



**BANK OF TANZANIA**



# **Monthly Economic Review**

**January 2020**

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## 1.0 Prices and Food Stocks

### 1.1 Inflation

Inflation continued to be low and less volatile. Twelve-month headline inflation was 3.8 percent in December 2019, as in the preceding month (**Chart 1.1** and **Table 1.1**). The inflation outturn was below the medium-term target of 5.0 percent and within the East African Community (EAC) and Southern Africa Development Community (SADC) countries convergence criteria of not more than 8.0 percent and between 3-7 percent, respectively. Headline inflation is expected to remain low and below the medium term target of 5.0 percent in the remaining part of 2019/20, owing to subdued non-food inflation rate.

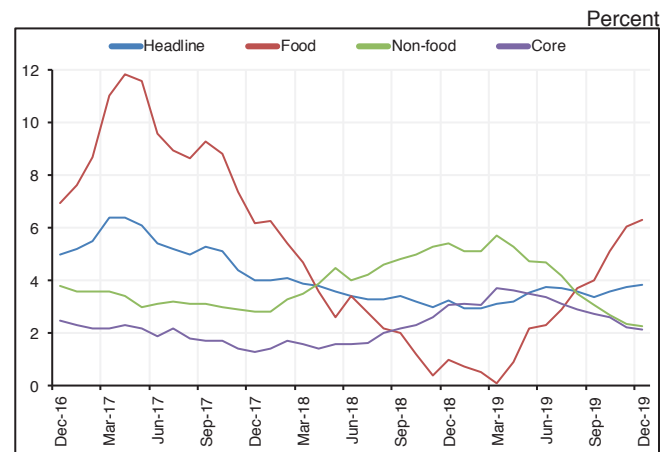
Food inflation—food and non-alcoholic beverages inflation—was 6.3 percent compared with 6.1 percent in the year ending November 2019. The moderate rise in inflation was driven by prices of maize, beans, rice, sorghum, and meat. This was a reflection of existence of pockets of food shortage in some parts of the country and food demand pressure in neighbouring countries. On monthly basis, food and non-alcoholic beverages inflation was 1.3 percent in December 2019 compared with 1.1 percent in the corresponding month in 2018.

Twelve-month non-food inflation eased to 2.3 in December 2019 from 2.4 percent in the previous month and 5.4 percent in December 2018, largely due to decline in local prices of kerosene, diesel, and petrol. Non-food inflation is expected to ease further due to subdued oil prices in the world market, stability of the exchange rate and prudent monetary and fiscal policies. Likewise, energy and fuels inflation declined to 2.8 percent from 3.0 percent and 17.7 percent in November 2019 and December 2018, respectively. On monthly basis, energy and fuel inflation was negative 1.3 percent in December 2019 compared with negative 1.2 percent in the corresponding month in 2018.

Annual inflation for all consumer goods and services excluding food and energy (core inflation) eased to 2.1 percent in December 2019 from 2.2 percent in the

preceding month and 3.1 percent in December 2018. On monthly basis, core inflation was 0.5 percent in December 2019, same as in December 2018.

**Chart 1.1: Annual Inflation Rates**



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

**Table 1.1: Headline Inflation and its Main Components**

Base: Dec 2015 = 100

Main groups	Weight	Monthly change			Annual change		
		Dec-18	Nov-19	Dec-19	Dec-18	Nov-19	Dec-19
Food and non-alcoholic beverages	38.5	1.1	0.8	1.3	1.0	6.1	6.3
Alcoholic, tobacco and narcotics	3.7	0.8	0.0	0.2	2.2	1.3	0.6
Clothing and footwear	8.3	0.6	0.1	0.5	3.6	2.3	2.2
Housing, water, electricity, gas and other fuel	11.6	-1.3	0.6	-0.6	12.1	3.7	4.4
Furnishing, housing equipment and routine maintenance of the house	6.3	1.3	0.1	0.2	4.0	3.9	2.7
Health	2.9	0.3	0.0	0.0	1.0	1.8	1.5
Transport	12.5	0.3	0.3	0.7	5.1	0.4	0.8
Communication	5.6	0.1	0.0	0.3	-2.6	0.8	1.1
Recreation and culture	1.6	0.3	0.0	0.3	0.1	1.4	1.4
Education	1.5	0.0	0.0	0.0	2.4	1.6	1.6
Restaurants and hotels	4.2	0.8	0.1	0.0	2.7	4.0	3.2
Miscellaneous goods and services	3.1	0.9	0.0	0.5	2.6	2.1	1.8
All items (headline inflation)	100.0	0.5	0.5	0.6	3.3	3.8	3.8
Other selected groups:							
Food and non-alcoholic beverages - combining food consumed at home and food consumed in restaurants	37.1	1.1	0.9	1.3	2.6	6.7	6.9
Energy and fuels - combining electricity and other fuels for use at home with petrol and diesel	8.7	-1.2	1.1	-1.3	17.7	3.0	2.8
All items less food (non-food)	62.9	0.2	0.2	0.1	5.4	2.4	2.3
All items less food and energy	54.3	0.5	0.0	0.5	3.1	2.2	2.1

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

### 1.2 Food Stocks

In December 2019, the National Food Reserve Agency (NFRA) sold 259 tonnes of maize to private traders, World Food Program and Prisons Department. Furthermore, the NFRA purchased 30.2 tonnes of maize during the month from food



surplus areas to refill its stock. As a result, food stock<sup>1</sup> held by NFRA amounted to 52,498 tonnes at the end of December 2019, slightly lower than 52,727 tonnes at the end of the preceding month (Table 1.2).

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

	Tonnes				
	2015	2016	2017	2018	2019
January	459,561.0	125,668.0	86,833.5	91,947.0	93,037.2
February	454,592.0	88,414.0	86,444.0	91,312.7	85,524.5
March	452,054.0	68,727.0	86,443.8	83,650.3	78,336.3
April	433,547.0	64,825.0	86,278.0	73,467.7	68,747.8
May	406,846.0	63,341.0	74,826.0	68,893.4	68,057.7
June	353,702.0	61,837.5	70,393.0	63,843.9	67,335.9
July	282,401.0	49,632.0	68,697.0	62,288.0	67,410.1
August	268,514.9	59,832.0	78,434.0	62,317.3	68,407.0
September	265,046.0	86,545.0	85,403.0	78,224.0	61,710.8
October	253,655.2	90,905.0	89,248.0	87,435.0	55,852.5
November	238,133.6	90,900.0	93,353.7	92,402.0	52,726.9
December	180,746.3	89,691.8	92,074.0	95,534.1	52,498.1

Source: National Food Reserve Agency

### 1.3 Prices of Food Crops

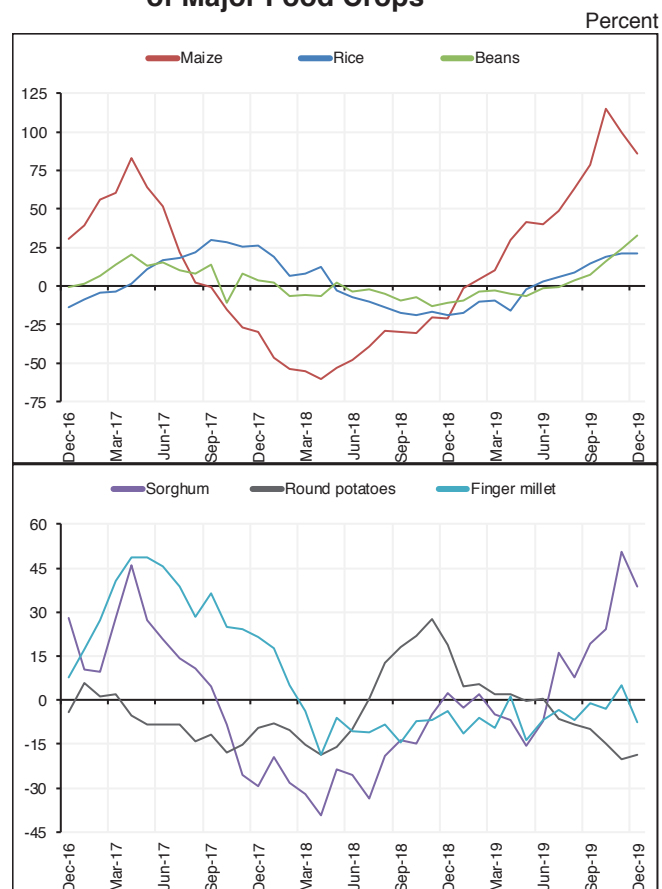
Wholesale prices of maize, rice and beans were higher in December 2019 than in the preceding month, while prices of sorghum, round potatoes and finger millet declined (Table 1.3). The increase in the prices of maize, rice and beans was much explained by higher demand for food in the neighbouring countries, combined with supply shortfall in some parts of the country, particularly in the Northern and Lake zones. Chart 1.2 presents changes in domestic wholesale prices of major food crops over the last three years.

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

Crop	TZS per 100kg					
	Oct-18	Nov-18	Dec-18	Oct-19	Nov-19	Dec-19
Maize	37,670.7	42,362.9	47,174.5	80,967.4	84,739.3	87,591.8
Rice	152,289.3	153,493.1	155,522.6	181,334.3	185,486.3	188,754.6
Beans	152,289.3	158,802.1	158,694.4	176,952.6	197,343.3	210,864.6
Sorghum	75,564.8	72,523.8	75,592.3	93,745.1	109,169.4	104,842.7
Round potatoes	81,940.0	88,209.2	85,526.3	69,923.8	70,560.7	69,485.3
Finger millet	132,877.6	136,785.7	141,113.1	127,783.8	143,568.3	130,428.3

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

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



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

### 1.4 Domestic Fuel Prices

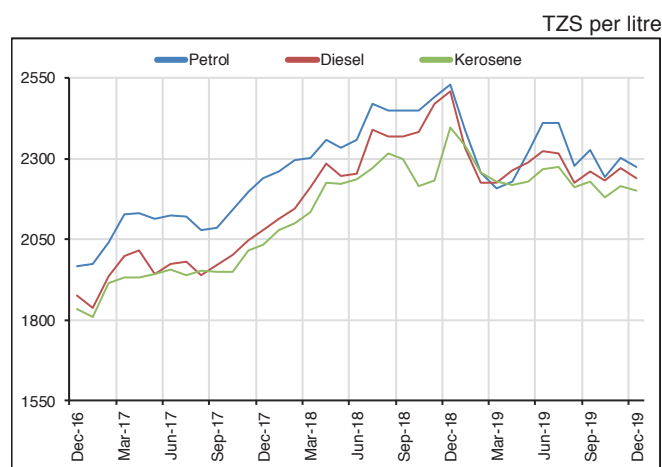
Domestic pump prices of white petroleum products (petrol, diesel and kerosene) remained stable, due to stability of oil prices in the world market and exchange rate. Indeed, as exchange rate remained stable, changes in pump prices generally moved in tandem with price movements in the world market. In December 2019, pump prices were lower than in the previous month and corresponding month of

<sup>1</sup> Comprise maize only



2018 (**Chart 1.3**). Price of diesel averaged TZS 2,238.93 per litre in December 2019, a decline of 1.3 percent and 10.8 percent from registered prices in the preceding month and similar month of 2018, respectively. Similarly, prices of petrol and kerosene declined by 10.1 percent and 8.3 percent, year-on-year (y-o-y), to an average of TZS 2,273.62 per litre and TZS 2,198.87 per litre, respectively. On monthly basis, prices of petrol and kerosene recorded a decline of 1.3 percent and 0.6 percent, respectively.

**Chart 1.3: Evolution of Domestic Pump Prices**



Source: National Bureau of Statistics and Bank of Tanzania computations

## 2.0 Monetary and Financial Markets

### 2.1 Money Supply and Credit

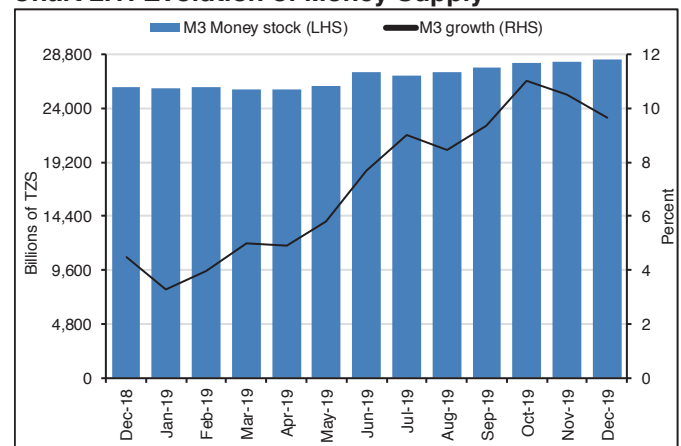
Growth of money supply was in line with projected growth path for 2019/20, reinforced by sustained accommodative monetary policy and increase in credit to the private sector. Extended broad money supply (M3) grew at an annual rate of 9.6 percent in December 2019 compared with 4.5 percent in December 2018, driven by foreign exchange purchase-induced liquidity expansion and strong growth of credit to the private sector (**Chart 2.1**, **Table 2.1** and **Chart 2.2**). Broad money supply (M2) registered an annual growth of 11.8 percent in December 2019, higher than 3.8 percent in December 2018.

