



**BANK OF TANZANIA**



# **Monthly Economic Review**

**October 2019**

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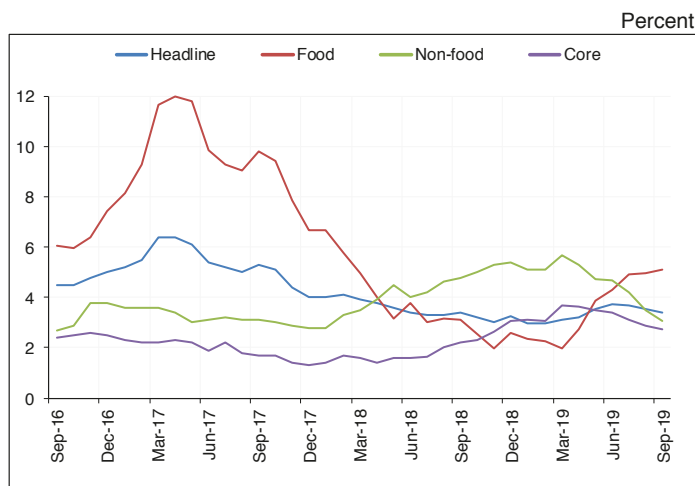


## 1.0 Prices and Food Stocks

### 1.1 Inflation Developments

Twelve-month headline inflation remained low and stable, easing to 3.4 percent in September 2019 from 3.6 percent in August 2019, because of a slowdown in the rate of increase of prices of non-food consumer goods and services (Chart 1.1 and Table 1.1). The headline inflation was below country's medium-term target of 5.0 percent and within the convergence criteria for East African Community (EAC) and Southern Africa Development Community (SADC) countries of a maximum of 8.0 percent and between 3.0 percent and 7.0 percent, respectively. On monthly basis, overall consumer price index (CPI) prices fell by 0.1 percent in September 2019 while in the corresponding month in 2018 prices increased by 0.1 percent.

Chart 1.1: Annual Inflation Rates



Source: National Bureau of Statistics and Bank of Tanzania computations

Twelve-month food inflation, which comprises food and non-alcoholic beverages, remained subdued, albeit edging up gradually since April 2019. In September 2019, annual food inflation was 4.0 percent compared with 3.7 percent in the preceding month. The share of food in the overall CPI is 38.5 percent.

Annual non-food inflation continued to slow down, easing to 3.1 percent in September 2019 from 3.5 percent in August 2019. Inflation rate for energy and

fuels decreased to 4.6 percent in the year ending September 2019 from 6.3 percent in the previous month. Twelve-month inflation of all items excluding food and energy, which is a proxy of core inflation in Tanzania, lessened to 2.7 percent in September 2019 from 2.9 percent in the previous month (Table 1.1).

Table 1.1: Headline Inflation and its Main Components

Base: Dec 2015 = 100

Main groups	Weight	Monthly change			Annual change		
		Sep-18	Aug-19	Sep-19	Sep-18	Aug-19	Sep-19
Food and non-alcoholic beverages	38.5	-0.6	-1.1	-0.3	2.0	3.7	4.0
Alcoholic, tobacco and narcotics	3.7	0.8	-0.8	0.0	1.9	2.1	1.3
Clothing and footwear	8.3	0.4	0.5	0.0	3.2	2.9	2.6
Housing, water, electricity, gas and other fuel	11.6	2.1	0.1	0.1	13.1	6.3	4.3
Furnishing, housing equipment and routine maintenance of the house	6.3	0.0	0.1	0.0	3.0	3.7	3.7
Health	2.9	-0.4	0.1	0.0	1.3	1.4	1.9
Transport	12.5	-0.3	-0.6	0.1	2.8	2.7	3.2
Communication	5.6	0.1	-0.4	0.0	-2.6	0.7	0.6
Recreation and culture	1.6	0.2	0.4	0.4	-0.2	1.8	2.0
Education	1.5	0.0	0.0	0.0	2.5	1.6	1.6
Restaurants and hotels	4.2	0.7	0.0	0.3	1.9	4.6	4.2
Miscellaneous goods and services	3.1	0.1	-0.1	0.0	1.3	2.5	2.4
All items (headline inflation)	100.0	0.1	-0.5	-0.1	3.4	3.6	3.4
Other selected groups:							
Food and non-alcoholic beverages - combining food consumed at home and food consumed in restaurants	37.1	-0.5	-1.1	-0.4	3.1	5.0	5.1
Energy and fuels - combining electricity and other fuels for use at home with petrol and diesel	8.7	2.1	-0.7	0.3	18.9	6.3	4.6
All items less food (non-food)	62.9	0.5	0.0	0.1	4.8	3.5	3.1
All items less food and energy	54.3	0.2	0.1	0.0	2.2	2.9	2.7

