 2018, but lower than 12.14 percent in June 2017 (**Chart 2.7**). Noteworthy, both rates for one-year maturity have generally declined steadily for the over past one year, with the lending rate declining faster than deposits rate, thus gradually converging.



Chart 2.7: Selected Banks Interest Rates



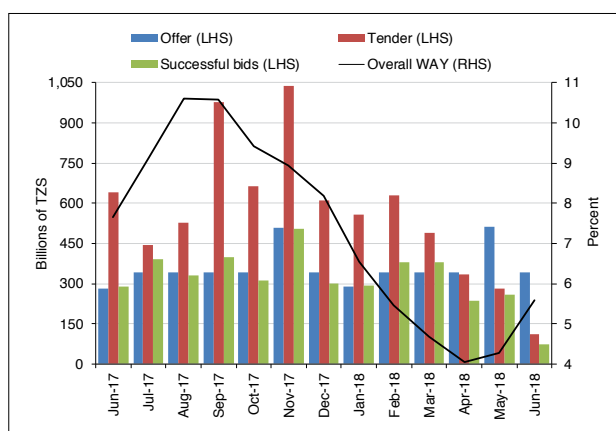
Source: Banks and Bank of Tanzania computations

2.3 Financial Markets

2.3.1 Treasury Bills Market

In June 2018, the Bank of Tanzania conducted two Treasury bills auctions worth TZS 340.0 billion for monetary policy and government fiscal operations, lower than TZS 511.0 billion in the preceding month. Bids received amounted to TZS 112.3 billion, which was nearly half of the amount received in May 2018. The decline in bids partly reflected seasonal fall in demand associated with end of quarter payment obligations by some investors. Successful bids amounted to TZS 71.7 billion, lower than TZS 260.5 billion in the preceding month (Chart 2.8). Owing to low demand, overall yield increased to 5.59 percent from 4.28 percent in May 2018, but was lower than 7.64 percent in the corresponding month in 2017.

Chart 2.8: 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

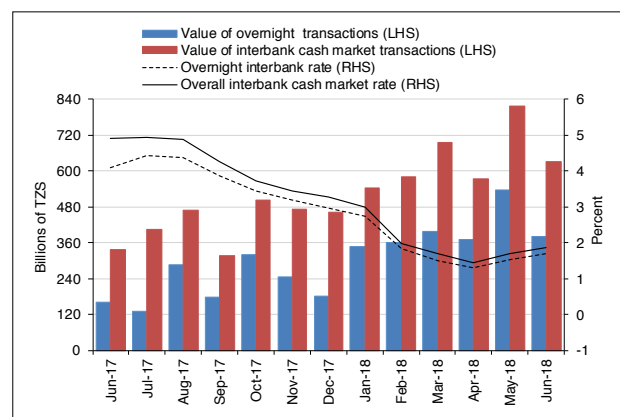
During June 2018, the Bank of Tanzania issued 5-year and 15-year Treasury bonds worth TZS

90.1 billion and TZS 98.1 billion, respectively, for government fiscal operations. Both bonds were oversubscribed, the 5-year bond by TZS 4.0 billion and the 15-year bond by TZS 20.6 billion. Successful bids amounted to TZS 90 billion for the 5-year bond and TZS 98 billion for the 15-year bond. Weighted average yield to maturity (WAY) for the 5-year bond was 11.30 percent compared with 11.06 percent in March 2018 when it was last auctioned, and that of the 15-year bond was 14.47 percent, up from 14.17 percent in April 2018.

2.3.3 Inter-Bank Cash Market

The value of transactions in the inter-bank cash market amounted to TZS 632.6 billion in June 2018, compared with TZS 817.1 billion in May 2018, of which 60 percent were overnight placements. Consistent with the liquidity condition among banks and seasonal demand for banks reserves associated with end of fiscal year obligations, overnight interbank cash market interest rate rose to an average of 1.70 percent from 1.53 percent in the preceding month. Likewise, the overall interbank cash market interest rate increased to 1.85 percent from 1.70 percent (Chart 2.9).

Chart 2.9: 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

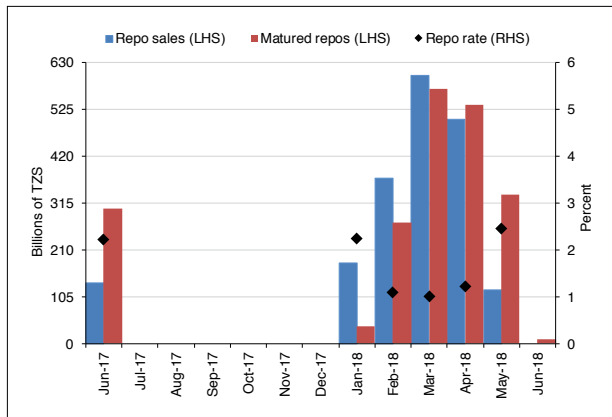
The Bank of Tanzania continued to use repurchase agreements (repo) and reverse repo³ to deal with short-term liquidity fluctuations in banks. During June 2018, the Bank of Tanzania conducted reverse repo worth TZS 177.4 billion with banks compared with TZS 124.3 billion in May 2018. Repo and reverse repos worth TZS 10.0 billion and TZS 124.7 billion, respectively matured during the month.

³ Repo and reverse repo are initiated by Bank of Tanzania to mop up excess liquidity and inject liquidity in banks, respectively.



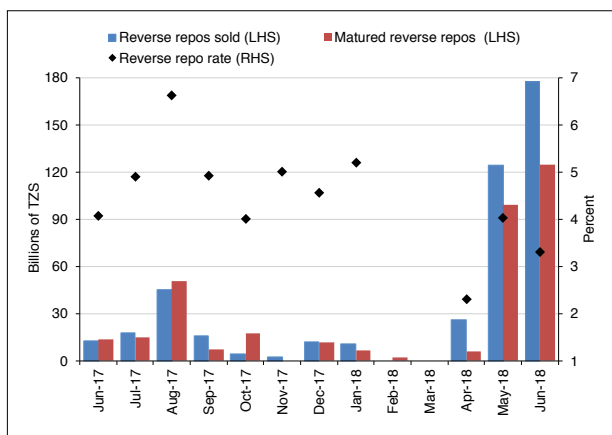
Reverse repo rate eased to 3.31 percent in June 2018 from 4.03 percent in May 2018. The Bank conducted no repos during the month (**Chart 2.10a** and **Chart 2.10b**).

