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# **BANK OF TANZANIA**

## **Monthly Economic Review**

**October 2010**

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## 1.0 Inflation Developments

**Annual headline inflation rate** decreased significantly to 4.5 percent in September 2010 from 6.6 percent recorded in August 2010, mainly due to decrease in both food and non-food inflation (**Table 1.1 and Chart 1.2**).

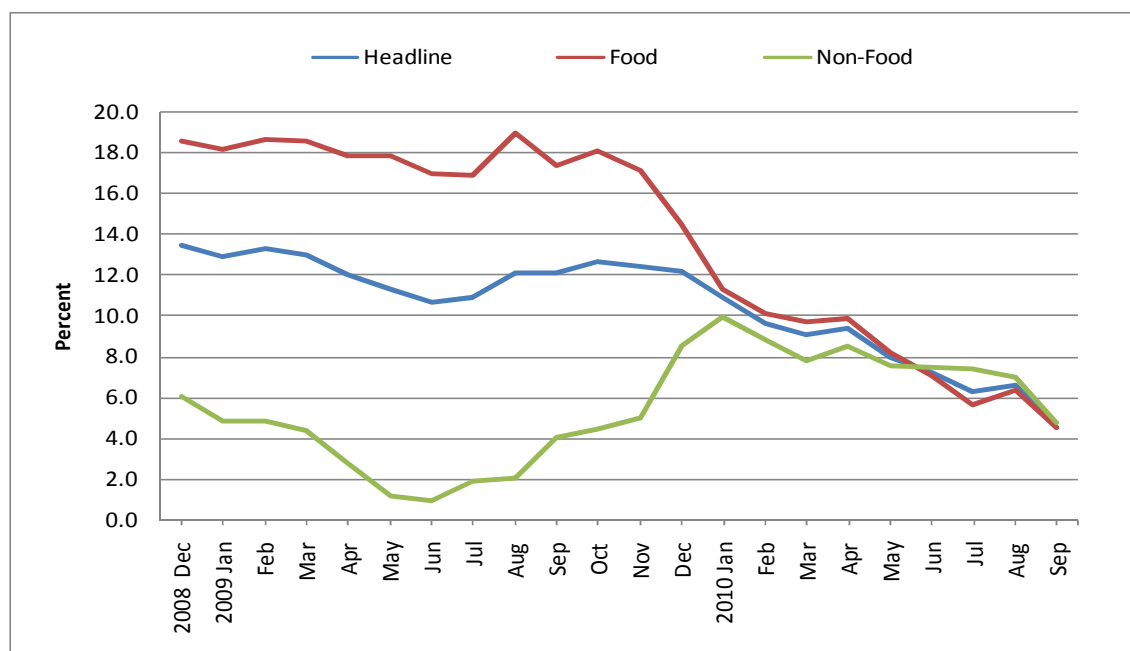
**Table 1.1: Annual Percentage Change in Consumer Price Index (ALL-Urban)**

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2008			2009			2010		
		Jul	Aug	Sep	Jul	Aug	Sep	Jul	Aug	Sep
<b>Headline/Overall</b>	<b>100.0</b>	<b>9.5</b>	<b>9.8</b>	<b>11.6</b>	<b>10.9</b>	<b>12.1</b>	<b>12.1</b>	<b>6.3</b>	<b>6.6</b>	<b>4.5</b>
<b>Food</b>	<b>55.9</b>	<b>11.2</b>	<b>11.1</b>	<b>13.4</b>	<b>16.9</b>	<b>18.9</b>	<b>17.3</b>	<b>5.6</b>	<b>6.3</b>	<b>4.5</b>
<b>Non-food</b>	<b>44.1</b>	<b>6.9</b>	<b>7.8</b>	<b>8.9</b>	<b>1.8</b>	<b>2.0</b>	<b>4.0</b>	<b>7.3</b>	<b>7.0</b>	<b>4.7</b>
Transportation	9.7	6	9.9	9.7	-1.9	-4.9	-2.0	7	7.4	5.6
Fuel, Power and Water	8.5	12	12.7	15.0	-9.1	-7.2	-0.9	19.3	16.5	7.1
Drinks and Tobacco	6.9	7.9	8.6	8.8	9.9	10.9	11.3	7	7.2	6.7
Clothing & Footwear	6.4	1.3	-0.1	2.2	8.5	9.8	8.1	-0.7	0.6	1.7
Education	2.6	7.2	7.9	8.3	11.7	10.3	9.5	-0.4	-6.3	0.0
Furniture & Household Equip.	2.1	5.4	6.9	8.2	6.4	6.5	7.0	2.1	2.6	2.4
H/h Operations Maintenance	2.1	2	1.1	3.4	4.4	6.3	5.2	3.1	4.9	4.3
Personal Care & Health	2.1	4.9	5.9	6.9	7.1	7.5	7.0	4.6	3.9	4.1
Rents	1.4	3.5	3.1	2.4	12.6	12.6	12.6	1.7	1.9	1.9
Recreation & Entertainment	0.8	4.4	5.2	6.9	9	8.4	9.1	-0.6	0.4	-0.7
Misc. Goods & Services	1.8	1.8	1.5	3.4	3.8	5	3.1	4.8	-6.3	-5.6

Source: National Bureau of Statistics

**Chart 1.2: Annual Headline, Food and Non-food Inflation**



Source: Bank of Tanzania

Likewise, the 12-month average annual headline inflation rate declined to 9.5 percent in September 2010, from 12.2 percent recorded in the corresponding period a year before (October 2008 to September 2009). **Month-to-month headline inflation rate** fell to 0.2 percent in September 2010, from 0.7 percent recorded in the preceding month, driven mainly by non-food inflation.

**Annual food inflation** rate, decreased to 4.5 percent in September 2010, from 6.3 percent in August 2010, mainly due to decrease in average prices of cereals, sweet potatoes, vegetables, fruits, fish and nuts. Also, the 12-month average food inflation rate declined to 10.2 percent in September 2010, being lower than 17.5 percent registered in the corresponding period of 2009. Meanwhile, **month-to-month food inflation** was 0.5 percent in September 2010, down from 0.8 percent recorded in August 2010.

**Annual non-food inflation** rate declined to 4.7 in September 2010 from 7.1 percent recorded in the preceding month, mainly due to decrease in the average prices of charcoal, household's equipments, and some educational materials. On the other hand, the 12-month average annual non-food inflation rate was 7.2 percent in September 2010, higher than the average rate of 3.9 percent recorded in the corresponding period of 2009. **Month-to-month non-food inflation rate** was negative 0.2 percent in September 2010, compared with 0.6 percent recorded in the preceding month. However, prices household utensils and diesel remained unchanged during the month.

### **Food Supply Situation**

In September 2010, food situation in the country continued to be satisfactory, except in a few districts that experienced shortages. Between July 2010 and September 2010, government distributed 3,329.5 tons of grains at subsidized prices or freely to districts facing food shortages.

On annual basis, wholesale prices for major food crops decreased in September 2010, with the exception of beans (**Table 1.2**). However, on month-to-month basis, wholesale prices for the selected food items increased save for sorghum.

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

TZS per 100 kg

Item	2009 Sep	2010		Percentage Change	
		Aug	Sep	Sep 09 to Sep 10	Aug to Sep 2010
Maize	36,791	28,187	28,942	-21.3	2.7
Rice	99,425	83,443	83,804	-15.7	0.4
Beans	92,476	96,220	100,694	8.9	4.6
Sorghum	47,233	43,786	43,414	-8.1	-0.8
Potatoes	52,428	49,185	50,404	-3.9	2.5

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 138,964 tons at the end of September 2010, from 93,194 tons recorded in the preceding month (**Table 1.3**). The increase in the stocks was on account of purchase of grains by NFRA, following budgetary allocations from the Treasury. NFRA managed to purchase a total of 81,795 tons of maize as at the end September 2010, which is equivalent to 58.4 percent of the total of 140,000 tons estimated to be purchased during 2010/11.

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

Period	2007	2008	2009	2010	Tons
					% 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	93,194	-2.9
September	131,937	102,225	110,278	138,964	25.8
October	143,717	114,464	107,177		
November	142,624	122,209	86,542		
December	142,044	129,253	77,644		

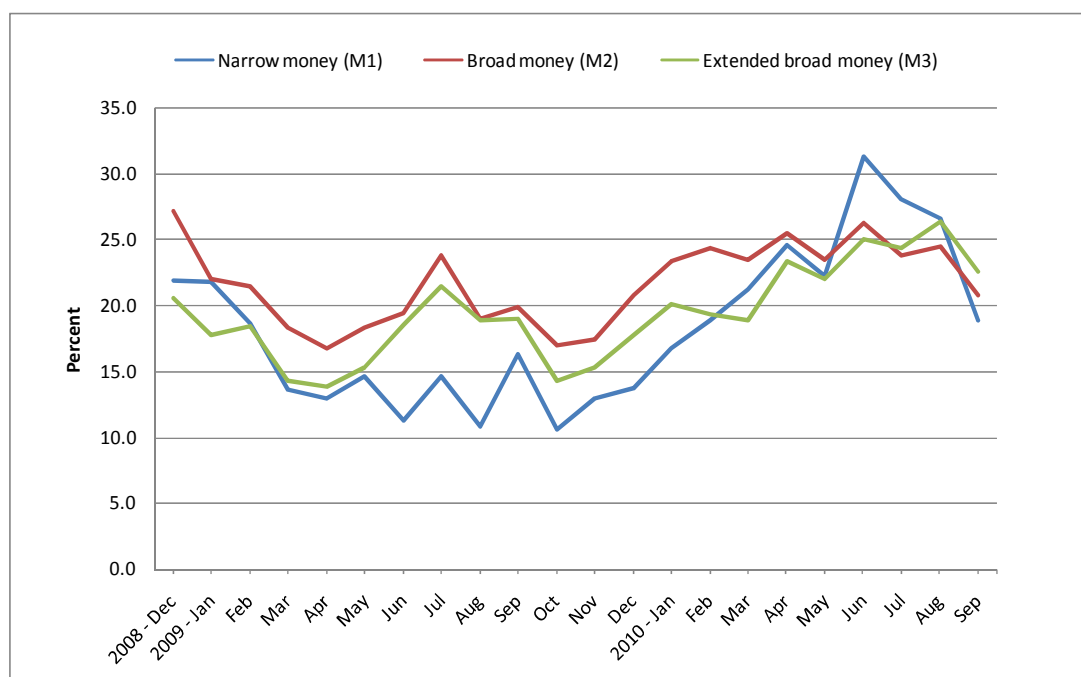
Source: National Food Reserve Agency

## 2.0 Monetary and Financial Markets Developments

### Money Supply and Credit Developments

During the year ending September 2010, all the monetary aggregates declined compared with the growth rates reported in August 2010; however the growth rates were still higher than the rates recorded in the corresponding month in 2009. Specifically, extended broad money supply (M3), which includes foreign currency deposits, recorded an annual growth rate of 22.6 percent in September 2010, lower than 26.4 percent registered in August 2010, but higher than 19.0 percent recorded in September 2009. Moreover, broad money (M2) grew by 20.8 percent in September 2010, down from 24.5 percent in the preceding month, but higher than 19.9 percent recorded in September 2009 (**Chart 2.1 and Table 2.1**).

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



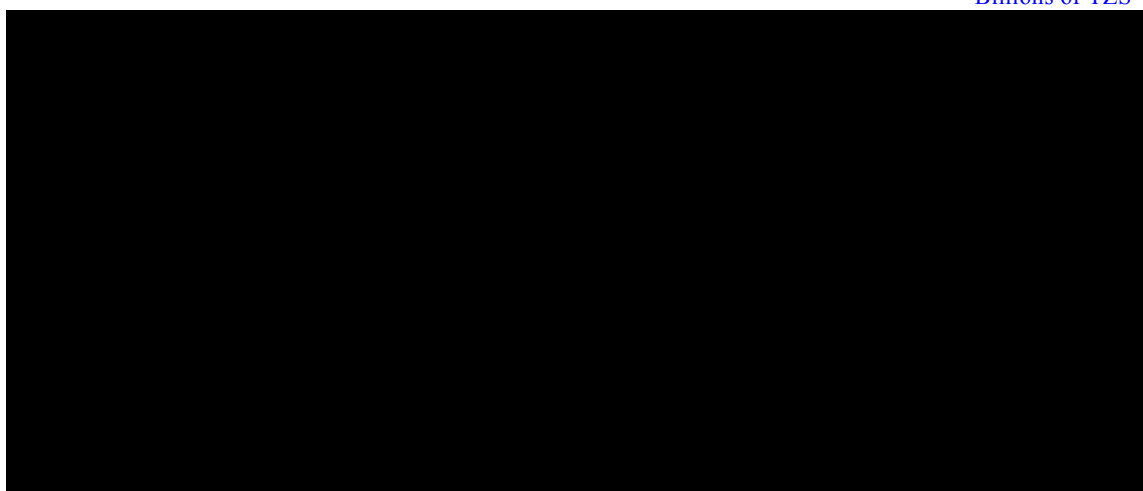
Source: Bank of Tanzania

The slow growth in the annual growth rate of money supply in September 2010 was driven by the decline in the annual growth rate of both net domestic assets (NDA) and net foreign assets (NFA) of the banking system. The NFA registered a growth rate of 13.1 percent in the year ending September 2010, which was low compared with 16.2 percent recorded in the preceding month. The decrease emanated from the NFA of commercial banks whose annual growth declined to 18.6 percent from 40.3 percent registered in the preceding month. The

decline in the NFA of banks was associated with re-adjustment in banks' portfolios, which is also reflected in the continued increase in the holding of Treasury securities and expansion of credit to the private sector. Notwithstanding the increase in the holding of domestic assets by the banking system, the annual growth rate of NDA eased to 35.5 percent in the reviewed month, from the rate of 39.7 percent registered in August 2010, partly due to slowdown in the growth of credit to the private sector. In the year ending September 2010, credit to the private sector grew by 18.5 percent, slightly lower than 18.9 percent recorded in August 2010, and significantly lower than 26.6 percent recorded in September 2009.

**Table 2.1: Selected Money Supply Components**

Billions of TZS



Source: Bank of Tanzania

In the year ending September 2010, banks' credit to selected major economic activities experienced a slowdown in growth when compared with the corresponding period in 2009, except for manufacturing, building and construction, and hotels and restaurants activities .

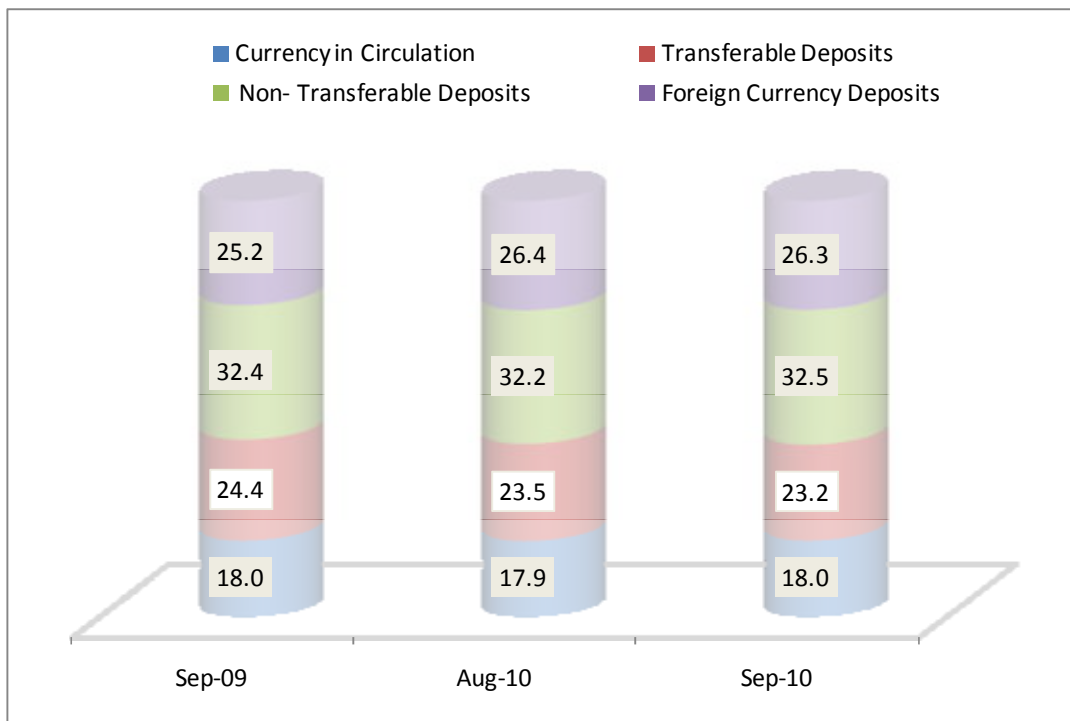
Credit to manufacturing grew by 62.1 percent compared to a decline of 4.7 percent in the year ending September 2009. Building and Construction grew by 48.0 percent compared with a decline of 11.4 percent while that of Hotels and Restaurants was 37.8 percent compared to a decline of 1.4 percent in the same period. Nevertheless, when compared with the preceding month, credit to most of the activities improved, except for personal and trade activities.

