



BANK OF TANZANIA



**MONTHLY
ECONOMIC
REVIEW**

October 2017

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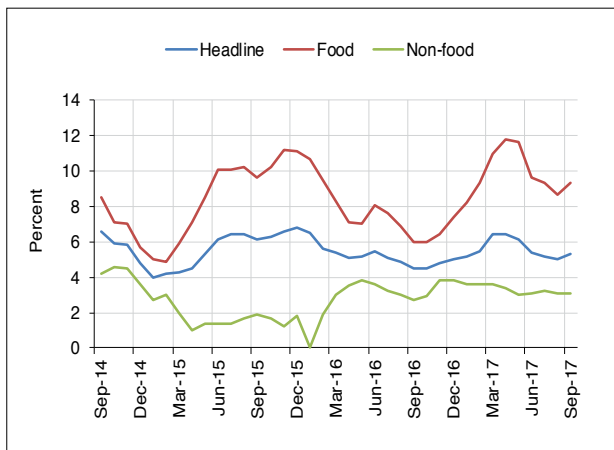


1.0 Inflation and Food Stocks

1.1 Inflation Developments

Annual headline picked up slightly after easing for three months in succession, but remained close to the medium-term target of 5.0 percent. Headline inflation rose to 5.3 percent in the year to September 2017 from 5.0 percent in the year ending August 2017 (Chart 1.1 and Table 1.1). Food and non-alcoholic beverages inflation was the main driver for the rise in headline inflation. On month-to-month basis, headline inflation was 0.0 percent compared to negative 0.2 percent in September 2016.

Chart 1.1: Annual Headline, Food and Non-Food Inflation



Source: National Bureau of Statistics and Bank of Tanzania calculations

Twelve-month inflation rates of the main components of headline inflation were less than 5.0 percent in September 2017, except for those of food and non-alcoholic beverages; and housing, water, electricity, gas and other fuel sub-groups. Twelve-month food and non-alcoholic beverages inflation rose to 9.3 percent in September 2017 from 8.6 percent in the preceding month. Month-to-month food and non-alcoholic inflation was negative 0.4 percent in September 2017 compared with negative 1.0 percent in September 2016 (Table 1.1).

Table 1.1: Headline Inflation and its Main Components

Main Groups	Weight	Monthly Change			Annual change		
		Sep-16	Aug-17	Sep-17	Sep-16	Aug-17	Sep-17
		Base December 2015 = 100					
Food and non alcoholic beverages	38.5	-1.0	-1.3	-0.4	6.0	8.6	9.3
Alcoholic, tobacco and narcotics	3.7	0.1	0.4	0.0	5.3	2.5	2.5
Clothing and footwear	8.3	0.0	-0.1	-0.1	4.2	3.4	3.4
Housing, water, elect., gas and other fuel	11.6	1.5	1.7	1.3	6.5	8.9	8.8
Furnishing, housing equip and routine maint.	6.3	0.3	-0.2	0.1	3.5	2.7	2.6
Health	2.9	0.1	-0.1	0.0	6.0	2.0	1.9
Transport	12.5	-0.1	-0.2	0.2	-0.8	-0.6	-0.3
Communication	5.6	-0.1	0.0	0.0	-0.4	-1.1	-1.0
Recreation and culture	1.6	-0.4	0.8	0.2	1.2	1.3	1.9
Education	1.5	0.0	0.0	0.0	2.9	0.7	0.8
Restaurants and hotels	4.2	0.0	-0.2	0.0	5.2	-0.3	-0.3
Miscellaneous goods and services	3.1	0.3	0.0	0.0	3.3	3.7	3.4
All Items (Headline inflation)	100.0	-0.2	-0.4	0.0	4.5	5.0	5.3
Other selected groups							
Food and non-alcoholic beverages - combining food consumed at home and food consumed in restaurants	37.1	-1.1	-1.3	-0.4	6.0	9.1	9.8
Energy and fuels - combining electricity and other fuels for use at home with petrol and diesel	8.7	1.5	1.9	1.9	4.9	10.4	10.9
All Items less food (non-food)	62.9	0.3	0.3	0.3	2.6	3.1	3.1
All Items less food and energy	54.3	0.1	0.0	0.0	2.4	1.8	1.7

Source: National Bureau of Statistics and Bank of Tanzania calculations

Twelve-month non-food inflation was 3.1 percent in September 2017, same as in the preceding month. On month-to-month basis, non-food inflation was 0.3 percent, as in September 2016. Annual energy and fuel inflation (combining electricity and other fuels for use at home with petrol and diesel) rose to 10.9 percent from 10.4 percent in August 2017, while on month-to-month it was 1.9 percent compared with 1.5 percent in September 2016. Twelve-month inflation for non-food and non-energy items—proxy for core inflation—declined to 1.7 percent from 1.8 percent recorded in the previous month. Month-to-month basis, core inflation was 0.0 percent compared with 0.1 percent in the corresponding month in 2016.

1.2 Food Stocks

Food stock held by the National Food Reserve Agency (NFRA) increased to 85,403 tonnes at the end of September 2017 from 78,434 tonnes at the end of August 2017 (Table 1.2). The food stock comprised of maize, sorghum and paddy, and was close to amount held at end of September 2016. Meanwhile, NFRA purchased 6,986.6 tonnes of maize in September and sold 17.3 tonnes to private traders.



Table 1.2: Food Stocks Held by National Food Reserve Agency

	Tonnes				
	2013	2014	2015	2016	2017
January	72,170.0	235,309.0	459,561.0	125,668.0	86,833.5
February	60,739.0	228,014.0	454,592.0	88,414.0	86,444.0
March	46,153.0	214,157.0	452,054.0	68,727.0	86,443.8
April	36,982.0	195,246.0	433,547.0	64,825.0	86,278.0
May	26,802.0	195,956.0	406,846.0	63,341.0	74,826.0
June	27,494.0	189,494.0	353,702.0	61,837.5	70,393.0
July	71,141.0	182,200.0	282,401.0	49,632.0	68,697.0
August	175,609.0	196,854.0	268,514.9	59,832.0	78,433.6
September	224,295.0	299,624.0	265,046.0	86,545.0	85,402.9
October	235,817.0	426,999.0	253,655.2	90,905.0	
November	234,145.0	460,295.0	238,133.6	90,900.0	
December	232,963.0	466,583.0	180,746.3	89,691.8	

Source: National Food Reserve Agency

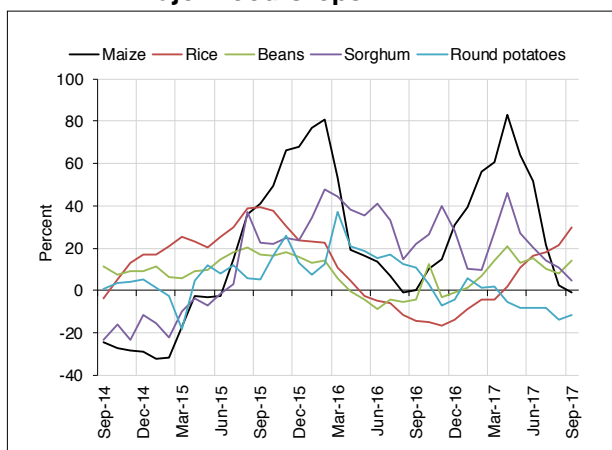
1.3 Prices of Food Crops

Wholesale prices of major food crops were higher in September 2017 than in September 2016, save for rice and beans (Table 1.3). Compared to August 2017, prices of all selected food crops rose, except for those of maize and potatoes. Chart 1.2 shows price developments of selected major food crops for the last three years

Table 1.3: Wholesale Prices of Major Food Crops

Food crop	TZS/100kg				
	Sep-16	Aug-17	Sep-17	Percentage change	
				Aug-17 to Sep-17	Sep-16 to Sep-17
Maize	56,984.0	57,127.8	56,401.0	-1.3	-1.0
Rice	138,550.5	169,735.9	179,844.6	6.0	29.8
Beans	151,356.5	162,133.6	172,795.0	6.6	14.2
Sorghum	84,896.4	99,516.4	88,864.3	-10.7	4.7
Potatoes	77,548.2	70,609.6	68,493.8	-3.0	-11.7

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

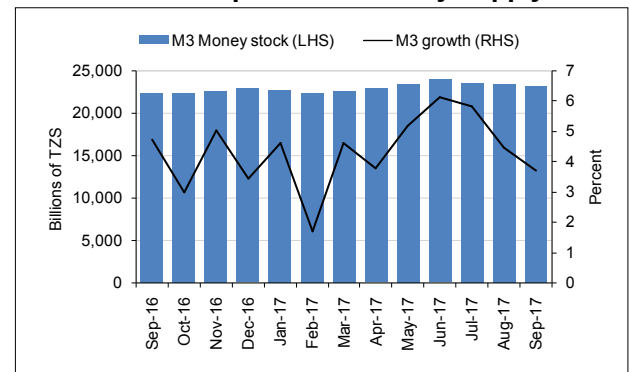
Chart 1.2: Annual Change in Wholesale Prices of Major Food Crops

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

2.0 Monetary and Financial Markets

2.1 Money Supply and Credit

Money supply expanded moderately in September 2017, as in the preceding month. Extended broad money supply (M3) expanded by TZS 825.0 billion to TZS 23,110.9 billion in the year ending September 2017 from TZS 22,285.9 billion registered at the end of September 2016. The increase was equivalent to an annual growth of 3.7 percent compared with 4.7 percent in September 2016. Slow growth in domestic credit remained the main cause for the moderate expansion of money supply (Chart 2.1 and Table 2.1).

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 (Percentage)		
	Sep-16	Aug-17	Sep-17	Sep-16	Aug-17	Sep-17
Net foreign assets of the banking system	7,737.2	10,270.8	10,396.3	-10.7	30.4	34.4
Bank of Tanzania	7,693.6	11,109.0	11,302.1	5.9	44.9	46.9
Net international reserves (Millions of USD)	3,797.2	5,540.2	5,603.7	4.4	46.6	47.6
Banks	43.6	-838.2	-905.8	-96.9	---	---
Banks net foreign assets (Millions of USD)	20.0	-375.1	-404.8	-96.9	---	---
Net domestic assets of the banking system	14,548.7	13,197.9	12,714.6	15.3	-9.6	-12.6
Domestic claims	21,340.1	20,021.9	19,636.1	10.7	-6.3	-8.0
Claims on central government (net)	4,717.3	3,310.7	3,279.8	7.1	-29.2	-30.5
o/w Securities held by banks	3,923.7	5,216.6	5,299.7	8.2	31.4	35.1
Claims on the private sector	16,622.8	16,711.1	16,356.3	11.7	0.2	-1.6
Other items net	-6,791.4	-6,824.0	-6,921.6	1.9	0.8	1.9
Extended broad money supply (M3)	22,285.9	23,468.6	23,110.9	4.7	4.4	3.7
Foreign currency deposits	6,312.6	6,174.6	6,037.2	-1.7	-5.4	-4.4
Foreign currency deposits (Millions of USD)	2,901.9	2,762.8	2,697.9	-2.9	-7.8	-7.0
Broad money supply (M2)	15,973.3	17,294.0	17,073.7	7.5	8.4	6.9
Other deposits	6,415.8	6,756.5	6,781.5	9.4	7.9	5.7
Narrow money supply (M1)	9,557.5	10,537.6	10,292.2	6.3	8.8	7.7
Currency in circulation	3,672.0	3,664.7	3,609.1	0.8	-1.5	-1.7
Transferable deposits	5,885.5	6,872.9	6,683.0	10.0	15.2	13.6

