



BANK OF TANZANIA



**Monthly
Economic
Review**

FEBRUARY 2020

1.0	Prices and Food Stocks	1
1.1	Inflation Developments	1
1.2	Food Supply	1
1.3	Prices of Food Crops	2
1.4	Domestic Fuel Prices	2
2.0	Monetary and Financial Markets	3
2.1	Money Supply and Credit	3
2.2	Interest Rates	5
2.3	Financial Markets	5
2.3.1	Treasury Bills Market	5
2.3.2	Treasury Bonds Market	6
2.3.3	Interbank Cash Market	6
2.3.4	Repurchase Agreements	6
2.3.5	Interbank Foreign Exchange Market	7
3.0	Government Budgetary Operations	7
4.0	National Debt	8
4.1	External Debt	8
4.2	Domestic Debt	9
5.0	External Sector Performance	10
5.1	Exports	10
5.2	Imports	11
5.3	World Commodity Prices	12
6.0	Economic Developments in Zanzibar	12
6.1	Inflation Developments	12
6.2	Government Budgetary Operations	13
6.3	External Sector Performance	14
	Statistical Tables	16
	Glossary	26

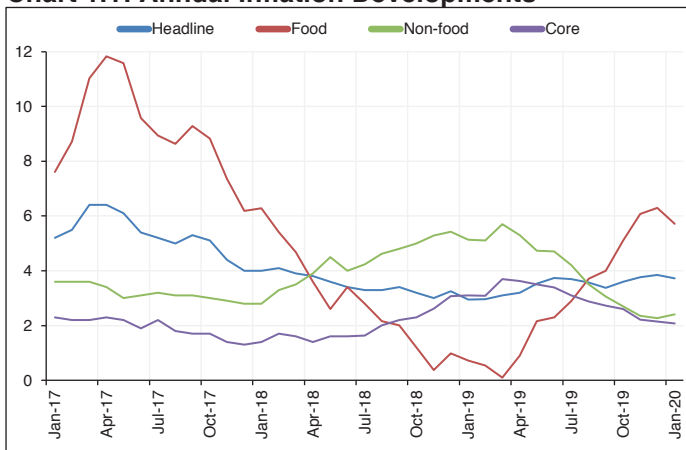


1.0 Prices and Food Stocks

1.1 Inflation

Annual headline inflation declined to 3.7 percent in January 2020 from 3.8 percent in December 2019 mainly due to decrease in prices of some food items (**Chart 1.1** and **Table 1.1**). The rate remained within the country medium-term target of 5.0 percent, and significantly below the convergence criteria for East African Community (EAC) and Southern African Development Community (SADC) of a maximum of 8.0 percent and between 3.0 - 7.0 percent, respectively. On monthly basis, headline inflation was 0.4 in January 2020 compared with 0.5 percent recorded in the similar month of 2019.

Chart 1.1: Annual Inflation Developments



Source: National Bureau of Statistics

Annual inflation for food and non-alcoholic beverages decreased to 5.7 percent in January 2020 from 6.3 percent in the previous month, due to slowdown in prices of some food items mainly fish, cassava, beans and cooking bananas. Monthly inflation for food and non-alcoholic beverages was 0.9 percent in January 2020 compared with 1.4 percent in the January 2019. Conversely, annual non-food inflation rose to 2.4 in January 2020 from 2.3 percent in the preceding month, driven by petrol prices. Inflation rate for energy and fuels increased to 4.0 percent in the year ending January 2020 from 2.8 percent recorded in the year to December 2019. On monthly basis, energy and fuel inflation was negative 0.3 percent in January 2020 compared with negative 1.4 percent of the corresponding month of 2019.

¹comprise of maize only

Table 1.1: Inflation Developments

Base December 2015 = 100

Main groups	Weight	Monthly change			Annual change		
		Jan-19	Dec-19	Jan-20	Jan-19	Dec-19	Jan-20
Food and non-alcoholic beverages	38.5	1.4	1.3	0.9	0.7	6.3	5.7
Alcoholic, tobacco and narcotics	3.7	0.1	0.2	0.0	2.2	0.6	0.5
Clothing and footwear	8.3	0.5	0.5	0.3	3.7	2.2	2.1
Housing, water, electricity, gas and other fuel	11.6	-0.3	-0.6	0.1	11.7	4.4	4.8
Furnishing, housing equipment and routine maintenance of the house	6.3	0.3	0.2	0.2	3.9	2.7	2.5
Health	2.9	0.1	0.0	0.0	1.0	1.5	1.4
Transport	12.5	-0.8	0.7	0.1	4.0	0.8	1.7
Communication	5.6	0.2	0.3	0.2	-2.4	1.1	1.1
Recreation and culture	1.6	0.3	0.3	0.1	0.2	1.4	1.1
Education	1.5	1.4	0.0	1.0	2.0	1.6	1.3
Restaurants and hotels	4.2	0.4	0.0	0.0	2.6	3.2	2.8
Miscellaneous goods and services	3.1	0.2	0.5	0.0	2.5	1.8	1.6
All Items (headline inflation)	100.0	0.5	0.6	0.4	3.0	3.8	3.7
Other selected groups:							
Food and non-alcoholic beverages - combining food consumed at home and food consumed in restaurants	37.1	1.5	1.3	1.1	2.3	6.9	6.4
Energy and fuels - combining electricity and other fuels for use at home with petrol and diesel	8.7	-1.4	-1.3	-0.3	15.7	2.8	4.0
All items less food (non-food)	62.9	0.0	0.1	0.1	5.1	2.3	2.4
All items less food and energy	54.3	0.3	0.5	0.2	3.1	2.1	2.1

Source: National Bureau of Statistics

Annual inflation for all items excluding food and energy remained moderate at 2.1 percent as in December 2019, but was lower than 3.1 percent recorded in January 2019. On monthly basis, non-food non-energy inflation was 0.2 percent, compared with 0.3 percent recorded in January 2019.

1.2 Food Stocks

During January 2020, the National Food Reserve Agency (NFRA) sold 8,901.4 tonnes of maize to private traders, World Food Program and Prisons Department. This brought the stock of food¹ held by the NFRA to 43,597 tonnes at the end of January 2020 from 52,498 tonnes at the end of the preceding month (**Table 1.2**).



Table 1.2: Food Stocks Held by National Food Reserve Agency

	Tonnes				
	2016	2017	2018	2019	2020
January	125,668.0	86,833.5	91,947.0	93,037.2	43,596.7
February	88,414.0	86,444.0	91,312.7	85,524.5	
March	68,727.0	86,443.8	83,650.3	78,336.3	
April	64,825.0	86,278.0	73,467.7	68,747.8	
May	63,341.0	74,826.0	68,893.4	68,057.7	
June	61,837.5	70,393.0	63,843.9	67,335.9	
July	49,632.0	68,697.0	62,288.0	67,410.1	
August	59,832.0	78,434.0	62,317.3	68,407.0	
September	86,545.0	85,403.0	78,224.0	61,710.8	
October	90,905.0	89,248.0	87,435.0	55,852.5	
November	90,900.0	93,353.7	92,402.0	52,726.9	
December	89,691.8	92,074.0	95,534.1	52,498.1	

Source: National Food Reserve Agency

1.3 Prices of Food Crops

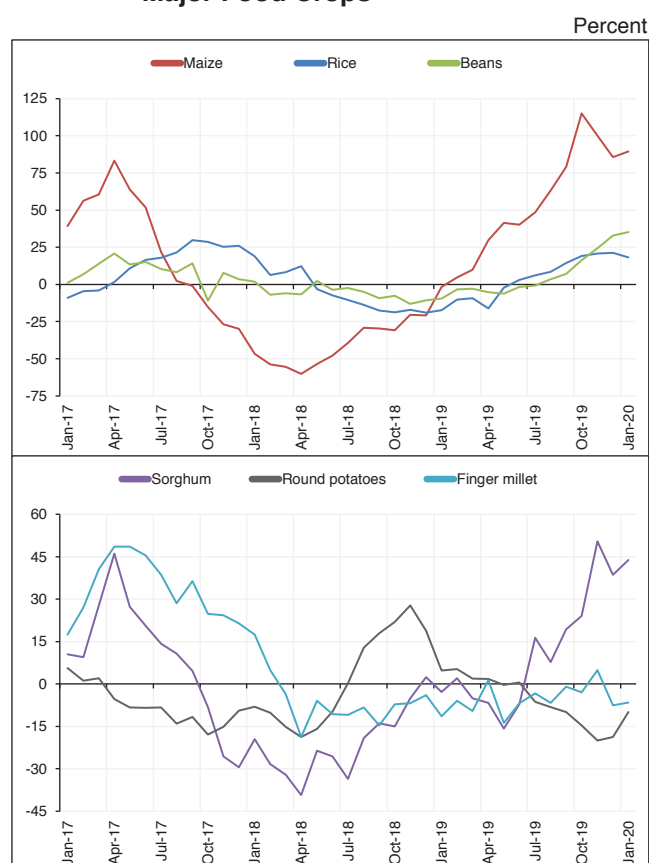
Wholesale prices of all major food crops² increased in January 2020 compared with prices recorded in the preceding month, except of finger millet (**Table 1.3**). Prices of maize, rice and beans continued to rise on consistent basis mainly due to increasing demand for food from neighbouring countries and to some extent domestic demand owing to production shortfalls experienced in north and lake zones during the 2018/19 crop-season.

Table 1.3: Wholesale Prices of Major Food Crops

Crop	TZS per 100kg					
	Nov-18	Dec-18	Jan-19	Nov-19	Dec-19	Jan-20
Maize	42,362.9	47,174.5	49,011.1	84,739.3	87,591.8	92,795.8
Rice	153,493.1	155,522.6	160,282.9	185,486.3	188,754.6	189,486.2
Beans	158,802.1	158,694.4	161,710.6	197,343.3	210,864.6	218,789.3
Sorghum	72,523.8	75,592.3	74,328.7	109,169.4	104,842.7	106,981.3
Round potatoes	88,209.2	85,526.3	80,484.7	70,560.7	69,485.3	72,527.9
Finger millet	136,785.7	141,113.1	136,845.5	143,568.3	130,428.3	127,849.8

Source: Ministry of Industry and Trade

Chart 1.2: Annual Change in Wholesale Prices of Major Food Crops



Source: Ministry of Industry and Trade, and Bank of Tanzania computations

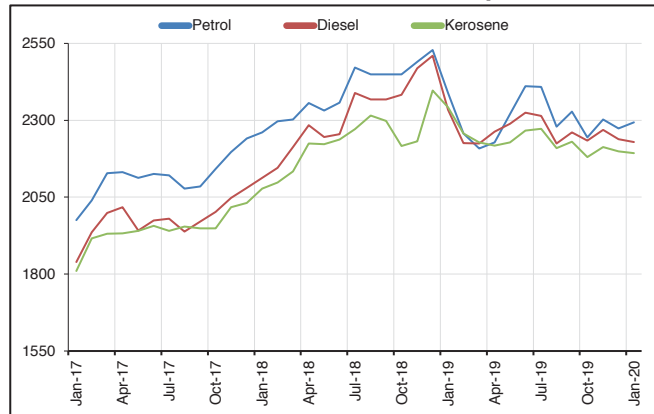
1.4 Domestic Fuel Prices

In line with price movements in the world market, domestic pump prices of petrol, diesel and kerosene were low in January 2020 compared with prices recorded in the corresponding month of 2019. Diesel recorded the highest decline of 11.2 percent to TZS 2,228.68 per litre, followed by petrol at 9.3 percent to TZS 2,273.62 per litre. Price of kerosene averaged TZS 2,193.57 per litre, which was an annual decline of 8.5 percent. On monthly basis, prices of diesel and kerosene declined by 0.5 percent and 0.2 percent, respectively, while that of petrol increased by 0.9 percent (**Chart 1.3**).

²They include maize, rice, beans, sorghum, and round potatoes.

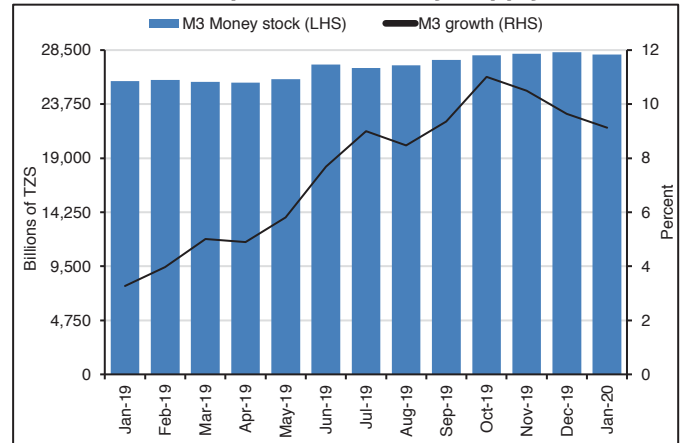


Chart 1.3: Evolution of Domestic Pump Prices



Source: National Bureau of Statistics

Chart 2.1: Developments in Money Supply



Source: Bank of Tanzania, banks and Bank of Tanzania computations

Note: LHS denotes left hand scale; and RHS, right hand scale

2.0 Monetary and Financial Markets

2.1 Money Supply and Credit

Monetary aggregates continued to register strong growth in the year ending January 2020, in response to the sustained accommodative monetary policy and recovery of credit to the private sector. Extended broad money supply (M3) registered an annual increase of TZS 2,351.0 billion to TZS 28,114.2 billion in January 2020, translating into annual growth rate of 9.1 percent compared with 3.3 percent in January 2019 (**Table 2.1** and **Chart 2.1**). The expansion of M3 was on account of accumulation of net foreign assets owing to improvement in the current account balance, and expansion of credit to various economic activities (**Chart 2.2**). Likewise, broad money supply (M2)—that excludes foreign currency deposits—recorded an annual growth of 11.4 percent compared with 2.3 percent registered in January 2019.

