



BANK OF TANZANIA



**MONTHLY
ECONOMIC
REVIEW**

June 2008

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1.0 Inflation Developments

Month-to-month headline inflation slowed down to 0.1 percent in May 2008 from 0.5 percent recorded in April 2008 on account of decrease in average prices of food. Excluding seasonal influences, the month-to-month headline inflation increased to 1.5 percent in May 2008 from -1.3 percent recorded in April 2008, implying that the decrease in month-to-month headline inflation in May 2008 was mostly due to seasonal factors. Similarly, the annual headline inflation decreased to 9.1 percent in May 2008, from 9.7 percent recorded in the previous month. The decline in inflation rate was mainly explained by the deceleration of both food and non-food inflation (Table 1.1 and Chart 1.1). However, the 12-months average annual headline inflation rose to 8.1 percent in May 2008 compared to 6.5 percent in the corresponding period (June 2006 to May 2007).

Month-to-month non-food inflation went up to 1.2 percent in May 2008 from 1.0 percent recorded in April 2008, largely due to increase fuel prices. Other items included clothing, charcoal, furniture, insecticides and school bags. However, annual non-food inflation declined from 6.9 percent in April 2008 to 6.5 percent in May 2008 due to decrease in average prices of some non-food items including transportation and, drinks and tobacco subgroups. Likewise, the 12-months annual non-food inflation rate averaged 6.1 percent in May 2008 compared to 8.3 percent in the corresponding period a year before.

Month-to-month food inflation was -0.6 percent in May 2008 compared to 0.3 percent in April 2008 reflecting an increase in food supply particularly maize. Similarly, annual food inflation went down in May 2008 to 11.0 percent, from 11.6 percent recorded in the year ending April 2008. However, the 12-months annual food inflation rate averaged 9.4 percent in May 2008 compared to 5.3 percent in the corresponding period last year.

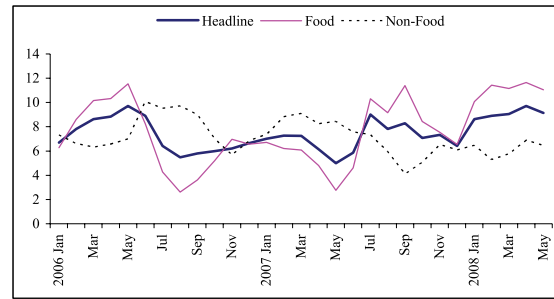
Table 1.1: Annual Percentage Change in Consumer Price Index (All-Urban)

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2006			2007			2008		
		Mar	Apr	May	Mar	Apr	May	Mar	Apr	May
Headline/Overall	100.0	8.6	8.8	9.7	7.2	6.1	5.0	9.0	9.7	9.1
Food	55.9	10.2	10.3	11.5	6.1	4.8	2.8	11.2	11.6	11.0
Non-food	44.1	6.3	6.6	7.0	9.1	8.2	8.4	5.8	6.9	6.5
Transportation	9.7	7.6	8.1	9.6	9.1	8.3	8.0	6.0	7.6	6.0
Fuel, Power and Water	8.5	6.4	7.6	5.9	9.3	5.0	7.5	8.3	11.3	11.7
Drinks and Tobacco	6.9	6.9	4.6	6.3	11.8	14.7	13.0	9.1	8.6	7.5
Clothing & Footwear	6.4	6.5	7.3	7.2	7.2	6.7	7.4	1.0	1.1	1.1
Education	2.6	0.0	1.0	2.7	13.0	11.8	10.1	5.6	6.1	6.4
Furniture & Household Equip.	2.1	5.4	5.7	7.3	10.4	10.5	8.4	4.9	4.9	5.1
H/h Operations Maintenance	2.1	-1.3	-1.1	0.7	11.1	11.8	11.1	2.9	2.8	2.5
Personal Care & Health	2.1	13.4	14.3	12.7	3.4	3.6	4.7	3.1	3.3	3.9
Rents	1.4	4.5	6.1	7.9	5.8	4.3	4.2	1.7	2.1	2.1
Recreation & Entertainment	0.8	4.3	5.7	5.2	9.2	9.4	9.4	3.5	4.2	4.2
Misc. Goods & Services	1.5	8.7	7.8	7.6	1.6	1.9	2.0	1.0	1.5	0.4

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

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



Food Supply Situation

Food supply situation was generally satisfactory throughout the country in May 2008, although there were reports of deficit amounting to 81,151 tons in some areas due to floods and droughts. The Prime Minister's Office (PMO) purchased a total of 2,066.8 tons for Strategic Grain Reserves (SGR) to distribute to the areas experiencing food shortages, while World Food Program (WFP) and private traders purchased 7,597 tons and 71,487 tons, respectively. Since January 2008, when the Government allowed importation of 300,000 tons of duty free maize, to May 2008, only 8,070 tons of maize were imported owing to high prices of maize in the world market.

On month-to-month basis, the wholesale prices of all reported food items recorded increases with the exception of maize during May 2008. Similarly, the prices of some food crops increased significantly in May 2008 when compared with the same period last year. The increase in food prices is consistent with the general increase in the price of cereals worldwide (Table 1.2). Meanwhile, the decrease in average prices of maize in May 2008 was on account of the onset of harvesting season in some areas in the country.

Table 1.2: National average Wholesale Prices for Selected Food Items

TZS per 100 kg

Item	2007	2008		Percentage Change	
	May	May	Apr	May-07 to May-08	Apr-08 to May-08
Maize	16,999	30,278	33,306	78.1	-9.1
Rice	65,650	97,486	91,970	48.5	6.0
Beans	59,247	83,426	79,682	40.8	4.7
Sorghum	24,901	38,539	35,300	54.8	9.2
Potatoes	34,116	38,173	36,809	11.9	3.7

Source: Ministry of Industry, Trade and Marketing

The Strategic Grain Reserves

The SGR stock decreased from 94,509 tons recorded in April 2008 to 79,369 tons in May 2008 (Table 1.3). On annual basis the stock decreased by 38.2 percent from 128,350



tons recorded in May 2007, mainly due to sale of maize and sorghum to the WFP, the PMO and private traders to alleviate food shortages and stabilize food prices.

Table 1.3: Strategic Grain Reserve (SGR) Stock

Period	Tons								% Change 2007-2008
	2001	2002	2003	2004	2005	2006	2007	2008	
February	72,000	58,254	59,493	23,791	116,383	43,593	117,838	133,898	24.4
March	63,022	56,738	58,976	22,903	114,760	8,055	121,046	119,022	-1.7
April	51,435	52,228	54,118	32,387	115,262	3,165	125,509	94,509	-24.7
May	44,776	48,653	52,857	31,732	113,823	6,210	128,350	79,369	-38.2
June	47,225	47,100	51,060	37,091	112,823	15,560	128,804		
July	46,290	44,787	50,661	39,195	112,323	13,811	129,306		
August	48,998	41,795	52,681	45,988	112,067	28,440	125,653		
September	59,047	57,500	61,364	67,685	111,971	80,248	131,937		
October	58,000	62,700	59,379	92,710	111,695	87,461	143,717		
November	62,388	61,773	52,054	108,448	106,428	100,828	142,624		
December	62,788	58,395	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

The annual growth rate of monetary aggregates in the year ending May 2008 continue to slow down, largely due to continued tight monetary policy pursued by the Bank in an effort to reduce the inflationary pressure experienced in the country. Extended broad money supply (M3) grew by 22.1 percent in the year to May 2008, down from 25.2 percent and 23.3 percent registered in the year to April 2008 and May 2007, respectively (Chart 2.1 and Table 2.1). Broad money supply (M2), which excludes foreign currency deposits held by residents, grew by 27.6 percent in the year to May 2008. This growth is higher than that of M3 partly reflecting a shift in favour of domestic currency denominated deposits following the strengthening of the shilling. The growth rate of M2 in May was also lower than the growth rate of 33.4 percent recorded in the preceding month.

The slowdown in monetary expansion during May 2008 was largely explained by a decline in the rate of expansion of net domestic assets (NDA) of the banking system. NDA of the banking system grew by 35.8 percent in the year to May 2008, which was far lower than 47.8 percent growth recorded in the year to April 2008. This development is largely explained by reduced government indebtedness to the banking system. This development is consistent with improved revenue collection by the government coupled with inflows from development partners.

Chart 2.1: Tanzania: Annual Growth Rates of Monetary Aggregates

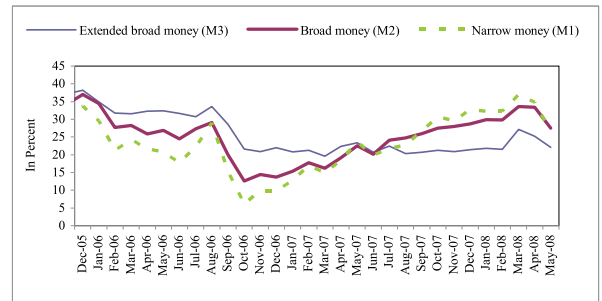


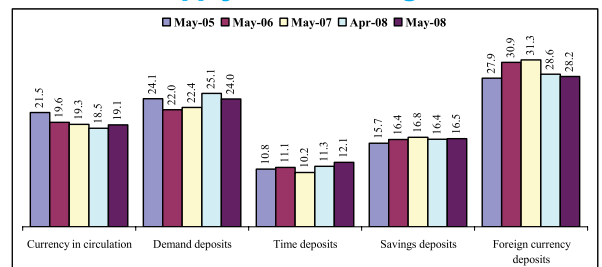
Table 2.1: Tanzania: Selected Money Supply Components

Billions of TZS

Item	2007		2008		Change		Annual Growth Rate (%)				
	Apr	May	Apr	May	Apr 07	May 08	Mar 07	Apr 08	May 07	Apr 08	May 08
Extended broad money supply (M3)	4,978.4	6,088.0	4,217.9	4,207.5	-68.2	1,721.8	23.6	33.4	25.2	23.3	22.1
Broad money supply (M2)	4,342.7	5,688.6	3,586.7	3,498.6	-18.7	961.9	24.1	24.8	22.0	23.4	27.6
Currency in circulation (CIC)	369.9	373.7	1,372.8	1,314.6	38.6	286.9	25.4	30.6	21.3	19.4	28.1
Demand deposits (DD)	1,020.5	1,337.9	1,542.1	1,488.9	-77.9	138.4	25.2	30.9	25.0	46.9	30.9
Time deposits (TD)	369.9	314.2	389.2	346.6	-40.3	202.9	26.2	26.2	15.9	14.2	44.9
Foreign currency deposits (FCD)	1,053.3	1,014.2	1,529.8	1,483.4	-47.9	172.1	27.1	29.8	28.4	23.7	28.2
FCD in million of USD	1,048.7	1,011.8	1,500.9	1,471.1	-34.3	159.7	14.2	46.5	25.1	1.6	15.8
FCD as % of M3	21.2	16.6	36.3	35.2	-27.9	188.1	18.4	31.0	24.9	15.7	17.7
Total deposits in the commercial banks	4,320.9	4,801.3	3,415.8	3,337.7	-77.2	936.6	24.8	33.6	24.4	25.0	28.6
Foreign vector deposits	4,320.4	4,801.7	3,394.6	3,344.6	-79.2	934.2	25.1	33.5	23.9	24.4	29.3
Government sector deposits	397.9	272.9	121.4	121.4	1.0	42.6	40.4	22.9	22.2	1.7	12.2
Net foreign assets of the banking system	3,489.1	3,774.6	3,318.3	3,334.6	123.7	296.6	9.8	30.1	9.2	6.9	7.9
Net of Tanzania	2,397.2	2,673.2	2,040.8	2,042.9	70.3	222.2	12.1	22.8	13.3	12.4	21.2
Commercial banks	1,925.3	2,054.4	1,509.9	1,519.3	-114.6	205.9	4.8	23.8	4.9	36.3	15.3
Net domestic assets of the banking system	2,844.8	3,413.0	2,287.7	2,274.1	77.6	863.3	47.8	29.1	39.0	47.8	35.8
Domestic credit	2,312.8	2,562.9	2,046.8	2,024.2	30.3	754.3	24.3	31.2	18.2	20.7	29.4
Net claims on government by the banking system	130.2	121.6	119.8	131.2	12.7	-110.1	23.3	19.0	-41.2	-14.4	-19.1
Claims on government by the banking system	1,148.2	1,375.0	1,388.9	1,218.4	84.9	309.9	3.5	13.3	17.4	26.7	14.8
Domestic deposits in the banking system	2,443.8	2,431.9	1,926.9	1,904.1	4.2	342.2	32.1	44.1	34.0	34.2	27.3
Claims on the central bank	2,972.8	2,846.0	1,841.4	1,811.9	40.5	445.6	30.7	33.2	40.1	43.6	42.1

The slowdown in monetary expansion occurred mostly in foreign currency deposits and demand deposits. Despite the slowdown, in the expansion of these components, they continued to dominate money supply. The foreign currency deposits accounted for 28.2 percent of M3 in May 2008, compared with 28.6 percent in April 2008, while the share of demand deposits was 24.0 percent, slightly down from 25.1 percent recorded in the preceding month. The share of currency in circulation and time deposits recorded some increases, with saving deposits remaining broadly unchanged (Chart 2.2).

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



Credit Developments

Commercial banks credit to the private sector has maintained high annual growth rate of above 40 percent over the past seven months. This has been possible following substantial

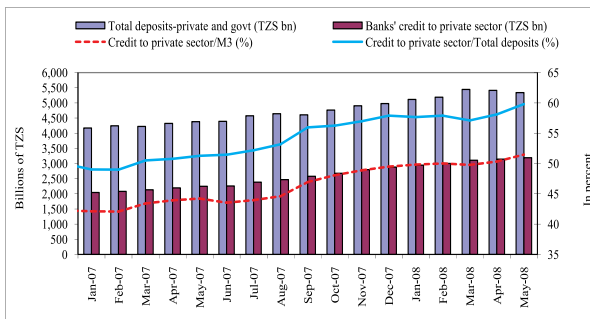


decline in fiscal reliance on banks' financing, mainly explained by improved revenue collection and expenditure management by the government, coupled with inflows from the development partners. In addition, the ongoing structural reforms have been a catalyst for the expansion in economic activities and increased accessibility to banking services by the majority of private investors. Meanwhile, the recent reduction of government securities auctions has contributed to the increase in supply of credit to the private sector.

In the year to May 2008, growth of commercial banks' credit to the private sector reached 42.1 percent, compared with 43.4 percent recorded in the preceding month, and 40.6 percent registered in May 2007. By end May 2008, outstanding stock of commercial banks' credit to the private sector was TZS 3,191.9 billion, compared with TZS 2,246.3 billion registered in May 2007. On monthly basis, loan amounting TZS 46 billion was extended to the private sector in May 2008, compared with TZS 37 billion provided in the preceding month. The activities that benefited mostly from the commercial banks' credit remained broadly unchanged, namely trade, manufacturing, transportation and communication, and agricultural marketing activities.

During May 2008, share of private sector credit to total deposit liabilities of banks, which gauge the level of intermediation, stood at 60 percent up from 51 percent registered in May 2007, and 58 percent in April 2008. Meanwhile, the share of private sector credit to total money supply increased to 51 percent in May 2008 from 44 percent in May 2007 (Chart 2.3).

