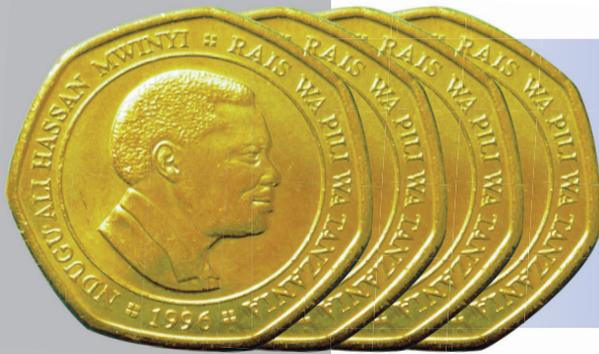




BANK OF TANZANIA



MONTHLY ECONOMIC REVIEW

September 2010

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1.0 Inflation Developments

Annual headline inflation rate increased to 6.6 percent in August 2010 from 6.3 percent recorded in July 2010, mainly due to increase in food inflation (Table 1.1 and Chart 1.1).

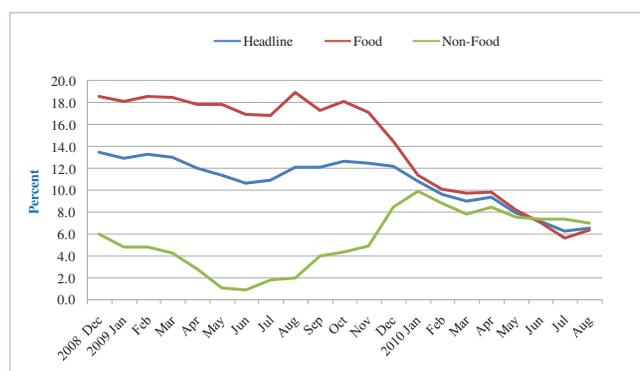
Table 1.1: Annual Percentage Change in Consumer Price Index (ALL-Urban)

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2008			2009			2010		
		Jun	Jul	Aug	Jun	Jul	Aug	Jun	Jul	Aug
Headline/Overall	100	9.3	9.5	9.8	10.7	10.9	12.1	7.2	6.3	6.6
Food	55.9	11.4	11.2	11.1	17	16.9	18.9	7.1	5.6	6.3
Non-food	44.1	6.3	6.8	7.8	1	1.8	2	7.5	7.4	7.1
Transportation	9.7	6.7	6.0	9.9	-2.0	-1.9	-4.9	8.0	7.0	7.4
Fuel, Power and Water	8.5	10.6	12.0	12.7	-10.1	-9.1	-7.2	15.4	19.3	16.5
Drinks and Tobacco	6.9	7.7	7.9	8.6	6.8	9.9	10.9	9.6	7.0	7.2
Clothing & Footwear	6.4	0.9	1.3	-0.1	7.2	8.5	9.8	0.8	-0.7	0.6
Education	2.6	6.3	7.2	7.9	11.4	11.7	10.3	0.9	-0.4	-6.3
Furniture & Household Equip.	2.1	5.5	5.4	6.9	6.0	6.4	6.5	2.9	2.1	2.6
H/h Operations Maintenance	2.1	2.8	2.0	1.1	4.5	4.4	6.3	3.1	3.1	4.9
Personal Care & Health	2.1	4.0	4.9	5.9	7.7	7.1	7.5	5.0	4.6	3.9
Rents	1.4	2.1	3.5	3.1	12.2	12.6	12.6	2.7	1.7	1.9
Recreation & Entertainment	0.8	4.0	4.4	5.2	9.1	9.0	8.4	1.6	-0.6	0.4
Misc. Goods & Services	1.5	0.4	1.8	1.5	3.8	3.8	5.0	-4.5	4.8	-6.3

Source: National Bureau of Statistics

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



Source: Bank of Tanzania

Meanwhile, the 12-month average annual headline inflation rate was 9.7 percent in August 2010, compared with 12.3 percent recorded in the corresponding period a year earlier (September 2008 to August 2009). **Month-to-month headline inflation rate** rose to 0.7 percent in August 2010 from negative 0.4 percent recorded in the preceding month, driven mainly by food inflation.

Annual food inflation rate rose to 6.3 percent in August 2010 from 5.6 percent in July 2010, mainly due to increase in average prices of cereal products, potatoes, cooking bananas, vegetables, fruits, fish, meat, coconut,

beans and cowpeas. However, 12-month average food inflation rate was 11.3 percent in August 2010, being lower than 17.2 percent registered in the corresponding period in 2009. Meanwhile, **month-to-month food inflation rate** rose to 0.8 percent in August 2010 from negative 1.5 percent recorded in the preceding month. This development was mainly due to increase in average prices of cereal products, cooking bananas, fruits and cowpeas, following increased demand during the holy month of Ramadan.

Annual non-food inflation rate eased to 7.1 percent in August 2010 from 7.4 percent recorded in the preceding month, mainly associated with the decrease in average prices of items under education and personal care and health, fuel, power and water sub-groups. On the other hand, the 12-month average annual non-food inflation rate was 7.2 percent in August 2010, being higher than the average rate of 4.3 percent recorded in the corresponding period in 2009. **Month-to-month non-food inflation rate** declined to 0.6 percent in August 2010 from 1.6 percent registered in the preceding month, largely due to slowdown in average prices of some non-food items under education, clothing and footwear; recreation and entertainment sub-groups.

Food Supply Situation

In August 2010, food supply situation in the country was generally satisfactory, with few exceptions in some districts that faced insufficient food supply. Between July 2010 and August 2010, government distributed 2,573 tons of grain at subsidized prices or freely to some districts facing food shortages.

On annual basis, wholesale prices of major food crops decreased in August 2010 with the exception of potatoes and beans (Table 1.2). On month-to-month basis, wholesale prices for maize and beans increased while those of sorghum, rice and potatoes decreased. The increase in prices of some food items is largely associated with increased demand during the fasting month of Ramadan.



Table 1.2: National Average Wholesale Prices for Selected Food Items

TZS per 100 kg

Item	2009	2010		Percentage change	
	Aug	Jul	Aug	Aug 09 to Aug 10	Jul to Aug 2010
Maize		27,596	28,187	-17.4	2.1
Rice	34,119	83,472	83,443	-16.0	0.0
Beans	99,302	94,167	96,220	8.8	2.2
Sorghum	88,469	45,511	43,786	-1.2	-3.8
Potatoes	44,323	48,521	49,836	1.4	-1.3

National Food Reserves

Stocks of maize and sorghum held by the National Food Reserve Agency (NFRA) increased sizeably to 90,519 tons at the end of August 2010, from 47,143 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 purchased a total of 44,944 tons of maize as at the end of August 2010, which is equivalent to 32 percent of the total of 140,000 tons expected to be purchased during 2010/11.

Table 1.3: National Food Reserve Agency (NFRA) Stock

Tons

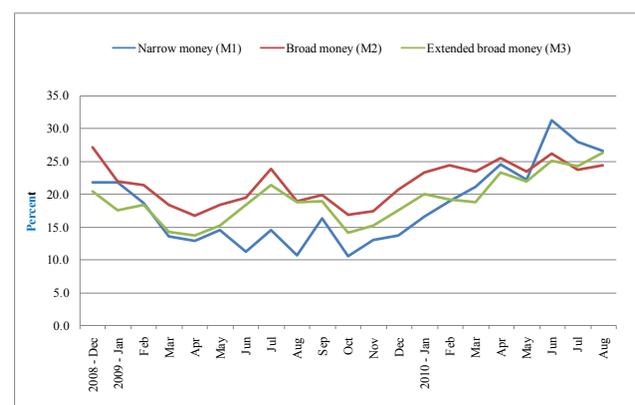
Period	2006	2007	2008	2009	2010	% change
						2009-2010
January	76,813	112,343	139,765	128,919	66,267	-48.6
February	43,593	117,838	133,898	125,430	64,461	-48.6
March	8,055	121,046	119,022	124,252	60,694	-51.2
April	3,165	125,509	94,509	122,849	53,821	-56.2
May	6,210	128,350	79,369	109,876	50,312	-54.2
June	15,560	128,804	76,649	94,699	48,248	-49.1
July	13,811	129,306	75,438	88,841	47,143	-46.9
August	28,440	125,653	83,131	93,231	90,519	-2.9
September	80,248	131,937	102,225	110,278		
October	87,461	143,717	114,464	107,177		
November	100,828	142,624	122,209	86,542		
December	110,203	142,044	129,253	77,644		

Source: National Food Reserve Agency

2.0 Monetary and Financial Markets Developments

Money Supply and Credit Developments

Annual growth rates of all monetary aggregates in August 2010 were higher than the rates recorded in July 2010. Specifically, extended broad money supply (M3) grew by 26.4 percent in August 2010, up from 24.4 percent registered in July 2010, while that of broad money supply (M2) picked up to 24.5 percent from 23.8 percent in the same period (Chart 2.1 and Table 2.1). The growth rates of M3 and M2 were much higher than 18.9 percent and 19.0 percent respectively, recorded in August 2009.

Chart 2.1: Annual Growth Rates of Monetary Aggregates

Source: Bank of Tanzania

Table 2.1: Selected Money Supply Components

Billions of TZS

Item	Aug-09	Jul-10	Aug-10	Monthly Change		Annual Growth Rates (%)		
				Jul-10	Aug-10	Aug-09	Jul-10	Aug-10
Net Foreign Assets of the Banking System	4,722.5	5,348.7	5,464.5	83.1	115.9	37.2	15.2	15.7
Bank of Tanzania	3,848.1	4,079.2	4,262.9	129.9	183.7	33.8	7.4	10.8
Net International Reserves (Millions of USD)	3,234.7	3,239.8	3,185.2	96.5	-54.6	28.4	10.2	-1.5
Other Depository Corporations	874.4	1,269.5	1,201.6	-46.8	-67.8	54.7	50.2	37.4
Net Domestic Assets of the Banking System	3,593.6	4,884.7	5,046.9	348.8	162.2	1.1	36.3	40.4
Domestic Claims	4,858.5	6,642.6	6,855.2	468.4	212.6	24.6	41.3	41.1
Claims on central government (net)	86.7	1,100.9	1,183.2	388.1	82.3	---	---	---
Claims on Central Government	2,762.4	4,006.5	4,023.8	414.6	17.3	34.6	60.3	45.7
o/w Securities held by ODCs	1,527.9	2,167.5	2,343.3	104.0	175.9	9.8	58.8	53.4
Liabilities to Central Government	2,675.7	2,905.5	2,840.6	26.5	-64.9	32.0	17.2	6.2
Claims on Other Sectors	4,771.8	5,541.6	5,672.0	80.3	130.4	23.2	18.4	18.9
Extended Broad Money Supply (M3)	8,316.1	10,233.3	10,511.4	432.0	278.1	18.9	24.4	26.4
Foreign Currency Deposits (FCD) in National Currency	2,107.3	2,675.1	2,779.2	161.3	104.1	18.6	26.0	31.9
FCD in millions of US dollar	1,618.7	1,935.3	1,889.8	112.9	-45.5	6.1	19.8	16.8
Broad Money Supply (M2)	6,208.8	7,558.3	7,732.3	270.7	174.0	19.0	23.8	24.5
Other Deposits in National Currency	2,775.0	3,279.5	3,385.7	126.7	106.1	31.0	18.7	22.0
Narrow Money Supply (M1)	3,433.8	4,278.7	4,346.6	144.0	67.8	10.8	28.0	26.6
Currency in Circulation	1,543.4	1,813.2	1,880.2	132.7	67.0	12.9	21.4	21.8
Transferable Deposits in National Currency	1,890.5	2,465.5	2,466.3	11.2	0.8	9.1	33.4	30.5

Source: Bank of Tanzania



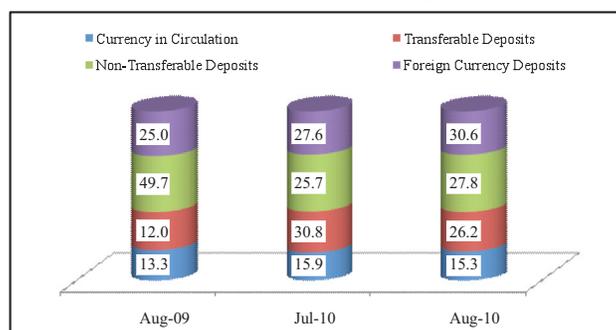
The expansion in money supply in August 2010 was supported by increases in the net domestic assets (NDA) and net foreign assets (NFA) of the banking system. The NDA registered an annual growth rate of 40.4 percent in August 2010 compared with 36.3 percent in the preceding month, mainly due to increase in credit to the private sector, coupled with drawdown of government deposits from the banking system. On the other hand, NFA of the banking system registered an annual growth of 15.7 percent in August 2010 compared with 15.2 percent in July 2010, mainly due to nominal depreciation of the Shilling against US dollar. During the same period, growth rate of NFA of commercial banks declined to 37.4 percent from 50.2 percent—the decline mirrors the improvement in the expansion of credit to the private sector. Credit to private sector grew by 18.9 percent in August 2010 compared with the growth rate of 18.4 percent recorded in July 2010, but lower than 23.2 percent recorded in August 2009.

