



BANK OF TANZANIA



MONTHLY
ECONOMIC
REVIEW

February 2009



Table of Contents

1.0	Inflation Developments	1
2.0	Monetary and Financial Developments	2
	Money Supply	2
	Financial Intermediation	3
	Interest Rates Developments	3
	Financial Markets Developments	4
3.0	Government Budgetary Operations	5
	Revenue Performance	5
	Government Expenditure	5
	Overall Budget Position	6
4.0	External Sector Performance	6
	Current Account Balance	5
	World Commodity Prices	9
5.0	National Debt Developments	10
	External Debt	10
	Domestic Debt	10
6.0	Economic Developments in Zanzibar	12
	Inflation Developments	12
	Fiscal Performance	12
	Debt Developments	13
	External Sector Performance	15
	Exports Performance	15
	Goods Imports	15
	STATISTICAL TABLES	17
	GLOSSARY	28



1.0 Inflation Developments

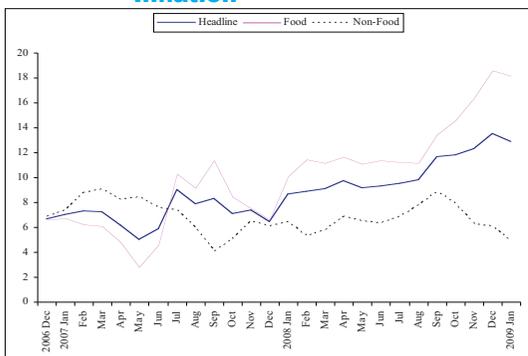
Month-to-month headline inflation accelerated to 2.9 percent in January 2009 from 2.3 percent recorded in December 2008, explained by the increase in food inflation. Using seasonally adjusted indices, the month-to-month headline inflation increased to 2.3 percent in January 2009 from 1.5 percent recorded in December 2008. On the contrary, the annual headline inflation decreased to 12.9 in January 2009 compared to 13.5 percent recorded in December 2008 (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
		Oct	Nov	Dec	Oct	Nov	Dec	Jan
Headline/Overall	100.0	7.1	7.3	6.4	11.8	12.3	13.5	12.9
Food	55.9	8.4	7.5	6.6	14.6	16.3	18.6	18.2
Non-food	44.1	5.1	6.5	6.1	7.9	7.7	6.0	4.8
Transportation	9.7	5.6	6.2	5.4	7.9	6.9	5.1	4.2
Fuel, Power and Water	8.5	3.8	7.0	8.0	12.9	8.7	8.1	2.6
Drinks and Tobacco	6.9	7.0	10.0	10.3	8.3	5.5	5.5	5.4
Clothing & Footwear	6.4	5.4	5.2	2.5	1.8	2.5	4.3	3.4
Education	2.6	7.8	7.8	6.8	7.9	8.5	8.5	9.1
Furniture & Household Equip.	2.1	4.6	6.6	6.2	7.9	7.0	6.8	7.1
H/h Operations Maintenance	2.1	5.8	4.8	3.0	4.0	4.7	5.4	4.8
Personal Care & Health	2.1	1.6	2.1	1.9	5.9	7.3	8.0	7.7
Rents	1.4	2.8	2.8	2.8	2.4	2.4	2.4	12.5
Recreation & Entertainment	0.8	10.5	7.6	6.1	6.9	8.3	8.7	9.6
Misc. Goods & Services	1.5	0.3	1.7	0.8	3.9	2.1	1.9	3.1

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

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



The decrease in annual rate of inflation was mainly due to decrease in prices for food and some non-food items—under fuel, power and water, transportation, and clothing and footwear subgroups. The 12-months average annual headline inflation rose to 10.6 percent in January 2009 from 7.2 percent in the corresponding period a year ago (February 2007 to January 2008).

Month-to-month non-food inflation stagnated at negative 0.2 percent in January 2009; the same rate as recorded in December 2008. However, the annual non-food inflation declined to 4.8 percent in January 2009 compared to 6.0 percent in December 2008. The 12-months annual non-food inflation rate averaged 6.6 percent in January 2009, lower than 7.0 percent in the corresponding period a year before

(February 2007 to January 2008).

Month-to-month food inflation increased to 4.8 percent in January 2009 from 4.0 percent recorded in December 2008, explained by the increase in the prices of cereals and cereal products, starch roots, legumes, vegetables, fruits, fish and meat. However, the annual food inflation decreased to 18.2 percent in January 2009, from 18.6 percent recorded in December 2008. The 12-months annual food inflation rate averaged 13.3 percent in January 2009 which is higher than the rate of 7.3 percent in the corresponding period a year before.

Food Supply

Food supply situation was generally satisfactory throughout the country in January 2009, despite the fact that some areas had started to face food insecurity as indicated in the Rapid Vulnerability Assessment (RVA) report released by the Ministry of Agriculture, Food Security and Cooperatives (MAFC) in September 2008. The report revealed that about 240,544 people countrywide were likely to be food insecure and would need food assistance estimated at 7,182 tons of grains between December 2008 and January 2009. During the period under review the PMO has purchased 773 tons of maize from the NFRA and 1,802.6 tons from private traders to mitigate the arising food shortages

Despite the reported satisfactory food supply, wholesale prices for major food crops continued to increase in January 2009 when compared with the same period a year before (Table 1.2). On month to month basis, the wholesale prices for food crops have also increased albeit at a lower rate mainly due to high transportation costs and low harvest following poor performance of the short rains “vuli rains”.

Table 1.2: National average Wholesale Prices for Selected Food Items

TZS per 100 kg

Item	2008		2009	Percentage change	
	Jan	Dec	Jan	Jan 08 to Jan-09	Dec -08 to Jan-09
Maize	33,452	34,694	36,417	8.9	5.0
Rice	75,926	107,363	110,689	45.8	3.1
Beans	92,190	106,572	113,393	23.0	6.4
Sorghum	33,174	41,799	42,224	27.3	1.0
Potatoes	43,811	46,750	50,581	15.5	8.2

Source: Ministry of Industry, Trade and Marketing

The National Food Reserve

The National Food Reserve Agency (NFRA) purchased 60,315 tons by the end of January 2009 compared to the target of 100,000 tons. However, the national food reserve stock stood at 128,919 tons as at the end of January 2009, down from 129,253 tons recorded in the preceding month (Table 1.3).



Table 1.3: Strategic Grain Reserve (SGR) Stock

Period	Tons					% Change 2007-2008
	2005	2006	2007	2008	2009	
January	119,924	76,813	112,343	139,765	128,919	-7.8
February	116,383	43,593	117,838	133,898		
March	114,760	8,055	121,046	119,022		
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	114,404		
November	106,428	100,828	142,624	122,209		
December	93,051	110,203	142,044	129,253		

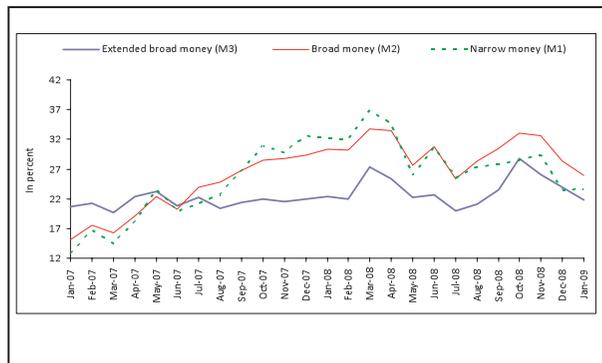
Source: National Food Reserve Agency and BOT computation.

2.0 Monetary and Financial Developments

Money Supply

During the year ending January 2009, extended broad money supply (M3) grew by 21.8 percent, lower than growth rate of 24.0 percent in December 2008, whilst broad money supply (M2) grew by 25.9 percent compared with 28.3 percent recorded in the previous month (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

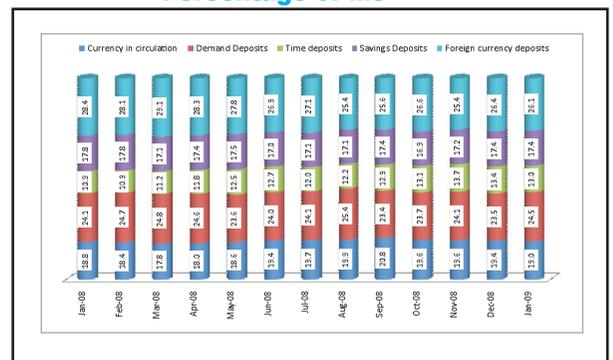
Item	Monthly Stock			Stock			Annual Growth Rate (%)		
	Jan-08	Dec-08	Jan-09	Dec-08	Jan-09	Jan-08	Dec-08	Jan-09	
Extended broad money (M3)	6,076.8	7,430.2	7,404.0	12.0	-26.3	22.3	24.0	21.8	
Broad money (M2)	4,248.4	5,467.2	5,475.6	46.4	6.4	30.4	28.3	25.9	
Currency outside the Banking system	1,140.3	1,438.6	1,407.8	-11.7	-30.8	18.0	23.8	23.5	
Demand deposits	1,464.6	1,744.9	1,814.1	-44.0	69.2	45.9	33.3	23.9	
Time deposits	661.2	993.1	962.9	-19.6	-30.2	33.6	60.6	45.6	
Savings deposits	1,082.3	1,290.6	1,288.8	11.9	-1.8	24.4	21.3	19.1	
Foreign currency deposits	1,728.4	1,965.1	1,930.4	77.5	-32.7	5.9	13.2	11.7	
POD in millions of USD	1,474.9	1,553.7	1,499.9	35.2	-33.4	17.6	0.1	1.7	
Total deposits in the commercial banks	5,216.4	6,390.3	6,424.9	156.1	34.6	23.1	24.1	21.8	
Private sector deposits in DMBs	4,926.6	5,991.7	5,996.2	25.7	4.5	23.4	24.0	21.5	
Government deposits in DMBs	339.8	398.6	428.7	130.4	30.1	19.4	25.7	26.2	
Net Foreign assets of the Banking System	3,627.9	3,997.6	3,863.0	369.1	-134.6	2.4	12.6	6.5	
Bank of Tanzania	3,047.9	3,413.6	3,190.3	295.8	-223.3	23.5	16.5	4.7	
Other Depository Corporations	580.0	584.0	672.7	73.4	88.3	-46.1	-5.7	16.0	
Net domestic assets of the banking system	3,988.1	4,944.9	4,259.2	-557.1	-308.5	50.5	32.4	35.1	
Domestic credit	2,985.1	4,422.4	4,585.7	-134.9	83.3	33.3	51.1	59.9	
Net claims on government	57.7	44.1	150.7	-287.6	106.6	-145.4	-127.2	-361.2	
Claims on government	1,952.7	2,071.0	1,968.8	-185.4	-102.3	25.4	2.9	0.8	
Government deposits	2,010.4	2,016.9	1,818.0	102.2	-208.9	40.6	-6.8	-9.6	
Claims on the private sector	3,042.8	4,378.3	4,555.0	152.6	-22.3	44.1	47.1	42.1	

Source: Bank of Tanzania

Despite the slowdown, the growth rates of both broad money supply aggregates were higher than their respective targets of not more than 20 percent each. The slowdown in the growth of monetary aggregates was predominantly revealed in the slowdown in the rate of growth of net domestic assets as well as net foreign assets of the banking system. These were mainly driven by reduced speed in the growth rate of credit to the private sector and the decline in the net foreign assets of the Bank of Tanzania, which grew, respectively, by 43.1 percent and 0.8 percent in January 2009, compared with the rate of 47.1 percent and 2.9 percent in the preceding month, and 44.1 percent and 25.4 percent in the corresponding month a year earlier. On annual basis, the deceleration in the net foreign assets of the banking system is largely associated with the Bank of Tanzania's sale of foreign exchange to meet the increased demand in the domestic market, and partly due to slowdown in export proceeds following the ongoing global economic and financial turmoil.

On month-to-month basis, M3 decreased by TZS 26.3 billion compared with an increase of TZS 12.0 billion registered in the preceding month, while M2 increased by TZS 6.4 billion compared with a decrease of TZS 65.4 billion in December 2008. The increase in M2 came from demand deposits that increased by TZS 69.2 billion. In January 2009, the components of broad money (M3) reveal that there was a slight shift in the preferences of holding money; this was evident in demand deposit holders that increased to 24.5 percent in January 2009 from 23.5 percent in December 2008. On the contrary, the preference of holding currency in circulations, time deposits and foreign currency deposits dropped in January 2009 compared to December 2008 (Chart 2.2).

Chart 2.2: Components of Money Supply as a Percentage of M3



The preference of holding Savings deposits, however, remained unchanged during the period under review. Despite the decline in the proportion of foreign currency deposits in M3, the component remained a dominant in total money supply.



Financial Intermediation

Private deposit mobilization by other depository corporations (ODCs) remained favourable during January 2009

(Table 2.2).

Table 2.2: Private and Government Deposits in Other Depository Corporations

Billions of TZS

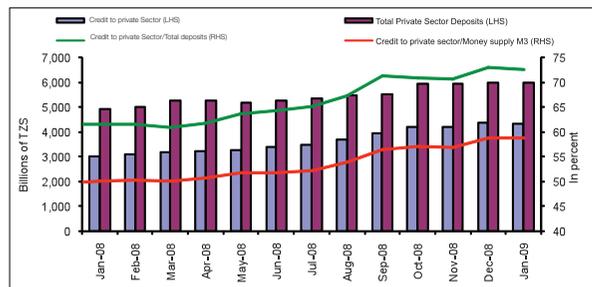
Item	2008												2009
	Jan	Mar	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
Total Deposits	5,216.4	5,611.2	5,516.7	5,610.7	5,740.8	5,781.7	6,205.9	6,284.2	6,390.3	6,424.9			
Government Deposits	339.8	359.1	238.5	245.4	239.3	246.2	262.7	268.2	382.6	428.7			
Government Deposits as % of Total Deposits	6.4	6.0	4.7	4.4	4.2	4.3	4.2	4.3	6.0	6.7			
Private Deposits	4,936.6	5,272.1	5,258.2	5,365.3	5,501.5	5,535.5	5,943.2	5,966.0	5,997.7	5,996.2			
Private Deposits as % of Total Deposits	93.6	94.0	95.3	95.6	95.8	95.7	95.8	95.7	93.8	93.3			
Banks' Credit to the Private Sector	3,042.8	3,211.4	3,387.0	3,497.0	3,707.2	3,945.3	4,218.4	4,225.6	4,378.3	4,355.0			
Credit to the Private Sector as % of Total Deposits	57.7	57.2	61.4	62.3	64.6	68.2	68.0	67.8	68.5	67.8			
Credit to the Private Sector as % of Private Deposits	61.6	60.9	64.4	65.2	67.4	71.3	71.0	70.8	73.1	72.6			
Treasury Securities held by banks	1,566.2	1,687.0	1,475.6	1,438.4	1,361.7	1,471.0	1,538.1	1,665.0	1,501.7	1,397.8			
Treasury bills	1,184.4	1,275.1	1,076.8	1,038.9	979.0	1,051.8	1,119.8	1,217.0	1,049.2	970.4			
Treasury bonds and Notes	381.8	411.9	398.8	399.5	382.6	419.2	418.3	447.9	452.4	427.5			
Treasury Securities as % of Total Deposits	29.7	30.1	26.7	25.6	23.7	25.4	24.8	26.7	23.5	21.8			
Treasury Securities as % of Private Deposits	31.7	32.0	28.1	26.8	24.8	26.6	25.9	27.9	25.1	23.3			

Source: Bank of Tanzania

During the month under review private sector deposits grew at 21.5 percent, compared with the growth rate of 24.0 percent in December 2008 and 23.4 percent registered a year earlier. On a monthly basis, private sector deposits increased moderately by TZS 26.0 billion since December 2008 to a stock of TZS 5,996.2 billion, this accounts for about 93.3 percent of the total deposits (government and private) in the banks. The increase in private sector deposits during January is almost similar to the amount that was registered in the previous month. Meanwhile, central government deposits in the ODCs registered an increase of TZS 30.1 billion to a stock of TZS 428.7 billion in January 2009.

Out of the mobilized private sector deposits, 72.6 percent was extended as credit to the private sector at the end of January 2009, and the balance was invested in other financial assets, mainly Treasury securities. Holdings of government securities accounted for 23.3 percent of private deposits at end January 2009 compared with 25.1 percent recorded in the preceding month. This level represents a considerable reduction from 31.7 percent recorded in January 2008. The decline in holdings of Treasury securities by banks mirrors the sustained strong growth of credit to the private sector. During the year ending January 2009, the growth of credit extended by banks to the private sector remained high at 43 percent though lower than 47 percent that was reported December 2008. On monthly basis, credit to private sector decreased by TZS 23.3 billion in January 2009 to an outstanding stock of TZS 4,355.0 billion compared with an increase of TZS 152.6 billion in December 2008 (Chart 2.3).

Chart 2.3: Total Deposits and Credit of the Banking System



Interest rates Developments

Interest rates on domestic currency denominated financial products exhibited a rising pattern in January 2009. Overall weighted average Treasury bills yield increased from 10.99 percent in December 2008 to 12.53 percent in January. Similarly, 364-day Treasury bills yield rose from 12.79 percent to 15.32 percent in the same period under review. Overnight interbank cash market rate also rose from 6.27 percent to 8.31 percent, partly signalling a relative liquidity tightening in the banking system during the month under review, when compared with the preceding months. Likewise, the overall interbank rate rose up from 6.54 percent in December 2008 to 8.41 percent in January 2009.

