



BANK OF TANZANIA



MONTHLY ECONOMIC REVIEW

December 2008



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1.0 Inflation Developments

Month-to-month headline inflation increased to 1.5 percent in November 2008 from 0.6 percent recorded in the previous month mainly on account of a rise in food inflation. Using seasonally adjusted indices, the month-to-month headline inflation also went up to 1.4 percent from negative 0.3 percent recorded in October 2008. Similarly, the annual headline inflation rose to 12.3 percent in November 2008, compared to 11.8 recorded in October 2008 (Table 1.1 and Chart 1.1).

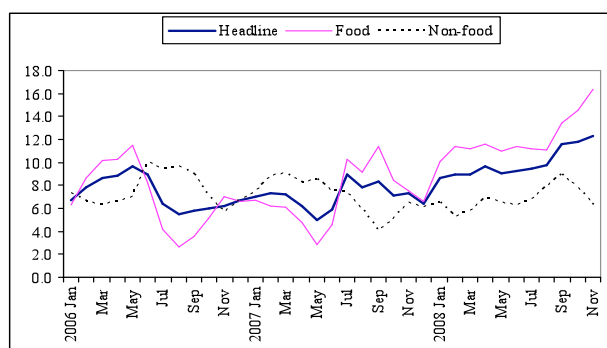
Table 1.1: Annual Percentage Change in Consumer Price Index (ALL-Urban)

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2006			2007			2008		
		Sep	Oct	Nov	Sep	Oct	Nov	Sep	Oct	Nov
Headline/Overall	100	5.8	6	6.2	8.3	7.1	7.3	11.6	11.8	12.3
Food	55.9	3.6	5.2	7.0	11.4	8.4	7.5	13.4	14.6	16.3
Non-food	44.1	9	7	5.7	4.1	5.1	6.5	8.9	7.9	7.7
Transportation	9.7	12.3	7.2	7.9	4.3	5.6	6.2	9.7	7.9	6.9
Fuel, Power and Water	8.5	9.6	9.2	6.4	1.4	3.8	7.0	15	12.9	8.7
Drinks and Tobacco	6.9	10.7	8.7	9.5	6.2	7	10.0	8.8	8.3	5.5
Clothing & Footwear	6.4	3.8	3	5.4	4.5	5.4	5.2	2.2	1.8	2.5
Education	2.6	6.1	1.3	2.2	9.2	7.8	7.8	8.3	7.9	8.5
Furniture & Household Equip	2.1	13.5	13.1	6.4	4.1	4.6	6.6	8.2	7.9	7.0
H/h Operations	2.1	4.2	6.1	7.1	6.5	5.8	4.8	3.4	4	4.7
Maintenance	2.1	5.3	4.6	5.7	2.2	1.6	2.1	6.9	5.9	7.3
Personal Care & Health	1.4	3.2	2.9	2.2	2.8	2.8	2.8	2.4	2.4	2.4
Recreation & Entertainment	0.8	10.3	6.1	1.2	9.7	10.5	7.6	6.9	6.9	8.3
Misc. Goods & Services	1.5	9.9	10.1	4.6	-0.8	0.3	1.7	3.4	3.9	2.1

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

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



The increase was also reflected in the 12-months average annual headline inflation, which rose to 9.7 percent in November 2008 from 7.1 percent in the corresponding period a year ago (December 2006 to November 2007).

Month-to-month non-food inflation declined slightly from almost zero percent in October 2008 to negative 0.8 percent in November 2008 due to decrease in average prices of some items including petroleum products. Similarly, the annual non-food inflation declined to 7.7 percent in November 2008 compared to 7.9 percent in October 2008. The 12-months annual non-food inflation rate averaged 6.8 percent in

November 2008, lower than 7.1 percent in the corresponding period a year before.

Month-to-month food inflation increased to 3.1 percent in November 2008 from 1.0 percent recorded in October 2008. Increases in prices were recorded in cereal products, cassava, potatoes, vegetables and meat. Similarly, the annual food inflation increased to 16.3 percent in November 2008, from 14.6 percent recorded in October 2008. The 12-months annual food inflation rate averaged 11.7 percent in November 2008 which is higher than the rate of 7.1 percent in the corresponding period a year before.

Food Supply

Food supply situation was generally satisfactory throughout the country in November 2008. However, according to the Rapid Vulnerability Assessment (RVA) conducted by the Ministry of Agriculture, Food Security and Cooperatives (MAFC) in September 2008, it was revealed that about 240,544 people countrywide are likely to be food insecure and need immediate interventions estimated at 7,182 tons of grains between December 2008 and January 2009.

Wholesale prices of major food crops generally continued to increase in November 2008 when compared with the same period a year before (Table 1.2).

Table 1.2: National Average Wholesale Prices for Selected Food Items

TZS per 100 kg

Item	2007	2008		Percentage change	
	Nov	Oct	Nov	Nov 07 to Nov-08	October -08 to November-08
Maize	25,542	31,642	30,947	21.2	-2.2
Rice	69,089	99,554	95,947	38.9	-3.6
Beans	78,469	103,976	99,010	26.2	-4.8
Sorghum	38,815	43,908	37,691	-2.9	-14.2
Potatoes	29,699	37,933	41,993	41.4	10.7

Source: Ministry of Industry, Trade and Marketing

However, on month to month basis, the wholesale prices of these crops decreased moderately due to increases in supply from domestic stocks. On the contrary, prices of potatoes increased by about 11 percent mainly due to short supply countrywide, being an off-season for the crop.

The National Food Reserve

The National Food Reserve Agency (NFRA) recorded stock of 122,209 tons of maize and sorghum in November 2008, representing an increase of 6.8 percent from 114,464 tons recorded in the preceding month (Table 1.3).



Table 1.3: Strategic Grain Reserve (SGR) Stock

Tons

Period	2004	2005	2006	2007	2008	% Change 2007-2008
January	35,342	119,924	76,813	112,343	139,765	24.4
February	23,791	116,383	43,593	117,838	133,898	13.6
March	22,903	114,760	8,055	121,046	119,022	-1.7
April	32,387	115,262	3,165	125,509	94,509	-24.7
May	31,732	113,823	6,210	128,350	79,369	-38.2
June	37,091	112,823	15,560	128,804	76,649	-40.5
July	39,195	112,323	13,811	129,306	75,438	-41.7
August	45,988	112,067	28,440	125,653	83,131	-33.8
September	67,685	111,971	80,248	131,937	102,225	-22.5
October	92,710	111,695	87,461	143,717	114,464	-20.4
November	108,448	106,428	100,828	142,624	122,209	-14.3
December	114,030	93,051	110,203	142,044		

Source: Food Security Department and BOT computation.

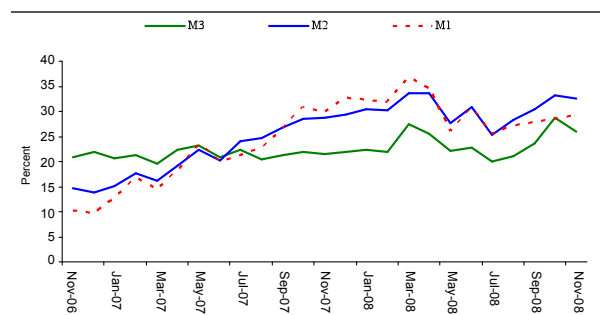
However, on annual basis the stocks were 14.3 percent lower than 142,624 tons recorded in November 2007 due to low purchases caused by delayed disbursement of funds. The NFRA had earlier planned to purchase 100,000 tons of grains from domestic market to replenish food reserves, but it managed to purchase about 53 percent of the targeted amount by the end of November 2008.

2.0 Monetary and Financial Developments

Money Supply

During the year ending November 2008, expansion of monetary aggregates slowed down mainly due to a fall in the growth rate of credit to the private sector. Annual growth rate of extended broad money supply (M3) eased to 25.9 percent in November 2008, from 28.8 percent recorded in the preceding month, but was above 21.5 percent registered in the corresponding period in 2007. Likewise, broad money supply (M2) registered an annual growth rate of 32.5 percent slightly lower than 33.1 percent recorded in the previous month, but above 28.7 percent registered in the corresponding month in 2007 (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

Items	Monthly Stock		Monthly Change		Annual Growth Rates (%)	
	Oct-08	Nov-08	Oct-08	Nov-08	Oct-08	Nov-08
Extended broad money (M3)	7,354.8	7,311.8	461.3	86.8	21.5	28.8
Broad money (M2)	5,438.3	5,521.5	229.8	117.2	28.7	33.1
Currency in circulation (C)	1,401.6	1,453.1	1.6	1.5	20.0	36.0
Demand deposits (DD)	1,723.0	1,700.1	115.0	35.1	20.1	30.7
Savings deposits (SD)	1,922.3	1,232.9	72.9	36.7	17.2	16.9
Foreign currency deposits (FCD)	1,263.4	1,279.4	36.5	26.0	26.4	20.8
Total deposits in the commercial banks	5,205.9	5,226.1	824.2	26.2	22.3	25.8
Private sector	5,943.2	5,957.9	407.8	14.7	21.7	29.6
Government	290.7	269.2	18.6	6.0	11.2	21.3
Bank of Tanzania	3,504.4	3,428.2	412.3	123.7	36.7	34.8
Commercial banks	2,936.1	3,117.9	62.7	191.0	36.1	46.1
Net domestic assets of the banking system	4,490.6	4,392.8	291.8	107.6	47.7	52.8
Domestic credit to the private sector	4,442.7	4,354.1	339.2	48.5	17.4	18.7
Claims on government	2,066.7	2,251.4	66.2	184.8	30.4	13.9
Government deposits	1,842.8	1,234.8	9.2	202.8	17.2	12.2
Claims on private sector	4,288.4	4,232.8	273.1	91.0	39.8	46.9

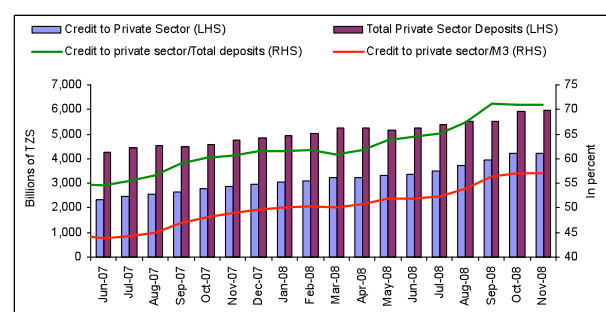
Source: Bank of Tanzania

The preference for holding foreign currency deposit shrank to 25.4 percent of M3 in November 2008 from 26.6 percent in October 2008, while that of demand and savings deposit rose to 24.1 and 17.2 percent respectively, from 23.7 and 16.9 percent.

Credit Developments

During the year ending November 2008, the pace of expansion of credit to the private sector slowed to 46.9 percent well below the 52.8 percent recorded in October 2008 but the ratio of private sector credit to total private deposits remained at its highest level of 71.0 percent in November 2008 compared with an average of 52.0 percent in the past five years (Chart 2.2).

Chart 2.2: Total Deposits and Credit of the Banking System



The slow-down in growth of credit to the private sector was partly in line with the inclusion of government deposits at commercial banks in the calculation of required Statutory Minimum Reserves (SMR).

Interest rates Developments

Interest rates on domestic currency denominated financial products exhibited a general rising pattern during November 2008. The overall weighted average Treasury bills yield increased to 10.33 percent in November 2008 from 10.30



percent in October. Similarly, 364-day Treasury bill yield rose to 11.97 percent from 11.63 percent in the same period. Overnight interbank cash market rate also went up to 5.51 percent from 5.23 percent, partly signaling a general liquidity tightening in the banking system during the month under review compared with the preceding months. Likewise, the overall interbank rate went up from 5.45 percent to 5.85 percent in the same period.

Interest rates offered by banks also recorded a noticeable improvement in November 2008, which is in line with the developments in the Treasury securities market. 12-month time deposit rate rose to an average of 8.76 percent in November 2008 from an average of 8.20 percent in October 2008, whereas the savings deposit rate stabilized at around 2.6 percent. Negotiated deposit rate rose moderately to 10.26 percent in November 2008 compared with 10.11 percent recorded in the preceding month.

On the other hand, the overall lending rate charged by banks eased to 14.30 percent in November 2008 from 14.82 percent in October, driven mostly by the long-term rates since the short-term lending rate increased to 13.57 percent from 13.27 percent during the same period. Negotiated lending rate, eased to 11.96 percent in November 2008 from 13.38 percent recorded in the preceding month (Table 2.2).

