



BANK OF TANZANIA

Monthly Economic Review

July 2010

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1.0 Inflation Developments

Having declined from 9.4 percent in April 2010 to 7.9 percent in May, **annual headline inflation** declined further reaching 7.2 percent in June 2010. The decline was explained by both food and non-food CPI groups. On **month-to-month** basis, headline inflation was -1.1 percent in June 2010—a large decrease compared to similar month in the preceding year—indicating a decreasing inflationary pressure that had lasted for about two years (**Table 1.1 and Chart 1.1**).

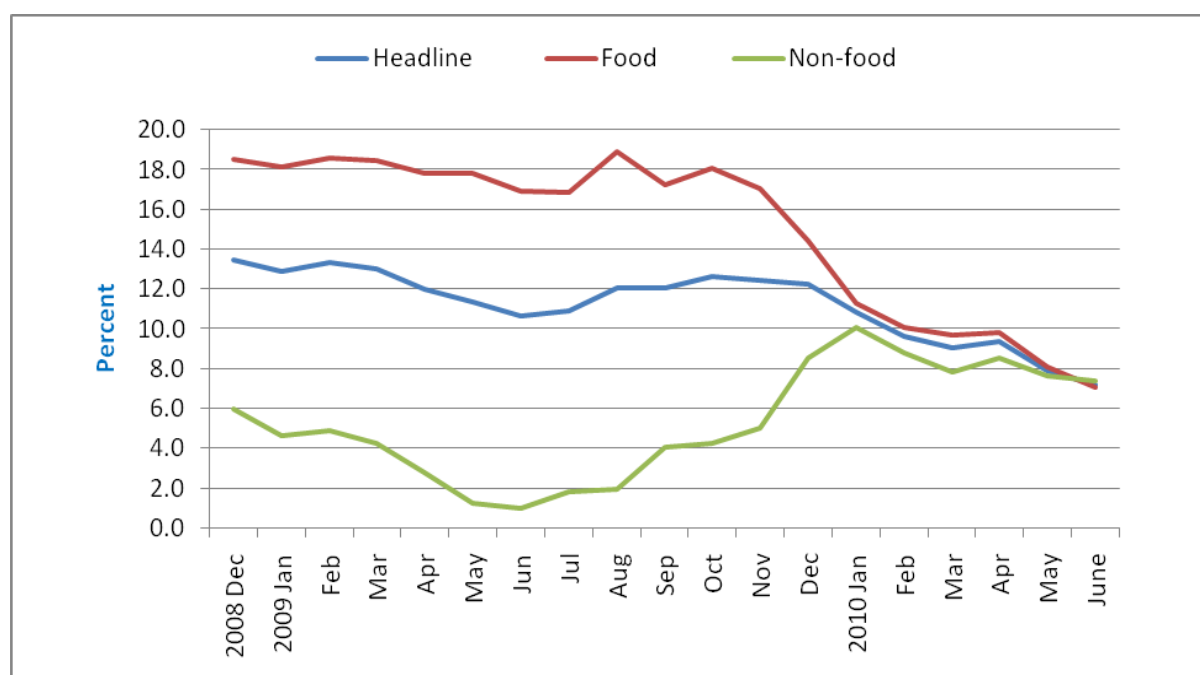
Table 1.1: Annual Percentage Change in Consumer Price Index (All-Urban)

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2008			2009			2010		
		Apr	May	Jun	Apr	May	Jun	Apr	May	Jun
Headline/Overall	100	9.7	9.1	9.3	12.0	11.3	10.7	9.4	7.9	7.2
Food	55.9	11.6	11	11.4	17.8	17.8	17.0	9.8	8.1	7.1
Non-food	44.1	6.9	6.5	6.3	2.9	1.2	1.0	8.5	7.7	7.4
Transportation	9.7	7.6	6	6.7	0.4	-1	-2.0	5.4	7.6	8.0
Fuel, Power and Water	8.5	11.3	11.7	10.6	-4.1	-9	10.1	19.9	14.5	15.4
Drinks and Tobacco	6.9	8.6	7.5	7.7	6.1	6.6	6.8	10.1	10.1	9.6
Clothing & Footwear	6.4	1.1	1.1	0.9	4.9	5.0	7.2	3.6	3.0	0.8
Education	2.6	6.1	6.4	6.3	10.8	10.3	11.4	2.9	2.5	0.9
Furniture & Household Equip.	2.1	4.9	5.1	5.5	7.3	6.9	6.0	1.7	2.3	2.9
H/h Operations Maintenance	2.1	2.8	2.5	2.8	4.6	5.2	4.5	4.7	2.8	3.1
Personal Care & Health	2.1	3.3	3.9	4.0	7.5	7.1	7.7	5.8	5.6	5.0
Rents	1.4	2.1	2.1	2.1	12.2	12.2	12.2	2.8	2.8	2.7
Recreation & Entertainment	0.8	4.2	4.2	4.0	9.2	8.8	9.1	4.4	2.1	1.6
Misc. Goods & Services	1.5	1.5	0.4	0.4	5.6	4.1	3.8	-5.2	-5.0	-4.5

Source: National Bureau of Statistics

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



Source: National Bureau of Statistics

Similarly, the 12-month average annual headline inflation declined to 10.5 percent in June 2010 from 11.8 recorded in the year ending June 2009.

Annual non-food inflation rate also maintained a declining trend from 8.6 percent in April 2010 to 7.6 percent in May and 7.4 percent in June 2010. The **month-to-month non-food inflation**, though, rose to 0.5 percent in June 2010 from -1.3 percent in May 2010. Increases were registered in Fuel Power and Water, Household Operations, and Recreation and Entertainment CPI sub-groups. The 12-month average annual non-food inflation rate was 6.3 percent in June 2010, higher than the average rate of 5.2 percent recorded in the corresponding period of 2009.

Annual food inflation rate experienced similar trend, declining from 9.8 percent in April 2010 to 8.1 percent in May and 7.1 percent in June 2010. On month-to-month basis the food inflation in June 2010 was -2.0 percent, the lowest rate recorded in June for the past four years. This is an indication of improvement in food supply in the country and the neighbouring countries following good harvest. The 12-month average food inflation rate eased to 13.2 percent in June 2010, from 16.1 percent registered in the corresponding period of 2009.

Food Supply Situation

In June 2010, food situation in the country was satisfactory despite the incidences of food shortage in some districts. Cumulatively, from July 2009 to June 2010, government distributed 164,434 tons of grain at subsidized prices or freely to districts facing food shortages.

On annual basis, wholesale prices for major food crops decreased in June 2010 with exception of beans and potatoes (**Table 1.2**). Nonetheless, on month-to-month basis wholesale prices for selected food items decreased, except for potatoes and beans which remained unchanged, following improved domestic supply from the ongoing crop harvesting.

Table 1.2: National Average Wholesale Prices for Selected Food Items

TZS per 100 kg

Item	2009		2010		Percentage change		
	May	Jun	May	Jun	May to Jun 2009	Jun 09 to Jun 10	May to Jun 2010
Maize	34,568	34,324	29,774	29,381	-0.7	-14.4	-1.3
Rice	108,442	98,074	95,416	94,185	-9.6	-4.0	-1.3
Beans	88,374	87,710	95,495	95,495	-0.8	8.9	0.0
Sorghum	46,875	46,537	48,759	42,605	-0.7	-8.4	-12.6
Potatoes	43,584	46,511	49,321	49,669	6.7	6.8	0.7

Source: Ministry of Industry, Trade and Marketing

National Food Reserves

Stocks of maize and sorghum held by the National Food Reserve Agency (NFRA) declined to 48,248 tons at the end of June 2010, from 50,312 tons recorded in the preceding month (**Table 1.3**). The decline in the stocks was on account of sale of grains to the Government for distribution to the districts facing food shortages. Meanwhile, NFRA purchased 75,936 tons of maize from the domestic markets for the period July 2009 to June 2010, which is 47.5 percent of the 2009/10 target of 160,000 tons.

Table 1.3: National Food Reserve Agency (NFRA) Stock

Period	2006	2007	2008	2009	2010	Tons
						% 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		
August	28,440	125,653	83,131	93,231		
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		

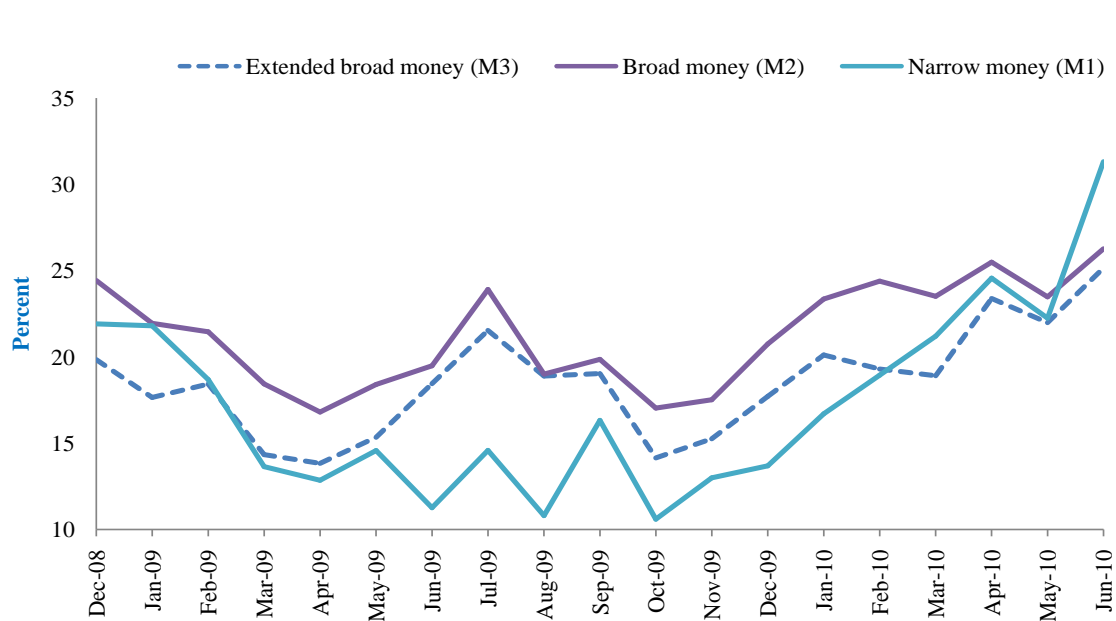
Source: National Food Reserve Agency

2.0 Monetary and Financial Developments

Money Supply and Credit Developments

The annual growth of money supply picked up in June 2010, following increase in transferable deposits, which was associated with Government payments towards the end of June 2010. The annual growth of extended broad money supply (M3) picked up to 27.5 percent in June 2010 from 22.1 in May 2010, while that of broad money supply (M2) accelerated to 28.0 percent from 23.5 percent in the same period. Transferable deposits which constituted most of the increase, registered an annual growth of 42.3 percent in June 2010, up from 26.7 percent in the preceding month. The annual growth rates of all monetary aggregates in June 2010 were much higher than the rates recorded in June 2009 (**Chart 2.1**).

Chart 2.1: Annual Growth Rates of Monetary Aggregates



Besides government operations, net foreign assets (NFA) of the banks also registered a notable increase in June, thus contributing to the increase in money supply. NFA of the banks registered an annual growth rate of 64.2 percent in June 2010, which was higher compared with the growth rate of 39.3 percent in the year ending May 2010 and 40.8 percent recorded in the year ending June 2009. The increase in the growth of NFA of banks in the year ending June 2010 partly mirrored the slowdown in expansion of credit to the private sector ([Table 2.1](#)). Meanwhile, the increase in net claims on government was mostly explained by borrowing to cater for infrastructure developments in line with the program supported by the IMF Policy Support Instrument (PSI) arrangement.

Table 2.1: Selected Money Supply Components

Item	Billions of TZS							
	Jun-09	May-10	Jun-10	Monthly Change		Annual Growth Rates (%)		
				May-10	Jun-10	Jun-09	May-10	Jun-10
Net Foreign Assets of the Banking System	4,202.9	4,937.4	5,265.5	-218.1	328.1	15.8	19.2	25.3
Bank of Tanzania	3,401.2	3,947.5	3,949.3	-52.1	1.8	11.2	15.1	16.1
Net International Reserves (Millions of USD)	2,665.7	3,148.5	3,143.3	-115.3	-5.2	0.9	18.1	17.9
Other Depository Corporations	801.7	989.9	1,316.2	-166.0	326.3	40.8	39.3	64.2
Net Domestic Assets of the Banking System	3,629.2	4,347.0	4,536.4	142.6	189.4	21.7	25.3	25.0
Domestic Claims	4,823.3	5,707.5	6,124.1	34.8	416.7	42.5	29.2	27.0
Claims on central government (net)	128.3	381.5	721.3	42.7	339.8	---	---	---
Claims on Central Government	2,530.8	3,217.3	3,600.3	135.8	383.1	18.3	41.1	42.3
o/w Securities held by ODCs	1,392.3	2,094.9	2,063.4	162.5	-31.5	-8.4	47.3	48.2
Liabilities to Central Government	2,402.5	2,835.7	2,879.0	93.1	43.3	4.9	11.4	19.8
Claims on Other Sectors	4,695.0	5,326.0	5,402.8	-7.9	76.9	32.8	13.7	15.1
Extended Broad Money Supply (M3)	7,832.1	9,284.5	9,801.9	-75.4	517.4	18.5	22.0	25.2
Foreign Currency Deposits (FCD) in National Currency	2,060.1	2,376.3	2,513.8	-16.2	137.5	15.6	17.9	22.0
<i>FCD in millions of US dollar</i>	1,585.4	1,727.0	1,822.4	-53.8	95.4	5.1	12.2	14.9
Broad Money Supply (M2)	5,772.0	6,908.2	7,288.1	-59.2	380.0	19.5	23.5	26.3
Other Deposits in National Currency	2,623.3	3,143.3	3,153.4	-7.8	10.1	31.1	25.0	20.2
Narrow Money Supply (M1)	3,148.7	3,764.8	4,134.7	-51.4	369.9	11.3	22.2	31.3
Currency in Circulation	1,423.7	1,594.2	1,680.5	50.9	86.3	12.1	16.7	18.0
Transferable Deposits in National Currency	1,725.0	2,170.7	2,454.3	-102.3	283.6	10.5	26.7	42.3

Source: Bank of Tanzania

On the other hand, annual growth of credit to the private sector was 14.1 percent in June 2010, significantly lower than 32.8 percent recorded in June 2009 but slightly higher than the growth of 13.7 percent that was registered in the preceding month. The recent slower growth of credit to the private sector is a manifestation of continued cautious stance taken by banks in extending credit to the private sector, in the wake of the global financial crisis.

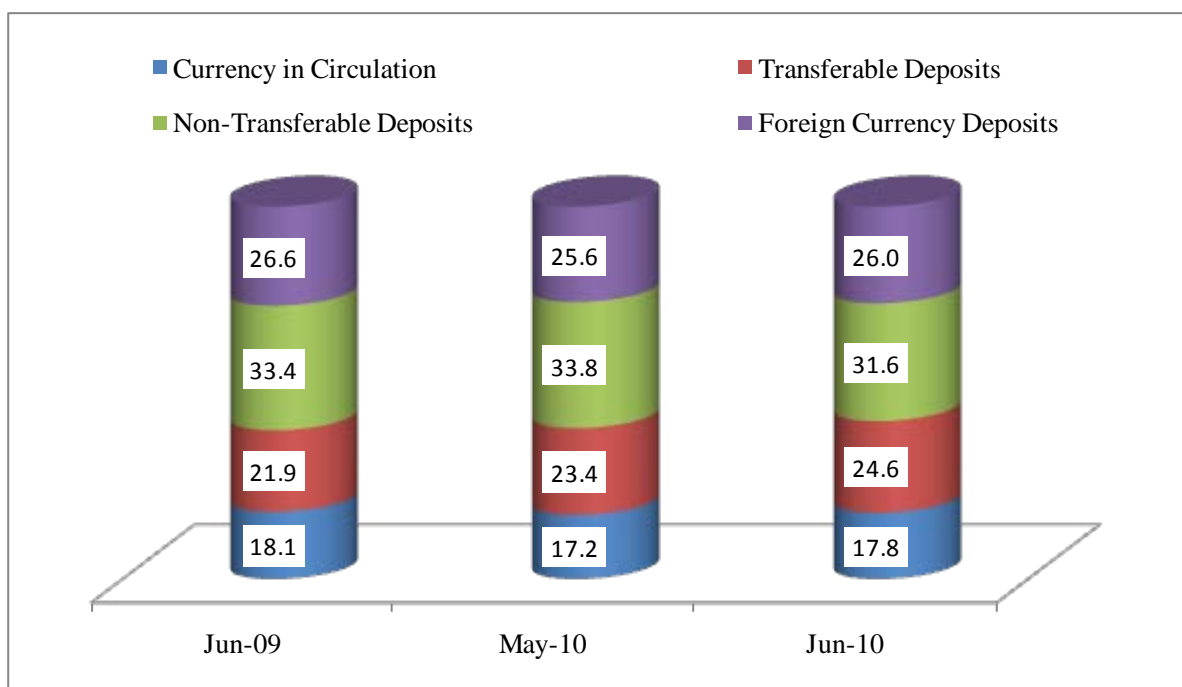
All major economic activities experienced slower annual growth of credit in the year ending June 2010, compared with the preceding year, with exception of building and construction, whose credit growth increased to 33.3 percent in the year ending June 2010, compared with a growth rate 1.2 percent recorded in the year ending June 2009. Three month average growth rates show that credit growth has begun to pick up in Agriculture, Manufacturing, Transport and communication and Hotels and restaurants.

