



BANK OF TANZANIA



**MONTHLY
ECONOMIC
REVIEW**

September 2008

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1.0 Inflation Developments

Between July and August 2008, **month-to-month headline inflation** decelerated by 0.7 percent, following a decline in prices of most consumer items with a substantial decline being recorded in food prices. Excluding seasonal influences, the month-to-month consumer prices index dropped by 0.8 percent implying that the decrease in month-to-month headline inflation was not due to seasonality.

On the other hand, the annual headline inflation rate increased to 9.8 percent in August 2008, from 9.5 percent recorded in the previous month mainly due to the increase in prices of food; fuel, power, and water; and transportation (Table 1.1 and Chart 1.1).

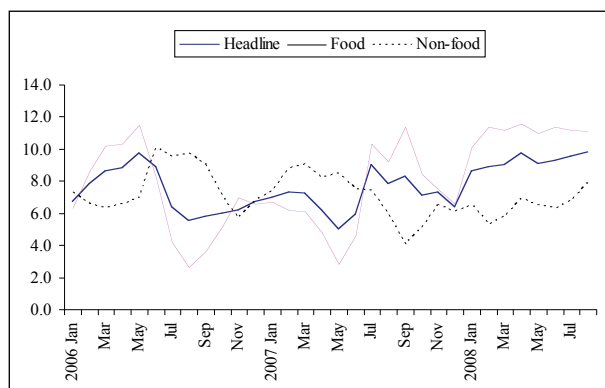
Table 1.1: Annual Percentage Change in Consumer Price Index (All-Urban)

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2006			2007			2008		
		Jun	Jul	Aug	Jun	Jul	Aug	Jun	Jul	Aug
Headline/Overall	100	8.9	6.4	5.5	5.9	9	7.8	9.3	9.5	9.8
Food	55.9	8.2	4.2	2.6	4.6	10.3	9.2	11.4	11.2	11.1
Non-food	44.1	10.1	9.5	9.7	7.5	7.4	6	6.3	6.8	7.9
Transportation	9.7	12.3	11.9	9.3	5.9	6.8	6.5	6.7	6	9.9
Fuel, Power and Water	8.5	15.3	12.7	13.9	6.4	7.3	4.2	10.6	12	12.7
Drinks and Tobacco	6.9	7.2	8	10.6	12.3	10.8	7.3	7.7	7.9	8.6
Clothing & Footwear	6.4	7.6	8.8	8.1	7.3	5.5	6.4	0.9	1.3	-0.1
Education	2.6	2.5	4.2	4.6	10.3	8.6	8.8	6.3	7.2	7.9
Furniture & Household Equip.	2.1	7.5	8.4	8.2	8.7	7.6	6.9	5.5	5.4	6.9
H/h Operations Maintenance	2.1	1.4	1.5	1.9	10.1	10.7	9.5	2.8	2	1.1
Personal Care & Health	2.1	13.9	2.3	14	4.3	4.5	3.5	4	4.9	5.9
Rents	1.4	9.1	5	3.5	3.1	1.7	2.1	2.1	3.5	3.1
Recreation & Entertainment	0.8	5.6	5.1	5.5	10.2	10.6	10.8	4	4.4	5.2
Misc. Goods & Services	1.5	7.6	7.2	8.7	2.4	2.0	0.0	0.4	1.8	1.5

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

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



The 12-months average annual headline inflation rose to 8.6 percent in August 2008 compared to 6.7 percent in the corresponding period in 2007.

Month-to-month non-food inflation was 0.8 percent in August 2008 compared to 0.7 percent recorded in the preceding month on account of increases in the average prices of fuel,

insecticides, furniture, radios, and transportation. However, items including clothing and footwear, electric cooker, buckets and cell phones recorded decreases in average prices during the month under review. Meanwhile, the annual non-food inflation increased from 6.8 percent in July 2008 to 7.9 percent in August 2008. The 12-months annual non-food inflation rate was however lower, averaging 6.2 percent in July 2008 compared to 7.6 percent in the corresponding period a year before.

Month-to-month food inflation deflated to 1.6 percent in August 2008 from a deflation of 0.1 percent in July 2008 following decreases in the average prices for maize grain, maize flour and vegetables following onset of harvest season. Annual food inflation during the month under review remained stable at around 11.0 percent recorded in the previous month. The 12-months average inflation rate from September 2007 to August 2008 rose to 8.4 percent compared to 6.5 percent recorded in the corresponding period a year before.

Food Supply Situation

Food supply situation continued to improve throughout the country, following the commencement of food harvesting. Preliminary statistics show that, total food production during 2007/08 amounted to 10.78 million tons, against national food requirement of 10.34 million tons. The country is therefore estimated to have food self sufficient ratio of 104 percent during 2008/09.

Wholesale prices of selected food crops generally increased in August 2008 when compared with the same period previous year (Table 1.2). However, on month to month basis, prices for most of food items increased marginally with the exception of potatoes following food crops harvesting season in most parts of the country.

Table 1. 2: National Average Wholesale Prices for Selected Food Items

TZS per 100 kg

Item	2007 August	2008		Percentage change	
		Jul	Aug	Aug - 07 to Aug-08	July -08 to August-08
Maize	19,326	28,623	28,627	48.1	0.0
Rice	59,612	85,185	85,372	42.9	0.2
Beans	64,865	83,628	84,318	28.9	0.8
Sorghum	25,731	37,095	38,125	44.2	2.8
Potatoes	34,853	40,937	39,157	17.5	-4.3

Source: Ministry of Industry, Trade and Marketing

Strategic Grain Reserves

In August 2008 the SGR department purchased a total of 8,751.0 tons of maize and sorghum from the domestic



market, while sold 1,057.7 tons of maize to private traders. The stock increased by 10.2 percent to 83,131 tons from 75,438 tons recorded in July 2008 (Table 1.3). On annual basis the stock decreased to 83,131 tons from 125,653 tons recorded in August 2007 mainly due to sales of maize grain for onward distribution to the areas facing food shortages.

Table 1.3: Strategic Grain Reserve (SGR) Stock

Period	Tons						% Change 2007-2008
	2003	2004	2005	2006	2007	2008	
January	59,961	35,342	119,924	76,813	112,343	139,765	24.4
February	59,493	23,791	116,383	43,593	117,838	133,898	13.6
March	58,976	22,903	114,760	8,055	121,046	119,022	-1.7
April	54,118	32,387	115,262	3,165	125,509	94,509	-24.7
May	52,857	31,732	113,823	6,210	128,350	79,369	-38.2
June	51,060	37,091	112,823	15,560	128,804	76,649	-40.5
July	50,661	39,195	112,323	13,811	129,306	75,438	-41.7
August	52,681	45,988	112,067	28,440	125,653	83,131	-33.8
September	61,364	67,685	111,971	80,248	131,937		
October	59,379	92,710	111,695	87,461	143,717		
November	52,054	108,448	106,428	100,828	142,624		
December	41,649	114,030	93,051	110,203	142,044		

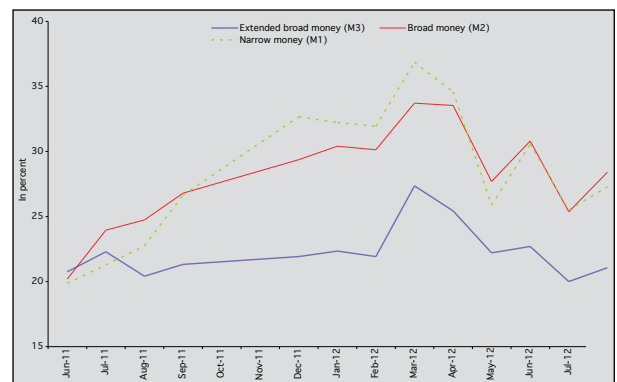
Source: Food Security Department and BOT computation.

2.0 Monetary and Financial Developments

Money Supply

In August 2008, growth of money supply continued to be moderated, in line with the Bank's policy of maintaining desirable levels of liquidity in the economy enough to facilitate growth of various activities in the economy. Specifically, Extended Broad money supply (M3) grew by 21.1 percent in the year ending August 2008, compared with 20.0 percent recorded in July 2008. However, Broad money supply (M2) maintained a relatively higher growth path than M3, partly reflecting increase in demand for shilling denominated assets, following recent stability of the shilling against major foreign currencies. In the year to August 2008, M2 grew by 28.4 percent compared to a growth of 25.4 percent recorded in the preceding month and 24.7 percent 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

The increase in growth of both monetary aggregates was mainly on account of increase in net domestic assets of the banking system associated with strong growth of credit to the private sector. On the other hand, net foreign assets of the banking system declined during the month under review, mainly due to sale of foreign exchange by the Bank in effort to reduce liquidity in the economy and to meet demand for foreign exchange to finance imports.

The analysis of monetary developments from the sources of money supply reveal that, the growth of money supply emanated mostly in time and demand deposits that grew by 50.7 percent and 35.9 percent, respectively. Other components grew fairly within targets, except for foreign currency deposits which grew at a relatively lower rate, partly because of the recent stability of the Tanzanian Shilling against the major foreign currencies, and a shift in favour of transaction balances following crop marketing season. On month to month basis, M3 increased by TZS 190.0 billion, while M2 rose by TZS 252.1 billion, mainly on account of a surge in additional credit to private sector (Table 2.1).

Table 2.1: Selected Money Supply Components

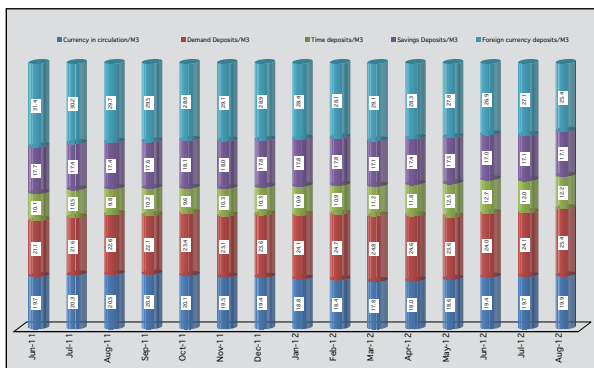
	Stock				Monthly Change		Annual Growth Rate (%)	
	Jul-07	Aug-07	Jul-08	Aug-08	Aug-08	Jul-08	Aug-08	
Extended broad money (M3)	5,565.1	5,673.4	6,678.3	6,868.7	190.4	20.4	21.1	
Broad money (M2)	3,883.5	3,988.1	4,888.3	5,120.8	232.5	24.7	28.4	
Currency outside the Banking system	1,129.1	1,161.2	1,313.0	1,367.2	54.2	24.0	17.7	
Demand deposits	1,200.3	1,281.2	1,610.4	1,741.8	131.4	21.6	34.2	
Time deposits	585.6	557.1	802.3	839.8	37.5	28.0	30.7	
Savings deposits	988.5	988.6	1,142.6	1,172.0	29.4	28.1	18.6	
Foreign currency deposits	1,681.6	1,685.3	1,810.0	1,747.9	-62.1	11.3	7.6	
FCD In millions of USD	1,312.7	1,320.9	1,554.9	1,500.7	-54.2	15.1	18.4	
Private sector deposits in DMBs	4,436.0	4,512.2	5,365.3	5,501.5	136.2	19.5	20.9	
Government deposits in DMBs	275.5	274.8	245.4	239.3	-6.1	41.0	-12.9	
Total deposits	4,711.5	4,787.0	5,610.7	5,740.8	130.1	20.6	19.1	
Net Foreign assets	3,782.3	3,633.4	3,515.0	3,258.9	-256.0	0.3	-7.1	
Bank of Tanzania	3,080.6	3,043.5	2,839.2	2,650.3	-188.8	16.2	-7.8	
Other Depository Corporations	701.7	589.9	675.8	608.6	-67.2	-41.2	-3.7	
Net domestic assets	2,392.0	2,649.2	3,772.6	4,219.0	446.5	55.9	57.7	
Domestic credit	2,626.8	2,597.1	3,830.4	4,149.2	318.8	65.9	45.8	
Net claims on government by the banking system	163.1	46.7	333.5	442.0	108.5	-115.7	104.4	
Claims on government by the banking system	2,107.0	2,073.3	1,970.0	1,935.1	-34.8	80.2	-6.5	
Government deposits in the banking system	1,943.8	2,026.5	1,636.5	1,493.2	-143.4	40.0	-15.8	
Claims on the private sector	2,463.7	2,550.4	3,497.0	3,707.2	210.2	36.9	41.9	

Source: Bank of Tanzania



In terms of ratios to M3, foreign currency deposits ceased to be a dominant component of money supply when its proportion declined from 29.7 percent in August 2007 to 25.4 percent in August 2008. This pattern is mainly linked with the recent appreciation of the Shilling against the major foreign currencies. In the same period, proportion of demand deposits to M3 increased from 22.6 percent to 25.4 percent, while that of time deposits rose from 9.8 percent to 12.2 percent. The proportion of other components to money supply remained almost unchanged during the period under review (Chart 2.2).

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

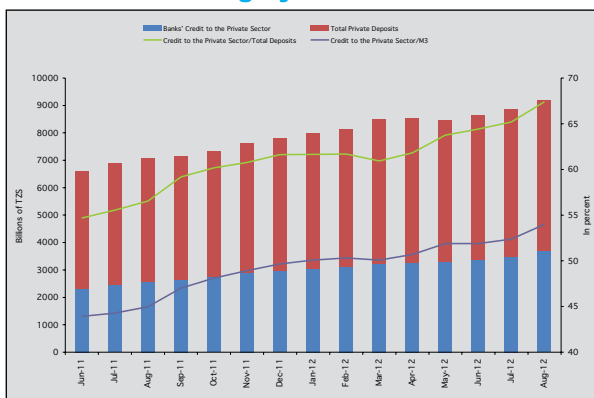


Source: Bank of Tanzania

Credit Developments

Extension of credit by banks to the private sector has maintained its strong growth momentum, which is broadly in line with the expansion of various activities related to trade, transport and communications, manufacturing, and marketing of agricultural products. In the year ending August 2008, credit to the private sector grew by 45.4 percent, which is well above the average growth rate of 37 percent in the past five years, and higher than 41.9 percent recorded in July 2008. The ratio of private sector credit to total private deposits has also increased to 67.4 percent compared with an average of 51 percent in the past five years (Chart 2.3).

Chart 2.3: Total Deposits and Credit of the Banking System



Source: Bank of Tanzania

Interest Rates Developments

In August 2008, interest rates on domestic currency denominated financial products and instruments exhibited a mixed pattern. The overall Treasury bill rate stabilized at 9.5 percent in August 2008, while 364-day bill edged upwards to 11.5 percent in August from 11.2 percent in July 2008. Overnight interbank cash market rate also increased from 3.5 percent in July 2008 to 3.6 percent in August, partly reflecting relatively high demand for cash for some banks during August compared with July 2008.

Regarding interest rates offered by banks, a 12-month time deposit rate declined to an average of 7.5 percent during the month under review from 8.2 percent registered in the preceding month. Savings deposit rate stabilized at around 2.6 percent, while negotiated deposit rate increased from 9.3 percent in July 2008 to 9.6 percent in August 2008. On the other hand, rates charged by banks remained fairly stable, with overall lending rate decreasing slightly from 15.1 percent in July 2008 to 14.8 percent in August. Negotiated lending rate, edged upwards to 12.2 percent in August 2008 from 11.0 percent recorded in the preceding month (Table 2.2).

