



BANK OF TANZANIA



**MONTHLY
ECONOMIC
REVIEW**

February 2018

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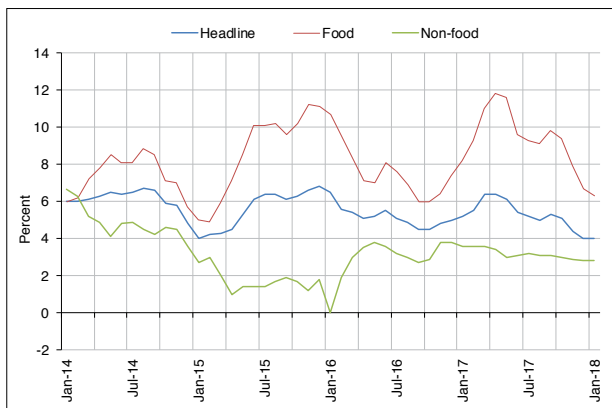


1.0 Inflation and Food Stocks

1.1 Inflation Developments

Inflation remained low and stable, driven by both food and non-food inflation with the former having significant influence due to satisfactory harvests in most parts of the country during 2016/17 crop-season. Twelve-month headline inflation stabilized at 4.0 percent for two months in a row—December 2017 and January 2018— lower than 4.4 percent in November 2017 and 5.2 percent January 2017 (**Chart 1.1**). Noteworthy, the annual inflation was the lowest since January 2015 and below the medium-target target of 5.0 percent. On month-to-month basis, headline inflation was 0.8 percent in January 2018, same as in the corresponding period in 2017.

Chart 1.1: Annual Inflation Rates



Source: National Bureau of Statistics and Bank of Tanzania computations.

Inflation rates of all of the main groups were below headline inflation, except those of food and non-alcoholic beverages, and housing, water, electricity, gas and other fuel. Annual food and non-alcoholic beverages inflation was 6.3 percent compared with 6.2 percent in December 2017 and 5.2 percent in January 2017 (**Table 1.1**). On month-to-month basis, food and non-alcoholic inflation was 1.7 percent in January 2018, compared with 1.6 percent in January 2017.

Table 1.1: Headline Inflation and its Main Components

Base December 2015 = 100

Main Groups	Weight	Monthly Change			Annual change		
		Jan-17	Dec-17	Jan-18	Jan-17	Dec-17	Jan-18
Food and non alcoholic beverages	38.5	1.6	0.5	1.7	7.6	6.2	6.3
Alcoholic, tobacco and narcotics	3.7	0.1	0.2	0.1	5.0	2.6	2.6
Clothing and footwear	8.3	0.6	0.2	0.4	3.4	2.9	2.7
Housing, water, electricity, gas and other fuel	11.6	1.2	-0.2	0.1	9.5	8.3	7.1
Furnishing, housing equip and routine maint.	6.3	-0.1	0.3	0.4	3.3	1.3	1.8
Health	2.9	0.5	0.1	0.2	4.8	2.0	1.6
Transport	12.5	0.0	0.2	0.2	0.6	0.0	0.3
Communication	5.6	0.0	0.0	0.0	-0.9	-1.0	-1.0
Recreation and culture	1.6	-0.8	-0.5	0.3	0.7	0.9	2.0
Education	1.5	0.1	0.0	1.8	1.8	5.7	2.5
Restaurants and hotels	4.2	0.0	0.0	0.4	3.9	0.3	0.8
Miscellaneous goods and services	3.1	0.1	0.0	0.2	2.3	2.5	2.7
All Items-(headline inflation)	100.0	0.8	0.2	0.8	5.2	4.0	4.0
<i>Memorandum items:</i>							
Food and non-alcoholic beverages: combining food consumed at home and food consumed in restaurants	37.1	1.7	0.5	1.8	8.2	6.7	6.7
Energy and fuels: combining electricity and other fuels for use at home with petrol and diesel	8.7	1.2	0.0	0.3	11.5	11.4	10.4
All items less food (non-food)	62.9	0.3	0.1	0.3	3.6	2.8	2.8
All items less food and energy	54.3	0.2	0.1	0.3	2.3	1.3	1.4

Source: National Bureau of Statistics and Bank of Tanzania Computations.

Twelve-month non-food inflation was 2.8 percent for two consecutive months, the lowest since September 2016. This is partly associated with stabilization of input prices, particularly energy prices, and a seemingly streamlined household expenditure pattern. On month-to-month basis, inflation of non-food was 0.3 percent in January 2018, same as in the corresponding period in 2017.

Annual energy and fuel inflation was to 10.4 percent in January 2018, lower compared with 11.4 percent in December 2017 and 11.5 percent in the corresponding period in 2017. On month-to-month basis, it was 0.3 percent in January 2018, lower than 1.2 percent in January 2017.

Twelve-month inflation for all items excluding food and energy, which is used as a proxy for core inflation, slightly edged up to 1.4 percent in January 2018 from 1.3 percent in December 2017, but was lower than 2.3 percent registered in the corresponding period in 2017. Month-to-month core inflation was 0.3 percent in January 2018 compared with 0.2 in the corresponding period in 2017.

1.2 Food Stocks

Food stocks held by the National Food Reserve Agency (NFRA) remained almost at the same level from October 2017 to January 2018, almost a similar pattern observed in the corresponding period last year (**Table 1.2**). For January 2018, NFRA held 91,947 tonnes, having sold 127 tonnes to private



traders, district offices and Prisons Department to address pockets of food shortages in some parts of the country during the reference month.

Table 1.2: Food Stocks Held by National Food Reserve Agency

	Tonnes					
	2013	2014	2015	2016	2017	2018
Jan	72,170	235,309	459,561	125,668	86,834	91,947
Feb	60,739	228,014	454,592	88,414	86,444	
Mar	46,153	214,157	452,054	68,727	86,444	
Apr	36,982	195,246	433,547	64,825	86,278	
May	26,802	195,956	406,846	63,341	74,826	
Jun	27,494	189,494	353,702	61,838	70,393	
Jul	71,141	182,200	282,401	49,632	68,697	
Aug	175,609	196,854	268,515	59,832	78,434	
Sep	224,295	299,624	265,046	86,545	85,403	
Oct	235,817	426,999	253,655	90,905	89,248	
Nov	234,145	460,295	238,134	90,900	93,354	
Dec	232,963	466,583	180,746	89,692	92,074	

Source: National Food Reserve Agency

1.3 Prices of Food Crops

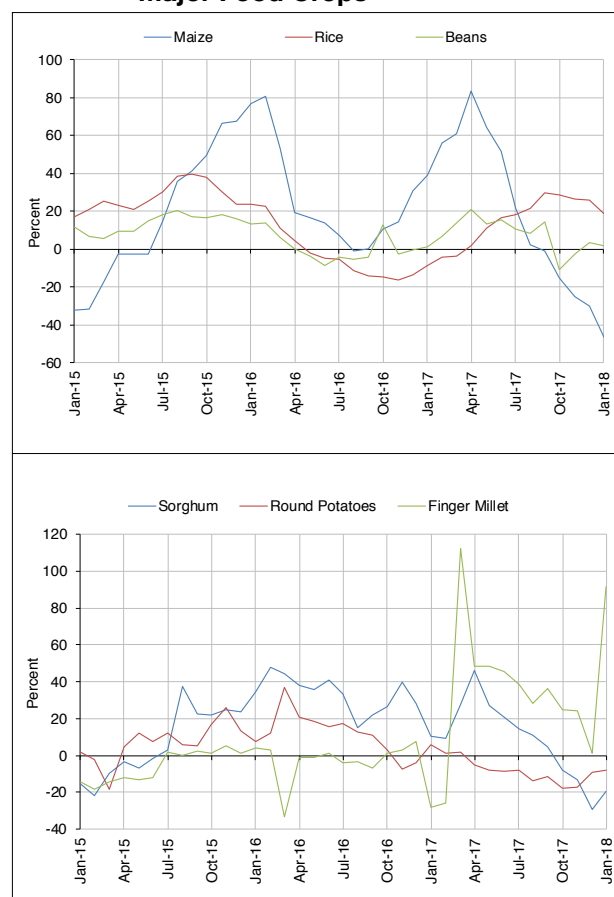
Wholesale prices of major food crops—maize, rice, beans, sorghum and potatoes—moved in diverse directions at varying degrees in January 2018 from the preceding month and corresponding period in 2017 (**Table 1.3**). The price of maize fell in January 2018 from December 2017, while those of other crops rose. In relation to the corresponding period in 2017, the price of maize dropped by nearly half, reflecting adequacy of maize grain in most parts of the country. Prices of potatoes and sorghum also declined, albeit by a lesser extent than that of maize. By contrast, prices of rice and beans rose, the former by a large percentage. **Chart 1.2** shows developments in prices of the major food crops in the country over the last three years.

Table 1.3: Wholesale Prices of Major Food Crops

Crop	TZS per 100 kg					
				Percentage change		
	Jan-17	Dec-17	Jan-18	Dec-17 to Jan-18	Jan-17 to Jan-18	
Maize	93,356.3	59,673.9	49,807.5	-16.5	-46.6	
Rice	162,745.3	191,988.6	193,578.1	0.8	18.9	
Beans	175,602.4	177,678.6	178,823.7	0.6	1.8	
Sorghum	94,899.7	73,784.8	76,435.6	3.6	-19.5	
Potatoes	83,467.5	71,931.7	76,789.4	6.8	-8.0	

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; Bank of Tanzania computations.

2.0 Monetary and Financial Markets

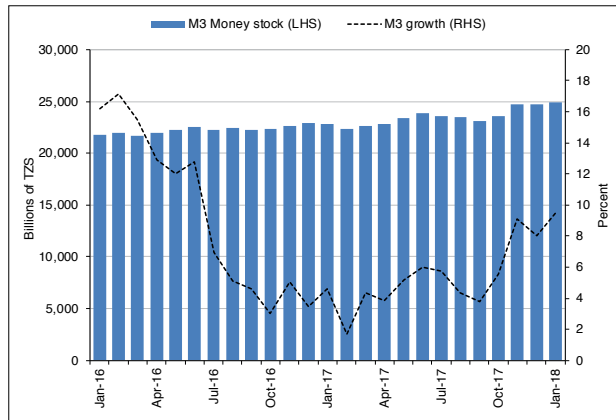
2.1 Money Supply and Credit

Money supply growth picked up in January 2018 after a brief slowdown in the preceding month. Extended broad money supply (M3) grew at an annual rate of 9.5 percent in January 2018 compared with 8.0 percent in the preceding month and 4.6 percent in January 2017 (**Chart 2.1** and **Table 2.1**). The growth largely was reflection of a cautious accommodative monetary policy stance implemented for more than a year to ensure that liquidity in banks is adequate to support credit growth to private sector. Consistent with the policy drive, foreign assets of the Bank of Tanzania increased over the period, as part of the policy actions of expanding liquidity entailed purchase of foreign exchange from banks through the inter-bank foreign exchange market. Selling of



foreign exchange by banks was a normal portfolio adjustment.

Chart 2.1: Developments in Money Supply



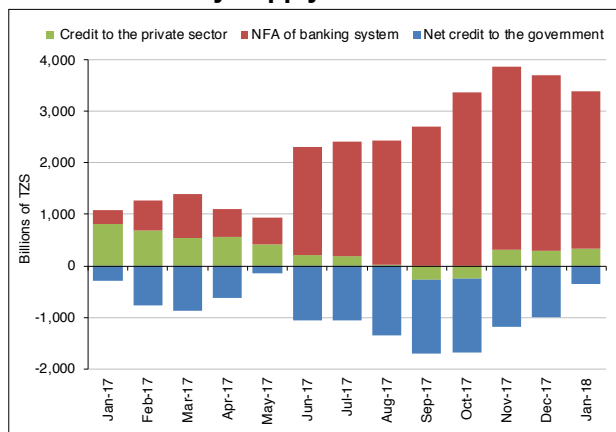
Source: Bank of Tanzania, banks and Bank of Tanzania computations.
Note: LHS refers left hand scale and RHS, right hand scale.

Table 2.1: Money Supply and Components

	Billions of TZS					
	Outstanding stock			Annual growth (%)		
	Jan-17	Dec-17	Jan-18	Jan-17	Dec-17	Jan-18
Net foreign assets of the banking system	8,321.7	11,596.1	11,380.7	3.5	41.7	36.8
Bank of Tanzania	8,407.6	12,149.8	11,771.7	12.9	46.7	40.0
Net international reserves (Millions of USD)	4,071.8	5,719.2	5,640.4	10.9	40.6	38.5
Banks	-86.0	-553.8	-390.9	--	--	--
Banks net foreign assets (Millions of USD)	-38.7	-248.3	-174.6	--	--	--
Net domestic assets of the banking system	14,461.8	13,118.3	13,563.8	5.3	-10.7	-6.2
Domestic claims	20,921.3	20,171.3	20,899.5	2.5	-3.4	-0.1
Claims on central government (net)	4,349.1	3,275.7	3,989.6	-6.4	-23.5	-8.3
o/w Securities held by banks	4,196.1	5,594.4	5,404.2	8.9	37.9	28.8
Claims on the private sector	16,572.2	16,895.6	16,909.9	5.1	1.7	2.0
Other items net	-6,459.5	-7,053.1	-7,335.7	-3.2	13.8	13.6
Extended broad money supply (M3)	22,783.4	24,714.3	24,944.5	4.6	8.0	9.5
Foreign currency deposits	6,357.0	6,364.4	6,405.2	0.0	1.7	0.8
Foreign currency deposits (Millions of USD)	2,861.0	2,853.9	2,861.1	-2.0	-0.9	0.0
Broad money supply (M2)	16,426.4	18,349.9	18,539.3	6.5	10.4	12.9
Other deposits	6,402.6	7,194.6	7,192.1	3.5	10.1	12.3
Narrow money supply (M1)	10,023.8	11,155.3	11,347.1	8.5	10.6	13.2
Currency in circulation	3,472.0	3,831.6	3,676.6	-2.0	6.2	5.9
Transferable deposits	6,551.9	7,323.7	7,670.6	15.1	13.1	17.1

Source: Bank of Tanzania, banks and Bank of Tanzania computations.
Note: "--" stands for a change that exceeds 100 percent in absolute terms, o/w denotes of which.