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

Item	Outstanding stock (Billions of TZS)			Annual growth (%)		
	Dec-18	Nov-19	Dec-19	Dec-18	Nov-19	Dec-19
Net foreign assets of the banking system	10,629.8	12,135.4	12,034.5	-8.3	9.1	13.2
Bank of Tanzania	10,692.3	12,207.7	12,063.1	-12.0	14.2	12.8
Banks	-62.5	-72.4	-28.5	-88.7	---	-54.4
Net domestic assets of the banking system	15,193.7	16,029.0	16,278.6	15.8	11.5	7.1
Domestic claims	22,208.4	23,239.3	23,589.3	10.1	4.2	6.2
Claims on central government (net)	4,481.6	3,854.8	3,893.9	36.8	-14.5	-13.1
Claims on Central Government	8,522.5	8,739.3	8,408.0	5.5	3.2	-1.3
Liabilities to Central Government	4,040.9	4,884.4	4,514.1	-90.4	---	---
Claims on the private sector	17,726.8	19,384.5	19,695.4	4.9	8.9	11.1
Other items net	-7,014.7	-7,210.3	-7,310.7	-0.5	-9.2	4.2
Extended broad money supply (M3)	25,823.5	28,164.3	28,313.1	4.5	10.5	9.6
Foreign currency deposits	6,783.1	7,096.6	7,032.9	6.6	7.6	3.7
Broad money supply (M2)	19,040.4	21,067.7	21,280.3	3.8	11.5	11.8
Other deposits	7,316.7	7,875.2	7,955.1	1.7	10.3	8.7
Narrow money supply (M1)	11,723.7	13,192.5	13,325.1	5.1	12.2	13.7
Currency in circulation	3,866.7	4,211.9	4,221.8	0.9	11.6	9.2
Transferable deposits	7,857.0	8,980.6	9,103.3	7.3	12.5	15.9

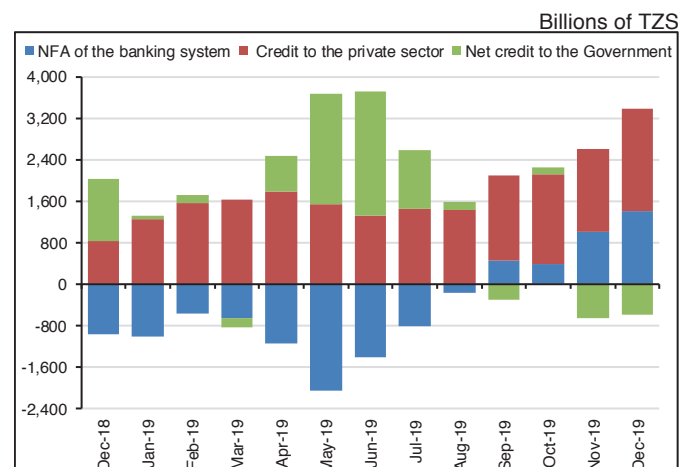
Source: Bank of Tanzania, banks and Bank of Tanzania computations  
Note: "----" denotes change that exceeds 100 percent; and o/w, of which

**Chart 2.1: Evolution of Money Supply**



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

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



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

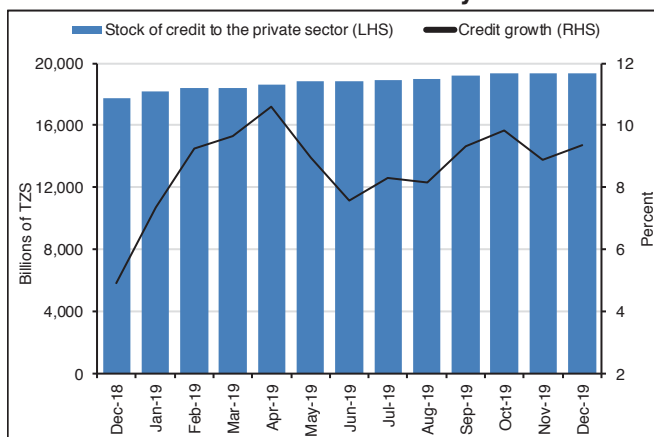


Net foreign assets of the banking system grew by 13.2 percent in the year ending December 2019 compared to a contraction of 8.3 percent in the year ending December 2018. Much of the increase was reflected in foreign assets of the Bank of Tanzania, owing to continuous purchase of foreign exchange from the market following higher foreign exchange proceeds mainly from export of gold, manufactured goods, and receipts from tourism related activities.

Domestic credit by the banking system grew by 6.2 percent in 2019 compared with 10.1 percent a year earlier. The slow growth was attributed to the decline in credit extended to the Government, largely due to build-up of government deposits at the Bank of Tanzania following increase in revenue collection and streamlined expenditure.

Credit to the private sector recorded an annual growth of 11.1 percent in December 2019 compared with 4.9 percent in December 2018 (Chart 2.3). This was supported by sustained accommodative monetary policy, coupled with ongoing measures implemented to improve the business environment.

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



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

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

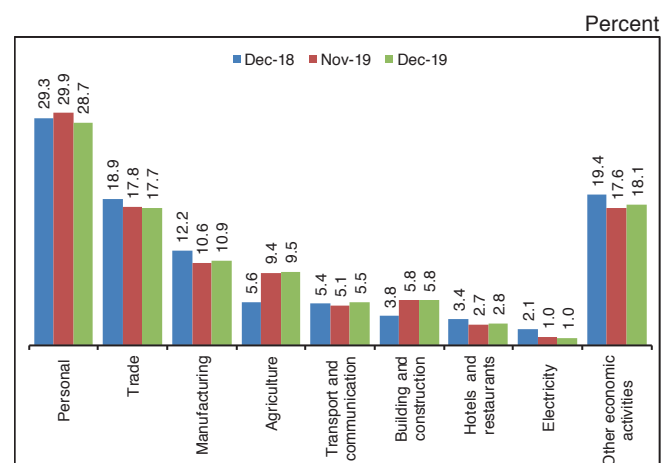
During the year ending December 2019, credit growth was observed prominently in agriculture, building and construction, and transport and communication activities (Table 2.2). In terms of shares in the outstanding credit to the private sector, personal-related and trade activities continued to account for larger shares, at 28.7 and 17.7 percent, respectively (Chart 2.4).

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

Economic activity	Percent						
	Dec-18	Mar-19	Jun-19	Sep-19	Oct-19	Nov-19	Dec-19
Agriculture	-16.0	45.8	40.6	68.5	87.2	85.2	90.1
Building and construction	-23.2	-2.1	-0.1	62.7	63.7	71.5	72.6
Transport and communication	-5.9	4.4	-4.5	0.6	3.2	5.0	14.6
Mining and quarrying	28.2	37.6	28.4	45.1	45.5	22.2	13.2
Personal	54.0	17.5	17.4	24.0	13.7	11.8	9.3
Trade	-2.4	-2.4	-4.2	-0.3	0.3	1.5	4.5
Manufacturing	17.5	17.8	14.5	3.0	3.3	1.0	-0.8
Hotels and restaurants	-1.3	-7.2	-11.2	-11.8	-12.6	-12.1	-9.1

Source: Banks and Bank of Tanzania computations

**Chart 2.4: Composition of Outstanding Credit by Economic Activities**



Source: Banks and Bank of Tanzania computations

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

## 2.2 Interest Rates

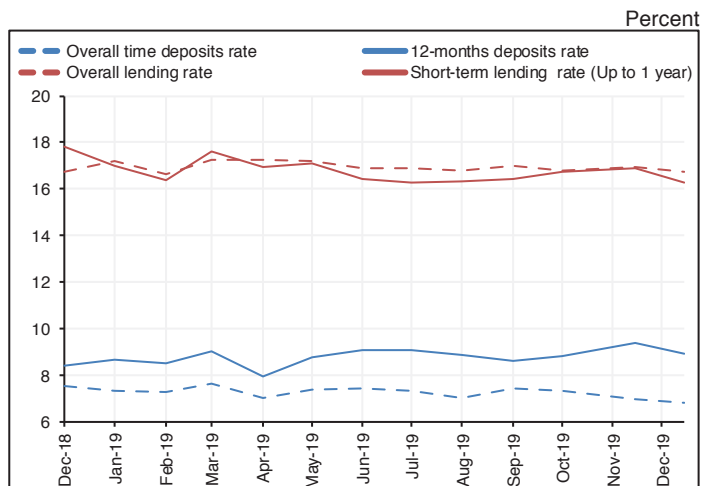
Interest rates offered on deposits and those charged on loans by banks exhibited mixed developments between December 2018 and 2019, with a general softening over the recent months. This reflects adequacy of liquidity in the banking





system in line with accommodative monetary policy pursued by the Bank. The overall deposit rate decreased to an average of 6.79 percent in December 2019 from 7.52 percent recorded in December 2018, while one-year deposit rate averaged 8.90 percent compared with 8.40 percent (Chart 2.5). Overall lending rates increased marginally to an average of 16.76 percent in December 2019, from 16.74 percent recorded in December 2018, while one-year lending rate declined to 16.28 percent from 17.89 percent. As a result, the spread between one-year deposit rate and one-year lending rate narrowed to 7.38 percentage points in December 2019 from 9.49 percentage points in the corresponding month of 2018.

Chart 2.5: Selected Banks' Interest Rates



Source: Banks and Bank of Tanzania computations

## 2.3 Financial Markets

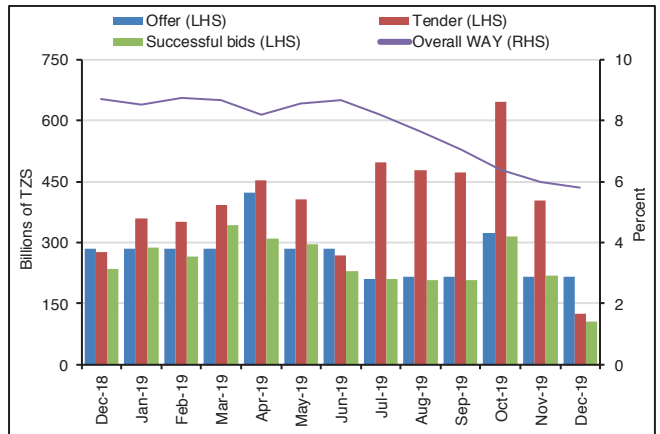
The levels of shilling and foreign exchange liquidity in the economy remained adequate, consistent with monetary policy stance and increase in export proceeds. This was reflected in the decline of interbank cash market interest rates and general stability of the shilling against major trading currencies.

### 2.3.1 Treasury Bills Market

In December 2019, the Bank of Tanzania conducted two treasury bills auctions, mainly for government financing needs, each with a tender size of TZS 107.7 billion. Both auctions were under-subscribed, receiving total bids worth TZS 123.1 billion, of which bids

amounting to TZS 103.8 billion were successful. Overall weighted average yield decreased to 5.81 percent in December 2019, from 5.98 percent in November 2019 (Chart 2.6).

Chart 2.6: Performance in Treasury Bills Market



Source: Bank of Tanzania

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

### 2.3.2 Treasury Bonds Market

In the Treasury bonds market, the Bank of Tanzania issued a 15- and 20-year Treasury bonds worth TZS 109.2 billion and TZS 117.0 billion, respectively, for government budgetary operations. The 15-year Treasury bond was under-subscribed by TZS 7.1 billion, while the 20-year Treasury bond was over-subscribed by TZS 169.7 billion. Successful bids amounted to TZS 98.0 billion and TZS 124.0 billion for a 15- and 20-year bond, respectively. Weighted average yields to maturity (WAY) decreased to 15.24 percent for 15-year bond and 16.76 for the 20-year bond from 15.37 percent and 17.09 percent when they were last auctioned, respectively.

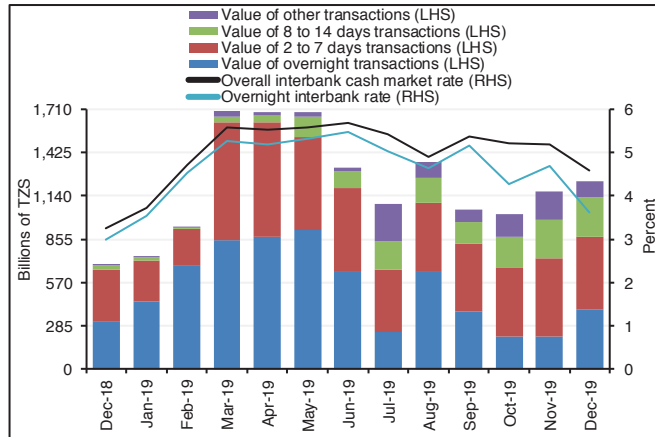
### 2.3.3 Interbank Cash Market

Banks continued to participate actively in the interbank cash market (IBCM) to square their shilling liquidity needs. The value of total transactions in the IBCM increased to TZS 1,237.4 billion in December 2019 from TZS 1,170.8 billion in November 2019. The share of overnight placements in total IBCM transactions picked-up to 31.7 percent from 18.0 percent in November 2019.



Consistent with liquidity condition among banks, the overnight and overall interbank cash market interest rates softened to 3.63 percent and 4.59 percent in December 2019 from 4.68 percent and 5.18 percent in the preceding month, respectively (**Chart 2.7**).

**Chart 2.7: Interbank Cash Market Transactions**



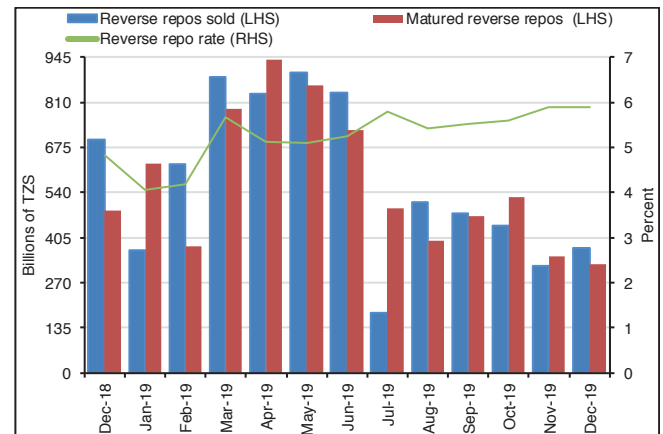
Source: Bank of Tanzania

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

### 2.3.4 Repurchase Agreements

In line with monetary policy stance, the Bank of Tanzania continued to use reverse repurchase agreement (reverse repo) as a short-term instrument to keep liquidity in banks within the required levels. The Bank of Tanzania auctioned reverse repo worth TZS 374.8 billion during December 2019, higher than TZS 319.7 billion in the preceding month. Reverse repo worth TZS 325.7 billion matured during the month compared with TZS 347.5 billion that matured in November 2019. Reverse repo rate averaged 5.89 percent in December 2019 (**Chart 2.8**).

