



**BANK OF TANZANIA**



**MONTHLY  
ECONOMIC  
REVIEW**

November 2010



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# 1.0 Inflation Developments

In November 2010, the National Bureau of Statistics published new weights in the National Consumer Price Index (NCPI) basket using results of the 2007 Household Budget Survey. The new indices are based on monetary expenditures of both urban and rural households in 21 regions of Tanzania, unlike the old indices that covered urban households only. The reference period for the NCPI has been changed to **September 2010=100 from December 2001=100**.

The rebased NCPI follows the internationally recommended Classification of Individual Consumption by Purpose (COICOP). The composition of the 12 major groups of COICOP is different from the composition of the major groups of the old NCPI. The new NCPI will therefore be presented with indices for the 12 major groups of COICOP as well as additional index aggregations including: i) Food and Non-alcoholic Beverages—combining food consumed at home and food consumed in restaurants; ii) Energy and Fuels—combining electricity and other fuels for use at home with petrol and diesel; iii) All Items Less Food; and iv) All Items Less Food and Energy (Table 1.1).

**Table 1.1: Annual percentage Changes in the National Consumer Price Index (Urban and Rural)- New Version**

(Base: Sept 2010 = 100)

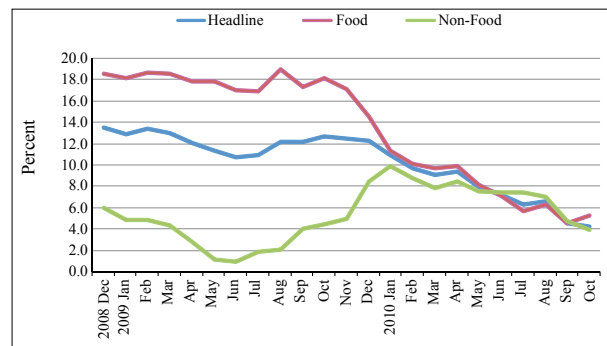
Main Group	Weight (%)	2010 Oct
<b>Headline/Overall</b>	<b>100.0</b>	<b>4.2</b>
<b>Food and Non Alcoholic Beverages</b>	<b>47.8</b>	<b>5.2</b>
<b>Non-food</b>	<b>52.2</b>	<b>3.9</b>
Transport	9.5	-1.0
Housing, Water, Electricity, Gas and Other Fuel	9.2	10.2
Furnishing, Housing Equipment and Routine Maintenance of the House	6.7	3.5
Clothing & Footwear	6.7	4.9
Restaurant and Hotels	6.4	-1.5
Misc. Goods & Services	4.5	4.6
Alcohol and Tobacco	3.3	4.1
Communication	2.1	1.2
Education	1.7	-0.7
Recreation & Culture	1.3	3.4
Health	0.9	-1.4
<b>Other Selected Groups</b>		
Food and Non Alcoholic Beverages (Combining food consumed at home and food consumed in restaurants)	51.0	4.4
All Items Less food.	48.9	3.9
All items Less Food and Energy	43.3	3.5
Energy and Fuels (Combining electricity and other fuels for use at home with petrol and diesel).	5.7	6.8

Source: National Bureau of Statistics

The new NCPI incorporates a number of methodological improvements including the use geometric means for compiling elementary index aggregates, as against the previous arithmetic mean, the use of an improved index compilation system, and improved procedures for collecting and processing prices. NCPI statistics will be reported using the new basket from October 2010 onwards, while statistics before that period are reported using the old basket.

**Annual headline inflation rate** using the rebased CPI, was 4.2 percent in October 2010, compared with 4.5 percent in September 2010 (Chart 1.1). It is worth noting that the September inflation (Table 1.2) was based on the old index. **Month-to-month headline inflation rate** fell to 0.1 percent in October 2010, from 0.2 percent in the preceding month mainly driven by non food inflation.

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



Source: Bank of Tanzania

**Table 1.2: Annual Percentage Change in the Consumer Price Index (ALL-Urban) - Old Version**

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2008		2009		2010			
		Aug	Sep	Aug	Sep	Aug	Sep		
<b>Headline/Overall</b>	<b>100.0</b>	<b>9.8</b>	<b>11.6</b>	<b>11.8</b>	<b>12.1</b>	<b>12.1</b>	<b>12.7</b>	<b>6.6</b>	<b>4.5</b>
<b>Food</b>	<b>55.9</b>	<b>11.1</b>	<b>13.4</b>	<b>14.6</b>	<b>18.9</b>	<b>17.3</b>	<b>18.1</b>	<b>6.3</b>	<b>4.5</b>
<b>Non-food</b>	<b>44.1</b>	<b>7.8</b>	<b>8.9</b>	<b>7.9</b>	<b>2.0</b>	<b>4.0</b>	<b>4.2</b>	<b>7.0</b>	<b>4.7</b>
Transportation	9.7	9.9	9.7	7.9	-4.9	-2.0	-1.4	7.4	5.6
Fuel, Power and Water	8.5	12.7	15.0	12.9	-7.2	-0.9	0.5	16.5	7.1
Drinks and Tobacco	6.9	8.6	8.8	8.3	10.9	11.3	12.1	7.2	6.7
Clothing & Footwear	6.4	-0.1	2.2	1.8	9.8	8.1	6.3	0.6	1.7
Education	2.6	7.9	8.3	7.9	10.3	9.5	9.6	-6.3	0.0
Furniture & Household Equip.	2.1	6.9	8.2	7.9	6.5	7.0	5.8	2.6	2.4
H/h Operations Maintenance	2.1	1.1	3.4	4.0	6.3	5.2	5.8	4.9	4.3
Personal Care & Health	2.1	5.9	6.9	5.9	7.5	7.0	7.0	3.9	4.1
Rents	1.4	3.1	2.4	2.4	12.6	12.6	12.6	1.9	1.9
Recreation & Entertainment	0.8	5.2	6.9	6.9	8.4	9.1	8.5	0.4	-0.7
Misc. Goods & Services	1.8	1.5	3.4	3.9	5	3.1	0.9	-6.3	-5.6

Source: National Bureau of Statistics

**Annual non-food inflation rate** was 3.9 in October 2010 where as non-food inflation in the old basket recorded an annual inflation rate of 4.7 percent in September 2010. **Month-to-month non-food inflation rate** was negative 0.2 percent in October 2010 same rate as recorded in September 2010.

**Annual food inflation rate** was to 4.4 percent in October 2010, slightly below the 4.5 percent annual inflation recorded in September 2010 for the old basket food group. Meanwhile, **month-to-month food inflation** eased to 0.0 percent in October 2010, from 0.5 percent in September 2010 due to decrease in average prices of some food items.



## Inflation Rate Excluding Food and Energy (Core)

Core inflation measures the change in average consumer prices excluding certain items in the CPI with volatile price movements. This type of inflation excludes food consumed at home and restaurants, non alcoholic beverages, petrol, diesel, gas, kerosene, charcoal and electricity. The **Annual Inflation rate which excludes food and energy** in October 2010 using the new NCPI was 3.5 percent while the annual inflation rate for energy was 6.8 percent.

## Food Supply Situation

In October 2010, food supply situation in the country was generally satisfactory with few incidences of food shortages. During September and October 2010, government distributed 4,133 tons of grain at subsidized prices or freely to districts facing food shortages.

Meanwhile, annual average wholesale prices for major food crops decreased in October 2010 with the exception of beans (**Table 1.3**). On month-to-month basis, wholesale prices for maize, rice, beans and round potatoes increased while that of sorghum decreased.

**Table 1.3: National Average Wholesale Prices for Selected Food Items**

*TZS per 100 kg*

Items	2009	2010		Percentage Change	
	Oct	Sep	Oct	Oct 09 to Oct 10	Sep to Oct 2010
Maize	38,364	28,942	30,108	-21.5	4.0
Rice	102,456	83,804	88,269	-13.8	5.3
Beans	95,532	100,694	104,508	9.4	3.8
Sorghum	50,541	43,414	40,590	-19.7	-6.5
Potatoes	54,180	50,404	51,808	-4.4	2.8

Source: Ministry of Industry, Trade and Marketing

## National Food Reserves

Stocks of maize and sorghum held by the National Food Reserve Agency (NFRA) increased to 180,103 tons at the end of October 2010, from 138,694 tons recorded in the preceding month (**Table 1.4**). The increase in the stocks was on account of purchase of grains by NFRA following budgetary allocations from the Treasury. From July to October 2010, NFRA purchased 123,904 tons of maize, representing 62 percent of the 200,000 tons estimated to be purchased during 2010/11.

**Table 1.4: National Food Reserve Agency (NFRA) Stock**

*Tons*

Period	2007	2008	2009	2010	% Change
					2009-2010
January	112,343	139,765	128,919	66,267	-48.6
February	117,838	133,898	125,430	64,461	-48.6
March	121,046	119,022	124,252	60,694	-51.2
April	125,509	94,509	122,849	53,821	-56.2
May	128,350	79,369	109,876	50,312	-54.2
June	128,804	76,649	94,699	48,248	-49.1
July	129,306	75,438	88,841	47,143	-46.9
August	125,653	83,131	93,231	90,519	-2.9
September	131,937	102,225	110,278	138,694	25.8
October	143,717	114,464	107,177	180,103	68.7
November	142,624	122,209	86,542		
December	142,044	129,253	77,644		

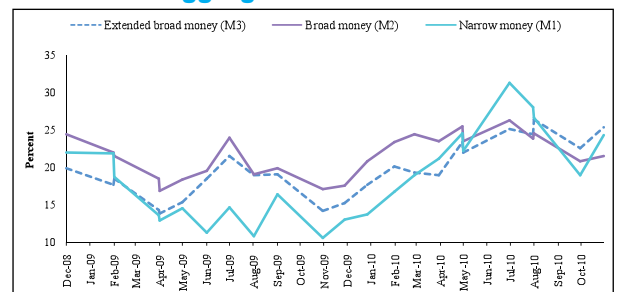
Source: National Food Reserve Agency

# 2.0 Monetary and Financial Markets Developments

## Money Supply and Credit Developments

During the year ending October 2010, all the monetary aggregates registered higher growth rates compared with the year ending September 2010 and in the corresponding period in 2009. In particular, extended broad money supply (M3) recorded an annual growth rate of 25.3 percent in October 2010, being higher than 22.6 percent recorded in September 2010 and 14.2 percent in October 2009. Broad money supply (M2) grew by 21.5 percent in October 2010, higher than 20.8 percent recorded in September 2010 and 17.0 percent recorded in October 2009 (**Chart 2.1 and Table 2.1**).

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



Source: Bank of Tanzania



The increase in the annual growth rate of money supply in October 2010 compared with the preceding month was mainly due to the recovery in credit to the private sector, coupled with the increase in official reserves of the Bank. Meanwhile, the Government has made a net repayment of TZS 63.8 billion in October 2010, compared with a net borrowing of TZS 90.0 billion recorded in September 2010.

Annual growth of credit to the private sector improved to 20.3 percent in October 2010, compared with 18.5 percent registered in September 2010 and 17.8 percent in October 2009. Growth of banks' credit to selected major economic activities increased albeit at a lower rate when compared with the preceding month, save for agriculture and trade activities. Nevertheless, when compared with the corresponding period in 2009, growth of credit to selected economic activities improved, except for personal loans, and hotels and restaurants activities.

**Table 2.1: Selected Money Supply Components**

Item	Outstanding Stock in Billions of TZS			Monthly Change		Annual Growth Rates (%)			
	Oct-08	Oct-09	Sep-10	Sep-10	Oct-10	Oct-09	Sep-10	Oct-10	
Net Foreign Assets of the Banking System	3,735.0	4,919.0	5,506.4	5,832.5	16.9	326.1	31.7	13.1	18.6
Bank of Tanzania	3,211.5	3,861.9	4,359.8	4,623.2	96.9	263.4	20.2	11.7	19.7
Net International Reserves (Millions of USD)	2,562.4	3,254.8	3,233.0	3,417.9	47.8	184.9	27.0	-1.9	5.0
Banks	523.5	1,057.2	1,146.7	1,209.3	-80.0	62.6	102.0	18.6	14.4
Net Domestic Assets of the Banking System	3,739.6	3,613.3	4,842.3	4,858.8	-179.6	16.5	-3.4	35.5	34.5
Domestic Claims	4,162.8	4,983.9	6,988.2	7,026.6	133.1	38.4	19.7	45.7	41.0
Claims on central government (net)	59.1	148.2	1,273.2	1,209.4	90.0	-63.8	---	---	---
Claims on Government	2,384.8	2,856.1	3,998.9	4,021.1	-24.9	22.2	19.8	45.8	40.8
o/w Securities held by banks	1,567.0	1,712.4	2,428.9	2,428.4	85.6	-0.5	9.3	50.3	41.8
Liabilities to Central Government	2,325.7	2,707.9	2,725.7	2,811.7	-114.8	86.0	16.4	-1.6	3.8
Claims on Other Sectors	4,103.7	4,835.7	5,715.1	5,817.2	43.1	102.1	17.8	18.5	20.3
Extended Broad Money Supply (M3)	7,474.6	8,532.4	10,348.7	10,691.3	-162.7	342.6	14.2	22.6	25.3
Foreign Currency Deposits (FCD) in National Currency	1,990.9	2,114.4	2,725.2	2,893.2	-54.0	168.1	6.2	27.9	36.8
FCD in millions of US dollar	1,557.9	1,617.0	1,836.6	1,952.2	-53.2	115.6	3.8	12.3	20.7
Broad Money Supply (M2)	5,483.7	6,418.0	7,623.6	7,798.1	-108.7	174.5	17.0	20.8	21.5
Other Deposits in National Currency	2,290.6	2,886.4	3,368.0	3,409.1	-17.7	41.1	26.0	23.2	18.1
Narrow Money Supply (M1)	3,193.1	3,531.6	4,255.6	4,389.0	-91.0	133.4	10.6	18.9	24.3
Currency in Circulation	1,451.7	1,538.7	1,857.7	1,908.4	-22.6	50.7	6.0	22.3	24.0
Transferable Deposits in National Currency	1,741.4	1,993.0	2,397.9	2,480.6	-68.4	82.7	14.4	16.4	24.5

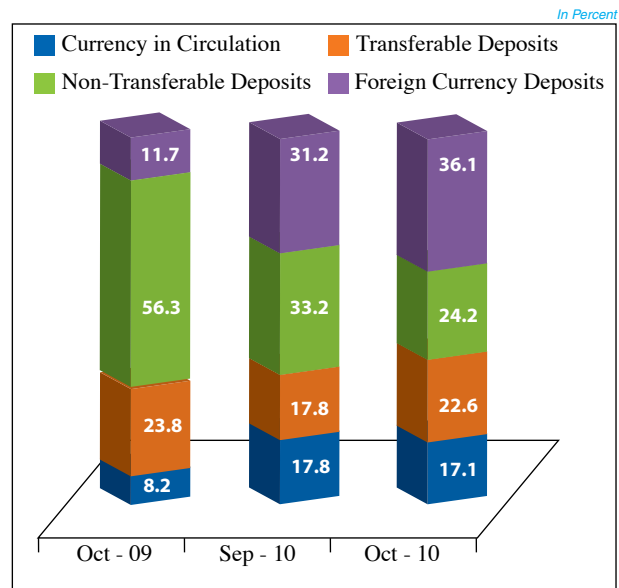
Source: Bank of Tanzania

On monthly basis, net credit to the private sector increased by TZS 102.1 billion to TZS 5,817.2 billion in October 2010, compared with an increase of TZS 11.6 billion recorded in October 2009.

On annual basis, banks' credit to the private sector increased by TZS 981.5 billion to a stock of TZS 5,817.2 billion in October 2010 compared with an increase of TZS 732.0 billion in the year to October 2009. Personal loans continued to dominate in terms of share of outstanding private sector credit, accounting for 21.1 percent, followed by trade activities (16.9 percent), manufacturing (15.1 percent), and agriculture (12.7 percent).

During the year ending October 2010, the change in money supply from the liabilities side was dominated by foreign currency deposits (FCD) accounting for 36.1 percent in October 2010, being much higher than 31.2 percent recorded in September 2010 and 11.7 percent in October 2009. This development was partly on account of depreciation of the shilling against US dollar (Chart 2.2).