Table 2.2: Weighted Average Interest Rates Structure

Item	2007			2008		
	Oct	Nov	Dec	Sep	Oct	Nov
Overall Interbank cash market rate	18.92	9.67	5.83	4.32	5.45	5.85
Overnight interbank cash market	18.64	10.19	5.37	4.19	5.23	5.51
REPO Rate	11.34	7.36	5.13	4.02	4.89	5.32
Discount Rate	21.42	17.44	16.40	15.17	15.30	15.33
Overall Treasury bills rate	16.42	12.45	11.40	10.17	10.30	10.33
35 days	6.35	4.94	5.46	5.78	5.93	6.44
91 days	15.14	11.31	9.90	10.36	10.39	10.76
182 days	16.62	12.96	10.15	10.53	10.81	11.00
364 days	17.86	13.68	12.95	11.56	11.63	11.97
Savings Deposit Rate	2.59	2.63	2.65	2.64	2.59	2.62
Treasury Bonds Rates						
2-years	17.29	14.99	14.97	13.20	13.20	14.35
5-years	18.69	17.60	17.60	14.49	16.39	16.39
7-years	18.80	17.90	18.15	17.04	17.04	17.04
10-years	20.28	17.87	17.68	19.47	19.47	19.47
Overall Time Deposits Rate	8.28	8.20	8.33	6.43	6.22	6.38
12 month time deposit rate	10.22	9.85	10.08	8.05	8.20	8.76
Negotiated Deposit Rate	10.61	10.96	11.04	10.27	10.11	10.26
Overall Lending rate	15.82	15.98	15.31	14.91	14.82	14.30
Short-term lending rate (up to 1 year)	14.13	14.35	15.01	14.04	13.27	13.57
Negotiated Lending Rate	11.89	11.68	11.98	12.68	13.38	11.96
Margin between short-term lending and one-year time deposit rates	3.91	4.50	4.94	6.00	5.07	4.81

Source: Commercial banks and Bank of Tanzania

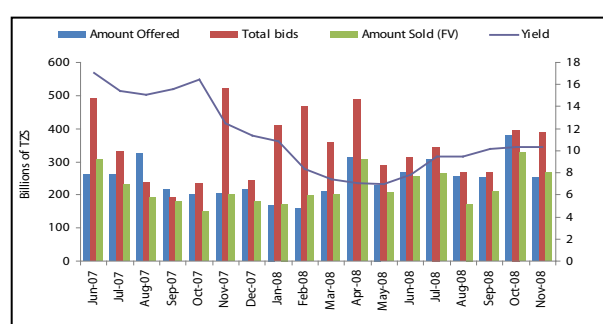
Financial Markets Developments

Treasury Bills

During November 2008, the market was supplied with a relatively lower amount of Treasury bills worth TZS 253.0 billion compared to TZS 380.0 billion supplied in October 2008.

Demand for Treasury bills waned slightly in November 2008, reaching TZS 386.8 billion, compared with TZS 397.3 billion recorded in the preceding month. The market was however, characterised by outlier bids that led the Bank to intervene and accept Treasury bills with face value of TZS 265.8 billion (or cost value of TZS 253.6 billion). The successful bids accounted for 105.1 percent of the total amount offered by the Bank during the month under review. In the same month, Treasury bills worth TZS 206.6 billion matured. Weighted average yields rose across all maturities, with overall weighted average Treasury bills rate reaching an average of 10.33 percent in November 2008 from 10.30 percent registered in the preceding month (Chart 2.3).

Chart 2.3: Treasury Bills Market Developments



Source: Bank of Tanzania

Treasury Bonds

In November 2008, 2-year Treasury bond worth TZS 44.0 billion was supplied in the market, whereas in October 2008 a 5-year bond worth TZS 48.0 billion was offered. Demand for 2-year Treasury bond in November 2008 was high at TZS 54.0 billion compared with the demand for 5-year bond in October that stood at TZS 17.5 billion. This outturn suggests investors' preference for the shorter maturities. The Bank accepted all the bids with cost value of TZS 49.6 billion. Yield on 2-year bond, increased to 14.35 percent in November 2008 from 13.20 percent recorded since September 2008, when a 2-year bond was last auctioned.

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 November 2008, repurchase agreements amounting to TZS 494.3 billion were conducted against redemption of TZS 509.8 billion. Repo rate edged up to an average of 5.32 percent in November 2008 from 4.89 percent in October 2008.



Inter-Bank Cash Market Developments

Transactions among banks in the inter-bank cash market amounted to TZS 403.1 billion during November 2008, compared with TZS 470.5 billion traded in the preceding month. Overnight transactions increased slightly in November 2008, and remained dominant compared to other maturities. Overnight transactions amounted to TZS 154.8 billion, which was equivalent to 38.4 percent of the total interbank cash market transactions in November, followed by 7-day maturity loans worth TZS 100.1 billion (or 24.8 percent of total interbank cash market transactions).

In October 2008, overnight transactions amounted to TZS 153.7 billion, which was about 32.7 percent of the total interbank cash transactions, whereas 7-day maturity loan amounted to TZS 152.6 billion and accounted for 32.4 percent of total interbank cash market transactions. This outturn reflects a relatively tight liquidity condition among some banks in November compared with October 2008. This is also verified by the rising trend in the overnight interbank market rate from 3.49 percent in July 2008 to 5.51 percent in November 2008. The rising trend partly reflects relative increase in demand for cash by some banks during the month under review, following the continued tight monetary policy measures pursued by the Bank. Meanwhile, overall interbank cash market rate rose to an averaged of 5.85 percent in November 2008 from 4.45 percent in October 2008.

Inter-Bank Foreign Exchange Market

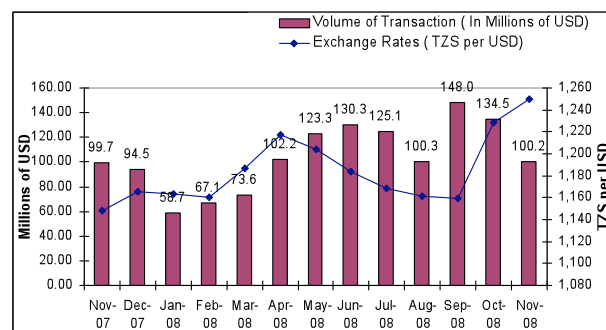
In November 2008, the volume of transactions traded in the Inter-Bank Foreign Exchange Market (IFEM) declined by 25.6 percent to USD 100.2 million. This development partly emanated from the low supply of US dollar in the market. As the result, the Bank of Tanzania and non-banks supplied the market with foreign exchange amounting to USD 56.5 million and USD 1.4 million, respectively, while commercial banks purchased USD 57.9 million on net basis. The weighted average exchange rate depreciated slightly to TZS 1,249.7 per USD in November 2008 from TZS 1,228.7 per USD recorded in October 2008 (Table 2.3 and Chart 2.4).

Table 2.3: Inter Bank Foreign Exchange Market Developments

Item	2008		2007 Nov	% Change		Year Ending November		
	Oct	Nov		Oct 08 to Nov 08	Nov 07 to Nov 08	2007	2008	% Change
Amount offered*	134.53	100.16	99.72	-25.55	0.44	1,170.94	1,257.60	7.40
Amount sold*	134.53	100.16	99.72	-25.55	0.44	1,170.94	1,257.60	7.40
Exchange rate (TZS per US dollar)	1,228.70	1,249.70	1,147.97	1.71	8.86	1,248.48	1,187.25	-4.90

Source: Bank of Tanzania
* Millions of USD

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



Transactions in Bureaux de Change System

The volume of transactions conducted by Bureau de Change system declined moderately to USD 75.3 million. This development was partly due to fall in both foreign exchange outflows and inflows, following declines in medical expenses and NGO receipts, respectively. The buying rate recorded a slight appreciation to TZS 1,153.0 per USD from TZS 1154.0 per USD, while the selling rate depreciated slightly to TZS 1,171.0 per USD from TZS 1,170.0 per USD recorded in August 2008, respectively (Table 2.4).

Table 2.4: Bureau de Change Operations

Millions of USD								
Item	2008		2007 Nov	% Change		Year Ending November		
	Oct	Nov		Monthly	Yearly	2007	2008	% Change
Sales*	38.72	34.23	38.41	-11.60	-10.88	424.75	447.88	5.45
Purchases*	39.60	34.08	38.70	-13.94	-11.94	426.96	453.61	6.24
Volume of Transactions*	78.32	68.31	77.11	-12.78	-11.41	851.71	901.49	5.84
Buying rate (TZS per US dollar)	1,215.00	1,247.00	1,148.00	2.63	8.62	1,247.42	1,181.33	-5.30
Selling rate (TZS per US dollar)	1,242.00	1,293.00	1,198.00	4.11	7.93	1,273.43	1,209.67	-5.01

Source: Bank of Tanzania
* Millions of USD



3.0 Government Budgetary Operations

The overall balance of the central government budgetary operations before grants registered a deficit of TZS 110.2 billion in November 2008. The overall financial position including grants of TZS 87.9 billion improved to a deficit of TZS 22.3 billion compared to a deficit of TZS 129.0 billion recorded in the preceding month.

Revenue Performance

Total revenue collected by government during the month of November 2008 amounted to TZS 321.6 billion, out of which TZS 305.4 billion was tax revenue and TZS 16.2 billion was non-tax revenue. This performance was lower than the projected amount of TZS 373.8 billion. Lower collection was recorded in all major tax categories namely: VAT, Excise and Income tax. Even collections from non-tax revenue fell short of the projected amount of TZS 23.5 billion by 31 percent.

Government Expenditure

Total operating and development expenditure of the government corresponding to the month under review stood at TZS 431.8 billion. Out of the total expenditure, TZS 304.5 billion was used to cover recurrent expenses while development expenditure utilized TZS 127.3 billion for development activities.

Overall Budget Position

The overall performance of the government budgetary operations (adjusted to cash) in the period under review registered a higher deficit of TZS 202.7 billion compared with a deficit of TZS 67.9 billion in the previous month. The government financed the fiscal gap by utilizing foreign resources to the net level of TZS 202.7 billion and domestic sources to the net level of TZS 3.6 million.

4.0 External Sector Performance

Current Account Balance

During the year ending November 2008, the current account deficit widened to USD 2,558.2 million from a deficit of USD 2,026.2 million recorded in the corresponding period a year before. This development was largely due to a decline in official current transfers and an increase in imports that dampened the effect of the increase in exports. During the review period, official current transfers declined to USD 416.9 million from USD 623.2 million recorded during the year ending November 2007. Meanwhile, imports of goods and services went up to USD 7,514.5 million compared to USD 6,189.7 million recorded during the year ending November 2007. During the same period, exports of goods and services increased by 23.7 percent to USD 4,529.5 million compared to USD 3,662.9 million in the corresponding period in 2007 (Table 4.1)

Table 4.1: Current Account Balance

Millions of USD

Item	November		2008p		Year Ending November		
	2006	2007	Oct	Nov	2007p	2008p	% Change
Goods Account (net)	-240.0	-397.5	-371.1	-296.5	-2,613.5	-3,667.4	40.3
Exports	168.3	175.5	220.4	276.3	1,948.4	2,487.8	27.7
Imports	408.3	573.0	591.5	572.8	4,561.8	6,155.2	34.9
Services Account (net)	5.7	0.6	3.8	11.9	86.6	682.4	687.6
Receipts	137.5	137.9	143.9	150.2	1,714.6	2,041.7	19.1
Payments	131.8	137.3	140.2	138.3	1,627.9	1,359.3	-16.5
Goods and services (net)	-234.3	-396.9	-367.3	-284.7	-2,526.8	-2,985.0	18.1
Exports of goods and services	305.8	313.4	364.3	426.5	3,662.9	4,529.5	23.7
Imports of goods and services	540.1	710.3	731.6	711.1	6,189.7	7,514.5	21.4
Income Account (net)	-4.5	-7.3	5.2	6.9	-53.1	-5.1	-90.4
Receipts	7.7	9.5	21.3	25.8	99.3	183.9	85.2
Payments	12.2	16.8	16.1	18.9	152.4	189.0	24.0
Current Transfers (net)	32.7	39.3	48.1	27.6	553.5	431.9	-22.0
Inflows	37.7	50.0	55.5	33.8	615.7	516.0	-16.2
o/w General							
Government	30.3	9.2	47.4	25.2	623.2	416.9	-33.1
Outflows	5.0	10.7	7.4	6.2	62.1	84.1	35.3
Current Account Balance	-206.1	-364.9	-314.0	-250.2	-2,026.4	-2,558.2	26.2

Source: Bank of Tanzania

Note: P = Provisional

Totals July not add up due to rounding of numbers

In November 2008, exports of goods and services increased to USD 426.5 million, compared to USD 364.3 million recorded in the previous month. Conversely, imports of goods and services went down to USD 711.1 million compared to USD 731.6 million in October 2008. Similarly, disbursement of official current transfers declined from USD 47.4 million in the previous month to USD 25.2 million.

