



**BANK OF TANZANIA**



**MONTHLY  
ECONOMIC  
REVIEW**

May 2008



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# 1.0 Inflation Developments

**Annual headline inflation** increased to 9.7 percent in April 2008, from 9.0 percent recorded in the previous month. The rise in inflation rate is mainly explained by the acceleration of both food and non-food inflation (**Table 1.1 and Chart 1.1**). Similarly, the 12-months average annual headline inflation rose to 7.8 percent in April 2008 compared to 6.9 in the corresponding period (May 2006 to April 2007). On month-to-month basis however, the inflation rate slowed to 0.5 percent compared to 0.9 percent recorded in March 2008, on account of slowdown in food inflation. Likewise, excluding seasonal influences, the month-on-month headline inflation decline to -1.3 percent in April 2008 from 1.1 percent recorded in March 2008.

**Annual non-food inflation** rose from 5.8 percent in March 2008 to 6.9 percent in April 2008 due to increase in average prices of some non-food items, the highest increase being fuel, power and water subgroup (11.3 percent), followed by drinks and tobacco subgroup (8.6 percent) and transportation subgroup (7.6 percent). However, the 12-months annual non-food inflation rate averaged 6.3 percent in April 2008 compared to 8.2 percent in the corresponding period a year before. The month-to-month non-food inflation went up to 1.0 percent in April 2008 as compared to 0.7 percent in March 2008. Non-food items that had significant increase in prices were: petroleum products, charcoal, car tyres, beverages, beer, clothing, rent furniture, television sets, school uniforms and syrups.

**Annual food inflation** went up slightly in April 2008 to 11.6 percent, from 11.2 percent recorded in the year that ended in March 2008. Similarly, the 12-months annual food inflation rate averaged 8.8 percent in April 2008 compared to 6.1 percent in the corresponding period last year. The month-to-month food prices recorded an increase of 0.3 percent in April 2008, being lower than an increase of 0.9 percent in March 2008. The increase in food prices was mainly explained by increases in prices of cereals, round potatoes, cooking bananas, meat, fish, poultry and cooking oils.

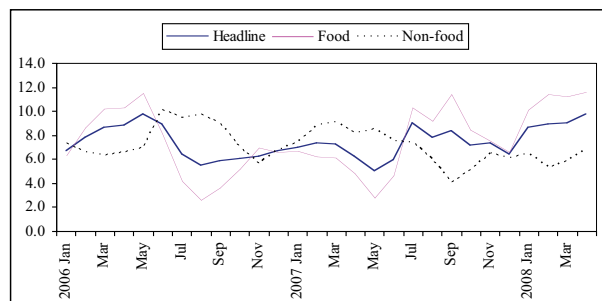
**Table 1.1: Annual Percentage Change in Consumer Price Index (All-Urban)**

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2006			2007			2008		
		Feb	Mar	Apr	Feb	Mar	Apr	Feb	Mar	Apr
<b>Headline/Overall</b>	<b>100.0</b>	<b>7.8</b>	<b>8.6</b>	<b>8.8</b>	<b>7.3</b>	<b>7.2</b>	<b>6.1</b>	<b>8.9</b>	<b>9.0</b>	<b>9.7</b>
<b>Food</b>	<b>55.9</b>	<b>8.6</b>	<b>10.2</b>	<b>10.3</b>	<b>6.2</b>	<b>6.1</b>	<b>4.8</b>	<b>11.4</b>	<b>11.2</b>	<b>11.6</b>
<b>Non-food</b>	<b>44.1</b>	<b>6.6</b>	<b>6.3</b>	<b>6.6</b>	<b>8.8</b>	<b>9.1</b>	<b>8.2</b>	<b>5.3</b>	<b>5.8</b>	<b>6.9</b>
Transportation	9.7	8.3	7.6	8.1	9.8	9.1	8.3	4.9	6.0	7.6
Fuel, Power and Water	8.5	6.6	6.4	7.6	9.6	9.3	5.0	6.8	8.3	11.3
Drinks and Tobacco	6.9	5.2	6.9	4.6	11.2	11.8	14.7	10.2	9.1	8.6
Clothing & Footwear	6.4	7.8	6.5	7.3	6.3	7.2	6.7	0.3	1.0	1.1
Education	2.6	-0.5	0.0	1.0	11.8	13.0	11.8	5.6	5.6	6.1
Furniture & Household Equip.	2.1	4.5	5.4	5.7	11.0	10.4	10.5	4.1	4.9	4.9
H/h Operations										
Maintenance	2.1	-1.3	-1.3	-1.1	10.8	11.1	11.8	2.9	2.9	2.8
Personal Care & Health	2.1	18.2	13.4	14.3	0.9	3.4	3.6	3.4	3.1	3.3
Rents	1.4	5.0	4.5	6.1	6.0	5.8	4.3	2.4	1.7	2.1
Recreation & Entertainment	0.8	5.9	4.3	5.7	7.5	9.2	9.4	4.0	3.5	4.2
Misc. Goods & Services	1.5	10.7	8.7	7.8	-0.4	1.6	1.9	1.8	1.0	1.5

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 the month of April 2008. However, some areas experienced food shortage due to some problems, including drought and floods. During the period under review, the Prime Minister's Office purchased a total of 1,066.8 tons from SGR to distribute to the areas experiencing food shortages, while World Food Program (WFP) and private traders purchased 7,597 tons and 41,816.7 tons of maize from the reserves, respectively. Since January 2008, when the Government allowed importation of 300,000 tons of maize duty free, to April 2008 only 8,070 tons of maize were imported.

The prices of selected food crops increased considerably in April 2008 when compared with the same period last year on account of reduced food supplies (**Table 1.2**). On month-to-month basis however, the selected food items recorded decreases in prices during the month under review, with exception of rice, when compared with the preceding month, mainly on account of commencement of harvest season in some areas.



**Table 1.2: National average Wholesale Prices for Selected Food Items**

*TZS per 100 kg*

Item	2007		2008		Percentage Change	
	April	March	April	April 07 to April-08	March -08 to April-08	
Maize	16,756	35,678	33,306	98.8	-6.6	
Rice	70,143	86,902	91,970	31.1	5.8	
Beans	55,712	86,200	79,682	43.0	-7.6	
Sorghum	26,352	36,134	35,300	34.0	-2.3	
Potatoes	32,481	36,604	36,809	13.3	0.6	

Source: Ministry of Industry, Trade and Marketing

## The Strategic Grain Reserves

The SGR stocks decreased to 94,509 tons at the end of April 2008 from 119,022 tons at the end of March 2008 due to the sale of maize and sorghum to the WFP, the Prime Minister's Office and private traders to ease food shortages in some areas and to stabilize food prices. On annual basis the SGR stock decreased substantially by 24.7 percent from 125,509 tons recorded in April 2007 to 94,509 tons in April 2008 (Table 1.3).

**Table 1.3: Strategic Grain Reserve (SGR) Stock**

*Tons*

Period	2001-2008								2007-2008
	2001	2002	2003	2004	2005	2006	2007	2008	
January	78,967	60,503	59,961	35,342	119,924	76,813	112,343	139,765	24.4
February	72,000	58,254	59,493	23,791	116,383	43,593	117,838	133,898	13.6
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		
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	61,649	114,030	93,051	110,203	142,044		

Source: Food Security Department and BOT computation.

## 2.0 Monetary and Financial Developments

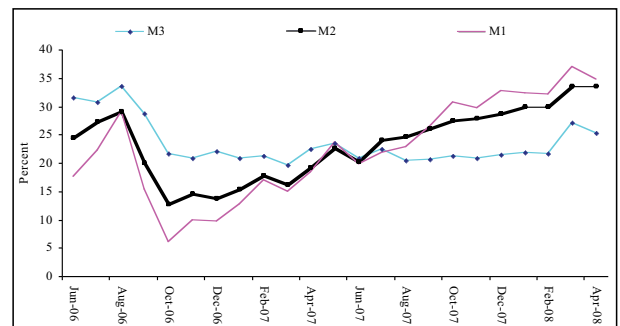
### Money and Credit Developments

#### Money Supply

In the year ending April 2008, the pace of monetary growth slowed down compared to the previous month. The growth of extended broad money supply, M3, which includes local currency in circulation and private deposits at commercial banks as well as foreign currency deposits, slowed down to 25.2 percent in April 2008, compared with 27.1 percent in the preceding month. Similarly, the growth of broad money supply,

M2, that excludes foreign currency deposits, slowed down to 33.4 percent from 33.6 percent observed in the year ending March 2008 (Chart 2.1). The slowdown in the growth of money supply occurred in time deposits and foreign currency deposits, with that of foreign currency deposits being caused by appreciation of a shilling against US-dollar.

**Chart 2.1: Annual Growth Rates of Monetary Aggregates**



Source: Bank of Tanzania

On month-to-month basis, M3 increased slightly by TZS 4.0 billion during April 2008 compared with an increase of TZS 243.9 billion in the previous month. Likewise, broad money supply, M2, followed the same pattern, increasing by TZS 57.9 billion, compared to an increase of TZS 107.9 billion registered in March 2008 (Table 2.1).

**Table 2.1: Selected Money Supply Components**

*Billions of TZS*

	2007				Change		Annual growth rates (%)			
	Mar-11	Apr-11	Mar-12	Apr-12	Monthly	Annual	Mar-11	Apr-11	Mar-12	Apr-12
Extended broad money (M3)	4,914.0	4,992.4	6,247.5	6,251.5	4.0	1,259.2	19.6	22.3	27.1	25.2
Broad money (M2)	3,295.3	3,342.7	4,402.8	4,460.7	57.9	1,118.0	16.2	19.1	33.6	33.4
Currency in circulation (CC)	972.3	969.0	1,143.1	1,157.0	13.9	188.0	20.5	22.6	17.6	19.4
Demand deposits (DD)	1,013.9	1,052.5	1,575.6	1,567.1	-8.5	514.7	10.0	14.8	55.4	48.9
Time deposits (TD)	481.4	490.8	672.6	709.3	36.7	218.5	8.3	12.0	39.7	44.5
Savings deposits (SD)	827.1	830.5	1,011.5	1,027.3	15.8	196.9	24.9	25.5	22.2	23.7
Foreign currency deposits (FCD)	1,618.7	1,649.7	1,844.7	1,790.8	-53.9	141.2	27.2	29.4	14.0	8.6
FCD in million of USD	1,303.4	1,290.5	1,491.5	1,490.9	-0.6	200.4	25.3	24.1	14.4	15.5
Total deposits in the commercial banks	4,224.0	4,320.9	5,443.6	5,415.0	-28.6	1,094.0	21.0	24.4	28.9	25.3
Private sector	3,941.7	4,023.4	5,104.5	5,094.6	-9.9	1,071.2	19.4	22.3	29.5	26.6
Government	282.3	297.6	339.1	320.4	-18.7	22.8	50.4	62.6	20.1	7.7
Net foreign assets of the banking system	3,321.5	3,435.5	3,890.9	3,658.3	-232.6	222.8	12.5	17.2	17.1	6.5
Bank of Tanzania	2,220.5	2,352.0	3,238.3	3,266.0	27.7	914.0	7.4	11.6	42.1	38.9
Commercial banks	1,001.0	928.3	666.0	589.9	-76.1	-338.4	30.3	30.5	-33.5	-36.5
Net domestic assets of the banking system	2,201.7	2,166.1	2,965.9	3,202.5	236.6	1,036.4	24.7	23.1	34.7	47.8
Domestic credit	2,278.5	2,352.0	3,238.3	3,266.0	27.7	914.0	7.4	11.6	42.1	38.9
Claims on government	1,650.6	1,641.2	2,125.6	2,109.5	-16.1	468.3	45.3	44.9	28.8	28.5
Government deposits	1,506.0	1,483.0	1,997.0	1,989.9	-7.1	506.9	176.0	146.9	32.6	34.2
Claims on private sector	2,133.9	2,193.8	3,109.7	3,146.4	36.7	952.7	39.3	39.3	45.7	43.4

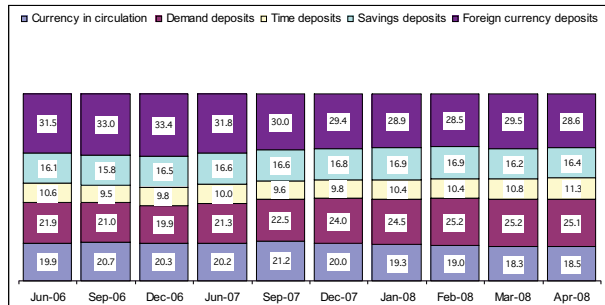
Source: Bank of Tanzania

Other components of money supply behaved differently. In line with the appreciation of the shilling, foreign currency deposits declined by TZS 53.9 billion in April 2008 compared with an increase of TZS 136.0 billion in the preceding month. Similarly, demand deposits dropped by TZS 8.5 billion compared to an increase of TZS 61.3 billion in March 2008. The public monetary portfolio preference continued to change, where by the share of foreign currency in money supply declined to 28.6 percent from 29.5 percent recorded in March 2008.



The shares of time and savings deposits in extended broad money have been increasing, while currency in circulation has remained roughly unchanged at 19.0 percent (Chart 2.2).

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



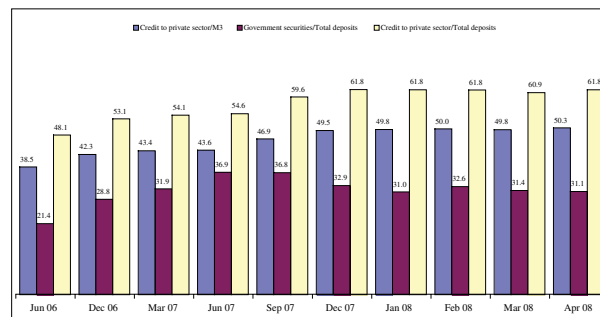
## Credit Developments

At the end of April 2008, the annual growth of credit to private sector slowed down to 43.4 percent compared to 45.7 percent of previous month, but was higher than 39.3 percent that was recorded at the corresponding period in 2007. Similarly, the annual growth of claims on government securities decreased slightly to 28.5 percent from 28.8 percent in March 2008. The April 2008 growth rate was significantly lower than 44.9 percent registered in April 2007.

The outstanding credit to the private sector was held by various activities in the economy including trade (18.8 percent), manufacturing (18.0 percent), personal expenditure (16.3 percent), transport and communication (8.6 percent), and agriculture (7.9 percent). The shares of other economic activities in total credit were electricity (4.8 percent), hotels and restaurants (4.1 percent), building and constructions (3.6 percent) and real estate (2.6 percent). The outstanding credit held by these activities accounted for about 84.7 percent of the total credit to the private sector.

Total credit extended during April 2008 amounted to TZS 36.7 billion, compared with TZS 106.8 billion recorded in the previous month. However, the ratio of the private sector credit to total deposits increased slightly to 61.8 percent in April 2008 compared with 60.9 percent in March 2008 as shown in Chart 2.3.

**Chart 2.3: Commercial Banks Intermediation**



Source: Bank of Tanzania

## Interest Rates

In April 2008, the weighted average savings deposit rate improved to 2.75 percent from 2.64 percent a month earlier, while overall time deposits rate dropped to 7.61 percent from 8.04 percent. The 12-month time deposits rate declined to 8.95 percent down from 9.41 percent in March 2008. The overall inter-bank cash market rate declined to 4.12 percent from 4.24 percent, denoting high liquidity among commercial banks. On the other hand, the overall average interest rates on loans declined to 14.36 percent down from 15.09 percent a month earlier. However, the short term lending rate (up to 1-year) increased to 13.96 percent up from 13.58 percent in March 2008. The overall yields on government securities continued to decline during the reporting month reaching an average rate of 7.05 percent from 7.39 percent recorded in March 2008 (Table 2.2).

As a result of a rise in the average interest rate on the short-term loans and the fall in 12 months time deposit, the spread between the two rates widened from 4.18 percentage points in March 2008 to 5.01 percentage points in April 2008.