Source: National Bureau of Statistics and Bank of Tanzania computations

### 1.2 Food Supply situation

Food stocks held by the National Food Reserve Agency (NFRA) decreased slightly to 61,710.8 tonnes at the end of September 2019 from 68,407.0 tonnes in the preceding month (Table 1.2)<sup>1</sup>. This resulted from sale of 8,233.2 tonnes of maize to private traders, World Food Program and Prisons Department, as well as purchase of 1,537.0 tonnes from within the country. The virtually unchanged food stocks held by NFRA suggests satisfactory food supply in most parts of the country.

<sup>1</sup> Food stock held by NFRA comprise of maize only and excludes stocks held by private traders.



**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	
November	238,133.6	90,900.0	93,353.7	92,402.0	
December	180,746.3	89,691.8	92,074.0	95,534.1	

Source: National Food Reserve Agency

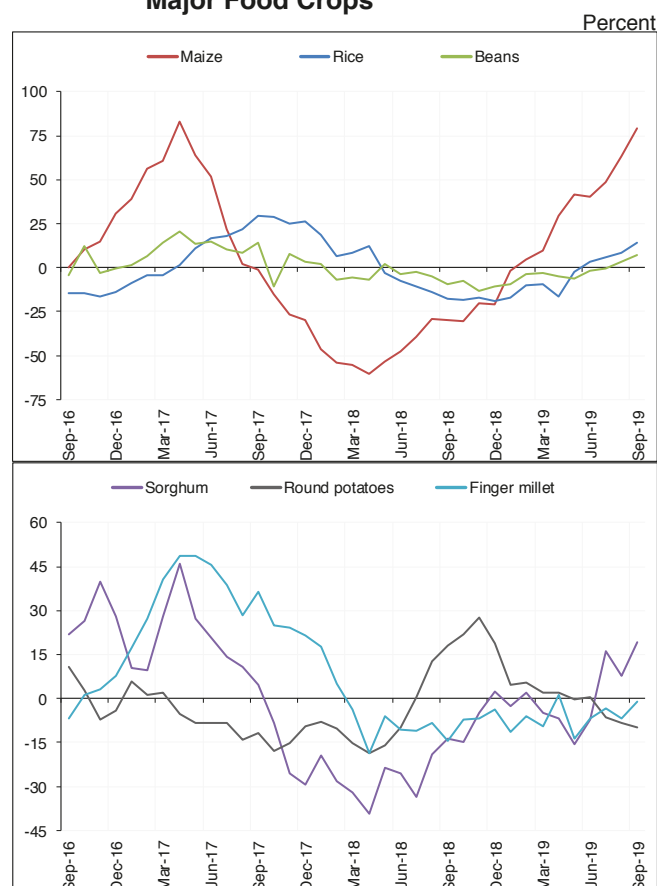
### 1.3 Prices of Food Crops

In September 2019, wholesale prices of maize, rice, beans, and sorghum were higher than in the corresponding month of 2018, while prices of round potatoes and finger millet decreased (**Table 1.3**). Compared with the preceding month, prices of all food crops increased, except round potatoes. The price of maize has been moderately edging up since May 2018 because of high demand from Arusha, Kilimanjaro and Tanga regions, coupled with demand from neighbouring countries. **Chart 1.2** presents 12-month change of wholesale prices of major food crops over the past two years.