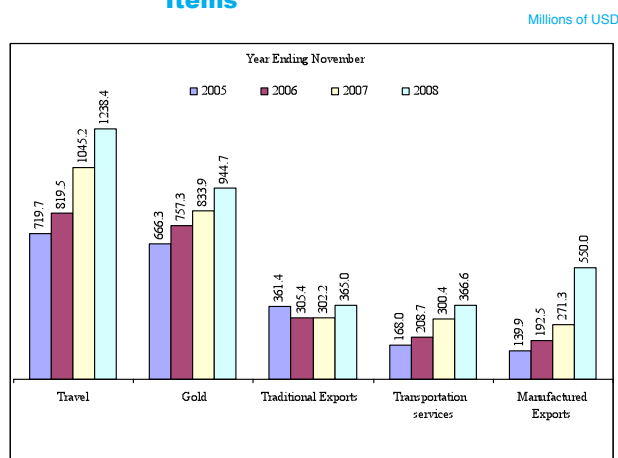
Exports Performance

During the year ending November 2008, total export of goods and services rose by 23.7 percent to USD 4,529.5



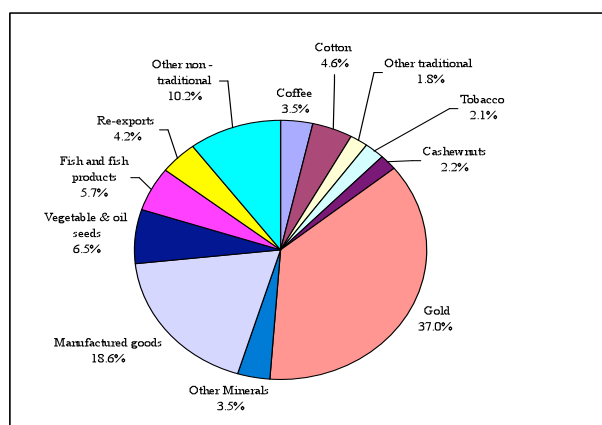
million following an improved performance in goods export, particularly export of manufactured goods. During the period under review, export of manufactured goods doubled to USD 550.0 million following substantial increase in exports of plastic items, wheat flour, iron and steel items. However, as a share of total exports, travel and gold receipts dominated the export sector accounting for 27.3 percent and 20.9 percent, respectively. [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 27.7 percent to USD 2,487.8 million on account of the improvement in traditional and non-traditional exports. During the review period, traditional and non-traditional exports recorded increases of 21.0 percent and 28.9 percent, respectively. Meanwhile, gold continued to dominate, accounting for 37.0 percent of total good exports, followed by manufactured goods which accounted for 20.9 percent ([Chart 4.2](#)).

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



Note:

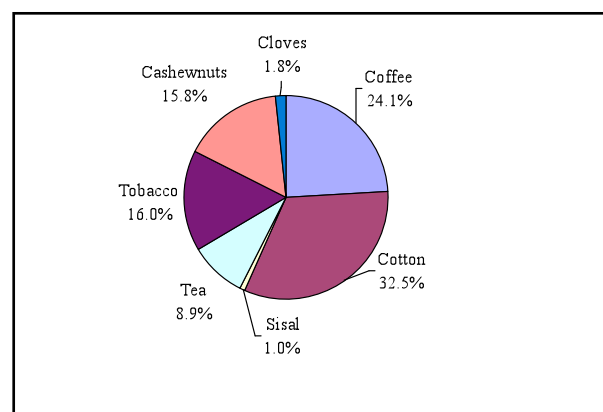
1. Other non-traditional include horticultural products and other exports
2. Other traditional exports include sisal, tea and cloves
3. Other minerals include Tanzanite, rubies, sapphires, emeralds, copper, silver and other precious stones.
4. Re-exports refers to goods that are imported and later exported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

Traditional Exports

In November 2008, the value of traditional exports increased to USD 71.9 million from USD 46.2 million recorded in the previous month, mainly on account of increases in both volume and unit price of tobacco exports. During the month under review, volume of tobacco exports increased significantly to 12,515 tons compared to 2,900 tons in the previous month. There was also, a rise in unit export price for tobacco to USD 3,731.8 per ton from USD 2,724.1 per ton in the previous month. The increase in the unit export prices of tobacco is partly due to improvement in the quality of exported items.

On annual basis, traditional exports increased by 21.0 percent to USD 353.0 million largely due to a significant increase in export volume of cotton following bumper harvest of the crop. During the review period, the volume of cotton exported increased significantly from 35,490.0 tons in the previous year to 92,995.3 tons. In addition, there was an increase in the value of export of cashewnuts to USD 55.8 million due to increase in the export volumes and unit price

Chart 4.3: Contribution to Total Traditional Exports for the Year Ending November 2008



Non-Traditional Exports

During the month under review, non-traditional exports increased to USD 204.4 million from USD 174.2 million recorded in the previous month mainly on account of the increase in exports of manufactured goods and re-exports. In November 2008, re-exports increased to USD 53.5 million compared to USD 5.9 million following a surge in re-exports of petroleum products which accounted for about 90 percent of total re-exports.

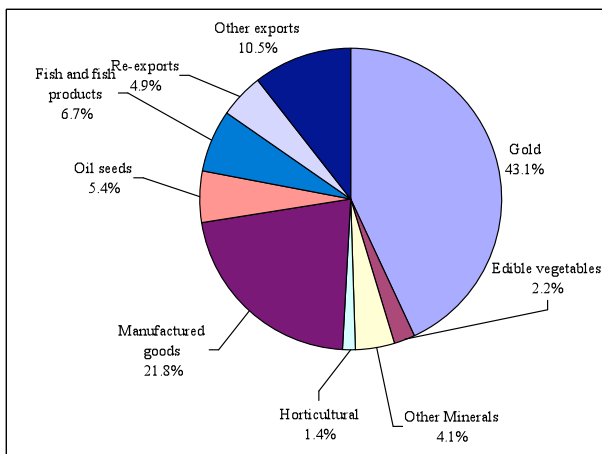
On yearly basis, non-traditional exports increased by 28.9 percent to USD 2,134.8 million. Much of the increase was largely due to impressive performance of manufactured goods export which went up significantly to USD 550.0 million from



USD 271.3 million recorded during the previous year. Some of the manufactured goods that are exported include wheat flour, plastic items and electrical equipment. Most of the manufactured goods are exported to the Democratic Republic of Congo, Rwanda, Burundi and Uganda. Improvement was also recorded in other exports particularly vegetables and fruits. Horticultural exports that mainly consist of cut flowers also increased by 48.5 percent to USD 27.2 million. The development was largely due to the expansion in horticultural production and improvement in the aviation industry. It is worth noting that flights to Europe have increased which has facilitated the increase in the export of flowers.

On the other hand, gold exports rose by 13.3 percent to USD 944.7 million following increase in prices in the world market as export volumes recorded decline. While the volume of gold exports went down from 43.4 tons recorded in the corresponding period last year to 33.1 tons, the prices of gold in the world market increased from USD 678.4 per troy ounce recorded last year to USD 870.6 per troy ounce in November 2008. The improvement in gold prices in the market 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 November 2008.

Chart 4.4: Contribution to Total Non Traditional Exports for the Year Ending November 2008

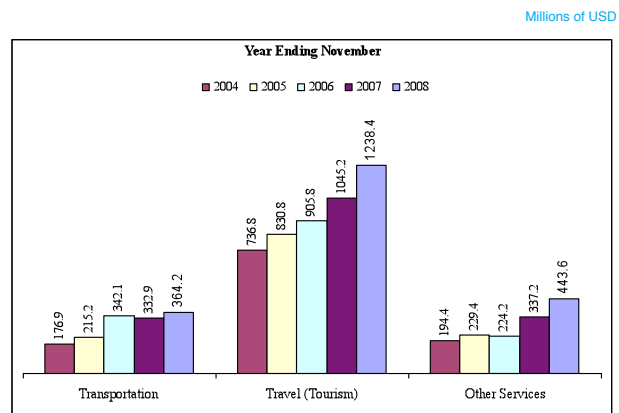


Services Export

Export of services increased by 4.4 percent to USD 150.2 million during November 2008 owing to increases in freight, travel, other business services and construction. On annual basis, services receipt increased by 19.1 percent to USD 2,041.7 million following improvement in transportation, travel, insurance and other business services receipt.

Travel which account for over 60 percent of total services receipt rose to USD 1,238.4 million from USD 1,045.2 million recorded during the corresponding period a year before. This development is partly a result of the on-going promotional campaigns of Tanzania's tourist attractions especially in the United States and England. In addition, there has been an increase in the number of international flights to the Tanzanian destination and improvement in the accommodation facilities on both the Mainland and Zanzibar Island. [Chart 4.5](#) depicts performance of the main service exports 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, goods import declined by 3.2 percent to USD 572.8 million following a drop in importation of consumer goods and intermediate goods. Importation of consumer goods decreased by 23.2 percent to USD 104.1 million following a decline in importation of food, food stuff and other consumer goods. Similarly, importation of intermediate goods went down to USD 244.5 million with oil imports and industrial raw materials accounting for the decrease. ([Table 4.2](#)).

Table 4.2: Imports

Millions of USD

Item	2007 ^P	2008		% Change		Year Ending November ^P		
	Nov	Oct	Nov	Nov 07 - Nov 08	Oct 08 - Nov 08	2007	2008	% Change
Capita Goods	163.6	203.7	224.1	37.0	10.0	1,672.8	2,487.4	48.7
Transport Equipments	52.3	51.2	71.5	36.9	39.7	428.0	744.2	73.9
Building and Constructions	38.7	61.9	55.2	42.6	-10.9	394.3	560.7	42.2
Machinery	72.6	90.6	97.4	34.1	7.6	850.6	1,182.5	39.0
Intermediate Goods	242.7	252.1	244.5	0.7	-3.0	1,910.9	2,427.7	27.0
Oil imports	186.4	180.2	173.8	-6.8	-3.6	1,433.4	1,774.1	23.8
Fertilizers	12.3	22.7	23.5	90.8	3.4	58.4	117.5	--
Industrial raw materials	44.1	49.3	47.3	7.3	-4.0	419.1	536.2	27.9
Consumer Goods	166.7	135.7	104.1	-37.5	-23.2	978.0	1,240.1	26.8
Food and food stuffs	51.7	48.2	20.5	-60.3	-57.4	233.3	327.1	40.2
All other consumer goods ¹	115.0	87.5	83.6	-27.3	-4.4	744.8	912.9	22.6
Grand Total (f.o.b)	573.0	591.5	572.8	-0.03	-3.2	4,561.8	6,155.2	34.9
Grand Total (c.i.f)	629.7	650.0	629.4	-0.03	-3.2	5,013.0	6,763.9	34.9

Note:

Oil imports refers to refined petroleum products

P = provisional data

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

Totals July not ad up due to rounding of numbers

Source: Bank of Tanzania and Tanzania Revenue Authority



Food Imports

In November 2008, the total value of cereal imports declined to USD 13.4 million mainly due to decrease in the imported volume of wheat by 68.8 percent to 32,254 tons. Importation of rice increased to 6,199 tons from 2,098 tons imported in the previous month. [Table 4.3](#) summarizes the import of selected cereals during the last four months.

Table 4.3: Summary of Selected Food Imports

Descriptions	Aug-08	Sep-08	Oct-08	Nov-08	% Change (Oct 08 – Nov 08)
Maize					
Tons	314.4	370.8	240.9	735.3	..
Rice					
Tons	2,513	210	2,098	6,199	..
Value (Mill. USD)	0.41	0.04	0.88	0.76	-12.8
Wheat					
Tons	10,600	109,084	103,483	32,254	-68.8
Value (Mill. USD)	4.59	43.56	43.01	11.74	-72.7
Total tons	13,428	109,665	105,823	39,188	-63
Total Value (Mill. USD)	5.3	44.1	44.2	13.4	-69.7

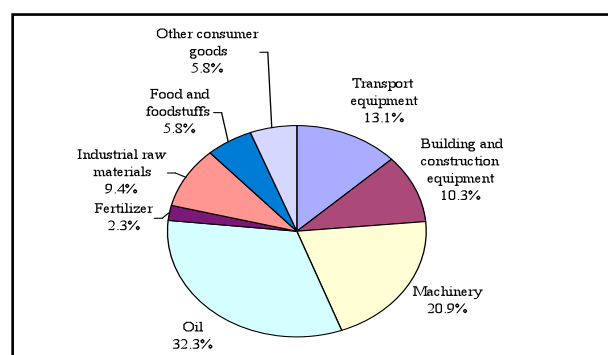
Note --, very large number

Source: Tanzania Revenue Authority

On annual basis, goods import went up by 34.9 percent to USD 6,155.2 million. Importation of capital goods increased from USD 1,672.8 million in the previous year to USD 2,487.4 million, in line with the growth of activities in the construction, communication and manufacturing sectors. Similarly, the value of imported intermediate goods rose by 27.0 percent to USD 2,427.7 million largely, driven by an increase in importation of oil. Likewise, consumer goods imports increased by 26.8 percent to USD 1,240.1 million on account of a rise in importation of food and other consumer goods such as pharmaceutical products, plastic items and paper products. It is worth noting that, the rise in importation of food and foodstuffs particularly cereals is partly associated with a surge in food prices in the world market following increased demand of cereals for making bio fuels and animal feed.