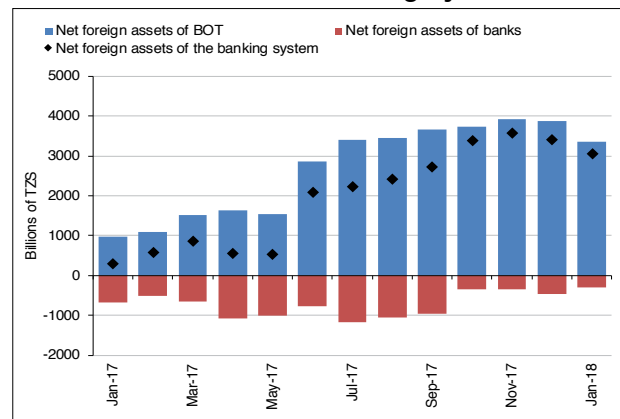
Chart 2.2: Annual Changes in Major Sources of Money Supply



Source: Bank of Tanzania, banks and Bank of Tanzania computations.
Note: NFA stands for Net Foreign Asset.

Net foreign assets of the banking system grew by 36.8 percent, year-on-year in January 2018, much higher than 3.5 percent in the corresponding period in 2017, but less than 41.7 percent in December 2017. A large part of the increase occurred in net foreign assets of the Bank of Tanzania following receipt of foreign exchange in favour of the central government and purchase of foreign exchange in the inter-bank foreign exchange market (**Chart 2.3**). These actions contributed greatly to accumulation of foreign exchange reserves.

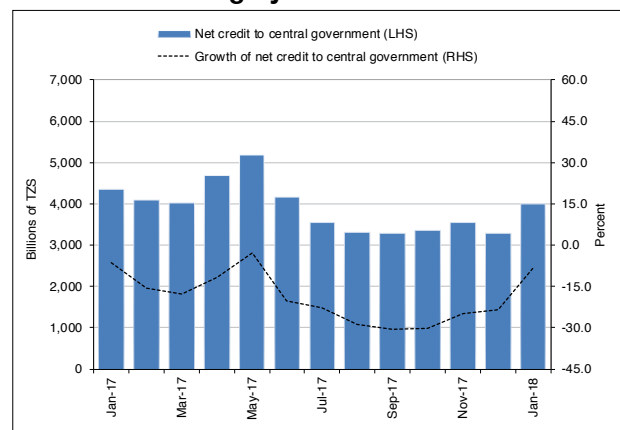
Chart 2.3: Annual Changes in Net Foreign Assets of the Banking System



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

The pace of contraction of total domestic credit by the banking system slowed to 0.1 percent in the year ending January 2018 compared with a contraction of 3.4 percent in December 2017. Largely, a sustained moderate net credit to the central government by the banking system following sizable build-up of government deposits at the Bank of Tanzania in the wake of strong revenue collection contributed to the subdued performance of domestic credit (**Chart 2.4**).

Chart 2.4: Net Credit to Government from Banking System

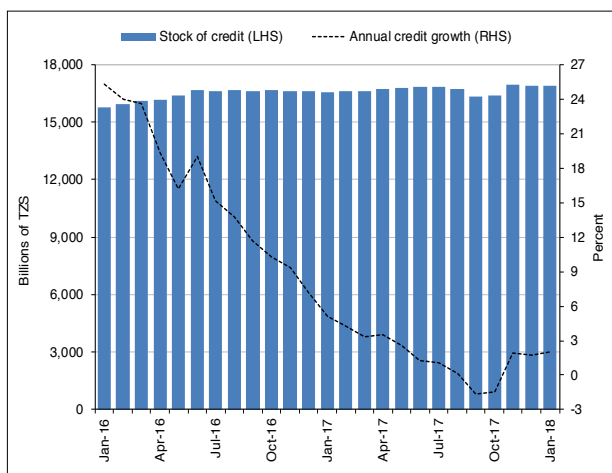


Source: Bank of Tanzania.
Note: LHS denotes left hand scale and RHS right hand Scale.



Credit to private sector by banks continued to recover gradually owing to measures implemented to address credit risk and accommodative monetary policy. In the year ending January 2018, bank credit to the private sector grew by 2.0 percent, slightly higher than 1.7 percent in the preceding month. However, the growth rate remained below recent historical trend (**Chart 2.5**). In relation to growth of credit to major economic activities, credit to manufacturing activity recorded the highest growth of 14.6 percent followed by personal loans at 12.0 percent.

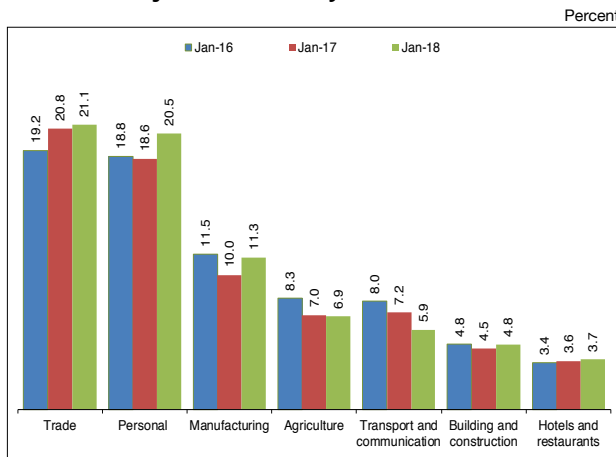
Chart 2.5: Credit to Private Sector by Banks



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

In terms of shares to private sector credit outstanding, trade and personal loans continued to account for the largest proportion by 21.1 percent and 20.5 percent, respectively (**Chart 2.6**).

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

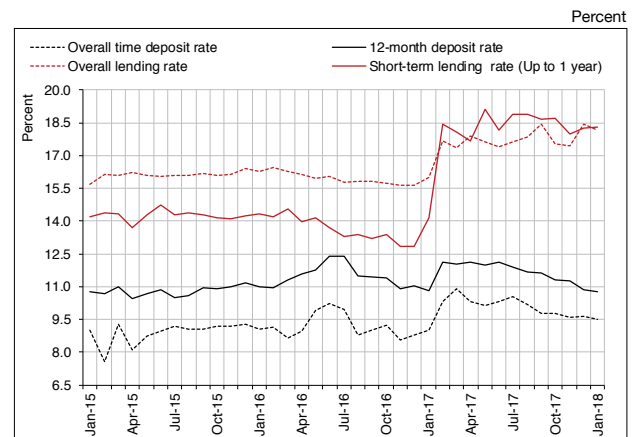


Source: Banks and Bank of Tanzania computations.

2.2 Interest Rates

On average, lending and deposit interest rates were lower in January 2018 than in the preceding month, but higher than in January 2017 (**Chart 2.7**). Lending rate averaged 18.18 percent compared with 18.42 percent in the preceding month, and 16.01 percent in January 2017. Overall time deposit rate decreased by 11 basis points to 9.51 percent from the preceding month level, but was above the rate recorded in January 2017 by 52 basis points. Meanwhile, one-year lending rate slightly increased to 18.30 percent from 18.24 percent in the preceding month and 14.16 percent in January 2017, while the deposit rate remained almost unchanged at around 10.79 percent.

Chart 2.7: Selected Banks Interest Rates



Source: Banks and Bank of Tanzania computations.

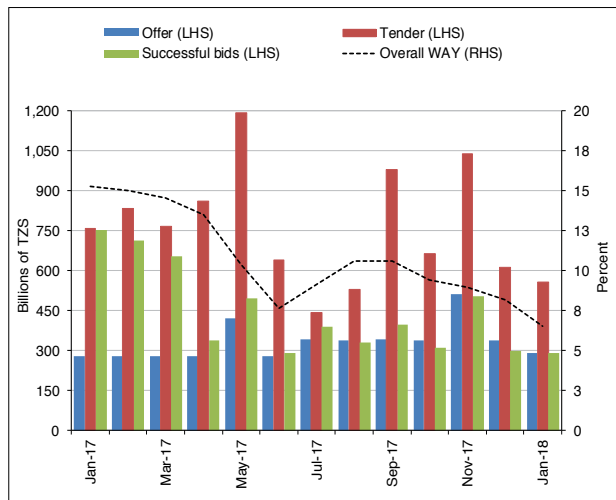
2.3 Financial Markets

2.3.1 Treasury Bills Market

In January 2018, the Bank of Tanzania conducted two Treasury bills auctions for monetary and government fiscal operations, with the amount offered for sale being TZS 290.0 billion compared with TZS 340.0 billion in the preceding month. Total bids received amounted to TZS 555.0 billion, lower than TZS 610.4 billion in the preceding month. Successful bids worth TZS 291.2 billion compared with TZS 214.5 billion. Overall weighted average yield decreased to 6.54 percent in January 2018 from 8.19 percent in December 2017 and 15.27 percent in January 2017 (**Chart 2.8**), partly reflecting adequacy of liquidity, particularly among banks.



Chart 2.8: Performance in Treasury Bills Market



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

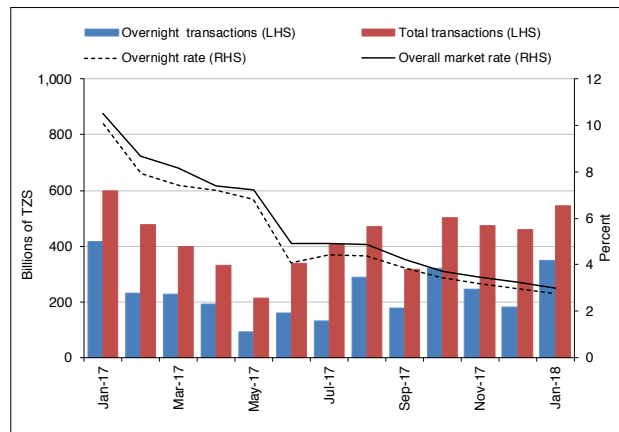
2.3.2 Treasury Bonds Market

The Bank of Tanzania floated 5-, 10-, and 15-year Treasury bonds for fiscal operations. Amount offered was TZS 90.0 billion, TZS 111.0 billion and TZS 98.1 billion, respectively. The auctions were highly oversubscribed, as bids received were worth TZS 282.4 billion, TZS 180.2 billion and TZS 290 billion for 5-, 10-, and 15-year Treasury bonds, respectively. Successful bids amounted to TZS 90.0 billion and TZS 111.0 billion for 5 and 10 year bonds, respectively, same as the amount offered. For 15-year bond, successful bids amounted to TZS 180.0 billion. In line with the high demand, weighted average yield to maturity (WAY) for the 5-year, 10-year and 15-year bonds decreased to 12.16 percent, 15.09 percent and 14.65 percent from 13.64 percent, 15.89 percent and 15.87 percent, respectively.

2.3.3 Inter-Bank Cash Market

In January 2018, transactions in the inter-bank cash market amounted to TZS 544.2 billion compared TZS 461.1 billion in December 2017. Overnight transactions accounted for 63.8 percent of total transactions compared with 39.2 percent in the preceding month. Overnight and overall interbank interest rates declined, reaching 2.74 percent and 3.00 percent, respectively, in January 2018 (Chart 2.9).

Chart 2.9: Inter-Bank Cash Market Transactions

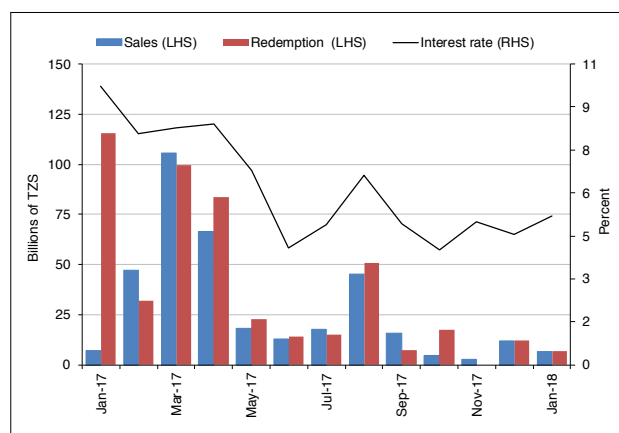


Source: Bank of Tanzania.
Note: LHS refers left hand scale and RHS right hand scale.

2.3.4 Repurchase Agreements

In order to keep the level of liquidity within desired levels, the Bank of Tanzania conducted repurchase agreements (repo) and reverse repo with banks in January 2018 for mopping up and injecting liquidity in the banking system, respectively¹. Specifically, the Bank conducted repo worth TZS 180.0 billion against maturing repo of TZS 50.0 billion, implying a net mop up of TZS 130.0 billion. On the other hand, the Bank conducted reverse repos amounting to 6.5 billion against maturing obligations of TZS 6.8 billion leading to an additional mop up of TZS 0.3 billion. The repo rate remained unchanged at 2.24 percent, while reverse repo rate averaged at 5.19 percent in January 2018, up from 4.55 percent recorded in the preceding month (Chart 2.10 and 2.11).