In the year ending August 2010, commercial banks credit by major economic activities experienced a slowdown in growth, when compared with the corresponding period in 2009 except for building and construction, hotels and restaurants, and manufacturing. However, compared with the preceding month, the economic activities experienced mixed developments.

On monthly basis, net banks' credit to the private sector increased by TZS 130.4 billion, compared with an increase of TZS 80.3 billion recorded in the preceding month. Personal loans sustained its dominance holding 21.5 percent of the total outstanding loans, followed by trade (17.8 percent), manufacturing (14.0 percent), agriculture (11.6 percent), and communication (9.6 percent).

From the liabilities side, the increase in money supply was dominated by changes in foreign currency deposits and non-transferable deposits (saving and time deposits). Specifically, foreign currency deposits explained about 31 percent of the changes in M3 in the year ending August 2010, while non-transferable deposit explained about 28 percent (Chart 2.2).

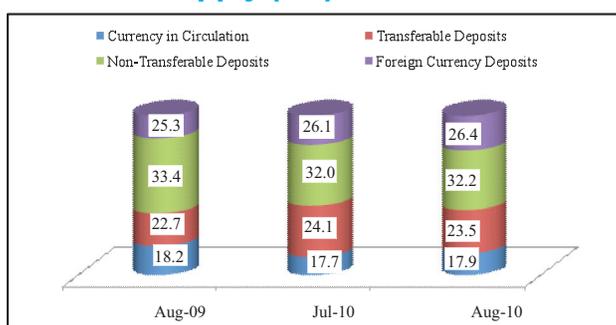
Chart 2.2: Percentage Contribution of Changes in the Components of Money Supply to 12-Month Percentage Change in M3



Source: Bank of Tanzania

The increase in foreign currency deposits was mainly associated with the nominal depreciation of the Shilling against US dollar. Meanwhile, the share of foreign currency deposits to M3 increased slightly to 26.4 percent in August 2010 from 26.1 percent recorded in July 2010 and that of non-transferable deposits increased to 32.2 percent from 32.0 percent in the same period (Chart 2.3).

Chart 2.3: Percentage Share of the Components of Money Supply to Total Extended Broad Money Supply (M3)



Source: Bank of Tanzania

Interest Rate Developments

Interest rates on money market instruments, showed mixed developments in August 2010 when compared with the rates recorded in July 2010. The weighted average Treasury bills yield eased to 3.86 percent in August from 3.89 percent in July 2010. The Treasury bills yield in the month under review is also lower than 5.16 percent recorded in August 2009. On the other hand, Treasury bond market recorded an increase in the weighted average yields for 5-year and 7-year bonds that were auctioned in August 2010. Meanwhile, the average



interbank cash market rate increased to 1.09 percent in August 2010 from 0.92 percent recorded in the previous month; with the overnight rate rising to 0.93 percent from 0.82 percent recorded in the same period. Repo rate remained unchanged at 0.58 percent in August 2010 (Table 2.2).

Table 2.2: Weighted Average Interest Rates of Banks

In Percent

Item	2009	2010							
	Aug-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10
Overall interbank cash market rate	1.42	1.80	1.89	1.29	0.92	0.87	0.97	0.92	1.09
Overnight interbank cash market	0.82	1.67	1.66	0.98	0.86	0.67	0.86	0.82	0.93
REPO Rate	1.21	1.22	1.22	1.06	0.79	0.65	0.54	0.58	0.58
Discount Rate	5.20	7.58	7.58	7.58	7.58	7.58	7.58	7.58	7.58
Overall Treasury bills rate	5.16	7.20	6.32	4.15	2.70	2.68	3.33	3.89	3.86
35 days	2.65	4.57	4.09	1.99	1.26	0.89	0.65	0.78	0.97
91 days	3.53	6.35	5.57	3.25	1.77	2.16	2.89	3.22	2.71
182 days	5.46	7.20	6.33	4.45	2.58	2.26	2.59	3.91	3.91
364 days	7.72	9.06	8.24	6.32	4.86	4.96	6.08	6.26	5.98
Savings Deposit Rate	2.68	2.84	2.89	2.88	2.83	2.82	2.82	2.64	2.58
Treasury Bonds Rates									
2-years	11.51	10.89	9.40	9.40	9.40	9.40	8.79	8.88	8.88
5-years	16.58	13.77	13.77	13.77	13.77	9.52	9.52	9.52	9.70
7-years	14.14	14.15	14.15	12.11	12.11	10.38	10.38	10.38	10.85
10-years	16.95	16.73	16.73	16.73	11.99	11.99	11.68	11.68	11.68
Overall Time Deposits Rate	6.89	6.12	5.82	6.11	5.96	5.79	5.88	5.42	5.55
12 month time deposit rate	9.04	9.06	8.84	8.78	8.67	8.56	8.43	7.86	7.13
Negotiated Deposit Rate	10.47	7.44	7.16	9.41	9.63	9.47	9.57	8.76	8.58
Overall Lending rate	15.12	14.39	14.86	14.83	14.59	14.53	14.71	14.39	14.41
Short-term lending rate (up to 1 year)	13.77	13.76	14.73	14.61	13.88	14.02	13.92	14.14	14.42
Negotiated Lending Rate	14.24	13.68	13.79	13.71	13.97	13.80	14.13	13.84	14.00
Margin between short-term lending and one-year time deposit rates	4.73	4.71	5.89	5.84	5.21	5.47	5.49	6.28	7.29

Source: Bank of Tanzania

Interest rates offered and charged by commercial banks manifested a similar pattern as the rates in the money market. Overall time deposit rate increased to 5.55 percent in August 2010 from 5.42 percent recorded in the preceding month, whereas the 12-month time deposit rate eased to 7.13 percent in August 2010 from 7.27 percent in the preceding month. On the other hand, overall lending rate increased slightly to 14.41 percent in August 2010 from 14.39 percent in July 2010, but still lower than 15.12 percent recorded in August 2009, while short-term lending rate rose to 14.49 percent in August 2010 from 14.11 percent in July 2010. As a result, the spread between one year lending and deposit rates widened further to 7.29 percentage points in August 2010 from 6.28 percentage points recorded in July 2010, and significantly higher than 4.73 percentage points recorded in August 2009, reflecting the continued cautious stance taken by banks to lending to the private sector.

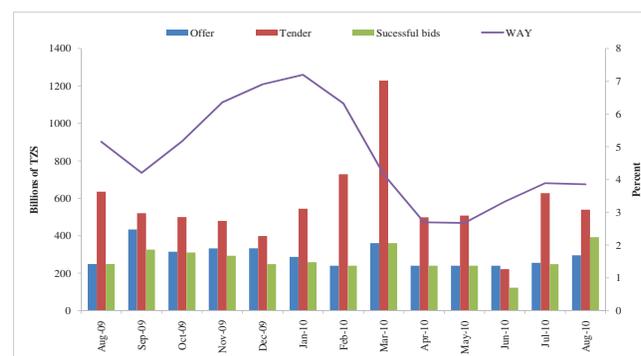
Financial Markets Developments

Treasury Bills and Bonds Market

During August 2010, the market was supplied with **Treasury bills** amounting to TZS 295.0 billion, higher

than TZS 255.0 billion offered in the preceding month. The increase in the amount offered was for liquidity management purposes. Demand was TZS 539.1 billion, being lower than TZS 627.3 billion recorded in the preceding month, and TZS 635.4 billion registered in the corresponding month in 2009 (Chart 2.4). The Bank sold Treasury bills worth TZS 382.6 billion (cost value), against maturing obligation of TZS 247.3 billion in August 2010.

Chart 2.4: Treasury bills Market Developments



Source: Bank of Tanzania

In August 2010, the Bank conducted two auctions in the **Treasury bonds** market of 5-year and 7-year maturity, each with a face value of TZS 42.0 billion. Demand for the 5-year Treasury bond was TZS 118.1 billion, while that of 7-year Treasury bond was TZS 37.6 billion, partly reflecting investors' preference for instruments of shorter maturities. The Bank accepted bids with cost value of TZS 41.2 billion and TZS 36.2 billion for 5-year and 7-year bond, respectively. During the month, commercial banks remained dominant participants in the markets followed by pension funds.

Repurchase Agreements and Inter-Bank Cash Market Developments

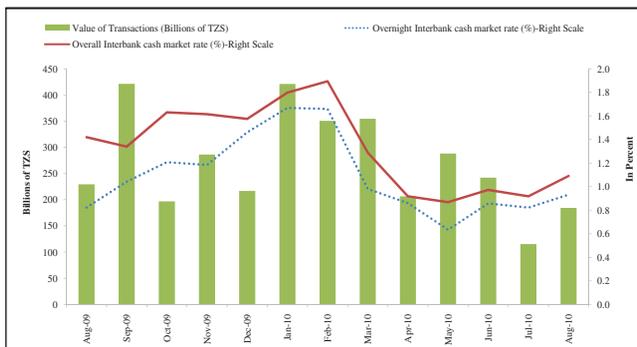
During August 2010, volume of repurchase agreements conducted declined substantially to TZS 493.0 billion from TZS 854.0 billion recorded in the preceding month and TZS 761.5 billion conducted in the corresponding period in 2009. This outturn is associated with the substantial increase in currency in circulation mainly for crop purchase.

On the other hand the volume of transactions in the interbank cash market amounted to TZS 184.5 billion in August 2010, being higher than TZS 115.4 billion



transacted in the preceding month, suggesting that some banks were short of liquidity during the period. However, the volume transacted is far lower than TZS 229.5 billion transacted in the similar period in 2009. Out of the total volume traded, overnight transactions accounted for 66.4 percent in August 2010, compared with 73.3 percent in the preceding month, and 49.1 percent recorded in August 2009 (Chart 2.5).

Chart 2.5: Inter-bank Cash Market Developments

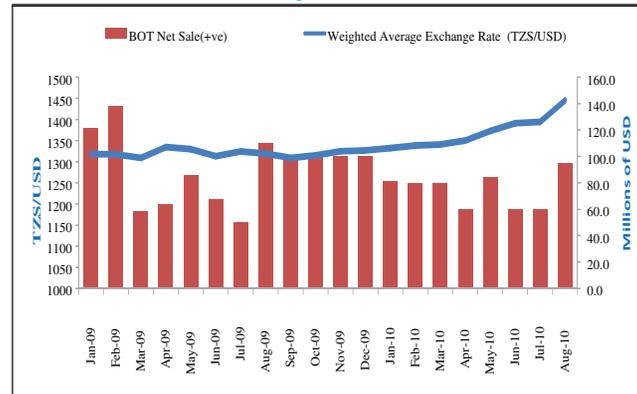


Source: Bank of Tanzania

Inter-Bank Foreign Exchange Market

During August 2010, the Bank increased the sale of foreign exchange to USD 95.0 million from USD 60.0 million transacted in the preceding month, mainly to supplement other monetary policy instruments in managing liquidity. Weighted average exchange rate depreciated by 3.62 percent to TZS 1,445.23 per USD in August 2010 from TZS 1,394.72 per USD recorded in the preceding month. The recent depreciation of the Tanzanian Shilling against US dollar was mainly driven by seasonal increase in domestic demand for foreign exchange and the general strengthening of the dollar against major currencies. On annual basis the Shilling depreciated by 9.54 percent from TZS 1,319.30 per USD recorded in August 2009 (Chart 2.6).