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

	TZS per 100kg					
Food crop	Jul-18	Aug-18	Sep-18	Jul-19	Aug-19	Sep-19
Maize	41,283.0	40,520.1	39,691.8	61,341.4	66,110.5	71,046.4
Rice	153,053.0	146,181.4	148,304.7	162,417.8	158,675.4	169,732.0
Beans	161,234.0	153,880.6	156,677.0	160,044.1	159,109.3	167,865.7
Sorghum	68,168.0	80,448.4	76,575.3	79,282.8	86,729.0	91,399.9
Round Potatoes	77,358.0	79,721.3	80,834.9	72,506.6	73,223.7	72,864.0
Finger millet	136,345.8	128,286.9	126,453.3	131,819.0	119,784.6	125,250.0

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

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

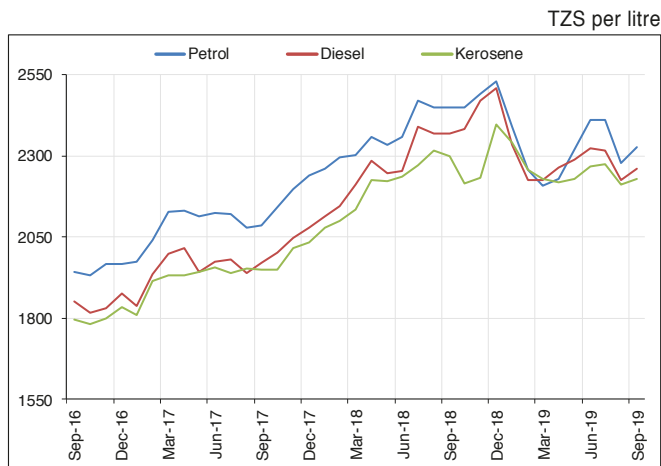
Source: Ministry of Industry and Trade; and Bank of Tanzania computations

### 1.4 Domestic Fuel Prices

Domestic pump prices were lower in September 2019 than in the corresponding month in 2018. Petrol prices declined much more than diesel and kerosene, by 5.0 percent to TZS 2,327.71 per litre. The price of diesel eased by 4.5 percent to TZS 2,260.11 per litre. Kerosene price averaged 2,229.95 per litre in September 2019, having decreased by 3.7 percent over the year. On monthly basis, petrol, diesel and kerosene prices increased by 2.2 percent, 1.6 percent and 0.9 percent from August 2019 levels, respectively.



Chart 1.3: Evolution of Domestic Pump Prices



Source: National Bureau of Statistics and Bank of Tanzania computations

Table 2.1: Money Supply and its Main Components

Item	Outstanding stock (Billions of TZS)			Annual growth (%)		
	Sep-18	Aug-19	Sep-19	Sep-18	Aug-19	Sep-19
Net foreign assets of the banking system	11,631.0	11,294.1	11,915.0	11.9	-2.9	2.4
Bank of Tanzania	11,495.8	11,437.7	11,682.4	1.7	-1.6	1.6
Banks	135.2	-143.6	232.6	---	---	72.0
Net domestic assets of the banking system	13,644.9	15,869.1	15,718.9	4.0	18.4	15.2
Domestic claims	21,480.1	22,765.3	22,822.5	7.3	7.5	6.2
Claims on central government (net)	3,910.7	3,745.7	3,609.5	19.3	4.2	-7.7
o/w Securities held by banks	5,300.7	5,375.6	5,161.7	0.0	1.3	-2.6
Claims on the private sector	17,569.4	19,019.7	19,213.0	4.9	8.2	9.4
Other items net	-7,835.2	-6,896.3	-7,103.6	13.4	-11.3	-9.3
Extended broad money supply (M3)	25,275.9	27,163.2	27,633.9	7.5	8.5	9.3
Foreign currency deposits	6,674.4	6,630.0	7,212.5	8.2	0.4	8.1
Broad money supply (M2)	18,601.4	20,533.2	20,421.5	7.2	11.4	9.8
Other deposits	7,065.3	7,716.1	7,754.3	0.8	8.9	9.8
Narrow money supply (M1)	11,536.1	12,817.1	12,667.2	11.6	12.9	9.8
Currency in circulation	3,835.2	4,193.3	4,120.6	6.3	8.5	7.4
Transferable deposits	7,700.9	8,623.7	8,546.6	14.5	15.2	11.0