Chart 2.10: Reverse Repurchase Agreements

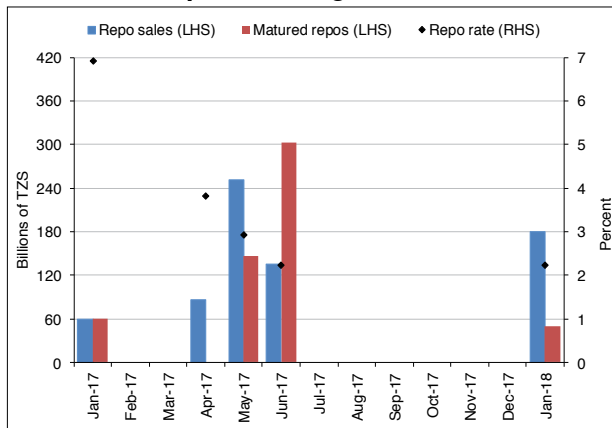


Source: Bank of Tanzania.
Note: LHS refers left hand scale and RHS right hand scale.

¹ Repo is initiated by the Bank of Tanzania for mopping up excess liquidity in banks, whilst reverse repo works in the opposite direction.



Chart 2.11: Repurchase Agreements



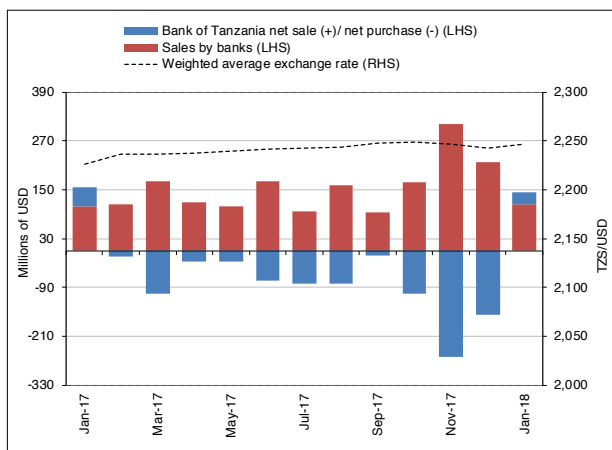
Source: Bank of Tanzania.

Note: LHS refers left hand scale and RHS right hand scale.

2.3.5 Inter-Bank Foreign Exchange Market

Transactions in the inter-bank foreign exchange market (IFEM) amounted to USD 163.6 million in January 2018 compared with USD 217.2 million in the preceding month. The Bank of Tanzania participated in the market on selling side to meet seasonal demand, leading to a net sale of USD 28.8 million in January 2018 compared with a net purchase of USD 156.7 million in the preceding month. The shilling recorded a slight depreciation against the US dollar trading at an average rate of TZS 2,246.7 per US dollar in January 2018 from TZS 2,242.2 per US dollar in the preceding month. On annual basis, the shilling depreciated by 0.9 percent from TZS 2,226.3 per US dollar in January 2017

Chart 2.12: IFEM Transactions and Exchange Rate



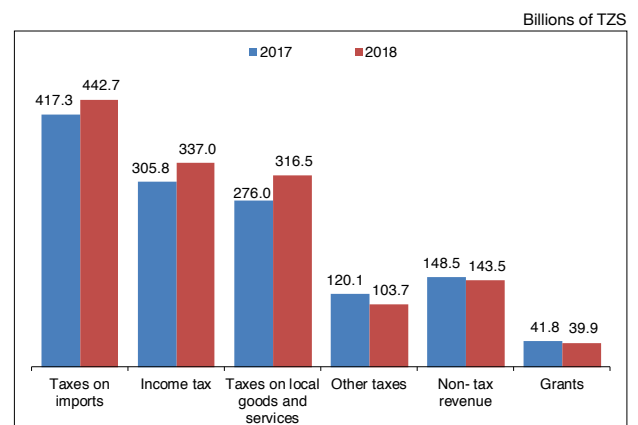
Source: Bank of Tanzania.

Note: LHS refers left hand scale and RHS right hand scale.

3.0 Government Budgetary Operations

Domestic revenue realized by the Government amounted to TZS 1,388.8 billion in January 2018, of which TZS 1,343.3 billion were central government collections. Tax revenue, which accounted for 89.3 percent of central government collections increase by 7.2 percent from the amount collected in January 2017 to TZS 1,199.8 billion. Meanwhile, local government collections from own sources was TZS 45.4 billion compared with TZS 39.6 billion in the corresponding month in 2017. **Chart 3.1** shows Government resources during January 2017 and 2018.

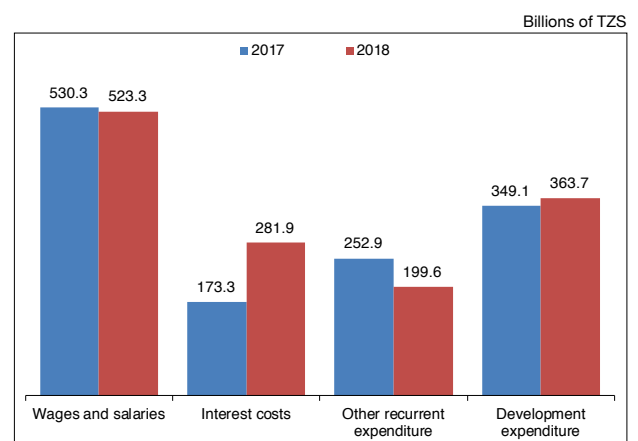
Chart 3.1: Government Resources in January



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

During the month, the government spent a total of TZS 1,368.5 billion, out of which recurrent expenditure amounted to TZS 1,004.7 billion and the balance was spending on development projects (**Chart 3.2**).

Chart 3.2: Government Expenditure in January



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

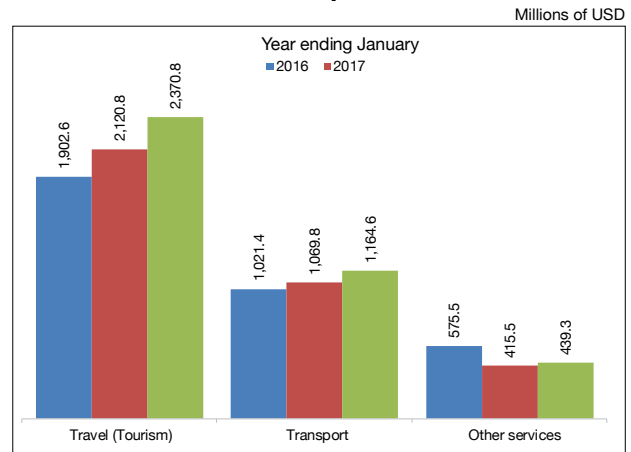


4.0 External Sector Performance²

The overall balance of payments improved significantly to a surplus of USD 1,574.7 million in the year ending January 2018 compared with USD 397.4 million in the year ending January 2017. The change is associated with increase in project grants, external borrowing, as well as improvement in the current account balance. Gross official foreign reserves increased to USD 5,832.0 million at the end of January 2018 from USD 4,332.4 million at end of January 2017. The reserves were sufficient to cover 6.0 months of projected import of goods and services, excluding FDI financed projects. Gross foreign assets of banks amounted to USD 787.3 million at the end of January 2018.

A surplus of USD 1,914.4 million was realized in services account in the year ending January 2018, higher by 33.8 percent compared with the surplus recorded in the corresponding period in 2017. The improvement stemmed from increase in services receipts and a decline in services payments. Services receipts rose by 10.2 percent to USD 3,974.7 million from amount realized in the preceding year, largely contributed by good performance in travel and transport receipts (**Chart 4.1**). Travel receipts grew by 11.8 percent to USD 2,370.8 million owing to increase in the number of tourist arrivals, while transport receipts rose by 8.9 percent to USD 1,164.6 million on account of increase in transit goods to and from neighbouring countries.

Chart 4.1: Services Receipt

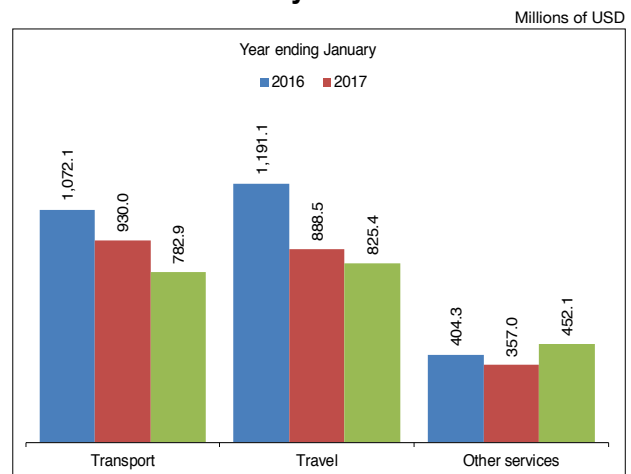


Source: Bank of Tanzania and banks

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 2,060.4 million in the year ending January 2018 compared with USD 2,175.5 million in the year ending January 2017. The decline occurred in travel and transport payments, as other services payments increased (**Chart 4.2**). Transport payment, which accounts for largest share under service payments, declined by 15.8 percent to USD 782.9 million, reflecting the decrease in the value of goods imports.

Chart 4.2: Services Payments



Source: Bank of Tanzania and commercial 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—income from capital related transactions and compensation of employees recorded a net deficit of USD 1,231.0 million compared with a deficit of USD 1,111.9 million recorded in the same period in 2017. The widening of the deficit in the primary income account resulted from increase in payments under direct investment income—reinvestment of earnings.

² Compilation of trade statistics for the period under review had not been completed by the time of this publication due to statistical challenges associated with implementation of single custom territory under the EAC. Steps are being taken in to addressing the challenges.



Secondary income account balance was a surplus USD 440.3 million in the year ending January 2018 compared with USD 379.2 million in the corresponding period in 2017. The improvement was due to increased secondary income inflows, particularly official transfers under the general budget support from both bilateral and multilateral development partners. Official transfers increased to USD 158.1 million, USD 77.0 million higher than the amount received in the year ending January 2017.

4.1 World Commodity Prices

During January 2018, world market prices of selected agricultural and non-agricultural commodities rose, led by crude oil prices at 8.2 percent (**Table 4.1**). On agricultural commodities, the price of coffee went up due to decrease in production in major growing countries while the prices of tea, cotton, sisal and cloves increased due to higher global demand. Prices of crude oil and white petroleum products picked up as the global demand increased together with expectations that major oil producing nations will maintain their decision to cut production. Gold prices reached USD 1,331.3 per troy ounce, up from USD 1,264.5 per troy ounce in December 2017, owing to higher investment demand for gold.

On annual basis, the world market prices of the selected agricultural and non-agricultural commodities increased except for coffee (Arabica) and sisal (**Table 4.1**). The price of tea increased mainly due to a low supply following a decline in production in East Africa and India due to unfavourable weather conditions. The increase in the prices of cotton was mainly due to high global demand, while those of crude oil and white petroleum products rose mainly due to sustained compliance by Organization of Petroleum Exporting Countries (OPEC) and some non-OPEC countries on oil production limits. Higher gold prices were mainly a result of a high demand for gold as safe investment.

Table 4.1: World Commodity Prices

Commodity	Unit Measure	Year ending Jan		Percentage			
		Dec-17	Jan-18	2017	2018	Change	
Robusta coffee	USD per kg	1.9	2.0	1.0	2.0	2.2	8.6
Arabica coffee	USD per kg	3.0	3.1	1.0	3.7	3.3	-10.6
Tea (Average price)	USD per kg	3.1	3.1	0.3	2.7	3.1	16.1
Tea (Mombasa Auction)	USD per kg	2.7	2.8	4.5	2.3	2.8	20.8
Cotton, "A Index"	USD per kg	1.9	2.0	6.9	1.7	1.9	12.0
Sisal (UG)	USD per kg	1.7	1.7	0.6	1.8	1.8	-1.5
Cloves	USD per kg	7.9	7.9	0.4	8.4	8.7	3.2
Crude oil (average)	USD per barrel	61.2	66.2	8.2	44.8	56.6	26.4
Crude oil (Dubai)	USD per barrel	61.4	66.0	7.5	43.4	54.2	24.8
White products	USD per metric ton	596.3	634.3	6.4	433.9	526.8	21.4
Jet/Kerosine	USD per metric ton	592.7	634.1	7.0	408.8	502.6	23.0
Premium gasoline	USD per metric ton	600.0	634.6	5.8	458.9	550.9	20.0
Gold	USD per troy ounce	1,264.5	1,331.3	5.3	1,256.8	1,269.1	1.0

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 public and private sector debt, amounted to USD 19,418.2 million at the end of January 2018. The debt stock represents an increase of USD 67.7 million from December 2017 and USD 2,056.6 million from January 2017. The increase was mainly on account of new disbursements. Central government debt accounted for the largest share of the debt stock at 78.8 percent, followed by private sector by 20.0 percent (**Table 5.1**).

Table 5.1: External Debt Stock by Borrowers

Millions of USD

Borrower	Jan-17		Dec-17		Jan-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	13,495.5	77.7	15,138.4	78.2	15,307.3	78.8
DOD	12,729.7	73.3	14,310.9	74.0	14,467.9	74.5
Interest arrears	765.8	4.4	827.5	4.3	839.4	4.3
Private sector	3,563.3	20.5	3,968.3	20.5	3,878.7	20.0
DOD	2,949.2	17.0	3,268.3	16.9	3,183.9	16.4
Interest arrears	614.1	3.5	700.0	3.6	694.8	3.6
Public corporations	302.8	1.7	243.8	1.3	232.2	1.2
DOD	293.5	1.7	220.5	1.1	209.7	1.1
Interest arrears	9.3	0.1	23.3	0.1	22.5	0.1
External debt stock	17,361.6	100.0	19,350.5	100.0	19,418.2	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 remained almost unchanged from the previous month and corresponding period in 2017, where debt owed to multilateral institutions accounted for the largest share followed



by commercial debt. **Table 5.2** summarizes the composition of external debt stock by creditors category.

