



**BANK OF TANZANIA**



**MONTHLY  
ECONOMIC  
REVIEW**

August 2011



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# 1.0 Inflation Developments

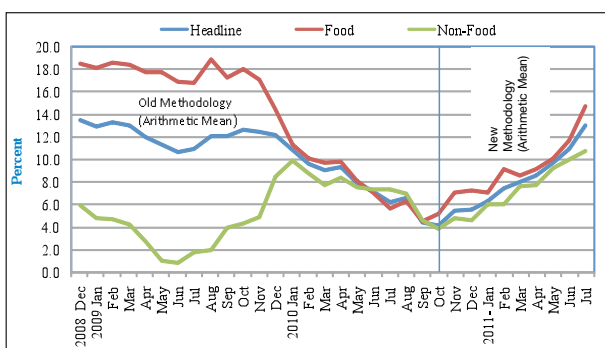
Inflation rate continued to increase, driven mainly by food and fuel prices. Annual headline inflation rose to 13.0 percent in July 2011 from 10.9 percent recorded in June 2011 (Chart 1.1), while month-to-month inflation rose to 1.5 percent from 0.8 percent recorded in the preceding month.

**Annual inflation for food and non-alcoholic beverages** increased to 14.8 percent in July 2011 from 11.7 percent recorded in the preceding month, reflecting movements in prices of rice, maize, maize flour, wheat flour, beef, pork, dried sardines, dried fish, fruits and sugar. Likewise, month-to-month food inflation rose to 1.7 percent in July 2011 from 0.9 percent in June 2011.

**Annual non-food inflation rate** was 10.8 percent in July 2011, up from 10.0 percent recorded in June 2011. Items that contributed to that increase include clothing materials, kerosene, charcoal, diesel, petrol, household textiles and appliances, passenger transport, internet and accommodation services. Similarly, month-to-month non-food inflation increased to 1.5 percent in July 2011 from 0.7 percent in June 2011.

**Annual core inflation rate** (excluding food and energy) rose to 7.4 percent in July 2011 from 7.2 percent in June 2011. Similarly, month-to-month core inflation increased slightly to 0.7 percent in July 2011 from 0.5 percent in June 2011.

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



Source: Bank of Tanzania

## Food Supply and National Food Reserves

In July 2011, food supply in the country was generally satisfactory, except for some districts<sup>1</sup> that experienced food shortages. In response, the Government through National Food Reserve Agency (NFRA) distributed 10,960.6 tons of

<sup>1</sup>Rorya, Igunga, Nzega, Muleba, Iramba, Pangani, Lushoto, Korogwe, Meatu, Same and Babati

food grains to areas facing food shortages, while 593.8 tons were sold to prisons, and 7,031.5 tons to private traders for price stabilization. As a result, the stock of maize and sorghum held by the NFRA decreased to 139,404 tons from 165,216 tons in June 2011 (Table 1.1). During 2011/12, a total of TZS 17.1 billion was budgeted for NFRA to purchase 200,000 tons of food grains.

**Table 1.1: National Food Reserve Agency (NFRA) Stock**

*(Base: Sept 2010 = 100)*

Period	2007	2008	2009	2010	2011	% Change
						2010-2011
January	112,343	139,765	128,919	66,267	220,035	
February	117,838	133,898	125,430	64,461	226,281	251.0
March	121,046	119,022	124,252	60,694	224,355	269.6
April	125,509	94,509	122,849	53,821	215,662	300.7
May	128,350	79,369	109,876	50,312	191,419	280.5
June	128,804	76,649	94,699	48,248	165,216	242.2
July	129,306	75,438	88,841	47,143	139,404	195.7
August	125,653	83,131	93,231	90,519		
September	131,937	102,225	110,278	138,694		
October	143,717	114,464	107,177	180,803		
November	142,624	122,209	86,542	197,747		
December	142,044	129,253	77,644	210,895		

Source: National Food Reserve Agency

Average wholesale prices for all crops decreased during the month of July 2011 but increased on annual basis (Table 1.2).

**Table 1.2: National Average Wholesale Prices for Selected Food Items**

*TZS/100kg*

Item	2010 July	2011		Percentage Change	
		June	July	June to July 2011	July 10 to July 11
Maize	27,596	45,070	44,639	-1.0	61.8
Rice	83,472	123,834	1,204,870	-2.7	44.3
Beans	94,167	118,937	112,420	-5.5	19.4
Sorghum	45,511	60,993	59,133	-3.1	29.9
Potatoes	49,836.0	58,663.0	53,053.0	-9.6	6.5

Source: Ministry of Industry, Trade and Marketing

# 2.0 Monetary and Financial Markets Developments

## Money Supply and Credit Developments

Annual growth of money supply eased to 18.4 percent due to slowdown in the growth of net foreign assets (NFA) of banks and net government cvt borrowing from the banking system, which more than offset the impact of the expansion of credit to the private sector (Table 2.1 and Chart 2.1). In dollar terms, NFA of banks increased by USD 6.1 million in the year ending July 2011 compared with USD 274.8 million recorded in the year ending July 2010, while net government borrowing from the banking system was TZS 603.4 billion, compared



with a net borrowing of TZS 1,080.8 billion recorded in the year ending July 2010.

**Table 2.1: Sources and Uses of Money Supply**

*Billions of TZS*

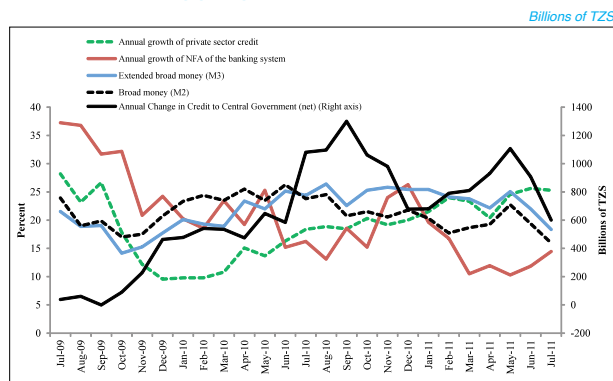
	Outstanding Stock				Monthly Change				Annual Change				Annual Growth Rate (%)		
	Jul-09	Jul-10	Jun-11	Jul-11	Jul-10	Jun-11	Jul-11	Jul-10	Jun-11	Jul-11	Jul-10	Jun-11	Jul-11	Jul-10	Jul-11
Net Foreign Assets of the Banking System	4,642.7	5,336.0	5,807.3	5,954.5	70.4	280.2	147.2	693.3	541.8	618.6	14.9	10.3	11.6		
Bank of Tanzania	3,797.4	4,066.5	4,621.3	4,503.4	117.2	187.6	-117.9	269.1	672.1	456.9	7.1	17.0	10.7		
Net International Reserves (Millions of USD)	2,929.1	3,220.0	3,243.5	3,172.9	86.7	192	-70.5	290.9	100.1	-57.1	9.9	3.2	-1.8		
Banks	845.3	1,209.5	1,185.9	1,451.1	-46.8	92.5	265.1	424.2	-130.3	181.6	50.2	-9.9	14.3		
Banks NFA (Millions of USD)	643.6	918.4	754.4	924.5	-35.8	34.2	170.1	274.8	-198.9	6.1	42.7	-20.9	0.7		
Net Domestic Assets of the Banking System	3,584.7	4,897.4	6,150.7	6,158.5	361.5	67.4	7.8	1,312.7	1,614.8	1,261.1	36.6	35.6	25.8		
Domestic Claims	4,701.8	6,642.6	8,479.6	8,647.1	468.4	355.4	167.5	1,940.7	2,305.4	2,004.5	41.3	37.3	30.2		
Claims on Central Government (net)	20.1	1,009.9	1,619.7	1,704.3	388.1	131.4	84.7	1,080.8	906.8	605.4					
Claims on Central Government	2,498.3	4,008.5	4,087.2	4,110.2	414.6	135.9	23.0	1,597.2	495.4	105.3	60.3	13.8	2.6		
o/w Securities held by banks	1,364.8	2,167.5	2,446.2	2,548.3	104.0	-3.1	-98.0	802.7	382.8	180.8	58.8	18.6	8.3		
Liabilities to Central Government	2,479.1	2,905.5	2,467.6	2,405.9	26.5	2.5	-61.7	426.4	-411.4	-499.7	17.2	-14.3	-17.2		
Claims on Other Sectors	4,681.7	5,541.6	6,859.9	6,942.7	80.3	224.0	82.8	859.9	1,398.6	1,401.1	18.4	25.6	25.3		
o/w Extended in Shillings	3,262.9	3,799.8	4,592.4	4,687.4	30.3	84.5	95.0	536.8	822.9	887.7	16.5	21.8	23.4		
Extended in Foreign Currency	1,418.8	1,741.9	2,267.5	2,255.3	50.0	139.6	-12.2	323.1	575.7	513.4	22.8	34.0	29.5		
(Equivalent in USD)	1,080.3	1,260.2	1,442.4	1,436.8	33.6	40.8	-5.5	179.9	215.8	176.7	16.7	17.6	14.0		
Extended Broad Money Supply (M3)	8,227.4	10,233.3	11,957.9	12,113.0	432.0	347.6	155.1	2,006.0	2,156.6	1,879.7	24.4	22.0	18.4		
Foreign Currency Deposits (FCD) in National Currency	2,122.3	2,675.1	3,259.3	3,347.5	161.3	127.7	88.2	552.8	745.5	672.4	26.0	20.7	25.1		
FCD in Millions of USD	1,615.9	1,953.3	2,073.2	2,132.6	112.9	10.7	59.4	319.4	250.8	197.3	19.8	13.8	10.2		
Broad Money Supply (M2)	6,105.1	7,558.3	8,698.7	8,765.5	270.7	219.8	66.9	1,453.1	1,411.1	1,207.3	23.8	19.4	16.0		
Non-transferable Deposits in National Currency	2,763.4	3,279.5	3,771.5	3,818.7	126.7	-1.8	47.2	516.1	618.7	539.2	18.7	19.6	16.4		
Narrow Money Supply (M1)	3,341.7	4,278.7	4,927.1	4,946.8	144.0	221.6	19.6	970.0	792.4	668.1	28.0	19.2	15.6		
Currency in Circulation	1,493.9	1,813.2	2,081.1	2,160.5	132.7	169.3	79.4	319.3	400.7	347.3	21.4	23.8	19.2		
Transferable Deposits in National Currency	1,847.9	2,465.5	2,846.0	2,786.3	11.2	52.4	-59.7	617.7	391.8	320.8	33.4	16.0	13.0		

**Memorandum Items**

Net Claims on Central Government/Domestic Credit (%)	0.4	16.6	19.1	19.7
Claims on Private Sector/Domestic Credit (%)	99.6	83.4	80.9	80.3
FCD/M3 (%)	25.8	26.1	27.3	27.6
Nominal Exchange Rate (End of Period) (TZS/USD)	1,513.3	1,382.3	1,572.1	1,569.7
Gross Official Reserves (Millions of USD)	3,203.3	3,579.3	3,610.2	3,539.4
Foreign Assets of Banks (Millions of USD)	825.3	1,066.5	1,055.3	1,072.2
Gross Foreign Assets of Banking System (Millions of USD)	4,028.6	4,645.8	4,665.5	4,611.5

Source: Bank of Tanzania

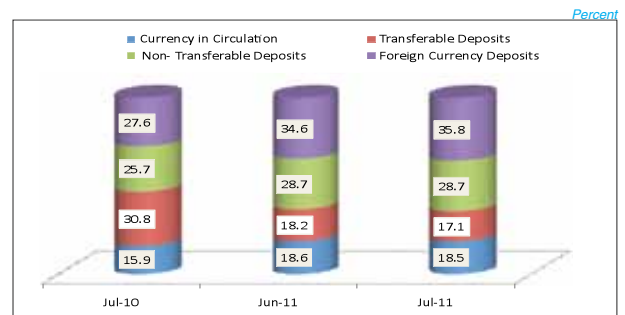
**Chart 2.1: Trend in Selected Monetary Aggregates**



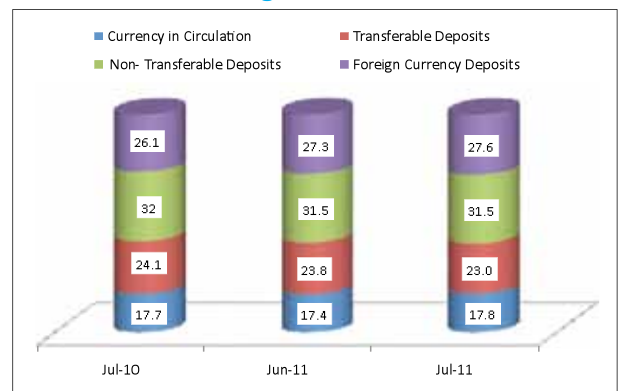
Credit to the private sector increased by TZS 1,401.1 billion compared with an increase of TZS 859.9 billion registered in the year ending July 2010. Banks' credit to major economic activities continued to record positive growth rates with exception of transport and communication. Credit to agriculture, and building and construction activities grew faster than that of other activities, largely driven by seasonal demand for crop purchase, and increase in private residential investments. Personal loans continued to account for the largest share of total private sector credit, followed by trade, agriculture and manufacturing.

In terms of composition of money, transferable deposits registered slower growth rate relative to other components of money supply, leading to the decline in its contribution to annual change in M3 (Chart 2.2). This is partly explained by portfolio preference in favour of foreign currency deposits resulting from the nominal depreciation of the Shilling. The share of components of money supply remained broadly unchanged as depicted in Chart 2.3.

**Chart 2.2: Annual Contribution to Change in M3**



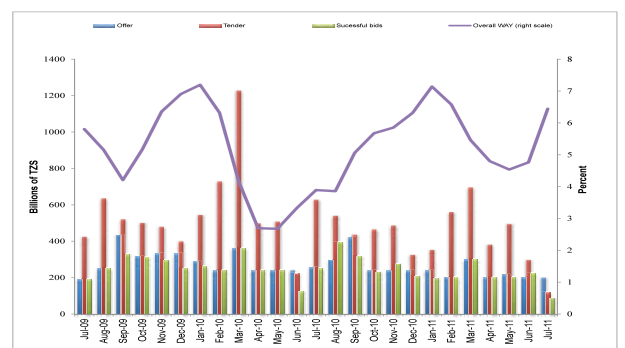
**Chart 2.3: Percentage Share to M3**



## Financial Markets Developments

In July 2011, the Bank conducted two auctions of Treasury bills and maintained the tender size of TZS 100.0 billion per auction as it was in the preceding months. However, the auctions were undersubscribed partly reflecting tight liquidity experienced during the period. As a result, interest rates edged up to 6.45 percent, from 4.76 percent recorded in June 2011 (Chart 2.4). Commercial banks continued to be the main player in the market. In the same period, Treasury bills worth TZS 216.0 billion matured, out of which TZS 187.0 billion were liquidity papers and TZS 29.0 billion were financing papers.

**Chart 2.4: Treasury bills Market Developments**



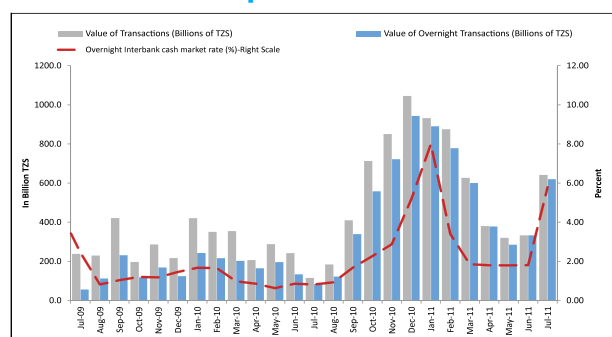
The Bank also offered 5-year and 10-year Treasury bonds valued at TZS 20.0 billion each. Unlike the Treasury bills



market, this market was oversubscribed reflecting investor's preference for longer term instruments which have relatively higher and stable returns. Banks dominated the 5-year bond auction, while the 10 year bond auction was dominated by insurance companies and pension funds.

In the **inter-bank cash market the volume of transactions** was dominated by overnight placements, which increased to TZS 619.8 billion from TZS 332.8 billion transacted in June 2011 (**Chart 2.5**), signify unevenness of liquidity among banks. This led to a sharp increase in the overnight rate to 5.79 percent in July 2011 from 1.81 percent recorded in June 2011.

