



BANK OF TANZANIA



MONTHLY ECONOMIC REVIEW

July 2009



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1.0 Inflation Developments

Month-to-month headline inflation rate stood at negative 0.4 percent in June 2009 compared to negative 0.5 percent recorded in May 2009, on account of increase in non-food inflation. Likewise, excluding seasonal influences, the month-to-month headline inflation accelerated to 0.3 percent in June 2009 from negative 1.1 percent in May 2009. However, **annual headline inflation rate** decreased to 10.7 percent in June 2009 from 11.3 percent recorded in the previous month on account of decline in both food and non-food inflation (Table 1.1 and Chart 1.1).

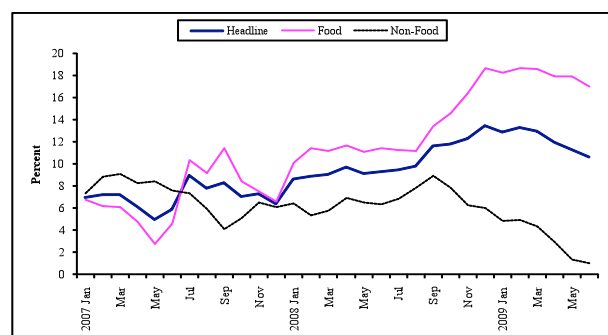
Table 1.1: Annual Percentage Change in Consumer Price Index (ALL-Urban)

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2007			2008			2009		
		Apr	May	Jun	Apr	May	Jun	Apr	May	Jun
Headline/Overall	100.0	6.1	5.0	5.9	9.7	9.1	9.3	12.0	11.3	10.7
Food	55.9	4.8	2.8	4.6	11.6	11.0	11.4	17.8	17.8	17.0
Non-food	44.1	8.2	8.4	7.6	6.9	6.5	6.3	2.8	1.3	1.0
Transportation	9.7	8.3	8.0	5.8	7.6	6.0	6.7	0.4	-1.0	-2.0
Fuel, Power and Water	8.5	5.0	7.5	6.4	11.3	11.7	10.6	-4.1	-9.0	10.1
Drinks and Tobacco	6.9	14.7	13.0	12.3	8.6	7.5	7.7	6.1	6.6	6.8
Clothing & Footwear	6.4	6.7	7.4	7.3	1.1	1.1	0.9	4.9	5.0	7.2
Education	2.6	11.8	10.1	10.3	6.1	6.4	6.3	10.8	10.3	11.4
Furniture & Household Equip.	2.1	10.5	8.4	8.7	4.9	5.1	5.5	7.3	6.9	6.0
H/h Operations Maintenance	2.1	11.8	11.1	10.1	2.8	2.5	2.8	4.6	5.2	4.5
Personal Care & Health	2.1	3.6	4.7	4.2	3.3	3.9	4.0	7.5	7.1	7.7
Rents	1.4	4.3	4.2	3.2	2.1	2.1	2.1	12.2	12.2	12.2
Recreation & Entertainment	0.8	9.4	9.4	10.1	4.2	4.2	4.0	9.2	8.8	9.1
Misc. Goods & Services	1.5	1.9	2.0	2.5	1.5	0.4	0.4	5.6	4.1	3.8

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

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



Similarly, the 3-month moving average annual headline inflation rate showed a decreasing trend, from 12.1 percent in May 2009 to 11.3 percent in June 2009. On the other hand, the 12-months average annual headline inflation increased to 11.8 percent in June 2009 from 8.4 percent recorded in the corresponding period (July 2007 to June 2008).

Month-to-month non-food inflation rate increased to 0.7 percent in June 2009 from negative 0.4 percent recorded in May 2009, following the increase of prices of all non-food items with the exception of items under household operations subgroup. Annual non-food inflation decreased

to 1.0 percent in June 2009 from 1.3 percent recorded in May 2009. The downward movement is associated with the decline in prices of items under transportation and fuel, power and water subgroups during the period under review. Likewise, the 3-month moving average annual non-food inflation rate declined to 1.6 percent in June 2009 from 2.8 percent recorded in May 2009. The 12-months annual non-food inflation rate also averaged 5.2 percent in June 2009 which is lower than 5.7 percent recorded in the corresponding period (July 2007 to June 2008).

Month-to-month food inflation decreased to negative 1.0 percent in June 2009 from negative 0.6 percent in May 2009, driven mainly by decline in prices of cereals, sweet potatoes, fruits, beans, cowpeas and spices. Similarly, annual food inflation decrease to 17.0 percent in June 2009 from 17.8 percent recorded in the year ended May 2009. The 3-month moving average annual food inflation declined to 17.5 percent in June 2009 from 18.1 percent in May 2009. However, the 12-months average annual food inflation rate averaged 16.1 percent in June 2009 compared to 15.6 in the corresponding period (July 2007 to June 2008).

Food Supply Situation

Food supply situation during June 2009 was generally satisfactory, although some districts experienced food shortages. In response the Government and private traders purchased 43,804.5 tons of maize and sorghum from the National Food Reserve Agency (NFRA) for distribution to deficit areas; while during 2008/09 crop season NFRA purchased 62,641 tons of grains from surplus areas by June 2009 to strengthen its stock.

Rapid Vulnerability Assessment (RVA) carried out in March 2009 established that, a total of 279,607 people in 20 districts were likely to be food insecure between April and mid May 2009. The affected people needed immediate food assistance amounting to 3,979 metric tons. Out of the required food, 1,917 tons are recommended for free distribution to 106,520 destitute people and the remaining 2,061 tons are recommended to be sold at subsidized prices to 173,087 vulnerable people (who cannot afford to buy food at market prices).

Wholesale prices of major food crops continued to increase in June 2009 when compared with the corresponding period a year ago (Table 1.2). However, on month to month basis, the wholesale prices for primary food items decreased with the exception of potatoes, mainly explained by increased food supplies in domestic markets attributed to the ongoing harvests in some parts of the country.



Table 1.2: National Average Wholesale Prices for Selected Food Items

TZS per 100 kg

Item	2008	2009		Percentage change	
	June	May	June	June 08 to June-09	May -09 to June-09
Maize	28,476	34,568	34,324	21.4	-0.7
Rice	85,206	108,442	98,074	27.3	-9.6
Beans	85,900	88,374	87,710	2.9	-0.8
Sorghum	40,477	46,875	46,537	15.8	-0.7
Potatoes	40,927	43,584	46,511	6.5	6.7

Source: Ministry of Industry, Trade and Marketing

The National Food Reserve

The National Food Reserve Agency (NFRA) recorded stocks of 94,699.6 tons of maize and sorghum in June 2009, representing an increase of 23.5 percent from 76,649 tons recorded in June 2008 (Table 1.3).

Table 1.3: National Food Reserve Agency (NFRA) Stock

Tons

Period	2004	2005	2006	2007	2008	2009	% Change 2008-2009
January	35,342	119,924	76,813	112,343	139,765	128,919	-7.8
February	23,791	116,383	43,593	117,838	133,898	125,430	-6.3
March	22,903	114,760	8,055	121,046	119,022	124,252	4.4
April	32,387	115,262	3,165	125,509	94,509	122,849	30.0
May	31,732	113,823	6,210	128,350	79,369	109,876	38.4
June	37,091	112,823	15,560	128,804	76,649	94,699	23.5
July	39,195	112,323	13,811	129,306	75,438		
August	45,988	112,067	28,440	125,653	83,131		
September	67,685	111,971	80,248	131,937	102,225		
October	92,710	111,695	87,461	143,717	114,464		
November	108,448	106,428	100,828	142,624	122,209		
December	114,030	93,051	110,203	142,044	129,253		

Source: Food Security Department and BOT computation.

The NFRA planned to purchase 100,000 tons of grains from domestic market by the end of June 2009 to replenish food reserves which had declined to 75,438 by July 2008, but managed to purchase 62,641 tons or 62.6 percent of the target. Low purchases were caused by the delays in disbursements of funds from Treasury.

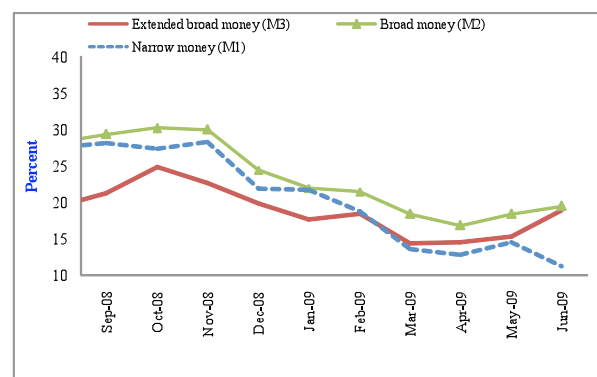
2.0 Monetary and Financial Developments

Money Supply and Credit Developments

Annual growth rate of monetary aggregates edged upwards in June 2009, mainly on account of increase in net foreign assets of the banking system, coupled with sustained increase in credit extended to the private sector. These developments are broadly in line with the current relaxed monetary policy stance, which aims at boosting credit availability to the private sector. In particular, extended broad money supply, M3, registered an annual growth rate of 19.0 percent, which was

relatively higher than 18.1 percent recorded in June 2008 and 15.3 percent recorded in the preceding month. Meanwhile, broad money supply, M2, recorded an annual growth rate of 19.5 percent in June 2009, which was significantly lower than 26.5 percent recorded in June 2008, but higher than 18.4 percent recorded in May 2009 (Chart 2.1 and Table 2.1).

Chart 2.1: Annual Growth Rates of Monetary Aggregates



Source: Bank of Tanzania

Table 2.1: Selected Money Supply Components

Billions of TZS

Item				Monthly Change		Annual Growth		
	Jun-08	May-09	Jun-09	May-09	Jun-09	Jun-08	May-09	Jun-09
Net Foreign Assets of the Banking System	3,654.8	4,157.5	4,572.1	-41.7	374.6	4.6	11.0	23.7
Bank of Tanzania	3,125.6	3,487.0	3,770.5	-100.8	283.4	14.9	8.8	20.6
Other Depository Corporations	569.2	710.5	801.7	59.1	91.2	-29.7	23.7	40.8
Net Domestic Assets of the Banking System	2,917.4	3,413.4	3,234.0	25.2	-119.4	41.1	21.1	12.9
Domestic Claims	3,384.8	4,426.2	4,774.2	144.2	348.0	21.1	31.2	41.0
Claims on central government (net)	(151.1)	(258.8)	63.0	94.2	321.8	-162.0	53.7	-141.7
Claims on Central Government	2,139.9	2,062.3	2,317.9	-7.7	254.9	-4.8	-11.3	8.3
Liabilities to Central Government	2,291.0	2,321.7	2,254.9	-101.9	-66.8	14.3	-6.9	-1.6
Claims on Other Sectors	3,535.8	4,684.9	4,711.1	50.0	26.2	38.6	32.2	33.2
Extended Broad Money Supply (M3)	6,612.1	7,610.9	7,866.1	-16.5	255.2	18.1	15.3	19.0
Foreign Currency Deposits (FCD) in National Currency	1,781.6	2,016.4	2,093.6	-59.0	77.3	0.0	7.6	17.5
FCD in millions of US dollar	1,508.6	1,538.8	1,611.3	-33.0	72.5	7.4	-1.7	6.8
Broad Money Supply (M2)	4,830.6	5,594.5	5,772.5	42.5	177.9	26.5	18.4	19.5
Other Deposits in National Currency	2,000.7	2,514.9	2,623.4	26.5	108.5	26.7	23.5	31.1
Narrow Money Supply (M1)	2,829.9	3,079.7	3,149.1	16.0	69.5	26.4	14.6	11.3
Currency in Circulation	1,269.5	1,366.3	1,424.1	16.7	57.9	14.3	15.5	12.2
Transferable Deposits in National Currency	1,560.4	1,713.4	1,725.0	-6.6	11.6	38.3	13.9	10.5

Source: Bank of Tanzania

Creation of credit to the private sector by banks continue to register strong growth reaching 33.2 percent in the year to June 2009, which represents an increase of TZS 1,175.3 billion in absolute terms to a stock of TZS 4,711.1 billion. The largest share of the outstanding credit was held in personal loans accounting for 20.9 percent, while trade and manufacturing activities accounted for 17.8 percent and 13.3 percent, respectively. Banks' credit to entities dealing with marketing of agricultural products accounted for 10.4 percent of the outstanding credit, while credit held by transport and communication activities was about 10 percent of total outstanding stock.



The substantial change in M3 continued to occur in non-transferable deposits (savings and time deposits) as indicated in [Chart 2.2](#), while the impact of changes in demand deposits and currency in circulation on M3 taking a downward trajectory. As a result of these developments the share of non-transferable deposits to total M3 increased to 33.3 percent in June 2009 compared with 30.3 percent recorded in June 2008. Shares of other components of money supply have recorded moderate changes in recent months ([Chart 2.3](#)).

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

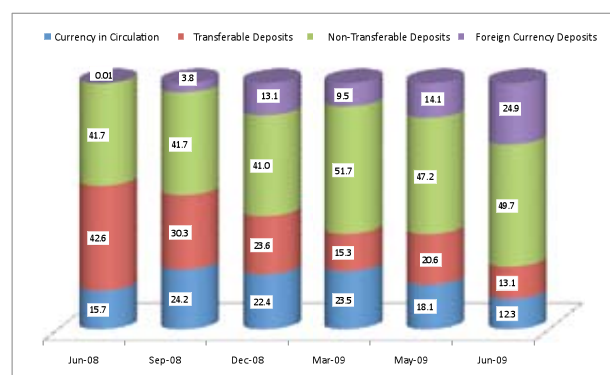
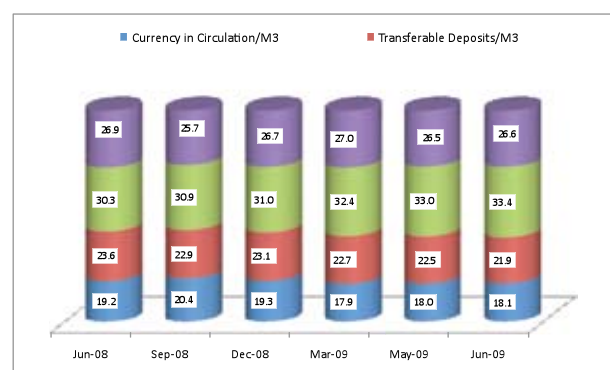


Chart 2.3: Components of Money Supply as Percentage of M3



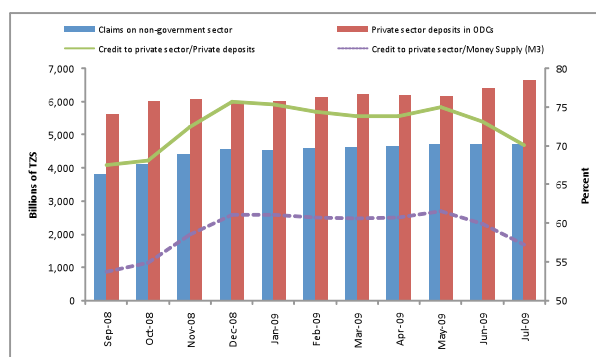
Source: Bank of Tanzania

Financial Intermediation

Financial intermediation by banks in Tanzania has sustained good performance as reflected by increase in deposits mobilized by banks and strong growth of credit to the private sector. During the year ending June 2009, new deposits mobilized by banks amounted to TZS 1,326.7 billion reaching a stock of TZS 6,947.8 billion, out of which TZS 566.6 billion was in favour of central government and the balance of TZS 6,381.2 billion was banks' liability to the private sector. In the same period, loans extended by banks increased by TZS 1,175.3 billion, this accounts for about 89 percent of the

new mobilized deposits. The outstanding stock of credit to the private sector in June 2009 accounts for 73.1 percent of the stock of private sector deposits held in banks, being an increase from 66.2 percent recorded in the corresponding month in the preceding year ([Chart 2.4](#)).

Chart 2.4: Total Deposits and Credit of the Banking System



Source: Bank of Tanzania

Interest Rate Developments

Money market interest rates sustained a downward trajectory, which is in line with the current relaxed monetary policy stance. Overall weighted average yield of Treasury bills, which had increased from 7.84 percent in June 2008 to 13.33 percent in March 2009 declined to 9.27 percent in May 2009 and further down to 6.97 percent in June 2009. Similar developments were observed in interbank cash market and in repo rates. Overall interbank cash market rate dropped to 5.03 percent in June 2009 from 10.10 percent in March 2009, and 6.8 percent recorded in the preceding month. However the rate is still higher than 3.61 percent registered in June 2008. The repo rate also dropped to 4.90 percent in June 2009 from 9.93 percent in March 2009 and 6.10 percent in May 2009. The repo rate had increased from 3.75 percent in June 2008.

Interest rates offered by banks edged downwards during the month under review whereas for rates on various loan portfolio registered relatively higher rates in June 2009 ([Table 2.2](#)). In particular, savings deposit rate decelerated to 2.69 percent from 2.72 percent recorded in the preceding month, while overall time deposits rate was 6.52 percent in June 2009 compared with 6.81 percent in May 2009. Similarly, negotiated deposit rate fell to 10.13 percent in June 2009 from 11.03 percent in May 2009. During the same period, overall lending rate edged up slightly to 15.48 percent from 15.39 percent, whereas negotiated lending rate stood at 14.03 percent up from 13.93 percent.