In line with the developments in the Treasury securities market, interest rates offered by banks also increased in January 2009. Negotiated deposit rate rose to 10.66 percent in January 2009 compared with 10.23 percent recorded in the preceding month. By contrast, the overall time deposit rate declined moderately from 6.39 percent in December 2008 to an average of 6.24 percent in January, whereas savings deposit rate fell to 2.57 percent from 2.68 percent in December.

Save for the negotiated lending rates, the rates charged by banks exhibited declining trend in the month under review. In January 2009, the overall lending rate decreased from 16.05 percent in December 2008 to 14.85 percent in January, while short-term lending rate decreased from 13.56 percent to 13.32 percent during the same period. As for negotiated lending rate, it increased to 12.97 percent in January 2009 from 11.91 percent recorded in the preceding month (Table 2.3).



Table 2.3: Weighted Average Interest Rates Structure

Item	2008										2009
	Jan	Mar	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	
Overall interbank cash market rate	6.74	4.24	3.61	3.61	3.70	4.32	5.45	5.85	6.54	8.41	
Overnight interbank cash market	6.47	4.11	3.45	3.49	3.64	4.19	5.23	5.51	6.27	8.31	
REPO Rate	6.60	3.82	3.75	3.79	3.76	4.02	4.89	5.32	6.42	7.55	
Discount Rate	15.89	12.39	12.84	14.46	14.47	15.17	15.30	15.33	15.99	17.53	
Overall Treasury bills rate	10.89	7.39	7.84	9.46	9.47	10.17	10.30	10.33	10.99	12.53	
35 days	5.96	5.36	5.03	5.70	5.33	5.78	5.93	6.44	6.88	7.43	
91 days	9.54	5.69	5.76	7.93	8.62	10.36	10.39	10.76	11.20	11.60	
182 days	10.33	7.03	7.63	8.51	10.11	10.53	10.81	11.00	12.13	13.28	
364 days	12.80	9.40	10.00	11.15	11.48	11.56	11.63	11.97	12.79	15.32	
Savings Deposit Rate	2.66	2.64	2.79	2.64	2.61	2.64	2.61	2.63	2.68	2.57	
Treasury Bonds Rates											
2-years	14.97	14.97	12.87	12.87	12.87	13.20	13.20	14.35	14.35	14.35	
5-years	16.81	14.49	14.49	14.49	14.49	14.49	16.39	16.39	16.39	17.32	
7-years	18.15	17.18	17.18	17.04	17.04	17.04	17.04	17.04	17.04	17.04	
10-years	17.68	17.68	17.09	17.09	19.47	19.47	19.47	19.47	19.47	19.47	
Overall Time Deposits Rate	8.16	8.02	6.66	6.58	5.86	6.43	6.22	6.38	6.39	6.24	
12 month time deposit rate	10.10	9.33	8.29	8.17	7.48	8.05	8.20	8.76	8.29	8.54	
Negotiated Deposit Rate	10.72	10.29	10.62	9.26	9.63	10.27	10.11	10.26	10.23	10.66	
Overall Lending rate	15.27	15.15	14.76	15.05	14.83	14.91	14.82	14.30	16.05	14.82	
Short-term lending rate (up to 1 year)	14.17	13.90	13.93	13.35	13.86	14.04	13.27	13.57	13.56	13.32	
Negotiated Lending Rate	11.50	11.82	13.07	11.01	12.18	12.68	13.58	11.96	11.91	12.27	
Margin between short-term lending and one-year time deposit rates	4.07	4.57	5.64	5.18	6.38	6.00	5.07	4.81	5.27	4.78	

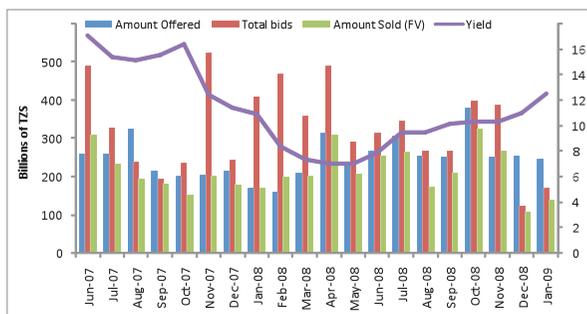
Source: Bank of Tanzania

Financial Markets Developments

Treasury Bills

During January 2009, the market was supplied with Treasury bills worth TZS 246.0 billion compared to TZS 255.2 billion that was supplied in December 2008. Demand for Treasury bills remained low in January 2009, reaching TZS 171.1 billion, but relatively higher than the amount demanded in the preceding month of TZS 121.9 billion. Notwithstanding the low demand, the market was also characterised with outlier bids that led the Bank to intervene and accept Treasury bills with face value of TZS 139.7 billion (or cost value of TZS 131.0 billion). These successful bids accounted for 56.8 percent of the total amount offered by the Bank. During the reviewed period, Treasury bills worth TZS 152.7 billion matured. In line with the market developments, weighted average yields rose across all maturities, with overall weighted average Treasury bills rate reaching an average of 12.53 percent in January 2009 from 10.99 percent registered in the preceding month. These developments are illustrated in [Chart 2.4](#) below.

Chart 2.4: Treasury Bills Market Developments



Source: Bank of Tanzania

Treasury Bonds

In January 2009, 5-year Treasury bond worth TZS 52.0 billion was supplied in the market, compared with TZS 48.0 billion that was offered in October 2008, when the last T-bonds of the same maturity was auctioned. Demand in January was lower at TZS 16.4 billion compared with the demand for 5-year bond in October that stood at TZS 17.5 billion. The under-subscription was mainly due to low appetite of longer maturities portfolio by investors as well as absence of major investors like the pension funds and insurance companies. Due to presence of outlier bids, the Bank accepted bids worth TZS 7.1 billion (or cost value of TZS 5.2 billion). In line with low demand, yields on 5-year Treasury bonds rose to 17.32 percent in January 2009 as compared with the preceding rate of 16.39 percent.

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 the banking system. In January 2009, repurchase agreements amounting to TZS 217.5 billion were conducted against redemption of TZS 255.0 billion. The overall repo rate rose to an average of 7.55 percent January 2009, up from 6.42 percent in December 2008.

Inter-Bank Cash market Developments

During January 2009, Inter-bank cash market transactions among banks amounted to TZS 238.3 billion, as compared with TZS 236.4 billion traded in the preceding month. Overnight transactions decreased slightly in January 2009, but remained dominant compared to other maturities. During the reviewed period overnight transactions amounted to TZS 171.5 billion, equivalent to 72.0 percent of the total interbank cash market transactions in January, followed by 7-day maturity loan worth TZS 19.8 billion (or 8.2 percent of total interbank cash market transactions). In December 2008, overnight transactions amounted to TZS 174.7 billion, which was about 73.9 percent of the total interbank cash transactions, whereas for 7-day maturity loan amounted to TZS 49.6 billion and accounted for 21.0 percent of total interbank cash market transactions. This trend suggests a relatively liquidity tightening among some banks in January compared with December 2008. The tightening of liquidity in the banking system is further revealed by upward trend in overnight interbank market rate since July 2008 where it



was 3.49 percent, rising to 4.19 percent in September 2008 and 5.51 percent in November, 6.27 percent in December and further to 8.31 percent in January 2009. As a result, the overall interbank cash market rate rose to an averaged of 8.41 percent in January 2009 from 6.54 percent in December 2008.

Inter-Bank Foreign Exchange Market

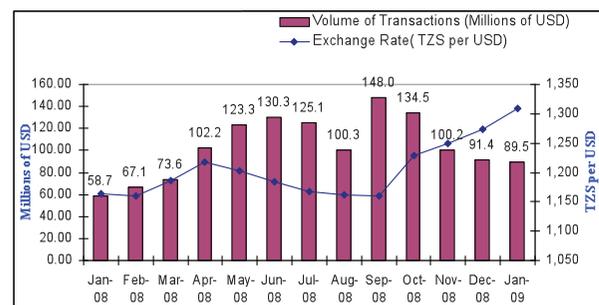
In January 2009, the volume of transactions traded in the Inter-Bank Foreign Exchange Market (IFEM) slightly declined to USD 89.5 million from USD 91.4 million recorded in the previous month. The Bank of Tanzania on net basis supplied the market with foreign exchange amounting to USD 75.2 million, while commercial banks and non-banks purchased USD 70.2 million and USD 5.0 million, respectively. The weighted average exchange rate depreciated slightly to TZS 1,309.7 per USD in January 2009 from TZS 1,273.7 per USD recorded in December 2008 (Table 2.3 and Chart 2.5).

Table 2.3: Inter Bank Foreign Exchange Market Developments

Item	2008		2009 Jan	% Change		Year Ending January		
	Dec	Jan		Dec 08 to Jan 09	Jan 08 to Jan 09	2008	2009	% Change
	Amount offered*	91.40		58.65	89.50	-2.08	52.60	1,167.88	1,285.40	10.06
Amount sold*	91.40	58.65	89.50	-2.08	52.60	1,167.88	1,285.40	10.06
Exchange rate (TZS per US dollar)	1,273.70	1,163.84	1,309.72	2.83	12.53	1,230.20	1,208.46	-1.77

Source: Bank of Tanzania
* Millions of USD

Chart 2.5: Inter-bank Exchange Rate Movement and Transactions



Source: Bank of Tanzania

Transactions in Bureau de Change System

During the period under review, the volume of transactions conducted by Bureau de Change system declined by 16.3 percent to US\$ 55.2 million from the level transacted in the previous month. This development was largely due to the decline in both sales and purchases. Sales went down by

17.9 percent to USD 27.5 million, largely due to the fall in foreign exchange payments for air tickets and medical expenses. Similarly, purchases declined by 14.7 percent to USD 27.7 million mainly on account of the decrease in foreign exchange receipts from tourism (Table 2.4).

Table 2.4: Bureau de Change Operations

Item	2008		2009 Jan	% Change		Year Ending January		
	Dec	Jan		Monthly	Annual	2008	2009	% Change
	Sales*	33.51		32.87	27.53	-17.85	-16.25	416.90	443.45	6.37
Purchases*	32.41	33.55	27.65	-14.69	-17.59	417.95	446.31	6.79
Volume of Transactions*	65.92	66.42	55.18	-16.29	-16.92	834.85	889.76	6.58
Buying rate (TZS per US dollar)	1,286.00	1,144.00	1,338.00	4.04	16.96	1,232.25	1,209.33	-1.86
Selling rate (TZS per US dollar)	1,303.00	1,176.00	1,356.00	4.07	15.31	1,255.58	1,236.01	-1.56

Note: * Millions of USD
Source: Bank of Tanzania

3.0 Government Budgetary Operations

During January 2009, central government budgetary operations before grants registered an overall deficit balance of TZS 356.5 billion. However, after taking into account grants amounting to TZS 123.1 billion, the overall financial position of the Government recorded a deficit of TZS 233.3 billion compared with a surplus of TZS 138.7 billion recorded in the preceding month.

Revenue Performance

Total revenue collected by government during January 2009 amounted to TZS 330.5 billion, which is lower than TZS 426.6 billion collected in the preceding month, but less than its target by TZS 39.2 billion. Out of the total revenue collected, TZS 318.9 billion was tax revenue and TZS 11.6 billion was non-tax revenue. Lower collection was recorded in all major tax categories except taxes on local goods which performed above its target by TZS 1.8 billion. Even collections from non-tax revenue fell short of the projected amount of TZS 21.0 billion by 45 percent.

Government Expenditure

Total operating and development expenditure of the government corresponding to the month under review amounted to TZS 687.0 billion. Out of the total expenditure, TZS 540.6 billion was spent on recurrent activities while development expenditure amounted to TZS 146.4 billion, whereby recurrent expenditure exceeded its target by TZS 144.3 billion.



Overall Budget Position

The overall performance of the government budgetary operations (after considering other adjustments like cash) in the period under review weakened compared with the previous month. Government budgetary operations registered a deficit of TZS 125.4 billion compared with a surplus of TZS 134.5 billion recorded in the previous month. The government financed the deficit on net basis by TZS 102.0 billion using domestic source and TZS 23.5 billion from foreign sources.

4.0 External Sector Performance

Current Account Balance

During the year ending January 2009, the current account deficit widened to USD 2,394.6 million from a deficit of USD 2,057.2 million recorded a year before. This development was largely due to an increase in imports that outweighed the effect of the increase in exports. While imports of goods and services went up by 20.8 percent to USD 8,020.9 million, exports of goods and services increased by 25.6 percent to USD 5,010.6 million. (Table 4.1)

Table 4.1: Current Account Balance

Item	Millions of USD						
	2007		2008		2009p	Year Ending January	
	2007	Jan	Dec	Jan	2008p	2009p	% Change
Goods Account (net)	-203.3	-224.1	-203.7	-265.0	2,857.3	3,754.9	31.4
Exports	181.0	225.2	254.2	185.4	2,068.3	2,690.1	30.1
Imports	384.3	449.3	458.0	450.4	4,925.6	6,445.0	30.8
Services Account (net)	5.7	0.6	38.7	30.7	205.0	744.6	263.1
Receipts	137.5	137.9	173.9	169.0	1,919.4	2,320.5	20.9
Payments	131.8	137.3	135.2	138.3	1,714.4	1,576.0	-8.1
Goods and services (net)	-197.6	-223.4	-192.8	-234.3	2,652.3	3,010.3	13.5
Exports of goods and services	318.5	363.1	428.1	354.4	3,987.7	5,010.6	25.6
Imports of goods and services	516.1	586.6	593.1	588.7	6,640.0	8,020.9	20.8
Income Account (net)	-4.5	-3.5	-7.7	-8.7	-55.6	-31.1	-43.9
Receipts	7.7	16.5	19.9	24.6	108.2	183.8	69.8
Payments	12.2	20.1	27.6	33.2	163.8	214.9	31.2
Current Transfers (net)	32.7	5.3	175.0	70.6	650.6	646.9	-0.6
Inflows	37.7	10.6	181.1	76.3	722.3	727.2	0.7
o/w General Government	30.3	2.3	173.0	67.9	624.3	625.2	0.1
Outflows	5.0	5.3	6.1	5.7	71.7	80.3	12.0
Current Account Balance	-169.4	-221.7	-25.4	-172.3	2,057.2	2,394.6	16.4

Note: P = Provisional

Totals August not add up due to rounding of numbers

Source: Bank of Tanzania



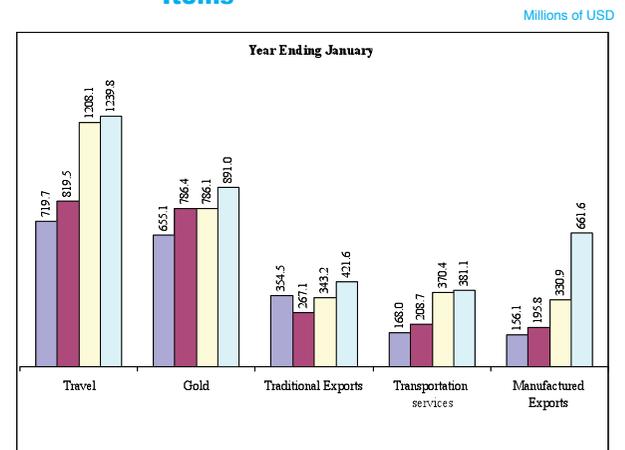
During the month of January 2009, exports of goods and services decreased to USD 354.4 million, compared to USD 428.1 million recorded in the previous month following a fall in exports. Likewise, imports of goods and services recorded

a slight decline to USD 588.7 million from USD 593.1 million. Also, official current transfers declined to USD 67.9 million from USD 173.0 million recorded in the previous month as most of the development partners are nearly completing disbursement of funds as per their commitments for the year 2008/09. It is worth noting as that at the end of January 2009, about 90 percent of total disbursement of program assistance projected by development partners has already been disbursed.

Exports Performance

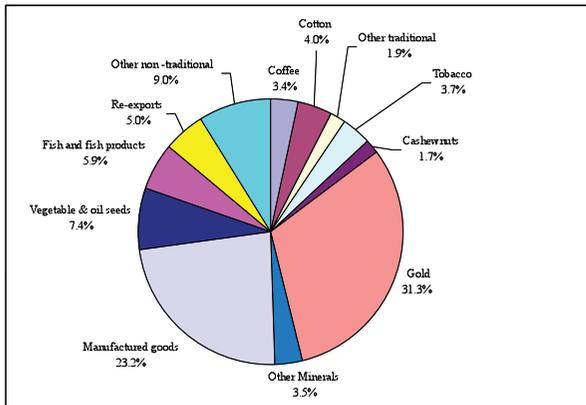
During the year to January 2009, total export of goods and services rose by 25.6 percent to USD 5,010.6 million following an improved performance in goods export, particularly export of manufactured goods. Chart 4.1 summarizes the performance of selected export items during the past four years.