Table 5.2: External Debt Stock by Creditors

Creditor category	Millions of USD					
	Jan-17		Dec-17		Jan-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	8,078.8	46.5	9,115.2	47.1	9,143.2	47.1
DOD	8,069.5	46.5	9,091.9	47.0	9,120.7	47.0
Interest arrears	9.3	0.1	23.3	0.1	22.5	0.1
Bilateral	1,698.7	9.8	1,799.2	9.3	1,836.2	9.5
DOD	932.9	5.4	971.7	5.0	996.8	5.1
Interest arrears	765.8	4.4	827.5	4.3	839.4	4.3
Commercial	5,808.5	33.5	6,295.4	32.5	6,289.0	32.4
DOD	5,462.9	31.5	5,964.3	30.8	5,958.8	30.7
Interest arrears	345.6	2.0	331.1	1.7	330.2	1.7
Export credit	1,775.6	10.2	2,140.7	11.1	2,149.7	11.1
DOD	1,507.1	8.7	1,771.8	9.2	1,785.0	9.2
Interest arrears	268.5	1.5	368.9	1.9	364.7	1.9
External debt stock	17,361.6	100.0	19,350.5	100.0	19,418.1	100.0

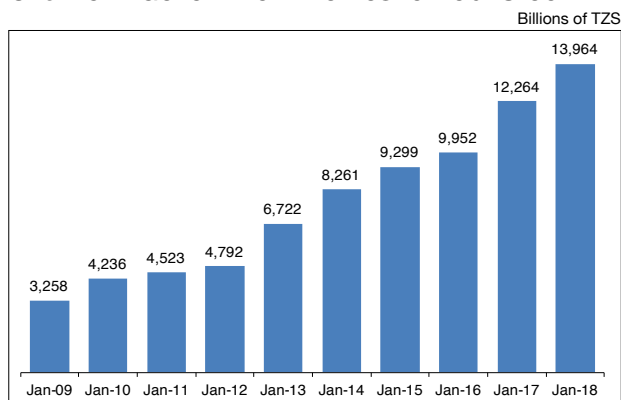
Source: Ministry of Finance and Planning, and Bank of Tanzania.
Note: DOD denotes disbursed outstanding debt.

In terms of debt flow, disbursements received in January 2018 amounted to USD 46.6 million, all of which in favour of the central government. Meanwhile, cumulative disbursement of funds during the year to January 2018 was USD 1,775.6 million, of which USD 1,447.3 million was received by the central government and the balance by the private sector. As regard to debt service, about USD 200 million was paid out in January 2018, while cumulative debt service in the year ending January 2018 was USD 1,058.3 million, out of which USD 659.6 million was paid by the central government.

5.2 Domestic Debt

Domestic debt stock, including overdraft, amounted to TZS 13,964.0 billion at the end of January 2018, an increase of TZS 193.3 billion and TZS 1,700.0 billion from the end of the preceding month and January 2017, respectively (**Chart 5.1**).

Chart 5.1: Government Domestic Debt Stock



Source: Bank of Tanzania.

Most of the outstanding domestic debt stock was of long-term by nature, in the form of bonds and stocks. This portion accounted for 67.5 percent of the stock, higher than 67.1 percent and 66.0 percent of the debt stock at the end of December 2017 and January 2017, respectively (**Table 5.3**). This development augurs well with the medium-term debt management strategy, which entails lengthening maturity profile of domestic debt in the endeavor to mitigate refinancing risk.

Table 5.3: Government Domestic Debt by Borrowing Instruments

	Billions of TZS					
	Jan-17		Dec-17		Jan-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	10,463.7	99.8	12,792.0	95.4	12,628.1	92.7
Government bonds	6,663.8	63.6	8,735.1	65.1	8,938.1	65.6
Treasury bills	3,542.8	33.8	3,799.8	28.3	3,432.9	25.2
Government stocks	257.1	2.5	257.1	1.9	257.1	1.9
Tax certificates	0.1	0.0	0.1	0.0	0.1	0.0
Non-securitized debt	18.3	0.2	619.1	4.6	990.6	7.3
Overdraft	0.0	0.0	600.9	4.5	972.2	7.1
Other debt	18.3	0.2	18.3	0.1	18.3	0.1
Total domestic debt	10,482.1	100.0	13,411.1	100.0	13,618.7	100.0

Source: Bank of Tanzania

The profile of domestic debt stock by holders remained the same as in December 2017 and January 2017, with commercial bank holding 40.0 percent of the stock, followed by pension funds and Bank of Tanzania at 27.9 percent and 16.9 percent, respectively (**Table 5.4**).

Table 5.4: Government Domestic Debt by Holders

	Billions of TZS					
	Jan-17		Dec-17		Jan-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	4,186.4	39.9	5,618.9	41.9	5,451.8	40.0
Pension funds	2,801.9	26.7	3,797.1	28.3	3,804.8	27.9
Bank of Tanzania	1,516.2	14.5	1,935.6	14.4	2,307.0	16.9
Insurance	1,149.8	11.0	1,115.9	8.3	1,095.4	8.0
BOT's special funds	211.7	2.0	161.4	1.2	188.6	1.4
Others	616.2	5.9	782.4	5.8	771.2	5.7
Total	10,482.2	100.0	13,411.2	100.0	13,618.8	100.0

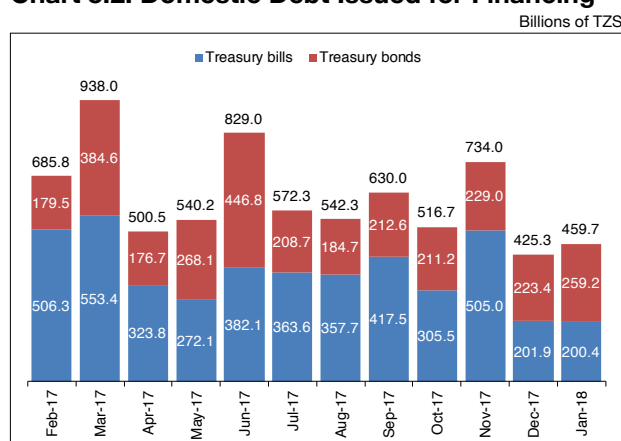
Source: Bank of Tanzania

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

Government securities, comprising Treasury bills and bonds, issued in January 2018 for budget financing amounted to TZS 459.7 billion, out of which TZS 200.4 billion were Treasury bills and TZS 259.2 billion Treasury bonds. Cumulative government securities issued during the year to January 2018 amounted to TZS 7,373.9 billion, of which TZS 4,389.4 billion were Treasury bills (**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 during January 2018 increased to TZS 679.8 billion from TZS 346.3 billion in the preceding month. Out of debt that matured in January 2018, principal amounting to TZS 563.4 billion was rolled over whilst interest amounting to TZS 116.4 billion was paid out of government resources. Cumulative debt that fell due during the year ending January 2018 was TZS 6,006.1 billion, out of which TZS 4,985.6 billion was rolled over and the balance was paid out of the government resources.

6.0 Economic Developments in Zanzibar

6.1 Inflation Developments

Twelve-month headline inflation eased to 5.2 percent in January 2018 from 5.9 percent in December 2017, albeit higher than inflation of 3.7 percent in January 2017 (**Table 6.1** and **Chart 6.1**). Annual non-food inflation was high at 7.7 percent, compared with 5.5 percent in December 2017 and 3.8 percent in January 2017. The rise in non-food inflation emanated from increase in the prices of petroleum products (kerosene, petrol and diesel), which rose by 18.3 percent. Noteworthy, all consumer items under non-food sub-group recorded inflation rates below headline inflation, except for household equipment and routine maintenance, housing, water, electricity, fuel, and transport. Annual food inflation dropped to 1.8 percent in January 2018 from 6.2 percent in December 2017 and 3.5 percent in January 2017. The fall in food inflation was mostly driven by

prices of maize flour and green cooking bananas. On month-to-month, headline inflation moderated at 0.1 percent in January 2018 compared with 0.8 percent in the corresponding period in 2017.

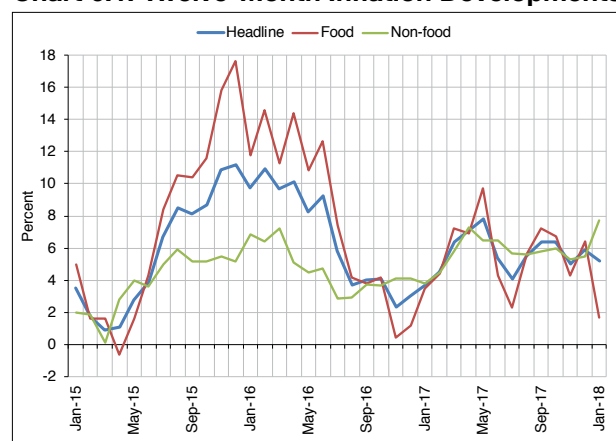
Table 6.1: Inflation Developments

Base: January 2017=100

Main Groups	Weight	Monthly change			Annual change		
		Jan-17	Dec-17	Jan-18	Jan-17	Dec-17	Jan-18
Food and non-alcoholic beverages	43.6	1.8	2.8	-2.4	3.5	6.2	1.8
Alcoholic beverages, tobacco and narcotics	0.2	0.0	0.0	0.0	3.7	3.3	3.3
Clothing and footwear	6.9	0.1	0.2	0.9	4.0	4.1	5.0
Housing, water, electricity, gas and other fuels	18.4	-0.6	1.3	0.1	4.0	10.1	11.0
Furnishing, household equipment	5.5	-0.3	0.4	10.8	1.6	1.8	13.1
Health	2.1	0.0	0.0	0.0	8.7	4.6	4.6
Transport	9.6	-0.5	1.0	3.5	2.0	5.2	9.4
Communication	4.2	0.0	0.2	0.1	-0.2	0.2	0.3
Recreation and culture	1.3	0.1	0.2	0.8	2.0	2.8	3.5
Education	1.9	4.0	0.0	5.3	4.1	4.1	5.3
Restaurants and hotels	3.9	0.8	0.9	0.1	5.9	2.8	2.0
Miscellaneous goods and services	2.3	0.1	0.0	1.7	9.3	0.5	2.0
All items (Headline inflation)	100.0	0.8	1.6	0.1	3.7	5.9	5.2
Non-food	57.3	-0.2	0.7	2.0	3.8	5.5	7.7

Source: Office of Chief Government Statistician and Bank of Tanzania computations.

Chart 6.1: Twelve-Month Inflation Developments



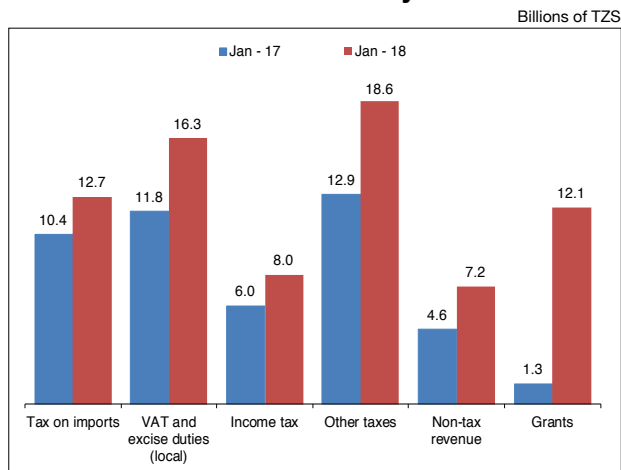
Source: Office of Chief Government Statistician and Bank of Tanzania computations.

6.2 Government Budgetary Operations

Government resource envelope, comprising domestic revenue and grants, amounted to TZS 74.9 billion in January 2018, of which revenue amounted to TZS 62.8 billion. Revenue collection was 3.7 percent above projections of TZS 60.6 billion. Much of the revenue collection came from tax revenue, which accounted for about 88.5 percent (**Chart 6.2**). All revenue sources were above projections, with the exception of tax on imports. Foreign grants, which amounted to TZS 12.1 billion, was above projections of TZS 5.5 billion. Cumulative revenue collection for the period from July 2017 to January 2018 was generally satisfactory. Total revenue collection amounted to TZS 383.3 billion, which was about 97.4 percent of projections.



Chart 6.2: Domestic Revenue by Sources

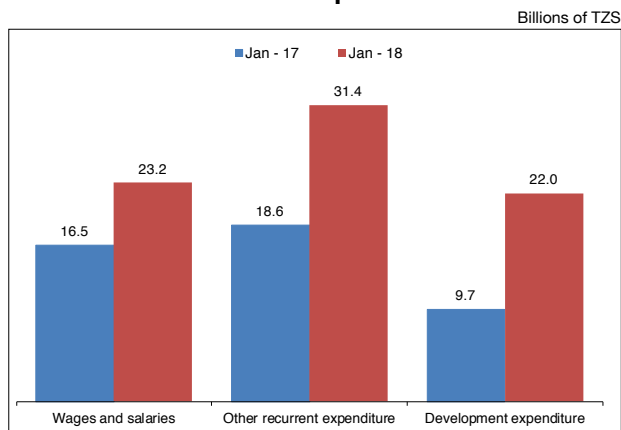


Source: Ministry of Finance and Planning - Zanzibar
Note: Other taxes include hotel and restaurant levies, tour operator levy, revenue stamps, airport and seaport service charges, road development fund and petroleum levy.