Table 2.2: Weighted Average Interest Rates Structure

Percent

Item	2007					2008							
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Overnight interbank cash market rate	12.05	12.07	18.64	10.19	5.37	6.47	4.52	4.11	3.85	3.59	3.45	3.49	3.64
Overall interbank cash market rate	12.11	12.27	18.92	9.67	5.83	6.74	4.81	4.24	4.12	3.83	3.61	3.61	3.70
Overall Treasury bill rate	15.11	15.59	16.42	12.45	11.40	10.89	8.37	7.39	7.05	7.00	7.84	9.46	9.47
364 days Treasury bill	15.95	16.98	17.86	13.68	12.95	12.80	9.82	9.40	9.43	9.03	10.00	11.15	11.48
Savings Deposit Rate	2.71	2.62	2.59	2.63	2.65	2.66	2.64	2.64	2.75	2.74	2.79	2.60	2.57
Overall Time Deposits Rate	7.84	7.99	8.28	8.20	8.33	8.16	8.21	8.02	7.56	6.71	6.66	6.58	5.81
12 month Time Deposits Rate	9.42	9.64	10.22	9.85	10.08	10.10	9.97	9.33	9.18	8.76	8.29	8.17	7.48
Negotiated Deposit Rate	9.82	9.83	10.61	10.96	11.04	10.72	10.52	10.29	11.20	11.07	10.62	9.26	9.63
Overall Lending rate	16.29	15.97	15.82	15.98	15.31	15.27	15.13	15.15	14.74	14.78	14.76	15.05	14.83
Short-term (up to 1 year)	14.58	14.29	14.13	14.35	15.01	14.17	14.48	13.90	13.08	13.58	13.93	13.35	13.86
Negotiated Lending Rate	12.63	11.91	11.89	11.68	11.98	11.50	11.76	11.82	12.77	12.57	13.07	11.01	12.18
Interest rate spread	5.17	4.65	3.91	4.50	4.94	4.07	4.50	4.57	3.90	4.82	5.64	5.18	6.38

Source: Bank of Tanzania

Financial Markets Developments

Treasury Bills

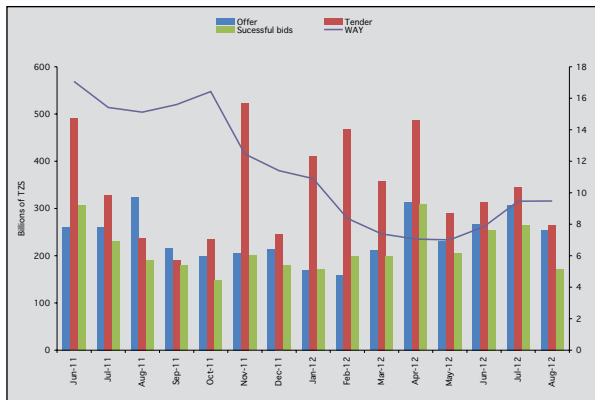
In August 2008, Treasury bills market experienced relatively lower demand when compared with the preceding month. This development was mainly due to decline in banks' participation in the Treasury Securities market, following their commitment to meet demand for loans.

The demand for Treasury bills closed at TZS 266.0 billion in August 2008, compared with the previous month demand of TZS 344.8 billion. Despite the low demand, the market



had some outlier bidders, of which the Bank had to intervene and accept Treasury bills with face value of TZS 172.0 billion (or cost value of TZS 163.8 billion), against total supply of TZS 255.0 billion. The successful bids accounted for 67.5 percent of the amount offered. During the same period, Treasury bills worth TZS 195.0 billion matured, thus leading to liquidity injection of TZS 31.2 billion into the economy. Overall weighted average Treasury bills rate remained stable at 9.5 percent recorded in July 2008 (Chart 2.4).

Chart 2.4: Treasury Bills Market Developments



Source: Bank of Tanzania

Treasury Bonds

In the recent past, demand for Treasury bonds has been mostly in favour of the short term maturities, mainly for 2-year bond, and very little preference for the long term maturities, despite their yields being higher than that of 2-year bond. In August 2008, a 10-year Treasury bond was offered with face value of TZS 27.3 billion, but the amount demanded was TZS 8.0 billion only, being undersubscription of TZS 19.3 billion. After removing outlier bids, the Bank accepted Treasury bond with face value of TZS 6.4 billion (or TZS 4.1 billion at cost value).

Yield on 10-year Treasury bond increased sizeably to 19.5 percent in August 2008 from 17.1 percent registered in May 2008, when 10-year bond was lastly auctioned. The yields on other maturities stabilized at the same rates as in the previous months at 12.9 percent for 2-year, 14.5 percent for 5-year bond, and 17.0 percent for 7-year bond.

Repurchase Agreements

Owing to the presence of excess liquidity in the banking system, the Bank maintained frequent sale of repurchase agreements with maturities ranging from overnight to 14 days. The repurchase agreements were necessary to supplement Treasury securities in the management of liquidity. In August 2008, repurchase agreements amounting to TZS 600.0 billion

were conducted against redemption of TZS 520.9 billion. During the month repo rate remained stable at an average of 3.8 percent recorded during the previous month.

Inter-Bank Cash Market Developments

In the inter-bank cash market a total of TZS 348.2 billion was traded in August 2008, which is higher than TZS 235.9 billion transacted in the preceding month. Overnight transactions amounted to TZS 202.9 billion and accounted for 58.3 percent of the total interbank cash market transactions. In the preceding month, overnight transactions amounted to TZS 115.3 billion, which was 49 percent of the total interbank cash transactions. Overnight rate increased from 3.5 percent in July 2008 to 3.6 percent in August, partly reflecting relative increase in demand for cash by some banks during the month under review. Likewise, overall interbank cash market rate rose to an averaged of 3.7 percent in August 2008 from 3.6 percent registered in the preceding month.

Inter-bank Foreign Exchange Market

In August 2008, the volume of transactions traded in the Inter-Bank Foreign Exchange Market (IFEM) declined by 19.9 percent to USD 100.3 million compared to USD 125.1 million recorded in the previous month (Table 2.3).

Table 2.3: Inter Bank Foreign Exchange Market Developments

Millions of USD

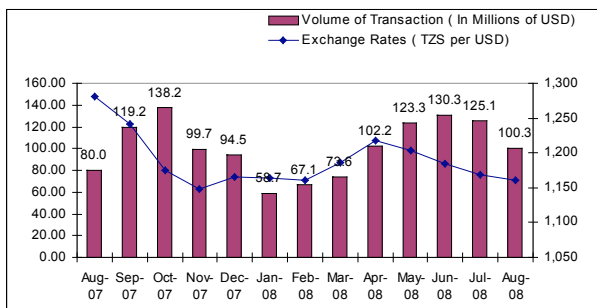
Item	2008		2007 Aug	% Change		Year Ending August		
	Jul	Aug		Jul 08 to Aug 08	Aug 07 to Aug 08	2007	2008	% Change
Amount offered*	125.14	100.25	80.40	-19.89	24.69	1,170.63	1,232.02	5.24
Amount sold*	125.14	100.25	80.40	-19.89	24.69	1,170.63	1,232.02	5.24
Exchange rate (TZS per US dollar)	1,167.49	1,161.17	1,280.64	-0.54	-9.33	1,275.16	1,181.12	-7.37

Source: Bank of Tanzania

The decline in volume traded emanated from low supply of foreign exchange in the market. On net basis, the Bank of Tanzania and non-banks supplied the market with USD 40.0 million and USD 6.4 million, which was purchased by commercial banks. The weighted average exchange rate appreciated to TZS 1,161.2 per USD in August 2008 from TZS 1,167.5 per USD recorded in July 2008 (Chart 2.5).



Chart 2.5: 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 slightly to USD 85.9 million in August 2008. There was a decline in both foreign exchange outflows and inflows following a decline in traveling allowances and export proceeds, respectively. The buying and selling rates appreciated slightly to TZS 1,153.0 per USD from TZS 1,167.0 per USD and TZS 1,197.0 per USD from TZS 1,204.0 per USD recorded in July 2008, respectively (Table 2.4).

Table 2.4: Bureau de Change Operations

Millions of USD

Item	2008		2007 Aug	% Change				
	Jul	Aug		Year ending August				
				Jul 08 to Aug 08	Jul 07 to Jul 08	2007	2008	% Change
Sales*	45.77	43.11	39.51	-5.81	9.11	389.88	450.06	15.44
Purchases*	45.40	42.77	39.86	-5.79	7.30	392.89	455.45	15.92
Volume of Transactions*	91.17	85.88	79.37	-5.80	8.20	782.77	905.51	15.68
Buying rate (TZS per US dollar)	1,167.00	1,153.00	1,276.00	-1.20	-9.64	1,269.25	1,183.67	-6.74
Selling rate (TZS per US dollar)	1,204.00	1,197.00	1,284.00	-0.58	-6.78	1,290.77	1,214.92	-5.88

Source: Bank of Tanzania

3.0 Government Budgetary Operations

The government budgetary operations for the month of August 2008 registered an overall deficit of TZS 154.4 billion.

Revenue Performance

Total revenue collected by Government during the month under review, was TZS 303.5 billion of which 287.6 billion was tax revenue and 15.9 billion non-tax revenue. Tax collections were below targets in all major categories while non-tax revenue was in line with the target. Low level of imports accounted for the lower than expected tax collections. Tax on imports amounted to TZS 107.5 billion against the targeted amount of TZS 131.7 billion. Income tax amounted to TZS 77.4 billion compared to the estimated level of TZS 86.9 billion.

Government Expenditure

Total government expenditure during the month under review stood at TZS 311.6 billion. This level of expenditure does not include wages and salaries for the month as the said expense will be recorded in the September report. Spending on development projects amounted to TZS 36.6 billion.

Overall Budget Position

Government budgetary operations recorded an overall deficit after adjustments of TZS 154.4 billion compared to TZS 48.2 billion recorded in the previous month. The government financed the deficit through borrowing TZS 35.8 billion from foreign sources and TZS 118.6 billion from domestic.

4.0 External Sector Performance

Current Account Balance

During the year ending August 2008, the current account deficit widened to USD 2,951.6 million compared to a deficit USD 1,780.1 million recorded in corresponding period a year before. The widening of the current account deficit is largely due to a significant decrease in official current transfers and a surge in imports that could not be matched with the increase in exports. Imports of goods and services increased by 27.1 percent while exports grew by 20.8 percent. Official current transfers decreased to USD 307 in year to August 2008 from USD 619.4 recorded during the year ending August 2007 following delay in commencement of disbursements (Table 4.1)



Table 4.1: Current Account Balance

Millions of USD

Item	Aug		2008 ^P		Year Ending August		
	2006	2007	Jul	Aug	2007 ^P	2008 ^P	% Change
Goods Account (net)	-141.9	-207.9	-354.3	-345.0	-2,606.3	-3,569.1	36.9
Exports	176.4	176.4	200.5	241.9	1,908.1	2,388.0	25.2
Imports	318.3	384.3	554.8	586.9	4,514.4	5,957.1	32.0
Services Account (net)	21.4	-6.0	47.8	47.4	238.0	336.5	41.4
Receipts	130.7	129.8	171.3	165.9	1,645.3	1,905.2	15.8
Payments	109.3	135.8	123.5	118.5	1,407.4	1,568.7	11.5
Goods and services (net)	7.1	-213.9	-306.5	-297.7	-2,368.3	-3,232.6	36.5
Exports of goods and services	307.2	306.2	371.8	407.8	3,553.5	4,293.2	20.8
Imports of goods and services	300.1	520.1	678.4	705.4	5,921.8	7,525.8	27.1
Income Account (net)	-7.8	2.2	-3.0	3.9	-54.6	-40.3	-26.2
Receipts	3.4	13.7	10.6	16.8	89.2	141.2	58.2
Payments	11.2	11.5	13.5	12.9	143.8	181.5	26.2
Current Transfers (net)	14.2	23.6	1.0	11.7	642.9	321.2	-50.0
Inflows	19.7	32.0	7.6	17.7	715.0	400.4	-44.0
o/w General Government	11.5	12.8	0.4	9.6	619.4	307.2	-50.4
Outflows	5.5	8.4	6.6	6.0	72.1	79.1	9.7
Current Account Balance	13.4	-188.2	-308.5	-282.1	-1,780.1	-2,951.6	65.8

Source: Bank of Tanzania

Note: P = Provisional

Totals August not add up due to rounding of numbers

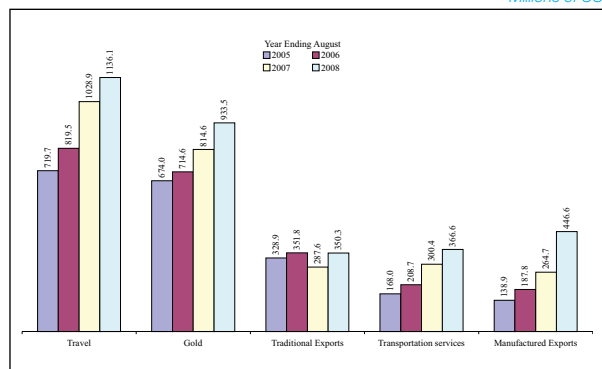
Developments for August 2008 indicate that exports of goods and services increased to USD 407.8 million from USD 371.8 million recorded in the previous month. Likewise, imports of goods and services went up to USD 705.4 million compared to USD 678.4 million in July 2008. Disbursement of official current transfers recorded an increase to USD 9.6 million compared to USD 0.4 million in the previous month.

Exports Performance

During the year ending August 2008, Tanzania exported goods and services worth USD 4,293.2 million compared to USD 3,553.5 million recorded in the corresponding period a year earlier. As a share of total exports, travel and gold receipts continued to dominate the export sector accounting for about 26.5 percent and 21.7 percent, respectively. Improvement was also recorded in manufactured exports as well as transportation receipts. Chart 4.1 summarizes the performance of selected export items during the past four years.

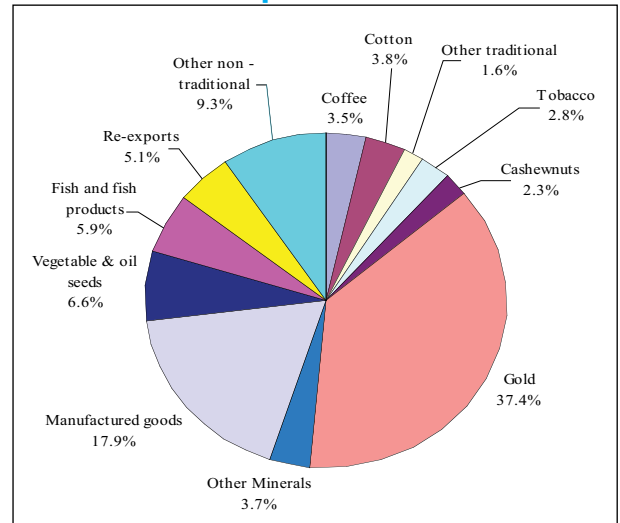
Chart 4.1: Performance of Selected Exports Items

Millions of USD



Goods export increased by 25.2 percent to USD 2,388.0 million on account of improved performance in traditional and non-traditional exports, that went up by 16.9 percent and 26.6 percent respectively in the year ending August 2008. Gold continued to dominate accounting for 39.1 percent of total goods exports, followed by manufactured goods which accounted for 18.2 percent (Chart 4.2).