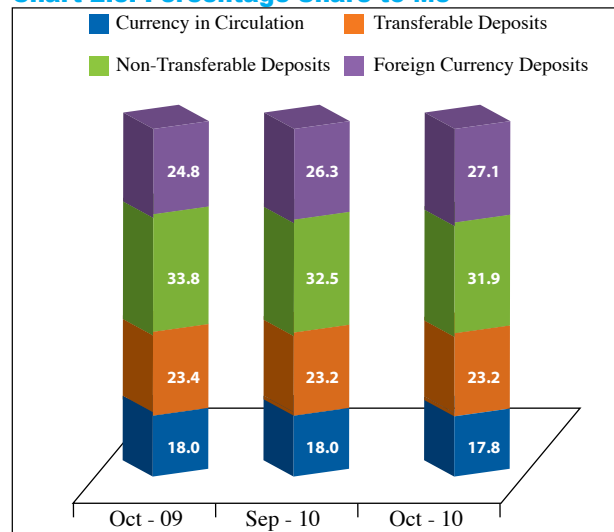
**Chart 2.2: Annual Contribution to Change in M3**



Source: Bank of Tanzania

Meanwhile, the contribution of non-transferable deposits declined to 24.2 percent from 56.3 percent in October 2009. In line with these developments, the share of foreign currency deposits to M3 rose to 27.1 percent in October 2010, being higher than 24.8 percent in October 2009. On the other hand, the share of non-transferable deposits declined to 31.9 percent, from 33.8 percent in the same period (Chart 2.3).

**Chart 2.3: Percentage Share to M3**



Source: Bank of Tanzania

## Interest Rate Developments

During October 2010, interest rates in the money market increased when compared with the rates recorded in the preceding month and in a similar period a year earlier. The overall weighted average Treasury bills yield increased to 5.68 percent in October 2010, from 5.06 percent in September 2010 and 5.17 percent registered in October 2009 (Table



**2.2).** Reflecting relative tight liquidity conditions in some banks, the overall interbank cash market rate increased to 2.29 percent in October 2010, from 1.65 percent in the preceding month and 1.63 percent recorded in the similar month in 2009. Likewise, overnight interbank rate increased to 2.27 percent, from 1.68 percent and 1.21 percent in the same period, whereas repo rate rose to 1.53 percent in October 2010, from 0.90 percent recorded in September 2010 and 1.32 percent in October 2009.

**Table 2.2: Weighted Average Interest Rates Structure**

Item	2008		2009		2010																			
	Oct	Nov	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Percent											
Overall Interbank cash market rate	5.45	1.63	1.80	1.89	1.29	0.92	0.87	0.97	0.92	1.09	1.65	2.29												
<i>Overnight interbank cash market</i>	5.23	1.21	1.67	1.66	0.98	0.86	0.67	0.86	0.82	0.93	1.68	2.27												
REPO Rate	4.89	1.32	1.22	1.22	1.06	0.79	0.65	0.54	0.58	0.58	0.90	1.53												
Discount Rate	15.30	3.70	7.58	7.58	7.58	7.58	7.58	7.58	7.58	7.58	7.58	7.58												
Overall Treasury bills rate	10.30	5.17	7.20	6.32	4.15	2.70	2.68	3.33	3.89	3.86	5.06	5.68												
35 days	5.93	3.01	4.57	4.09	1.99	1.26	0.89	0.65	0.78	0.97	1.62	1.84												
91 days	10.39	3.38	6.35	5.57	3.25	1.77	2.16	2.89	3.22	2.71	3.89	4.76												
182 days	10.81	4.90	7.20	6.33	4.45	2.58	2.26	2.59	3.91	3.91	4.77	5.67												
364 days	11.63	8.22	9.06	8.24	6.32	4.86	4.96	6.08	6.26	5.98	6.96	7.85												
Savings Deposit Rate	2.66	2.65	2.84	2.89	2.88	2.83	2.82	2.82	2.69	2.58	2.57	2.56												
Treasury Bonds Rates																								
2-years	13.20	10.89	10.89	9.40	9.40	9.40	9.40	8.79	8.88	8.88	9.82	9.82												
5-years	16.39	13.45	13.77	13.77	13.77	13.77	9.52	9.52	9.52	9.70	9.70	10.44												
7-years	17.04	14.14	14.15	14.15	12.11	12.11	10.38	10.38	10.38	10.85	10.85	11.88												
10-years	19.47	16.95	16.73	16.73	16.73	11.99	11.99	11.68	11.68	11.68	13.00	13.00												
Overall Time Deposits Rate	6.40	6.41	6.12	5.82	6.11	5.96	5.79	5.88	5.42	5.55	6.03	6.15												
12 month time deposit rate	8.38	8.83	9.06	8.84	8.78	8.67	8.56	8.43	7.86	7.13	7.15	7.29												
Negotiated Deposit Rate	10.11	10.11	7.44	7.16	9.41	9.63	9.47	9.57	8.76	8.58	9.33	9.60												
Overall Lending rate	14.82	14.75	14.39	14.86	14.83	14.59	14.53	14.71	14.39	14.40	14.31	14.36												
Short-term lending rate (up to 1 year)	13.27	13.92	13.76	14.73	14.61	13.88	14.02	13.92	14.14	14.37	13.32	13.34												
Negotiated Lending Rate	13.60	13.51	13.68	13.79	13.71	13.97	13.80	14.13	13.84	14.00	13.80	13.71												
Margin between short-term lending and one-year time deposit rates	4.89	5.08	4.71	5.89	5.84	5.21	5.47	5.49	6.28	7.24	6.17	6.05												

Source: Bank of Tanzania

Interest rates offered and charged by banks also followed a similar pattern as observed in the money market rates. Overall time deposits rate increased to 6.15 percent in October 2010, from 6.03 percent in the preceding month, but the rate was lower than 6.40 percent recorded in October 2009. Similarly, negotiated deposit rate stood at 9.60 percent up from 9.33 percent in September 2010, but lower than 10.11 percent recorded in the corresponding period in 2009. Savings deposit rate declined marginally to 2.56 percent in October 2010, from 2.57 percent recorded in the preceding month and 2.65 percent in October 2009.

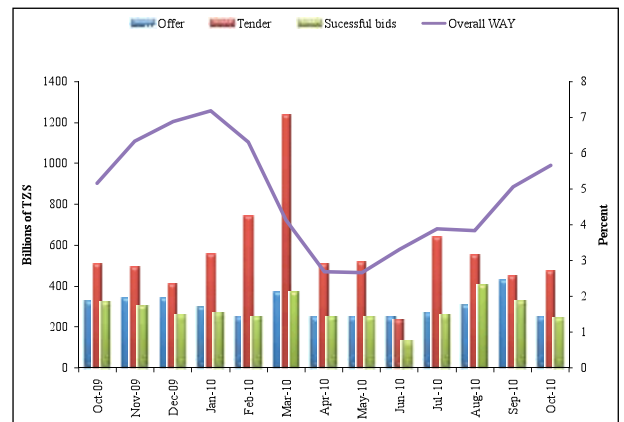
Overall lending rate increased to 14.36 percent in October 2010, from 14.31 percent in September 2010, but was lower than 14.75 percent recorded in October 2009. During the period, negotiated lending rate eased to 13.71 percent from 13.80 percent, but was higher than 13.51 percent registered in the corresponding period in 2009. The spread between short-term lending and deposit rates narrowed to 6.05 percent in October 2010, from 6.17 percent in the preceding month.

## Financial Markets Developments

### Treasury Bills and Bonds Market

During October 2010, the Bank supplied Treasury bills worth TZS 240.0 billion, and the demand was TZS 464.0 billion (Chart 2.4). The Bank accepted Treasury bills worth TZS 230.4 billion (face value) or TZS 222.6 billion (cost value).

**Chart 2.4: Treasury bills Market Developments**



Source: Bank of Tanzania

In the Treasury bonds market, the Bank conducted two auctions of 5-year and 7-year Treasury bonds, each with face value of TZS 40.0 billion. Demand for the 5-year Treasury bond was TZS 66.7 billion, while that of 7-year bond was TZS 93.0 billion. The Bank accepted bids with cost value of TZS 23.8 billion and TZS 20.2 billion for 5-year and 7-year bond, respectively.

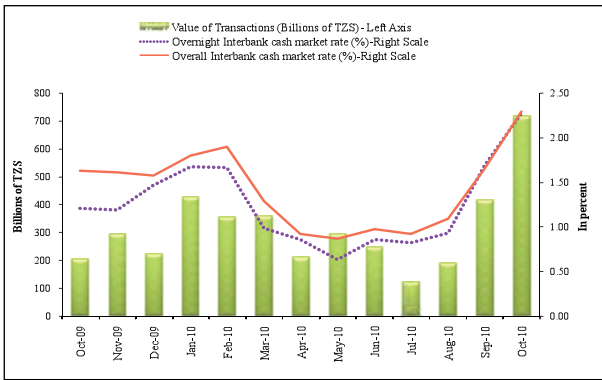
### Inter-Bank Cash Market Developments

During the month under review, the volume of transactions in the inter-bank cash market amounted to TZS 712.7 billion, being higher than TZS 409.9 billion recorded in the preceding month and TZS 197.0 billion recorded in a similar period in 2009. Out of the total volume traded, the share of overnight transactions was 78.3 percent, compared with 82.7 percent in September 2010, and 59.9 percent in October 2009 (Chart 2.5).





**Chart 2.5: Interbank Cash Market Developments**

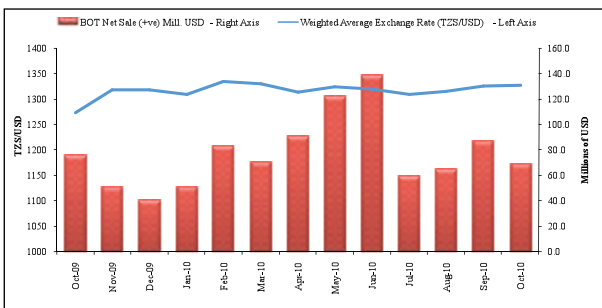


Source: Bank of Tanzania

## Inter-Bank Foreign Exchange Market

During October 2010, the volume of transactions in the inter-bank foreign exchange market (IFEM) was USD 212.26 million. Out of the total volume, the Bank sold USD 100 million for liquidity management purposes. During the month, the shilling depreciated against the US dollar to TZS 1,495.05, from TZS 1,494.81 in September 2010. On annual basis, the shilling depreciated against the US dollar by 12.0 percent, from TZS 1,315.46 recorded in October 2009 (Chart 2.6). The annual depreciation of the shilling against the US dollar was partly explained by the strengthening of the US dollar against major currencies.

**Chart 2.6: Interbank Foreign Exchange Market Operations**



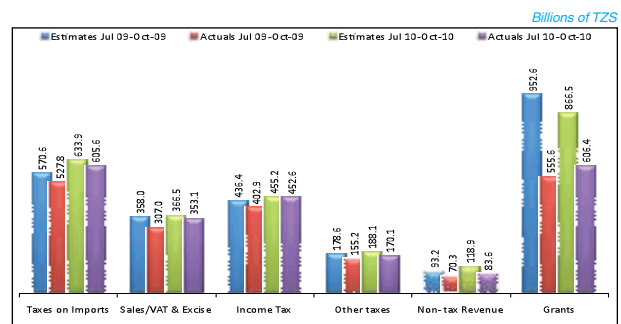
Source: Bank of Tanzania

## 3.0 Government Budgetary Operations

In October 2010, **revenue collections** (excluding Local Government Authorities) amounted to TZS 409.3 billion, which was below the target of TZS 430.8 billion by 5.0 percent. In the corresponding period in 2009, revenue collections amounted to TZS 356.2 billion, which was below the target of TZS 405.0 billion by 12.1 percent.

Tax revenue collections in October 2010 amounted to TZS 388.4 billion equivalent to 96.1 percent of the target, whereas non-tax revenue was 21.4 percent, below the target of TZS 26.7 billion. On cumulative basis, revenue collections in the first four months of 2010/11 amounted to TZS 1,665.1 billion, being lower than the target of TZS 1,762.6 billion, but relatively higher than TZS 1,463.3 billion collected in the corresponding period in 2009/10 (Chart 3.1). As a share of GDP, cumulative revenue was 4.8 percent in 2010/11 compared with 4.7 percent in a similar period in 2009/10.

**Chart 3.1: Government Resources**



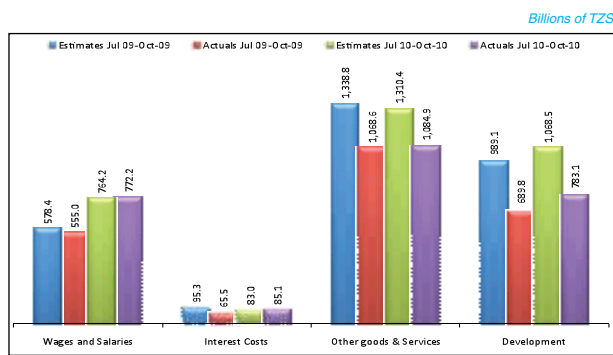
Source: Bank of Tanzania

During the month under review, **total expenditure** amounted to TZS 775.4 billion, being 88.4 percent of the estimate. Out of the total, recurrent expenditure was TZS 468.8 billion and development expenditure was TZS 306.6 billion. In a similar period in 2009, total expenditure amounted to TZS 697.3 billion or 89.0 percent of the estimate; with recurrent expenditure of TZS 495.8 billion, and development expenditure of TZS 201.5 billion.

During the first four months of 2010/11, government expenditure accumulated to TZS 2,756.0 billion, being lower than the estimate of TZS 3,246.8 billion, mainly due to shortfall in the disbursement of donor funds. In the same period in 2009/10, total expenditure amounted to TZS 2,396.7 billion (Chart 3.2). As a percent of GDP, cumulative expenditure was 7.9 percent in 2010/11 compared with 7.7 percent in a similar period in 2009/10.



**Chart 3.2: Government Expenditure, October 2010**



## Financing

Total financing for the first four months of 2010/11 amounted to TZS 811.6 billion, out of which TZS 361.1 billion was foreign financing and TZS 450.5 billion was domestic financing.

## 4.0 External Sector Performance

### Balance of Payments

During the year ending October 2010, **overall balance of payments** recorded a surplus of USD 163.1 million, compared with a surplus of USD 692.4 million recorded in the corresponding period a year earlier. This development was mainly explained by the widening of the current account deficit by 16.5 percent to USD 2,375.9 million, following an increase in goods import coupled with a decline in official current transfers that, together, outweighed the increase in export of goods and services (**Table 4.1**).

Gross official reserves increased to USD 3,778.4 million in October 2010—sufficient to cover about 5.3 months of projected import of goods and services—from USD 3,589.6 million recorded in September 2010 and USD 3,525.2 million in October 2009, largely attributable to capital inflows in the form of grants and foreign borrowings. Similarly, gross foreign assets of banks increased to USD 982.7 million from USD 910.8 million recorded in the preceding month and USD 936.0 million registered in October 2009. In total, gross foreign reserves of the banking system was USD 4,761.1 million in October 2010, which was sufficient to cover about 7.5 months of projected import of goods and services.