In September 2010, banks' credit to the private sector increased by TZS 43.1 billion to a stock of TZS 5,715.1 billion, compared with an increase of TZS 130.4 billion to TZS 5,672.0 billion recorded in August 2010. During the period under review, personal loans sustained its

dominance, accounting for 20.1 percent, followed by trade activities which accounted for 16.9 percent, manufacturing 15.2 percent, agriculture 12.1 percent, and transport and communication 9.2 percent.

Regarding its components, the decrease in money supply in September 2010 happened mostly in transferable deposits (demand deposits) and foreign currency deposits which together accounted for about 75 percent of the decline in money supply in September 2010. In line with these developments, the ratio of transferable deposits to M3 decreased slightly to 23.2 percent in September 2010, compared with 23.5 percent recorded in August 2010, while the share of foreign currency deposits declined to 26.3 percent from 26.4 percent in the same period (**Chart 2.2**).

**Chart 2.2: Percentage Share of the Components of Money Supply to Total Extended Broad Money Supply (M3)**



Source: Bank of Tanzania

Similar developments were observed for the year ending September 2010. In particular, transferable deposits increased by TZS 338.5 billion in the year ending September 2010, compared with an increase of TZS 575.9 billion recorded in the year ending August 2010 and TZS 433.0 billion in the year ending September 2009. Likewise, shilling equivalent of

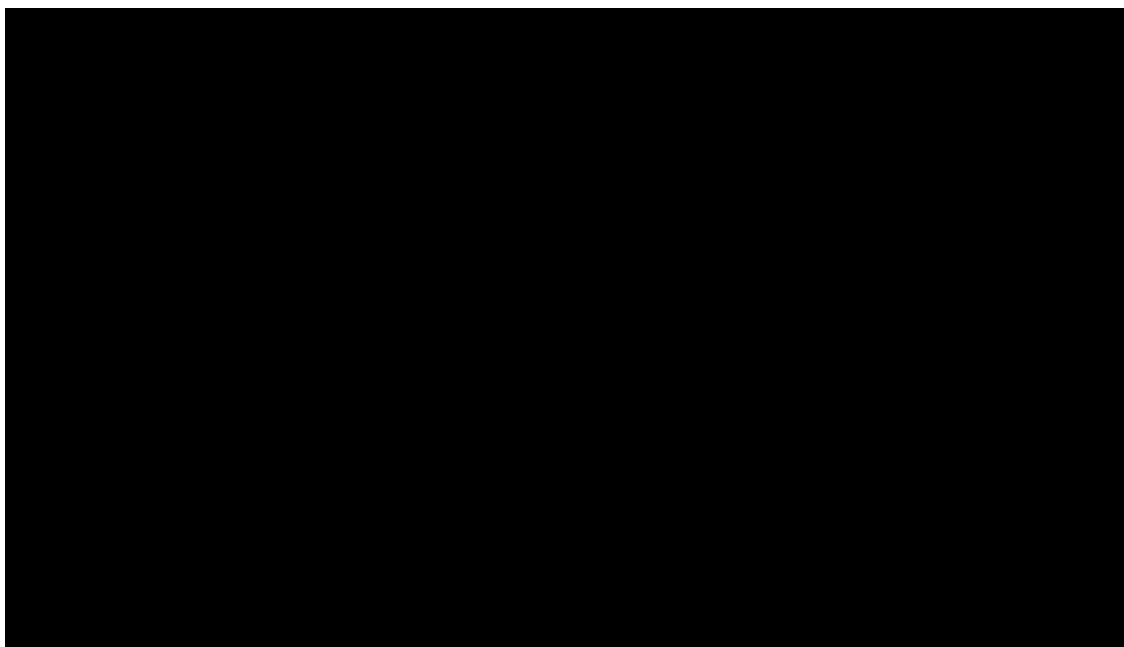


the foreign currency deposits increased by a slower magnitude of TZS 574.9 billion in the year ending September 2010 compared with an increase of TZS 671.9 billion recorded in the year ending August 2010.

### **Interest Rate Developments**

In the money markets, interest rates generally increased in September 2010 compared with the preceding month. In particular, Treasury bills yields increased across all maturities in September 2010, when compared with the yields recorded in the preceding month. As a result, the overall weighted average yields of Treasury bills increased to 5.06 percent in September 2010 from 3.86 percent recorded in the preceding month and 4.52 percent recorded in the corresponding period in 2009 (**Table 2.2**).

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



**Source: Bank of Tanzania**

During September 2010, the yields for 2-year Treasury bonds increased to 9.82 percent from 8.88 percent recorded in July 2010, when it was last auctioned, while that of 10-year increased to 13.00 percent from 11.68 percent recorded in August 2010. Likewise, the overall inter-bank cash market interest rates increased to 1.65 percent in September 2010, from 1.09 percent recorded in the preceding month and 1.34 percent recorded in September 2009. Overnight rate also increased to 1.68 percent from 0.93 percent recorded in August

2010, and higher than 1.04 percent recorded in September 2009. The sustained high interest rate in the inter-bank cash market is partly a reflection of decline in banks' reserves during the period. Furthermore, repo rate rose slightly to 0.90 percent in September 2010, from 0.58 percent recorded in the previous month, but significantly lower than 4.02 percent recorded in the corresponding period in 2009.

Similarly, interest rates offered by banks increased in September 2010 when compared with the rates recorded in the preceding month. Specifically, the overall time deposits rate increased to 6.03 percent in September 2010, from 5.55 percent registered in the preceding month, but the rate was lower than 6.73 percent recorded in the corresponding period in 2009. Likewise, negotiated deposit rate increased to 9.33 percent, from 8.58 percent in August 2010, but was lower than 10.60 percent recorded in September 2009. On the other hand, savings deposit rate remained unchanged at 2.60 percent in September 2010.

In contrast, the rates charged by banks declined slightly during the month under review compared with the preceding month, with the overall lending rates closing at 14.31 percent from 14.40 percent recorded in August 2010. Negotiated lending rates also decreased to 13.80 percent, from 14.00 percent recorded in the period under review.

In line with the developments on the rates charged and offered by banks, the spread between short-term lending rate (up to one year) and one year time deposit rate narrowed to 6.17 percentage points in September 2010, from 7.24 percentage points recorded in the preceding month. This implies that cost of funds in September 2010 was relatively lower when compared with the preceding month.

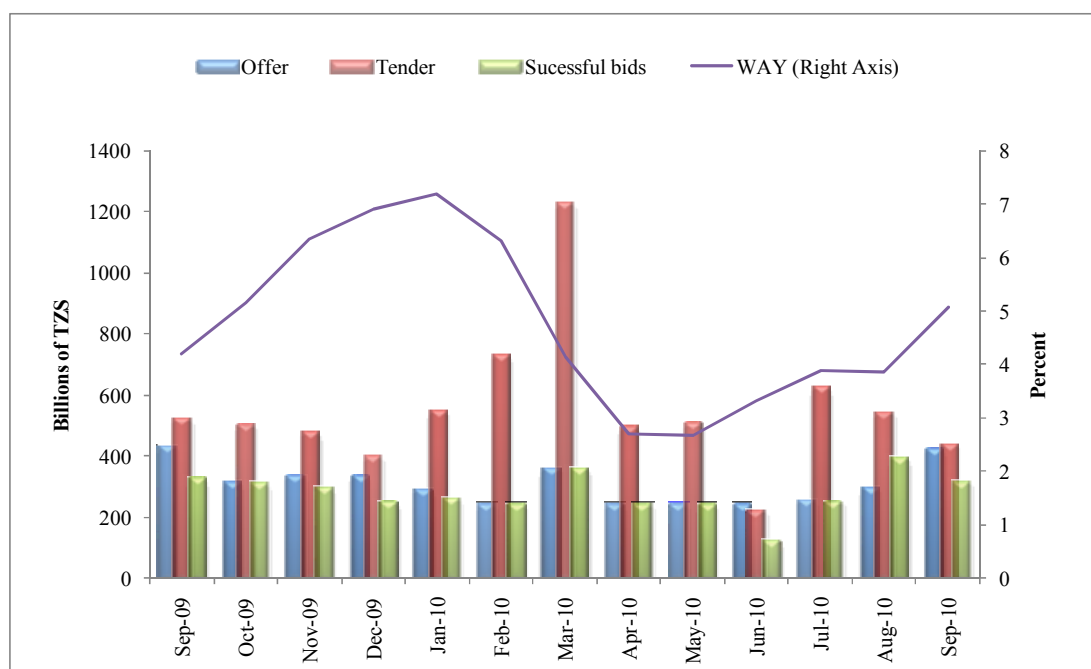
## **Financial Markets Developments**

### **Treasury Bills and Bonds Market**

In the **Treasury bills** market, the Bank supplied Treasury bills worth TZS 420.0 billion during September 2010, compared with TZS 295.0 billion recorded in the preceding month. The amount supplied in September 2010 increased significantly, following the increase in the number of auctions to three from two auctions conducted in August 2010. However, the supplied amount was relatively lower than the TZS 433 billion auctioned in the three

auctions conducted in September 2009. During the month under review, demand for Treasury bills amounted to TZS 435.5 billion, being lower than TZS 539.1 billion registered in the preceding month and TZS 520.2 billion recorded in the corresponding month in 2009 (**Chart 2.3**). During the month under review, the Bank accepted Treasury bills worth TZS 302.6 billion (cost value) after taking care of outlying bids. In the same period, maturing Treasury bills amounted to TZS 254.7 billion.

**Chart 2.3: Treasury bills Market Developments**



Source: Bank of Tanzania

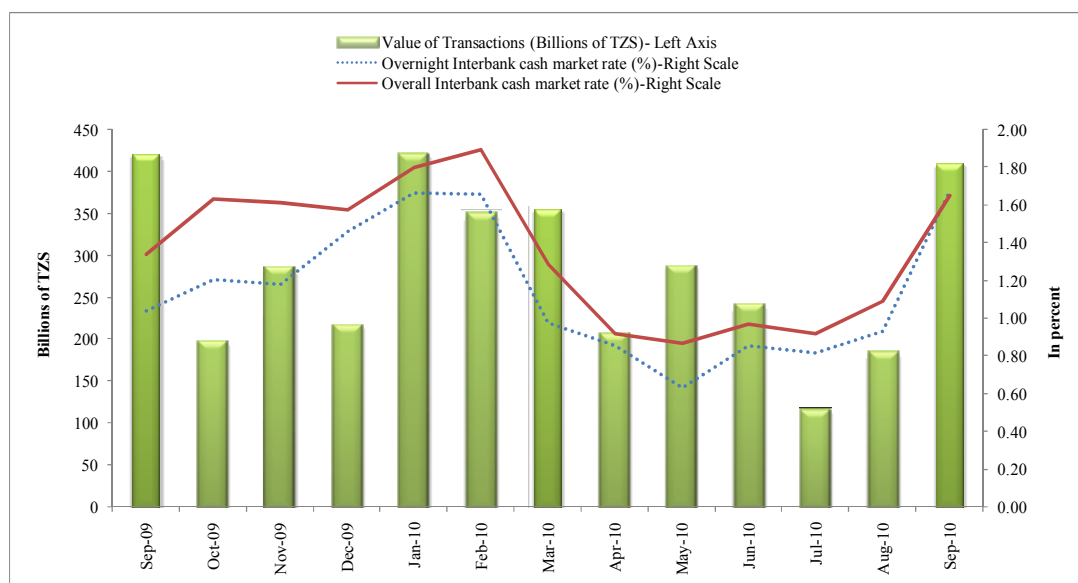
In the **Treasury bonds** market, the Bank conducted two auctions for 2-year and 10-year Treasury bonds with face value of TZS 40.0 billion each in September 2010. During the month, demand for the 2-year Treasury bond amounted to TZS 74.1 billion, while that of 10-year Treasury bond was TZS 36.1 billion. The low demand for 10-year Treasury bond partly reflects investors' preference for instruments of shorter maturities. Due to presence of outlying bids during the two auctions in September 2010, the Bank accepted bids with cost value of TZS 32.5 billion and TZS 14.6 billion for 2-year and 10-year bond, respectively. During the month, commercial banks remained dominant participants in the market, followed by pension funds.

## Repurchase Agreements and Inter-Bank Cash Market Developments

The Bank continued to conduct repurchase agreement as part of the instruments for liquidity management in the economy. The volume of repurchase agreements made continued to decline reaching TZS 175.5 billion in September 2010, compared with TZS 493.0 billion recorded in the preceding month and TZS 496.7 billion conducted in the corresponding month in 2009. The continued decrease in the sale of repos was associated with relatively low repo rates registered during the month under review compared to other money market rates. In particular, the overnight rate interbank cash market rate was well above the repo rate during the period under review by more than 50 basis points. Likewise, the 35 days treasury bills rates were well above the rates offered in the repos in September 2010.

On the other hand, the volume of transactions in the interbank cash market amounted to TZS 409.9 billion during September 2010, being higher than TZS 184.5 billion traded in August 2010, but lower than TZS 421.5 recorded in the corresponding month in 2009. During the period under review, overnight transactions accounted for 82.7 percent of the total volume transacted in the interbank cash market, being much higher than 66.3 percent and 54.9 percent recorded in August 2010 and September 2009, respectively (**Chart 2.4**).

**Chart 2.4: Inter-bank Cash Market Developments**

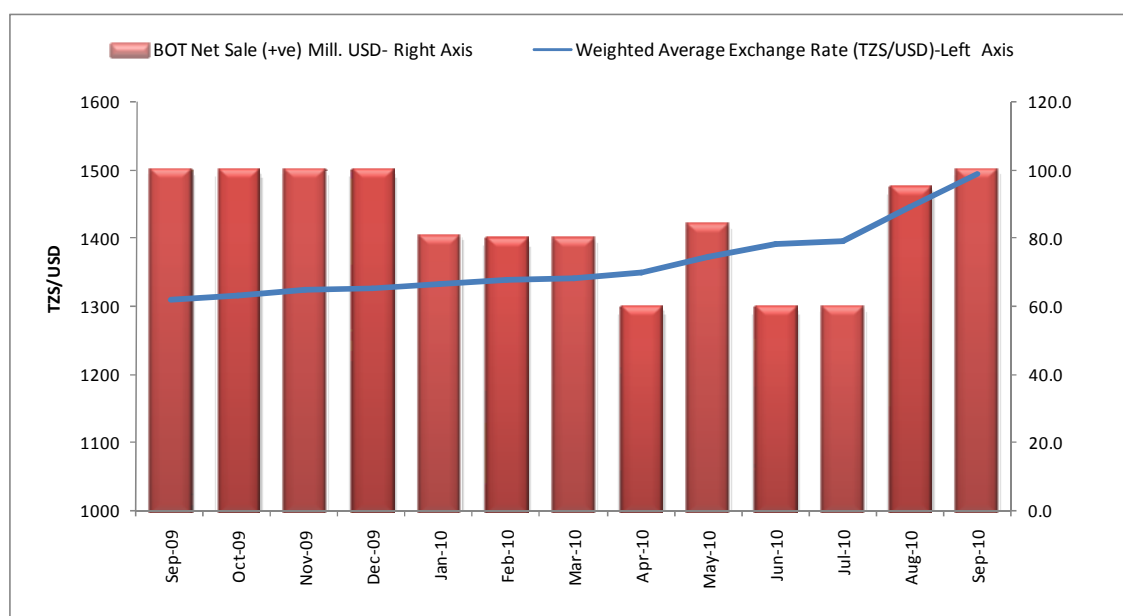


Source: Bank of Tanzania

## Inter-Bank Foreign Exchange Market

In the Interbank Foreign Exchange Market (IFEM), the total volume traded amounted to USD 100.25 million in September 2010, out of which the Bank sold USD 100 million, being a further increase in the sale of foreign exchange from USD 95.0 million sold in the preceding month. The foreign exchange sold by the Bank of Tanzania was for liquidity management purposes and partly to meet seasonal increase in domestic demand for foreign exchange. During the month, the average value of the Shilling against US dollar depreciated by 3.43 percent to TZS 1,494.81 per USD in September 2010, from TZS 1,445.23 per USD recorded in the preceding month. On annual basis, the Shilling depreciated by 14.21 percent from TZS 1,308.82 per USD recorded in September 2009. The recent depreciation of the Tanzanian Shilling against US dollar was mainly driven by seasonal demand for foreign exchange (**Chart 2.5**).

