



BANK OF TANZANIA

Monthly Economic Review

March 2010

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1.0 Inflation Developments

Annual headline inflation rate eased to 9.6 percent in February 2010 from 10.9 percent recorded in January 2010 due to decrease in food and non-food inflation. Meanwhile, the 12-month average annual headline inflation increased to 11.7 percent in February 2010, compared with 11.0 percent recorded in the corresponding period of 2009. **Month-to-month headline inflation rate** slowed to 0.6 percent in February 2010, compared with 1.7 percent in January 2010, on account of decrease in both food and non food inflation (**Table 1.1 and Chart 1.1**).

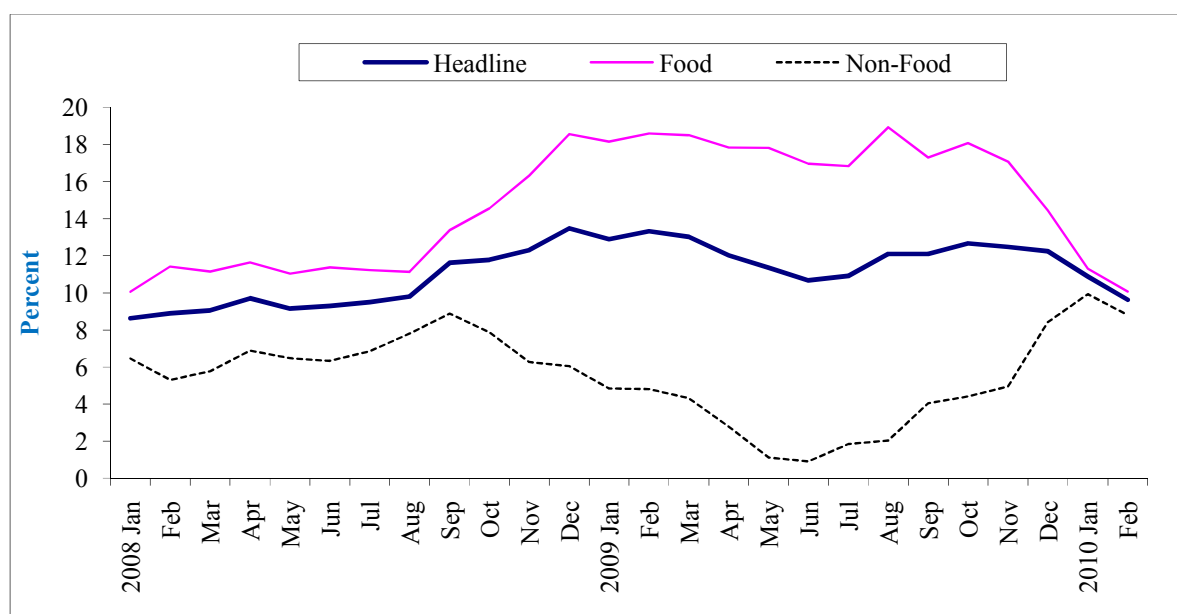
Table 1.1: Annual Percentage Change in Consumer Price Index (ALL-Urban)

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2008			2009			2010	
		Jan	Feb	Dec	Jan	Feb	Dec	Jan	Feb
Headline/Overall	100	8.6	8.9	13.5	12.9	13.3	12.2	10.9	9.6
Food	55.9	10.1	11.4	18.6	18.2	18.6	14.5	11.3	10.1
Non-food	44.1	6.5	5.3	6	4.8	4.8	8.5	10.1	8.9
Transportation	9.7	5.7	4.9	5.5	4.2	3.4	12.2	3.3	3.4
Fuel, Power and Water	8.5	10.1	6.8	4.3	2.6	2.5	6.6	23.3	20.3
Drinks and Tobacco	6.9	10.4	10.2	2.4	5.4	5.3	12.8	12.1	11.5
Clothing & Footwear	6.4	1.1	0.3	8.1	3.4	4.6	14.3	5.3	4.5
Education	2.6	5.6	5.6	6.8	9.1	9.9	2.6	7.5	6.0
Furniture & Household Equip.	2.1	4.9	4.1	5.4	7.1	6.9	4.9	3.5	1.6
H/h Operations Maintenance	2.1	3.6	2.9	8	4.8	5.1	3.2	6.0	4.7
Personal Care & Health	2.1	3.7	3.4	8.7	7.7	7.6	9.3	3.7	4.9
Rents	1.4	2.4	2.4	5.1	12.5	12.6	3.8	2.6	2.6
Recreation & Entertainment	0.8	5.9	4	8.5	9.6	10.9	7.8	7.5	3.4
Misc. Goods & Services	1.5	2.1	1.8	1.9	3.1	3.6	1.1	1	-1.8

Source: National Bureau of Statistics and Bank of Tanzania Computation.

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



Source: National Bureau of Statistics and Bank of Tanzania Computation

Annual non-food inflation rate fell to 8.9 percent in February 2010 from 10.0 percent in January 2010, mainly associated with decline in the average prices of drinks and tobacco; household items, recreation and entertainment sub-groups. On the other hand, fuel power and water sub-group recorded the highest annual increase of 20.3 percent. The 12-month average annual non-food inflation rate was 4.5 percent in February 2010, lower than the average rate of 6.6 percent recorded in the corresponding period of 2009. **Month-to-month non-food inflation rate** decreased to negative 0.4 percent in February 2010 compared with 1.2 percent registered in January 2010, on account of decline in the average prices of items under drinks, tobacco, education, transportation and household operations.

Annual food inflation rate continued to decline since November 2009 reaching 10.1 percent in February 2010 from 11.3 percent in January 2010, mainly associated with improved food supply in the EAC region. However, the 12-month average food inflation rate was relatively higher at 16.3 percent in February 2010, compared with an average of 13.9 percent recorded in the corresponding period of 2009. **Month-to-month food inflation rate** was 1.2 percent in February 2010, down from 1.9 percent posted in January 2010, mainly on account of decrease in average prices of cereals, sweet potatoes, vegetables, fish, beans, cooking oil, groundnuts and spices.

Food Supply Situation

Recent assessment conducted by the Ministry of Agriculture Food Security and Cooperatives revealed that 47 districts were facing food shortages, requiring food relief of about 5,328 tons between January and February 2010. The government distributed 40,334 tons of maize to deficit areas at subsidized prices to ease food shortages during the period under review. For the past eight months (July 2009 to February 2010) the government and private traders purchased a total of 101,167.5 tons of grains from National Food Reserve Agency (NFRA) that was supplied to districts facing food shortages.

On annual basis, wholesale prices for major food crops increased in February 2010 with exception of beans and rice (**Table 1.2**). On month to month basis, the wholesale prices for the food crops decreased except for sorghum, following the increase in supply associated with short rain crop harvest.

Table 1.2: National Average Wholesale Prices for Selected Food Items

TZS per 100 kg

Item	2009	2010		Percentage change	
	February	January	February	Feb 09 to Feb 10	Jan to Feb 2010
Maize	39,259	46,790	45,739	16.5	-2.2
Rice	112,992	107,476	106,272	-5.9	-1.1
Beans	110,175	106,919	103,010	-6.5	-3.7
Sorghum	45,169	51,069	52,035	15.2	1.9
Potatoes	48,139	60,244	51,914	7.8	-13.8

Source: Ministry of Industry, Trade and Marketing

National Food Reserves

Stock of maize and sorghum held by the NFRA declined to 64,461 tons at the end of February 2010, compared with 66,267 tons recorded in the preceding month. The decline in the stocks was on account of sale of grains to the Government for distribution to the districts experiencing food shortages. From July 2009 to February 2010, NFRA purchased 71,851 tons of grains from the domestic markets, which is 47.9 percent of the target for 2009/10, ((**Table 1.3**).

Table 1.3: National Food Reserve Agency (NFRA) Stock

Period	2005	2006	2007	2008	2009	2010	Tons
							% Change 2009-2010
January	119,924	76,813	112,343	139,765	128,919	66,267	-48.6
February	116,383	43,593	117,838	133,898	125,430	64,461	-48.6
March	114,760	8,055	121,046	119,022	124,252		
April	115,262	3,165	125,509	94,509	122,849		
May	113,823	6,210	128,350	79,369	109,876		
June	112,823	15,560	128,804	76,649	94,699		
July	112,323	13,811	129,306	75,438	88,841		
August	112,067	28,440	125,653	83,131	93,231		
September	111,971	80,248	131,937	102,225	110,278		
October	111,695	87,461	143,717	114,464	107,177		
November	106,428	100,828	142,624	122,209	86,542		
December	93,051	110,203	142,044	129,253	77,644		

Source: National Food Reserve Agency

2.0 Monetary and Financial Developments

Money Supply and Credit Developments

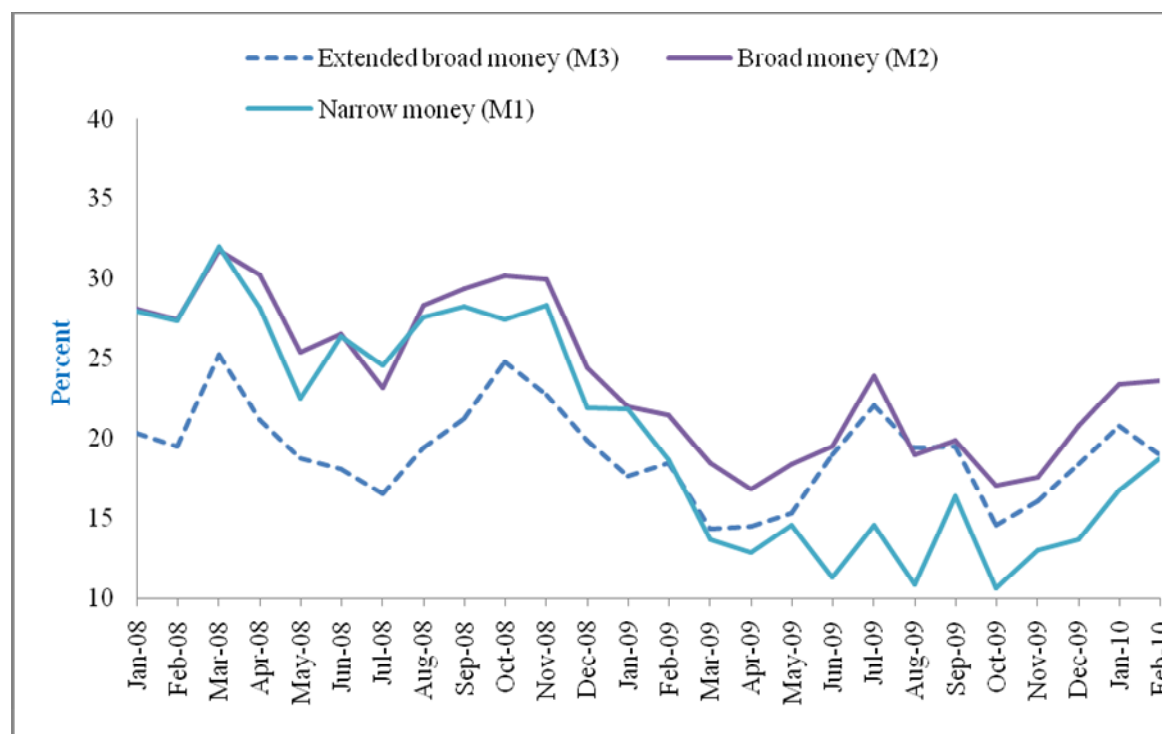
Annual growth rate of extended broad money supply (M3) edged upward to 19.0 percent in February 2010 compared with 18.4 percent recorded in February 2009, but was slightly lower than 20.8 percent recorded in the preceding month. On the other hand, broad money supply (M2) grew by 23.6 percent in February 2010 from 21.5 percent recorded in the corresponding month in 2009, and 23.4 percent recorded in January 2010 (**Table 2.1** and **Chart 2.1**). These developments in broad monetary aggregates were mainly explained by the increase in Net Foreign Assets (NFA) of the Other Depository Corporations (ODCs).

Table 2.1: Selected Money Supply Components

Item	Billions of TZS											
							Monthly Change			Annual Growth Rates		
	Feb-08	Jan-09	Feb-09	Jan-10	Feb-10	Feb-09	Jan-10	Feb-10	Feb-08	Feb-09	Jan-10	Feb-10
Net Foreign Assets of the Banking System	3,732.4	3,998.1	4,116.5	4,964.6	4,976.6	118.4	26.6	12.0	5.6	10.3	24.2	20.9
Bank of Tanzania	3,137.8	3,450.0	3,456.2	3,925.3	3,911.1	6.2	81.8	-14.1	24.0	10.1	13.8	13.2
Other Depository Corporations	594.6	548.1	660.3	1,039.3	1,065.5	112.2	-55.2	26.2	-40.8	11.1	89.6	61.4
Net Domestic Assets of the Banking System	2,645.2	3,437.6	3,436.5	4,016.7	4,008.1	-1.1	122.9	-8.6	46.6	29.9	16.8	16.6
Domestic Claims	3,105.4	4,314.9	4,368.1	5,198.7	5,166.3	53.2	130.8	-32.4	31.6	40.7	20.5	18.3
Claims on central government (net)	-177.1	-229.4	-218.8	208.7	218.7	10.6	132.8	10.0	882.6	23.6	-190.9	-200.0
Claims on Central Government	2,312.0	2,092.3	2,002.9	2,863.8	2,879.8	-89.4	101.4	15.9	23.0	-13.4	36.9	43.8
Liabilities to Central Government	2,489.0	2,321.7	2,221.7	2,655.2	2,661.1	-100.0	-31.5	5.9	31.1	-10.7	14.4	19.8
Claims on Other Sectors	3,282.5	4,544.3	4,586.9	4,990.1	4,947.6	42.6	-2.1	-42.4	38.1	39.7	9.8	7.9
Extended Broad Money Supply (M3)	6,377.6	7,435.7	7,553.0	8,981.3	8,984.8	117.3	149.5	3.5	19.5	18.4	20.8	19.0
Foreign Currency Deposits (FCD) in National Currency	1,823.7	1,970.0	2,021.8	2,237.1	2,148.0	51.8	9.3	-89.1	3.4	10.9	13.6	6.2
<i>FCD in millions of US dollar</i>	1,554.4	1,530.7	1,552.3	1,690.1	1,619.9	21.6	-6.2	-70.3	11.3	-0.1	10.4	4.4
Broad Money Supply (M2)	4,553.8	5,465.7	5,531.2	6,744.2	6,836.8	65.5	140.2	92.6	27.4	21.5	23.4	23.6
Other Deposits in National Currency	1,901.2	2,269.6	2,382.7	3,013.3	3,096.7	113.2	0.7	83.3	27.5	25.3	32.8	30.0
Narrow Money Supply (M1)	2,652.6	3,196.1	3,148.4	3,730.8	3,740.1	-47.7	139.5	9.3	27.3	18.7	16.7	18.8
Currency in Circulation	1,137.7	1,408.0	1,384.3	1,518.5	1,524.9	-23.7	-48.8	6.3	10.8	21.7	7.9	10.2
Transferable Deposits in National Currency	1,514.9	1,788.2	1,764.1	2,212.3	2,215.2	-24.0	188.3	2.9	43.4	16.5	23.7	25.6

Source: Bank of Tanzania

Chart 2.1: Annual Growth Rates of Monetary Aggregates



Source: Bank of Tanzania

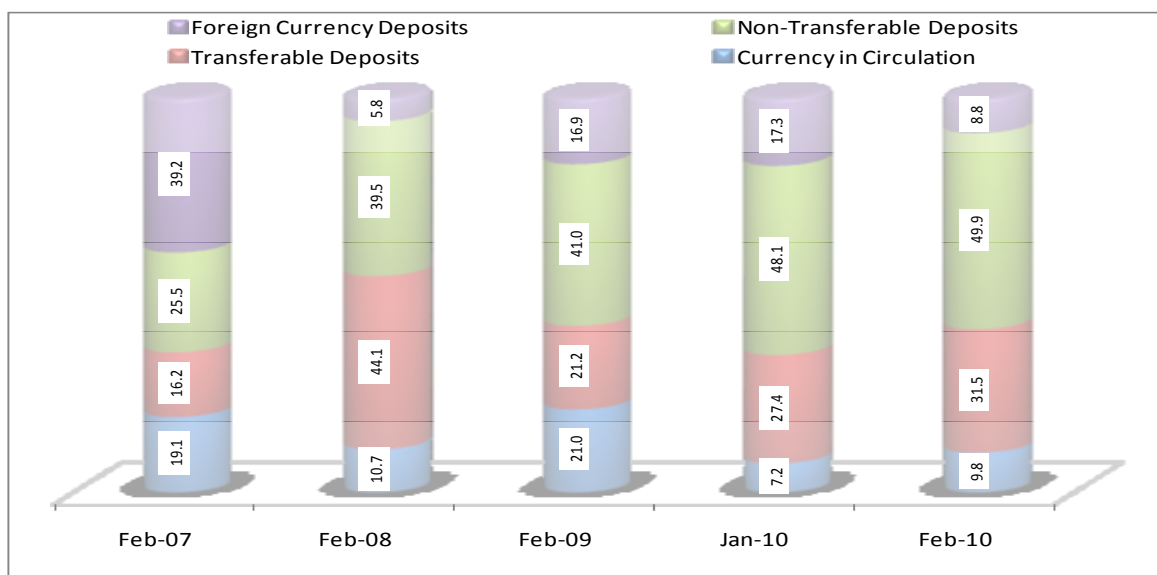
During the period under review, NFA of ODCs grew by 61.4 percent compared with 11.1 percent posted in the corresponding period a year earlier, partly linked with the shift in portfolio preferences by ODCs from extending more credit to the private sector in favour of accumulation of foreign assets following Global Financial Crisis (GFC). Meanwhile, on net basis the

government borrowed TZS 437.5 billion from the banking system in the year ending February 2010, compared with a net repayment of TZS 41.7 billion recorded in the corresponding period a year earlier.