Chart 2.6: Inter-bank Foreign Exchange Market Operations

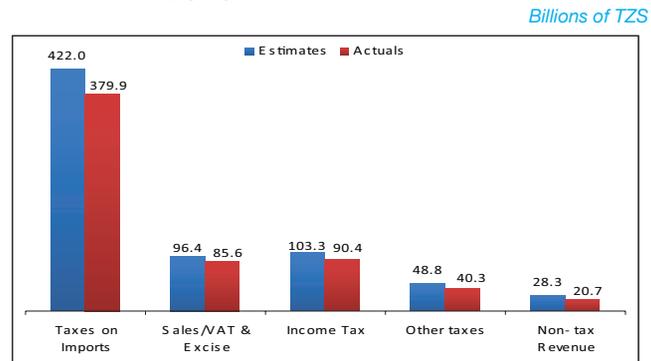


Source: Bank of Tanzania

3.0 Government budgetary Operations

During August 2010, Revenue collections amounted to TZS 400.6 billion, being equivalent to 89.0 percent of the estimated revenue for the month. Tax revenue collected amounted to TZS 379.9 billion or 90.0 percent of the target, while non-tax revenue was TZS 20.7 billion equivalent to 73.2 percent of the target. The shortfall in tax revenue collections was recorded in all tax categories (Chart 3.1). On cumulative basis, revenue collections in the first two months of 2010/11 reached TZS 713.6 billion, or 86.8 percent of the target.

Chart 3.1: Government Resources, August 2010

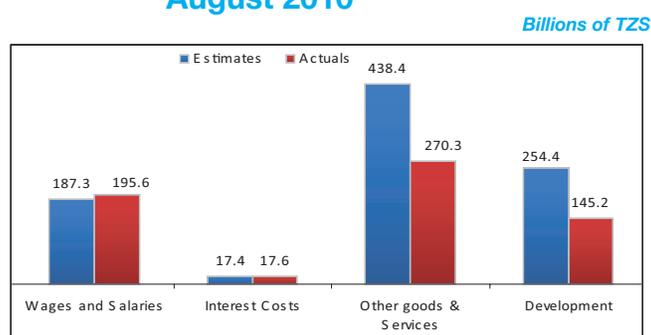


Source: Bank of Tanzania



During the month, **total expenditure** amounted to TZS 632.8 billion or 70.2 percent of the target. Out of the total expenditure, recurrent expenditure amounted to TZS 487.6 billion, and development expenditure TZS 145.2 billion (**Chart 3.2**). On cumulative basis, government expenditure reached TZS 1,062.7 billion or 63.6 percent of the estimate. Recurrent expenditure was below the estimate by 30 percent, reaching TZS 806.5 billion. On the other hand, development expenditure accumulated to TZS 256.2 billion equivalent to 49.3 percent of the estimate.

Chart 3.2: Government Expenditure, August 2010



Source: Bank of Tanzania

Financing

During the month under review, fiscal operations registered an overall deficit (adjusted to cash) of TZS 196.8 billion. This was financed by both foreign and domestic sources amounting to TZS 70.4 billion and TZS 126.4 billion, respectively. On cumulative basis, total financing for the first two months amounted to TZS 549.2 billion out of which 78.6 billion was foreign and 470.6 billion was domestic.

4.0 External Sector Performance

Current Account Balance

During the year ending August 2010, **overall balance of payments** recorded a deficit of USD 49.5 million, compared with a surplus of USD 716.9 million recorded in the corresponding period a year earlier. This development is mainly explained by the widening of the current account deficit by 22.3 percent to USD 2,691.5 million, following a decline in official current transfers (**Table 4.1**).

Table 4.1: Current Account Balance

Millions of USD

Items	Aug		2010		Year Ending August		% Change
	2008	2009	Jul	Aug	2009	2010p	
Goods Account (net)	-577.3	-260.4	-345.6	-287.2	-3,308.4	-3,345.6	1.1
Exports	243.4	233.2	266.5	320.3	2,536.5	3,396.3	33.9
Imports	820.6	493.7	612.1	607.5	5,844.9	6,741.9	15.3
Services Account (net)	29.38	36.75	57.50	64.2	131.4	308.0	134.5
Receipts	178.7	178.7	199.3	198.1	1,810.1	1,983.4	9.6
Payments	149.3	141.9	141.8	133.9	1,678.7	1,675.4	-0.2
Goods and services (net)	-547.9	-223.7	-288.1	-223.1	-3,177.0	-3,037.6	-4.4
Exports of goods and services	422.0	411.9	465.8	518.3	4,346.6	5,379.8	23.8
Imports of goods and services	969.9	635.6	753.9	741.4	7,523.7	8,417.4	11.9
Income Account (net)	-2.3	-6.2	-16.3	-10.6	-105.5	-93.0	-11.9
Receipts	13.2	8.4	10.4	15.4	137.5	149.5	8.7
Payments	15.5	14.6	26.7	26.1	243.0	242.5	-0.2
Current Transfers (net)	11.8	49.7	74.6	67.6	1,081.8	439.0	-59.4
Inflows	17.4	55.7	81.6	76.8	1,149.8	515.4	-55.2
o/w General Government	9.6	47.5	72.6	67.8	1,051.5	404.8	-61.5
Outflows	5.7	6.0	7.0	9.2	67.9	76.4	12.4
Current Account Balance	-538.4	-180.2	-229.8	-166.1	-2,200.7	-2,691.5	22.3

Note: P = Provisional

Source: Bank of Tanzania

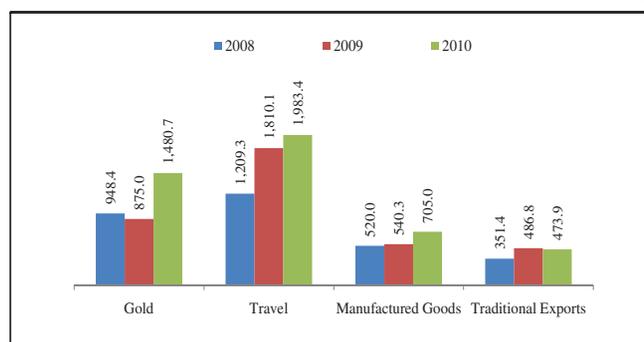
Gross official reserves increased to USD 3,532.2 million at the end of August 2010 from USD 3,501.1 million recorded at the end of August 2009. The reserves at the end of August were sufficient to cover about 5.0 months of import of goods and services. Meanwhile, gross foreign assets of commercial banks increased to USD 1,025.6 million at the end of August 2010 from USD 801.8 million recorded at the end of August 2009.

Exports Performance

During the year ending August 2010, the USD value of **exports of goods and services** increased by 23.8 percent to USD 5,379.8 million, compared with the level recorded in the corresponding period a year earlier. This improvement was largely due to a surge in exports of gold, travel and manufactured goods. **Chart 4.1** shows the dominance of receipts from gold followed by travel and manufactured goods.



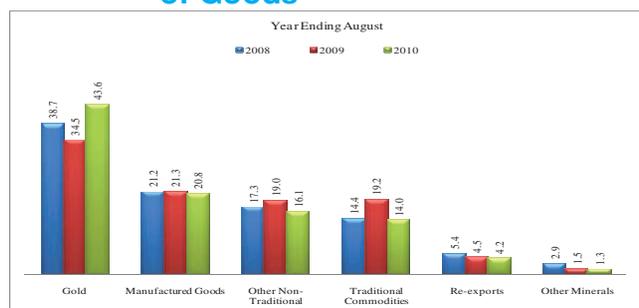
Chart 4.1: Performance of Selected Goods and Services Export for the Year Ending August
Millions of USD



Source: Bank of Tanzania

The value of export of goods rose to USD 3,396.3 million in the year ending August 2010, compared with USD 2,536.5 million recorded in the corresponding period a year earlier, largely due to significant increase in gold 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

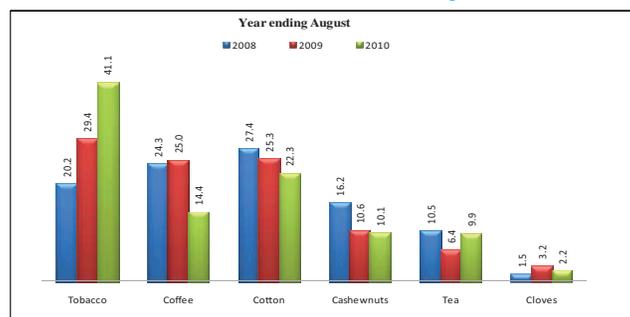


Source: Bank of Tanzania

In August 2010, the USD value of **traditional exports** shipped was USD 34.5 million, compared to USD 24.4 million recorded in the preceding month, largely due to an increase in the volume and export unit price of cotton.

However, on annual basis, the value of traditional exports went down by 2.6 percent to USD 473.9 million when compared to the value recorded in the corresponding period in 2009, following decline in the export volumes of coffee, cotton, cashewnuts and cloves. Likewise, there was a decline in the export unit prices of cotton, sisal and cloves while the value of tobacco exports increased by 36.1 percent to USD 194.6 million during the year ending August 2010, owing to significant increase in price. **Chart 4.3** depicts the composition of traditional exports for the past three years.

Chart 4.3: Percentage Composition to Total Traditional Exports



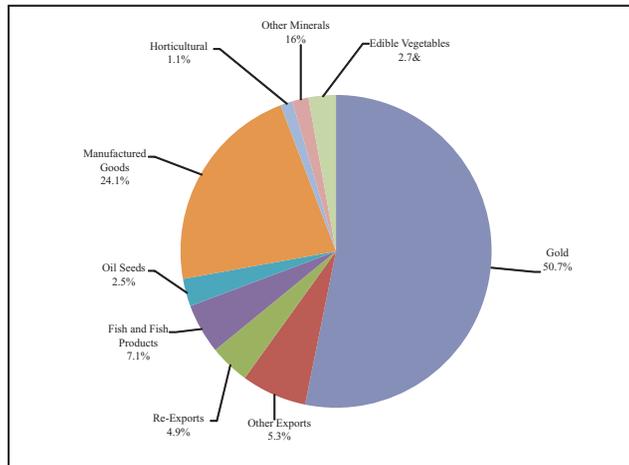
Source: Bank of Tanzania

In August 2010, value of **non-traditional exports** shipped was USD 285.2 million, equivalent to 18.0 percent increase from the amount shipped in July 2010, largely due to a substantial increase in exports of manufactured goods particularly plastics and paper products.

However, on annual basis, the value of non-traditional exports increased to USD 2,922.4 million compared with USD 2,049.7 million recorded in similar period a year earlier, largely due to a huge increase in the export value of gold and manufactured goods. The value of gold exports went up by 69.2 percent to USD 1,480.7 million, following a rise in the export volumes, as well as gold price in the world market. The export volume of gold increased to 37.4 tons compared to 29.8 tons recorded in the preceding year, partly on account of commencement of export by the Buzwagi Gold Mine in June 2009 while the prices of gold increased to USD 1,135.1 per troy ounce compared with USD 882.3 per troy ounce recorded during the year ending August 2009.

Likewise, the value of manufactured goods increased to USD 705.0 million, being 30.5 percent higher than the value recorded during the preceding year. The improvement in export of manufactured goods is partly associated with the global recovery from the financial crisis. **Chart 4.4** depicts the composition of non-traditional exports for the year ending August 2010.

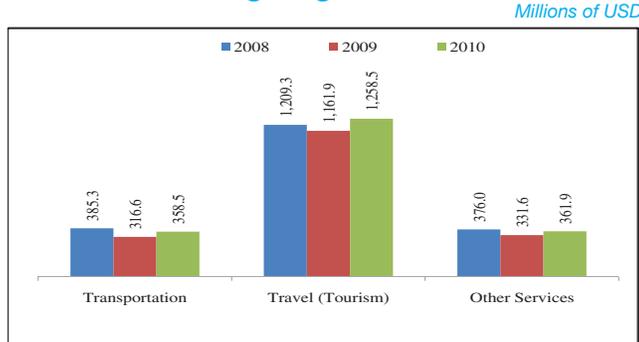


Chart 4.4: Contribution to Total Non Traditional Exports for the Year Ending August 2010

Source: Bank of Tanzania

During August 2010, **service receipts** were USD 198.1 million compared to 199.3 million recorded during the preceding month, due to a decrease in receipts from government and other business services.