**Table 2.2: Interest Rate Structure**

Item	2007					2008				
	Apr	Jun	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Overall interbank cash market rate	9.69	7.24	12.27	18.92	9.67	5.83	6.74	4.81	4.24	4.12
Savings deposit rate	2.42	2.59	2.62	2.59	2.63	2.65	2.66	2.64	2.64	2.75
12-months time deposits rate	9.09	9.25	9.64	10.22	9.85	10.08	10.10	9.97	9.41	8.95
Negotiated deposit rate	8.45	8.65	9.83	10.61	10.96	11.04	10.72	10.52	10.29	11.20
Overall time deposits rate	7.75	7.83	8.21	8.24	8.15	8.28	8.17	8.23	8.04	7.61
Overall lending rate	15.75	15.82	15.95	15.78	15.94	15.25	15.24	15.08	15.09	14.36
Short term lending rate up to one year	13.63	13.95	14.06	13.85	14.06	14.70	13.96	14.19	13.58	13.96
Negotiated lending rate	12.72	12.20	11.91	11.89	11.68	11.98	11.50	11.76	11.82	12.77
Overall weighted average treasury bills rate	16.41	17.07	15.59	16.42	12.45	11.40	10.89	8.37	7.39	7.05
364 days treasury bills rate	17.27	18.39	16.98	17.86	13.68	12.95	12.80	9.82	9.40	9.43
Spread between 12-months time deposits rate and 1-year lending rate	4.54	4.70	4.43	3.63	4.21	4.62	3.85	4.22	4.18	5.01



## Developments in Financial Markets

### Treasury Bills Market

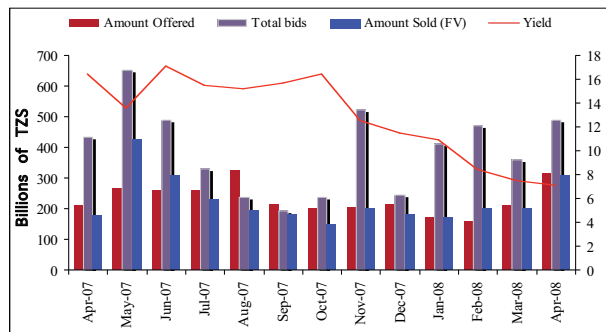
Demand for Treasury bills increased to TZS 487.7 billion in April 2008, compared with TZS 357.9 billion registered in the preceding month, reflecting high liquidity among the commercial banks, compared with the previous month when there was end of quarter corporate tax payments. The Bank accepted Treasury bills worth TZS 308.1 billion, which was less than the supply of TZS 314 billion. In line with the high demand for Treasury bills during the month under review, the overall Treasury bills rate decreased to an average rate of 7.05 percent compared to 7.39 percent in March 2008 (Table 2.3 and Chart 2.4).

**Table 2.3: Treasury bills Performance during August 2007 - April 2008**

Item	2007					2008			
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Supply	325.0	215.5	200.0	205.0	214.5	169.0	159.0	211.0	314.0
Demand	237.1	191.5	235.9	523.7	244.8	411.2	468.7	357.9	487.7
Sale (Face Value)	191.6	180.9	149.6	200.6	180.1	171.0	199.1	199.9	308.1
WAY (%)	15.11	15.59	16.42	12.45	11.40	10.89	8.37	7.39	7.05

Source: Financial Markets, Bank of Tanzania

**Chart 2.4: Treasury bills Performance during April 2007 - April 2008**



### Treasury Bonds Market

During the month under review, demand for Treasury bonds improved significantly to TZS 59.0 billion from TZS 39.4 billion in the preceding month. Owing to the existence of some outlier bids, the Bank of Tanzania accepted bids worth TZS 18.1 billion, same as the amount offered. Following the market developments, the yield to maturity continued to register a downward trend (Table 2.4).

**Table 2.4: Tanzania: Treasury Bonds Performance: Jun 2007-April 2008**

	2007							2008			
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Supply	20.0	20.0	25.0	20.0	20.0	20.0	20.0	15.0	23.2	21.4	18.1
Demand	70.5	55.0	49.0	56.2	49.3	65.7	21.7	23.0	28.2	39.4	59.0
Sale	38.3	41.4	31.0	33.6	18.0	21.7	17.1	15.0	23.2	21.4	18.1
Yields (%)											
2-year	18.3	17.7	18.9	20.1	17.3	15.0	15.0	15.0	15.0	15.0	12.2
5-year	18.4	17.3	19.4	20.5	18.7	17.6	17.6	16.8	16.8	14.5	14.5
7-year	18.6	18.5	20.4	19.2	18.8	17.9	18.1	18.1	17.2	17.2	17.2
10-year	17.5	17.5	19.6	19.9	20.3	17.9	17.7	17.7	17.7	17.7	17.7

Source: Financial Markets, Bank of Tanzania

### Repurchase Agreements

In April 2008, the Bank of Tanzania conducted repurchase agreements (repos) worth TZS 516.8 billion to neutralize the impact of maturing repos amounting to TZS 511.4 billion. During the month, repo rates averaged 3.8 percent, which was lower compared to an average rate of 4.0 percent in March 2008.

### Inter-bank Cash Market

In the inter-bank cash market, the total value of transactions amounted to TZS 135.8 billion during the month under review, compared with TZS 224.0 billion traded in March 2008. The overnight placements accounted for about 55 percent of total transactions. Meanwhile, the overnight inter-bank rates have been declining persistently since January 2008 indicating increasing liquidity in banks. The overnight inter-bank rates declined to an average of 3.9 percent in April 2008, from 8.0 percent registered in January 2008.

### Inter-Bank Foreign Exchange Market

In April 2008, the value of transactions made in the Inter-Bank Foreign Exchange Market (IFEM) recorded a notable increase to USD 102.2 million compared to USD 73.6 million recorded in the previous month (Table 2.5). This development largely emanated from a rise in demand for foreign exchange for importation of oil, telecommunications equipment and payment of dividends. In order to meet the demand for foreign exchange, on net basis the Bank of Tanzania and non-banks supplied the market with USD 35.0 million and USD 6.8 million, respectively. On their part, commercial banks purchased USD 41.8 million net during the period under review. Reflecting the high demand, the weighted average





exchange rate depreciated to TZS 1,217.1 per USD in April 2008 from TZS 1,186.5 per USD recorded in March 2008 (Chart 2.5).

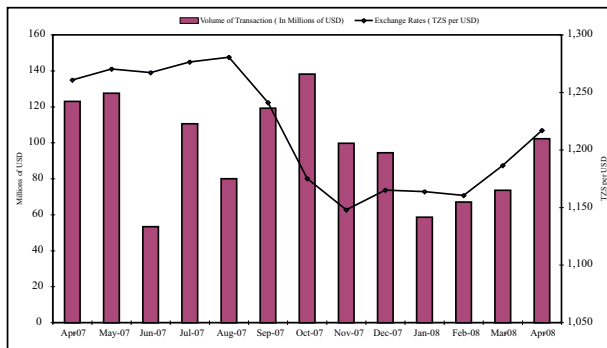
**Table 2.5: Inter-Bank Foreign Exchange Market Developments**

Item	2008		2007 April	% Change		Year Ending April		
	March	April		Mar 08 to Apr 08	Apr 07 to Apr 08	2007	2008	% Change
Amount offered*	73.56	102.22	122.99	38.96	-16.89	1,227.63	1,130.26	-7.93
Amount sold*	73.56	102.22	122.99	38.96	-16.89	1,227.63	1,130.26	-7.93
Exchange rate**	1,186.48	1,217.06	1,260.84	2.58	-3.47	1,273.94	1,212.75	-4.80

Source: Bank of Tanzania

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

**Chart 2.5: Inter-bank Exchange Rate Movement and Volume of Transactions**



## Bureau de Change Operations

The value of transactions conducted by Bureau de Change system declined to USD 71.1 million in April 2008, from USD 73.7 million traded in the previous period. The average buying rate appreciated during the month, while the selling rate remained stable (Table 2.6).

**Table 2.6: Bureau de Change Developments**

Item	2008		2007 April	% Change		Year Ending April		
	March	April		Mar 08 to Apr 08	Apr 07 to Apr 08	2007	2008	% Change
Sales*	37.15	35.8	29.23	-3.63	22.48	372.64	437.86	17.50
Purchases*	36.56	35.3	28.68	-3.45	23.08	378.37	440.60	16.45
Volume of Transactions*	73.71	71.10	57.91	-3.54	22.78	751.01	878.46	16.97
Buying rate**	1,211.00	1,195.00	1,257.00	-1.32	-4.93	1,265.58	1,208.17	-4.54
Selling rate**	1,225.00	1,225.00	1,283.00	0.00	-4.52	1,288.08	1,235.25	-4.10

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 for the month of April 2008 was on track. Strong growth in

tax revenue continued to support the planned government expenditure.

## Revenue Performance

Revenue collections surpassed the targets. Total revenue collected by Government during the month of April 2008 was TZS 314.2 billion, above the target by TZS 33.4 billion. Tax revenue collections amounted to TZS 267.1 billion, being above the monthly target of TZS 253.7 billion. The good performance was due to continued implementation of tax collection measures. In addition, regional measures including exchange of information between the East African Revenue Authorities and effective implementation of initiatives and agreements have contributed to improved revenue collection.

During the month under review, VAT collections amounted to TZS 100.6 billion, above the target by 16.5 percent. Import duties amounted to TZS 27.4 billion, being 5.9 percent above the target. Regarding non-tax revenue, the government had projected to collect TZS 27.0 billion, but the outturn was TZS 47.1 billion, 74.4 percent above the target. The largest contributor to non-tax revenue was parastatal dividends that amounted to TZS 36.8 billion against the target of TZS 1.3 billion. In addition, the government received grants amounting to TZS 20.6 billion, and therefore the total resources for the month amounted to TZS 334.7 billion.

## Government Expenditure

The total government expenditure during the month under review, stood at TZS 308.2 billion, out of which development expenditure was TZS 69.6 billion, while recurrent expenditure amounted to TZS 238.6 billion.

## Overall Budget Position

Government budgetary operations recorded an overall deficit of TZS 82.7 billion compared to a deficit of 137.7 billion in the preceding month. In line with the fiscal plan, the government financed the deficit by borrowing TZS 77.3 billion from foreign and TZS 5.4 billion from domestic sources.



## 4.0 External Sector Performance

### Current Account Balance

During April 2008, the current account deficit widened significantly to USD 401.8 million from USD 274.4 million recorded in March 2008. This development is mainly on account of an increase in imports of goods and services. On annual basis, the current account deficit widened to USD 2,141.2 million from a deficit of USD 1,772.6 million recorded in 2007 following a surge in imports that could not be matched with the increase in exports (Table 4.1).

**Table 4.1: Current Account Balance**

	April		2008 <sup>P</sup>		Year Ending April <sup>P</sup>		
	2006	2007	March	April	2007	2008	% Change
<b>Goods Account (net)</b>	<b>-112.8</b>	<b>-222.3</b>	<b>-266.6</b>	<b>-373.8</b>	<b>-2,414.5</b>	<b>-2,766.9</b>	<b>14.6</b>
Exports	127.9	162.0	171.8	180.8	1,848.1	2,151.0	16.4
Imports	240.7	384.3	438.4	554.6	4,262.5	4,917.9	15.4
<b>Services Account (net)</b>	<b>33.2</b>	<b>21.6</b>	<b>7.5</b>	<b>-14.7</b>	<b>145.8</b>	<b>91.5</b>	<b>-37.2</b>
Receipts	122.5	133.5	131.4	132.2	1,463.6	1,651.4	12.8
Payments	89.3	111.9	123.9	146.8	1,317.9	1,559.9	18.4
<b>Goods and services (net)</b>	<b>-79.6</b>	<b>-200.8</b>	<b>-259.1</b>	<b>-388.5</b>	<b>-2,268.7</b>	<b>-2,675.4</b>	<b>17.9</b>
Exports of goods and services	250.4	295.5	303.2	313.0	3,311.7	3,802.4	14.8
Imports of goods and services	330.0	496.2	562.2	701.5	5,580.4	6,477.8	16.1
<b>Income Account (net)</b>	<b>-5.1</b>	<b>-7.9</b>	<b>-6.1</b>	<b>-4.3</b>	<b>-64.1</b>	<b>-66.6</b>	<b>3.9</b>
Receipts	6.4	4.3	6.4	10.2	87.4	118.2	35.2
Payments	11.4	12.2	12.5	14.4	151.6	184.8	22.0
<b>Current Transfers (net)</b>	<b>14.2</b>	<b>-5.7</b>	<b>-9.1</b>	<b>-9.0</b>	<b>560.2</b>	<b>600.9</b>	<b>7.3</b>
Inflows	19.7	3.2	1.7	2.7	631.2	669.9	6.1
o/w General							
Government	11.5	12.1	5.9	8.9	537.4	573.3	6.7
Outflows	5.5	8.9	10.8	11.7	71.0	69.0	-2.7
<b>Current Account Balance</b>	<b>-70.5</b>	<b>-214.4</b>	<b>-274.2</b>	<b>-401.8</b>	<b>-1,772.6</b>	<b>-2,141.2</b>	<b>20.8</b>

Note: -- = Very large number

P = Provisional

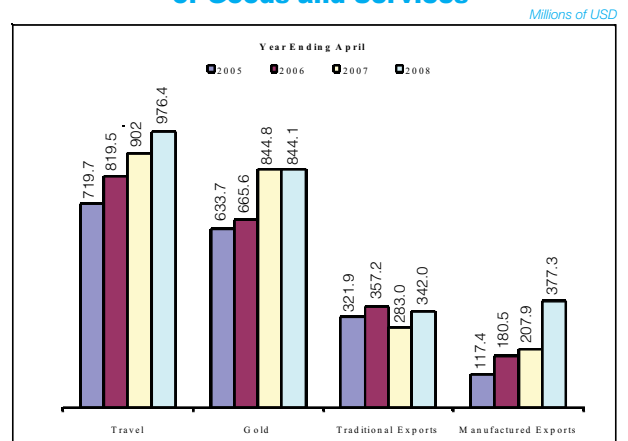
Totals may not add up due to rounding of numbers

Source: Bank of Tanzania

### Exports Performance

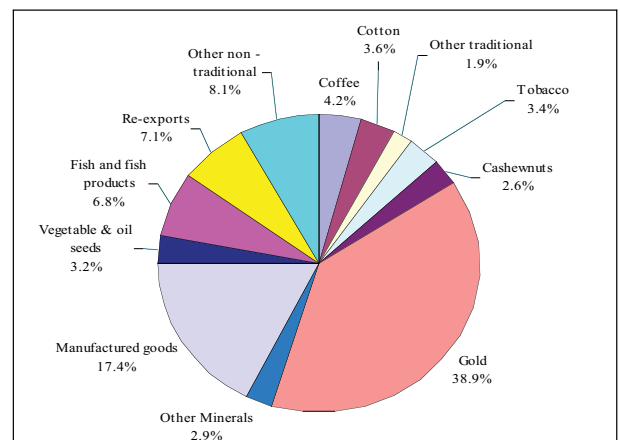
During the year ending April 2008, Tanzania exported goods and services worth USD 3,802.4 million compared with USD 3,406.8 million recorded in the corresponding period last year. As a share of total exports, travel<sup>1</sup> and gold receipts continued to dominate the export sector accounting for 42.6 percent and 39.2 percent, respectively. Chart 4.1 summarizes the performance of selected export items during the past four years.

**Chart 4.1: Tanzania: Contribution of Selected Items to Total Exports of Goods and Services**



Merchandise goods export increased by 15.0 percent to USD 2,080.3 million compared to USD 1,809.3 that was recorded in the year ending February 2007. This development is on account of the improved performance in both traditional and non-traditional exports. Gold continued to dominate by accounting for about 45 percent of non traditional exports followed by manufactured goods exports which accounted for about 21 percent (Chart 4.2).