As ODCs increased their preferences for foreign assets, the pace of expansion of credit to the private sector slowed to an annual growth rate of 7.9 percent in February 2010, compared with a growth rate of 39.7 percent registered in the corresponding period a year earlier.

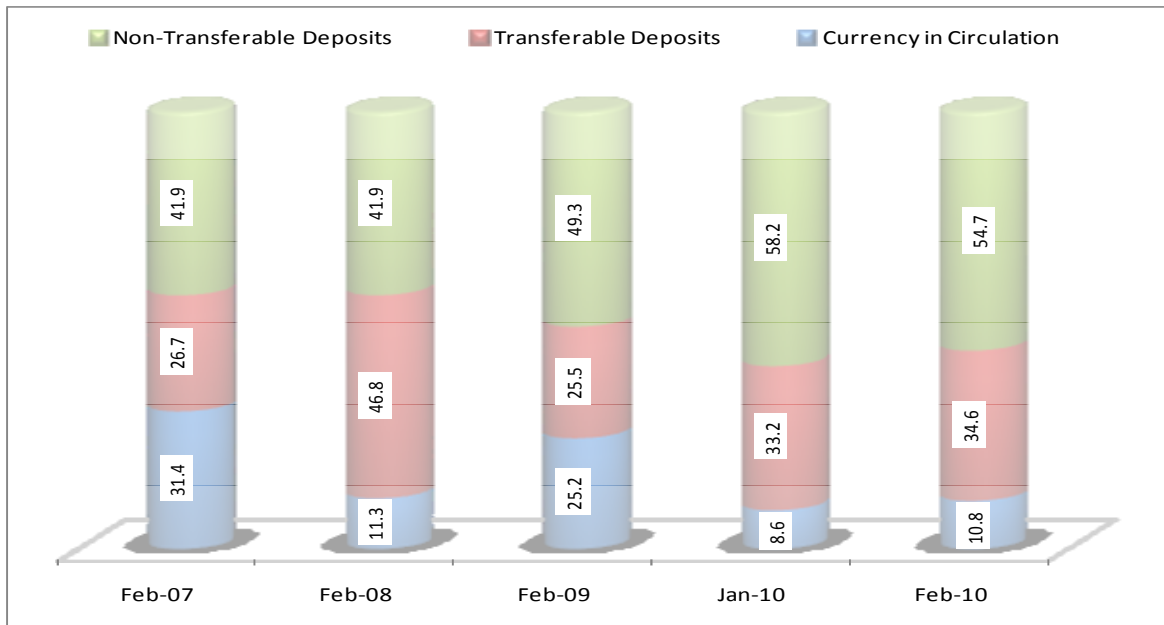
On the liabilities side, non transferable deposits (savings and time deposits) remained the dominant factor in explaining changes in M3. In the year ending February 2010, non transferable deposits accounted for 49.9 percent of the changes in M3, compared with 41.0 percent recorded in February 2009 and 48.1 percent recorded in the preceding month. This development is mainly associated with the continued improvement in banking services and financial products offered by ODCs. On the other hand, contribution of transferable deposits was 31.5 percent, up from 21.2 percent recorded in February 2009, while the contribution of currency in circulation to changes in M3 declined from 21.0 percent in February 2009 to 9.8 percent in February 2010, partly reflecting improvement of financial innovation, (**Chart 2.2 and 2.3**).

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



Source: Bank of Tanzania

Chart 2.3: Percentage Contribution of Components of Money Supply to 12-Month Change in M2



Source: Bank of Tanzania

Interest Rate Developments

In the past three months to February 2010, overall time deposit and negotiated deposit rates offered by Other Depository Corporations (ODCs) sustained a declining trend, partly reflecting developments in the money market, while saving deposits rate improved slightly. On the other hand, rates charged by ODCs, have trended upward during the same period. In particular, overall lending rates increased to 14.86 percent from 14.39 percent recorded in January 2009 and 14.38 percent registered in December 2009 ([Table 2.2](#)).

Table 2.2: Weighted Average Interest Rates Structure

	Jan-09	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
Overall Interbank cash market rate	8.41	9.81	10.10	9.58	6.80	5.03	3.86	1.42	1.34	1.63	1.62	1.57	1.80	1.89
<i>Overnight interbank cash market</i>	8.31	9.63	9.90	9.29	6.49	4.46	2.44	0.82	1.04	1.21	1.19	1.46	1.67	1.66
REPO Rate	7.55	9.09	9.73	8.25	6.10	4.90	2.23	1.21	1.12	1.32	1.28	1.26	1.22	1.22
Discount Rate	17.53	17.85	18.33	16.01	13.00	10.31	6.95	5.20	4.40	3.70	3.70	3.70	7.58	7.58
Overall Treasury bills rate	12.53	12.85	13.33	11.01	9.27	6.97	5.81	5.16	4.52	5.17	6.36	6.91	7.20	6.32
<i>35 days</i>	7.43	7.54	7.62	7.03	6.40	4.81	3.45	2.65	2.07	3.01	3.33	3.80	4.57	4.09
<i>91 days</i>	11.60	11.99	12.43	10.55	8.25	5.56	4.14	3.53	2.97	3.38	5.29	6.06	6.35	5.57
<i>182 days</i>	13.28	14.64	14.86	12.04	10.20	7.86	6.27	5.46	4.84	4.90	5.28	6.59	7.20	6.33
<i>364 days</i>	15.32	14.74	14.99	12.57	10.69	9.11	8.28	7.72	7.79	8.22	8.60	8.83	9.06	8.24
Savings Deposit Rate	2.64	2.75	2.72	2.72	2.72	2.69	2.68	2.68	2.66	2.65	2.67	2.83	2.84	2.89
Treasury Bonds Rates														
<i>2-years</i>	14.35	14.35	15.28	15.28	15.28	11.51	11.51	11.51	11.51	10.89	10.89	10.89	10.89	9.40
<i>5-years</i>	17.32	17.32	17.32	17.32	16.58	16.58	16.58	16.58	13.45	13.45	13.45	13.45	13.77	13.77
<i>7-years</i>	17.04	17.04	17.04	17.06	17.06	17.06	17.06	14.14	14.14	14.14	14.15	14.15	14.15	14.15
<i>10-years</i>	19.47	19.92	19.92	19.92	19.92	19.92	16.95	16.95	16.95	16.95	16.95	16.73	16.73	16.73
Overall Time Deposits Rate	6.63	6.78	7.00	7.10	7.08	6.79	6.96	6.89	6.73	6.41	6.52	6.36	6.12	5.82
<i>12 month time deposit rate</i>	8.79	8.59	8.56	8.98	9.41	9.07	9.06	9.04	8.83	8.83	8.76	8.99	9.06	8.84
Negotiated Deposit Rate	10.66	10.82	10.99	11.27	11.03	10.13	10.52	10.47	10.60	10.11	9.85	9.94	7.44	7.16
Overall Lending rate	14.93	14.95	15.12	15.45	15.39	15.48	15.14	15.12	14.90	14.75	14.74	14.38	14.39	14.86
<i>Short-term lending rate (up to 1 year)</i>	13.41	13.45	13.44	13.87	13.68	14.57	13.94	13.77	13.98	13.92	14.00	13.96	13.76	14.74
Negotiated Lending Rate	12.42	12.26	13.01	14.03	14.17	14.28	14.26	14.24	13.81	13.51	13.38	13.18	13.68	13.79
Margin between short-term lending and one-year time deposit rates	4.61	4.86	4.88	4.90	4.27	5.50	4.88	4.73	5.15	5.08	5.24	4.97	4.71	5.90

Source: Bank of Tanzania

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 Meanwhile, negotiated lending rates rose to 13.79 percent in February 2010, from 13.68 percent recorded in the preceding month, and 13.18 percent in December 2009. As a result, the spread between short-term lending rate (up to one year) and one year time deposit rate widened to 5.90 percentage points in February 2010, from 4.71 percentage points recorded in the preceding month, and 4.97 percentage points in December 2009, reflecting existence of high risk premium.

4

Financial Markets Developments

Treasury Bills Market

During October 2009 to February 2010, Treasury bill market remained buoyant characterized with high demand well above the amount offered. During the period, Treasury bills market was oversubscribed by TZS 1,142.9 billion, compared with under subscription of TZS 7.9 billion recorded in the corresponding period a year earlier. This development is mainly associated with the recent slowdown in the expansion of credit to the private sector by ODCs in favour of treasury securities. It deserves noting that, during February 2010, the market registered a record high demand amounting to TZS 728.6 billion. Consistent with the market developments, the

weighted average yield decreased from an average of 11.4 percent during October 2008 – February 2009 to an average of 6.4 percent during October 2009 – February 2010, (**Chart 2.4**).

Chart 2.4: Treasury Bills Market Developments



Source: Bank of Tanzania

Treasury Bonds Market

During February 2010, the Bank supplied the market with a 2-year Treasury bond worth TZS 30.0 billion, while demand amounted to 258.3 billion, an over-subscription of about TZS 228 billion. This compares with an oversubscription of TZS 76.0 billion recorded in October 2009, when a 2-year Treasury bond was lastly auctioned. Despite the high demand the Bank accepted bids with face value of TZS 30.0 billion.

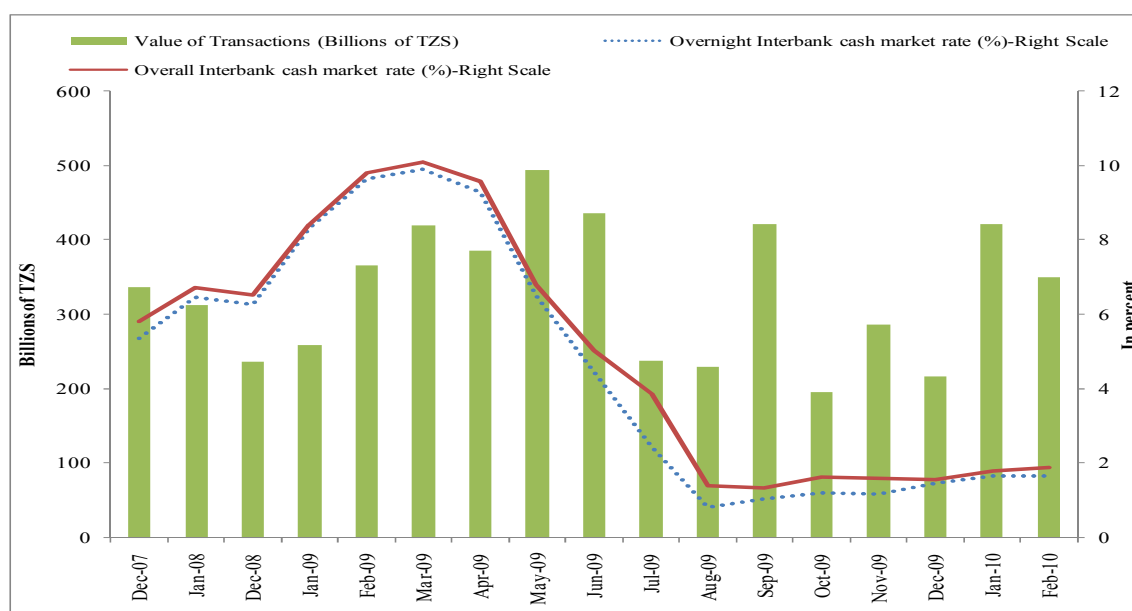
Repurchase Agreements and Inter-Bank Cash Market Developments

The Bank continued to conduct repurchase agreements with ODCs to supplement other monetary policy instruments in the management of liquidity in the banking system. During October 2009-February 2010, repos worth TZS 2,413.0 billion were conducted with ODCs, compared with TZS 2,184.3 billion conducted in a similar period a year earlier. Notwithstanding a sizeable increase in repo transactions, the repo rate declined to an average of

1.26 percent during October 2009 to February 2010, down from an average of 6.76 percent recorded in the corresponding period a year earlier.

During October 2009—February 2010, volume of transaction in the interbank cash market declined to TZS 1,471.9 billion from TZS 1,743.5 billion transacted in a similar period a year earlier. The decline of transactions in the interbank cash market reflects the presence of high liquidity among ODCs, which also resulted to a decline in average interbank cash market rate from 7.21 percent, registered in October 2008—February 2009 to an average of 1.70 percent in October 2009 –February 2010 (**Chart 2.5**).

Chart 2.5: Interbank Cash Market Developments



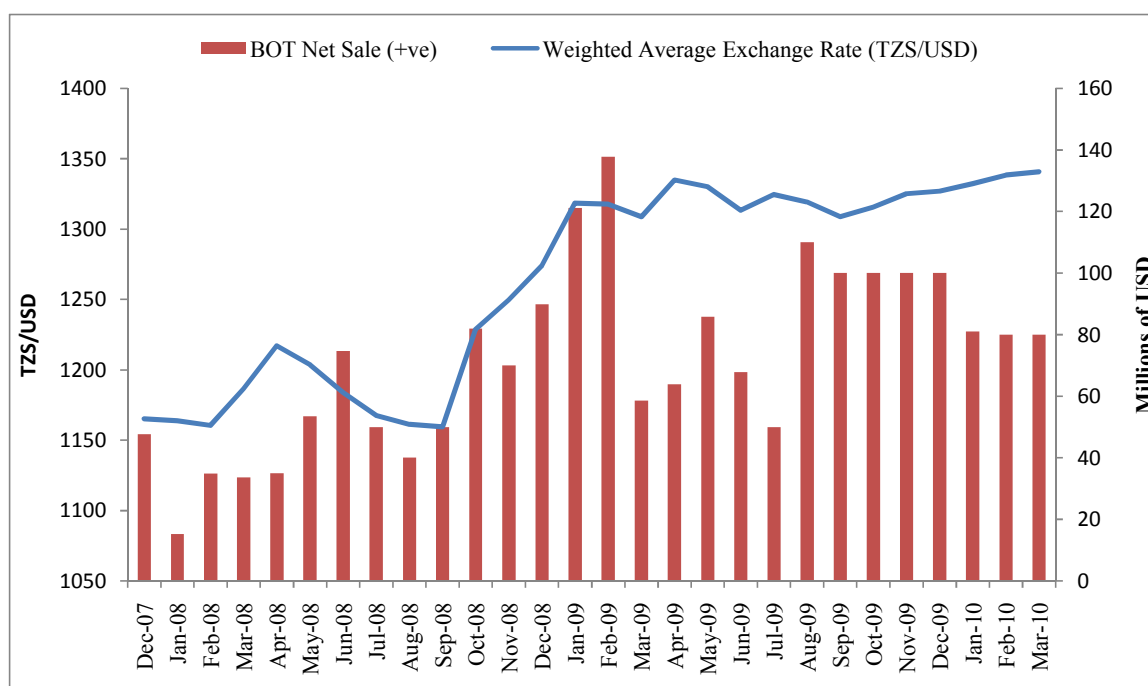
Source: Bank of Tanzania

Inter-Bank Foreign Exchange Market

The Bank continued to participate in the Inter-bank Foreign Exchange Market (IFEM) primarily to meet the liquidity management objectives, while fostering orderly market developments. During October 2009—February 2010, the Bank remained the main supplier of foreign exchange in the IFEM selling USD 461 million on net basis, which accounted for 84.3 percent of the total USD 546.5 million traded during the period. In the corresponding period a year earlier, the Bank sold USD 487.4 million on net basis, accounting for 76.6 percent of the total

volume traded amounting to USD 636.1 million. The value of the shilling against the US dollar depreciated from an average of TZS 1,277.6 per USD during October 2008—February 2009 to an average of TZS 1,327.7 per USD during October 2009—February 2010, representing a depreciation of about 4 percent (**Chart 2.6**).