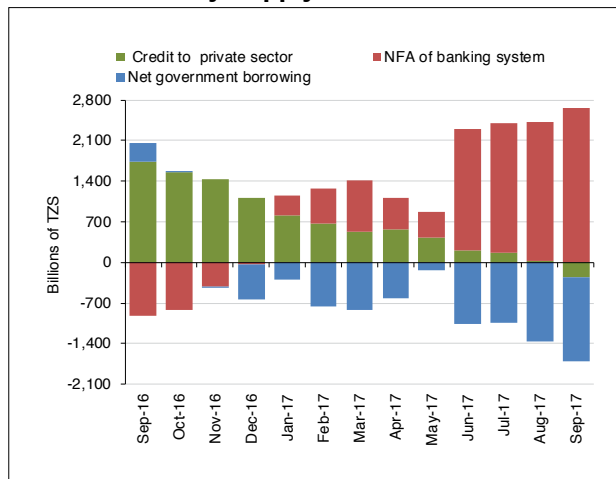
Source: Bank of Tanzania and banks

Note: '---' stands for a change that exceeds 100 percent, in absolute terms



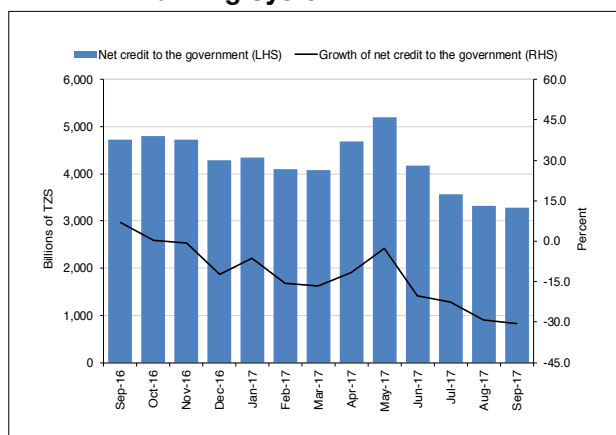
Domestic credit contracted by 8.0 percent during the year ending September 2017 compared to expansion of 10.7 percent in the corresponding period in 2016, with most of the decline occurring in net credit to the central government (**Chart 2.2**). Net credit to the central government declined by 30.5 percent compared to an increase of 7.1 percent in the year ending September 2016, as the Bank of Tanzania's net claims on government shrunk, following a strong build-up of government deposits at the Bank (**Chart 2.3**). By contrast, central government borrowing from banks increased, reflecting sale of government securities for fiscal operations (**Table 2.1**).

Chart 2.2: Annual Changes of Major Sources of Money Supply



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

Chart 2.3: Net Credit to Government from Banking System

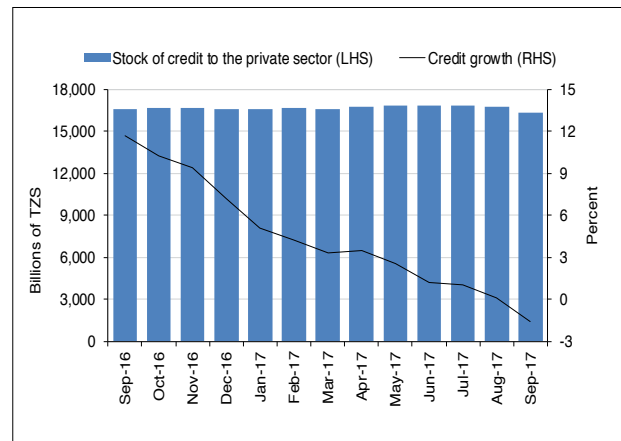


Source: Bank of Tanzania
Note: LHS denotes left hand scale and RHS right hand scale

Growth of credit to private sector remained subdued, despite monetary policy easing. The credit decreased by TZS 266.5 billion to a stock of TZS 16,356.3 billion at the end of September 2017,

from TZS 16,622.8 billion at the end of September 2016 (**Table 2.1** and **Chart 2.4**). A pick up in risk premium following increase in non-performing loans, slower growth of private deposits, and portfolio diversification in favour of low risk government securities observed in the recent months remained the main reasons behind the developments in credit growth.

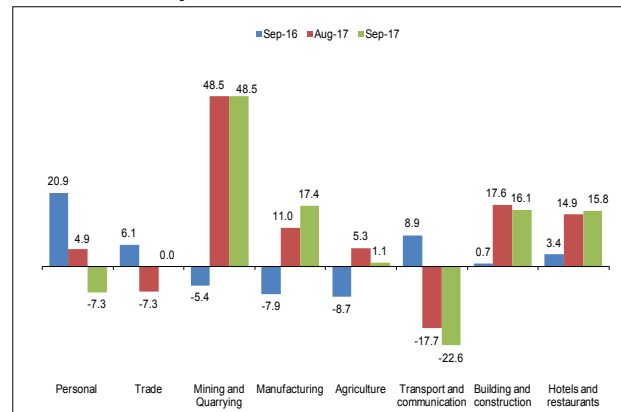
Chart 2.4: Banks Credit to Private Sector



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

Despite the overall decrease in credit to private sector, developments were mixed when viewed by individual activities. Credit growth picked up for manufacturing, building and construction, and hotels and restaurants activities (**Chart 2.5**). In terms of share in total credit outstanding, trade and personal activities remained dominant, accounting for 20.7 percent and 17.3 percent, respectively (**Chart 2.6**).

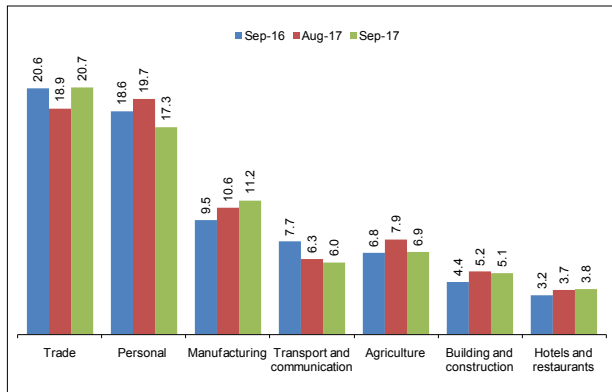
Chart 2.5: Annual Growth of Banks Credit to Major Economic Activities



Source: Bank of Tanzania



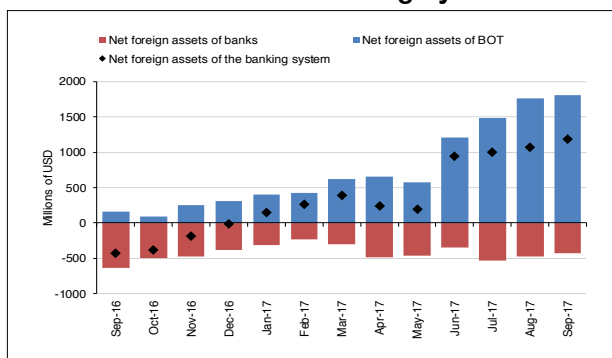
Chart 2.6: Percentage Share of Credit Extended by Banks to Major Economic Activities



Source: Bank of Tanzania

There was a notable increase in growth of net foreign assets (NFA) of the banking system—Bank of Tanzania and banks—reducing the impact of decline in domestic credit on money supply. Specifically, NFA of the banking system grew by 34.4 percent in September on year-on-year compared to a decline of 10.7 percent in September 2016. This follows a sustained build-up of foreign exchange by the Bank of Tanzania through purchases from the inter-bank foreign exchange market, and receipt of external non-concessional loan. On the contrary, the downward trend of NFA of banks observed in the recent month was sustained in September 2017, owing to increase in the debt owed by banks to foreign creditors and decrease in deposits held abroad (**Chart 2.7**).

Chart 2.7: Annual Changes in Net Foreign Assets of the Banking System



Source: Bank of Tanzania

2.2 Interest Rates

In September 2017, interest rates offered by banks on deposits were generally lower than in the preceding month, but higher than in the corresponding month in 2016 (**Table 2.2**). Interest rates charged on loans rose a bit in September 2017, partly attributed to

increase in risk premium following weakening of assets quality of banks and increase in operating costs associated with loan recovery. The overall lending rate averaged 18.46 percent in September 2017, up from 17.84 percent in the preceding month and 15.83 percent in the corresponding month in 2016. As regards overall time deposit rate, it decreased to an average of 9.80 percent from 10.17 percent in August 2017, but was higher than 9.02 percent recorded in September 2016.

Table 2.2: Selected Banks Interest Rates

Items	Sep-16	Dec-16	Mar-17	Jun-17	Jul-17	Aug-17	Sep-17
Overall time deposits rate	9.02	8.78	10.89	10.31	10.55	10.17	9.80
12 Months deposits rate	11.46	11.03	12.03	12.14	11.89	11.69	11.65
Negotiated deposit rate	11.96	11.28	12.75	12.61	12.51	11.84	11.64
Overall lending rate	15.83	15.66	17.36	17.40	17.63	17.84	18.46
Short-term (Up to 1 year)	13.23	12.87	18.07	18.17	18.87	18.87	18.67
Negotiated lending rate	12.25	12.54	17.25	14.71	15.20	17.38	17.91
Spread between 1-year lending and deposit rates	1.77	1.83	6.05	6.03	6.98	7.18	7.02

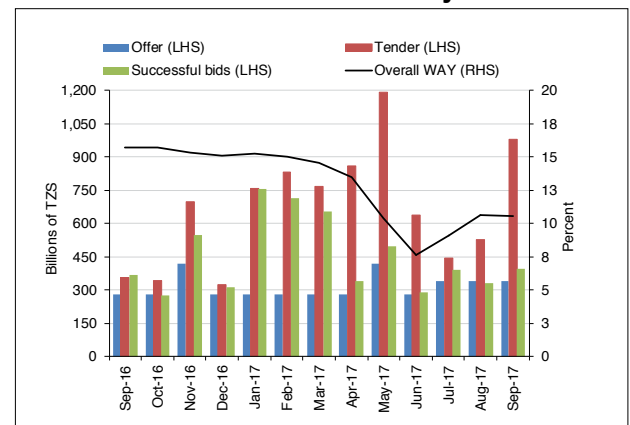
Source: Bank of Tanzania

2.3 Financial Markets

2.3.1 Treasury Bills Market

The Bank of Tanzania conducted Treasury bills auctions primarily for government fiscal operations. Two auctions with a combined tender size of TZS 340 billion were conducted in September 2017 at fortnightly intervals, same as in the preceding month. Demand, as reflected by value of bids received was up at TZS 978.1 billion compared with TZS 528.7 billion in August 2017. Successful bids were valued at TZS 394.1 billion compared with TZS 331.7 billion in the preceding month. Consistent with the increased in demand, overall weighted average yield decreased to 10.51 percent from 10.61 percent in August 2017 and 15.68 percent in the corresponding month in 2016 (**Chart 2.8**).

Chart 2.8: Performance in Treasury Bills Market



Source: Bank of Tanzania

Note: LHS denotes left hand scale and RHS, right hand scale



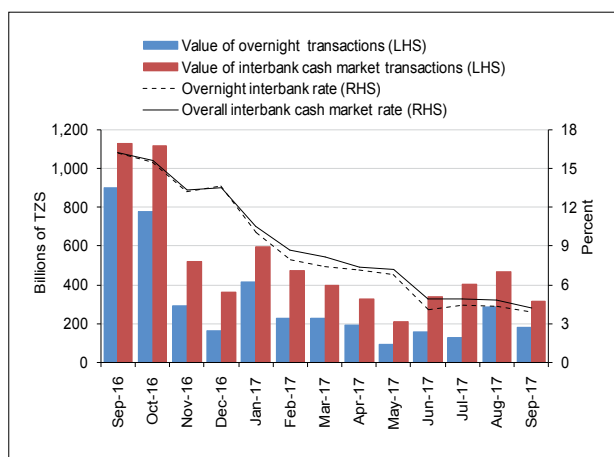
2.3.2 Treasury Bonds Market

In the Treasury bonds market, 2- and 15-year Treasury bonds worth TZS 84.0 billion and TZS 97.8 billion, respectively, were offered in September 2017 for government fiscal operations. Both auctions were highly oversubscribed, as bids worth TZS 258.9 billion and TZS 126.5 billion, respectively, were received. Successful bids amounted to TZS 84.0 billion for 2-year bond and TZS 95.5 billion for 15-year bond. Weighted average yield to maturity (WAY) for 2-year bond decreased to 11.76 percent from 12.45 percent in the preceding auction, while that of 15-year bond increased to 16.74 percent from 16.15 percent.