Table 2.1: Money Supply and its Main Components

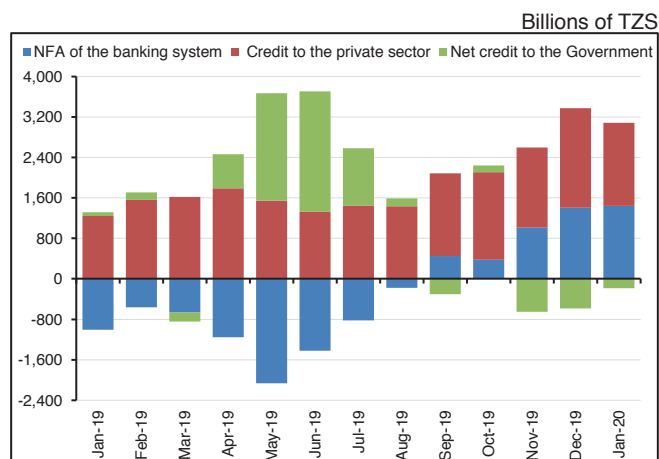
Item	Outstanding stock (Billions of TZS)			Annual growth (%)		
	Jan-19	Dec-19	Jan-20	Jan-19	Dec-19	Jan-20
Net foreign assets of the banking system	10,371.9	12,034.5	11,811.0	-8.9	13.2	13.9
Bank of Tanzania	10,290.4	12,063.1	11,973.5	-12.6	12.8	16.4
Banks	81.6	-28.5	-162.6	---	-54.4	---
Net domestic assets of the banking system	15,391.2	16,278.6	16,303.2	13.5	7.1	5.9
Domestic claims	22,229.4	23,589.3	23,692.0	6.3	6.2	6.6
Claims on central government (net)	4,064.4	3,893.9	3,882.3	1.9	-13.1	-4.5
o/w Securities held by banks	5,097.4	5,169.3	5,323.9	-5.7	3.5	4.4
Claims on the private sector	18,165.0	19,695.4	19,809.7	7.3	11.1	9.1
Other items net	-6,838.2	-7,310.7	-7,388.8	-6.9	4.2	8.1
Extended broad money supply (M3)	25,763.1	28,313.1	28,114.2	3.3	9.6	9.1
Foreign currency deposits	6,796.7	7,032.9	6,982.8	6.1	3.7	2.7
Broad money supply (M2)	18,966.4	21,280.3	21,131.3	2.3	11.8	11.4
Other deposits	7,362.3	7,955.1	7,840.0	2.3	8.7	6.5
Narrow money supply (M1)	11,604.1	13,325.1	13,291.4	2.3	13.7	14.5
Currency in circulation	3,709.2	4,221.8	4,030.4	0.9	9.2	8.7
Transferable deposits	7,894.9	9,103.3	9,261.0	2.9	15.9	17.3

Source: Bank of Tanzania, banks and Banks of Tanzania computations

Note: “---” denotes a change that exceeds 100 percent; and o/w, of which



Chart 2.2: Annual Change in Major Sources of Money Supply

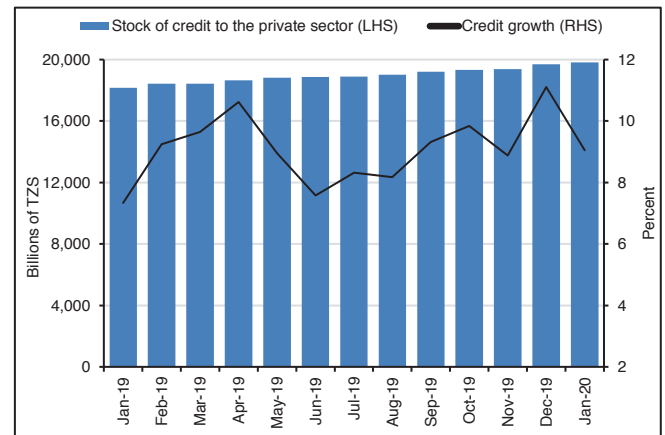


Source: Bank of Tanzania, banks and Bank of Tanzania computations
Note: NFA denotes net foreign assets

Net foreign assets of the banking system recorded an annual growth of 13.9 percent in January 2020, up from a contraction of 8.9 percent in January 2019. This was due to an increase in holdings of the Bank of Tanzania following continuous purchase of foreign exchange from the domestic market, mostly emanating from export proceeds of gold, manufactured goods, and tourism related activities.

Domestic credit maintained its pace, recording an annual growth of 6.6 percent in January 2020 compared with 6.3 percent recorded in the corresponding month of 2019. This recovery was reflected in the expansion of credit to the private sector, which outweighed the contractionary impact of central government borrowing from the banking system. During the year ending January 2020, private sector credit grew by 9.1 percent compared with 7.3 percent in the year ending January 2019 (**Chart 2.3**). This development was in response to increase in loanable funds resulting from sustained accommodative monetary policy, expansion of various economic activities, and measures implemented by the Government to improve business environment.

Chart 2.3: Credit to Private Sector by Banks



Source: Bank of Tanzania, banks and Bank of Tanzania computations

Note: LHS denotes left hand scale and RHS right hand scale

During the period under review, growth of credit was prominent in building and construction, agriculture, transport and communication and personal related activities (**Table 2.2**). It is worth noting that credit to manufacturing activities registered a turnaround, recording a growth of 3.1 percent from a contraction of 0.8 percent in the preceding month. In terms of proportion to total outstanding credit to the private sector, personal-related activities and trade continued to account for the largest share at 29.6 percent and 17.9 percent, respectively (**Chart 2.4**).

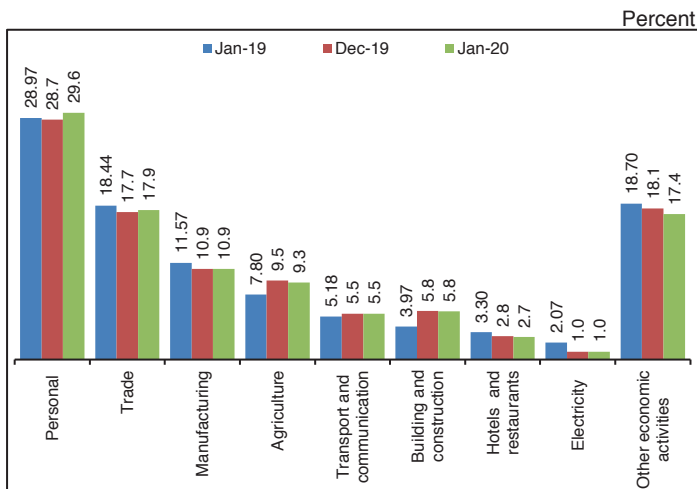
Table 2.2: Annual Growth of Credit to Selected Economic Activities

Economic activity	Percent						
	Jan-19	Jun-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20
Building and construction	-11.0	-0.1	62.7	63.7	71.5	72.6	60.2
Agriculture	22.6	40.6	68.5	87.2	85.2	90.1	30.4
Transport and communication	-4.9	-4.5	0.6	3.2	5.0	14.6	16.6
Personal	52.7	17.4	24.0	13.7	11.8	9.3	12.2
Trade	-5.6	-4.2	-0.3	0.3	1.5	4.5	6.8
Mining and quarrying	22.8	28.4	45.1	45.5	22.2	13.2	3.2
Manufacturing	11.0	14.5	3.0	3.3	1.0	-0.8	3.1
Hotels and restaurants	-3.5	-11.2	-11.8	-12.6	-12.1	-9.1	-10.3

Source: Banks and Bank of Tanzania computations



Chart 2.4: Share of Banks' Outstanding Credit by Major Economic Activities



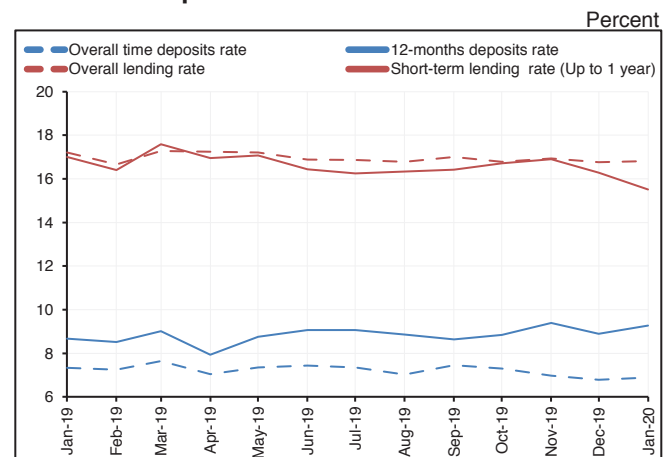
Source: Bank of Tanzania, banks and Bank of Tanzania computations

Note: Other economic activities include fishing, forest, hunting, financial intermediaries, mining and quarrying, real estate, mortgage, leasing, tourism, warehousing and storage, gas, water, education and health

2.2 Interest Rates

Commercial banks interest rates offered on deposits and those charged on loans exhibited mixed developments across maturity spectrum, while maintaining a general downward trend observed over the recent months in line with liquidity easing monetary policy stance. Overall time deposit rate decreased to an average of 6.89 percent in January 2020 from 7.34 percent in January 2019, but slightly higher than 6.79 percent registered in the preceding month. One-year deposit rate averaged 9.27 percent, up from 8.66 percent in January 2019 and 8.90 percent in the preceding month (**Chart 2.5**). Overall lending rate decreased to an average of 16.79 percent from 17.23 percent in January 2019, but was higher than 16.76 percent in the preceding month. Meanwhile, one-year lending rate declined to 15.51 percent from 17.01 percent in January 2019 and 16.28 percent in December 2019. Consequently, the spread between one-year deposits rate and one-year lending rate narrowed to 6.24 percentage points in January 2020 from 7.38 percentage points in the corresponding month of 2019.

Chart 2.5: Selected Banks' Average Lending and Deposits Interest Rates



Source: Banks and Bank of Tanzania computations

2.3 Financial Markets

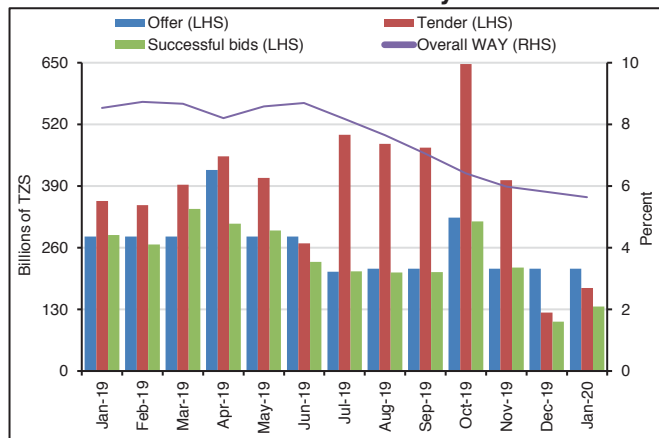
Financial markets were characterized with adequate level of shilling liquidity consistent with monetary policy stance. This was evident in softening of the money market interest rates and oversubscriptions recorded in the longer tenure of the government securities auctions.

2.3.1 Treasury Bills Market

The Bank of Tanzania conducted two Treasury bills auctions in January 2020, maintaining a tender size of TZS 107.7 billion per auction. Total bids amounted to TZS 174.9 billion, where the first auction was under-subscribed by TZS 72.8 billion and the second auction was over-subscribed by TZS 33.3 billion. The Bank accepted bids worth TZS 136.0 billion, mainly for government financing needs. Overall Treasury bills yield decreased further to an average of 5.64 percent from 5.81 percent in December 2019 (**Chart 2.6**).



Chart 2.6: Performance in Treasury Bills Market



Source: Bank of Tanzania

Note: LHS denotes left hand scale; and RHS, right hand Scale

2.3.2 Treasury Bonds Market

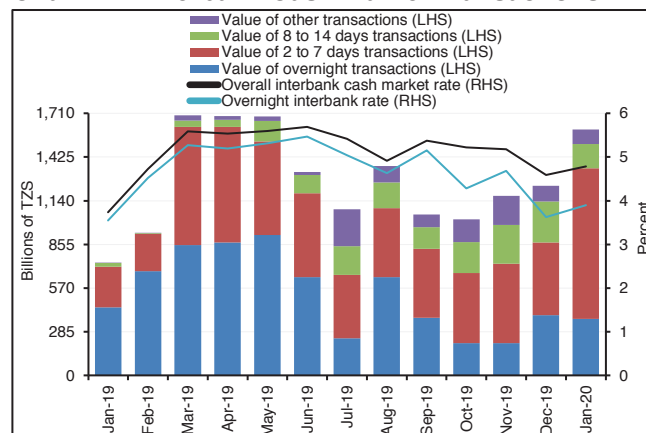
In January 2020, the Bank of Tanzania conducted 2-, 10- and 15-year Treasury bonds auctions worth TZS 137.0 billion, TZS 122.0 billion and TZS 109.0 billion, respectively, for government budget financing needs. The 2- and 15-year Treasury bond auctions were over-subscribed by TZS 143.0 billion and TZS 80.6 billion, in that order, while that of 10-year bond was under-subscribed by TZS 40.8 billion. The Bank accepted bids worth TZS 167.0 billion, TZS 55.9 billion and TZS 109.0 for the 2-, 10- and 15-year bond, respectively. Weighted average yield (WAY) to maturity for the 2-year Treasury bond decreased to 10.26 percent from 11.08 percent when it was last auctioned, while that of 15-year bond declined to 15.19 percent from 15.24 percent. The 10-year bond WAY to maturity was 14.53 percent compared with 14.52 percent.

2.3.3 Interbank Cash Market

Total transactions in the interbank cash market increased to TZS 1,604.3 billion in January 2020, from TZS 1,237.4 billion in the preceding month. This signal relative increase in demand for shilling for various economic activities. Overnight transactions accounted for 22.9 percent of total transactions compared with 31.7 percent in December 2019. In line with increase in transactions, overall and overnight interbank cash market rates increased to an average of 4.79

percent and 3.90 percent in January 2020 from 4.59 percent and 3.63 percent in the preceding month, respectively (Chart 2.7).

Chart 2.7: Interbank Cash Market Transactions



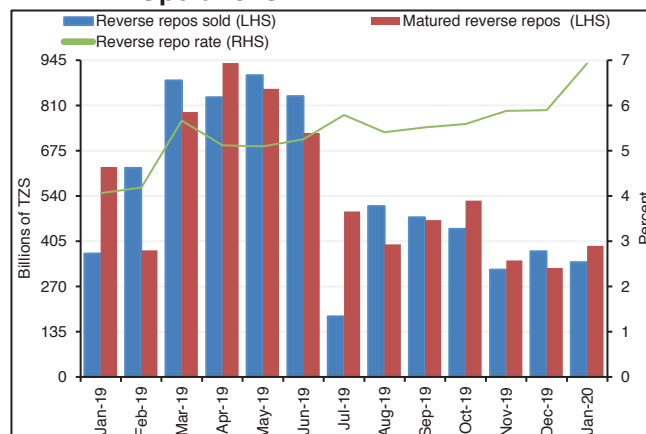
Source: Bank of Tanzania

Note: LHS denotes left hand scale; and RHS, right hand scale

2.3.4 Repurchase Agreements

The Bank of Tanzania continued to auction reverse repurchase agreement (reverse repo) in line with prevailing monetary policy stance to cover banks' short-term liquidity demand. In particular, the Bank auctioned reverse repo worth TZS 342.5 billion in January 2020 compared with TZS 374.8 billion in the preceding month. At the same time, reverse repo worth TZS 390.7 billion matured compared with TZS 325.7 billion in December 2019. Reverse repo rate increased to an average of 6.93 percent in January 2020 from 5.89 percent in the preceding month (Chart 2.8).

Chart 2.8: Reverse Repurchase Agreements Operations



Source: Bank of Tanzania

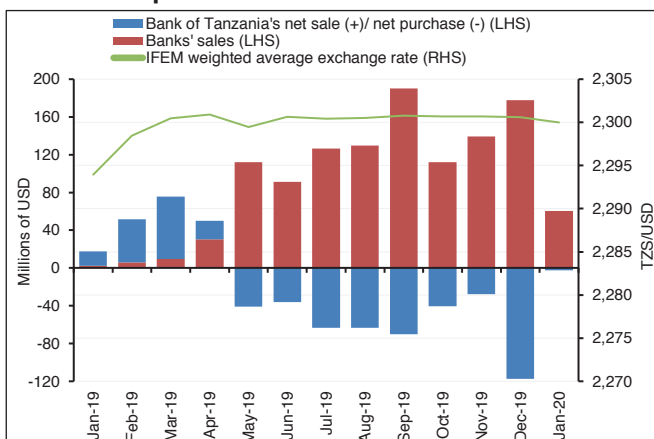
Note: LHS denotes left hand scale; and RHS, right hand scale



2.3.5 Interbank Foreign Exchange Market

The value of transactions in the interbank foreign exchange market (IFEM) amounted to USD 60.3 million in January 2020 compared with USD 177.6 million in the preceding month, in line with seasonal flow of foreign exchange proceeds from cash crops. The Bank remained in the market for reserves and liquidity management purposes with a marginal purchase of USD 2.5 million compared with USD 117.3 million in December 2019. The shilling remained stable against the US dollar, trading at an average of TZS 2,299.97 per US dollar compared with TZS 2,300.58 per US dollar in December 2019. On annual basis, the shilling depreciated by 0.3 percent from an average of TZS 2,293.93 per US dollar in January 2019 (Chart 2.9).