**Chart 2.5: Inter-bank Foreign Exchange Market Operations**



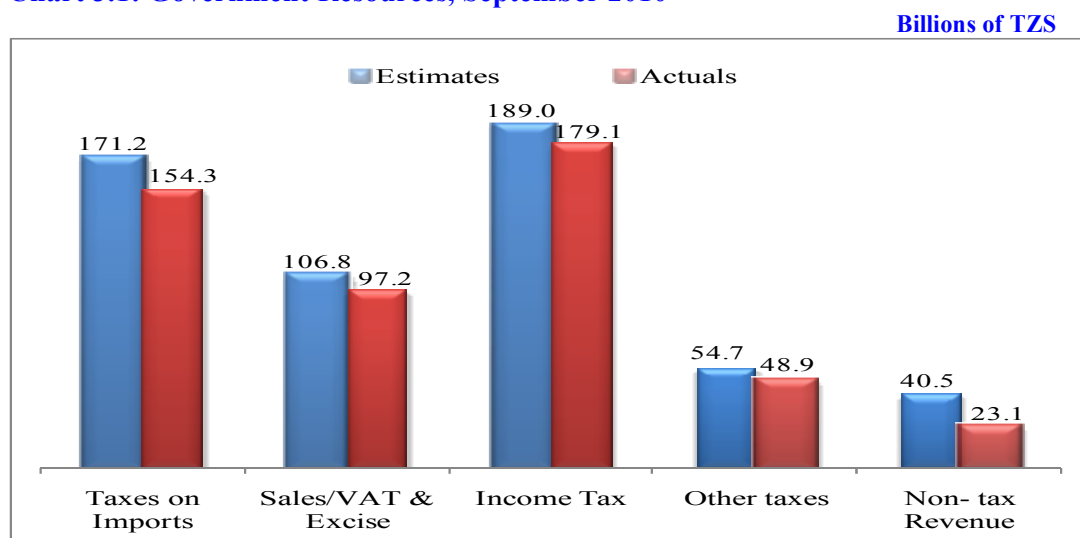
Source: Bank of Tanzania

## 3.0 Government Budgetary Operations

During September 2010, **revenue collections** amounted to TZS 502.5 billion, out of which TZS 479.5 was tax revenue and TZS 23.1 billion was non-tax revenue (**Chart 3.1**). On

cumulative basis, revenue collections in the first quarter of 2010/11 amounted to TZS 1,255.7 billion.

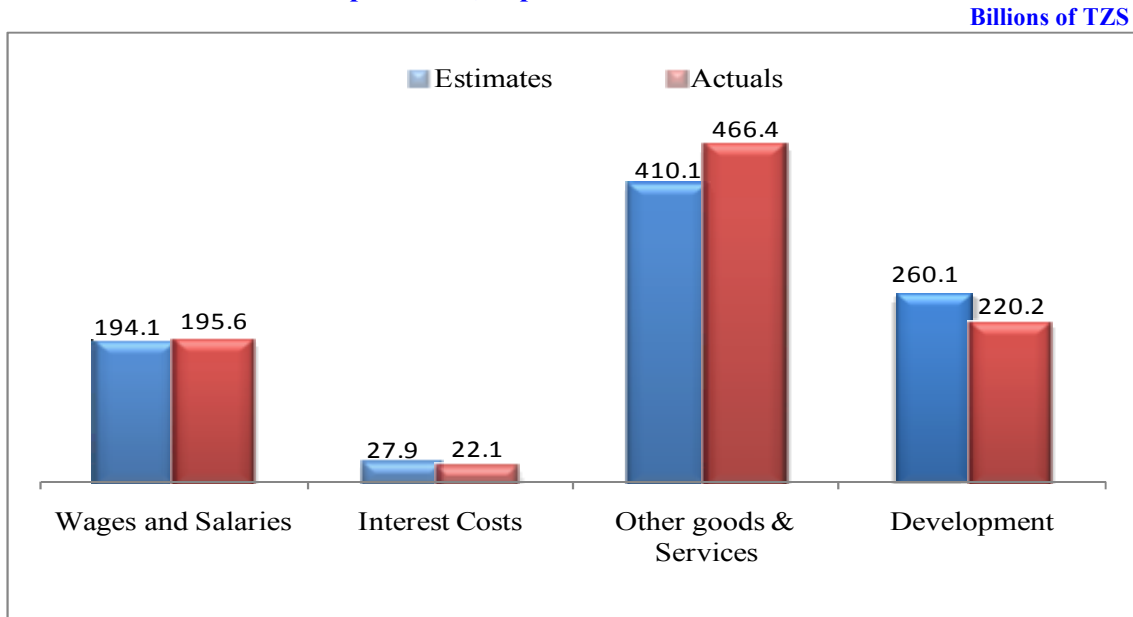
**Chart 3.1: Government Resources, September 2010**



Source: Bank of Tanzania

During the month, **total expenditure** amounted to TZS 917.9 billion of which, recurrent expenditure was TZS 697.7 billion, and development expenditure was TZS 220.2 billion (**Chart 3.2**). On cumulative basis, government expenditure for the first quarter of 2010/11 reached TZS 1,980.7 billion being lower than the estimate of TZS 2,369.5 billion. Recurrent expenditure was below the estimate by 5.4 percent, reaching TZS 1,504.2 billion and development expenditure accumulated to TZS 476.4 billion.

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



Source: Bank of Tanzania

## Financing

During the month under review, fiscal operations registered an overall deficit (adjusted to cash) of TZS 174.7 billion. The deficit was financed by both foreign and domestic sources amounting to TZS 138.3 billion and TZS 36.3 billion, respectively. Total financing for the first quarter of 2010/11 amounted to TZS 723.9 billion, out of which TZS 216.8 billion was foreign financing and TZS 507.0 billion was domestic financing.

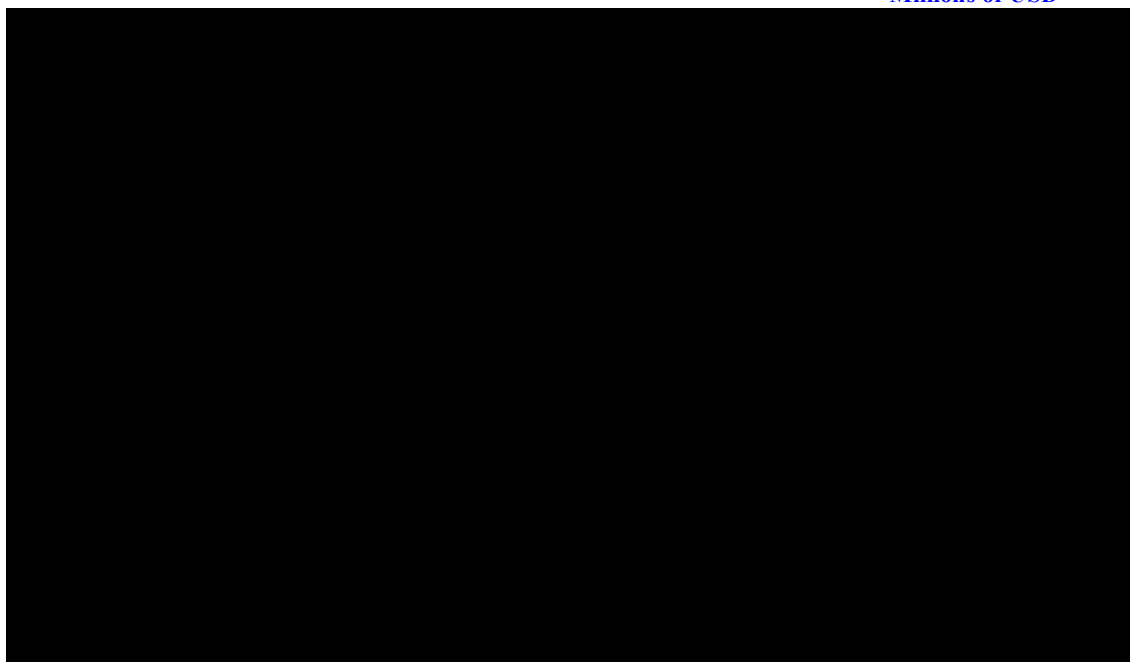
## 4.0 External Sector Performance

### Current Account Balance

During the year ending September 2010, overall balance of payments recorded a deficit of USD 25.7 million, compared with a surplus of USD 619.8 million recorded in the corresponding period a year earlier. This outturn was mainly explained by the widening of the current account deficit by 13.2 percent to USD 2,570.9 million, following a significant decline in official current transfers ([Table 4.1](#)).

**Table 4.1: Current Account Balance**

Millions of USD



Note: P = Provisional

Source: Bank of Tanzania

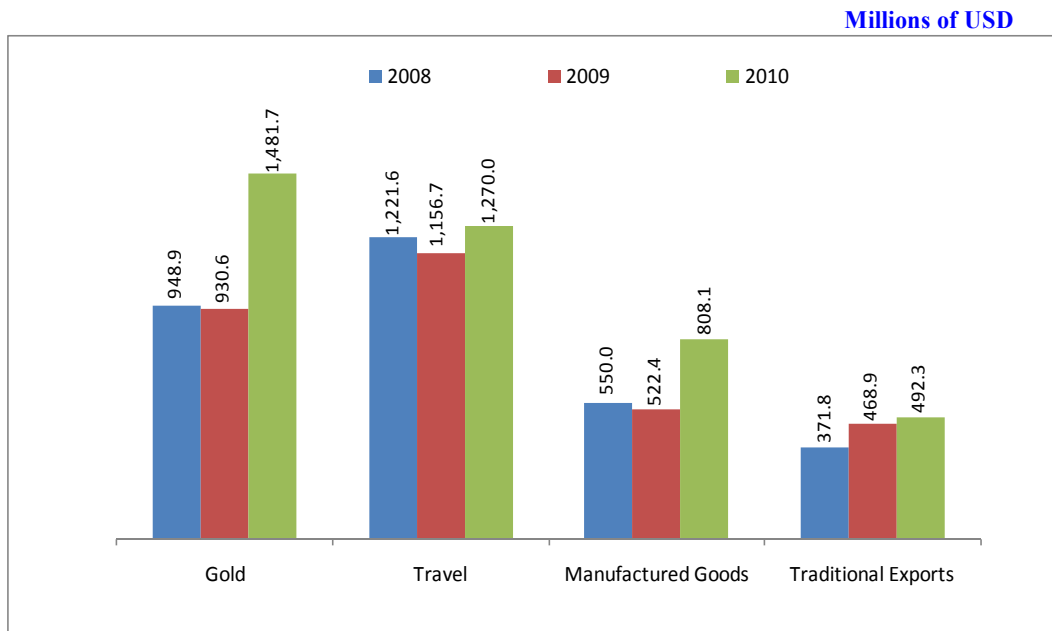
Nevertheless, gross official reserves remained strong at USD 3,589.6 million in September 2010, up from USD 3,532.2 million and USD 3,563.8 million recorded in August 2010 and September 2009, respectively. The sustained high level of gross official reserves was largely explained by the increase in capital inflows in the form of grants and foreign borrowing. The level of gross official reserves in September 2010 was sufficient to cover 5.1 months of imports of goods and services. On the other hand, gross foreign assets of banks amounted to USD 910.8 million, being less than USD 988.9 million recorded in the preceding month, but higher than USD 882.0 million registered in September 2009. In total, gross foreign assets of the banking system amounted to USD 4,500.4 million in September 2010, which was sufficient to cover 7.1 months of imports of goods and services.

### **Exports Performance**

During the year ending September 2010, the value of export of goods and services increased by 25.5 percent to USD 5,527.5 million. The improvement was 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.



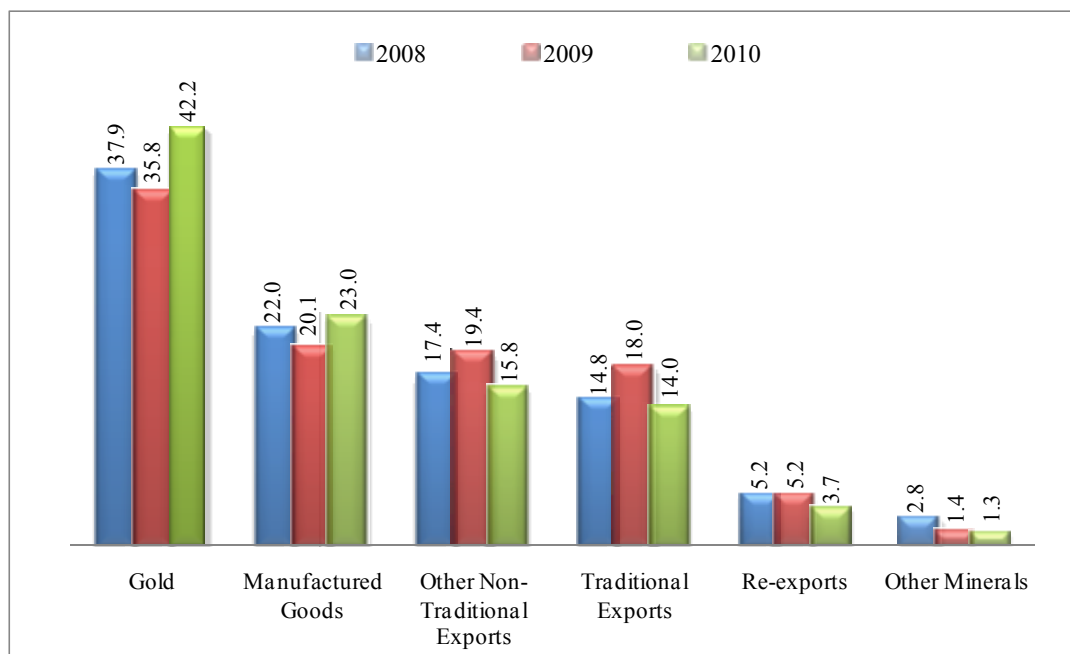
**Chart 4.1: Performance of Selected Goods and Services Export for the Year Ending September**



Source: Bank of Tanzania

The value of export of goods rose to USD 3,514.2 million in the year ending September 2010, compared with USD 2,599.9 million recorded during the corresponding period a year earlier, largely due to significant increase in gold and manufactured exports. **Chart 4.2** shows contribution of selected items to total export of goods.

**Chart 4.2: Percentage Contribution of Selected Items to Total Exports of Goods for the Year Ending September**

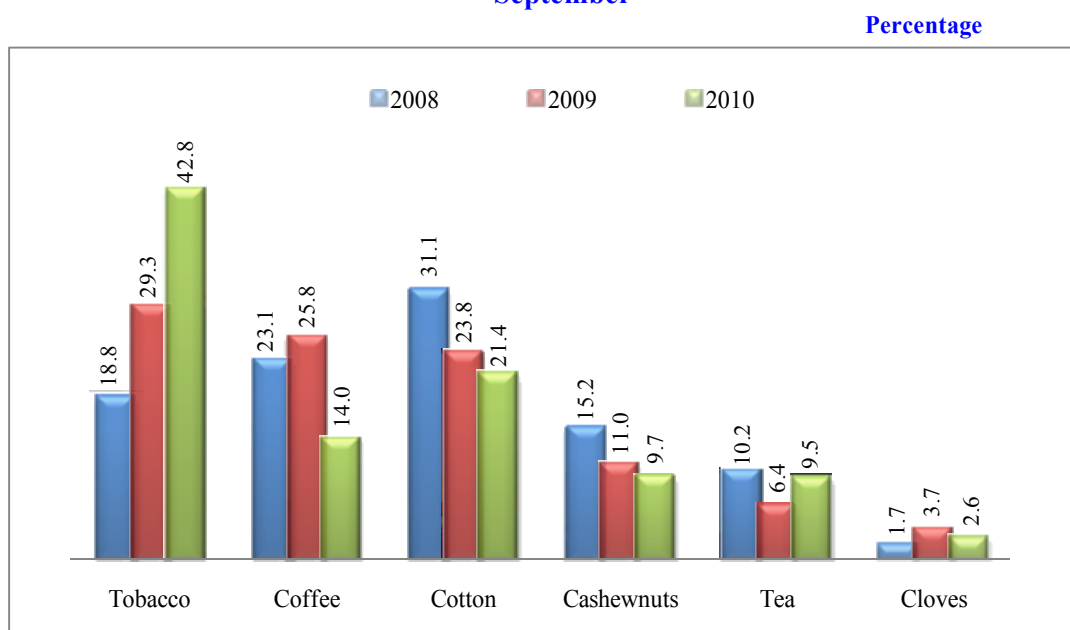


Source: Bank of Tanzania

In September 2010, the value of **traditional exports** was equivalent to USD 49.0 million, compared with USD 34.5 million recorded in the preceding month. The improvement was largely due to an increase in the volume and export unit price of tobacco, coffee and tea.

On annual basis, the value of traditional exports went up by 5.0 percent to USD 492.3 million in September 2010, largely due to increase in both export volumes and unit prices of tobacco and tea. It is worth noting that, the good performance of tobacco exports is largely due to increase in the export unit prices following the improved quality of Tanzanian tobacco. Timely extension services that led to proper farming practices coupled with accessibility of agricultural inputs had significant positive impact in improving the quality of the produced tobacco. According to the Tanzania Tobacco Board, the increased tobacco price will motivate farmers to increase productivity and attract new tobacco growers. **Chart 4.3** depicts the composition of traditional exports for the last three years.