2.3.3 Inter-Bank Cash Market

The interbank cash market (IBCM) was as liquid as in the preceding month, reflecting unchanged monetary policy stance of stimulating lending by banks. Market turnover decreased to TZS 318.6 billion in September 2017 from TZS 469.6 billion in the preceding month. Overnight transactions remained dominant, though their share in the IBCM declined to 56.4 percent from 61.3 percent in August 2017. The downward trend of overnight and overall interbank cash market rates continued, averaging 3.87 percent and 4.24 percent from 4.36 percent and 4.87 percent in the preceding month, respectively (Chart 2.9)

Chart 2.9: Inter-Bank Cash Market Transactions



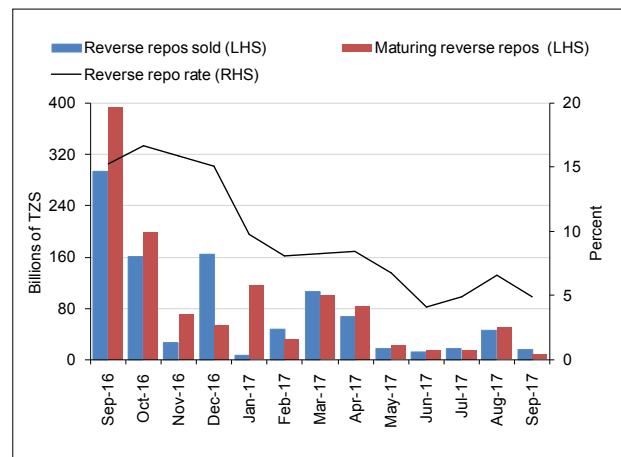
Source: Bank of Tanzania
Note: LHS refers left hand scale and RHS right hand scale

2.3.4 Repurchase Agreements

Reflecting adequacy of liquidity in the banking system, reverse repos conducted by the Bank of Tanzania for bridging temporary liquidity shortfalls decreased to TZS 16.0 billion in September 2017

from TZS 45.4 billion in the preceding month. Meanwhile, reverse repos worth TZS 7.2 billion matured during the month, much lower than TZS 50.4 billion in August 2017 (Chart 2.10). On account of liquidity adequacy among banks, reverse repo rate fell to 4.9 percent in September 2017 from 6.6 percent in the previous month. It is worth to note that the Bank did not conduct repos to withdraw liquidity from the banking system.

Chart 2.10: Reverse Repurchase Agreement Transactions

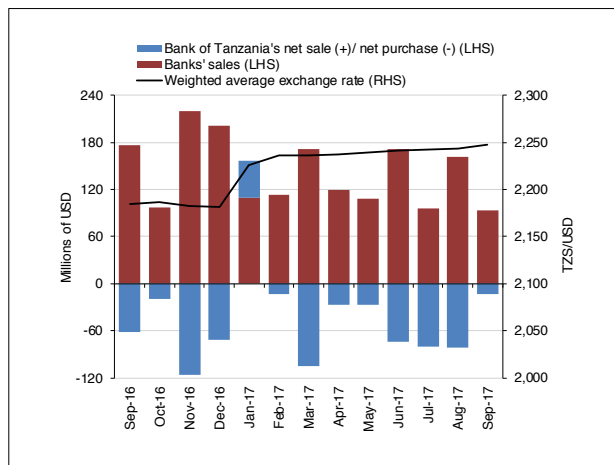


Source: Bank of Tanzania
Note: LHS refers left hand scale and RHS right hand scale

2.3.5 Inter-Bank Foreign Exchange Market

In September 2017, transactions in the interbank foreign exchange market (IFEM) amounted to USD 125.3 million compared with USD 174.0 million in the preceding month. The Bank remained active in the market, purchasing USD 12.8 million on net basis, compared to a net purchase of USD 81.3 million in August 2017. The Shilling remained stable against US dollar throughout the month, fluctuating in narrow ranges. On average, the shilling traded at TZS 2,247.9 against the US dollar compared with TZS 2,243.5 per US dollar in the preceding month. On annual basis, the shilling depreciated by 2.9 percent from TZS 2,184.3 per US dollar in September 2016 (Chart 2.11).



Chart 2.11: Inter-Bank Foreign Exchange Market Transactions

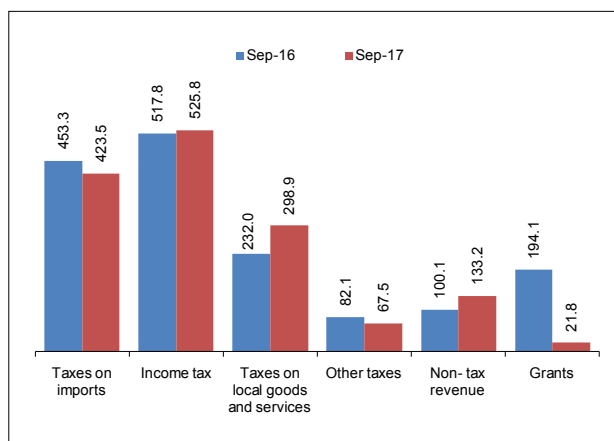
Source: Bank of Tanzania
Note: LHS refers left hand scale and RHS right hand scale

3.0 Government Budgetary Operations

Domestic revenue collected in September 2017 amounted to TZS 1,486.6 billion, of which TZS 1,448.9 billion were realized by the central government and the balance by local government from own sources. Tax revenue accounted for 90.8 percent of the central government revenue collection, and increased by 2.4 percent to TZS 1,315.7 billion from similar month in 2016. Local government collection from own sources was TZS 37.7 billion compared with TZS 33.9 billion in September 2016. **Chart 3.1** shows Government resources during September 2016 and September 2017.

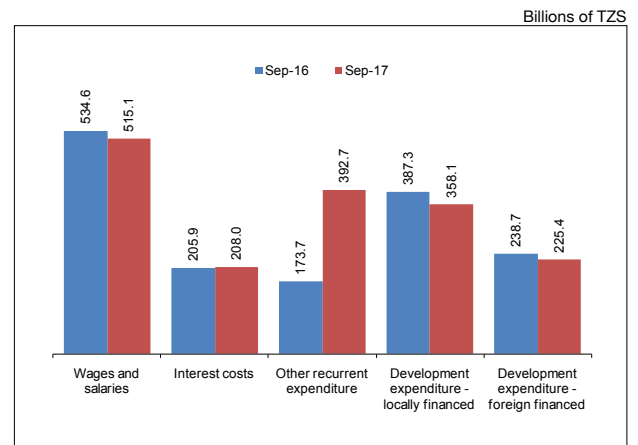
Chart 3.1: Government Resources in September

Billions of TZS



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

Government expenditure amounted to TZS 1,699.3 billion, out of which TZS 1,115.8 billion was recurrent expenditure and TZS 583.5 billion development expenditure (**Chart 3.2**).

Chart 3.2: Government Expenditure in September

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

4.0 External Sector Performance¹

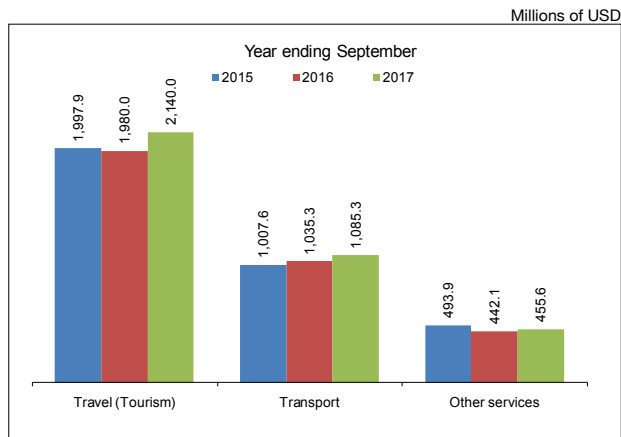
During the year ending September 2017, the overall balance of payments improved to a surplus of USD 1,773.0 million compared with USD 164.5 million recorded in the year ending September 2016. The improvement was largely driven by the increase in inflows in the form of grants and external borrowing, coupled with narrowing of current account deficit.

Services account recorded a surplus of USD 1,739.7 million compared with a surplus of USD 1,121.4 million in the year ending September 2016, largely on account of a decline in services payments. Earnings from services amounted to USD 3,681.0 million up from USD 3,457.4 million following increase in travel and transport receipts (**Chart 4.1**). Earnings from travel, which is dominated by tourism, rose to USD 2,140.0 million from USD 1,980.0 million because of increase in the number of tourist arrivals. Transport receipts rose by 4.8 percent to USD 1,085.3 million in the year ending September 2017.

¹ 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 to address the challenges.



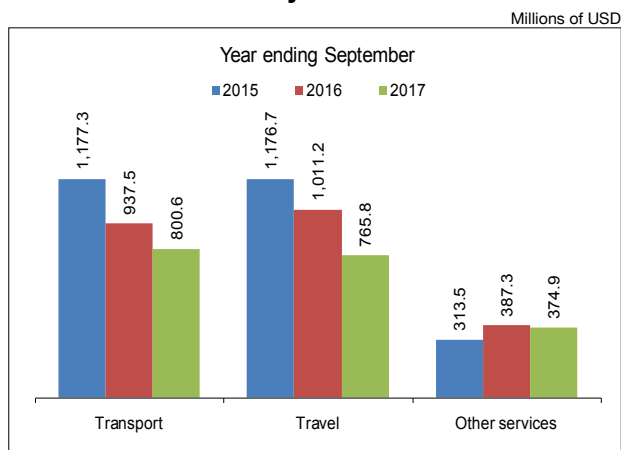
Chart 4.1: Services Receipt



Source: Bank of Tanzania and commercial banks
Note: Other services include Communication, Construction, Insurance, Financial, Computer information, Government, Royalties and Other business services

Services payments fell by 16.9 percent to USD 1,941.3 million during the year ending September 2017, from USD 2,336.0 million a year earlier. Much of the decline occurred in transportation payments, particularly freight and travel payments (Chart 4.2). Transportation, which accounted for more than 40 percent of external services payments, declined by 14.6 percent over the year.

Chart 4.2: Services Payments



Source: Bank of Tanzania and commercial banks
Note: Other services include Communication, Construction, Insurance, Financial, Computer information, Government, Royalties, Personal and Other business services

Primary income account balance, which comprises income from capital related transactions and compensation of employees, widened to a deficit of USD 1,105.6 million from a deficit of USD 995.9 million in the year to September 2016. Increase in interest payments and reinvested earnings were the main drivers for the widening of the deficit.

Secondary income account, which consists of transfers, realized a surplus of USD 402.0 million, up by 5.7 percent over surplus recorded in the year

ending September 2016. The improvement was on account of increase in official transfers, which surged to USD 115.0 million from USD 79.6 million in the year ending September 2016.

4.1 World Commodity Prices

In September 2017, world market prices of selected non-agriculture commodities increased from the preceding month, while those of agriculture commodities were mixed (Table 4.1). Price of cotton rose due to a decline in supply following low production in the USA, while that of tea went up on account of decline in harvests in India and Kenya. The price of coffee, both Robusta and Arabica, declined because of increase in production in Brazil. Cloves and sisal were traded at USD 9.85 per kg and USD 1.80 per kg, respectively, as in August 2017.

Prices of crude oil and white petroleum products increased in September 2017 due to rising geopolitical tensions in the Middle East—Iraq’s Kurdistan region and lower stocks of distillate. Price of gold also rose, on account of increase in demand for gold as a safe investment portfolio following weakening of US dollar against some major currencies and rising geopolitical tensions.

On annual basis, world market prices of commodities rose, except for sisal, which declined due to sizeable stocks (Table 4.1). Price of coffee—Robusta and Arabica—rose due to expectations of low yields in Brazil following unfavourable weather, which was exacerbated by a berry borer infestation. Prices of tea—average and Mombasa auction prices—also increased because of a decline in production in Kenya and India due to dry weather conditions. The price of cotton increased due to high global demand.