Table 2.2: Weighted Average Interest Rates Structure

	Percent						
Item	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09
Overall interbank cash market rate	6.54	8.41	9.81	10.10	9.58	6.80	5.03
Overnight interbank cash market	6.27	8.31	9.43	9.90	9.29	6.49	4.46
REPO Rate	6.41	7.55	9.09	9.73	8.25	6.10	4.90
Discount Rate	15.99	17.53	17.85	18.33	16.01	13.00	10.31
Overall Treasury bills rate	10.99	12.53	12.85	13.33	11.01	9.27	6.97
35 days	6.88	7.43	7.54	7.62	7.03	6.40	4.81
91 days	11.20	11.60	11.99	12.43	10.55	8.25	5.56
182 days	12.13	13.28	14.64	14.86	12.04	10.20	7.86
364 days	12.79	15.32	14.74	14.99	12.57	10.69	9.11
Savings Deposit Rate	2.71	2.61	2.72	2.69	2.72	2.72	2.69
Treasury Bonds Rates							
2-years	14.35	14.35	14.35	15.28	15.28	15.28	11.51
5-years	16.39	17.32	17.32	17.32	17.32	16.58	16.58
7-years	17.04	17.04	17.04	17.04	17.06	17.06	17.06
10-years	19.47	19.47	19.92	19.92	19.92	19.92	19.92
Overall Time Deposits Rate	6.39	6.41	6.57	6.79	6.85	6.81	6.52
12 month time deposit rate	8.39	8.65	8.47	8.44	8.85	9.13	8.79
Negotiated Deposit Rate	10.23	10.66	10.82	10.99	11.27	11.03	10.13
Overall Lending rate	16.05	14.93	14.95	15.12	15.45	15.39	15.48
Short-term lending rate (up to 1 year)	13.56	13.41	13.45	13.44	13.87	13.68	14.57
Negotiated Lending Rate	11.91	12.27	12.13	12.85	13.87	13.93	14.03
Margin between short-term lending and one-year time deposit rates	5.27	4.76	4.99	5.00	5.03	4.55	5.78

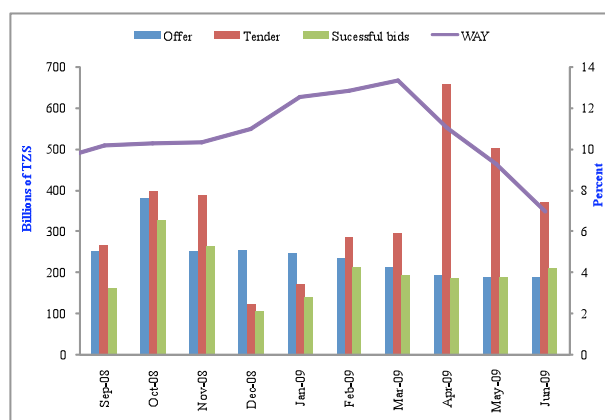
Source: Bank of Tanzania

Financial Markets Developments

Treasury Bills

During the month under review, money market was supplied with Treasury bills worth TZS 188.5 billion, slightly lower than TZS 190.0 billion offered in the preceding month. Demand for Treasury bills remained significantly above the offer at TZS 369.6 billion; however the Bank accepted Treasury bills worth TZS 209.5 billion (or cost value of TZS 202 billion). Meanwhile, Treasury bills worth TZS 269.2 billion matured in June 2009. In line with the market developments, weighted average yields (WAY) declined across all maturities, with overall weighted average closing at 6.97 percent in June 2009 from 9.27 percent recorded in May 2009 ([Chart 2.5](#)).

Chart 2.5: Treasury Bills Market Developments



Treasury Bonds

In the Treasury bond market, the Bank supplied a 2-Year Treasury bond worth TZS 23.0 billion in June 2009, which was

oversubscribed by about TZS 52 billion. The Bank accepted bids worth TZS 23.0 billion (or cost value of TZS 21.5 billion), with commercial banks and pension funds remaining the main investors in the market. Consistent with the high demand, the weighted average yield eased to 11.51 percent in June 2009 from 15.28 percent recorded in the preceding auction which was held in March 2009.

Repurchase Agreements

During the month under review, the Bank continued to use repurchase agreements (REPO) to supplement other monetary policy instruments in the management of liquidity in the economy. Specifically, repos worth TZS 433.5 billion were conducted, while repos amounting to TZS 402.0 billion matured. The overall REPO rate decreased further to an average of 4.90 percent in June 2009, from 6.10 percent recorded in the preceding month, though it is still higher than 3.75 percent that was registered in June 2008.

Inter-Bank Cash Market Developments

Interbank cash market remained active during June 2009 as it was in the preceding month, with total volume of transactions closing at TZS 437.0 billion, compared with TZS 494.4 billion transacted in the preceding month. The deceleration in the transacted volume reflects that banks were relatively liquid during the month under review compared with the preceding month. The presence of liquidity among banks is also supported by the general decline in overall interbank cash market rate from 6.80 in May 2009 to 5.03 percent in June. However the rate is still higher than 3.61 percent recorded in June 2008.

Inter-Bank Foreign Exchange Market

During June 2009, the volume of transactions traded in the Inter-Bank Foreign Exchange Market (IFEM) dropped to USD 131.85 million from USD 146.8 million recorded in the previous month. The Bank of Tanzania sold foreign exchange amounting to USD 66.0 million in order to meet the market demand for foreign exchange. Commercial banks and non banks purchased foreign exchange amounting to USD 132.2 million and USD 2.5 million respectively. The weighted average exchange rate appreciated slightly to TZS 1,313.25 per USD in June 2009 from TZS 1,329.50 per USD recorded in May 2009 ([Table 2.3](#)).



Table 2.3: Inter Bank Foreign Exchange Market Developments

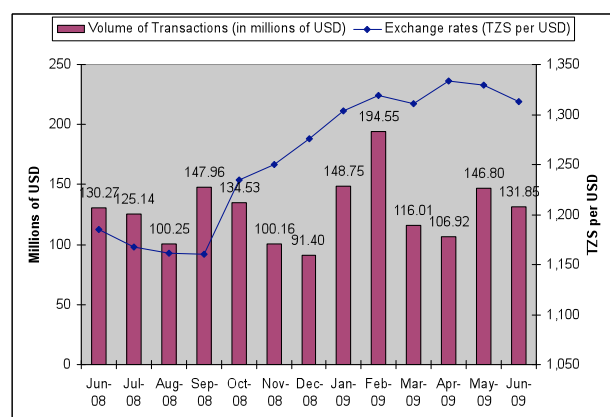
Millions of USD

Item	2009		2008 June	% Change		Year Ending June		
	May	June		Monthly	Yearly	2008	2009	% Change
Amount offered*	146.80	131.85	130.27	-10.18	1.21	1,305.45	1,674.59	28.28
Amount sold*	146.80	131.85	130.27	-10.18	1.21	1,305.45	1,674.59	28.28
Exchange rate (TZS per US dollar)	1,329.45	1,313.25	1,185.35	-0.38	10.79	1,206.21	1,257.39	4.24

Note: * Millions of USD
Source: Bank of Tanzania

The interbank exchange rate movements and volume of transactions for the past twelve months is summarized in **Chart 2.5**.

Chart 2.5: Inter-bank Exchange Rate Movement and Volume of Transactions



3.0 Government Budgetary Operations

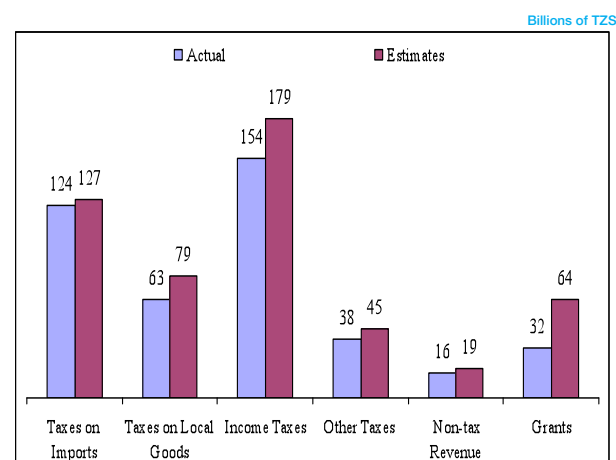
In June 2009, government fiscal operations registered considerable deviations from the budget estimates for the month. Domestic revenue collections amounted to TZS 394.2 billion or 87.8 percent of the budget estimate. Government expenditure during the month amounted to TZS 1,096.3 billion, being 20.3 percent above the estimates. As a result of the mismatch between revenue and expenditure, fiscal operations registered a deficit of TZS 702.1 billion, which is over 50 percent of the projections.

Revenue Performance

During the month under review, tax revenue collections amounted to TZS 378.1 billion (about 87.8 percent of target). Also non-tax revenue collection which was TZS 16.2 billion was below the target by over 13.0 percent. The shortfall in tax

revenue collection was recorded in all major tax categories. Specifically, revenue from taxes on imports was 97.0 percent of targets, income tax (85.8 percent), and taxes on local goods (79.7 percent). During the month grants amounting to TZS 32 billion were received, which was about half of the projection (**Chart 3.1**).

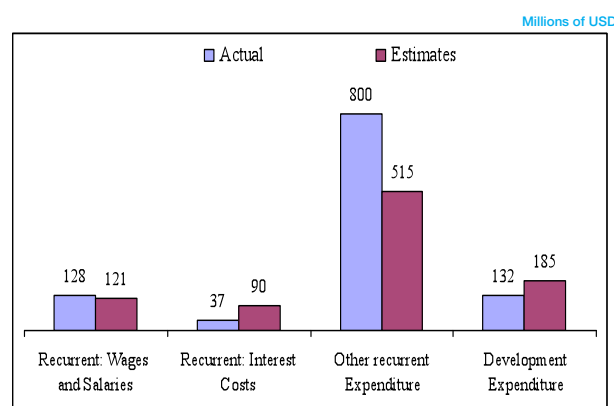
Chart 3.1: Government Revenue by Source (Billions of TZS) – June 2009



Government Expenditure

Government expenditure during the month of June, 2009 amounted to TZS 1,096.3 billion, against the target of TZS 911.1 billion. Recurrent expenditure amounted to TZS 964.7 billion (about 32.9 percent above the target), out of which 13.3 percent was spent on wages and salaries. Interest payments during the month amounted to TZS 36.6 billion, out of which TZS 32.4 billion were charges on domestic debt (**Chart 3.2**).

Chart 3.2: Government Expenditure by Components (Billions of TZS) – June 2009



On the other hand development expenditure amounted to TZS 203.9 billion against the target of TZS 211.3 billion. The underperformance was mainly on account of shortfalls in foreign grants, which were budgeted for projects.



The overall performance of the government budgetary operations (after considering grants) adjusted to cash for the month of June registered a deficit of TZS 82.8 billion. The fiscal gap was financed by both foreign and domestic borrowing. On net terms, foreign and domestic borrowing amounted to TZS 25.5 billion and TZS 57.3 billion respectively.

4.0 External Sector Performance

Current Account Balance

During the year ending June 2009, the current account deficit increased to USD 2,555.2 million from a deficit of USD 2,318.2 million recorded during the corresponding period a year before. This development is largely due to an increase in imports of goods and services that outweighed the effect of the rise in exports. While imports of good and services went up by USD 402.7 million, exports rose by USD 219.6 million, (Table 4.1).

Table 4.1: Current Account Balance

Millions of USD

Item	June		2009		Year Ending June		% Change
	2007	2008	May	June	2008 ^P	2009 ^P	
Goods Account (net)	-209.7	-312.7	-280.6	-324.9	-3,427.1	-3,427.1	0.0
Exports	145.1	167.6	168.3	145.7	2,275.5	2,543.0	11.8
Imports	354.8	480.3	448.9	470.6	5,702.6	5,970.0	4.7
Services Account (net)	40.50	54.83	36.13	27.2	468.8	279.7	-40.3
Receipts	153.5	181.1	156.2	162.1	1,957.2	1,909.3	-2.4
Payments	113.0	126.2	120.1	135.0	1,488.4	1,629.6	9.5
Goods and services (net)	-169.2	-257.8	-244.5	-297.8	-2,958.3	-3,147.3	6.4
Exports of goods and services	298.6	348.7	324.5	307.8	4,232.7	4,452.3	5.2
Imports of goods and services	467.8	606.5	569.0	605.6	7,191.0	7,599.6	5.7
Income Account (net)	-9.4	-5.6	-14.2	-5.3	-44.8	-95.4	113.1
Receipts	5.5	11.8	11.2	19.0	128.4	113.5	-11.6
Payments	15.0	17.3	25.4	24.4	173.2	208.9	20.6
Current Transfers (net)	-4.6	1.6	13.4	2.9	684.9	687.5	0.4
Inflows	1.6	11.8	18.5	8.9	762.8	755.7	-0.9
o/w General Government	1.6	11.2	10.1	0.5	659.3	657.6	-0.3
Outflows	6.1	10.2	5.1	6.0	77.9	68.2	-12.5
Current Account Balance	-183.2	-261.8	-245.3	-300.2	-2,318.2	-2,555.2	10.2

Note: P = Provisional
Totals July not add up due to rounding of numbers
Source: Bank of Tanzania

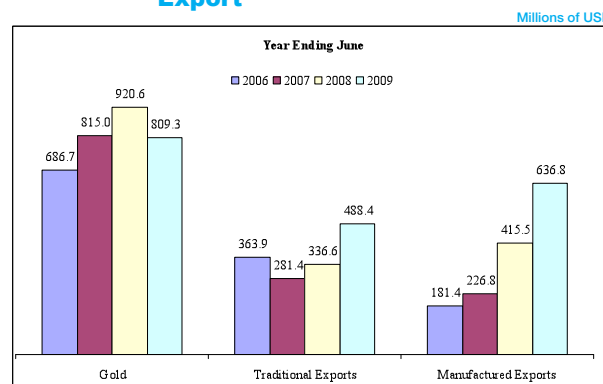
The overall balance of payments position narrowed from a surplus of USD 500.7 million reported during the year ending June 2008 to USD 254.0 million, largely due to financing of the current account deficit. However, the Bank's gross international reserves went up to USD 2,918.6 million as at end June, 2009 from USD 2,664.9 million following receipt of funds from IMF under the Exogenous Shock Facility. This level of reserves was enough to cover about 4.6 months of imports of goods and services.

Exports Performance

During the year to June 2009, total export of goods rose by 11.8 percent to USD 2,543.0 million with manufactured

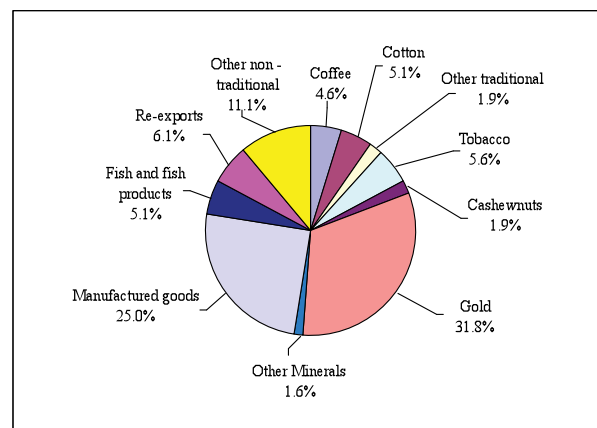
goods and other exports contributing to the increase. Chart 4.1 summarizes the performance of selected Goods export during the past four years.

Chart 4.1: Performance of Selected Goods Export



Meanwhile, Gold and manufactured goods continued to dominate total goods export accounting for 31.8 percent and 25.0 percent, respectively. The contribution of selected goods export for the year ending June 2009 is summarized in (Chart 4.2).

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



- Note:
1. Other non-traditional include horticultural products and other exports
 2. Other traditional exports include sisal, tea and cloves
 3. Other minerals include Tanzanite, rubies, sapphires, emeralds, copper, silver and other precious stones.
 4. Re-exports refer to goods that are imported and later exported to neighboring countries. Major items in this category are wheat and refined petroleum products

Traditional Exports

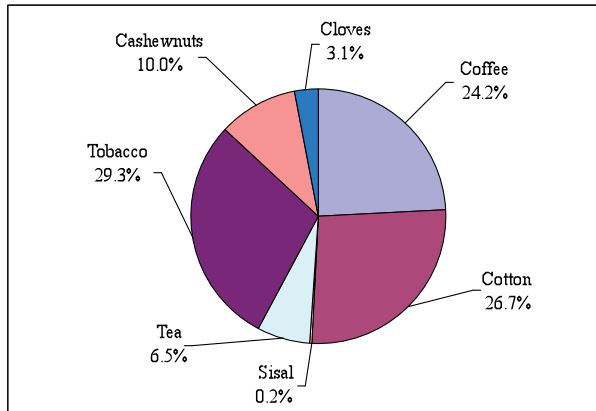
In June 2009, the value of traditional exports decreased by 10.8 percent to USD 18.1 million mainly on account of a decline in the export volumes of most of the traditional crops as it was off season.