During the past four years, capital goods dominated the total imports followed by intermediate goods ([Chart 4.6](#)).

Chart 4.6: Tanzania: Contribution to Total Imports for the Year Ending September 2008.

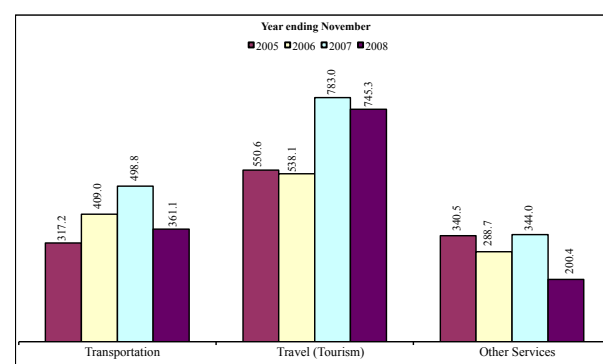


Services Import

Services payments decreased by 1.3 percent during the month under review, to USD 138.3 million on account of the decline in payments of freight, travel and other business services. On annual basis, services payment decreased by 16.5 percent to USD 1,359.3 million, largely due to decrease in payments of freight, travel, government and other business 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, 2005 - 2008

Millions of USD



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

World Commodity Prices

In November 2008, the world market prices of most of the agricultural and non-agricultural commodities declined compared to the prices recorded during the previous month. The prices of [tea](#) prices (Average) and (Mombassa Auction) declined from USD 2.3 per kg to USD 2.0 per kg and from USD 2.2 per kg to USD 1.7 per kg, respectively. This development largely emanated from the reduction in import demand from the major consuming countries in the Middle East, Pakistan, Russia and the United Kingdom. Similarly, prices of both [cotton](#) "A Index" and (Memphis) declined by 11.7 percent and 8.8 percent, respectively to USD 1.2 per kg on account of a weak demand from the key textile producers in Asia coupled with the slowdown in the global economy. The price of [cloves](#) dropped by 10.6 percent to USD 3,600.0 per metric ton as the global stocks improved following increased supply from Indonesia, Comoro and Madagascar. The prices of other non-oil products are as shown in [Table 4.4](#).

Table 4.4: World Commodity Prices

Commodity	Units	2008			% Change	Year Ending November			% Change
		Sep	Oct	Nov		2006	2007	2008	
Robusta Coffee	USD per kg	2.32	1.96	2.00	2.04	1.45	1.88	2.34	24.38
Arabica Coffee	USD per kg	3.16	2.73	2.69	-1.47	2.48	2.71	3.12	14.98
Tea (Average price)	USD per kg	2.67	2.31	1.98	-14.29	1.86	1.99	2.45	23.32
Tea (Mombasa auction)	USD per kg	2.57	2.23	1.73	-22.42	1.95	1.67	2.21	32.58
Cotton, "A Index"	USD per kg	1.62	1.37	1.21	-11.68	1.27	1.38	1.60	15.58
Cotton, Memphis"	USD per kg	1.64	1.36	1.24	-8.82	1.33	1.42	1.63	14.61
Sisal (UG)	USD per metric ton	1,025.00	1,025.00	1,025.00	0.00	935.42	946.67	1,025.00	8.27
Cloves	USD per metric ton	4,512.50	4,025.00	3,600.00	-10.56	3,997.71	3,375.19	4,515.63	33.79
Crude oil*	USD per barrel	99.66	72.69	53.97	-25.75	63.91	68.74	101.01	46.94
Crude oil**	USD per barrel	95.97	68.62	51.38	-25.12	60.97	69.42	97.51	40.46
White products***	USD per ton	956.79	719.34	551.34	-23.35	604.52	651.96	949.83	45.69
Jet/Kerosene	USD per ton	1030.98	762.91	617.49	-19.06	630.35	667.31	1020.29	52.90
Premium Gasoline	USD per ton	878.27	650.3	433.53	-33.33	613.02	667.31	861.00	29.03
Heat Oil	USD per ton	961.11	744.80	603.00	-19.04	570.20	621.27	968.19	55.84
Gold	USD per troy ounce	829.90	806.60	760.90	-5.70	594.36	678.37	870.63	28.31

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

** f. o. b. Dubai

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

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

During the period under review, the average prices of **crude oil** (UK Brent), Dubai (f.o.b) and **white products** recorded huge declines to USD 54.0 per barrel, USD 51.4 per barrel and USD 551.3 per ton, respectively. This development was largely attributable to the decline in oil demand owing to the global economic slowdown.

On annual basis, all commodities recorded increases in prices. The notable increase in coffee prices was mainly a result of the decline in the global coffee stocks. The significant increase in the price of cotton was largely attributable to a reduction in cotton acreage in US following farmers' decision to shift to food production, which is more lucrative. On yearly basis, prices of oil significantly increased following supply disruptions in the Middle East and Nigeria. There were also concerns regarding the impact of hurricanes in the Gulf of Mexico in U.S that exerted an upward pressure on the oil price. Regarding gold, the price increased notably to USD 870.6 per troy ounce largely driven by a strong investment demand following weakening of U.S dollar against other major currencies and instability in the global financial markets.

5.0 National Debt Developments

The national debt stock stood at USD 7,752.3 million at the end of November 2008, being an increase of 9.4 percent from USD 7,088.8 million reported in October, 2008. The increase is mainly on account of recorded new external debt disbursements and issuance of new government bonds on domestic debt. Out of the total debt stock, external debt accounted for 79.7 percent.

External Debt

At the end of November 2008, the external debt stock amounted to USD 6,180.6 million representing an increase

of 10.7 percent from USD 5,582.5 million registered at the end of the preceding month. Out of this amount, disbursed outstanding debt (DOD) was USD 4,804.4 million (77.7 percent) and interest arrears USD 1,376.2 million (22.3 percent).

The profile of DOD by creditor category indicates that, debt owed to multilateral institutions stood at USD 2,975.8 million accounting for 61.9 percent, while the amount of debt owed to bilateral creditors stood at USD 930.8 million. Commercial and export credits amounted to USD 506.7 million and USD 391.1 million, respectively (Table 5.1).

Table 5.1: Disbursed Outstanding Debt by Creditor Category

Million of USD				
Item	Oct-08	Nov-08	% Change	% of Tot
Bilateral debt	898.2	930.8	3.6	19.4
Multilateral debt	2,452.4	2,975.8	21.3	61.9
Commercial debt	562.1	506.7	-9.9	10.5
Export credits	332.5	391.1	17.6	8.1
Total	4,245.2	4,804.4	13.2	100.0

In terms of borrower category, the central Government remained the leading borrower with a debt amounting to USD 3,926.9 million accounting for 81.7 percent, followed by private sector debt of USD 727.7 million and parastatal companies debt amounting to USD 149.7 million (Table 5.2).

Table 5.2: Disbursed Outstanding Debt by Borrower Category

Millions of USD				
Item	Oct-08	Nov-08	% Change	% of Total
Central Government	3,417.3	3,926.9	14.9	81.7
Parastatal Companies	155.4	149.7	-3.6	3.1
Private Sector	672.5	727.7	8.2	15.2
Total	4,245.2	4,804.3		100.0

During the month under review, there were no new recorded loans, but new disbursements amounted to USD 168.3 million. External debt service payments during the month amounted to USD 2.9 million, out of which, principal repayments were USD 1.3 million and interest payments USD 1.6 million.

Domestic Debt

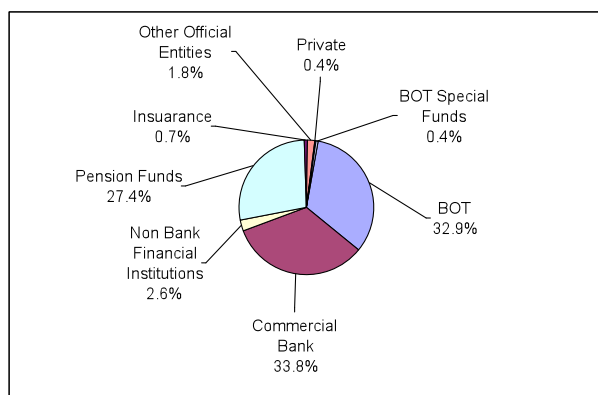
The stock of domestic debt stood at TZS 1,978.3 billion as at the end of November 2008 being an increase of 2.8 percent from TZS 1,925.0 billion registered at the end of the preceding month. The increase was mainly on account of issuance of new government bonds. Out of the total domestic debt stock, government securities accounted for 99.6 percent.

The profile of domestic debt by holder category shows that commercial banks were the leading creditors to the Union Government by holding 33.8 percent followed by Bank of



Tanzania and Pension Funds which held 32.9 percent and 27.4 percent respectively, while the remaining was held by other creditors ([Chart 5.1](#)).

Chart 5.1: Government Domestic Debt by Creditor Category



During the month under review domestic debt amounting to TZS 48.8 billion fell due for payment, out of which principal amount of TZS 43.4 billion was rolled over while interest amounting to TZS 5.4 billion was paid out of government revenue.



6.0 Economic Developments in Zanzibar

Inflation Developments

Annual headline inflation in November 2008 declined by 1.6 percentage points to 23.7 percent from 25.3 percent recorded in the year ended October 2008. The ease in inflation was mainly caused by a decline in food inflation. The month-to-month headline inflation which stood at negative 0.5 percent in October 2008, reached negative 0.2 percent in November 2008, on account of increase in non-food inflation (Table 6.1 and Chart 6.1).

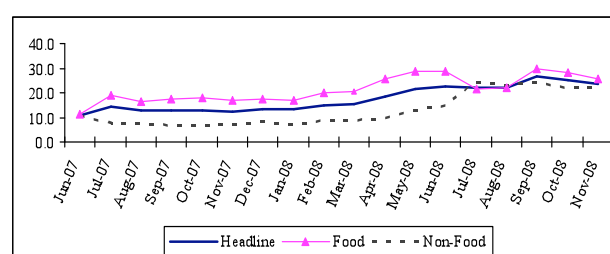
Table 6.1: Annual Percentage Change in Consumer Price Index (CPI)

Base: Dec.2005=100

Major commodity group	Weights (%)	2007			2008		
		Sep	Oct	Nov	Sep	Oct	Nov
Headline/Overall	100	12.4	12.8	12.4	26.6	25.3	23.7
Food	57.4	16.9	17.8	16.9	29.5	28.3	25.5
Non-Food	42.6	7.0	6.9	7.0	23.9	22.2	22.1
Alcoholic beverages, tobacco & narcotics	0.6	2.9	3.2	3.2	14.8	16.0	16.4
Clothing and footwear	6.2	6.4	7.1	5.5	10.4	8.7	10.2
Housing, water, electricity, gas and other fuels	15.6	4.8	4.2	4.1	37.4	36.3	36.6
Furnishing, household equipment and routine household maintenance	5.3	12.7	10.6	11.0	15.1	13.4	12.8
Health	2.1	20.3	18.6	13.5	14.8	15.4	16.4
Transport	3.4	7.6	4.4	6.0	25.8	24.9	23.2
Communication	2.4	-4.5	-4.5	-4.5	-2.4	-0.8	-0.9
Recreation and culture	0.4	12.8	12.9	12.6	6.1	5.7	5.2
Education	1.1	12.1	12.1	12.1	7.8	7.8	8.7
Restaurants and hotels	3.1	17.0	25.0	32.0	28.7	20.3	15.4
Miscellaneous goods & services	2.4	-7.4	-8.2	-7.7	19.8	19.1	21.3

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 decreased to 25.5 percent during the year ended November 2008, from 28.3 percent recorded in October 2008 and 29.5 percent recorded in September 2008. The deceleration in food inflation was associated with declining prices and transport costs of imported rice and wheat. The month-to-month food inflation stood at negative 0.9 percent in November 2008 compared with negative 0.8 percent registered in October 2008, mainly on account of decreased price of rice.

Annual non-food inflation decreased slightly in November 2008 to 22.1 percent, from 22.2 percent registered in the year ended October 2008, mainly associated with decrease in prices of transport services, furnishing and household equipment sub-groups. The month-to-month non-food inflation increased to 0.6 percent in November 2008, from negative 0.2 percent in October 2008, mainly due to increase in prices of transportation services.

Fiscal Performance

The government budgetary operations as at end November 2008, registered a budget deficit on cheques cleared basis of TZS 0.4 billion, compared with a deficit of TZS 5.7 billion recorded in the previous month. Total resources amounted to TZS 13.0 billion, below the target of TZS 13.6 billion. Domestic sources contributed TZS 11.3 billion, accounting for 86.9 percent of total resources, while foreign grants amounted to TZS 1.7 billion, or 13.1 percent of the total resources. Total expenditure amounted to TZS 15.7 billion, which was below the target of TZS 19.3 billion. The budget deficit was financed by foreign sources to the tune of TZS 0.4 billion.