Chart 2.6: Interbank Foreign Exchange Market Operations



Source: Bank of Tanzania

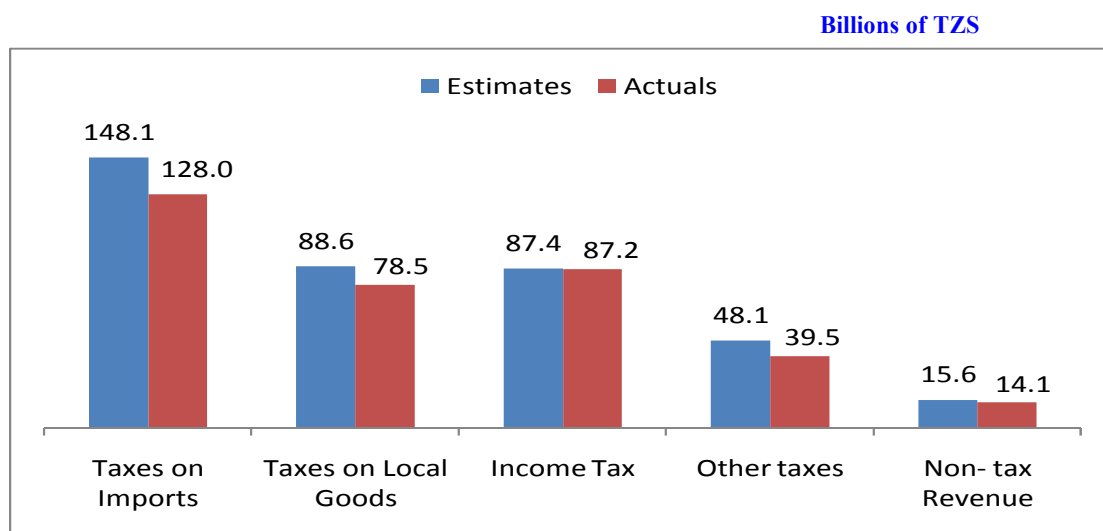
3.0 Government Budgetary Operations

In February 2010, government revenue collections and expenditures were 89.5 percent and 83.1 percent of the targets respectively. The overall fiscal balance registered a deficit of TZS 87.9 billion.

Revenue Performance

Revenue collections in February 2010 amounted to TZS 347.3 billion, equivalent to 89.5 percent of the target. Tax revenue collections amounted to TZS 333.2 billion, while non-tax revenue collection was TZS 14.1 billion (**Chart 3.1**). The shortfall in tax revenue was recorded in all tax categories save for income taxes which was close to the target.

Chart 3.1: Government Revenue by Source in February 2010



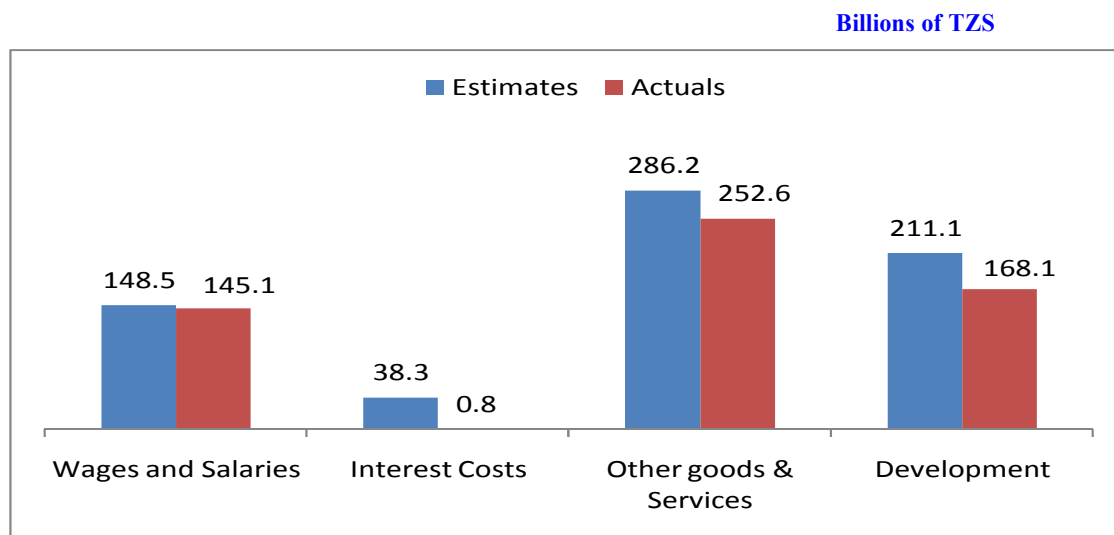
Source: Bank of Tanzania

On cumulative basis, July 2009 – February 2010, revenue collections reached TZS 3,029.7 billion, equivalent to 91.1 percent of the target. Domestic revenue collections reached 9.7 percent of the projected GDP for 2009/10, against the estimate of 10.7 percent.

Government Expenditure

During the month under review, total expenditure amounted to TZS 575.8 billion, being below the estimate by 16.9 percent. Recurrent expenditure amounted to TZS 407.7 billion and development expenditure amounted to TZS 168.1 billion (**Chart 3.2**).

Chart 3.2: Government Expenditure in February 2010



Source: Bank of Tanzania

On cumulative basis, July 2009 to February 2010 government expenditure reached TZS 5,521.9 billion or 93.6 percent of the estimate. Recurrent expenditure was TZS 3,647.8 billion, being below the estimate by 8.5 percent. On the other hand, development expenditure accumulated to TZS 1,874.1 billion, which was in line with the target. As percent of the projected GDP for 2009/10, government expenditure reached 17.8 percent, compared to the estimate of 19.0 percent.

Financing

During February 2010, fiscal operations registered an overall deficit (adjusted to cash) of TZS 87.9 billion. The deficit was financed by TZS 80.1 billion from foreign sources and TZS 7.7 billion from domestic sources. On cumulative basis, net domestic financing for the period July 2009 to February 2010 amounted to TZS 102.5 billion.

4.0 External Sector Performance

Current Account balance

During the year ending February 2010 (March 2009—February 2010), overall balance of payments indicate a surplus of USD 563.4 million, compared with a deficit of USD 21.1 million recorded in the corresponding period a year earlier. The positive development is largely attributed to the narrowing of the current account deficit by 19.5 percent to USD 2,313.7 million, following a decline in import bill coupled with an increase in exports (**Table 4.1**).

Table 4.1: Current Account Balance

Item	Millions of USD						% Change
	Feb		2010		Year Ending February		
	2008	2009	Jan	Feb	2009p	2010p	
Goods Account (net)	-265.6	-247.5	-306.9	-302.3	-3,823.3	-3,227.5	-15.6
Exports	223.3	178.6	264.6	258.1	2,598.6	2,803.5	7.9
Imports	488.9	426.1	571.6	560.4	6,421.9	6,031.0	-6.1
Services Account (net)	31.17	4.10	51.86	8.4	357.1	248.9	-30.3
Receipts	158.0	141.7	200.3	148.8	1,981.9	1,954.0	-1.4
Payments	126.9	137.6	148.4	140.4	1,624.8	1,705.1	4.9
Goods and services (net)	-234.5	-243.4	-255.0	-293.9	-3,466.2	-2,978.6	-14.1
Exports of goods and services	381.3	320.3	464.9	406.9	4,580.4	4,757.5	3.9
Imports of goods and services	615.8	563.7	720.0	700.8	8,046.7	7,736.1	-3.9
Income Account (net)	-0.2	-8.4	-7.9	-7.7	-106.8	-59.8	-44.0
Receipts	12.1	7.6	12.8	8.2	113.6	160.2	41.1
Payments	12.3	16.1	20.7	15.9	220.4	220.0	-0.1
Current Transfers (net)	14.6	36.7	41.4	58.5	697.3	724.7	3.9
Inflows	20.2	42.0	48.6	66.2	776.8	805.4	3.7
o/w General Government	11.8	33.5	38.4	57.0	676.1	696.2	3.0
Outflows	5.6	5.3	7.2	7.7	79.4	80.6	1.5
Current Account Balance	-220.1	-215.1	-221.5	-243.1	-2,875.7	-2,313.7	-19.5

Note: P = Provisional

Source: Bank of Tanzania

In addition to the developments in the current account, the disbursement of funds for the balance of payments support from the IMF under the Exogenous Shock Facility (ESF) and the allocation of Special Drawing Rights (SDR)¹ continued to explain the improvement of country's gross reserves position. As a result, gross official reserves increased to USD 3,596.1 million by end February 2010 from USD 2,720.8 million recorded as at end February 2009. The level of reserves for February 2010 was enough to cover about 5.6 months of import of goods and services.

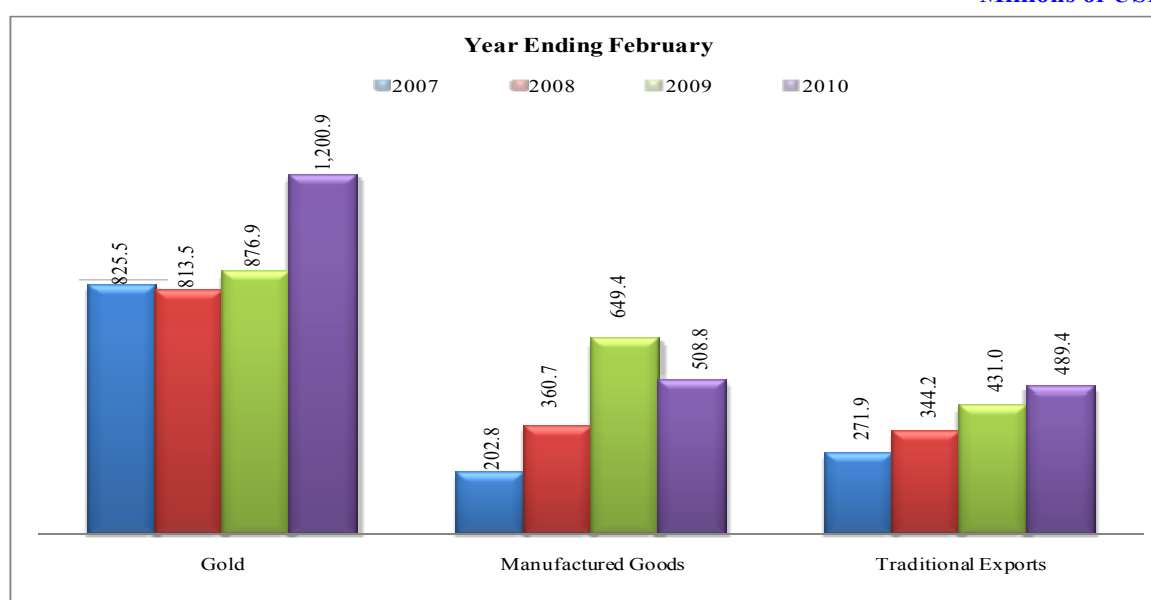
¹ ESF disbursed in June and December 2009, while SDR Allocations were released in August and September 2009.

Exports Performance

During the year ending February 2010, export of goods and services increased to USD 4,757.5 million from USD 4,580.4 million recorded in the corresponding period a year earlier. The improvement is largely due to increase in export of goods as service receipts declined. Travel and gold remained the dominant exports accounting for 26.8 percent and 25.2 percent, respectively (**Chart 4.1**).

Chart 4.1: Performance of Selected Goods Export

Millions of USD

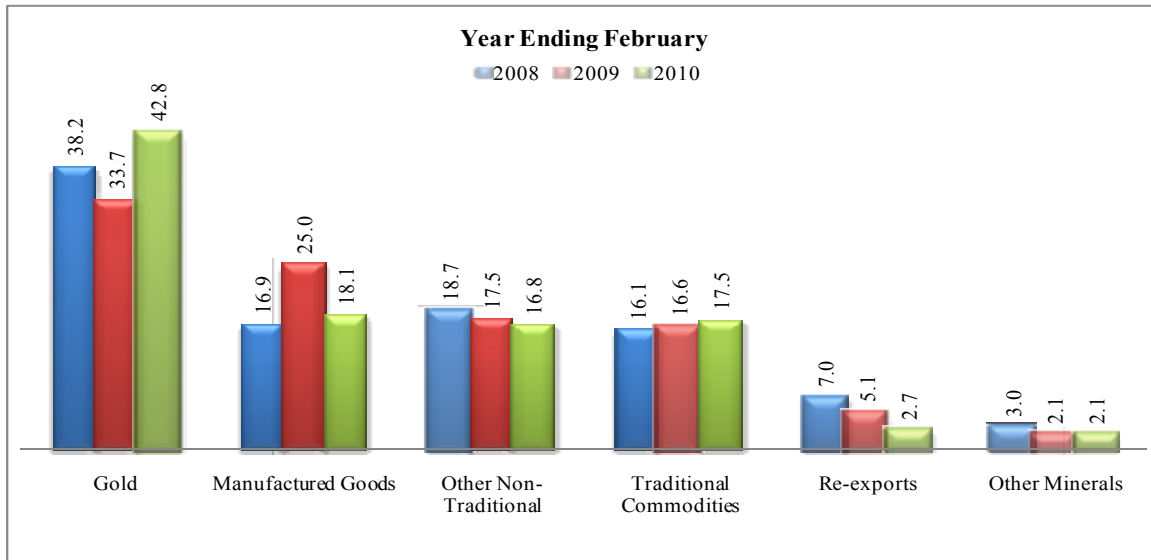


Source: Bank of Tanzania

Goods Export

During the year ending February 2010, total export of goods increased to USD 2,803.5 million compared with an increase of USD 2,598.6 million recorded during the year ending February 2009, largely due to an increase in gold and traditional exports, (**Chart 4.2**).

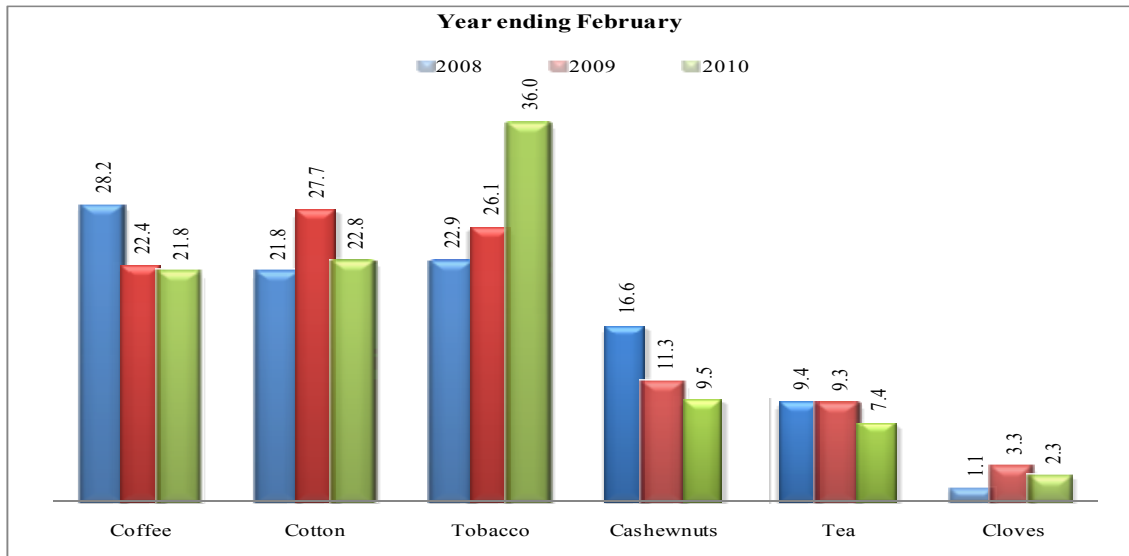
Chart 4.2: Percentage Contribution of Selected Items to Total Exports of Goods



Source: Bank of Tanzania

Value of traditional exports increased to USD 489.4 million compared with USD 431.0 million recorded in the corresponding period of 2009. This development is largely due to increase in the export volumes of tobacco, coffee and cotton, following favourable weather condition, timely accessibility of agricultural inputs and extension services. In addition, the export performance of tobacco was enhanced by an increase in the export unit price. [Chart 4.3](#) depicts the composition of traditional exports for the last three years.