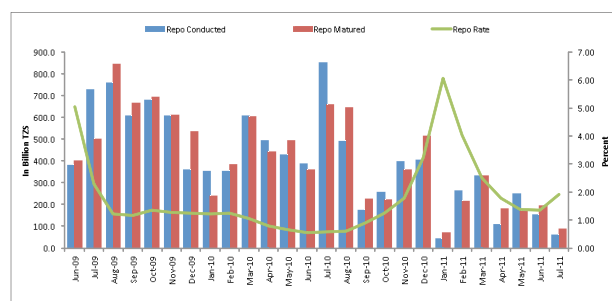
**Chart 2.5: Interbank Cash Market Developments**



Source: Bank of Tanzania

During the month of July 2011, the Bank conducted **repurchase agreements** with various banks for the purpose of fine tuning liquidity in the banking system. During the month, repos worth TZS 61.0 billion were conducted by the Bank, being significantly lower than TZS 156.5 billion conducted in the preceding month. Meanwhile, repo worth TZS 90.0 billion matured in the reviewed period, compared with TZS 195.5 billion recorded in June 2011. **Chart 2.6** shows developments in the repo market.

**Chart 2.6: Repurchase Agreements Transactions**

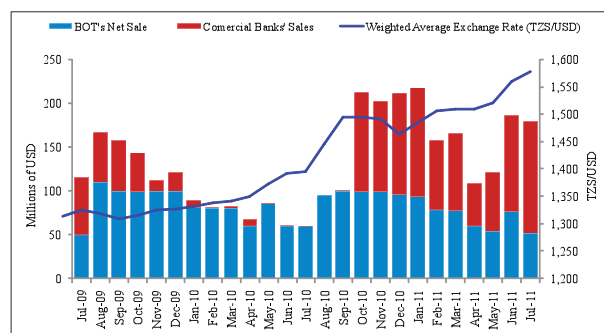


Source: Bank of Tanzania

Development in interest rate of short-term money market instrument was not reflected in the overall time deposit rate, which remained broadly unchanged at 5.83 percent and overall lending rate edged upward by 48 basis points to 15.53 percent in July 2011.

Despite increase in participation by banks in the Inter-bank foreign exchange market (IFEM), the Shilling depreciated against the US dollar to a weighted average rate of TZS 1,578.03 per USD in July 2011 from TZS 1,560.1 per USD in June 2011, as demand for dollars increased. On annual basis, the Shilling depreciated by 13.1 percent from TZS 1,394.7 per USD in July 2010 (**Chart 2.7**).

**Chart 2.7: Interbank Foreign Exchange Market Operations**



Source: Bank of Tanzania

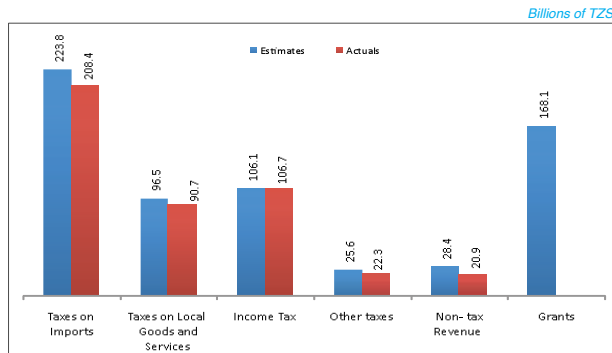
## 3.0 Government Budgetary Operations

During July 2011, **government budgetary operations** on cheques issued, registered a deficit of TZS 97.0 billion after adjustment to cash. Total domestic revenue and grants for the month under review amounted to TZS 449.0 billion while total expenditure excluding expenditure float amounted to TZS 582.3 billion.

**Revenue collections** (excluding Local Government Authorities own sources) was TZS 449.0 billion or 93.5 percent of the estimate in July 2011. In the corresponding period in 2010/11, revenue collections amounted to TZS 352.4 billion or 79.5 percent of its estimate. Tax revenue collections in July 2011 amounted to 428.1 billion or 94.7 percent of the estimate whereas other taxes and non-tax were 87.2 percent and 73.4 percent respectively, (**Chart 3.1**).

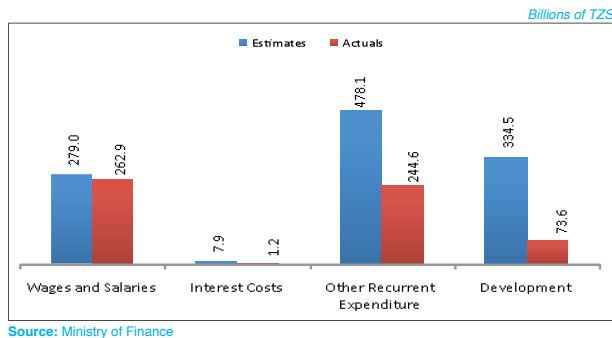


**Chart 3.1: Government Resources, July 2011**



During the month under review, **total expenditure** amounted to TZS 582.3 billion or 53.0 percent of the estimate. Out of the total, recurrent expenditure was TZS 508.7 billion and development expenditure was TZS 73.6 billion. The lower than planned spending was on account of low pace of implementing development projects caused by either delay in disbursement of donor funds or finalization of procurement procedures. Also a cautious government recurrent spending in the context of expected expenditure float from the preceding year's has contributed to the less than estimated expenditure in July, (Chart 3.2).

**Chart 3.2: Government Expenditure, July 2011**



**Total financing** of fiscal operations in July 2011, amounted to TZS 97.0 billion, of which TZS 23.5 billion was foreign financing, while domestic financing was TZS 73.5 billion on net basis.

## 4.0 External Sector Performance

### Balance of Payments

During the year ending July 2011, **current account** deficit widened to USD 3,027.5 million compared to a deficit of USD 2,803.4 million recorded in the preceding year. This development was attributed to increase in the value of imported goods and services that outweighed the increase in

value of exports as well as official current transfers (Table 4.1).

As at end of July 2011, gross official reserves amounted to USD 3,539.4 million, sufficient to cover 4.0 months<sup>2</sup> of projected import of goods and services, while gross foreign assets of banks were USD 1,072.2 million. In total, gross foreign reserves of the banking system was USD 4,611.6 million at the end of July 2011.

**Table 4.1: Current Account Balance**

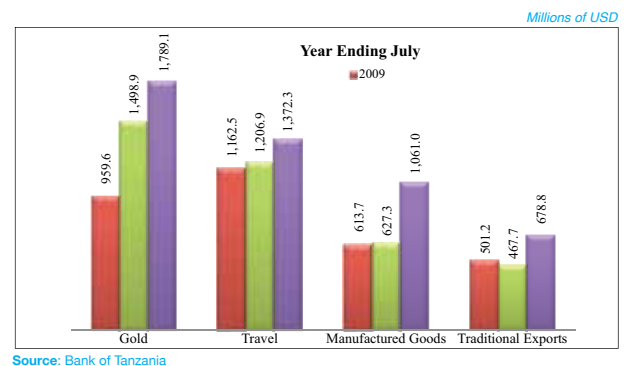
Millions of USD

Items	July		2011 <sup>a</sup>		Year Ending July (12 month total)		% Change
	2009	2010	June	July	2010	2011 <sup>a</sup>	
<b>Goods Account (net)</b>	<b>-296.6</b>	<b>-336.2</b>	<b>-474.5</b>	<b>-570.9</b>	<b>-3,370.4</b>	<b>-3,976.6</b>	<b>18.0</b>
Exports	255.1	275.7	322.1	285.4	3,260.1	4,239.2	30.0
Imports	551.7	611.9	796.6	856.3	6,630.5	8,215.8	23.9
<b>Services Account (net)</b>	<b>8.40</b>	<b>56.57</b>	<b>25.58</b>	<b>59.2</b>	<b>216.6</b>	<b>322.5</b>	<b>48.9</b>
Receipts	127.1	210.4	191.8	244.3	1,972.1	2,316.2	17.4
Payments	118.7	153.9	166.2	185.1	1,755.5	1,993.7	13.6
<b>Goods and services (net)</b>	<b>-288.2</b>	<b>-279.6</b>	<b>-448.9</b>	<b>-511.7</b>	<b>-3,153.8</b>	<b>-3,654.1</b>	<b>15.9</b>
Exports of goods and services	382.2	486.2	513.9	529.7	5,232.2	6,555.4	25.3
Imports of goods and services	670.4	765.8	962.8	1,041.4	8,386.0	10,209.5	21.7
<b>Income Account (net)</b>	<b>-9.5</b>	<b>-16.3</b>	<b>-3.5</b>	<b>-9.0</b>	<b>-84.5</b>	<b>-54.6</b>	<b>-35.4</b>
Receipts	5.3	10.4	15.2	12.7	142.4	205.3	44.1
Payments	14.8	26.7	18.8	21.7	226.9	259.9	14.5
<b>Current Transfers (net)</b>	<b>19.1</b>	<b>74.6</b>	<b>23.0</b>	<b>1.6</b>	<b>434.9</b>	<b>681.2</b>	<b>56.6</b>
Inflows	24.2	81.6	30.0	8.6	508.1	765.0	50.6
of General Government	15.8	72.6	21.4	0.0	398.3	662.7	66.4
Outflows	5.1	7.0	7.0	7.0	73.2	83.8	14.4
<b>Current Account Balance</b>	<b>-278.6</b>	<b>-221.3</b>	<b>-429.5</b>	<b>-519.0</b>	<b>-2,803.4</b>	<b>-3,027.5</b>	<b>8.0</b>

Note: P = Provisional  
Source: Bank of Tanzania

Value of **export of goods and services** was USD 6,555.4 million, being 25.3 percent higher than the amount recorded in the year ending July 2010, largely driven by significant increase in price of gold in the world market; demand for manufactured goods in the neighbouring countries, particularly cement, textile apparels, edible oil, plastic items, iron and steel products, wheat flour and paper and paper products; exports volume and unit prices of coffee, tobacco and cashew nuts; as well as the number of tourists. The increase in export value of the three crops was due to bumper harvests and increased demand in the world market. Chart 4.1 provides a summary of export performance of selected goods and services.

**Chart 4.1: Performance of Selected Export of Goods and Services**



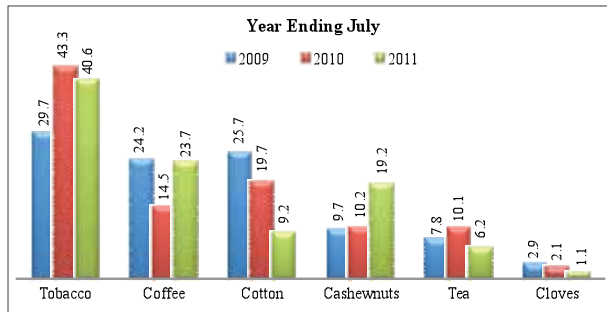
During the same period, export value of cotton declined due to fall in production amid unfavourable weather condition. Chart 4.2 depicts the composition of traditional exports for the last three years.

<sup>2</sup>This is based on projected import bill of goods and services of USD 906.4 million per month for the year ending June 2012





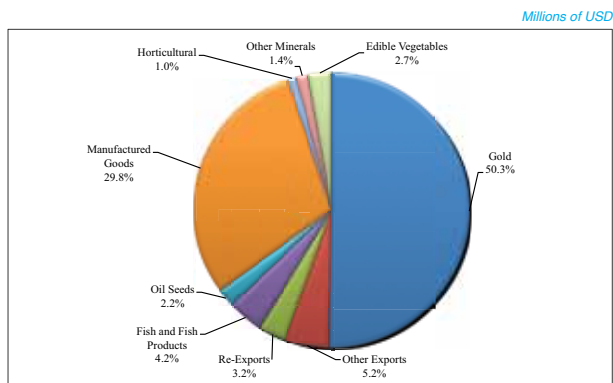
**Chart 4.2: Percentage Composition to Total Traditional Exports**



Source: Bank of Tanzania

The value of **non-traditional exports** was USD 3,560.4 million compared to USD 2,792.4 million recorded during the year to July 2010, of which gold and manufactured goods account for about 80 percent (Chart 4.3).

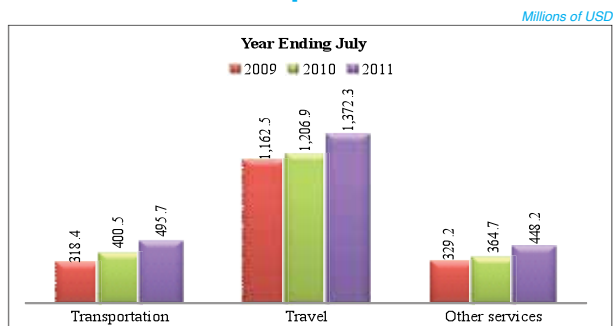
**Chart 4.3: Percentage Share to Total Non-Traditional Exports**



Source: Bank of Tanzania

**Services receipts** were USD 2,316.2 million compared to USD 1,972.1 million recorded during the year ending July 2010. Much of the increase emanated from travel and transportation receipts that accounted for about 81 percent of total receipts. The improvement in travel receipts was largely due to increase in number of tourists by about 9 percent to 815,000, while transportation receipts went up in line with the increase in the volume of transit goods by 13.6 percent to 852,470 tons. Chart 4.4 depicts the performance of services receipt items for the past three years.

**Chart 4.4: Services Export**



Note: 'Other Services' include: Communication, Construction, Insurance, Financial, Computer Information, Government, Royalties, and Personal and Other business services.

Source: Bank of Tanzania

**Import of goods and services** was USD 10,209.5 million, 21.7 percent higher than the amount recorded during the year ending July 2010, mostly explained by the increase in prices<sup>3</sup> of oil in the world market. Table 4.2 and Chart 4.5 show the performance of import sub-categories for the last three years.

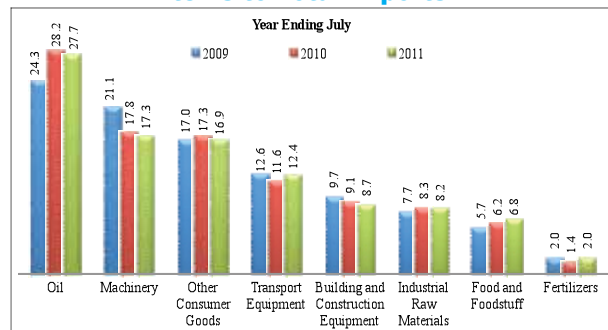
**Table 4.2: Goods Import**

Item	Millions of USD					
	2011 <sup>1</sup>		% Change	Year Ending July <sup>2</sup> (12 month total)		% Change
	June	July		2010	2011 <sup>1</sup>	
<b>Capital Goods</b>	312.9	282.5	-9.7	2,550.2	3,153.9	23.7
Transport Equipment	98.7	82.4	-16.5	770.3	1,019.1	32.3
Building and Constructions	72.1	59.0	-18.2	600.1	714.9	19.1
Machinery	142.0	141.1	-0.7	1,179.7	1,420.0	20.4
<b>Intermediate Goods</b>	325.4	373.2	14.7	2,518.2	3,113.9	23.7
Oil imports	263.9	288.3	9.2	1,871.5	2,274.4	21.5
Fertilizers	2.8	29.3	962.3	95.6	162.2	69.7
Industrial raw materials	58.7	55.5	-5.4	551.1	677.3	22.9
<b>Consumer Goods</b>	158.3	200.6	26.7	1,562.1	1,948.1	24.7
Food and food stuffs	38.7	62.9	62.6	414.3	558.8	34.9
All other consumer goods <sup>1</sup>	119.7	137.7	15.1	1,147.8	1,389.2	21.0
<b>Grand Total</b>	796.6	856.3	7.5	6,630.5	8,215.8	23.9

Note: <sup>1</sup> includes pharmaceutical products, paper products, plastic items, optical/photographic materials, textile apparels

Source: Bank of Tanzania and Tanzania Revenue Authority

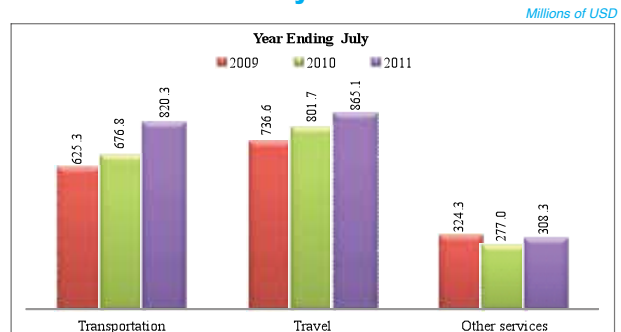
**Chart 4.5: Percentage Share of Selected Items to Total Imports**



Source: Bank of Tanzania

**Service payments** were USD 1,993.7 million, 13.6 percent higher than the level recorded during the year ending July 2010, partly driven by the increase in payments of freight charges consistent with the increase in import of goods. Freight payments accounted for about 40 percent of service payments. Chart 4.6 summarizes major services payments made in the past three years.