Revenue

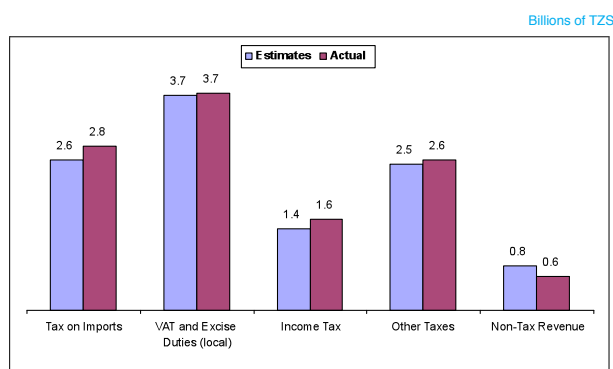
Revenue collection during the reporting month amounted to TZS 11.3 billion, above the target of TZS 11.0 billion on account of improved collection in all revenue categories except non tax sources. Specifically, tax revenue reached TZS 10.7 billion, exceeding the target of TZS 10.2 billion, and accounted for 94.7 percent of the total revenue collection in November 2008. Non-tax revenue amounted to TZS 0.6 billion, below the monthly target of TZS 0.8 billion.

Revenue performance by category shows that, local VAT and excise duty collections amounted to TZS 3.7 billion as targeted and accounted for 34.6 percent of the tax revenue. Tax on imports amounted to TZS 2.8 billion, above the target of TZS 2.6 billion. Income tax collection amounted to TZS 1.6 billion, higher than the targeted amount of TZS 1.4 billion. Other taxes reached TZS 2.6 billion, above the target of TZS 2.5 billion. Non-tax revenue amounted to TZS 0.6 billion and was below the target of TZS 0.8 billion (Chart 6.2). The underperformance of non tax revenue was a result of low contribution from ministerial collections.

Cumulatively from July - November 2008 the Government revenue reached TZS 52.5 billion compared to the target of TZS 56.1 billion and accounted for 39.1 percent of the annual target of TZS 134.2 billion.

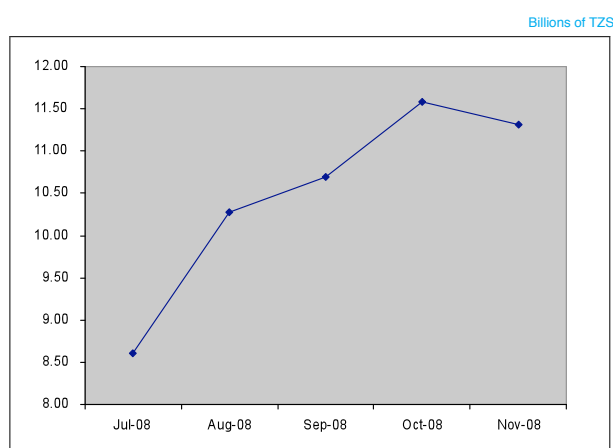


Revenue by Source – November 2008



Source: Ministry of Finance and Economic Affairs, Zanzibar.

Chart 6.3: Government Total Revenue Collections Trend July–November 2008



Source: Ministry of Finance and Economic Affairs, Zanzibar.

Expenditure

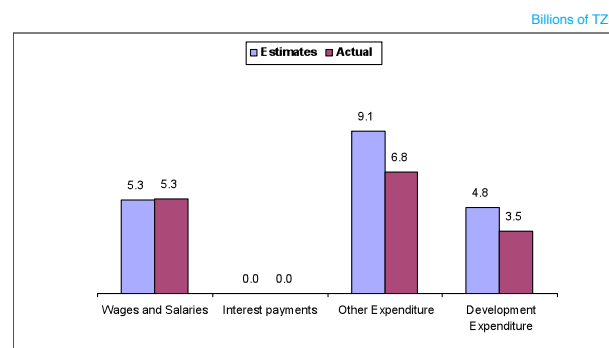
As at end of November 2008 total government expenditure reached TZS 15.7 billion, being short of the target of TZS 19.3 billion. Recurrent expenditure reached TZS 12.2 billion, representing 77.7 percent of total expenditure, while development expenditure amounted to TZS 3.5 billion.

In recurrent expenditures, wages and salaries amounted to TZS 5.3 billion as targeted and accounted for 43.4 percent of the recurrent expenditure. Expenditure on other charges amounted to TZS 6.8 billion, below the target of TZS 9.1 billion (Chart 6.4).

Development expenditure amounted to TZS 3.5 billion, compared with the target of TZS 4.8 billion. Out of this amount, Government contributions amounted to TZS 2.4 billion as targeted and accounting for 68.6 percent of the total development expenditure. Donor funds reached TZS 1.1 billion, accounting for 31.4 percent of the total development expenditure.

Cumulatively from July - November 2008, the Government expenditure amounted to TZS 74.6 billion, compared to the target of TZS 85.0 billion, and accounted for 21.8 percent of the annual target of TZS 341.7 billion.

Chart 6.4: Government Expenditure by Components – November 2008



Source: Ministry of Finance and Economic Affairs, Zanzibar.

Debt Developments

Zanzibar debt as at end of November 2008 amounted to TZS 137.9 billion (USD 109.5 million), compared to TZS 140.2 billion (USD 109.3 million) registered in October 2008. External debt stood at USD 61.8 million, accounting for 56.4 percent of the total debt, while domestic debt was TZS 60.0 billion. Debt to GDP ratio stood at 23.4 percent compared to 23.8 percent registered at end October 2008.

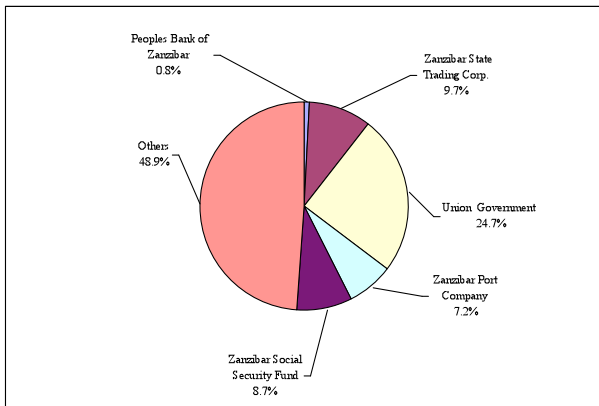
Domestic Debt

During the period under review, the stock of government domestic debt amounted to TZS 60.0 billion, compared to TZS 61.2 billion registered in the previous month. The slight decrease in the domestic debt was on account of debt repayment.

Domestic debt by creditors shows that suppliers and pensioners claims remained high, amounting to TZS 32.2 billion, and equivalent to 53.6 percent of the total domestic debt while Union Government debt stood at TZS 13.6 billion, and accounted for 22.7 percent of the domestic debt. Chart 6.5 shows domestic creditors by category.



Chart 6.5: Domestic Debt by Creditor as at End – November 2008



Source: Ministry of Finance and Economic Affairs-Zanzibar

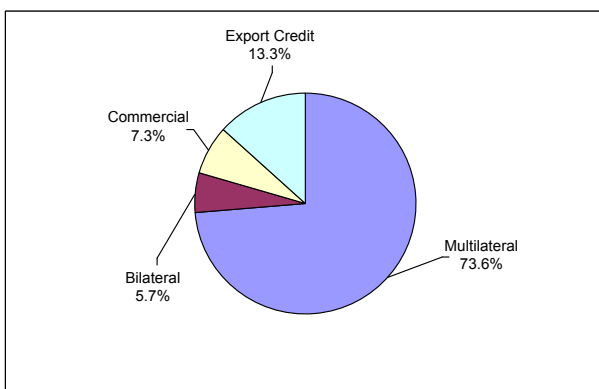
Classification of debt by maturity indicated that, debt with “undetermined maturity” (predominantly gratuity and supplier’s claims), amounted to TZS 32.3 billion and represented 53.8 percent of domestic debt, whereas debt maturing between 2 – 5 years was TZS 21.2 billion or 35.3 percent of domestic debt. Debt maturing in less than a year amounted to TZS 6.5 billion, equivalent to 10.8 percent of the total domestic debt.

External Debt

Total external debt as at end November 2008 declined slightly to USD 61.8 million, compared to USD 61.5 million registered in the preceding month. Debt guaranteed by the Union government stood at USD 46.2 million, accounting for 74.8 percent of the external debt, while non-guaranteed debt amounted to USD 15.6 million.

During the month under review, external debt by creditor category shows that, debt due to multilateral creditors amounted to USD 45.5 million, accounting for 73.6 percent of the external debt while bilateral creditors stood at USD 3.5 million. Commercial debt amounted to USD 4.5 million, whereas export credit amounted to USD 8.2 million (Chart 6. 6).

Chart 6.6: External Debt by Creditor as at End – November 2008

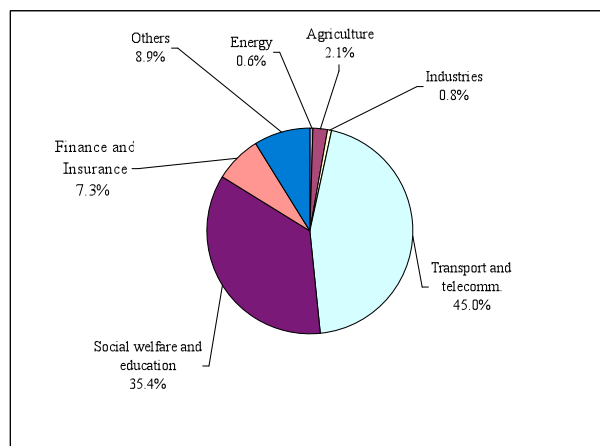


Source: Ministry of Finance and Economic Affairs-Zanzibar

External Debt - Disbursements by End Use

Disbursement of external debt by end use during the period ending November 2008, indicates that transport and telecommunications sectors received USD 27.8 million, equivalent to 45.0 percent of the total external debt followed by social welfare and education sectors which obtained USD 21.8 million, representing 35.2 percent. Finance and Insurance sector received USD 4.5 million, while agriculture and energy sectors had USD 1.3 million and USD 0.4 million, respectively. Industrial sector received USD 0.5 million, while other sectors received USD 5.6 million (Chart 6.7).

Chart 6.7: External Debt by Use of Funds as at End – November 2008



Source: Ministry of Finance and Economic Affairs-Zanzibar

External Sector Performance

Current Account

At the end of November 2008, current account registered a deficit of USD 2.7 million, compared to a surplus of USD 3.5 million recorded in the previous month. The deficit emanated mainly from a fall in inflows of current transfers from USD 9.8 million recorded in October 2008 to USD 1.4 million during the month under review. Trade account recorded a deficit of USD 7.2 million compared to a deficit of USD 9.3 million of the preceding month.

On year to year basis, the current account registered a deficit of USD 18.3 million compared to a surplus of USD 36.2 million for the corresponding period in 2007, mainly on account of increase in imports bill coupled with slow down in foreign grants inflows. Trade account deficit increased to USD 90.6 million from a deficit of USD 70.2 million registered during the corresponding period in 2007 (Table 6.2).



Table 6.2: Zanzibar Current Account Balance

Millions of USD

Item	2007			2008p		Year Ending November		%Change	
	Nov	Oct	Nov	2007	2008p	Monthly	Annual	Monthly	Annual
Goods Account (net)	-6.5	-9.3	-7.2	-70.2	-90.6	-11.8	29.1		
Exports	1.2	1.48	1.5	14.1	19.3	-60.0	36.9		
Imports (fob)	7.7	10.8	8.8	84.3	109.9	-18.5	30.3		
Services Account (net)	1.5	3.0	3.1	43.2	30.8	3.3	-28.7		
Receipts	6.6	8.1	8.3	92.7	86.5	2.5	-6.7		
Payments	5.1	5.1	5.2	49.5	55.7	2.0	12.6		
Goods and Services (net)	-5.0	-6.3	-4.1	-27.0	-59.8	-34.9	121.5		
Exports of Goods and Services	7.8	9.6	9.9	106.8	105.7	3.1	-0.9		
Imports of Goods and Services	12.8	15.9	14.0	133.8	165.6	-11.9	23.8		
Income Account (net)	-0.01	0.0	0.0	0.0	-0.6	0.0			
Receipts	0.02	0.0	0.0	0.2	0.4	0.0	145.1		
Payments	0.03	0.1	0.1	0.2	1.0	0.0	384.0		
Current Transfers (net)	1.8	9.8	1.4	63.3	42.1	-85.7	-33.4		
Inflows	1.8	9.8	1.4	63.3	42.1	-85.7	-33.4		
Outflows	0.0	0.0	0.0	0.0	0.0				
Current Account Balance	-3.2	3.5	-2.7	36.2	-18.3	-178.9	-150.6		

P = Provisional

Source: Tanzania Revenue Authority and BOT.

