



**BANK OF TANZANIA**



# Monthly Economic Review

**August 2021**



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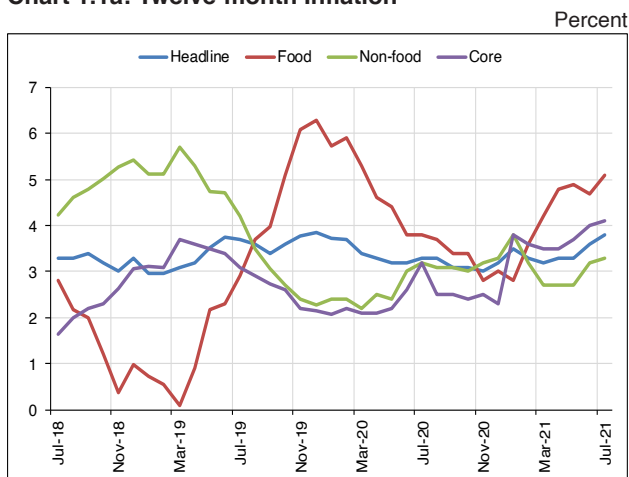
## 1.0 Prices and Food Stocks

### 1.1 Inflation

Twelve-month inflation remained low and within the target of 3-5 percent for 2021/22, despite edging up to 3.8 percent in July 2021 from 3.6 percent in the preceding month (**Chart 1.1a**). The inflation outturn also was in line with EAC and SADC convergence criteria, which are maximum of 8 percent and between 3-7 percent, respectively (**Chart 1.1b**).

Core inflation, whose index accounts for the largest share in the consumer price index, was 4.1 percent in July 2021, as in the preceding month (**Table 1.1**). Non-food inflation also remained low and stable, rising only slightly to 3.3 percent from 3.2 percent. Energy, fuel, and utilities inflation increased to 3.6 percent in July 2021 from 3.2 percent in June 2021, driven by prices of charcoal and petroleum products, in the wake of the recent increase in oil prices in the world market. Annual food inflation (food and non-alcoholic beverages) rose to 5.1 percent from 4.7 percent, driven by prices of wheat, wheat flour, meat and cassava.

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

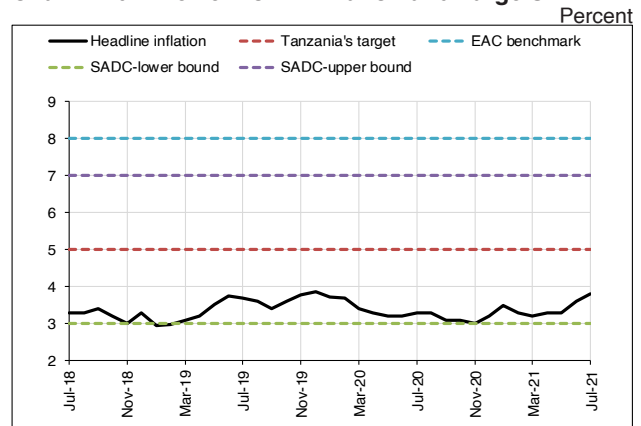


Source: National Bureau of Statistics, Bank of Tanzania computations.

Note: Data from January 2020 are rebased with base year 2020.

<sup>1</sup> Core inflation excludes unprocessed food, maize flour, energy, fuel, and utilities.

**Chart 1.1b: Twelve-month Inflation and Targets**



Source: National Bureau of Statistics, Bank of Tanzania computations.

**Table 1.1: Inflation Rates**

| Main groups   | Weight       | Base Year 2020 = 100 |            |            |               |            |            |
|---|--------------|----------------------|------------|------------|---------------|------------|------------|
|   |              | Monthly change       |            |            | Annual change |            |            |
|   |              | Jul-20               | Jun-21     | Jul-21     | Jul-20        | Jun-21     | Jul-21     |
| Food and non-alcoholic beverages                                      | 28.2         | -0.2                 | 0.0        | -0.3       | 3.8           | 4.7        | 5.1        |
| Alcoholic beverages and tobacco                                       | 1.9          | -0.7                 | 0.0        | 0.0        | 0.1           | 1.9        | 1.9        |
| Clothing and footwear   | 10.8         | 0.0                  | 0.0        | 0.1        | 2.3           | 4.4        | 4.5        |
| Housing, water, electricity, gas and other fuels                      | 15.1         | 0.0                  | -0.1       | 0.2        | 9.5           | 3.2        | 3.5        |
| Furnishings, household equipment and routine household maintenance    | 7.9          | -0.1                 | 0.1        | 0.1        | 1.8           | 2.9        | 2.9        |
| Health  | 2.5          | 0.0                  | 0.7        | 0.0        | 0.9           | 2.7        | 2.6        |
| Transport   | 14.1         | 0.0                  | 0.2        | 0.2        | 0.5           | 3.8        | 4.3        |
| Information and communication   | 5.4          | -0.1                 | 0.1        | 0.1        | 0.2           | 1.9        | 1.8        |
| Recreation, sports and culture  | 1.6          | 0.2                  | 0.0        | 0.0        | 0.7           | 2.3        | 2.2        |
| Education services  | 2.0          | 0.1                  | 0.2        | -0.1       | 1.3           | 1.3        | 1.1        |
| Restaurants and accommodation services                                | 6.6          | 0.0                  | 0.2        | 0.0        | 1.9           | 5.6        | 4.9        |
| Insurance and financial services                                      | 2.1          | 0.6                  | -0.1       | 0.1        | n.a.          | 0.3        | 0.3        |
| Personal care, social protection and miscellaneous goods and services | 2.1          | 0.1                  | 0.2        | 0.2        | 0.6           | 2.0        | 2.7        |
| <b>All items-(headline inflation)</b>                                 | <b>100.0</b> | <b>-0.6</b>          | <b>0.1</b> | <b>0.0</b> | <b>3.3</b>    | <b>3.6</b> | <b>3.8</b> |
| <b>Other selected groups</b>  |              |                      |            |            |               |            |            |
| Core  | 73.9         | -0.1                 | 0.1        | -0.1       | 2.6           | 4.0        | 4.1        |
| Non-core  | 26.1         | -0.4                 | 0.0        | 0.2        | n.a.          | 2.7        | 3.4        |
| Energy, fuel and utilities  | 5.7          | 0.7                  | 0.1        | 1.0        | 5.7           | 3.2        | 3.6        |
| Services  | 37.2         | -0.1                 | 0.0        | 0.0        | n.a.          | 3.0        | 3.1        |
| Goods   | 62.8         | -0.2                 | 0.1        | 0.0        | n.a.          | 4.1        | 4.3        |
| Education services and products ancillary to education                | 4.1          | -0.3                 | 0.1        | -0.1       | n.a.          | 3.1        | 3.3        |
| <b>All items less food and non-alcoholic beverages</b>                | <b>71.8</b>  | <b>n.a.</b>          | <b>0.1</b> | <b>0.1</b> | <b>3.2</b>    | <b>3.2</b> | <b>3.3</b> |

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

Note: n.a. denotes not available. Data from January 2020 are rebased with base year 2020.

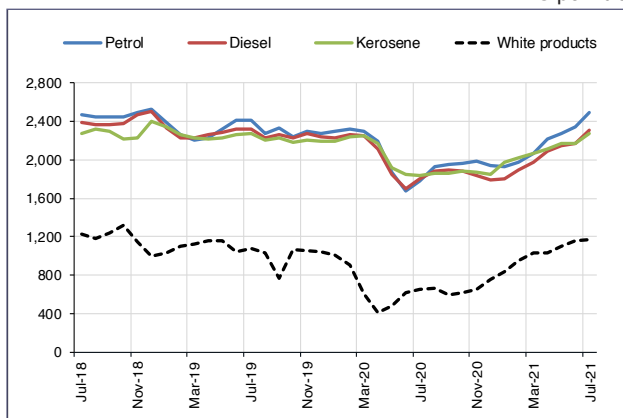
### 1.2 Fuel Prices

Domestic pump prices of petroleum products continued to increase moderately since June 2020, driven by prices in the world market. This trend was contributed by increase in demand, associated with the recovery of global economy from adverse effects of the pandemic (**Chart 1.2**). In July 2021, prices of petrol, diesel and kerosene registered an annual increase of 39.7, 28 and 24.2 percent, respectively, attributable to high prices in the world market.



Chart 1.2: Domestic Prices of Petroleum Products

TZS per litre



Source: National Bureau of Statistics

Note: White products imply average world market prices of oil.

### 1.3 Prices of Food Crops

Wholesale prices of most of the selected food crops were lower in July 2021 than in the corresponding period in 2020, except finger millet. The outturn is attributable to adequate food supply in the markets. On month-to-month basis, the prices of selected food crops also decreased except for maize and rice (Table 1.3 and Chart 1.2).

Table 1.3: Wholesale Prices of Selected Food Crops

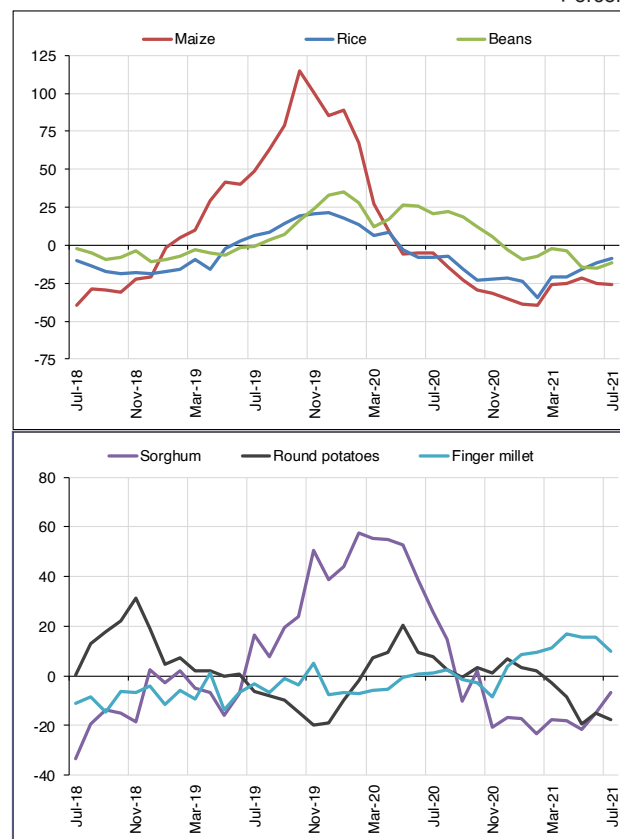
TZS per 100kg

| Food crop      | Jul-20    | Apr-21    | May-21    | Jun-21    | Jul-21    |
|----------------|-----------|-----------|-----------|-----------|-----------|
| Maize          | 58,362.0  | 44,973.2  | 43,545.8  | 42,757.8  | 43,371.0  |
| Rice           | 148,991.7 | 143,055.3 | 136,447.6 | 134,233.9 | 136,569.8 |
| Beans          | 192,771.5 | 181,977.0 | 177,437.9 | 173,637.7 | 170,511.2 |
| Sorghum        | 99,597.9  | 95,691.5  | 92,144.1  | 96,428.3  | 92,910.0  |
| Round potatoes | 78,222.3  | 67,514.5  | 68,464.7  | 69,626.8  | 64,442.5  |
| Finger millet  | 133,188.5 | 150,869.4 | 153,415.0 | 155,902.6 | 146,436.8 |

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

Chart 1.3: Annual Change in Wholesale Prices for Selected Food Crops

Percent



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

### 1.4 Food Stocks Held by NFRA

The stocks of food held by the National Food Reserve Agency (NFRA) amounted to 107,384 tonnes in July 2021, almost unchanged from September 2020 (Table 1.4). The food stocks comprised of maize grain, rice and sorghum. This indicates that food supply remained adequate in the country.



**Table 1.4: Food Stocks Held by National Food Reserve Agency**

| Period    | Tonnes |        |        |         |         |
|-----------|--------|--------|--------|---------|---------|
|           | 2017   | 2018   | 2019   | 2020    | 2021    |
| January   | 86,834 | 91,947 | 93,037 | 43,597  | 110,398 |
| February  | 86,444 | 91,313 | 85,525 | 41,231  | 110,389 |
| March     | 86,444 | 83,650 | 78,336 | 39,597  | 109,231 |
| April     | 86,278 | 73,468 | 68,748 | 38,053  | 109,231 |
| May       | 74,826 | 68,893 | 68,058 | 38,291  | 108,284 |
| June      | 70,393 | 63,844 | 67,336 | 52,725  | 107,384 |
| July      | 68,697 | 62,288 | 67,410 | 90,255  | 107,384 |
| August    | 78,434 | 62,317 | 68,407 | 92,991  |         |
| September | 85,403 | 78,224 | 61,711 | 109,733 |         |
| October   | 89,248 | 87,435 | 55,853 | 110,895 |         |
| November  | 93,354 | 92,402 | 52,727 | 110,289 |         |
| December  | 92,074 | 95,534 | 52,498 | 110,398 |         |

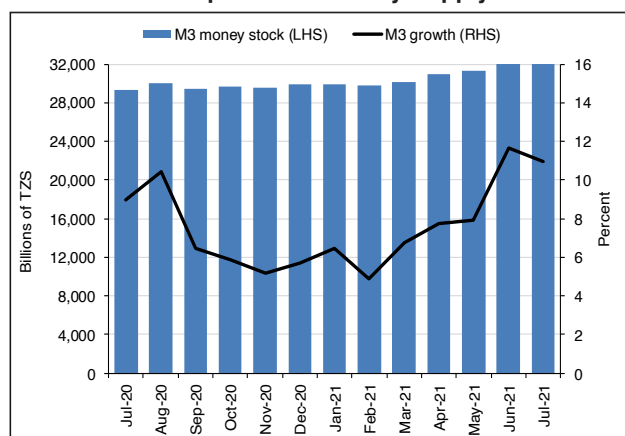
Source: National Food Reserve Agency.

## 2.0 Money and Credit

### 2.1 Money Supply

The Bank of Tanzania sustained implementation of liquidity expansion in July 2021 to facilitate fast recovery of economic activities, particularly those adversely affected by the pandemic. As a result of the expansionary monetary policy stance, growth of extended broad money supply (M3) increased to 11 percent compared with 8.9 percent in the year ending July 2020. Growth of broad money supply (M2) improved to 12.1 percent from 10.6 percent 2020 (Table 2.1 and Chart 2.1).

**Chart 2.1: Developments in Money Supply**



Source: Bank of Tanzania and banks.

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-20                             | Jun-21   | Jul-21   | Jul-20            | Jun-21 | Jul-21 |
| Net foreign assets           | 11,431.5                           | 11,989.3 | 12,643.4 | 10.0              | 6.2    | 10.6   |
| Bank of Tanzania             | 11,068.1                           | 11,545.4 | 12,252.6 | 8.3               | 2.5    | 10.7   |
| Banks                        | 363.4                              | 443.9    | 390.8    | 106.7             | ---    | 7.5    |
| Net domestic assets          | 17,907.4                           | 21,324.6 | 19,915.0 | 8.3               | 14.9   | 11.2   |
| Domestic claims              | 25,180.0                           | 28,219.8 | 27,425.3 | 6.0               | 9.8    | 8.9    |
| o/w Securities held by banks | 5,574.4                            | 6,066.3  | 6,299.7  | 6.7               | 10.4   | 13.0   |
| Claims on the private sector | 19,920.0                           | 20,602.9 | 20,734.2 | 5.5               | 3.6    | 4.1    |
| Other items (net)            | -7,272.7                           | -6,895.3 | -7,510.3 | 0.7               | -3.5   | 3.3    |
| Extended broad money (M3)    | 29,338.8                           | 33,313.9 | 32,558.4 | 8.9               | 11.6   | 11.0   |
| Foreign currency deposits    | 6,771.5                            | 7,678.0  | 7,255.1  | 3.7               | 15.8   | 7.1    |
| Broad money supply (M2)      | 22,567.3                           | 25,635.9 | 25,303.3 | 10.6              | 10.4   | 12.1   |
| Other deposits               | 8,231.1                            | 8,921.3  | 8,926.1  | 11.5              | 6.9    | 8.4    |
| Narrow money supply (M1)     | 14,336.3                           | 16,714.6 | 16,377.2 | 10.1              | 12.4   | 14.2   |
| Currency in circulation      | 4,270.3                            | 4,700.5  | 4,811.7  | 3.8               | 11.1   | 12.7   |
| Transferable deposits        | 10,066.0                           | 12,014.1 | 11,565.5 | 13.1              | 12.9   | 14.9   |

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

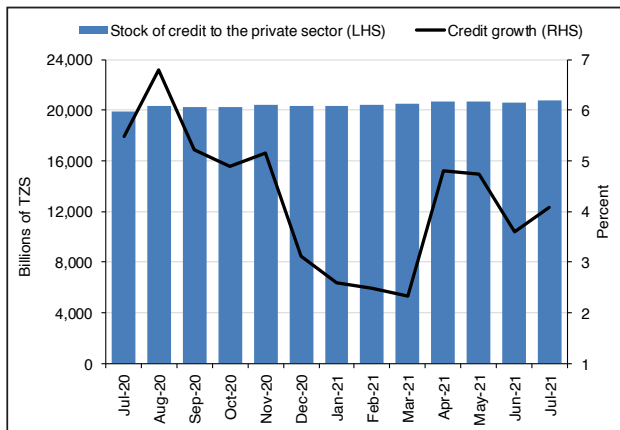
Note: "—" denotes a change that exceeds 100 percent.

Growth of domestic credit remained positive, expanding at 8.9 percent in July 2021 compared with 6 percent in the corresponding period in 2020. Credit extended to the private sector grew by 4.1 percent, albeit still lower than 5.5 percent recorded in July 2020 (Table 2.1 and Chart 2.2). Much of the credit was directed to small and medium enterprises, commonly referred to as personal loans, followed by mining and quarrying, and trade (Table 2.2). Personal activities accounted for the largest share of credit, followed by trade and manufacturing (Chart 2.3).

Private sector credit growth is projected at 11.6 percent in 2021/22. The demand for credit is expected to increase owing to policy measures taken by the Bank of Tanzania in July 2021 to reduce lending rate and promote credit to private sector. The ongoing implementation of measures to improve business environment and recovery of the global economy will add impetus to private sector growth momentum.



