



**BANK OF TANZANIA**

**MONTHLY  
ECONOMIC  
REVIEW**

**August 2020**



# Contents

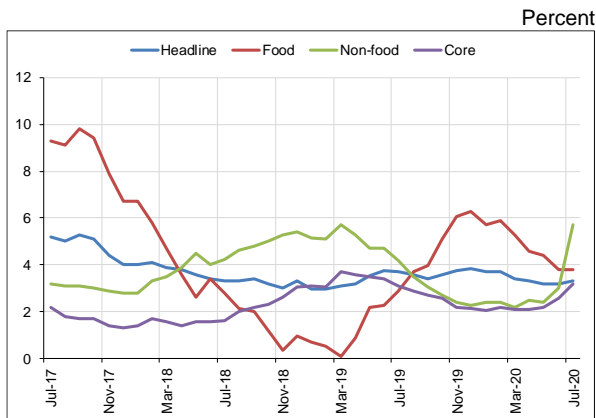
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## 1.0 Prices and Food Stocks

### 1.1 Inflation

Inflation remained lower than the medium-term target of 5 percent, and within EAC and SADC convergence benchmarks of utmost 8.0 percent and between 3-7 percent, respectively. Twelve-month overall consumer price index (CPI) inflation was 3.3 percent compared with 3.2 percent in June 2020 and 3.7 percent in July 2019 (**Chart 1.1** and **Table 1.1**). The low and stable inflation was driven by subdued food prices due to adequate food supply, stability of exchange rate, as well as prudent monetary and fiscal policies. On month to month basis, headline inflation was negative 0.2 percent in July 2020 compared with negative 0.4 in the corresponding month in 2019. In 2020/21, inflation is projected to remain low, in the range of 3.0 percent to 5.0 percent.

**Chart 1.1: Twelve-month Inflation Rates**



Source: National Bureau of Statistics and Bank of Tanzania computations

Twelve-month food and non-alcoholic beverages inflation was 3.8 percent in July 2020, same as in the preceding month, due to adequate food across the country. Non-food inflation edged up to 3.2 percent from 3.0 percent, attributable to increase in prices of energy, particularly petroleum products

following a moderate rise in oil prices in the world market. Energy and fuel inflation increased to 5.7 percent from 4.7 percent in June 2020. Nonetheless, the inflation rate was much lower than 9.3 percent recorded in July 2019, due to a sharp decline in oil prices in the world market on account of low demand. This was associated with the slowdown in global economic activities following outbreak of COVID-19 pandemic. Core inflation<sup>1</sup> was 2.6 percent, same as in the preceding month, but was lower than 3.1 percent in July 2019.

**Table 1.1: Inflation Rates**

Main groups	Weight	Base December 2015 = 100					
		Monthly change			Annual change		
		Jul-19	Jun-20	Jul-20	Jul-19	Jun-20	Jul-20
Food and non alcoholic beverages	38.5	-0.7	-0.4	-0.7	2.9	3.8	3.8
Alcoholic, tobacco and narcotics	3.7	0.0	0.5	0.0	3.6	0.1	0.1
Clothing and footwear	8.3	0.0	0.2	-0.1	2.7	2.4	2.3
Housing, water, electricity, gas and other fuel	11.6	-0.4	1.1	-0.2	8.1	9.2	9.5
Furnishing, housing equipment and routine maintenance	6.3	0.1	0.1	0.1	3.9	1.8	1.8
Health	2.9	0.0	0.6	0.0	2.3	0.9	0.9
Transport	12.5	0.0	-1.6	0.9	4.1	-0.3	0.5
Communication	5.6	0.0	0.0	-0.4	1.1	0.6	0.2
Recreation and culture	1.6	-1.8	0.1	0.0	1.6	-1.0	0.7
Education	1.5	0.0	0.0	0.0	1.6	1.3	1.3
Restaurants and hotels	4.2	0.0	0.0	1.0	4.7	0.9	1.9
Miscellaneous goods and services	3.1	0.1	-0.5	0.0	2.5	0.7	0.6
All Items-(headline inflation)	100.0	-0.4	-0.2	-0.2	3.7	3.2	3.3
Other selected groups							
Food and non-alcoholic beverages - combining food consumed at home and food consumed in restaurants	37.1	-0.7	-0.2	-0.6	4.9	4.7	4.9
Energy and fuels - combining electricity and other fuels for use at home with petrol and diesel	8.7	-0.5	-0.3	0.5	9.3	4.7	5.7
All items less food (non-food)	62.9	-0.1	0.1	0.1	4.2	3.0	3.2
All items less food and energy	54.3	0.0	0.2	0.0	3.1	2.6	2.6

Source: National Bureau of Statistics and Bank of Tanzania computations

### 1.2 Food Stocks

The stock of food held by the National Food Reserve Agency (NFRA) increased substantially to 90,255.0 tonnes at the end of July 2020 from 52,724.7 tonnes in June 2020 (**Table 1.2**). The food stocks comprised of maize grain, paddy and sorghum. The increase was on account of purchase of food, consistent with seasonal harvests across the country. During July 2020,

<sup>1</sup> Inflation of consumer goods and service excluding food and energy.

NFRA purchased 32,676.7 tonnes of maize, 4,088.4 tonnes of paddy and 829.5 tonnes of sorghum, and sold 64.3 tonnes of maize to Prisons Department.

**Table 1.2: Food Stock Held by National Food Reserve Agency**

Period	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	41,231.0
March	68,727.0	86,443.8	83,650.3	78,336.3	39,597.0
April	64,825.0	86,278.0	73,467.7	68,747.8	38,053.0
May	63,341.0	74,826.0	68,893.4	68,057.7	38,290.5
June	61,837.5	70,393.0	63,843.9	67,335.9	52,724.7
July	49,632.0	68,697.0	62,288.0	67,410.1	90,255.0
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

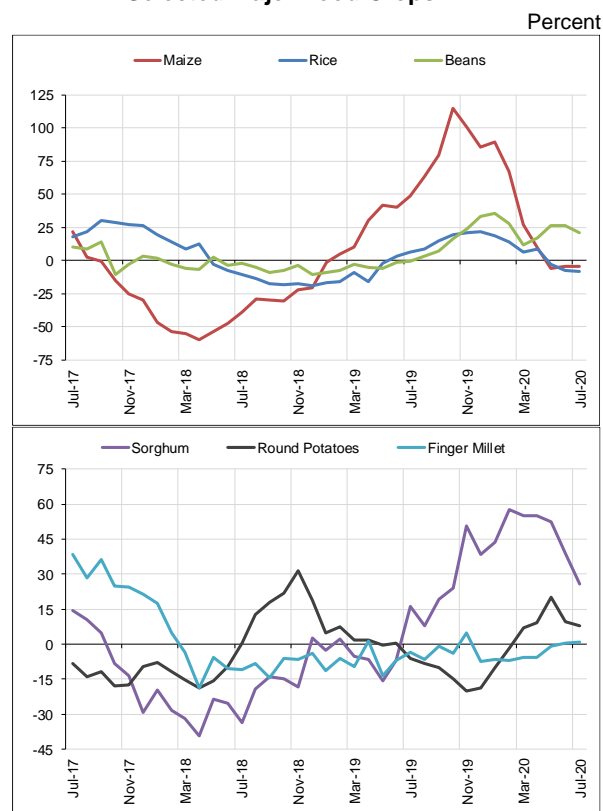
Average wholesale prices of all major food crops<sup>2</sup> declined in July 2020 when compared to the preceding month, except for maize. This outturn was owing to commencement of the harvest season and marketing of long-rains crops (**Table 1.3**). **Chart 1.2** presents developments in annual change in wholesale prices of major food crops in the past three years.

**Table 1.3: Wholesale Prices of Major Food Crops**

Food crop	TZS per 100kg					
	Jul-19	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Maize	61,341.4	64,452.0	59,845.0	55,707.2	56,914.0	58,362.0
Rice	162,417.8	178,745.0	181,636.0	162,682.9	152,259.0	148,991.7
Beans	160,044.1	184,853.0	189,202.0	206,875.4	204,990.0	192,771.5
Sorghum	79,282.8	117,522.0	116,814.0	117,449.2	113,321.0	99,597.9
Round potatoes	72,506.6	73,183.0	73,478.0	85,107.6	81,809.0	78,222.3
Finger millet	131,819.0	126,955.0	128,991.0	132,535.2	134,984.0	133,188.5

Source: Ministry of Industry and Trade and Bank of Tanzania Computations

**Chart 1.2: Annual Change in Wholesale Prices for Selected Major Food Crops**



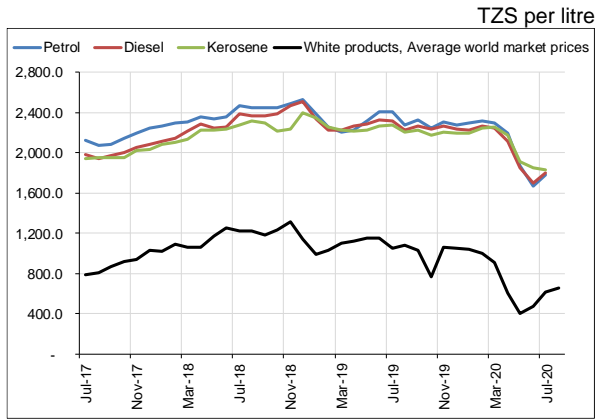
Source: Ministry of Industry and Trade, and Bank of Tanzania computations

### 1.4 Fuel Prices

In July 2020, average domestic pump prices of petroleum products were relatively low compared with the corresponding month in 2019. This reflects the fall in prices of oil in the world market due to slowdown in global economic activities occasioned by the outbreak of COVID-19. Domestic prices of petrol, diesel and kerosene declined by 26.1 percent, 22.3 percent and 19.4 percent to TZS 1,781 per litre, TZS 1,799 per litre and TZS 1,832 per litre, respectively, in July 2020 from the corresponding month in 2019. On month to month basis, domestic pump prices of all petroleum products were higher than in the preceding month. **Chart 1.3** presents movements of petroleum products prices in the past three years.

<sup>2</sup> They include maize, rice, beans, sorghum, round potatoes and finger millet.

**Chart 1.3: Domestic Pump Prices**



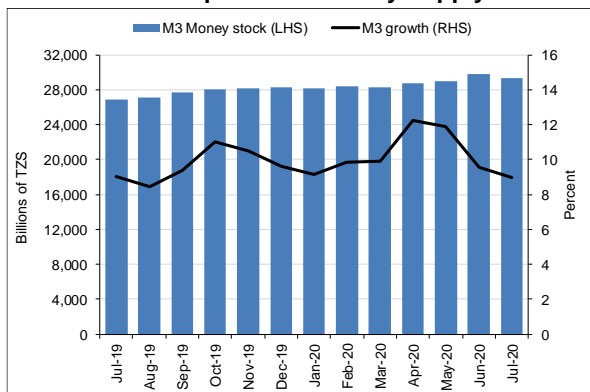
Source: National Bureau of Statistics

## 2.0 Money and Credit

### 2.1 Money Supply

Money supply growth remained strong, in line with accommodative monetary policy implemented to support lending to economic activities and cushioning the economy against adverse impact of COVID-19. Extended broad money supply (M3) grew by 8.9 percent in the year ending July 2020 compared with 9.0 percent in July 2019 (**Table 2.1** and **Chart 2.1**). Broad money supply (M2) grew by 10.6 percent compared with 11.7 percent.

**Chart 2.1: Developments in Money Supply**



Source: Banks and Bank of Tanzania computations

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

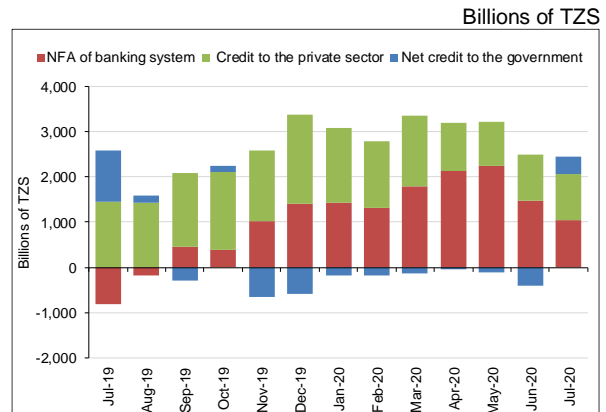
**Table 2.1: Money Supply and its Main Components**

	Outstanding stock (Billion of TZS)			Annual growth (%)		
	Jul-19	Jun-20	Jul-20	Jul-19	Jun-20	Jul-20
Net foreign assets of the banking system	10,392.5	11,289.2	11,431.5	-7.4	15.0	10.0
Bank of Tanzania	10,216.7	11,258.9	11,068.1	-9.8	19.5	8.3
Banks	175.8	30.3	363.4	---	---	---
Net domestic assets of the banking system	16,537.5	18,552.4	17,907.4	22.6	6.5	8.3
Domestic claims	23,757.4	25,697.1	25,180.0	12.2	2.5	6.0
Claims on central government net	4,871.9	5,807.9	5,260.0	30.3	-6.5	8.0
Claims on central government	9,151.0	9,137.2	11,500.7	11.1	-2.1	25.7
Claims on the private sector	18,885.5	19,889.2	19,920.0	8.3	5.5	5.5
Other items net	-7,220.0	-7,144.7	-7,272.7	-6.1	-6.6	0.7
Extended broad money (M3)	26,930.0	29,841.6	29,338.8	9.0	9.5	8.9
Foreign currency deposits	6,531.4	6,630.1	6,771.5	1.4	6.3	3.7
Broad money supply (M2)	20,398.6	23,211.6	22,567.3	11.7	10.5	10.6
Other deposits	7,380.2	8,341.7	8,231.1	4.2	11.5	11.5
Narrow money supply (M1)	13,018.4	14,869.9	14,336.3	16.4	10.0	10.1
Currency in circulation	4,115.1	4,231.8	4,270.3	5.9	2.7	3.8
Transferable deposits	8,903.3	10,638.1	10,066.0	22.0	13.2	13.1

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

Note: "—" denotes a change that exceeds 100 percent

**Chart 2.2: Annual Change in Major Sources of Money Supply**



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

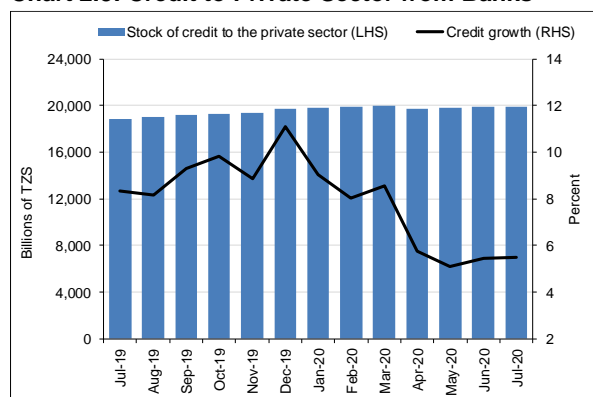
Note: NFA denotes net foreign assets

Foreign assets (net) of the banking system grew by 10.0 percent compared to a contraction of 7.4 percent in July 2019. This was on account of increase in foreign exchange holdings, largely from export proceeds, particularly from gold and cashew nuts.