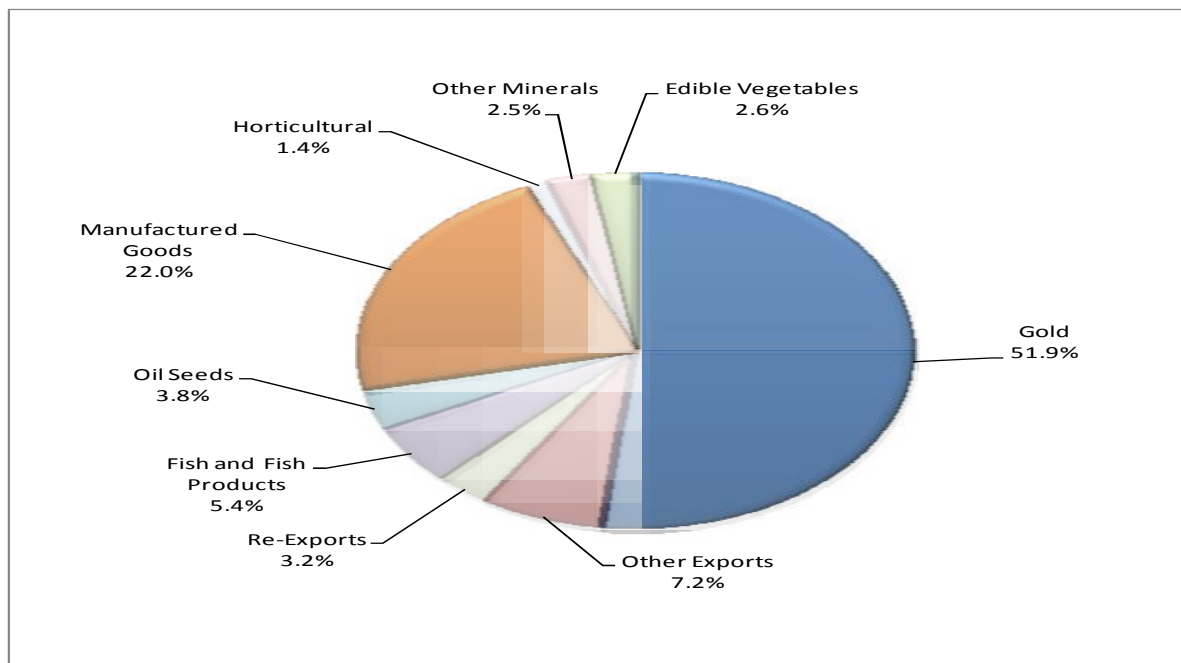
Chart 4.3: Percentage Composition to Total Traditional Exports



Source: Bank of Tanzania

Non-traditional exports increased to USD 2,314.0 million in the year ending February 2010, compared with USD 2,167.6 million recorded during the preceding year, following an increase in the value of gold and other exports. The export value of gold increased to USD 1,200.9 million from USD 876.9 million recorded during the previous year, largely due to a rise in export volumes as prices in the world market declined. Export volume of gold increased to 36.9 tons from 30.5 tons recorded in the preceding year, partly on account of commencement of export by the Buzwagi Gold Mine in June 2009. Meanwhile, prices of gold went down by 5.6 percent to USD 822.6 per troy ounce. Likewise, other exports increased to USD 312.4 million from USD 280.4 million due to increase in export of oil seeds, woods and wood products. On the other hand, the value of manufactured goods and re-exports were USD 508.8 million and USD 74.7 million, being lower than USD 649.4 million and USD 131.3 million recorded during the preceding year. The decline in manufacturing exports is partly associated with the decline in demand in the neighbouring countries following the global financial crisis. Moreover, the decline in re-exports which mainly consists of wheat grains and semi-refined edible oil products is partly due to the fact that these products are now being processed domestically and exported as wheat flour and refined edible oil, hence disqualified from being categorised as re-exports. **Chart 4.4** depicts the composition of non-traditional exports for the year ending February 2010.

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

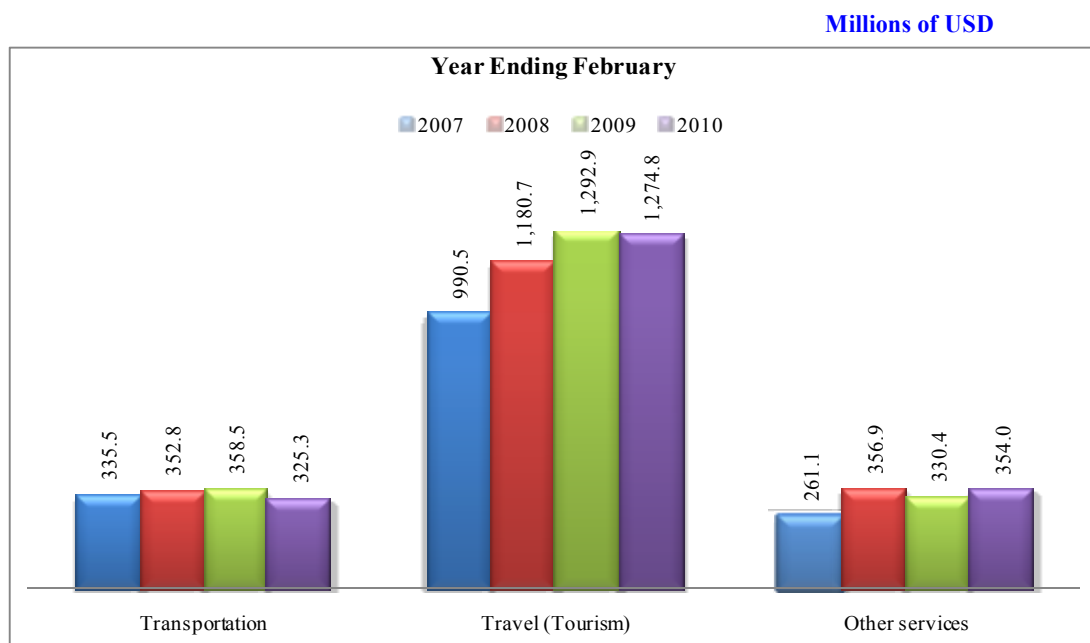


Source: Bank of Tanzania

Services Export

On annual basis, services receipt amounted to USD 1,954.0 million, being lower than USD 1,981.9 million recorded during the year ending February 2009, following a decline in receipts from transportation and travel by 9.3 percent and 1.4 percent to USD 325.3 million and USD 1,274.8 million, respectively. Travel receipts declined slightly than anticipated as the global economy recovers gradually from the crisis. **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

During the year ending February 2010, import of goods and services amounted to USD 7,736.1 million compared with USD 8,046.7 million in the corresponding period in the preceding year, following a decline in goods imports.

Value of goods import was USD 6,031.0 million compared with USD 6,421.9 million recorded during the year ending February 2009, largely due to a notable drop in imports of oil products (**Table 4.2**).

Table 4.2: Imports**Millions of USD**

Items	2009 ^p	2010		% Change		Year Ending February ^p		% Change
	Feb	Jan	Feb	Feb 09-Feb 10	Jan 10 - Feb 10	2009	2010	
Capital Goods	207.6	218.6	193.1	-7.0	-11.7	2,724.5	2,491.9	-8.5
Transport Equipment	61.9	62.5	52.2	-15.7	-16.5	801.0	727.6	-9.2
Building and Constructions	36.3	47.1	47.3	30.2	0.4	626.0	565.2	-9.7
Machinery	109.3	109.1	93.7	-14.3	-14.1	1,297.5	1,199.0	-7.6
Intermediate Goods	130.9	239.9	254.8	94.7	6.2	2,427.5	2,114.2	-12.9
Oil imports	97.9	191.6	207.6	112.0	8.4	1,723.5	1,547.4	-10.2
Fertilizers	3.7	5.7	2.0	-46.6	-65.3	168.2	81.5	-51.6
Industrial raw materials	29.3	42.6	45.2	54.7	6.3	535.7	485.4	-9.4
Consumer Goods	87.6	112.8	112.5	28.3	-0.3	1,270.0	1,424.9	12.2
Food and food stuffs	17.3	37.1	38.4	121.8	3.6	274.4	377.9	37.7
All other consumer goods ¹	70.3	75.8	74.1	5.3	-2.2	995.6	1,047.0	5.2
GRAND TOTAL (F.O.B)	426.3	571.6	560.4	31.46	-2.0	6,421.9	6,031.0	-6.1
GRAND TOTAL (C.I.F)	468.4	628.1	615.8	31.46	-2.0	7,057.0	6,627.5	-6.1

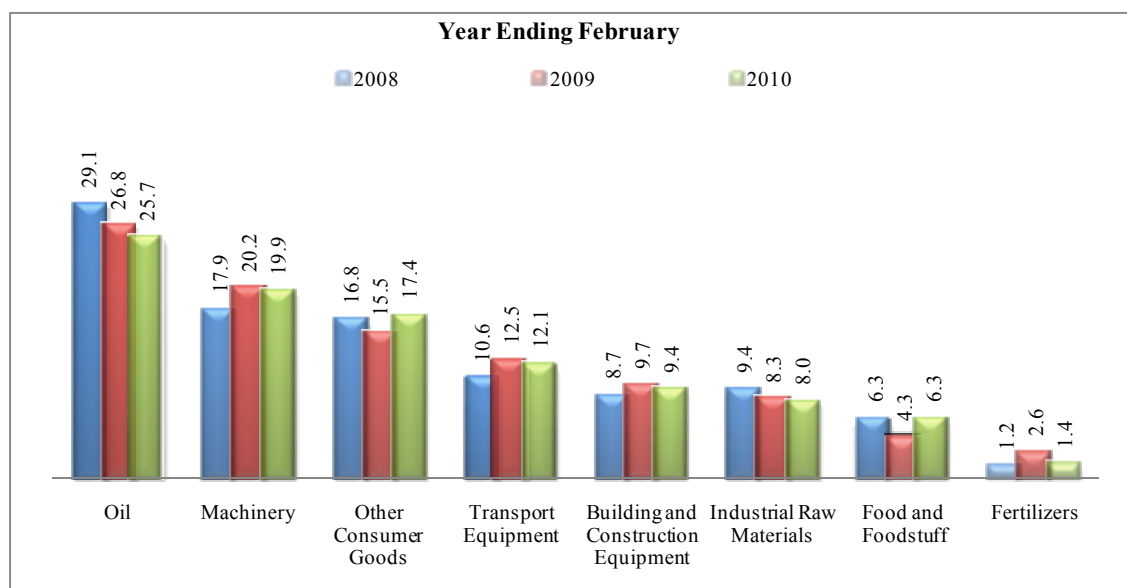
p = Provisional**Oil imports refers to refined petroleum products****1 It includes pharmaceutical products, paper products, plastic items, optical/photographic materials, textile apparels.****Source: Bank of Tanzania and Tanzania Revenue Authority**

The value of oil imports went down by 12.9 percent to USD 1,547.4 million following a decline in prices in the world market, which more than offset the increase in the volume from 2.5 million tons recorded during the year ending February 2009 to 3.1 million tons. Likewise, importation of capital goods declined to USD 2,491.9 million compared with USD 2,724.5 million recorded during the preceding year.

In contrast, import of consumer goods amounted to USD 1,424.9 million, representing an increase of 12.2 percent compared with the value imported in the year ending February 2009, largely on account of an increase in import of cereals. Importation of other consumer goods which mainly consist of pharmaceutical products, plastic items and paper products went up by 5.2 percent to USD 1,047.0 million.

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

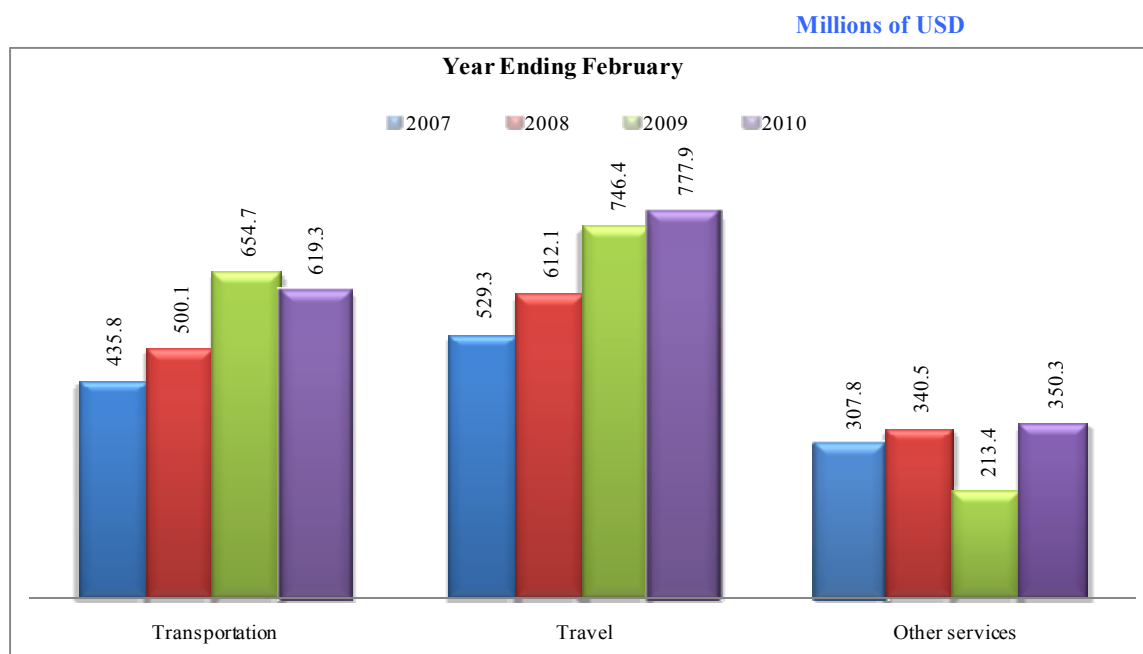


Source: Bank of Tanzania

Services Payment

On annual basis, services payment was USD 1,705.1 million, being 4.9 percent higher than the payments made in the year ending February 2009, largely due to increase in payments for travel, other business and construction services. On the other hand, freight payments declined in line with the decrease in goods import. [Chart 4.7](#) shows the performance of major services payment categories in the past four years.

Chart 4.7: Service Payments for the Year Ending January



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

World Commodity Prices

During the year ending February 2010, all commodities recorded declines in prices. The drop in the prices of **coffee** was largely due to increase in coffee production in Brazil and Vietnam following favourable weather condition. The decline in the price of **cotton** was due to weak demand for cotton in China, while the price of **cloves** declined largely on account of improved production in Indonesia, Madagascar and Sri Lanka, following favourable weather condition.

During the period under review, the prices of **crude oil** and **white petroleum** products recorded notable decline, mainly due to a weak global oil demand resulting from the global financial crisis. The price of **gold** declined to USD 822.6 per troy ounce from USD 870.9 per troy ounce recorded in the previous year (**Table 4.3**).

Table 4.3: World Commodity Prices

COMMODITY	Units	2009		2010		% Change	Year ending February			
		Dec	Jan	Feb	2008		2009	2010	% Change	
Robusta Coffee	USD per kg	1.54	1.55	1.49	-3.87	1.55	2.23	1.35	-39.65	
Arabica Coffee	USD per kg	3.49	3.50	3.48	-0.57	2.53	3.01	2.70	-10.35	
Tea (Average price)	USD per kg	2.99	2.92	2.89	-1.20	1.87	2.39	2.36	-1.12	
Tea (Mombasa Auction)	USD per kg	2.98	2.85	2.94	3.09	1.90	2.20	2.16	-1.82	
Cotton, "A Index"	USD per kg	1.69	1.71	1.76	3.10	1.27	1.51	1.18	-22.19	
Cotton, "Memphis"	USD per kg	1.69	1.80	1.77	-1.61	1.34	1.58	1.26	-20.57	
Sisal (UG)	USD per metric ton	850.00	850.00	850.00	0.00	933.75	1,195.75	857.08	-28.32	
Cloves	USD per metric ton	4,800.00	4,850.00	4500.00	-7.22	4,114.38	4,303.13	3,365.88	-21.78	
Crude oil*	USD per barrel	74.88	77.12	74.76	-3.06	63.36	88.79	54.62	-38.49	
Crude oil**	USD per barrel	75.49	76.64	73.56	-4.02	61.05	86.36	55.08	-36.22	
White products***	USD per ton	643.90	671.81	638.61	-4.94	601.97	850.05	480.66	-43.46	
Jet/Kerosine	USD per ton	662.52	677.33	643.64	-4.97	631.58	915.27	478.50	-47.72	
Premium Gasoline	USD per ton	669.19	704.05	679.53	-3.48	606.06	758.39	514.53	-32.15	
Heat Oil	USD per ton	600.00	634.06	592.65	-6.53	569.10	876.50	448.94	-48.78	
Gold	USD per troy ounce	1,131.82	1,117.96	1095.41	-2.02	620.26	870.88	822.57	-5.55	

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

** f.o.b. Dubai

***f.o.b West Mediterranean

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

5.0 National Debt Developments

National debt stock decreased by 1.1 percent to USD 9,641.5 million in February 2010, from the amount recorded at the end of preceding month. The decrease was mainly on account of exchange rates fluctuations. Out of total debt stock, external debt accounted for 80.2 percent and domestic debt was 19.8 percent.

External Debt

External debt stock decreased to USD 7,735.8 million at the end of February 2010 from USD 7,849.0 million recorded at the end of January 2010. Out of the external debt stock at the end of February 2010, USD 6,127.9 million or 79.2 percent was Disbursed Outstanding Debt (DOD) and the remaining was interest arrears.