**Chart 4.6: Services Payment**



Note: 'Other Services' include: Communication, Construction, Insurance, Financial, Computer Information, Government, Royalties, and Personal and Other business services.

Source: Bank of Tanzania

<sup>3</sup> Average price of oil increased to USD 803.3 per ton for the year ending July 2011 compared with USD 661.9 per ton recorded in the year ending July 2010



## World Commodity Prices

During July 2011, the world market prices of agricultural and non-agricultural commodities went up except for **coffee** and **cotton** (Table 4.3). Price of **cloves** rose following strong global demand and falling supplies from Indonesia, while that of **tea** was attributed to the increase in demand in European and Middle East countries. Price of cotton declined mainly on account of low global demand in favour of synthetic fibres. **Coffee** prices declined largely due to increase in supply from Brazil. Prices of **crude oil** (Average, Dubai f.o.b) and **white petroleum products** went up on account of increase in global demand. Price of gold continues to rise as investors perceive gold to be a safe investment amid slowdown of US economy and Europe's debt crisis.

The 12-months average world market prices of agricultural and non-agricultural commodities increased except for **tea** (Mombasa auction). In particular, prices of **coffee** rose largely due to decline in supplies from Columbia, Brazil, Mexico, Vietnam, Panama, Kenya and India associated with unfavourable weather condition. The average price of **sisal** increased due to the rise in global demand, while that of **cloves** increased due to low production in Indonesia following outbreak of a clove disease.

The average prices of **crude oil** (Average, Dubai f.o.b) and **white petroleum products** went up in the year ending July 2010 following decline in oil inventories in the United States, coupled with the political instability in Middle East countries. Similarly, the average price of gold rose by 16.1 percent to USD 1,291.66 per troy ounce, mainly due to political instability in the Middle East which in turn increased the demand for **gold** as a safe investment.

**Table 4.3: World Commodity Prices**

Commodity	Units	2011 (Monthly average)			%	Year ending July (12 Month Average)			%
		May	June	July		2009	2010	2011	
		Change				Change			
Robusta Coffee	USD per kg	2.39	2.60	2.48	-4.6	1.87	1.60	2.11	31.9
Arabica Coffee	USD per kg	6.42	6.06	5.91	-2.5	2.97	3.64	5.32	46.2
Tea (Average price)	USD per kg	2.97	3.01	3.12	3.6	2.42	2.91	2.99	2.7
Tea (Mombasa Auction)	USD per kg	2.62	2.71	2.80	3.3	2.24	2.69	2.45	-8.9
Cotton "A Index"	USD per kg	3.65	3.30	2.69	-18.5	1.35	1.73	3.29	90.2
Sisal (UG)	USD per metric ton	1,300.00	1,500.00	1,500.00	0.0	1,213.00	847.50	1,131.67	33.5
Cloves	USD per metric ton	8,325.00	10,150.00	12,750.00	25.6	3,913.10	4,466.74	6,466.15	44.8
Crude oil*	USD per barrel	108.07	113.73	116.46	2.4	63.07	75.57	90.02	19.1
Crude oil**	USD per barrel	108.46	107.70	109.98	2.1	62.80	74.98	88.76	18.4
White products***	USD per ton	1,009.43	993.33	1,022.31	2.9	598.14	661.96	803.31	21.4
Jet/Kerosene	USD per ton	1,005.76	1,011.30	1,036.04	2.4	620.65	665.79	821.62	23.4
Premium Gasoline	USD per ton	1,071.62	1,013.59	1,048.20	3.4	575.08	695.81	828.81	19.1
Heat Oil	USD per ton	950.92	955.11	982.69	2.9	598.68	624.28	759.50	21.7
Gold	USD per troy ounce	1,513.00	1,528.66	1,577.31	3.2	873.13	1,112.88	1,291.66	16.1

Note: \*Average spot price of U.K Brent, Dubai and West Texas Intermediate

\*\* f.o.b Dubai

\*\*\* West Mediterranean

Source: <http://www/Worldbank.org/Prospects>, World Bank Public Ledger, Bloomberg and Tanzania Sisal Board.

## 5.0 National Debt Developments

Debt stock increased to USD 11,690.6 million at the end of July 2011, from USD 11,640.9 million registered at the end of preceding month, on account of new external debt disbursements, accumulation of interest arrears, and issuance of Government securities. Out of the total debt stock, USD 9,299.3 million was external debt, with 80.7 percent being

disbursed outstanding debt (DOD) and 19.3 percent interest arrears. The profile of external debt by creditor and borrower categories are summarised in (Tables 5.1 and 5.2).

**Table 5.1: Tanzania's External Debt Stock by Creditor Category**

Item	Jul -10		Jun-11		Jul-11	
	Share (%)	Share (%)	Share (%)	Share (%)	Share (%)	Share (%)
<b>Central Government</b>	<b>666.5</b>	<b>67.7</b>	<b>6,436.5</b>	<b>69.4</b>	<b>6,428.7</b>	<b>69.1</b>
DOD	4,940.9	59.0	5,698.5	61.4	5,690.7	61.2
Interest Arrears	725.6	8.7	738.0	8.0	738.0	7.9
<b>Private Sector</b>	<b>1,760.5</b>	<b>21.0</b>	<b>1,844.8</b>	<b>19.9</b>	<b>1,873.0</b>	<b>20.1</b>
DOD	1,240.7	14.8	1,226.7	13.2	1,256.5	13.5
Interest Arrears	519.8	6.2	618.1	6.7	616.5	6.6
<b>Parastatal Companies</b>	<b>944.6</b>	<b>11.3</b>	<b>995.5</b>	<b>10.7</b>	<b>997.4</b>	<b>10.7</b>
DOD	544.7	6.5	557.8	6.0	559.7	6.0
Interest Arrears	399.9	4.8	437.7	4.7	437.7	4.7
<b>External Debt Stock</b>	<b>8,371.6</b>	<b>100.0</b>	<b>9,276.8</b>	<b>100.0</b>	<b>9,299.2</b>	<b>100.0</b>

Source: MOF and Bank of Tanzania

**Table 5.2: Tanzania's External Debt Stock by Borrower Category**

Item	Jul -10		Jun-11		Jul-11	
	Share (%)	Share (%)	Share (%)	Share (%)	Share (%)	Share (%)
<b>Multilateral</b>	<b>4,499.5</b>	<b>53.7</b>	<b>5,012.4</b>	<b>54.0</b>	<b>5,115.7</b>	<b>55.0</b>
DOD	4,482.0	53.5	4,995.0	53.8	5,098.9	54.8
Interest Arrears	17.5	0.2	17.4	0.2	16.8	0.2
<b>Bilateral</b>	<b>1,700.5</b>	<b>20.3</b>	<b>1,697.8</b>	<b>18.3</b>	<b>1,725.1</b>	<b>18.6</b>
DOD	965.8	11.5	966.9	10.4	995.4	10.7
Interest Arrears	734.7	8.8	730.9	7.9	729.7	7.8
<b>Commercial</b>	<b>1,271.0</b>	<b>15.2</b>	<b>1,684.7</b>	<b>18.2</b>	<b>1,567.7</b>	<b>16.9</b>
DOD	656.0	7.8	987.5	10.6	872.0	9.4
Interest Arrears	615.0	7.3	697.2	7.5	695.7	7.5
<b>Export Credits</b>	<b>900.6</b>	<b>10.8</b>	<b>881.9</b>	<b>9.5</b>	<b>890.8</b>	<b>9.6</b>
DOD	598.0	7.1	533.6	5.8	540.7	5.8
Interest Arrears	302.6	3.6	348.3	3.8	350.1	3.8
<b>External Debt Stock</b>	<b>8,371.6</b>	<b>100.0</b>	<b>9,276.8</b>	<b>100.0</b>	<b>9,299.2</b>	<b>100.0</b>

Source: MOF and Bank of Tanzania

In July 2011, disbursements amounting to USD 48.7 million were recorded, while external debt service amounted to USD 8.6 million of which USD 3.5 million was principal and USD 5.1 million interest payments.

Domestic debt increased by TZS 19.2 billion to TZS 3,753.5 billion, from the level recorded at the end of June 2011 (Table 5.3). The increase was on account of relatively large issuance of Government securities compared to the obligations that matured.

**Table 5.3: Government Domestic Debt by Instruments**

Item	Jul -10		Jun-11		Jul-11	
	Share (%)	Share (%)	Share (%)	Share (%)	Share (%)	Share (%)
<b>Government Securities</b>	<b>2,763.7</b>	<b>99.7</b>	<b>3,726.2</b>	<b>99.8</b>	<b>3,745.2</b>	<b>99.8</b>
Treasury Bills	285.0	10.3	586.3	13.7	578.7	15.7
Government Stocks	258.7	9.3	257.1	7.3	257.1	6.9
Government Bonds	2,219.9	80.1	2,882.7	78.8	2,909.4	77.2
Tax Certificate	0.1	0.0	0.1	0.0	0.1	0.0
<b>Other Govt Debts</b>	<b>8.3</b>	<b>0.3</b>	<b>8.3</b>	<b>0.2</b>	<b>8.3</b>	<b>0.2</b>
Mabibo Hostel	8.2	0.3	8.2	0.2	8.2	0.2
Others	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Domestic Debt</b>	<b>2,772.0</b>	<b>100.0</b>	<b>3,534.5</b>	<b>100.0</b>	<b>3,753.5</b>	<b>100.0</b>
Interest Arrears	0.1	0.0	0.0	0.0	0.0	0.0
<b>Total Domestic Debt Stock</b>	<b>2,772.1</b>	<b>100.0</b>	<b>3,734.5</b>	<b>100.0</b>	<b>3,753.5</b>	<b>100.0</b>

Source: MOF and Bank of Tanzania

Commercial banks were the leading investors in government debt, holding 46.8 percent of domestic debt followed by the Bank of Tanzania that accounted for 26.4 percent.



# 6.0 Economic Developments in Zanzibar

## Inflation Developments

**Annual headline inflation** rose to 15.9 percent in July 2011 from 15.4 percent recorded in June 2011, mainly due to increase in the price of food items and petroleum products. However, **month-to-month headline inflation rate** declined to 1.2 percent from 1.8 percent recorded in June 2011, largely driven by the decrease in prices of fruits and some tuber crops (Table 6.1 and Chart 6.1).

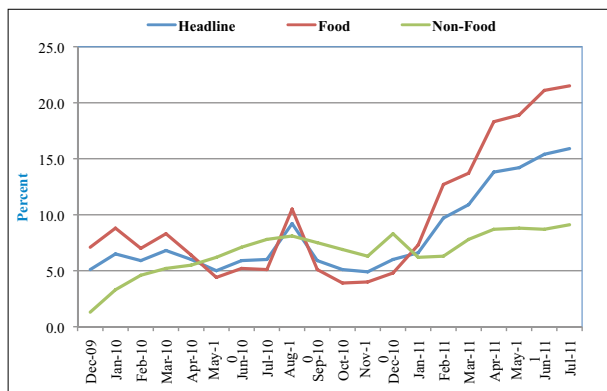
**Table 6.1: Annual Percentage change in Consumer Price Index (CPI)**

Base: Dec.2005=100

Major Commodity Group	Weights (%)	2009			2010			2011		
		May	Jun	Jul	May	Jun	Jul	May	Jun	Jul
<b>Headline/Overall</b>	<b>100.0</b>	<b>8.6</b>	<b>8.1</b>	<b>5.3</b>	<b>5.0</b>	<b>5.9</b>	<b>6.0</b>	<b>14.2</b>	<b>15.4</b>	<b>15.9</b>
<b>Food</b>	<b>57.4</b>	<b>6.5</b>	<b>7.4</b>	<b>8.1</b>	<b>4.4</b>	<b>5.2</b>	<b>5.1</b>	<b>18.9</b>	<b>21.1</b>	<b>21.5</b>
<b>Non-Food</b>	<b>42.6</b>	<b>10.0</b>	<b>7.5</b>	<b>-0.1</b>	<b>6.2</b>	<b>7.1</b>	<b>7.8</b>	<b>8.8</b>	<b>8.7</b>	<b>9.1</b>
Alcoholic Beverages, Tobacco & Narcotics	0.6	17.7	16.9	10.3	27.2	27.2	31.5	18.2	18.2	5.3
Clothing & Footwear	6.2	9.9	5.2	5.7	5.0	4.7	4.4	10.4	11.3	11.2
Housing, Water, Electricity, Gas & Other Fuels	15.6	20.3	18.6	-2.1	4.8	5.9	6.5	8.3	8.1	8.9
Furnishing, Household Equipment & Routine Household Maintenance	5.3	9.3	7.0	7.5	3.1	2.9	3.5	8.6	8.3	10
Health	2.1	12.0	6.1	6.6	10.4	10.6	10.7	19.9	19.6	23.9
Transport	3.4	-8.2	-10.0	-15.3	6.2	10.4	8.7	12.9	13.5	13.1
Communication	2.4	0.0	0.0	0.0	0.0	0.0	0.0	1.6	1.6	1.6
Recreation & Culture	0.4	3.4	4.3	4.7	6.6	3.7	3.1	4.5	6.1	12.5
Education	1.1	4.4	4.4	4.5	12.6	12.6	12.6	5.5	5.5	5.5
Restaurants & Hotels	3.1	11.6	8.1	10.5	16.2	17.6	22.3	10.6	9.2	7.4
Miscellaneous Goods & Services	2.4	9.3	5.1	12.4	3.7	3.6	3.4	-9.7	-9.7	-8.4

Source: Office of Chief Government Statistician (OCGS)

**Chart 6.1: Annual Headline, Food and Non-food Inflation**



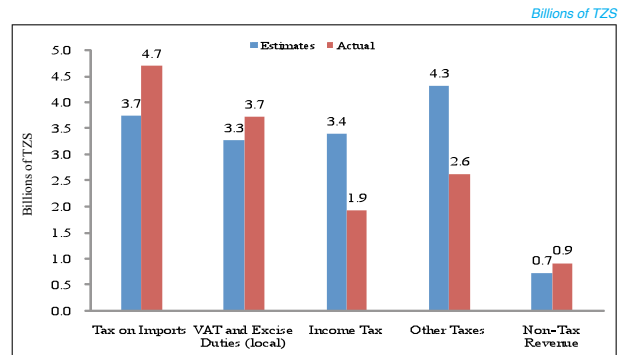
Source: Office of Chief Government Statistician (OCGS)

## Government Budgetary Operations

In July 2011, **government budgetary operations** on cheques issued basis recorded a deficit after grants of TZS 6.8 billion, and TZS 5.5 billion after adjustment to cash. The deficit was financed through foreign sources. Total resources amounted to TZS 14.8 billion, below the target by TZS 2.6 billion, of which domestic revenue accounted for 93.9 percent, and the balance was grants. Total expenditure amounted to TZS 17.3 billion, below the estimate by TZS 3.1 billion.

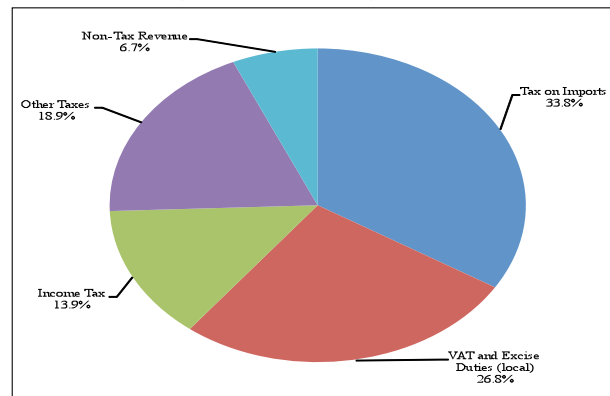
**Revenue** amounted to TZS 13.9 billion, below the target by TZS 1.5 billion; out of which tax collections was TZS 13.0 billion and the balance was non-tax revenue. Underperformance of revenue during the month was mainly associated with lower than expected tourist arrivals. Performance of various tax categories is illustrated in (Chart 6.2 and Chart 6.3).

