



BANK OF TANZANIA



**MONTHLY
ECONOMIC
REVIEW**

February 2008

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1.0 Inflation Developments

Annual headline inflation soared to 8.6 percent in January 2008, from 6.4 percent recorded in the preceding month. The rise in the 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 annual headline inflation rate averaged 7.2 percent in January 2008 compared to 7.3 percent in the corresponding period (February 2006 to January 2007). Likewise, on month-to-month basis, the inflation rate went up by 3.4 percent in January 2008 compared to the increase of 1.1 percent recorded in December 2007, mainly on account of an increase in food inflation. Excluding seasonal influences, the month-to-month headline inflation also accelerated to 3.3 percent in January 2008 compared to 0.5 percent recorded in December 2007, implying that the month-to-month increase was not due to seasonal influences.

Annual food inflation escalated January 2008 to 10.1 percent, from 6.6 percent recorded in the year ended December 2007. Similarly, the month-to-month food inflation increased by 5.2 percent in January 2008 compared to the increase of 2.0 percent in December 2007, mainly as a result of higher average prices of cereals, cooking banana, potatoes, vegetables, fruits, meat and poultry, fish, legumes sugar and milk. The inflationary pressure on food is mainly associated with reduced supply of the food items and increased transportation costs. Meanwhile, the 12-months average food inflation was 7.3 percent in January 2008 compared to 7.1 percent in the corresponding period in the previous year.

Annual non-food inflation increased from 6.1 percent in December 2007 to 6.4 percent in the period ending January 2008, due to an increase in average prices of non-food items under fuel, power and water (electricity, kerosene and charcoal), transportation subgroups (particularly, petrol diesel and batteries), private school fees and bottled drinks. Fuel, power and water sub-group recorded one of the highest annual increases of 10.1 percent mainly because of increases in electricity tariffs. Measured on month-to-month basis, price levels of non-food items increased by 0.9 percent in January 2008 compared to an increase of 0.1 percent in December 2007. The higher monthly increase largely originates from fuel, power and water sub-group which recorded the highest increase of 1.9 percent. However, the 12-months (February

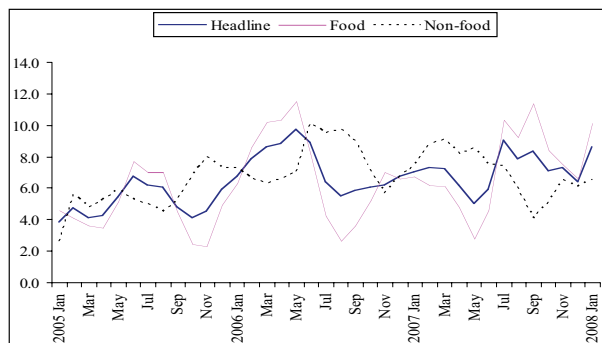
2007 to January 2008) non-food inflation averaged 7.0 percent compared to 7.6 percent recorded in similar period 2006.

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

Major Commodity Group	Weight (%)	2005			2006			2007			2008
		Jan	Nov	Dec	Jan	Nov	Dec	Jan	Nov	Dec	Jan
Headline/Overall	100	3.8	4.8	5	6.7	6.2	6.7	7.0	7.3	6.4	8.6
Food	55.9	4.6	6.7	7.2	6.3	7.0	6.6	6.7	7.5	6.6	10.1
Non-food	44.1	2.6	3.7	3.5	7.3	5.7	6.8	7.4	6.5	6.1	6.5
Transportation	9.7	4.1	5.0	5.5	6.7	7.8	8.5	8.8	6.2	5.4	5.7
Fuel, Power and Water	8.5	14.2	10.2	10.7	9.0	2.6	4.5	4.8	6.8	8.0	10.1
Drinks and Tobacco	6.9	1.0	3.3	2.5	4.6	9.5	9.5	11.9	10.0	10.3	10.4
Clothing & Footwear	6.4	-0.3	-1.2	-2.0	9.6	5.4	9.3	6.1	5.2	2.5	1.1
Education	2.6	18.5	-1.0	-0.6	1.3	2.2	4.1	9.9	7.8	6.8	5.6
Furniture & Household Equip.	2.1	-0.5	-0.8	-0.9	4.1	6.3	9.9	10.3	6.6	6.2	4.9
H/h Operations Maintenance	2.1	-0.3	-0.5	0.0	-0.5	7.1	4.9	9.6	4.8	3.0	3.6
Personal Care & Health	2.1	-8.2	4.4	3.5	19.3	5.7	4.1	2.0	2.1	1.9	3.7
Rents	1.4	3.3	4.3	4.1	16.6	2.2	1.7	5.0	2.8	2.8	2.4
Recreation & Entertainment	0.8	-4.3	-1.9	-1.1	4.5	1.2	1.0	5.6	7.6	6.1	5.9
Misc. Goods & Services	1.5	0.7	0.0	-0.9	8.7	4.6	5.0	-1.7	1.7	0.8	2.1

Note: 1) Base 2001=100 2006 (2) Base Dec 2001=100 from January 2006.
3) Revised data
Source: National Bureau of Statistics (NBS)

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



Food Supply Situation

Food supply situation was generally satisfactory throughout the country in January 2008 except for some areas such as Monduli in Arusha region, Mufindi and Ludewa in Iringa region that have reported food shortage mainly due to volcano eruption on mountain Oldongai and fire disaster respectively. During the period under review the Prime Minister's Office (PMO) purchased a total of 623 tons from SGR stock to cover the shortage in the said areas while World Food Programme (WFP) distributed about 7,597 tons of maize to ease food shortages in Shinyanga and Dodoma regions. Furthermore, the Government has exempted import duties on maize imports between January and May 2008 to facilitate importation of 300,000 tons as a measure to mitigate the impending food shortages.

The average wholesale prices of selected food crops items, increased significantly in January 2008 when compared with the same period last year (**Table 1.2**). On month to month basis, all selected food items recorded higher price in January 2007 when compared with the preceding month



mainly due to high transport costs triggered by increased fuel prices since July 2007.

Table 1.2: National average Wholesale Prices for Selected Food Items

Item	2007		2008	Percentage change	
	Jan	Dec	Jan	Jan-07 to Jan-08	Dec -07 to Jan -08
	TZS per 100 kg				
Maize	18,369	29,974	33,452	82.1	11.6
Rice	73,585	72,259	75,926	3.2	5.1
Beans	61,097	87,072	92,190	50.9	5.9
Sorghum	26,880	33,121	33,174	23.4	0.2
Potatoes	38,431	41,150	43,811	14.0	6.5

Source: Ministry of Industry, Trade and Marketing

The Strategic Grain Reserves (SGR)

The SGR department purchased a total of 30,145 tons by the end of January 2008 surpassing the estimated procurement target of 28,000 tons during 2007/08. However, SGR stock decreased to 139,765 tons by end January 2008 following a total sell of 11,196 tons of maize and sorghum out of which 8,220 tons was sold to WFP and PMO's for distribution to the areas experiencing severe food shortages (Table 1.3).

Table 1.3: Strategic Grain Reserve (SGR) Stock

Period	Tons						%Change 2007-08
	2003	2004	2005	2006	2007	2008	
January	59,961	35,342	119,924	76,813	112,343	139,765	24.4
February	59,493	23,791	116,383	43,593	117,838		
March	58,976	22,903	114,760	8,055	123,046		
April	54,118	32,387	115,262	3,165	125,509		
May	52,857	31,732	113,823	6,210	128,350		
June	51,060	37,091	112,823	15,560	128,804		
July	50,661	39,195	112,323	13,811	129,306		
August	52,681	45,988	112,067	28,440	125,653		
September	61,364	67,685	111,971	80,248	131,937		
October	59,379	92,710	111,695	87,461	143,717		
November	52,054	108,448	106,428	100,828	142,624		
December	41,649	114,030	93,051	110,203	142,044		

Source: Food Security Department and BOT computation.

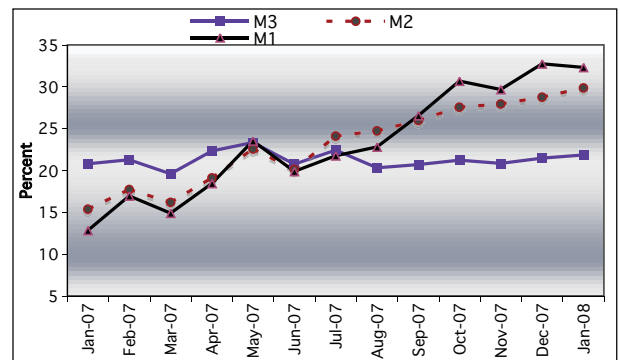
2.0 Monetary and Financial Developments

Money Supply

During the month ending January 2008, the growth rate of extended broad money supply (M3) rose to 21.9 percent in January 2008 from 21.4 percent recorded in December 2007 and 20.8 percent in January 2007. Meanwhile, broad money supply (M2) increased by 29.9 percent from 28.8 percent and 15.4 percent during the same duration. (Chart 2.1). The increase in growth of both monetary aggregates mainly manifested into time and savings deposits, which grew

at 29.9 percent and 24.0 percent, respectively, from 21.4 percent and 23.5 percent in December 2007, following some improvements recorded in deposit interest rates.

Chart 2.1: Annual Growth Rates of Monetary Aggregates



Source: Bank of Tanzania

On the asset side, the growth of money supply was largely attributed to the increase in net domestic assets (NDA) of the banking system that grew by 57.5 percent during the year to January 2008, on top of an annual growth rate of 49.8 percent recorded in December 2007.

In absolute terms, M3 increased by TZS 87.6 billion between December 2007 and January 2008, whereas M2 went up by TZS 95.2 billion, reflecting the diminishing impact of foreign currency deposits (Table 2.1).

Table 2.1: Selected Money Supply Components

	2007/08		Monthly Change		Annual growth rate (%)	
	Dec-07	Jan-08	Dec-07	Jan-08	Jan-07	Dec-07
	Billions of TZS					
Extended broad money (M3)	5,827.7	5,915.3	109.3	87.6	20.8	21.4
Broad money (M2)	4,112.1	4,207.3	91.8	95.2	15.4	28.8
Currency outside the Banking system	1,164.2	1,142.8	13.9	-21.4	20.2	19.3
Demand deposits	1,398.0	1,450.8	60.6	52.8	6.4	46.4
Time deposits	570.0	614.7	11.6	44.8	5.9	21.4
Savings deposits	980.0	999.0	5.6	19.0	29.3	23.5
Foreign currency deposits	1,715.6	1,708.0	17.5	-7.6	33.4	6.9
FCD In millions of USD	1,515.4	1,457.5	65.0	-58.0	21.4	19.1
Private sector deposits in DMBs	4,663.5	4,772.5	95.4	109.0	21.0	22.0
Government deposits in DMBs	317.1	339.8	-21.9	22.8	64.2	35.5
Total deposits	4,980.6	5,112.3	73.4	131.7	23.2	22.8
Net Foreign assets	3,678.0	3,758.2	-63.8	80.2	22.4	3.1
Bank of Tanzania	3,080.1	3,202.2	-137.8	122.1	17.6	22.4
DMBs	598.0	556.1	74.1	-41.9	36.2	-43.0
Net domestic assets	2,758.9	2,766.3	173.1	7.4	9.8	49.8
Domestic credit	2,474.7	2,647.1	47.7	172.4	5.0	26.8
Net claims on government by the banking system	-409.1	-300.4	-40.0	108.7	-122.1	430.9
Claims on government by the banking system	1,766.1	1,710.0	-56.3	-56.1	43.2	32.0
Government deposits in the banking system	2,175.1	2,010.4	-16.3	-164.7	172.6	53.7
Claims on the private sector	2,883.8	2,947.5	87.7	63.7	41.0	42.2

Source: Bank of Tanzania

The proportion of foreign currency deposits in commercial banks has been declining gradually in line with the recent appreciation of the shilling against the US dollar. Between December 2007 and January 2008, the stock of foreign currency deposits in commercial banks dropped by USD 58.0 million from USD 1,515.4 million recorded at the end of December 2007 (Chart 2.2).



Chart 2.2: Components of Money Supply as Percentage of M3

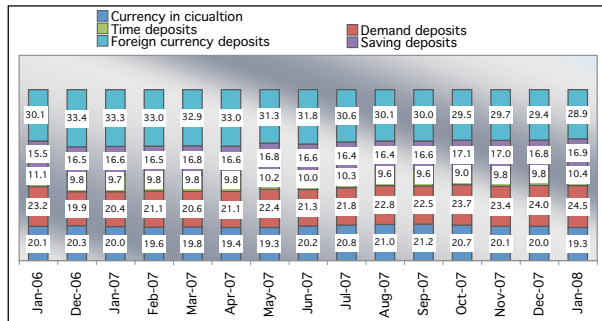
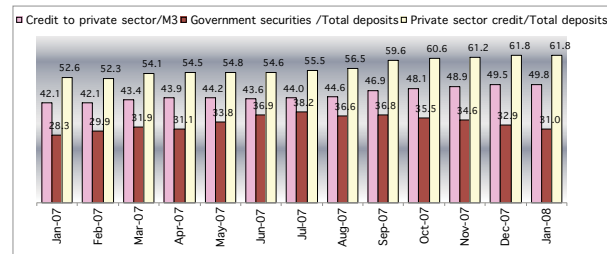


Chart 2.3: Total Deposits and Credit of the Banking System



Source: Bank of Tanzania

Credit Developments

Domestic Credit

During the period under review, credit to the private sector grew by 44.1 percent, above an annual growth rate of 41.0 percent recorded in January 2007. The acceleration in the growth of credit to private sector was in line with the increased economic activity in the economy along side increased number of credit-worthy clients. Furthermore, the recent substantial decrease in yields on treasury bills has somewhat reduced the appetite of banks towards treasury bills. As a result, the ratio of private sector credit to total deposits increased from 60.6 percent in October 2007 to 61.8 percent in January 2008, while the ratio of government securities decreased from 35.5 percent to 31.0 percent.

During the month, a total of TZS 63.7 billion was extended to the private sector by commercial banks, in addition to TZS 87.7 billion extended in December 2007. The largest share was extended to trade activities which accounted for 18.7 percent, personal loans accounted for 17.6 percent, manufacturing - 17.5 percent and agriculture holding 10.3 percent of the private sector credit. Transport and communication held 7.6 percent, hotels and restaurants - 3.8 percent, electricity - 3.7 percent, while building and construction accounted for 3.3 percent of the total credit to private sector (Chart 2.3).

Financial Markets Developments

Treasury Bills Market

During January 2008, Treasury bills market experienced oversubscription by registering a demand of TZS 411.2 billion against a supply of TZS 169.0 billion. This level of demand was almost twice the bids amounting to TZS 244.8 billion recorded in December 2007. The oversubscription of bids is attributed to efforts by investors to invest as much as possible in treasury bills before yields drop too low, following both reduced frequency of auctions and reduced tender sizes. Due to high demand for T-bills, the overall weighted average Treasury bills rate declined from an average of 11.40 percent in December 2007 to 10.89 percent during the month under review (Chart 2.4).

Chart 2.4 Treasury Bills Market Developments



Source: Bank of Tanzania

Treasury Bonds

In January 2008, the demand for Treasury bonds amounted to TZS 23.0 billion, against TZS 15.0 billion offered by the Bank of Tanzania. The yields for 5-year bond traded during the month dropped from 17.60 percent to 16.81 percent.



Repurchase Agreements

The Bank conducted repurchase agreements ranging from 7 to 14 days maturity valued at TZS 428.5 billion with commercial banks to complement open market operations in mopping up excess liquidity in the economy. Interest rates on repos conducted during the month ranged between 4.95 percent and 8.0 percent for a 7 – day repo and between 5.75 percent and 8.5 percent for a 14 – day repo..

