



BANK OF TANZANIA



Monthly Economic Review

January 2022

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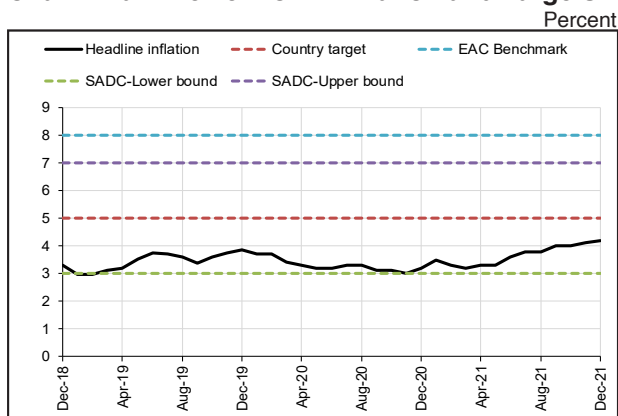
1.0 Prices and Food Stocks

1.1 Inflation

Inflation remained within the target of 3-5 percent and in line with EAC and SADC convergence criteria, despite slowly edging up since June 2021 (Chart 1.1a)¹. In December 2021, twelve-month headline inflation rose slightly to 4.2 percent from 4.1 percent in the preceding month, on account of increase in food and energy prices (Chart 1.1b). For the whole of 2021, headline inflation averaged 3.7 percent compared with 3.3 percent in 2020.

Twelve-month food (food and non-alcoholic beverages) inflation increased to 4.9 percent in December 2021 from 4.4 percent in the preceding month, following increase in price of cooking oil, fish, banana, fruits, wheat flour, goat meat, beef, potatoes, soft drinks, sorghum flour and rice. Non-food inflation declined to 3.9 percent from 4 percent (Table 1.1). Core inflation slightly decreased to 4.6 percent in December 2021 from 4.7 percent in the preceding month². Inflation of energy, fuel, and utilities sub-group was 4.4 percent compared with 3.4 percent, on account of increase in prices of domestic pump of petroleum products consistent with world market prices.

Chart 1.1a: Twelve-month Inflation and Targets

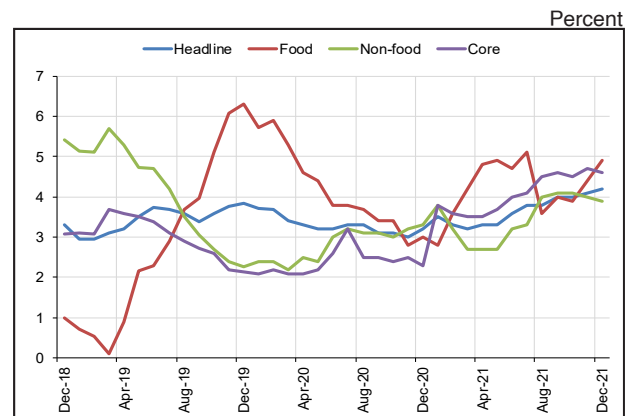


Source: National Bureau of Statistics, Bank of Tanzania computations.

¹ EAC convergence criteria is inflation not exceeding 8 percent, SADC 3-7 percent.

² Core inflation (whose index accounts for the largest share in consumer price index (CPI)) excludes unprocessed food, maize flour, energy, fuel, and utilities.

Chart 1.1b: Twelve-month Inflation



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

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

Table 1.1: Inflation Rates

Main groups	Weight	Month-to-month inflation			Annual inflation		
		Dec-20	Nov-21	Dec-21	Dec-20	Nov-21	Dec-21
		Base Year 2020 = 100					
Food and non-alcoholic beverages	28.2	0.8	0.8	1.9	3.0	4.4	4.9
Alcoholic beverages and tobacco	1.9	1.4	0.2	0.0	-0.2	2.7	2.2
Clothing and footwear	10.8	0.5	0.6	0.2	2.7	5.5	4.5
Housing, water, electricity, gas and other fuels	15.1	1.1	0.4	0.4	10.2	4.0	3.9
Furnishings, household equipment and routine household maintenance	7.9	0.5	0.4	0.5	1.3	3.6	4.1
Health	2.5	0.0	0.1	0.0	1.0	3.0	2.9
Transport	14.1	0.1	0.1	1.1	0.9	5.4	5.9
Information and communication	5.4	0.7	0.3	0.1	0.3	1.4	1.5
Recreation, sports and culture	1.6	0.0	0.2	0.0	0.4	3.8	3.8
Education services	2.0	0.0	0.0	0.0	1.3	1.1	1.1
Restaurants and accommodation services	6.6	0.0	0.3	0.0	1.9	5.3	4.9
Insurance and financial services	2.1	0.4	0.0	0.0	n.a	0.3	0.3
Personal care, social protection and miscellaneous goods and services	2.1	0.0	0.3	0.0	0.3	3.5	3.5
All items-(headline inflation)	100.0	0.0	0.5	0.8	3.2	4.1	4.2
Other selected groups							
Core	73.9	0.5	0.4	0.4	2.3	4.7	4.6
Non-core	26.1	1.2	0.7	2.1	n.a	2.5	3.4
Energy, fuel and utilities	5.7	0.0	0.0	1.0	8.0	3.4	4.4
Services	37.2	0.5	0.2	0.3	n.a	4.0	3.8
Goods	62.8	0.8	0.6	1.1	n.a	4.3	4.5
Education services and products ancillary to education	4.1	0.0	0.2	0.1	n.a	3.3	3.3
All items less food and non-alcoholic beverages	71.8	n.a	0.3	0.4	3.4	4.0	3.9

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

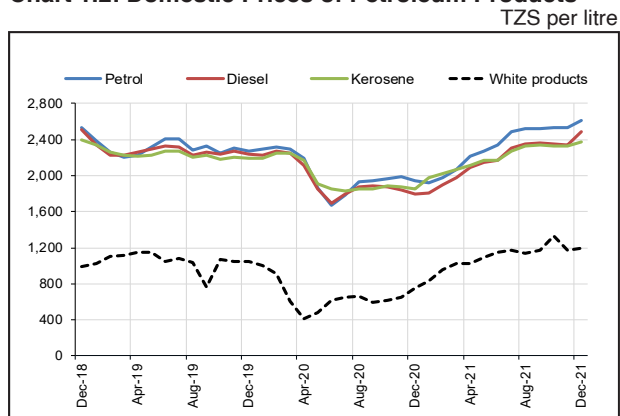
Note: n.a. denotes not available. Data from January 2020 are rebased with base year 2020.

1.2 Fuel Prices

Domestic pump prices of petroleum products maintained an upward trend since June 2020, in line with prices of oil in the world market (Chart 1.2). In December 2021, diesel, petrol, and kerosene prices registered an annual increase of 39.1 percent, 34.3 percent and 27.8 percent respectively, when compared to the same period in 2020. While on month to month, the prices of diesel, petrol and kerosene increased by; 6.3 percent, 2.7 percent and 1.7 percent respectively.



Chart 1.2: Domestic Prices of Petroleum Products



Source: National Bureau of Statistics
Note: White products imply average world market prices of oil.

1.3 Prices of Food Crops

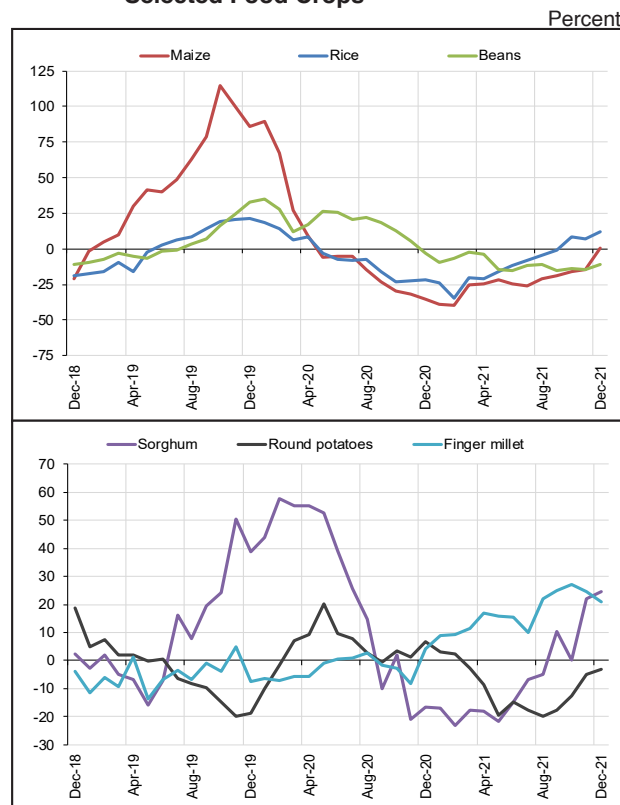
Wholesale prices of the selected food crops increased in December 2021 compared with the corresponding period in 2020 save for beans and round potatoes. On month-to-month basis, all prices of selected food crops continued to increase relative to the previous month (Table 1.2 and Chart 1.3).

Table 1.2: Wholesale Prices of Selected Food Crops
TZS per 100kg

Food crop	Dec-20	Sep-21	Oct-21	Nov-21	Dec-21
Maize	56,892.1	44,365.9	48,171.5	49,683.5	57,105.2
Rice	147,654.2	141,520.2	151,867.8	154,394.6	164,880.0
Beans	205,164.1	168,501.2	172,065.5	178,045.6	182,164.7
Sorghum	87,528.7	90,696.0	95,606.5	105,371.7	109,164.4
Round potatoes	74,198.7	59,663.8	63,162.7	67,982.5	71,898.5
Finger millet	135,678.6	154,093.2	157,704.8	163,777.9	164,127.0

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

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



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

1.4 Food Stocks

Food stocks held the National Food Reserve Agency amounted to 214,968 tonnes, a record high since November 2015 (Table 1.3). The food stocks comprised of maize, paddy and sorghum; and was a reflection of Government efforts to ensure food sufficiency.

Table 1.3: Food Stocks Held by National Food Reserve Agency

Period	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	123,635
September	85,403	78,224	61,711	109,733	150,057
October	89,248	87,435	55,853	110,895	192,408
November	93,354	92,402	52,727	110,289	209,057
December	92,074	95,534	52,498	110,398	214,968

Source: National Food Reserve Agency.

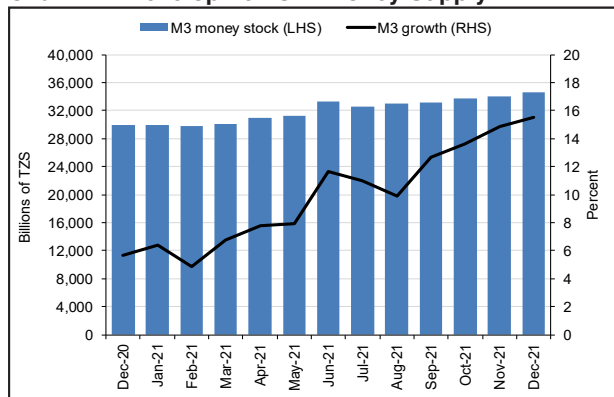


2.0 Money and Credit

2.1 Money Supply

Growth of money supply was high and consistent with the target for 2021/22, owing to liquidity easing monetary policy. Extended broad money supply (M3) grew at 15.5 percent in the year ending December 2021, up from 14.9 percent and 5.7 percent in November 2021 and December 2020, respectively (Chart 2.1 and Table 2.1). Similarly, broad money supply (M2) registered an annual growth of 17.6 percent, up from 17.2 percent and 8.2 percent.