**Chart 4.3: Percentage Composition to Total Traditional Exports for the Year Ending September**

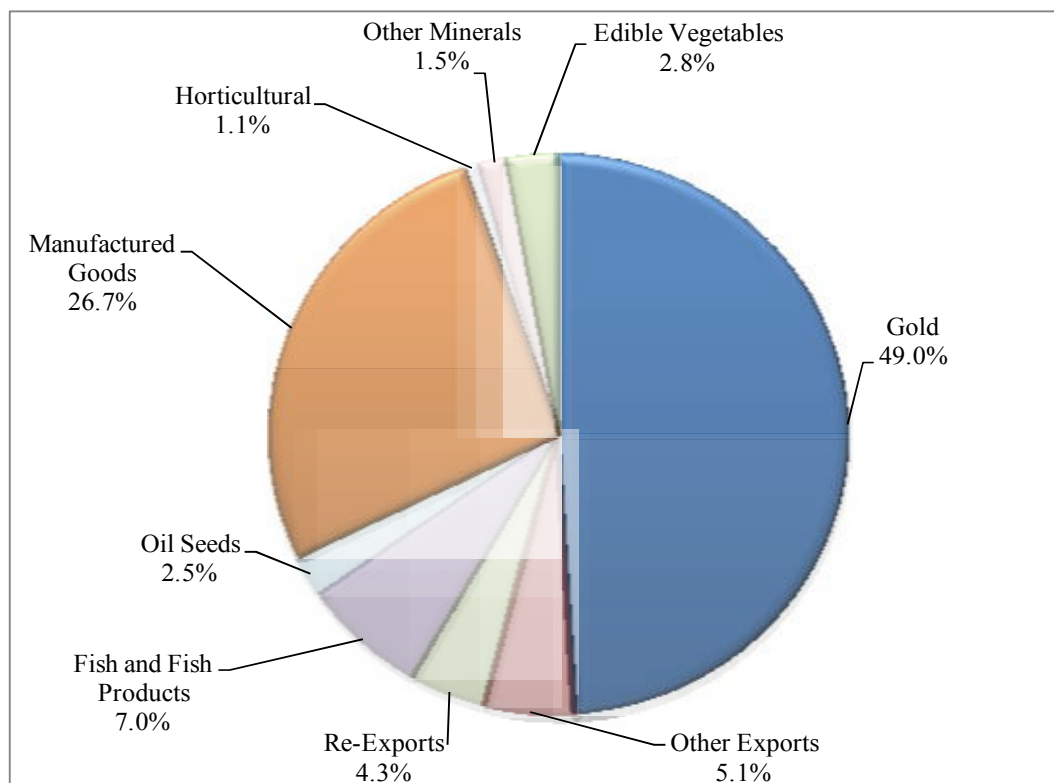


Source: Bank of Tanzania

In September 2010, the value of **non-traditional exports** shipped was USD 331.0 million, equivalent to 11.6 percent increase from the amount shipped in August 2010, largely due to a notable increase in re-exports and other exports.

On annual basis, non-traditional exports increased to USD 3,022.0 million in September 2010, compared with USD 2,131.0 million recorded in the corresponding period a year earlier. The improved performance was largely attributed to a substantial increase in the export value of gold and manufactured goods. During the period under review, the value of gold exports went up by 59.2 percent to USD 1,481.7 million, following a rise in the export volumes as well as price of gold in the world market. Statistics indicate that the export volume of gold has increased to 36.8 tons compared to 31.0 tons recorded in the preceding year, partly on account of commencement of export by the Buzwagi Gold Mine. Meanwhile, prices of gold increased to USD 1,157.9 per troy ounce compared with USD 896.2 per troy ounce recorded during the year ending September 2009. Likewise, the value of manufactured goods increased to USD 808.1 million, being 54.7 percent higher than the value recorded in a similar period in 2009, consistent with the recovery of the global economy from the financial crisis. **Chart 4.4** depicts the composition of non-traditional exports for the year ending September 2010.

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

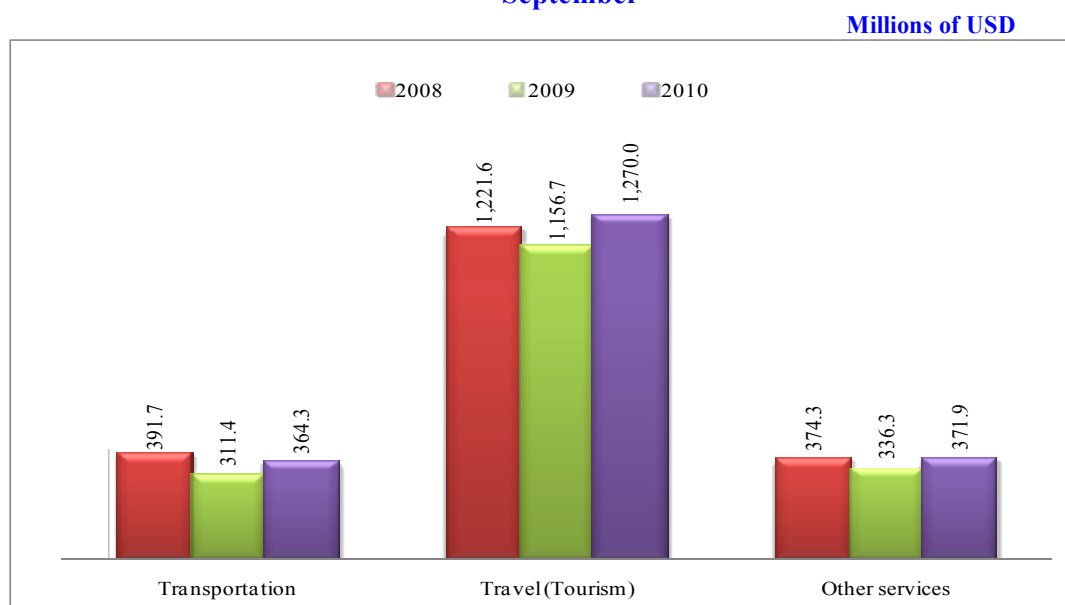


Source: Bank of Tanzania

In September 2010, **services receipt** amounted to USD 202.6 million, being an increase when compared with USD 198.1 million recorded during the preceding month. This outturn was explained by the increase in receipts from government services and other business services.

During the year ending September 2010, services receipt amounted to USD 2,013.3 million, being higher than USD 1,804.4 million recorded in the similar period a year earlier, following an improvement in travel, transportation and other business receipts. Travel receipts increased by 9.8 percent to USD 1,270.0 million as the global economy began to recover from the impact of the financial crisis. Likewise, transportation receipts rose by 17.0 percent to USD 364.3 million as a result of the increase in transit goods to the neighbouring countries. This development is largely associated with the recovery of the global economy coupled with an improvement in cargo clearing at the Dar port. **Chart 4.5** depicts the performance of the main services receipt for the past four years.

**Chart 4.5: Service Receipts for the Year Ending September for the Year Ending September**



**Note: 'Other Services' include: Communication, Construction, Insurance, Financial, Computer Information, Government, Royalties, and Personal and Other business services**  
**Source: Bank of Tanzania**

## Imports Performance

In September 2010, the value of goods shipped into Tanzania was USD 572.1 million, lower than USD 607.5 million recorded in the preceding month, following a decline in importation of capital and intermediate goods.

On annual basis, import of goods and services amounted to USD 8,452.7 million in September 2010, compared with USD 7,456.4 million recorded in the corresponding period a year earlier. The value of imported goods amounted to USD 6,780.2 million, compared with USD 5,769.9 million recorded during the year ending September 2009, largely due to a rise in the value of imported oil, food and other consumer goods. The value of imported oil increased to USD 1,928.1 million compared with USD 1,344.5 million recorded in the similar period a year earlier, following the increase in both volume and prices. The volume of oil imports rose to 3.2 million tons in the year ending September 2010, from 2.9 million tons recorded in the year ending September 2009. Also, average oil prices (refined products) in the world market increased by 25.3 percent to USD 668.9 per ton. Meanwhile, the value of consumer goods import amounted to USD 1,594.7 million, representing a growth of 16.4 percent following the increase in importation of food and other consumer goods. The increase in imports of foodstuffs is largely on account of a rise in the importation of wheat,

some of which is re-exported to the neighbouring countries. Likewise, importation of other consumer goods, mainly consisting of pharmaceutical products, plastic items and paper products increased by 11.3 percent to USD 1,153.5 million (**Table 4.2**).

**Table 4.2: Imports**

Item	2009 <sup>p</sup> Sep	2010		% Change		Year Ending September <sup>p</sup>		% Change
		Aug	Sep	Sep 09- Sep10	Aug 10 - Sep10	2009	2010	
		Millions of USD						
<b>Capital Goods</b>	<b>213.0</b>	<b>240.7</b>	<b>211.0</b>	<b>-1.0</b>	<b>-12.4</b>	<b>2,466.4</b>	<b>2,582.3</b>	<b>4.7</b>
Transport Equipment	63.6	94.1	60.8	-4.4	-35.4	734.6	803.5	9.4
Building and Constructions	42.2	59.7	61.4	45.6	2.8	536.9	643.2	19.8
Machinery	107.2	87.0	88.8	-17.2	2.1	1,194.8	1,135.6	-5.0
<b>Intermediate Goods</b>	<b>210.3</b>	<b>224.0</b>	<b>215.8</b>	<b>2.6</b>	<b>-3.6</b>	<b>1,932.1</b>	<b>2,603.1</b>	<b>34.7</b>
Oil imports	143.3	137.0	157.9	10.2	15.2	1,344.5	1,928.1	43.4
Fertilizers	14.3	38.0	7.2	-49.7	-81.1	118.7	114.9	-3.2
Industrial raw materials	52.7	49.0	50.8	-3.6	3.6	468.9	560.2	19.5
<b>Consumer Goods</b>	<b>112.7</b>	<b>142.8</b>	<b>145.3</b>	<b>28.9</b>	<b>1.8</b>	<b>1,370.6</b>	<b>1,594.7</b>	<b>16.4</b>
Food and food stuffs	27.7	33.2	38.8	40.0	16.9	334.0	441.2	32.1
All other consumer goods <sup>1</sup>	85.0	109.6	106.5	25.3	-2.8	1,036.6	1,153.5	11.3
<b>Grand Total (f.o.b)</b>	<b>536.2</b>	<b>607.7</b>	<b>572.1</b>	<b>6.7</b>	<b>-5.9</b>	<b>5,769.0</b>	<b>6,780.2</b>	<b>17.5</b>
<b>Grand Total (c.i.f)</b>	<b>589.2</b>	<b>667.8</b>	<b>628.7</b>	<b>6.7</b>	<b>-5.9</b>	<b>6,339.6</b>	<b>7,450.8</b>	<b>17.5</b>

Note: p = Provisional

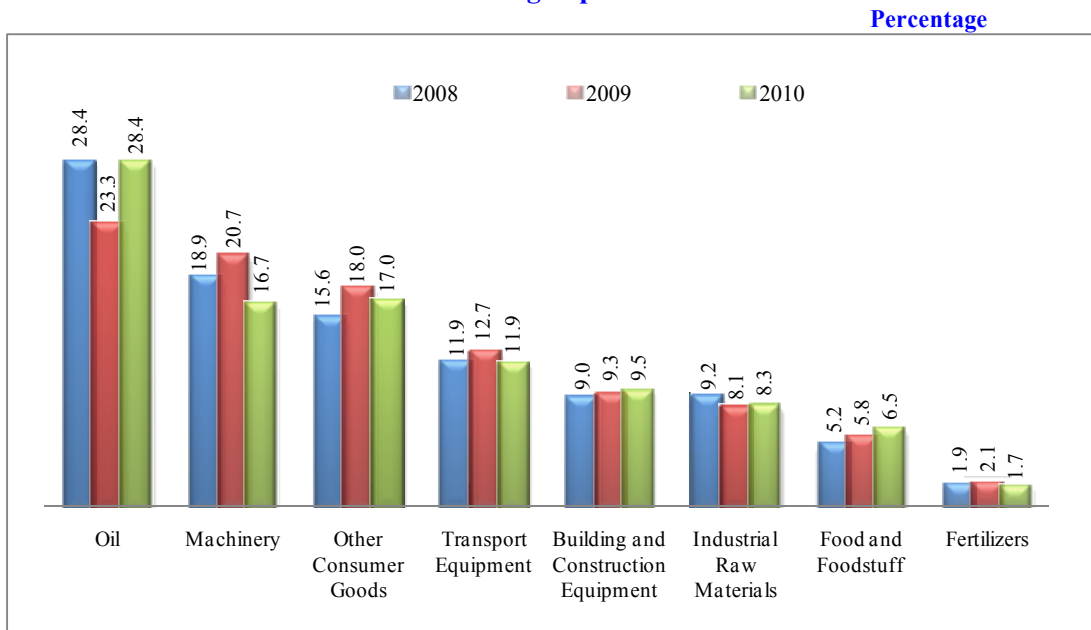
Oil imports refers to refined petroleum products

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

Source: Bank of Tanzania and Tanzania Revenue Authority

Imports of **capital goods** also increased to USD 2,582.3 million in the year ending September 2010, compared with USD 2,466.4 million recorded during the year ending September 2009. Meanwhile, importation of transport equipment as well as building and construction increased, whereas machinery imports went down by 5.0 percent to USD 1,135.6 million. Statistics indicate that importation of machinery related to agricultural activities such as tractors, ploughs, combine harvesters and other agricultural machinery declined to USD 123.4 million in the year ending September 2010, compared with USD 158.6 million recorded during the year ending September 2009. **Chart 4.6** summarizes the contribution of import sub-categories to total imports for the last three years.

**Chart 4.6: Percentage Contribution of Selected Items to Total Imports for the Year Ending September**

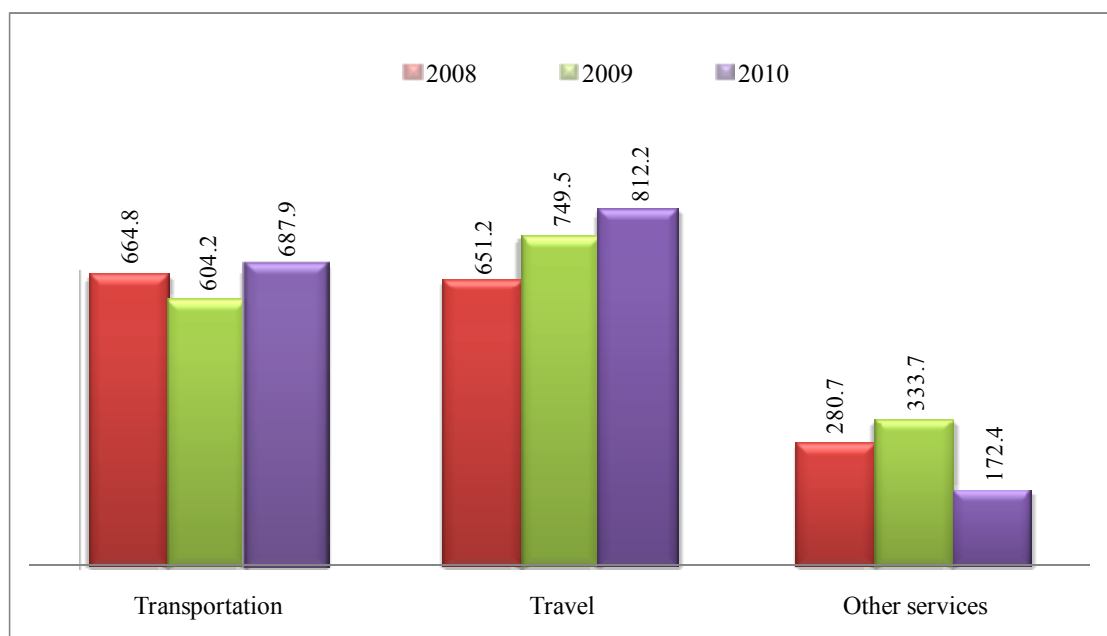


Source: Bank of Tanzania

In September 2009, services payments amounted to USD 145.9 million compared with USD 133.9 million recorded in the preceding month, largely due to increase in payments for travel and other business services. On annual basis, services payments went down by 0.9 percent to USD 1,672.5 million in September 2010, owing to a decline in government and other business services. On the other hand, freight payments went up by 14.3 percent to USD 647.6 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 for the Year Ending September**

Millions of USD



**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**

In September 2010, world market prices of agricultural and non agricultural commodities increased with the exception of coffee (Robusta) and tea (Mombasa Auction). The price of cotton (A-Index) increased largely due to strong demand for cotton in China, coupled with shortfall in production in Pakistan, India, China and United States, while the price of sisal (UG) increased largely on account of improvement in global demand for sisal. During the period under review, the average prices of crude oil (UK Brent, Dubai f.o.b) and white petroleum products recorded small increases. Likewise, the price of gold went up from USD 1,216.0 per troy ounce recorded in the preceding month to USD 1,271.0 per troy ounce in September 2010 (**Table 4.3**).

On annual basis, most of commodity prices increased except for coffee (Robusta) and sisal. The prices of coffee (Arabica), tea, cotton and cloves recorded notable increases. The increase in the price of tea was largely attributable to the shortfall in production in Kenya, India and Sri Lanka, following unfavourable weather condition, while the rise in the price of cotton was largely attributable to strong demand for cotton in China. Similarly, the rise in the price of coffee (Arabica) was largely on account of decline in coffee production in Brazil and



Colombia, following unfavourable weather conditions. Meanwhile, the price of cloves increased on account of shortage of supply of cloves from Madagascar, coupled with strong global demand.

During the period under review, the prices of **crude oil** (UK Brent, Dubai f.o.b) and **white petroleum products** recorded modest increases, following the decline in oil inventories in the United States. Similarly, the price of **gold** rose by 29.2 percent to USD 1,158.0 per troy ounce, following the weakening of the U.S dollar against other major currencies.