Chart 4.1: Performance of Selected Exports Items



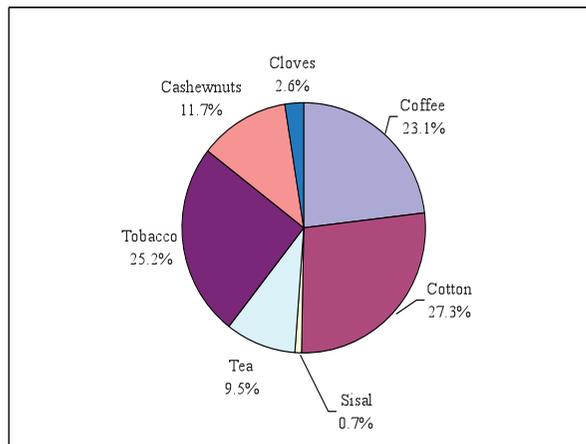
Goods export increased by 30.1 percent to USD 2,690.1 million on account of the improvement in traditional and non-traditional exports. During the review period, traditional and non-traditional exports recorded increases of 22.8 percent and 31.5 percent to USD 421.6 million and USD 2,268.5 million, respectively. Meanwhile, gold continued to dominate, as it accounted for 31.3 percent of total good exports, followed by manufactured goods which accounted for 23.2 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

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



Traditional Exports

In January 2009, the value of traditional exports increased to USD 65.5 million from USD 44.5 million recorded in the previous month, mainly on account of an increase in volume of cashewnuts export. During the month under review, the volume of cashewnuts export increased significantly to 49,960 tons compared to 1,080 tons exported in the previous month. The increase in cashewnuts export volume is largely explained by seasonality factors as the peak export seasons for cashewnut are in the months of November to March. Moreover, there was a delay in export of cashewnuts this season due to uncertainty of market amid the ongoing global economic and financial crisis.

On annual basis, traditional exports increased by 22.8 percent to USD 421.6 million largely due to an increase in export volumes of cloves, cotton and tea following bumper harvest of the crops. During the review period, the volume of cotton exported increased to 86,485 tons from 63,258 tons in the previous year. The bumper harvest in 2008 was largely explained by improved weather condition and efforts taken by the government with regard to timely provision of the required inputs through the Agricultural Sector Development Programme (ASDP). Likewise, cashewnuts recorded an increase in the export volumes to 68,331.0 tons from 64,151.0 tons recorded in the previous year. Moreover, there was an increase in the export unit prices for most the traditional exports in line with the movements of commodity prices in the world markets (Chart 4.3).

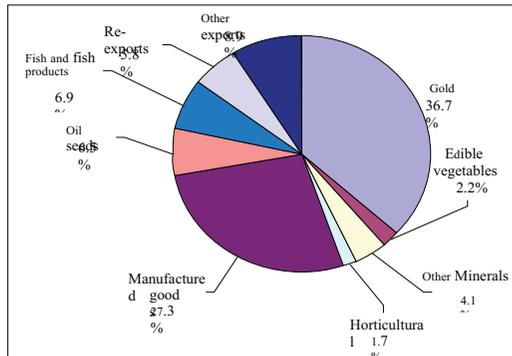
Non-Traditional Exports

During the month under review, non-traditional exports decreased 42.9 percent to USD 119.9 million on account of decrease on manufactured goods and minerals. On yearly basis, non-traditional exports increased by 31.5 percent to USD 2,268.5 million with much of the increase coming from manufactured goods export which went up significantly to USD 661.6 million from USD 330.9 million recorded during the previous year. Some of the manufactured goods that are exported include products of iron and steel, wheat flour, plastic items and electrical equipment. Improvement was also recorded in other exports particularly edible vegetables and fruits. Horticultural exports that mainly consist of cut flowers almost doubled to USD 40.7 million. This development was largely due to the expansion in horticultural production coupled with new investment in flower cutting and seeds. Moreover, there has been more involvement of small farmers engaged in production and export of horticultural in recent period.

Gold exports rose by 13.3 percent to USD 891.0 million following increase in export volumes and gold prices in the world market. While the volumes of gold export went up from 35,473 tons recorded in the corresponding period last year to 37,536 tons, the prices of gold in the world market increased from USD 718.3 per troy ounce recorded last year to USD 868.9 per troy ounce in January 2009. The improvement in gold prices is largely due to the weakening of US dollar against other major currencies. Chart 4.4 depicts the composition of non-traditional exports for the year ending January 2009.



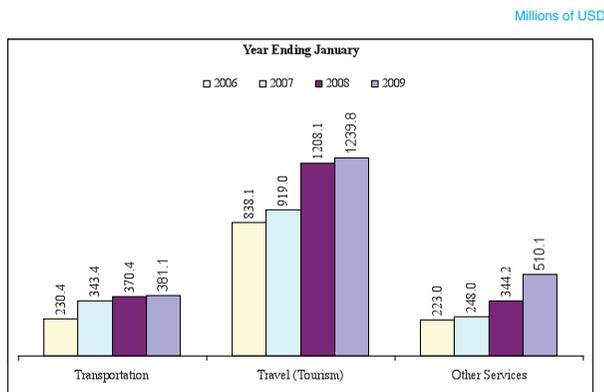
Chart 4.4: Contribution to Total Non Traditional Exports for the Year Ending January 2009



Services Receipt

Services receipt declined by 2.8 percent to USD 169.0 million during January 2009, mainly due to a fall in travel. On annual basis, the services receipt increased by 20.9 percent to USD 2,320.5 million following improvement in travel, freight, communication, insurance, other business and government services receipt. Travel, which accounts for about 60 percent of total services receipt rose to USD 1,463.7 million in the year ending January 2009, compared to USD 1,208.1 million recorded in the corresponding period in 2008. This development is partly a result of the on-going promotional campaigns of Tanzania's in tourist attractions, especially in the United States and England. 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 Tanzania Mainland and Zanzibar. [Chart 4.5](#) depicts performance of the main services export during the past four years.

Chart 4.5: Service Receipts 2005 – 2008



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



Imports Performance

During the month under review, imports of goods declined slightly to USD 450.4 million from USD 458.0 million. Importation of intermediate and consumer goods went down to USD 120.2 million and USD 104.9 million, respectively. While the imports of intermediate goods are explained by the drop in oil imports, the decline in consumer goods is explained by the fall in prices of food and food stuffs. The development was largely owing to correction for energy and food prices in the world markets. Conversely, importation of capital goods rose by 5.6 percent to USD 225.4 million following an increase in imports of machinery ([Table 4.2](#)).

Table 4.2: Imports

Millions of USD

Item	2008 ^P		2009	% Change		Year Ending January		% Change
	Jan	Dec		Jan 08 - Jan 09	Dec 08 - Jan 09	2008	2009	
Capital Goods	162.4	213.4	225.4	38.8	5.6	1,794.7	2,713.4	51.2
Transport Equipments	52.1	67.9	66.1	26.7	-2.7	503.0	802.3	59.5
Building and Constructions	46.7	56.4	54.9	17.5	-2.6	435.1	628.1	44.4
Machinery	63.6	89.1	104.4	64.2	17.1	856.6	1,283.0	49.8
Intermediate Goods	191.4	129.1	120.2	-37.2	-6.9	2,002.8	2,448.8	22.3
Oil imports	135.0	76.5	61.4	-54.5	-19.8	1,488.0	1,765.6	18.7
Fertilizers	3.4	9.9	17.7	428.4	79.1	61.2	164.8	--
Industrial raw materials	53.1	42.7	41.1	-22.6	-3.8	453.5	518.4	14.3
Consumer Goods	95.4	115.5	104.9	9.9	-9.2	1,128.2	1,282.7	13.7
Food and food stuffs	20.8	26.2	22.2	6.6	-15.1	303.2	292.5	-3.5
All other consumer goods ¹	74.6	89.3	82.7	10.8	-7.4	825.0	990.2	20.0
Grand Total (f.o.b)	449.3	458.0	450.4	0.25	-1.7	4,925.6	6,445.0	30.8
Grand Total (c.i.f)	493.7	503.3	495.0	0.25	-1.7	5,412.7	7,082.4	30.8

Note:

Oil imports refers to refined petroleum products

P = provisional data

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

Totals August not ad up due to rounding of numbers

Source: Bank of Tanzania and Tanzania Revenue Authority

Food Imports

In January 2009, the total value of cereal imports decreased to USD 12.0 million mainly due to a declined in the value of imported rice to USD 0.3 million owing to the decrease in the volume of imported rice. [Table 4.3](#) summarizes import of selected cereals during the last four months of the year.

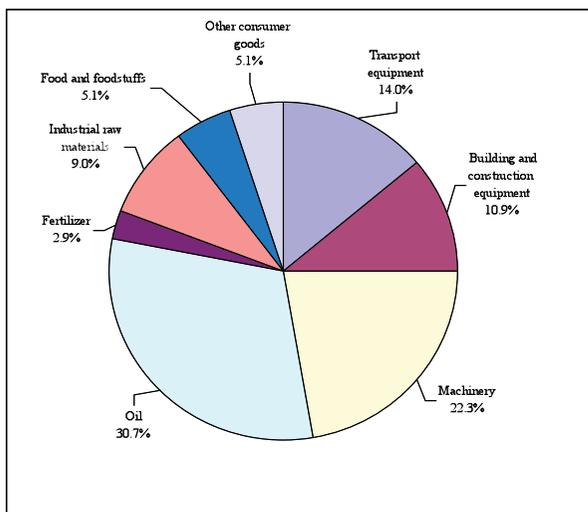
Table 4.3: Summary of Selected Food Imports

Descriptions	2008			2009	% Change Dec 08 to Jan 09
	Oct	Nov	Dec		
Maize					
Tons	240.9	735.3	724.5	863.7	19.2
Value (Mill. USD)	0.3	0.9	1.0	1.3	27.5
Rice					
Tons	2,098.4	6,199.2	19,593.5	716.9	-96.3
Value (Mill. USD)	0.9	0.8	8.7	0.3	-96.9
Wheat					
Tons	103,483.4	32,254.0	25,860.9	41,259.7	59.5
Value (Mill. USD)	43.0	11.7	7.4	10.4	40.1
Total Tons	105,822.7	39,188.5	46,178.9	42,840.2	17.8
Total Value (Mill. USD)	44.2	13.4	17.1	12.0	28.0

Source: Tanzania Revenue Authority

On annual basis, imports of goods went up by 30.8 percent to USD 6,445.0 million. Importation of capital goods increased from USD 1,794.7 million in the previous year to USD 2,713.4 million, in line with the growth of activities in the construction, communication and manufacturing sectors. Similarly, the value of imported intermediate goods rose by 22.3 percent to USD 2,448.8 million largely, driven largely by a substantial increase in imported of fertilizer. Likewise, consumer goods import increased by 13.7 percent to USD 1,282.7 million on account of a rise in importation of consumer goods such as pharmaceutical products, plastic items and paper products. During the past four years, capital goods dominated the total imports followed by intermediate goods (Chart 4.6).

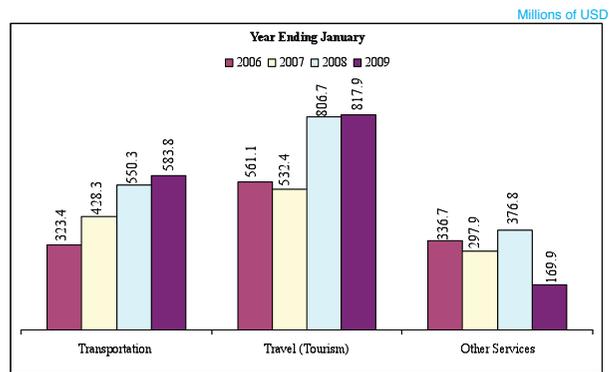
Chart 4.6: Contribution to Total Imports for the Year Ending January 2009



Services Payments

During the review month, services payment went up by 2.3 percent to USD 138.3 million on account of the increase in payments of construction, other business and government services. On annual basis, services payment decreased by 8.1 percent to USD 1,576.0 million, largely due to decline in payments of financial, other business and government services. The performance of the major service payment categories in the past four years is illustrated on Chart 4.7.

Chart 4.7: Service Payments, 2006 - 2009



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

World Commodity Prices

In January 2009, the world market prices of most of the agricultural and non-agricultural commodities recorded increases with the exception of Robusta coffee and sisal, whose prices remained unchanged at USD 1.82 per kg and USD 1,213.0 per metric ton, respectively. The increase in the price Arabica coffee was largely due to reduced coffee output in Colombia and Central America, owing to unfavourable weather condition. Likewise, prices of cloves, tea (Average price) and (Mombassa Auction) increased substantially, whereas the prices of cotton increased slightly as shown in Table 4.4. The rise in tea prices was partly attributable to a strong demand from China and the European Countries. The increase in the price of cloves was also largely due to increased demand from Europe, Far East and U.S.

During the month under review, the average prices of crude oil (UK Brent), Dubai (f.o.b) and white products recorded notable increases to USD 43.9 per barrel, USD 45.0 per barrel and USD 454.0 per ton, respectively (Table 4.4). The development was partly on account of a drop in production of oil as OPEC member countries implemented supply cuts announced in December 2008 to offset the effect of a decline in demand amid the recession in the major advanced economies. Moreover, a dispute between Russia, the world's largest non-OPEC member and Ukraine over the natural gas supplies added additional pressure on oil prices. Similarly, the price of gold increased by 5.3 percent to USD 859.0 per troy ounce largely due to the depreciation of the US dollar against other major currencies.

On annual basis, all commodities recorded increases in their prices. The notable increase in the price of coffee emanated from a decline in the global coffee supply and a drop in coffee output from Brazil and Vietnam as a result of unfavourable



weather condition. Likewise, the prices of **cotton** “A Index” and “Memphis” rose largely due to expectation of a shortfall in the cotton production in 2007/08 following unfavourable weather condition in the major cotton producing countries such as China. Meanwhile, the increase of **tea** (Average price and Mombassa auction) was partly on account of disruption in tea production and trading in Kenya following the post election violence during the end of 2007 and the first quarter of 2008. The oil prices rose significantly as shown in the table below following supply disruptions in the major oil exporting countries in the Middle East and Nigeria. As for **gold**, the price increased by 21.0 percent to USD 869.2 per troy ounce largely driven by a strong investment demand following the weakening of U.S dollar and instability in the global financial markets.

Table 4.4: World Commodity Prices

Commodity	Units	2008		2009	% Change	Year ending January		
		Nov	Dec	Jan		2008	2009	% Change
Robusta Coffee	USD per kg	2.00	1.82	1.82	0.00	1.95	2.29	17.64
Arabica Coffee	USD per kg	2.69	2.62	2.83	8.02	2.75	3.06	11.17
Tea (Average price)	USD per kg	1.97	1.93	2.19	13.47	2.08	2.41	15.44
Tea (Mombasa auction)	USD per kg	1.73	1.77	2.19	23.73	1.70	2.22	30.46
Cotton, "A Index"	USD per kg	1.21	1.22	1.26	3.28	1.42	1.54	8.56
Cotton, Memphis"	USD per kg	1.24	1.31	1.35	3.05	1.45	1.61	10.97
Sisal (UG)	USD per metric ton	1,213.00	1,213.00	1,213.00	0.00	974.17	1180.50	21.18
Cloves	USD per metric ton	3600.00	3200.00	3500.00	9.38	3,552.28	4369.79	23.01
Crude oil*	USD per barrel	53.97	41.34	43.86	6.10	74.22	93.09	25.43
Crude oil**	USD per barrel	51.38	41.00	44.97	9.68	71.30	90.26	26.59
White products***	USD per ton	551.32	430.54	454.01	5.45	699.65	886.61	26.72
Jet/Kerosine	USD per ton	617.4	465.93	474.93	1.93	714.49	955.46	33.73
Premium Gasoline	USD per ton	433.55	343.36	404.94	17.93	712.66	792.55	11.21
Heat Oil	USD per ton	603	482.33	482.15	-0.04	671.81	911.83	35.73
Gold	USD per troy ounce	760.90	816.10	858.70	5.22	718.34	868.85	20.95

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

** f. o. b. Dubai

*** f.o.b. West Mediterranean

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

5.0 National Debt Developments

The national debt stock stood at USD 7,772.6 million as at end of December 2008, from USD 7,752.3 million reported as at end of November, 2008. The increase was mainly on account of accumulated principal and interest arrears. Out of the total debt stock, external debt accounted for 80.6 percent while domestic debt accounted for 19.4 percent.

External Debt

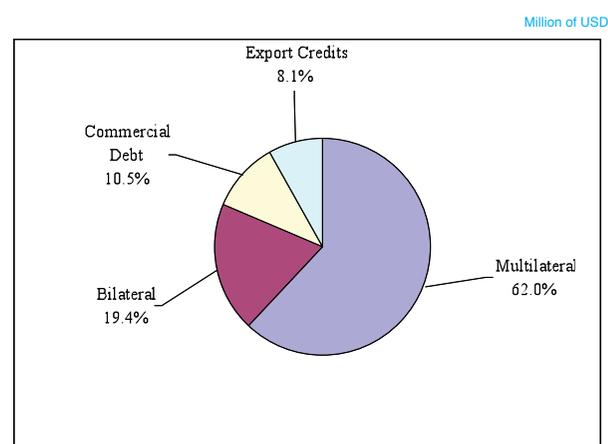
At the end of January 2009, the external debt stock amounted to USD 6,278.9 million as compared to USD 6,268.3 million registered at the end of previous month. The increase was mainly on account of new disbursements and accumulation of arrears. Out of the external debt stock, USD 4,847.2 million (79.2 percent) was disbursed outstanding debt and the remaining balance of USD 1,431.7 was interest arrears.



The profile of disbursed outstanding debt reveals that the Central Government was the largest borrower with debt amounting to USD 3,968.9 million (81.9 percent) followed by private companies with USD 729.9 million (15.1 percent). Debt owed to parastatal companies was USD 148.4 million, equivalent to 3.1 percent of DOD.