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



Note:

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

Traditional Exports

In August 2008, the value of traditional exports increased to USD 31.3 million from USD 13.5 million recorded in the previous month, mainly due to increase in the export volumes of coffee, cotton, and tobacco following the onset of the export season for these crops. Most of the traditional exports recorded increases in unit prices, except for coffee which recorded a decline.

During the year ending August 2008, the value of traditional exports increased to USD 336.1 million largely due to increase in export volume of cotton and improvement in unit prices of most traditional export crops. Chart 4.3 depicts the contribution of individual crops to total traditional exports.

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

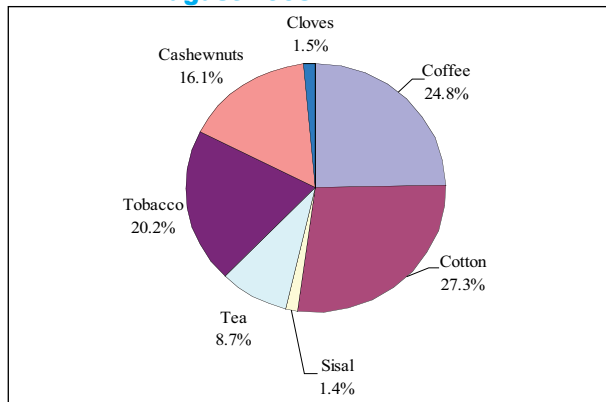
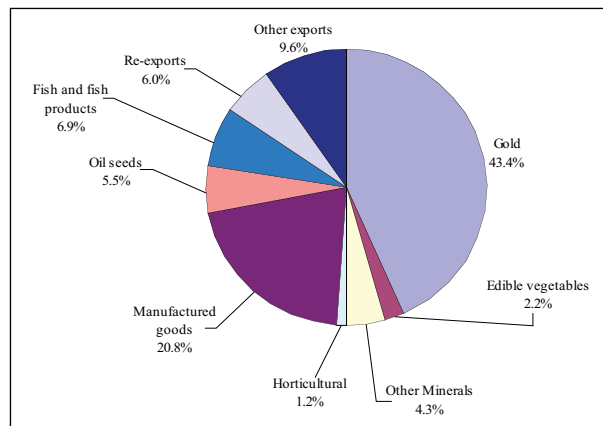


Chart 4.4: Contribution to Total Non Traditional Exports for the Year Ending August 2008



Non-Traditional Exports

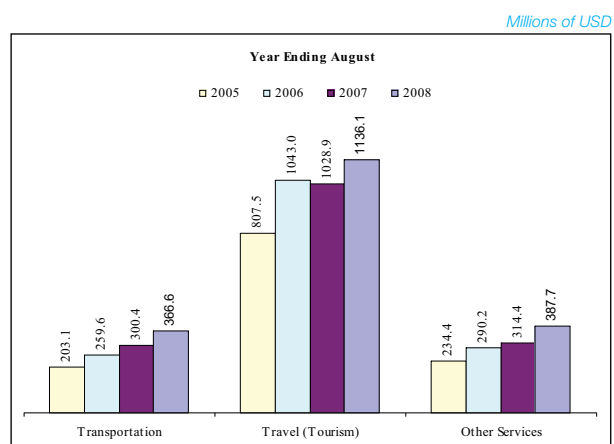
Non-traditional exports increased to USD 210.6 million from USD 187.0 recorded in the previous month mainly on account of the increase in exports of manufactured goods and minerals particularly natural pearls which went up to USD 10.6 million compared to very slight amount recorded in the previous month. Similarly, the value of manufactured goods export rose from USD 43.0 million to USD 60.2 million, largely due to increase in fertilizer re-exports.

On annual basis, non-traditional exports increased by 26.6 percent to USD 2,051.9 million mainly associated with good performance in manufactured goods export which rose by 68.7 percent to USD 446.6 million. Some of the exported manufactured goods include wheat flour, plastic items and electrical equipments. Most of the manufactured goods are exported to the neighboring countries including the Democratic republic of Congo, Rwanda, Burundi, Uganda, Zambia, Malawi and Kenya. Other sub-categories of non-traditional exports that recorded improved performance include horticultural products and other exports. During the year ending August 2008, exports of horticultural products increased by 40.1 percent to USD 25.6 million compared to the corresponding period last year mainly due to improved air transportation to Europe and increased investment in the horticulture production. The value of gold exports increased by 14.6 percent to USD 933.5 million following an increase in prices of gold in the world market as export volumes recorded a decline. The volume of gold exports went down to 33.9 tons from 42.8 tons, recorded in the corresponding period last year, while prices of gold in the world market increased to USD 964.2 per troy ounce from USD 569.4 per troy ounce. Chart 4.4 depicts the composition of non-traditional exports for the year ending August 2008.

Services Export

During August 2008, services receipts decreased by 3.2 percent to USD 165.9 million as a result of a decrease in other business services. On annual basis, services receipts increased by 15.8 percent to USD 1,905.2 million following improvement in transportation, travel, financial and other business services receipt. Travel receipts increased to USD 1,136.1 million from USD 1,028.9 million recorded during the corresponding period a year before. The development is partly a result of on-going promotional campaigns of Tanzania's tourist attractions and increased number of international flights to the country. Moreover, an improvement that has been recorded in accommodation facilities on both the Mainland and Zanzibar Island attributed to the performance of the tourism industry. 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 increased by 5.8 percent to USD 586.9 million following increase in most of import sub categories. Importation of consumer goods increased to USD 113.3 million from USD 96.3 million recorded in the previous month mainly on account of the increase in importation of food and food stuffs; and other consumer goods. Capital goods increased by 3.1 percent to USD 266.5 million with much of the increase driven by importation of machinery mostly telecommunication equipment and spares. On the other hand, Importation of intermediate goods decreased by 18.0 percent to USD 209.0 million with fertilizer accounting for much of the decrease. Similarly, the value of industrial raw material decreased from USD 51.4 million imported in the previous month to USD 38.1 million. (Table 4.2)

Table 4.2: Imports

Millions of USD

Item	2007 ^P		2008		% Change		Year Ending August		
	Aug	Jul	Aug	Aug 07- Aug 08	Jul 08 - Aug 08	2007	2008	% Change	
Capital Goods	132.8	258.5	266.5	100.7	3.1	1,675.9	2,375.2	41.7	
Transport Equipments	26.9	79.9	72.0	167.4	-9.8	421.8	719.3	70.5	
Building and Constructions	28.3	55.8	51.8	82.8	-7.3	386.6	538.1	39.2	
Machinery	77.5	122.8	142.8	84.2	16.3	867.5	1,117.8	28.8	
Intermediate Goods	159.4	254.9	209.0	31.1	-18.0	1,875.5	2,393.7	27.6	
Oil imports	109.1	160.8	169.9	55.7	5.7	1,394.3	1,742.5	25.0	
Fertilizers	1.2	42.8	1.0	--	--	66.8	122.4	83.4	
Industrial raw materials	49.0	51.4	38.1	-22.3	-25.9	414.4	528.8	27.6	
Consumer Goods	92.1	96.3	111.3	20.8	15.6	963.0	1,188.2	23.4	
Food and food stuffs	33.1	9.8	19.5	-40.9	100.0	229.5	299.7	30.6	
All other consumer goods ¹	59.1	86.5	91.8	55.4	6.1	733.5	888.5	21.1	
Grand Total (E.o.b)	384.3	554.8	586.9	52.7	5.8	4,514.4	5,957.1	32.0	
Grand Total (c.i.f)	422.3	609.7	644.9	52.7	5.8	4,960.9	6,546.3	32.0	

Source: Bank of Tanzania and Tanzania Revenue Authority

Note:

Oil imports refers to refined petroleum products

P = provisional data

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

Totals August not ad up due to rounding of numbers

Food Imports

During August 2008, the total value of cereal imports increased to USD 5.3 million from USD 0.8 million recorded in the previous month. The increase is largely attributable to a surge in importation of wheat that went up to USD 4.6 million from USD 0.02 million recorded in July 2008. It is worthy noting that some of the imported wheat is milled and exported as wheat flour to the neighbouring countries. Table 4.3 summarizes the import of selected cereals during the past four months beginning May 2008.

Table 4.3: Summary of Selected Food Imports

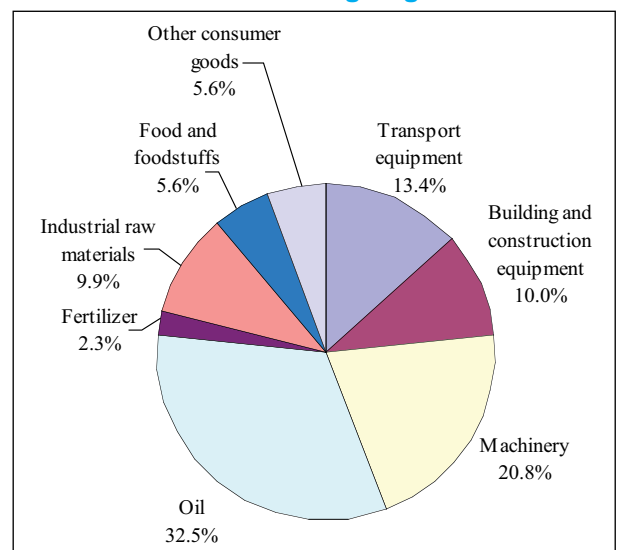
Description	2008				% Change
	May	Jun	Jul	Aug	Jul 08 – Aug 08
Maize					
Tons	2.3	2.0	244.6	314.4	28.5
Value (Mill. USD)	0.001	0.002	0.315	0.265	-15.8
Rice					
Tons	1,543	1,054	3,604	2,513	-30.3
Value (Mill. USD)	0.25	0.21	0.45	0.41	-9.0
Wheat					
Tons	7,203	7,019	2,031	10,600	..
Value (Mill. USD)	2.76	2.72	0.02	4.59	..
Total Tons	8,748	8,075	5,880	13,428	53.5
Total Value (Mill. USD)	3.0	2.9	0.8	5.3	74.6

Source: Tanzania Revenue Authority

Note --. Very large number

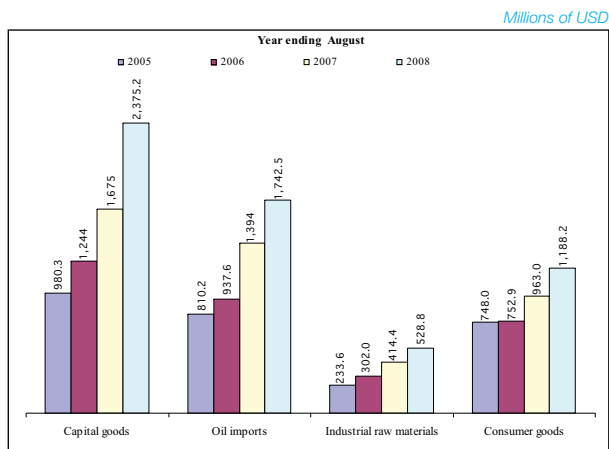
On annual basis, goods import went up by 32.0 percent to USD 5,957.1 million. Importation of capital goods increased from USD 1,675.9 million in the previous year to USD 2,375.2 million in line with the growth in the construction, communication and manufacturing activities. Similarly, intermediate goods import rose by 27.6 percent to USD 2,393.7 million following increase in oil imports. The increase in oil imports is largely attributable to a surge in oil prices in the world market that rose to USD 957.0 per ton from USD 597.5 per ton recorded in the previous year. Meanwhile, the volume of imported oil went down to 2.1 million tons from 2.5 million tons recorded in the previous year. Consumer goods import also increased by 23.4 percent to USD 1,188.2 million largely due to a rise in importation of food and other consumer goods such as pharmaceutical products, plastic items and paper products (Chart 4.6).

Chart 4.6: Contribution to Total Imports for the Year Ending August 2008



During the past four years, capital goods dominated the total imports followed by intermediate goods (Chart 4.7).

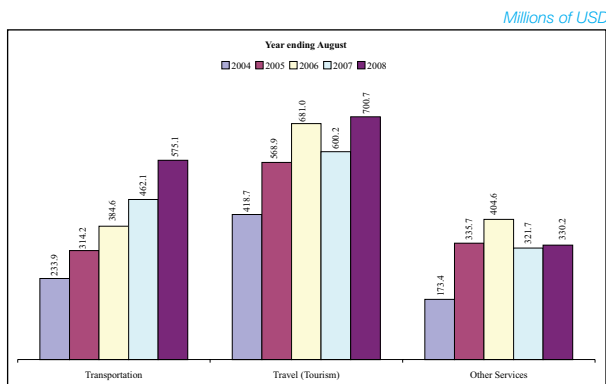
Chart 4.7: Total Merchandise Imports, 2005-2008



Services Import

During the month under review, services payment decreased by 4.1 percent to USD 118.5 million on account of decline in payments of travel and other business services. On annual basis, services payment increased by 15.5 percent to USD 1,568.7 million, largely due to an increase in payments of transportation, travel, insurance and other business services. The performance of the major service payment categories in the past four years is illustrated on (Chart 4.8).

Chart 4.8: Service Payments, 2005 – 2008



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

World Commodity Prices

During August 2008, agricultural and non-agricultural commodity prices in the world market recorded mixed developments (Table 4.4).

Table 4.4: World Commodity Prices

Commodity	Units	2008			% Change	Year Ending August			% Change
		Jun	Jul	Aug		2006	2007	2008	
Robusta Coffee	USD per kg	2.46	2.54	2.48	-2.36	1.30	1.80	2.32	28.89
Arabica Coffee	USD per kg	3.22	3.25	3.23	-0.62	2.43	2.62	3.12	19.08
Tea (Average price)	USD per kg	2.67	2.76	2.75	-0.36	1.82	1.91	2.42	26.70
Tea (Mombasa auction)	USD per kg	2.31	2.41	2.60	7.88	1.89	1.67	2.11	26.35
Cotton, "A Index"	USD per kg	1.70	1.70	1.72	1.18	1.26	1.32	1.63	23.48
Cotton, "Memphis"	USD per kg	1.73	1.73	1.73	0.00	1.34	1.36	1.66	22.06
Sisal (UG)	USD per metric ton	1,025.00	1,025.00	1,025.00	0.00	909.58	937.50	1,025.83	9.42
Cloves	USD per metric ton	4,550.00	4,600.00	4,950.00	7.61	3,835.21	3,549.63	4,328.69	21.95
Crude oil*	USD per barrel	131.52	132.83	114.57	-13.75	63.64	62.75	102.99	64.13
Crude oil**	USD per barrel	127.59	131.22	113.21	-13.73	60.01	61.08	99.27	62.52
White products***	USD per ton	1221.25	1226.99	1046.27	-14.73	613.83	597.46	956.89	60.16
Jet/Kerosene	USD per ton	1304.55	1341.23	1127.39	-15.94	639.14	613.35	1020.91	66.45
Premium Gasoline	USD per ton	1108.57	1089.96	952.95	-12.57	625.69	609.59	885.59	45.28
Heat Oil	USD per ton	1250.62	1249.78	1058.46	-15.31	576.67	569.44	964.16	69.32
Gold	USD per troy ounce	889.50	939.80	839.00	-10.73	544.05	643.80	860.31	33.63

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

** 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

The average prices of coffee and tea (Average price) recorded slightly declines. The price of tea (Mombassa Auction) went up substantially to USD 2.6 per kg largely due to low supply following a decline in tea production in Kenya that was associated with unfavourable weather condition. The price of cotton "A index" recorded slight increase while that of cotton (Memphis) and sisal remained unchanged. The price of cloves increased by 7.6 percent following shortfall in production in Madagascar and Indonesia amid unfavourable weather condition.