**Chart 2.2: Credit to Private Sector from Banks**



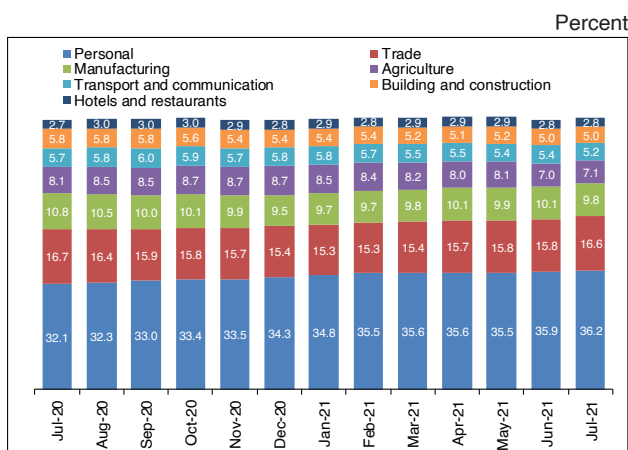
Source: Bank of Tanzania, banks and Bank of Tanzania computations  
Note: LHS denotes left hand scale; and RHS, right hand scale.

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

|                             | Percent |        |        |        |        |        |        |        |
|-----------------------------|---------|--------|--------|--------|--------|--------|--------|--------|
|                             | May-20  | Jul-20 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 |
| Personal                    | 11.9    | 14.5   | 22.1   | 21.0   | 20.0   | 19.1   | 17.9   | 18.7   |
| Mining and quarrying        | -6.0    | -1.9   | 1.0    | -2.4   | -1.5   | -3.2   | -4.6   | 8.5    |
| Trade                       | 0.2     | -3.0   | -11.4  | -10.3  | -6.4   | -2.3   | -0.7   | 5.4    |
| Hotels and restaurants      | -0.5    | -4.1   | 4.3    | 7.9    | 5.1    | 3.3    | 3.3    | 0.6    |
| Transport and communication | 13.3    | 17.5   | 3.9    | 2.7    | 2.3    | 0.3    | -2.3   | -4.2   |
| Manufacturing               | 8.9     | 6.2    | -4.9   | -6.5   | -3.8   | -8.7   | -4.4   | -4.9   |
| Agriculture                 | -5.0    | -3.1   | -7.1   | -8.1   | 7.3    | 7.6    | -10.7  | -7.3   |
| Building and construction   | 24.6    | 32.2   | -7.0   | -11.9  | -7.1   | 0.0    | -6.5   | -8.6   |

Source: Banks and Bank of Tanzania computations

**Chart 2.3: Share of Credit to Selected Economic Activities**



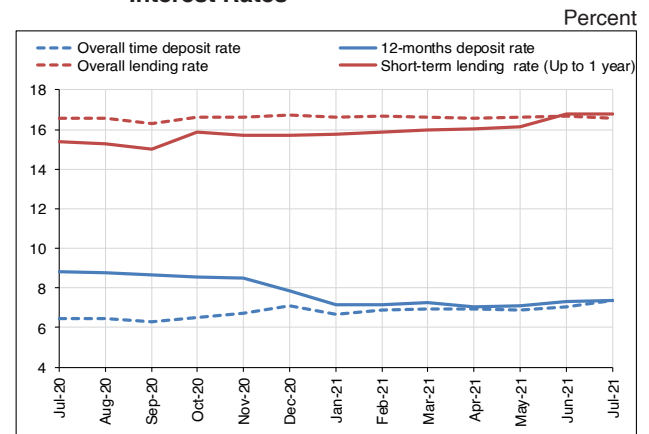
Source: Banks and Bank of Tanzania computations.

## 2.2 Interest Rates

Interest rates charged on loans and offered on deposits by banks remained unchanged from the recent months. The overall and one-year lending interest rates were around 17 percent, while negotiated lending rate to prime customers was 14 percent. Overall and one-year time deposits interest

rates averaged 7.35 percent and 9.12 percent, respectively (**Chart 2.4**). Negotiated deposit rate stabilized at around 9.17 percent. The ongoing implementation of accommodative monetary policy and the recent policy measures taken by the Bank of Tanzania to promote credit to private sector and lower interest rates are expected to provide impetus to reduction of lending rates.

**Chart 2.4: Selected Banks' Lending and Deposits Interest Rates**



Source: Banks and Bank of Tanzania computations.

## 2.3 Financial Markets

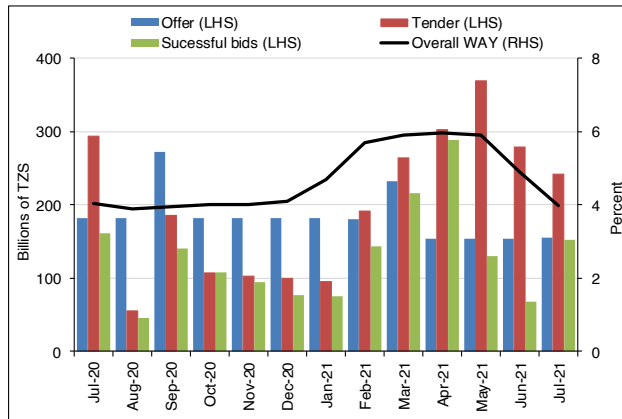
In line with the implementation of accommodative monetary policy, domestic money market sustained adequate supply of shilling liquidity, contributing to low and stable market interest rates. Foreign exchange market remained active and liquid, with the value of the shilling sustaining a stable path against the major trading currencies.

### 2.3.1 Treasury Bills Market

Treasury bills market remained vibrant, characterized with sizable oversubscriptions in July 2021. The Bank of Tanzania conducted two Treasury bills auctions worth TZS 155.8 billion for government budgetary operations and facilitate price discovery. Both auctions were oversubscribed, receiving total bids worth TZS 241.5 billion. Successful bids amounted to TZS 152.4 billion, after intervention to remove outlier bids. In line with high demand, overall yield decreased to 3.98 percent from 4.90 percent in the preceding month (**Chart 2.5**).



**Chart 2.5: Performance in Treasury Bills Market**



Source: Bank of Tanzania.

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

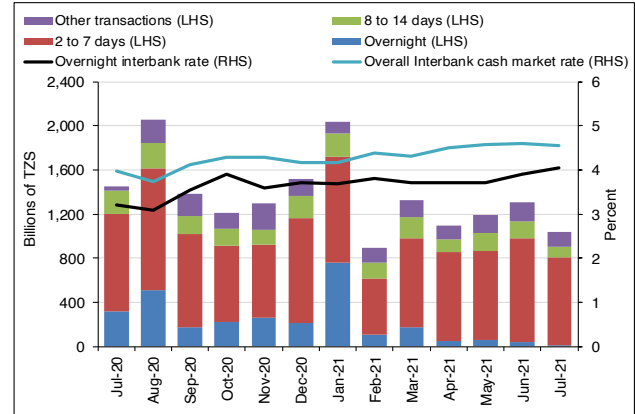
### 2.3.2 Treasury Bonds Market

The Bank of Tanzania conducted 2-year and 20-year Treasury bonds auctions worth TZS 114.4 billion and TZS 140 billion, respectively, in July 2021. Both auctions were oversubscribed, recording bids worth TZS 129.7 billion and TZS 417.9 billion, respectively. Successful bids amounted to TZS 129.3 billion for the 2-year bond and TZS 257.1 billion for 20-year bond. Yield to maturity for 2-year bond decreased to 7.55 percent, while that of 20-year bond remained broadly unchanged at 15.41 percent from the preceding auctions.

### 2.3.3 Interbank Cash Market

The interbank cash market (ICBM) remained active in supporting distribution of liquidity among banks. Total volume of transactions amounted to TZS 1,039.9 compared with TZS 1,305.6 billion in the preceding month. Transactions in 2-7 days tenure continued to account for the largest share of the total market turnover, at 76.1 percent. The overall ICBM and 2-7 days interest rates remained low, averaged 4.56 percent and 4.47 percent in July 2021, respectively. The overnight interest rate slightly increased to 4.05 percent from 3.90 percent in the preceding month (**Chart 2.6**).

**Chart 2.6: Interbank Cash Market Transactions**



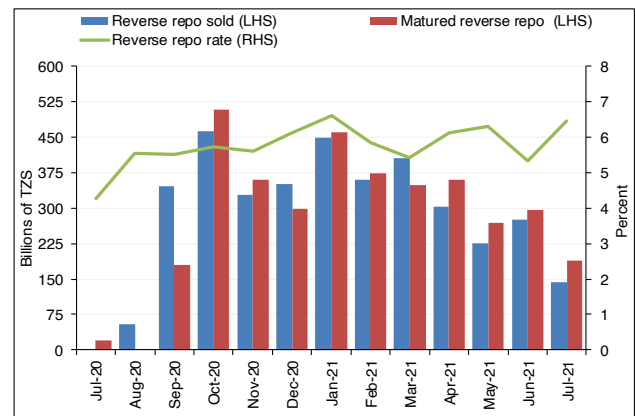
Source: Bank of Tanzania

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

### 2.3.4 Repurchase Agreements

The Bank of Tanzania continued to conduct repurchase agreements with banks to ensure adequate liquidity. In July 2021, the Bank conducted reverse repurchase agreements (reverse repos) amounting to TZS 142.6 billion, compared with TZS 276.8 billion in the preceding month. Meanwhile, reverse repos worth TZS 190 billion matured compared with TZS 296.3 billion in June 2021. Interest rate on reverse repos closed at 6.46 percent, up from 5.33 percent registered in the preceding month (**Chart 2.7**).

**Chart 2.7: 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 Bank of Tanzania participated in the interbank foreign exchange market (IFEM) to support demand for foreign exchange for imports. The market exhibited

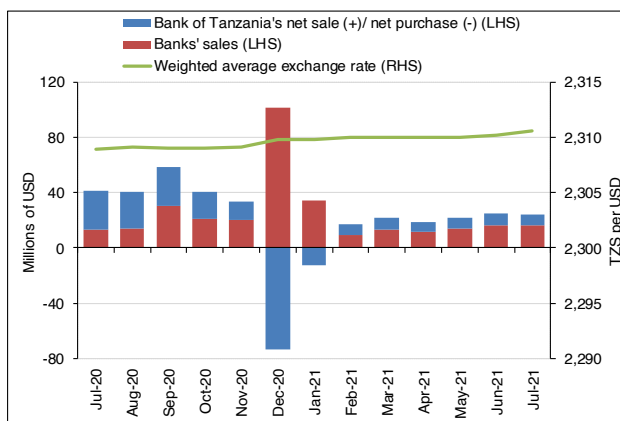




general stability of the value of the shilling against major currencies, benefiting from low and stable inflation and moderate current account deficit. Total transactions in IFEM amounted to USD 24.2 million in July 2021, compared to USD 24.7 million traded in June 2021, of which USD 7.6 million was Bank of Tanzania sales.

The shilling traded at an average rate of TZS 2,310.57 per US dollar in July 2021 compared to TZS 2,310.18 per US dollar in the preceding month. This represents a marginal depreciation of 0.07 percent in the year ending July 2021 relative to the preceding year (**Chart 2.8**).

**Chart 2.8: Developments in the IFEM**



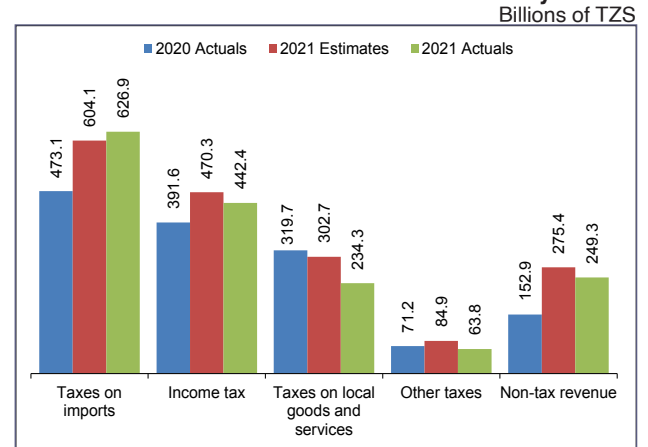
Source: Bank of Tanzania

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

### 3.0 Government Budgetary Operations

Revenue collection in July 2021 was TZS 1,693.8 billion, equivalent to 93.0 percent of the target and 15.6 percent higher compared to July 2020. Out of the total revenue, central government revenue was TZS 1,616.8 billion and the balance was from local government own sources. During the month, tax revenue was TZS 1,367.5 billion, which was 93.5 percent of the target and an increase of 8.9 percent compared to July 2020. Overperformance on import taxes was associated with increase in value of dutiable imports (**Chart 3.1**).

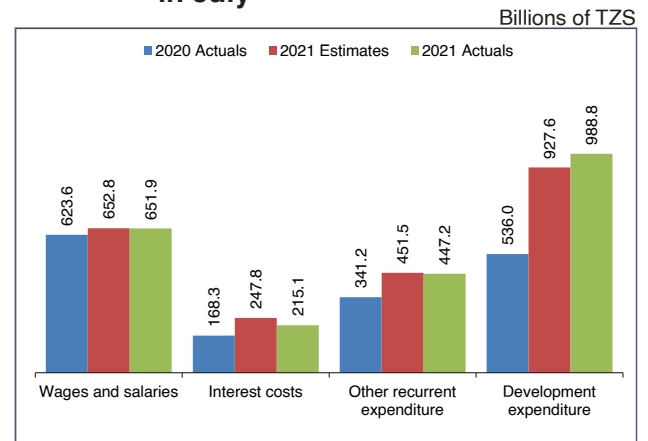
**Chart 3.1: Central Government Revenue in July**



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

Government expenditure amounted to TZS 2,302.9 billion of which TZS 1,314.1 billion and TZS 988.8 billion were spent on recurrent activities and development projects, respectively (**Chart 3.2**). Locally financed development expenditure amounted to TZS 807.0 which was 81.6 percent of development expenditure

**Chart 3.2: Central Government Expenditure in July**



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

### 4.0 Debt Developments

National debt stock stood at USD 33,705.4 million at the end of July 2021, a decrease of USD 1,063.7 million from the preceding month, but having increased by USD 3,928.8 million from July 2020. The debt stock comprised of public debt (external and domestic), which accounted for 83 percent of the national debt.



## 4.1 External Debt

External debt, comprising public and private sector, amounted to USD 25,956.1 million at the end of July 2021 and accounted for 77 percent of the national debt. The debt stock represented an increase of USD 436.8 million from the preceding month and USD 2,756.0 million from July 2020.

Disbursements amounted to USD 452.4 million in July 2021, of which USD 451 million was received by the central government for budget financing, particularly development projects. External debt service payments amounted to USD 25.2 million, of which USD 21 million was principal repayments and the balance was interest payments. The profile of external debt by borrower category remained broadly unchanged, with debt owed by the central government accounting for 77.7 percent (**Table 4.1**).

**Table 4.1: External Debt Stock by Borrowers**  
Millions of USD

| Borrower                   | Jul-20          |              | Jun-21 <sup>r</sup> |              | Jul-21 <sup>p</sup> |              |
|----------------------------|-----------------|--------------|---------------------|--------------|---------------------|--------------|
|                            | Amount          | Share (%)    | Amount              | Share (%)    | Amount              | Share (%)    |
| Central government         | 17,940.4        | 77.3         | 19,703.1            | 77.2         | 20,155.5            | 77.7         |
| DOD                        | 16,957.4        | 73.1         | 18,640.1            | 73.0         | 19,088.9            | 73.5         |
| Interest arrears           | 983.0           | 4.2          | 1,063.0             | 4.2          | 1,066.6             | 4.1          |
| Private sector             | 5,196.8         | 22.4         | 5,761.9             | 22.6         | 5,746.4             | 22.1         |
| DOD                        | 4,170.1         | 18.0         | 4,573.6             | 17.9         | 4,557.2             | 17.6         |
| Interest arrears           | 1,026.7         | 4.4          | 1,188.3             | 4.7          | 1,189.2             | 4.6          |
| Public corporations        | 62.9            | 0.3          | 54.3                | 0.2          | 54.2                | 0.2          |
| DOD                        | 49.3            | 0.2          | 37.2                | 0.1          | 37.1                | 0.1          |
| Interest arrears           | 13.6            | 0.1          | 17.1                | 0.1          | 17.1                | 0.1          |
| <b>External debt stock</b> | <b>23,200.1</b> | <b>100.0</b> | <b>25,519.3</b>     | <b>100.0</b> | <b>25,956.1</b>     | <b>100.0</b> |

Source: Ministry of Finance and Planning, and Bank of Tanzania  
Note: DOD denotes disbursed outstanding debt; r, revised; and p, provisional data.

The composition of the external debt by creditors category also remained broadly the same, with multilateral institutions and commercial creditors sustaining dominance (**Table 4.2**).

**Table 4.2: External Debt Stock by Creditors**  
Millions of USD

| Creditor                   | Jul-20          |              | Jun-21 <sup>r</sup> |              | Jul-21 <sup>p</sup> |              |
|----------------------------|-----------------|--------------|---------------------|--------------|---------------------|--------------|
|                            | Amount          | Share (%)    | Amount              | Share (%)    | Amount              | Share (%)    |
| Multilateral               | 10,955.6        | 47.2         | 11,835.3            | 46.4         | 11,822.7            | 45.5         |
| DOD                        | 10,916.5        | 47.1         | 11,775.8            | 46.1         | 11,773.3            | 45.4         |
| Interest arrears           | 39.1            | 0.2          | 59.5                | 0.2          | 49.4                | 0.2          |
| Bilateral                  | 2,114.6         | 9.1          | 2,231.0             | 8.7          | 2,247.8             | 8.7          |
| DOD                        | 1,131.6         | 4.9          | 1,168.0             | 4.6          | 1,181.2             | 4.6          |
| Interest arrears           | 983.0           | 4.2          | 1,063.0             | 4.2          | 1,066.6             | 4.1          |
| Commercial                 | 7,562.2         | 32.6         | 8,688.9             | 34.0         | 9,044.8             | 34.8         |
| DOD                        | 7,027.0         | 30.3         | 8,056.5             | 31.6         | 8,409.6             | 32.4         |
| Interest arrears           | 535.2           | 2.3          | 632.4               | 2.5          | 635.2               | 2.4          |
| Export credit              | 2,567.7         | 11.1         | 2,764.1             | 10.8         | 2,840.8             | 10.9         |
| DOD                        | 2,101.7         | 9.1          | 2,250.6             | 8.8          | 2,319.1             | 8.9          |
| Interest arrears           | 466.0           | 2.0          | 513.5               | 2.0          | 521.7               | 2.0          |
| <b>External debt stock</b> | <b>23,200.1</b> | <b>100.0</b> | <b>25,519.3</b>     | <b>100.0</b> | <b>25,956.1</b>     | <b>100.0</b> |

Source: Ministry of Finance and Planning, and Bank of Tanzania.  
Note: DOD denotes disbursed outstanding debt; r, revised; and p, provisional data.