Multilateral institutions remained the leading creditors by holding USD 3,004.6 million (62.0 percent) of the DOD, while the amount of DOD owed to bilateral creditors stood at USD 940.8 million (19.4 percent). The remaining debt amounting to USD 509.0 million and USD 392.8 million were owed to commercial and export creditors respectively, (Chart 5.1).

Chart 5.1: Disbursed Outstanding Debt by Creditor Category



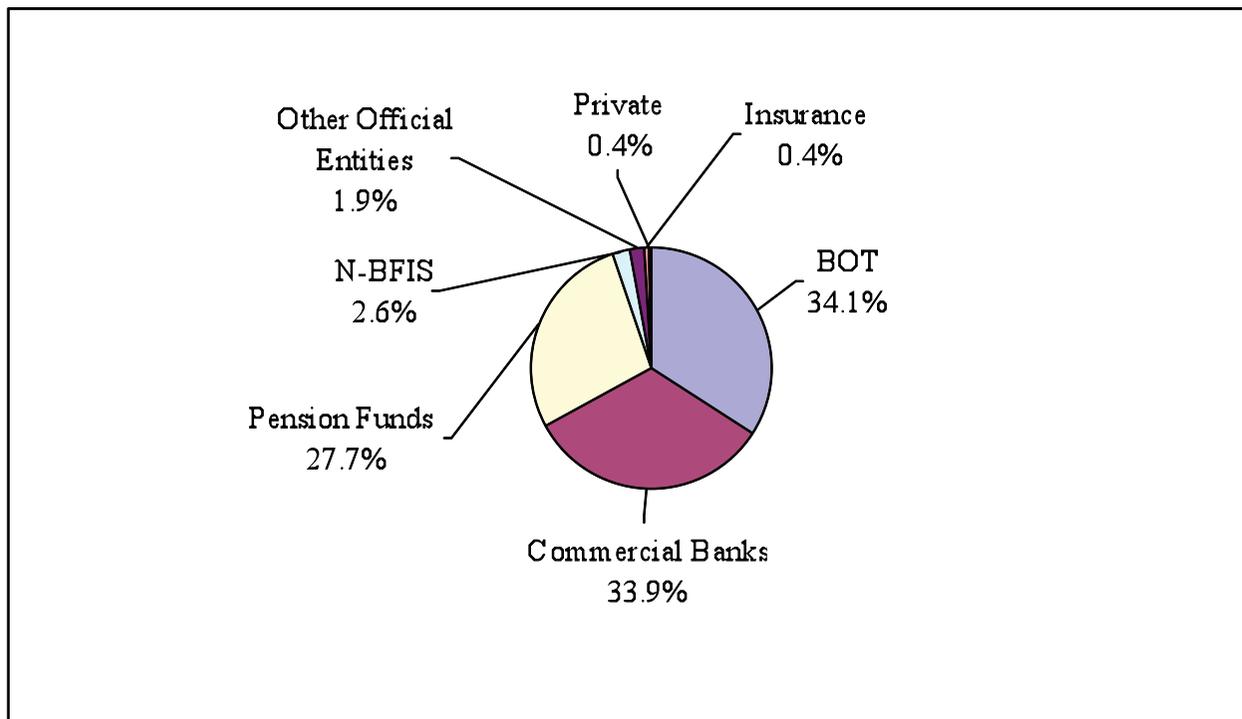
During the month under review new loans contracted and recorded amounted to USD 1.0 million while new disbursements amounted to USD 13.6 million. Actual external debt service amounted to USD 11.7 million, out of which USD 7.8 million was principal repayments and USD 3.9 million interest payment

Domestic Debt

Domestic debt stock decreased by TZS 28.5 billion (1.5 percent) to TZS 1,897.5 billion from TZS 1, 925.9 billion registered at the end of preceding month. The decrease was mainly due to maturity of Government bonds. 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 Bank of Tanzania is the leading creditor to the Government by holding 34.1 percent of total domestic debt followed by commercial banks holding 32.9 percent of the total domestic debt. Other creditors are Pension Funds, Non-Bank Financial Institutions (N-BFIs) and other official entities, holding 27.7 percent, 2.6 percent and 1.9 percent respectively. The remaining portion of 0.8 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 98.8 billion fell due for payment. Out of this, principal amounting to TZS 62.3 billion was rolled over and interest amounting to TZS 36.5 billion was paid out of government revenue.



6.0 Economic Developments in Zanzibar

Inflation Developments

The Annual Headline Inflation rate for the year ended January 2009 declined to 20.6 percent from 22.1 percent in December 2008. The decline in inflation during the period under review was attributed by deceleration of both food and non-food inflation. Food inflation decreased to 22.5 percent from 23.9 percent recorded in the year ended December 2008, while non-food inflation dropped to 18.8 percent from 20.3 percent recorded in December 2008. The downward inflation trend since October 2008 is mainly associated to a sharp decline in world food and fuel prices. On contrary, the month-to-month headline inflation surged to 1.1 percent from negative 1.3 percent in December 2008, on account of increased month-to-month food and non-food inflation (Table 6.1 and Chart 6.1).

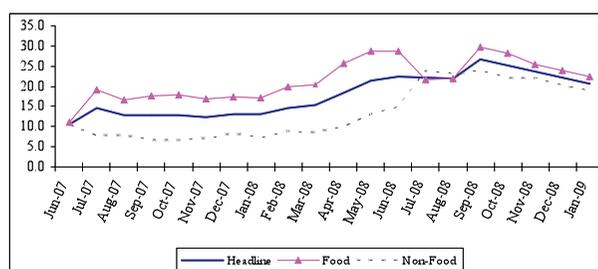
Table 6.1: Annual Percentage Change in Consumer Price Index (CPI)

Base: Dec.2005=100

Major commodity group	Weights (%)	2006		2007				2008			2009
		Dec	Jan	Nov	Dec	Jan	Nov	Dec	Jan		
Headline/Overall	100	11.4	13.4	12.4	13.2	13.1	23.7	22.1	20.6		
Food	57.4	11.6	14.1	16.9	17.4	17.0	25.5	23.9	22.5		
Non-Food	42.6	11.5	12.6	7.0	8.3	7.2	22.1	20.3	18.8		
Alcoholic beverages, tobacco & narcotics	0.6	23.6	23.6	3.2	0.6	0.6	16.4	19.2	19.5		
Clothing and footwear	6.2	5.2	7.6	5.5	6.4	6.9	10.2	10.4	7.7		
Housing, water, electricity, gas and other fuels	15.6	12.8	14.3	4.1	4.8	3.7	36.6	34.1	31.6		
Furnishing, household equipment and routine household maintenance	5.3	8.7	9.9	11.0	12.5	11.6	12.8	11.6	12.9		
Health	2.1	10.2	11.5	13.5	13.7	18.4	16.4	16.2	12.3		
Transport	3.4	29.1	29.7	6.0	5.7	5.5	23.2	22.7	18.9		
Communication	2.4	-3.9	-3.9	-4.5	-0.7	-2.2	-0.9	-1.6	-0.1		
Recreation and culture	0.4	12.7	11.7	12.6	13.1	16.1	5.2	5.2	2.5		
Education	1.1	1.2	13.4	12.1	12.0	5.0	8.7	8.7	3.5		
Restaurants and hotels	3.1	15.8	21.5	32.0	42.8	32.4	15.4	8.3	18.0		
Miscellaneous goods & services	2.4	11.1	0.0	-7.7	-10.0	13.2	21.3	21.9	9.3		

Source: Office of Chief Government Statistician (OCGS)

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



Source: Office of Chief Government Statistician (OCGS)

Annual food inflation eased to 22.5 percent during the year ended January 2009, from 23.9 percent recorded in December 2008. The deceleration in food inflation was more attributed to decline in prices of imported rice, locally

known as "Mapembe" which accounts for 20.8 percent weight of total Consumer Price Index (CPI). The completion of port rehabilitation has also reduced upward pressure on transportation costs for imported consumer goods which were previously shipped from Dar es Salaam and Mombasa ports. The month-to-month food inflation increased to 1.8 percent in January 2009 compared with negative 2.1 percent registered in December 2008, mainly on account of increased prices of fish and maize flour.

Annual non-food inflation declined to 18.8 percent, from 20.3 percent recorded in the year ended December 2008, on the back of decreased pump prices for petroleum products. The month-to-month non-food inflation increased to 0.1 percent from negative 0.4 percent in December 2008, attributed more by increased prices of items under Furnishing, Household equipment and Health sub-groups.

Fiscal Performance

The government budgetary operations as at end January 2009, registered a budget deficit on cheques cleared basis of TZS 0.2 billion, compared with a deficit of TZS 2.6 billion recorded in the previous month. Total resources amounted to TZS 22.9 billion, above the target of TZS 19.5 billion by 17.4 percent. Domestic sources contributed TZS 13.6 billion, accounting for 59.4 percent of total resources, while foreign grants amounted to TZS 9.3 billion, or 40.6 percent of the total resources. Total expenditure during the reporting month amounted to TZS 17.0 billion, above the target of TZS 16.0 billion by 6.3 percent, but below TZS 23.3 billion spent in the preceding month. The budget deficit was exclusively financed by foreign sources.

Revenue

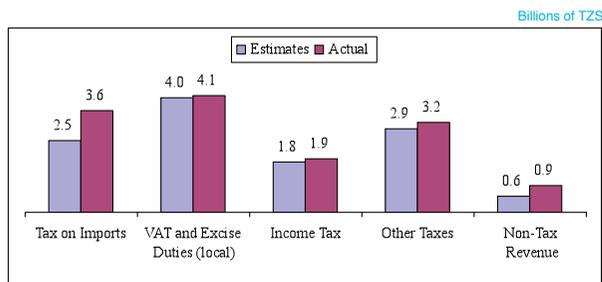
Revenue realized during the reporting month amounted to TZS 13.6 billion, above the target of TZS 11.7 billion, on account of improved collection in all revenue categories. Specifically; tax revenue reached TZS 12.6 billion, exceeding the target of TZS 11.2 billion by 12.5 percent, and accounted for 92.6 percent of the total revenue collection in January 2009. The over performance of tax revenue was associated with the increase of imports and tourist activities coupled with the improved tax collection efforts by the Tanzania Revenue Authority (TRA) and the Zanzibar Revenue Board (ZRB). Non-tax revenue sources amounted to TZS 0.9 billion, exceeding the monthly target of TZS 0.6 billion by 50.0 percent, and accounted for 6.6 percent of total revenue collection.

Revenue performance by category shows that, local VAT and excise duty collections amounted to TZS 4.1 billion, slightly



exceeding the target of TZS 4.0 billion, and accounted for 32.5 percent of the tax revenue or 30.1 percent of the total revenue. Tax on imports amounted to TZS 3.6 billion, above the target of TZS 2.5 billion, and accounted for 28.6 percent of tax revenue. Income tax collections amounted to TZS 1.9 billion; above the target of TZS 1.8 billion. Other taxes reached TZS 3.2 billion, above the target of TZS 2.9 billion (Chart 6. 2).

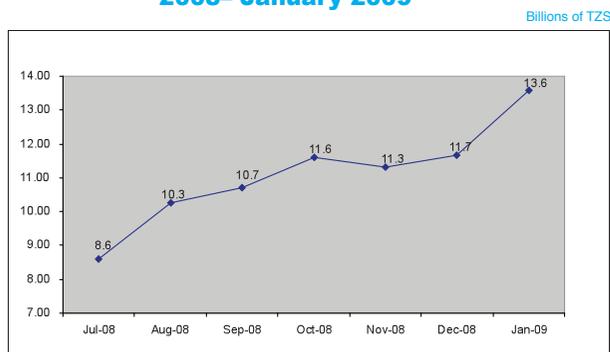
Chart 6.2: Government Revenue by Source – January 2009



Source: Ministry of Finance and Economic Affairs, Zanzibar.

Cumulatively from July - January 2009, the Government revenue reached TZS 77.7 billion, compared to the target of TZS 79.1 billion, and accounted for 57.9 percent of the annual target of TZS 134.2 billion (Chart 6.3).

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



Source: Ministry of Finance and Economic Affairs, Zanzibar

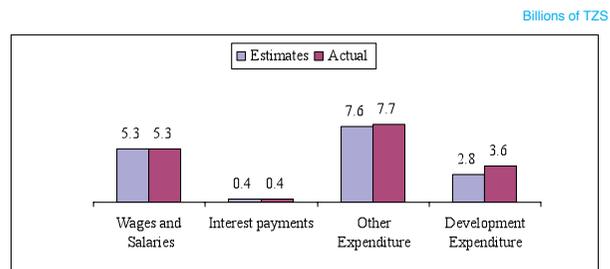
Expenditure

Total government expenditure reached TZS 17.0 billion during the month of January 2009, and was above the target of TZS 16.0 billion by 6.3 percent. The increase in expenditure was mainly on account of donor funded development expenditure. Recurrent expenditure amounted to TZS 13.4 billion, representing 78.8 percent of total expenditure, while development expenditure amounted to TZS 3.6 billion, accounting for 21.2 percent of total expenditure.

Assessment of the recurrent expenditure revealed that; wages and salaries amounted to TZS 5.3 billion, the same as target and accounted for 39.6 percent of the recurrent

expenditure or 31.2 percent of the total expenditure. Other charges expenditure on amounted to TZS 7.7 billion, slightly above the target of TZS 7.6 billion, and accounted for 57.5 percent of the recurrent expenditure, or 45.3 percent of the total expenditure (Chart 6.4).

Chart 6.4: Government Expenditure by Components – January 2009



Source: Ministry of Finance and Economic Affairs, Zanzibar

Development expenditure amounted to TZS 3.6 billion, compared with the target of TZS 2.8 billion. Out of this amount, Government contributions amounted to TZS 1.7 billion below the target of TZS 1.8 billion and accounted for 48.5 percent of the total development expenditure. Donor funds reached TZS 1.8 billion, accounting for 51.5 percent of the total development expenditure.

Cumulatively from July - January 2009, Government expenditure amounted to TZS 114.9 billion, compared to the target of TZS 123.6 billion, and accounted for 33.6 percent of the annual target of TZS 341.7 billion.

Debt Developments

As at end of January 2009, Zanzibar total public debt reached TZS 137.9 billion (US\$ 108.2 million) from TZS 140.7 billion (US\$ 109.9 million) recorded in December 2008. Out of the total debt, external debt amounted to TZS 79.0 billion (US\$ 62.0 million), equivalent to 57.3 percent, of the total debt, while domestic debt was TZS 58.9 billion (US\$ 47.2 million), or 42.7 percent of total debt. During the reporting month, debt to GDP ratio stood at 23.4 percent compared to 24.0 percent registered at end December 2008.

Domestic Debt

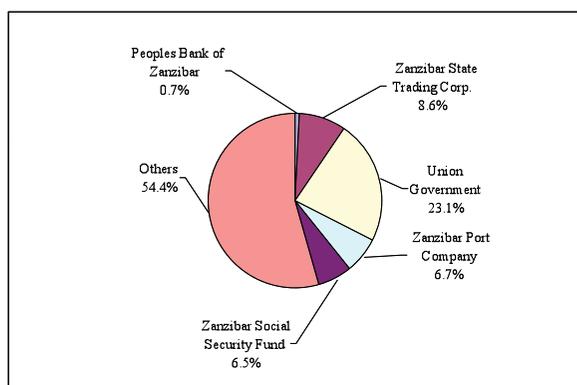
During the period under review, domestic debt amounted to TZS 58.9 billion, compared to TZS 60.5 billion registered in the preceding month. The slight decline in the domestic debt was associated with servicing of matured Zanzibar Social Security Fund (ZSSF) Government Stock, in addition to partial repayment of gratuities and suppliers' claims.



Domestic Debt by Creditors

Debt owed to government suppliers and pensioners amounted to TZS 32.0 billion, representing 54.4 percent of the total domestic debt, the Union Government debt stood at TZS 13.6 billion, and accounted for 23.1 percent of the domestic debt. Zanzibar State Trading Corporation (ZSTC) and (ZSSF) debts amounted to TZS 5.1 billion and TZS 3.8 billion, equivalent to 8.6 percent and 6.5 percent of total domestic debt, respectively. Zanzibar Port Corporation (ZPC) debt stood at TZS 3.9 billion, and accounted for 6.7 percent of domestic debt, while claims due to Peoples Bank of Zanzibar (PBZ), amounted to TZS 0.4 billion, or to 0.7 percent of domestic debt (Chart 6. 5).

Chart 6.5: Domestic Debt by Creditor as at End – January 2009



Source: Ministry of Finance and Economic Affairs-Zanzibar

Domestic Debt by Maturity

Classification of domestic debt by maturity reveals that debt with “undetermined maturity” (predominantly gratuity and supplier’s claims), amounted to TZS 32.7billion and represented 55.6 percent of domestic debt, while debt maturing between 2–5 years was TZS 20.2 billion, equivalent to 34.3 percent of domestic debt. Debt maturing in less than a year amounted to TZS 6.0 billion or 10.2 percent of the total domestic debt.