Inter-bank Cash Market Developments

During the period under review, total amount transacted in the inter-bank market was TZS 307.65 billion as compared to TZS 289.5 billion transacted in the preceding month. Overnight transactions amounted to TZS 188.2 billion and continued to dominate the market, accounting for 61.17 percent of total transactions. The weighted average overnight rate increased from 5.35 percent in December 2007 to 6.63

percent recorded in January 2008, reflecting presence of liquidity constraint among the commercial banks relative to the preceding month.

Interest Rates Developments

Developments in interest rates during January 2008 registered significant changes across different financial products. The declining trend of interest rates on government securities was in line with the increased competition in the market following reduced frequency of open market operations adopted by the Bank of Tanzania effective on 9th of January 2008. As a result of increased competition over Treasury bills offered by the Bank twice a month instead of weekly, the overall treasury bills rate started a downward trajectory - declining from 11.4 percent in December 2007 to 10.89 percent in January 2008. Similarly, the weighted average interest rate on the one year Treasury bill dropped from 12.95 percent in December 2007 to 12.8 percent (Table 2.2).

Table 2.2: Weighted Average Interest Rates Structure

Item	2007								Percent
	Jan	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2008
Overnight	12.04	6.67	9.79	12.05	12.07	18.64	10.19	5.37	6.47
Overall Interbank cash rate	12.54	7.24	10.46	12.11	12.27	18.92	9.67	5.83	6.74
Treasury bills WAY	15.75	17.07	15.41	15.11	15.59	16.42	12.45	11.40	10.89
364 days Treasury bills	16.25	18.39	15.84	15.95	16.98	17.86	13.68	12.95	12.80
Savings Deposits	2.59	2.59	2.70	2.71	2.62	2.59	2.61	2.75	2.76
12 month deposits	8.20	9.25	9.04	9.42	9.64	10.22	9.85	10.08	10.10
Negotiated deposits	9.02	8.65	8.91	9.82	9.83	10.61	10.96	11.04	11.17
Overall Lending	17.22	15.82	16.07	16.27	15.95	15.78	15.94	15.25	15.24
Up to 1 year loans	15.80	13.95	14.12	14.30	14.06	13.85	14.06	14.70	13.96
Negotiated Lending	11.49	12.20	12.14	12.63	11.91	11.89	11.68	11.98	11.50
Interest rate spread	7.60	4.70	5.07	4.89	4.43	3.63	4.21	4.62	3.85

Source: Bank of Tanzania

In line with the decreasing rates of treasury bills, the overall lending rate was cut from 15.94 percent in November 2007 to 15.24 percent by end of January 2008, while the lending rate to prime borrowers was reduced from 11.98 percent to 11.5 percent. On the other hand, deposit rates registered some improvements as well. Negotiated deposit rate rose from 10.96 percent in December to 11.17 percent in January 2008, while 12 – month deposit rate improved from 9.85 percent to 10.1 percent (Table 2.2).

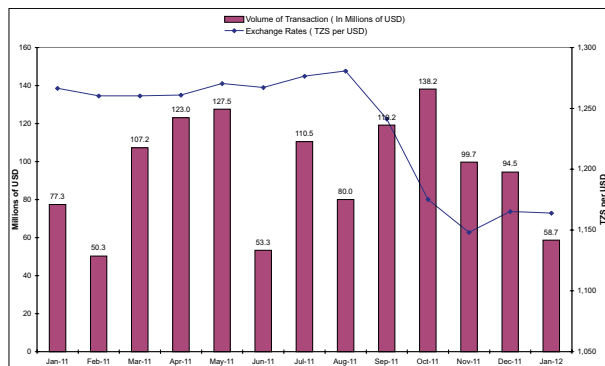
Transactions in Inter-Bank Foreign Exchange Market

During the period of January 2008, the volume of transactions traded in the Inter-bank Foreign Exchange Market (IFEM) declined notably to USD 58.7 million, when compared to the volume traded in the previous month of USD 94.5 million (Table 2.3). The decline in volume traded was a result of low demand for foreign exchange for corporate financing. The



Bank of Tanzania and non-banks on net basis sold USD 15.2 million and USD 6.7 million, respectively, while commercial banks purchased USD 21.9 million. The weighted average exchange rate appreciated slightly to TZS 1,163.8 per USD in January 2008 from TZS 1,165.1 per USD recorded in December 2007 (Chart 2.5).

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



Transactions in Bureaux de Change System

The volume of transactions conducted by Bureau de Change system recorded a marginal rise to USD 66.4 million. The sales volume declined slightly to USD 32.9 million, while the volume of purchases rose slightly to USD 33.6 million from USD 33.1 million recorded in the previous month. The average buying rate remained unchanged at TZS 1,144.0 per USD and the selling rate depreciated slightly to TZS 1,176.0 per USD (Table 2.3).

Table 2.3: Inter-Bank Foreign Exchange Market Developments

ITEM	2008		2007 JAN	% CHANGE		YEAR ENDING JAN		
	DEC-07	JAN		DEC 07 TO JAN 08	JAN 07 TO JAN 08	2007	2008	% CHANGE
IFEM								
AMOUNT OFFERED*	94.45	58.65	77.33	-37.90	-24.16	1,129.89	1,167.88	3.36
AMOUNT SOLD*	94.45	58.65	77.33	-37.90	-24.16	1,129.89	1,167.88	3.36
EXCHANGE RATE**	1,165.15	1,163.84	1,266.51	-0.11	-8.11	1,261.25	1,230.85	-2.41
BUREAU DE CHANGE								
SALES*	32.99	32.87	33.68	-0.36	0.58	368.08	422.63	14.82
PURCHASES*	33.14	33.55	33.40	1.24	0.45	369.18	424.93	15.10
VOLUME OF TRANSACTIONS*	66.13	66.42	66.08	0.44	0.51	737.26	847.56	14.96
BUYING RATE**	1,144.00	1,144.00	1,215.00	0.00	-5.84	1,250.67	1,226.83	-1.91
SELLING RATE**	1,166.00	1,176.00	1,297.29	0.86	-9.35	1,272.08	1,253.75	-1.44

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

3.0 Government Budgetary Operations

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

Revenue Performance

Total revenue collected by Government during the month of January 2008 was TZS 286.6 billion against the target of TZS 268.2 billion. Although tax revenue continued to perform above projections – with a collection of TZS 268.1 billion, exceeding the target by TZS 22.4 billion, non-tax revenue was below the target. The good performance on tax revenue is attributed to the control of revenue exemptions through use of the newly developed exemption computerization, enhanced performance of Post Clearance Audits to ensure compliance with the revenue laws, Strengthen Customs administration at the major entry points particularly Dar es Salaam, Mwanza, Kilimanjaro, Arusha, Mara, Mbeya and Tanga, and effective use of the risk profile in overseeing the intervention, management and monitoring of scanning, examination operations, release and re assessments.

Already some positive gains are being registered in the collection of VAT and income taxes. For the month under review, income tax and VAT were above the target by 8.3 percent and 43.3 percent respectively. Regarding non-tax revenue, the government had projected to collect TZS 22.5 billion from non tax revenue sources – with the largest contributor being collections from Ministries and regions. Total non-tax revenue for the month amounted to TZS 18.4 billion. In addition to domestic revenue collected in January, the government received grants amounting to TZS 2.7 billion - thus, available resources for the month amounted to TZS 289.3 billion.

Government Expenditure

Total operating and development expenditure of the Government during the month under review stood at TZS 476.6 billion. Development projects were allocated TZS 102.6 billion, while TZS 374.0 billion was used to cover recurrent expenses.



Overall Budget Position

Government budgetary operations recorded an overall deficit of TZS 125.6 billion against the estimated deficit of TZS 178.6 billion. In line with the fiscal plan, the Government financed the deficit by borrowing from foreign sources to the tune of TZS 58.3 billion and by drawing down TZS 67.3 billion from its savings in the banking system. By end January 2008, government deposits with the Bank of Tanzania stood at TZS 1, 670.5 billion.

4.0 External Sector Performance

Current Account Balance

During January 2008, the current account balance widened to a deficit of USD 237.7 million compared to a deficit of USD 156.8 million recorded in the previous month largely due to an increase in imports of goods particularly fuel. Similarly, during the year ending January 2008, the current account deficit increased to USD 2,141.7 million from a deficit of USD 1,481.6 million in 2007 following a huge increase in imports that could not be matched with corresponding increase in exports. Imports of goods and services increased by 22.2 percent, while exports grew by 14.7 percent (Table 4.1).

Table 4.1: Current Account Balance

Item	Millions of USD						
	2006		2007 ^P		2008 ^P	Year Ending Jan	
	Jan	Jan	Dec	Jan	2007 ^P	2008 ^P	% Change
Goods Account (net)	-99.9	-205.1	-192.6	-232.0	-2,233.2	-2,891.4	29.5
Exports	159.7	179.2	185.6	217.2	1,755.6	2,034.2	15.9
Imports	259.6	384.3	378.2	449.3	3,988.8	4,925.6	23.5
Services Account (net)	11.6	17.8	6.7	-3.3	251.8	212.5	-15.6
Receipts	116.5	131.9	122.2	134.0	1,510.4	1,710.9	13.3
Payments	104.9	114.2	115.5	137.3	1,258.6	1,498.3	19.0
Goods and services (net)	-88.3	-187.3	-186.0	-235.3	-1,981.5	-2,678.9	35.2
Exports of goods and services	276.2	311.2	307.7	351.3	3,265.9	3,745.1	14.7
Imports of goods and services	364.5	498.5	493.7	586.6	5,247.4	6,423.9	22.4
Income Account (net)	-4.0	-8.9	-9.8	-4.5	-83.5	-66.9	-19.8
Receipts	6.8	4.4	10.3	11.7	81.0	111.2	37.2
Payments	10.8	13.2	20.1	16.2	164.5	178.1	8.3
Current Transfers (net)	15.2	46.2	39.0	2.1	583.4	604.1	3.5
Inflows	20.6	51.4	44.8	7.9	650.3	676.0	4.0
o/w General Government	12.6	44.1	36.5	0.0	555.9	580.4	4.4
Outflows	5.4	5.2	5.9	5.8	66.9	71.9	7.5
Current Account Balance	-77.1	-149.9	-156.8	-237.7	-1,481.6	-2,141.7	44.6

Note: -- = Very large number

P = Provisional

Totals may not add up due to rounding of numbers

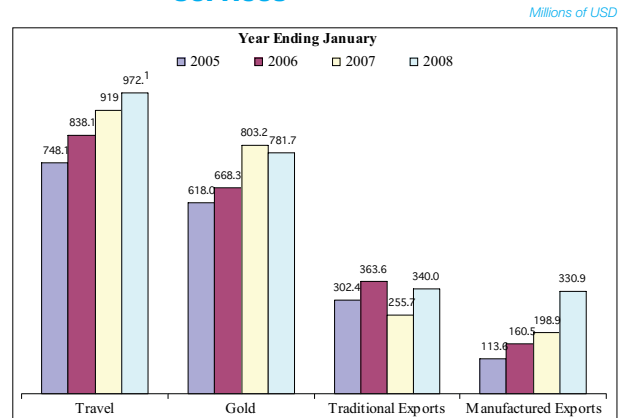
Source: Bank of Tanzania

Exports Performance

During the year ending January 2008, Tanzania exported goods and services worth USD 3,745.1 million, an increase of 14.7 percent from USD 3, 249.8 million recorded in the

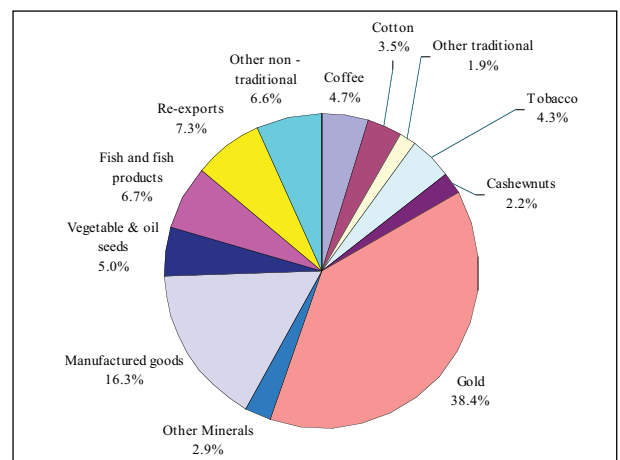
corresponding period last year. As a share of total exports, travel (tourism) and gold receipts continued to dominate the export sector accounting for 26.0 percent and 20.9 percent, respectively. Chart 4.1 summarizes the performance of selected export items during the past four years.

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



Merchandise goods export increased by 15.9 percent to USD 2,034.2 million compared to USD 1,755.6 that was recorded in the year ending January 2007. This development is largely due to improved performance in traditional and non-traditional exports. Minerals, gold in particular continued to dominate by accounting for about 38.4 percent of total goods exports followed by manufactured goods and traditional exports which accounted for about 16.3 percent and 16.7 percent, respectively (Chart 4.2).

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



Note:

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

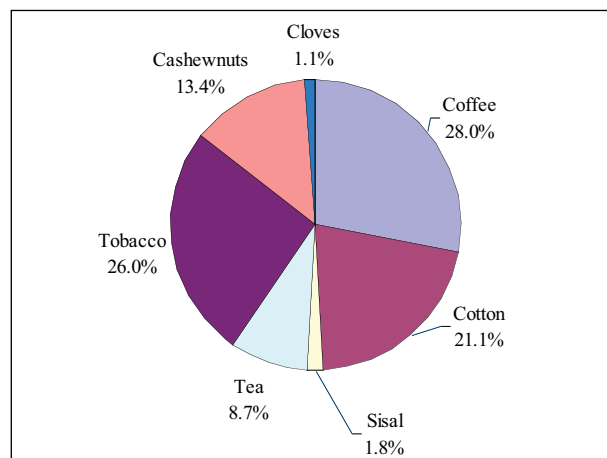


Traditional Exports

In January 2008, the value of traditional exports went up by 8.7 percent to USD 54.7 million mainly on account of an increase in the export volume of cashew nuts to 36,639 tons compared to 21,806 tons exported in December 2007. The development is largely due to willingness of farmers to sell their crop under the newly introduced Warehouse Receipt Payment System. Regarding unit prices, almost all the traditional crops recorded increases in export unit prices with the exception of cashew nut that registered a marginal decline to USD 580.6 per ton.

During the year ending January 2008, traditional exports increased 33.0 percent to USD 340.0 million compared to USD 255.7 million recorded in the corresponding period. The increase is largely attributed to the improved performance of coffee, cotton, tobacco and cashew nuts amid significant increase in export volumes following favourable weather condition. The share of individual crop export to total traditional exports for the year ending January 2008 is reflected on (Chart 4.3).

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



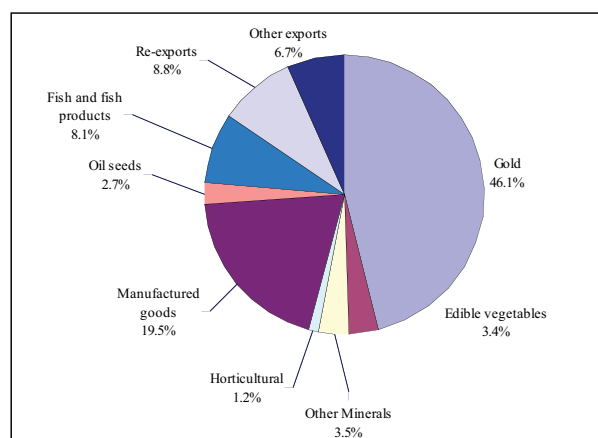
Non-Traditional Exports

Non-traditional exports recorded an increase to USD 162.5 million as exports of manufactured goods and re-exports significantly increased to USD 38.6 million and USD 22.6 million, respectively. The development in re-exports was driven by an increase in wheat, animal and vegetable oils and petroleum products to the neighbouring countries. This is partly due to disruptions of importation through Mombassa

following post election violence in Kenya. On the other hand, gold which accounts for about 45 percent of total non-traditional exports recorded an increase of 8.3 percent to USD 72.7 million in January 2008 largely due to increase in prices as the export volume remained virtually unchanged at 2.5 tons.

