



BANK OF TANZANIA



**MONTHLY
ECONOMIC
REVIEW**

April 2009



Table of Contents

1.0	Inflation Developments	1
	Food Supply Situation	1
2.0	Monetary and Financial Developments	2
	Money Supply and Credit Developments	2
	Financial Intermediation	2
	Interest Rates Developments	3
	Financial Markets Developments	3
3.0	Government Budgetary Operations	5
	Revenue Performance	5
	Government Expenditure	5
4.0	External Sector Performance	6
	Current Account Balance	6
	World Commodity Prices	9
5.0	National Debt Developments	9
	External Debt	10
	Domestic Debt	10
6.0	Economic Developments in Zanzibar	11
	Inflation Developments	11
	Fiscal Performance	11
	Debt Developments	12
	External Sector Performance	14
	STATISTICAL TABLES	16
	GLOSSARY	27



1.0 Inflation Developments

Month-to-month headline inflation rate declined to 0.6 percent in March 2009 from 1.7 percent recorded in February 2009, on account of decline in both food and non-food inflation. Excluding seasonal influences, the month-to-month headline inflation decelerated to 0.5 percent in March 2009 compared to 1.6 percent recorded in February 2009. Annual headline inflation decreased to 13.0 percent in March 2009, from 13.3 percent recorded in the previous month (Table 1.1 and Chart 1.1).

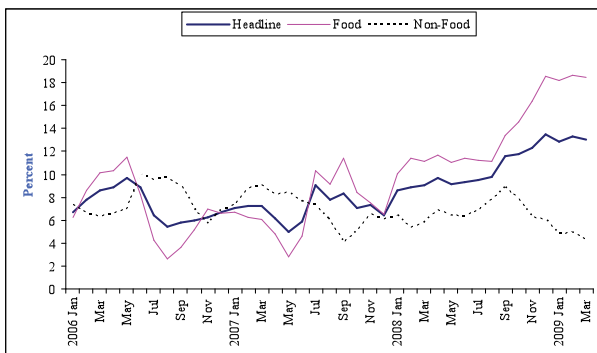
Table 1.1: Annual Percentage Change in Consumer Price Index (All-Urban)

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2007			2008			2009		
		Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar
Headline/Overall	100.0	7.0	7.3	7.2	8.6	8.9	9.0	12.9	13.3	13.0
Food	55.9	6.7	6.2	6.1	10.1	11.4	11.2	18.2	18.6	18.5
Non-food	44.1	7.4	8.8	9.1	6.5	5.3	5.8	4.8	4.9	4.3
Transportation	9.7	8.8	9.8	9.1	5.7	4.9	6.0	4.2	3.4	3.2
Fuel, Power and Water	8.5	4.8	9.6	9.3	10.1	6.8	8.3	2.6	2.5	0.3
Drinks and Tobacco	6.9	11.9	11.2	11.8	10.4	10.2	9.1	5.4	5.3	5.7
Clothing & Footwear	6.4	6.1	6.3	7.2	1.1	0.3	1.0	3.4	4.6	4.4
Education	2.6	10.0	11.8	13.0	5.6	5.6	5.6	9.1	9.9	11.2
Furniture & Household Equip.	2.1	10.3	11.0	10.4	4.9	4.1	4.9	7.1	6.9	7.1
H/h Operations										
Maintenance	2.1	9.6	10.8	11.1	3.6	2.9	2.9	4.8	5.1	4.7
Personal Care & Health	2.1	2.0	0.9	3.4	3.7	3.4	3.1	7.7	7.6	7.7
Rents	1.4	4.9	6.0	5.8	2.4	2.4	1.7	12.5	12.6	12.6
Recreation & Entertainment	0.8	5.6	7.5	9.2	5.9	4.0	3.5	9.6	10.9	10.5
Misc. Goods & Services	1.5	-1.8	-0.4	1.6	2.1	1.8	1.0	3.1	3.6	3.5

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

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



The fall in inflation rate is mainly explained by the deceleration of food and non-food inflation. Similarly, the 3-month moving average annual headline inflation rate declined slightly from 13.2 percent recorded in February 2009 to 13.1 percent in March 2009. However, the 12-months annual headline inflation rate averaged 11.3 percent in March 2009 higher than 7.5 percent recorded in the corresponding period (April 2007 to March 2008).

Month-to-month non-food inflation rate went down to 0.2 percent in March 2009 from 0.6 percent in February, on account of decrease in average prices of items under fuel,

power and water subgroup. Annual non-food inflation also declined from 4.9 percent recorded in February 2009 to 4.3 percent during the period ending March 2009. Likewise, the 3-month moving average annual non-food inflation rate declined to 4.7 percent in March 2009 from 5.3 percent recorded in February 2009. However, the 12-months annual non-food inflation rate averaged 6.5 percent in March 2009 slightly lower than 6.4 percent recorded in the corresponding period (April 2007 to March 2008).

Month-to-month food inflation declined to 0.8 percent in March 2009 from 2.3 percent in February 2009, mainly driven by decline in prices of maize, beans and potatoes. Similarly, annual food inflation went down slightly in March 2009 to 18.5 percent, from 18.6 percent recorded in the year ended February 2009. The 3-month moving average annual food inflation stagnated at 18.4 percent in March 2009, the same rate as recorded in February 2009. However, the 12-months annual food inflation rate averaged 14.5 percent in March 2009, being much higher than 8.2 recorded in a year earlier (April 2007 to March 2008).

Food Supply Situation

Food supply situation was generally satisfactory throughout the country in March 2009, although some districts had started to face food insecurity. In response, the Government purchased 166.8 tons of maize from the National Food Reserve Agency (NFRA), while private traders purchased 82.3 tons of maize and 533.2 tons of sorghum to increase food supply in deficit areas of the market and moderate food prices. On the other hand the NFRA bought 1,737.6 tons of maize from food surplus areas in the domestic market to strengthen their stock in March 2009.

Wholesale prices of major food crops continued to increase in March 2009 when compared with the corresponding period a year before (Table 1.2).

Table 1.2: National Average Wholesale Prices for Selected Food Items

TZS per 100 kg

Item	2008	2009			Percentage change	
	Mar	Feb	Mar	Mar 08 to Mar-09	Feb -09 to Mar-09	
Maize	35,678	39,259	38,138	6.9	-2.9	
Rice	86,902	112,992	116,208	33.7	2.8	
Beans	86,200	110,175	94,376	9.5	-14.3	
Sorghum	36,134	45,169	47,132	30.4	4.3	
Potatoes	36,604	48,139	43,375	18.5	-9.9	

Source: Ministry of Industry, Trade and Marketing

However, on month to month basis, the wholesale prices for selected food items showed mixed developments. While prices of rice and sorghum increased, those of maize, beans and potatoes decreased, mainly due to fluctuations in supply.



The National Food Reserve

The National Food Reserve Agency (NFRA) recorded stock of 124,252 tons of maize and sorghum in March 2009 which is a decrease of 1.0 percent from 125,430 tons recorded in the preceding month (Table 1.3).

Table 1.3: National Food Reserve Agency (NFRA) Stock

Period	2005	2006	2007	2008	2009	% Change 2008-2009
January	119,924	76,813	112,343	139,765	128,919	-7.8
February	116,383	43,593	117,838	133,898	125,430	-6.3
March	114,760	8,055	121,046	119,022	124,252	4.4
April	115,262	3,165	125,509	94,509		
May	113,823	6,210	128,350	79,369		
June	112,823	15,560	128,804	76,649		
July	112,323	13,811	129,306	75,438		
August	112,067	28,440	125,653	83,131		
September	111,971	80,248	131,937	102,225		
October	111,695	87,461	143,717	114,464		
November	106,428	100,828	142,624	122,209		
December	93,051	110,203	142,044	129,253		

Source: Food Security Department and BOT computation.

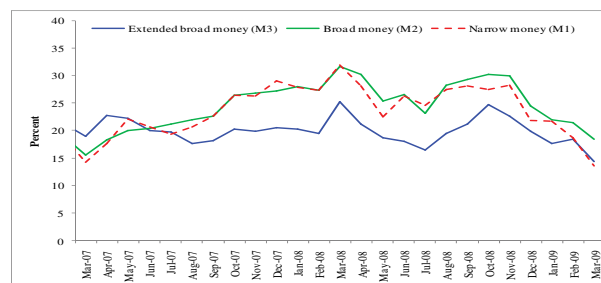
However, on annual basis the stocks were 4.4 percent higher than March 2008 records. This season NFRA had planned to purchase 100,000 tons of grains from domestic market to replenish food reserves which had declined to 75,438 tons by July 2008, but managed only 62,640.8 tons by the end of March 2009. Low purchases were caused by the delayed disbursements of funds from the Treasury.

2.0 Monetary and Financial Developments

Money and Credit Developments

During the year ending March 2009, expansion of monetary aggregates slowed down mainly on account of slower growth of banks' credit to the private sector and deceleration in the net foreign assets of the banking system. Annual growth rate of extended broad money supply (M3) eased to 14.4 percent in March 2009, from 18.4 percent recorded in the preceding month, and 25.2 percent registered in the corresponding period in 2008. Likewise, broad money supply (M2) registered an annual growth rate of 18.4 percent, lower than 21.5 percent recorded in the previous month, and 31.7 percent registered in the corresponding month in 2008 (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

	Monthly Stock				Monthly Change		Annual Growth			
	Feb-08	Mar-08	Jan-09	Feb-09	Feb-09	Mar-09	Feb-08	Mar-08	Feb-09	
Extended broad money (M3)	6,377.6	6,674.9	7,435.7	7,533.0	7,633.5	117.3	80.4	19.5	25.2	18.4
Broad money (M2)	4,533.8	4,705.8	5,465.7	5,531.2	5,573.5	65.5	42.3	27.4	31.7	21.5
Currency outside depository corporations	1,137.7	1,140.9	1,408.0	1,384.3	1,366.6	-23.7	-17.8	10.8	10.6	21.7
Deposits in National Currency	3,416.1	3,565.0	4,057.7	4,146.9	4,206.9	89.1	60.0	34.1	40.4	21.4
Deposits in Foreign Currency	1,823.7	1,969.1	1,970.0	2,021.8	2,060.0	51.8	38.1	3.4	12.0	10.9
Total Deposits in Other Depository Corporations	5,583.3	5,893.4	6,477.4	6,628.0	6,755.0	150.6	127.0	22.4	29.7	18.7
Private Sector	5,339.9	5,534.0	6,017.8	6,168.7	6,266.9	140.9	99.2	21.5	28.7	17.7
Government	348.4	359.4	459.6	459.3	488.1	251.4	257.7	38.2	47.4	33.7
Net Foreign Assets of the Depository Corporations	3,886.8	4,102.7	4,046.9	4,162.4	4,188.3	115.5	25.9	6.1	18.2	9.3
Bank of Tanzania	3,212.2	3,380.2	3,499.6	3,502.0	3,500.2	2.5	-1.9	24.3	35.4	9.0
Other Depository Corporations	594.6	722.5	547.3	660.3	688.1	113.0	27.8	40.8	25.8	11.1
Net Domestic Assets of the Depository Corporations	2,570.8	2,572.2	3,389.9	3,390.7	3,445.2	1.8	54.5	47.0	38.3	31.9
Domestic Credit	3,185.4	3,261.5	4,314.9	4,368.1	4,256.1	53.2	-111.9	31.6	34.4	40.7
Claims on Government	2,312.0	2,332.7	2,892.3	2,802.9	2,852.7	-89.4	-89.8	23.0	19.4	-13.4
Government Deposits	2,489.0	2,474.2	2,321.7	2,221.7	2,422.6	-100.0	201.0	31.1	26.5	-10.7
Claims on Private Sector	3,282.5	3,403.0	4,544.3	4,586.9	4,636.1	42.6	39.2	38.1	40.2	39.7

Source: Bank of Tanzania

On the other hand, looking at the components of money supply, the slowdown in growth of money supply was vivid in currency in circulation and transferable deposits.

The preference for holding foreign currency deposit shrank to 17.9 percent of M3 in March 2009 from 18.3 percent realized in February 2009, while that of transferable deposits decreased from 38.4 percent of M3 to 38.2 percent of the extended broad money whilst the composition of other deposits increased to 43.9 percent of M3 from 43.3 percent of the extended broad money.

During the year ending March 2009, the growth rate of credit extended by banks to the private sector slowed to 35.9 percent from 39.7 percent recorded in February 2009 and 40.2 percent that was registered a year earlier. The ratio of private sector credit to total private deposits eased moderately to 73.8 percent in March 2009 from 74.4 percent registered in the previous month. This ratio is however, significantly higher than 61.5 percent recorded in March 2008.

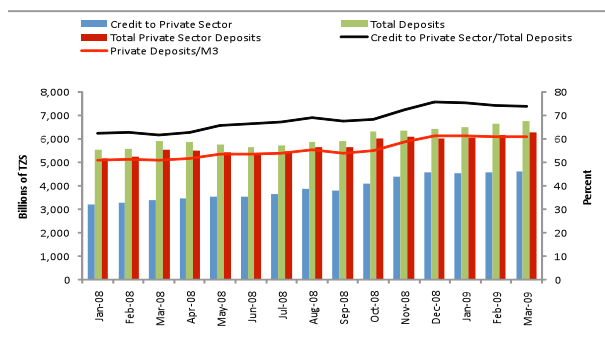
Financial Intermediation

Private deposits increased by TZS 98.2 billion during March 2009, which is relatively lower than the increase of TZS 140.9 billion recorded in the preceding month and TZS 294.2 billion in March 2008. Likewise, in the year ending March 2008, private deposits increased by TZS 732.9 billion which is lower



than TZS 928.8 billion recorded in the year ending February 2009. Meanwhile, in the year ending March 2009 credit to the private sector increased by TZS 1,223.0 billion, which is also lower than the increase of TZS 1,304.4 billion recorded in the year ending February 2009. Banks' holding of treasury securities has declined in the recent past, paving a way for robust growth in credit to the private sector. In March 2009, the proportion of government securities to private deposits dropped to 14.4 percent from 23.0 percent registered in March 2008. The shift of bank assets in favour of credit to private sector is consistent with the government policy of promoting private sector as an engine of growth and reduction of poverty among Tanzanians (Chart 2.2).