Regarding crude oil and white petroleum products, prices increased following compliance with downward adjustments on supply agreement reached in late 2016 by OPEC² and some Non-OPEC members, coupled with expectations of an extension of production cut towards the year-end. Gold price also rose mainly on account of higher demand for gold as safe investment portfolio.



Table 4.1: World Commodity Prices

Commodity	Unit Measure	Aug-17	Sep-17	Percentage Change	Year ending September		Percentage Change
					2016	2017	
Robusta Coffee	USD per kg	2.3	2.2	-4.8	1.8	2.3	24.7
Arabica Coffee	USD per kg	3.3	3.2	-2.1	3.5	3.5	1.3
Tea (Average price)	USD per kg	3.2	3.2	1.6	2.6	3.0	16.8
Tea (Mombasa Auction)	USD per kg	2.8	2.9	4.0	2.4	2.7	12.2
Cotton, "A Index"	USD per kg	1.8	1.8	1.7	1.6	1.8	14.2
Sisal (UG)	USD per kg	1.8	1.8	0.0	1.9	1.7	-9.4
Cloves	USD per kg	9.9	9.9	0.0	8.5	8.7	1.4
Crude oil*	USD per barrel	49.9	53.0	6.0	41.1	50.4	22.6
Crude oil**	USD per barrel	50.4	53.9	6.8	39.5	50.3	27.3
White products***	USD per tonne	503.3	533.5	6.0	421.5	489.7	16.2
Jet/Kerosine	USD per tonne	453.2	481.5	6.2	387.7	452.0	16.6
Premium Gasoline	USD per tonne	553.3	585.4	5.8	437.3	527.3	20.6
Heat Oil	USD per tonne	n.a	n.a		749.0	749.0	0.0
Gold	USD per troy ounce	1,283.0	1,314.1	2.4	1,220.6	1,243.9	1.9

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 n.a denotes Not available

5.0 National Debt

5.1 External Debt

External debt stock, comprising both public and private sectors, amounted to USD 19,239.9 million at the end of September 2017, an increase of USD 28.4 million and USD 1,706.2 million from August 2017 and September 2016, respectively. The increase on month-to-month was mainly accounted for by private sector debt, while on annual basis, it was mostly on account of new disbursements and exchange rate fluctuations of the currencies in which the debt is denominated against the USD dollar. Central government debt remained dominant, accounting for 78.6 percent of total external debt, although it decreased by USD 44.4 million from August 2017. On annual basis, central government external debt increased by USD 1,314.6 million (**Table 5.1**)

Table 5.1: External Debt Stock by Borrowers

Borrower	Millions of USD					
	Sep-16		Aug-17		Sep-17	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	13,813.5	78.8	15,172.5	79.0	15,128.1	78.6
DOD	13,071.1	74.5	14,372.3	74.8	14,328.2	74.5
Interest arrears	742.4	4.2	800.2	4.2	799.9	4.2
Private sector	3,330.3	19.0	3,722.9	19.4	3,797.4	19.7
DOD	2,812.3	16.0	3,102.9	16.2	3,161.1	16.4
Interest arrears	518.0	3.0	620.0	3.2	636.3	3.3
Public corporations	389.9	2.2	316.2	1.6	314.4	1.6
DOD	341.6	1.9	288.5	1.5	286.6	1.5
Interest arrears	48.4	0.3	27.6	0.1	27.9	0.1
External debt stock	17,533.7	100.0	19,211.5	100.0	19,239.9	100.0

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

Composition of external debt in terms of creditor category remained similar to previous month and corresponding month in 2016. Debt owed to multilateral institutions remained dominant, accounting for 47.3 percent of external debt stock, almost as it was in September 2016. **Table 5.2** shows composition of external debt stock by creditors.

Table 5.2: External Debt Stock by Creditors

Creditor category	Millions of USD					
	Sep-16		Aug-17		Sep-17	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	8,267.2	47.2	9,052.3	47.1	9,101.5	47.3
DOD	8,258.6	47.1	9,036.1	47.0	9,084.5	47.2
Interest arrears*	8.6	0.0	16.2	0.1	17.0	0.1
Bilateral	1,865.7	10.6	1,980.2	10.3	1,966.0	10.2
DOD	1,127.3	6.4	1,180.4	6.1	1,166.4	6.1
Interest arrears	738.4	4.2	799.8	4.2	799.7	4.2
Commercial	5,709.5	32.6	6,392.3	33.3	6,310.0	32.8
DOD	5,382.1	30.7	6,003.9	31.3	5,912.9	30.7
Interest arrears	327.3	1.9	388.4	2.0	397.1	2.1
Export credit	1,691.4	9.6	1,786.7	9.3	1,862.4	9.7
DOD	1,456.9	8.3	1,543.3	8.0	1,612.1	8.4
Interest arrears	234.4	1.3	243.4	1.3	250.3	1.3
External debt stock	17,533.7	100.0	19,211.5	100.0	19,239.9	100.0

Source: Ministry of Finance and Planning and Bank of Tanzania

Note: DOD denotes disbursed outstanding debt and * interest arrears owed by the private sector

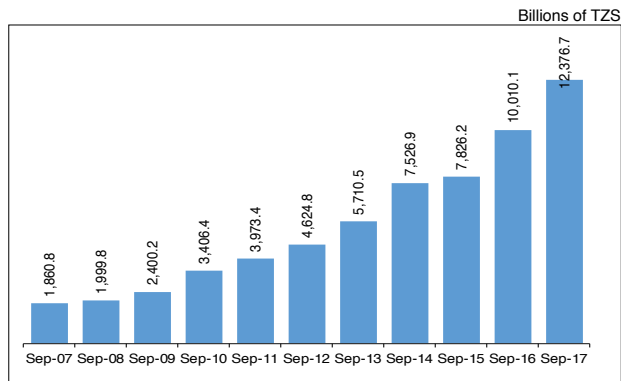
In terms of debt flow, disbursements was USD 166.3 million in September 2017, out of which USD 94.0 million was received by the central government and the balance by private sector. Cumulative disbursements from September 2016 amounted to USD 1,910.4 million, out of which USD 1,565.6 million was received by the central government. Regarding debt service, payments made in September 2017 amounted to USD 147.5 million, all by the central government. For the year ending September 2017, debt service amounted to USD 823.8 million, of which USD 627.8 million was paid out by the central government.

5.2 Domestic Debt

Domestic debt stock amounted to TZS 12,376.76 billion at the end of September 2017, an increase of TZS 178.2 billion from the preceding month and TZS 2,366.6 billion from September 2016 (**Chart 5.1**).



Chart 5.1: Government Domestic Debt Stock



Source: Bank of Tanzania

Most of the domestic debt was long-term debt, comprising bonds and stocks, altogether accounting for 68.8 percent of the debt stock compared with 65.3 percent and 68.4 percent in September 2016 and August 2017, respectively (Table 5.3). The growth bodes well with the implementation of the medium-term debt management strategy, which entails lengthening of maturity profile of domestic debt in endeavor to mitigate refinancing risk (Table 5.3).

Table 5.3: Government Domestic Debt by Instruments

	Sep-16		Aug-17		Sep-17	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	9,991.7	99.8	12,180.2	99.8	12,358.4	99.9
Treasury bonds	6,277.51	62.7	8,086.44	66.3	8,255.99	66.7
Treasury bills	3,457.1	34.5	3,836.6	31.5	3,845.2	31.1
Government stocks	257.1	2.6	257.1	2.1	257.1	2.1
Tax certificates	0.1	0.0	0.1	0.0	0.1	0.0
Non-securitized debt	18.4	0.2	18.4	0.2	18.4	0.1
Total domestic debt	10,010.1	100.0	12,198.6	100.0	12,376.7	100.0

Source: Ministry of Finance and Planning and Bank of Tanzania

The composition of domestic debt stock by holders remained the same as in August 2017 and September 2016 positions. Banks remained dominant, holding 43.3 percent of the debt stock, followed by pension funds and Bank of Tanzania (Table 5.4).

Table 5.4: Government Domestic Debt by Holders

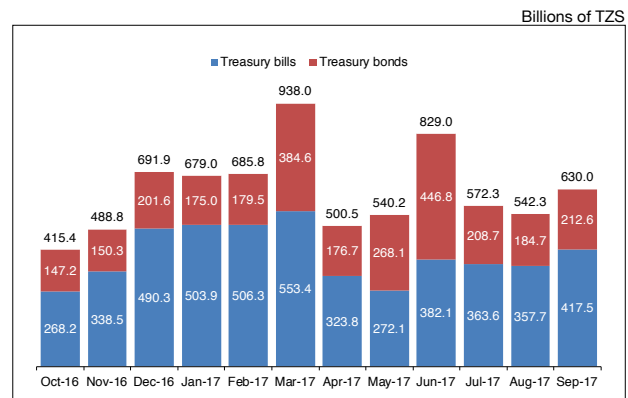
	Aug-16		Aug-17		Sep-17	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	4,104.5	41.0	5,279.9	43.3	5,364.8	43.3
Pension funds	2,453.5	24.5	3,579.3	29.3	3,645.7	29.5
Bank of Tanzania	1,449.2	14.5	1,389.8	11.4	1,389.8	11.2
Insurance	1,099.9	11.0	1,174.1	9.6	1,130.2	9.1
Other public entities	224.0	2.2	143.7	1.2	155.7	1.3
Others	679.0	6.8	631.8	5.2	690.5	5.6
Total	10,010.1	100.0	12,198.6	100.0	12,376.7	100.0

Source: Bank of Tanzania.

Note: Others include other official entities, and private companies and individuals

Government securities—Treasury bills and bonds—issued in September 2017 for budget financing amounted to TZS 630.0 billion, out of which, TZS 417.5 billion were Treasury bills and TZS 212.6 billion Treasury bonds. Cumulative from September 2016, government securities issued were TZS 7,513.3 billion of which, 63.6 percent 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 worth TZS 510.1 billion fell due for payment during September 2017 compared with TZS 441.5 billion in the preceding month. Principal component amounting to TZS 410.1 billion was rolled over while interest amount of TZS 100.0 billion was paid out of government resources. Cumulative from September 2016, debt that fell due for payment was TZS 5,899.4 billion, of which TZS 4,619.7 billion was rolled over and the balance was paid out of the government resources.

6.0 Economic Developments in Zanzibar

6.1 Inflation Developments

Year-on-year headline inflation rose to 5.9 percent from 5.5 percent in August 2017 (Table 6.1 and Chart 6.1). The increase was driven by inflation rates for food and non-alcoholic beverages; and housing, water, electricity and other fuels sub-groups inflation. Food and non-alcoholic beverages sub-group recorded annual inflation of 7.8 percent compared with 6.1 percent in August 2017; while that of housing, water, electricity and other fuels rose to 11.9 percent from 10.7 percent in August



2017, associated mainly with a modest increase in inflation rates for kerosene and petrol. On month-to-month basis, headline inflation rose to negative 0.8 percent in September 2017 from negative 1.1 percent in the similar month in 2016.