Chart 2.9: Interbank Foreign Exchange Market Operations



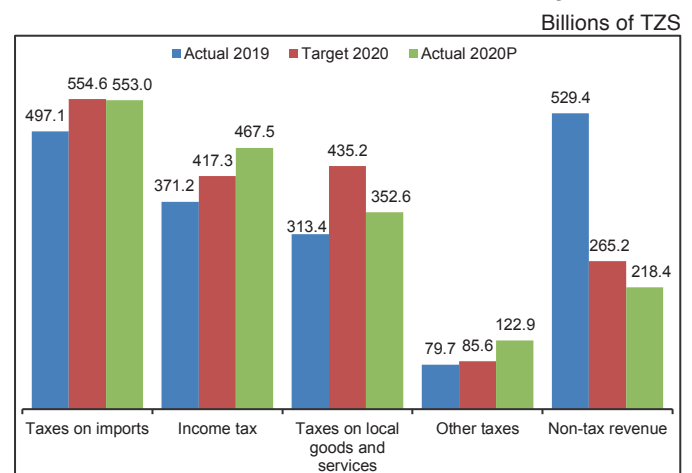
Source: Bank of Tanzania
Note: LHS denotes left hand scale; and RHS, right hand Scale

3.0 Government Budgetary Operations

The Government domestic revenue collection reached TZS 1,773.3 billion in January 2020, of which TZS 1,714.4 billion was collections by the central government and TZS 58.9 billion was local government collections. Tax revenue amounted to TZS 1,496.0 billion in line with the target for the month; and was 18.6 percent higher than the amount collected in corresponding month in 2019. This performance echoes efforts by the revenue

authority in revenue mobilization. Chart 3.1 shows central government revenue by source during January 2019 and 2020.

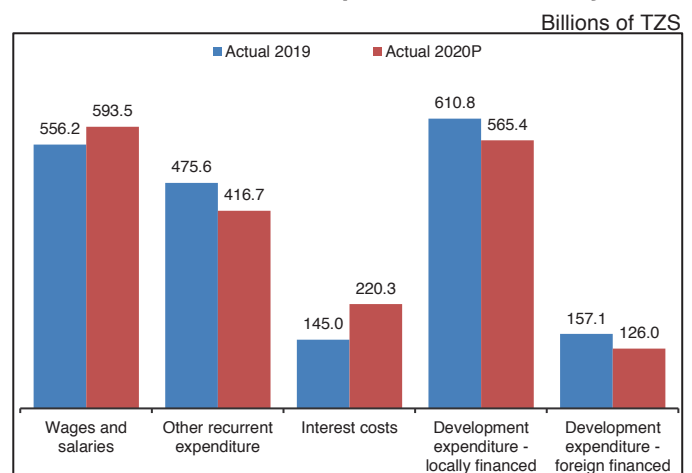
Chart 3.1: Government Revenue in January



Source: Ministry of Finance and Planning, and Bank of Tanzania computations
Note: p denotes provisional data

On the expenditure side, the Government spent a total of TZS 1,921.9 billion in January 2020, of which TZS 1,230.5 billion was recurrent expenditure and TZS 691.4 billion was spent on development projects. Out of the funds spent on development projects, TZS 565.4 billion was from domestic sources (Chart 3.2).

Chart 3.2: Government Expenditure in January



Source: Ministry of Finance and Planning, and Bank of Tanzania computations
Note: p denotes provisional data



4.0 National Debt

4.1 External Debt

External debt stock, comprising of public and private sector, amounted to USD 22,456.4 million at the end of January 2020. This was an increase of USD 62.9 million and USD 1,263.5 million from the stocks recorded at the end of the previous month and corresponding month of 2019, respectively. The monthly development was on account of new disbursements and increase of interest arrears that outweighed debt repayment and the impact of exchange rate movements. **Table 4.1** shows external debt stock by borrower category.

Table 4.1: External Debt Stock by Borrowers

Borrower	Millions of USD					
	Jan-19		Dec-19 ^f		Jan-20 ^p	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	16,108.5	76.0	17,571.9	78.5	17,535.6	78.1
DOD	15,215.6	71.8	16,621.8	74.2	16,583.5	73.8
Interest arrears	892.9	4.2	950.1	4.2	952.1	4.2
Private sector	4,914.2	23.2	4,735.8	21.1	4,835.2	21.5
DOD	4,017.1	19.0	3,781.7	16.9	3,833.5	17.1
Interest arrears	897.1	4.2	954.1	4.3	1,001.7	4.5
Public corporations	170.2	0.8	85.7	0.4	85.6	0.4
DOD	137.5	0.6	74.7	0.3	74.6	0.3
Interest arrears	32.7	0.2	11.0	0.0	11.0	0.0
External debt stock	21,192.9	100.0	22,393.4	100.0	22,456.4	100.0

Source: Ministry of Finance and Planning, Bank of Tanzania and Bank of Tanzania computations

Note: DOD denotes disbursed outstanding debt; r, revised data; and p, provisional data

In terms of creditors, the structure of external debt stock remained the same as in the previous month and corresponding month of 2019. Debt owed to multilateral institutions continued to account for the largest share, at 46.0 percent, followed by debt from commercial sources (**Table 4.2**).

Table 4.2: External Debt Stock by Creditors

Creditor	Millions of USD					
	Jan-19		Dec-19 ^f		Jan-20 ^p	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	9,855.8	46.5	10,324.4	46.1	10,340.8	46.0
DOD	9,816.0	46.3	10,287.9	45.9	10,305.8	45.9
Interest arrears	39.8	0.2	36.5	0.2	35.0	0.2
Bilateral	1,923.3	9.1	2,011.3	9.0	2,013.9	9.0
DOD	1,034.3	4.9	1,061.3	4.7	1,061.8	4.7
Interest arrears	889.0	4.2	950.0	4.2	952.1	4.2
Commercial	6,999.8	33.0	7,678.7	34.3	7,653.2	34.1
DOD	6,484.1	30.6	7,136.8	31.9	7,103.8	31.6
Interest arrears	515.7	2.4	541.9	2.4	549.4	2.4
Export credit	2,414.0	11.4	2,379.0	10.6	2,448.5	10.9
DOD	2,035.8	9.6	1,992.2	8.9	2,020.2	9.0
Interest arrears	378.2	1.8	386.8	1.7	428.3	1.9
External debt stock	21,192.9	100.0	22,393.4	100.0	22,456.4	100.0

Source: Ministry of Finance and Planning, Bank of Tanzania and Bank of Tanzania computations

Note: DOD denotes disbursed outstanding debt; r, revised data; and p, provisional data

Transport and telecommunication activities remained the major beneficiary of disbursed outstanding debt, accounting for 26.9 percent of the debt, followed by social welfare and education, energy and mining (**Table 4.3**).

Table 4.3: Disbursed Outstanding External Debt by Use of Funds

Activity	Millions of USD					
	Jan-19		Dec-19 ^f		Jan-20 ^p	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Transport and telecommunication	4,325.0	22.3	5,503.8	26.9	5,505.5	26.9
Social welfare and education	3,049.2	15.7	3,470.0	16.9	3,497.0	17.1
Energy and mining	3,020.0	15.6	3,075.0	15.0	3,050.0	14.9
BoP and budget support	2,764.8	14.3	2,725.1	13.3	2,718.0	13.3
Other	1,865.7	9.6	1,536.3	7.5	1,501.1	7.3
Agriculture	1,252.0	6.5	1,300.0	6.3	1,288.0	6.3
Finance and insurance	1,192.5	6.2	1,012.0	4.9	1,074.0	5.2
Real estate and construction	1,092.0	5.6	1,034.0	5.0	1,034.0	5.0
Industries	657.0	3.4	649.0	3.2	652.0	3.2
Tourism	152.0	0.8	173.0	0.8	172.0	0.8
Total	19,370.2	100.0	20,478.2	100.0	20,491.6	100.0

Source: Ministry of Finance and Planning, Bank of Tanzania and Bank of Tanzania computations

Note: BOP denotes balance of payments; r, revised data; and p, provisional data

External loans disbursed in January 2020 amounted to USD 105.4 million, of which the Central Government received USD 53.8 million. Disbursements during the year ending January 2020 amounted to USD 2,632.4 million, of which USD 2,236.7 million was received by the Government and the balance by private sector. Debt service in January 2020 amounted to USD 83.3 million, of which USD 61.2 million was principal

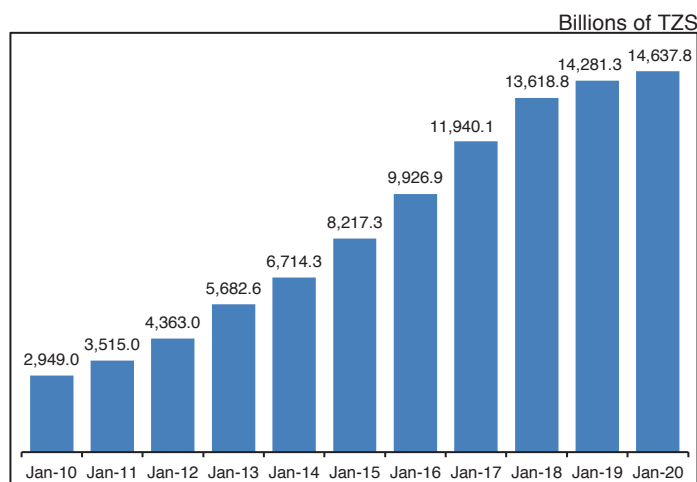


repayment and the balance interest payment. During the year ending January 2020, debt service payments amounted to USD 1,995.6 million, of which USD 1,654.0 million was principal repayment.

4.2 Domestic Debt

The stock of domestic debt was TZS 14,637.8 billion at the end of January 2020, an increase of TZS 202.6 billion and TZS 356.5 billion from the stock at the end of the preceding month and corresponding month of 2019, respectively (**Chart 4.1**). This development was on account of new issuance that outweighed debt repayment.

Chart 4.1: Government Domestic Debt Stock



Source: Bank of Tanzania

Debts of longer-term maturity—treasury bonds and stocks—sustained dominance in the composition of the debt stock, altogether accounting for 80.4 percent (**Table 4.4**). This is in line with the Government Medium-term Debt Management Strategy of mitigating refinancing risk by lengthening the maturity of debt portfolio.

Table 4.4: Government Domestic Debt by Borrowing Instruments

Instrument	Billions of TZS					
	Jan-19		Dec-19		Jan-20	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	12,937.8	90.6	14,416.8	99.9	14,619.4	99.9
Treasury bills	2,677.2	18.7	2,927.9	20.3	2,844.6	19.4
Government stocks	252.7	1.8	252.7	1.8	252.7	1.7
Government bonds	10,007.9	70.1	11,236.1	77.8	11,522.1	78.7
Tax certificates	0.1	0.0	0.1	0.0	0.1	0.0
Non-securitized debt	1,343.5	9.4	18.4	0.1	18.4	0.1
Other liabilities*	18.4	0.1	18.4	0.1	18.4	0.1
Overdraft	1,325.1	9.3	0.0	0.0	0.0	0.0
Domestic debt stock (without liquidity papers)	14,281.3	100.0	14,435.2	100.0	14,637.8	100.0

Source: Ministry of Finance and Planning, Bank of Tanzania and Bank of Tanzania computations

Note: * includes NMB bank Plc standard loan and duty drawback

Commercial banks remained the largest creditor, holding 37.5 percent of the debt stock, followed by pension funds at 29.6 percent (**Table 4.5**).

Table 4.5: Government Domestic Debt by Creditor

Holder	Billions of TZS					
	Jan-19		Dec-19		Jan-20	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	5,047.2	35.3	5,346.2	37.0	5,483.8	37.5
Pension funds	3,737.6	26.2	4,286.6	29.7	4,326.8	29.6
Others	1,273.5	8.9	1,892.7	13.1	1,907.3	13.0
Bank of Tanzania	2,609.7	18.3	1,314.7	9.1	1,313.2	9.0
Insurance	1,324.3	9.3	1,277.8	8.9	1,289.4	8.8
BOT's special funds	289.0	2.0	317.4	2.2	317.4	2.2
Total	14,281.3	100.0	14,435.2	100.0	14,637.8	100.0

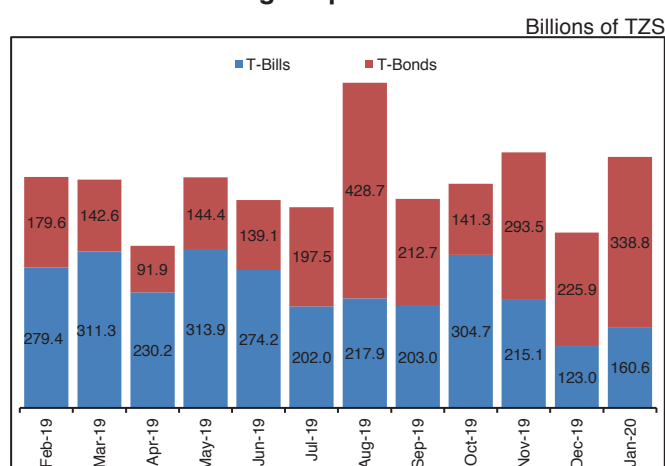
Source: Ministry of Finance and Planning, Bank of Tanzania and Bank of Tanzania computations

Note: BOT denotes Bank of Tanzania; and others include other public institutions, private companies and individuals

During January 2020, government securities worth TZS 499.4 billion were issued for budget financing, of which TZS 338.8 billion was treasury bonds and the balance was treasury bills (**Chart 4.2**). Domestic debt issued during the year ending January 2020 amounted to TZS 5,371.0 billion, of which TZS 2,835.2 billion was treasury bills and the balance was treasury bonds.



Chart 4.2: Government Securities Issued for Financing Purposes



Source: Bank of Tanzania

Domestic debt service, excluding government overdraft from the central bank, amounted to TZS 415.3 billion in January 2020, of which TZS 296.7 billion was principal repayment that was rolled over and the balance was interest payment. Cumulative debt service during the year ending January 2020 amounted to TZS 4,955.8 billion, out of which TZS 3,617.3 billion was principal repayment and the balance was interest payment.

5.0 External Sector Performance

The overall balance of payments improved to a surplus of USD 699.6 million in year ending January 2020 compared to a deficit of USD 861.3 million in the corresponding period of 2019. The improvement in the balance of payments is partially due to narrowing of current account deficit from USD 2,314.2 million in the year ending January 2019 to a deficit of USD 1,137.2 million in year ending January 2020 owing to higher export earnings, which more than offset the increase in import bill (**Table 5.1**).