Chart 2.2: Total Deposits and Credit of the Banking System



Interest Rate Developments

Interest rates on domestic currency denominated financial products exhibited a general rising pattern during March 2009. The overall weighted average Treasury bill yield was 13.33 percent March 2009 higher than 12.85 percent in February. Similarly, 364-day Treasury bill yield rose to 14.99 percent from 14.74 percent during the same period. In addition, the rate for 2-year Treasury bonds also rose to 15.28 percent in March from 14.35 percent recorded a month earlier. Likewise, Overnight interbank cash market rate went up to 9.90 percent from 9.63 percent, signalling tight liquidity condition in March compared to February. This is further revealed by the overall interbank rate that went up from 9.81 percent to 10.10 percent in the same period.

In line with the developments in the government securities market, interest rates offered by banks increased in March 2009. During the month, the overall time deposit rate rose to an average of 6.79 percent from an average of 6.58 percent in February 2009, whereas the negotiable deposit rate increased to 10.99 percent from 10.82 percent. Similarly, the overall lending rate increased from 14.95 percent in February 2009 to 15.12 percent in March 2009. Furthermore, the lending rate for prime borrowers increased to 12.85 percent

in March from 12.13 percent that was recorded in February 2009. However, both savings deposit rate and 12 months time deposit rate decreased moderately to 2.69 percent and 8.44 percent, respectively, from 2.72 percent and 8.47 percent in February 2009 (Table 2.2).

Table 2.2: Weighted Average Interest Rates Structure

Item	Percent						
	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09 Prov	Feb-09 Prov	Mar-09 Prov
Overall Interbank cash market rate	4.32	5.45	5.85	6.54	8.41	9.81	10.10
Overnight interbank cash market	4.19	5.23	5.51	6.27	8.31	9.63	9.90
REPO Rate	4.02	4.89	5.32	6.42	7.55	9.09	9.73
Overall Treasury bills rate	10.17	10.30	10.33	10.99	12.53	12.85	13.33
364 days	11.56	11.63	11.97	12.79	15.32	14.74	14.99
Savings Deposit Rate	2.67	2.63	2.66	2.71	2.61	2.72	2.69
Overall Time Deposits Rate	6.43	6.22	6.38	6.39	6.41	6.57	6.79
12 month time deposit rate	8.05	8.20	8.76	8.29	8.65	8.47	8.44
Negotiated Deposit Rate	10.27	10.11	10.26	10.23	10.66	10.82	10.99
Overall Lending rate	14.91	14.82	14.30	16.05	14.93	14.95	15.12
Short-term lending rate (up to 1 year)	14.04	13.27	13.57	13.56	13.41	13.45	13.44
Negotiated Lending Rate	12.68	13.38	11.96	11.91	12.27	12.13	12.85
Margin between short-term lending and one-year time deposit rates	6.00	5.07	4.81	5.27	4.76	4.99	5.00

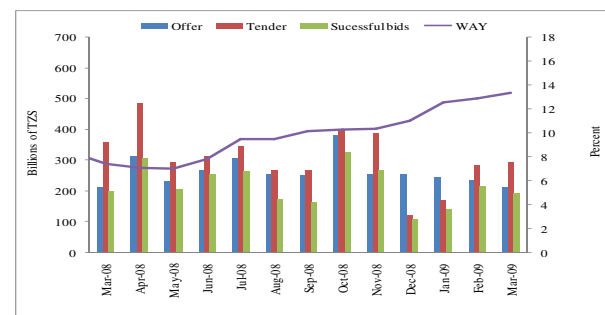
Source: Bank of Tanzania

Financial Markets Developments

Treasury Bills

During March 2009, the market was supplied with a relatively lower amount of Treasury bill worth TZS 212.5.0 billion compared to TZS 235.0 billion supplied in February 2009. Demand for Treasury bill increased slightly in March 2009, reaching TZS 295.4 billion, compared with TZS 284.2 billion recorded in the preceding month. The market was however characterised by outlier bids that led the Bank to intervene and accept Treasury bill with face value of TZS 192.5 billion (or cost value of TZS 179.6 billion). In the same month, Treasury bills worth TZS 202.7 billion matured. Weighted average yields rose across all maturities, with overall weighted average Treasury bill rate reaching an average of 13.33 percent in March 2009 from 12.85 percent registered in the preceding month (Chart 2.3).

Chart 2.3: Treasury Bills Market Developments



Source: Bank of Tanzania



Treasury Bonds

In March 2009, 2-year Treasury bond worth TZS 22.5 billion was supplied in the market, whereas in February 2009, a 10-year bond worth TZS 30.6 billion was offered. Demand in March was very high at TZS 53.5 billion compared with the demand for 5-year bond in February that stood at TZS 23.4 billion. This outturn suggests investors' preference for the short term bonds in the market. The Bank accepted the bids with cost value of TZS 22.1 billion (or cost value of TZS 19.3 billion). Yield on 2- year bond, increased to 15.28 percent in March 2009 from 14.35 percent recorded since November 2008, when a 2-year bond was last offered by the Bank.

Repurchase Agreements

During the month under review, the Bank continued to conduct repurchase agreements more frequently to supplement Treasury securities in the management of liquidity. In March 2009, repurchase agreements amounting to TZS 360.0 billion were conducted against redemption of TZS 400.0 billion, making a net injection of TZS 40.0 billion into the economy. Repo rate edged up to an average of 9.73 percent in March 2009 from 9.09 percent in February 2009.

Inter-Bank Cash market Developments

Transactions among banks in the inter-bank cash market amounted to TZS 420.3 billion in March 2009, compared with TZS 284.8 billion traded in the preceding month. Overnight transactions increased significantly in March 2009, reaching TZS 209.3 billion as compared to TZS 168.7 billion that was transacted in February. The overnight transactions accounted to 49.8 percent of the total interbank cash market transactions in March, followed by 7-day loans which amounted to TZS 118.9 billion (or 28.3 percent of total interbank cash market transactions), being much higher than TZS 56.8 billion 7-day loans registered in February 2009. This outturn reflects a higher demand for liquidity among banks that participated in the interbank cash market in March compared with February 2009. This is further verified by the rising trend in the overnight interbank market rate which reached 9.90 percent in March 2009, up 9.63 percent in February 2009 and further to 9.90 percent in March 2009. Meanwhile, overall interbank cash market rate rose to an averaged of 10.10 percent in March 2009 from 9.81 percent in February 2009. The interbank cash market rates were generally much higher when compared to 4.11 percent overnight rate and 4.24 percent overall average rate registered in March 2009.

Inter-Bank Foreign Exchange Market

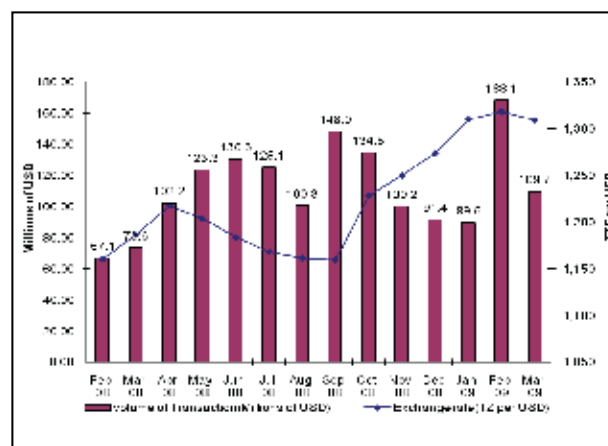
In March 2009, the volume of transactions traded in the Inter-Bank Foreign Exchange Market (IFEM) declined noticeably to USD 109.7 million from USD 168.1 million recorded in the previous month. The significant drop in the volume traded was largely attributed to the decline in foreign exchange inflows from programme assistance. The Bank of Tanzania and non-banks on net basis supplied the market with foreign exchange amounting to USD 58.60 million and USD 1.9 million, respectively, while commercial banks purchased USD 60.50 million. The weighted average exchange rate appreciated to TZS 1,308.9 per USD in March 2009 from TZS 1,317.9 per USD recorded in February 2009 (Table 2.3 and Chart 2.4).

Table 2.3: Inter Bank Foreign Exchange Market Developments

Item	2009		2008 Mar	% Change		Year Ending March		
	Feb	March		Monthly	Yearly	2008	2009	% Change
	Amount offered*	168.05	109.73	73.56	-34.70	49.17	1,151.03	1,422.54
Amount sold*	168.05	109.73	73.56	-34.70	49.17	1,151.03	1,422.54	23.59
Exchange rate (TZS per US dollar)	1,317.90	1,308.87	1,186.48	-0.69	10.32	1,215.75	1,231.77	1.32

Source: Bank of Tanzania
 * Millions of USD

Chart 2.4: Inter-bank Exchange Rate Movement and Volume of Transactions



Source: Bank of Tanzania

Transactions in Bureaux de Change System

During the period under review, the volume of transactions conducted by Bureau de Change system increased by 11.3 percent to USD 59.6 million from the level transacted in the previous month. Both sales and purchases increased partly reflecting an increase in foreign receipts from NGOs, while the



rise in outflows was largely attributed to the increase in foreign payment for traveling and education. Consistent with the developments in the interbank foreign exchange market, the average buying rate and selling rates appreciated slightly to TZS 1,314.0 per USD and TZS 1,331.0 per USD, respectively (Table 2.4).

Table 2.4: Bureau de Change Operations

Item	2009		2008 Mar	% Change		Year Ending March		
	Feb	Mar		Monthly	Yearly	2008	2009	% Change
	Sales*	26.52	29.99	37.15	13.08	-19.27	426.08	426.38
Purchases*	27.02	29.59	36.56	9.51	-19.06	426.46	429.80	0.78
Volume of Transactions*	53.54	59.58	73.71	11.28	-19.17	852.54	856.18	0.43
Buying rate (TZS per US dollar)	1,317.00	1,314.00	1,211.00	-0.23	8.51	1,218.75	1,230.83	0.99
Selling rate (TZS per US dollar)	1,344.00	1,331.00	1,225.00	-0.97	8.65	1,241.92	1,257.92	1.29

Source: Bank of Tanzania
* Millions of USD

3.0 Government Budgetary Operations

During the month of March 2009, both government revenues and expenditures were below targets. Specifically, revenue collections amounted to TZS 414.9 billion, or 88.1 percent of the target, while total expenditure was TZS 540.4 billion, equivalent to 81.7 percent of the target. Grants during the month amounted to TZS 86.5 billion.

On cumulative basis (July 2008 – March 2009), revenue collections reached TZS 3,199.1 billion (or 90.6 percent of the target), and grants were TZS 979.1 billion (or 81.8 percent of the target). During the period, total expenditure was TZS 4,656.8 billion (or 87.0 percent of the target).

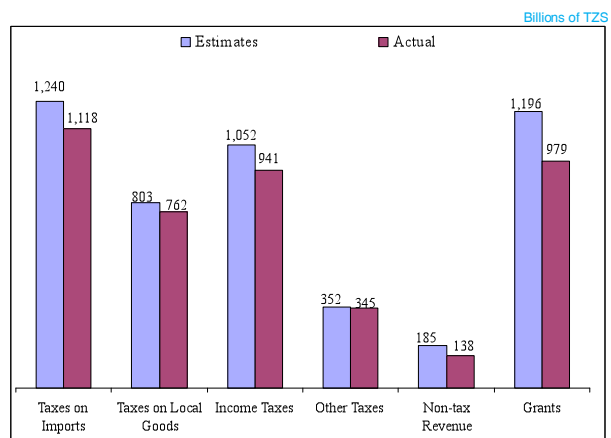
Overall, fiscal operations registered a deficit of TZS 651.7 billion (on cumulative basis), which was slightly above the estimates by 3.6 percent. Net foreign borrowing amounted to TZS 793.6 billion, part of which was used to finance the deficit while the balance was used to build government deposits in banks.

Revenue Performance

During the month under review, tax revenue collections amounted to TZS 400.9 billion (or 88.9 percent of target), while non-tax revenue collection was TZS 14.0 billion against the target of TZS 19.8 billion. As indicated in Chart 3.1, the shortfall in tax revenue collections was recorded in all major tax categories. Specifically, revenue from taxes on imports

was 90.2 percent of the target, income tax (89.4 percent), and taxes on local goods (94.9 percent).

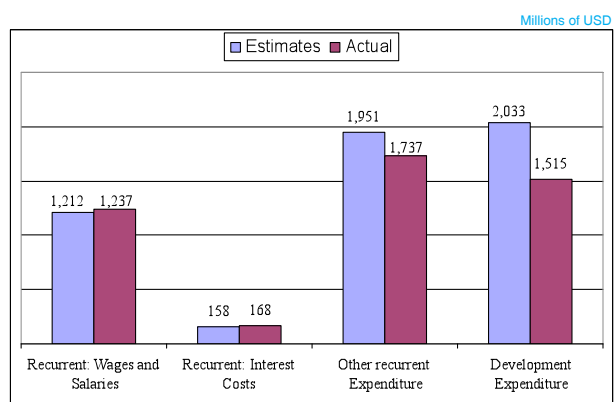
Chart 3.1: Government Resources, July 2008 – March 2009



Government Expenditure

Government total expenditure during the month under review amounted to TZS 540.4 billion, against the target of TZS 661.5 billion. Recurrent expenditure during the month amounted TZS 300.5 billion (or 77.0 percent of the target), out of which 45 percent covered the wage bill and interest costs. Development expenditure amounted to TZS 239.9 billion against the target of TZS 271.5 billion. The over performance in development spending was contributed by the foreign component which amounted to TZS 190.0 billion, being above the target by 20 percent. On cumulative basis (July 08-March 09) total expenditure amounted to TZS 4,656.8 billion, or 87 percent of the estimated TZS 5,354.3bn, largely due to below estimate spending in development, and other goods, services and transfer categories (Chart 3.2).