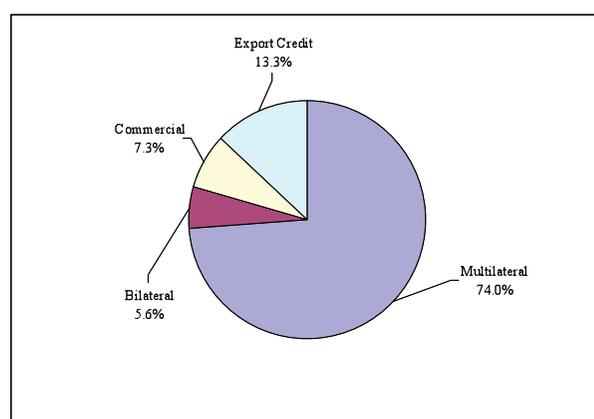
External Debt

Total external debt as at end January 2009, amounted to TZS 79.0 billion (US\$ 62.0 million) compared to TZS 80.1 billion (US\$ 62.6 million), reported in the preceding month. Out of this stock debt guaranteed by the Union Government stood at US\$ 46.5 million, accounting for 75.0 percent of the external debt, while non-guaranteed debt amounted to US\$ 15.5 million, or 25.0 percent of total external debt.

External Debt by Creditor Category

During the month under review, debt due to multilateral creditors amounted to US\$ 45.8 million (TZS 58.4 billion), representing to 74.0 percent of the total external debt. Bilateral creditors stood at US\$ 3.5 million (TZS 4.4 billion), and represented 5.6 percent of total external debt. Commercial debt amounted to US\$ 4.5 million (TZS 5.8 billion), accounting for 7.3 percent of external debt while export credit amounted to US\$ 8.1 million (TZS 10.4 billion), accounting for 13.1 percent of total external debt (Chart 6. 6).

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



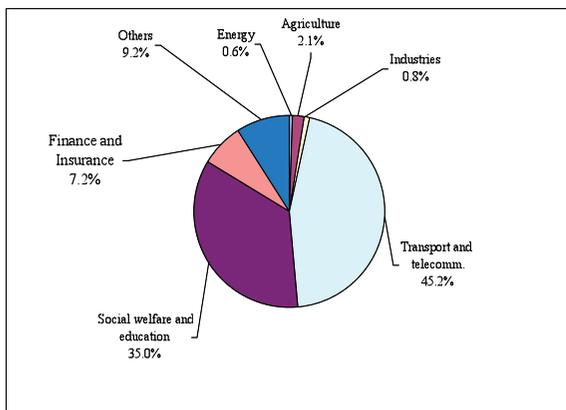
Source: Ministry of Finance and Economic Affairs-Zanzibar

External Debt - Disbursements by End Use

At the end of January 2009, transport and telecommunications sectors absorbed the larger portion of external debt to the tune of US\$ 28.0 million or 45.2 percent. Social welfare and education sectors received US\$ 21.6 million, equivalent to 34.9 percent. Finance & Insurance sector obtained US\$ 4.5 million or 7.3 percent, while agriculture and energy sectors remained with US\$ 1.3 million and US\$ 0.4 million, accounting for 2.1 percent and 0.6 percent of total disbursements, respectively. Industrial sector received US\$ 0.5 million or 0.8 percent, while other sectors had US\$ 5.7 million, equivalent to 9.3 percent of external debt (Chart 6.7).



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



Source: Ministry of Finance and Economic Affairs-Zanzibar

External Sector Performance

Current Account

As at end of January 2009 current account, posted a surplus of US\$ 10.4 million compared to a surplus of US\$ 6.1 million recorded in the previous month; largely influenced by increased receipt of donor inflows. Trade account recorded a surplus of US\$ 0.10 million almost the same with a surplus of US\$ 0.11 million recorded in the preceding month.

On year to year basis, the current account registered a surplus of US\$ 75.7 million compared to a surplus of US\$ 108.9 million for the corresponding period in 2008. This was mainly due to a fall in foreign grants inflows coupled with a surge in service payments. Trade account surplus amounted to US\$ 1.28 million almost at the same level of US\$ 1.29 million posted during the corresponding period in 2008 (Table 6.2).

Table 6.2: Zanzibar Current Account Balance

Millions of US\$

Item	2008		2009p		Year Ending January		%Change	
	Jan	Dec	Jan	2008	2009p	Monthly	Annual	
Goods Account (net)	0.48	0.11	0.10	1.29	1.28	-9.10	-0.80	
Exports	5.34	1.18	1.10	14.37	14.26	-8.30	-0.80	
Imports (fob)	4.86	1.07	1.00	13.08	12.97	-9.10	-0.80	
Services Account (net)	2.21	3.82	3.27	38.53	33.50	-13.20	-13.05	
Receipts	4.90	8.26	7.97	86.88	92.41	-3.55	6.30	
Payments	2.69	4.44	4.69	48.35	58.91	6.80	21.70	
Goods and Services (net)	2.69	3.93	3.37	39.82	34.78	-12.80	-12.60	
Exports of Goods and Services	10.24	9.44	9.06	101.25	106.67	-3.20	5.35	
Imports of Goods and Services	7.55	5.51	5.69	61.43	71.88	3.60	17.10	
Income Account (net)	-0.04	0.00	-0.24	-0.19	-1.49		699.04	
Receipts	0.02	0.04	0.03	0.11	0.36	-25.00	300.00	
Payments	0.06	0.04	0.28	0.30	1.86	600.00	633.30	
Current Transfers (net)	0.06	2.19	7.27	69.30	42.41	231.16	-38.80	
Inflows	5.96	2.19	7.27	69.30	42.41	231.16	-38.80	
Outflows	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Current Account Balance	2.71	6.12	10.40	108.93	75.70	70.50	-30.50	

Source: Tanzania Revenue Authority and BOT computations.

Exports Performance

Exports of goods and services in the period under review amounted to US\$ 9.1 million a decline of 3.2 percent from US\$ 9.4 million posted in the previous month, following decline in both services and merchandise receipts. Services proceeds decreased to US\$ 8.0 million from US\$ 8.3 million of the preceding month and for 87.9 percent of total exports. Merchandise exports amounted to US\$ 1.1 million compared to US\$ 1.2 million of the preceding month, and accounted for 12.1 percent of total exports.

On year to year basis, total exports of goods and services amounted to US\$ 106.7 million up from US\$ 101.2 million realised during the corresponding period in 2008. The increase was attributed to a rise in services receipts to US\$ 92.4 million from US\$ 86.9 million in the corresponding period in 2008. However, most of the merchandise exports declined during the period except manufactured good specifically clove exports decreased to US\$ 3.4 million from US\$ 4.0 million, and represented 3.2 percent of total exports while. Seaweeds exports declined to US\$ 2.4 million from US\$ 2.2 million, and accounted for 2.2 percent of total exports receipts. Manufactured goods exports surged to US\$ 4.6 million from US\$ 3.7 million equivalent to 4.3 percent of total export receipts. Fish and fish produce remained stable at US\$ 0.2 million or 0.2 percent of total export receipts (Table 6.3).

Table 6.3: Zanzibar Exports by Major Categories

Item	2008		2009p	Year Ending January		%Change	
	Jan	Dec	Jan	2008	2009p	Monthly	Annual
Traditional:							
Cloves							
Value	2.5	0.2	0.1	4.0	3.4	-50.0	-15.0
Volume	0.64	0.06	0.03	1.1	0.9	-50.0	-18.2
Unit Price	3,960.7	3,368.4	3,583.0	3,568.5	3,908.9	6.4	9.5
Non-Traditional:							
Seaweeds							
Value	0.36	0.24	0.20	2.2	2.4	-16.7	9.1
Volume	1.4	0.9	1.1	9.2	9.7	22.2	5.3
Unit Price	250.5	275.0	187.7	236.1	245.9	-31.8	4.2
Manufactured Goods	0.4	0.4	0.5	3.7	4.6	25.0	24.3
Fish and Fish Produce	0.0	0.02	0.01	0.2	0.2	-50.0	0.0
Horticultural produce	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others Exports	2.0	0.33	0.27	4.3	3.7	-18.2	-14.0
Sub Total	2.8	0.99	0.98	10.4	10.9	-1.0	4.8
Grand Total	5.3	1.2	1.1	14.4	14.3	-8.3	-0.7

Note: Value in Millions of USD, Volume in '000' Ton, Unit price in USD/Ton
p = provisional

Source: Tanzania Revenue Authority and BOT computations

Goods Imports

During January 2009, goods imports (c.i.f) fell to US\$ 9.5 million from US\$ 11.4 million recorded in the preceding month; mainly on account of ease-down in the oil import bill. During the period under review intermediate goods imports, driven by oil, dropped to US\$ 2.7 million from US\$ 4.4 million, and accounted for 28.4 percent of total goods imports. Capital goods imports amounted to USD 4.8 million, down from US\$ 5.0 million for the previous month and accounted for 50.5 percent of total goods imports.



On annual basis, total goods imports (c.i.f) surged to US\$ 128.0 million during the year ending December 2009 from US\$ 93.1 million for the corresponding period 2008. Oil import bill increased to US\$ 34.6 million from US\$ 22.4 million, and was equivalent to 27.0 percent of merchandise imports. Capital goods imports amounted to US\$ 55.5 million, up from US\$ 46.0 million posted in 2008. Foods and food stuffs imports increased to US\$ 8.4 million from US\$ 6.3 million (Table 6.4).

Table 6.4: Zanzibar Imports by Major Categories

Millions of US\$

Import Category	2008		2009p		Year Ending January		% Change	
	Jan	Dec	Jan	2008	2009p	Monthly	Annual	
Capital Goods	2.6	5.0	4.8	46.0	55.5	-4.0	20.7	
Transport Equipment	1.0	3.24	3.19	18.4	35.5	-1.5	92.9	
Building and Constructions	0.6	0.9	0.7	12.8	8.2	-22.2	-35.9	
Machinery	0.9	0.9	0.8	14.8	11.9	-11.1	-19.6	
Intermediate Goods	2.6	4.4	2.7	28.0	46.8	-38.6	67.1	
Oil imports	2.0	3.3	1.7	22.4	34.6	-48.5	54.5	
Fertilizers	..	..	..	..	0.00			
Industrial raw materials	0.5	1.1	0.9	5.6	12.2	-18.2	117.9	
Consumer Goods	1.2	1.96	2.05	19.1	25.7	4.6	34.6	
Food and food stuffs	0.2	0.6	0.4	6.3	8.4	-33.3	33.3	
All other consumer goods	1.0	1.4	1.6	12.8	17.3	14.3	35.2	
Grand Total (c.i.f)	6.3	11.4	9.5	93.1	128.0	-16.7	37.5	
Grand Total (f.o.b)	5.8	10.4	8.6	84.7	116.5	-17.3	37.5	

p = provisional
 ... = Very small value
 Source: Tanzania Revenue Authority

Services Account

During the month under review, services account registered a surplus of US\$ 3.3 million compared to US\$ 3.8 million registered in December 2008; associated with decrease in services receipts. Foreign receipts amounted to US\$ 8.0 million, a decrease from US\$ 8.3 million recorded on the previous month. Specifically, transport and travel receipts amounted to US\$ 3.6 million and US\$ 3.3 million, representing 45.0 percent and 41.3 percent of total foreign receipts, respectively. Foreign payments amounted to US\$ 4.7 million from US\$ 5.4 million recorded in the previous month.

On year to year basis, the services account surplus stood at US\$ 33.5 million from US\$ 38.5 million posted in 2009. Total foreign receipts rose to US\$ 92.4 million from US\$ 86.9 million, while payments amounted to US\$ 58.9 million from US\$ 48.4 million.



STATISTICAL TABLES



Table A1 : selected Economic Indicators (Annual)

Table A1: Selected Economic Indicators (Annual)

Item	Unit	1998	1999	2000	2001	2002	2003	2004	2005	2006 ^c	2007*
I. National Accounts and Prices											
1.1 Change in GDP at	Percent	-	14.9	12.9	11.6	14.8	15.9	15.4	14.3	12.4	16.8
1.2 Change in GDP at	Percent	4.1	4.8	4.9	6.0	7.2	6.9	7.8	7.4	6.7	7.1
1.3 GDP Per Capita--	TZS	209,465.7	233,739.8	255,573.3	276,604.1	310,848.4	354,007.6	396,132.4	441,152.1	478,051.4	546,955.7
1.4 GDP Per Capita--	USD	315.1	313.8	319.3	315.6	321.6	340.9	363.7	390.6	381.7	439.5
1.5 Change in Consum	Percent	12.8	7.9	5.9	5.2	4.5	3.5	4.2	4.4	7.3	7.0
1.6 Saving to GNDI	Percent	-	-	-	7.2	8.0	9.6	10.4	8.7	8.5	6.4
II. Money Credit and Interest Rates											
2.1 Change in Extend	Percent	10.8	18.6	14.8	17.1	25.1	16.1	19.3	38.2	22.0	21.4
2.2 Change in Broad	Percent	11.1	15.0	12.5	12.3	18.5	14.2	19.2	36.9	13.7	28.8
2.3 Change in Narrow	Percent	10.5	16.0	9.9	10.2	25.2	16.1	18.2	33.7	9.8	32.7
2.4 Change in Reserv	Percent	14.7	21.5	9.4	5.0	19.1	12.6	23.6	27.7	16.8	30.2
2.5 Total Credit to GI	Percent	8.4	9.4	8.8	7.1	8.0	6.9	7.2	10.5	11.7	12.6
2.6 Private Sector Cr	Percent	3.8	4.2	4.1	4.4	5.5	6.7	7.6	8.9	11.3	13.8
2.7 Ratio of Private C	Percent	45.7	44.6	46.6	62.7	68.4	97.4	104.8	84.6	96.3	109.7
2.8 Average Deposit I	Percent	11.5	10.4	10.1	6.9	5.9	5.3	5.7	6.2	8.3	9.3
2.9 Weighted Average	Percent	10.1	15.5	5.7	3.9	4.5	7.7	9.6	14.8	15.0	11.4
2.10 Average Long-T	Percent	22.0	20.6	21.5	18.0	16.8	12.2	12.7	13.4	14.9	16.1
III. Balance of Payments											
3.1 Exports of goods (	Mill. USD	588.5	543.3	733.7	851.3	979.6	1,220.9	1,481.6	1,679.1	1,917.6	2,226.6
3.2 Imports of goods (	Mill. USD	1,382.1	1,415.4	-1,367.6	-1,560.3	-1,511.3	-1,933.5	-2,482.8	-2,997.6	-3,864.1	-4,860.6
3.3 Trade Balance	Mill. USD	-793.6	-872.1	-633.9	-709.0	-531.7	-712.6	-1,001.2	-1,318.5	-1,946.5	-2,634.1
3.4 Balance on Currer	Mill. USD	-901.9	-846.2	-665.2	-395.2	78.6	-118.1	-366.7	-864.3	-1,171.6	-1,855.8
3.5 Overall Balance	Mill. USD	-567.2	-128.4	-36.9	-167.5	-317.9	389.1	206.0	-222.4	460.7	532.7
3.7 Gross Official Res	Mill. USD	599.0	776.0	974.0	1,156.6	1,528.4	2,037.8	2,296.1	2,048.4	2,128.3	2,755.2
3.8 Reserves Months	Months	3.1	4.2	5.3	6.5	6.9	7.1	6.6	4.8	4.0	4.5
3.9 Exchange Rate:											
3.9.1 Annual Averag	TZS/USD	664.7	744.8	800.4	876.4	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	681.0	797.3	803.3	916.3	976.3	1,063.6	1,043.0	1,165.5	1,261.6	1,132.1
IV. Population (TZ Mair	Million	30.0	30.9	31.9	32.9	33.6	34.2	35.3	36.2	37.5	38.3
V. Public Finance											
5.1 Current Revenue t	Percent	11.5	11.4	12.2	11.8	12.3	12.1	13.3	13.8	17.1	
5.2 Grants to GDP Ra	Percent	2.8	4.1	3.7	4.3	3.2	3.7	7.4	6.8	6.2	
5.2 Current Expenditu	Percent	11.0	11.9	13.0	12.7	13.0	12.9	15.1	17.3	20.4	
5.3 Development Exp	Percent	2.2	5.3	3.7	3.9	3.3	3.6	8.6	8.7	8.7	
5.4 Deficit to GDP Ra	Percent	(1.7)	(5.7)	-4.5	-4.8	-4.0	-4.4	-10.4	-12.2	-12.0	
5.5 Deficit to GDP Ra	Percent	1.0	(1.6)	-0.8	-0.5	-0.8	-0.6	-3.0	-5.4	-5.8	
VI. Total External Debt											
Total External	Mill. USD	7,669.7	7,624.8	7,482.1	7,464.0	7,268.1	7,857.0	8,134.8	8,229.5	4,660.9	5,846.4
Disbursed Del	Mill. USD	6,580.3	6,538.3	6,312.2	6,559.7	6,233.0	6,678.3	6,799.5	6,971.1	3,442.3	4,483.1
Interest	Mill. USD	1,089.4	1,086.5	1,169.9	904.3	1,035.1	1,178.7	1,335.3	1,258.3	1,218.6	1,363.3
Total External	Percent	82.1	89.5	80.7	78.5	75.9	83.5	77.5	72.0	36.7	34.6

Note:

Calculated on the basis of GDP at market price

Calculated on the basis of GDP at factor cost

GNDI stands for gross national disposable income

Annual Average

Revised

Provisional

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



Table A2 : Central Government Operations - Monthly Flows

Item	BUDGET 2008/09	Actual							Jan-09
		Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08		
Millions of TZS									
1. Recurrent Revenue	4,728,595.0	318,955.8	303,538.6	437,765.1	353,695.9	321,600.8	426,645.2	330,526.1	
Tax Revenue	4,485,099.9	303,484.6	287,597.9	420,844.5	334,000.7	305,379.8	409,078.1	318,924.9	
Taxes on Imports	1,643,767.3	132,518.8	107,514.0	130,867.9	129,232.6	118,888.9	129,427.1	126,944.2	
Income Taxes	1,425,651.7	72,058.4	77,421.7	160,946.5	82,547.6	76,023.9	172,961.5	78,648.1	
Sales Taxes/VAT & Excise	1,078,532.8	70,923.9	80,947.1	98,258.2	89,877.0	91,903.7	79,865.2	86,614.5	
Refunds	145,456.9	10,386.7	10,386.8	10,386.8	12,246.7	12,246.7	12,246.7	12,246.1	
Other taxes	482,605.0	38,370.2	32,101.9	41,158.7	44,590.2	30,810.0	39,071.0	38,964.2	
Non- tax Revenue	243,495.1	15,471.2	15,940.7	16,920.6	19,695.2	16,221.0	17,567.1	11,601.2	
2. Total Expenditure ^{1/}	7,139,103.4	258,933.8	568,805.0	479,918.0	560,487.7	641,899.3	614,329.9	686,987.4	
Recurrent expenditure	4,647,623.3	223,259.6	393,048.6	335,494.3	323,938.6	345,994.1	334,713.9	540,620.5	
Current payments	4,365,264.3	198,096.8	387,667.4	322,152.2	296,434.5	334,341.5	321,581.9	501,160.5	
Interest payments ^{2/}	282,359.0	25,162.8	5,381.1	13,342.1	27,504.1	11,652.6	13,132.0	39,460.0	
Development expenditure	2,491,480.1	35,674.2	175,756.4	144,423.7	236,549.1	295,905.1	279,616.0	146,366.9	
Overall Balance (Cheque issued) before Grants	-2,410,508.4	60,022.0	-265,266.4	-42,152.9	-206,791.8	-320,298.5	-187,684.7	-356,461.3	
3. Grants	1,441,229.2	10,613.3	40,017.4	279,555.3	101,184.2	109,112.4	326,425.6	123,114.9	
Overall Deficit (Cheque issued) after Grants	-969,279.2	70,635.4	-225,248.9	237,402.3	-105,607.6	-211,186.0	138,740.9	-233,346.4	
4. Adjustments to cash & Other items(net)	0.4	48,113.4	57,505.6	-235,050.6	23,190.2	-16,478.9	-3,676.3	108,008.2	
5. Expenditure Float	0.0	-192,050.8	-16,513.5	-4,519.9	-1,686.3	-1,309.5	-555.5	-70.7	
6. Overall Balance (cheques issued)	-969,278.8	-73,302.1	-184,256.8	-2,168.2	-84,103.7	-228,974.4	134,509.1	-125,408.9	
7. Total Financing	969,278.8	73,302.1	184,256.8	2,168.2	84,103.7	228,974.4	-134,509.1	125,408.9	
Foreign (net)	946,206.7	24,434.3	65,192.8	72,822.5	67,853.2	228,822.3	73,417.6	23,460.1	
Loans	775,649.9	0.0	35,827.7	58,442.4	39,810.6	215,350.4	71,924.9	11,614.3	
Program	268,208.1	0.0	0.0	0.0	0.0	189,238.4	0.0	0.0	
Development Projects	507,441.9	0.0	35,827.7	58,442.4	39,810.6	26,112.0	71,924.9	11,614.3	
Basket Support	212,655.6	25,060.9	29,911.3	17,720.0	28,278.5	16,560.3	5,713.7	12,601.2	
Amortization	-42,098.8	-626.5	-546.2	-3,339.9	-235.9	-3,088.4	-4,221.0	-755.4	
Domestic (net)	23,072.1	48,867.7	119,064.0	-70,654.3	16,250.6	152.1	-207,926.7	101,948.8	
Domestic Financing	-16,927.9	48,867.7	119,064.0	-70,654.3	16,250.6	152.1	-252,926.7	101,948.8	
Domestic bank borrowing	0.0	259,532.5	103,919.9	-74,151.6	34,167.7	-81,495.8	-319,925.0	112,226.2	
Domestic non-bank borrowing	-16,927.9	-210,664.8	15,144.1	3,497.3	-17,917.2	81,647.9	66,998.3	-10,277.5	
Amortization of contingent debt	-20,000.0	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	0.0	45,000.0	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





Table A3 : Depository Corporations Survey** (Revised)

End of Period	Millions of TZS															Memorandum item:			
	Domestic assets (net)										Extended Broad Money						Foreign currency deposits	TOTAL sum (9,15)	of which: CB
	Domestic credit (net)		M3		M2		M1		Narrow Money		Currency in circulation		Time deposits	Savings deposits	Reserves				
Foreign assets	Claims on government	Claims on private sectors*	Other items	sum (2-5) or sum (9-13)	TOTAL sum (9-12)	sum (9,10)	sum (9,11)	sum (9,12)	sum (9,13)	sum (9,14)	sum (9,15)	11	12	13	14	15			
1999	622,286.8	366,596.2	311,533.0	-82,789.1	1,217,626.9	972,088.6	632,571.2	384,848.0	247,723.2	149,257.1	190,260.3	245,538.3	508,674.0	123,826.0					
2000	842,755.0	375,146.0	340,628.1	-160,840.2	1,397,688.8	1,093,610.9	695,006.5	392,404.2	302,602.3	170,051.6	228,552.8	304,077.9	556,430.9	164,026.7					
2001	1,209,820.4	239,201.4	404,512.3	-216,803.4	1,636,730.7	1,233,667.0	766,019.9	411,638.9	354,381.0	208,101.4	259,545.7	403,063.7	584,369.1	172,730.2					
2002	1,558,627.1	264,608.6	570,668.3	-346,221.0	2,047,683.1	1,507,386.5	958,786.6	495,445.6	463,340.9	223,898.7	324,701.2	540,296.5	695,701.2	200,255.6					
2003	2,182,072.0	12,937.0	817,125.2	-623,818.1	2,388,316.1	1,721,109.9	1,113,379.1	553,045.8	560,333.3	230,958.8	376,771.9	667,206.2	783,309.0	230,263.2					
2004	2,379,909.3	-47,719.7	1,060,077.3	-544,146.8	2,848,120.0	2,050,886.0	1,315,739.4	664,148.0	651,591.3	276,396.4	458,750.2	797,234.1	967,776.0	303,628.0					
2005	2,560,852.1	413,782.4	1,425,062.3	-464,710.2	3,934,986.6	2,808,247.6	1,758,810.2	843,157.4	915,652.8	422,269.4	627,168.0	1,126,738.9	1,236,080.6	392,923.2					
2006	3,399,819.5	77,952.2	2,028,294.3	-707,243.9	4,798,822.1	3,193,785.0	1,930,421.5	975,585.9	954,835.7	469,679.2	793,684.3	1,605,037.1	1,443,529.9	467,944.0					
2007	3,549,852.6	-162,006.5	2,976,276.0	-370,814.1	5,993,307.9	4,259,853.0	2,577,343.7	1,162,443.5	1,414,900.2	618,347.5	1,064,161.8	1,733,454.9	1,879,108.2	716,664.7					
2008	3,997,098.1	44,207.1	4,376,439.6	-987,040.4	7,430,704.5	5,467,686.9	3,183,959.8	1,438,665.7	1,745,294.1	993,075.9	1,290,651.2	1,963,017.6	2,276,342.9	837,677.2					
2008-Jan	3,544,203.6	127,157.6	2,111,524.0	-815,560.4	4,967,324.7	3,334,723.9	1,969,491.7	966,168.2	1,003,323.5	494,911.9	870,320.3	1,632,600.8	1,576,593.5	610,425.3					
February	3,453,936.8	242,091.4	2,147,929.9	-786,393.9	5,057,564.2	3,407,560.6	2,018,147.5	964,522.2	1,033,625.3	499,501.1	889,911.9	1,650,003.6	1,549,845.2	585,323.0					
March	3,327,380.2	205,504.6	2,204,838.1	-702,143.7	5,035,579.3	3,398,294.3	1,994,579.5	970,657.1	1,023,922.4	500,299.4	903,415.4	1,637,285.0	1,476,908.9	506,251.8					
April	3,448,344.3	223,754.4	2,265,448.5	-823,343.7	5,114,203.7	3,445,521.7	2,030,243.4	967,774.1	1,062,469.3	509,753.9	905,524.4	1,668,681.9	1,632,957.8	665,183.7					
May	3,290,427.3	397,603.7	2,319,136.5	-800,708.4	5,206,459.1	3,595,487.1	2,130,638.1	976,792.2	1,153,845.9	535,983.7	928,865.3	1,610,971.9	1,615,252.5	638,460.3					
June	3,383,818.2	449,792.9	2,335,999.6	-849,368.9	5,320,241.8	3,650,728.3	2,170,663.5	1,047,221.2	1,123,442.3	539,334.2	940,730.6	1,669,513.5	1,598,491.3	551,270.1					
July	3,782,297.4	163,134.6	2,463,712.6	-844,055.5	5,565,089.1	3,883,483.3	2,329,426.9	1,129,127.7	1,200,299.1	585,596.0	968,460.4	1,681,605.7	1,711,508.9	582,381.2					
August	3,633,415.0	46,715.0	2,550,421.6	-557,113.7	5,673,437.9	3,988,114.3	2,442,428.5	1,161,235.6	1,281,192.9	557,079.2	988,606.6	1,685,323.6	1,755,836.9	594,601.3					
September	3,769,984.4	-219,357.6	2,657,393.2	-553,855.0	5,654,165.0	3,987,689.4	2,415,334.9	1,163,620.8	1,251,714.1	578,812.8	993,541.7	1,666,475.6	1,685,013.4	521,392.6					
October	3,615,157.5	-190,647.8	2,760,234.8	-444,469.6	5,740,274.9	4,079,522.0	2,493,468.4	1,151,865.9	1,341,602.5	548,770.6	1,037,283.0	1,660,752.9	1,822,761.3	670,895.4					
November	3,613,558.4	-124,929.8	2,878,553.5	-481,263.7	5,885,918.4	4,170,212.6	2,505,089.5	1,146,729.0	1,358,360.5	607,107.3	1,058,015.8	1,715,705.8	1,821,935.3	675,206.4					
December	3,549,852.6	-162,006.5	2,976,276.0	-370,814.1	5,993,307.9	4,259,853.0	2,577,343.7	1,162,443.5	1,414,900.2	618,347.5	1,064,161.8	1,733,454.9	1,879,108.2	716,664.7					
2008-Jan	3,627,885.1	-57,703.7	3,042,760.1	-536,154.6	6,076,786.9	4,348,356.1	2,604,836.6	1,140,234.9	1,464,601.7	661,222.9	1,082,296.6	1,728,430.8	2,040,947.8	900,712.9					
February	3,599,423.9	46,937.1	3,101,493.1	-581,472.7	6,166,381.5	4,434,409.7	2,663,140.9	1,137,652.2	1,525,488.7	670,833.0	1,100,435.8	1,731,971.8	1,891,426.8	753,774.6					
March	3,909,924.5	212,128.0	3,211,376.7	-920,521.9	6,412,907.3	4,543,749.0	2,729,798.7	1,140,794.1	1,589,004.7	716,645.4	1,097,304.9	1,869,158.3	1,943,864.1	803,070.1					
April	3,684,947.6	202,448.2	3,251,699.5	-724,084.7	6,415,010.6	4,601,074.4	2,732,381.1	1,153,962.0	1,578,418.9	755,229.0	1,113,464.2	1,813,936.3	1,984,613.1	830,650.9					
May	3,559,027.9	207,513.6	3,300,891.8	-705,275.0	6,462,158.4	4,591,076.7	2,681,864.1	1,183,030.8	1,498,833.3	797,660.8	1,111,551.9	1,771,081.6	1,968,014.6	784,983.8					
June	3,509,529.8	154,820.5	3,387,042.3	-523,612.1	6,527,780.6	4,774,747.9	2,833,975.3	1,269,577.6	1,564,397.7	830,626.5	1,110,146.2	1,753,032.7	2,079,615.5	810,037.9					
July	3,514,958.8	333,460.9	3,496,971.8	-667,073.9	6,678,317.6	4,868,340.6	2,923,450.5	1,313,027.8	1,610,422.7	802,291.4	1,142,598.7	1,809,977.1	2,208,562.8	895,535.0					
August	3,258,914.4	441,990.4	3,707,220.8	-539,394.0	6,868,731.5	5,120,835.0	3,109,034.2	1,367,204.8	1,741,829.5	839,787.5	1,172,013.3	1,747,896.5	2,223,158.1	855,953.4					
September	3,392,183.4	367,222.1	3,945,274.6	-719,113.4	6,985,566.7	5,200,493.0	3,086,299.0	1,450,097.1	1,636,201.9	899,336.6	1,214,857.3	1,785,073.7	2,363,792.6	913,695.4					
October	3,504,439.8	424,273.9	4,218,384.1	-752,275.8	7,394,822.1	5,430,265.3	3,204,586.4	1,451,599.6	1,752,986.8	972,272.9	1,253,406.0	1,964,556.8	2,354,747.2	903,147.6					
November	3,628,443.6	331,665.3	4,225,648.6	-767,560.4	7,418,197.1	5,532,606.7	3,241,152.0	1,452,223.3	1,788,928.8	1,012,790.1	1,278,664.6	1,885,590.4	2,302,385.5	850,162.2					
December	3,997,098.1	44,207.1	4,376,439.6	-987,040.4	7,430,704.5	5,467,686.9	3,183,959.8	1,438,665.7	1,745,294.1	993,075.9	1,290,651.2	1,963,017.6	2,276,342.9	837,677.2					
2009-Jan	3,863,001.9	136,905.5	4,354,988.2	-964,750.7	7,390,144.8	5,460,856.5	3,217,258.9	1,407,777.2	1,809,481.7	954,846.4	1,288,751.2	1,929,288.3	2,489,247.3	1,081,470.2					

Note: * Formerly known as "Claims on other domestic sectors"; ** Formerly known as "Monetary system"

The Depository Corporations survey includes all banks that take deposits from the public. It covers the period from December 2005