**Chart 2.8: Reverse Repurchase Agreements Transactions**



Source: Bank of Tanzania

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

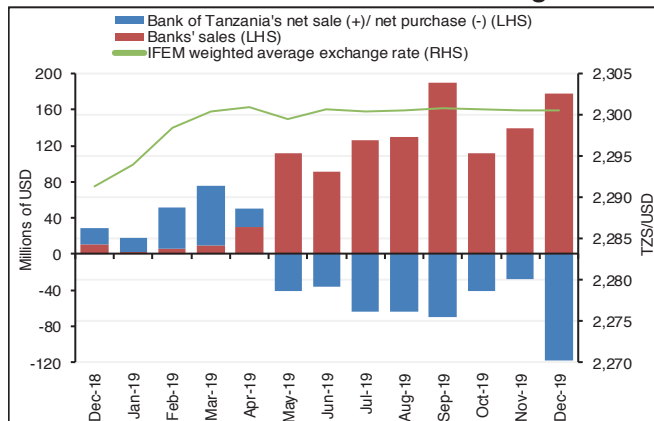
### 2.3.5 Interbank Foreign Exchange Market

Transactions in the interbank foreign exchange market (IFEM) increased to USD 177.4 million in December 2019 from USD 139.4 million in November 2019. The Bank participated in the market for reserves and liquidity management purposes with a purchase of USD 117.3 million compared with USD 27.8 million purchased in the preceding month. The shilling remained generally stable against the US dollar, trading at an average of TZS 2,300.58 per USD from TZS 2,300.70 per USD in November 2019. On annual basis, the shilling depreciated by 0.4 percent from TZS 2,291.29 per USD recorded in December 2018 (**Chart 2.9**).





**Chart 2.9: IFEM Transactions and Exchange Rate**



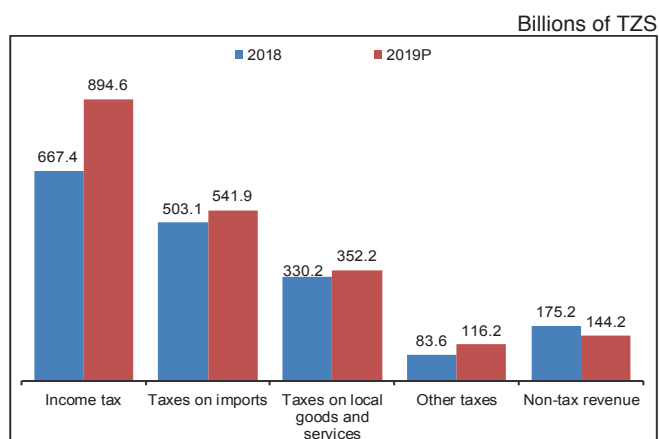
Source: Bank of Tanzania

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

### 3.0 Government Budgetary Operations

Revenue performance was impressive in December 2019, amounting to TZS 2,112.5 billion, an increase of 15.5 percent from collections in December 2018. Revenue collection by the Central Government was TZS 2,049.1 billion and the balance of TZS 63.4 billion was by Local Government. In net terms, tax revenue grew strongly by 20.2 percent from December 2018 to TZS 1,904.9 billion in December 2019. Noteworthy, in gross terms, tax revenue performance surpassed the target for the month. The good performance of tax revenue was mainly due to strengthened tax administration efforts and enhanced compliance. **Chart 3.1** presents revenue sources during December 2018 and 2019, dominated by income tax category.

**Chart 3.1: Government Revenue in December**

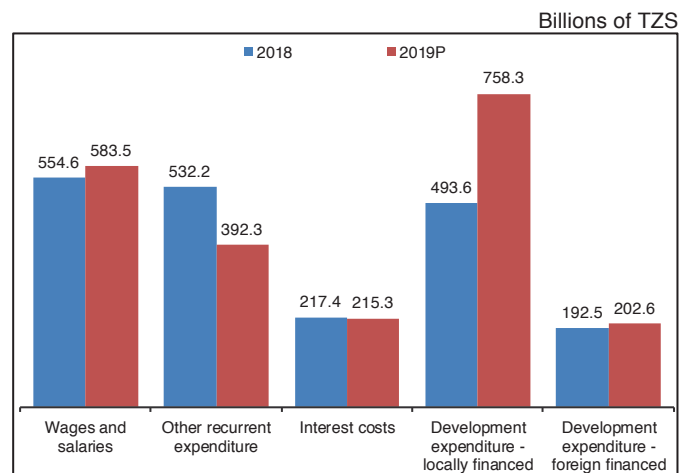


Source: Ministry of Finance and Planning, and Bank of Tanzania computations

Note: p denotes provisional data

Expenditure was executed as planned and in accordance with available resources and priorities. Total Government expenditure, recurrent and development expenditure, amounted to TZS 2,152.0 billion in December 2019. Expenditure on Recurrent activities was TZS 1,191.1 billion and development projects, TZS 960.9 billion (**Chart 3.2**). Noteworthy, out of the amount utilized for development projects, about 78.9 percent was from domestic sources.

**Chart 3.2: Government Expenditure in December**



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

Note: p denotes provisional data

### 4.0 National Debt

#### 4.1 External Debt

The stock of external debt, which comprises of public and private sector external debt, amounted to USD 22,381.8 million at the end of December 2019. This was an increase of USD 64.4 million and USD 1,321.3 million from the end of the previous month and corresponding month of 2018, respectively. The increase was mainly on account of new disbursements and exchange rate movements, that outweighed debt repayment. The external debt stock structure remained the same as in the previous month and similar month of 2018, where central government debt accounted for the largest share at 78.5 percent (**Table 4.1**).



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

Borrower	Millions of USD					
	Dec-18		Nov-19		Dec-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	15,994.5	75.9	17,575.8	78.8	17,560.3	78.5
DOD	15,107.4	71.7	16,664.5	74.7	16,610.2	74.2
Interest arrears	887.1	4.2	911.3	4.1	950.1	4.2
Private sector	4,897.4	23.3	4,648.1	20.8	4,735.8	21.2
DOD	4,009.8	19.0	3,752.6	16.8	3,781.7	16.9
Interest arrears	887.6	4.2	895.5	4.0	954.1	4.3
Public corporations	168.6	0.8	93.6	0.4	85.7	0.4
DOD	136.8	0.6	82.9	0.4	74.7	0.3
Interest arrears	31.8	0.2	10.7	0.0	11.0	0.0
External debt stock	21,060.5	100.0	22,317.5	100.0	22,381.8	100.0

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

Note: DOD denotes disbursed outstanding debt

The structure of external debt stock in terms of creditor category was the same as in the previous month and corresponding month of 2018. Specifically, debt owed to multilateral institutions continued to account for the largest share at 46.1 percent, followed by debt from commercial sources (Table 4.2).

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

Creditor	Millions of USD					
	Dec-18		Nov-19		Dec-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	9,758.7	46.3	10,249.5	45.9	10,322.0	46.1
DOD	9,718.9	46.1	10,214.6	45.8	10,285.5	46.0
Interest arrears	39.8	0.2	34.9	0.2	36.5	0.2
Bilateral	1,908.6	9.1	1,959.4	8.8	2,001.9	8.9
DOD	1,025.4	4.9	1,048.2	4.7	1,051.9	4.7
Interest arrears	883.2	4.2	911.2	4.1	950.0	4.2
Commercial	6,979.7	33.1	7,760.5	34.8	7,678.9	34.3
DOD	6,471.7	30.7	7,251.6	32.5	7,137.0	31.9
Interest arrears	508.0	2.4	508.9	2.3	541.9	2.4
Export credit	2,413.5	11.5	2,348.1	10.5	2,379.0	10.6
DOD	2,038.0	9.7	1,985.6	8.9	1,992.2	8.9
Interest arrears	375.5	1.8	362.5	1.6	386.8	1.7
External debt stock	21,060.5	100.0	22,317.5	100.0	22,381.8	100.0

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

Note: DOD denotes disbursed outstanding debt

In terms of beneficiaries of the disbursed outstanding debt, transport and telecommunication activities continued to dominate, accounting for 26.8 percent of the debt stock (Table 4.3).

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

Activity	Millions of USD					
	Dec-18		Nov-19 <sup>r</sup>		Dec-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Transport and telecommunication	4,302.0	22.3	5,464.2	26.7	5,492.2	26.8
Social welfare and education	3,009.0	15.6	3,446.0	16.8	3,470.0	17.0
Energy and mining	3,016.0	15.7	3,051.0	14.9	3,075.0	15.0
BoP and budget support	2,753.1	14.3	2,795.1	13.6	2,725.1	13.3
Other	1,859.2	9.7	1,599.7	7.8	1,536.3	7.5
Agriculture	1,243.0	6.5	1,295.0	6.3	1,300.0	6.4
Real estate and construction	1,078.7	5.6	1,032.0	5.0	1,034.0	5.1
Finance and insurance	1,185.0	6.2	1,009.0	4.9	1,012.0	4.9
Industries	656.0	3.4	639.0	3.1	649.0	3.2
Tourism	152.0	0.8	169.0	0.8	173.0	0.8
Total	19,254.0	100.0	20,500.0	100.0	20,466.6	100.0

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

Note: BoP denotes balance of payments; and r, revised data

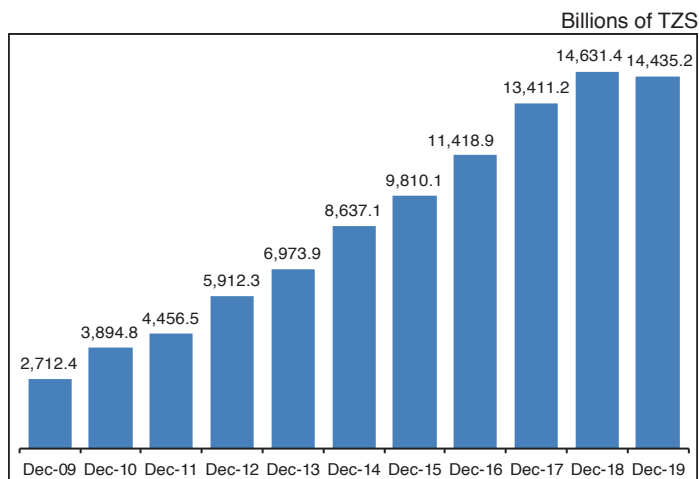
During December 2019, external loans amounting to USD 230.7 million were disbursed, of which the Central Government received USD 51.6 million and the balance went to the private sector. Disbursements during 2019 were USD 2,703.1 million, of which USD 2,359.0 million was received by the Central Government and the balance by private sector. Debt service amounted to USD 366.5 million in December 2019, of which USD 319.1 million was principal repayment and the balance was interest payment. In 2019, debt service payments amounted to USD 2,062.6 million, of which USD 1,701.1 million was principal repayment.

## 4.2 Domestic Debt

Domestic debt stock amounted to TZS 14,435.2 billion at the end of December 2019, a decrease of TZS 12.3 billion and TZS 196.2 billion from the preceding month and corresponding period in 2018, respectively (Chart 4.1). This was on account of debt repayment, which more than offset new issuance of debt. Changes in the debt stock were muted over the past one year, gradually declining in much of the period, due to improved revenue collection.



Chart 4.1: Government Domestic Debt Stock



Source: Bank of Tanzania

The structure of domestic debt in terms of maturity profile remained in line with the Medium-term Debt Management Strategy of mitigating refinancing risk by elongating the maturity of debt portfolio. Debts of longer-term maturity, Treasury bonds and stocks, continued to account for the largest share of the debt stock, altogether accounting for 79.6 percent of the debt at the end of December 2019 (Table 4.4).

Table 4.4: Government Domestic Debt by Borrowing Instruments

Instrument	Dec-18		Nov-19		Dec-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	12,878.3	88.0	14,429.1	99.9	14,416.8	99.9
Treasury bills	2,633.8	18.0	3,016.7	20.9	2,927.9	20.3
Government stocks	252.7	1.7	252.7	1.7	252.7	1.8
Government bonds	9,991.7	68.3	11,159.6	77.2	11,236.1	77.8
Tax certificates	0.1	0.0	0.1	0.0	0.1	0.0
Non-securitized debt	1,753.2	12.0	18.4	0.1	18.4	0.1
Other liabilities*	18.4	0.1	18.4	0.1	18.4	0.1
Overdraft	1,734.8	11.9	0.0	0.0	0.0	0.0
Domestic debt stock (without liquidity papers)	14,631.4	100.0	14,447.5	100.0	14,435.2	100.0

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

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

In terms of composition of domestic debt stock by holders, the profile also remained as in the previous month and corresponding month of 2018. Commercial banks and pension funds dominated, holding about 37.0 percent and 29.7 percent of the debt stock, respectively (Table 4.5).

Table 4.5: Government Domestic Debt by Creditor

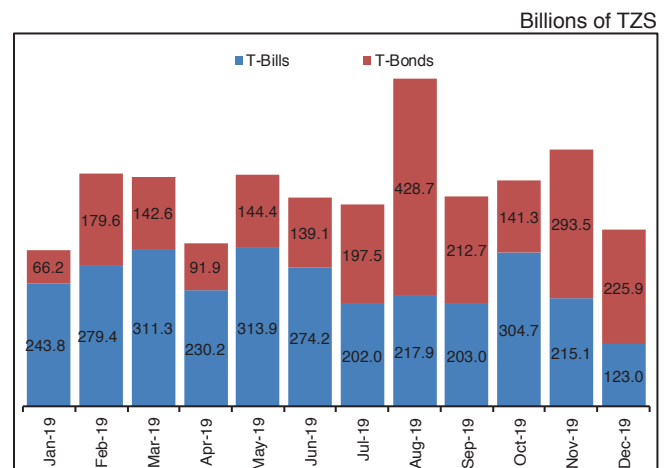
Holder	Dec-18		Nov-19		Dec-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	5,037.2	34.4	5,415.1	37.5	5,346.2	37.0
Pension funds	3,707.0	25.3	4,209.9	29.1	4,286.6	29.7
Others	1,246.8	8.5	1,871.6	13.0	1,892.7	13.1
Bank of Tanzania	3,071.1	21.0	1,299.0	9.0	1,314.7	9.1
Insurance	1,280.4	8.8	1,334.9	9.2	1,277.8	8.9
BOT's special funds	289.0	2.0	317.0	2.2	317.4	2.2
Total	14,631.4	100.0	14,447.5	100.0	14,435.2	100.0

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

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

As regards debt flow, government securities issued for budgetary operations amounted to TZS 348.9 billion in December 2019, of which TZS 225.9 billion was Treasury bonds and the balance was Treasury bills (Chart 4.2). Total domestic debt issued through government securities during 2019 amounted to TZS 5,181.6 billion, of which TZS 2,918.4 billion was Treasury bills and the balance was Treasury bonds.