Chart 2.3: Tanzania: Commercial Banks Intermediation



Interest Rates

Interest rates offered by banks declined during the month under review in line with developments in Treasury bill yields — that provides an anchor for market determined interest rates in the economy. While 364-day Treasury bill rate declined

from 9.4 percent in April 2008 to 9.0 percent in May 2008, twelve month time deposit rate fell from 9.2 percent to 8.9 percent in the same period. Likewise, inter-bank cash market rate dropped from 4.1 percent in April to 3.8 percent in May 2008, indicating that most of the banks had high level of liquidity. The saving deposits rate stabilized at 2.7 percent.

On the other hand, rates charged by banks did not change much, with overall lending rate remaining almost stable at 14.7 percent, while lending rate for loans of up to one year increased to 13.3 percent, from 12.8 percent registered in April 2008 (Table 2.2). However, it is worth noting that commercial banks deposit rates have increased in the recent past causing the deposit-lending rate margin to narrow (Chart 2.4).

Chart 2.4: Tanzania: Interest Rate Spread

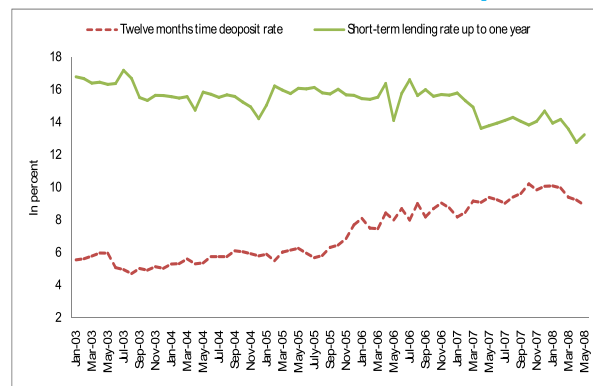


Table 2.2: Tanzania: Selected Interest Rates

Item	2007			2008				
	Jun	Sep	Dec	Jan	Feb	Mar	Apr	May
Overall Interbank cash market rate	7.24	12.27	5.83	6.74	4.81	4.24	4.12	3.83
Overnight interbank cash market	6.67	12.07	5.37	6.47	4.52	4.11	3.85	3.59
REPO Rate	6.25	11.56	5.13	6.60	4.79	3.82	3.67	3.66
Discount Rate	21.42	20.59	16.40	15.89	13.36	12.39	12.08	12.00
Overall Treasury bills rate	17.07	15.59	11.40	10.89	8.37	7.39	7.05	7.00
35 days	6.47	6.27	5.46	5.96	5.99	5.36	4.77	4.67
91 days	12.62	14.78	9.90	9.54	7.05	5.69	5.12	4.95
182 days	16.74	16.37	10.15	10.33	8.02	7.03	6.90	6.75
364 days	18.39	16.98	12.95	12.80	9.82	9.40	9.43	9.03
Treasury Bonds Rates								
2-years	18.25	20.07	14.97	14.97	14.97	12.23	12.23	
5-years	18.37	20.54	17.60	16.81	16.81	14.49	14.49	
7-years	18.58	19.25	18.15	18.15	17.18	17.18	17.18	
10-years	17.48	19.92	17.68	17.68	17.68	17.68	17.68	
Overall Time Deposits Rate	7.83	8.21	8.28	8.17	8.23	8.04	7.66	6.84
One year time deposit rate	9.25	9.64	10.08	10.10	9.97	9.41	9.24	8.91
Overall Lending rate	15.82	15.95	15.25	15.24	15.08	15.09	14.67	14.70
Short-term lending rate (up to 1 year)	13.95	14.06	14.70	13.96	14.19	13.58	12.76	13.25
Margin between short-term lending and one-year time deposit rates	4.70	4.43	4.62	3.85	4.22	4.18	3.53	4.34

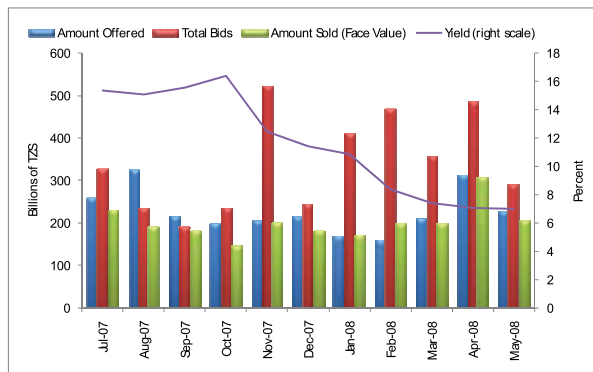


Financial Markets Developments

Treasury Bills Market

During the month under review, a total demand of TZS 291.0 billion was recorded in the Treasury bills market, against a total supply of TZS 230.0 billion. This level of demand is however, lower than TZS 487.7 billion demanded in the preceding month. This development is partly associated with low and declining return on Treasury bills, which led some investors, mainly banks to switch their preferences in favour of lending to the private sector. During May 2008, the Bank accepted Treasury bills worth TZS 205.5 billion, against TZS 334.4 billion that matured in the same month. Overall weighted average yield (WAY) maintained declining trend reaching 7.0 percent in May 2008 (Table 2.2 and Chart 2.5).

Chart 2.5: Tanzania: Interest Rate Development in the Treasury Bill Market



Treasury Bonds Markets

In the Treasury bonds market, the Bank of Tanzania floated 10-year Treasury bond amounting to TZS 24.0 billion. Demand stood at only TZS 10.2 billion reflecting weak investors' preference on instruments with longer maturity. The Bank accepted all bids presented in the market. Despite the low demand relative to supply, the weighted average yield on 10-year Treasury bond dropped to 17.1 percent in May 2008, from 17.7 percent recorded in the preceding month.

Repurchase Agreements

During the month under review the Bank conducted 7 to 14 day repurchase agreements (repos) with commercial banks amounting to TZS 507.3 billion for liquidity management. This was necessary following underperformance in the auction

of government securities during the month. Repo rate ranged between 3.5 percent and 4.0 percent in May 2008, same range as was in the preceding month. Likewise, the overall weighted average repo rate remained roughly unchanged at 3.7 percent.

Inter-bank Cash Market

The volume of transactions in the inter-bank cash market remained moderate during the month under review. Total value of interbank cash market transactions amounted to TZS 153.2 billion in May 2008, out of which overnight placements totalled TZS 97.0 billion or 63.3 percent of total transactions. The overall interbank cash market rate dropped to an average of 3.8 percent in May 2008, from 4.1 percent in April 2008, whereas, overnight rates fell to an average of 3.6 percent from 3.9 percent during the same period, reflecting high liquidity among banks.

Inter-Bank Foreign Exchange Market

In May 2008, the volume of transactions traded in the Inter-Bank Foreign Exchange Market (IFEM) increased moderately to USD 123.3 million compared to USD 102.2 million recorded in the previous month (Table 2.3). This development largely emanated from a rise in foreign exchange demand mainly for financing importation of oil, fertilizer and industrial raw materials. In order to meet the demand for foreign exchange, the Bank of Tanzania and non-banks supplied the market with USD 53.5 million and USD 1.0 million, on net basis, respectively, while commercial banks purchased USD 54.5 million. As a result, the shilling appreciated to TZS 1,203.7 per USD in May 2008 from TZS 1,217.1 per USD recorded in April 2008 (Chart 2.6).

Table 2.3: Inter-Bank Foreign Exchange Market Developments

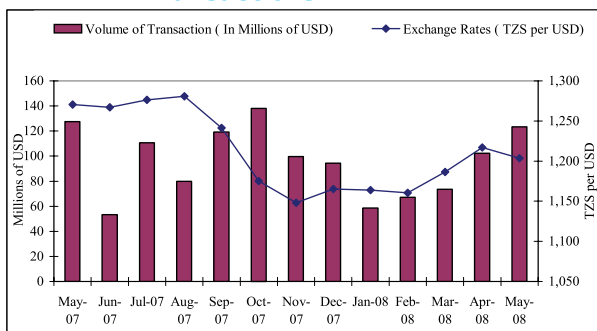
Item	2008		2007 May	% Change		Year ending May		
	April	May		Apr 08 to May 08	May 07 to May 08	2007	2008	% Change
Amount offered*	102.22	123.33	127.52	20.65	-3.29	1,206.32	1,126.07	-6.65
Amount sold*	102.22	123.33	127.52	20.65	-3.29	1,206.32	1,126.07	-6.65
Exchange rate**	1,217.06	1,203.66	1,270.43	-1.10	-5.26	1,276.12	1,207.19	-5.40

Source: Bank of Tanzania

Note: * Millions of USD ** Tanzania shillings (TZS) per US dollar



Chart 2.6: 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 decreased by 4.4 percent to USD 67.9 million following a decline in foreign exchange payments for medical expenses and traveling allowances. The average buying and selling rate depreciated slightly to TZS 1,198.0 per USD and TZS 1,244.0 per USD, respectively (Table 2.4).

Table 2.4: Bureau de Change Developments

Item	2008		2007 May	% Change		Year ending May		
	April	May		Apr 08 to May 08	May 07 to May 08	2007	2008	% Change
Sales*	35.8	31.51	34.35	-11.98	-8.27	373.34	429.82	15.13
Purchases*	35.3	36.43	34.35	3.20	6.06	374.36	435.16	16.24
Volume of Transactions*	71.10	67.94	68.70	-4.44	-1.11	747.70	864.98	15.69
Buying rate**	1,195.00	1,198.00	1,261.00	0.25	-5.00	1,223.58	1,208.33	-1.25
Selling rate**	1,225.00	1,244.00	1,283.00	1.55	-3.04	1,291.36	1,233.83	-4.45

Source: Bank of Tanzania

Note: * Millions of USD ** Tanzania shillings (TZS) per US dollar

3.0 Government Budgetary Operations

The overall financial position of the central government remained on track in May 2008. Strong growth in tax revenue continued to support the envisaged government expenditure.

Revenue Performance

Total revenue collected by Government during the month of May 2008 was TZS 288.5 billion against the target of TZS 273.3 billion. Tax revenue collection amounted to TZS 267.8 billion, above the target by 8.2 percent, while non-tax revenue was below the target by 21.5 percent. The major tax revenue contributors were VAT and PAYE that recorded

TZS 100.2 billion and TZS 49.1 billion respectively as a result of conducting special audits and, recovery of tax arrears and regular visits to taxpayers that enhanced voluntary compliance. The under-performance in non tax revenue collections is attributed to non adoption of some of the measures that were introduced in 2007/08 budget to boost collections from this source.

Government Expenditure

Total operating and development expenditure of the Government during the month under review stood at TZS 301.7 billion. Development projects were allocated TZS 45.3 billion, while TZS 256.4 billion was used to cover recurrent expenses.

Overall Budget Position

Overall performance of the budgetary operations in the period under review improved significantly compared with the previous month, following a good performance in revenue collection. Government budgetary operations recorded an overall deficit of only TZS 28.8 billion compared to that of the previous period of 54.0 billion in the preceding month. In line with the fiscal plan, the government financed the deficit by borrowing from foreign sources to the tune of TZS 20.6 billion and by drawing down TZS 8.2 billion from its savings in the banking system. By end May 2008, government deposits with the Bank of Tanzania stood at TZS 1, 672.7 billion.

4.0 External Sector Performance

Current Account Balance

During May 2008, the current account deficit widened to USD 431.2 million from USD 363.5 million recorded in April 2008. This development was mainly on account of an increase in imports of goods and services coupled with a decrease in official current transfers due to the fact that most of the development partners disbursed funds at the beginning of the financial year. On annual basis, the current account deficit widened to USD 2,512.7 million during the year to May 2008, from a deficit of USD 1,663.3 million recorded in the year to May 2007, following a surge in imports that could not be matched with the increase in exports. While imports of goods and services increased by 26.5 percent, exports grew by 16.9 percent (Table 4.1).



Table 4.1: Tanzania: Current Account Balance

Item	May		2008 ^p		Year Ending May		
	2006	2007	April	May	2007 ^p	2008 ^p	% Change
Goods Account (net)	-112.8	-249.7	-376.6	-447.5	-2,432.1	-3,345.2	37.5
Exports	127.9	134.6	178.0	176.8	1,846.4	2,202.1	19.3
Imports	240.7	384.3	554.6	624.2	4,278.6	5,547.3	29.7
Services Account (net)	33.2	17.4	-10.9	18.0	285.6	295.9	3.6
Receipts	122.5	146.5	135.9	154.9	1,630.8	1,863.6	14.3
Payments	89.3	129.1	146.8	136.9	1,345.2	1,567.7	16.5
Goods and services (net)	-79.6	-232.3	-387.6	-429.4	-2,146.5	-3,049.3	42.1
Exports of goods and services	250.4	281.1	313.9	331.7	3,477.3	4,065.7	16.9
Imports of goods and services	330.0	513.4	701.5	761.2	5,623.8	7,115.0	26.5
Income Account (net)	-5.1	-7.6	-2.6	-5.9	-57.5	-67.2	16.8
Receipts	6.4	3.7	12.3	9.8	89.3	122.5	37.2
Payments	11.4	11.2	14.9	15.7	146.8	189.7	29.2
Current Transfers (net)	14.2	10.9	26.7	4.1	540.8	603.8	11.7
Inflows	19.7	19.8	32.3	9.7	612.4	672.2	9.8
o/w General Government	11.5	7.3	24.0	2.8	519.0	576.1	11.0
Outflows	5.5	8.9	5.6	5.6	71.7	68.5	-4.5
Current Account Balance	-70.5	-229.0	-363.5	-431.2	-1,663.3	-2,512.7	51.1

Source: Bank of Tanzania

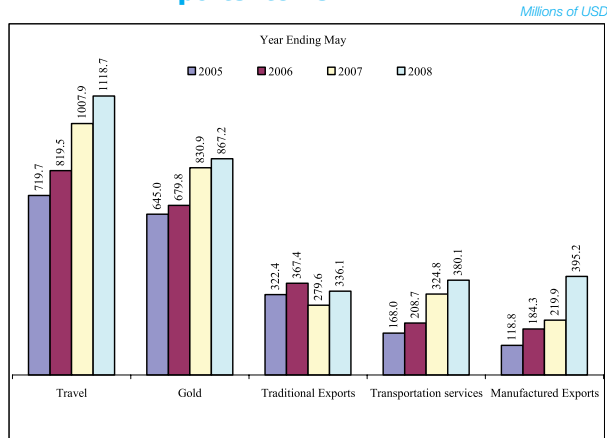
Note: P = Provisional

Totals may not add up due to rounding of numbers

Exports Performance

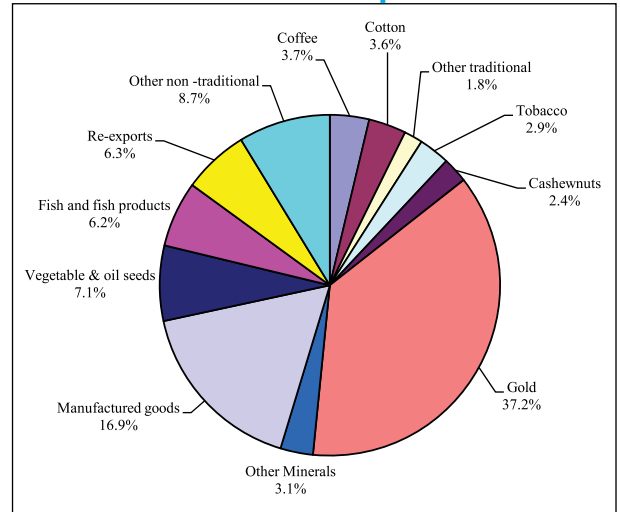
During the year ending May 2008, Tanzania exported goods and services worth USD 4,065.7 million up from USD 3,477.3 million recorded in the corresponding period a year ago. As a share of total exports, travel¹ and gold receipts continued to dominate the export sector accounting for 27.5 percent and 21.3 percent, respectively. Improvement was also recorded in transportation as receipts increased from USD 324.8 million during the year ending May 2007 to USD 380.1 million. This development is largely attributable to increase in transit trade to the neighbouring countries. **Chart 4.1** summarizes the performance of selected export items during the past four years.