During the review period, the average prices of crude oil and white products recorded modest declines, on account of weak global economic outlook coupled with a recovery of the U.S dollar. Moreover, an increase in production by OPEC members also helped to dampen the effect on price. Meanwhile, gold prices declined amid reduced demand for the metal as an inflationary hedge coupled with the strengthening of the US dollar against other major currencies.

During the year ending August 2008, prices of most of the agricultural and non-agricultural commodities improved. The prices of coffee Robusta and Arabica significantly increased mainly as a result of the decline in the global coffee stocks following the effect of Biennial cycle on coffee production in Brazil. Likewise, cotton registered price increases owing to a reduction in cotton acreage as farmers diverge to production of food crops amid strong demand for production of animal feed and biofuels. Similarly, the prices of tea went up moderately largely on account of shortfall in production following unfavourable weather conditions in India coupled with strong demand for tea in the European countries. Prices of cloves and sisal also went up with the increase in the price



of sisal being largely attributed to strong demand following an increase in usage of sisal fibre for power generation. On the other hand, the price of cloves rose owing to shortfall in global supply as a result of unfavourable weather in Sri Lanka, Madagascar, India and Comoro.

On annual basis, prices of oil surged following supply disruption in the major oil producing countries in the Middle East and Nigeria. In addition, tensions regarding hurricanes in the Gulf of Mexico in the United States added pressure on oil prices. Gold prices increases were largely driven by a strong investment demand as a hedge against instability in the global financial markets.

5.0 National Debt Developments

The overall national debt stock stood at USD 7,581.4 million at the end of June 2008, being an increase of 1.4 percent from USD 7,474.1 million reported in May 2008. The increase is mainly on account of the exchange rate fluctuations, accumulated arrears as well as recording of new disbursements. Out of the total debt stock, external debt accounted for 77.1 percent while domestic debt accounted for 22.9 percent.

External Debt

At the end of June 2008, the external debt stock amounted to USD 5,846.4 million representing an increase of 1.7 percent from USD 5,748.5 million registered at the end of the preceding month. Out of the amount, disbursed outstanding debt (DOD) was USD 4,483.1 million (76.7 percent) and interest arrears USD 1,363.3 million (23.3 percent).

The profile of DOD by creditor category indicates that, debt owed to multilateral institutions stood at USD 2,620.2 million (58.4 percent) while the amount of debt owed to bilateral creditors stood at USD 934.1 million (20.8 percent). Commercial and export credits amounted to USD 617.9 million (13.8 percent) and USD 310.8 million (6.9 percent) respectively (Table 5.1).



Table 5.1 Disbursed Outstanding Debt by Creditor Category

Million of USD

Item	May-08	Jun-08	% Change	% of Total
Bilateral Debt	931.0	934.1	0.3	20.8
Multilateral Debt	2,545.0	2,620.2	3.0	58.4
Commercial Debt	615.2	617.9	0.4	13.8
Export Credits	310.5	310.8	0.1	6.9
Total	4,401.7	4,483.1		100.0

In terms of borrower category, the Central Government remained the leading borrower with a debt amounting to USD 3,582.5 million (79.9 percent) followed by private sector debt of USD 744.4 million (16.6 percent) and parastatal companies debt amounting to USD 156.3 million (3.5 percent). Table 5.2 depicts disbursed outstanding debt by borrower category.

Table 5.2: Disbursed Outstanding Debt by Borrower Category

Millions of USD

Item	May-08	Jun-08	% Change	% of Total
Central Government	3,501.6	3,582.5	2.3	79.9
Parastatal Companies	157.8	156.3	-1.0	3.5
Private Sector	742.3	744.4	0.3	16.6
Total	4,401.7	4,483.1		100.0

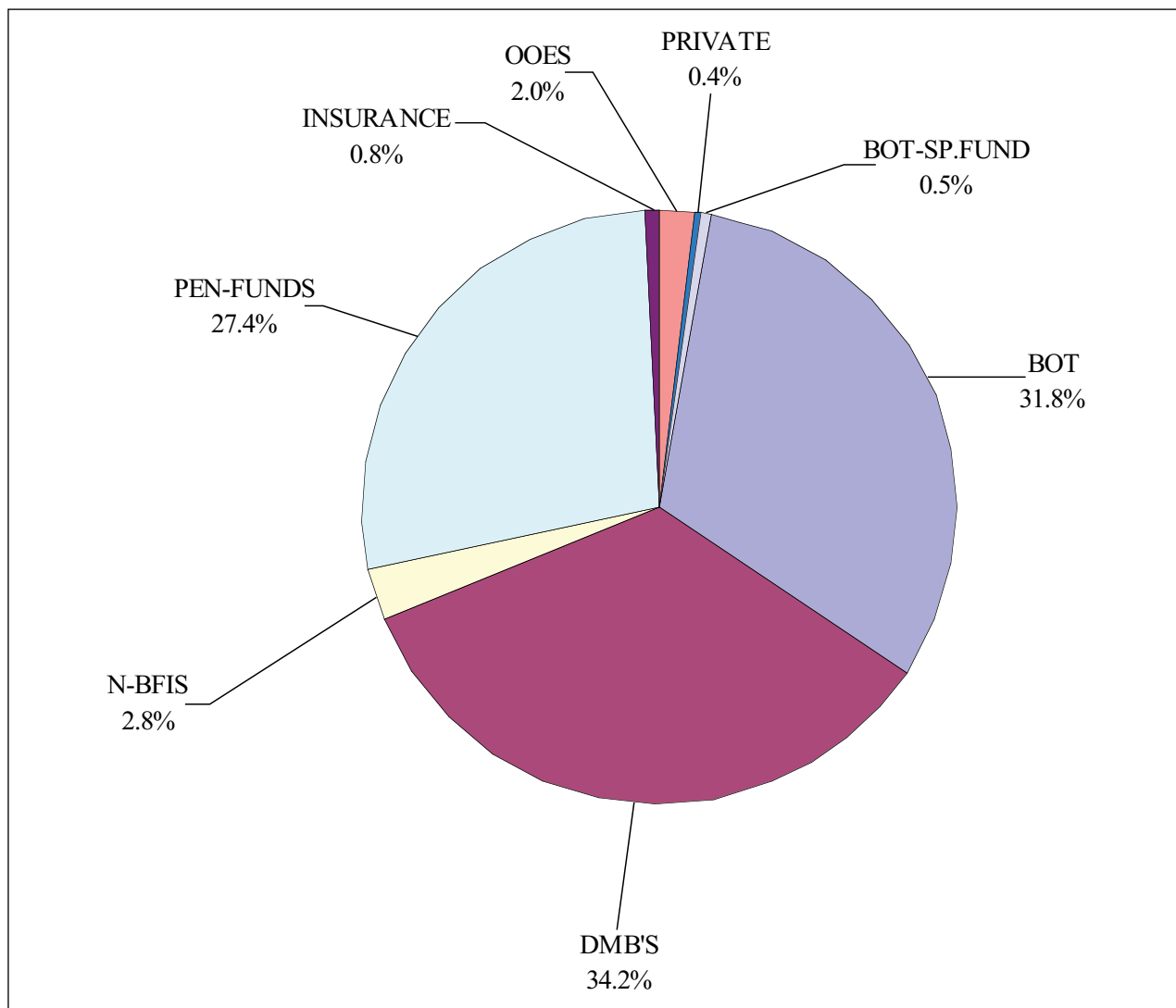
During the month under review, there were no new loans contracted. However, the recorded new disbursements amounted to USD 51.0 million. External debt service payments during the month amounted to USD 6.3 million, out of which, principal repayments were USD 3.9 million and interest payments were USD 2.4 million.

Domestic Debt

The stock of domestic debt decreased by 0.8 percent from TZS 2,065.8 billion registered at the end of the preceding month to TZS 2,048.9 billion at the end of June 2008. Out of the total domestic debt stock, Government securities accounted for 99.6 percent while other Government debt accounted for 0.4 percent.

The profile of domestic debt by holder category shows that commercial banks remained the leading creditors to the Union Government by holding 34.2 percent of the total domestic debt, followed by Bank of Tanzania with 31.8 percent and Pension Funds 27.4 percent. Non-Bank Financial Institutions (NBFIs), other official entities, and insurance companies were holding 2.8 percent, 2.0 percent and 0.8 percent respectively. The remaining portion of 0.9 percent was held by private sector and BOT special fund (Chart 5.1).

Chart 5.1: Government Domestic Debt by Creditor Category



During the month under review domestic debt amounting to TZS 104.6 billion fell due for payment, out of which principal amounting to TZS 71.4 billion was rolled over while interest amounting to TZS 33.2 billion was paid.



6.0 Economic Developments in Zanzibar

Inflation Developments

Annual headline inflation declined to 22.0 percent from 22.2 percent recorded in July 2008. The deceleration was driven by a decrease in non-food inflation, which decreased from 24.0 percent in the year ended July 2008 to 23.1 percent during the month under review. Similarly, the month-to-month headline inflation declined drastically from 3.3 percent recorded in July 2008 to 0.1 percent registered in August 2008 due to decrease in month-to-month non-food inflation (Table 6.1 and Chart 6.1).

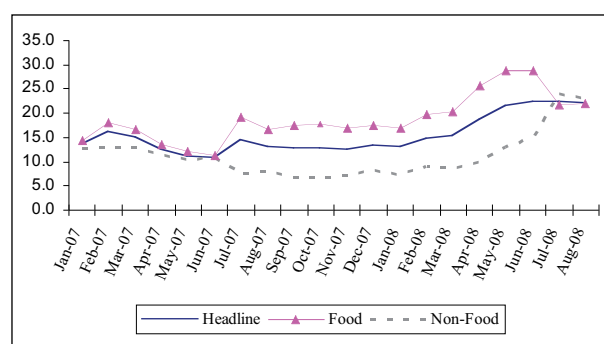
Table 6.1: Annual Percentage Change in Consumer Price Index (CPI)

Base: Dec. 2005=100

Major Commodity Group	Weights (%)	2007			2008		
		Jun	Jul	Aug	Jun	Jul	Aug
Headline/Overall	100	11.9	14.5	12.9	22.4	22.2	22.0
Food	57.4	13.7	19.1	16.6	28.8	21.8	21.9
Non-Food	42.6	10.3	7.7	7.9	14.8	24.0	23.1
Alcoholic beverages, tobacco & narcotics	0.6	23.0	2.9	2.9	-0.1	15.0	14.0
Clothing and footwear	6.2	6.8	6.0	4.7	9.3	9.5	9.7
Housing, water, electricity, gas and other fuels	15.6	8.4	8.3	7.5	12.7	36.3	36.2
Furnishing, household equipment and routine household maintenance	5.3	10.9	11.1	10.7	15.4	14.0	14.2
Health	2.1	10.1	10.1	20.7	25.1	24.6	14.5
Transport	3.4	21.5	13.8	8.2	19.9	30.3	28.4
Communication	2.4	-5.3	-5.3	-4.5	-0.8	-0.8	-0.8
Recreation and culture	0.4	12.9	14.0	13.2	7.3	5.2	6.5
Education	1.1	12.1	12.1	12.1	7.8	7.8	7.8
Restaurants and hotels	3.1	25.2	26.7	28.6	28.2	25.3	24.6
Miscellaneous goods & services	2.4	-4.3	-5.8	-6.4	26.3	19.2	17.9

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 increased marginally from 21.8 percent in July 2008 to 21.9 percent in the year ended August 2008. The increase in food inflation was mainly associated with increase in prices of fish following high demand following the start of high tourism season. However, the **month-to-month food inflation** remained stable at 0.1 percent in August 2008 the same rate recorded in the preceding month.

Annual non-food inflation, decreased in August 2008 to 23.1 percent down from 24.0 percent registered in the year ended July 2008. The decrease was mainly explained by slow down of petroleum products prices, following decrease of prices in the world markets. The decline in non-food inflation was also partly attributed to fall in prices of some pharmaceutical products and medical services. Similarly, the **month-to-month non-food inflation** decreased significantly from 8.2 percent in July 2008 to zero percent in August 2008.

Fiscal Performance

During the month ending August 2008, the government budgetary operations on cheques cleared basis, registered deficit of TZS 3.2 billion, compared TZS 0.4 billion recorded in the preceding month. Total resources amounted to TZS 13.7 billion, below the projected amount of TZS 15.2 billion. Domestic sources contributed TZS 10.3 billion, accounting for 75.2 percent of total resources, while TZS 3.4 billion or 24.8 percent were foreign grants. Total expenditure reached TZS 16.0 billion, below the target of TZS 17.8 billion, but exceeded TZS 14.2 billion spent in July 2008. The budget deficit was financed by foreign sources.

Revenue

Revenue collections amounted to TZS 10.3 billion below the target of TZS 11.1 billion due to under collection of VAT, income tax and other taxes. However, the collections were better than the levels attained in the previous month. Non-tax revenue sources raised TZS 0.5 billion against the target of TZS 0.8 billion.

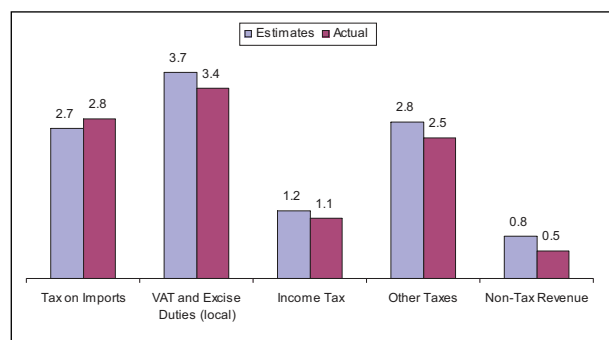
Revenue performance by category indicate that, local VAT and excise duty collections amounted to TZS 3.4 billion, slightly below target of TZS 3.7 billion, and accounted for 33.0 percent of the total revenue. Tax on imports reached TZS 2.8 billion, slightly above the target of TZS 2.7 billion.

Chart 6.2 depicts revenue collections by source.



Chart 6.2: Government Revenue by Source – August 2008

Billions of TZS



Source: Ministry of Finance and Economic Affairs, Zanzibar

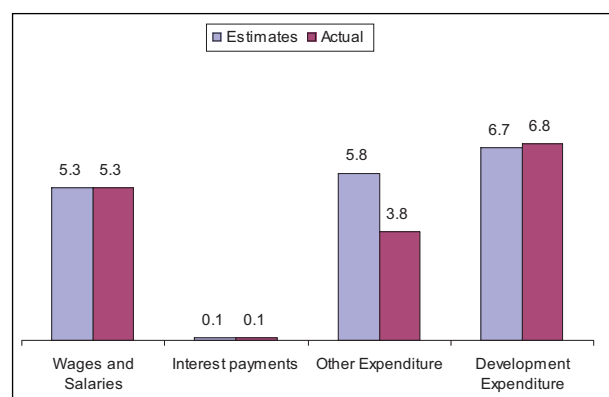
Expenditure

During the period under review, total government expenditure reached TZS 16.0 billion, below the target of TZS 17.8 billion. Recurrent expenditure reached TZS 9.2 billion, representing 57.5 percent of total expenditure, while development expenditure stood at TZS 6.8 billion. Recurrent expenditure shows that, wages and salaries amounted to TZS 5.3 billion. Other charges amounted to TZS 3.8 billion against target TZS 5.8 billion. Interest payments amounted to TZS 0.1 billion, and was in line with the target.