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 (%)		
	Dec-20	Nov-21	Dec-21	Dec-20	Nov-21	Dec-21
Net foreign assets	10,722.5	12,715.9	13,966.0	-10.9	22.4	30.2
Bank of Tanzania	10,308.8	13,058.5	13,219.1	-14.5	26.3	28.2
Banks	413.8	-342.6	746.8	---	---	---
Net domestic assets	19,198.0	21,311.5	20,592.1	17.9	10.8	7.3
Domestic claims	26,139.6	29,680.7	30,030.5	10.8	13.5	14.9
o/w Securities held by banks	5,754.0	6,681.7	6,767.3	11.3	18.5	17.6
Claims on the private sector	20,308.3	21,980.0	22,344.1	3.1	7.8	10.0
Other items (net)	-6,941.6	-8,369.1	-9,438.4	-5.0	20.9	36.0
Extended broad money (M3)	29,920.6	34,027.5	34,558.0	5.7	14.9	15.5
Foreign currency deposits	6,887.9	7,192.9	7,469.7	-2.1	7.1	8.4
Broad money supply (M2)	23,032.6	26,834.6	27,088.4	8.2	17.2	17.6
Other deposits	8,711.0	9,424.7	9,462.8	9.5	9.9	8.6
Narrow money supply (M1)	14,321.7	17,409.9	17,625.5	7.5	21.5	23.1
Currency in circulation	4,500.5	4,996.5	5,012.0	6.6	11.6	11.4
Transferable deposits	9,821.1	12,413.4	12,613.5	7.9	26.0	28.4

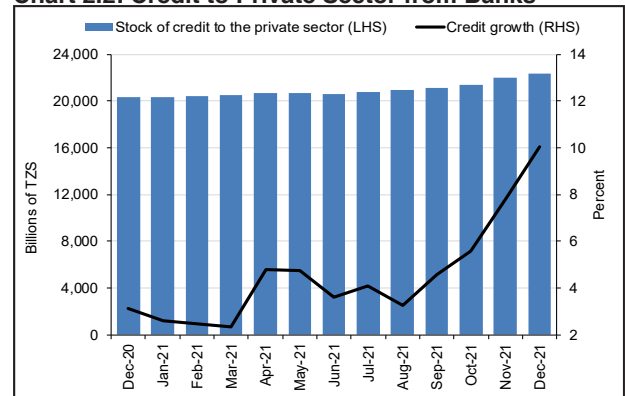
Source: Bank of Tanzania, banks; Bank of Tanzania computations.

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

Domestic credit extended to the private sector and central government by the banking system grew by 14.9 percent in the year ending December 2021, compared with 10.8 percent a year earlier. Credit extended to the private sector rebounded to pre-pandemic levels, recording an annual growth of 10 percent in December 2021 compared with 7.8

percent in the preceding month and 3.1 percent in December 2020 (Table 2.1 and Chart 2.2). The recovery of private sector credit was largely attributed to sustained accommodative monetary policy and improving business conditions from adverse impacted of COVID-19 pandemic. Much of the credit to the private sector was directed to trade, personal activities—mainly small and medium undertakings, manufacturing and mining activities (Table 2.2). Personal related activities, trade, manufacturing and agriculture remained the major beneficiaries in terms of share of credit extended by banks to the private sector (Chart 2.3).

Chart 2.2: Credit to Private Sector from Banks



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

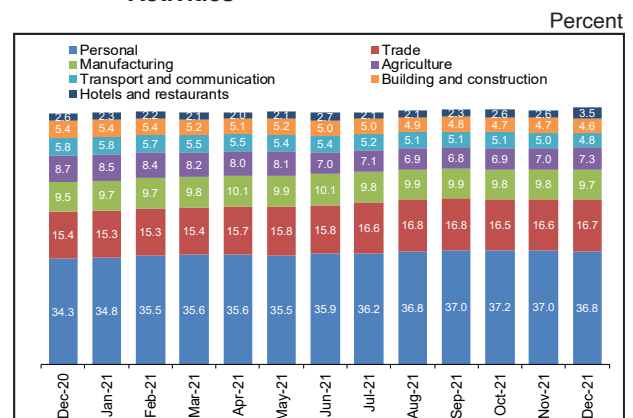
Note: LHS denotes left hand scale; and RHS, right hand scale.

Table 2.2: Annual Growth of Credit to Selected Economic Activities

	Percent						
	Dec-20	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Trade	-9.6	5.4	7.8	12.5	12.6	14.2	19.7
Personal	23.9	18.7	20.0	19.3	20.4	19.4	18.5
Manufacturing	-10.0	-4.9	-0.8	4.6	4.0	7.1	12.4
Mining and quarrying	1.1	8.5	-0.3	-1.0	0.7	1.8	10.4
Hotels and restaurants	-1.0	9.2	-6.1	-4.6	-4.9	-2.5	-1.2
Building and construction	-5.1	-8.6	-10.3	-12.0	-10.5	-6.5	-6.9
Agriculture	-5.4	-7.3	-14.6	-15.1	-14.0	-12.4	-7.7
Transport and communication	7.8	-4.2	-7.4	-8.7	-7.1	-5.7	-7.8

Source: Banks and Bank of Tanzania computations

Chart 2.3: Share of Credit to Selected Economic Activities



Source: Banks and Bank of Tanzania computations.

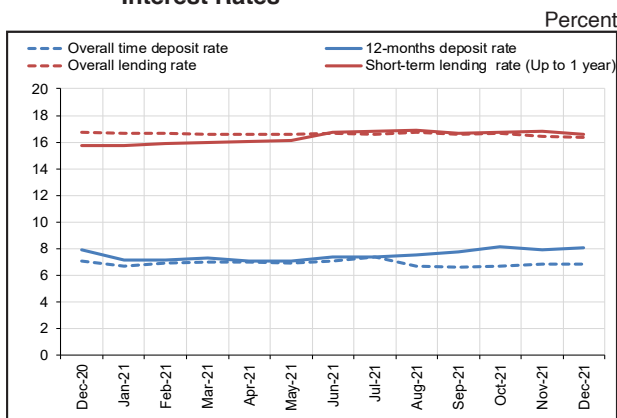


2.2 Interest Rates

Interest rates charged on loans by banks slightly decreased in December 2021, partly reflecting adequacy of liquidity in the banking system and impact of the measures adopted to lower lending rates and increase private sector credit growth. In particular, the overall lending rates averaged 16.37 percent from 16.40 percent and 16.74 percent recorded in the preceding month and December 2020, respectively. Negotiated lending rates charged to prime customers remained broadly unchanged at around 14 percent.

Similarly, interest rates offered on deposits by banks declined marginally. The overall deposit interest rate averaged 6.79 percent in December 2021 compared with 6.80 percent and 7.09 percent in November 2021 and December 2020, respectively (Chart 2.4). Negotiated deposits rate for prime customers remained almost unchanged around 9.82 percent in December 2021.

Chart 2.4: Selected Banks' Lending and Deposits Interest Rates



Source: Banks and Bank of Tanzania computations.

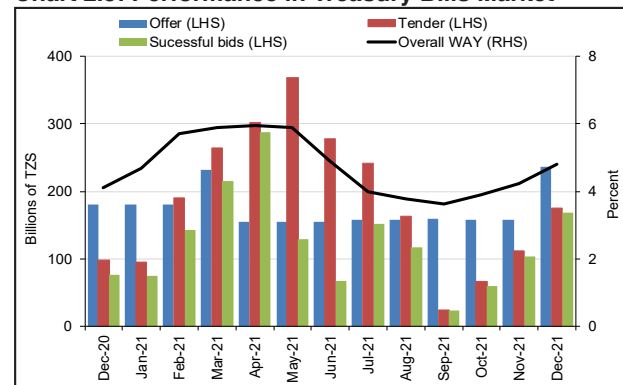
2.3 Financial Markets

Money market sustained adequate supply of liquidity levels in December 2021, characterised with stable and low short term interest rates. Foreign exchange market continued to benefit from increase in supply of foreign exchange, mainly from exports of gold, manufactured goods and tourism receipts. As a result, the shilling remained stable against major global trading currencies.

2.3.1 Treasury Bills Market

The Bank of Tanzania conducted three Treasury bills auctions worth TZS 236.8 billion in December 2021 for fiscal operations and facilitating price discovery. The auctions were undersubscribed receiving bids amounting to TZS 175.1 billion, of which successful bids amounted to TZS 169.1 billion. Overall yield increased to 4.82 percent from 4.23 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

In December 2021, 7-year and 10-year Treasury bonds were re-opened by floating TZS 127.6 billion and TZS 133.9 billion, respectively³. Bids received amounted to TZS 104.8 billion and TZS 53.3 billion, and successful bids were worth TZS 41.0 billion and TZS 49.6 billion, in the same order. Yields to maturity decreased to 9.89 percent for 7-year bond and 11.25 percent for 10-year bond from 10.10 percent and 11.60 percent, respectively, when the parent bonds were issued.

2.3.3 Interbank Cash Market

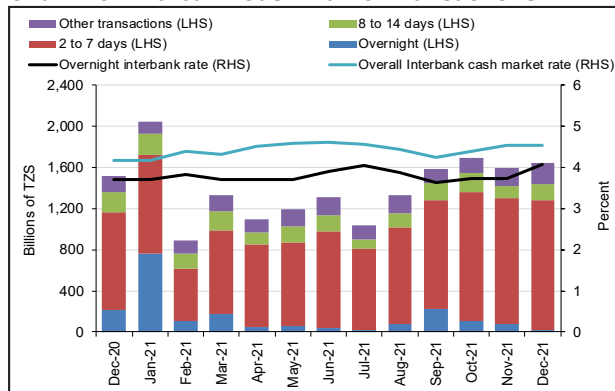
Interbank cash market (IBCM) was vibrant in December 2021, recording market turnover of TZS 1,638.2 billion, higher than TZS 1,595.9 billion in the preceding month (Chart 2.6). Transactions of maturity of 2-7 days and overnight placements accounted for 77.2 percent and 1.2 percent of the market turnover, respectively. Interest rate on

³ The bond re-opening aims at enhancing the liquidity of the bonds market thus targeted to serve as a benchmark and develop the yield curve.



overnight transactions remained low and stable at 4.07 percent, while that of 2-7 days averaged 4.54 percent.

Chart 2.6: Interbank Cash Market Transactions



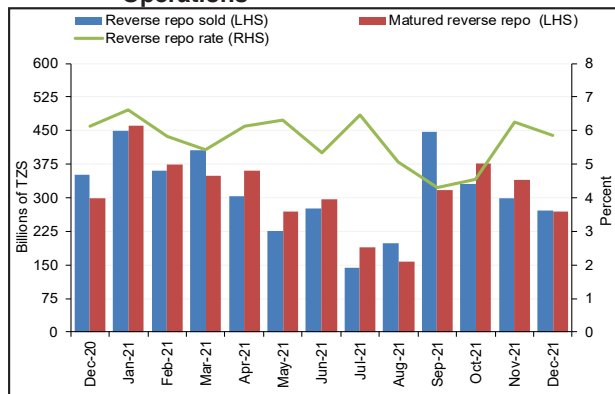
Source: Bank of Tanzania

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

2.3.4 Repurchase Agreements

The Bank of Tanzania conducted reverse repurchase agreements (reverse repo) in December 2022 to align liquidity in banks within the desired levels. The reverse repo amounted to TZS 272.5 billion compared with TZS 299.9 billion in the preceding month (**Chart 2.7**). Meanwhile, reverse repos amounting to TZS 270.2 billion matured. Reverse repo rate decreased to 5.87 percent from 6.25 percent in the preceding month.

Chart 2.7: Reverse Repurchase Agreements Operations



Source: Bank of Tanzania

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

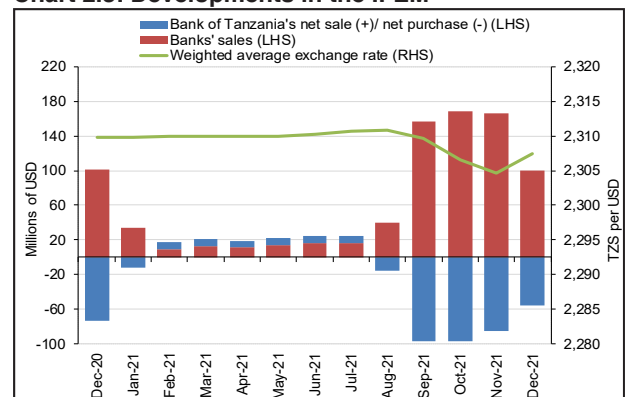
2.3.5 Interbank Foreign Exchange Market

The value of transactions in the interbank foreign exchange market (IFEM) amounted to USD 100.6 million in December 2021 compared with USD 165.7 million in the preceding month. The Bank of Tanzania participated in the market for liquidity

management, building foreign reserves and ensuring orderly market conditions. Consequently, the Bank purchased USD 55.5 million compared with USD 85.2 million in November 2021.