In the year ending August 2010, service receipts amounted to USD 1,983.4 million, being higher than USD 1,810.1 million recorded in a similar period a year earlier, following an improvement in travel, transportation and other business receipts. Travel receipts increased by 8.3 percent to USD 1,258.5 million, as the global economy began to recover from the impact of the financial crisis. Likewise, transportation receipts rose by 13.2 percent to USD 358.5 million as a result of the increase in transit goods to the neighbouring countries. **Chart 4.5** depicts the performance of the main services receipt for the past three years.

Chart 4.5: Service Receipts for the Year Ending August

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 August 2010, the value of goods import shipped into Tanzania was USD 607.5 million, slightly lower than USD 612.1 million recorded in the preceding month, following a decrease in importation of consumer and capital goods.

During the year ending August 2010, **import of goods and services** amounted to USD 8,417.4 million compared with USD 7,523.7 million recorded in the corresponding period in 2009. The value of imported goods increased to USD 6,741.9 million, compared with USD 5,844.9 million recorded during the year ending August 2009, largely due to increase in the value of imported oil, food and other consumer goods. The value of imported oil increased to USD 1,913.6 million compared with USD 1,380.2 million recorded in the preceding year, following the increase in both import volumes and prices. The volume of imported oil rose to 3.2 million tons from 2.9 million tons registered in the year ending August 2009, whereas the average oil prices (refined products) increased by 17.4 percent to USD 662.8 per ton in the world market. The value of imported consumer goods was USD 1,560.0 million, representing an annual increase of 12.1 percent in August 2010 when compared with the value recorded in the corresponding period in 2009, following an increase in importation of food and other consumer goods. The increase in imports of food stuff is largely on account of a rise in importation of wheat. **Table 4.2** summarises the performance of goods imports while **Chart 4.6** shows the contribution of import sub-categories to total imports for the past three years.

Table 4.2: Imports

Millions of USD

Items	2009 ^p	2010		% Change		Year Ending August ^p		% Change
	Aug	Jul	Aug	Aug 09-Aug 10	Aug 10-Jul 10	2009	2010	
Capital Goods	206.5	253.2	240.7	16.6	-4.9	2,501.2	2,584.4	3.3
Transport Equipment	58.1	89.2	94.1	61.9	5.5	732.5	806.3	10.1
Building and Constructions	35.8	59.0	59.7	66.8	1.2	552.5	624.0	12.9
Machinery	112.6	105.1	87.0	-22.8	-17.2	1,216.2	1,154.1	-5.1
Intermediate Goods	144.6	185.8	224.0	54.9	20.5	1,952.0	2,597.6	33.1
Oil imports	95.0	128.4	137.0	44.2	6.7	1,380.2	1,913.6	38.6
Fertilizers	11.6	10.5	38.0	228.2	261.7	109.2	122.0	11.7
Industrial raw materials	38.1	46.9	49.0	28.7	4.4	462.5	562.1	21.5
Consumer Goods	142.6	172.9	142.8	0.2	-17.4	1,391.7	1,560.0	12.1
Food and food stuffs	17.4	43.3	33.2	91.2	-23.4	353.9	430.1	21.5
All other consumer goods ¹	125.2	129.6	109.6	-12.5	-15.4	1,037.8	1,129.8	8.9
Grand Total (L.o.b)	493.9	612.1	607.5	23.0	-0.8	5,844.9	6,741.9	15.3
Grand Total (c.i.f)	542.7	672.6	667.6	23.0	-0.8	6,423.0	7,408.7	15.3

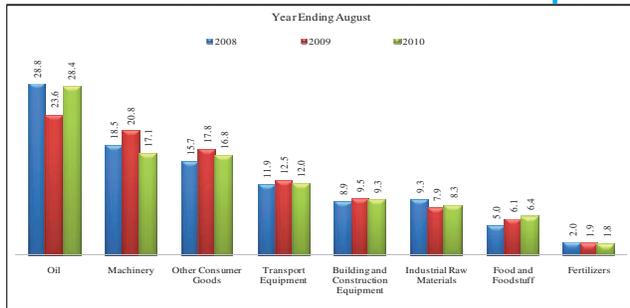
Note: ^p = Provisional

Oil imports refers to refined petroleum products

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

Source: Bank of Tanzania and Tanzania Revenue Authority

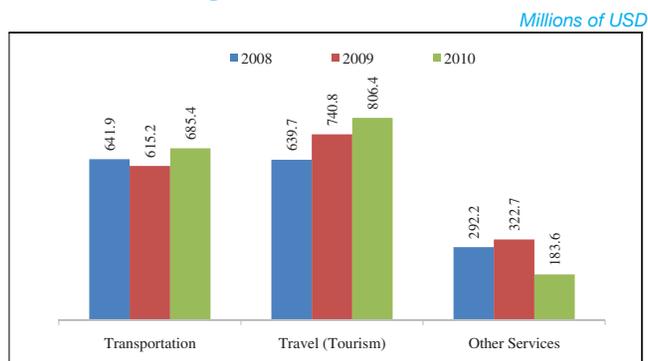
Chart 4.6: Percentage Contribution of Selected items to Total Imports



Source: Bank of Tanzania

Service payments amounted to USD 133.9 million in August 2010, compared with USD 141.8 million recorded in the preceding month, largely due to decrease in payments for travel services. Likewise, on annual basis services payment went down by 0.2 percent to USD 1,675.4 million in August 2010, owing to a decrease in payments of government and other business services. **Chart 4.7** shows the performance of major services payment categories in the past three years.

Chart 4.7: Payments for the Year Ending August



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

Source: Bank of Tanzania

World Commodity Prices

During August 2010, world market prices of most of the agricultural and non agricultural commodities increased except for **coffee** (Robusta) and **white petroleum products**. The prices of **coffee** (Arabica), **tea** (average price and Mombasa Auction), **cotton** (A-index) and **cloves** recorded increases. While, the price of **cotton** (A-Index) went up largely due to strong demand for cotton in China, price of **tea** (Mombasa Auction) rose following unfavourable weather condition in Kenya. The price of

cloves increased on account of tight supply of cloves from Madagascar and rising global demand for cloves. Meanwhile, the price of sisal remained stable at USD 850.0 per ton. During the period under review, the price of **white petroleum products** slightly declined, while the prices of **crude oil** (UK Brent and Dubai f.o.b) recorded small increases. Likewise, the price of **gold** rose by 1.9 percent to USD 1,216.0 per troy ounce (**Table 4.3**).

On annual basis, most of commodity prices increased with the exception of **coffee** (Robusta) and **sisal**. The prices of **coffee** (Arabica), **tea**, **cotton** and **cloves** recorded notable increases. While, the increase in prices of **tea** was largely attributable to the shortfall in production in Kenya, India and Sri Lanka following unfavourable weather condition, the rise in prices of **cotton** was largely attributable to strong demand for cotton in China.

During the period under review, the prices of **crude oil** (UK Brent, Dubai f.o.b) and **white petroleum products** recorded modest increases, following a decline in the oil inventories in the United States. Similarly, the price of **gold** went up by 28.7 percent to USD 1,135.1 per troy ounce as the U.S dollar weakened against other major currencies.

Table 4.3: World Commodity Prices

COMMODITY	Units	2010				Year ending August			
		June	July	August	% Change	2008	2009	2010	% Change
Robusta Coffee	USD per kg	1.70	1.88	1.82	-3.03	2.32	1.79	1.62	-9.90
Arabica Coffee	USD per kg	4.21	4.48	4.66	4.02	3.12	2.98	3.75	26.08
Tea (Average price)	USD per kg	2.86	2.86	2.99	4.40	2.42	2.44	2.91	18.97
Tea (Mombasa Auction)	USD per kg	2.24	2.32	2.52	8.86	2.11	2.26	2.67	18.47
Cotton, "A Index"	USD per kg	2.05	1.86	1.99	7.39	1.63	1.32	1.78	34.57
Cotton, "Memphis"	USD per kg	2.03	n.a	n.a	-	1.66	1.39	1.81	30.27
Sisal (UG)	USD per metric ton	850.00	850.00	850.00	0.00	1106.33	1,182.75	847.50	-28.34
Cloves	USD per metric ton	4750.00	4670.00	4925.00	5.46	4318.75	3,825.60	4552.15	18.99
Crude oil*	USD per barrel	74.73	74.58	75.83	1.68	102.99	59.49	75.92	27.61
Crude oil**	USD per barrel	73.98	72.65	74.18	2.11	99.27	59.31	75.22	26.82
White products***	USD per ton	674.68	655.52	651.86	-0.56	956.89	564.44	662.80	17.43
Jet/Kerosine	USD per ton	687.75	662.41	682.50	3.03	1020.91	578.87	670.50	15.83
Premium Gasoline	USD per ton	691.30	686.41	681.32	-0.74	885.59	553.73	694.52	25.43
Heat Oil	USD per ton	645.00	617.74	591.77	-4.20	964.16	560.71	623.37	11.17
Gold	USD per troy ounce	1,233.00	1,193.00	1,216.00	1.93	860.31	882.29	1,135.13	28.66

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

** f.o.b. Dubai

***f.o.b West Mediterranean

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



5.0 National Debt Developments

During the year ending August 2010, **national debt stock** increased by USD 1,066.8 million to USD 10,269.8 million—with external debt accounting for 79.8 percent, mainly on account of new external disbursements and relatively large domestic debt issuance compared with the debt service obligations. Out of the national debt stock, Central Government debt was USD 7,685.3 million, while USD 1,638.3 million was private sector debt and USD 944.6 million was debt owed to public corporations.

External debt stock increased to USD 8,197.0 million at the end of August 2010 from USD 7,393.7 million recorded at the end of August 2009. Out of the total external debt stock, USD 6,525.9 million or 79.6 percent was disbursed outstanding debt (DOD) and the remaining portion was interest arrears.

The profile of external debt stock by borrower category indicates that the Central Government was the largest borrower, accounting for 68.5 percent of the total external debt, followed by private sector debt which accounted for 20.0 percent (Table 5.1).

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

Borrower	Aug-09		Jul-10		Aug-10	
	Share (%)	Millions of USD	Share (%)	Millions of USD	Share (%)	Millions of USD
Central Government	69.5	5,586.4	69.4	5,614.1	68.5	5,146.8
DOD	60.3	4,846.6	60.2	4,874.9	59.5	4,460.2
Interest Arrears	9.2	739.8	9.2	739.2	9.0	680.6
Private Sector	20.3	1,545.2	19.2	1,638.3	20.0	1,501.1
DOD	13.7	1,011.0	12.6	1,107.4	13.5	1,009.8
Interest Arrears	6.6	534.3	6.6	530.9	6.5	491.3
Public Corporations	10.2	918.3	11.4	944.6	11.5	751.8
DOD	5.3	518.1	6.4	544.1	6.6	394.6
Interest Arrears	4.8	400.2	5.0	400.5	4.9	357.2
External Debt Stock	100.0	8,049.9	100.0	8,197.0	100.0	7,393.7

Source: Bank of Tanzania

In terms of creditor category, debt owed to multilateral creditors amounted to USD 4,288.5 million, accounting for 52.3 percent of total external debt, while debt owed to bilateral creditors was USD 1,693.9 million, accounting for 20.7 percent. Debt owed to other creditors was as shown in Table 5.2.

