



**BANK OF TANZANIA**



**MONTHLY  
ECONOMIC  
REVIEW**

June 2011



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# 1.0 Inflation Developments

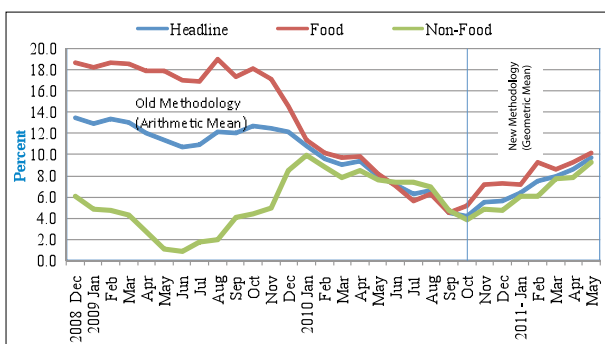
**Annual headline inflation rate** increased to 9.7 percent in May 2011 from 8.6 percent in April 2011. The increase was mainly associated with the rise in food, energy and fuel prices (Table 1.1 and Chart 1.1).

During the period, prices of fish, eggs, edible oils, mangoes, beans, tomatoes, potatoes, pastry cook products and mineral water increased, leading to the rise in inflation for food and non-alcoholic beverages group. Meanwhile, **month-to-month food inflation** decreased to 0.4 percent from 1.1 percent in April 2011, reflecting the onset of seasonal harvests.

**Non-food inflation rate** went up to 9.3 percent from 7.8 percent, mostly driven by the increase in the prices of beer, clothing materials, gas, tobacco, kerosene, diesel, petrol, and passenger fares. However, month-to-month non-food inflation decreased to 0.9 percent in May 2011 from 1.1 percent in April 2011.

**Annual inflation rate** excluding food and energy rose to 7.1 percent in May 2011 from 5.7 percent in April 2011. Similarly, month-to-month core inflation increased to 0.5 percent from 0.2 percent recorded in April 2011 due to the second-round effects of energy prices.

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



Source: Bank of Tanzania

**Table 1.1: Annual Percentage Changes in the New National Consumer Price Index**

(Base: Sept 2010 = 100)

	Weight	Percentage change		
		Apr-10 - Apr-11	April-May 11	May-10 - May-11
<b>Main Groups</b>				
Headline/All items	100	8.6	0.7	9.7
Food and Non Alcoholic Beverages	47.8	9.7	0.4	10.4
Transport	9.5	3.9	1.7	8.0
Housing, Water, Electricity, Gas and Other Fuel	9.2	13.4	1.8	15.7
Clothing and Footwear	6.7	9.4	0.5	9.8
Furnishing, Housing Equip. and House Maintenance	6.7	13.6	0.3	14.1
Restaurants and hotels	6.4	5.2	1.6	7.4
Alcoholic and Tobacco	3.3	5.6	0.7	6.8
Communication	2.1	-2	0.0	-2.2
Education	1.7	2.2	0.0	3.1
Recreation and Culture	1.3	3.1	0.1	2.4
Health	0.9	1.4	0.2	2.0
Miscellaneous goods and services	4.5	3.4	0.2	3.8
<b>Other Selected Groups</b>				
Food and Non-alcoholic Beverages-combining food consumed at home and food consumed in restaurants	51	9.2	0.6	10.1
Energy and Fuels-combining electricity and other fuels for use at home with petrol and diesel	5.7	22.1	3.6	24.5
All Items Less Food (Non-Food)	49	7.8	0.9	9.3
All Items Less Food and Energy	43.3	5.7	0.5	7.1

Source: National Bureau of Statistics

## Food Supply Situation

Food supply in the country improved in May 2011, signalling the onset of seasonal harvests. However, there were some areas that reported food shortages in Bariadi, Kahama, Kishapu, Musoma Municipal, Same, Mvomero, Longido, Hanang and Mpwapwa.

In the month under review, wholesale prices for major food crops decreased, except for rice and beans. However, on annual basis, average wholesale prices for all major food crops increased (Table 1.2).

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

TZS per 100 kg

Items	2010 May	2011		Percentage Change	
		Apr	May	Apr to May 2011	May 2010 to May 2011
Maize	29,774.0	43,706.0	41,943.0	-4.0	40.9
Rice	95,416.0	119,119.0	123,766.8	3.9	29.7
Beans	95,495.0	115,640.0	119,515.2	3.4	25.2
Sorghum	33,361.5	63,768.0	61,306.9	-3.9	83.8
Potatoes	49,321.0	56,014.0	55,372.1	-1.1	12.3

Source: Ministry of Industry, Trade and Marketing

## The National Food Reserves

Stock of maize and sorghum held by the National Food Reserve Agency (NFRA) at the end of May 2011 decreased to 191,419 tons from 215,662 tons recorded at the end of April 2011. During the same period, 46,498.7 tons of grains were purchased by the Government and distributed to prisons and areas facing food shortages (Table 1.3). No grain procurement was undertaken in May 2011.



**Table 1.3: National Food Reserve Agency (NFRA) Stock**

Period	Tons					% Change 2010-2011
	2007	2008	2009	2010	2011	
January	112,343	139,765	128,919	66,267	220,035	232.0
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		
July	129,306	75,438	88,841	47,143		
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

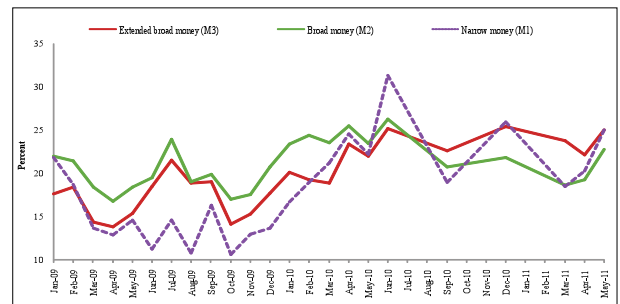
## 2.0 Monetary and Financial Markets Developments

### Money Supply and Credit Developments

In May 2011, extended broad money supply (M3) recorded an annual growth rate of 25.1 percent, compared with 22.2 percent recorded in the preceding month, and 22.0 percent in May 2010 (Chart 2.1). The development was mainly explained by the increase in the growth of credit to the private sector and net government borrowing from the banking system.

Credit to the private sector grew by 24.6 percent in the year ending May 2011, compared with 20.4 percent and 13.7 percent recorded in the year ending April 2011 and May 2010, respectively. On the other hand, the Government borrowed on net basis TZS 1,106.7 billion, compared with TZS 930.3 billion recorded in the year ending April 2011 and TZS 647.5 billion in the year ending May 2010. These developments partly translated into increase in growth of Net Domestic Assets (NDA) of the banking system to about 40 percent, from 25.3 percent in the year to May 2010, and accounted for 74.6 percent of the expansion in money supply (Table 2.1).

**Chart 2.1: Annual Growth Rates of Monetary Aggregates**



Source: Bank of Tanzania

**Table 2.1: Selected Money Supply Components**

	Billions of TZS											
	Outstanding Stock			Monthly Change			Annual Change			Annual Growth Rate (%)		
	May-10	Apr-11	May-11	May-10	Apr-11	May-11	May-10	Apr-11	May-11	May-10	Apr-11	May-11
Net Foreign Assets of the Banking System	4,937.4	5,749.7	5,527.1	-218.1	-55.3	-222.6	796.6	594.2	589.7	19.2	11.5	11.9
Bank of Tanzania	3,947.5	4,582.7	4,433.7	-52.1	67.3	-149.0	571.2	583.1	486.2	15.1	14.6	12.3
Net International Reserves (Millions of USD)	3,148.5	3,368.5	3,224.3	-115.3	39.5	-144.2	483.2	104.8	75.8	18.1	3.2	2.4
Banks	989.9	1,167.0	1,093.4	-166.0	-122.6	-73.6	279.4	11.1	103.5	39.3	1.0	10.5
Net Domestic Assets of the Banking System	4,347.0	5,684.2	6,083.2	142.6	255.1	399.1	877.0	1,479.7	1,736.2	25.3	35.2	39.9
Domestic Claims	5,707.5	7,691.4	8,124.2	34.8	142.4	432.8	1,288.5	2,018.7	2,416.7	29.2	35.6	42.3
Claims on Central Government (net)	381.5	1,269.2	1,488.3	42.7	41.8	219.1	647.5	930.3	1,066.7	-	-	-
Claims on Central Government	3,217.3	3,878.2	3,953.4	135.8	54.5	75.2	937.1	796.7	736.1	41.1	25.9	22.9
o/w Securities held by banks	2,094.9	2,453.0	2,449.4	162.5	70.1	16.4	672.9	500.5	354.4	47.3	25.9	16.9
Liabilities to Central Government	2,835.7	2,609.0	2,465.1	93.1	12.7	-143.9	289.6	-133.6	-370.7	11.4	-4.9	-13.1
Claims on Other Sectors	5,326.0	6,422.2	6,635.9	-7.9	100.6	213.7	641.0	1,088.3	1,309.9	13.7	20.4	24.6
Extended Broad Money Supply (M3)	9,284.5	11,433.9	11,610.4	-75.4	199.8	176.5	1,673.6	2,073.9	2,325.9	22.0	22.2	25.1
Foreign Currency Deposits (FCD) in National Currency	2,376.3	3,124.5	3,131.6	-16.2	59.9	7.0	360.0	732.0	755.2	17.9	30.6	31.8
FCD in Millions of USD	1,727.0	2,087.1	2,062.5	-53.8	31.3	-24.6	188.3	306.3	335.5	12.2	17.2	19.4
Broad Money Supply (M2)	6,908.2	8,309.3	8,478.8	-99.2	140.0	169.5	1,313.6	1,341.9	1,570.7	23.5	19.3	22.7
Non-transferable Deposits in National Currency	3,143.3	3,718.9	3,733.3	-7.8	-1.5	54.4	628.4	567.7	630.0	25.0	18.0	20.0
Narrow Money Supply (M1)	3,764.8	4,590.5	4,705.5	-51.4	141.5	115.1	685.2	774.2	940.7	22.2	20.3	25.0
Currency in Circulation	1,594.2	1,854.1	1,911.9	30.9	-1.1	57.8	227.9	310.8	317.7	16.7	20.1	19.9
Transferable Deposits in National Currency	2,170.7	2,736.4	2,793.7	-102.3	142.5	57.3	457.3	463.4	623.0	26.7	20.4	28.7
<b>Memorandum Items</b>												
Net Claims on Central Government (Domestic Credit) (%)	6.7	16.5	18.3									
Claims on Private Sector (Domestic Credit) (%)	93.3	83.5	81.7									
FCD/M3 (%)	25.6	27.3	27.0									
Nominal Exchange Rate (End of Period) (TZS/USD)	1,376.0	1,497.1	1,518.3									
Gross Official Reserves (Millions of USD)	3,488.3	3,739.7	3,591.1									
Gross official reserves in months of imports	5.1	4.6	4.4									
Foreign Assets of Banks (Millions of USD)	862.5	1,050.7	1,030.1									
Gross Foreign Assets of Banking System (Millions of USD)	4,320.8	4,790.4	4,621.2									

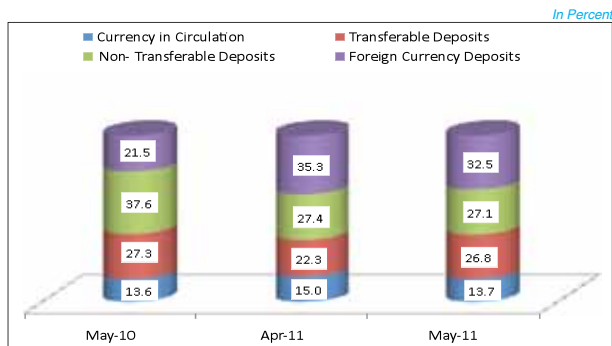
Source: Bank of Tanzania

Banks' credit to major economic activities continued to grow, driven by higher growth in trade activities, building and construction, as well as hotels and restaurants. As a proportion of total outstanding credit, personal loans continued to account for the largest share, followed by trade, manufacturing, agriculture, and transport and communication activities.

During the period under review, foreign currency deposits continued to account for the largest share of the annual change in M3, on account of the increase in the holding of foreign currency deposits. This development was mainly associated with the general strengthening of the US dollar against major currencies (Chart 2.2). As a share of M3, foreign currency deposits remained fairly stable, as well as other components of money supply (Chart 2.3).

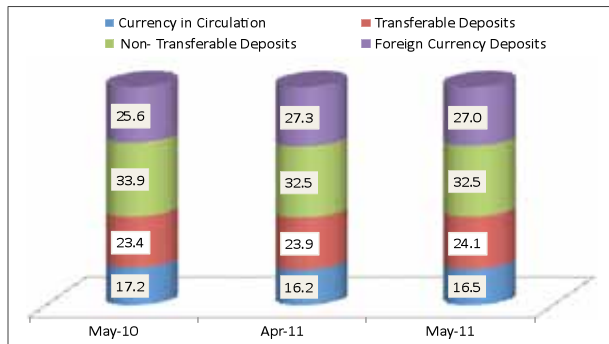


**Chart 2.2: Annual Contribution to Change in M3**



Source: Bank of Tanzania

**Chart 2.3: Percentage Share to M3**



Source: Bank of Tanzania

## Interest Rates Developments

In May 2011, money market interest rates continued to decline from the levels registered in January 2011. This trend reflects high level of liquidity among banks, as indicated in the oversubscription of government securities' auctions. After having increased from 2.68 percent in May 2010 to 7.14 percent in January 2011, overall Treasury bills weighted average yield declined gradually to 4.54 percent in May 2011. Overnight interbank and repo rates remained below 2.5 percent for three months in a row from over 6.0 percent recorded in January 2011. Notwithstanding the decline in money market interest rates, the 12-months time deposit rate and one year lending rate remained passive (Table 2.2).