Development expenditure was TZS 6.8 billion, surpassing the target of TZS 6.7 billion. Government contributions amounted to TZS 0.3 billion below the target of TZS 1.6 billion. Donor funds reached TZS 6.6 billion, above the target of TZS 5.1 billion; accounting for 95.6 percent of the total development expenditure (Chart 6.3).

Chart 6.3: Government Expenditure by Components – August 2008

Billions of TZS



Source: Ministry of Finance and Economic Affairs, Zanzibar.

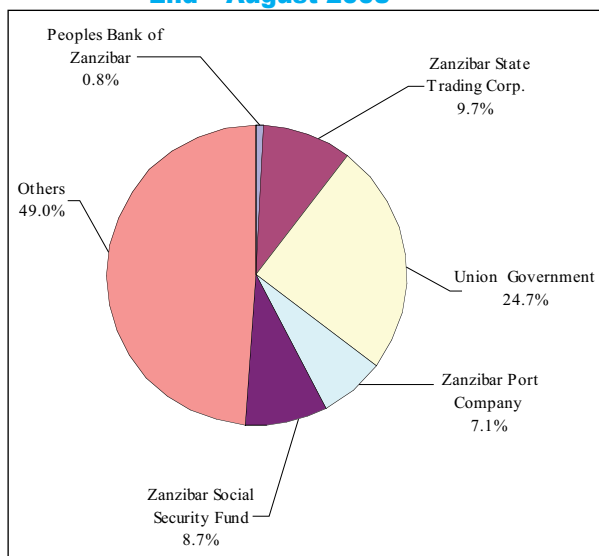
Debt Developments

Zanzibar public debt as at end of August 2008, stood at TZS 127.1 billion (USD 109.1 million), compared to TZS 127.6 billion (USD 109.6 million) registered in July 2008. External debt amounted to TZS 72.0 billion (USD 61.8 million), representing 57.0 percent of the total debt, while domestic debt was TZS 55.1 billion (USD 47.3 million). Debt to GDP ratio was 24.9 percent.

Domestic Debt

During the month of August 2008, domestic debt amounted to TZS 55.1 billion, compared to TZS 54.8 billion registered in the previous month. The increase was associated with rise in gratuity claims. Domestic suppliers and pensioners remained lead creditors, with claims amounting to TZS 26.9 billion, accounting for 49.0 percent of the total domestic debt. Domestic debt by creditors is shown in Chart 6.4.

Chart 6.4: Domestic Debt by Creditor as at End – August 2008



Source: Ministry of Finance and Economic Affairs-Zanzibar

Debt maturity profile revealed that debt with “undetermined maturity” (predominantly gratuity and supplier’s claims), amounted to TZS 33.9 billion, or 61.5 percent of domestic debt, whereas debt maturing between 2 and 5 years amounted to TZS 14.6 billion, standing for 26.6 percent of domestic debt. Debt maturing in less than a year amounted to TZS 6.5 billion or 11.8 percent of the total domestic debt.

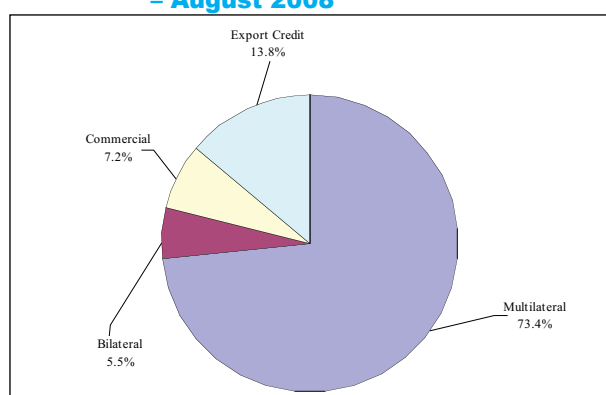


External Debt

External debt declined to TZS 72.0 billion (USD 61.8 million) from TZS 74.0 billion (USD 62.5 million) recorded in the preceding month of July 2008, mainly associated with appreciation of Tanzania shilling. Debt guaranteed by the Union government stood at USD 45.3 million, or 73.3 percent of the external debt, whereas non-guaranteed debt amounted to USD 16.5 million.

External debt by creditor category show that debt due to multilateral creditors amounted to USD 45.3 million (TZS 53.0 billion) representing 73.3 percent of the external debt, while bilateral creditors debt amounted to USD 3.5 million (TZS 4.0 billion). Chart 6.5 shows the composition of external debt by creditor.

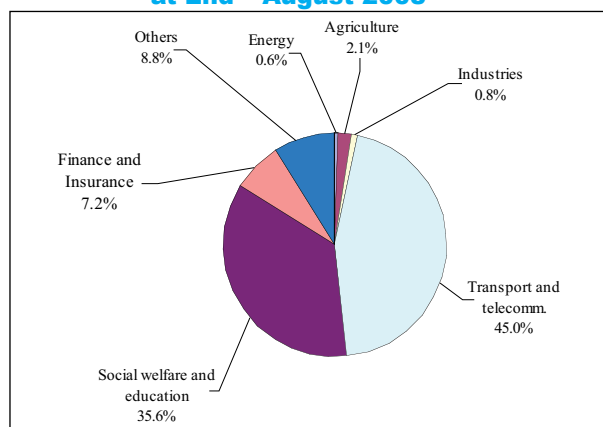
Chart 6.5: External debt by Creditor as at End – August 2008



Source: Ministry of Finance and Economic Affairs-Zanzibar

Decomposition of external debt by use of funds indicates that during the month of August 2008, transport and telecommunications held USD 27.8 million, or 45.0 percent of the total external debt, while social welfare and education sectors held USD 21.9 million, representing 35.4 percent of external debt. Composition of external debt by use of funds is presented in Chart 6.6.

Chart 6.6: External Debt by Use of Funds as at End – August 2008



Source: Ministry of Finance and Economic Affairs-Zanzibar

External Sector Performance

Current Account

Current account as at end of August 2008, registered a deficit of USD 3.2 million, from USD 3.0 million recorded in the month of July 2008. The slight increase was associated with a rise in imports bill. However, trade account deficit narrowed to USD 9.5 million from USD 10.4 million recorded during the previous month.

On annual basis, the current account balance reversed from surplus of USD 41.6 million posted during the corresponding period in 2007 to a deficit of USD 25.6 million. This development was on account of increase in imports and decrease in foreign grants. Trade account deficit widened to USD 98.2 million from USD 64.3 million recorded in corresponding period in 2007 (Table 6.2).

Table 6.2: Zanzibar Current Account Balance

Millions of USD

Item	2007 Aug	2008p		Year Ending August			% Change	
		Jul	Aug	2006	2007	2008p	Monthly	Annual
Goods Account (net)	-4.0	-10.4	-9.5	-66.3	-64.3	-98.2	-8.6	52.8
Exports	0.9	1.0	1.0	12.0	16.3	16.8	0.0	2.9
Imports (fob)	4.9	11.4	10.5	78.3	80.6	115.0	-7.8	42.7
Services Account (net)	2.0	2.8	2.3	19.9	41.6	26.1	-15.2	-37.1
Receipts	6.5	7.6	7.8	81.2	92.2	81.7	2.9	-11.4
Payments	4.6	4.9	5.5	61.3	50.7	55.5	13.2	9.7
Goods and Services (net)	-2.0	-6.9	-7.2	-46.4	-22.7	-72.1	3.5	217.3
Exports of Goods and Services	7.4	8.6	8.9	93.2	108.5	98.5	2.5	-9.3
Imports of Goods and Services	9.4	15.6	16.0	139.5	131.2	170.5	3.0	29.9
Income Account (net)	0.0	0.0	0.0	0.4	0.2	-0.6	-83.3	-398.1
Receipts	0.0	0.0	0.0	0.4	0.3	0.3	0.0	-2.2
Payments	0.0	0.1	0.0	0.0	0.1	0.9	-27.8	987.0
Current Transfers (net)	10.6	4.0	4.0	49.4	64.1	47.1	0.0	-26.5
Inflows	10.6	4.0	4.0	49.4	64.1	47.1	0.0	-26.5
Outflows	0.0	0.0	0.0	0.0	0.0	0.0		
Current Account Balance	8.6	-3.0	-3.2	3.4	41.6	-25.6	7.6	-161.5

Source: Tanzania Revenue Authority and BOT

Exports Performance

During the month of August 2008, total export receipts increased to USD 8.9 million from USD 8.6 million recorded in the preceding month due to increase in services receipts following the start of high tourism season. The value of merchandise exports was USD 1.0 million, the same as the level recorded in the previous month. Services earnings increased to USD 7.8 million from USD 7.6 million earned in July 2008.



On annual basis, total exports (goods and services) amounted to USD 98.5 million, down from USD 108.5 million recorded in the corresponding period in 2007. The decline was on account of decrease in services receipts to USD 81.7 million from USD 92.2 million. Clove exports fell to USD 6.5 million from USD 9.7 million realized in the corresponding period in 2007. Seaweeds exports earned USD 2.5 million from USD 1.6 million in previous year, represented 3.0 percent of total exports receipts. Manufactured goods amounted to USD 3.8 million or 4.0 percent of total export receipts (Table 6.3).

Table 6.3: Zanzibar Exports by Major Categories

Commodity	2007	2008p			Year Ending August			%Change	
	Aug	Jul	Aug	2006	2007	2008p	Monthly	Annual	
Traditional									
Cloves									
Value	0.00	0.15	0.21	9.3	9.7	6.49	36.4	-33.2	
Volume	0.00	0.04	0.05	3.2	3.0	1.63	47.5	-46.3	
Unit Price		4,304.85	3,980.36	2,927.33	3,206.81	3,983.49	-7.5	24.2	
Non-Traditional									
Seaweeds									
Value	0.19	0.26	0.13	1.50	1.60	2.56	-49.7	59.9	
Volume	0.66	1.00	0.47	7.70	7.40	9.38	-52.9	26.8	
Unit Price	291.02	264.76	282.71	194.81	216.22	272.79	6.8	26.2	
Manufactured Goods	0.32	0.24	0.39	0.30	3.30	3.83	62.2	16.2	
Fish and Fish Produce	0.08	0.02	0.00	0.40	0.10	0.17	-70.4	69.2	
Horticultural produce	0.00	0.00	0.00	-	-	0.00			
Others Exports	0.29	0.39	0.50	0.50	1.60	6.88	28.2	329.8	
Sub Total	0.88	0.90	0.90	2.7	6.6	12.31	0.0	86.5	
Grand Total	0.88	1.04	1.04	12.0	16.3	16.80	0.0	2.9	

Note: Unit price in USD per Ton, Value in Millions of USD, Volume in "000" Tons
P = Provisional

Source: Tanzania Revenue Authority

Goods Imports

During the period under review, goods imports (c.i.f) amounted to USD 11.6 million, which was lower than USD 12.6 million registered in the preceding month, mainly attributed to decline in foodstuffs and oil imports. Intermediate goods imports fell by 3.6 percent, driven by decrease in oil imports. Capital goods imports rose to USD 4.7 million from USD 4.6 million recorded in previous month on account of increase in transport equipment and building and construction materials.

On annual basis, goods imports (c.i.f) increased by 42.7 percent to USD 115.0 million from USD 80.6 million recorded in the corresponding period in 2007, mainly due to rise in intermediate goods imports driven by oil. The value of oil imports amounted to USD 37.3 million, and accounted for 29.5 percent of total imports. Capital goods imports rose to USD 50.7 million from USD 44.1 million imported in the corresponding period in 2007. Foods and food stuffs imports increased to USD 10.0 million from USD 4.9 million posted in the previous year associated mainly with increase in world food prices (Table 6.4).

Table 6.4: Zanzibar Imports by Major Categories

Millions of USD

Import Category	2007	2008p		Year Ending August			%Change	
	Aug	Jul	Aug	2006	2007	2008p	Monthly	Annual
Capital Goods	2.4	4.6	4.7	36.5	44.1	50.7	2.9	14.9
Transport Equipment	1.5	2.8	3.2	10.7	13.8	30.6	14.3	122.0
Building and Constructions	0.3	0.6	0.7	9.6	12.9	7.3	19.4	-43.2
Machinery	0.5	1.2	0.8	16.2	17.4	12.7	-31.7	-27.1
Intermediate Goods	0.9	5.2	5.1	25.6	24.6	50.9	-3.6	107.4
Oil imports	0.5	4.3	3.5	20.1	19.5	37.3	-18.4	91.6
Fertilizers	0.0	0.0	0.0	0.0		
Industrial raw materials	0.4	0.9	1.5	5.5	5.1	13.6	64.1	167.5
Consumer Goods	2.1	2.7	1.8	23.9	19.9	24.8	-34.4	24.6
Food and food stuffs	1.1	1.4	0.5	11.5	4.9	10.0	-64.5	104.3
All other consumer goods	1.2	1.3	1.3	12.4	15.0	14.8	-1.0	-1.5
Grand Total (c.i.f)	5.4	12.6	11.6	86.0	88.6	126.4	-7.8	42.7
Grand Total (f.o.b)	4.9	11.4	10.5	78.3	80.6	115.0	-7.8	42.7

p = provisional
... = Very small value

Source: Tanzania Revenue Authority

Services Account

During the month under review, services account surplus declined to USD 2.3 million, from USD 2.7 million recorded in the month of July 2008. The worsening of the services account balance was attributed to increase in foreign payments. Similarly, on year to year basis, the services account surplus narrowed to USD 26.1 million from USD 41.6 million recorded during 2007. Total foreign receipts fell to USD 81.7 million, from USD 92.2 million, whereas payments rose to USD 55.5 million from USD 50.6 million in the corresponding period in 2007. Travel receipts declined to USD 46.5 million from USD 80.3 million earned in the corresponding period in 2007. Travel payments were USD 29.4 million, up from USD 42.3 million in the previous year.