**Table 4.3: World Commodity Prices\**

Commodity	Units	2010			%	Year Ending September			%
		Jul	Aug	Sep		2008	2009	2010	
Robusta Coffee	USD per kg	1.88	1.82	1.79	-1.70	2.35	1.74	1.63	-6.14
Arabica Coffee	USD per kg	4.48	4.66	4.91	5.36	3.15	2.99	3.89	30.21
Tea (Average price)	USD per kg	2.86	2.99	3.08	2.94	2.46	2.49	2.90	16.74
Tea (Mombasa Auction)	USD per kg	2.32	2.51	2.46	-1.99	2.17	2.29	2.63	14.84
Cotton, "A Index"	USD per kg	1.86	1.99	2.31	15.91	1.64	1.30	1.85	42.12
Cotton,"Memphis"	USD per kg	n.a	n.a	n.a	-	1.67	1.38	1.84	33.24
Sisal (UG)	USD per metric ton	850.00	850.00	1,050.00	23.53	1,122.00	1,152.50	864.17	-25.02
Cloves	USD per metric ton	4670.00	4,925.00	4,937.50	0.25	4,430.21	3,777.33	4,635.83	22.73
Crude oil*	USD per barrel	74.58	75.83	76.12	0.38	104.89	56.88	76.56	34.60
Crude oil**	USD per barrel	72.65	74.18	75.27	1.47	101.16	56.97	75.83	33.10
White products***	USD per ton	655.52	651.86	662.25	1.59	977.04	533.73	668.96	25.34
Jet/Kerosine	USD per ton	662.41	682.50	694.52	1.76	1,045.78	542.39	678.94	25.18
Premium Gasoline	USD per ton	686.41	681.32	699.09	2.61	899.26	533.21	700.11	31.30
Heat Oil	USD per ton	617.74	591.77	593.14	0.23	986.08	525.58	627.84	19.46
Gold	USD per troy ounce	1,193.00	1,216.00	1,271.0	4.52	870.08	896.22	1,157.96	29.21

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

\*\* 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

National **debt stock** at the end of September 2010 stood at USD 10,685.6 million, being 14.5 percent higher than the USD 9,330.3 million registered at the end of September 2009. The increase was on account of new external disbursements and large issuance of domestic debt compared to maturing debt obligations. Out of the total debt stock, 78.7 percent was external debt and 21.3 percent was domestic debt.

During the year ending September 2010, external debt stock increased by USD 933.9 million to USD 8,408.1 million, mainly on account of new external disbursements compared to repayments of existing loans. Out of the external debt stock, USD 6,710.7 million or 79.8 percent was disbursed outstanding debt and 20.2 percent was interest arrears.

The profile of disbursed outstanding debt by creditor category shows that multilateral debt was USD 4,361.7 million in September 2010, up from USD 3,815.2 million recorded at the end of September 2009. In the same period, bilateral debt increased from USD 944.3 million to USD 956.5 million, while debt owed to commercial and export credit increased by 16.5 percent and 22.0 percent to USD 826.4 million and USD 566.1 million, respectively.

In terms of borrower category, disbursed outstanding debt to the government rose to USD 4,966.3 million from USD 4,510.1 million. Meanwhile, private sector and public corporation outstanding debt amounted to USD 1,190.1 million and USD 554.4 million, respectively.

**New external debt contracted** and recorded amounted to USD 570.1 million during the year ending September 2010, out of which USD 397.7 million was contracted by the government and USD 172.4 by private companies. During the period under review, disbursements received amounted to USD 803.1 million, compared with USD 1,429.2 million received in corresponding period in 2009. Out of the total disbursements, USD 582.7 million was received by the government, while USD 92.7 million was received by the public corporations and USD 127.7 million by private companies.

Actual external debt service during the year ending September 2010 amounted to USD 67.5 million, out of which USD 39.0 was principal and USD 28.5 was interest. External debt service during corresponding period in 2009 amounted to USD 148.6 million

As for domestic debt, the stock has increased by 39.8 percent from TZS 2,418.2 billion in September 2009 to TZS 3,379.4 billion in September 2010, mainly due to issuance of Treasury Bills, which were higher than maturing obligations. Government securities accounted for 99.8 percent of the total domestic debt stock, and the remaining portion was other government debt (**Table 5.1**).

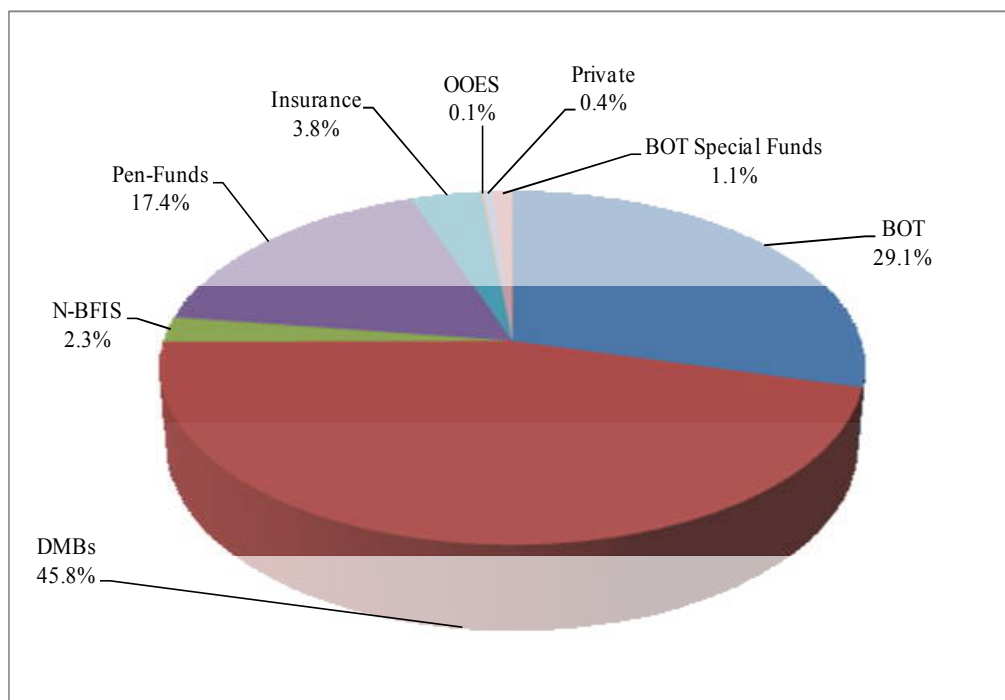
**Table 5.1: Government Domestic Debt by Instruments**

	Billions of TZS					
	Sep-09 Share (%)		Aug-10 Share (%)		Sep-10 Share (%)	
<b>Government Securities</b>	<b>2,409.9</b>	<b>99.7</b>	<b>3,037.7</b>	<b>99.6</b>	<b>3,371.1</b>	<b>99.8</b>
Treasury Bills	298.7	12.4	401.6	19.1	762.1	22.5
Government Stocks	257.9	10.7	257.9	15.3	257.1	7.6
Government Bonds	1,853.2	76.6	2,378.1	65.2	2,351.9	69.6
Tax Certificates	0.1	0.0	0.1	0.0	0.1	0.0
<b>Other Gov't Debt</b>	<b>8.3</b>	<b>0.3</b>	<b>8.3</b>	<b>0.4</b>	<b>8.3</b>	<b>0.2</b>
Mabibo Hostel	8.2	0.3	8.2	0.4	8.2	0.2
Others	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Dom. Debt</b>	<b>2,418.2</b>	<b>100.0</b>	<b>3,046.0</b>	<b>100.0</b>	<b>3,379.4</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>2,418.2</b>	<b>100.0</b>	<b>3,046.0</b>	<b>100.0</b>	<b>3,379.4</b>	<b>100.0</b>

Source: Ministry of Finance and Economic Affairs and Bank of Tanzania

Analysis of domestic debt by holder category indicates that commercial banks are the leading investors in government debt holding 45.8 percent of the total domestic debt stock, followed by the Bank of Tanzania accounting for 29.1 percent and pension funds—17.4 percent. Holding by other entities is as shown in **Chart 5.1**.

**Chart 5.1: Domestic Debt by Holder**



Note: DMBs - Stands for Deposit Money Banks, N-BFIS – Non-Bank Financial Institutions, BOT – Bank of Tanzania, OOES – Other Official Enterprises, and Pen-Funds – Pension Funds.

Source: Bank of Tanzania

New domestic debt issued was TZS 1,298.6 billion during the year ending September 2010, out of which, TZS 500.0 billion were Treasury bills and TZS 798.6 billion were Treasury bonds. Domestic debt service amounted to TZS 749.3 billion, out of which principal amounting to TZS 499.4 was rolled over, while interest amounting to TZS 249.9 billion was paid out of government revenue.

## 6.0 Economic Developments in Zanzibar

### Inflation Developments

**Annual headline inflation rate** fell to 5.9 percent in September 2010, from 9.2 percent recorded in the year ending August 2010, mainly due to decline in both food and non-food inflation (**Table 6.1 and Chart 6.1**). Similarly, the **month-to-month headline inflation rate** declined to 0.6 percent in September 2010, from 3.0 percent recorded in August 2010, mainly due to decrease in food inflation.

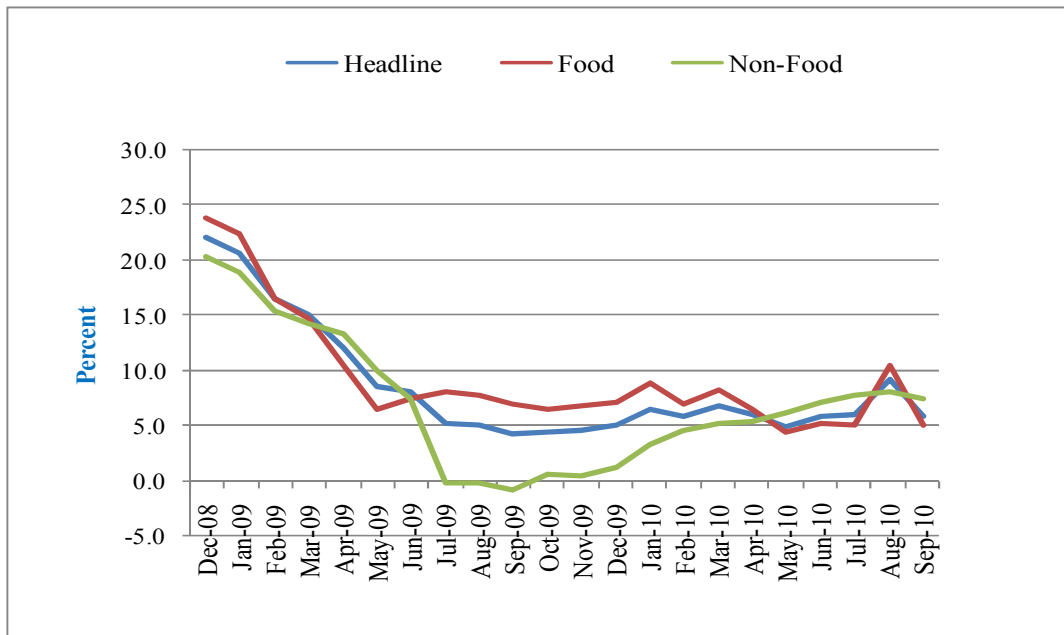
**Table 6.1: Annual Percentage change in Consumer Price Index (CPI)**

**Base: Dec.2005=100**

Major Commodity Group	Weights (%)	2008			2009			2010		
		Jul	Aug	Sep	Jul	Aug	Sep	Jul	Aug	Sep
<b>Headline/Overall</b>	100	<b>22.2</b>	<b>22.0</b>	<b>26.6</b>	<b>5.3</b>	<b>5.1</b>	<b>4.3</b>	<b>6.0</b>	<b>9.2</b>	<b>5.9</b>
<b>Food</b>	57.4	<b>21.8</b>	<b>21.9</b>	<b>29.5</b>	<b>8.1</b>	<b>7.7</b>	<b>6.9</b>	<b>5.1</b>	<b>10.5</b>	<b>5.1</b>
<b>Non-Food</b>	42.6	<b>24.0</b>	<b>23.1</b>	<b>23.9</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.8</b>	<b>7.8</b>	<b>8.1</b>	<b>7.5</b>
Alcoholic Beverages, Tobacco & Narcotics	0.6	15.0	14.0	14.8	10.3	11.2	9.3	31.5	34.2	32.5
Clothing & Footwear	6.2	9.5	9.7	10.4	5.7	6.3	5.7	4.4	6.3	5.4
Housing, Water, Electricity, Gas & Other Fuels	15.6	36.3	36.2	37.4	-2.1	-2.3	-3.2	6.5	6.5	5.6
Furnishing, Household Equipment & Routine Household Maintenance	5.3	14.0	14.2	15.1	7.5	7.0	5.1	3.5	3.5	3.9
Health	2.1	24.6	14.5	14.8	6.6	6.1	7.4	10.7	10.5	9.2
Transport	3.4	30.3	28.4	25.8	-15.3	-14.0	-13.3	8.7	8.9	7.8
Communication	2.4	-0.8	-0.8	-2.4	0.0	0.0	1.6	0.0	0.0	0.0
Recreation & Culture	0.4	5.2	6.5	6.1	4.7	4.7	3.5	3.1	8.8	6.8
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	25.3	24.6	28.7	10.5	9.5	8.0	22.3	22.3	22.3
Miscellaneous Goods & Services	2.4	19.2	17.9	19.8	12.4	13.9	12.6	3.4	4.3	3.9

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** declined significantly to 5.1 percent in September 2010 from 10.5 percent recorded in the preceding month. The decrease in food inflation was mainly due to decline in the prices of octopus, cooking oil, green bananas, mangoes, coco yams, irish potatoes and sardines, following the end of the month of Ramadhan. Similarly, the **month-to-month food inflation** decelerated from 4.9 percent in August 2010 to 1.0 percent during the month under review mainly on account of decrease in prices of fish. The average prices of fish declined by 4.3 percent from TZS 5,172 per kilogram in August 2010 to TZS 4,950 per kilogram during September 2010.

On the other hand, **annual non-food inflation**, decreased to 7.5 percent in September 2010 from 8.1 percent registered in August 2010. The deceleration was mainly due to decrease in the prices of some items under equipment and health, transport and communication as well as clothing and housing, water, electricity, and gas and fuels. Similarly, the **month-to-month non-food inflation rate** declined from 0.4 percent in August 2010, to negative 0.1 percent in September 2010.

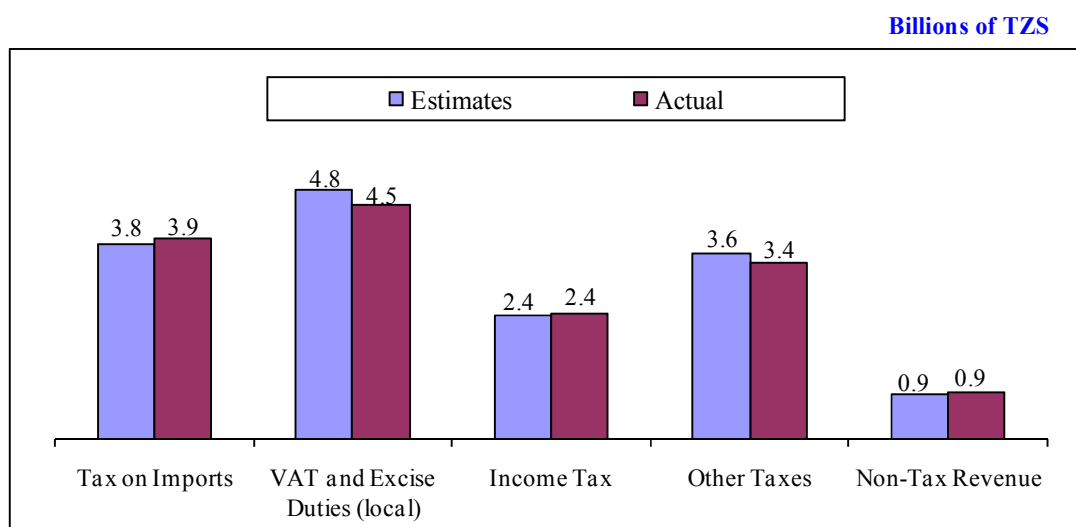
## Fiscal Performance

During September 2010, **government budgetary operations** on cheques issued basis registered a deficit after grants of TZS 2.6 billion, which after adjustment to cash, the deficit narrowed to TZS 2.3 billion. The budget deficit was exclusively financed by foreign resources. Total resources during the month under review amounted to TZS 18.7 billion, being below the target by TZS 3.7 billion. Out of total resources, domestic sources contributed about 81 percent, and the balance was grants.

**Total domestic revenue collections** during September 2010 amounted to TZS 15.1 billion, being below the target by TZS 0.3 billion. Tax collections was TZS 14.2 billion compared to target of TZS 14.5 billion, and accounted for 94.0 percent of the total revenue collections. Non-tax revenue amounted to TZS 0.9 billion, in line with the target.