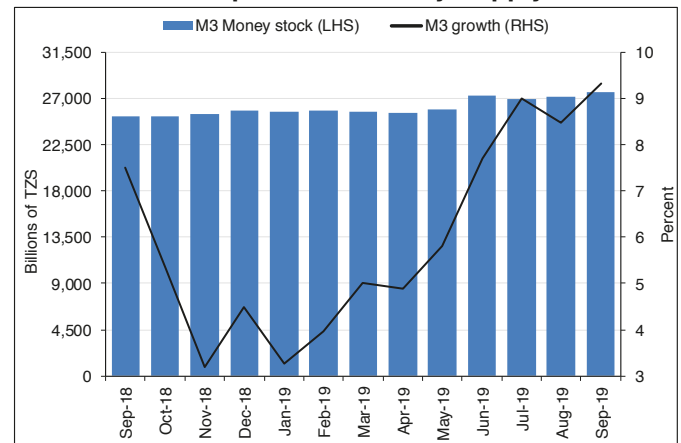
Source: Bank of Tanzania, banks and Bank of Tanzania computations  
Note: "----" denotes change exceeds 100 percent; and o/w, of which

## 2.0 Monetary and Financial Markets

### 2.1 Money Supply and Credit

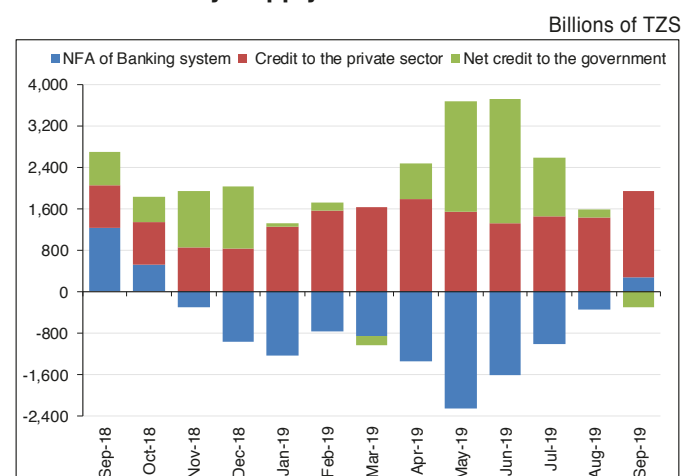
Steady growth of money supply was sustained in September 2019, in response to accommodative monetary policy and improving credit conditions manifested by private sector credit growth. Extended broad money supply (M3) grew by 9.4 percent compared with 8.2 percent in August 2019 and 7.5 percent in September 2018 (Chart 2.1 and Table 2.1). Broad money supply (M2), which excludes foreign currency deposits in measuring money supply, grew at an annual rate of 9.8 percent in September 2019 compared with 11.4 percent in the preceding month and 7.2 percent in the corresponding period in 2018. M3, which is the intermediate target variable in the conduct of monetary policy, is projected to grow by 10.0 percent in the year ending June 2020.

Chart 2.1: Developments in 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



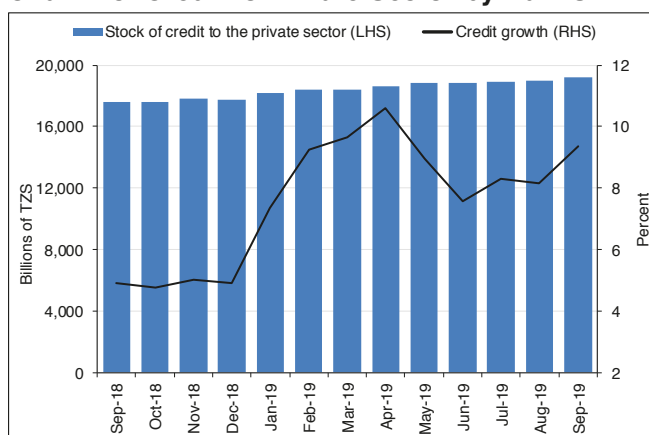
Source: Bank of Tanzania, banks and Bank of Tanzania computations  
Note: NFA denotes net foreign assets



Domestic credit from the banking system, in net terms, grew by 15.2 percent in the year ending September 2019 compared with 4.0 percent in September 2018, driven by expansion of credit to the private sector. Credit to the central government contracted by 7.7 percent compared to an annual growth of 4.2 percent and 19.3 percent recorded in August 2019 and September 2018, respectively. The contraction resulted from redemption of government securities and build-up of central government deposits at the Bank of Tanzania following improved revenue collection.