**Table 2.2: Interest Rates Structure**

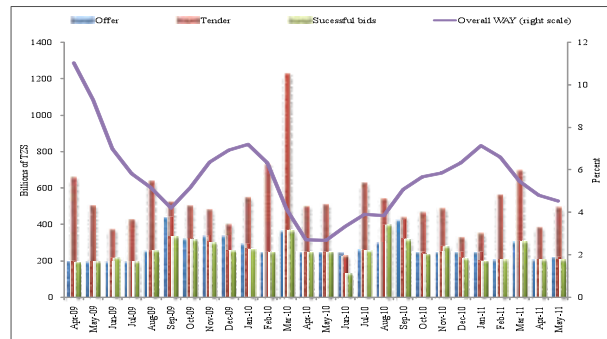
Item	2010					2011				
	Feb-10	May	Jun	Sep	Dec	Jan	Feb	Mar	Apr	May
Overall interbank cash market rate	1.89	0.87	0.97	1.65	5.26	7.93	3.54	1.86	1.84	1.84
Overnight interbank cash market	1.66	0.67	0.86	1.68	5.19	7.99	3.40	1.86	1.80	2.35
REPO Rate	1.22	0.65	0.54	0.90	3.22	6.06	4.04	2.37	1.77	1.38
Discount Rate	7.58	7.58	7.58	7.58	7.58	7.58	7.58	7.58	7.58	7.58
Overall Treasury bills rate	6.32	2.68	3.33	5.06	6.32	7.14	6.58	5.46	4.80	4.54
35 days	4.09	0.89	0.65	1.62	1.33	4.71	4.54	3.92	3.51	2.86
91 days	5.57	2.16	2.89	3.89	5.24	6.37	5.92	4.82	4.26	3.91
182 days	6.33	2.26	2.59	4.77	6.20	6.61	6.55	5.39	5.01	4.93
364 days	8.24	4.96	6.08	6.96	7.67	8.33	7.55	5.99	6.11	6.50
Savings Deposit Rate	2.89	2.82	2.82	2.57	2.43	2.46	2.70	2.66	2.41	2.35
Treasury Bonds Rates										
2-years	9.40	9.40	8.79	9.82	10.35	10.35	8.65	8.65	8.13	8.13
5-years	13.77	9.52	9.52	9.70	11.58	11.58	10.27	10.27	10.27	10.65
7-years	14.15	10.38	10.38	10.85	11.88	12.27	12.27	12.02	12.02	12.26
10-years	16.73	11.99	11.68	13.00	13.59	13.84	13.84	14.15	14.15	14.15
Overall Time Deposits Rate	5.84	5.79	5.90	6.04	5.99	5.89	5.41	5.43	5.39	5.79
12 month time deposit rate	8.85	8.58	8.48	7.16	7.10	7.33	7.34	7.53	7.75	7.13
Negotiated Deposit Rate	7.16	9.47	9.57	9.33	8.45	8.87	8.50	7.86	7.44	7.10
Overall Lending rate	14.81	14.50	14.67	14.47	14.92	14.70	14.83	15.04	15.41	15.28
Short-term lending rate (up to 1 year)	14.73	14.02	13.92	14.29	14.37	13.85	14.30	14.58	14.76	14.71
Negotiated Lending Rate	13.79	13.80	14.13	13.80	13.33	13.88	13.32	13.34	13.32	13.48
Margin between short-term lending and one-year time deposit rates	5.88	5.44	5.43	7.13	7.26	6.52	6.96	7.05	7.02	7.58

Source: Bank of Tanzania

## Financial Markets Developments

During May 2011, the Bank conducted two auctions of **Treasury bills** worth TZS 100.0 billion each (Chart 2.4). Both auctions were highly subscribed, and the Bank accepted total Treasury bills worth TZS 196.3 billion (cost value). During the period, Treasury bills worth TZS 241.0 billion matured. Banks remained the dominant players, purchasing 89.7 percent of the total market turnover, followed by Insurance companies (9.7 percent) and other investors (0.5 percent).

**Chart 2.4: Treasury bills Market Developments**



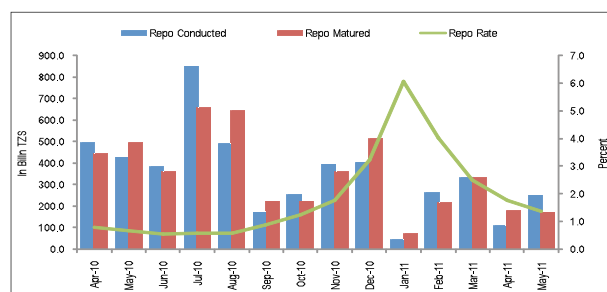
Source: Bank of Tanzania

The Bank offered **Treasury bonds** of 7-years and 10-years maturities in two auctions of TZS 40.0 billion each. Both auctions were highly oversubscribed, and the Bank accepted bids worth TZS 70.9 billion at cost value. Banks were the dominant players accounting for 70 percent of the total amount sold, followed by Pension funds (14.5 percent) and Insurance companies (15.5 percent). There were no maturing bonds during the period under review.

## Repurchase Agreements and Inter-Bank Cash Market Developments

In May 2011, the Bank conducted **repurchase agreements** (repos) with banks amounting to TZS 252.5 billion to smooth out daily liquidity fluctuations in the banking system (Chart 2.5). During this period, repos worth TZS 173.0 billion matured.

**Chart 2.5: Repurchase Agreements Transactions**

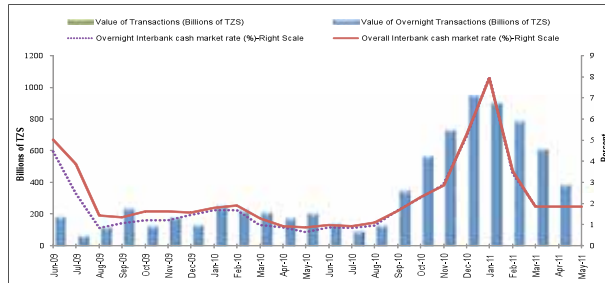


Source: Bank of Tanzania



Total volume transacted in the **interbank cash market** in May 2011 was TZS 320.6 billion, of which overnight transactions accounted for about 89 percent (**Chart 2.6**).

**Chart 2.6: Interbank Cash Market Developments**

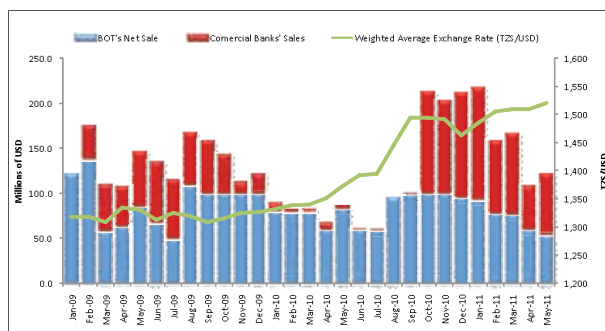


Source: Bank of Tanzania

### Inter-bank Foreign Exchange Market

The volume of transactions in the **inter-bank foreign exchange market** increased to USD 121.0 million in May 2011, from USD 108.5 million recorded in the preceding month; and USD 86.1 million recorded in May 2010. Out of the total volume transacted, the Bank sold USD 54.0 million for liquidity management. The Shilling depreciated by 0.7 percent to TZS 1,520.52 per US dollar, from TZS 1,509.90 per US dollar recorded in April 2011. On annual basis, the Shilling recorded a depreciation of 10.7 percent against the US dollar when compared with the exchange rate of TZS 1,373.00 per USD registered in May 2010. The depreciation of the Shilling during the period mirrored, to a large extent, the general strengthening of the US dollar against major currencies in the world (**Chart 2.7**).

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



Source: Bank of Tanzania

## 3.0 Government Budgetary Operations

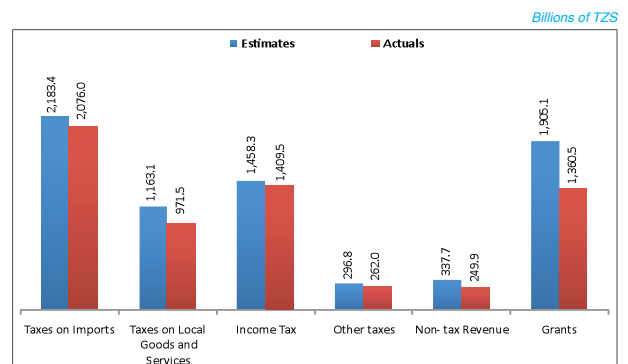
During May 2011 **government budgetary operations** on cheques issued, registered a deficit of TZS 246.2 billion after grants and increased to TZS 257.8 billion after adjustment to cash. Total domestic revenue and grants for the month under review amounted to TZS 443.4 billion with domestic revenue contributing 99.7 percent and the balance is grants.

**Revenue collections** excluding (Local Government Authorities own sources) increased by 9.1 percent from TZS 405.1 billion in April 2011 to TZS 442.1 billion or 93.2 percent of the estimate in May 2011. In the corresponding period in 2009/10, revenue collections amounted to TZS 386.1 billion or 96.1 percent of its estimate.

Tax revenue collections in May 2011 amounted to 415.6 billion or 93.0 percent of the estimate. Taxes on imports and income taxes were 99.3 and 97.2 percent of the estimate respectively being associated with external sector performance. Taxes on local goods and services were below the estimate by 18.6 percent whereas non tax collections were 97.3 percent of the target.

On cumulative basis, tax revenue in the first eleven months of 2010/11 amounted to TZS 4,718.9 billion or 92.5 percent of the estimate, non-tax revenue reached to TZS 249.9 billion or 74.0 percent of estimate (**Chart 3.1**). Domestic revenue collection was 90.9 percent of the estimate or 14.6 percent of GDP whereas in the corresponding period in 2009/10 it was 13.6 percent of GDP.

**Chart 3.1: Government Resources, July 2010 to May 2011**



Source: Ministry of Finance

During the month under review, **total expenditure** amounted to TZS 689.6 billion or 87.3 percent of the estimate. Out of the total, recurrent expenditure was TZS 648.6 billion and

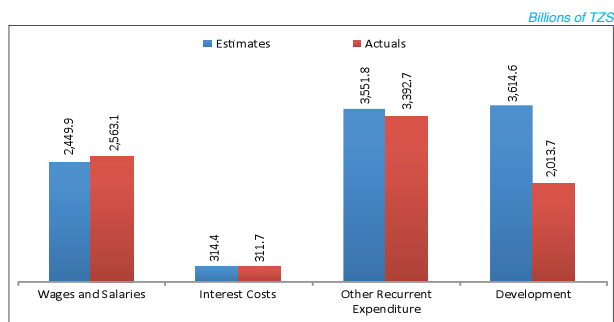




development expenditure was TZS 41.0 billion. In April 2011, total expenditure amounted to TZS 421.7 billion.

On cumulative basis for the first eleven months of 2010/11, government expenditure reached TZS 8,281.2 billion, against the estimate of TZS 9,930.8 billion. Recurrent expenditure amounted to TZS 6,267.5 billion in line with estimate whereas development expenditure amounted to TZS 2,013.7 billion or 55.7 percent of estimate. The underperformance in development expenditure was a result of lower than projected disbursement of project grants which was 38.1 percent of the expected TZS 801.5 billion (Chart 3.2). In corresponding period in 2009/10, total government expenditure amounted to TZS 6,966.3 billion or 85.6 percent of the budget estimate. As a percentage of GDP, total expenditure during the first eleven months of 2010/11 was 23.8 percent, compared with 22.4 percent of GDP in the corresponding period in 2009/10.

**Chart 3.2: Government Expenditure, July 2010 to May 2011**



Total financing of fiscal operations in first eleven months of 2010/11, amounted to TZS 1,969.0 billion, of which TZS 981.0 billion was foreign financing, while domestic financing was TZS 987.9 billion on net basis.

## 4.0 External Sector Performance

### Balance of Payments

During the year ending May 2011, the current account deficit widened by 3.6 percent to USD 2,607.4 million when compared with the level that was recorded in the year ending May 2010. This was mainly on account of rise in import of goods and services that outweighed the increase in exports of goods and services and official current transfers (Table 4.1).

Gross official reserves amounted to USD 3,591.1 million at

the end of May 2011, sufficient to cover 4.4 months<sup>1</sup> of projected import of goods and services, while gross foreign assets of banks were USD 1,030.1 million. In total, gross foreign reserves of the banking system was USD 4,621.2 million at the end of May 2011.