Private sector credit growth was fairly strong, at 5.5 percent as in the preceding month, consistent with projection of 11.6 percent by the end of June 2021 (**Chart 2.3**). The growth rate was strong relative to many peer countries in sub-Saharan Africa. Economic activities that registered strong credit growth include, building and construction, transport, communication and personal loans often used for small and medium enterprises (**Table 2.2**). In terms of share in the outstanding

credit, personal loans, trade and manufacturing dominated by 32.4 percent, 16.8 percent and 10.9 percent, respectively (**Chart 2.4**).

**Chart 2.3: Credit to Private Sector from Banks**



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

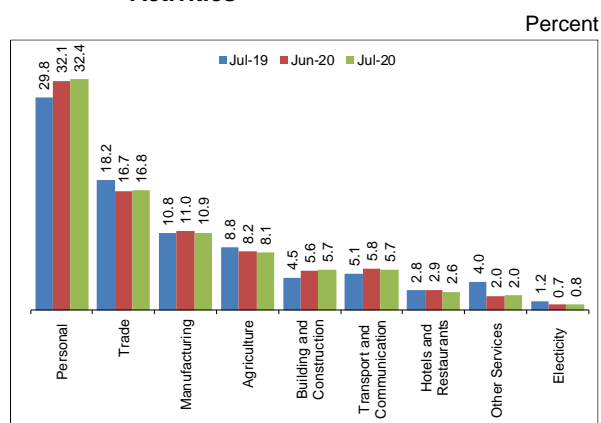
Note: LHS denotes left hand scale; and RHS, right hand scale

**Table 2.2: Annual Growth of Credit to Selected Economic Activities**

	Percent						
	Jul-19	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Building and construction	5.6	49.3	43.0	38.1	25.2	31.0	32.9
Transport and communication	-4.7	16.5	13.3	12.0	13.4	17.3	17.6
Personal	16.7	13.7	14.3	14.9	11.9	14.0	14.5
Manufacturing	7.4	-3.5	-0.2	3.4	9.0	3.2	6.3
Mining and quarrying	23.6	-12.2	-5.2	-3.4	-6.0	-1.8	-1.9
Trade	0.6	3.1	5.1	0.2	1.2	-3.0	-3.0
Agriculture	50.1	22.0	15.3	-6.9	-5.0	-0.8	-3.1
Hotels and restaurants	-11.4	-9.6	-9.1	-2.5	-0.5	0.7	-4.2

Source: Banks and Bank of Tanzania computations

**Chart 2.4: Share of Credit by Major Economic Activities**



Source: Banks and Bank of Tanzania computations

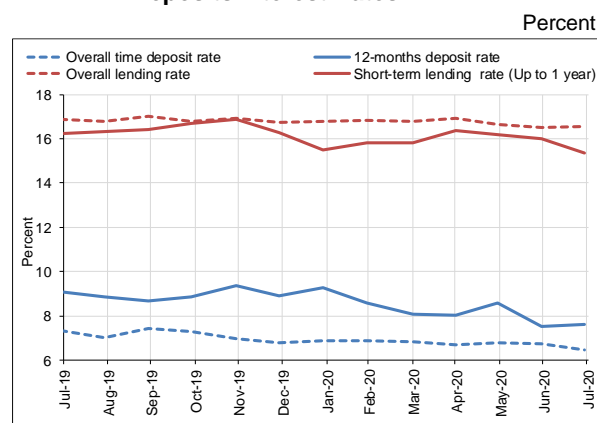
Note: Other services include fishing, forest, hunting, financial intermediaries, mining and quarrying, real estate, mortgage, leasing, tourism, warehousing and storage, gas, water, education and health

## 2.2 Interest Rates

Interest rates on bank loans maintained a general declining trend in July 2020, reflecting impact of

accommodative monetary policy and reform measures implemented to make loans affordable. Lending rates averaged 16.55 percent in July 2020, slightly lower than 16.87 percent in July 2019. One-year lending rate decreased by 87 basis points to 15.38 percent. Interest rates on time deposits averaged 6.47 percent from 7.34 percent in July 2019, while one-year time deposits declined to 7.71 percent from 9.07 (**Chart 2.5**).

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



Source: Banks and Bank of Tanzania computations

## 2.3 Financial Markets

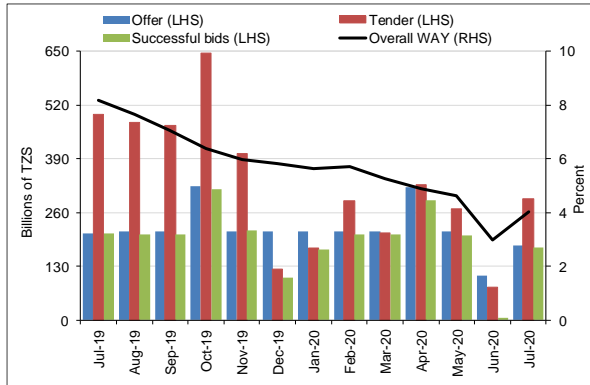
In July 2020, liquidity in the banking system remained adequate, in line with accommodative monetary policy and measures taken to cushion the economy from global adverse effects of COVID-19. As a result, money market interest rates softened and government securities auctions were oversubscribed. Liquidity in the interbank foreign exchange market continued to improve, owing to seasonal increase in foreign exchange from cash crops and tourism, complementing export proceeds from gold and cross-border trade.

### 2.3.1 Treasury Bills Market

In July 2020, the Bank of Tanzania conducted two auctions of Treasury bills for fiscal and market development. The tender size was TZS 90.7 billion per auction, consistent with the 2020/21 Issuance Plan. Both auctions were oversubscribed,

altogether receiving bids worth TZS 292.9 billion, while successful bids amounted to TZS 176.7 billion. The overall Treasury bills yield remained low at 4.04 percent, which was consistent with accommodative monetary policy (**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

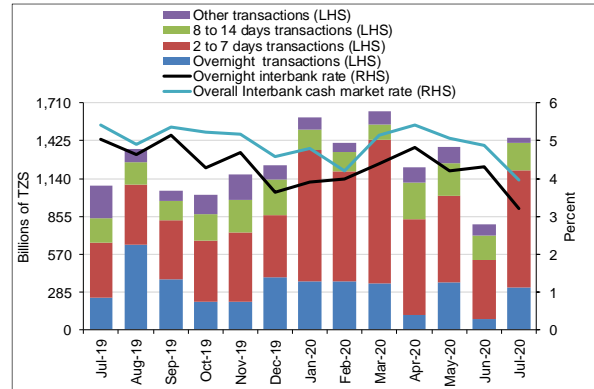
The Bank of Tanzania, on behalf of the Government, conducted three auctions of Treasury bonds for government budgetary operations. The bonds offered for sale were 10-year, 15-year and 20-year worth TZS 110.5 billion, TZS 122.3 billion and TZS 136.6 billion, respectively. The auctions were oversubscribed by TZS 115.6 billion, TZS 100.29 billion and TZS 214.4 billion, respectively. Successful bids amounted to TZS 80.0 billion, TZS 95.8 billion and TZS 134.1 billion, in the same order. Yield to maturity for 10-year bond was 12.02 percent, 15-year bond (13.83 percent) and 20-year bond (15.64 percent).

### 2.3.3 Interbank Cash Market

The interbank cash market (IBCM) was characterized by high demand for liquidity, owing to commencement of crops purchase season. As a result, transactions (market turnover) in IBCM almost doubled to TZS 1,446.4 billion from TZS 793.3 billion traded in the preceding month. Transactions of 2 to 7-day tenure dominated,

accounting for 60.9 percent of total transactions. Overnight and overall IBCM interest rates eased to an average of 3.20 percent and 3.97 percent from 4.32 percent and 4.87 percent recorded in the preceding month, respectively, (**Chart 2.7**).

**Chart 2.7: Interbank Cash Market Transactions**

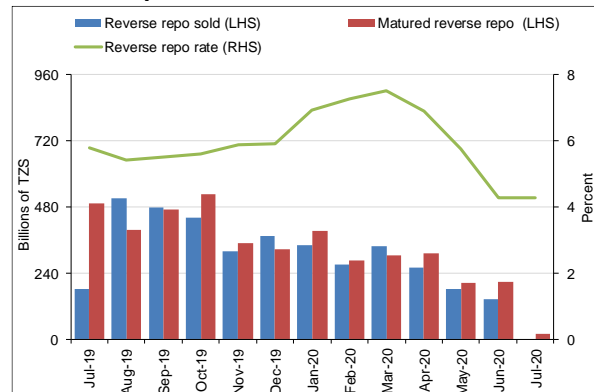


Source: Bank of Tanzania  
Note: LHS denotes left hand scale; and RHS, right hand scale

### 2.3.4 Repurchase Agreements

Reflecting liquidity adequacy in the banking system, the Bank of Tanzania conducted neither repo nor reverse repo auction in July 2020. However, reverse repo worth TZS 20.1 billion matured during the month, being part of the TZS 143.4 billion that was sold in June 2020 (**Chart 2.8**).

**Chart 2.8: Reverse Repurchase Agreements Operations**



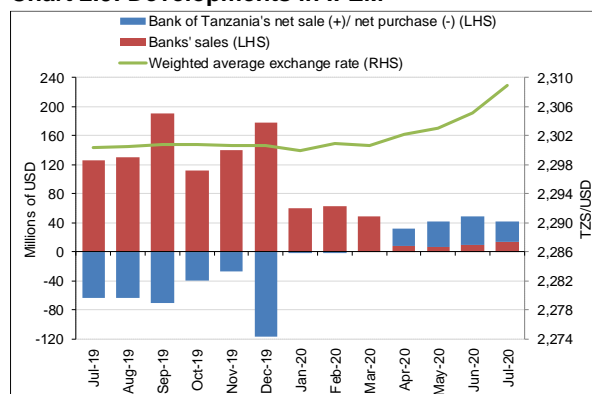
Source: Bank of Tanzania  
Note: LHS denotes left hand scale; and RHS, right hand scale



### 2.3.5 Interbank Foreign Exchange Market

The interbank foreign exchange market (IFEM) was characterised by increase in liquidity, due to seasonal increase in foreign exchange from cash crops and tourism, complementing export proceeds from gold and cross-border trade. Total volume of transactions in the IFEM amounted to USD 41.4 million compared with USD 49.3 million traded in the preceding month. The Bank of Tanzania participated in the market by selling USD 28.2 million, accounting for 68.1 percent of total transactions. The shilling remained stable against the US dollar, trading at an average of TZS 2,308.96 per US dollar from TZS 2,305.10 per US dollar in the preceding month. On annual basis, the shilling recorded a marginal depreciation of 0.4 percent from TZS 2,300.42 per US dollar in July 2019 (Chart 2.9).

Chart 2.9: Developments in IFEM

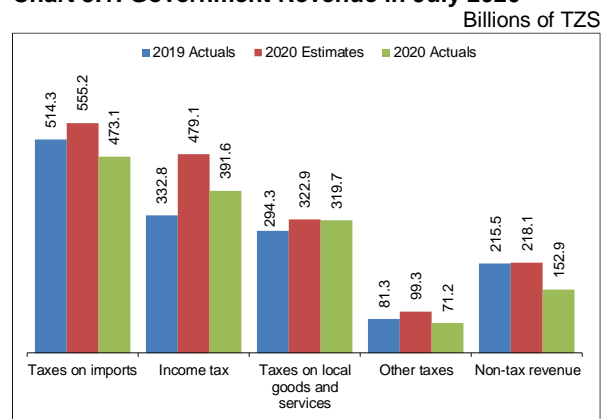


Source: Bank of Tanzania  
Note: LHS denotes left hand scale; and RHS, right hand Scale

### 3.0 Government Budgetary Operations

Domestic revenue amounted to 1,496.5 billion in July 2020, of which revenue by the central government was TZS 1,408.5 billion and the balance was from local governments (Chart 3.1).

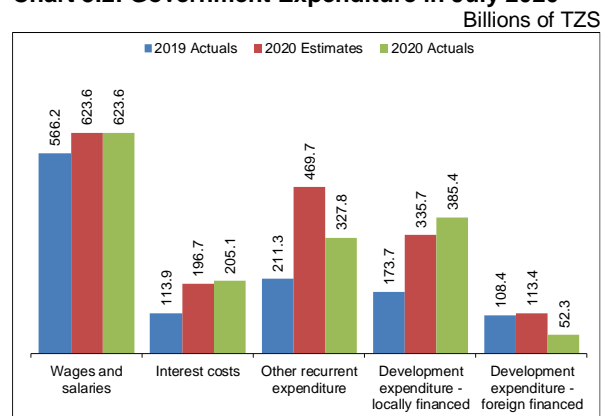
Chart 3.1: Government Revenue in July 2020



Source: Ministry of Finance and Planning and Bank of Tanzania computations  
Note: 2020 actuals are provisional

Expenditure was TZS 1,594.1 billion in July 2020, of which recurrent expenditure amounted to TZS 1,156.5 billion and development expenditure of TZS 437.6 billion (Chart 3.2). Development expenditure was financed by domestic resources, which accounted for 88.1 percent.