Private sector credit grew by 9.3 percent, up from 8.2 percent in the year ending August 2019, and 4.9 percent in September 2018. This was largely a reflection of accommodative monetary policy and improvement in asset quality of banks owing to a reduction of non-performing loans (NPLs) and ongoing measures to improve the business environment in the country. Private sector credit to all major economic activities improved in the year ending September 2019, except for trade, and hotels and restaurants activities (**Table 2.2**). Loans to personal-related activities and trade accounted for the largest share of credit outstanding, holding 29.9 percent and 17.4 percent of total outstanding credit to the private sector, respectively (**Chart 2.4**).

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



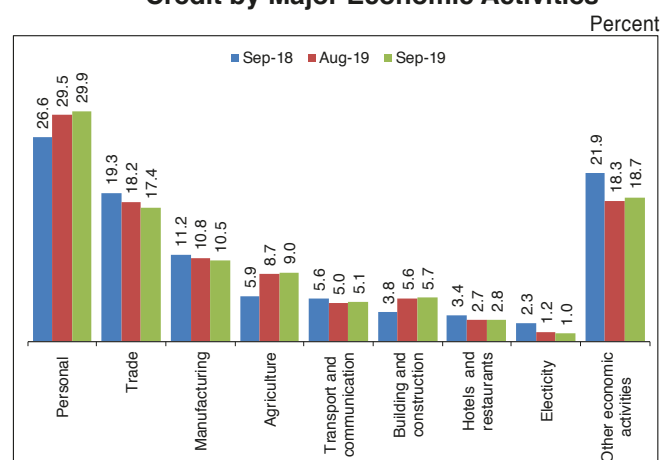
Source: Bank of Tanzania, banks and Bank of Tanzania computations  
Note: LHS denotes left hand scale; and RHS, right hand scale

**Table 2.2: Annual Growth Rates of Banks' Credit to Major Economic Activities**

Economic activity	Percent						
	Sep-18	Dec-18	Mar-19	Jun-19	Jul-19	Aug-19	Sep-19
Agriculture	-9.7	-16.0	45.8	40.6	50.1	61.9	68.5
Building and construction	-20.2	-23.2	-2.1	-0.1	5.6	53.5	62.7
Mining and quarrying	34.9	28.2	37.6	28.4	23.6	34.8	45.1
Personal	60.1	54.0	17.5	17.4	16.7	15.6	24.0
Manufacturing	6.2	17.5	17.8	14.5	7.4	2.9	3.0
Transport and communication	0.3	-5.9	4.4	-4.5	-4.7	-2.8	0.6
Trade	-1.8	-2.4	-2.4	-4.2	0.6	4.0	-0.3
Hotels and restaurants	-4.0	-1.3	-7.2	-11.2	-11.4	-11.5	-11.8

Source: Banks and Bank of Tanzania computations

**Chart 2.4: Composition of Banks' Outstanding Credit by Major Economic Activities**



Source: Banks and Bank of Tanzania computations

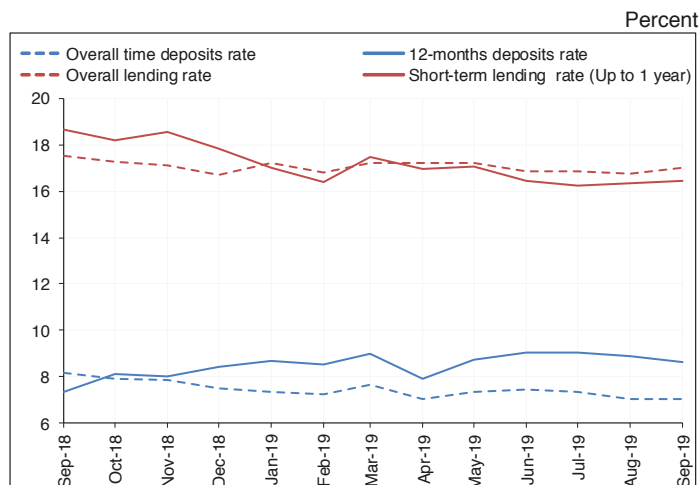
## 2.2 Interest Rates

Interest rates on loans were lower in September 2019 than in the corresponding period of 2018, partly reflecting measured to improve business environment and accommodative monetary policy. Overall lending rate averaged 16.99 percent in September 2019, down from 17.52 percent in the corresponding month of 2018. One-year lending rate averaged at 16.42 percent compared with 18.68 percent. As regards to interest rates on deposits, overall weighted average interest rate fell to 7.44 percent from 8.16 percent, while one-year deposit rate averaged at 8.63 percent compared with 7.37 percent (**Chart 2.5**). As a result, the interest rates spread between one-year lending and deposits rates narrowed to 7.79 percentage points in September 2019 from 11.30 percentage points in September 2018.