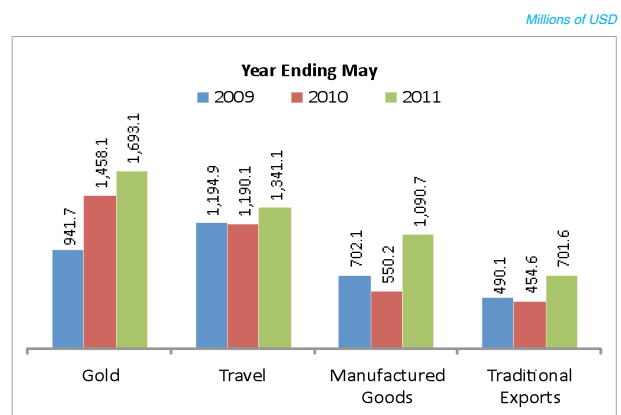
**Table 4.1: Current Account Balance**

Items	May		2011		Year Ending May		% Change
	2009	2010	Apr	May	2010	2011 <sup>P</sup>	
<b>Goods Account (net)</b>	<b>-264.2</b>	<b>-358.2</b>	<b>-332.3</b>	<b>-545.5</b>	<b>-3,302.9</b>	<b>-3,598.9</b>	<b>9.0</b>
Exports	184.5	201.1	298.1	323.3	3,132.9	4,181.5	33.5
Imports	448.7	559.3	630.4	868.9	6,435.8	7,780.4	20.9
<b>Services Account (net)</b>	<b>8.40</b>	<b>19.93</b>	<b>27.00</b>	<b>16.0</b>	<b>157.2</b>	<b>328.7</b>	<b>109.1</b>
Receipts	127.1	150.6	173.4	177.4	1,914.9	2,265.6	18.3
Payments	118.7	130.7	146.4	161.4	1,757.7	1,936.9	10.2
<b>Goods and services (net)</b>	<b>-255.8</b>	<b>-338.3</b>	<b>-305.3</b>	<b>-529.5</b>	<b>-3,145.8</b>	<b>-3,270.2</b>	<b>4.0</b>
Exports of goods and services	311.6	351.7	471.5	500.7	5,047.8	6,447.1	27.7
Imports of goods and services	567.4	690.0	776.8	1,030.2	8,193.6	9,717.3	18.6
<b>Income Account (net)</b>	<b>-9.5</b>	<b>-12.3</b>	<b>-4.6</b>	<b>1.2</b>	<b>-51.2</b>	<b>-72.1</b>	<b>40.9</b>
Receipts	5.3	7.4	15.6	20.5	172.3	196.9	14.3
Payments	14.8	19.8	20.2	19.3	223.5	269.0	20.4
<b>Current Transfers (net)</b>	<b>19.1</b>	<b>19.6</b>	<b>48.6</b>	<b>1.7</b>	<b>679.1</b>	<b>734.9</b>	<b>8.2</b>
Inflows	24.2	25.6	55.3	8.8	751.3	817.8	8.9
o/w General Government	15.8	17.2	47.2	0.6	642.1	715.5	11.4
Outflows	5.1	6.0	6.7	7.1	72.2	82.9	14.7
<b>Current Account Balance</b>	<b>-246.3</b>	<b>-331.0</b>	<b>-261.3</b>	<b>-526.7</b>	<b>-2,517.8</b>	<b>-2,607.4</b>	<b>3.6</b>

Note: P = Provisional  
Source: Bank of Tanzania

In the year ending May 2011, the value of exports of goods and services amounted to USD 6,447.1 million, an increase of USD 1,399.3 million when compared with amount realized in the year ending May 2010. The development was largely driven by good performance in gold, manufactured goods, coffee, tobacco, cashew nut as well as receipts from travel and transportation services. 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**



The value of Traditional exports amounted to USD 701.6 million, which was 54.3 percent higher than the value recorded in the year ending May 2010. This was largely on account of significant increase in both volume and unit prices of coffee, tobacco and cashew nuts. The increase in export volumes is associated with higher production following favourable weather conditions, augmented with the use of warehouse

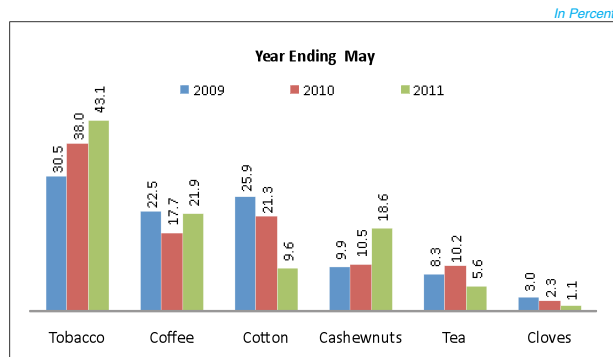
<sup>1</sup>This is based on projected import bill of goods and services of USD 822.0 million for the year ending June 2011.



receipt system for cashew nuts and crop cycle for coffee.

**Chart 4.2** depicts the composition of traditional exports for the last three years.

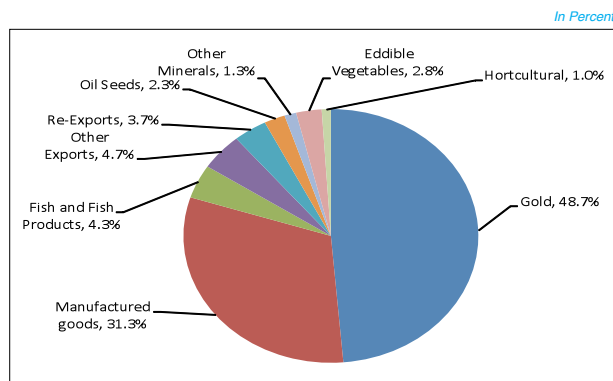
**Chart 4.2: Percentage Composition to Total Traditional Exports**



Source: Bank of Tanzania

**Non-traditional exports** amounted to USD 3,479.9 million compared to USD 2,678.3 million recorded in the year ending May 2010. This was largely driven by the increase in world market price of gold and manufactured goods to the neighbouring countries. Manufactured exports that recorded increase include cement, textile apparels, edible oil, wheat flour, plastic products, soap, paper products; and glass and glassware products. **Chart 4.3** summarizes percentage share of non-traditional exports items to total non-traditional exports during the year ending May 2011.

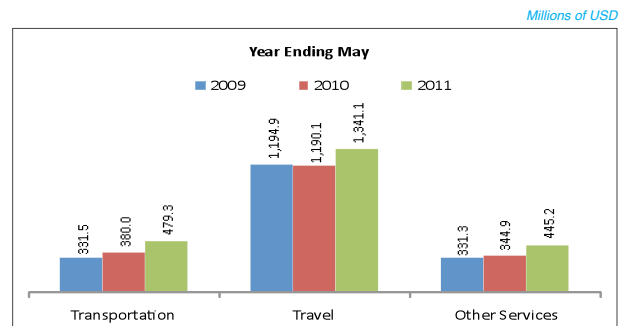
**Chart 4.3: Percentage Share to Total Non-Traditional Exports**



Source: Bank of Tanzania

**Services receipts** improved further during the year ending May 2011 as the global economy continue to recover from the impact of financial crisis. During the review period, service receipts were USD 2,265.6 million compared with USD 1,914.9 million recorded in the year ending May 2010, with travel and transportation accounted for about 80 percent of service receipts. **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

**Imports of goods and services** was USD 9,717.3 million, an increase of USD 1,533.7 million when compared with the value recorded in the year ending May 2010. The development was mainly on account of persistent increase in global oil prices. Moreover, significant rise was noted in imports of fertilizer that could be associated with the implementation of Kilimo Kwanza resolutions by the Government. In the year ending May 2011, a total of 313,400 tons of fertilizer were imported compared with 235,000 tons imported in the similar period a year earlier. Imports of capital goods went up by 19.2 percent to USD 3,008.3 million. Imports of intermediate and capital goods together accounted for about 76 percent of total imports in the review period. In addition, imports of consumer goods which include food and foodstuff also recorded higher level compared to the value recorded in the year ending May 2010, partly attributed to the increase in world market prices for wheat that rose from an average of USD 190.0 per ton in May 2010 to USD 307.6 per ton in May 2011. **Table 4.2 and Chart 4.5** shows the contribution of import sub-categories to total imports for the last three years.

**Table 4.2: Goods Import**

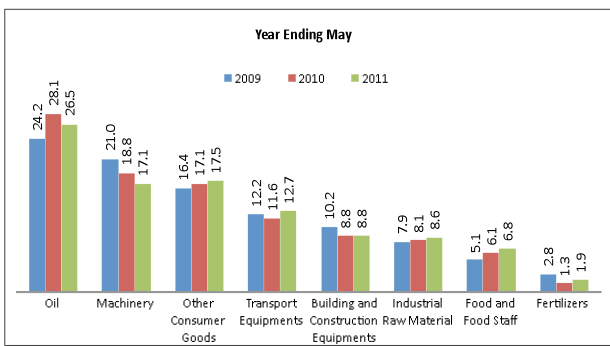
Items	2011		% Change	Year Ending May		% Change	% Contribution for year ending 2011
	Apr	May		2010	2011 <sup>1</sup>		
<b>Capital Goods</b>	<b>244.5</b>	<b>307.9</b>	<b>25.9</b>	<b>2,523.6</b>	<b>3,008.3</b>	<b>19.2</b>	<b>38.7</b>
Transport Equipment	75.8	84.6	11.6	745.9	991.4	32.9	12.7
Building and Constructions	55.6	85.9	54.4	569.0	687.5	20.8	8.8
Machinery	113.0	137.3	21.5	1,208.6	1,329.4	10.0	17.1
<b>Intermediate Goods</b>	<b>242.2</b>	<b>404.0</b>	<b>66.8</b>	<b>2,414.6</b>	<b>2,877.8</b>	<b>19.2</b>	<b>37.0</b>
Oil imports	176.4	332.8	88.6	1,808.3	2,064.7	14.2	26.5
Fertilizers	13.8	10.9	-20.9	83.5	147.8	77.0	1.9
Industrial raw materials	52.0	60.3	16.1	522.8	665.3	27.3	8.6
<b>Consumer Goods</b>	<b>143.7</b>	<b>157.0</b>	<b>9.2</b>	<b>1,497.7</b>	<b>1,894.3</b>	<b>26.5</b>	<b>24.3</b>
Food and food stuffs	54.4	34.4	-36.8	395.5	529.8	34.0	6.8
All other consumer goods	89.3	122.6	37.3	1,102.2	1,364.6	23.8	17.5
<b>Grand Total</b>	<b>630.4</b>	<b>868.9</b>	<b>37.8</b>	<b>6,435.8</b>	<b>7,780.4</b>	<b>20.9</b>	<b>100.0</b>

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

Source: Bank of Tanzania



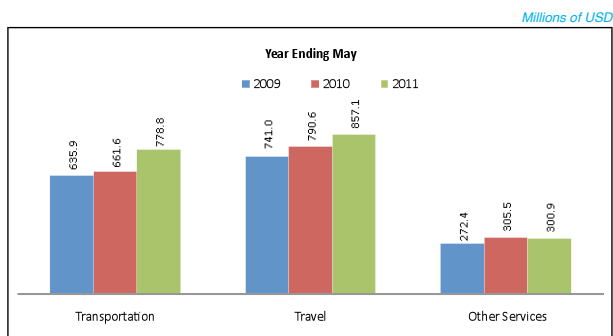
**Chart 4.5: Percentage Share of Selected Items to Total Imports**



Source: Bank of Tanzania

Service payments amounted to USD 1,890.4 million in the year ending April 2011, compared with USD 1,747.2 million recorded in the corresponding period a year earlier. Most of the service payments were in favour of travel and freight—in line with the rise in importation of goods. Major services payments made in the past three years are summarized in Chart 4.6.

**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

## World Commodity Prices

During May 2011, price of **cloves** went up largely on account of tight global supply following unfavourable weather condition in India, Madagascar, Indonesia and Sri Lanka coupled with strong global demand. On the other hand, the world market prices of **coffee** (Arabica), **tea** and **cotton** declined (Table 4.3).

The prices of **crude oil** (UK Brent, Dubai f.o.b) and **white petroleum products** decreased mainly due to appreciation of the US dollar against major currencies. The price of gold rose by 2.2 percent to USD 1,513.00 per troy ounce, mainly due to increase in demand.

During the year ending May, 2011, most of the commodity prices increased except for tea (Mombasa Auction). The rise in the price of cotton was largely attributable to strong demand in China, while that of cloves was associated with

the decline in global supply following unfavourable weather condition in major clove producing countries.

The prices of **crude oil** (UK Brent, Dubai f.o.b) and **white petroleum products** recorded notable increase following decline in oil inventories in United States coupled with the political instability in Middle East countries. Similarly, the price of gold rose by 26.2 percent to USD 1,346.83 per troy ounce, mainly due to increase in demand.