The profile of external debt stock by borrower category indicates that the Central Government was the largest borrower with debt accounting for 69.3 percent of the total external debt stock. Private sector and public corporations debts accounted for 19.4 percent and 11.2 percent of the total external debt stock respectively (**Table 5.1**).

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

Borrower	Millions of USD					
	Feb-09	Share (%)	Jan-10	Share (%)	Feb-10	Share (%)
Central Government	4,660.8	73.7	5,385.3	69.1	5,358.9	69.3
DOD	4,002.4	63.3	4,656.3	59.7	4,629.3	59.8
Interest Arrears	658.4	10.4	729.0	9.4	729.7	9.4
Private Sector	1,177.8	18.6	1,526.3	19.6	1,510.9	19.5
DOD	749.4	11.9	1,014.5	13.0	1,010.3	13.1
Interest Arrears	428.4	6.8	511.8	6.6	500.6	6.5
Public Corporations	481.2	7.6	883.1	11.3	866.1	11.2
DOD	148.0	2.3	503.4	6.5	488.3	6.3
Interest Arrears	333.3	5.3	379.8	4.9	377.8	4.9
External Debt Stock	6,319.8	100.0	7,794.8	100.0	7,735.9	100.0

Source: Bank of Tanzania

In terms of creditor category, debt owed to multilateral creditors amounted to USD 4,032.5 million or 52.1 percent of total external debt, while debt owed to bilateral creditors accounted for 21.5 percent. The composition of debt by creditor category has changed in favour of multilateral largely reflecting the disbursement of the Exogenous Shock Facility loan from the IMF. Debt owed to other creditors was as shown in [Table 5.2](#).

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

Creditor	Millions of USD					
	Feb-09	Share	Jan-10	Share	Feb-10	Share
Bilateral	1,614.3	25.5	1,664.7	21.4	1,661.4	21.5
Paris Club	610.4	9.7	621.4	8.0	626.8	8.1
Non Paris Club	1,003.9	15.9	1,043.3	13.4	1,034.7	13.4
Multilateral	3,013.9	47.7	4,070.3	52.2	4,032.5	52.1
AfDB	597.9	9.5	808.6	10.4	863.1	11.2
World Bank*	2,084.6	33.0	2,513.0	32.2	2,446.9	31.6
IMF	17.6	0.3	335.2	4.3	320.5	4.1
Others	313.8	5.0	413.5	5.3	402.1	5.2
Commercial	1,047.7	16.6	1,229.6	15.8	1,213.6	15.7
Export Credit	643.9	10.2	830.2	10.7	828.3	10.7
External Debt Stock	6,319.8	100.0	7,794.8	100.0	7,735.9	100.0

*IDA & IFC

Source: Bank of Tanzania

Disbursements received and recorded during the month totalled to USD 125.3 million. External debt service payments during the month amounted to USD 0.9 million, out of which, USD 0.2 million was principal repayments and USD 0.7 was interest payment. The payments represented 11.5 percent of USD 7.8 million scheduled payment during the period.

Domestic Debt

The stock of domestic debt increased by 1.3 percent to TZS 2,552.5 billion in February 2010, mainly due to higher issuance of Government bonds compared to matured obligation. Out of the total domestic debt, Government securities amounted to TZS 2,544.2 billion (99.7 percent) and other debts were TZS 8.2 billion.

New Issuance and Domestic Debt Service

During the period under review, new debt issued amounted to TZS 70.7 billion, out of which, TZS 40.7 was Treasury bills and the remaining balance was Treasury bonds. Domestic debt service during the month amounted to TZS 89.6 billion, out of which, interest of TZS 47.8 billion was paid out of government revenue, while principal of TZS 41.8 billion was rolled over. **Table 5.3** presents the cumulative actual domestic borrowing and debt service against the amount budgeted for the year 2009/10.

Table 5.3: New Domestic Borrowing and Debt Service

Item	Budget 2009/10	Actual 2009/10 (Jul-Feb)	Billions of TZS
			% of Budget
Domestic Borrowing	1082.7	723.7	66.8
Treasury Bills	202.5	227.5	112.3
Treasury Bonds	880.2	496.2	56.4
Domestic Debt Service	952.4	618.7	65.0
Principal	597.5	383.2	64.1
Interest	354.9	235.5	66.4

Source: Bank of Tanzania

6.0 Economic Developments in Zanzibar

Inflation Developments

Annual headline inflation rate in February 2010 decelerated to 5.9 percent from 6.5 percent recorded in the year ending January 2010, driven mainly by a decline in food inflation. Similarly, the **month-to-month headline** inflation rate decreased to negative 0.8 percent from 2.3 percent recorded in January 2010 on account of decrease in month-to-month food inflation (Table 6.1 and Chart 6.1).

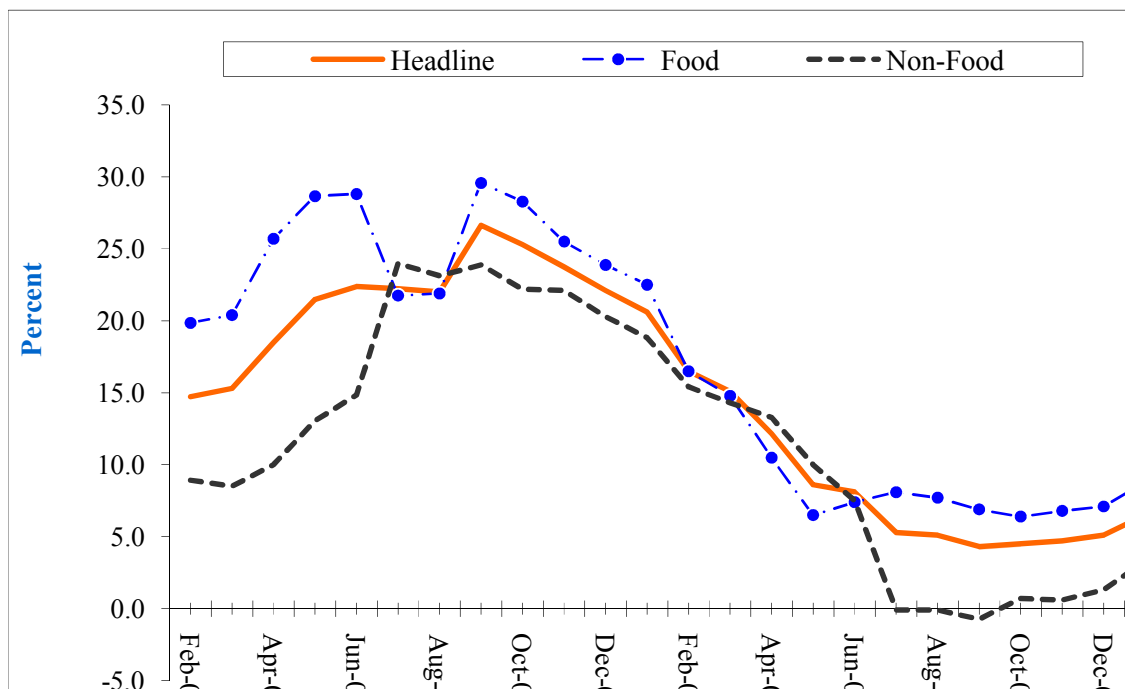
Table 6.1: Annual Percentage change in Consumer Price Index (CPI)

Base: Dec.2005=100

Major Commodity Group	Weights (%)	2008		2009		2010	
		Jan	Feb	Jan	Feb	Jan	Feb
Headline/Overall	100	13.1	14.7	20.6	16.5	6.5	5.9
Food	57.4	17.0	19.9	22.5	16.5	8.8	7.0
Non-Food	42.6	7.2	8.9	18.8	15.4	3.3	4.6
Alcoholic Beverages, Tobacco & Narcotics	0.6	0.6	0.9	19.5	20.3	26.3	25.9
Clothing & Footwear	6.2	6.9	7.6	7.7	7.7	4.8	5.3
Housing, Water, Electricity, Gas & Other Fuels	15.6	3.7	3.4	31.6	27.7	1.7	3.2
Furnishing, Household Equipment & Routine Household Maintenance	5.3	11.6	11.3	12.9	13.3	4.0	3.4
Health	2.1	18.4	18.4	12.3	12.3	6.5	11.5
Transport	3.4	5.5	5.6	18.9	13.5	-8.1	-4.2
Communication	2.4	-2.2	-2.2	-0.1	-0.1	0.0	0.0
Recreation & Culture	0.4	16.1	14.0	2.5	3.1	4.0	4.7
Education	1.1	5.0	7.7	3.5	6.2	16.6	12.6
Restaurants & Hotels	3.1	32.4	33.1	18.0	13.5	8.0	11.6
Miscellaneous Goods & Services	2.4	13.2	12.8	9.3	16.0	11.9	6.3

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 declined to 7.0 percent in February 2010, from 8.8 percent registered in the year ending January 2010, mainly due to decrease in average prices of fish from TZS 4,009 per kilo in February 2009 to TZS 3,789 per kilo during February 2010, following increase in supply. The **month-to-month food inflation rate** also decreased to negative 1.8 percent from 3.5 percent recorded in January 2010, on account of decreased prices of fish from TZS 4,328 per kilo to TZS 3,789 per kilo during the month under review.

Annual non-food inflation rate increased from 3.3 percent in the year ending January 2010 to 4.6 percent in February 2010, mainly on account of increase in prices of diesel and petrol. Specifically, the price of diesel and petrol increased from TZS 1,320 and TZS 1,260 per litre in February 2009 to TZS 1,435 and TZS 1,480 per litre, respectively in February 2010. The **month-to-month** non-food inflation rate also increased from 0.5 percent in January 2010 to 0.6 percent in February 2010.

Fiscal Performance

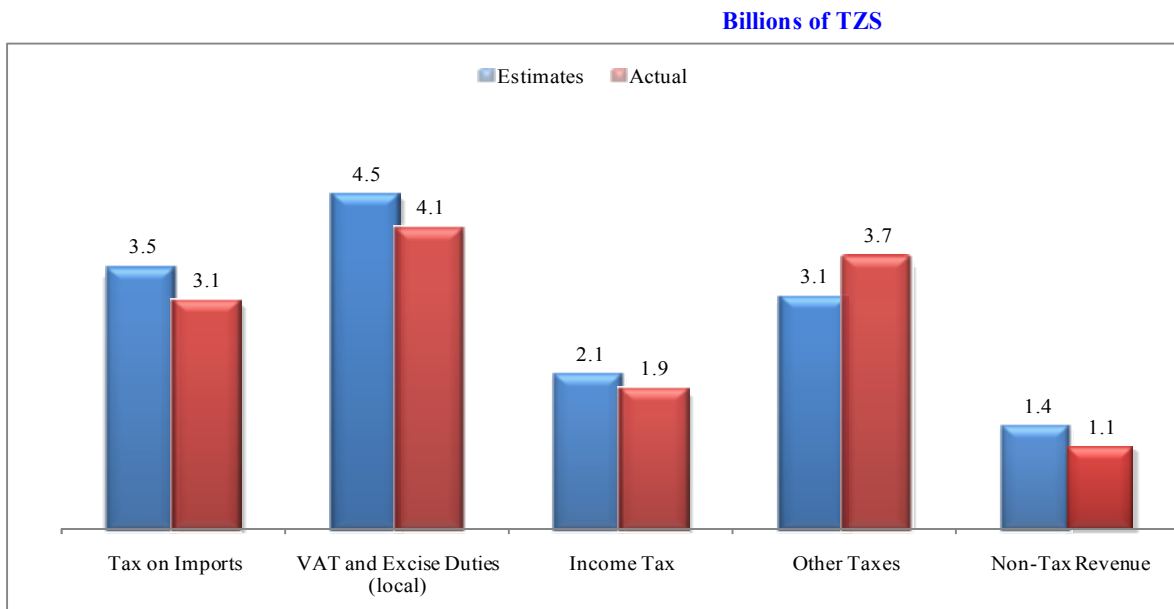
Government budgetary operations on cheques issued basis registered a deficit after grants of TZS 4.0 billion in February 2010. The deficit after adjustment to cash narrowed to TZS 1.1 billion. Total resources during the month under review amounted to TZS 14.5 billion, below the target of TZS 17.5 billion. Out of the total resources TZS 13.9 billion was from the domestic sources, while the balance was foreign grants. Total expenditure during the month under review amounted to TZS 18.5 billion, below the estimate of TZS 24.6 billion. The budget deficit was exclusively financed through foreign sources.

Revenue

Total revenue collections during February 2010 amounted to TZS 13.9 billion, being below the target of TZS 14.7 billion by TZS 0.8 billion. Tax revenue collections were TZS 12.8 billion below target of TZS 13.3 billion and accounted for 92.1 percent of the total revenue collections. Non-tax revenue amounted to TZS 1.1 billion, below the target of TZS 1.4 billion, and accounted for 7.9 percent of the total revenue collections.

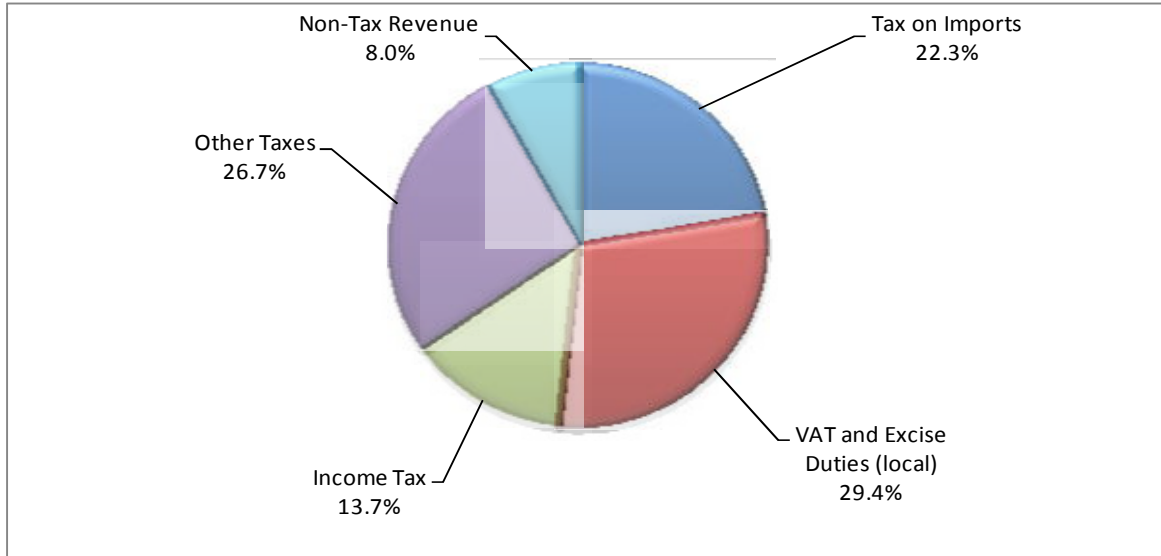
All tax categories were below targets during the month under review, except for other taxes. Local VAT and excise duty collections amounted to TZS 4.1 billion, being below the target by 8.9 percent, and accounted for 29.5 percent of the total revenue collections. The under performance was mainly due to decline in business activities mainly associated with power blackout in the isles. Collections of other taxes reached TZS 3.7 billion, exceeding the target of TZS 3.1 billion by 19.4 percent, due to a surge in fuel related taxes during the month under review following high consumption of fuel as a result of power blackout **(Chart 6.2 & 6.3)**.