On annual basis, non-traditional exports increased by 13.0 percent to USD 1,694.7 million as most sub-categories of non-traditional exports recorded increases. Much of the increase is attributed to the performance of the manufactured goods export which rose by 66.4 percent to USD 330.9 million in line with the growth of manufacturing sector in the country. There was also an increase in other exports from USD 151.1 million during the year ending January 2008 to USD 216.1 million following a surge in exports of oil seeds and edible vegetables. The increase in export of oil seeds which includes cotton seeds is largely associated with the improved production of cotton in the country in the review period. On the other hand, the value of gold exports decreased marginally to USD 782.2 million following a decline in export volumes as gold prices in the world market continued to increase. Chart 4.4 depicts the performance of non-traditional exports for the year ending January 2008.

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



Services Exports

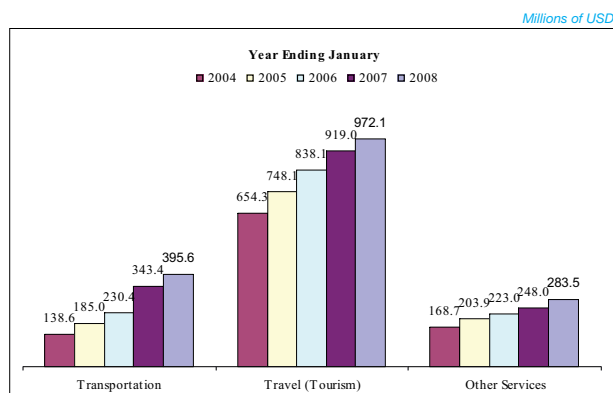
During January 2008, export of services increased from USD 122.2 million recorded in the previous month to USD 134.0 million largely due to a surge in receipts from transportation. The improved performance of transportation sector from USD 19.8 million in December 2007 to USD 32.3 million is partly attributed to the increase in usage of Dar es Salaam port by neighbouring countries following the political crisis in Kenya.



On an annual basis, services receipt went up by 13.3 percent to USD 1,710.9 million mainly due to the increase in transportation, travel, insurance services and other business services. During the review period, travel (tourism) receipts increased to USD 972.1 million from USD 919.0 million recorded during the year near ending January 2007. The good performance in travel sector which accounted for about 56.8 percent of total services receipt is mainly attributable to an international recognition of Tanzania's magnificent tourist attractions. Looking ahead, there are prospects for further growth in tourism given efforts taken by the Government and other stakeholders of promoting Tanzania as the quality nature destination. Moreover, coverage by international media on the recent state visit by the President of the United States of America will enhance efforts in advertising destination Tanzania in the United States. However, in order to sustain good performance in tourism industry promotion efforts have to go in tandem with further improvement in infrastructure such as upgrading of our airports and roads leading to attraction areas.

Likewise, transportation recorded an increase of 15.2 percent to USD 395.6 million compared to USD 343.4 million recorded in the previous year. The improved performance in the transportation sector is partly attributed to the increase in transportation cost to the neighbouring countries following a surge in oil prices in the world market. Nevertheless, there is a potential for further improvement in the transportation services, if the country increases efficiency of cargo handling at ports by modernizing and expanding port facilities. The upgrading of port's facilities should be undertaken along with improvement of inland transport network such as railways and roads (Chart 4.5).

Chart 4.5: Service Receipts 2005 – 2008



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



Imports Performance

During the month under review, goods imports increased by 18.8 percent to USD 449.3 million mainly due to a surge in capital and intermediate goods. Capital goods import went up by 7.7 percent to USD 162.4 million following increases in transport equipment, building and construction materials and machinery, consistent with the growth of activities in construction and manufacturing sectors. The surge in intermediate goods is largely attributed to significant increase in importation of oil to replenish stocks. In January 2008, the volume of imported oil increased by 15.6 percent to a total of 120,668 tons compared to the volume recorded in the previous month. On the other hand, consumer goods import declined by 4.6 percent to USD 95.4 million amid a fall in importation of food stuffs, wheat in particular. Availability of stocks from previous imports largely explains the decline in wheat imports in the review month (Table 4.2).

Table 4.2: Imports

Millions of USD

Item	2007 ^P		2008	% Change		Year Ending Jan ^P		
	Jan	Dec	Jan	Jan 07 - Jan 08	Dec 07 - Jan 08	2007	2008	% Change
Capital Goods	132.8	150.8	162.4	22.3	7.7	1,461.4	1,794.7	22.8
Transport Equipments	26.9	45.8	52.1	93.6	13.9	372.7	503.0	35.0
Building and Constructions	28.3	42.7	46.7	65.0	9.5	338.1	435.1	28.7
Machinery	77.5	62.4	63.6	-18.0	1.9	750.7	856.6	14.1
Intermediate Goods	159.4	127.4	191.4	20.1	50.3	1,645.6	2,002.8	21.7
Oil imports	109.1	74.2	135.0	23.7	82.0	1,194.4	1,488.0	24.6
Fertilizers	1.2	2.6	3.4	174.5	27.7	53.9	61.2	13.6
Industrial raw materials	49.0	50.6	53.1	8.3	4.9	397.2	453.5	14.2
Consumer Goods	92.1	100.0	95.4	3.5	-4.6	881.8	1,128.2	27.9
Food and food stuffs	33.1	36.6	20.8	-37.0	-43.1	263.4	303.2	15.1
All other consumer goods ¹	59.1	63.4	74.6	26.2	17.7	618.5	825.0	33.4
Grand Total (Lo.b)	384.3	378.2	449.3	16.9	18.8	3,988.8	4,925.6	23.5
Grand Total (c.i.f)	422.3	415.6	493.7	16.9	18.8	4,383.3	5,412.8	23.5

Oil imports refers to refined petroleum products

P = provisional data

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

Totals may not add up due to rounding of numbers

Source: Bank of Tanzania and Tanzania Revenue Authority

Food Imports

Food imports which mainly consist of cereals decreased from USD 31.4 million recorded in the previous month to USD 13.5 million. Much of the decrease resulted from the fall in importation of wheat to 35,350 tons compared to 87,670 tons imported in the previous month (Table 3). Importation of other cereals namely maize and rice remained low in the review period. However, due to looming shortage of food in some parts of the country, the Government has allowed importation of about 300,000 tons of maize free from import duty for the period between January and May 2008. With this development, there will be an increase in import bill for cereals in the coming months.

Table 4.3: Summary of Food Imports

Crop	2007			2008	% Change Dec 07 – Jan 08
	Oct	Nov	Dec	Jan	
Maize					
Tons	403	1,468	2,234	2,953	32.2
Value (Mill. USD)	1.13	0.32	0.14	0	40.2
Rice					
Tons	3,177	685	4038	352	-91.3
Value (Mill. USD)	0.18	0.23	0.30	0	-85.2
Wheat					
Tons	126,422	123,255	87,670	35,350	-59.7
Value (Mill. USD)	38.1	43.8	30.9	13	-57.0
Total Tons	130,002	125,408	93,942	38,655	-58.9
Total Value (Mill. USD)	39.5	44.3	31.4	13.5	-56.8

Source: Bank of Tanzania and Tanzania Revenue Authority

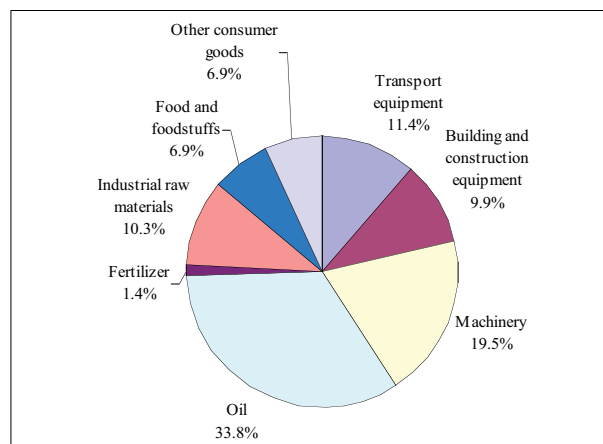
On annual basis, goods import went up by 23.5 percent to USD 4,925.6 million following the increase in importation of all major import sub categories. Capital goods imports increased from USD 1,794.7 million in the previous year to USD 1,461.4 million following the increase in importation of transportation 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 significantly to USD 2,002.8 million owing to the increase in importation of oil and industrial raw materials. The increase in oil imports is attributed to a surge in both prices and imported volumes. During the review period, prices of white products in the world market have risen to an average of USD 699.7 per ton compared to USD 598.4 per ton in the previous period. Likewise, volumes of oil imported increased from 2,120,351 tons recorded in the previous year to 2,398,171 tons amid expansion in economic activities in the country. On the other hand, the surge in imports of industrial raw materials is largely associated with the growth of the manufacturing sector in the country following macro-economic reforms that have attracted investments into the sector. According to the available statistics, in the past three years, the manufacturing sector has been growing at an annual average of about 8.7 percent leading into a higher demand of imported raw materials as most of the industries depend on imported raw materials.

Consumer goods import increased by 27.9 percent to USD 1,128.2 million largely due to increase in food and other consumer goods that include pharmaceutical products, paper and textiles apparel. The increase in food and foodstuffs is largely attributed to increase in importation of cereals particularly wheat imports which are re-exported to Uganda, Burundi, Rwanda, and DRC. During the period under review, wheat worth a total of USD 27.3 million were re-exported to

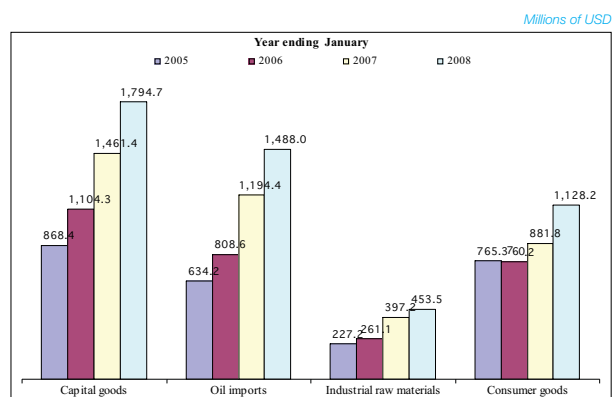
the neighbouring countries compared to USD 22.1 million in the previous year (Chart 4.6).

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



During the past four years, capital goods dominated the total imports followed by intermediate goods. The trend of imports over the past four years is shown in (Chart 4.7).

Chart 4.7: Total Merchandise Imports: 2005-2008



Services Imports

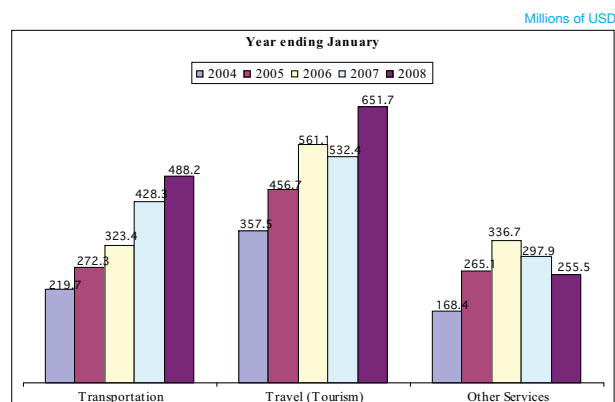
During the month under review, services payments increased to USD 137.3 million from USD 115.5 million recorded in the previous month mainly on account of the increase in payments for financial services, freight and travel. The increase in freight charges is in line with surge in merchandise imports.

On an annual basis, service payment increased by 19.0 percent to USD 1,498.3 million, largely due to the increase in payments for freight, travel, insurance, government services and other business services. While the increase in freight and insurance payments is in line with the increase in merchandise imports, the surge in other business services is



consistent with the growth of economic activities as well as openness of the economy. Other business services comprise of services associated with consultancy, legal, accounting, public relations, architectural, engineering, auditing, research and development. The performance of the major service payment categories in the past four years is illustrated on (Chart 4.8).

Chart 4.8: Service Payments 2004 – 2008



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

World Commodity Prices

During January 2008, the world market prices of commodities recorded mixed developments as shown on (Table 4.4). The prices of Arabica and Robusta coffee recorded increases of 1.7 percent to USD 3.1 per kg and 8.4 percent to USD 2.2 per kg, respectively.

Table 4.4: World Commodity Prices

Commodity	Units	2007		2008	% Change	Year Ending January			% Change
		Nov	Dec	Jan		2006	2007	2008	
Robusta Coffee	US \$ per kg	2.04	2.02	2.19	8.42	1.16	1.50	1.95	30.16
Arabica Coffee	US \$ per kg	2.89	3.03	3.08	1.65	2.57	2.53	2.75	8.99
Tea (Average price)	US \$ per kg	2.21	2.31	2.40	3.90	1.66	1.87	2.08	11.47
Tea (Mombasa auction)	US \$ per kg	1.71	1.73	2.15	24.28	1.50	1.94	1.70	-12.05
Cotton, "A Index"	US \$ per kg	1.54	1.53	1.63	6.54	1.23	1.27	1.42	11.83
Cotton, Memphis"	US \$ per kg	1.56	1.55	1.66	7.10	1.31	1.34	1.45	8.58
Sisal (UG)	US \$ per metric ton	1,025.00	1,025.00	1,025.00	0.00	885.42	953.59	1032.50	8.28
Cloves	US \$ per metric ton	3,400.00	4,600.00	4,000.00	11.11	3,139.58	3,835.21	3,454.86	-9.92
Crude oil*	US \$ per barrel	91.34	89.52	90.69	1.31	55.02	62.98	74.22	17.84
Crude oil**	US \$ per barrel	86.73	85.75	87.17	1.66	51.00	60.53	71.30	17.79
White products***	US \$ per ton	854.18	825.81	818.33	-0.90	539.60	598.40	699.66	16.92
Jet/Kerosine	US \$ per ton	905.76	864.74	854.02	-1.24	568.87	629.01	714.49	13.59
Premium Gasoline	US \$ per ton	816.36	787.29	785.52	-0.22	532.47	600.54	712.66	18.67
Heat Oil	US \$ per ton	840.42	825.39	815.46	-1.20	517.45	566.41	671.81	18.61
Gold	US \$ per troy ounce	806.20	803.20	889.60	10.76	455.35	599.98	718.26	19.71

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

The increase in price of Robusta coffee was largely due to a decline in the global supply of coffee coupled with the decline in output from Brazil and Vietnam as the result of unfavourable weather condition. Meanwhile, prices of tea (Average price and Mombasa auction) increased notably to USD 2.4 per kg and USD 2.2 per kg, respectively on account of disruption in tea production and trading in Kenya following post election violence in Kenya. Similarly, the prices of cotton (A-Index and Memphis) rose by 6.5 percent and 7.1 percent to USD 1.6 per kg and USD 1.7 per kg, respectively. The development partly emanated from expectation of a short fall in cotton production in 2007/08 amid unfavourable weather condition in the major cotton producing countries such as China.

During the period under review, the price of sisal remained unchanged at USD 1,025.0 per metric ton, whereas, the price of cloves increased by 11.1 percent to USD 4,000.00 per ton. The surge in the price of cloves was largely attributable to speculation on the shortfall in the global output of cloves in 2008/09 season as a result of drop in cloves production in several key producing countries like Sri-Lanka, Madagascar, India and Comoro. Slight changes were recorded on oil prices as crude oil (UK Brent) and Dubai (f.o.b) recorded small price increases to USD 90.7 per barrel and USD 87.2 per barrel, respectively. The price of white products went down marginally to USD 818.3 per ton in January 2008. Conversely, the price of gold recorded a notable increase to USD 889.6 per troy ounce, partly on account of a weak dollar against other major currencies coupled with investors concern about inflation and USA growth.