**Table 4.3: World Commodity Prices**

COMMODITY	Units	2011			% Change	Year ending May			% Change
		March	April	May		2009	2010	2011	
Robusta Coffee	USD per kg	2.60	2.59	2.69	3.9	2.02	1.57	2.10	33.8
Arabica Coffee	USD per kg	6.44	6.62	6.42	-3.0	2.98	3.45	5.40	56.5
Tea (Average price)	USD per kg	2.76	3.02	2.97	-1.6	2.40	2.91	3.00	3.1
Tea (Mombasa Auction)	USD per kg	2.74	2.67	2.62	-1.8	2.21	2.74	2.60	-5.1
Cotton, "A Index"	USD per kg	5.06	4.78	3.65	-23.6	1.46	1.64	3.40	107.3
Sisal (UG)	USD per metric ton	1,250.00	1,300.00	1,300.00	0.0	1,209.83	908.00	1,152.50	26.9
Cloves	USD per metric ton	7,150.00	7,150.00	8,325.00	16.4	4,021.46	4,335.88	5,755.31	32.7
Crude oil*	USD per barrel	108.65	116.24	108.07	-7.0	73.95	74.27	90.10	21.3
Crude oil**	USD per barrel	108.58	115.70	108.46	-6.3	73.19	73.95	89.50	21.0
White products***	USD per ton	990.31	1,060.78	1,009.43	-4.8	702.88	650.40	804.40	23.7
Jet/Kerosene	USD per ton	1,035.26	1,039.92	1,005.76	-3.3	703.88	650.53	825.30	26.9
Premium Gasoline	USD per ton	976.7	1,077.50	1,071.62	-3.2	650.26	689.03	834.90	21.2
Heat Oil	USD per ton	958.98	1,034.92	950.92	-8.1	714.48	611.64	752.90	23.1
Gold	USD per troy ounce	1,424.00	1,480.00	1,513.00	2.2	868.90	1,067.38	1,346.83	26.2

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

Note: \*Average of U.K Brent, Dubai and West Texas Intl

\*\* L.o.b Dubai

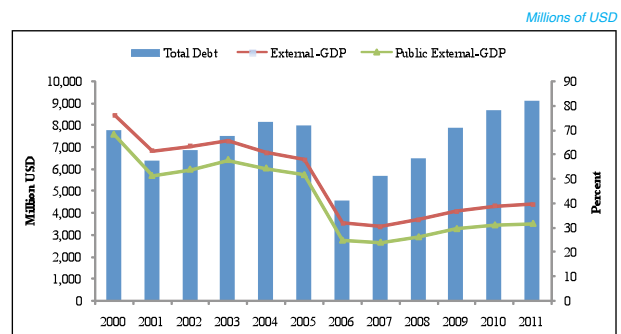
\*\*\* West Mediterranean

## 5.0 National Debt Developments

National debt stock decreased to USD 11,408.7 million as at end of May 2011 from USD 11,455.40 million registered at the end of the preceding month. The decrease was mainly explained by appreciation of US Dollar against SDR, and debt repayments to African Development Fund and European Investment Bank.

External debt stock decreased by USD 60.8 million to USD 9,101.8 million, with 80.7 percent being disbursed outstanding debt (DOD) and 19.3 percent interest arrears. The ratio of public external debt to GDP remained fairly stable at around 30 per cent for the past five years (Chart 5.1).

**Chart 5.1: External Debt Stock and Ratio to GDP**



Source: Bank of Tanzania



The profile of external debt by creditor category indicates that both multilateral and bilateral debt decreased in the period under review while, that owed to commercial and export creditors increased slightly (Table 5.1).

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

Borrower	Millions of USD					
	May-10	Share(%)	Apr-11	Share(%)	May-11	Share(%)
<b>Multilateral</b>	<b>4,079.7</b>	<b>52.9</b>	<b>5,039.7</b>	<b>55.0</b>	<b>4,975.3</b>	<b>54.7</b>
DOD	4,062.3	52.6	5,024.5	54.8	4,958.6	54.5
Interest Arrears	17.4	0.2	15.2	0.2	16.6	0.2
<b>Bilateral</b>	<b>1,625.0</b>	<b>21.1</b>	<b>1,674.9</b>	<b>18.3</b>	<b>1,668.2</b>	<b>18.3</b>
DOD	911.2	11.8	948.9	10.4	942.9	10.4
Interest Arrears	713.8	9.2	726.0	7.9	725.3	8.0
<b>Commercial</b>	<b>1,174.6</b>	<b>15.2</b>	<b>1,548.6</b>	<b>16.9</b>	<b>1,550.2</b>	<b>17.0</b>
DOD	598.8	7.8	873.7	9.5	869.4	9.6
Interest Arrears	575.8	7.5	674.9	7.4	680.7	7.5
<b>Export Credit</b>	<b>839.6</b>	<b>10.9</b>	<b>899.4</b>	<b>9.8</b>	<b>908.1</b>	<b>10.0</b>
DOD	543.0	7.0	576.6	6.3	576.5	6.3
Interest Arrears	296.6	3.8	322.8	3.5	331.7	3.6
<b>External Debt Stock</b>	<b>7,718.9</b>	<b>100.0</b>	<b>9,162.6</b>	<b>100.0</b>	<b>9,101.8</b>	<b>100.0</b>

Source: MOF and Bank of Tanzania

Debt owed by Central Government accounts for the largest share of external debt followed by private sector and public corporations (Table 5.2).

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

Borrower	Millions of USD					
	May-10	Share (%)	Apr-11	Share (%)	May-11	Share (%)
<b>Central Government</b>	<b>5,335.3</b>	<b>69.1</b>	<b>6,342.1</b>	<b>69.2</b>	<b>6,272.5</b>	<b>68.9</b>
DOD	4,656.9	60.3	5,609.6	61.2	5,541.3	60.9
Interest Arrears	678.4	8.8	732.5	8.0	731.2	8.0
<b>Private Sector</b>	<b>1,447.3</b>	<b>18.7</b>	<b>1,829.4</b>	<b>20.0</b>	<b>1,831.6</b>	<b>20.1</b>
DOD	982.9	12.7	1,250.2	13.6	1,248.1	13.7
Interest Arrears	464.4	6.0	579.2	6.3	583.5	6.4
<b>Public Corporations</b>	<b>936.3</b>	<b>12.1</b>	<b>991.1</b>	<b>10.8</b>	<b>997.7</b>	<b>11.0</b>
DOD	475.6	6.2	563.9	6.2	558.1	6.1
Interest Arrears	460.7	6.0	427.2	4.7	439.6	4.8
<b>External Debt Stock</b>	<b>7,718.9</b>	<b>100.0</b>	<b>9,162.6</b>	<b>100.0</b>	<b>9,101.8</b>	<b>100.0</b>

Source: MOF and Bank of Tanzania

Recorded disbursements during the month amounted to USD 17.2 million, whereas external debt service payments amounted to USD 7.2 million, of which USD 1.7 million was principal and USD 5.5 million was interest payments.

Domestic debt increased to TZS 3,512.6 billion, compared with TZS 3,432.4 billion recorded at the end of April 2011. The increase was on account of relatively large issuance of treasury bonds relative to matured obligations. Government bonds accounted for largest share of domestic debt followed by Treasury bills (Table 5.3).

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

	Billions of TZS					
	May-10	Share (%)	Apr-11	Share (%)	May-11	Share (%)
<b>Government Securities</b>	<b>2,633.3</b>	<b>99.7</b>	<b>3,424.2</b>	<b>99.8</b>	<b>3,504.4</b>	<b>99.8</b>
Treasury Bills	285.0	10.8	480.3	14.0	480.3	13.7
Government Stocks	257.9	9.8	257.1	7.5	257.1	7.3
Government Bonds	2,090.3	79.1	2,686.7	78.3	2,766.9	78.8
Tax Certificates	0.1	0.0	0.1	0.0	0.1	0.0
<b>Other Gov't Debt</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 Dom. Debt</b>	<b>2,641.5</b>	<b>100.0</b>	<b>3,432.4</b>	<b>100.0</b>	<b>3,512.6</b>	<b>100.0</b>
<b>Interest Arrears</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Dom. Debt Stock</b>	<b>2,641.6</b>	<b>100.0</b>	<b>3,432.4</b>	<b>100.0</b>	<b>3,512.6</b>	<b>100.0</b>

Source: MOF and Bank of Tanzania

Commercial banks are the leading investors in government debt, holding 45.7 percent of domestic debt followed by the Bank of Tanzania that accounted for 27.9 percent. Others are Pension Funds (18.7 percent), Insurance (4.2 percent), Non-Bank Financial Institutions (2.2 percent), Other Official Enterprises (0.5 percent), Private and BoT Special Funds (0.4 percent each).

Domestic debt issued during the month amounted to TZS 134.8 billion, out of which, TZS 54.6 billion were Treasury bills, and TZS 80.2 billion Treasury bonds. A total of TZS 67.5 billion matured, out of which interest amounting to TZS 15.2 billion was paid out of government resources, while principal amounting to TZS 52.3 billion was rolled over.



## 6.0 Economic Developments in Zanzibar

### Inflation Developments

Annual headline inflation increased to 14.2 percent in May 2011 from 13.8 percent registered in April 2011, mainly

explained by the rise in prices of food items. Annual food inflation accelerated to 18.9 percent from 18.3 percent recorded during the year ending April 2011, mainly on account of increase in prices of rice, wheat flour, sugar and fish (Table 6.1 and Chart 6.1).

Month-to-month headline inflation rate was negative 0.9 percent from 2.0 percent recorded in April 2011, mainly due to decrease in prices of fish and wheat flour, partly associated with seasonal factors.

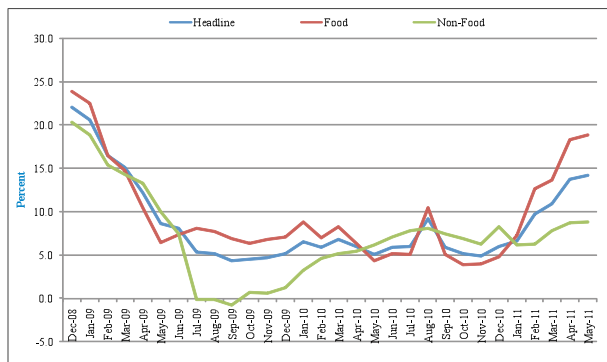
**Table 6.1: Annual Percentage change in Consumer Price Index (CPI)**

*Base: Dec.2005=100*

Major Commodity Group	Weights (%)	2008			2009			2010			2011		
		Mar	Apr	May	Mar	Apr	May	Mar	Apr	May	Mar	Apr	May
<b>Headline/Overall</b>	100.0	<b>15.3</b>	<b>18.5</b>	<b>21.5</b>	<b>15.1</b>	<b>12.2</b>	<b>8.6</b>	<b>6.8</b>	<b>6.0</b>	<b>5.0</b>	<b>10.9</b>	<b>13.8</b>	<b>14.2</b>
<b>Food</b>	57.4	<b>20.4</b>	<b>25.7</b>	<b>28.7</b>	<b>14.8</b>	<b>10.5</b>	<b>6.5</b>	<b>8.3</b>	<b>6.4</b>	<b>4.4</b>	<b>13.7</b>	<b>18.3</b>	<b>18.9</b>
<b>Non-Food</b>	42.6	<b>8.5</b>	<b>10.0</b>	<b>13.0</b>	<b>14.3</b>	<b>13.3</b>	<b>10.0</b>	<b>5.2</b>	<b>5.5</b>	<b>6.2</b>	<b>7.8</b>	<b>8.7</b>	<b>8.8</b>
Alcoholic Beverages, Tobacco & Narcotics	0.6	0.5	-0.9	-0.7	19.2	18.8	17.7	26.2	26.2	27.2	13.0	18.2	18.2
Clothing & Footwear	6.2	7.0	4.7	4.7	8.2	9.7	9.9	5.0	5.4	5.0	7.6	8.6	10.4
Housing, Water, Electricity, Gas & Other Fuels	15.6	6.3	6.8	11.2	25.9	25.5	20.3	3.2	3.6	4.8	7.6	8.9	8.3
Furnishing, Household Equipment & Routine Household Maintenance	5.3	12.0	13.2	12.5	11.3	9.0	9.3	3.4	3.2	3.1	7.4	8.0	8.6
Health	2.1	15.3	18.6	18.6	12.8	10.7	12.0	12.7	11.6	10.4	19.6	19.9	19.9
Transport	3.4	4.3	11.7	27.7	11.0	7.6	-8.2	-1.2	2.3	6.2	11.2	12.4	12.9
Communication	2.4	-2.2	-2.3	-2.3	-0.1	0.0	0.0	0.0	0.0	0.0	1.6	1.6	1.6
Recreation & Culture	0.4	10.2	9.7	9.9	2.9	3.2	3.4	4.8	4.8	6.6	6.2	6.4	4.5
Education	1.1	6.1	6.1	7.8	6.1	6.2	4.4	12.6	12.6	12.6	5.5	5.5	5.5
Restaurants & Hotels	3.1	27.7	25.4	24.3	13.5	11.6	11.6	15.7	16.2	16.2	11.6	10.6	10.6
Miscellaneous Goods & Services	2.4	14.6	21.1	21.4	14.6	10.3	9.3	5.8	3.0	3.7	-11.5	-9.8	-9.7

Source: Office of Chief Government Statistician (OCGS)

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



Source: Office of Chief Government Statistician (OCGS)

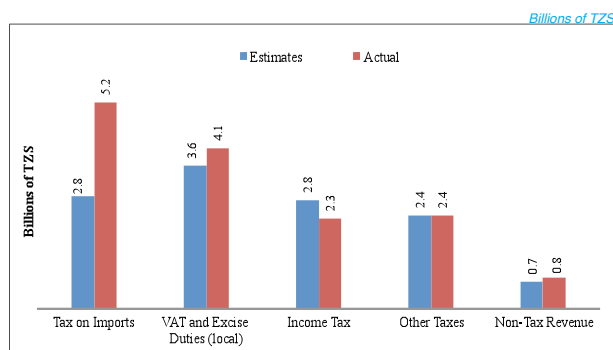
Revenue collections during May 2011 amounted to TZS 14.8 billion, above the target by TZS 2.5 billion; of which tax revenue was TZS 14.0 billion and the balance was non-tax revenue. With the exception of income tax which was below the target due to relative low outturn on tax returns, other revenue categories performed better when compared with the targets. The good performance was mainly due to enhanced tax collection efforts from tourism and increased taxable imports. Performance of various tax categories are illustrated in Chart 6.2 and Chart 6.3. Cumulatively from July 2010 to May 2011, total government revenue collections amounted to TZS 162.5 billion or 94.6 percent of the annual target.