Chart 4.2: Government Securities Issued for Financing Purposes



Source: Bank of Tanzania

Domestic debt, excluding government overdraft from the central bank, worth TZS 498.5 billion matured during December 2019, of which principal repayment amounting to TZS 361.2 billion was rolled-over and interest payment of TZS 137.3 billion was paid out. During 2019, debt service amounted to TZS 4,826.1 billion, out of which TZS 3,521.0 billion was principal repayment and the balance was interest payment.



## 5.0 External Sector Performance

In 2019, the overall balance of payments was a surplus of USD 560.3 million compared to a deficit of USD 790.0 million recorded in 2018. In the same period, the current account balance improved, recording a lower deficit of USD 1,623.0 million compared with a deficit of USD 2,204.6 million in 2018 owing to increase in exports (**Table 5.1**). The deficit remained sustainable at 2.7 percent of GDP from 3.8 percent of GDP in 2018. The deficit was largely financed by external borrowing and foreign direct equity investment inflows. The current account is projected to remain low in the short and medium terms, reinforced by increase in exports and subdued imports growth.

**Table 5.1 Current Account**

Item	Millions of USD						Percentage change 2018 to 2019
	Dec-18	Nov-19	Dec-19 <sup>p</sup>	2017	2018	2019 <sup>p</sup>	
Goods account	-465.4	-212.8	-302.4	-3,027.8	-3,687.0	-3,444.5	-6.6
Exports*	333.3	521.3	516.2	4,523.9	4,379.6	5,573.2	27.3
Imports	798.7	734.1	818.6	7,551.7	8,066.6	9,017.6	11.8
Services account	195.6	163.2	227.8	1,792.0	1,883.4	2,172.4	15.3
Receipts	397.4	328.1	392.8	3,831.9	4,014.7	4,139.5	3.1
Payments	201.8	164.9	165.0	2,039.9	2,131.2	1,967.1	-7.7
Goods and services	-269.8	-49.6	-74.6	-1,235.8	-1,803.6	-1,272.1	-29.5
Export of goods and services	730.8	849.4	909.0	8,355.8	8,394.3	9,712.6	15.7
Import of goods and services	1,000.5	899.0	983.6	9,591.6	10,197.8	10,984.8	7.7
Primary income account	-81.8	-46.1	-68.0	-980.1	-869.9	-768.2	-11.7
Receipts	20.4	28.0	7.3	125.3	155.9	207.9	33.3
Payments	102.2	74.1	75.3	1,105.4	1,025.8	976.2	-4.8
Secondary income account	50.5	50.2	79.2	402.0	468.8	417.3	-11.0
Inflows	55.7	54.2	83.2	485.2	536.1	473.5	-11.7
o/w: General government	25.2	23.2	52.2	121.8	170.6	103.5	-39.3
Outflows	5.3	4.0	4.0	83.2	67.3	56.2	-16.4
Current account balance	-301.1	-45.5	-63.4	-1,813.9	-2,204.6	-1,623.0	-26.4

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

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

Gross official foreign exchange reserves remained adequate, above performance benchmarks, bolstered by export proceeds and foreign exchange inflows in various forms. The reserves amounted to USD 5,567.6 million at the end of December 2019 compared with USD 5,044.6 million at the end of December 2018. The amount was sufficient to cover 6.4 months of projected imports of goods and services, above the country benchmark of not less than 4 months. The import cover was also above the

EAC and SADC convergence criteria of at least 4.5 months and 6 months, respectively. Foreign reserves are projected to remain high in the remainder of 2019/20. On the other hand, foreign assets of banks improved to USD 1,066.4 million from USD 966.7 million at the end of December 2018.

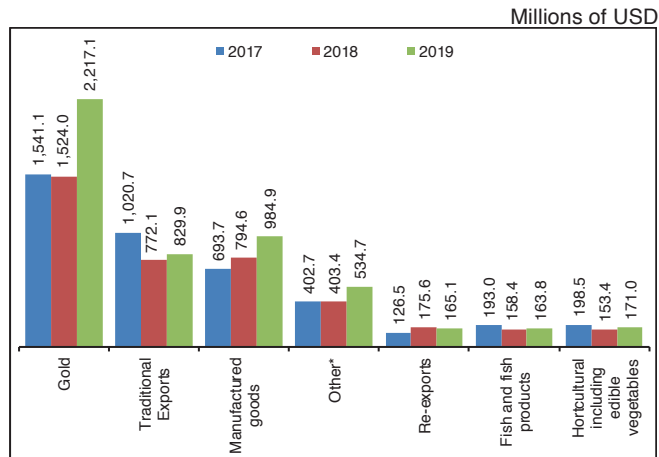
### 5.1 Exports

Performance of exports continued to improve, increasing to USD 9,712.6 million in 2019 from USD 8,394.3 million in 2018. As in recent months, the improvement was largely due to an increase in service receipts and the value of non-traditional goods exports. Non-traditional goods worth USD 4,236.6 million were exported in 2019 compared with USD 3,209.3 million in the preceding year. The value of all non-traditional goods exports increased, except re-exports. Gold exports, which accounted for 52.3 percent of non-traditional goods exports, increased by 45.5 percent to USD 2,217.1 million, driven by both volume price in the world market. Manufactured goods exports grew by 24.0 percent to USD 984.9 million, driven by sisal yarn and twine, iron and steel products, glass and glassware, manufactured tobacco and fertilizers.

The value of traditional exports rose to USD 829.9 million in 2019 from USD 772.1 million a year earlier, driven by cashew nuts, cotton and coffee (**Chart 5.1**). The increase in the value of cashew nuts exported was on account of higher volume that outweighs the impact of price decline in the world market. Likewise, improvement in coffee and cotton exports was due to increase in volume following good weather during the crop season. Conversely, the value of cloves exports decreased owing to price decline in the world market, while for tobacco it was on account of low export volume and price. Price movements of traditional goods exports were broadly in line with developments in the world market prices.



Chart 5.1: Performance of Goods Exports

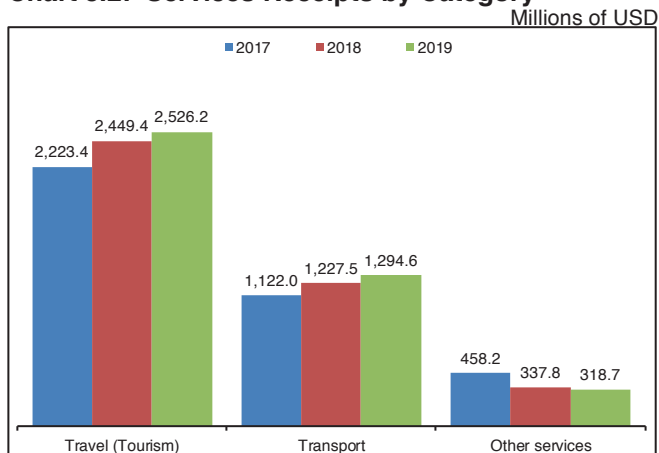


Source: Tanzania Revenue Authority and Bank of Tanzania Computations

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

Earnings from services increased to USD 4,139.5 million in 2019 from USD 4,014.7 million in 2018, driven by travel and transport receipts (Chart 5.2). Travel proceeds, mostly from tourism related activities, grew by 3.2 percent, to USD 2,526.2 million in 2019 and accounted for 61.0 percent of services receipts. The growth was much associated with increase in the number of tourist arrivals.

Chart 5.2: Services Receipts by Category



Source: Banks and Bank of Tanzania computations

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

## 5.2 Imports

During 2019, import bill amounted to USD 10,984.8 million, higher than USD 10,197.8 million in 2018, on account of an increase in the value of goods import. All major categories of goods import increased, with

intermediate goods recording the highest growth—largely on account of higher oil import bill. The value of oil import, which accounted for 24.7 percent of goods import, rose by 38.3 percent to USD 2,230.8 million in 2019 due to increase in the volume imported. The observed growth in the value of capital and intermediate goods import was consistent with the on-going mega infrastructure projects in the country (Table 5.2).

Table 5.2: Goods Imports

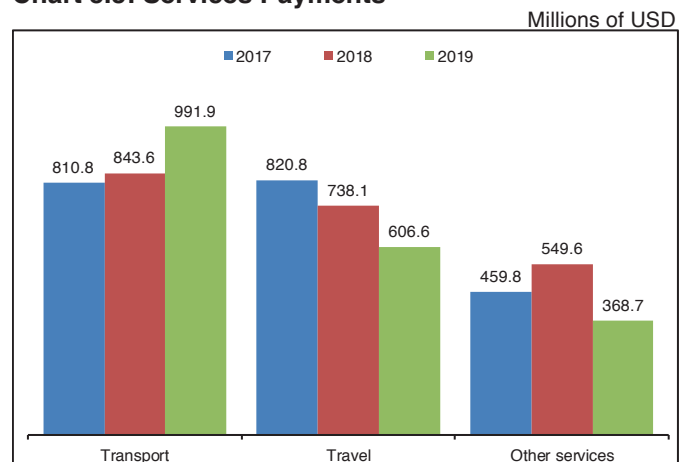
Category	Millions of USD				Percentage change 2018 to 2019	Percentage contribution, 2019
	Nov-19	Dec-19	2018	2019 <sup>p</sup>		
Capital goods	272.5	161.8	3,405.8	3,629.5	6.6	40.2
Transport equipment	75.4	24.0	1,193.0	1,001.1	-16.1	11.1
Building and constructions	87.5	114.9	840.3	1,049.1	24.8	11.6
Machinery	109.7	22.9	1,372.5	1,579.4	15.1	17.5
Intermediate goods	262.3	503.6	2,549.8	3,209.4	25.9	35.6
Oil imports	177.4	347.5	1,613.2	2,230.8	38.3	24.7
Fertilizers	4.5	15.8	176.5	140.3	-20.5	1.6
Industrial raw materials	80.4	140.3	760.2	838.3	10.3	9.3
Consumer goods	199.2	153.2	2,111.0	2,178.7	3.2	24.2
Food and food stuffs	23.2	38.9	264.3	235.9	-10.7	2.6
All other consumer goods <sup>1</sup>	176.0	114.3	1,846.7	1,942.8	5.2	21.5
Grand total (f.o.b)	734.1	818.6	8,066.6	9,017.6	11.8	100.0

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Notes: <sup>1</sup> includes pharmaceutical products, paper products, plastic items, optical/photographic materials, and textile apparels

Services payments fell by 7.7 percent to USD 1,967.1 million in 2019, owing to a decline in payments with respect to travel and other services (Chart 5.3). Conversely, payments with respect to transport services rose in line with the increase in the value of imported goods.

Chart 5.3: Services Payments



Source: Banks, and Bank of Tanzania computations

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





Primary income account, comprising of income from capital related transactions and compensation of employees, had a deficit of USD 768.2 million in 2019 compared with a deficit of USD 869.9 million in 2018. In the same period, the balance in secondary income account—that captures unilateral current transfers—was a surplus of USD 417.3 million, down from a surplus of USD 468.8 million in 2018, owing to a decline in official current inflows (**Table 5.1**).

### 5.3 World Commodity Prices

World market prices for selected commodities were higher in December 2019 than in the preceding month, except for tea, sisal and white petroleum products (**Table 5.3**). The increase in price of coffee was largely related to supply shortfall associated with unfavourable weather, while that of cotton rose due to higher demand. Price of tea (Mombasa auction) declined due to over production coupled with decline in quality caused by adverse weather condition.

On annual basis, world market prices of all selected commodities declined, save for gold (**Table 5.3**). Oil price declined largely on account of excess supply and low demand in Europe and China. On the other hand, price of gold gained following investors rush to safe-haven assets, gold being one of them, to protect their portfolios owing to geopolitical unrest, persistent global economic headwinds and concerns about slowing global economic growth.

**Table 5.3: World Commodity Prices**

Commodity	Unit of measure	Percentage change		Percentage change			
		Nov-19	Dec-19	2018	2019	2019	
Robusta coffee	USD per kg	1.62	1.63	1.0	1.87	1.62	-13.2
Arabica coffee	USD per kg	3.11	3.45	11.2	2.93	2.88	-1.6
Tea (average price)	USD per kg	2.60	2.58	-1.1	2.85	2.57	-9.8
Tea (Mombasa auction)	USD per kg	2.26	2.21	-2.2	2.58	2.23	-13.7
Cotton, "A index"	USD per kg	1.65	1.67	1.3	2.01	1.72	-14.8
Sisal (UG)	USD per kg	1.70	1.70	0.0	1.71	1.70	-0.7
Cloves (Madagascan CIF Singapore)	USD per tonne	5.30	5.48	3.4	7.85	6.45	-17.9
Crude oil*	USD per barrel	62.74	65.85	5.0	71.07	64.03	-9.9
Crude oil**	USD per barrel	61.41	64.41	4.9	69.15	63.18	-8.6
White products	USD per tonne	596.99	593.12	-0.6	667.74	614.30	-8.0
Gold	USD per oz	1,470.79	1,479.13	0.6	1,269.23	1,392.50	9.7

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

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

## 6.0 Economic Developments in Zanzibar

### 6.1 Inflation

Annual headline inflation increased slightly to 3.3 percent in December 2019 from 3.1 percent in November 2019. The outturn was below 3.5 percent recorded in the corresponding month of 2018 and the medium-term target of 5.0 percent, largely associated with decline in prices of non-food consumer goods.

Annual non-food inflation eased to 2.5 percent in December 2019 from 4.3 percent in December 2018, due to decline in prices of fuel products (kerosene, petrol and diesel), which dropped by an average of 12.4 percent. Annual food inflation increased to 4.3 percent from 2.2 percent in the corresponding month of 2018, driven by increase in prices of maize flour, bread and bananas. On monthly basis, headline inflation was 0.8 percent in December 2019 compared with 0.7 percent in the similar month of 2018 (**Table 6.1** and **Chart 6.1**).