The Government rationalized its expenditure based on the resource envelope and estimates for the month. In total, about TZS 76.6 billion, equal to 99.3 percent of estimates of TZS 77.1 billion for the month was utilized for both recurrent and development expenses. As shown in **Chart 6.3**, recurrent expenses amounted to TZS 54.6 billion, whereas expenditure for development projects was TZS 22.0 billion. Funds received from external sources for development expenditure amounted to TZS 13.2 billion and the balance of TZS 8.8 billion was from domestic sources. Cumulatively from July 2017 to January 2018, expenditure amounted to TZS 454.8 billion, representing 88.3 percent of estimates.

Overall deficit after grants of about TZS 3.5 billion was realized in January 2018, compared with TZS 5.0 billion in the preceding month. The deficit was financed through program loans.

Chart 6.3: Government Expenditure



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 recorded a surplus of USD 41.6 million in the year ending January 2018 compared with USD 50.2 million in the year ending January 2017. The balance in goods account turned to a deficit USD 97.8 million from USD 76.7 million, whilst the services account realized a surplus of USD 93.9 million compared with TZS 98.9 million owing to increase in service payments (**Table 6.2**).

Table 6.2: Current Account Balance

	Millions of USD					Percentage change
	Jan-17	Dec-17	Jan-2018 ^p	Year ending Jan 2017	2018 ^p	
Goods account	-6.6	-6.1	-15.8	-76.7	-97.8	27.6
Exports	2.5	8.3	2.9	33.2	66.2	99.8
Imports (fob)	9.2	14.4	18.7	109.8	164.0	49.4
Services account	7.5	9.0	9.1	98.9	93.9	-5.1
Receipts	12.1	16.1	15.5	144.8	159.6	10.2
Payments	4.5	7.2	6.3	45.9	65.8	43.2
Goods and services	0.9	2.8	-6.7	22.2	-3.9	---
Exports of goods and services	14.6	24.4	18.3	178.0	225.9	26.9
Imports of goods and services	13.7	21.6	25.0	155.7	229.8	47.6
Income account	0.3	0.8	0.8	4.2	9.1	---
Receipts	0.7	1.2	1.3	9.1	13.7	50.5
Payments	0.3	0.4	0.4	4.9	4.6	-6.3
Current transfers	1.0	4.3	7.9	23.8	36.5	53.5
Inflows	1.1	4.5	8.1	24.2	38.4	58.3
Outflows	0.1	0.2	0.2	0.5	1.9	---
Current account balance	2.3	7.9	2.1	50.2	41.6	-17.1

Source: Tanzania Revenue Authority and Bank of Tanzania computations
Note: p denotes provisional data; "----"stands for a change that exceeds 100 percent, in absolute terms.

6.3.2 Exports

Earnings from exports of goods and services increased by 26.9 percent to USD 225.9 million in the year ending January 2018, following improvement in the major export commodities, which are cloves and seaweeds (**Table 6.2** and **Table 6.3**). The volume of cloves exports rose to 7,002 tonnes from 3,155 tonnes, while earnings rose to USD 55.3 million from USD 24.9 million. For seaweeds, exports amounted to 7,413.2 tonnes valued at USD 2.7 million against 5,175.7 tonnes valued at USD 2.4 million in the year ending January 2017. The two crops represented 87.6 percent of goods exports and 25.7 percent of exports of goods and services. Manufactured goods, which included manufactured re-exports, increased to USD 6.1 million from USD 1.5 million. Much of the increase occurred in exports of fish and fish products, particularly exports of live lobster and crabs.



Table 6.3: Goods Export Performance

	Units	Jan-17	Dec-17	Jan-18 ^p	Year ending January		Percentage change
					2017	2018 ^p	
Traditional exports							
Clove							
Value	USD ('000')	2,214.3	7,651.9	1,975.0	24,948.8	55,345.8	---
Volume	000 Tonnes	0.3	1.0	0.3	3.2	7.0	---
Unit price	USD/Tonne	8,200.9	7,816.0	7,900.0	7,907.7	7,904.3	0.0
Non-traditional exports							
Seaweeds							
Value	USD ('000')	255.8	334.1	237.8	2,350.2	2,680.4	14.0
Volume	000 Tonnes	0.6	0.7	0.6	5.2	7.4	43.2
Unit price	USD/Tonne	450.0	448.2	431.3	454.1	361.5	-20.4
Manufactured goods	USD ('000')	47.0	222.7	508.7	1,538.3	6,117.4	---
Fish and fish products	USD ('000')	0.6	8.9	63.6	21.4	115.8	---
Others exports	USD ('000')	6.4	67.2	70.3	4,293.3	1,963.1	-54.3
Sub-total	USD ('000')	309.9	632.8	880.4	8,203.2	10,876.7	32.6
Grand-total	USD ('000')	2,524.1	8,284.7	2,855.4	33,151.9	66,222.5	99.8

Source: Tanzania Revenue Authority and Bank of Tanzania.

Note: p denotes provisional data, 'other exports' mainly include souvenirs and spices, "----"change exceeds 100 in absolute terms.

The balance in services account recorded a surplus of USD 93.9 million in the year ending January 2018 compared with a surplus of USD 98.9 million in the corresponding period in 2017. As shown in **Table 6.4**, the decline resulted from an increase in payments, which more than offset the improvement in services receipts.

Table 6.4: Services and Income Account

	Jan-17	Dec-17	Jan-2017 ^p	Year ending Jan		Percentage change
				2017	2018 ^p	
Millions of USD						
Services account	7.5	9.0	9.1	98.9	93.9	-5.1
Receipts	12.1	16.1	15.5	144.8	159.6	10.2
Payments	4.5	7.2	6.3	45.9	65.8	43.2
Income account	0.3	0.8	0.8	4.2	9.1	--
Receipts	0.7	1.2	1.3	9.1	13.7	50.5
Payments	0.3	0.4	0.4	4.9	4.6	-6.3
Current transfers	1.0	4.3	7.9	23.8	36.5	53.5
Inflows	1.1	4.5	8.1	24.2	38.4	58.3
Outflows	0.1	0.2	0.2	0.5	1.9	--

Source: Bank of Tanzania and commercial banks

Note: p denotes provisional data and "----" stands for change That exceeds 100 percent, in absolute terms.

6.3.3 Imports

Imports of goods and services (fob) increased to USD 229.8 million from USD 155.7 million in the year ending January 2017. Large increases occurred in imports of oil, industrial raw materials, food and foodstuff, as well as apparels. Intermediate goods accounted for 46.2 percent of goods imports, while consumer goods represented 32.4 percent. Oil imports value increased by 33.6 percent from USD 39.8 million to USD 53.2 million, as both volume and price in the world market increased. Imports of rice, sugar and wheat flour accounted for highest imports of food and foodstuff (**Table 6.5**).

Table 6.5: Zanzibar Goods Imports by Major Categories

	Jan-17	Dec-17	Jan-2018 ^p	Year ending January		Percentage change
				2017	2018 ^p	
Millions of USD						
Capital goods	3.3	3.8	5.0	40.6	45.0	10.9
Transport equipment	1.7	1.9	1.5	17.5	17.7	1.3
Building and construction	0.4	0.5	0.9	6.3	7.3	16.1
Machinery	1.1	1.4	2.6	16.7	19.9	19.1
Intermediate goods	5.1	7.0	8.5	54.2	75.7	39.7
Oil imports	3.4	5.0	5.3	39.8	53.2	33.6
Industrial raw materials	1.7	2.0	3.1	14.4	22.6	56.5
Consumer goods	1.7	4.2	6.0	25.9	53.7	--
Food and food stuffs	0.0	1.0	2.3	7.9	19.8	--
All other consumer goods	1.6	3.2	3.7	18.0	34.0	88.1
Grand total (c.i.f)	10.1	15.0	19.4	120.7	174.5	44.6
Grand total (f.o.b)	9.2	14.4	18.7	109.8	164.0	49.4

Source: Tanzania Revenue Authority and Bank of Tanzania computations.

Note: p denotes provisional data, "----"change exceeds 100 percent in absolute terms.



Statistical Tables

Table A1: Selected Economic Indicators

	Unit	2011	2012	2013	2014	2015 ^r	2016 ^p
National accounts and prices							
1.1 Change in GDP at current prices	Percent	20.4	16.4	15.5	12.4	13.9	14.2
1.2 Change in GDP at constant prices	Percent	7.9	5.1	7.3	7.0	7.0	7.0
1.3 GDP per capita-current prices (TZS)	000 TZS	1,222.2	1,408.2	1,582.8	1,730.4	1,918.9	2,131.3
1.4 GDP per capita-current prices (USD)	USD	784.8	896.0	990.1	1,047.1	966.5	979.0
1.5 Change in consumer price index (Inflation)	Percent	12.6	16.1	7.9	6.1	5.6	5.2
1.6 Saving to GNDI ratio	Percent	14.7	13.2	8.7	16.7	19.4	17.3
Money, credit and interest rates							
2.1 Change in extended broad money supply (M3)	Percent	18.2	12.5	10.0	15.6	18.8	3.4
2.2 Change in broad money supply (M2)	Percent	15.0	16.0	10.9	17.0	13.4	5.3
2.3 Change in narrow money supply (M1)	Percent	23.2	17.3	10.4	14.8	15.6	5.3
2.4 Change in reserve money (M0)	Percent	17.6	10.1	11.1	17.5	15.6	0.3
2.5 Total credit to GDP ratio ¹	Percent	17.2	18.0	18.2	20.2	22.4	20.1
2.6 Non-governmentsector credit to GDP ratio ¹	Percent	14.4	14.7	14.6	15.6	17.1	16.0
2.7 Ratio of credit to non-government sector to total credit	Percent	83.8	81.7	80.3	77.3	76.0	79.5
2.8 12-Months deposit rate ²	Percent	8.0	11.3	11.6	10.8	10.8	11.5
2.9 Overall treasury bill rate ²	Percent	8.3	13.6	14.2	13.6	12.9	16.2
2.10 Long-term lending rate ²	Percent	14.8	16.0	15.7	16.2	15.3	15.6
Balance of payments							
3.1 Exports of goods (f.o.b)	Mill. USD	5,097.9	5,889.2	5,258.1	5,194.1	5,316.8	5,661.2
3.2 Imports of goods (f.o.b)	Mill. USD	-9,827.5	-10,319.1	-11,029.1	-10,917.8	-9,843.1	-8,463.6
3.3 Trade balance	Mill. USD	-4,729.6	-4,429.9	-5,771.1	-5,723.7	-4,526.3	-2,802.5
3.4 Current account balance	Mill. USD	-4,380.9	-3,769.6	-4,988.5	-4,843.9	-3,651.3	-2,154.6
3.5 Overall balance	Mill. USD	-202.0	326.2	507.9	-251.8	-240.8	-104.2
3.6 Gross official reserves	Mill. USD	3,744.6	4,068.1	4,676.2	4,377.2	4,093.7	4,325.6
3.7 Reserves months of imports (of goods and services) (excluding FDI related imports)	Months	4.0	4.1	4.5	4.7	5.1	5.3
3.8 Exchange rate:							
Annual average	TZS/USD	1,557.4	1,571.7	1,598.7	1,652.5	1,985.4	2,177.1
End of period	TZS/USD	1,566.7	1,571.6	1,578.6	1,725.8	2,148.5	2,172.6
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17 ^r
Public finance							
4.1 Current revenue to GDP ratio ¹	Percent	12.6	12.8	13.5	12.9	14.3	15.6
4.2 Grants to GDP ratio ¹	Percent	3.2	2.1	2.1	1.2	0.5	1.0
4.3 Current expenditure to GDP ratio ¹	Percent	12.2	13.7	13.3	12.8	13.8	10.9
4.4 Development expenditure to GDP ratio ¹	Percent	6.6	5.5	5.2	4.4	4.5	6.8
4.5 Budget balance to GDP ratio (excluding grants) ¹	Percent	-6.2	-6.5	-5.0	-4.3	-4.0	-2.1
4.6 Budget balance to GDP ratio (including grants) ^{1,3}	Percent	-3.6	-4.2	-3.3	-3.3	-3.5	-1.5
Total external debt stock							
5.1 Disbursed debt	Mill. USD	10,670.0	12,482.2	14,236.9	15,884.0	17,222.8	18,651.1
5.2 Interest	Mill. USD	9,188.3	11,086.4	12,632.1	14,548.3	15,948.1	17,251.2
	Mill. USD	1,481.6	1,395.8	1,604.8	1,335.7	1,274.7	1,399.9

Source: Bank of Tanzania

Note: ¹ Calculated on the basis of GDP at current market prices; GNDI stands for Gross National Disposable Income; ² annual average; ³ includes expenditure float, and adjustment to cash and other items (net); r denotes revised data; and p, provisional data