### Fiscal Performance

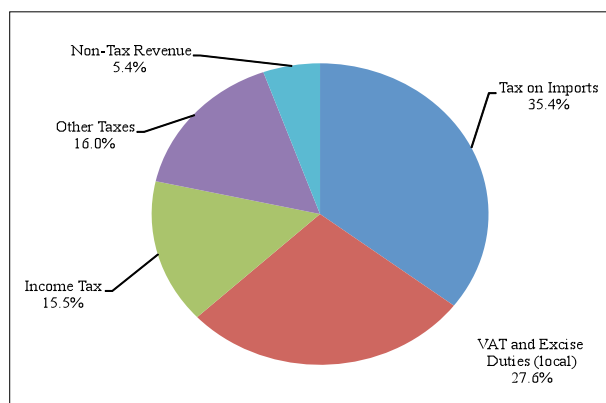
In May 2011, government budgetary operations on cheques issued basis registered a deficit of TZS 4.6 billion after grants, and after adjustment to cash the deficit was TZS 4.8 billion. The deficit was exclusively financed through foreign sources. Total resources amounted to TZS 18.3 billion, above the target by TZS 3.8 billion. Domestic revenue contributed 80.9 percent of the total resources, and the balance was grants.



**Chart 6.2: Government Revenue by Sources– May 2011**

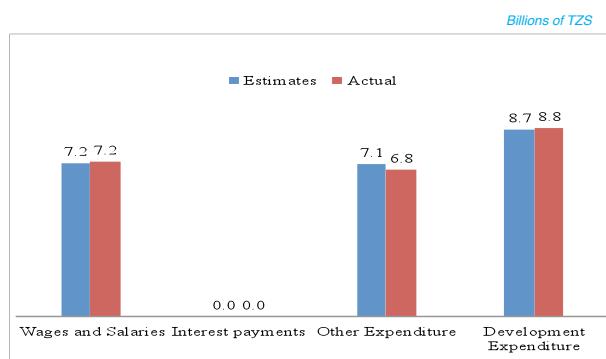


**Chart 6.3: The Share of Government Revenue by Source in May 2011**



**Government expenditure** amounted to TZS 22.8 billion, slightly below the estimate by TZS 0.2 billion. Recurrent expenditure was TZS 14.0 billion, below the estimate by TZS 0.2 billion, and accounted for 61.4 percent of total government expenditure. The composition of government expenditure is summarized in **Chart 6.4**. Cumulatively from July 2010 to May 2011, total government expenditure amounted to TZS 318.1 billion, and accounted for 71.5 percent of the annual target.

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



## External Sector Developments

In the year ending May 2011, current account recorded a deficit of USD 2.4 million, compared with a surplus of USD 31.9 million registered in the year ending May 2010. This development was mainly associated with the increase in import of goods and services by USD 36.5 million, which surpassed the increase in export of goods and services of USD 19.8 million (**Table 6.2**).

**Table 6.2: Zanzibar Current Account Balance**

Item	2010		2011p		Year Ending May		% Change	
	Jan	May	April	May	2010	2011p	Monthly	Annual
<b>Goods Account (net)</b>	-7.0	-6.6	-6.8	-9.9	-67.2	-91.6	45.6	36.3
Exports	0.4	1.1	0.5	0.9	23.5	14.9	80.0	-36.6
Imports (fob)	7.3	7.7	7.3	10.8	90.7	106.5	48.0	17.5
<b>Services Account (net)</b>	1.3	2.5	5.9	5.3	39.0	46.6	-10.1	19.5
Receipts	5.3	8.5	11.1	9.4	100.0	128.4	-15.3	28.4
Payments	4.0	6.0	5.2	4.1	61.0	81.7	-21.1	34.0
<b>Goods and Services (net)</b>	-5.6	-4.1	-0.8	-4.6	-28.2	-45.0	.....	59.4
Exports of Goods and Services	5.7	9.6	11.7	10.3	123.5	143.3	-11.9	16.1
Imports of Goods and Services	11.3	13.7	12.5	14.9	151.7	188.2	19.2	24.1
<b>Income Account (net)</b>	0.0	-0.4	0.3	0.0	-0.8	-0.1	50.0	-87.5
Receipts	0.0	0.0	0.3	0.1	0.3	1.6	-66.6	.....
Payments	0.0	0.4	0.0	0.1	1.1	1.7	.....	54.6
<b>Current Transfers (net)</b>	0.7	0.9	0.4	3.4	61.0	42.7	.....	-30.0
Inflows	0.7	0.9	0.4	3.4	61.0	42.7	.....	-30.0
Outflows	0.0	0.0	0.0	0.0	0.0	0.0	.....	.....
<b>Current Account Balance</b>	-5.0	-3.6	-0.2	-1.2	31.9	-2.4	.....	-107.6

Source: Bank of Tanzania, TRA

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

**Exports of goods** and services amounted to USD 143.3 million compared with USD 123.5 million recorded during the year ending May 2010, on account of an increase in service receipts by USD 28.4 million as goods exports declined.

Clove exports was USD 7.5 million, compared with USD 12.0 million recorded in the year ending May 2010, due to volume effect which declined from 3,300 tons to 2,100 tons, following cyclical decline in production. Meanwhile, manufactured exports which include essential oils<sup>2</sup> and rubber declined to USD 2.5 million from USD 3.9 million, mainly attributed to lack of inputs for processing of essential oils. The developments of other export categories are as shown in **Table 6.3**.

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

Item	Units	2010		2011p		Year Ending May		% Change	
		May	Apr	May	2010	2011p	Monthly	Annual	
<b>Traditional Cloves</b>									
Value	Millions	0.0	0.2	0.1	12.0	7.5	-50.0	-37.5	
Volume	000 Tons	0.0	0.0	0.0	3.3	2.1	-66.6	-36.3	
Unit Price	USD/Ton	0.0	5,030.5	7,425.1	3,628.4	3,638.8	47.6	0.3	
<b>Non-Traditional Seaweeds</b>									
Value	Millions	0.3	0.2	0.4	2.5	2.5	100.0	0.0	
Volume	000 Tons	1.1	0.9	0.9	9.2	9.0	0.0	-2.1	
Unit Price	USD/Ton	248.8	276.3	426.2	271.1	275.5	54.3	1.6	
<b>Manufactured Goods</b>	Millions	0.4	0.1	0.2	3.9	2.5	100.0	-35.9	
<b>Fish and Marine Products</b>	Millions	0.0	0.0	0.0	0.2	0.3	0.0	50.0	
<b>Others Exports</b>	Millions	0.4	0.1	0.3	4.8	2.2	200.0	-54.1	
Sub Total	Millions	1.1	0.4	0.8	11.4	7.4	100.0	-35.0	
Grand Total	Millions	1.1	0.5	0.9	23.5	14.9	80.0	-36.6	

Source: Bank of Tanzania, TRA

Note: P = provisional

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

<sup>2</sup>Clove stem/bud oils, lemon grass oil and others



**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 May		% Change	
	May	Apr	May	2010	2011p	Monthly	Annual
<b>Capital Goods</b>	<b>2.6</b>	<b>2.9</b>	<b>4.0</b>	<b>40.8</b>	<b>42.0</b>	42.9	3.0
Transport Equipment	1.2	1.1	1.4	18.0	15.0	27.3	-16.6
Building and Constructions	0.6	0.9	1.3	8.4	9.0	33.4	7.2
Machinery	0.8	0.9	1.2	14.4	18.0	44.5	25.0
<b>Intermediate Goods</b>	<b>4.5</b>	<b>3.3</b>	<b>5.8</b>	<b>36.4</b>	<b>54.9</b>	75.8	50.9
Oil imports	4.2	3.2	5.7	29.2	51.8	78.2	77.3
Industrial raw materials	0.3	0.1	0.1	7.2	3.1	0.0	-56.9
<b>Consumer Goods</b>	<b>1.4</b>	<b>1.8</b>	<b>2.1</b>	<b>22.4</b>	<b>20.1</b>	16.7	-10.2
Food and food stuffs	0.6	0.6	0.8	7.7	7.0	33.4	-9.1
All other consumer goods	0.8	1.2	1.3	14.7	13.2	8.4	-10.2
<b>Grand Total (c.i.f)</b>	<b>8.5</b>	<b>8.0</b>	<b>11.9</b>	<b>99.6</b>	<b>117.0</b>	<b>48.1</b>	<b>17.5</b>
<b>Grand Total (f.o.b)</b>	<b>7.7</b>	<b>7.3</b>	<b>10.8</b>	<b>90.7</b>	<b>106.5</b>	<b>48.0</b>	<b>17.5</b>

Source: Bank of Tanzania, TRA  
 Note: p = provisional

**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

Item		2010	2011p		Year Ending May		% Change	
		May	Apr	May	2010	2011p	Monthly	Annual
<b>A. Services Account</b>	<b>Net</b>	<b>2.5</b>	<b>5.9</b>	<b>5.3</b>	<b>38.6</b>	<b>46.6</b>	<b>-10.1</b>	<b>19.5</b>
	Receipt	8.5	11.1	9.4	100.0	128.4	-15.3	28.4
	Payment	6.0	5.2	4.1	61.0	81.7	-21.1	34.0
<b>B. Income Account</b>	<b>Net</b>	<b>-0.4</b>	<b>0.3</b>	<b>0.0</b>	<b>-0.8</b>	<b>1.2</b>	<b>50.0</b>	<b>-87.5</b>
	Receipt	0.0	0.3	0.1	0.3	1.6	-66.6	....
	Payment	0.4	0.0	0.1	1.1	1.7	.....	54.6

Source: Bank of Tanzania, Commercial Banks  
 Note: p = provisional. "...."Implies large number



