



BANK OF TANZANIA



MONTHLY ECONOMIC REVIEW

MAY 2005

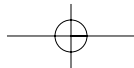
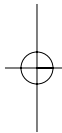
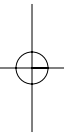
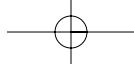


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Inflation

Inflation eases in April 2005

Annual headline inflation eased to 4.0 percent in April 2005 from 4.1 percent recorded in the preceding month. On month-to-month basis, however the general price level increased by 0.4 percent between March and April 2005 as prices of some consumer items went up.

Reflecting an improvement in domestic food supply in the year under review, annual food inflation slowed down to 4.3 percent in April 2005 from 4.9 percent in the previous month. However, food inflation on a month-to-month basis increased slightly due to a seasonal rise in the prices of food items such as rice, beans, groundnuts and vegetables.

Increases in the prices of petroleum products exerted pressure on almost all consumer prices. As a result, annual non-food inflation rose to 3.9 percent during the year ending April 2005. The most affected subgroups by oil price changes are transportation, fuel, and power, which recorded annual price increase of 6.9 percent and 6.8 percent, respectively, being the highest in the recent years. The appreciation of the exchange rate during the month helped to dampen inflationary pressure on imported consumer items. As such, month-to-month non-food inflation increased only slightly by 0.2 percentage points.

Table 1: Tanzania: Percentage Change in Sub-groups of Consumer Price Index (All Urban)

(Base: 2001=100)

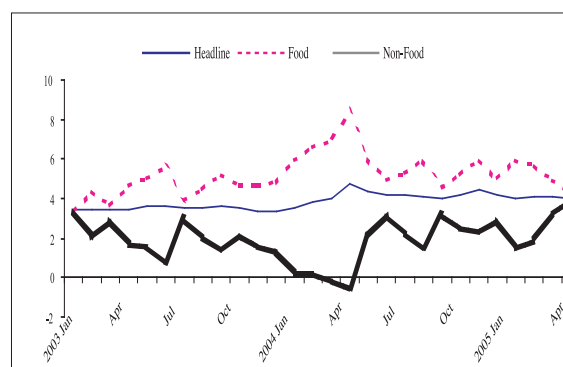
	Weight (%)	2004											2005	
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Headline/Overall inflation	100	4.7	4.4	4.2	4.1	4.1	4.0	4.2	4.4	4.2	4.0	4.1	4.1	4.0
Food	55.9	8.4	6.0	4.9	5.3	5.9	4.6	5.2	5.9	5.0	5.9	5.7	4.9	4.3
Non-food	44.1	-0.5	2.0	3.1	2.2	1.5	3.1	2.5	2.4	2.9	1.5	1.8	3.3	3.9
Transportation	9.7	-1.3	1.3	1.2	-1.6	1.7	3.3	1.1	1.7	2.8	3.3	2.2	5.7	6.9
Fuel, Power and Water	8.5	1.7	4.9	9.1	18.3	2.4	6.0	9.3	7.7	7.1	5.4	5.9	9.4	6.8
Drinks and Tobacco	6.9	-1.0	1.2	1.8	-4.7	0.0	0.5	-0.8	-0.2	0.6	0.6	1.8	0.3	2.9
Clothing & Footwear	6.4	-1.9	3.3	2.3	-0.1	3.1	4.5	3.1	1.9	2.5	-1.2	-1.7	1.7	3.3
Education	2.6	-3.8	1.4	1.6	0.0	0.6	0.9	-1.9	3.4	2.3	1.8	-0.6	1.4	2.1
Furniture & Household Equip.	2.1	-1.5	0.3	2.2	-2.0	-0.4	2.9	0.8	2.2	0.9	1.0	0.2	-2.3	0.4
H/Operations Maintenance	2.1	-1.1	0.5	2.2	-0.4	1.7	4.3	1.9	1.6	2.4	0.5	2.4	2.3	2.5
Personal Care & Health	2.1	-0.4	-2.7	0.7	-5.0	0.7	1.4	2.6	0.0	3.2	-3.0	6	0.1	4.9
Rents	1.4	4.3	4.3	3.4	2.6	0.4	0.3	0.1	-0.1	-1.3	-2.5	-2.8	-4.6	-5.3
Recreation & Entertainment	0.8	-1.9	0.9	0.5	0.2	1.8	3.7	2.1	4.0	0.4	-1.5	-3.3	-2.3	1.5
Misc. Goods & Services	1.5	3.1	-0.4	2.0	-5.7	-0.2	0.5	-0.8	-1.8	0.2	-2.6	-1.5	0.4	-4.7

Source: National Bureau of Statistics (NBS)



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Chart 1: Tanzania: Headline, Food and Non-food Inflation Rates



Food Supply Situation

Food supply continues to be satisfactory in most parts of the country, although pockets of food shortages still exist in some areas of Arusha, Manyara, Kilimanjaro, Tanga and Coast regions. In redressing the situation, the government beefed up its strategic grain reserves from 114,760 tons in March to 115,262 tons by end April 2005.

The government also distributed subsidized maize, thus dampening inflationary pressures emanating from food prices. Reflecting the improved food harvest in the current season, wholesale prices for food grains eased in April 2005 (Table 2), with expectations of a further decline in the coming months.

Table 2: Tanzania: Average Wholesale Prices for Selected Food Items

(TZS per 100 Kg)

	2005						% Change	
	Apr-02	Apr-03	Apr-04	Feb	Mar	Apr	Apr 04-Apr 05	Mar 05-Apr 05
Maize	14,055	14,089	21,154	14,298	14,656	15,500	-27	6
Rice	32,414	36,541	58,360	54,606	51,906	52,139	-11	0
Beans	25,474	38,486	34,420	47,982	43,950	45,633	33	4
Sorghum	17,432	15,802	26,467	19,837	20,385	19,916	-25	-2
Potatoes	19,240	20,553	20,769	21,495	21,248	27,535	33	30

Table 3: Tanzania: Strategic Grain Reserve (SGR) Stock

	2000	2001	2002	2003	2004	2005	(Tons) % Change 2004-2005
January	105,665	78,967	60,503	59,961	35,342	119,924	239
February	103,305	72,000	58,254	59,493	23,791	116,383	389
March	101,496	63,022	56,738	58,976	22,903	114,760	401
April	96,326	51,435	52,228	54,118	32,387	115,249	256
May	82,119	44,776	48,653	52,857	31,732		
June	72,000	47,225	47,100	51,060	37,091		
July	63,976	46,290	44,787	50,661	39,195		
August	70,352	48,998	41,795	52,681	45,988		
September	95,000	59,047	57,500	61,364	67,685		
October	88,474	58,000	62,700	59,379	92,710		
November	89,882	62,388	61,773	52,054	108,448		
December	78,967	62,788	58,395	41,649	114,030		

Monetary and Financial Developments

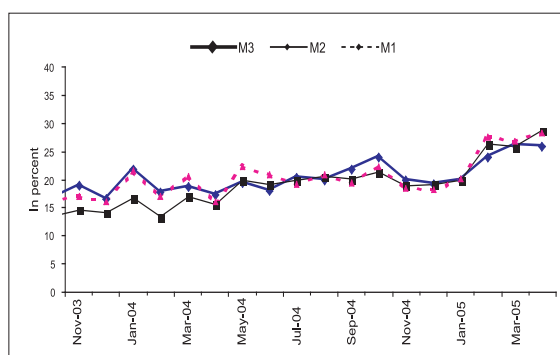
Money Supply

During the year ending April 2005, the pace of monetary growth hastened as the economy continued to expand. Extended broad money supply (M3) grew by 25.9 percent compared with the growth of 17.2 percent recorded in the year ending April 2004.

The growth of broad money supply (M2) accelerated to 28.9 percent from 15.5 percent recorded in the corresponding period of previous year (Chart 2).

The expansion in money supply during the review period mainly emanated from high demand for money to match the expanding economic activities, particularly in the agricultural sector, as well as poverty reduction initiatives of the government.

However, on month-to-month basis, M3 declined by 1.3 percent, largely due to draw down in foreign currency deposits at commercial banks mainly to finance importation of goods and services.

Chart 2: Tanzania: Annual Growth Rates of Monetary Aggregates

Credit to private sector

During the month of April 2005, the banking system extended loans amounting to TZS 68.0 billion, out of which credit to the private sector was TZS 4.0 billion. The remaining TZS 64.0 billion represented net claims to the government in the form of a draw down in its deposits at banks by TZS 61 billion and increase in government securities (Table 4).

On annual basis, growth of credit to the private sector remained strong at 33.9 percent. The share of private sector credit to total deposits of the commercial banks, which also measures the degree of financial intermediation, improved from 42.6 percent in April 2004 to 44.6 percent in April 2005.

Table 4: Tanzania: Selected Money Supply Components

	2004		2005		Abs. Change	Annual Change (%)
	Mar	Apr	Mar	Apr	Mar-Apr 05	Mar-Apr 04
Extended broad money (M3)	2,477.7	2,450.4	3,124.7	3,084.3	-40.4	17.2
Broad money (M2)	1,757.2	1,730.5	2,212.3	2,229.9	17.5	15.5
Currency in circulation	523.6	523.1	645.2	650.3	5.1	20.9
Demand deposits	573.0	570.8	745.6	752.8	7.1	12.1
Time deposits	270.7	248.4	342.3	342.2	-0.1	7.9
Savings deposits	390.0	388.2	479.1	484.6	5.5	18.9
Foreign currency deposits	720.5	719.9	912.4	854.5	-57.9	21.8
In Millions of USD	650.0	643.1	826.1	773.3	-52.9	13.0
Total non-government deposits	1,954.0	1,927.3	2,479.5	2,434.0	-45.4	16.3
Net foreign assets	2,178.8	2,141.5	2,462.1	2,357.5	-104.6	27.9
Bank of Tanzania	1,505.2	1,505.2	1,748.40	1,736.3	-12.1	36
Commercial banks	673.6	675.2	713.7	621.2	-92.5	13.1
Net domestic assets	801.8	814.8	1,192.0	1,259.3	67.4	5.2
Domestic credit	939.1	989.3	1,187.8	1,255.7	67.9	7.9
Net claims on government	91.1	129.7	40.7	104.6	63.9	-56.1
Claims on government	503.4	482.3	521.8	524.8	3.0	-3.6
Government deposits	412.3	352.6	481.1	420.2	-60.9	72.4
Claims on the private sector	848.0	859.6	1,147.1	1,151.1	4.0	38.4



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Interest Rates

Despite the rise in interest rates on Treasury bills, owing to tight monetary policy to curb the impact of excess liquidity in the economy, commercial banks rates did not move in tandem. While average time deposit rate moved downwards from 4.6 percent to 4.5 percent, average savings deposits rate remained at 2.6 percent (Table 5).

However, few banks with limited liquidity offered interest rates up to 5 percent on savings and 10 percent on time deposits to expand their deposit base. During the month, average lending rates remained at around 15 percent, although some banks offered loans to prime customers at discounted rates as low as 7 percent for a 3-5 year loan.