Chart 3.2: Government Expenditure in July 2020



Source: Ministry of Finance and Planning, and Bank of Tanzania computations  
Note: 2020 actuals are provisional

## 4.0 Debt Developments

### 4.1 External Debt

External debt stock was USD 23,193.1 million at the end of July 2020, an increase of USD 337.9 million and USD 960.7 million from the preceding month and corresponding month of 2019, respectively. The debt remained moderate and sustainable, with low risk of debt distress. Central government external debt remained dominant,

accounting for 77.5 percent of total external debt (Table 4.1).

**Table 4.1: External Debt Stock by Borrowers**

Millions of USD						
Borrower	Jun-19		Jun-20		Jul-20	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	16,704.7	75.1	17,728.8	77.6	17,984.8	77.5
DOD	15,804.4	71.1	16,764.6	73.4	17,001.8	73.3
Interest arrears	900.3	4.0	964.2	4.2	983.0	4.2
Private sector	5,424.3	24.4	5,075.7	22.2	5,145.4	22.2
DOD	4,388.5	19.7	4,144.6	18.1	4,152.6	17.9
Interest arrears	1,035.8	4.7	931.1	4.1	992.8	4.3
Public corporations	103.4	0.5	50.8	0.2	63.0	0.3
DOD	94.2	0.4	37.4	0.2	49.4	0.2
Interest arrears	9.2	0.0	13.4	0.1	13.6	0.1
External debt stock	22,232.4	100.0	22,855.3	100.0	23,193.2	100.0

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

Note: DOD denotes disbursed outstanding debt

The composition of external debt by creditor category remained unchanged, with debt owed to multilateral institutions continuing to account for the largest share, at 47.1 percent in July 2020. Debt from commercial sources was 32.7 percent (Table 4.2). In terms of the composition of disbursed outstanding debt by activity, transport and telecommunication dominated, accounting for 27.1 percent of the debt, followed by social welfare and education at 17.9 percent (Table 4.3).

**Table 4.2: External Debt Stock by Creditors**

Millions of USD						
Creditor	Jun-19		Jun-20		Jul-20	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	9,762.0	43.9	10,708.5	46.9	10,924.8	47.1
DOD	9,736.7	43.8	10,703.3	46.8	10,919.6	47.1
Interest arrears	25.3	0.1	5.2	0.0	5.2	0.0
Bilateral	1,951.8	8.8	2,077.6	9.1	2,114.6	9.1
DOD	1,051.5	4.7	1,113.4	4.9	1,131.6	4.9
Interest arrears	900.3	4.0	964.2	4.2	983.0	4.2
Commercial	8,011.5	36.0	7,547.9	33.0	7,586.1	32.7
DOD	7,421.8	33.4	7,039.9	30.8	7,050.9	30.4
Interest arrears	589.7	2.7	508.0	2.2	535.2	2.3
Export credit	2,507.1	11.3	2,521.2	11.0	2,567.7	11.1
DOD	2,077.1	9.3	2,089.9	9.1	2,101.7	9.1
Interest arrears	430.0	1.9	431.3	1.9	466.0	2.0
External debt stock	22,232.4	100.0	22,855.2	100.0	23,193.2	100.0

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

Note: DOD denotes disbursed outstanding debt

**Table 4.3: Disbursed Outstanding External Debt by Use of Funds**

Millions of USD						
Activity	Jun-19		Jun-20		Jul-20	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Transport and telecommunication	5,742.0	27.1	5,666.6	27.6	5,742.0	27.1
Social welfare and education	3,795.0	17.9	3,705.0	18.0	3,795.0	17.9
Energy and mining	3,110.0	14.7	3,083.0	15.0	3,110.0	14.7
BoP and budget support	2,698.0	12.7	2,375.4	11.6	2,710.3	12.8
Other	1,408.0	6.7	1,417.7	6.9	1,436.7	6.8
Agriculture	1,327.0	6.3	1,300.0	6.3	1,327.0	6.3
Finance and insurance	1,083.0	5.1	1,071.0	5.2	1,083.0	5.1
Real estate and construction	1,025.0	4.8	1,012.0	4.9	1,025.0	4.8
Industries	794.0	3.8	749.0	3.6	794.8	3.7
Tourism	180.0	0.9	182.0	0.9	180.0	0.8
Total	21,162.0	100.0	20,561.7	100.0	21,203.8	100.0

Source: Ministry of Finance and Planning and Bank of Tanzania

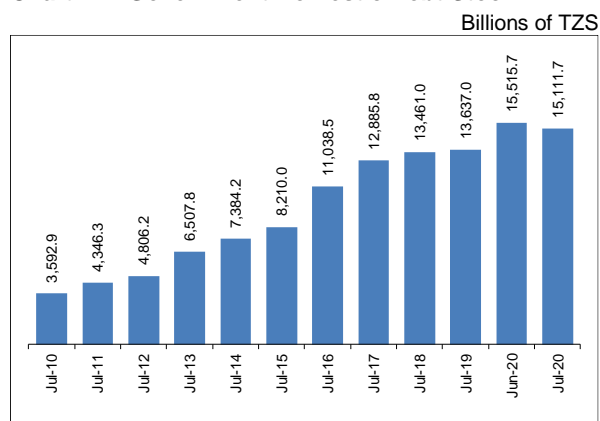
Note: BoP denotes balance of payments

During July 2020, external loans worth USD 56.0 million were disbursed, of which USD 55.9 million was for the central government and USD 0.1 for the private sector. Debt service amounted to USD 11.6 million, of which USD 5.3 million was principal repayment and USD 6.3 was interest payment.

## 4.2 Domestic Debt

The domestic debt market continued to support government financing, with investors showing confidence in outstanding debt, as reflected low interest rates in the recent past. The stock of domestic debt was TZS 15,111.7 billion at the end of July 2020, a decrease of TZS 404.0 billion and an increase of TZS 1,474.7 billion from the end of the preceding month and corresponding month of 2019, respectively (Chart 4.1).

A large portion of the domestic debt stock was in the form of government securities (Treasury bills and bonds), at 99.3 percent of the outstanding domestic debt. Debt contracted through Treasury bond continued to account for the largest share, at 83.1 percent. Long-term debt instruments (Treasury bonds and stocks) accounted for 84.8 percent of the domestic debt stock, in line with the Government Medium-Term Debt Management Strategy that aims at reducing refinancing risk by lengthening the maturity of debt portfolio (Table 4.4).

**Chart 4.1: Government Domestic Debt Stock**

Source: Ministry of Finance and Planning and Bank of Tanzania

**Table 4.4: Government Domestic Debt by Borrowing Instruments**

Billions of TZS

Instruments	Jun-19		Jun-20		Jul-20	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	13,618.6	99.9	14,715.7	94.8	15,009.6	99.3
Treasury bills	3,065.4	22.5	2,236.5	14.4	2,200.0	14.6
Government stocks	252.7	1.9	252.7	1.6	252.7	1.7
Government bonds	10,300.5	75.5	12,226.4	78.8	12,556.8	83.1
Tax certificates	0.1	0.0	0.1	0.0	0.1	0.0
Non-secured debt	18.4	0.1	800.0	5.2	102.2	0.7
Other Liabilities*	18.4	0.1	18.4	0.1	18.4	0.1
Overdraft	0.0	0.0	781.7	5.0	83.8	0.6
Domestic debt stock (without liquidity papers)	13,637.0	100.0	15,515.7	100.0	15,111.7	100.0

Source: Ministry of Finance and Planning and Bank of Tanzania

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

Commercial banks accounted for the largest share of domestic debt by about 35.2 percent in July 2020 (Table 4.5). Pension funds investment ranked second in government securities holding, accounting for 29.6 percent. Central bank short-term advances to the central government continued to decline, accounting for 9.0 percent of the total domestic debt, down from 13.3 percent in June 2020 and 9.4 percent in July 2019. This reflected Government's adherence to fiscal consolidation and increase in revenue collection.

**Table 4.5: Government Domestic Debt by Creditor**

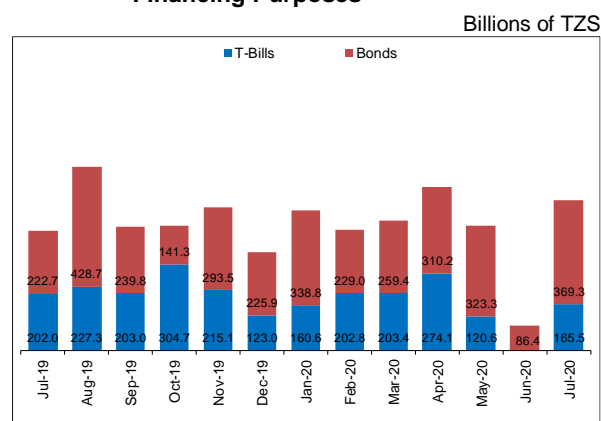
Billions of TZS

Holders	Jun-19		Jun-20		Jul-20	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	5,299.5	38.9	5,304.7	34.2	5,349.8	35.4
Bank of Tanzania	1,288.2	9.4	2,064.9	13.3	1,367.0	9.0
Pension funds	3,920.3	28.7	4,413.2	28.4	4,468.8	29.6
Insurance	1,261.4	9.3	1,201.2	7.7	1,310.0	8.7
BOT's special funds	278.0	2.0	316.3	2.0	325.1	2.2
Others	1,589.6	11.7	2,215.5	14.3	2,291.0	15.2
Total	13,637.0	100.0	15,515.7	100.0	15,111.7	100.0

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

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

During the month under review, government securities issued through auctions for budgetary operations amounted to TZS 534.8 billion, of which the largest share was Treasury bonds at TZS 369.3 billion and the balance from treasury bills (Chart 4.2). Domestic debt service, excluding government overdraft from the Bank of Tanzania, amounted to TZS 335.1 billion, of which TZS 225.4 billion was principal repayment that was rolled over and the balance was interest payment.

**Chart 4.2: Government Securities for Financing Purposes**

Source: Bank of Tanzania

## 5.0 External Sector Performance

The external sector development continued to improve, reflecting diminishing impact of coronavirus pandemic on global supply chain. The balance of payments improved to a surplus of USD 149.6 million in the year ending July 2020, from a deficit of USD 643.8 million in the year ending July 2019. The current account deficit narrowed to USD 602.3 million from a deficit of USD 1,902.7 million, on account of higher value of goods exports, coupled with decrease in import bill (Table 5.1).

**Table 5.1 Current Account**

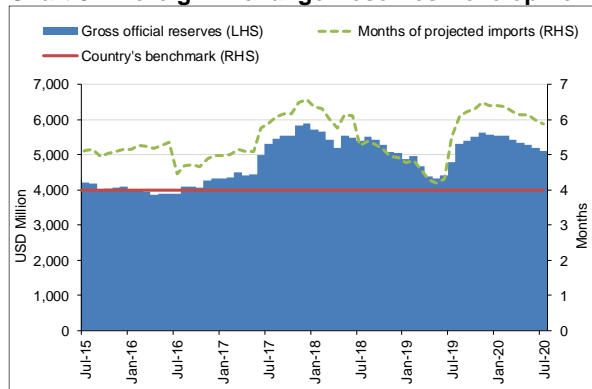
Items	Millions of USD					
	Jul-19	Jun-20	Jul-20	Year ending July		
				2018	2019	2020 <sup>P</sup>
Goods account	-408.7	-78.1	50.8	-3,372.0	-3,865.9	-1,844.5
Exports*	356.5	467.1	671.1	4,695.8	4,589.3	6,202.1
Imports	765.2	545.1	620.3	8,067.8	8,455.2	8,046.6
Services account	258.5	15.6	27.7	1,763.4	2,423.3	1,800.2
Receipts	402.9	103.1	114.9	3,841.2	4,152.4	3,383.1
Payments	144.4	87.5	87.2	2,077.8	1,729.1	1,582.9
Goods and services	-150.3	-62.5	78.5	-1,608.6	-1,442.6	-44.3
Export of goods and services	759.3	570.2	786.0	8,537.0	8,741.7	9,585.3
Import of goods and services	909.6	632.7	707.5	10,145.6	10,184.3	9,629.6
Primary income account	-61.4	-86.0	-64.3	-972.0	-835.8	-961.7
Receipts	20.6	10.2	9.8	131.5	195.4	181.5
Payments	81.9	96.2	74.1	1,103.5	1,031.2	1,143.2
Secondary income account	31.1	43.4	3.6	442.6	375.5	403.7
Inflows	31.1	46.4	6.4	522.5	436.0	449.1
o/w General government	0.0	41.7	0.3	158.1	68.2	203.3
Outflows	0.0	3.0	2.8	79.9	60.4	45.4
Current account balance	-180.5	-105.0	17.8	-2,138.0	-1,902.8	-602.3

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

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

Foreign exchange reserves amounted to USD 5,118.7 million at the end of July 2020 compared with USD 4,791.4 million at the end of July 2019. The reserves were sufficient to cover 5.9 months of projected imports of goods and services. The import cover was above the country benchmark of not less than 4.0 months, and within EAC convergence criteria of at least 4.5 months of import cover. Meanwhile, foreign assets of banks amounted to USD 1,085.3 million at the end of July 2020, higher than USD 1,053.9 million at the end of July 2019 (**Chart 5.1**).

**Chart 5.1 Foreign Exchange Reserves Development**



Source: Bank of Tanzania

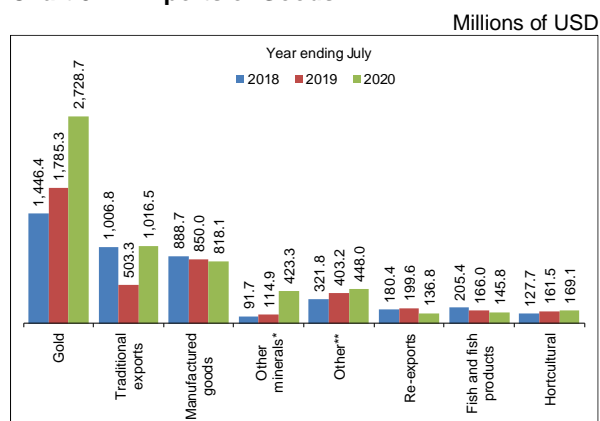
## 5.1 Exports

The value of exports of goods and services increased to USD 9,815.3 million in the year ending July 2020 from USD 8,706.6 million in the corresponding period in 2019, owing to rise in exports of goods. On monthly basis, exports of goods and services amounted to USD 752.2 million in July 2020, higher than USD 557.9 million in July 2019, driven by exports of goods.