Table 5.1 Current Account

Item	Millions of USD					Percentage change 2019 to 2020	
	Jan-19	Dec-19	Jan-20 ^p	Year ending January 2018	Year ending January 2019		
Goods account	-511.5	-212.8	-270.7	-3,090.9	-4,041.3	-3,066.2	-24.1
Exports*	338.2	521.3	515.7	4,487.4	4,248.0	5,750.7	35.4
Imports	849.7	734.1	786.4	7,578.4	8,289.3	8,816.9	6.4
Services account	195.6	163.2	227.8	1,750.3	1,883.4	2,196.4	16.6
Receipts	397.4	328.1	392.8	3,830.9	4,014.7	4,164.9	3.7
Payments	201.8	164.9	165.0	2,080.6	2,131.2	1,968.5	-7.6
Goods and services	-315.9	-49.6	-42.9	-1,340.6	-2,157.9	-869.8	-59.7
Export of goods and services	735.6	849.4	908.5	8,318.3	8,262.7	9,915.6	20.0
Import of goods and services	1,051.6	899.0	951.5	9,659.0	10,420.5	10,785.4	3.5
Primary income account	-58.6	-51.5	-53.0	-1,098.7	-625.2	-686.8	9.9
Receipts	20.4	18.8	20.1	128.7	155.9	220.5	41.4
Payments	79.0	70.3	73.1	1,227.4	781.1	907.3	16.2
Secondary income account	55.7	79.2	26.0	440.3	468.8	419.3	-10.6
Inflows	55.7	83.2	31.0	521.7	536.1	473.9	-11.6
o/w: General government	25.2	52.2	0.0	158.1	170.6	103.5	-39.3
Outflows	0.0	4.0	5.0	81.4	67.3	54.6	-18.8
Current account balance	-318.8	-21.9	-69.9	-1,999.0	-2,314.2	-1,137.2	-50.9

Source: Tanzania Revenue Authority, banks and Bank of Tanzania computations

Notes: * Includes adjustments for informal cross border exports; p denotes provisional data; and o/w, of which

Gross official reserves amounted to USD 5,532.1 million as at end of January 2020, sufficient to cover 6.4 months of projected imports of goods and services excluding foreign direct investment related imports. The import cover was above the country benchmark of not less than 4.0 months, at least 4.5 months for EAC, and a minimum of 6 months for SADC. Foreign assets of banks increased to USD 1,043.0 million at end January 2020 from USD 931.7 million at the end of January 2019.

5.1 Exports

The value of exports of goods and services amounted to USD 9,915.6 million in year ending January 2020 compared with USD 8,262.7 million recorded in corresponding period of 2019 attributed by increase in both value of good exports and service receipts.

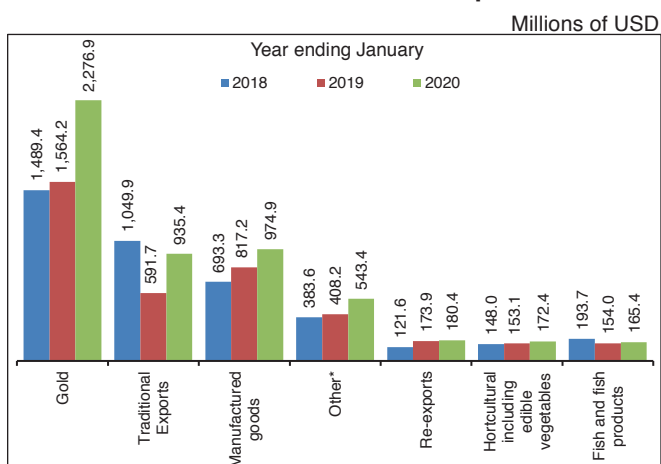
The value of traditional goods exports rose to USD 935.4 million in the year ending January 2020 from USD 591.7 million in the corresponding period of 2019, following increase in exports value of all traditional exports save for coffee, sisal, tea and tobacco. Cashew nuts export rose on account of an increase in volume that outweighs the impact of decrease in unit prices. Increase in export value for cotton was mainly due to improved export volumes,



supported by good weather during the crop season. Conversely, weak performance of tobacco was due to low export volume and unit prices. The price movements of traditional exports were broadly in line with developments in the world market.

Likewise, the value of non-traditional goods exports improved to USD 4,292.5 million in year ending January 2020 compared to USD 3,270.1 million in the corresponding period in 2019. All categories of non-traditional goods exports recorded an increase, except diamond, cotton yarn, and manufactured coffee. During the period, gold, which accounted for 53.0 percent of non-traditional exports, increased by 45.6 percent to USD 2,276.9 million resulting from increase in volume and price in the world market. The increase in volume of exported gold is partly associated with government efforts among others establishment of mineral trading centres. Similarly, manufactured goods grew by 19.3 percent to USD 974.9 million as a result of good performance in exports of iron and steel products, glass and glassware, manufactured tobacco and fertilizers. **Chart 5.1** summarises the performance of goods exports for the past three years.

Chart 5.1: Performance of Goods Exports



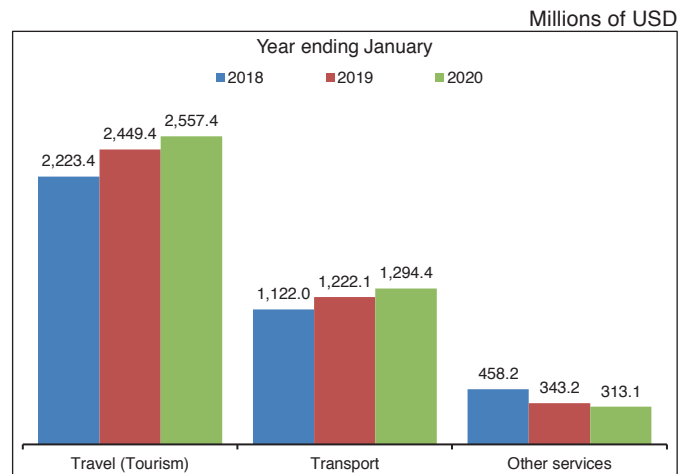
Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: Other* includes other minerals, oil seeds, cereals, cocoa, raw hides and skins, and woods

Service receipts amounted to USD 4,164.9 million in the year ending January 2020, higher than USD 4,014.7 million in the similar period in 2019, owing to increase in travel receipts (**Chart 5.2**). Travel

receipts rose by 4.4 percent to USD 2,557.4 million associated with increased number of tourist arrivals. Noteworthy, service receipts accounted for 42.0 percent of total exports.

Chart 5.2: Services Receipts by Category



Source: Banks and Bank of Tanzania computations

Notes: Other services include construction, insurance, financial, telecommunication, computer and information, charges for the use of intellectual property, government, personal and other business services

5.2 Imports

The value of imports increased to USD 10,785.4 million in the year ending January 2020 from USD 10,420.5 million in the corresponding period in 2019, driven by goods imports. All major categories of goods import recorded increase (**Table 5.2**). The growth observed in capital goods import bill was driven by building and construction materials, and machinery, consistent with the on-going mega infrastructure projects. As for intermediate goods, the increase was explained by higher oil import bill, which accounted for 22.5 percent of goods import, following increase in volume.



Table 5.2: Goods Imports

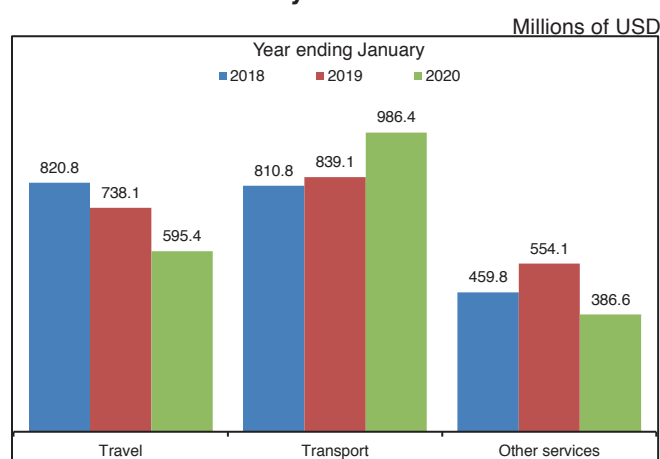
Category	Millions of USD					
	Dec-19	Jan-20	Year ending January		Percentage change 2019 to 2020	Percentage contribution 2020
			2019	2020 ^p		
Capital goods	272.5	305.3	3,523.6	3,666.5	4.1	41.6
Transport equipment	75.4	77.0	1,278.3	969.5	-24.2	11.0
Building and constructions	87.5	101.6	859.5	1,037.9	20.8	11.8
Machinery	109.7	126.7	1,385.8	1,659.1	19.7	18.8
Intermediate goods	262.3	265.4	2,673.8	2,888.3	8.0	32.8
Oil imports	177.4	170.4	1,739.8	1,985.2	14.1	22.5
Fertilizers	4.5	24.4	182.5	143.2	-21.5	1.6
Industrial raw materials	80.4	70.6	751.5	759.9	1.1	8.6
Consumer goods	199.2	215.7	2,092.0	2,262.1	8.1	25.7
Food and food stuffs	23.2	17.2	249.0	217.1	-12.8	2.5
All other consumer goods ¹	176.0	198.5	1,843.0	2,045.1	11.0	23.2
Grand total (f.o.b)	734.1	786.4	8,289.3	8,816.9	6.4	100.0

Source: Tanzania Revenue Authority and Bank of Tanzania computation

Notes: ¹ includes pharmaceutical products, paper products, plastic items, optical/photographic materials, and textile apparels; and p, denote provisional data

Services payment fell by 7.6 percent to USD 1,968.5 million, largely due to low travel payments. On the other hand, transport payment increased by 17.6 percent in line with the increase in goods import (Chart 5.3).

Chart 5.3: Services Payments



Source: Banks and Bank of Tanzania computations

Notes: Other services include construction, insurance, financial, telecommunication, computer and information, charges for the use of intellectual property government, personal and other business services

Primary income account, which comprises income from capital related transactions and compensation of employees widened to a deficit to USD 686.8 million from USD 625.2 million. Secondary income account—that captures unilateral current transfers—recorded a surplus of USD 419.3 million compared with a surplus of USD 468.8 million in the year ending January 2019, owing to decline in official inflows.

5.3 World Commodity Prices

During January 2020, prices of selected commodities in the world market were lower than in the preceding month, save for gold, cloves, cotton, tea (Mombasa) and sisal (Table 5.3). Oil prices, particularly white products, remained on a downward movement trading at an average of USD 570.52 per tonne in January 2020 compared with USD 593.12 per tonne in the preceding month.

Weak demand for oil in China in the wake of the Corona virus outbreak attributed to the decline in oil prices in the world market. It is worth noting that China is the world largest oil importer.

On annual basis, prices of all selected commodities declined except of Arabica coffee and gold. The decline in prices of petroleum products was attributed to worries about slowing of global economic growth due to geopolitical tensions including USA and China trade tension, and Brexit.

Table 5.3: World Commodity Prices

Commodity	Unit of measure	Dec-19	Jan-20	Percentage change	Year ending January (Twelve months average)		Percentage change
					2019	2020	
Robusta coffee	USD per kg	1.63	1.56	-4.7	1.85	1.61	-13.0
Arabica coffee	USD per kg	3.45	3.13	-9.3	2.91	2.90	0.0
Tea (average price)	USD per kg	2.58	2.51	-2.6	2.78	2.56	-7.8
Tea (Mombasa auction)	USD per kg	2.21	2.29	3.5	2.47	2.22	-10.1
Cotton, "A index"	USD per kg	1.67	1.74	4.3	2.00	1.71	-14.3
Sisal (UG)	USD per kg	1.70	1.70	0.0	1.72	1.70	-1.2
Cloves (Madagascan CIF Singapore)	USD per tonne	5.48	6.47	18.1	7.92	6.28	-20.7
Crude oil*	USD per barrel	65.85	63.60	-3.4	67.19	64.49	-4.0
Crude oil**	USD per barrel	64.41	63.76	-1.0	68.43	63.55	-7.1
White products	USD per tonne	593.12	570.52	-3.8	667.93	597.47	-10.5
Gold	USD per ozt	1,479.13	1,560.67	5.5	1,265.93	1,414.91	11.8

Source: <https://www.worldbank.org/en/research/commodity-markets>; Bloomberg; Tanzania Sisal Board and Bank of Tanzania computations

Note: * denotes crude oil Brent; ** crude oil Dubai free on board; UG, under grade; and ozt, troy ounce

6.0 Economic Developments in Zanzibar

6.1 Inflation

On the year ending January 2020, headline inflation was 4.9 percent compared with 3.3 percent in December 2019 and 3.0 percent in the similar period in 2019 (Table 6.1 and Chart 6.1). The



increase was mainly due to increase in prices of some food items including maize flour and green cooking bananas, which grew by 46.2 percent and 14.8 percent, respectively. Annual food inflation was 7.7 percent in January 2020, higher than 3.7 percent in January 2019. On monthly basis, headline inflation was 1.2 percent in January 2020 compared to a deflation of 0.4 percent in the similar month in 2019, while that for food increased to 2.2 percent from a deflation of 1.1 percent.

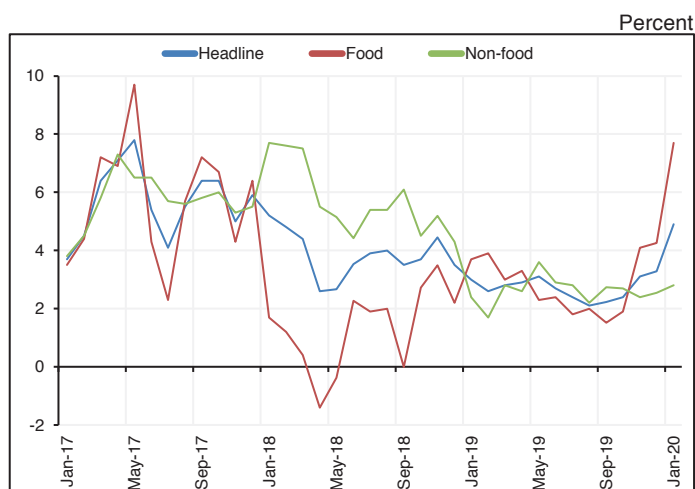
Table 6.1: Headline Inflation and its Main Components

Base: Jan 2017=100

Main groups	Weight	Monthly change			Annual change		
		Jan-19	Dec-19	Jan-20	Jan-19	Dec-19	Jan-20
Food and non-alcoholic beverages	43.6	-1.1	1.8	2.2	3.6	4.3	7.7
Alcoholic beverages, tobacco and narcotics	0.2	0.2	0.0	0.0	6.9	22.4	22.2
Clothing and footwear	6.9	-0.1	-0.2	0.0	1.8	0.1	0.2
Housing, water, electricity, gas and other fuels	18.4	-1.4	0.2	0.0	1.5	0.3	1.7
Furnishing, household equipment	5.5	1.3	0.2	-0.1	2.9	4.0	2.6
Health	2.1	2.5	0.0	3.9	4.0	7.6	9.1
Transport	9.6	-0.7	-0.4	0.6	4.1	-0.3	0.9
Communication	4.2	0.0	0.0	0.0	-1.1	15.8	15.8
Recreation and culture	1.3	0.0	0.0	0.0	4.0	2.3	2.3
Education	1.9	3.1	0.0	3.2	4.2	3.1	3.2
Restaurants and hotels	3.9	5.4	0.0	0.4	4.1	5.4	0.4
Miscellaneous goods and services	2.3	1.3	0.0	0.8	3.5	4.2	3.6
All items (Headline inflation)	100.0	-0.4	0.8	1.2	3.0	3.3	4.9
Other selected groups:							
Food	42.7	-1.1	1.8	2.2	3.7	4.3	7.7
Non-food	57.3	0.1	0.0	0.4	2.4	2.5	2.8

Source: Office of the Chief Government Statistician, Zanzibar

Chart 6.1: Twelve-Month Inflation

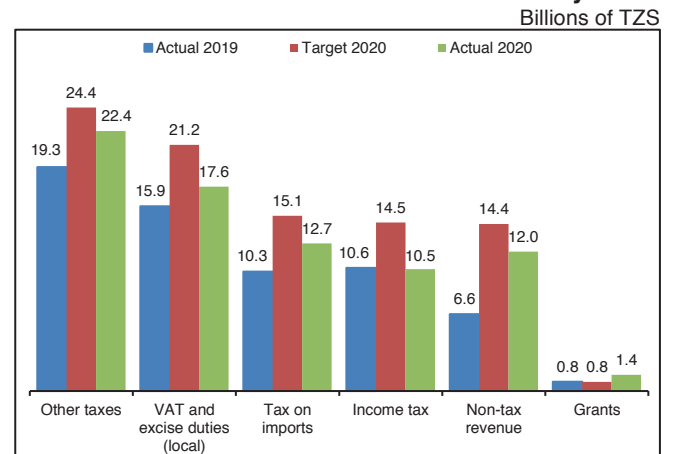


Source: Office of the Chief Government Statistician, Zanzibar

6.2 Government Budgetary Operations

Government resources, which include domestic revenue and foreign grants, amounted to TZS 76.6 billion in January 2020, of which TZS 75.2 billion was domestic revenue and TZS 1.4 billion was foreign grants. Out of domestic revenue, TZS 63.2 billion was tax collections and the balance was non-tax revenue (Chart 6.2). Cumulatively, domestic revenue amounted to TZS 507.2 billion in July 2019 - January 2020 period.