**Chart 6.2: Government Revenue by Sources— July 2011**



Source: Ministry of Finance and Economic Affairs, Zanzibar

**Chart 6.3: The Share of Government Revenue by Source in July 2011**



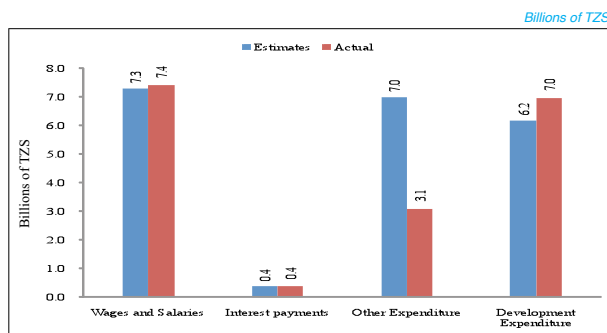
Source: President's Office-Finance, Economy and Development Planning (POFEDP), Zanzibar

Tax collection on imports was above the target, mainly due increase in taxable imports to associated with high demand of consumer goods during the month of Ramadan and Eid El Fitr festivals. Total grant during July 2011 amounted to TZS 0.9 billion and was mainly for project grants.

**Government expenditure** amounted to TZS 17.8 billion in July 2011, below the estimate of TZS 20.9 billion, of which recurrent expenditure was TZS 10.9 billion, below the estimate by TZS 3.8 billion and development expenditure of TZS 7.0 billion. Out of the total development expenditure, government contribution was TZS 0.6 billion and foreign financing was TZS 6.4 billion (Chart 6.4).



**Chart 6.4: Government Expenditure by Components; Actual versus Target – July 2011**



Source: Ministry of Finance and Economic Affairs, Zanzibar

## External Sector Developments

The **current account** for the year ending July 2011 recorded a deficit of USD 37.2 million compared to a surplus of USD 6.3 million recorded in the similar period in 2010. This development emanated mostly from a decline in current transfers and goods export, coupled with an increase in merchandise imports (Table 6.2).

**Table 6.2: Zanzibar Current Account Balance**

Millions of USD

Item	2011p			Year ending July		%Change	
	July	June	July	2010	2011p	Monthly	Annual
<b>Goods Account (net)</b>	<b>-6.8</b>	<b>-12.0</b>	<b>-9.0</b>	<b>-78.3</b>	<b>-98.5</b>	<b>-25.0</b>	<b>25.8</b>
Exports	1.0	0.9	0.6	20.5	15.1	-33.3	-26.3
Imports (fob)	7.8	12.8	9.6	98.8	113.6	-25.0	15.0
<b>Services Account (net)</b>	<b>5.1</b>	<b>4.5</b>	<b>8.3</b>	<b>30.9</b>	<b>21.1</b>	<b>84.4</b>	<b>-31.7</b>
Receipts	9.6	9.4	18.6	99.7	107.5	97.8	7.8
Payments	4.4	4.9	10.3	68.8	86.4	...	25.6
<b>Goods and Services (net)</b>	<b>-1.7</b>	<b>-7.5</b>	<b>-0.7</b>	<b>-47.5</b>	<b>-77.4</b>	<b>-90.7</b>	<b>62.9</b>
Exports of Goods and Services	10.6	10.2	19.1	120.2	122.6	87.3	2.0
Imports of Goods and Services	12.2	17.7	19.8	167.7	200.0	11.9	19.3
<b>Income Account (net)</b>	<b>-0.22</b>	<b>0.03</b>	<b>-0.51</b>	<b>-4.87</b>	<b>-5.21</b>	<b>...</b>	<b>7.0</b>
Receipts	0.03	0.10	0.07	0.48	0.66	-30.0	37.5
Payments	0.3	0.1	0.6	5.3	5.9	...	11.3
<b>Current Transfers (net)</b>	<b>0.4</b>	<b>2.5</b>	<b>0.7</b>	<b>58.7</b>	<b>45.4</b>	<b>-72.0</b>	<b>-22.7</b>
Inflows	0.4	2.5	0.7	58.7	45.4	-72.0	-22.7
Outflows	0.0	0.0	0.0	0.0	0.0	...	...
<b>Current Account Balance</b>	<b>-1.5</b>	<b>-4.9</b>	<b>-0.6</b>	<b>6.3</b>	<b>-37.2</b>	<b>-87.8</b>	<b>...</b>

Note: p = provisional, "..." implies large number

Source: Bank of Tanzania, TRA

**Export of goods and services** amounted to USD 122.6 million, compared with USD 120.2 million registered in the year ending July 2010; due to a rise in service receipts as export of goods declined, notably clove and manufactured goods (Table 6.3).

**Table 6.3: Zanzibar Goods Exports by Major Categories**

Item	Units	2011p			Year ending July		%Change	
		July	June	July	2010	2011p	Monthly	Annual
<b>Traditional:</b>								
Cloves								
Value	Millions	0.2	0.0	0.0	8.4	7.5	0.0	-10.7
Volume	'000 Tons	0.1	0.0	0.0	2.4	2.1	0.0	-12.5
Unit Price	USD/Ton	3500.0	0.0	0.0	3486.7	3638.8	0.0	4.4
<b>Non-Traditional:</b>								
Seaweeds								
Value	Millions	0.2	0.1	0.4	2.9	2.4	...	-17.2
Volume	'000 Tons	0.6	0.3	1.3	11.2	8.6	...	-23.2
Unit Price	USD/Ton	275.0	244.8	286.5	260.7	282.6	17.2	8.4
Manufactured Goods	Millions	0.3	0.3	0.1	4.2	2.7	-66.7	-35.7
Fish and Fish Products	Millions	0.0	0.0	0.0	0.4	0.3	0.0	-25.0
Others Exports	Millions	0.3	0.5	0.1	4.7	2.1	-80.0	-55.3
<b>Sub Total</b>	<b>Millions</b>	<b>0.8</b>	<b>0.9</b>	<b>0.6</b>	<b>12.1</b>	<b>7.6</b>	<b>-33.3</b>	<b>-37.2</b>
<b>Grand Total</b>	<b>Millions</b>	<b>1.0</b>	<b>0.9</b>	<b>0.6</b>	<b>20.5</b>	<b>15.1</b>	<b>-33.3</b>	<b>-25.9</b>

Note: P = provisional

Value in Millions of USD; Volume in '000 tons; unit price in USD per ton

Source: Bank of Tanzania, TRA

**Imports of goods and services** amounted to USD 188.2 million compared with USD 151.7 million recorded in the year ending May 2010. This outturn was mainly driven by the increase in the price of imported oil and value of capital goods (Table 6.4).

**Table 6.4: Zanzibar Imports by Major Categories**

Millions of USD

Import Category	2010	2011p		Year ending July		%Change	
	July	June	July	2010	2011p	Monthly	Annual
<b>Capital Goods</b>	<b>4.1</b>	<b>4.3</b>	<b>4.5</b>	<b>42.8</b>	<b>44.2</b>	<b>4.7</b>	<b>3.3</b>
Transport Equipment	1.8	1.6	1.7	20.3	15.5	6.3	-23.6
Building and Construction	0.9	1.5	1.4	8.9	9.9	-6.7	11.2
Machinery	1.3	1.3	1.4	13.7	18.8	7.7	37.2
<b>Intermediate Goods</b>	<b>1.9</b>	<b>7.5</b>	<b>3.8</b>	<b>41.8</b>	<b>59.1</b>	<b>-49.3</b>	<b>41.4</b>
Oil imports	1.2	7.4	3.6	36.4	58.5	-51.4	60.7
Industrial raw materials	0.7	0.2	0.2	5.5	2.5	0.0	-54.5
<b>Consumer Goods</b>	<b>2.6</b>	<b>2.3</b>	<b>2.2</b>	<b>23.9</b>	<b>21.5</b>	<b>-4.3</b>	<b>-10.0</b>
Food and food stuffs	0.6	0.9	1.0	8.0	7.8	11.1	-2.5
All other consumer goods	2.1	1.4	1.3	15.9	13.2	-7.1	-17.0
<b>Grand Total (c.i.f)</b>	<b>8.6</b>	<b>14.1</b>	<b>10.5</b>	<b>108.6</b>	<b>124.8</b>	<b>-25.5</b>	<b>14.9</b>
<b>Grand Total (e.o.b)</b>	<b>7.8</b>	<b>12.8</b>	<b>9.6</b>	<b>98.8</b>	<b>113.6</b>	<b>-25.0</b>	<b>15.0</b>

Note: p = provisional

Source: Bank of Tanzania, TRA

**Services account** recorded a surplus of USD 46.6 million compared with USD 38.6 million recorded in the year ending May 2010. Services receipts amounted to USD 128.4 million, compared with USD 100.0 million, while service payments amounted to USD 81.7 million compared with USD 61.0 million (Table 6.5).

**Table 6.5: Services and Income Account**

Millions of USD

		2010	2011p		Year ending July		%Change	
		July	June	July	2010	2011p	Monthly	Annual
A. Services Account	Net	5.1	4.5	8.3	30.9	21.1	84.4	-31.7
	Receipt	9.6	9.4	18.6	99.7	107.5	97.8	7.8
	Payment	4.4	4.9	10.3	68.8	86.4	...	25.6
B. Income Account	Net	-0.3	0.0	-0.5	-4.8	-5.2	...	7.0
	Receipt	0.0	0.1	0.1	0.5	0.7	-30.0	37.5
	Payment	0.3	0.1	0.6	5.3	5.9	...	11.3

Note: p = provisional, "..." implies large number

Source: Bank of Tanzania, Commercial Banks



## **STATISTICAL TABLES**

**Table A1: Selected Economic Indicators (Annual)**

Item	Unit	2005 <sup>r</sup>	2006 <sup>r</sup>	2007 <sup>r</sup>	2008 <sup>r</sup>	2009 <sup>f</sup>	2010 <sup>p</sup>
<b>1. National Accounts and Prices</b>							
1.1 Change in GDP at Market Prices--Current Prices	Percent	14.3	12.4	16.8	18.3	13.8	14.5
1.2 Change in GDP at Market Prices--Constant 2001 Prices	Percent	7.4	6.7	7.1	7.4	6.0	7.0
1.3 GDP Per Capita--Current Prices <sup>1</sup>	TZS	441,152.1	478,051.4	546,955.7	630,577.1	693,185.4	770,727.4
1.4 GDP Per Capita--Current Prices <sup>1</sup>	USD	390.6	381.7	439.5	527.1	525.0	538.1
1.5 Change in Consumer Price Index (Inflation)	Percent	4.4	7.3	7.0	10.3	12.1	5.5
1.6 Saving to GNDI Ratio <sup>2</sup>	Percent	8.7	8.5	7.1	12.5	-	-
<b>2. Money Credit and Interest Rates*</b>							
2.1 Change in Extended Broad Money Supply (M3)	Percent	38.2	22.0	20.5	19.8	17.7	25.4
2.2 Change in Broad Money supply (M2)	Percent	36.9	13.7	27.2	24.4	20.8	21.8
2.3 Change in Narrow Money Supply (M1)	Percent	33.7	9.8	29.1	21.9	13.7	25.9
2.4 Change in Reserve Money	Percent	27.7	16.8	24.9	21.1	32.2	16.2
2.5 Total Credit to GDP Ratio <sup>1</sup>	Percent	10.5	11.7	13.5	17.0	18.1	21.1
2.6 Private Sector Credit to GDP Ratio <sup>1</sup>	Percent	8.9	11.3	15.0	18.4	17.7	18.6
2.7 Ratio of Private Credit to Total Credit	Percent	84.6	96.3	111.3	107.9	97.5	88.1
2.8 Average Deposit Rate (12-Month) <sup>3</sup>	Percent	6.2	8.3	9.3	8.9	8.9	8.0
2.9 Weighted Average Treasury Bill Rate	Percent	10.8	11.9	14.8	9.1	8.3	4.8
2.10 Average Long-Term Lending Rate <sup>3</sup>	Percent	13.4	14.9	16.1	16.4	15.1	14.6
<b>3. Balance of Payments</b>							
3.1 Exports of goods (f.o.b)	Mill. USD	1,702.5	1,917.6	2,226.6	3,578.8	3,294.6	4,296.8
3.2 Imports of goods (f.o.b)	Mill. USD	-2,997.6	-3,864.1	-4,860.6	-7,012.3	-5,834.1	-7,125.1
3.3 Trade Balance	Mill. USD	-1,295.1	-1,946.5	-2,634.1	-3,433.5	-2,539.5	-2,828.3
3.4 Balance on Current Account	Mill. USD	-844.5	-1,173.8	-1,643.0	-2,595.4	-1,768.2	-1,853.4
3.5 Overall Balance	Mill. USD	-228.7	460.7	404.6	148.0	366.2	369.8
3.7 Gross Official Reserves	Mill. USD	2,049.5	2,136.9	2,724.3	2,872.6	3,552.5	3,948.0
3.8 Reserves Months of Imports (of goods and services)	Months	5.8	5.0	5.2	4.0	5.7	5.3
3.9 Exchange Rate:							
3.9.1 Annual Average	TZS/USD	1,129.2	1,253.9	1,239.5	1,196.8	1,320.3	1,432.3
3.9.2 End of Period	TZS/USD	1,165.5	1,261.6	1,132.1	1,280.3	1,313.3	1,453.5
<b>4. Population (TZ Mainland)</b>							
	<b>Million</b>	36.2	37.5	38.3	39.3	40.7	41.9
<b>5. Public Finance</b>							
		<b>2005/06</b>	<b>2006/07</b>	<b>2007/08<sup>r</sup></b>	<b>2008/09<sup>r</sup></b>	<b>2009/10<sup>p</sup></b>	
5.1 Current Revenue to GDP Ratio <sup>1</sup>	Percent	12.5	14.1	15.9	16.2	15.3	
5.2 Grants to GDP Ratio <sup>1</sup>	Percent	5.9	4.9	5.0	4.4	4.6	
5.2 Current Expenditure to GDP Ratio <sup>1</sup>	Percent	15.7	16.1	14.9	17.7	18.3	
5.3 Development Expenditure to GDP Ratio <sup>1</sup>	Percent	7.9	6.9	7.9	7.7	8.6	
5.4 Deficit to GDP Ratio (excluding grants) <sup>1</sup>	Percent	-10.3	-8.9	-7.4	-9.2	-11.5	
5.5 Deficit to GDP Ratio (including grants) <sup>1</sup>	Percent	-4.4	-4.0	-2.4	-4.8	-6.5	
<b>6. Total External Debt Stock</b>							
	<b>Mill. USD</b>	<b>8,229.5</b>	<b>4,660.8</b>	<b>5,846.4</b>	<b>6,999.4</b>	<b>7,846.7</b>	
Disbursed Debt	Mill. USD	6,971.1	3,442.3	4,483.1	5,483.0	6,207.0	
Interest	Mill. USD	1,258.3	1,218.6	1,363.3	1,516.3	1,639.7	
Total External Debt as % of GDP	Percent	57.6	29.8	31.0	33.3	34.0	

**Notes:** <sup>1</sup> Calculated on the basis of GDP at Market Prices--Current Prices

<sup>2</sup> GNDI stands for Gross National Disposable Income

<sup>3</sup> Annual Average

P = Provisional, r = Revised

\* Data have been revised after adoption of Standard Reporting Format (SRF)