**Table 6.1: Headline Inflation and its Main Components**

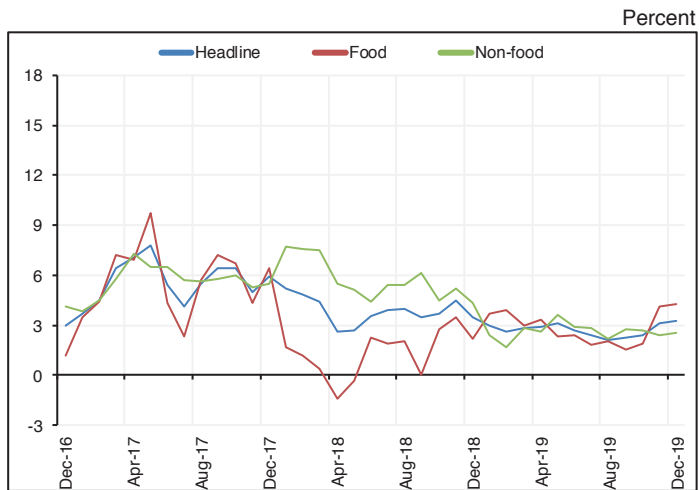
Main groups	Weight	Monthly change			Annual change		
		Dec-18	Nov-19	Dec-19	Dec-18	Nov-19	Dec-19
		Base: Jan 2017=100					
Food and non-alcoholic beverages	43.6	1.6	0.6	1.8	2.2	4.1	4.3
Alcoholic beverages, tobacco and narcotics	0.2	0.0	0.0	0.0	6.6	22.4	22.4
Clothing and footwear	6.9	0.0	-0.1	-0.2	2.9	0.3	0.1
Housing, water, electricity, gas and other fuels	18.4	-0.5	0.3	0.2	3.0	-0.4	0.3
Furnishing, household equipment	5.5	0.2	0.3	0.2	12.5	4.0	4.0
Health	2.1	0.0	0.1	0.0	1.5	7.6	7.6
Transport	9.6	0.6	1.1	-0.4	8.5	0.7	-0.3
Communication	4.2	0.0	0.0	0.0	-1.1	15.8	15.8
Recreation and culture	1.3	0.0	0.0	0.0	4.8	2.3	2.3
Education	1.9	0.0	0.0	0.0	6.3	3.1	3.1
Restaurants and hotels	3.9	0.0	0.0	0.0	-1.1	5.4	5.4
Miscellaneous goods and services	2.3	-0.2	0.2	0.0	3.8	4.0	4.2
<b>All items (Headline inflation)</b>	<b>100.0</b>	<b>0.7</b>	<b>0.5</b>	<b>0.8</b>	<b>3.5</b>	<b>3.1</b>	<b>3.3</b>
Other selected groups:							
Food	42.7	1.6	0.7	1.8	2.3	4.1	4.3
Non-food	57.3	-0.1	0.3	0.0	4.3	2.4	2.5

Source: Office of the Chief Government Statistician, Zanzibar





Chart 6.1: Twelve-Month Inflation

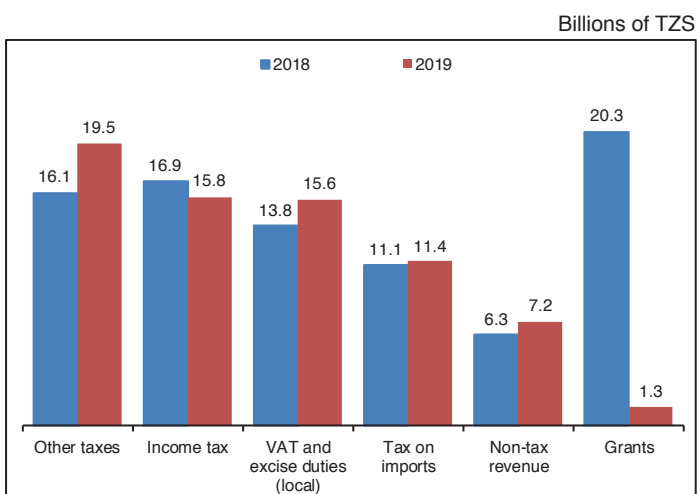


Source: Office of the Chief Government Statistician, Zanzibar

## 6.2 Government Budgetary Operations

In December 2019, Government resource envelope—comprising of revenue and grants—amounted to TZS 70.9 billion, of which TZS 69.6 billion was domestic revenue and TZS 1.3 billion was foreign grants. Domestic revenue was 84.3 percent of the target, while foreign grants were below the target by 31.0 percent. Tax revenue amounted to TZS 62.4 billion and accounted for 89.6 percent of domestic revenue. All tax revenue sub-categories performed below targets for the month. On non-tax revenue, a total of TZS 7.2 billion was collected in December 2019, below the target by 44.1 percent (Chart 6.2).

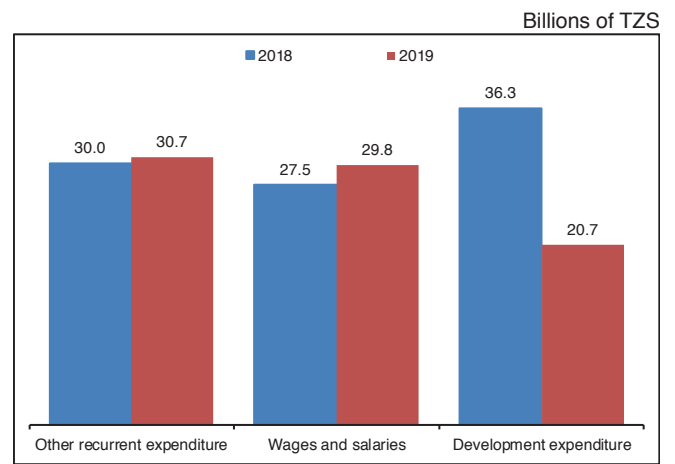
Chart 6.2: Government Resources in December



Source: Ministry of Finance and Planning, Zanzibar  
Note: Other taxes include hotel and restaurant levies, tour operator levy, revenue stamps, airport and seaport service charges, road development fund and petroleum levy

The Government continued to rationalize expenditure pattern based on budget estimates, priorities and available resources. In line with this, the Government spent TZS 81.2 billion during December 2019, of which TZS 60.5 billion financed recurrent expenditure and TZS 20.7 billion was spent on development projects. Local financing to development projects amounted to TZS 10.6 billion and the balance was financed by funds from foreign sources (Chart 6.3).

Chart 6.3: Government Expenditure in December



Source: Ministry of Finance and Planning, Zanzibar  
Note: Other expenditure include transfers, domestic debt interest payment, consolidated fund service and other

## 6.3 External Sector Performance

### 6.3.1 Current Account

The current account registered a deficit of USD 69.9 million in 2019, compared with a deficit of USD 49.4 million in 2018, owing to increase in imports (Table 6.2).



**Table 6.2: Current Account**

	Millions of USD					
	Dec-18	Nov-19	Dec-19 <sup>p</sup>	2018	2019 <sup>p</sup>	Percentage change
Goods account	-18.2	-20.9	-24.3	-197.3	-230.3	16.7
Exports	0.5	0.9	3.2	23.0	14.6	-36.5
Imports (fob)	18.8	21.7	27.5	220.3	244.9	11.2
Services account	9.6	8.8	5.4	104.0	96.5	-7.2
Receipts	16.3	20.6	21.9	175.1	206.3	17.8
Payments	6.7	11.7	16.5	71.1	109.8	54.4
Goods and services	-8.6	-12.0	-18.9	-93.3	-133.8	43.4
Exports of goods and services	16.8	21.4	25.1	198.0	220.9	11.5
Imports of goods and services	25.5	33.4	44.0	291.4	354.7	21.7
Income account	0.9	1.6	1.3	9.6	13.2	37.9
Receipts	1.2	2.3	2.1	15.2	19.8	29.7
Payments	0.3	0.6	0.8	5.7	6.6	15.7
Current transfers	10.1	3.8	9.3	34.4	50.7	47.4
Inflows	10.2	4.4	10.1	36.3	68.7	89.0
Outflows	0.2	0.6	0.8	1.9	18.0	---
Current account balance	2.3	-6.6	-8.2	-49.4	-69.9	41.6

Source: Zanzibar Revenue Board, Zanzibar State Trade Corporation, Tanzania Revenue Authority, Bank of Tanzania, banks, and Bank of Tanzania computations

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

### 6.3.2 Exports

During 2019, exports of goods and services was USD 220.9 million, representing a growth of 11.5 percent over the year, on account of increase in service receipts (**Table 6.2**). Goods exports decreased in all major categories, save for seaweeds, and fish and fish-products. Export value of cloves, the major export commodity, declined to USD 5.3 million in 2019 from USD 10.4 million in the preceding year, driven by both price in the world market and volume exported, owing to cyclical nature of the crop (**Table 6.3**).

**Table 6.3: Performance of Export of Goods**

	Units	Dec-18	Nov-19	Dec-19 <sup>p</sup>	2018	2019 <sup>p</sup>	Percentage change
Traditional exports:							
Clove							
Value	'000' USD	0.0	0.0	2,969.1	10,443.5	5,281.1	-49.4
Volume	'000' Tonnes	0.0	0.0	0.7	1.3	1.0	-23.5
Unit price	USD/Tonne	0.0	-	4,532.9	8,033.5	5,307.6	-33.9
Non-traditional exports:							
Seaweeds							
Value	'000' USD	295.7	429.6	211.5	4,203.0	4,322.7	2.8
Volume	'000' Tonnes	0.7	0.6	0.3	9.9	7.4	-25.0
Unit price	USD/Tonne	404.2	770.0	693.5	424.7	582.7	37.2
Manufactured goods	'000' USD	184.9	165.5	14.4	6,953.0	3,495.0	-49.7
Fish and fish products	'000' USD	10.7	114.6	2.2	517.9	995.5	92.2
Others exports	'000' USD	47.8	145.4	25.8	842.2	476.0	-43.5
Sub total	'000' USD	539.0	855.1	253.9	12,516.1	9,289.3	-25.8
Grand total	'000' USD	539.0	855.1	3,223.0	22,959.6	14,570.3	-36.5

Source: Zanzibar Revenue Board, Tanzania Revenue Authority, and Bank of Tanzania computations

Note: Other exports mainly include souvenirs and spices; N/A denotes not applicable; and p, provisional data

Services receipts grew by 17.8 percent, y-o-y, to USD 206.3 million in 2019, mainly driven by travel related receipts, tourism in particular

### 6.3.3 Imports

The import bill grew by 21.7 percent to USD 354.7 million in 2019 from the value recorded in 2018 (**Table 6.2**). Goods import bill (f.o.b), which accounted for 69.0 percent of total import bill, recorded an annual growth of 11.2 percent to USD 244.9 million in 2019 on account of increase in the value of intermediate goods (specifically oil) and consumer goods (mainly rice and wheat) imports. **Table 6.4** presents performance of goods import by major categories.

**Table 6.4: Imports by Major Categories**

	Millions of USD					
	Dec-18	Nov-19	Dec-19 <sup>p</sup>	2018	2019 <sup>p</sup>	Percentage change
Capital goods	4.1	4.4	12.6	61.8	61.5	-0.5
Transport equipment	1.4	1.7	1.1	21.9	18.9	-13.8
Building and construction	1.1	0.8	1.8	12.1	13.5	11.0
Machinery	1.6	1.8	9.6	27.8	29.2	5.0
Intermediate goods	8.9	13.1	11.2	104.9	118.3	12.8
Oil imports	6.6	9.1	8.7	71.0	88.5	24.7
Industrial raw materials	2.2	4.1	2.5	33.9	29.8	-12.2
Consumer goods	7.6	6.4	6.4	75.4	89.3	18.5
Food and food stuffs	3.4	3.2	2.3	30.0	43.9	46.3
All other consumer goods	4.2	3.2	4.1	45.4	45.5	0.2
Grand total (c.i.f)	20.6	23.9	30.2	242.0	269.1	11.2
Grand total (f.o.b)	18.8	21.7	27.5	220.3	244.9	11.2

Source: Tanzania Revenue Authority, and Bank of Tanzania computations

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



## Statistical Tables

**Table A1: Selected Economic Indicators**

	Unit	2015	2016	2017	2018 <sup>r</sup>	2019 <sup>p</sup>
<b>National accounts and prices</b>						
1.1 Change in GDP at current prices	Percent	14.2	14.9	9.6	8.9	n.a
1.2 Change in GDP at constant 2015 prices	Percent	6.2	6.9	6.8	7.0	n.a
1.3 GDP per capita-current prices (TZS)	'000' TZS	1,969.0	2,191.2	2,327.4	2,461.9	n.a
1.4 GDP per capita-current prices (USD)	USD	991.7	1,006.5	1,044.2	1,087.5	n.a
1.5 Change in consumer price index (Inflation)	Percent	5.6	5.2	5.3	3.5	3.4
1.6 Saving to GNDI ratio	Percent	24.4	29.4	29.7	30.3	n.a
<b>Money, credit and interest rates</b>						
2.1 Change in extended broad money supply (M3)	Percent	18.8	3.4	8.0	4.5	9.6
2.2 Change in broad money supply (M2)	Percent	13.4	5.3	10.4	3.8	11.8
2.3 Change in narrow money supply (M1)	Percent	15.6	5.3	10.6	5.1	13.7
2.4 Change in reserve money (M0)	Percent	15.6	0.3	1.5	0.6	6.8
2.5 Total credit to GDP ratio <sup>1</sup>	Percent	21.6	19.3	17.0	17.2	16.7
2.6 Non-government sector credit to GDP ratio <sup>1</sup>	Percent	16.4	15.3	14.2	13.7	14.0
2.7 Ratio of credit to non-government sector to total credit	Percent	76.0	79.5	83.8	79.8	83.5
2.8 12-Months deposit rate <sup>2</sup>	Percent	10.8	11.5	11.7	8.8	8.8
2.9 Overall treasury bill rate <sup>2</sup>	Percent	12.9	16.2	11.1	6.4	7.7
2.10 Long-term lending rate (3-5 years) <sup>2</sup>	Percent	15.3	15.6	17.9	17.4	16.6
<b>Balance of payments</b>						
3.1 Exports of goods (f.o.b)	Mill. USD	5,316.8	4,949.7	4,523.9	4,379.6	5,573.2
3.2 Imports of goods (f.o.b)	Mill. USD	-9,843.1	-8,463.6	-7,551.7	-8,066.6	-9,017.6
3.3 Trade balance	Mill. USD	-4,526.3	-3,513.9	-3,027.8	-3,687.0	-3,444.5
3.4 Current account balance	Mill. USD	-3,987.4	-2,664.7	-1,813.9	-2,204.6	-1,623.0
3.5 Overall balance	Mill. USD	199.1	-305.5	-1,669.6	784.0	560.3
3.6 Gross official reserves	Mill. USD	4,093.7	4,325.6	5,900.3	5,044.6	5,567.6
3.7 Reserves months of imports (of goods and services) (excluding FDI related imports)	Months	4.9	5.9	7.5	5.7	6.4
3.8 Exchange rate:						
Annual average	TZS/USD	1,985.4	2,177.1	2,228.9	2,263.8	2,288.2
End of period	TZS/USD	2,148.5	2,172.6	2,230.1	2,281.2	2,287.9
		2014/15	2015/16	2016/17	2017/18	2018/19
<b>Public finance</b>						
4.1 Current revenue to GDP ratio <sup>1</sup>	Percent	12.4	13.7	14.7	14.6	13.8
4.2 Grants to GDP ratio <sup>1</sup>	Percent	1.2	0.5	1.0	0.8	0.3
4.3 Current expenditure to GDP ratio <sup>1</sup>	Percent	12.3	13.2	10.2	10.4	10.3
4.4 Development expenditure to GDP ratio <sup>1</sup>	Percent	4.2	4.3	6.4	6.2	6.4
4.5 Overall Budget balance to GDP ratio <sup>1,3</sup>	Percent	-3.2	-3.4	-1.4	-1.9	-3.1
<b>Total external debt stock</b>						
5.1 Disbursed debt	Mill. USD	15,884.0	17,222.8	18,651.1	20,503.0	21,920.9
5.2 Interest Arrears	Mill. USD	14,548.3	15,948.1	17,251.2	18,765.1	20,029.3
	Mill. USD	1,335.7	1,274.7	1,399.9	1,737.9	1,891.7