## **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>r</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 2010/11	2010/11									
		December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	July to May		May	
								Estimates	Actual	Estimates	Actual
<b>Total Revenue (including LGAs) /1</b>	<b>6,176,172.0</b>	<b>607,887.5</b>	<b>433,449.5</b>	<b>430,410.1</b>	<b>567,193.5</b>	<b>405,050.2</b>	<b>442,096.2</b>	<b>5,597,542.7</b>	<b>5,087,030.2</b>	<b>488,699.4</b>	<b>442,096.2</b>
<b>Total Revenue</b>	<b>6,003,590.0</b>	<b>594,023.5</b>	<b>433,449.5</b>	<b>430,410.1</b>	<b>567,193.5</b>	<b>405,050.2</b>	<b>442,096.2</b>	<b>5,439,342.5</b>	<b>4,968,824.2</b>	<b>474,317.6</b>	<b>442,096.2</b>
Tax Revenue	5,638,593.4	564,078.4	407,030.4	409,293.8	544,471.3	384,783.8	415,559.2	5,101,687.4	4,718,939.8	447,031.4	415,559.2
Taxes on Imports	2,101,289.3	176,365.4	164,099.3	198,377.3	207,277.4	189,597.4	202,903.2	2,183,378.3	2,075,969.2	204,352.7	202,903.2
Sales/VAT and Excise on Local Goods	1,266,435.8	94,841.0	84,016.0	90,995.9	80,154.6	82,971.8	85,195.9	1,163,121.0	971,482.1	104,707.7	85,195.9
Income Taxes	1,649,956.3	237,478.5	100,492.2	99,953.5	232,506.3	91,817.9	103,711.4	1,458,348.4	1,409,490.5	106,744.1	103,711.4
Other taxes	620,911.9	55,393.6	58,422.9	19,967.1	24,533.0	20,396.6	23,748.8	296,839.6	261,998.0	31,226.8	23,748.8
Non- tax Revenue	364,996.6	29,945.1	26,419.1	21,116.3	22,722.2	20,266.4	26,537.0	337,655.2	249,884.4	27,286.2	26,537.0
LGA Own Sources	172,582.0	13,864.0	-	-	-	-	-	158,200.2	118,206.0	14,381.8	-
<b>Total Expenditure /2</b>	<b>10,769,611.7</b>	<b>1,008,379.2</b>	<b>690,316.8</b>	<b>834,831.3</b>	<b>988,609.1</b>	<b>421,717.5</b>	<b>689,646.1</b>	<b>9,930,758.2</b>	<b>8,281,241.4</b>	<b>790,255.5</b>	<b>689,646.1</b>
Recurrent expenditure	6,950,560.6	745,242.5	527,834.6	600,254.9	775,518.2	392,012.5	648,612.8	6,316,116.6	6,267,518.1	585,846.5	648,612.8
Wages and salaries	2,205,429.7	195,159.9	191,606.4	255,133.3	15,188.4	234,490.0	235,598.0	2,449,931.0	2,563,110.0	214,163.0	235,598.0
Interest payments	364,469.6	39,026.6	2,091.8	52,686.7	20,714	8,477.4	85,098.0	314,425.0	311,709.0	28,068.0	85,098.0
Domestic	235,027.6	35,732.2	0.0	50,706.7	15,188	-	76,321.6	199,534.2	249,871.5	14,396.3	76,321.6
Foreign	129,442.0	3,294.5	2,091.8	1,980.0	5,525	8,477.4	8,776.7	114,890.5	61,837.3	13,671.6	8,776.7
Other goods, services and transfers	4,246,436.2	503,343.6	324,837.1	292,434.9	516,851	149,045.5	327,916.8	3,551,760.8	3,392,699.1	343,615.9	327,916.8
<b>Dev. Expenditure and net lending</b>	<b>3,819,051.1</b>	<b>263,136.7</b>	<b>162,482.2</b>	<b>234,576.3</b>	<b>213,091</b>	<b>29,705</b>	<b>41,033</b>	<b>3,614,642</b>	<b>2,013,723</b>	<b>204,409</b>	<b>41,033</b>
Local	1,366,143.3	64,000.0	80,000.0	46,000.0	61,000	1,800.0	19,285.8	1,366,142.8	535,925.0	-	19,285.8
Foreign	2,452,907.8	199,136.7	82,482.2	188,576.3	152,091	27,905.0	21,747.5	2,248,498.8	1,477,798.3	204,409.0	21,747.5
Balance before Grants	-4,593,439.7	-400,491.7	-256,867.4	-404,421.1	-421,415.6	-16,667.4	-247,549.9	-4,333,215.6	-3,194,211.2	-301,556.1	-247,549.9
<b>Grants</b>	<b>2,020,907.1</b>	<b>312,134.7</b>	<b>30,346.2</b>	<b>156,810.5</b>	<b>7,967.4</b>	<b>71,567.1</b>	<b>1,344.8</b>	<b>1,905,148.8</b>	<b>1,360,507.3</b>	<b>115,758.3</b>	<b>1,344.8</b>
Program (CIS/OGL)	631,808.1	244,588.0	17,771.5	0.0	-	55,076.6	-	631,808.1	727,018.6	-	-
Project	898,779.4	27,092.0	249.0	135,292.2	-	974.6	457.8	801,485.3	305,706.8	97,294.1	457.8
Basket funds	221,569.5	40,454.7	12,325.8	21,518.3	7,967.4	15,515.9	887.0	203,103.3	301,517.6	18,464.1	887.0
MDRI/MCA(T)	268,750.1	0.0	0.0	0.0	-	-	-	268,750.1	26,264.3	-	-
<b>Balance (cheq.issued) after Grants</b>	<b>-2,572,532.6</b>	<b>-88,357.0</b>	<b>-226,521.2</b>	<b>-247,610.6</b>	<b>-413,448.3</b>	<b>54,899.7</b>	<b>-246,205.1</b>	<b>-2,428,066.7</b>	<b>-1,833,703.9</b>	<b>-185,797.8</b>	<b>-246,205.1</b>
Expenditure float	0.0	-1,906.1	-	-	-	-	-	-	-480,127.0	-	-
Adjustments to cash and other items (net)	0.0	280,558.5	-1,192.8	-62,482.0	61,090.3	-119,041.6	-11,584.8	-	344,840.6	-	-11,584.8
<b>Overall Balance (cheques cleared)</b>	<b>-2,572,532.6</b>	<b>190,295.4</b>	<b>-227,714.0</b>	<b>-310,092.6</b>	<b>-352,358.0</b>	<b>-64,141.9</b>	<b>-257,789.9</b>	<b>-2,428,066.7</b>	<b>-1,968,990.3</b>	<b>-185,797.8</b>	<b>-257,789.9</b>
<b>Financing:</b>	<b>2,572,532.6</b>	<b>-190,295.4</b>	<b>227,714.0</b>	<b>310,092.6</b>	<b>352,358.0</b>	<b>64,141.9</b>	<b>257,789.9</b>	<b>2,428,066.7</b>	<b>1,968,990.3</b>	<b>185,797.8</b>	<b>257,789.9</b>
<b>Foreign Financing (net)</b>	<b>1,942,532.8</b>	<b>126,853.9</b>	<b>68,458.1</b>	<b>28,566.3</b>	<b>140,966.9</b>	<b>4,032.9</b>	<b>17,322.6</b>	<b>1,859,315.8</b>	<b>981,044.4</b>	<b>83,492.5</b>	<b>17,322.6</b>
Loans	1,728,639.9	56,055.7	69,907.5	31,765.8	135,861.0	11,414.6	11,132.3	1,661,340.7	801,027.4	67,299.2	11,132.3
Program loans	189,837.3	0.0	0.0	0.0	0.0	-	-	189,837.3	173,806.3	-	-
Development Project loans	1,538,802.6	56,055.7	69,907.5	31,765.8	135,861.0	11,414.6	11,132.3	1,471,503.4	627,221.1	67,299.2	11,132.3
Basket Support	256,218.6	75,534.3	0.0	0.0	8,262.6	-	9,270.4	234,867.0	217,088.5	21,351.5	9,270.4
Amortization	-42,325.7	-4,736.2	-1,449.4	-3,199.5	-3,156.7	-7,381.7	-3,080.1	-36,892.0	-37,071.5	-5,158.3	-3,080.1
<b>Domestic (net) /3</b>	<b>629,999.8</b>	<b>-317,149.3</b>	<b>159,255.9</b>	<b>281,526.4</b>	<b>211,391.1</b>	<b>60,109.0</b>	<b>240,467.4</b>	<b>568,750.9</b>	<b>987,945.9</b>	<b>102,305.4</b>	<b>240,467.4</b>
<b>Bank &amp; Non Bank Financing (NDF)</b>	<b>599,999.8</b>	<b>-317,149.3</b>	<b>159,255.9</b>	<b>281,526.4</b>	<b>211,391.1</b>	<b>60,109.0</b>	<b>240,467.4</b>	<b>538,750.9</b>	<b>987,945.9</b>	<b>102,305.4</b>	<b>240,467.4</b>
Bank borrowing	599,999.8	-372,489.9	121,217.3	253,639.9	119,515.8	41,777.5	219,076.3	538,750.9	775,452.1	102,305.4	219,076.3
Non-Bank (net of amortization)	0.0	55,340.7	38,038.7	27,886.5	91,875.3	18,331.5	21,391.1	-	212,493.8	-	21,391.1
Borrowing/Roll over	797,620.0	83,698.1	0.0	72,917.4	59,088.9	57,726.5	30,595.1	756,444.0	645,016.6	39,487.8	30,595.1
Domestic & Contingent debt Amortization	-797,620.0	-83,698.1	0.0	-72,917.4	-59,088.9	-57,726.5	-30,595.1	-756,444.0	-645,016.6	-39,487.8	-30,595.1
Privatization Proceeds	30,000.0	0.0	0.0	0.0	-	-	-	30,000.0	-	-	-

Memorandum Items

Total Expenditure including Float

GDP (In Million TZS) 34,749,781.0

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, Bank of Tanzania and National Bureau of Statistics



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

Item	Provisional												May-11					
	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10		Dec-10	Jan-11	Feb-11	Mar-11	Apr-11
<b>Net foreign assets</b>	4,938.0	4,966.2	4,949.2	4,917.5	5,155.5	4,937.4	5,265.5	5,348.7	5,489.6	5,506.4	5,832.5	5,803.2	6,125.1	6,272.0	5,982.7	5,805.0	5,749.7	5,527.1
Bank of Tanzania	3,843.4	3,926.9	3,912.8	3,846.7	3,999.6	3,947.5	3,949.3	4,079.2	4,262.9	4,359.8	4,623.2	4,591.7	4,799.4	4,849.3	4,670.0	4,515.4	4,582.7	4,433.7
Other Depository Corporations	1,094.5	1,039.3	1,036.4	1,070.9	1,155.9	989.9	1,316.2	1,269.5	1,226.7	1,146.7	1,209.3	1,211.5	1,325.7	1,422.7	1,312.7	1,289.6	1,167.0	1,093.4
<b>Net domestic assets</b>	3,893.8	3,965.2	4,061.3	4,157.6	4,204.4	4,347.0	4,535.8	4,884.7	5,021.8	4,842.3	4,858.8	5,107.2	4,887.5	4,931.2	5,268.0	5,502.6	5,684.2	6,083.2
Domestic claims	5,068.0	5,238.0	5,359.2	5,543.5	5,672.7	5,707.5	6,174.1	6,642.6	6,855.2	6,988.2	7,026.6	7,060.2	6,798.5	6,991.0	7,425.9	7,623.0	7,691.4	8,124.2
Claims on central government (net)	75.8	248.5	323.4	417.9	338.9	381.5	712.8	1,100.9	1,183.2	1,273.2	1,209.4	1,179.2	806.7	927.9	1,181.9	1,301.4	1,269.2	1,488.3
Claims on central government	2,762.5	2,983.3	3,070.9	3,091.3	3,081.4	3,217.3	3,591.8	4,006.5	4,023.8	3,998.9	4,021.1	3,670.7	3,531.0	3,593.6	3,750.7	3,778.2	3,878.2	3,953.4
Liabilities to central government	2,686.7	2,734.8	2,747.5	2,673.4	2,742.6	2,835.7	2,879.0	2,905.5	2,840.6	2,725.7	2,811.7	2,491.5	2,724.3	2,668.8	2,568.8	2,476.8	2,609.0	2,465.1
Claims on non-government sector	4,992.2	4,989.6	5,035.8	5,125.6	5,333.8	5,326.0	5,461.3	5,541.6	5,672.0	5,715.1	5,817.2	5,881.1	5,991.9	6,063.1	6,244.1	6,321.6	6,422.2	6,635.9
<b>Broad money liabilities</b>	8,831.8	8,931.4	9,010.5	9,075.1	9,359.9	9,284.5	9,801.4	10,233.3	10,511.4	10,348.7	10,691.3	10,910.4	11,012.6	11,203.2	11,250.7	11,307.5	11,433.9	11,610.4
Currency outside depository corporations	1,567.3	1,517.9	1,523.6	1,542.3	1,543.3	1,594.2	1,680.5	1,813.2	1,880.2	1,857.7	1,908.4	1,888.7	1,897.1	1,807.3	1,832.9	1,855.1	1,854.1	1,911.9
Transferable deposits	3,340.0	3,468.7	3,426.0	3,471.0	3,712.9	3,554.3	3,947.6	4,089.6	4,158.6	4,034.2	4,255.2	4,408.8	4,400.0	4,629.7	4,614.2	4,451.8	4,561.1	4,615.1
Other deposits	3,924.5	3,944.8	4,060.9	4,061.8	4,103.7	4,136.0	4,173.3	4,330.6	4,472.5	4,456.9	4,527.7	4,612.9	4,715.5	4,766.2	4,803.6	5,000.6	5,018.7	5,083.4
<b>Other items (net)</b>	-1,174.2	-1,272.9	-1,297.9	-1,386.0	-1,468.3	-1,360.4	-1,638.3	-1,757.9	-1,833.3	-2,146.0	-2,167.8	-1,953.1	-1,911.0	-2,059.8	-2,158.0	-2,120.4	-2,007.2	-2,040.9
<b>Memorandum items:</b>																		
<b>Monetary Aggregates</b>																		
<b>Reserve money (M0)</b>	3,010.0	3,017.5	3,129.4	3,120.3	3,072.3	3,030.9	3,369.3	3,455.3	3,427.1	3,433.3	3,480.1	3,526.4	3,497.8	3,591.1	3,644.1	3,554.2	3,637.6	3,637.3
<b>Extended broad money (M3)</b>	8,831.8	8,931.4	9,010.5	9,075.1	9,359.9	9,284.5	9,801.4	10,233.3	10,511.4	10,348.7	10,691.3	10,910.4	11,012.6	11,203.2	11,250.7	11,307.5	11,433.9	11,610.4
Deposits in foreign currency	2,227.8	2,189.3	2,130.1	2,190.8	2,392.5	2,376.3	2,513.8	2,675.1	2,779.2	2,725.2	2,893.2	2,967.2	2,970.5	3,090.2	3,151.4	3,138.6	3,124.5	3,131.6
( FCD) in millions of USD	1,696.3	1,654.0	1,606.3	1,647.0	1,780.8	1,727.0	1,822.4	1,935.3	1,889.8	1,836.6	1,952.2	2,017.8	2,043.6	2,083.3	2,100.2	2,105.4	2,087.1	2,062.5
<b>Broad money (M2)</b>	6,604.0	6,742.1	6,880.4	6,884.3	6,967.4	6,908.2	7,287.5	7,558.3	7,732.3	7,623.6	7,798.1	7,943.2	8,042.1	8,113.1	8,099.3	8,168.9	8,309.3	8,478.8
Other deposits in national currency (i.e. savings and time deposits)	3,012.6	3,011.9	3,135.5	3,129.0	3,151.1	3,143.3	3,152.8	3,279.5	3,385.7	3,368.0	3,409.1	3,474.7	3,520.7	3,579.3	3,554.3	3,719.9	3,718.9	3,773.3
<b>Narrow money (M1)</b>	3,591.4	3,730.2	3,744.9	3,755.3	3,816.3	3,764.8	4,134.7	4,278.7	4,346.6	4,255.6	4,389.0	4,468.5	4,521.4	4,533.7	4,545.0	4,449.0	4,590.5	4,705.5
Currency in circulation	1,567.3	1,517.9	1,523.6	1,542.3	1,543.3	1,594.2	1,680.5	1,813.2	1,880.2	1,857.7	1,908.4	1,888.7	1,897.1	1,807.3	1,832.9	1,855.1	1,854.1	1,911.9
Transferable deposits in national currency	2,024.0	2,212.3	2,221.3	2,212.9	2,272.9	2,170.7	2,454.3	2,465.5	2,466.3	2,397.9	2,480.6	2,579.9	2,624.2	2,726.4	2,712.0	2,593.8	2,736.4	2,793.7