**Chart 4.2: Tanzania: Contribution 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 April 2008, the value of traditional exports increased by 15.7 percent to USD 25.7 million mainly on account of an increase in the export volumes of coffee, cotton and tea. Regarding unit prices, all traditional crops with the exception

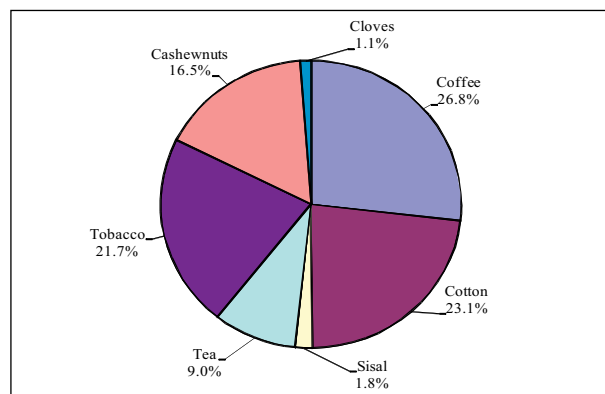


<sup>1</sup>Tourism is about 80 percent of travel

of coffee and cloves recorded increases consistent with the movement of commodity prices in the world market.

During the year ending April 2008, the value of traditional exports increased by 15.4 percent to USD 326.5 million, largely due to a significant increase in export volumes of cotton following favourable weather condition. Similarly, there was an increase in unit prices of all crops with the exception of tea and tobacco. For example, unit price for cashewnuts increased significantly to USD 728.1 per ton from USD 495.0 per ton recorded in the corresponding period in the previous year. This was partly due to a fall in the production by major suppliers namely, India and Vietnam. **Chart 4.3** depicts the Contribution of individual crops to total traditional exports.

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



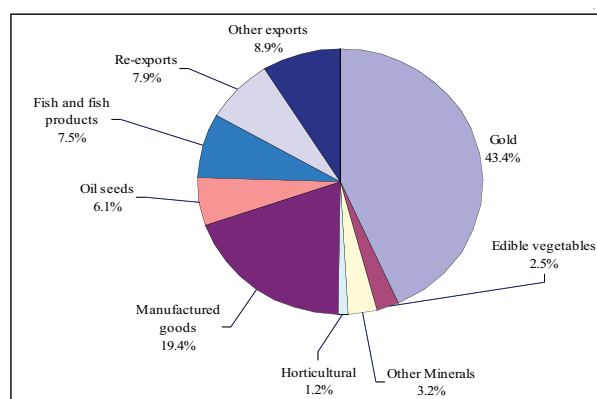
## Non-Traditional Exports

During the month under review, non-traditional exports increased to USD 155.2 million from USD 149.6 recorded in the previous month mainly on account of the increase in exports of minerals, manufactured goods and horticultural products.

On annual basis, non-traditional exports increased by 16.6 percent to USD 1,824.5 million. Much of the increase was due to the notable performance of the manufactured goods export which rose by 81.5 percent to USD 377.3 million in line with the growth of manufacturing activities in the country. In addition, other exports increased from USD 148.4 million last year to USD 221.7 million on account of a surge

in exports of oil seeds and edible vegetables, following an increase in production. On the other hand, gold exports, which accounted for about 50 percent of non-traditional exports decreased marginally to USD 884.1 million, following a decline in export volumes. While export volumes of Gold went down by 26.4 percent to 34.3 tons, prices of gold in the world market increased from USD 634.13 per troy ounce to USD 785.1 per troy ounce, recorded in the year ending April 2007. **Chart 4.4** shows the performance of non-traditional exports for the year ending April 2008.

**Chart 4.4: Contribution to Total Non-Traditional Exports for the Year Ending April 2008**



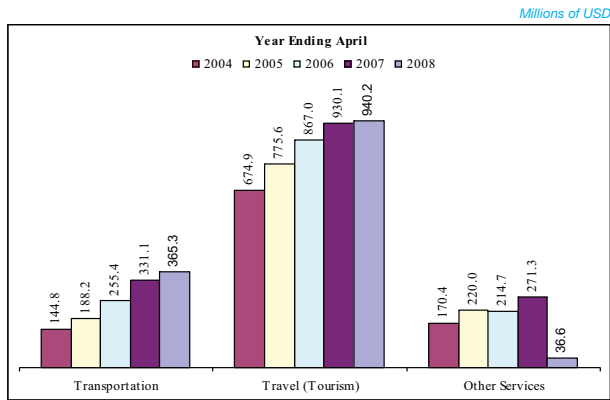
## Services Exports

During April 2008, export of services improved slightly to USD 132.2 million from USD 131.4 million recorded in the previous month. On annual basis, services receipts increased by 12.8 percent to USD 1,651.4 million following improvement in insurance, financial, other business and travel receipt. During the period under review, travel receipts increased to USD 920.6 million from USD 856.1 million recorded during the corresponding period a year earlier. 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 69.0 percent to USD 264.3 million in line with openness of the economy. Other business services include legal, accounting, consultancy, research and development and other technical and professional services (Chart 4.5).

**Chart 4.5: Service Receipts 2005 – 2008**



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

## Imports Performance

During the month under review, goods imports increased by 26.5 percent to USD 554.6 million. Capital goods import increased to USD 251.8 million from USD 158.5 million recorded in the previous month, mainly on account of the increase in importation of machinery, vehicles and railway equipment. The increase in importation of railway equipment is in line with the government's strategy of improving infrastructure in the country. Likewise, intermediate goods increased by 5.7 percent to USD 197.5 million, due to oil imports. Similarly, consumer goods went up by 13.2 percent to USD 105.4 million, largely on account of the rise in importation of other consumer goods, which include pharmaceutical, paper and plastic products (Table 4.2).

**Table 4.2: Tanzania Imports**

*Millions of USD*

Item	2007 <sup>P</sup>	2008 <sup>P</sup>		% Change		Year Ending April <sup>P</sup>		
	April	Mar	Apr	Apr 07 - Apr 08	Mar 08 - Apr 08	2007	2008	% Change
<b>Capital Goods</b>	<b>132.8</b>	<b>158.5</b>	<b>251.8</b>	<b>89.7</b>	<b>58.9</b>	<b>1,608.1</b>	<b>1,819.8</b>	<b>13.2</b>
Transport Equipments	26.9	50.9	68.0	152.6	33.7	381.5	545.6	43.0
Building and Constructions	28.3	45.6	48.9	72.7	7.3	375.7	430.7	14.6
Machinery	77.5	62.0	134.9	74.0	117.4	850.9	843.5	-0.9
<b>Intermediate Goods</b>	<b>159.4</b>	<b>186.8</b>	<b>197.5</b>	<b>23.9</b>	<b>5.7</b>	<b>1,694.6</b>	<b>2,026.2</b>	<b>19.6</b>
Oil imports	109.1	131.7	160.5	47.1	21.9	1,224.3	1,519.4	24.1
Fertilizers	1.2	3.3	1.0	-20.9	-70.5	53.9	60.4	12.1
Industrial raw materials	49.0	51.8	36.0	-26.6	-30.6	416.4	446.4	7.2
<b>Consumer Goods</b>	<b>92.1</b>	<b>93.1</b>	<b>105.4</b>	<b>14.3</b>	<b>13.2</b>	<b>959.9</b>	<b>1,072.0</b>	<b>11.7</b>
Food and food stuffs	33.1	20.3	18.5	-44.2	-9.1	268.7	266.7	-0.8
All other consumer goods <sup>1</sup>	59.1	72.8	86.9	47.1	19.4	691.1	805.3	16.5
<b>Grand Total (f.o.b)</b>	<b>384.3</b>	<b>438.4</b>	<b>554.6</b>	<b>44.3</b>	<b>26.5</b>	<b>4,262.5</b>	<b>4,917.9</b>	<b>15.4</b>
<b>Grand Total (c.i.f)</b>	<b>422.3</b>	<b>481.7</b>	<b>609.5</b>	<b>44.3</b>	<b>26.5</b>	<b>4,684.1</b>	<b>5,404.3</b>	<b>15.4</b>

Source: Bank of Tanzania and Tanzania Revenue Authority

Note:

Oil imports refers to refined petroleum products

P = provisional data

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

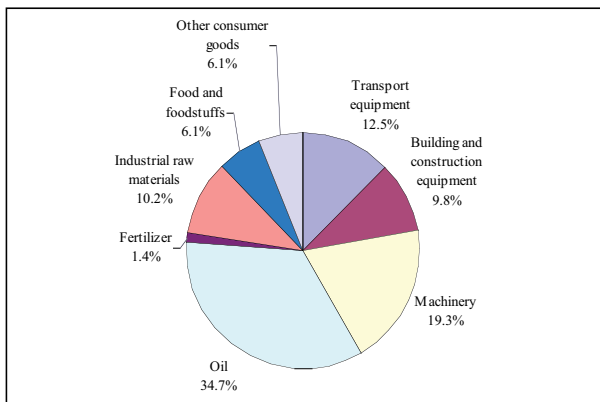
Totals may not add up due to rounding of numbers

On annual basis, goods import went up by 15.4 percent to USD 4,917.9 million. Capital goods imports increased from USD 1,608.1 million in the previous year to USD 1,819.8 million, following a surge in importation of transportation equipment, machinery, building and construction in line with the growth of economic activities in the mining, communication and manufacturing sectors.

Similarly, intermediate goods imports rose to USD 2,026.2 million from USD 1,694.6 million, following a significant increase in oil imports. The increase in the value of oil imports from USD 1,224.3 million to USD 1,519.4 million is largely attributable to a surge in oil prices in the World market, as well as increase in import volumes. During the review period, oil prices in the world market rose to an average of USD 789.8 per ton compared to the price of USD 602.03 per ton recorded in the previous year, while the volume of imported oil went down to 2,146,664 tons from 2,265,882 tons, in the same period. On the other hand, the increase in importation of industrial raw materials is largely associated with the growth of the manufacturing activities in the country following macroeconomic reforms. Consumer goods import increased by 11.7 percent to USD 1,072.0 million, largely due to an increase in goods other than food (Chart 4.6).



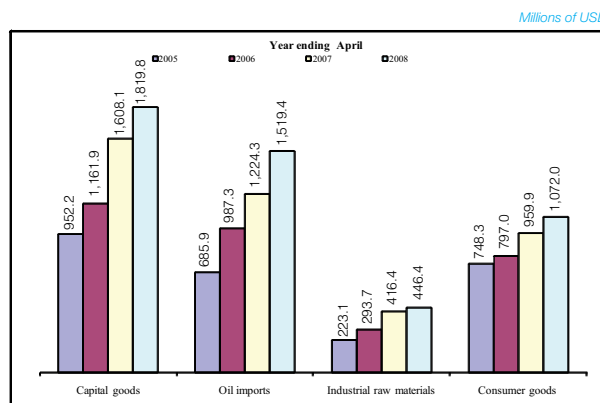
**Chart 4.6: Tanzania: Contribution to Total Imports for the Year Ending April 2008**



Source: Bank of Tanzania and Tanzania Revenue Authority

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**



Millions of USD

## Food Imports

In April 2008, total importation of maize, rice and wheat decreased to 27,928 tons, from 47,677 tons recorded in the previous month, mainly due to a sharp decline in importation of wheat (Table 4.3).

**Table 4.3: Summary of Food Imports**

Descriptions	2008				% Change (Mar-08 to Apr-08)
	Jan	Feb	Mar	Apr	
<b>Maize</b>					
Tons	2,953	1,680	259	9,669	3,633.2
Value (Mill. USD)	0.2	0.3	0.1	3.7	4,011.1
<b>Rice</b>					
Tons	352	1,464	9,092	18,259	100.8
Value (Mill. USD)	0.0	0.2	1.4	2.9	105.0
<b>Wheat</b>					
Tons	35,350	76,890	38,326	0	-100.0
Value (Mill. USD)	13.3	32.0	18.5	0.0	-100.0
<b>Total Tons</b>	<b>38,655.0</b>	<b>80,034.0</b>	<b>47,677.0</b>	<b>27,928.2</b>	<b>-41.4</b>
<b>Total Value (Mill. USD)</b>	<b>13.5</b>	<b>32.4</b>	<b>20.0</b>	<b>6.6</b>	<b>-67.1</b>

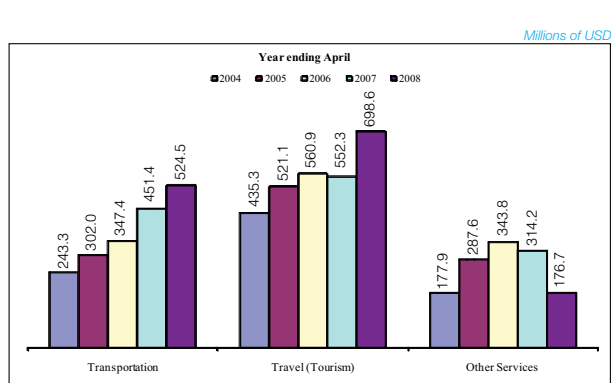
Source: Bank of Tanzania and Tanzania Revenue Authority

## Services Import

During April 2008, service payments increased to USD 146.8 million from USD 123.9 million recorded in the previous month, mainly on account of the transportation services payment.

On annual basis, service payments increased by 18.4 percent to USD 1,559.9 million, largely due to an increase in payments of freight, travel, insurance, government and other business services. While the increase in freight and insurance payments is in line with the increase in merchandise imports, the rise in other business services is 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**



Millions of USD

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

## World Commodity Prices Mixed

In April 2008, mixed developments were recorded in the world market prices of commodities (Table 4.4). The average prices of coffee Robusta and Arabica declined on account of expectation of bumper coffee harvest in Brazil and Vietnam. Similarly, the prices of cotton "A Index" and Memphis registered modest decreases on account of concerns of weak demand from China coupled with expectation of increase in production from the United States. On the other hand, the prices of tea rose following the decline in supply due to unfavourable weather condition in India. Moreover, strong demand for tea coupled with decrease in production



in Kenya, in the wake of post election political unrest added an upward pressure on price.

During the review period, the price of sisal remained unchanged, whereas, the prices of cloves declined slightly. The average prices of crude oil and white products rose modestly. The rise in oil prices was on account of increased demand from China and India and the ongoing violence in Nigeria, which is the largest crude oil producer in Africa and the 8th major producer in OPEC. As for gold, the price went down slightly.

On annual basis, all commodities recorded increases in price with the exception of cloves. The increases in prices of coffee, cotton and tea were largely a result of a rise in the demand. In particular, the increase in coffee prices was partly a result of the decline in the global coffee stocks due to the effect of biennial cycle on coffee production in Brazil. Apart from the increase in demand for cotton, there was a reduction in cotton acreage in US following farmers' decision to shift to maize production. During the year to April 2008, prices of oil increased significantly, partly on account of the decline in oil inventories in U.S and fear of supply disruptions on major oil exporting countries.

**Table 4.4: World Commodity Prices**

Commodity	Units	2008			% Change	Year Ending April			% Change
		Feb	Mar	Apr		2006	2007	2008	
Robusta Coffee	US \$ per kg	2.55	2.69	2.45	-8.92	1.24	1.62	2.15	32.72
Arabica Coffee	US \$ per kg	3.47	3.3	3.10	-6.06	2.50	2.53	2.93	15.81
Tea (Average price)	US \$ per kg	2.40	2.26	2.44	7.96	1.71	1.88	2.21	17.55
Tea (Mombasa auction)	US \$ per kg	2.42	2.1	2.19	4.29	1.66	1.84	1.86	1.09
Cotton, "A Index"	US \$ per kg	1.66	1.77	1.66	-6.21	1.25	1.27	1.53	20.55
Cotton, Memphis'	US \$ per kg	1.70	1.87	1.74	-6.95	1.32	1.34	1.57	17.38
Sisal (UG)	US \$ per metric ton	1,025.0	1,025.0	1,025.0	0.00	891.3	929.2	1,005.8	8.25
Cloves	US \$ per metric ton	4,500.0	5,200.0	5,000.0	-3.85	3,291.3	3,975.8	3,663.2	-7.86
Crude oil*	US \$ per barrel	93.39	101.84	108.76	6.79	58.53	63.09	84.28	33.59
Crude oil**	US \$ per barrel	89.96	96.78	103.47	6.91	54.81	61.15	80.60	31.81
White products***	US \$ per ton	860.61	952.57	1042.33	9.42	567.31	602.03	789.80	31.19
Jet/Kerosine	US \$ per ton	898.8	1027.15	1131.55	10.16	597.54	626.89	818.37	30.54
Premium Gasoline	US \$ per ton	825.45	856.76	938.45	9.53	563.60	611.99	776.01	26.80
Heat Oil	US \$ per ton	857.57	973.80	1057.00	8.54	540.78	567.22	775.03	36.64
Gold	US \$ per troy ounce	922.30	968.40	909.70	-6.06	491.71	634.13	785.04	23.80

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

\*\* f. o. b. Dubai

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

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

on account of exchange rate fluctuations and the recorded new disbursements. Out of the total debt stock, external debt accounted for 76.9 percent, while domestic debt accounted for the rest.