Chart 3.2: Government Expenditure, July 08 – March 09



4.0 External Sector Performance

Current Account Balance

During the year ending March 2009, the current account deficit widened to USD 2,502.1 million from a deficit of USD 1,912.8 million recorded a year before. This development was largely due to an increase in imports that outweighed the effect of the rise in exports. While imports of goods and services went up by USD 1,427.3 million exports increased by USD 739.9 million (Table 4.1)

Table 4.1: Current Account Balance

Millions of USD

Item	Mar		2009		Year Ending March		% Change
	2007	2008	Feb	Mar	2008p	2009p	
Goods Account (net)	-252.9	-269.0	-247.7	-287.2	-2,948.7	-3,768.3	27.8
Exports	118.0	169.4	178.4	193.2	2,158.8	2,613.5	21.1
Imports	370.9	438.4	426.1	480.5	5,107.5	6,381.8	24.9
Services Account (net)	5.7	5.7	51.3	16.3	435.5	567.7	30.4
Receipts	137.5	131.2	187.8	157.3	1,900.3	2,185.6	15.0
Payments	131.8	125.5	136.5	141.0	1,464.9	1,617.9	10.4
Goods and services (net)	-247.2	-263.3	-196.4	-270.9	-2,513.2	-3,200.6	27.4
Exports of goods and services	255.5	300.6	366.2	350.6	4,059.1	4,799.1	18.2
Imports of goods and services	502.7	563.8	562.6	621.5	6,572.4	7,999.7	21.7
Income Account (net)	-4.5	-8.3	-8.7	-8.3	-52.1	-24.5	-53.0
Receipts	7.7	6.4	26.0	11.3	121.0	169.5	40.2
Payments	12.2	14.7	34.7	19.6	173.1	194.0	12.1
Current Transfers (net)	32.7	26.4	70.5	46.7	652.6	722.9	10.8
Inflows	37.7	39.4	76.3	51.8	723.6	801.9	10.8
o/w General Government	30.3	5.9	69.0	43.4	625.7	698.1	11.6
Outflows	5.0	13.0	5.8	5.2	71.0	79.0	11.2
Current Account Balance	-219.0	-245.1	-134.6	-232.5	-1,912.8	-2,502.1	30.8

Source: Bank of Tanzania

Note: P = Provisional

Totals July not add up due to rounding of numbers

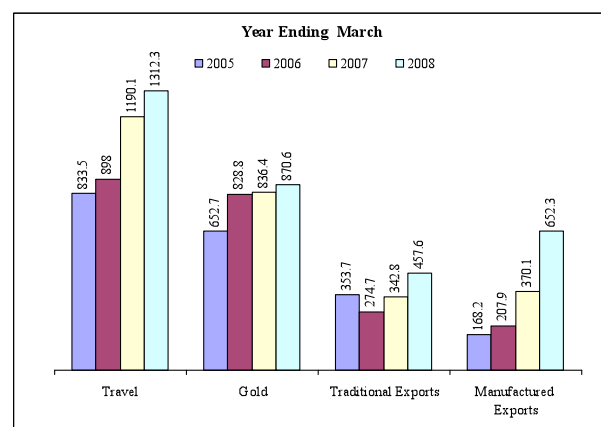
During March 2009, exports of goods and services decreased to USD 350.6 million, compared to USD 366.2 million recorded in the previous month largely due to a fall in exports of services. Conversely, imports increased to USD 621.5 million from USD 562.6 million. Official current transfers declined from USD 70.5 million recorded in the previous month to USD 46.5 million as most of the development partners have already disbursed funds as per their 2008/09 pledges. By the end of March 2009, about 90 percent of the projected program assistance had already been disbursed.

Exports Performance

During the year to March 2009, total exports of goods and services rose by 18.2 percent to USD 4,799.1 million following an improved performance in goods export, particularly manufactured goods. Chart 4.1 summarizes the performance of selected export items during the past four years.

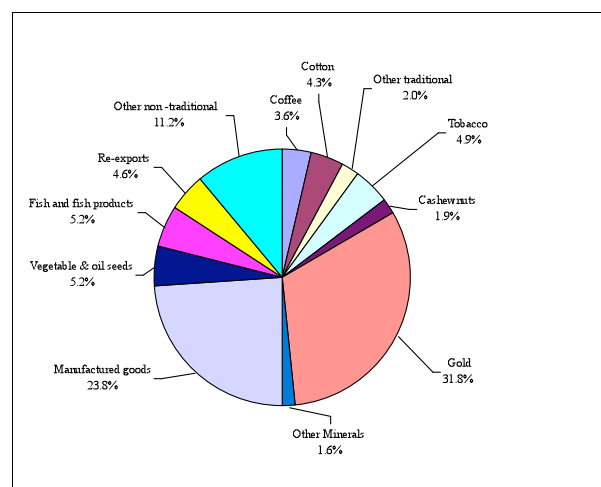
Chart 4.1: Performance of Selected Exports Items

Millions of USD



Goods export increased by 21.1 percent to USD 2,613.5 million on account of the improved performance in both traditional and non-traditional exports. During the review period, traditional and non-traditional exports went up by 33.5 percent and 18.7 percent to USD 440.0 million and USD 2,155.9 million, respectively. Meanwhile, gold continued to dominate, as it accounted for 31.8 percent of total goods exports, followed by manufactured goods, which accounted for 23.8 percent (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 refers to goods that are imported and later exported to neighboring countries. Major items in this category include wheat and refined petroleum products

Traditional Exports

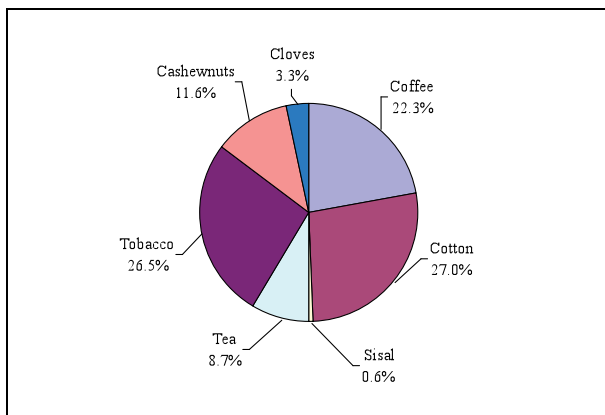
In March 2009, the value of traditional exports increased by 16.4 percent to USD 47.1 million, mainly on account of a significant rise in the volume of tobacco export. During the month under review, the volume of tobacco export increased to 10,853 tons compared to 1,589 tons exported



in the previous month marking the commencement of the procurement season for tobacco. Conversely, the volumes of cotton exports dropped by 47.4 percent to 2,738 tons as exporters are still holding stocks of cotton. Available statistics indicates that 144,000 cotton bales were not exported as of the end of March 2009. This development is partly attributed to the drop of the cotton prices in the world following a decline in global demand of cotton amidst the current financial crisis.

On annual basis, traditional exports increased by 33.5 percent to USD 457.6 million largely due to an increase in export volumes as all crops with exception of cashewnuts and sisal that recorded declines. This is partly attributable to favorable weather condition and timely usage of the agricultural inputs through the Agricultural Sector Development Programme (ASDP). Moreover, there was an increase in the export unit prices for most of the traditional exports in line with the movements of commodity prices in the world market. **Chart 4.4** depicts the composition of traditional exports for the year ending March 2009.

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



Source: Bank of Tanzania

Non-Traditional Exports

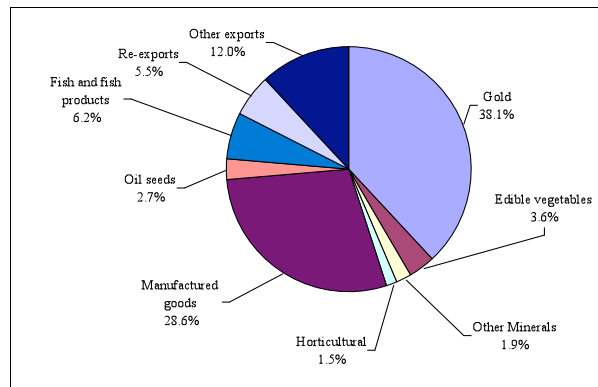
During the month under review, non-traditional exports increased by 4.2 percent to USD 143.7 million on account of an increase in export of manufactured goods and minerals.

On annual basis, non-traditional exports increased by 18.7 percent to USD 2,155.9 million with much of the increase coming from manufactured goods export which went up from USD 370.1 million in the year ending March 2009 to USD 652.3 million in the year ending March 2009. Some of the manufactured goods that are exported include iron and steel, wheat flour, plastic items and electrical equipment. Improvement was also recorded in other exports particularly edible vegetables and fruits. The value of horticultural exports

that mainly consist of fresh cut flowers went up from USD 21.9 million to USD 34.4 million. This development was largely due to the expansion in horticultural production coupled with new investments in cut flowers in the Southern part of Tanzania.

Gold exports rose by 4.1 percent to USD 870.6 million following an increase in prices in the world market and a slight increase in export volumes. During the review period, the prices of gold in the world market increased by 17.2 percent to USD 867.12 per troy ounce from the price recorded last year. On the other hand, the volumes of gold export increased from 36.2 tons reported during the corresponding period last year to 39.2 tons. The improvement in gold prices was largely due to the weakening of US dollar against other major currencies. **Chart 4.6** depicts the composition of non-traditional exports for the year ending March 2009.

Chart 4.6: Contribution to total Non Traditional Exports for the Year Ending March 2009



Source: Bank of Tanzania

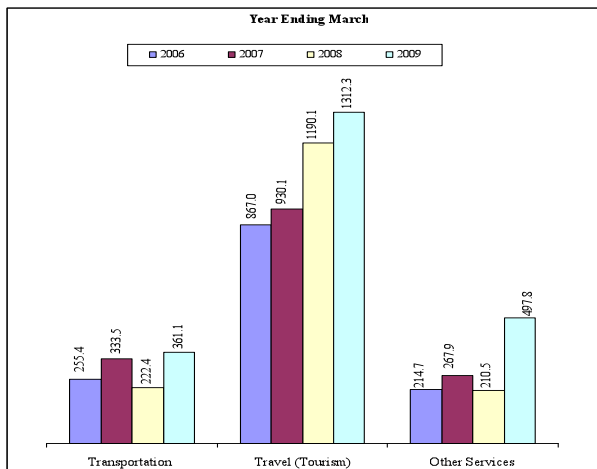
Services Export

Services receipt decreased slightly by 3.6 percent to USD 157.3 million during March 2009, mainly due to a fall in travel earnings.

On annual basis, services receipt increased by 15.0 percent to USD 2,185.6 million following improvement in travel, freight, communication and other business services receipt. Travel, which accounts for over 60 percent of total services receipt rose to USD 1,312.3 million in the year ending March 2009 from USD 1,190.1 million recorded during the corresponding period in 2008. This development is partly due to the ongoing promotional campaigns of Tanzania's tourist attractions, especially in the United States and United Kingdom. Moreover, there has been an increase in the number of international flights to the Tanzanian destinations and new and refurbished accommodation facilities in both the Tanzanian Mainland and Zanzibar. **Chart 4.7** depicts performance of the main services export during the past four years.



Chart 4.7: Performance of Main Services Export for the past four Years



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

Imports Performance

During March 2009, imports of goods increased to USD 480.5 million from USD 426.1 million recorded in February 2009. The value of intermediate and consumer goods import went up by 25.6 percent and 35.8 percent to USD 164.4 million and USD 119.0 million, respectively. The increase in imports of intermediate goods was largely due to the rise in importation of oil and industrial raw material, while the rise in imports of consumer goods was largely attributable to the notable increase in food imports. The value of oil imports rose by 7.6 percent to USD 121.7 millions following an increase in volume. During the period under review 346,826 tons of oil was imported compared to 275,035 tons in the previous month as prices remained virtually unchanged at USD 420 per ton compared to the previous month. Conversely, imports of capital goods decreased by 5.0 percent to USD 197.1 million following a decrease in imports of transport equipment and machinery (Table 4.2).

Table 4.2: Imports

Millions of USD

Items	2008 ^P	2009		% Change		Year Ending March ^P		% Change
	Mar	Feb	Mar	Mar 08-Mar 09	Feb-Mar 09	2008	2009	
Capital Goods	158.5	207.6	197.1	24.4	-5.0	1,885.8	2,744.4	45.5
Transport Equipments	50.9	61.9	51.5	1.3	-16.7	554.3	796.1	43.6
Building and Constructions	45.6	36.3	59.7	30.9	64.4	449.4	636.8	41.7
Machinery	62.0	109.3	85.9	38.4	-21.5	882.2	1,311.5	48.7
Intermediate Goods	186.8	130.9	164.4	-12.0	25.6	2,071.4	2,356.9	13.8
Oil imports	131.7	97.9	121.7	-7.6	24.3	1,509.7	1,704.7	12.9
Fertilizers	3.3	3.7	1.7	-47.5	-53.8	62.8	166.3	--
Industrial raw materials	51.8	29.3	40.9	-21.0	39.8	498.9	485.8	-2.6
Consumer Goods	93.1	87.6	119.0	27.8	35.8	1,150.3	1,280.5	11.3
Food and food stuffs	20.3	17.3	43.5	114.3	151.3	311.9	296.0	-5.1
All other consumer goods ¹	72.8	70.3	75.5	3.7	7.3	838.4	984.5	17.4
Grand Total (f.o.b)	438.4	426.1	480.5	9.60	12.8	5,107.5	6,381.8	24.9
Grand Total (c.i.f)	481.7	468.2	528.0	9.60	12.8	5,612.6	7,013.0	24.9

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 July not ad up due to rounding of numbers

Source: Bank of Tanzania and Tanzania Revenue Authority

Food Imports

During In March 2009, the total value of cereal imports rose significantly to USD 27.9 million on account of an increase in importation of wheat. Table 4.3 summarizes import of selected cereals during the last four months of the year.

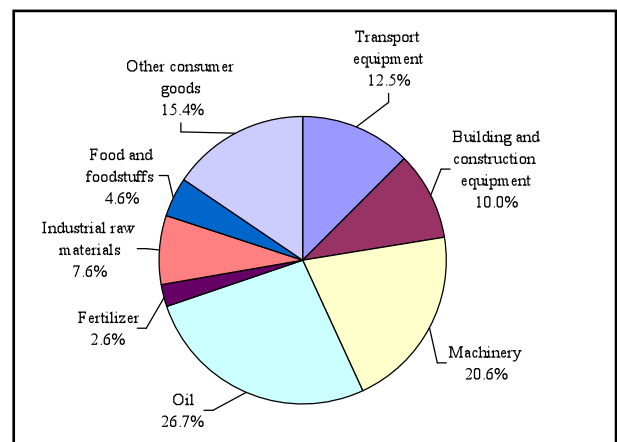
Table 4.3: Summary of Selected Food Imports

Item	Dec-08	Jan-09	Feb-09	Mar-09	% Change (Feb 09 - Mar 09)
Maize					
Tons	724.5	863.7	468.1	98.8	-78.9
Value (Mill. USD)	1.002	1.277	0.666	0.042	-93.7
Rice					
Tons	19,593	716.9	409.3	3,630.9	787.0
Value (Mill. USD)	8.71	0.3	0.1	0.5	652.4
Wheat					
Tons	25,861	41,259.7	41,781.8	110,328.1	164.1
Value (Mill. USD)	7.42	10.402	9.784	27.389	179.9
Total Tons	46,179	42,840	42,659	114,058	167
Total Value (Mill. USD)	17.1	12.0	10.5	27.9	165.4

Source: Tanzania Revenue Authority

On annual basis, the value of goods import went up by 24.9 percent to USD 6,381.8 million. Importation of capital goods increased from USD 1,885.8 million in the previous year to USD 2,744.4 million, in line with the growth of activities in the construction, communication and manufacturing sectors. Similarly, the value of imported intermediate goods rose by 13.8 percent to USD 2,356.9 million largely driven by a substantial increase in importation of oil and fertilizer. Likewise, consumer goods import increased by 11.3 percent to USD 1,280.5 million on account of a rise in importation of goods such as pharmaceutical, plastic and paper products. During the year ending March 2009, the value of food imports dropped by 5.1 percent to USD 296.0 million. The share of imports by category is summarized in Chart 4.8.