Nevertheless, personal loans continued to hold the largest share, accounting for 20.8 percent of the total stock of outstanding credit in June 2010. Out of the total personal loans, foreign currency component was 4.1 percent. The second largest share of credit was held in trade activities that accounted for 18.0 percent, followed by manufacturing which accounted for 14.9 percent.

In terms of composition of money supply, non transferable deposits (savings and time deposits) remained the dominant component of money supply accounting for more than 30 percent (**Chart**

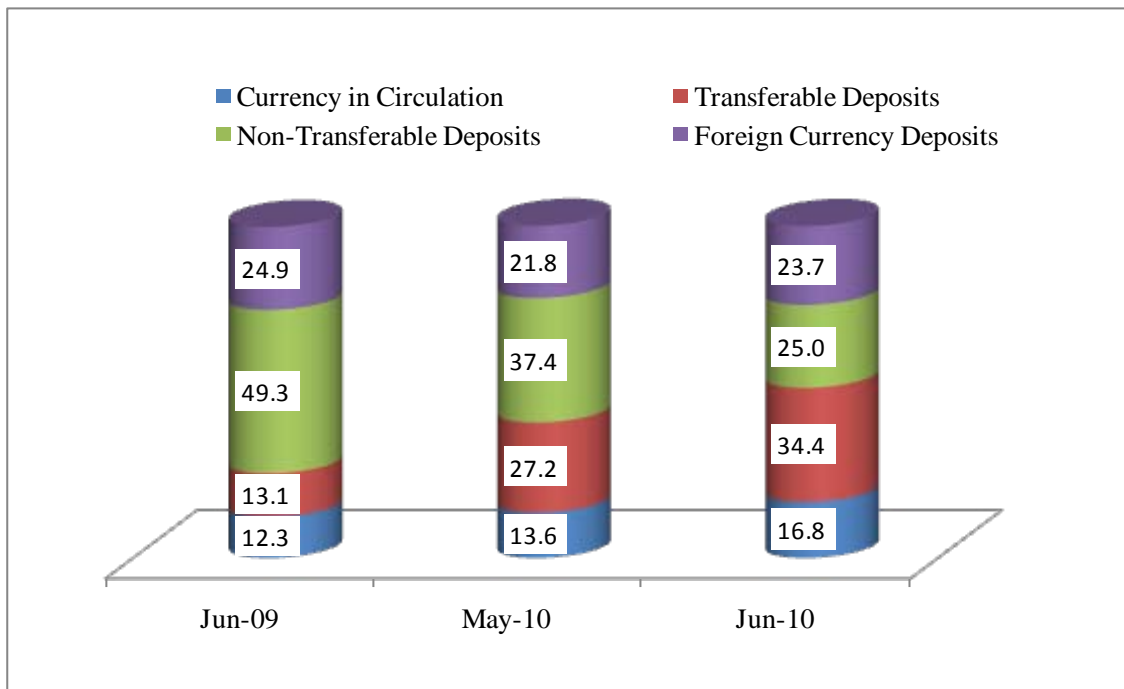
2.2). However, in terms of annual change in total money supply, transferable deposits (demand deposits) accounted for 34.4 percent of the changes in money supply in the year ending June 2010 (Chart 2.3), whereas for the year ending June 2009, non-transferable deposits was the dominant factor in the change in money supply. The recent shift in the contribution of the changes in components of money was mainly associated with government large payments for various infrastructure projects by the government.

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



Source: Bank of Tanzania

Chart 2.3: Percentage Contribution of Changes in the Components of Money Supply to 12-Month Percentage Change in M3



Source: Bank of Tanzania

Interest Rate Developments

Interest rates on domestic currency denominated financial products which had exhibited a declining trend for the most part of 2009/10, showed mixed developments in June 2010. The weighted average Treasury bill yield rose to 3.33 percent in June 2010 from 2.68 percent in May 2010. Likewise the overall inter-bank cash market rate rose to 0.97 percent from 0.87 percent in the preceding month. Repo rate on the other hand declined to 0.51 percent from 0.65 percent in the same period. The rates recorded in the money market were however much lower than the rates recorded in June 2009.

The overall Treasury bills rate was 6.97 percent in June 2009, while overall inter-bank cash market and repo rates were 5.03 percent and 4.90 percent, respectively. In terms of annual averages the weighted average Treasury bill yield decreased to 5.17 percent in the year ending June 2010 from an average of 10.35 percent recorded in the year ending June 2009. Developments in money market interest rates reflected the high liquidity that exists among banks. Similar pattern was also observed in the Treasury bond market, where average yields

declined across all maturities. The trend in interest rates indicates higher liquidity among banks during 2009/10 (**Table 2.2**).

Table 2.2: Weighted Average Interest Rates Structure

Item	In Percent							
	2009		2010					
	May	Jun	Jan	Feb	Mar	Apr	May	Jun
Overall Interbank cash market rate	6.80	5.03	1.80	1.89	1.29	0.92	0.87	0.97
<i>Overnight interbank cash market</i>	6.49	4.46	1.67	1.66	0.98	0.86	0.67	0.86
REPO Rate	6.10	4.90	1.22	1.22	1.06	0.79	0.65	0.51
Discount Rate	13.00	10.31	7.58	7.58	7.58	7.58	7.58	7.58
Overall Treasury bills rate	9.27	6.97	7.20	6.32	4.15	2.70	2.68	3.33
<i>35 days</i>	6.40	4.81	4.57	4.09	1.99	1.26	0.89	0.65
<i>91 days</i>	8.25	5.56	6.35	5.57	3.25	1.77	2.16	2.89
<i>182 days</i>	10.20	7.86	7.20	6.33	4.45	2.58	2.26	2.59
<i>364 days</i>	10.69	9.11	9.06	8.24	6.32	4.86	4.96	6.08
Savings Deposit Rate	2.72	2.69	2.84	2.89	2.88	2.83	2.82	2.82
Treasury Bonds Rates								
<i>2-years</i>	15.28	11.51	10.89	9.40	9.40	9.40	9.40	8.79
<i>5-years</i>	16.58	16.58	13.77	13.77	13.77	13.77	9.52	9.52
<i>7-years</i>	17.06	17.06	14.15	14.15	12.11	12.11	10.38	10.38
<i>10-years</i>	19.92	19.92	16.73	16.73	16.73	11.99	11.99	11.68
Overall Time Deposits Rate	7.08	6.79	6.12	5.82	6.11	5.96	5.65	5.73
<i>12 month time deposit rate</i>	9.41	9.07	9.06	8.84	8.78	8.67	7.53	7.30
Negotiated Deposit Rate	11.03	10.13	7.44	7.16	9.41	9.63	9.47	9.57
Overall Lending rate	15.39	15.48	14.39	14.86	14.83	14.59	14.53	14.72
<i>Short-term lending rate (up to 1year)</i>	13.68	14.57	13.76	14.73	14.62	13.88	14.03	13.95
Negotiated Lending Rate	14.17	14.28	13.68	13.79	13.71	13.97	13.80	14.13
Margin between short-term lending and one-year time deposit rates	4.27	5.50	4.71	5.89	5.84	5.21	6.50	6.65

Source: Bank of Tanzania

Interest rates offered and charged by banks exhibited similar trends as those in the money market though in a subdued manner. Overall time deposit rate rose to 5.73 percent in June 2010 from 5.65 percent in the preceding month, but was lower than 6.77 percent in June 2009. Likewise the negotiated deposit rate rose to 9.57 percent from 7.47 percent in the same period but was again lower compared to 10.13 percent recorded in June 2009. Savings deposit rate remained unchanged at 2.82 percent but was higher than 2.69 registered in June 2009.

Overall lending rate increased to 14.72 percent in June 2010 from 14.53 percent in May 2010 but was lower when compared to 15.48 percent recorded in June 2009. In addition, negotiated lending rate increased to 14.13 percent in June 2010 from 13.80 percent recorded in May 2010 but was lower than 14.28 percent recorded in June 2009. The spread between one year lending and deposit rates widened to 6.65 percentage points in June 2010 from 5.51 percentage points

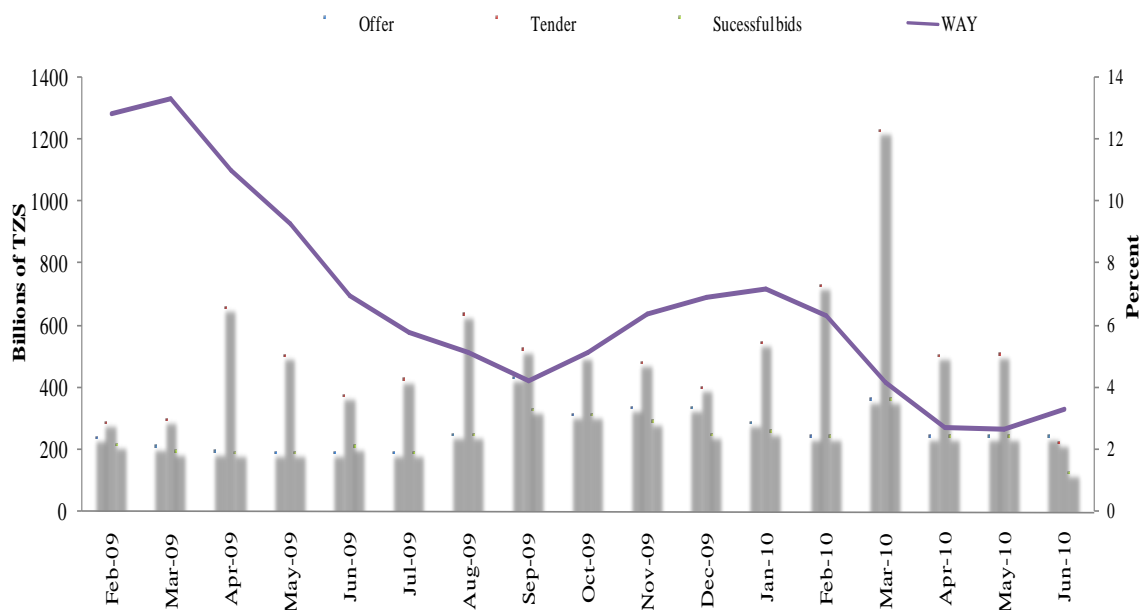
recorded in June 2009 and 6.50 percentage point in May 2010. This development is consistent with increased cautiousness of banks to lending to the private sector.

Financial Markets Developments

Treasury Bills and Bonds Market

During the month ending June 2010, the Bank offered **Treasury bills** worth TZS 240 billion as it has been for the past two months. For the first time in 18 months demand fell short of supply in June 2010, after having exceeded supply by historical margins since February 2010. Demand during the month was TZS 221.3 billion, being about half the demand registered in the preceding month. The decline in demand might be associated with the end of year commitments of banks to settle tax obligations of their customers—which peak at quarter ends—and increase in preference for Treasury bonds in the face of low Treasury bills rates (**Chart 2.4**).

Chart 2.4: Treasury bills Market Developments



Source: Bank of Tanzania

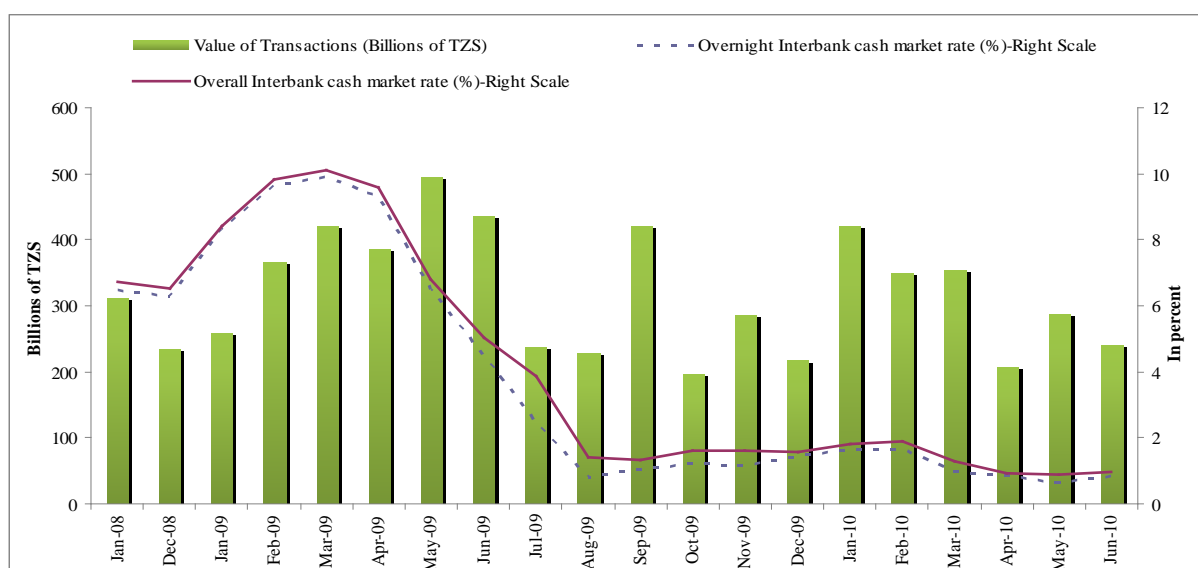
Repurchase Agreements and Inter-Bank Cash Market Developments

The Bank continued to conduct **repurchase agreements** with banks to manage liquidity in the economy. In June 2010, Repos worth TZS 388.0 billion were conducted, being lower than TZS

429.3 billion conducted in May 2010, but higher than 254.0 billion conducted in the corresponding month last year.

In the **inter-bank cash market**, the volume of transactions amounted to TZS 242.4 billion in June 2010, which was low compared to the volume of TZS 288.3 billion transacted in May 2010, and significantly lower than TZS 437.0 billion transacted in the corresponding month in 2009 (**Chart 2.5**).

Chart 2.5: Inter-bank Cash Market Developments

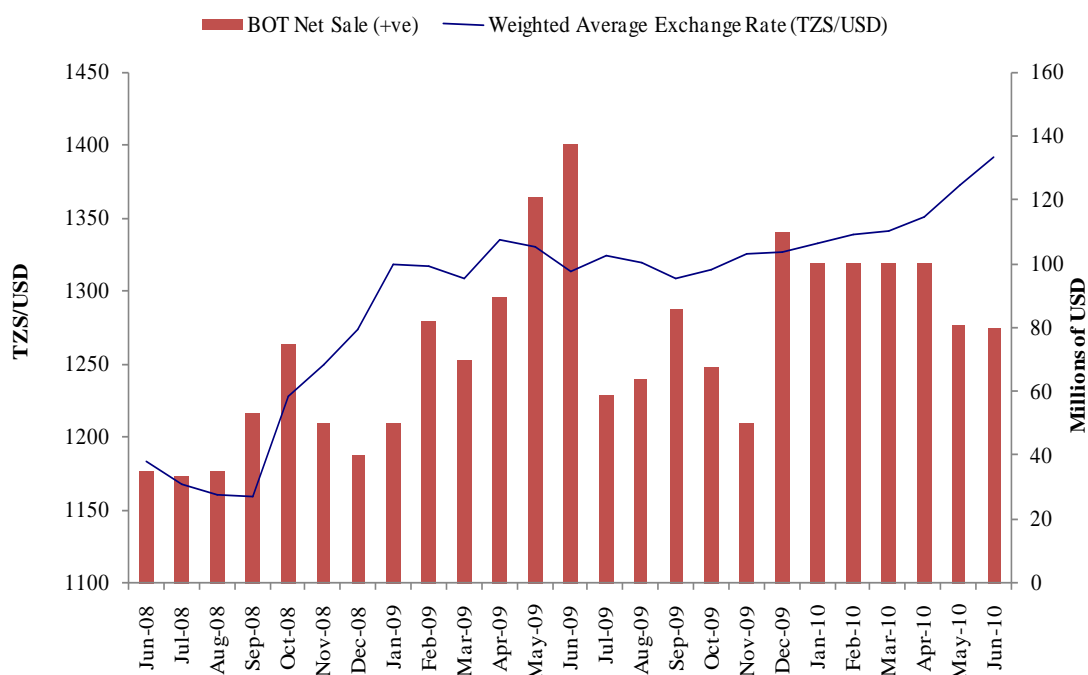


Source: Bank of Tanzania

Inter-Bank Foreign Exchange Market

During the month under review, the Bank participated in the Inter-bank Foreign Exchange Market (IFEM) to supplement other monetary policy instruments in managing liquidity in the economy. The Bank remained the dominant participant, accounting for 98.7 percent of the total volume traded in the market. The total volume traded in the market amounted to TZS 60.8 billion, out of which the Bank sold foreign exchange amounting to USD 60.0 million in the market. During the month, exchange rate against the US dollar depreciated by 1.4 percent from an average of TZS 1,373.0 per USD in May 2010 to an average of TZS 1,391.64 per USD. The depreciation was largely due to higher demand for foreign currency coupled with the general strengthening of the US dollar in the international markets.