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

	Million of TZS				
	Budget	July 2017 - January 2018		January 2018	
		2017/18	Estimate	Actual	Estimate
Total revenue (including LGAs)	19,977,001.5	11,686,204.7	10,232,387.2	1,721,903.2	1,388,759.3
Central government revenue	19,289,695.3	11,272,559.1	9,926,487.2	1,666,644.1	1,343,310.5
Tax revenue	17,059,639.0	10,037,977.5	8,828,098.7	1,368,484.7	1,199,830.5
Taxes on imports	6,292,627.9	3,808,825.4	3,208,010.4	560,936.5	442,664.7
Sales/VAT and excise on local goods	3,865,213.5	2,341,887.3	2,091,107.0	339,625.7	316,491.1
Income taxes	5,810,731.4	3,223,775.0	2,869,345.3	376,108.8	337,001.8
Other taxes	1,091,066.2	663,489.8	659,636.1	91,813.7	103,672.8
Non- tax revenue	2,230,056.3	1,234,581.6	1,098,388.5	298,159.4	143,480.0
LGA own sources	687,306.1	413,645.6	305,900.0	55,259.1	45,448.8
Total expenditure ¹	25,581,105.8	15,492,889.8	10,692,441.1	2,391,514.9	1,368,494.6
Recurrent expenditure	13,581,514.1	8,069,057.7	6,690,123.0	1,202,998.2	1,004,745.5
Wages and salaries	7,205,768.4	4,115,659.9	3,649,080.9	618,021.7	523,252.0
Interest payments	1,699,037.6	1,283,445.7	1,224,914.7	189,052.7	281,907.6
Domestic	1,025,546.0	742,348.6	843,874.2	122,917.2	224,858.0
Foreign	673,491.5	541,097.1	381,040.5	66,135.5	57,049.6
Other goods, services and transfers	4,676,708.1	2,669,952.1	1,816,127.4	395,923.8	199,585.9
Development expenditure and net lending	11,999,591.6	7,423,832.2	4,002,318.1	1,188,516.7	363,749.1
Local	8,969,747.0	5,514,760.5	2,923,180.0	882,334.2	270,129.4
Foreign	3,029,844.6	1,909,071.6	1,079,138.1	306,182.5	93,619.7
Balance before grants	-5,604,104.3	-3,806,685.1	-460,053.9	-669,611.7	20,264.7
Grants	1,043,837.8	1,013,649.0	608,094.9	94,794.7	39,945.0
Program	190,022.6	190,022.6	70,202.2	0.0	17,821.6
Project	653,194.2	625,283.5	428,448.2	89,326.2	461.8
Basket funds	200,621.1	198,342.9	109,444.5	5,468.5	21,661.6
Balance (cheques issued) after grants	-4,560,266.5	-2,793,036.1	148,041.0	-574,817.0	60,209.7
Expenditure float	0.0	0.0	-71,767.9	0.0	0.0
Adjustments to cash and other items (net)	0.1	0.0	-523,169.7	0.0	-815,368.8
Overall balance	-4,560,266.4	-2,793,036.1	-446,896.6	-574,817.0	-755,159.2
Financing:	4,560,266.4	2,793,036.1	446,896.6	574,817.0	755,159.2
Foreign financing (net)	3,339,598.4	1,309,433.8	190,799.2	145,324.5	3,001.6
Loans	4,522,249.5	1,993,010.3	889,101.0	211,387.8	71,496.2
Program loans	751,235.1	0.0	0.0	0.0	0.0
Development project loans	3,415,560.6	1,748,066.1	889,101.0	112,270.9	71,496.2
o/w: Non-concessional borrowing	1,594,985.0	907,565.0	347,855.6	0.0	0.0
Basket support	355,453.8	244,944.1	0.0	99,116.9	0.0
Amortization	-1,182,651.1	-683,576.4	-698,301.8	-66,063.3	-68,494.6
Domestic (net) ²	1,220,668.0	1,483,602.3	256,097.4	429,492.5	752,157.5
Bank and non-bank financing	1,220,668.0	1,483,602.3	256,097.4	429,492.5	752,157.5
Bank borrowing	1,098,601.2	1,335,242.1	-183,136.5	386,543.2	713,881.0
Non-bank (net of amortization)	122,066.8	148,360.2	439,233.9	42,949.2	38,276.5
Borrowing/roll-over	4,948,229.0	2,693,891.4	2,778,952.6	478,375.8	563,437.0
Domestic and contingent debt amortization	-4,948,229.0	-2,693,891.4	-2,778,952.6	-478,375.8	-563,437.0

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), millenium challenge account (Tanzania), and NDF, net domestic financing



Table A3: Depository Corporations Survey

Items	Billions of TZS												
	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18 ^P
Net foreign assets	8,321.7	8,521.4	8,388.2	8,018.9	8,095.9	9,573.1	9,987.4	10,270.8	10,396.3	10,980.9	11,427.6	11,596.1	11,380.7
Bank of Tanzania	8,407.6	8,575.0	8,827.8	8,698.2	8,735.5	10,016.8	10,617.0	11,109.0	11,302.1	11,319.9	11,947.8	12,149.8	11,771.7
Other depository corporations	-86.0	-53.6	-439.6	-679.2	-639.6	-443.7	-629.7	-838.2	-905.8	-339.0	-520.2	-553.8	-390.9
Net domestic assets	14,461.8	13,858.0	14,201.7	14,821.8	15,314.8	14,292.3	13,575.2	13,197.9	12,714.6	12,602.0	13,256.1	13,118.3	13,563.8
Domestic claims	20,921.3	20,729.8	20,626.9	21,418.5	21,993.4	21,038.9	20,378.8	20,021.9	19,636.1	19,761.4	20,493.3	20,171.3	20,899.5
Net claims on central government	4,349.1	4,087.9	4,011.3	4,691.7	5,181.3	4,172.7	3,557.6	3,310.7	3,279.8	3,349.7	3,543.0	3,275.7	3,989.6
Claims on central government	7,545.4	7,788.5	7,629.9	7,937.8	8,248.8	8,709.8	8,063.7	7,842.0	7,881.2	7,970.0	8,246.4	8,066.5	8,225.0
Liabilities to central government	3,196.3	3,700.6	3,618.5	3,246.2	3,067.5	4,537.1	4,506.0	4,531.2	4,601.3	4,620.3	4,703.5	4,790.8	4,235.4
Claims on non-government sector	16,572.2	16,641.9	16,615.6	16,726.8	16,812.1	16,866.2	16,821.1	16,711.1	16,356.3	16,411.8	16,950.3	16,895.6	16,909.9
Other items (net)	-6,459.5	-6,871.8	-6,425.2	-6,596.8	-6,678.6	-6,746.6	-6,803.6	-6,824.0	-6,921.6	-7,159.5	-7,237.2	-7,053.1	-7,335.7
Broad money liabilities	22,783.4	22,379.4	22,589.9	22,840.7	23,410.6	23,865.4	23,562.5	23,468.6	23,110.9	23,582.9	24,683.6	24,714.3	24,944.5
Currency outside depository corporations	3,472.0	3,412.5	3,394.6	3,369.0	3,411.2	3,615.3	3,627.3	3,664.7	3,609.1	3,561.8	3,697.3	3,831.6	3,676.6
Transferable deposits	10,300.2	10,154.3	9,911.2	10,222.3	10,746.2	10,985.3	10,786.4	10,545.6	10,288.6	10,561.3	11,064.0	11,012.8	11,356.2
Non-transferable (other) deposits	9,011.2	8,812.5	9,284.1	9,249.4	9,253.2	9,264.8	9,148.8	9,258.3	9,213.2	9,459.7	9,922.4	9,870.0	9,911.7
Memorandum items:													
Monetary aggregates													
Reserve money (M0)	6,562.5	6,484.8	6,356.7	6,486.3	6,560.4	6,827.1	6,709.6	6,861.3	6,551.3	6,682.3	7,189.6	6,954.4	7,169.2
Extended broad money (M3)	22,783.4	22,379.4	22,589.9	22,840.7	23,410.6	23,865.4	23,562.5	23,468.6	23,110.9	23,582.9	24,683.6	24,714.3	24,944.5
Foreign currency deposits (FCD)	6,357.0	6,379.6	6,171.1	6,000.3	6,121.5	6,177.9	6,194.0	6,174.6	6,037.2	6,291.6	6,459.0	6,364.4	6,405.2
FCD in millions of USD	2,861.0	2,865.5	2,774.9	2,694.0	2,745.7	2,770.2	2,775.6	2,762.8	2,697.9	2,811.5	2,892.9	2,853.9	2,861.1
Broad money (M2)	16,426.4	15,999.8	16,418.8	16,840.4	17,289.1	17,687.5	17,368.5	17,294.0	17,073.7	17,291.3	18,224.7	18,349.9	18,539.3
Savings and time deposits	6,402.6	6,134.5	6,694.0	6,728.5	6,771.3	6,816.2	6,646.8	6,756.5	6,781.5	6,845.6	7,146.2	7,194.6	7,192.1
Narrow money (M1)	10,023.8	9,865.3	9,724.8	10,111.9	10,517.8	10,871.3	10,721.7	10,537.6	10,292.2	10,445.6	11,078.5	11,155.3	11,347.1
Currency in circulation	3,472.0	3,412.5	3,394.6	3,369.0	3,411.2	3,615.3	3,627.3	3,664.7	3,609.1	3,561.8	3,697.3	3,831.6	3,676.6
Transferable deposits in national currency	6,551.9	6,452.8	6,330.1	6,742.8	7,106.5	7,256.0	7,094.4	6,872.9	6,683.0	6,883.8	7,381.2	7,323.7	7,670.6

Source: Bank of Tanzania

Note: p denotes provisional data



Table A4: Interest Rate Structure

Items	2017												Percent
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2018 Jan
A: Domestic currency													
1. Interbank cash market rates													
Overnight	10.07	7.93	7.42	7.19	6.81	4.08	4.43	4.36	3.87	3.43	3.19	2.95	2.74
2 to 7 days	11.72	9.33	8.73	7.03	7.50	5.66	5.05	5.14	4.56	4.24	3.70	3.40	3.15
8 to 14 days	10.60	9.27	10.56	10.13	6.97	5.58	5.75	7.14	4.93	4.11	3.80	4.04	4.08
15 to 30 days	12.00	9.83	9.97	11.00	9.75	6.06	6.17	7.65	6.30	6.30	4.00	5.43	4.19
31 to 60 days	12.50	12.50	12.50	9.00	9.00	9.00	9.00	7.52	6.50	6.50	9.00	9.00	5.00
61 to 90 days	14.60	14.60	15.75	16.75	16.75	16.75	16.75	16.75	9.00	9.00	9.00	9.00	8.50
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	10.50	8.68	8.16	7.39	7.23	4.91	4.92	4.87	4.93	3.72	3.46	3.26	3.00
2. Lombard rate	15.10	11.89	11.13	10.79	10.22	8.02	7.22	7.16	7.20	6.90	6.75	6.75	5.10
3. REPO rate	6.92	6.92	6.92	3.82	2.91	2.23	2.23	2.23	2.23	2.23	2.23	2.23	2.24
4. Reverse Repo rate	9.73	8.07	8.28	8.41	6.78	4.07	4.89	6.62	4.93	4.00	5.00	4.55	5.19
5. Treasury bills rates													
35 days	6.82	6.50	6.50	6.79	6.53	5.35	4.81	4.77	4.80	4.60	4.50	4.50	3.40
91 days	7.14	7.06	7.20	7.10	6.77	5.53	4.86	4.07	4.10	4.00	4.00	4.00	3.75
182 days	14.51	14.26	13.78	13.02	10.01	7.13	8.54	9.42	8.91	7.51	7.16	5.87	4.29
364 days	15.78	15.52	15.14	14.01	10.99	8.65	9.80	11.42	11.42	10.50	9.60	8.71	7.48
Overall treasury bills rate	15.27	15.02	14.52	13.51	10.44	7.64	9.12	10.61	10.58	9.41	8.93	8.19	6.54
6. Treasury bonds rates													
2-years	17.67	17.67	17.61	17.61	16.22	16.22	12.45	12.45	11.76	11.76	11.76	11.10	11.10
5-years	17.96	17.68	17.68	17.92	17.92	17.92	13.07	13.96	13.96	13.96	13.64	13.64	12.16
7-years	18.44	18.44	18.42	18.42	16.48	16.48	16.48	14.28	14.28	14.98	14.98	13.98	13.98
10-years	18.56	18.56	18.56	18.56	18.56	14.76	14.76	15.75	15.75	15.89	15.89	15.89	15.09
15-years	18.73	18.78	18.78	18.88	18.88	18.88	16.15	16.15	16.74	16.74	15.87	15.87	14.65
7. Discount rate	16.00	16.00	12.00	12.00	12.00	12.00	12.00	9.00	9.00	9.00	9.00	9.00	9.00
8. Savings deposit rate	3.12	3.17	3.17	3.20	3.17	3.17	3.13	3.17	2.87	2.84	2.84	2.83	2.88
9. Overall time deposits rate													
1 month	9.99	10.32	10.89	10.32	10.14	10.31	10.55	10.17	9.80	9.77	9.60	9.62	9.51
2 months	9.56	12.13	11.07	11.50	11.95	11.07	11.16	11.24	10.65	9.24	9.68	10.26	10.40
3 months	9.86	11.64	12.77	12.37	11.45	11.11	11.80	11.52	9.82	11.66	10.73	11.18	11.19
6 months	11.39	10.82	12.37	11.40	11.37	12.01	11.25	9.54	11.60	10.53	10.91	10.98	10.02
12 months	9.56	10.08	11.61	11.63	11.14	11.48	11.49	11.29	11.36	11.21	10.50	10.17	9.76
24 months	10.79	12.12	12.03	12.14	11.99	12.14	11.89	11.69	11.65	11.30	11.27	10.86	10.79
10. Negotiated deposit rate	8.77	12.18	13.00	9.83	9.82	11.03	12.80	12.29	11.22	12.24	12.13	11.82	12.35
11. Overall lending rate	10.94	11.98	12.75	12.59	12.77	12.61	12.51	11.84	11.64	10.77	11.12	11.04	10.87
11. Overall lending rate													
Call Loans													
Short-term (up to 1 year)	16.01	17.66	17.36	17.91	17.62	17.40	17.63	17.84	18.46	17.51	17.42	18.42	18.18
Medium-term (1-2 years)	14.16	18.43	18.07	17.65	19.12	18.17	18.87	18.87	18.67	18.71	17.99	18.24	18.30
Medium-term (2-3 years)	16.74	18.54	18.48	18.48	19.14	19.00	18.85	19.47	19.42	18.42	18.62	19.87	19.83
Long-term (3-5 years)	16.04	17.94	17.33	18.98	17.35	17.04	17.23	17.40	18.82	17.18	16.91	18.64	18.69
Term Loans (over 5 years)	15.41	17.69	17.19	18.90	17.57	17.51	17.82	17.89	19.44	17.94	17.94	19.12	18.79
12. Negotiated lending rate	17.71	15.69	15.72	15.53	14.94	15.29	15.40	15.55	15.93	15.31	15.66	16.26	15.31
13.41	17.06	17.25	15.30	16.85	14.71	15.20	17.38	17.91	17.72	17.08	16.82	15.88	
B: Foreign currency													
1. Deposits rates													
Savings deposits rate	1.26	0.96	0.82	0.74	0.82	0.29	0.28	0.28	0.28	0.29	0.29	0.24	0.70
Overall time deposits rate	2.06	3.95	3.35	3.73	3.10	4.01	3.73	3.30	3.41	3.69	3.79	3.41	4.12
1-months	2.23	3.52	2.74	3.26	3.63	3.17	4.10	2.24	1.97	3.21	3.81	2.54	3.70
2-months	1.76	4.46	3.33	4.28	2.67	4.94	3.61	3.28	3.40	3.98	3.79	2.92	4.25
3-months	2.11	3.59	3.15	3.59	0.71	4.26	3.56	3.70	3.84	3.30	3.00	3.91	4.59
6-months	2.05	4.48	3.18	4.10	4.84	3.98	3.73	3.53	3.47	3.72	4.13	4.03	4.69
12-months	2.16	3.70	4.37	3.44	3.65	3.70	3.66	3.77	4.35	4.24	4.21	3.67	3.35
2. Overall lending rate	7.30	8.54	8.57	8.49	8.28	8.47	8.37	8.12	8.56	7.94	8.05	7.81	7.96
Short-term (up to 1 year)	5.97	9.32	9.29	8.70	9.26	9.28	9.50	8.87	9.07	8.15	8.66	7.82	8.48
Medium-term (1-2 years)	7.63	7.89	7.85	8.23	7.66	7.79	8.20	7.39	8.98	7.40	7.38	7.25	7.28
Medium-term (2-3 years)	7.33	8.32	8.61	8.26	8.43	8.85	8.32	8.37	8.42	8.40	8.43	8.29	8.33
Long-term (3-5 years)	6.71	8.31	8.27	8.37	8.21	8.19	8.16	8.24	8.25	8.13	8.11	8.07	8.00
Term loans (over 5 years)	8.88	8.84	8.83	8.88	7.82	8.25	7.68	7.75	8.09	7.63	7.64	7.61	7.69