Table 5: Tanzania: Interest Rate Structure (In Percent)

	2004										2005			
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Jan	Feb	Mar	Prov. Apr
Overnight	3.6	3.4	3.2	5.5	6.8	6.4	8.2	6.7	4.1		5.7	5.2	4.5	5.5
Repo rate	4.0	4.3	5.1	5.3	5.3	5.9	5.9	5.1	5.5		5.5	5.1	5.0	5.3
364 days Treasury bill rate	8.1	8.0	8.2	9.4	10.1	10.4	11.0	10.9	10.7		10.8	10.4	9.8	9.8
Overall Treasury bills rate	7.9	7.7	7.8	8.4	9.0	9.6	10.0	9.8	9.6		9.7	9.4	8.4	8.6
Savings Deposit Rate	2.4	2.4	2.4	2.4	2.4	2.4	2.5	2.4	2.6		2.6	2.6	2.6	2.6
Time Deposits Rates	4.0	4.2	4.3	4.4	4.4	4.6	4.6	4.3	4.4		4.7	4.7	4.6	4.5
Negotiated deposit rates	7.8	6.7	6.8	6.7	6.2	6.4	6.9	8.4	8.8		8.8	8.8	8.8	8.6
Lending rates	13.3	13.9	14.2	14.2	14.8	14.9	14.3	14.7	14.8		15.0	15.6	15.4	15.2
Negotiated Lending Rates	8.4	9.7	9.4	9.4	10.1	12.9	11.2	10.9	11.1		11.3	10.3	10.3	10.3

Financial Market Operations

During the month, trade in government securities was satisfactory as bids surpassed the amount offered. Bids of T-bills worth TZS 180.6 billion were received, out of which TZS 165 billion were successful. As a result of the strong demand, interest rates declined to 8.64 percent from 9.40 percent recorded in March 2005 (Table 6). Demand for bonds remained as in the previous month.



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Bids worth TZS 12.6 billion were received and TZS 11.6 billion were accepted. To complement the main open market instruments, the Bank conducted repurchase agreements worth TZS 30 billion with commercial banks.

Table 6: Tanzania: Treasury Bills Interest Rates

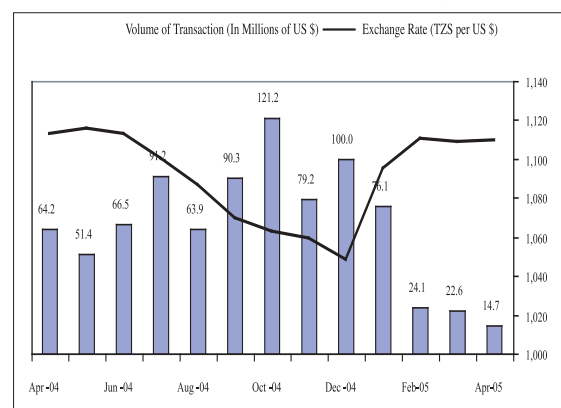
	2004						2005			
	Jun	Jul	Aug	Sep	Oct-04	Nov-04	Dec-04	Jan	Feb	Mar
35 days	6.74	7.27	7	58.23	8.97	8.56	8.13	8.23	7.76	6.51
91 days	7.67	8.12	8.37	9.31	9.88	9.64	9.63	9.64	8.82	8
182 days	8.03	8.39	9.31	9.89	9.96	9.89	9.87	10.22	9.82	9.38
364 days	8.22	9.40	10.13	10.40	10.98	10.91	10.67	10.84	10.38	9.81
Overall	7.83	8.39	8.97	9.57	9.97	9.75	9.56	9.72	9.45	9.40

Foreign Exchange Market Operations

Between March and April 2005, the volume of trade in the inter-bank foreign exchange market declined sharply by 35 percent, reflecting volatility in the demand for foreign exchange. The low demand for foreign exchange during the period under review led to a slight appreciation of the shilling, from about TZS 1,110 per US dollar in February 2005 to around TZS 1,109 per US dollar in April 2005.

Chart 3: Tanzania: Inter-bank Foreign Exchange Transactions

(Millions of USD)



In the bureaux de change system, however, the volume of transactions went up by about 10 percent to USD 59 million in April 2005, owing to an increase in foreign exchange from tourism activities and transfers to non-governmental organisations.

The average buying exchange appreciated by 0.6 percent to TZS 1,096 per US dollar, while the average selling rate remained unchanged at TZS 1,119 per US dollar.

Table 7: Foreign Exchange Market Developments

(Volume in millions of USD)

ITEM	2004		2005		% Change		Year ending April	
	Apr	Mar	Apr	Mar	Mar to Apr 2005	Apr 04 to Apr 05	2004	2005
IFEM								
Amount offered	64.2	22.6	14.7		-35.0	-77.1	836.1	683.2
Amount sold	64.2	22.6	14.7		-35.0	-77.1	836.1	683.2
Exchange rate (TZS/USD)	1113.0	1108.5	1105.6		-0.3	-0.7	1070.5	1084.3
Bureau de Change								
Sales	27.7	27.3	29.5		8.2	6.5	234.7	296.3
Purchases	14.9	26.4	29.5		12.0	98.2	223.9	300.2
Volume of Transactions	42.6	53.6	59.0		10.1	38.6	458.6	596.5
Buying rate	1095.0	1103.0	1096.0		-0.6	0.1	1063.4	1077.8
Selling rate	1115.0	1118.0	1119.0		0.1	0.4	1082.0	1096.4

Government Budgetary Operations

Fiscal operations remains within target

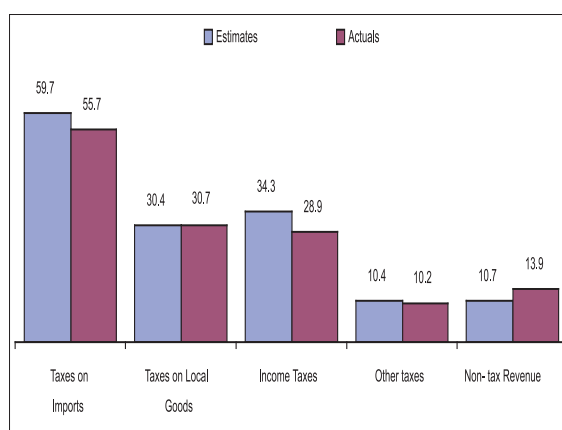
Total resources for the month amounted to TZS 147.2 billion, out of which domestic revenue accounted for TZS 125.5 billion. Expenditure amounted to TZS 223.4 billion. This produced a budget deficit of TZS 76 billion, which was financed through a draw down of government deposits with the banking system.

The performance of major tax categories during the month under review was mixed. Taxes on local goods were on target, while import duties under-performed due to a decline in imports. Nevertheless, revenue performance has been impressive throughout the fiscal year.

Collections from July 2004 to April 2005 amounted to TZS 1,453.9 billion, surpassing the target by TZS 26.6 billion, reflecting an increase in household expenditure and business performance.

Chart 4: Tanzania: Government Revenue Performance in April 2005

(Billions of TZS)

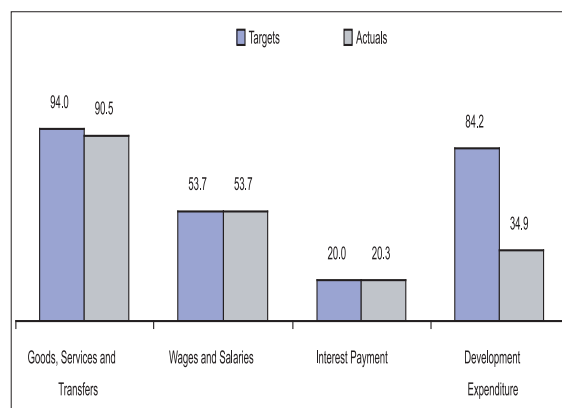


On the expenditure side, recurrent expenditure was TZS 164.5 billion and development projects spent TZS 34.9 billion. Development expenditure fell short of the targeted TZS 84.2 billion mainly due to a delay in disbursement of foreign resources. During the month, disbursement of project and basket funds was TZS 23.5 billion, against the pledged amount of TZS 64.8 billion.

Recurrent expenditure was more or less as projected, although expenditure on priority sectors was TZS 27.5 billion, slightly below the target of TZS 31.2 billion. During the month, the government also paid TZS 20.3 billion to service its domestic and foreign loans as projected.

Chart 5: Tanzania Government Expenditure in April 2005

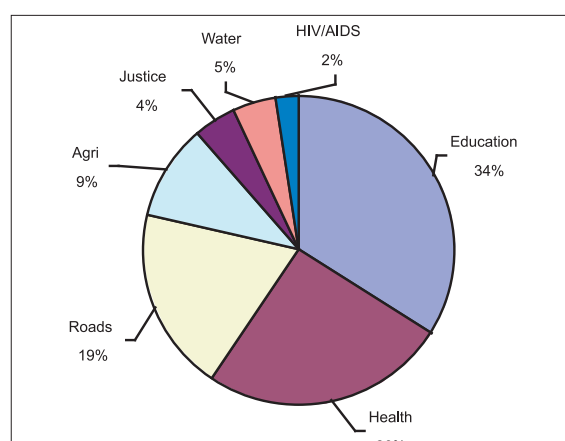
(Billions of TZS)



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For the period between July 2004 and April 2005, government expenditure stood at TZS 2,553 billion, being below the target by TZS 53.7 billion. Domestic expenditure on priority sectors was TZS 318.2 billion, out of which education sector received TZS 107.7 billion. Health sector and roads accounted for TZS 81.3 billion and TZS 61.2 billion, respectively.

Chart 6: Tanzania: Expenditure on Priority Sectors—July 2004 to April 2005



External Sector Performance

Current Account

During April 2005, the current account deficit narrowed significantly to USD 18.7 million from USD 55.7 million in the previous month. The improvement came about after a substantial decline in importation of oil as a result of operational problems associated with flow meters at the Dar-es-Salaam port.

Imports of capital goods also dropped by about USD 30 million from the previous month level. On annual basis, the current account recorded a smaller deficit of USD 316 million compared to a deficit of USD 387.5 million recorded in April 2004 (Table 8).

The development in the current account was mainly a result of a good export performance, as well as increase in current transfers inflows during the year under review.



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Export value picked up by about 27 percent during the year, for which travel services (mainly tourism), and gold exports accounted for more than 50 percent.

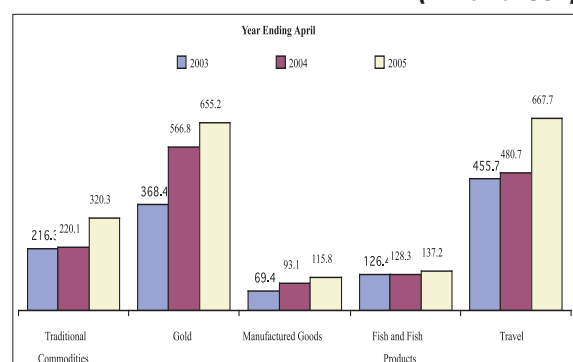
Table 8: Tanzania: Current Account Balance (Millions of USD)

	April		2005p		Year ending April p		
	2003	2004	Mar	Apr	2004	2005	% Change
Goods Account (net)	-94.0	-73.6	-83.0	-40.0	-878.2	-871.9	-0.7
Exports	94.0	81.9	128.3	90.0	1,164.8	1,426.1	22.4
Imports	187.9	155.5	211.3	130.0	2,043.0	2,298.0	12.5
Services Account (net)	-10.7	-0.4	-6.9	5.8	-31.4	-52.7	67.8
Receipts	49.0	59.0	80.6	76.4	722.6	967.4	33.9
Payments	59.7	59.5	87.5	70.5	754.0	1,020.1	35.3
Goods and services (net)	-104.7	-74.0	-89.8	-34.2	-909.6	-924.6	1.6
Exports of goods and services	143.0	140.9	209.0	166.4	1,887.4	2,393.5	26.8
Imports of goods and services	247.6	215.0	298.8	200.6	2,797.0	3,318.1	18.6
Income Account (net)	-6.1	-9.0	-3.1	-3.5	-35.8	-44.2	23.5
Receipts	2.8	3.1	7.9	4.0	95.9	75.7	-21.0
Payments	8.9	12.1	11.0	7.5	131.7	120.0	-8.9
Current Transfers (net)	17.2	30.2	37.3	18.9	557.9	632.7	17.0
Inflows	22.5	35.8	42.9	24.4	620.2	719.4	16.0
o/w General Government	17.0	30.2	36.7	18.2	552.6	648.1	17.3
Outflows	5.3	5.6	5.7	5.5	62.3	66.7	6.9
Current Account Balance	-93.6	-52.8	-55.7	-18.7	-387.5	-316.1	-18.4

Exports

During the month, tourism receipts and gold dominated the export earnings, while agricultural commodities accounted for only about 15 percent. Exports of coffee, cashew, cotton, tea, tobacco, cloves and sisal earned a total of USD 12 million, compared to USD 26 million in the previous month, reflecting an end of the export season for most of the export crops.