Chart 4.8: Contribution to Total Imports for the Year Ending March 2009

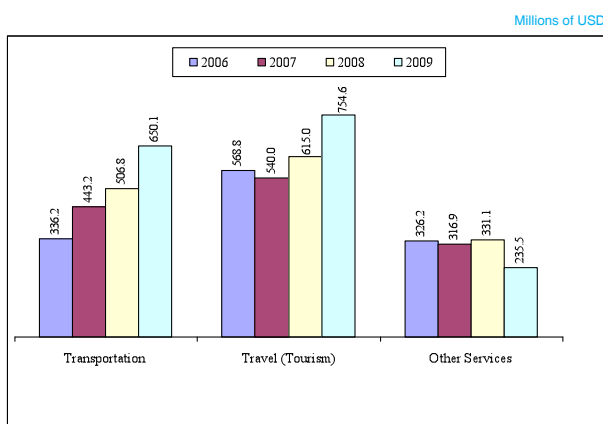


Services Payment

During the review month, services payment went up by 3.4 percent to USD 141.0 million on account of an increase in payments of construction, insurance, other business and government services.

On annual basis, services payment increased by 10.4 percent to USD 1,617.9 million, largely due to an increase in payments of freight and travel. The performance of the major services payment categories in the past four years is illustrated in Chart 4.9.

Chart 4.9: Service Payments, Year Ending March (2006 – 2009)



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

World Commodity Prices

In March 2009, the world market prices of the agricultural and non-agricultural commodities recorded mixed developments. While the prices of tea (Mombasa) and sisal remained unchanged as shown in Table 4.4, the prices of tea (Average price) and cloves slightly increased.

The prices of coffee Robusta and Arabica declined to USD 1.7 per kg and USD 2.8 per kg, respectively on account of expectation of bumper harvest in Brazil. Similarly, the price of cotton (A- index) and (Memphis) dropped by 7.4 percent and 6.1 percent to USD 1.1 per kg and USD 1.2 per kg, respectively. The drop in cotton prices was largely due to reduction in demand from China as the global economic crisis depressed cotton textile production.

During the period under review, the average prices of crude oil (UK Brent) and Dubai (f.o.b) rose to USD 46.7 per barrel and USD 45.6 per barrel, respectively. This development was largely due to speculation that the widening stimulus plans by OECD Countries will boost the global economy and fuel demand. On the other hand, the price of white products

recorded a small decline to USD 419.4 per ton.

On annual basis, all commodities recorded increases in prices. The prices of tea (Average price and Mombassa auction) rose notably to USD 2.4 per kg and USD 2.2 per kg, respectively following a shortfall in production of tea as a result of unfavourable weather condition in India. Moreover, there was strong demand for tea in the European countries. The price of cloves rose significantly to USD 4,182.3 per ton on account of the decline in production from Zanzibar, Sri-Lanka, Indonesia and Madagascar amid unfavourable weather condition. Meanwhile, the increase in the price of sisal was largely due to a strong demand as a result of a rise in the usage of sisal fibre for power generation.

During the year ending March 2009, oil prices rose moderately. The increase in oil prices was on concern of supply disruptions in the major oil exporting countries in the Middle East and Nigeria. The price of gold as well, increased by 17.2 percent to USD 867.2 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 (see Table 4.4).

Table 4.4: World Commodity Prices

Commodity	Units	2009			% Change	Year Ending March		% Change
		Jan	Feb	Mar		2008	2009	
Robusta Coffee	USD per kg	1.82	1.77	1.68	-3.08	2.01	2.14	6.39
Arabica Coffee	USD per kg	2.83	2.86	2.83	-1.05	2.82	2.97	5.41
Tea (Average price)	USD per kg	2.19	2.14	2.19	2.34	2.14	2.38	11.40
Tea (Mombassa Auction)	USD per kg	2.19	2.12	2.12	0.00	1.77	2.20	24.41
Cotton, "A-Index"	USD per kg	1.27	1.22	1.13	-7.38	1.45	1.45	0.29
Cotton, "Memphis"	USD per kg	1.35	1.31	1.23	-6.11	1.48	1.52	2.76
Sisal (UG)	USD per metric ton	1,213.00	1,213.00	1,213.00	0.00	990.00	1,203.50	21.57
Cloves	USD per metric ton	3,500.00	3,700.00	3,750.00	1.35	3,606.44	4,182.29	15.97
Crude oil*	USD per barrel	43.86	41.84	46.65	11.50	77.20	84.19	9.06
Crude oil**	USD per barrel	44.97	43.14	45.58	5.66	74.16	82.09	10.70
White products***	USD per ton	454.01	421.92	419.38	-0.60	726.12	805.62	10.95
Jet/Kerosene	USD per ton	474.93	416.44	423.14	1.61	741.57	864.93	16.64
Premium Gasoline	USD per ton	404.94	415.61	445.23	7.13	736.84	724.10	-1.73
Heat Oil	USD per ton	482.15	433.70	389.76	-10.13	699.94	827.83	18.27
Gold	USD per troy ounce	839.00	943.00	924.00	-2.01	739.71	867.18	17.23

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

** f. o. b. Dubai

*** Average of Premium Gasoline, Gas oil and Jet/Kerosene, f.o.b. West Mediterranean

Source: <http://worldbank.org/prospects>, World Bank Public Ledger, Bloomberg Professional

5.0 National Debt Developments

The national debt stock at the end of March 2009 stood at USD 7,825.6 million, representing a marginal increase of USD 17.1 million (0.2 percent) from USD 7,808.5 million recorded at the end of the preceding month. The increase was mainly on account of new disbursements. Out of the total debt stock, external debt was 81.3 percent and domestic debt was 18.7 percent.



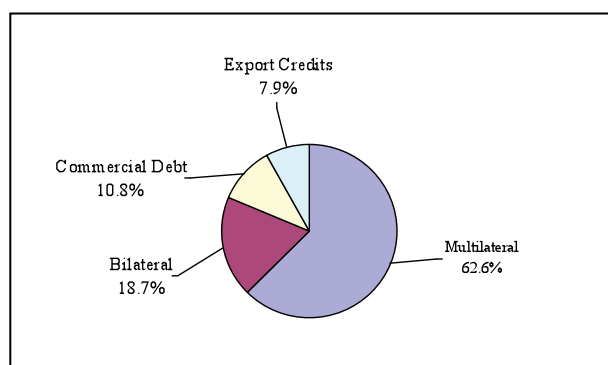
External Debt

At the end of March 2009, the external debt stock amounted to USD 6,359.9 million representing an increase of 0.6 percent from USD 6,319.8 million registered at the end of previous month. The increase was mainly due to new disbursements. Out of the external debt stock, USD 4,942.5 million (77.7 percent) was disbursed outstanding debt and the remaining balance of USD 1,417.4 million was interest arrears.

The profile of disbursed outstanding debt reveals that the Central Government was the largest borrower with debt amounting to USD 4,040.9 million (81.8 percent) followed by private companies with USD 753.6 million (15.2 percent). Debt owed by parastatal companies was USD 148.0 million, equivalent to 3.0 percent of DOD.

Multilateral institutions remained the leading creditors by holding USD 3,094.3 million (62.6 percent) of the DOD, while the amount of DOD owed to bilateral creditors stood at USD 922.1 million (18.7 percent). The remaining debt amounting to USD 534.1 million and USD 392.1 million were owed to commercial and export creditors respectively (Chart 5.1).

Chart 5.1: Government Domestic Debt by Creditor Category



During the month under review disbursements received and recorded amounted to USD 11.3 million while external debt service payments amounted to USD 3.8 million. Out of

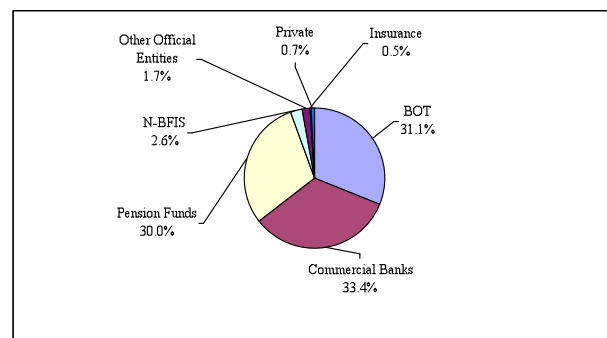
this, principal repayments amounted to USD 0.2 million and interest payments were USD 3.6 million.

Domestic Debt

The Domestic debt stock increased slightly by TZS 18.5 billion (1.0 percent) to TZS 1,925.5 billion from TZS 1,907.1 billion registered at the end of preceding month. The increase was mainly due to new financing under government bonds and bills. Out of total domestic debt Government securities accounted for 99.6 percent and the rest was unsecured debt.

The profile of domestic debt by holder category shows that commercial banks are the leading creditors to the Government by holding 33.4 percent of total domestic debt followed by Bank of Tanzania holding 31.1 percent of the total domestic debt. Other creditors are Pension Funds, Non-Bank Financial Institutions (N-BFIs) and other official entities, which held 30.0 percent, 2.6 percent and 1.7 percent respectively. The remaining portion of 1.2 percent was held by private sector and insurance companies (Chart 5.2).

Chart 5.2: Government Domestic Debt by Creditor Category



During the month, domestic debt amounting to TZS 18.3 billion fell due for payment. Out of this, principal amounting to TZS 10.7 billion was rolled over and interest amounting to TZS 7.6 billion was paid out of government revenue.



6.0 Economic Developments in Zanzibar

Inflation Developments

The Annual Headline Inflation rate which has maintained a downward trend since year ended October 2008 continued to fall during the year ended March 2009. During the month under review, annual headline inflation declined to 15.1 percent from 16.5 percent recorded in the year ended February 2009. The decline in inflation during the period under review was attributed to a deceleration of both food and non-food inflation. Specifically, food inflation decreased to 14.8 percent from 16.5 percent recorded in the year ended February 2009, while non-food inflation dropped to 14.3 percent from 15.4 percent recorded in February 2009. The downward inflation trend since October 2008 is mainly associated to a sharp decline in world market food and fuel prices, which were transmitted in the local markets. On contrary, the month-to-month headline inflation surged to 0.3 percent from negative 0.3 percent in February 2009, on account of increased month-to-month food inflation (Table 6.1 and Chart 6.1).

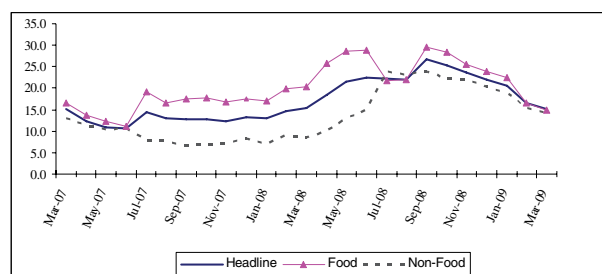
Table 6.1: Annual Percentage change in Consumer Price Index (CPI)

Base: Dec.2005=100

Major commodity group	Weights (%)	2007			2008			2009		
		Mar	Jan	Feb	Mar	Jan	Feb	Mar		
Headline/Overall	100	15.0	13.1	14.7	15.3	20.6	16.5	15.1		
Food	57.4	16.6	17.0	19.9	20.4	22.5	16.5	14.8		
Non-Food	42.6	13.7	7.2	8.9	8.5	18.8	15.4	14.3		
Alcoholic beverages, tobacco & narcotics	0.6	20.9	0.6	0.9	0.5	19.5	20.3	19.2		
Clothing and footwear	6.2	7.8	6.9	7.6	7.0	7.7	7.7	8.2		
Housing, water, electricity, gas and other fuels	15.6	15.2	3.7	3.4	6.3	31.6	27.7	25.9		
Furnishing, household equipment and routine household maintenance	5.3	9.9	11.6	11.3	12.0	12.9	13.3	11.3		
Health	2.1	14.0	18.4	18.4	15.3	12.3	12.3	12.8		
Transport	3.4	30.0	5.5	5.6	4.3	18.9	13.5	11.0		
Communication	2.4	-3.9	-2.2	-2.2	-2.2	-0.1	-0.1	-0.1		
Recreation and culture	0.4	17.6	16.1	14.0	10.2	2.5	3.1	2.9		
Education	1.1	13.4	5.0	7.7	6.1	3.5	6.2	6.1		
Restaurants and hotels	3.1	25.8	32.4	33.1	27.7	18.0	13.5	13.5		
Miscellaneous goods & services	2.4	-2.0	13.2	12.8	14.6	9.3	16.0	14.6		

Source: Office of Chief Government Statistician (OCGS)

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



Source: Office of Chief Government Statistician (OCGS)

Annual food inflation eased to 14.8 percent during the year ended March 2009, from 16.5 percent recorded in February 2009. The deceleration in food inflation was mostly attributed to reduced pressure in prices of imported rice and fish which accounts for 20.8 percent and 13.9 percent respectively of food weight in the Consumer Price Index (CPI). However, the month-to-month food inflation increased to 0.3 percent in March 2009, compared with negative 0.3 percent registered in February 2009 due to increased prices of maize flour.

During year ended March 2009, annual non-food inflation declined to 14.3 percent, from 15.4 percent recorded in the year ended February 2009, on the back of decreased pump prices for petroleum products. The month-to-month non-food inflation rose to negative 0.1 percent from negative 2.0 percent in February 2009, attributed more by decreased bus fares.

Fiscal Performance

During the month of March 2009, the government budgetary operations registered a deficit on cheques cleared basis of TZS 1.0 billion, same as the previous month. Total resources for the month under review amounted to TZS 16.5 billion, above the target of TZS 13.9 billion by 18.7 percent. Domestic sources contributed TZS 13.1 billion, accounting for 79.4 percent of total resources, while foreign grants amounted to TZS 3.4 billion, or 20.6 percent of the total resources. Total expenditure during the month under review reached TZS 18.4 billion, above the target of TZS 15.8 billion by 16.4 percent, but was below TZS 22.8 billion spent in February 2009. The budget deficit was exclusively financed by foreign sources.