Exports Performance

Exports of goods and services in November 2008 amounted to USD 9.9 million, having increased marginally from USD 9.6 million recorded in the previous month, owing to increase in merchandise and services receipts. Specifically, services proceeds amounted to USD 8.3 million from USD 8.1 million recorded in the preceding month and representing 84.0 percent of total exports. Meanwhile merchandise exports amounted to USD 1.5 million.

On annual basis, total exports (goods and services) amounted to USD 105.7 million, a decline from USD 106.8 million realised during the corresponding period in 2007. The slight decline was due to a decrease in services receipts to USD 86.5 million from USD 92.7 million earned in corresponding period in 2007. Clove exports amounted to USD 6.7 million from USD 6.6 million earned in the corresponding period in 2007, and represented 6.3 percent of total exports. Average export price of cloves increased from USD 3,054.3 per ton in year ending November 2007 to USD 3,909.9 per ton in the year ending November 2008 due to strong demand in the world market coupled with short supply in Indonesia, the largest world cloves producer. Seaweeds exports amounted to USD 2.5 million from USD 1.9 million received in the previous year, accounting for 2.4 percent of total exports receipts. Manufactured exports amounted to USD 4.1 million, equivalent to 3.9 percent of total export receipts. Fish and fish produce stood at USD 0.1 million (Table 6.3).

Table 6.3: Zanzibar Exports by Major Categories

Item	2007			2008p		Year Ending November		%Change	
	Nov	Oct	Nov	2007	2008p	Monthly	Annual	Monthly	Annual
Traditional									
Cloves									
Value	0.2	0.5	0.6	6.6	6.7	20.0	1.8		
Volume	0.05	0.1	0.2	2.2	1.7	100.0	-22.7		
Unit Price	3,446.4	3,914.9	3,905.0	3,054.3	3,909.9	-0.3	28.0		
Non-Traditional									
Seaweeds									
Value	0.3	0.17	0.19	1.9	2.5	11.8	31.6		
Volume	1.0	0.5	0.6	9.0	8.9	20.0	-1.1		
Unit Price	319.3	321.2	331.3	216.2	286.5	3.1	32.5		
Manufactured									
Goods	0.37	0.4	0.4	3.4	4.1	0.0	20.6		
Fish and Fish Produce	0.02	0.0	0.0	0.2	0.1	0.0	-50.0		
Horticultural produce	0.00	0.0	0.0	0.0	0.0	0.0	0.0		
Others Exports	0.32	0.4	0.3	2.0	5.7	-25.0	185.0		
Sub Total	0.7	0.8	0.7	5.5	10.0	-12.5	81.8		
Grand Total	1.2	1.5	1.5	14.1	19.3	4.7	36.9		

P = Provisional data

Value in Millions of USD, Volume in "000" Tons, Unit Price in USD/Ton

Source: Tanzania Revenue Authority

Goods Imports

During November 2008, goods imports (c.i.f) amounted to USD 9.6 million, compared to USD 11.9 million registered in the preceding month, mainly on account of decrease in the volume of oil imports. Intermediate goods imports, driven by oil, dropped to USD 2.8 million in November 2008 from USD 5.1 million in October 2008, and accounted for 29.2 percent of total goods imports. Capital goods imports increased marginally to USD 5.0 million from USD 4.9 million recorded in the preceding month, and accounted for 52.1 percent of total goods imports.

On annual basis, goods imports (c.i.f) surged to USD 120.7 million during the year ending November 2008 from USD 92.6 million recorded in the corresponding period 2007. Oil import bill increased by 51.8 percent to USD 33.1 million from USD 21.8 million, and was equivalent to 27.4 percent of merchandise imports. Capital goods imports rose to USD 52.6 million from USD 44.8 million of the corresponding period in 2007. Food and food stuffs imports stood at USD 7.5 million from USD 6.4 million (Table 6.4).

Table 6.4: Zanzibar Imports by Major Categories

Import Category	2007			2008p		Year Ending November		%Change	
	Nov	Oct	Nov	2007	2008p	Monthly	Annual	Monthly	Annual
Capital Goods	3.9	4.9	5.0	44.8	52.6	2.0	17.4		
Transport Equipment	2.0	3.16	3.21	17.1	31.8	1.6	86.0		
Building and Constructions	0.6	0.82	0.83	12.5	8.1	1.2	-35.2		
Machinery	1.3	0.92	0.93	15.2	12.7	1.1	-16.4		
Intermediate Goods	3.4	5.1	2.8	26.8	44.8	-45.1	67.2		
Oil imports	2.55	3.9	2.0	21.8	33.1	-48.7	51.8		
Fertilizers	0.02	0.02				
Industrial raw materials	0.88	1.1	0.8	5.0	11.7	-27.3	134.0		
Consumer Goods	1.1	1.9	1.9	20.9	23.3	0.0	11.5		
Food and food stuffs	0.2	0.27	0.27	6.4	7.5	0.0	17.2		
All other consumer goods	0.9	1.6	1.6	14.5	15.9	0.0	9.7		
Grand Total (c.i.f)	8.4	11.9	9.6	92.6	120.7	-19.3	30.3		
Grand Total (f.o.b)	7.7	10.8	8.8	84.3	109.9	-18.5	30.4		

p = provisional

... = Very small value

Source: Tanzania Revenue Authority



Services Account

During the month under review, services account registered a surplus of USD 3.1 million, compared to USD 3.0 million registered in October 2008. Foreign receipts rose to USD 8.3 million from USD 8.1 million, of which transport and travel receipts amounted to USD 3.6 million and USD 3.2 million, representing 43.4 percent and 38.5 percent of total foreign receipts, respectively. Foreign payments increased to USD 5.2 million from USD 5.1 million recorded in the previous month.

On year to year basis, the services account surplus narrowed to USD 30.8 million from USD 43.2 million recorded in 2007. Total foreign receipts declined to USD 86.5 million, from USD 92.7 million, while payments amounted to USD 55.7 million from USD 49.5 million.



STATISTICAL TABLES



Table A1 : selected Economic Indicators (Annual)

Item	Unit	1998	1999	2000	2001	2002	2003	2004	2005	2006 [†]	2007*
1. 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
2. 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-Ti	Percent	22.0	20.6	21.5	18.0	16.8	12.2	12.7	13.4	14.9	16.1
3. 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
4 Population (TZ Mair	Million	30.0	30.9	31.9	32.9	33.6	34.2	35.3	36.2	37.5	38.3
5. 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	
6. Total External Debt	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:

¹ Calculated on the basis of GDP at market price

² Calculated on the basis of GDP at factor cost

³ GNDI stands for gross national disposable income

⁴ Annual Average

[†] 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				
		Jul-08	Aug-08	Sep-08	Oct-08	Nov-08
Total Revenue	4,728,595.0	318,955.8	303,538.6	437,765.1	353,695.9	321,600.8
Tax Revenue	4,485,099.9	303,484.6	287,597.9	420,844.5	334,000.7	305,379.8
Taxes on Imports	1,643,767.3	132,518.8	107,514.0	130,867.9	129,232.6	118,888.9
Sales/VAT and Excise on Local Goods	1,078,532.8	70,923.9	80,947.1	98,258.2	89,877.0	91,903.7
Refunds	145,456.9	10,386.7	10,386.8	10,386.8	12,246.7	12,246.7
Income Taxes	1,425,651.7	72,058.4	77,421.7	160,946.5	82,547.6	76,023.9
Other taxes	482,605.0	38,370.2	32,101.9	41,158.7	44,590.2	30,810.0
Non- tax Revenue	243,495.1	15,471.2	15,940.7	16,920.6	19,695.2	16,221.0
Total Expenditure /1	7,139,103.4	258,225.7	441,364.2	692,440.7	561,866.1	431,780.1
Recurrent expenditure	4,647,623.3	223,259.6	275,005.6	549,094.1	325,317.0	304,485.5
Retention fund	85,317.8	3,360.2	5,164.0	3,123.5	3,631.8	2,566.0
Wages and salaries	1,570,324.0	118,265.1	0.0	372,611.6	124,270.0	129,509.4
Interest payments	282,359.0	25,162.8	5,381.1	13,342.1	27,504.1	11,652.6
Domestic 2/	247,759.0	25,063.7	4,688.7	10,229.7	23,305.1	9,246.6
Foreign	34,600.0	99.1	692.4	3,112.4	4,199.0	2,406.0
Other goods, services and transfers	2,709,622.6	76,471.5	264,460.5	160,016.9	169,911.2	160,757.5
Dev. Expenditure and net lending	2,491,480.1	34,966.1	166,358.5	143,346.6	236,549.1	127,294.5
Local	940,380.1	466.1	74,964.7	34,955.6	113,000.0	54,000.0
Foreign	1,551,100.0	34,500.0	91,393.9	108,390.9	123,549.1	73,294.5
Overall Balance (cheque issued) before Grants	-2,410,508.4	60,730.1	-137,825.6	-254,675.6	-208,170.2	-110,179.3
Grants	1,441,229.2	9,905.3	30,619.6	278,478.1	79,154.7	87,919.2
Program (CIS/OGL)	543,904.7	0.0	0.0	241,294.0	14,108.2	31,185.0
Project	556,365.7	8,486.9	3,518.6	14,938.0	383.9	0.0
Basket funds	206,125.9	952.2	22,136.4	17,290.5	59,235.2	49,996.6
HIPC Relief	134,832.9	466.1	4,964.7	4,955.6	5,427.4	6,737.6
Overall defic.(cheq.issued) after Grants	-969,279.2	70,635.4	-107,206.0	23,802.5	-129,015.5	-22,260.0
Expenditure float	0.0	-192,050.8	-16,513.5	-4,519.9	-1,686.3	-1,309.5
Adjustments to cash and other items (net)	0.4	96,927.4	58,412.4	-92,034.4	62,832.3	-179,144.5
Overall Balance (cheques issued)	-969,278.8	-24,488.1	-65,307.0	-72,751.8	-67,869.4	-202,714.0
Financing:	969,278.8	24,488.1	65,307.0	72,751.8	67,869.4	202,714.0
Foreign Financing (net)	946,206.7	24,434.3	65,192.8	72,822.5	67,853.2	202,710.3
Loans	775,649.9	0.0	35,827.7	58,442.4	39,810.6	189,238.4
Program loans	268,208.1	0.0	0.0	0.0	0.0	189,238.4
Development Project loans	507,441.9	0.0	35,827.7	58,442.4	39,810.6	0.0
Basket Support	212,655.6	25,060.9	29,911.3	17,720.0	28,278.5	16,560.3
Amortization	-42,098.8	-626.5	-546.2	-3,339.9	-235.9	-3,088.4
Domestic (net)	23,072.1	53.7	114.2	-70.7	16.3	3.6
Domestic Financing	-36,927.9	53.7	114.2	-70.7	16.3	3.6
Bank borrowing	0.0	182.0	99.1	-68.9	40.3	-81.9
Non-Bank (net of amortization)	-16,927.9	-128.3	15.1	-1.8	-24.0	85.6
Amortization of contingent debt	-20,000.0					
Privatization Proceeds	60,000.0					

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



Table A3 : Depository Corporations Survey** (Revised)

End of Period	Domestic assets (net)										M3,	Extended Broad Money			Millions of TZS									
	Domestic credit (net)										M0,	Broad Money			Memorandum item:									
	Net											M1,	Narrow Money			Base Money								
	Claims on												Currency in circulation			of which:								
	Other items												TOTAL			TOTAL								
	Foreign assets	Claims on government	Claims on private sectors*	Other items	sum (2-5) or sum (9-13)	sum (9-12)	sum (9,10)	banks	outside	Demand deposits			Time deposits	Savings deposits	Foreign currency deposits	13	14	15						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15										
1998	458,003.6	276,586.7	248,276.2	44,118.1	1,026,984.7	844,929.4	545,517.0	307,798.7	237,718.3	134,401.0	165,011.4	182,055.2	418,734.0	110,935.3										
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	1,637,730.7	1,233,667.0	766,019.9	411,638.9	354,381.0	208,101.6	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	1,507,683.5	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	3,528,866.1	-254,063.1	2,883,789.5	-330,874.3	5,827,718.2	4,112,108.3	2,562,143.8	1,164,184.8	1,397,959.0	569,970.0	979,994.5	1,715,610.0	1,879,108.2	714,923.4										
2007-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	5,885,917.4	4,170,212.6	2,505,089.5	1,146,729.0	1,358,360.5	567,107.3	1,058,015.8	1,715,405.8	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	6,251,010.6	4,601,074.4	2,732,381.1	1,153,962.2	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	6,362,158.4	4,591,077.6	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	3,945,270.6	-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	913,695.5										
October	3,504,439.8	424,272.9	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	3,628,184.5	326,695.3	4,227,420.7	-771,336.6	7,410,964.4	5,527,511.3	3,241,180.7	1,453,060.0	1,788,120.7	1,007,946.0	1,278,384.6	1,883,453.1	2,302,385.5	849,325.5										