**Table 4.1: Current Account Balance**

*Millions of USD*

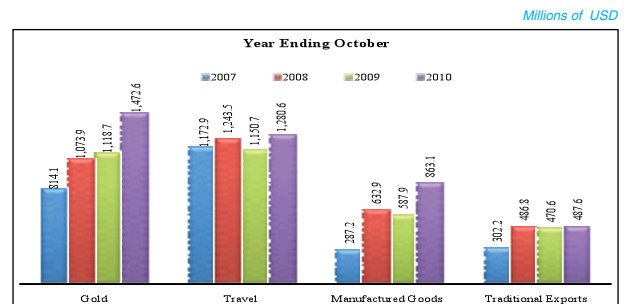
Items	October		2010		Year Ending October <sup>P</sup>		% Change
	2008	2009	September	October	2009	2010	
<b>Goods Account (net)</b>	<b>-406.8</b>	<b>-172.4</b>	<b>-193.0</b>	<b>-237.8</b>	<b>-2,880.5</b>	<b>-3,331.9</b>	<b>15.7</b>
Exports	217.5	384.1	379.1	356.0	2,959.6	3,483.4	17.7
Imports	624.3	556.5	572.1	593.8	5,840.1	6,815.3	16.7
<b>Services Account (net)</b>	<b>19.97</b>	<b>15.66</b>	<b>57.61</b>	<b>29.6</b>	<b>112.7</b>	<b>359.8</b>	<b>219.2</b>
Receipts	163.6	169.3	203.5	186.4	1,810.1	2,035.4	12.4
Payments	143.6	153.6	145.9	156.8	1,697.4	1,675.7	-1.3
<b>Goods and services (net)</b>	<b>-386.9</b>	<b>-156.8</b>	<b>-135.4</b>	<b>-208.3</b>	<b>-2,767.8</b>	<b>-2,972.2</b>	<b>7.4</b>
Exports of goods and services	381.1	553.4	582.6	542.3	4,769.7	5,518.8	15.7
Imports of goods and services	767.9	710.1	718.0	750.6	7,537.6	8,491.0	12.6
<b>Income Account (net)</b>	<b>-9.5</b>	<b>-7.0</b>	<b>-10.4</b>	<b>-15.6</b>	<b>-97.2</b>	<b>-99.0</b>	<b>1.9</b>
Receipts	11.3	10.7	13.6	14.0	139.5	156.5	12.2
Payments	20.8	17.7	24.0	29.6	236.6	255.5	8.0
<b>Current Transfers (net)</b>	<b>56.4</b>	<b>5.0</b>	<b>21.3</b>	<b>238.0</b>	<b>825.5</b>	<b>695.3</b>	<b>-15.8</b>
Inflows	61.7	11.0	27.6	244.9	893.1	759.6	-15.0
o/w General Government	54.2	1.2	18.6	235.9	790.3	650.9	-17.6
Outflows	5.4	6.0	6.3	6.9	67.6	64.3	-4.8
<b>Current Account Balance</b>	<b>-340.0</b>	<b>-158.8</b>	<b>-124.5</b>	<b>14.1</b>	<b>-2,039.5</b>	<b>-2,375.9</b>	<b>16.5</b>

Note: P = Provisional  
Source: Bank of Tanzania

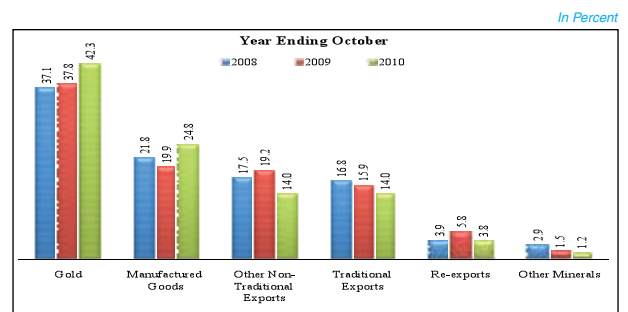
## Exports Performance

During the year ending October 2010, the value of **exports of goods and services** increased by 15.7 percent to USD 5,518.8 million, largely due to increase in exports of gold, travel and manufactured goods. **Chart 4.1** shows the dominance of receipts from gold, followed by travel and manufactured goods, while **Chart 4.2** shows contribution of selected items to total exports of goods.

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

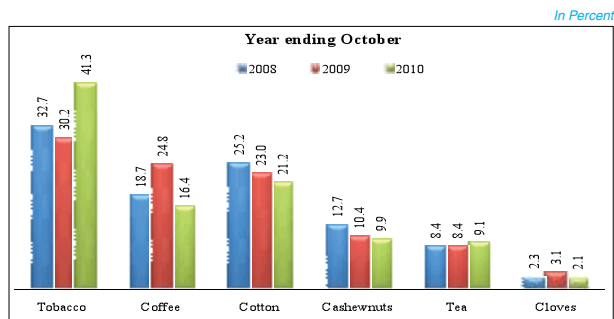


**Chart 4.2: Percentage Contribution of Selected Items to Total Exports of Goods**



During the year ending October 2010, the value of **traditional exports** went up to USD 487.6 million from USD 470.6 million recorded in the year ending October 2009, due to an increase in the value of exports of tea and tobacco. While the increase in exports value of tea was explained by an increase in its unit price, the performance of tobacco was explained by the increase in both export volumes and unit prices. **Chart 4.3** depicts the composition of traditional exports for the last three years.

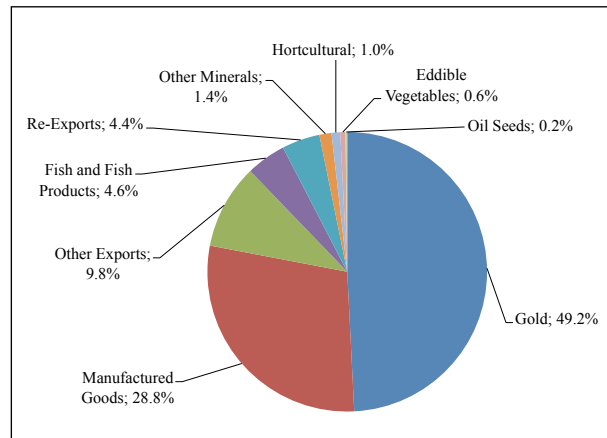
**Chart 4.3: Composition of Traditional Exports**



Source: Bank of Tanzania

During the year ending October 2010, **non-traditional exports** increased to USD 2,995.8 million compared to USD 2,489.0 million recorded in the year ending October 2009. The outturn was largely attributed to increase in the export value of gold and manufactured goods. The value of gold exports went up by 31.6 percent to USD 1,472.6 million, following a rise in the export volumes as well as prices of gold in the world market. The export volume of gold increased to 35.9 tons compared to 32.5 tons recorded in the preceding year, partly on account of commencement of export by the Buzwagi Gold Mine in June 2009, which accounts for about 18 percent of total gold exports. The annual average price of gold increased to USD 1,182.9 per troy ounce, from USD 915.9 per troy ounce recorded during the year ending October 2009. Meanwhile, the value of manufactured goods increased to USD 863.1 million, being 46.8 percent higher than the value recorded during the preceding year, partly associated with the global recovery from the financial crisis. Much of the increase was recorded in the paper products, plastic items and textiles apparels. **Chart 4.4** depicts the composition of non-traditional exports for the year ending October 2010.

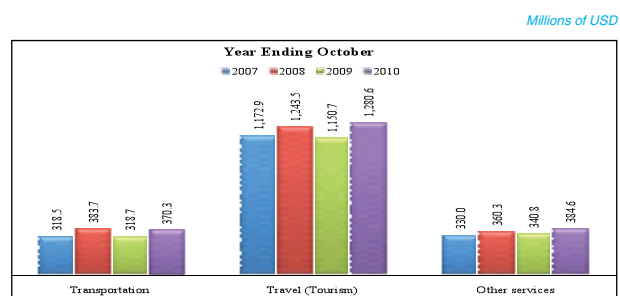
**Chart 4.4: Contribution to Total Non-Traditional Exports for the Year Ending October 2010**



Source: Bank of Tanzania

During the year ending October 2010, **services receipts** amounted to USD 2,035.4 million, being higher than USD 1,810.1 million recorded during the year ending October 2009, mainly due to increase in receipts from travel and transportation. Travel receipts increased by 11.3 percent to USD 1,280.6 million partly attributed to the recovery of the global economy from the financial crisis. Transportation receipts rose by 16.2 percent to USD 370.3 million as a result of the increase in transit goods to the neighbouring countries partly attributed to improvement in cargo clearing at the Dar es Salaam port. **Chart 4.5** depicts the performance of the main services receipt for the past four years.

**Chart 4.5: Service Receipts**



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

Source: Bank of Tanzania

## Imports Performance

During the year ending October 2010, **imports of goods and services** amounted to USD 8,491.0 million, being higher than USD 7,537.6 million recorded in the corresponding period in 2009, largely due to a rise in the value of imported oil and consumer goods. The value of imported oil increased to USD 1,936.8 million in the year ending October 2010, from USD 1,336.8 million in the preceding year, following the increase in both volume and prices. The volume of oil rose



to 3.1 million tons, from 2.8 million tons in the year ending October 2009, while the average prices (refined products) in the world market increased by 27.8 percent to USD 673.8 per ton. Meanwhile, import of consumer goods amounted to USD 1,595.0 million, representing an increase of 14.9 percent largely due to importation of wheat, plastic items, pharmaceutical and paper products (Table 4.2).

**Table 4.2: Imports**

*Millions of USD*

Items	2009 <sup>p</sup>			2010		% Change		Year Ending Oct <sup>p</sup>		% Change
	Oct	Sep	Oct	Sep	Oct	Sep 10 - Oct 09	Oct 09 - Oct 10	2009	2010	
<b>CAPITAL GOODS</b>	<b>223.8</b>	<b>211.0</b>	<b>234.7</b>	<b>11.2</b>	<b>4.9</b>	<b>2,540.1</b>	<b>2,593.2</b>	<b>2.1</b>		
Transport Equipment	63.7	60.8	89.3	46.9	40.2	757.2	829.1	9.5		
Building and Constructions	58.4	61.4	47.2	-23.2	-19.3	537.6	632.0	17.5		
Machinery	101.7	88.8	98.2	10.6	-3.4	1,245.3	1,132.1	-9.1		
<b>INTERMEDIATE GOODS</b>	<b>200.6</b>	<b>215.8</b>	<b>224.6</b>	<b>4.1</b>	<b>11.9</b>	<b>1,911.9</b>	<b>2,627.1</b>	<b>37.4</b>		
Oil imports	148.0	157.9	156.7	-0.8	5.8	1,336.8	1,936.8	44.9		
Fertilizers	10.7	7.2	18.2	154.2	69.6	107.2	122.4	14.1		
Industrial raw materials	41.8	50.8	49.7	-2.1	18.7	467.9	568.0	21.4		
<b>CONSUMER GOODS</b>	<b>132.1</b>	<b>145.3</b>	<b>134.6</b>	<b>-7.4</b>	<b>1.9</b>	<b>1,388.2</b>	<b>1,595.0</b>	<b>14.9</b>		
Food and Food stuffs	37.9	38.8	26.0	-33.0	-31.4	325.8	429.3	31.8		
All other consumer goods <sup>1</sup>	94.2	106.5	108.6	1.9	15.3	1,062.3	1,165.7	9.7		
<b>GRAND TOTAL (F.O.B)</b>	<b>556.7</b>	<b>572.1</b>	<b>593.8</b>	<b>3.8</b>	<b>6.7</b>	<b>5,840.1</b>	<b>6,815.3</b>	<b>16.7</b>		
<b>GRAND TOTAL (C.I.F)</b>	<b>611.8</b>	<b>628.7</b>	<b>652.5</b>	<b>3.8</b>	<b>6.7</b>	<b>6,417.7</b>	<b>7,489.3</b>	<b>16.7</b>		

Note: p = Provisional

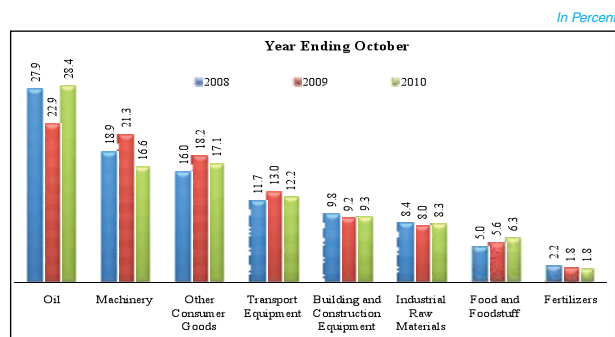
Oil imports refers to refined petroleum products

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

Source: Bank of Tanzania and Tanzania Revenue Authority

**Capital goods imports** increased to USD 2,593.2 million from USD 2,540.1 million recorded during the preceding year, mainly due to a rise in imports of transport equipments as well as building and construction materials. Chart 4.6 summarizes the composition of goods imports for the last three years.

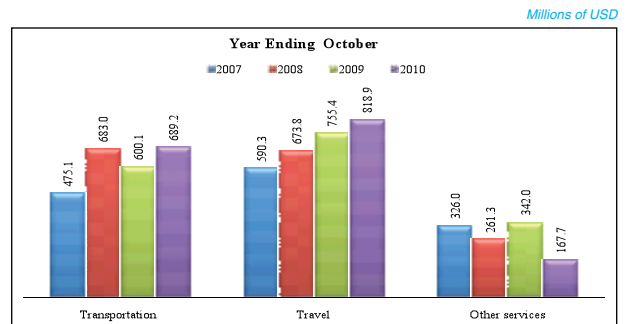
**Chart 4.6: Composition of Goods Imports**



Source: Bank of Tanzania

In the year ending October 2010, **services payments** went down by 1.3 percent to USD 1,675.7 million, owing to a decrease in government and other business services. On the other hand, freight payments went up by 16.2 percent to USD 651.2 million in line with an increase in importation of goods. Chart 4.7 shows the performance of major services payments categories in the past four years.

**Chart 4.7: Service Payments**



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 the year ending October 2010, most of the commodity prices increased except for coffee (Robusta) and sisal (Table 4.3). The rise in prices of cotton was largely associated with strong demand for cotton in China, while the increase in prices of tea was largely attributable to the shortfall in production in Kenya, India and Sri Lanka, following unfavourable weather condition. Similarly, the rise in the price of coffee (Arabica) emanated from production shortfall in Brazil and Colombia, mainly on account of unfavourable weather condition. Meanwhile, the price of cloves increased on account of strong global demand coupled with supply shortages in Madagascar.

During the period under review, the prices of crude oil (UK Brent, Dubai f.o.b) and white petroleum products increased modestly, following a decline in the oil inventories in the United States. Similarly, the price of gold rose by 29.1 percent to USD 1,182.9 per troy ounce.

**Table 4.3: World Commodity Prices**

COMMODITY	Units	2010				Year ending October			
		August	September	October	% Change	2008	2009	2010	% Change
Robusta Coffee	USD per kg	1.82	1.79	1.88	4.91	2.34	1.71	1.65	-3.31
Arabica Coffee	USD per kg	4.66	4.91	4.80	-2.28	3.13	3.04	4.01	31.58
Tea (Average price)	USD per kg	2.99	3.00	3.04	1.37	2.47	2.55	2.90	13.76
Tea (Mombasa Auction)	USD per kg	2.51	2.46	2.48	1.02	2.21	2.32	2.62	12.81
Cotton, "A Index"	USD per kg	1.99	2.31	2.79	20.87	1.63	1.31	1.96	49.61
Cotton, "Memphis"	USD per kg	na	na	na	-	1.66	1.41	na	-
Sisal (UG)	USD per metric ton	850.00	1,050.00	1,150.00	9.52	1,137.67	1,122.25	830.83	-21.51
Cloves	USD per metric ton	4,925.00	4,937.50	4,930.00	0.25	4,498.96	3,784.63	4,705.63	24.34
Crude oil*	USD per barrel	75.83	76.12	81.72	7.36	104.12	57.00	77.20	35.44
Crude oil**	USD per barrel	74.18	75.27	80.34	6.74	100.45	57.36	76.42	33.23
White products***	USD per ton	651.86	662.25	698.37	5.45	975.06	527.17	673.78	27.81
Jet/Kerosene	USD per ton	682.30	694.52	741.81	6.81	1,044.31	532.65	686.92	28.96
Premium Gasoline	USD per ton	681.32	699.09	756.95	8.28	892.91	534.64	707.56	32.34
Heat Oil	USD per ton	591.77	593.14	596.36	0.54	987.97	514.20	626.85	21.91
Gold	USD per troy ounce	1,216.00	1,271.00	1,342.00	5.59	874.41	915.92	1,182.88	29.15

Note: \*Average of U.K Brent, Dubai and West Texas Int'l

\*\* f.o.b Dubai

\*\*\* West Mediterranean

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



## 5.0 National Debt Developments

During the year ending October 2010, **national debt stock** increased by 14.8 percent to USD 10,835.2 million, with external debt accounting for 79.0 percent. The increase was mainly on account of new external debt disbursements and relatively large domestic debt issuance compared with the debt service obligations. Out of the total, Central Government debt was USD 8,091.0 million, while USD 1,784.7 million and USD 959.5 million were debts owed to private sector and public corporations, respectively.