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

Creditor	Aug-09		Jul-10		Aug-10	
	Share (%)	Millions of USD	Share (%)	Millions of USD	Share (%)	Millions of USD
Bilateral	21.9	1,617.8	20.8	1,673.9	20.7	1,693.9
Paris Club	8.2	606.4	7.6	614.3	8.1	667.6
Non Paris Club	13.7	1,011.3	13.2	1,059.6	12.5	1,026.2
Multilateral	51.2	3,784.6	53.2	4,282.4	52.3	4,288.5
AfDB	10.8	799.9	10.1	810.7	10.2	835.4
World Bank Group*	31.8	2,349.7	33.8	2,717.9	33.1	2,716.1
IMF	3.6	265.5	4.3	350.0	4.2	347.1
Others	5.0	369.5	5.0	403.8	4.8	389.9
Commercial	16.9	1,252.5	15.3	1,230.5	16.5	1,252.5
Export Credit	10.0	738.8	10.7	863.1	10.5	738.8
Total External Debt	100.0	8,049.9	100.0	8,197.0	100.0	7,393.7

Source: Bank of Tanzania

External debt contracted and recorded during the year ending August 2010 amounted to USD 585.4 million, compared with USD 1,188.8 million contracted in the corresponding period in 2009. Debt contracted by the Government and private sector amounted to USD 397.8 million and USD 197.1 million, respectively. Disbursements received and recorded was USD 1,002.1 million, out of which USD 760.2 million was disbursed to the Government and the remaining USD 92.7 million and USD 149.2 million were disbursed to public corporations and private sector, respectively. External debt service amounted to USD 63.3 million, out of which, USD 37.3 million was principal and USD 26.0 million was interest payment.

During the year ending August 2010, the stock of **domestic debt** increased by TZS 690.5 billion to TZS 3,045.9 billion, mainly due to large issuance of Government bonds compared to maturing obligations. Out of the total domestic debt, Government securities were TZS 3,037.7 billion (99.7 percent) and other debts were TZS 8.2 billion (Table 5.3).

Table 5.3: Government Domestic Debt by Instruments

	Aug-09		Jul-10		Aug-10	
	Share (%)	Billions of TZS	Share (%)	Billions of TZS	Share (%)	Billions of TZS
Government Securities	99.6	2,845.3	99.6	3,037.7	99.7	2,347.2
Treasury Bills	12.6	288.8	19.1	401.6	13.2	294.7
Government Stocks	13.7	257.9	15.3	257.9	8.5	257.9
Government Bonds	73.3	2,298.5	65.2	2,378.1	78.1	1,794.6
Tax Certificates	0.0	0.1	0.0	0.1	0.0	0.1
Other Gov't Debt	0.4	8.3	0.4	8.3	0.3	8.3
Mabibo Hostel	0.4	8.3	0.4	8.2	0.3	8.2
Others	0.0	0.0	0.0	0.0	0.0	0.0
Total Dom. Debt	100.0	2,853.6	100.0	3,046.0	100.0	2,262.3
Interest Arrears	0.0	0.0	0.0	0.0	0.0	0.0
Total Dom. Debt Stock	100.0	2,853.6	100.0	3,046.0	100.0	2,262.3

Source: Bank of Tanzania

New domestic debt issued during the period amounted to TZS 1,186.4 billion, out of which, TZS 476.7 billion were Treasury bills, and TZS 709.4 billion were Government bonds. Domestic debt service amounted to TZS 680.5 billion, equivalent to 14.2 percent of domestic revenue collected during the same period. Out of domestic debt service, interest amounting to TZS 270.1 billion or 5.6 percent of domestic revenue was paid out of government resources; while principal amounting to TZS 410.4 billion was rolled over.



6.0 Economic Developments in Zanzibar

Inflation Developments

Annual headline inflation rate increased to 9.2 percent in August 2010, from 6.0 percent recorded in the preceding month, following the increase in both food and non-food inflation. Similarly, **month-to-month headline inflation rate** rose to 3.0 percent in August 2010, from 0.8 percent recorded in July 2010, mainly due to increase in food inflation (Table 6.1 and Chart 6.1).

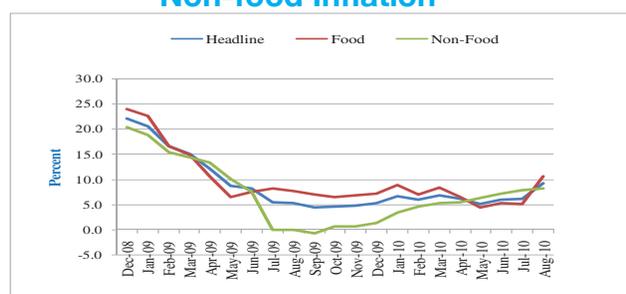
Table 6.1: Annual Percentage change in Consumer Price Index (CPI)

Base: Dec.2005=100

Major Commodity Group	Weights (%)	2008			2009			2010		
		Jun	Jul	Aug	Jun	Jul	Aug	Jun	Jul	Aug
Headline/Overall	100	22.4	22.2	22.0	8.1	5.3	5.1	5.9	6.0	9.2
Food	57.4	28.8	21.8	21.9	7.4	8.1	7.7	5.2	5.1	10.5
Non-Food	42.6	14.8	24.0	23.1	7.5	-0.1	-0.1	7.1	7.8	8.1
Alcoholic Beverages, Tobacco & Narcotics	0.6	-0.1	15.0	14.0	16.9	10.3	11.2	27.2	31.5	34.2
Clothing & Footwear	6.2	9.3	9.5	9.7	5.2	5.7	6.3	4.7	4.4	6.3
Housing, Water, Electricity, Gas & Other Fuels	15.6	12.7	36.3	36.2	18.6	-2.1	-2.3	5.9	6.5	6.5
Furnishing, Household Equipment & Routine Household Maintenance	5.3	15.4	14.0	14.2	7.0	7.5	7.0	2.9	3.5	3.5
Health	2.1	25.1	24.6	14.5	6.1	6.6	6.1	10.6	10.7	10.5
Transport	3.4	19.9	30.3	28.4	-10.0	-15.3	-14.0	10.4	8.7	8.9
Communication	2.4	-0.8	-0.8	-0.8	0.0	0.0	0.0	0.0	0.0	0.0
Recreation & Culture	0.4	7.3	5.2	6.5	4.3	4.7	4.7	3.7	3.1	8.8
Education	1.1	7.8	7.8	7.8	4.4	4.5	4.5	12.6	12.6	12.6
Restaurants & Hotels	3.1	28.2	25.3	24.6	8.1	10.5	9.5	17.6	22.3	22.3
Miscellaneous Goods & Services	2.4	26.3	19.2	17.9	5.1	12.4	13.9	3.6	3.4	4.3

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 rate rose sharply to 10.5 percent in August 2010, from 5.1 percent registered in July 2010, mainly attributed to increase in average prices of fish and rice. The average price of fish increased from TZS 4,599 per kilogram in August 2009 to TZS 5,172 per kilogram in August 2010, mainly on account of shortage of supply. The average prices for imported rice increased from TZS 865 per kilogram in August 2009 to TZS 983 per kilogram

in August 2010, mainly on account of depreciation of Tanzania shilling against US dollar. **Month-to-month food inflation rate** increased significantly to 4.9 percent in August 2010, from 0.6 percent recorded in July 2010, mainly due to increase in the price of fish.

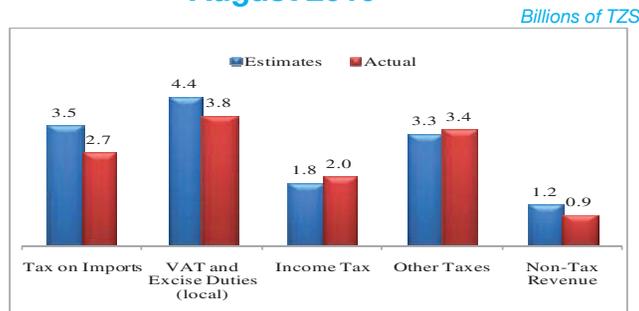
Annual non-food inflation rate increased from 7.8 percent in July 2010 to 8.1 percent in August 2010, mainly on account of rise in prices of diesel and petrol. Specifically, price of diesel and petrol increased from TZS 1,370 and TZS 1,440 per litre in August 2009 to TZS 1,640 and TZS 1,635 per litre in August 2010, respectively. On contrary, **month-to-month non-food inflation rate** declined from 1.2 percent in July 2010 to 0.4 percent in August 2010, due to fall in prices of apparels and foot wears, following the increase in supply.

Fiscal Performance

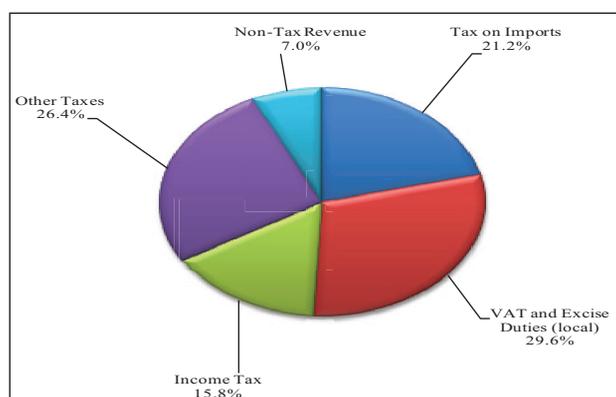
During August 2010, **government budgetary operations** on cheques issued basis registered a deficit after grants of TZS 50.5 billion, while after adjustment to cash, the deficit narrowed to TZS 47.6 billion, which was exclusively financed through foreign sources. Total resources during the month under review amounted to TZS 19.1 billion, being above the target by TZS 2.1 billion. Out of the total resources, domestic revenue contributed TZS 12.9 billion, or 67.5 percent, and the balance was grants. Total expenditure during the month under review amounted to TZS 69.7 billion, surpassing the estimate by TZS 43.6 billion, mainly due to increased donor inflows in favour of various government development projects.

Total revenue collections during August 2010 amounted to TZS 12.9 billion, which was below the target by TZS 1.4 billion. Tax collections amounted to TZS 12.0 billion, being below the monthly target by TZS 1.1 billion, but accounted for about 93 percent of the total revenue collections. Non-tax revenue amounted to TZS 0.9 billion, below the target by TZS 0.3 billion. Performance of difference tax categories is as shown in **Chart 6.2 and 6.3**.



Chart 6.2.: Government Revenue by Sources, Actual versus Target – August 2010

Source: Ministry of Finance and Economic Affairs, Zanzibar

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

Source: Ministry of Finance and Economic Affairs, Zanzibar

Total **recurrent expenditure** amounted to TZS 14.6 billion in August 2010, representing 20.9 percent of total expenditure, while development expenditure was TZS 55.1 billion or 79.1 percent of the total expenditure. Out of the total recurrent expenditure, wages and salaries amounted to TZS 6.9 billion, same as the estimate and accounted for 47.3 percent of the total recurrent expenditure. Expenditure on other charges was TZS 7.0 billion, being below the estimate by TZS 0.3 billion, while interest payments was TZS 0.7 billion.

Development expenditure amounted to TZS 55.1 billion, being above the estimate by about TZS 44 billion, mainly due to increased donor funds inflows in favour of development projects. Government contributions to development activities was TZS 1.3 billion, which was below the target by TZS 0.2 billion, while foreign financing was equivalent to TZS 53.8 billion, surpassing the estimate by TZS 44.2 billion.

External Sector Performance

Current account balance

The current account balance recorded a surplus of USD 0.7 million in the year ending August 2010, compared with a surplus of USD 9.1 million, registered in the corresponding period in 2009. This outturn was associated with a decline in merchandise shipments by 8.1 percent to USD 21.5 million, coupled with the increase in goods import bill by 19.0 percent to USD 106.0 million. Meanwhile, deficit in the trade account balance widened to USD 84.5 million in the year ending August 2010, compared with a deficit of USD 65.7 million registered in the year ending August 2009 ([Table 6.2](#)).