## External Debt

At the end of April 2008, the external debt stock amounted to USD 5,765.8 million representing an increase of 0.8 percent from USD 5,718.1 million registered at the end of the preceding month. Out of the amount, disbursed outstanding debt (DOD) was USD 4,399.3 million (65.8 percent), while interest arrears were USD 1,366.6 million (34.2 percent).

Analysis of the profile of DOD by creditor category indicates that, debt owed to multilateral institutions stood at USD 2,533.7 million (57.6 percent), while the amount of debt owed to bilateral creditors stood at USD 932.1 million (21.2 percent). Commercial and export credits amounted to USD 608.5 million (13.8 percent) and USD 324.9 million (7.4 percent), respectively.

In terms of borrower category, the Central Government remained the leading debtor with a debt amounting to USD 3,483.0 million (79.2 percent), followed by the private sector which was owed USD 747.2 million (17.0 percent) and parastatal companies with debt amounting to USD 169.1 million (3.8 percent).

During the month under review, new loans contracted and recorded amounted to USD 0.2 million, while the recorded new disbursements amounted to USD 16.5 million. External debt service payments during the month amounted to USD 5.8 million, out of which, principal repayments were USD 3.1 million and interest payments USD 2.7 million.

## Domestic Debt

The stock of domestic debt decreased by 1.9 percent from TZS 2,114.4 billion registered at the end of the preceding month to TZS 2,074.55 billion as at end of April 2008. The decrease is mainly due to the redeemed Government securities. Out of the total domestic debt stock, Government securities accounted for 99.6 percent.

## 5.0 National Debt Developments

The overall national debt stock stood at USD 7,493.0 million in April 2008 from USD 7,427.7 million reported in March, being an increase of 0.9 percent. The increase was mainly



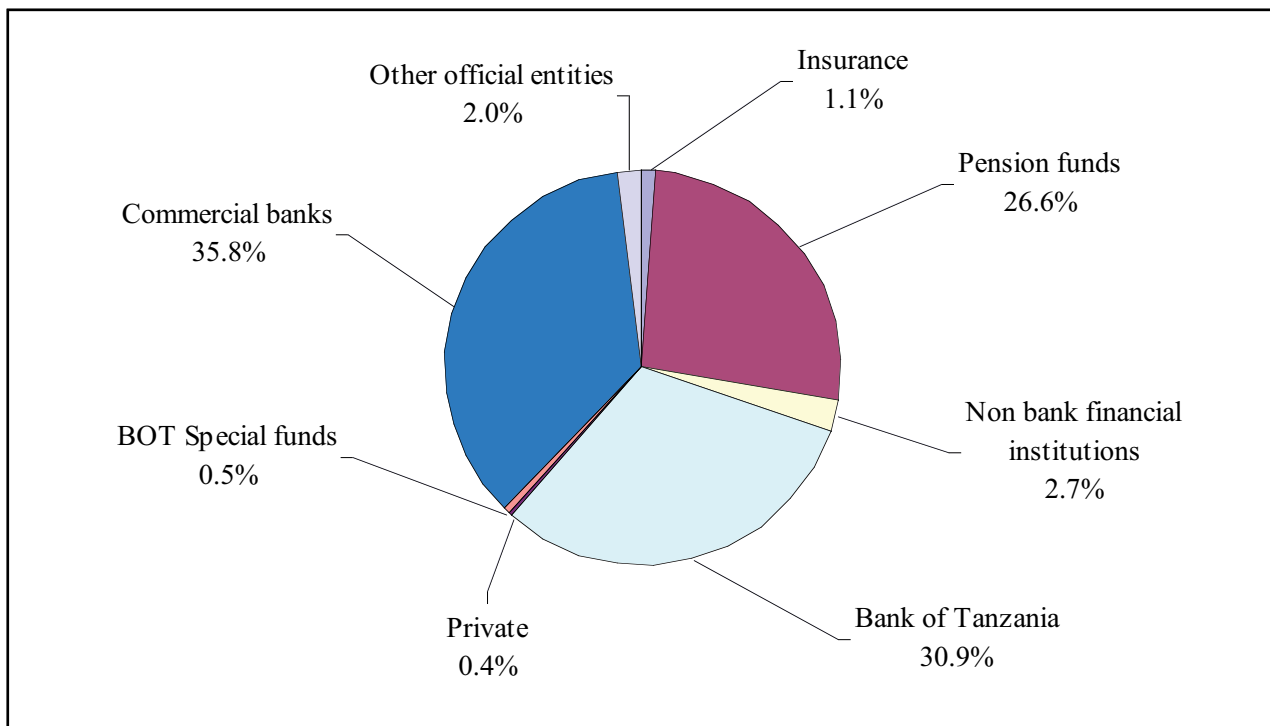
The profile of domestic debt by creditor category shows that commercial banks remained the leading creditors to the Union Government by holding 35.8 percent of the total domestic debt, followed by the Bank of Tanzania with 30.9 percent, while Pension Funds investments accounted for 26.6 percent. Non-Bank Financial Institutions, other official entities, and insurance companies were holding 2.7 percent, 2.0 percent and 1.1 percent respectively. The remaining portion of 0.9 percent was

held by private sector and BOT special fund (Chart 5.1).

### Domestic Debt Service

During the month under review domestic debt amounting to TZS 122.1 billion fell due for payment, out of which interest amounting to TZS 35.7 billion was paid while principal amounting to TZS 86.4 billion was rolled over.

**Chart 5.1: Government Domestic Debt by**



## 6.0 Economic Developments in Zanzibar

### Fiscal Performance

Government budgetary operations for the month of April 2008 registered budget deficit of TZS 1.3 billion, compared to TZS 2.2 billion in March 2008. Total resources amounted to TZS 13.3 billion, out of which domestic revenue amounted to TZS 9.9 billion and the rest were foreign grants. Total government expenditure reached TZS 15.3 billion down from TZS 16.8 billion registered in the preceding month. The budget deficit was exclusively financed by foreign sources.

#### Revenue Outturn Exceeded Target

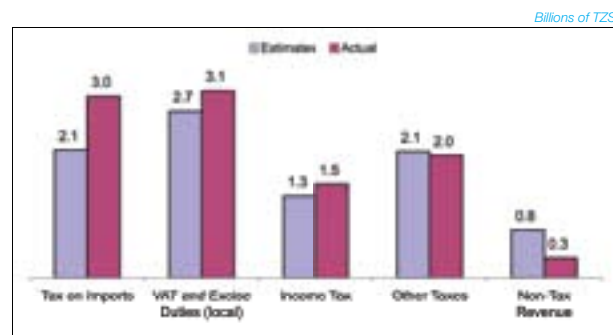
Total revenue collected amounted to TZS 9.9 billion, which was above the target of TZS 9.0 billion. Tax revenue reached TZS 9.6 billion, against the target of TZS 8.2 billion, while non-tax revenue amounted to TZS 0.3 billion.

Revenue performance by source category showed that, local VAT and excise duty collections remained the major source, accounting for 31.3 percent of the total revenue. Collections from this source exceeded the target of TZS 2.7 billion mainly due to receipt of VAT refunds from Tanzania Mainland. Tax on imports amounted to TZS 3.0 billion exceeding target of TZS 2.1 billion, on account of increased clearance of the Zanzibar bound containers from Dar es Salaam and Mombasa ports. Income tax collection amounted to TZS 1.5 billion, above the target of TZS 1.3 billion mainly due to increased collection of corporate and withholding taxes. Other taxes amounted to TZS 2.0 billion, slightly below the target of TZS 2.1 billion. Non-tax sources amounted to TZS 0.3 billion, below the target of TZS 0.8 billion due to under performance by ministries (Chart 6.1).

Cumulatively, total revenue collection from July 2007 to April 2008 reached TZS 92.4 billion, below the target of TZS 97.7 billion, amounting to 80.6 percent of the annual target.



**Chart 6.1: Government Revenue by Source – April 2008**



Source: Ministry of Finance and Economic Affairs, Zanzibar.

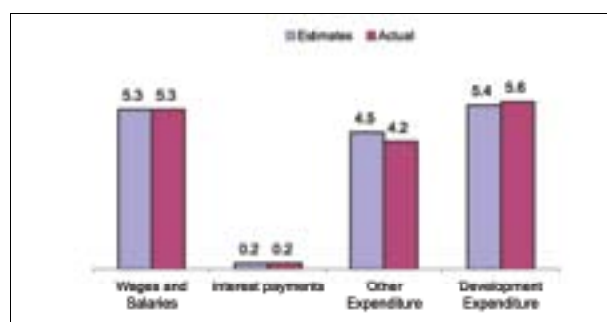
#### Expenditure Slightly below Target

During the month under review, total government expenditure amounted to TZS 15.3 billion slightly below the target of TZS 15.5 billion, mainly due to fluctuations of donor disbursements. Recurrent expenditure reached TZS 9.7 billion, below the target of TZS 10.0 billion, and accounted for 63.4 percent of the total expenditure. Expenditure on wages and salaries accounted for 54.6 percent of recurrent expenditure.

Development expenditure stood at TZS 5.6 billion, slightly above the target of TZS 5.4 billion and accounted for 36.6 percent of the total expenditure. Domestic resources accounted for 14.3 percent, while development partners accounted for 85.7 percent of the total development expenditure (Chart 6.2).

Cumulatively, total expenditure from July 2007 to April 2008 amounted to TZS 150.2 billion, representing 93.2 percent of the estimate for the period, and 56.3 percent of the estimate for the annual budget.

**Chart 6.2: Government Expenditure by Components – April 2008**



Source: Ministry of Finance and Economic Affairs-Zanzibar



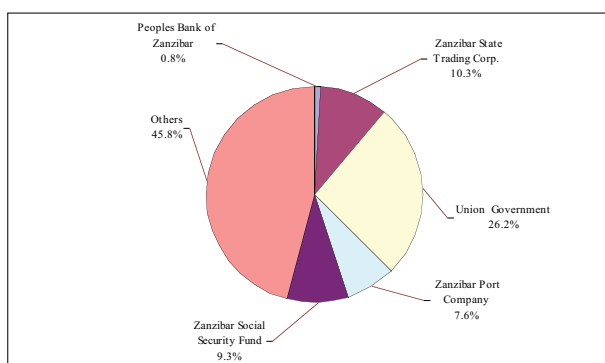
## Debt Developments

At the end of April 2008, Zanzibar debt in Shilling terms amounted to TZS 127.3 billion, slightly below TZS 130.0 billion recorded in March 2008. In US dollars, though, the debt increased to USD 106.0 million from USD 105.1 million, in the same period, reflecting movements in exchange rate. External debt amounted to TZS 75.4 billion (USD 62.8 million) accounting for 59.2 percent of the total debt, while domestic debt stood at TZS 51.8 billion (USD 43.2 million).

### Domestic Debt

During the period under review, domestic debt amounted to TZS 51.8 billion, marginally below TZS 51.7 billion recorded in March 2008. The main creditors remained suppliers and pensioners whose debt accounted for 45.8 percent of total domestic debt. The Union Government debt was TZS 13.6 billion, while Zanzibar State Trading Corporation (ZSTC) and Zanzibar Social Security Fund (ZSSF) debts were 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 6.3** shows percentage composition of domestic debt by creditor.

**Chart 6.3: Domestic Debt by Creditor as at End – April 2008**



Source: Ministry of Finance and Economic Affairs-Zanzibar

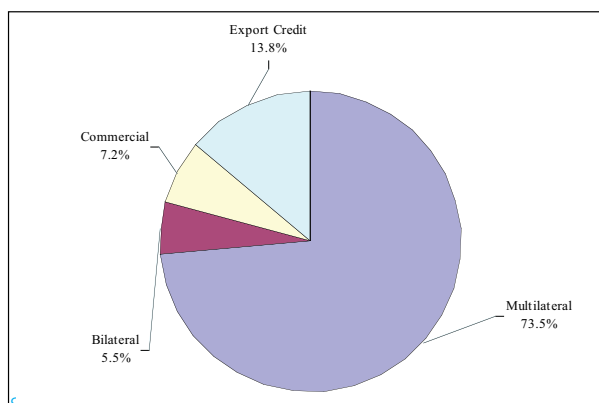
In terms of maturity, debts with “undetermined maturity” (largely gratuity and supplier’s claims) accounted for 59.1 percent of domestic debt. Debt maturing between 2 – 5 years was TZS 14.7 billion, or 28.3 percent of domestic debt, while debts maturing in less than a year stood at TZS 6.0 billion—12.6 percent of total domestic debt.

## External Debt

The Zanzibar external debt amounted to USD 62.8 million (TZS 75.4 billion) at the end of April 2008, compared to USD 63.3 million (TZS 78.3 billion) registered at the end of the preceding month. Debt guaranteed by the Union government stood at USD 46.9 million or 74.7 percent, while non-guaranteed debt amounted to USD 15.9 million or 25.3 percent of total external debt.

The multilateral debt amounted to USD 46.2 million, whereas bilateral debt amounted to USD 3.5 million. Commercial debt was USD 4.5 million, while export credit amounted to USD 8.7 million. **Chart 6.4** shows the percentage composition of external debt by creditor.

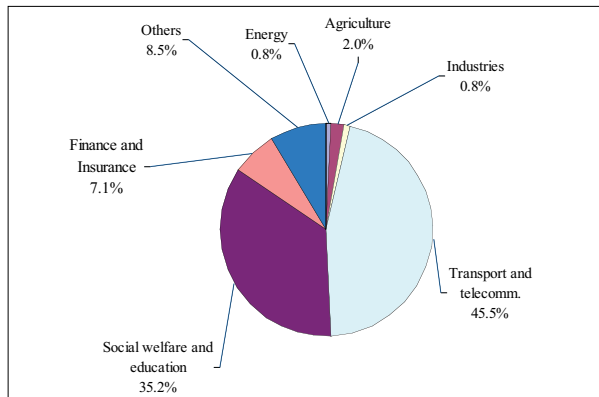
**Chart 6.4: External Debt by Creditor as at End – April 2008**



There were no new disbursements in April 2008 and therefore, the profile of external debt by end-use remained basically unchanged from the preceding month. Transport and telecommunications sectors maintained the lead with USD 28.7 million, while Social welfare and education sectors had USD 22.3 million. The amounts for other categories 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. Percentage composition of debt by end-use category is depicted in **Chart 6.5**.



**Chart 6.5: External Debt by Use of Funds as at End – April 2008**



Source: Ministry of Finance and Economic Affairs-Zanzibar

## External Sector Performance

### Current Account

Zanzibar current account for the period ending April 2008, registered a deficit of USD 8.2 million, up from USD 1.0 million, in the previous month. The downturn was associated with surge in imports bill, as well as fall in official subventions. Trade account deficit widened to USD 12.7 million, from USD 4.8 million for the month of March 2008.

On annual basis, the current account surplus amounted to USD 13.7 million, lower than USD 36.9 million, recorded in the corresponding period in 2007. The decline was linked with increase in goods imports. Goods account deficit widened to USD 74.1 million, compared to a deficit of USD 58.4 million registered during the corresponding period in 2007. The widening was largely due to substantial rise in costs of importation of oil and food and foodstuff. The deficit was financed by surplus from services account supplemented by official inflows (Table 6.1).