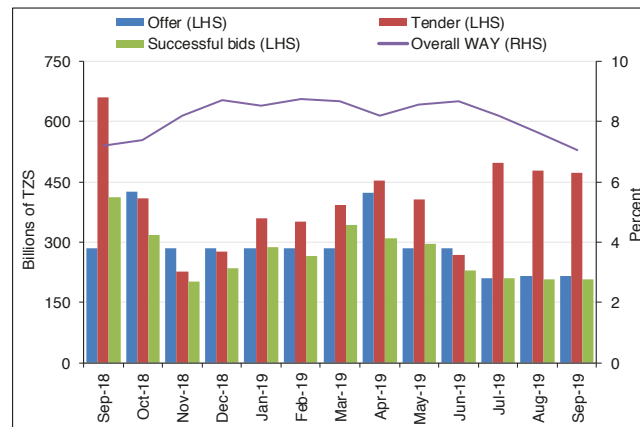


Chart 2.5: Selected Banks' Interest Rates



Source: Banks and Bank of Tanzania computations

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 Financial Markets

In September 2019, financial markets discussed in this section were active and liquid. This was due to accommodative monetary policy, adequate foreign exchange from various sources particularly export proceeds (including tourism) and positive market confidence

### 2.3.1 Treasury Bills Market

The Bank of Tanzania conducted two Treasury bills auctions in September 2019 for government fiscal operations and market development. The tender size for each auction was TZS 107.7 billion. The auctions were oversubscribed, as bids amounted to TZS 471.1 billion, of which successful bids were TZS 208.1 billion. Overall weighted average yield decreased to 7.05 percent from 7.65 percent recorded in the preceding month (**Chart 2.6**).

### 2.3.2 Treasury Bonds Market

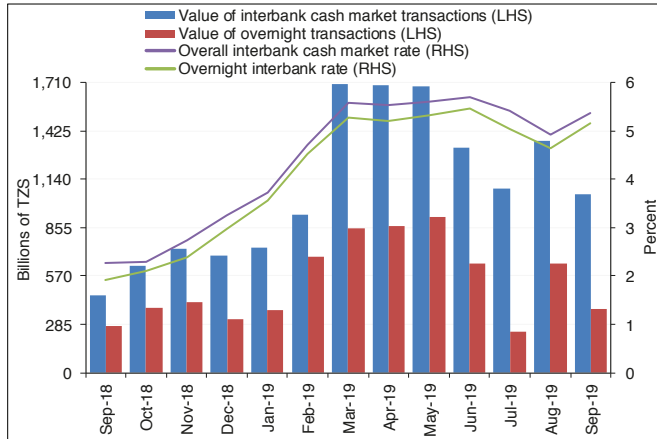
The Bank of Tanzania conducted two Treasury bond auctions of 15-year and 20-year maturities for government fiscal operations. The tender size for 15-year bond was TZS 109.4 billion and TZS 117.1 billion for 20-year bond. The two auctions were oversubscribed, recording bids worth TZS 116.4 billion and TZS 295.4 billion, respectively. Successful bids for 15-year bond amounted to TZS 94.7 billion after intervention to align the yield curve, while for 20-year bond successful bids were TZS 117.0 billion. Weighted average yield to maturity (WAY) for the two debt instruments decreased to 15.37 percent and 17.34 percent from 15.67 percent and 17.42 percent when they were last issued, respectively.

### 2.3.3 Interbank Cash Market

Interbank cash market transactions declined to TZS 1,050.51 billion in September 2019 from TZS 1,363.37 billion in the preceding month, of which overnight transactions accounted for 35.9 percent, lower than 46.9 percent in August 2019. The overall interbank and overnight cash market rates edged up slightly to 5.37 percent and 5.15 percent from 4.91 percent and 4.63 percent in August 2019, respectively (**Chart 2.7**). The observed increase in interest rates partly reflects increased demand for shilling liquidity for end of quarter corporate tax payments.