Table 6.1: Inflation Developments

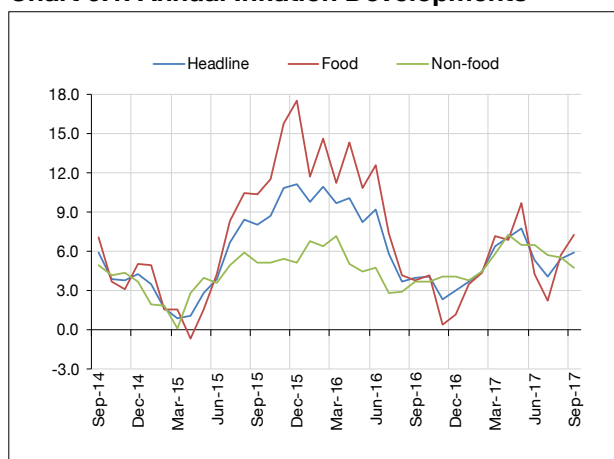
Base: Aug 2012 = 100, Jan 2017 = 100 from January 2017

	Weight	Monthly change			Annual change		
		Sep-16	Aug-17	Sep-17	Sep-16	Aug-17	Sep-17
Main groups:							
Food and non-alcoholic beverages	43.6	-2.1	1.6	-0.6	3.8	6.1	7.8
Alcoholic beverages, tobacco and narcotics	0.2	0.0	0.0	0.0	4.5	3.3	3.3
Clothing and footwear	6.9	0.3	-0.1	-0.1	3.5	5.4	3.9
Housing, water, electricity, gas and other fuels	18.4	-0.2	1.6	0.8	3.7	10.7	11.9
Furnishing, household equipment	5.5	0.1	-0.1	0.0	3.3	1.4	1.7
Health	2.1	0.0	0.0	0.8	11.0	4.1	4.9
Transport	9.6	-1.1	-0.6	-6.3	-1.0	1.1	-4.1
Communication	4.2	-0.2	0.0	0.0	-0.4	0.0	0.2
Recreation and culture	1.3	0.2	0.0	-5.5	1.8	3.0	-2.9
Education	1.9	0.0	0.0	0.0	9.1	4.1	4.1
Restaurants and hotels	3.9	0.2	0.0	0.0	13.8	1.0	0.8
Miscellaneous goods and services	2.3	1.1	0.0	0.0	10.5	2.4	1.3
All items (headline inflation)	100.0	-1.1	1.0	-0.8	4.0	5.5	5.9
Other related item:							
Non-food	57.3	-0.2	0.4	-1.0	3.8	5.6	4.8

Source: Office of Chief Government Statistician; Bank of Tanzania calculations

Annual food inflation increased to 7.3 percent from 5.7 in August 2017 in the wake of a rise in prices of cooking bananas, sugar, rice and maize flour. In contrast, annual non-food inflation eased to 4.8 percent from 5.6 percent in the preceding month. On monthly basis, food and non-alcoholic beverages inflation was negative 0.6 percent in September 2017 compared with negative 2.1 percent in September 2016, while non-food inflation was negative 1.0 percent relative to negative 0.2 percent.

Chart 6.1: Annual Inflation Developments

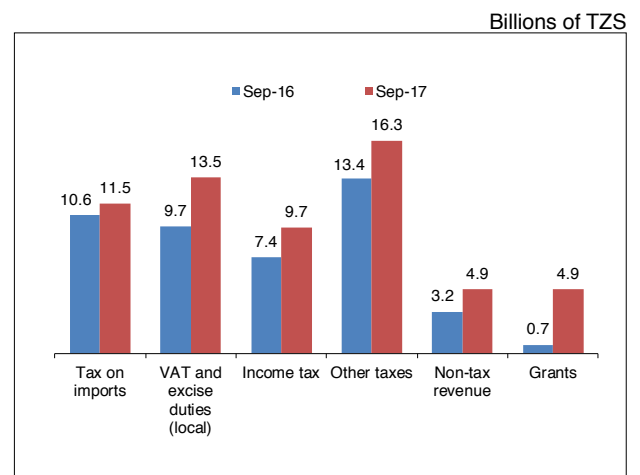


Source: Office of Chief Government Statistician; Bank of Tanzania calculations

6.2 Government Budgetary Operations

In September 2017, government resource envelope comprising domestic revenue and grants, amounted to TZS 60.9 billion, of which TZS 56.0 billion was revenue and the balance grants. Revenue collection rose by 26.3 percent from TZS 44.3 billion in September 2016, and was above projections for the month by 0.6 percent. The good performance resulted from both tax and non-tax revenue, to a large extent owing to measures taken to enhance tax compliance, improving administration and bringing untapped tax base into tax loop. All domestic revenue sources improved relative to the corresponding month in 2016 (**Chart 6.2**).

Chart 6.2: Domestic Revenue by Sources



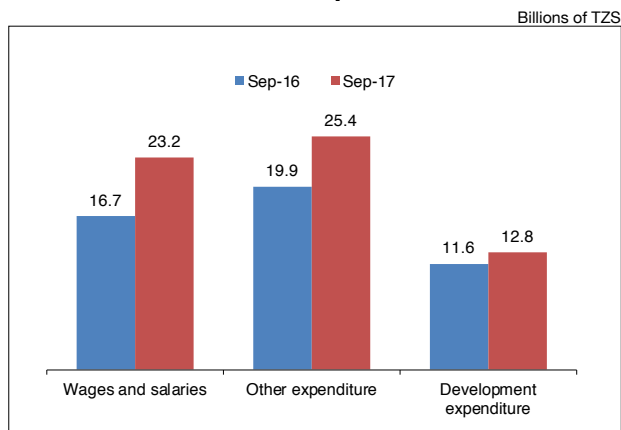
Source: Ministry of Finance - Zanzibar and Bank of Tanzania calculations

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

Government expenditure amounted to TZS 61.4 billion in September 2017, above estimates by TZS 1.2 billion and was explained by higher than estimated development expenditure. Recurrent expenditure was TZS 48.6 billion, while spending on development projects was TZS 12.8 billion (**Chart 6.3**). Development expenditure was above estimates for the month by TZS 4.2 billion following higher than projected receipt of project grants. Of the total development expenditure, TZS 8.0 billion was from external sources and the balance from local sources. Following these developments, a deficit after grants of TZS 3.1 billion was realized and financed by loans from external sources.



Chart 6.3: Government Expenditure



Source: Ministry of Finance Zanzibar; Bank of Tanzania calculations
Note: Other expenditure include transfers, domestic debt interest, consolidated fund service and other charges

6.3 External Sector Performance

6.3.1 Current Account

During the year ending September 2017, current account surplus narrowed to USD 18.4 million from USD 68.4 million in September 2016, mainly owing to decline in export goods and increase in imports. Goods account registered a deficit of USD 106.7 million compared with USD 48.1 million in the year to September 2016. Goods and services account registered a deficit of USD 20.3 million, down from a surplus of USD 45.9 million in the year ending September 2016 (Table 6.2).

Table 6.2: Current Account Balance

Item	Millions of USD					
	Sep-16	Aug-17	Sep-17	Year ending Sep 2016	Year ending Sep 2017 ^p	Percentage change
Goods account (net)	-7.9	-11.3	-11.3	-48.1	-106.7	121.8
Exports	2.1	4.9	5.9	71.1	28.7	-59.7
Imports (fob)	10.0	16.2	17.1	119.2	135.4	13.6
Services account (net)	7.0	9.2	7.5	94.0	86.4	-8.1
Receipts	12.8	13.4	12.7	140.9	147.0	4.3
Payments	5.8	4.2	5.2	46.9	60.5	29.1
Goods and services (net)	-0.9	-2.1	-3.8	45.9	-20.3	---
Exports of goods and services	14.9	18.2	18.5	212.0	175.6	-17.2
Imports of goods and services	15.8	20.4	22.3	166.1	195.9	18.0
Income account (net)	0.5	0.4	0.9	2.0	9.1	--
Receipts	1.0	0.8	1.2	8.7	13.6	56.3
Payments	0.6	0.4	0.3	6.7	4.4	-33.4
Current transfers (net)	2.2	2.0	3.3	20.5	29.6	44.6
Inflows	2.3	2.3	3.5	20.6	31.2	51.7
Outflows	0.1	0.2	0.2	0.1	1.6	---
Current account balance	1.7	0.3	0.4	68.4	18.4	-73.1

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

The value of exports of goods and services amounted to USD 175.6 million in the year to September 2017 compared with USD 212.0 million in the year ending September 2016, following a decline in export of goods, except for fish and fish products (Table 6.2). The value of cloves exported, which is the main export commodity, fell by 56.6 percent to USD 49.8 million from USD 21.6 million on account of a decrease in volume of cloves exported and price. The volume of cloves export declined by nearly two thirds to 2,709 tonnes from 6,192 tonnes in the year to September 2016, while price in the world market dropped to USD 7,969.2 per tonne from USD 8,036.4 per tonne. In September 2017, about 661.0 tonnes of cloves worth USD 5.4 million were exported compared with 205.0 tonnes worth USD 1.5 million in September 2016 (Table 6.3).

The value of seaweeds, another major export commodity, amounted to USD 1.5 million during the year ending September 2017, 43.5 percent lower than the amount exported in the year to September 2016. Manufactured goods exports, which includes re-export of imported manufactured goods, amounted to USD 4.9 million compared with USD 9.1 million in the year to September 2016. The share of manufactured goods in total goods export rose to 17.1 percent from 12.8 percent. Exports of fish and fish products increased to USD 39,398.1 from USD 27,907.2, partly explained by favourable weather condition and usage of better fishing gears.

Table 6.3: Goods Export Performance

Item	Units	Year ending Sep					
		Sep-16	Aug-17	Sep-17	2016	2017 ^p	Percentage change
Traditional:							
Cloves							
Value	USD '000'	1,514.5	4,122.9	5,426.1	49,761.3	21,588.7	-56.6
Volume	'000' Tonnes	0.2	0.5	0.7	6.2	2.7	-56.3
Unit price	USD/Tonne	7,387.8	8,414.0	8,208.9	8,036.4	7,969.2	-0.8
Non-traditional:							
Seaweeds							
Value	USD '000'	421.0	119.8	226.2	2,611.6	1,475.8	-43.5
Volume	'000' Tonnes	0.8	0.4	0.7	5.9	3.5	-41.3
Unit price	USD/Tonne	536.0	305.0	340.3	443.6	427.4	-3.7
Manufactured goods	USD '000'	130.9	612.7	146.9	9,110.2	4,894.1	-46.3
Fish and fish products	USD '000'	1.7	0.9	2.5	27.9	39.4	41.2
Others exports	USD '000'	18.0	0.5	58.5	9,588.3	680.0	-92.9
Sub-total	USD '000'	571.6	734.0	434.0	21,338.0	7,089.3	-66.8
Grand-total	USD '000'	2,086.1	4,856.9	5,860.1	71,099.3	28,677.9	-59.7

Source: Tanzania Revenue Authority and Bank of Tanzania
Note: Other exports mainly include souvenirs and spices; p denotes provisional data

The surplus in the services account narrowed to USD 86.4 million in the year ending September 2017 from USD 94.0 million in the year to September 2016. Foreign payments rose to USD 60.5 million from USD 46.9 million on account of increase in travel and transportation payments (Table 6.4).



Table 6.4: Services and Income Account

Millions of USD

Item	Sep-16	Aug-17	Sep-17	Year ending Sep		Percentage change
				2016	2017 ^p	
A. Services account (net)	7.0	9.2	7.5	94.0	86.4	-8.1
Receipts	12.8	13.4	12.7	140.9	147.0	4.3
Payments	5.8	4.2	5.2	46.9	60.5	29.1
B. Income account (net)	0.5	0.4	0.9	2.0	9.1	---
Receipts	1.0	0.8	1.2	8.7	13.6	56.3
Payments	0.6	0.4	0.3	6.7	4.4	-33.4
C. Current transfers (net)	2.2	2.0	3.3	20.5	29.6	44.6
Inflows	2.3	2.3	3.5	20.6	31.2	51.7
Outflows	0.1	0.2	0.2	0.1	1.6	---

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

The value of imports of goods and services (f.o.b) amounted to USD 195.9 million in the year to September 2017 compared with USD 166.1 million in the year ending September 2016, following increase in import of intermediate and consumer goods (**Table 6.2**). The value of imports of intermediate goods increased by 9.9 percent from USD 57.5 million, driven by oil imports. Consumer goods import, which accounted for 36 percent of the total value of goods imports, rose by 93.5 percent from USD 23.8 million in the year ending September 2016, largely driven by imports of food and foodstuff, which increased almost two-folds. By contrast, the value of capital goods imports declined by 20.5 percent (**Table 6.5**).