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



Source: Ministry of Finance and Economic Affairs, Zanzibar

Chart 6.3: Government Revenue by Sources, Percentage Share to Total Revenue – February 2009



Source: Ministry of Finance and Economic Affairs, Zanzibar

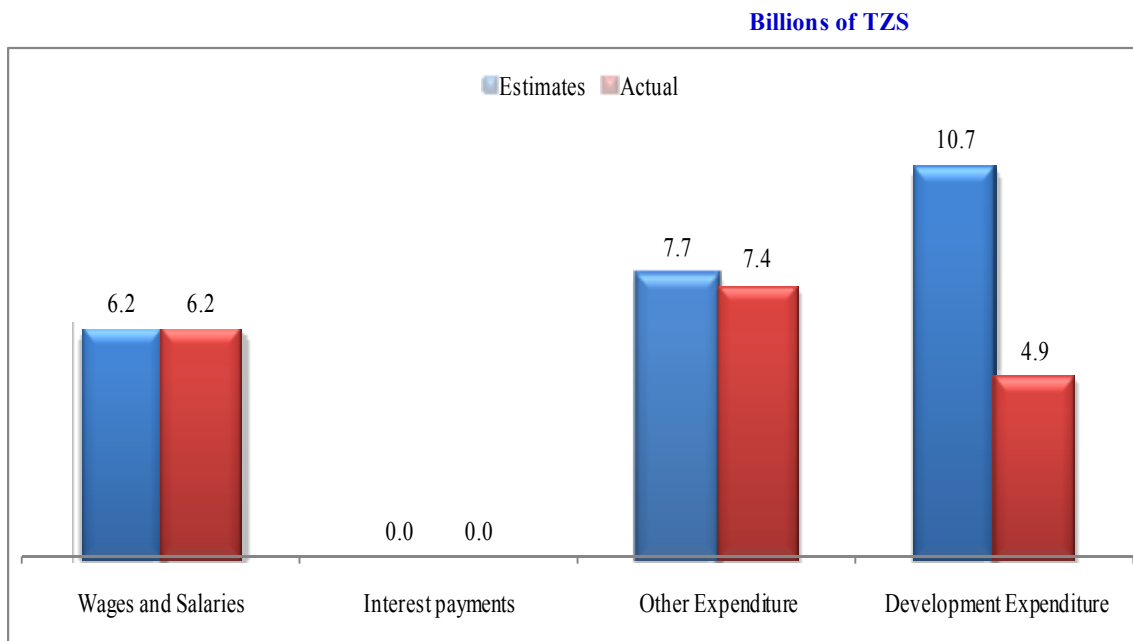
Cumulatively, during July – February 2010, total Government revenue collections amounted to TZS 99.6 billion and accounted for 62.4 percent of the annual target of TZS 159.7 billion for 2009/10 financial year. During the corresponding period in 2008/09, the government revenue collections amounted to TZS 90.1 billion.

Government Expenditure

Total government expenditure during February 2009, amounted to TZS 18.5 billion, and was below the estimate of TZS 24.6 billion by 24.8 percent. Total recurrent expenditure amounted to TZS 13.6 billion, or 73.5 percent of total expenditure, while development expenditure amounted to TZS 4.9 billion, equivalent to 26.5 percent of total expenditure.

Out of the total recurrent expenditure, wages and salaries amounted to TZS 6.2 billion, same as the estimate and accounted for 45.6 percent of the total recurrent expenditure. Expenditure on other charges was TZS 7.4 billion, below the monthly target of TZS 7.7 billion, and accounted for 54.4 percent of the recurrent expenditure (Chart 6.4).

Chart 6.4: Government Expenditure by Components, Actual versus Target – February 2010



Source: Ministry of Finance and Economic Affairs, Zanzibar

Development expenditure amounted to TZS 4.9 billion, and was below the estimate by 53.8 percent, mainly due to shortfall in foreign grants. Out of the total development expenditure, government contribution was TZS 3.3 billion, below the target of TZS 3.8 billion, while foreign grants amounted to TZS 1.6 billion, below the target of TZS 5.1 billion.

Cumulatively from July 2009 to February 2010, total government expenditure reached TZS 167.6 billion, and accounted for 40.6 percent of the annual target of TZS 412.6 billion. During similar period last fiscal year, total government expenditure amounted to TZS 137.7 billion.

Debt Developments

Zanzibar total public debt stock as at end of February 2010 was USD 109.0 million, being a decrease from USD 110.0 million recorded at the end of January 2010. Out of the total public debt, external debt amounted to USD 62.2 million, equivalent to 57.1 percent of the total debt and the rest was domestic debt.

Domestic Debt

During the period under review, domestic debt amounted to TZS 62.0 billion, compared to TZS 62.7 billion registered in the preceding month. The slight decrease in the domestic debt was mainly associated with payment of gratuity claims.

Domestic Debt by Creditors

Debt owed to government suppliers and pensioners was TZS 37.4 billion, or 60.4 percent of the total domestic debt. Union Government debt stood at TZS 13.6 billion, accounting for 22.0 percent of the total domestic debt. Zanzibar State Trading Corporation (ZSTC) and Zanzibar Port Corporation (ZPC) claims were TZS 3.6 billion and TZS 3.9 billion, equivalent to 5.8 percent and 6.4 percent of total domestic debt, respectively. Zanzibar Social Security Fund (ZSSF) debt stood at TZS 3.0 billion, and accounted for 4.8 percent of domestic debt, while claims due to the Peoples Bank of Zanzibar (PBZ) was TZS 0.4 billion, or 0.7 percent of domestic debt.

Domestic Debt by Maturity

Classification of domestic debt by maturity reveals that debt with “undetermined maturity” (predominantly gratuity and supplier’s claims) amounted to TZS 26.9 billion and represented 43.4 percent of the domestic debt, while debt maturing between 2 - 5 years was TZS 28.5 billion, equivalent to 45.9 percent of domestic debt. Debt maturing in less than a year was TZS 6.6 billion or 10.7 percent of the total domestic debt stock.

External Debt

External debt as at end February 2009, stood at USD 62.2 million compared to USD 62.6 million, reported in the preceding month. Out of this stock, debt guaranteed by the Union Government stood at USD 46.6 million, accounting for 74.9 percent of the external debt, while non-guaranteed debt amounted to USD 15.6 million, or 25.1 percent of total external debt.

External Debt by Creditor Category

During the month under review, debt due to multilateral creditors amounted to USD 46.0 million, representing 73.9 percent of the total external debt. Bilateral creditors stood at USD 3.5 million, and represented 5.6 percent of total external debt. Commercial debts amounted to USD 4.5 million, accounting for 7.3 percent of external debt, while export credit amounted to USD 8.3 million and accounting for 13.3 percent of total external debt.

External Debt by Activity

At the end of February 2010, USD 25.1 million or 40.3 percent of external debt was held by transport and telecommunications activities. Social welfare and education held USD 24.5 million, equivalent to 39.4 percent. Finance and Insurance had USD 4.5 million or 7.2 percent, while agriculture and energy had USD 1.3 million and USD 0.4 million, accounting for 2.1 percent and 0.6 percent of the total, respectively. Industrial activities held USD 0.5 million or 0.8 percent, while other activities had USD 6.0 million, equivalent to 9.6 percent of external debt.

External Sector Performance

Current Account

During the year ending February 2010, current account balance registered a surplus of USD 7.8 million, compared with a deficit of USD 20.0 million recorded in the corresponding period of 2009; mainly associated with increase in foreign grants, coupled with a rise in export of services. Trade account recorded a deficit of USD 65.8 million, compared with a deficit of USD 97.8 million posted during the corresponding period in 2009 ([Table 6.2](#)).

Table 6.2: Zanzibar Current Account Balance

Item	Millions of USD							
	2009	2010		Year Ending February			%Change	
	Feb	Jan	Feb	2008	2009	2010p	Monthly	Annual
Goods Account (net)	-6.6	-7.4	-6.9	-74.3	-97.8	-65.8	-6.8	-32.7
Exports	1.3	0.4	0.4	14.5	14.9	26.1	0.0	75.2
Imports (fob)	7.9	7.7	7.3	88.7	112.6	92.0	-5.2	-18.3
Services Account (net)	1.7	1.9	2.4	36.4	32.7	25.2	26.3	-22.9
Receipts	8.3	5.3	8.3	83.2	95.3	99.0	56.6	3.9
Payments	6.5	3.4	5.9	46.8	62.6	73.8	73.5	17.9
Goods and Services (net)	-4.9	-5.4	-4.5	-37.9	-65.0	-40.7	-16.7	-37.4
Exports of Goods and Services	9.6	5.7	8.7	97.7	110.2	125.1	52.6	13.5
Imports of Goods and Services	14.5	11.1	13.2	135.6	175.2	165.8	18.9	-5.4
Income Account (net)	0.0	0.0	-0.4	-0.2	-1.8	-7.0	0.0	288.9
Receipts	0.03	0.0	0.0	0.1	0.4	0.4	0.0	0.0
Payments	0.1	0.0	0.5	0.4	2.2	7.3	...	231.8
Current Transfers (net)	6.8	0.7	1.2	68.5	46.8	55.4	71.4	18.4
Inflows	6.8	0.7	1.2	68.5	46.8	55.4	71.4	18.4
Outflows	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Account Balance	1.9	-4.7	-3.7	30.4	-20.0	7.8	-21.2	139.0

Source: Tanzania Revenue Authority and BOT computations

Exports Performance

On annual basis, exports of goods and services increased to USD 125.1 million, from USD 110.2 million registered in the corresponding period in 2009, largely due to increase in exports of cloves. Export of cloves increased to USD 11.9 million from USD 3.7 million, largely due to increase in volume from 1,100 tons in year ending February 2009 to 3,400 tons in the year ending February 2010. During the same period, seaweeds exports increased to USD 2.9 million from USD 2.3 million, while manufactured goods exports amounted to USD 5.0 million, up from USD 4.5 million. Export of fish and fish produce rose to USD 0.4 million from USD 0.1 million (**Table 6.3**).

Table 6.3: Zanzibar Exports by Major Categories

Item	Units	2009	2010		Year Ending February			%Change	
		Feb	Jan	Feb	2008	2009	2010 ^p	Monthly	Annual
Traditional Cloves									
Value	Millions	0.4	0.2	0.4	4.0	3.7	11.9	100.0	221.6
Volume	000 Tons	0.1	0.04	0.1	1.0	1.1	3.4	150.0	209.1
Unit Price	USD/Ton	3,043.0	3,796.9	4,241.8	3,799.7	3,498.6	3,561.5	11.7	1.8
Non-Traditional Seaweeds									
Value	Millions	0.20	0.2	0.2	2.2	2.3	2.9	-	26.1
Volume	000 Tons	0.73	0.6	1.0	9.2	9.3	11.0	66.7	18.3
Unit Price	USD/Ton	271.4	288.0	233.3	243.0	250.3	260.3	(19.0)	4.0
Manufactured Goods	Millions	0.4	0.01	0.4	3.7	4.5	5.0	...	11.1
Fish and Fish Produce	Millions	0.0	0.01	0.0	0.2	0.1	0.4	-	300.0
Others Exports	Millions	2.0	0.02	0.5	4.3	4.2	5.9	...	40.5
Sub Total	Millions	2.7	0.2	1.1	10.5	11.1	14.2	450.0	27.9
Grand Total	Millions	3.1	0.4	1.5	14.5	14.9	26.1	275.0	75.2

p = provisional

Source: Tanzania Revenue Authority and BOT computations

Goods Imports

On annual basis, total goods imports (c.i.f) declined to USD 101.0 million from USD 123.8 million recorded in the corresponding period of 2009, largely due to decline in capital goods. Capital goods imports amounted to USD 39.5 million, compared with USD 55.3 million recorded in 2009. On the other hand, value of oil import increased to USD 32.8 million from USD 31.4 million, while foods and food stuffs imports remained unchanged at USD 8.1 million (Table 6.4).

Table 6.4: Zanzibar Imports by Major Categories

Millions of USD

Import Category	2009	2010		Year Ending February			% Change	
	Feb	Jan	Feb	2008	2009	2010 ^p	Monthly	Annual
Capital Goods	4.2	1.8	2.5	46.5	55.3	39.5	38.9	-28.6
Transport Equipment	2.53	0.8	1.0	18.9	34.4	20.1	25.0	-41.6
Building and Constructions	0.8	0.4	0.7	12.7	8.7	7.8	75.0	-10.3
Machinery	0.9	0.6	0.8	14.9	12.2	11.6	33.3	-4.9
Intermediate Goods	2.7	6.1	3.9	31.6	43.6	39.7	-36.1	-8.9
Oil imports	1.9	6.0	3.7	25.7	31.4	32.8	-38.3	4.5
Industrial raw materials	0.8	0.1	0.2	5.9	12.2	7.0	100.0	-42.6
Consumer Goods	1.8	0.6	1.6	19.4	24.9	21.9	166.7	-12.1
Food and food stuffs	0.4	0.4	0.6	6.5	8.1	8.1	50.0	0.0
All other consumer goods	1.4	0.2	1.0	12.9	16.8	13.8	400.0	-17.8
Grand Total (c.i.f)	8.7	8.5	8.0	97.5	123.8	101.0	-5.9	-18.4
Grand Total (f.o.b)	7.9	7.7	7.3	88.7	112.6	92.0	-5.2	-18.4

p = provisional

Source: Tanzania Revenue Authority

Services Account

During the year ending February 2010, surplus balance in the services account declined to USD 25.2 million from USD 32.7 million posted in a similar period of 2009. Total foreign receipts rose to USD 99.0 million from USD 95.3 million, while total payments amounted to USD 73.8 million from USD 62.6 million in the same period.