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

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


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

	Millions of TZS				
	Budget 2019/20	July - December 2019		December 2019	
		Estimate	Actual <sup>P</sup>	Estimate	Actual <sup>P</sup>
Total revenue (including LGAs)	23,045,337.5	10,934,064.9	10,167,388.9	2,161,483.6	2,112,464.1
Central government revenue	22,279,854.1	10,541,339.3	9,811,965.3	2,094,291.1	2,049,101.7
Tax revenue	18,955,186.2	9,380,494.7	9,031,958.7	1,923,524.1	1,904,943.5
Taxes on imports	6,723,512.1	3,338,098.0	3,216,870.9	578,393.7	541,856.3
Sales/VAT and excise on local goods	4,863,780.9	2,456,643.5	2,113,808.3	466,643.0	352,249.6
Income taxes	6,321,096.9	3,058,223.2	3,072,690.1	779,117.9	894,598.8
Other taxes	1,046,796.3	527,530.0	628,589.4	99,369.5	116,238.8
Non- tax revenue	3,324,667.9	1,160,844.6	780,006.5	170,767.0	144,158.2
LGA own sources	765,483.4	392,725.6	355,423.6	67,192.5	63,362.4
Total expenditure <sup>1</sup>	27,669,093.8	12,466,445.3	11,222,888.3	3,066,248.7	2,152,017.7
Recurrent expenditure	15,420,491.5	7,500,413.4	6,430,841.9	1,306,245.0	1,191,128.9
Wages and salaries	7,558,974.4	3,691,497.7	3,448,129.4	635,116.3	583,495.2
Interest payments	2,426,262.0	1,100,982.4	1,208,789.7	217,415.2	215,295.5
Domestic	1,438,950.0	689,518.0	822,436.7	112,380.0	118,543.2
Foreign	987,312.0	411,464.4	386,353.0	105,035.2	96,752.3
Other goods, services and transfers	5,435,255.2	2,707,933.3	1,773,922.8	453,713.5	392,338.2
Development expenditure and net lending	12,248,602.3	4,966,031.9	4,792,046.4	1,760,003.7	960,888.8
Local	9,737,738.8	3,633,402.3	3,473,999.0	1,456,714.3	758,338.8
Foreign	2,510,863.5	1,332,629.6	1,318,047.4	303,289.4	202,550.0
Balance before grants	-4,623,756.4	-1,532,380.4	-1,055,499.4	-904,765.1	-39,553.6
Grants	1,208,523.1	758,022.9	452,656.4	244,355.4	149,550.0
Program	146,822.1	0.0	0.0	0.0	0.0
Project	896,987.5	657,540.1	259,884.0	179,328.4	71,015.0
Basket funds	164,713.5	100,482.8	192,772.4	65,027.0	78,535.0
Balance (cheques issued) after grants	-3,415,233.3	-774,357.4	-602,843.0	-660,409.7	109,996.4
Expenditure float	0.0	0.0	-14,454.5	0.0	0.0
Adjustments to cash and other items (net)	0.7	0.0	551,338.6	0.0	-76,853.4
Overall balance	-3,415,232.5	-774,357.4	-65,958.9	-660,409.7	33,143.1
Financing	3,415,232.5	774,357.4	65,958.9	660,409.7	-33,143.1
Foreign financing (net)	1,915,458.4	1,403,494.7	1,753,416.3	-164,031.7	-135,788.0
Loans	3,891,556.4	2,553,717.0	2,687,484.1	184,924.4	53,000.0
Program loans	125,990.5	125,990.4	0.0	125,990.4	0.0
Development project loans	3,730,819.9	2,427,726.6	2,648,077.1	58,934.0	22,327.0
o/w: Non-concessional borrowing	2,316,403.6	1,853,120.0	1,822,093.1	0.0	0.0
Basket support	34,746.0	0.0	39,407.0	0.0	30,673.0
Amortization	-1,976,098.0	-1,150,222.4	-934,067.8	-348,956.2	-188,788.0
Domestic (net) <sup>2</sup>	1,499,774.2	-629,137.2	-1,687,457.4	824,441.4	102,644.9
Bank and non-bank financing	1,499,774.2	-629,137.2	-1,687,457.4	824,441.4	102,644.9
Bank borrowing	1,043,537.5	-440,396.0	-2,318,918.9	577,109.0	39,039.8
Non-bank (net of amortization)	456,236.7	-188,741.2	631,461.6	247,332.4	63,605.1
Borrowing/roll-over	3,460,218.0	1,844,036.0	2,614,231.3	275,985.0	275,985.3
Domestic and contingent debt amortization	-3,460,218.0	-1,844,036.0	-2,614,231.3	-275,985.0	-275,985.3

Source: Ministry of Finance and Planning

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

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

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



**Table A3: Depository Corporations Survey**

Items	Billions of TZS												
	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19'	Dec-19 <sup>P</sup>
Net foreign assets	10,629.8	10,371.9	10,636.7	10,216.6	9,598.2	9,187.5	9,814.9	10,392.5	11,461.7	12,082.3	11,889.9	12,135.4	12,034.5
Bank of Tanzania	10,692.3	10,290.4	10,543.2	9,890.4	9,273.6	9,090.6	9,420.9	10,216.7	11,445.6	11,680.9	11,890.2	12,207.7	12,063.1
Other depository corporations	-62.5	81.6	93.4	326.2	324.6	96.9	394.0	175.8	16.1	401.4	-0.3	-72.4	-28.5
Net domestic assets	15,193.7	15,391.2	15,232.0	15,486.3	16,030.9	16,758.0	17,425.9	16,537.5	15,701.4	15,558.4	16,161.0	16,029.0	16,278.6
Domestic claims	22,208.4	22,229.4	22,251.9	22,289.9	23,355.8	24,061.7	25,073.9	23,757.4	22,765.3	22,816.2	23,302.4	23,239.3	23,589.3
Claims on central government (net)	4,481.6	4,064.4	3,825.1	3,853.6	4,714.3	5,250.3	6,212.8	4,871.9	3,745.7	3,610.0	3,977.0	3,854.8	3,893.9
Claims on central government	8,522.5	8,217.1	7,860.2	7,876.4	8,579.8	9,212.0	9,330.0	9,151.0	8,721.7	7,998.8	8,279.3	8,739.3	8,408.0
Liabilities to central government	4,040.9	4,152.7	4,035.1	4,022.9	3,865.5	3,961.7	3,117.1	4,279.1	4,976.0	4,388.9	4,302.2	4,884.4	4,514.1
Claims on non-government sector	17,726.8	18,165.0	18,426.8	18,436.4	18,641.5	18,811.4	18,861.1	18,885.5	19,019.7	19,206.2	19,325.4	19,384.5	19,695.4
Other items (net)	-7,014.7	-6,838.2	-7,019.9	-6,803.7	-7,325.0	-7,303.7	-7,647.9	-7,220.0	-7,063.9	-7,257.8	-7,141.3	-7,210.3	-7,310.7
Broad money liabilities	25,823.5	25,763.1	25,868.7	25,702.8	25,629.1	25,945.6	27,240.8	26,930.0	27,163.2	27,640.7	28,050.9	28,164.3	28,313.1
Currency outside depository corporations	3,866.7	3,709.2	3,733.9	3,782.8	3,772.1	3,925.7	4,121.0	4,115.1	4,193.3	4,130.7	4,147.3	4,211.9	4,221.8
Transferable deposits	11,835.8	11,960.4	11,834.9	11,775.6	11,867.2	11,915.9	12,953.5	12,673.6	12,531.0	13,039.0	13,450.4	13,281.6	13,322.3
Non-transferable (other) deposits	10,121.0	10,093.5	10,299.9	10,144.4	9,989.8	10,103.9	10,166.3	10,141.4	10,438.8	10,471.0	10,453.2	10,670.8	10,769.0
Memorandum items:													
Monetary aggregates													
Reserve money (M0)	6,992.9	6,707.2	6,840.7	6,688.4	6,764.7	6,973.9	7,963.8	7,262.4	7,125.6	7,218.8	7,594.2	7,411.2	7,466.4
Extended broad money (M3)	25,823.5	25,763.1	25,868.7	25,702.8	25,629.1	25,945.6	27,240.8	26,930.0	27,163.2	27,640.7	28,050.9	28,164.3	28,313.1
Deposits in foreign Currency (FCD)	6,783.1	6,796.7	6,591.5	6,717.3	6,293.5	6,318.4	6,238.7	6,531.4	6,630.0	7,211.1	7,279.6	7,096.6	7,032.9
<i>FCD in millions of USD</i>	2,973.4	2,976.4	2,879.7	2,934.0	2,748.8	2,760.8	2,724.9	2,853.2	2,895.9	3,149.7	3,180.5	3,101.3	3,073.9
Broad money (M2)	19,040.4	18,966.4	19,277.1	18,985.5	19,335.6	19,627.2	21,002.1	20,398.6	20,533.2	20,429.6	20,771.3	21,067.7	21,280.3
Other deposits in national currency (i.e. savings and time deposits)	7,316.7	7,362.3	7,563.7	7,390.6	7,387.3	7,430.1	7,480.4	7,380.2	7,716.1	7,752.3	7,665.9	7,875.2	7,955.1
Narrow money (M1)	11,723.7	11,604.1	11,713.4	11,594.9	11,948.3	12,197.1	13,521.7	13,018.4	12,817.1	12,677.4	13,105.5	13,192.5	13,325.1
Currency in circulation	3,866.7	3,709.2	3,733.9	3,782.8	3,772.1	3,925.7	4,121.0	4,115.1	4,193.3	4,130.7	4,147.3	4,211.9	4,221.8
Transferable deposits in national currency	7,857.0	7,894.9	7,979.6	7,812.2	8,176.2	8,271.5	9,400.7	8,903.3	8,623.7	8,546.6	8,958.2	8,980.6	9,103.3