**External debt stock** increased to USD 8,558.6 million at the end of October 2010, from USD 7,548.9 million recorded at the end of October 2009. Out of the total external debt stock, USD 6,909.8 million or 80.7 percent was disbursed outstanding debt and the balance was interest arrears

The profile of external debt stock by borrower category indicates that the Central Government was the largest borrower, accounting for 67.9 percent of the total, followed by private sector debt which accounted for 20.9 percent (Table 5.1).

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

Millions of USD						
Borrower	Oct-09	Share (%)	Jun-10	Share (%)	Oct-10	Share (%)
<b>Central Government</b>	<b>5,219.2</b>	<b>69.1</b>	<b>5,542.5</b>	<b>67.6</b>	<b>5,814.4</b>	<b>67.9</b>
DOD	4,532.0	60.0	4,816.9	58.8	5,128.9	59.9
Interest Arrears	687.2	9.1	725.6	8.9	685.5	8.0
<b>Private Sector</b>	<b>1,559.5</b>	<b>20.7</b>	<b>1,726.5</b>	<b>21.1</b>	<b>1,784.7</b>	<b>20.9</b>
DOD	1,049.8	13.9	1,206.7	14.7	1,227.0	14.3
Interest Arrears	509.7	6.8	519.8	6.3	557.7	6.5
<b>Public Corporations</b>	<b>770.1</b>	<b>10.2</b>	<b>928.9</b>	<b>11.3</b>	<b>959.5</b>	<b>11.2</b>
DOD	398.9	5.3	534.7	6.5	553.9	6.5
Interest Arrears	371.2	4.9	394.2	4.8	405.6	4.7
<b>External Debt Stock</b>	<b>7,548.9</b>	<b>100.0</b>	<b>8,197.9</b>	<b>100.0</b>	<b>8,558.6</b>	<b>100.0</b>

Source: Bank of Tanzania

In terms of creditor category, debt owed to multilateral creditors amounted to USD 4,592.7 million, accounting for 53.7 percent of total external debt, while debt owed to bilateral creditors was USD 1,586.6 million, accounting for 18.5 percent. Debts owed to commercial and export creditors amounted to USD 2,379.3 million or 27.8 percent as shown in Table 5.2.

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

Millions of USD						
Creditor	Oct-09	Share (%)	Jun-10	Share (%)	Oct-10	Share (%)
<b>Bilateral</b>	<b>1,630.9</b>	<b>21.6</b>	<b>1,676.1</b>	<b>20.4</b>	<b>1,586.6</b>	<b>18.5</b>
DOD	941.5	12.5	955.4	11.7	906.1	10.6
Interest Arrears	689.4	9.1	720.7	8.8	680.5	8.0
<b>Multilateral</b>	<b>3,890.9</b>	<b>51.5</b>	<b>4,221.8</b>	<b>51.5</b>	<b>4,592.7</b>	<b>53.7</b>
DOD	3,874.9	51.3	4,204.8	51.3	4,574.4	53.4
Interest Arrears	16.0	0.2	17.0	0.2	18.3	0.2
<b>Commercial &amp; Export Credits</b>	<b>2,027.1</b>	<b>26.9</b>	<b>2,300.0</b>	<b>28.1</b>	<b>2,379.3</b>	<b>27.8</b>
DOD	1,164.2	15.4	1,398.1	17.1	1,429.4	16.7
Interest Arrears	862.9	11.4	901.9	11.0	949.9	11.1
<b>Total External Debt Stock</b>	<b>7,548.9</b>	<b>100.0</b>	<b>8,197.9</b>	<b>100.0</b>	<b>8,558.6</b>	<b>100.0</b>

Source: Bank of Tanzania

**External debt** contracted and recorded during the year ending October 2010 amounted to USD 712.2 million, compared with USD 824.7 million contracted in the corresponding period in 2009. Debt contracted by the Government and private sector amounted to USD 527.5 million and USD 184.7 million, respectively. Disbursements amounted to USD 739.7 million, out of which USD 626.8 million was disbursed to the Government and the remaining USD 112.9 million to the private sector. External debt service amounted to USD 82.8 million, out of which, USD 45.9 million was principal and USD 36.9 million was interest payment.

During the year ending October 2010, **domestic debt stock** increased by TZS 933.8 billion to TZS 3,374.1 billion, mainly due to large issuance of Government bonds compared to maturing obligations. Out of the total domestic debt, Government securities were TZS 3,365.8 billion (99.8 percent), while other debts were TZS 8.3 billion as shown in Table 5.3.

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

Billion of TZS						
	Oct-09	Share (%)	Jun-10	Share (%)	Oct-10	Share (%)
<b>Government Securities</b>	<b>2,432.0</b>	<b>99.7</b>	<b>2,763.7</b>	<b>99.7</b>	<b>3,365.8</b>	<b>99.8</b>
Treasury Bills	298.7	12.4	285.0	10.3	754.7	22.4
Government Stocks	257.9	10.7	258.7	9.3	257.1	7.6
Government Bonds	1,875.3	76.6	2,219.9	80.1	2,353.9	69.8
Tax Certificates	0.1	0.0	0.1	0.0	0.1	0.0
<b>Other Gov't Debt</b>	<b>8.2</b>	<b>0.3</b>	<b>8.3</b>	<b>0.3</b>	<b>8.3</b>	<b>0.2</b>
Mabibo Hostel	8.2	0.3	8.2	0.3	8.2	0.2
Others	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Dom. Debt</b>	<b>2,440.2</b>	<b>100.0</b>	<b>2,771.9</b>	<b>100.0</b>	<b>3,374.1</b>	<b>100.0</b>
Interest Arrears	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Dom. Debt Stock</b>	<b>2,440.2</b>	<b>100.0</b>	<b>2,771.9</b>	<b>100.0</b>	<b>3,374.1</b>	<b>100.0</b>

Source: Bank of Tanzania

New domestic debt issued during the period amounted to TZS 1,223.9 billion, out of which, TZS 530.5 billion were Treasury bills and TZS 693.4 billion were Government bonds. Domestic debt service amounted to TZS 789.6 billion, out of which TZS 228.3 billion was interest payments, while principal amounting to TZS 561.3 billion was rolled over.



## 6.0 Economic Developments in Zanzibar

### Inflation Developments

During October 2010, annual headline inflation rate declined to 5.1 percent, from 5.9 percent registered in September 2010, mainly due to decline in both food and non-food inflation. Similarly, month-to-month headline inflation rate declined to 0.2 percent in October 2010, from 0.6 percent recorded in September 2010, owing to a decrease in month-to-month food inflation (Table 6.1 and Chart 6.1).

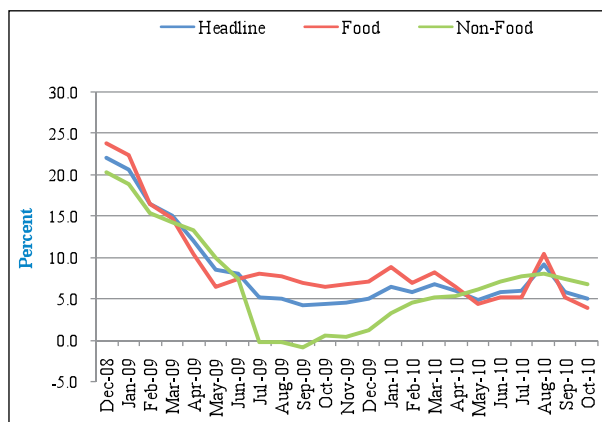
**Table 6.1: Annual Percentage Change in Consumer Price Index (CPI)**

Base: Dec.2005=100

Major Commodity Group	Weights (%)	2008			2009			2010		
		Aug	Sep	Oct	Aug	Sep	Oct	Aug	Sep	Oct
Headline/Overall	100	22.0	26.6	25.3	5.1	4.3	4.5	9.2	5.9	5.1
Food	57.4	21.9	29.5	28.3	7.7	6.9	6.4	10.5	5.1	3.9
Non-Food	42.6	23.1	23.9	22.2	-0.1	-0.8	0.7	8.1	7.5	6.9
Alcoholic Beverages, Tobacco & Narcotics	0.6	14.0	14.8	16.0	11.2	9.3	17.2	34.2	32.5	21.5
Clothing & Footwear	6.2	9.7	10.4	8.7	6.3	5.7	4.9	6.3	5.4	6.5
Housing, Water, Electricity, Gas & Other Fuels	15.6	36.2	37.4	36.3	-2.3	-3.2	-1.8	6.5	5.6	4.9
Furnishing, Household Equipment & Routine Household Maintenance	5.3	14.2	15.1	13.4	7.0	5.1	5.3	3.5	3.9	3.9
Health	2.1	14.5	14.8	15.4	6.1	7.4	6.5	10.5	9.2	17.8
Transport	3.4	28.4	25.8	24.9	-14.0	-13.3	-11.8	8.9	7.8	7.8
Communication	2.4	-0.8	-2.4	-0.8	0.0	1.6	0.0	0.0	0.0	0.0
Recreation & Culture	0.4	6.5	6.1	5.7	4.7	3.5	4.7	3.8	6.8	7.0
Education	1.1	7.8	7.8	7.8	4.5	4.5	4.5	12.6	12.6	12.6
Restaurants & Hotels	3.1	24.6	28.7	20.3	9.5	8.0	16.6	22.3	22.3	13.2
Miscellaneous Goods & Services	2.4	17.9	19.8	19.1	13.9	12.6	13.2	4.3	3.9	4.1

Source: Office of Chief Government Statistician

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



Source: Office of Chief Government Statistician (OCGS)

**Annual food inflation** decelerated to 3.9 percent in October 2010, from 5.1 percent recorded in September 2010. Similarly, month-to-month food inflation was negative 0.2 percent in October 2010, from 1.0 percent in September 2010. The decrease in both annual and month to month food inflation was mainly associated with the decline in fish prices.

**Annual non-food inflation** decreased to 6.9 percent in October 2010, from 7.5 percent registered in September

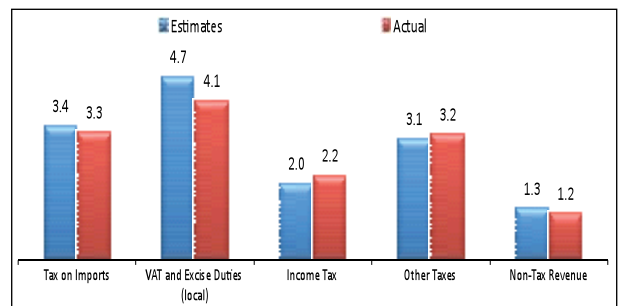
2010, attributed to decrease in prices of some items under restaurants and hotels. However, **month-to-month non-food inflation rate** rose to 0.7 percent in October 2010, from negative 0.1 percent recorded in September 2010, mainly due to increase in prices of medicines and medical charges.

### Fiscal Performance

During the period under review, **government budgetary operations** (on cheques issued basis) registered a surplus of TZS 6.0 billion after grants, but it recorded a deficit of TZS 0.7 billion after adjustment to cash. During the month, total resources amounted to TZS 27.5 billion, being below the target of TZS 28.5 billion. Out of the total, domestic sources amounted to TZS 14.0 billion, and the balance was grants. Meanwhile, total expenditure amounted to TZS 21.4 billion, against the estimate of TZS 25.4 billion.

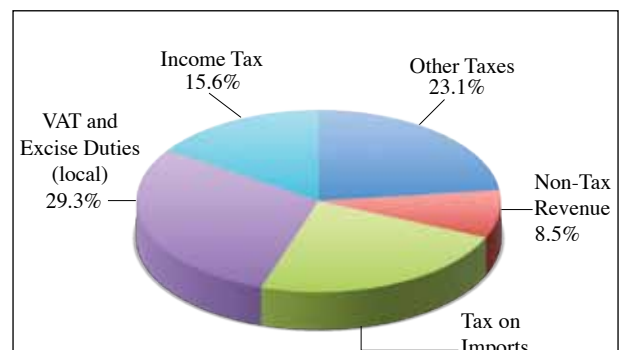
**Revenue collections** amounted to TZS 14.0 billion in October 2010, below the target of TZS 14.5 billion, mainly due to shortfall in tax collections. Tax collections amounted to TZS 12.8 billion (accounting for 91.4 percent of the total revenue collections) compared with the target of TZS 13.2 billion. Non-tax revenue amounted to TZS 1.2 billion, broadly in line with the target. Revenue collections by category and composition are as shown in Chart 6.2 and Chart 6.3, respectively.

**Chart 6.2: Government Revenue by Sources, Actual versus Target – October 2010** Billions of TZS



Source: Ministry of Finance and Economic Affairs, Zanzibar

**Chart 6.3: Government Revenue by Sources, Percentage Share to Total Revenue October 2010**



Source: Ministry of Finance and Economic Affairs, Zanzibar



Cumulatively, revenue collections in the first four months of 2010/11 amounted to TZS 54.2 billion or 31.6 percent of the annual target of TZS 171.7 billion. During the corresponding period in 2009/10, revenue collection was TZS 46.1 billion.

During October 2010, government expenditure amounted to TZS 21.4 billion, which was below the target of TZS 25.4 billion. Recurrent expenditure amounted to TZS 16.5 billion, compared with a ceiling of TZS 15.9 billion. It is worth noting that, wages and salaries accounted for 41.8 percent of the total recurrent expenditure.

During the month under review, development expenditure amounted to TZS 4.9 billion against the estimate of TZS 9.5 billion, due to shortfalls in local and foreign resources. Government contributions to development projects amounted to TZS 1.5 billion compared with the target of TZS 5.0 billion, and accounting for 30.6 percent of the total development expenditure, while foreign funded development expenditure amounted to TZS 3.4 billion, being below the target of TZS 4.5 billion, and was 69.4 percent of the total development expenditure.

Cumulatively from July – October 2010, total government expenditure amounted to TZS 91.1 billion, accounting for 20.5 percent of the annual target of TZS 444.6 billion. During the corresponding period in 2009, government expenditure was TZS 83.8 billion.

## External Sector Performance

### Current Account Balance

During the year ending October 2010, **current account balance** recorded a surplus of USD 5.1 million compared with a surplus of USD 20.1 million in the corresponding period in 2009. The outturn resulted from a decline in current transfers and widening of the trade account deficit (Table 6.2).

**Table 6.2: Zanzibar Current Account Balance**

Item	Millions of USD								
	2009			2010p			Year Ending October		% Change
	Oct	Aug	Sep	Oct	2009	2010p	Monthly	Annual	
<b>Goods Account (net)</b>	-5.2	-1.2	-4.0	-8.8	-65.7	-79.8	120.0	21.5	
Exports	1.7	3.8	4.1	1.6	26.1	20.5	-61.0	-21.5	
Imports (fob)	6.9	5.0	8.1	10.4	88.8	100.3	28.4	13.0	
<b>Services Account (net)</b>	2.6	6.0	3.4	3.3	28.4	40.7	-2.9	43.3	
Receipts	8.5	9.2	8.3	8.4	98.6	106.0	1.2	7.5	
Payments	5.9	3.2	4.9	5.1	70.1	61.5	4.1	-12.3	
<b>Goods and Services (net)</b>	-2.6	4.9	-2.4	-5.5	-34.3	-35.2	129.2	2.6	
Exports of Goods and Services	10.1	13.1	12.4	10.0	124.7	126.6	-19.4	1.5	
Imports of Goods and Services	12.8	8.2	13.1	15.5	159.0	161.8	18.3	1.8	
<b>Income Account (net)</b>	-0.5	0.4	-0.1	-0.1	-5.9	-2.3	0.0	-61.0	
Receipts	0.0	0.4	0.1	0.1	0.4	1.1	0.0	175.0	
Payments	0.5	0.0	0.2	0.2	6.3	3.4	0.0	-50.0	
<b>Current Transfers (net)</b>	0.8	4.2	2.8	9.1	60.3	42.7	46.4	-37.5	
Inflows	0.8	4.2	2.8	9.1	60.3	42.7	46.4	-37.5	
Outflows	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Current Account Balance</b>	-2.3	9.5	0.3	3.5	20.1	5.1	1,066.7	-74.6	

Note: p = provisional

Source: Tanzania Revenue Authority and Bank of Tanzania (Zanzibar Branch)

During the year ending October 2010, **exports of goods**

and services amounted to USD 126.6 million, which is slightly higher than USD 124.7 million recorded during the year ending October 2009, mainly due to a rise in services receipts. On the other hand, exports of goods decreased mainly due to decline in exports of manufactured goods and volume of cloves (Table 6.3).