The performance of export crops during the year to April 2005 improved compared with the previous year following good weather and modest recovery of commodity prices, particularly for coffee, cashew, and tobacco. As a result, export value went up significantly by about 46 percent to USD 320 million, being the highest level recorded in the last five years.

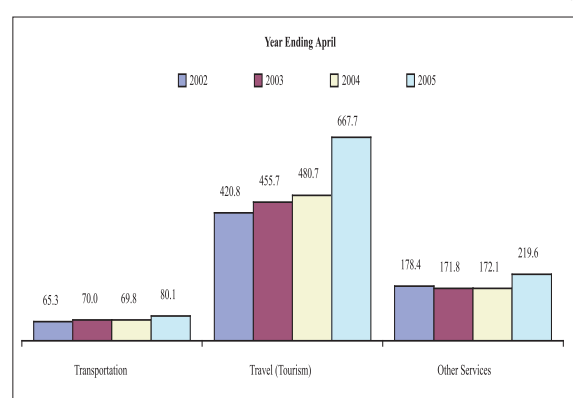
Chart 7: Tanzania: Contribution to Total Exports of Goods and Services
(Million of USD)

During the year, gold exports generated USD 655 million, while fish earned USD 137 million and manufactured goods USD 116 million. Gold exports went up by 16 percent during the year largely owing to the impact of the increase in world market price. Exports of manufactured goods have been accelerating steadily over time reflecting recovery in the privatised firms.

On the services side, travel receipts shot up from about USD 481 million in the previous year to USD 668 million, mainly reflecting improved performance in tourism in line with increased private sector investment, as well as enhanced promotional measures by the government (Chart 8).

Chart 8: Tanzania: Service Receipts, 2002 – 2005

(Millions of USD)



Imports

During the month under review, the import bill stood at USD 130.0 million, being a decline of about 38 percent from the previous month. The outturn was a combined

effect of a slowed pace in importation of oil products, associated with operational problems of flow meters at the port of entry, and a decline in food imports following the improved domestic food supply.

On annual basis, merchandise imports went up by about 12 percent, in line with the strong growth momentum in the domestic economy. During the year, importation of capital goods grew by 20 percent, mainly to meet the expanding demand in construction, mining and transportation activities (Table 9).

Table 9: Tanzania Imports

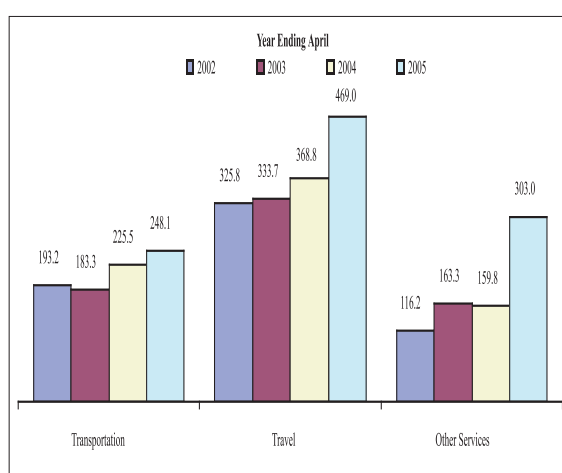
(Millions of USD)

	April		2005p		Year ending April		
	2003	2004	Mar	Apr	2004	2005p	% Change
CAPITAL GOODS	55.6	61.7	100.0	69.9	785.4	945.1	20.3
Transport Equipment	17.0	22.0	23.2	16.2	220.3	235.5	6.9
Building and Constructions Equipment	14.3	14.8	21.9	15.0	158.4	208.0	31.3
Machinery	24.4	24.9	54.9	38.8	406.7	501.6	23.3
INTERMEDIATE GOODS	85.6	47.7	49.8	19.2	631.0	608.4	-3.6
Oil imports	62.9	30.8	22.7	7.5	378.0	320.8	-15.1
Fertilizers	2.5	1.0	7.9	2.5	25.7	65.2	153.1
Industrial raw materials	20.2	15.9	19.2	9.2	227.2	222.4	-2.1
CONSUMER GOODS	46.7	46.0	61.6	40.9	626.6	744.5	18.8
Food and foodstuffs	12.9	16.7	10.4	7.5	212.0	204.6	-3.5
All other consumer goods	33.8	29.3	51.2	33.4	414.6	539.9	30.2
GRAND TOTAL (F.O.B)	187.9	155.5	211.3	130.0	2,043.0	2,298.0	12.5

In line with the increase in importation of capital and consumer goods during the year under review, service payments also went up by 35 percent, particularly payment of freight charges, insurance and travel expenses (Chart 9).

Chart 9: Tanzania: Service Payments, 2002 – 2005

(Millions of USD)



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World Commodity Prices

During April 2005, most commodity prices exhibited a modest improvement (Table 10). Due to the expected short supply of robusta coffee from Vietnam, a major producer, the price increased by nearly 3 percent. However, price of arabica coffee fell in line with expectations of good harvests in Brazil.

Price of tea improved by almost 9 percent owing to expectations of dampened supply as a result of the outbreak of pests in India that affected the crop. A surge in demand in major textile producing countries particularly China and Pakistan led to a hike in cotton prices.

Price of cloves dropped slightly in April 2005 after maintaining an upward trend since January 2005. The downturn was associated with Indonesia's policy of limiting production of cigarettes.

Consequently, this policy affected importation of cloves, mainly used as an ingredient in cigarette production. During the same month, the price of crude oil eased to USD 50.64 per barrel, while that of refined petroleum products moved upwards, partly reflecting increased demand especially in Asia.

Table 10: World Commodity Prices
(Value in USD)

	Units	2004			2005			% Change
		Nov	Dec	Jan	Feb	Mar	Apr	Mar 05 to Apr
Robusta Coffee	USD per kg	0.72	0.81	0.82	0.91	1.09	1.12	2.75
Arabica Coffee	USD per kg	1.99	2.30	2.36	2.66	2.97	2.86	-3.70
Average price Tea	USD per kg	1.78	1.73	1.63	1.59	1.60	1.73	8.12
Tea, Mombasa Auction	USD per kg	1.45	1.51	1.51	1.48	1.49	1.47	-1.34
Cotton, A Index	USD per kg	1.08	1.07	1.13	1.16	1.24	1.26	1.61
Cotton, Memphis	USD per kg	1.15	1.16	1.23	1.19	1.32	1.35	0.76
Sisal, UG	USD per metric ton	885	885	885	885	885	885	0.00
Cloves	USD per metric ton	3,500	3,496	3,418	3,450	3,500	3,375	-3.57
Crude oil	USD per barrel	42.13	39.04	42.97	44.82	50.94	50.64	-0.59
Crude oil	USD per barrel	34.88	34.26	37.81	40.94	45.58	47.1	3.33
White products	USD per ton	445.8	396.91	404.37	426.32	501.22	522	4.15
Gold	USD per troy ounce	439.4	442.1	424	423.40	433.9	429.2	-2.42



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National Debt

National debt stock, external and domestic, at end-April 2005 was USD 9,138.9 million, representing a decrease of USD 13.3 million from the level recorded at the end of the previous month. The decline was largely on account of debt amortization and HIPC debt relief.

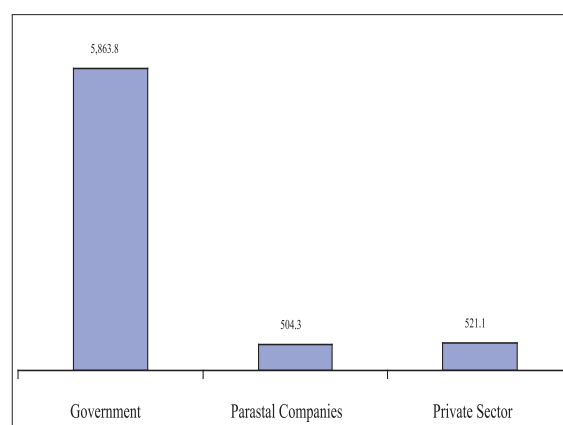
External Debt

Committed external debt decreased slightly, from USD 8,681.6 million at end March 2005 to USD 8,614 million at end April 2005. So far, about 80 percent of the committed debt, equivalent to USD 6,889 million has been disbursed. The government held more than 85 percent of the outstanding debt, while the private sector and parastatals, each held around 7 percent (Chart 10).

The outstanding debt was composed of multilateral debt amounting to USD 4,646 million, bilateral debt of USD 1,539 million and the balance was owed to commercial and export creditors.

Chart 10: Holders of Outstanding External Debt - End April 2005

(Millions of USD)



Debt Relief

By end April 2005, debt relief from Paris Club creditors and multilateral institutions had amounted to USD 858.7 million and USD 357 million, respectively. A further debt relief of USD 34.8 million was obtained from non-Paris Club bilateral creditors.

In addition, China offered debt relief outside HIPC framework by cancelling debts worth USD 37.7 million. Kuwait also rescheduled a debt amounting to USD 31.8 million under terms equivalent to 90 percent of debt cancellation.

Domestic Debt

During April 2005, domestic debt stock of the central government increased by TZS 7 billion to TZS 1,029.3 billion, on account of sales of government securities. Commercial banks remained the dominant creditor to the government, accounting for about 39 percent, while pension funds held 34 percent.

During the month the government paid interest on domestic debt amounting to TZS 6.7 billion.

Zanzibar Economy

Budgetary Operations

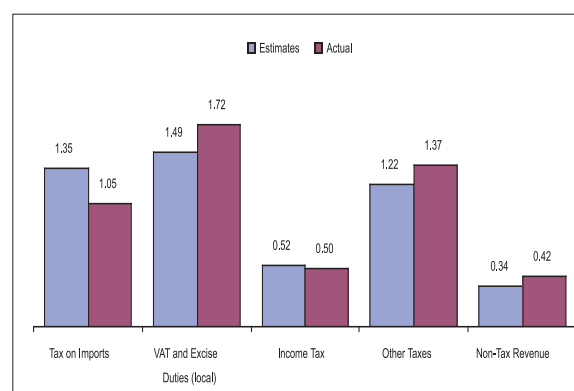
In April 2005, Zanzibar government budget realized an overall deficit of TZS 1.4 billion before grants, and a surplus of TZS 400 million after grants of TZS 1.8 billion.

Revenue collected during the month was TZS 5.1 billion, which was above the target by TZS 200 million. Collection from all sources exceeded their respective targets except import duties, which was below projections by TZS 300 million.

Revenue collection from July 2004 to April 2005 was impressive, surpassing the target of TZS 47.7 billion by TZS 2.2 billion.