Chart 4.1: Tanzania: Performance of Selected Exports Items



Merchandise goods exports increased by 19.3 percent to USD 2,202.1 million on account of the improved performance in both traditional and non-traditional exports. Gold continued to dominate accounting for about 37.2 percent of total merchandise exports, followed by manufactured goods which accounted for about 17.0 percent (**Chart 4.2**).

Chart 4.2: Tanzania: 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 neighbouring countries. Major items in this category include wheat and refined petroleum products

Traditional Exports

In May 2008, the value of traditional exports decreased by 33.3 percent to USD 14.1 million, mainly on account of a decline in the export volumes reflecting the low season for most export crops. Significant improvement in export unit prices was recorded for coffee and cotton, whose prices per ton rose to USD 2,627 and USD 2,091 in May 2008 from USD 1,982 and USD 1,430, respectively, in April 2008. The rise in unit prices is partly associated with the increased demand of the commodity in the world market. This development is consistent with the movement of commodity prices in the world market.

During the year ending May 2008, traditional exports increased by 14.6 percent to USD 320.4 million largely due to a significant increase in export volumes of cotton following increase in production amid improvement in weather and reforms in the cotton industry. Also there was an increase in cashewnuts export largely due to increase in export prices as volumes recorded a decline. The increase in cashewnuts price is due to a decline in supply of the crop in the world market following unfavourable weather condition in Vietnam and Brazil. **Chart 4.3** depicts the contribution of individual crops to total traditional exports.



¹ Tourism is about 80 percent of travel

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

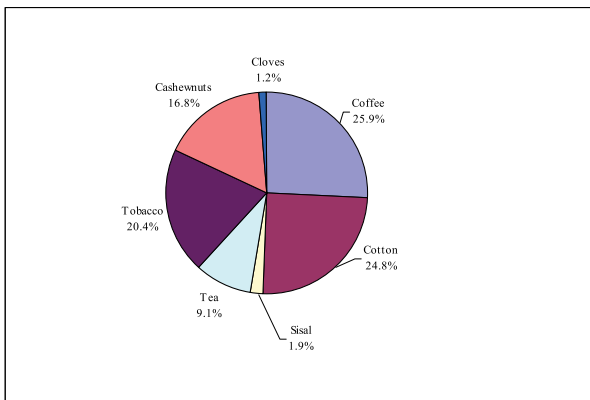
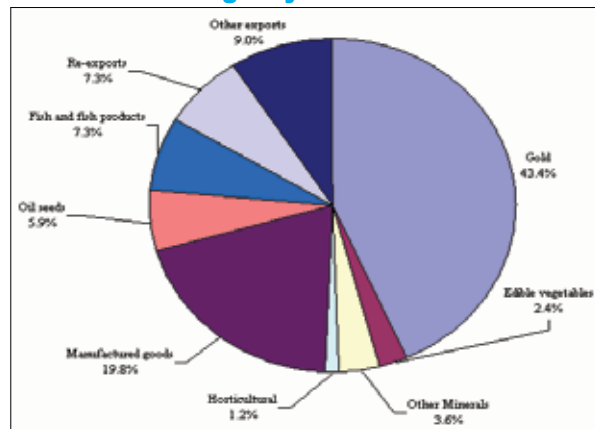


Chart 4.4: Contribution to Total Non Traditional Exports for the Year Ending May 2008



Non-Traditional Exports

During the month under review, non-traditional exports increased to USD 162.7 million from USD 156.9 recorded in the previous month mainly on account of the increase in exports of manufactured goods and other exports.

On annual basis, non-traditional exports increased by 20.1 percent to USD 1,881.8 million. Much of the increase was largely due to a good performance in manufactured goods export which rose by 79.8 percent to USD 395.2 million. Notable increases were recorded in wheat flour, plastic items, soap and electrical equipment. The growth in manufactured exports is largely attributable to the ongoing macro-economic reforms that have resulted into increase in investments in the manufacturing sector. In addition, security and political stability in the neighbouring countries, which are major destination of manufactured goods, partly contributed to the impressive performance. On the other hand, gold exports increased marginally to USD 867.2 million following an increase in prices in the world market as export volumes recorded notable decline. The volume of gold exports went down by 26.4 percent to 34.3 tons, while prices of gold in the world market increased by 26.8 percent to USD 803.49 per troy ounce during the year ending May 2008. **Chart 4.4** depicts the composition of non-traditional exports for the year ending May 2008.

Service Exports

During May 2008, export of services increased by 14.0 percent to USD 154.9 million following improved performance in travel and other business services². Travel receipts increased to USD 83.2 million compared to USD 73.7 million in April 2007 and other business services increased from USD 18.3 million to USD 37.4 million in the same period. The increase in travel receipts is partly associated with the Sullivan's summit held in the country in early June 2008. The surge in other business services is in line with the growth of economic activities as well as openness of the economy.

On annual basis, services receipts increased by 16.5 percent to USD 1,876.8 million following improvement in insurance, financial and other business services receipts. During the period under review, travel receipts increased to USD 1,118.7 million from USD 1,007.9 million recorded during the corresponding period a year before. This development is mainly attributable to the international recognition of Tanzania's magnificent tourist attractions such as snow capped Mount Kilimanjaro and the shimmering beaches of Zanzibar. Other factors which contributed to positive development include the improved air access to Tanzania. For example, Qatar Airways and Air Malev are new airlines which fly directly from tourist sources to Tanzania. There is also an improvement of accommodation facilities on both the Mainland and Zanzibar Island.

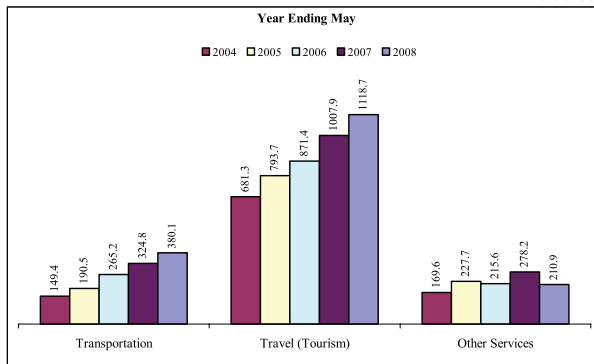
Likewise, other business services receipts went up by 57.4 percent to USD 275.2 million in line with openness of the economy. Chart 4.5 depicts performance of the main service exports during the past four years.

² Other business services include legal, accounting, consultancy, research and development, and other technical and professional services.



Chart 4.5: Service Receipts 2005 – 2008

Millions of USD



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 imports increased by 12.5 percent to USD 624.2 million due to increase in importation of intermediate goods as capital and consumer goods declined. Intermediate goods increased by 24.3 percent to USD 269.8 million with oil imports accounting for much of the increase. Likewise, the value of fertilizers and industrial raw material recorded significant increase to USD 17.7 million and USD 56.2 million, from USD 1.1 million and USD 39.5 million, respectively, in the preceding month. The rise in oil imports was due to increase in both prices and volumes. Importation of capital goods decreased from USD 276.7 million recorded in the previous month to USD 264.4 million mainly on account of the drop in importation of machinery, building and construction equipment. Similarly, consumer goods decreased by 22.2 percent to USD 90.1 million largely due to significant decline in importation of food and food stuffs particularly maize (Table 4.2).

Table 4.2: Tanzania Imports

Item	2007 ^P	2008 ^P		% Change		Year Ending May ^P		
	May	Apr-08	May-08	May 07-08	April 08 - May 08	2007	2008	% Change
Capital Goods	132.8	276.7	264.4	99.1	-4.5	1,613.0	2,075.8	28.7
Transport Equipments	26.9	74.8	109.5	306.6	46.5	400.5	651.3	62.6
Building and Constructions	28.3	53.8	46.4	63.9	-13.6	366.1	482.1	31.7
Machinery	77.5	148.2	108.5	39.9	-26.8	846.4	942.5	11.4
Intermediate Goods	159.4	217.0	269.8	69.3	24.3	1,704.9	2,290.0	34.3
Oil imports	109.1	176.4	195.9	79.5	11.1	1,228.3	1,689.8	37.6
Fertilizers	1.2	1.1	17.7	1,347.4	1,564.2	59.7	74.4	24.6
Industrial raw materials	49.0	39.5	56.2	14.5	42.1	416.9	525.9	26.1
Consumer Goods	92.1	115.8	90.1	-2.2	-22.2	960.7	1,181.5	23.0
Food and food stuffs	33.1	20.3	10.1	-69.3	-50.0	257.8	295.1	14.5
All other consumer goods ¹	59.1	95.5	79.9	35.3	-16.3	702.9	886.4	26.1
Grand Total (f.o.b)	384.3	554.6	624.2	62.4	12.5	4,278.6	5,547.3	29.7
Grand Total (c.i.f)	422.3	609.5	686.0	62.4	12.5	4,701.7	6,096.0	29.7

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 may not add up due to rounding of numbers



Food Imports

In May 2008 total importation of maize, rice and wheat decreased to USD 3.0 million from USD 6.6 million recorded in the previous month. This development was a result of the drop in importation of maize and rice in the wake of food supply improvement in the country. Table 4.3 summarizes the import of selected cereals during the last four months beginning February 2008.

Table 4.3: Summary of Selected Food Imports

Descriptions	Feb-08	Mar-08	Apr-08	May-08	% Change (April 08 - May 08)
Maize					
Tons	1,680	259	9,669	2,225	-99.98
Value (Mill. USD)	0.25	0.09	3.70	0.001	-99.97
Rice					
Tons	1,464	9,092	18,259	1,543	-91.55
Value (Mill. USD)	0.19	1.41	2.89	0.25	-91.21
Wheat					
Tons	76,890	38,326	0	7,203	-
Value (Mill. USD)	31.97	18.54	0.00	2.76	-
Total tons	80,034	47,678	27,929	8,748	-68.7
Total Value (Mill. USD)	32.4	20.0	6.6	3.0	-54.2

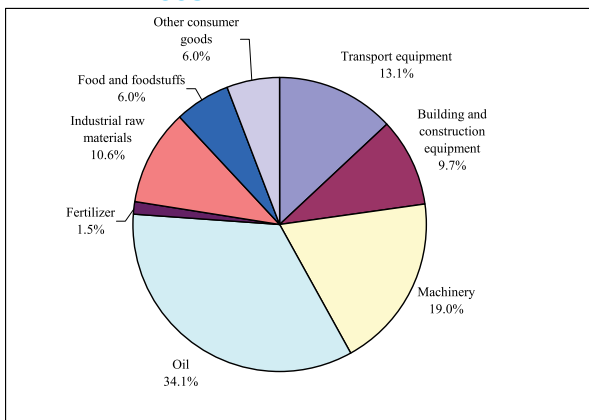
Source: Tanzania Revenue Authority

Notes: very large number

On annual basis, goods import went up by 29.7 percent to USD 5,547.3 million. Capital goods imports increased from USD 1,613.0 million in the previous year to USD 2,075.8 million in line with the growth of economic activities in the construction, communication and manufacturing sectors.

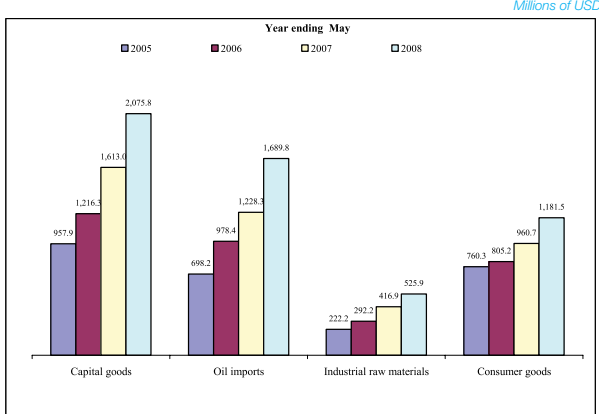
Similarly, intermediate goods import rose significantly to USD 2,290.0 million following a significant increase in oil imports. The huge increase in oil imports is largely attributable to a surge in oil prices in the world market. During the period under review, oil prices in the world market rose to an average of USD 832.72 per ton compared to the price of USD 601.24 per ton recorded in the previous year. Meanwhile, the volume of imported oil went up marginally to 2,288,442 tons from 2,261,358 tons recorded in the previous year. It is worth noting that part of the imported oil is re-exported to the neighbouring countries. During the review period, oil re-exports increased to USD 5.8 million compared to USD 4.7 million recorded in May 2007. On the other hand, the surge in importation of industrial raw materials is largely associated with the growth of the manufacturing sector in the country. Consumer goods import increased by 23.0 percent to USD 1,181.5 million largely due to increase in food and other consumer goods such as pharmaceutical products, plastic items and paper products. Chart 4.6 shows the composition of imports during the year ending May 2008.

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



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

Chart 4.7: Tanzania: Total Merchandise Imports: 2005-2008

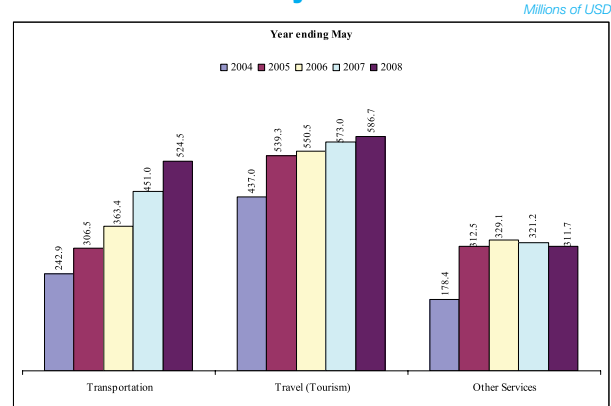


Services Import

During the month under review, services payments decreased to USD 136.9 million from USD 146.8 million recorded in the previous month mainly on account of the decline in travel, government and other business services.

On annual basis, services payment increased by 16.5 percent to USD 1,567.7 million, largely due to the increase in payments of freight, travel, insurance, government and other business services. While the increase in freight and insurance payments was in line with the increase in merchandise imports, the surge in other business services was largely associated with the growth of economic activities as well as openness of the economy. 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

In May 2008, there were mixed developments in the world market prices of commodities (Table 4.4). The average price of coffee Robusta recorded a slight decline, while the price of coffee Arabica recorded an increase. The prices of cotton "A Index" and Memphis both registered modest declines. The decline in cotton was largely due to a weakening of the U.S dollar which depressed demand. Similarly, the prices of tea (Average price) and tea (Mombasa auction) recorded declines. The decrease in the price of tea (Mombassa) was on account of favourable weather conditions coupled with political stability in Kenya after the post election violence during the first quarter of 2008, that disrupted tea production and marketing. During the review period, the price of sisal remained unchanged while the prices of cloves declined slightly.