Exports of traditional goods (cotton, sisal, cashew nuts, coffee, tea, tobacco and cloves) doubled to USD 1,016.5 million in the year ending July 2020 from USD 503.3 million in the corresponding period in 2019. The increase manifested in exports of cashew nuts, cotton, cloves and sisal. The increase in the value of sisal export was on account of both volume and price in the world market. Export values of cashew nuts, cotton and cloves rose due to improved export volume, on account of production increase. By contrast, export values for coffee and tea declined on account of low export volume and prices in the world market.

Non-traditional goods exports improved to USD 4,869.9 million in the year ending July 2020 from USD 3,680.5 million in the corresponding period in 2019, mostly driven by minerals (particularly gold) and horticultural products. Export of gold accounted for 56.0 percent of non-traditional exports, and grew by 52.8 percent to USD 2,728.7 million, on account of volume price effects in the world market. On month-to-month, gold export amounted to USD 266.8 million in July 2020 compared with USD 129.4 million in the corresponding month in 2019, owing to price rise in the world market, demand for gold increase due to weakening of financial asset prices.

**Chart 5.2: Exports of Goods**

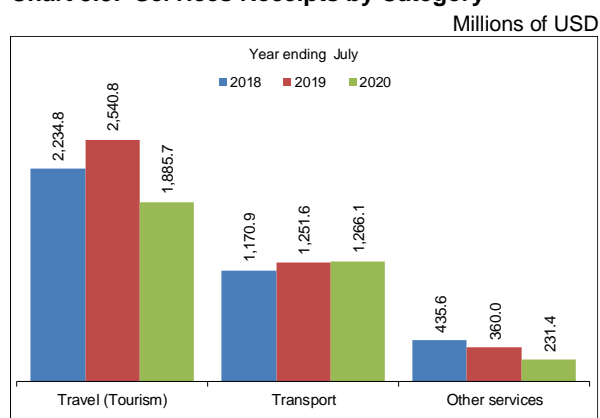


Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: Other minerals include mineral concentrates and diamond; and other\* includes oil seeds, cereals, cocoa, raw hides and skins, and woods

Service receipts amounted to USD 3,383.1 million in the year ending July 2020 compared with USD 4,152.4 million recorded in the year ending July 2019, owing to a decrease in travel receipts. Travel receipts declined by 25.8 percent to USD 1,885.7 million due to decrease in number of tourist arrivals, because of suspension of international flights and lockdowns in major tourist source markets. Nevertheless, travel receipts remained significant in service receipts, accounting for 55.7 percent (**Chart 5.3**).

**Chart 5.3: Services Receipts by Category**



Source: Banks and Bank of Tanzania computations

Note: 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

Total import bill (imports of goods and services) decreased to USD 9,687.4 million in the year

ending July 2020 from USD 10,185.8 million in the corresponding period a year earlier. All categories of imports increased, except transport equipment, machinery, oil and fertilizer, which decreased slightly (**Table 5.2**). Oil imports accounted for 18.7 percent of goods import, having decreased by 13.3 percent to USD 1,507.1 million due to a decline in oil prices in the world market. On monthly basis, import bill for goods decreased slightly to USD 620.3 million in July 2020 from USD 765.2 million in the corresponding month in 2019, partly reflecting disruption of global supply chain following the outbreak of COVID-19.

**Table 5.2: Goods Imports**

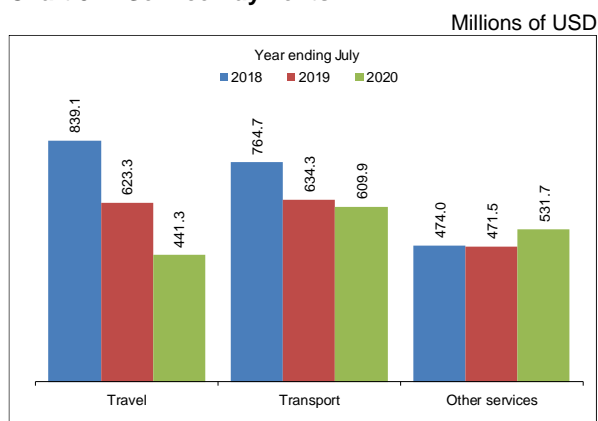
Items	Millions of USD					Percentage contribution, year ending July 2020
	Year ending July					
	Jul-19	Jun-20	Jul-20	2019	2020 <sup>p</sup>	
Capital goods	338.3	242.5	237.7	3,666.6	3,336.6	41.5
Transport equipment	76.2	57.1	46.3	1,068.3	864.8	10.7
Building and constructions	100.4	59.9	58.0	922.9	993.2	12.3
Machinery	161.7	125.6	133.5	1,675.4	1,478.7	18.4
Intermediate goods	231.3	137.6	190.9	2,648.2	2,425.3	30.1
Oil imports	141.1	59.2	94.7	1,738.5	1,507.1	18.7
Fertilizers	17.5	4.8	32.1	173.6	164.8	2.0
Industrial raw materials	72.7	73.6	64.1	736.1	753.4	9.4
Consumer goods	195.7	164.9	191.7	2,140.3	2,284.8	28.4
Food and food stuffs	18.0	18.2	11.8	197.4	226.1	2.8
All other consumer goods <sup>1</sup>	177.7	146.7	180.0	1,942.9	2,058.7	25.6
<b>Grand total</b>	<b>765.2</b>	<b>545.1</b>	<b>620.3</b>	<b>8,455.2</b>	<b>8,046.6</b>	<b>--</b>

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: <sup>1</sup> includes pharmaceutical products, paper products, plastic items, optical/photographic materials, and textile apparels; and p denotes provisional data

Services payment amounted to USD 1,582.9 million in year ending July 2020, lower than USD 1,729.1 million in the year ending July 2019, driven by travel payment that declined by 29.2 percent to USD 441.3 million (**Chart 5.4**). On monthly basis, services payment declined by 39.6 percent to USD 87.2 million in July 2020 from the amount recorded in the corresponding month in 2019. The decline was explained by low travel payments associated with the outbreak of COVID-19 and containment measures that included travel restrictions and flight cancellations.

Chart 5.4: Service Payments



Source: Banks and Bank of Tanzania computations

Note: 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 recorded a deficit of USD 961.7 million in the year ending July 2020, up from a deficit of USD 835.8 million in the corresponding period in 2019. The widening of deficit was largely due to increase in direct investment related payments including dividends. On monthly basis, deficit in the primary income account widened by 4.8 percent to USD 64.3 million in July 2020 from the balance in the corresponding month in 2019.

The secondary income account—that captures unilateral current transfers—improved to a surplus of USD 397.9 million from a surplus of USD 375.5 million in the year ending July 2019. This outturn was explained by a surge in official inflows to USD 203.3 million from USD 68.2 million. Meanwhile, the secondary income account recorded a surplus of USD 3.6 million in July 2020 compared with a surplus of USD 31.1 million in the corresponding month in 2019, mainly due to a decline in remittances from abroad, associated with COVID-19 pandemic.

## 5.3 World Commodity Prices

During July 2020, prices of all selected commodities in the world market rose when compared to prices in the preceding month, except for Tea (Mombasa) and Cloves (**Table 5.3**). The increase in coffee price is explained by continued gaining of the Brazilian Real after sustaining depreciation amidst the COVID-19 pandemic. Similarly, gold price increased to its highest level since September 2011—USD 1,772.1 per troy ounce—averaging USD 1,846.5 per troy ounce in July 2020, as it has become an increasingly popular alternative investment due to COVID-19 pandemic-related uncertainty. Crude oil prices recovered gradually, averaging USD 42.7 per barrel in July 2020 from USD 40 per barrel in June 2020.

On annual basis, all selected commodities recorded decline in prices save for gold and Arabica coffee. Generally, the decline in prices was mainly on account of lower demand associated with lockdown measures adopted by many economies following the outbreak of coronavirus.

Table 5.3: World Commodity Prices

Commodity	Unit measure	Year ending July					
		Jun-20	Jul-20	Percentage change	2019	2020	Percentage change
Crude oil*	USD per barrel	39.9	42.8	7.2	67.7	49.9	-26.4
Crude oil**	USD per barrel	40.1	42.6	6.2	67.0	49.5	-26.1
White products	USD per tonne	347.9	371.1	6.7	614.0	459.8	-25.1
Sisal under grade (UG)	USD per kg	1.7	1.6	-3.9	1.7	1.7	-1.1
Cotton, "A Index"	USD per kg	1.5	1.5	1.1	1.9	1.6	-15.5
Robusta Coffee	USD per kg	1.4	1.5	4.7	1.7	1.5	-11.4
Arabica Coffee	USD per kg	3.1	3.2	3.8	2.8	3.1	10.6
Tea (Average prices)	USD per kg	2.8	3.0	6.3	2.6	2.6	-2.1
Tea (Mombasa auction)	USD per kg	1.9	1.8	-3.9	2.3	2.1	-7.9
Cloves	USD per kg	6.5	4.1	-37.3	7.3	5.7	-22.2
Gold	USD per troy ounce	1,732.2	1,846.5	6.6	1,278.4	1,598.6	25.0

Source: [www.worldbank.org/en/research/commodity-markets](http://www.worldbank.org/en/research/commodity-markets), Bloomberg and Tanzania Sisal Board

Note: \* denotes crude oil Brent; \*\* crude oil Dubai f.o.b; and UG, under grade

## 6.0 Economic Performance in Zanzibar

### 6.1 Inflation

During July 2020, twelve-month headline inflation increased to 3.6 percent from 3.4 percent registered in the preceding month and 2.4 percent in July 2019 (**Table 6.1** and **Chart 6.1**). The increase was associated with rise in the prices of some food items, including maize flour, whose price rose by 12.5 percent, and green cooking bananas whose price rose by 15.4 percent. On month-to-month basis, there was a deflation of 0.2 percent in July 2020 compared with a deflation of 0.5 percent in the corresponding month in 2019, largely driven by the increase in the cost of food and non-food items.

**Table 6.1: Inflation Developments**

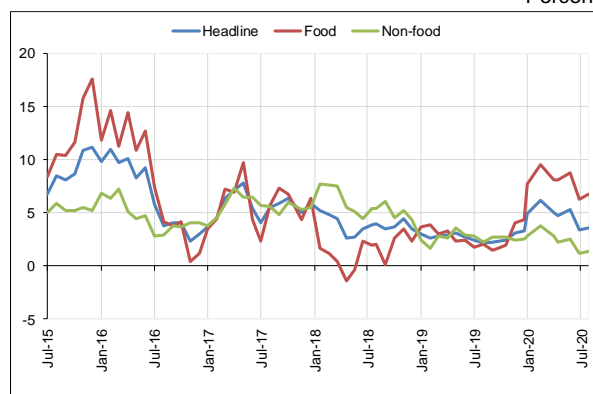
Base: Jan 2017=100

Main groups	Weight	Monthly change			Annual change		
		Jul-19	Jun-20	Jul-20	Jul-19	Jun-20	Jul-20
Food and non-alcoholic beverages	43.6	-1.9	-1.3	-1.6	1.8	6.3	6.7
Alcoholic beverages, tobacco and narcotics	0.2	10.7	0.0	0.7	18.0	22.4	11.4
Clothing and footwear	6.9	-0.3	0.1	-0.1	1.1	1.7	1.9
Housing, water, electricity, gas and other fuels	18.4	0.3	-2.0	1.2	-0.8	3.3	4.2
Furnishing, household equipment	5.5	0.1	-0.4	-0.1	2.4	2.4	2.2
Health	2.1	4.0	0.1	0.0	6.9	12.9	8.6
Transport	9.6	2.2	-4.6	2.3	2.6	-7.1	-7.1
Communication	4.2	0.0	0.0	0.0	15.8	0.0	0.0
Recreation and culture	1.3	0.5	0.0	0.0	4.7	4.4	3.9
Education	1.9	0.0	0.0	0.0	4.2	3.2	3.2
Restaurants and hotels	3.9	0.0	0.0	0.0	7.7	0.8	0.8
Miscellaneous goods and services	2.3	0.1	0.0	0.7	4.4	3.0	3.6
All items (Headline inflation)	100.0	-0.5	-1.4	-0.2	2.4	3.4	3.6
Food	42.7	-1.9	-1.3	-1.6	1.8	6.3	6.7
Non-food	57.3	0.6	-1.4	0.8	2.8	1.2	1.4

Source: Office of the Chief Government Statistician

**Chart 6.1: Annual Inflation Rates**

Percent



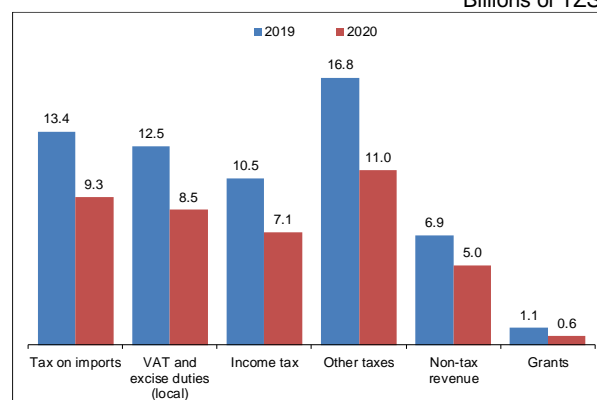
Source: Office of the Chief Government Statistician

### 6.2 Government Budgetary Operations

Government resource envelope amounted to TZS 41.5 billion in July 2020, of which domestic revenue was TZS 40.9 billion, equivalent to 98.0 percent of the target for the month, while grants were TZS 0.6 billion, above the target by 15.8 percent. Tax revenue amounted to TZS 35.9 billion, equivalent to 98.4 percent of the target, whereas non-tax revenue was TZS 5.0 billion, below the target by 1.6 percent (**Chart 6.2**). Revenue targets for July 2020 were adjusted downwards to TZS 36.5 billion from TZS 60.1 billion in July 2019, due to challenges of COVID-19 pandemic on hospitality industry.