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

Item	Units	2009			2010p		Year Ending October		%Change	
		Oct	Aug	Sep	Oct	2009	2010p	Monthly	Annual	
<b>Traditional</b>										
Cloves										
Value	Millions	0.5	3.3	3.8	0.5	12.9	9.5	-82.1	-26.4	
Volume	000 Tons	0.2	1.0	0.8	0.2	3.7	2.7	-75.0	-27.0	
Unit Price	USD/Ton	3,500.0	3,500.5	3,600.0	3,600.0	3,478.3	3,579.0	0.0	2.9	
<b>Non-Traditional</b>										
Seaweeds										
Value	Millions	0.2	0.1	0.2	0.2	2.6	2.8	0.0	7.7	
Volume	000 Tons	0.9	0.4	0.8	1.0	10.1	11.0	25.0	8.9	
Unit Price	USD/Ton	259.5	250.0	277.7	205.8	258.4	250.5	-25.9	-3.1	
Manufactured Goods	Millions	0.4	0.2	0.7	0.5	4.7	4.1	-28.6	-13.8	
Fish and Fish Produce	Millions	0.0	0.0	0.0	0.0	0.3	0.3	0.0	0.0	
Others Exports	Millions	0.5	0.2	0.4	0.3	5.6	3.8	-25.0	-33.1	
Sub Total	Millions	1.1	0.5	1.3	1.1	13.2	11.0	-15.4	-16.7	
Grand Total	Millions	1.7	3.8	4.1	1.6	26.1	20.5	-61.0	-21.5	

p = provisional

Source: Bank of Tanzania (Zanzibar Branch), TRA

During the year ending October 2010, **imports of goods and services** amounted to USD 161.8 million, slightly more than USD 159.0 million recorded during the corresponding period in 2009, associated with a rise in oil imports. Specifically, oil import bill increased to USD 41.8 million from USD 25.9 million, accounting for 37.9 percent of merchandise imports. Meanwhile, food and food stuffs imports declined to USD 6.9 million, from USD 7.8 million in the same period. The performance of other imports categories are as shown in Table 6.4.

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

Import Category	Millions of USD								
	2009			2010p			Year Ending October		%Change
	Oct	Aug	Sep	Oct	2009	2010p	Monthly	Annual	
<b>Capital Goods</b>	2.8	1.5	3.4	3.3	41.6	44.6	-2.9	7.2	
Transport Equipment	1.3	0.5	2.0	1.9	22.5	17.8	-5.0	-20.9	
Building and Constructions	0.6	0.2	0.4	0.5	8.0	7.9	25.0	-1.2	
Machinery	0.8	0.8	1.0	0.9	11.1	18.9	-10.0	70.3	
<b>Intermediate Goods</b>	3.1	3.7	4.2	6.6	33.8	46.1	57.1	36.4	
Oil imports	2.5	3.6	3.7	6.0	25.9	41.8	62.2	61.4	
Industrial raw materials	0.6	0.1	0.5	0.6	7.8	4.3	20.0	-44.9	
<b>Consumer Goods</b>	1.8	0.3	1.4	1.5	22.2	19.5	7.1	-12.2	
Food and food stuffs	0.7	0.1	0.5	0.4	7.8	6.9	-20.0	-11.5	
All other consumer goods	1.1	0.2	0.9	1.1	14.4	12.7	22.2	-11.8	
Grand Total (c.i.f)	7.6	5.5	9.0	11.4	97.6	110.2	26.7	12.9	
Grand Total (f.o.b)	6.9	5.0	8.1	10.4	88.8	100.3	28.4	13.0	

Note: p = provisional

Source: BOT (Zanzibar Branch), TRA

### Service Account

During the year ending October 2010, **services account** recorded a surplus of USD 44.5 million, up from USD 28.4 million recorded in 2009. Receipts amounted to USD 106.0 million, up from USD 98.6 million, while payments declined to USD 61.5 million from USD 70.1 million recorded in the same period.



## **STATISTICAL TABLES**





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

Item	Unit	2003	2004	2005	2006	2007	2008 <sup>r</sup>	2009 <sup>p</sup>
<b>1. National Accounts and Prices</b>								
1.1 Change in GDP at Market Prices--Current Prices	Percent	15.9	15.4	14.3	12.4	16.8	18.3	13.8
1.2 Change in GDP at Market Prices--Constant 2001 Prices	Percent	6.9	7.8	7.4	6.7	7.1	7.4	6.0
1.3 GDP Per Capita--Current Prices <sup>1</sup>	TZS	354,007.7	395,795.8	441,152.1	478,051.4	546,955.7	630,577.1	693,185.4
1.4 GDP Per Capita--Current Prices <sup>1</sup>	USD	340.9	363.3	390.6	381.7	439.5	527.1	525.0
1.5 Change in Consumer Price Index (Inflation)	Percent	3.5	4.2	4.4	7.3	7.0	10.3	12.1
1.6 Saving to GNDI Ratio <sup>2</sup>	Percent	9.6	10.4	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	18.0	13.5	38.2	22.0	20.5	19.8	18.4
2.2 Change in Broad Money supply (M2)	Percent	17.8	19.8	36.9	13.7	27.2	24.4	20.8
2.3 Change in Narrow Money Supply (M1)	Percent	17.7	22.7	33.7	9.8	29.1	21.9	13.7
2.4 Change in Reserve Money	Percent	18.3	21.1	27.7	16.8	24.9	21.1	32.2
2.5 Total Credit to GDP Ratio <sup>1</sup>	Percent	7.3	7.4	10.5	11.7	13.5	17.1	18.0
2.6 Private Sector Credit to GDP Ratio <sup>1</sup>	Percent	8.2	9.4	8.9	11.3	15.0	18.4	17.7
2.7 Ratio of Private Credit to Total Credit	Percent	112.3	126.2	84.6	96.3	111.3	107.9	98.5
2.8 Average Deposit Rate (12-Month) <sup>3</sup>	Percent	5.3	5.7	6.2	8.3	9.3	8.9	8.9
2.9 Weighted Average Treasury Bill Rate	Percent	7.7	9.6	14.8	15.0	11.4	11.0	6.9
2.10 Average Long-Term Lending Rate <sup>3</sup>	Percent	12.2	12.7	13.4	14.9	16.1	16.4	15.1
<b>3. Balance of Payments</b>								
3.1 Exports of goods (f.o.b)	Mill. USD	1,220.9	1,481.6	1,679.1	1,917.6	2,226.6	3,036.0	3,096.3
3.2 Imports of goods (f.o.b)	Mill. USD	-1,933.5	-2,482.8	-2,997.6	-3,864.1	-4,860.6	-6,483.4	-5,775.7
3.3 Trade Balance	Mill. USD	-712.6	-1,001.2	-1,318.5	-1,946.5	-2,634.1	-3,447.4	-2,679.4
3.4 Balance on Current Account	Mill. USD	-118.1	-365.9	-862.8	-1,143.2	-1,580.3	-2,535.8	-1,745.8
3.5 Overall Balance	Mill. USD	389.1	284.0	-227.8	460.7	412.6	148.1	365.0
3.7 Gross Official Reserves	Mill. USD	2,037.8	2,307.7	2,049.5	2,136.9	2,724.3	2,872.6	3,551.3
3.8 Reserves Months of Imports (of goods and services)	Months	7.1	6.6	4.5	4.6	4.8	4.5	5.6
3.9 Exchange Rate:								
3.9.1 Annual Average	TZS/USD	1,038.9	1,089.1	1,129.2	1,253.9	1,239.5	1,196.8	1,320.3
3.9.2 End of Period	TZS/USD	1,063.6	1,043.0	1,165.5	1,261.6	1,132.1	1,280.3	1,313.3
<b>4. Population (TZ Mainland)</b>	<b>Million</b>	34.2	35.3	36.2	37.5	38.3	39.3	40.7
<b>5. Public Finance</b>								
5.1 Current Revenue to GDP Ratio <sup>1</sup>	Percent	12.1	11.8	12.5	14.1	15.9	16.2	15.3
5.2 Grants to GDP Ratio <sup>1</sup>	Percent	3.7	4.8	5.9	4.9	5.0	4.4	4.6
5.2 Current Expenditure to GDP Ratio <sup>1</sup>	Percent	12.9	14.0	15.7	16.1	14.9	17.7	18.3
5.3 Development Expenditure to GDP Ratio <sup>1</sup>	Percent	3.6	7.2	7.9	6.9	7.9	7.7	8.6
5.4 Deficit to GDP Ratio (excluding grants) <sup>1</sup>	Percent	-4.4	-9.3	-10.3	-8.9	-7.4	-9.2	-11.5
5.5 Deficit to GDP Ratio (including grants) <sup>1</sup>	Percent	-0.6	-4.5	-4.4	-4.0	-2.4	-4.8	-6.5
<b>6. Total External Debt Stock</b>	<b>Mill. USD</b>	<b>7,857.0</b>	<b>8,134.8</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	6,678.3	6,799.5	6,971.1	3,442.3	4,483.1	5,483.0	6,207.0
Interest	Mill. USD	1,178.7	1,335.3	1,258.3	1,218.6	1,363.3	1,516.3	1,639.7
Total External Debt as % of GDP	Percent	64.2	60.2	57.6	29.8	31.0	33.3	34.0

Notes: 1 Calculated on the basis of GDP at Market Prices--Current Prices

2 GNDI stands for Gross National Disposable Income

3 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							
		July 2010	July	August	September	July to October		October	
		Estimate	Actual	Actual	Actual	Estimates	Actual	Estimates	Actual
<b>Total Revenue (including LGAs) /1</b>	<b>6,176,172.0</b>	<b>443,145.2</b>	<b>352,598.6</b>	<b>400,607.1</b>	<b>502,511.0</b>	<b>1,820,133.5</b>	<b>1,665,057.0</b>	<b>445,196.3</b>	<b>409,340.8</b>
<b>Total Revenue</b>	<b>6,003,590.0</b>	<b>428,763.3</b>	<b>352,598.6</b>	<b>400,607.1</b>	<b>502,511.0</b>	<b>1,762,606.1</b>	<b>1,665,057.0</b>	<b>430,814.5</b>	<b>409,340.8</b>
Tax Revenue	5,638,593.4	400,438.1	333,739.6	379,863.8	479,453.0	1,643,704.1	1,581,421.4	404,138.5	388,364.9
Taxes on Imports	2,101,289.3	173,381.6	132,907.2	163,543.2	154,273.6	633,912.3	605,629.1	158,821.4	154,905.1
Sales/VAT and Excise on Local Goods	1,266,435.8	85,615.8	77,512.3	85,620.5	97,194.6	366,531.2	353,131.0	101,556.1	92,803.6
Drawings from EPA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income Taxes	1,649,956.3	92,718.3	89,956.9	90,431.9	179,112.7	455,167.9	452,592.5	95,798.1	93,090.9
Other taxes	620,911.9	48,722.4	33,363.2	40,268.2	48,872.1	188,092.6	170,068.8	47,962.9	47,565.3
Non- tax Revenue	364,996.6	28,325.3	18,859.0	20,743.3	23,058.0	118,902.1	83,635.6	26,676.0	20,975.9
LGA Own Sources	172,582.0	14,381.8	0.0	0.0	0.0	57,527.3	0.0	14,381.8	0.0
<b>Total Expenditure /2</b>	<b>10,769,611.7</b>	<b>769,321.9</b>	<b>421,540.5</b>	<b>632,814.4</b>	<b>917,915.2</b>	<b>3,246,807.9</b>	<b>2,756,033.3</b>	<b>877,325.4</b>	<b>775,378.7</b>
Recurrent expenditure	6,950,560.6	504,577.1	318,958.4	487,587.8	697,677.7	2,178,330.8	1,972,975.5	588,075.1	468,751.7
Roadtoll fund		0.0				0.0		0.0	
Retention fund	134,225.0	5,955.7	5,955.7	4,079.3	13,554.0	20,741.9	30,776.9	7,187.8	7,187.8
Wages and salaries	2,205,429.7	184,773.0	184,325.8	195,625.4	195,625.4	764,157.0	772,166.7	198,000.0	196,590.1
Interest payments	364,469.6	6,819.0	6,420.0	17,603.1	22,115.3	82,989.6	85,136.9	30,852.3	38,998.5
Domestic	235,027.6	4,840.4	4,258.7	16,429.5	14,173.2	57,939.9	58,252.9	23,391.5	23,391.5
Foreign	129,442.0	1,978.6	2,161.3	1,173.6	7,942.0	25,049.7	26,884.0	7,460.9	15,607.1
Other goods, services and transfers	4,246,436.2	307,029.4	122,256.9	270,279.9	466,383.0	1,310,442.4	1,084,895.0	352,035.0	225,975.2
<b>Dev. Expenditure and net lending</b>	<b>3,819,051.1</b>	<b>264,744.8</b>	<b>102,582.1</b>	<b>145,226.7</b>	<b>220,237.5</b>	<b>1,068,477.1</b>	<b>783,057.8</b>	<b>289,250.3</b>	<b>306,627.0</b>
Local	1,366,143.3	60,335.8	60,335.8	43,989.2	43,989.2	250,841.1	197,734.2	84,841.3	49,420.0
Foreign	2,452,907.8	204,409.0	42,246.3	101,237.5	176,248.3	817,635.9	585,323.6	204,409.0	257,207.0
Balance before Grants	-4,593,439.7	-326,176.7	-68,941.9	-232,207.3	-415,404.2	-1,426,674.4	-1,090,976.3	-432,129.1	-366,037.8
<b>Grants</b>	<b>2,020,907.1</b>	<b>185,153.3</b>	<b>101,570.0</b>	<b>72,804.5</b>	<b>37,929.4</b>	<b>866,536.3</b>	<b>606,447.4</b>	<b>334,273.1</b>	<b>349,657.1</b>
Program (CIS/OGL)	631,808.1	69,395.0	67,586.5	45,147.6	0.0	403,503.3	390,057.2	218,514.8	241,221.2
Project	898,779.4	97,294.1	2,002.5	530.5	5,217.0	335,426.5	8,165.5	97,294.1	415.5
Basket funds	221,569.5	18,464.1	31,981.0	14,416.6	27,542.4	73,856.5	181,960.5	18,464.1	108,020.5
MDRI/MCA(T)	268,750.1	0.0	0.0	12,709.7	5,170.0	53,750.0	26,264.3	0.0	0.0
<b>Balance (cheq.issued) after Grants</b>	<b>-2,572,532.6</b>	<b>-141,023.5</b>	<b>32,628.1</b>	<b>-159,402.9</b>	<b>-377,474.8</b>	<b>-560,138.1</b>	<b>-484,528.9</b>	<b>-97,856.0</b>	<b>-16,380.7</b>
Expenditure float	0.0	0.0	-369,695.8	-369,695.8	-7,388.4	0.0	-475,522.5	0.0	-7,269.5
Adjustments to cash and other items (net)	0.0	0.0	-15,299.8	332,261.9	210,206.2	0.0	148,492.3	0.0	-66,338.0
<b>Overall Balance (cheques cleared)</b>	<b>-2,572,532.6</b>	<b>-141,023.5</b>	<b>-352,367.5</b>	<b>-196,836.8</b>	<b>-174,657.1</b>	<b>-560,138.1</b>	<b>-811,559.1</b>	<b>-97,856.0</b>	<b>-89,988.2</b>
<b>Financing:</b>	<b>2,572,532.6</b>	<b>141,023.5</b>	<b>352,367.5</b>	<b>196,836.8</b>	<b>174,657.1</b>	<b>560,138.1</b>	<b>811,559.1</b>	<b>97,856.0</b>	<b>89,988.2</b>
<b>Foreign Financing (net)</b>	<b>1,942,532.8</b>	<b>85,081.0</b>	<b>8,215.5</b>	<b>70,358.9</b>	<b>138,318.9</b>	<b>341,493.9</b>	<b>361,083.3</b>	<b>88,773.2</b>	<b>146,480.5</b>
Loans	1,728,639.9	67,299.2	8,262.8	73,580.6	90,980.9	269,196.7	295,897.9	67,299.2	123,073.6
Program loans	189,837.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Development Project loans	1,538,802.6	67,299.2	8,262.8	73,580.6	90,980.9	269,196.7	295,897.9	67,299.2	123,073.6
Basket Support	256,218.6	21,351.5	0.0	0.0	47,338.0	85,406.2	73,035.4	21,351.5	25,697.5
Amortization	-42,325.7	-3,569.8	-47.3	-3,221.7	0.0	-13,109.0	-7,850.0	122.5	-2,290.5
<b>Domestic (net) /3</b>	<b>629,999.8</b>	<b>55,942.5</b>	<b>344,152.0</b>	<b>126,477.8</b>	<b>36,338.2</b>	<b>218,644.2</b>	<b>450,475.8</b>	<b>9,082.8</b>	<b>-56,492.3</b>
<b>Bank &amp; Non Bank Financing (NDF)</b>	<b>599,999.8</b>	<b>55,942.5</b>	<b>344,152.0</b>	<b>126,477.8</b>	<b>36,338.2</b>	<b>218,644.2</b>	<b>450,475.8</b>	<b>9,082.8</b>	<b>-56,492.3</b>
Bank borrowing	599,999.8	55,942.5	388,122.3	82,253.5	89,977.7	218,644.2	496,595.1	9,082.8	-63,758.4
Non-Bank (net of amortization)	0.0	0.0	-43,970.3	44,224.3	-53,639.6	0.0	-46,119.3	0.0	7,266.1
Borrowing/Roll over	797,620.0	28,364.6	28,364.6	33,527.4	102,222.4	248,714.4	248,714.4	84,600.0	84,600.0
Domestic & Contingent debt Amortization	-797,620.0	-28,364.6	-28,364.6	-33,527.4	-102,222.4	-248,714.4	-248,714.4	-84,600.0	-84,600.0
Privatization Proceeds	30,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Memorandum Items