Chart 6.2: Government Resources in January



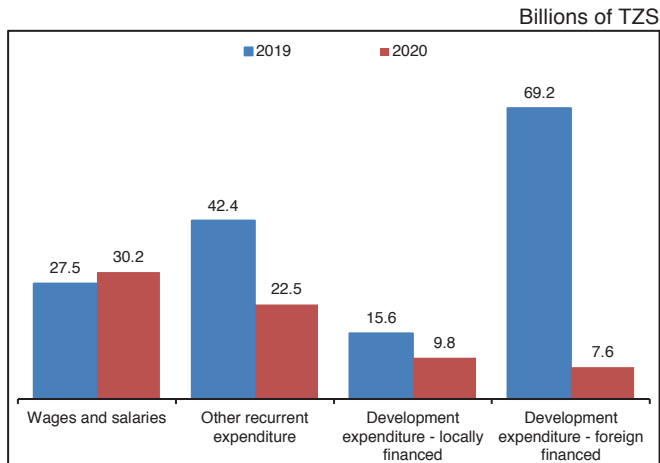
Source: Ministry of Finance and Planning, Zanzibar

Note: Other taxes include hotel and restaurant levies, tour operator levy, revenue stamps, airport and seaport service charges, road development fund and petroleum levy

Over the same period, total government expenditure amounted to TZS 70.1 billion, of which TZS 52.6 billion was recurrent expenditure and TZS 17.4 billion was development expenditure. Out of the amount spent on development projects, 56.4 percent was from domestic sources and the balance was from foreign resources (Chart 6.3). In aggregate, government expenditure in July 2019 to January 2020 period amounted to TZS 654.0 billion.



Chart 6.3: Government Expenditure in January



Source: Ministry of Finance and Planning, Zanzibar

Note: Other expenditure include transfers, domestic debt interest payment, consolidated fund service and other charges

6.3 External Sector Performance

6.3.1 Current Account

In the year ending January 2020, current account balance registered a deficit of USD 57.4 million compared with the deficit of USD 54.2 million in the corresponding period in 2019 (**Table 6.2**). The outturn was largely owing to higher import bill relative to exports. Goods account balance was a deficit of USD 233.6 million compared with a deficit of USD 195.6 million in the year ending January 2019. At the same time, services account recorded a surplus of USD 97.3 million, slightly lower than a surplus of USD 104.7 million a year earlier.

Table 6.2: Current Account

Millions of USD

	Jan-19	Dec-19	Jan-20 ^p	Year ending January		Percentage change
				2019	2020 ^p	
Goods account	-13.0	-24.3	-16.3	-195.6	-233.6	19.4
Exports	0.6	3.2	10.1	20.6	24.1	17.5
Imports (fob)	13.6	27.5	26.5	216.2	257.7	19.2
Services account	9.9	5.4	6.7	104.7	93.3	-10.9
Receipts	16.0	21.9	15.1	175.6	205.3	16.9
Payments	6.1	16.5	8.4	70.9	112.0	58.0
Goods and services	-3.2	-18.9	-9.7	-90.9	-140.3	54.3
Exports of goods and services	16.6	25.1	25.2	196.2	229.5	17.0
Imports of goods and services	19.7	44.0	34.8	287.1	369.8	28.8
Income account	0.9	1.3	2.5	9.5	14.8	55.6
Receipts	1.2	2.1	3.3	15.1	21.8	44.5
Payments	0.3	0.8	0.8	5.6	7.0	25.6
Current transfers	0.7	9.3	12.7	27.2	64.1	---
Inflows	0.9	10.1	13.3	29.1	76.6	---
Outflows	0.2	0.8	0.6	1.9	12.4	---
Current account balance	-1.5	-8.2	5.5	-54.2	-61.4	13.2

Source: Zanzibar Revenue Board, Zanzibar State Trade

Corporation, Tanzania Revenue Authority, Bank of

Tanzania, banks, and Bank of Tanzania computations

Note: p denotes provisional data; fob, free on board; and “---”, change that exceeds 100 percent

6.3.2 Exports

During the year ending January 2020, the value of goods and services exports grew by 17.0 percent to USD 229.5 million, owing to increase in the value of goods export and proceeds from services related activities (**Table 6.2**). The value of goods export was USD 24.1 million, higher than the amount recorded in the year ending January 2019 by 17.5 percent. This performance was largely on account of cloves exports; whose value grew by 70.1 percent to USD 14.4 million following increase in volume. **Table 6.3** presents performance of goods export by category.



Table 6.3: Performance of Export of Goods

Units	Jan-19	Dec-19	Year ending January			Percentage change	
			Jan-20 ^P	2019	2020 ^P		
Traditional exports:							
Clove							
Value	'000' USD	0.0	2,969.1	9,123.8	8,468.5	14,404.8	70.1
Volume	'000' Tonnes	0.0	0.7	1.9	1.1	2.9	---
Unit price	USD/Tonne	0.0	4,532.9	4,717.6	8,065.2	4,918.0	-39.0
Non-traditional exports:							
Seaweeds							
Value	'000' USD	368.6	211.5	525.1	4,228.3	4,479.2	5.9
Volume	'000' Tonnes	0.8	0.3	0.8	10.2	7.4	-27.8
Unit price	USD/Tonne	434.1	693.5	660.5	414.8	608.2	46.6
Manufactured goods	'000' USD	164.8	14.4	136.9	6,609.2	3,467.1	-47.5
Fish and fish products	'000' USD	7.1	2.2	88.8	461.3	1,077.2	---
Others exports	'000' USD	12.7	25.8	256.7	784.6	720.0	-8.2
Sub total	'000' USD	553.2	253.9	1,007.5	12,083.5	9,743.6	-19.4
Grand total	'000' USD	553.2	3,223.0	10,131.3	20,552.0	24,148.4	17.5

Source: Tanzania Revenue Authority, and Bank of Tanzania computations

Note: Other exports mainly include souvenirs and spices; p denotes provisional data; and "----", change that exceeds 100 percent

6.3.3 Imports

Goods (fob) and services valued at USD 369.8 million were imported in the year ending January 2020, an increase of 28.8 percent compared with the corresponding period in 2019. This was on account of both goods and services (**Table 6.2**). Goods import bill grew by 19.2 percent, year-on-year, with all major categories recording increases. Notable increase was observed in consumer goods, mostly rice, and wheat. Goods imports continued to be dominated by intermediate and consumer goods, which accounted for 41.9 percent and 35.3 percent of the goods import bill, respectively (**Table 6.4**).

Table 6.4: Imports by Major Categories

	Millions of USD					Percentage change
	Jan-19	Dec-19	Jan-20 ^P	2019	2020 ^P	
Year ending January						
Capital goods	3.6	12.6	6.7	60.4	64.6	6.9
Transport equipment	1.7	1.1	0.8	22.1	18.0	-18.5
Building and construction	0.5	1.8	3.9	11.7	16.8	43.8
Machinery	1.4	9.6	2.0	26.6	29.7	11.8
Intermediate goods	8.2	11.2	8.6	104.7	118.7	13.3
Oil imports	6.4	8.7	5.7	72.1	87.8	21.9
Industrial raw materials	1.9	2.5	2.9	32.6	30.8	-5.5
Consumer goods	3.1	6.4	13.8	72.5	100.0	38.0
Food and food stuffs	0.6	2.3	8.3	28.3	51.6	82.3
All other consumer goods	2.5	4.1	5.5	44.2	48.4	9.6
Grand total (c.i.f)	14.9	30.2	29.1	237.6	283.2	19.2
Grand total (f.o.b)	13.6	27.5	26.5	216.2	257.7	19.2

Source: Tanzania Revenue Authority, and Bank of Tanzania computations

Note: p denotes provisional data; c.i.f, cost, insurance, and freight; and f.o.b, free on board



Statistical Tables

Table A1: Selected Economic Indicators

	Unit	2015	2016	2017	2018 ^r	2019 ^p
National accounts and prices						
1.1 Change in GDP at current prices	Percent	14.2	14.9	9.6	8.9	n.a
1.2 Change in GDP at constant 2015 prices	Percent	6.2	6.9	6.8	7.0	n.a
1.3 GDP per capita-current prices (TZS)	'000' TZS	1,969.0	2,191.2	2,327.4	2,461.9	n.a
1.4 GDP per capita-current prices (USD)	USD	991.7	1,006.5	1,044.2	1,087.5	n.a
1.5 Change in consumer price index (Inflation)	Percent	5.6	5.2	5.3	3.5	3.4
1.6 Saving to GNDI ratio	Percent	24.4	29.4	29.7	30.3	n.a
Money, credit and interest rates						
2.1 Change in extended broad money supply (M3)	Percent	18.8	3.4	8.0	4.5	9.6
2.2 Change in broad money supply (M2)	Percent	13.4	5.3	10.4	3.8	11.8
2.3 Change in narrow money supply (M1)	Percent	15.6	5.3	10.6	5.1	13.7
2.4 Change in reserve money (M0)	Percent	15.6	0.3	1.5	0.6	6.8
2.5 Total credit to GDP ratio ¹	Percent	21.6	19.3	17.0	17.2	16.7
2.6 Non-government sector credit to GDP ratio ¹	Percent	16.4	15.3	14.2	13.7	14.0
2.7 Ratio of credit to non-government sector to total credit	Percent	76.0	79.5	83.8	79.8	83.5
2.8 12-Months deposit rate ²	Percent	10.8	11.5	11.7	8.8	8.8
2.9 Overall treasury bill rate ²	Percent	12.9	16.2	11.1	6.4	7.7
2.10 Long-term lending rate (3-5 years) ²	Percent	15.3	15.6	17.9	17.4	16.6
Balance of payments						
3.1 Exports of goods (f.o.b)	Mill. USD	5,316.8	4,949.7	4,523.9	4,379.6	5,573.2
3.2 Imports of goods (f.o.b)	Mill. USD	-9,843.1	-8,463.6	-7,551.7	-8,066.6	-9,017.6
3.3 Trade balance	Mill. USD	-4,526.3	-3,513.9	-3,027.8	-3,687.0	-3,444.5
3.4 Current account balance	Mill. USD	-3,987.4	-2,664.7	-1,813.9	-2,204.6	-1,623.0
3.5 Overall balance	Mill. USD	199.1	-305.5	-1,669.6	784.0	560.3
3.6 Gross official reserves	Mill. USD	4,093.7	4,325.6	5,900.3	5,044.6	5,567.6
3.7 Reserves months of imports (of goods and services) (excluding FDI related imports)	Months	4.9	5.9	7.5	5.7	6.4
3.8 Exchange rate:						
Annual average	TZS/USD	1,985.4	2,177.1	2,228.9	2,263.8	2,288.2
End of period	TZS/USD	2,148.5	2,172.6	2,230.1	2,281.2	2,287.9
		2014/15	2015/16	2016/17	2017/18	2018/19
Public finance						
4.1 Current revenue to GDP ratio ¹	Percent	12.4	13.7	14.7	14.6	13.8
4.2 Grants to GDP ratio ¹	Percent	1.2	0.5	1.0	0.8	0.3
4.3 Current expenditure to GDP ratio ¹	Percent	12.3	13.2	10.2	10.4	10.3
4.4 Development expenditure to GDP ratio ¹	Percent	4.2	4.3	6.4	6.2	6.4
4.5 Overall Budget balance to GDP ratio ^{1,3}	Percent	-3.2	-3.4	-1.4	-1.9	-3.1
Total external debt stock						
5.1 Disbursed debt	Mill. USD	15,884.0	17,222.8	18,651.1	20,503.0	21,920.9
5.2 Interest Arrears	Mill. USD	1,335.7	1,274.7	1,399.9	1,737.9	1,891.7

Source: Ministry of Finance and Planning; Bank of Tanzania; and Tanzania Revenue Authority

Note: ¹ Calculated on the basis of GDP at current market prices; ² annual average; ³ includes grants, expenditure float, adjustment to cash and other items (net); GDP denotes gross domestic product; GNDI, gross national disposable income; r, revised data; p, provisional data and n.a, not available