The average prices of crude oil (UK Brent), Dubai (f.o.b) and white products recorded sharp increases. The rise in oil prices was largely on account of strong demand from China and India, political instability in the Middle East and the weakening U.S dollar. Meanwhile, gold prices during May 2008 went down slightly to USD 888.7 per troy ounce.

On annual basis, all commodities recorded increases in prices. The notable increase in coffee prices was mainly a result of the decline in the global coffee stocks reflecting the biennial cycle in Brazil. The significant increase in price of cotton was largely attributable to a reduction in cotton acreage in US following farmers' decision to shift to maize production which is more lucrative. During the year to May 2008, prices of oil significantly increased partly on account of the decline in oil



inventories in U.S and fear of supply disruptions from major oil exporting countries. Meanwhile, the price of gold increased by 26.8 percent to USD 803.5 per troy ounce, in the year to May 2008, largely driven by strong investment demand following weakening of U.S dollar. In addition it was used as a hedge against inflation and rising energy prices.

Table 4.4: World Commodity Prices

Commodity	Units	2008			% Change	Year Ending May			% Change
		Mar	Apr	May		2006	2007	2008	
Robusta Coffee	US \$ per kg	2.69	2.45	2.40	-2.04	1.24	1.66	2.20	32.5
Arabica Coffee	US \$ per kg	3.3	3.10	3.13	0.97	2.46	2.54	2.98	17.3
Tea (Average price)	US \$ per kg	2.26	2.49	2.48	-0.40	1.73	1.88	2.26	20.2
Tea (Mombasa auction)	US \$ per kg	2.10	2.20	2.10	-4.55	1.71	1.80	1.90	5.6
Cotton, "A Index"	US \$ per kg	1.77	1.66	1.64	-1.20	1.25	1.27	1.56	22.9
Cotton, Memphis"	US \$ per kg	1.87	1.74	1.66	-4.60	1.32	1.33	1.60	20.3
Sisal (UG)	US \$ per metric ton	1,025.0	1,025.0	1,025.0	0.00	894.6	927.5	1,015.8	9.5
Cloves	US \$ per metric ton	5,200.0	5,000.0	4,800.0	-4.00	3,405.9	3,907.1	3,967.3	1.5
Crude oil*	US \$ per barrel	101.84	108.76	122.63	12.75	60.27	62.8	89.1	41.8
Crude oil**	US \$ per barrel	96.78	103.47	118.95	14.96	56.47	61.1	85.1	39.3
White products***	US \$ per ton	952.57	1,042.33	1,176.30	12.85	583.6	601.2	832.7	38.5
Jet/Kerosene	US \$ per ton	1,027.15	1,131.55	1,282.66	13.35	612.7	622.2	872.2	40.2
Premium Gasoline	US \$ per ton	856.76	938.45	1,025.00	9.22	583.8	615.8	798.7	29.7
Heat Oil	US \$ per ton	973.80	1,057.00	1,221.25	15.54	554.5	565.2	827.2	46.2
Gold	US \$ per troy ounce	968.40	909.70	888.70	-2.31	512.8	633.5	803.5	26.8

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

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

5.0 National Debt Developments

The overall national debt stock stood at USD 7,474.1 million at the end of May 2008, being a decrease of 0.3 percent from USD 7,493.0 million reported at the end of April, 2008. The decrease was mainly on account of the exchange rate fluctuations. Out of the total debt stock, external debt accounted for 76.9 percent while domestic debt accounted for 23.1 percent.

External Debt

External debt stock at the end of May 2008, amounted to USD 5,748.5 million representing a decrease of 0.3 percent from USD 5,765.8 million registered at the end of the preceding month. Out of the amount, Disbursed Outstanding Debt (DOD) was USD 4,401.7 million (65.5 percent) and interest arrears USD 1,346.8 million (34.5 percent).

The profile of DOD by creditor category indicates that, debt owed to multilateral institutions stood at USD 2,544.97 million (57.8 percent) while the amount of debt owed to bilateral creditors stood at USD 931.0 million (21.2 percent). Commercial and export credits amounted to USD 615.2 million (14.0 percent) and USD 310.5 million (7.1 percent), respectively.

In terms of borrower category, the Central Government remained the leading borrower with a debt amounting to USD 3,501.6 million (79.6 percent) followed by private sector debt of USD 742.3 million (16.9 percent) and parastatal companies debt amounting to USD 157.8 million (3.5 percent).

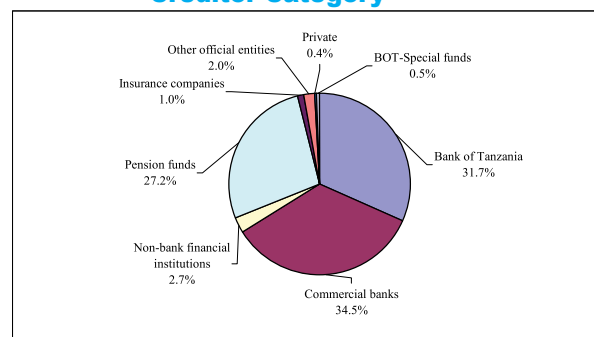
During the month under review, there were no new loans contracted, however, the recorded disbursements amounted to USD 13.3 million. External debt service payments during the month amounted to USD 3.8 million, out of which, principal repayments were USD 0.8 million and interest payments USD 3.0 million.

Domestic Debt

In May 2008, the stock of domestic debt decreased by 0.4 percent to TZS 2,065.7 billion from TZS 2,074.5 billion registered at the end of the preceding month. The decrease is mainly due to the maturing of Treasury bills. Out of the total domestic debt stock, Government securities (treasury bills, bonds and stocks) accounted for 99.6 percent.

The profile of domestic debt by holder category shows that commercial banks remained the leading creditors to the Union Government by holding 34.5 percent of the total domestic debt, followed by Bank of Tanzania with 31.7 percent and Pension Funds 27.2 percent. Non-Bank Financial Institutions (NBFIs), other official entities, and insurance companies were holding 2.7 percent, 2.0 percent and 1.0 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 75.3 billion fell due, out of which, interest amounting to TZS 0.9 billion was paid while principal amounting to TZS 74.4 billion was rolled over.



6.0 Economic Developments in Zanzibar

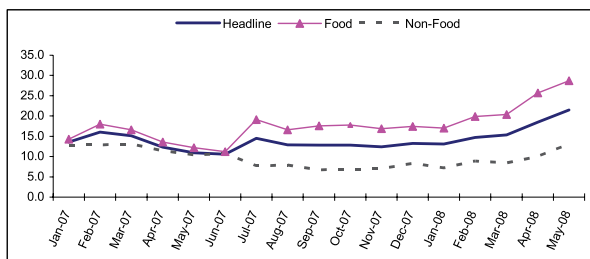
Inflation Developments

Annual headline inflation in May 2008 increased by 3.0 percentage points to 21.5 percent, compared to 18.5 percent recorded in the year ended April 2008. The increase was driven by both food and non-food inflation (Table 6.1 and Chart 6.1). Similarly, the month-to-month headline inflation accelerated to 2.9 percent in May 2008 compared with 2.8 percent registered in previous month on account of increase in month-to-month non-food inflation.

Annual food inflation increased to 28.7 percent in May 2008 from 25.7 percent recorded in the year ended April 2008, mainly due to significant increase in prices of basic food items including rice, wheat flour, tomatoes and carrots. The increase in wheat flour prices led to an increase in the prices of breads and spaghetti. However, the month-to-month food inflation decreased to 3.2 percent in May 2008 from 4.1 percent recorded in April 2008, owing largely to decrease in prices of vegetables and fruits.

Annual non-food inflation also increased from 10.0 percent in April 2008 to 13.0 percent during the year ending May 2008. The increase was mainly on account of petroleum products and electricity. Prices of Kerosene and Diesel increased from TZS 920 and TZS 1,310 per litre in May 2007 to TZS 1,420 and TZS 1,700 per litre in May 2008, respectively. On month-to-month basis, non-food inflation increased from 1.0 percent in April 2008 to 2.7 percent during the month under review.

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



Source: Office of Chief Government Statistician (OCGS)

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

Base: Dec. 2005=100

Major Commodity Group	Weights (%)	2007			2008		
		Mar	Apr	May	Mar	Apr	May
Headline/Overall	100.0	15.0	12.4	10.8	15.3	18.5	21.5
Food	57.4	16.6	13.6	12.2	20.4	25.7	28.7
Non-Food	42.6	13.7	11.5	9.9	8.5	10.0	13.0
Alcoholic beverages, tobacco & narcotics	0.6	20.9	23.0	23.0	0.5	-0.9	-0.7
Clothing and footwear	6.2	7.8	7.4	7.6	7.0	4.7	4.7
Housing, water, electricity, gas and other fuels	15.6	15.2	10.2	8.3	6.3	6.8	11.2
Furnishing, household equipment and routine household maintenance	5.3	9.9	11.3	10.6	12.0	13.2	12.5
Health	2.1	14.0	12.2	10.1	15.3	18.6	18.6
Transport	3.4	30.0	20.2	12.9	4.3	11.7	27.7
Communication	2.4	-3.9	-3.9	-3.9	-2.2	-2.3	-2.3
Recreation and culture	0.4	17.6	16.7	10.8	10.2	9.7	9.9
Education	1.1	13.4	12.1	12.1	6.1	6.1	7.8
Restaurants and hotels	3.1	25.8	25.2	25.4	27.7	25.4	24.3
Miscellaneous goods & services	2.4	-2.0	-3.5	-3.3	14.6	21.1	21.4

Source: Office of Chief Government Statistician (OCGS)

Fiscal Performance

The government budgetary operations on cheques cleared basis registered a deficit of TZS 0.1 billion in May 2008, compared to TZS 1.3 billion recorded in the previous month. Total revenue and grants amounted to TZS 10.8 billion, out of which revenue collected amounted to TZS 7.8 billion, and TZS 3.0 billion were foreign grants. Total government expenditure reached TZS 11.8 billion down from TZS 15.3 billion spent in the previous month. The budget deficit was exclusively financed by foreign sources.

Revenue Performance

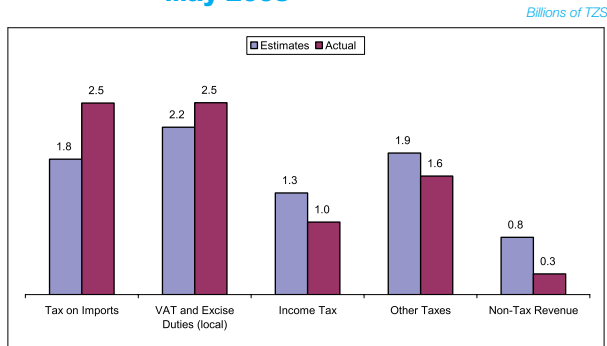
Revenue collections amounted to TZS 7.8 billion which was slightly below the target of TZS 7.9 billion. Tax revenue reached TZS 7.5 billion against the target of TZS 7.2 billion, while non-tax revenue amounted to TZS 0.3 billion compared to the target of TZS 0.8 billion.

Revenue performance by source category showed that, local VAT and excise duty collections amounted to TZS 2.5 billion accounting for 33.3 percent of the tax revenue or 32.0 percent of the total revenue. Collections exceeded the target of TZS 2.2 billion mainly due to receipt of VAT refunds from Tanzania Mainland. Tax on imports amounted to TZS 2.5 billion exceeding target of TZS 1.8 billion by 41.3 percent; mainly due to increase in taxable imports attributed to release of backlog of the Zanzibar bound containers from Dar es Salaam port. Income tax collection was TZS 1.0 billion, against the target of TZS 1.3 billion mainly due to decreased collection of PAYE. Other taxes amounted to TZS 1.6 billion, slightly below the target of TZS 1.9 billion. Non-tax sources amounted to TZS 0.3 billion, against the target TZS 0.8 billion due to under performance by ministries (Chart 6. 2).



Cumulatively, total revenue collection for eleven months from July 2007 to May 2008 reached TZS 100.2 billion, below the target of TZS 105.0 billion and accounted for 91.6 percent of annual target of TZS 114.6 billion.

Chart 6.2: Government Revenue by Source – May 2008



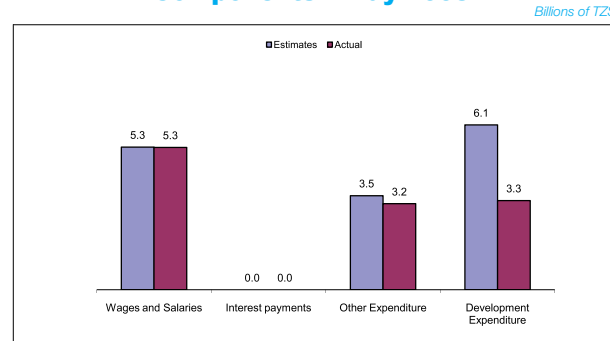
Expenditure Performance

During the period under review, total government expenditure amounted to TZS 11.8 billion lower than the target of TZS 14.9 billion on account of lower government contributions to development projects. Recurrent expenditure reached TZS 8.5 billion, below the target of TZS 8.8 billion; and accounted for 72.0 percent of the total expenditure. Expenditure on wages and salaries amounted to TZS 5.3 billion, accounting for 44.9 percent of the total expenditure. Expenditures on other charges amounted to TZS 3.2 billion, compared to the target of TZS 3.5 billion and accounted for 27.1 percent of the total expenditure.

Development expenditure stood at TZS 3.3 billion, lower than the target of TZS 6.1 billion, mainly on account of low government contributions to development projects and shortfall in foreign financing (**Chart 6. 3**). Government contribution amounted to TZS 0.1 billion below the target of TZS 0.8 billion and accounted for 3.0 percent of the total development expenditure. Foreign sources availed TZS 3.2 billion, below the target of TZS 5.2 billion; accounting for 97.0 percent of the total development expenditure.

Cumulatively, total expenditure from July 2007 to May 2008 amounted to TZS162.0 billion, representing 91.0 percent of the projected TZS 171.0 billion and accounted for 60.7 percent of annual target of TZS 266.9 billion.

Chart 6.3: Government Expenditure by Components – May 2008



Debt Developments

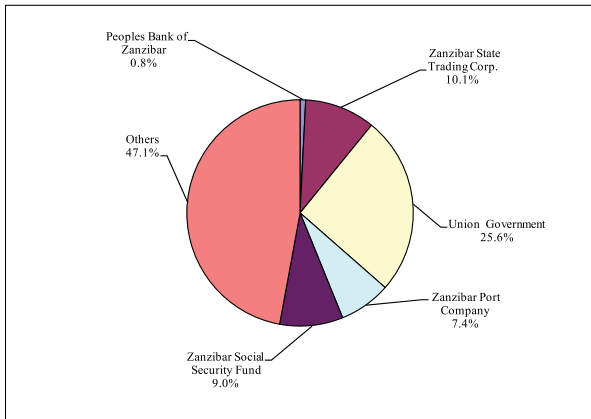
As at end May 2008, Zanzibar debt amounted to TZS 128.4 billion (USD 107.1 million) up from TZS 127.3 billion (USD 106.0) recorded in April 2008. External debt amounted to TZS 75.2 billion (USD 62.7 million) accounting for 58.6 percent of the total debt, while domestic debt stood at TZS 53.2 billion (USD 44.4 million), or 41.4 percent of total debt. Debt to GDP ratio slightly increased to 25.1 percent from 24.8 percent registered in April 2008.