Total Expenditure including Float 769,321.9 791,236.3 1.0

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	Prov.															
	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10
<b>Net foreign assets</b>	4,637.7	4,717.4	4,864.2	4,914.7	5,040.5	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
Bank of Tanzania	3,792.4	3,843.1	3,897.1	3,857.5	3,896.1	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
Other Depository Corporations	845.3	874.4	967.1	1,057.2	1,144.4	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
<b>Net domestic assets</b>	3,623.5	3,633.4	3,611.9	3,649.4	3,691.9	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
Domestic claims	4,660.6	4,797.9	4,744.4	4,930.6	5,089.3	5,068.0	5,238.1	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
Claims on central government (net)	-32.4	25.8	-80.0	94.7	155.0	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
Claims on central government	2,389.4	2,668.1	2,656.7	2,757.9	2,803.0	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
Liabilities to central government	2,421.8	2,642.2	2,736.7	2,663.3	2,648.0	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
Claims on non-government sector	4,693.0	4,772.1	4,824.4	4,836.0	4,934.3	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
<b>Broad money liabilities</b>	8,261.2	8,350.9	8,476.2	8,564.2	8,732.3	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
Currency outside depository corporations	1,494.1	1,543.7	1,519.4	1,539.0	1,553.6	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
Transferable deposits	3,110.9	3,156.4	3,328.6	3,286.1	3,366.2	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
Other deposits	3,656.2	3,650.8	3,628.2	3,739.0	3,812.6	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
<b>Other items (net)</b>	-1,037.0	-1,164.5	-1,132.5	-1,281.2	-1,397.4	-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
<b>Memorandum items:</b>																
<b>Monetary Aggregates</b>																
<b>Reserve money (M0)</b>	2,874.6	2,887.3	2,890.7	2,861.5	2,895.5	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
<b>Extended broad money (M3)</b>	8,261.2	8,350.9	8,476.2	8,564.2	8,732.3	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
Deposits in foreign currency (FCD) in millions of USD	2,155.8	2,141.7	2,162.7	2,145.8	2,142.7	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
Securities in foreign currency	1,641.5	1,645.1	1,660.1	1,641.1	1,629.7	1,696.3	1,654.0	1,606.3	1,647.0	1,780.8	1,727.1	1,822.4	1,935.3	1,889.8	1,836.6	1,952.2
<b>Broad money (M2)</b>	6,105.4	6,209.1	6,313.5	6,418.4	6,589.7	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
Other deposits in national currency (i.e. savings and time deposits)	2,763.4	2,775.0	2,734.7	2,886.4	2,933.1	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
Securities in national currency	0.0	0.0	0.0	3,730.8	3,740.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Narrow money (M1)</b>	3,342.0	3,434.1	3,578.8	3,532.0	3,656.6	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
Currency in circulation	1,494.1	1,543.7	1,519.4	1,539.0	1,553.6	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
Transferable deposits in national currency	1,847.9	1,890.5	2,059.4	1,993.0	2,103.0	2,024.1	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

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 A4 : Interest Rate Structure**

Item	2009 <sup>P</sup>				2010 <sup>P</sup>										Percent
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	
<b>A: Domestic Currency</b>															
<b>1. Interbank Cash Market Rates</b>															
Overnight	1.04	1.21	1.19	1.46	1.67	1.66	0.98	0.86	0.67	0.86	0.82	0.93	1.68	2.27	
2 to 7 days	1.28	1.55	1.81	1.64	1.96	2.22	1.55	0.99	1.14	1.04	1.16	1.13	1.44	2.35	
8 to 14 days	1.55	1.41	1.67	1.72	2.08	2.50	1.76	1.27	1.01	0.93	1.47	0.95	1.52	2.86	
15 to 30 days	2.28	3.28	3.28	3.25	3.51	4.00	1.61	1.61	1.10	1.44	1.22	1.10	3.00	3.00	
31 to 60 days	2.69	3.04	3.91	3.43	3.43	4.00	4.00	4.00	4.00	4.00	2.00	2.00	2.00	2.00	
61 to 90 days	12.15	12.15	5.00	5.00	5.00	7.30	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37	
91 to 180 days	3.68	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.70	3.70	3.70	4.00	4.00	4.00	
181 and above	6.47	9.00	5.47	5.47	5.47	5.47	5.47	4.85	4.00	8.50	4.50	7.30	7.30	7.30	
<b>Overall Interbank cash market rate</b>	<b>1.34</b>	<b>1.63</b>	<b>1.62</b>	<b>1.57</b>	<b>1.80</b>	<b>1.89</b>	<b>1.29</b>	<b>0.92</b>	<b>0.87</b>	<b>0.97</b>	<b>0.92</b>	<b>1.09</b>	<b>1.65</b>	<b>2.25</b>	
<b>2. Lombard Rate</b>	<b>2.48</b>	<b>3.61</b>	<b>4.00</b>	<b>4.55</b>	<b>5.48</b>	<b>4.91</b>	<b>2.38</b>	<b>1.51</b>	<b>1.07</b>	<b>0.78</b>	<b>0.93</b>	<b>1.16</b>	<b>1.94</b>	<b>2.20</b>	
<b>3. REPO Rate</b>	<b>1.12</b>	<b>1.32</b>	<b>1.28</b>	<b>1.26</b>	<b>1.22</b>	<b>1.22</b>	<b>1.06</b>	<b>0.79</b>	<b>0.65</b>	<b>0.54</b>	<b>0.58</b>	<b>0.58</b>	<b>0.90</b>	<b>1.53</b>	
<b>4. Treasury Bills Rates</b>															
35 days	2.07	3.01	3.33	3.80	4.57	4.09	1.99	1.26	0.89	0.65	0.78	0.97	1.62	1.84	
91 days	2.97	3.38	5.29	6.06	6.35	5.57	3.25	1.77	2.16	2.89	3.22	2.71	3.89	4.76	
182 days	4.84	4.90	5.28	6.59	7.20	6.33	4.45	2.58	2.26	2.59	3.91	3.91	4.77	5.56	
364 days	7.79	8.22	8.60	8.83	9.06	8.24	6.32	4.86	4.96	6.08	6.26	5.98	6.96	7.85	
<b>Overall Treasury bills rate</b>	<b>4.52</b>	<b>5.17</b>	<b>6.36</b>	<b>6.91</b>	<b>7.20</b>	<b>6.32</b>	<b>4.15</b>	<b>2.70</b>	<b>2.68</b>	<b>3.33</b>	<b>3.89</b>	<b>3.86</b>	<b>5.06</b>	<b>5.68</b>	
<b>5. Treasury Bonds Rates</b>															
2-years	11.51	10.89	10.89	10.89	10.89	9.40	9.40	9.40	9.40	8.79	8.88	8.88	9.82	9.82	
5-years	13.45	13.45	13.45	13.45	13.77	13.77	13.77	13.77	9.52	9.52	9.52	9.70	9.70	10.44	
7-years	14.14	14.14	14.15	14.15	14.15	14.15	12.11	12.11	10.38	10.38	10.38	10.85	10.85	11.88	
10-years	16.95	16.95	16.95	16.73	16.73	16.73	16.73	11.99	11.99	11.68	11.68	11.68	13.00	13.00	
<b>6. Discount Rate</b>	<b>4.40</b>	<b>3.70</b>	<b>3.70</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. Savings Deposit Rate</b>	<b>2.66</b>	<b>2.65</b>	<b>2.67</b>	<b>2.83</b>	<b>2.84</b>	<b>2.89</b>	<b>2.88</b>	<b>2.83</b>	<b>2.82</b>	<b>2.82</b>	<b>2.64</b>	<b>2.58</b>	<b>2.57</b>	<b>2.56</b>	
<b>8. Overall Time Deposits Rate</b>	<b>6.73</b>	<b>6.41</b>	<b>6.52</b>	<b>6.36</b>	<b>6.12</b>	<b>5.82</b>	<b>6.11</b>	<b>5.96</b>	<b>5.65</b>	<b>5.88</b>	<b>5.42</b>	<b>5.55</b>	<b>6.03</b>	<b>6.15</b>	
Call Accounts	1.13	0.96	0.99	0.74	0.81	0.84	0.66	0.85	1.01	0.87	0.78	0.80	0.99	1.17	
1 month	6.09	5.70	5.76	5.10	5.14	5.02	5.40	5.45	5.31	4.58	5.60	6.05	5.53	6.51	
2 months	7.80	7.48	7.31	6.99	7.21	7.79	7.72	7.47	7.38	6.81	6.86	7.19	7.67	7.63	
3 months	8.17	7.45	7.34	6.67	7.54	7.00	7.24	6.52	6.09	6.33	5.89	7.01	6.76	6.22	
6 months	8.31	7.91	8.11	8.50	7.76	7.71	7.50	7.67	7.47	7.62	7.49	7.84	7.64	7.47	
12 months	8.83	8.83	8.76	8.99	9.06	8.84	8.78	8.67	7.53	8.43	7.86	7.13	7.15	7.29	
24 months	6.80	6.52	7.40	7.56	5.33	3.51	5.44	5.12	4.75	6.53	3.49	2.81	6.49	6.72	
<b>9. Negotiated Deposit Rate</b>	<b>10.60</b>	<b>10.11</b>	<b>9.85</b>	<b>9.94</b>	<b>7.44</b>	<b>7.16</b>	<b>9.41</b>	<b>9.63</b>	<b>9.47</b>	<b>9.57</b>	<b>8.76</b>	<b>8.58</b>	<b>9.33</b>	<b>9.60</b>	
<b>10. Overall Lending rate</b>	<b>14.90</b>	<b>14.75</b>	<b>14.74</b>	<b>14.38</b>	<b>14.39</b>	<b>14.86</b>	<b>14.83</b>	<b>14.59</b>	<b>14.53</b>	<b>14.71</b>	<b>14.39</b>	<b>14.41</b>	<b>14.34</b>	<b>14.36</b>	
Call Loans	23.25	24.25	25.25	26.25	27.25	28.25	29.25	30.25	31.25	32.25	33.25	34.25	35.25	35.25	
Short-term (up to 1 year)	13.98	13.92	14.00	13.96	13.76	14.74	14.62	13.88	14.02	13.92	14.14	14.42	13.44	1.34	
Medium-term (1-2 years)	15.27	15.11	15.37	15.01	15.06	15.12	15.11	15.44	15.64	15.41	15.55	15.38	15.38	15.69	
Medium-term (2-3 years)	14.69	14.66	15.02	14.74	14.42	14.44	14.51	14.41	14.30	14.80	14.15	14.20	14.36	14.37	
Long-term (3-5 years)	14.91	14.78	14.67	14.52	14.79	14.99	14.97	14.75	14.77	14.73	14.27	14.04	14.24	14.55	
Term Loans (over 5 years)	15.62	15.31	14.63	13.67	13.91	15.01	14.94	14.47	13.92	14.69	13.85	14.00	14.26	13.85	
<b>11. Negotiated Lending Rate</b>	<b>13.81</b>	<b>13.51</b>	<b>13.38</b>	<b>13.18</b>	<b>13.68</b>	<b>13.79</b>	<b>13.71</b>	<b>13.97</b>	<b>13.80</b>	<b>14.13</b>	<b>13.84</b>	<b>14.00</b>	<b>13.80</b>	<b>13.71</b>	
<b>B: Foreign Currency</b>															
<b>Deposits Rates</b>															
Call Accounts															
<b>Savings Deposits Rate</b>	<b>1.46</b>	<b>1.46</b>	<b>1.38</b>	<b>1.46</b>	<b>1.46</b>	<b>1.32</b>	<b>1.43</b>	<b>1.48</b>	<b>1.52</b>	<b>1.49</b>	<b>1.51</b>	<b>1.53</b>	<b>2.44</b>	<b>1.90</b>	
<b>Overall Time Deposits Rate</b>	<b>3.68</b>	<b>2.12</b>	<b>2.13</b>	<b>1.68</b>	<b>1.99</b>	<b>1.76</b>	<b>1.97</b>	<b>2.07</b>	<b>2.06</b>	<b>1.95</b>	<b>2.45</b>	<b>2.23</b>	<b>2.43</b>	<b>1.94</b>	
1-months	3.68	2.06	2.04	1.40	1.73	1.76	1.68	1.63	1.64	1.59	1.44	1.73	1.97	1.68	
2-months	3.46	2.03	2.01	1.64	1.93	1.44	1.93	2.02	1.86	1.94	1.74	2.00	2.41	1.85	
3-months	4.24	2.09	2.06	1.01	1.95	1.64	2.01	1.89	1.85	1.83	2.55	2.34	1.78	1.94	
6-months	3.95	1.96	1.99	1.94	1.95	1.85	1.84	1.84	1.92	1.83	3.42	1.93	3.25	2.00	
12-months	3.07	2.48	2.53	2.42	2.40	2.10	2.41	2.97	3.05	2.55	3.10	3.16	2.76	2.23	
<b>Overall Lending Rate</b>	<b>9.72</b>	<b>8.11</b>	<b>9.02</b>	<b>9.03</b>	<b>8.85</b>	<b>8.90</b>	<b>8.78</b>	<b>7.95</b>	<b>8.57</b>	<b>9.14</b>	<b>9.02</b>	<b>8.98</b>	<b>9.26</b>	<b>10.98</b>	
Short-term (up to 1 year)	6.95	6.49	3.84	3.86	3.73	3.52	3.27	2.01	1.86	4.74	4.14	4.51	5.79	5.57	
Medium-term (1-2 years)	11.03	8.17	11.06	11.12	10.04	10.17	10.07	6.64	10.16	10.13	10.13	10.32	10.26	19.28	
Medium-term (2-3 years)	10.23	8.76	10.28	10.26	10.39	10.42	10.42	1.47	10.21	10.57	10.59	9.38	9.44	9.47	
Long-term (3-5 years)	10.41	8.65	10.29	10.29	10.47	10.76	10.49	11.01	11.00	11.01	10.96	11.32	11.30	11.11	
Term Loans (over 5 years)	10.01	8.47	9.63	9.64	9.64	9.64	9.64	9.64	9.64	9.27	9.28	9.39	9.48	9.47	

Note:

The Lombard rate is based on the prevailing weighted average yield of 35-day T-bill, Repo or overnight inter-bank rate whichever is higher in the market plus 50% of the highest rate.