Table 6.5: Zanzibar Goods Imports by Major Categories

Millions of USD

Item	Sep-16	Aug-17	Sep-17	Year ending Sep		Percentage change
				2016	2017 ^p	
Capital goods	3.6	5.7	5.0	49.7	39.5	-20.5
Transport equipment	1.6	1.4	1.2	21.7	15.7	-28.0
Building and construction	0.8	1.0	0.6	7.7	6.8	-11.1
Machinery	1.1	3.2	3.2	20.2	17.0	-16.1
Intermediate goods	5.6	6.8	7.0	57.5	63.2	9.9
Oil imports	3.9	4.9	4.3	40.3	48.1	19.5
Industrial raw materials	1.6	2.0	2.7	17.2	15.1	-12.4
Consumer goods	1.9	5.3	6.8	23.8	46.1	93.5
Food and food stuffs	1.3	1.6	3.9	1.8	18.1	---
All other consumer goods	0.6	3.7	2.9	22.0	28.1	27.4
Grand total (c.i.f)	11.0	17.8	18.8	131.0	148.8	13.6
Grand total (f.o.b)	10.0	16.2	17.1	119.2	135.4	13.6

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: p denotes provisional data and "---" stands for change that 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	12.9	15.2	13.1	8.6	10.1	n.a
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	-2,162.6
3.5 Overall balance	Mill. USD	-202.0	326.2	507.9	-251.8	-199.1	305.5
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)	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 2017/18	July 2017 - September 2017		September 2017	
		Estimates	Actual	Estimates	Actual
Total revenue (including LGAs)	19,977,001.5	4,793,035.3	4,067,427.7	1,898,996.8	1,486,632.5
Central government revenue	19,289,695.3	4,607,309.8	3,942,709.9	1,838,730.1	1,448,895.9
Tax revenue	17,059,639.0	4,161,375.7	3,564,043.8	1,678,436.4	1,315,716.6
Taxes on imports	6,292,627.9	1,598,500.9	1,328,508.4	551,336.7	423,529.3
Sales/VAT and excise on local goods	3,865,213.5	910,705.3	845,022.1	340,773.7	298,915.7
Income taxes	5,810,731.4	1,379,746.1	1,182,721.6	690,049.3	525,765.1
Other taxes	1,091,066.2	272,423.4	207,791.7	96,276.7	67,506.5
Non- tax revenue	2,230,056.3	445,934.1	378,666.1	160,293.7	133,179.3
LGA own sources	687,306.1	185,725.5	124,717.8	60,266.7	37,736.7
Total expenditure ¹	25,581,105.8	5,345,913.4	4,084,177.1	2,291,059.1	1,699,308.2
Recurrent expenditure	13,581,514.1	3,376,477.8	2,783,346.8	1,395,586.5	1,115,806.0
Wages and salaries	7,205,768.4	1,643,573.1	1,550,826.0	606,383.4	515,129.0
Interest payments	1,699,037.6	641,899.5	443,370.3	397,592.6	207,951.2
Domestic	1,025,546.0	266,795.7	266,509.7	100,245.5	99,959.5
Foreign	673,491.5	375,103.8	176,860.6	297,347.1	107,991.6
Other goods, services and transfers	4,676,708.1	1,091,005.2	789,150.6	391,610.4	392,725.9
Development expenditure and net lending	11,999,591.6	1,969,435.7	1,300,830.3	895,472.6	583,502.1
Local	8,969,747.0	1,404,834.3	974,945.7	539,892.4	358,149.8
Foreign	3,029,844.6	564,601.4	325,884.6	355,580.2	225,352.4
Balance before grants	-5,604,104.3	-552,878.2	-16,749.4	-392,062.4	-212,675.6
Grants	1,043,837.8	382,543.8	119,007.6	173,522.7	21,768.4
Program	190,022.6	0.0	0.0	0.0	0.0
Project	653,194.2	267,978.6	62,537.2	89,326.2	214.4
Basket funds	200,621.1	114,565.2	56,470.4	84,196.5	21,554.0
Balance (cheques issued) after grants	-4,560,266.5	-170,334.4	102,258.2	-218,539.7	-190,907.3
Expenditure float	0.0	0.0	-71,175.6	0.0	-700.0
Adjustments to cash and other items (net)	0.1	0.0	417,531.7	0.0	194,474.9
Overall balance	-4,560,266.4	-170,334.4	448,614.3	-218,539.7	2,867.6
Financing:	4,560,266.4	170,334.4	-448,614.3	218,539.7	-2,867.6
Foreign financing (net)	3,339,598.4	120,286.3	170,247.4	94,573.4	-20,346.9
Loans	4,522,249.5	406,057.6	431,477.0	182,057.6	203,584.0
Program loans	751,235.1	0.0	0.0	0.0	0.0
Development project loans	3,415,560.6	406,057.6	429,922.0	182,057.6	203,584.0
o/w: Non-concessional borrowing	1,594,985.0	224,000.0	224,600.0	0.0	0.0
Basket support	355,453.8	0.0	1,555.0	0.0	0.0
Amortization	-1,182,651.1	-285,771.3	-261,229.6	-87,484.2	-223,930.9
Domestic (net) ²	1,220,668.0	50,048.1	-618,861.8	123,966.3	17,479.2
Bank and non bank financing	1,220,668.0	50,048.1	-618,861.8	123,966.3	17,479.2
Bank borrowing	1,098,601.2	45,043.3	-848,597.4	111,569.7	-30,997.2
Non-bank (net of amortization)	122,066.8	5,004.8	229,735.7	12,396.6	48,476.4
Borrowing/roll-over	4,948,229.0	1,107,076.5	1,107,076.5	410,187.2	410,187.2
Domestic and contingent debt amortization	-4,948,229.0	-1,107,076.5	-1,107,076.5	-410,187.2	-410,187.2

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; and o/w, of which.



Table A3: Depository Corporations Survey

Items	Billions of TZS												
	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17 ^P
Net foreign assets	7,737.2	7,625.6	7,894.7	8,209.0	8,378.8	8,526.9	8,410.3	8,023.1	8,024.3	9,573.1	9,987.4	10,270.8	10,396.3
Bank of Tanzania	7,693.6	7,616.1	8,061.1	8,304.1	8,464.8	8,580.5	8,850.0	8,702.3	8,663.9	10,016.8	10,617.0	11,109.0	11,302.1
Other depository corporations	43.6	9.5	-166.4	-95.1	-86.0	-53.6	-439.6	-679.2	-639.6	-443.7	-629.7	-838.2	-905.8
Net domestic assets	14,548.7	14,706.9	14,736.1	14,668.8	14,404.6	13,852.5	14,234.2	14,810.7	15,379.7	14,292.3	13,575.2	13,197.9	12,714.6
Domestic claims	21,340.1	21,447.2	21,353.0	20,890.9	20,921.3	20,730.0	20,688.1	21,418.6	22,002.2	21,038.9	20,378.8	20,021.9	19,636.1
Claims on central government (net)	4,717.3	4,792.8	4,721.1	4,282.0	4,349.1	4,087.9	4,072.8	4,691.7	5,190.1	4,172.7	3,557.6	3,310.7	3,279.8
Claims on central government	6,927.7	7,091.3	6,992.2	7,166.9	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
Liabilities to central government	2,210.4	2,298.5	2,271.1	2,884.9	3,196.3	3,700.6	3,557.1	3,246.2	3,058.7	4,537.1	4,506.0	4,531.2	4,601.3
Claims on non-government sector	16,622.8	16,654.4	16,631.9	16,608.9	16,572.2	16,642.0	16,615.3	16,726.9	16,812.1	16,866.2	16,821.1	16,711.1	16,356.3
Other items (net)	-6,791.4	-6,740.2	-6,617.0	-6,222.0	-6,516.6	-6,877.4	-6,453.9	-6,607.8	-6,622.4	-6,746.6	-6,803.6	-6,824.0	-6,921.6
Broad money liabilities	22,285.9	22,332.5	22,630.8	22,877.9	22,783.4	22,379.4	22,644.6	22,833.8	23,404.1	23,865.4	23,562.5	23,468.6	23,110.9
Currency outside depository corporations	3,672.0	3,550.5	3,581.1	3,608.7	3,472.0	3,412.5	3,394.6	3,369.0	3,416.4	3,615.3	3,627.3	3,664.7	3,609.1
Transferable deposits	9,513.7	9,744.2	9,813.0	10,065.8	10,300.2	10,154.3	9,965.8	10,215.4	10,734.5	10,985.3	10,786.4	10,545.6	10,288.6
Non-transferable (other) deposits	9,100.3	9,037.8	9,236.6	9,203.3	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
Memorandum items:													
Monetary aggregates													
Reserve money (M0)	6,619.0	6,536.9	6,930.2	6,854.4	6,562.5	6,484.8	6,356.7	6,486.3	6,565.5	6,827.1	6,709.6	6,861.3	6,551.3
Extended broad money (M3)	22,285.9	22,332.5	22,630.8	22,877.9	22,783.4	22,379.4	22,644.6	22,833.8	23,404.1	23,865.4	23,562.5	23,468.6	23,110.9
Deposits in foreign Currency (FCD)	6,312.6	6,299.3	6,207.2	6,257.5	6,357.0	6,379.6	6,228.0	5,995.6	6,115.2	6,177.9	6,194.0	6,174.6	6,037.2
FCD in millions of USD	2,901.9	2,896.1	2,859.2	2,880.2	2,861.0	2,865.5	2,800.4	2,691.9	2,742.9	2,770.2	2,775.6	2,762.8	2,697.9
Broad money (M2)	15,973.3	16,033.2	16,423.6	16,620.3	16,426.4	15,999.8	16,416.6	16,838.2	17,288.8	17,687.5	17,368.5	17,294.0	17,073.7
Other deposits in national currency (i.e. savings and time deposits)	6,415.8	6,405.4	6,586.7	6,536.5	6,402.6	6,134.5	6,694.0	6,728.6	6,771.3	6,816.2	6,646.8	6,756.5	6,781.5
Narrow money (M1)	9,557.5	9,627.8	9,836.9	10,083.8	10,023.8	9,865.3	9,722.6	10,109.7	10,517.5	10,871.3	10,721.7	10,537.6	10,292.2
Currency in circulation	3,672.0	3,550.5	3,581.1	3,608.7	3,472.0	3,412.5	3,394.6	3,369.0	3,416.4	3,615.3	3,627.3	3,664.7	3,609.1
Transferable deposits in national currency	5,885.5	6,077.3	6,255.7	6,475.1	6,551.9	6,452.8	6,328.0	6,740.7	7,101.1	7,256.0	7,094.4	6,872.9	6,683.0