Domestic Debt

During the period under review, domestic debt amounted to TZS 53.2 billion, up from TZS 51.8 billion registered in April 2008, following an increase in debt due to government retirees. Domestic debt by creditors revealed that debt due to domestic suppliers and pensioners was the largest, amounting to TZS 25.0 billion and accounting for 47.1 percent of total domestic debt. Union Government debt was TZS 13.6 billion, while debt owed to Zanzibar State Trading Corporation (ZSTC) and Zanzibar Social Security Fund (ZSSF) amounted to TZS 5.3 billion and TZS 4.8 billion respectively. Claims by Zanzibar Port Company (ZPC) amounted to TZS 3.9 billion, whereas Peoples Bank of Zanzibar (PBZ) debt remained at TZS 0.4 billion. Chart 6.4 shows percentage contribution of domestic debt by creditors.



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



Source: Ministry of Finance and Economic Affairs-Zanzibar

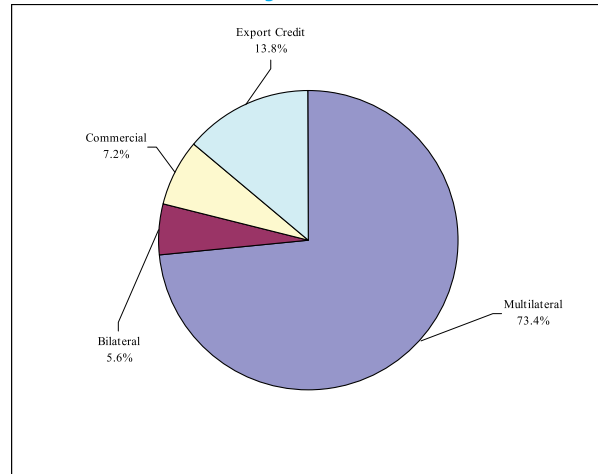
In terms of maturity, debt with “undetermined maturity” (mainly gratuity and supplier’s claims) stood at TZS 32.0 billion up from TZS 30.6 billion for the previous month, and represented 60.1 percent of domestic debt. Debt maturing between 2 – 5 years amounted to TZS 14.7 billion, equivalent to 27.6 percent of domestic debt, while debt maturing in less than a year stood at TZS 6.5 billion, same as the previous month, accounting for 12.3 percent of total domestic debt.

External Debt

During the month ended May 2008, Zanzibar external debt decreased marginally to TZS 75.2 billion (USD 62.7 million) compared to TZS 75.4 billion (USD 62.8 million) of the preceding month, mainly due to appreciation of Tanzanian shilling against US dollar. Debt guaranteed by the Union Government stood at USD 46.8 million equivalent to 74.6 percent of the external debt, while non-guaranteed debt amounted to USD 15.9 million or 25.4 percent of total external debt.

Debt owed to multilateral creditors amounted to USD 46.1 million (TZS 55.3 billion), while bilateral creditors’ debt was USD 3.5 million (TZS 4.2 billion) and commercial debt was USD 4.5 million (TZS 5.4 billion). Export credit amounted to USD 8.6 million (TZS 10.3 billion), representing 13.8 percent of total external debt. **Chart 6.5** shows the percentage composition of external debt by creditor.

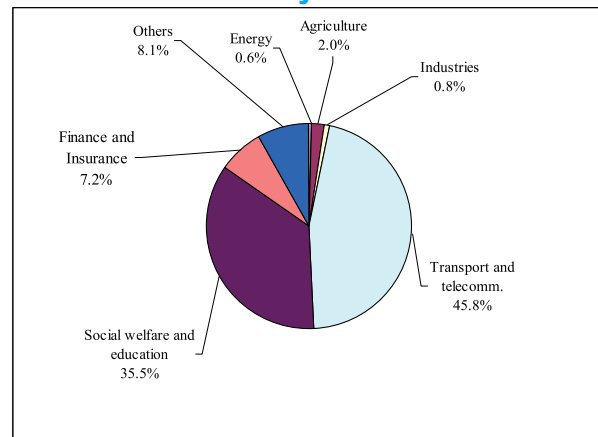
Chart 6.5: External Debt by Creditor as at End – May 2008



Source: Ministry of Finance and Economic Affairs-Zanzibar

External debt by end-use showed that, transport and telecommunications sectors held the largest amount of debt with a total of USD 28.7 million or 45.8 percent of total external debt, while Social welfare and education sectors had USD 22.3 million or 35.5 percent of external debt. The amounts for other sectors were as follows: finance and insurance USD 4.5 million, agriculture USD 1.3 million, energy USD 0.4 million, industries USD 0.5 million and other sectors USD 5.1 million. **Chart 6.6** depicts the percentage composition of debt by end use category.

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



Source: Ministry of Finance and Economic Affairs-Zanzibar



External Sector Performance

Current Account

Current account in May 2008 narrowed to USD 4.7 million from USD 8.2 million in the preceding month. The improvement was attributed to rise in export receipts coupled with decline in imports bill. Trade account recorded a lower deficit of USD 9.0 million compared to USD 12.7 million in April 2008.

On annual basis, the current account registered a surplus of USD 6.3 million in May 2008, being substantially lower than USD 35.9 million, registered in the corresponding period a year ago. This development was on account of increase in goods imports coupled with a decline in donor inflows. Trade account deficit widened to USD 75.7 million compared to USD 65.1 million, registered during the corresponding period in 2007, mainly due to rise in imports of oil, food and foodstuffs (Table 6.2).

Table 6.2: Zanzibar Current Account Balance

Item	2007		2008p		Year Ending May		% Change	
	May	Apr	May	2006	2007	2008p	Monthly	Annual
Goods Account (net)	-8.21	-12.68	-9.05	-67.02	-65.07	-75.69	-28.63	16.33
Exports	0.65	0.81	1.22	11.90	15.15	15.94	51.38	5.16
Imports (f.o.b)	8.86	13.49	10.27	78.92	80.22	91.63	-23.84	14.22
Services Account (net)	1.77	1.80	2.06	17.87	42.11	30.31	14.20	-28.01
Receipts	6.12	4.79	5.76	79.43	92.61	71.75	20.32	-22.53
Payments	4.34	2.99	3.71	61.56	50.50	41.44	24.01	-17.95
Goods and Services (net)	-6.44	-10.88	-6.99	-49.15	-22.96	-45.38	-35.71	97.66
Exports of Goods and Services	6.77	5.60	6.99	91.33	107.77	87.68	24.80	-18.63
Imports of Goods and Services	13.21	16.48	13.98	140.48	130.72	133.06	-15.15	1.79
Income Account (net)	0.01	-0.15	-0.19	0.35	0.26	-1.04	24.64	-495.00
Receipts	0.01	0.02	0.02	0.35	0.31	0.15	0.00	-51.01
Payments	0.00	0.17	0.21	0.00	0.05	1.20	21.79	
Current Transfers (net)	8.45	2.82	2.52	47.12	58.64	52.67	-10.39	-10.17
Inflows	8.45	2.82	2.52	47.12	58.64	52.67	-10.39	-10.17
Outflows	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current Account Balance	2.02	-8.21	-4.66	-1.67	35.94	6.25	-43.27	-82.61

Source: Tanzania Revenue Authority
p = Provisional

Exports Performance

Exports of goods and services amounted to USD 7.0 million, up from USD 5.6 million, registered in April 2008. The positive performance was largely due to increase in both services and merchandise receipts. Goods exports amounted to USD 1.2 million, while services proceeds stood at USD 5.8 million, accounting for 83.0 percent of total exports.

On annual basis, exports of goods and services decreased to USD 87.7 million in May 2008 from USD 107.8 million in the preceding year reflecting a slowdown in services receipts. Services receipts amounted to USD 71.7 million down from USD 92.6 million, and accounted for 82.0 percent of total

exports. Clove exports declined both in volume and value to the tune of USD 4.2 million, accounting for 4.8 percent of total exports. Export of seaweeds amounted to USD 2.5 million, above USD 1.7 million representing 2.8 percent of total exports. Manufactured goods stood at USD 4.0 million or 4.5 percent, while fish and fish products amounted to USD 0.2 million, accounting for 0.2 percent of total export receipts (Table 6.3).

Table 6.3: Zanzibar Exports by Major Categories

Commodity	Unit	2007		2008 ^p		Year Ending May			% Change	
		May	Apr	May	2006	2007	2008 ^p	Monthly	Annual	
Traditional Exports:										
Cloves										
Value	USD Million	0.1	0.1	0.2	9.3	9.7	4.2	109.2	-56.6	
Volume	000 Tons	0.0	0.0	0.1	3.2	3.0	1.1	100.0	-63.9	
Unit Price	USD/Ton	2,934.6	3,919.7	4,100.0	2,927.3	3,208.5	3,856.8	4.6	20.2	
Non-Traditional Exports:										
Seaweeds										
Value	Millions	0.1	0.2	0.2	1.5	1.7	2.5	-27.4	45.5	
Volume	000 Tons	0.6	0.7	0.5	7.8	8.2	9.9	-28.7	21.0	
Unit Price	USD/Ton	192.6	278.5	283.6	190.8	211.6	254.4	1.8	20.2	
Manufactured Goods	USD Million	0.2	0.2	0.4	0.2	2.5	4.0	87.5	59.0	
Fish and Fish Produce	USD Million	0.0	0.0	0.0	0.4	0.1	0.2	410.0	81.4	
Others Exports	USD Million	0.3	0.3	0.5	0.6	1.1	5.0	62.1	352.5	
Sub Total	Millions of USD	0.6	0.7	1.0	2.6	5.5	11.7	43.4	114.3	
Grand Total	Millions of USD	0.7	0.8	1.2	11.9	15.2	15.9	51.4	5.2	

Source: Tanzania Revenue Authority
p = provisional

Imports

During May 2008, goods imports amounted to USD 11.3 million, down from USD 14.8 million, registered in April 2008. The decline was due to decrease in imports of capital and consumer goods. Capital goods imports amounted to USD 4.3 million, down from USD 6.9 million, mainly as a result of decline in machinery imports. Oil imports rose to USD 5.1 million from USD 3.0 million because of increases in both volume and world oil prices. Consumer goods imports slumped to USD 1.4 million from USD 4.0 million, due to a decrease in imports bill for food and food stuff, and other consumer goods.

On annual basis, goods imports increased to USD 100.7 million from USD 88.2 million for the year ended in April 2007, mainly due to increase in intermediate goods imports. Capital goods imports amounted to USD 41.1 million, down from USD 43.6 million, owing to decreases in machinery, building and constructions materials. Intermediate goods imports rose to USD 37.1 million from USD 25.3 million, due to increase in oil imports. Imports of food and food stuffs increased to USD 9.5 million from USD 5.0 million, mainly on account of increased in rice imports in the wake of tax exemption (Table 6.4).



Table 6.4: Zanzibar Imports by Major Categories

Millions of USD

Import Category	2007	2008 ^P		Year Ending May			% Change	
	May	Apr	May	2006	2007	2008 ^P	Monthly	Annual
Capital Goods	7.48	6.91	4.27	34.32	43.55	41.09	-38.19	-5.66
Transport Equipment	2.55	3.53	3.19	9.95	12.73	21.96	-9.78	72.54
Building and Constructions	2.55	0.73	0.27	9.01	12.80	5.75	-63.51	-55.06
Machinery	2.38	2.64	0.82	15.36	18.02	13.37	-69.12	-25.80
Intermediate Goods	0.55	3.87	5.63	27.21	25.31	37.13	45.55	46.70
Oil imports	0.01	3.02	5.11	22.36	19.46	29.88	69.33	53.58
Fertilizers	0.02	...		
Industrial raw materials	0.54	0.85	0.52	4.85	5.86	7.25	-38.73	23.87
Consumer Goods	1.70	4.04	1.39	25.20	19.29	22.47	-65.71	16.48
Food and food stuffs	0.86	2.33	0.67	13.64	5.03	9.47	-71.12	88.24
All other consumer goods	0.84	1.71	0.71	11.56	14.26	13.00	-58.35	-8.84
Grand Total (c.i.f)	9.74	14.82	11.29	86.73	88.16	100.69	-23.84	14.22
Grand Total (f.o.b)	8.86	13.49	10.27	78.92	80.22	91.63	-23.84	14.22

Source: Tanzania Revenue Authority

p = provisional

... = Very small value

Services Account Improved

During the month under review, services account surplus rose to USD 2.1 million from USD 1.8 million, as a result of increase in receipts relative to payments. Foreign receipts rose to USD 5.8 million from USD 4.8 million, while payments registered a modest increase to USD 3.7 million from USD 3.0 million. Travel receipts amounted to USD 3.4 million, accounting for 58.6 percent of total foreign services proceeds, while travel payments stood at USD 1.7 million, accounting for 46.0 percent of total foreign payments.

On year-to-year basis, the services account surplus declined to USD 30.3 million in May 2008, compared to USD 42.1 million in the preceding. Total foreign receipts declined to USD 71.7 million from USD 92.6 million recorded in 2007, while foreign payments declined to USD 41.4 million from USD 50.5 million.

Travel receipts declined to USD 54.2 million from USD 80.1 million, equivalent to 75.6 percent of total services inflows, whereas travel payments amounted to 27.1 million, representing 65.4 percent of total foreign payments.