The shilling strengthened due to increase in export proceeds from gold, manufactured goods and tourism. In addition, low inflation supported the stability of shilling. In December 2021, the shilling was traded at TZS 2,307.39 per US dollar, compared with TZS 2,304.64 per US dollar in the preceding month (**Chart 2.8**). On annual basis, the shilling appreciated by 0.11 percent from TZS 2,309.83 per US dollar registered in December 2020.

Chart 2.8: Developments in the IFEM



Source: Bank of Tanzania

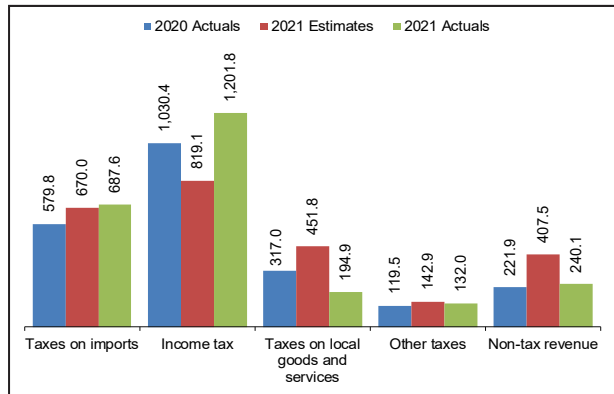
Note: LHS denotes left hand scale; and RHS, right hand scale

3.0 Government Budgetary Operations

During December 2021, domestic revenue collections recorded an outstanding performance with most items surpassing their monthly targets. Domestic revenue collections amounted to TZS 2,530.3 billion, compared to the monthly target of TZS 2,566.4 billion and 8.4 percent higher than total collections in the corresponding month in 2020. Central government revenue was TZS 2,456.3 billion with the remainder being collections from local government own sources. Tax revenue performance maintained an upward trajectory, amounting to TZS 2,216.2 billion, which is 106.4 percent of the target and an increase of 8.3 percent from the similar month in 2020. The observed good performance in corporate income tax and import duties is associated with improved business performance and increase in imports of consumer and intermediate goods (**Chart 3.1**).



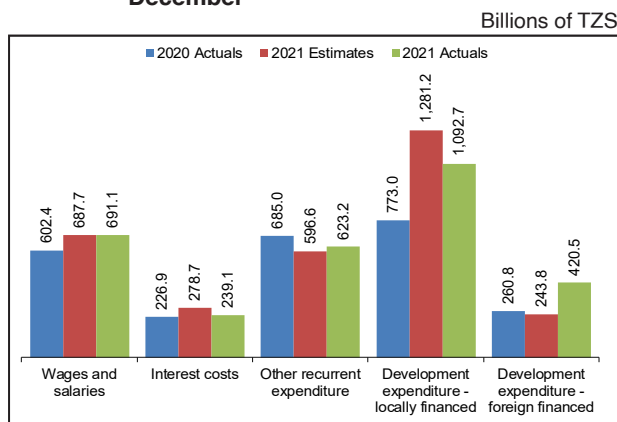
Chart 3.1: Central Government Revenue in December
Billions of TZS



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

Total Government expenditure for December 2021 amounted to TZS 3,066.6 billion of which TZS 1,553.4 billion and TZS 1,513.2 billion were spent on recurrent activities and development projects, respectively (**Chart 3.2**). Locally financed development expenditure amounted to TZS 1,092.7 billion, which was 72.2 percent of development expenditure.

Chart 3.2: Central Government Expenditure in December
Billions of TZS



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

4.0 Debt Developments

The stock of national debt, comprising public and private sector, amounted to USD 37,109.5 million at the end of December 2021, an increase of USD 1,122.8 million from the preceding month and USD 6,065.1 million from the amount recorded in December 2020. External debt (public and private) accounted for 75.2 percent of the national debt stock.

4.1 External Debt

In December 2021, the stock of external debt, comprising public and private sector, increased by USD 59.4 million compared to the preceding month and closed at USD 27,917 million. The increase is attributed to appreciation of currencies in which the debt is denominated against the USD. The level of external debt increased by USD 3,912.5 million when compared with the same month in 2020. Debt service payments amounted to USD 222.7 million, of which USD 190.3 million was principal repayments and the balance was interest payments. Central government continued to dominate the profile of external debt by borrower category, accounting for 73.5 percent (**Table 4.1**).

Table 4.1: External Debt Stock by Borrowers

Borrower	Millions of USD					
	Dec-20		Nov-21 ^r		Dec-21 ^p	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	18,457.7	76.9	20,581.8	73.9	20,526.0	73.5
DOD	17,459.5	72.7	19,497.5	70.0	19,412.9	69.5
Interest arrears	998.2	4.2	1,084.3	3.9	1,113.1	4.0
Private sector	5,495.6	22.9	7,247.8	26.0	7,362.7	26.4
DOD	4,293.3	17.9	5,978.6	21.5	5,988.2	21.4
Interest arrears	1,202.3	5.0	1,269.2	4.6	1,374.5	4.9
Public corporations	51.7	0.2	28.6	0.1	28.9	0.1
DOD	36.8	0.2	23.7	0.1	23.7	0.1
Interest arrears	14.9	0.1	4.9	0.0	5.2	0.0
External debt stock	24,005.1	100.0	27,858.2	100.0	27,917.6	100.0

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

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

Debt owed to multilateral institutions continued to account for the largest share of external debt, followed by commercial creditors (**Table 4.2**). In terms of use of funds, transport and telecommunication related activities continued to account for a biggest share, followed by social welfare and education, and energy and mining (**Table 4.3**). The profile of external debt by currency composition was dominated by US dollar followed by Special Drawing Rights (**Table 4.4**).



Table 4.2: External Debt Stock by Creditors

Creditor	Millions of USD					
	Dec-20		Nov-21 ^r		Dec-21 ^p	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	11,531.0	48.0	12,332.6	44.3	12,504.2	44.8
DOD	11,482.4	47.8	12,285.0	44.1	12,395.5	44.4
Interest arrears	48.6	0.2	47.6	0.2	108.7	0.4
Bilateral	2,174.2	9.1	2,243.0	8.1	2,271.4	8.1
DOD	1,176.7	4.9	1,158.7	4.2	1,158.3	4.1
Interest arrears	997.5	4.2	1,084.3	3.9	1,113.1	4.0
Commercial	7,623.3	31.8	9,476.3	34.0	9,277.0	33.2
DOD	6,984.1	29.1	8,748.4	31.4	8,554.8	30.6
Interest arrears	639.2	2.7	727.9	2.6	722.2	2.6
Export credit	2,676.5	11.1	3,806.2	13.7	3,865.0	13.8
DOD	2,146.4	8.9	3,307.6	11.9	3,316.2	11.9
Interest arrears	530.1	2.2	498.6	1.8	548.8	2.0
External debt stock	24,005.1	100.0	27,858.2	100.0	27,917.6	100.0

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

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

Table 4.3: External Debt by Use of Funds

Activity	Millions of USD					
	Dec-20		Nov-21 ^r		Dec-21 ^p	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Balance of Payments and budget	2,637.4	12.1	3,136.3	12.3	3,133.4	12.3
Transport and telecommunication	5,898.2	27.1	5,902.8	23.1	5,865.8	23.1
Agriculture	1,389.8	6.4	1,353.0	5.3	1,349.0	5.3
Energy and mining	3,132.7	14.4	4,089.0	16.0	4,086.0	16.1
Industries	803.4	3.7	902.0	3.5	899.0	3.5
Social welfare and education	3,962.5	18.2	4,092.5	16.0	4,092.2	16.1
Finance and insurance	1,104.7	5.1	1,443.0	5.7	1,437.0	5.7
Tourism	191.0	0.9	223.0	0.9	222.6	0.9
Real estate and construction	1,218.0	5.6	1,719.1	6.7	1,712.1	6.7
Other	1,452.1	6.7	2,639.1	10.3	2,627.7	10.3
Total	21,789.7	100.0	25,499.8	100.0	25,424.8	100.0

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

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

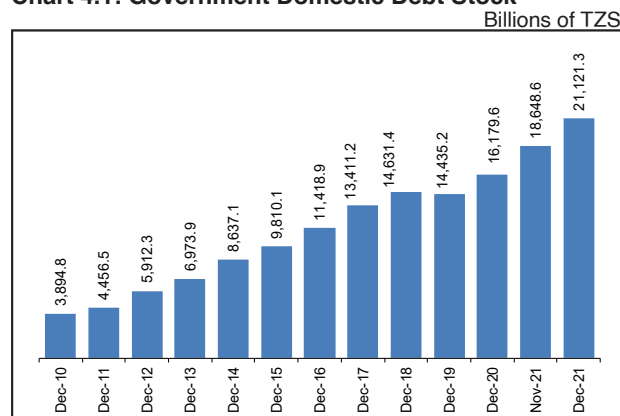
Table 4.4: Disbursed Outstanding Debt by Currency Composition

Currency	Millions of USD					
	Dec-20		Nov-21 ^r		Dec-21 ^p	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Special Drawing Rights	8,349.1	39.3	8,800.7	34.5	8,800.8	34.6
United States Dollar	9,146.8	43.0	13,958.5	54.7	13,883.4	54.6
African Unit of Account	2,269.2	10.7	0.0	0.0	0.0	0.0
Euro	704.9	3.3	1,114.7	4.4	1,114.7	4.4
Other	797.2	3.7	1,625.9	6.4	1,625.9	6.4
Total	21,267.2	100.0	25,499.8	100.0	25,424.8	100.0

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

4.2 Domestic Debt

Government domestic debt stock recorded an increase of TZS 2,472.7 billion and TZS 4,941.7 billion from stock recorded at the end of the preceding month and corresponding period in 2020, respectively (**Chart 4.1**). The monthly increase is attributed by issuance of non-cash bond to Public Service Social Security Fund (PSSSF). Treasury bonds accounted for 84.5 percent of total domestic debt 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

Instrument	Billions of TZS					
	Dec-20		Nov-21		Dec-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	15,604.1	96.4	17,539.8	94.1	19,893.1	94.2
Treasury bills	1,642.2	10.1	1,664.4	8.9	1,788.8	8.5
Government stocks	252.7	1.6	252.7	1.4	252.7	1.2
Government bonds	13,709.1	84.7	15,622.6	83.8	17,851.5	84.5
Tax certificates	0.1	0.0	0.1	0.0	0.1	0.0
Non-securitized debt	575.5	3.6	1,108.8	5.9	1,228.2	5.8
Other Liabilities*	18.4	0.1	18.4	0.1	18.4	0.1
Overdraft	557.1	3.4	1,090.4	5.8	1,209.8	5.7
Domestic debt stock (without liquidity papers)	16,179.6	100.0	18,648.6	100.0	21,121.3	100.0

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

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

Pension funds emerged as dominant creditor followed by Commercial banks, jointly accounting for 66.5 percent of domestic debt (**Table 4.6**).