CB - Commercial Banks

Source: Bank of Tanzania

Table A4 : Interest Rate structure

Item	Percent												2009 ^p
	2008												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
A: Domestic Currency													
Interbank Cash Market Rates													
Overnight	6.47	4.52	4.11	3.85	3.59	3.45	3.49	3.64	4.19	5.23	5.51	6.27	8.31
2 to 7 days	7.11	5.20	4.34	4.08	4.04	3.68	3.67	3.75	4.23	5.55	5.80	6.60	8.64
8 to 14 days	6.82	5.00	4.43	4.20	3.80	3.99	3.87	3.88	4.61	5.69	5.89	6.21	8.34
15 to 30 days	7.50	6.50	6.50	5.18	4.82	4.85	4.00	4.00	4.00	4.00	5.90	5.90	5.90
31 to 60 days	5.60	5.60	6.32	5.40	4.73	4.73	5.50	5.50	6.09	6.03	6.83	8.75	8.75
61 to 90 days	10.75	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	11.00	11.00
91 to 180 days	9.50	6.50	6.25	6.25	6.25	5.50	5.50	8.21	10.48	10.16	11.46	11.69	11.50
181 and above	12.10	12.10	7.00	7.00	7.88	7.88	8.50	8.50	8.50	10.85	13.00	13.00	13.00
Overall Interbank cash market rate	6.74	4.81	4.24	4.12	3.83	3.61	3.61	3.70	4.32	5.45	5.85	6.54	8.41
Lombard Rate	9.90	8.99	8.03	7.16	7.00	7.55	8.54	7.99	8.67	8.90	9.66	10.32	12.47
REPO Rate	6.60	4.79	3.82	3.67	3.66	3.75	3.79	3.76	4.02	4.89	5.32	6.42	7.55
Treasury Bills Rates													
35 days	5.96	5.99	5.36	4.77	4.67	5.03	5.70	5.33	5.78	5.93	6.44	6.88	7.43
91 days	9.54	7.05	5.69	5.12	4.95	5.76	7.93	8.62	10.36	10.39	10.76	11.20	11.60
182 days	10.33	8.02	7.03	6.90	6.75	7.63	8.51	10.11	10.53	10.81	11.00	12.13	13.28
364 days	12.80	9.82	9.40	9.43	9.03	10.00	11.15	11.48	11.56	11.63	11.97	12.79	15.32
Overall Treasury bills rate	10.89	8.37	7.39	7.05	7.00	7.84	9.46	9.47	10.17	10.30	10.33	10.99	12.53
Treasury Bonds Rates													
2-years	14.97	14.97	14.97	12.23	12.23	12.87	12.87	12.87	13.20	13.20	14.35	14.35	14.35
5-years	16.81	16.81	14.49	14.49	14.49	14.49	14.49	14.49	14.49	16.39	16.39	16.39	17.32
7-years	18.15	17.18	17.18	17.18	17.18	17.18	17.04	17.04	17.04	17.04	17.04	17.04	17.04
10-years	17.68	17.68	17.68	17.68	17.09	17.09	17.09	19.47	19.47	19.47	19.47	19.47	19.47
Discount Rate	15.89	13.36	12.39	12.08	12.00	12.84	14.46	14.47	15.17	15.30	15.33	15.99	17.53
Savings Deposit Rate	2.66	2.64	2.64	2.75	2.74	2.79	2.64	2.61	2.64	2.59	2.66	2.71	2.61
Overall Time Deposits Rate	8.17	8.21	8.02	7.56	6.71	6.66	6.58	5.86	6.43	6.22	6.38	6.39	6.24
Call Accounts	0.88	0.95	0.97	1.36	0.82	0.80	0.76	0.75	0.76	0.83	0.64	0.65	0.45
1 month	7.22	8.53	7.70	7.91	6.31	6.05	5.96	5.79	6.10	6.48	6.24	6.53	6.49
2 months	9.42	8.70	8.56	6.75	7.14	6.90	8.69	6.79	8.14	7.07	7.31	7.96	7.26
3 months	9.63	9.77	8.77	8.66	7.56	7.92	7.11	7.36	7.30	7.22	7.80	7.38	8.06
6 months	10.00	9.46	10.13	10.14	9.54	8.97	8.91	7.03	7.61	7.25	7.93	8.20	8.06
9 months													
12 months	10.10	9.97	9.33	9.18	8.76	8.29	8.17	7.48	8.05	8.20	8.76	8.29	8.54
24 months	9.95	10.10	10.65	8.93	6.87	7.71	6.49	5.82	7.07	6.52	5.96	5.75	4.86
Negotiated Deposit Rate	10.72	10.52	10.29	11.20	11.07	10.62	9.26	9.63	10.27	10.11	10.26	10.23	10.66
Overall Lending rate	15.24	15.13	15.15	14.74	14.78	14.76	15.05	14.83	14.91	14.82	14.30	16.05	14.82
Call Loans	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	20.25	19.25	19.25	19.25
Short-term (up to 1year)	13.96	14.48	13.90	13.08	13.58	13.93	13.35	13.86	14.04	13.27	13.57	13.56	13.32
Medium-term (1-2 years)	16.72	15.79	16.10	15.95	15.56	15.56	15.72	15.82	15.74	15.40	15.38	16.57	14.87
Medium-term (2-3 years)	15.32	15.39	15.37	15.08	14.95	14.58	15.28	15.65	15.66	15.39	14.62	17.18	14.70
Long-term (3-5 years)	16.49	16.54	16.86	16.37	16.13	16.64	16.92	15.80	15.94	16.32	15.69	16.52	15.02
Term Loans (over 5 years)	13.69	13.47	13.52	13.25	13.66	13.07	14.00	13.01	13.18	13.69	12.22	16.43	16.19
Negotiated Lending Rate	11.50	11.76	11.82	12.77	12.57	13.07	11.01	12.18	12.68	13.38	11.96	11.91	12.27
B: Foreign Currency													
Deposits Rates													
Savings Deposits Rate	1.86	1.61	1.43	1.74	1.72	1.71	0.87	1.92	1.65	1.63	1.64	1.43	1.44
Overall Time Deposits Rate	4.58	4.63	4.62	4.28	4.69	4.42	4.43	2.92	2.93	3.09	3.24	3.87	3.74
1-months	3.60	4.58	4.79	2.96	4.84	5.04	2.61	2.79	2.88	2.59	3.10	3.53	2.80
2-months	4.75	4.94	3.03	5.12	5.31	4.46	6.03	2.92	2.60	3.15	2.76	3.73	3.72
3-months	4.85	3.17	4.88	4.89	3.80	3.95	5.05	2.91	3.07	2.70	3.29	4.61	4.65
6-months	4.78	4.73	3.45	3.99	4.97	5.17	4.05	2.86	2.89	3.37	3.40	4.14	4.13
12-months	4.92	5.72	6.95	4.43	4.52	3.48	4.43	3.12	3.19	3.65	3.65	3.36	3.41
Overall Lending Rate	7.76	7.87	7.86	7.95	8.05	8.19	6.94	7.14	9.49	9.29	9.68	9.62	9.38
Short-term (up to 1year)	3.82	4.55	4.79	6.43	6.75	6.74	5.60	5.43	5.33	6.37	6.35	6.29	6.28
Medium-term (1-2 years)	8.69	8.72	8.67	8.88	8.75	8.70	6.92	7.20	10.33	10.47	10.49	10.53	9.88
Medium-term (2-3 years)	8.95	8.74	8.67	8.55	8.55	8.56	6.74	6.81	10.69	8.40	10.74	10.44	9.97
Long-term (3-5 years)	8.46	8.48	8.49	8.38	8.19	8.29	7.33	7.35	10.00	10.13	10.06	10.24	10.45
Term Loans (over 5 years)	8.86	8.86	8.69	7.53	7.99	8.68	8.12	8.91	11.08	11.08	10.74	10.60	10.33

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 Jan ^p		
	Jan	Dec	Jan	Jan 08-Jan 09	Dec 08-Jan 09	2008	2009	% Change
Traditional Exports:								
COFFEE								
Value	12.3	15.7	12.0	-2.5	-23.6	95.1	97.2	2.2
Volume	4.7	7.0	5.0	6.3	-28.5	42.5	44.5	4.8
Unit Price	2,606.7	2,239.1	2,391.2	-8.3	6.8	2,237.7	2,181.7	-2.5
COTTON								
Value	7.5	12.6	7.5	-0.2	-40.1	71.7	114.9	60.3
Volume	6.3	6.0	5.8	-8.1	-3.9	63.3	86.5	36.7
Unit Price	1,196.3	2,082.6	1,298.3	8.5	-37.7	1,133.7	1,329.0	17.2
SISAL								
Value	0.2	0.0	0.0	--	0.0	8.0	3.2	-60.6
Volume	0.2	0.0	0.0	--	0.0	8.5	2.5	-71.0
Unit Price	972.1	#DIV/0!	0.0	--	0.0	937.2	1,271.5	35.7
TEA								
Value	4.6	2.2	3.6	-20.1	62.2	30.6	39.9	30.2
Volume	3.1	1.5	2.8	-9.7	92.5	22.6	25.6	13.4
Unit Price	1,474.3	1,549.1	1,305.1	-11.5	-15.7	1,357.1	1,558.0	14.8
TOBACCO								
Value	2.1	12.1	3.3	57.2	-72.6	88.4	106.0	19.9
Volume	0.7	4.9	1.8	169.9	-63.0	38.0	34.9	-8.1
Unit Price	3,160.2	2,480.8	1,840.2	-41.8	-25.8	2,329.5	3,039.0	30.5
CASHEWNUTS								
Value	26.75	0.80	36.0	34.7	--	45.5	49.4	8.6
Volume	36.64	1.08	50.0	36.4	--	64.2	68.3	6.5
Unit Price	730.0	737.3	721.2	--	-2.2	709.7	723.6	2.0
CLOVES								
Value	2.55	1.06	3.0	18.5	185.1	3.8	11.0	--
Volume	0.78	0.30	0.9	12.7	191.7	1.2	6.0	407.5
Unit Price	3,284.0	3,533.3	3,453.5	5.2	-2.3	3,214.5	1,819.3	-43.4
Sub Total	56.0	44.5	65.5	17.0	47.5	343.2	421.6	22.8
Non-Traditional Exports:								
Minerals								
Gold	81.0	56.4	47.6	-41.2	-15.6	848.1	990.2	16.8
Diamond	77.1	51.7	46.1	-40.2	-10.9	786.1	891.0	13.3
Other minerals ¹	2.3	2.1	0.0	-98.8	-98.7	26.4	58.1	120.3
Other minerals ¹	1.7	2.6	1.5	-10.6	-41.7	35.7	41.2	15.3
Manufactured Goods	38.6	101.7	37.3	-3.4	-63.4	330.9	661.6	100.0
Cotton Yarn	0.3	0.6	0.2	-14.5	-61.7	7.3	52.8	--
Manufactured Coffee	0.1	0.3	0.0	-100.0	--	1.4	1.0	-28.9
Manufactured Tobacco	0.0	0.1	0.4	--	273.8	1.2	1.8	54.0
Sisal Products (Yarn & Twine)	3.3	0.9	0.6	-81.6	-32.4	9.2	7.8	-15.1
Other manufactured Goods ²	34.8	99.9	36.1	3.6	-63.9	311.8	598.1	91.8
Fish and Fish Products	10.8	10.8	11.3	3.9	4.4	160.7	166.8	3.8
Horticultural products	2.8	3.3	3.3	17.1	-0.5	20.9	40.7	94.5
Re-exports	22.6	15.4	2.9	-87.3	-81.4	148.4	141.0	-5.0
Others Exports³	13.3	22.2	17.6	31.7	-20.8	216.1	268.2	24.1
Sub Total	169.2	209.8	119.9	-29.1	-42.9	1,725.1	2,268.5	31.5
GRAND TOTAL	225.2	254.2	185.4	-17.7	-27.1	2,068.3	2,690.1	30.1

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

Import Category	2008 ^p		2009		% Change		Year Ending Jan ^p		
	Jan	Dec	Jan	Jan	Jan 08-Jan 09	Dec 08-Jan 09	2008	2009	% Change
	Capital Goods	162.4	213.4	225.4	225.4	38.8	5.6	1,794.7	2,713.4	51.2
Transport Equipments	52.1	67.9	66.1	66.1	26.7	-2.7	503.0	802.3	59.5
Building and Constructions	46.7	56.4	54.9	54.9	17.5	-2.6	435.1	628.1	44.4
Machinery	63.6	89.1	104.4	104.4	64.2	17.1	856.6	1,283.0	49.8
Intermediate Goods	191.4	129.1	120.2	120.2	-37.2	-6.9	2,002.8	2,448.8	22.3
Oil imports	135.0	76.5	61.4	61.4	-54.5	-19.8	1,488.0	1,765.6	18.7
Fertilizers	3.4	9.9	17.7	17.7	428.4	79.1	61.2	164.8	--
Industrial raw materials	53.1	42.7	41.1	41.1	-22.6	-3.8	453.5	518.4	14.3
Consumer Goods	95.4	115.5	104.9	104.9	9.9	-9.2	1,128.2	1,282.7	13.7
Food and food stuffs	20.8	26.2	22.2	22.2	6.6	-15.1	303.2	292.5	-3.5
All other consumer goods ¹	74.6	89.3	82.7	82.7	10.8	-7.4	825.0	990.2	20.0
Grand Total (f.o.b)	449.3	458.0	450.4	450.4	0.3	-1.7	4,925.6	6,445.0	30.8
Grand Total (c.i.f)	493.7	503.3	495.0	495.0	0.3	-1.7	5,412.7	7,082.4	30.8

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	2000	2001	2002 ^r	2003 ^r	2004 ^r	2005 ^r	2006 ^p	2007 ^p
A. Current Account	-485.9	-237.4	-37.1	-118.1	-366.7	-864.3	-1,171.6	-1,855.8
Goods: Exports (f.o.b)	733.7	851.3	979.6	1,220.9	1,481.6	1,679.1	1,917.6	2,226.6
Traditional	292.8	231.1	206.1	220.5	297.8	354.5	267.1	319.7
Non-traditional	440.9	620.2	773.5	1,000.4	1,183.9	1,324.6	1,476.2	1,704.5
o/w Gold	112.7	254.1	341.1	502.8	629.9	655.1	786.4	788.2
Goods: Imports (f.o.b)	-1,367.6	-1,560.3	-1,511.3	-1,933.5	-2,482.8	-2,997.6	-3,864.1	-4,860.6
<i>Balance on Goods</i>	<i>-633.9</i>	<i>-709.0</i>	<i>-531.8</i>	<i>-712.6</i>	<i>-1,001.2</i>	<i>-1,318.5</i>	<i>-1,946.5</i>	<i>-2,634.1</i>
Services: Credit	627.3	914.6	920.1	947.8	1,133.6	1,269.2	1,528.1	1,714.0
Transportation	56.8	105.9	117.1	138.9	183.0	222.9	343.7	331.1
Travel	376.7	615.1	635.0	646.5	746.0	823.6	950.2	1,037.1
Other	193.8	193.6	168.0	162.3	204.6	222.7	234.1	345.8
Services: Debit	-682.4	-649.7	-632.5	-725.7	-974.7	-1,207.3	-1,249.4	-1,473.6
Transportation	-205.7	-194.2	-176.9	-214.7	-267.1	-319.5	-418.3	-485.0
Travel	-337.3	-327.3	-337.5	-353.2	-445.3	-553.8	-534.5	-645.3
Other	-139.4	-128.1	-118.1	-157.8	-262.3	-334.0	-296.6	-343.2
<i>Balance on Services</i>	<i>-55.1</i>	<i>264.9</i>	<i>287.6</i>	<i>222.1</i>	<i>158.9</i>	<i>61.8</i>	<i>278.7</i>	<i>240.4</i>
<i>Balance on Goods and Services</i>	<i>-689.0</i>	<i>-444.1</i>	<i>-244.2</i>	<i>-490.5</i>	<i>-842.3</i>	<i>-1,256.6</i>	<i>-1,667.8</i>	<i>-2,393.6</i>
Income: Credit	50.4	55.3	67.9	87.1	81.8	80.9	53.7	80.8
Income: Debit	-240.9	-243.8	-156.8	-225.6	-195.3	-185.0	-146.8	-159.8
<i>Balance on Income</i>	<i>-190.6</i>	<i>-188.5</i>	<i>-88.8</i>	<i>-138.5</i>	<i>-113.5</i>	<i>-104.1</i>	<i>-93.1</i>	<i>-79.0</i>
<i>Balance on Goods, Services and Income</i>	<i>-879.5</i>	<i>-632.6</i>	<i>-333.0</i>	<i>-629.1</i>	<i>-955.8</i>	<i>-1,360.7</i>	<i>-1,760.9</i>	<i>-2,472.7</i>
Current transfers (net)	393.6	395.3	295.9	511.0	589.1	496.3	589.3	616.9
Current transfers: Credit	472.1	474.8	357.2	574.2	654.1	563.9	655.2	689.4
Government	427.8	418.4	307.0	507.6	582.0	478.5	560.3	595.2
o/w Multilateral HIPC relief	40.6	71.3	68.8	68.2	73.7	75.7	42.1	0.0
Other sectors	44.3	56.4	50.2	66.6	72.1	85.4	94.9	94.2
Current transfer: Debit	-78.5	-79.5	-61.3	-63.3	-65.0	-67.5	-65.9	-72.5
B. Capital Account	330.4	361.5	785.7	692.8	459.9	393.2	5,217.7	957.8
Capital transfers: Credit	330.4	361.5	785.7	692.8	459.9	393.2	5,217.7	957.8
General Government	314.7	339.2	755.6	655.5	420.0	350.1	5,169.1	904.6
Other sectors	314.7	339.2	30.1	37.3	39.9	43.1	48.6	53.2
Capital transfers: Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Total, Groups A plus B</i>	<i>-155.5</i>	<i>124.1</i>	<i>748.5</i>	<i>574.6</i>	<i>93.2</i>	<i>-471.2</i>	<i>4,046.1</i>	<i>-897.9</i>
C. Financial Account, excl. reserves and related items	187.8	-353.7	248.1	160.6	278.8	665.3	-3,952.2	1,030.9
Direct investment abroad	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	282.0	467.2	387.6	308.2	330.6	494.1	597.0	647.0
Portfolio investment	0.0	0.0	2.2	2.7	2.4	2.5	2.6	2.8
Other investment	-94.2	-829.1	-141.7	-150.3	-54.2	168.7	-4,551.8	381.2
Assets	-134.0	-76.7	2.9	-59.0	-11.0	-61.5	-175.0	114.8
Liabilities	39.9	-752.5	-144.6	-91.3	-43.2	230.2	-4,376.8	266.4
<i>Total, Groups A through C</i>	<i>118.7</i>	<i>580.0</i>	<i>996.6</i>	<i>735.2</i>	<i>372.0</i>	<i>194.1</i>	<i>996.6</i>	<i>133.0</i>
D. Net Errors and Omissions	-118.7	-580.0	-678.7	-346.2	-166.0	-416.5	366.8	399.7
<i>Overall balance</i>	<i>-86.3</i>	<i>-809.6</i>	<i>317.9</i>	<i>389.1</i>	<i>206.0</i>	<i>-222.4</i>	<i>460.7</i>	<i>532.7</i>
E. Reserves and Related Items	86.3	809.6	-317.9	-389.1	-206.0	222.4	-460.7	-532.7
Reserve assets	-198.8	-182.2	-372.4	-508.8	-258.4	247.7	-126.5	-419.4
Use of Fund credit and loans	49.4	15.6	26.0	-2.9	-33.8	-50.5	-334.2	-113.3
Exceptional financing	235.7	976.2	28.5	122.6	86.2	25.1	0.0	0.0
Rescheduled debt	10.1	131.4	9.8	86.9	0.0	0.0	0.0	0.0
Debt forgiveness	49.4	642.1	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	81.2	67.4	18.4	29.5	21.9	25.1	0.0	0.0
Principal arrears	95.0	135.2	0.4	6.2	64.3	0.0	0.0	0.0
Memorandum Items								
GDP(mp) Mill.TZS	7,277,799.9	8,304,338.6	10,444,508.0	12,107,062.0	13,971,593.0	15,965,295.0	17,749,574.0	20,819,190.7
GDP(mp) Mill. USD	9,092.7	9,475.6	10,799.9	11,653.4	12,828.0	14,139.1	14,155.5	16,734.7
CAB/GDP	-5.3	-2.5	-0.3	-1.0	-2.9	-6.1	-8.3	-11.1
CAB/GDP (excl. current official transfers)	-10.0	-6.9	-3.2	-5.4	-7.4	-9.5	-12.2	-14.6
Gross Official Reserves	974.4	1,156.6	1,529.0	2,037.8	2,296.1	2,048.4	2,260.1	2,755.2
Months of Imports	5.7	6.3	6.9	7.1	6.6	4.8	4.3	4.6
Net International Reserves (year end)	542.7	761.2	1,068.2	1,413.5	1,644.6	1,395.9	1,754.8	2,794.5
Change in Net International Reserves	-137.6	-218.5	-299.6	-366.8	-231.1	248.8	-358.9	-965.9
Exchange rate (end of period)	803.3	916.3	976.7	1,063.6	1,043.0	1,165.5	1,261.6	1,132.1
Exchange rate (Annual Average)	800.4	876.4	967.1	1,038.9	1,089.1	1,129.2	1,253.9	1,244.1