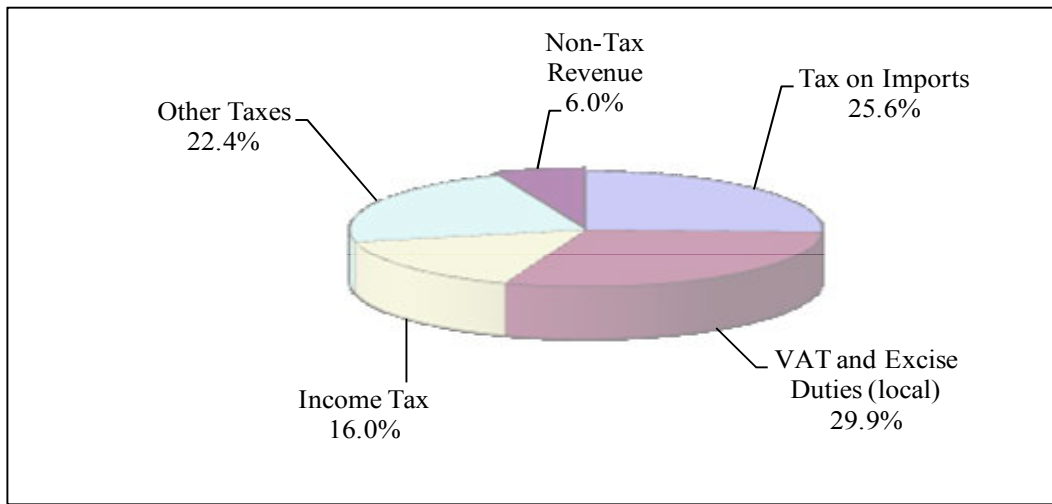
Revenue collections by category indicated that, local VAT and excise duty collections accounted for 29.8 percent of the total revenue collections in September 2010, while tax collections on imports accounted for 25.8 percent. The performance of other tax categories is as indicated in **Chart 6.2 and Chart 6.3**.

**Chart 6.2: Government Revenue by Sources, Actual versus Target – September 2010**



Source: Ministry of Finance and Economic Affairs, Zanzibar

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



Source: Ministry of Finance and Economic Affairs, Zanzibar

**Total government expenditure** during September 2010, amounted to TZS 21.3 billion, being below the estimate by TZS 2.8 billion, mainly due to low donor inflows in favour of development projects. **Total recurrent expenditure** amounted to TZS 14.5 billion, representing 68.1 percent of total expenditure, while development expenditure was TZS 6.8 billion, representing 31.9 percent of total expenditure.

Analysis of the recurrent expenditure by category indicated that wages and salaries amounted to TZS 6.9 billion, which accounted for 47.6 percent of the total recurrent expenditure. Expenditure on other charges amounted to TZS 7.6 billion, being below the estimate by TZS 0.4 billion, and accounted for 52.4 percent of the recurrent expenditure.

**Total development expenditure** in September 2010 amounted to TZS 6.8 billion, below the estimated amount by TZS 2.4 billion, on account of low than targeted donor funds inflows. Out of the total development expenditure, government contributions amounted to TZS 2.5 billion, same as the target, while the foreign funded component amounted to TZS 4.3 billion, which was below the target by TZS 2.4 billion.



## External Sector Performance

### Current Account Balance

Zanzibar **current account balance** for the year ending September 2010, recorded a surplus of USD 0.4 million, compared with a surplus of USD 25.0 million, posted during the corresponding period in 2009. This outturn was mostly driven by the decline in official current transfers to USD 39.2 million during the year ending September 2010, compared with USD 69.3 million recorded in the year ending September 2009. In the same period, trade account balance widened to a deficit of USD 76.6 million, compared with a deficit of USD 65.7 million recorded in the year ending September 2009, on account of a decline in goods exports by 21.4 percent, coupled with an increase in merchandise imports by 4.9 percent (**Table 6.2**).

**Table 6.2: Zanzibar Current Account Balance**

Item	Millions of USD								
	2009	2010p			Year Ending September			% Change	
	Sep	Jul	Aug	Sep	2008	2009	2010p	Monthly	Annual
<b>Goods Account (net)</b>	<b>-6.9</b>	<b>-10.7</b>	<b>-1.2</b>	<b>-5.5</b>	<b>-78.0</b>	<b>-65.7</b>	<b>-76.6</b>	<b>-358.3</b>	<b>-16.6</b>
Exports	4.6	0.8	3.8	3.8	18.2	25.7	20.2	0.0	-21.4
Imports (fob)	11.5	11.5	5.0	9.4	96.2	92.3	96.8	88.0	4.9
<b>Services Account (net)</b>	<b>2.0</b>	<b>9.6</b>	<b>6.0</b>	<b>3.4</b>	<b>28.0</b>	<b>28.3</b>	<b>40.7</b>	<b>-43.3</b>	<b>43.8</b>
Receipts	8.3	13.0	9.2	8.3	83.6	97.9	103.9	-9.8	6.1
Payments	6.3	3.4	3.2	4.9	55.6	69.6	63.2	53.1	-9.2
<b>Goods and Services (net)</b>	<b>-4.9</b>	<b>-1.1</b>	<b>4.9</b>	<b>-2.4</b>	<b>-49.9</b>	<b>-38.4</b>	<b>-35.9</b>	<b>-149.0</b>	<b>6.5</b>
Exports of Goods and Services	12.9	13.7	13.1	12.1	101.8	123.5	124.1	-7.6	0.5
Imports of Goods and Services	17.9	14.9	8.2	14.3	151.7	161.9	160.0	74.4	-1.2
<b>Income Account (net)</b>	<b>-0.7</b>	<b>0.2</b>	<b>0.4</b>	<b>-0.1</b>	<b>-0.6</b>	<b>-5.9</b>	<b>-2.9</b>	<b>-125.0</b>	<b>50.8</b>
Receipts	0.0	0.2	0.4	0.1	0.3	0.4	1.1	-75.0	175.0
Payments	0.7	0.0	0.0	0.2	0.9	6.3	4.0		-36.5
<b>Current Transfers (net)</b>	<b>19.3</b>	<b>3.6</b>	<b>4.2</b>	<b>7.6</b>	<b>35.9</b>	<b>69.3</b>	<b>39.2</b>	<b>81.0</b>	<b>-43.4</b>
Inflows	19.3	3.6	4.2	7.6	35.9	69.3	39.2	81.0	-43.4
Outflows	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current Account Balance</b>	<b>13.8</b>	<b>2.6</b>	<b>9.5</b>	<b>5.1</b>	<b>-14.7</b>	<b>25.0</b>	<b>0.4</b>	<b>-46.3</b>	<b>-98.4</b>

Note: p = provisional

Source: Tanzania Revenue Authority and BOT computations

Zanzibar total exports of goods and services in September 2010, amounted to USD 12.1 million, down from USD 13.1 million, recorded in the preceding month, mainly on account of a decline in services proceeds. Services receipts amounted to USD 8.3 million, down from USD 9.2 million recorded in the preceding month. Service receipts accounted for 68.6 percent of total export receipts. On the other hand, merchandise exports stabilized at USD 3.8 million, and accounted for 31.4 percent of total exports.

Total exports of goods and services for the year ending September 2010 amounted to USD 124.1 million, slightly above the USD 123.5 million recorded during the year ending September 2009. This outturn was explained by the increase in services receipts to USD 103.9 million in the year ending September 2010, from USD 97.9 million recorded in the year ending September 2009. Meanwhile, clove exports declined to USD 9.5 million from USD 12.4 million, while seaweed exports increased slightly to USD 2.7 million from USD 2.5 million during the same period. Manufactured goods exports amounted to USD 3.8 million, down from USD 5.2 million. Meanwhile, export of fish and fish products amounted to USD 0.3 million, whereas other exports amounted to USD 3.9 million (**Table 6.3**).

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

Item	Units	Millions of USD							
		2009	2010p			Year Ending September		% Change	
		Sep	Jul	Aug	Sep	2009	2010p	Monthly	Annual
<b>Traditional :</b>									
<b>Cloves</b>									
Value	Millions	3.1	0.2	3.3	2.8	12.4	9.5	-15.2	-23.4
Volume	000 Tons	0.9	0.1	1.0	0.8	3.6	2.7	-20.0	-25.0
Unit Price	USD/Ton	3,500.0	3,500.0	3,500.5	3,600.0	3,478.3	3,573.4	2.8	2.7
<b>Non-Traditional :</b>									
<b>Seaweeds</b>									
Value	Millions	0.2	0.2	0.1	0.2	2.5	2.7	100.0	8.0
Volume	000 Tons	0.8	0.9	0.4	0.8	10.8	10.9	100.0	0.9
Unit Price	USD/Ton	275.6	248.7	250.0	212.6	234.9	254.8	-15.0	8.5
Manufactured Goods	Millions	0.6	0.2	0.2	0.5	5.2	3.8	150.0	-26.9
Fish and Fish Produce	Millions	0.1	0.0	0.0	0.0	0.3	0.3	0.0	0.0
Others Exports	Millions	0.6	0.1	0.2	0.3	5.2	3.9	50.0	-25.0
<b>Sub Total</b>	<b>Millions</b>	<b>1.5</b>	<b>0.6</b>	<b>0.5</b>	<b>1.0</b>	<b>13.2</b>	<b>10.7</b>	<b>100.0</b>	<b>-18.9</b>
<b>Grand Total</b>	<b>Millions</b>	<b>4.6</b>	<b>0.8</b>	<b>3.8</b>	<b>3.8</b>	<b>25.7</b>	<b>20.2</b>	<b>0.0</b>	<b>-21.4</b>

**Note: Other exports mainly souvenirs and spices,  
p = provisional**

**Source: Tanzania Revenue Authority and BOT computations**

During the year ending September 2010, total imports of goods and services amounted to USD 160.0 million, marginally lower than USD 161.9 million recorded in the corresponding period in 2009. This development was mainly explained by the decline in payments for services.

During the year ending September 2010, total goods imports (c.i.f) increased to USD 106.4 million, compared with USD 101.5 million registered in the corresponding period in 2009. Specifically, oil import bill increased to USD 37.0 million in the year ending September 2010, from USD 27.4 million recorded in the year ending September 2009, while capital goods imports increased to USD 44.9 million compared with USD 43.5 million recorded in

the corresponding period in 2009. Foods and foodstuffs imports declined to USD 7.2 million from USD 7.5 million (Table 6.4).

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

Import Category	Millions of USD							
	2009	2010p			Year Ending September		% Change	
	Sep	Jul	Aug	Sep	2009	2010p	Monthly	Annual
<b>Capital Goods</b>	<b>7.1</b>	<b>10.3</b>	<b>1.5</b>	<b>4.3</b>	<b>43.5</b>	<b>44.9</b>	<b>186.7</b>	<b>3.2</b>
Transport Equipment	4.2	1.9	0.5	2.4	24.3	17.6	380.0	-27.6
Building and Constructions	0.9	0.9	0.2	0.5	8.1	8.2	150.0	1.2
Machinery	2.0	7.5	0.8	1.3	11.0	19.1	62.5	73.6
<b>Intermediate Goods</b>	<b>3.2</b>	<b>1.4</b>	<b>3.7</b>	<b>4.3</b>	<b>35.5</b>	<b>41.4</b>	<b>16.2</b>	<b>16.6</b>
Oil imports	2.4	1.2	3.6	3.7	27.4	37.0	2.8	35.0
Industrial raw materials	0.8	0.2	0.1	0.6	8.1	4.4	500.0	-45.7
<b>Consumer Goods</b>	<b>2.3</b>	<b>0.9</b>	<b>0.3</b>	<b>1.7</b>	<b>22.5</b>	<b>20.1</b>	<b>466.7</b>	<b>-10.7</b>
Food and food stuffs	0.7	0.4	0.1	0.6	7.5	7.2	500.0	-4.0
All other consumer goods	1.7	0.5	0.2	1.1	15.0	12.9	450.0	-14.0
<b>Grand Total (c.i.f)</b>	<b>12.7</b>	<b>12.6</b>	<b>5.5</b>	<b>10.3</b>	<b>101.5</b>	<b>106.4</b>	<b>87.3</b>	<b>4.8</b>
<b>Grand Total (f.o.b)</b>	<b>11.5</b>	<b>11.5</b>	<b>5.0</b>	<b>9.4</b>	<b>92.3</b>	<b>96.8</b>	<b>88.0</b>	<b>4.9</b>

p = provisional

Source: BOT (Zanzibar Branch), TRA

### Service Account

During the month under review, **services account** registered a surplus of USD 3.4 million, being less than a surplus of USD 6.0 million registered in August 2010, mainly due to decline in services receipts, coupled with the increase in payments. In September 2010, foreign receipts amounted to USD 8.3 million, compared with USD 9.2 million recorded in August 2010, while foreign payments amounted to USD 4.9 million, higher than USD 3.2 million recorded in the preceding month.

On annual basis, the services account recorded a surplus of USD 40.7 million in the year ending September 2010, compared with a surplus of USD 28.3 million recorded in the corresponding period of 2009. Total annual foreign receipts was USD 103.9 million, up from USD 97.9 million recorded in the corresponding period a year earlier, while foreign payments amounted to USD 63.2 million, down from USD 69.6 million.

## **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	148.0	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>								
	Million	34.2	35.3	36.2	37.5	38.3	39.3	40.7
<b>5. Public Finance</b>								
		<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08<sup>r</sup></b>	<b>2008/09<sup>r</sup></b>	<b>2009/10<sup>p</sup></b>
5.1 Current Revenue to GDP Ratio <sup>1</sup>	Percent	12.1	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>								
	Mill. USD	<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:** <sup>1</sup> Calculated on the basis of GDP at Market Prices--Current Prices

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

<sup>3</sup> Annual Average

**P = Provisional, r = Revised**

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

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

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

Millions of TZS

Item	BUDGET 2010/11	2010					
		July Actual	August Actual	July to September		September	
				Estimates	Actual	Estimates	Actual
<b>Total Revenue (including LGAs) /1</b>	<b>6,176,172.0</b>	<b>352,598.6</b>	<b>400,607.1</b>	<b>1,374,937.1</b>	<b>1,255,716.7</b>	<b>576,586.2</b>	<b>502,511.0</b>
<b>Total Revenue</b>	<b>6,003,590.0</b>	<b>352,598.6</b>	<b>400,607.1</b>	<b>1,331,791.6</b>	<b>1,255,716.7</b>	<b>562,204.4</b>	<b>502,511.0</b>
Tax Revenue	5,638,593.4	333,739.6	379,863.8	1,239,565.6	1,193,056.4	521,732.8	479,453.0
Taxes on Imports	2,101,289.3	132,907.2	163,543.2	475,090.9	450,724.0	171,242.3	154,273.6
Sales/VAT and Excise on Local Goods	1,266,435.8	77,512.3	85,620.5	264,975.1	260,327.4	106,823.2	97,194.6
Drawings from EPA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income Taxes	1,649,956.3	89,956.9	90,431.9	359,369.8	359,501.5	188,966.7	179,112.7
Other taxes	620,911.9	33,363.2	40,268.2	140,129.7	122,503.5	54,700.6	48,872.1
Non- tax Revenue	364,996.6	18,859.0	20,743.3	92,226.1	62,660.3	40,471.6	23,058.0
LGA Own Sources	172,582.0	0.0	0.0	43,145.5	0.0	14,381.8	0.0
<b>Total Expenditure /2</b>	<b>10,769,611.7</b>	<b>421,540.5</b>	<b>632,814.4</b>	<b>2,369,482.5</b>	<b>1,980,654.7</b>	<b>895,645.1</b>	<b>917,915.2</b>
Recurrent expenditure	6,950,560.6	318,958.4	487,587.8	1,590,255.7	1,504,223.8	635,572.1	697,677.7
Roadtoll fund				0.0		0.0	
Retention fund	134,225.0	5,955.7	4,079.3	13,554.0	23,589.1	3,519.0	13,554.0
Wages and salaries	2,205,429.7	184,325.8	195,625.4	566,157.0	575,576.6	194,128.0	195,625.4
Interest payments	364,469.6	6,420.0	17,603.1	52,137.3	46,138.4	27,868.9	22,115.3
Domestic	235,027.6	4,258.7	16,429.5	34,548.4	34,861.4	13,860.2	14,173.2
Foreign	129,442.0	2,161.3	1,173.6	17,588.8	11,277.0	14,008.6	7,942.0
Other goods, services and transfers	4,246,436.2	122,256.9	270,279.9	958,407.4	858,919.8	410,056.3	466,383.0
<b>Dev. Expenditure and net lending</b>	<b>3,819,051.1</b>	<b>102,582.1</b>	<b>145,226.7</b>	<b>779,226.8</b>	<b>476,430.8</b>	<b>260,073.0</b>	<b>220,237.5</b>
Local	1,366,143.3	60,335.8	43,989.2	165,999.8	148,314.2	55,664.0	43,989.2
Foreign	2,452,907.8	42,246.3	101,237.5	613,227.0	328,116.6	204,409.0	176,248.3
Balance before Grants	-4,593,439.7	-68,941.9	-232,207.3	-994,545.4	-724,938.0	-319,058.9	-415,404.2
<b>Grants</b>	<b>2,020,907.1</b>	<b>101,570.0</b>	<b>72,804.5</b>	<b>532,263.2</b>	<b>256,790.3</b>	<b>177,723.5</b>	<b>37,929.4</b>
Program (CIS/OGL)	631,808.1	67,586.5	45,147.6	184,988.5	148,836.0	61,965.2	0.0
Project	898,779.4	2,002.5	530.5	238,132.4	7,750.0	43,544.1	5,217.0
Basket funds	221,569.5	31,981.0	14,416.6	55,392.4	73,940.0	18,464.1	27,542.4
MDRI/MCA(T)	268,750.1	0.0	12,709.7	53,750.0	26,264.3	53,750.0	5,170.0
<b>Balance (cheq.issued) after Grants</b>	<b>-2,572,532.6</b>	<b>32,628.1</b>	<b>-159,402.9</b>	<b>-462,282.1</b>	<b>-468,147.7</b>	<b>-141,335.4</b>	<b>-377,474.8</b>
Expenditure float	0.0	-369,695.8	-369,695.8	0.0	-468,253.0	0.0	-7,388.4
Adjustments to cash and other items (net)	0.0	-15,299.8	332,261.9	0.0	212,539.2	0.0	210,206.2
<b>Overall Balance (cheques cleared)</b>	<b>-2,572,532.6</b>	<b>-352,367.5</b>	<b>-196,836.8</b>	<b>-462,282.1</b>	<b>-723,861.5</b>	<b>-141,335.4</b>	<b>-174,657.1</b>
<b>Financing:</b>	<b>2,572,532.6</b>	<b>352,367.5</b>	<b>196,836.8</b>	<b>462,282.1</b>	<b>723,861.5</b>	<b>141,335.4</b>	<b>174,657.1</b>
<b>Foreign Financing (net)</b>	<b>1,942,532.8</b>	<b>8,215.5</b>	<b>70,358.9</b>	<b>252,720.7</b>	<b>216,893.4</b>	<b>80,022.9</b>	<b>138,318.9</b>
Loans	1,728,639.9	8,262.8	73,580.6	201,897.6	172,824.4	67,299.2	90,980.9
Program loans	189,837.3	0.0	0.0	0.0	0.0	0.0	0.0
Development Project loans	1,538,802.6	8,262.8	73,580.6	201,897.6	172,824.4	67,299.2	90,980.9
Basket Support	256,218.6	0.0	0.0	64,054.6	47,338.0	21,351.5	47,338.0
Amortization	-42,325.7	-47.3	-3,221.7	-13,231.5	-3,269.0	-8,627.8	0.0
<b>Domestic (net) /3</b>	<b>629,999.8</b>	<b>344,152.0</b>	<b>126,477.8</b>	<b>209,561.4</b>	<b>506,968.2</b>	<b>61,312.5</b>	<b>36,338.2</b>
<b>Bank &amp; Non Bank Financing (NDF)</b>	<b>599,999.8</b>	<b>344,152.0</b>	<b>126,477.8</b>	<b>209,561.4</b>	<b>506,968.2</b>	<b>61,312.5</b>	<b>36,338.2</b>
Bank borrowing	599,999.8	388,122.3	82,253.5	209,561.4	560,353.6	61,312.5	89,977.7
Non-Bank (net of amortization)	0.0	-43,970.3	44,224.3	0.0	-53,385.4	0.0	-53,639.6
Borrowing/Roll over	797,620.0	28,364.6	33,527.4	164,114.4	164,114.4	102,222.4	102,222.4
Domestic & Contingent debt Amortization	-797,620.0	-28,364.6	-33,527.4	-164,114.4	-164,114.4	-102,222.4	-102,222.4
Privatization Proceeds	30,000.0	0.0	0.0	0.0	0.0	0.0	0.0