**Table 6.1: Zanzibar Current Account Balance**

*Millions of US\$*

Item	2007		2008 <sup>p</sup>		Year Ending April			% Change	
	Apr	Mar	Apr	2006	2007	2008 <sup>p</sup>	Monthly	Annual	
<b>Goods Account (net)</b>	-6.1	-4.8	-12.7	-66.4	-58.4	-74.1	163.6	27.0	
Exports	0.3	0.8	0.8	12.1	14.8	15.4	-0.2	3.7	
Imports (fob)	6.4	5.6	13.5	78.5	73.2	89.5	140.0	22.3	
<b>Services Account (net)</b>	7.3	1.3	1.8	16.6	43.2	30.0	44.0	-30.6	
Receipts	9.2	4.7	4.8	78.8	94.3	80.1	1.5	-15.1	
Payments	1.9	3.5	3.0	62.2	51.0	50.0	-13.8	-2.0	
<b>Goods and Services (net)</b>	1.2	-3.6	-10.9	-49.8	-15.1	-44.1	205.7	191.3	
Exports of Goods and Services	9.6	5.5	5.6	90.9	109.1	95.4	1.2	-12.5	
Imports of Goods and Services	8.3	9.1	16.5	140.7	124.2	139.5	81.3	12.3	
<b>Income Account (net)</b>	0.01	-0.40	-0.15	0.35	0.27	-0.79	-61.7	-389.8	
Receipts	0.01	0.01	0.02	0.36	0.32	0.15	100.0	-54.4	
Payments	0.00	0.41	0.17	0.00	0.05	0.93	-5.7		
<b>Current Transfers (net)</b>	6.9	2.9	2.8	47.2	51.7	58.6	-4.2	13.3	
Inflows	6.9	2.9	2.8	47.2	51.7	58.6	-4.2	13.3	
Outflows	0.0	0.0	0.0	0.0	0.0	0.0			
<b>Current Account Balance</b>	8.1	-1.0	-8.2	-2.3	36.9	13.7	706.5	-62.8	

Source: Tanzania Revenue Authority  
 p= Provisional

### Exports Performance

During the month under review, total export receipts amounted to USD 5.6 million, slightly above USD 5.5 million in March 2008. This performance was largely in response to increase in services receipts. Cloves exports amounted to USD 0.1 million, while tourism related activities fetched USD 4.8 million, representing 85.7 percent of total exports.

On annual basis, total exports dropped to USD 95.4 million in the year ending April 2008, from USD 109.1 million in the preceding year, mainly due to a decline in service receipts. Service receipts decreased to USD 80.1 million from USD 94.3 million, and accounted for 84.0 percent of total exports. Clove exports declined both in volume and value fetching USD 4.1 million or 4.3 percent of total exports. Export of seaweeds increased to USD 2.5 million, up from USD 1.7 million. Manufactured goods exports were USD 3.8 million during the year ending April 2008, while fish and fish products amounted to USD 0.2 million (Table 6.2).



**Table 6.2: Zanzibar Exports by Major Categories**

*Millions of US\$*

Commodity	2007		2008 <sup>p</sup>		Year Ending April			% Change	
	Apr	Mar	Apr	2006	2007	2008 <sup>p</sup>	Monthly	Annual	
<b>Traditional Exports:</b>									
<b>Cloves</b>									
Value	0.03	0.08	0.10	9.3	9.6	4.1	18.1	-57.7	
Volume	0.01	0.02	0.03	3.2	3.0	1.1	19.0	-64.5	
Unit Price	2,857.1	3,952.4	3,919.7	2,927.8	3,209.8	3,823.0	-0.8	19.1	
<b>Sub Total</b>	<b>0.03</b>	<b>0.1</b>	<b>0.1</b>	<b>9.3</b>	<b>9.6</b>	<b>4.1</b>	<b>18.1</b>	<b>-57.7</b>	
<b>Non-Traditional Exports:</b>									
<b>Seaweeds</b>									
Value	0.15	0.37	0.20	1.83	1.71	2.50	-44.9	46.0	
Volume	0.68	1.41	0.73	9.14	7.98	10.03	-48.1	25.7	
Unit Price	222.7	262.4	278.5	199.92	214.20	248.93	6.1	16.2	
Manufactured Goods	0.11	0.12	0.19	0.18	2.37	3.81	61.0	61.1	
Fish and Fish Produce	0.00	0.01	0.00	0.30	0.24	0.23	-93.8	-2.0	
Horticultural produce	0.00	-	-	-	-	-	-	-	
Others Exports	0.04	0.23	0.32	0.54	0.88	4.75	38.5	437.4	
<b>Sub Total</b>	<b>0.3</b>	<b>0.7</b>	<b>0.7</b>	<b>2.8</b>	<b>5.2</b>	<b>11.3</b>	<b>-2.3</b>	<b>117.3</b>	
<b>Grand Total</b>	<b>0.3</b>	<b>0.8</b>	<b>0.8</b>	<b>12.1</b>	<b>14.8</b>	<b>15.4</b>	<b>-0.2</b>	<b>3.7</b>	

Note: Unit Price in USD/Ton, Value in Millions of USD, Volume in "000" Tons  
p = provisional  
Source: Tanzania Revenue Authority

## Goods Imports

Goods imports (c.i.f) during April 2008 rose to USD 14.8 million, from USD 6.1 million registered in March 2008. The significant increase was linked with the rise in all import categories. Capital goods imports amounted to USD 6.9 million, up from USD 2.7 million, driven by surge in imports of transport equipment, notably motor vehicles. Oil imports rose to USD 3.0 million, reflecting increases in both volume and price, while consumer goods imports increased to USD 4.0 million.

On annual basis, goods imports (c.i.f) increased to USD 98.3 million, from USD 80.4 million recorded in the year ended in April 2007. The increase came from all import categories, with capital goods amounting to USD 44.3 million, up from USD 39.7 million. The increase in capital goods was notable in transport equipment. Intermediate goods imports went up to USD 31.3 million from USD 21.3 million, linked with surge in oil import bill. Imports of food and foodstuffs increased to USD 9.7 million from USD 4.7 million, mainly on account of rice imports following tax exemption (Table 6.3).

**Table 6.3: Zanzibar Imports by Major Categories**

*Millions of US\$*

Import Category	2007		2008 <sup>p</sup>		Year Ending April			%Change	
	Apr	Mar	Apr	2006	2007	2008 <sup>p</sup>	Monthly	Annual	
<b>Capital Goods</b>	<b>5.3</b>	<b>2.7</b>	<b>6.9</b>	<b>33.4</b>	<b>39.7</b>	<b>44.3</b>	<b>160.3</b>	<b>11.5</b>	
Transport Equipment	1.9	1.6	3.5	9.7	11.3	21.3	116.1	89.0	
Building and Constructions	0.7	0.2	0.7	7.9	11.7	8.0	205.0	-31.6	
Machinery	2.7	0.8	2.6	15.8	16.7	14.9	238.9	-10.5	
<b>Intermediate Goods</b>	<b>0.3</b>	<b>1.0</b>	<b>3.9</b>	<b>27.1</b>	<b>21.3</b>	<b>31.3</b>	<b>282.7</b>	<b>46.7</b>	
Oil imports	0.01	0.0	3.0	22.4	15.3	24.0	56.5	56.5	
Industrial raw materials	0.3	1.0	0.9	4.7	6.0	7.3	-15.8	22.2	
<b>Consumer Goods</b>	<b>1.5</b>	<b>2.4</b>	<b>4.0</b>	<b>25.8</b>	<b>19.4</b>	<b>22.8</b>	<b>67.4</b>	<b>17.4</b>	
Food and food stuffs	0.3	1.6	2.3	13.7	4.7	9.7	47.2	104.5	
All other consumer goods	1.2	0.8	1.7	12.1	14.7	13.1	106.0	-10.7	
<b>Grand Total (c.i.f)</b>	<b>7.1</b>	<b>6.1</b>	<b>14.8</b>	<b>86.3</b>	<b>80.4</b>	<b>98.3</b>	<b>143.8</b>	<b>22.3</b>	
<b>Grand Total (f.o.b)</b>	<b>6.4</b>	<b>5.5</b>	<b>13.5</b>	<b>78.5</b>	<b>73.2</b>	<b>89.5</b>	<b>143.8</b>	<b>22.3</b>	

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

## Services Account

During April 2008, services account surplus increased to USD 1.8 million from USD 1.3 million in the preceding month. Service receipts rose to USD 4.8 million from USD 4.7 million, while payments declined to USD 3.0 million from USD 3.5 million. Travel receipts amounted to USD 3.5 million, accounting for 62.5 percent of services receipts, whereas travel payments stood at USD 1.7 million, accounting for 57.7 percent of total foreign payments.

On year-to-year basis, the services account surplus fell to USD 30.0 million, from USD 43.2 million in the year ending April 2007. Total service receipts declined to USD 80.1 million from USD 94.3 million recorded in the same period, while service payments also declined to USD 50.0 million from USD 51.0 million.

Travel receipts declined to USD 63.7 million from USD 80.8 million, being 79.5 percent of total service receipts, while travel payments amounted to USD 36.9 million, accounting for 73.8 percent of total service payments.



## STATISTICAL TABLES



Table A1: Selected Economic Indicators

Item	Unit	2000	2001	2002	2003	2004	2005	2006 <sup>p</sup>
<b>1. National Accounts and Prices</b>								
1.1 Change in GDP at Factor Cost--Current Prices	Percent	12.2	13.7	14.1	12.8	15.4	15.3	14.8
1.2 Change in GDP at Factor Cost--Constant 1992 Prices <sup>2</sup>	Percent	4.9	5.7	6.2	5.7	6.7	6.7	6.2
1.3 GDP Per Capita--Current Prices <sup>1</sup>	TZS	210,231.0	231,751.0	258,925.0	287,027.0	321,283.0	360,965.0	399,554.0
1.4 GDP Per Capita--Current Prices <sup>1</sup>	US\$	262.7	264.4	267.9	276.4	294.9	319.8	n.a
1.5 Change in Consumer Price Index (Inflation)	Percent	5.9	5.2	4.5	3.5	4.1	4.4	6.2
1.6 Saving to GNDI Ratio <sup>3*</sup>	Percent	11.6	11.1	12.7	11.8	12.3	12.5	na
<b>2. Money Credit and Interest Rates</b>								
2.1 Change in Extended Broad Money Supply (M3)**	Percent	14.8	17.1	25.1	16.6	19.3	38.2	22.0
2.2 Change in Broad Money Supply (M2)***	Percent	12.5	12.8	22.3	14.2	19.2	36.9	13.7
2.3 Change in Narrow Money Supply (M1)	Percent	9.9	10.2	25.2	16.1	18.2	33.7	9.8
2.4 Change in Reserve Money	Percent	9.4	5.0	19.1	12.6	23.6	27.7	16.8
2.5 Total Credit to GDP Ratio <sup>1</sup>	Percent	9.8	7.6	8.8	8.7	8.5	9.4	12.0
2.6 Private Sector Credit to GDP Ratio <sup>1</sup>	Percent	4.6	4.9	6.1	5.2	8.9	11.0	12.5
2.7 Ratio of Private Credit to Total Credit	Percent	46.6	63.7	69.2	98.4	104.7	84.6	103.9
2.8 Average Deposit Rate (12-Month)	Percent	8.6	6.0	5.7	5.0	5.8	6.2	8.3
2.9 Weighted Average Treasury Bill Rate	Percent	5.7	3.9	4.5	7.7	9.6	10.8	15.0
2.10 Average Medium- and Long-Term Lending Rate	Percent	21.2	15.8	13.2	12.5	14.0	15.5	15.6
<b>3. Balance of Payments****</b>								
3.1 Exports (f.o.b)	Mill. US\$	733.7	851.3	979.6	1,216.1	1,473.1	1,675.8	1,723.0
3.2 Imports (f.o.b)	Mill. US\$	-1,367.6	-1,560.3	-1,511.3	-1,933.5	-2,482.8	-2,997.6	-3,864.1
3.3 Trade Balance	Mill. US\$	-633.9	-709.0	-531.8	-717.3	-1,009.8	-1,321.8	-2,141.1
3.4 Balance on Current Account	Mill. US\$	-461.3	-200.0	83.6	-87.5	-383.3	-881.6	-1,510.7
3.5 Overall Balance	Mill. US\$	-36.9	-167.5	317.9	389.1	206.0	-197.2	-138.5
3.7 Gross Official Reserves	Mill. US\$	974.4	1,156.6	1,529.0	2,037.8	2,296.1	2,048.4	2,260.1
3.8 Reserves Months of Imports (of goods and services)	Months	5.7	6.3	8.6	9.2	8.0	5.8	5.3
3.9 Exchange Rate:								
3.9.1 Annual Average	TZS/US\$	800.4	876.4	966.6	1,038.6	1,089.3	1,128.8	1,251.9
3.9.2 End of Period	TZS/US\$	803.3	916.3	976.3	1,063.6	1,043.0	1,165.5	1,261.6
<b>4 Population (TZ Mainland)</b>	<b>Million</b>	<b>31.9</b>	<b>32.1</b>	<b>33.6</b>	<b>34.2</b>	<b>35.3</b>	<b>36.19</b>	<b>37.5</b>
<b>5. Public Finance</b>			<b>2000/01</b>	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06*</b>
5.1 Current Revenue to GDP Ratio <sup>1</sup>	Percent		12.2	11.8	12.1	12.6	13.3	13.6
5.2 Grants to GDP Ratio <sup>1</sup>	Percent		3.7	4.3	6.2	6.0	7.4	6.7
5.2 Current Expenditure to GDP Ratio <sup>1</sup>	Percent		13.1	12.6	14.8	15.4	15.1	17.5
5.3 Development Expenditure to GDP Ratio <sup>1</sup>	Percent		3.7	3.9	5.0	6.4	8.6	8.0
5.4 Deficit to GDP Ratio (excluding grants) <sup>1</sup>	Percent		-4.8	-4.8	-7.7	-9.2	-10.4	-11.5
5.5 Deficit to GDP Ratio (including grants) <sup>1</sup>	Percent		-1.1	-0.5	-1.5	-3.1	-3.0	-5.5
<b>6. Total External Debt Stock</b>	<b>Mill. US\$</b>		<b>7,482.1</b>	<b>7,464.0</b>	<b>7,268.1</b>	<b>7,857.0</b>	<b>8,134.8</b>	<b>7,931.8</b>
Disbursed Debt	Mill. US\$		6,312.2	6,559.7	6,233.0	6,678.3	6,799.5	6,743.6
Interest	Mill. US\$		1,169.9	904.3	1,035.1	1,178.7	1,335.3	1,188.2
Total External Debt as % of GDP	Percent		80.7	78.5	75.9	83.5	77.5	72.0