Chart 2.6: Inter-bank Foreign Exchange Market Operations



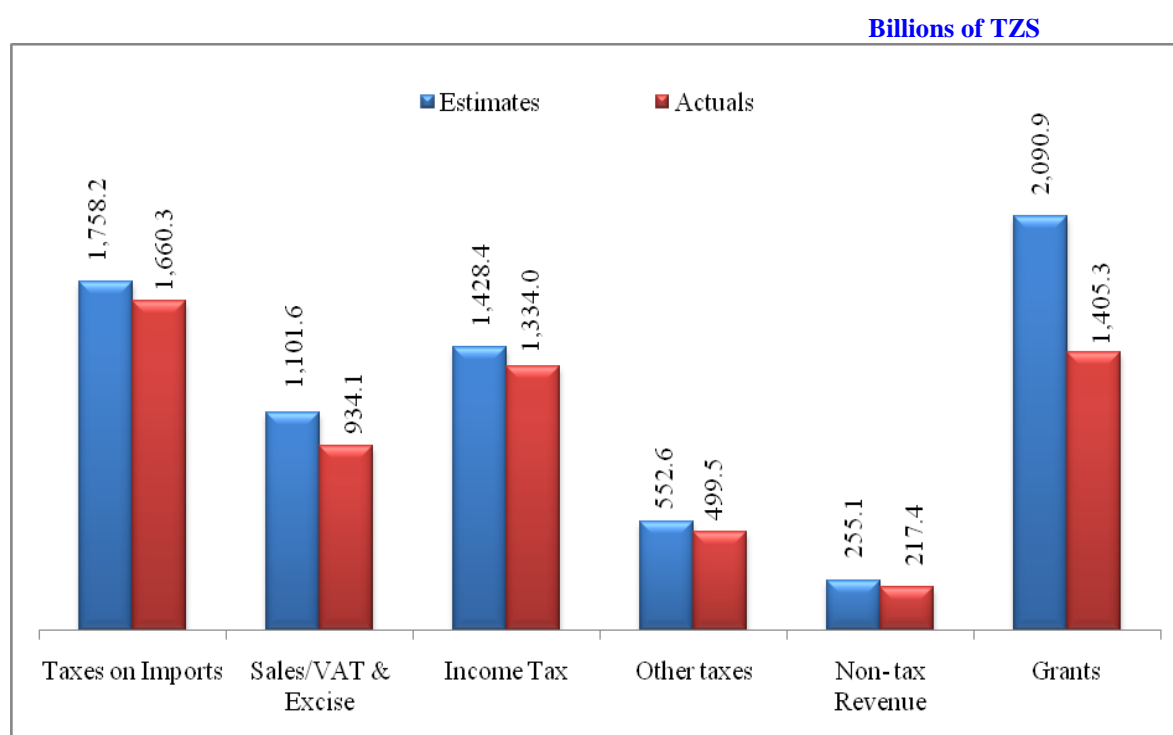
Source: Bank of Tanzania

3.0 Government Budgetary Operations

Revenue collections in June 2010 amounted to TZS 438.0 billion, equivalent to 90.8 percent of the target. Tax revenue collections amounted to TZS 412.7 billion equivalent to 89.7 percent of the target, while non-tax revenue collection was TZS 25.3 billion being 13.4 percent above the target. The shortfall in tax revenue was mainly recorded in taxes on local goods.

On cumulative basis, revenue collections in the financial year 2009/10 (excluding Local Government Authority own sources) reached TZS 4,645.2 billion, which was 91.5 percent of the target (**Chart 3.1**). Domestic revenue collections as a percent of GDP during the period reached 14.9 percent.

Chart 3.1: Government Resources, July 2009 - June 2010

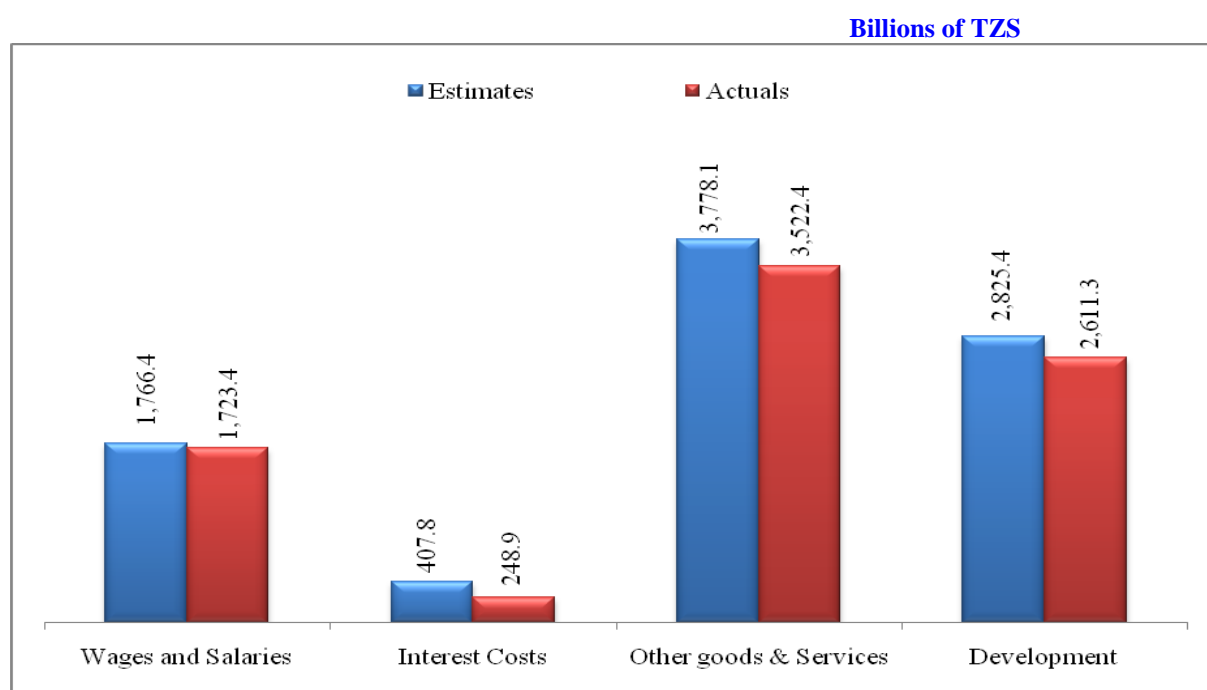


Source: Bank of Tanzania

During the month of June 2010, **total expenditure** amounted to TZS 1,207.5 billion out of which recurrent expenditure amounted to TZS 981.1 billion and development expenditure amounted to TZS 226.4 billion.

On cumulative basis, government expenditure for financial year 2009/10 reached TZS 8,173.7 billion or 92.0 percent of the estimate. Recurrent expenditure was TZS 5,562.4 billion, below the estimate by 8.1 percent, (**Chart 3.2**). On the other hand, development expenditure for the year 2009/10 was TZS 2,611.3 billion or 92.0 percent of the target. As percent of GDP, government expenditure reached 25.4.

Chart 3.2: Government Expenditure, July 2009 - June 2010



Source: Bank of Tanzania

Financing

During the month of June 2010, fiscal operations registered an overall deficit (adjusted to cash) amounting to TZS 494.6 billion, which was financed by foreign and domestic sources amounting to TZS 54.1 billion and TZS 440.5 billion, respectively. On cumulative basis net domestic financing for the financial year 2009/10 amounted to TZS 568.3 billion against a revised target of TZS 756 billion, with 70 percent of the financing coming from foreign sources.

4.0 External Sector Performance

Current Account Balance

During the year ending June 2010, **overall balance of payments** recorded a surplus of USD 482.6 million, compared with a surplus of USD 19.2 million recorded in a similar period a year earlier, partly explained by the allocation of Special Drawing Rights (SDR). In addition to this development, the disbursement of funds for balance of payments support from the IMF under the Exogenous Shock Facility boosted the official gross reserves to USD 3,482.9 million by end June 2010 from USD 2,929.8 million recorded at end June 2009. Meanwhile gross foreign assets

of banks increased from USD 796.4 million in June 2009 to USD 1,096.9 million in June 2010. In total, gross foreign assets of the banking system increased from USD 3,726.2 million to USD 4,579.8 million in the same period. The official reserves at the Bank of Tanzania were sufficient to cover about 5.5 months of imports, while those of the banking system as a whole were equivalent to 7.2 months of imports at the end of June 2010. On the other hand, the current account deficit widened slightly to USD 2,628.3 million from USD 2,530.8 million recorded during the year to June 2009, following a decline in official current transfer and an increase in import bill that outweighed the impact of the increase in exports (**Table 4.1**).

Table 4.1: Current Account Balance

Items	Millions of USD						% Change
	June		2010		Year Ending June		
	2008	2009	May	Jun	2009p	2010p	
Goods Account (net)	-362.6	-289.0	-387.0	-315.1	-3,354.7	-3,427.5	2.2
Exports	183.3	181.4	172.5	290.2	2,597.4	3,137.7	20.8
Imports	545.8	470.4	559.5	605.3	5,952.1	6,565.2	10.3
Services Account (net)	40.70	-1.20	30.02	28.5	178.2	245.8	38.0
Receipts	155.7	133.8	150.7	159.4	1,818.0	1,947.4	7.1
Payments	115.0	135.0	120.7	130.8	1,639.8	1,701.5	3.8
Goods and services (net)	-321.9	-290.2	-357.0	-286.6	-3,176.5	-3,181.6	0.2
Exports of goods and services	339.0	315.2	323.2	449.6	4,415.4	5,085.1	15.2
Imports of goods and services	660.8	605.4	680.2	736.2	7,591.9	8,266.7	8.9
Income Account (net)	-11.7	7.4	-15.7	-21.2	-87.3	-77.4	-11.3
Receipts	6.4	21.2	7.4	9.2	124.6	160.3	28.7
Payments	18.1	13.8	23.2	30.4	211.9	237.7	12.2
Current Transfers (net)	26.0	9.0	12.3	1.0	733.0	630.7	-13.9
Inflows	32.2	15.0	20.1	8.2	800.7	720.3	-10.0
o/w General Government	24.4	6.6	11.7	0.0	702.5	611.2	-13.0
Outflows	6.3	6.0	7.8	7.2	67.7	89.5	32.3
Current Account Balance	-307.6	-273.9	-360.4	-306.8	-2,530.8	-2,628.3	3.9

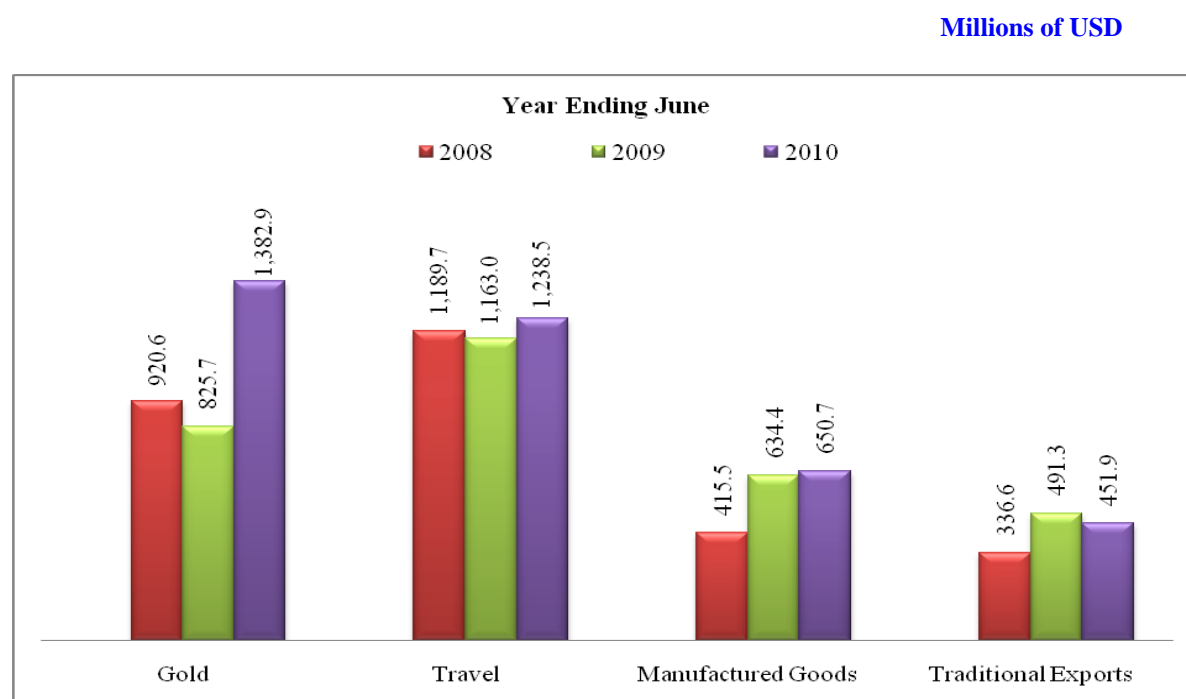
Note: P = Provisional

Source: Bank of Tanzania

Exports Performance

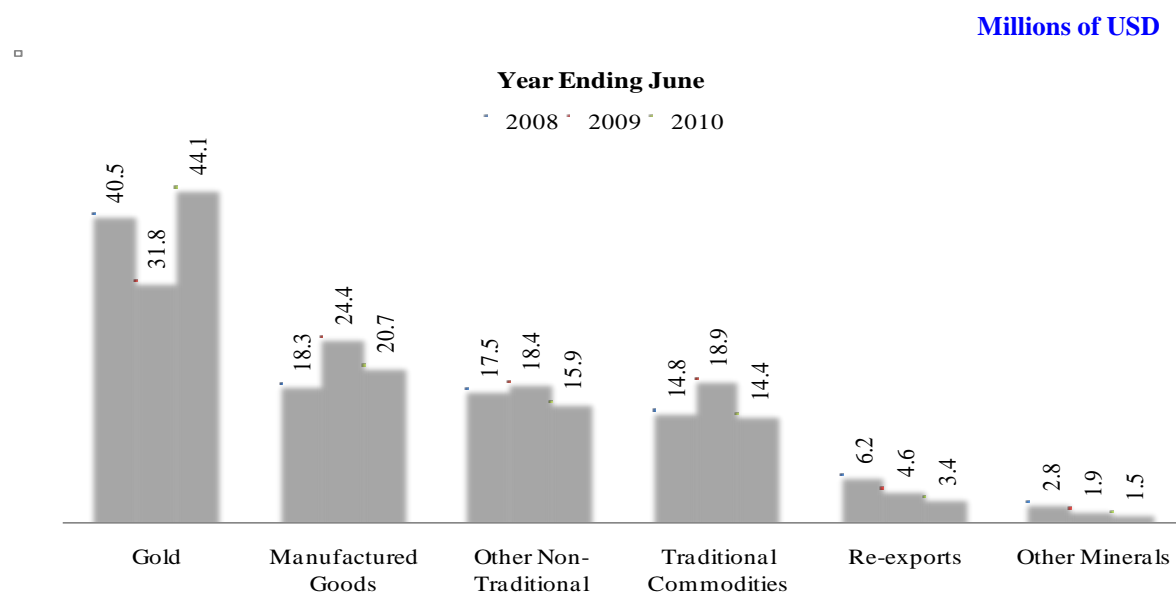
During the year ending June 2010, the value of exports of goods and services increased by 15.2 percent to USD 5,085.1 million, compared with the level recorded in the preceding year. The improvement was largely due to a surge in exports of gold (**Chart 4.1**). **Chart 4.2** shows the performance of selected goods export also showing the dominance of receipts from gold.