Table A2: Central Government Operations (Cheques Issued) – Tanzania Mainland

	Millions of TZS				
	Budget 2019/20	July 2019 - January 2020		January 2020	
		Estimate	Actual ^P	Estimate	Actual ^P
Total revenue (including LGAs)	23,045,337.5	12,756,793.4	11,938,948.7	1,822,728.5	1,773,258.0
Central government revenue	22,279,854.1	12,299,404.6	11,526,362.7	1,758,065.3	1,714,397.5
Tax revenue	18,955,186.2	10,873,336.7	10,527,953.3	1,492,842.0	1,495,994.6
Taxes on imports	6,723,512.1	3,892,728.7	3,769,860.2	554,630.7	552,989.3
Sales/VAT and excise on local goods	4,863,780.9	2,891,884.8	2,466,389.8	435,241.3	352,581.5
Income taxes	6,321,096.9	3,475,546.5	3,540,169.5	417,323.3	467,479.4
Other taxes	1,046,796.3	613,176.7	751,533.8	85,646.7	122,944.5
Non- tax revenue	3,324,667.9	1,426,067.9	998,409.4	265,223.3	218,402.9
LGA own sources	765,483.4	457,388.8	412,586.0	64,663.2	58,860.5
Total expenditure ¹	27,669,093.8	14,508,942.8	13,144,065.9	2,042,497.5	1,921,856.9
Recurrent expenditure	15,420,491.5	8,742,137.2	7,661,337.1	1,241,723.8	1,230,495.2
Wages and salaries	7,558,974.4	4,327,228.2	4,041,648.5	635,730.5	593,519.0
Interest payments	2,426,262.0	1,253,950.2	1,429,055.2	152,967.8	220,265.5
Domestic	1,438,950.0	809,911.0	937,021.3	120,393.0	114,584.6
Foreign	987,312.0	444,039.2	492,033.9	32,574.8	105,680.9
Other goods, services and transfers	5,435,255.2	3,160,958.8	2,190,633.5	453,025.5	416,710.7
Development expenditure and net lending	12,248,602.3	5,766,805.6	5,482,728.8	800,773.7	691,361.7
Local	9,737,738.8	4,256,612.2	4,038,721.4	623,209.9	565,401.7
Foreign	2,510,863.5	1,510,193.3	1,444,007.4	177,563.8	125,960.0
Balance before grants	-4,623,756.4	-1,752,149.4	-1,205,117.2	-219,769.0	-148,598.9
Grants	1,208,523.1	788,251.7	635,099.1	30,228.7	182,442.7
Program	146,822.1	0.0	132,263.7	0.0	132,263.7
Project	896,987.5	687,768.9	303,595.0	30,228.7	43,711.0
Basket funds	164,713.5	100,482.8	199,240.4	0.0	6,468.0
Balance (cheques issued) after grants	-3,415,233.3	-963,897.7	-570,018.1	-189,540.3	33,843.8
Expenditure float	0.0	0.0	-14,454.5	0.0	0.0
Adjustments to cash and other items (net)	0.7	0.0	556,763.3	0.0	4,405.8
Overall balance	-3,415,232.5	-963,897.7	-27,709.3	-189,540.3	38,249.6
Financing	3,415,232.5	963,897.7	27,709.3	189,540.3	-38,249.6
Foreign financing (net)	1,915,458.4	1,537,158.8	1,682,329.1	133,664.2	-71,087.2
Loans	3,891,556.4	2,701,052.0	2,763,265.1	147,335.0	75,781.0
Program loans	125,990.5	125,990.4	0.0	0.0	0.0
Development project loans	3,730,819.9	2,575,061.6	2,723,858.1	147,335.0	75,781.0
o/w: Non-concessional borrowing	2,316,403.6	1,853,120.0	1,822,093.1	0.0	0.0
Basket support	34,746.0	0.0	39,407.0	0.0	0.0
Amortization	-1,976,098.0	-1,163,893.2	-1,080,936.0	-13,670.9	-146,868.2
Domestic (net) ²	1,499,774.2	-573,261.1	-1,654,619.8	55,876.1	32,837.6
Bank and non-bank financing	1,499,774.2	-573,261.1	-1,654,619.8	55,876.1	32,837.6
Bank borrowing	1,043,537.5	-401,282.8	-2,330,498.1	39,113.3	-11,579.1
Non-bank (net of amortization)	456,236.7	-171,978.3	675,878.3	16,762.8	44,416.7
Borrowing/roll-over	3,460,218.0	2,146,322.0	3,016,517.2	302,286.0	402,285.9
Domestic and contingent debt amortization	-3,460,218.0	-2,146,322.0	-3,016,517.2	-302,286.0	-402,285.9

Source: Ministry of Finance and Planning

Note: ¹ Exclude amortization and expenditure float, includes road fund and retention expenditure

² Positive value means financing and a negative value means repayment/ build-up of deposits

LGA stands for Local Government Authority; VAT, value added tax; o/w, of which; and p, provisional data



Table A3: Depository Corporations Survey

Items	Billions of TZS												
	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20 ^p
Net foreign assets	10,371.9	10,636.7	10,216.6	9,598.2	9,187.5	9,814.9	10,392.5	11,461.7	12,082.3	11,889.9	12,135.4	12,034.5	11,811.0
Bank of Tanzania	10,290.4	10,543.2	9,890.4	9,273.6	9,090.6	9,420.9	10,216.7	11,445.6	11,680.9	11,890.2	12,207.7	12,063.1	11,973.5
Other depository corporations	81.6	93.4	326.2	324.6	96.9	394.0	175.8	16.1	401.4	-0.3	-72.4	-28.5	-162.6
Net domestic assets	15,391.2	15,232.0	15,486.3	16,030.9	16,758.0	17,425.9	16,537.5	15,701.4	15,558.4	16,161.0	16,029.0	16,278.6	16,303.2
Domestic claims	22,229.4	22,251.9	22,289.9	23,355.8	24,061.7	25,073.9	23,757.4	22,765.3	22,816.2	23,302.4	23,239.3	23,589.3	23,692.0
Claims on central government (net)	4,064.4	3,825.1	3,853.6	4,714.3	5,250.3	6,212.8	4,871.9	3,745.7	3,610.0	3,977.0	3,854.8	3,893.9	3,882.3
Claims on central government	8,217.1	7,860.2	7,876.4	8,579.8	9,212.0	9,330.0	9,151.0	8,721.7	7,998.8	8,279.3	8,739.3	8,408.0	8,677.7
Liabilities to central government	4,152.7	4,035.1	4,022.9	3,865.5	3,961.7	3,117.1	4,279.1	4,976.0	4,388.9	4,302.2	4,884.4	4,514.1	4,795.4
Claims on non-government sector	18,165.0	18,426.8	18,436.4	18,641.5	18,811.4	18,861.1	18,885.5	19,019.7	19,206.2	19,325.4	19,384.5	19,695.4	19,809.7
Other items (net)	-6,838.2	-7,019.9	-6,803.7	-7,325.0	-7,303.7	-7,647.9	-7,220.0	-7,063.9	-7,257.8	-7,141.3	-7,210.3	-7,310.7	-7,388.8
Broad money liabilities	25,763.1	25,868.7	25,702.8	25,629.1	25,945.6	27,240.8	26,930.0	27,163.2	27,640.7	28,050.9	28,164.3	28,313.1	28,114.2
Currency outside depository corporations	3,709.2	3,733.9	3,782.8	3,772.1	3,925.7	4,121.0	4,115.1	4,193.3	4,130.7	4,147.3	4,211.9	4,221.8	4,030.4
Transferable deposits	11,960.4	11,834.9	11,775.6	11,867.2	11,915.9	12,953.5	12,673.6	12,531.0	13,039.0	13,450.4	13,281.6	13,322.3	13,505.5
Non-transferable (other) deposits	10,093.5	10,299.9	10,144.4	9,989.8	10,103.9	10,166.3	10,141.4	10,438.8	10,471.0	10,453.2	10,670.8	10,769.0	10,578.3
Memorandum items:													
Monetary aggregates													
Reserve money (M0)	6,707.2	6,840.7	6,688.4	6,764.7	6,973.9	7,963.8	7,262.4	7,125.6	7,218.8	7,594.2	7,411.2	7,466.4	7,200.8
Extended broad money (M3)	25,763.1	25,868.7	25,702.8	25,629.1	25,945.6	27,240.8	26,930.0	27,163.2	27,640.7	28,050.9	28,164.3	28,313.1	28,114.2
Deposits in foreign Currency (FCD)	6,796.7	6,591.5	6,717.3	6,293.5	6,318.4	6,238.7	6,531.4	6,630.0	7,211.1	7,279.6	7,096.6	7,032.9	6,982.8
FCD in millions of USD	2,976.4	2,879.7	2,934.0	2,748.8	2,760.8	2,724.9	2,853.2	2,895.9	3,149.7	3,180.5	3,101.3	3,073.9	3,051.2
Broad money (M2)	18,966.4	19,277.1	18,985.5	19,335.6	19,627.2	21,002.1	20,398.6	20,533.2	20,429.6	20,771.3	21,067.7	21,280.3	21,131.3
Other deposits in national currency (i.e. savings and time deposits)	7,362.3	7,563.7	7,390.6	7,387.3	7,430.1	7,480.4	7,380.2	7,716.1	7,752.3	7,665.9	7,875.2	7,955.1	7,840.0
Narrow money (M1)	11,604.1	11,713.4	11,594.9	11,948.3	12,197.1	13,521.7	13,018.4	12,817.1	12,677.4	13,105.5	13,192.5	13,325.1	13,291.4
Currency in circulation	3,709.2	3,733.9	3,782.8	3,772.1	3,925.7	4,121.0	4,115.1	4,193.3	4,130.7	4,147.3	4,211.9	4,221.8	4,030.4
Transferable deposits in national currency	7,894.9	7,979.6	7,812.2	8,176.2	8,271.5	9,400.7	8,903.3	8,623.7	8,546.6	8,958.2	8,980.6	9,103.3	9,261.0

Source: Bank of Tanzania and banks

Note: p denotes provisional data



Table A4: Interest Rate Structure

Items	2019												Percent
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov ^r	Dec	Jan ^p
A: Domestic currency													
1. Interbank cash market rates													
Overnight	3.55	4.52	5.27	5.20	5.32	5.47	5.04	4.63	5.15	4.28	4.68	3.63	3.90
2 to 7 days	3.95	5.25	5.82	5.81	5.79	5.77	5.38	4.91	5.41	5.21	5.05	4.91	4.91
8 to 14 days	4.80	5.67	6.34	6.42	6.24	6.21	5.56	5.38	5.58	5.43	5.23	5.02	5.41
15 to 30 days	4.49	5.00	6.95	7.25	7.24	6.89	5.52	5.82	5.76	5.99	5.47	5.54	5.21
31 to 60 days	5.00	5.00	6.67	7.00	7.30	7.75	6.12	6.33	6.09	5.29	6.15	6.15	7.18
61 to 90 days	2.50	2.50	8.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	5.00	6.50	6.50
Overall interbank cash market rate	3.74	4.72	5.59	5.54	5.60	5.69	5.42	4.91	5.37	5.22	5.18	4.59	4.79
2. Lombard rate													
	6.75	6.79	7.91	7.79	7.97	8.20	7.57	6.95	7.73	6.75	7.02	6.75	6.75
3. REPO rate													
	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
4. Reverse repo rate													
	4.06	4.18	5.66	5.12	5.09	5.25	5.79	5.41	5.52	5.59	5.88	5.89	6.93
5. Treasury bills rates													
35 days	3.00	3.12	3.27	3.42	3.50	3.64	3.80	3.69	3.55	3.56	3.56	3.58	2.80
91 days	3.50	3.67	3.85	4.09	4.14	4.33	4.39	4.36	4.53	4.43	4.30	4.40	3.50
182 days	5.27	5.28	5.17	5.26	5.14	5.16	5.24	5.18	5.19	4.82	4.57	4.53	4.23
364 days	9.33	9.25	9.15	9.06	9.06	9.04	8.31	7.70	7.09	6.46	6.10	5.91	5.91
Overall treasury bills rate	8.54	8.73	8.67	8.20	8.58	8.69	8.18	7.65	7.05	6.40	5.98	5.81	5.64
6. Treasury bonds rates													
2-years	11.39	11.39	11.39	11.97	11.97	11.97	11.97	11.08	11.08	11.08	11.08	11.08	10.26
5-years	12.00	12.71	12.71	12.71	12.96	12.96	12.96	12.96	12.96	11.95	11.95	11.95	11.95
7-years	12.56	13.23	13.23	13.23	13.23	13.23	13.23	13.23	13.23	12.89	12.89	12.89	12.89
10-years	14.94	14.94	15.11	15.11	15.11	15.70	15.12	15.16	15.16	15.16	14.52	14.52	14.53
15-years	15.46	15.46	15.62	15.62	15.62	15.74	15.67	15.67	15.37	15.37	15.37	15.24	15.24
20-years	17.73	17.45	17.45	17.45	17.39	17.39	17.42	17.42	17.34	17.34	17.09	16.76	16.76
7. Discount rate													
	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
8. Savings deposit rate													
	2.60	2.54	2.59	2.46	2.45	2.44	2.47	2.37	2.44	2.33	2.34	2.31	2.28
9. Overall time deposits rate													
1 month	9.24	9.66	9.16	8.12	8.64	8.58	8.28	8.19	7.46	8.24	8.59	7.97	7.27
2 months	7.32	7.23	8.28	7.48	7.17	7.46	7.72	5.04	8.28	8.43	7.52	5.05	6.91
3 months	6.61	6.81	8.01	6.99	7.27	7.63	6.80	7.68	8.14	6.62	4.75	7.93	5.78
6 months	7.43	7.51	8.03	7.70	7.99	8.31	8.46	8.04	8.35	7.91	7.28	6.73	7.54
12 months	8.66	8.52	9.01	7.93	8.75	9.06	9.07	8.87	8.67	8.84	9.38	8.90	9.27
24 months	10.10	9.79	9.53	9.73	9.86	9.78	9.76	9.84	9.84	9.73	9.96	9.85	10.23
10. Negotiated deposit rate													
	8.85	9.13	8.84	9.15	8.65	8.84	8.69	8.98	8.83	8.92	9.06	9.08	9.51
11. Overall lending rate													
Short-term (up to 1 year)	17.01	16.39	17.59	16.94	17.07	16.43	16.25	16.34	16.42	16.71	16.90	16.28	15.51
Medium-term (1-2 years)	18.18	17.89	17.81	18.32	18.24	18.17	18.34	18.23	18.38	18.00	18.38	18.67	18.65
Medium-term (2-3 years)	17.78	17.07	19.03	17.97	17.82	17.56	17.41	17.49	17.62	17.48	17.55	17.71	17.92
Long-term (3-5 years)	17.08	16.44	16.85	16.73	17.16	16.61	16.69	16.60	16.62	16.31	16.58	15.85	16.51
Term Loans (over 5 years)	16.10	15.47	15.08	16.27	15.77	15.59	15.65	15.20	15.94	15.37	15.29	15.29	15.45
12. Negotiated lending rate													
	14.93	14.84	14.62	14.61	15.27	14.41	14.38	14.31	14.09	14.44	13.62	14.00	13.19
B: Foreign currency													
1. Deposits rates													
Savings deposits rate	2.02	2.09	1.72	1.76	1.75	2.11	2.62	2.67	2.75	2.64	2.62	2.71	2.55
Overall time deposits rate	3.43	3.17	3.07	3.15	2.56	2.83	1.91	2.08	1.94	2.34	2.07	2.23	2.36
1-months	3.27	3.30	2.67	2.80	1.63	1.92	1.53	2.00	1.84	0.89	0.97	1.26	1.31
2-months	4.46	3.19	2.95	3.26	2.80	3.42	2.18	2.87	2.24	1.68	3.34	1.95	2.59
3-months	3.19	2.68	3.51	3.74	2.27	2.92	2.20	1.78	1.75	3.31	1.63	3.79	2.43
6-months	3.19	3.37	3.10	2.85	2.76	2.41	1.40	1.64	1.83	3.52	2.06	1.67	2.28
12-months	3.06	3.33	3.11	3.08	3.36	3.46	2.25	2.12	2.03	2.28	2.37	2.50	3.20
2. Overall lending rate													
Short-term (up to 1 year)	6.76	6.82	8.23	8.17	8.51	7.93	7.58	7.54	7.43	7.34	7.53	7.28	6.31
Medium-term (1-2 years)	8.38	8.20	5.91	5.39	8.41	8.39	8.56	8.61	8.63	8.64	7.98	7.99	5.03
Medium-term (2-3 years)	8.03	7.61	7.79	7.85	7.71	7.63	8.27	8.32	8.33	8.32	7.70	7.71	5.99
Long-term (3-5 years)	8.87	7.99	8.03	8.03	8.36	8.32	7.71	7.71	7.37	7.31	7.31	7.16	7.29
Term loans (over 5 years)	7.98	7.97	7.87	7.87	7.99	7.99	7.99	5.41	4.76	4.76	8.00	4.58	6.23