Table 4.6: Government Domestic Debt by Creditor

Holder	Billions of TZS					
	Dec-20		Nov-21		Dec-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	5,632.1	34.8	6,523.3	35.0	6,604.8	31.3
Bank of Tanzania	1,801.0	11.1	2,235.6	12.0	2,305.0	10.9
Pension funds	4,833.7	29.9	5,188.0	27.8	7,428.9	35.2
Insurance	1,328.8	8.2	1,410.1	7.6	1,452.9	6.9
BOT's special funds	373.6	2.3	387.9	2.1	387.9	1.8
Others	2,210.4	13.7	2,903.8	15.6	2,941.7	13.9
Total	16,179.6	100.0	18,648.6	100.0	21,121.3	100.0

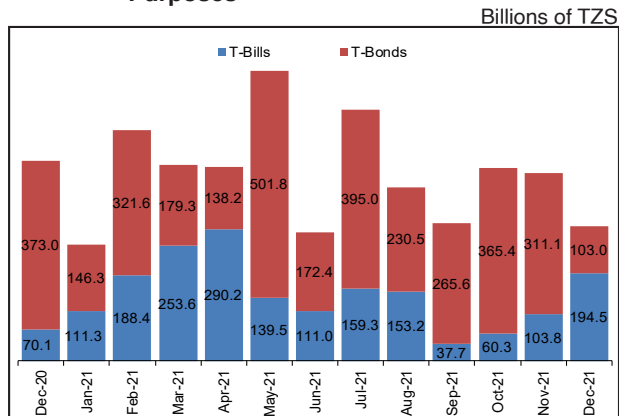
Source: Ministry of Finance and Planning, and Bank of Tanzania.

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

Issuance of Treasury securities for budgetary operations amounted to TZS 297.5 billion, of which Treasury bonds was TZS 103 billion and the balance was Treasury bills (**Chart 4.2**). Domestic debt service, excluding overdraft from the Bank of Tanzania, amounted to TZS 275.1 billion, of which TZS 120.9 billion was principal and the balance was interest payments.



Chart 4.2: Government Securities for Financing Purposes



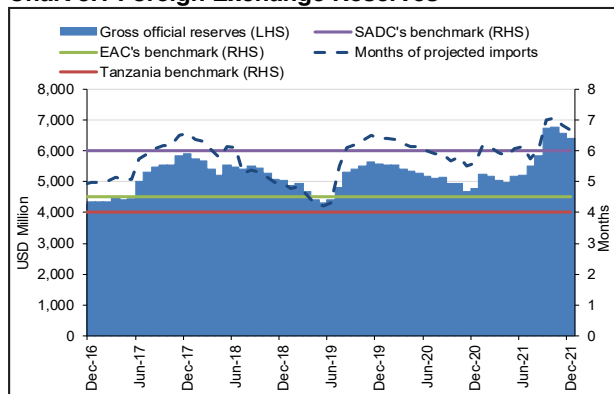
Source: Bank of Tanzania.

5.0 External Sector Performance

The external sector continued to improve from the effects of COVID-19 pandemic, with tourism sector continuing to signal recovery. During the year ending December 2021, the overall balance of payments was a surplus of USD 1,857.3 million from a deficit of USD 764.9 million in the corresponding period in 2020, owing to increase in foreign financial inflows. During the same period the current account recorded a deficit of USD 2,032.3 million from a deficit of USD 1,122.0 million, driven by higher imports of goods.

The stock of foreign exchange reserves was USD 6,386.0 million at the end of December 2021, sufficient to cover about 6.6 months of projected imports of goods and services. The reserves were consistent with the country and regional benchmarks of at least 4 months; and 4.5 and 6 months for EAC and SADC, 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 December			2019	2020	2021 ^p
	Dec-20	Nov-21	Dec-21			
Goods account	-78.9	-418.0	-405.6	-3,464.8	-1,517.2	-3,269.3
Exports*	617.0	630.2	636.9	5,328.3	6,371.7	6,755.6
Imports	695.9	1,048.2	1,042.5	8,793.1	7,889.0	10,024.9
Services account	109.27	129.1	157.2	2,498.5	891.7	1,509.7
Receipts	218.9	325.8	362.9	4,281.0	2,183.8	3,229.2
Payments	109.6	196.8	205.8	1,782.5	1,292.0	1,719.5
Goods and services	30.4	-288.9	-248.4	-966.3	-625.5	-1,759.6
Export of goods and services	836.0	956.0	999.8	9,609.2	8,555.5	9,984.9
Import of goods and services	805.6	1,244.9	1,248.2	10,575.6	9,181.0	11,744.4
Primary income account	-84.5	-96.1	-75.7	-1,013.7	-896.3	-838.0
Receipts	8.2	14.1	12.5	212.4	111.2	103.2
Payments	92.6	110.3	88.2	1,226.2	1,007.5	941.2
Secondary income account	52.2	43.0	87.1	418.5	399.9	565.3
Inflows	56.9	51.8	96.4	474.9	452.6	650.7
o/w General government	20.4	0.0	41.4	103.5	139.9	104.5
Outflows	4.7	8.9	9.3	56.4	52.7	85.4
Current account balance	-1.9	-342.1	-237.0	-1,561.5	-1,122.0	-2,032.3

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

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

5.1 Exports

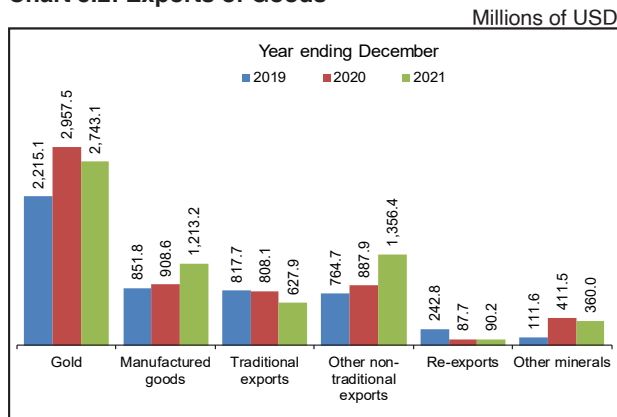
Exports of goods and services increased to USD 9,818.6 million in the year ending December 2021, from USD 8,555.5 million in the corresponding period in 2020. This was on account of a rise in exports of manufactured goods particularly sisal and sisal products, manufactured tobacco and other manufactured products as well as horticulture, fish products and travel receipts. Exports of goods increased by 6.0 percent to USD 6,755.6 million, with non-traditional goods rising by 9.7 percent to USD 5,763.0 million.

Gold exports fell by 7.2 percent to USD 2,743.1 million and accounted for 40.6 percent of total goods exports, driven by the recent decline in the world market prices. Exports of manufactured goods rose to USD 1,213.2 million in the year ending December 2021, from USD 908.6 million in 2020, driven by sisal and sisal products, manufactured tobacco and other manufactured products particularly iron and steel, cosmetics, plastic and paper and paper products (**Chart 5.2**). On monthly basis, exports of non-traditional goods were USD 465.2 million, slightly higher than USD 452.9 million in December 2020.

Exports of traditional goods declined to USD 627.9 million from USD 808.1 million in similar period in 2020. Much decline was recorded in exports of cashew nuts, tobacco and cotton. On a monthly basis, traditional exports were largely unchanged at around USD 135.0 million.



Chart 5.2: Exports of Goods

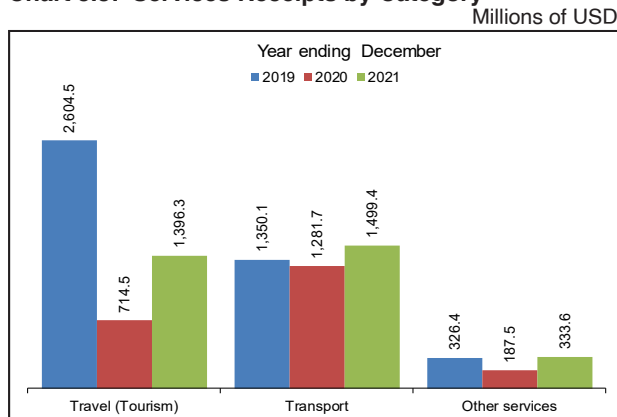


Source: Tanzania Revenue Authority and Bank of Tanzania Computations.

Note: Other minerals mainly include mineral concentrates, tanzanite and diamond; and other non-traditional exports include oil seeds, cereals, cocoa, raw hides and skins, and wood.

Services receipts increased to USD 3,229.2 million, from USD 2,183.8 million in the year ending December 2020, largely boosted by travel (tourism) and transport receipts (**Chart 5.3**). Travel receipts rose to USD 1,396.3⁴ million, consistent with a rise in the number of international tourist arrivals by 48.0 percent to 918,603, as the recovery in tourism activities is underway. On a monthly basis, services receipts were USD 362.9 million, compared to USD 218.9 million in December 2020, with travel receipts accounting for the larger increase.

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 11,744.4 million in the year ending December 2021, from USD 9,181.0 million in 2020. The rise was largely observed in intermediate goods particularly oil, machinery and other consumer goods (**Table 5.2**). Oil imports increased by 63.2 percent to USD 2,090.5 million, on account of both price and volume. Services payments amounted to USD 1,719.5 million up from USD 1,292.0 million in the year ending December 2020, largely due to rise in freight payments along with rise in import bill (**Chart 5.4**). On month-to-month, services payments increased to USD 205.8 million in December 2021, from USD 106.9 million in December 2020, bolstered by freight payments.

Table 5.2: Goods Imports

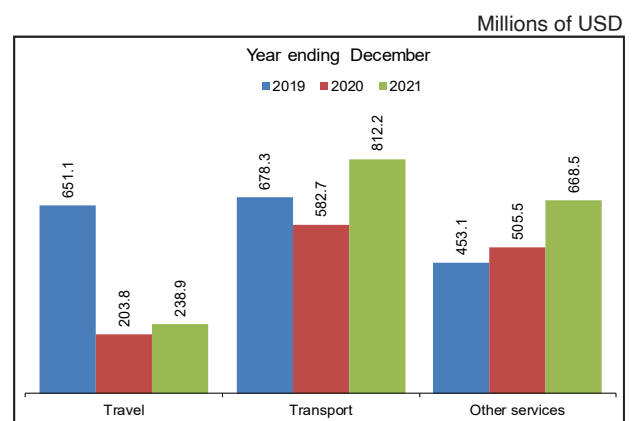
Millions of USD

Items	Year ending Dec.			Percentage change	Year ending Dec.		Percentage change	Percentage contribution, year ending Dec.
	Dec-20	Nov-21	Dec-21		2020	2021 ¹		
Capital goods	287.8	389.8	394.5	1.2	3,220.7	3,851.0	19.6	38.4
Transport equipment	78.2	101.1	98.2	-2.8	782.8	978.5	25.0	9.8
Building and constructions	83.0	118.8	129.7	9.2	936.8	1,159.6	23.8	11.6
Machinery	126.6	169.9	166.6	-2.0	1,501.2	1,713.0	14.1	17.1
Intermediate goods	205.3	348.0	383.1	10.1	2,231.8	3,256.7	45.9	32.5
Oil imports	106.8	222.2	258.5	16.4	1,281.3	2,090.5	63.2	20.9
Fertilizers	23.4	22.1	26.3	18.9	186.3	189.4	1.7	1.9
Industrial raw materials	75.1	103.6	98.2	-5.2	764.2	976.8	27.8	9.7
Consumer goods	202.8	310.4	264.9	-14.7	2,436.4	2,917.2	19.7	29.1
Food and food stuffs	22.7	60.8	41.5	-31.7	386.7	500.9	29.6	5.0
All other consumer goods ¹	180.1	249.6	223.4	-10.5	2,049.8	2,416.2	17.9	24.1
Total	695.9	1,048.2	1,042.5	-0.5	7,889.0	10,024.9	27.1	---

Source: Tanzania Revenue Authority and Bank of Tanzania computations

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

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.

The primary income account deficit narrowed to USD 838.0 million in the year ending December 2021, from USD 896.3 million, in the similar period

⁴ Provisional estimates, to be revised with 2021 survey results.



in 2020, due to a decline in payments abroad. On monthly basis, the primary income account recorded a deficit of USD 75.7 million compared to USD 84.5 million in December 2020.

The secondary income account surplus widened to USD 565.3 million in the year ending December 2021, from USD 399.9 million in the corresponding period of 2020, due to rise in private transfers. On monthly basis, a surplus of USD 87.1 million was recorded in December 2021, compared to USD 52.2 million in the similar period in 2020.

5.3 World Commodity Prices

During December 2021, most of commodity prices went up, save for oil, gold and cotton (Table 5.3). Average crude oil prices fell to USD 72.9 per barrel in December 2021, owing to fears over the Omicron variant. Similarly, cotton prices dropped on account of COVID-19 resurgence concerns. Gold prices subtly fell in December 2021, mainly attributed to a stronger US dollar. Nonetheless, the price of gold remained higher than pre-pandemic levels. Prices of tea and coffee rose due to greater demand and supply shortages, respectively.