Chart 4.1: Performance of Selected Goods and Services Export



Source: Bank of Tanzania

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



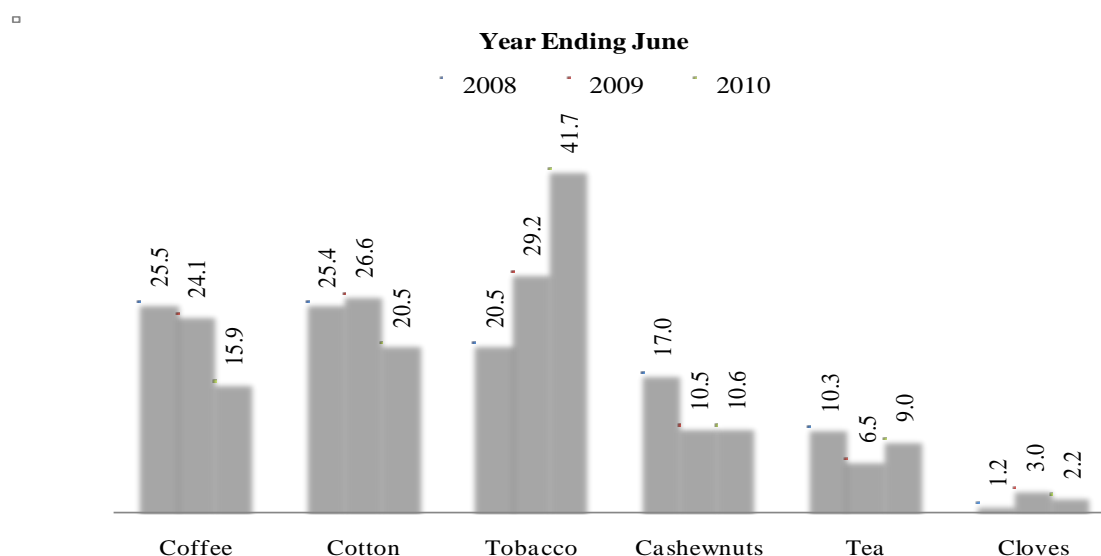
Source: Bank of Tanzania

In June 2010, the value of **traditional exports** shipped was USD 20.8 million, compared to USD 12.4 million recorded in the preceding month, following a significant increase in the volume and export unit price of tobacco.

On annual basis, the value of traditional exports declined by 8.0 percent to USD 451.9 million when compared to the value recorded in the corresponding period in 2009, following a drop in the export volumes of all traditional crops coupled with a decline in export unit prices of cotton.

Chart 4.3 depicts the composition of traditional exports for the last three years.

Chart 4.3: Percentage Composition to Total Traditional Exports



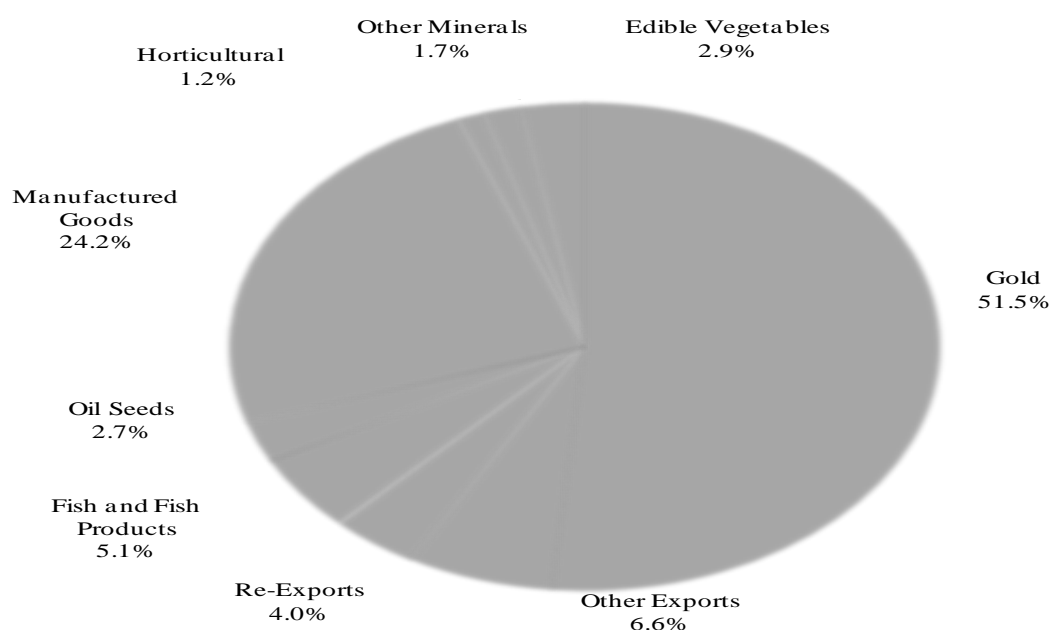
Source: Bank of Tanzania

In June 2010, the value of **non-traditional** exports shipped was USD 269.4 million, being 68.3 percent higher than the amount shipped in May 2010, largely due to a substantial increase in exports of manufactured goods particularly textile apparels and fertilizers.

Non-traditional exports increased to USD 2,685.8 million in the year ending June 2010, compared with USD 2,106.1 million recorded during the preceding year. The improved performance is largely attributed to an increase in the value of gold exports. The value of gold exports went up by 67.5 percent to USD 1,382.9 million, following a rise in the export volumes and prices in the world market. Available statistics indicate that the export volume of gold increased to 39.0 tons from 28.4 tons recorded in the preceding year, partly on account of commencement of export by the Buzwagi Gold Mine in June 2009. Meanwhile the prices of gold increased to USD 1,091.3 per troy ounce compared with USD 873.6 per troy ounce recorded in the year ending June 2009.

Likewise, the value of manufactured goods increased to USD 650.7 million, being 2.6 percent higher than the value recorded during the preceding year. **Chart 4.4** depicts the composition of non-traditional exports for the year ending June 2010.

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

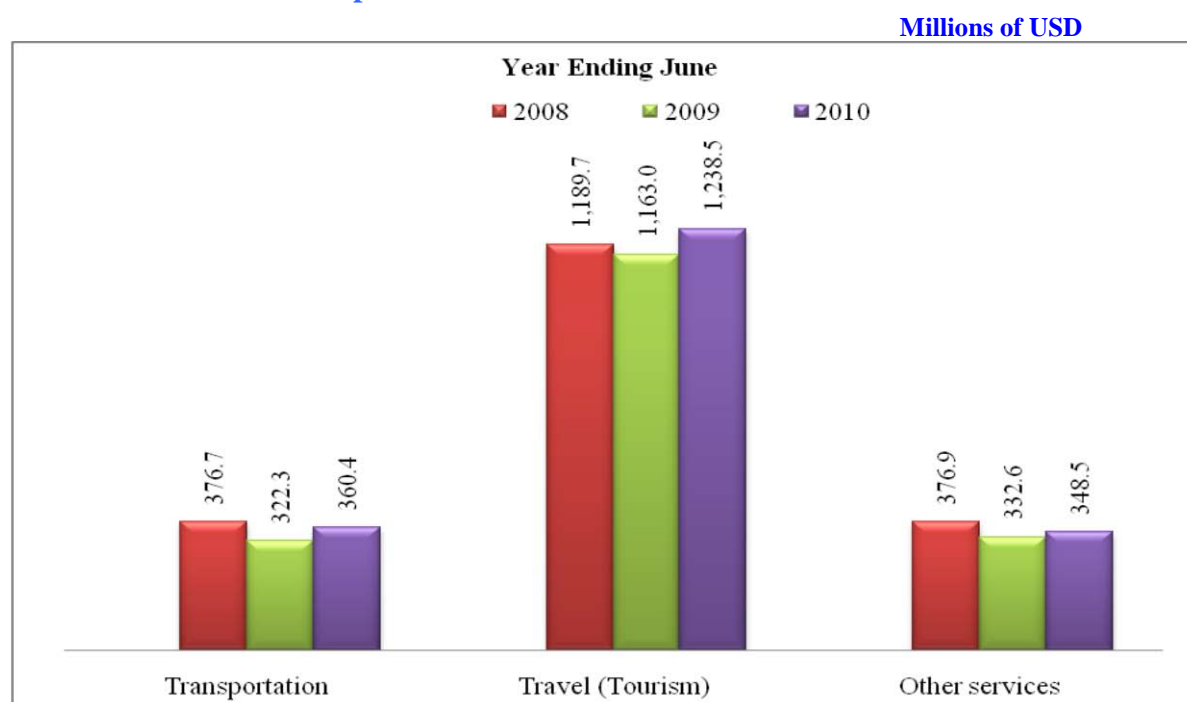


Source: Bank of Tanzania

During June 2010, **services receipt** were USD 159.4 million compared to 150.7 million recorded during the preceding month, mainly due to an increase in receipts from travel.

In the year ending June 2010, services receipt amounted to USD 1,947.4 million, being higher than USD 1,818.0 million recorded during the year earlier, following an improvement in travel and transportation receipts. During the period under review, travel receipts increased by 6.5 percent to USD 1,238.5 million as the global economy began to recover from the impact of the financial crisis. Likewise, transportation receipts grew by 11.8 percent to USD 360.4 million, largely due to the increase in transit goods to the neighbouring countries. Available statistics show that, transit goods for July 2009 - May 2010 increased to 687,304 tons from 494,252 tons recorded in July 2008 to May 2009. This development is largely associated with the recovery of the global economy. **Chart 4.5** depicts the performance of the main services receipt for the past four years.

Chart 4.5: Services Receipt



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 June 2010, the value of **goods import** shipped into Tanzania was USD 605.3 million, being slightly higher than USD 559.3 million recorded in the preceding month, following an increase in importation of intermediate goods particularly oil.

During the year to June 2010, import of goods and services amounted to USD 8,266.7 million compared with USD 7,591.9 million in the corresponding period the preceding year. The value of goods imported increased to USD 6,565.2 million, compared with USD 5,952.1 million recorded during the year ending June 2009, largely due to a rise in the value of imported oil, food stuffs, fertilizers and other consumer goods. The value of imported oil increased to USD 1,911.3 million compared to USD 1,433.3 million in the preceding year, as the volume of oil rose to 3.4 million tons compared with 2.7 million tons in the year ending June 2009. Similarly, the value of consumer goods import amounted to USD 1,515.0 million, representing an increase of 14.1 percent when compared with the value recorded in the year ending June 2009. The increase in imports of food stuff is largely on account of a rise in import of wheat. Importation

of other consumer goods, which mainly consist of pharmaceutical products, plastic items and paper products, also went up by 15.4 percent to USD 1,129.1 million (**Table 4.2**).

Table 4.2 Imports

Millions of USD

Items	2009 ^p June	2010		% Change		Year Ending June ^p		% Change
		May	June	Jun 09- Jun10	May10 - Jun10	2009	2010	
Capital Goods	209.8	197.2	196.6	-6.3	-0.3	2,587.5	2,505.7	-3.2
Transport Equipment	57.2	61.8	64.3	12.4	3.9	747.7	752.4	0.6
Building and Constructions	35.6	38.7	44.8	25.8	15.7	585.0	575.5	-1.6
Machinery	117.0	96.7	87.5	-25.2	-9.5	1,254.7	1,177.8	-6.1
Intermediate Goods	145.7	218.9	276.6	89.8	26.3	2,036.3	2,544.5	25.0
Oil imports	111.2	168.5	214.2	92.7	27.2	1,433.3	1,911.3	33.3
Fertilizers	1.6	5.8	7.2	359.4	23.4	133.6	89.1	-33.3
Industrial raw materials	33.0	44.7	55.2	67.3	23.7	469.4	544.1	15.9
Consumer Goods	114.9	143.1	132.2	15.0	-7.6	1,328.3	1,515.0	14.1
Food and food stuffs	38.5	33.0	29.2	-24.2	-11.5	350.0	385.9	10.3
All other consumer goods ¹	76.4	110.1	103.0	34.8	-6.5	978.4	1,129.1	15.4
Grand Total (f.o.b)	470.6	559.5	605.3	28.6	8.2	5,952.1	6,565.2	10.3
Grand Total (c.i.f)	517.2	614.8	665.2	28.6	8.2	6,540.8	7,214.5	10.3

Note:

p = Provisional

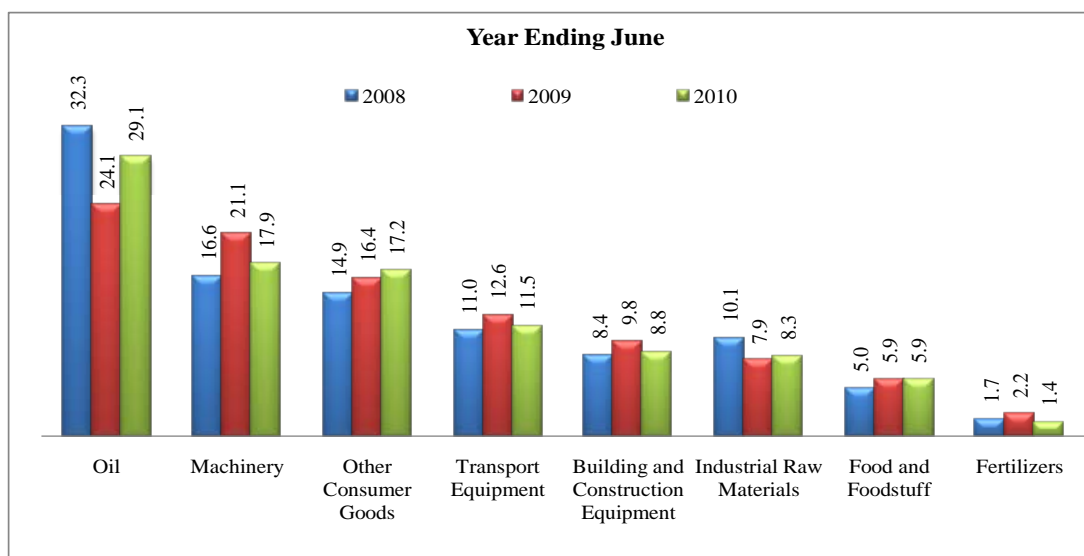
Oil imports refers to refined petroleum products

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

Source: Bank of Tanzania and Tanzania Revenue Authority

On the other hand, capital goods import declined to USD 2,505.7 million compared with USD 2,587.5 million recorded during the preceding year. **Chart 4.6** summarizes the contribution of import sub-categories to total imports for the last three years.

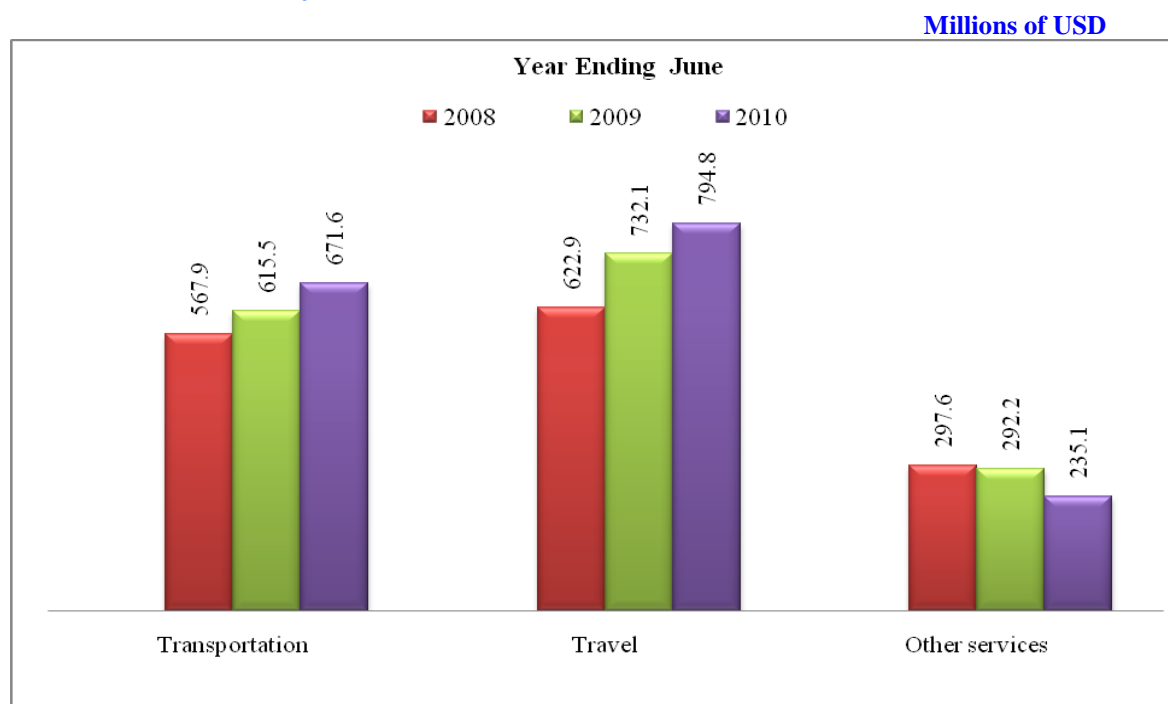
Chart 4.6: Percentage Contribution of Selected Items to Total Imports



Source: Bank of Tanzania

During the month under review, **services payment** amounted to USD 130.8 million, being higher than USD 120.7 million recorded in May 2010. On annual basis, Services payment increased to USD 1,701.5 million compared with USD 1,639.8 million recorded in the year ending June 2009; largely due to increase in payments for travel, freight as well as computer and information services. **Chart 4.7** shows the performance of major services payment categories in the past four years.