Chart 11: Zanzibar Government Revenue by Source, April 2005

(Billions of TZS)

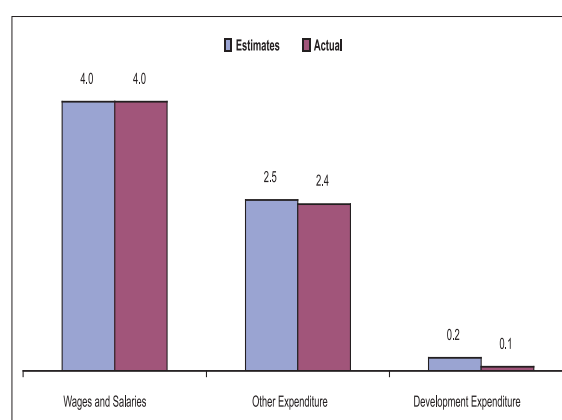


On the expenditure front, government spent TZS 6.5 billion on both recurrent and development obligations during the month. Recurrent expenditure was on target at TZS 6.4 billion, while development expenditure (excluding donor funds) was TZS 100 million against the plan of TZS 200 million (Chart 12).

Between July 2004 and April 2005, the government expenditure amounted to TZS 61.7 billion against the projected TZS 63.4 billion.

Chart 12: Government Expenditure by Components April 2005

(Billions of TZS)



National Debt

Zanzibar debt stock stood at USD 163.3 million, equivalent to TZS 180.4 billion as at end April 2005, of which, external debt was USD 106.8 million or 65 percent.

External Debt

During the year under review, external debt surged by about 76 percent from USD 60.8 million registered at end April 2004 to USD 106.8 million at end April 2005, following the reconciliation of external obligations between the Zanzibar and Union Governments, and new loans obtained from the World Bank and Arab Bank for Economic Development in Africa (BADEA).

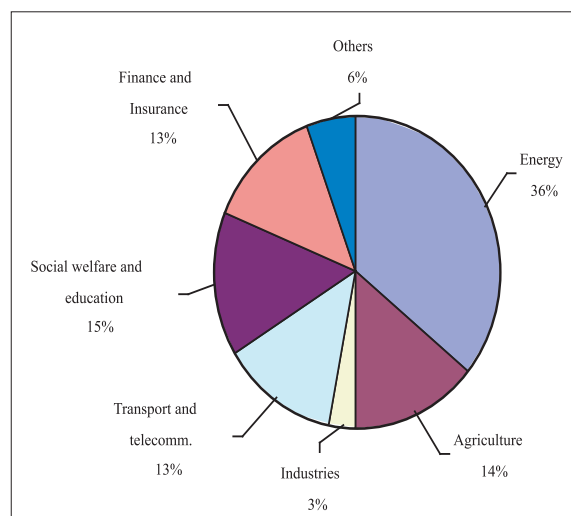
The composition of external debt by creditor category was as follows: multilateral debt 58.6 percent, export credits 23.8 percent, commercial credits 13.3 percent, and bilateral credits 4.2 percent. More than half of the



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external debt matures beyond 20 years, and about 40 percent will fall due within 5 to 10 years. In terms of the distribution of disbursed funds, about 50 percent went to energy, social welfare and education sectors, while the agricultural sector absorbed 14 percent (Chart 13).

Chart 13: Zanzibar: External Debt by Use of Funds - April 2005



Domestic Debt

During the month, domestic debt rose to TZS 62.5 billion from TZS 60.3 billion recorded in the preceding month as a result of new borrowing. The profile of domestic debt shows TZS 11.2 billion was in long-term loans and accounted for about 18 percent of the domestic debt, government stocks - TZS 5.7 billion or 9.2 percent, Treasury bills and bonds - TZS 8.2 billion.

Foreign Trade

The trade account deteriorated during April 2005, following a seasonal decline in clove exports and tourism receipts, coupled with a rise in imports. Total export value of goods and services reached USD 4.8 million. During the year ending April 2005, exports improved to USD 59.9 million compared with USD 52.3 million exported in the previous year.

Out of the export earnings, services receipts accounted for USD 50.9 million, clove exports, USD 6.2 million and seaweeds realised about USD 1.5 million.



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Table 11: Zanzibar: Trade Account Balance
(Millions of USD)

	2004	2005		Year Ending April		%Annual Change
	April	March	April	2004	2005*	
Exports	2.40	5.18	4.80	52.33	59.86	(14.39)
Goods	0.40	0.26	0.20	14.07	9.01	(35.96)
Services	2.00	4.92	4.60	38.26	50.85	32.91
Imports	5.57	8.87	9.61	92.75	103.80	11.95
Goods (f.o.b)	3.70	6.40	6.51	64.59	75.60	17.05
Services	1.87	2.47	3.10	28.17	28.21	0.14
Trade Balance	-3.17	-3.69	-4.81	-40.42	-43.94	8.71

In April 2005, Zanzibar imports of goods and services were USD 9.6 million. Merchandise imports constituted 68 percent. For the year ending April 2005, the import bill stood at USD 103.8 million compared with USD 92.8 million in the previous year. The increase was driven by demand for construction materials, oil imports and industrial raw materials to accommodate the expansion in related activities.

Table 12: Zanzibar Imports
(Millions of TZS)

	2004	2005		Year Ending April		%Annual Change
	April	March	April	2004	2005p	
CAPITAL GOODS	1.38	3.52	3.09	24.41	30.57	25.24
Transport Equipments	0.57	1.84	0.89	11.44	8.75	-23.51
Building and Constructions	0.26	0.52	0.50	2.56	7.47	191.80
Machinery	0.55	1.16	1.70	10.41	14.35	37.85
INTERMEDIATE GOODS	1.46	1.63	2.09	15.99	24.36	52.35
Oil	1.16	1.40	1.71	11.59	17.91	54.53
Fertilizers	0.00	0.00	0.00	0.00	0.00	0.00
Industrial raw materials	0.30	0.23	0.38	4.40	6.45	46.59
CONSUMER GOODS	1.23	1.88	1.97	30.57	28.14	-7.95
Food and food stuffs	0.26	1.26	1.13	20.20	15.49	-23.32
All other consumer goods	0.97	0.62	0.83	10.38	12.66	21.97
GRAND TOTAL (CIF)	4.07	7.03	7.15	70.97	83.08	17.06
GRAND TOTAL (FOB)	3.70	6.40	6.51	64.59	75.60	17.05

Table A1: Selected Economic Indicators (Revised)

Item	Unit	1995	1996	1997	1998	1999	2000	2001	2002	2003p	2004p
1. Population (TZ Mainland)	Million	27.5	28.3	29.1	30.0	30.9	31.9	32.8	33.6	34.2	35.2
2. Gross Domestic Product (GDP)											
2.1 At Current Prices f.c (Nominal)	Mill. TZS	2,796,640.1	3,452,558.9	4,281,690.0	5,125,310.9	5,977,698.8	6,706,381.0	7,624,615.0	8,699,887.0	9,830,906.0	11,287,319.0
	Mill. US\$	4,865.8	5,952.9	6,994.7	7,710.9	8,024.8	8,377.2	8,711.4	8,927.1	9,465.5	10,362.9
2.2 At Constant 1992 Prices (Real)	Mill. TZS	1,345,247.3	1,401,711.9	1,448,213.0	1,505,826.9	1,577,292.0	1,654,320.0	1,749,358.0	1,857,174.0	1,962,040.0	2,094,516.0
	Mill. US\$	2,340.5	2,416.8	2,365.9	2,265.5	2,117.5	2,066.9	1,996.1	1,921.3	1,889.1	1,923.0
3. Income per Capita											
3.1 Nominal (Current Prices)	TZS	101,799.2	122,205.0	147,312.0	170,843.7	193,453.0	210,231.0	232,458.0	251,666.0	287,453.0	320,426.0
	US\$	177.1	210.7	240.7	257.0	259.7	262.7	265.2	276.8	276.8	294.2
3.2 Real (1992 Prices)	TZS	48,918.0	49,530.0	49,767.0	50,194.0	51,045.0	51,860.0	53,334.0	53,723.0	57,370.0	59,459.0
	US\$	85.2	85.5	81.3	75.5	68.5	64.8	60.8	57.2	55.2	54.6
4. Price Index (1994=100)*											
4.1 Consumer Price Index (CPI)	Gen. Index	115.8	140.1	162.6	183.5	197.9	209.7	220.4	232.3	104.5	108.9
4.2 Percentage Change	Per cent	28.4	21.0	16.1	12.8	7.9	5.9	5.1	4.6	3.5	4.1
4.3 Retail Price Index - Wage Earners (Dar es Salaam)											
4.4 Percentage Change	Gen. Index	108.6	128.7	137.4	146.8	149.8	150.6	163.4	175.6	184.2	199.3
4.5 GDP Implicit deflator	Per cent	26.7	18.5	6.8	6.8	2.1	0.5	8.5	7.5	4.9	8.2
4.6 GDP Implicit deflator	Index	207.9	246.3	295.6	340.4	379.0	405.4	435.9	468.4	501.1	538.9
	Per cent	27.1	18.5	20.0	15.1	11.3	7.1	7.5	6.5	7.0	7.5
5. Balance of Payments Position											
5.1 Exports (fob)	Mill. US\$	682.9	763.8	752.6	588.5	543.3	663.3	776.4	902.5	1,129.2	1,325.2
5.2 Imports (f.o.b)	"	1,340.5	1,212.6	1,148.0	1,382.2	1,415.4	1,367.6	1,560.3	1,511.3	1,933.5	2,273.4
5.3 Balance of Visible Trade	"	-657.6	-448.9	-395.4	-793.7	-872.1	-704.3	-783.9	-608.8	-804.2	-948.2
5.4 Balance on Current Account	"	-646.4	-461.3	-403.4	-905.4	-829.5	-495.8	-436.7	-214.7	-384.2	-538.4
5.5 Overall Balance	"	-329.5	-146.9	-199.8	-505.8	-109.0	-40.8	-163.9	327.5	535.0	104.6
5.6 Exchange Rate :											
5.6.1 Annual Average	TZS/US\$	574.8	580.0	612.1	664.7	744.9	800.4	876.4	966.6	1,038.6	1,089.2
5.6.2 End of Period	TZS/US\$	550.4	595.6	624.6	681.0	797.3	803.3	916.3	976.3	1,063.6	1,048.1
6.0 Broad Money Supply (M2) **											
6.1 Percentage Change	Mill. TZS	613,695.3	684,990.6	760,353.3	844,929.4	972,088.6	1,093,610.9	1,233,667.0	1,507,386.5	1,721,109.9	2,229,853.1
6.2 Currency in Circulation Outside Banks	Percent	26.1	11.6	11.0	11.1	15.0	12.5	12.8	22.2	20.5	28.9
6.3 Demand Deposits	Mill. TZS	244,313.7	257,662.8	287,877.1	307,798.7	384,848.0	392,404.2	411,638.9	495,445.6	553,045.8	650,298.8
6.4 Quasi-Money (Time, Savings and Foreign Currency deposits)	"	183,971.4	191,550.5	205,991.7	237,718.3	247,723.2	302,602.3	354,381.0	463,340.9	560,333.3	752,748.7
	"	324,626.4	368,849.7	433,200.2	481,467.7	585,055.6	702,682.3	870,710.8	1,088,896.5	1,274,937.0	1,680,817.2
7. Public Finance											
7.1 Recurrent Revenue	"	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05***
7.2 Recurrent Expenditure	"	448,372.9	572,029.7	619,083.1	689,325.3	777,644.7	929,624.0	1,042,955.1	1,217,517.0	1,459,303.3	1,730,186.4
7.3 Development Expenditure	"	415,139.8	486,493.7	543,750.6	680,182.7	808,865.4	1,018,782.1	1,121,526.0	1,488,640.8	1,780,115.1	1,596,694.1
7.4 Adjustment to cash and other items (net)	"	5,382.3	28,895.6	215,107.2	136,523.9	359,913.4	286,253.2	344,610.9	500,897.0	736,828.1	956,402.6
7.5 Financing:	"	-96,001.9	-60,916.8	-47,720.9	-22,510.9	-2,444.3	-25,447.4	3,203.8	-16,662.9	190,125.3	-222,047.2
7.5.1 Domestic Financing	"	56,169.0	-41,926.6	3,669.2	-5,740.0	7,854.4	-2,494.4	-22,606.6	-36,513.9	-44,262.7	-16,212.2
7.5.2 Foreign Loans (net)	"	-34,899.5	-49,065.3	64,468.1	-18,683.7	105,417.3	90,354.2	121,842.5	172,016.5	374,393.0	534,816.4
8. Total External Debt Stock***											
Disbursed Debt	Mill. US\$	8,003.8	7,754.1	7,578.5	7,384.7	7,669.7	7,624.8	7,464.0	7,268.1	7,857.0	8,207.3
Interest	"	6,917.5	6,623.3	6,600.3	6,435.9	6,580.3	6,538.3	6,559.7	6,233.0	6,678.3	6,889.2
	"	1,086.3	1,130.8	978.2	948.8	1,089.4	1,086.5	904.3	1,035.1	1,178.7	1,318.1