Annually, prices of nearly all commodities increased with the exception of sisal and tea (Table 5.3). Higher annual prices for oil and most agricultural commodities were caused by greater than expected demand recovery, as countries resumed economic activities. Gold prices marginally rose during the year, explained by the prevalence of low interest rates and thus, low treasury yields in many major economies.

Table 5.3: World Commodity Prices

Commodity	Unit of measure	Year ending		Percentage change	Year ending		Percentage change
		Nov-21	Dec-21		December 2020	December 2021	
Crude oil*	USD per barrel	80.77	74.31	-8.0	42.30	70.44	66.5
Crude oil**	USD per barrel	79.80	72.76	-8.8	42.17	68.82	63.2
White products***	USD per tonne	716.55	675.78	-5.7	374.59	630.46	68.3
Sisal under grade (UG)	USD per kg	1.70	1.70	0.0	1.69	1.69	-0.1
Cotton, "A Index"	USD per kg	2.79	2.65	-5.1	1.59	2.23	40.7
Robusta Coffee	USD per kg	2.41	2.48	3.0	1.52	1.98	30.7
Arabica Coffee	USD per kg	5.71	5.91	3.5	3.32	4.51	35.7
Tea (Average prices)	USD per kg	2.83	2.82	-0.4	2.70	2.69	-0.3
Tea (Mombasa auction)	USD per kg	2.48	2.62	5.7	2.00	2.11	5.4
Cloves	USD per kg	7.85	8.05	2.5	5.81	7.65	31.6
Gold	USD per troy ounce	1,821.76	1,790.43	-1.7	1,770.25	1,799.63	1.7

Source: 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

Headline inflation remained within the target of 5 percent for 2021/22. In December 2022, annual headline inflation edged up to 2.4 percent from 2.2 percent and 0.5 percent recorded in the preceding month and corresponding period in 2020. The outturn was driven by non-food inflation particularly petroleum products, whose price picked up in the wake of the edging up of world oil prices in the recent months⁵. On month-to-month, overall consumer prices rose slightly to 0.4 percent in December 2021, from 0.3 percent in the similar month a year ago (Table 6.1 and Chart 6.1)

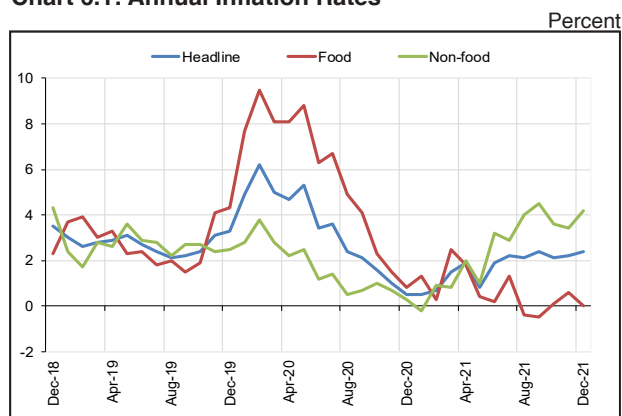
Table 6.1: Inflation Developments

Base: Jan 2017=100

Main groups	Weight	Monthly change			Annual change		
		Dec-20	Nov-21	Dec-21	Dec-20	Nov-21	Dec-21
Food and non-alcoholic beverage:	43.6	1.2	0.3	0.7	0.9	0.6	0.0
Alcoholic beverages, tobacco and narcotics	0.2	0.0	0.0	0.0	0.2	0.0	0.0
Clothing and footwear	6.9	-0.1	0.2	0.2	1.0	1.4	1.7
Housing, water, electricity, gas and other fuels	18.4	-0.9	-0.3	-0.3	0.1	3.0	3.7
Furnishing, household equipment	5.5	-0.1	0.1	0.3	0.9	4.3	4.6
Health	2.1	0.0	-0.7	0.0	11.3	1.8	1.8
Transport	9.6	-0.6	-0.5	1.7	-4.1	5.3	7.7
Communication	4.2	0.0	0.0	0.0	0.1	1.7	1.7
Recreation and culture	1.3	-0.2	0.0	0.0	3.5	1.1	1.3
Education	1.9	0.0	0.0	0.0	3.2	10.7	10.7
Restaurants and hotels	3.9	0.0	0.0	0.6	0.8	0.0	0.6
Miscellaneous goods and services	2.3	0.0	1.2	0.0	1.0	10.8	10.8
All items (Headline inflation)	100.0	0.3	0.0	0.4	0.5	2.2	2.4
Selected groups							
Food	42.7	1.2	0.3	0.7	0.9	0.6	0.0
Non-food	57.3	-0.4	-0.1	0.3	0.3	3.4	4.2

Source: Office of the Chief Government Statistician

Chart 6.1: Annual Inflation Rates



Source: Office of the Chief Government Statistician

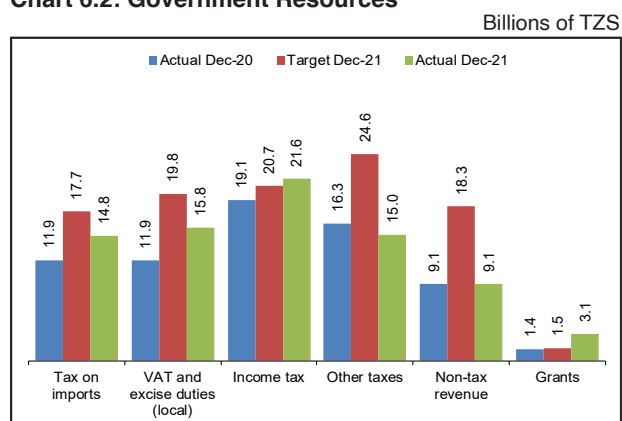
⁵ Petroleum products include kerosene, diesel and petrol



6.2 Government Budgetary Operations

Revenue realized by the Government in December 2021 amounted to TZS 79.4 billion equivalent to 77.3 percent of the target, of which TZS 76.3 billion was domestic revenue and TZS 3.1 billion was grants. Tax revenue recorded an annual increase of 16.2 percent to TZS 67.2 billion in December 2021. Non-tax revenue was TZS 9.1 billion, equivalent to 49.6 percent of the target (**Chart 6.2**).

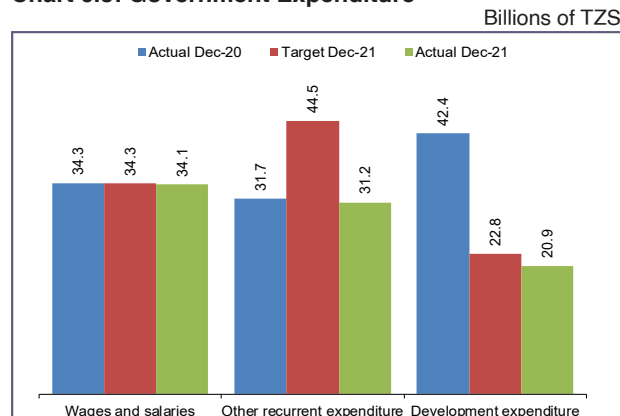
Chart 6.2: Government Resources



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.

On the expenditure side, the Government continued to ensure discipline in the use of public funds and rationalized expenditure based on priorities. In December 2021, a total of TZS 86.3 billion was spent by the Government, out of which recurrent expenditure was TZS 65.4 billion and development expenditure was TZS 20.9 billion. Local funding in development expenditure amounted to TZS 11.9 billion, which accounted for 56.8 percent, with the balance being foreign funding. Overall deficit after grants and adjustment to cash and other items was TZS 7.0 billion, financed by program loans (**Chart 6.3**).

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

In December 2021, current account balance widened to a deficit of USD 237.3 million from a deficit of USD 190.0 million registered during the corresponding period in 2020. This was largely attributed to decrease in income receipts (**Table 6.2**).

Table 6.2: Current Account

Millions of USD

	Year ending December					Percentage change
	Dec-20	Nov-21	Dec-21 ^p	2020	2021 ^p	
Goods account (net)	-8.6	-23.7	-34.7	-287.2	-260.8	-9.2
Exports	12.4	10.4	0.5	38.2	70.2	83.7
Imports (fob)	21.0	34.1	35.2	325.4	331.0	1.7
Services account (net)	-0.2	5.8	4.4	-31.6	10.3	--
Receipts	14.0	11.0	11.1	75.1	111.5	48.6
Payments	14.2	5.2	6.7	106.7	101.3	-5.0
Goods and services (net)	-8.8	-17.9	-30.3	-318.7	-250.5	-21.4
Exports of goods and services	26.4	21.4	11.6	113.3	181.7	60.4
Imports of goods and services	35.1	39.3	41.9	432.0	432.2	0.1
Primary Income account (net)	0.7	0.0	0.3	12.2	4.3	-65.0
Receipts	1.4	0.0	0.4	20.1	8.6	-57.0
Payments	0.7	0.0	0.2	7.9	4.4	-44.7
Secondary income (net)	8.0	0.1	0.0	116.5	9.0	-92.3
Inflows	8.8	0.1	0.3	126.0	15.6	-87.6
Outflows	0.7	0.0	0.3	9.4	6.6	-30.1
Current account balance	0.0	-17.8	-30.1	-190.0	-237.3	24.9

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 increased to USD 181.7 million from USD 113.3 million recorded in the year ending December 2020, driven by growth in service receipts, in particular, tourism (**Table 6.2**). Service receipts increased by 48.6 percent to USD 111.5 million, while cloves export rose to USD 50.4 million from USD 15.6 million earned in the year



ending December 2020 (**Table 6.3**). On month-to-month basis, goods exports rose to USD 35.2 million in December 2021 compared to USD 21.0 million in December 2020 and USD 34.1 million in November 2021.

Table 6.3: Exports of Goods

Units	Dec-20	Nov-21 ^p	Dec-21 ^p	Year ending		Percentage change	
				2020	2021 ^p		
Traditional exports							
Clove							
Value	'000' of USD	356.7	4,490.0	0.1	15,603.7	50,379.9	--
Volume	'000' Tonnes	0.1	0.6	0.0	3.1	6.8	--
Unit price	USD/Tonne	5,199.5	7,037.9	31,285.0	4,971.5	7,435.5	49.6
Non-traditional exports							
Seaweeds							
Value	'000' of USD	9,237.3	402.8	460.2	13,979.8	5,175.0	-63.0
Volume	'000' Tonnes	1.4	0.9	0.9	17.0	12.5	-26.7
Unit price	USD/Tonne	6,466.5	423.6	497.1	821.3	414.9	-49.5
Manufactured goods	'000' of USD	2,094.7	2,526.1	0.4	4,725.3	7,754.6	64.1
Fish and fish products	'000' of USD	164.1	371.3	0.1	1,328.5	2,009.0	51.2
Others exports	'000' of USD	536.7	2,582.6	0.4	2,552.3	4,849.9	90.0
Sub-total	'000' of USD	12,032.8	5,882.8	461.1	22,585.9	19,788.5	-12.4
Grand-total	USD ('000')	12,389.5	10,372.8	461.1	38,189.6	70,168.4	83.7

Source: Tanzania Revenue Authority and Bank of Tanzania computations.

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

6.3.3 Imports

Imports of goods and services amounted to USD 432.2 million in the year ending December 2021, edging up from USD 432.0 million in the corresponding period in 2020 (**Table 6.2**). This development was associated with decrease in imports of capital goods. The decline in imported capital goods was recorded in machinery, transport equipment and building and construction. However, intermediate and consumer goods imports increased by 98.6 and 6.0 percent respectively. Oil imports during the period increased by 91.3 percent to USD 82.1 million largely attributed by increase in world market price. On month-to-month basis, imports (f.o.b) amounted to USD 35.2 million in December 2021 compared to USD 21.0 million in December 2020 and USD 34.1 million in November 2021. During the month of December 2021, there was more importation of oil and industrial raw materials compared to December 2020 due to a rebound in economic activity (**Table 6.4**).