Revenue

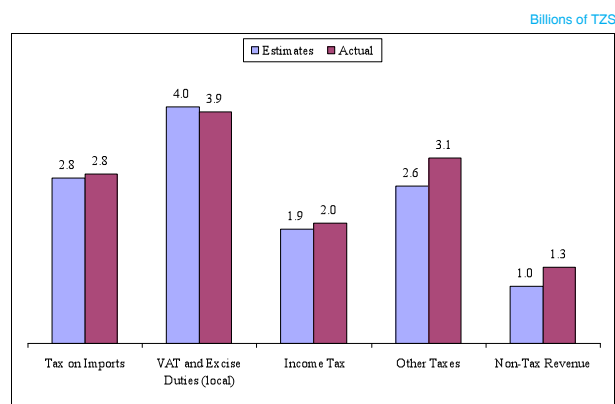
Total revenue collections during the month under review amounted to TZS 13.1 billion, above the target of TZS 12.3 billion by 6.5 percent. Specifically; tax revenue reached TZS 11.8 billion, exceeding the target of TZS 11.3 billion and accounted for 90.1 percent of the total revenue collections in March 2009. Non-tax revenue sources amounted to TZS 1.3 billion, being above the target of TZS 1.0 billion, and accounted for 9.9 percent of total revenue collections.

Revenue performance by category shows that, local VAT and excise duty collections amounted to TZS 3.9 billion, below the target of TZS 4.0 billion, and accounted for 33.1 percent of the total tax revenue or 29.8 percent of the total revenue. The decline was mainly on VAT due to decrease in business activities, specifically on construction. Tax on imports amounted to TZS 2.8 billion, same as the target, and accounted for 23.7 percent of total tax revenue. Income



tax collections amounted to TZS 2.0 billion, slightly above the target of TZS 1.9 billion. Other taxes reached TZS 3.1 billion, exceeding the target of TZS 2.6 billion, mainly due to improved tax administration (Chart 6.2).

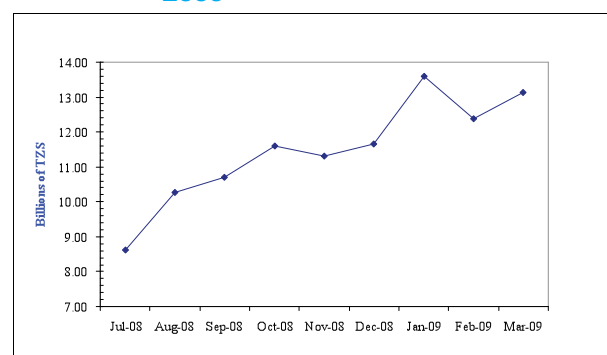
Chart 6.2: Government Revenue by Sources – March 2009



Source: Ministry of Finance and Economic Affairs, Zanzibar.

Cumulatively from July - March 2009, the Government revenue reached TZS 103.2 billion, compared to the target of TZS 104.0 billion, and accounted for 76.9 percent of the annual target of TZS 134.2 billion for the fiscal year of 2008/09 (Chart 6.3).

Chart 6.3: Government Total Revenue Collections Trend July 2008– March 2009



Source: Ministry of Finance and Economic Affairs, Zanzibar.

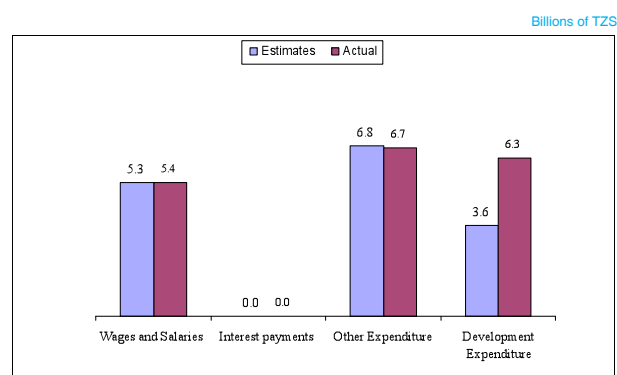
Expenditure

Total government expenditure in March 2009, reached TZS 18.4 billion, surpassing the target of TZS 15.8 billion by 16.5 percent. The increase in expenditure was mainly on account of donor funded development expenditure. Recurrent expenditure amounted to TZS 12.1 billion, representing 65.8 percent of total expenditure, while development expenditure amounted to TZS 6.3 billion, accounting for 34.2 percent of total expenditure.

Analysis of the recurrent expenditure indicates that; wages

and salaries amounted to TZS 5.4 billion, slightly above the target of TZS 5.3 billion and accounted for 44.6 percent of the recurrent expenditure or 29.4 percent of the total government expenditure. Expenditure on other charges amounted to TZS 6.7 billion, slightly below the target of TZS 6.8 billion, and accounted for 55.4 percent of the recurrent expenditure, or 36.4 percent of the total expenditure (Chart 6.4).

Chart 6.4: Government Expenditure by Components – March 2009



Source: Ministry of Finance and Economic Affairs, Zanzibar.

Development expenditure amounted to TZS 6.3 billion, compared with the target of TZS 3.6 billion, equivalent to 34.2 percent of the total expenditure. Government contributions amounted to TZS 1.6 billion, which was same as the target and accounted for 25.4 percent of the total development expenditure. Donor support was TZS 4.7 billion, compared to the target of TZS 2.0 billion and accounted for 74.6 percent of the total development expenditure.

Cumulatively from July - March 2009, Government expenditure reached TZS 156.1 billion, compared to the target of TZS 157.1 billion, and accounted for 45.7 percent of the annual target of TZS 341.7 billion for year 2008/09.

Debt Developments

As at end of March 2009, Zanzibar total public debt was TZS 138.2 billion (USD 104.2million), compared to TZS 139.7 billion (USD 107.6 million) recorded in February 2009. Out of the total public debt, external debt amounted to TZS 81.6 billion (USD 61.5 million), representing 59.0 percent of the total debt, while domestic debt amounted to TZS 56.6 billion (USD 42.7 million), equivalent to 41.0 percent of total debt. During the reporting month, debt to GDP ratio stood at 23.5 percent compared to 23.7 percent registered at end February 2009.



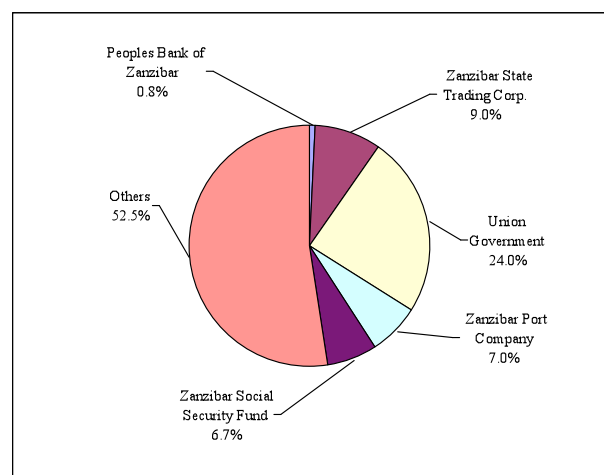
Domestic Debt

During the reporting period, domestic debt amounted to TZS 56.6 billion, below TZS 59.8 billion registered in the preceding month; largely linked with partial payment of claims to government retirees.

Domestic Debt by Creditors

Debt owed to government suppliers and pensioners amounted to TZS 29.7 billion, equivalent to 52.5 percent of the total domestic debt. Union Government debt remained at TZS 13.6 billion, or 24.0 percent of the domestic debt. Zanzibar State Trading Corporation (ZSTC) and Zanzibar Port Corporation (ZPC) claims stood at TZS 5.1 billion and TZS 3.9 billion, representing 9.0 percent and 7.0 percent of total domestic debt, respectively. Zanzibar Social Security Fund (ZSSF) debt amounted to TZS 3.8 billion, and accounted for 6.4 percent of domestic debt, while claims due to Peoples Bank of Zanzibar (PBZ) stood at TZS 0.4 billion, or 0.8 percent of domestic debt (Chart 6. 5).

Chart 6. 5: Domestic Debt by Creditor as at End – March 2009



Source: Ministry of Finance and Economic Affairs-Zanzibar

Domestic Debt by Maturity

The profile of domestic debt by maturity shows that debt with “undetermined maturity” (predominantly gratuity and supplier’s claims) amounted to TZS 30.4 billion and accounted for 53.8 percent of domestic debt, while debt maturing between 2–5 years stood at TZS 20.2 billion, or 35.6 percent of domestic debt. Debt maturing in less than a year amounted to TZS 6.0 billion, representing 10.6 percent of the total domestic debt.

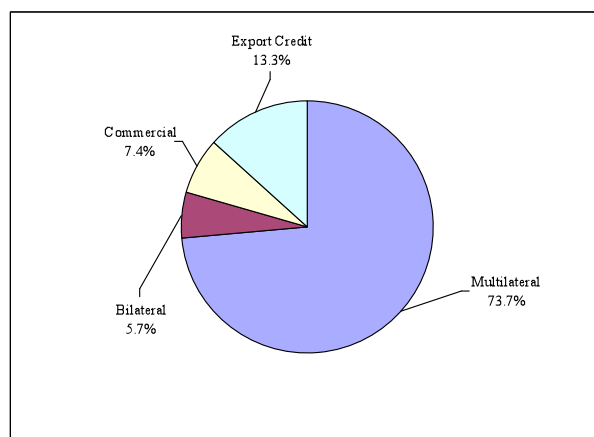
External Debt

Total external debt as at end March 2009, amounted to TZS 81.6 billion (USD 61.5 million) compared to TZS 79.9 billion (USD 61.3 million), reported in the preceding month. Out of this stock, debt guaranteed by the Union Government stood at USD 46.0 million, accounting for 74.8 percent of the external debt, while non-guaranteed debt amounted to USD 15.5 million, equivalent to 25.2 percent of total external debt.

External Debt by Creditor Category

At the end of March 2009, debt due to multilateral creditors amounted to USD 45.3 million (TZS 60.1 billion), representing 73.7 percent of the total external debt. Bilateral creditors stood at USD 3.5 million (TZS 4.6 billion), and represented 5.7 percent of total external debt. Commercial debt amounted to USD 4.5 million (TZS 6.0 billion), accounting for 7.4 percent of external debt, while export credit amounted to USD 8.2 million (TZS 10.9 billion), and accounting for 13.3 percent of total external debt (Chart 6. 6).

Chart 6.6: External Debt by Creditor as at End – March 2009



Source: Ministry of Finance and Economic Affairs-Zanzibar

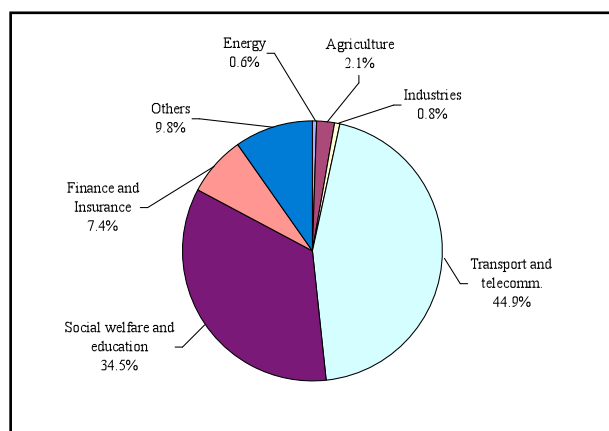
External Debt by End Use

At the end of March 2009, transport and telecommunications sectors had the largest portion of external debt amounting to USD 27.6 million, equivalent to 44.9 percent. Social welfare and education sectors obtained USD 21.2 million, or 34.5 percent. Finance and Insurance sector was holding USD 4.5 million, and accounted for 7.4 percent, while agriculture and energy sectors had USD 1.3 million and USD 0.4 million, accounting for 2.1 percent and 0.6 percent of total debt outstanding, respectively. Industrial sector held USD 0.5 million or 0.8 percent, while other sectors had USD 6.0 million,



equivalent to 9.8 percent of external debt (Chart 6.7).

Chart 6.7: External Debt by Use of Funds as at End – March 2009



Source: Ministry of Finance and Economic Affairs-Zanzibar

External Sector Performance

Current Account

As at end of March 2009 current account, posted a deficit of USD 0.7 million compared to a surplus of USD 4.0 million recorded in the previous month reflecting a decline in donor inflows. Trade account recorded a deficit of USD 5.8 million, compared to a deficit of USD 4.5 million recorded in the preceding month.

On year-to-year basis, the current account registered a deficit of USD 21.7 million in the year ending March 2009, compared to a surplus of USD 27.0 million for the year ending March 2008; which was due to decline in foreign grants, coupled with a sharp rise in import of goods and services. Trade account recorded a deficit of USD 96.8 million, compared to a deficit of USD 70.7 million posted during the corresponding period in 2008 (Table 6.2).

Table 6.2: Zanzibar Current Account Balance

Item	Millions of USD							
	2008		2009p		Year Ending March		%Change	
	Mar	Jan	Feb	Mar	2008	2009p	Monthly	Annual
Goods Account (net)	-4.7	-4.1	-4.5	-5.8	-70.7	-96.8	28.9	36.9
Exports	0.8	1.8	1.9	1.6	14.9	16.3	-15.8	9.4
Imports (fob)	5.5	5.9	6.4	7.4	85.6	113.1	15.6	32.1
Services Account (net)	2.4	2.7	1.7	2.8	35.6	33.1	64.7	-7.0
Receipts	7.8	7.3	8.3	8.0	84.5	95.5	-3.6	13.0
Payments	5.3	4.6	6.5	5.2	48.9	62.4	-20.0	27.6
Goods and Services (net)	-2.3	-1.4	-2.7	-3.0	-35.1	-63.7	11.1	81.5
Exports of Goods and Services	8.6	9.1	10.2	9.6	99.4	111.8	-5.9	12.5
Imports of Goods and Services	10.9	10.5	12.9	12.6	134.5	175.5	-2.3	30.5
Income Account (net)	-0.4	-0.5	0.0	-0.2	-0.6	-1.6	566.7	166.7
Receipts	0.0	0.1	0.0	0.0	0.1	0.4	33.3	300.0
Payments	0.4	0.6	0.1	0.2	0.8	2.0	100.0	150.0
Current Transfers (net)	2.9	7.3	6.8	2.5	62.8	43.5	-63.2	-30.7
Inflows	2.9	7.3	6.8	2.5	62.8	43.5	-63.2	-30.7
Outflows	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Account Balance	0.2	5.4	4.0	-0.7	27.0	-21.7	-45.0	-180.4

Source: Tanzania Revenue Authority and BOT.