Transport and telecommunication activities accounted for more than a quarter of outstanding external debt, associated with ongoing mega infrastructure projects, followed by social welfare and education, and energy and mining (**Table 4.3**). In terms of currency composition of external debt, the US dollar remained dominant, followed by Special Drawing Rights (**Table 4.4**).

**Table 4.3: External Debt by Use of Funds**  
Millions of USD

| Activity                        | Jul-20         |              | Jun-21 <sup>r</sup> |              | Jul-21 <sup>p</sup> |              |
|---------------------------------|----------------|--------------|---------------------|--------------|---------------------|--------------|
|                                 | Amount         | Share (%)    | Amount              | Share (%)    | Amount              | Share (%)    |
| Transport and telecommunication | 5742.0         | 27.1         | 5944.0              | 25.6         | 5943.0              | 25.1         |
| Social welfare and education    | 3795.0         | 17.9         | 4134.0              | 17.8         | 4114.2              | 17.5         |
| BoP and budget support          | 2710.3         | 12.8         | 3395.8              | 14.6         | 3849.0              | 16.3         |
| Energy and mining               | 3110.0         | 14.7         | 3217.0              | 13.8         | 3204.0              | 13.5         |
| Real estate and construction    | 1015.0         | 4.8          | 1744.0              | 7.5          | 1750.0              | 7.4          |
| Agriculture                     | 1327.0         | 6.3          | 1369.0              | 5.9          | 1388.0              | 5.8          |
| Other                           | 1419.7         | 6.7          | 1240.1              | 5.3          | 1303.0              | 5.5          |
| Finance and insurance           | 1083.0         | 5.1          | 1217.0              | 5.2          | 1216.0              | 5.1          |
| Industries                      | 794.8          | 3.8          | 805.0               | 3.5          | 719.0               | 3.0          |
| Tourism                         | 180.0          | 0.8          | 185.0               | 0.8          | 190.0               | 0.8          |
| <b>Total</b>                    | <b>21176.8</b> | <b>100.0</b> | <b>23250.9</b>      | <b>100.0</b> | <b>23683.2</b>      | <b>100.0</b> |

Source: Ministry of Finance and Planning, and Bank of Tanzania.  
Note: BOP denotes balance of payments; r, revised; and p, provisional data.

**Table 4.4: Disbursed Outstanding Debt by Currency Composition**

| Currency                | Jul-20          |              | Jun-21 <sup>r</sup> |              | Jul-21 <sup>p</sup> |              |
|-------------------------|-----------------|--------------|---------------------|--------------|---------------------|--------------|
|                         | Amount          | Share (%)    | Amount              | Share (%)    | Amount              | Share (%)    |
| United States Dollar    | 9,074.1         | 43.9         | 10,414.1            | 44.8         | 10,836.6            | 45.8         |
| Special Drawing Rights  | 8,045.2         | 38.9         | 8,447.8             | 36.3         | 8,445.5             | 35.7         |
| African Unit of Account | 2,124.3         | 10.3         | 2,349.7             | 10.1         | 2,349.8             | 9.9          |
| Other                   | 1,275.4         | 3.7          | 1,339.8             | 5.8          | 1,338.8             | 5.7          |
| Euro                    | 657.8           | 3.2          | 699.5               | 3.0          | 712.5               | 3.0          |
| <b>Total</b>            | <b>21,176.8</b> | <b>100.0</b> | <b>23,250.9</b>     | <b>100.0</b> | <b>23,683.2</b>     | <b>100.0</b> |

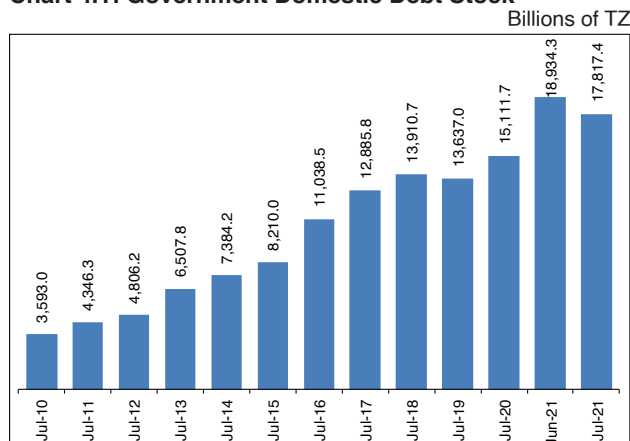
Source: Ministry of Finance and Planning, and Bank of Tanzania.



## 4.2 Domestic Debt

Government domestic debt amounted to TZS 17,817.4 billion at the end of July 2021, a decrease of TZS 1,116.9 billion from June 2021 and an increase of TZS 2,705.6 billion from the corresponding period in 2020 (**Chart 4.1**). Longer-term instruments, which are Treasury bonds and stocks, sustained dominance in the composition of domestic debt, accounting for 84.7 percent of the stock (**Table 4.5**).

**Chart 4.1: Government Domestic Debt Stock**



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

**Table 4.5: Government Domestic Debt by Borrowing Instruments**

| Instruments   | Jul-20         |              | Jun-21         |              | Jul-21         |              |
|---|----------------|--------------|----------------|--------------|----------------|--------------|
|   | Amount         | Share (%)    | Amount         | Share (%)    | Amount         | Share (%)    |
| Government securities                                 | 15009.6        | 99.3         | 16579.4        | 87.6         | 16863.7        | 94.6         |
| Treasury bills  | 2200.0         | 14.6         | 1774.9         | 9.4          | 1768.6         | 9.9          |
| Government stocks                                     | 252.7          | 1.7          | 252.7          | 1.3          | 252.7          | 1.4          |
| Government bonds                                      | 12556.8        | 83.1         | 14551.8        | 76.9         | 14842.4        | 83.3         |
| Tax certificates                                      | 0.1            | 0.0          | 0.1            | 0.0          | 0.1            | 0.0          |
| Non-securitized debt                                  | 102.2          | 0.7          | 2354.9         | 12.4         | 953.6          | 5.4          |
| Other liabilities*                                    | 18.4           | 0.1          | 18.4           | 0.1          | 18.4           | 0.1          |
| Overdraft   | 83.8           | 0.6          | 2336.5         | 12.3         | 935.3          | 5.2          |
| <b>Total domestic debt (without liquidity papers)</b> | <b>15111.7</b> | <b>100.0</b> | <b>18934.3</b> | <b>100.0</b> | <b>17817.4</b> | <b>100.0</b> |

Source: Ministry of Finance and Planning, and Bank of Tanzania.  
Note: \* includes NMB bank Plc standard loan and duty drawback.

Commercial banks and pension funds remained the dominant domestic creditors in July 2021, accounting for 34.8 percent and 26.6 percent, respectively (**Table 4.6**).

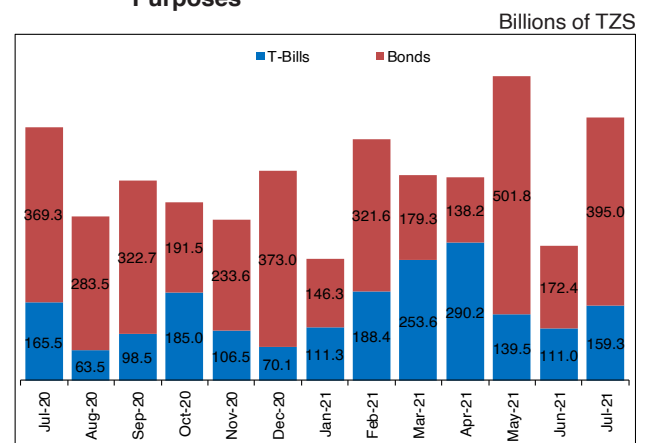
**Table 4.6: Government Domestic Debt by Creditor**  
Billions of TZS

| Holders             | Jul-20          |               | Jun-21          |               | Jul-21          |               |
|---------------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
|                     | Amount          | Share (%)     | Amount          | Share (%)     | Amount          | Share (%)     |
| Commercial banks    | 5349.84         | 35.40         | 5840.16         | 30.84         | 6195.83         | 34.77         |
| Bank of Tanzania    | 1366.97         | 9.05          | 3481.72         | 18.39         | 2080.47         | 11.68         |
| Pension funds       | 4468.85         | 29.57         | 4774.78         | 25.22         | 4736.47         | 26.58         |
| Insurance           | 1309.99         | 8.67          | 1484.04         | 7.84          | 1432.51         | 8.04          |
| BOT's special funds | 325.11          | 2.15          | 376.16          | 1.99          | 374.17          | 2.10          |
| Others              | 2290.99         | 15.16         | 2977.48         | 15.73         | 2997.93         | 16.83         |
| <b>Total</b>        | <b>15111.75</b> | <b>100.00</b> | <b>18934.33</b> | <b>100.00</b> | <b>17817.39</b> | <b>100.00</b> |

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.

In the month under review, Treasury securities worth TZS 554.3 billion were issued for financing the budget, of which Treasury bonds amounted to TZS 395.0 billion and the remainder was Treasury bills (**Chart 4.2**). Domestic debt service, excluding overdraft from the Bank of Tanzania, amounted to TZS 395.9 billion, of which TZS 270.0 billion was spent for principal repayments and the balance for interest payments.

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



Source: Bank of Tanzania.

## 5.0 External Sector Performance

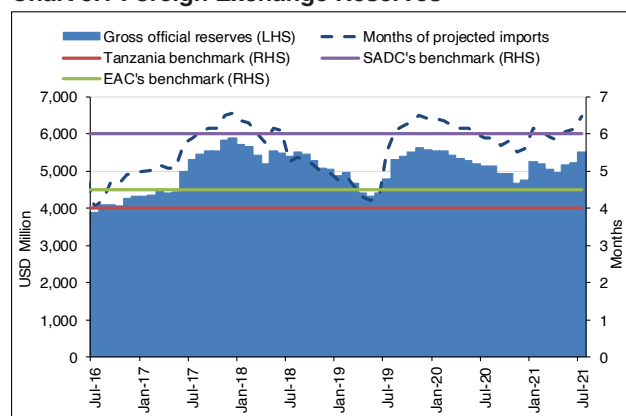
The performance of the external sector was modest and continued to experience spillover effects of COVID-19. During the year ending July 2021, the current account recorded a deficit of USD 1,457.7 million compared with a deficit of USD 908.4 million in the similar period in 2020, owing to decline in travel receipts from abroad. The overall balance of payments improved to a surplus of USD 436.4



million, compared with a surplus of USD 381.1 million, explained by increase in external financial inflows.

Gross official reserves amounted to USD 5,502 million at the end of July 2021. The amount of reserves covered about 5.7 months of projected imports, in line with the country benchmark of at least 4 months, as well as EAC and SADC convergence criteria of at least 4.5 and 6 months, respectively (**Chart 5.1**).

**Chart 5.1 Foreign Exchange Reserves**



Source: Bank of Tanzania.

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

**Table 5.1 Current Account**

| Items                        | Millions of USD  |        |        |                  |          |                   |
|------------------------------|------------------|--------|--------|------------------|----------|-------------------|
|                              | Year ending July |        |        | Year ending July |          |                   |
|                              | Jul-20           | Jun-21 | Jul-21 | 2019             | 2020     | 2021 <sup>P</sup> |
| Goods account                | 10.6             | -226.3 | -103.7 | -4,076.1         | -2,138.0 | -2,243.4          |
| Exports*                     | 638.2            | 568.8  | 653.4  | 4,528.5          | 6,163.4  | 6,473.1           |
| Imports                      | 627.6            | 795.1  | 757.1  | 8,604.6          | 8,301.3  | 8,716.5           |
| Services account             | 50.55            | 95.7   | 117.9  | 2,375.0          | 1,666.8  | 1,175.4           |
| Receipts                     | 140.2            | 220.0  | 253.5  | 4,119.8          | 3,218.7  | 2,503.7           |
| Payments                     | 89.6             | 124.3  | 135.6  | 1,744.8          | 1,552.0  | 1,328.4           |
| Goods and services           | 61.1             | -130.6 | 14.2   | -1,701.0         | -471.2   | -1,068.0          |
| Export of goods and services | 778.4            | 788.9  | 906.9  | 8,648.3          | 9,382.1  | 8,976.8           |
| Import of goods and services | 717.2            | 919.5  | 892.7  | 10,349.3         | 9,853.3  | 10,044.9          |
| Primary income account       | -68.4            | -88.6  | -81.0  | -821.9           | -903.2   | -853.2            |
| Receipts                     | 6.0              | 7.1    | 8.5    | 195.4            | 179.8    | 62.1              |
| Payments                     | 74.4             | 95.6   | 89.5   | 1,017.3          | 1,083.0  | 915.4             |
| Secondary income account     | 26.4             | 37.5   | 38.7   | 375.5            | 466.0    | 463.6             |
| Inflows                      | 30.7             | 42.4   | 43.3   | 436.0            | 517.6    | 517.6             |
| o/w General government       | 0.3              | 0.0    | 0.0    | 68.2             | 203.3    | 75.0              |
| Outflows                     | 4.3              | 4.9    | 4.7    | 60.4             | 51.6     | 54.0              |
| Current account balance      | 19.1             | -181.6 | -28.1  | -2,147.4         | -908.4   | -1,457.7          |

## 5.1 Exports

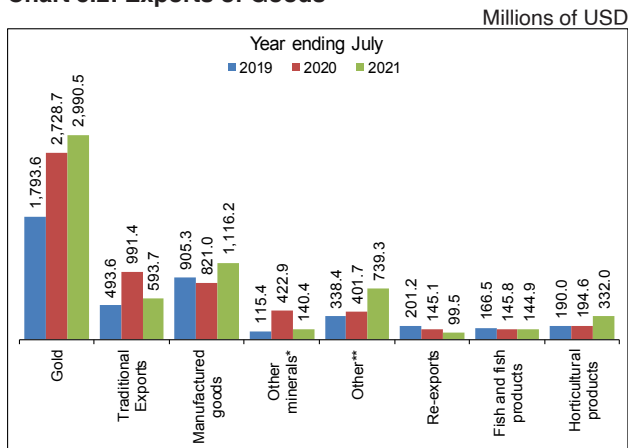
During the year ending July 2021, exports of goods and services amounted to USD 8,976.8 million compared with USD 9,382.1 million in the corresponding period in 2020. Much of the decline was observed in travel receipts, reflecting impact of the pandemic. Exports of goods increased by 5 percent to USD 6,473.1 million, with non-traditional exports rising by USD 703.1 million to USD 5,562.8 million. A notable increase was from exports of gold, manufactured goods, and horticultural products (**Chart 5.2**).

Gold exports, increased by USD 261.9 million to USD 2,990.5 million and accounted for 53.8 percent of export of non-traditional exports. This was largely boosted by high price in the world market. Export of manufactured goods increased by 36 percent to USD 1,116.2 million, while horticultural products increased to USD 332 million from USD 194.6 million. Exports categorised under other exports sub-group surged by 84.1 percent to USD 739.3 million, mostly due to an increase in exports of rice and beans to neighbouring countries, and oilseeds to Asia. On a month-to-month basis, export value of non-traditional goods slightly decreased to USD 591.4 million from USD 596.3 million in July 2020.

Traditional exports decreased to USD 593.7 million in the year ending July 2020 from USD 991.4 million in the corresponding period in 2020, largely due to low prices, owing to subdued demand in world market attributable to effects of the pandemic. The decline was observed in all traditional export crops, except coffee and sisal. On a monthly basis however, traditional exports rose to USD 23.4 million compared with USD 8.1 million in the corresponding month in 2020. This is occurred in exports of coffee, cotton and tobacco.



Chart 5.2: Exports of Goods

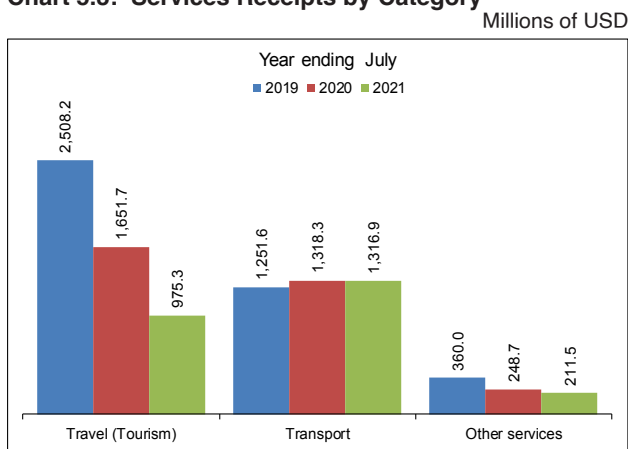


Source: Tanzania Revenue Authority and Bank of Tanzania Computations.

Note: Other minerals\* mainly include mineral concentrates, tanzanite and diamond; and other\*\* stands for non-traditional exports which include oil seeds, cereals, cocoa, raw hides and skins, and woods.

Services receipts declined by 22.2 percent to USD 2,503.7 million for the year ending July 2021. Travel receipts, which accounted for 39.0 percent of total service receipts, declined by 41 percent to USD 975.3 million, on account of containment measures implemented by various countries against COVID-19 pandemic (Chart 5.3). The number of international arrivals declined to 701,125 from 1,090,753 in the year to July 2021. On a monthly basis, in July 2021, services receipts increased to USD 253.5 million, compared with USD 140.2 million in July 2020, attributed to an increase in travel receipts, suggesting a gradual pickup of tourism activities from last year.

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

Imports of goods and services increased to USD 10,044.9 million in the year ending July 2021 from USD 9,853.3 million in the corresponding period in 2020, mainly because of a rise in imports of machinery and all consumer goods except food and foodstuffs. The value of goods imported during the period increased to USD 8,716.5 million from USD 8,301.3 million. Oil imports which constituted 18.4 percent of all goods imports, rose moderately by 5.7 percent to USD 1,601.5 million (Table 5.2). Oil prices have been rising since June 2021, contributing to the increasing imports bill. Similarly, on a monthly basis, goods import bill increased by USD 129.5 million to USD 757.1 million in July 2021 when compared with the corresponding period in 2020. This was brought on by a rise in importation of consumer and capital goods.