**Chart 6.2: Government Resources in July**

Billions of TZS

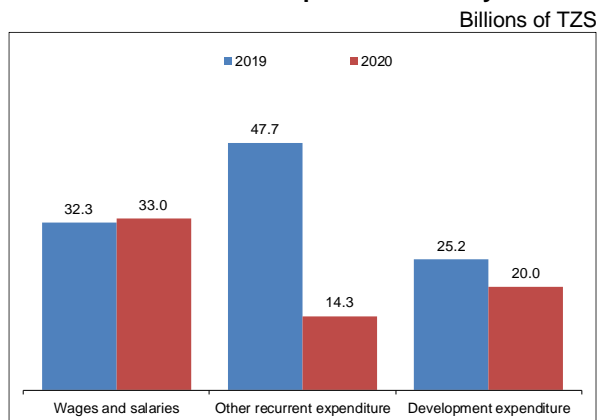


Source: Ministry of Finance and Planning, Zanzibar

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

In July 2020, government expenditure amounted to TZS 67.2 billion, which was used to finance recurrent expenditure and development projects. Disbursement for recurrent activities was TZS 47.3 billion, and TZS 20.0 billion was spent on development projects (**Chart 6.3**). Overall deficit was TZS 13.2 billion, which was financed through program loans and domestic borrowing.

Chart 6.3: Government Expenditure in July



Source: Ministry of Finance and Planning, Zanzibar

Note: Other recurrent expenditure includes transfers, domestic debt interest payments, consolidated fund service and other charges

## 6.3 External Sector Performance

### 6.3.1 Current Account

Current account deficit narrowed to USD 34.3 million in the year ending July 2020 from a deficit of USD 58.4 million in the corresponding period in 2019, mainly on account of increase in exports and official transfers. In July 2020, current account deficit more than doubled to USD 24.8 million from a deficit of USD 9.0 million recorded in July 2019, largely explained by increase in imports (Table 6.2).

Table 6.2: Current Account

	Millions of USD					
	Year ending July			Percentage change		
	Jul-19	Jun-20	July-20 <sup>p</sup>	2019	2020 <sup>p</sup>	
Goods account	-18.6	-15.0	-39.2	-211.3	-256.2	21.3
Exports	0.8	1.3	0.8	11.0	29.5	---
Imports (fob)	19.4	16.3	40.0	222.2	285.7	28.6
Services account	9.0	5.8	6.0	107.5	97.2	-9.5
Receipts	14.7	11.4	11.3	178.6	201.4	12.7
Payments	5.7	5.6	5.3	71.1	104.1	46.4
Goods and services	-9.6	-9.2	-33.3	-103.8	-158.9	53.2
Exports of goods and services	15.4	12.7	12.1	189.6	230.9	21.8
Imports of goods and services	25.1	21.9	45.4	293.4	389.9	32.9
Income account	0.2	0.9	0.1	9.6	15.4	60.4
Receipts	0.6	1.8	0.9	15.4	25.2	62.9
Payments	0.4	0.9	0.9	5.8	9.7	67.2
Current transfers	0.4	9.2	8.4	35.7	109.2	---
Inflows	1.4	10.0	9.2	45.3	118.3	---
Outflows	1.0	0.8	0.8	9.6	9.1	-4.9
Current account balance	-9.0	0.9	-24.8	-58.4	-34.3	-41.2

Source: 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

In the year ending July 2020, value of exports of goods and services rose by 21.8 percent to USD 230.9 million from the level recorded in the year ending July 2019 (Table 6.2). This performance was attributed to improved exports of cloves and seaweeds. Values of cloves exports increased to USD 18.6 million from USD 1.2 million, while that of seaweeds rose to USD 5.4 million from USD 4.0 million (Table 6.3).

Table 6.3: Performance of Export of Goods

	Units	Year ending July			Percentage change		
		Jul-19	Jun-20	July-20 <sup>p</sup>	2019	2020 <sup>p</sup>	
Traditional exports							
Clove							
Value	'000' USD	-	360.00	-	1,224.0	18,633.6	---
Volume	'000' Tonnes	-	0.07	-	0.2	3.9	---
Unit price	USD/Tonne	-	5,142.9	-	6,800.0	4,838.6	-28.8
Non-traditional exports							
Seaweeds							
Value	'000' USD	288.16	365.7	407.7	4,029.7	5,393.1	33.8
Volume	'000' Tonnes	0.4	0.6	0.6	8.7	8.0	-7.8
Unit price	USD/Tonne	678.0	618.8	642.3	464.8	674.7	45.2
Manufactured goods	'000' USD	290.1	618.8	130.6	4,329.9	2,546.1	-41.2
Fish and fish products	'000' USD	148.16	103.4	117.1	871.0	1,097.2	26.0
Others exports	'000' USD	30.0	134.7	142.5	521.4	1,873.5	---
Sub-total	'000' USD	756.4	1,222.6	797.8	9,751.9	10,909.8	11.9
Grand-total	'000' USD	756.4	1,582.6	797.8	10,975.9	29,543.4	---

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

Imports of goods and services increased to USD 389.9 million in the year ending July 2020 from USD 293.4 million in the corresponding period in 2019 (Table 6.2). This development was associated with surge in imports of capital goods by 97.3 percent. The main drivers of the growth in capital goods imports were machinery including boilers, electrical machinery and equipment; and building and construction materials, particularly iron bars and iron sheets. On monthly basis, imports (f.o.b) rose to USD 40.0 million in July 2020 from USD 16.3 million in June 2020 and USD 19.4 million in July 2019, mainly due to increase in imports of capital and non-food consumer goods (Table 6.4).



**Table 6.4: Imports of Goods**

Millions of USD

	Jul-19	Jun-20	July-20 <sup>P</sup>	Year ending July		Percentage change
				2019	2020 <sup>P</sup>	
Capital goods	4.3	7.8	20.6	53.5	105.6	97.3
Transport equipment	1.6	0.8	0.8	16.6	14.6	-11.9
Building and construction	1.1	3.8	2.8	12.9	27.0	---
Machinery	1.6	3.2	17.0	24.0	64.0	---
Intermediate goods	10.1	4.9	7.8	112.8	101.5	-10.0
Oil imports	7.3	3.0	5.0	78.8	77.5	-1.7
Industrial raw materials	2.8	1.9	2.8	34.0	24.0	-29.2
Consumer goods	6.9	5.3	15.6	77.9	106.9	37.2
Food and food stuffs	2.1	2.2	2.5	34.6	52.3	51.1
All other consumer goods	4.8	3.1	13.1	43.3	54.6	26.2
Grand total (c.i.f)	21.3	18.0	44.0	244.2	314.0	28.6
Grand total (f.o.b)	19.4	16.3	40.0	222.2	285.7	28.6

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: p denotes provisional data; "---", change that exceed 100 percent; c.i.f., cost, insurance, and freight; and f.o.b., free on board

## Statistical Tables

**Table A1: Selected Economic Indicators**

	Unit	2015 <sup>r</sup>	2016 <sup>r</sup>	2017 <sup>r</sup>	2018 <sup>r</sup>	2019 <sup>p</sup>
<b>National accounts and prices</b>						
1.1 Annual change in GDP at current prices	Percent	14.2	14.9	9.6	8.7	8.4
1.2 Annual change in GDP at constant 2015 prices	Percent	6.2	6.9	6.8	7.0	7.0
1.3 GDP per capita-current prices (TZS)	'000' TZS	1,969.0	2,191.2	2,327.4	2,452.4	2,578.0
1.4 GDP per capita-current prices (USD)	USD	991.7	1,006.5	1,044.2	1,083.2	1,126.5
1.5 Annual 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
<b>Money, credit and interest rates</b>						
2.1 Annual change in extended broad money supply (M3)	Percent	18.8	3.4	8.0	4.5	9.6
2.2 Annual change in broad money supply (M2)	Percent	13.4	5.3	10.4	3.8	11.8
2.3 Annual change in narrow money supply (M1)	Percent	15.6	5.3	10.6	5.1	13.7
2.4 Annual change in reserve money (M0)	Percent	15.6	0.3	1.5	0.6	6.8
2.5 Annual change in credit to the private sector	Percent	24.8	7.2	1.7	4.9	11.1
2.6 Total credit to GDP ratio <sup>1</sup>	Percent	21.6	19.3	17.0	17.2	16.9
2.7 Non-government sector credit to GDP ratio <sup>1</sup>	Percent	16.4	15.3	14.2	13.7	14.1
2.8 Ratio of credit to non-government sector to total credit	Percent	76.0	79.5	83.8	79.8	83.5
2.9 12-Months deposit rate <sup>2</sup>	Percent	10.8	11.5	11.7	8.8	8.8
2.10 Overall treasury bill rate <sup>2</sup>	Percent	12.9	16.2	11.1	6.4	7.7
2.11 Long-term lending rate (3-5 years) <sup>2</sup>	Percent	15.3	15.6	17.9	17.4	16.6
<b>Balance of payments</b>						
3.1 Exports of goods (f.o.b)	Mill. USD	4,826.7	4,873.9	4,510.8	4,445.1	5,504.2
3.2 Imports of goods (f.o.b)	Mill. USD	-9,843.1	-8,463.6	-7,551.7	-8,298.6	-8,600.0
3.3 Trade balance	Mill. USD	-5,016.3	-3,589.8	-3,041.0	-3,853.5	-3,095.9
3.4 Current account balance	Mill. USD	-4,477.4	-2,739.3	-1,827.1	-1,897.8	-1,161.1
3.5 Overall balance	Mill. USD	-224.8	279.8	1,643.9	-790.0	587.0
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	6.3	6.5
3.8 Exchange rate:						
Annual average	TZS/USD	1,985.4	2,177.1	2,228.9	2,264.1	2,288.6
End of period	TZS/USD	2,148.5	2,172.6	2,230.1	2,281.2	2,287.9
		2015/16	2016/17	2017/18	2018/19	2019/20
<b>Public finance</b>						
4.1 Current revenue to GDP ratio <sup>1</sup>	Percent	13.9	14.7	14.6	13.9	14.6
4.2 Grants to GDP ratio <sup>1</sup>	Percent	0.5	1.0	0.8	0.7	0.7
4.3 Current expenditure to GDP ratio <sup>1</sup>	Percent	13.2	10.2	10.5	10.4	9.8
4.4 Development expenditure to GDP ratio <sup>1</sup>	Percent	4.3	6.4	6.2	6.4	6.4
4.5 Overall Budget balance to GDP ratio <sup>1,3</sup>	Percent	-3.4	-1.4	-1.9	-3.2	-1.4
Total external debt stock	Mill. USD	17,222.8	18,651.1	20,503.0	21,920.9	22,522.7
5.1 Disbursed debt	Mill. USD	15,948.1	17,251.2	18,765.1	20,029.3	20,561.7
5.2 Interest Arrears	Mill. USD	1,274.7	1,399.9	1,737.9	1,891.7	1,961.0

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

Note: <sup>1</sup> Calculated on the basis of GDP at current market prices; <sup>2</sup> annual average; <sup>3</sup> 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**

	Million of TZS		
	Budget	July 2020	
	2020/21	Estimate	Actual
Total revenue (including LGAs)	24,065,542.3	1,756,852.9	1,496,548.0
Central government revenue	23,250,581.3	1,674,670.7	1,408,497.7
Tax revenue	20,135,956.8	1,456,546.7	1,255,614.9
Taxes on imports	7,168,841.7	555,194.0	473,100.2
Sales/VAT and excise on local goods	4,473,393.9	322,934.4	319,670.6
Income taxes	7,173,649.0	479,105.1	391,610.0
Other taxes	1,320,072.2	99,313.1	71,234.1
Non- tax revenue	3,114,624.5	218,124.1	152,882.8
LGA own sources	814,961.0	82,182.2	88,050.3
Total expenditure <sup>1</sup>	29,100,434.0	1,739,080.4	1,594,075.4
Recurrent expenditure	16,321,179.0	1,289,979.3	1,156,459.2
Wages and salaries	7,762,389.5	623,627.0	623,627.0
Interest payments	2,870,582.5	196,688.7	205,080.7
Domestic	1,630,668.6	143,907.5	146,403.3
Foreign	1,239,913.8	52,781.2	58,677.4
Other goods, services and transfers	5,688,207.0	469,663.6	327,751.6
Development expenditure and net lending	12,779,255.0	449,101.1	437,616.1
Local	10,043,206.1	335,702.6	385,359.1
Foreign	2,736,048.9	113,398.5	52,257.0
Balance before grants	-5,034,891.7	17,772.5	-97,527.4
Grants	949,322.5	38,665.0	689.0
Program	138,323.3	0.0	0.0
Project	614,461.0	38,665.0	0.0
Basket funds	196,538.3	0.0	689.0
Balance (cheques issued) after grants	-4,085,568.3	56,437.5	-96,838.4
Expenditure float	0.0	0.0	-7.3
Adjustments to cash and other items (net)	0.0	0.0	485,336.7
Overall balance	-4,085,568.3	56,437.5	388,491.0
Financing	4,085,568.3	-56,437.5	-388,491.0
Foreign financing (net)	2,497,399.1	-74,167.1	-94,984.6
Loans	4,960,679.7	74,733.5	51,568.0
Program loans	0.0	0.0	0.0
Development project loans	4,881,675.1	74,733.5	51,568.0
o/w: Non-concessional borrowing	3,035,630.0	0.0	0.0
Basket support	79,004.6	0.0	0.0
Amortization	-2,463,280.6	-148,900.6	-146,552.6
Domestic (net) <sup>2</sup>	1,588,169.2	17,729.6	-293,506.4
Bank and non-bank financing	1,588,169.2	17,729.6	-293,506.4
Bank borrowing	1,419,911.0	15,851.3	-547,941.0
Non-bank (net of amortization)	168,258.2	1,878.4	254,434.6
Borrowing/roll-over	3,316,078.4	245,096.4	302,109.9
Domestic and contingent debt amortization	-3,316,078.4	-245,096.4	-302,109.9