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

Billions of TZS

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
<b>Net foreign assets</b>	<b>4,637.7</b>	<b>4,717.4</b>	<b>4,864.2</b>	<b>4,914.7</b>	<b>5,040.5</b>	<b>4,938.0</b>	<b>4,966.2</b>	<b>4,949.2</b>	<b>4,917.5</b>	<b>5,155.5</b>	<b>4,937.4</b>	<b>5,265.5</b>	<b>5,348.7</b>	<b>5,489.6</b>	<b>5,506.4</b>
Bank of Tanzania	3,792.4	3,843.1	3,897.1	3,857.5	3,896.0	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
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
<b>Net domestic assets</b>	<b>3,623.5</b>	<b>3,633.4</b>	<b>3,611.9</b>	<b>3,649.4</b>	<b>3,691.9</b>	<b>3,893.8</b>	<b>3,965.2</b>	<b>4,061.3</b>	<b>4,157.6</b>	<b>4,204.4</b>	<b>4,347.0</b>	<b>4,535.8</b>	<b>4,884.7</b>	<b>5,021.8</b>	<b>4,842.3</b>
Domestic claims	4,660.6	4,797.9	4,744.4	4,930.6	5,089.3	5,068.0	5,238.0	5,359.2	5,543.5	5,672.7	5,707.5	6,174.1	6,642.6	6,855.2	6,988.2
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
Claims on central government	2,389.4	2,668.0	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
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
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
<b>Broad money liabilities</b>	<b>8,261.2</b>	<b>8,350.9</b>	<b>8,476.2</b>	<b>8,564.2</b>	<b>8,732.3</b>	<b>8,831.8</b>	<b>8,931.4</b>	<b>9,010.5</b>	<b>9,075.1</b>	<b>9,359.9</b>	<b>9,284.5</b>	<b>9,801.4</b>	<b>10,233.3</b>	<b>10,511.4</b>	<b>10,348.7</b>
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	1,889.8	1,836.6
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
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
<b>Other items (net)</b>	<b>-1,037.0</b>	<b>-1,164.5</b>	<b>-1,132.5</b>	<b>-1,281.2</b>	<b>-1,397.4</b>	<b>-1,174.2</b>	<b>-1,272.9</b>	<b>-1,297.9</b>	<b>-1,386.0</b>	<b>-1,468.3</b>	<b>-1,360.4</b>	<b>-1,638.3</b>	<b>-1,757.9</b>	<b>-1,833.3</b>	<b>-2,146.0</b>
<b>Memorandum items:</b>															
<b>Monetary Aggregates</b>															
<b>Reserve money (M0)</b>	<b>2,874.6</b>	<b>2,887.3</b>	<b>2,890.7</b>	<b>2,861.5</b>	<b>2,895.5</b>	<b>3,010.0</b>	<b>3,017.5</b>	<b>3,129.4</b>	<b>3,120.3</b>	<b>3,072.3</b>	<b>3,030.9</b>	<b>3,369.3</b>	<b>3,455.3</b>	<b>3,427.1</b>	<b>3,433.3</b>
<b>Extended broad money (M3)</b>	<b>8,261.2</b>	<b>8,350.9</b>	<b>8,476.2</b>	<b>8,564.2</b>	<b>8,732.3</b>	<b>8,831.8</b>	<b>8,931.4</b>	<b>9,010.5</b>	<b>9,075.1</b>	<b>9,359.9</b>	<b>9,284.5</b>	<b>9,801.4</b>	<b>10,233.3</b>	<b>10,511.4</b>	<b>10,348.7</b>
Deposits in foreign currency	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
(FCD) in millions of USD	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	1,727.0	1,822.4	1,935.3	1,889.8	1,836.6
<b>Broad money (M2)</b>	<b>6,105.4</b>	<b>6,209.1</b>	<b>6,313.5</b>	<b>6,418.4</b>	<b>6,589.7</b>	<b>6,604.0</b>	<b>6,742.1</b>	<b>6,880.4</b>	<b>6,884.3</b>	<b>6,967.4</b>	<b>6,908.2</b>	<b>7,287.5</b>	<b>7,558.3</b>	<b>7,732.3</b>	<b>7,623.6</b>
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
<b>Narrow money (M1)</b>	<b>3,342.0</b>	<b>3,434.1</b>	<b>3,578.8</b>	<b>3,532.0</b>	<b>3,656.6</b>	<b>3,591.4</b>	<b>3,730.2</b>	<b>3,744.9</b>	<b>3,755.3</b>	<b>3,816.3</b>	<b>3,764.8</b>	<b>4,134.7</b>	<b>4,278.7</b>	<b>4,346.6</b>	<b>4,255.6</b>
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
Transferable deposits in national currency	1,847.9	1,890.5	2,059.4	1,993.0	2,103.0	2,024.0	2,212.3	2,221.3	2,212.9	2,272.9	2,170.7	2,454.3	2,465.5	2,466.3	2,397.9

Note: Data reflect new series based on the IMF's 2000

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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	
<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 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	
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	
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	
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	
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	
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	
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	
<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. 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>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>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	
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	
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	
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	
<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. 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	
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	
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	
10-years	16.95	16.95	16.95	16.73	16.73	16.73	11.99	11.99	11.68	11.68	11.68	11.68	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. 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>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>	5.88	5.42	5.55	6.03	
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 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	
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	
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 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	
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	
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	
<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>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>	
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	
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	
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	
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	
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	
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	
<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>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>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>	
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	
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	
3-months	4.24	2.09	2.06	1.00	1.95	1.64	2.01	1.89	1.85	1.83	2.55	2.34	1.78	
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	
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	
<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>	
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	
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	
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	
Long-term (3-5 years)	10.41	8.65	10.29	10.29	10.47	10.76	10.49	11.01	11.00	11.00	10.96	11.32	11.30	
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	

**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 September <sup>p</sup>		% Change
	Sep	Aug	Sep	Sep 09 - Sep 10	Aug10 - Sep 10	2009	2010	
<b>Traditional Exports:</b>								
<b>COFFEE</b>								
Value	4.8	2.6	5.6	118.7	15.8	120.8	69.0	-42.8
Volume	3.5	1.5	2.6	79.2	-25.4	61.4	28.2	-54.1
Unit Price	1,377.2	1,752.8	2,138.9	22.0	55.3	1,967.5	2,451.6	24.6
<b>COTTON</b>								
Value	15.6	21.3	15.1	-29.2	-3.6	111.4	105.2	-5.6
Volume	13.3	16.2	11.0	-32.1	-17.5	95.4	90.7	-4.9
Unit Price	1,172.3	1,313.6	1,369.7	4.3	16.8	1,166.9	1,158.8	-0.7
<b>SISAL</b>								
Value	0.0	0.0	0.0	0.0	0.0	1.2	0.0	-100.0
Volume	0.0	0.0	0.0	0.0	0.0	0.7	0.0	-100.0
Unit Price	0.0	0.0	0.0	0.0	0.0	1,802.4	0.0	-100.0
<b>TEA</b>								
Value	1.9	1.2	1.6	26.9	-17.1	30.0	46.7	55.5
Volume	0.8	0.7	0.8	18.6	-0.9	18.3	22.4	22.7
Unit Price	2,254.0	1,763.6	1,886.7	7.0	-16.3	1,641.2	2,079.9	26.7
<b>TOBACCO</b>								
Value	7.1	6.1	23.0	278.5	225.1	136.8	210.5	53.9
Volume	1.6	1.1	3.9	256.1	147.0	42.8	47.6	11.1
Unit Price	4,425.7	5,482.8	5,826.9	6.3	31.7	3,194.4	4,424.0	38.5
<b>CASHEWNUTS</b>								
Value	0.00	0.0	0.1	0.0	0.0	51.5	47.9	-6.9
Volume	0.00	0.0	0.2	0.0	0.0	71.8	66.0	-8.2
Unit Price	0.0	0.0	541.3	0.0	0.0	717.1	726.6	1.3
<b>CLOVES</b>								
Value	2.71	3.3	3.8	12.3	38.4	17.2	12.9	-24.9
Volume	0.89	1.0	1.1	13.6	22.5	5.4	4.0	-26.4
Unit Price	3,064.9	3,500.5	3,460.8	-1.1	12.9	3,205.3	3,268.6	2.0
<b>Sub Total</b>	<b>32.1</b>	<b>34.5</b>	<b>49.0</b>	<b>42.1</b>	<b>52.6</b>	<b>468.9</b>	<b>492.3</b>	<b>5.0</b>
<b>Non-Traditional Exports:</b>								
<b>Minerals</b>								
Gold	147.2	128.6	117.7	-8.5	-20.0	968.3	1,527.3	57.7
Diamond	143.8	125.3	114.2	-8.9	-20.6	930.6	1,481.7	59.2
Other minerals <sup>1</sup>	2.3	0.2	0.0	--	-99.1	19.4	11.6	-40.2
Other minerals <sup>1</sup>	1.2	3.1	3.5	13.0	--	18.2	33.9	86.0
<b>Manufactured Goods</b>								
Cotton Yarn	38.2	112.4	141.4	25.8	--	522.4	808.1	54.7
Manufactured Coffee	0.9	0.7	0.9	23.4	7.6	8.7	11.7	35.4
Manufactured Tobacco	0.2	0.0	0.0	0.0	0.0	0.5	1.5	232.2
Sisal Products (Yarn & Twine)	0.5	1.5	1.0	-34.0	99.9	3.2	9.3	186.2
Other manufactured Goods <sup>2</sup>	0.6	0.7	1.0	48.3	0.0	6.4	8.2	27.9
Fish and Fish Products	36.2	109.4	138.5	26.6	--	503.7	777.4	54.4
Horticultural products	10.8	10.0	13.1	31.1	21.2	128.9	210.2	63.1
Re-exports	1.8	2.0	1.8	-14.0	-1.3	35.1	31.8	-9.4
Others Exports <sup>3</sup>	28.6	9.3	14.3	54.1	--	135.3	129.8	-4.0
<b>Sub Total</b>	<b>35.5</b>	<b>34.3</b>	<b>42.8</b>	<b>24.6</b>	<b>20.6</b>	<b>341.0</b>	<b>314.8</b>	<b>-7.7</b>
<b>GRAND TOTAL</b>	<b>262.1</b>	<b>296.6</b>	<b>331.0</b>	<b>11.6</b>	<b>13.2</b>	<b>2,131.0</b>	<b>3,022.0</b>	<b>41.8</b>
<b>GRAND TOTAL</b>	<b>294.2</b>	<b>331.1</b>	<b>380.0</b>	<b>14.8</b>	<b>12.5</b>	<b>2,599.9</b>	<b>3,514.2</b>	<b>35.2</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 September <sup>p</sup>		% Change
	Sep	Aug	Sep	Sep 09 - Sep 10	Aug10 - Sep 10	2009	2010	
<b>Capital Goods</b>	<b>213.0</b>	<b>240.7</b>	<b>211.0</b>	<b>-12.4</b>	<b>-1.0</b>	<b>2,466.4</b>	<b>2,582.3</b>	<b>4.7</b>
Transport Equipments	63.6	94.1	60.8	-35.4	-4.4	734.6	803.5	9.4
Building and Constructions	42.2	59.7	61.4	2.8	45.6	536.9	643.2	19.8
Machinery	107.2	87.0	88.8	2.1	-17.2	1,194.8	1,135.6	-5.0
<b>Intermediate Goods</b>	<b>210.3</b>	<b>224.0</b>	<b>215.8</b>	<b>-3.6</b>	<b>2.6</b>	<b>1,932.1</b>	<b>2,603.1</b>	<b>34.7</b>
Oil imports	143.3	137.0	157.9	15.2	10.2	1,344.5	1,928.1	43.4
Fertilizers	14.3	38.0	7.2	-81.1	-49.7	118.7	114.9	-3.2
Industrial raw materials	52.7	49.0	50.8	3.6	-3.6	468.9	560.2	19.5
<b>Consumer Goods</b>	<b>112.7</b>	<b>142.8</b>	<b>145.3</b>	<b>1.8</b>	<b>28.9</b>	<b>1,370.6</b>	<b>1,594.7</b>	<b>16.4</b>
Food and food stuffs	27.7	33.2	38.8	16.9	40.0	334.0	441.2	32.1
All other consumer goods <sup>1</sup>	85.0	109.6	106.5	-2.8	25.3	1,036.6	1,153.5	11.3
<b>Grand Total (f.o.b)</b>	<b>536.2</b>	<b>607.7</b>	<b>572.1</b>	<b>-5.9</b>	<b>6.7</b>	<b>5,769.0</b>	<b>6,780.2</b>	<b>17.5</b>
<b>Grand Total (c.i.f)</b>	<b>589.2</b>	<b>667.8</b>	<b>628.7</b>	<b>-5.9</b>	<b>6.7</b>	<b>6,339.6</b>	<b>7,450.8</b>	<b>17.5</b>

Note:

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

<sup>p</sup> = Provisional data

Totals may not add up due to rounding of numbers

Source: Bank of Tanzania, TRA.