During the year ending January 2008, prices of commodities recorded modest increases in prices with the exception of tea (Mombasa Auction) and cloves whose price declined notably to USD 1.7 per kg and USD 3454.9 per metric ton. The drop in the price of tea was largely attributable to favourable weather condition in major producing countries in East Africa. Likewise, the decline in clove prices was mainly on account of increase in production in Indonesia, following favourable weather condition. Meanwhile, the 30.2 percent increase in the price of Robusta coffee to USD 2.0 per kg largely emanated from the increase in the demand of tea from the consumers in the European countries. Moreover, there was a decline in the global coffee stocks as the result of the effect of Biennial cycle of coffee. Regarding prices of oil, notable increase was recorded following supply disruption in the major oil exporting countries in the Middle East and Nigeria. During the period under review, the price of gold increased by 19.7 percent to USD 718.3 per troy ounce driven by the weakening of US dollar against other major currencies and investors concerns about the inflation and dismal performance of the USA economy.

5.0 National Debt Developments

Total debt stock that comprise of both domestic and external debt stock at the end of January 2008 stood at USD 6,967.2 million. The debt has decreased by 1.1 percent in January 2008 from USD 7,041.3 million registered in the previous month. The decrease is largely on account of significant fall in domestic debt stock by 7.5 percent. The sharp fall in domestic debt is partly due to the decision by the government to conduct Government Securities Auctions once and twice in a month for Treasury bonds and Treasury Bills respectively and the exchange rate fluctuations.

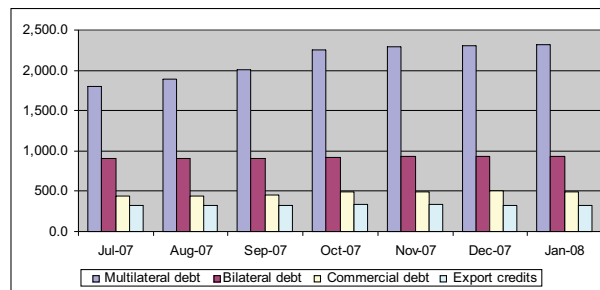
External Debt

By the end of January 2008, external debt stock was USD 5,418.6 million, representing an increase of USD 50.8 million (0.9 percent) from USD 5,367.7 million recorded at the end of December 2007. The increase is mainly attributed by recording of new disbursements, exchange rate fluctuations as well as accumulation of arrears for non serviced debts. Out of the total external debt stock, USD 4,086.4 million (75.4 percent) was disbursed outstanding debt (DOD) and the remaining balance

of USD 1,332.2 million (24.6 percent) was interest arrears.

The profile of DOD by creditor category indicated that debt owed to multilateral institutions stood at USD 2,328.2 million (57.0 percent), while the amount of debt owed to bilateral creditors was USD 933.6 million (22.8 percent). Commercial and export credits amounted to USD 496.7 million (12.2 percent) and USD 328.3 million (8.0 percent) respectively (Chart 5.1).

Chart 5.1: Disbursed Outstanding Debt by Creditor Category



In terms of borrower category, at the end of January 2007, Central Government remained the leading borrower with a debt worth USD 3,275.9 million (80.2 percent) followed by private sector amounting to USD 640.4 million (15.7 percent) and parastatal companies USD 170.1 million (4.2 percent).

Loan Disbursements and Debt Service

New disbursements received and recorded during the month under review amounted to USD 15.2 million. External debt service payments amounted to USD 1.3 million, out of which, principal repayments were to the tune of USD 0.3 million while interest payments amounted to USD 1.0 million.

Domestic Debt

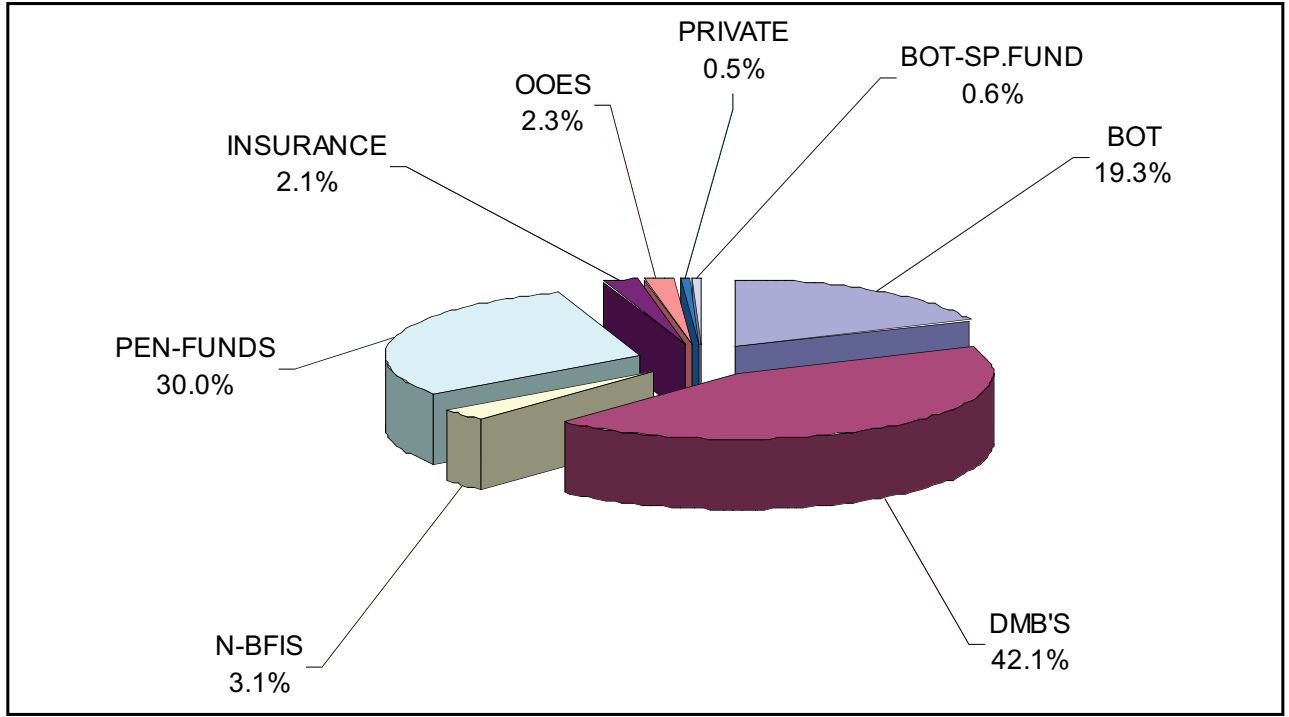
The stock of domestic debt decreased significantly by 4.2 percent to TZS 1,814.8 billion at the end of January 2008, compared to TZS 1,894.6 billion registered at the end of the preceding month. Out of this amount, Government securities (treasury bills, bonds and stock) accounted for 99.5 percent and the remaining portion was in other Government debts.

The profile of domestic debt by holder category shows that commercial banks remained the leading Union Government creditors holding 42.1 percent of the total domestic debt followed by Pension Funds with 30.0 percent, Bank of Tanzania 19.3 percent, other official entities, insurance companies and



Non-Bank Financial Institutions (NBFIs) were holding 2.3 percent, 2.1 percent and 3.1 percent respectively. The remaining portion of 1.1 percent was held by private sector and BOT special fund (Chart 5.2).

Chart 5.2: Government Domestic Debt by Creditor Category



Domestic Debt Service

During the month under review domestic debt amounting to TZS 165.9 billion fell due for payment, out of which TZS 37.9 billion being interest was paid out of Government revenue while principal amounting to TZS 128.0 billion was rolled over.



6.0 Economic Developments in Zanzibar

Inflation Developments

Office of the Chief Government Statistician, Zanzibar compiled revised CPI series using new weights from January 2006; with a view of establishing updated new basket of goods and services by using improved compilation methodology. The revised weights and the new basket were based on Zanzibar's 2004/5 Household Budget Survey; replacing the index and weights which were based on 1991 survey.

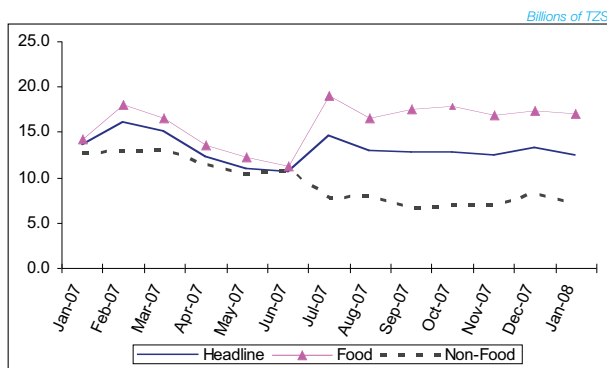
Annual headline inflation in January 2008 declined to 12.5 percent from 13.2 percent recorded in the year ended December 2007. The deceleration in inflation rate was driven by decrease in both food and non-food inflation. On month-to-month basis, the overall price index rose by 1.8 percent in January 2008 compared with a decrease of 0.1 percent in December 2007 on account of increase in month-to-month food inflation (Table 6.1 and Chart 6.1).

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

Major Commodity Group	Weights (%)	Base: Dec. 2005=100				
		2006	2007			2008
		Dec	Jan	Nov	Dec	Jan
Headline/Overall	100.0	11.4	13.6	12.4	13.2	12.5
Food	57.4	11.6	14.3	16.9	17.4	17.0
Non-Food	42.6	11.5	12.8	7.0	8.3	7.2
Alcoholic beverages, tobacco & narcotics	0.6	23.6	23.6	3.2	0.6	0.2
Clothing and footwear	6.2	5.2	7.7	5.5	6.4	6.9
Housing, water, electricity, gas and other fuels	15.6	12.8	14.5	4.1	4.8	0.4
Furnishing, household equipment and routine household maintenance	5.3	8.7	10.0	11.0	12.5	11.6
Health	2.1	10.2	11.5	13.5	13.7	18.4
Transport	3.4	29.1	29.7	6.0	5.7	5.5
Communication	2.4	-3.9	-3.9	-4.5	-0.7	-2.2
Recreation and culture	0.4	12.7	11.7	12.6	13.1	16.1
Education	1.1	1.2	14.2	12.1	12.0	5.0
Restaurants and hotels	3.1	15.8	21.5	32.0	42.8	32.4
Miscellaneous goods & services	2.4	11.1	0.0	-7.7	-10.0	13.2

Source: Office of Chief Government Statistician (OCGS)

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



Source: Office of Chief Government Statistician (OCGS)

Annual food inflation decreased slightly in January 2008 to 17.0 percent from 17.4 percent recorded in the year ended December 2007 due to improved supply of other food items excluding rice and fish. However, the month-to-month food inflation rate increased significantly to 3.0 percent in January 2008 from negative 0.8 percent recorded in December 2007 owing largely to an increase in prices of rice, fish and wheat flour. The said food items have large impact on inflation rate; due to their higher weights in CPI. Rice and fish have 20.8 percent and 13.9 percent respectively in a total food weight of 57.4 percent.

Annual non-food inflation decreased from 8.3 percent in December 2007 to 7.2 percent during the year ending January 2008, on account of decrease in prices of some items under communication, education and health, housing, water, electricity, gas, other fuels sub-groups (Table 6.1). On **month -on-month basis**, non-food inflation declined to 0.1 percent in January 2008 compared to 1.2 percent recorded in December 2007 following decreases of non-food items, other than petroleum products.

Fiscal Performance

During the month of January 2008 government budgetary deficit on cheques cleared basis; increased to TZS 0.7 billion from TZS 0.2 billion registered in the preceding month. Available total resources (domestic revenue and grants) stood at TZS 16.1 billion, out of which TZS 9.1 billion or 56.5 percent originated from domestic sources; while TZS 7.0 billion accounting for 43.5 percent were foreign grants. Total government expenditure reached TZS 17.8 billion. The budget deficit was financed by both domestic and foreign sources.

Revenue Performance

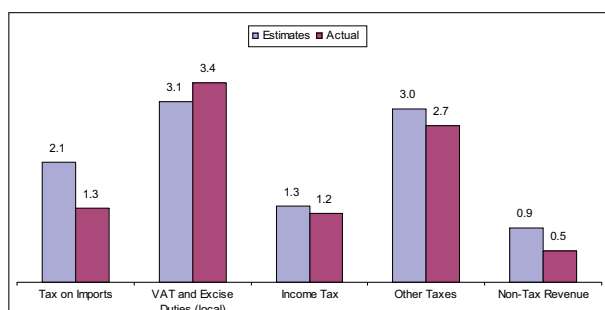
Revenue collections reached TZS 9.1 billion below the target of TZS 10.4 billion. Under performance emanated from decline in tax on imports, income tax, other taxes categories and non tax sources. Tax revenue amounted to TZS 8.6 billion below the target of TZS 9.4 billion; and accounted for 94.5 percent of the total revenue collection. Non-tax revenue amounted to TZS 0.5 billion, accounting for 5.5 percent of the total revenue collections.

Revenue performance by source category reveals that, local VAT and excise duty collections were dominant contributing



to TZS 3.4 billion representing 39.5 percent of the tax revenue or 37.4 percent of total revenue. Actual collections exceeded the target of TZS 3.1 billion due to effect of VAT refunds from Tanzania Mainland. Tax on imports amounted to TZS 1.3 billion below the target of TZS 2.1 billion; largely due to decline in taxable imports. Income tax collection fetched TZS 1.2 billion against the target of TZS 1.3 billion; mainly due to low collection of PAYE attributed to non consolidation of civil servants emoluments; and non collection of skill development levy due to legal impediments. Other tax collections amounted to TZS 2.7 billion below the target amount of TZS 2.9 billion; mainly due to decline in tourist related taxes associated with low tourism season. Non-tax revenue collections amounted to TZS 0.5 billion, below the target TZS 0.9 billion due to under collection by relevant ministries (Chart 6. 2).

Chart 6.2: Government Revenue by Source – January 2008



Source: Ministry of Finance and Economic Affairs-Zanzibar

Cumulatively, total revenue collection for seven months from July 2007 to January 2008 amounted to TZS 61.7 billion, below the target of TZS 68.1 billion and accounted for 53.8 percent of annual target of TZS 114.6 billion.

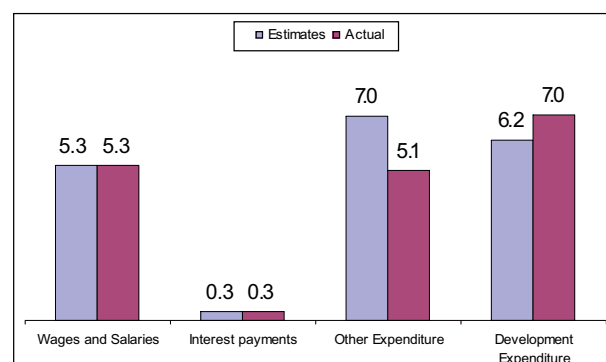
Expenditure

As at end January 2008, total government expenditure reached TZS 17.8 billion below the target of TZS 18.7 billion mainly due to low spending in other expenditures and adherence to cash budget management. Recurrent expenditure reached TZS 10.7 billion, below the target of TZS 12.3 billion; and accounted for 60.1 percent of the total expenditure. Expenditure on wages and salaries amounted to TZS 5.3 billion and accounted for 49.5 percent of the recurrent expenditure or 29.8 percent of the total expenditure. Expenditures on other charges amounted to TZS 5.1 billion, below the target of TZS 7.0 billion and accounted for 47.7 percent of the recurrent expenditure or 28.6 percent of the total expenditure.