Table 6.4: Imports of Goods

	Dec-20	Nov-21 ^p	Dec-21 ^p	Year ending		Percentage change
				2020	December 2021 ^p	
Millions of USD						
Capital goods	11.1	7.3	11.1	159.8	91.3	-42.9
Transport equipment	2.1	1.4	1.1	32.6	24.5	-24.7
Building and construction	2.5	2.0	5.2	29.7	29.1	-2.1
Machinery	6.5	3.9	4.7	97.5	37.7	-61.3
Intermediate goods	3.8	17.2	15.0	69.3	137.6	98.6
Oil imports	1.3	9.1	8.2	42.9	82.1	91.3
Industrial raw materials	2.5	8.2	6.7	26.4	55.5	--
Consumer goods	6.1	9.6	9.1	96.3	102.0	6.0
Food and food stuffs	3.0	1.8	1.1	38.8	35.9	-7.5
All other consumer goods	3.1	7.8	8.0	57.4	66.1	15.1
Grand total (c.i.f)	23.1	37.5	38.6	357.5	363.7	1.7
Grand total (f.o.b)	21.0	34.1	35.2	325.4	331.0	1.7

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 ^r	2017 ^r	2018 ^r	2019 ^p	2020 ^p
National accounts and prices						
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 ^r	Percent	19.0	17.5	18.3	18.8	n.a
Money, credit and interest rates						
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 ¹	Percent	19.3	17.0	17.2	16.9	17.6
2.7 Non-government sector credit to GDP ratio ¹	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 ²	Percent	11.5	11.7	8.8	8.8	8.3
2.10 Overall treasury bill rate ²	Percent	16.2	11.1	6.4	7.7	4.4
2.11 Long-term lending rate (3-5 years) ²	Percent	15.6	17.9	17.4	16.6	16.2
Balance of payments						
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) (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
Public finance						
4.1 Current revenue to GDP ratio ¹	Percent	14.7	14.6	13.9	14.7	13.3
4.2 Grants to GDP ratio ¹	Percent	0.9	0.8	0.7	0.6	0.4
4.3 Current expenditure to GDP ratio ¹	Percent	10.2	10.5	10.4	9.9	9.6
4.4 Development expenditure to GDP ratio ¹	Percent	6.4	6.2	6.4	6.5	7.5
4.5 Budget balance to GDP ratio (excluding grants) ¹	Percent	-2.0	-2.1	-2.9	-1.7	-3.9
4.5 Overall Budget balance to GDP ratio ^{1,3}	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: ¹ Calculated on the basis of GDP at current market prices; ² annual average; ³ includes grants, expenditure float, adjustment to cash and other items (net); GDP denotes gross domestic product; GNDI, gross national disposable income; r, revised data; p, provisional data and n.a, not available

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 2021/22	July 2021 - December 2021		December 2021	
		Estimate	Actual	Estimate	Actual
Total revenue (including LGAs)	26,384,734.5	13,054,913	11,837,000	2,566,404	2,530,325
Central government revenue	25,520,876.5	12,609,302	11,425,680	2,491,250	2,456,336
Tax revenue	20,738,280.6	10,284,155	9,883,357	2,083,795	2,216,241
Taxes on imports	7,787,567.1	3,855,081	3,972,976	669,965	687,586
Sales/VAT and excise on local goods	4,677,705.3	2,314,635	1,459,134	451,790	194,888
Income taxes	7,018,384.8	3,456,854	3,867,226	819,139	1,201,767
Other taxes	1,254,623.5	657,585	584,021	142,900	131,999
Non- tax revenue	4,782,595.9	2,325,147	1,542,323	407,456	240,096
LGA own sources	863,858.0	445,611	411,319	75,153	73,989
Total expenditure ¹	30,480,206.8	16,559,422	15,034,702	3,088,124	3,066,600
Recurrent expenditure	16,801,260.4	8,852,594	8,497,467	1,563,075	1,553,369
Wages and salaries	8,150,509.0	4,068,291	3,985,133	687,703	691,070
Interest payments	2,676,728.9	1,375,502	1,344,553	278,725	239,098
Domestic	1,796,994.3	968,982	955,597	180,155	161,855
Foreign	879,734.6	406,521	388,956	98,570	77,243
Other goods, services and transfers	5,974,022.5	3,408,801	3,167,781	596,647	623,202
Development expenditure and net lending	13,678,946.3	7,706,828	6,537,236	1,525,049	1,513,231
Local	10,723,023.0	6,489,660	5,369,509	1,281,241	1,092,692
Foreign	2,955,923.3	1,217,168	1,167,726	243,808	420,539
Balance before grants	-4,095,472.2	-3,504,508	-3,197,703	-521,720	-536,275
Grants	1,138,076.3	518,426	468,805	107,758	292,271
Program	0.0	0	52,186	0	52,186
Project	915,506.3	419,213	366,213	86,119	236,386
Basket funds	222,570.0	99,213	50,405	21,639	3,698
Balance (cheques issued) after grants	-2,957,395.9	-2,986,082	-2,728,898	-413,962	-244,004
Expenditure float	0.0	0	-2	0	0
Adjustments to cash and other items (net)	0.0	0	216,048	0	401,075
Overall balance	-2,957,395.9	-2,986,082	-2,512,852	-413,962	157,071
Financing	2,957,395.9	2,986,082	2,512,852	413,962	-157,071
Foreign financing (net)	1,118,599.7	1,497,204	1,861,808	-284,825	-272,053
Loans	4,169,954.0	3,050,849	3,212,867	136,050	180,455
Program loans	0.0	0	0	0	0
Development project loans	4,110,218.0	3,031,099	3,212,867	126,606	180,455
o/w: Non-concessional borrowing	2,352,106.9	2,352,107	1,382,260	0	0
Basket support	59,736.0	19,750	0	9,444	0
Amortization	-3,051,354.3	-1,553,645	-1,351,060	-420,875	-452,508
Domestic (net) ²	1,838,796.2	1,488,879	651,045	698,787	114,982
Bank and non-bank financing	1,838,796.2	1,488,879	651,045	698,787	114,982
Bank borrowing	1,638,796.2	1,326,938	73,157	622,782	-14,275
Non-bank (net of amortization)	200,000.1	161,941	577,887	76,005	129,257
Borrowing/roll-over	3,150,336.7	1,205,513	1,271,671	333,251	333,251
Domestic and contingent debt amortization	-3,150,336.7	-1,205,513	-1,271,671	-333,251	-333,251

Source: Ministry of Finance and Planning

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

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

LGA stands for Local Government Authority; VAT, value added tax

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



Table A3: Depository Corporations Survey

Items	Billions of TZS												
	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Net foreign assets	10,722.5	11,862.2	11,517.5	11,307.8	10,595.2	11,778.3	11,989.3	12,643.4	12,616.8	13,956.9	13,766.5	12,715.9	13,966.0
Bank of Tanzania	10,308.8	11,389.7	11,371.9	11,076.2	10,890.8	11,312.0	11,545.4	12,252.6	11,805.8	13,787.7	13,436.4	13,058.5	13,219.1
Other depository corporations	413.8	472.6	145.6	231.6	-295.7	466.3	443.9	390.8	811.0	169.2	330.1	-342.6	746.8
Net domestic assets	19,198.0	18,061.6	18,289.1	18,850.6	20,406.8	19,547.5	21,324.6	19,915.0	20,347.4	19,195.2	19,975.0	21,311.5	20,592.1
Domestic claims	26,139.6	25,161.9	25,154.5	26,240.4	27,514.9	26,895.3	28,219.8	27,425.3	28,041.3	27,026.2	28,163.0	29,680.7	30,030.5
Claims on central government (net)	5,831.3	4,838.4	4,755.4	5,762.6	6,855.2	6,187.3	7,616.9	6,691.0	7,068.8	5,897.7	6,761.3	7,700.7	7,686.4
Claims on central government	12,599.1	12,081.2	12,506.0	13,162.8	13,902.0	13,663.0	12,673.3	12,523.3	13,005.9	13,333.7	14,215.4	14,614.1	14,775.4
Liabilities to central government	6,767.7	7,242.8	7,750.6	7,400.2	7,046.7	7,475.7	5,056.4	5,832.3	5,937.1	7,436.1	7,454.1	6,913.4	7,089.0
Claims on non-government sector	20,308.3	20,323.5	20,399.0	20,477.8	20,659.7	20,708.0	20,602.9	20,734.2	20,972.5	21,128.5	21,401.7	21,980.0	22,344.1
Other items (net)	-6,941.6	-7,100.4	-6,865.3	-7,389.8	-7,108.0	-7,347.8	-6,895.3	-7,510.3	-7,693.9	-7,831.0	-8,188.1	-8,369.1	-9,438.4
Broad money liabilities	29,920.6	29,923.8	29,806.6	30,158.4	31,002.0	31,325.9	33,313.9	32,558.4	32,964.2	33,152.1	33,741.5	34,027.5	34,558.0
Currency outside depository corporations	4,500.5	4,198.7	4,326.7	4,299.2	4,359.0	4,404.5	4,700.5	4,811.7	4,945.0	4,963.9	5,034.0	4,996.5	5,012.0
Transferable deposits	14,029.4	14,429.6	14,500.6	14,691.8	15,158.3	15,553.3	16,797.4	16,124.6	16,322.2	16,453.2	16,559.3	16,879.9	17,421.4
Non-transferable (other) deposits	11,390.6	11,295.5	10,979.2	11,167.4	11,484.7	11,368.1	11,816.0	11,622.1	11,697.0	11,735.0	12,148.2	12,151.1	12,124.7
Memorandum Items:													
Monetary aggregates													
Reserve money (M0)	7,169.3	7,105.6	6,935.5	7,221.1	7,703.0	7,477.5	8,568.2	7,990.1	7,785.7	8,110.0	8,189.2	8,398.7	8,407.3
Extended broad money (M3)	29,920.6	29,923.8	29,806.6	30,158.4	31,002.0	31,325.9	33,313.9	32,558.4	32,964.2	33,152.1	33,741.5	34,027.5	34,558.0
Deposits in foreign Currency (FCD)	6,887.9	7,167.5	7,042.6	7,166.6	7,416.5	7,479.7	7,678.0	7,255.1	7,473.6	7,532.1	7,371.7	7,192.9	7,469.7
FCD in millions of USD	2,996.8	3,118.4	3,064.0	3,117.9	3,226.6	3,254.0	3,339.7	3,155.5	3,250.1	3,279.2	3,214.2	3,136.3	3,251.1
Broad money (M2)	23,032.6	22,756.3	22,764.0	22,991.8	23,585.5	23,846.2	25,635.9	25,303.3	25,490.6	25,620.0	26,369.8	26,894.6	27,088.4
Other deposits in national currency (i.e. savings and time deposits)	8,711.0	8,535.1	8,337.8	8,487.9	8,633.6	8,737.9	8,921.3	8,926.1	8,950.3	9,022.7	9,378.6	9,424.7	9,462.8
Narrow money (M1)	14,321.7	14,221.1	14,426.2	14,504.0	14,951.9	15,108.3	16,714.6	16,377.2	16,540.3	16,597.3	16,991.2	17,409.9	17,625.5
Currency in circulation	4,500.5	4,198.7	4,326.7	4,299.2	4,359.0	4,404.5	4,700.5	4,811.7	4,945.0	4,963.9	5,034.0	4,996.5	5,012.0
Transferable deposits in national currency	9,821.1	10,022.5	10,099.5	10,204.8	10,592.9	10,703.7	12,014.1	11,565.5	11,595.3	11,633.4	11,957.1	12,413.4	12,613.5