Source: Bank of Tanzania

Note: p denotes provisional data



Table A4: Weighted Average Interest Rate Structure

Items	2016				2017									Percent
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep ^p	
A: Domestic currency														
1. Interbank cash market rates														
Overnight	16.15	15.51	13.23	13.69	10.07	7.93	7.42	7.19	6.81	4.08	4.43	4.36	3.87	
2 to 7 days	16.50	15.94	13.49	13.24	11.72	9.33	8.73	7.03	7.50	5.66	5.05	5.14	4.56	
8 to 14 days	16.51	15.00	13.50	13.64	10.60	9.27	10.56	10.13	6.97	5.58	5.75	7.14	4.93	
15 to 30 days	14.50	16.34	16.34	13.00	12.00	9.83	9.97	11.00	9.75	6.06	6.17	7.65	6.30	
31 to 60 days	16.00	16.50	16.50	12.86	12.50	12.50	12.50	9.00	9.00	9.00	9.00	7.52	6.50	
61 to 90 days	15.00	15.00	15.00	14.60	14.60	14.60	15.75	16.75	16.75	16.75	16.75	16.75	9.00	
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	16.22	15.64	13.35	13.49	10.50	8.68	8.16	7.39	7.23	4.91	4.92	4.87	4.93	
2. Lombard rate	24.23	23.27	19.85	20.54	15.10	11.89	11.13	10.79	10.22	8.02	7.22	7.16	7.20	
3. REPO rate	5.13	5.13	5.13	5.13	6.92	6.92	6.92	3.82	2.91	2.23	2.23	2.23	2.23	
4. Treasury bills rates														
35 days	7.34	7.26	7.00	6.80	6.82	6.50	6.50	6.79	6.53	5.35	4.81	4.77	4.80	
91 days	7.46	7.51	7.28	7.09	7.14	7.06	7.20	7.10	6.77	5.53	4.86	4.07	4.10	
182 days	15.45	15.51	14.91	14.54	14.51	14.26	13.78	13.02	10.01	7.13	8.54	9.42	8.91	
364 days	15.85	16.15	15.94	15.80	15.78	15.52	15.14	14.01	10.99	8.65	9.80	11.42	11.42	
Overall treasury bills rate	15.68	15.72	15.34	15.12	15.27	15.02	14.52	13.51	10.44	7.64	9.12	10.61	10.58	
5. Treasury bonds rates														
2-years	17.39	17.66	17.66	17.67	17.67	17.67	17.61	17.61	16.22	16.22	12.45	12.45	11.76	
5-years	17.87	17.87	17.96	17.96	17.96	17.68	17.68	17.92	17.92	17.92	13.07	13.96	13.96	
7-years	17.91	17.91	18.34	18.34	18.44	18.44	18.42	18.42	16.48	16.48	16.48	14.28	14.28	
10-years	17.63	17.63	17.63	17.63	18.56	18.56	18.56	18.56	18.56	14.76	14.76	15.75	15.75	
15-years	18.87	18.87	18.87	18.73	18.73	18.78	18.78	18.88	18.88	18.88	16.15	16.15	16.74	
Bank rate	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	
6. Discount rate	16.00	16.00	16.00	16.00	16.00	16.00	12.00	12.00	12.00	12.00	12.00	9.00	9.00	
7. Savings deposit rate	3.42	3.44	3.11	3.08	3.12	3.17	3.17	3.20	3.17	3.17	3.13	3.17	2.87	
8. Overall time deposits rate														
1 month	9.75	9.96	7.72	7.76	9.56	12.13	11.07	11.50	11.95	11.07	11.16	11.24	10.65	
2 months	9.29	10.35	9.71	9.08	9.86	11.64	12.77	12.37	11.45	11.11	11.80	11.52	9.82	
3 months	10.96	10.44	10.16	11.44	11.39	10.82	12.37	11.40	11.37	12.01	11.25	9.54	11.60	
6 months	10.03	10.51	10.09	10.01	9.56	10.08	11.61	11.63	11.14	11.48	11.49	11.29	11.36	
9 months	10.03	10.51	10.09	10.01	9.56	10.08	11.61	11.63	11.14	11.48	11.49	11.29	11.36	
12 months	11.46	11.42	10.90	11.03	10.79	12.12	12.03	12.14	11.99	12.14	11.89	11.69	11.65	
24 months	8.56	8.81	8.30	9.35	8.77	12.18	13.00	9.83	9.82	11.03	12.80	12.29	11.22	
9. Negotiated deposit rate	11.96	11.70	12.04	11.28	10.94	11.98	12.75	12.59	12.77	12.61	12.51	11.84	11.64	
10. Overall lending rate														
Short-term (up to 1 year)	13.23	13.37	12.84	12.87	14.16	18.43	18.07	17.65	19.12	18.17	18.87	18.87	18.67	
Medium-term (1-2 years)	16.94	16.47	16.36	16.65	16.74	18.54	18.48	18.48	19.14	19.00	18.85	19.47	19.42	
Medium-term (2-3 years)	15.67	15.88	15.72	16.23	16.04	17.94	17.33	18.98	17.35	17.04	17.23	17.40	18.82	
Long-term (3-5 years)	15.79	15.43	15.59	15.15	15.41	17.69	17.19	18.90	17.57	17.51	17.82	17.89	19.44	
Term Loans (over 5 years)	17.54	17.57	17.75	17.42	17.71	15.69	15.72	15.53	14.94	15.29	15.40	15.55	15.93	
11. Negotiated lending rate	12.25	12.32	13.05	12.54	13.41	17.06	17.25	15.30	16.85	14.71	15.20	17.38	17.91	
B: Foreign currency														
1. Deposits rates														
Savings deposits rate	1.42	1.41	1.45	1.68	1.26	0.96	0.82	0.74	0.82	0.29	0.28	0.28	0.28	
Overall time deposits rate														
1-months	2.11	2.58	2.80	3.05	2.23	3.52	2.74	3.26	3.63	3.17	4.10	2.24	1.97	
2-months	3.06	2.90	2.84	3.40	1.76	4.46	3.33	4.28	2.67	4.94	3.61	3.28	3.40	
3-months	2.92	2.71	3.03	3.92	2.11	3.59	3.15	3.59	0.71	4.26	3.56	3.70	3.84	
6-months	2.52	2.17	2.17	1.71	2.05	4.48	3.18	4.10	4.84	3.98	3.73	3.53	3.47	
12-months	1.68	1.69	1.75	2.46	2.16	3.70	4.37	3.44	3.65	3.70	3.66	3.77	4.35	
2. Overall lending rate														
Short-term (up to 1 year)	7.35	7.39	7.49	7.07	7.30	8.54	8.57	8.49	8.28	8.47	8.37	8.12	8.56	
Medium-term (1-2 years)	5.28	5.36	6.19	4.49	5.97	9.32	9.29	8.70	9.26	9.28	9.50	8.87	9.07	
Medium-term (2-3 years)	7.82	7.83	7.83	7.87	7.63	7.89	7.85	8.23	7.66	7.79	8.20	7.39	8.98	
Long-term (3-5 years)	8.07	8.08	7.50	7.39	7.33	8.32	8.61	8.26	8.43	8.85	8.32	8.37	8.42	
Term loans (over 5 years)	6.75	6.77	6.97	6.70	6.71	8.31	8.27	8.37	8.21	8.19	8.16	8.24	8.25	
Overall lending rate	8.84	8.92	8.95	8.92	8.88	8.84	8.83	8.88	7.82	8.25	7.68	7.75	8.09	

Source Bank of Tanzania

Note: p denotes provisional data.



Table A5: Tanzania Balance of Payments

Item	Millions of USD					
	2011	2012	2013	2014	2015	2016 ^p
A. Current account	-4,380.9	-3,769.6	-4,988.5	-4,843.9	-3,651.3	-2,162.6
Goods: exports f.o.b.	5,097.9	5,889.2	5,258.1	5,194.1	5,316.8	5,661.2
Traditional	685.5	956.7	868.9	828.8	793.3	885.6
Non-traditional	3,747.5	4,164.4	3,703.3	3,798.6	4,040.1	4,260.9
o/w Gold	2,224.1	2,117.4	1,644.8	1,324.1	1,183.3	1,449.4
Unrecorded trade	664.9	768.2	685.8	566.8	483.3	514.7
Goods: imports f.o.b.	-9,827.5	-10,319.1	-11,029.1	-10,917.8	-9,843.1	-8,463.6
Balance on goods	-4,729.6	-4,429.9	-5,771.1	-5,723.7	-4,526.3	-2,802.5
Services: credit	2,300.3	2,786.4	3,201.7	3,396.0	3,412.4	3,607.5
Transport	556.0	641.1	811.8	902.6	1,024.9	1,061.8
Travel	1,353.2	1,712.7	1,880.4	2,010.1	1,902.0	2,131.6
Other	391.2	432.6	509.5	483.2	485.5	414.1
Services: debit	-2,208.1	-2,358.9	-2,488.5	-2,668.7	-2,669.7	-2,231.4
Transport	-977.9	-1,046.9	-1,137.8	-1,163.0	-1,087.6	-948.7
Travel	-898.6	-967.0	-1,033.9	-1,101.6	-1,195.3	-922.3
Other	-331.6	-344.9	-316.7	-404.1	-386.8	-360.4
Balance on services	92.2	427.5	713.2	727.3	742.6	1,376.1
Balance on goods and services	-4,637.3	-4,002.4	-5,057.9	-4,996.4	-3,783.6	-1,426.4
Primary income: credit	184.2	131.1	130.1	118.4	110.3	98.8
o/w Investment income	159.8	109.6	99.9	86.5	87.8	67.8
Compensation of employees	24.4	21.4	30.2	31.9	22.5	31.0
Primary income: debit	-830.0	-705.1	-835.8	-443.2	-458.4	-1,208.3
o/w Direct investment income	-728.7	-560.2	-617.0	-240.4	-173.8	-779.9
Interest payments	-56.7	-84.1	-148.2	-150.9	-248.6	-379.9
Compensation of employees	-40.7	-57.0	-67.9	-49.1	-33.2	-46.1
Balance on primary income	-645.8	-574.0	-705.7	-324.8	-348.1	-1,109.5
Balance on goods, services and primary income	-5,283.1	-4,576.4	-5,763.6	-5,321.2	-4,131.7	-2,535.8
Secondary income: credit	994.9	912.3	836.9	535.5	560.5	444.5
Government	609.7	543.6	485.2	177.9	195.2	72.9
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	385.2	368.7	351.7	357.6	365.3	371.6
o/w Personal transfers	385.2	368.7	351.7	357.6	365.3	371.6
Secondary income: debit	-92.7	-105.4	-61.8	-58.2	-80.2	-71.2
Balance on secondary income	902.2	806.8	775.1	477.3	480.4	373.3
B. Capital account	690.9	777.2	658.8	522.2	354.4	420.4
Capital transfers credit	690.9	777.2	658.8	522.2	354.4	420.4
General government	627.3	713.6	595.2	457.9	290.3	357.3
Other capital transfer (Investment grant)	627.3	713.6	595.2	457.9	290.3	357.3
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	63.6	64.2	64.0	63.2
Capital transfers:debit	0.0	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-3,690.0	-2,992.4	-4,329.7	-4,321.8	-3,297.0	-1,742.1
C. Financial account, excl. reserves and related items	-2,843.1	-3,879.6	-5,021.0	-3,244.5	-2,874.4	-2,323.7
Direct investments	-1,229.4	-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	0.0
Direct investment in Tanzania	1,229.4	1,799.6	2,087.3	1,416.1	1,560.6	1,365.4
Portfolio investment	-11.3	-6.1	-4.5	-11.5	-27.6	5.0
Other investment	-1,602.5	-2,073.9	-2,929.3	-1,816.9	-1,286.1	-963.4
Assets	24.5	-220.6	186.4	-29.4	331.7	-129.1
Loans (Deposit-taking corporations, except the central bank)	-7.7	-37.2	-0.1	-24.5	186.8	-95.8
Currency and deposits	32.2	-183.3	186.6	-4.9	144.9	-33.3
Deposit-taking corporations, except the central bank	29.2	-156.3	-20.7	-87.9	69.5	-150.1
Other sectors	3.0	-27.0	207.3	83.0	75.4	116.8
Other assets	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities	1,627.0	1,853.4	3,115.7	1,787.5	1,617.8	834.2
Trade credits	0.1	0.2	0.8	-1.0	-0.1	0.2
Loans	1,594.3	1,820.3	2,927.6	1,774.0	1,715.3	903.3
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	1,080.7	971.2	1,750.8	1,337.4	1,247.0	383.8
Drawings	1,115.2	1,022.8	1,834.4	1,476.8	1,440.7	830.3
Repayments	-34.5	-51.6	-83.6	-139.3	-193.8	-446.5
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	-9.5	30.6	188.5	14.6	97.3	209.2
Other sectors	523.1	818.6	988.3	422.0	371.0	310.3
Drawings	620.1	872.3	1,070.6	494.5	547.4	453.3
Repayments	-97.1	-53.7	-82.3	-72.5	-176.4	-142.9
Currency and deposits	32.6	32.8	187.3	14.4	-97.5	-69.3
Total, Groups A through C	-6,533.1	-6,872.0	-9,350.7	-7,566.2	-6,171.3	-4,065.9
D. Net errors and omissions	644.9	-561.1	-183.4	825.5	223.5	-276.1
Overall balance	-202.0	326.2	507.9	-251.8	-199.1	305.5
E. Reserves and related items	-202.0	326.2	507.9	-251.8	-199.1	305.5
Reserve assets	-206.3	324.7	621.4	-307.3	-273.7	232.2
Use of Fund credit and loans	4.4	1.5	-113.5	55.5	74.6	73.3
Memorandum items:						
GDP(mp) billions of TZS	52,762.6	61,434.2	70,953.2	79,718.4	90,863.7	103,744.6
GDP(mp) millions of USD	33,877.9	39,087.6	44,382.8	48,240.9	45,766.1	47,653.3
CAB/GDP	-12.9	-9.6	-11.2	-10.0	-8.0	-4.6
CAB/GDP (excl. current official transfers)	-14.7	-11.0	-12.3	-10.4	-8.4	-4.7
Gross official reserves	3,744.6	4,068.1	4,689.7	4,377.2	4,093.7	4,325.6
Months of imports	3.5	3.6	4.1	4.2	4.6	5.0
Months of Imports(Excluding FDI related imports)	4.0	4.1	4.5	4.7	5.1	5.3
Net International reserves (year end)	3,395.2	3,717.5	4,223.7	3,965.9	3,763.2	4,065.0
Change in net international reserves	-199.0	322.4	506.1	-257.8	-202.6	301.7
Exchange rate (end of period)	1,566.7	1,571.6	1,578.6	1,725.8	2,148.5	2,172.6
Exchange rate (annual average)	1,557.4	1,571.7	1,598.7	1,652.5	1,985.4	2,177.1