Table 6.2: Zanzibar Current Account Balance

Millions of USD

Item	2009		2010p		Year Ending August		%Change	
	Aug	Jun	Jul	Aug	2009	2010p	Monthly	Annual
Goods Account (net)	-4.3	-12.0	-10.7	-6.5	-65.7	-84.5	39.3	-28.6
Exports	3.1	0.3	0.8	4.2	23.4	21.5	425.0	-8.1
Imports (fob)	7.4	12.4	11.5	10.7	89.1	106.0	-7.0	19.0
Services Account (net)	2.2	2.5	9.6	4.8	29.4	38.2	-50.0	29.9
Receipts	8.3	5.9	13.0	9.6	98.0	104.4	-26.2	6.5
Payments	6.1	3.4	3.4	4.8	68.5	66.1	41.2	-3.5
Goods and Services (net)	-2.1	-9.5	-1.1	-1.7	-36.2	-46.3	-54.5	27.9
Exports of Goods and Services	11.4	6.2	13.7	13.8	121.4	125.9	0.7	3.7
Imports of Goods and Services	13.5	15.7	14.9	15.5	157.6	172.1	4.0	9.2
Income Account (net)	-0.6	-0.2	0.2	-0.2	-5.3	-4.0	-200.0	24.5
Receipts	0.0	0.0	0.2	0.1	0.4	0.7	-50.0	75.0
Payments	0.7	0.2	0.0	0.3	5.7	4.7		-17.5
Current Transfers (net)	15.0	0.4	3.6	4.2	50.6	50.9	16.7	0.6
Inflows	15.0	0.4	3.6	4.2	50.6	50.9	16.7	0.6
Outflows	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Account Balance	12.2	-9.3	2.6	2.4	9.1	0.7	-111.5	-92.3

Note: p = provisional

Source: Tanzania Revenue Authority and BOT computations

Exports of goods and services rose to USD 125.9 million in the year ending August 2010, compared with USD 121.4 million registered during the corresponding period in 2009; due increase in service receipts to USD 104.4 million from USD 98.0 million. In the same period exports of cloves declined to USD 9.8 million from USD 10.4 million recorded in the corresponding period in 2009. Seaweed exports increased to USD 2.9 million from USD 2.5 million. Import of goods and services increased to USD 172.1 million in August 2010, from USD 157.6 million recorded during the corresponding period in 2009, mainly on account of increase in merchandise imports. Performance of exports is as shown in [Table 6.3](#).



Table 6.3: Zanzibar Goods Exports by Major Categories

Millions of USD

Item	Units	2009		2010p		Year Ending August		% Change	
		Aug	Jun	Jul	Aug	2009	2010p	Monthly	Annual
Traditional:									
Clives									
Value	Millions	1.9	0.0	0.2	3.3	10.4	9.8	1,150.0	-5.8
Volume	000 Tons	0.6	0.0	0.1	1.0	3.0	2.8	900.0	-6.7
Unit Price	USD/Ton	3,243.6	0.0	3,300.0	3,362.6	3,511.4	3,493.6	-3.9	-0.5
Non-Traditional:									
Seaweeds									
Value	Millions	0.5	0.2	0.2	0.2	2.5	2.9	0.0	16.0
Volume	000 Tons	1.0	1.0	0.9	0.5	10.6	11.3	-11.1	6.6
Unit Price	USD/Ton	271.9	247.6	248.7	276.6	239.3	256.5	11.2	11.2
Manufactured Goods									
Value	Millions	0.4	0.0	0.2	0.3	5.1	4.0	50.0	-21.6
Fish and Fish Produce									
Value	Millions	0.0	0.0	0.0	0.0	0.2	0.4	0.0	100.0
Others Exports									
Value	Millions	0.5	0.0	0.1	0.4	5.1	4.4	300.0	-13.7
Sub Total	Millions	1.2	0.3	0.6	0.9	13.0	11.7	50.0	-10.0
Grand Total	Millions	3.1	0.3	0.8	4.2	23.4	21.5	425.0	-8.1

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

Source: Tanzania Revenue Authority and BOT computations

Total goods imports (c.i.f) amounted to USD 116.5 million in the year ending August 2010, up from USD 97.9 million recorded in the corresponding period in 2009. Oil import bill was USD 37.1 million up from USD 26.1 million, while capital goods imports increased to USD 52.1 million from USD 41.5 million recorded in 2009 (Table 6.4).

Table 6.4: Zanzibar Imports by Major Categories

Millions of USD

Import Category	2009		2010p		Year Ending August		% Change	
	Aug	Jun	Jul	Aug	2009	2010p	Monthly	Annual
Capital Goods	2.9	5.6	10.3	5.9	41.5	52.1	-42.7	25.5
Transport Equipment	1.4	1.5	1.9	2.1	23.3	21.0	10.5	-9.9
Building and Constructions	0.6	1.6	0.9	0.7	8.1	9.0	-22.2	11.1
Machinery	0.9	2.5	7.5	3.1	10.0	22.1	-58.7	121.0
Intermediate Goods	3.4	3.3	1.4	4.4	34.2	42.4	214.3	24.0
Oil imports	2.9	3.1	1.2	3.6	26.1	37.1	200.0	42.1
Industrial raw materials	0.5	0.2	0.2	0.8	8.1	5.3	300.0	-34.6
Consumer Goods	1.8	4.7	0.9	1.5	22.1	22.0	66.7	-0.5
Food and food stuffs	0.7	1.1	0.4	0.4	7.1	7.6	0.0	7.0
All other consumer goods	1.1	3.6	0.5	1.1	15.0	14.4	120.0	-4.0
Grand Total (c.i.f)	8.1	13.6	12.6	11.8	97.9	116.5	-6.3	19.0
Grand Total (c.o.b)	7.4	12.4	11.5	10.7	89.1	106.0	-7.0	19.0

Note: p = provisional

Source: BOT (Zanzibar Branch), TRA

Service Account

In August 2010, balance in the services account decreased to USD 4.8 million from a surplus of USD 9.6 million registered in July 2010. This was mainly associated with the decline in services receipts, coupled with increase in service payments.

During the year ending August 2010, services account registered a surplus of USD 38.2 million from USD 29.4 million recorded during the corresponding period in 2009. Total foreign receipts amounted to USD 104.4 million, from USD 98.0 million, while services payments amounted to USD 66.1 million from USD 68.5 million.



STATISTICAL TABLES



Table A1: Selected Economic Indicators (Annual)

Item	Unit	2003 ^r	2004	2005	2006	2007	2008 ^r	2009 ^p
1. National Accounts and Prices								
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 ¹	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 ¹	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 ²	Percent	9.6	10.4	8.7	8.5	7.1	12.5	
2. Money Credit and Interest Rates*								
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 ¹	Percent	7.3	7.4	10.5	11.7	13.5	17.1	18.0
2.6 Private Sector Credit to GDP Ratio ¹	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) ³	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 ³	Percent	12.2	12.7	13.4	14.9	16.1	16.4	15.1
3. Balance of Payments								
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
4. Population (TZ Mainland)								
	Million	34.2	35.3	36.2	37.5	38.3	39.3	40.7
5. Public Finance								
5.1 Current Revenue to GDP Ratio ¹	Percent	12.1	11.8	12.5	14.1	15.9	16.2	15.3
5.2 Grants to GDP Ratio ¹	Percent	3.7	4.8	5.9	4.9	5.0	4.4	4.6
5.2 Current Expenditure to GDP Ratio ¹	Percent	12.9	14.0	15.7	16.1	14.9	17.7	18.3
5.3 Development Expenditure to GDP Ratio ¹	Percent	3.6	7.2	7.9	6.9	7.9	7.7	8.6
5.4 Deficit to GDP Ratio (excluding grants) ¹	Percent	-4.4	-9.3	-10.3	-8.9	-7.4	-9.2	-11.5
5.5 Deficit to GDP Ratio (including grants) ¹	Percent	-0.6	-4.5	-4.4	-4.0	-2.4	-4.8	-6.5
6. Total External Debt Stock								
Total External Debt as % of GDP	Percent	64.2	60.2	57.6	29.8	31.0	33.3	34.0
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

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

² = GNDI stands for Gross National Disposable Income

³ = Annual Average

P = Provisional, r = Revised

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

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



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

Millions of TZS

Item	BUDGET 2010/11	2010				
		July Actual	July to August		August	
			Actual	Estimates	Actual	Estimates
Total Revenue (including LGAs) /1	6,176,172.0	352,598.6	907,876.0	753,205.7	464,730.8	400,607.1
Total Revenue	6,003,590.0	352,598.6	879,112.3	753,205.7	450,349.0	400,607.1
Tax Revenue	5,638,593.4	333,739.6	822,464.6	713,603.4	422,026.6	379,863.8
Taxes on Imports	2,101,289.3	132,907.2	346,858.1	296,450.4	173,476.5	163,543.2
Sales/VAT and Excise on Local Goods	1,266,435.8	77,512.3	182,064.1	163,132.8	96,448.3	85,620.5
Drawings from EPA	0.0	0.0	0.0	0.0	0.0	0.0
Income Taxes	1,649,956.3	89,956.9	196,012.6	180,388.8	103,294.3	90,431.9
Other taxes	620,911.9	33,363.2	97,529.8	73,631.4	48,807.4	40,268.2
Non- tax Revenue	364,996.6	18,859.0	56,647.7	39,602.3	28,322.4	20,743.3
LGA Own Sources	172,582.0	0.0	28,763.7	0.0	14,381.8	0.0
Total Expenditure /2	10,769,611.7	421,540.5	1,670,880.3	1,062,739.2	901,558.4	632,814.4
Recurrent expenditure	6,950,560.6	318,958.4	1,151,726.5	806,545.3	647,149.4	487,587.8
Roadtoll fund			0.0		0.0	
Retention fund	134,225.0	5,955.7	10,035.0	10,035.0	4,079.3	4,079.3
Wages and salaries	2,205,429.7	184,325.8	372,029.0	379,951.2	187,256.0	195,625.4
Interest payments	364,469.6	6,420.0	24,268.4	24,023.1	17,449.4	17,603.1
Domestic	235,027.6	4,258.7	20,688.2	20,688.2	15,847.8	16,429.5
Foreign	129,442.0	2,161.3	3,580.2	3,334.9	1,601.6	1,173.6
Other goods, services and transfers	4,246,436.2	122,256.9	745,394.1	392,535.9	438,364.8	270,279.9
Dev. Expenditure and net lending	3,819,051.1	102,582.1	519,153.8	256,194.0	254,409.0	145,226.7
Local	1,366,143.3	60,335.8	110,335.8	104,325.0	50,000.0	43,989.2
Foreign	2,452,907.8	42,246.3	408,818.0	151,869.0	204,409.0	101,237.5
Balance before Grants	-4,593,439.7	-68,941.9	-763,004.4	-309,533.5	-436,827.6	-232,207.3
Grants	2,020,907.1	101,570.0	336,679.2	182,759.0	151,525.9	72,804.5
Program (CIS/OGL)	631,808.1	67,586.5	105,162.7	112,734.1	35,767.7	45,147.6
Project	898,779.4	2,002.5	194,588.3	2,532.5	97,294.1	530.5
Basket funds	221,569.5	31,981.0	36,928.2	46,397.6	18,464.1	14,416.6
MDRI/MCA(T)	268,750.1	0.0	0.0	21,094.7	0.0	12,709.7
Balance (cheq.issued) after Grants	-2,572,532.6	32,628.1	-426,325.1	-126,774.6	-285,301.7	-159,402.9
Expenditure float	0.0	-369,695.8	0.0	-739,391.6	0.0	-369,695.8
Adjustments to cash and other items (net)	0.0	-15,299.8	0.0	316,961.7	0.0	332,261.9
Overall Balance (cheques cleared)	-2,572,532.6	-352,367.5	-426,325.1	-549,204.5	-285,301.7	-196,836.8
Financing:	2,572,532.6	352,367.5	426,325.1	549,204.5	285,301.7	196,836.8
Foreign Financing (net)	1,942,532.8	8,215.5	172,697.8	78,574.5	87,616.8	70,358.9
Loans	1,728,639.9	8,262.8	134,598.4	81,843.4	67,299.2	73,580.6
Program loans	189,837.3	0.0	0.0	0.0	0.0	0.0
Development Project loans	1,538,802.6	8,262.8	134,598.4	81,843.4	67,299.2	73,580.6
Basket Support	256,218.6	0.0	42,703.1	0.0	21,351.5	0.0
Amortization	-42,325.7	-47.3	-4,603.7	-3,269.0	-1,033.9	-3,221.7
Domestic (net) /3	629,999.8	344,152.0	253,627.4	470,630.0	197,684.9	126,477.8
Bank & Non Bank Financing (NDF)	599,999.8	344,152.0	253,627.4	470,630.0	197,684.9	126,477.8
Bank borrowing	599,999.8	388,122.3	253,627.4	470,375.8	197,684.9	82,253.5
Non-Bank (net of amortization)	0.0	-43,970.3	0.0	254.2	0.0	44,224.3
Borrowing/Roll over	797,620.0	28,364.6	61,892.0	61,892.0	33,527.4	33,527.4
Domestic & Contingent debt Amortization	-797,620.0	-28,364.6	-61,892.0	-61,892.0	-33,527.4	-33,527.4
Privatization Proceeds	30,000.0	0.0	0.0	0.0	0.0	0.0