On annual basis, traditional exports rose by 45.1 percent to USD 488.4 million largely due to an increase in export volumes of cotton, coffee, tobacco and cloves following favorable weather condition and availability of agricultural inputs through the Agricultural Sector Development Programme (ASDP).



With the exception of tea and tobacco, most of the traditional exports recorded declines in export unit prices in line with the movements of commodity prices in the world market. **Chart 4.3** depicts the composition of traditional exports for the year ending June, 2009.

Chart 4.3: Contribution to Total Traditional Exports for the Year Ending June 2009



Source: Bank of Tanzania

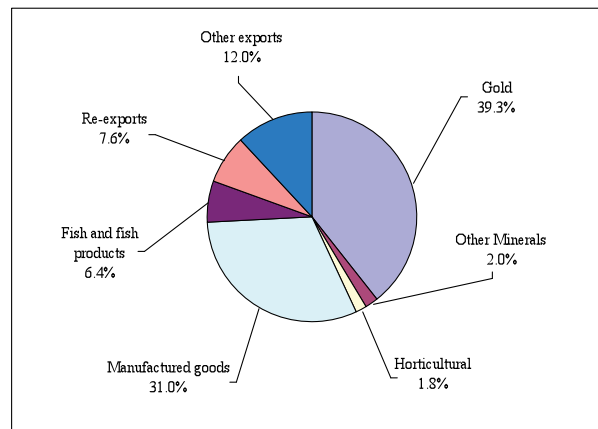
Non-Traditional Exports

During the month under review, non-traditional exports rose by 15.2 percent to USD 127.6 million mainly attributed to an increase in exports of gold and manufactured goods. The increase in gold exports was largely due to a rise in the world market prices of gold as export volumes declined.

On annual basis, non-traditional exports increased by 6.0 percent to USD 2,054.6 million due to a rise in export of manufactured goods and horticultural products that went up by 53.3 percent and 54.5 percent to USD 636.8 million and USD 36.5 million, respectively. Some of the manufactured goods that are exported include iron and steel, wheat flour, plastic items and electrical equipment. On the other hand, the improvement in horticultural exports (mainly fresh cut flowers) was largely attributable to the expansion in horticultural production coupled with new investments in cut flowers in the Southern part of Tanzania.

The value of gold exports declined to USD 809.3 million from USD 983.5 million following a drop in the volume of gold exports to 27.9 tons from 35.1 tons recorded in the previous period. Meanwhile, the prices of gold in the world market increased by 6.2 percent to USD 873.6 per troy ounce. **Chart 4.4** depicts the composition of non-traditional exports for the year ending June 2009.

Chart 4.4: Contribution to Total Non Traditional Exports for the Year Ending June 2009



Source: Bank of Tanzania

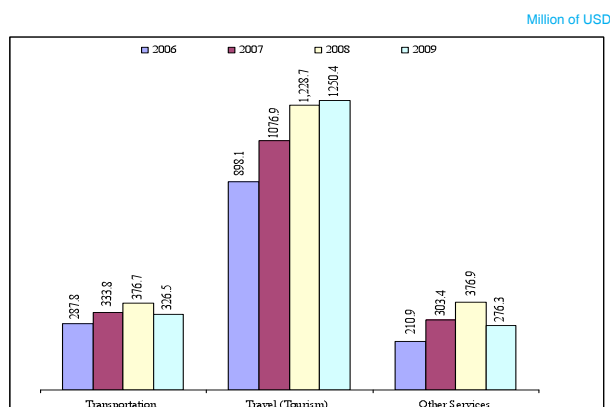
Services Export

Services receipt increased to USD 162.1 million during June 2009, compared to USD 156.2 million recorded during the previous month mainly due to an increase in travel earnings as the peak tourist season approaches.

On annual basis, services receipt decreased to USD 1,909.3 million from USD 1,957.2 million recorded during the corresponding period last year following a significant drop in transportation receipts. Transport services receipt, which has been the second in prominence declined by 20.4 percent to USD 326.5 million following a drop in transit trade. This is partly due to the global recession that has also affected the income of the neighboring countries. In addition, congestion at the Dar es Salaam port has forced the importers to diverge their consignments to other ports like Mombassa and Beira. Travel, which accounts for about 60 percent of total services receipt slightly increased to USD 1,250.4 million from USD 1,228.7 million recorded during the corresponding period in 2008. The small increase in travel receipts is largely associated with the global recession that has hit the United States and UK, which are the major tourist source markets to Tanzania. The available statistics from the Immigration Department indicate that the number of tourist arrivals has decreased to 672,296 during July to May 2008/09 from 706,425 reported in the same period last year. **Chart 4.5** depicts the performance of the main services receipt for the past four years.



Chart 4.5: Services Receipt for the Year Ending June (Millions of USD)



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

Imports Performance

During June 2009, import of goods increased to USD 470.6 million from USD 448.9 million recorded during the previous month largely due to a significant increase in intermediate goods import. The value of intermediate goods import went up by 28.0 percent to USD 145.7 million largely due to a surge in importation of oil. The value of oil imports increased to USD 111.2 million from USD 76.8 million recorded during the previous month following a rise in oil prices in the world market as well as import volumes. During the period under review, a total of 217,099 tons of oil were imported compared to 171,083 tons reported during the previous month. Similarly, prices of white petroleum products in the world market increased to USD 615.7 per ton from USD 524.1 per ton. In June 2009, about 193 tons of oil was re-exported mainly to Democratic Republic of Congo. Importation of capital goods decreased by 4.1 percent to USD 209.8 million, with transport equipment recording most of the decline. Consumer goods imports slightly declined to USD 115.1 million (Table 4.2).

Table 4.2: Imports

Table 4.1 Imports

Millions of USD

Items	2008 ^P	2009		% Change		Year Ending June ^P		% Change
	June	May	June	June 08 - June 09	May 09 - June 09	2008	2009	
Capital Goods	207.4	218.8	209.8	1.2	-4.1	2,165.2	2,602.4	20.2
Transport Equipments	44.0	77.2	57.2	29.8	-25.9	660.7	757.7	14.7
Building and Construction	55.1	33.7	35.6	-35.4	5.7	504.8	590.0	16.9
Machinery	108.2	107.8	117.0	8.1	8.5	999.7	1,254.6	25.5
Intermediate Goods	193.3	113.8	145.7	-24.6	28.0	2,339.8	2,036.3	-13.0
Oil imports	137.4	76.8	111.2	-19.1	44.7	1,683.4	1,433.3	-14.9
Fertilizers	21.9	6.1	1.6	-92.9	-74.6	98.1	133.5	36.1
Industrial raw materials	34.0	30.9	33.0	-2.9	7.0	558.2	469.5	-15.9
Consumer Goods	79.6	116.3	115.1	44.6	-1.1	1,197.6	1,331.4	11.2
Food and food stuffs	13.9	39.5	38.5	176.3	-2.6	299.5	349.9	16.8
All other consumer goods ¹	65.6	76.8	76.6	16.7	-0.3	898.1	981.5	9.3
Grand Total (f.o.b)	480.3	448.9	470.6	-2.02	4.8	5,702.6	5,970.0	4.7
Grand Total (c.i.f)	527.8	493.3	517.2	-2.02	4.8	6,266.6	6,560.5	4.7

Note:

Oil imports refers to refined petroleum products

P = provisional data

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

Totals August not ad up due to rounding of numbers

Source: Bank of Tanzania and Tanzania Revenue Authority

Food Imports

In June 2009, cereal imports rose to 126,587 tons from 100,454 reported in May 2009, largely on account of an increase in importation of maize and wheat as rice imports declined. It is worthy noting that, rice imports in May 2009 was exceptionally high following a food relief grant of 12,500 tons of rice by the Japanese Government to the Ministry of Agriculture and Food Security. Table 4.3 summarizes import of selected cereals during the last four months of the year.

Table 4.3: Summary of Selected Food Imports

Item	Mar-09	Apr-09	May-09	Jun-09	% Change (May 09 – June 09)
Maize					
Tons	218.8	3,630.0	1,032.3	1,902.6	84.3
Value (Mill. USD)	0.042	0.718	0.204	0.4	86.2
Unit Price (\$/mt)	193.3	197.9	197.6	199.6	1.0
Rice					
Tons	1,130.9	243.0	16,714.5	920.0	-94.5
Value (Mill. USD)	0.5	0.1	8.2	0.5	-94.4
Unit Price (\$/mt)	408.5	489.2	492.4	497.7	1.1
Wheat					
Tons	110,328.1	40,667.7	82,707.2	123,764.0	49.6
Value (Mill. USD)	27.389	10.032	22.176	29.709	34.0
Unit Price (\$/mt)	248.2	246.7	268.1	240.0	-10.5
Total tons	111,678	44,541	100,454	126,587	26.01
Total Value (Mill. U)	27.9	10.9	30.6	30.5	-0.21

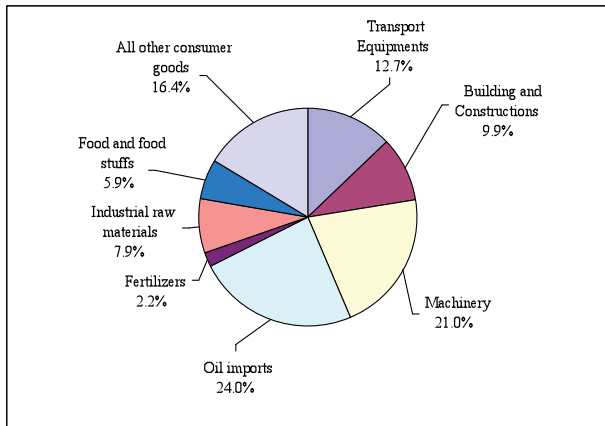
Source: Tanzania Revenue Authority

On annual basis, the value of goods import rose by 4.7 percent to USD 5,970.0 million following the increase in importation of capital and consumer goods. Capital goods import increased from USD 2,165.2 million during the previous year to USD 2,602.4 million in line with the growth of economic activities in the economy. Similarly, importation of consumer goods went up by 11.2 percent to USD 1,331.4 million following the increase in importation of food and food stuff as well as other consumer goods such as pharmaceutical products, plastic goods and paper products. The increase in the value of food imports from USD 299.55 million last year to USD 349.9 million is partly attributed to the increase in imports of cereals to augment domestic food supply.

Conversely, the value of imported intermediate goods dropped to USD 2,036.3 million from USD 2,339.8 million largely due to a decline in importation of oil. The decline in the value of oil imports is mainly attributable to the fall in oil prices in the world market amid a decline in the global oil demand following the global financial and economic crisis. During the review period, prices of white products in the world market dropped to USD 652.4 per ton from USD 878.6 per ton in the year ending June 2008. On the other hand, the volumes of imported oil went up by 21.1 percent to 2,627,250 tons during the year to June 2009. (Chart 4.6)



Chart 4.6: Contribution to Total Imports for the Year Ending June 2009

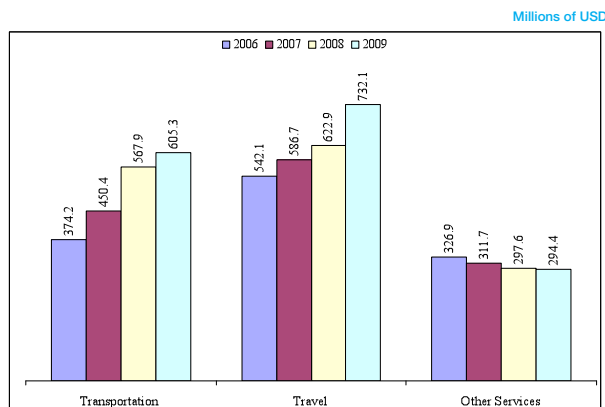


Source: Bank of Tanzania

Services Payment

During the review month, services payment went up by 12.4 percent to USD 135.0 million while on annual basis, the payments increased by 9.5 percent to USD 1,629.6 million. The rise in services payment was largely due to increase in freight, travel and other business services. **Chart 4.7** illustrates the performance of major services payment categories in the past four years.

Chart 4.7: Services Payment for the Year Ending June (Millions of USD)



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

World Commodity Prices

In June 2009, the world market prices of **coffee Arabica** and **Robusta** recorded slight declines to USD 3.3 per kg and USD 1.6 per kg, respectively. Similarly, the prices of **cloves**, **cotton (A- index)** and (**Memphis**) declined to USD 3966.7 per ton and USD 1.4 per kg, respectively. The moderate price decline in cotton "Memphis" emanated from the reduction in the demand from textile producers especially China amid the current global crisis.

Conversely, the price of **tea (Average price)** recorded a slight increase to USD 2.8 per kg, whereas, the price of **tea (Mombasa Auction)** went up by 8.6 percent to USD 2.4 per kg, owing to the decline in tea production following unfavourable weather condition in Kenya. Meanwhile, the price of sisal remained unchanged at USD 1,213.0 per metric ton.

During the period under review, the average prices of **crude oil** (UK Brent), Dubai (f.o.b) and **white products** recorded notable increases to USD 69.2 per barrel and USD 615.7 per ton, respectively. This development was attributable to a decline in the U.S crude inventories. Moreover, the political unrest in Nigeria and Iran also added an upward pressure in oil prices.

On annual basis, the price of coffee (Robusta) declined by 13.0 percent to USD 2.0 per kg, as fears over frost in Brazil diminished. Likewise, the prices of cotton (A Index and Memphis) declined to USD 1.4 per kg on account of the fall in global demand following the current financial meltdown. Conversely, the price of **tea** (Mombassa auction) rose by 13.1 percent to USD 2.2 per kg as a result of strong demand from Russia, Middle East and Pakistan coupled with unfavorable weather condition in Kenya. The increase in the price of sisal to USD 1,213.0 per ton from USD 1,075 per metric ton was largely due to a strong demand as a result of the increase in the usage of sisal fibre for power generation.

During the year to June 2009, the price of oil declined noticeably largely due to a weak global oil demand as the result of the economic crisis (**Table 4.4**). On the other hand, the price of **gold** rose by 6.2 percent to USD 873.6 per troy ounce largely driven by a strong investment demand following the weakening of U.S dollar against other major currencies and instability in the global financial markets.

Table 4.4: World Commodity Prices

Commodity	Unit	2009			% Change	Year Ending June		% Change
		Apr	May	June		2008	2009	
Robusta Coffee	USD per kg	1.67	1.67	1.63	-2.40	2.24	1.95	-12.97
Arabica Coffee	USD per kg	2.97	3.33	3.30	-0.90	3.03	2.98	-1.43
Tee (Average price)	USD per kg	2.51	2.69	2.76	2.60	2.31	2.40	3.68
Tee (Mombasa Auction)	USD per kg	2.21	2.22	2.41	8.56	1.96	2.22	13.14
Cotton, "A Index"	USD per kg	1.25	1.36	1.35	-0.74	1.59	1.37	-13.77
Cotton, "Memphis"	USD per kg	1.36	1.50	1.41	-6.00	1.62	1.44	-11.14
Sisal (UG)	USD per metric ton	1,213.0	1,213.0	1,213.00	0.00	1,075.00	1,213.00	12.84
Cloves	USD per metric ton	3,820.0	4,050.0	3966.67	-2.06	4,068.94	3,972.85	-2.36
Crude oil*	USD per barrel	50.28	58.15	69.15	18.92	94.35	68.75	-27.13
Crude oil**	USD per barrel	50.18	57.4	69.21	20.57	90.29	67.66	-25.07
White products***	USD per ton	461.79	524.07	615.73	17.49	878.59	652.43	-25.74
Jet/Kerosene	USD per ton	460.67	501.45	603.07	20.27	925.65	685.47	-25.95
Premium Gasoline	USD per ton	490.7	586.74	672.61	14.64	830.28	613.93	-26.06
Heat Oil	USD per ton	433.99	484.01	571.50	18.08	879.84	657.89	-25.23
Gold	USD per troy ounce	890.00	929.00	946.00	1.83	822.96	873.60	6.15

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

The national debt stock at the end of June 2009 stood at USD 8,493.8 million, representing an increase of USD 160.1 million (1.9 percent) from USD 8,333.7 million recorded at the end of the preceding month. The increase is attributed to exchange rate fluctuations together with recording of new disbursements and accumulation of interest arrears on external debt and issuance of new government bonds on domestic debt. Out of the total debt stock, external debt was 79.5 percent and domestic debt was 20.5 percent.