Source: Bank of Tanzania



**Table A5(a): Exports by Type of Commodity**

Items	2009 <sup>p</sup>	2010		% Change		Year Ending October <sup>p</sup>		% Change
	Oct	Sep	Oct	Oct 09 - Oct 10	Sep 10 - Oct 10	2009	2010	
<b>Traditional Exports:</b>								
<b>COFFEE</b>								
Value	6.4	5.6	17.1	166.8	205.9	116.5	79.7	-31.5
Volume	2.8	2.6	5.1	82.4	95.2	59.1	30.5	-48.5
Unit Price	2,291.8	2,138.9	3,352.0	46.3	56.7	1,969.0	2,617.3	32.9
<b>COTTON</b>								
Value	15.5	15.1	13.7	-11.4	-9.0	107.9	103.4	-4.2
Volume	14.2	11.0	10.3	-27.2	-6.1	90.0	86.9	-3.4
Unit Price	1,089.6	1,369.7	1,326.8	21.8	-3.1	1,199.4	1,190.4	-0.8
<b>SISAL</b>								
Value	0.0	0.0	0.0	0.0	0.0	2.0	0.0	-100.0
Volume	0.0	0.0	0.0	0.0	0.0	1.7	0.0	-100.0
Unit Price	0.0	0.0	0.0	0.0	0.0	1,145.0	0.0	-100.0
<b>TEA</b>								
Value	4.8	1.6	2.4	-49.7	55.4	39.4	44.3	12.4
Volume	2.2	0.8	1.3	-40.5	55.5	28.1	21.6	-23.2
Unit Price	2,226.6	1,886.7	1,885.0	-15.3	-0.1	1,402.9	2,053.7	46.4
<b>TOBACCO</b>								
Value	31.5	23.0	22.5	-28.6	-2.0	141.8	201.5	42.2
Volume	6.0	3.9	5.1	-15.8	28.3	45.8	46.6	1.9
Unit Price	5,249.8	5,826.9	4,447.0	-15.3	-23.7	3,097.0	4,320.7	39.5
<b>CASHEWNUTS</b>								
Value	0.00	0.1	0.5	0.0	0.0	48.6	48.4	-0.4
Volume	0.00	0.2	0.9	0.0	0.0	68.1	66.9	-1.8
Unit Price	0.0	541.3	530.7	0.0	0.0	713.8	724.0	1.4
<b>CLOVES</b>								
Value	2.20	2.8	0.5	-75.8	-80.5	14.6	10.2	-29.7
Volume	0.70	0.8	0.2	-77.9	-80.5	4.7	3.1	-34.2
Unit Price	3,284.9	3,600.0	3,600.0	9.6	0.0	3,087.9	3,296.0	6.7
<b>Sub Total</b>	<b>60.4</b>	<b>48.1</b>	<b>56.8</b>	<b>-6.0</b>	<b>18.2</b>	<b>470.6</b>	<b>487.6</b>	<b>3.6</b>
<b>Non-Traditional Exports:</b>								
<b>Minerals</b>								
Minerals	131.6	117.7	121.7	-7.6	3.3	1,162.1	1,515.5	30.4
Gold	124.3	114.2	119.0	-4.3	4.2	1,118.7	1,472.6	31.6
Diamond	3.5	0.0	0.2	-93.9	--	16.8	10.3	-39.1
Other minerals <sup>1</sup>	3.8	3.5	2.5	--	-29.8	26.5	32.7	23.2
<b>Manufactured Goods</b>	<b>53.4</b>	<b>141.4</b>	<b>108.4</b>	<b>--</b>	<b>-23.3</b>	<b>587.9</b>	<b>863.1</b>	<b>46.8</b>
Cotton Yarn	0.3	0.9	1.8	569.1	96.0	7.1	13.3	86.5
Manufactured Coffee	0.8	0.0	0.1	0.0	0.0	1.5	0.9	-40.8
Manufactured Tobacco	0.9	1.0	1.5	77.2	54.0	5.5	9.9	81.2
Sisal Products (Yarn & Twine)	0.5	1.0	0.8	0.0	-21.6	13.8	8.5	-38.7
Other manufactured Goods <sup>2</sup>	51.1	138.5	104.2	--	-24.8	559.9	830.5	48.3
<b>Fish and Fish Products</b>	<b>88.0</b>	<b>13.1</b>	<b>15.9</b>	<b>-81.9</b>	<b>21.6</b>	<b>229.2</b>	<b>138.2</b>	<b>-39.7</b>
<b>Horticultural products</b>	<b>3.3</b>	<b>1.8</b>	<b>23.3</b>	<b>-29.5</b>	<b>32.9</b>	<b>33.7</b>	<b>30.8</b>	<b>-8.7</b>
<b>Re-exports</b>	<b>10.1</b>	<b>14.3</b>	<b>11.3</b>	<b>--</b>	<b>-20.8</b>	<b>171.9</b>	<b>131.0</b>	<b>-23.8</b>
<b>Others Exports<sup>3</sup></b>	<b>37.2</b>	<b>42.8</b>	<b>39.6</b>	<b>6.6</b>	<b>-7.4</b>	<b>3.4.2</b>	<b>317.2</b>	<b>4.3</b>
<b>Sub Total</b>	<b>323.7</b>	<b>331.0</b>	<b>299.2</b>	<b>2.3</b>	<b>-9.6</b>	<b>2,489.0</b>	<b>2,995.8</b>	<b>20.4</b>
<b>GRAND TOTAL</b>	<b>384.1</b>	<b>379.1</b>	<b>356.0</b>	<b>-1.3</b>	<b>-6.1</b>	<b>2,959.6</b>	<b>3,483.4</b>	<b>17.7</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	2009 <sup>p</sup>	2010		% Change		Year Ending October <sup>p</sup>		% Change
	Oct	Sep	Oct	Oct 09 - Oct 10	Sep10 - Oct 10	2009	2010	
<b>Capital Goods</b>	<b>223.8</b>	<b>211.0</b>	<b>234.7</b>	<b>11.2</b>	<b>4.9</b>	<b>2,540.1</b>	<b>2,593.2</b>	<b>2.1</b>
Transport Equipments	63.7	60.8	89.3	46.9	40.2	757.2	829.1	9.5
Building and Constructions	58.4	61.4	47.2	-23.2	-19.3	537.6	632.0	17.5
Machinery	101.7	88.8	98.2	10.6	-3.4	1,245.3	1,132.1	-9.1
<b>Intermediate Goods</b>	<b>200.6</b>	<b>216.8</b>	<b>224.6</b>	<b>4.1</b>	<b>11.9</b>	<b>1,911.9</b>	<b>2,627.1</b>	<b>37.4</b>
Oil imports	148.0	157.9	156.7	-0.8	5.8	1,336.8	1,936.8	44.9
Fertilizers	10.7	7.2	18.2	154.2	69.6	107.2	122.4	14.1
Industrial raw materials	41.8	50.8	49.7	-2.1	18.7	467.9	568.0	21.4
<b>Consumer Goods</b>	<b>132.1</b>	<b>146.3</b>	<b>134.6</b>	<b>-7.4</b>	<b>1.9</b>	<b>1,388.2</b>	<b>1,595.0</b>	<b>14.9</b>
Food and food stuffs	37.9	38.8	26.0	-33.0	-31.4	325.8	429.3	31.8
All other consumer goods <sup>1</sup>	94.2	106.5	108.6	1.9	15.3	1,062.3	1,165.7	9.7
<b>Grand Total (f.o.b)</b>	<b>556.7</b>	<b>572.1</b>	<b>593.8</b>	<b>3.8</b>	<b>6.7</b>	<b>5,840.1</b>	<b>6,815.3</b>	<b>16.7</b>
<b>Grand Total (c.i.f)</b>	<b>611.8</b>	<b>628.7</b>	<b>652.5</b>	<b>3.8</b>	<b>6.7</b>	<b>6,417.7</b>	<b>7,489.3</b>	<b>16.7</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)**

Item	<i>Millions of USD</i>				
	2005	2006	2007	2008 <sup>r</sup>	2009 <sup>p</sup>
<b>A. Current Account</b>	<b>-862.8</b>	<b>-1,143.2</b>	<b>-1,578.6</b>	<b>-2,535.8</b>	<b>-1,745.8</b>
<b>Balance on Goods</b>	<b>-1,318.5</b>	<b>-1,946.5</b>	<b>-2,634.1</b>	<b>-3,447.4</b>	<b>-2,679.4</b>
Goods: exports f.o.b.	1,679.1	1,917.6	2,226.6	3,036.0	3,096.3
Traditional	354.5	267.1	319.7	417.7	470.8
Non-traditional	1,324.6	1,476.2	1,704.5	2,270.6	2,163.2
o/w Gold	655.1	786.4	788.2	932.4	1,076.1
Unrecorded trade		174.3	202.4	347.8	462.3
Goods: imports f.o.b.	-2,997.6	-3,864.1	-4,860.6	-6,483.4	-5,775.7
<b>Balance on Services</b>	<b>61.8</b>	<b>278.7</b>	<b>462.1</b>	<b>392.9</b>	<b>321.4</b>
Services: credit	1,269.2	1,528.1	1,875.7	1,998.8	2,059.6
Transportation	222.9	343.7	331.1	364.6	334.4
Travel	823.6	950.2	1,198.8	1,288.7	1,260.1
Other	222.7	234.1	345.8	345.4	465.2
Services: debit	-1,207.3	-1,249.3	-1,413.7	-1,605.3	-1,738.2
Transportation	-319.5	-418.3	-485.0	-658.0	-612.6
Travel	-553.8	-534.5	-595.3	-720.7	-766.2
Other	-334.0	-296.6	-333.4	-227.1	-359.5
<b>Balance on Goods and Services</b>	<b>-1,256.6</b>	<b>-1,667.8</b>	<b>-2,172.0</b>	<b>-3,054.4</b>	<b>-2,358.0</b>
<b>Balance on income</b>	<b>-102.0</b>	<b>-64.1</b>	<b>-58.1</b>	<b>-90.8</b>	<b>-74.0</b>
Income: credit	80.9	80.3	107.3	122.7	155.3
O/W: Investment Income	70.7	73.9	101.3	113.4	143.9
Compensation of employees	10.2	6.4	6.0	9.3	11.4
Income: debit	-182.9	-144.4	-165.4	-213.5	-229.3
O/W: Direct Investment Income	-65.6	-66.4	-67.6	-68.3	-72.0
Interest payments (scheduled)	-56.9	-27.8	-26.0	-65.3	-45.5
Compensation of employees	-24.9	-23.4	-46.4	-54.5	-80.6
<b>Balance on Goods, Services and Income</b>	<b>-1,358.6</b>	<b>-1,731.8</b>	<b>-2,230.1</b>	<b>-3,145.2</b>	<b>-2,432.0</b>
<b>Balance on Current transfers</b>	<b>495.7</b>	<b>588.7</b>	<b>651.5</b>	<b>609.4</b>	<b>686.2</b>
Current transfers: credit	563.3	654.6	724.0	689.0	762.0
Government	477.9	559.7	626.9	588.5	654.1
o/w: Multilateral HIPC relief	75.7	42.1	36.7	0.0	0.0
Other sectors	85.4	94.9	97.1	100.5	107.9
Current transfer: debit	-67.5	-65.9	-72.5	-79.6	-75.8
<b>B. Capital Account</b>	<b>393.2</b>	<b>5,183.5</b>	<b>911.7</b>	<b>537.0</b>	<b>466.5</b>
Capital transfers: credit	393.2	5,183.5	911.7	537.0	466.5
General Government	350.1	5,135.0	858.5	477.3	403.9
Project	238.0	173.3	335.5	477.3	403.9
Debt forgiveness (including MDRI)	112.1	4,961.7	523.0	0.0	0.0
Other sectors	43.1	48.6	53.2	59.8	62.6
Capital transfers: Debit	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-469.7	4,040.3	-666.9	-1,998.8	-1,279.3
<b>C. Financial Account, excl. reserves and related items</b>	<b>555.6</b>	<b>-3,954.6</b>	<b>946.0</b>	<b>1,745.7</b>	<b>1,553.2</b>
Direct investment abroad	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	494.1	597.0	647.0	679.3	645.0
Portfolio investment	2.5	2.6	2.8	2.9	3.0
Other investment	59.0	-4,554.2	296.3	1,063.5	905.2
Assets	-90.9	-187.6	34.1	181.7	-333.8
Liabilities	150.0	-4,366.6	262.2	881.8	1,239.0
<b>Total, Groups A through C</b>	<b>85.9</b>	<b>85.7</b>	<b>279.1</b>	<b>-253.1</b>	<b>274.0</b>
<b>D. Net Errors and Omissions</b>	<b>-314.5</b>	<b>374.9</b>	<b>125.5</b>	<b>401.1</b>	<b>91.0</b>
<b>Overall balance</b>	<b>-228.7</b>	<b>460.7</b>	<b>404.6</b>	<b>148.1</b>	<b>365.0</b>
<b>E. Reserves and Related Items</b>	<b>228.7</b>	<b>-460.7</b>	<b>-404.6</b>	<b>-148.1</b>	<b>-365.0</b>
Reserve assets	254.0	-126.5	-411.4	-147.0	-675.5
Use of Fund credit and loans	-50.5	-334.2	6.8	-0.2	310.6
Exceptional financing	25.1	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	24,617.4	29,375.9
GDP(mp) millions of USD	14,139.1	14,308.4	16,838.6	20,577.8	22,249.2
CAB/GDP	-6.1	-8.0	-9.4	-12.3	-7.8
CAB/GDP (excl. current official transfers)	-9.5	-11.9	-13.1	-15.2	-10.8
Gross Official Reserves	2,049.5	2,136.9	2,724.3	2,872.6	3,551.3
Months of Imports	5.8	5.0	5.2	4.3	5.7
Net International Reserves (year end)	1,702.5	2,121.4	2,706.6	2,855.1	3,220.5
Change in Net International Reserves	180.5	-418.9	-585.2	-148.4	-365.4
Exchange rate (end of period)	1,165.5	1,261.6	1,132.1	1,280.3	1,313.3
Exchange rate (annual average)	1,129.2	1,253.9	1,244.1	1,196.3	1,320.3