Table 5.2: Goods Imports

| Items                                 | Year ending July |        |        | Percentage change | Year ending July |                   | Percentage change | Percentage contribution, year ending July |
|---------------------------------------|------------------|--------|--------|-------------------|------------------|-------------------|-------------------|---|
|                                       | Jul-20           | Jun-21 | Jul-21 |                   | 2020             | 2021 <sup>p</sup> |                   |   |
| Capital goods                         | 243.6            | 323.3  | 299.0  | -7.5              | 3,372.6          | 3,459.5           | 2.6               | 39.7                                      |
| Transport equipment                   | 49.2             | 66.6   | 74.6   | 12.0              | 889.7            | 873.3             | -1.8              | 10.0                                      |
| Building and constructions            | 59.5             | 80.4   | 96.7   | 20.4              | 1,014.0          | 1,008.0           | -0.6              | 11.6                                      |
| Machinery                             | 134.9            | 176.3  | 127.7  | -27.6             | 1,468.9          | 1,578.2           | 7.4               | 18.1                                      |
| Intermediate goods                    | 194.2            | 256.0  | 206.3  | -19.4             | 2,458.1          | 2,591.1           | 5.4               | 29.7                                      |
| Oil imports                           | 95.9             | 174.1  | 120.7  | -30.7             | 1,512.6          | 1,601.5           | 5.9               | 18.4                                      |
| Fertilizers                           | 33.6             | 8.2    | 26.0   | 217.3             | 177.7            | 146.6             | -17.5             | 1.7                                       |
| Industrial raw materials              | 64.7             | 73.7   | 59.6   | -19.1             | 767.7            | 843.1             | 9.8               | 9.7                                       |
| Consumer goods                        | 189.8            | 215.9  | 251.8  | 16.7              | 2,470.7          | 2,665.8           | 7.9               | 30.6                                      |
| Food and food stuffs                  | 12.4             | 31.6   | 56.7   | 79.5              | 438.8            | 427.2             | -2.6              | 4.9                                       |
| All other consumer goods <sup>1</sup> | 177.4            | 184.3  | 195.1  | 5.9               | 2,031.9          | 2,238.6           | 10.2              | 25.7                                      |
| Total                                 | 627.6            | 795.1  | 757.1  | -4.8              | 8,301.3          | 8,716.5           | 5.0               | ---                                       |

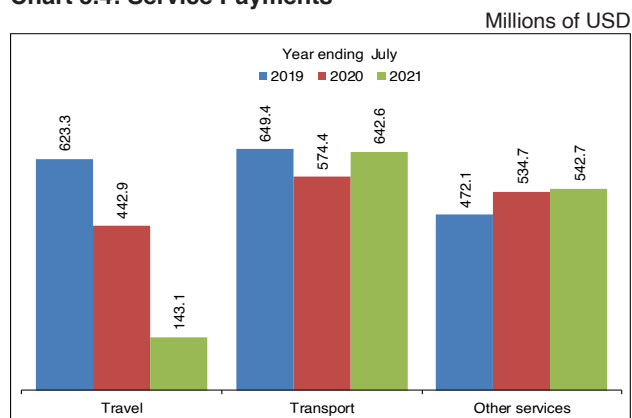
Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: <sup>1</sup>. 'All other consumer goods' include pharmaceutical products, paper products, plastic items, optical/photographic materials, and textile apparels; and p denotes provisional data

Services payments amounted to USD 1,328.4 million in the year ending July 2021, lower than USD 1,552.0 million recorded in the corresponding period in 2020, arising from lower travel payments due to measures adopted by countries to limit the spread of COVID-19 pandemic (Chart 5.4). On a month-to-month basis, services payments increased to USD 135.6 million in July 2021 from USD 89.6 million in the corresponding period in 2020, following an increase in freight payments, in line with the rise in monthly import bill.



**Chart 5.4: Service Payments**



Source: Banks and Bank of Tanzania computations.

Note: Other services include construction, insurance, financial, telecommunication, computer and information, government, personal and other business services.

Primary income account deficit narrowed to USD 853.2 million in the year ending June 2021 from USD 903.2 million recorded in the corresponding period in 2020, stemming from a decrease in payments abroad. On a monthly basis, the primary income account deficit widened to USD 81.0 million from USD 68.4 million recorded in July 2020, following an increase in income payments abroad.

Secondary income account registered a surplus of USD 463.6 million in the year ending July 2021, broadly remaining the same as in the corresponding period in 2020. This outturn was due to relatively lower transfers to the private sector. In July 2021, a surplus of USD 38.7 million was registered compared with USD 26.4 million in the corresponding period in 2020.

### 5.3 World Commodity Prices

During July 2021, prices of most commodities rose with the exception of tea, clove and gold (**Table 5.3**). The price of crude oil increased to USD 74.4 per barrel in July 2021, on account of growing demand relative to supply. Gold prices fell slightly in July 2021 owing to stronger US dollar and higher treasury yields as well as revival of activity in equity market. The rise in prices of most of commodities was driven by the ongoing increase in demand as the recovery progresses, amidst resurgence of the new variant of COVID-19.

Annually, prices of all commodities increased except sisal and tea (Mombasa auction) (**Table 5.3**). The higher price of oil is associated with recovery of price in the first half of 2021, following a prolonged downward trend in 2020 due to COVID-19 pandemic. Meanwhile, the rise in prices of cotton and coffee increased for the reasons associated with demand. The increase in the price of gold stemmed from the uncertainty in the global market, amid COVID-19 pandemic, thus investors resorting to gold as an alternative asset.

**Table 5.3: World Commodity Prices**

| Commodity              | Unit of measure    | Year ending July (Twelve months average) |          | Percent change | Year ending July (Twelve months average) |          | Percent change |
|------------------------|--------------------|--|----------|----------------|--|----------|----------------|
|                        |                    | Jun-21                                   | Jul-21   |                | 2020                                     | 2021     |                |
| Crude oil*             | USD per barrel     | 73.07                                    | 74.39    | 1.8            | 49.85                                    | 56.74    | 13.8           |
| Crude oil**            | USD per barrel     | 70.96                                    | 73.00    | 2.9            | 49.47                                    | 55.61    | 12.4           |
| White products***      | USD per tonne      | 652.12                                   | 662.56   | 1.6            | 459.84                                   | 496.90   | 8.1            |
| Sisal under grade (UG) | USD per kg         | 1.70                                     | 1.70     | 0.0            | 1.70                                     | 1.68     | -1.3           |
| Cotton, "A Index"      | USD per kg         | 2.08                                     | 2.15     | 3.5            | 1.57                                     | 1.87     | 19.2           |
| Robusta Coffee         | USD per kg         | 1.87                                     | 2.08     | 11.6           | 1.51                                     | 1.67     | 10.5           |
| Arabica Coffee         | USD per kg         | 4.24                                     | 4.49     | 6.0            | 3.12                                     | 3.74     | 19.8           |
| Tea (Average prices)   | USD per kg         | 2.71                                     | 2.66     | -2.1           | 2.55                                     | 2.76     | 8.0            |
| Tea (Mombasa auction)  | USD per kg         | 1.85                                     | 1.76     | -4.7           | 2.11                                     | 1.95     | -7.4           |
| Cloves                 | USD per kg         | 9.32                                     | 7.95     | -14.6          | 5.79                                     | 6.61     | 14.1           |
| Gold                   | USD per troy ounce | 1,834.57                                 | 1,807.84 | -1.5           | 1,598.60                                 | 1,846.80 | 15.5           |

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 \*\*\* average of jet/kerosene, premium gasoline and heat oil

## 6.0 Economic Performance in Zanzibar

### 6.1 Inflation

Twelve-month inflation remained low at 2.2 percent in July 2021, though slightly higher than 1.9 percent in the preceding month, driven by food prices. Nonetheless, the inflation outturn was lower than 3.6 percent registered in July 2020. Annual food inflation rose to 1.3 percent in July 2021 from 0.2 percent in June 2021 mainly driven by higher prices in cooking banana, cooking oil and wheat flour. On month-to-month basis, headline inflation was 0.1 percent in July 2021 compared to -0.5 percent in July 2020 (**Table 6.1** and **Chart 6.1**).



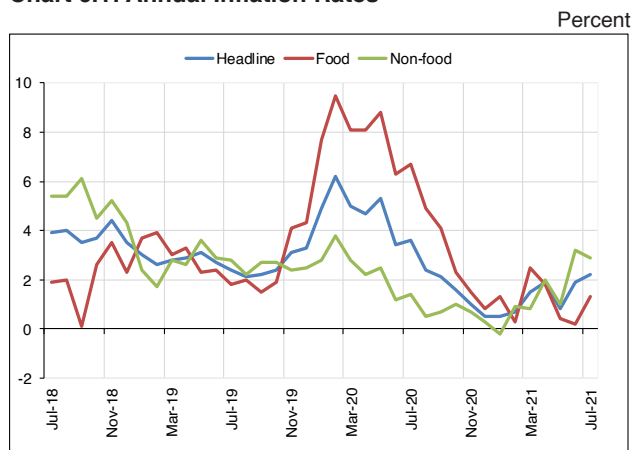
**Table 6.1: Inflation Developments**

Base: Jan 2017=100

| Main groups                                      | Weight       | Monthly change |             |            | Annual change |            |            |
|--|--------------|----------------|-------------|------------|---------------|------------|------------|
|  |              | Jul-20         | Jun-21      | Jul-21     | Jul-20        | Jun-21     | Jul-21     |
| Food and non-alcoholic beverage:                 | 43.6         | -1.9           | -1.7        | -0.5       | 6.7           | 0.2        | 1.3        |
| Alcoholic beverages, tobacco and narcotics       | 0.2          | 10.7           | 0.0         | 0.0        | 11.4          | 0.2        | -0.5       |
| Clothing and footwear                            | 6.9          | -0.3           | -0.3        | -0.3       | 1.9           | 0.8        | 0.6        |
| Housing, water, electricity, gas and other fuels | 18.4         | 0.3            | 1.7         | 0.9        | 4.2           | 2.3        | 2.1        |
| Furnishing, household equipment                  | 5.5          | 0.1            | 0.4         | 0.0        | 2.2           | 4.3        | 4.4        |
| Health   | 2.1          | 4.0            | 0.2         | 0.2        | 8.6           | 4.3        | 4.6        |
| Transport  | 9.6          | 2.2            | 0.7         | 0.7        | -7.1          | 9.0        | 7.3        |
| Communication                                    | 4.2          | 0.0            | 0.0         | 0.0        | 0.0           | 0.1        | 0.1        |
| Recreation and culture                           | 1.3          | 0.5            | 0.1         | 0.0        | 3.9           | -1.7       | -1.7       |
| Education  | 1.9          | 0.0            | 0.0         | 0.0        | 3.2           | 10.7       | 10.7       |
| Restaurants and hotels                           | 3.9          | 0.0            | 0.0         | 0.0        | 0.8           | 0.0        | 0.0        |
| Miscellaneous goods and services                 | 2.3          | 0.1            | 1.7         | 2.4        | 3.6           | 1.7        | 3.5        |
| <b>All items (Headline inflation)</b>            | <b>100.0</b> | <b>-0.5</b>    | <b>-0.3</b> | <b>0.1</b> | <b>3.6</b>    | <b>1.9</b> | <b>2.2</b> |
| <b>Selected groups</b>                           |              |                |             |            |               |            |            |
| Food   | 42.7         | -1.9           | -1.7        | -0.5       | 6.7           | 0.2        | 1.3        |
| Non-food   | 57.3         | 0.6            | 0.7         | 0.5        | 1.4           | 3.2        | 2.9        |

Source: Office of the Chief Government Statistician

**Chart 6.1: Annual Inflation Rates**



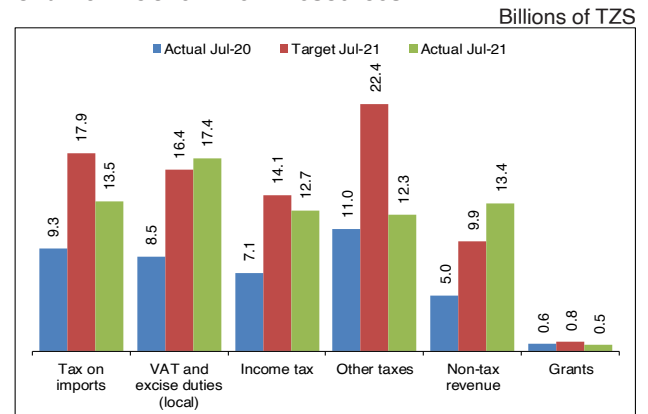
Source: Office of the Chief Government Statistician

## 6.2 Government Budgetary Operations

During July 2021, government resource envelope (comprising of revenue and grants) amounted to TZS 69.8 billion, higher by 68.0 percent from the amount collected in the corresponding period in 2020. Out of the total revenue, TZS 69.2 billion was domestic revenue and the balance was grants.

With exception of non-tax revenue, VAT and excise duties (local), all other tax revenues collected were below the target for July 2021. Out of the domestic revenue, tax revenue collections accounted for 80.7 percent and the balance was non-tax revenue (**Chart 6.2**).

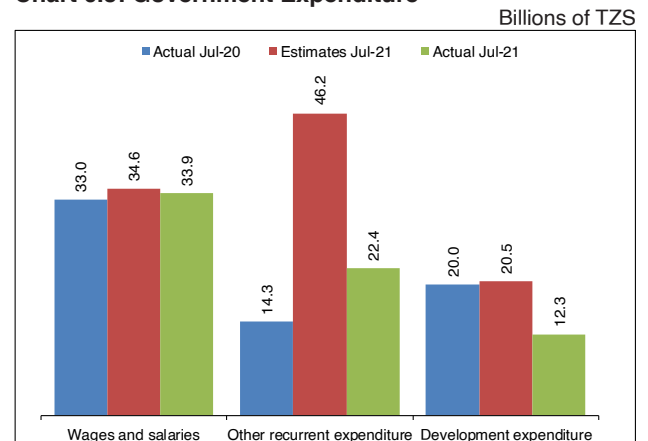
**Chart 6.2: Government Resources**



Source: President's Office, 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.

Government expenditure amounted to TZS 68.7 billion, of which recurrent expenditure was TZS 56.4 billion and TZS 12.3 billion was for development projects (**Chart 6.3**). Local financing to development projects was TZS 11.1 billion, equivalent to 3.0 percent below the estimates, while foreign financing amounted to TZS 1.2 billion.

**Chart 6.3: Government Expenditure**



Source: President's Office, 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 balance widened to a deficit of USD 277.1 million in the year ending July 2021 from a deficit of USD 51.7 million registered during the corresponding period in 2020. This was largely attributed to decrease in receipt from services and secondary income coupled with increase in imports (Table 6.2).

Table 6.2: Current Account

|                               | Millions of USD |        |                     |                  |                   |            |
|-------------------------------|-----------------|--------|---------------------|------------------|-------------------|------------|
|                               | Jul-20          | Jun-21 | Jul-21 <sup>P</sup> | Year ending July |                   | Percentage |
|                               |                 |        |                     | 2020             | 2021 <sup>P</sup> | change     |
| Goods account (net)           | -39.2           | -26.6  | -17.0               | -253.4           | -301.9            | 19.2       |
| Exports                       | 0.8             | 0.9    | 1.1                 | 29.8             | 25.6              | -14.1      |
| Imports (fob)                 | 40.0            | 27.5   | 18.0                | 283.2            | 327.5             | 15.6       |
| Services account (net)        | 6.0             | -6.5   | -4.6                | 72.5             | -19.5             | --         |
| Receipts                      | 11.3            | 2.9    | 3.1                 | 203.5            | 93.3              | -54.2      |
| Payments                      | 5.3             | 9.3    | 7.6                 | 131.0            | 112.8             | -13.9      |
| Goods and services (net)      | -33.2           | -33.1  | -21.6               | -180.9           | -321.4            | 77.7       |
| Exports of goods and services | 12.1            | 3.7    | 4.1                 | 233.3            | 118.9             | -49.0      |
| Imports of goods and services | 45.3            | 36.8   | 25.7                | 414.2            | 440.3             | 6.3        |
| Primary income account (net)  | 0.0             | 0.3    | 0.6                 | 15.3             | 5.7               | -63.1      |
| Receipts                      | 0.9             | 0.7    | 0.9                 | 25.1             | 10.4              | -58.5      |
| Payments                      | 0.9             | 0.4    | 0.3                 | 9.8              | 4.8               | -51.3      |
| Secondary income (net)        | 8.4             | -0.3   | -0.1                | 113.9            | 38.7              | -66.1      |
| Inflows                       | 9.2             | 0.4    | 0.5                 | 133.9            | 46.8              | -65.0      |
| Outflows                      | 0.8             | 0.7    | 0.6                 | 20.0             | 8.2               | -59.2      |
| Current account balance       | -24.8           | -33.0  | -21.1               | -51.7            | -277.1            | --         |

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

Note: p denotes provisional data; and fob, free on board

### 6.3.2 Exports

Exports of goods and services decreased to USD 118.9 million from USD 233.3 million in the year ending July 2020, driven by decline in services receipts, particularly in tourism (Table 6.2). Earnings from cloves exports declined to USD 1.0 million from USD 18.6 million in the year ending July 2020 due to cyclical nature of the crop (Table 6.3). On month-to-month basis, goods exports increased to USD 1.1 million in July 2021 from USD 0.8 million in July 2020 and USD 0.9 million in June 2021.