Statistical Tables

Table A1: Selected Economic Indicators (Annual)							
Item	Unit	2003	2004	2005	2006r	2007r	2008P
1. National Accounts and Prices							
1.1 Change in GDP at Market Prices--Current Prices	Percent	15.9	15.4	14.3	12.4	16.8	18.3
1.2 Change in GDP at Market Prices-Constant 2001 Prices	Percent	6.9	7.8	7.4	6.7	7.1	7.4
1.3 GDP Per Capita ¹	TZS	354,007.7	395,795.8	441,030.2	478,433.8	546,955.7	630,577.1
1.4 GDP Per Capita ¹	USD	340.9	363.3	392.8	382.2	443.7	527.1
1.5 Change in Consumer Price Index (Inflation)	Percent	3.5	4.2	4.4	7.3	7.0	10.3
1.6 Saving to GNDI Ratio ²	Percent	9.6	10.4	8.7	8.5	6.4	6.4
2. Money Credit and Interest Rates*							
2.1 Change in Extended Broad Money Supply (M3)	Percent	18.0	13.5	34.8	21.5	20.5	19.8
2.2 Change in Broad Money supply (M2)	Percent	17.8	19.8	33.9	16.7	27.2	24.4
2.3 Change in Narrow Money Supply (M1)	Percent	17.7	22.7	31.8	12.0	29.1	21.9
2.4 Change in Reserve Money	Percent	18.3	21.1	28.5	17.1	24.9	21.1
2.5 Total Credit to GDP Ratio ¹	Percent	7.3	7.4	11.6	11.3	13.5	17.0
2.6 Private Sector Credit to GDP Ratio ¹	Percent	8.2	9.4	10.4	12.9	15.0	18.4
2.7 Ratio of Private Credit to Total Credit	Percent	112.3	126.2	89.6	113.9	111.3	107.9
2.8 Average Deposit Rate (12-Month) ³	Percent	5.3	5.7	6.2	8.3	9.3	8.7
2.9 Weighted Average Treasury Bill Rate	Percent	7.7	9.6	14.8	15.0	11.4	11.0
2.10 Average Long-Term Lending Rate ³	Percent	12.2	12.7	13.4	14.9	16.1	16.4
3. Balance of Payments							
3.1 Exports of goods (f.o.b)	Mill. USD	1,220.9	1,481.6	1,679.1	1,917.6	2,226.6	3,036.7
3.2 Imports of goods (f.o.b)	Mill. USD	-1,933.5	-2,482.8	-2,997.6	-3,864.1	-4,860.6	-6,483.4
3.3 Trade Balance	Mill. USD	-712.6	-1,001.2	-1,318.5	-1,946.5	-2,634.1	-3,446.7
3.4 Balance on Current Account	Mill. USD	-118.1	-365.9	-862.8	-1,143.2	-1,580.3	-2,350.7
3.5 Overall Balance	Mill. USD	389.1	284.0	-227.8	460.7	412.6	108.8
3.7 Gross Official Reserves	Mill. USD	2,037.8	2,307.7	2,054.6	2,137.5	2,761.9	2,869.7
3.8 Reserves Months of Imports (of goods and services)	Months	7.1	6.6	4.8	4.1	4.1	4.4
3.9 Exchange Rate:							
3.9.1 Annual Average	TZS/USD	1,038.9	1,089.1	1,129.2	1,251.9	1,232.8	1,196.3
3.9.2 End of Period	TZS/USD	1,063.6	1,043.0	1,165.5	1,261.6	1,132.1	1,280.3
4. Population (TZ Mainland)	Million	34.2	35.3	36.2	37.5	38.3	39.3
5. Public Finance		2003/04	2004/05	2005/06r	2006/07r	2007/08*	2008/09*
5.1 Current Revenue to GDP Ratio ¹	Percent	12.1	11.8	12.5	14.1	15.9	
5.2 Grants to GDP Ratio ¹	Percent	3.7	4.8	6.2	4.9	6.9	
5.2 Current Expenditure to GDP Ratio ¹	Percent	12.9	14.0	15.7	16.1	14.9	
5.3 Development Expenditure to GDP Ratio ¹	Percent	3.6	7.2	7.9	6.9	7.9	
5.4 Deficit to GDP Ratio (excluding grants) ¹	Percent	-4.4	-9.3	-11.1	-8.9	-6.9	
5.5 Deficit to GDP Ratio (including grants) ¹	Percent	-0.6	-4.5	-4.9	-4.0	0.0	
6. Total External Debt Stock	Mill. USD	7,857.0	8,134.8	8,229.5	4,660.9	5,846.4	6,999.4
Disbursed Debt	Mill. USD	6,678.3	6,799.5	6,971.1	3,442.3	4,483.1	5,483.0
Interest	Mill. USD	1,178.7	1,335.3	1,258.3	1,218.6	1,363.3	1,516.3
Total External Debt as % of GDP	Percent	64.2	60.2	57.6	29.8	30.2	
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	Monthly Flows - Actuals						Jan-10	Feb-10	Jul 2009 - Feb 2010	
		Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Actual	Actual	Estimates	Actuals
Total Revenue (Including LGAs)	5,234,068.6	348,971.9	331,594.2	426,595.8	353,688.4	361,891.3	483,837.7	375,761.9	347,338.6	3,396,096.8	3,029,679.8
Total Revenue	5,096,016.3	348,971.9	331,594.2	426,595.8	353,688.4	361,891.3	483,837.7	375,761.9	347,338.6	3,327,070.7	3,029,679.8
Tax Revenue	4,840,876.8	331,695.6	314,395.1	408,506.4	337,947.1	343,250.9	460,729.5	359,252.4	333,220.3	3,153,568.8	2,888,997.3
Taxes on Imports	1,758,233.8	135,567.3	127,386.4	129,164.7	135,712.1	140,335.6	149,127.2	147,094.0	127,970.9	1,161,792.4	1,092,358.2
Sales/VAT and Excise on Local Goods	1,101,646.4	71,587.5	70,931.2	84,246.3	82,563.8	84,467.5	92,253.8	87,073.0	78,547.2	728,296.6	651,670.3
Refunds											
Income Taxes	1,428,419.9	82,957.1	83,264.3	157,359.2	78,910.7	73,583.9	171,612.4	82,106.0	87,194.3	894,076.4	816,987.9
Other taxes	552,576.7	41,583.7	32,813.2	37,736.1	40,760.5	44,863.9	47,736.1	42,979.4	39,507.9	369,403.4	327,980.8
Non-tax Revenue	255,139.4	17,276.3	17,199.1	18,089.4	15,741.3	18,640.4	23,108.2	16,509.5	14,118.3	173,501.9	140,682.5
LGA Own Sources	138,052.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	69,026.2	0.0
Total Expenditure /1	8,862,272.7	432,711.7	714,221.0	850,153.7	866,667.6	709,794.5	763,487.0	602,188.8	575,799.3	5,900,978.8	5,521,898.7
Recurrent expenditure	6,036,841.6	312,899.6	494,081.1	536,202.8	652,986.8	457,543.6	439,459.4	347,015.9	407,650.7	3,988,499.5	3,647,840.0
Roadtoll fund											
Retention fund	103,503.0	0.0	8,464.2	4,742.1	4,661.6	7,900.8	4,793.0	5,915.1	9,179.5	68,062.6	45,656.3
Wages and salaries	1,766,388.2	137,693.7	138,315.9	139,418.7	139,543.7	142,149.9	143,732.0	142,651.0	145,132.7	1,172,414.1	1,128,637.6
Interest payments	407,826.2	7,378.5	620.5	26,762.4	30,699.8	12,898.5	32,840.8	26,299.3	750.6	242,646.1	138,250.3
Domestic	354,910.0	7,378.5	0.0	25,432.0	22,695.8	8,593.3	28,831.5	25,105.5	0.0	209,629.6	118,036.5
Foreign	52,916.2	0.0	620.5	1,330.4	8,003.9	4,305.1	4,009.3	1,193.8	750.6	33,016.6	20,213.7
Other goods, services and transfers	3,759,124.2	167,827.5	346,680.4	365,279.6	478,081.8	294,594.5	258,093.7	172,150.5	252,587.9	2,505,376.6	2,335,295.8
Dev. Expenditure and net lending	2,825,431.0	119,812.0	220,139.9	313,950.9	213,680.8	252,250.9	324,027.6	255,172.9	168,148.6	1,912,479.3	1,874,058.7
Local	968,028.5	1,881.7	30,954.9	173,200.8	152,174.7	30,000.0	67,500.0	56,562.0	71,500.0	727,734.9	571,883.5
Foreign	1,857,402.6	117,930.4	189,185.0	140,750.1	61,506.1	222,250.9	256,527.6	198,610.9	96,648.6	1,184,744.5	1,302,175.2
Balance before Grants	-3,628,204.1	-83,739.8	-382,626.8	-423,557.9	-512,979.2	-347,903.2	-279,649.3	-226,426.9	-228,460.7	-2,504,882.0	-2,492,218.9
Grants	2,090,945.9	413,078.1	79,400.1	10,079.7	1,499.6	159,151.8	201,051.8	136,954.0	85,977.2	1,487,614.0	1,180,554.1
Program (CIS/OGL)	825,445.3	408,094.8	21,140.4	8,173.7	0.0	0.0	10,423.4	113,902.5	69,913.5	645,097.2	632,041.8
Project	640,708.7	4,983.3	3,803.6	770.3	0.0	114,803.7	73,161.7	0.0	0.0	427,139.1	288,418.0
Basket funds	282,848.8	0.0	40,924.5	1,135.6	1,499.6	44,348.0	116,410.2	12,945.8	16,063.6	187,415.6	233,507.9
MDRI/MCA(T)	341,943.1	0.0	13,531.6	0.0	0.0	0.0	1,056.5	10,105.7	0.0	227,962.0	26,586.4
Balance (cheq.issued) after Grants	-1,537,258.2	329,338.3	-303,226.7	-413,478.2	-511,479.6	-188,751.4	-78,597.5	-89,472.8	-142,483.6	-1,017,268.0	-1,311,664.8
Expenditure float	0.0	-380,082.2	-27,753.7	-15,655.9	-7,646.2	-2,032.1	-3,036.0	-3,036.0	1.0	0.0	-436,234.3
Adjustments to cash and other items (net)	0.0	105,536.2	57,100.1	123,401.6	245,507.2	41,755.3	107,320.1	-177,145.5	54,619.0	0.0	556,788.7
Overall Balance (cheques cleared)	-1,537,258.2	54,792.3	-273,880.3	-305,732.5	-273,618.7	-149,028.2	25,686.5	-269,654.3	-87,863.5	-1,017,268.0	-1,191,110.4
Financing:	1,537,258.2	-54,792.3	273,880.3	305,732.5	273,618.7	149,028.2	-25,686.5	269,654.3	87,863.5	2,299,224.5	1,191,110.4
Foreign Financing (net)	1,037,065.1	112,080.5	225,643.4	395,253.1	50,394.6	60,728.2	66,050.8	184,760.2	80,127.7	2,045,882.4	1,088,945.1
Loans	800,925.0	112,947.0	164,613.0	389,438.4	44,375.1	56,505.5	66,955.7	154,466.6	35,134.6	656,771.3	937,907.7
Program loans	368,464.0	0.0	81,186.5	258,404.0	0.0	0.0	0.0	0.0	0.0	368,464.0	339,590.5
Development Project loans	432,461.0	112,947.0	83,426.5	131,034.5	44,375.1	56,505.5	66,955.7	154,466.6	35,134.6	288,307.3	598,317.2
Basket Support	290,075.8	0.0	61,030.4	7,809.7	15,631.5	6,593.6	0.0	31,198.5	45,450.4	141,010.2	168,148.8
Amortization	-53,935.7	-866.6	0.0	-1,995.0	-9,612.0	-2,370.9	-904.9	-904.9	-457.3	-33,855.6	-17,111.5
Domestic (net)	500,193.1	-166,872.8	48,236.9	-89,520.6	223,224.1	88,300.0	-91,737.3	84,894.1	7,735.8	253,342.1	102,165.3
Bank & Non Bank Financing (NDF)	506,193.1	-166,872.8	48,236.9	-89,207.6	223,224.1	88,300.0	-91,737.3	84,894.1	7,735.8	256,342.1	102,478.3
Bank borrowing	406,193.1	-93,925.9	58,265.1	-105,834.9	174,656.9	60,300.0	-79,167.5	134,932.9	10,039.3	156,342.1	157,181.1
Non-Bank (net of amortization)	100,000.0	-72,946.9	-10,028.2	16,627.3	48,567.2	28,000.0	-12,569.8	-50,038.7	-2,303.5	100,000.0	-54,702.8
Borrowing/Roll over	576,476.3	0.0	0.0	157,160.9	111,414.6	36,370.3	19,036.3	323,982.1	39,437.9	407,635.8	413,595.4
Domestic & Contingent debt Amortization	-597,476.3	0.0	0.0	-157,473.9	-111,414.6	-36,370.3	-19,036.3	-323,982.1	-39,437.9	-425,635.8	-413,908.4
Privatization Proceeds	15,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15,000.0	0.0
GDP (In Million TZS)	31,108,881										

Note: /1 Exclude amortization and Expenditure Float, includes Road fund and Retention expenditures

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

Table A3: Depository Corporations Survey (Provisional)

Billions of TZS

Item	Dec-08	2009						Prov.							
		Jan-09	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
Net foreign assets	4,086.8	3,998.1	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	4,976.6
Bank of Tanzania	3,592.1	3,450.0	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
Other Depository Corporations	494.6	548.1	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	1,065.5
Net domestic assets	3,372.0	3,437.6	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	4,016.7	4,008.1
Domestic claims	4,221.2	4,314.9	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	5,198.7	5,166.3
Claims on central government (net)	-335.0	-229.4	-218.8	-369.9	-353.0	-266.0	61.5	-32.4	25.8	-80.0	94.7	155.0	75.8	208.7	218.7
Claims on central government	2,197.8	2,092.3	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
Liabilities to central government	2,532.7	2,321.7	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	2,655.2	2,661.1
Claims on non-government sector	4,556.2	4,544.3	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	4,990.1	4,947.6
Broad money liabilities	7,458.8	7,435.7	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	8,981.3	8,984.8
Currency outside depository corporations	1,438.6	1,408.0	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
Transferable deposits	2,851.1	2,913.6	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	3,443.7
Other deposits	3,169.0	3,114.2	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	3,946.3	4,016.2
Other items (net)	-849.2	-877.3	-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	-1,182.0	-1,158.2
Memorandum items:															
Monetary Aggregates															
Reserve money (M0)	2,276.4	2,489.5	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
Extended broad money (M3)	7,458.8	7,435.7	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	8,981.3	8,984.8
Deposits in foreign currency	1,990.3	1,970.0	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	2,148.0
FCD in millions of USD	1,554.6	1,530.7	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	1,619.9
Broad money (M2)	5,468.5	5,465.7	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	6,744.2	6,836.8
Other deposits in national currency (i.e. savings and time deposits)	2,310.2	2,269.6	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	3,013.3	3,096.7
Narrow money (M1)	3,158.3	3,196.1	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	3,740.1
Currency in circulation	1,438.6	1,408.0	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
Transferable deposits in national currency	1,719.7	1,788.2	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	2,215.2

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												Percent	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
A: Domestic Currency														
1. Interbank Cash Market Rates														
Overnight	8.31	9.63	9.90	9.29	6.49	4.46	2.44	0.82	1.04	1.21	1.19	1.46	1.67	1.66
2 to 7 days	8.64	9.97	10.17	9.74	7.11	5.38	4.06	1.44	1.28	1.55	1.81	1.64	1.96	2.22
8 to 14 days	8.34	10.84	10.77	9.85	7.38	5.30	4.43	1.90	1.55	1.41	1.67	1.72	2.08	2.50
15 to 30 days	5.90	5.90	11.76	10.27	7.35	5.75	4.19	1.54	2.28	3.28	3.28	3.25	3.51	4.00
31 to 60 days	8.75	11.01	11.80	11.05	7.87	5.30	4.58	2.82	2.69	3.04	3.91	3.43	3.43	4.00
61 to 90 days	11.00	12.15	12.15	12.15	12.15	12.15	12.15	12.15	12.15	12.15	5.00	5.00	5.00	7.30
91 to 180 days	11.50	12.00	12.00	12.00	9.40	8.60	9.17	3.27	3.68	4.00	4.00	4.00	4.00	4.00
181 and above	13.00	14.35	14.35	14.35	12.00	12.00	5.56	7.05	6.47	9.00	5.47	5.47	5.47	5.47
Overall Interbank cash market rate	8.41	9.81	10.10	9.58	6.80	5.03	3.86	1.42	1.34	1.63	1.62	1.57	1.80	1.89
2. Lombard Rate														
	12.47	14.45	14.86	13.94	9.73	7.35	4.13	3.18	2.48	3.61	4.00	4.55	5.48	4.91
3. REPO Rate														
	7.55	9.09	9.73	8.25	6.10	4.90	2.23	1.21	1.12	1.32	1.28	1.26	1.22	1.22
4. Treasury Bills Rates														
35 days	7.43	7.54	7.62	7.03	6.40	4.81	3.45	2.65	2.07	3.01	3.33	3.80	4.57	4.09
91 days	11.60	11.99	12.43	10.55	8.25	5.56	4.14	3.53	2.97	3.38	5.29	6.06	6.35	5.57
182 days	13.28	14.64	14.86	12.04	10.20	7.86	6.27	5.46	4.84	4.90	5.28	6.59	7.20	6.33
364 days	15.32	14.74	14.99	12.57	10.69	9.11	8.28	7.72	7.79	8.22	8.60	8.83	9.06	8.24
Overall Treasury bills rate	12.53	12.85	13.33	11.01	9.27	6.97	5.81	5.16	4.52	5.17	6.36	6.91	7.20	6.32
5. Treasury Bonds Rates														
2-years	14.35	14.35	15.28	15.28	15.28	11.51	11.51	11.51	11.51	10.89	10.89	10.89	10.89	9.40
5-years	17.32	17.32	17.32	17.32	16.58	16.58	16.58	16.58	13.45	13.45	13.45	13.45	13.77	13.77
7-years	17.04	17.04	17.04	17.06	17.06	17.06	17.06	14.14	14.14	14.14	14.15	14.15	14.15	14.15
10-years	19.47	19.92	19.92	19.92	19.92	19.92	16.95	16.95	16.95	16.95	16.95	16.73	16.73	16.73
6. Discount Rate														
	17.53	17.85	18.33	16.01	13.00	10.31	6.95	5.20	4.40	3.70	3.70	3.70	7.58	7.58
7. Savings Deposit Rate														
	2.64	2.75	2.72	2.72	2.72	2.69	2.68	2.68	2.66	2.65	2.67	2.83	2.84	2.89
8. Overall Time Deposits Rate														
Call Accounts	0.45	0.76	0.94	1.09	1.10	1.05	1.10	1.14	1.13	0.96	0.99	0.74	0.81	0.84
1 month	6.67	7.37	7.53	7.23	7.39	6.46	6.45	6.49	6.09	5.70	5.76	5.10	5.14	5.02
2 months	7.80	7.94	8.24	8.17	7.57	7.61	8.92	8.17	7.80	7.48	7.31	6.99	7.21	7.79
3 months	8.42	7.93	8.88	8.22	7.81	8.69	8.38	7.81	8.17	7.45	7.34	6.67	7.54	7.00
6 months	8.35	8.99	9.20	9.48	9.43	8.58	8.21	8.46	8.31	7.91	8.11	8.50	7.76	7.71
12 months	8.79	8.59	8.56	8.98	9.41	9.07	9.06	9.04	8.83	8.83	8.76	8.99	9.06	8.84
24 months	5.90	5.87	5.66	6.57	6.86	6.04	6.59	7.10	6.80	6.52	7.40	7.56	5.33	3.51
9. Negotiated Deposit Rate														
	10.66	10.82	10.99	11.27	11.03	10.13	10.52	10.47	10.60	10.11	9.85	9.94	7.44	7.16
10. Overall Lending rate														
Call Loans	19.25	19.25	19.25	19.25	20.25	21.25	22.25	22.25	23.25	24.25	25.25	26.25	27.25	28.25
Short-term (up to 1 year)	13.41	13.45	13.44	13.87	13.68	14.57	13.94	13.77	13.98	13.92	14.00	13.96	13.76	14.74
Medium-term (1-2 years)	15.16	15.12	15.33	15.55	15.81	15.63	15.38	15.74	15.27	15.11	15.37	15.01	15.06	15.12
Medium-term (2-3 years)	14.72	14.94	14.93	15.18	15.07	15.11	14.61	14.75	14.69	14.66	15.02	14.74	14.42	14.44
Long-term (3-5 years)	15.20	15.26	15.28	15.54	15.36	15.23	15.20	14.98	14.91	14.78	14.67	14.52	14.79	14.99
Term Loans (over 5 years)	16.19	15.98	16.63	17.11	17.02	16.87	16.59	16.36	15.62	15.31	14.63	13.67	13.91	15.01
11. Negotiated Lending Rate														
	12.42	12.26	13.01	14.03	14.17	14.28	14.26	14.24	13.81	13.51	13.38	13.18	13.68	13.79
B: Foreign Currency														
Deposits Rates														
Call Accounts														
Savings Deposits Rate	1.44	0.70	2.36	2.38	2.38	2.36	2.37	1.53	1.46	1.46	1.38	1.46	1.46	1.32
Overall Time Deposits Rate	3.74	3.41	3.83	2.84	2.81	2.30	2.36	2.26	3.68	2.12	2.13	1.68	1.99	1.76
1-months	2.80	2.25	3.82	2.66	3.86	2.36	1.85	2.09	3.68	2.06	2.04	1.40	1.73	1.76
2-months	3.72	2.61	3.78	4.01	2.66	1.80	2.34	2.49	3.46	2.03	2.01	1.64	1.93	1.44
3-months	4.65	4.41	4.56	2.61	2.64	2.45	2.93	2.10	4.24	2.09	2.06	1.00	1.95	1.64
6-months	4.13	4.15	3.81	2.47	2.63	2.71	2.55	2.15	3.95	1.96	1.99	1.94	1.95	1.85
12-months	3.41	3.62	3.21	2.43	2.27	2.18	2.12	2.49	3.07	2.48	2.53	2.42	2.40	2.10
Overall Lending Rate	9.38	7.62	9.48	9.28	9.68	9.69	9.69	9.76	9.72	8.11	9.02	9.03	8.85	8.90
Short-term (up to 1 year)	6.28	6.53	5.88	4.86	6.92	6.96	6.94	6.94	6.95	6.49	3.84	3.86	3.73	3.52
Medium-term (1-2 years)	9.88	8.09	10.78	10.86	10.76	10.13	10.77	11.03	11.03	8.17	11.06	11.12	10.04	10.17
Medium-term (2-3 years)	9.97	8.05	9.93	10.10	10.13	10.82	10.27	10.28	10.23	8.76	10.28	10.26	10.39	10.42
Long-term (3-5 years)	10.45	7.67	10.54	10.55	10.55	10.54	10.50	10.52	10.41	8.65	10.29	10.29	10.47	10.76
Term Loans (over 5 years)	10.33	7.74	10.31	10.05	10.02	10.01	10.00	10.01	10.01	8.47	9.63	9.64	9.64	9.64