Chart 2.10a: Repurchase Agreements Transactions



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

Chart 2.10b: Reverse Repurchase Agreements Transactions



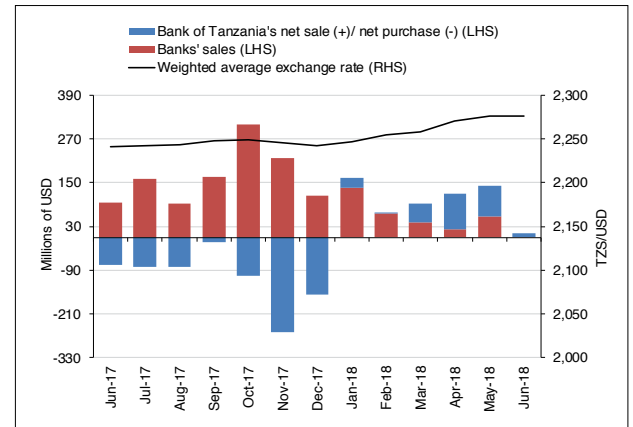
Source: Bank of Tanzania
Note: LHS refers left hand scale; and RHS, right hand scale

2.3.5 Inter-Bank Foreign Exchange Market

The value of transactions in the inter-bank foreign exchange market (IFEM) amounted to USD 76.8 million in June 2018 compared with USD 106.0 million in May 2018. The Bank of Tanzania participated in the IFEM for the purpose of managing liquidity and maintaining an orderly money market. Owing to these objectives, the Bank sold USD 18.9 million to banks compared with USD 84.3 million in the preceding month, and purchased USD 7.0 million. The shilling depreciated marginally against the US dollar to an average rate of TZS 2,276.3 per US dollar, from TZS 2,275.8 per US dollar in May

2018 and TZS 2,241.7 per US dollar in June 2017 (**Chart 2.12**).

Chart 2.11: IFEM Transactions and Exchange Rate

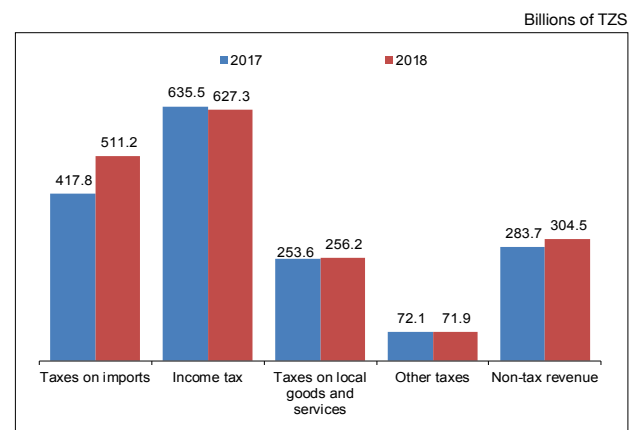


Source: Bank of Tanzania
Note: LHS refers left hand scale; and RHS, right hand scale

3.0 Government Budgetary Operations

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

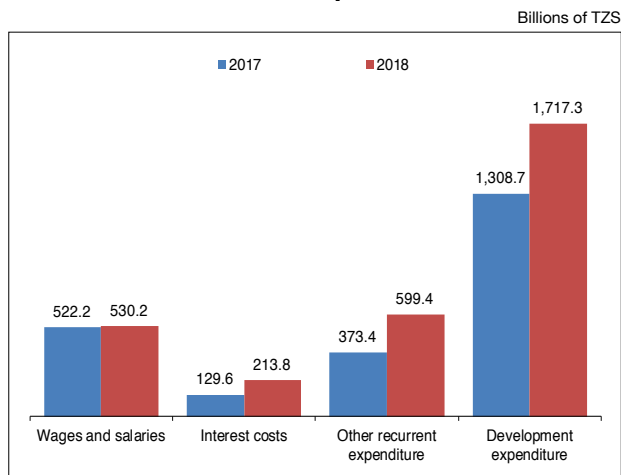


Source: Ministry of Finance and Planning, and Bank of Tanzania computations



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

4.0 External Sector Performance

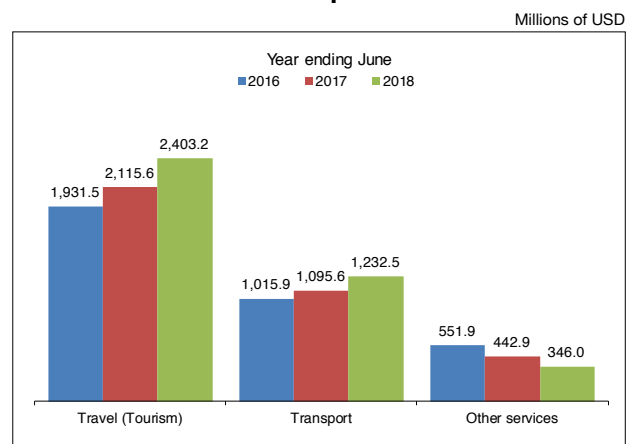
The overall balance of payments registered a surplus of USD 627.8 million during the year ending June 2018 compared with a surplus of USD 1,202.5 million in the year to June 2017, driven largely by widening of the current account deficit. Gross official foreign reserves increased to USD 5,483.9 million at the end of June 2018 from USD 5,000.4 million at the end of June 2017. The reserves were adequate, covering about 5.6 months against the minimum requirement of 4.0 months of projected import of goods and services, excluding imports financed by foreign direct investment. Meanwhile, gross foreign assets of banks expanded to USD 825.2 million from USD 693.9 million at the end of June 2017.

The current account balance widened to a deficit of USD 1,903.7 million from a deficit of USD 1,758.2 million in the year ending June 2017, on account of increase in imports that outweighed improvements in exports. Earnings from export of goods and services amounted to USD 9,075.5 million, of which USD 1,152.4 million was realized from traditional exports. The value of imports of goods and services was USD 10,157.6 million, with services payments, consumer

and intermediate goods imports—particularly oil—accounting for the larger share. Oil imports were valued at USD 1,993.5 million and accounted for 19.6 percent of total imports.

The services account balance improved by 7.1 percent to a surplus of USD 1,778.1 million in the year ending June 2018, following increase in services receipts that recorded annual growth of 9.0 percent to USD 3,981.7 million (Chart 4.1). Foreign earnings from travel and transport services remained the main driver of services receipts growth. Earnings from travel accounted for 60.4 percent of services receipts and grew by 13.6 percent to USD 2,403.2 million in the year to June 2018. This was due to increase in number of tourist arrivals following enhanced promotional activities by the government and private sector. Likewise, transport services receipts accounted for 31.0 percent of services receipts and grew by 12.5 percent to USD 1,232.5 million owing to an increase in the volume of transit goods to-and-from neighbouring countries.

Chart 4.1: Services Receipts



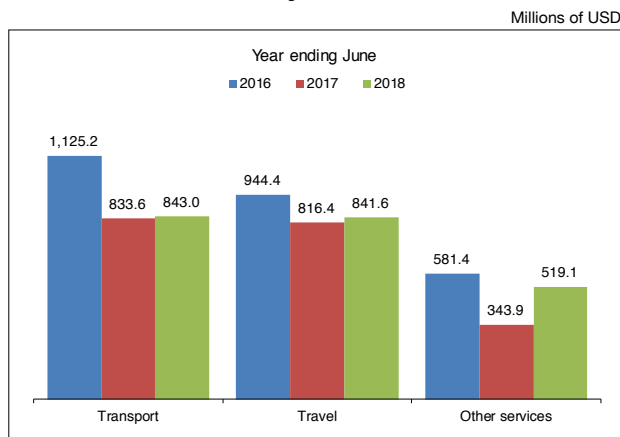
Source: Bank of Tanzania and banks

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

Service payments amounted to USD 2,203.6 million during the period of twelve months ending June 2018 compared with USD 1,994.0 million in the year ending June 2017 (**Chart 4.2**). The increase was on account of higher payments related to all services, save for insurance; use of intellectual property; and telecommunication, computer and information services. Transportation and travel payments, which altogether accounted for 76.4 percent of foreign service payments, went up by 3.1 percent and 1.1 percent to USD 841.6 million and USD 843.0 million, respectively. Increase in transport service payments was 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 captures income from capital related transactions and compensation of employees—recorded a deficit of USD 1,255.6 in the year to June 2018, higher than the balance realized in the year to June 2017 by 14.3 percent. Widening of the deficit was largely on account of an increase in payments under investment income, particularly dividends and interest payments. Secondary income account balance narrowed to a surplus of USD 434.1 million, a 4.7 percent decline compared with the amount recorded in the period of twelve months to June 2017, following increase in outflows.