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	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	Miscl. goods & services		
2004		4.2	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	2.1	2.1	0.8	9.7	2.6	1.5
2005		4.4	5.9	1.6	-0.5	2.3	4.6	7.7	0.9	0.6	0.5	0.5	2.1	2.1	1.0	0.6	-0.5
2006		7.3	7.0	2.9	7.7	-0.4	7.7	8.5	0.5	-1.1	3.5	3.5	3.5	-1.5	4.7	-0.1	-1.4
2007		7.0	7.0	7.6	10.5	5.5	6.2	7.9	2.0	7.8	11.2	2.9	2.9	5.0	9.1	2.5	8.0
2008		10.3	12.7	6.7	8.2	1.5	10.7	6.0	3.2	6.0	5.0	5.0	5.0	5.5	6.9	7.0	1.8
2009		12.1	17.6	3.7	8.8	6.3	-1.5	6.1	5.2	6.1	6.8	6.8	6.8	9.2	0.1	10.1	3.3
2007 Jun		5.9	4.6	7.6	12.3	7.3	6.4	8.7	10.1	8.7	4.2	4.2	4.2	10.1	5.8	10.3	2.5
Jul		9.0	10.3	7.4	10.8	5.5	7.3	7.6	10.7	7.6	4.5	4.5	4.5	10.6	6.8	8.6	2.0
Aug		7.8	9.2	6.0	7.3	6.4	4.2	6.9	9.5	6.9	3.5	3.5	3.5	10.8	6.5	8.8	0.0
Sep		8.3	11.4	4.1	6.2	4.5	1.4	4.1	6.5	4.3	2.2	2.2	2.2	9.7	4.3	9.2	-0.8
Oct		7.1	8.4	5.1	7.0	5.4	3.8	4.6	5.8	4.6	1.6	1.6	1.6	10.5	5.6	7.8	0.3
Nov		7.3	7.5	6.5	10.0	5.2	6.8	6.6	4.8	6.6	2.1	2.1	2.1	7.6	6.2	7.8	1.7
Dec		6.4	6.6	6.1	10.3	2.5	8.0	6.2	3.0	6.2	1.9	1.9	1.9	6.1	3.0	6.8	0.8
2008 -Jan		8.6	10.1	6.4	10.4	1.1	10.1	4.9	3.6	4.9	3.7	3.7	3.7	5.9	5.7	5.6	2.1
Feb		8.9	11.4	5.3	10.2	0.3	6.8	4.1	2.9	4.1	3.4	3.4	3.4	4.0	4.9	5.6	1.8
Mar		9.0	11.2	5.8	9.1	1.0	8.3	4.9	2.9	4.9	3.1	3.1	3.1	3.5	6.0	5.6	1.0
Apr		9.7	11.6	6.9	8.6	1.1	11.3	4.9	2.8	4.9	3.3	3.3	3.3	4.2	7.6	6.1	1.5
May		9.1	11.0	6.5	7.5	1.1	11.7	5.1	2.5	5.1	3.9	3.9	3.9	4.2	6.0	6.4	0.4
Jun		9.3	11.4	6.3	7.7	0.9	10.6	5.5	2.8	5.5	4.0	4.0	4.0	4.0	6.7	6.3	0.4
Jul		9.5	11.2	6.8	7.9	1.3	12.0	5.4	2.0	5.4	4.9	4.9	4.9	4.4	6.0	7.2	1.8
Aug		9.8	11.1	7.8	8.6	-0.1	12.7	6.9	1.1	6.9	5.9	5.9	5.9	5.2	9.9	7.9	1.5
Sep		11.6	13.4	8.9	8.8	2.2	15.0	8.2	3.4	8.2	6.9	6.9	6.9	6.9	9.7	8.3	3.4
Oct		11.8	14.6	7.9	8.3	1.8	12.9	7.9	4	7.9	5.9	5.9	5.9	6.9	7.9	7.9	3.9
Nov		12.3	16.3	6.3	5.5	2.5	8.7	7.0	4.7	7.0	7.3	7.3	7.3	8.3	6.9	8.5	2.1
Dec		13.5	18.6	6.0	5.5	4.3	8.1	6.8	5.4	6.8	8.0	8.0	8.0	8.7	5.1	8.5	1.9
2009 -Jan		12.9	18.2	4.8	5.4	3.4	2.6	7.1	4.8	7.1	7.7	7.7	7.7	9.6	4.2	9.1	3.1
Feb		13.3	18.6	4.9	5.3	4.6	2.5	6.9	5.1	6.9	7.6	7.6	7.6	10.9	3.4	9.9	3.6
Mar		13.0	18.5	4.3	5.7	4.4	0.3	7.1	4.7	7.1	7.7	7.7	7.7	10.5	3.2	11.2	3.5
Apr		12.0	17.8	2.9	6.1	4.9	-4.1	7.3	4.6	7.3	7.5	7.5	7.5	9.2	0.4	10.8	5.6
May		11.3	17.8	1.3	6.6	5.0	-9.0	6.9	5.2	6.9	7.1	7.1	7.1	8.8	-1.0	10.3	4.1
Jun		10.7	17.0	1.0	6.8	7.2	-10.1	6.0	4.5	6.0	7.7	7.7	7.7	9.1	-2.0	11.4	3.8
Jul		10.9	16.9	1.9	9.9	8.5	-9.1	6.3	4.5	6.3	7.1	7.1	7.1	9.0	-1.9	11.7	3.8
Aug		12.1	18.9	2.0	10.9	9.8	-7.2	6.5	6.3	6.5	7.5	7.5	7.5	8.4	-4.9	10.3	5.0
Sep		12.1	17.3	4.0	11.3	8.1	-0.9	7.0	5.2	7.0	8.0	8.0	8.0	9.5	-2.0	9.5	3.1
Oct		12.7	18.1	4.2	12.1	6.3	0.5	5.8	5.8	5.8	7.0	7.0	7.0	8.5	-1.4	9.6	0.9
Nov		12.5	17.1	5.0	12.7	6.5	2.2	4.0	6.6	4.0	4.5	4.5	4.5	7.7	-0.8	9.1	1.8
Dec		12.2	14.5	8.5	12.2	6.6	14.3	2.6	4.9	2.6	3.2	3.2	3.2	9.3	3.8	7.8	1.1
2010 -Jan		10.9	11.3	10.1	12.1	5.3	23.3	3.5	6.0	3.5	3.7	3.7	3.7	7.5	3.3	7.5	1.0
Feb		9.6	10.1	8.8	11.5	4.5	20.3	1.6	4.7	1.6	4.9	4.9	4.9	3.4	3.4	6.0	-1.8
Mar		9.0	9.7	7.9	9.7	5.5	2.9	2.2	5.0	2.2	5.6	5.6	5.6	3.0	4.1	3.5	-2.0
Apr		9.4	9.8	8.6	10.1	3.6	19.9	1.7	4.7	1.7	5.8	5.8	5.8	4.4	5.4	2.9	-5.2
May		7.9	8.1	7.6	10.1	3.0	2.7	2.3	2.8	2.3	2.1	2.1	2.1	2.1	7.6	2.5	-5.0
Jun		7.2	7.1	7.4	9.6	0.8	15.4	2.9	3.1	2.9	5.0	5.0	5.0	1.6	8.0	0.9	-4.5
Jul		6.3	5.6	7.4	7.0	-0.7	19.5	2.1	3.1	2.1	4.6	4.6	4.6	0.6	7.0	-0.4	-4.8
Aug		6.6	6.3	7	7.2	0.6	16.5	2.6	4.9	2.6	3.9	3.9	3.9	0.4	7.4	0.3	-6.3
Sep		4.5	4.5	4.7	6.7	1.7	7.1	2.4	4.3	2.4	4.1	4.1	4.1	-0.7	5.6	0.0	-5.6



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)	Non-Food										Miscel. goods & services	
		Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household	Household operations	Personal care & Health	Recreation & Entertain.	Transportation		Educ-ation
Weight (%)	100.0	6.9	6.4	1.4	8.5	2.1	2.1	2.1	2.1	0.8	9.7	2.6	1.5
2007-Jan	1.3	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	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	1.9	0.2	0.7	-0.2	-0.8	0.3	-0.2	0.9	-0.5	0.4	0.9
Apr	-0.1	-0.1	0.7	-0.1	0.0	-0.9	0.2	0.9	0.3	-0.1	-0.1	0.4	-0.1
May	0.6	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	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	0.2	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	-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	0.4	-1.1	0.7	-2.3	-1.1	-0.9	-0.3	-0.6	-0.7	0.5	-0.6
Oct	0.4	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	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	0.6	-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	0.8	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	0.4	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	0.8	0.5	0.2	1.2	0.0	0.3	0.2	0.1	0.6	0.4	0.1
Apr	0.5	0.3	1.0	0.3	0.1	1.8	0.2	0.8	0.5	0.6	1.4	0.7	0.4
May	0.1	-0.6	1.2	0.8	0.4	3.6	0.8	0.4	0.4	0.5	0.6	0.6	-0.3
Jun	0.2	-0.3	1.0	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	-0.2	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	-1.0	0.0	0.2	1.1	1.2	1.2	1.2	3.4	1.4	-1.1
Sep	2.2	3.7	0.1	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	0.9	0.8	0.0	-0.7	0.8	1.0	1.0	1.0	-0.7	0.0	1.1
Nov	1.5	3.1	-0.8	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	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	-0.8	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	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	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	0.5	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	0.8	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	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	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	0.1	0.0	2.4	1.2	0.5	2.4	1.6	0.2	0.1	0.1
Sep	2.2	2.3	2.2	-0.4	0.0	6.4	0.5	0.3	0.2	0.6	2.1	0.2	-0.6
Oct	1.1	1.6	0.2	-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	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	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	-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	0.4	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	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	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	0.3	-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	0.2	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	-0.4	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	1.4	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	0.7	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 &amp; Rural), Percentage Change on the Previous Year

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 & Entertainment.	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>
Jan - Dec: (12 Months)													
2002	7.3												
2003	5.6												
2004	4.6												
2005	5.9												
2006	6.7												
2007	6.4												
2008	13.5												
2009	12.1												
<b>2010 - Sep</b>	<b>4.5</b>	<b>5.2</b>	<b>-1.0</b>	<b>10.2</b>	<b>3.5</b>	<b>4.9</b>	<b>-1.5</b>	<b>4.6</b>	<b>4.1</b>	<b>1.2</b>	<b>-0.7</b>	<b>3.4</b>	<b>-1.4</b>
Oct	4.2												

Source: National Bureau of Statistics

Table A6 (ii): National Consumer Price Index (Urban &amp; Rural), Percentage Change on the Previous Year

September, 2010 = 100

Period	Food		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>
2010 - Sep	4.5	4.7		
Oct	4.4	3.9	3.5	6.8

Source: National Bureau of Statistics

**Table A7: National Debt Developments**

Item	Millions of USD						
	2008/09	2009/10	2010/11		2010/11	2010/11	2010/11
			Jul-10	Aug-10	Sep-10	Oct-10	Nov-10
<b>1. Overall Total Debt Committed<sup>2</sup></b>	<b>8,120.1</b>	<b>9,020.9</b>	<b>9,687.5</b>	<b>9,690.4</b>	<b>9,825.0</b>	<b>9,966.8</b>	<b>9,882.6</b>
Disbursed outstanding debt	5,483.0	6,207.0	6,707.7	6,640.4	6,824.4	6,909.8	6,924.2
Undisbursed debt	2,637.1	2,813.9	2,979.8	3,050.0	3,000.5	3,057.0	2,958.4
<b>2. Disbursed Debt by Creditor Category<sup>2</sup></b>	<b>5,483.0</b>	<b>6,207.0</b>	<b>6,707.7</b>	<b>6,640.4</b>	<b>6,824.44</b>	<b>6,909.8</b>	<b>6,924.2</b>
Bilateral debt	933.5	932.8	961.8	954.7	956.5	906.1	900.5
Multilateral debt	3,430.1	4,112.9	4,331.2	4,266.3	4,441.4	4,574.4	4,585.6
Commercial debt	700.3	603.2	831.2	829.7	836.4	844.1	842.6
Export credits	419.1	558.2	583.5	589.6	590.2	585.3	595.6
<b>3. Disbursed Debt by Borrower Category<sup>2</sup></b>	<b>5,483.0</b>	<b>6,207.0</b>	<b>6,707.7</b>	<b>6,640.4</b>	<b>6,824.4</b>	<b>6,909.8</b>	<b>6,924.2</b>
Central Government	4,118.2	4,729.6	4,940.1	4,869.0	5,045.7	5,128.9	5,137.8
Parastatal Companies	392.4	475.4	547.3	543.3	553.6	553.9	548.4
Private Sector	972.4	1,002.0	1,220.2	1,228.1	1,225.2	1,227.0	1,238.0
<b>4. Disbursed Debt by Use of Funds<sup>2</sup></b>	<b>5,623.6</b>	<b>6,207.0</b>	<b>6,707.7</b>	<b>6,640.4</b>	<b>6,824.4</b>	<b>6,909.8</b>	<b>6,924.2</b>
BOP & Budget Support	1,838.5	2,010.6	2,158.9	2,026.6	2,136.1	2,137.6	2,141.4
Transport & Telecommunication	695.7	679.5	724.4	753.9	760.7	769.0	788.2
Agriculture	599.0	671.9	724.9	687.4	683.6	692.7	738.6
Energy & Mining	808.7	756.8	756.7	717.4	719.0	711.3	651.8
Industries	141.9	178.5	187.8	207.1	214.4	213.6	206.2
Social Welfare & Education	756.8	825.3	900.8	886.0	936.2	980.2	993.1
Finance and Insurance	73.8	84.1	93.5	148.5	154.2	158.5	157.7
Tourism	90.6	96.0	102.3	95.9	96.1	96.2	104.9
Others	618.7	904.3	1,058.5	1,117.5	1,124.2	1,150.7	1,142.4
<b>5. Total Amount of Loan Contracted<sup>1</sup></b>	<b>1,104.3</b>	<b>844.6</b>	<b>23.9</b>	<b>141.7</b>	<b>0.0</b>	<b>6.4</b>	<b>3.0</b>
Government	456.3	594.2	0.0	129.7	0.0	0.0	0.0
Parastatal Companies	336.0	0.0	0.0	0.0	0.0	0.0	0.0
Private	312.0	250.3	23.9	12.0	0.0	6.4	3.0
<b>6. Disbursements<sup>1</sup></b>	<b>941.2</b>	<b>851.7</b>	<b>30.6</b>	<b>16.7</b>	<b>84.8</b>	<b>43.0</b>	<b>34.4</b>
Government	480.2	747.4	6.7	5.3	84.8	36.7	31.3
Parastatal Companies	246.7	63.4	0.0	0.0	0.0	0.0	0.0
Private	214.3	40.8	23.9	11.4	0.0	6.2	3.0
<b>7. Scheduled Debt Service<sup>1</sup></b>	<b>271.0</b>	<b>267.2</b>	<b>26.8</b>	<b>10.5</b>	<b>13.5</b>	<b>29.5</b>	<b>21.8</b>
<b>8. Actual Debt Service<sup>1</sup></b>	<b>54.0</b>	<b>96.1</b>	<b>9.0</b>	<b>5.1</b>	<b>13.3</b>	<b>13.4</b>	<b>6.8</b>
Principal	24.1	52.9	3.0	3.6	9.1	7.6	2.8
Interest	29.9	43.2	6.0	1.5	4.2	5.8	4.0
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>9. Net Transfers<sup>1</sup></b>	<b>887.2</b>	<b>755.6</b>	<b>21.6</b>	<b>11.5</b>	<b>71.5</b>	<b>29.6</b>	<b>27.5</b>
<b>10. Total Arrears by Creditors Category<sup>2</sup></b>	<b>2,809.8</b>	<b>2,760.8</b>	<b>2,817.3</b>	<b>2,790.4</b>	<b>2,834.4</b>	<b>2,751.1</b>	<b>2,762.2</b>
Principal	1,293.4	1,121.2	1,147.5	1,118.2	1,138.7	1,102.3	1,111.3
Bilateral	452.8	464.5	470.3	467.9	472.2	422.4	416.6
Multilateral	17.2	16.2	17.5	17.6	18.2	18.3	11.7
Commercial	449.3	384.7	398.2	374.7	392.4	402.5	414.3
Export Credits	374.1	255.8	261.4	257.9	255.9	259.2	268.7
Interest	1,516.3	1,639.7	1,669.8	1,672.3	1,695.6	1,648.8	1,650.8
Bilateral	669.5	721.4	734.7	739.2	748.2	680.5	674.2
Multilateral*	10.9	18.7	17.5	17.6	18.2	18.3	18.2
Commercial	562.0	599.5	615.0	613.3	625.8	639.9	639.9
Export Credits	274.0	300.1	302.6	302.1	303.5	310.2	318.5
<b>11. External Debt Stock</b>	<b>6,999.4</b>	<b>7,846.7</b>	<b>8,377.5</b>	<b>8,312.6</b>	<b>8,520.1</b>	<b>8,558.6</b>	<b>8,575.0</b>
<b>12. Domestic Debt Stock</b>	<b>1,741.1</b>	<b>2,009.5</b>	<b>2,064.4</b>	<b>2,071.2</b>	<b>2,277.5</b>	<b>2,276.6</b>	<b>2,288.3</b>
<b>13. Total Debt Stock</b>	<b>8,740.5</b>	<b>9,856.2</b>	<b>10,441.8</b>	<b>10,383.9</b>	<b>10,797.5</b>	<b>10,835.2</b>	<b>10,863.3</b>
End Period Exchange Rate	<b>1,299.4</b>	<b>1,379.4</b>	<b>1,382.3</b>	<b>1,382.3</b>	<b>1,483.8</b>	<b>1,482.1</b>	<b>1,470.5</b>

\*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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## TANZANIA



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