Table 6.3: Exports of Goods

| Units                   | Jul-20       | Jun-21 <sup>P</sup> | Jul-21 <sup>P</sup> | Year ending July |                   | Percentage change |       |
|-------------------------|--------------|---------------------|---------------------|------------------|-------------------|-------------------|-------|
|                         |              |                     |                     | 2020             | 2021 <sup>P</sup> |                   |       |
| Traditional exports     |              |                     |                     |                  |                   |                   |       |
| Clove                   |              |                     |                     |                  |                   |                   |       |
| Value                   | '000' of USD | 0.0                 | 3.9                 | 0.0              | 18,633.7          | 1,032.8           | -94.5 |
| Volume                  | '000' Tonnes | 0.0                 | 0.0                 | 0.0              | 3.9               | 0.2               | -95.6 |
| Unit price              | USD/Tonne    |                     | 14,898.2            |                  | 4,971.3           | 7,316.3           | 47.2  |
| Non-traditional exports |              |                     |                     |                  |                   |                   |       |
| Seaweeds                |              |                     |                     |                  |                   |                   |       |
| Value                   | '000' of USD | 407.7               | 119.5               | 433.3            | 5,393.2           | 13,258.9          | --    |
| Volume                  | '000' Tonnes | 0.6                 | 0.4                 | 1.0              | 8.0               | 18.1              | --    |
| Unit price              | USD/Tonne    | 679.5               | 307.5               | 431.7            | 676.1             | 886.9             | 31.2  |
| Manufactured goods      | '000' of USD | 130.6               | 283.5               | 324.0            | 3,064.7           | 7,279.3           | --    |
| Fish and fish products  | '000' of USD | 117.1               | 204.3               | 157.9            | 1,066.0           | 1,830.8           | 71.7  |
| Others exports          | '000' of USD | 142.5               | 257.3               | 144.8            | 1,662.6           | 2,201.3           | 32.4  |
| Sub-total               | '000' of USD | 797.9               | 864.6               | 1,060.0          | 11,186.5          | 24,570.3          | --    |
| Grand-total             | USD ('000')  | 797.9               | 868.5               | 1,060.0          | 29,820.2          | 25,603.1          | -14.1 |

Source: Tanzania Revenue Authority and Bank of Tanzania computations.

Note: Other exports mainly include souvenirs and spices; value and volumes are in thousands USD; p, denotes provisional data; and "--", change that exceeds 100 percent.

### 6.3.3 Imports

The value of imports of goods and services amounted to USD 440.3 million in the year ending July 2021 from USD 414.2 million in the corresponding period in 2020 (Table 6.2). This development was associated with increase in imports of capital goods. Most of the imported capital goods were machinery and transport equipment. On month-to-month basis, imports (f.o.b) amounted to USD 18.0 million in July 2021 compared to USD 16.4 million in July 2020 and USD 27.5 million in June 2021 (Table 6.4).

Table 6.4: Imports of Goods

|                           | Millions of USD |                     |                     |                  |                   |            |
|---------------------------|-----------------|---------------------|---------------------|------------------|-------------------|------------|
|                           | Jul-20          | Jun-21 <sup>P</sup> | Jul-21 <sup>P</sup> | Year ending July |                   | Percentage |
|                           |                 |                     |                     | 2020             | 2021 <sup>P</sup> | change     |
| Capital goods             | 7.8             | 8.2                 | 4.2                 | 105.5            | 154.1             | 46.0       |
| Transport equipment       | 0.8             | 1.7                 | 1.1                 | 14.6             | 48.3              | --         |
| Building and construction | 3.8             | 2.3                 | 1.6                 | 27.0             | 23.0              | -14.8      |
| Machinery                 | 3.2             | 4.2                 | 1.5                 | 63.9             | 82.8              | 29.5       |
| Intermediate goods        | 4.9             | 8.9                 | 3.7                 | 99.0             | 92.7              | -6.3       |
| Oil imports               | 3.0             | 5.4                 | 2.2                 | 74.9             | 52.3              | -30.2      |
| Industrial raw materials  | 1.9             | 3.4                 | 1.5                 | 24.1             | 40.4              | 67.7       |
| Consumer goods            | 5.3             | 10.5                | 10.2                | 106.7            | 106.5             | -0.2       |
| Food and food stuffs      | 2.2             | 3.0                 | 5.3                 | 52.2             | 36.6              | -29.9      |
| All other consumer goods  | 3.1             | 7.5                 | 4.8                 | 54.5             | 69.9              | 28.2       |
| Grand total (c.i.f)       | 18.0            | 30.2                | 19.8                | 311.2            | 359.9             | 15.6       |
| Grand total (f.o.b)       | 16.4            | 27.5                | 18.0                | 283.2            | 327.5             | 15.6       |

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      | 2016 <sup>r</sup> | 2017 <sup>r</sup> | 2018 <sup>r</sup> | 2019 <sup>p</sup> | 2020 <sup>p</sup> |
|---|-----------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>National accounts and prices</b>   |           |                   |                   |                   |                   |                   |
| 1.1 Annual change in GDP at current prices  | Percent   | 14.9              | 9.6               | 8.7               | 8.2               | 6.4               |
| 1.2 Annual change in GDP at constant 2015 prices  | Percent   | 6.9               | 6.8               | 7.0               | 7.0               | 4.8               |
| 1.3 GDP per capita-current prices (TZS)   | '000' TZS | 2,191.2           | 2,327.4           | 2,452.4           | 2,573.3           | 2,653.8           |
| 1.4 GDP per capita-current prices (USD)   | USD       | 1,006.5           | 1,044.2           | 1,083.2           | 1,126.5           | 1,156.8           |
| 1.5 Annual change in consumer price index (Inflation)                                     | Percent   | 5.2               | 5.3               | 3.5               | 3.4               | 3.3               |
| 1.6 Saving to GNDI ratio <sup>f</sup>   | Percent   | 19.0              | 17.5              | 18.3              | 18.8              | n.a               |
| <b>Money, credit and interest rates</b>   |           |                   |                   |                   |                   |                   |
| 2.1 Annual change in extended broad money supply (M3)                                     | Percent   | 3.4               | 8.0               | 4.5               | 9.6               | 5.7               |
| 2.2 Annual change in broad money supply (M2)  | Percent   | 5.3               | 10.4              | 3.8               | 11.8              | 8.2               |
| 2.3 Annual change in narrow money supply (M1)   | Percent   | 5.3               | 10.6              | 5.1               | 13.7              | 7.5               |
| 2.4 Annual change in reserve money (M0)   | Percent   | 0.3               | 1.5               | 0.6               | 6.8               | -4.0              |
| 2.5 Annual change in credit to the private sector   | Percent   | 7.2               | 1.7               | 4.9               | 11.1              | 3.1               |
| 2.6 Total credit to GDP ratio <sup>1</sup>  | Percent   | 19.3              | 17.0              | 17.2              | 16.9              | 17.6              |
| 2.7 Non-government sector credit to GDP ratio <sup>1</sup>                                | Percent   | 15.3              | 14.2              | 13.7              | 14.1              | 13.7              |
| 2.8 Ratio of credit to non-government sector to total credit                              | Percent   | 79.5              | 83.8              | 79.8              | 83.5              | 77.7              |
| 2.9 12-Months deposit rate <sup>2</sup>   | Percent   | 11.5              | 11.7              | 8.8               | 8.8               | 8.3               |
| 2.10 Overall treasury bill rate <sup>2</sup>  | Percent   | 16.2              | 11.1              | 6.4               | 7.7               | 4.4               |
| 2.11 Long-term lending rate (3-5 years) <sup>2</sup>                                      | Percent   | 15.6              | 17.9              | 17.4              | 16.6              | 16.2              |
| <b>Balance of payments</b>  |           |                   |                   |                   |                   |                   |
| 3.1 Exports of goods (f.o.b)  | Mill. USD | 4,873.9           | 4,510.8           | 4,292.7           | 5,377.6           | 6,371.7           |
| 3.2 Imports of goods (f.o.b)  | Mill. USD | -8,463.6          | -7,551.7          | -8,298.6          | -8,793.1          | -7,656.7          |
| 3.3 Trade balance   | Mill. USD | -3,589.8          | -3,041.0          | -4,005.9          | -3,415.5          | -1,285.0          |
| 3.4 Current account balance   | Mill. USD | -2,739.1          | -1,827.1          | -2,050.2          | -1,490.9          | -994.8            |
| 3.5 Overall balance   | Mill. USD | -748.7            | 1,669.6           | -784.0            | 587.0             | -764.9            |
| 3.6 Gross official reserves   | Mill. USD | 4,325.6           | 5,900.3           | 5,044.6           | 5,567.6           | 4,767.7           |
| 3.7 Reserves months of imports (of goods and services)<br>(excluding FDI related imports) | Months    | 5.0               | 6.6               | 4.9               | 6.4               | 5.6               |
| 3.8 Exchange rate:  |           |                   |                   |                   |                   |                   |
| Annual average  | TZS/USD   | 2,177.1           | 2,228.9           | 2,263.8           | 2,288.2           | 2,294.1           |
| End of period   | TZS/USD   | 2,172.6           | 2,230.1           | 2,281.2           | 2,287.9           | 2,298.5           |
|   |           | 2016/17           | 2017/18           | 2018/19           | 2019/20           | 2020/21           |
| <b>Public finance</b>   |           |                   |                   |                   |                   |                   |
| 4.1 Current revenue to GDP ratio <sup>1</sup>   | Percent   | 14.7              | 14.6              | 13.9              | 14.7              | 13.3              |
| 4.2 Grants to GDP ratio <sup>1</sup>  | Percent   | 0.9               | 0.8               | 0.7               | 0.6               | 0.4               |
| 4.3 Current expenditure to GDP ratio <sup>1</sup>   | Percent   | 10.2              | 10.5              | 10.4              | 9.9               | 9.6               |
| 4.4 Development expenditure to GDP ratio <sup>1</sup>                                     | Percent   | 6.4               | 6.2               | 6.4               | 6.5               | 7.5               |
| 4.5 Budget balance to GDP ratio (excluding grants) <sup>1</sup>                           | Percent   | -2.0              | -2.1              | -2.9              | -1.7              | -3.9              |
| 4.5 Overall Budget balance to GDP ratio <sup>1,3</sup>                                    | Percent   | -0.3              | -1.7              | -2.5              | -2.0              | -3.9              |
| Total external debt stock   | Mill. USD | 18,651.1          | 20,503.0          | 21,920.9          | 22,952.7          | 25,537.5          |
| 5.1 Disbursed debt  | Mill. USD | 17,251.2          | 18,765.1          | 20,029.3          | 20,958.4          | 23,269.1          |
| 5.2 Interest Arrears  | Mill. USD | 1,399.9           | 1,737.9           | 1,891.7           | 1,994.3           | 2,268.4           |

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

The National Bureau of Statistics has revised national account statistics using 2015 as the base year



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

|   | Million of TZS    |             |             |
|---|-------------------|-------------|-------------|
|   | Budget<br>2021/22 | July 2021   |             |
|   |                   | Estimate    | Actual      |
| Total revenue (including LGAs)            | 26,384,734.5      | 1,820,388.8 | 1,693,752.3 |
| Central government revenue                | 25,520,876.5      | 1,737,372.6 | 1,616,809.7 |
| Tax revenue                               | 20,738,280.6      | 1,461,941.7 | 1,367,474.3 |
| Taxes on imports                          | 7,787,567.1       | 604,088.1   | 626,924.5   |
| Sales/VAT and excise on local goods       | 4,677,705.3       | 302,673.5   | 234,307.2   |
| Income taxes                              | 7,018,384.8       | 470,327.0   | 442,411.5   |
| Other taxes                               | 1,254,623.5       | 84,853.1    | 63,831.0    |
| Non- tax revenue                          | 4,782,595.9       | 275,430.8   | 249,335.3   |
| LGA own sources                           | 863,858.0         | 83,016.2    | 76,942.6    |
| Total expenditure <sup>1</sup>            | 30,480,206.8      | 2,279,694.4 | 2,302,880.0 |
| Recurrent expenditure                     | 16,801,260.4      | 1,352,073.8 | 1,314,099.8 |
| Wages and salaries                        | 8,150,509.0       | 652,772.0   | 651,862.4   |
| Interest payments                         | 2,676,728.9       | 247,828.8   | 215,066.8   |
| Domestic                                  | 1,796,994.3       | 164,068.3   | 164,068.3   |
| Foreign                                   | 879,734.6         | 83,760.5    | 50,998.5    |
| Other goods, services and transfers       | 5,974,022.5       | 451,473.0   | 447,170.6   |
| Development expenditure and net lending   | 13,678,946.3      | 927,620.7   | 988,780.2   |
| Local                                     | 10,723,023.0      | 809,148.8   | 806,986.9   |
| Foreign                                   | 2,955,923.3       | 118,471.9   | 181,793.3   |
| Balance before grants                     | -4,095,472.2      | -459,305.6  | -609,127.8  |
| Grants                                    | 1,138,076.3       | 51,066.3    | 87,689.7    |
| Program                                   | 0.0               | 0.0         | 0.0         |
| Project                                   | 915,506.3         | 48,752.1    | 87,689.7    |
| Basket funds                              | 222,570.0         | 2,314.2     | 0.0         |
| Balance (cheques issued) after grants     | -2,957,395.9      | -408,239.4  | -521,438.1  |
| Expenditure float                         | 0.0               | 0.0         | -2.2        |
| Adjustments to cash and other items (net) | 0.0               | 0.0         | 440,193.8   |
| Overall balance                           | -2,957,395.9      | -408,239.4  | -81,246.4   |
| Financing                                 | 2,957,395.9       | 408,239.4   | 81,246.4    |
| Foreign financing (net)                   | 1,118,599.7       | 1,049,932.4 | 949,911.2   |
| Loans                                     | 4,169,954.0       | 1,279,051.2 | 1,092,785.4 |
| Program loans                             | 0.0               | 0.0         | 0.0         |
| Development project loans                 | 4,110,218.0       | 1,279,051.2 | 1,092,785.4 |
| o/w: Non-concessional borrowing           | 2,352,106.9       | 1,211,645.6 | 998,681.8   |
| Basket support                            | 59,736.0          | 0.0         | 0.0         |
| Amortization                              | -3,051,354.3      | -229,118.8  | -142,874.2  |
| Domestic (net) <sup>2</sup>               | 1,838,796.2       | -641,693.1  | -868,664.8  |
| Bank and non-bank financing               | 1,838,796.2       | -641,693.1  | -868,664.8  |
| Bank borrowing                            | 1,638,796.2       | -571,898.1  | -925,869.0  |
| Non-bank (net of amortization)            | 200,000.1         | -69,794.9   | 57,204.2    |
| Borrowing/roll-over                       | 3,150,336.7       | 200,747.2   | -200,747.2  |
| Domestic and contingent debt amortization | -3,150,336.7      | -200,747.2  | 200,747.2   |

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

NDF, net domestic financing; and o/w, of which



**Table A3: Depository Corporations Survey**

| Items  | Jul-20   | Aug-20   | Sep-20   | Oct-20   | Nov-20   | Dec-20   | Jan-21   | Feb-21   | Mar-21   | Apr-21   | May-21   | Jun-21   | Jul-21   |
|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Net foreign assets   | 11,431.5 | 11,792.8 | 11,267.1 | 11,049.6 | 10,387.9 | 10,722.5 | 11,862.2 | 11,517.5 | 11,307.8 | 10,595.2 | 11,778.3 | 11,989.3 | 12,643.4 |
| Bank of Tanzania   | 11,068.1 | 11,136.6 | 10,667.5 | 10,693.3 | 10,336.4 | 10,308.8 | 11,389.7 | 11,371.9 | 11,076.2 | 10,890.8 | 11,312.0 | 11,545.4 | 12,252.6 |
| Other depository corporations  | 363.4    | 656.2    | 599.5    | 356.3    | 51.5     | 413.8    | 472.6    | 145.6    | 231.6    | -295.7   | 466.3    | 443.9    | 390.8    |
| Net domestic assets  | 17,907.4 | 18,210.4 | 18,162.1 | 18,651.6 | 19,233.0 | 19,198.0 | 18,061.6 | 18,289.1 | 18,850.6 | 20,406.8 | 19,547.5 | 21,324.6 | 19,915.0 |
| Domestic claims  | 25,180.0 | 25,759.3 | 25,247.8 | 25,806.0 | 26,153.0 | 26,139.6 | 25,161.9 | 25,154.5 | 26,240.4 | 27,514.9 | 26,895.3 | 28,219.8 | 27,425.3 |
| Claims on central government (net)                                   | 5,260.0  | 5,445.7  | 5,038.9  | 5,533.9  | 5,767.5  | 5,831.3  | 4,838.4  | 4,755.4  | 5,762.6  | 6,855.2  | 6,187.3  | 7,616.9  | 6,691.0  |
| Claims on central government   | 11,500.7 | 12,027.0 | 12,313.4 | 12,768.6 | 13,034.5 | 12,599.1 | 12,081.2 | 12,506.0 | 13,162.8 | 13,902.0 | 13,663.0 | 12,673.3 | 12,523.3 |
| Liabilities to central government                                    | 6,240.7  | 6,581.3  | 7,274.5  | 7,234.7  | 7,267.0  | 6,767.7  | 7,242.8  | 7,750.6  | 7,400.2  | 7,046.7  | 7,475.7  | 5,056.4  | 5,832.3  |
| Claims on non-government sector                                      | 19,920.0 | 20,313.6 | 20,209.0 | 20,272.1 | 20,385.5 | 20,308.3 | 20,323.5 | 20,399.0 | 20,477.8 | 20,659.7 | 20,708.0 | 20,602.9 | 20,734.2 |
| Other items (net)  | -7,272.7 | -7,548.8 | -7,085.7 | -7,154.4 | -6,920.0 | -6,941.6 | -7,100.4 | -6,865.3 | -7,389.8 | -7,108.0 | -7,347.8 | -6,895.3 | -7,510.3 |
| Broad money liabilities  | 29,338.8 | 30,003.2 | 29,429.2 | 29,701.2 | 29,620.9 | 29,920.6 | 29,923.8 | 29,806.6 | 30,158.4 | 31,002.0 | 31,325.9 | 33,313.9 | 32,558.4 |
| Currency outside depository corporations                             | 4,270.3  | 4,264.2  | 4,323.7  | 4,494.4  | 4,478.4  | 4,500.5  | 4,198.7  | 4,326.7  | 4,299.2  | 4,359.0  | 4,404.5  | 4,700.5  | 4,811.7  |
| Transferable deposits  | 14,029.7 | 14,582.1 | 13,670.4 | 13,998.2 | 13,882.3 | 14,029.4 | 14,429.6 | 14,500.6 | 14,691.8 | 15,158.3 | 15,553.3 | 16,797.4 | 16,124.6 |
| Non-transferable (other) deposits                                    | 11,038.8 | 11,156.9 | 11,435.0 | 11,208.6 | 11,260.3 | 11,390.6 | 11,295.5 | 10,979.2 | 11,167.4 | 11,484.7 | 11,368.1 | 11,816.0 | 11,622.1 |
| Memorandum items:  |          |          |          |          |          |          |          |          |          |          |          |          |          |
| Monetary aggregates  |          |          |          |          |          |          |          |          |          |          |          |          |          |
| Reserve money (M0)   | 7,609.5  | 8,124.5  | 7,627.9  | 8,068.3  | 7,437.5  | 7,169.3  | 7,105.6  | 6,935.5  | 7,221.1  | 7,703.0  | 7,477.5  | 8,568.2  | 7,990.1  |
| Extended broad money (M3)  | 29,338.8 | 30,003.2 | 29,429.2 | 29,701.2 | 29,620.9 | 29,920.6 | 29,923.8 | 29,806.6 | 30,158.4 | 31,002.0 | 31,325.9 | 33,313.9 | 32,558.4 |
| Deposits in foreign Currency (FCD)                                   | 6,771.5  | 7,369.0  | 7,138.6  | 6,704.4  | 6,715.2  | 6,887.9  | 7,167.5  | 7,042.6  | 7,166.6  | 7,416.5  | 7,479.7  | 7,678.0  | 7,255.1  |
| FCD in millions of USD   | 2,946.9  | 3,207.3  | 3,107.0  | 2,917.9  | 2,922.6  | 2,996.8  | 3,118.4  | 3,064.0  | 3,117.9  | 3,226.6  | 3,254.0  | 3,339.7  | 3,155.5  |
| Broad money (M2)   | 22,567.3 | 22,634.3 | 22,290.6 | 22,996.8 | 22,905.7 | 23,032.6 | 22,756.3 | 22,764.0 | 22,991.8 | 23,585.5 | 23,846.2 | 25,635.9 | 25,303.3 |
| Other deposits in national currency (i.e. savings and time deposits) | 8,231.1  | 8,320.7  | 8,623.3  | 8,424.0  | 8,577.8  | 8,711.0  | 8,535.1  | 8,337.8  | 8,487.9  | 8,633.6  | 8,737.9  | 8,921.3  | 8,926.1  |
| Narrow money (M1)  | 14,336.3 | 14,313.6 | 13,667.3 | 14,572.8 | 14,327.9 | 14,321.7 | 14,221.1 | 14,426.2 | 14,504.0 | 14,951.9 | 15,108.3 | 16,714.6 | 16,377.2 |
| Currency in circulation  | 4,270.3  | 4,264.2  | 4,323.7  | 4,494.4  | 4,478.4  | 4,500.5  | 4,198.7  | 4,326.7  | 4,299.2  | 4,359.0  | 4,404.5  | 4,700.5  | 4,811.7  |
| Transferable deposits in national currency                           | 10,066.0 | 10,049.4 | 9,343.5  | 10,078.4 | 9,849.5  | 9,821.1  | 10,022.5 | 10,099.5 | 10,204.8 | 10,592.9 | 10,703.7 | 12,014.1 | 11,565.5 |