STATISTICAL TABLES



Table A1: Selected Economic Indicators (Annual)

Item	Unit	1998	1999	2000	2001	2002	2003	2004	2005	2006r	2007*
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
	Percent	4.1	4.8	4.9	6.0	7.2	6.9	7.8	7.4	6.7	7.1
1.2 Change in GDP at Factor Cost--Constant 2001 Prices ²	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
1.3 GDP Per Capita--Current Prices ¹	Percent	12.8	7.9	5.9	5.2	4.5	3.5	4.2	4.4	7.3	7.0
1.4 GDP Per Capita--Current Prices ¹	Percent	-	-	-	7.2	8.1	9.6	10.4	8.7	8.5	6.4
1.5 Change in Consumer Price Index (Inflation)											
1.6 Saving to GNDI Ratio ³											
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	19.2	38.2	22.0	21.4
	Percent	11.1	15.1	12.5	12.3	18.5	14.2	19.2	36.9	13.7	28.8
2.2 Change in Broad Money supply (M2)	Percent	10.5	16.0	9.9	10.2	25.2	16.1	18.2	33.7	9.8	32.7
2.3 Change in Narrow Money Supply (M1)	Percent	14.7	21.5	9.4	5.0	19.1	12.6	23.6	27.7	16.8	30.2
2.4 Change in Reserve Money	Percent	8.4	9.4	8.8	7.1	8.0	6.9	7.2	10.5	11.7	12.6
2.5 Total 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
2.6 Private Sector Credit to GDP Ratio ¹	Percent	45.7	44.6	46.6	62.7	68.4	97.4	104.8	84.6	96.3	109.7
2.7 Ratio of Private Credit to Total Credit	Percent	11.5	10.4	10.1	6.9	5.9	5.3	5.7	6.2	8.3	9.3
2.8 Average Deposit Rate (12-Month) ⁴	Percent	10.1	15.5	5.7	3.9	4.5	7.7	9.6	14.8	15.0	11.4
2.9 Weighted Average Treasury Bill Rate	Percent	22.0	20.6	21.5	18.0	16.8	12.2	12.7	13.4	14.9	16.1
2.10 Average Long-Term Lending Rate ⁴											
3. Balance of Payments											
3.1 Exports of goods (f.o.b)	Mill. USD	588.5	543.3	733.7	851.3	979.6	1,220.9	1,481.6	1,679.1	1,917.6	2,226.6
3.2 Imports of goods (f.o.b)	Mill. USD	1,382.1	1,415.4	-1,367.6	-1,560.3	-1,511.3	-1,933.5	-2,482.8	-2,997.6	-3,864.1	-4,860.6
3.3 Trade Balance	Mill. USD	-793.6	-872.1	-633.9	-709.0	-531.7	-712.6	-1,001.2	-1,318.5	-1,946.5	-2,634.1
3.4 Balance on Current Account	Mill. USD	-901.9	-846.2	-665.2	-395.2	78.6	-118.1	-366.7	-864.3	-1,171.6	-1,855.8
3.5 Overall Balance	Mill. USD	-567.2	-128.4	-36.9	-167.5	-317.9	389.1	206.0	-222.4	460.7	532.7
3.7 Gross Official Reserves	Mill. USD	599.0	776.0	974.0	1,156.6	1,528.4	2,037.8	2,296.1	2,048.4	2,128.3	2,755.2
3.8 Reserves Months 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/USD	664.7	744.8	800.4	876.4	967.1	1,038.9	1,089.1	1,129.2	1,253.9	1,244.1
3.9.2 End of Period	TZS/USD	681.0	797.3	803.3	916.3	976.3	1,063.6	1,043.0	1,165.5	1,261.6	1,132.1
4. Population (TZ 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		1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06r	2006/07r	2007/08*
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	13.1	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	
	Percent	(1.7)	(5.7)	-4.5	-4.8	-4.0	-4.4	-10.4	-12.2	-12.0	
5.4 Deficit to GDP Ratio (excluding grants) ¹	Percent	1.0	(1.6)	-0.8	-0.5	-0.8	-0.6	-3.0	-5.4	-5.8	
5.5 Deficit to GDP Ratio (including grants) ¹											
6. Total External Debt Stock	Mill. USD	7,669.7	7,624.8	7,482.1	7,464.0	7,268.1	7,857.0	8,134.8	8,229.5	4,660.9	
Disbursed Debt	Mill. USD	6,580.3	6,538.3	6,312.2	6,559.7	6,233.0	6,678.3	6,799.5	6,971.1	3,442.3	
Interest	Mill. USD	1,089.4	1,086.5	1,169.9	904.3	1,035.1	1,178.7	1,335.3	1,258.3	1,218.6	
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	

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

r Revised

* Provisional

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


Table A2: Central Government Operations -Monthly Flows

Millions of TZS

Item	BUDGET 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
Total Revenue	3,502,583.0	262,189.8	275,917.4	326,363.8	284,598.3	269,707.4	340,260.8	286,549.5	274,655.6	329,330.6	314,155.5	288,547.6
Tax Revenue	3,188,415.0	237,589.7	251,039.3	312,249.8	262,860.0	260,539.4	327,685.0	268,127.5	247,263.0	310,189.9	267,070.1	267,788.3
Taxes on Imports	1,245,641.9	110,674.5	108,331.1	112,819.9	110,072.5	111,339.9	105,032.7	100,513.8	92,207.8	91,505.1	110,051.6	111,799.6
Sales/VAT and Excise on Local Goods	688,639.0	52,327.2	60,588.6	58,566.1	64,164.0	67,467.9	57,000.2	53,772.5	62,187.8	56,499.0	67,077.1	57,264.7
Refunds	-124,641.4	-13,064.9	-12,955.3	-9,866.8	-9,866.8	-10,386.8	-10,386.8	-10,386.8	-10,386.8	-10,386.1	-10,386.8	-10,432.4
Income Taxes	826,866.7	47,867.6	53,714.0	106,796.9	53,342.2	50,228.6	134,434.0	84,489.6	60,912.1	130,466.9	55,495.1	67,162.1
Other taxes	427,267.4	26,720.4	28,405.6	34,066.9	35,281.3	31,503.0	31,218.1	29,351.6	31,955.3	31,718.9	34,446.3	31,561.9
Non- tax Revenue	314,168.0	24,600.1	24,878.1	14,114.0	21,738.3	9,168.0	12,575.8	18,422.0	27,392.6	19,140.7	47,085.4	20,759.3
Total Expenditure /1	5,998,082.5	338,712.1	703,789.7	571,464.2	430,611.5	415,991.4	419,938.1	497,304.2	370,411.8	399,192.5	342,421.3	301,666.6
Recurrent expenditure	3,796,986.2	210,421.5	263,395.4	285,322.4	308,254.8	252,174.1	230,661.5	374,027.2	297,791.6	229,876.2	238,621.7	256,337.6
Roadtoll fund		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Retention fund	71,706.9	5,175.5	6,221.0	7,763.1	7,186.1	7,098.9	7,363.3	4,584.0	5,295.4	3,306.6	1,649.2	349.7
Wages and salaries	1,113,134.0	93,080.1	93,275.7	93,891.5	93,154.7	93,617.6	93,477.0	93,490.3	94,959.5	95,133.7	95,501.1	97,429.9
Interest payments	276,000.0	9,624.2	4,161.4	7,902.4	38,184.3	9,576.3	11,325.6	39,790.9	7,399.5	9,942.5	38,176.5	3,807.7
Domestic 2/	240,000.0	9,359.3	4,045.2	5,318.6	36,049.3	7,583.2	8,370.9	37,880.9	6,815.2	5,882.0	35,737.0	919.0
Foreign	36,000.0	264.9	116.3	2,583.8	2,135.0	1,993.1	2,954.7	1,909.5	584.2	4,060.4	2,439.4	2,888.8
Other goods, services and transfers	2,407,852.2	107,717.2	165,958.2	183,528.4	176,915.8	148,980.2	125,858.9	240,746.1	195,432.7	124,800.0	104,944.1	155,099.9
Dev. Expenditure and net lending	2,201,096.3	128,290.6	440,394.3	286,141.8	122,356.8	163,817.4	189,276.6	123,277.0	72,620.2	169,316.3	103,799.5	45,328.9
Local	739,203.5	61,600.3	100,521.7	150,000.0	26,000.0	40,412.0	34,000.0	42,387.0	36,500.0	34,000.0	10,000.0	18,000.0
Foreign	1,461,892.8	66,690.3	339,872.6	136,141.8	96,356.8	123,405.4	155,276.6	80,890.0	36,120.2	135,316.3	93,799.5	27,328.9
Overall Balance (cheque issued) before Grants	-2,495,499.5	-76,522.3	-427,872.3	-245,100.4	-146,013.2	-146,284.0	-79,677.3	-210,754.7	-95,756.2	-69,861.9	-28,265.8	-13,119.0
Grants	1,690,873.1	468,160.9	53,979.5	116,704.1	59,141.6	121,792.1	154,979.6	9,798.4	6,672.6	31,427.3	51,785.1	325.3
Program (CIS/OGL)	607,524.1	391,170.2	27,770.2	84,739.8	32,826.9	37,950.1	19,165.1	0.0	0.0	0.0	0.0	0.0
Project	684,438.3	15,905.6	1,172.7	3,146.0	7,268.1	76,670.8	105,842.1	5,367.5	2,407.8	24,926.8	9,914.9	325.3
Basket funds	192,874.1	22,377.3	436.4	23,007.1	16,857.3	0.0	22,849.0	0.0	1,091.4	6,500.5	28,733.8	0.0
HIPC Relief	206,036.6	38,707.8	24,600.3	5,811.2	2,189.3	7,171.2	7,123.5	4,430.9	3,173.3	0.0	13,136.4	0.0
Overall defic.(cheq.issued) after Grants	-804,626.5	391,638.6	-373,892.8	-128,396.3	-86,871.6	-24,491.9	75,302.4	-200,956.3	-89,083.6	-38,434.6	23,519.3	-12,793.6
Expenditure float	0.0	-186,585.9	-12,803.2	-9,825.0	-11,909.3	-10,769.0	-9,514.8	-13,407.0	-12,908.4	-8,027.3	-8,027.3	-7,553.3
Adjustments to cash and other items (net)	0	90,031	51,112	70,466	-66,655	-55,794	-48,455	71,976	-17,066	-91,196	-69,501	-7,495
Overall Balance (cheques issued)	-804,626.5	295,084.0	-335,584.1	-67,755.8	-165,435.9	-91,055.1	17,332.6	-142,387.3	-119,057.7	-137,657.4	-54,008.5	-27,841.6
Financing:	804,626.5	-295,084.0	335,584.1	67,755.8	165,435.9	91,055.1	-17,332.6	142,387.3	119,057.7	137,657.4	54,008.5	27,841.6
Foreign Financing (net)	818,616.7	123,223.5	337,889.6	352,985.9	69,537.8	45,250.6	43,462.4	74,854.7	31,443.5	100,356.8	48,558.6	20,600.9
Loans	858,376.7	123,962.0	338,263.4	356,427.5	72,231.3	46,734.6	47,007.5	75,522.4	32,620.9	103,889.0	55,150.8	27,003.6
Program loans	273,796.2	95,554.6	0.0	246,438.8	0.0	0.0	20,422.0	0.0	0.0	0.0	0.0	0.0
Development	504,260.2	23,655.7	338,263.4	35,761.0	55,163.7	21,188.6	25,713.6	58,990.6	20,034.7	103,889.0	30,420.4	27,003.6
Project loans												
Basket Support	80,320.2	4,751.7	0.0	74,227.7	17,067.7	25,546.0	871.9	16,531.9	12,586.2	0.0	24,730.4	0.0
Amortization	-39,760.0	-738.5	-373.9	-3,441.6	-2,693.6	-1,483.9	-3,545.1	-667.7	-1,177.5	-3,532.2	-6,592.2	-6,402.7
Domestic (net)	-13,990.2	-418,307.5	-2,305.5	-285,230.1	95,898.1	45,804.4	-60,795.1	67,531.8	87,614.2	33,660.9	5,449.9	7,240.7
Domestic Financing	-0.2	-418,307.5	-1,775.5	-285,230.1	95,972.6	45,804.4	-59,089.8	70,115.4	88,814.2	33,660.9	8,301.8	10,092.6
Bank borrowing	0.0	-382,880.4	-42,300.5	-304,053.8	50,654.0	76,153.7	-29,948.5	105,714.7	123,026.3	167,556.3	-23,740.2	21,914.8
Non-Bank (net of amortization)	0.0	-35,427.1	40,525.0	18,823.7	45,318.6	-30,349.3	-29,141.3	-35,599.3	-34,212.1	-133,895.4	32,042.0	-11,822.1
Amortization of contingent debt	-15,000.0	0.0	-530.0	0.0	-74.5	0.0	-1,705.3	-2,583.6	-1,200.0	0.0	-2,851.9	-2,851.9
Privatization Proceeds	-13,990.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Note:

/1 Exclude amortization and Expenditure Float, includes Road fund and Retention expenditures

/2 Domestic Interest payments and amortization include Cash and Non cash

Source: Ministry of Finance



Table A3: Monetary Survey (Revised)

Millions of TZS

End of Period	Memorandum item:																
	M3.						M2.				M1.			M0.			
	Domestic assets (net)		Domestic credit (net)		Net		Extended Broad Money				Broad Money			Narrow Money			
	Foreign assets	Claims on government	Claims on private sectors*	Other items	sum (2-5) or sum (9-13)	TOTAL sum (9-12)	sum (9,10)	8	9	10	11	12	13	14	15		
1998	458,003.6	276,586.7	248,276.2	44,118.1	1,026,984.7	844,929.4	545,517.0	307,798.7	237,718.3	134,401.0	165,011.4	182,055.2	418,734.0	110,935.3			
1999	622,286.8	366,596.2	311,533.0	-82,789.1	1,217,626.9	972,088.6	632,571.2	384,848.0	247,723.2	149,257.1	190,260.3	245,538.3	508,674.0	123,826.0			
2000	842,755.0	375,146.0	340,628.1	-160,840.2	1,397,688.8	1,093,610.9	695,006.5	392,404.2	302,602.3	170,051.6	228,552.8	304,077.9	556,430.9	164,026.7			
2001	1,209,820.4	239,201.4	404,512.3	-216,803.4	1,636,730.7	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	-623,816.1	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	303,263.2			
2004	3,399,819.5	47,719.7	1,060,077.3	-544,146.8	2,848,120.1	2,050,886.0	1,315,739.4	664,148.0	651,591.4	276,396.4	458,750.2	797,234.1	967,776.0	302,628.0			
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			
2006-Jan	2,872,433.2	565,349.6	1,450,364.7	-869,616.3	4,018,531.2	2,807,935.4	1,737,737.0	805,963.9	931,773.1	446,757.0	623,441.5	1,210,595.8	1,247,662.8	441,699.0			
February	2,867,860.1	594,599.8	1,480,714.0	-869,618.0	4,073,555.9	2,809,575.6	1,717,045.5	797,537.6	919,507.9	446,517.3	646,194.8	1,263,798.4	1,285,897.7	488,360.1			
March	2,952,357.6	590,385.5	1,531,395.1	-965,132.0	4,109,006.3	2,836,223.0	1,729,080.2	807,153.0	921,926.7	444,629.8	662,513.0	1,272,783.3	1,303,762.4	496,608.9			
April	2,930,493.8	531,922.1	1,574,803.0	-956,141.0	4,081,077.9	2,806,330.8	1,706,568.0	790,147.8	916,420.3	438,071.2	661,691.5	1,274,747.2	1,299,704.4	509,556.7			
May	2,999,729.9	575,929.5	1,597,836.3	-1,054,617.1	4,118,878.7	2,846,416.3	1,713,176.9	807,506.7	905,670.2	458,443.9	674,795.5	1,272,462.3	1,297,229.2	489,722.5			
June	2,908,098.4	667,629.2	1,656,837.8	-933,514.7	4,299,050.7	2,945,528.0	1,798,840.1	856,180.5	942,659.6	455,179.7	691,500.3	1,353,522.6	1,296,486.6	440,306.2			
July	3,263,257.3	270,208.8	1,777,777.0	-876,747.1	4,434,496.0	3,034,317.4	1,901,244.9	914,140.5	987,104.4	441,172.2	691,900.3	1,400,178.7	1,409,685.8	495,545.3			
August	3,613,708.1	32,286.4	1,810,371.5	-858,351.9	4,598,014.1	3,099,700.4	1,977,430.5	939,100.7	1,038,329.7	416,214.6	706,055.4	1,498,313.6	1,412,975.7	473,874.9			
September	3,311,969.2	63,364.9	1,906,065.5	-732,253.9	4,549,145.7	3,049,983.4	1,896,981.8	940,987.8	955,994.1	432,561.8	720,439.7	1,499,162.4	1,411,671.7	470,683.9			
October	3,271,635.2	164,175.5	1,946,243.3	-784,480.3	4,597,573.8	3,081,111.3	1,894,540.9	933,384.2	961,156.7	438,799.8	747,770.7	1,516,462.5	1,534,636.5	601,252.3			
November	3,473,021.7	79,718.6	1,973,837.9	-794,525.4	4,732,052.9	3,142,109.5	1,918,499.4	956,946.8	961,552.7	449,948.1	773,661.9	1,589,943.4	1,514,717.0	557,770.3			
December	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-Jan	3,535,953.5	64,257.8	2,044,818.9	-790,561.0	4,854,469.3	3,239,482.1	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	1,666,114.1	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	898,143.1			
February	3,577,445.0	-41,222.7	3,002,948.0	-535,580.8	6,003,589.4	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	6,247,531.8	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	6,621,546.3	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	3,191,925.7	-657,313.5	6,201,488.2	4,450,017.7	2,674,932.9	1,185,606.4	1,489,326.5	749,635.2	1,025,449.6	1,751,470.5	1,943,849.4	758,243.0			