Source: Bank of Tanzania



Table A5: Tanzania Balance of Payments

Item	Millions USD				
	2012	2013	2014	2015	2016 ^r
A. Current account	-3,769.6	-4,988.5	-4,843.9	-3,651.3	-2,154.6
Goods: exports f.o.b.	5,889.2	5,258.1	5,194.1	5,316.8	5,661.2
Traditional	956.7	868.9	828.8	793.3	885.6
Non-traditional	4,164.4	3,703.3	3,798.6	4,040.1	4,260.9
o/w: Gold	2,117.4	1,644.8	1,324.1	1,183.3	1,449.4
Unrecorded trade	768.2	685.8	566.8	483.3	514.7
Goods: imports f.o.b.	-10,319.1	-11,029.1	-10,917.8	-9,843.1	-8,463.6
Balance on goods	-4,429.9	-5,771.1	-5,723.7	-4,526.3	-2,802.5
Services: credit	2,786.4	3,201.7	3,396.0	3,412.4	3,607.5
Transport	641.1	811.8	902.6	1,024.9	1,061.8
Travel	1,712.7	1,880.4	2,010.1	1,902.0	2,131.6
Other	432.6	509.5	483.2	485.5	414.1
Services: debit	-2,358.9	-2,488.5	-2,668.7	-2,669.7	-2,231.4
Transport	-1,046.9	-1,137.8	-1,163.0	-1,087.6	-948.7
Travel	-967.0	-1,033.9	-1,101.6	-1,195.3	-922.3
Other	-344.9	-316.7	-404.1	-386.8	-360.4
Balance on services	427.5	713.2	727.3	742.6	1,376.1
Balance on goods and services	-4,002.4	-5,057.9	-4,996.4	-3,783.6	-1,426.4
Primary income: credit	131.1	130.1	118.4	110.3	98.5
o/w: Investment income	109.6	99.9	86.5	87.8	67.6
Compensation of employees	21.4	30.2	31.9	22.5	31.0
Primary income: debit	-705.1	-835.8	-443.2	-458.4	-1,208.3
o/w: Direct investment income	-560.2	-617.0	-240.4	-173.8	-779.9
Interest payments	-84.1	-148.2	-150.9	-248.6	-379.9
Compensation of employees	-57.0	-67.9	-49.1	-33.2	-46.1
Balance on primary income	-574.0	-705.7	-324.8	-348.1	-1,109.7
Balance on goods, services and primary income	-4,576.4	-5,763.6	-5,321.2	-4,131.7	-2,536.1
Secondary Income: credit	912.3	836.9	535.5	560.5	452.7
Government	543.6	485.2	177.9	195.2	81.1
o/w: Miscellaneous current transfers (Multilateral HIPC relief)	0.0	0.0	0.0	0.0	0.0
Financial corporations, non- financial corporations, households and NPISHs	368.7	351.7	357.6	365.3	371.6
o/w: Personal transfers	368.7	351.7	357.6	365.3	371.6
Secondary Income: debit	-105.4	-61.8	-58.2	-80.2	-71.2
Balance on secondary income	806.8	775.1	477.3	480.4	381.5
B. Capital Account	777.2	658.8	522.2	312.6	10.7
Capital transfers credit	777.2	658.8	522.2	312.6	10.7
General Government	713.6	595.2	457.9	248.6	-52.5
Other Capital Transfer (Investment grant)	713.6	595.2	457.9	290.3	357.3
Financial corporations, nonfinancial corporations, households and NPISHs	63.6	63.6	64.2	64.0	63.2
Capital transfers:debit	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-2,992.4	-4,329.7	-4,321.8	-3,338.7	-2,144.0
C. Financial account, excl. reserves and related items	-3,879.6	-5,021.0	-3,244.5	-2,874.4	-2,321.9
Direct Investments	-1,799.6	-2,087.3	-1,416.1	-1,560.6	-1,365.4
Direct investment abroad	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	1,799.6	2,087.3	1,416.1	1,560.6	1,365.4
Portfolio investment	-6.1	-4.5	-11.5	-27.6	5.0
Other investment	-2,073.9	-2,929.3	-1,816.9	-1,286.1	-961.5
Assets	-220.6	186.4	-29.4	331.7	-129.1
Loans (Deposit-taking corporations, except the central bank)	-37.2	-0.1	-24.5	186.8	-95.8
Currency and deposits	-183.3	186.6	-4.9	144.9	-33.3
Deposit-taking corporations, except the central bank	-156.3	-20.7	-87.9	69.5	-150.1
Other sectors	-27.0	207.3	83.0	75.4	116.8
Other assets	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
Trade credits	0.2	0.8	-1.0	-0.1	0.2
Loans	1,820.3	2,927.6	1,774.0	1,715.3	901.5
Monetary Authority	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
Drawings	1,022.8	1,834.4	1,476.8	1,440.7	828.5
Repayments	-51.6	-83.6	-139.3	-193.8	-446.5
Banks	30.6	188.5	14.6	97.3	209.2
Other sectors	818.6	988.3	422.0	371.0	310.3
Drawings	872.3	1,070.6	494.5	547.4	453.3
Repayments	-53.7	-82.3	-72.5	-176.4	-142.9
Currency and deposits	32.8	187.3	14.4	-97.5	-69.3
Total, Groups A through C	-6,872.0	-9,350.7	-7,566.2	-6,213.1	-4,465.9
D. Net errors and omissions	-561.1	-183.4	825.5	223.5	-282.2
Overall balance (Total, Groups A through D)	326.2	507.9	-251.8	-240.8	-104.2
E. Reserves and related items	326.2	507.9	-251.8	-240.8	-104.2
Reserve assets	324.7	621.4	-307.3	-273.7	232.2
Use of Fund credit and loans	1.5	-113.5	55.5	74.6	73.3
Memorandum items:					
GDP(mp) billions of TZS	61,434.2	70,953.2	79,718.4	90,863.8	103,744.6
GDP(mp) millions of USD	39,087.6	44,382.8	48,240.9	45,766.1	47,653.3
CAB/GDP	-9.6	-11.2	-10.0	-8.0	-4.5
CAB/GDP (excl. current official transfers)	-11.0	-12.3	-10.4	-8.4	-4.7
Gross official reserves	4,068.1	4,689.7	4,377.2	4,093.7	4,325.6
Months of imports	3.6	4.1	4.2	4.6	5.0
Months of Imports(Excluding FDI related imports)	4.1	4.5	4.7	5.1	5.3
Exchange rate (end of period)	1,571.6	1,574.0	1,725.8	2,148.5	2,172.6
Exchange rate (annual average)	1,571.7	1,598.7	1,652.5	1,985.4	2,177.1

Source: Bank of Tanzania
Notes: r denotes revised data, and o/w, of which



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

Base: Dec 2015 = 100, since Jan 2015

Weight (%)	Headline overall index	Food and non-alcoholic beverages ¹	Transport	Housing, water, electricity, gas and other fuel	Furnishing, housing equipment and routine maintenance	Clothing and footwear	Restaurants and hotels	Miscel. goods and services	Alcohol and tobacco	Communication	Education	Recreation and culture	Health
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
June	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
July	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
Sept	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
June	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
July	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
Sept	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	2.7	2.6	-1.0	2.5	2.0	1.6

Source: National Bureau of Statistics.

Note: r deontes revised data.



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

Base: Dec 2015 = 100, since Jan 2015

	Food (combining food consumed at home and in restaurants)	Total non-food (all items less food) ^r	All items less food and energy	Energy and fuels (combining electricity and other fuels for use at home with petrol and
Weight (%)	51	49	43.3	5.7
2015-Jan	5.0	2.7	2.8	2.4
Feb	5.1	3.0	2.7	4.4
Mar	6.1	2.0	2.5	-0.5
Apr	7.2	1.0	2.1	-4.2
May	8.4	1.4	2.1	-2.1
Jun	9.9	1.4	2.2	-2.3
Jul	10.5	1.4	2.1	-2.1
Aug	10.1	1.7	2.2	-1.1
Sep	9.4	1.9	2.2	0.6
Oct	10.0	1.7	2.1	0.1
Nov	10.9	1.2	2.3	-4.0
Dec	10.9	1.8	2.4	-1.4
Weight (%)	37.1	62.9	54.3	8.7
2016-Jan	10.3	2.0	2.4	0.3
Feb	8.1	1.9	2.5	-0.6
Mar	8.0	3.0	2.8	5.2
Apr	7.3	3.5	3.0	6.6
May	7.2	3.8	3.0	9.0
Jun	8.3	3.6	3.0	7.5
Jul	7.8	3.2	2.6	7.3
Aug	7.0	3.0	2.6	5.9
Sep	6.0	2.6	2.4	4.9
Oct	6.0	2.9	2.5	6.2
Nov	6.4	3.8	2.6	11.7
Dec	7.4	3.8	2.5	11.7
2017-Jan	8.2	3.6	2.3	11.5
Feb	9.3	3.6	2.2	12.3
Mar	11.7	3.6	2.2	11.5
Apr	12.0	3.4	2.3	9.9
May	11.8	3.0	2.2	7.4
Jun	9.8	3.1	1.9	10.3
Jul	9.3	3.1	2.2	8.8
Aug	9.1	3.1	1.8	10.4
Sep	9.8	3.1	1.7	10.9
Oct	9.4	3.0	1.7	10.6
Nov	7.9	2.9	1.4	11.1
Dec	6.7	2.8	1.3	11.4
2018-Jan	6.7	2.8	1.4	10.4