External Debt

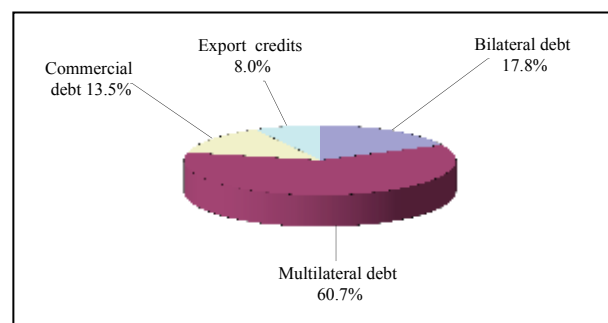
At the end of June 2009, the external debt stock amounted to USD 6,752.7 million representing an increase of 2.0 percent from USD 6,622.0 million registered at the end of previous month. Out of the external debt stock, USD 5,236.3 million (77.5 percent) was disbursed outstanding debt (DOD) and the remaining balance of USD 1,516.3 million (22.5 percent) was interest arrears.

The profile of disbursed outstanding debt by borrower category reveals that the Central Government remained the largest borrower holding debt amounting to USD 4,118.2 million (78.6 percent) followed by private companies with USD 972.4 million (18.6 percent). Debt owed by parastatal companies was USD 145.7 million, equivalent to 2.8 percent of DOD.

With regard to creditor category, multilateral institutions remained the leading creditors by holding USD 3,177.4 million

(60.7 percent) of the DOD, while the amount of DOD owed to bilateral creditors stood at USD 933.5 million (17.8 percent). The remaining debt amounting to USD 706.3 million (13.5 percent) and USD 419.1 million (8.0 percent) were owed to commercial and export creditors respectively, ([Chart 5.1](#)).

Chart 5.1: Disbursed Outstanding Debt by Creditor Category



During the month under review, disbursements received and recorded amounted to USD 7.7 million while external debt service payments amounted to USD 4.6 million. Out of this, principal repayments amounted to USD 2.2 million and interest payments were USD 2.4 million.

Domestic Debt

The outstanding domestic debt stock increased by TZS 19.35 billion (0.9 percent) from TZS 2,243.0 billion registered at the end of preceding month to TZS 2,262.3 billion at the end of June 2009. The increase was due to new financing mainly through issuance of government bonds. Out of total domestic debt, Government securities accounted for 99.6 percent and the rest 0.4 percent was unsecuritized debt ([Table 5.1](#)).



Table 5.1: Government Domestic Debt as at End of June 2009

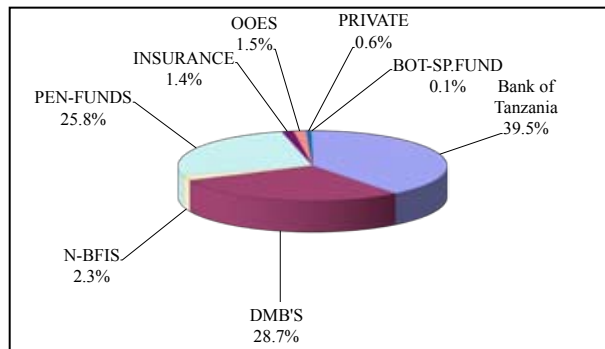
Item	Jun-08	May-09	Jun-09	Stock (%)	% Change.
Government Securities	2,040.46	2,234.71	2,254.06	99.63	0.87
Treasury Bills	391.92	284.73	284.73	12.59	-
Government Stocks	312.87	310.32	310.32	13.72	-
Government Bonds	1,335.61	1,639.60	1,658.95	73.33	1.18
Tax Certificates	0.06	0.06	0.06	0.00	-
Other Government Debts	8.28	8.28	8.28	0.37	-
Mabibo NSSF-UDSM Hostel	8.24	8.24	8.24	0.36	-
Others	0.04	0.04	0.04	0.00	-
Total Dom. Debt	2,048.74	2,242.99	2,262.34	100.00	0.86

Source: Office of Chief Government Statistician (OCGS)

The profile of domestic debt by holder category shows that Bank of Tanzania is the leading creditor to the Government holding 39.5 percent of total domestic debt followed by commercial banks with 28.7 percent of the total domestic debt. Other creditors are Pension Funds, Non-Bank Financial Institutions (N-BFIs) and other official entities, holding 25.8 percent, 2.3 percent and 1.5 percent respectively. The

remaining portion of 2.2 percent was held by insurance companies, private sector creditors and BOT special fund (Chart 5.2).

Chart 5.2: Government Domestic Debt by Creditor Category



During the month, domestic debt amounting to TZS 62.0 billion fell due for payment. Out of this, principal amounting to TZS 27.9 billion was rolled over and interest amounting to TZS 34.1 billion was paid out of government revenue.



6.0 Economic Developments in Zanzibar

Inflation Developments

The **Annual Headline Inflation** rate in June 2009 declined to 8.1 percent from revised rate of 8.6 recorded in the year ended May 2009. The decline in inflation rate was attributed to a deceleration of non-food inflation, while food inflation increased during the period. However, the month-to-month headline inflation rate increased to 0.1 percent from negative 0.4 recorded in May 2009, on account of an acceleration of both month-to-month food and non-food inflation (Table 6.1 and Chart 6.1).

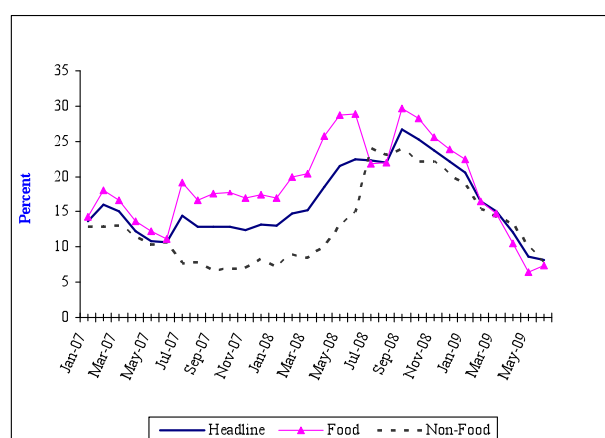
Table 6.1: Annual Percentage Change in Consumer Price Index (CPI)

Base: Dec.2005=100

Major commodity group	Weights (%)	2006				2007				2008				2009			
		Dec	Apr	May	June	Apr	May	June	June	Apr	May	June	June	Apr	May	June	June
Headline/Overall	100	11.4	12.4	10.8	11.9	18.5	21.5	22.4	12.2	8.6	8.1						
Food	57.4	11.6	13.6	12.2	13.7	25.7	28.7	28.8	10.5	6.5	7.4						
Non-Food	42.6	11.5	11.5	9.9	10.3	10.0	13.0	14.8	13.3	10.0	7.5						
Alcoholic beverages, tobacco & narcotics	0.6	23.6	23.0	23.0	23.0	-0.9	-0.7	-0.1	18.8	17.7	16.9						
Clothing and footwear	6.2	5.2	7.4	7.6	6.8	4.7	4.7	9.3	9.7	9.9	5.2						
Housing, water, electricity, gas and other fuels	15.6	12.8	10.2	8.3	8.4	6.8	11.2	12.7	25.5	20.3	18.6						
Furnishing, household equipment and routine household maintenance	5.3	8.7	11.3	10.6	10.9	13.2	12.5	15.4	9.0	9.3	7.0						
Health	2.1	10.2	12.2	10.1	10.1	18.6	18.6	25.1	10.7	12.0	6.1						
Transport	3.4	29.1	20.2	12.9	21.5	11.7	27.7	19.9	7.6	-8.2	-10.0						
Communication	2.4	-3.9	-3.9	-3.9	-5.3	-2.3	-2.3	-0.8	0.0	0.0	0.0						
Recreation and culture	0.4	12.7	16.7	10.8	12.9	9.7	9.9	7.3	3.2	3.4	4.3						
Education	1.1	1.2	12.1	12.1	12.1	6.1	7.8	7.8	6.2	4.4	4.4						
Restaurants and hotels	3.1	15.8	25.2	25.4	25.2	25.4	24.3	28.2	11.6	11.6	8.1						
Miscellaneous goods & services	2.4	11.1	-3.5	-3.3	-4.3	21.1	21.4	26.3	10.3	9.3	5.1						

Source: Office of Chief Government Statistician (OCGS)

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

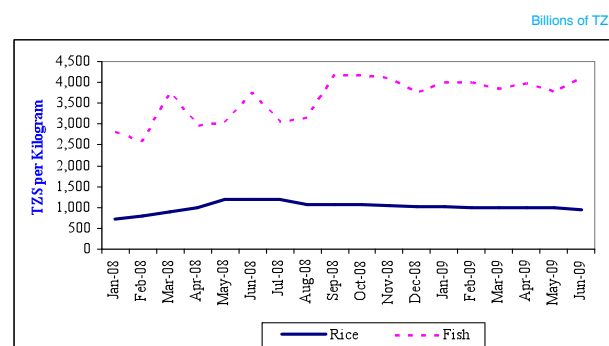


Source: Office of Chief Government Statistician (OCGS)

The **annual food inflation** increased to 7.4 percent in June 2009 from 6.5 percent registered in May 2009, mainly in response to increased average prices of fish. It is pertinent to note that fish accounts for 13.9 percent of the weight of

food which is 57.4 percent. Specifically, the average price for fish rose to TZS 4,110 per kilo in June 2009 from TZS 3,771 in May 2009 and TZS 3,764 per kilo in May 2008 (Chart 6.2). The current developments in the average prices of fish reflect seasonal developments as the tourist season kicks off. Similarly, the **month-to-month food inflation** increased to 0.2 percent, compared to negative 0.5 percent recorded in May 2009, due to increased average prices of fish and sugar.

Chart 6.2: Monthly Average Prices for Rice and Fish, TZS per Kilogram



Source: Ministry of Finance and Economic Affairs, Zanzibar.

Annual non-food inflation declined to 7.5 percent, from 10.0 percent recorded in the year ended May 2009. The deceleration was due to a significant fall in prices of diesel, petrol and kerosene by 28.6 percent, 23.2 percent and 38.2 percent, respectively. However, the **month-to-month non-food inflation** accelerated to 0.1 percent compared to negative 0.2 percent recorded in May 2009, on account of increased fast ferries fares.

Fiscal Performance

During the month of June 2009 Government budgetary operations, recorded a deficit after grants on cheques cleared basis of TZS 1.6 billion. Total resources in the month under review amounted to TZS 14.5 billion, which was above the target of TZS 11.0 billion by 31.8 percent. Analysis of total resources indicate that domestic sources contributed TZS 14.1 billion, or 97.2 percent of total resources, while foreign grants amounted to TZS 0.4 billion or 2.8 percent of total resources. Total expenditure during the month under review reached TZS 18.3 billion, and was above the target of TZS 13.5 billion by 35.6 percent. The budget deficit was financed through foreign sources.

Revenue Performance

Total revenue collections during June 2009 amounted to TZS 14.1 billion, exceeding the monthly target of TZS 9.7 billion by 45.4 percent and the amount was the highest during the fiscal year 2008/09. During the month, tax revenue reached

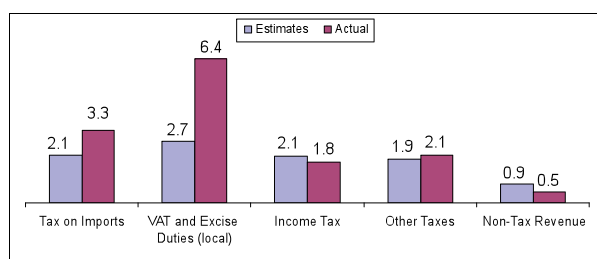


TZS 13.6 billion, exceeding the target of TZS 8.9 billion by 52.8 percent and accounted for 96.5 percent of the total revenue collections. Non-tax revenue sources amounted to TZS 0.5 billion, representing 55.6 percent of the target of TZS 0.9 billion, and accounted for 3.5 percent of total revenue collections for the reporting month.

Revenue collection by category shows that, local VAT and excise duty collections amounted to TZS 6.4 billion, remarkably above the target amount of TZS 2.7 billion, and accounted for 45.4 percent of the total revenue collections. The over performance was mainly due to collection of huge VAT arrears during the month under review. Tax collections on imports amounted to TZS 3.3 billion, and exceeded the target of TZS 2.1 billion. The good performance was due to increased taxable imports associated with increased haulage at Malindi port following acquisition and installation of modern equipment. Income tax collections amounted to TZS 1.8 billion, below the target of TZS 2.1 billion, mainly due to low income tax returns during the month under review, especially corporate, individual and withholding taxes. Collections of other taxes reached TZS 2.1 billion and was above the target of TZS 1.9 billion by 10.5 percent (Charts 6.3 and 6.4).

Chart 6.3: Government Revenue by Sources, Actual versus Target – June 2009

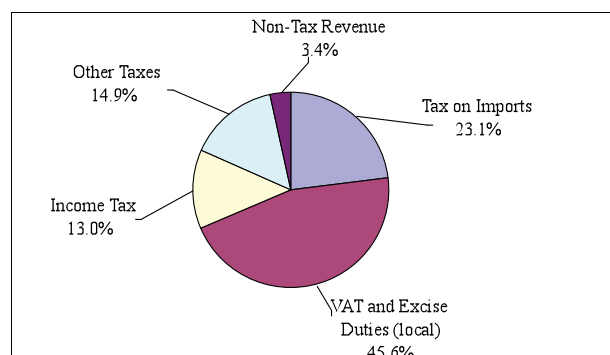
Billions of TZS



Source: Ministry of Finance and Economic Affairs, Zanzibar.

Chart 6.4: Government Revenue by Sources, Percentage Share to Total Revenue – June 2009

Billions of TZS



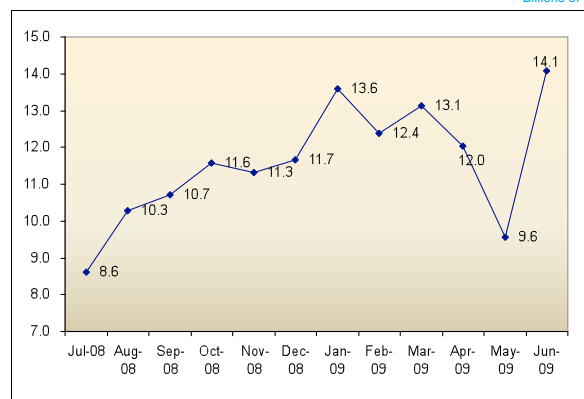
Source: Ministry of Finance and Economic Affairs, Zanzibar.

Cumulatively during the fiscal year of 2008/09, total Government revenue collections reached TZS 139.7 billion, and exceeded the annual target of TZS 134.6 billion for the

period by 3.8 percent (Chart 6.5).

Chart 6.5: Government Total Revenue Collections Trend July 2008– June 2009

Billions of TZS



Source: Ministry of Finance and Economic Affairs-Zanzibar

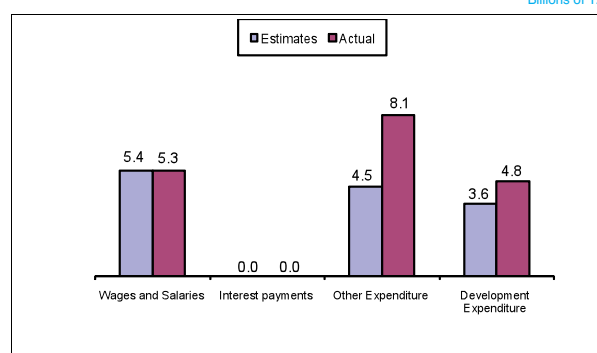
Expenditure Performance

Total government expenditure during the month of June 2009, amounted to TZS 18.3 billion, surpassing the target of TZS 13.5 billion by 35.6 percent. The over expenditure was mainly on account of an increase in both recurrent and development expenditures. While recurrent expenditure amounted to TZS 13.5 billion, or 73.8 percent of total expenditure, development expenditure amounted to TZS 4.8 billion, equivalent to 26.2 percent of total expenditure.

Analysis of the recurrent expenditure indicates that; wages and salaries amounted to TZS 5.3 billion, and was in line with the monthly target and accounted for 39.3 percent of the total recurrent expenditure or about 29.0 percent of the total government expenditure. Total amount spent on other charges was TZS 8.1 billion, compared with the target of TZS 4.5 billion, and accounted for 60.0 percent of the recurrent expenditure, or 44.3 percent of the total expenditure (Chart 6.6).

Chart 6.6: Government Expenditure by Components, Actual versus Target – June 2009

Billions of TZS



Source: Ministry of Finance and Economic Affairs-Zanzibar



The development expenditure analysis shows that Government contributions was TZS 2.8 billion, above the target of TZS 2.0 billion and accounted for 58.3 percent of the total development expenditure. Donor fund inflows for development expenditure amounted to TZS 2.0 billion, exceeding the target of TZS 1.6 billion, and accounted for 41.7 percent of the total development expenditure.

Cumulatively from July 2008 - June 2009, total Government expenditure reached TZS 203.4 billion, and accounted for 59.5 percent of the annual target of TZS 341.7 billion. The under performance on expenditure was mainly attributed to low disbursement of donor fund inflows on development projects.

Debt Developments

As at end of June 2009, Zanzibar total debt stock amounted to TZS 138.3 billion (USD 106.4 million), compared to TZS 140.4 billion (USD 106.3 million), reported at end of May 2009. Classification of total debt stock indicated that, external debt amounted to TZS 80.7 billion (USD 62.1 million), or 58.4 percent of the total debt, while the remaining domestic debt was TZS 57.5 billion (USD 44.3 million), equivalent to 41.6 percent. During the review period, total Debt to GDP ratio stood at 18.5 percent, compared to 18.8 percent, recorded at end of May 2009.