**Source:** Bank of Tanzania Database and National Bureau of Statistics (Economic Survey, National Accounts)



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

*Millions of TZS*

Item	BUDGET 2011/12	2011/12	
		July	
		Estimate	Actual
<b>Total Revenue (including LGAs) /1</b>	<b>7,126,448</b>	<b>509,626</b>	<b>448,982</b>
<b>Total Revenue</b>	<b>6,775,952</b>	<b>480,418</b>	<b>448,982</b>
Tax Revenue	6,214,714	451,993	428,117
Taxes on Imports	2,712,660	223,816	208,417
Sales/VAT and Excise on Local Goods	1,327,071	96,543	90,683
Drawings from EPA	0	0	0
Income Taxes	1,861,095	106,066	106,732
Other taxes	313,888	25,567	22,286
Non- tax Revenue	561,238	28,425	20,864
LGA Own Sources	350,497	29,208	0
<b>Total Expenditure /2</b>	<b>12,639,939</b>	<b>1,099,543</b>	<b>582,307</b>
Recurrent expenditure	7,714,330	765,031	508,727
Wages and salaries	3,270,292	279,034	262,882
Interest payments	308,696	7,851	1,217
Domestic	220,626	6,861	915
Foreign	88,070	990	303
Other goods, services and transfers	4,135,342	478,146	244,628
<b>Dev. Expenditure and net lending</b>	<b>4,925,609</b>	<b>334,511</b>	<b>73,580</b>
Local	1,871,472	80,000	45,855
Foreign	3,054,137	254,511	27,724
<b>Balance before Grants</b>	<b>-5,513,491</b>	<b>-589,917</b>	<b>-133,325</b>
<b>Grants</b>	<b>2,717,928</b>	<b>168,095</b>	<b>0</b>
Program (CIS/OGL)	700,791	0	0
Project	1,148,878	135,428	0
Basket funds	392,000	32,667	0
MDRI/MCA(T)	476,259	0	0
<b>Balance (cheq.issued) after Grants</b>	<b>-2,795,563</b>	<b>-421,822</b>	<b>-133,325</b>
Expenditure float	0	0	-178,673
Adjustments to cash and other items (net)	0	0	214,987
<b>Overall Balance (cheques cleared)</b>	<b>-2,795,563</b>	<b>-421,822</b>	<b>-97,011</b>
<b>Financing:</b>	<b>2,795,563</b>	<b>421,822</b>	<b>97,011</b>
<b>Foreign Financing (net)</b>	<b>2,410,440</b>	<b>157,070</b>	<b>23,514</b>
Loans	2,181,257	139,100	27,724
Program loans	168,623	0	0
Development Project loans	2,012,634	139,100	27,724
Basket Support	296,000	24,667	0
Amortization	-66,817	-6,697	-4,210
<b>Domestic (net) /3</b>	<b>385,123</b>	<b>264,753</b>	<b>73,497</b>
<b>Bank &amp; Non Bank Financing (NDF)</b>	<b>393,360</b>	<b>264,753</b>	<b>73,497</b>
Bank borrowing	393,360	264,753	84,685
Non-Bank (net of amortization)	0	0	-11,187
Borrowing/Roll over	810,902	25,907	0
Domestic & Contingent debt Amortization	-810,902	-25,907	0
Domestic Amortization (Mabibo Hostel)	-8,237	0	0
GDP (In Million TZS)	393,360,000		

**Note:** /1 Includes LGAs

/2 Exclude amortization and Expenditure Float, includes Road fund and Retention expenditures

/3 positive value means financing and a negative value means repayment

**Source:** Ministry of Finance and Bank of Tanzania





**Table A3: Depository Corporations Survey (Provisional)**

*Billions of TZS*

Item	Provisional					
	Aug-07	Aug-08	Aug-09	Aug-10	Jun-11	Jul-11
<b>Net foreign assets</b>	<b>3,761.6</b>	<b>3,441.2</b>	<b>4,722.5</b>	<b>5,454.0</b>	<b>5,828.1</b>	<b>5,982.7</b>
Bank of Tanzania	3,182.5	2,875.9	3,848.1	4,227.3	4,642.3	4,531.6
Other Depository Corporations	579.2	565.3	874.4	1,226.7	1,185.9	1,451.1
<b>Net domestic assets</b>	<b>2,093.9</b>	<b>3,553.3</b>	<b>3,593.6</b>	<b>5,057.5</b>	<b>6,129.7</b>	<b>6,128.9</b>
Domestic claims	2,692.8	3,899.7	4,858.5	6,855.2	8,366.2	8,644.4
Claims on central government (net)	-85.3	26.3	86.5	1,183.2	1,503.5	1,701.7
Claims on central government	2,382.1	2,052.9	2,762.4	4,023.8	3,944.6	4,112.1
Liabilities to central government	2,467.3	2,026.6	2,675.7	2,840.6	2,441.1	2,410.4
Claims on non-government sector	2,778.1	3,873.4	4,771.8	5,672.0	6,862.8	6,942.7
<b>Broad money liabilities</b>	<b>5,855.5</b>	<b>6,994.5</b>	<b>8,316.1</b>	<b>10,511.4</b>	<b>11,957.9</b>	<b>12,111.6</b>
Currency outside depository corporations	1,156.4	1,366.9	1,543.7	1,880.2	2,081.1	2,160.5
Transferable deposits	2,226.1	2,751.4	3,122.0	4,158.6	4,717.6	4,753.4
Other deposits	2,473.0	2,876.2	3,650.8	4,472.5	5,159.2	5,197.7
<b>Other items (net)</b>	<b>-599.0</b>	<b>-346.4</b>	<b>-1,264.9</b>	<b>-1,797.7</b>	<b>-2,236.5</b>	<b>-2,515.5</b>
<b>Memorandum items:</b>						
Monetary Aggregates						
<b>Reserve money (M0)</b>	<b>1,751.1</b>	<b>2,222.9</b>	<b>2,887.3</b>	<b>3,427.1</b>	<b>3,785.5</b>	<b>3,903.6</b>
<b>Extended broad money (M3)</b>	<b>5,855.5</b>	<b>6,994.5</b>	<b>8,350.9</b>	<b>10,511.4</b>	<b>11,957.9</b>	<b>12,111.6</b>
Deposits in foreign currency	1,789.3	1,777.3	2,141.7	2,779.2	3,259.3	3,346.1
(FCD) in millions of USD	1,402.3	1,525.9	1,645.1	1,889.8	2,073.2	2,131.7
<b>Broad money (M2)</b>	<b>4,066.2</b>	<b>5,217.2</b>	<b>6,208.8</b>	<b>7,732.3</b>	<b>8,698.7</b>	<b>8,765.5</b>
Other deposits in national currency (i.e. savings and time deposits)	1,636.4	2,118.2	2,775.0	3,385.7	3,771.5	3,818.7
<b>Narrow money (M1)</b>	<b>2,429.8</b>	<b>3,099.0</b>	<b>3,433.8</b>	<b>4,346.6</b>	<b>4,927.2</b>	<b>4,946.8</b>
Currency in circulation	1,156.4	1,366.9	1,543.7	1,880.2	2,081.1	2,160.5
Transferable deposits in national currency	1,273.4	1,732.1	1,890.5	2,466.3	2,846.0	2,786.3

**Note:** Data reflect new series based on the IMF's 2000 Monetary and Financial Statistics Manual.

**Source:** Bank of Tanzania





Table A4 : Interest Rate Structure

Item	2009	2010						2011						
	Dec	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
<i>Percent</i>														
<b>A: Domestic Currency</b>														
<b>1. Interbank Cash Market Rates</b>														
Overnight	1.46	0.82	0.93	1.68	2.27	2.87	5.19	7.99	3.40	1.86	1.80	1.80	1.81	5.79
2 to 7 days	1.64	1.16	1.13	1.44	2.35	2.77	5.90	6.73	4.70	1.96	1.91	2.21	2.21	2.76
8 to 14 days	1.72	1.47	0.95	1.52	2.86	2.86	2.86	2.86	2.00	2.40	2.00	2.00	2.00	2.00
15 to 30 days	3.25	1.22	1.10	3.00	3.00	2.75	2.75	2.75	4.25	4.25	4.25	4.25	4.25	4.25
31 to 60 days	3.43	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
61 to 90 days	5.00	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
91 to 180 days	4.00	3.70	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
181 and above	5.47	4.50	7.30	7.30	7.30	7.30	7.30	7.30	7.30	7.30	7.30	7.30	7.30	7.30
<b>Overall Interbank cash market rate</b>	<b>1.57</b>	<b>0.92</b>	<b>1.09</b>	<b>1.65</b>	<b>2.29</b>	<b>2.86</b>	<b>5.26</b>	<b>7.93</b>	<b>3.54</b>	<b>1.86</b>	<b>1.84</b>	<b>1.84</b>	<b>1.81</b>	<b>5.68</b>
<b>2. Lombard Rate</b>	<b>4.55</b>	<b>0.93</b>	<b>1.16</b>	<b>1.94</b>	<b>2.20</b>	<b>3.45</b>	<b>6.23</b>	<b>9.58</b>	<b>4.08</b>	<b>2.23</b>	<b>4.21</b>	<b>3.43</b>	<b>2.17</b>	<b>6.94</b>
<b>3. REPO Rate</b>	<b>1.26</b>	<b>0.58</b>	<b>0.58</b>	<b>0.90</b>	<b>1.53</b>	<b>1.78</b>	<b>3.22</b>	<b>6.06</b>	<b>4.04</b>	<b>2.37</b>	<b>1.77</b>	<b>1.38</b>	<b>1.35</b>	<b>1.91</b>
<b>4. Treasury Bills Rates</b>														
35 days	3.80	0.78	0.97	1.62	1.84	1.46	1.33	4.71	4.54	3.92	3.51	2.86	2.71	3.04
91 days	6.06	3.22	2.71	3.89	4.76	4.61	5.24	6.37	5.92	4.82	4.26	3.91	3.74	3.97
182 days	6.59	3.91	3.91	4.77	5.67	5.62	6.20	6.61	6.55	5.39	5.01	4.93	4.83	5.49
364 days	8.83	6.26	5.98	6.96	7.85	7.48	7.67	8.33	7.55	5.99	6.11	6.50	6.46	7.80
<b>Overall Treasury bills rate</b>	<b>6.91</b>	<b>3.89</b>	<b>3.86</b>	<b>5.06</b>	<b>5.68</b>	<b>5.85</b>	<b>6.32</b>	<b>7.14</b>	<b>6.58</b>	<b>5.46</b>	<b>4.80</b>	<b>4.54</b>	<b>4.76</b>	<b>6.45</b>
<b>5. Treasury Bonds Rates</b>														
2-years	10.89	8.88	8.88	9.82	9.82	9.67	10.4	10.35	8.65	8.65	8.13	8.13	8.05	8.05
5-years	13.45	9.52	9.70	9.70	10.44	10.44	11.6	11.58	10.27	10.27	10.65	10.65	10.75	12.46
7-years	14.15	10.38	10.85	10.85	11.88	11.88	11.88	12.27	12.27	12.02	12.02	12.26	12.81	12.81
10-years	16.73	11.68	11.68	13.00	13.00	13.59	13.59	13.84	13.84	14.15	14.15	14.15	13.69	12.64
<b>6. Discount Rate</b>	<b>3.70</b>	<b>7.58</b>	<b>7.58</b>	<b>7.58</b>	<b>7.58</b>	<b>7.58</b>	<b>7.58</b>	<b>7.58</b>	<b>7.58</b>	<b>7.58</b>	<b>7.58</b>	<b>7.58</b>	<b>7.58</b>	<b>7.58</b>
<b>7. Savings Deposit Rate</b>	<b>2.83</b>	<b>2.64</b>	<b>2.58</b>	<b>2.57</b>	<b>2.56</b>	<b>2.51</b>	<b>2.41</b>	<b>2.46</b>	<b>2.70</b>	<b>2.66</b>	<b>2.41</b>	<b>2.35</b>	<b>2.39</b>	<b>2.39</b>
<b>8. Overall Time Deposits Rate</b>	<b>6.36</b>	<b>5.42</b>	<b>5.55</b>	<b>6.03</b>	<b>6.11</b>	<b>5.55</b>	<b>5.11</b>	<b>5.89</b>	<b>5.32</b>	<b>5.40</b>	<b>5.43</b>	<b>5.82</b>	<b>6.06</b>	<b>6.42</b>
1 month	5.10	5.60	6.05	5.53	6.5	5.91	5.48	5.35	4.94	5.90	5.41	5.85	5.11	5.93
2 months	6.99	6.86	7.19	7.67	7.63	7.41	6.66	7.18	6.37	6.24	6.62	5.98	6.85	6.59
3 months	6.67	5.89	7.01	6.76	6.21	6	6.13	6.24	5.88	6.54	6.05	5.9	6.19	7.14
6 months	8.50	7.49	7.84	7.64	7.38	6.96	7.11	7.08	6.98	6.45	6.59	6.61	6.81	7.65
12 months	8.99	7.86	7.13	7.15	7.26	6.14	7.09	7.33	7.34	7.53	7.75	7.13	7.90	8.03
24 months	7.56	3.49	2.81	6.49	6.62	5.69	2.37	7.05	4.7	4.15	4.43	7.9	8.30	8.36
<b>9. Negotiated Deposit Rate</b>	<b>9.94</b>	<b>8.76</b>	<b>8.58</b>	<b>9.33</b>	<b>9.60</b>	<b>8.76</b>	<b>8.45</b>	<b>8.87</b>	<b>8.50</b>	<b>7.86</b>	<b>7.44</b>	<b>7.10</b>	<b>7.44</b>	<b>7.40</b>
<b>10. Overall Lending rate</b>	<b>14.38</b>	<b>14.39</b>	<b>14.41</b>	<b>14.34</b>	<b>14.49</b>	<b>12.84</b>	<b>13.45</b>	<b>14.70</b>	<b>14.83</b>	<b>15.04</b>	<b>15.41</b>	<b>15.28</b>	<b>15.02</b>	<b>15.71</b>
Short-term (up to 1 year)	13.96	14.14	14.42	13.44	14.22	12.31	12.37	13.85	14.30	14.58	14.76	14.71	14.71	14.83
Medium-term (1-2 years)	15.01	15.55	15.38	15.38	15.46	14.22	15.90	17.44	17.73	17.93	18.76	18.55	17.90	17.42
Medium-term (2-3 years)	14.74	14.15	14.20	14.36	14.36	12.53	12.52	13.83	13.80	14.25	14.48	14.50	14.40	15.28
Long-term (3-5 years)	14.52	14.27	14.04	14.24	14.55	12.13	12.48	14.52	14.57	14.72	14.96	14.83	14.66	15.89
Term Loans (over 5 years)	13.67	13.85	14.00	14.26	13.85	13.00	14.00	13.84	13.73	13.70	14.10	13.81	13.42	15.12
<b>11. Negotiated Lending Rate</b>	<b>13.18</b>	<b>13.84</b>	<b>14.00</b>	<b>13.80</b>	<b>13.71</b>	<b>13.65</b>	<b>11.88</b>	<b>13.88</b>	<b>13.32</b>	<b>13.34</b>	<b>13.32</b>	<b>13.48</b>	<b>13.81</b>	<b>13.75</b>
<b>B: Foreign Currency</b>														
<b>Deposits Rates</b>														
<b>Savings Deposits Rate</b>	<b>1.46</b>	<b>1.51</b>	<b>1.53</b>	<b>2.44</b>	<b>1.90</b>	<b>2.45</b>	<b>2.44</b>	<b>2.45</b>	<b>1.60</b>	<b>1.60</b>	<b>1.64</b>	<b>1.46</b>	<b>0.51</b>	<b>0.52</b>
<b>Overall Time Deposits Rate</b>	<b>1.68</b>	<b>2.45</b>	<b>2.23</b>	<b>2.43</b>	<b>1.94</b>	<b>2.36</b>	<b>2.45</b>	<b>2.45</b>	<b>1.94</b>	<b>2.02</b>	<b>2.13</b>	<b>1.98</b>	<b>1.31</b>	<b>1.31</b>
1-months	1.40	1.44	1.73	1.97	1.68	1.80	2.00	2.00	1.41	1.35	1.42	1.65	1.58	1.58
2-months	1.64	1.74	2.00	2.41	1.85	2.44	2.00	1.99	1.10	1.61	1.76	1.65	1.44	1.33
3-months	1.00	2.55	2.34	1.78	1.94	1.96	3.32	3.32	2.16	2.27	2.50	2.28	0.88	0.92
6-months	1.94	3.42	1.93	3.25	2.00	3.26	2.78	2.78	2.50	2.43	2.67	2.33	1.07	1.06
12-months	2.42	3.10	3.16	2.76	2.23	2.32	2.17	2.17	2.51	2.45	2.28	2.01	1.59	1.64
<b>Overall Lending Rate</b>	<b>9.03</b>	<b>9.02</b>	<b>8.98</b>	<b>9.26</b>	<b>10.98</b>	<b>9.76</b>	<b>9.00</b>	<b>9.05</b>	<b>8.19</b>	<b>13.13</b>	<b>8.86</b>	<b>8.21</b>	<b>8.26</b>	<b>8.36</b>
Short-term (up to 1 year)	3.86	4.14	4.51	5.79	5.57	5.61	5.58	5.62	8.13	10.77	8.76	5.43	3.55	6.03
Medium-term (1-2 years)	11.12	10.13	10.32	10.26	10.28	10.47	10.44	10.46	7.19	15.86	9.28	9.27	10.37	9.31
Medium-term (2-3 years)	10.26	10.59	9.38	9.44	9.47	9.68	9.24	9.42	9.04	11.37	9.01	9.01	7.82	9.03
Long-term (3-5 years)	10.29	10.96	11.32	11.30	11.11	12.89	10.17	10.17	7.05	18.94	8.35	8.40	10.04	8.47
Term Loans (over 5 years)	9.64	9.28	9.39	9.48	9.47	10.16	9.55	9.55	8.81	9.58	8.92	8.93	9.49	8.94

**Note:** The Lombard rate is based on the prevailing weighted average yield of 35-day T-bill, 7-days Repo or overnight inter-bank rate whichever is higher in the market plus 20% of the highest rate.