STATISTICAL TABLES



Table A1: Selected Economic Indicators (Annual)

Item	Unit	1998	1999	2000	2001	2002	2003	2004	2005	2006 ¹	2007 ²	2007 ³ *
1. National Accounts and Prices												
1.1 Change in GDP at Factor Cost--Current Prices	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 Factor Cost--Constant 1992 Prices ²	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--Current Prices ¹	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--Current Prices ¹	US\$	315.1	313.8	319.3	315.6	321.6	340.9	363.7	390.6	381.7	439.5	
1.5 Change in Consumer Price Index (Inflation)	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 Ratio ³ *	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 Extended Broad Money Supply (M3)**	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 Money Supply (M2)***	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 Money Supply (M1)	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 Reserve Money	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 GDP Ratio ¹	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 Credit to GDP Ratio ¹	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 Credit to Total Credit	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 Rate (12-Month)	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 Treasury Bill Rate	Percent	10.1	15.5	5.7	3.9	4.5	7.7	9.6	14.8	15.0	11.4	
2.10 Average Medium- and Long-Term Lending Rate	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 (f.o.b)	Mill. US\$	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 (f.o.b)	Mill. US\$	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. US\$	-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 Current Account	Mill. US\$	-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. US\$	-567.2	-128.4	-36.9	-167.5	-317.9	389.1	206.0	-222.4	460.7	532.7	
3.7 Gross Official Reserves	Mill. US\$	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 of Imports (of goods and services)	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 Average	TZS/US\$	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/US\$	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 Mainland)	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 to GDP Ratio ¹	Percent	11.5	11.4	12.2	11.8	12.3	12.1	13.3	13.8	17.1		
5.2 Grants to GDP Ratio ¹	Percent	2.8	4.1	3.7	4.3	3.2	3.7	7.4	6.8	6.2		
5.2 Current Expenditure to GDP Ratio ¹	Percent	11.0	11.9	13.0	12.7	13.0	12.9	15.1	17.3	20.4		
5.3 Development Expenditure to GDP Ratio ¹	Percent	2.2	5.3	3.7	3.9	3.3	3.6	8.6	8.7	8.7		
5.4 Deficit to GDP Ratio (excluding grants) ¹	Percent	(1.7)	(5.7)	-4.5	-4.8	-4.0	-4.4	-10.4	-12.2	-12.0		
5.5 Deficit to GDP Ratio (including grants) ¹	Percent	1.0	(1.6)	-0.8	-0.5	-0.8	-0.6	-3.0	-5.4	-5.8		
6. Total External Debt Stock												
Disbursed Debt	Mill. US\$	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. US\$	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 Debt as % of GDP	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

⁵ 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	Millions of TZS	
		Actual	
		Jul-08	Aug-08
Total Revenue	4,728,595	319,915.5	303,538.6
Tax Revenue	4,485,100	303,484.6	287,597.9
Taxes on Imports	1,643,767	132,518.8	107,514.0
Sales/VAT and Excise on Local Goods	1,078,533	70,923.9	80,947.1
Refunds	145,457	10,386.7	10,386.8
Income Taxes	1,425,652	72,058.4	77,421.7
Other taxes	482,605	38,370.2	32,101.9
Non- tax Revenue	243,495	16,430.9	15,940.7
Total Expenditure /1	7,139,103	231,825.0	325,420.1
Recurrent expenditure	4,647,623	223,259.6	275,005.6
Retention fund	85,318	3,360.2	5,164.0
Wages and salaries	1,570,324	118,265.1	0.0
Interest payments	282,359	25,162.8	5,381.1
Domestic 2/	247,759	25,063.7	4,688.7
Foreign	34,600	99.1	692.4
Other goods, services and transfers	2,709,623	76,471.5	264,460.5
Dev. Expenditure and net lending	2,491,480	8,565.4	50,414.5
Local	940,380	0.0	0.0
Foreign	1,551,100	8,565.4	50,414.5
Overall Balance (cheque issued) before Grants	-2,410,508	88,090.5	-21,881.5
Grants	1,441,229	8,953.4	12,755.6
Program (CIS/OGL)	543,905	0.0	0.0
Project	556,366	8,486.9	3,518.6
Basket funds	206,126	0.4	4,272.4
HIPC Relief	134,833	466.1	4,964.7
Overall defic.(cheq.issued) after Grants	-969,279	97,043.9	-9,125.8
Expenditure float	0	-192,050.8	-16,513.5
Adjustments to cash and other items (net)	0	41,837.7	-130,652.1
Overall Balance (cheques issued)	-969,279	-53,169.2	-156,291.4
Financing:	969,279	53,169.2	156,291.4
Foreign Financing (net)	946,207	-548.4	42,077.3
Loans	775,650	0.0	35,827.7
Program loans	268,208	0.0	0.0
Development Project loans	507,442	0.0	35,827.7
Basket Support	212,656	78.1	6,795.8
Amortization	-42,099	-626.5	-546.2
Domestic (net)	23,072	53,717.6	114,214.1
Domestic Financing	-36,927.9	53,717.6	114,214.1
Bank borrowing	0		
Non-Bank (net of amortization)	-16,928		
Amortization of contingent debt	-20,000		
Privatization Proceeds	60,000		

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: Monetary Survey (Revised)

End of Period	Millions of TZS																						
	Memorandum item:																						
	Domestic assets (net)			Domestic credit (net)			M3, Extended Broad Money			M1, Broad Money			M0, Base Money										
	Foreign assets	Claims on government	Claims on private sectors*	Other items	sum (2-5) or sum (9-13)	TOTAL	M2, sum (9-12)	M1, sum (9,10)	Narrow Money	Currency in circulation	outside banks	9	Demand deposits	10	Time deposits	11	Savings deposits	12	Foreign currency deposits	13	TOTAL sum (9,15)	14	Reserves
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	1,636,730.7	1,233,667.0	766,019.9	411,638.9	354,381.0	208,101.4	259,545.7	403,063.7	584,369.1	172,730.2									
2002	1,558,627.1	264,608.6	570,668.3	-346,221.0	2,047,683.1	1,507,386.5	958,786.6	495,445.6	463,340.9	223,898.7	324,701.2	540,296.5	695,701.2	200,255.6									
2003	2,182,072.0	12,937.0	817,125.2	-623,818.1	2,388,316.1	1,721,109.9	1,113,379.1	553,045.8	560,333.3	230,958.8	376,771.9	667,206.2	783,309.0	230,263.2									
2004	2,379,909.3	-47,719.7	1,060,077.3	-544,146.8	2,848,120.0	2,050,886.0	1,315,739.4	664,148.0	651,591.3	276,396.4	458,750.2	797,234.1	967,776.0	303,628.0									
2005	2,560,852.1	413,782.4	1,425,062.3	-464,710.2	3,934,986.6	2,808,247.6	1,758,810.2	843,157.4	915,652.8	422,269.4	627,168.0	1,126,738.9	1,236,080.6	392,923.2									
2006	3,399,819.5	77,952.2	2,028,294.3	-707,243.9	4,798,822.1	3,193,785.0	1,930,421.5	975,585.9	954,835.7	469,679.2	793,684.3	1,605,037.1	1,443,529.9	467,944.0									
2007	3,528,866.1	-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	3,535,953.5	64,257.8	2,044,818.9	-790,561.0	4,854,469.3	3,239,482.0	1,960,407.5	968,717.6	991,689.9	473,156.3	805,918.2	1,614,987.2	1,576,593.5	607,875.9									
February	3,447,311.2	179,989.1	2,079,071.8	-766,237.7	4,940,134.4	3,308,265.7	2,008,424.0	967,307.8	1,041,116.3	483,297.3	816,544.3	1,631,868.7	1,549,845.2	582,537.5									
March	3,321,533.3	144,647.7	2,133,897.1	-686,040.7	4,914,037.4	3,295,310.9	1,986,159.5	972,299.6	1,013,859.8	481,413.6	827,737.8	1,618,726.5	1,476,908.9	504,609.3									
April	3,435,509.1	158,245.0	2,193,766.9	-795,159.8	4,992,361.2	3,342,706.4	2,021,436.9	968,975.5	1,052,461.4	490,802.8	830,466.7	1,649,654.7	1,632,957.8	663,982.3									
May	3,276,619.4	323,589.9	2,246,312.1	-766,155.0	5,080,366.5	3,488,567.6	2,116,611.3	978,672.9	1,137,938.4	518,770.6	853,185.7	1,591,798.9	1,615,252.5	636,579.6									
June	3,374,549.7	372,422.0	2,260,321.2	-817,308.3	5,189,984.6	3,538,165.8	2,156,271.7	1,049,608.5	1,106,663.3	517,776.1	864,118.0	1,651,818.8	1,598,491.3	548,882.8									
July	3,767,930.5	84,274.5	2,385,900.4	-809,765.7	5,428,339.7	3,766,403.5	2,314,902.3	1,131,638.3	1,183,264.0	561,622.2	889,879.0	1,661,936.3	1,711,508.9	579,870.7									
August	3,620,681.5	-36,160.2	2,468,623.3	-520,774.6	5,532,370.0	3,866,255.9	2,428,015.9	1,164,491.1	1,263,524.8	529,537.2	908,702.8	1,666,114.1	1,755,836.9	591,345.8									
September	3,760,380.9	-307,854.2	2,577,508.2	-539,633.6	5,490,401.3	3,842,315.5	2,400,856.6	1,166,527.6	1,234,328.9	528,786.5	912,672.4	1,648,085.8	1,685,013.4	518,485.8									
October	3,593,321.2	-280,466.3	2,679,033.4	-418,627.3	5,573,261.0	3,929,813.7	2,475,375.6	1,154,461.6	1,320,914.0	499,971.3	954,466.8	1,643,447.3	1,822,761.3	668,299.7									
November	3,587,521.5	-214,044.9	2,796,110.4	-451,179.8	5,718,407.2	4,020,316.6	2,487,639.4	1,150,235.8	1,337,403.7	558,322.8	974,354.4	1,698,090.7	1,821,935.3	671,699.6									
December	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									
2008-Jan	3,603,917.3	-145,407.8	2,947,534.0	-490,749.0	5,915,294.5	4,207,276.3	2,593,582.0	1,142,804.8	1,450,777.2	614,720.7	998,973.5	1,708,018.2	2,040,947.8	898,143.0									
February	3,577,445.0	-41,222.7	3,002,948.0	-555,580.8	6,003,539.4	4,294,878.0	2,654,975.4	1,140,637.1	1,514,338.3	624,553.2	1,015,349.3	1,708,711.4	1,891,426.8	750,789.6									
March	3,890,879.6	128,579.5	3,109,698.3	-881,625.5	6,247,581.8	4,402,805.7	2,718,707.3	1,143,058.8	1,575,648.5	672,584.9	1,011,513.4	1,844,726.1	1,943,864.1	800,805.4									
April	3,658,303.4	119,579.2	3,146,421.6	-672,757.9	6,251,546.3	4,460,728.4	2,724,099.8	1,156,965.1	1,567,134.8	709,296.4	1,027,332.1	1,790,818.0	1,984,613.1	827,648.0									
May	3,534,623.9	132,252.1	3,192,014.0	-656,894.6	6,201,995.4	4,450,516.5	2,675,389.2	1,185,597.6	1,489,791.6	749,628.4	1,025,498.8	1,751,478.9	1,968,014.6	782,417.0									
June	3,487,404.4	78,893.3	3,268,914.3	-469,315.8	6,365,896.1	4,629,090.6	2,828,070.4	1,272,293.0	1,555,777.4	770,203.7	1,030,816.5	1,736,805.5	2,079,615.5	807,322.6									
July	3,498,809.9	255,966.7	3,377,227.9	-619,513.2	6,512,491.4	4,719,431.7	2,919,322.4	1,316,637.8	1,602,684.7	737,872.3	1,062,236.9	1,793,059.7	2,208,562.8	891,925.0									
August	3,243,400.8	359,682.9	3,582,077.0	-486,948.2	6,698,212.5	4,967,460.6	3,100,375.6	1,370,066.3	1,730,309.3	776,978.8	1,090,106.2	1,730,751.9	2,223,158.1	853,091.8									

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

CB - Commercial Banks

Source: Bank of Tanzania

Table A4 : Interest Rate Structure

Item	2007 ^a							2008 ^b					Percent		
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
A: Domestic Currency															
1 Interbank Cash Market Rates															
Overnight	6.67	9.79	12.05	12.07	18.64	10.19	5.37	6.47	4.52	4.11	3.85	3.59	3.45	3.49	3.64
2 to 7 days	7.60	11.27	12.28	12.77	19.47	8.19	5.99	7.11	5.20	4.34	4.08	4.04	3.68	3.67	3.75
8 to 14 days	7.03	12.00	11.98	12.00	24.04	5.86	5.86	6.82	5.00	4.43	4.20	3.80	3.99	3.87	3.88
15 to 30 days	6.00	6.00	6.00	6.50	6.50	9.00	9.22	7.50	6.50	6.50	5.18	4.82	4.85	4.00	4.00
31 to 60 days	9.59	6.55	8.81	11.16	6.42	5.15	5.84	5.60	5.60	6.32	5.40	4.73	4.73	5.50	5.50
61 to 90 days	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75	5.93	5.93	5.93	5.93	5.93	5.93	5.93
91 to 180 days	12.50	13.00	13.83	14.80	14.80	14.80	9.75	9.50	6.50	6.25	6.25	6.25	5.50	5.50	8.21
181 and above	12.87	12.87	12.87	15.23	15.23	12.10	12.10	12.10	12.10	7.00	7.00	7.88	7.88	8.50	8.50
Overall Interbank cash market rate	7.24	10.46	12.11	12.27	18.92	9.67	5.83	6.74	4.81	4.24	4.12	3.83	3.61	3.61	3.70
2 Lombard Rate	10.01	14.69	18.07	18.11	27.97	15.29	8.19	9.90	7.18	5.72	7.16	7.00	7.55	8.54	7.99
3 REPO Rate	6.25	9.10	11.02	11.56	11.34	7.36	5.13	6.60	4.79	3.82	3.67	3.66	3.75	3.79	3.76
4 Treasury Bills Rates															
35 days	6.47	6.07	6.32	6.27	6.35	4.94	5.46	5.96	5.99	5.36	4.77	4.67	5.03	5.70	5.33
91 days	12.62	12.88	13.76	14.78	15.14	11.31	9.90	9.54	7.05	5.69	5.12	4.95	5.76	7.93	8.62
182 days	16.74	16.23	15.83	16.37	16.62	12.96	10.15	10.33	8.02	7.03	6.90	6.75	7.63	8.51	10.11
364 days	18.39	15.84	15.95	16.98	17.86	13.68	12.95	12.80	9.82	9.40	9.43	9.03	10.00	11.15	11.48
Overall Treasury bills rate	17.07	15.41	15.11	15.59	16.42	12.45	11.40	10.89	8.37	7.39	7.05		7.84	9.46	9.47
5 Treasury Bonds:															
2-years	18.25	17.67	18.91	20.07	17.29	14.99	14.97	14.97	14.97	12.23	12.23	12.87	12.87	12.87	12.87
5-years	18.37	17.31	19.43	20.54	18.69	17.60	17.60	16.81	16.81	14.49	14.49	14.49	14.49	14.49	14.49
7-years	18.58	18.50	20.43	19.25	18.80	17.90	18.15	18.15	17.18	17.18	17.18	17.18	17.18	17.04	17.04
10-years	17.48	17.52	19.63	19.92	20.28	17.87	17.68	17.68	17.68	17.68	17.68	17.09	17.09	17.09	19.47
6 Discount Rate	21.42	21.05	20.11	20.59	21.42	17.44	16.40	15.89	13.36	12.39	12.08	12.00	12.84	14.46	14.47
7 Savings Deposit Rate	2.63	2.70	2.71	2.62	2.59	2.61	2.75	2.66	2.64	2.64	2.75	2.74	2.79	2.64	2.61
8 Time Deposits Rates:	7.69	7.55	7.76	8.21	8.24	8.15	8.29	8.17	8.23	8.04	7.66	6.84	6.66	6.58	5.81
Call Accounts	1.31	1.36	0.21	1.14	0.50	1.11	0.78	0.88	0.93	0.94	1.33	0.82	0.80	0.71	0.68
1 month	6.65	6.44	6.54	7.44	7.99	7.52	9.26	7.22	8.68	7.59	7.79	6.22	6.05	5.96	5.78
2 months	7.78	7.87	8.51	8.65	9.87	8.94	6.97	9.42	8.75	8.82	7.10	7.50	6.90	8.69	6.68
3 months	8.61	8.59	8.78	9.89	9.50	9.25	9.34	9.63	10.10	9.00	8.69	7.61	7.92	7.11	7.21
6 months	9.31	9.97	9.99	8.82	9.30	10.22	8.71	10.00	9.10	9.89	9.93	9.32	8.97	8.91	7.02
12 months	8.88	9.04	9.42	9.64	10.22	9.85	10.08	10.10	9.97	9.41	8.95	8.91	8.29	8.17	7.48
24 months	11.27	9.75	10.89	11.91	10.31	10.19	12.92	9.95	10.11	10.66	9.48	7.50	7.71	6.49	5.82
9 Negotiated Deposit Rates	8.65	8.91	9.82	9.83	10.61	10.96	11.04	10.72	10.52	10.29	11.20	11.07	10.62	9.26	9.63
10 Lending rates:	15.71	16.07	16.27	15.95	15.78	15.94	15.25	15.24	15.08	15.09	14.67	14.70	14.70	15.05	14.83
Call Loans	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	20.25	19.25	19.25
Short-term (up to 1 year)	13.95	14.12	14.30	14.06	13.85	14.06	14.70	13.96	14.19	13.57	12.76	13.25	13.93	13.35	13.86
Medium-term (1-2 years)	17.01	17.15	16.94	16.84	16.86	16.79	16.60	16.72	15.80	16.11	15.88	15.50	15.50	15.72	15.82
Medium-term (2-3 years)	14.60	15.65	15.17	15.15	15.27	15.43	15.48	15.32	15.39	15.37	15.08	14.95	14.58	15.28	15.65
Long-term (3-5 years)	15.61	16.04	16.76	16.53	15.90	16.37	16.66	16.49	16.54	16.86	16.37	16.13	16.64	16.92	15.8
Term Loans (over 5 years)	17.37	17.42	18.20	17.15	17.04	17.04	12.84	13.69	13.47	13.52	13.25	13.66	13.07	14.00	13.01
11 Negotiated Lending Rates	12.20	12.14	12.63	11.91	11.89	11.68	11.98	11.50	11.76	11.82	12.77	12.55	13.07	11.01	12.18
B: Foreign Currency															
1 Deposits Rates															
Savings Deposits															
Time Deposits	2.73	2.61	2.86	3.54	4.08	4.69	4.27	4.58	4.63	4.62	4.28	4.65	4.42	4.14	2.88
1-months	1.79	2.03	2.07	3.21	2.71	4.77	4.65	3.60	4.58	4.79	2.96	4.71	5.04	2.10	2.72
2-months	2.18	1.91	2.72	3.48	4.95	5.36	3.60	4.75	4.94	3.03	5.12	5.27	4.46	5.82	2.88
3-months	2.87	2.57	3.02	3.87	4.89	3.76	3.86	4.85	3.17	4.88	4.89	3.80	3.95	4.93	2.87
6-months	3.02	2.85	3.47	3.85	3.87	3.86	4.64	4.78	4.73	3.42	3.99	4.97	5.17	3.79	2.85
12-months	3.81	3.69	3.00	3.27	3.99	5.72	4.58	4.92	5.72	6.95	4.43	4.49	3.48	4.04	3.09
2 Lending Rates															
Short-term (up to 1 year)	8.03	8.41	7.49	5.89	5.77	7.41	3.85	3.82	4.55	4.79	6.43	6.75	6.74	5.60	5.43
Medium-term (1-2 years)	8.57	8.46	8.31	8.45	8.48	8.51	8.45	8.69	8.72	8.67	8.88	8.75	8.70	6.92	7.2
Medium-term (2-3 years)	7.91	7.97	8.27	8.19	8.69	8.67	8.94	8.95	8.74	8.67	8.55	8.55	8.56	6.74	6.81
Long-term (3-5 years)	7.11	7.90	6.89	7.00	8.93	8.68	8.97	8.46	8.47	8.47	8.37	8.18	8.29	7.33	7.35
Term Loans (over 5 years)	6.17	8.09	8.49	8.33	8.64	8.73	8.54	8.86	8.86	8.69	7.53	7.99	8.68	8.12	8.91