Note: * Formerly known as "Claims on other domestic sectors". ** Formerly known as "Monetary survey". The Depository Corporations survey includes all banks that take deposits from the public. It covers the period from December 2005 CB - Commercial Banks



Table A4 : Interest Rate structure

Item	Percent										
	2008 ^p										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov (Prov)
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
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
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
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
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
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
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
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
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
Lombard Rate	9.90	8.99	8.03	7.16	7.00	7.55	8.54	7.99	8.67	8.90	9.66
REPO Rate	6.60	4.79	3.82	3.67	3.66	3.75	3.79	3.76	4.02	4.89	5.32
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
91 days	9.54	7.05	5.69	5.12	4.95	5.76	7.93	8.62	10.36	10.39	10.76
182 days	10.33	8.02	7.03	6.90	6.75	7.63	8.51	10.11	10.53	10.81	11.00
364 days	12.80	9.82	9.40	9.43	9.03	10.00	11.15	11.48	11.56	11.63	11.97
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
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
5-years	16.81	16.81	14.49	14.49	14.49	14.49	14.49	14.49	14.49	16.39	16.39
7-years	18.15	17.18	17.18	17.18	17.18	17.18	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
Discount Rate	15.89	13.36	12.39	12.08	12.00	12.84	14.46	14.47	15.17	15.30	15.33
Savings Deposit Rate	2.66	2.64	2.64	2.75	2.74	2.79	2.64	2.61	2.64	2.59	2.62
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
Call Accounts	0.88	0.95	0.97	1.36	0.82	0.80	0.76	0.75	0.76	0.83	0.64
1 month	7.22	8.53	7.70	7.91	6.31	6.05	5.96	5.79	6.10	6.48	6.24
2 months	9.42	8.70	8.56	6.75	7.14	6.90	8.69	6.79	8.14	7.07	7.31
3 months	9.63	9.77	8.77	8.66	7.56	7.92	7.11	7.36	7.30	7.22	7.80
6 months	10.00	9.46	10.13	10.14	9.54	8.97	8.91	7.03	7.61	7.25	7.93
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
24 months	9.95	10.10	10.65	8.93	6.87	7.71	6.49	5.82	7.07	6.52	5.96
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
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
Call Loans	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	20.25	19.25
Short-term (up to 1 year)	13.96	14.48	13.90	13.08	13.58	13.93	13.35	13.86	14.04	13.27	13.57
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
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
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
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
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
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
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
1-months	3.60	4.58	4.79	2.96	4.84	5.04	2.61	2.79	2.88	2.59	3.10
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-months	4.85	3.17	4.88	4.89	3.80	3.95	5.05	2.91	3.07	2.70	3.29
6-months	4.78	4.73	3.45	3.99	4.97	5.17	4.05	2.86	2.89	3.37	3.40
12-months	4.92	5.72	6.95	4.43	4.52	3.48	4.43	3.12	3.19	3.65	3.65
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
Short-term (up to 1 year)	3.82	4.55	4.79	6.43	6.75	6.74	5.60	5.43	5.33	6.37	6.35
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
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
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
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

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	2007 ^p	2008		% Change		Year Ending November ^p		
	Nov	Oct	Nov	Nov 07-Nov 08	Oct 08 - Nov 08	2007	2008	% Change
Traditional Exports:								
COFFEE								
Value	8.8	10.4	12.8	45.3	23.0	96.1	85.0	-11.6
Volume	3.6	5.0	6.3	72.9	24.7	47.6	36.8	-22.7
Unit Price	2,435.0	2,074.9	2,045.9	-16.0	-1.4	2,019.1	2,310.4	14.4
COTTON								
Value	16.3	19.5	7.9	-51.8	-59.8	37.0	114.7	--
Volume	12.9	14.4	6.7	-47.9	-53.3	35.5	93.0	--
Unit Price	1,261.4	1,019.1	1,166.4	-7.5	14.5	1,043.3	1,232.9	18.2
SISAL								
Value	0.5	1.2	0.0	-100.0	0.0	10.2	3.4	-66.6
Volume	0.5	0.7	0.0	-100.0	0.0	11.8	3.2	-72.6
Unit Price	1,015.7	0.0	0.0	-100.0	0.0	864.9	1,054.9	22.0
TEA								
Value	2.0	2.6	2.7	36.3	2.0	30.3	31.3	3.5
Volume	1.6	1.6	1.6	-4.4	-0.6	21.4	20.0	-6.9
Unit Price	1,197.2	1,663.2	1,707.6	42.6	2.7	1,413.5	1,570.3	11.1
TOBACCO								
Value	1.7	7.9	46.7	2,706.7	491.2	79.8	56.5	-29.1
Volume	0.5	2.9	12.5	2,213.3	331.6	33.9	24.1	-29.0
Unit Price	3,075.8	2,724.1	3,731.8	21.3	37.0	2,352.2	2,347.4	-0.2
CASHEWNUTS								
Value	0.5	0.00	0.0	-100.0	0.0	28.7	55.8	94.6
Volume	0.9	0.00	0.0	-100.0	0.0	57.8	76.6	32.5
Unit Price	608.6	0.0	0.0	-100.0	0.0	496.3	728.5	46.8
CLOVES								
Value	0.0	4.50	1.8	--	-59.4	9.8	6.2	-36.1
Volume	0.0	1.30	0.5	--	-60.8	3.0	1.7	-44.1
Unit Price	3,500.0	3,461.5	3,582.4	2.4	3.5	3,204.3	3,664.7	14.4
Sub Total	29.9	46.2	71.9	140.8	55.6	291.8	353.0	21.0
Non-Traditional Exports:								
Minerals								
Gold	54.7	52.0	53.9	-1.5	3.7	833.9	944.7	13.3
Diamond	0.2	2.1	1.5	651.2	-26.0	27.0	20.5	-23.8
Other minerals ¹	5.3	0.9	1.6	-69.7	81.4	29.5	54.9	86.0
Manufactured Goods	37.9	45.2	61.2	61.6	35.5	271.3	550.0	102.7
Cotton Yarn	3.0	1.9	1.9	--	0.1	7.3	15.8	117.0
Manufactured Coffee	0.1	0.0	0.0	-100.0	0.0	1.5	1.1	-31.6
Manufactured Tobacco	0.1	0.0	0.3	--	--	1.2	1.6	42.1
Sisal Products (Yarn & Twine)	0.8	0.0	0.8	--	--	4.9	11.6	--
Other manufactured Goods ²	33.9	43.3	58.2	--	34.5	256.4	519.8	102.8
Fish and Fish Products	12.2	10.9	10.2	-15.8	-6.0	157.0	148.6	-5.3
Horticultural products	1.7	4.3	2.3	--	-46.5	18.3	27.2	48.5
Re-exports	14.0	5.9	53.5	281.5	--	142.0	129.1	-9.1
Others Exports³	19.7	52.9	20.0	1.8	-62.1	177.5	259.7	46.3
Sub Total	145.6	174.2	204.4	40.3	17.4	1,656.5	2,134.8	28.9
GRAND TOTAL	175.5	220.4	276.3	57.4	25.4	1,948.4	2,487.8	27.7

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	2007 ^p	2008		% Change Nov 07-Nov 08	% Change Oct 08 - Nov 08	Year Ending November ^p	
		Oct	Nov			2007	2008
							% Change
Capital Goods	163.6	203.7	224.1	37.0	10.0	1,672.8	2,487.4
Transport Equipments	52.3	51.2	71.5	36.9	39.7	428.0	744.2
Building and Constructions	38.7	61.9	55.2	42.6	-10.9	394.3	560.7
Machinery	72.6	90.6	97.4	34.1	7.6	850.6	1,182.5
Intermediate Goods	242.7	252.1	244.5	0.7	-3.0	1,910.9	2,427.7
Oil imports	186.4	180.2	173.8	-6.8	-3.6	1,433.4	1,774.1
Fertilizers	12.3	22.7	23.5	90.8	3.4	58.4	117.5
Industrial raw materials	44.1	49.3	47.3	7.3	-4.0	419.1	536.2
Consumer Goods	166.7	135.7	104.1	-37.5	-23.2	978.0	1,240.1
Food and food stuffs	51.7	48.2	20.5	-60.3	-57.4	233.3	327.1
All other consumer goods ¹	115.0	87.5	83.6	-27.3	-4.4	744.8	912.9
Grand Total (f.o.b)	573.0	591.5	572.8	0.0	-3.2	4,561.8	6,155.2
Grand Total (c.i.f)	629.7	650.0	629.4	0.0	-3.2	5,013.0	6,763.9

Note:

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

Totals may not add up due to rounding of numbers.

Source: Bank of Tanzania, TRA.

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

Millions of USD								
Item	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>
Balance on Goods and Services	-689.0	-444.1	-244.2	-490.5	-842.3	-1,256.6	-1,667.8	-2,393.6
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>936.6</i>	<i>735.2</i>	<i>372.0</i>	<i>194.1</i>	<i>93.9</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
Overall balance	-86.3	-809.6	317.9	389.1	206.0	-222.4	460.7	532.7
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 (A00 - Urban), Percentage Change on the Previous Year

Period	Headline		Non-Food										Transportation	Education	Miscel. goods & services
	(General Index)	Food	Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household Equip.	Household operations	Personal care & Health	Recreation & Entertain.				
Weight (%)	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5	
2003	3.5	4.5	2.0	1.5	2.0	5.9	2.5	2.1	1.1	2.9	2.1	1.2	2.2	2.2	
2004	4.2	5.9	1.6	-0.5	2.3	2.3	4.6	0.2	0.9	0.5	2.1	1.0	0.6	-0.5	
2005	4.4	5.9	2.9	2.1	-0.5	-0.4	7.7	-1.1	0.5	3.5	-1.5	4.7	-0.1	-1.4	
2006	7.3	7.0	7.6	7.7	7.0	5.5	8.5	7.8	2.0	11.2	5.0	9.1	2.5	8.0	
2007	7.0	7.0	7.0	10.5	5.9	3.6	6.2	7.9	8.7	2.9	8.9	7.0	9.7	0.8	
2007 Mar	7.2	6.3	8.4	11.7	6.5	5.6	7.9	10.6	10.5	2.1	7.4	9.2	11.6	-0.2	
Jun	5.7	4.0	8.1	13.3	7.2	3.9	6.3	9.2	11.0	4.2	9.6	7.4	10.7	2.1	
Sep	8.4	10.3	5.8	8.1	5.5	2.2	4.3	6.2	8.9	3.4	10.4	5.8	8.9	0.4	
Dec	6.9	7.5	5.9	9.1	4.4	2.8	6.2	5.8	4.5	1.9	8.1	5.7	7.5	0.9	
2008 Mar	8.9	10.9	5.8	9.9	0.8	2.1	8.4	4.6	3.1	3.4	4.4	5.5	5.6	1.6	
Jun	9.4	11.4	6.5	7.9	1.1	2.1	11.2	5.2	2.7	3.7	4.1	6.8	6.3	0.7	
Sep	10.3	11.9	7.8	17.6	1.1	3.0	13.2	6.8	2.2	5.9	5.5	8.5	7.8	2.2	
2007 Jan	7.0	6.7	7.4	11.9	6.1	4.9	4.8	10.3	9.6	2.0	5.6	8.8	10.0	-1.8	
Feb	7.3	6.2	8.8	11.2	6.3	6.0	9.6	11.0	10.8	0.9	7.5	9.8	11.8	-0.4	
Mar	7.2	6.1	9.1	11.8	7.2	5.8	9.3	10.4	11.1	3.4	9.2	9.1	13.0	1.6	
Apr	6.1	4.8	8.2	14.7	6.7	4.3	5.0	10.5	11.8	3.6	9.4	8.3	11.8	1.9	
May	5.0	2.8	8.4	13.0	7.4	4.2	7.5	8.4	11.1	4.7	10.1	8.0	10.1	2.0	
Jun	5.9	4.6	7.6	12.3	7.3	3.2	6.4	8.7	10.1	4.2	10.1	5.8	10.3	2.5	
Jul	9.0	10.3	7.4	10.8	5.5	1.7	7.3	7.6	10.7	4.5	10.6	6.8	8.6	2.0	
Aug	7.8	9.2	6.0	7.3	6.4	2.1	4.2	6.9	9.5	3.5	10.8	6.5	8.8	0.0	
Sep	8.3	11.4	4.1	6.2	4.5	2.8	1.4	4.1	6.5	2.2	9.7	4.3	9.2	-0.8	
Oct	7.1	8.4	5.1	7.0	5.4	2.8	3.8	4.6	5.8	1.6	10.5	5.6	7.8	0.3	
Nov	7.3	7.5	6.5	10.0	5.2	2.8	6.8	6.6	4.8	2.1	7.6	6.2	7.8	1.7	
Dec	6.4	6.6	6.1	10.3	2.5	2.8	8.0	6.2	3.0	1.9	6.1	5.4	6.8	0.8	
2008 -Jan	8.6	10.1	6.4	10.4	1.1	2.4	10.1	4.9	3.6	3.7	5.9	5.7	5.6	2.1	
Feb	8.9	11.4	5.3	10.2	0.3	2.4	6.8	4.1	2.9	3.4	4.0	4.9	5.6	1.8	
Mar	9.0	11.2	5.8	9.1	1.0	1.7	8.3	4.9	2.9	3.1	3.5	6.0	5.6	1.0	
Apr	9.7	11.6	6.9	8.6	1.1	2.1	11.3	4.9	2.8	3.3	4.2	7.6	6.1	1.5	
May	9.1	11.0	6.5	7.5	1.1	2.1	11.7	5.1	2.5	3.9	4.2	6.0	6.4	0.4	
Jun	9.3	11.4	6.3	7.7	0.9	2.1	10.6	5.5	2.8	4.0	4.0	6.7	6.3	0.4	
Jul	9.5	11.2	6.8	7.9	1.3	3.5	12.0	5.4	2.0	4.9	4.4	6.0	7.2	1.8	
Aug	9.8	11.1	7.8	8.6	-0.1	3.1	12.7	6.9	1.1	5.9	5.2	9.9	7.9	1.5	
Sep	11.6	13.4	8.9	8.8	2.2	2.4	15.0	8.2	3.4	6.9	6.9	9.7	8.3	3.4	
Oct	11.8	14.6	7.9	8.3	1.8	2.4	12.9	7.9	4	5.9	6.9	7.9	7.9	3.9	
Nov	12.3	16.3	6.3	5.5	2.5	2.4	8.7	7.0	4.7	7.3	8.3	6.9	8.5	2.1	