Source: Bank of Tanzania



Table A4: Interest Rates Structure

Items	Percent												
	2020					2021							
	Dec ^p	Jan ^p	Feb ^p	Mar ^p	Apr ^p	May ^p	June ^p	July ^p	August	Sep	Oct	Nov	Dec ^p
A: Domestic currency													
1. Interbank cash market rates													
Overnight	3.70	3.70	3.81	3.71	3.71	3.71	3.90	4.05	3.88	3.63	3.73	3.72	4.07
2 to 7 days	4.09	4.36	4.43	4.30	4.45	4.47	4.56	4.47	4.43	4.23	4.35	4.48	4.52
8 to 14 days	4.58	4.63	4.66	4.54	4.72	4.87	4.70	4.90	4.65	4.44	4.57	4.73	4.75
15 to 30 days	4.25	4.44	4.25	4.32	4.35	4.51	4.67	5.00	4.31	4.69	4.07	4.39	4.40
31 to 60 days	5.12	4.93	4.44	5.95	5.51	4.56	4.45	4.25	4.50	4.57	4.93	5.07	4.44
61 to 90 days	7.25	4.77	5.05	4.49	4.49	6.00	6.00	7.20	7.20	6.00	6.00	6.00	8.20
91 to 180 days	5.62	5.12	5.51	5.40	5.12	5.29	5.57	6.65	6.05	7.18	6.49	6.50	6.50
181 and above	8.35	8.35	8.35	8.75	7.63	8.54	8.75	7.90	12.50	8.33	8.00	8.75	11.33
Overall interbank cash market rate	4.17	4.16	4.39	4.31	4.51	4.57	4.59	4.56	4.43	4.24	4.38	4.54	4.54
2. Lombard rate	5.55	5.55	5.72	5.56	5.56	5.56	5.85	6.08	5.81	5.44	5.60	5.58	6.10
3. REPO rate	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
4. Reverse REPO rate	6.13	6.60	5.84	5.42	6.13	6.32	5.33	6.46	5.06	4.31	4.56	6.25	5.87
5. Treasury bills rates													
35 days	1.99	1.99	1.99	2.33	2.93	2.93	2.93	2.93	2.93	2.93	2.43	2.43	2.43
91 days	2.50	2.50	2.50	2.77	3.30	3.30	3.30	3.00	2.02	2.02	2.66	2.66	2.88
182 days	2.61	2.58	2.57	2.96	3.91	3.72	3.57	3.35	3.18	3.05	3.04	3.04	3.37
364 days	4.45	4.92	5.71	5.95	6.02	5.96	5.03	4.01	3.84	3.66	4.00	4.24	4.84
Overall treasury bills rate	4.10	4.69	5.71	5.90	5.95	5.90	4.90	3.98	3.80	3.62	3.91	4.23	4.82
6. Treasury bonds rates													
2-years	7.09	7.51	7.51	7.89	7.89	7.89	7.89	7.55	7.55	7.55	7.55	7.65	7.65
5-years	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.37	9.37	9.37	9.37
7-years	10.09	10.09	10.09	10.09	10.09	10.14	10.14	10.14	10.10	10.10	10.10	10.10	9.89
10-years	11.56	11.56	11.56	11.60	11.60	11.60	11.60	11.60	11.60	11.70	11.70	11.70	11.25
15-years	13.53	13.57	13.60	13.60	13.60	13.60	13.61	13.61	13.61	13.53	13.57	13.57	13.57
20-years	15.01	15.01	15.41	15.41	15.41	15.41	15.41	15.41	15.41	15.41	15.41	14.75	14.75
25-years					16.34	16.34	16.34	16.34	16.34	16.34	15.49	15.49	15.49
7. Discount rate	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
8. Savings deposit rate	2.45	2.50	2.53	2.57	2.16	2.15	2.16	1.55	1.55	1.55	1.52	1.61	1.60
9. Overall time deposits rate													
1 month	8.48	9.09	9.70	6.99	7.48	7.35	7.16	7.97	7.12	6.36	7.57	6.80	7.06
2 months	8.09	6.16	7.42	7.61	7.72	7.20	7.98	7.86	6.81	7.48	6.70	7.18	7.04
3 months	7.61	7.53	5.33	7.61	6.78	7.39	7.32	7.48	6.88	6.57	6.73	7.11	6.59
6 months	7.48	6.37	7.32	7.86	8.23	8.17	8.26	8.06	7.00	7.27	7.33	7.70	7.50
9 months	7.48	6.37	7.32	7.86	8.23	8.17	8.26	8.06	7.00	7.27	7.33	7.70	7.50
12 months	8.41	8.23	8.67	8.80	8.77	8.75	8.69	9.12	7.86	7.72	7.77	7.63	7.87
24 months	8.59	8.50	8.67	8.52	8.62	8.16	8.81	8.95	8.89	8.92	8.52	9.17	9.44
10. Negotiated deposit rate	9.22	9.22	9.50	9.18	9.36	9.23	9.37	9.17	9.66	9.59	9.71	9.78	9.82
11. Overall lending rate													
Short-term (up to 1year)	16.74	16.63	16.66	16.61	16.58	16.61	16.69	16.57	16.75	16.55	16.65	16.40	16.37
Medium-term (1-2 years)	15.72	15.76	15.88	15.97	16.05	16.14	16.76	16.81	16.89	16.69	16.75	16.83	16.60
Medium-term (2-3 years)	18.69	18.51	18.40	18.36	18.34	18.30	17.98	17.70	17.95	17.92	18.01	17.59	17.49
Medium-term (3-5 years)	16.83	16.85	17.00	16.82	16.59	16.69	16.78	16.76	16.85	16.54	16.84	16.50	16.58
Long-term (3-5 years)	16.23	16.06	16.07	16.06	16.13	16.10	16.04	16.01	16.11	15.95	16.01	15.74	15.84
Term Loans (over 5 years)	16.24	15.99	15.92	15.85	15.82	15.82	15.91	15.59	15.96	15.66	15.63	15.34	15.32
12. Negotiated lending rate	13.86	13.38	13.96	14.05	13.76	13.64	13.98	13.83	14.44	14.07	13.65	13.66	14.06
B: Foreign currency													
1. Deposits rates													
Savings deposits rate	1.04	0.79	0.92	0.91	0.41	0.40	0.38	0.38	0.35	0.33	0.31	0.34	0.34
Overall time deposits rate													
1-months	2.45	2.39	2.33	2.57	3.21	3.42	3.27	3.06	3.15	3.23	3.24	3.21	4.21
2-months	1.35	1.73	1.77	3.06	3.09	4.45	3.09	3.04	3.06	3.05	3.34	3.12	2.34
3-months	2.11	2.68	2.44	2.19	3.82	3.43	3.98	3.31	3.61	3.82	3.05	2.33	4.06
6-months	3.33	2.70	2.66	2.63	2.80	2.99	3.18	2.08	2.21	2.41	2.59	3.40	3.99
12-months deposit rate	1.92	1.75	1.72	2.16	3.16	3.10	3.00	3.27	3.45	3.50	3.46	3.44	5.83
2. Overall lending rate	3.53	3.09	3.06	2.83	3.20	3.14	3.10	3.58	3.40	3.37	3.76	3.79	4.82
Short-term (up to 1year)	6.82	6.84	6.83	7.46	8.10	8.19	8.22	8.19	8.17	8.18	8.15	8.23	8.22
Medium-term (1-2 years)	8.94	8.41	8.96	8.31	8.88	8.63	8.78	8.73	8.62	8.64	8.65	8.88	8.90
Medium-term (2-3 years)	4.00	4.50	4.00	7.53	8.82	8.82	8.82	8.72	8.72	8.78	8.78	8.78	8.73
Medium-term (3-5 years)	5.79	5.33	5.20	6.84	6.52	7.07	7.07	7.07	7.07	7.07	7.07	7.07	7.07
Long-term (3-5 years)	8.36	8.98	8.99	7.21	8.88	8.88	8.88	8.88	8.88	8.86	8.72	8.88	8.88
Term loans (over 5 years)	6.99	6.98	6.99	7.40	7.40	7.55	7.55	7.55	7.55	7.55	7.55	7.54	7.54

Note: p denotes Provisional data.

Commercial bank rates have been revised from November 2012 backwards

Source: Bank of Tanzania



Table A5: Tanzania Balance of Payments

	Millions of USD					
Item	2015	2016	2017	2018	2019 ^r	2020 ^p
A. Current Account	-4,477.4	-2,739.3	-1,827.1	-2,248.3	-1,490.9	-994.8
Goods: exports f.o.b.	4,826.7	4,873.9	4,510.8	4,292.7	5,377.6	6,371.7
Traditional	699.5	932.4	1,021.8	667.5	817.7	808.1
Nontraditional	3,688.5	3,498.4	3,078.9	3,234.9	4,186.0	5,253.3
o/w Gold	1,374.6	1,508.8	1,541.1	1,541.9	2,215.1	2,957.5
Unrecorded trade	438.8	443.1	410.1	390.2	373.8	310.4
Goods: imports f.o.b.	-9,843.1	-8,463.6	-7,551.7	-8,483.1	-8,793.1	-7,889.0
Balance on Goods	-5,016.3	-3,589.8	-3,041.0	-4,190.4	-3,415.5	-1,517.2
Services: credit	3,412.4	3,599.3	3,831.9	4,014.7	4,281.0	2,182.9
Transport	1,024.9	1,053.6	1,141.0	1,227.5	1,355.9	1,284.5
Travel	1,902.0	2,131.6	2,250.3	2,449.4	2,604.5	714.5
Other	485.5	414.1	440.5	337.8	320.6	183.9
Services: debit	-2,629.1	-2,176.4	-2,039.9	-1,915.9	-1,782.5	-1,239.2
Transport	-1,047.0	-893.7	-800.3	-605.1	-681.5	-530.8
Travel	-1,195.3	-922.3	-807.3	-738.1	-651.1	-203.8
Other	-386.8	-360.4	-432.3	-572.7	-449.9	-504.6
Balance on Services	783.3	1,422.9	1,792.0	2,098.8	2,498.5	943.7
Balance on Goods and Services	-4,233.1	-2,166.9	-1,249.0	-2,091.6	-917.0	-573.5
Primary Income: credit	110.3	98.5	125.3	155.9	212.4	111.2
o/w Investment income	87.8	67.6	86.1	108.5	150.4	97.7
Compensation of employees	22.5	31.0	39.3	47.4	62.1	13.5
Primary Income: debit	-834.6	-1,053.6	-1,105.4	-781.1	-1,204.9	-966.0
o/w Direct investment income	-550.0	-625.2	-700.0	-439.0	-766.3	-545.1
Interest payments	-248.6	-379.9	-358.0	-302.1	-398.3	-383.7
Compensation of employees	-33.2	-46.1	-45.0	-37.6	-37.9	-34.9
Balance on Primary Income	-724.3	-955.1	-980.1	-625.2	-992.5	-854.8
Balance on Goods, Services and Primary Income	-4,957.4	-3,122.0	-2,229.0	-2,716.8	-1,909.5	-1,428.3
Secondary Income: credit	560.1	452.7	485.2	535.8	474.9	486.3
Government	194.8	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	0.0
Financial corporations, nonfinancial corporations, households and NPISHs	365.3	371.6	363.4	365.5	371.4	303.2
o/w Personal transfers	365.3	371.6	363.4	365.5	371.4	303.2
Secondary Income: debit	-80.2	-70.0	-83.2	-67.3	-56.4	-52.7
Balance on Secondary Income	479.9	382.7	402.0	468.5	418.5	433.6
B. Capital Account	380.1	446.2	376.8	464.1	481.2	303.6
Capital transfers credit	380.1	446.2	376.8	464.1	481.2	303.6
General Government	316.1	383.0	313.6	400.3	416.8	229.7
Other Capital Transfer (Investment grant)	290.3	357.3	287.8	394.3	416.8	229.7
Debt forgiveness (including MDRI)	25.8	25.8	25.8	6.0	0.0	0.0
Financial corporations, nonfinancial corporations, households and NPISHs	64.0	63.2	63.2	63.8	64.4	73.9
Capital transfers:debit	0.0	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-4,097.3	-2,293.1	-1,450.3	-1,784.2	-1,009.8	-691.2
C. Financial Account, excl. reserves and related items	-2,414.5	-1,313.4	-1,960.9	-1,610.0	-2,343.3	-591.0
Direct Investments	-1,506.0	-864.0	-937.7	-971.6	-1,217.2	-684.9
Direct investment abroad	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	1,506.0	864.0	937.7	971.6	1,217.2	684.9
Portfolio investment	-27.8	5.0	-2.9	3.7	-36.8	2.1
Other investment	-880.6	-454.4	-1,020.3	-642.1	-1,089.3	91.8
Assets	329.0	-128.0	-118.1	150.3	31.7	24.4
Loans (Deposit-taking corporations, except the central bank)	184.0	-94.7	-34.7	35.8	60.7	167.3
Currency and deposits	144.9	-33.3	-83.4	114.5	-34.9	-145.2
Deposit-taking corporations, except the central bank	69.5	-150.1	-4.9	206.9	32.4	34.0
Other sectors	75.4	116.8	-78.5	-92.4	-67.3	-179.2
Other assets	0.0	0.0	0.0	0.0	5.9	2.3
Liabilities	1,209.6	326.4	902.2	792.4	1,120.9	-67.5
Trade credits	-0.1	0.2	9.7	21.4	-8.9	10.1
Loans	1,307.1	395.5	909.6	733.5	1,154.6	-49.5
Monetary Authority	0.0	0.0	0.0	0.0	0.0	0.0
SDR allocation	0.0	0.0	0.0	0.0	0.0	0.0
General government	838.8	-124.0	512.7	397.8	1,160.7	-69.5
Drawings	1,058.3	348.2	1,044.6	1,104.3	1,924.7	916.6
Repayments	-219.5	-472.3	-531.9	-706.5	-764.0	-986.1
o/w Debt forgiveness	-25.8	-25.8	-25.8	-6.0	0.0	0.0
Rescheduled debt	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	97.3	209.2	176.1	-32.2	88.2	37.2
Other sectors	371.0	310.3	220.8	367.9	-94.3	-17.3
Drawings	547.4	453.3	318.9	467.6	365.2	105.7
Repayments	-176.4	-142.9	-98.1	-99.7	-459.5	-123.0
Currency and deposits	-97.5	-69.3	-17.1	37.6	-24.7	-28.1
Total, Groups A through C	-1,682.8	-979.7	510.7	-174.2	1,333.5	-1,282.1
D. Net Errors and Omissions	1,483.7	1,285.2	1,159.0	-609.8	-746.5	-664.7
Overall balance (Total, Groups A through D)	-199.1	305.5	1,669.6	-784.0	587.0	-764.9
E. Reserves and Related Items	-199.1	305.5	1,669.6	-784.0	587.0	-764.9
Reserve assets	-273.7	232.2	1,598.7	-871.9	525.0	-790.1
Use of Fund credit and loans	74.6	73.3	70.9	87.9	62.0	25.2
Memorandum items						
GDP(mp) billions of TZS	94,349.3	108,362.3	118,744.5	129,043.9	139,893.8	148,088.4
GDP(mp) millions of USD	57,094.7	54,456.0	54,543.3	57,896.9	61,796.5	64,718.1
CAB/GDP	-7.8	-5.0	-3.3	-3.9	-2.4	-1.5
CAB/GDP (excl. current official transfers)	-8.2	-5.2	-3.6	-4.2	-2.6	-1.8
Gross Official Reserves	4,093.7	4,325.6	5,900.3	5,044.6	5,567.6	4,767.7
Months of Imports	4.6	4.5	6.1	4.6	5.9	5.3
Months of Imports(Excluding FDI related imports)	5.1	5.0	6.6	4.9	6.4	5.6
Exchange rate (end of period)	2,148.5	2,172.6	2,230.1	2,281.2	2,287.9	2,298.5
Exchange rate (annual average)	1,989.9	2,177.1	2,228.9	2,263.8	2,288.2	2,294.1