Source: Bank of Tanzania, banks and Bank of Tanzania computations

Note: r denotes revised data; and p, provisional data



Table A5: Tanzania Balance of Payments

	Millions of USD				
Item	2014	2015	2016	2017 ^r	2018 ^p
A. Current account	-5,028.2	-3,987.4	-2,664.7	-1,813.9	-1,890.3
Goods: exports f.o.b.	5,194.1	5,316.8	4,949.7	4,523.9	4,379.6
Traditional	828.8	793.3	961.2	1,020.7	772.1
Non-traditional	3,798.6	4,040.1	3,538.5	3,091.9	3,209.3
o/w: Gold	1,324.1	1,183.3	1,508.8	1,541.1	1,524.0
Unrecorded trade	566.8	483.3	450.0	411.3	398.1
Goods: imports f.o.b.	-10,917.8	-9,843.1	-8,463.6	-7,551.7	-7,752.0
Balance on goods	-5,723.7	-4,526.3	-3,513.9	-3,027.8	-3,372.4
Services: credit	3,396.0	3,412.4	3,599.3	3,831.9	4,014.7
Transport	902.6	1,024.9	1,053.6	1,137.4	1,222.1
Travel	2,010.1	1,902.0	2,131.6	2,250.3	2,449.4
Other	483.2	485.5	414.1	444.2	343.2
Services: debit	-2,648.3	-2,629.1	-2,176.4	-2,039.9	-2,131.2
Transport	-1,142.6	-1,047.0	-893.7	-795.7	-839.1
Travel	-1,101.6	-1,195.3	-922.3	-807.3	-738.1
Other	-404.1	-386.8	-360.4	-436.9	-554.1
Balance on services	747.7	783.3	1,422.9	1,792.0	1,883.4
Balance on goods and services	-4,976.0	-3,743.0	-2,091.1	-1,235.8	-1,489.0
Primary income: credit	118.4	110.3	98.5	125.3	155.9
o/w: Investment income	86.5	87.8	67.6	86.1	108.5
Compensation of employees	31.9	22.5	31.0	39.3	47.4
Primary income: debit	-647.9	-834.6	-1,053.6	-1,105.4	-1,025.8
o/w: Direct investment income	-445.0	-550.0	-625.2	-700.0	-683.7
Interest payments	-150.9	-248.6	-379.9	-358.0	-302.1
Compensation of employees	-49.1	-33.2	-46.1	-45.0	-37.6
Balance on primary income	-529.5	-724.3	-955.1	-980.1	-869.9
Balance on goods, services and primary income	-5,505.5	-4,467.3	-3,046.2	-2,215.9	-2,358.8
Secondary income: credit	535.5	560.1	452.7	485.2	535.8
Government	177.9	194.8	81.1	121.8	170.3
o/w: Miscellaneous current transfers (Multilateral HIPC relief)	0.0	0.0	0.0	0.0	0.0
Financial corporations, nonfinancial corporations, households and NPISH:	357.6	365.3	371.6	363.4	365.5
o/w: Personal transfers	357.6	365.3	371.6	363.4	365.5
Secondary income: debit	-58.2	-80.2	-71.2	-83.2	-67.3
Balance on secondary income	477.3	479.9	381.5	402.0	468.5
B. Capital account	547.9	380.1	446.2	376.8	221.2
Capital transfers credit	547.9	380.1	446.2	376.8	221.2
General government	483.7	316.1	383.0	313.6	157.4
Other capital transfer (Investment grant)	457.9	290.3	357.3	287.8	151.4
Financial corporations, nonfinancial corporations, households and NPISH:	64.2	64.0	63.2	63.2	63.8
Capital transfers:debit	0.0	0.0	0.0	0.0	0.0
Total, groups A plus B	-4,480.3	-3,607.3	-2,218.5	-1,437.1	-1,669.1
C. Financial account, excl. reserves and related items	-3,109.0	-2,662.6	-1,745.4	-2,154.9	-1,741.3
Direct investments	-1,416.1	-1,506.0	-864.0	-937.7	-1,056.0
Direct investment abroad	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	1,416.1	1,506.0	864.0	937.7	1,056.0
Portfolio investment	-11.5	-27.6	5.0	-2.9	0.7
Other investment	-1,681.4	-1,128.9	-886.4	-1,214.2	-686.0
Assets	-28.8	331.8	-129.1	-117.8	363.3
Loans (Deposit-taking corporations, except the central bank)	-24.8	186.9	-95.8	-34.5	35.2
Currency and deposits	-3.9	144.9	-33.3	-83.4	328.0
Deposit-taking corporations, except the central bank	-87.9	69.5	-150.1	-4.9	206.9
Other sectors	84.0	75.4	116.8	-78.5	121.1
Other assets	0.0	0.0	0.0	0.1	0.0
Liabilities	1,652.6	1,460.7	757.2	1,096.5	1,049.3
Trade credits	-1.0	-0.1	0.2	9.7	21.4
Loans	1,639.2	1,558.2	826.3	1,103.9	990.3
Monetary authority	0.0	0.0	0.0	0.0	0.0
General government	1,202.6	1,089.9	306.8	707.0	654.6
Drawings	1,367.7	1,309.4	779.0	1,238.8	1,361.1
Repayments	-165.1	-219.5	-472.3	-531.9	-706.5
Banks	14.6	97.3	209.2	176.1	-32.2
Other sectors	422.0	371.0	310.3	220.8	367.9
Drawings	494.5	547.4	453.3	318.9	467.6
Repayments	-72.5	-176.4	-142.9	-98.1	-99.7
Currency and deposits	14.4	-97.5	-69.3	-17.1	37.6
Total, groups A through C	-1,371.3	-944.7	-473.1	717.8	72.1
D. Net errors and omissions	1,119.5	745.6	778.7	951.9	-856.2
Overall balance	-251.8	-199.1	305.5	1,669.6	-784.0
E. Reserves and related items	-251.8	-199.1	305.5	1,669.6	-784.0
Reserve assets	-307.3	-273.7	232.2	1,598.7	-871.9
Use of Fund credit and loans	55.5	74.6	73.3	70.9	87.9
Memorandum items:					
CAB/GDP	-10.1	-8.4	-5.4	-3.4	-3.3
CAB/GDP (excluding current official transfers)	-10.5	-8.8	-5.5	-3.6	-3.6
Gross official reserves	4,377.2	4,093.7	4,325.6	5,900.3	5,044.6
Months of imports	4.2	4.6	5.4	7.2	5.2
Months of imports (excluding FDI related imports)	4.7	4.9	5.9	7.8	5.7
Exchange rate, TZS/USD (end of period)	1,725.8	2,148.5	2,172.6	2,230.1	2,281.2
Exchange rate, TZS/USD (annual average)	1,652.5	1,985.4	2,177.1	2,228.9	2,255.8

Source: Bank of Tanzania, Tanzania Revenue Authority, banks and Bank of Tanzania computations

Note: NPISH denotes non-profit institutions serving households; HIPC, heavily indebted poor countries; MDRI, multilateral debt relief initiative; GDP, gross domestic product; CAB, current account balance; FDI, foreign direct investment; r, revised data; p, provisional data; and o/w, of which



Table A6(i): National Consumer Price Index (Urban and Rural), Twelve-Month Percentage Change (Main Groups)

Base: Dec 2015 = 100

	Headline overall index	Food and non-alcoholic beverages	Transport	Housing, water, electricity, gas and other fuel	Furnishing, housing equipment and routine maintenance of the house	Clothing and footwear	Restaurants and hotels	Miscellaneous goods and services	Alcoholic, tobacco and narcotics	Communication	Education	Recreation and culture	Health
2018-Jan	4.0	6.3	0.3	7.1	1.8	2.7	0.8	2.6	2.6	-1.0	2.5	2.0	1.6
Feb	4.1	5.4	1.6	8.6	1.6	3.3	0.9	2.7	2.3	-0.2	2.5	1.5	1.6
Mar	3.9	4.7	1.4	10.4	1.9	3.2	0.8	1.2	2.0	-0.2	2.4	1.1	1.6
Apr	3.8	3.6	1.8	13.1	2.0	2.6	0.8	0.9	1.6	0.1	2.4	1.2	1.6
May	3.6	2.6	1.9	15.0	2.3	2.4	1.0	1.2	1.3	0.1	2.3	0.7	1.2
Jun	3.4	3.4	1.7	12.0	2.4	2.2	0.7	1.4	0.3	-2.6	2.6	0.5	1.4
Jul	3.3	2.8	2.5	12.3	2.6	2.4	0.8	1.2	0.8	-2.7	2.5	0.4	0.7
Aug	3.3	2.2	3.4	12.3	3.1	2.7	1.1	1.2	1.2	-2.6	2.5	-0.2	1.7
Sep	3.4	2.0	2.8	13.1	3.0	3.2	1.9	1.3	1.9	-2.6	2.5	-0.2	1.3
Oct	3.2	1.2	3.0	14.1	2.8	3.4	1.9	1.6	1.9	-2.7	2.4	-1.0	0.8
Nov	3.0	0.4	5.1	13.3	2.9	3.3	1.9	1.7	1.6	-2.7	2.4	-0.7	0.8
Dec	3.3	1.0	5.1	12.1	4.0	3.6	2.7	2.6	2.2	-2.6	2.4	0.1	1.0
2019-Jan	3.0	0.7	4.0	11.7	3.9	3.7	2.6	2.5	2.2	-2.4	2.0	0.2	1.0
Feb	3.0	0.5	3.3	12.3	4.1	3.3	3.6	2.6	2.5	-2.0	1.8	0.2	1.5
Mar	3.1	0.1	4.1	13.0	4.3	3.4	4.8	3.1	3.2	-1.2	1.9	0.3	1.8
Apr	3.2	0.9	3.4	11.4	4.2	3.6	4.9	2.7	3.2	-1.1	2.1	0.6	2.2
May	3.5	2.2	4.1	8.8	4.3	3.7	4.9	2.5	3.4	-1.1	2.1	3.2	2.0
Jun	3.7	2.3	4.8	8.9	4.1	3.1	4.8	2.4	4.2	1.0	1.8	3.4	1.8
Jul	3.7	2.9	4.1	8.1	3.9	2.7	4.7	2.5	3.6	1.1	1.6	1.6	2.3
Aug	3.6	3.7	2.7	6.3	3.7	2.9	4.6	2.5	2.1	0.7	1.6	1.8	1.4
Sep	3.4	4.0	3.2	4.3	3.7	2.6	4.2	2.4	1.3	0.6	1.6	2.0	1.9
Oct	3.6	5.1	2.4	3.3	3.9	2.2	4.1	2.3	1.3	0.8	1.6	1.7	1.8
Nov	3.8	6.1	0.4	3.7	3.9	2.3	4.0	2.1	1.3	0.8	1.6	1.4	1.8
Dec	3.8	6.3	0.8	4.4	2.7	2.2	3.2	1.8	0.6	1.1	1.6	1.4	1.5
2020-Jan	3.7	5.7	1.7	4.8	2.5	2.1	2.8	1.6	0.5	1.1	1.3	1.1	1.4

Source: National Bureau of Statistics



**Table A6(ii): National Consumer Price Index (Urban and Rural), Twelve-Month Percentage Change
 (Other Selected Groups)**

Base: Dec 2015 = 100

Period	Food (combining food consumed at home and in restaurants)	Energy and fuels (combining electricity and other fuels for use at home with petrol and diesel)	Non-food (all items less food)	All items less food and energy
Weight (%)	37.1	8.7	62.9	54.3
2018-Jan	6.7	10.4	2.8	1.4
Feb	5.8	12.1	3.3	1.7
Mar	5.0	14.1	3.5	1.6
Apr	4.0	18.4	3.9	1.4
May	3.2	21.2	4.5	1.6
Jun	3.8	16.8	4.0	1.6
Jul	3.0	18.5	4.2	1.6
Aug	3.2	18.7	4.6	2.0
Sep	3.1	18.9	4.8	2.2
Oct	2.5	19.5	5.0	2.3
Nov	2.0	19.2	5.3	2.6
Dec	2.6	17.7	5.4	3.1
2019-Jan	2.3	15.7	5.1	3.1
Feb	2.3	15.4	5.1	3.1
Mar	2.0	15.5	5.7	3.7
Apr	2.7	13.3	5.3	3.6
May	3.9	10.5	4.7	3.5
Jun	4.3	11.0	4.7	3.4
Jul	4.9	9.3	4.2	3.1
Aug	5.0	6.3	3.5	2.9
Sep	5.1	4.6	3.1	2.7
Oct	6.0	3.0	2.7	2.6
Nov	6.7	3.0	2.4	2.2
Dec	6.9	2.8	2.3	2.1
2020-Jan	6.4	4.0	2.4	2.1

Source: National Bureau of Statistics



Table A6(iii): National Consumer Price Index (Urban and Rural), Month-on-Month Percentage Change (Main Groups)

Base: Dec 2015 = 100

Period	Headline overall index	Food and non-alcoholic beverages	Transport	Housing, water, electricity, gas and other fuel	Furnishing, housing equipment and routine maintenance of the house	Clothing and footwear	Restaurants and hotels	Miscellaneous goods and services	Alcoholic, tobacco and narcotics	Communication	Education	Recreation and culture	Health
Weight (%)	100.0	38.5	12.5	11.6	6.3	8.3	4.2	3.1	3.7	5.6	1.5	1.6	2.9
2018-Jan	0.8	1.7	0.3	0.1	0.4	0.4	0.4	0.2	0.1	0.0	1.8	0.3	0.2
Feb	1.1	1.4	0.8	2.7	0.2	0.6	0.2	0.1	0.0	0.2	0.2	0.0	0.0
Mar	1.2	2.1	0.2	2.4	0.7	0.1	0.1	-0.1	0.0	0.0	0.0	0.0	0.0
Apr	0.4	0.3	0.8	1.6	0.3	0.1	0.0	0.7	0.0	0.0	0.0	0.1	0.0
May	0.0	-0.7	-0.3	2.4	0.3	0.2	0.1	0.4	-0.1	0.0	0.0	-0.4	0.2
Jun	-0.4	0.0	-0.8	-1.4	0.1	0.4	-0.2	0.1	-0.8	-2.7	0.3	-0.2	0.2
Jul	-0.3	-1.3	0.8	0.4	0.3	0.4	0.1	0.0	0.5	-0.1	0.1	0.0	-0.5
Aug	-0.4	-1.9	0.6	1.7	0.3	0.2	0.2	-0.1	0.8	0.0	0.0	0.1	0.9
Sep	0.1	-0.6	-0.3	2.1	0.0	0.4	0.7	0.1	0.8	0.1	0.0	0.2	-0.4
Oct	-0.3	-1.0	0.5	0.6	0.0	0.2	0.0	0.0	0.0	-0.1	0.0	-0.5	0.0
Nov	0.3	-0.1	2.3	0.3	0.2	0.0	0.2	0.2	0.0	0.0	0.0	0.3	0.0
Dec	0.5	1.1	0.3	-1.3	1.3	0.6	0.8	0.9	0.8	0.1	0.0	0.3	0.3
2019-Jan	0.5	1.4	-0.8	-0.3	0.3	0.5	0.4	0.2	0.1	0.2	1.4	0.3	0.1
Feb	1.1	1.3	0.1	3.3	0.4	0.2	1.2	0.2	0.3	0.5	0.0	0.1	0.5
Mar	1.4	1.7	1.0	3.1	0.8	0.2	1.3	0.5	0.7	0.9	0.1	0.1	0.4
Apr	0.5	1.0	0.2	0.1	0.2	0.2	0.1	0.3	0.0	0.0	0.1	0.4	0.4
May	0.4	0.6	0.3	0.1	0.4	0.3	0.0	0.2	0.0	0.0	0.0	2.2	0.0
Jun	-0.2	0.2	-0.1	-1.3	0.0	-0.1	-0.2	-0.1	0.0	-0.6	0.0	0.0	0.0
Jul	-0.4	-0.7	0.0	-0.4	0.1	0.0	0.0	0.1	0.0	0.0	0.0	-1.8	0.0
Aug	-0.5	-1.1	-0.6	0.1	0.1	0.5	0.0	-0.1	-0.8	-0.4	0.0	0.4	0.1
Sep	-0.1	-0.3	0.1	0.1	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.4	0.0
Oct	-0.1	0.1	-0.4	-0.3	0.1	-0.1	-0.9	-0.1	0.0	0.1	0.0	-0.1	0.0
Nov	0.5	0.8	0.3	0.6	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Dec	0.6	1.3	0.7	-0.6	0.2	0.5	0.0	0.5	0.2	0.3	0.0	0.3	0.0
2020-Jan	0.4	0.9	0.1	0.1	0.2	0.3	0.0	0.0	0.0	0.2	1.0	0.1	0.0