Source: National Bureau of Statistics

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	Headline (General Index)	Food	Non-Food											Education	Miscel. goods & services
			Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Equip.	Household operations	Personal care & Health	Recreation & Entertain.	Transportation	Educ- ation		
Weight (%)	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5	
2005- Aug	1.1	1.1	1.0	0.2	0.3	1.4	1.5	0.5	0.3	-0.3	-0.1	2.4	0.2	-0.1	
Sep	-0.2	-1.3	1.5	1.3	4.8	0.3	4.3	-3.2	-0.3	9.3	-4.1	-1.3	-1.2	-0.9	
Oct	1.4	1.1	1.9	2.5	1.2	0.3	-0.8	1.0	-0.7	2.4	4.4	4.5	6.5	-0.8	
Nov	0.7	0.7	0.6	-0.6	-2.0	0.7	3.3	5.4	-0.3	-1.1	6.8	-0.8	-0.9	4.7	
Dec	1.7	3.3	-0.7	0.3	-1.8	0.5	-3.4	-1.9	4.0	1.9	2.0	0.6	-0.1	0.1	
2006 Jan	1.0	1.7	0.1	-1.5	4.5	-2.3	-0.4	1.6	-4.3	1.2	-3.3	0.1	-2.9	6.2	
Feb	0.8	1.2	0.4	1.2	0.7	-1.0	0.1	1.2	0.3	1.3	-0.1	0.2	-1.6	-0.5	
Mar	0.8	1.3	0.0	1.3	-1.0	0.9	0.1	-0.3	0.0	-1.9	-0.7	0.2	-0.7	-1.0	
Apr	0.9	1.1	0.7	-1.8	0.3	1.5	3.2	0.1	0.2	0.1	-0.3	0.7	1.1	-0.5	
May	1.7	1.9	1.4	2.7	0.1	0.1	0.8	2.6	1.5	-1.2	0.3	2.4	1.8	0.7	
Jun	-0.7	-2.4	1.9	0.7	0.6	1.0	4.2	0.1	1.2	0.5	0.1	2.5	0.4	-0.4	
Jul	-2.9	-5.1	0.4	1.5	1.1	1.6	-0.7	1.1	-0.1	-0.1	0.3	0.2	1.7	-0.3	
Aug	0.2	-0.5	1.2	2.7	-0.5	0.0	2.6	0.4	0.6	1.3	0.3	0.0	0.6	1.2	
Sep	0.2	-0.4	0.9	1.4	0.7	0.0	0.4	1.5	1.9	1.0	0.3	1.4	0.2	0.2	
Oct	1.6	2.6	0.0	0.6	0.4	0.0	-1.2	0.6	1.1	1.7	0.4	-0.3	1.7	-0.6	
Nov	0.8	2.3	-0.7	0.2	0.3	0.0	-2.8	-0.8	0.6	-0.1	1.8	-0.2	0.0	-0.6	
Dec	2.1	2.9	0.4	0.3	1.8	0.0	-1.7	1.4	1.8	0.4	1.8	1.1	1.8	0.6	
2007 Jan	1.3	1.8	0.6	0.7	1.5	0.9	-0.1	1.9	0.1	-0.9	1.2	0.4	2.6	-0.6	
Feb	1.1	0.7	1.7	0.5	0.9	0.0	4.7	1.8	1.4	0.3	1.7	1.1	0.0	0.9	
Mar	0.7	1.2	0.2	1.9	-0.2	0.7	-0.2	-0.8	0.3	0.5	0.9	-0.5	0.4	0.9	
Apr	-0.1	-0.1	-0.1	0.7	-0.1	0.0	-0.9	0.2	0.9	0.3	-0.1	-0.1	0.1	-0.1	
May	0.6	-0.1	1.6	1.2	0.8	0.0	3.3	0.6	0.8	0.0	0.4	2.1	0.3	0.8	
Jun	0.1	-0.6	1.0	0.1	0.5	0.0	3.2	0.4	0.3	0.0	0.7	0.5	0.6	0.0	
Jul	0.1	0.1	0.2	0.1	-0.6	0.1	0.2	0.2	0.4	0.2	0.7	1.1	0.2	-0.7	
Aug	-0.9	-1.6	-0.2	-0.6	0.4	0.4	-0.4	-0.4	-0.4	0.3	0.5	-0.3	0.8	-0.8	
Sep	0.6	1.7	-0.9	0.4	-1.1	0.7	-2.3	-1.1	-0.9	-0.3	-0.6	-0.7	0.5	-0.6	
Oct	0.4	-0.1	1.0	1.4	1.2	0.0	1.1	1.1	0.4	1.1	1.1	0.9	0.4	0.5	
Nov	1.1	1.5	0.6	2.9	0.1	0.0	0.0	1.0	-0.4	0.4	-0.8	0.4	0.0	0.8	
Dec	1.3	2.0	0.1	0.6	-0.8	0.0	-0.6	1.1	0.1	0.2	0.4	0.4	0.9	-0.3	
2008- Jan	3.4	5.2	0.9	0.8	0.0	0.4	1.9	0.7	0.7	0.8	0.9	0.7	1.3	0.7	
Feb	1.4	1.9	0.6	0.4	0.1	0.0	1.6	1.0	0.6	0.0	-0.1	0.4	0.0	0.6	
Mar	0.9	0.9	0.7	0.8	0.5	0.0	1.2	0.0	0.3	0.2	0.4	0.6	0.4	0.1	
Apr	0.5	0.3	1.0	0.3	0.1	0.4	1.8	0.2	0.8	0.5	0.6	1.4	0.7	0.4	
May	0.1	-0.6	1.2	0.1	0.8	0.0	3.6	0.8	0.4	0.5	0.4	0.5	0.6	-0.3	
Jun	0.2	-0.3	1.0	0.3	0.3	0.0	2.1	0.8	0.6	0.1	0.5	1.1	0.5	0.0	
Jul	0.3	-0.1	0.7	0.3	-0.2	1.5	1.5	0.1	-0.3	1.0	1.2	0.4	1.1	0.7	
Aug	-0.7	-1.6	0.7	0.0	-1.0	0.0	0.2	1.1	-1.3	1.2	1.2	3.4	1.4	-1.1	
Sep	2.2	3.7	0.1	0.6	1.1	0.0	-0.3	0.1	1.4	0.7	1.0	-0.9	0.9	1.3	
Oct	0.6	1.0	0.0	0.9	0.8	0.0	-0.7	0.8	1.0	0.2	1.0	-0.7	0.0	1.1	
Nov	1.5	3.1	-0.8	0.3	0.7	0.0	-3.7	0.2	0.3	1.7	0.5	-0.6	0.5	-0.9	

Source: National Bureau of Statistics

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



Table A7 : External Debt Developments

Item	Millions of USD				
	2008/2009				
	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08
1. Overall Total Debt Committed²	6,990.9	6,866.8	6,860.3	6,711.8	7,248.6
Disbursed outstanding debt	4,388.4	4,322.8	4,323.4	4,245.2	4,804.4
Undisbursed debt	2,602.5	2,544.0	2,536.8	2,466.7	2,444.2
2. Disbursed Debt by Creditor Category²	4,388.4	4,322.8	4,323.4	4,245.2	4,804.4
Bilateral debt	912.1	907.7	912.6	898.2	930.8
Multilateral debt	2,565.4	2,504.0	2,501.4	2,452.4	2,975.8
Commercial debt	574.9	576.0	574.6	562.1	506.7
Export credits	336.0	335.0	334.7	332.5	391.1
3. Disbursed Debt by Borrower Category²	4,388.4	4,322.8	4,323.4	4,245.2	4,804.4
Central Government	3,540.2	3,481.7	3,484.2	3,417.3	3,926.9
Parastatal Companies	161.1	159.1	158.8	155.4	149.7
Private Sector	687.1	682.0	680.5	672.5	727.7
4. Disbursed Debt by Use of Funds²	4,388.4	4,322.8	4,323.4	4,245.2	4,804.4
BOP & Budget Support	1,342.0	1,321.9	1,322.1	1,307.0	1,666.3
Transport & Telecommunication	601.6	592.7	592.7	562.4	561.5
Agriculture	455.5	448.7	448.8	455.2	505.3
Energy & Mining	642.5	632.9	632.9	621.1	643.5
Industries	159.7	157.3	157.4	154.0	133.2
Social Welfare & Education	671.4	661.4	661.5	650.3	690.7
Finance and Insurance	80.7	79.5	79.6	78.2	72.7
Tourism	76.8	75.6	75.7	73.7	67.7
Others	358.1	352.8	352.8	343.3	463.5
5. Total Amount of Loans Contracted¹	91.2	0.0	0.0	0.0	168.3
Government	91.2				
Parastatal Companies	0.0				0.0
Private	0.0				0.0
6. Disbursements¹	35.4	14.2	13.5	35.6	168.3
Government	35.4	14.0	13.5	35.6	168.3
Parastatal Companies	0.0	0.2	0.0	0.0	0.0
Private	0.0	0.0	0.0	0.0	0.0
7. Scheduled Debt Service¹	35.9	6.1	10.6	19.1	10.5
8. Actual Debt Service¹	3.4	3.4	1.6	6.2	2.9
Principal	1.3	2.9	0.5	2.4	1.3
Interest	2.1	0.6	1.1	3.8	1.6
Others	0.0	0.0	0.0	0.0	0.0
9. Net Transfers¹	32.0	10.7	11.9	29.4	165.4
10. Total Arrears by Creditor Category²	2,552.2	2,527.1	2,548.2	2,546.0	2,511.8
Principal	1,203.9	1,197.4	1,208.4	1,208.7	1,135.6
Bilateral	388.5	386.7	394.8	398.5	437.9
Multilateral	19.2	19.0	19.4	19.4	9.6
Commercial	493.1	488.8	489.2	482.2	352.5
Other Private Creditors	303.1	302.9	305.0	308.6	335.6
Interest	1,348.2	1,329.8	1,339.9	1,337.4	1,376.2
Bilateral	593.7	589.2	596.3	606.1	634.7
Multilateral*	24.2	24.2	25.0	23.8	1.6
Commercial	483.6	471.7	474.0	462.5	488.8
Other Private Creditors	246.8	244.7	244.6	244.9	251.1
11. External Debt Stock	5,736.6	5,652.5	5,663.3	5,582.5	6,180.6
12. Domestic Debt Stock	1,697.7	1,743.2	1,710.1	1,506.3	1,571.7
13. Total Debt Stock	7,434.3	7,395.7	7,373.4	7,088.8	7,752.3
End Period Exchange Rate	1164.1	1164.7	1168.9	1277.9	1,258.7

Source: Bank of Tanzania

*Multilateral arrears are those owed by the private companies

1) During the period (2) End of October 2008 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 Facility

An overnight facility established to enable commercial banks to borrow at their own discretion, by pledging eligible government securities as collateral.

Lombard Rate

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

Money Supply, M

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

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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