Domestic Debt

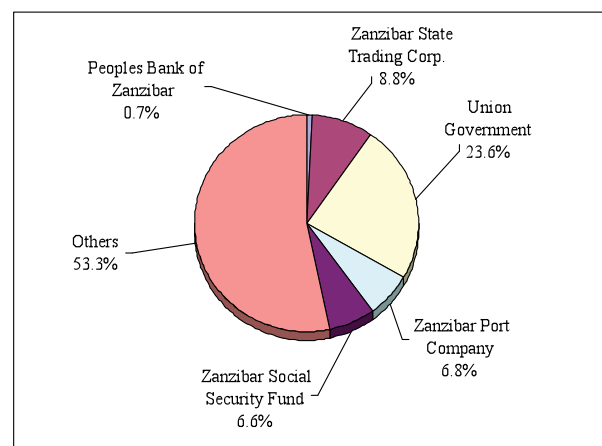
During the period, domestic debt amounted to TZS 57.5 billion, compared to TZS 58.8 billion, reported at the end of May 2009. The decline was in response to partial payment of claims due to retired civil servants and government suppliers.

Domestic Debt by Creditors

As at end June 2009, debt owed to government suppliers and pensioners remained dominant, although declined to TZS 30.7 billion, from TZS 31.9 billion registered at end of May 2009. This amount was equivalent to 53.3 percent of the total domestic debt. The Union Government debt remained at TZS 13.6 billion or 23.6 percent of the total domestic debt. Debt owed to Zanzibar State Trading Corporation (ZSTC) and Zanzibar Ports Corporation (ZPC) amounted to TZS 5.1 billion and TZS 3.9 billion, equivalent to 8.8 percent and 6.8 percent of total domestic debt, respectively. Claims by Zanzibar Social Security Fund (ZSSF) amounted to TZS 3.8 billion, representing 6.6 percent of domestic debt, whereas debt due to Peoples Bank of Zanzibar (PBZ) stood at TZS 0.4 billion or 0.7 percent of total domestic debt ([Chart 6.7](#)).



Chart 6.7: Domestic Debt by Creditor as at End – June 2009



Source: Ministry of Finance and Economic Affairs-Zanzibar

Domestic Debt by Maturity

The profile of total domestic debt stock by maturity shows that, debt with “undetermined maturity” (predominantly gratuity and supplier’s claims) declined to TZS 31.9 billion, from TZS 32.1 billion, and accounted for 53.7 percent of total domestic debt. Debt maturing between 2 – 5 years amounted to TZS 20.2 billion, accounting for 35.1 percent of total domestic debt, while debt maturing in less than a year was TZS 6.5 billion, equivalent to 11.3 percent.

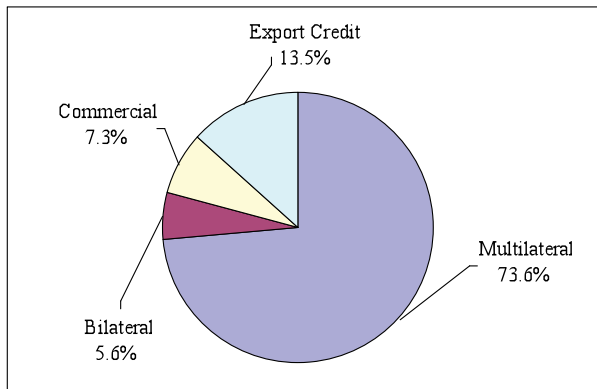
External Debt

As at end of June 2009, Zanzibar external debt stock amounted to TZS 80.7 billion (USD 62.1 million), compared to TZS 81.5 billion (USD 61.9 million) reported during the previous month. Out of the external debt stock, debt guaranteed by the Union Government amounted to USD 46.4 million, representing 74.7 percent of the external debt, while the remaining was non-guaranteed debt which amounted to USD 15.7 million, and accounted for 25.3 percent of total external debt.

External Debt by Creditor Category

During the period under review, debt due to multilateral creditors remained dominant and amounted to USD 45.8 million (TZS 60.1 billion), or 73.6 percent of the total external debt. Bilateral creditors amounted to USD 3.5 million (TZS 4.6 billion), representing 5.6 percent of total external debt, whereas commercial debt was USD 4.5 million (TZS 6.0 billion), equivalent to 7.3 percent of the total external debt. Export credits amounted USD 8.4 million (TZS 11.0 billion), representing 13.5 percent of total external debt ([Chart 6.8](#)).

Chart 6.8: External Debt by Creditor as at End – June 2009

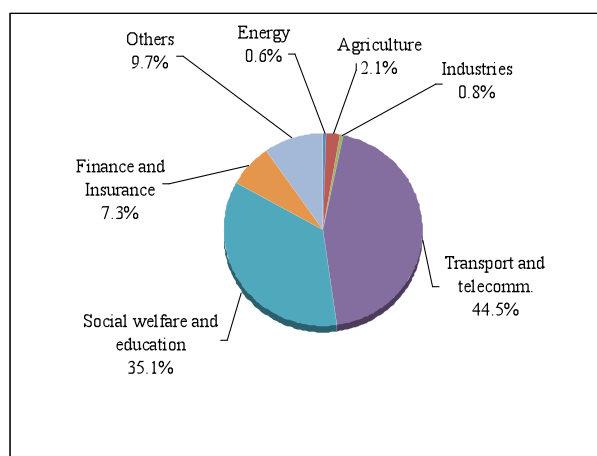


Source: Ministry of Finance and Economic Affairs-Zanzibar

External Debt - Disbursements by End Use

As at end of June 2009, transport and telecommunications sectors received the highest amount of disbursed external debt to the tune of USD 27.6 million, or 44.5 percent of the total external debt. Social welfare and education sectors absorbed USD 21.8 million or 35.1 percent of the disbursed debt. Finance and Insurance sector received USD 4.5 million, and accounted for 7.3 percent. Agriculture and Energy sectors obtained USD 1.3 million and USD 0.4 million, equivalent to 2.1 percent and 0.6 percent of total external debt, respectively. Industrial sector absorbed USD 0.5 million, representing 0.8 percent, whereas other sectors received USD 6.0 million, accounting for 9.7 percent of total disbursed external debt (Chart 6.9).

Chart 6.9: External Debt by Use of Funds as at End – June 2009



Source: Ministry of Finance and Economic Affairs-Zanzibar

External Sector Performance

Current Account

During the month of June 2009, Zanzibar current account balance recorded a deficit of USD 2.6 million, up from a deficit of USD 1.6 million reported during the preceding month of May 2009; due to a decline in foreign grants and receipts from merchandise exports. Trade account narrowed to a deficit of USD 4.2 million, from a deficit of USD 4.5 million recorded in May 2009.

During the year ended June 2009, the current account registered a deficit of USD 5.8 million, compared to a surplus of USD 8.0 million, for the corresponding period in 2008; mainly driven by a rise in imports bill, coupled with a slowdown in donor grants. Specifically, imports of good and services increased to USD 162.8 million, from USD 146.8 million, while exports of goods and services increased from USD 101.8 million to USD 119.2 million.

During the year ended June 2009, net inflows amounted to USD 41.9 million, compared to USD 53.7 million recorded in year ended June 2008. During the same period, the trade account registered a deficit of USD 74.9 million, down from a deficit of USD 78.5 million in 2008 (Table 6.2).

Table 6.2: Zanzibar Current Account Balance

Millions of USD

Item	2008	2009 ^P		Year Ending June		%Change	
	June	May	June	2008	2009 ^P	Monthly	Annual
Goods Account (net)	-8.9	-4.5	-4.2	-78.5	-74.9	6.7	4.6
Exports	1.2	2.0	1.2	16.3	21.8	-40.0	33.7
Imports (fob)	10.2	6.5	5.4	94.8	96.7	-16.9	2.0
Services Account (net)	1.4	1.9	2.0	33.5	31.3	5.3	-6.6
Receipts	7.7	8.3	8.4	85.5	97.4	1.2	13.9
Payments	6.4	6.4	6.4	52.0	66.0	0.0	26.9
Goods and Services (net)	-7.6	-2.6	-2.2	-45.0	-43.6	15.4	3.1
Exports of Goods and Services	9.0	10.4	9.6	101.8	119.2	-7.6	17.1
Imports of Goods and Services	16.5	12.9	11.8	146.8	162.8	-8.5	10.9
Income Account (net)	0.0	-0.5	-0.7	-0.6	-4.2	-40.0	-600.0
Receipts	0.1	0.0	0.0	0.2	0.3	0.0	50.0
Payments	0.0	0.5	0.7	0.8	4.5	40.0	462.5
Current Transfers (net)	4.1	1.5	0.3	53.7	41.9	-22.5	-12.3
Inflows	4.1	1.5	0.3	53.7	41.9	-22.5	-12.3
Outflows	0.0	0.0	0.0	0.0	0.0		
Current Account Balance	-3.5	-1.6	-2.6	8.0	-5.8	-77.8	-92.5

P = Provisional data

Source: Tanzania Revenue Authority and BOT.

Exports Performance

During the month of June 2009, total exports of goods and services declined to USD 9.6 million compared to USD 10.4 million, reported during the month of May 2009. During the same period, imports of goods and services amounted to



USD 11.8 million, down from USD 12.9 million. Services export proceeds amounted to USD 8.4 million, from USD 8.3 million realized during the previous month, and accounted for 87.5 percent of total exports. Goods exports stood at USD 1.2 million, compared to USD 2.0 million, and was equivalent to 12.5 percent of total exports. Cloves exports fell to USD 0.1 million, from USD 0.9 million, representing 8.3 percent of total goods exports.

During the month, both seaweeds and manufactured exports remained stable at USD 0.2 million, and USD 0.4 million; equivalent to 16.7 percent and 33.3 percent of total goods exports, respectively.

During the year ending June 2009, exports of goods and services increased to USD 119.2 million, from USD 101.8 million recorded in the corresponding period in 2008. Services receipts amounted to USD 97.4 million, up from USD 85.5 million reported in 2008, and accounted for 81.7 percent of total exports. Clove exports surged to USD 9.5 million, from USD 4.3 million, and represented 8.0 percent of total exports, and 43.6 percent of total merchandise exports. The improvement in cloves exports was due to an increase in crop volume procured to 2,600.0 tons, up from 1,100.0 tons reported in 2008. The average export price however, decreased to USD 3,596.7 per ton, from USD 3,870.1 per ton. Seaweeds exports declined to USD 2.4 million from USD 2.5 million, and represented 2.0 percent of total exports receipts, and 11.0 percent of total goods exports. Manufactured goods exports amounted to USD 5.1 million, compared to USD 4.0 million, and was equivalent to 4.3 percent of total export receipts and 23.4 percent of goods exports. Export of fish was USD 0.2 million (Table 6.3 and Chart 6.10).

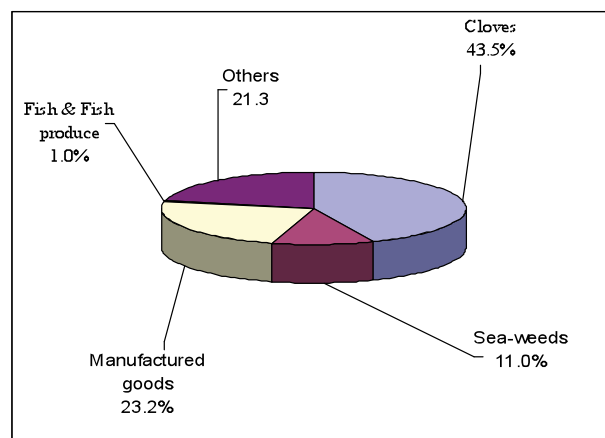
Table 6.3: Zanzibar Goods Exports by Major Categories

Item	Units	2008	2009p		Year Ending June		%Change	
		June	May	June	2008	2009p	Monthly	Annual
Traditional :								
Cloves								
Value	Millions	0.2	0.9	0.1	4.3	9.5	-88.9	120.9
Volume	000 Tons	0.0	0.26	0.04	1.1	2.6	-84.6	136.4
Unit Price	USD/Ton	3,832.6	3,583.4	3,228.4	3,870.1	3,592.7	-9.9	-7.2
Non-Traditional:								
Seaweeds								
Value	Millions	0.1	0.2	0.2	2.5	2.4	0.0	-4.0
Volume	000 Tons	0.4	1.0	0.9	9.9	10.2	-10.0	3.0
Unit Price	USD/Ton	280.5	237.1	235.7	254.2	235.6	-0.6	-7.3
Manufactured Goods	Millions	0.5	0.4	0.4	4.1	5.1	0.0	24.4
Fish and Fish Produce	Millions	0.01	0.0	0.0	0.2	0.2	0.0	0.0
Horticultural produce	Millions	0.0	0.0	0.0	0.0	0.0		
Others Exports	Millions	0.4	0.5	0.5	5.1	4.7	0.0	-7.8
SUB TOTAL	Millions	1.0	1.1	1.1	11.9	12.3	0.0	3.4
GRAND TOTAL	Millions	1.2	2.0	1.2	16.3	21.8	-40.0	33.7

p = provisional

Source: Tanzania Revenue Authority and BOT computations

Chart 6.10: Zanzibar Goods Exports by Percentage Contribution



Source: Tanzania Revenue Authority and BOT computations

Goods Imports

During the review period, Zanzibar goods imports (c.i.f) amounted to USD 6.0 million, compared to USD 7.2 million reported in May 2009; largely due to a decline in intermediate goods imports; specifically oil imports.. Oil import bill declined to 0.8 million in June 2009, from USD 2.0 million reported in May 2009, which is equivalent to 57.1 percent of intermediate goods imports. Capital goods remained unchanged at USD 2.7 million, accounting for 45.0 percent of total goods imports. Consumer goods imports amounted to USD 1.9 million from USD 1.8 million, representing 31.7 percent of total goods imports.

During the year ending June 2009, total goods imports (c.i.f) amounted to USD 106.3 million, compared to USD 104.2 million registered in similar period in 2008. Capital goods imports amounted to USD 45.6 million, compared to USD 43.6 million, reported during the corresponding period in 2008. Oil import bill amounted to USD 28.1 million, compared to USD 29.1 million, equivalent to 26.4 percent of total goods imports. Foods and food stuffs imports amounted to USD 6.5 million, down from USD 9.4 million (Table 6.4).

Table 6.4: Zanzibar Imports by Major Categories

Import Category	2008	2009p		Year Ending June		%Change	
	June	May	June	2008	2009p	Monthly	Annual
Capital Goods							
Transport Equipment	3.3	1.3	1.4	24.0	27.0	7.7	12.5
Building and Constructions	0.5	0.6	0.6	6.5	8.7	0.0	33.8
Machinery	1.7	0.7	0.7	13.0	9.9	0.0	-23.8
Intermediate Goods	2.5	2.6	1.4	38.3	38.1	-46.2	-0.5
Oil imports	1.7	2.0	0.8	29.1	28.1	-60.0	-3.4
Industrial raw materials	0.8	0.6	0.6	9.2	10.0	0.0	8.7
Consumer Goods	3.1	1.8	1.9	22.4	22.6	5.6	0.9
Food and food stuffs	1.8	0.8	0.8	9.4	6.5	0.0	-30.9
All other consumer goods	1.3	1.1	1.1	13.0	16.1	0.0	23.8
GRAND TOTAL (CIF)	11.2	7.2	6.0	104.2	106.3	-16.7	2.0
GRAND TOTAL (FOB)	10.2	6.5	5.4	94.8	96.7	-16.9	2.0

p = provisional

... = Very small value

Source: Tanzania Revenue Authority



Services Account

During the month of June 2009, services account registered a surplus of USD 2.0 million, compared to a surplus of USD 1.9 million, reported in May 2009. Foreign receipts amounted to USD 8.4 million, compared to USD 8.3 million, while foreign payments remained stable at USD 6.4 million.

On year to year basis, the services account balance amounted to a surplus of USD 31.3 million, compared to a surplus of USD 33.5 million reported in 2008. Total foreign receipts amounted to USD 97.4 million, compared to USD 85.5 million for the year ending June 2008. Total payments amounted to USD 66.0 million, above USD 52.0 million recorded during the preceding year.