**Source:** Bank of Tanzania



Table A5(a): Exports by Type of Commodity

Item	2011		% Change	Year Ending July <sup>p</sup> (12 Month Total)		% Change
	Jun	Jul	Jun 11 - Jul 11	2010	2011	
<b>Traditional Exports:</b>						
<b>COFFEE</b>						
Value	4.4	4.4	-0.1	67.8	160.6	136.9
Volume	1.1	1.2	3.9	28.9	50.4	74.1
Unit Price	3,903.6	3,754.2	-3.8	2,342.6	3,187.7	36.1
<b>COTTON</b>						
Value	0.8	1.6	96.8	92.2	62.5	-32.2
Volume	0.5	1.8	247.6	83.7	46.9	-44.0
Unit Price	1,639.9	928.3	-43.4	1,101.2	1,333.0	21.1
<b>SISAL</b>						
Value	0.0	0.0	0.0	0.0	0.0	0.0
Volume	0.0	0.0	0.0	0.0	0.0	0.0
Unit Price	0.0	0.0	0.0	0.0	0.0	0.0
<b>TEA</b>						
Value	5.0	3.1	-38.0	47.3	41.9	-11.4
Volume	2.9	1.7	-40.9	22.5	24.6	9.0
Unit Price	1,680.4	1,763.5	5.0	2,100.4	1,707.6	-18.7
<b>TOBACCO</b>						
Value	2.3	0.8	-64.8	202.5	275.7	36.1
Volume	0.8	1.2	56.7	46.5	62.1	33.7
Unit Price	2,941.2	661.0	-77.5	4,356.9	4,437.2	1.8
<b>CASHEWNUTS</b>						
Value	0.0	0.0	0.0	47.8	130.5	172.8
Volume	0.0	0.0	0.0	65.8	120.5	83.1
Unit Price	0.0	0.0	0.0	727.1	1,083.4	49.0
<b>CLOVES</b>						
Value	0.0	0.0	0.0	10.0	7.5	-25.5
Volume	0.0	0.0	0.0	2.9	2.1	-28.3
Unit Price	0.0	0.0	0.0	3,439.5	3,574.7	3.9
<b>Sub Total</b>	<b>12.4</b>	<b>9.9</b>	<b>-20.4</b>	<b>467.7</b>	<b>678.8</b>	<b>45.1</b>
<b>Non-Traditional Exports:</b>						
<b>Minerals</b>						
Gold	187.4	144.5	-22.9	1,498.9	1,799.0	20.0
Diamond	0.1	0.0	-100.0	13.9	11.2	-19.5
Other minerals <sup>1</sup>	3.0	4.7	59.1	30.0	39.3	31.1
<b>Manufactured Goods</b>						
Cotton Yarn	0.2	0.1	-27.0	12.3	8.3	-32.8
Manufactured Coffee	0.0	0.1	35.3	1.7	0.8	-51.8
Manufactured Tobacco	1.7	1.2	-32.8	7.6	16.1	111.9
Sisal Products (Yarn & Twine)	0.9	0.9	-0.2	8.1	9.7	19.8
Other manufactured Goods <sup>2</sup>	68.9	55.0	-20.1	597.6	1,026.1	71.7
<b>Fish and Fish Products</b>						
	11.6	10.0	-13.8	138.9	150.5	8.3
<b>Horticultural products</b>						
	5.3	2.4	-54.7	32.4	36.9	14.0
<b>Re-exports</b>						
	4.8	2.3	-51.5	144.4	113.7	-21.2
<b>Others Exports<sup>3</sup></b>						
	35.6	47.2	32.5	306.6	358.7	17.0
<b>Sub Total</b>	<b>319.5</b>	<b>268.5</b>	<b>-16.0</b>	<b>2,792.4</b>	<b>3,570.3</b>	<b>27.9</b>
<b>GRAND TOTAL</b>	<b>332.0</b>	<b>278.4</b>	<b>-16.1</b>	<b>3,260.1</b>	<b>4,249.1</b>	<b>30.3</b>

**Note:** 1 Include tanzanite, rubbies, sapphires, emeralds, copper, silver and other precious stones

2 Include plastic items, textile apparels iron/steel and articles thereof

3 Include edible vegetables, oil seeds, cereals, cocoa, raw hides and skins, woods and articles thereof  
p = Provisional data.

Totals may not add up due to rounding of numbers.

Volume in '000 Tons; Value in '000,000 USD; Unit Price in USD/Ton

**Source:** Bank of Tanzania, TRA



**Table A5(b): Imports (f.o.b value) by Major Category**

Millions of USD

Items	2011		% Change	Year Ending July <sup>P</sup> (12 Month Total)		% Change
	Jun	Jul	Jun 11 - Jul 11	2010	2011	
<b>Capital Goods</b>	<b>312.9</b>	<b>282.5</b>	<b>-9.7</b>	<b>2,550.2</b>	<b>3,153.9</b>	<b>23.7</b>
Transport Equipments	98.7	82.4	-16.5	770.3	1,019.1	32.3
Building and Constructions	72.1	59.0	-18.2	600.1	714.9	19.1
Machinery	142.0	141.1	-0.7	1,179.7	1,420.0	20.4
<b>Intermediate Goods</b>	<b>325.4</b>	<b>373.2</b>	<b>14.7</b>	<b>2,518.2</b>	<b>3,113.9</b>	<b>23.7</b>
Oil imports	263.9	288.3	9.2	1,871.5	2,274.4	21.5
Fertilizers	2.8	29.3	962.3	95.6	162.2	69.7
Industrial raw materials	58.7	55.5	-5.4	551.1	677.3	22.9
<b>Consumer Goods</b>	<b>158.3</b>	<b>200.6</b>	<b>26.7</b>	<b>1,562.1</b>	<b>1,948.1</b>	<b>24.7</b>
Food and food stuffs	38.7	62.9	62.6	414.3	558.8	34.9
All other consumer goods <sup>1</sup>	119.7	137.7	15.1	1,147.8	1,389.2	21.0
<b>Grand Total (f.o.b)</b>	<b>796.6</b>	<b>856.3</b>	<b>7.5</b>	<b>6,630.5</b>	<b>8,215.8</b>	<b>23.9</b>

**Note:** <sup>1</sup> It includes pharmaceutical products, paper products, plastic items, optical/photographic materials, textile apparels

P= Provisional data

Totals may not add up due to rounding of numbers

**Source:** Bank of Tanzania, TRA.



Table A5.(c): Tanzania's Balance of Payments (Revised)

	<i>Millions of USD</i>					
Item	2005	2006	2007	2008 <sup>r</sup>	2009 <sup>p</sup>	2010 <sup>p</sup>
<b>A. Current Account</b>	<b>-862.8</b>	<b>-1,173.8</b>	<b>-1,643.0</b>	<b>-2,595.4</b>	<b>-1,768.2</b>	<b>-1,853.4</b>
<i>Balance on Goods</i>	<i>-1,318.5</i>	<i>-1,946.5</i>	<i>-2,634.1</i>	<i>-3,433.5</i>	<i>-2,539.5</i>	<i>-2,828.3</i>
Goods: exports f.o.b.	1,679.1	1,917.6	2,226.6	3,578.8	3,294.6	4,296.8
Traditional	354.5	267.1	319.7	507.3	479.6	559.0
Non-traditional	1,324.6	1,476.2	1,704.5	2,604.7	2,376.1	3,177.3
o/w Gold	655.1	786.4	788.2	1,108.3	1,229.5	1,516.6
Unrecorded trade		174.3	202.4	466.8	438.9	560.4
Goods: imports f.o.b.	-2,997.6	-3,864.1	-4,860.6	-7,012.3	-5,834.1	-7,125.1
<i>Balance on Services</i>	<i>61.8</i>	<i>278.7</i>	<i>462.1</i>	<i>349.9</i>	<i>145.6</i>	<i>242.0</i>
Services: credit	1,269.2	1,528.1	1,875.7	1,998.8	1,854.6	2,091.5
Transportation	222.9	343.7	331.1	364.6	334.4	445.5
Travel	823.6	950.2	1,198.8	1,288.7	1,159.8	1,254.5
Other	222.7	234.1	345.8	345.4	360.4	391.5
Services: debit	-1,207.3	-1,249.3	-1,413.7	-1,648.9	-1,709.1	-1,849.6
Transportation	-319.5	-418.3	-485.0	-699.0	-604.9	-716.1
Travel	-553.8	-534.5	-595.3	-720.7	-766.2	-830.4
Other	-334.0	-296.6	-333.4	-229.1	-338.0	-303.0
<i>Balance on Goods and Services</i>	<i>-1,256.6</i>	<i>-1,667.8</i>	<i>-2,172.0</i>	<i>-3,083.6</i>	<i>-2,393.9</i>	<i>-2,586.4</i>
<i>Balance on income</i>	<i>-102.0</i>	<i>-94.7</i>	<i>-123.1</i>	<i>-121.7</i>	<i>-71.2</i>	<i>-90.9</i>
Income: credit	80.9	80.3	107.3	122.7	161.1	164.6
O/W: Investment Income	70.7	73.9	101.3	113.4	149.7	150.7
Compensation of employees	10.2	6.4	6.0	9.3	11.4	13.9
Income: debit	-182.9	-175.1	-230.4	-244.3	-232.4	-255.5
O/W: Direct Investment Income	-65.6	-97.1	-132.5	-99.2	-74.5	-72.0
Interest payments (scheduled)	-56.9	-27.8	-26.0	-65.3	-46.1	-36.9
Compensation of employees	-24.9	-23.4	-46.4	-54.5	-80.6	-109.3
<i>Balance on Goods, Services and Income</i>	<i>-1,358.6</i>	<i>-1,762.5</i>	<i>-2,295.1</i>	<i>-3,205.3</i>	<i>-2,465.2</i>	<i>-2,677.2</i>
<i>Balance on Current transfers</i>	<i>495.7</i>	<i>588.7</i>	<i>652.0</i>	<i>609.9</i>	<i>696.9</i>	<i>823.9</i>
Current transfers: credit	563.3	654.6	724.0	689.0	765.4	902.9
Government	477.9	559.7	626.9	588.5	658.4	798.1
o/w: Multilateral HIPC relief	75.7	42.1	0.0	0.0	0.0	0.0
Other sectors	85.4	94.9	97.1	100.5	106.9	104.8
Current transfer: debit	-67.5	-65.9	-71.9	-79.1	-68.4	-79.0
<b>B. Capital Account</b>	<b>393.2</b>	<b>5,183.5</b>	<b>911.7</b>	<b>537.0</b>	<b>492.8</b>	<b>606.5</b>
Capital transfers: credit	393.2	5,183.5	911.7	537.0	492.8	606.5
General Government	350.1	5,135.0	858.5	477.3	430.2	543.3
Project	238.0	173.3	335.5	477.3	430.2	543.3
Debt forgiveness (including MDRI)	112.1	4,961.7	523.0	0.0	0.0	0.0
Other sectors	43.1	48.6	53.2	59.8	62.6	63.2
Capital transfers: Debit	0.0	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-469.7	4,009.7	-731.4	-2,058.4	-1,275.4	-1,246.8
<b>C. Financial Account, excl. reserves and related items</b>	<b>555.6</b>	<b>-4,081.6</b>	<b>853.3</b>	<b>1,621.0</b>	<b>1,328.2</b>	<b>1,587.8</b>
Direct investment abroad	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	494.1	403.0	581.5	400.0	414.5	433.4
Portfolio investment	2.5	2.6	2.8	2.9	3.0	3.2
Other investment	59.0	-4,487.3	269.0	1,218.1	910.7	1,151.2
Assets	-90.9	-187.6	34.1	181.7	-333.8	-75.2
Liabilities	150.0	-4,299.6	235.0	1,036.4	1,244.4	1,226.3
<i>Total, Groups A through C</i>	<i>85.9</i>	<i>532.6</i>	<i>282.7</i>	<i>585.4</i>	<i>313.4</i>	<i>28.8</i>
<b>D. Net Errors and Omissions</b>	<b>-314.5</b>	<b>460.7</b>	<b>404.6</b>	<b>148.0</b>	<b>366.2</b>	<b>369.8</b>
<i>Overall balance</i>	<i>-228.7</i>	<i>-460.7</i>	<i>-404.6</i>	<i>-148.0</i>	<i>-366.2</i>	<i>-369.8</i>
<b>E. Reserves and Related Items</b>	<b>228.7</b>	<b>-126.5</b>	<b>-411.4</b>	<b>-147.0</b>	<b>-676.8</b>	<b>-395.4</b>
Reserve assets	254.0	-334.2	6.8	-0.2	310.6	25.6
Use of Fund credit and loans	-50.5	0.0	0.0	0.0	0.0	0.0
Exceptional financing	25.1	0.0	0.0	0.0	0.0	0.0
<b>Memorandum items</b>						
GDP(mp) billions of TZS	15,965.3	17,941.3	20,948.4	24,781.7	28,212.6	32,582.9
GDP(mp) millions of USD	14,139.1	14,308.4	16,838.6	20,715.1	21,368.2	23,120.3
CAB/GDP	-6.1	-8.2	-9.8	-12.5	-8.3	-8.0
CAB/GDP (excl. current official transfers)	-9.5	-12.1	-13.5	-15.4	-11.4	-11.5
Gross Official Reserves	2,049.5	2,136.9	2,724.3	2,872.6	3,552.5	3,948.0
Months of Imports	5.8	5.0	5.2	4.0	5.7	5.3
Net International Reserves (year end)	1,702.5	2,121.4	2,706.6	2,855.1	3,221.6	3,591.6
Change in Net International Reserves	180.5	-418.9	-585.2	-148.4	-366.6	-326.7
Exchange rate (end of period)	1,165.5	1,261.6	1,132.1	1,280.3	1,313.3	1,453.5
Exchange rate (annual average)	1,129.2	1,253.9	1,244.1	1,196.3	1,320.3	1,409.3

**Note:** 1. Change in gross official reserves will not necessarily be equal to reserve assets since a new methodology of computing reserve assets which nets out the impact of valuation was introduced beginning January 2006

2. Annual data on goods export include adjustment for unrecorded cross border trade

r = Revised

p = Provisional

O/W = Of Which

Source: Bank of Tanzania



Table A6 (a): National Consumer Price Index (All - Urban), Percentage Change on the Previous Year - Old Version