Source: Bank of Tanzania and banks

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



**Table A4: Interest Rate Structure**

Items	Percent												
	2018	2019											
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec <sup>P</sup>
<b>A: Domestic currency</b>													
<b>1. Interbank cash market rates</b>													
Overnight	2.98	3.55	4.52	5.27	5.20	5.32	5.47	5.04	4.63	5.15	4.28	4.68	3.63
2 to 7 days	3.40	3.95	5.25	5.82	5.81	5.79	5.77	5.38	4.91	5.41	5.21	5.05	4.91
8 to 14 days	4.08	4.80	5.67	6.34	6.42	6.24	6.21	5.56	5.38	5.58	5.43	5.23	5.02
15 to 30 days	4.69	4.49	5.00	6.95	7.25	7.24	6.89	5.52	5.82	5.76	5.99	5.47	5.54
31 to 60 days	5.00	5.00	5.00	6.67	7.00	7.30	7.75	6.12	6.33	6.09	5.29	6.15	6.15
61 to 90 days	2.50	2.50	2.50	8.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	5.00	6.50
Overall interbank cash market rate	3.25	3.74	4.72	5.59	5.54	5.60	5.69	5.42	4.91	5.37	5.22	5.18	4.59
2. Lombard rate	4.50	6.75	6.79	7.91	7.79	7.97	8.20	7.57	6.95	7.73	6.75	7.02	6.75
3. REPO rate	2.37	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
4. Reverse repo rate	4.82	4.06	4.18	5.66	5.12	5.09	5.25	5.79	5.41	5.52	5.59	5.88	5.89
<b>5. Treasury bills rates</b>													
35 days	3.00	3.00	3.12	3.27	3.42	3.50	3.64	3.80	3.69	3.55	3.56	3.56	3.58
91 days	3.50	3.50	3.67	3.85	4.09	4.14	4.33	4.39	4.36	4.53	4.43	4.30	4.40
182 days	5.26	5.27	5.28	5.17	5.26	5.14	5.16	5.24	5.18	5.19	4.82	4.57	4.53
364 days	9.22	9.33	9.25	9.15	9.06	9.06	9.04	8.31	7.70	7.09	6.46	6.10	5.91
Overall treasury bills rate	8.72	8.54	8.73	8.67	8.20	8.58	8.69	8.18	7.65	7.05	6.40	5.98	5.81
<b>6. Treasury bonds rates</b>													
2-years	10.49	11.39	11.39	11.39	11.97	11.97	11.97	11.97	11.08	11.08	11.08	11.08	11.08
5-years	12.00	12.00	12.71	12.71	12.71	12.96	12.96	12.96	12.96	12.96	11.95	11.95	11.95
7-years	12.56	12.56	13.23	13.23	13.23	13.23	13.23	13.23	13.23	13.23	12.89	12.89	12.89
10-years	14.94	14.94	14.94	15.11	15.11	15.11	15.70	15.12	15.16	15.16	15.16	14.52	14.52
15-years	15.03	15.46	15.46	15.62	15.62	15.62	15.74	15.67	15.67	15.37	15.37	15.37	15.24
20-years	17.73	17.73	17.45	17.45	17.45	17.39	17.39	17.42	17.42	17.34	17.34	17.09	16.76
7. Discount rate	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
8. Savings deposit rate	2.64	2.60	2.54	2.59	2.46	2.45	2.44	2.47	2.37	2.44	2.33	2.34	2.31
9. Overall time deposits rate	7.52	7.34	7.25	7.64	7.04	7.35	7.44	7.34	7.03	7.45	7.30	6.97	6.79
1 month	8.89	9.24	9.66	9.16	8.12	8.64	8.58	8.28	8.19	7.46	8.24	8.59	7.97
2 months	8.20	7.32	7.23	8.28	7.48	7.17	7.46	7.72	5.04	8.28	8.43	7.52	5.05
3 months	7.29	6.61	6.81	8.01	6.99	7.27	7.63	6.80	7.68	8.14	6.62	4.75	7.93
6 months	7.35	7.43	7.51	8.03	7.70	7.99	8.31	8.46	8.04	8.35	7.91	7.28	6.73
12 months	8.40	8.66	8.52	9.01	7.93	8.75	9.06	9.07	8.87	8.67	8.84	9.38	8.90
24 months	10.32	10.10	9.79	9.53	9.73	9.86	9.78	9.76	9.84	9.84	9.73	9.96	9.85
10. Negotiated deposit rate	9.17	8.85	9.13	8.84	9.15	8.65	8.84	8.69	8.98	8.83	8.92	9.06	9.08
11. Overall lending rate	16.74	17.23	16.65	17.27	17.25	17.21	16.87	16.87	16.77	17.00	16.77	16.94	16.76
Short-term (up to 1year)	17.89	17.01	16.39	17.59	16.94	17.07	16.43	16.25	16.34	16.42	16.71	16.90	16.28
Medium-term (1-2 years)	17.63	18.18	17.89	17.81	18.32	18.24	18.17	18.34	18.23	18.38	18.00	18.38	18.67
Medium-term (2-3 years)	17.10	17.78	17.07	19.03	17.97	17.82	17.56	17.41	17.49	17.62	17.48	17.55	17.71
Long-term (3-5 years)	16.20	17.08	16.44	16.85	16.73	17.16	16.61	16.69	16.60	16.62	16.31	16.58	15.85
Term Loans (over 5 years)	14.89	16.10	15.47	15.08	16.27	15.77	15.59	15.65	15.20	15.94	15.37	15.29	15.29
12. Negotiated lending rate	15.28	14.93	14.84	14.62	14.61	15.27	14.41	14.38	14.31	14.09	14.44	13.62	14.00
<b>B: Foreign currency</b>													
<b>1. Deposits rates</b>													
Savings deposits rate	1.92	2.02	2.09	1.72	1.76	1.75	2.11	2.62	2.67	2.75	2.64	2.62	2.71
Overall time deposits rate	3.57	3.43	3.17	3.07	3.15	2.56	2.83	1.91	2.08	1.94	2.34	2.07	2.23
1-months	3.41	3.27	3.30	2.67	2.80	1.63	1.92	1.53	2.00	1.84	0.89	0.97	1.26
2-months	4.55	4.46	3.19	2.95	3.26	2.80	3.42	2.18	2.87	2.24	1.68	3.34	1.95
3-months	3.27	3.19	2.68	3.51	3.74	2.27	2.92	2.20	1.78	1.75	3.31	1.63	3.79
6-months	3.26	3.19	3.37	3.10	2.85	2.76	2.41	1.40	1.64	1.83	3.52	2.06	1.67
12-months	3.37	3.06	3.33	3.11	3.08	3.36	3.46	2.25	2.12	2.03	2.28	2.37	2.50
2. Overall lending rate	8.31	8.00	7.72	7.57	7.46	8.20	8.05	8.02	7.52	7.30	7.27	7.70	6.94
Short-term (up to 1year)	8.93	6.76	6.82	8.23	8.17	8.51	7.93	7.58	7.54	7.43	7.34	7.53	7.28
Medium-term (1-2 years)	9.17	8.38	8.20	5.91	5.39	8.41	8.39	8.56	8.61	8.63	8.64	7.98	7.99
Medium-term (2-3 years)	7.80	8.03	7.61	7.79	7.85	7.71	7.63	8.27	8.32	8.33	8.32	7.70	7.71
Long-term (3-5 years)	8.19	8.87	7.99	8.03	8.03	8.36	8.32	7.71	7.71	7.37	7.31	7.31	7.16
Term loans (over 5 years)	7.49	7.98	7.97	7.87	7.87	7.99	7.99	7.99	5.41	4.76	4.76	8.00	4.58

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

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





Table A5: Tanzania Balance of Payments

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

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

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

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

Base: Dec 2015 = 100

	Headline overall index	Food and non-alcoholic beverages			Housing, water, electricity, gas and other fuel		Furnishing, housing equipment and routine maintenance of the house		Clothing and footwear		Restaurants and hotels		Miscellaneous goods and services		Alcoholic, tobacco and narcotics		Communication		Education		Recreation and culture		Health	
		Transport	Food and non-alcoholic beverages	Transport	Housing, water, electricity, gas and other fuel	Furnishing, housing equipment and routine maintenance of the house	Clothing and footwear	Restaurants and hotels	Miscellaneous goods and services	Alcoholic, tobacco and narcotics	Communication	Education	Recreation and culture	Health										
2017-Jun	5.4	9.6	0.4	7.1	3.2	3.8	0.7	3.7	3.0	-1.0	0.8	0.8	2.2											
Jul	5.2	8.9	0.1	7.1	3.3	3.8	0.8	4.0	2.4	-1.0	0.9	1.0	2.4											
Aug	5.0	8.6	-0.6	8.9	2.7	3.4	-0.3	3.7	2.5	-1.1	0.8	1.3	2.0											
Sep	5.3	9.3	-0.3	8.8	2.6	3.4	-0.3	3.4	2.5	-1.0	0.8	1.9	1.9											
Oct	5.1	8.8	0.2	7.6	2.8	3.4	0.6	3.0	2.6	-0.9	0.8	1.9	2.1											
Nov	4.4	7.4	0.1	7.8	1.8	3.1	0.3	2.6	2.5	-1.0	0.8	1.6	2.0											
Dec	4.0	6.2	0.0	8.3	1.3	2.9	0.3	2.5	2.6	-1.0	0.8	0.9	2.0											
2018-Jan	4.0	6.3	0.3	7.1	1.8	2.7	0.8	2.6	2.6	-1.0	2.5	2.0	1.6											
Feb	4.1	5.4	1.6	8.6	1.6	3.3	0.9	2.7	2.3	-0.2	2.5	1.5	1.6											
Mar	3.9	4.7	1.4	10.4	1.9	3.2	0.8	1.2	2.0	-0.2	2.4	1.1	1.6											
Apr	3.8	3.6	1.8	13.1	2.0	2.6	0.8	0.9	1.6	0.1	2.4	1.2	1.6											
May	3.6	2.6	1.9	15.0	2.3	2.4	1.0	1.2	1.3	0.1	2.3	0.7	1.2											
Jun	3.4	3.4	1.7	12.0	2.4	2.2	0.7	1.4	0.3	-2.6	2.6	0.5	1.4											
Jul	3.3	2.8	2.5	12.3	2.6	2.4	0.8	1.2	0.8	-2.7	2.5	0.4	0.7											
Aug	3.3	2.2	3.4	12.3	3.1	2.7	1.1	1.2	1.2	-2.6	2.5	-0.2	1.7											
Sep	3.4	2.0	2.8	13.1	3.0	3.2	1.9	1.3	1.9	-2.6	2.5	-0.2	1.3											
Oct	3.2	1.2	3.0	14.1	2.8	3.4	1.9	1.6	1.9	-2.7	2.4	-1.0	0.8											
Nov	3.0	0.4	5.1	13.3	2.9	3.3	1.9	1.7	1.6	-2.7	2.4	-0.7	0.8											
Dec	3.3	1.0	5.1	12.1	4.0	3.6	2.7	2.6	2.2	-2.6	2.4	0.1	1.0											
2019-Jan	3.0	0.7	4.0	11.7	3.9	3.7	2.6	2.5	2.2	-2.4	2.0	0.2	1.0											
Feb	3.0	0.5	3.3	12.3	4.1	3.3	3.6	2.6	2.5	-2.0	1.8	0.2	1.5											
Mar	3.1	0.1	4.1	13.0	4.3	3.4	4.8	3.1	3.2	-1.2	1.9	0.3	1.8											
Apr	3.2	0.9	3.4	11.4	4.2	3.6	4.9	2.7	3.2	-1.1	2.1	0.6	2.2											
May	3.5	2.2	4.1	8.8	4.3	3.7	4.9	2.5	3.4	-1.1	2.1	3.2	2.0											
Jun	3.7	2.3	4.8	8.9	4.1	3.1	4.8	2.4	4.2	1.0	1.8	3.4	1.8											
Jul	3.7	2.9	4.1	8.1	3.9	2.7	4.7	2.5	3.6	1.1	1.6	1.6	2.3											
Aug	3.6	3.7	2.7	6.3	3.7	2.9	4.6	2.5	2.1	0.7	1.6	1.8	1.4											
Sep	3.4	4.0	3.2	4.3	3.7	2.6	4.2	2.4	1.3	0.6	1.6	2.0	1.9											
Oct	3.6	5.1	2.4	3.3	3.9	2.2	4.1	2.3	1.3	0.8	1.6	1.7	1.8											
Nov	3.8	6.1	0.4	3.7	3.9	2.3	4.0	2.1	1.3	0.8	1.6	1.4	1.8											
Dec	3.8	6.3	0.8	4.4	2.7	2.2	3.2	1.8	0.6	1.1	1.6	1.4	1.5											

Source: National Bureau of Statistics

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

Base: Dec 2015 = 100

Period	Food (combining food consumed at home and in restaurants)	Energy and fuels (combining electricity and other fuels for use at home with petrol and diesel)	Non-food (all items less food)	All items less food and energy
Weight (%)	37.1	8.7	62.9	54.3
2017-Jun	9.8	10.3	3.1	1.9
Jul	9.3	8.8	3.1	2.2
Aug	9.1	10.4	3.1	1.8
Sep	9.8	10.9	3.1	1.7
Oct	9.4	10.6	3.0	1.7
Nov	7.9	11.1	2.9	1.4
Dec	6.7	11.4	2.8	1.3
2018-Jan	6.7	10.4	2.8	1.4
Feb	5.8	12.1	3.3	1.7
Mar	5.0	14.1	3.5	1.6
Apr	4.0	18.4	3.9	1.4
May	3.2	21.2	4.5	1.6
Jun	3.8	16.8	4.0	1.6
Jul	3.0	18.5	4.2	1.6
Aug	3.2	18.7	4.6	2.0
Sep	3.1	18.9	4.8	2.2
Oct	2.5	19.5	5.0	2.3
Nov	2.0	19.2	5.3	2.6
Dec	2.6	17.7	5.4	3.1
2019-Jan	2.3	15.7	5.1	3.1
Feb	2.3	15.4	5.1	3.1
Mar	2.0	15.5	5.7	3.7
Apr	2.7	13.3	5.3	3.6
May	3.9	10.5	4.7	3.5
Jun	4.3	11.0	4.7	3.4
Jul	4.9	9.3	4.2	3.1
Aug	5.0	6.3	3.5	2.9
Sep	5.1	4.6	3.1	2.7
Oct	6.0	3.0	2.7	2.6
Nov	6.7	3.0	2.4	2.2
Dec	6.9	2.8	2.3	2.1