Source: Bank of Tanzania and National Bureau of Statistics

Note: p Provisional data; **From 2003 figures have been rebased to 2001 ** For the Current year, position is at end-April 2005

*** cumulative Up to April 2005

**** Debt position is given on financial year basis (end of period). For 2004/05, it is at end-April 2005

Table A2: Central Government Operations (Actual)
(Monthly Flows)

Item	Millions of TZS										
	BUDGET 2004/05	Jul	Aug	2004				2005			
				Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Total Revenue	1,739,288.0	137,683.0	136,004.9	157,830.2	133,423.9	138,036.0	167,078.0	135,596.4	439,565.5	145,569.3	139,399.2
Tax Revenue	1,599,010.0	116,138.1	125,974.6	147,887.6	123,777.9	123,236.9	157,273.5	124,097.2	404,763.6	134,855.2	125,539.4
Taxes on Imports	702,846.0	54,294.1	54,828.5	58,143.3	55,987.1	55,709.6	59,154.8	54,353.2	174,918.5	59,734.1	55,719.7
Sales/VAT and Excise on Local Goods	372,255.0	28,663.7	35,704.2	32,789.6	31,916.2	36,851.2	33,435.2	32,034.1	96,804.1	34,086.4	34,958.3
Refunds	-47,798.0	-3,890.4	-3,424.0	-6,142.4	-4,285.0	-7,410.3	-6,005.9	-4,471.8	-13,074.6	-3,983.2	-6,005.9
Income Taxes	422,196.0	25,962.9	27,476.2	51,716.7	30,511.0	28,601.8	58,935.2	30,766.6	117,687.3	34,328.6	28,877.2
Other taxes	149,511.0	11,107.8	11,389.6	11,380.4	9,648.6	9,484.6	11,754.2	11,415.1	28,428.3	10,689.3	11,990.1
Non-tax Revenue	140,278.0	21,544.8	10,030.3	9,942.6	9,646.0	14,799.1	9,804.5	11,499.2	34,801.9	10,714.1	13,859.8
Total Expenditure /1	3,198,152.0	215,529.9	188,559.6	252,873.1	431,831.0	298,625.2	254,388.1	236,189.6	231,624.4	244,081.6	199,394.1
Recurrent expenditure	2,106,561.0	172,692.7	134,085.2	132,649.3	191,628.0	164,164.8	175,304.7	182,654.5	127,610.6	151,390.2	164,514.1
Road/toll fund	78,182.0	4,784.5	6,616.1	5,706.2	5,988.5	4,298.9	3,607.2	5,380.2	8,389.1	8,077.8	8,389.6
Retention fund	44,450.0	3,959.3	6,882.7	3,391.3	4,371.4	3,920.4	2,605.8	4,427.8	4,586.2	3,858.4	4,531.4
Wages and salaries	551,159.0	42,891.9	44,048.2	44,422.5	45,681.4	48,121.4	45,297.2	47,765.9	44,975.6	45,870.9	46,299.6
Interest payments	168,438.0	2,431.4	3,701.6	10,403.8	19,179.6	8,193.0	14,265.9	11,861.8	5,933.0	12,489.0	20,347.4
Domestic ^{2/}	94,946.0	0.0	1,555.8	3,196.9	16,122.7	2,414.3	10,653.3	9,048.8	4,008.5	1,229.7	11,278.0
Foreign	73,492.0	2,431.4	2,145.8	7,206.9	3,056.9	5,778.7	3,612.7	2,813.0	1,924.6	11,259.4	9,069.4
Other goods, services and transfers	1,386,964.0	127,369.4	86,335.4	77,823.0	126,766.9	107,850.4	115,741.7	123,026.8	76,702.0	93,030.3	97,867.1
Dev. Expenditure and net lending	1,091,591.0	42,837.2	54,474.4	120,223.8	240,203.1	134,460.4	79,083.4	53,535.1	104,013.8	92,691.4	34,880.0
Local	233,705.0	19,475.4	28,842.1	500.0	10,000.0	30,000.0	30,000.0	45,005.7	19,475.4	45,000.0	11,352.5
Foreign	857,886.0	23,361.8	25,632.3	119,723.8	230,203.1	104,460.4	49,083.4	8,529.4	84,538.4	47,691.4	23,527.5
Overall Balance (cheque issued) before Grants	-1,458,864.0	-77,846.9	-52,554.7	-95,042.9	-298,407.2	-160,589.2	-87,310.1	-100,593.2	207,941.1	-98,512.3	-59,994.9
Grants	807,810.0	122,738.9	41,626.3	217,884.0	61,993.5	75,237.0	73,248.5	17,161.1	15,279.7	33,478.9	7,846.8
Program (CIS/OGL)	266,176.0	103,840.7	22,134.2	146,650.6	30,569.0	3,481.2	42,328.6	9,757.6	5,518.4	0.0	0.0
Project	306,482.0	10,075.9	5,083.4	44,309.8	18,990.5	12,548.7	6,470.1	1,845.3	8,146.3	4,214.5	4,695.3
Basket funds	160,488.0	3,339.8	10,602.8	19,450.3	8,577.4	53,918.0	19,453.8	0.0	0.0	20,688.3	0.0
HIPC Relief	74,664.0	5,482.5	3,806.0	7,473.2	3,856.6	5,289.0	4,996.0	5,558.2	1,615.0	8,576.1	3,151.6
Overall defic.(cheq.issued) after Grants	-651,054.0	44,891.9	-10,928.4	122,841.1	-236,413.6	-85,352.3	-14,061.7	-83,432.0	223,220.8	-65,033.4	-52,148.1
Expenditure float	0.0	-128,152.1	-8,805.7	-1,771.5	-710.5	-425.0	-271.4	-4.9	-0.4	0.0	0.0
Adjustments to cash and other items (net)	0	-55,118	55,619	-32,784	4,934	33,915	76,939	-10,837	-334,666	63,925	-23,973
Overall Balance (cheques issued)	-651,054.0	-138,378.3	35,885.4	88,285.2	-232,190.4	-51,862.3	62,605.8	-94,274.0	-111,445.8	-1,108.6	-76,121.3
Financing:	651,054.0	138,378.3	-35,885.4	-88,285.2	232,190.4	51,862.3	-62,605.8	94,274.0	111,445.8	1,108.6	76,121.3
Foreign Financing (net)	425,768.0	5,722.5	4,278.8	108,812.1	196,178.6	161,938.6	14,800.2	4,480.3	20,433.2	7,206.4	10,965.9
Loans	559,215.0	9,946.1	9,946.1	121,359.3	202,635.2	170,511.2	23,159.5	6,684.1	22,788.6	20,516.2	18,832.3
Program loans	168,300.0	0.0	0.0	65,395.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Development Project loans	280,959.0	9,946.1	9,946.1	55,963.6	184,606.7	51,371.6	15,329.8	5,223.6	22,788.6	20,516.2	18,832.3
Basket Support	109,956.0	0.0	0.0	0.0	18,028.5	119,139.6	7,829.7	1,460.4	0.0	0.0	0.0
Amortization	-133,447.0	-4,223.6	-5,667.3	-12,547.2	-6,456.6	-8,572.5	-8,359.3	-2,203.8	-2,355.4	-13,309.8	-7,866.4
Domestic (net)	225,286.0	132,655.8	-40,164.2	-197,097.3	36,011.9	-110,076.4	-77,406.0	89,793.7	91,012.7	-6,097.8	65,155.4
Domestic Financing	231,110.0	132,655.8	-40,164.2	-197,097.3	36,011.9	-110,076.4	-77,406.0	89,793.7	91,012.7	-6,097.8	65,155.4
Bank borrowing	0.0	117,987.9	-58,386.4	-183,601.9	30,976.2	-110,183.5	-83,142.2	93,826.5	92,020.0	-8,021.8	61,500.0
Non-Bank (net of amortization)	0.0	14,668.0	18,222.2	-13,495.3	5,035.6	107.2	5,736.2	-4,032.7	-1,007.3	1,923.9	3,655.4
Amortization of contingent debt	-15,939.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Privatization Proceeds	10,115.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Note:

/1 Exclude amortization and Expenditure Float, includes Road fund and Retention expenditures.