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 August ^p		
	Aug	Jul	Aug	Aug 07- Aug 08	Jul 08-Aug 08	2007	2008	% Change
Traditional Exports:								
COFFEE								
Value	1.6	1.9	2.3	43.9	17.5	93.4	87.0	-6.8
Volume	1.0	1.0	1.4	43.1	46.2	46.6	37.2	-20.0
Unit Price	1,623.9	2,032.9	1,633.8	0.6	-19.6	2,005.7	2,335.8	16.5
COTTON								
Value	9.3	8.7	12.8	38.0	46.9	32.4	95.8	--
Volume	8.9	8.6	12.4	40.2	45.1	31.7	81.0	155.8
Unit Price	1,048.0	1,019.1	1,032.0	-1.5	1.3	1,023.4	1,182.3	15.5
SISAL								
Value	0.9	0.7	0.0	-100.0	-100.0	9.9	6.9	-30.3
Volume	0.9	0.7	0.0	-100.0	-100.0	11.6	7.3	-36.4
Unit Price	1,026.9	1,016.2	0.0	0.0	0.0	858.2	1,042.7	21.5
TEA								
Value	1.0	1.9	1.1	10.5	-42.8	30.8	30.4	-1.4
Volume	0.7	1.1	0.5	-24.3	-51.5	21.5	19.9	-7.6
Unit Price	1,384.5	1,713.2	2,021.2	46.0	18.0	1,434.6	1,530.6	6.7
TOBACCO								
Value	3.7	0.0	14.3	--	--	83.1	70.9	-14.7
Volume	1.5	0.0	3.9	167.7	0.0	35.2	29.9	-15.2
Unit Price	2,539.0	0.0	--	--	--	2,357.3	2,373.5	0.7
CASHEWNUTS								
Value	0.0	0.00	0.0	--	--	28.2	40.1	42.0
Volume	0.0	0.00	0.0	--	--	57.0	55.6	-2.5
Unit Price	--	0.0	--	--	--	494.8	727.2	47.0
CLOVES								
Value	0.0	0.22	0.8	--	254.1	9.8	5.1	-47.7
Volume	0.0	0.06	0.2	--	211.7	3.0	1.4	-53.4
Unit Price	--	3,666.7	4,165.8	--	13.6	3,207.4	3,601.6	12.3
Sub Total	16.5	13.5	31.3	90.0	132.1	287.6	336.1	16.9
Non-Traditional Exports:								
Minerals								
Gold	76.7	85.4	102.3	33.4	19.8	868.7	1,026.6	18.2
Diamond	71.6	80.8	83.7	16.8	3.6	814.6	933.5	14.6
Other minerals ¹	2.6	1.8	1.7	-34.3	-4.9	25.3	23.6	-6.9
Other minerals ¹	2.5	2.8	17.0	--	496.7	28.8	69.5	141.1
Manufactured Goods								
Cotton Yarn	33.8	43.0	60.2	78.3	40.1	264.7	446.6	68.7
Manufactured Coffee	0.6	1.2	5.9	829.5	409.8	7.2	13.6	87.4
Manufactured Tobacco	0.0	0.0	0.1	0.0	--	1.6	1.1	-30.1
Manufactured Tobacco	0.0	0.0	0.3	1,003.4	-	1.1	1.1	-1.9
Sisal Products (Yarn & Twine)	0.6	0.0	0.0	--	0.0	4.8	10.1	--
Other manufactured Goods ²	32.6	41.8	53.9	65.5	28.9	249.9	420.7	68.3
Fish and Fish Products								
Fish and Fish Products	13.8	14.4	12.5	-9.3	-13.1	156.5	148.1	-5.4
Horticultural products								
Horticultural products	1.8	2.7	2.5	40.2	-7.6	18.3	25.6	40.1
Re-exports								
Re-exports	14.4	9.7	3.4	-76.5	-64.9	145.1	149.7	3.1
Others Exports³								
Others Exports ³	19.3	31.7	29.5	52.6	-7.0	167.1	255.3	52.8
Sub Total	159.9	187.0	210.6	118.6	12.6	1,620.5	2,051.9	26.6
GRAND TOTAL	176.4	200.5	241.9	37.1	20.6	1,908.1	2,388.0	25.2

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	Millions of USD							
	2007 ^p		2008		% Change		Year Ending August ^p	
	Aug	Jul	Jul	Aug	Aug 07-Aug 08	Jul 08 - Aug 08	2007	2008
Capital Goods	161.8	258.5	266.5	64.8	3.1	1,675.9	2,375.2	41.7
Transport Equipments	39.4	79.9	72.0	82.6	-9.8	421.8	719.3	70.5
Building and Constructions	40.8	55.8	51.8	27.0	-7.3	386.6	538.1	39.2
Machinery	81.6	122.8	142.8	75.1	16.3	867.5	1,117.8	28.8
Intermediate Goods	205.9	254.9	209.0	1.5	-18.0	1,875.5	2,393.7	27.6
Oil imports	148.9	160.8	169.9	14.1	5.7	1,394.3	1,742.5	25.0
Fertilizers	15.4	42.8	1.0	--	--	66.8	122.4	83.4
Industrial raw materials	41.6	51.4	38.1	-8.5	-25.9	414.4	528.8	27.6
Consumer Goods	77.4	96.3	111.3	43.8	15.6	963.0	1,188.2	23.4
Food and food stuffs	10.2	9.8	19.5	92.1	100.0	229.5	299.7	30.6
All other consumer goods ¹	67.2	86.5	91.8	36.5	6.1	733.5	888.5	21.1
Grand Total (f.o.b)	445.1	554.8	586.9	31.9	5.8	4,514.4	5,957.1	32.0
Grand Total (c.i.f)	489.1	609.7	644.9	31.9	5.8	4,960.9	6,546.3	32.0

Note:

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

^p = Provisional data

Totals may not add up due to rounding of numbers.

Source: Bank of Tanzania, TRA.



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

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

Source: Bank of Tanzania

Notes:

1. Revision is based on new data from the Private Capital Flows survey and adoption of new data sources for some other items in the services account
 2. Change in gross official reserves will not necessarily be equal to reserve assets given a new methodology of computing reserve assets which nets out the impact of valuation was introduced beginning 2006
- r = Revised
p = Provisional



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

Period	Weight (%)	Non-Food										Miscel. goods & services		
		Headline (General Index)	Food	Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household Equip.	Household operations	Personal care & Health		Recreation & Entertain.	Transportation
2003	3.5	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	0.8	9.7	2.6	1.5
2004	4.2	4.5	2.0	1.5	2.0	5.9	2.5	2.1	1.1	2.9	2.1	1.2	2.2	2.2
2005	4.4	5.9	1.6	-0.5	2.3	2.3	4.6	0.2	0.9	0.5	2.1	1.0	0.6	-0.5
2006	7.3	7.0	7.6	7.7	-0.5	-0.4	7.7	-1.1	0.5	3.5	-1.5	4.7	-0.1	-1.4
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
2006 Mar	7.7	8.3	6.8	5.6	7.9	8.5	7.3	4.7	-1.0	16.9	4.9	7.5	0.3	9.4
Jun	9.2	10.0	7.9	6.0	7.4	7.7	9.5	6.8	0.6	13.6	5.5	10.0	2.1	7.7
Sep	5.9	3.5	9.4	9.8	11.2	3.9	12.0	7.0	2.6	10.1	7.0	11.2	5.0	8.6
Dec	6.3	6.2	6.5	9.2	5.9	2.3	5.4	9.8	6.0	4.8	2.8	7.8	2.5	6.6
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
2006 Jan	6.7	6.3	7.3	4.6	9.6	16.6	9.0	4.1	-0.5	19.4	4.5	6.7	1.3	8.7
Feb	7.8	8.6	6.6	5.2	7.8	5.0	6.6	4.5	-1.3	18.2	5.9	8.3	-0.5	10.7
Mar	8.6	10.2	6.3	6.9	6.5	4.5	6.4	5.4	-1.3	13.4	7.6	7.6	0.0	8.7
Apr	8.8	10.3	6.6	4.6	7.3	6.1	7.5	5.7	-1.0	14.3	5.8	8.1	1.0	7.9
May	9.7	11.5	7.0	6.3	7.2	7.9	7.3	7.3	0.7	12.7	5.2	9.6	2.7	7.6
Jun	8.9	8.2	10.1	7.2	7.6	9.1	15.3	7.5	1.4	13.9	5.6	12.4	2.6	7.5
Jul	6.4	4.3	9.5	8.0	8.8	5.0	12.7	8.4	1.5	12.3	5.1	11.9	4.2	7.3
Aug	5.5	2.6	9.7	10.6	8.1	3.5	13.9	8.2	1.9	14.0	5.5	9.3	4.6	8.7
Sep	5.8	3.6	9.0	10.7	3.8	3.2	9.6	13.5	4.2	5.3	10.3	12.3	6.1	9.9
Oct	6.0	5.2	7.0	8.7	3.0	2.9	9.2	13.1	4.2	4.6	6.1	7.2	1.3	10.1
Nov	6.2	7.0	5.7	9.5	5.4	2.2	2.6	6.3	7.1	5.7	1.2	7.8	2.2	4.6
Dec	6.7	6.6	6.8	9.5	9.3	1.7	4.5	9.9	4.9	4.1	1.0	8.5	4.1	5.0
2007 Jan	7.0	6.7	7.4	11.9	6.1	4.9	4.8	10.3	9.6	2.0	5.6	8.8	10.0	-1.8
Feb	7.3	6.2	8.8	11.2	6.3	6.0	9.6	11.0	10.8	0.9	7.5	9.8	11.8	-0.4
Mar	7.2	6.1	9.1	11.8	7.2	5.8	9.3	10.4	11.1	3.4	9.2	9.1	13.0	1.6
Apr	6.1	4.8	8.2	14.7	6.7	4.3	5.0	10.5	11.8	3.6	9.4	8.3	11.8	1.9
May	5.0	2.8	8.4	13.0	7.4	4.2	7.5	8.4	11.1	4.7	9.4	8.0	10.1	2.0
Jun	5.9	4.6	7.6	12.3	7.3	3.2	6.4	8.7	10.1	4.2	10.1	5.8	10.3	2.5
Jul	9.0	10.3	7.4	10.8	5.5	1.7	7.3	7.6	10.7	4.5	10.6	6.8	8.6	2.0
Aug	7.8	9.2	6.0	7.3	6.4	2.1	4.2	6.9	9.5	3.5	10.8	6.5	8.8	0.0
Sep	8.3	11.4	4.1	6.2	4.5	2.8	1.4	4.1	6.5	2.2	9.7	4.3	9.2	-0.8
Oct	7.1	8.4	5.1	7.0	5.4	2.8	3.8	4.6	5.8	1.6	10.5	5.6	7.8	0.3
Nov	7.3	7.5	6.5	10.0	5.2	2.8	6.8	6.6	4.8	2.1	7.6	6.2	7.8	1.7
Dec	6.4	6.6	6.1	10.3	2.5	2.8	8.0	6.2	3.0	1.9	6.1	5.4	6.8	0.8
2008 -Jan	8.6	10.1	6.4	10.4	1.1	2.4	10.1	4.9	3.6	3.7	5.9	5.7	5.6	2.1
Feb	8.9	11.4	5.3	10.2	0.3	2.4	6.8	4.1	2.9	3.4	4.0	4.9	5.6	1.8
Mar	9.0	11.2	5.8	9.1	1.0	1.7	8.3	4.9	2.9	3.1	3.5	6.0	5.6	1.0
Apr	9.7	11.6	6.9	8.6	1.1	2.1	11.3	4.9	2.8	3.3	4.2	7.6	6.1	1.5
May	9.1	11.0	6.5	7.5	1.1	2.1	11.7	5.1	2.5	3.9	4.2	6.0	6.4	0.4
Jun	9.3	11.4	6.3	7.7	0.9	2.1	10.6	5.5	2.8	4.0	4.0	6.7	6.3	0.4
Jul	9.5	11.2	6.8	7.9	1.3	3.5	12.0	5.4	2.0	4.9	4.4	6.0	7.2	1.8
Aug	9.8	11.1	7.8	8.6	-0.1	3.1	12.7	6.9	1.1	5.9	5.2	9.9	7.9	1.5