STATISTICAL TABLES



Table A1 : Selected Economic Indicators (Annual)

Item	Unit	2002	2003	2004	2005	2006 ^c	2007*	2008*
1. National Accounts and Prices								
1.1 Change in GDP at Factor Cost--Current Prices	Percent	14.8	15.9	15.4	14.3	12.4	16.8	
1.2 Change in GDP at Factor Cost--Constant 2001 Prices ²	Percent	7.2	6.9	7.8	7.4	6.7	7.1	7.4
1.3 GDP Per Capita--Current Prices ¹	TZS	310,848.4	354,007.6	396,132.4	441,152.1	478,051.4	546,955.7	629,884.4
1.4 GDP Per Capita--Current Prices ¹	USD	321.6	340.9	363.7	390.6	381.7	439.5	526.5
1.5 Change in Consumer Price Index (Inflation)	Percent	4.5	3.5	4.2	4.4	7.3	7.0	10.3
1.6 Saving to GNDI Ratio ³	Percent	8.0	9.6	10.4	8.7	8.5	6.4	
2. Money Credit and Interest Rates								
2.1 Change in Extended Broad Money Supply (M3)	Percent	25.1	16.1	19.3	38.2	22.0	21.4	
2.2 Change in Broad Money supply (M2)	Percent	18.5	14.2	19.2	36.9	13.7	28.8	
2.3 Change in Narrow Money Supply (M1)	Percent	25.2	16.1	18.2	33.7	9.8	32.7	
2.4 Change in Reserve Money	Percent	19.1	12.6	23.6	27.7	16.8	30.2	
2.5 Total Credit to GDP Ratio ¹	Percent	8.0	6.9	7.2	10.5	11.7	12.6	
2.6 Private Sector Credit to GDP Ratio ¹	Percent	5.5	6.7	7.6	8.9	11.3	13.8	
2.7 Ratio of Private Credit to Total Credit	Percent	68.4	97.4	104.8	84.6	96.3	109.7	
2.8 Average Deposit Rate (12-Month) ⁴	Percent	5.9	5.3	5.7	6.2	8.3	9.3	
2.9 Weighted Average Treasury Bill Rate	Percent	4.5	7.7	9.6	14.8	15.0	11.4	
2.10 Average Long-Term Lending Rate ⁴	Percent	16.8	12.2	12.7	13.4	14.9	16.1	
3. Balance of Payments								
3.1 Exports of goods (f.o.b)	Mill. USD	979.6	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	-1,511.3	-1,933.5	-2,482.8	-2,997.6	-3,864.1	-4,860.6	-6,483.4
3.3 Trade Balance	Mill. USD	-531.7	-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	78.6	-118.1	-366.7	-864.3	-1,171.6	-1,855.8	-2,350.7
3.5 Overall Balance	Mill. USD	-317.9	389.1	206.0	-222.4	460.7	532.7	108.8
3.7 Gross Official Reserves	Mill. USD	1,528.4	2,037.8	2,296.1	2,048.4	2,128.3	2,755.2	2,869.7
3.8 Reserves Months of Imports (of goods and services)	Months	6.9	7.1	6.6	4.8	4.0	4.5	4.4
3.9 Exchange Rate:								
3.9.1 Annual Average	TZS/USD	967.1	1,038.9	1,089.1	1,129.2	1,253.9	1,244.1	1,196.3
3.9.2 End of Period	TZS/USD	976.3	1,063.6	1,043.0	1,165.5	1,261.6	1,132.1	1,280.3
4 Population (TZ Mainland)								
	Million	33.6	34.2	35.3	36.2	37.5	38.3	39.3
5. Public Finance								
5.1 Current Revenue to GDP Ratio ¹	Percent	12.3	12.1	13.3	13.8	17.1		
5.2 Grants to GDP Ratio ¹	Percent	3.2	3.7	7.4	6.8	6.2		
5.2 Current Expenditure to GDP Ratio ¹	Percent	13.0	12.9	15.1	17.3	20.4		
5.3 Development Expenditure to GDP Ratio ¹	Percent	3.3	3.6	8.6	8.7	8.7		
5.4 Deficit to GDP Ratio (excluding grants) ¹	Percent	-4.0	-4.4	-10.4	-12.2	-12.0		
5.5 Deficit to GDP Ratio (including grants) ¹	Percent	-0.8	-0.6	-3.0	-5.4	-5.8		
6. Total External Debt Stock								
	Mill. USD	7,268.1	7,857.0	8,134.8	8,229.5	4,660.9	5,846.4	
Disbursed Debt	Mill. USD	6,233.0	6,678.3	6,799.5	6,971.1	3,442.3	4,483.1	
Interest	Mill. USD	1,035.1	1,178.7	1,335.3	1,258.3	1,218.6	1,363.3	
Total External Debt as % of GDP	Percent	75.9	83.5	77.5	72.0	36.7	34.6	

Note:

¹ Calculated on the basis of GDP at market price

² Calculated on the basis of GDP at factor cost

³ GNDI stands for gross national disposable income

⁴ Annual Average

^c Revised

* Provisional

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





Table A2 : Central Government Operations (Cheque Issued) - Monthly Flows

Item	BUDGET 2008/09	Monthly Flows - Actual												Millions of TZS	
		Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09		
Total Revenue	4,728,595	318,955.8	303,538.6	437,765.1	353,695.9	321,600.8	426,645.2	330,526.1	317,472.5	424,934.0	339,998.7	323,693.5	394,248.1		
Tax Revenue	4,485,100	303,484.6	287,597.9	420,844.5	334,000.7	305,379.8	409,078.1	318,924.9	280,471.7	400,872.9	292,911.5	312,032.8	378,073.6		
Taxes on Imports	1,640,697	131,726.1	106,721.3	130,075.2	128,439.9	118,096.2	128,634.4	126,152.2	110,604.8	130,367.8	114,666.0	126,326.8	123,685.7		
Sales/VAT and Excise on Local Goods	968,745	62,218.2	73,921.0	92,128.9	81,354.5	82,999.9	71,201.5	77,887.1	70,868.5	74,605.0	59,919.0	67,114.6	62,768.8		
Income Taxes	1,393,053	711,701.1	74,853.7	157,481.7	79,616.1	73,473.7	170,171.2	75,921.4	61,318.8	153,892.2	77,851.0	78,945.0	153,950.9		
Other taxes	482,605	38,370.2	32,101.9	41,158.7	44,590.2	30,810.0	39,071.0	38,664.2	37,679.6	42,007.9	40,475.5	39,646.4	37,668.2		
Non-tax Revenue	243,495	15,471.2	15,940.7	16,920.6	19,695.2	16,221.0	17,567.1	11,601.2	37,000.8	24,061.1	47,087.2	11,660.7	16,174.5		
Total Expenditure /1	7,192,103	259,003.8	560,674.9	475,461.3	558,309.2	517,081.8	573,350.1	683,872.0	474,091.7	547,744.1	566,651.3	421,497.2	1,096,340.6		
Recurrent expenditure	4,700,623	223,259.6	393,048.6	335,494.3	323,938.6	345,994.1	334,713.9	540,620.5	344,745.0	300,486.3	353,075.7	221,409.0	964,673.7		
Retention fund	85,318	3,360.2	5,164.0	3,123.5	3,631.8	9,646.1	5,371.8	7,044.9	1,543.4	1,543.4	1,768.7	2,461.2	0.0		
Wages and salaries	1,570,324	118,265.1	0.0	372,611.6	124,270.0	129,509.4	127,665.6	122,024.4	121,600.4	121,224.5	120,365.3	122,813.9	128,240.9		
Interest payments	282,359	25,162.8	5,381.1	13,342.1	27,504.1	11,652.6	13,132.0	39,460.0	16,909.6	15,885.3	26,700.2	10,928.6	36,610.5		
Domestic 2/	247,759	25,063.7	4,688.7	10,229.7	23,305.1	9,246.6	8,472.1	37,969.3	16,597.5	8,507.3	24,723.8	6,544.4	32,396.3		
Foreign	34,600	99.1	692.4	3,112.4	4,199.0	2,406.0	4,659.9	1,490.8	312.1	7,378.0	1,976.4	4,384.2	4,214.2		
Other goods, services and transfers	2,762,623	76,471.5	382,503.4	-53,582.9	168,532.7	195,186.0	188,544.5	372,091.2	204,691.7	161,833.2	204,241.5	85,205.3	799,822.3		
Dev. Expenditure and net lending	2,491,480	35,744.2	167,626.3	139,967.0	234,370.6	171,087.7	238,636.2	143,251.5	129,346.7	247,257.7	213,575.6	200,088.2	131,666.9		
Local	940,380	1,318.2	75,007.6	34,980.5	118,314.5	75,479.2	75,440.6	86,072.7	58,000.0	50,000.0	112,415.0	135,139.5	83,855.3		
Foreign	1,551,100	34,426.0	92,618.8	104,986.5	116,056.1	95,608.4	163,195.7	57,178.8	71,346.7	197,257.7	101,160.6	64,948.7	47,811.6		
Overall Balance (ch. issued) before Grants	-2,463,508	59,952.0	-257,136.3	-37,696.2	-204,613.3	-195,481.0	-146,704.9	-353,345.9	-156,619.2	-122,810.1	-226,652.6	-97,803.7	-702,092.5		
Grants	1,441,229	10,634.9	31,628.6	276,220.2	75,681.8	95,000.6	278,601.5	121,304.8	53,727.1	93,722.0	77,657.6	20,249.9	31,942.2		
Program (CIS/OGL)	543,905	0.0	0.0	242,504.6	20,232.7	24,068.5	178,950.4	81,802.5	0.0	14,105.5	41,836.9	0.0	0.0		
Project	556,366	8,486.9	15,030.6	20,694.0	20,341.4	27,449.1	46,541.6	27,297.5	12,918.0	66,017.7	34,964.2	1,909.0	7,375.5		
Basket funds	206,126	475.7	11,163.9	7,502.6	29,411.0	36,334.0	37,808.1	4,716.9	40,137.3	11,851.4	856.6	13,201.4	655.9		
HIPC Relief	134,833	1,672.3	5,434.1	5,519.1	5,696.6	7,149.0	15,301.5	7,487.9	671.8	1,747.3	0.0	5,139.5	23,910.8		
Overall deflc.(cheq.issued) after Grants	-1,022,279	70,586.9	-225,507.7	238,524.0	-128,931.6	-100,480.4	131,896.6	-232,041.1	-102,892.1	-29,088.1	-148,994.9	-77,553.8	-670,150.3		
Expenditure float	0	-192,050.8	-16,513.5	-4,519.9	-1,686.3	-1,309.5	-555.5	-70.7	0.0	0.0	0.0	0.0	0.0		
Adjustments to cash and other items (net)	53,000	77,282.7	82,105.4	-208,579.4	56,725.0	-154,855.8	-19,919.2	109,935.4	-79,765.1	79,686.2	97,760.5	-351,437.7	587,358.4		
Overall Balance (cheques issued)	-969,279	-44,181.2	-159,915.8	25,424.7	-73,892.8	-256,645.8	111,421.8	-122,176.4	-182,657.1	50,598.0	-51,234.4	-428,991.5	-82,791.9		
Financing:	969,279	44,181.2	159,915.8	-25,424.7	73,892.8	256,645.8	-111,421.8	122,176.4	182,657.1	-50,598.0	51,234.4	428,991.5	82,791.9		
Foreign Financing (net)	946,207	24,482.8	65,451.6	72,911.4	65,685.6	217,524.6	73,233.1	23,694.8	134,696.2	116,198.4	88,365.8	48,610.6	25,512.6		
Loans	775,650	0.0	35,827.7	58,442.4	39,810.6	215,350.4	71,924.9	11,614.3	129,999.8	117,641.3	55,543.1	49,838.3	34,724.8		
Program loans	268,208	0.0	0.0	0.0	0.0	189,238.4	0.0	0.0	117,079.3	0.0	25,604.7	0.0	0.0		
Development Project loans	507,442	0.0	35,827.7	58,442.4	39,810.6	26,112.0	71,924.9	11,614.3	12,920.4	117,641.3	29,938.4	49,838.3	34,724.8		
Basket Support	212,656	25,109.4	30,170.0	17,808.9	26,111.0	5,262.6	5,529.2	12,835.9	4,699.1	0.0	35,401.4	0.0	0.0		
Amortization	-42,099	-626.5	-546.2	-3,339.9	-235.9	-3,088.4	-4,221.0	-755.4	-2.7	-1,442.9	-2,578.7	-1,227.7	-9,212.2		
Domestic (net)	23,072	19,698.4	94,464.2	-98,336.1	8,207.1	39,121.2	-184,654.9	98,481.6	47,960.9	-166,796.4	-37,131.4	380,380.9	57,279.3		
Bank & Non Bank Financing (NDF)	0.0	19,698.4	94,464.2	-98,336.1	8,207.1	39,121.2	-209,654.9	98,481.6	47,960.9	-166,796.4	-37,131.4	380,380.9	57,279.3		
Bank borrowing	133,254.9	44,101.3	44,101.3	52,350.8	85,127.1	-88,134.4	-305,907.2	105,554.0	10,624.5	-151,149.3	16,967.4	86,991.5	327,487.6		
Non-Bank (net of amortization)	-16,928	-113,556.5	50,362.9	-45,985.3	-76,920.0	127,255.6	76,252.2	-7,072.4	37,336.4	-15,647.1	-54,098.7	293,389.3	-270,208.4		
Amortization of contingent debt	-20,000	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Privatization Proceeds	60,000	0.0	0.0	0.0	0.0	0.0	45,000.0	0.0	0.0	0.0	0.0	0.0	0.0		

Note:
/1 Exclude amortization and Expenditure Float, includes Road fund and Retention expenditures
/2 Domestic Interest payments and amortization include Cash and Non cash
Source: Ministry of Finance, Bank of Tanzania and National Bureau of Statistics

Table A3 : Depository Corporations Survey

Billions of TZS

Item	2009											
	Dec-03	Dec-04	Dec-05	Dec-07	Dec-08	Jan-09	Feb-09	Mar-09	Jan-00	Apr-09	May-09	Jun-09
Net foreign assets	2,321.6	2,548.2	2,718.6	3,731.0	4,138.0	4,046.9	4,162.4	4,188.3	4,188.3	4,239.2	4,197.5	4,573.5
Bank of Tanzania	1,660.4	1,963.5	1,990.1	3,097.6	3,643.4	3,499.6	3,502.0	3,500.2	3,500.2	3,587.8	3,487.0	3,771.9
Other Depository Corporations	661.2	584.8	728.4	633.4	494.6	547.3	660.3	688.1	688.1	651.4	710.5	801.7
Net domestic assets	457.2	605.5	1,532.2	2,492.6	3,320.8	3,388.9	3,390.7	3,445.2	3,445.2	3,388.2	3,413.4	3,292.5
Domestic claims	884.0	1,040.6	1,846.3	2,831.4	4,221.2	4,314.9	4,368.1	4,256.1	4,256.3	4,282.1	4,419.0	4,771.7
Claims on central government (net)	-108.5	-272.1	192.1	-319.8	-335.0	-229.4	-218.8	-369.9	-369.9	-353.0	-266.0	61.5
Claims on central government	827.7	945.9	1,681.1	2,271.3	2,197.8	2,092.3	2,002.9	2,052.7	2,052.7	2,070.7	2,055.7	2,315.5
Claims on non-government sector	992.5	1,312.7	1,654.3	3,151.2	4,556.2	4,544.3	4,586.9	4,626.1	4,626.2	4,635.0	4,684.9	4,710.2
Broad money liabilities	2,778.8	3,153.8	4,250.7	6,223.6	7,458.8	7,435.7	7,553.0	7,633.5	7,633.5	7,627.4	7,610.9	7,866.0
Currency outside depository corporations	563.5	694.5	890.0	1,162.5	1,438.6	1,408.0	1,384.3	1,366.6	1,366.6	1,349.6	1,366.3	1,424.1
Transferable deposits	962.1	1,170.1	1,579.5	2,418.3	2,851.1	2,913.6	2,899.9	2,915.8	2,915.8	2,968.4	2,889.0	2,949.9
Other deposits	1,253.2	1,289.1	1,781.3	2,642.8	3,169.0	3,114.2	3,268.8	3,351.1	3,351.1	3,309.4	3,355.7	3,492.1
Other items (net)	-426.8	-435.1	-314.2	-338.7	-900.4	-926.0	-977.4	-811.0	-811.1	-893.9	-1,005.6	-1,479.2
Memorandum items:												
Monetray Aggregates :-												
Reserve money (M0)	825.8	1,000.0	1,284.7	1,879.0	2,276.4	2,489.5	2,451.4	2,478.5	2,478.5	2,558.6	2,550.2	2,679.0
Extended broad money (M3)	2,778.8	3,153.8	4,250.7	6,223.6	7,458.8	7,435.7	7,553.0	7,633.5	7,633.5	7,627.4	7,610.9	7,866.0
Deposits in foreign currency	932.8	942.7	1,290.3	1,829.0	1,990.3	1,970.0	2,021.8	2,060.0	2,060.0	2,075.4	2,016.4	2,093.6
Broad money (M2)	1,846.1	2,211.0	2,960.4	4,394.6	5,468.5	5,465.7	5,531.2	5,573.5	5,573.5	5,552.0	5,594.5	5,772.4
Currency in circulation	563.5	694.5	890.0	1,162.5	1,438.6	1,408.0	1,384.3	1,366.6	1,366.6	1,349.6	1,366.3	1,424.1
Total deposits in national currency	1,282.5	1,516.5	2,070.4	3,232.1	4,029.8	4,057.7	4,146.9	4,206.9	4,206.9	4,202.4	4,228.3	4,348.3
Narrow money (M1)	1,107.2	1,359.0	1,791.3	2,590.5	3,158.3	3,196.2	3,148.5	3,098.2	3,098.2	3,063.6	3,079.7	3,149.1
Currency in circulation	563.5	694.5	890.0	1,162.5	1,438.6	1,408.0	1,384.3	1,366.6	1,366.6	1,349.6	1,366.3	1,424.1
Transferable deposits in national currency	543.7	664.5	901.3	1,428.0	1,719.7	1,788.2	1,764.1	1,731.6	1,731.6	1,714.0	1,713.4	1,725.0