/2 Domestic Interest payments and amortization include Cash and Non cash

Source: Ministry of Finance

Table A3: Tanzania Monetary Survey

End of Period	Millions of TZS														
	Domestic assets (net)					Extended Broad Money					Memorandum item:				
	Domestic credit (net)					M2, Broad Money					M0 Base Money				
						M1, Narrow Money									
End of Period	Net					Currency in circulation					Foreign currency deposits				
	Claims on					TOTAL					Savings deposits				
	Foreign assets	Claims on government	Private sectors*	Other items	sum (2-5) or sum (9-13)	sum (9-12)	sum (9,10)	banks	outside	Demand deposits	Time deposits	deposits	deposits	TOTAL sum (9,15)	of which: Reserves (CBR)**
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
1995	165,813.5	279,257.9	247,846.0	59,994.1	752,911.5	613,695.3	428,285.1	244,313.7	183,971.4	91,210.2	94,199.9	139,216.3	314,885.1	70,571.4	
1996	290,319.8	295,822.8	141,341.0	90,579.4	818,063.0	684,990.6	449,213.3	257,662.8	191,550.5	122,436.6	113,340.7	133,072.4	335,768.0	78,105.3	
1997	398,918.6	239,457.5	182,976.9	105,716.0	927,068.9	760,353.3	493,868.7	287,877.1	205,991.7	126,269.2	140,215.3	166,715.6	364,940.0	77,062.9	
1998	458,003.6	276,586.7	248,276.2	44,118.1	1,026,984.7	844,929.4	545,517.0	307,798.7	237,718.3	134,401.0	165,011.4	182,055.2	418,734.0	110,935.3	
1999	622,286.8	366,596.2	311,533.0	-82,789.1	1,217,626.9	972,088.6	632,571.2	384,848.0	247,723.2	149,257.1	190,260.3	245,538.3	508,674.0	123,826.0	
2000	842,755.0	375,146.0	340,628.1	-160,840.2	1,397,688.8	1,093,610.9	695,006.5	392,404.2	302,602.3	170,051.6	228,552.8	304,077.9	556,430.9	164,026.7	
2001	1,209,820.4	239,201.4	404,512.3	-216,803.4	1,636,730.7	1,233,667.0	766,019.9	411,638.9	354,381.0	208,101.4	259,545.7	403,063.7	584,369.1	172,730.2	
2002	1,558,627.1	264,608.6	570,668.3	-346,221.0	2,047,683.1	1,507,386.5	958,786.6	495,445.6	463,340.9	223,898.7	324,701.2	540,296.5	695,701.2	200,255.6	
2003	2,182,072.0	12,937.0	817,125.2	-623,818.1	2,388,316.1	1,721,109.9	1,113,379.1	553,045.8	560,333.3	230,958.8	376,771.9	667,206.2	783,309.0	230,263.2	
2004	2,379,909.3	-47,719.7	1,060,077.3	-544,146.8	2,848,120.0	2,050,886.0	1,315,739.4	664,148.0	651,591.3	276,396.4	458,750.2	797,234.1	967,776.0	303,628.0	
2004-January	2,312,919.5	-126.1	856,793.0	-683,565.0	2,486,021.4	1,741,293.0	1,116,903.1	538,830.7	578,072.4	249,553.6	374,836.3	744,728.5	769,091.2	230,260.5	
February	2,318,994.8	34,856.7	844,586.5	-700,965.8	2,497,472.3	1,742,942.7	1,110,654.6	519,962.7	590,691.9	248,995.7	383,292.4	754,529.5	743,811.5	223,848.8	
March	2,178,747.4	91,076.2	847,977.4	-640,149.8	2,477,651.2	1,757,204.8	1,096,558.7	523,607.8	572,950.9	270,684.3	389,961.8	720,446.4	802,863.9	279,256.1	
April	2,141,542.4	129,701.5	859,629.3	-680,463.8	2,450,409.3	1,730,493.8	1,093,912.9	523,110.5	570,802.4	248,346.7	388,234.2	719,915.5	805,102.5	281,992.1	
May	2,114,512.7	155,789.2	890,926.8	-644,154.5	2,517,074.1	1,788,489.3	1,131,063.0	532,770.1	598,292.9	266,743.5	390,682.8	728,584.8	794,842.2	262,072.1	
June	2,134,182.7	157,606.9	965,980.9	-654,835.7	2,602,934.8	1,856,326.3	1,186,063.1	590,441.0	595,622.1	269,132.9	401,130.3	746,608.5	800,399.6	209,958.6	
July	2,128,834.6	244,329.6	994,969.8	-652,298.2	2,715,835.9	1,919,971.4	1,250,869.2	612,242.3	638,626.9	264,971.5	404,130.8	795,864.5	893,742.3	281,500.0	
August	2,131,384.3	196,074.0	991,955.1	-608,426.0	2,710,987.4	1,936,449.4	1,252,535.2	639,586.9	612,948.3	272,726.8	411,187.5	774,537.9	922,959.0	283,372.1	
September	2,289,760.4	-1,703.5	1,027,300.4	-519,405.4	2,795,951.9	1,979,892.9	1,296,585.1	644,921.5	651,663.5	266,479.5	416,828.3	816,059.0	863,635.1	218,713.5	
October	2,328,838.7	45,108.0	1,029,789.8	-547,703.1	2,856,033.4	2,023,549.3	1,326,121.5	661,621.9	664,499.6	267,067.6	430,360.2	832,484.1	976,377.9	314,756.0	
November	2,372,331.9	19,621.9	1,061,773.5	-599,041.3	2,854,686.0	2,044,777.6	1,325,884.4	666,288.9	659,595.6	274,470.5	444,422.7	809,908.4	990,940.6	324,651.7	
December	2,379,909.3	-47,719.7	1,060,077.3	-544,146.8	2,848,120.0	2,050,886.0	1,315,739.4	664,148.0	651,591.3	276,396.4	458,750.2	797,234.1	967,776.0	303,628.0	
2005-January	2,408,352.9	61,685.6	1,117,110.4	-606,557.6	2,980,591.4	2,089,035.9	1,342,836.9	636,932.2	705,904.7	287,300.0	458,898.9	891,555.5	960,140.8	323,208.6	
February	2,482,058.1	80,373.5	1,132,519.9	-601,587.7	3,093,363.7	2,200,544.9	1,415,829.4	632,085.7	783,743.7	318,741.5	465,974.0	892,818.9	1,001,798.5	369,712.9	
March	2,462,099.7	40,733.4	1,147,110.1	-525,244.4	3,124,698.9	2,212,312.9	1,390,875.7	645,241.4	745,634.2	342,297.6	479,139.7	912,385.9	977,283.9	332,042.5	
April	2,357,490.8	104,593.7	1,151,142.2	-528,906.6	3,084,320.1	2,229,853.1	1,403,047.4	650,298.8	752,748.7	342,175.1	484,630.6	854,467.0	993,432.3	343,133.6	

* Former "Claims on other domestic sectors"

** CBR-Commercial Banks Reserves

Source: Bank of Tanzania

Table A4: Tanzania: Interest Rate Structure

Item	Percent									
	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05
A Domestic Currency										
1 Interbank Cash Market Rates										
Overnight	5.47	6.79	6.43	8.16	6.72	4.10	5.69	5.19	4.49	5.47
2 to 7 days	5.59	7.21	6.84	8.97	7.50	4.36	5.74	5.55	4.55	5.80
8 to 14 days	7.18	7.18	7.96	7.96	7.27	8.07	6.00	5.84	5.06	6.25
15 to 30 days	6.79	7.50	7.86	9.56	10.26	6.25	7.79	7.87	6.32	6.32
31 to 60 days	7.81	7.86	8.20	9.42	9.24	8.36	8.74	8.02	6.92	7.53
61 to 90 days	7.87	8.40	8.40	8.40	9.40	9.40	9.40	9.40	9.40	7.40
91 to 180 days	8.24	9.73	9.60	10.26	6.69	9.67	10.05	9.06	8.50	9.30
181 and above	8.49	10.08	11.01	11.08	10.21	9.92	10.00	8.70	9.23	10.50
Overall interbank cash market rate	5.68	7.14	6.73	8.30	7.42	4.90	6.12	5.83	4.76	5.58
2 Lombard Rate	10.98	10.98	10.98	10.98	10.98	10.98	10.98	10.98	10.98	10.98
3 REPO Rate	5.33	5.33	5.92	5.92	5.09	5.54	5.48	5.12	5.00	5.32
4 Treasury Bills Rates										
35 days	7.27	7.56	8.23	8.97	8.56	8.13	8.23	7.76	6.51	5.75
91 days	8.12	8.37	9.31	9.88	9.64	9.63	9.64	8.82	8.16	8.12
182 days	8.39	9.31	9.89	9.96	9.89	9.87	10.22	9.82	9.38	9.37
364 days	9.40	10.13	10.40	10.98	10.91	10.67	10.84	10.38	9.81	9.81
Treasury bills rate	8.39	8.97	9.57	9.97	9.75	9.56	9.72	9.40	8.36	8.64
5 Treasury Bonds- 2-years	9.71	10.86	11.00	11.00	12.00	12.00	13.00	13.31	14.64	11.68
5-years	10.34	10.49	11.46	11.66	11.66	11.66	11.66	11.66	12.62	12.94
7-years	10.92	11.16	10.44	10.44	10.44	10.44	10.44	10.44	13.05	12.60
10-years	12.39	12.39	12.61	12.61	12.61	12.61	12.61	12.61	14.10	14.10
6 Discount Rate	13.23	13.74	14.38	14.90	14.90	14.42	14.73	14.40	13.64	13.60
7 Savings Deposit Rate	2.41	2.40	2.45	2.47	2.45	2.60	2.61	2.59	2.61	2.61
8 Time Deposits Rates	4.38	4.40	4.58	4.60	4.32	4.39	4.73	4.72	4.56	4.53
Call Accounts	1.63	1.34	1.23	1.31	1.45	2.15	2.03	2.32	2.37	2.20
1 month	3.45	3.67	3.78	3.43	3.08	3.19	2.92	3.48	3.30	2.64
2 months	5.56	6.20	5.90	5.95	5.05	4.46	6.26	5.16	4.91	6.26
3 months	4.23	4.18	3.88	3.96	3.58	5.35	5.50	4.78	5.03	4.59
6 months	5.10	4.60	4.97	5.27	5.95	5.85	6.08	5.32	5.35	5.09
9 months										
12 months	5.76	5.76	6.11	6.06	5.94	5.81	5.90	5.50	6.03	6.16
24 months	4.91	5.02	6.17	6.18	5.22	3.96	4.46	6.45	4.89	4.78
9 Negotiated Deposit Rates	6.73	6.22	6.40	6.88	8.39	8.77	8.79	8.78	8.84	8.61
10 Lending rates	14.19	14.80	14.90	14.27	14.69	14.80	14.99	15.56	15.40	15.21
Call Loans	13.99	10.00	10.00	19.25	19.25	19.25	19.25	19.25	19.25	19.25
Short-term (up to 1year)	15.53	15.69	15.60	15.25	14.95	14.23	15.06	16.23	15.98	15.77
Medium-term (1-2 years)	17.04	18.89	17.23	17.30	17.77	17.17	17.23	16.98	16.96	16.98
Medium-term (2-3 years)	12.24	12.18	13.75	12.76	14.12	15.32	15.18	15.13	15.43	15.87
Long-term (3-5 years)	12.67	12.48	13.21	12.78	13.36	12.59	12.77	14.17	13.27	12.81
Term Loans (over 5 years)	13.45	14.78	14.72	13.27	13.25	14.67	14.74	15.30	15.37	14.63
11 Negotiated Lending Rates	9.36	10.11	12.92	11.24	10.87	11.05	11.33	10.29	10.32	10.33
B Foreign Currency										
1 Deposits Rates										
Call Accounts	0.14	0.18	0.18	0.21	0.21	0.59	0.51	0.61	0.45	0.63
Savings Deposits	0.80	0.76	0.75	0.86	0.74	0.65	0.73	0.72	0.72	0.87
Time Deposits	1.03	1.10	1.11	1.09	1.11	1.66	1.63	1.17	1.37	1.40
1-months	0.76	0.74	0.82	0.89	0.86	1.01	1.17	0.98	1.29	0.99
2-months	0.70	0.95	0.82	0.85	0.86	2.73	1.71	1.26	1.27	1.59
3-months	1.12	1.35	1.07	1.02	0.98	1.57	1.93	1.10	1.38	1.11
6-months	1.09	1.00	1.26	1.05	1.17	1.25	1.41	1.19	1.46	1.61
12-months	1.51	1.47	1.58	1.62	1.67	1.72	1.90	1.35	1.44	1.68
2 Lending Rates	8.65	7.08	6.96	7.16	7.06	7.33	7.67	7.69	7.87	7.79
Short-term (up to 1year)	6.16	6.27	6.30	6.37	6.53	7.46	7.30	6.88	6.98	6.86
Medium-term (1-2 years)	7.99	8.03	8.05	8.40	8.29	7.41	7.98	8.09	8.35	7.96
Medium-term (2-3 years)	8.69	7.86	7.68	7.56	7.20	8.03	7.89	8.20	8.63	8.61
Long-term (3-5 years)	11.76	6.17	5.79	6.32	6.21	6.40	7.36	7.34	7.04	7.20
Term Loans (over 5 years)							7.82	7.94	8.37	8.31