**Chart 2.7: Interbank Cash Market Transactions**



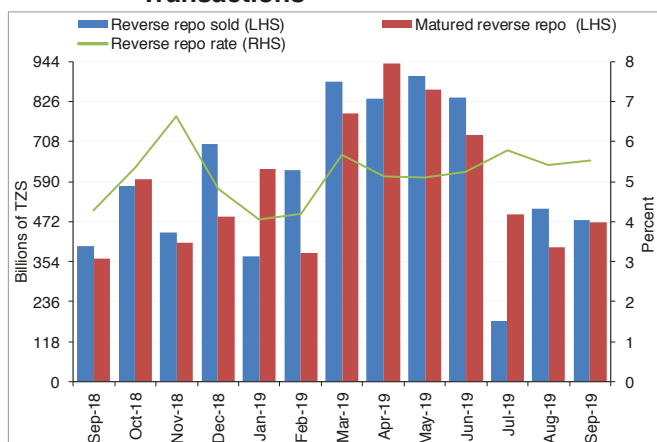
Source: Bank of Tanzania

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

### 2.3.4 Repurchase Agreements

Bank of Tanzania conducted reverse repurchase agreement (reverse repo) through auctions to support short-term demand for liquidity by banks. The outturn of reverse repo was TZS 476.8 billion, lower than TZS 509.9 billion in the preceding month. Meanwhile, reverse repo worth TZS 468.4 billion matured during the month compared with TZS 396.0 billion in August 2019. Reverse repo rate picked up slightly to an average of 5.52 percent in September 2019 from 5.41 percent in August 2019 (**Chart 2.8**).

**Chart 2.8: Reverse Repurchase Agreements Transactions**



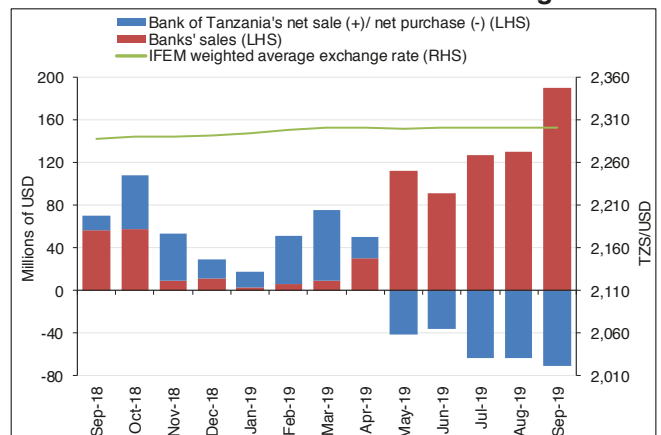
Source: Bank of Tanzania

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

### 2.3.5 Interbank Foreign Exchange Market

Interbank foreign exchange market (IFEM) operated smoothly, as in the recent past. Total transactions amounted to USD 190.1 million in September 2019, up from USD 129.8 million in August 2019. The Bank of Tanzania participated in the market for monetary policy and foreign reserve management purposes, purchasing USD 70.2 million. The shilling remained stable against the US dollar, trading at an average rate of TZS 2,300.75 per US dollar from TZS 2,300.52 per US dollar in the preceding month. On an annual basis, the shilling recorded an annual depreciation of 0.6 percent from TZS 2,287.51 per US dollar in September 2018, in line with moderate current account pressure and sustained low inflation in the country (**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

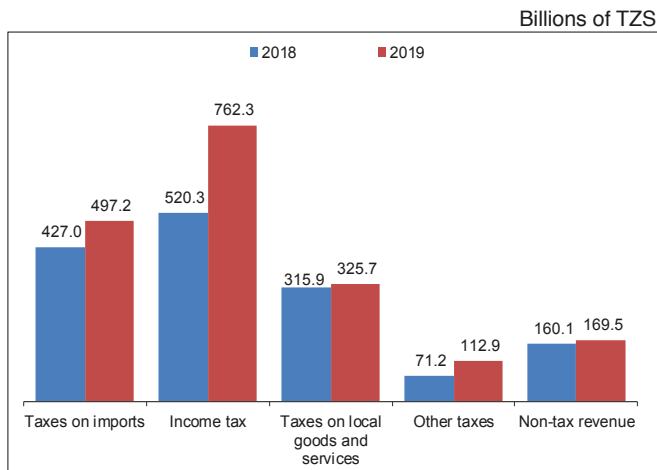
## 3.0 Government Budgetary Operations

Revenue realized by the Government grew by 25.0 percent, year-on-year to TZS 1,930.9 billion in September 2019, out of which TZS 1,867.6 billion was collections by the Central Government and TZS 63.3 billion by local governments from own resources. Likewise, tax revenue increased by 27.3 percent from the amount collected in September 2018 to TZS 1,698.1 billion. **Chart 3.1** shows Government resources during September 2018 and 2019.