Note: Data reflect new series based on the IMF's 2000 Monetary and Financial Statistics Manual.  
Source: Bank of Tanzania; and Fund's staff calculations





Table A5(a): Exports by Type of Commodity

Item	2010	2011		% Change		Year Ending May <sup>p</sup>		% Change
	May	Apr	May	May 10 - May 11	Apr 11 - May 11	2010	2011	
<b>Traditional Exports:</b>								
<b>COFFEE</b>								
Value	2.2	10.8	8.0	--	-25.4	80.4	153.8	91.3
Volume	0.8	3.0	2.5	--	-13.9	38.5	49.1	27.5
Unit Price	2,764.4	3,640.7	3,152.1	14.0	-13.4	2,090.2	3,135.2	50.0
<b>COTTON</b>								
Value	0.7	0.5	0.7	-1.8	50.0	96.7	67.6	-30.1
Volume	0.6	0.3	0.5	-21.2	68.1	88.4	51.4	-41.8
Unit Price	1,193.2	1,666.1	1,486.4	24.6	-10.8	1,093.4	1,313.6	20.1
<b>SISAL</b>								
Value	0.0	0.0	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	0.0	0.0
Unit Price	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TEA</b>								
Value	3.3	3.5	6.5	95.8	86.2	46.6	39.4	-15.4
Volume	1.6	2.4	3.7	--	56.9	24.3	23.0	-5.6
Unit Price	2,040.2	1,478.6	1,755.0	-14.0	18.7	1,914.5	1,714.6	-10.4
<b>TOBACCO</b>								
Value	6.0	33.9	2.9	-51.4	-91.3	172.8	302.8	75.2
Volume	2.3	7.0	1.2	-46.4	-82.2	39.7	67.1	69.0
Unit Price	2,614.4	4,870.5	2,371.8	-9.3	-51.3	4,348.4	4,508.8	3.7
<b>CASHEWNUTS</b>								
Value	0.0	0.2	0.0	1.9	-85.4	47.8	130.5	--
Volume	0.0	0.2	0.0	-12.9	-85.5	65.7	120.5	83.3
Unit Price	705.7	823.4	825.9	17.0	0.3	727.3	1,083.4	49.0
<b>CLOVES</b>								
Value	0.0	0.1	0.1	--	--	10.3	7.6	-26.1
Volume	0.0	0.0	0.0	--	57.7	3.4	2.1	-37.8
Unit Price	1,117.2	3,926.7	4,954.8	--	26.2	3,008.2	3,572.9	18.8
<b>Sub Total</b>	<b>12.4</b>	<b>48.9</b>	<b>18.4</b>	<b>48.4</b>	<b>-62.4</b>	<b>454.6</b>	<b>701.6</b>	<b>54.3</b>
<b>Non-Traditional Exports:</b>								
<b>Minerals</b>								
Minerals	116.2	<b>136.2</b>	<b>158.4</b>	36.3	<b>16.3</b>	<b>1,499.7</b>	<b>1,737.9</b>	<b>15.9</b>
Gold	<b>112.4</b>	129.2	155.2	38.0	20.1	1,458.1	1,693.1	16.1
Diamond	0.1	0.0	0.1	3.3	--	13.9	3.1	-77.8
Other minerals <sup>1</sup>	3.7	6.9	3.1	-15.7	-55.1	27.8	41.7	50.3
<b>Manufactured Goods</b>								
Manufactured Goods	34.9	<b>72.7</b>	<b>97.8</b>	--	<b>34.5</b>	<b>550.2</b>	<b>1,090.7</b>	<b>98.2</b>
Cotton Yarn	0.3	0.1	0.3	-13.9	--	11.6	9.4	-19.2
Manufactured Coffee	0.1	0.1	0.0	-79.6	0.0	1.6	0.8	-50.5
Manufactured Tobacco	0.4	1.3	1.5	--	17.9	7.0	14.9	--
Sisal Products (Yarn & Twine)	0.6	0.7	0.8	40.4	20.0	7.9	9.3	18.9
Other manufactured Goods <sup>2</sup>	33.4	70.6	95.1	--	34.8	522.1	1,056.3	--
<b>Fish and Fish Products</b>								
Fish and Fish Products	11.6	<b>13.1</b>	<b>11.6</b>	0.2	<b>-11.2</b>	<b>149.3</b>	<b>148.4</b>	<b>-0.6</b>
<b>Horticultural products</b>								
Horticultural products	<b>2.8</b>	<b>3.0</b>	<b>2.9</b>	4.6	<b>-3.9</b>	<b>32.9</b>	<b>33.7</b>	<b>2.4</b>
<b>Re-exports</b>								
Re-exports	<b>1.9</b>	<b>6.9</b>	<b>10.9</b>	--	<b>56.9</b>	<b>140.1</b>	<b>128.5</b>	<b>-8.3</b>
<b>Others Exports<sup>3</sup></b>								
Others Exports <sup>3</sup>	<b>21.3</b>	<b>17.3</b>	<b>23.3</b>	9.6	<b>35.2</b>	<b>306.1</b>	<b>340.7</b>	<b>11.3</b>
<b>Sub Total</b>	<b>188.7</b>	<b>249.2</b>	<b>304.9</b>	61.6	<b>22.4</b>	<b>2,678.3</b>	<b>3,479.9</b>	<b>29.9</b>
<b>GRAND TOTAL</b>	<b>201.1</b>	<b>298.1</b>	<b>323.3</b>	60.8	<b>8.5</b>	<b>3,132.9</b>	<b>4,181.5</b>	<b>33.5</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.

- = Small value

-- = Very big value

--- = Information not available

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	2010	2011		% Change		Year Ending May <sup>p</sup>		% Change
	May	Apr	May	May 10 - May 11	May 11 - Apr 11	2010	2011	
<b>Capital Goods</b>	<b>197.2</b>	<b>244.5</b>	<b>307.9</b>	<b>56.1</b>	<b>25.9</b>	<b>2,523.6</b>	<b>3,008.3</b>	<b>19.2</b>
Transport Equipments	61.8	75.8	84.6	36.8	11.6	745.9	991.4	32.9
Building and Constructions	38.7	55.6	85.9	121.8	54.4	569.0	687.5	20.8
Machinery	96.7	113.0	137.3	42.1	21.5	1,208.6	1,329.4	10.0
<b>Intermediate Goods</b>	<b>218.9</b>	<b>242.2</b>	<b>404.0</b>	<b>84.6</b>	<b>66.8</b>	<b>2,414.6</b>	<b>2,877.8</b>	<b>19.2</b>
Oil imports	168.5	176.4	332.8	97.6	88.6	1,808.3	2,064.7	14.2
Fertilizers	5.8	13.8	10.9	87.4	-20.9	83.5	147.8	77.0
Industrial raw materials	44.7	52.0	60.3	35.1	16.1	522.8	665.3	27.3
<b>Consumer Goods</b>	<b>143.1</b>	<b>143.7</b>	<b>157.0</b>	<b>9.7</b>	<b>9.2</b>	<b>1,497.7</b>	<b>1,894.3</b>	<b>26.5</b>
Food and food stuffs	33.0	54.4	34.4	4.1	-36.8	395.5	529.8	34.0
All other consumer goods <sup>1</sup>	110.1	89.3	122.6	11.4	37.3	1,102.2	1,364.6	23.8
<b>Grand Total (f.o.b)</b>	<b>559.3</b>	<b>630.4</b>	<b>868.9</b>	<b>55.4</b>	<b>37.8</b>	<b>6,435.8</b>	<b>7,780.4</b>	<b>20.9</b>

Note:

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

<sup>p</sup> = 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)**

	Millions of USD					
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>
<b>Balance on Goods</b>	<b>-1,318.5</b>	<b>-1,946.5</b>	<b>-2,634.1</b>	<b>-3,433.5</b>	<b>-2,539.5</b>	<b>-2,828.3</b>
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
<b>Balance on Services</b>	<b>61.8</b>	<b>278.7</b>	<b>462.1</b>	<b>349.9</b>	<b>145.6</b>	<b>242.0</b>
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
<b>Balance on Goods and Services</b>	<b>-1,256.6</b>	<b>-1,667.8</b>	<b>-2,172.0</b>	<b>-3,083.6</b>	<b>-2,393.9</b>	<b>-2,586.4</b>
<b>Balance on income</b>	<b>-102.0</b>	<b>-94.7</b>	<b>-123.1</b>	<b>-121.7</b>	<b>-71.2</b>	<b>-90.9</b>
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
<b>Balance on Goods, Services and Income</b>	<b>-1,358.6</b>	<b>-1,762.5</b>	<b>-2,295.1</b>	<b>-3,205.3</b>	<b>-2,465.2</b>	<b>-2,677.2</b>
<b>Balance on Current transfers</b>	<b>495.7</b>	<b>588.7</b>	<b>652.0</b>	<b>609.9</b>	<b>696.9</b>	<b>823.9</b>
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
<b>Total, Groups A through C</b>	<b>85.9</b>	<b>532.6</b>	<b>282.7</b>	<b>585.4</b>	<b>313.4</b>	<b>28.8</b>
<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>
<b>Overall balance</b>	<b>-228.7</b>	<b>-460.7</b>	<b>-404.6</b>	<b>-148.0</b>	<b>-366.2</b>	<b>-369.8</b>
<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 boarder 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	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	Education	Miscel. goods & services
Weight (%)	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5
2004	4.2	5.9	1.6	-0.5	2.3	2.3	4.6	0.2	0.9	0.5	2.1	1.0	0.6	-0.5
2005	4.4	5.9	2.9	2.1	-0.5	-0.4	7.7	-1.1	0.5	3.5	-1.5	4.7	-0.1	-1.4
2006	7.3	7.0	7.6	7.7	7.0	5.5	8.5	7.8	2.0	11.2	5.0	9.1	2.5	8.0
2007	7.0	7.0	7.0	10.5	5.9	3.6	6.2	7.9	8.7	2.9	8.9	7.0	9.7	0.8
2008	10.3	12.7	6.7	8.2	1.5	2.4	10.7	6.0	3.2	5.0	5.5	6.9	7.0	1.8
2009	12.1	17.6	3.7	8.8	6.3	12.5	-1.5	6.1	5.2	6.8	9.2	0.1	10.1	3.3
2007 Jun	5.9	4.6	7.6	12.3	7.3	3.2	6.4	8.7	10.1	4.2	10.1	5.8	10.3	2.5
Jul	9.0	10.3	7.4	10.8	5.5	1.7	7.3	7.6	10.7	4.5	10.6	6.8	8.6	2.0
Aug	7.8	9.2	6.0	7.3	6.4	2.1	4.2	6.9	9.5	3.5	10.8	6.5	8.8	0.0
Sep	8.3	11.4	4.1	6.2	4.5	2.8	1.4	4.1	6.5	2.2	9.7	4.3	9.2	-0.8
Oct	7.1	8.4	5.1	7.0	5.4	2.8	3.8	4.6	5.8	1.6	10.5	5.6	7.8	0.3
Nov	7.3	7.5	6.5	10.0	5.2	2.8	6.8	6.6	4.8	2.1	7.6	6.2	7.8	1.7
Dec	6.4	6.6	6.1	10.3	2.5	2.8	8.0	6.2	3.0	1.9	6.1	5.4	6.8	0.8
2008-Jan	8.6	10.1	6.4	10.4	1.1	2.4	10.1	4.9	3.6	3.7	5.9	5.7	5.6	2.1
Feb	8.9	11.4	5.3	10.2	0.3	2.4	6.8	4.1	2.9	3.4	4.0	4.9	5.6	1.8
Mar	9.0	11.2	5.8	9.1	1.0	1.7	8.3	4.9	2.9	3.1	3.5	6.0	5.6	1.0
Apr	9.7	11.6	6.9	8.6	1.1	2.1	11.3	4.9	2.8	3.3	4.2	7.6	6.1	1.5
May	9.1	11.0	6.5	7.5	1.1	2.1	11.7	5.1	2.5	3.9	4.2	6.0	6.4	0.4
Jun	9.3	11.4	6.3	7.7	0.9	2.1	10.6	5.5	2.8	4.0	4.0	6.7	6.3	0.4
Jul	9.5	11.2	6.8	7.9	1.3	3.5	12.0	5.4	2.0	4.9	4.4	6.0	7.2	1.8
Aug	9.8	11.1	7.8	8.6	-0.1	3.1	12.7	6.9	1.1	5.9	5.2	9.9	7.9	1.5
Sep	11.6	13.4	8.9	8.8	2.2	2.4	15.0	8.2	3.4	6.9	6.9	9.7	8.3	3.4
Oct	11.8	14.6	7.9	8.3	1.8	2.4	12.9	7.9	4	5.9	6.9	7.9	7.9	3.9
Nov	12.3	16.3	6.3	5.5	2.5	2.4	8.7	7.0	4.7	7.3	8.3	6.9	8.5	2.1
Dec	13.5	18.6	6.0	5.5	4.3	2.4	8.1	6.8	5.4	8.0	8.7	5.1	8.5	1.9
2009-Jan	12.9	18.2	4.8	5.4	3.4	12.5	2.6	7.1	4.8	7.7	9.6	4.2	9.1	3.1
Feb	13.3	18.6	4.9	5.3	4.6	12.6	2.5	6.9	5.1	7.6	10.9	3.4	9.9	3.6
Mar	13.0	18.5	4.3	5.7	4.4	12.6	0.3	7.1	4.7	7.7	10.5	3.2	11.2	3.5
Apr	12.0	17.8	2.9	6.1	4.9	12.2	-4.1	7.3	4.6	7.5	9.2	0.4	10.8	5.6
May	11.3	17.8	1.3	6.6	5.0	12.2	-9.0	6.9	5.2	7.1	8.8	-1.0	10.3	4.1
Jun	10.7	17.0	1.0	6.8	7.2	12.2	-10.1	6.0	4.5	7.7	9.1	-2.0	11.4	3.8
Jul	10.9	16.9	1.9	9.9	8.5	12.6	-9.1	6.3	4.5	7.1	9.0	-1.9	11.7	3.8
Aug	12.1	18.9	2.0	10.9	9.8	12.6	-7.2	6.5	6.3	7.5	8.4	-4.9	10.3	5.0
Sep	12.1	17.3	4.0	11.3	8.1	12.6	-0.9	7.0	5.2	7.0	9.1	-2.0	9.5	3.1
Oct	12.7	18.1	4.2	12.1	6.3	12.6	0.5	5.8	5.8	7.0	8.5	-1.4	9.6	0.9
Nov	12.5	17.1	5.0	12.7	6.5	12.8	2.2	4.0	6.6	4.5	7.7	-0.8	9.1	1.8
Dec	12.2	14.5	8.5	12.2	6.6	12.8	14.3	2.6	4.9	3.2	9.3	3.8	7.8	1.1
2010-Jan	10.9	11.3	10.1	12.1	5.3	2.6	23.3	3.5	6.0	3.7	7.5	3.3	7.5	1.0
Feb	9.6	10.1	8.8	11.5	4.5	2.6	20.3	1.6	4.7	4.9	3.4	3.4	6.0	-1.8
Mar	9.0	9.7	7.9	9.7	5.5	2.9	16.3	2.2	5.0	5.6	3.0	4.1	3.5	-2.0
Apr	9.4	9.8	8.6	10.1	3.6	2.8	19.9	1.7	4.7	5.8	4.4	5.4	2.9	-5.2
May	7.9	8.1	7.6	10.1	3.0	2.7	14.5	2.3	2.8	5.6	2.1	7.6	2.5	-5.0
Jun	7.2	7.1	7.4	9.6	0.8	2.7	15.4	2.9	3.1	5.0	1.6	8.0	0.9	-4.5
Jul	6.3	5.6	7.4	7.0	-0.7	1.7	19.5	2.1	3.1	4.6	0.6	7.0	-0.4	-4.8
Aug	6.6	6.3	7	7.2	0.6	1.9	16.5	2.6	4.9	3.9	0.4	7.4	0.3	-6.3
Sep	4.5	4.5	4.7	6.7	1.7	1.9	7.1	2.4	4.3	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	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
Weight (%)	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5
2007 Jan	1.3	1.8	0.6	0.7	1.5	0.9	-0.1	1.9	0.1	-0.9	1.2	0.4	2.6	-0.6
Feb	1.1	0.7	1.7	0.5	0.9	0.0	4.7	1.8	1.4	0.3	1.7	1.1	0.0	0.9
Mar	0.7	1.2	0.2	1.9	-0.2	0.7	-0.2	-0.8	0.3	0.5	0.9	-0.5	0.4	0.9
Apr	-0.1	-0.1	-0.1	0.7	-0.1	0.0	-0.9	0.2	0.9	0.3	-0.1	-0.1	0.1	-0.1
May	0.6	-0.1	1.6	1.2	0.8	0.0	3.3	0.6	0.8	0.0	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	0.0
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	0.2	-0.7
Aug	-0.9	-1.6	-0.2	-0.6	0.4	0.4	-0.4	-0.4	-0.4	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	0.5	-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	0.4	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	0.0	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	0.9	-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	1.3	0.7
Feb	1.4	1.9	0.6	0.4	0.1	0.0	1.6	1.0	0.6	0.0	-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	0.4	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	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	0.6	-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	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	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	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	1.3
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	0.0	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	0.5	-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	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	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	0.7	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	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	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	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	0.1	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	1.3	0.7
Aug	0.4	0.1	0.9	0.9	0.1	0.0	2.4	1.2	0.5	1.6	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	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	0.2	-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	0.1	-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	-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	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	-0.7	-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	-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	-0.3	-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	-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	-0.1	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	0.0	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	0.8	-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	-0.2	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)**