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



**Table A4: Interest Rates Structure**

| Items                                 | Percent |       |       |       |       |       |       |       |       |       |                  |                  |                  |
|---------------------------------------|---------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------------------|------------------|------------------|
|                                       | 2020    |       |       |       |       |       | 2021  |       |       |       |                  |                  |                  |
|                                       | Jul     | Aug   | Sep   | Oct   | Nov   | Dec   | Jan   | Feb   | Mar   | Apr   | May <sup>p</sup> | Jun <sup>p</sup> | Jul <sup>p</sup> |
| <b>A: Domestic currency</b>           |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
| <b>1. Interbank cash market rates</b> |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
| Overnight                             | 3.20    | 3.09  | 3.54  | 3.91  | 3.58  | 3.70  | 3.70  | 3.81  | 3.71  | 3.71  | 3.71             | 3.90             | 4.05             |
| 2 to 7 days                           | 3.99    | 3.76  | 4.01  | 4.23  | 4.24  | 4.09  | 4.36  | 4.43  | 4.30  | 4.45  | 4.47             | 4.56             | 4.47             |
| 8 to 14 days                          | 4.83    | 4.55  | 4.51  | 4.50  | 4.61  | 4.58  | 4.63  | 4.66  | 4.54  | 4.72  | 4.87             | 4.70             | 4.90             |
| 15 to 30 days                         | 4.70    | 4.21  | 4.22  | 4.37  | 4.16  | 4.25  | 4.44  | 4.25  | 4.32  | 4.35  | 4.51             | 4.67             | 5.00             |
| 31 to 60 days                         | 5.78    | 3.95  | 5.18  | 5.32  | 5.31  | 5.12  | 4.93  | 4.44  | 5.95  | 5.51  | 4.56             | 4.45             | 4.25             |
| 61 to 90 days                         | 5.30    | 5.30  | 4.75  | 4.75  | 5.35  | 7.25  | 4.77  | 5.05  | 4.49  | 4.49  | 6.00             | 6.00             | 7.20             |
| 91 to 180 days                        | 5.00    | 5.88  | 5.49  | 5.67  | 5.62  | 5.62  | 5.12  | 5.51  | 5.40  | 5.12  | 5.29             | 5.57             | 6.65             |
| 181 and above                         | 10.00   | 10.00 | 6.77  | 6.96  | 7.95  | 8.35  | 8.35  | 8.35  | 8.75  | 7.63  | 8.54             | 8.75             | 7.90             |
| Overall interbank cash market rate    | 3.97    | 3.74  | 4.12  | 4.28  | 4.29  | 4.17  | 4.16  | 4.39  | 4.31  | 4.51  | 4.57             | 4.59             | 4.56             |
| <b>2. Lombard rate</b>                |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
|                                       | 4.80    | 4.64  | 5.31  | 5.87  | 5.38  | 5.55  | 5.55  | 5.72  | 5.56  | 5.56  | 5.56             | 5.85             | 6.08             |
| <b>3. REPO rate</b>                   |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
|                                       | 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             |
| <b>4. Reverse REPO rate</b>           |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
|                                       | 4.27    | 5.54  | 5.52  | 5.73  | 5.60  | 6.13  | 6.60  | 5.84  | 5.42  | 6.13  | 6.32             | 5.33             | 6.46             |
| <b>5. Treasury bills rates</b>        |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
| 35 days                               | 2.14    | 1.99  | 1.99  | 1.99  | 1.99  | 1.99  | 1.99  | 1.99  | 2.33  | 2.93  | 2.93             | 2.93             | 2.93             |
| 91 days                               | 2.55    | 2.42  | 2.42  | 2.42  | 2.46  | 2.50  | 2.50  | 2.50  | 2.77  | 3.30  | 3.30             | 3.30             | 3.00             |
| 182 days                              | 3.02    | 2.58  | 2.58  | 2.58  | 2.59  | 2.61  | 2.58  | 2.57  | 2.96  | 3.91  | 3.72             | 3.57             | 3.35             |
| 364 days                              | 4.14    | 3.98  | 3.94  | 4.00  | 4.29  | 4.45  | 4.92  | 5.71  | 5.95  | 6.02  | 5.96             | 5.03             | 4.01             |
| Overall treasury bills rate           | 4.04    | 3.88  | 3.94  | 4.01  | 4.01  | 4.10  | 4.69  | 5.71  | 5.90  | 5.95  | 5.90             | 4.90             | 3.98             |
| <b>6. Treasury bonds rates</b>        |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
| 2-years                               | 8.34    | 7.09  | 7.09  | 7.09  | 7.09  | 7.09  | 7.51  | 7.51  | 7.89  | 7.89  | 7.89             | 7.89             | 7.55             |
| 5-years                               | 11.95   | 11.95 | 11.95 | 9.10  | 9.10  | 9.10  | 9.10  | 9.10  | 9.10  | 9.10  | 9.10             | 9.10             | 9.10             |
| 7-years                               | 11.20   | 11.20 | 11.20 | 10.09 | 10.09 | 10.09 | 10.09 | 10.09 | 10.09 | 10.09 | 10.14            | 10.14            | 10.14            |
| 10-years                              | 12.02   | 11.49 | 11.49 | 11.49 | 11.47 | 11.56 | 11.56 | 11.56 | 11.60 | 11.60 | 11.60            | 11.60            | 11.60            |
| 15-years                              | 13.83   | 13.83 | 13.50 | 13.50 | 13.50 | 13.53 | 13.57 | 13.60 | 13.60 | 13.60 | 13.60            | 13.61            | 13.61            |
| 20-years                              | 15.64   | 15.64 | 15.51 | 15.51 | 15.39 | 15.01 | 15.01 | 15.41 | 15.41 | 15.41 | 15.41            | 15.41            | 15.41            |
| 25-years                              |         |       |       |       |       |       |       |       | 16.34 | 16.34 | 16.34            | 16.34            | 16.34            |
| 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            |
| <b>7. Discount rate</b>               |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
|                                       | 5.00    | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00             | 5.00             | 5.00             |
| <b>8. Savings deposit rate</b>        |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
|                                       | 2.32    | 2.35  | 2.32  | 2.35  | 2.34  | 2.45  | 2.50  | 2.53  | 2.57  | 2.16  | 2.15             | 2.16             | 1.55             |
| <b>9. Overall time deposits rate</b>  |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
| 1 month                               | 6.47    | 6.48  | 6.31  | 6.50  | 6.74  | 7.09  | 6.68  | 6.88  | 6.94  | 6.95  | 6.89             | 7.05             | 7.35             |
| 2 months                              | 8.15    | 8.15  | 8.88  | 7.74  | 7.44  | 8.48  | 9.09  | 9.70  | 6.99  | 7.48  | 7.35             | 7.16             | 7.97             |
| 3 months                              | 6.59    | 5.69  | 4.30  | 6.80  | 7.02  | 8.09  | 6.16  | 7.42  | 7.61  | 7.72  | 7.20             | 7.98             | 7.86             |
| 6 months                              | 6.05    | 6.84  | 7.22  | 7.28  | 7.63  | 7.61  | 7.53  | 5.33  | 7.61  | 6.78  | 7.39             | 7.32             | 7.48             |
| 12 months                             | 7.65    | 7.90  | 7.57  | 7.80  | 6.73  | 7.48  | 6.37  | 7.32  | 7.86  | 8.23  | 8.17             | 8.26             | 8.06             |
| 24 months                             | 7.63    | 8.37  | 8.16  | 8.22  | 8.43  | 8.41  | 8.23  | 8.67  | 8.80  | 8.77  | 8.75             | 8.69             | 9.12             |
| <b>10. Negotiated deposit rate</b>    |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
|                                       | 9.39    | 9.31  | 9.05  | 9.12  | 8.20  | 9.22  | 9.22  | 9.50  | 9.18  | 9.36  | 9.23             | 9.37             | 9.17             |
| <b>11. Overall lending rate</b>       |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
| Short-term (up to 1 year)             | 16.55   | 16.58 | 16.30 | 16.63 | 16.61 | 16.74 | 16.63 | 16.66 | 16.61 | 16.58 | 16.61            | 16.69            | 16.57            |
| Medium-term (1-2 years)               | 15.38   | 15.30 | 15.04 | 15.87 | 15.70 | 15.72 | 15.76 | 15.88 | 15.97 | 16.05 | 16.14            | 16.76            | 16.81            |
| Medium-term (2-3 years)               | 18.23   | 18.24 | 17.11 | 18.27 | 18.38 | 18.69 | 18.51 | 18.40 | 18.36 | 18.34 | 18.30            | 17.98            | 17.70            |
| Long-term (3-5 years)                 | 17.41   | 17.44 | 17.68 | 16.90 | 16.87 | 16.83 | 16.85 | 17.00 | 16.82 | 16.59 | 16.69            | 16.78            | 16.76            |
| Term Loans (over 5 years)             | 16.20   | 16.11 | 16.20 | 16.20 | 16.19 | 16.23 | 16.06 | 16.15 | 16.06 | 16.13 | 16.10            | 16.04            | 16.01            |
| <b>12. Negotiated lending rate</b>    |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
|                                       | 15.54   | 15.80 | 15.46 | 15.93 | 15.92 | 16.24 | 15.99 | 15.95 | 15.85 | 15.82 | 15.82            | 15.91            | 15.59            |
|                                       | 13.62   | 13.10 | 13.69 | 13.97 | 13.97 | 13.86 | 13.38 | 13.96 | 14.05 | 13.76 | 13.64            | 13.98            | 13.83            |
| <b>B: Foreign currency</b>            |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
| <b>1. Deposits rates</b>              |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
| Savings deposits rate                 | 1.12    | 1.17  | 1.16  | 0.95  | 0.83  | 1.04  | 0.79  | 0.92  | 0.91  | 0.41  | 0.40             | 0.38             | 0.27             |
| Overall time deposits rate            | 2.29    | 2.24  | 2.14  | 2.23  | 2.59  | 2.45  | 2.39  | 2.33  | 2.57  | 3.21  | 3.42             | 3.27             | 3.06             |
| 1-months                              | 1.05    | 1.79  | 1.18  | 1.15  | 1.17  | 1.35  | 1.73  | 1.77  | 3.06  | 3.09  | 4.45             | 3.09             | 3.04             |
| 2-months                              | 2.25    | 2.36  | 2.04  | 2.70  | 4.13  | 2.11  | 2.68  | 2.44  | 2.19  | 3.82  | 3.43             | 3.98             | 3.31             |
| 3-months                              | 3.23    | 2.13  | 2.84  | 2.30  | 3.21  | 3.33  | 2.70  | 2.66  | 2.63  | 2.80  | 2.99             | 3.18             | 2.09             |
| 6-months                              | 2.62    | 2.80  | 2.76  | 2.83  | 2.40  | 1.92  | 1.75  | 1.72  | 2.16  | 3.16  | 3.10             | 3.00             | 3.27             |
| 12-months                             | 2.33    | 2.10  | 1.87  | 2.15  | 2.04  | 3.53  | 3.09  | 3.06  | 2.83  | 3.20  | 3.14             | 3.10             | 3.58             |
| <b>2. Overall lending rate</b>        |         |       |       |       |       |       |       |       |       |       |                  |                  |                  |
| Short-term (up to 1 year)             | 6.50    | 6.37  | 6.51  | 6.87  | 6.97  | 6.82  | 6.84  | 6.83  | 7.46  | 8.10  | 8.19             | 8.22             | 8.19             |
| Medium-term (1-2 years)               | 8.07    | 7.66  | 8.61  | 8.94  | 8.74  | 8.94  | 8.41  | 8.96  | 8.31  | 8.88  | 8.63             | 8.78             | 8.73             |
| Medium-term (2-3 years)               | 4.70    | 4.63  | 4.59  | 4.07  | 4.34  | 4.00  | 4.50  | 4.00  | 7.53  | 8.82  | 8.82             | 8.82             | 8.72             |
| Long-term (3-5 years)                 | 6.36    | 6.04  | 6.07  | 5.33  | 5.89  | 5.79  | 5.33  | 5.20  | 6.84  | 6.52  | 7.07             | 7.07             | 7.07             |
| Term loans (over 5 years)             | 7.65    | 7.84  | 7.79  | 8.99  | 8.88  | 8.36  | 8.98  | 8.99  | 7.21  | 8.88  | 8.88             | 8.88             | 8.88             |
|                                       | 5.73    | 5.70  | 5.48  | 6.99  | 6.99  | 6.99  | 6.98  | 6.99  | 7.40  | 7.40  | 7.55             | 7.55             | 7.55             |