4.1 World Commodity Prices

Prices of all selected agricultural and non-agricultural commodities in the world market declined in June 2018, save for those of cloves and sisal (Table 4.1). Price of cloves rose following higher global demand, while that of coffee declined due to strong supply following production increase, notably in Brazil. Price of crude oil and white petroleum products fell on expectations that the Organization of Petroleum Exporting Countries (OPEC) and some non-OPEC countries would increase production to full conformity levels. Gold price eased mainly due to lower demand as an investment portfolio.

On annual basis, world market prices of selected agricultural and non-agricultural commodities showed mixed developments. While prices of cotton, oil and gold increased, those of coffee, sisal and cloves declined (Table 4.1). Increase in prices of crude oil and white petroleum products was on account of extension of production cut by OPEC members and some non-OPEC countries. Gold

prices rose following high demand for gold as safe investment portfolio. Similarly, increase in the price of cotton was mainly due to higher global demand. On the other hand, price of coffee declined mainly due to strong supply following bumper harvest in Brazil, while that of sisal and cloves was largely due to weak global demand.

Table 4.1: World Commodity Prices

Commodity	Unit measure	May-18	Jun-18	Percentage change	Year ending June		Percentage change
					2017	2018	
Robusta coffee	USD per kg	2.0	1.9	-3.1	2.2	2.1	-8.1
Arabica coffee	USD per kg	3.0	3.0	-1.3	3.7	3.1	-15.6
Cotton, "A index"	USD per kg	2.1	2.1	-0.6	1.8	1.9	4.9
Sisal (UG)	USD per kg	1.8	1.8	0.0	1.8	1.7	-1.1
Cloves	USD per kg	7.9	8.1	2.2	8.4	8.4	-0.1
Crude oil*	USD per barrel	73.4	72.4	-1.4	49.2	61.5	25.0
Crude oil**	USD per barrel	73.7	73.2	-0.6	48.5	61.3	26.5
White products***	USD per tonne	721.9	700.1	-3.0	468.4	599.1	27.9
Jet/Kerosine	USD per tonne	708.1	689.0	-2.7	434.4	589.8	35.8
Premium gasoline	USD per tonne	735.6	711.3	-3.3	502.4	608.4	21.1
Gold	USD per troy ounce	1,303.5	1,281.0	-1.7	1,258.1	1,297.1	3.1

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

The stock of external debt, comprising public and private sector debt, amounted to USD 20,503.0 million at the end of June 2018, a USD 23.2 million decrease from the end of the preceding month level (Table 5.1). The decrease was on account of debt repayments and appreciation of the US dollar against most of the other currencies in which the debt is denominated. Meanwhile, the debt stock increased by USD 1,851.9 million from the end of June 2017, due to new disbursements and accumulation of interest arrears.

Central government debt accounted for 77.2 percent of the external debt stock, same as in May 2018 but slightly lower than in June 2017. In absolute terms, the debt stock shrunk by USD 32.0 million from the end of May 2018 position but increased by USD 1,137.1 million from the end of June 2017 following new disbursements and accumulation of interest arrears (Table 5.1).



Table 5.1: External Debt Stock by Borrowers

Borrower	Millions of USD					
	Jun-17		May-18		Jun-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	14,686.4	78.7	15,855.5	77.2	15,823.5	77.2
DOD	13,901.6	74.5	15,015.6	73.2	14,978.8	73.1
Interest arrears	784.8	4.2	839.9	4.1	844.7	4.1
Private sector	3,654.4	19.6	4,427.4	21.6	4,467.8	21.8
DOD	3,067.4	16.4	3,597.3	17.5	3,605.9	17.6
Interest arrears	587.0	3.1	830.1	4.0	861.9	4.2
Public corporations	310.3	1.7	243.3	1.2	211.7	1.0
DOD	282.2	1.5	212.4	1.0	180.4	0.9
Interest arrears	28.1	0.2	30.9	0.2	31.3	0.2
External debt stock	18,651.1	100.0	20,526.2	100.0	20,503.0	100.0

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

The composition of external debt stock in terms of creditor category remained almost the same as in the previous month, where debt owed to multilateral institutions remained dominant accounting for 46.5 percent of the debt stock, followed by debt owed to commercial banks at 33.5 percent (Table 5.2).

Table 5.2: External Debt Stock by Creditors

Creditor	Millions of USD					
	Jun-17		May-18		Jun-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	8,726.0	46.8	9,569.4	46.6	9,538.6	46.5
DOD	8,711.1	46.7	9,541.3	46.5	9,509.2	46.4
Interest arrears	14.9	0.1	28.1	0.1	29.4	0.1
Bilateral	1,940.7	10.4	1,830.8	8.9	1,822.6	8.9
DOD	1,155.9	6.2	991.3	4.8	981.7	4.8
Interest arrears	784.8	4.2	839.5	4.1	840.9	4.1
Commercial	6,245.5	33.5	6,871.1	33.5	6,858.4	33.5
DOD	5,879.8	31.5	6,519.4	31.8	6,498.5	31.7
Interest arrears	365.7	2.0	351.7	1.7	359.9	1.8
Export credit	1,739.0	9.3	2,254.9	11.0	2,283.4	11.1
DOD	1,504.4	8.1	1,773.3	8.6	1,775.7	8.7
Interest arrears	234.6	1.3	481.6	2.3	507.7	2.5
External debt stock	18,651.1	100.0	20,526.2	100.0	20,503.0	100.0

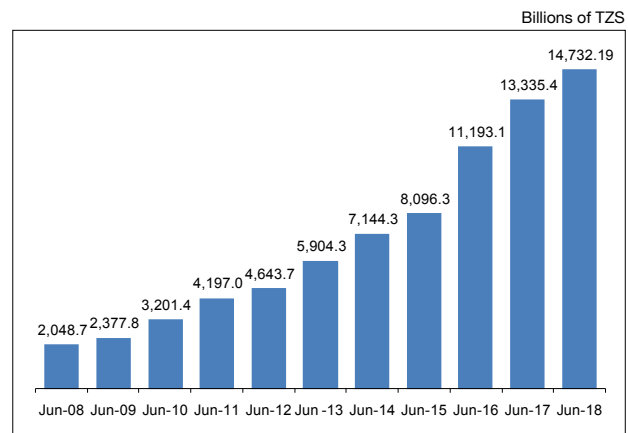
Source: Ministry of Finance and Planning, and Bank of Tanzania
Note: DOD denotes disbursed outstanding debt.