**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

p Provisional

\* Revised from 2001

\*\* Revised 2003

\*\*\* revised 2001-2002

\*\*\*\* revised from 2000

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



Table A2: Central Government Operations -Monthly Flows

Millions of TZ\$

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
<b>Total Revenue</b>	<b>3,502,583.0</b>	<b>262,189.8</b>	<b>275,917.4</b>	<b>326,363.8</b>	<b>284,598.3</b>	<b>269,707.4</b>	<b>340,260.8</b>	<b>286,549.5</b>	<b>274,655.6</b>	<b>329,330.6</b>	<b>314,155.5</b>
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
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
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
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
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
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
<b>Non-tax Revenue</b>	<b>314,168.0</b>	<b>24,600.1</b>	<b>24,878.1</b>	<b>14,114.0</b>	<b>21,738.3</b>	<b>9,168.0</b>	<b>12,575.8</b>	<b>18,422.0</b>	<b>27,392.6</b>	<b>19,140.7</b>	<b>47,085.4</b>
<b>Total Expenditure /1</b>	<b>5,998,082.5</b>	<b>338,712.1</b>	<b>703,789.7</b>	<b>571,464.2</b>	<b>430,611.5</b>	<b>415,991.4</b>	<b>419,938.1</b>	<b>497,304.2</b>	<b>370,411.8</b>	<b>399,192.5</b>	<b>339,958.6</b>
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
Roadtoll fund		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
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	93,499.0	94,959.5	95,133.7	95,501.1
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
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
Foreign	36,000.0	264.9	116.3	2,583.8	2,135.0	1,993.1	2,954.7	1,909.9	584.2	4,060.4	2,439.4
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	124,800.7	104,944.1
<b>Dev. Expenditure and net lending</b>	<b>2,201,096.3</b>	<b>128,290.6</b>	<b>440,394.3</b>	<b>286,141.8</b>	<b>122,356.8</b>	<b>163,817.4</b>	<b>189,276.6</b>	<b>123,277.0</b>	<b>72,620.2</b>	<b>169,316.3</b>	<b>101,336.8</b>
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
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	91,336.8
<b>Overall Balance (cheque issued) before Grants</b>	<b>-2,495,499.5</b>	<b>-76,522.3</b>	<b>-427,872.3</b>	<b>-245,100.4</b>	<b>-146,013.2</b>	<b>-146,284.0</b>	<b>-79,677.3</b>	<b>-210,754.7</b>	<b>-95,756.2</b>	<b>-69,861.9</b>	<b>-25,803.1</b>
<b>Grants</b>	<b>1,690,873.0</b>	<b>468,160.9</b>	<b>53,979.5</b>	<b>116,704.1</b>	<b>59,141.6</b>	<b>121,792.1</b>	<b>154,979.6</b>	<b>9,798.4</b>	<b>6,672.6</b>	<b>31,427.3</b>	<b>20,588.6</b>
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
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	7,452.2
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	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
<b>Overall defic.(cheq.issued) after Grants</b>	<b>-804,626.5</b>	<b>391,638.6</b>	<b>-373,892.8</b>	<b>-128,396.3</b>	<b>-86,871.6</b>	<b>-24,491.9</b>	<b>75,302.4</b>	<b>-200,956.3</b>	<b>-89,083.6</b>	<b>-38,434.6</b>	<b>-5,214.5</b>
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
Adjustments to cash and other items ( net)	0	90,031	51,112	70,465	-66,655	-55,794	-48,455	71,976	-17,066	-91,196	-69,500.6
<b>Overall Balance (cheques issued)</b>	<b>-804,626.5</b>	<b>295,084.0</b>	<b>-335,584.1</b>	<b>-67,755.8</b>	<b>-165,435.9</b>	<b>-91,055.1</b>	<b>17,332.6</b>	<b>-142,387.3</b>	<b>-119,057.7</b>	<b>-137,657.4</b>	<b>-82,742.3</b>
<b>Financing:</b>	<b>804,626.5</b>	<b>-295,084.0</b>	<b>335,584.1</b>	<b>67,755.8</b>	<b>165,435.9</b>	<b>91,055.1</b>	<b>-17,332.6</b>	<b>142,387.3</b>	<b>119,057.7</b>	<b>137,657.4</b>	<b>82,742.3</b>
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	77,292.4
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	83,884.6
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
Development Project loans	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
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	53,464.2
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
<b>Domestic (net)</b>	<b>-13,990.2</b>	<b>-418,307.5</b>	<b>-2,305.5</b>	<b>-285,230.1</b>	<b>95,898.1</b>	<b>45,804.4</b>	<b>-60,795.1</b>	<b>67,531.8</b>	<b>87,614.2</b>	<b>33,660.9</b>	<b>5,449.9</b>
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
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
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
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
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

**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	Domestic assets (net)										Domestic credit (net)					Broad Money			Extended Broad Money					Memorandum item:							
	Foreign assets		Claims on government		Claims on private sectors*		Other items		TOTAL sum (2-5) or sum (9-13)		TOTAL sum (9, 10)		Currency in circulation outside banks		Demand deposits		Time deposits		Savings deposits		Foreign currency deposits		TOTAL sum (9, 15)		of which: CB Reserves						
	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28				
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	123,826.0	164,026.7	556,430.9	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4
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	164,026.7	556,430.9	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4	
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	556,430.9	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	584,369.1	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
2002	1,558,627.1	264,608.6	570,668.3	-346,221.0	2,047,683.1	1,507,387.5	958,786.6	495,445.6	463,340.0	223,898.7	324,701.2	403,063.7	584,369.1	172,730.2	584,369.1	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
2003	2,182,072.0	12,937.0	817,125.2	-623,818.1	2,388,316.1	1,721,109.9	1,113,379.1	553,045.8	560,333.3	230,958.8	376,771.9	667,206.2	783,309.0	230,263.2	783,309.0	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
2004	2,379,909.3	-47,719.7	1,060,077.3	-544,146.8	2,848,120.0	2,050,886.0	1,315,739.4	664,148.0	651,591.3	276,396.4	458,750.2	797,234.1	967,776.0	303,923.2	967,776.0	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	303,923.2	1,236,080.6	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,443,529.9	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,879,108.2	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	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	1,247,662.8	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
February	2,867,860.1	594,599.8	1,480,714.0	-869,618.0	4,073,555.9	2,809,757.6	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	1,285,897.7	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	807,153.5	921,926.7	444,629.8	662,513.0	1,272,783.3	1,303,762.4	496,608.9	1,303,762.4	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,299,704.4	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,296,486.6	489,722.5	1,296,486.6	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	691,508.3	1,353,522.6	1,296,486.6	440,306.2	1,296,486.6	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,409,178.7	1,409,685.8	495,545.3	1,409,685.8	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,412,975.7	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,411,671.7	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,534,636.5	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,514,717.0	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,443,529.9	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
2007-Jan	3,535,953.5	64,257.8	2,044,818.9	-790,561.0	4,854,469.3	3,239,482.0	1,960,407.5	968,717.6	991,689.9	473,156.3	805,918.2	1,614,987.2	1,576,593.5	607,875.9	1,576,593.5	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,549,845.2	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,255.6	230,263.2	303,923.2	467,944.0	1,715,610.0	1,879,108.2	1,443,529.9	1,443,529.9	714,923.4		
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	1,476,908.9	304,077.9	403,063.7	584,369.1	695,701.2	540,296.5	200,25										

Table A4 : Interest Rate Structure

Item	Percent													
	2007 <sup>P</sup>											2008		
	Jan	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>A: Domestic Currency</b>														
<b>1 Interbank Cash Market Rates</b>														
Overnight	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
2 to 7 days	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
8 to 14 days	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
15 to 30 days	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
31 to 60 days	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
61 to 90 days	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
91 to 180 days	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
181 and above	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
Overall Interbank cash market rate	<b>7.59</b>	<b>9.69</b>	<b>6.42</b>	<b>7.24</b>	<b>10.46</b>	<b>12.11</b>	<b>12.27</b>	<b>18.92</b>	<b>9.67</b>	<b>5.83</b>	<b>6.74</b>	<b>4.81</b>	<b>4.24</b>	<b>4.12</b>
<b>2 Lombard Rate</b>	<b>11.28</b>	<b>14.46</b>	<b>9.63</b>	<b>10.01</b>	<b>14.69</b>	<b>18.07</b>	<b>18.11</b>	<b>27.97</b>	<b>15.29</b>	<b>8.19</b>	<b>9.90</b>	<b>7.18</b>	<b>5.72</b>	<b>5.50</b>
<b>3 REPO Rate</b>	<b>6.88</b>	<b>6.88</b>	<b>5.27</b>	<b>6.25</b>	<b>9.10</b>	<b>11.02</b>	<b>11.56</b>	<b>11.34</b>	<b>7.36</b>	<b>5.13</b>	<b>6.60</b>	<b>4.79</b>	<b>3.82</b>	<b>3.67</b>
<b>4 Treasury Bills Rates</b>														
35 days	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
91 days	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
182 days	16.40	16.84	13.84	16.74	16.23	15.83	16.37	16.62	12.96	10.15	10.33	8.02	7.03	6.90
364 days	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
Overall Treasury bills rate	<b>15.99</b>	<b>16.41</b>	<b>13.49</b>	<b>17.07</b>	<b>15.41</b>	<b>15.11</b>	<b>15.59</b>	<b>16.42</b>	<b>12.45</b>	<b>11.40</b>	<b>10.89</b>	<b>8.37</b>	<b>7.39</b>	<b>7.05</b>
<b>5 Treasury Bonds:</b>														
2-years	19.23	<b>17.56</b>	15.96	18.25	17.67	18.91	20.07	17.29	14.99	14.97	14.97	14.97	14.97	12.23
5-years	16.21	<b>18.20</b>	17.41	18.37	17.31	19.43	20.54	18.69	17.60	17.60	16.81	16.81	14.49	14.49
7-years	20.69	<b>19.90</b>	17.41	18.58	18.50	20.43	19.25	18.80	17.90	18.15	18.15	17.18	17.18	17.18
10-years	18.51	<b>18.03</b>	16.29	17.48	17.52	19.63	19.92	20.28	17.87	17.68	17.68	17.68	17.68	17.68
<b>6 Discount Rate</b>	<b>20.58</b>	<b>21.41</b>	<b>18.93</b>	<b>21.42</b>	<b>21.05</b>	<b>20.11</b>	<b>20.59</b>	<b>21.42</b>	<b>17.44</b>	<b>16.40</b>	<b>15.89</b>	<b>13.36</b>	<b>12.39</b>	<b>12.08</b>
<b>7 Savings Deposit Rate</b>	<b>2.57</b>	<b>2.42</b>	<b>2.60</b>	<b>2.63</b>	<b>2.70</b>	<b>2.71</b>	<b>2.62</b>	<b>2.59</b>	<b>2.61</b>	<b>2.75</b>	<b>2.66</b>	<b>2.64</b>	<b>2.64</b>	<b>2.75</b>
<b>8 Time Deposits Rates:</b>														
Call Accounts	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
1 month	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
2 months	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
3 months	7.48	7.90	8.90	8.61	8.59	8.78	8.89	9.50	9.25	9.34	9.63	10.10	9.00	8.69
6 months	8.85	9.54	9.45	9.31	9.97	9.99	8.82	9.30	10.22	8.71	10.00	9.10	9.89	9.93
12 months	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
24 months	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
<b>9 Negotiated Deposit Rates</b>	<b>7.33</b>	<b>8.45</b>	<b>8.18</b>	<b>8.65</b>	<b>8.91</b>	<b>9.82</b>	<b>9.83</b>	<b>10.61</b>	<b>10.96</b>	<b>11.04</b>	<b>10.72</b>	<b>10.52</b>	<b>10.29</b>	<b>11.20</b>
<b>10 Lending rates:</b>														
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
Short-term (up to 1 year)	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	13.96
Medium-term (1-2 years)	16.77	16.58	16.67	17.01	17.15	16.94	16.84	16.86	16.79	16.60	16.72	15.80	16.11	15.62
Medium-term (2-3 years)	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	13.63
Long-term (3-5 years)	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	15.32
Term Loans (over 5 years)	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	13.24
<b>11 Negotiated Lending Rates</b>	<b>11.74</b>	<b>10.81</b>	<b>10.18</b>	12.20	<b>12.14</b>	<b>12.63</b>	<b>11.91</b>	<b>11.89</b>	<b>11.68</b>	<b>11.98</b>	<b>11.50</b>	<b>11.76</b>	<b>11.82</b>	<b>12.77</b>
<b>B: Foreign Currency</b>														
<b>1 Deposits Rates</b>														
Savings Deposits	<b>1.47</b>	<b>0.63</b>	<b>0.81</b>	<b>0.82</b>	<b>1.40</b>	<b>1.43</b>	<b>1.71</b>	<b>1.75</b>	<b>1.65</b>	<b>1.60</b>	<b>1.86</b>	<b>1.61</b>	<b>1.43</b>	<b>1.74</b>
Time Deposits	<b>2.90</b>	<b>2.95</b>	<b>2.83</b>	<b>2.73</b>	<b>2.61</b>	<b>2.86</b>	<b>3.54</b>	<b>4.08</b>	<b>4.69</b>	<b>4.27</b>	<b>4.58</b>	<b>4.63</b>	<b>4.62</b>	<b>4.87</b>
1-months	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
2-months	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
3-months	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
6-months	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	6.95
12-months	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
<b>2 Lending Rates</b>														
Short-term (up to 1 year)	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
Medium-term (1-2 years)	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
Medium-term (2-3 years)	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
Long-term (3-5 years)	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
Term Loans (over 5 years)	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

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.





Table A5(a): Exports by Type of Commodity

Item	2007 <sup>p</sup>	2008		% Change		Year Ending April <sup>p</sup>		
	Apr	Mar	Apr	Apr 07 - Apr 08	Mar 08 - Apr 08	2007	2008	% Change
<b>Traditional Exports:</b>								
<b>COFFEE</b>								
Value	8.9	8.9	9.4	5.7	5.4	82.3	91.7	11.5
Volume	4.1	3.7	4.7	15.5	26.7	40.5	40.9	1.0
Unit Price	2,165.7	2,381.1	1,981.8	-8.5	-16.8	2,032.3	2,242.7	10.4
<b>COTTON</b>								
Value	1.2	3.4	4.9	--	45.7	37.7	78.9	--
Volume	1.3	2.9	3.4	--	17.2	36.5	67.9	86.3
Unit Price	878.3	1,150.2	1,430.1	62.8	24.3	1,033.8	1,161.7	12.4
<b>SISAL</b>								
Value	0.8	0.2	0.3	-61.2	71.1	7.3	6.9	-6.0
Volume	1.0	0.2	0.3	-69.7	64.8	9.1	7.3	-19.1
Unit Price	859.7	1,061.5	1,101.7	28.1	3.8	810.0	996.0	23.0
<b>TEA</b>								
Value	3.3	3.1	4.7	44.0	55.6	31.4	30.8	-1.8
Volume	2.1	1.8	2.8	33.0	51.2	21.6	21.6	-0.2
Unit Price	1,572.3	1,654.9	1,702.5	8.3	2.9	1,451.0	1,428.3	-1.6
<b>TOBACCO</b>								
Value	9.6	6.0	5.9	-38.7	-1.5	85.6	74.2	-13.4
Volume	4.8	3.5	3.2	-34.0	-7.7	35.4	33.6	-5.1
Unit Price	1,986.4	1,727.7	1,843.8	-7.2	6.7	2,417.8	2,207.7	-8.7
<b>CASHEWNUTS</b>								
Value	0.4	0.6	0.3	-31.0	-50.7	29.0	40.1	38.1
Volume	0.9	0.7	0.3	-65.2	-57.2	58.6	55.6	-5.2
Unit Price	452.2	778.9	896.6	98.3	15.1	495.0	728.1	47.1
<b>CLOVES</b>								
Value	0.0	0.1	0.1	75.6	-	9.6	3.8	-60.2
Volume	0.0	0.0	0.0	57.1	4.8	3.0	1.1	-62.7
Unit Price	3,375.7	3,952.4	3,772.7	11.8	-4.5	3,210.8	3,429.4	6.8
<b>Sub Total</b>	<b>24.3</b>	<b>22.2</b>	<b>25.7</b>	<b>5.8</b>	<b>15.7</b>	<b>283.0</b>	<b>326.5</b>	<b>15.4</b>
<b>Non-Traditional Exports:</b>								
<b>Minerals</b>								
Gold	75.8	87.2	89.5	18.1	2.7	893.0	906.2	1.5
Diamond	74.3	83.8	84.9	14.2	1.3	844.8	844.1	-0.1
Other minerals <sup>1</sup>	0.2	1.8	0.4	85.8	-77.0	21.9	23.1	5.4
	1.3	1.6	4.2	--	161.7	26.3	39.0	48.2
<b>Manufactured Goods</b>								
Cotton Yarn	25.8	28.3	33.1	27.9	16.8	207.9	377.3	81.5
Manufactured Coffee	0.1	0.2	0.7	--	--	6.5	7.7	17.9
Manufactured Tobacco	0.1	0.0	0.2	--	--	1.3	1.6	22.9
Sisal Products (Yarn & Twine)	0.1	0.1	0.0	-56.0	-80.2	1.4	1.0	-30.4
Other manufactured Goods <sup>2</sup>	0.5	0.6	1.0	99.3	59.2	3.8	10.3	--
	25.1	27.4	31.2	24.3	14.1	201.6	356.6	76.9
<b>Fish and Fish Products</b>								
	14.2	9.8	10.6	-25.2	8.3	157.2	146.6	-6.8
<b>Horticultural products</b>								
	1.5	2.2	2.6	73.4	15.8	17.4	23.0	32.0
<b>Re-exports</b>								
	9.9	9.6	9.0	-8.7	-6.5	141.2	149.7	6.0
<b>Others Exports<sup>3</sup></b>								
	10.5	12.4	10.4	-1.1	-16.4	148.4	221.7	49.4
<b>Sub Total</b>	<b>137.7</b>	<b>149.6</b>	<b>155.2</b>	<b>84.4</b>	<b>20.7</b>	<b>1,565.1</b>	<b>1,824.5</b>	<b>16.6</b>
<b>GRAND TOTAL</b>	<b>162.0</b>	<b>171.8</b>	<b>180.8</b>	<b>11.6</b>	<b>5.3</b>	<b>1,848.1</b>	<b>2,151.0</b>	<b>16.4</b>

Note:

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

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

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

p = Provisional data.