Source: National Bureau of Statistics

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

Base: Dec 2015 = 100

Period	Headline overall index	Food and non-alcoholic beverages	Transport	Housing, water, electricity, gas and other fuel	Furnishing, housing equipment and routine maintenance of the house	Clothing and footwear	Restaurants and hotels	Miscellaneous goods and services	Alcoholic, tobacco and narcotics	Communication	Education	Recreation and culture	Health
Weight (%)	100.0	38.5	12.5	11.6	6.3	8.3	4.2	3.1	3.7	5.6	1.5	1.6	2.9
2017-Jun	-0.1	-0.7	-0.6	1.2	0.1	0.6	0.2	-0.1	0.2	0.0	0.0	0.0	0.1
Jul	-0.2	-0.7	0.0	0.2	0.1	0.2	0.0	0.2	0.0	0.0	0.2	0.1	0.2
Aug	-0.4	-1.3	-0.2	1.7	-0.2	-0.1	-0.2	0.0	0.4	0.0	0.0	0.8	-0.1
Sep	0.0	-0.4	0.2	1.3	0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.2	0.0
Oct	-0.1	-0.2	0.3	-0.2	0.1	0.1	0.0	-0.3	0.1	0.0	0.0	0.3	0.5
Nov	0.5	0.8	0.3	0.9	0.1	0.1	0.2	0.0	0.3	0.0	0.0	0.0	0.0
Dec	0.2	0.5	0.2	-0.2	0.3	0.2	0.0	0.0	0.2	0.0	0.0	-0.5	0.1
2018-Jan	0.8	1.7	0.3	0.1	0.4	0.4	0.4	0.2	0.1	0.0	1.8	0.3	0.2
Feb	1.1	1.4	0.8	2.7	0.2	0.6	0.2	0.1	0.0	0.2	0.2	0.0	0.0
Mar	1.2	2.1	0.2	2.4	0.7	0.1	0.1	-0.1	0.0	0.0	0.0	0.0	0.0
Apr	0.4	0.3	0.8	1.6	0.3	0.1	0.0	0.7	0.0	0.0	0.0	0.1	0.0
May	0.0	-0.7	-0.3	2.4	0.3	0.2	0.1	0.4	-0.1	0.0	0.0	-0.4	0.2
Jun	-0.4	0.0	-0.8	-1.4	0.1	0.4	-0.2	0.1	-0.8	-2.7	0.3	-0.2	0.2
Jul	-0.3	-1.3	0.8	0.4	0.3	0.4	0.1	0.0	0.5	-0.1	0.1	0.0	-0.5
Aug	-0.4	-1.9	0.6	1.7	0.3	0.2	0.2	-0.1	0.8	0.0	0.0	0.1	0.9
Sep	0.1	-0.6	-0.3	2.1	0.0	0.4	0.7	0.1	0.8	0.1	0.0	0.2	-0.4
Oct	-0.3	-1.0	0.5	0.6	0.0	0.2	0.0	0.0	0.0	-0.1	0.0	-0.5	0.0
Nov	0.3	-0.1	2.3	0.3	0.2	0.0	0.2	0.2	0.0	0.0	0.0	0.3	0.0
Dec	0.5	1.1	0.3	-1.3	1.3	0.6	0.8	0.9	0.8	0.1	0.0	0.3	0.3
2019-Jan	0.5	1.4	-0.8	-0.3	0.3	0.5	0.4	0.2	0.1	0.2	1.4	0.3	0.1
Feb	1.1	1.3	0.1	3.3	0.4	0.2	1.2	0.2	0.3	0.5	0.0	0.1	0.5
Mar	1.4	1.7	1.0	3.1	0.8	0.2	1.3	0.5	0.7	0.9	0.1	0.1	0.4
Apr	0.5	1.0	0.2	0.1	0.2	0.2	0.1	0.3	0.0	0.0	0.1	0.4	0.4
May	0.4	0.6	0.3	0.1	0.4	0.3	0.0	0.2	0.0	0.0	0.0	2.2	0.0
Jun	-0.2	0.2	-0.1	-1.3	0.0	-0.1	-0.2	-0.1	0.0	-0.6	0.0	0.0	0.0
Jul	-0.4	-0.7	0.0	-0.4	0.1	0.0	0.0	0.1	0.0	0.0	0.0	-1.8	0.0
Aug	-0.5	-1.1	-0.6	0.1	0.1	0.5	0.0	-0.1	-0.8	-0.4	0.0	0.4	0.1
Sep	-0.1	-0.3	0.1	0.1	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.4	0.0
Oct	-0.1	0.1	-0.4	-0.3	0.1	-0.1	-0.9	-0.1	0.0	0.1	0.0	-0.1	0.0
Nov	0.5	0.8	0.3	0.6	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Dec	0.6	1.3	0.7	-0.6	0.2	0.5	0.0	0.5	0.2	0.3	0.0	0.3	0.0

Source: National Bureau of Statistics

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

Base: Dec 2015 = 100

Period	Food (combining food consumed at home and food consumed in restaurants)	Energy and fuels (combining electricity and other fuels for use at home with petrol and diesel)	Non-food (all items less food)	All items less food and energy
Weight (%)	37.1	54.3	8.7	62.9
2017-Jun	-0.7	1.8	-0.1	0.2
Jul	-0.6	-0.4	0.1	0.2
Aug	-1.3	1.9	0.3	0.0
Sep	-0.4	1.9	0.3	0.0
Oct	-0.3	0.2	0.0	0.0
Nov	0.8	1.4	0.1	0.3
Dec	0.5	0.0	0.1	0.1
2018-Jan	1.8	0.3	0.3	0.3
Feb	1.5	0.4	3.7	0.9
Mar	2.2	3.3	0.6	0.1
Apr	0.3	2.3	0.6	0.2
May	-0.5	3.0	0.7	0.3
Jun	-0.1	-1.9	-0.4	0.0
Jul	-1.3	1.1	0.4	0.2
Aug	-1.2	2.1	0.6	0.3
Sep	-0.5	2.1	0.5	0.2
Oct	-0.8	0.8	0.2	0.1
Nov	0.3	1.1	0.5	0.4
Dec	1.1	-1.2	0.2	0.5
2019-Jan	1.5	-1.4	0.0	0.3
Feb	1.4	3.4	0.9	0.4
Mar	1.9	3.4	1.2	0.7
Apr	1.0	0.3	0.2	0.2
May	0.6	0.4	0.2	0.2
Jun	0.3	-1.4	-0.4	-0.1
Jul	-0.7	-0.5	-0.1	0.0
Aug	-1.1	-0.7	0.0	0.1
Sep	-0.4	0.3	0.1	0.0
Oct	0.1	-0.7	-0.1	0.0
Nov	0.9	1.1	0.2	0.0
Dec	1.3	-1.3	0.1	0.5

Source: National Bureau of Statistics



**Table A7: National Debt Developments**

	Millions of USD											
Item	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-20	Nov-19 <sup>r</sup>	Dec-19 <sup>p</sup>
1. Overall external debt committed <sup>2</sup>	28,908.5	29,292.5	28,989.4	28,882.3	29,110.6	29,573.9	29,515.5	29,889.3	30,012.4	30,827.8	30,857.3	30,623.0
Disbursed outstanding debt	19,370.2	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,466.6
Undisbursed debt	9,538.3	9,568.7	9,348.1	9,167.2	9,355.4	9,544.6	9,228.4	9,502.3	9,515.6	10,384.6	10,357.3	10,156.4
2. Disbursed external debt by creditor category <sup>2</sup>	19,370.2	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,466.6
Bilateral debt	1,034.3	1,033.0	1,033.4	1,035.4	1,041.8	1,057.1	1,051.5	1,063.3	1,057.1	1,052.2	1,048.2	1,051.9
Multilateral debt	9,816.0	9,862.2	9,852.6	9,848.5	9,885.4	9,966.4	9,736.7	9,664.2	9,898.4	10,033.1	10,214.6	10,285.5
Commercial debt	6,484.1	6,779.4	6,705.6	6,818.4	6,800.9	6,922.8	7,421.8	7,652.5	7,522.2	7,335.3	7,251.6	7,137.0
Export credits	2,035.8	2,049.2	2,049.7	2,012.8	2,027.1	2,083.0	2,077.1	2,007.0	2,019.1	2,022.6	1,985.6	1,992.2
3. Disbursed external debt by borrower category <sup>2</sup>	19,370.2	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,466.6
Central government	15,215.6	15,435.5	15,369.1	15,441.0	15,476.6	15,727.2	15,804.4	16,223.5	16,382.5	16,520.3	16,664.5	16,610.2
Public corporations	137.5	125.8	125.2	126.7	124.7	95.0	94.2	82.6	82.4	83.0	82.9	74.7
Private sector	4,017.1	4,162.5	4,147.0	4,147.4	4,153.9	4,207.1	4,388.5	4,080.9	4,031.9	3,839.9	3,752.6	3,781.7
4. Disbursed external debt by use of funds <sup>2</sup>	19,370.2	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,496.8	20,443.2	20,500.0	20,466.6
Balance of payments and budget support	2,764.8	2,955.1	2,948.4	2,931.3	2,926.8	2,836.4	2,821.6	2,823.9	2,792.7	2,796.3	2,795.1	2,725.1
Transport and telecommunication	4,325.0	4,312.0	4,296.0	4,382.0	4,425.3	4,634.0	4,957.3	5,304.1	5,462.0	5,386.5	5,464.2	5,492.2
Agriculture	1,252.0	1,251.0	1,252.0	1,248.0	1,246.0	1,256.0	1,253.0	1,258.0	1,251.7	1,250.0	1,295.0	1,300.0
Energy and mining	3,020.0	3,068.7	3,093.0	3,067.0	3,070.0	3,105.0	3,097.0	3,082.0	3,068.4	3,069.0	3,051.0	3,075.0
Industries	657.0	657.0	662.0	660.0	658.0	666.0	663.0	640.0	639.0	639.0	639.0	649.0
Social welfare and education	3,049.2	3,150.8	3,150.4	3,201.0	3,209.0	3,254.0	3,237.0	3,272.0	3,401.0	3,422.0	3,446.0	3,470.0
Finance and insurance	1,192.5	1,222.2	1,218.0	1,193.0	1,191.0	1,186.0	1,182.0	1,018.0	1,016.0	1,009.0	1,009.0	1,012.0
Tourism	152.0	152.0	152.0	171.0	171.0	171.0	171.0	169.0	169.0	169.0	169.0	173.0
Real estate and construction	1,092.0	1,091.0	1,072.0	1,071.0	1,069.0	1,109.0	1,117.0	1,113.0	1,099.0	1,100.0	1,032.0	1,034.0
Other	1,865.7	1,864.0	1,797.5	1,790.8	1,789.1	1,811.9	1,788.2	1,707.0	1,598.0	1,602.4	1,599.7	1,536.3
5. Total amount of external loan contracted <sup>1</sup>	51.5	59.9	12.4	17.1	3.9	4.0	1.6	98.7	3.5	18.0	0.1	9.3
Central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private sector	51.5	59.9	12.4	17.1	3.9	4.0	1.6	98.7	3.5	18.0	0.1	9.3
6. Disbursements <sup>1</sup>	56.8	299.1	63.8	174.0	61.2	291.7	335.2	609.2	102.3	111.2	184.7	230.7
Central government	43.0	260.9	62.3	173.9	60.5	261.5	334.6	529.4	102.3	111.2	184.6	51.6
Public corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private Sector	13.8	38.2	1.5	0.1	0.7	30.2	0.6	79.8	0.0	0.0	0.1	179.1
7. Actual external debt service <sup>1</sup>	43.7	83.3	131.2	54.8	60.1	160.6	3.9	387.9	146.2	191.0	283.0	366.5
Principal	18.0	70.2	97.7	37.7	27.1	114.4	0.8	364.9	117.7	176.2	249.0	319.1
Interest	25.7	13.1	33.5	17.1	33.0	46.2	3.1	23.0	28.5	14.8	34.0	47.4
Other payments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8. Net flows on debt <sup>1</sup>	38.8	228.9	-33.9	136.3	34.1	177.3	334.4	244.3	-15.4	-65.0	-64.3	-88.4
9. Net transfers on debt <sup>1</sup>	13.1	215.8	-67.4	119.2	1.1	131.1	331.3	221.3	-43.9	-79.8	-98.3	-135.8
10. Arrears by creditors category <sup>2</sup>	4,506.2	4,602.8	4,728.5	4,732.6	4,725.5	4,789.3	4,863.3	4,604.3	4,557.3	4,671.9	4,527.6	4,720.4
Principal	2,683.5	2,752.0	2,849.8	2,859.8	2,844.6	2,897.6	2,918.0	2,726.2	2,673.5	2,765.2	2,710.1	2,805.2
Bilateral debt	320.7	321.2	318.1	321.2	318.7	320.7	319.9	316.2	314.8	315.5	319.7	327.3
Multilateral debt	123.3	133.4	142.1	116.9	117.6	117.2	118.2	110.6	117.9	145.7	120.0	125.5
Commercial debt	1,130.6	1,156.2	1,223.9	1,263.5	1,260.1	1,281.5	1,286.4	1,241.7	1,167.3	1,210.5	1,187.8	1,204.5
Export credits	1,108.9	1,141.2	1,165.7	1,158.2	1,148.2	1,178.2	1,193.5	1,057.7	1,073.5	1,093.5	1,082.6	1,147.9
Interest	1,822.7	1,850.8	1,878.7	1,872.8	1,880.9	1,891.7	1,945.3	1,878.1	1,883.8	1,906.7	1,817.5	1,915.2
Bilateral debt	889.0	891.2	892.6	893.3	894.9	901.4	900.3	901.8	902.6	908.4	911.2	950.0
Multilateral debt	39.8	41.7	43.4	29.0	29.0	25.2	25.3	28.6	30.0	34.7	34.9	36.5
Commercial debt	515.7	534.1	549.6	553.9	552.8	536.2	589.7	586.9	583.9	591.9	508.9	541.9
Export credits	378.2	383.8	393.1	396.6	404.2	428.9	430.0	360.8	367.3	371.7	362.5	386.8
11. External debt stock	21,192.9	21,574.6	21,520.0	21,587.9	21,636.1	21,920.9	22,232.4	22,265.1	22,380.6	22,349.9	22,317.5	22,381.8
12. Domestic debt stock	6,223.3	6,146.1	6,162.2	6,483.5	6,778.7	6,491.8	5,957.2	6,148.0	6,141.7	6,198.6	6,313.6	6,309.3
13. Total debt stock	27,416.3	27,720.6	27,682.2	28,071.4	28,414.7	28,412.8	28,189.6	28,413.1	28,522.3	28,548.5	28,631.1	28,691.1
End of period selling exchange rate (TZS/USD)	2,294.8	2,289.0	2,289.5	2,289.5	2,288.6	2,289.5	2,289.2	2,289.4	2,289.4	2,288.8	2,288.3	2,287.9

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

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





## Glossary

### **Broad money (M2)**

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

### **Currency in circulation outside banks**

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

### **Core inflation**

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

### **Disbursed outstanding debt**

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

### **Discount rate**

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

### **Exchange rate**

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

### **Extended broad money (M3)**

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

### **Food inflation**

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

### **Gross official reserves**

Gross official reserves consist of external assets that are readily available to, and controlled by the Bank of Tanzania for direct financing of balance of payments,

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

### **Inflation**

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

### **Interbank cash market**

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

### **Lombard facility**

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

### **Lombard rate**

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

### **Money supply**

The sum of currency circulating outside the banking system and deposits of residents with banks defined in various levels of aggregation. In Tanzania, three aggregates of money supply are compiled and



reported, namely; narrow money (M1), broad money (M2), and extended broad money (M3).

**Non-food inflation**

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

**Narrow money (M1)**

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

**National debt**

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

**Public debt**

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

**Overnight interbank cash market**

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

**Repurchase agreements (repo)**

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

**Reverse repo**

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

**Reserve money (M0)**

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

**Weighted yields of Treasury bills**

This is the average yield of Treasury bills, which is weighted by the volume sold of 35-day, 91-day, 182-day, and 364-day Treasury bills, expressed in percentage per year.









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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 2233328/29**

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