In terms of debt flows, external debt disbursed in June 2018 amounted to USD76.0 million, of which 88.4 percent was received by the central government. Cumulative disbursement of funds for the year ending June 2018 was USD 1,599.3 million, of which USD 1,394.7 million was received by the central government and the balance by private sector. Debt service during June 2018 amounted to USD 109.4 million, out of which USD 66.9 million was principal repayment and the balance interest payment. Debt service payments in 2017/18 amounted to USD 1,072.3 million, of which principal repayment was USD 760.7 million and the balance was interest payment.

5.2 Domestic Debt

Central government domestic debt stock increased to TZS 14,732.2 billion at the end of June 2018 from TZS 13,228.2 billion and TZS 13,335.4 billion at the end of the preceding month and in June 2017 (Chart 5.1).

Chart 5.1: Government Domestic Debt Stock



Source: Bank of Tanzania

The maturity profile of domestic debt stock remained in line with the government medium-term debt management strategy, which endeavor to mitigate refinancing risk through lengthening of maturity portfolio. Domestic debt instruments of long-term maturity, i.e., Treasury bonds and stocks, remained dominant accounting for 68.7 percent of the domestic debt stock at the end of June 2018, compared with 75.6 percent and 61.0 percent at the end of the preceding month and corresponding month in 2017, respectively (Table 5.3).

Table 5.3: Government Domestic Debt by Borrowing Instruments

Creditor	Billions of TZS					
	Jun-17		May-18		Jun-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	8,726.0	46.8	9,569.4	46.6	9,538.6	46.5
DOD	8,711.1	46.7	9,541.3	46.5	9,509.2	46.4
Interest arrears	14.9	0.1	28.1	0.1	29.4	0.1
Bilateral	1,940.7	10.4	1,830.8	8.9	1,822.6	8.9
DOD	1,155.9	6.2	991.3	4.8	981.7	4.8
Interest arrears	784.8	4.2	839.5	4.1	840.9	4.1
Commercial	6,245.5	33.5	6,871.1	33.5	6,858.4	33.5
DOD	5,879.8	31.5	6,519.4	31.8	6,498.5	31.7
Interest arrears	365.7	2.0	351.7	1.7	359.9	1.8
Export credit	1,739.0	9.3	2,254.9	11.0	2,283.4	11.1
DOD	1,504.4	8.1	1,773.3	8.6	1,775.7	8.7
Interest arrears	234.6	1.3	481.6	2.3	507.7	2.5
External debt stock	18,651.1	100.0	20,526.2	100.0	20,503.0	100.0

Source: Ministry of Finance and Bank of Tanzania
Note: * includes NMB bank Plc standard loan and duty drawback



Regarding domestic debt stock by creditor, commercial banks continued to hold the largest share, 36.0 percent, followed by pension funds and Bank of Tanzania (including advances) at 24.7 percent and 22.2 percent, respectively. Noteworthy, the share of domestic debt stock held by the Bank of Tanzania has increased from 14.7 percent at the end of the preceding month following the Government receipt of new advances from the central bank (Table 5.4).

Table 5.4: Government Domestic Debt by Holders

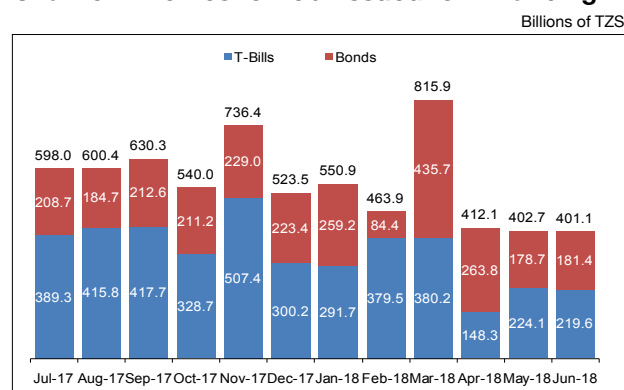
Holder	Billions of TZS					
	Jun-17		May-18		Jun-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	5,121.5	38.4	5,346.9	40.4	5,297.2	36.0
Bank of Tanzania	2,986.4	22.4	1,945.2	14.7	3,272.6	22.2
Pension funds	3,376.4	25.3	3,490.4	26.4	3,641.2	24.7
Insurance	1,093.2	8.2	1,080.6	8.2	1,181.8	8.0
BOT's special funds	162.4	1.2	236.8	1.8	265.0	1.8
Others	595.5	4.5	1,128.4	8.5	1,074.4	7.3
Total	13,335.4	100.0	13,228.2	100.0	14,732.2	100.0

Source: Bank of Tanzania

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

Government securities—Treasury bills and bonds—issued for government budgetary operations amounted to TZS 401.1 billion in June 2018, out of which TZS 219.6 billion was Treasury bills and TZS 181.4 billion Treasury bonds. Cumulative domestic debt raised during the year ending June 2018 was TZS 6,675.2 billion, of which TZS 4,002.5 billion was Treasury bills and TZS 2,672.7 billion Treasury bonds (Chart 5.2).

Chart 5.2: Domestic Debt Issued for Financing



Source: Bank of Tanzania

Note: Figures on top of each bar are totals

Domestic debt that fell due for payment in June 2018 shrunk to TZS 317.1 billion from TZS 610.4 billion in the preceding month. Out of debt that matured in June 2018, principal amounting to TZS 214.9 billion was rolled-over while interest amounting to TZS 102.2 billion was paid out of government resources.

Cumulative debt service during the year to June 2018 amounted to TZS 6,143.3 billion, of which TZS 4,787.1 billion was principal repayment and TZS 1,253.3 billion interest payments.

6.0 Economic Developments in Zanzibar

6.1 Inflation Developments

Twelve-month headline CPI inflation eased to 3.5 percent in June 2018 from 5.4 percent in the corresponding month in 2017, but was higher than 2.7 percent recorded in May 2018 (Table 6.1 and Chart 6.1). The slowdown was driven by moderation in both food and non-food inflation rates. Twelve-month food inflation was 2.3 percent compared with 4.2 percent in June 2017 following improvements in food supply. Food items that recorded significant prices decrease were maize flour, cooking bananas and sugar whose prices dropped by 41.4 percent, 29.6 percent and 5.3 percent, respectively. Annual non-food inflation also eased, to 4.4 percent in June 2018 from 6.5 percent in similar month in 2017 on account of decline in prices of construction materials, particularly cement. With the exception of housing, water, electricity, gas and other fuels; furnishing, household equipment and routine household maintenance; transport; and education sub-groups, all main groups of consumer basket registered annual inflation rates below the headline inflation. On month-to-month basis, headline inflation was 0.7 percent in June 2018 compared to a deflation of 0.1 percent in the corresponding month in 2017.