Source: Ministry of Finance and Planning

Note: <sup>1</sup> Exclude amortization and expenditure float, includes road fund and retention expenditure

<sup>2</sup> Positive value means financing and a negative value means repayment/ build up of deposits

LGA stands for Local Government Authority; VAT, value added tax; MDRI, multilateral debt relief initiative;

MCA(T), millenium challenge account (Tanzania); NDF, net domestic financing; and o/w, of which

**Table A3: Depository Corporations Survey**

Billions of TZS

Items	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20 <sup>P</sup>
Net foreign assets	10,392.5	11,461.7	12,082.3	11,889.9	12,135.4	12,034.5	11,811.0	11,958.4	12,009.1	11,724.1	11,444.9	11,289.2	11,431.5
Bank of Tanzania	10,216.7	11,445.6	11,680.9	11,890.2	12,207.7	12,063.1	11,973.5	12,009.0	11,749.7	11,580.4	11,466.7	11,258.9	11,068.1
Other depository corporations	175.8	16.1	401.4	-0.3	-72.4	-28.5	-162.6	-50.6	259.4	143.7	-21.7	30.3	363.4
Net domestic assets	16,537.5	15,701.4	15,558.4	16,161.0	16,029.0	16,278.6	16,303.2	16,458.5	16,233.4	17,043.7	17,585.9	18,552.4	17,907.4
Domestic claims	23,757.4	22,765.3	22,816.2	23,302.4	23,239.3	23,589.3	23,692.0	23,539.5	23,730.2	24,379.3	24,902.4	25,697.1	25,180.0
Claims on central government (net)	4,871.9	3,745.7	3,610.0	3,977.0	3,854.8	3,893.9	3,882.3	3,635.5	3,717.4	4,664.7	5,131.3	5,807.9	5,260.0
Claims on central government	9,151.0	8,721.7	7,998.8	8,279.3	8,739.3	8,408.0	8,677.7	8,989.0	9,170.3	9,411.8	9,880.3	9,137.2	11,500.7
Liabilities to central government	4,279.1	4,976.0	4,388.9	4,302.2	4,884.4	4,514.1	4,795.4	5,353.5	5,452.9	4,747.1	4,749.0	3,329.2	6,240.7
Claims on non-government sector	18,885.5	19,019.7	19,206.2	19,325.4	19,384.5	19,695.4	19,809.7	19,904.0	20,012.8	19,714.5	19,771.1	19,889.2	19,920.0
Other items (net)	-7,220.0	-7,063.9	-7,257.8	-7,141.3	-7,210.3	-7,310.7	-7,388.8	-7,081.0	-7,496.8	-7,335.5	-7,316.5	-7,144.7	-7,272.7
Broad money liabilities	26,930.0	27,163.2	27,640.7	28,050.9	28,164.3	28,313.1	28,114.2	28,417.0	28,242.4	28,767.9	29,030.8	29,841.6	29,338.8
Currency outside depository corporations	4,115.1	4,193.3	4,130.7	4,147.3	4,211.9	4,221.8	4,030.4	4,026.3	3,911.9	3,943.2	4,077.9	4,231.8	4,270.3
Transferable deposits	12,673.6	12,531.0	13,039.0	13,450.4	13,281.6	13,322.3	13,505.5	13,546.2	13,395.2	13,804.8	13,907.5	14,466.9	14,029.7
Non-transferable (other) deposits	10,141.4	10,438.8	10,471.0	10,453.2	10,670.8	10,769.0	10,578.3	10,844.5	10,935.3	11,019.9	11,045.4	11,142.9	11,038.8
Memorandum Items:													
Monetary aggregates													
Reserve money (M0)	7,262.4	7,125.6	7,218.8	7,594.2	7,411.2	7,466.4	7,200.8	7,114.5	6,876.6	7,445.4	7,509.8	8,302.4	7,609.5
Extended broad money (M3)	26,930.0	27,163.2	27,640.7	28,050.9	28,164.3	28,313.1	28,114.2	28,417.0	28,242.4	28,767.9	29,030.8	29,841.6	29,338.8
Deposits in foreign Currency (FCD)	6,531.4	6,630.0	7,211.1	7,279.6	7,096.6	7,032.9	6,982.8	7,154.2	7,209.9	6,741.0	6,879.7	6,630.1	6,771.5
<i>FCD in millions of USD</i>	2,853.2	2,895.9	3,149.7	3,180.5	3,101.3	3,073.9	3,051.2	3,125.0	3,148.5	2,942.0	3,001.8	2,885.7	2,946.9
Broad money (M2)	20,398.6	20,533.2	20,429.6	20,771.3	21,067.7	21,280.3	21,131.3	21,262.7	21,032.5	22,026.9	22,151.1	23,211.6	22,567.3
Other deposits in national currency (i.e. savings and time deposits)	7,380.2	7,716.1	7,752.3	7,665.9	7,875.2	7,955.1	7,840.0	7,923.2	8,051.3	8,144.0	8,214.0	8,341.7	8,231.1
Narrow money (M1)	13,018.4	12,817.1	12,677.4	13,105.5	13,192.5	13,325.1	13,291.4	13,339.5	12,981.2	13,882.9	13,937.1	14,869.9	14,336.3
Currency in circulation	4,115.1	4,193.3	4,130.7	4,147.3	4,211.9	4,221.8	4,030.4	4,026.3	3,911.9	3,943.2	4,077.9	4,231.8	4,270.3
Transferable deposits in national currency	8,903.3	8,623.7	8,546.6	8,958.2	8,980.6	9,103.3	9,261.0	9,313.2	9,069.3	9,939.7	9,859.2	10,638.1	10,066.0

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

Note: p denotes provisional data

**Table A4: Interest Rates Structure**

Items	Percent												
	2019						2020						
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul <sup>P</sup>
<b>A: Domestic currency</b>													
<b>1. Interbank cash market rates</b>													
Overnight	5.04	4.63	5.15	4.28	4.68	3.63	3.90	3.99	4.40	4.83	4.19	4.32	3.20
2 to 7 days	5.38	4.91	5.41	5.21	5.05	4.91	4.91	4.88	5.22	5.37	5.24	4.75	3.99
8 to 14 days	5.56	5.38	5.58	5.43	5.23	5.02	5.41	5.59	5.62	5.34	5.56	5.07	4.83
15 to 30 days	5.52	5.82	5.76	5.99	5.47	5.54	5.21	5.59	5.29	5.68	5.25	5.05	4.70
31 to 60 days	6.12	6.33	6.09	5.29	6.15	6.15	7.18	7.35	6.85	6.80	6.19	5.73	5.78
61 to 90 days	10.00	10.00	10.00	10.00	5.00	6.50	6.50	6.00	6.00	6.00	5.30	5.30	5.30
91 to 180 days	15.00	15.00	15.00	8.50	6.34	6.34	7.25	8.70	8.70	8.70	5.75	5.36	5.00
181 and above	11.00	11.00	11.00	10.00	7.33	7.33	7.33	7.33	7.33	7.71	7.56	7.69	10.00
Overall interbank cash market rate	5.42	4.91	5.37	5.22	5.18	4.59	4.79	4.20	5.14	5.41	5.08	4.87	3.97
2. Lombard rate	7.57	6.95	7.73	6.75	7.02	6.75	6.75	6.75	6.75	7.25	6.75	6.75	4.80
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	5.79	5.41	5.52	5.59	5.88	5.89	6.93	7.26	7.49	6.88	5.75	4.27	4.27
<b>5. Treasury bills rates</b>													
35 days	3.80	3.69	3.55	3.56	3.56	3.58	2.80	2.80	2.98	2.95	2.58	2.30	2.14
91 days	4.39	4.36	4.53	4.43	4.30	4.40	3.50	3.49	3.48	3.46	3.09	2.77	2.55
182 days	5.24	5.18	5.19	4.82	4.57	4.53	4.23	4.28	4.26	4.06	3.69	3.30	3.02
364 days	8.31	7.70	7.09	6.46	6.10	5.91	5.91	5.77	5.27	4.94	4.77	4.70	4.14
Overall treasury bills rate	8.18	7.65	7.05	6.40	5.98	5.81	5.64	5.72	5.25	4.88	4.64	2.97	4.04
<b>6. Treasury bonds rates</b>													
2-years	11.97	11.08	11.08	11.08	11.08	11.08	10.26	10.26	8.34	8.34	8.34	8.34	8.34
5-years	12.96	12.96	12.96	11.95	11.95	11.95	11.95	11.95	11.95	11.95	11.95	11.95	11.95
7-years	13.23	13.23	13.23	12.89	12.89	12.89	12.89	12.89	12.89	12.89	11.20	11.20	11.20
10-years	15.12	15.16	15.16	15.16	14.52	14.52	14.53	14.53	12.90	12.90	12.90	12.90	12.02
15-years	15.67	15.67	15.37	15.37	15.37	15.24	15.24	14.54	14.54	14.19	14.19	14.30	13.83
20-years	17.42	17.42	17.34	17.34	17.09	16.76	16.76	16.30	16.30	15.85	15.79	15.79	15.64
Bank rate	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
7. Discount rate	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	5.00	5.00	5.00
8. Savings deposit rate	2.47	2.37	2.44	2.33	2.34	2.32	2.29	2.27	2.30	2.38	2.43	2.25	2.32
<b>9. Overall time deposits rate</b>													
1 month	8.28	8.19	7.46	8.24	8.59	7.97	7.27	9.09	8.73	8.15	7.18	8.33	8.15
2 months	7.72	5.04	8.28	8.43	7.52	5.05	6.91	5.01	7.41	6.34	5.94	6.84	6.59
3 months	6.80	7.68	8.14	6.62	4.75	7.93	5.78	6.44	6.45	5.96	6.33	6.70	6.05
6 months	8.46	8.04	8.35	7.91	7.28	6.73	7.54	7.96	8.06	6.54	7.71	6.85	7.65
12 months	9.07	8.87	8.67	8.84	9.38	8.90	9.27	8.60	8.10	8.01	8.57	7.54	7.63
24 months	9.76	9.84	9.84	9.73	9.96	9.85	10.23	9.79	7.84	10.28	10.56	9.63	7.71
10. Negotiated deposit rate	8.69	8.98	8.83	8.92	9.06	9.08	9.51	9.50	9.41	9.66	9.53	9.27	9.39
<b>11. Overall lending rate</b>													
Short-term (up to 1 year)	16.25	16.34	16.42	16.71	16.90	16.28	15.51	15.84	15.83	16.37	16.86	15.99	15.38
Medium-term (1-2 years)	18.34	18.23	18.38	18.00	18.38	18.67	18.65	18.73	18.30	18.38	18.34	18.12	18.23
Medium-term (2-3 years)	17.41	17.49	17.62	17.48	17.55	17.71	17.92	17.85	17.52	17.63	17.53	17.35	17.41
Long-term (3-5 years)	16.69	16.60	16.62	16.31	16.58	15.85	16.51	16.39	16.30	16.28	16.08	15.88	16.20
Term Loans (over 5 years)	15.65	15.20	15.94	15.37	15.29	15.29	15.45	15.42	15.94	15.90	15.36	15.21	15.54
12. Negotiated lending rate	14.38	14.31	14.09	14.44	13.62	14.00	13.19	13.26	13.32	13.51	14.48	14.52	13.62
<b>B: Foreign currency</b>													
<b>1. Deposits rates</b>													
Savings deposits rate	2.62	2.67	2.75	2.64	2.62	2.71	2.55	2.62	2.64	2.56	1.56	0.80	1.12
Overall time deposits rate	1.91	2.08	1.94	2.34	2.07	2.23	2.36	1.86	1.84	2.60	2.26	2.24	2.29
1-months	1.53	2.00	1.84	0.89	0.97	1.26	1.31	1.46	1.01	1.06	1.01	1.07	1.05
2-months	2.18	2.87	2.24	1.68	3.34	1.95	2.59	1.13	1.11	2.99	2.32	2.03	2.25
3-months	2.20	1.78	1.75	3.31	1.63	3.79	2.43	1.37	1.21	3.09	2.96	3.27	3.23
6-months	1.40	1.64	1.83	3.52	2.06	1.67	2.28	2.23	2.74	2.96	2.40	2.36	2.62
12-months	2.25	2.12	2.03	2.28	2.37	2.50	3.20	3.13	3.12	2.92	2.62	2.49	2.33
2. Overall lending rate	8.02	7.52	7.30	7.27	7.70	6.94	6.17	6.40	6.24	6.37	6.39	6.45	6.50
Short-term (up to 1 year)	7.58	7.54	7.43	7.34	7.53	7.28	6.31	7.10	7.17	7.30	8.24	8.16	8.07
Medium-term (1-2 years)	8.56	8.61	8.63	8.64	7.98	7.99	5.03	5.11	5.38	5.56	4.81	4.67	4.70
Medium-term (2-3 years)	8.27	8.32	8.33	8.32	7.70	7.71	5.99	5.96	5.90	6.23	5.99	6.80	6.36
Long-term (3-5 years)	7.71	7.71	7.37	7.31	7.31	7.16	7.29	7.64	7.80	7.87	7.48	7.19	7.65
Term loans (over 5 years)	7.99	5.41	4.76	4.76	8.00	4.58	6.23	6.18	4.95	4.88	5.42	5.45	5.73