Development expenditure reached TZS 7.0 billion surpassing target of TZS 6.2 billion, mainly due to more than expected foreign disbursements; and accounted for 39.3 percent of the total expenditure. Government contribution amounted to TZS 0.8 billion or 11.4 percent of the total development expenditure, while foreign sources contributed TZS 6.2 billion; accounting for 88.6 percent of the total development expenditure (Chart 6.3).

Chart 6.3: Government Expenditure by Components – January 2008

Billions of TZS



Source: Ministry of Finance and Economic Affairs, Zanzibar

Cumulatively, total expenditure for seven months; from July 2007 to January 2008 stood at TZS 102.8 billion, representing 92.7 percent of the projected TZS 110.9 billion and accounted for 38.5 percent of annual budget target TZS 266.9 billion.

Debt Developments

Public Debt Declined

Zanzibar public debt as at end of January 2008, stood at TZS 126.6 billion (US\$ 108.0 million) having declined by 29.0 percent from TZS 179.5 billion (US\$ 158.6 million), recorded in preceding month. Subsequently debt to GDP ratio decreased to 32.0 percent from 45.5 percent registered as at end December 2007. External debt maintained dominance at TZS 72.7 billion (US\$ 62.1 million), representing 57.4 percent of the total debt, while domestic debt stood at TZS 53.8 billion (US\$ 46.0 million), accounting for 45.6 percent of total debt.



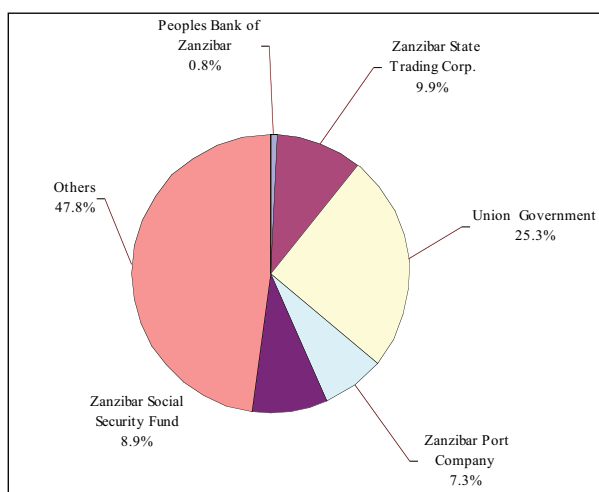
Domestic Debt Declined

During the period under review domestic debt declined to TZS 53.8 billion from TZS 59.2 billion registered in the month ended December 2007, on the back of partial debt repaid to the Peoples Bank of Zanzibar (PBZ) and servicing of claims owed to government suppliers and retirees.

Domestic Debt by Creditors

Debt portfolio by creditors revealed that 'Other creditors' (domestic suppliers and pensioners) were the main creditors; claiming TZS 25.7 billion, representing 47.8 percent of total domestic debt. Union Government debt remained at TZS 13.6 billion or 25.3 percent of domestic debt. Debt due to the Zanzibar State Trading Corporation (ZSTC) and Zanzibar Social Security Fund (ZSSF) amounted to TZS 5.3 billion and TZS 4.8 billion, accounting for 9.9 percent and 8.9 percent, respectively. Claims by Zanzibar Port Company (ZPC) stood at TZS 3.9 billion or 7.3 percent, while debt due to Peoples Bank of Zanzibar (PBZ) fall to TZS 0.4 billion or 0.8 percent of domestic debt from TZS 3.2 billion recorded in the previous month (Chart 6.4).

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



Source: Ministry of Finance and Economic Affairs-Zanzibar

Domestic Debt by Instruments

Analysis of domestic debt by instruments indicates long-term government loans are still main debt instrument amounting to TZS 18.4 billion or 34.2 percent of domestic debt. Treasury bonds and government stocks amounted to TZS 10.7 billion and TZS 8.9 billion representing 19.8 percent and 16.5 percent of domestic debt, respectively. Treasury bills amounted to TZS 6.0 billion up from TZS 5.5 billion, accounting for 11.2 percent of domestic debt. Other debt instruments (suppliers' credits and pensioners' claims), amounted to TZS 9.8 billion down from TZS 12.9 billion accounting for 18.2 percent of domestic debt.

Domestic Debt by Maturity

The profile of domestic debt by maturity shows, debts with "undetermined maturity" (gratuity, pension, and suppliers' claims) dominated but declined to TZS 33.1 billion from TZS 39.0 billion, representing 61.6 percent of domestic debt. Debt maturing between 2 - 5 years stood at TZS 14.7 billion; representing 27.3 percent of domestic debt, while debt maturing in less than a year amounted to TZS 6.0 billion accounting for 11.2 percent of the domestic debt.

External Debt Decreased

As at end of January 2008, external debt amounted to TZS 72.7 billion (US\$ 62.1 million) down from TZS 120.3 billion (US\$ 106.3 million) recorded in previous month. The decline was mainly associated with debt relief from multilateral creditors - African Development Fund (ADF), IDA and IFAD. Debt guaranteed by the Union government amounted to US\$ 46.2 million accounting for 74.4 percent of the external debt, while non-guaranteed debt amounted to US\$ 15.9 million or 25.6 percent of total external debt.

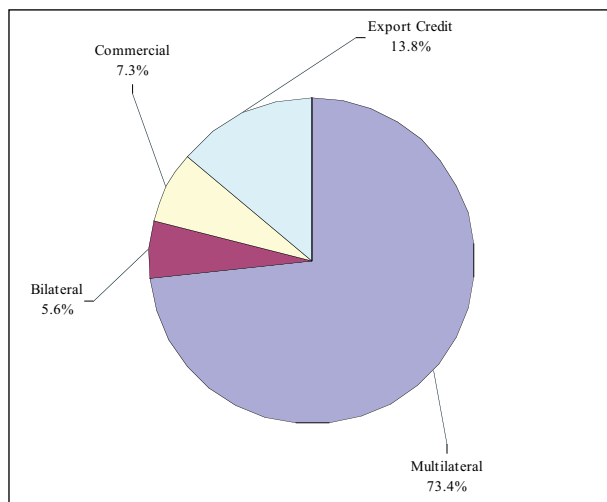
External Debt by Creditor Category

External debt by creditor shows multilateral creditors were dominant; amounting to US\$ 45.5 million (TZS 53.4 billion) accounting for 73.4 percent of total external debt. Debt owed to bilateral creditors stood at US\$ 3.5 million (TZS 4.1 billion) accounting for 5.6 percent of total debt; commercial debts amounted to US\$ 4.5 million (TZS 5.3 billion), representing 7.3 percent of total external debt. Export credits amounted



to US\$ 8.5 million (TZS 10.0 billion) representing 13.8 percent of the total external debt (Chart 6.5).

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



Source: Ministry of Finance and Economic Affairs-Zanzibar

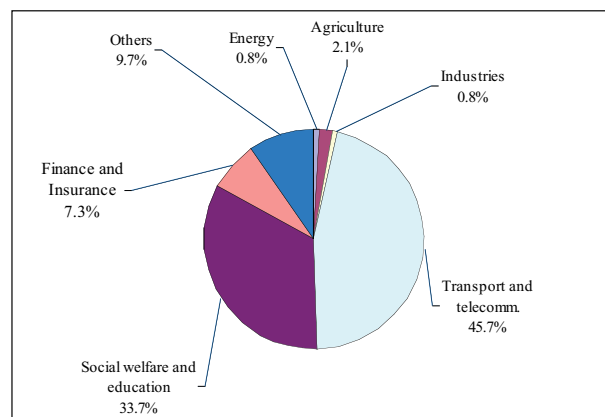
External Debt by Maturity

Zanzibar external debt is mainly long term with 65% of the total, or \$40.4 million maturing over 20 years. Debts maturing between 10 to 20 years stood at US\$ 5.5 million representing 8.9 percent, while debt with maturities of 5 to 10 years amounted to US\$ 16.2 million, accounting for 26.1 percent of the total external debt.

External Debt - Disbursements by End Use

External debt disbursements by end use reveal that; transport and telecommunications sector is the major recipient, absorbing US\$ 28.4 million or 45.7 percent of the total external debt. Social welfare and education sectors received US\$ 20.9 million or 33.7 percent of total external debt. Finance & Insurance sector received US\$ 4.5 million representing 7.3 percent of the total external debt. Disbursements to agriculture, energy and industries sectors stood at US\$ 1.3 million, US\$ 0.5 million and US\$ 0.5 million, equivalent to 2.1 percent, 0.8 percent and 0.8 percent, respectively. Other sectors received US\$ 6.0 million or 9.7 percent of the external debt (Chart 6.6).

Chart 6.6: External debt by Use of Funds as at End – January 2008



Source: Ministry of Finance and Economic Affairs-Zanzibar

External Sector Performance

Current Account

Zanzibar current account for the month ended January 2008, registered a surplus of US\$ 7.3 million, marking a notable improvement from a deficit of US\$ 0.4 million recorded in the preceding month. The reversal performance was attributed to surge in goods exports coupled with a slow down in imports bill. Trade account improved markedly, registering a lower deficit of US\$ 0.4 million compared to deficit of US\$ 5.6 million registered in the previous month. The deficit was financed by surplus on the services account amounting to US\$ 1.8 million.

On annual basis, the current account surplus amounted to US\$ 36.9 million, having declined from US\$ 50.1 million registered in the corresponding period in 2007. The decrease was attributed to decrease in exports and official foreign grants. Trade account deteriorated to a deficit of US\$ 70.3 million from a deficit of US\$ 59.9 million recorded in corresponding period in 2007, mainly due to increase in merchandise imports bill. The deficit was financed by both services receipts and official grants (Table 6.2).



Table 6.2: Current Account Balance

Item	Millions of US\$									
	2007			2008 ^p	Year Ending Jan			%Change		
	Jan	Nov	Dec	Jan	2006	2007	2008 ^p	Monthly	Annual	
Goods Account (net)	-1.6	-6.5	-5.6	-0.4	-67.3	-59.9	-70.3	-92.5	17.4	
Exports	3.4	1.2	1.0	5.3	12.5	13.5	14.4	422.7	6.2	
Imports (fob)	5.0	7.7	6.6	5.8	79.8	73.4	84.7	-12.6	15.4	
Services Account (net)	2.3	1.7	2.0	1.8	17.5	34.1	38.1	-9.2	11.6	
Receipts	5.4	4.2	4.6	4.3	74.4	89.1	78.3	-5.5	-12.0	
Payments	3.0	2.5	2.6	2.5	56.8	54.9	40.2	-2.6	-26.8	
Goods and Services (net)	0.7	-4.8	-3.6	1.4	-49.8	-25.7	-32.2	-138.8	25.1	
Exports of Goods and Services	8.8	5.4	5.6	9.6	86.9	102.6	92.7	72.9	-9.6	
Imports of Goods and Services	8.1	10.1	9.2	8.3	136.6	128.3	124.9	-9.8	-2.7	
Income Account (net)	0.03	-0.04	-0.05	-0.04	0.45	0.27	-0.25	-13.3	-189.3	
Receipts	0.03	0.02	0.01	0.01	0.46	0.33	0.10	33.3	-68.8	
Payments	0.00	0.06	0.06	0.06	0.01	0.05	0.35	-5.6		
Current Transfers (net)	1.0	1.8	3.2	6.0	43.2	75.6	69.3	85.8	-8.3	
Inflows	1.0	1.8	3.2	6.0	43.2	75.6	69.3	85.8	-8.3	
Outflows	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
Current Account Balance	1.8	-3.0	-0.4	7.3	-6.1	50.1	36.9	-1853.3	-26.4	

p = Provisional

Source: Tanzania Revenue Authority

Exports Performance

During the period under review, total exports receipts (goods and services) stood at US\$ 9.6 million up from US\$ 5.6 million registered in December 2007, this was driven by increase in merchandise exports, particularly cloves. Cloves exports increased in both volume and price to the tune of US\$ 5.3 million from US\$ 1.0 million posted in December 2007. Services receipts from tourism related activities; decreased slightly to US\$ 4.3 million from US\$ 4.6 million realized in the previous month due to low tourists' season.

On annual basis, total export proceeds amounted to US\$ 92.7 million, down from US\$ 102.6 million registered in the corresponding period in 2007, mainly on account of decrease in receipts from services receipts. Services receipts declined to US\$ 78.3 million from US\$ 89.1 million, but still represented 84.5% of total export receipts. Cloves exports amounted to US\$ 4.0 million down from US\$ 9.0 million, recorded in the same period in 2006 and represented 4.3 percent of total exports receipts. Seaweeds exports amounted to US\$ 2.2 million or 2.4 percent of total receipts. Manufactured goods exports amounted to US\$ 3.7 million, constituting 4.0 percent of total exports receipts. Exports of fish and fish produce stood at US\$ 0.2 million, while earnings from other exports amounted to US\$ 4.3 million or 4.6 percent of total export receipts (Table 6.3).

Table 6.3: Exports by Major Categories

Commodities	Millions of US\$									
	2007			2008 ^p	Year Ending January			%Change		
	Jan	Nov	Dec	Jan	2006	2007	2008 ^p	Monthly	Annual	
Traditional:										
Cloves										
Value	3.0	0.2	0.1	2.5	9.4	9.0	4.0	1,669.1	-55.5	
Volume	1.0	0.0	0.1	0.6	3.2	2.8	1.1	1,054.1	-59.5	
Unit Price	2,921.9	3,446.4	2,583.8	3,960.7	2,914.3	3,242.5	3,568.5	53.3	10.1	
Sub Total	3.0	0.2	0.1	2.5	9.4	9.0	4.0	1,669.1	-55.5	
Non-Traditional:										
Seaweeds										
Value	0.3	0.3	0.2	0.4	1.9	1.5	2.2	55.2	41.4	
Volume	1.5	1.0	0.9	1.4	9.0	7.6	9.2	65.7	21.0	
Unit Price	169.1	319.3	267.6	250.5	213.4	202.0	236.1	-6.4	16.9	
Manufactured Goods										
Fish and Fish Produce	0.2	0.4	0.3	0.4	0.2	1.9	3.7	44.4	95.1	
Others Exports	0.0	0.0	0.0	0.0	0.3	0.3	0.2	-70.6	-40.7	
Sub Total	0.4	1.0	0.9	2.8	3.1	4.5	10.4	220.7	128.5	
Grand Total	3.4	1.2	1.0	5.3	12.5	13.5	14.4	422.7	6.2	

p = provisional

Source: Tanzania Revenue Authority

Imports Performance

Goods imports (c.i.f) decreased to US\$ 6.3 million from US\$ 7.2 million recorded in the preceding month, responding to slow down in import of capital goods; particularly transport equipment and machinery. This was mainly associated with completion of some major projects. Capital goods imports amounted to US\$ 2.6 million down from US\$ 3.7 million registered in December 2007. Intermediate goods imports which are driven by oil rose to US\$ 2.6 million from US\$ 2.4 million registered in the previous month. Oil imports stood at US\$ 2.0 million up from US\$ 1.5 million, responding to increased oil imports demand and partially relative high world oil prices. Consumer goods imports increased to US\$ 1.2 million from US\$ 1.1 million, mainly as result of increase in imports of other consumer goods (clothes and foot wear).

On annual basis, goods imports (c.i.f) went up to US\$ 93.1 million from US\$ 80.7 million recorded in the corresponding period in 2007, largely due to increase in capital goods imports, specifically building and construction materials and transport equipment. The increase corresponds with boom in construction sector and expanding transit cars business with Mainland Tanzania. Capital goods imports rose to US\$ 46.0 million from US\$ 33.4 million registered in corresponding period in 2007. Oil import bill increased to US\$ 22.4 million from US\$ 20.2 million registered in the corresponding period in 2007 as a result of increase in both quantity and world oil prices. Food and food stuffs imports remained at US\$ 6.3 million, same as the previous corresponding period in 2007 (Table 6.4).