Table 6.1: Inflation Developments

Base: January 2017=100

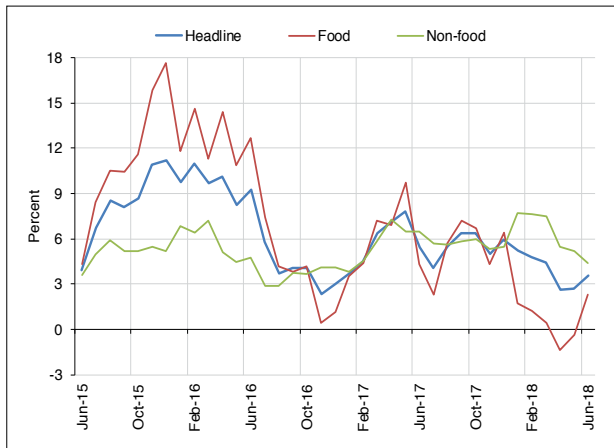
Main groups	Weight	Monthly change			Annual change		
		Jun-17	May-18	Jun-18	Jun-17	May-18	Jun-18
Food and non-alcoholic beverages	43.6	-1.6	3.8	1.0	4.6	-0.3	2.3
Alcoholic beverages, tobacco and narcotics	0.2	0.0	0.0	0.0	3.6	3.3	3.3
Clothing and footwear	6.9	4.3	0.1	0.0	6.8	5.5	1.2
Housing, water, electricity, gas and other fuels	18.4	0.9	-0.5	1.5	11.3	3.3	3.9
Furnishing, household equipment and routine household maintenance	5.5	1.1	0.6	0.5	1.8	13.6	12.9
Health	2.1	-0.5	1.3	0.3	6.5	1.8	2.6
Transport	9.6	0.6	-0.9	0.1	4.3	8.5	7.9
Communication	4.2	-0.1	0.2	-1.4	-0.1	0.4	-0.9
Recreation and culture	1.3	4.0	0.0	0.0	5.0	6.9	2.7
Education	1.9	0.0	0.0	0.0	4.2	5.3	5.3
Restaurants and hotels	3.9	0.0	0.0	0.0	-3.2	2.0	2.0
Miscellaneous goods and services	2.3	0.3	-0.1	0.9	6.9	1.9	2.5
All items (Headline inflation)	100.0	-0.1	1.5	0.7	5.4	2.7	3.5
Other selected groups:							
Food	42.7	-1.7	4.1	0.9	4.2	-0.4	2.3
Non-food	57.3	1.2	-0.2	0.5	6.6	5.1	4.4

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 Developments

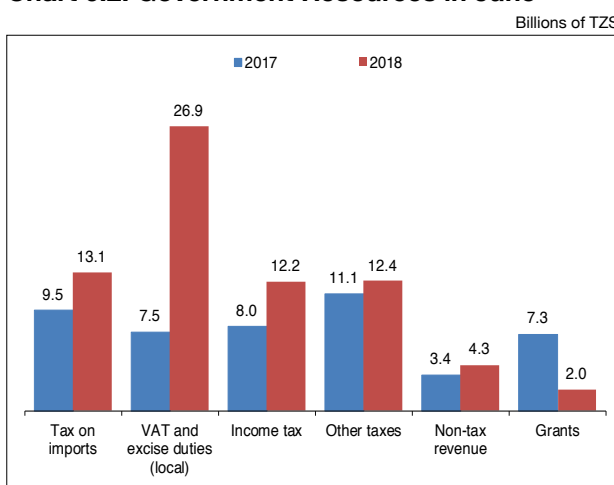


Source: Office of the Chief Government Statistician, Zanzibar

6.2 Government Budgetary Operations

In June 2018, government resource envelope, comprising domestic revenue and foreign grants, amounted to TZS 70.9 billion, of which TZS 68.9 billion was domestic revenue and the balance was grants. Tax revenue was TZS 64.6 billion and non-tax revenue TZS 4.3 billion (Chart 6.2). Revenue collections were 29.6 percent above the projections for the month, largely driven by performance of VAT and excise duties (local) that is associated with increased tax compliance. Foreign grants amounted to TZS 2.0 billion, above the projection by TZS 1.4 billion. Noteworthy, domestic revenue collection for 2017/18 amounted to TZS 685.5 billion, slightly above projections of TZS 675.8 billion.

Chart 6.2: Government Resources in June

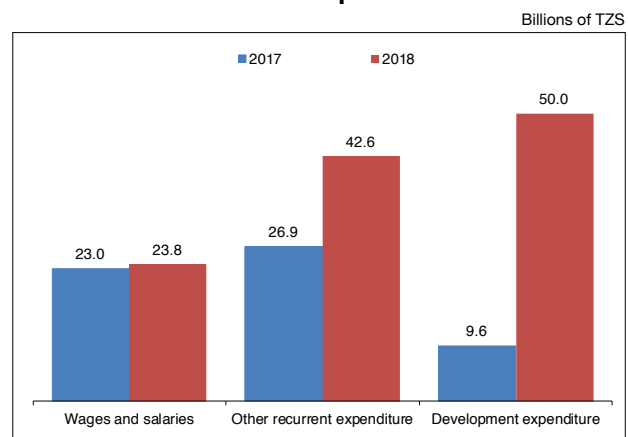


Source: Ministry of Finance and Planning - Zanzibar

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 116.4 billion in June 2018, above the estimates for the month by TZS 49.3 billion. Recurrent expenditure was TZS 66.4 billion and the balance was expenditure on development projects (Chart 6.3). Development expenditure was above the estimates for the month by three-fold, owing to more than projected disbursement of funds by development partners and Government commitment to fulfil its obligations in development projects before end of the financial year. Out of the total development expenditure, TZS 20.6 billion was from domestic sources and TZS 29.3 billion was from external sources. Government expenditure for 2017/18 was TZS 919.8 billion, equivalent to 84.6 percent of the annual estimates.

Chart 6.3: Government Expenditure in June



Source: Ministry of Finance and Planning - Zanzibar

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

Fiscal operations during June 2018 led to the overall deficit of TZS 27.3 billion after considering grants, which was financed through program loans.

6.3 External Sector Performance

6.3.1 Current Account

Current account balance was a surplus of USD 21.7 million in 2017/18 compared with a surplus of USD 27.4 million in 2016/17, driven by imports. Goods account registered a deficit of USD 115.0 million, up from a deficit of USD 95.4 million in the year to June 2017 on account of increase in import bill. Meanwhile, services account improved to a surplus of USD 97.2 million from USD 89.5 million, attributed by increase in earnings from tourism activities (Table 6.2).



Table 6.2: Current Account Balance

	Millions of USD					
				Year ending June		Percentage change
	Jun-17	May-18	Jun-18 ^p	2017	2018 ^p	
Goods account	-9.8	-18.0	-15.8	-95.4	-115.0	20.5
Exports	0.3	0.6	1.0	24.0	73.1	---
Imports (fob)	10.1	18.5	16.9	119.4	188.0	57.5
Services account	7.5	6.7	8.0	89.5	97.2	8.7
Receipts	12.5	12.3	14.1	146.8	164.7	12.2
Payments	5.0	5.5	6.1	57.4	67.4	17.6
Goods and services	-2.3	-11.2	-7.8	-5.9	-17.7	---
Exports of goods and services	12.8	12.8	15.1	170.9	237.7	39.2
Imports of goods and services	15.1	24.1	22.9	176.8	255.5	44.5
Income account	0.6	0.8	-0.4	7.2	7.4	3.6
Receipts	1.1	1.2	0.9	12.2	13.1	6.9
Payments	0.5	0.4	1.3	5.1	5.6	11.5
Current transfers	3.8	1.2	2.1	26.2	32.0	22.1
Inflows	4.0	1.3	2.2	27.2	34.1	25.4
Outflows	0.2	0.1	0.2	1.0	2.1	---
Current account balance	2.1	-9.3	-6.1	27.4	21.7	-21.1

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

6.3.2 Exports

Earnings from export of goods and services increased to USD 237.7 million in 2017/18 from USD 170.9 million a year earlier, mainly on account of performance of goods exports (**Table 6.1**). Earnings from goods exports more than doubled, largely driven by cloves exports; whose earnings rose to USD 58.9 million from USD 17.4 million in 2016/17 due to price and volume increase—associated with bumper harvest. Seaweeds exports, the second major export crop, also rose following volume increase (**Table 6.3**).