Source: Bank of Tanzania

Notes:

1. Revision is based on new data from the Private Capital Flows 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 given a new methodology of computing reserve assets which nets out the impact of valuation was introduced beginning 2006

r = Revised

p = Provisional



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

Period Weight (%)	Headline (General Index)		Non-Food											Education	Miscel. goods & services
	Total	Food	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household Equip.	Household operations	Personal care & Health	Recreation & Entertain.	Transportation				
2003	100.0	55.9	44.1	6.4	1.4	8.5	2.1	2.1	2.1	2.1	0.8	9.7	2.6	1.5	
2004	3.5	4.5	2.0	2.0	5.9	2.5	2.1	1.1	2.9	2.1	2.1	1.2	2.2	2.2	
2005	4.2	5.9	1.6	2.3	2.3	4.6	0.2	0.9	0.5	2.1	2.1	1.0	0.6	-0.5	
2006	4.4	5.9	2.9	-0.5	-0.4	7.7	-1.1	0.5	3.5	-1.5	-1.5	4.7	-0.1	-1.4	
2007	7.0	7.0	7.6	7.0	5.5	8.5	7.8	2.0	11.2	5.0	5.0	9.1	2.5	8.0	
2008	10.3	12.7	6.7	1.5	2.4	10.7	6.0	3.2	2.9	8.9	7.0	7.0	9.7	0.8	
2007 Mar	7.2	6.3	8.4	6.5	5.6	7.9	10.6	10.5	5.0	5.5	6.9	9.2	11.6	-0.2	
Jun	5.7	4.0	8.1	7.2	3.9	6.3	9.2	11.0	4.2	9.6	7.4	7.4	10.7	2.1	
Sep	8.4	10.3	5.8	5.5	2.2	4.3	6.2	8.9	3.4	10.4	5.8	5.8	8.9	0.4	
Dec	6.9	7.5	5.9	4.4	2.8	6.2	5.8	4.5	1.9	8.1	5.7	5.7	7.5	0.9	
2008 -Mar	8.9	10.9	5.8	0.8	2.1	8.4	4.6	3.1	3.4	4.4	4.4	5.5	5.6	1.6	
Jun	9.4	11.4	6.5	1.1	2.1	11.2	5.2	2.7	3.7	4.1	4.1	6.8	6.3	0.7	
Sep	10.3	11.9	7.8	1.1	3.0	13.2	6.8	2.2	5.9	5.5	5.5	8.5	7.8	2.2	
Dec	12.5	16.5	6.7	2.9	2.4	9.9	7.2	4.7	7.1	8.0	8.0	6.6	8.3	2.6	
2007-Jan	7.0	6.7	7.4	6.1	4.9	4.8	10.3	9.6	2.0	5.6	5.6	8.8	10.0	-1.8	
Feb	7.3	6.2	8.8	6.3	6.0	9.6	11.0	10.8	0.9	7.5	7.5	9.1	11.8	-0.4	
Mar	7.2	6.1	9.1	7.2	5.8	9.3	10.4	11.1	3.4	9.2	9.2	9.1	13.0	1.6	
Apr	6.1	4.8	8.2	6.7	4.3	5.0	10.5	11.8	3.6	9.4	9.4	8.3	11.8	1.9	
May	5.0	2.8	8.4	7.4	4.2	7.5	8.4	11.1	4.7	9.4	9.4	8.0	10.1	2.0	
Jun	5.9	4.6	7.6	7.3	3.2	6.4	8.7	10.1	4.2	10.1	10.1	5.8	10.3	2.5	
Jul	9.0	10.3	7.4	5.5	1.7	7.3	7.6	10.7	4.5	10.6	10.6	6.8	8.6	2.0	
Aug	7.8	9.2	6.0	6.4	2.1	4.2	6.9	9.5	3.5	10.8	10.8	6.5	8.8	0.0	
Sep	8.3	11.4	4.1	4.5	2.8	1.4	4.1	6.5	2.2	9.7	9.7	4.3	9.2	-0.8	
Oct	7.1	8.4	5.1	5.4	2.8	3.8	4.6	5.8	1.6	10.5	10.5	5.6	7.8	0.3	
Nov	7.3	7.5	6.5	5.2	2.8	6.8	6.6	4.8	2.1	7.6	7.6	6.2	7.8	1.7	
Dec	6.4	6.6	6.1	2.5	2.8	8.0	6.2	3.0	1.9	6.1	6.1	5.4	6.8	0.8	
2008-Jan	8.6	10.1	6.4	1.1	2.4	10.1	4.9	3.6	3.7	5.9	5.9	5.7	5.6	2.1	
Feb	8.9	11.4	5.3	0.3	2.4	6.8	4.1	2.9	3.4	4.0	4.0	4.9	5.6	1.8	
Mar	9.0	11.2	5.8	1.0	1.7	8.3	4.9	2.9	3.1	3.5	3.5	6.0	5.6	1.0	
Apr	9.7	11.6	6.9	1.1	2.1	11.3	4.9	2.8	3.3	4.2	4.2	7.6	6.1	1.5	
May	9.1	11.0	6.5	1.1	2.1	11.7	5.1	2.5	3.9	4.2	4.2	6.0	6.4	0.4	
Jun	9.3	11.4	6.3	0.9	2.1	10.6	5.5	2.8	4.0	4.0	4.0	6.7	6.3	0.4	
Jul	9.5	11.2	6.8	1.3	3.5	12.0	5.4	2.0	4.9	4.4	4.4	6.0	7.2	1.8	
Aug	9.8	11.1	7.8	-0.1	3.1	12.7	6.9	3.1	5.9	5.2	5.2	9.9	7.9	1.5	
Sep	11.6	13.4	8.9	2.2	2.4	15.0	8.2	3.4	6.9	6.9	6.9	9.7	8.3	3.4	
Oct	11.8	14.6	7.9	1.8	2.4	12.9	7.9	4	5.9	6.9	6.9	7.9	7.9	3.9	
Nov	12.3	16.3	6.3	2.5	2.4	8.7	7.0	4.7	7.3	8.3	8.3	6.9	8.5	2.1	
Dec	13.5	18.6	6.0	4.3	2.4	8.1	6.8	5.4	8.0	8.7	8.7	5.1	8.5	1.9	
2009-Jan	12.9	18.2	4.8	3.4	12.5	2.6	7.1	4.8	7.7	9.6	9.6	4.2	9.1	3.1	

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





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

Period Weight (%)	Headline (General Index)	Not-Food										Miscel. goods & services		
		Food	Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Equip.	Household operations	Personal care & Health	Recreation & Entertain.		Transpor- tation	Educ- ation
2006 Jan	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5
Feb	1.7	0.1	-1.5	4.5	-2.3	-0.4	1.6	-4.3	1.2	-3.3	0.1	0.1	-2.9	6.2
Mar	0.8	0.4	1.2	0.7	-1.0	0.1	1.2	0.3	1.3	-0.1	0.2	0.2	-1.6	-0.5
Apr	0.9	0.0	1.3	-1.0	0.9	0.1	-0.3	0.0	-1.9	-0.7	0.2	0.2	-0.7	-1.0
May	1.7	0.7	-1.8	0.3	1.5	3.2	2.6	0.2	0.1	-0.3	0.7	0.1	1.1	-0.5
Jun	-0.7	1.9	2.7	0.1	0.1	0.8	2.6	1.5	-1.2	0.3	2.4	1.8	0.7	0.7
Jul	-2.9	-2.4	0.7	0.6	1.0	4.2	0.1	1.2	0.5	0.1	2.5	0.4	0.4	-0.4
Aug	0.2	0.4	1.5	1.1	1.6	-0.7	1.1	-0.1	-0.1	0.3	0.2	0.2	1.7	-0.3
Sep	0.2	1.2	2.7	-0.5	0.0	2.6	0.4	0.6	1.3	0.3	0.0	0.0	0.6	1.2
Oct	0.2	0.9	1.4	0.7	0.0	0.4	0.6	1.9	1.0	0.3	1.4	1.0	0.2	0.2
Nov	1.6	0.0	0.6	0.4	0.0	-1.2	0.6	1.1	1.7	0.4	-0.3	0.4	1.7	-0.6
Dec	0.8	2.3	0.2	0.3	0.0	-2.8	-0.8	0.6	-0.1	1.8	-0.2	-0.2	0.0	-0.6
2007 Jan	2.1	2.9	0.3	1.8	0.0	-1.7	1.4	1.8	0.4	1.8	1.1	1.1	1.8	0.6
Feb	1.3	1.8	0.7	1.5	0.9	-0.1	1.9	0.1	-0.9	1.2	0.4	0.4	2.6	-0.6
Mar	1.1	0.7	0.5	0.9	0.0	4.7	1.8	1.4	0.3	1.7	1.1	1.1	0.0	0.9
Apr	0.7	1.2	1.9	-0.2	0.7	-0.8	-0.8	0.3	0.5	0.9	-0.5	-0.5	0.4	0.9
May	-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	-0.1
Jun	0.6	-0.1	1.2	0.8	0.0	3.3	0.6	0.8	0.0	0.4	2.1	0.3	0.3	0.8
Jul	0.1	-0.6	0.1	0.5	0.0	3.2	0.4	0.3	0.0	0.7	0.5	0.6	0.6	0.0
Aug	0.1	0.2	0.1	-0.6	0.1	0.2	0.2	0.4	0.2	0.7	1.1	1.1	0.2	-0.7
Sep	-0.9	-1.6	-0.6	0.4	0.4	-0.4	-0.4	-0.4	0.3	0.5	-0.3	-0.3	0.8	-0.8
Oct	0.6	1.7	0.4	-1.1	0.7	-2.3	-1.1	-0.9	-0.3	-0.6	-0.7	-0.7	0.5	-0.6
Nov	0.4	-0.1	1.4	1.2	0.0	1.1	1.1	0.4	1.1	1.1	0.9	0.9	0.4	0.5
Dec	1.1	1.5	2.9	0.1	0.0	0.0	1.0	-0.4	0.4	-0.8	0.4	0.4	0.0	0.8
2008- Jan	1.3	2.0	0.6	-0.8	0.0	-0.6	1.1	0.1	0.2	0.4	0.4	0.4	0.9	-0.3
Feb	3.4	5.2	0.8	0.0	0.4	1.9	0.7	0.7	0.8	0.9	0.7	0.7	1.3	0.7
Mar	1.4	1.9	0.4	0.1	0.0	1.6	1.0	0.6	0.0	-0.1	0.4	0.4	0.0	0.6
Apr	0.9	0.9	0.8	0.5	0.0	1.2	0.0	0.3	0.2	0.4	0.6	0.6	0.4	0.1
May	0.5	1.0	0.3	0.1	0.4	1.8	0.2	0.8	0.5	0.6	1.4	0.7	0.4	0.4
Jun	0.1	-0.6	1.2	0.8	0.0	3.6	0.8	0.4	0.5	0.4	0.5	0.6	0.6	-0.3
Jul	0.2	-0.3	1.0	0.3	0.0	2.1	0.8	0.6	0.1	0.5	1.1	1.1	0.5	0.0
Aug	0.3	-0.1	0.7	-0.2	1.5	1.5	0.1	-0.3	1.0	1.2	0.4	0.4	1.1	0.7
Sep	-0.7	-1.6	0.0	-1.0	0.0	0.2	1.1	-1.3	1.2	1.2	3.4	1.4	1.4	-1.1
Oct	2.2	3.7	0.6	1.1	0.0	-0.3	0.1	1.4	0.7	1.0	-0.9	0.9	0.9	1.3
Nov	0.6	1.0	0.9	0.8	0.0	-0.7	0.8	1.0	0.2	1.0	-0.7	0.0	0.0	1.1
Dec	1.5	3.1	0.3	0.7	0.0	-3.7	0.2	0.3	1.7	0.5	-0.6	0.5	0.5	-0.9
2009- Jan	2.3	4.0	0.5	1.0	0.0	-1.2	0.8	0.8	0.8	0.8	-1.3	-1.3	0.9	-0.6
2009- Jan	2.9	4.8	0.7	-0.8	10.4	-3.3	1.0	0.2	0.5	1.8	-0.2	-0.2	1.9	1.9

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

Source: National Bureau of Statistics

Table A7 : External Debt Developments

Item	Millions of USD						
	2008/2009						Jan-09
	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-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
Disbursed outstanding debt	4,724.4	4,672.4	4,676.4	4,632.4	4,804.8	4,843.7	4,847.2
Undisbursed debt	2,591.4	2,518.1	2,534.8	2,441.9	2,443.9	2,422.0	2,410.6
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
Bilateral debt	933.1	929.6	934.8	923.7	930.8	935.7	940.8
Multilateral debt	2,858.2	2,819.1	2,821.3	2,806.0	2,976.1	3,009.1	3,004.6
Commercial debt	537.5	529.2	526.5	511.4	506.7	507.4	509.0
Export credits	395.6	394.4	393.8	391.4	391.1	391.5	392.8
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
Central Government	3,818.9	3,774.4	3,780.6	3,747.7	3,927.3	3,968.6	3,968.9
Parastatal Companies	156.3	154.2	153.8	150.4	149.7	148.6	148.4
Private Sector	749.2	743.8	742.0	734.4	727.7	726.6	729.9
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
BOP & Budget Support	1,631.4	1,614.5	1,615.8	1,600.6	1,662.2	1,673.7	1,672.7
Transport & Telecommunication	552.6	546.5	547.0	541.9	560.0	566.6	567.6
Agriculture	553.6	547.5	547.9	542.8	563.0	567.5	567.5
Energy & Mining	635.5	627.6	628.1	622.2	643.3	650.6	651.0
Industries	129.8	128.4	128.5	127.3	134.0	133.1	134.6
Social Welfare & Education	546.5	540.5	540.9	535.9	555.8	560.3	559.3
Finance and Insurance	71.5	70.7	70.7	70.1	76.7	73.3	73.3
Tourism	65.9	65.2	65.2	64.6	65.0	67.6	68.6
Others	537.6	531.7	532.2	527.2	544.8	551.2	552.8
5. Total Amount of Loans Contracted¹	0.0	1.1	25.7	5.0	168.3	30.8	13.6
Government	0.0	0.0	25.0	0.0	153.0		
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	0.0	0.0
6. Disbursements¹	31.0	33.9	8.2	32.5	168.3	30.8	13.6
Government	31.0	33.8	8.2	32.5	168.3	23.6	13.6
Parastatal Companies	0.0	0.2	0.0	0.0	0.0	7.2	0.0
Private	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7. Scheduled Debt Service¹	35.9	6.1	10.6	19.1	10.6	62.8	27.7
8. Actual Debt Service¹	3.4	3.4	1.7	6.3	3.2	5.6	11.7
Principal	1.3	2.9	0.6	2.4	1.6	1.4	7.8
Interest	2.1	0.6	1.2	3.9	1.6	4.2	3.9
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	1.9
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
Principal	1,125.4	1,120.4	1,129.7	1,130.2	1,133.4	1,186.7	1,197.9
Bilateral	424.4	422.7	430.6	431.2	437.9	452.0	453.7
Multilateral	8.6	8.5	9.1	11.2	9.2	10.4	9.3
Commercial	365.2	360.5	359.6	353.3	350.7	378.8	383.9
Other Private Creditors	327.2	328.7	330.4	334.6	335.6	345.5	351.1
Interest	1,381.6	1,362.9	1,370.3	1,370.6	1,375.8	1,424.5	1,431.7
Bilateral	615.0	610.8	618.1	626.9	634.7	661.8	669.1
Multilateral*	0.7	0.8	1.2	1.2	1.1	1.4	4.3
Commercial	518.9	506.4	506.5	496.9	488.7	508.8	503.6
Other Private Creditors	247.0	244.8	244.5	245.5	251.3	252.6	254.7
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
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
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
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

Source: Bank of Tanzania

*Multilateral arrears are those owed by the private companies

1) During the period (2) End of January 2009 cumulative.



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 Rate

This is the rate payable for the use of the Lombard Facility. The rate is based on the prevailing 35-days Treasury bill yield, REPO rate and overnight inter-bank rate, whichever is higher.

Money Supply, M

The sum of currency circulating outside banks and Tanzanian residents' deposits with depository corporations, are defined at various levels of aggregation as money supply narrowly and broadly defined. That is, narrow money (M1), broad money (M2), and extended broad money (M3).

M1, Narrow Money

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

M2, Broad Money

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

M3, Extended Broad Money

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

Non-Food or Underlying Inflation Rate

This is a measure of price movements caused by factors other than food prices. It provides better indication of the effectiveness of monetary policy on

inflation since price movements in these items are caused largely by monetary policy.

Repurchase Agreement (REPO)

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

Reserve Money (M0)

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

Seasonally Adjusted Series

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

Weighted Annualized Yields of Treasury

Bills of all Maturities

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





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