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

CB - Commercial Banks

Source: Bank of Tanzania



Table A4 : Interest Rate Structure

Item	2007 ^p												2008 ^p					Percent
	Jan	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		
A: Domestic Currency																		
1 Interbank Cash Market Rates																		
Overnight	12.04	7.52	9.64	6.20	6.67	9.79	12.05	12.07	18.64	10.19	5.37	6.47	4.52	4.11	3.85	3.59		
2 to 7 days	12.98	7.79	9.90	6.58	7.60	11.27	12.28	12.77	19.47	8.19	5.99	7.11	5.20	4.34	4.08	4.04		
8 to 14 days	15.27	7.32	9.02	7.03	7.03	12.00	11.98	12.00	24.04	5.86	5.86	6.82	5.00	4.43	4.20	3.80		
15 to 30 days	15.00	9.64	9.64	7.20	6.00	6.00	6.00	6.50	6.50	9.00	9.22	7.50	6.50	6.50	5.18	4.82		
31 to 60 days	15.33	7.88	9.01	6.87	9.59	6.55	8.81	11.16	6.42	5.15	5.84	5.60	5.60	6.32	5.40	4.73		
61 to 90 days	17.50	10.00	10.00	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75	5.93	5.93	5.93	5.93		
91 to 180 days	15.15	14.87	15.25	12.61	12.50	13.00	13.83	14.80	14.80	14.80	9.75	9.50	6.50	6.25	6.25	6.25		
181 and above	11.57	11.57	11.57	12.87	12.87	12.87	12.87	15.23	15.23	12.10	12.10	12.10	12.10	7.00	7.00	7.88		
Overall Interbank cash market rate	12.54	7.59	9.69	6.42	7.24	10.46	12.11	12.27	18.92	9.67	5.83	6.74	4.81	4.24	4.12	3.83		
2 Lombard Rate	18.06	11.28	14.46	9.63	10.01	14.69	18.07	18.11	27.97	15.29	8.19	9.90	7.18	5.72	7.16	7.00		
3 REPO Rate	6.35	6.88	6.88	5.27	6.25	9.01	11.02	11.56	11.34	7.36	5.13	6.60	4.79	3.82	3.67	3.66		
4 Treasury Bills Rates																		
35 days	10.96	7.24	7.79	6.42	6.47	6.07	6.32	6.27	6.35	4.94	5.46	5.96	5.99	5.36	4.77	4.67		
91 days	15.69	14.93	15.03	11.99	12.62	12.88	13.76	14.78	15.14	11.31	9.90	9.54	7.05	5.69	5.12	4.95		
182 days	16.02	16.39	16.84	13.84	16.74	16.23	15.83	16.36	16.62	12.96	10.15	10.33	8.02	7.03	6.90	6.75		
364 days	16.25	17.15	17.27	14.59	18.39	15.84	15.95	16.98	17.86	13.68	12.95	12.80	9.82	9.40	9.43	9.03		
Overall Treasury bills rate	15.75	15.99	16.41	13.49	17.07	15.41	15.11	15.59	16.42	12.45	11.40	10.89	8.37	7.39	7.05			
5 Treasury Bonds:																		
2-years	16.522	19.23	17.56	15.96	18.25	17.67	18.91	20.07	17.29	14.99	14.97	14.97	14.97	12.23	12.23			
5-years	13.60	16.21	18.20	17.41	18.37	17.31	19.43	20.54	18.69	17.60	17.60	16.81	16.81	14.49	14.49	14.49		
7-years	17.50	20.69	19.90	17.41	18.58	18.50	20.43	19.25	18.80	17.90	18.15	18.15	17.18	17.18	17.18	17.18		
10-years	17.15	18.51	18.03	16.29	17.48	17.52	19.63	19.92	20.28	17.87	17.68	17.68	17.68	17.68	17.68	17.09		
6 Discount Rate	21.31	20.58	21.41	18.93	21.42	21.05	20.11	20.59	21.42	17.44	16.40	15.89	13.36	12.39	12.08	12.00		
7 Savings Deposit Rate	2.59	2.57	2.42	2.60	2.63	2.70	2.71	2.62	2.59	2.61	2.75	2.66	2.64	2.64	2.75	2.74		
8 Time Deposits Rates:																		
Call Accounts	0.71	1.29	1.33	1.35	1.31	1.36	0.21	1.14	0.50	1.11	0.78	0.88	0.93	0.94	1.33	0.82		
1 month	6.36	7.68	7.78	7.16	6.65	6.44	6.54	7.44	7.99	7.52	9.26	7.22	8.68	7.59	7.79	6.22		
2 months	7.83	8.55	7.64	6.85	7.78	7.87	8.51	8.65	9.87	8.94	6.97	9.42	8.75	8.82	7.10	7.50		
3 months	8.47	7.48	7.90	8.90	8.61	8.59	8.78	9.89	9.50	9.25	9.34	9.63	10.01	9.00	8.69	7.61		
6 months	9.02	8.85	9.54	9.45	9.31	9.97	9.99	8.82	9.30	10.22	8.71	10.00	9.01	9.89	9.93	9.32		
12 months	8.20	9.17	9.09	9.39	8.88	9.04	9.42	9.64	10.22	9.85	10.08	10.10	9.97	9.41	8.95	8.91		
24 months	10.40	10.85	10.95	10.25	11.27	9.75	10.89	11.91	10.31	10.19	12.92	9.95	10.11	10.66	9.48	7.50		
9 Negotiated Deposit Rates	9.02	7.33	8.45	8.18	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 Lending rates:																		
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	19.25	19.25	19.25	19.25		
Short-term (up to 1 year)	15.80	14.94	13.63	13.80	13.95	14.12	14.30	14.06	13.85	14.06	14.70	13.96	14.19	13.57	12.76	13.25		
Medium-term (1-2 years)	19.60	16.77	16.58	16.67	17.00	17.15	16.94	16.84	16.86	16.79	16.60	16.72	15.80	16.11	15.88	15.50		
Medium-term (2-3 years)	16.50	15.37	15.22	15.03	14.60	15.65	15.17	15.15	15.27	15.43	15.48	15.32	15.39	15.37	15.08	14.95		
Long-term (3-5 years)	16.01	16.55	15.09	15.65	15.61	16.04	16.76	16.53	15.90	16.37	16.66	16.49	16.54	16.86	16.37	16.13		
Term Loans (over 5 years)	18.12	18.13	18.25	18.42	17.37	17.42	18.20	17.15	17.04	17.04	12.84	13.69	13.47	13.52	13.25	13.66		
11 Negotiated Lending Rates	11.49	11.74	10.81	10.18	12.20	12.14	12.63	11.91	11.89	11.68	11.98	11.50	11.76	11.82	12.77	12.55		
B: Foreign Currency																		
1 Deposits Rates																		
Savings Deposits																		
Time Deposits																		
1-months	2.29	2.60	2.51	2.37	1.79	2.03	2.07	3.21	2.71	4.77	4.65	3.60	4.58	4.79	2.96	4.71		
2-months	2.18	2.59	2.65	2.41	2.18	1.91	2.72	3.48	4.95	5.36	3.60	4.75	4.94	3.03	5.12	5.27		
3-months	2.72	3.25	2.74	2.69	2.87	2.57	3.02	3.87	4.89	3.76	3.86	4.85	3.17	4.88	4.89	3.80		
6-months	3.47	3.04	3.72	2.92	3.02	2.85	3.47	3.85	3.87	3.86	4.64	4.78	4.73	3.42	3.99	4.97		
12-months	3.40	3.04	3.12	3.75	3.81	3.69	3.00	3.27	3.99	5.72	4.58	4.92	5.72	6.95	4.43	4.49		
2 Lending Rates																		
Short-term (up to 1 year)	8.64	8.25	7.25	7.93	8.03	8.41	7.49	5.89	5.77	7.41	3.85	3.82	4.55	4.79	6.43	6.75		
Medium-term (1-2 years)	8.61	8.61	9.82	8.52	8.57	8.46	8.31	8.45	8.48	8.51	8.45	8.69	8.72	8.67	8.88	8.75		
Medium-term (2-3 years)	8.33	7.98	9.77	8.06	7.91	7.97	8.27	8.19	8.69	8.67	8.94	8.95	8.74	8.67	8.55	8.55		
Long-term (3-5 years)	8.04	7.80	7.54	7.90	7.11	7.90	6.89	7.00	8.93	8.68	8.97	8.46	8.47	8.47	8.37	8.18		
Term Loans (over 5 years)	7.55	7.73	8.09	8.42	6.17	8.09	8.49	8.33	8.64	8.73	8.54	8.86	8.86	8.69	7.53	7.99		

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 May ^p		
	May	Apr	May	May 07- May 08	Apr 08-May 08	2007	2008	% Change
Traditional Exports:								
COFFEE								
Value	8.8	9.4	4.0	-54.7	-57.6	88.9	86.9	-2.3
Volume	4.4	4.7	1.5	-65.4	-68.0	43.8	38.0	-13.2
Unit Price	2,009.1	1,981.8	2,627.2	30.8	32.6	2,029.1	2,284.9	12.6
COTTON								
Value	1.4	4.9	5.7	--	16.1	29.5	83.3	--
Volume	1.5	3.4	2.7	86.8	-20.6	29.1	69.2	138.2
Unit Price	932.7	1,430.1	2,091.1	124.2	46.2	1,014.7	1,203.3	18.6
SISAL								
Value	0.8	0.3	1.1	45.7	--	7.5	6.9	-7.9
Volume	0.8	0.3	1.0	23.8	--	9.1	7.3	-19.4
Unit Price	905.2	1,101.7	1,065.5	17.7	-3.3	824.0	1,019.3	23.7
TEA								
Value	3.2	4.7	3.0	-4.0	-35.9	31.3	30.7	-1.8
Volume	2.2	2.8	1.7	-20.7	-38.3	21.3	21.1	-0.9
Unit Price	1,461.3	1,702.5	1,769.0	21.1	3.9	1,466.1	1,452.6	-0.9
TOBACCO								
Value	1.2	1.4	0.0	--	--	83.9	68.5	-18.4
Volume	0.9	0.9	0.0	--	--	35.2	30.4	-13.9
Unit Price	1,276.2	1,563.1	--	--	--	2,380.7	2,255.9	-5.2
CASHEWNUTS								
Value	0.0	0.19	0.0	--	--	28.8	40.1	39.4
Volume	0.0	0.28	0.0	--	--	58.1	55.6	-4.4
Unit Price	415.4	667.9	--	--	--	494.6	727.2	47.0
CLOVES								
Value	0.1	0.11	0.2	--	86.7	9.7	4.0	-58.9
Volume	0.0	0.03	0.1	92.3	66.7	3.0	1.2	-61.9
Unit Price	2,936.7	3,666.7	4,107.0	39.9	12.0	3,209.4	3,469.5	8.1
Sub Total	15.4	21.1	14.1	-8.5	-33.3	279.6	320.4	14.6
Non-Traditional Exports:								
Minerals								
Gold	60.0	91.2	86.6	44.5	-5.0	880.9	939.4	6.6
Diamond	53.9	84.9	74.3	37.9	-12.5	830.9	867.2	4.4
Other minerals ¹	2.2	2.1	2.0	-9.7	-5.7	22.6	26.8	18.6
	3.8	4.2	10.3	--	-	27.5	45.5	65.6
Manufactured Goods								
Cotton Yarn	19.3	33.1	37.2	92.3	12.3	219.9	395.2	79.8
Manufactured Coffee	0.8	0.7	0.6	-26.6	-15.3	7.1	7.5	6.2
Manufactured Tobacco	0.3	0.2	0.1	-73.7	-61.0	1.5	1.4	-8.6
Manufactured Sisal	0.1	0.1	0.0	--	-	1.3	1.0	-24.3
Sisal Products (Yarn & Twine)	0.5	1.0	0.8	47.5	-20.9	4.1	10.6	--
Other manufactured Goods ²	17.7	31.2	35.8	102.4	14.7	205.9	374.7	82.0
Fish and Fish Products								
	14.3	10.6	13.3	-7.1	25.0	156.2	145.6	-6.8
Horticultural products								
	1.6	2.6	2.0	24.3	-24.2	17.4	23.4	34.1
Re-exports								
	12.6	9.0	5.5	-56.6	-39.3	142.8	149.7	4.8
Others Exports³								
	11.4	10.4	18.2	59.0	75.4	149.6	228.5	52.7
Sub Total	119.2	156.9	162.7	156.5	44.2	1,566.9	1,881.8	20.1
GRAND TOTAL	134.6	178.0	176.8	31.4	-82.4	1,846.4	2,202.1	19.3

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 May ^a	
	May	Apr	May	May 07-May 08	Apr 08 - May 08	2007	2008	% Change		
Capital Goods	132.8	276.7	264.4	99.1	-4.5	1,613.0	2,075.8	28.7		
Transport Equipments	26.9	74.8	109.5	306.6	46.5	400.5	651.3	62.6		
Building and Constructions	28.3	53.8	46.4	63.9	-13.6	366.1	482.1	31.7		
Machinery	77.5	148.2	108.5	39.9	-26.8	846.4	942.5	11.4		
Intermediate Goods	159.4	217.0	269.8	69.3	24.3	1,704.9	2,290.0	34.3		
Oil imports	109.1	176.4	195.9	79.5	11.1	1,228.3	1,689.8	37.6		
Fertilizers	1.2	1.1	17.7	--	--	59.7	74.4	24.6		
Industrial raw materials	49.0	39.5	56.2	14.5	42.1	416.9	525.9	26.1		
Consumer Goods	92.1	115.8	90.1	-2.2	-22.2	960.7	1,181.5	23.0		
Food and food stuffs	33.1	20.3	10.1	-69.3	-50.0	257.8	295.1	14.5		
All other consumer goods ¹	59.1	95.5	79.9	35.3	-16.3	702.9	886.4	26.1		
Grand Total (f.o.b)	384.3	554.6	624.2	62.4	12.5	4,278.6	5,547.3	29.7		
Grand Total (c.i.f)	422.3	609.5	686.0	62.4	12.5	4,701.7	6,096.0	29.7		

Note:

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

p = Provisional data

Totals may not add up due to rounding of numbers.

Source: Bank of Tanzania, TRA.