Exports Performance

During the period under review, exports of goods and services amounted to USD 9.6 million, down from USD 10.2 million recorded in the previous month, largely due to decline in services receipts. Services proceeds amounted to USD 8.0 million, compared to USD 8.3 million of the preceding month, and accounted for 83.3 percent of total exports. Merchandise exports amounted to USD 1.6 million, slightly below USD 1.9 million of the preceding month, and accounted for 16.7 percent of total exports.

On year-to-year basis, total exports of goods and services amounted to USD 111.8 million in the year ending March 2009, compared to USD 99.4 million realized in the preceding year. The increase was largely due to a rise in services receipts to USD 95.5 million, up from USD 84.5 million in the corresponding period in 2008. Clove exports increased to USD 4.8 million from USD 4.0 million, and represented 4.3 percent of total exports. The rise in export proceeds from cloves was associated with increase in crop volume from 1.1 metric tons to 1.5 metric tons. Seaweeds exports declined to USD 2.1 million from USD 2.4 million, and represented 1.9 percent of total exports receipts. Manufactured goods exports amounted to USD 4.7 million, below US 3.7 million, and was equivalent to 4.2 percent of total export receipts. Export of fish and fish produce declined to USD 0.1 million from USD 0.2 million (Table 6.3).

Table 6.3: Zanzibar Exports by Major Categories

Item	Units	2008		2009p		Year Ending March		%Change	
		Mar	Jan	Feb	Mar	2008	2009p	Monthly	Annual
Traditional									
Cloves									
Value	Millions	0.1	0.9	0.9	0.7	4.0	4.8	-22.2	20.0
Volume	000 Tons	0.02	0.30	0.3	0.2	1.1	1.5	-33.3	36.4
Unit Price	USD/Ton	3,952.4	2,896.4	2,875.0	2,926.5	3,811.0	3,311.1	1.8	-13.1
Non-Traditional									
Seaweeds									
Value	Millions	0.4	0.2	0.16	0.19	2.4	2.1	18.8	-12.5
Volume	000 Tons	1.4	0.7	0.7	0.8	10.0	8.6	14.3	-14.0
Unit Price	USD/Ton	262.4	253.6	226.9	253.4	245.0	244.9	11.7	-0.04
Manufactured Goods	Millions	0.1	0.3	0.4	0.4	3.7	4.7	0.0	27.0
Fish and Fish Produce	Millions	0.01	0.0	0.0	0.0	0.2	0.1	0.0	-50.0
Horticultural produce	Millions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others Exports	Millions	0.2	0.4	0.4	0.4	4.5	4.5	0.0	0.0
SUB TOTAL	Millions	0.7	0.9	1.0	0.98	10.9	11.5	-2.0	5.5
GRAND TOTAL	Millions	0.8	1.8	1.9	1.6	14.9	16.3	-15.8	9.4

P = Provisional data

Source: Tanzania Revenue Authority and BOT computations

Goods Imports

During Goods imports (c.i.f) amounted to USD 8.1 million, above USD 7.0 million recorded in the preceding month, on account of increase in imports of capital and intermediate goods. Capital goods amounted to USD 3.6 million, from USD 2.8 million, and accounted for 44.4 percent of total goods imports. Intermediate goods imports amounted to USD 2.9 million from USD 2.5 million, and represented 35.8 percent of



total goods imports. However, consumer goods decreased to USD 1.6 million from USD 1.7 million.

On annual basis, total goods imports (c.i.f) amounted to USD 124.2 million, from USD 94.0 million of the corresponding period in 2008. Oil import bill increased to USD 33.7 million from USD 24.4 million, and was 27.1 percent of merchandise imports. Capital goods imports amounted to USD 54.9 million, compared to USD 42.7 million recorded in 2008. Foods and foods stuffs imports declined to USD 7.1 million from USD 7.6 million (Table 6.4).

Table 6.4: Zanzibar Imports by Major Categories

Import Category	2008		2009p			Year Ending March		%Change	
	Mar	Jan	Feb	Mar	2008	2009p	Monthly	Annual	
Capital Goods	2.7	3.0	2.8	3.6	42.7	54.9	28.6	28.7	
Transport Equipment	1.6	1.1	1.3	1.9	19.7	33.4	46.2	69.5	
Building and Constructions	0.2	0.8	0.7	0.8	8.0	9.2	14.3	15.0	
Machinery	0.8	1.0	0.8	0.9	15.0	12.2	12.5	-18.7	
Intermediate Goods	1.0	2.3	2.5	2.9	31.1	45.3	16.0	45.7	
Oil imports	0.0	1.7	1.9	2.2	24.4	33.7	15.8	38.1	
Fertilizers	
Industrial raw materials	1.0	0.6	0.6	0.7	6.7	11.6	16.7	73.1	
Consumer Goods	2.4	1.2	1.7	1.6	20.3	24.0	-5.9	18.2	
Food and food stuffs	1.6	0.2	0.6	0.5	7.6	7.1	16.7	-6.6	
All other consumer goods	0.8	1.0	1.1	1.2	12.6	16.9	9.1	34.1	
GRAND TOTAL (CIF)	6.1	6.5	7.0	8.1	94.0	124.2	15.7	32.1	
GRAND TOTAL (FOB)	5.5	5.9	6.4	7.4	85.6	113.1	15.6	32.1	

p = provisional

... = Very small value

Source: Tanzania Revenue Authority

Services Account

During the month under review, services account registered a surplus of USD 2.8 million, compared to USD 1.7 million registered in February 2008 due to larger decline in services payment relative to receipts. Foreign receipts amounted to USD 8.0 million, being below USD 8.3 million recorded on the previous month, while foreign payments amounted to USD 5.2 million from USD 6.5 million.

On year to year basis, the services account surplus amounted to USD 33.1 million from USD 35.6 million recorded in the year to March 2008. Total foreign receipts amounted to USD 95.5 million from USD 84.5 million, whereas payments amounted to USD 62.4 million from USD 48.9 million.



STATISTICAL TABLES



Table A1 : Selected Economic Indicators (Annual)

Item	Unit	2002	2003	2004	2005	2006 ¹	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	
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	
1.4 GDP Per Capita--Current Prices ¹	USD	321.6	340.9	363.7	390.6	381.7	439.5	
1.5 Change in Consumer Price Index (Inflation)	Percent	4.5	3.5	4.2	4.4	7.3	7.0	
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	
3.2 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	
3.3 Trade Balance	Mill. USD	-531.7	-712.6	-1,001.2	-1,318.5	-1,946.5	-2,634.1	
3.4 Balance on Current Account	Mill. USD	78.6	-118.1	-366.7	-864.3	-1,171.6	-1,855.8	
3.5 Overall Balance	Mill. USD	-317.9	389.1	206.0	-222.4	460.7	532.7	
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	
3.8 Reserves Months of Imports (of goods and services)	Months	6.9	7.1	6.6	4.8	4.0	4.5	
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	
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	
4 Population (TZ Mainland)								
	Million	33.6	34.2	35.3	36.2	37.5	38.3	
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

¹ 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				
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	291,472.5	414,934.0				
Tax Revenue	4,485,767	303,484.6	287,597.9	420,844.5	324,000.7	305,379.8	409,078.1	318,924.9	280,471.7	400,872.9				
Taxes on Imports	1,643,760	132,518.8	107,514.0	130,867.9	129,232.6	118,888.9	129,427.1	126,944.2	111,397.5	131,160.5				
Sales/VAT and Excise on Local Goods	1,078,533	70,923.9	80,947.1	98,258.2	89,877.0	91,903.7	79,865.2	86,614.5	79,943.7	83,581.2				
Refunds	145,457	10,386.7	10,386.8	10,386.8	12,246.7	12,246.7	12,246.7	12,246.1	12,246.7	12,246.7				
Income Taxes	1,425,652	72,058.4	77,421.7	160,946.5	82,547.6	76,023.9	172,961.5	78,648.1	63,697.6	156,370.0				
Other taxes	482,605	38,370.2	32,101.9	41,158.7	44,590.2	30,810.0	39,071.0	38,964.2	37,679.6	42,007.9				
Non-tax Revenue	243,495	15,471.2	15,940.7	16,920.6	16,920.6	16,221.0	17,567.1	11,601.2	11,000.8	14,061.1				
Total Expenditure /1	7,139,103	258,496.1	549,104.5	469,671.1	547,081.2	587,240.3	559,317.7	676,845.7	468,708.3	540,375.3				
Recurrent expenditure	4,647,623	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				
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				
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				
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				
Domestic Z/	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				
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				
Other goods, services and transfers	2,709,623	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				
Dev. Expenditure and net lending	2,491,480	35,236.5	156,055.9	134,176.8	223,142.6	241,246.1	224,603.8	136,225.2	123,963.3	239,889.0				
Local	940,380	820.1	74,964.7	34,955.6	113,000.0	168,781.0	61,531.0	79,299.0	58,000.0	50,000.0				
Foreign	1,551,100	34,416.4	81,091.3	99,221.2	110,142.6	72,465.1	163,072.8	56,926.2	65,963.3	189,889.0				
Overall Balance (cheque issued) before Grants	-2,410,508	60,459.7	-245,565.9	-31,906.0	-193,385.3	-265,639.5	-132,672.5	-346,319.6	-177,235.8	-125,441.3				
Grants	1,441,229	10,136.6	20,069.5	270,345.8	69,986.6	71,843.2	278,128.4	123,811.9	48,271.5	86,491.0				
Program (CIS/OGL)	543,905	0.0	0.0	242,413.7	20,264.1	24,000.2	178,120.3	84,659.2	0.0	14,243.3				
Project	556,366	8,486.9	3,518.6	14,938.0	14,585.4	4,423.1	46,541.6	27,297.5	7,162.0	66,017.7				
Basket funds	206,126	475.5	11,159.8	7,499.9	29,327.5	36,231.6	37,700.8	4,792.4	40,743.1	4,697.6				
HIPC Relief	134,833	1,174.2	5,391.2	5,494.2	5,809.5	7,188.4	15,765.7	7,062.8	366.4	1,532.4				
Overall defici.(cheq.issued) after Grants	-969,279	70,596.3	-225,496.4	238,439.8	-123,398.7	-193,796.2	145,455.9	-222,507.7	-128,964.3	-38,950.4				
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				
Adjustments to cash and other items (net)	0	77,282.7	82,105.4	-208,488.5	51,266.3	-59,886.4	-33,462.9	100,196.6	-54,948.0	89,548.4				
Overall Balance (cheques issued)	-969,279	-44,171.8	-159,904.5	25,431.4	-73,818.7	-254,992.1	111,437.5	-122,381.7	-183,912.3	50,598.0				
Financing:	969,279	44,171.8	159,904.5	-25,431.4	73,818.7	254,992.1	-111,437.5	122,381.7	183,912.3	-50,598.0				
Foreign Financing (net)	946,207	24,473.4	65,440.2	72,904.7	65,611.6	215,870.9	73,217.4	23,900.1	135,951.3	116,198.4				
Loans	775,650	0.0	35,827.7	58,442.4	39,810.6	213,711.7	71,924.9	11,614.3	131,182.7	117,641.3				
Program loans	268,208	0.0	0.0	0.0	0.0	187,599.7	0.0	0.0	118,262.2	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				
Basket Support	212,656	25,099.9	30,158.7	17,802.2	26,036.9	5,247.7	5,513.5	13,041.3	4,771.3	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				
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				
Domestic Financing	-36,927.9	19,698.4	94,464.2	-98,336.1	8,207.1	39,121.2	-229,654.9	98,481.6	47,960.9	-166,796.4				
Bank borrowing	0	133,254.9	44,101.3	-52,350.8	85,127.1	-88,134.4	-305,907.2	105,554.0	10,624.5	-151,149.3				
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				
Amortization of contingent debt	-20,000	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				

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 : Monetary survey (Revised)

Item	Billions of TZS							
					2008	2009		
	Dec-03	Dec-04	Dec-05	Dec-07	Dec-08	Jan-09	Feb-09	Mar-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
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
Other Depository Corporations	661.2	584.8	728.4	633.4	494.6	547.3	660.3	688.1
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
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
Claims on central government (net)	-108.5	-272.1	192.1	-319.8	-335.0	-229.4	-218.8	-369.9
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
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
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
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
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
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
Other items (net)	-316.9	-393.9	-533.6	-744.1	-758.7	-711.8	-689.1	-938.7
Memorandum items:								
Monetary 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
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
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
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
Currency in circulation	563.5	694.5	890.0	1,162.5	1,438.6	1,408.0	1,384.3	1,366.6
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
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
Currency in circulation	563.5	694.5	890.0	1,162.5	1,438.6	1,408.0	1,384.3	1,366.6
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

Source: Bank of Tanzania.