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

Item	Millions of USD				
	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	-1,605.8	-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>148.0</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>-148.0</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

Period	Headline (General Index)	Food	Non-Food											
			Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household Equip.	Household operations	Personal care & Health	Recreation & Entertain.	Transportation	Educ- ation	Miscel. goods & services
Weight (%)	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5
2004	4.2	5.9	1.6	-0.5	2.3	2.3	4.6	0.2	0.9	0.5	2.1	1.0	0.6	-0.5
2005	4.4	5.9	2.9	2.1	-0.5	-0.4	7.7	-1.1	0.5	3.5	-1.5	4.7	-0.1	-1.4
2006	7.3	7.0	7.6	7.7	7.0	5.5	8.5	7.8	2.0	11.2	5.0	9.1	2.5	8.0
2007	7.0	7.0	7.0	10.5	5.9	3.6	6.2	7.9	8.7	2.9	8.9	7.0	9.7	0.8
2008	10.3	12.7	6.7	8.2	1.5	2.4	10.7	6.0	3.2	5.0	5.5	6.9	7.0	1.8
2009	12.1	17.6	3.7	8.8	6.3	12.5	-1.5	6.1	5.2	6.8	9.2	0.1	10.1	3.3
2007 Jun	5.9	4.6	7.6	12.3	7.3	3.2	6.4	8.7	10.1	4.2	10.1	5.8	10.3	2.5
Jul	9.0	10.3	7.4	10.8	5.5	1.7	7.3	7.6	10.7	4.5	10.6	6.8	8.6	2.0
Aug	7.8	9.2	6.0	7.3	6.4	2.1	4.2	6.9	9.5	3.5	10.8	6.5	8.8	0.0
Sep	8.3	11.4	4.1	6.2	4.5	2.8	1.4	4.1	6.5	2.2	9.7	4.3	9.2	-0.8
Oct	7.1	8.4	5.1	7.0	5.4	2.8	3.8	4.6	5.8	1.6	10.5	5.6	7.8	0.3
Nov	7.3	7.5	6.5	10.0	5.2	2.8	6.8	6.6	4.8	2.1	7.6	6.2	7.8	1.7
Dec	6.4	6.6	6.1	10.3	2.5	2.8	8.0	6.2	3.0	1.9	6.1	5.4	6.8	0.8
2008 -Jan	8.6	10.1	6.4	10.4	1.1	2.4	10.1	4.9	3.6	3.7	5.9	5.7	5.6	2.1
Feb	8.9	11.4	5.3	10.2	0.3	2.4	6.8	4.1	2.9	3.4	4.0	4.9	5.6	1.8
Mar	9.0	11.2	5.8	9.1	1.0	1.7	8.3	4.9	2.9	3.1	3.5	6.0	5.6	1.0
Apr	9.7	11.6	6.9	8.6	1.1	2.1	11.3	4.9	2.8	3.3	4.2	7.6	6.1	1.5
May	9.1	11.0	6.5	7.5	1.1	2.1	11.7	5.1	2.5	3.9	4.2	6.0	6.4	0.4
Jun	9.3	11.4	6.3	7.7	0.9	2.1	10.6	5.5	2.8	4.0	4.0	6.7	6.3	0.4
Jul	9.5	11.2	6.8	7.9	1.3	3.5	12.0	5.4	2.0	4.9	4.4	6.0	7.2	1.8
Aug	9.8	11.1	7.8	8.6	-0.1	3.1	12.7	6.9	1.1	5.9	5.2	9.9	7.9	1.5
Sep	11.6	13.4	8.9	8.8	2.2	2.4	15.0	8.2	3.4	6.9	6.9	9.7	8.3	3.4
Oct	11.8	14.6	7.9	8.3	1.8	2.4	12.9	7.9	4	5.9	6.9	7.9	7.9	3.9
Nov	12.3	16.3	6.3	5.5	2.5	2.4	8.7	7.0	4.7	7.3	8.3	6.9	8.5	2.1
Dec	13.5	18.6	6.0	5.5	4.3	2.4	8.1	6.8	5.4	8.0	8.7	5.1	8.5	1.9
2009-Jan	12.9	18.2	4.8	5.4	3.4	12.5	2.6	7.1	4.8	7.7	9.6	4.2	9.1	3.1
Feb	13.3	18.6	4.9	5.3	4.6	12.6	2.5	6.9	5.1	7.6	10.9	3.4	9.9	3.6
Mar	13.0	18.5	4.3	5.7	4.4	12.6	0.3	7.1	4.7	7.7	10.5	3.2	11.2	3.5
Apr	12.0	17.8	2.9	6.1	4.9	12.2	-4.1	7.3	4.6	7.5	9.2	0.4	10.8	5.6
May	11.3	17.8	1.3	6.6	5.0	12.2	-9.0	6.9	5.2	7.1	8.8	-1.0	10.3	4.1
Jun	10.7	17.0	1.0	6.8	7.2	12.2	-10.1	6.0	4.5	7.7	9.1	-2.0	11.4	3.8
Jul	10.9	16.9	1.9	9.9	8.5	12.6	-9.1	6.3	4.5	7.1	9.0	-1.9	11.7	3.8
Aug	12.1	18.9	2.0	10.9	9.8	12.6	-7.2	6.5	6.3	7.5	8.4	-4.9	10.3	5.0
Sep	12.1	17.3	4.0	11.3	8.1	12.6	-0.9	7.0	5.2	7.0	9.1	-2.0	9.5	3.1
Oct	12.7	18.1	4.2	12.1	6.3	12.6	0.5	5.8	5.8	7.0	8.5	-1.4	9.6	0.9
Nov	12.5	17.1	5.0	12.7	6.5	12.8	2.2	4.0	6.6	4.5	7.7	-0.8	9.1	1.8
Dec	12.2	14.5	8.5	12.2	6.6	12.8	14.3	2.6	4.9	3.2	9.3	3.8	7.8	1.1
2010- Jan	10.9	11.3	10.1	12.1	5.3	2.6	23.3	3.5	6.0	3.7	7.5	3.3	7.5	1.0
Feb	9.6	10.1	8.8	11.5	4.5	2.6	20.3	1.6	4.7	4.9	3.4	3.4	6.0	-1.8
Mar	9.0	9.7	7.9	9.7	5.5	2.9	16.3	2.2	5.0	5.6	3.0	4.1	3.5	-2.0
Apr	9.4	9.8	8.6	10.1	3.6	2.8	19.9	1.7	4.7	5.8	4.4	5.4	2.9	-5.2
May	7.9	8.1	7.6	10.1	3.0	2.7	14.5	2.3	2.8	5.6	2.1	7.6	2.5	-5.0
Jun	7.2	7.1	7.4	9.6	0.8	2.7	15.4	2.9	3.1	5.0	1.6	8.0	0.9	-4.5
Jul	6.3	5.6	7.4	7.0	-0.7	1.7	19.5	2.1	3.1	4.6	0.6	7.0	-0.4	-4.8
Aug	6.6	6.3	7	7.2	0.6	1.9	16.5	2.6	4.9	3.9	0.4	7.4	0.3	-6.3
Sep	4.5	4.5	4.7	6.7	1.7	1.9	7.1	2.4	4.3	4.1	-0.7	5.6	0.0	-5.6

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

Source: National Bureau of Statistics

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

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

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

Source: National Bureau of Statistics

**Table A7: National Debt Developments**

Item	2009/10			Millions of USD								
	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10
<b>1. Overall Total Debt Committed<sup>2</sup></b>	<b>8,781.3</b>	<b>8,877.7</b>	<b>8,889.0</b>	<b>9,192.4</b>	<b>8,982.4</b>	<b>8,982.2</b>	<b>9,090.2</b>	<b>8,948.0</b>	<b>9,020.9</b>	<b>9,095.0</b>	<b>9,379.4</b>	<b>9,674.5</b>
Disbursed outstanding debt	6,015.2	6,073.7	6,163.1	6,228.4	6,127.9	6,077.9	6,180.7	6,115.3	6,207.0	6,375.7	6,525.9	6,710.7
Undisbursed debt	2,766.0	2,804.1	2,725.9	2,963.9	2,854.5	2,904.3	2,909.5	2,832.7	2,813.9	2,719.3	2,853.5	2,963.8
<b>2. Disbursed Debt by Creditor Category<sup>2</sup></b>	<b>6,015.2</b>	<b>6,073.7</b>	<b>6,163.1</b>	<b>6,228.4</b>	<b>6,127.9</b>	<b>6,077.9</b>	<b>6,180.7</b>	<b>6,115.3</b>	<b>6,207.0</b>	<b>6,375.7</b>	<b>6,525.9</b>	<b>6,710.7</b>
Bilateral debt	941.5	949.7	938.6	940.0	939.4	931.3	913.1	911.2	932.8	938.6	954.7	956.5
Multilateral debt	3,874.8	3,944.9	4,049.0	4,109.6	4,015.4	4,012.8	4,131.3	4,062.3	4,112.9	4,263.9	4,271.1	4,361.7
Commercial debt	713.5	640.8	638.1	639.4	634.2	595.2	592.8	598.8	603.2	614.3	745.3	826.4
Export credits	485.5	538.2	537.5	539.5	538.9	538.5	543.5	543.0	558.2	558.9	554.9	566.1
<b>3. Disbursed Debt by Borrower Category<sup>2</sup></b>	<b>5,939.9</b>	<b>6,073.7</b>	<b>6,163.1</b>	<b>6,228.4</b>	<b>6,127.9</b>	<b>6,077.9</b>	<b>6,180.7</b>	<b>6,115.3</b>	<b>6,207.0</b>	<b>6,375.7</b>	<b>6,525.9</b>	<b>6,710.7</b>
Central Government	4,532.0	4,620.9	4,649.2	4,710.2	4,629.3	4,620.8	4,722.9	4,656.9	4,729.6	4,846.6	4,874.0	4,966.3
Parastatal Companies	398.9	442.7	506.6	503.9	488.3	486.1	484.1	475.6	475.4	518.1	544.1	554.4
Private Sector	1,009.0	1,010.1	1,007.4	1,014.4	1,010.3	971.0	973.7	982.9	1,002.0	1,011.0	1,107.8	1,190.1
<b>4. Disbursed Debt by Use of Funds<sup>2</sup></b>	<b>5,980.7</b>	<b>6,073.7</b>	<b>6,163.1</b>	<b>6,228.4</b>	<b>6,127.9</b>	<b>6,077.9</b>	<b>6,180.7</b>	<b>6,115.3</b>	<b>6,207.0</b>	<b>6,375.7</b>	<b>6,525.9</b>	<b>6,710.7</b>
BOP & Budget Support	1,857.3	1,885.0	1,971.4	1,908.5	1,902.8	1,876.0	2,017.2	1,981.7	2,010.6	2,056.1	2,026.6	2,061.9
Transport & Telecommunication	707.1	723.1	723.1	721.8	719.9	661.0	658.3	659.6	679.5	689.9	719.4	721.3
Agriculture	654.4	653.0	658.2	677.7	687.7	676.2	670.3	664.5	671.9	690.4	687.4	683.6
Energy & Mining	823.3	810.2	801.1	800.3	756.4	726.8	723.6	716.0	756.8	720.7	717.4	719.0
Industries	154.0	153.1	183.4	184.6	184.1	179.7	179.3	178.3	178.5	178.8	207.1	214.4
Social Welfare & Education	832.9	847.9	849.2	848.7	833.2	848.6	846.1	821.7	825.3	849.8	886.0	936.2
Finance and Insurance	80.6	80.8	79.0	80.7	80.0	78.6	78.2	84.2	84.1	85.5	148.5	154.2
Tourism	91.0	96.6	87.0	86.6	86.5	87.0	92.0	95.6	96.0	96.5	96.0	96.1
Others	780.1	823.9	810.8	919.4	877.3	944.0	915.6	914.3	904.3	1,008.1	1,037.5	1,126.2
<b>5. Total Amount of Loan Contracted<sup>1</sup></b>	<b>4.2</b>	<b>1.0</b>	<b>124.9</b>	<b>250.1</b>	<b>60.0</b>	<b>634.7</b>	<b>4.0</b>	<b>15.0</b>	<b>221.5</b>	<b>3.9</b>	<b>0.8</b>	<b>41.5</b>
Government	0.0	0.0	123.2	243.6	0.0	496.8	0.0	0.0	177.0	0.0	0.0	0.0
Parastatal Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private	4.2	1.0	1.7	6.5	60.0	137.9	4.0	15.0	44.6	3.9	0.8	35.9
<b>6. Disbursements<sup>1</sup></b>	<b>20.3</b>	<b>6.8</b>	<b>185.6</b>	<b>37.9</b>	<b>147.1</b>	<b>256.6</b>	<b>175.4</b>	<b>45.4</b>	<b>380.8</b>	<b>8.9</b>	<b>0.2</b>	<b>109.8</b>
Government	20.3	6.8	119.7	32.4	147.1	251.1	173.8	30.7	250.7	4.9	0.2	74.6
Parastatal Companies	0.0	0.0	63.4	0.0	0.0	0.0	0.0	0.0	0.0	29.2	0.0	0.0
Private	0.0	0.0	2.5	5.5	0.0	5.5	1.6	14.6	130.1	3.9	0.0	35.2
<b>7. Scheduled Debt Service<sup>1</sup></b>	<b>22.3</b>	<b>12.2</b>	<b>73.0</b>	<b>37.8</b>	<b>7.8</b>	<b>59.3</b>	<b>21.5</b>	<b>15.0</b>	<b>66.5</b>	<b>26.8</b>		<b>50.8</b>
<b>8. Actual Debt Service<sup>1</sup></b>	<b>3.4</b>	<b>4.9</b>	<b>14.0</b>	<b>6.8</b>	<b>0.9</b>	<b>13.1</b>	<b>7.4</b>	<b>4.5</b>	<b>17.2</b>	<b>2.6</b>	<b>5.1</b>	<b>27.4</b>
Principal	2.5	1.8	7.6	4.0	0.2	7.0	2.9	3.4	10.4	1.3	3.6	15.8
Interest	0.9	3.1	6.4	2.9	0.7	6.2	4.4	1.0	6.8	1.4	1.5	11.6
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>9. Net Transfers<sup>1</sup></b>	<b>16.9</b>	<b>1.9</b>	<b>171.6</b>	<b>31.0</b>	<b>146.2</b>	<b>243.5</b>	<b>168.1</b>	<b>40.9</b>	<b>363.6</b>	<b>6.2</b>	<b>-5.0</b>	<b>82.3</b>
<b>10. Total Arrears by Creditors Category<sup>2</sup></b>	<b>2,869.2</b>	<b>2,885.3</b>	<b>2,789.0</b>	<b>2,771.9</b>	<b>2,759.6</b>	<b>2,703.4</b>	<b>2,704.7</b>	<b>2,705.8</b>	<b>2,760.8</b>	<b>2,823.3</b>	<b>2,791.6</b>	<b>2,829.6</b>
Principal	1,301.1	1,306.4	1,184.0	1,151.4	1,151.6	1,111.6	1,100.8	1,102.2	1,121.2	1,149.1	1,118.9	1,132.3
Bilateral	468.9	468.9	472.4	476.8	479.7	472.7	456.1	457.6	464.5	470.3	467.9	472.2
Multilateral	23.6	20.1	22.8	15.9	15.9	15.9	16.3	16.2	16.2	19.2	18.3	11.7
Commercial	461.5	470.0	380.2	405.6	402.2	369.4	372.6	373.7	384.7	398.2	374.7	392.4
Export Credits	347.2	347.4	308.7	253.1	253.8	253.6	255.9	254.7	255.8	261.4	257.9	255.9
Interest	1,568.1	1,578.8	1,604.9	1,620.5	1,608.0	1,591.8	1,603.9	1,603.6	1,639.7	1,674.2	1,672.8	1,697.4
Bilateral	689.4	703.9	715.8	724.5	722.0	716.4	710.3	713.8	721.4	735.3	739.2	748.2
Multilateral*	16.0	16.1	16.9	17.1	17.2	17.4	17.4	17.4	18.7	18.4	19.0	19.6
Commercial	580.1	573.5	584.2	588.2	579.4	572.6	585.9	575.8	599.5	616.2	610.3	625.1
Export Credits	282.5	285.4	288.0	290.7	289.4	285.4	290.3	296.6	300.0	304.3	304.2	304.4
<b>11. External Debt Stock</b>	<b>7,508.0</b>	<b>7,652.5</b>	<b>7,768.1</b>	<b>7,849.0</b>	<b>7,735.8</b>	<b>7,669.7</b>	<b>7,784.6</b>	<b>7,718.9</b>	<b>7,846.7</b>	<b>8,049.9</b>	<b>8,198.7</b>	<b>8,408.1</b>
<b>12. Domestic Debt Stock</b>	<b>1,885.3</b>	<b>1,907.3</b>	<b>1,962.7</b>	<b>1,903.5</b>	<b>1,905.7</b>	<b>1,938.1</b>	<b>1,921.4</b>	<b>1,919.1</b>	<b>2,009.5</b>	<b>2,064.4</b>	<b>2,071.2</b>	<b>2,277.5</b>
<b>13. Total Debt Stock</b>	<b>9,393.3</b>	<b>9,559.8</b>	<b>9,730.8</b>	<b>9,752.5</b>	<b>9,641.5</b>	<b>9,607.8</b>	<b>9,706.0</b>	<b>9,638.0</b>	<b>9,856.2</b>	<b>10,114.2</b>	<b>10,269.9</b>	<b>10,685.6</b>
<b>End Period Exchange Rate</b>	<b>1,307.6</b>	<b>1,314.7</b>	<b>1,313.3</b>	<b>1,323.6</b>	<b>1,326.0</b>	<b>1,330.2</b>	<b>1,343.5</b>	<b>1,376.0</b>	<b>1,379.4</b>	<b>1,382.3</b>	<b>1,382.3</b>	<b>1,483.8</b>

\*Multilateral arrears are those owed by the private companies

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

ISSN 0856 – 6844