Note: /1 Includes LGAs

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

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

Source: Ministry of Finance, Bank of Tanzania and National Bureau of Statistics



Table A3: Depository Corporations Survey (Provisional)

Item	Billions of TZS													
	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
Net foreign assets														
Bank of Tanzania	4,637.7	4,717.4	4,864.2	4,914.7	5,040.5	4,938.0	4,966.2	4,949.2	4,917.5	5,155.5	4,937.4	5,265.5	5,348.7	5,464.5
Other Depository Corporations	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
	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	1,201.6
Net domestic assets														
Domestic claims	3,623.5	3,633.4	3,611.9	3,649.4	3,691.9	3,893.8	3,965.2	4,061.3	4,157.6	4,204.4	4,347.0	4,535.8	4,884.7	5,046.9
Claims on central government (net)	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
Claims on central government	-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
Liabilities to 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
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
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
Broad money liabilities														
Currency outside depository corporations	8,261.2	8,350.9	8,476.2	8,564.2	8,732.3	8,831.8	8,931.4	9,010.5	9,075.1	9,359.9	9,284.5	9,801.4	10,233.3	10,511.4
Transferable deposits	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
Other 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
Other items (net)	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
	-1,037.0	-1,164.5	-1,132.5	-1,281.2	-1,397.4	-1,174.2	-1,272.9	-1,297.9	-1,386.0	-1,468.3	-1,360.4	-1,638.3	-1,757.9	-1,808.3
Memorandum items:														
Monetary Aggregates														
Reserve money (M0)	2,874.6	2,887.3	2,890.7	2,861.5	2,895.5	3,010.0	3,017.5	3,129.4	3,120.3	3,072.3	3,030.9	3,369.3	3,455.3	3,427.1
Extended broad money (M3)	8,261.2	8,350.9	8,476.2	8,564.2	8,732.3	8,831.8	8,931.4	9,010.5	9,075.1	9,359.9	9,284.5	9,801.4	10,233.3	10,511.4
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
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
Broad money (M2)	6,105.4	6,209.1	6,313.5	6,418.4	6,589.7	6,604.0	6,742.1	6,880.4	6,884.3	6,967.4	6,908.2	7,287.5	7,558.3	7,732.3
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
Narrow money (M1)	3,342.0	3,434.1	3,578.8	3,532.0	3,656.6	3,591.4	3,730.2	3,744.9	3,755.3	3,816.3	3,764.8	4,134.7	4,278.7	4,346.6
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
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

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

Source: Bank of Tanzania; and Fund's staff calculations



Table A4 : Interest Rate Structure

Item	2009 ^P					2010 ^P							Percent
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
A: Domestic Currency													
1. Interbank Cash Market Rates													
Overnight	0.82	1.04	1.21	1.19	1.46	1.67	1.66	0.98	0.86	0.67	0.86	0.82	0.93
2 to 7 days	1.44	1.28	1.55	1.81	1.64	1.96	2.22	1.55	0.99	1.14	1.04	1.16	1.13
8 to 14 days	1.90	1.55	1.41	1.67	1.72	2.08	2.50	1.76	1.27	1.01	0.93	1.47	0.95
15 to 30 days	1.54	2.28	3.28	3.28	3.25	3.51	4.00	1.61	1.61	1.10	1.44	1.22	1.10
31 to 60 days	2.82	2.69	3.04	3.91	3.43	3.43	4.00	4.00	4.00	4.00	4.00	2.00	2.00
61 to 90 days	12.15	12.15	12.15	5.00	5.00	5.00	7.30	3.37	3.37	3.37	3.37	3.37	3.37
91 to 180 days	3.27	3.68	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.70	3.70	3.70	4.00
181 and above	7.05	6.47	9.00	5.47	5.47	5.47	5.47	5.47	4.85	4.00	8.50	4.50	7.30
Overall Interbank cash market rate	1.42	1.34	1.63	1.62	1.57	1.80	1.89	1.29	0.92	0.87	0.97	0.92	1.09
2. Lombard Rate	3.18	2.48	3.61	4.00	4.55	5.48	4.91	2.38	1.51	1.07	0.78	0.93	1.16
3. REPO Rate	1.21	1.12	1.32	1.28	1.26	1.22	1.22	1.06	0.79	0.65	0.51	0.68	0.68
4. Treasury Bills Rates													
35 days	2.65	2.07	3.01	3.33	3.80	4.57	4.09	1.99	1.26	0.89	0.65	0.78	0.97
91 days	3.53	2.97	3.38	5.29	6.06	6.35	5.57	3.25	1.77	2.16	2.89	3.22	2.71
182 days	5.46	4.84	4.90	5.28	6.59	7.20	6.33	4.45	2.58	2.26	2.59	3.91	3.91
364 days	7.72	7.79	8.22	8.60	8.83	9.06	8.24	6.32	4.86	4.96	6.08	6.26	5.98
Overall Treasury bills rate	5.16	4.52	5.17	6.36	6.91	7.20	6.32	4.15	2.70	2.68	3.33	3.89	3.86
5. Treasury Bonds Rates													
2-years	11.51	11.51	10.89	10.89	10.89	10.89	9.40	9.40	9.40	9.40	8.79	8.88	8.88
5-years	16.58	13.45	13.45	13.45	13.45	13.77	13.77	13.77	13.77	9.52	9.52	9.52	9.70
7-years	14.14	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-years	16.95	16.95	16.95	16.95	16.73	16.73	16.73	11.99	11.99	11.68	11.68	11.68	11.68
6. Discount Rate	5.20	4.40	3.70	3.70	3.70	7.58	7.58	7.58	7.58	7.58	7.58	7.68	7.68
7. Savings Deposit Rate	2.68	2.66	2.65	2.67	2.83	2.84	2.89	2.88	2.83	2.82	2.82	2.64	2.68
8. Overall Time Deposits Rate	6.89	6.73	6.41	6.52	6.36	6.12	5.82	6.11	5.96	5.65	5.88	5.42	5.55
Call Accounts	1.14	1.13	0.96	0.99	0.74	0.81	0.84	0.66	0.85	1.01	0.87	0.78	0.80
1 month	6.49	6.09	5.70	5.76	5.10	5.14	5.02	5.40	5.45	5.31	4.58	5.60	6.05
2 months	8.17	7.80	7.48	7.31	6.99	7.21	7.79	7.72	7.47	7.38	6.81	6.86	7.19
3 months	7.81	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 months	8.46	8.31	7.91	8.11	8.50	7.76	7.71	7.50	7.67	7.47	7.62	7.49	7.84
12 months	9.04	8.83	8.83	8.76	8.99	9.06	8.84	8.78	8.67	7.53	8.43	7.86	7.13
24 months	7.10	6.80	6.52	7.40	7.56	5.33	3.51	5.44	5.12	4.75	6.53	3.49	2.81
9. Negotiated Deposit Rate	10.47	10.60	10.11	9.85	9.94	7.44	7.16	9.41	9.63	9.47	9.57	8.76	8.58
10. Overall Lending rate													
Call Loans	22.25	23.25	24.25	25.25	26.25	27.25	28.25	29.25	30.25	31.25	32.25	33.25	34.25
Short-term (up to 1 year)	13.77	13.98	13.92	14.00	13.96	13.76	14.74	14.62	13.88	14.02	13.92	14.14	14.42
Medium-term (1-2 years)	15.74	15.27	15.11	15.37	15.01	15.06	15.12	15.11	15.44	15.64	15.41	15.55	15.38
Medium-term (2-3 years)	14.75	14.69	14.66	15.02	14.74	14.42	14.44	14.51	14.41	14.30	14.80	14.15	14.20
Long-term (3-5 years)	14.98	14.91	14.78	14.67	14.52	14.79	14.99	14.97	14.75	14.77	14.73	14.27	14.04
Term Loans (over 5 years)	16.36	15.62	15.31	14.63	13.67	13.91	15.01	14.94	14.47	13.92	14.69	13.85	14.00
11. Negotiated Lending Rate	14.24	13.81	13.51	13.38	13.18	13.68	13.79	13.71	13.97	13.80	14.13	13.84	14.00
B: Foreign Currency													
1. Savings Deposits Rate													
2. Overall Time Deposits Rate	2.26	3.68	2.12	2.13	1.68	1.99	1.76	1.97	2.07	2.06	1.95	2.45	2.23
1-months	2.09	3.68	2.06	2.04	1.40	1.73	1.76	1.68	1.63	1.64	1.59	1.44	1.73
2-months	2.49	3.46	2.03	2.01	1.64	1.93	1.44	1.93	2.02	1.86	1.94	1.74	2.00
3-months	2.10	4.24	2.09	2.06	1.00	1.95	1.64	2.01	1.89	1.85	1.83	2.55	2.34
6-months	2.15	3.95	1.96	1.99	1.94	1.95	1.85	1.84	1.84	1.92	1.83	3.42	1.93
12-months	2.49	3.07	2.48	2.53	2.42	2.40	2.10	2.41	2.97	3.05	2.55	3.10	3.16
3. Overall Lending Rate													
Short-term (up to 1 year)	6.94	6.95	6.49	3.84	3.86	3.73	3.52	3.27	2.01	1.86	4.74	4.14	4.51
Medium-term (1-2 years)	11.03	11.03	8.17	11.06	11.12	10.04	10.17	10.07	6.64	10.16	10.13	10.13	10.32
Medium-term (2-3 years)	10.28	10.23	8.76	10.28	10.26	10.39	10.42	10.42	1.47	10.21	10.57	10.59	9.38
Long-term (3-5 years)	10.52	10.41	8.65	10.29	10.29	10.47	10.76	10.49	11.01	11.00	11.00	10.96	11.32
Term Loans (over 5 years)	10.01	10.01	8.47	9.63	9.64	9.64	9.64	9.64	9.64	9.64	9.27	9.28	9.39