Chart 4.7: Service Payments



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

Source: Bank of Tanzania

World Commodity Prices

During June 2010, the world market prices of agricultural and non agricultural commodities showed mixed developments (Table 4.3). The prices of **coffee** (Arabica and Robusta), **cotton** (A-index and Memphis) and **cloves** recorded increases. The rise in the prices of coffee was largely on account of decline in supply following unfavourable weather condition in Brazil. While the price of sisal remained stable at USD 850.0 per ton, the prices of **tea** (Average price and Mombasa Auction) went down by about 4.0 percent to USD 2.7 per kg and USD 2.2 per kg, respectively. During the period under review, the average prices of **crude oil** (UK Brent and Dubai -f.o.b) and **white petroleum products** declined slightly. On the other hand, the price of **gold** increased by 2.3 percent to USD 1,233.0 per troy ounce.

During the year ending June, 2010 developments in commodity prices were also mixed. While the average prices of **coffee** (Robusta) and **sisal** (UG) recorded declines, the prices of **coffee** (Arabica), **tea**, **cotton** and **cloves** recorded notable increases. The increase in prices of **tea** was largely attributed to the shortfall in production in Kenya, India and Sri Lanka following unfavourable weather condition. Meanwhile, the prices of **cotton** went up following strong demand for cotton in China. The rise in the price of coffee (Arabica) was largely on account of

lower production in Brazil, while the decline in the price of coffee (Robusta) was mainly due to increase in production in Vietnam and Indonesia following favourable weather condition.

During the year to June 2010, the prices of **crude oil** (UK Brent) and (Dubai- f.o.b) rose by about 9.0 percent to USD 74.7 per barrel and USD 74.3 per barrel, respectively following a decline in the crude oil stocks in the United States, similarly, the price of **white petroleum products** increased by 0.4 percent to USD 655.3 per ton. Likewise, the price of **gold** rose by 24.9 percent to USD 1,091.3 per troy ounce.

Table 4.3: World Commodity Prices

Commodity	Units	2010			%	Year Ending June			%
		Apr	May	Jun		Change	2008	2009	
Robusta Coffee	USD per kg	1.58	1.56	1.70	8.72	2.24	1.95	1.57	-19.24
Arabica Coffee	USD per kg	3.73	3.82	4.21	10.18	3.03	2.98	3.53	18.21
Tea (Average price)	USD per kg	2.77	2.80	2.66	-4.86	2.31	2.41	2.90	20.47
Tea (Mombasa Auction)	USD per kg	2.60	2.33	2.24	-4.08	1.96	2.22	2.72	22.91
Cotton, "A Index"	USD per kg	1.94	1.99	2.00	0.65	1.59	1.37	1.69	23.45
Cotton, "Memphis"	USD per kg	1.99	1.99	2.03	1.81	1.63	1.43	1.76	22.83
Sisal (UG)	USD per metric ton	850.00	850.00	850.00	0.00	1075.00	1213.00	877.75	-27.64
Cloves	USD per metric ton	4710	4700.00	4750.00	1.06	4059.00	3972.85	4401.15	10.78
Crude oil*	USD per barrel	84.18	75.62	74.73	-1.18	94.35	68.75	74.74	8.71
Crude oil**	USD per barrel	83.09	76.87	73.98	-3.76	90.29	68.32	74.34	8.81
White products***	USD per ton	743.53	679.74	674.68	-0.74	878.59	652.42	655.31	0.44
Jet/Kerosine	USD per ton	745.46	682.03	687.75	0.84	925.65	685.43	657.59	-4.06
Premium Gasoline	USD per ton	777.25	698.82	691.30	-1.08	830.28	613.93	690.58	12.49
Heat Oil	USD per ton	707.88	658.37	645.00	-2.03	879.84	657.89	617.76	-6.10
Gold	USD per troy ounce	1,149.00	1,205.00	1,233.00	2.32	822.98	873.61	1091.29	24.92

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

** f.o.b. Dubai

***f.o.b West Mediterranean

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

5.0 National Debt Developments

The national debt stock, comprising of both Government and private sector debt, stood at USD 9,856.2 million at the end of June 2010. The debt stock was 2.3 percent higher compared with USD 9,638.0 million registered at the end of preceding month mainly due to new disbursements and large increase in issuance of Government bonds compared to matured obligations. Out of the total debt stock, 80.2 percent was external debt and 19.8 percent was domestic debt.

During the month of June 2010 **external debt stock** increased by USD 127.8 million to USD 7,846.7 million compared to a decrease of USD 65.7 million during May 2010. The increase was mainly on account of new disbursements. Out of the external debt stock, USD 6,207.0 million or 79.1 percent was disbursed outstanding debt (DOD) and the remaining portion was interest arrears.

In terms of creditor category, debt owed to multilateral creditors amounted to USD 4,131.4 million accounting for 52.7 percent of total external debt, while debt owed to bilateral creditors accounted for 21.1 percent. Debt owed to other creditors is as shown in **Table 5.1**. It is noteworthy that the share of multilateral debt increased during the year under review, mainly due to frontloading of the World Bank disbursements.

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

Creditor	Millions of USD					
	Jun-09	Share (%)	May-10	Share (%)	Jun-10	Share (%)
Bilateral	1,601.2	22.9	1,625.7	21.1	1,654.4	21.1
Paris Club	595.4	8.5	599.9	7.8	599.8	7.6
Non Paris Club	1,005.8	14.4	1,025.8	13.3	1,054.6	13.4
Multilateral	3,440.6	49.2	4,079.6	52.9	4,131.4	52.7
AfDB	669.0	9.6	808.8	10.5	824.5	10.5
World Bank Group*	2,170.3	31.0	2,580.4	33.4	2,602.4	33.2
IMF	263.2	3.8	308.6	4.0	314.1	4.0
Others	338.1	4.8	381.8	4.9	390.4	5.0
Commercial	1,069.5	15.3	1,173.4	15.2	1,202.7	15.3
Export Credit	888.0	12.7	840.2	10.9	858.2	10.9
Total	6,999.3	100.0	7,718.9	100.0	7,846.7	100.0

Note: IDA & IFC

Source: Bank of Tanzania

In terms borrower category, Central Government debt accounted for 69.5 percent of external debt stock, while debt owed by private sector and public corporation was 19.4 percent and 11.1 percent respectively (**Table 5.2**).

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

Millions of USD						
Borrower	Jun-09	Share (%)	May-10	Share (%)	Jun-10	Share (%)
Central	4,791.4	68.5	5,377.6	68.8	5,455.3	69.5
DOD	4,118.2	58.8	4,656.9	59.6	4,729.6	60.3
Interest Arrears	673.2	9.6	720.8	9.2	725.6	9.2
Private Sector	1,458.4	20.8	1,476.3	18.9	1,521.8	19.4
DOD	972.4	13.9	982.9	12.6	1,002.0	12.8
Interest Arrears	486.0	6.9	493.4	6.3	519.8	6.6
Public	749.5	10.7	965.1	12.3	869.6	11.1
DOD	392.4	5.6	475.6	6.1	475.4	6.1
Interest Arrears	357.1	5.1	489.5	6.3	394.2	5.0
External Debt	6,999.3	100.0	7,818.9	100.0	7,846.7	100.0

Note: *IDA & IFC

Source: Bank of Tanzania

Disbursements received and recorded during the month amounted to USD 41.3 million. External debt service was USD 5.4 million, out of which, USD 4.1 million was principal repayments and USD 1.3 million interest payments.

During the period under review **domestic debt** increased by 4.9 percent from TZS 2,641.5 billion to TZS 2,772.0 billion. Out of domestic debt stock, government securities accounted for 99.7 percent and the remaining portion was other government debts (**Table 5.3**).

Table 5.3: Government Domestic Debt by Instruments

Billions of TZS						
Item	Jun-09	Share (%)	May-10	Share (%)	Jun-10	Share (%)
Government Securities	2,254.1	99.6	2,633.3	99.6	2,763.7	99.7
Treasury Bills	284.7	12.6	285.0	19.1	285.0	10.3
Government Stocks	310.3	13.7	257.9	15.3	258.7	9.3
Government Bonds	1,659.0	73.3	2,090.3	65.2	2,219.9	80.1
Tax Certificates	0.1	0.0	0.1	0.0	0.1	0.0
Other Government Debt	8.3	0.4	8.3	0.4	8.3	0.3
Mabibo Hostel	8.2	0.4	8.2	0.4	8.2	0.3
Others	0.0	0.0	0.0	0.0	0.0	0.0
Total Domestic Debt	2,262.3	100.0	2,641.5	100.0	2,772.0	100.0
Interest Arrears	0.0	0.0	0.0	0.0	0.0	0.0
Total Dom. Debt Stock	2,262.3	100.0	2,641.5	100.0	2,772.0	100.0

Source: Bank of Tanzania

New domestic debt issued during the month amounted to TZS 177.4 billion, out of which, TZS 26.8 billion were Treasury bills and TZS 150.6 billion were government bonds. Domestic debt service totalled to TZS 74.4 billion, out of which principal amounting to TZS 45.5 was rolled over while interest amounting to TZS 28.9 billion was paid out of government sources.

6.0 Economic Developments in Zanzibar

Inflation Developments

During June 2010, both **annual and month-to-month headline inflation** rates increased due to acceleration of both food and non-food inflation. Specifically **Annual Headline Inflation** rate increased to 5.9 percent, from 5.0 percent registered in the year ended May 2010, while the **month-to-month headline** inflation rate increased to 0.7 percent up from -1.2 percent registered in May 2010 (**Table 6.1 and Chart 6.1**).

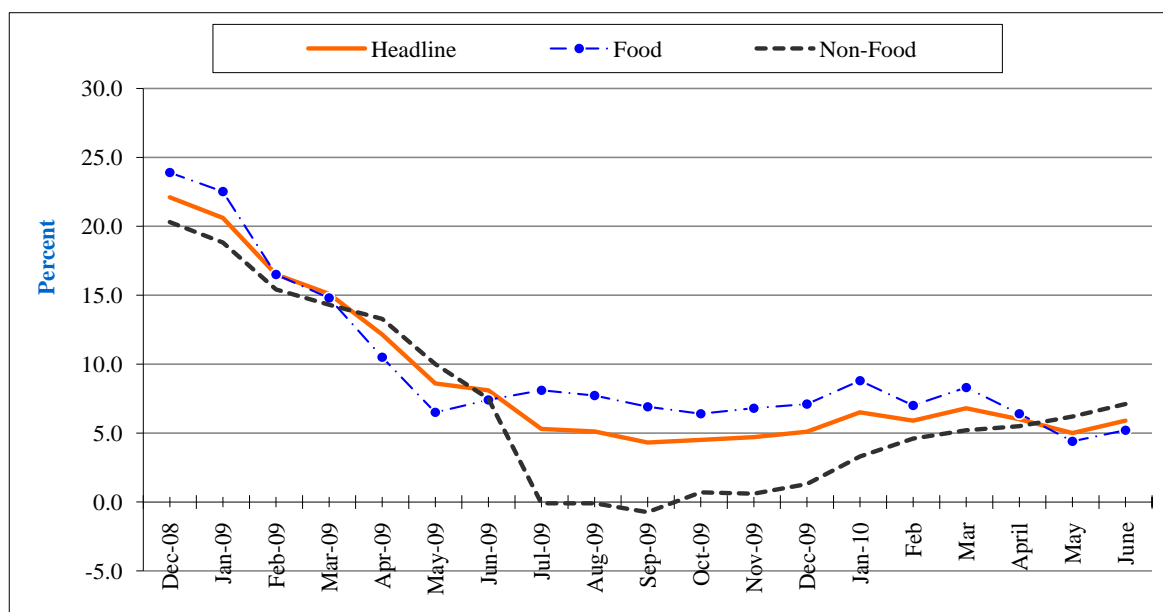
Table 6.1: Annual Percentage Change in Consumer Price Index (CPI)

Base: December 2005 = 100

Major Commodity Group	Weights (%)	2008			2009			2010		
		Apr	May	June	Apr	May	June	Apr	May	June
Headline/Overall	100	18.5	21.5	22.4	12.2	8.6	8.1	6.0	5.0	5.9
Food	57.4	25.7	28.7	28.8	10.5	6.5	7.4	6.4	4.4	5.2
Non-Food	42.6	10.0	13.0	14.8	13.3	10.0	7.5	5.5	6.2	7.1
Alcoholic Beverages, Tobacco & Narcotics	0.6	-0.9	-0.7	-0.1	18.8	17.7	16.9	26.2	27.2	###
Clothing & Footwear	6.2	4.7	4.7	9.3	9.7	9.9	5.2	5.4	5.0	4.7
Housing, Water, Electricity, Gas & Other Fuels	15.6	6.8	11.2	12.7	25.5	20.3	18.6	3.6	4.8	5.9
Furnishing, Household Equipment & Routine Household Maintenance	5.3	13.2	12.5	15.4	9.0	9.3	7.0	3.2	3.1	2.9
Health	2.1	18.6	18.6	25.1	10.7	12.0	6.1	11.6	10.4	###
Transport	3.4	11.7	27.7	19.9	7.6	-8.2	-10.0	2.3	6.2	###
Communication	2.4	-2.3	-2.3	-0.8	0.0	0.0	0.0	0.0	0.0	0.0
Recreation & Culture	0.4	9.7	9.9	7.3	3.2	3.4	4.3	4.8	6.6	3.7
Education	1.1	6.1	7.8	7.8	6.2	4.4	4.4	12.6	12.6	###
Restaurants & Hotels	3.1	25.4	24.3	28.2	11.6	11.6	8.1	16.2	16.2	###
Miscellaneous Goods & Services	2.4	21.1	21.4	26.3	10.3	9.3	5.1	3.0	3.7	3.6

Source: Office of Chief Government Statistician (OCGS)

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



Source: Office of Chief Government Statistician (OCGS)

Annual food inflation rate rose to 5.2 percent in June 2010, from 4.4 percent registered in May 2010, mainly due to increase in the average prices of rice and sugar, which were mainly associated with hike in world market prices coupled with depreciation of the Shilling during that period. The **month-to-month food inflation rate** also increased to 0.7 percent in June 2010 from negative 1.2 percent registered in May 2010, mainly on account of increase in prices of fish, attributed to a surge in demand following commencement of tourism season.

Annual non-food inflation rate increased from 6.2 percent in May 2010 to 7.1 percent in June 2010, mainly on account of increase in prices of diesel, petrol and kerosene associated with the rise in the world market prices and depreciation of the Shilling. Similarly, the **month-to-month non-food** inflation rate increased from 0.5 percent in May 2010 to 0.9 percent in June 2010.