Base: Dec.2001

Period Weight (%)	Headline (General Index)	Food	Non-Food											
			Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household	Household operations	Personal care & Health	Recreation & Entertain.	Transportation	Educ- ation	Miscel. goods & services
	100.0	55.9	6.9	6.4	1.4	8.5	2.1	2.1	2.1	2.1	0.8	9.7	2.6	1.5
2004	4.2	5.9	-0.5	2.3	2.3	4.6	0.2	0.9	0.5	0.5	2.1	1.0	0.6	-0.5
2005	4.4	5.9	2.1	-0.5	-0.4	7.7	-1.1	0.5	3.5	3.5	-1.5	4.7	-0.1	-1.4
2006	7.3	7.0	7.7	7.0	5.5	8.5	7.8	2.0	11.2	11.2	5.0	9.1	2.5	8.0
2007	7.0	7.0	10.5	5.9	3.6	6.2	7.9	8.7	2.9	2.9	8.9	7.0	9.7	0.8
2008	10.3	12.7	8.2	1.5	2.4	10.7	6.0	3.2	5.0	5.0	5.5	6.9	7.0	1.8
2009	12.1	17.6	8.8	6.3	12.5	-1.5	6.1	5.2	6.8	6.8	9.2	0.1	10.1	3.3
2007 Jun	5.9	4.6	12.3	7.3	3.2	6.4	8.7	10.1	4.2	4.2	10.1	5.8	10.3	2.5
Jul	9.0	10.3	10.8	5.5	1.7	7.3	7.6	10.7	4.5	4.5	10.6	6.8	8.6	2.0
Aug	7.8	9.2	7.3	6.4	2.1	4.2	6.9	9.5	3.5	3.5	10.8	6.5	8.8	0.0
Sep	8.3	11.4	6.2	4.5	2.8	1.4	4.1	6.5	2.2	2.2	9.7	4.3	9.2	-0.8
Oct	7.1	8.4	7.0	5.4	2.8	3.8	4.6	5.8	1.6	1.6	10.5	5.6	7.8	0.3
Nov	7.3	7.5	10.0	5.2	2.8	6.8	6.6	4.8	2.1	2.1	7.6	6.2	7.8	1.7
Dec	6.4	6.6	10.3	2.5	2.8	8.0	6.2	3.0	1.9	1.9	6.1	5.4	6.8	0.8
2008 -Jan	8.6	10.1	10.4	1.1	2.4	10.1	4.9	3.6	3.7	3.7	5.9	5.7	5.6	2.1
Feb	8.9	11.4	10.2	0.3	2.4	6.8	4.1	2.9	3.4	3.4	4.0	4.9	5.6	1.8
Mar	9.0	11.2	9.1	1.0	1.7	8.3	4.9	2.9	3.1	3.1	4.5	6.0	5.6	1.0
Apr	9.7	11.6	8.6	1.1	2.1	11.3	4.9	2.8	3.3	3.3	4.2	7.6	6.1	1.5
May	9.1	11.0	7.5	1.1	2.1	11.7	5.1	2.5	3.9	3.9	4.2	6.0	6.4	0.4
Jun	9.3	11.4	7.7	0.9	2.1	10.6	5.5	2.8	4.0	4.0	4.0	6.7	6.3	0.4
Jul	9.5	11.2	7.9	1.3	3.5	12.0	5.4	2.0	4.9	4.9	4.4	6.0	7.2	1.8
Aug	9.8	11.1	8.6	-0.1	3.1	12.7	6.9	1.1	5.9	5.9	5.2	9.9	7.9	1.5
Sep	11.6	13.4	8.8	2.2	2.4	15.0	8.2	3.4	6.9	6.9	6.9	9.7	8.3	3.4
Oct	11.8	14.6	8.3	1.8	2.4	12.9	7.9	4	5.9	5.9	6.9	7.9	7.9	3.9
Nov	12.3	16.3	5.5	2.5	2.4	8.7	7.0	4.7	7.3	7.3	8.3	6.9	8.5	2.1
Dec	13.5	18.6	6.0	4.3	2.4	8.1	6.8	5.4	8.0	8.0	8.7	5.1	8.5	1.9
2009-Jan	12.9	18.2	4.8	3.4	12.5	2.6	7.1	4.8	7.7	7.7	9.6	4.2	9.1	3.1
Feb	13.3	18.6	4.9	4.6	12.6	2.5	6.9	5.1	7.6	7.6	10.9	3.4	9.9	3.6
Mar	13.0	18.5	4.3	4.4	12.6	0.3	7.1	4.7	7.7	7.7	10.5	3.2	11.2	3.5
Apr	12.0	17.8	6.1	4.9	12.2	-4.1	7.3	4.6	7.5	7.5	9.2	0.4	10.8	5.6
May	11.3	17.8	6.6	5.0	12.2	-9.0	6.9	5.2	7.1	7.1	8.8	-1.0	10.3	4.1
Jun	10.7	17.0	6.8	7.2	12.2	-10.1	6.0	4.5	7.1	7.1	9.1	-2.0	11.4	3.8
Jul	10.9	16.9	9.9	8.5	12.6	-9.1	6.3	4.5	7.1	7.1	9.0	-1.9	11.7	3.8
Aug	12.1	18.9	10.9	9.8	12.6	-7.2	6.5	6.3	7.5	7.5	8.4	-4.9	10.3	5.0
Sep	12.1	17.3	11.3	8.1	12.6	-0.9	7.0	5.2	7.0	7.0	9.1	-2.0	9.5	3.1
Oct	12.7	18.1	12.1	6.3	12.6	0.5	5.8	5.8	7.0	7.0	8.5	-1.4	9.6	0.9
Nov	12.5	17.1	12.7	6.5	12.8	2.2	4.0	6.6	4.5	4.5	7.7	-0.8	9.1	1.8
Dec	12.2	14.5	12.2	6.6	12.8	14.3	2.6	4.9	3.2	3.2	9.3	3.8	7.8	1.1
2010- Jan	10.9	11.3	10.1	5.3	2.6	23.3	3.5	6.0	3.7	3.7	7.5	3.3	7.5	1.0
Feb	9.6	10.1	11.5	4.5	2.6	20.3	1.6	4.7	4.9	4.9	3.4	3.4	6.0	-1.8
Mar	9.0	9.7	9.7	5.5	2.9	16.3	2.2	5.0	5.6	5.6	3.0	4.1	3.5	-2.0
Apr	9.4	9.8	10.1	3.6	2.8	19.9	1.7	4.7	5.8	5.8	4.4	5.4	2.9	-5.2
May	7.9	8.1	10.1	3.0	2.7	14.5	2.3	2.8	2.3	2.3	2.1	7.6	2.5	-5.0
Jun	7.2	7.1	9.6	0.8	2.7	15.4	2.9	3.1	5.0	5.0	1.6	8.0	0.9	-4.5
Jul	6.3	5.6	7.4	-0.7	1.7	19.5	2.1	3.1	1.7	1.7	0.6	7.0	-0.4	-4.8
Aug	6.6	6.3	7.2	0.6	1.9	16.5	2.6	4.9	3.9	3.9	0.4	7.4	0.3	-6.3
Sep	4.5	4.5	6.7	1.7	1.9	7.1	2.4	4.3	4.1	4.1	-0.7	5.6	0.0	-5.6

Source: National Bureau of Statistics





Table A6 (b): National Consumer Price Index, Percentage Change on the Previous Month (Month-on-Month) - Old Version

Base: Dec. 2001

Period	Weight (%)	Headline (General Index)		Non-Food										Education	Miscel. goods & services			
		100.0	55.9	Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household	Household operations	Personal care & Health	Recreation & Entertain.	Transportation					
2007	Jan	1.3	1.8	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	2.1	2.1	2.1	0.8	9.7	2.6	1.5
	Feb	1.1	0.7	0.6	0.7	1.5	0.9	-0.1	1.9	0.1	-0.9	1.2	0.4	0.4	1.2	0.4	2.6	-0.6
	Mar	0.7	1.2	1.7	0.5	0.9	0.0	4.7	1.8	1.4	0.3	1.7	1.1	1.1	0.9	1.1	0.0	0.9
	Apr	-0.1	-0.1	0.2	0.7	-0.2	0.7	-0.2	-0.8	0.3	0.5	0.9	-0.5	-0.5	0.9	-0.5	0.4	0.9
	May	0.6	-0.1	-0.1	1.6	0.8	0.0	-0.9	0.2	0.9	0.3	-0.1	2.1	2.1	0.4	2.1	0.3	0.8
	Jun	0.1	-0.6	1.0	0.1	0.5	0.0	3.2	0.4	0.3	0.0	0.7	0.5	0.6	0.7	0.5	0.6	0.0
	Jul	0.1	0.1	0.2	0.1	-0.6	0.1	0.2	0.2	0.4	0.2	0.7	1.1	1.1	0.7	1.1	0.2	-0.7
	Aug	-0.9	-1.6	-0.2	-0.6	-1.1	0.4	-0.4	-0.4	-0.4	0.3	0.5	-0.3	-0.3	0.5	-0.3	0.8	-0.8
	Sep	0.6	1.7	-0.9	0.4	-1.1	0.7	-2.3	-1.1	-0.9	-0.3	-0.6	-0.7	-0.7	-0.6	-0.7	0.5	-0.6
	Oct	0.4	-0.1	1.0	1.4	1.2	0.0	1.1	1.1	0.4	1.1	1.1	0.9	0.9	1.1	0.9	0.4	0.5
	Nov	1.1	1.5	0.6	2.9	0.1	0.0	0.0	1.0	-0.4	0.4	-0.8	0.4	0.4	0.0	0.4	0.0	0.8
	Dec	1.3	2.0	0.1	0.6	-0.8	0.0	-0.6	1.1	0.1	0.2	0.4	0.4	0.4	0.4	0.4	0.9	-0.3
2008-	Jan	3.4	5.2	0.9	0.8	0.0	0.4	1.9	0.7	0.7	0.8	0.9	0.7	0.8	0.9	0.7	1.3	0.7
	Feb	1.4	1.9	0.6	0.4	0.0	0.0	1.6	1.0	0.6	0.0	-0.1	0.4	0.4	-0.1	0.4	0.0	0.6
	Mar	0.9	0.9	0.7	0.8	0.5	0.0	1.2	0.0	0.3	0.2	0.4	0.6	0.6	0.4	0.6	0.4	0.1
	Apr	0.5	0.3	1.0	0.3	0.1	0.4	1.8	0.2	0.8	0.5	0.6	1.4	1.4	0.6	1.4	0.7	0.4
	May	0.1	-0.6	1.2	0.1	0.8	0.0	3.6	0.8	0.4	0.5	0.4	0.5	0.5	0.4	0.5	0.6	-0.3
	Jun	0.2	-0.3	1.0	0.3	0.3	0.0	2.1	0.8	0.6	0.1	0.5	1.1	1.1	0.5	1.1	0.5	0.0
	Jul	0.3	-0.1	0.7	0.3	-0.2	1.5	1.5	0.1	-0.3	1.0	1.2	0.4	0.4	1.2	0.4	1.1	0.7
	Aug	-0.7	-1.6	0.7	0.0	-1.0	0.0	0.2	1.1	-1.3	1.2	1.2	3.4	3.4	1.2	3.4	1.4	-1.1
	Sep	2.2	3.7	0.1	0.6	1.1	0.0	-0.3	0.1	1.4	0.7	1.0	-0.9	-0.9	1.0	-0.9	0.9	1.3
	Oct	0.6	1.0	0.0	0.9	0.8	0.0	-0.7	0.8	1.0	0.2	1.0	-0.7	-0.7	1.0	-0.7	0.0	1.1
	Nov	1.5	3.1	-0.8	0.3	0.7	0.0	-3.7	0.2	0.3	1.7	0.5	-0.6	-0.6	0.5	-0.6	0.5	-0.9
	Dec	2.3	4.0	-0.2	0.5	1.0	0.0	-1.2	0.8	0.8	0.8	0.8	-1.3	-1.3	0.8	-1.3	0.9	-0.6
2009-	Jan	2.9	4.8	-0.2	0.7	-0.8	10.4	-3.3	1.0	0.2	0.5	1.8	-0.2	-0.2	1.8	-0.2	1.9	1.9
	Feb	1.7	2.3	0.6	0.3	1.2	0.1	1.5	0.9	0.9	-0.1	1.1	-0.4	-0.4	1.1	-0.4	0.7	1.0
	Mar	0.6	0.8	0.2	1.2	0.4	0.0	-0.9	0.2	-0.1	0.3	0.0	0.4	0.4	0.0	0.4	1.5	0.0
	Apr	-0.4	-0.3	-0.5	0.8	0.5	0.1	-2.6	0.4	0.7	0.3	-0.6	-1.3	-1.3	-0.6	-1.3	0.3	2.4
	May	-0.5	-0.6	-0.4	0.5	0.8	0.0	-1.7	0.4	1.0	0.2	0.0	-1.0	-1.0	0.0	-1.0	0.1	-1.6
	Jun	-0.4	-1.0	0.7	0.5	2.4	0.0	0.9	0.0	-0.1	0.6	0.8	0.6	0.6	0.8	0.6	1.5	-0.4
	Jul	0.5	-0.2	1.6	3.3	1.0	1.8	2.6	0.4	-0.4	0.5	1.1	0.6	0.6	1.1	0.6	1.3	0.7
	Aug	0.4	0.1	0.9	0.9	-0.4	0.0	2.4	1.2	0.5	1.6	0.6	0.2	0.2	0.6	0.2	0.1	0.1
	Sep	2.2	2.3	2.2	1.0	-0.4	0.0	6.4	0.5	0.3	0.2	1.6	2.1	2.1	1.6	2.1	0.2	-0.6
	Oct	1.1	1.6	0.2	1.6	-0.8	0.0	0.6	-0.2	1.6	-0.2	0.5	0.0	0.0	0.5	0.0	0.2	-0.2
	Nov	1.4	2.2	-0.1	0.8	1.0	0.2	-2.1	-1.6	1.0	-0.7	-0.2	0.0	0.0	-0.2	0.0	0.1	-0.1
	Dec	2.1	1.6	3.2	0.1	1.0	1.3	10.5	-0.6	-0.8	-0.4	2.3	3.2	3.2	2.3	3.2	-0.3	-1.3
2010-	Jan	1.7	1.9	1.2	0.6	-2.0	0.4	4.8	1.8	1.2	1.0	0.1	-0.7	-0.7	0.1	-0.7	1.6	1.9
	Feb	0.6	1.2	-0.4	-0.2	0.4	0.1	-1.0	-0.9	-0.3	1.1	-2.8	-0.3	-0.3	-2.8	-0.3	1.1	-1.8
	Mar	0.1	0.5	-0.7	-0.4	1.3	0.2	-4.2	0.8	0.2	0.9	-0.4	1.2	1.2	-0.4	1.2	-0.8	-0.2
	Apr	-0.1	-0.1	0.1	1.1	-1.3	0.0	0.4	-0.1	0.5	0.5	0.8	-0.1	-0.1	0.8	-0.1	-0.3	-0.1
	May	-1.8	-2.1	-1.3	0.5	0.3	-0.1	-1.6	0.9	-0.8	0.0	-2.1	1.0	1.0	-2.1	1.0	-0.2	1.4
	Jun	-1.1	-2.0	0.5	0.0	0.2	0.0	1.7	0.6	0.2	0.0	0.2	0.5	0.5	0.2	0.5	-0.1	0.2
	Jul	-0.4	-1.5	1.6	0.9	-0.4	0.8	6.2	-0.4	-0.4	0.2	0.1	-0.3	-0.3	0.1	-0.3	0.0	0.4
	Aug	0.7	0.8	0.6	1.1	1.4	0.2	-0.3	1.6	2.2	0.8	0.5	0.6	0.6	0.5	0.6	0.8	-1.5
	Sep	0.2	0.5	-0.2	0.5	0.7	0.0	-2.2	0.4	-0.2	0.5	0.5	0.4	0.4	0.5	0.4	-0.2	0.1