Table 6.4: Imports by Major Categories

Millions of US\$

Import Category	2007			2008p	Year Ending Jan			%Change	
	Jan	Nov	Dec	Jan	2006	2007	2008p	Monthly	Annual
Capital Goods	2.7	3.9	3.7	2.6	35.6	33.4	46.0	-30.4	37.7
Transport Equipment	0.7	1.99	1.7	1.0	9.7	11.0	18.4	-38.1	66.3
Building and Constructions	0.6	0.62	0.7	0.6	7.8	7.0	12.8	-2.4	84.1
Machinery	1.4	1.29	1.4	0.9	18.1	15.4	14.8	-34.4	-3.8
Intermediate Goods	0.5	3.4	2.4	2.6	27.0	26.9	28.0	5.3	3.9
Oil imports*	0.16	2.55	1.5	2.0	22.8	20.2	22.4	30.5	10.8
Fertilizers	0.02	0.02
Industrial raw materials	0.3	0.88	0.9	0.5	4.2	6.8	5.6	-38.2	-16.5
Consumer Goods	2.4	1.1	1.1	1.2	25.0	20.3	19.1	7.3	-6.2
Food and food stuffs	0.3	0.23	0.2	0.2	14.1	6.3	6.3	-1.1	-0.7
All other consumer goods	2.1	0.87	0.9	1.0	10.9	14.0	12.8	9.6	-8.6
Grand Total (c.i.f)	5.5	8.4	7.2	6.3	87.7	80.7	93.1	-12.6	15.4
Grand Total (f.o.b)	5.0	7.7	6.6	5.8	79.8	73.4	84.7	-12.6	15.4

p = provisional

... = Very small value

Source: Tanzania Revenue Authority

Services Account

During the period under review, services account surplus slightly decreased to US\$ 1.8 million from US\$ 2.0 million registered as at end December 2007. The decline was mainly due to decrease in foreign receipts to US\$ 4.3 million from US\$ 4.6 million recorded during the previous month. Travel receipts amounted to US\$ 3.2 million, representing 74.4 percent of total foreign receipts. Foreign payments amounted to US\$ 2.5 million, out of which travel payments represented 68.0 percent of the total.

On year to year basis, the services account surplus stood at US\$ 38.1 million, having increased from a surplus of US\$ 34.1 million recorded in the corresponding period in 2007. The increase originated from the increase in foreign receipts coupled with decline in foreign payments. Foreign receipts increased by 12.0 percent to US\$ 89.0 million from US\$ 78.3 million registered in the corresponding period in 2007. Foreign payments declined to US\$ 40.2 million from US\$ 54.9 million recorded in corresponding period in 2007. Travel receipts amounted to US\$ 67.0 million, accounting 85.9 percent of total services receipts, while travel payments amounted to US\$ 32.4 million, equivalent to 80.6 percent of total foreign payments.



STATISTICAL TABLES



Table A1: Selected Economic Indicators

Item	Unit	2000	2001	2002	2003	2004	2005	2006 ^p
1. National Accounts and Prices								
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 ²	Percent	4.9	5.7	6.2	5.7	6.7	6.7	6.2
1.3 GDP Per Capita--Current Prices ¹	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 ¹	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 ^{3*}	Percent	11.6	11.1	12.7	11.8	12.3	12.5	na
2. Money Credit and Interest Rates								
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 ¹	Percent	9.8	7.6	8.8	8.7	8.5	9.4	12.0
2.6 Private Sector Credit to GDP Ratio ¹	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
3. Balance of Payments****								
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
4 Population (TZ Mainland)	Million	31.9	32.1	33.6	34.2	35.3	36.19	37.5
5. Public Finance			2000/01	2001/02	2002/03	2003/04	2004/05	2005/06*
5.1 Current Revenue to GDP Ratio ¹	Percent		12.2	11.8	12.1	12.6	13.3	13.6
5.2 Grants to GDP Ratio ¹	Percent		3.7	4.3	6.2	6.0	7.4	6.7
5.2 Current Expenditure to GDP Ratio ¹	Percent		13.1	12.6	14.8	15.4	15.1	17.5
5.3 Development Expenditure to GDP Ratio ¹	Percent		3.7	3.9	5.0	6.4	8.6	8.0
5.4 Deficit to GDP Ratio (excluding grants) ¹	Percent		-4.8	-4.8	-7.7	-9.2	-10.4	-11.5
5.5 Deficit to GDP Ratio (including grants) ¹	Percent		-1.1	-0.5	-1.5	-3.1	-3.0	-5.5
6. Total External Debt Stock	Mill. US\$		7,482.1	7,464.0	7,268.1	7,857.0	8,134.8	7,931.8
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 TZS

Item	2006/07	BUDGET 2007/08	2007						2008
			Jul	Aug	Sep	Oct	Nov	Dec	Jan
Total Revenue	2,739,022.4	3,502,583.0	262,189.8	275,917.4	326,363.8	284,598.3	269,707.4	340,258.2	286,549.5
Tax Revenue	2,529,439.4	3,188,415.0	237,589.7	251,039.3	312,249.8	262,860.0	260,539.4	327,682.4	268,127.5
Taxes on Imports	1,018,569.5	1,245,641.9	110,674.5	108,331.1	112,819.9	110,072.5	112,132.6	105,825.4	101,306.5
Sales/VAT and Excise on Local Goods	575,968.3	688,639.0	52,327.2	60,588.6	58,566.1	64,164.0	71,063.6	65,380.6	62,268.6
Refunds	-69,960.0	-124,641.4	-13,064.9	-12,955.3	-9,866.8	-9,866.8	-10,386.8	-10,386.8	-10,386.8
Income Taxes	716,320.5	826,866.7	47,867.6	53,714.0	106,796.9	53,342.2	56,227.0	135,647.7	85,587.6
Other taxes	218,581.1	427,267.4	26,720.4	28,405.6	34,066.9	35,281.3	31,503.0	31,215.5	29,351.6
Non- tax Revenue	209,583.0	314,168.0	24,600.1	24,878.1	14,114.0	21,738.3	9,168.0	12,575.8	18,422.0
Total Expenditure /1	4,474,680.9	5,998,082.5	429,898.5	704,456.4	563,019.6	430,325.8	349,700.8	361,233.1	476,656.9
Recurrent expenditure	3,137,469.5	3,796,986.2	210,421.5	263,925.4	285,322.4	308,329.2	252,174.1	232,366.7	374,027.2
Retention fund	61,261.2	71,706.9	3,678.7	5,434.0	6,610.0	5,815.0	5,289.8	7,363.3	4,584.0
Wages and salaries	976,094.3	1,113,134.0	93,080.1	93,275.7	93,891.5	93,154.7	93,617.6	93,477.0	93,490.3
Interest payments	215,562.9	276,000.0	9,624.2	4,161.4	7,902.4	38,184.3	9,576.3	11,325.6	39,790.9
Domestic 2/	185,050.4	240,000.0	9,359.3	4,045.2	5,318.6	36,049.3	7,583.2	8,370.9	37,880.9
Foreign	30,512.4	36,000.0	264.9	116.3	2,583.8	2,135.0	1,993.1	2,954.7	1,909.9
Other goods, services and transfers	1,945,812.3	2,407,852.2	107,717.2	166,488.2	183,528.4	176,990.3	128,884.8	122,254.8	198,091.5
Dev. Expenditure and net lending	1,337,211.4	2,201,096.3	219,477.0	440,531.0	277,697.3	121,996.6	97,526.8	128,866.3	102,629.7
Local	296,101.0	739,203.5	61,600.3	100,521.7	150,000.0	26,000.0	48,000.0	34,000.0	42,387.0
Foreign	1,047,266.2	1,461,892.8	157,876.7	340,009.2	127,697.3	95,996.6	49,526.8	94,866.3	60,242.7
Overall Balance (cheque issued) before Grants	-1,735,658.5	-2,495,499.5	-167,708.7	-428,539.0	-236,655.8	-145,727.5	-79,993.4	-20,974.9	-190,107.4
Grants	952,225.5	1,690,873.0	468,714.4	26,612.1	107,870.7	57,776.3	61,043.9	74,115.3	2,691.3
Program (CIS/OGL)	479,837.3	607,524.1	396,977.5	0.0	94,454.6	33,371.3	38,266.6	0.0	0.0
Project	241,826.6	684,438.3	15,905.6	1,172.7	3,146.0	7,268.1	2,579.1	69,152.7	1,252.1
Basket funds	111,559.8	192,874.1	16,548.8	573.1	10,270.1	17,136.9	20,198.2	0.0	0.0
HIPC Relief	119,001.7	206,036.6	39,282.4	24,866.3	0.0	0.0	0.0	0.0	1,439.1
Overall defic.(cheq.issued) after Grants	-783,433.0	-804,626.5	301,005.7	-401,926.9	-128,785.1	-87,951.2	-18,949.5	53,140.4	-187,416.1
Expenditure float	131,315.2	0.0	-186,585.9	-12,803.2	-9,825.0	-11,909.3	0.0	0.0	-13,407.0
Adjustments to cash and other items (net)	48,602.6	0.0	179,183.8	57,166.0	72,903.7	-64,629.2	-52,477.7	-95,581.2	75,165.4
Overall Balance (cheques issued)	-924,411.5	-804,626.5	293,603.6	-357,564.2	-65,706.4	-164,489.7	-71,427.2	-42,440.8	-125,657.8
Financing:	924,413.5	804,626.5	-293,603.6	357,564.2	65,706.4	164,489.7	71,427.2	42,440.8	125,657.8
Foreign Financing (net)	561,220.0	818,616.7	124,683.8	359,867.1	350,954.8	68,898.0	25,265.5	44,146.0	58,322.8
Loans	668,935.5	858,376.7	125,422.2	360,241.0	354,396.4	71,591.6	21,188.6	47,691.1	58,990.6
Program loans	257,678.1	273,796.2	0.0	21,977.5	240,115.2	0.0	0.0	21,977.5	0.0
Development Project loans	328,956.7	504,260.2	23,655.7	338,263.4	35,761.0	55,163.7	21,188.6	25,713.6	58,990.6
Basket Support	82,302.8	80,320.2	101,766.6	0.0	78,520.2	16,427.9	5,560.9	0.0	0.0
Amortization	-107,714.5	-39,760.0	-738.5	-373.9	-3,441.6	-2,693.6	-1,483.9	-3,545.1	-667.7
Domestic (net)	363,194.5	-13,990.2	-418,287.4	-2,302.9	-285,248.4	95,591.7	46,161.7	27.2	67,334.9
Domestic Financing	348,886.7	-0.2	-418,287.4	-1,772.9	-285,248.4	95,666.2	46,161.7	27.2	69,918.5
Bank borrowing	129,645.6	0.0	-382,860.2	-42,297.9	-304,072.1	50,347.6	76,510.9	-23.0	105,517.9
Non-Bank (net of amortization)	219,241.1	0.0	-35,427.1	40,525.0	18,823.7	45,318.6	-30,349.3	50.3	-35,599.3
Amortization of contingent debt	-19,000.4	-15,000.0	0.0	-530.0	0.0	-74.5	0.0	0.0	-2,583.6
Privatization Proceeds	33,310.2	-13,990.0	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

End of Period	Domestic assets (net)													Claims on private sectors (net)*		Claims on government (net)		Foreign assets (net)		Other items (net)		TOTAL sum(2-5) or sum(9-13)		TOTAL sum(9-12)		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																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
	Domestic credit (net)			Claims on private sectors (net)*			Claims on government (net)			Foreign assets (net)			Other items (net)			TOTAL sum(2-5) or sum(9-13)		TOTAL sum(9-12)		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																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
	1	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	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000	1001	1002	1003	1004	1005	1006	1007	1008	1009	1010	1011	1012	1013	1014	1015	1016	1017	1018	1019	1020	1021	1022	1023	1024	1025	1026	1027	1028	1029	1030	1031	1032	1033	1034	1035	1036	1037	1038	1039	1040	1041	1042	1043	1044	1045	1046	1047	1048	1049	1050	1051	1052	1053	1054	1055	1056	1057	1058	1059	1060	1061	1062	1063	1064	1065	1066	1067	1068	1069	1070	1071	1072	1073	1074	1075	1076	1077	1078	1079	1080	1081	1082	1083	1084	1085	1086	1087	1088	1089	1090	1091	1092	1093	1094	1095	1096	1097	1098	1099	1100	1101	1102	1103	1104	1105	1106	1107	1108	1109	1110	1111	1112	1113	1114	1115	1116	1117	1118	1119	1120	1121	1122	1123	1124	1125	1126	1127	1128	1129	1130	1131	1132	1133	1134	1135	1136	1137	1138	1139	1140	1141	1142	1143	1144	1145	1146	1147	1148	1149	1150	1151	1152	1153	1154	1155	1156	1157	1158	1159	1160	1161	1162	1163	1164	1165	1166	1167	1168	1169	1170	1171	1172	1173	1174	1175	1176	1177	1178	1179	1180	1181	1182	1183	1184	1185	1186	1187	1188	1189	1190	1191	1192	1193	1194	1195	1196	1197	1198	1199	1200	1201	1202	1203	1204	1205	1206	1207	1208	1209	1210	1211	1212	1213	1214	1215	1216	1217	1218	1219	1220	1221	1222	1223	1224	1225	1226	1227	1228	1229	1230	1231	1232	1233	1234	1235	1236	1237	1238	1239	1240	1241	1242	1243	1244	1245	1246	1247	1248	1249	1250	1251	1252	1253	1254	1255	1256	1257	1258	1259	1260	1261	1262	1263	1264	1265	1266	1267	1268	1269	1270	1271	1272	1273	1274	1275	1276	1277	1278	1279	1280	1281	1282	1283	1284	1285	1286	1287	1288	1289	1290	1291	1292	1293	1294	1295	1296	1297	1298	1299	1300	1301	1302	1303	1304	1305	1306	1307	1308	1309	1310	1311	1312	1313	1314	1315	1316	1317	1318	1319	1320	1321	1322	1323	1324	1325	1326	1327	1328	1329	1330	1331	1332	1333	1334	1335	1336	1337	1338	1339	1340	1341	1342	1343	1344	1345	1346	1347	1348	1349	1350	1351	1352	1353	1354	1355	1356	1357	1358	1359	1360	1361	1362	1363	1364	1365	1366	1367	1368	1369	1370	1371	1372	1373	1374	1375	1376	1377	1378	1379	1380	1381	1382	1383	1384	1385	1386	1387	1388	1389	1390	1391	1392	1393	1394	1395	1396	1397	1398	1399	1400	1401	1402	1403	1404	1405	1406	1407	1408	1409	1410	1411	1412	1413	1414	1415	1416	1417	1418	1419	1420	1421	1422	1423	1424	1425