Source: Bank of Tanzania



Table A4 : Interest Rate structure

Item	2008							2009 ^p						Percent
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
A: Domestic Currency														
Interbank Cash Market Rates														
Overnight	3.45	3.49	3.64	4.19	5.23	5.51	6.27	8.31	9.63	9.90	9.29	6.49	4.46	
2 to 7 days	3.68	3.67	3.75	4.23	5.55	5.80	6.60	8.64	9.97	10.17	9.74	7.11	5.38	
8 to 14 days	3.99	3.87	3.88	4.61	5.69	5.89	6.21	8.34	10.84	10.77	9.85	7.38	5.30	
15 to 30 days	4.85	4.00	4.00	4.00	4.00	5.90	5.90	5.90	5.90	11.76	10.27	7.35	5.75	
31 to 60 days	4.73	5.50	5.50	6.09	6.03	6.83	8.75	8.75	11.01	11.80	11.05	7.87	5.30	
61 to 90 days	5.93	5.93	5.93	5.93	5.93	5.93	11.00	11.00	12.15	12.15	12.15	12.15	12.15	
91 to 180 days	5.50	5.50	8.21	10.48	10.16	11.46	11.69	11.50	12.00	12.00	12.00	9.40	8.60	
181 and above	7.88	8.50	8.50	8.50	10.85	13.00	13.00	13.00	14.35	14.35	14.35	12.00	12.00	
Overall Interbank cash market rate	3.61	3.61	3.70	4.32	5.45	5.85	6.54	8.41	9.81	10.10	9.58	6.80	5.03	
Lombard Rate	7.55	8.54	7.99	8.67	8.90	9.66	10.32	12.47	14.45	14.86	13.94	9.73	7.35	
REPO Rate	3.75	3.79	3.76	4.02	4.89	5.32	6.42	7.55	9.09	9.73	8.25	6.10	4.90	
Treasury Bills Rates														
35 days	5.03	5.70	5.33	5.78	5.93	6.44	6.88	7.43	7.54	7.62	7.03	6.40	4.81	
91 days	5.76	7.93	8.62	10.36	10.39	10.76	11.20	11.60	11.99	12.43	10.55	8.25	5.56	
182 days	7.63	8.51	10.11	10.53	10.81	11.00	12.13	13.28	14.64	14.86	12.04	10.20	7.86	
364 days	10.00	11.15	11.48	11.56	11.63	11.97	12.79	15.32	14.74	14.99	12.57	10.69	9.11	
Overall Treasury bills rate	7.84	9.46	9.47	10.17	10.30	10.33	10.99	12.53	12.85	13.33	11.01	9.27	6.97	
Treasury Bonds Rates														
2-years	12.87	12.87	12.87	13.20	13.20	14.35	14.35	14.35	14.35	15.28	15.28	15.28	11.51	
5-years	14.49	14.49	14.49	14.49	16.39	16.39	16.39	17.32	17.32	17.32	17.32	16.58	16.58	
7-years	17.18	17.04	17.04	17.04	17.04	17.04	17.04	17.04	17.04	17.04	17.06	17.06	17.06	
10-years	17.09	17.09	19.47	19.47	19.47	19.47	19.47	19.47	19.92	19.92	19.92	19.92	19.92	
Discount Rate	12.84	14.46	14.47	15.17	15.30	15.33	15.99	17.53	17.85	18.33	16.01	13.00	10.31	
Savings Deposit Rate	2.79	2.64	2.61	2.64	2.59	2.66	2.71	2.61	2.72	2.69	2.72	2.72	2.69	
Overall Time Deposits Rate	6.66	6.58	5.86	6.43	6.22	6.38	6.39	6.41	6.58	6.79	6.85	6.81	6.52	
Call Accounts	0.80	0.76	0.75	0.76	0.83	0.64	0.65	0.45	0.71	0.89	1.04	1.05	1.04	
1 month	6.05	5.96	5.79	6.10	6.48	6.24	6.53	6.49	7.03	7.36	7.07	7.22	6.24	
2 months	6.90	8.69	6.79	8.14	7.07	7.31	7.96	7.26	7.61	7.96	7.75	7.11	7.15	
3 months	7.92	7.11	7.36	7.30	7.22	7.80	7.38	8.06	7.68	8.46	7.81	7.39	8.28	
6 months	8.97	8.91	7.03	7.61	7.25	7.93	8.20	8.06	8.61	8.79	8.88	8.92	8.08	
9 months														
12 months	8.29	8.17	7.48	8.05	8.20	8.76	8.29	8.65	8.47	8.44	8.85	9.13	8.79	
24 months	7.71	6.49	5.82	7.07	6.52	5.96	5.75	5.90	5.91	5.66	6.57	6.86	6.03	
Negotiated Deposit Rate	10.62	9.26	9.63	10.27	10.11	10.26	10.23	10.66	10.82	10.99	11.27	11.03	11.03	
Overall Lending rate	14.76	15.05	14.83	14.91	14.82	14.30	16.05	14.93	14.95	15.12	15.45	15.39	15.48	
Call Loans	19.25	19.25	19.25	19.25	20.25	19.25	19.25	19.25	19.25	19.25	19.25	20.25	21.25	
Short-term (up to 1 year)	13.93	13.35	13.86	14.04	13.27	13.57	13.56	13.41	13.45	13.44	13.87	13.68	14.57	
Medium-term (1-2 years)	15.56	15.72	15.82	15.74	15.40	15.38	16.57	15.16	15.12	15.33	15.55	15.81	15.63	
Medium-term (2-3 years)	14.58	15.28	15.65	15.66	15.39	14.62	17.18	14.72	14.94	14.93	15.18	15.07	15.11	
Long-term (3-5 years)	16.64	16.92	15.80	15.94	16.32	15.69	16.52	15.20	15.26	15.28	15.54	15.36	15.23	
Term Loans (over 5 years)	13.07	14.00	13.01	13.18	13.69	12.22	16.43	16.19	15.98	16.63	17.11	17.02	16.87	
Negotiated Lending Rate	13.07	11.01	12.18	12.68	13.38	11.96	11.91	12.27	12.13	12.85	13.87	13.93	14.03	
B: Foreign Currency														
Deposits Rates														
Savings Deposits Rate	1.71	0.87	1.92	1.65	1.63	1.64	1.43	1.44	0.70	2.36	2.38	2.38	2.36	
Overall Time Deposits Rate	4.42	4.43	2.92	2.93	3.09	3.24	3.87	3.74	4.02	3.83	2.84	2.81	2.30	
1-months	5.04	2.61	2.79	2.88	2.59	3.10	3.53	2.80	2.24	3.82	2.66	3.86	2.36	
2-months	4.46	6.03	2.92	2.60	3.15	2.76	3.73	3.72	4.94	3.78	4.01	2.66	1.80	
3-months	3.95	5.05	2.91	3.07	2.70	3.29	4.61	4.65	5.12	4.56	2.61	2.64	2.45	
6-months	5.17	4.05	2.86	2.89	3.37	3.40	4.14	4.13	4.17	3.81	2.47	2.63	2.71	
12-months	3.48	4.43	3.12	3.19	3.65	3.65	3.36	3.41	3.63	3.21	2.43	2.27	2.18	
Overall Lending Rate	8.19	6.94	7.14	9.49	9.29	9.68	9.62	9.38	7.62	9.48	9.28	9.68	9.69	
Short-term (up to 1 year)	6.74	5.60	5.43	5.33	6.37	6.35	6.29	6.28	6.53	5.88	4.86	6.92	6.96	
Medium-term (1-2 years)	8.70	6.92	7.20	10.33	10.47	10.49	10.53	9.88	8.09	10.78	10.86	10.76	10.13	
Medium-term (2-3 years)	8.56	6.74	6.81	10.69	8.40	10.74	10.44	9.97	8.05	9.93	10.10	10.13	10.82	
Long-term (3-5 years)	8.29	7.33	7.35	10.00	10.13	10.06	10.24	10.45	7.67	10.54	10.55	10.55	10.54	
Term Loans (over 5 years)	8.68	8.12	8.91	11.08	11.08	10.74	10.60	10.33	7.74	10.31	10.05	10.02	10.01	

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	2008 ^p	2009		% Change		Year Ending June ^p		
	June	May	June	June 08-June 09	May09-June 09	2008	2009	% Change
Traditional Exports:								
COFFEE								
Value	1.6	9.6	10.1	521.7	5.4	84.5	118.3	40.1
Volume	0.7	4.6	7.4	893.8	59.5	36.5	58.5	60.3
Unit Price	2,204.7	2,087.7	1,379.2	-37.4	-33.9	2,315.4	2,023.7	-12.6
COTTON								
Value	1.2	8.0	5.4	344.7	-32.7	84.2	130.2	54.7
Volume	1.0	8.1	6.5	566.4	-20.1	70.9	108.2	52.7
Unit Price	1,243.1	984.2	829.6	-33.3	-15.7	1,188.1	1,203.3	1.3
SISAL								
Value	0.0	0.0	0.0	--	--	5.5	1.2	-77.8
Volume	0.0	0.0	0.0	--	--	5.3	0.7	-87.2
Unit Price	-	-	-	--	--	1,041.7	1,802.4	73.0
TEA								
Value	3.3	2.4	1.9	-42.9	-20.9	34.1	31.8	-6.7
Volume	1.9	1.5	1.2	-39.9	-24.1	23.9	19.4	-18.8
Unit Price	1,704.1	1,555.8	1,621.3	-4.9	4.2	1,424.5	1,637.4	14.9
TOBACCO								
Value	0.0	0.0	0.2	--	--	67.8	143.3	111.2
Volume	0.0	0.0	0.2	--	--	30.4	45.8	50.9
Unit Price	5,187.1	-	1,300.2	--	--	2,233.9	3,125.5	39.9
CASHEWNUTS								
Value	0.00	0.22	0.0	--	-100.0	56.3	48.6	-13.7
Volume	0.00	0.38	0.0	--	-100.0	77.4	68.0	-12.2
Unit Price	-	564.9	-	--	--	727.2	715.3	-1.6
CLOVES								
Value	0.20	0.10	0.5	127.5	356.6	4.1	14.9	260.8
Volume	0.05	0.04	0.2	234.0	297.6	1.2	4.5	278.3
Unit Price	4,079.4	2,419.8	2,778.4	-31.9	14.8	3,506.4	3,344.9	-4.6
Sub Total	6.4	20.3	18.1	183.8	-10.8	336.6	488.4	45.1
Non-Traditional Exports:								
Minerals								
Gold	76.0	80.1	63.4	-16.7	-20.9	983.5	850.5	-13.5
Diamond	70.9	70.9	62.4	-12.0	-12.0	920.6	809.3	-12.1
Other minerals ¹	1.1	0.0	0.0	-99.3	-8.2	23.8	10.9	-54.0
	4.1	1.5	1.0	-75.6	-33.5	39.1	30.3	-22.6
Manufactured Goods								
Cotton Yarn	42.0	39.8	30.9	-26.4	-22.3	415.5	636.8	53.3
Manufactured Coffee	0.1	0.1	0.3	80.8	111.5	7.3	15.8	117.9
Manufactured Tobacco	0.0	0.0	0.0	--	--	1.2	0.4	-69.2
Sisal Products (Yarn & Twine)	0.2	0.3	0.4	--	21.3	0.9	3.3	259.2
Other manufactured Goods ²	0.8	0.8	0.8	0.0	--	11.0	6.7	-38.8
	41.0	38.6	29.5	-27.9	-23.5	395.1	610.6	54.5
Fish and Fish Products								
	14.5	8.4	9.5	-34.1	13.1	147.0	131.0	-10.9
Horticultural products								
	1.8	2.9	2.8	55.5	-0.8	23.6	36.5	54.5
Re-exports								
	3.4	3.5	3.7	8.8	5.7	141.4	118.5	-16.2
Others Exports³								
	23.5	13.3	17.2	-26.6	30.1	227.9	281.3	23.4
Sub Total	161.2	148.0	127.6	-8.2	-13.8	1,938.9	2,054.6	6.0
GRAND TOTAL	167.6	168.3	145.7	0.4	-13.4	2,275.5	2,543.0	11.8

Note:

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

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

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

p = Provisional data.

- = Small value

-- = Very big value

--- = Information not available

Totals may not add up due to rounding of numbers.

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

Source: Bank of Tanzania, TRA





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

Import Category	2008 ^p		2009		% Change		Millions of USD		
	June		May	June	June 08-June 09	May 09-June 09	2008	2009	% Change
Capital Goods	207.4		218.8	209.8	1.2	-4.1	2,165.2	2,602.4	20.2
Transport Equipments	44.0		77.2	57.2	29.8	-25.9	660.7	757.7	14.7
Building and Constructions	55.1		33.7	35.6	-35.4	5.7	504.8	590.0	16.9
Machinery	108.2		107.8	117.0	8.1	8.5	999.7	1,254.6	25.5
Intermediate Goods	193.3		113.8	145.7	-24.6	28.0	2,339.8	2,036.3	-13.0
Oil imports	137.4		76.8	111.2	-19.1	44.7	1,683.4	1,433.3	-14.9
Fertilizers	21.9		6.1	1.6	-92.9	-74.6	98.1	133.5	36.1
Industrial raw materials	34.0		30.9	33.0	-2.9	7.0	558.2	469.5	-15.9
Consumer Goods	79.6		116.3	115.1	44.6	-1.1	1,197.6	1,331.4	11.2
Food and food stuffs	13.9		39.5	38.5	176.3	-2.6	299.5	349.9	16.8
All other consumer goods ¹	65.6		76.8	76.6	16.7	-0.3	898.1	981.5	9.3
Grand Total (f.o.b)	480.3		448.9	470.6	-2.0	4.8	5,702.6	5,970.0	4.7
Grand Total (c.i.f)	527.8		493.3	517.2	-2.0	4.8	6,266.6	6,560.5	4.7