Note: Base (1) 2001=100 up to 2005 (2) Dec 2001=100 from January 2006

Source: National Bureau of Statistics

**Table A6 (i) : National Consumer Price Index (Urban & Rural), Percentage Change on the Previous Year (Main Groups)**

September 2010 = 100

Period	Headline Overall Index	Food & Non Alcoholic Beverages (Exclude Food consumed at Restaurants)	Transport	Housing, Water, Electricity, Gas & Other Fuel	Furnishing, Housing Equipment & Routine Maintenance of House	Clothing & Footwear	Restaurants and Hotels	Miscel. Goods and Services	Alcoholic and Tobacco	Communication	Education	Recreation & Culture	Health
<b>Weight (%)</b>	<b>100.0</b>	<b>47.8</b>	<b>9.5</b>	<b>9.2</b>	<b>6.7</b>	<b>6.7</b>	<b>6.4</b>	<b>4.5</b>	<b>3.3</b>	<b>2.1</b>	<b>1.7</b>	<b>1.3</b>	<b>0.9</b>
<b>2010 - Sep</b>	<b>4.5</b>												
Oct	4.2	5.2	-1.0	10.2	3.5	4.9	-1.5	4.6	4.1	1.2	-0.7	3.4	-1.4
Nov	5.5	7.1	0.1	14.4	4.6	4.7	-1.5	5.2	2.5	1.2	-2.1	3.2	-1.1
Dec	5.6	7.3	0.6	12.1	5.7	5.5	-1.4	4.4	2.0	0.8	-2.5	3.0	-1.2
2011 - Jan	6.4	7.1	1.8	5.8	7.2	17.7	0.6	4.0	0.3	-0.2	3.5	2.2	2.9
Feb	7.5	9.2	0.3	11.1	13.9	8.6	3.9	1.1	3.0	-1.3	3.2	3.5	2.1
Mar	8.0	8.6	3.3	13.6	14.5	9.5	5.7	4.0	2.7	-1.8	2.8	3.8	1.4
Apr	8.6	9.7	3.9	13.4	13.6	9.4	5.2	3.4	5.6	-2.0	2.2	3.1	1.4
May	9.7	10.4	8.0	15.7	14.1	9.8	7.4	3.8	6.8	-2.2	3.1	2.4	2.1
Jun	10.9	12.3	8.4	18.8	14.4	9.8	6.7	2.8	5.8	-2.0	3.5	3.6	1.5
Jul	13.0	15.9	9.9	21.3	14.5	9.4	6.8	3.5	5.0	-1.4	4.2	3.1	1.6

Source: National Bureau of Statistics

**Table A6 (ii): National Consumer Price Index (Urban & Rural), Percentage Change on the Previous Year (Others Selected Groups)**

September 2010 = 100

Period	Food & Non Alcoholic Beverages (Combining Food consumed at Home and Food Consumed in Restaurants)		Non-Food		
	Food & Non Alcoholic Beverages (Combining Food consumed at Home and Food Consumed in Restaurants)	Total Non- Food (All Items Less Food)	All Items Less Food and Energy	Energy and Fuels (Combining Electricity and Other fuels for use at Home with Petrol and Diesel)	
<b>Weight (%)</b>	<b>51.0</b>	<b>49.0</b>	<b>43.3</b>	<b>5.7</b>	
<b>2010 - Sep</b>	<b>4.5</b>	<b>4.7</b>			
Oct	4.4	3.9	3.5	6.8	
Nov	6.0	4.9	3.7	14.6	
Dec	6.3	4.7	3.7	12.3	
2011 - Jan	6.7	6.1	4.4	19.1	
Feb	8.6	6.1	5.2	13.0	
Mar	8.3	7.7	6.3	17.2	
Apr	9.7	7.8	5.7	22.1	
May	10.1	9.3	7.1	24.5	
Jun	11.7	10.0	7.2	29.0	
Jul	14.8	10.8	7.4	34.2	

Source: National Bureau of Statistics



Table A7: National Debt Developments

Item	2009/10	2010/11										2011/12
		Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11
<b>1. Overall Total Debt Committed<sup>2</sup></b>	<b>9,548.3</b>	<b>9,850.1</b>	<b>9,986.9</b>	<b>9,887.3</b>	<b>10,006.9</b>	<b>10,501.3</b>	<b>10,809.2</b>	<b>11,023.5</b>	<b>11,653.2</b>	<b>11,561.1</b>	<b>11,580.8</b>	<b>11,737.1</b>
Disbursed outstanding debt	6,558.3	6,849.6	6,931.9	6,928.9	6,969.7	7,017.9	7,282.7	7,331.0	7,768.3	7,737.4	7,843.7	7,939.4
Undisbursed debt	2,990.0	3,000.5	3,055.0	2,958.4	3,037.2	3,483.4	3,526.5	3,692.5	3,884.8	3,823.6	3,737.1	3,797.7
<b>2. Disbursed Debt by Creditor Category<sup>2</sup></b>	<b>6,558.3</b>	<b>6,849.56</b>	<b>6,931.9</b>	<b>6,928.9</b>	<b>6,969.7</b>	<b>7,017.9</b>	<b>7,282.7</b>	<b>7,331.0</b>	<b>7,768.3</b>	<b>7,737.4</b>	<b>7,843.7</b>	<b>7,939.4</b>
Bilateral debt	955.4	956.5	908.0	900.5	909.6	938.4	942.4	943.6	962.3	962.5	978.7	995.4
Multilateral debt	4,204.8	4,442.0	4,570.4	4,585.6	4,613.5	4,652.9	4,845.2	4,920.6	5,262.2	5,245.4	5,250.2	5,283.6
Commercial debt	815.2	850.4	857.6	855.3	858.8	895.8	945.9	929.4	983.4	919.7	1,037.9	1,084.8
Export credits	582.9	600.7	595.8	587.6	587.9	530.9	549.2	537.4	560.4	609.8	576.9	575.5
<b>3. Disbursed Debt by Borrower Category<sup>2</sup></b>	<b>6,558.3</b>	<b>6,849.6</b>	<b>6,931.9</b>	<b>6,928.9</b>	<b>6,969.7</b>	<b>7,017.9</b>	<b>7,282.7</b>	<b>7,331.0</b>	<b>7,768.3</b>	<b>7,737.4</b>	<b>7,843.7</b>	<b>7,939.4</b>
Central Government	4,816.9	5,046.3	5,126.8	5,137.8	5,174.1	5,263.6	5,511.8	5,556.2	5,975.0	5,952.5	6,057.9	6,150.7
Parastatal Companies	534.7	553.6	553.9	548.4	549.6	537.5	551.9	554.3	563.9	558.1	557.8	558.9
Private Sector	1,206.7	1,249.7	1,251.1	1,242.7	1,246.1	1,216.9	1,219.1	1,220.5	1,229.4	1,226.8	1,228.0	1,229.8
<b>4. Disbursed Debt by Use of Funds<sup>2</sup></b>	<b>6,558.3</b>	<b>5,722.6</b>	<b>6,931.9</b>	<b>6,928.9</b>	<b>6,969.7</b>	<b>7,017.9</b>	<b>7,282.7</b>	<b>7,331.0</b>	<b>7,768.3</b>	<b>7,737.4</b>	<b>7,843.7</b>	<b>7,939.4</b>
BOP & Budget Support	2,121.2	2,149.4	2,149.1	2,143.8	2,155.3	2,199.4	1,895.4	1,887.0	2,371.8	2,362.3	2,345.5	2,374.2
Transport & Telecommunication	720.2	762.6	770.7	788.6	794.2	888.5	927.5	940.0	960.3	956.5	990.4	1,005.5
Agriculture	712.2	685.4	694.2	738.9	743.3	738.8	813.6	827.8	830.3	827.0	837.4	840.4
Energy & Mining	802.2	720.8	712.9	652.1	655.6	660.3	624.9	645.0	738.1	735.2	728.4	737.5
Industries	178.8	214.9	214.1	206.3	206.5	195.6	186.8	221.8	202.2	201.4	201.7	201.8
Social Welfare & Education	874.8	938.6	982.4	993.5	998.4	1,023.7	1,114.3	1,304.7	1,200.6	1,195.8	1,201.1	1,212.2
Finance and Insurance	88.4	154.6	158.9	157.7	158.6	152.9	158.5	182.2	189.3	188.5	188.9	190.3
Tourism	101.8	96.3	96.4	104.9	104.6	109.2	108.2	109.4	115.6	115.1	123.2	123.2
Others	958.6		1,153.3	1,142.9	1,153.2	1,049.5	1,453.6	1,213.0	1,160.1	1,155.5	1,224.2	1,254.4
<b>5. Total Amount of Loan Contracted<sup>1</sup></b>	<b>903.1</b>	<b>55.7</b>	<b>6.8</b>	<b>3.4</b>	<b>0.8</b>	<b>17.7</b>	<b>19.8</b>	<b>77.7</b>	<b>136.9</b>	<b>24.5</b>	<b>1.0</b>	<b>0.0</b>
Government	647.8	0.0	0.0	0.0	0.0	0.0	0.0	71.1	128.7	18.3	0.0	0.0
Parastatal Companies	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	255.2	55.7	6.8	3.4	0.8	17.7	19.8	6.6	8.2	6.2	1.0	0.0
<b>6. Disbursements<sup>1</sup></b>	<b>1,075.1</b>	<b>95.5</b>	<b>46.2</b>	<b>40.9</b>	<b>40.0</b>	<b>138.0</b>	<b>69.1</b>	<b>19.3</b>	<b>24.2</b>	<b>47.3</b>	<b>63.5</b>	<b>151.8</b>
Government	811.5	84.8	39.0	32.7	39.0	85.1	69.1	19.3	17.0	46.7	63.5	58.9
Parastatal Companies	92.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private	171.0	10.7	7.2	8.2	1.0	52.9	0.0	0.0	7.2	0.6	0.0	92.9
<b>7. Scheduled Debt Service<sup>1</sup></b>	<b>267.2</b>	<b>13.5</b>	<b>29.5</b>	<b>21.8</b>	<b>49.9</b>	<b>35.5</b>	<b>11.6</b>	<b>77.0</b>	<b>20.1</b>	<b>27.3</b>	<b>36.5</b>	<b>34.2</b>
<b>8. Actual Debt Service<sup>1</sup></b>	<b>75.9</b>	<b>13.7</b>	<b>14.7</b>	<b>20.4</b>	<b>6.0</b>	<b>5.1</b>	<b>1.3</b>	<b>8.8</b>	<b>8.5</b>	<b>7.2</b>	<b>9.4</b>	<b>8.6</b>
Principal	39.1	8.4	8.2	16.3	3.7	3.2	0.5	4.7	3.5	1.7	4.6	3.5
Interest	36.8	5.2	6.5	4.1	2.3	1.9	0.7	4.1	5.1	5.5	4.8	5.1
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>9. Net Transfers<sup>1</sup></b>	<b>999.2</b>	<b>81.8</b>	<b>31.5</b>	<b>20.5</b>	<b>34.0</b>	<b>132.9</b>	<b>67.8</b>	<b>10.5</b>	<b>15.6</b>	<b>40.1</b>	<b>54.1</b>	<b>143.2</b>
<b>10. Total Arrears by Creditors Category<sup>2</sup></b>	<b>2,761.5</b>	<b>2,834.4</b>	<b>2,751.1</b>	<b>2,762.2</b>	<b>2,842.3</b>	<b>2,748.9</b>	<b>2,826.3</b>	<b>2,916.7</b>	<b>2,976.3</b>	<b>3,005.1</b>	<b>3,088.1</b>	<b>3,097.1</b>
<b>Principal</b>	<b>1,122.0</b>	<b>1,138.7</b>	<b>1,102.3</b>	<b>1,111.3</b>	<b>1,136.4</b>	<b>1,097.0</b>	<b>1,140.3</b>	<b>1,221.7</b>	<b>1,237.5</b>	<b>1,250.8</b>	<b>1,294.3</b>	<b>1,304.8</b>
Bilateral	464.5	472.2	422.4	416.6	426.9	424.8	453.0	453.8	457.9	452.9	459.6	460.0
Multilateral	17.0	18.2	18.3	11.7	12.4	13.5	13.7	13.8	14.1	14.0	15.1	14.7
Commercial	384.7	392.4	402.5	414.3	422.9	417.4	424.0	450.2	458.0	475.5	492.9	493.2
Export Credits	255.8	255.9	259.2	268.7	274.2	241.3	249.6	303.8	307.5	308.4	326.7	336.9
<b>Interest</b>	<b>1,639.5</b>	<b>1,695.6</b>	<b>1,648.8</b>	<b>1,650.8</b>	<b>1,705.9</b>	<b>1,651.9</b>	<b>1,686.0</b>	<b>1,695.1</b>	<b>1,738.9</b>	<b>1,754.3</b>	<b>1,793.8</b>	<b>1,792.3</b>
Bilateral	720.7	748.2	680.5	674.2	703.7	697.4	714.3	715.8	726.0	725.3	730.9	729.7
Multilateral*	17.0	18.2	18.3	18.2	20.0	13.1	13.2	14.7	15.2	16.6	17.4	16.8
Commercial	603.9	625.8	639.9	639.9	660.1	627.4	642.5	647.8	674.9	680.7	697.2	695.7
Export Credits	297.9	303.5	310.2	318.5	322.2	314.0	315.9	316.8	322.8	331.7	348.3	350.1
<b>11. External Debt Stock</b>	<b>8,197.8</b>	<b>8,545.2</b>	<b>8,580.6</b>	<b>8,579.7</b>	<b>8,675.5</b>	<b>8,669.8</b>	<b>8,968.7</b>	<b>9,026.0</b>	<b>9,507.2</b>	<b>9,491.7</b>	<b>9,637.5</b>	<b>9,731.7</b>
<b>12. Domestic Debt Stock</b>	<b>2,009.5</b>	<b>2,277.5</b>	<b>2,276.6</b>	<b>2,288.3</b>	<b>2,309.9</b>	<b>2,261.6</b>	<b>2,244.6</b>	<b>2,303.3</b>	<b>2,292.8</b>	<b>2,307.0</b>	<b>2,364.1</b>	<b>2,381.0</b>
<b>13. Total Debt Stock</b>	<b>10,207.3</b>	<b>10,822.7</b>	<b>10,857.2</b>	<b>10,868.0</b>	<b>10,985.4</b>	<b>10,931.4</b>	<b>11,213.4</b>	<b>11,329.3</b>	<b>11,800.0</b>	<b>11,798.7</b>	<b>12,001.6</b>	<b>12,112.8</b>
End Period Exchange Rate	1,379.4	1,483.8	1,482.0	1,470.5	1,453.5	1,483.3	1,500.5	1,490.8	1,497.1	1,518.3	1,579.7	1,569.7

Note: \*Multilateral arrears are those owed by the private companies

1) During the period (2) Position as at the end of period.

Source: Bank of Tanzania





## **GLOSSARY**



### **Currency in Circulation Outside Banks**

Notes and coins of Tanzanian shillings circulating outside the banking system, i.e. outside the Bank of Tanzania and deposit money banks.

### **Discount Rate also known as Bank Rate**

The rate of interest the Bank of Tanzania charges on Loans it extends to Commercial Banks and overdrafts to government.

### **Exchange Rate**

This is the price at which one unit of a currency can be purchased with another currency, e.g. TZS per US dollar.

### **Lombard Facility**

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

### **Lombard Rate**

This is the rate payable for the use of the Lombard Facility. The rate is based on the prevailing 35-days Treasury bill yield, 7-days REPO rate and overnight inter-bank rate, whichever is higher plus 20 percent.

### **Money Supply, M**

The sum of currency circulating outside banks and Tanzanian residents' deposits with depository corporations, are 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).

### **M1, Narrow Money**

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

### **M2, Broad Money**

Is equivalent to narrow money (M1) plus time and savings deposits of the Tanzanian residents with depository corporations.

### **M3, Extended Broad Money**

Consists of, broad money (M2) plus foreign currency deposits of the Tanzanian residents with 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**

This consists of all resident financial corporations and quasi-corporations, except the central bank, whose principal activity is financial intermediation and which have liabilities in the form of deposits or financial instruments which are close substitutes for deposits in mobilizing financial resources and which are included in measures of money broadly defined (SNA 1993).

### **Repurchase Agreement (REPO)**

These are agreements for the BOT to purchase/sale 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 BoT at the end of the period.

### **Reserve Money (M0)**

The Bank of Tanzania's liabilities in the form of: (1) currency in circulation outside the Bank of Tanzania and (2) deposit money banks' deposits with the Bank of Tanzania. Reserve money is also referred to as base money, or high-powered money.

### **Seasonally Adjusted Series**

Seasonal movements or seasonal variations, refer to identical, or almost identical patterns, which a time series appears to follow during corresponding months or quarters of each year. Such movements are due to recurring events, which take place annually, e.g. the harvest season. Seasonally adjusted series are series that have been processed to remove the impact of seasonal factors.

### **Weighted Annualized Yields of Treasury Bills of all Maturities**

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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