- = Small value

-- = Very big value

--- = Information not available

Totals may not add up due to rounding of numbers.

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

Source: Bank of Tanzania. TRA





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

**Millions of USD**

Import Category	2007 <sup>p</sup>		2008 <sup>p</sup>		% Change		Year Ending April <sup>p</sup>	
	Apr	Mar	Mar	Apr	Apr 07-Apr 08	Mar 08 - Apr 08	2007	2008
<b>Capital Goods</b>	<b>132.8</b>	<b>158.5</b>	<b>251.8</b>	<b>89.7</b>	<b>58.9</b>	<b>1,608.1</b>	<b>1,819.8</b>	<b>13.2</b>
Transport Equipments	26.9	50.9	68.0	152.6	33.7	381.5	545.6	43.0
Building and Constructions	28.3	45.6	48.9	72.7	7.3	375.7	430.7	14.6
Machinery	77.5	62.0	134.9	74.0	117.4	850.9	843.5	-0.9
<b>Intermediate Goods</b>	<b>159.4</b>	<b>186.8</b>	<b>197.5</b>	<b>23.9</b>	<b>5.7</b>	<b>1,694.6</b>	<b>2,026.2</b>	<b>19.6</b>
Oil imports	109.1	131.7	160.5	47.1	21.9	1,224.3	1,519.4	24.1
Fertilizers	1.2	3.3	1.0	-20.9	-70.5	53.9	60.4	12.1
Industrial raw materials	49.0	51.8	36.0	-26.6	-30.6	416.4	446.4	7.2
<b>Consumer Goods</b>	<b>92.1</b>	<b>93.1</b>	<b>105.4</b>	<b>14.3</b>	<b>13.2</b>	<b>959.9</b>	<b>1,072.0</b>	<b>11.7</b>
Food and food stuffs	33.1	20.3	18.5	-44.2	-9.1	268.7	266.7	-0.8
All other consumer goods <sup>1</sup>	59.1	72.8	86.9	47.1	19.4	691.1	805.3	16.5
<b>Grand Total (f.o.b)</b>	<b>384.3</b>	<b>438.4</b>	<b>554.6</b>	<b>44.3</b>	<b>26.5</b>	<b>4,262.5</b>	<b>4,917.9</b>	<b>15.4</b>
<b>Grand Total (c.i.f)</b>	<b>422.3</b>	<b>481.7</b>	<b>609.5</b>	<b>44.3</b>	<b>26.5</b>	<b>4,684.1</b>	<b>5,404.3</b>	<b>15.4</b>

Note:

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

<sup>p</sup> = Provisional data

Totals may not add up due to rounding of numbers.

Source: Bank of Tanzania, TRA.

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

	Millions of USD							
Item	2000	2001	2002 <sup>r</sup>	2003 <sup>r</sup>	2004 <sup>r</sup>	2005 <sup>r</sup>	2006 <sup>p</sup>	2007 <sup>p</sup>
<b>A. Current Account</b>	<b>-485.9</b>	<b>-237.4</b>	<b>-37.1</b>	<b>-122.8</b>	<b>-369.3</b>	<b>-867.7</b>	<b>-1,345.8</b>	<b>-2,059.8</b>
Goods: Exports (f.o.b)	733.7	851.3	979.6	1,216.1	1,479.1	1,675.8	1,743.4	2,022.1
Traditional	292.8	231.1	206.1	220.5	297.8	354.5	267.1	317.6
Non-traditional	440.9	620.2	773.5	995.7	1,181.3	1,321.2	1,476.3	1,704.5
o/w Gold	112.7	254.1	341.1	502.8	629.9	655.1	786.4	788.2
Goods: Imports (f.o.b)	-1,367.6	-1,560.3	-1,511.3	-1,933.5	-2,482.8	-2,997.6	-3,864.1	-4,860.6
<i>Balance on Goods</i>	<i>-633.9</i>	<i>-709.0</i>	<i>-531.8</i>	<i>-717.3</i>	<i>-1,003.7</i>	<i>-1,321.8</i>	<i>-2,120.7</i>	<i>-2,838.6</i>
Services: <b>Credit</b>	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	331.9
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	345.0
Services: <b>Debit</b>	-682.4	-649.7	-632.5	-725.7	-974.7	-1,207.3	-1,249.4	-1,473.6
Transportation	-205.7	-194.2	-176.9	-214.7	-267.1	-319.5	-418.3	-485.0
Travel	-337.3	-327.3	-337.5	-353.2	-445.3	-553.8	-534.5	-645.3
Other	-139.4	-128.1	-118.1	-157.8	-262.3	-334.0	-296.6	-343.2
<i>Balance on Services</i>	<i>-55.1</i>	<i>264.9</i>	<i>287.6</i>	<i>222.1</i>	<i>158.9</i>	<i>61.8</i>	<i>278.7</i>	<i>240.4</i>
<b>Balance on Goods and Services</b>	<b>-689.0</b>	<b>-444.1</b>	<b>-244.2</b>	<b>-495.3</b>	<b>-844.8</b>	<b>-1,260.0</b>	<b>-1,842.0</b>	<b>-2,598.1</b>
Income: <b>Credit</b>	50.4	55.3	67.9	87.1	81.8	80.9	53.7	80.8
Income: <b>Debit</b>	-240.9	-243.8	-156.8	-225.6	-195.3	-185.0	-146.8	-159.8
<i>Balance on Income</i>	<i>-190.6</i>	<i>-188.5</i>	<i>-88.8</i>	<i>-138.5</i>	<i>-113.5</i>	<i>-104.1</i>	<i>-93.1</i>	<i>-79.0</i>
<i>Balance on Goods, Services and Income</i>	<i>-879.5</i>	<i>-632.6</i>	<i>-333.0</i>	<i>-633.8</i>	<i>-958.4</i>	<i>-1,364.0</i>	<i>-1,935.1</i>	<i>-2,677.1</i>
Current transfers (net)	393.6	395.3	295.9	511.0	589.1	496.3	589.3	617.3
Current transfers: <b>Credit</b>	472.1	474.8	357.2	574.2	654.1	563.9	655.2	689.4
Government	427.8	418.4	307.0	507.6	582.0	478.5	560.3	595.2
o/w Multilateral HIPC relief	40.6	71.3	68.8	68.2	73.7	75.7	42.1	0.0
Other sectors	44.3	56.4	50.2	66.6	72.1	85.4	94.9	94.2
Current transfer: <b>Debit</b>	-78.5	-79.5	-61.3	-63.3	-65.0	-67.5	-65.9	-72.0
<b>B. Capital Account</b>	<b>330.4</b>	<b>361.5</b>	<b>785.7</b>	<b>692.8</b>	<b>459.9</b>	<b>393.2</b>	<b>5,217.7</b>	<b>957.8</b>
Capital transfers: <b>Credit</b>	330.4	361.5	785.7	692.8	459.9	393.2	5,217.7	957.8
General Government	314.7	339.2	755.6	655.5	420.0	350.1	5,169.1	904.6
Other sectors	314.7	339.2	30.1	37.3	39.9	43.1	48.6	53.2
Capital transfers: <b>Debit</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Total, Groups A plus B</i>	<i>-155.5</i>	<i>124.1</i>	<i>748.5</i>	<i>569.9</i>	<i>90.7</i>	<i>-474.5</i>	<i>3,871.9</i>	<i>-1,102.0</i>
<b>C. Financial Account, excl. reserves and related items</b>	<b>187.8</b>	<b>-353.7</b>	<b>248.1</b>	<b>90.5</b>	<b>256.8</b>	<b>807.6</b>	<b>-3,840.0</b>	<b>1,365.1</b>
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	640.5
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	-220.4	-76.2	311.0	-4,439.6	721.8
Assets	-134.0	-76.7	2.9	-59.0	-11.0	-61.5	-175.0	288.1
Liabilities	39.9	-752.5	-144.6	-161.3	-65.1	372.5	-4,264.6	433.7
<i>Total, Groups A through C</i>	<i>118.7</i>	<i>580.0</i>	<i>996.6</i>	<i>660.5</i>	<i>347.5</i>	<i>333.0</i>	<i>31.9</i>	<i>263.1</i>
<b>D. Net Errors and Omissions</b>	<b>-118.7</b>	<b>-580.0</b>	<b>-678.7</b>	<b>-271.4</b>	<b>-141.5</b>	<b>-555.4</b>	<b>428.8</b>	<b>148.6</b>
<b>Overall balance</b>	<b>-86.3</b>	<b>-809.6</b>	<b>317.9</b>	<b>389.1</b>	<b>206.0</b>	<b>-222.4</b>	<b>460.7</b>	<b>411.8</b>
<b>E. Reserves and Related Items</b>	<b>86.3</b>	<b>809.6</b>	<b>-317.9</b>	<b>-389.1</b>	<b>-206.0</b>	<b>222.4</b>	<b>-460.7</b>	<b>-411.8</b>
Reserve assets	-198.8	-182.2	-372.4	-508.8	-258.4	247.7	-126.5	-416.8
Use of Fund credit and loans	49.4	15.6	26.0	-2.9	-33.8	-50.5	-334.2	5.1
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
<b>Memorandum Items</b>								
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	-1.1	-2.9	-6.1	-9.5	-12.3
CAB/GDP (excl. current official transfers)	-10.0	-6.9	-3.2	-5.4	-7.4	-9.5	-13.5	-15.9
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	1,533.9	1,786.9	1,395.9	1,994.8	2,794.5
Change in Net International Reserves	-137.6	-218.5	-299.6	-465.7	-253.0	391.0	-598.9	-119.4
Exchange rate (end of period)	803.3	916.3	976.7	1,063.6	1,043.0	1,165.5	1,261.6	1,132.1
Exchange rate (Annual Average)	800.4	876.4	967.1	1,038.9	1,089.1	1,129.2	1,253.9	1,244.1

Source: Bank of Tanzania

Notes:

- 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
- Change in gross official reserves will not necessarily be equal to reserve assets given a new methodology of computing reserve assets which nets out the impact of valuation was introduced beginning 2006

r = Revised

p = Provisional





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

Period Weight (%)	Headline (General Index)		Non-Food										Miscel. goods & services
	Total	Food	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household Equip.	Household operations	Personal care & Health	Recreation & Entertain.	Transpor- tation	Educ- ation	
2003	100.0	55.9	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5
2004	3.5	4.5	1.5	2.0	5.9	2.5	2.1	1.1	2.9	2.1	1.2	2.2	2.2
2005	4.2	5.9	-0.5	2.3	2.3	4.6	0.2	0.9	0.5	2.1	1.0	0.6	-0.5
2006	4.4	5.9	2.1	-0.5	-0.4	7.7	-1.1	0.5	3.5	-1.5	4.7	-0.1	-1.4
2007	7.3	7.0	7.7	7.0	5.5	8.5	7.8	2.0	11.2	5.0	9.1	2.5	8.0
2006 Mar	7.0	7.0	10.5	5.9	3.6	6.2	7.9	8.7	2.9	8.9	7.0	9.7	0.8
Jun	7.7	8.3	5.6	7.9	8.5	7.3	4.7	-1.0	16.9	4.9	7.5	0.3	9.4
Sep	9.2	10.0	6.0	7.4	7.7	9.5	6.8	0.3	13.6	5.5	10.0	2.1	7.7
Dec	5.9	3.5	9.4	6.9	3.9	12.0	10.1	2.6	10.5	7.0	11.2	5.0	8.6
2007 Mar	6.3	6.2	9.2	5.9	2.3	5.4	9.8	6.0	4.8	2.8	7.8	2.5	6.6
Jun	7.2	6.3	11.7	6.5	5.6	7.9	10.6	10.5	2.1	7.4	9.2	11.6	-0.2
Sep	5.7	4.0	13.3	7.2	3.9	6.3	9.2	11.0	4.2	9.6	7.4	10.7	2.1
Dec	8.4	10.3	8.1	5.5	2.2	4.3	6.2	8.9	3.4	10.4	5.8	8.9	0.4
2006 Jan	6.9	7.5	9.1	4.4	2.8	6.2	5.8	4.5	1.9	8.1	5.7	7.5	0.9
Feb	6.7	6.3	4.6	9.6	16.6	9.0	4.1	-0.5	19.4	4.5	6.7	1.3	8.7
Mar	7.8	8.6	5.2	7.8	5.0	6.6	4.5	-1.3	18.2	5.9	8.3	-0.5	10.7
Apr	8.6	10.2	6.9	6.5	4.5	6.4	5.4	-1.3	13.4	4.3	7.6	0.0	8.7
May	8.8	10.3	4.6	7.3	6.1	7.5	5.7	-1.0	14.3	5.8	8.1	1.0	7.9
Jun	9.7	11.5	6.3	7.2	7.9	5.9	7.3	0.7	12.7	5.2	9.6	2.7	7.6
Jul	8.9	8.2	7.2	7.6	9.1	15.3	7.5	1.4	13.9	5.6	12.4	2.6	7.5
Aug	6.4	4.3	8.0	8.8	5.0	12.7	8.4	1.5	12.3	5.1	11.9	4.2	7.3
Sep	5.5	2.6	10.6	8.1	3.5	13.9	8.2	1.9	14.0	5.5	9.3	4.6	8.7
Oct	5.8	3.6	10.7	3.8	3.2	9.6	13.5	4.2	5.3	10.3	12.3	6.1	9.9
Nov	6.0	5.2	8.7	3.0	2.9	9.2	13.1	6.1	4.6	6.1	7.2	1.3	10.1
Dec	6.2	7.0	9.5	5.4	2.2	2.6	6.3	7.1	5.7	1.2	7.8	2.2	4.6
2007 Jan	6.7	6.6	9.5	9.3	1.7	4.5	9.9	4.9	4.1	1.0	8.5	4.1	5.0
Feb	7.0	6.7	11.9	6.1	4.9	4.8	10.3	9.6	2.0	5.6	8.8	10.0	-1.8
Mar	7.3	6.2	11.2	6.3	6.0	9.6	11.0	10.8	0.9	7.5	9.8	11.8	-0.4
Apr	7.2	6.1	11.8	7.2	5.8	9.3	10.4	11.1	3.4	9.2	9.1	13.0	1.6
May	6.1	4.8	14.7	6.7	4.3	5.0	10.5	11.8	3.6	9.4	8.3	11.8	1.9
Jun	5.0	2.8	13.0	7.4	4.2	7.5	8.4	11.1	4.7	9.4	8.0	10.1	2.0
Jul	5.9	4.6	12.3	7.3	3.2	6.4	8.7	10.1	4.2	10.1	5.8	10.3	2.5
Aug	9.0	10.3	10.8	5.5	1.7	7.3	7.6	10.7	4.5	10.6	6.8	8.6	2.0
Sep	7.8	9.2	7.3	6.4	2.1	4.2	6.9	9.5	3.5	10.8	6.5	8.8	0.0
Oct	8.3	11.4	6.2	4.5	2.8	1.4	4.1	6.5	2.2	9.7	4.3	9.2	-0.8
Nov	7.1	8.4	7.0	5.4	2.8	6.8	4.6	5.8	1.6	10.5	5.6	7.8	0.3
Dec	7.3	7.5	10.0	5.2	2.8	6.8	6.6	4.8	2.1	7.6	6.2	7.8	1.7
2008 -Jan	6.4	6.6	10.3	2.5	2.8	8.0	6.2	3.0	1.9	6.1	5.4	6.8	0.8
Feb	8.6	10.1	10.4	1.1	2.4	10.1	4.9	3.6	3.7	5.9	5.7	5.6	2.1
Mar	8.9	11.4	10.2	0.3	2.4	6.8	4.1	2.9	3.4	4.0	4.9	5.6	1.8
Apr	9.0	11.2	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	8.6	1.1	2.1	11.3	4.9	2.8	3.3	4.2	7.6	6.1	1.5