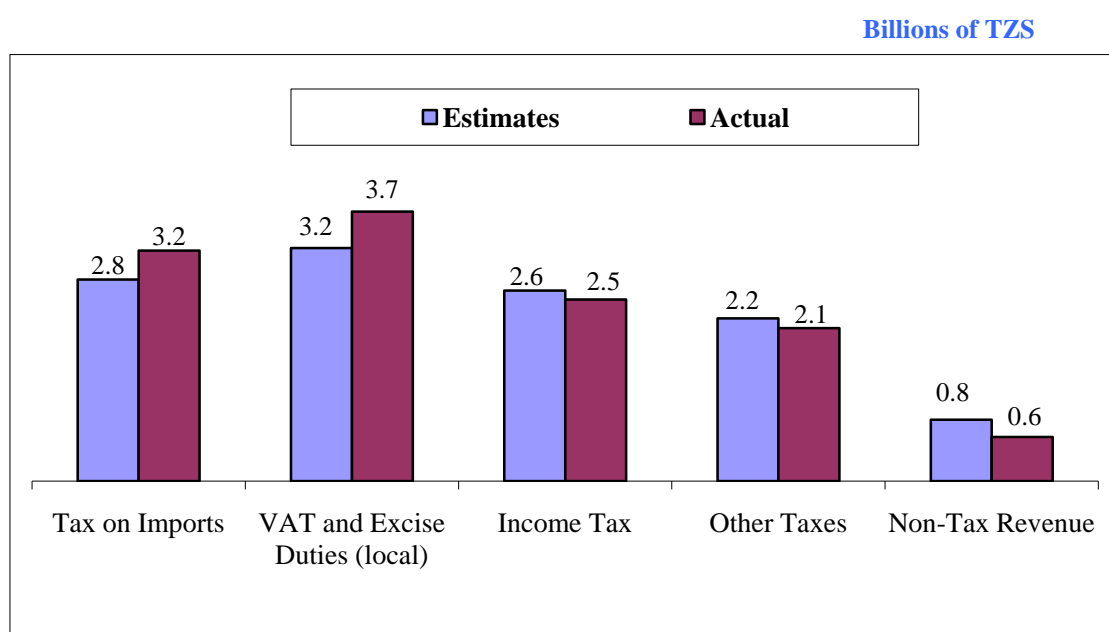
Fiscal Performance

Government budgetary operations on cheques issued basis registered a deficit of TZS 13.4 billion after grants in June 2010. The deficit after adjustment to cash narrowed to TZS 6.7 billion. Total resources during the month under review amounted to TZS 22.3 billion, being below the target of TZS 26.0 billion by 14.2 percent. Domestic sources contributed 53.8 percent, and the balance was grants. Total expenditure during the month under review reached TZS 35.8

billion, above the estimate of TZS 31.7 billion by 12.9 percent. The budget deficit was exclusively financed through foreign sources.

Total revenue collections during June 2010 amounted to TZS 12.0 billion, exceeding the target of TZS 11.6 billion by 3.4 percent. Tax collections reached TZS 11.4 billion above the target of TZS 10.8 billion for the month by 5.6 percent. Non-tax revenue sources amounted to TZS 0.6 billion, below the target of TZS 0.8 billion. Revenue collection by category shows that local VAT and excise duty collections amounted to TZS 3.7 billion, exceeding the target of TZS 3.2 billion. Performance of other tax categories is as shown in **Chart 6.2**.

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



Source: Ministry of Finance and Economic Affairs, Zanzibar

Revenue collection for the whole year 2009/10 amounted to TZS 149.5 billion, being below the target by 6.2 percent. The under performance compared to the target was mainly attributed to a decrease in collections from tax on imports on account of decline in taxable imports. VAT and excise duties collections were also below their respective targets, mainly due a decline in business activities associated with power outage in Unguja Island from December 2009 to March 2010. Tax revenue reached TZS 139.0 billion, being below the targeted amount of TZS 147.0 billion by 5.4 percent, while non-tax revenue amounted to TZS 10.5 billion, below the target of TZS 12.2 billion.

Total government expenditure during June 2009, amounted to TZS 35.8 billion, exceeding the estimate of TZS 31.7 billion by 12.9 percent. Total recurrent expenditure amounted to TZS 24.8

billion, representing 69.3 percent of total expenditure. Out of total recurrent expenditure, wages and salaries amounted to TZS 6.8 billion, same as the estimate, while expenditure on other charges was TZS 17.9 billion, being above estimate of TZS 12.0 billion by 49.2 percent. Development expenditure reached TZS 11.0 billion, which was lower than the estimated amount of TZS 12.9 billion. Government contribution to development expenditure amounted to TZS 3.7 billion, above the target of TZS 1.9 billion, while foreign funded portion was TZS 7.3 billion, below the estimate of TZS 11.0 billion, and accounted for 66.4 percent of the total development expenditure.

Total government expenditure for the whole financial year 2009/10 amounted to TZS 286.3 billion, being below the estimate of TZS 311.0 billion by 7.9 percent. The government expenditure in the year under review was however higher than the expenditure of TZS 203.4 billion recorded in the preceding financial year of 2008/09.

External Sector Performance

Current Account

During 2009/10, Zanzibar **current account balance** registered a surplus of USD 18.5 million, compared to a deficit of USD 7.1 million, recorded in 2008/09, owing mainly to an increase in current transfers and export proceeds, coupled with decline in goods imports. During the period, **exports of goods and services** increased to USD 122.1 million from USD 118.5 million registered in 2008/09; while official current transfers increased to USD 65.7 million from USD 41.9 million (**Table 6.2**).

Table 6.2: Zanzibar Current Account Balance

Item	Millions of USD							
	2009	2010p			Year Ending June		% Change	
	Jun	Apr	May	Jun	2009	2010p	Monthly	Annual
Goods Account (net)	-4.3	-4.6	-7.5	-5.1	-76.1	-69.4	32.0	8.8
Exports	1.2	1.0	1.0	0.6	21.1	21.3	-40.0	0.9
Imports (f.o.b)	5.5	5.6	8.4	5.8	97.3	90.7	-31.0	-6.8
Services Account (net)	2.0	2.6	2.5	2.4	31.3	27.7	-4.0	-11.5
Receipts	8.4	8.4	8.5	8.2	97.4	100.8	-3.5	3.5
Payments	6.4	5.8	6.0	5.8	66.0	73.0	-3.3	10.6
Goods and Services (net)	-2.3	-2.0	-4.9	-2.7	-44.8	-41.7	44.9	6.9
Exports of Goods and Services	9.6	9.4	9.5	8.9	118.5	122.1	-6.3	3.0
Imports of Goods and Services	11.9	11.4	14.4	11.6	163.3	163.8	-19.4	0.3
Income Account (net)	-0.7	-0.4	-0.2	-0.3	-4.2	-5.5	50.0	-31.0
Receipts	0.02	0.03	0.04	0.03	0.3	0.4	-33.3	33.3
Payments	0.7	0.4	0.2	0.2	4.5	5.9	-50.0	31.1
Current Transfers (net)	0.3	0.9	0.6	7.5	41.9	65.7	56.8
Inflows	0.3	0.9	0.6	7.5	41.9	65.7	56.8
Outflows	0.0	0.0	0.0	0.0	0.0	0.0		
Current Account Balance	-2.7	-1.5	-4.5	4.4	-7.1	18.5	197.8	360.6

p = provisional

Source: Tanzania Revenue Authority and BOT computations.

Service receipts increased to USD 100.8 million in 2009/10 compared to USD 97.4 million, in 2008/09 and accounted for 82.6 percent of total exports. Goods exports increased by 0.9 percent to USD 21.3 million, and accounted for 17.4 percent of total exports. Clove exports for the year ending June 2010 declined to USD 8.4 million from USD 8.7 million, and accounted for 6.9 percent of total annual exports and 39.4 percent of goods exports. The decline in export proceeds from cloves was associated with a decrease in volume of exports from 2,440 tons to 2,360 tons, coupled with a decline in the average export price from USD 3,586.0 to USD 3,562.7 per ton. Seaweed exports increased to USD 3.0 million from USD 2.4 million, and represented 2.5 percent of total annual exports receipts. Developments in goods exports are depicted in **Table 6.3**.

Table 6.3: Zanzibar Goods Exports by Major Categories

Item	Units	Millions of USD							
		2009	2010p			Year Ending June		% Change	
		Jun	Apr	May	Jun	2009	2010p	Monthly	Annual
Traditional:									
Cloves									
Value	Millions	0.12	0.06	0.00	0.00	8.75	8.42	0.00	-3.40
Volume	000 Tons	0.04	0.02	0.00	0.00	2.44	2.36	0.00	-3.30
Unit Price	USD/Ton	3,228.38	3,500.00	0.00	0.00	3,586.02	3,562.69	0.00	-0.60
Non-Traditional :									
Seaweeds									
Value	Millions	0.22	0.23	0.27	0.25	2.45	3.01	-33.30	25.00
Volume	000 Tons	0.93	0.94	1.08	1.01	10.22	11.57	-9.10	13.70
Unit Price	USD/Ton	235.74	248.73	248.80	247.57	239.53	260.65	-0.50	8.90
Manufactured Goods	Millions	0.42	0.31	0.23	0.03	5.06	4.27	-90.60	-15.70
Fish and Fish Produce	Millions	0.03	0.03	0.02	0.02	0.22	0.37	-33.30	100.00
Others Exports	Millions	0.47	0.35	0.26	0.33	4.65	5.19	-25.00	10.60
Sub Total	Millions	1.13	0.93	0.77	0.63	12.38	12.85	-40.00	3.20
Grand Total	Millions	1.25	0.98	0.77	0.63	21.12	21.27	-40.00	0.90

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

Source: Tanzania Revenue Authority and BOT computations

During the year ending June 2010, total imports of goods and services increased to USD 163.8 million from USD 163.3 million, recorded in a similar period in 2009, due to increase in services payments. During the year under review total goods imports (c.i.f) declined to USD 99.7 million, from USD 106.9 million registered in 2008/09 (**Table 6.4**).

Table 6.4: Zanzibar Imports by Major Categories

Import Category	Millions of USD							
	2009	2010p			Year Ending June		% Change	
	Jun	Apr	May	Jun	2009	2010p	Monthly	Annual
Capital Goods	2.7	2.6	2.7	2.1	45.4	38.0	-22.2	-16.3
Transport Equipment	1.4	1.3	1.2	1.0	26.8	19.3	-16.7	-28.0
Building and Constructions	0.6	0.5	0.7	0.6	8.7	7.3	-14.3	-16.1
Machinery	0.7	0.8	0.8	0.5	9.9	11.4	-37.5	15.2
Intermediate Goods	1.5	2.0	5.2	3.3	38.8	42.4	-36.5	9.3
Oil imports	0.9	1.5	4.9	3.1	28.9	37.3	-36.7	29.1
Industrial raw materials	0.6	0.5	0.3	0.2	10.0	5.1	-33.3	-49.0
Consumer Goods	1.9	1.6	1.4	0.9	22.6	19.3	-35.7	-14.6
Food and food stuffs	0.8	0.8	0.6	0.3	6.5	7.3	-50.0	12.3
All other consumer goods	1.1	0.8	0.8	0.6	16.1	12.0	-25.0	-25.5
Grand Total (c.i.f)	6.1	6.1	9.3	6.3	106.9	99.7	-32.3	-6.7
Grand Total (f.o.b)	5.5	5.6	8.4	5.8	97.3	90.7	-31.0	-6.8

Note: p = provisional

Source: Tanzania Revenue Authority

During 2009/10, **services account** registered a surplus of USD 27.7 million, compared with USD 31.3 million recorded in 2008/09. Total foreign receipts amounted to USD 100.8 million,

being lower than USD 97.4 million in 2008/09, whereas foreign payments amounted to USD 73.0 million from USD 66.0 million.

Statistical Tables

Table A1: Selected Economic Indicators (Annual)

Item	Unit	2004	2005	2006	2007	2008 ^r	2009 ^p
1. National Accounts and Prices							
1.1 Change in GDP at Market Prices--Current Prices	Percent	15.4	14.3	12.4	16.8	18.3	13.8
1.2 Change in GDP at Market Prices-Constant 2001 Prices	Percent	7.8	7.4	6.7	7.1	7.4	6.0
1.3 GDP Per Capita ¹	TZS	395,795.8	441,152.1	478,051.4	546,955.7	630,577.1	693,185.4
1.4 GDP Per Capita ¹	USD	363.3	390.6	381.7	439.5	527.1	525.0
1.5 Change in Consumer Price Index (Inflation)	Percent	4.2	4.4	7.3	7.0	10.3	12.1
1.6 Saving to GNDI Ratio ²	Percent	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	13.5	38.2	22.0	20.5	19.8	18.4
2.2 Change in Broad Money supply (M2)	Percent	19.8	36.9	13.7	27.2	24.4	20.8
2.3 Change in Narrow Money Supply (M1)	Percent	22.7	33.7	9.8	29.1	21.9	13.7
2.4 Change in Reserve Money	Percent	21.1	27.7	16.8	24.9	21.1	32.2
2.5 Total Credit to GDP Ratio ¹	Percent	7.4	10.5	11.7	13.5	17.1	18.0
2.6 Private Sector Credit to GDP Ratio ¹	Percent	9.4	8.9	11.3	15.0	18.4	17.7
2.7 Ratio of Private Credit to Total Credit	Percent	126.2	84.6	96.3	111.3	107.9	98.5
2.8 Average Deposit Rate (12-Month) ³	Percent	5.7	6.2	8.3	9.3	8.9	8.9
2.9 Weighted Average Treasury Bill Rate	Percent	9.6	14.8	15.0	11.4	11.0	6.9
2.10 Average Long-Term Lending Rate ³	Percent	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	1,481.6	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	-2,482.8	-2,997.6	-3,864.1	-4,860.6	-6,483.4	-5,775.7
3.3 Trade Balance	Mill. USD	-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	-365.9	-862.8	-1,143.2	-1,580.3	-2,535.8	-1,745.8
3.5 Overall Balance	Mill. USD	284.0	-227.8	460.7	412.6	148.0	365.0
3.7 Gross Official Reserves	Mill. USD	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	6.6	4.5	4.6	4.8	4.5	5.6
3.9 Exchange Rate:							
3.9.1 Annual Average	TZS/USD	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	1,043.0	1,165.5	1,261.6	1,132.1	1,280.3	1,313.3
4. Population (TZ Mainland)	Million	35.3	36.2	37.5	38.3	39.3	40.7
5. Public Finance							
5.1 Current Revenue to GDP Ratio ¹	Percent	11.8	12.5	14.1	15.9	16.2	
5.2 Grants to GDP Ratio ¹	Percent	4.8	5.9	4.9	5.0	4.4	
5.2 Current Expenditure to GDP Ratio ¹	Percent	14.0	15.7	16.1	14.9	17.7	
5.3 Development Expenditure to GDP Ratio ¹	Percent	7.2	7.9	6.9	7.9	7.7	
5.4 Deficit to GDP Ratio (excluding grants) ¹	Percent	-9.3	-10.3	-8.9	-7.4	-9.2	
5.5 Deficit to GDP Ratio (including grants) ¹	Percent	-4.5	-4.4	-4.0	-2.4	-4.8	
6. Total External Debt Stock	Mill. USD	8,134.8	8,229.5	4,660.8	5,846.4	7,137.2	
Disbursed Debt	Mill. USD	6,799.5	6,971.1	3,442.3	4,483.1	5,623.6	
Interest	Mill. USD	1,335.3	1,258.3	1,218.6	1,363.3	1,513.6	
Total External Debt as % of GDP	Percent	60.2	57.6	29.8	31.0	33.9	

Note:

1 Calculated on the basis of GDP at Market Prices (Current Prices)

2 GNDI stands for gross national disposable income

3 Annual Average

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

r Revised

P = Provisional

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

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

Item	BUDGET 2009/10	Millions of TZS											
		Monthly Flows - Actuals				Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-09 - Jun 2010	
		Sep-09	Oct-09	Nov-09	Dec-09	Actual	Actual	Actual	Actual	Actual	Actual	Estimate	Actual
Total Revenue (Including LGAs)	5,234,068.6	426,595.8	353,688.4	361,891.3	483,837.7	375,761.9	347,338.6	459,223.0	330,897.1	386,065.9	437,985.0	5,253,068.6	4,661,540.3
Total Revenue	5,096,016.3	426,595.8	353,688.4	361,891.3	483,837.7	375,761.9	347,338.6	459,223.0	330,897.1	386,065.9	437,985.0	5,096,016.3	4,645,213.3
Tax Revenue	4,840,876.8	408,506.4	337,947.1	343,250.9	460,729.5	359,252.4	333,220.3	441,582.2	316,875.7	368,241.5	412,694.1	4,840,876.8	4,427,833.7
Taxes on Imports	1,758,233.8	129,164.7	135,712.1	140,335.6	149,127.2	147,094.0	127,970.9	146,333.4	131,635.3	147,272.2	143,598.9	1,758,233.8	1,660,253.6
Sales/VAT and Excise on Local Goods	1,101,646.4	84,246.3	82,563.8	84,467.5	92,253.8	87,073.0	78,547.2	77,998.9	76,480.8	76,470.8	71,666.4	1,101,646.4	934,063.2
Income Taxes	1,428,419.9	157,359.2	78,910.7	73,583.9	171,612.4	82,106.0	87,194.3	188,707.0	70,488.7	104,029.1	159,240.0	1,428,419.9	1,334,019.7
Other taxes	552,576.7	37,736.1	40,760.5	44,863.9	47,736.1	42,979.4	39,507.9	42,958.5	38,270.9	40,469.4	38,188.8	552,576.7	499,497.2
Non-tax Revenue	255,139.4	18,089.4	15,741.3	18,640.4	23,108.2	16,509.5	14,118.3	17,640.8	14,021.4	17,824.4	25,290.9	255,139.4	217,379.6
LGA Own Sources	138,052.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	138,052.3	0.0
Total Expenditure /I	8,862,272.7	850,153.7	866,667.6	709,794.5	763,487.0	602,188.8	575,799.3	641,694.0	420,778.0	853,209.5	1,207,497.5	8,881,272.7	8,173,749.3
Recurrent expenditure	6,036,841.6	536,202.8	652,986.8	457,543.6	439,459.4	347,015.9	407,650.7	541,881.0	358,123.9	627,200.0	981,142.0	6,055,841.6	5,562,443.1
Retention fund	103,503.0	4,742.1	4,661.6	7,900.8	4,793.0	5,915.1	9,179.5	5,915,081.2	3,404.7	4,964.1	8,441.5	103,503.0	67,726.8
Wages and salaries	1,766,388.2	139,418.7	139,543.7	142,149.9	143,732.0	142,651.0	145,132.7	148,069.0	146,771.2	146,491.9	153,444.8	1,766,388.2	1,723,414.2
Interest payments	407,826.2	26,762.4	30,699.8	12,898.5	32,840.8	26,299.3	750.6	35,344.0	9,519.9	14,975.6	50,800.4	407,826.2	248,890.6
Domestic	354,910.0	25,432.0	22,695.8	8,593.3	28,831.5	25,105.5	0.0	27,877.0	4,998.2	11,050.0	46,137,249.8	354,910.0	208,099.1
Foreign	52,916.2	1,330.4	8,003.9	4,305.1	4,009.3	1,193.8	750.6	7,467.0	4,521.7	3,925.6	4,663.2	52,916.2	40,791.5
Other goods, services and transfers	3,759,124.2	365,279.6	478,081.8	294,594.5	258,093.7	172,150.5	252,587.9	358,468.0	198,428.1	460,768.4	768,455.4	3,778,124.2	3,522,411.6
Dev. Expenditure and net lending	2,825,431.0	313,950.9	213,680.8	252,250.9	324,027.6	255,172.9	168,148.6	99,813.0	62,654.1	226,009.5	226,355.5	2,825,431.0	2,611,306.2
Local	968,028.5	173,200.8	152,174.7	30,000.0	67,500.0	56,562.0	71,500.0	53,500.0	50,319.0	171,828.0	150,000.0	968,028.5	1,004,530.5
Foreign	1,857,402.6	140,750.1	61,506.1	222,250.9	256,527.6	198,610.9	96,648.6	46,313.0	12,335.1	54,181.5	76,355.5	1,857,402.6	1,606,775.7
Balance before Grants	-3,628,204.1	-423,557.9	-512,979.2	-347,903.2	-279,649.3	-226,426.9	-228,460.7	-182,471.0	-89,880.9	-467,143.5	-769,512.5	-3,628,204.1	-3,512,209.0
Grants	2,090,945.9	10,079.7	1,499.6	159,151.8	201,051.8	136,954.0	85,977.2	39,274.0	12,791.1	21,666.6	17,038.8	2,090,945.9	1,405,287.7
Program (CIS/OGL)	825,445.3	8,173.7	0.0	0.0	10,423.4	113,902.5	69,913.5	29,189.0	0.0	0.0	0.0	825,445.3	665,776.6
Project	640,708.7	770.3	0.0	114,803.7	73,161.7	0.0	0.0	0.0	0.0	1,045.0	17,038.8	640,708.7	439,110.9
Basket funds	282,848.8	1,135.6	1,499.6	44,348.0	116,410.2	12,945.8	16,063.6	5,126.0	3,539.6	15,892.8	0.0	282,848.8	258,066.7
MDRIMCA(T)	341,943.1	0.0	0.0	0.0	1,056.5	10,105.7	0.0	4,959.0	9,251.5	4,728.8	0.0	341,943.1	42,333.6
Balance (cheq.issued) after Grants	-1,537,258.2	-413,478.2	-511,479.6	-188,751.4	-78,597.5	-89,472.8	-142,483.6	-143,197.0	-77,089.8	-445,477.0	-752,473.7	-1,537,258.2	-2,106,921.2
Expenditure float	0.0	-15,655.9	-7,646.2	-2,032.1	-3,036.0	-3,036.0	1.0	0.0	0.0	0.0	0.0	0.0	-436,236.3
Adjustments to cash and other items (net)	0.0	123,401.6	245,507.2	41,755.3	107,320.1	-177,145.5	54,619.0	54,106.0	-212,220.0	214,618.1	257,848.4	0.0	577,240.9
Overall Balance (cheques cleared)	-1,537,258.2	-305,732.5	-273,618.7	-149,028.2	25,686.5	-269,654.3	-87,863.5	-89,091.0	-289,309.7	-230,858.9	-494,625.3	-1,537,258.2	-1,965,916.6
Financing:	1,537,258.2	305,732.5	273,618.7	149,028.2	-25,686.5	269,654.3	87,863.5	89,091.0	289,309.7	230,858.9	494,625.3	1,537,258.2	1,965,916.6
Foreign Financing (net)	1,037,065.1	395,253.1	50,394.6	60,728.2	66,050.8	184,760.2	80,127.7	29,539.0	227,524.7	229,075.8	54,161.1	1,037,065.1	1,379,656.4
Loans	800,925.0	389,438.4	44,375.1	56,505.5	66,955.7	154,466.6	35,134.6	13,749.0	222,899.5	259,667.2	59,316.7	800,925.0	1,253,916.3
Program loans	368,464.0	258,404.0	0.0	0.0	0.0	0.0	0.0	0.0	218,729.2	222,423.5	0.0	368,464.0	558,319.6
Development Project loans	432,461.0	131,034.5	44,375.1	56,505.5	66,955.7	154,466.6	35,134.6	13,749.0	4,170.3	37,243.7	59,316.7	432,461.0	695,596.7
Basket Support	290,075.8	7,809.7	15,631.5	6,593.6	0.0	31,198.5	45,450.4	21,297.0	4,625.2	0.0	0.0	290,075.8	194,070.9
Amortization	-53,935.7	-1,995.0	-9,612.0	-2,370.9	-904.9	-904.9	-457.3	-5,507.0	0.0	-30,591.4	-5,155.6	-53,935.7	-68,330.9
Domestic (net)	500,193.1	-89,520.6	223,224.1	88,300.0	-91,737.3	84,894.1	7,735.8	59,552.0	61,785.1	1,783.1	440,464.2	500,193.1	586,260.2
Bank & Non Bank Financing (NDF)	506,193.1	-89,207.6	223,224.1	88,300.0	-91,737.3	84,894.1	7,735.8	59,803.0	61,785.1	-7,875.8	431,567.7	506,193.1	568,269.1
Bank borrowing	406,193.1	-105,834.9	174,656.9	60,300.0	-79,167.5	134,932.9	10,039.3	106,700.0	19,903.8	48,385.5	339,796.9	300,000.1	593,023.1
Non-Bank (net of amortization)	100,000.0	16,627.3	48,567.2	28,000.0	-12,569.8	-50,038.7	-2,303.5	-46,897.0	41,881.3	-56,261.3	91,770.8	206,193.0	-24,754.0
Borrowing/Roll over	576,476.3	157,160.9	111,414.6	36,370.3	19,036.3	323,982.1	39,437.9	10,797.0	82,675.9	45,512.0	116,971.5	576,476.0	714,314.8
Domestic & Contingent debt Amortization	-597,476.3	-157,473.9	-111,414.6	-36,370.3	-19,036.3	-323,982.1	-39,437.9	-11,048.0	-82,675.9	-45,512.0	-108,075.0	-597,476.0	-705,982.6
Privatization Proceeds	15,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9,658.9	0.0	15,000.0	9,658.9
GDP (In Million TZS)	31,108,881												

Note: /1 Includes LGAs and Drawing from EPA

/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)

Billions of TZS

Item	2009					Prov.											
	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
Net foreign assets	4,116.5	4,145.3	4,197.8	4,140.8	4,196.8	4,637.7	4,717.4	4,864.2	4,914.7	5,040.5	4,938.0	4,964.6	4,947.5	4,915.9	5,155.5	4,937.4	5,265.5
Bank of Tanzania	3,456.2	3,457.1	3,546.4	3,430.3	3,395.1	3,792.4	3,843.1	3,897.1	3,857.5	3,896.0	3,843.4	3,925.3	3,911.1	3,845.0	3,999.6	3,947.5	3,949.3
Other Depository Corporations	660.3	688.1	651.4	710.5	801.7	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
Net domestic assets	3,436.5	3,488.3	3,429.6	3,470.1	3,669.2	3,623.5	3,633.4	3,611.9	3,649.4	3,691.9	3,893.8	4,015.3	4,089.9	4,172.2	4,204.4	4,347.0	4,536.4
Domestic claims	4,368.1	4,256.3	4,282.0	4,419.0	4,771.7	4,660.6	4,797.9	4,744.4	4,930.6	5,089.3	5,068.0	5,181.7	5,247.8	5,445.0	5,672.8	5,707.5	6,124.1
Claims on central government (net)	-218.8	-369.9	-353.0	-266.0	61.5	-32.4	25.8	-80.0	94.7	155.0	75.8	191.8	211.7	319.2	338.9	381.5	721.3
Claims on central government	2,002.9	2,052.7	2,070.7	2,055.7	2,315.5	2,389.4	2,668.0	2,656.7	2,757.9	2,803.0	2,762.5	2,863.8	2,879.8	2,930.8	3,081.4	3,217.3	3,600.3
Liabilities to central government	2,221.7	2,422.6	2,423.6	2,321.6	2,254.0	2,421.8	2,642.2	2,736.7	2,663.3	2,648.0	2,686.7	2,672.1	2,668.0	2,611.6	2,742.6	2,835.7	2,879.0
Claims on non-government sector	4,586.9	4,626.2	4,634.9	4,684.9	4,710.2	4,693.0	4,772.1	4,824.4	4,836.0	4,934.3	4,992.2	4,989.9	5,036.1	5,125.8	5,334.0	5,326.0	5,402.8
Broad money liabilities	7,553.0	7,633.5	7,627.4	7,610.9	7,866.0	8,261.2	8,350.9	8,476.2	8,564.2	8,732.3	8,831.8	8,979.8	9,037.5	9,088.1	9,359.9	9,284.5	9,801.9
Currency outside depository corporations	1,384.3	1,366.6	1,349.6	1,366.3	1,424.1	1,494.1	1,543.7	1,519.4	1,539.0	1,553.6	1,567.3	1,518.5	1,524.9	1,543.0	1,543.3	1,594.2	1,680.5
Transferable deposits	2,899.9	2,915.8	2,968.4	2,889.0	2,949.9	3,110.9	3,156.4	3,328.6	3,286.1	3,366.2	3,340.0	3,516.5	3,451.7	3,483.3	3,712.9	3,554.3	3,947.6
Other deposits	3,268.8	3,351.2	3,309.4	3,355.7	3,492.1	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	4,173.9
Other items (net)	-931.6	-768.0	-852.4	-948.9	-1,102.5	-1,037.0	-1,164.5	-1,132.5	-1,281.2	-1,397.4	-1,174.2	-1,166.8	-1,167.5	-1,272.8	-1,468.4	-1,360.4	-1,587.7
Memorandum items:																	
Monetary Aggregates																	
Reserve money (M0)	2,451.4	2,478.5	2,558.6	2,550.2	2,679.0	2,874.6	2,887.3	2,890.7	2,861.5	2,895.5	3,010.0	3,018.4	3,131.1	3,121.5	3,072.3	3,030.9	3,369.3
Extended broad money (M3)	7,553.0	7,633.5	7,627.4	7,610.9	7,866.0	8,261.2	8,350.9	8,476.2	8,564.2	8,732.3	8,831.8	8,979.8	9,037.5	9,088.1	9,359.9	9,284.5	9,801.9
Deposits in foreign currency	2,021.8	2,060.0	2,075.4	2,016.4	2,093.6	2,155.8	2,141.7	2,162.7	2,145.8	2,142.7	2,227.8	2,237.1	2,155.7	2,203.1	2,392.5	2,376.3	2,513.8
FCD in millions of USD	1,552.3	1,568.0	1,571.8	1,538.8	1,611.3	1,641.5	1,645.1	1,660.1	1,641.1	1,629.7	1,696.3	1,690.1	1,625.7	1,656.2	1,780.8	1,727.0	1,822.4
Broad money (M2)	5,531.2	5,573.5	5,552.0	5,594.5	5,772.4	6,105.4	6,209.1	6,313.5	6,418.4	6,589.7	6,604.0	6,742.8	6,881.7	6,884.9	6,967.4	6,908.2	7,288.1
Other deposits in national currency (i.e. savings and time deposits)	2,382.7	2,475.3	2,488.4	2,514.9	2,623.3	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	3,153.4
Narrow money (M1)	3,148.4	3,098.2	3,063.6	3,079.7	3,149.1	3,342.0	3,434.1	3,578.8	3,532.0	3,656.6	3,591.4	3,730.8	3,746.2	3,755.9	3,816.3	3,764.8	4,134.7
Currency in circulation	1,384.3	1,366.6	1,349.6	1,366.3	1,424.1	1,494.1	1,543.7	1,519.4	1,539.0	1,553.6	1,567.3	1,518.5	1,524.9	1,543.0	1,543.3	1,594.2	1,680.5
Transferable deposits in national currency	1,764.1	1,731.6	1,714.0	1,713.4	1,725.0	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