Earnings from export of fish and fish products, manufactured goods⁴ and other exports also recorded noticeable increases. Export earnings of fish and fish products rose by almost ten times, following increase in supply of fish including prawns and crabs; and other marine products.

Services receipts increased by 12.2 percent from the amount realized in 2016/17 to USD 164.7 million, driven by receipts from tourism related activities.

Table 6.3: Goods Export Performance

	Units	Jun-17	May-18	Jun-18 ^p	Year ending June		Percentage change
					2017	2018 ^p	
Traditional exports:							
Clove							
Value	'000' USD	0.0	89.4	0.0	17,400.2	58,893.1	---
Volume	'000' Tonnes	0.0	0.1	0.0	2.2	7.4	---
Unit price	USD/Tonne	0.0	812.3	0.0	7,757.6	7,938.1	2.3
Non-traditional exports:							
Seaweeds							
Value	'000' USD	78.7	284.1	38.4	1,631.7	4,594.4	---
Volume	'000' Tonnes	0.2	0.7	0.8	3.5	11.8	---
Unit price	USD/Tonne	449.9	436.7	49.8	470.5	389.4	-17.2
Manufactured goods	'000' USD	69.7	9,308.2	70.1	4,245.4	6,774.9	59.6
Fish and fish products	'000' USD	6.4	5.5	5.7	34.1	310.6	---
Others exports	'000' USD	5.5	114.2	18.4	721.4	2,511.7	---
Sub-total	'000' USD	264.4	477.8	1,028.6	6,632.6	14,191.6	---
Grand-total	'000' USD	264.4	567.1	1,028.6	24,032.8	73,084.7	---

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

6.3.3 Imports

Imports of goods (f.o.b) and services increased to USD 255.5 million from USD 176.8 million in 2016/17 (**Table 6.2**). All goods import categories recorded increases with consumer goods recording the largest increase. Intermediate and consumer goods imports, which accounted for 43.9 percent and 29.7 percent of goods imports, remained the main drivers of growth in goods imports. Growth in intermediate imports was mostly driven by oil imports, which accounted for 68.4 percent and 30.0 percent of intermediate goods imports and total imports (c.i.f), respectively (**Table 6.4**).

Services payments amounted to USD 67.4 million in 2017/18, a 17.6 percent increase from the year 2016/17 position.

Table 6.4: Zanzibar Goods Imports by Major Categories

	Millions of USD					
				Year ending May		Percentage change
	May-17	Apr-18	May-18 ^p	2017	2018 ^p	
Capital goods	2.3	5.4	6.4	36.0	51.8	44.1
Transport equipment	0.8	2.8	3.6	17.5	20.4	16.4
Building and construction	0.3	0.6	0.6	6.6	7.6	15.2
Machinery	1.2	2.0	2.3	11.9	23.9	---
Intermediate goods	5.1	8.7	7.7	58.6	87.6	49.6
Oil imports	4.1	5.6	5.8	44.9	59.8	33.2
Industrial raw materials	1.0	3.2	1.8	13.7	27.8	---
Consumer goods	2.9	5.9	6.3	35.2	59.8	70.0
Food and food stuffs	1.6	1.6	1.6	12.0	23.9	99.4
All other consumer goods	1.3	4.3	4.6	23.2	35.9	54.5
Grand total (c.i.f)	10.3	20.0	20.4	129.7	199.2	53.6
Grand total (f.o.b)	9.4	19.2	19.6	118.0	190.2	61.2

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

⁴ Includes manufactured goods re-exports



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	12,482.2	14,236.9	15,884.0	17,180.9	18,491.5	20,503.0
5.2 Interest Arriers	Mill. USD	11,086.4	12,632.1	14,548.3	15,948.1	17,091.6	18,765.1
	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												
	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18 ^r	Jun-18 ^p
Net foreign assets	9,573.1	9,987.4	10,271.1	10,396.7	10,981.2	11,427.6	11,596.1	11,380.7	11,196.2	10,881.1	10,750.7	11,249.5	11,236.7
Bank of Tanzania	10,016.8	10,617.0	11,109.3	11,302.4	11,320.3	11,947.8	12,149.8	11,771.7	11,687.6	11,149.2	10,733.9	11,530.2	11,514.8
Other depository corporations	-443.7	-629.7	-838.2	-905.8	-339.0	-520.2	-553.8	-390.9	-491.4	-268.0	16.8	-280.7	-278.2
Net domestic assets	14,292.3	13,575.2	13,213.9	12,730.6	12,618.0	13,273.1	13,118.2	13,566.5	13,683.6	13,595.7	13,683.0	13,273.5	14,057.9
Domestic claims	21,038.9	20,378.8	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
Claims on central government (net)	4,172.7	3,557.6	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
Claims on central government	8,709.8	8,063.7	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
Liabilities to central government	4,537.1	4,506.0	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
Claims on non-government sector	16,866.2	16,821.1	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
Other items (net)	-6,746.6	-6,803.6	-6,807.4	-6,905.2	-7,142.8	-7,106.1	-7,052.9	-7,346.6	-6,860.2	-7,255.5	-7,207.6	-7,116.7	-7,304.9
Broad money liabilities	23,865.4	23,562.5	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
Currency outside depository corporations	3,615.3	3,627.3	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
Transferable deposits	10,985.3	10,786.4	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
Non-transferable (other) deposits	9,264.8	9,148.8	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
Memorandum items:													
Monetary aggregates													
Reserve money (M0)	6,827.1	6,709.6	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
Extended broad money (M3)	23,865.4	23,562.5	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
Deposits in foreign Currency (FCD)	6,177.9	6,194.0	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
FCD in millions of USD	2,770.2	2,775.6	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
Broad money (M2)	17,687.5	17,368.5	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
Other deposits in national currency (i.e. savings and time deposits)	6,816.2	6,646.8	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
Narrow money (M1)	10,871.3	10,721.7	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
Currency in circulation	3,615.3	3,627.3	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
Transferable deposits in national currency	7,256.0	7,094.4	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