Source: National Bureau of Statistics

Note: r denotes revised data



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

Base: Dec 2015 = 100, since Jan 2015

	Headline overall index	Food and non-alcoholic beverages	Transport	Housing, water, electricity, gas and other fuel	Furnishing, housing equipment and routine maintenance	Clothing and footwear	Restaurants and hotels	Miscel. goods and services	Alcohol and tobacco	Communication	Education	Recreation and culture	Health
Weight (%)	100	47.8	9.5	9.2	6.7	6.7	6.4	4.5	3.3	2.1	1.7	1.3	0.9
2015-Jan	1.0	1.7	-0.4	0.5	0.3	0.5	0.2	0.3	0.0	0.1	1.2	0.2	0.4
Feb	1.6	2.4	-1.2	2.3	0.2	0.4	1.5	0.5	0.1	0.1	1.0	0.2	0.0
Mar	0.7	1.8	-1.1	-2.1	-0.3	0.4	0.5	0.1	0.0	0.0	0.0	-0.3	0.0
Apr	0.8	1.6	0.6	-1.2	-0.2	0.1	0.7	0.0	0.0	0.0	1.1	-0.1	0.3
May	0.4	0.6	0.6	0.1	0.4	0.4	-0.2	0.3	0.0	-0.1	0.0	0.4	0.0
June	0.2	0.1	0.7	0.0	0.2	0.5	-0.1	0.1	-0.1	0.1	0.0	0.9	0.5
July	0.4	0.3	1.0	0.3	0.8	0.5	1.0	0.1	0.3	-0.1	0.0	-0.1	0.8
Aug	0.0	-0.4	1.4	0.5	0.2	0.7	0.0	0.3	0.4	-0.1	0.0	0.2	0.3
Sept	0.1	-0.2	0.3	1.7	0.3	-0.5	0.0	0.9	0.1	0.1	0.1	1.9	0.1
Oct	0.1	0.2	-1.2	0.3	-0.1	0.4	0.0	0.3	0.0	0.2	0.0	0.0	0.5
Nov	0.8	1.9	-0.2	-2.7	0.3	0.2	0.4	0.5	0.1	0.0	0.0	0.0	0.3
Dec	0.5	0.6	0.4	0.1	0.8	0.3	-0.1	0.1	0.3	0.1	0.0	-0.2	0.6
Weight (%)	100	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	0.0	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	0.2	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	0.2	0.1	0.4	0.4	0.4	0.2	0.1	0.0	1.8	0.3	0.2

Source: National Bureau of Statistics



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

Base: Dec 2015 = 100, since Jan 2015

	Food (Combining Food Consumed at Home and Food Consumed in Restaurants)	All Items Less Food and Energy	Energy and Fuels (Combining Electricity and Other Fuels for use at Home with Petrol and Diesel) ^r	Total Non- Food (All Items Less Food)
Weight (%)	51.0	49.0	43.3	5.7
2015-Jan	1.6	0.4	-0.4	0.2
Feb	2.4	0.1	2.4	0.5
Mar	1.7	-0.1	-3.6	-0.7
Apr	1.6	0.1	-1.3	-0.1
May	0.5	0.2	0.6	0.3
Jun	0.1	0.2	0.7	0.3
Jul	0.4	0.3	1.1	0.5
Aug	-0.4	0.3	1.7	0.6
Sep	-0.2	0.2	2.5	0.6
Oct	0.2	-0.1	0.1	-0.7
Nov	1.8	0.2	-4.0	1.8
Dec	0.7	0.2	-0.2	0.2
Weight (%)	37.1	62.9	54.3	8.7
2016-Jan	1.1	0.5	0.4	1.4
Feb	0.4	0.2	1.4	0.4
Mar	0.7	0.2	2.1	0.5
Apr	0.9	0.3	0.0	0.3
May	0.5	0.2	2.9	0.6
Jun	1.1	0.2	-0.8	0.1
Jul	-0.1	0.1	1.0	0.0
Aug	-1.1	0.3	0.4	0.3
Sep	-1.1	0.3	1.5	0.1
Oct	0.1	0.1	0.5	0.1
Nov	2.3	0.3	1.0	0.4
Dec	1.7	0.2	-0.3	0.1
2017-Jan	1.7	0.3	0.2	1.2
Feb	2.4	0.4	2.1	0.1
Mar	2.9	0.2	1.4	0.4
Apr	1.2	0.4	-1.4	0.2
May	0.3	0.2	0.6	0.1
Jun	-0.7	0.2	1.8	-0.1
Jul	-0.6	0.2	-0.4	0.1
Aug	-1.3	0.0	1.9	0.3
Sep	-0.4	0.0	1.9	0.3
Oct	-0.3	0.0	0.2	0.0
Nov	0.8	0.3	1.4	0.1
Dec	0.5	0.1	0.0	0.1
2018-Jan	1.8	0.3	0.3	0.3

Source: National Bureau of Statistics

Note: ^r denotes revised data



Table A7: National Debt Developments

Item	Millions of USD												
	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
1. Overall total debt committed ²	24,736.3	24,757.5	25,258.3	25,409.7	25,522.6	26,053.2	26,261.8	26,453.2	26,351.1	26,272.0	26,284.5	26,836.0	26,887.4
Disbursed outstanding debt	15,972.5	16,082.7	16,246.2	16,392.1	16,542.8	17,130.6	17,406.2	17,665.2	17,671.9	17,642.9	17,660.4	17,799.7	17,861.3
Undisbursed debt	8,763.8	8,674.8	9,012.0	9,017.6	8,979.7	8,922.5	8,855.6	8,788.0	8,679.3	8,629.1	8,624.1	9,036.3	9,026.1
2. Disbursed debt by creditor category ²	15,972.5	16,082.7	16,246.2	16,392.1	16,542.8	17,130.6	17,406.2	17,665.2	17,671.9	17,642.9	17,660.4	17,799.7	17,861.3
Bilateral debt	932.9	940.9	961.6	961.5	968.9	975.0	990.4	999.4	985.4	979.2	970.8	971.7	996.8
Multilateral debt	8,069.5	8,148.9	8,318.1	8,469.2	8,581.7	8,710.0	8,924.6	9,035.4	9,092.1	9,061.6	9,115.3	9,091.9	9,120.7
Commercial debt	5,462.9	5,454.8	5,422.7	5,427.5	5,459.8	5,909.0	5,948.1	6,083.7	5,978.9	5,996.4	5,950.0	5,964.3	5,958.8
Export credits	1,507.1	1,538.1	1,543.8	1,533.9	1,532.5	1,536.7	1,543.0	1,546.7	1,615.4	1,605.7	1,624.3	1,771.8	1,785.0
3. Disbursed debt by borrower category ²	15,972.5	16,082.7	16,246.2	16,392.1	16,542.8	17,130.6	17,406.2	17,665.2	17,671.9	17,642.9	17,660.4	17,799.7	17,861.3
Central government	12,729.7	12,829.0	12,981.5	13,032.2	13,155.6	13,721.6	13,987.7	14,240.5	14,190.3	14,165.4	14,176.3	14,310.9	14,467.9
Public corporations	293.5	271.0	275.3	276.3	280.9	282.1	285.5	288.5	286.6	285.0	287.7	220.5	203.5
Private sector	2,949.2	2,982.8	2,989.4	3,083.6	3,106.3	3,126.9	3,133.0	3,136.2	3,195.0	3,192.6	3,196.4	3,268.3	3,189.9
4. Disbursed debt by use of funds ²	15,972.5	16,082.7	16,246.2	16,392.1	16,542.8	17,130.6	17,406.2	17,665.2	17,671.9	17,642.9	17,660.4	17,799.7	17,861.3
Balance of payments and budget support	2,271.7	2,304.4	2,311.7	2,353.9	2,368.3	2,771.6	2,827.9	3,005.4	2,931.7	2,882.2	2,874.4	2,812.9	2,915.4
Transport and telecommunication	3,832.1	3,821.7	3,880.2	3,902.7	3,904.0	3,934.2	3,975.3	4,009.9	3,976.6	3,975.1	3,965.2	4,018.9	4,031.4
Agriculture	1,078.9	1,083.0	1,096.6	1,100.5	1,103.1	1,131.1	1,182.8	1,193.6	1,189.6	1,184.1	1,187.3	1,188.7	1,185.5
Energy & mining	2,704.4	2,702.4	2,727.4	2,781.9	2,780.5	2,815.5	2,876.8	2,880.5	2,878.5	2,910.2	2,916.0	2,917.4	2,929.3
Industries	411.9	436.3	441.4	439.5	437.2	439.7	446.4	458.6	532.8	538.0	541.0	542.4	540.0
Social welfare & education	2,333.0	2,404.1	2,427.1	2,457.2	2,485.3	2,540.0	2,588.2	2,611.9	2,657.0	2,645.7	2,662.5	2,797.7	2,795.7
Finance and insurance	751.4	754.2	761.1	790.3	884.6	905.0	907.1	905.5	913.2	914.6	915.7	924.0	921.0
Tourism	71.0	68.3	69.0	67.8	67.7	68.0	67.7	67.1	67.6	67.1	67.2	67.6	66.6
Real estate and construction	793.7	794.1	803.8	802.3	802.8	804.9	802.9	801.7	804.4	803.4	816.1	816.4	811.0
Other	1,724.4	1,714.3	1,728.0	1,696.0	1,709.1	1,720.7	1,731.0	1,730.9	1,720.7	1,722.4	1,715.1	1,713.7	1,665.4
5. Total amount of loan contracted ¹	35.5	42.4	260.8	122.1	10.8	521.0	7.8	11.5	78.3	1.7	0.4	24.0	32.3
Central government	0.0	0.0	0.0	0.0	0.0	500.0	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	35.5	42.4	260.8	122.1	10.8	21.0	7.8	11.5	78.3	1.7	0.4	24.0	32.3
6. Disbursements ¹	25.7	119.3	223.5	136.0	87.7	561.5	136.6	154.5	168.3	44.7	4.6	47.2	91.6
Central government	19.5	84.7	205.2	31.5	65.8	542.4	133.6	151.3	95.4	43.3	4.5	43.0	46.6
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	6.2	34.6	18.3	104.5	21.9	19.1	3.0	3.2	72.9	1.4	0.1	4.2	45.0
7. Actual debt service ¹	39.4	55.2	153.9	106.5	31.9	57.1	0.0	46.1	147.5	26.1	75.0	159.1	200.0
Principal	11.8	49.6	102.1	25.5	26.1	46.0	0.0	16.6	99.7	14.2	62.5	122.2	135.0
Interest	27.7	5.6	51.8	81.0	5.9	11.1	0.0	29.4	47.8	11.9	12.5	36.9	65.0
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	13.9	69.7	121.5	110.5	61.6	515.5	136.6	137.9	68.7	30.5	-57.9	-75.0	-43.4
9. Net transfers on debt ¹	-13.8	64.1	69.7	29.5	55.7	504.4	136.6	108.5	20.9	18.6	-70.4	-111.9	-108.4
10. Arrears by creditors category ²	2,857.2	2,878.0	2,984.1	2,950.4	3,002.6	3,162.2	3,213.7	3,267.5	3,334.5	3,365.0	3,428.7	3,589.5	3,604.8
Principal	1,468.0	1,477.2	1,563.2	1,584.4	1,621.4	1,745.3	1,779.5	1,819.5	1,866.0	1,893.7	1,951.2	2,038.6	2,048.0
Bilateral debt	339.8	338.5	337.5	338.8	339.8	346.8	348.1	350.5	349.4	302.6	305.1	312.6	319.9
Multilateral debt	48.8	26.4	29.6	37.8	38.3	72.4	76.6	77.2	80.0	91.1	92.0	87.1	88.9
Commercial debt	612.7	640.7	662.2	677.1	688.6	720.6	739.7	770.9	801.2	833.9	849.4	723.2	725.0
Export credits	466.8	471.6	533.9	530.7	554.8	605.4	615.1	620.9	635.4	666.1	704.7	915.8	914.2
Interest	1,389.1	1,400.8	1,420.9	1,366.0	1,381.2	1,416.9	1,434.1	1,448.0	1,468.5	1,471.3	1,477.5	1,550.8	1,556.8
Bilateral debt	765.8	767.9	770.6	776.1	781.5	784.8	791.7	799.8	799.7	790.8	794.0	827.5	839.4
Multilateral debt	9.3	9.3	10.6	13.6	13.9	15.0	15.4	16.6	17.9	21.7	22.2	23.3	22.5
Commercial debt	345.6	351.9	361.3	366.8	369.7	378.0	385.0	387.8	401.3	405.6	401.5	331.1	330.2
Export credits	268.5	271.7	278.4	209.5	216.0	239.1	242.1	243.8	249.7	253.2	259.8	368.9	364.7
11. External debt stock	17,361.6	17,483.5	17,667.1	17,758.1	17,924.0	18,547.6	18,840.3	19,113.2	19,140.4	19,114.3	19,137.9	19,350.5	19,418.1
12. Domestic debt stock	4,717.5	4,783.7	4,935.8	4,973.9	5,092.6	5,285.2	5,374.5	5,458.3	5,530.8	5,614.2	5,687.8	6,013.8	6,206.2
13. Total debt stock	22,079.1	22,267.2	22,602.9	22,732.0	23,016.6	23,832.8	24,214.8	24,571.4	24,671.2	24,728.4	24,825.7	25,364.4	25,624.3
End of period exchange rate	2,222.0	2,226.3	2,223.9	2,227.3	2,229.5	2,230.1	2,231.6	2,234.9	2,237.8	2,237.8	2,233.1	2,230.1	2,250.8

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.

Discount rate

The rate of interest that the Bank of Tanzania charges on loans it extends to commercial banks and overdrafts to government.

Exchange rate

The price at which one unit of a currency can be purchased with another currency. In Tanzania, exchange rate is defined as amount of shillings required to purchase a unit of foreign currency, e.g. 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 determined as the higher of three market rates namely: the weighted average yield for 35-day Treasury bill, the repo rate and overnight inter-bank rate, plus a margin.

Money supply

Constitutes the sum of currency circulating outside banks and Tanzanian residents' deposits with other depository corporations, defined at various levels of

aggregation as money supply narrowly and broadly defined. That is, narrow money (M1), broad money (M2), and extended broad money (M3).

Narrow money (M1)

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

Non-food inflation

This is a measure of price movements caused by factors other than food prices. It provides better indication of the effectiveness of monetary policy on inflation since price movements in these items are caused largely by monetary policy.

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)

These are agreements for the Bank of Tanzania to purchase/sell government securities from/to financial institutions at agreed rate for a specified period, with an understanding that the financial institutions will repurchase/resell the securities from/to the Bank of Tanzania at the end of the period.

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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