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

Item	2009 ^p	2010 ^p		% Change		Year Ending February ^p		
	Feb	Jan	Feb	Feb 09-Feb 10	Jan 10 - Feb 10	2009	2010	% Change
Traditional Exports:								
COFFEE								
Value	11.5	10.1	8.7	-24.8	-14.4	95.8	106.9	11.7
Volume	4.9	3.6	2.8	-42.8	-22.9	44.0	52.6	19.5
Unit Price	2,346.9	2,780.1	3,088.3	31.6	11.1	2,174.6	2,032.1	-6.6
COTTON								
Value	6.8	9.1	5.8	-14.2	-36.0	118.4	111.8	-5.6
Volume	5.2	7.9	5.4	3.1	-31.9	93.5	102.6	9.8
Unit Price	1,307.7	1,157.3	1,088.3	-16.8	-6.0	1,267.3	1,089.7	-14.0
SISAL								
Value	0.0	0.0	0.0	0.0	0.0	2.8	0.0	-100.0
Volume	0.0	0.0	0.0	0.0	0.0	2.2	0.0	-100.0
Unit Price	0.0	0.0	0.0	0.0	0.0	1,299.0	0.0	-100.0
TEA								
Value	3.5	4.6	4.4	24.6	-6.2	39.8	36.4	-8.5
Volume	1.9	2.2	2.0	6.3	-6.4	25.0	18.7	-25.3
Unit Price	1,842.1	2,153.8	2,158.9	17.2	0.2	1,592.3	1,950.3	22.5
TOBACCO								
Value	6.9	45.2	14.1	105.0	-68.7	111.8	176.4	57.8
Volume	1.6	12.1	3.5	116.3	-71.3	35.1	46.0	31.1
Unit Price	4,312.5	3,744.5	4,087.0	-5.2	9.1	3,187.2	3,837.9	20.4
CASHEWNUTS								
Value	10.90	17.08	4.9	-55.0	-71.3	48.5	46.6	-3.8
Volume	15.40	23.67	6.6	-57.2	-72.1	67.5	64.2	-4.9
Unit Price	707.8	721.6	744.5	5.2	3.2	717.9	726.1	1.1
CLOVES								
Value	0.80	0.16	0.2	-72.6	38.0	14.0	11.3	-18.9
Volume	0.30	0.04	0.1	-81.3	40.0	4.0	3.8	-6.0
Unit Price	2,666.7	3,976.3	3,918.8	47.0	-1.4	3,487.0	3,009.1	-13.7
Sub Total	40.4	86.3	38.1	-5.6	-55.8	431.0	489.4	13.6
Non-Traditional Exports:								
Minerals								
Gold	73.2	110.6	144.0	96.8	30.3	931.2	1,259.3	35.2
Diamond	72.8	83.6	123.4	69.5	47.7	876.9	1,200.9	37.0
Other minerals ¹	0.1	0.0	0.0	-80.3	0.7	16.1	18.5	14.4
Other minerals ¹	0.3	1.4	20.6	6,773.8	1,408.5	38.2	40.0	4.5
Manufactured Goods								
Cotton Yarn	35.8	38.3	46.0	28.4	20.0	649.4	508.8	-21.7
Manufactured Coffee	0.4	1.5	1.5	--	0.4	16.4	10.6	-35.2
Manufactured Tobacco	0.0	0.0	0.0	#DIV/0!	--	0.7	0.6	-13.1
Sisal Products (Yarn & Twine)	0.4	0.5	0.5	--	-5.9	2.5	5.5	118.7
Other manufactured Goods ²	0.5	0.6	0.8	66.4	28.4	7.8	6.8	-13.1
Other manufactured Goods ²	34.5	35.7	43.2	25.1	21.0	622.1	485.3	-22.0
Fish and Fish Products	9.5	8.1	11.0	16.3	35.6	142.0	126.0	-11.3
Horticultural products	3.0	3.7	1.7	-42.4	-53.3	33.2	32.8	-1.1
Re-exports	4.4	0.9	2.2	-50.0	143.6	131.3	74.7	-43.1
Others Exports³	12.3	16.7	15.0	21.9	-10.4	280.4	312.4	11.4
Sub Total	138.2	178.4	220.0	29.1	23.3	2,167.6	2,314.0	6.8
GRAND TOTAL	178.6	264.6	258.1	48.2	-2.5	2,598.6	2,803.5	7.9

Note:

1 Include tanzanite, rubbies, sapphires, emeralds, copper, silver and other precious stones

2 Include plastic items, textile apparels iron/steel and articles thereof

3 Include edible vegetables, oil seeds, cereals, cocoa, raw hides and skins, woods and articles thereof

p = Provisional data.

- = Small value

-- = Very big value

--- = Information not available

Totals may not add up due to rounding of numbers.

Volume in '000 Tons; Value in '000,000 USD; Unit Price in USD/Ton

Source: Bank of Tanzania, TRA

Table A5(b): Imports (f.o.b value) by Major Category

Millions of USD

Import Category	2008 ^P	2009		% Change		Year Ending December ^P		
	Dec	Nov	Dec	Dec 08- Dec 09	Nov 09- Dec09	2008	2009	% Change
Capital Goods	211.6	220.0	242.3	14.5	10.1	2,648.6	2,513.1	-5.1
Transport Equipments	67.3	58.6	74.2	10.2	26.7	787.8	741.0	-5.9
Building and Constructions	55.9	70.1	69.6	24.5	-0.8	619.5	562.1	-9.3
Machinery	88.4	91.3	98.5	11.5	7.9	1,241.3	1,209.9	-2.5
Intermediate Goods	123.8	186.2	172.2	39.1	-7.5	2,551.3	1,870.6	-26.7
Oil imports	75.8	130.6	114.2	50.5	-12.6	1,838.6	1,307.5	-28.9
Fertilizers	9.8	10.6	11.1	13.1	4.6	150.4	95.2	-36.7
Industrial raw materials	38.2	45.0	47.0	23.0	4.4	562.3	467.9	-16.8
Consumer Goods	118.4	126.0	121.4	2.5	-3.7	1,283.5	1,392.1	8.5
Food and food stuffs	25.9	40.0	24.6	-5.0	-38.4	290.9	341.9	17.5
All other consumer goods ¹	92.5	86.0	96.8	4.6	12.5	992.7	1,050.2	5.8
Grand Total (f.o.b)	454.0	532.4	535.9	18.0	0.7	6,483.4	5,775.7	-10.9
Grand Total (c.i.f)	499.0	585.1	588.9	18.0	0.7	7,124.6	6,347.0	-10.9

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)	Non-Food												
		Food	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household Equip.	Household operations	Personal care & Health	Recreation & Entertain.	Transpor- tation	Educ- ation	Miscel. goods & services	
Weight (%)	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5
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-Jan	7.0	6.7	7.4	11.9	6.1	4.9	4.8	10.3	9.6	2.0	5.6	8.8	10.0	-1.8
Feb	7.3	6.2	8.8	11.2	6.3	6.0	9.6	11.0	10.8	0.9	7.5	9.8	11.8	-0.4
Mar	7.2	6.1	9.1	11.8	7.2	5.8	9.3	10.4	11.1	3.4	9.2	9.1	13.0	1.6
Apr	6.1	4.8	8.2	14.7	6.7	4.3	5.0	10.5	11.8	3.6	9.4	8.3	11.8	1.9
May	5.0	2.8	8.4	13.0	7.4	4.2	7.5	8.4	11.1	4.7	9.4	8.0	10.1	2.0
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

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 Household	Household operations	Personal care & Health	Recreation & Entertain.	Transpor- tation	Educ- ation	Miscel. goods & services
Weight (%)	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5
2006- Dec	2.1	2.9	0.4	0.3	1.8	0.0	-1.7	1.4	1.8	0.4	1.8	1.1	1.8	0.6
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

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	2008/09	2009/10						Jan-10	Feb-10
		Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09		
1. Overall Total Debt Committed²	8,260.7	8,585.3	8,642.7	8,730.9	8,781.3	8,877.7	8,889.0	9,192.4	8,982.4
Disbursed outstanding debt	5,623.6	5,664.4	5,850.5	5,954.9	6,015.2	6,073.7	6,163.1	6,228.4	6,127.9
Undisbursed debt	2,637.1	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. Disbursed Debt by Creditor Category²	5,623.6	5,664.4	5,850.5	5,954.9	6,015.2	6,073.7	6,163.1	6,228.4	6,127.9
Bilateral debt	933.5	932.1	938.5	944.3	941.5	949.7	938.6	940.0	939.4
Multilateral debt	3,535.1	3,607.2	3,791.2	3,837.3	3,874.8	3,944.9	4,049.0	4,109.6	4,015.4
Commercial debt	708.2	706.2	702.0	709.2	713.5	640.8	638.1	639.4	634.2
Export credits	446.8	419.0	418.8	464.1	485.5	538.2	537.5	539.5	538.9
3. Disbursed Debt by Borrower Category²	5,623.6	5,622.4	5,864.5	5,916.4	5,939.9	6,073.7	6,163.1	6,228.4	6,127.9
Central Government	4,221.2	4,166.6	4,460.1	4,510.7	4,532.0	4,620.9	4,649.2	4,710.2	4,629.3
Parastatal Companies	392.3	392.3	394.6	396.7	398.9	442.7	506.6	503.9	488.3
Private Sector	1,010.0	1,063.5	1,009.8	1,009.0	1,009.0	1,010.1	1,007.4	1,014.4	1,010.3
4. Disbursed Debt by Use of Funds²	5,623.6	5,537.5	5,828.5	5,932.8	5,980.7	6,073.7	6,163.1	6,228.4	6,127.9
BOP & Budget Support	1,838.5	1,972.6	1,842.9	1,851.8	1,857.3	1,885.0	1,971.4	1,908.5	1,902.8
Transport & Telecommunication	695.7	634.9	656.2	705.5	707.1	723.1	723.1	721.8	719.9
Agriculture	599.0	605.9	609.8	614.3	654.4	653.0	658.2	677.7	687.7
Energy & Mining	808.7	758.4	816.1	820.4	823.3	810.2	801.1	800.3	756.4
Industries	141.9	148.0	148.6	152.9	154.0	153.1	183.4	184.6	184.1
Social Welfare & Education	756.8	760.7	815.6	829.9	832.9	847.9	849.2	848.7	833.2
Finance and Insurance	73.8	73.7	73.9	80.2	80.6	80.8	79.0	80.7	80.0
Tourism	90.6	90.6	90.7	90.7	91.0	96.6	87.0	86.6	86.5
Others	618.7	492.7	774.8	787.1	780.1	823.9	810.8	919.4	877.3
5. Total Amount of Loan Contracted¹	965.9	310.8	41.1	15.3	1.7	0.0	0.0	0.0	0.0
Government	218.0	250.1	32.6	0.0	0.0	0.0	0.0	0.0	0.0
Parastatal Companies	336.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private	412.0	60.7	8.5	15.3	1.7	0.0	0.0	0.0	0.0
6. Disbursements¹	941.2	57.7	159.1	50.0	20.3	6.8	115.0	37.6	125.3
Government	480.2	56.3	157.6	19.9	20.3	6.8	49.0	32.2	125.3
Parastatal Companies	246.7	0.0	0.0	0.0	0.0	0.0	63.4	0.0	0.0
Private	214.3	1.3	1.4	30.1	0.0	0.0	2.5	5.4	0.0
7. Scheduled Debt Service¹	271.0	46.4	8.6	13.5	22.3	12.2	38.5	37.8	7.8
8. Actual Debt Service¹	54.0	20.3	3.4	5.3	3.4	4.9	5.7	6.8	0.9
Principal	24.1	6.6	2.9	4.5	2.5	1.8	3.3	4.0	0.2
Interest	29.9	13.7	0.5	0.7	0.9	3.1	2.4	2.9	0.7
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9. Net Transfers¹	887.2	37.3	155.7	44.7	16.9	1.9	109.3	30.8	124.4
10. Total Arrears by Creditors Category²	2,807.0	2,792.1	2,791.8	2,807.9	2,869.2	2,885.3	2,789.0	2,771.9	2,759.6
Principal	1,293.4	1,257.7	1,262.5	1,266.0	1,301.1	1,306.4	1,184.0	1,151.4	1,151.6
Bilateral	452.8	454.4	460.4	468.3	468.9	468.9	472.4	476.8	479.7
Multilateral	17.2	19.5	19.5	20.0	23.6	20.1	22.8	15.9	15.9
Commercial	449.3	459.0	454.0	456.4	461.5	470.0	380.2	405.6	402.2
Export Credits	374.1	324.7	328.6	321.3	347.2	347.4	308.7	253.1	253.8
Interest	1,513.6	1,534.4	1,529.2	1,541.9	1,568.1	1,578.8	1,604.9	1,620.5	1,608.0
Bilateral	667.7	673.1	680.7	689.0	689.4	703.9	715.8	724.5	722.0
Multilateral*	10.0	15.5	15.5	16.0	16.0	16.1	16.9	17.1	17.2
Commercial	557.1	569.6	558.7	562.2	580.1	573.5	584.2	588.2	579.4
Export Credits	278.9	276.2	274.3	274.8	282.5	285.4	288.0	290.7	289.4
11. External Debt Stock	7,137.3	7,156.8	7,393.7	7,458.4	7,508.0	7,652.5	7,768.1	7,849.0	7,735.8
12. Domestic Debt Stock	1,741.1	1,772.2	1,809.4	1,856.2	1,885.3	1,907.3	1,962.7	1,903.5	1,905.7
13. Total Debt Stock	8,878.3	8,929.0	9,203.1	9,314.5	9,393.3	9,559.8	9,730.8	9,752.5	9,641.5
End Period Exchange Rate	1,299.4	1,313.3	1,301.8	1,302.7	1,307.6	1,314.7	1,313.3	1,323.6	1,326.0

*Multilateral arrears are those owed by the private companies

1) During the period (2)Position as at end of February 2010

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.

Repurchase Agreement (REPO)

These are agreements for the BOT to purchase/sale government securities from/to financial institutions at agreed rate for a specified period, with an understanding that the financial institutions will repurchase/resell the securities from/to the BoT at the end of the period.

Reserve Money (M0)

The Bank of Tanzania's liabilities in the form of: (1) currency in circulation outside the Bank of Tanzania and (2) deposit money banks' deposits with the Bank of Tanzania. Reserve money is also referred to as base money, or high-powered money.

Seasonally Adjusted Series

Seasonal movements or seasonal variations, refer to identical, or almost identical patterns, which a time series appears to follow during corresponding months or quarters of each year. Such movements are due to recurring events, which take place annually, e.g. the harvest season. Seasonally adjusted series are series that have been processed to remove the impact of seasonal factors.

Weighted Annualized Yields of Treasury Bills of all Maturities

This is the average yield of Treasury bills, which is weighted by the volume sold of 35-day, 91-day, 182-day, and 364-day Treasury bills, expressed in percentage per year.

ISSN 0856 – 6844