Table A4 : Interest Rate structure

Item	2008										Percent		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
A: Domestic Currency													
Interbank Cash Market Rates													
Overnight	3.85	3.59	3.45	3.49	3.64	4.19	5.23	5.51	6.27	8.31	9.63	9.90	
2 to 7 days	4.08	4.04	3.68	3.67	3.75	4.23	5.55	5.80	6.60	8.64	9.97	10.17	
8 to 14 days	4.20	3.80	3.99	3.87	3.88	4.61	5.69	5.89	6.21	8.34	10.84	10.77	
15 to 30 days	5.18	4.82	4.85	4.00	4.00	4.00	4.00	5.90	5.90	5.90	5.90	11.76	
31 to 60 days	5.40	4.73	4.73	5.50	5.50	6.09	6.03	6.83	8.75	8.75	11.01	11.80	
61 to 90 days	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	11.00	11.00	12.15	12.15	
91 to 180 days	6.25	6.25	5.50	5.50	8.21	10.48	10.16	11.46	11.69	11.50	12.00	12.00	
181 and above	7.00	7.88	7.88	8.50	8.50	8.50	10.85	13.00	13.00	13.00	14.35	14.35	
Overall Interbank cash market rate	4.12	3.83	3.61	3.61	3.70	4.32	5.45	5.85	6.54	8.41	9.81	10.10	
Lombard Rate	7.16	7.00	7.55	8.54	7.99	8.67	8.90	9.66	10.32	12.47	14.45	14.86	
REPO Rate	3.67	3.66	3.75	3.79	3.76	4.02	4.89	5.32	6.42	7.55	9.09	9.73	
Treasury Bills Rates													
35 days	4.77	4.67	5.03	5.70	5.33	5.78	5.93	6.44	6.88	7.43	7.54	7.62	
91 days	5.12	4.95	5.76	7.93	8.62	10.36	10.39	10.76	11.20	11.60	11.99	12.43	
182 days	6.90	6.75	7.63	8.51	10.11	10.53	10.81	11.00	12.13	13.28	14.64	14.86	
364 days	9.43	9.03	10.00	11.15	11.48	11.56	11.63	11.97	12.79	15.32	14.74	14.99	
Overall Treasury bills rate	7.05	7.00	7.84	9.46	9.47	10.17	10.30	10.33	10.99	12.53	12.85	13.33	
Treasury Bonds Rates													
2-years	12.23	12.23	12.87	12.87	12.87	13.20	13.20	14.35	14.35	14.35	14.35	15.28	
5-years	14.49	14.49	14.49	14.49	14.49	14.49	16.39	16.39	16.39	17.32	17.32	17.32	
7-years	17.18	17.18	17.18	17.04	17.04	17.04	17.04	17.04	17.04	17.04	17.04	17.04	
10-years	17.68	17.09	17.09	17.09	19.47	19.47	19.47	19.47	19.47	19.47	19.92	19.92	
Discount Rate	12.08	12.00	12.84	14.46	14.47	15.17	15.30	15.33	15.99	17.53	17.85	18.33	
Savings Deposit Rate	2.75	2.74	2.79	2.64	2.61	2.64	2.59	2.66	2.71	2.61	2.72	2.69	
Overall Time Deposits Rate	7.56	6.71	6.66	6.58	5.86	6.43	6.22	6.38	6.39	6.41	6.58	6.79	
Call Accounts	1.36	0.82	0.80	0.76	0.75	0.76	0.83	0.64	0.65	0.45	0.71	0.89	
1 month	7.91	6.31	6.05	5.96	5.79	6.10	6.48	6.24	6.53	6.49	7.03	7.36	
2 months	6.75	7.14	6.90	6.89	6.79	8.14	7.07	7.31	7.96	7.26	7.61	7.96	
3 months	8.66	7.56	7.92	7.11	7.36	7.30	7.22	7.80	7.38	8.06	7.68	8.46	
6 months	10.14	9.54	8.97	8.91	7.03	7.61	7.25	7.93	8.20	8.06	8.61	8.79	
9 months													
12 months	9.18	8.76	8.29	8.17	7.48	8.05	8.20	8.76	8.29	8.65	8.47	8.44	
24 months	8.93	6.87	7.71	6.49	5.82	7.07	6.52	5.96	5.75	5.90	5.91	5.66	
Negotiated Deposit Rate	11.20	11.07	10.62	9.26	9.63	10.27	10.11	10.26	10.23	10.66	10.82	10.99	
Overall Lending rate	14.74	14.78	14.76	15.05	14.83	14.91	14.82	14.30	16.05	14.93	14.95	15.12	
Call Loans	19.25	19.25	19.25	19.25	19.25	19.25	20.25	19.25	19.25	19.25	19.25	19.25	
Short-term (up to 1 year)	13.08	13.58	13.93	13.35	13.86	14.04	13.27	13.57	13.56	13.41	13.45	13.44	
Medium-term (1-2 years)	15.95	15.56	15.56	15.72	15.82	15.74	15.40	15.38	16.57	15.16	15.12	15.33	
Medium-term (2-3 years)	15.08	14.95	14.58	15.28	15.65	15.66	15.39	14.62	17.18	14.72	14.94	14.93	
Long-term (3-5 years)	16.37	16.13	16.64	16.92	15.80	15.94	16.32	15.69	16.52	15.20	15.26	15.28	
Term Loans (over 5 years)	13.25	13.66	13.07	14.00	13.01	13.18	13.69	12.22	16.43	16.19	15.98	16.63	
Negotiated Lending Rate	12.77	12.57	13.07	11.01	12.18	12.68	13.38	11.96	11.91	12.27	12.13	12.85	
B: Foreign Currency													
Deposits Rates													
Savings Deposits Rate	1.74	1.72	1.71	0.87	1.92	1.65	1.63	1.64	1.43	1.44	0.70	2.36	
Overall Time Deposits Rate	4.28	4.69	4.42	4.43	2.92	2.93	3.09	3.24	3.87	3.74	4.02	3.83	
1-months	2.96	4.84	5.04	2.61	2.79	2.88	2.59	3.10	3.53	2.80	2.24	3.82	
2-months	5.12	5.31	4.46	6.03	2.92	2.60	3.15	2.76	3.73	3.72	4.94	3.78	
3-months	4.89	3.80	3.95	5.05	2.91	3.07	2.70	3.29	4.61	4.65	5.12	4.56	
6-months	3.99	4.97	5.17	4.05	2.86	2.89	3.37	3.40	4.14	4.13	4.17	3.81	
12-months	4.43	4.52	3.48	4.43	3.12	3.19	3.65	3.65	3.36	3.41	3.63	3.21	
Overall Lending Rate	7.95	8.05	8.19	6.94	7.14	9.49	9.29	9.68	9.62	9.38	7.62	9.48	
Short-term (up to 1 year)	6.43	6.75	6.74	5.60	5.43	5.33	6.37	6.35	6.29	6.28	6.53	5.88	
Medium-term (1-2 years)	8.88	8.75	8.70	6.92	7.20	10.33	10.47	10.49	10.53	9.88	8.09	10.78	
Medium-term (2-3 years)	8.55	8.55	8.56	6.74	6.81	10.69	8.40	10.74	10.44	9.97	8.05	9.93	
Long-term (3-5 years)	8.38	8.19	8.29	7.33	7.35	10.00	10.13	10.06	10.24	10.45	7.67	10.54	
Term Loans (over 5 years)	7.53	7.99	8.68	8.12	8.91	11.08	11.08	10.74	10.60	10.33	7.74	10.31	

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 Mar ^p		
	Mar	Feb	Mar	Mar 08-Mar 09	Feb 09-Mar 09	2008	2009	% Change
Traditional Exports:								
COFFEE								
Value	8.9	11.5	11.4	27.9	-0.9	91.2	98.3	7.7
Volume	3.7	4.9	5.5	46.1	11.7	40.3	45.8	13.7
Unit Price	2,381.1	2,350.8	2,085.4	-12.4	-11.3	2,265.6	2,146.2	-5.3
COTTON								
Value	3.4	6.8	3.7	9.8	-45.5	75.1	118.8	58.1
Volume	2.9	5.2	2.7	-7.0	-47.4	65.8	89.9	36.6
Unit Price	1,150.2	1,311.3	1,357.3	18.0	3.5	1,141.9	1,322.2	15.8
SISAL								
Value	0.2	0.0	0.0	--	0.0	6.6	2.6	-60.0
Volume	0.2	0.0	0.0	--	0.0	6.8	2.0	-70.5
Unit Price	1,061.5	--	--	--	0.0	971.9	1,320.2	35.8
TEA								
Value	4.0	3.5	2.4	-39.4	-30.8	31.6	38.3	21.1
Volume	2.7	1.9	1.4	-47.3	-26.3	22.8	23.7	4.2
Unit Price	1,495.7	1,832.8	1,721.6	15.1	-6.1	1,388.3	1,613.1	16.2
TOBACCO								
Value	6.0	6.9	28.4	374.5	309.4	77.9	134.2	72.2
Volume	3.5	1.6	10.9	213.0	583.0	35.2	42.4	20.4
Unit Price	1,727.7	4,368.4	2,618.6	51.6	-40.1	2,210.3	3,161.4	43.0
CASHEWNUTS								
Value	0.58	10.87	0.7	14.2	-93.9	56.6	51.0	-9.9
Volume	0.75	15.43	1.1	49.8	-92.7	78.1	67.5	-13.6
Unit Price	778.9	704.7	593.8	--	-15.7	724.2	755.4	4.3
CLOVES								
Value	0.08	0.83	0.5	492.0	-40.8	3.8	14.4	--
Volume	0.02	0.21	0.2	804.8	-7.3	1.1	4.1	273.3
Unit Price	3,952.4	4,048.8	2,586.2	-34.6	-36.1	3,421.9	3,472.7	1.5
Sub Total	23.1	40.5	47.1	103.7	16.4	342.8	457.6	33.5
Non-Traditional Exports:								
Minerals								
Gold	83.9	73.0	76.0	-9.4	4.2	898.0	927.9	3.3
Diamond	80.5	72.6	74.8	-7.1	3.0	836.4	870.6	4.1
Other minerals ¹	1.8	0.0	0.1	-95.7	175.9	25.5	14.3	-43.8
Other minerals ¹	1.6	0.3	1.1	-28.5	256.7	36.1	42.9	19.0
Manufactured Goods								
Cotton Yarn	28.3	35.8	33.1	16.9	-7.6	370.1	652.3	76.3
Manufactured Coffee	0.2	0.4	0.3	107.2	-12.3	7.2	16.5	--
Manufactured Tobacco	0.0	0.0	0.0	-100.0	--	1.5	0.6	-57.5
Sisal Products (Yarn & Twine)	0.1	0.4	0.0	--	-97.3	1.0	2.4	132.0
Other manufactured Goods ²	0.6	0.5	0.5	-10.1	4.3	9.9	7.8	-21.4
Other manufactured Goods ²	27.4	34.5	30.4	10.9	-12.1	350.5	625.1	78.3
Fish and Fish Products								
Fish and Fish Products	9.8	9.5	9.8	0.1	3.6	150.2	141.9	-5.5
Horticultural products								
Horticultural products	2.2	3.0	3.5	57.0	17.9	21.9	34.4	57.1
Re-exports								
Re-exports	9.6	4.4	3.9	-59.5	-11.9	154.0	125.6	-18.5
Others Exports³								
Others Exports ³	12.4	12.3	19.8	59.8	61.7	221.9	273.8	23.4
Sub Total	146.3	137.9	146.1	-0.1	6.0	1,816.0	2,155.9	18.7
GRAND TOTAL	169.4	178.4	193.2	14.1	8.3	2,158.8	2,613.5	21.1

Note:

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

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

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

p = Provisional data.

- = Small value

-- = Very big value

--- = Information not available

Totals may not add up due to rounding of numbers.

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

Source: Bank of Tanzania, TRA





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

Millions of USD

Import Category	2008 ^p		2009		% Change		Year Ending Mar ^p		% Change
	Mar	Feb	Feb	Mar	Mar 08-Mar 09	Feb 09-Mar 09	2008	2009	
Capital Goods	158.5	207.6	197.1		24.4	-5.0	1,885.8	2,744.4	45.5
Transport Equipments	50.9	61.9	51.5		1.3	-16.7	554.3	796.1	43.6
Building and Constructions	45.6	36.3	59.7		30.9	64.4	449.4	636.8	41.7
Machinery	62.0	109.3	85.9		38.4	-21.5	882.2	1,311.5	48.7
Intermediate Goods	186.8	130.9	164.4		-12.0	25.6	2,071.4	2,356.9	13.8
Oil imports	131.7	97.9	121.7		-7.6	24.3	1,509.7	1,704.7	12.9
Fertilizers	3.3	3.7	1.7		-47.5	-53.8	62.8	166.3	--
Industrial raw materials	51.8	29.3	40.9		-21.0	39.8	498.9	485.8	-2.6
Consumer Goods	93.1	87.6	119.0		27.8	35.8	1,150.3	1,280.5	11.3
Food and food stuffs	20.3	17.3	43.5		114.3	151.3	311.9	296.0	-5.1
All other consumer goods ¹	72.8	70.3	75.5		3.7	7.3	838.4	984.5	17.4
Grand Total (f.o.b)	438.4	426.1	480.5		9.6	12.8	5,107.5	6,381.8	24.9
Grand Total (c.i.f)	481.7	468.2	528.0		9.6	12.8	5,612.6	7,013.0	24.9

Note:

¹ It includes pharmaceutical products, paper products, plastic items, optical/photographic materials, textile apparels^p = Provisional data

Totals may not add up due to rounding of numbers.

Source: Bank of Tanzania, TRA.

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

	Millions of USD				
Item	2004	2005	2006	2007	2008 ^p
A. Current Account	-365.9	-862.8	-1,143.2	-1,580.3	-2,333.4
<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>-3,403.2</i>
Goods: exports f.o.b.	1,481.6	1,679.1	1,917.6	2,226.6	3,036.7
Traditional	297.8	354.5	267.1	319.7	418.4
Non-traditional	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
Goods: imports f.o.b.	-2,482.8	-2,997.6	-3,864.1	-4,860.6	-6,439.9
<i>Balance on Services</i>	<i>158.9</i>	<i>61.8</i>	<i>278.7</i>	<i>460.3</i>	<i>570.9</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	-1,249.4	-1,415.4	-1,598.0
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	-335.1	-219.3
<i>Balance on Goods and Services</i>	<i>-842.3</i>	<i>-1,256.6</i>	<i>-1,667.8</i>	<i>-2,173.7</i>	<i>-2,832.3</i>
<i>Balance on income</i>	<i>-112.4</i>	<i>-102.0</i>	<i>-64.1</i>	<i>-58.1</i>	<i>-118.1</i>
Income: Credit	81.8	80.9	80.3	107.3	121.6
Income: Debit	-194.2	-182.9	-144.4	-165.4	-239.7
O/W Direct investment income	-58.4	-65.6	-66.4	-67.6	-94.4
Interest payments (scheduled)	-72.4	-56.9	-27.8	-26.0	-65.4
Compensation of employees	-28.0	-24.9	-23.4	-46.4	-54.5
<i>Balance on Goods, Services and Income</i>	<i>-954.7</i>	<i>-1,358.6</i>	<i>-1,731.9</i>	<i>-2,231.9</i>	<i>-2,950.4</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	36.7
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>-656.7</i>	<i>-1,695.9</i>
C. Financial Account, excl. reserves and related items	306.3	555.6	-3,954.6	946.0	2,341.8
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	1,594.8
Assets	52.3	-90.9	-187.6	34.1	181.6
Liabilities	-79.0	150.0	-4,366.6	262.2	1,413.3
<i>Total, Groups A through C</i>	<i>400.3</i>	<i>85.9</i>	<i>85.7</i>	<i>289.4</i>	<i>645.9</i>
D. Net Errors and Omissions	-116.3	-313.7	375.0	123.3	-537.1
Overall balance	284.0	-227.8	460.7	412.6	108.8
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	-11.0
CAB/GDP (excl. current official transfers)	-7.4	-9.5	-11.9	-13.1	-13.8
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)	188.1	272.6	283.7	405.1	542.7
Change in Net International Reserves	-165.6	-84.4	-11.1	-121.4	-137.6
Exchange rate (end of period)	1043.0	1165.5	1261.6	1132.1	1280.3
Exchange rate (annual average)	1089.1	1129.2	1253.9	1244.1	1196.3