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	Weight (%)	Headline (General Index)		Non-Food											Education	Miscel. goods & services
		Food	Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Equip.	Household operations	Personal care & Health	Recreation & Entertain.	Transportation				
2005: Jun		100.0	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	2.1	0.8	9.7	2.6	1.5	
Jul	0.6	0.0	-1.0	-0.2	0.2	-0.1	-4.2	0.0	0.5	-0.5	-0.3	0.0	0.0	0.5	-0.4	
Aug	-1.5	-0.5	0.9	0.8	0.0	5.6	1.6	0.3	-0.2	1.3	0.8	0.8	0.5	0.1	0.0	
Sep	1.1	1.0	1.0	0.2	0.3	1.4	1.5	0.5	0.3	-0.3	-0.3	0.8	2.4	0.2	0.1	
Oct	-1.3	-0.2	1.5	1.3	4.8	0.3	4.3	-3.2	-0.3	9.3	-4.1	-1.3	-1.3	-1.2	-0.9	
Nov	1.1	1.4	1.9	2.5	1.2	0.3	-0.8	1.0	-0.7	2.4	4.4	4.5	4.5	6.5	-0.8	
Dec	0.7	0.6	0.6	-0.6	-2.0	0.7	3.3	5.4	-0.3	-1.1	6.8	-0.8	-0.8	-0.9	4.7	
2006: Jan	3.3	-0.7	-0.7	0.3	-1.8	0.5	-3.4	-1.9	4.0	1.9	2.0	0.6	0.6	-0.1	0.1	
Feb	1.7	0.1	0.4	-1.5	4.5	-2.3	-0.4	1.6	-4.3	1.2	-3.3	0.1	0.1	-2.9	6.2	
Mar	1.2	0.8	0.4	1.2	0.7	-1.0	0.1	1.2	0.3	1.3	-0.1	0.2	0.2	-1.6	-0.5	
Apr	0.8	0.8	0.0	1.3	-1.0	0.9	0.1	-0.3	0.0	-1.9	-0.7	0.2	0.2	-0.7	-1.0	
May	0.9	0.7	0.7	-1.8	0.3	1.5	3.2	0.1	0.2	0.1	-0.3	0.7	0.7	1.1	-0.5	
Jun	1.7	1.4	1.4	2.7	0.1	1.0	0.8	2.6	1.5	-1.2	0.3	2.4	2.4	1.8	0.7	
Jul	-0.9	-2.4	1.9	0.7	0.6	1.0	4.2	0.1	1.2	0.5	0.1	2.5	2.5	0.4	-0.4	
Aug	-5.1	0.4	0.4	1.5	1.1	1.6	-0.7	1.1	-0.1	-0.1	0.3	0.2	0.2	1.7	-0.3	
Sep	0.2	-0.5	1.2	2.7	-0.5	0.0	2.6	0.4	0.6	1.3	0.3	0.0	0.0	0.6	1.2	
Oct	-0.4	0.9	0.9	1.4	0.7	0.0	0.4	1.5	1.9	1.0	0.3	1.4	1.4	0.2	0.2	
Nov	1.6	0.0	0.0	0.6	0.4	0.0	-1.2	0.6	1.1	1.7	0.4	-0.3	-0.3	1.7	-0.6	
Dec	0.8	-0.7	-0.7	0.2	0.3	0.0	-2.8	-0.8	0.6	-0.1	1.8	-0.2	-0.2	0.0	-0.6	
2007: Jan	2.1	0.4	0.4	0.3	1.8	0.0	-1.7	1.4	1.8	0.4	1.8	1.1	1.1	1.8	0.6	
Feb	1.3	0.6	0.6	0.7	1.5	0.9	-0.1	1.9	0.1	-0.9	1.2	0.4	0.4	2.6	-0.6	
Mar	1.1	1.7	1.7	0.5	0.9	0.0	4.7	1.8	1.4	0.3	1.7	1.1	1.1	0.0	0.9	
Apr	0.7	0.2	0.2	1.9	-0.2	0.7	-0.2	-0.8	0.3	0.5	0.9	-0.5	-0.5	0.4	0.9	
May	-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	-0.1	
Jun	0.6	1.6	1.6	1.2	0.8	0.0	3.3	0.6	0.8	0.0	0.4	2.1	0.3	0.3	0.8	
Jul	0.1	1.0	1.0	0.1	0.5	0.0	3.2	0.4	0.3	0.0	0.7	0.5	0.6	0.6	0.0	
Aug	0.1	0.2	0.2	0.1	-0.6	0.1	0.2	0.2	0.4	0.2	0.7	1.1	1.1	0.2	-0.7	
Sep	-0.9	-0.2	-0.2	-0.6	0.4	0.4	-0.4	-0.4	-0.4	0.3	0.5	-0.3	-0.3	0.8	-0.8	
Oct	0.6	-0.9	-0.9	0.4	-1.1	0.7	-2.3	-1.1	-0.9	-0.3	-0.6	-0.7	-0.7	0.5	-0.6	
Nov	0.4	1.0	1.0	1.4	1.2	0.0	1.1	1.1	0.4	1.1	1.1	0.9	0.4	0.4	0.5	
Dec	1.1	0.6	0.6	2.9	0.1	0.0	0.0	1.0	-0.4	0.4	-0.8	0.4	0.4	0.0	0.8	
2008: Jan	1.3	0.1	0.1	0.6	-0.8	0.0	-0.6	1.1	0.1	0.2	0.4	0.4	0.4	0.9	-0.3	
Feb	3.4	0.9	0.9	0.8	0.0	0.4	1.9	0.7	0.7	0.8	0.9	0.7	0.7	1.3	0.7	
Mar	1.4	0.6	0.6	0.4	0.1	0.0	1.6	1.0	0.6	0.0	-0.1	0.4	0.4	0.0	0.6	
Apr	0.9	0.7	0.7	0.8	0.5	0.0	1.2	0.0	0.3	0.2	0.4	0.6	0.6	0.4	0.1	
May	0.5	1.0	1.0	0.3	0.1	0.4	1.8	0.2	0.8	0.5	0.6	1.4	1.4	0.7	0.4	
Jun	0.1	-0.6	-0.6	0.1	0.8	0.0	3.6	0.8	0.4	0.5	0.4	0.5	0.5	0.6	-0.3	
Jul	0.2	-0.3	-0.3	0.3	0.3	0.0	2.1	0.8	0.6	0.1	0.5	1.1	1.1	0.5	0.0	
Aug	0.3	0.7	0.7	0.3	-0.2	1.5	1.5	0.1	-0.3	1.0	1.2	0.4	0.4	1.1	0.7	
Aug	-0.7	0.7	0.7	0.0	-1.0	0.0	0.2	1.1	-1.3	1.2	1.2	3.4	3.4	1.4	-1.1	

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											
	2007/08						2007/08					
	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08
1. Overall Total Debt Committed²	5,248.3	5,447.2	5,635.1	5,880.0	5,908.7	5,915.8	5,958.4	6,335.0	6,842.3	6,685.0	6,717.9	6,776.3
Disbursed outstanding debt	3,471.5	3,556.2	3,685.2	4,010.2	4,038.4	4,057.4	4,086.4	4,118.8	4,347.7	4,399.3	4,401.7	4,483.1
Undisbursed debt	1,776.8	1,891.1	1,949.9	1,869.8	1,870.4	1,858.4	1,872.1	2,216.2	2,494.6	2,285.7	2,316.2	2,293.2
2. Disbursed Debt by Creditor Category²	3,471.5	3,556.2	3,685.2	4,010.2	4,038.4	4,057.4	4,086.4	4,118.8	4,347.7	4,399.3	4,401.7	4,483.1
Bilateral	907.2	901.1	910.4	922.6	928.4	933.4	933.2	936.0	933.1	932.1	931.0	934.1
Multilateral	1,801.2	1,891.0	2,001.4	2,257.9	2,289.4	2,301.9	2,328.2	2,343.1	2,511.5	2,533.7	2,545.0	2,620.2
Commercial	439.6	439.5	447.9	492.8	489.8	499.3	496.7	498.4	499.4	608.5	615.2	617.9
Export credits	323.4	324.7	325.5	336.9	330.8	322.8	328.3	341.2	403.7	324.9	310.5	310.8
3. Disbursed Debt by Borrower Category²	3,471.5	3,556.2	3,685.2	4,010.2	4,038.4	4,057.4	4,086.4	4,118.8	4,347.7	4,399.3	4,401.7	4,483.1
Central Government	2,718.0	2,799.4	2,923.3	3,192.4	3,232.0	3,249.6	3,275.9	3,295.2	3,462.3	3,483.0	3,501.6	3,582.5
Parastatal Companies	168.0	167.9	169.0	170.8	170.8	170.8	170.1	169.5	169.0	169.1	157.8	156.3
Private Sector	585.5	588.9	592.9	647.0	635.5	637.0	640.4	654.1	716.4	747.2	742.3	744.4
4. Disbursed Debt by Use of Funds²	3,471.5	3,556.2	3,685.2	4,010.2	4,038.4	4,057.4	4,086.4	4,118.8	4,347.7	4,399.3	4,401.7	4,483.1
Balance of Payment & Budget Support	1,019.7	1,096.4	1,117.2	1,330.0	1,332.1	1,333.4	1,294.1	1,339.4	1,433.5	1,445.3	1,438.8	1,470.3
Transport & Telecommunication	427.6	431.5	441.2	490.0	507.3	518.9	517.1	529.4	544.3	551.5	550.5	571.5
Agriculture	346.2	350.1	354.0	380.0	383.9	382.1	396.2	399.5	396.7	395.4	403.2	437.0
Energy & Mining	610.5	609.2	615.1	621.0	624.7	624.8	627.5	628.7	637.0	666.4	663.6	670.1
Industries	157.9	158.0	159.5	161.0	159.2	155.1	154.3	154.6	151.0	151.3	134.4	137.4
Social Welfare & Education	444.6	447.1	525.1	538.0	550.8	554.2	567.2	571.5	615.0	607.7	629.6	639.7
Finance and Insurance	66.0	66.0	66.5	68.0	72.2	75.0	75.1	75.4	76.2	75.8	76.7	74.2
Tourism	73.2	73.4	74.8	74.7	73.9	73.8	73.6	73.7	75.5	73.0	70.4	70.7
Others	325.9	324.5	331.6	347.5	334.3	340.2	381.3	346.5	418.5	432.9	434.3	412.2
5. Total Amount fo Loans Contracted¹	72.2	5.0	18.8	1.4	2.2	0.0	111.8	0.0	1.2	0.0	0.0	0.0
Government	0.0	0.0	17.3	0.0	0.0	0.0	107.8	0.0	0.0	0.0	0.0	0.0
Parastatal Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private	72.2	5.0	1.6	1.4	2.2	0.0	4.0	0.0	1.2	0.0	0.0	0.0
6. Disbursements¹	18.6	14.1	259.9	34.7	17.7	16.2	19.9	15.4	19.6	16.5	13.3	51.0
Government	14.7	9.1	259.9	34.7	16.6	16.2	15.5	11.5	18.4	16.3	13.3	51.0
Parastatal Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0
Private	3.9	5.0	0.1	0.0	1.1	0.0	4.0	3.9	1.1	0.2	0.0	0.0
7. Scheduled Debt Service¹	28.0	3.5	17.0	16.6	8.5	36.2	18.1	4.2	14.3	10.9	9.7	31.7
8. Actual Debt Service¹	3.0	0.7	4.5	3.8	2.8	1.6	1.3	1.8	9.0	14.8	3.8	6.3
Principal	0.8	0.3	3.4	2.2	1.2	1.0	0.3	0.7	3.8	9.9	0.8	3.9
Interest	2.1	0.4	1.1	1.6	1.6	0.6	1.1	1.0	5.2	4.9	3.0	2.5
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9. Net Transfers¹	15.7	13.4	255.5	30.9	14.9	14.6	18.6	13.7	10.5	1.7	9.5	44.6
10. Total Arrears by Creditor Category²	2,226.8	2,228.9	2,260.7	2,254.5	2,267.9	2,315.2	2,424.1	2,582.0	2,612.4	2,363.6	2,398.2	2,453.2
Principal	992.4	986.7	1,005.5	986.3	983.4	1,004.8	1,091.9	1,234.9	1,242.0	997.1	1,051.3	1,089.8
Bilateral	381.6	379.8	387.2	395.7	401.0	408.0	416.8	422.0	422.3	420.1	420.0	423.8
Multilateral	14.7	16.5	15.2	15.4	13.8	16.1	16.6	15.0	15.0	14.9	6.8	8.4
Commercial	346.1	340.9	352.4	319.7	318.0	326.9	333.0	484.0	489.6	330.3	324.3	359.2
Other Private Creditors	250.0	249.4	250.7	255.5	250.6	253.7	325.4	314.0	315.2	231.8	300.2	298.5
Interest	1,234.5	1,242.2	1,255.2	1,268.2	1,284.5	1,310.4	1,332.2	1,347.1	1,370.4	1,366.6	1,346.9	1,363.3
Bilateral	543.3	544.5	549.6	553.5	562.9	579.6	591.8	599.5	611.5	606.1	607.4	611.3
Multilateral*	28.1	28.5	29.5	30.8	30.8	27.4	33.5	32.2	32.2	32.7	4.1	0.1
Commercial	445.5	451.7	458.0	460.2	463.5	476.2	478.4	484.2	488.4	496.1	494.1	517.7
Other Private Creditors	217.6	217.5	218.1	223.6	227.3	227.0	228.5	231.2	238.3	231.8	241.3	234.3
11. External Debt Stock	4,706.0	4,798.4	4,940.4	5,278.4	5,322.8	5,367.7	5,418.6	5,465.9	5,718.1	5,765.8	5,748.5	5,846.4
12. Domestic Debt Stock	1,479.0	1,501.2	1,513.1	1,615.6	1,619.0	1,673.5	1,548.6	1,686.5	1,709.6	1,727.1	1,725.5	1,735.0
13. Total Debt Stock	6,184.9	6,299.6	6,453.5	6,894.0	6,941.8	7,041.3	6,967.2	7,152.4	7,427.7	7,493.0	7,474.1	7,581.4
End Period Exchange Rate	1,281.0	1,275.9	1,229.9	1,167.0	1,170.7	1,132.1	1,171.9	1,173.2	1,236.8	1,201.2	1,197.2	1,180.9

*Multilateral arrears are those owned by private companies

¹⁾ During the period, ²⁾ End of May 2008 cumulative

Source: Bank of Tanzania



GLOSSARY



Currency in Circulation Outside Banks

Notes and coins of Tanzanian shillings circulating outside the banking system, i.e. outside the Bank of Tanzania and deposit money banks

Discount Rate

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

Exchange Rate

This is the price at which one unit of a currency can be purchased with another currency, e.g. TZS per US dollar.

Lombard Facility

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

Lombard Rate

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

Money Supply, M

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

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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