Table A5 (a) Tanzania Exports by Type of Commodity

Item	April				
	2001	2002	2003	2004	2005 ^p
Traditional Commodities					
COFFEE					
Value	5.52	3.01	7.61	3.81	5.66
Volume	4.6	3.0	8.0	2.8	3.6
Unit Price	1,211.11	1,009.90	954.99	1,339.73	1,586.80
COTTON					
Value	0.45	0.21	2.91	0.63	2.51
Volume	0.3	0.2	3.4	0.5	2.4
Unit Price	1,609.29	1,234.15	846.20	1,257.29	1,043.46
SISAL					
Value	0.30	0.66	0.60	0.53	1.20
Volume	0.7	1.3	1.3	0.8	1.7
Unit Price	447.26	508.23	471.07	634.38	718.52
TEA					
Value	2.64	3.46	2.80	2.77	2.07
Volume	2.2	2.7	2.4	2.2	1.9
Unit Price	1,179.13	1,303.00	1,144.71	1,247.41	1,119.98
TOBACCO					
Value	0.90	2.60	1.15	0.98	0.52
Volume	0.6	1.4	0.6	0.6	0.3
Unit Price	1,611.06	1,914.46	1,952.57	1,657.95	1,979.23
CASHEWNUTS					
Value	1.56	0.43	0.25	0.06	0.00
Volume	3.2	0.7	0.3	0.1	0.0
Unit Price	492.75	591.09	812.31	600.99	868.39
CLOVES					
Value	0.04	0.00	1.42	0.02	0.00
Volume	0.02	0.0	0.6	0.01	0.00
Unit Price	2,940.00	0.00	2,363.58	2,037.70	0.00
SUB TOTAL	11.4	10.4	16.7	8.8	12.0
Non-Traditional Exports					
Minerals					
Gold	19.76	35.61	46.86	51.09	53.53
Diamond	18.34	30.07	45.00	49.26	52.23
Other minerals	0.12	2.65	-	0.38	0.12
Other minerals	1.30	2.90	1.82	1.45	1.18
Manufactured Goods					
Cotton Yarn	3.23	5.64	6.07	7.27	5.80
Manufactured Coffee	0.19	0.41	0.34	0.11	0.23
Manufactured Tobacco	-	0.15	-	-	0.04
Manufactured Tobacco	0.00	0.19	0.00	0.00	0.00
Sisal Products (Yarn & Twine)	0.31	0.32	0.39	0.20	0.46
Other manufactured Goods	2.73	4.57	5.31	6.93	5.06
Fish and Fish Produce					
	9.08	10.06	15.32	10.02	13.44
Horticultural produce					
	0.55	0.71	1.23	0.91	0.43
Others Exports					
	3.78	7.29	7.76	3.79	4.88
Sub Total	36.40	59.31	77.24	73.08	78.08
GRAND TOTAL	47.81	69.69	93.97	81.88	90.04

NOTE:

p = Provisional data.

- = Small value

Totals may not add up due to rounding of numbers.

Volume in '000 Tons; Value in '000,000 US\$; Unit Price in US\$/Ton

Source: Bank of Tanzania, TRA

Table A5 (b): Tanzania Imports (By Major Category) - f.o.b. Value

Item	Million of US\$					
	April		2005 ^p		Year ending April ^p	
	2003	2004 ^p	Mar	Apr	2004	2005
						% Change
CAPITAL GOODS						
Transport Equipment	55.6	61.7	100.0	69.9	785.4	945.1
	17.0	22.0	23.2	16.2	220.3	235.5
Building and Constructions Equipment	14.3	14.8	21.9	15.0	158.4	208.0
Machinery	24.4	24.9	54.9	38.8	406.7	501.6
INTERMEDIATE GOODS						
Oil imports	85.6	47.7	49.8	19.2	631.0	608.4
	62.9	30.8	22.7	7.5	378.0	320.8
Fertilizers	2.5	1.0	7.9	2.5	25.7	65.2
Industrial raw materials	20.2	15.9	19.2	9.2	227.2	222.4
CONSUMER GOODS						
Food and foodstuffs	46.7	46.0	61.6	40.9	626.6	744.5
	12.9	16.7	10.4	7.5	212.0	204.6
All other consumer goods	33.8	29.3	51.2	33.4	414.6	539.9
GRAND TOTAL (f.o.b)	187.9	155.5	211.3	130.0	2,043.0	2,298.0
GRAND TOTAL (c.i.f)	206.5	170.8	232.2	142.9	2,245.0	2,525.3

Note:

Oil imports refers to refined petroleum products

p = Provisional data.

Totals may not add up due to rounding of numbers.

Source: Bank of Tanzania, TRA.

Table A5 (c): Tanzania Balance of Payment

Millions of US \$				
Item	2001	2002	2003p	2004p
A. Current Account	-436.69	-214.73	-384.23	-538.39
Goods: Exports f.o.b.	776.40	902.55	1,129.23	1,325.25
Traditional	231.06	206.08	220.49	292.12
Nontraditional	545.34	696.47	908.74	1,033.13
o/w Gold	254.07	341.07	502.85	626.59
Goods: Imports f.o.b.	-1,560.34	-1,511.32	-1,933.46	-2,273.41
Balance on Goods	-783.94	-608.78	-804.23	-948.16
Services: Credit	679.26	668.56	686.57	859.20
Transportation	68.43	61.10	72.80	80.08
Travel	412.76	439.21	450.34	595.03
Other	198.07	168.25	163.43	184.09
Services: Debit	-642.08	-668.45	-769.52	-994.42
Transportation	-194.24	-176.93	-214.67	-249.24
Travel	-327.34	-337.46	-353.22	-427.44
Other	-120.50	-154.06	-201.63	-317.73
Balance on Services	37.18	0.11	-82.95	-135.22
Balance on Goods and Services	-746.76	-608.67	-887.18	-1,083.38
Income: Credit	55.30	67.93	87.09	80.68
Income: Debit	-140.51	-90.64	-131.03	-122.10
Direct investment income	-1.09	-1.98	-15.84	-13.40
Interest payments (scheduled)	-117.35	-67.56	-92.65	-80.70
Compensation of employees	-22.07	-21.09	-22.54	-28.01
Balance on Income	-85.21	-22.70	-43.93	-41.42
Balance on Goods, Services and Income	-831.97	-631.37	-931.12	-1,124.81
Current transfers (Net)	395.28	416.65	546.89	586.42
Current transfers: Credit	474.78	477.95	609.90	651.71
Government	418.40	427.73	543.30	582.03
o/w Multilateral HIPC relief	71.30	68.81	68.15	73.73
Other sectors	56.38	50.22	66.60	69.68
Current transfer: Debit	-79.50	-61.30	-63.01	-65.29
B. Capital Account	361.50	355.39	358.20	288.54
Capital transfers: Credit	361.50	355.39	358.20	288.54
General Government	339.20	325.29	320.90	248.60
Project	339.20	325.29	320.90	248.60
Other sectors	22.30	30.10	37.30	39.94
Capital transfers:debit	0.00	0.00	0.00	0.00
Total, Groups A plus B	-75.19	140.66	-26.03	-249.85
C. Financial Account, excl. reserves and related items	271.65	440.00	395.89	404.48
Direct investment abroad	0.00	0.00	0.00	0.00
Direct investment in Tanzania	327.23	240.40	247.80	260.19
Portfolio investment	0.00	0.00	0.00	0.00
Other investment	-55.58	199.60	148.09	144.29
Assets	-76.65	2.86	-59.04	15.01
Currency and deposits	-76.65	2.86	-59.04	15.01
Banks	-76.65	2.86	-59.04	15.01
Liabilities	21.07	196.75	207.13	129.29
Total, Groups A through C	196.46	580.66	369.86	154.64
D. Net Errors and Omissions	-232.49	-253.12	165.17	-50.04
Overall balance (Total, Groups A through D)	-36.03	327.54	535.02	104.60
E. Reserves and Related Items	36.03	-327.54	-535.02	-104.60
Reserve assets	-182.21	-372.41	-508.78	-43.00
Use of Fund credit and loans	15.60	26.00	-2.90	-33.80
Exceptional financing	202.63	18.87	-23.34	-27.80
Interest arrears	67.45	18.37	-29.53	-27.80
Principal arrears	135.19	0.50	6.19	0.00
Financing gap	0.00	0.00	0.00	0.00
Memorandum items				
GDP(mp) Mill.TZS	8,304,339	9,399,086	10,709,405	11,822,921
GDP(mp) Mill. US\$	9,475.59	9,724.01	10,311.60	10,761.77
CAB/GDP	-4.6	-2.2	-3.7	-5.0
CAB/GDP (excl. current official transfers)	-9.0	-6.6	-9.0	-10.4
Gross Official Reserves	1,156.57	1,528.99	2,037.77	2,080.77
Months of Imports	6.3	8.4	9.0	7.6
Net International Reserves (year end)-Mill. US\$	761.25	1,058.40	1,533.89	1,700.50
Change in Net International Reserves-Mill.US\$	-218.55	-297.15	-475.49	-166.61
Exchange rate (end of period)-TZS/US\$	916.3	976.3	1,063.6	1,133.6
Exchange rate (annual average)- TZS/US\$	876.4	966.6	1,038.6	1,098.6

Notes:

- 1) Imports data (f.o.b) for 2001 have been revised using new ratios for freight and insurance services.
- 2) Following changes in the ratios of freight and insurance services to the total imports (c.i.f), figures for service account have consequently been revised.
- 3) GDP-Gross Domestic Product, mp-Market price, CAB-Current Account Balance, p = provisional
- 4) p = provisional data, subject to revision

Source: Bank of Tanzania

Table A6: Actual and Seasonally Adjusted Inflation Rates, Tanzania Mainland

Period	Unadjusted				Seasonally Adjusted				Percent	Base:2001=100		
	Year-on-Year		Month-on-Month		6-Months Annualised		Month-on-Month					
	Headline ¹⁾	Non-Food ²⁾	Food	Headline ¹⁾	Non-Food ²⁾	Food	Headline ¹⁾	Non-Food ²⁾				
2003-Jan	3.4	3.3	3.4	5.4	5.0	5.5	3.9	6.2	2.3	0.2	1.2	-0.3
Feb	3.4	2.1	4.4	-0.5	-0.8	-0.3	3.5	3.1	3.8	0.2	-0.2	0.3
Mar	3.4	2.9	3.7	-0.8	-1.1	-0.6	3.4	3.7	2.9	0.2	0.6	0.0
Apr	3.4	1.7	4.7	-0.2	-0.1	-0.2	3.1	3.3	3.1	0.2	-0.6	0.6
May	3.6	1.6	5.0	-0.2	-1.5	0.7	3.2	1.4	4.1	0.4	-0.4	0.8
Jun	3.6	0.8	5.6	-0.3	-0.7	0.0	3.0	-0.4	5.4	0.3	-0.7	1.2
Jul	3.5	3.0	3.9	0.8	2.8	-0.4	3.2	-0.4	5.4	0.4	1.1	-0.3
Aug	3.5	2.0	4.4	-0.5	-0.9	-0.3	3.4	1.1	5.2	0.3	0.5	0.3
Sep	3.7	1.4	5.2	0.3	-1.1	1.2	3.9	-0.6	7.5	0.4	-0.2	0.9
Oct	3.6	2.2	4.6	-0.3	0.8	-0.9	4.4	1.1	6.3	0.4	0.3	0.2
Nov	3.4	1.6	4.7	-0.5	-0.6	-0.6	3.8	2.0	5.3	0.2	0.1	0.2
Dec	3.4	1.4	4.8	0.3	-0.3	0.7	3.9	3.4	4.4	0.4	-0.1	0.8
2004-Jan	3.6	0.2	6.0	5.6	3.8	6.7	4.0	0.7	6.4	0.3	-0.2	0.7
Feb	3.8	0.2	6.6	-0.3	-0.8	0.3	4.2	-0.7	8.1	0.5	-0.2	1.0
Mar	4.0	-0.1	7.0	-0.5	-1.4	-0.2	4.1	0.3	6.6	0.8	0.2	0.3
Apr	4.7	-0.5	8.4	0.5	-0.5	1.1	4.9	-2.0	10.5	0.7	-0.9	2.0
May	4.4	2.0	6.0	-0.5	1.0	-1.5	4.8	2.1	6.9	0.8	2.2	-1.4
Jun	4.2	3.1	4.9	-0.5	0.4	-1.1	4.5	2.7	5.5	0.2	0.3	0.1
Jul	4.1	1.8	5.3	0.7	1.4	-0.1	4.3	3.9	4.2	0.5	0.4	0.2
Aug	4.1	1.5	5.9	-0.5	-1.2	0.4	4.1	3.7	3.8	0.3	-0.4	0.7
Sep	4.0	3.2	4.6	0.2	0.6	-0.1	3.9	4.1	2.7	0.6	0.5	-0.2
Oct	4.2	2.5	5.2	-0.1	0.1	-0.3	3.1	7.1	0.2	0.4	0.6	0.7
Nov	4.4	2.4	5.9	-0.3	-0.7	0.1	3.9	2.4	5.0	0.8	-0.1	0.9
Dec	4.2	2.9	5.1	0.1	0.2	-0.1	3.7	2.7	4.6	0.2	0.4	-0.1
2005-Jan	4.0	1.5	5.9	5.4	2.4	7.5	3.7	-0.9	7.6	0.2	-1.4	1.6
Feb	4.1	1.8	5.7	-0.2	-0.5	0.1	4.1	-0.1	7.6	0.5	0.1	0.8
Mar	4.1	3.3	4.9	-0.5	0.0	-0.9	4.4	2.4	7.1	0.5	1.7	-0.4
Apr	4.0	3.9	4.3	0.4	0.2	0.5	5	0.6	8.6	0.6	-0.3	1.4

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

1) Total NCPI. 2) Non-Food NCPI.