Table A4 : Interest Rate Structure

Item	Percent													
	2006 Dec	2007 ^P												2008 Jan
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
A: Domestic Currency														
1 Interbank Cash Market Rates														
Overnight	6.73	12.04	7.44	7.52	9.64	6.20	6.67	9.79	12.05	12.07	18.64	10.19	5.37	6.47
2 to 7 days	7.44	12.98	7.87	7.79	9.90	6.58	7.60	11.27	12.28	12.77	19.47	8.19	5.99	7.11
8 to 14 days	9.60	15.27	8.43	7.32	9.02	7.03	7.03	12.00	11.98	12.00	24.04	5.86	5.86	6.82
15 to 30 days	6.12	15.00	9.64	9.64	9.64	7.20	6.00	6.00	6.00	6.50	6.50	9.00	9.22	7.50
31 to 60 days	7.19	15.33	9.35	7.88	9.01	6.87	9.59	6.55	8.81	11.16	6.42	5.15	5.84	5.60
61 to 90 days	9.25	17.50	10.00	10.00	10.00	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75
91 to 180 days	9.68	15.15	12.30	14.87	15.25	12.61	12.50	13.00	13.83	14.80	14.80	14.80	9.75	9.50
181 and above	11.57	11.57	11.57	11.57	11.57	12.87	12.87	12.87	12.87	15.23	15.23	12.10	12.10	12.10
Overall Interbank cash market rate	7.14	12.54	7.72	7.59	9.69	6.42	7.24	10.46	12.11	12.27	18.92	9.67	5.83	6.74
2 Lombard Rate	13.25	18.06	11.74	11.28	14.46	9.63	10.01	14.69	18.07	18.11	27.97	15.29	8.19	9.90
3 REPO Rate	6.35	6.35	6.30	6.88	6.88	5.27	6.25	9.10	11.02	11.56	11.34	7.36	5.13	6.60
4 Treasury Bills Rates														
35 days	8.83	10.96	7.83	7.24	7.79	6.42	6.47	6.07	6.32	6.27	6.35	4.94	5.46	5.96
91 days	14.39	15.69	12.58	14.93	15.03	11.99	12.62	12.88	13.76	14.78	15.14	11.31	9.90	9.54
182 days	14.95	16.02	13.41	16.40	16.84	13.84	16.74	16.23	15.83	16.37	16.62	12.96	10.15	10.33
364 days	15.61	16.25	13.75	17.15	17.27	14.59	18.39	15.84	15.95	16.98	17.86	13.68	12.95	12.80
Overall Treasury bills rate	15.04	15.75	12.95	15.99	16.41	13.49	17.07	15.41	15.11	15.59	16.42	12.45	11.40	10.89
5 Treasury Bonds:														
2-years	18.47	16.522	17.38	19.23	17.56	15.96	18.25	17.67	18.91	20.07	17.29	14.99	14.97	14.97
5-years	15.21	13.60	16.37	16.21	18.20	17.41	18.37	17.31	19.43	20.54	18.69	17.60	17.60	16.81
7-years	17.33	17.50	15.40	20.69	19.90	17.41	18.58	18.50	20.43	19.25	18.80	17.90	18.15	18.15
10-years	17.69	17.15	17.82	18.51	18.03	16.29	17.48	17.52	19.63	19.92	20.28	17.87	17.68	17.68
6 Discount Rate	20.07	21.31	17.92	20.58	21.41	18.93	21.42	21.05	20.11	20.59	21.42	17.44	16.40	15.89
7 Savings Deposit Rate	2.59	2.59	2.25	2.57	2.42	2.60	2.63	2.70	2.71	2.62	2.59	2.61	2.75	2.76
8 Time Deposits Rates:														
Call Accounts	0.87	0.71	1.53	1.29	1.33	1.35	1.31	1.36	0.21	1.14	0.50	1.11	0.78	0.88
1 month	7.28	6.36	6.82	7.68	7.78	7.16	6.65	6.44	6.54	7.44	7.99	7.52	9.26	7.22
2 months	7.44	7.83	8.36	8.55	7.64	6.85	7.78	7.87	8.51	8.65	9.87	8.94	6.97	9.42
3 months	7.53	8.47	7.76	7.48	7.90	8.90	8.61	8.59	8.78	9.89	9.50	9.25	9.34	9.66
6 months	8.95	9.02	8.73	8.85	9.54	9.45	9.31	9.97	9.99	8.82	9.30	10.22	8.71	10.00
12 months	8.75	8.20	8.47	9.17	9.09	9.39	8.88	9.04	9.42	9.64	10.22	9.85	10.08	10.10
24 months	9.39	10.40	10.94	10.85	10.95	10.25	11.27	9.75	10.89	11.91	10.31	10.19	12.92	9.95
9 Negotiated Deposit Rates	9.35	9.02	9.39	7.33	8.45	8.18	8.65	8.91	9.82	9.83	10.61	10.96	11.04	11.17
10 Lending rates:														
Call Loans	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25
Short-term (up to 1 year)	15.67	15.80	15.34	14.94	13.63	13.80	13.95	14.12	14.30	14.06	13.85	14.06	14.70	13.96
Medium-term (1-2 years)	19.27	19.60	16.94	16.77	16.58	16.67	17.01	17.15	16.94	16.84	16.86	16.79	16.60	16.72
Medium-term (2-3 years)	16.27	16.50	14.78	15.37	15.22	15.03	14.60	15.65	15.17	15.15	15.27	15.43	15.48	15.32
Long-term (3-5 years)	14.89	16.10	16.06	16.55	15.09	15.65	15.61	16.04	16.76	16.53	15.90	16.37	16.66	16.49
Term Loans (over 5 years)	15.69	18.12	17.82	18.13	18.25	18.42	17.37	17.42	18.20	17.15	17.04	17.04	12.84	13.69
11 Negotiated Lending Rates	10.60	11.49	12.42	11.74	10.81	10.18	12.20	12.14	12.63	11.91	11.89	11.68	11.98	11.50
B: Foreign Currency														
1 Deposits Rates														
Savings Deposits														
Time Deposits	2.75	2.81	2.85	2.90	2.95	2.83	2.73	2.61	2.86	3.54	4.08	4.69	4.27	4.40
1-months	2.46	2.29	2.39	2.60	2.51	2.37	1.79	2.03	2.07	3.21	2.71	4.77	4.65	3.16
2-months	2.75	2.18	2.07	2.59	2.65	2.41	2.18	1.91	2.72	3.48	4.95	5.36	3.60	4.59
3-months	2.54	2.72	2.87	3.25	2.74	2.69	2.87	2.57	3.02	3.87	4.89	3.76	3.86	4.43
6-months	3.20	3.47	3.23	3.04	3.72	2.92	3.02	2.85	3.47	3.85	3.87	3.86	4.64	4.90
12-months	2.78	3.40	3.69	3.04	3.12	3.75	3.81	3.69	3.00	3.27	3.99	5.72	4.58	4.92
2 Lending Rates														
Short-term (up to 1 year)	8.89	8.64	8.67	8.25	7.25	7.93	8.03	8.41	7.49	5.89	5.77	7.41	3.85	3.82
Medium-term (1-2 years)	8.51	8.61	8.72	8.61	9.82	8.52	8.57	8.46	8.31	8.45	8.48	8.51	8.45	8.69
Medium-term (2-3 years)	7.57	8.33	8.09	7.98	9.77	8.06	7.91	7.97	8.27	8.19	8.69	8.67	8.94	8.95
Long-term (3-5 years)	9.78	8.04	6.31	7.80	7.54	7.90	7.11	7.90	6.89	7.00	8.93	8.68	8.97	8.46
Term Loans (over 5 years)	9.16	7.55	7.34	7.73	8.09	8.42	6.17	8.09	8.49	8.33	8.64	8.73	8.54	8.86

Source: Bank of Tanzania



Table A5(a): Exports by Type of Commodity

Item	2007 ^p		2008	% Change		Year Ending January ^p		
	Jan	Dec	Jan	Jan 06 - Jan 07	Dec 07 - Jan 08	2007	2008	% Change
Traditional Exports:								
COFFEE								
Value	15.3	9.0	12.3	-19.4	36.4	67.8	95.1	40.3
Volume	7.3	3.6	4.7	-34.9	30.4	34.2	42.5	24.3
Unit Price	2,105.1	2,491.1	2,606.7	23.8	4.6	1,982.9	2,237.7	12.9
COTTON								
Value	2.2	7.3	7.5	243.5	4.1	49.3	71.7	45.6
Volume	2.1	6.9	6.3	199.3	-8.2	48.7	63.3	30.0
Unit Price	1,042.4	1,054.9	1,196.3	14.8	13.4	1,012.7	1,133.7	12.0
SISAL								
Value	0.8	0.0	0.0	-100.0	0.0	5.9	6.0	0.9
Volume	1.1	0.0	0.0	-100.0	0.0	7.8	7.1	-9.3
Unit Price	694.5	0.0	0.0	-100.0	0.0	755.7	840.7	11.2
TEA								
Value	2.6	1.5	3.4	30.0	128.9	31.4	29.5	-6.0
Volume	2.0	1.3	2.2	7.1	64.7	22.2	21.7	-2.3
Unit Price	1,299.7	1,135.8	1,578.6	21.5	39.0	1,415.6	1,362.7	-3.7
TOBACCO								
Value	1.5	16.5	2.1	38.5	-87.3	62.8	88.4	40.9
Volume	0.6	6.8	0.7	10.7	-90.2	24.4	38.0	55.5
Unit Price	2,525.8	2,423.8	3,160.2	25.1	30.4	2,570.7	2,329.5	-9.4
CASHEWNUTS								
Value	6.9	15.9	26.7	290.2	68.0	29.4	45.5	54.9
Volume	13.8	21.8	36.6	166.3	68.0	57.9	64.2	10.7
Unit Price	498.2	730.0	730.0	46.5	0.0	507.2	709.7	39.9
CLOVES								
Value	3.0	0.1	2.6	-13.8	--	9.2	3.8	-58.6
Volume	1.0	0.0	0.8	-23.3	--	2.9	1.2	-58.4
Unit Price	2,921.9	3,250.0	3,284.0	12.4	1.0	3,230.7	3,214.5	-0.5
Sub Total	32.3	50.3	54.7	69.6	8.7	255.7	340.0	33.0
Non-Traditional Exports:								
Minerals								
Gold	81.6	71.8	74.4	-8.8	3.5	851.2	841.5	-1.1
Diamond	79.2	67.1	72.7	-8.2	8.3	803.2	781.7	-2.7
Other minerals ¹	1.9	2.0	0.0	-99.9	-99.9	21.6	24.1	11.3
	0.4	2.7	1.7	296.5	-37.7	26.4	35.7	35.1
Manufactured Goods								
Cotton Yarn	17.4	27.1	38.6	121.3	42.4	198.9	330.9	66.4
Manufactured Coffee	0.2	0.4	0.3	5.8	-32.7	6.7	7.3	8.6
Manufactured Tobacco	0.0	0.2	0.1	--	-37.6	1.4	1.4	0.0
Manufactured Tobacco	0.1	0.1	0.0	-56.7	--	1.7	1.2	-31.1
Sisal Products (Yarn & Twine)	0.4	0.6	3.3	--	--	3.0	9.2	--
Other manufactured Goods ²	16.6	25.8	34.8	109.1	34.8	186.1	311.8	67.6
Fish and Fish Products	12.2	10.6	10.8	-10.9	2.0	140.1	136.4	-2.6
Horticultural products	1.0	1.6	2.8	175.1	78.3	15.4	20.9	35.6
Re-exports	23.9	6.9	22.6	-5.4	--	143.2	148.4	3.6
Others Exports ³	10.9	17.3	13.3	22.0	-22.9	151.1	216.1	43.0
Sub Total	147.0	135.3	162.5	10.6	20.1	1,499.9	1,694.2	13.0
Grand Total	179.2	185.6	217.2	21.2	17.1	1,755.6	2,034.2	15.9

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

Item	Millions of USD									
	2007 ^P		2008		% Change		Year Ending		January ^P	
	Jan	Dec	Jan	Jan 08	Jan 06 - Jan 07	Dec 07 - Jan 08	2007	2008	% Change	% Change
Capital Goods	132.8	150.8	162.4		22.3	7.7	1,461.4	1,794.7	22.8	
Transport Equipments	26.9	45.8	52.1		93.6	13.9	372.7	503.0	35.0	
Building and Constructions	28.3	42.7	46.7		65.0	9.5	338.1	435.1	28.7	
Machinery	77.5	62.4	63.6		-18.0	1.9	750.7	856.6	14.1	
Intermediate Goods	159.4	127.4	191.4		20.1	50.3	1,645.6	2,002.8	21.7	
Oil imports	109.1	74.2	135.0		23.7	82.0	1,194.4	1,488.0	24.6	
Fertilizers	1.2	2.6	3.4		174.5	27.7	53.9	61.2	13.6	
Industrial raw materials	49.0	50.6	53.1		8.3	4.9	397.2	453.5	14.2	
Consumer Goods	92.1	100.0	95.4		3.5	-4.6	881.8	1,128.2	27.9	
Food and food stuffs	33.1	36.6	20.8		-37.0	-43.1	263.4	303.2	15.1	
All other consumer goods ¹	59.1	63.4	74.6		26.2	17.7	618.5	825.0	33.4	
Grand Total (f.o.b)	384.3	378.2	449.3		16.9	18.8	3,988.8	4,925.6	23.5	
Grand Total (c.i.f)	422.3	415.6	493.7		16.9	18.8	4,383.3	5,412.8	23.5	

Note:

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

^P = Provisional data

Totals may not add up due to rounding of numbers.

Source: Bank of Tanzania, TRA.



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

Millions of USD

Item	1999	2000	2001	2002 ^r	2003 ^r	2004 ^r	2005 ^r	2006 ^p
A. Current Account	-846.2	-485.9	-237.4	83.6	-87.5	-383.3	-895.2	-1,386.3
Goods: Exports f.o.b.	543.3	733.7	851.3	979.6	1,216.1	1,473.1	1,675.8	1,723.0
Traditional	301.2	292.8	231.1	206.1	220.5	297.8	354.5	267.1
Non-traditional	242.1	440.9	620.2	773.5	995.7	1,175.3	1,321.2	1,455.9
o/w Gold	34.8	112.7	254.1	341.1	502.8	629.4	655.1	773.2
Goods: Imports f.o.b.	-1,415.4	-1,367.6	-1,560.3	-1,511.3	-1,933.5	-2,482.8	-2,997.6	-3,864.1
Balance on Goods	-872.1	-633.9	-709.0	-531.8	-717.3	-1,009.8	-1,321.8	-2,141.1
Services: Credit	600.3	627.3	914.6	920.1	947.8	1,133.6	1,269.2	1,494.0
Transportation	53.7	56.8	105.9	117.1	138.9	183.0	222.9	345.9
Travel	463.7	376.7	615.1	635.0	646.5	746.0	823.6	914.0
Other	82.8	193.8	193.6	168.0	162.3	204.6	222.7	234.1
Services: Debit	-780.5	-682.4	-649.7	-632.5	-725.7	-974.7	-1,207.3	-1,249.4
Transportation	-175.4	-205.7	-194.2	-176.9	-214.7	-267.1	-319.5	-418.3
Travel	-369.7	-337.3	-327.3	-337.5	-353.2	-445.3	-553.8	-534.5
Other	-235.4	-139.4	-128.1	-118.1	-157.8	-262.3	-334.0	-296.6
Balance on Services	-180.2	-55.1	264.9	287.6	222.1	158.9	61.8	244.6
Balance on Goods and Services	-860.8	-689.0	-444.1	-244.2	-495.3	-850.9	-1,260.0	-1,896.4
Income: Credit	32.4	50.4	55.3	67.9	87.1	81.8	80.9	80.3
: Debit	-185.1	-240.9	-243.8	-156.8	-236.2	-200.9	-211.5	-164.9
Balance on Income	-53.6	-190.6	-188.5	-88.8	-149.1	-119.1	-130.6	-84.6
Balance on Goods, Services and Income	-1,013.5	-879.5	-632.6	-333.0	-644.4	-970.0	-1,390.6	-1,981.0
Current transfers (net)	336.6	393.6	395.3	416.6	556.9	586.7	495.4	594.7
Current transfers: Credit	454.1	472.1	474.8	477.9	619.9	651.7	563.0	660.7
Government	411.4	427.8	418.4	427.7	553.3	582.0	478.4	559.5
o/w Multilateral HIPC relief	0.0	40.6	71.3	68.8	68.2	73.7	75.7	42.1
Other sectors	42.7	44.3	56.4	50.2	66.6	69.7	84.5	101.2
Current transfer: Debit	-117.5	-78.5	-79.5	-61.3	-63.0	-65.0	-67.5	-65.9
B. Capital Account	270.6	330.4	361.5	785.7	692.8	459.9	633.2	5,302.8
Capital transfers: Credit	270.6	330.4	361.5	785.7	692.8	459.9	633.2	5,302.8
General Government	256.3	314.7	339.2	755.6	655.5	420.0	590.2	5,254.3
Other sectors	256.3	314.7	339.2	325.3	320.9	253.7	478.1	292.6
Total, Groups A plus B	-406.3	-155.5	124.1	0.0	0.0	0.0	0.0	0.0
C. Financial Account, excl. reserves and related items	522.4	187.8	-353.7	255.4	61.2	275.6	973.4	-4,018.7
Direct investment in Tanzania	541.7	282.0	467.2	387.6	308.2	330.6	447.6	483.4
Other investment	-20.5	-94.2	-829.1	-134.4	-249.7	-57.4	523.3	-4,504.7
Assets	14.8	-134.0	-76.7	2.9	-59.0	-11.0	-61.5	-175.0
Liabilities	-35.3	39.9	-752.5	-137.3	-190.6	-46.4	584.8	-4,329.7
Total, Groups A through C	116.1	118.7	580.0	1,124.7	666.5	352.3	711.5	-102.2
D. Net Errors and Omissions	-244.5	-118.7	-580.0	-806.8	-277.4	-146.3	-964.0	539.2
Overall balance	-128.4	-86.3	-809.6	317.9	389.1	206.0	-252.6	437.0
E. Reserves and Related Items	128.4	86.3	809.6	-317.9	-389.1	-206.0	252.6	-437.0
Reserve assets	-176.5	-198.8	-182.2	-372.4	-508.8	-258.4	247.7	-126.5
Use of Fund credit and loans	51.3	49.4	15.6	26.0	-2.9	-33.8	-50.5	-334.2
Exceptional financing	253.7	235.7	976.2	28.5	122.6	86.2	55.3	23.7
Rescheduled debt	129.4	10.1	131.4	9.8	86.9	0.0	0.0	0.0
Debt forgiveness	77.2	49.4	642.1	0.0	0.0	0.0	0.0	0.0
Interest arrears	33.0	81.2	67.4	18.4	29.5	21.9	55.3	23.7
Principal arrears	14.1	95.0	135.2	0.4	6.2	64.3	0.0	0.0
Memorandum items								
GDP(mp) Mill. TZS	6,432,910.9	7,277,799.9	8,304,338.6	9,399,085.8	10,695,187.2	12,396,058.7	14,417,559.7	16,742,407.9
GDP(mp) Mill. USD	8,635.9	9,092.7	9,475.6	9,724.0	10,297.9	11,379.4	12,772.1	13,373.7
CAB/GDP	-7.8	-5.3	-2.5	0.9	-0.8	-3.4	-7.0	-10.4
CAB/GDP (excl. current official transfers)	-12.6	-10.0	-6.9	-3.5	-6.2	-8.5	-10.8	-14.5
Gross Official Reserves	775.6	974.4	1,156.6	1,529.0	2,037.8	2,296.1	2,048.4	2,260.1
Months of Imports	4.5	5.7	6.3	8.6	9.2	8.0	5.8	5.3
Net International Reserves (year end)	405.1	542.7	761.2	1,058.4	1,533.9	1,786.9	1,395.9	1,891.3
Change in Net International Reserves	-121.4	-137.6	-218.5	-297.2	-475.5	-253.0	391.0	-495.5
Exchange rate (end of period)	797.3	803.3	916.3	976.3	1,063.6	1,043.0	1,165.5	1,261.6
Exchange rate (annual average)	744.9	800.4	876.4	966.6	1,038.6	1,089.3	1,128.8	1,251.9