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 ^p	2010		% Change		Year Ending August ^p		% Change
	Aug	Jul	Aug	Aug 09 - Aug 10	Jul 10 - Aug 10	2009	2010	
Traditional Exports:								
COFFEE								
Value	2.1	0.9	2.6	21.3	196.8	121.2	68.3	-43.7
Volume	1.4	0.5	1.5	7.5	222.4	60.5	29.1	-52.0
Unit Price	1,552.5	1,903.7	1,752.8	12.9	-7.9	2,003.9	2,350.0	17.3
COTTON								
Value	7.8	6.6	21.3	174.7	221.3	123.1	105.7	-14.1
Volume	6.8	5.9	16.2	137.1	172.8	101.8	93.1	-8.6
Unit Price	1,133.9	1,115.2	1,313.6	15.8	17.8	1,208.5	1,135.8	-6.0
SISAL								
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
TEA								
Value	1.6	2.7	1.2	-22.1	-54.1	31.1	47.0	50.8
Volume	0.8	1.5	0.7	-11.6	-53.7	19.0	22.4	18.4
Unit Price	2,002.4	1,780.2	1,763.6	-11.9	-0.9	1,642.8	2,093.4	27.4
TOBACCO								
Value	14.0	14.0	6.1	-56.6	-56.8	143.0	194.6	36.1
Volume	2.3	3.2	1.1	-52.9	-65.3	44.4	45.2	2.0
Unit Price	5,959.5	4,402.8	5,482.8	-8.0	24.5	3,222.6	4,301.9	33.5
CASHEWNUTS								
Value	0.00	0.0	0.0	0.0	0.0	51.5	47.8	-7.1
Volume	0.00	0.0	0.0	0.0	0.0	71.8	65.8	-8.4
Unit Price	0.0	0.0	0.0	0.0	0.0	717.1	727.1	1.4
CLOVES								
Value	1.90	0.2	3.3	75.4	1,802.3	15.7	10.5	-33.2
Volume	0.59	0.1	1.0	69.2	1,880.0	4.8	3.5	-27.3
Unit Price	3,243.6	3,500.0	3,362.6	3.7	-3.9	3,280.5	3,015.0	-8.1
Sub Total	27.3	24.4	34.5	26.2	41.6	486.8	473.9	-2.6
Non-Traditional Exports:								
Minerals	114.7	124.1	117.8	2.7	-5.1	913.4	1,526.1	67.1
Gold	112.9	119.1	114.5	1.4	-3.9	875.0	1,480.7	69.2
Diamond	0.2	0.3	0.2	-8.3	--	17.9	13.9	-22.2
Other minerals ¹	1.6	4.7	3.1	--	-32.8	20.5	31.6	53.6
Manufactured Goods	34.7	56.7	112.4	--	98.2	540.3	705.0	30.5
Cotton Yarn	1.4	0.5	0.7	-46.1	36.7	10.6	11.7	9.6
Manufactured Coffee	0.0	0.1	0.0	0.0	0.0	0.3	1.7	466.2
Manufactured Tobacco	0.4	0.9	1.5	314.7	65.7	3.3	8.8	168.1
Sisal Products (Yarn & Twine)	1.0	0.9	0.7	0.0	-30.9	6.8	7.8	14.5
Other manufactured Goods ²	32.0	54.2	109.4	--	101.7	519.3	675.0	30.0
Fish and Fish Products	10.9	8.7	10.0	-8.5	14.5	132.6	207.9	56.9
Horticultural products	2.7	1.9	2.0	-23.4	8.0	36.3	31.8	-12.5
Re-exports	9.5	20.5	9.3	--	-54.7	113.2	144.1	27.3
Others Exports³	33.5	30.3	34.3	2.6	13.2	313.9	307.5	-2.1
Sub Total	205.9	242.2	285.8	17.6	18.0	2,049.7	2,922.4	42.6
GRAND TOTAL	233.2	266.5	320.3	14.3	20.2	2,536.5	3,396.3	33.9

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 ^P	2010		% Change		Year Ending August ^P		% Change
	Aug	Jul	Aug	Aug 09 - Aug 10	Jul 10 - Aug 10	2009	2010	
Capital Goods	206.5	253.2	240.7	16.6	-4.9	2,501.2	2,584.4	3.3
Transport Equipments	58.1	89.2	94.1	61.9	5.5	732.5	806.3	10.1
Building and Constructions	35.8	59.0	59.7	66.8	1.2	552.5	624.0	12.9
Machinery	112.6	105.1	87.0	-22.8	-17.2	1,216.2	1,154.1	-5.1
Intermediate Goods	144.6	185.8	224.0	54.9	20.5	1,952.0	2,597.6	33.1
Oil imports	95.0	128.4	137.0	44.2	6.7	1,380.2	1,913.6	38.6
Fertilizers	11.6	10.5	38.0	228.2	261.7	109.2	122.0	11.7
Industrial raw materials	38.1	46.9	49.0	28.7	4.4	462.5	562.1	21.5
Consumer Goods	142.6	172.9	142.8	0.2	-17.4	1,391.7	1,560.0	12.1
Food and food stuffs	17.4	43.3	33.2	91.2	-23.4	353.9	430.1	21.5
All other consumer goods ¹	125.2	129.6	109.6	-12.5	-15.4	1,037.8	1,129.8	8.9
Grand Total (f.o.b)	493.9	612.1	607.5	23.0	-0.8	5,844.9	6,741.9	15.3
Grand Total (c.i.f)	542.7	672.6	667.6	23.0	-0.8	6,423.0	7,408.7	15.3

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

^P = Provisional data

Totals may not add up due to rounding of numbers

Source: Bank of Tanzania, TRA.



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

Item	Millions of USD				
	2005	2006	2007	2008 ^r	2009 ^p
A. Current Account	-862.8	-1,143.2	-1,578.6	-2,535.8	-1,745.8
Balance on Goods	-1,318.5	-1,946.5	-2,634.1	-3,447.4	-2,679.4
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
Balance on Services	61.8	278.7	462.1	392.9	321.4
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
Balance on Goods and Services	-1,256.6	-1,667.8	-2,172.0	-3,054.4	-2,358.0
Balance on income	-102.0	-64.1	-58.1	-90.8	-74.0
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
Balance on Goods, Services and Income	-1,358.6	-1,731.8	-2,230.1	-3,145.2	-2,432.0
Balance on Current transfers	495.7	588.7	651.5	609.4	686.2
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. Capital Account	393.2	5,183.5	911.7	537.0	466.5
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
C. Financial Account, excl. reserves and related items	555.6	-3,954.6	946.0	1,745.7	1,553.2
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
Total, Groups A through C	85.9	85.7	279.1	-253.1	274.0
D. Net Errors and Omissions	-314.5	374.9	125.5	401.1	91.0
Overall balance	-228.7	460.7	404.6	148.0	365.0
E. Reserves and Related Items	228.7	-460.7	-404.6	-148.0	-365.0
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
Memorandum items					
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 border trade

r = Revised

p = Provisional

O/W = Of Which

Source: Bank of Tanzania





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

Period	Headline (General Index)		Non-Food										Miscel. goods & services	
	Weight (%)	Index	Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household Equip.	Household operations	Personal care & Health	Recreation & Entertainment	Transportation	Education	Miscel. goods & services
2005	4.4	100.0	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5
2006	7.3	7.0	7.6	7.7	7.0	5.5	8.5	7.8	8.0	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

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)	Non-Food										Miscel. goods & services			
		Food	Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household	Household operations	Personal care & Health	Recreation & Entertainment		Transportation	Education	
Weight (%)	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	2.1	0.8	9.7	2.6	1.5
2007 - 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	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	0.2	-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	-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	0.5	-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	0.4	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	0.0	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	0.9	-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	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	0.0	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	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	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	1.5	0.6	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	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	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	-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	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	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	-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	-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	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	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	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	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	-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	-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	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	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	-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	-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	-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	-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	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	-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	-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	-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	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	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	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	-1.5

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							
	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10
1. Overall Total Debt Committed²	8,730.9	8,781.3	8,877.7	8,889.0	9,192.4	8,982.4	8,982.2	9,090.2	8,948.0	9,020.9	9,095.0	9,379.4
Disbursed outstanding debt	5,954.9	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
Undisbursed debt	2,776.0	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. Disbursed Debt by Creditor Category²	5,954.9	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
Bilateral debt	944.3	941.5	949.7	938.6	940.0	939.4	931.3	913.1	911.2	932.8	938.6	954.7
Multilateral debt	3,837.3	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
Commercial debt	709.2	713.5	640.8	638.1	639.4	634.2	595.2	592.8	598.8	603.2	614.3	745.3
Export credits	464.1	485.5	538.2	537.5	539.5	538.9	538.5	543.5	543.0	558.2	558.9	554.9
3. Disbursed Debt by Borrower Category²	5,916.4	5,939.9	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
Central Government	4,510.7	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
Parastatal Companies	396.7	398.9	442.7	506.6	503.9	488.3	486.1	484.1	475.6	475.4	518.1	544.1
Private Sector	1,009.0	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
4. Disbursed Debt by Use of Funds²	5,932.8	5,980.7	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
BOP & Budget Support	1,851.8	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
Transport & Telecommunication	705.5	707.1	723.1	723.1	721.8	719.9	661.0	658.3	659.6	679.5	689.9	719.4
Agriculture	614.3	654.4	653.0	658.2	677.7	687.7	676.2	670.3	664.5	671.9	690.4	687.4
Energy & Mining	820.4	823.3	810.2	801.1	800.3	756.4	726.8	723.6	716.0	756.8	720.7	717.4
Industries	152.9	154.0	153.1	183.4	184.6	184.1	179.7	179.3	178.3	178.5	178.8	207.1
Social Welfare & Education	829.9	832.9	847.9	849.2	848.7	833.2	848.6	846.1	821.7	825.3	849.8	886.0
Finance and Insurance	80.2	80.6	80.8	79.0	80.7	80.0	78.6	78.2	84.2	84.1	85.5	148.5
Tourism	90.7	91.0	96.6	87.0	86.6	86.5	87.0	92.0	95.6	96.0	96.5	96.0
Others	787.1	780.1	823.9	810.8	919.4	877.3	944.0	915.6	914.3	904.3	1,008.1	1,037.5
5. Total Amount of Loan Contracted¹	15.3	4.2	1.0	101.8	250.1	60.0	102.3	4.0	15.0	0.6	3.9	0.8
Government	0.0	0.0	0.0	101.8	243.6	0.0	30.9	0.0	0.0	0.0	0.0	0.0
Parastatal Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private	15.3	4.2	1.0	0.0	6.5	60.0	71.4	4.0	15.0	0.6	3.9	0.8
6. Disbursements¹	50.0	20.3	6.8	115.0	37.9	147.1	71.7	175.4	45.4	164.5	8.9	0.2
Government	19.9	20.3	6.8	49.0	32.4	147.1	71.7	173.8	30.7	45.9	4.9	0.2
Parastatal Companies	0.0	0.0	0.0	63.4	0.0	0.0	0.0	0.0	0.0	0.0	29.2	0.0
Private	30.1	0.0	0.0	2.5	5.5	0.0	0.0	1.6	14.6	89.4	3.9	0.0
7. Scheduled Debt Service¹	13.5	22.3	12.2	38.5	37.8	7.8	13.7	21.5	15.0	30.0	26.8	
8. Actual Debt Service¹	5.3	3.4	4.9	5.7	6.8	0.9	5.4	7.4	4.5	5.4	2.6	5.1
Principal	4.5	2.5	1.8	3.3	4.0	0.2	2.8	2.9	3.4	4.1	1.3	3.6
Interest	0.7	0.9	3.1	2.4	2.9	0.7	2.6	4.4	1.0	1.4	1.4	1.5
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
9. Net Transfers¹	44.7	16.9	1.9	108.9	31.0	146.2	66.2	168.1	40.9	159.1	6.2	-5.0
10. Total Arrears by Creditors Category²	2,807.9	2,869.2	2,885.3	2,789.0	2,771.9	2,759.6	2,703.4	2,704.7	2,705.8	2,760.8	2,823.3	2,791.6
Principal	1,266.0	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
Bilateral	468.3	468.9	468.9	472.4	476.8	479.7	472.7	456.1	457.6	464.5	470.3	467.9
Multilateral	20.0	23.6	20.1	22.8	15.9	15.9	15.9	16.3	16.2	16.2	19.2	18.3
Commercial	456.4	461.5	470.0	380.2	405.6	402.2	369.4	372.6	373.7	384.7	398.2	374.7
Export Credits	321.3	347.2	347.4	308.7	253.1	253.8	253.6	255.9	254.7	255.8	261.4	257.9
Interest	1,541.9	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
Bilateral	689.0	689.4	703.9	715.8	724.5	722.0	716.4	710.3	713.8	721.4	735.3	739.2
Multilateral*	16.0	16.0	16.1	16.9	17.1	17.2	17.4	17.4	17.4	18.7	18.4	19.0
Commercial	562.2	580.1	573.5	584.2	588.2	579.4	572.6	585.9	575.8	599.5	616.2	610.3
Export Credits	274.8	282.5	285.4	288.0	290.7	289.4	285.4	290.3	296.6	300.0	304.3	304.2
11. External Debt Stock	7,458.4	7,508.0	7,652.5	7,768.1	7,849.0	7,735.8	7,669.7	7,784.6	7,718.9	7,846.7	8,049.9	8,198.7
12. Domestic Debt Stock	1,856.2	1,885.3	1,907.3	1,962.7	1,903.5	1,905.7	1,938.1	1,921.4	1,919.1	2,009.5	2,064.4	2,071.2
13. Total Debt Stock	9,314.5	9,393.3	9,559.8	9,730.8	9,752.5	9,641.5	9,607.8	9,706.0	9,638.0	9,856.2	10,114.2	10,269.9
End Period Exchange Rate	1,302.7	1,307.6	1,314.7	1,313.3	1,323.6	1,326.0	1,330.2	1,343.5	1,376.0	1,379.4	1,382.3	1,382.3

*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

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