Period	Headline Overall Index	Food & Non Alcoholic Beverages (Exclude Food consumed at Restaurants)	Transport	Housing, Water, Electricity, Gas & Other Fuel	Furnishings, 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>
2010 - Sep	4.5												
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	2.0

Source: National Bureau of Statistics

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

Period	Weight (%)	Food & Non Alcoholic Beverages (Combining Food consumed at Home and Food Consumed in Restaurants)			Non-Food		
		Food & Non Alcoholic Beverages	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>43.3</b>	<b>49.0</b>	<b>5.7</b>			
2010 - Sep	4.5						
Oct	4.4	4.7	4.7	6.8			
Nov	6.0	3.9	3.5	14.6			
Dec	6.3	4.9	3.7	12.3			
2011 - Jan	6.7	4.7	3.7	19.1			
Feb	8.6	6.1	4.4	13.0			
Mar	8.3	6.1	5.2	17.2			
Apr	9.2	7.7	6.3	22.1			
May	10.1	7.8	5.7	24.5			
		9.3	7.1				

September 2010 = 100

Source: National Bureau of Statistics

**Table A7: National Debt Developments**

Item	2009/10	2010/11								
		Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11
<b>1. Overall Total Debt Committed<sup>2</sup></b>	<b>9,020.9</b>	<b>9,850.1</b>	<b>9,986.9</b>	<b>9,887.3</b>	<b>10,006.9</b>	<b>10,464.9</b>	<b>10,775.6</b>	<b>10,826.0</b>	<b>11,019.9</b>	<b>10,899.6</b>
Disbursed outstanding debt	6,207.0	6,849.6	6,931.9	6,928.9	6,969.7	6,972.8	7,224.9	7,272.1	7,423.7	7,347.5
Undisbursed debt	2,813.9	3,000.5	3,055.0	2,958.4	3,037.2	3,492.1	3,550.7	3,553.9	3,596.2	3,552.1
<b>2. Disbursed Debt by Creditor Category<sup>2</sup></b>	<b>6,207.0</b>	<b>6,849.56</b>	<b>6,931.9</b>	<b>6,928.9</b>	<b>6,969.7</b>	<b>6,972.8</b>	<b>7,224.9</b>	<b>7,272.1</b>	<b>7,423.7</b>	<b>7,347.5</b>
Bilateral debt	932.8	956.5	908.0	900.5	909.6	894.9	937.3	941.1	948.9	942.9
Multilateral debt	4,112.9	4,442.0	4,570.4	4,585.6	4,613.5	4,643.0	4,845.2	4,885.9	5,024.5	4,958.6
Commercial debt	603.2	850.4	857.6	855.3	858.8	857.9	864.9	867.7	873.7	869.4
Export credits	558.2	600.7	595.8	587.6	587.9	577.0	577.5	577.4	576.6	576.5
<b>3. Disbursed Debt by Borrower Category<sup>2</sup></b>	<b>6,207.0</b>	<b>6,849.6</b>	<b>6,931.9</b>	<b>6,928.9</b>	<b>6,969.7</b>	<b>6,972.8</b>	<b>7,224.9</b>	<b>7,272.1</b>	<b>7,423.7</b>	<b>7,347.5</b>
Central Government	4,729.6	5,046.3	5,126.8	5,137.8	5,174.1	5,190.3	5,425.8	5,469.2	5,609.6	5,541.3
Parastatal Companies	475.4	553.6	553.9	548.4	549.6	537.5	551.9	554.3	563.9	558.1
Private Sector	1,002.0	1,249.7	1,251.1	1,242.7	1,246.1	1,245.0	1,247.2	1,248.6	1,250.2	1,248.1
<b>4. Disbursed Debt by Use of Funds<sup>2</sup></b>	<b>6,207.0</b>	<b>5,722.6</b>	<b>6,931.9</b>	<b>6,928.9</b>	<b>6,969.7</b>	<b>6,972.8</b>	<b>7,224.9</b>	<b>7,272.1</b>	<b>7,423.7</b>	<b>7,347.5</b>
BOP & Budget Support	2,010.6	2,149.4	2,149.1	2,143.8	2,155.3	2,185.2	1,880.4	1,871.8	2,266.5	2,243.3
Transport & Telecommunication	679.5	762.6	770.7	788.6	794.2	882.8	920.1	932.5	917.7	908.3
Agriculture	671.9	685.4	694.2	738.9	743.3	734.0	807.1	821.2	793.4	785.3
Energy & Mining	756.8	720.8	712.9	652.1	655.6	656.1	620.0	639.8	705.4	698.2
Industries	178.5	214.9	214.1	206.3	206.5	194.4	185.3	220.1	193.2	191.2
Social Welfare & Education	825.3	938.6	982.4	993.5	998.4	1,017.1	1,105.4	1,294.2	1,147.4	1,135.6
Finance and Insurance	84.1	154.6	158.9	157.7	158.6	151.9	157.2	180.7	180.9	179.0
Tourism	96.0	96.3	96.4	104.9	104.6	108.5	107.3	108.6	110.5	109.3
Others	904.3		1,153.3	1,142.9	1,153.2	1,042.8	1,442.0	1,203.3	1,108.7	1,097.3
<b>5. Total Amount of Loan Contracted<sup>1</sup></b>	<b>844.6</b>	<b>0.0</b>	<b>6.8</b>	<b>3.4</b>	<b>0.8</b>	<b>17.1</b>	<b>19.0</b>	<b>4.0</b>	<b>0.0</b>	<b>5.2</b>
Government	594.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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
Private	250.3	0.0	6.8	3.4	0.8	17.1	19.0	4.0	0.0	5.2
<b>6. Disbursements<sup>1</sup></b>	<b>851.7</b>	<b>95.5</b>	<b>46.2</b>	<b>40.9</b>	<b>40.0</b>	<b>90.2</b>	<b>59.8</b>	<b>15.1</b>	<b>17.8</b>	<b>17.2</b>
Government	747.4	84.8	39.0	32.7	39.0	64.2	59.8	15.1	17.8	17.2
Parastatal Companies	63.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private	40.8	10.7	7.2	8.2	1.0	26.0	0.0	0.0	0.0	0.0
<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>77.0</b>	
<b>8. Actual Debt Service<sup>1</sup></b>	<b>96.1</b>	<b>13.7</b>	<b>13.9</b>	<b>19.9</b>	<b>4.2</b>	<b>4.8</b>	<b>0.8</b>	<b>8.2</b>	<b>8.2</b>	<b>7.2</b>
Principal	52.9	9.1	8.1	15.9	2.3	3.2	0.1	4.1	3.5	1.7
Interest	43.2	4.6	5.8	4.0	1.8	1.6	0.7	4.1	4.7	5.5
Others	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>755.6</b>	<b>81.8</b>	<b>32.3</b>	<b>21.0</b>	<b>35.8</b>	<b>85.4</b>	<b>59.0</b>	<b>6.9</b>	<b>9.6</b>	<b>10.0</b>
<b>10. Total Arrears by Creditors Category<sup>2</sup></b>	<b>2,760.8</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>Principal</b>	<b>1,121.2</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>
Bilateral	464.5	472.2	422.4	416.6	426.9	424.8	453.0	453.8	457.9	452.9
Multilateral	16.2	18.2	18.3	11.7	12.4	13.5	13.7	13.8	14.1	14.0
Commercial	384.7	392.4	402.5	414.3	422.9	417.4	424.0	450.2	458.0	475.5
Export Credits	255.8	255.9	259.2	268.7	274.2	241.3	249.6	303.8	307.5	308.4
<b>Interest</b>	<b>1,639.7</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>
Bilateral	721.5	748.2	680.5	674.2	703.7	697.4	714.3	715.8	726.0	725.3
Multilateral*	18.7	18.2	18.3	18.2	20.0	13.1	13.2	14.7	15.2	16.6
Commercial	599.5	625.8	639.9	639.9	660.1	627.4	642.5	647.8	674.9	680.7
Export Credits	300.0	303.5	310.2	318.5	322.2	314.0	315.9	316.8	322.8	331.7
<b>11. External Debt Stock</b>	<b>7,846.7</b>	<b>8,545.2</b>	<b>8,580.6</b>	<b>8,579.7</b>	<b>8,675.5</b>	<b>8,624.7</b>	<b>8,910.9</b>	<b>8,967.2</b>	<b>9,162.6</b>	<b>9,101.8</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>13. Total Debt Stock</b>	<b>9,856.2</b>	<b>10,822.7</b>	<b>10,857.2</b>	<b>10,868.0</b>	<b>10,985.4</b>	<b>10,886.3</b>	<b>11,155.6</b>	<b>11,270.5</b>	<b>11,455.4</b>	<b>11,408.7</b>
<b>End Period Exchange Rate</b>	<b>1,379.4</b>	<b>1,483.8</b>	<b>1,482.0</b>	<b>1,470.5</b>	<b>1,453.5</b>	1,483.3	1,500.5	1,490.8	1,497.1	1,518.3

\*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, REPO rate and overnight inter-bank rate, whichever is higher.

### 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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