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

Millions of USD					
Item	2004	2005	2006	2007r	2008p
A. Current Account	-365.9	-862.8	-1,143.2	-1,578.3	-2,349.3
<i>Balance on Goods</i>	<i>-1,001.2</i>	<i>-1,318.5</i>	<i>-1,946.5</i>	<i>-2,634.1</i>	<i>-3,447.4</i>
Goods: Exports (f.o.b.)	1,481.6	1,679.1	1,917.6	2,226.6	3,036.0
Traditional	297.8	354.5	267.1	319.7	417.7
Nontraditional	1,183.9	1,324.6	1,476.2	1,704.5	2,270.6
o/w Gold	629.9	655.1	786.4	788.2	932.4
Unrecorded trade			174.3	202.4	347.8
Goods: Imports f.o.b.	-2,482.8	-2,997.6	-3,864.1	-4,860.6	-6,483.4
<i>Balance on Services</i>	<i>158.9</i>	<i>61.8</i>	<i>278.7</i>	<i>462.4</i>	<i>573.0</i>
Services: credit	1,133.6	1,269.2	1,528.1	1,875.7	2,168.9
Transportation	183.0	222.9	343.7	331.1	364.6
Travel	746.0	823.6	950.2	1,198.8	1,354.0
Other	204.6	222.7	234.1	345.8	450.2
Services: debit	-974.7	-1,207.3	-1,249.3	-1,413.4	-1,595.8
Transportation	-267.1	-319.5	-418.3	-485.0	-658.0
Travel	-445.3	-553.8	-534.5	-595.3	-720.7
Other	-262.3	-334.0	-296.6	-333.0	-217.1
<i>Balance on Goods and Services</i>	<i>-842.3</i>	<i>-1,256.6</i>	<i>-1,667.8</i>	<i>-2,171.7</i>	<i>-2,874.3</i>
<i>Balance on income</i>	<i>-112.4</i>	<i>-102.0</i>	<i>-64.1</i>	<i>-58.1</i>	<i>-91.9</i>
Income: credit	81.8	80.9	80.3	107.3	121.6
Income: debit	-194.2	-182.9	-144.4	-165.4	-213.5
<i>Balance on Goods, Services and Income</i>	<i>-934.7</i>	<i>-1,358.6</i>	<i>-1,731.8</i>	<i>-2,229.8</i>	<i>-2,966.3</i>
<i>Balance on Current transfers</i>	<i>588.8</i>	<i>495.7</i>	<i>588.7</i>	<i>651.5</i>	<i>617.0</i>
Current transfers: credit	653.8	563.3	654.6	724.0	697.2
Government	581.7	477.9	559.7	626.9	594.2
o/w Multilateral HIPC relief	73.7	75.7	42.1	36.7	0.0
Other sectors	72.1	85.4	94.9	97.1	103.0
Current transfer: debit	-65.0	-67.5	-65.9	-72.5	-80.2
B. Capital Account	459.9	393.2	5,183.5	923.7	637.5
Capital transfers: credit	459.9	393.2	5,183.5	923.7	637.5
General Government	420.0	350.1	5,135.0	870.5	577.7
Project	253.7	238.0	173.3	347.5	577.7
Debt forgiveness (including MDRI)	166.3	112.1	4,961.7	523.0	0.0
Other sectors	39.9	43.1	48.6	53.2	59.8
Capital transfers:debit	0.0	0.0	0.0	0.0	0.0
<i>Total, Groups A plus B</i>	<i>94.0</i>	<i>-469.7</i>	<i>4,040.3</i>	<i>-654.6</i>	<i>-1,711.8</i>
C. Financial Account, excl. reserves and related items	306.3	555.6	-3,954.6	946.0	1,883.3
Direct investment abroad	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	330.6	494.1	597.0	647.0	744.0
Portfolio investment	2.4	2.5	2.6	2.8	2.9
Other investment	-26.7	59.0	-4,554.2	296.3	1,136.4
Assets	52.3	-90.9	-187.6	34.1	181.6
Liabilities	-79.0	150.0	-4,366.6	262.2	954.9
<i>Total, Groups A through C</i>	<i>400.3</i>	<i>85.9</i>	<i>85.7</i>	<i>291.4</i>	<i>171.6</i>
D. Net Errors and Omissions	-116.3	-313.7	374.9	121.2	-62.8
<i>Overall balance</i>	<i>284.0</i>	<i>-227.8</i>	<i>460.7</i>	<i>412.6</i>	<i>108.8</i>
E. Reserves and Related Items	-284.0	227.8	-460.7	-412.6	-108.8
Reserve assets	-308.2	253.1	-126.5	-419.4	-108.3
Use of Fund credit and loans	-33.8	-50.5	-334.2	6.7	-0.4
Exceptional financing	58.0	25.1	0.0	0.0	0.0
Interest arrears	21.9	25.1	0.0	0.0	0.0
Principal arrears	36.2	0.0	0.0	0.0	0.0
Memorandum items					
GDP(mp) billions of TZS	13,971.6	15,965.3	17,941.3	20,948.4	25,336.9
GDP(mp) millions of USD	12,828.0	14,139.1	14,308.4	16,838.6	21,179.2
CAB/GDP	-2.9	-6.1	-8.0	-9.4	-11.1
CAB/GDP (excl. current official transfers)	-7.4	-9.5	-11.9	-13.1	-13.9
Gross Official Reserves	2,307.7	2,054.6	2,137.5	2,761.9	2,869.7
Months of Imports	8.0	5.9	5.0	5.3	4.3
Net International Reserves (year end)	1,882.6	1,707.5	2,122.0	2,736.1	2,845.7
Change in Net International Reserves	-165.6	-84.4	-11.1	-121.4	-137.6
Exchange rate (end of period)	1,043.0	1,165.5	1,261.6	1,132.1	1,280.3
Exchange rate (annual average)	1,089.1	1,129.2	1,253.9	1,244.1	1,196.3

Notes:

1. Revision is based on new data obtained from the completion of Private Capital Flows and tourism survey and adoption of new data sources for some other items in the services account
2. 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

r = Revised

p = Provisional

O/W = Of Which

Source: Bank of Tanzania, International Economics Department





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

Period	Weight (%)	Headline (General Index)	Non-Food											
			Food	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household Equip.	Household operations	Personal care & Health	Recreation & Entertain.	Transportation	Educ-ation	Miscel. goods & services
			Total	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	55.9	44.1	1.6	2.3	4.6	0.2	0.9	0.5	2.1	1.0	0.6	-0.5
2005		4.4	5.9	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	7.0	5.5	8.5	7.8	2.0	11.2	5.0	9.1	2.5	8.0
2007		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	8.2	1.5	2.4	10.7	6.0	3.2	5.0	5.5	6.9	7.0	1.8
2007 Mar		7.2	6.3	8.4	11.7	6.5	7.9	10.6	10.5	2.1	7.4	9.2	11.6	-0.2
	Jun	5.7	4.0	8.1	13.3	7.2	3.9	9.2	11.0	4.2	9.6	7.4	10.7	2.1
	Sep	8.4	10.3	5.8	8.1	5.5	2.2	4.3	8.9	3.4	10.4	5.8	8.9	0.4
	Dec	6.9	7.5	5.9	9.1	4.4	2.8	6.2	5.8	4.5	1.9	8.1	5.7	7.5
2008 -Mar		8.9	10.9	5.8	9.9	0.8	2.1	8.4	3.1	3.4	4.4	5.5	5.6	1.6
	Jun	9.4	11.4	6.5	7.9	1.1	2.1	11.2	2.7	3.7	4.1	6.8	6.3	0.7
	Sep	10.3	11.9	7.8	8.4	1.1	3.0	13.2	2.2	5.9	5.5	8.5	7.8	2.2
	Dec	12.5	16.5	6.7	6.4	2.9	2.4	9.9	7.2	7.1	8.0	6.6	8.3	2.6
2009 -Mar		13.1	18.4	4.7	5.5	4.1	12.6	1.8	4.9	7.7	10.4	3.6	10.1	3.4
	2007-Jan	7.0	6.7	7.4	11.9	6.1	4.9	4.8	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	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	3.4	9.2	9.1	13.0	1.6
2007-Apr		6.1	4.8	8.2	14.7	6.7	4.3	5.0	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	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	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	4.5	10.6	6.8	8.6	2.0
2007-Aug		7.8	9.2	6.0	7.3	6.4	2.1	4.2	10.7	9.5	10.8	6.5	8.8	0.0
	Sep	8.3	11.4	4.1	6.2	4.5	2.8	1.4	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	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	2.1	7.6	6.2	7.8	1.7
2007-Dec		6.4	6.6	6.1	10.3	2.5	2.8	8.0	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	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	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	2.9	3.1	3.5	6.0	5.6	1.0
2008-Apr		9.7	11.6	6.9	8.6	1.1	2.1	11.3	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	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	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	2.0	4.9	4.4	6.0	7.2	1.8
2008-Aug		9.8	11.1	7.8	8.6	-0.1	3.1	12.7	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	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	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	7.3	8.3	6.9	8.5	2.1
2008-Dec		13.5	18.6	6.0	5.5	4.3	2.4	8.1	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	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	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	4.7	7.7	10.5	3.2	11.2	3.5
2009-Apr		12.0	17.8	2.9	6.1	4.9	12.2	-4.1	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	5.2	7.1	8.8	-1.0	10.3	4.1
	June	10.7	17.0	1.0	6.8	7.2	12.2	-10.1	4.5	7.7	9.1	-2.0	11.4	3.8

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	Weight (%)	Headline (General Index)	Food	Non-Food											
				Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Equip.	Household operations	Personal care & Health	Recreation & Entertain.	Transportation	Educ-ation	Miscel. goods & services	
			55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	0.8	9.7	2.6	1.5	
2006	Jan	1.0	1.7	0.1	-1.5	4.5	-2.3	-0.4	1.6	-4.3	1.2	-3.3	0.1	-2.9	6.2
	Feb	0.8	1.2	0.4	1.2	0.7	-1.0	0.1	1.2	0.3	1.3	-0.1	0.2	-1.6	-0.5
	Mar	0.8	1.3	0.0	1.3	-1.0	0.9	0.1	-0.3	0.0	-1.9	-0.7	0.2	-0.7	-1.0
	Apr	0.9	1.1	0.7	-1.8	0.3	1.5	3.2	0.1	0.2	0.1	-0.3	0.7	1.1	-0.5
	May	1.7	1.9	1.4	2.7	0.1	0.1	0.8	2.6	1.5	-1.2	0.3	2.4	1.8	0.7
	Jun	-0.7	-2.4	1.9	0.7	0.6	1.0	4.2	0.1	1.2	0.5	0.1	2.5	0.4	-0.4
	Jul	-2.9	-5.1	0.4	1.5	1.1	1.6	-0.7	1.1	-0.1	-0.1	0.3	0.2	1.7	-0.3
	Aug	0.2	-0.5	1.2	2.7	-0.5	0.0	2.6	0.4	0.6	1.3	0.3	0.0	0.6	1.2
	Sep	0.2	-0.4	0.9	1.4	0.7	0.0	0.4	1.5	1.9	1.0	0.3	1.4	0.2	0.2
	Oct	1.6	2.6	0.0	0.6	0.4	0.0	-1.2	0.6	1.1	1.7	0.4	-0.3	1.7	-0.6
	Nov	0.8	2.3	-0.7	0.2	0.3	0.0	-2.8	-0.8	0.6	-0.1	1.8	-0.2	0.0	-0.6
	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	0.0	1.0	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
June	-0.4	-1.0	0.7	0.5	2.4	0.0	0.9	0.0	0.0	-0.1	0.6	0.1	1.5	-0.4	

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

Source: National Bureau of Statistics



Table A7 : National Debt Developments

Item	2008/09										
	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09
1. Overall Total Debt Committed²	7,190.5	7,211.1	7,074.4	7,248.7	7,265.7	7,257.8	7,330.3	7,373.0	7,772.4	7,777.0	8,120.1
Disbursed outstanding debt	4,672.4	4,676.4	4,632.4	4,804.8	4,843.7	4,847.2	4,899.8	4,942.5	5,139.2	5,147.4	5,483.0
Undisbursed debt	2,518.1	2,534.8	2,441.9	2,443.9	2,422.0	2,410.6	2,430.5	2,430.5	2,633.3	2,629.6	2,637.1
2. Disbursed Debt by Creditor Category²	4,672.4	4,676.4	4,632.4	4,804.8	4,843.7	4,847.2	4,899.8	4,942.5	5,139.2	5,147.4	5,483.0
Bilateral debt	929.6	934.8	923.7	930.8	935.7	940.8	923.5	922.1	922.5	925.4	933.5
Multilateral debt	2,819.1	2,821.3	2,806.0	2,976.1	3,009.1	3,004.6	3,055.7	3,094.3	3,168.2	3,126.8	3,430.1
Commercial debt	529.2	526.5	511.4	506.7	507.4	509.0	528.1	534.1	633.4	677.3	700.3
Export credits	394.4	393.8	391.4	391.1	391.5	392.8	392.6	392.1	415.0	417.9	419.1
3. Disbursed Debt by Borrower Category²	4,672.4	4,676.4	4,632.4	4,804.8	4,843.7	4,847.2	4,899.8	4,942.5	5,139.2	5,147.4	5,483.0
Central Government	3,774.4	3,780.6	3,747.7	3,927.3	3,968.6	3,968.9	4,002.4	4,040.9	4,104.8	4,068.7	4,118.2
Parastatal Companies	154.2	153.8	150.4	149.7	148.6	148.4	148.0	148.0	148.5	149.4	392.4
Private Sector	743.8	742.0	734.4	727.7	726.6	729.9	749.4	753.6	885.9	929.3	972.4
4. Disbursed Debt by Use of Funds²	4,672.4	4,676.4	4,632.4	4,804.8	4,843.7	4,847.2	4,899.8	4,942.5	5,139.2	5,147.4	5,483.0
BOP & Budget Support	1,614.5	1,615.8	1,600.6	1,662.2	1,673.7	1,672.7	1,669.9	1,679.6	1,695.6	1,688.3	1,935.2
Transport & Telecommunication	546.5	547.0	541.9	560.0	566.6	567.6	586.0	593.0	628.6	630.4	635.4
Agriculture	547.5	547.9	542.8	563.0	567.5	567.5	554.7	586.4	590.9	595.2	599.0
Energy & Mining	627.6	628.1	622.2	643.3	650.6	651.0	640.0	645.6	749.6	750.0	758.7
Industries	128.4	128.5	127.3	134.0	133.1	134.6	130.8	130.9	131.1	131.5	141.9
Social Welfare & Education	540.5	540.9	535.9	555.8	560.3	559.3	729.2	741.0	747.6	739.0	756.8
Finance and Insurance	70.7	70.7	70.1	76.7	73.3	73.3	72.3	72.8	72.9	73.1	73.8
Tourism	65.2	65.2	64.6	65.0	67.6	68.6	66.8	66.8	89.5	90.2	90.6
Others	531.7	532.2	527.2	544.8	551.2	552.8	440.0	426.5	433.5	449.6	491.7
5. Total Amount of Loan Contracted¹	1.1	25.7	5.7	309.0	101.7	25.3	-	22.6	20.5	394.0	0.0
Government	0.0	25.0	0.0	153.0	0.0	-	-	-	-	376.0	0.0
Parastatal Companies	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	0.0
Private	1.1	0.7	5.7	156.0	101.7	25.3	-	22.6	20.5	18.0	0.0
6. Disbursements¹	33.9	8.2	32.5	168.3	30.7	41.4	42.5	36.7	70.5	2.1	7.7
Government	33.8	8.2	32.5	168.3	23.6	20.2	14.6	11.3	65.6	2.1	7.7
Parastatal Companies	0.2	-	-	-	7.2	-	-	-	-	-	0.0
Private	-	-	-	-	-	21.2	27.9	25.4	5.0	-	0.0
7. Scheduled Debt Service¹	6.1	10.6	19.1	10.6	62.8	27.7	5.9	9.4	19.9	11.0	52.0
8. Actual Debt Service¹	3.4	1.7	6.3	3.2	5.6	11.7	0.3	3.8	6.1	3.8	4.6
Principal	2.9	0.6	2.4	1.6	1.4	7.8	0.1	0.2	2.4	1.3	2.2
Interest	0.6	1.2	3.9	1.6	4.2	3.9	0.2	3.6	3.7	2.5	2.4
Others	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-
9. Net Transfers¹	30.5	6.5	26.3	165.1	25.2	29.7	42.2	32.9	64.4	-1.7	3.1
10. Total Arrears by Creditors Category²	2,483.3	2,500.0	2,500.7	2,509.2	2,611.2	2,629.6	2,607.7	2,607.3	2,674.4	2,693.2	2,809.8
Principal	1,120.4	1,129.7	1,130.2	1,133.4	1,186.7	1,197.9	1,187.7	1,189.9	1,222.9	1,218.6	1,293.4
Bilateral	422.7	430.6	431.2	437.9	452.0	453.7	443.3	443.0	444.2	446.8	452.8
Multilateral	8.5	9.1	11.2	9.2	10.4	9.3	8.8	8.9	10.9	10.6	17.2
Commercial	360.5	359.6	353.3	350.7	378.8	383.9	384.1	385.0	384.1	389.3	449.3
Export Credits	328.7	330.4	334.6	335.6	345.5	351.1	351.5	352.9	383.6	372.0	374.1
Interest	1,362.9	1,370.3	1,370.6	1,375.8	1,424.5	1,431.7	1,420.0	1,417.4	1,451.5	1,474.5	1,516.3
Bilateral	610.8	618.1	626.9	634.7	661.8	669.1	656.4	659.5	662.7	662.9	669.5
Multilateral*	0.8	1.2	1.2	1.1	1.4	4.3	4.2	4.2	8.5	8.3	10.9
Commercial	506.4	506.5	496.9	488.7	508.8	503.6	504.5	507.9	517.6	532.0	562.0
Export Credits	244.8	244.5	245.5	251.3	252.6	254.7	254.9	245.8	262.7	271.3	274.0
11. External Debt Stock	6,035.3	6,046.6	6,003.0	6,180.6	6,268.3	6,278.9	6,319.8	6,359.9	6,590.7	6,622.0	6,999.4
12. Domestic Debt Stock	1,743.2	1,710.1	1,506.3	1,710.1	1,504.3	1,474.3	1,488.7	1,465.7	1,673.0	1,711.7	1,741.1
13. Total Debt Stock	7,778.5	7,756.7	7,509.3	7,890.7	7,772.5	7,753.2	7,808.5	7,825.6	8,263.7	8,333.7	8,740.5
End Period Exchange Rate (TZS/USD)	1,164.7	1,168.9	1,277.9	1,258.7	1,280.3	1,287.0	1,302.5	1,313.7	1,320.4	1,310.4	1,299.4

*Multilateral arrears are those owed by the private companies

1) During the period .

(2) End of June 2009. All cumulative

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

The rate of interest the Bank of Tanzania charges on Loans it extends to Deposit Money Banks and overdrafts to government. It is derived from the weighted average yield of Treasury bills of all maturities plus five-percentage points.

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 established to enable commercial banks to borrow 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).

Narrow Money (M1)

Consists of, currency in circulation outside banks and demand deposits of Tanzanian residents with deposit money banks.

Broad Money (M2)

Is equivalent to narrow money (M1) plus time and savings deposits of the Tanzanian residents with deposit money banks.

Extended Broad Money (M3)

Consists of, broad money (M2) plus foreign currency deposits of the Tanzanian residents with deposit money banks.

Non-Food or Underlying Inflation Rate

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 to the BoT at the end of the period.

Reserve Money (M0)

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

Seasonally Adjusted Series

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

Weighted Annualized Yields of Treasury Bills of all Maturities

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











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