Source: Bank of Tanzania

Notes:

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

r = Revised

p = Provisional



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

Period	Headline (General Index)		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.	Transportation	Educ-ation	
Weight (%)	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
2003	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
2004	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
2005	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
2006	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
2007	7.0	7.0	10.5	5.9	3.6	6.2	7.9	8.7	2.9	8.9	7.0	9.7	0.8
2006 Mar	7.7	8.3	5.6	7.9	8.5	7.3	4.7	-1.0	16.9	4.9	7.5	0.3	9.4
Jun	9.2	10.0	6.0	7.4	7.7	9.5	6.8	0.3	13.6	5.5	10.0	2.1	7.7
Sep	5.9	3.5	9.8	6.9	3.9	12.0	10.1	2.6	10.5	7.0	11.2	5.0	8.6
Dec	6.3	6.2	9.2	5.9	2.3	5.4	9.8	6.0	4.8	2.8	7.8	2.5	6.6
2007 Mar	7.2	6.3	11.7	6.5	5.6	7.9	10.6	10.5	2.1	7.4	9.2	11.6	-0.2
Jun	5.7	4.0	13.3	7.2	3.9	6.3	9.2	11.0	4.2	9.6	7.4	10.7	2.1
Sep	8.4	10.3	8.1	5.5	2.2	4.3	6.2	8.9	3.4	10.4	5.8	8.9	0.4
Dec	6.9	7.5	9.1	4.4	2.8	6.2	5.8	4.5	1.9	8.1	5.7	7.5	0.9
2006 Jan	6.7	6.3	4.6	9.6	16.6	9.0	4.1	-0.5	19.4	4.5	6.7	1.3	8.7
Feb	7.8	8.6	5.2	7.8	5.0	6.6	4.5	-1.3	18.2	5.9	8.3	-0.5	10.7
Mar	8.6	10.2	6.9	6.5	4.5	6.4	5.4	-1.3	13.4	4.3	7.6	0.0	8.7
Apr	8.8	10.3	4.6	7.3	6.1	5.8	5.7	-1.0	14.3	5.8	8.1	1.0	7.9
May	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
Jun	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
Jul	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
Aug	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
Sep	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
Oct	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
Nov	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
Dec	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
2007 Jan	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
Feb	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
Mar	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
Apr	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
May	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
Jun	5.9	4.6	12.3	7.3	4.2	6.4	8.7	10.1	4.2	10.1	5.8	10.3	2.5
Jul	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
Aug	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
Sep	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
Oct	7.1	8.4	7.0	5.4	2.8	3.8	4.6	5.8	1.6	10.5	5.6	7.8	0.3
Nov	7.3	7.5	10.0	5.2	2.8	6.8	6.6	4.8	2.1	7.6	6.2	7.8	1.7
Dec	6.4	6.6	10.3	2.5	2.8	8.0	6.2	3.0	1.9	6.1	5.4	6.8	0.8
2008 -Jan	8.6	10.1	10.4	1.1	2.4	10.1	4.9	3.6	3.7	5.9	5.7	5.6	2.1

Source: National Bureau of Statistics
Note: Base (1) 2001=100 up to 2005 (2) Dec 2001=100 from January 2006.





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

Period	Headline (General Index)	Non-Food										Miscel. goods & services		
		Food	Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Equip.	Household operations	Personal care & Health	Recreation & Entertain.		Transportation	Educ-ation
2005 Jan	100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5
Feb	0.3	0.4	0.1	1.3	0.2	0.1	0.5	0.8	0.4	-0.9	0.5	1.5	-11.2	0.0
Mar	-0.2	-1.0	1.0	0.6	2.5	9.9	2.3	0.9	1.1	2.3	-1.4	-1.3	0.1	-2.3
Apr	0.0	-0.1	0.3	-0.3	0.2	1.3	0.2	-1.2	-0.1	2.2	0.8	0.7	-1.1	0.8
May	0.8	0.9	0.5	0.4	-0.4	0.0	2.1	-0.1	0.0	-0.7	-1.6	0.2	0.1	0.3
Jun	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	0.9
Jul	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	-0.4
Aug	-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	0.0
Sep	1.1	1.1	1.0	0.2	0.3	1.4	1.5	0.5	0.3	-0.3	-0.1	2.4	0.2	-0.1
Oct	-0.2	-1.3	1.5	1.3	4.8	0.3	4.3	-3.2	-0.3	9.3	4.1	-1.3	-1.2	-0.9
Nov	1.4	1.1	1.9	2.5	1.2	0.3	-0.8	1.0	-0.7	2.4	4.4	4.5	6.5	-0.8
Dec	0.7	0.7	0.6	-0.6	-2.0	0.7	3.3	5.4	-0.3	-1.1	6.8	-0.8	-0.9	4.7
2006 Jan	1.7	3.3	-0.7	0.3	-1.8	0.5	-3.4	-1.9	4.0	1.9	2.0	0.6	-0.1	0.1
Feb	1.0	1.7	0.1	-1.5	4.5	-2.3	-0.4	1.6	-4.3	1.2	-3.3	0.1	-2.9	6.2
Mar	0.8	1.2	0.4	1.2	0.7	-1.0	0.1	1.2	0.3	1.3	-0.1	0.2	-1.6	-0.5
Apr	0.8	1.3	0.0	1.3	-1.0	0.9	0.1	-0.3	0.0	-1.9	-0.7	0.2	-0.7	-1.0
May	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
Jun	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
Jul	-0.7	-2.4	1.9	0.7	0.6	1.0	4.2	0.1	1.2	0.5	0.1	2.5	0.4	-0.4
Aug	-2.9	-5.1	0.4	1.5	1.1	1.6	-0.7	1.1	-0.1	-0.1	0.3	0.2	1.7	-0.3
Sep	0.2	-0.5	1.2	2.7	-0.5	0.0	2.6	0.4	0.6	1.3	0.3	0.0	0.6	1.2
Oct	0.2	-0.4	0.9	1.4	0.7	0.0	0.4	1.5	1.9	1.0	0.3	1.4	0.2	0.2
Nov	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
Dec	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
2007 Jan	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
Feb	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
Mar	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
Apr	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
May	-0.1	-0.1	-0.1	0.7	-0.1	0.0	-0.9	0.2	0.9	0.3	-0.1	-0.1	0.1	-0.1
Jun	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
Jul	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
Aug	0.1	0.1	0.2	0.1	-0.6	0.1	0.2	0.4	0.4	0.2	0.2	1.1	0.2	-0.7
Sep	-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
Oct	0.6	-0.9	-0.9	0.4	-1.1	0.7	-2.3	-1.1	-0.9	-0.3	-0.6	-0.7	0.5	-0.6
Nov	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
Dec	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
2008- Jan	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
	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

Source: National Bureau of Statistics

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

Table A7: External Debt Developments

Item	Millions of USD									
	2004/05	2005/06	2006/07	2007/08						Jan-08
				Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	
1. Overall Total Debt Committed ²	8,345.1	8,638.9	5,212.4	5,248.3	5,447.2	5,635.1	5,880.0	5,908.7	5,915.8	5,958.4
Disbursed outstanding debt	6,799.5	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
Undisbursed debt	1,545.6	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. Disbursed Debt by Creditor Category ²	6,799.5	7,733.9	3,442.3	3,471.5	3,556.2	3,685.2	4,010.2	4,038.4	4,057.4	4,086.4
Bilateral	1,502.3	1,506.2	910.5	907.2	901.1	910.4	922.6	928.4	933.4	933.2
Multilateral	4,626.3	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
Commercial	416.4	462.2	437.3	439.6	439.5	447.9	492.8	489.8	499.3	496.7
Export credits	254.5	305.9	321.9	323.4	324.7	325.5	336.9	330.8	322.8	328.3
3. Disbursed Debt by Borrower Category ²	6,799.5	7,734.0	3,442.3	3,471.5	3,556.2	3,685.2	4,010.2	4,038.4	4,057.4	4,086.4
Central Government	5,830.5	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
Parastatal Companies	477.5	450.0	167.8	168.0	167.9	169.0	170.8	170.8	170.8	170.1
Private Sector	491.5	559.5	582.5	585.5	588.9	592.9	647.0	635.5	637.0	640.4
4. Disbursed Debt by Use of Funds ²	6,799.5	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
Balance of Payment & Budget Support	1,335.1	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
Transport & Telecommunication	1,073.5	1,087.9	425.3	427.6	431.5	441.2	490.0	507.3	518.9	517.1
Agriculture	1,077.8	1,050.1	338.1	346.2	350.1	354.0	380.0	383.9	382.1	396.2
Energy & Mining	1,070.3	955.2	606.9	610.5	609.2	615.1	621.0	624.7	624.8	627.5
Industries	405.5	409.0	162.8	157.9	158.0	159.5	161.0	159.2	155.1	154.3
Social Welfare & Education	611.7	647.3	433.2	444.6	447.1	525.1	538.0	550.8	554.2	567.2
Finance and Insurance	96.6	98.7	64.4	66.0	66.0	66.5	68.0	72.2	75.0	75.1
Tourism	80.1	80.8	73.0	73.2	73.4	74.8	74.7	73.9	73.8	73.6
Others	1,048.9	1,249.8	319.3	325.9	324.5	331.6	347.5	334.3	340.2	381.3
5. Total Amount of Loans Contracted ¹	376.4	264.0	318.1	72.2	5.0	18.8	1.4	2.2	0.0	0.0
Government	335.4	165.0	280.0	0.0	0.0	17.3	0.0	0.0	0.0	0.0
Parastatal Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private	41.0	99.0	38.1	72.2	5.0	1.6	1.4	2.2	0.0	0.0
6. Disbursements ¹	190.2	207.1	449.5	18.6	14.1	259.9	34.7	17.7	16.2	15.2
Government	161.4	179.1	432.6	14.7	9.1	259.9	34.7	16.6	16.2	15.2
Parastatal Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private	28.8	28.0	16.9	3.9	5.0	0.1	0.0	1.1	0.0	0.0
7. Scheduled Debt Service ¹	355.1	373.6	336.9	28.0	3.5	17.0	16.6	8.5	36.2	18.1
8. Actual Debt Service ¹	112.9	90.7	7.7	3.0	0.7	4.5	3.8	2.8	1.6	1.3
Principal	86.0	61.4	5.6	0.8	0.3	3.4	2.2	1.2	1.0	0.3
Interest	26.9	29.3	2.1	2.1	0.4	1.1	1.6	1.6	0.6	1.0
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9. Net Transfers ¹	77.3	99.8	407.5	15.7	13.4	255.5	30.9	14.9	14.6	13.9
10. Total Arrears by Creditor Category ²	2,470.5	2,392.4	2,199.6	2,226.8	2,228.9	2,260.7	2,254.5	2,267.9	2,315.2	2,424.1
Principal	1,135.2	1,116.3	981.0	992.4	986.7	1,005.5	986.3	983.4	1,004.8	1,091.9
Bilateral	669.4	609.0	377.7	381.6	379.8	387.2	395.7	401.0	408.0	416.8
Multilateral	5.9	11.9	13.6	14.7	16.5	15.2	15.4	13.8	16.1	16.6
Commercial	249.2	275.0	339.5	346.1	340.9	352.4	319.7	318.0	326.9	333.0
Other Private Creditors	210.7	220.4	250.1	250.0	249.4	250.7	255.5	250.6	253.7	325.4
Interest	1,335.3	1,260.1	1,218.6	1,234.5	1,242.2	1,255.2	1,268.2	1,284.5	1,310.4	1,332.2
Bilateral	818.8	684.0	536.1	543.3	544.5	549.6	553.5	562.9	579.6	591.8
Multilateral*	23.4	22.0	27.7	28.1	28.5	29.5	30.8	30.8	27.4	33.5
Commercial	333.7	372.9	440.0	445.5	451.7	458.0	460.2	463.5	476.2	478.4
Other Private Creditors	159.4	181.2	214.8	217.6	217.5	218.1	223.6	227.3	227.0	228.5
11. External Debt Stock	8,134.8	8,231.3	4,660.8	4,706.0	4,798.4	4,940.4	5,278.4	5,322.8	5,367.7	5,418.6
12. Domestic Debt Stock	952.6	1,405.9	1,497.9	1,479.0	1,501.2	1,513.1	1,615.6	1,619.0	1,673.5	1,548.6
13. Total Debt Stock	9,087.4	9,637.2	6,158.8	6,184.9	6,299.6	6,453.5	6,894.0	6,941.8	7,041.3	6,967.2
End Period Exchange Rate	1,126.3	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

Source: Bank of Tanzania

* Multilateral arrears are those owed by private companies

1) During the period 2) End of January 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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