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						
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jan	Feb	Mar	Apr	May	Jun	
A: Domestic Currency																						
1. Interbank Cash Market Rates																						
Overnight	9.29	6.49	4.46	2.44	0.82	1.04	1.21	1.19	1.46	1.67	1.66	0.98	0.86	0.67	0.86							
2 to 7 days	9.74	7.11	5.38	4.06	1.44	1.28	1.55	1.81	1.64	1.96	2.22	1.55	0.99	1.14	1.04							
8 to 14 days	9.85	7.38	5.30	4.43	1.90	1.55	1.41	1.67	1.72	2.08	2.50	1.76	1.27	1.01	0.93							
15 to 30 days	10.27	7.35	5.75	4.19	1.54	2.28	3.28	3.28	3.25	3.51	4.00	1.61	1.61	1.10	1.44							
31 to 60 days	11.05	7.87	5.30	4.58	2.82	2.69	3.04	3.91	3.43	3.43	4.00	4.00	4.00	4.00	4.00							
61 to 90 days	12.15	12.15	12.15	12.15	12.15	12.15	12.15	5.00	5.00	5.00	7.30	3.37	3.37	3.37	3.37							
91 to 180 days	12.00	9.40	8.60	9.17	3.27	3.68	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.70	3.70							
181 and above	14.35	12.00	12.00	5.56	7.05	6.47	9.00	5.47	5.47	5.47	5.47	5.47	4.85	4.00	8.50							
Overall Interbank cash market rate	9.58	6.80	5.03	3.86	1.42	1.34	1.63	1.62	1.57	1.80	1.89	1.29	0.92	0.87	0.97							
2. Lombard Rate	13.94	9.73	7.35	4.13	3.18	2.48	3.61	4.00	4.55	5.48	4.91	2.38	1.51	1.07	0.78							
3. REPO Rate	8.25	6.10	4.90	2.23	1.21	1.12	1.32	1.28	1.26	1.22	1.22	1.06	0.79	0.65	0.51							
4. Treasury Bills Rates																						
35 days	7.03	6.40	4.81	3.45	2.65	2.07	3.01	3.33	3.80	4.57	4.09	1.99	1.26	0.89	0.65							
91 days	10.55	8.25	5.56	4.14	3.53	2.97	3.38	5.29	6.06	6.35	5.57	3.25	1.77	2.16	2.89							
182 days	12.04	10.20	7.86	6.27	5.46	4.84	4.90	5.28	6.59	7.20	6.33	4.45	2.58	2.26	2.59							
364 days	12.57	10.69	9.11	8.28	7.72	7.79	8.22	8.60	8.83	9.06	8.24	6.32	4.86	4.96	6.08							
Overall Treasury bills rate	11.01	9.27	6.97	5.81	5.16	4.52	5.17	6.36	6.91	7.20	6.32	4.15	2.70	2.68	3.33							
5. Treasury Bonds Rates																						
2-years	15.28	15.28	11.51	11.51	11.51	11.51	10.89	10.89	10.89	10.89	9.40	9.40	9.40	9.40	8.79							
5-years	17.32	16.58	16.58	16.58	16.58	13.45	13.45	13.45	13.45	13.77	13.77	13.77	13.77	9.52	9.52							
7-years	17.06	17.06	17.06	17.06	14.14	14.14	14.14	14.15	14.15	14.15	14.15	12.11	12.11	10.38	10.38							
10-years	19.92	19.92	19.92	16.95	16.95	16.95	16.95	16.95	16.73	16.73	16.73	11.99	11.99	11.68								
6. Discount Rate	16.01	13.00	10.31	6.95	5.20	4.40	3.70	3.70	3.70	7.58	7.58	7.58	7.58	7.58	7.58							
7. Savings Deposit Rate	2.72	2.72	2.69	2.68	2.68	2.66	2.65	2.67	2.83	2.84	2.89	2.88	2.83	2.82	2.82							
8. Overall Time Deposits Rate	7.10	7.08	6.79	6.96	6.89	6.73	6.41	6.52	6.36	6.12	5.82	6.11	5.96	5.65	5.73							
Call Accounts	1.09	1.10	1.05	1.10	1.14	1.13	0.96	0.99	0.74	0.81	0.84	0.66	0.85	1.01	0.95							
1 month	7.23	7.39	6.46	6.45	6.49	6.09	5.70	5.76	5.10	5.14	5.02	5.40	5.45	5.31	4.58							
2 months	8.17	7.57	7.61	8.92	8.17	7.80	7.48	7.31	6.99	7.21	7.79	7.72	7.47	7.38	6.81							
3 months	8.22	7.81	8.69	8.38	7.81	8.17	7.45	7.34	6.67	7.54	7.00	7.24	6.52	6.09	6.33							
6 months	9.48	9.43	8.58	8.21	8.46	8.31	7.91	8.11	8.50	7.76	7.71	7.50	7.67	7.47	7.61							
12 months	8.98	9.41	9.07	9.06	9.04	8.83	8.83	8.76	8.99	9.06	8.84	8.78	8.67	7.53	7.30							
24 months	6.57	6.86	6.04	6.59	7.10	6.80	6.52	7.40	7.56	5.33	3.51	5.44	5.12	4.75	6.52							
9. Negotiated Deposit Rate	11.27	11.03	10.13	10.52	10.47	10.60	10.11	9.85	9.94	7.44	7.16	9.41	9.63	9.47	9.57							
10. Overall Lending rate	15.45	15.39	15.48	15.14	15.12	14.90	14.75	14.74	14.38	14.39	14.86	14.83	14.59	14.53	14.72							
Call Loans	19.25	20.25	21.25	22.25	22.25	23.25	24.25	25.25	26.25	27.25	28.25	29.25	30.25	31.25	32.25							
Short-term (up to 1 year)	13.87	13.68	14.57	13.94	13.77	13.98	13.92	14.00	13.96	13.76	14.74	14.62	13.88	14.02	13.95							
Medium-term (1-2 years)	15.55	15.81	15.63	15.38	15.74	15.27	15.11	15.37	15.01	15.06	15.12	15.11	15.44	15.64	15.41							
Medium-term (2-3 years)	15.18	15.07	15.11	14.61	14.75	14.69	14.66	15.02	14.74	14.42	14.44	14.51	14.41	14.30	14.80							
Long-term (3-5 years)	15.54	15.36	15.23	15.20	14.98	14.91	14.78	14.67	14.52	14.79	14.99	14.97	14.75	14.77	14.73							
Term Loans (over 5 years)	17.11	17.02	16.87	16.59	16.36	15.62	15.31	14.63	13.67	13.91	15.01	14.94	14.47	13.92	14.69							
11. Negotiated Lending Rate	14.03	14.17	14.28	14.26	14.24	13.81	13.51	13.38	13.18	13.68	13.79	13.71	13.97	13.80	14.13							
B: Foreign Currency																						
Deposits Rates																						
Call Accounts																						
Savings Deposits Rate	2.38	2.38	2.36	2.37	1.53	1.46	1.46	1.38	1.46	1.46	1.32	1.43	1.48	1.52	1.49							
Overall Time Deposits Rate	2.84	2.81	2.30	2.36	2.26	3.68	2.12	2.13	1.68	1.99	1.76	1.97	2.07	2.06	1.95							
1-months	2.66	3.86	2.36	1.85	2.09	3.68	2.06	2.04	1.40	1.73	1.76	1.68	1.63	1.64	1.59							
2-months	4.01	2.66	1.80	2.34	2.49	3.46	2.03	2.01	1.64	1.93	1.44	1.93	2.02	1.86	1.94							
3-months	2.61	2.64	2.45	2.93	2.10	4.24	2.09	2.06	1.00	1.95	1.64	2.01	1.89	1.85	1.83							
6-months	2.47	2.63	2.71	2.55	2.15	3.95	1.96	1.99	1.94	1.95	1.85	1.84	1.84	1.92	1.83							
12-months	2.43	2.27	2.18	2.12	2.49	3.07	2.48	2.53	2.42	2.40	2.10	2.41	2.97	3.05	2.55							
Overall Lending Rate	9.28	9.68	9.69	9.69	9.76	9.72	8.11	9.02	9.03	8.85	8.90	8.78	7.95	8.57	9.14							
Short-term (up to 1 year)	4.86	6.92	6.96	6.94	6.94	6.95	6.49	3.84	3.86	3.73	3.52	3.27	2.01	1.86	4.74							
Medium-term (1-2 years)	10.86	10.76	10.13	10.77	11.03	11.03	8.17	11.06	11.12	10.04	10.17	10.07	6.64	10.16	10.13							
Medium-term (2-3 years)	10.10	10.13	10.82	10.27	10.28	10.23	8.76	10.28	10.26	10.39	10.42	10.42	1.47	10.21	10.57							
Long-term (3-5 years)	10.55	10.55	10.54	10.50	10.52	10.41	8.65	10.29	10.29	10.47	10.76	10.49	11.01	11.00	11.00							
Term Loans (over 5 years)	10.05	10.02	10.01	10.00	10.01	10.01	8.47	9.63	9.64	9.64	9.64	9.64	9.64	9.64	9.27							

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 June ^P		% Change
	Jun	May	Jun	Jun 09 - Jun 10	May 10- Jun 10	2009	2010	
Traditional Exports:								
COFFEE								
Value	10.1	2.2	1.0	-89.7	-53.2	118.3	71.8	-39.3
Volume	7.4	0.8	0.5	-93.3	-38.9	58.5	31.6	-45.9
Unit Price	1,379.2	2,764.4	2,114.2	53.3	-23.5	2,023.7	2,272.8	12.3
COTTON								
Value	5.4	0.7	0.9	-83.0	21.7	130.2	92.7	-28.8
Volume	6.5	0.6	1.2	-81.0	96.2	110.7	83.4	-24.7
Unit Price	829.6	1,193.2	740.4	-10.8	-38.0	1,176.2	1,112.2	-5.4
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	1.9	3.3	2.8	48.8	-16.2	31.8	40.8	28.4
Volume	1.2	1.6	1.6	37.9	-2.3	19.4	19.7	1.6
Unit Price	1,621.3	2,040.2	1,750.3	8.0	-14.2	1,637.4	2,069.3	26.4
TOBACCO								
Value	0.2	6.0	16.0	6,717.4	165.1	143.3	188.5	31.6
Volume	0.2	2.3	3.8	1,992.2	63.6	45.9	43.3	-5.5
Unit Price	1,300.2	2,614.4	4,236.5	225.8	62.0	3,122.7	4,349.5	39.3
CASHEWNUTS								
Value	0.00	0.0	0.0	-	89.9	51.5	47.8	-7.1
Volume	0.00	0.0	0.1	-	143.0	71.8	65.8	-8.4
Unit Price	0.0	705.7	551.5	-	-21.9	717.1	727.1	1.4
CLOVES								
Value	0.46	0.0	0.0	-100.0	-100.0	14.9	10.1	-32.5
Volume	0.17	0.0	0.0	-100.0	-100.0	4.5	3.3	-25.7
Unit Price	2,778.4	1,117.2	0.0	-100.0	-100.0	3,349.4	3,043.5	-9.1
Sub Total	18.1	12.4	20.8	15.2	67.9	491.3	451.9	-8.0
Non-Traditional Exports:								
Minerals	82.1	88.1	118.1	43.8	34.0	875.5	1,428.6	63.2
Gold	77.9	84.3	112.5	44.5	33.5	825.7	1,382.9	67.5
Diamond	3.2	0.1	0.0	-99.2	--	19.5	17.1	-12.2
Other minerals ¹	1.0	3.7	5.5	--	48.4	30.3	28.6	-5.5
Manufactured Goods	30.9	34.9	102.1	--	193.0	634.4	650.7	2.6
Cotton Yarn	0.3	0.3	0.8	212.5	144.4	15.8	12.4	-21.8
Manufactured Coffee	0.0	0.1	0.0	0.0	0.0	0.4	0.8	133.5
Manufactured Tobacco	0.4	0.4	0.8	105.2	86.5	3.3	6.4	96.3
Sisal Products (Yarn & Twine)	0.8	0.6	0.6	0.0	0.2	6.7	7.3	8.0
Other manufactured Goods ²	29.5	33.4	99.9	--	199.1	608.2	623.8	2.6
Fish and Fish Products	9.5	11.6	10.8	13.2	-6.8	131.0	137.6	5.0
Horticultural products	2.8	2.8	2.6	-10.2	-8.1	36.5	33.0	-9.7
Re-exports	3.7	1.5	1.4	--	-4.8	118.5	106.9	-9.8
Others Exports³	34.2	21.3	34.5	0.8	62.0	310.3	329.1	6.1
Sub Total	163.3	160.1	269.4	-2.0	68.3	2,106.1	2,685.8	27.5
GRAND TOTAL	181.4	172.5	290.2	-4.9	68.3	2,597.4	3,137.7	20.8

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 June ^P		% Change
	Jun	May	Jun	Jun 09- Jun10	May 10 - Jun 10	2009	2010	
Capital Goods	209.8	197.2	196.6	-6.3	-0.3	2,587.5	2,505.7	-3.2
Transport Equipments	57.2	61.8	64.3	12.4	3.9	747.7	752.4	0.6
Building and Constructions	35.6	38.7	44.8	25.8	15.7	585.0	575.5	-1.6
Machinery	117.0	96.7	87.5	-25.2	-9.5	1,254.7	1,177.8	-6.1
Intermediate Goods	145.7	218.9	276.6	89.8	26.3	2,036.3	2,544.5	25.0
Oil imports	111.2	168.5	214.2	92.7	27.2	1,433.3	1,911.3	33.3
Fertilizers	1.6	5.8	7.2	359.4	23.4	133.6	89.1	-33.3
Industrial raw materials	33.0	44.7	55.2	67.3	23.7	469.4	544.1	15.9
Consumer Goods	114.9	143.1	132.2	15.0	-7.6	1,328.3	1,515.0	14.1
Food and food stuffs	38.5	33.0	29.2	-24.2	-11.5	350.0	385.9	10.3
All other consumer goods ¹	76.4	110.1	103.0	34.8	-6.5	978.4	1,129.1	15.4
Grand Total (f.o.b)	470.6	559.5	605.3	28.6	8.2	5,952.1	6,565.2	10.3
Grand Total (c.i.f)	517.2	614.8	665.2	28.6	8.2	6,540.8	7,214.5	10.3

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 boarder trade

r = Revised

p = Provisional

O/W = Of Which

Source: Bank of Tanzania

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

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

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

Source: National Bureau of Statistics

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

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

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

Millions of USD

Item	2009/10											
	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
1. Overall Total Debt Committed²	8,585.3	8,642.7	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
Disbursed outstanding debt	5,664.4	5,850.5	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
Undisbursed debt	2,920.9	2,792.2	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. Disbursed Debt by Creditor Category²	5,664.4	5,850.5	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
Bilateral debt	932.1	938.5	944.3	941.5	949.7	938.6	940.0	939.4	931.3	913.1	911.2	932.8
Multilateral debt	3,607.2	3,791.2	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
Commercial debt	706.2	702.0	709.2	713.5	640.8	638.1	639.4	634.2	595.2	592.8	598.8	603.2
Export credits	419.0	418.8	464.1	485.5	538.2	537.5	539.5	538.9	538.5	543.5	543.0	558.2
3. Disbursed Debt by Borrower Category²	5,622.4	5,864.5	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
Central Government	4,166.6	4,460.1	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
Parastatal Companies	392.3	394.6	396.7	398.9	442.7	506.6	503.9	488.3	486.1	484.1	475.6	475.4
Private Sector	1,063.5	1,009.8	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
4. Disbursed Debt by Use of Funds²	5,537.5	5,828.5	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
BOP & Budget Support	1,972.6	1,842.9	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
Transport & Telecommunication	634.9	656.2	705.5	707.1	723.1	723.1	721.8	719.9	661.0	658.3	659.6	679.5
Agriculture	605.9	609.8	614.3	654.4	653.0	658.2	677.7	687.7	676.2	670.3	664.5	671.9
Energy & Mining	758.4	816.1	820.4	823.3	810.2	801.1	800.3	756.4	726.8	723.6	716.0	756.8
Industries	148.0	148.6	152.9	154.0	153.1	183.4	184.6	184.1	179.7	179.3	178.3	178.5
Social Welfare & Education	760.7	815.6	829.9	832.9	847.9	849.2	848.7	833.2	848.6	846.1	821.7	825.3
Finance and Insurance	73.7	73.9	80.2	80.6	80.8	79.0	80.7	80.0	78.6	78.2	84.2	84.1
Tourism	90.6	90.7	90.7	91.0	96.6	87.0	86.6	86.5	87.0	92.0	95.6	96.0
Others	492.7	774.8	787.1	780.1	823.9	810.8	919.4	877.3	944.0	915.6	914.3	904.3
5. Total Amount of Loan Contracted¹	313.0	9.5	15.3	4.2	1.0	101.8	100.9	0.0	0.0	0.0	0.0	0.0
Government	250.1	0.0	0.0	0.0	0.0	101.8	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	62.9	9.5	15.3	4.2	1.0	0.0	70.0	0.0	0.0	0.0	0.0	0.0
6. Disbursements¹	57.7	159.1	50.0	20.3	6.8	115.0	37.6	125.3	35.2	167.6	29.2	41.3
Government	56.3	157.6	19.9	20.3	6.8	49.0	32.2	125.3	35.2	167.6	29.2	41.3
Parastatal Companies	0.0	0.0	0.0	0.0	0.0	63.4	0.0	0.0	0.0	0.0	0.0	0.0
Private	1.3	1.4	30.1	0.0	0.0	2.5	5.4	0.0	0.0	0.0	0.0	0.0
7. Scheduled Debt Service¹	46.4	8.6	13.5	22.3	12.2	38.5	37.8	7.8	13.7	21.5	15.0	30.0
8. Actual Debt Service¹	20.3	3.4	5.3	3.4	4.9	5.7	6.8	0.9	5.4	7.4	4.5	5.4
Principal	6.6	2.9	4.5	2.5	1.8	3.3	4.0	0.2	2.8	2.9	3.4	4.1
Interest	13.7	0.5	0.7	0.9	3.1	2.4	2.9	0.7	2.6	4.4	1.0	1.3
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	37.3	155.7	44.7	16.9	1.9	109.3	30.8	124.4	29.7	160.6	24.8	35.9
10. Total Arrears by Creditors Category²	2,792.1	2,791.8	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
Principal	1,257.7	1,262.5	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
Bilateral	454.4	460.4	468.3	468.9	468.9	472.4	476.8	479.7	472.7	456.1	457.6	464.5
Multilateral	19.5	19.5	20.0	23.6	20.1	22.8	15.9	15.9	15.9	16.3	16.2	16.2
Commercial	459.0	454.0	456.4	461.5	470.0	380.2	405.6	402.2	369.4	372.6	373.7	384.7
Export Credits	324.7	328.6	321.3	347.2	347.4	308.7	253.1	253.8	253.6	255.9	254.7	255.8
Interest	1,534.4	1,529.2	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
Bilateral	673.1	680.7	689.0	689.4	703.9	715.8	724.5	722.0	716.4	710.3	713.8	721.4
Multilateral*	15.5	15.5	16.0	16.0	16.1	16.9	17.1	17.2	17.4	17.4	17.4	18.7
Commercial	569.6	558.7	562.2	580.1	573.5	584.2	588.2	579.4	572.6	585.9	575.8	599.5
Export Credits	276.2	274.3	274.8	282.5	285.4	288.0	290.7	289.4	285.4	290.3	296.6	300.0
11. External Debt Stock	7,156.8	7,393.7	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
12. Domestic Debt Stock	1,772.2	1,809.4	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
13. Total Debt Stock	8,929.0	9,203.1	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
End Period Exchange Rate	1,313.3	1,301.8	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

*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.

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