Source: Bank of Tanzania

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



Table A4: Interest Rate Structure

Items	2017							2018					
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun ^P
A: Domestic currency													
1. Interbank cash market rates													
Overnight	4.08	4.43	4.36	3.87	3.43	3.19	2.95	2.74	1.83	1.50	1.29	1.53	1.69
2 to 7 days	5.66	5.05	5.14	4.56	4.24	3.70	3.40	3.15	2.07	1.95	1.73	2.01	2.06
8 to 14 days	5.58	5.75	7.14	4.93	4.11	3.80	4.04	4.08	2.60	1.87	1.70	2.01	2.15
15 to 30 days	6.06	6.17	7.65	6.30	6.30	4.00	5.43	4.19	3.90	3.53	3.53	3.50	3.33
31 to 60 days	9.00	9.00	7.52	6.50	6.50	9.00	9.00	5.00	5.00	5.00	5.00	5.00	5.00
61 to 90 days	16.75	16.75	16.75	9.00	9.00	9.00	9.00	8.50	8.50	3.25	3.25	3.25	3.25
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	4.91	4.92	4.87	4.93	3.72	3.46	3.26	3.00	1.97	1.71	1.45	1.70	1.85
2. Lombard rate	8.02	7.22	7.16	7.20	6.90	6.75	6.75	5.10	3.91	3.00	3.00	3.69	3.69
3. REPO rate	2.23	2.23	2.23	2.23	2.23	2.23	2.23	2.24	1.10	1.00	1.21	2.46	2.46
4. Reverse repo rate	4.07	4.89	6.62	4.93	4.00	5.00	4.55	5.19	5.19	5.19	2.31	4.03	3.31
5. Treasury bills rates													
35 days	5.35	4.81	4.77	4.80	4.60	4.50	4.50	3.40	2.61	2.00	2.00	2.00	2.00
91 days	5.53	4.86	4.07	4.10	4.00	4.00	4.00	3.75	3.45	2.52	2.05	1.91	2.70
182 days	7.13	8.54	9.42	8.91	7.51	7.16	5.87	4.29	3.85	3.35	3.06	2.69	2.68
364 days	8.65	9.80	11.42	11.42	10.50	9.60	8.71	7.48	6.58	5.48	4.74	4.80	6.27
Overall treasury bills rate	7.64	9.12	10.61	10.58	9.41	8.93	8.19	6.54	5.45	4.69	4.04	4.28	5.59
6. Treasury bonds rates													
2-years	16.22	12.45	12.45	11.76	11.76	11.76	11.10	11.10	9.21	9.21	8.52	8.52	8.52
5-years	17.92	13.07	13.96	13.96	13.96	13.64	13.64	12.16	12.16	11.06	11.06	11.06	11.30
7-years	16.48	16.48	14.28	14.28	14.98	14.98	13.98	13.98	12.96	12.96	12.96	12.23	12.23
10-years	14.76	14.76	15.75	15.75	15.89	15.89	15.09	15.09	13.86	13.86	13.94	13.94	13.94
15-years	18.88	16.15	16.15	16.74	16.74	15.87	15.87	14.65	14.65	14.65	14.17	14.17	14.47
7. Discount rate	12.00	12.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
8. Savings deposit rate	3.14	3.10	3.15	2.84	2.81	2.81	2.80	2.86	2.76	2.77	2.19	2.11	2.09
9. Overall time deposits rate													
1 month	11.07	11.16	11.24	10.65	9.24	9.68	10.26	10.41	10.31	9.51	9.17	8.89	9.19
2 months	11.11	11.80	11.52	9.82	11.66	10.73	11.19	11.16	10.09	8.69	9.10	8.77	8.42
3 months	12.01	11.26	9.54	11.61	10.53	10.92	10.99	10.01	8.41	8.89	8.51	7.70	9.07
6 months	11.47	11.49	11.28	11.36	11.21	10.49	10.15	9.72	9.26	8.99	8.96	9.14	9.07
12 months	12.14	11.89	11.69	11.65	11.30	11.27	10.86	10.77	10.09	9.92	9.22	8.68	8.88
24 months	11.02	12.81	12.29	11.21	12.24	12.13	11.82	12.36	12.21	12.08	13.54	11.80	11.94
10. Negotiated deposit rate	12.73	12.51	11.82	10.62	10.30	11.11	11.10	10.90	10.40	10.19	9.87	9.39	9.37
11. Overall lending rate													
Short-term (up to 1 year)	18.45	19.18	19.09	18.90	18.86	18.17	18.47	18.65	18.01	18.54	18.19	18.05	17.61
Medium-term (1-2 years)	19.62	19.45	20.02	19.96	18.92	19.17	20.40	20.08	18.85	19.43	19.49	18.75	18.65
Medium-term (2-3 years)	17.19	17.38	17.57	19.00	17.35	17.14	18.79	18.76	16.74	16.60	16.73	17.27	16.99
Long-term (3-5 years)	17.56	17.89	18.01	19.54	18.05	18.06	19.24	18.82	17.96	17.92	17.87	17.93	17.47
Term Loans (over 5 years)	15.21	15.31	15.48	15.86	15.24	15.59	16.21	15.24	14.79	15.03	15.32	15.64	15.97
12. Negotiated lending rate	14.71	15.20	17.38	17.91	17.72	17.08	16.82	15.88	16.20	16.47	16.23	16.01	16.23
B: Foreign currency													
1. Deposits rates													
Savings deposits rate	0.29	0.28	0.28	0.28	0.29	0.29	0.24	0.70	1.16	0.81	0.77	1.07	1.02
Overall time deposits rate	4.01	3.73	3.30	3.41	3.69	3.79	3.41	4.21	4.10	3.90	4.04	3.65	3.49
1-months	3.17	4.10	2.24	1.97	3.21	3.81	2.54	3.70	3.95	4.18	3.79	4.20	3.84
2-months	4.94	3.61	3.28	3.40	3.98	3.79	2.92	4.25	4.42	3.74	4.44	3.76	3.39
3-months	4.26	3.56	3.70	3.84	3.30	3.00	3.91	4.59	3.72	4.36	5.23	3.45	3.66
6-months	3.98	3.73	3.53	3.47	3.72	4.13	4.03	4.69	4.65	3.87	3.77	3.73	3.73
12-months	3.70	3.66	3.77	4.35	4.24	4.21	3.67	3.83	3.74	3.35	2.99	3.11	2.82
2. Overall lending rate													
Short-term (up to 1 year)	9.28	9.50	8.87	9.07	8.15	8.66	7.82	8.48	8.84	8.32	8.30	8.54	8.55
Medium-term (1-2 years)	7.79	8.20	7.39	8.98	7.40	7.38	7.25	7.29	7.92	8.34	8.35	8.03	8.18
Medium-term (2-3 years)	8.85	8.32	8.37	8.42	8.40	8.43	8.29	8.34	8.27	7.71	8.31	8.42	8.40
Long-term (3-5 years)	8.19	8.17	8.25	8.25	8.13	8.11	8.07	8.01	8.03	8.17	8.17	8.17	8.47
Term loans (over 5 years)	8.25	7.68	7.75	8.09	7.63	7.64	7.61	7.69	8.89	7.57	8.43	8.44	8.28

Source: Bank of Tanzania
Note: p denotes provisional data.