Table A7: External Debt Developments

Item	Millions of US\$											
	2004/05											
	2002/03	2003/04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05
1. Overall Total Debt Committed ¹	7,606.60	8,088.30	8,173.50	8,210.50	8,226.76	8,325.45	8,660.96	8,740.28	8,566.71	8,581.10	8,681.60	8,614.10
Disbursed outstanding debt	6,233.00	6,678.30	6,700.50	6,734.30	6,748.16	6,834.05	6,931.86	6,990.58	6,856.61	6,857.70	6,918.60	6,889.20
Undisbursed debt	1,373.60	1,410.00	1,473.00	1,476.20	1,478.60	1,491.40	1,729.10	1,749.70	1,710.10	1,723.40	1,763.00	1,724.90
2. Disbursed Debt by Creditor Category ²	6,233.00	6,678.30	6,700.50	6,734.80	6,748.16	6,834.05	6,931.86	6,990.58	6,856.61	6,857.67	6,918.60	6,889.19
o/w: Bilateral debt	1,633.70	1,483.60	1,505.90	1,504.60	1,505.37	1,495.35	1,512.08	1,520.11	1,513.89	1,498.99	1,600.94	1,538.83
Multilateral debt	4,088.30	4,570.00	4,564.40	4,601.70	4,613.52	4,693.85	4,772.32	4,820.50	4,697.12	4,711.58	4,640.68	4,646.12
Commercial debt	330.60	391.20	395.70	395.70	396.17	397.99	399.63	401.74	398.22	399.61	428.57	454.85
Export credits	180.50	233.50	234.60	232.80	233.10	246.86	247.83	248.22	247.38	247.49	248.41	249.39
3. Disbursed Debt by Borrower Category ²	6,233.00	6,678.30	6,700.50	6,734.30	6,748.16	6,834.10	6,931.90	6,990.60	6,856.64	6,857.69	6,918.58	6,889.20
O/w: Central Government	5,708.00	6,092.00	6,096.40	6,110.40	6,122.16	6,222.40	5,909.46	5,961.93	5,885.41	5,886.70	5,921.90	5,863.80
Parastatal Companies	152.20	149.10	155.80	155.30	156.30	150.40	556.70	561.25	506.80	505.62	502.80	504.30
Private Sector	372.90	437.20	448.30	468.60	469.70	461.30	465.74	467.42	464.43	465.37	493.88	521.10
4. Disbursed Debt by Use of Funds ²	6,233.00	6,678.30	6,700.52	6,734.30	6,748.55	6,834.07	6,866.86	6,990.58	6,856.60	6,857.67	6,918.63	6,889.23
O/w: Balance of payment support	1,166.00	1,275.10	1,253.09	1,300.90	1,305.36	1,327.62	1,354.97	1,361.60	1,351.51	1,345.35	1,383.55	1,376.46
Transport & Telecommunication	1,047.80	1,085.10	1,009.50	1,195.10	1,132.35	1,114.19	1,120.60	1,130.42	1,113.27	1,112.97	1,131.74	1,103.75
Agriculture	1,034.70	967.70	962.79	962.23	972.33	980.85	1,062.82	1,066.33	956.62	991.00	1,013.95	1,102.22
Energy & Mining	895.00	924.30	920.55	908.23	917.18	928.24	945.52	950.63	939.53	940.45	961.43	986.59
Industries	411.20	352.70	351.14	350.57	350.57	366.23	354.66	422.11	362.21	362.20	358.49	413.50
Social Welfare & Education	421.70	333.30	330.72	331.25	332.95	338.64	345.91	347.88	342.46	344.06	341.61	565.88
Finance and Insurance	76.90	82.30	81.88	81.71	81.90	82.76	84.19	84.69	83.62	83.60	83.43	83.43
Tourism	88.20	80.20	80.27	79.21	79.40	81.14	81.73	81.91	81.12	81.80	81.62	81.62
Others	1,091.60	1,577.50	1,710.58	1,525.10	1,576.51	1,614.40	1,516.46	1,545.02	1,626.28	1,596.30	1,562.81	1,175.80
5. Total Amount of Loans Contracted ¹	277.30	229.69	296.69	59.91	0.50	0.00	5.53	0.83	0.95	0.00	9.09	0.35
Government	259.80	209.40	175.29	59.66	0.00	0.00	5.43	0.00	0.00	0.00	0.00	0.00
Parastatal Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Private	17.50	20.29	121.40	0.25	0.50	0.00	0.10	0.83	0.95	0.00	9.09	0.35
6. Disbursements ¹	169.00	234.70	6.80	3.50	3.40	1.40	3.30	28.00	0.30	0.00	0.10	0.00
Government	163.70	205.90	6.60	3.00	3.10	1.40	2.70	25.00	0.30	0.00	0.10	0.00
Parastatal Companies	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Private	5.30	26.80	0.20	0.50	0.30	0.00	0.60	3.00	0.00	0.00	0.00	0.00
7. Scheduled Debt Service ¹	369.00	334.40	355.10	355.10	355.10	355.10	355.10	355.10	355.10	355.10	355.10	355.10
8. Actual Debt Service ¹	112.40	99.30	10.80	12.20	11.47	4.96	10.91	9.39	6.09	15.09	7.79	11.87
Principal	86.60	68.60	8.50	11.20	9.51	3.36	9.58	7.34	4.77	13.96	4.10	7.87
Interest	25.80	30.60	2.40	1.00	1.96	1.60	1.33	2.05	1.32	1.13	3.74	4.00
Others	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9. Net Transfers	51.30	106.60	-9.90	-8.70	-8.07	-3.56	-7.61	18.62	-5.79	-15.09	-7.69	-11.87
10. Total Arrears by Creditor Category ²	2,056.50	2,297.80	2,297.40	2,287.20	2,289.10	2,346.40	2,359.10	2,430.50	2,436.10	2,438.40	2,443.90	2,454.00
O/w: Principal	1,021.40	1,119.10	1,111.70	1,128.90	1,128.30	1,156.90	1,103.40	1,130.10	1,133.80	1,131.40	1,135.70	1,135.90
Bilateral	611.60	658.80	651.80	654.60	650.80	669.40	674.80	682.80	685.30	684.20	685.80	682.60
Multilateral	45.10	28.30	23.00	38.30	33.90	39.90	7.00	8.30	8.60	5.00	5.50	7.70
Commercial	203.70	240.20	244.90	245.50	252.20	253.80	227.20	234.60	235.90	237.70	237.90	239.00
Other Private Creditors	161.00	191.80	192.00	190.50	191.40	193.80	194.40	204.40	204.00	204.50	206.50	206.60
Interest	1,035.10	1,178.70	1,185.70	1,158.30	1,160.80	1,189.50	1,255.70	1,300.40	1,302.30	1,307.00	1,308.20	1,318.10
Bilateral	577.70	693.00	697.00	698.30	697.80	712.50	782.00	812.60	813.50	813.70	816.00	818.10
Multilateral*	68.40	27.30	26.00	27.90	27.80	28.30	21.60	22.80	22.30	22.40	22.70	23.30
Commercial	268.30	287.10	290.50	291.40	294.30	303.80	302.30	313.80	314.50	318.20	317.10	322.20
Other Private Creditors	120.70	171.30	172.20	140.70	140.90	144.90	149.80	151.20	152.00	152.70	152.40	154.50
11. External Debt Stock	7,268.10	7,856.90	7,886.20	7,892.60	7,908.96	8,023.60	8,187.56	8,290.98	8,158.91	8,164.70	8,226.80	8,207.30
12. Domestic Debt Stock	841.60	885.30	906.90	923.50	913.62	926.33	912.31	928.31	894.59	900.50	925.57	931.61
13. Total Debt Stock	8,109.70	8,742.10	8,793.20	8,816.10	8,822.58	8,949.93	9,099.87	9,219.29	9,053.49	9,065.20	9,152.37	9,138.91
End Period Exchange Rate	1,047.39	1,107.30	1,097.32	1,083.23	1,060.45	1,060.52	1,060.98	1,042.96	1,102.03	1,117.57	1,104.29	1,105.00

NB. Multilateral*: multilateral arrears are those owed by the private sector.

¹⁾ During the period. ²⁾ End of May 2005 cumulative.

Source: Bank of Tanzania

GLOSSARY

Average Inflation Rate

This is calculated as the average of the inflation rates during the fiscal or calendar year

Currency in Circulation Outside Banks

Notes and coins accepted as legal tender in the domestic economy, excluding amounts held by the banking system.

Discount Rate

The rate of interest charged by the Bank of Tanzania on loans it extends to deposit money banks (DMBs) and government overdraft. It is derived from the weighted average yield of Treasury bills of all maturities plus five-percentage points

Exchange Rate

This is the price at which one currency can be purchased with another currency, e.g. TZS per US dollar.

Lombard Facility

It is an overnight loan to enable commercial banks to borrow at their own discretion, through pledging of eligible government securities as collateral.

Money Supply, M

The sum of currency in circulation outside banks and deposits of deposit money banks, are defined in various concepts of money supply in the narrower and broader sense, i.e., narrow money (M1), broad money (M2), and extended broad money (M3).

M1, Narrow Money,

Consists of currency in circulation outside banks and demand deposits.

M2, Broad Money

Is equivalent to narrow money (M1) plus time deposits and savings deposits.

M3, Extended Broad Money

Consists of broad money (M2) plus foreign currency deposits.

Nominal Exchange Rate

It is the price at which actual transactions in foreign exchange markets occur.

Underlying Inflation Rate

Also referred to as non-food inflation is a measure of price movements caused by factors other than food prices.

Repurchase Agreement (REPO)

These are agreements to sell government securities by the BOT to financial institutions at agreed rate for a specified period, with an understanding that the financial institutions will sell back the securities at the end of the period, and vice versa.

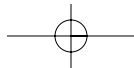
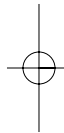
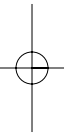
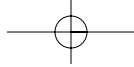
Reserve Money (M0)

The Central Bank's liabilities in the form of: (1) currency in circulation outside the Bank of Tanzania and (2) DMBs' deposits with the BOT.

Weighted Annualised Yields of Treasury Bills

This is the average yield of Treasury bills, which is weighted by the volume sold, expressed in percentage per year.

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