Source: Bank of Tanzania and Tanzania Revenue Authority
Note: p denotes provisional data



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

Base: Dec 2015 = 100 from 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
Old weights (%)	100.0	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	4.0	4.9	0.0	4.9	1.5	3.1	3.6	5.3	5.4	0.5	1.2	0.6	4.7
Feb	4.2	4.9	-1.4	6.6	1.5	3.4	5.2	5.2	5.4	0.7	2.2	0.7	4.4
Mar	4.3	5.9	-2.4	3.6	1.0	3.7	5.1	4.8	5.4	0.6	2.2	0.3	3.2
Apr	4.5	7.1	-2.3	0.6	0.3	3.6	5.3	1.6	5.3	0.6	3.3	0.3	2.1
May	5.3	8.5	5.0	2.0	0.9	4.1	4.8	1.4	5.2	0.9	3.5	0.9	2.3
Jun	6.1	10.1	-1.3	1.0	0.9	4.5	4.3	1.1	5.9	-0.1	3.3	1.5	1.9
Jul	6.4	10.6	-0.5	0.2	1.6	4.5	5.6	1.6	3.4	-0.2	3.3	1.3	2.8
Aug	6.4	10.2	0.9	0.2	1.9	5.3	5.2	1.8	2.6	-0.4	3.3	1.5	3.0
Sep	6.1	9.6	0.7	1.3	2.2	4.6	3.7	2.5	2.0	0.0	3.3	3.3	2.4
Oct	6.3	10.2	-0.1	1.3	2.0	4.5	3.9	3.0	1.2	0.2	3.3	3.3	2.9
Nov	6.6	11.2	-0.2	-1.7	2.4	4.5	4.4	3.3	1.1	0.2	3.3	3.2	3.3
Dec	6.8	11.1	1.0	-0.3	3.0	4.1	3.9	3.4	1.2	0.4	3.3	3.2	4.0
New weights (%)	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	0.7	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

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 from Jan 2015

Period	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 diesel)
Old weights (%)	51.0	49.0	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
New weights (%)	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	3.0	1.7	10.9

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 from Jan 2015

Period	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	Communi cation	Education	Recreation and culture	Health
Old weights (%)	100.0	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
Jun	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
Jul	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
Sep	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
New weights (%)	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

Source: National Bureau of Statistics

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

Base: Dec 2015 = 100 from Jan 2015

Period	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) ^f	Total non- food (All items less food)
Old weights (%)	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
New weights (%)	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

Source: National Bureau of Statistics

Note: r deontes revised data



Table A7: National Debt Developments

Item	Millions of USD												
	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
1. Overall total debt committed ²	24,480.2	24,360.8	24,230.1	24,007.7	24,898.6	24,889.8	25,390.3	25,533.4	25,646.1	26,173.7	26,409.2	26,551.7	26,455.2
Disbursed outstanding debt	16,225.0	16,075.9	16,032.3	15,978.1	16,134.8	16,215.0	16,378.3	16,515.8	16,666.4	17,251.2	17,553.5	17,763.7	17,775.9
Undisbursed debt	8,255.3	8,284.9	8,197.8	8,029.6	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
2. Disbursed debt by creditor category ²	16,225.0	16,075.9	16,032.3	15,978.1	16,134.8	16,215.0	16,378.3	16,515.8	16,666.4	17,251.2	17,553.5	17,763.7	17,775.9
Bilateral debt	1,127.3	1,106.5	1,076.0	1,104.5	1,113.9	1,121.8	1,142.6	1,142.5	1,149.8	1,155.9	1,171.4	1,180.4	1,166.4
Multilateral debt	8,258.6	8,141.5	8,101.1	8,056.4	8,075.1	8,154.5	8,323.6	8,472.0	8,584.5	8,711.1	8,927.8	9,036.1	9,084.5
Commercial debt	5,382.1	5,373.1	5,403.8	5,358.8	5,438.6	5,430.5	5,398.2	5,399.7	5,432.0	5,879.8	5,913.5	6,003.9	5,912.9
Export credits	1,456.9	1,454.8	1,451.4	1,458.3	1,507.2	1,508.2	1,513.9	1,501.6	1,500.1	1,504.4	1,540.9	1,543.3	1,612.1
3. Disbursed debt by borrower category ²	16,225.0	16,075.9	16,032.3	15,978.1	16,134.8	16,215.0	16,378.3	16,515.8	16,666.4	17,251.2	17,553.5	17,763.7	17,775.9
Central government	13,071.1	12,918.0	12,851.5	12,812.7	12,915.7	13,014.9	13,167.3	13,215.3	13,338.6	13,901.6	14,166.7	14,372.3	14,328.2
Public corporations	341.6	345.7	341.1	312.7	293.5	271.0	275.3	276.3	280.9	282.2	285.5	288.5	286.6
Private sector	2,812.3	2,812.2	2,839.7	2,852.8	2,925.6	2,929.1	2,935.7	3,024.2	3,046.9	3,067.4	3,101.4	3,102.9	3,161.1
4. Disbursed debt by use of funds ²	16,225.0	16,075.9	16,032.3	15,978.1	16,134.8	16,215.0	16,378.3	16,515.8	16,666.4	17,251.2	17,553.5	17,763.7	17,775.9
Balance of payments and budget support	2,680.1	2,669.1	2,615.8	2,441.0	2,460.0	2,462.5	2,469.8	2,506.3	2,520.7	2,921.0	2,976.9	3,089.1	3,076.9
Transport and telecommunication	3,669.0	3,651.5	3,614.5	3,657.6	3,826.4	3,816.1	3,874.5	3,896.3	3,897.6	3,927.9	3,976.5	4,016.2	3,967.4
Agriculture	621.8	619.0	607.2	1,037.3	1,077.3	1,081.4	1,095.0	1,098.7	1,101.3	1,129.3	1,183.2	1,195.4	1,186.9
Energy and mining	3,546.7	3,548.2	3,508.1	2,640.4	2,700.4	2,698.4	2,723.4	2,777.3	2,776.0	2,811.1	2,877.7	2,885.0	2,871.8
Industries	403.4	402.0	395.7	400.1	411.3	435.6	440.7	438.7	436.5	439.0	446.5	459.3	531.5
Social welfare and education	1,568.8	1,561.4	1,716.4	2,263.9	2,329.5	2,400.5	2,423.5	2,453.2	2,481.3	2,536.0	2,589.0	2,616.0	2,650.9
Finance and insurance	762.3	759.4	745.4	739.3	750.3	753.1	760.0	789.0	883.2	903.5	907.4	906.9	911.1
Tourism	54.1	53.8	52.9	64.7	70.9	68.2	68.9	67.7	67.6	67.9	67.7	67.3	67.4
Real estate and construction	741.6	739.1	732.8	792.0	792.5	792.9	802.7	801.0	801.5	803.6	803.2	802.9	802.5
Other	2,177.1	2,072.4	2,043.5	1,941.9	1,716.3	1,706.2	1,719.8	1,687.6	1,700.8	1,711.8	1,725.4	1,725.6	1,709.5
5. Total amount of loan contracted ¹	4.9	25.1	146.4	22.8	35.5	42.4	260.8	116.6	10.8	406.0	0.6	10.8	72.3
Central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	400.0	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	4.9	25.1	146.4	22.8	35.5	42.4	260.8	116.6	10.8	6.0	0.6	10.8	72.3
6. Disbursements ¹	73.6	37.8	154.5	150.5	25.7	119.3	223.4	130.5	87.7	560.2	130.6	124.0	166.3
Central government	51.8	18.3	122.5	130.9	19.5	84.7	205.2	31.5	65.8	541.1	129.8	122.3	94.0
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	21.8	19.5	32.0	19.6	6.2	34.6	18.2	99.0	21.9	19.1	0.9	1.7	72.3
7. Actual debt service ¹	156.0	42.5	14.6	129.0	39.5	55.1	153.9	106.6	32.0	57.1	0.0	46.1	147.5
Principal	100.2	31.7	8.8	104.6	11.8	49.6	102.1	25.5	26.1	46.0	0.0	16.6	99.7
Interest	55.8	10.7	5.9	24.4	27.7	5.6	51.8	81.1	5.9	11.1	0.0	29.4	47.8
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	-26.5	6.0	145.8	45.9	13.9	69.7	121.4	105.0	61.6	514.2	130.6	107.4	66.6
9. Net transfers on debt ¹	-82.4	-4.7	139.9	21.5	-13.8	64.1	69.5	23.9	55.7	503.1	130.6	77.9	18.8
10. Arrears by creditors category ²	2,498.4	2,503.7	2,511.1	2,748.3	2,871.6	2,855.8	2,974.4	3,046.5	2,987.8	3,142.8	2,523.2	3,293.8	3,367.3
Principal	1,189.7	1,191.8	1,191.5	1,369.0	1,481.9	1,464.6	1,563.3	1,613.9	1,614.1	1,742.9	1,073.4	1,846.0	1,903.3
Bilateral debt	329.1	327.5	327.6	335.9	339.8	338.5	337.5	338.8	339.8	346.8	348.1	350.5	349.4
Multilateral debt	36.0	35.6	35.1	34.0	59.1	36.8	39.9	43.3	38.3	72.0	76.6	77.2	93.3
Commercial debt	455.1	458.6	458.3	525.2	613.4	615.7	642.0	681.3	684.2	730.9	398.4	794.3	816.5
Export credits	369.5	370.1	370.5	473.9	469.5	473.6	543.8	550.5	551.9	593.2	250.3	624.0	644.2
Interest	1,308.8	1,311.9	1,319.6	1,379.4	1,389.8	1,391.3	1,411.1	1,432.6	1,373.6	1,399.9	1,449.8	1,447.8	1,464.0
Bilateral debt	738.4	734.7	733.3	759.4	765.8	767.9	770.6	776.1	781.5	784.8	791.7	799.8	799.7
Multilateral debt	8.6	11.4	11.5	11.7	13.1	13.1	14.5	16.1	13.9	14.9	15.0	16.2	17.0
Commercial debt	327.3	328.5	332.5	339.3	345.5	341.7	350.6	363.2	367.6	365.7	401.2	388.4	397.1
Export credits	234.4	237.2	242.3	268.9	265.4	268.5	275.4	277.2	210.6	234.6	241.9	243.4	250.3
11. External debt stock	17,533.7	17,387.8	17,351.9	17,357.5	17,524.6	17,606.3	17,789.4	17,948.4	18,040.0	18,651.1	19,003.3	19,211.5	19,239.9
12. Domestic debt stock	4,599.1	4,600.1	4,601.1	4,602.1	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
13. Total Debt Stock	22,132.9	21,987.9	21,953.0	21,959.6	22,242.1	22,390.0	22,725.3	22,922.3	23,132.6	23,936.3	24,377.8	24,669.8	24,770.8
End of period exchange rate	2,171.9	2,175.1	2,171.0	2,172.6	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

Source: Bank of Tanzania

Note: Multilateral arrears are those owed by the private sector

¹ denotes debt flow during the period; and ² 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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