Source: Bank of Tanzania and banks

Note: p denotes provisional data



Table A5: Tanzania Balance of Payments

| Item   | Millions of USD   |                   |                   |                   |                   |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
|  | 2016 <sup>r</sup> | 2017 <sup>r</sup> | 2018 <sup>r</sup> | 2019 <sup>r</sup> | 2020 <sup>p</sup> |
| <b>A. Current Account</b>  | -2,739.3          | -1,827.1          | -2,248.3          | -1,490.9          | -994.8            |
| Goods: exports f.o.b.  | 4,873.9           | 4,510.8           | 4,292.7           | 5,377.6           | 6,371.7           |
| Traditional  | 932.4             | 1,021.8           | 667.5             | 817.7             | 808.1             |
| Nontraditional   | 3,498.4           | 3,078.9           | 3,234.9           | 4,186.0           | 5,253.3           |
| o/w Gold   | 1,508.8           | 1,541.1           | 1,541.9           | 2,215.1           | 2,957.5           |
| Unrecorded trade   | 443.1             | 410.1             | 390.2             | 373.8             | 310.4             |
| Goods: imports f.o.b.  | -8,463.6          | -7,551.7          | -8,483.1          | -8,793.1          | -7,889.0          |
| <b>Balance on Goods</b>  | -3,589.8          | -3,041.0          | -4,190.4          | -3,415.5          | -1,517.2          |
| Services: credit   | 3,599.3           | 3,831.9           | 4,014.7           | 4,281.0           | 2,182.9           |
| Transport  | 1,053.6           | 1,141.0           | 1,227.5           | 1,355.9           | 1,284.5           |
| Travel   | 2,131.6           | 2,250.3           | 2,449.4           | 2,604.5           | 714.5             |
| Other  | 414.1             | 440.5             | 337.8             | 320.6             | 183.9             |
| Services: debit  | -2,176.4          | -2,039.9          | -1,915.9          | -1,782.5          | -1,239.2          |
| Transport  | -893.7            | -800.3            | -605.1            | -681.5            | -530.8            |
| Travel   | -922.3            | -807.3            | -738.1            | -651.1            | -203.8            |
| Other  | -360.4            | -432.3            | -572.7            | -449.9            | -504.6            |
| <b>Balance on Services</b>   | 1,422.9           | 1,792.0           | 2,098.8           | 2,498.5           | 943.7             |
| <b>Balance on Goods and Services</b>                                     | -2,166.9          | -1,249.0          | -2,091.6          | -917.0            | -573.5            |
| Primary Income: credit   | 98.5              | 125.3             | 155.9             | 212.4             | 111.2             |
| o/w Investment income  | 67.6              | 86.1              | 108.5             | 150.4             | 97.7              |
| Compensation of employees  | 31.0              | 39.3              | 47.4              | 62.1              | 13.5              |
| Primary Income: debit  | -1,053.6          | -1,105.4          | -781.1            | -1,204.9          | -966.0            |
| o/w Direct investment income   | -625.2            | -700.0            | -439.0            | -766.3            | -545.1            |
| Interest payments  | -379.9            | -358.0            | -302.1            | -398.3            | -383.7            |
| Compensation of employees  | -46.1             | -45.0             | -37.6             | -37.9             | -34.9             |
| <b>Balance on Primary Income</b>   | -955.1            | -980.1            | -625.2            | -992.5            | -854.8            |
| <b>Balance on Goods, Services and Primary Income</b>                     | -3,122.0          | -2,229.0          | -2,716.8          | -1,909.5          | -1,428.3          |
| Secondary Income: credit   | 452.7             | 485.2             | 535.8             | 474.9             | 486.3             |
| Government   | 81.1              | 121.8             | 170.3             | 103.5             | 183.1             |
| o/w Miscellaneous current transfers (Multilateral HIPC relief)           | 0.0               | 0.0               | 0.0               | 0.0               | 0.0               |
| Financial corporations, nonfinancial corporations, households and NPISHs | 371.6             | 363.4             | 365.5             | 371.4             | 303.2             |
| o/w Personal transfers   | 371.6             | 363.4             | 365.5             | 371.4             | 303.2             |
| Secondary Income: debit  | -70.0             | -83.2             | -67.3             | -56.4             | -52.7             |
| <b>Balance on Secondary Income</b>                                       | 382.7             | 402.0             | 468.5             | 418.5             | 433.6             |
| <b>B. Capital Account</b>  | 446.2             | 376.8             | 464.1             | 481.2             | 303.6             |
| Capital transfers credit   | 446.2             | 376.8             | 464.1             | 481.2             | 303.6             |
| General Government   | 383.0             | 313.6             | 400.3             | 416.8             | 229.7             |
| Other Capital Transfer (Investment grant)                                | 357.3             | 287.8             | 394.3             | 416.8             | 229.7             |
| Debt forgiveness (including MDRI)  | 25.8              | 25.8              | 6.0               | 0.0               | 0.0               |
| Financial corporations, nonfinancial corporations, households and NPISHs | 63.2              | 63.2              | 63.8              | 64.4              | 73.9              |
| Capital transfers:debit  | 0.0               | 0.0               | 0.0               | 0.0               | 0.0               |
| <b>Total, Groups A plus B</b>  | -2,293.1          | -1,450.3          | -1,784.2          | -1,009.8          | -691.2            |
| <b>C. Financial Account, excl. reserves and related items</b>            | -1,210.8          | -1,936.6          | -1,635.4          | -2,325.6          | -591.0            |
| <b>Direct Investments</b>  | -864.0            | -937.7            | -971.6            | -1,217.2          | -684.9            |
| Direct investment abroad   | 0.0               | 0.0               | 0.0               | 0.0               | 0.0               |
| Direct investment in Tanzania  | 864.0             | 937.7             | 971.6             | 1,217.2           | 684.9             |
| <b>Portfolio investment</b>  | 5.0               | -2.9              | 3.7               | -36.8             | 2.1               |
| <b>Other investment</b>  | -351.8            | -996.0            | -667.5            | -1,071.6          | 91.8              |
| <b>Assets</b>  | -128.0            | -118.1            | 150.3             | 31.7              | 24.4              |
| Loans (Deposit-taking corporations, except the central bank)             | -94.7             | -34.7             | 35.8              | 60.7              | 167.3             |
| Currency and deposits  | -33.3             | -83.4             | 114.5             | -34.9             | -145.2            |
| Deposit-taking corporations, except the central bank                     | -150.1            | -4.9              | 206.9             | 32.4              | 34.0              |
| Other sectors  | 116.8             | -78.5             | -92.4             | -67.3             | -179.2            |
| Other assets   | 0.0               | 0.0               | 0.0               | 5.9               | 2.3               |
| <b>Liabilities</b>   | 223.8             | 877.9             | 817.8             | 1,103.2           | -67.4             |
| Trade credits  | 0.2               | 9.7               | 21.4              | -8.9              | 10.1              |
| Loans  | 292.8             | 885.3             | 758.9             | 1,136.9           | -49.4             |
| Monetary Authority   | -102.7            | -24.3             | 25.4              | -17.7             | 0.1               |
| SDR allocation   | -102.7            | -24.3             | 25.4              | -17.7             | 0.1               |
| General government   | -124.0            | 512.7             | 397.8             | 1,160.7           | -69.5             |
| Drawings   | 348.2             | 1,044.6           | 1,104.3           | 1,924.7           | 916.6             |
| Repayments   | -472.3            | -531.9            | -706.5            | -764.0            | -986.1            |
| o/w Debt forgiveness   | -25.8             | -25.8             | -6.0              | 0.0               | 0.0               |
| Rescheduled debt   | 0.0               | 0.0               | 0.0               | 0.0               | 0.0               |
| Deposit-taking corporations, except the central bank                     | 209.2             | 176.1             | -32.2             | 88.2              | 37.2              |
| Other sectors  | 310.3             | 220.8             | 367.9             | -94.3             | -17.3             |
| Drawings   | 453.3             | 318.9             | 467.6             | 365.2             | 105.7             |
| Repayments   | -142.9            | -98.1             | -99.7             | -459.5            | -123.0            |
| Currency and deposits  | -69.3             | -17.1             | 37.6              | -24.7             | -28.1             |
| <b>Total, Groups A through C</b>   | -1,082.3          | 486.3             | -148.8            | 1,315.8           | -1,282.2          |
| <b>D. Net Errors and Omissions</b>                                       | 1,387.9           | 1,183.3           | -635.2            | -728.8            | -664.8            |
| <b>Overall balance (Total, Groups A through D)</b>                       | 305.5             | 1,669.6           | -784.0            | 587.0             | -764.9            |
| <b>E. Reserves and Related Items</b>                                     | 305.5             | 1,669.6           | -784.0            | 587.0             | -764.9            |
| Reserve assets   | 232.2             | 1,598.7           | -871.9            | 525.0             | -790.1            |
| <b>Use of Fund credit and loans</b>                                      | 73.3              | 70.9              | 87.9              | 62.0              | 25.2              |
| <b>Memorandum items</b>  |                   |                   |                   |                   |                   |
| CAB/GDP  | -5.0              | -3.3              | -3.9              | -2.4              | -1.5              |
| CAB/GDP (excl. current official transfers)                               | -5.2              | -3.6              | -4.2              | -2.6              | -1.8              |
| Gross Official Reserves  | 4,325.6           | 5,900.3           | 5,044.6           | 5,567.6           | 4,767.7           |
| Months of Imports  | 4.5               | 6.1               | 4.6               | 5.9               | 5.3               |
| Months of Imports(Excluding FDI related imports)                         | 5.0               | 6.6               | 4.9               | 6.4               | 5.6               |
| Exchange rate (end of period)  | 2,172.6           | 2,230.1           | 2,281.2           | 2,287.9           | 2,298.5           |
| <b>Exchange rate (annual average)</b>                                    | 2,177.1           | 2,228.9           | 2,263.8           | 2,288.2           | 2,294.1           |

Source: Bank of Tanzania, International Economics Depart

Notes:

1. Revision is based on new data obtained from the completion of Private Capital Flows and tourism survey and adoption of new data sources for some other items in the services account
2. Change in gross official reserves will not necessarily be equal to reserve assets since a new methodology of computing reserve assets which nets out the impact of valuation was introduced beginning January 2006; r = Revised; p = Provisional and O/W = Of Which



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

Base: Dec 2015 = 100

| Weight (%) | Headline overall index           |           |  |                       |   |               |                        |                     |                            |        |                        |           |
|------------|----------------------------------|-----------|--|-----------------------|---|---------------|------------------------|---------------------|----------------------------|--------|------------------------|-----------|
|            | Food and non-alcoholic beverages | Transport | Housing, 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 |
| 2020-Jan   | 3.7                              | 12.5      | 11.6                                     | 8.3                   | 6.3   | 5.6           | 4.2                    | 3.7                 | 3.1                        | 2.9    | 1.6                    | 1.5       |
| Feb        | 5.7                              | 1.7       | 4.8                                      | 2.1                   | 2.5   | 1.1           | 2.8                    | 0.5                 | 1.6                        | 1.4    | 1.1                    | 1.3       |
| Mar        | 5.9                              | 2.2       | 4.5                                      | 2.1                   | 2.2   | 0.7           | 2.1                    | 0.1                 | 1.5                        | 0.9    | 1.1                    | 1.5       |
| Apr        | 5.3                              | -0.5      | 4.9                                      | 2.2                   | 1.7   | -0.2          | 0.7                    | -0.5                | 1.0                        | 0.5    | 1.1                    | 1.4       |
| May        | 4.6                              | 1.7       | 6.5                                      | 2.2                   | 1.7   | 0.0           | 0.7                    | -0.4                | 1.1                        | 0.2    | 0.7                    | 1.3       |
| Jun        | 4.4                              | 1.3       | 6.7                                      | 2.1                   | 1.7   | 0.0           | 0.7                    | -0.3                | 1.2                        | 0.4    | -1.2                   | 1.3       |
| Jul        | 3.8                              | -0.3      | 9.2                                      | 2.4                   | 1.8   | 0.6           | 0.9                    | 0.1                 | 0.7                        | 0.9    | -1.0                   | 1.3       |
| Aug        | 3.8                              | 0.5       | 9.5                                      | 2.3                   | 1.8   | 0.2           | 1.9                    | 0.1                 | 0.6                        | 0.9    | 0.7                    | 1.3       |
| Sep        | 3.7                              | 1.7       | 8.6                                      | 1.9                   | 1.7   | 0.5           | 1.9                    | 0.9                 | 0.8                        | 0.9    | 0.4                    | 1.3       |
| Oct        | 3.4                              | 1.7       | 8.5                                      | 2.0                   | 1.7   | 0.5           | 1.5                    | -0.6                | 0.7                        | 0.9    | -0.3                   | 1.2       |
| Nov        | 3.4                              | 2.0       | 8.2                                      | 2.0                   | 1.5   | 0.4           | 1.6                    | -0.6                | 0.9                        | 0.9    | 0.6                    | 1.3       |
| Dec        | 2.8                              | 1.6       | 9.1                                      | 1.9                   | 1.5   | 0.6           | 1.6                    | -0.6                | 0.9                        | 1.0    | 0.7                    | 1.3       |
| 2021-Jan   | 3.0                              | 0.9       | 10.2                                     | 2.7                   | 1.3   | 0.3           | 1.9                    | -0.2                | 0.3                        | 1.0    | 0.4                    | 1.3       |

Source: National Bureau of Statistics



Table A6(j): Consumer Price Index (Urban and Rural), Twelve-Month Percentage Change (Main Groups), New Series

Base: Dec 2020 = 100

| Period   | Weight (%) | Headline overall index           |                                 |                       |  |  |        |           |                               |                               |                    |  |                                  |
|----------|------------|----------------------------------|---------------------------------|-----------------------|--|--|--------|-----------|-------------------------------|-------------------------------|--------------------|--|----------------------------------|
|          |            | Food and non-alcoholic beverages | Alcoholic beverages and tobacco | Clothing and footwear | Housing, water, electricity, gas and other fuels | Furnishings, household equipment and routine household maintenance | Health | Transport | Information and communication | Recreation, sport and culture | Education services | Restaurants and accommodation services | Insurance and financial services |
| 2021-Jan | 3.5        | 2.8                              | 1.8                             | 10.8                  | 15.1   | 7.9  | 14.1   | 5.4       | 1.6                           | 2.0                           | 6.6                | 2.1                                    | 2.1                              |
| Feb      | 3.3        | 3.6                              | 2.0                             | 4.0                   | 4.4  | 3.2  | 0.9    | 2.4       | 1.6                           | 0.9                           | 3.0                | 0.1                                    | 2.4                              |
| Mar      | 3.2        | 4.3                              | 1.9                             | 4.5                   | 3.7  | 3.2  | 1.0    | 2.0       | 2.1                           | 1.1                           | 4.1                | 0.3                                    | 2.8                              |
| Apr      | 3.3        | 4.8                              | 2.7                             | 4.6                   | 4.1  | 3.1  | 0.5    | 2.1       | 2.2                           | 1.2                           | 4.9                | 0.3                                    | 2.8                              |
| May      | 3.3        | 4.9                              | 2.5                             | 4.4                   | 3.5  | 2.8  | 0.2    | 1.8       | 2.3                           | 1.2                           | 5.4                | 0.3                                    | 2.7                              |
| Jun      | 3.6        | 4.7                              | 1.9                             | 4.4                   | 3.2  | 2.9  | 1.2    | 1.7       | 2.3                           | 1.1                           | 5.4                | 0.3                                    | 2.6                              |
| Jul      | 3.8        | 5.1                              | 1.9                             | 4.5                   | 3.5  | 2.9  | 3.8    | 1.9       | 2.3                           | 1.3                           | 5.6                | 0.3                                    | 2.0                              |
| 2021-Aug | 3.8        | 5.1                              | 1.9                             | 4.5                   | 3.5  | 2.9  | 4.3    | 1.8       | 2.2                           | 1.1                           | 4.9                | 0.3                                    | 2.7                              |

Source: National Bureau of Statistics

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

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 use at home with petrol and diesel) |
|------------|---|--------------------------------|--------------------------------|---|
| Weight (%) | 37.1  | 62.9                           | 54.3                           | 8.7   |
| 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   |
| Aug        | 4.8   | 3.1                            | 2.5                            | 5.9   |
| Sep        | 4.5   | 3.1                            | 2.5                            | 5.8   |
| Oct        | 4.4   | 3.0                            | 2.4                            | 5.7   |
| Nov        | 3.7   | 3.2                            | 2.5                            | 6.3   |
| Dec        | 4.0   | 3.4                            | 2.3                            | 8.0   |

Source: National Bureau of Statistics

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

Base: 2020=100

| Period     | Core index | Non-core Index | Unprocessed food index | All items less unprocessed food index | Food crops and related items index | Energy, fuel and utilities index | Services index | Goods index | Education services and products ancillary to education index | All items less food and non-alcoholic beverages |
|------------|------------|----------------|------------------------|---------------------------------------|------------------------------------|----------------------------------|----------------|-------------|--|---|
| Weight (%) | 73.9       | 26.1           | 20.4                   | 79.6                                  | 11.0                               | 5.7                              | 37.2           | 62.8        | 4.1  | 71.8  |
| 2021-Jan   | 3.8        | 1.5            | 1.4                    | 3.7                                   | 1.3                                | 1.6                              | 2.9            | 3.4         | 2.5  | 3.8   |
| Feb        | 3.6        | 2.1            | 2.2                    | 3.4                                   | 1.0                                | 1.4                              | 2.3            | 3.7         | 2.5  | 3.2   |
| Mar        | 3.6        | 2.5            | 2.8                    | 3.4                                   | 1.1                                | 1.1                              | 1.9            | 4.1         | 2.7  | 2.7   |
| Apr        | 3.5        | 3.1            | 3.4                    | 3.4                                   | 0.4                                | 2.3                              | 2.1            | 4.2         | 3.2  | 2.7   |
| May        | 3.7        | 2.8            | 3.0                    | 3.6                                   | 0.0                                | 2.1                              | 2.3            | 4.1         | 3.2  | 2.7   |
| Jun        | 4.0        | 2.7            | n.a                    | n.a                                   | n.a                                | 3.2                              | 3.0            | 4.1         | 3.1  | 3.2   |
| Jul        | 4.1        | 3.4            | n.a                    | n.a                                   | n.a                                | 3.6                              | 3.1            | 4.3         | 3.3  | 3.3   |

Source: National Bureau of Statistics



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

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 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       |
| 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       |
| Aug        | -0.5                   | -1.2                             | 0.5       | -0.8  | 0.0                   | 0.0   | 0.0           | 0.0                    | 0.0                 | 0.1                        | 0.0    | 0.0                    | 0.0       |
| Sep        | -0.3                   | -0.7                             | 0.1       | -0.7  | 0.1                   | 0.1   | 0.0           | 0.0                    | -1.5                | 0.0                        | 0.0    | -0.2                   | 0.0       |
| Oct        | -0.1                   | 0.0                              | 0.0       | -0.6  | -0.1                  | -0.1  | 0.0           | 0.0                    | 0.0                 | 0.0                        | 0.0    | 0.0                    | 0.0       |
| Nov        | 0.3                    | 0.3                              | -0.1      | 1.5   | 0.1                   | 0.1   | 0.2           | 0.0                    | 0.0                 | 0.0                        | 0.1    | 0.1                    | 0.1       |
| Dec        | 0.8                    | 1.5                              | 0.0       | 0.4   | 1.2                   | 0.0   | 0.0           | 0.4                    | 0.6                 | 0.0                        | 0.1    | 0.0                    | 0.0       |

Source: National Bureau of Statistics

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

Base: Dec 2020 = 100

| Period     | Headline overall index | Food and non-alcoholic beverages | Alcoholic beverages and tobacco | Clothing and footwear | Housing, water, electricity, gas and other fuels | Furnishings, household equipment and routine maintenance | Health | Transport | Information and communication | Recreation, sport and culture | Education services | Restaurants and accommodation services | Insurance and financial services | Personal care, social protection and miscellaneous goods and services |
|------------|------------------------|----------------------------------|---------------------------------|-----------------------|--|--|--------|-----------|-------------------------------|-------------------------------|--------------------|--|----------------------------------|---|
| Weight (%) | 100.0                  | 28.2                             | 1.9                             | 10.8                  | 15.1   | 7.9  | 2.5    | 14.1      | 5.4                           | 1.6                           | 2.0                | 6.6                                    | 2.1                              | 2.1   |
| 2021-Jan   | 0.8                    | -0.4                             | 0.6                             | 1.9                   | 1.1  | 2.2  | 1.0    | 1.5       | 0.2                           | 3.2                           | 0.3                | 1.6                                    | 0.1                              | 2.2   |
| Feb        | 0.9                    | 1.8                              | 0.2                             | 0.5                   | 0.6  | 0.1  | 0.7    | 0.7       | 0.1                           | 0.5                           | 0.7                | 1.3                                    | 0.2                              | 0.3   |
| Mar        | 0.9                    | 1.6                              | 0.0                             | 0.7                   | 1.1  | 0.3  | 0.1    | 1.2       | 0.2                           | 0.3                           | 0.1                | 0.7                                    | 0.0                              | 0.1   |
| Apr        | 0.5                    | 1.2                              | 0.8                             | 0.0                   | 0.5  | 0.1  | 0.0    | 0.1       | 0.4                           | 0.0                           | 0.0                | 0.0                                    | 0.0                              | 0.2   |
| May        | 0.3                    | 1.2                              | -0.1                            | -0.1                  | -0.5   | 0.0  | 0.0    | 0.1       | 0.0                           | 0.0                           | -0.1               | 0.0                                    | 0.0                              | 0   |
| Jun        | 0.1                    | 0.0                              | 0.0                             | 0.0                   | -0.1   | 0.1  | 0.7    | 0.2       | 0.1                           | 0.0                           | 0.2                | 0.2                                    | -0.1                             | 0.2   |
| Jul        | 0.0                    | -0.3                             | 0.0                             | 0.1                   | 0.2  | 0.1  | 0.0    | 0.2       | 0.1                           | 0.0                           | -0.1               | 0.0                                    | 0.1                              | 0.2   |