Source: Bank of Tanzania and banks

Note: p denotes provisional data

**Table A5: Tanzania Balance of Payments**

	Millions of USD					
Item	2014 <sup>f</sup>	2015 <sup>f</sup>	2016 <sup>f</sup>	2017 <sup>f</sup>	2018 <sup>f</sup>	2019 <sup>p</sup>
A. Current account	-5,062.0	-4,477.4	-2,739.3	-1,827.1	-1,897.8	-1,161.1
Goods: exports f.o.b.	5,160.3	4,826.7	4,873.9	4,510.8	4,445.1	5,504.2
Traditional	622.5	699.5	932.4	1,021.8	674.6	834.6
Non-traditional	3,973.1	3,688.5	3,498.4	3,078.9	3,366.4	4,169.2
o/w: Gold	1,288.4	1,374.6	1,508.8	1,541.1	1,524.1	2,215.1
Unrecorded trade	564.8	438.8	443.1	410.1	404.1	500.4
Goods: imports f.o.b.	-10,917.8	-9,843.1	-8,463.6	-7,551.7	-8,298.6	-8,600.0
Balance on goods	-5,757.5	-5,016.3	-3,589.8	-3,041.0	-3,853.5	-3,095.9
Services: credit	3,396.0	3,412.4	3,599.3	3,831.9	4,014.7	4,280.6
Transport	902.6	1,024.9	1,053.6	1,141.0	1,227.5	1,355.5
Travel	2,010.1	1,902.0	2,131.6	2,250.3	2,449.4	2,604.5
Other	483.2	485.5	414.1	440.5	337.8	320.6
Services: debit	-2,648.3	-2,629.1	-2,176.4	-2,039.9	-1,902.3	-1,761.7
Transport	-1,142.6	-1,047.0	-893.7	-800.3	-592.9	-662.1
Travel	-1,101.6	-1,195.3	-922.3	-807.3	-738.1	-651.1
Other	-404.1	-386.8	-360.4	-432.3	-571.3	-448.5
Balance on services	747.7	783.3	1,422.9	1,792.0	2,112.3	2,518.9
Balance on goods and services	-5,009.8	-4,233.1	-2,166.9	-1,249.0	-1,741.2	-577.0
Primary income: credit	118.4	110.3	98.5	125.3	155.9	212.4
o/w: Investment income	86.5	87.8	67.6	86.1	108.5	150.4
Compensation of employees	31.9	22.5	31.0	39.3	47.4	62.1
Primary income: debit	-647.9	-834.6	-1,053.6	-1,105.4	-781.1	-1,215.1
o/w: Direct investment income	-445.0	-550.0	-625.2	-700.0	-439.0	-790.2
Interest payments	-150.9	-248.6	-379.9	-358.0	-302.1	-384.6
Compensation of employees	-49.1	-33.2	-46.1	-45.0	-37.6	-37.9
Balance on primary income	-529.5	-724.3	-955.1	-980.1	-625.2	-1,002.6
Balance on goods, services and primary income	-5,539.3	-4,957.4	-3,122.0	-2,229.0	-2,366.4	-1,579.6
Secondary income: credit	535.5	560.1	452.7	485.2	535.8	474.9
Government	177.9	194.8	81.1	121.8	170.3	103.5
o/w: Miscellaneous current transfers (Multilateral HIPC relief)	0.0	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	371.4
o/w: Personal transfers	357.6	365.3	371.6	363.4	365.5	371.4
Secondary income: debit	-58.2	-80.2	-70.0	-83.2	-67.3	-56.4
Balance on secondary income	477.3	479.9	382.7	402.0	468.5	418.5
B. Capital account	547.9	380.1	446.2	376.8	255.0	420.5
Capital transfers credit	547.9	380.1	446.2	376.8	255.0	420.5
General government	483.7	316.1	383.0	313.6	191.2	356.1
Other capital transfer (Investment grant)	457.9	290.3	357.3	287.8	185.2	356.1
Debt forgiveness (including MDRI)	25.8	25.8	25.8	25.8	6.0	0.0
Financial corporations, nonfinancial corporations, households and NPISH	64.2	64.0	63.2	63.2	63.8	64.4
Capital transfers:debit	0.0	0.0	0.0	0.0	0.0	0.0
Total, groups A plus B	-4,514.1	-4,097.3	-2,293.1	-1,450.3	-1,642.8	-740.6
C. Financial account, excl. reserves and related items	-3,022.6	-2,586.0	-1,734.9	-1,811.1	-1,668.1	-2,371.4
Direct investments	-1,416.1	-1,506.0	-864.0	-937.7	-971.6	-990.6
Direct investment abroad	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	1,416.1	1,506.0	864.0	937.7	971.6	990.6
Portfolio investment	-11.5	-27.6	5.0	-2.9	3.7	-35.2
Other investment	-1,595.0	-1,052.3	-875.8	-870.5	-700.3	-1,345.6
Assets	-29.7	331.8	-129.1	-117.8	149.8	31.8
Loans (Deposit-taking corporations, except the central bank)	-24.8	186.9	-95.8	-34.5	35.2	60.8
Currency and deposits	-4.9	144.9	-33.3	-83.4	114.5	-34.9
Deposit-taking corporations, except the central bank	-87.9	69.5	-150.1	-4.9	206.9	32.4
Other sectors	83.0	75.4	116.8	-78.5	-92.4	-67.3
Other assets	0.0	0.0	0.0	0.0	0.0	5.9
Liabilities	1,565.3	1,384.1	746.7	752.6	850.1	1,377.3
Trade credits	-1.0	-0.1	0.2	9.7	21.4	-8.9
Loans	1,551.8	1,481.6	815.8	760.0	791.2	1,411.0
Monetary authority	0.0	0.0	0.0	0.0	0.0	0.0
General government	1,115.2	1,013.3	296.2	363.1	455.4	1,342.5
Drawings	1,280.3	1,232.8	768.5	895.0	1,161.9	2,117.8
Repayments	-165.1	-219.5	-472.3	-531.9	-706.5	-775.3
Banks	14.6	97.0	209.2	176.1	-32.2	88.2
Other sectors	422.0	371.3	310.3	220.8	367.9	-19.7
Drawings	494.5	547.4	453.3	318.9	467.6	391.0
Repayments	-72.5	-176.4	-142.9	-98.1	-99.7	-410.7
Currency and deposits	14.4	-97.5	-69.3	-17.1	37.6	-24.7
Total, groups A through C	-1,491.5	-1,511.3	-558.3	360.8	25.3	1,630.8
D. Net errors and omissions	1,239.7	1,312.2	863.8	1,308.8	-809.4	-1,043.8
Overall balance	-251.8	-199.1	305.5	1,669.6	-784.0	587.0
E. Reserves and related items	-251.8	-199.1	305.5	1,669.6	-784.0	587.0
Reserve assets	-307.3	-273.7	232.2	1,598.7	-871.9	525.0
Use of Fund credit and loans	55.5	74.6	73.3	70.9	87.9	62.0
Memorandum items:						
CAB/GDP	-10.1	-9.4	-5.5	-3.4	-3.3	-1.9
CAB/GDP (excluding current official transfers)	-10.5	-9.8	-5.7	-3.7	-3.6	-2.1
Gross official reserves	4,377.2	4,093.7	4,325.6	5,900.3	5,044.6	5,567.6
Months of imports	4.2	4.6	5.4	6.9	5.8	6.2
Months of imports (excluding FDI related imports)	4.7	4.9	5.9	7.5	6.3	6.5
Exchange rate, TZS/USD (end of period)	1,725.8	2,148.5	2,172.6	2,230.1	2,281.2	2,287.9
Exchange rate, TZS/USD (annual average)	1,652.5	1,985.4	2,177.1	2,228.9	2,264.1	2,288.6

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	Clothing and footwear	Furnishing, housing equipment and routine maintenance	Communication	Restaurants and hotels	Alcohol and tobacco	Miscel. goods and services	Health	Recreation and culture	Education
Weight (%)	100	38.5	12.5	11.6	8.3	6.3	5.6	4.2	3.7	3.1	2.9	1.6	1.5
2018-Jan	4.0	6.3	0.3	7.1	2.7	1.8	-1.0	0.8	2.6	2.6	1.6	2.0	2.5
Feb	4.1	5.4	1.6	8.6	3.3	1.6	-0.2	0.9	2.3	2.7	1.6	1.5	2.5
Mar	3.9	4.7	1.4	10.4	3.2	1.9	-0.2	0.8	2.0	1.2	1.6	1.1	2.4
Apr	3.8	3.6	1.8	13.1	2.6	2.0	0.1	0.8	1.6	0.9	1.6	1.2	2.4
May	3.6	2.6	1.9	15.0	2.4	2.3	0.1	1.0	1.3	1.2	1.2	0.7	2.3
Jun	3.4	3.4	1.7	12.0	2.2	2.4	-2.6	0.7	0.3	1.4	1.4	0.5	2.6
Jul	3.3	2.8	2.5	12.3	2.4	2.6	-2.7	0.8	0.8	1.2	0.7	0.4	2.5
Aug	3.3	2.2	3.4	12.3	2.7	3.1	-2.7	1.1	1.2	1.2	1.7	-0.2	2.5
Sep	3.4	2.0	2.8	13.2	3.2	3.0	-2.6	1.9	1.9	1.3	1.3	-0.2	2.5
Oct	3.2	1.2	3.0	14.1	3.3	2.8	-2.7	1.9	1.9	1.6	0.8	-1.0	2.4
Nov	3.0	0.4	5.1	13.3	3.3	2.9	-2.7	1.9	1.6	1.7	0.8	-0.7	2.4
Dec	3.3	1.0	5.1	12.1	3.6	3.9	-2.6	2.6	2.2	2.6	1.0	0.1	2.4
2019-Jan	3.0	0.7	4.0	11.7	3.7	3.9	-2.4	2.6	2.2	2.5	1.0	0.2	2.0
Feb	3.0	0.5	3.3	12.3	3.3	4.1	-2.0	3.6	2.5	2.6	1.5	0.2	1.8
Mar	3.1	0.1	4.1	13.0	3.4	4.3	-1.2	4.8	3.2	3.1	1.8	0.3	1.9
Apr	3.2	0.9	3.4	11.4	3.6	4.2	-1.1	4.9	3.2	2.7	2.2	0.6	2.1
May	3.5	2.2	4.1	8.8	3.7	4.3	-1.1	4.9	3.4	2.5	2.0	3.2	2.1
Jun	3.7	2.3	4.8	8.9	3.1	4.1	1.0	4.8	4.2	2.4	1.8	3.4	1.8
Jul	3.7	2.9	4.1	8.1	2.7	3.9	1.1	4.7	3.6	2.5	2.3	1.6	1.6
Aug	3.6	3.7	2.8	6.3	2.9	3.7	0.7	4.6	2.1	2.5	1.4	1.9	1.6
Sep	3.4	4.0	3.2	4.3	2.6	3.7	0.6	4.2	1.3	2.4	1.9	2.0	1.6
Oct	3.6	5.1	2.4	3.3	2.2	3.9	0.8	4.1	1.3	2.3	1.8	1.7	1.6
Nov	3.8	6.1	0.4	3.7	2.3	3.9	0.8	4.0	1.3	2.1	1.8	1.4	1.6
Dec	3.8	6.3	0.8	4.4	2.2	2.7	1.1	3.2	0.6	1.8	1.5	1.4	1.6
2020-Jan	3.7	5.7	1.7	4.8	2.1	2.5	1.1	2.8	0.5	1.6	1.4	1.1	1.3
Feb	3.7	5.9	2.2	4.5	2.1	2.2	0.7	2.1	0.1	1.5	0.9	1.1	1.5
Mar	3.4	5.3	-0.5	4.9	2.2	1.7	-0.2	0.7	-0.5	1.0	0.5	1.1	1.4
Apr	3.3	4.6	1.7	6.5	2.2	1.7	0.0	0.7	-0.4	1.1	0.2	0.7	1.3
May	3.2	4.4	1.3	6.7	2.1	1.7	0.0	0.7	-0.3	1.2	0.4	-1.2	1.3
Jun	3.2	3.8	-0.3	9.2	2.4	1.8	0.6	0.9	0.1	0.7	0.9	-1.0	1.3
Jul	3.3	3.8	0.5	9.5	2.3	1.8	0.2	1.9	0.1	0.6	0.9	0.7	1.3

Source: National Bureau of Statistics  
Note: r denotes revised data

**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)	Non-food (all items less food)	All items less food and energy	Energy and fuels (combining electricity and other fuels for
Weight (%)	37.1	62.9	54.3	8.7
2018-Jan	6.7	2.8	1.4	10.4
Feb	5.8	3.3	1.7	12.1
Mar	5.0	3.5	1.6	14.1
Apr	4.0	3.9	1.4	18.4
May	3.2	4.5	1.6	21.2
Jun	3.8	4.0	1.6	16.8
Jul	3.0	4.2	1.6	18.5
Aug	3.2	4.6	2.0	18.7
Sep	3.1	4.8	2.2	18.9
Oct	2.5	5.0	2.3	19.5
Nov	2.0	5.3	2.6	19.2
Dec	2.6	5.4	3.1	17.7
2019-Jan	2.3	5.1	3.1	15.7
Feb	2.3	5.1	3.1	15.4
Mar	2.0	5.7	3.7	15.5
Apr	2.7	5.3	3.6	13.3
May	3.9	4.7	3.5	10.5
Jun	4.3	4.7	3.4	11.0
Jul	4.9	4.2	3.1	9.3
Aug	5.0	3.5	2.9	6.3
Sep	5.1	3.1	2.7	4.6
Oct	6.0	2.7	2.6	3.0
Nov	6.7	2.4	2.2	3.0
Dec	6.9	2.3	2.1	2.8
2020-Jan	6.4	2.4	2.1	4.0
Feb	6.6	2.4	2.2	3.2
Mar	5.9	2.2	2.1	2.9
Apr	5.2	2.5	2.1	4.1
May	5.2	2.4	2.2	3.5
Jun	4.7	3.0	2.6	4.7
Jul	4.9	3.2	2.6	5.7