Source: National Bureau of Statistics



A6 Table (iv): National Consumer Price Index (Urban and Rural), Month-on-Month Percentage Change (Other Selected Groups)

Base: Dec 2015 = 100

Period	Food (combining food consumed at home and food consumed in restaurants)	Energy and fuels (combining electricity and other fuels for use at home with petrol and diesel)	Non-food (all items less food)	All items less food and energy
Weight (%)	37.1	54.3	8.7	62.9
2018-Jan	1.8	0.3	0.3	0.3
Feb	1.5	0.4	3.7	0.9
Mar	2.2	3.3	0.6	0.1
Apr	0.3	2.3	0.6	0.2
May	-0.5	3.0	0.7	0.3
Jun	-0.1	-1.9	-0.4	0.0
Jul	-1.3	1.1	0.4	0.2
Aug	-1.2	2.1	0.6	0.3
Sep	-0.5	2.1	0.5	0.2
Oct	-0.8	0.8	0.2	0.1
Nov	0.3	1.1	0.5	0.4
Dec	1.1	-1.2	0.2	0.5
2019-Jan	1.5	-1.4	0.0	0.3
Feb	1.4	3.4	0.9	0.4
Mar	1.9	3.4	1.2	0.7
Apr	1.0	0.3	0.2	0.2
May	0.6	0.4	0.2	0.2
Jun	0.3	-1.4	-0.4	-0.1
Jul	-0.7	-0.5	-0.1	0.0
Aug	-1.1	-0.7	0.0	0.1
Sep	-0.4	0.3	0.1	0.0
Oct	0.1	-0.7	-0.1	0.0
Nov	0.9	1.1	0.2	0.0
Dec	1.3	-1.3	0.1	0.5
2020-Jan	1.1	-0.3	0.1	0.2

Source: National Bureau of Statistics



Table A7: National Debt Developments

	Millions of USD											
Item	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-20	Nov-19	Dec-19 ^r	Jan-20 ^p
1. Overall external debt committed ²	29,292.5	28,989.4	28,882.3	29,110.6	29,573.9	29,515.5	29,889.3	30,012.4	30,827.8	30,857.3	30,941.4	30,882.3
Disbursed outstanding debt	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,478.2	20,491.6
Undisbursed debt	9,568.7	9,348.1	9,167.2	9,355.4	9,544.6	9,228.4	9,502.3	9,515.6	10,384.6	10,357.3	10,463.2	10,390.7
2. Disbursed external debt by creditor category ²	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,478.2	20,491.6
Bilateral debt	1,033.0	1,033.4	1,035.4	1,041.8	1,057.1	1,051.5	1,063.3	1,057.1	1,052.2	1,048.2	1,061.3	1,061.8
Multilateral debt	9,862.2	9,852.6	9,848.5	9,885.4	9,966.4	9,736.7	9,664.2	9,898.4	10,033.1	10,214.6	10,287.9	10,305.8
Commercial debt	6,779.4	6,705.6	6,818.4	6,800.9	6,922.8	7,421.8	7,652.5	7,522.2	7,335.3	7,251.6	7,136.8	7,103.8
Export credits	2,049.2	2,049.7	2,012.8	2,027.1	2,083.0	2,077.1	2,007.0	2,019.1	2,022.6	1,985.6	1,992.2	2,020.2
3. Disbursed external debt by borrower category ²	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,478.2	20,491.6
Central government	15,435.5	15,369.1	15,441.0	15,476.6	15,727.2	15,804.4	16,223.5	16,382.5	16,520.3	16,664.5	16,621.8	16,583.5
Public corporations	125.8	125.2	126.7	124.7	95.0	94.2	82.6	82.4	83.0	82.9	74.7	74.6
Private sector	4,162.5	4,147.0	4,147.4	4,153.9	4,207.1	4,388.5	4,080.9	4,031.9	3,839.9	3,752.6	3,781.7	3,833.5
4. Disbursed external debt by use of funds ²	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,478.2	20,491.6
Balance of payments and budget support	2,955.1	2,948.4	2,931.3	2,926.8	2,836.4	2,821.6	2,823.9	2,792.7	2,796.3	2,795.1	2,725.1	2,718.0
Transport and telecommunication	4,312.0	4,296.0	4,382.0	4,425.3	4,634.0	4,957.3	5,304.1	5,462.0	5,386.5	5,464.2	5,503.8	5,505.5
Agriculture	1,251.0	1,252.0	1,248.0	1,246.0	1,256.0	1,253.0	1,258.0	1,251.7	1,250.0	1,295.0	1,300.0	1,288.0
Energy and mining	3,068.7	3,093.0	3,067.0	3,070.0	3,105.0	3,097.0	3,082.0	3,068.4	3,069.0	3,051.0	3,075.0	3,050.0
Industries	657.0	662.0	660.0	658.0	666.0	663.0	640.0	639.0	639.0	639.0	649.0	652.0
Social welfare and education	3,150.8	3,150.4	3,201.0	3,209.0	3,254.0	3,237.0	3,272.0	3,401.0	3,422.0	3,446.0	3,470.0	3,497.0
Finance and insurance	1,222.2	1,218.0	1,193.0	1,191.0	1,186.0	1,182.0	1,018.0	1,016.0	1,009.0	1,009.0	1,012.0	1,074.0
Tourism	152.0	152.0	171.0	171.0	171.0	171.0	169.0	169.0	169.0	169.0	173.0	172.0
Real estate and construction	1,091.0	1,072.0	1,071.0	1,069.0	1,109.0	1,117.0	1,113.0	1,099.0	1,100.0	1,032.0	1,034.0	1,034.0
Other	1,864.0	1,797.5	1,790.8	1,789.1	1,811.9	1,788.2	1,707.0	1,598.0	1,602.4	1,599.7	1,536.3	1,501.1
5. Total amount of external loan contracted ¹	59.9	12.4	17.1	3.9	4.0	1.6	98.7	3.5	18.0	0.1	9.3	0.0
Central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private sector	59.9	12.4	17.1	3.9	4.0	1.6	98.7	3.5	18.0	0.1	9.3	0.0
6. Disbursements ¹	299.1	63.8	174.0	61.2	291.7	335.2	609.2	102.3	111.2	184.7	237.8	105.4
Central government	260.9	62.3	173.9	60.5	261.5	334.6	529.4	102.3	111.2	184.6	58.7	53.8
Public corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private Sector	38.2	1.5	0.1	0.7	30.2	0.6	79.8	0.0	0.0	0.1	179.1	51.6
7. Actual external debt service ¹	83.3	131.2	54.8	60.1	160.6	3.9	387.9	146.2	191.0	283.0	366.5	83.3
Principal	70.2	97.7	37.7	27.1	114.4	0.8	364.9	117.7	176.2	249.0	319.1	61.2
Interest	13.1	33.5	17.1	33.0	46.2	3.1	23.0	28.5	14.8	34.0	47.4	22.1
Other payments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8. Net flows on debt ¹	228.9	-33.9	136.3	34.1	177.3	334.4	244.3	-15.4	-65.0	-64.3	-81.3	44.2
9. Net transfers on debt ¹	215.8	-67.4	119.2	1.1	131.1	331.3	221.3	-43.9	-79.8	-98.3	-128.7	22.1
10. Arrears by creditors category ²	4,602.8	4,728.5	4,732.6	4,725.5	4,789.3	4,863.3	4,604.3	4,557.3	4,671.9	4,527.6	4,720.4	4,852.6
Principal	2,752.0	2,849.8	2,859.8	2,844.6	2,897.6	2,918.0	2,726.2	2,673.5	2,765.2	2,710.1	2,805.2	2,887.8
Bilateral debt	321.2	318.1	321.2	318.7	320.7	319.9	316.2	314.8	315.5	319.7	327.3	332.3
Multilateral debt	133.4	142.1	116.9	117.6	117.2	118.2	110.6	117.9	145.7	120.0	125.5	125.2
Commercial debt	1,156.2	1,223.9	1,263.5	1,260.1	1,281.5	1,286.4	1,241.7	1,167.3	1,210.5	1,187.8	1,204.5	1,252.8
Export credits	1,141.2	1,165.7	1,158.2	1,148.2	1,178.2	1,193.5	1,057.7	1,073.5	1,093.5	1,082.6	1,147.9	1,177.5
Interest	1,850.8	1,878.7	1,872.8	1,880.9	1,891.7	1,945.3	1,878.1	1,883.8	1,906.7	1,817.5	1,915.2	1,964.8
Bilateral debt	891.2	892.6	893.3	894.9	901.4	900.3	901.8	902.6	908.4	911.2	950.0	952.1
Multilateral debt	41.7	43.4	29.0	29.0	25.2	25.3	28.6	30.0	34.7	34.9	36.5	35.0
Commercial debt	534.1	549.6	553.9	552.8	536.2	589.7	586.9	583.9	591.9	508.9	541.9	549.4
Export credits	383.8	393.1	396.6	404.2	428.9	430.0	360.8	367.3	371.7	362.5	386.8	428.3
11. External debt stock	21,574.6	21,520.0	21,587.9	21,636.1	21,920.9	22,232.4	22,265.1	22,380.6	22,349.9	22,317.5	22,393.4	22,456.4
12. Domestic debt stock	6,146.1	6,162.2	6,483.5	6,778.7	6,491.8	5,957.2	6,148.0	6,141.7	6,198.6	6,313.6	6,309.3	6,396.1
13. Total debt stock	27,720.6	27,682.2	28,071.4	28,414.7	28,412.8	28,189.6	28,413.1	28,522.3	28,548.5	28,631.1	28,702.7	28,852.4
End of period selling exchange rate (TZS/USD)	2,289.0	2,289.5	2,289.5	2,288.6	2,289.5	2,289.2	2,289.4	2,289.4	2,288.8	2,288.3	2,287.9	2,288.6

Source: Ministry of Finance and Planning, Bank of Tanzania, banks and Bank of Tanzania computations

Note: Multilateral arrears are those owed by the private sector; ¹ denotes debt flows during the period; ² stock position at the end of the period; r, revised data; and p, provisional data



Glossary

Broad money (M2)

A definition of money that comprises of narrow money (M1) plus domestic currency time and savings deposits of residents with banks in the country.

Currency in circulation outside banks

Notes and coins of Tanzanian shillings circulating outside the banking system, i.e., outside the Bank of Tanzania and other depository corporations.

Core inflation

This is a measure of price movements caused by factors other than food and energy prices over a specified period of time. It provides better indication of the effectiveness of monetary policy

Disbursed Outstanding Debt

This is the amount of debt that has been disbursed but yet to be paid back or forgiven.

Discount rate

The rate of interest that the Bank of Tanzania charges on loans it extends to banks. It uses Treasury bills rate as a base plus a loaded factor, which can be changed from time to time depending on the liquidity situation in the market.

Exchange rate

The price at which one unit of a currency can be purchased with another currency, for instance TZS per US dollar.

Extended broad money (M3)

A definition of money that consists of broad money (M2) plus foreign currency deposits of residents with banks in the country.

Food inflation

This is a measure of price movements caused by food prices.

Gross Official Reserves

Gross official reserves consist of external assets that are readily available to, and controlled by the Bank of Tanzania for direct financing of balance of payments, and for indirectly regulating the magnitude of balance of payments imbalances through intervention in

foreign exchange markets. Gross official reserves comprise the Bank of Tanzania's holdings of monetary gold, special drawing rights (SDRs), reserve position in the International Monetary Fund, and foreign exchange resources, available to the Bank of Tanzania for meeting external financing needs.

Inflation

The rate at which the average level of prices of a basket of selected goods and services in an economy is increasing over a period of time. It is often expressed as a percentage. Inflation indicates a decrease in the purchasing power of a nation's currency.

Interbank cash market

A money market in which banks extend loans to one another for a specified term of not more than 90 days. Each transaction represents an agreement between the banks to exchange the agreed amounts of currency at the specified rate on a fixed date.

Lombard facility

An overnight facility established to enable banks to borrow from the Bank of Tanzania at their own discretion, by pledging eligible government securities as collateral.

Lombard rate

The rate that the Bank of Tanzania charges a bank for borrowing through the use of a Lombard Facility. This rate is computed basing on the prevailing weighted average yield of 35-day T-bill, repo or overnight inter-bank rate, whichever is higher in the market plus a margin.

Money supply

The sum of currency circulating outside the banking system and deposits of residents with banks defined in various levels of aggregation. In Tanzania, three aggregates of money supply are compiled and reported, namely; narrow money (M1), broad money (M2), and extended broad money (M3).



Non-food inflation

This is a measure of price movements caused by factors other than food prices.

Narrow money (M1)

Consists of currency in circulation outside banking system plus demand deposits (cheque account) of residents with banks in the country.

National debt

Total national debt obligations that include public debt and private sector external debt.

Public debt

Debt payable or guaranteed by the Government. Tanzania's public debt has two main components, domestic debt (which is incurred principally to finance fiscal deficit) and external debt (which is raised primarily to finance development projects. It comprises of the debt central government owes to foreign creditors and external obligations of government departments and agencies that are guaranteed for repayment by the Government).

Overnight interbank cash market

The component of the money market involving the shortest term loan. Lenders agree to lend borrowers funds only "overnight" i.e. the borrower must repay the borrowed funds plus interest at the start of business the next day.

Repurchase agreements (repo)

An arrangement involving sale of securities at a specified price with commitment to repurchase the same or similar securities at a fixed price on a specified future date.

Reverse repo

An arrangement involving buying of securities at a specified price with commitment to resale the same or similar securities at a fixed price on a specified future date.

Reserve money (M0)

The Bank of Tanzania's liabilities in the form of currency in circulation outside the banking system, cash held by banks in their vaults and deposits of banks kept with the Bank of Tanzania in national currency. Reserve money is also referred to as base money, or monetary base or high-powered money.

Weighted yields of Treasury bills

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







ISSN 0856 - 6844

Bring your investment into the
ideal growth environment

TANZANIA



For enquiries please contact:

Directorate of Economic Research and Policy

Bank of Tanzania, 2 Mirambo Street

11884 Dar Es Salaam

Tel: +255 22 2233328/29

This report is also available at <http://www.bot.go.tz>

Bank of Tanzania Library