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

Millions of USD

Item	2000	2001	2002r	2003r	2004r	2005r	2006p	2007p
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
Balance on Goods	-633.9	-709.0	-531.8	-712.6	-1,001.2	-1,318.5	-1,946.5	-2,634.1
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
Balance on Services	-55.1	264.9	287.6	222.1	158.9	61.8	278.7	240.4
Balance on Goods and Services	-689.0	-444.1	-244.2	-490.5	-842.3	-1,256.6	-1,667.8	-2,393.6
Income: Credit	50.4	55.3	67.9	87.1	81.8	80.9	53.7	80.8
Income: Debit	-240.9	-243.8	-156.8	-225.6	-195.3	-185.0	-146.8	-159.8
Balance on Income	-190.6	-188.5	-88.8	-138.5	-113.5	-104.1	-93.1	-79.0
Balance on Goods, Services and Income	-879.5	-632.6	-333.0	-629.1	-955.8	-1,360.7	-1,760.9	-2,472.7
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 transfers: 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	393.1	5,217.7	957.8
Capital transfers: Credit	330.4	361.5	785.7	692.8	459.9	393.1	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	48.5	53.2
Capital transfers: Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-155.5	124.1	748.5	574.6	93.2	-471.2	4,046.1	-897.9
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
Total, Groups A through C	118.7	580.0	996.6	735.2	372.0	194.1	93.9	133.0
D. Net Errors and Omissions	-118.7	-580.0	-678.7	-346.2	-166.0	-416.5	366.8	399.7
Overall balance	-86.3	-809.6	317.9	389.1	206.0	-222.4	460.7	532.7
E. Reserves and Related Items	86.3	809.6	-317.9	-389.1	-206.0	222.4	-460.7	-532.7
Reserve assets	-198.8	-182.2	-372.4	-508.8	-258.4	247.7	-126.5	-419.4
Use of Fund credit and loans	49.4	15.6	26.0	-2.9	-33.8	-50.5	-334.2	-113.3
Exceptional financing	235.7	976.2	28.5	122.6	86.2	25.1	0.0	0.0
Rescheduled debt	10.1	131.4	9.8	86.9	0.0	0.0	0.0	0.0
Debt forgiveness	49.4	642.1	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	81.2	67.4	18.4	29.5	21.9	25.1	0.0	0.0
Principal arrears	95.0	135.2	0.4	6.2	64.3	0.0	0.0	0.0
Memorandum Items								
GDP(mp) Mill. TZS	7,277,799.9	8,304,338.6	10,444,508.0	12,107,062.0	13,971,593.0	15,965,295.0	17,749,574.0	20,819,190.7
GDP(mp) Mill. USD	9,092.7	9,475.6	10,799.9	11,653.4	12,828.0	14,139.1	14,155.5	16,734.7
CAB/GDP	-5.3	-2.5	-0.3	-1.0	-2.9	-6.1	-8.3	-11.1
CAB/GDP (excl. current official transfers)	-10.1	-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	976.6	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	Headline (General Index)	Food	Non-Food											Education	Miscel. goods & services
			Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household Equip.	Household operations	Personal care & Health	Recreation & Entertain.	Transportation			
Weight (%)	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5	
2003	3.5	4.5	2.0	1.5	2.0	5.9	2.5	2.1	1.1	2.9	2.1	1.2	2.2	2.2	
2004	4.2	5.9	1.6	-0.5	2.3	2.3	4.6	0.2	0.9	0.5	2.1	1.0	0.6	-0.5	
2005	4.4	5.9	2.9	2.1	-0.5	-0.4	7.7	-1.1	0.5	3.5	-1.5	4.7	0.6	-1.4	
2006	7.3	7.0	7.6	7.7	7.0	5.5	8.5	7.8	2.0	11.2	5.0	9.1	2.5	8.0	
2007	7.0	7.1	7.1	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	-1.1	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	0.3	13.6	5.5	10.0	2.1	7.7	
Sep	5.9	3.5	9.4	9.8	6.9	3.9	12.0	10.1	2.6	10.5	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	4.1	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	4.3	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	5.9	7.2	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	6.1	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	

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 (%)	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	Education	
	100.0	55.9	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
2005 Jan	0.3	0.4	0.1	1.3	0.2	0.1	0.5	0.8	0.4	-0.9	0.5	1.5	1.5	-11.2	1.5
Feb	-0.2	-1.0	1.0	0.6	2.5	9.9	2.3	0.9	1.1	2.3	-1.4	-1.3	-1.3	0.1	0.1
Mar	0.0	-0.1	0.3	-0.3	0.2	1.3	0.2	-1.2	-0.1	2.2	0.8	0.7	0.7	-1.1	0.8
Apr	0.8	0.9	0.5	0.4	-0.4	0.0	2.1	-0.1	-0.0	-0.7	-1.6	0.2	0.2	0.1	0.3
May	0.9	0.8	1.0	1.1	0.2	-1.6	2.4	1.0	-0.3	0.3	0.9	1.0	1.0	0.2	0.9
Jun	-0.0	0.6	-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
Jul	-0.5	-1.5	0.9	0.8	-0.0	5.6	1.6	0.3	-0.2	1.3	0.8	0.5	0.5	0.1	0.0
Aug	1.1	1.0	1.0	0.2	0.3	1.4	1.5	0.5	0.3	-0.3	-0.1	2.4	2.4	0.2	-0.1
Sep	-0.2	-1.3	1.5	1.3	4.8	0.3	4.3	-3.2	-0.3	9.3	-4.1	-1.3	-1.3	-1.2	-0.9
Oct	1.4	1.1	1.9	2.5	1.2	0.3	-0.8	1.0	-0.7	2.4	4.4	4.5	4.5	6.5	-0.8
Nov	0.7	0.7	0.6	-0.6	-2.0	0.5	3.3	5.4	-0.3	-1.1	6.8	-0.8	-0.8	-0.9	4.7
Dec	1.7	3.3	-0.7	0.3	-1.8	0.5	-3.4	-1.9	4.0	1.9	2.0	0.6	0.6	-0.1	0.1
2006 Jan	1.0	1.7	0.1	-1.5	4.5	-2.3	-0.4	1.6	-4.3	1.2	-3.3	0.1	0.1	-2.9	6.2
Feb	0.8	1.2	0.4	1.2	0.7	-1.0	0.1	1.2	0.3	1.3	-0.1	0.2	0.2	-1.6	-0.5
Mar	0.8	1.3	0.0	1.3	-1.0	0.9	0.1	-0.3	0.0	-1.9	-0.7	0.2	0.2	-0.7	-1.0
Apr	0.9	1.1	0.7	-1.8	0.3	1.5	3.2	0.1	0.2	0.1	-0.3	0.7	0.7	1.1	-0.5
May	1.7	1.9	1.4	2.7	0.1	0.1	0.8	2.6	1.5	-1.2	0.3	2.4	2.4	1.8	0.7
Jun	-0.7	-2.4	1.9	0.7	0.6	1.0	4.2	0.1	1.2	0.5	0.1	2.5	2.5	0.4	-0.4
Jul	-2.9	-5.1	0.4	1.5	1.1	1.6	-0.7	1.1	-0.1	-0.1	0.3	0.2	0.2	1.7	-0.3
Aug	0.2	-0.5	1.2	2.7	-0.5	-0.0	2.6	0.4	0.6	1.3	0.3	-0.0	-0.0	0.6	1.2
Sep	0.2	-0.4	0.9	1.4	0.7	0.0	0.4	1.5	1.9	1.0	0.3	1.4	1.4	0.2	0.2
Oct	1.6	2.6	0.0	0.6	0.4	0.0	-1.2	0.6	1.1	1.7	0.4	-0.3	-0.3	1.7	-0.6
Nov	0.8	2.3	-0.7	0.2	0.3	0.0	-2.8	-0.8	0.6	-0.1	1.8	-0.2	-0.2	0.0	-0.6
Dec	2.1	2.9	0.4	0.3	1.8	0.0	-1.7	1.4	1.8	0.4	1.8	1.1	1.1	1.8	0.6
2007 Jan	1.3	1.8	0.6	0.7	1.5	0.9	-0.1	1.9	0.1	-0.9	1.2	0.4	0.4	2.6	-0.6
Feb	1.1	0.7	1.7	1.9	0.9	0.0	4.7	1.8	1.4	0.3	1.7	1.1	1.1	0.0	0.9
Mar	0.7	1.2	0.2	1.9	-0.2	0.7	-0.2	-0.8	0.3	0.5	0.9	-0.5	-0.5	0.4	0.9
Apr	-0.1	-0.1	-0.1	0.7	-0.1	0.0	-0.9	0.2	0.9	0.3	-0.1	-0.1	-0.1	0.1	-0.1
May	0.6	-0.1	1.6	1.2	0.8	0.0	3.3	0.6	0.8	0.0	0.4	2.1	2.1	0.3	0.8
Jun	0.1	-0.6	1.0	0.1	0.5	0.0	3.2	0.4	0.3	0.0	0.7	0.5	0.5	0.6	0.0
Jul	0.1	0.1	0.2	0.1	-0.6	0.1	0.2	0.2	0.4	0.2	0.7	1.1	1.1	0.2	-0.7
Aug	-0.9	-1.6	-0.2	-0.6	0.4	0.4	-0.4	-0.4	-0.4	0.3	0.5	-0.3	-0.3	0.8	-0.3
Sep	0.6	1.7	-0.9	0.4	-1.1	0.7	-2.3	-1.1	-0.9	-0.3	-0.6	-0.7	-0.7	0.5	-0.6
Oct	0.4	-0.1	1.0	1.4	1.2	0.0	1.1	1.1	0.4	1.1	1.1	0.9	0.9	0.4	0.5
Nov	1.1	1.5	0.6	2.9	0.1	0.0	0.0	1.0	-0.4	0.4	-0.8	0.4	0.4	0.0	0.8
Dec	1.3	2.0	0.1	0.6	-0.8	0.0	-0.6	1.1	0.1	0.2	0.4	0.4	0.4	0.9	-0.3
2008-Jan	3.4	5.2	0.9	0.8	0.0	0.4	1.9	0.7	0.7	0.8	0.9	0.7	0.7	1.3	0.7
Feb	1.4	1.9	0.6	0.4	0.1	0.0	1.6	1.0	0.6	0.0	-0.1	0.4	0.4	0.0	0.6
Mar	0.9	0.9	0.7	0.8	0.5	0.0	1.2	0.0	0.3	0.2	0.4	0.6	0.6	0.4	0.1
Apr	0.5	0.3	1.0	0.3	0.1	0.4	1.8	0.2	0.8	0.5	0.6	1.4	1.4	0.7	0.4
May	0.1	-0.6	1.2	0.1	0.8	0.0	3.6	0.8	0.4	0.5	0.4	0.5	0.5	0.6	-0.3

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

Millions of USD

Item	2006/07	2007/08										
		Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08
1. Overall Total Debt Committed²	5,212.4	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
Disbursed outstanding debt	3,442.3	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
Undisbursed debt	1,770.1	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. Disbursed Debt by Creditor Category²	3,442.3	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
Bilateral	910.5	907.2	901.1	910.4	922.6	928.4	933.4	933.2	936.0	933.1	932.1	931.0
Multilateral	1,772.6	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
Commercial	437.3	439.6	439.5	447.9	492.8	489.8	499.3	496.7	498.4	499.4	608.5	615.2
Export credits	321.9	323.4	324.7	325.5	336.9	330.8	322.8	328.3	341.2	403.7	324.9	310.5
3. Disbursed Debt by Borrower Category²	3,442.3	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
Central Government	2,692.0	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	3,483.1	3,501.6
Parastatal Companies	167.8	168.0	167.9	169.0	170.8	170.8	170.8	170.1	169.5	169.0	169.1	157.8
Private Sector	582.5	585.5	588.9	592.9	647.0	635.5	637.0	640.4	654.1	716.4	747.2	742.3
4. Disbursed Debt by Use of Funds²	3,442.3	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
Balance of Payment & Budget Support	1,019.3	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
Transport & Telecommunication	425.3	427.6	431.5	441.2	490.0	507.3	518.9	517.1	529.4	544.3	551.5	550.5
Agriculture	338.1	346.2	350.1	354.0	380.0	383.9	382.1	396.2	399.5	396.7	395.4	403.2
Energy & Mining	606.9	610.5	609.2	615.1	621.0	624.7	624.8	627.5	628.7	637.0	666.4	663.6
Industries	162.8	157.9	158.0	159.5	161.0	159.2	155.1	154.3	154.6	151.0	151.3	134.4
Social Welfare & Education	433.2	444.6	447.1	525.1	538.0	550.8	554.2	567.2	571.5	615.0	607.7	629.6
Finance and Insurance	64.4	66.0	66.0	66.5	68.0	72.2	75.0	75.1	75.4	76.2	75.8	76.7
Tourism	73.0	73.2	73.4	74.8	74.7	73.9	73.8	73.6	73.7	75.5	73.0	70.4
Others	319.3	325.9	324.5	331.6	347.5	334.3	340.2	381.3	346.5	418.5	432.9	434.3
5. Total Amount fo Loans Contracted¹	318.1	72.2	5.0	18.8	1.4	2.2	0.0	111.8	0.0	1.2	0.0	0.0
Government	280.0	0.0	0.0	17.3	0.0	0.0	0.0	107.8	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	38.1	72.2	5.0	1.6	1.4	2.2	0.0	4.0	0.0	1.2	0.0	0.0
6. Disbursements¹	449.5	18.6	14.1	259.9	34.7	17.7	16.2	19.9	15.4	19.6	16.5	13.3
Government	432.6	14.7	9.1	259.9	34.7	16.6	16.2	15.5	11.5	18.4	16.3	13.3
Parastatal Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.0
Private	16.9	3.9	5.0	0.1	0.0	1.1	0.0	4.0	3.9	1.1	0.2	0.0
7. Scheduled Debt Service¹	336.9	28.0	3.5	17.0	16.6	8.5	36.2	18.1	4.2	14.3	10.9	9.7
8. Actual Debt Service¹	7.7	3.0	0.7	4.5	3.8	2.8	1.6	1.3	1.8	9.0	14.8	3.8
Principal	5.6	0.8	0.3	3.4	2.2	1.2	1.0	0.3	0.7	3.8	9.9	0.8
Interest	2.1	2.1	0.4	1.1	1.6	1.6	0.6	1.1	1.0	5.2	4.9	3.0
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	407.5	15.7	13.4	255.5	30.9	14.9	14.6	18.6	13.7	10.5	1.7	9.5
10. Total Arrears by Creditor Category²	2,199.6	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
Principal	981.0	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
Bilateral	377.7	381.6	379.8	387.2	395.7	401.0	408.0	416.8	422.0	422.3	420.1	420.0
Multilateral	13.6	14.7	16.5	15.2	15.4	13.8	16.1	16.6	15.0	15.0	14.9	6.8
Commercial	339.5	346.1	340.9	352.4	319.7	318.0	326.9	333.0	484.0	489.6	330.3	324.3
Other Private Creditors	250.1	250.0	249.4	250.7	255.5	250.6	253.7	325.4	314.0	315.2	231.8	300.2
Interest	1,218.6	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
Bilateral	536.1	543.3	544.5	549.6	553.5	562.9	579.6	591.8	599.5	611.5	606.1	607.4
Multilateral*	27.7	28.1	28.5	29.5	30.8	30.8	27.4	33.5	32.2	32.2	32.7	4.1
Commercial	440.1	445.5	451.7	458.0	460.2	463.5	476.2	478.4	484.2	488.4	496.1	494.1
Other Private Creditors	214.8	217.6	217.5	218.1	223.6	227.3	227.1	228.5	231.2	238.3	231.8	241.3
11. External Debt Stock	4,660.8	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
12. Domestic Debt Stock	1,497.9	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
13. Total Debt Stock	6,158.8	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
End Period Exchange Rate	1,258.5	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

Source: Bank of Tanzania

* Multilateral arrears are those owed by private companies

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



GLOSSARY



Currency in Circulation Outside Banks

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

Discount Rate

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

Exchange Rate

This is the price at which one 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.

Nominal Exchange Rate

It is the price of foreign currency at which actual transactions in the foreign exchange markets occur.

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 to purchase/sale by the BOT 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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