Table A5: Tanzania Balance of Payments

	Millions of USD					
Item	2012	2013	2014 ^r	2015 ^r	2016 ^r	2017 ^p
A. Current account	-3,769.6	-4,988.5	-5,048.6	-3,986.9	-1,953.2	-1,481.2
Goods: exports f.o.b.	5,889.2	5,258.1	5,194.1	5,316.8	5,661.2	4,827.8
Traditional	956.7	868.9	828.8	793.3	885.6	1,020.2
Non-traditional	4,164.4	3,703.3	3,798.6	4,040.1	4,260.9	3,368.7
o/w Gold	2,117.4	1,644.8	1,324.1	1,183.3	1,449.4	1,541.1
Unrecorded trade	768.2	685.8	566.8	483.3	514.7	438.9
Goods: imports f.o.b.	-10,319.1	-11,029.1	-10,917.8	-9,843.1	-8,463.6	-7,551.7
Balance on goods	-4,429.9	-5,771.1	-5,723.7	-4,526.3	-2,802.5	-2,723.9
Services: credit	2,786.4	3,201.7	3,396.0	3,412.4	3,599.3	3,831.4
Transport	641.1	811.8	902.6	1,024.9	1,053.6	1,140.6
Travel	1,712.7	1,880.4	2,010.1	1,902.0	2,131.6	2,250.3
Other	432.6	509.5	483.2	485.5	414.1	440.5
Services: debit	-2,358.9	-2,488.5	-2,668.7	-2,629.1	-2,176.4	-2,039.9
Transport	-1,046.9	-1,137.8	-1,163.0	-1,047.0	-893.7	-800.3
Travel	-967.0	-1,033.9	-1,101.6	-1,195.3	-922.3	-807.3
Other	-344.9	-316.7	-404.1	-386.8	-360.4	-432.3
Balance on services	427.5	713.2	727.3	783.3	1,422.9	1,791.5
Balance on goods and services	-4,002.4	-5,057.9	-4,996.4	-3,743.0	-1,379.6	-932.4
Primary income: credit	131.1	130.1	118.4	110.3	98.5	125.3
o/w Investment income	109.6	99.9	86.5	87.8	67.6	86.1
Compensation of employees	21.4	30.2	31.9	22.5	31.0	39.3
Primary income: debit	-705.1	-835.8	-647.9	-834.6	-1,053.6	-1,076.2
o/w Direct investment income	-560.2	-617.0	-445.0	-550.0	-625.2	-672.8
Interest payments	-84.1	-148.2	-150.9	-248.6	-379.9	-356.0
Compensation of employees	-57.0	-67.9	-49.1	-33.2	-46.1	-45.0
Balance on primary income	-574.0	-705.7	-529.5	-724.3	-955.1	-950.8
Balance on goods, services and primary income	-4,576.4	-5,763.6	-5,525.9	-4,467.3	-2,334.7	-1,883.2
Secondary income: credit	912.3	836.9	535.5	560.5	452.7	485.2
Government	543.6	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	0.0
Financial corporations, nonfinancial corporations, households and NPISHs	368.7	351.7	357.6	365.3	371.6	363.4
o/w Personal transfers	368.7	351.7	357.6	365.3	371.6	363.4
Secondary income: debit	-105.4	-61.8	-58.2	-80.2	-71.2	-83.2
Balance on secondary income	806.8	775.1	477.3	480.4	381.5	402.0
B. Capital account	777.2	658.8	522.2	354.4	420.4	351.0
Capital transfers credit	777.2	658.8	522.2	354.4	420.4	351.0
General government	713.6	595.2	457.9	290.3	357.3	287.8
Other capital transfer (Investment grant)	713.6	595.2	457.9	290.3	357.3	287.8
Debt forgiveness (including MDR)	0.0	0.0	0.0	0.0	0.0	0.0
Financial corporations, nonfinancial corporations, households and NPISHs	63.6	63.6	64.2	64.0	63.2	63.2
Capital transfers:debit	0.0	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-2,992.4	-4,329.7	-4,526.4	-3,632.5	-1,532.8	-1,130.2
C. Financial account, excl. reserves and related items	-3,879.6	-5,021.0	-3,244.5	-2,819.8	-1,820.6	-2,370.0
Direct investments	-1,799.6	-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	0.0
Direct investment in Tanzania	1,799.6	2,087.3	1,416.1	1,506.0	864.0	1,125.6
Portfolio investment	-6.1	-4.5	-11.5	-27.6	5.0	-2.9
Other investment	-2,073.9	-2,929.3	-1,816.9	-1,286.1	-961.5	-1,241.5
Assets	-220.6	186.4	-29.4	331.7	-129.1	-117.8
Loans (Deposit-taking corporations, except the central bank)	-37.2	-0.1	-24.5	186.8	-95.8	-34.5
Currency and deposits	-183.3	186.6	-4.9	144.9	-33.3	-83.4
Deposit-taking corporations, except the central bank	-156.3	-20.7	-87.9	69.5	-150.1	-4.9
Other sectors	-27.0	207.3	83.0	75.4	116.8	-78.5
Other assets	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities	1,853.4	3,115.7	1,787.5	1,617.8	832.4	1,123.7
Trade credits	0.2	0.8	-1.0	-0.1	0.2	9.7
Loans	1,820.3	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	0.0
SDR allocation	0.0	0.0	0.0	0.0	0.0	0.0
General government	971.2	1,750.8	1,337.4	1,247.0	381.9	734.1
Drawings	1,022.8	1,834.4	1,476.8	1,440.7	828.5	1,238.8
Repayments	-51.6	-83.6	-139.3	-193.8	-446.5	-504.7
o/w Debt forgiveness	0.0	0.0	0.0	0.0	0.0	0.0
Rescheduled debt	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	30.6	188.5	14.6	97.3	209.2	176.1
Other sectors	818.6	988.3	422.0	371.0	310.3	220.8
Drawings	872.3	1,070.6	494.5	547.4	453.3	318.9
Repayments	-53.7	-82.3	-72.5	-176.4	-142.9	-98.1
Currency and deposits	32.8	187.3	14.4	-97.5	-69.3	-17.1
Total, Groups A through C	-6,872.0	-9,350.7	-7,770.9	-6,452.3	-3,353.3	-3,500.2
D. Net errors and omissions	-561.1	-183.4	1,030.1	613.7	17.8	429.8
Overall balance	326.2	507.9	-251.8	-199.1	305.5	1,669.6
E. Reserves and related Items	326.2	507.9	-251.8	-199.1	305.5	1,669.6
Reserve assets	324.7	621.4	-307.3	-273.7	232.2	1,588.7
Use of Fund credit and loans	1.5	-113.5	55.5	74.6	73.3	70.9
Memorandum items:						
GDP(mp) billions of TZS	61,434.2	70,953.2	79,718.4	90,863.8	103,168.6	116,101.9
GDP(mp) millions of USD	39,087.6	44,382.8	48,240.9	45,766.1	47,388.8	52,090.3
CAB/GDP	-9.6	-11.2	-10.5	-8.7	-4.1	-2.8
CAB/GDP (excl. current official transfers)	-11.0	-12.3	-10.8	-9.1	-4.3	-3.1
Gross official reserves	4,068.1	4,689.7	4,377.2	4,093.7	4,325.6	5,900.3
Months of imports	3.6	4.1	4.2	4.6	5.4	6.1
Months of Imports(Excluding FDI related imports)	4.1	4.5	4.7	4.9	6.0	6.6
Net International reserves (year end)	3,720.2	4,216.2	3,971.3	3,762.5	4,067.7	5,713.3
Change in net international reserves	325.0	496.0	-244.9	-208.8	305.2	1,645.6
Exchange rate (TZS per USD) (end of period)	1,571.6	1,578.6	1,725.8	2,148.5	2,172.6	2,230.1
Exchange rate (TZS per USD) (annual average)	1,571.7	1,598.7	1,652.5	1,965.4	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

	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	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

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

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

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

Source: National Bureau of Statistics



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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