Source: National Bureau of Statistics

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

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

Period	Headline (General Index)		Non-Food										Miscel. goods & services		
	Weight (%)	Index	Food	Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Household Equip.	Household operations	Personal care & Health	Recreation & Entertain.		Transportation	Education
2005 Jan	0.3	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5
Feb	-0.2		-1.0	1.0	0.6	2.5	9.9	2.3	0.9	1.1	0.4	0.8	-1.3	0.1	1.5
Mar	0.0		-0.1	0.3	-0.3	0.2	1.3	0.2	-1.2	-0.1	0.4	0.8	0.7	-1.1	-1.3
Apr	0.8		0.9	0.5	0.4	-0.4	0.0	2.1	-0.1	0.0	0.3	-0.7	0.2	0.1	0.2
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	0.2	1.0
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	0.5	0.0
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	0.1	0.5
Aug	1.1		1.1	1.0	0.2	0.3	0.3	1.5	0.5	0.3	0.3	-0.1	2.4	0.2	0.5
Sep	-0.2		-1.3	1.5	1.3	4.8	0.4	4.3	-3.2	-0.3	9.3	-4.1	-1.3	-1.2	-1.3
Oct	1.4		1.1	1.9	2.5	1.2	0.3	-0.8	1.0	-0.7	2.4	4.4	4.5	6.5	4.5
Nov	0.7		0.7	0.6	-0.6	-2.0	0.7	3.3	5.4	-0.3	-1.1	6.8	-0.8	-0.9	-0.8
Dec	1.7		3.3	-0.7	0.3	-1.8	0.5	-3.4	-1.9	4.0	1.9	2.0	0.6	-0.1	0.6
2006 Jan	1.0		1.7	0.1	-1.5	4.5	-2.3	-0.4	1.6	-4.3	1.2	-3.3	0.1	-2.9	0.1
Feb	0.8		1.2	0.4	1.2	0.7	-1.0	0.1	1.2	0.3	1.3	-0.1	0.2	-1.6	0.2
Mar	0.8		1.3	0.0	1.3	-1.0	0.9	0.1	-0.3	0.0	-1.9	-0.7	0.2	-0.7	0.2
Apr	0.9		1.1	0.7	-1.8	0.3	1.5	3.2	0.1	0.2	0.1	-0.3	0.7	1.1	-0.5
May	1.7		1.9	1.4	2.7	0.1	0.1	0.8	2.6	1.5	-1.2	0.3	2.4	1.8	0.7
Jun	-0.7		-2.4	1.9	0.7	0.6	1.0	4.2	0.1	1.2	0.5	0.1	2.5	0.4	2.5
Jul	-2.9		-5.1	0.4	1.5	1.1	1.6	-0.7	1.1	-0.1	-0.1	0.3	0.2	1.7	0.2
Aug	0.2		-0.5	1.2	2.7	-0.5	0.0	2.6	0.4	0.6	1.3	0.3	0.0	0.6	0.2
Sep	0.2		-0.4	0.9	1.4	0.7	0.0	0.4	1.5	1.9	1.0	0.3	1.4	0.2	0.6
Oct	1.6		2.6	0.0	0.6	0.4	0.0	-1.2	0.6	1.1	1.7	0.4	-0.3	1.7	-0.6
Nov	0.8		2.3	-0.7	0.2	0.3	0.0	-2.8	-0.8	0.6	-0.1	1.8	-0.2	0.0	-0.6
Dec	2.1		2.9	0.4	0.3	1.8	0.0	-1.7	1.4	1.8	0.4	1.8	1.1	1.8	0.6
2007 Jan	1.3		1.8	0.6	0.7	1.5	0.9	-0.1	1.9	0.1	-0.9	1.2	0.4	2.6	-0.6
Feb	1.1		0.7	1.7	0.5	0.9	0.0	4.7	1.8	1.4	0.3	1.7	1.1	0.0	0.9
Mar	0.7		1.2	0.2	1.9	-0.2	0.7	-0.2	-0.8	0.3	0.5	0.9	-0.5	0.4	0.9
Apr	-0.1		-0.1	-0.1	0.7	-0.1	0.0	-0.9	0.2	0.9	0.3	-0.1	-0.1	0.1	-0.1
May	0.6		-0.1	1.6	1.2	0.8	0.0	3.3	0.6	0.8	0.0	0.4	2.1	0.3	0.8
Jun	0.1		-0.6	1.0	0.1	0.5	0.0	3.2	0.4	0.3	0.0	0.7	0.5	0.6	0.0
Jul	0.1		0.1	0.2	0.1	-0.6	0.4	0.2	0.2	0.4	0.2	0.7	1.1	0.2	-0.7
Aug	-0.9		-1.6	-0.2	-0.6	0.4	0.4	-0.4	-0.4	-0.4	0.3	0.5	-0.3	0.8	-0.8
Sep	0.6		1.7	-0.9	0.4	-1.1	0.7	-2.3	-1.1	-0.9	-0.3	-0.6	-0.7	0.5	-0.6
Oct	0.4		-0.1	1.0	1.4	1.2	0.0	1.1	1.1	0.4	1.1	1.1	0.9	0.4	0.5
Nov	1.1		1.5	0.6	2.9	0.1	0.0	0.0	1.0	-0.4	0.4	-0.8	0.4	0.0	0.8
Dec	1.3		2.0	0.1	0.6	-0.8	0.0	-0.6	1.1	0.1	0.2	0.4	0.4	0.9	-0.3
2008- Jan	3.4		5.2	0.9	0.8	0.0	0.4	1.9	0.7	0.7	0.8	0.9	0.7	1.3	0.7
Feb	1.4		1.9	0.6	0.4	0.1	0.0	1.6	1.0	0.6	0.0	-0.1	0.4	0.0	0.6
Mar	0.9		0.9	0.7	0.8	0.5	0.0	1.2	0.0	0.3	0.2	0.4	0.6	0.4	0.1
Apr	0.5		0.3	1.0	0.3	0.1	0.4	1.8	0.2	0.8	0.5	0.6	1.4	0.7	0.4

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	2005/06	2006/07	2007/08						Jan-08	Feb-08	Mar-08	Apr-08
			Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07				
<b>1. Overall Total Debt Committed <sup>2</sup></b>	<b>8,638.9</b>	<b>5,212.4</b>	<b>5,248.3</b>	<b>5,447.2</b>	<b>5,635.1</b>	<b>5,880.0</b>	<b>5,908.7</b>	<b>5,915.8</b>	<b>5,958.4</b>	<b>6,335.0</b>	<b>6,842.3</b>	<b>6,685.0</b>
Disbursed outstanding debt	6,971.1	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
Undisbursed debt	1,667.7	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
<b>2. Disbursed Debt by Creditor Category <sup>2</sup></b>	<b>7,733.9</b>	<b>3,442.3</b>	<b>3,471.5</b>	<b>3,556.2</b>	<b>3,685.2</b>	<b>4,010.2</b>	<b>4,038.4</b>	<b>4,057.4</b>	<b>4,086.4</b>	<b>4,118.8</b>	<b>4,347.7</b>	<b>4,399.3</b>
Bilateral	1,506.2	910.5	907.2	901.1	910.4	922.6	928.4	933.4	933.2	936.0	933.1	932.1
Multilateral	5,459.6	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
Commercial	462.2	437.3	439.6	439.5	447.9	492.8	489.8	499.3	496.7	498.4	499.4	608.5
Export credits	305.9	321.9	323.4	324.7	325.5	336.9	330.8	322.8	328.3	341.2	403.7	324.9
<b>3. Disbursed Debt by Borrower Category <sup>2</sup></b>	<b>7,734.0</b>	<b>3,442.3</b>	<b>3,471.5</b>	<b>3,556.2</b>	<b>3,685.2</b>	<b>4,010.2</b>	<b>4,038.4</b>	<b>4,057.4</b>	<b>4,086.4</b>	<b>4,118.8</b>	<b>4,347.7</b>	<b>4,399.3</b>
Central Government	6,724.5	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	3,483.0
Parastatal Companies	450.0	167.8	168.0	167.9	169.0	170.8	170.8	170.8	170.1	169.5	169.0	169.1
Private Sector	559.5	582.5	585.5	588.9	592.9	647.0	635.5	637.0	640.4	654.1	716.4	747.2
<b>4. Disbursed Debt by Use of Funds <sup>2</sup></b>	<b>6,971.1</b>	<b>3,442.3</b>	<b>3,471.5</b>	<b>3,556.2</b>	<b>3,685.2</b>	<b>4,010.2</b>	<b>4,038.4</b>	<b>4,057.4</b>	<b>4,086.4</b>	<b>4,118.8</b>	<b>4,347.7</b>	<b>4,399.3</b>
Balance of Payment & Budget Support	1,392.6	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
Transport & Telecommunication	1,087.9	425.3	427.6	431.5	441.2	490.0	507.3	518.9	517.1	529.4	544.3	551.5
Agriculture	1,050.1	338.1	346.2	350.1	354.0	380.0	383.9	382.1	396.2	399.5	396.7	395.4
Energy & Mining	955.2	606.9	610.5	609.2	615.1	621.0	624.7	624.8	627.5	628.7	637.0	666.4
Industries	409.0	162.8	157.9	158.0	159.5	161.0	159.2	155.1	154.3	154.6	151.0	151.3
Social Welfare & Education	647.3	433.2	444.6	447.1	525.1	538.0	550.8	554.2	567.2	571.5	615.0	607.7
Finance and Insurance	98.7	64.4	66.0	66.0	66.5	68.0	72.2	75.0	75.1	75.4	76.2	75.8
Tourism	80.8	73.0	73.2	73.4	74.8	74.7	73.9	73.8	73.6	73.7	75.5	73.0
Others	1,249.8	319.3	325.9	324.5	331.6	347.5	334.3	340.2	381.3	346.5	418.5	432.9
<b>5. Total Amount fo Loans Contracted <sup>1</sup></b>	<b>264.0</b>	<b>318.1</b>	<b>72.2</b>	<b>5.0</b>	<b>18.8</b>	<b>1.4</b>	<b>2.2</b>	<b>0.0</b>	<b>111.8</b>	<b>0.0</b>	<b>1.2</b>	<b>0.2</b>
Government	165.0	280.0	0.0	0.0	17.3	0.0	0.0	0.0	107.8	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	99.0	38.1	72.2	5.0	1.6	1.4	2.2	0.0	4.0	0.0	1.2	0.2
<b>6. Disbursements <sup>1</sup></b>	<b>207.1</b>	<b>449.5</b>	<b>18.6</b>	<b>14.1</b>	<b>259.9</b>	<b>34.7</b>	<b>17.7</b>	<b>16.2</b>	<b>19.5</b>	<b>15.4</b>	<b>19.6</b>	<b>16.5</b>
Government	179.1	432.6	14.7	9.1	259.9	34.7	16.6	16.2	15.5	11.5	18.4	16.3
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	28.0	16.9	3.9	5.0	0.1	0.0	1.1	0.0	4.0	3.9	3.1	0.2
<b>7. Scheduled Debt Service <sup>1</sup></b>	<b>373.6</b>	<b>336.9</b>	<b>28.0</b>	<b>3.5</b>	<b>17.0</b>	<b>16.6</b>	<b>8.5</b>	<b>36.2</b>	<b>18.1</b>	<b>4.2</b>	<b>14.3</b>	<b>10.9</b>
<b>8. Actual Debt Service <sup>1</sup></b>	<b>90.7</b>	<b>7.7</b>	<b>3.0</b>	<b>0.7</b>	<b>4.5</b>	<b>3.8</b>	<b>2.8</b>	<b>1.6</b>	<b>1.3</b>	<b>1.7</b>	<b>3.1</b>	<b>5.8</b>
Principal	61.4	5.6	0.8	0.3	3.4	2.2	1.2	1.0	0.3	0.7	1.6	3.1
Interest	29.3	2.1	2.1	0.4	1.1	1.6	1.6	0.6	1.0	1.0	1.5	2.7
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
<b>9. Net Transfers <sup>1</sup></b>	<b>99.8</b>	<b>407.5</b>	<b>15.7</b>	<b>13.4</b>	<b>255.5</b>	<b>30.9</b>	<b>14.9</b>	<b>14.6</b>	<b>18.2</b>	<b>13.7</b>	<b>16.5</b>	<b>10.6</b>
<b>10. Total Arrears by Creditor Category <sup>2</sup></b>	<b>2,392.4</b>	<b>2,199.6</b>	<b>2,226.8</b>	<b>2,228.9</b>	<b>2,260.7</b>	<b>2,254.5</b>	<b>2,267.9</b>	<b>2,315.2</b>	<b>2,424.1</b>	<b>2,582.0</b>	<b>2,612.4</b>	<b>2,363.6</b>
<b>Principal</b>	<b>1,116.3</b>	<b>981.0</b>	<b>992.4</b>	<b>986.7</b>	<b>1,005.5</b>	<b>986.3</b>	<b>983.4</b>	<b>1,004.8</b>	<b>1,091.9</b>	<b>1,234.9</b>	<b>1,242.0</b>	<b>997.1</b>
Bilateral	609.0	377.7	381.6	379.8	387.2	395.7	401.0	408.0	416.8	422.0	422.3	420.1
Multilateral	11.9	13.6	14.7	16.5	15.2	15.4	13.8	16.1	16.6	15.0	15.0	14.9
Commercial	275.0	339.5	346.1	340.9	352.4	319.7	318.0	326.9	333.0	484.0	489.6	330.3
Other Private Creditors	220.4	250.1	250.0	249.4	250.7	255.5	250.6	253.7	325.4	349.0	315.2	202.8
<b>Interest</b>	<b>1,260.1</b>	<b>1,218.6</b>	<b>1,234.5</b>	<b>1,242.2</b>	<b>1,255.2</b>	<b>1,268.2</b>	<b>1,284.5</b>	<b>1,310.4</b>	<b>1,332.2</b>	<b>1,347.1</b>	<b>1,370.4</b>	<b>1,366.6</b>
Bilateral	684.0	536.1	543.3	544.5	549.6	553.5	562.9	579.6	591.8	599.5	611.5	606.1
Multilateral*	22.0	27.7	28.1	28.5	29.5	30.8	30.8	27.4	33.5	32.2	32.2	32.7
Commercial	372.9	440.0	445.5	451.7	458.0	460.2	463.5	476.2	478.4	484.2	488.4	496.1
Other Private Creditors	181.2	214.8	217.6	217.5	218.1	223.6	227.3	227.0	228.5	200.2	200.3	200.8
<b>11. External Debt Stock</b>	<b>8,231.3</b>	<b>4,660.8</b>	<b>4,706.0</b>	<b>4,798.4</b>	<b>4,940.4</b>	<b>5,278.4</b>	<b>5,322.8</b>	<b>5,367.7</b>	<b>5,418.6</b>	<b>5,465.9</b>	<b>5,718.1</b>	<b>5,765.8</b>
<b>12. Domestic Debt Stock</b>	<b>1,405.9</b>	<b>1,497.9</b>	<b>1,479.0</b>	<b>1,501.2</b>	<b>1,513.1</b>	<b>1,615.6</b>	<b>1,619.0</b>	<b>1,673.5</b>	<b>1,548.6</b>	<b>1,686.5</b>	<b>1,709.6</b>	<b>1,727.1</b>
<b>13. Total Debt Stock</b>	<b>9,637.2</b>	<b>6,158.8</b>	<b>6,184.9</b>	<b>6,299.6</b>	<b>6,453.5</b>	<b>6,894.0</b>	<b>6,941.8</b>	<b>7,041.3</b>	<b>6,967.2</b>	<b>7,152.4</b>	<b>7,427.7</b>	<b>7,493.0</b>
End Period Exchange Rate	1,253.1	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

Source: Bank of Tanzania

\* Multilateral arrears are those owed by private companies

1) During the period 2) End of April 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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## TANZANIA



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