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	Clothing and footwear	Furnishing, housing equipment and routine	Communication	Restaurants and hotels	Alcohol and tobacco	Miscel. goods and services	Health	Recreation and culture	Education
Weight (%)	100	38.5	12.5	11.6	8.3	6.3	5.6	4.2	3.7	3.1	2.9	1.6	1.5
2018-Jan	0.8	1.7	0.3	0.1	0.4	0.4	0.0	0.4	0.1	0.2	0.2	0.3	1.8
Feb	1.1	1.4	0.8	2.7	0.6	0.2	0.2	0.2	0.0	0.1	0.0	0.0	0.2
Mar	1.2	2.1	0.2	2.4	0.1	0.7	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Apr	0.4	0.3	0.8	1.6	0.1	0.3	0.0	0.0	0.0	0.7	0.0	0.1	0.0
May	0.0	-0.7	-0.3	2.4	0.2	0.3	0.0	0.1	-0.1	0.4	0.2	-0.4	0.0
Jun	-0.4	0.0	-0.8	-1.4	0.4	0.1	-2.7	-0.2	-0.8	0.1	0.2	-0.2	0.3
Jul	-0.3	-1.3	0.8	0.4	0.4	0.3	-0.1	0.1	0.5	0.0	-0.5	0.0	0.1
Aug	-0.4	-1.9	0.6	1.7	0.2	0.3	0.0	0.2	0.8	-0.1	0.9	0.1	0.0
Sep	0.1	-0.6	-0.3	2.1	0.4	0.0	0.1	0.7	0.8	0.1	-0.4	0.2	0.0
Oct	-0.3	-1.0	0.5	0.6	0.2	0.0	-0.1	0.0	0.0	0.0	0.0	-0.5	0.0
Nov	0.3	-0.1	2.3	0.3	0.0	0.2	0.0	0.2	0.0	0.2	0.0	0.3	0.0
Dec	0.5	1.1	0.3	-1.3	0.6	1.3	0.1	0.8	0.8	0.9	0.3	0.3	0.0
2019-Jan	0.5	1.4	-0.8	-0.3	0.5	0.3	0.2	0.4	0.1	0.2	0.1	0.3	1.4
Feb	1.1	1.3	0.1	3.3	0.2	0.4	0.5	1.2	0.3	0.2	0.5	0.1	0.0
Mar	1.4	1.7	1.0	3.1	0.2	0.8	0.9	1.3	0.7	0.5	0.4	0.1	0.1
Apr	0.5	1.0	0.2	0.1	0.2	0.2	0.0	0.1	0.0	0.3	0.4	0.4	0.1
May	0.4	0.6	0.3	0.1	0.3	0.4	0.0	0.0	0.0	0.2	0.0	2.2	0.0
Jun	-0.2	0.2	-0.1	-1.3	-0.1	0.0	-0.6	-0.2	0.0	-0.1	0.0	0.0	0.0
Jul	-0.4	-0.7	0.0	-0.4	0.0	0.1	0.0	0.0	0.0	0.1	0.0	-1.8	0.0
Aug	-0.5	-1.1	-0.6	0.1	0.5	0.1	-0.4	0.1	-0.8	-0.1	0.1	0.4	0.0
Sep	-0.1	-0.3	0.1	0.1	0.0	0.0	0.0	0.3	0.0	0.0	0.0	2.0	0.0
Oct	-0.1	0.1	-0.4	-0.3	-0.1	0.1	0.1	-0.1	0.0	-0.1	0.0	-0.9	0.0
Nov	0.5	0.8	0.4	0.6	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Dec	0.6	1.3	0.7	-0.6	0.5	0.2	0.3	0.0	0.2	0.5	0.0	0.3	0.0
2020-Jan	0.4	0.9	0.1	0.1	0.3	0.2	0.2	0.0	0.0	0.0	0.0	0.1	1.0
Feb	1.1	1.4	0.5	3.1	0.2	0.1	0.1	0.5	0.0	0.0	0.0	0.0	0.2
Mar	1.1	1.1	1.0	3.4	0.3	0.3	0.0	-0.1	0.0	0.0	0.0	0.1	0.0
Apr	0.4	0.3	-0.4	1.7	0.3	0.2	0.2	0.0	0.0	0.4	0.1	0.0	0.0
May	0.2	0.4	-0.1	0.2	0.1	0.3	0.0	0.0	0.1	0.3	0.2	0.3	0.0
Jun	-0.2	-0.4	-1.6	1.1	0.2	0.1	0.0	0.0	0.5	-0.5	0.6	0.1	0.0
Jul	-0.2	-0.7	0.9	-0.2	-0.1	0.1	-0.4	1.0	0.0	0.0	0.0	0.0	0.0

Source: National Bureau of Statistics

**Table A6(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)	Total 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	0.3	0.6
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
Feb	1.5	2.6	0.9	0.5
Mar	1.2	3.2	1.0	0.6
Apr	0.4	1.5	0.4	0.2
May	0.6	-0.2	0.1	0.2
Jun	-0.2	-0.3	0.1	0.2
Jul	-0.6	0.5	0.1	0.0

Source: National Bureau of Statistics

**Table A7: National Debt Developments**

Millions of USD													
Item	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20 <sup>f</sup>	Jul-20 <sup>p</sup>
1. Overall total debt committed <sup>2</sup>	29,515.5	29,889.3	30,012.4	30,827.8	30,857.3	30,941.4	30,893.7	32,495.2	32,346.6	32,831.4	32,761.5	33,061.1	33,338.6
Disbursed outstanding debt	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,478.2	20,522.0	20,483.9	20,485.1	20,631.5	20,594.5	20,946.6	21,203.8
Undisbursed debt	9,228.4	9,502.3	9,515.6	10,384.6	10,357.3	10,463.2	10,371.7	12,011.3	11,861.5	12,199.9	12,167.0	12,114.5	12,134.8
2. Disbursed debt by creditor category <sup>2</sup>	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,478.2	20,522.0	20,483.9	20,485.1	20,631.5	20,594.5	20,946.6	21,203.8
Bilateral debt	1,051.5	1,063.3	1,057.1	1,052.2	1,048.2	1,061.3	1,075.4	1,073.0	1,084.9	1,105.3	1,104.5	1,113.4	1,131.6
Multilateral debt	9,736.7	9,664.2	9,898.4	10,033.1	10,214.6	10,287.9	10,319.9	10,291.1	10,371.5	10,502.4	10,544.8	10,703.4	10,919.6
Commercial debt	7,421.8	7,652.5	7,522.2	7,335.3	7,251.6	7,136.8	7,106.3	7,025.8	6,935.4	6,940.0	6,852.6	7,039.9	7,050.9
Export credits	2,077.1	2,007.0	2,019.1	2,022.6	1,985.6	1,992.2	2,020.4	2,094.0	2,093.3	2,083.8	2,092.6	2,089.9	2,101.7
3. Disbursed debt by borrower category <sup>2</sup>	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,478.2	20,522.0	20,483.9	20,485.1	20,631.5	20,594.5	20,946.6	21,203.8
Central government	15,804.4	16,223.5	16,382.5	16,520.3	16,664.5	16,621.8	16,613.9	16,529.8	16,535.6	16,682.6	16,640.9	16,764.6	17,001.8
Public corporations	94.2	82.6	82.4	83.0	82.9	74.7	74.6	63.1	62.8	63.0	63.2	4,144.6	4,152.6
Private sector	4,388.5	4,080.9	4,031.9	3,839.9	3,752.6	3,781.7	3,833.5	3,891.0	3,886.7	3,885.9	3,890.4	37.4	49.4
4. Disbursed debt by use of funds <sup>2</sup>	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,478.2	20,522.0	20,483.9	20,485.1	20,631.5	21,203.8	20,561.7	21,203.8
Balance of payments and budget support	2,821.6	2,823.9	2,792.7	2,796.3	2,795.1	2,725.1	2,718.0	2,699.5	2,696.1	2,706.4	2,710.3	2,375.4	2,710.3
Transport and telecommunication	4,957.3	5,304.1	5,462.0	5,386.5	5,464.2	5,503.8	5,535.9	5,401.6	5,422.4	5,460.4	5,742.0	5,666.6	5,742.0
Agriculture	1,253.0	1,258.0	1,251.7	1,250.0	1,295.0	1,300.0	1,288.0	1,286.0	1,288.0	1,290.0	1,327.0	1,300.0	1,327.0
Energy & mining	3,097.0	3,082.0	3,068.4	3,069.0	3,051.0	3,075.0	3,050.0	3,080.0	3,101.8	3,109.0	3,110.0	3,083.0	3,110.0
Industries	663.0	640.0	639.0	639.0	639.0	649.0	652.0	717.0	716.0	716.0	794.8	749.0	794.8
Social welfare & education	3,237.0	3,272.0	3,401.0	3,422.0	3,446.0	3,470.0	3,497.0	3,515.2	3,537.0	3,628.0	3,795.0	3,705.0	3,795.0
Finance and insurance	1,182.0	1,018.0	1,016.0	1,009.0	1,009.0	1,012.0	1,074.0	1,078.0	1,077.0	1,077.0	1,083.0	1,071.0	1,083.0
Tourism	171.0	169.0	169.0	169.0	169.0	173.0	172.0	172.0	183.0	183.0	180.0	182.0	180.0
Real estate and construction	1,117.0	1,113.0	1,099.0	1,100.0	1,032.0	1,034.0	1,034.0	1,034.0	1,028.0	1,028.0	1,025.0	1,012.0	1,025.0
Other	1,788.2	1,707.0	1,598.0	1,602.4	1,599.7	1,536.3	1,501.1	1,500.6	1,435.8	1,433.7	1,436.7	1,417.7	1,436.7
5. Total amount of loan contracted <sup>1</sup>	1.6	98.7	3.5	18.0	0.1	9.3	0.0	1.7	1.5	0.0	0.2	0.0	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	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	0.0
Private sector	1.6	98.7	3.5	18.0	0.1	9.3	0.0	1.7	1.5	0.0	0.2	0.0	0.0
6. Disbursements <sup>1</sup>	335.2	609.2	102.3	111.2	184.7	237.8	105.4	30.7	135.0	148.0	57.3	140.0	56.0
Central government	334.6	529.4	102.3	111.2	184.6	58.7	53.8	24.2	129.5	148.0	53.1	139.9	55.9
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	0.0
Private Sector	0.6	79.8	0.0	0.0	0.1	179.1	51.6	6.5	5.5	0.0	4.2	0.1	0.1
7. Actual debt service <sup>1</sup>	3.9	387.9	146.2	191.0	283.0	366.5	83.3	116.2	146.6	21.5	133.2	123.9	11.6
Principal	0.8	364.9	117.7	176.2	249.0	319.1	61.2	96.5	121.4	13.5	102.2	86.4	5.3
Interest	3.1	23.0	28.5	14.8	34.0	47.4	22.1	19.7	25.2	8.0	31.0	37.5	6.3
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	0.0
8. Net flows on debt <sup>1</sup>	334.4	244.3	-15.4	-65.0	-64.3	-81.3	44.2	-65.8	13.6	134.5	-44.9	53.6	50.7
9. Net transfers on debt <sup>1</sup>	331.3	221.3	-43.9	-79.8	-98.3	-128.7	22.1	-85.5	-11.6	126.5	-75.9	16.1	44.4
10. Arrears by creditors category <sup>2</sup>	4,863.3	4,604.3	4,557.3	4,671.9	4,527.6	4,720.4	4,852.6	4,873.9	4,769.2	4,793.0	4,781.4	4,646.4	5,009.0
Principal	2,918.0	2,726.2	2,673.5	2,765.2	2,710.1	2,805.2	2,887.8	2,904.0	2,839.4	2,866.9	2,872.7	2,685.4	3,019.6
Bilateral debt	319.9	316.2	314.8	315.5	319.7	327.3	332.3	331.1	332.3	335.6	333.9	29.7	340.3
Multilateral debt	118.2	110.6	117.9	145.7	120.0	125.5	125.2	134.8	165.1	147.1	130.4	137.1	138.4
Commercial debt	1,286.4	1,241.7	1,167.3	1,210.5	1,187.8	1,204.5	1,252.8	1,250.3	1,146.0	1,187.6	1,214.9	1,246.9	1,275.6
Export credits	1,193.5	1,057.7	1,073.5	1,093.5	1,082.6	1,147.9	1,177.5	1,187.8	1,196.0	1,196.6	1,193.5	1,271.7	1,265.3
Interest	1,945.3	1,878.1	1,883.8	1,906.7	1,817.5	1,915.2	1,964.8	1,969.9	1,929.8	1,926.1	1,908.7	1,961.0	1,989.4
Bilateral debt	900.3	901.8	902.6	908.4	911.2	950.0	952.1	953.3	957.9	961.8	964.2	969.9	983.0
Multilateral debt	25.3	28.6	30.0	34.7	34.9	36.5	35.0	40.7	36.3	5.0	5.2	5.2	5.2
Commercial debt	589.7	586.9	583.9	591.9	508.9	541.9	549.4	542.6	495.2	515.7	508.0	521.6	535.2
Export credits	430.0	360.8	367.3	371.7	362.5	386.8	428.3	433.3	440.4	443.6	431.3	464.3	466.0
11. External debt stock	22,232.4	22,265.1	22,380.6	22,349.9	22,317.5	22,393.4	22,486.8	22,453.8	22,414.9	22,557.6	22,503.2	22,907.6	23,193.2
12. Domestic debt stock	5,957.2	6,148.0	6,141.7	6,198.6	6,313.6	6,309.3	6,396.1	6,396.5	6,432.9	6,482.5	6,575.3	6,756.2	6,576.5
13. Total debt stock	28,189.6	28,413.1	28,522.3	28,548.5	28,631.1	28,702.7	28,882.8	28,850.3	28,847.9	29,040.1	29,078.5	29,663.7	29,769.6
End period exchange rate	2,289.2	2,289.4	2,289.4	2,288.8	2,288.3	2,287.9	2,288.6	2,289.4	2,289.9	2,291.3	2,291.9	2,296.5	2,297.8

Source: Bank of Tanzania

 Note: Multilateral arrears are those owed by the private sector. <sup>1</sup> denotes debt flows during the period; <sup>2</sup> stock position at the end of period; r Debt position is revised; and p Debt position is provisional.

## 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.

### **External debt stock**

The stock of a country's debt that is borrowed from foreign lenders through private commercial banks, foreign governments, or international financial institutions. It is the sum of public, publicly guaranteed, and private non-guaranteed long-term debt, use of IMF credit, and short-term debt, which includes all debt having an original maturity of one year or less and interest in arrears on long-term debt.

### **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 based on the prevailing weighted average yield of 35-day T-bill, repo or overnight inter-bank rate, whichever is higher in the market plus 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.

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