Source: Bank of Tanzania, International Economics Depart

r = Revised

p = Provisional

O/W = Of Which



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

Base: Dec 2019 = 100

Weight (%)	Headline overall index	Housing, water, electricity, gas and other fuel												Recreation and culture	Education
		Food and non-alcoholic beverages	Transport	Clothing and footwear	Furnishing, housing equipment and routine maintenance	Communication	Restaurants and hotels	Alcohol and tobacco	Miscel. goods and services	Health					
2020-Jan	3.7	5.7	1.7	4.8	2.1	2.5	1.1	2.8	1.6	1.4	1.4	1.4	1.1	1.1	1.3
Feb	3.7	5.9	2.2	4.5	2.1	2.2	0.7	2.1	1.5	0.9	1.1	0.9	1.1	1.1	1.5
Mar	3.4	5.3	-0.5	4.9	2.2	1.7	-0.2	0.7	1.0	0.5	1.1	1.0	1.1	1.1	1.4
Apr	3.3	4.6	1.7	6.5	2.2	1.7	0.0	0.7	1.1	0.2	0.7	1.1	0.7	1.3	1.3
May	3.2	4.4	1.3	6.7	2.1	1.7	0.0	0.7	1.2	0.4	0.7	1.2	0.4	1.3	1.3
Jun	3.2	3.8	-0.3	9.2	2.4	1.8	0.6	0.9	0.7	0.9	0.9	0.7	0.9	-1.0	1.3
Jul	3.3	3.8	0.5	9.5	2.3	1.8	0.2	1.9	0.6	0.9	0.9	0.6	0.9	0.7	1.3
Aug	3.3	3.7	1.7	8.6	1.9	1.7	0.5	1.9	0.8	0.9	0.9	0.8	0.9	0.4	1.3
Sep	3.1	3.4	1.7	8.5	2.0	1.7	0.5	1.5	0.7	0.9	0.9	0.7	0.9	-0.3	1.2
Oct	3.1	3.4	2.0	8.2	2.0	1.5	1.5	1.6	0.9	0.9	0.9	0.9	0.9	0.6	1.3
Nov	3.1	2.8	1.6	9.1	1.9	1.5	0.6	1.6	0.9	1.0	0.9	0.9	1.0	0.7	1.3
Dec	3.2	3.0	0.9	10.2	2.7	1.3	0.3	1.9	0.3	1.0	0.3	-0.2	1.0	0.4	1.3

Source: National Bureau of Statistics

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

Base: Dec 2020 = 100

Period	Weight (%)	Headline overall index	Furnishings, household equipment and routine household maintenance												
			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	Personal care, protection and miscellaneous goods and services
2021-Jan	3.5	2.8	1.8	3.7	7.3	3.1	2.2	2.4	0.9	2.4	1.6	2.0	6.6	2.1	2.1
Feb	3.3	3.6	2.0	4.0	4.4	3.2	2.8	1.0	2.0	2.1	1.6	0.9	3.0	0.1	2.4
Mar	3.2	4.3	1.9	4.5	3.7	3.2	2.9	0.5	2.1	2.2	2.1	1.1	4.1	0.3	2.8
Apr	3.3	4.8	2.7	4.6	4.1	3.1	2.7	0.2	1.8	2.3	2.3	1.2	4.9	0.3	2.8
May	3.3	4.9	2.5	4.4	3.5	2.8	2.6	1.2	1.7	2.3	2.3	1.1	5.4	0.3	2.7
Jun	3.6	4.7	1.9	4.4	3.2	2.9	2.7	3.8	1.9	2.3	2.3	1.3	5.4	0.3	2.6
Jul	3.8	5.1	1.9	4.5	3.5	2.9	2.6	4.3	1.8	2.2	2.2	1.1	5.6	0.3	2.0
Aug	3.8	3.6	2.4	4.7	4.2	3.1	2.8	5.7	1.8	2.3	2.3	1.1	4.9	0.3	2.7
Sep	4.0	4.0	2.4	4.8	4.1	3.2	2.8	5.9	1.8	4.1	2.3	1.1	5.0	0.3	2.8
Oct	4.0	3.9	2.5	4.9	3.8	3.2	2.9	5.6	1.9	3.7	4.1	1.1	5.0	0.3	2.8
Nov	4.1	4.4	2.7	5.5	4.0	3.6	3.0	5.4	1.4	3.8	3.7	1.1	5.0	0.3	2.9
Dec	4.2	4.9	2.2	4.5	3.9	4.1	2.9	5.9	1.5	3.8	3.8	1.1	5.3	0.3	3.5

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



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	Energy, fuel and utilities index	Services index	Goods index	Education services and products	All items less food and non-alcoholic beverages
Weight (%)	73.9	26.1	5.7	37.2	62.8	4.1	71.8
2021-Jan	3.8	1.5	1.6	2.9	3.4	2.5	3.8
Feb	3.6	2.1	1.4	2.3	3.7	2.5	3.2
Mar	3.6	2.5	1.1	1.9	4.1	2.7	2.7
Apr	3.5	3.1	2.3	2.1	4.2	3.2	2.7
May	3.7	2.8	2.1	2.3	4.1	3.2	2.7
Jun	4.0	2.7	3.2	3.0	4.1	3.1	3.2
Jul	4.1	3.4	3.6	3.1	4.3	3.3	3.3
Aug	4.5	1.8	5.1	3.7	3.9	3.3	4.0
Sep	4.6	2.3	4.6	4.0	4.0	3.3	4.1
Oct	4.5	2.3	4.2	3.9	4.0	3.1	4.1
Nov	4.7	2.5	3.4	4.0	4.3	3.3	4.0
Dec	4.6	3.4	4.4	3.8	4.5	3.3	3.9

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	Weight (%)	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
		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	0.1	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	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	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	-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	-0.1	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	-1.6	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	0.9	-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	0.5	-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	0.1	-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	0.0	-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	-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	0.0	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	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 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
		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	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	0.6	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	0.0	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	0.0	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	-0.1	-0.1	0.0	0.0	0.1	0.0	0.0	-0.1	0.0	0.0	0.0
Jun	0.1	0.0	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	0.0	0.1	0.0	0.2	0.1	0.0	-0.1	0.0	0.1	0.2
Aug	-0.5	-2.5	0.5	0.3	0.5	0.2	0.2	0.1	0.6	0.0	0.1	0.0	0.0	0.0	0.2
Sep	-0.1	-0.2	-0.2	-0.1	-0.1	-0.1	0.1	0.1	-0.1	0.0	0.0	0.0	0.0	0.0	-0.1
Oct	-0.1	-0.1	0.1	0.0	-0.3	-0.3	-0.1	0.1	0.0	0.0	-0.5	0.0	0.1	0.0	0.0
Nov	0.5	0.8	0.2	0.6	0.4	0.4	0.4	0.1	0.1	0.3	0.2	0.0	0.3	0.0	0.3
Dec	0.8	1.9	0.0	0.2	0.4	0.4	0.5	0.0	1.1	0.1	0.0	0.0	0.0	0.0	0.0

Source: National Bureau of Statistics

**Table A6(iv): National Consumer Price Index (Urban and Rural), Month-on-Month
Percentage Change (Other Selected Groups), 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	Non-core	Energy, fuel and utilities	Services	Goods	Education services and products ancillary to education	All items less food and non-alcoholic beverages
Weight (%)	73.9	26.1	5.7	37.2	62.8	4.1	71.8
2021-Jan	1.7	-1.3	-1.7	1.2	0.7	2.1	n.a
Feb	0.5	2.0	1.8	0.6	1.0	0.2	n.a
Mar	0.7	1.8	1.8	0.7	1.1	0.3	0.7
Apr	0.3	1.0	1.1	0.4	0.6	0.6	0.2
May	0.3	0.2	-1.1	0.0	0.4	0.0	-0.1
Jun	0.1	0.0	0.1	0.0	0.1	0.1	0.1
Jul	-0.1	0.2	1.0	0.0	0.0	-0.1	0.1
Aug	0.2	-2.6	1.5	0.2	-0.9	0.0	0.3
Sep	0.0	-0.2	-0.5	0.0	-0.1	0.0	0.0
Oct	-0.1	-0.2	-0.7	0.0	-0.2	-0.2	-0.1
Nov	0.4	0.7	0.0	0.2	0.6	0.2	0.3
Dec	0.4	2.1	1.0	0.3	1.1	0.1	0.4

Source: National Bureau of Statistics



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 Dar Es Salaam
Tel: +255 22 223 3328/9

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