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

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	Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household Equip.	Household operations	Personal care & Health	Recreation & Entertain.	Transportation	Educ-ation	Miscel. goods & services			
2003	3.5	100.0	55.9	6.9	6.4	1.4	8.5	2.1	2.1	2.1	2.1	0.8	9.7	2.6	1.5		
2004	4.2	4.5	2.0	1.5	2.0	5.9	2.5	2.1	1.1	2.9	2.1	2.1	1.2	2.2	2.2		
2005	4.4	5.9	1.6	-0.5	2.3	2.3	4.6	0.2	0.9	0.5	0.5	2.1	1.0	0.6	-0.5		
2006	7.3	7.0	7.6	7.7	-0.5	-0.4	7.7	-1.1	0.5	3.5	-1.5	4.7	4.7	-0.1	-1.4		
2007	7.0	7.0	7.0	10.5	7.0	5.5	8.5	7.8	2.0	11.2	5.0	9.1	9.1	2.5	8.0		
2008	10.3	12.7	6.7	8.2	5.9	3.6	6.2	7.9	8.7	2.9	8.9	7.0	9.7	9.7	0.8		
2007 Mar	7.2	6.3	8.4	11.7	6.5	5.6	7.9	10.6	3.2	5.0	5.5	6.9	9.2	7.0	1.8		
Jun	5.7	4.0	8.1	13.3	7.2	3.9	6.3	9.2	11.0	4.2	7.4	9.2	7.4	11.6	-0.2		
Sep	8.4	10.3	5.8	8.1	5.5	2.2	4.3	6.2	8.9	3.4	10.4	9.6	5.8	10.7	2.1		
Dec	6.9	7.5	5.9	9.1	4.4	2.8	6.2	5.8	4.5	1.9	8.1	7.4	5.7	7.5	0.9		
2008 -Mar	8.9	10.9	5.8	9.9	0.8	2.1	8.4	4.6	3.1	3.4	4.4	9.6	5.5	5.6	1.6		
Jun	9.4	11.4	6.5	7.9	1.1	1.1	11.2	5.2	2.7	3.7	4.1	6.8	6.8	6.3	0.7		
Sep	10.3	11.9	7.8	8.4	1.1	3.0	13.2	6.8	2.2	5.9	5.5	8.5	8.5	7.8	2.2		
Dec	12.5	16.5	6.7	6.4	2.9	2.4	9.9	7.2	4.7	7.1	8.0	6.6	6.6	8.3	2.6		
2007-Jan	7.0	6.7	7.4	11.9	6.1	4.9	4.8	10.3	9.6	2.0	5.6	8.8	8.8	10.0	-1.8		
Feb	7.3	6.2	8.8	11.2	6.3	6.0	9.6	11.0	10.8	0.9	7.5	9.8	9.8	11.8	-0.4		
Mar	7.2	6.1	9.1	11.8	7.2	5.8	3.4	10.4	11.1	7.2	9.2	9.1	9.1	13.0	1.6		
Apr	6.1	4.8	8.2	14.7	6.7	4.3	5.0	10.5	11.8	3.6	9.4	8.3	8.3	11.8	1.9		
May	5.0	2.8	8.4	13.0	7.4	4.2	7.5	8.4	10.1	4.7	9.4	8.0	8.0	10.1	2.0		
Jun	5.9	4.6	7.6	12.3	7.3	3.2	6.4	8.7	10.1	4.2	10.1	5.8	5.8	10.3	2.5		
Jul	9.0	10.3	7.4	10.8	5.5	1.7	7.3	7.6	10.7	4.5	10.6	6.8	6.8	8.6	2.0		
Aug	7.8	9.2	6.0	7.3	6.4	2.1	4.2	6.9	10.8	3.5	10.8	6.5	6.5	8.8	0.0		
Sep	8.3	11.4	4.1	6.2	4.5	2.8	1.4	4.1	6.5	2.2	9.7	4.3	4.3	9.2	-0.8		
Oct	7.1	8.4	5.1	7.0	5.4	2.8	3.8	4.6	5.8	1.6	10.5	5.6	5.6	7.8	0.3		
Nov	7.3	7.5	6.5	10.0	5.2	2.8	6.8	6.6	4.8	2.1	7.6	6.2	6.2	7.8	1.7		
Dec	6.4	6.6	6.1	10.3	2.5	2.8	8.0	6.2	3.0	1.9	6.1	5.4	5.4	6.8	0.8		
2008-Jan	8.6	10.1	6.4	10.4	1.1	2.4	10.1	4.9	3.6	3.7	5.9	5.7	5.7	5.6	2.1		
Feb	8.9	11.4	5.3	10.2	0.3	2.4	6.8	4.1	2.9	3.4	4.0	4.9	4.9	5.6	1.8		
Mar	9.0	11.2	5.8	9.1	1.0	1.7	8.3	4.9	2.9	3.1	3.5	6.0	6.0	5.6	1.0		
Apr	9.7	11.6	6.9	8.6	1.1	2.1	11.3	4.9	2.8	3.3	4.2	7.6	7.6	6.1	1.5		
May	9.1	11.0	6.5	7.5	1.1	2.1	11.7	5.1	2.5	3.9	4.2	6.0	6.0	6.4	0.4		
Jun	9.3	11.4	6.3	7.7	0.9	2.1	10.6	5.5	2.8	4.0	4.0	6.7	6.7	6.3	0.4		
Jul	9.5	11.2	6.8	7.9	1.3	3.5	12.0	5.4	2.0	4.9	4.4	6.0	6.0	7.2	1.8		
Aug	9.8	11.1	7.8	8.6	-0.1	3.1	12.7	6.9	1.1	5.9	5.2	9.9	9.9	7.9	1.5		
Sep	11.6	13.4	8.9	8.8	2.2	2.4	15.0	8.2	3.4	6.9	6.9	9.7	9.7	8.3	3.4		
Oct	11.8	14.6	7.9	8.3	1.8	2.4	12.9	7.9	4	5.9	6.9	7.9	7.9	3.9	3.9		
Nov	12.3	16.3	6.3	5.5	2.5	2.4	8.7	7.0	4.7	7.3	8.3	6.9	6.9	8.5	2.1		
Dec	13.5	18.6	6.0	5.5	4.3	2.4	8.1	6.8	5.4	8.0	8.7	5.1	5.1	8.5	1.9		
2009-Jan	12.9	18.2	4.8	5.4	3.4	12.5	2.6	7.1	4.8	7.7	9.6	4.2	4.2	9.1	3.1		
Feb	13.3	18.6	4.9	5.3	4.6	12.6	2.5	6.9	5.1	7.6	10.9	3.4	3.4	9.9	3.6		
Mar	13.0	18.5	4.3	5.7	4.4	12.6	0.3	7.1	4.7	7.7	10.5	3.2	3.2	11.2	3.5		

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

Source: National Bureau of Statistics

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

Period	Weight (%)	Headline (General Index)										Non-Food									
		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	6.9	6.4	1.4	8.5	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.6	1.5		
2006 Jan	1.0	1.7	-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	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	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	-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	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	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	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	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	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	0.6	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	0.3	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	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	0.7	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	0.0	4.7	1.8	1.4	0.3	1.7	1.1	0.0	0.9								
Mar	0.7	1.2	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	0.7	-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	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	0.5	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	-0.6	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	0.3	0.5	-0.3	0.8	-0.8								
Sep	0.6	1.7	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	1.4	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	2.9	0.1	0.0	0.0	1.0	-0.4	0.4	-0.8	0.4	0.0	0.8								
Dec	1.3	2.0	0.1	-0.8	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	0.0	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	0.1	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	0.0	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	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	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	0.0	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	0.1	-0.3	1.0	1.2	0.4	1.1	0.7								
Aug	-0.7	-1.6	0.7	-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	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	0.8	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	-3.7	0.2	0.3	1.7	0.5	-0.6	0.5	-0.9								
Dec	2.3	4.0	-0.2	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	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	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	0.4	0.0	-0.9	0.2	-0.1	0.3	0.0	0.4	1.5	0.0								

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	2008/2009						Millions of USD		
	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
1. Overall Total Debt Committed²	7,315.7	7,190.5	7,211.1	7,074.4	7,248.7	7,265.7	7,257.8	7,330.3	7,373.0
Disbursed outstanding debt	4,724.4	4,672.4	4,676.4	4,632.4	4,804.8	4,843.7	4,847.2	4,899.8	4,942.5
Undisbursed debt	2,591.4	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. Disbursed Debt by Creditor Category²	4,724.4	4,672.4	4,676.4	4,632.4	4,804.8	4,843.7	4,847.2	4,899.8	4,942.5
Bilateral debt	933.1	929.6	934.8	923.7	930.8	935.7	940.8	923.5	922.1
Multilateral debt	2,858.2	2,819.1	2,821.3	2,806.0	2,976.1	3,009.1	3,004.6	3,055.7	3,094.3
Commercial debt	537.5	529.2	526.5	511.4	506.7	507.4	509.0	528.1	534.1
Export credits	395.6	394.4	393.8	391.4	391.1	391.5	392.8	392.6	392.1
3. Disbursed Debt by Borrower Category²	4,724.4	4,672.4	4,676.4	4,632.4	4,804.8	4,843.7	4,847.2	4,899.8	4,942.5
Central Government	3,818.9	3,774.4	3,780.6	3,747.7	3,927.3	3,968.6	3,968.9	4,002.4	4,040.9
Parastatal Companies	156.3	154.2	153.8	150.4	149.7	148.6	148.4	148.0	148.0
Private Sector	749.2	743.8	742.0	734.4	727.7	726.6	729.9	749.4	753.6
4. Disbursed Debt by Use of Funds²	4,724.4	4,672.4	4,676.4	4,632.4	4,804.8	4,843.7	4,847.2	4,889.8	4,942.5
BOP & Budget Support	1,631.4	1,614.5	1,615.8	1,600.6	1,662.2	1,673.7	1,672.7	1,669.9	1,679.6
Transport & Telecommunication	552.6	546.5	547.0	541.9	560.0	566.6	567.6	586.0	593.0
Agriculture	553.6	547.5	547.9	542.8	563.0	567.5	567.5	554.7	586.4
Energy & Mining	635.5	627.6	628.1	622.2	643.3	650.6	651.0	640.0	645.6
Industries	129.8	128.4	128.5	127.3	134.0	133.1	134.6	130.8	130.9
Social Welfare & Education	546.5	540.5	540.9	535.9	555.8	560.3	559.3	729.2	741.0
Finance and Insurance	71.5	70.7	70.7	70.1	76.7	73.3	73.3	72.3	72.8
Tourism	65.9	65.2	65.2	64.6	65.0	67.6	68.6	66.8	66.8
Others	537.6	531.7	532.2	527.2	544.8	551.2	552.8	440.0	426.5
5. Total Amount of Loans Contracted¹	0.0	1.1	25.7	5.0	153.0	7.3	22.3	-	0.0
Government	0.0	0.0	25.0	0.0	153.0	0.0	-	-	0.0
Parastatal Companies	0.0	0.0	0.0	0.0	0.0	0.0	-	-	0.0
Private	0.0	1.1	0.7	5.0	0.0	7.3	22.3	0.0	0.0
6. Disbursements¹	31.0	33.9	8.2	32.5	168.3	30.8	41.4	14.6	11.3
Government	31.0	33.8	8.2	32.5	168.3	23.6	20.2	14.6	11.3
Parastatal Companies	0.0	0.2	0.0	0.0	0.0	7.2	0.0	-	0.0
Private	0.0	0.0	0.0	0.0	0.0	0.0	21.2	-	0.0
7. Scheduled Debt Service¹	35.9	6.1	10.6	19.1	10.6	62.8	27.7	5.9	9.4
8. Actual Debt Service¹	3.4	3.4	1.7	6.3	3.2	5.6	11.7	0.3	3.8
Principal	1.3	2.9	0.6	2.4	1.6	1.4	7.8	0.1	0.2
Interest	2.1	0.6	1.2	3.9	1.6	4.2	3.9	0.2	3.6
Others	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
9. Net Transfers¹	27.6	30.5	6.5	26.3	165.1	25.2	29.7	14.3	7.5
10. Total Arrears by Creditor Category²	2,507.0	2,483.3	2,500.0	2,500.7	2,509.2	2,611.2	2,629.6	2,607.7	2,607.3
Principal	1,125.4	1,120.4	1,129.7	1,130.2	1,133.4	1,186.7	1,197.9	1,187.7	1,189.9
Bilateral	424.4	422.7	430.6	431.2	437.9	452.0	453.7	443.3	443.0
Multilateral	8.6	8.5	9.1	11.2	9.2	10.4	9.3	8.8	8.9
Commercial	365.2	360.5	359.6	353.3	350.7	378.8	383.9	384.1	385.0
Other Private Creditors	327.2	328.7	330.4	334.6	335.6	345.5	351.1	351.5	352.9
Interest	1,381.6	1,362.9	1,370.3	1,370.6	1,375.8	1,424.5	1,431.7	1,420.0	1,417.4
Bilateral	615.0	610.8	618.1	626.9	634.7	661.8	669.1	656.4	659.5
Multilateral*	0.7	0.8	1.2	1.2	1.1	1.4	4.3	4.2	4.2
Commercial	518.9	506.4	506.5	496.9	488.7	508.8	503.6	504.5	507.9
Other Private Creditors	247.0	244.8	244.5	245.5	251.3	252.6	254.7	254.9	245.8
11. External Debt Stock	6,105.9	6,035.3	6,046.6	6,003.0	6,180.6	6,268.3	6,278.9	6,319.8	6,359.9
12. Domestic Debt Stock	1,697.7	1,743.2	1,710.0	1,506.3	1,710.1	1,506.3	1,474.3	1,488.7	1,465.7
13. Total Debt Stock	7,803.6	7,778.5	7,756.6	7,509.3	7,890.7	7,774.6	7,753.2	7,808.5	7,825.6
End Period Exchange Rate	1,164.1	1,164.7	1,168.9	1,277.9	1,258.7	1,280.3	1,287.0	1,302.5	1,313.7

*Multilateral arrears are those owed by the private companies

1) During the period (2) End of April 2009 cummulative.

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.



Bring your investment into the
ideal growth environment

TANZANIA



**For any enquiries contact:
Director of Economic Policy
Bank of Tanzania, P.O. Box 2939,
Dar es Salaam
Tel: +255 22 2233328/29
<http://www.bot-tz.org>**