Source: National Bureau of Statistics



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

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                           |
| 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        | -0.7  | 0.5   | 0.1                                  | 0.0                            |
| Aug        | -0.2  | -0.5  | -0.1                                 | 0.0                            |
| Sep        | -0.7  | 0.2   | 0.1                                  | 0.0                            |
| Oct        | 0.0   | -0.8  | -0.2                                 | 0.0                            |
| Nov        | 0.2   | 1.6   | 0.4                                  | 0.1                            |
| Dec        | 1.6   | 0.3   | 0.3                                  | 0.3                            |

Source: National Bureau of Statistics

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

Base: Dec 2020 = 100

| Period     | Core index | Non-core Index | Unprocessed food index | All items less unprocessed food index | Food crops and related items index | Energy, fuel and utilities index | Services index | Goods index | Education services and products ancillary to education index | All items less food and non-alcoholic beverages |
|------------|------------|----------------|------------------------|---------------------------------------|------------------------------------|----------------------------------|----------------|-------------|--|---|
| Weight (%) | 73.9       | 26.1           | 20.4                   | 79.6                                  | 11.0                               | 5.7                              | 37.2           | 62.8        | 4.1  | 71.8  |
| 2021-Jan   | 1.7        | -1.3           | -1.2                   | 1.4                                   | -1.6                               | -1.7                             | 1.2            | 0.7         | 2.1  | n.a   |
| Feb        | 0.5        | 2.0            | 2.0                    | 0.6                                   | 1.6                                | 1.8                              | 0.6            | 1.0         | 0.2  | n.a   |
| Mar        | 0.7        | 1.8            | 1.7                    | 0.8                                   | 1.5                                | 1.8                              | 0.7            | 1.1         | 0.3  | 0.7   |
| Apr        | 0.3        | 1.0            | 0.9                    | 0.4                                   | 0.3                                | 1.1                              | 0.4            | 0.6         | 0.6  | 0.2   |
| May        | 0.3        | 0.2            | 0.5                    | 0.2                                   | 0.6                                | -1.1                             | 0.0            | 0.4         | 0.0  | -0.1  |
| Jun        | 0.1        | 0.0            | n.a                    | n.a                                   | n.a                                | 0.1                              | 0.0            | 0.1         | 0.1  | 0.1   |
| Jul        | -0.1       | 0.2            | n.a                    | n.a                                   | n.a                                | 1.0                              | 0.0            | 0.0         | -0.1   | 0.1   |

Source: National Bureau of Statistics



**Table A7: National Debt Developments**

|   | Millions of USD |          |          |          |          |          |          |          |          |          |                     |                     |                     |
|---|-----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---------------------|---------------------|---------------------|
| Item  | Jul-20          | Aug-20   | Sep-20   | Oct-20   | Nov-21   | Dec-21   | Jan-21   | Feb-21   | Mar-21   | Apr-21   | May-21 <sup>p</sup> | Jun-21 <sup>r</sup> | Jul-21 <sup>p</sup> |
| 1. Overall total debt committed <sup>2</sup>        | 33,311.0        | 33,632.2 | 33,454.7 | 34,079.9 | 34,162.7 | 34,261.6 | 34,033.6 | 35,023.8 | 34,674.8 | 36,081.6 | 36,276.0            | 36,035.0            | 36,159.9            |
| Disbursed outstanding debt                          | 21,176.8        | 21,372.8 | 21,439.8 | 21,544.9 | 21,641.4 | 21,789.7 | 22,271.7 | 22,422.1 | 22,184.7 | 22,274.8 | 22,988.4            | 23,269.1            | 23,683.2            |
| Undisbursed debt                                    | 12,134.2        | 12,259.4 | 12,014.9 | 12,535.0 | 12,521.3 | 12,471.9 | 11,761.9 | 12,601.7 | 12,490.1 | 13,806.8 | 13,287.6            | 12,765.9            | 12,476.7            |
| 2. Disbursed debt by creditor category <sup>2</sup> | 21,176.8        | 21,372.8 | 21,439.8 | 21,544.9 | 21,641.4 | 21,789.7 | 22,271.7 | 22,422.1 | 22,184.7 | 22,274.8 | 22,988.4            | 23,269.1            | 23,683.2            |
| Bilateral debt                                      | 1,131.6         | 1,134.8  | 1,131.8  | 1,140.6  | 1,154.1  | 1,176.7  | 1,169.9  | 1,171.9  | 1,144.0  | 1,163.9  | 1,174.1             | 1,167.9             | 1,181.2             |
| Multilateral debt                                   | 10,916.5        | 11,107.8 | 11,124.7 | 11,196.3 | 11,288.9 | 11,482.4 | 11,507.8 | 11,593.5 | 11,416.8 | 11,551.6 | 11,742.7            | 11,780.2            | 11,773.3            |
| Commercial debt                                     | 7,027.0         | 7,013.5  | 7,067.9  | 7,091.2  | 7,021.2  | 6,984.1  | 7,453.3  | 7,490.8  | 7,468.9  | 7,365.8  | 7,870.6             | 8,070.4             | 8,409.6             |
| Export credits                                      | 2,101.7         | 2,116.7  | 2,115.4  | 2,116.9  | 2,177.2  | 2,146.4  | 2,140.6  | 2,165.9  | 2,155.0  | 2,193.5  | 2,201.0             | 2,250.6             | 2,319.1             |
| 3. Disbursed debt by borrower category <sup>2</sup> | 21,176.8        | 21,372.8 | 21,439.8 | 21,544.9 | 21,641.4 | 21,789.7 | 22,271.7 | 22,422.1 | 22,184.7 | 22,274.8 | 22,988.4            | 23,269.1            | 23,683.2            |
| Central government                                  | 16,957.4        | 17,147.3 | 17,234.5 | 17,341.9 | 17,356.5 | 17,459.5 | 17,950.2 | 18,070.7 | 17,803.5 | 17,851.9 | 18,423.4            | 18,658.3            | 19,088.9            |
| Public corporations                                 | 49.3            | 48.8     | 48.6     | 37.1     | 37.0     | 36.8     | 36.9     | 37.0     | 37.3     | 37.1     | 37.1                | 37.2                | 37.1                |
| Private sector                                      | 4,170.1         | 4,176.7  | 4,156.7  | 4,165.9  | 4,247.9  | 4,293.4  | 4,284.6  | 4,314.4  | 4,343.9  | 4,385.8  | 4,527.9             | 4,573.6             | 4,557.2             |
| 4. Disbursed external debt by currency <sup>2</sup> | 21,176.8        | 21,372.8 | 21,439.8 | 21,544.9 | 21,641.4 | 21,789.7 | 22,271.7 | 22,422.1 | 22,184.7 | 22,274.8 | 22,988.4            | 23,269.1            | 23,683.2            |
| Special Drawing Rights                              | 8,045.2         | 8,131.7  | 8,168.4  | 8,169.6  | 8,258.7  | 8,349.1  | 8,344.5  | 8,345.3  | 8,324.7  | 8,328.4  | 8,479.4             | 8,450.2             | 8,445.5             |
| United States Dollar                                | 9,074.1         | 9,092.1  | 9,110.9  | 9,172.6  | 9,165.4  | 9,146.8  | 9,609.1  | 9,623.9  | 9,602.7  | 9,625.8  | 10,143.3            | 10,427.9            | 10,836.6            |
| African Unit of Accounts                            | 2,124.3         | 2,190.1  | 2,200.4  | 2,223.7  | 2,225.9  | 2,269.2  | 2,297.5  | 2,297.7  | 2,295.5  | 2,295.5  | 2,329.3             | 2,349.8             | 2,349.8             |
| Euro  | 657.8           | 654.8    | 652.1    | 658.3    | 679.3    | 704.9    | 703.3    | 747.4    | 680.1    | 705.7    | 700.3               | 701.5               | 712.5               |
| Others  | 1,275.4         | 1,304.1  | 1,308.0  | 1,320.7  | 1,312.1  | 1,319.7  | 1,317.3  | 1,407.8  | 1,281.7  | 1,331.6  | 1,336.1             | 1,339.7             | 1,338.8             |
| 5. Disbursed debt by use of funds <sup>2</sup>      | 21,176.8        | 21,372.8 | 21,439.8 | 21,544.9 | 21,641.4 | 21,789.7 | 22,271.7 | 22,422.1 | 22,184.7 | 22,274.8 | 22,988.4            | 23,269.1            | 23,683.2            |
| Balance of payments and budget support              | 2,710.3         | 2,732.8  | 2,738.2  | 2,729.2  | 2,654.8  | 2,637.4  | 2,654.8  | 2,741.0  | 2,620.5  | 2,711.0  | 3,131.0             | 3,414.0             | 3,849.0             |
| Transport and telecommunication                     | 5,742.0         | 5,811.0  | 5,746.9  | 5,856.4  | 5,889.5  | 5,898.2  | 5,916.0  | 5,903.9  | 5,891.9  | 5,898.0  | 6,015.0             | 5,944.0             | 5,943.0             |
| Agriculture   | 1,327.0         | 1,349.0  | 1,421.0  | 1,364.7  | 1,355.0  | 1,389.8  | 1,385.0  | 1,378.0  | 1,359.0  | 1,375.0  | 1,381.0             | 1,369.0             | 1,368.0             |
| Energy & mining                                     | 3,110.0         | 3,105.0  | 3,082.0  | 3,106.4  | 3,130.0  | 3,132.7  | 3,156.0  | 3,140.6  | 3,174.7  | 3,148.0  | 3,175.0             | 3,217.0             | 3,204.0             |
| Industries  | 794.8           | 798.3    | 793.0    | 799.4    | 802.0    | 803.4    | 799.0    | 800.2    | 793.0    | 803.0    | 805.0               | 805.0               | 719.0               |
| Social welfare and education                        | 3,795.0         | 3,842.7  | 3,747.0  | 3,867.3  | 3,950.4  | 3,962.5  | 3,960.3  | 3,989.0  | 3,930.9  | 3,984.9  | 4,094.0             | 4,134.0             | 4,141.2             |
| Finance and insurance                               | 1,083.0         | 1,091.0  | 1,091.0  | 1,095.3  | 1,097.4  | 1,104.7  | 1,142.4  | 1,148.9  | 1,141.0  | 1,195.0  | 1,224.0             | 1,217.0             | 1,216.0             |
| Tourism   | 180.0           | 189.0    | 189.0    | 189.4    | 189.1    | 191.0    | 187.4    | 206.5    | 186.0    | 195.0    | 190.0               | 185.0               | 190.0               |
| Real estate and construction                        | 1,015.0         | 1,027.0  | 1,185.0  | 1,167.4  | 1,193.2  | 1,218.0  | 1,671.0  | 1,738.0  | 1,712.7  | 1,642.9  | 1,740.4             | 1,744.0             | 1,750.0             |
| Other   | 1,419.7         | 1,427.0  | 1,446.7  | 1,369.4  | 1,380.0  | 1,452.1  | 1,399.8  | 1,376.0  | 1,375.0  | 1,322.0  | 1,233.0             | 1,240.1             | 1,303.0             |
| 6. Disbursements <sup>1</sup>                       | 58.6            | 59.7     | 43.5     | 41.1     | 73.7     | 145.9    | 483.1    | 145.6    | 60.9     | 77.8     | 618.7               | 503.7               | 452.4               |
| Central government                                  | 57.4            | 57.1     | 42.5     | 33.3     | 59.9     | 141.7    | 480.2    | 131.1    | 32.5     | 38.6     | 615.8               | 502.9               | 451.0               |
| 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                                      | 1.2             | 2.6      | 1.0      | 7.8      | 13.8     | 4.2      | 2.9      | 14.5     | 28.4     | 39.2     | 2.9                 | 0.8                 | 1.4                 |
| 7. Actual debt service <sup>1</sup>                 | 88.8            | 33.9     | 133.3    | 29.1     | 139.1    | 200.0    | 15.3     | 43.2     | 94.9     | 304.5    | 131.0               | 204.0               | 25.2                |
| Principal   | 63.5            | 4.5      | 113.9    | 19.9     | 112.4    | 158.6    | 6.9      | 32.4     | 76.3     | 106.1    | 109.0               | 173.6               | 21.0                |
| Interest  | 25.3            | 29.4     | 19.4     | 9.2      | 26.7     | 41.4     | 8.4      | 10.8     | 18.6     | 198.4    | 22.0                | 30.4                | 4.2                 |
| 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>                   | -4.9            | 55.2     | -70.4    | 21.2     | -38.7    | -12.7    | 476.2    | 113.2    | -15.4    | -28.3    | 509.7               | 330.1               | 431.4               |
| 9. Net transfers on debt <sup>1</sup>               | -30.2           | 25.8     | -89.8    | 12.0     | -65.4    | -54.1    | 467.8    | 102.4    | -34.0    | -226.7   | 487.7               | 299.7               | 427.2               |
| 10. Arrears by creditors category <sup>2</sup>      | 5,042.9         | 5,125.0  | 5,262.1  | 5,339.3  | 5,569.3  | 5,578.1  | 5,402.2  | 5,460.8  | 5,501.9  | 5,536.0  | 5,497.7             | 5,622.4             | 5,621.2             |
| Principal   | 3,019.6         | 3,084.1  | 3,157.8  | 3,216.0  | 3,379.1  | 3,362.7  | 3,191.0  | 3,241.3  | 3,286.9  | 3,333.2  | 3,243.5             | 3,354.0             | 3,348.3             |
| Bilateral debt                                      | 340.3           | 342.9    | 341.1    | 344.9    | 349.6    | 358.9    | 364.5    | 364.9    | 363.4    | 368.5    | 372.7               | 372.5               | 374.7               |
| Multilateral debt                                   | 138.4           | 149.1    | 156.4    | 162.6    | 164.1    | 170.1    | 138.4    | 150.1    | 157.5    | 162.4    | 163.6               | 166.1               | 166.0               |
| Commercial debt                                     | 1,275.6         | 1,310.4  | 1,371.4  | 1,402.9  | 1,556.7  | 1,527.8  | 1,531.9  | 1,551.3  | 1,584.9  | 1,610.9  | 1,511.0             | 1,619.6             | 1,607.6             |
| Export credits                                      | 1,265.3         | 1,281.7  | 1,288.9  | 1,305.6  | 1,308.7  | 1,305.9  | 1,156.2  | 1,175.0  | 1,181.1  | 1,191.4  | 1,196.2             | 1,195.8             | 1,200.0             |
| Interest  | 2,023.3         | 2,040.9  | 2,104.3  | 2,123.3  | 2,190.2  | 2,215.4  | 2,211.2  | 2,219.5  | 2,215.0  | 2,202.8  | 2,254.2             | 2,268.4             | 2,272.9             |
| Bilateral debt                                      | 983.0           | 985.6    | 987.1    | 993.4    | 999.7    | 997.5    | 1,051.3  | 1,055.7  | 1,050.7  | 1,055.8  | 1,064.3             | 1,063.0             | 1,066.6             |
| Multilateral debt                                   | 39.1            | 41.3     | 42.4     | 46.8     | 47.1     | 48.6     | 41.6     | 43.1     | 45.6     | 50.6     | 50.8                | 59.5                | 49.4                |
| Commercial debt                                     | 535.2           | 545.0    | 576.1    | 580.0    | 633.6    | 639.2    | 625.9    | 627.7    | 622.4    | 594.5    | 629.6               | 632.4               | 635.2               |
| Export credits                                      | 466.0           | 469.0    | 498.7    | 503.1    | 509.8    | 530.1    | 492.4    | 493.0    | 496.3    | 501.9    | 509.5               | 513.5               | 521.7               |
| 11. External debt stock                             | 23,200.1        | 23,413.7 | 23,544.1 | 23,668.2 | 23,831.6 | 24,005.1 | 24,482.9 | 24,641.6 | 24,399.7 | 24,477.6 | 25,242.6            | 25,537.5            | 25,956.1            |
| 12. Domestic debt stock                             | 6,576.5         | 6,599.6  | 6,665.9  | 6,793.2  | 6,912.3  | 7,039.3  | 6,815.4  | 6,906.1  | 7,011.7  | 7,509.1  | 7,411.1             | 8,253.8             | 7,749.3             |
| 13. Total debt stock                                | 29,776.6        | 30,013.2 | 30,210.0 | 30,461.4 | 30,743.9 | 31,044.4 | 31,298.2 | 31,547.7 | 31,411.4 | 31,986.7 | 32,653.7            | 33,791.3            | 33,705.4            |
| End period exchange rate                            | 2,297.8         | 2,297.6  | 2,297.6  | 2,297.7  | 2,297.7  | 2,298.5  | 2,298.5  | 2,298.5  | 2,298.5  | 2,298.5  | 2,298.6             | 2,298.9             | 2,299.2             |

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. <sup>1</sup> denotes debt flows during the period; <sup>2</sup> denotes debt 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 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 measures the rate of change in prices of goods and services other than energy, utilities and unprocessed food, over a specified period of time. The unprocessed food items, energy and utilities are excluded since they are volatile and hence may be affected by non-monetary events, which do not constitute the underlying monetary inflation.

### **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 the rate of change of price of food both processed and unprocessed.

### **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 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 the debt central government owes to foreign creditors and external obligations of government departments and agencies that are guaranteed for repayment by the Government).

### **Primary income account**

It comprises income from compensation of employees, interest income, dividends and retained earnings from capital investments, rental income from the use of natural resources and other types of primary income including those that relate to insurance policy holders and pension funds.

### **Secondary income account**

It entails transfers between residents and non-residents that correspond to the provision of a good, service, financial asset, or other non-produced asset with no corresponding return of an item of economic value.

### **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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**For enquiries please contact:  
Directorate of Economic Research and Policy  
Bank of Tanzania, 2 Mirambo Street  
11884, P.O. Box 2939, Dar es Salaam  
Tel: +255 22 223 3328/9**

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