Chart 3.1: Government Revenue in September

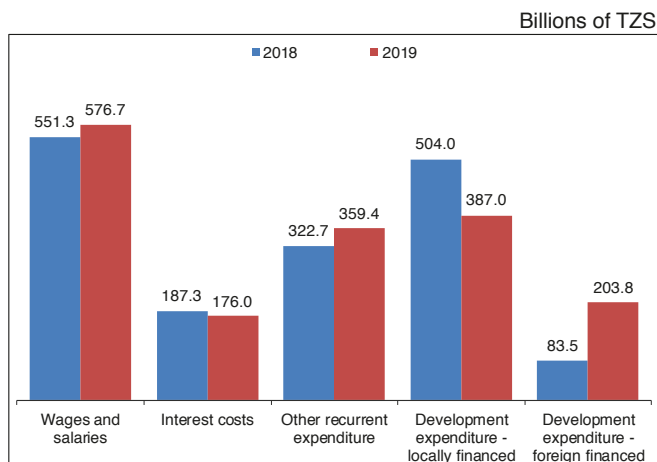


Source: Ministry of Finance and Planning, and Bank of Tanzania computations

Note: Data for 2019 are provisional

On the expenditure side, a total of TZS 1,702.9 billion was spent by the Government in September 2019, of which TZS 1,112.1 billion was recurrent expenditure and TZS 590.8 billion was development expenditure. Funds from domestic sources accounted for 65.5 percent of the amount spent on development projects during the month (Chart 3.2).

Chart 3.2: Government Expenditure in September



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

Note: Data for 2019 are provisional

## 4.0 National Debt

### 4.1 External Debt

External debt stock, public and private sector external debt, amounted to USD 22,171.9 million at the end of September 2019. This represented a decrease of USD 93.2 million from the preceding month on account of repayment which more than offset disbursement and an increase of USD 1,616.4 million from the corresponding month of 2018 due to disbursement of loans for development projects. Central government debt accounted for 77.0 percent of the external debt stock (Table 4.1).

Table 4.1: External Debt Stock by Borrowers

Borrower	Millions of USD					
	Sep-18		Aug-19		Sep-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	15,698.4	76.4	17,125.4	76.9	17,076.7	77.0
DOD	14,849.8	72.2	16,223.5	72.9	16,173.8	72.9
Interest arrears	848.6	4.1	901.9	4.1	902.9	4.1
Private sector	4,657.5	22.7	5,047.9	22.7	5,002.4	22.6
DOD	3,758.0	18.3	4,080.9	18.3	4,031.9	18.2
Interest arrears	899.5	4.4	967.0	4.3	970.5	4.4
Public corporations	199.7	1.0	91.8	0.4	92.8	0.4
DOD	167.6	0.8	82.6	0.4	82.4	0.4
Interest arrears	32.1	0.2	9.2	0.0	10.4	0.0
External debt stock	20,555.6	100.0	22,265.1	100.0	22,171.9	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 remained dominated by multilateral institutions, which usually offer concessional loans. Specifically, the share of debt owed to multilateral institutions to total external debt was 43.9 percent, followed by debt from commercial sources at 36.5 percent (Table 4.2).



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

Creditor	Millions of USD					
	Sep-18		Aug-19		Sep-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	9,564.7	46.5	9,692.8	43.5	9,735.0	43.9
DOD	9,531.3	46.4	9,664.2	43.4	9,705.0	43.8
Interest arrears	33.4	0.2	28.6	0.1	30.0	0.1
Bilateral	1,850.2	9.0	1,965.1	8.8	1,954.7	8.8
DOD	1,003.2	4.9	1,063.3	4.8	1,052.1	4.7
Interest arrears	847.0	4.1	901.8	4.1	902.6	4.1
Commercial	6,908.3	33.6	8,239.4	37.0	8,098.5	36.5
DOD	6,371.5	31.0	7,652.5	34.4	7,514.6	33.9
Interest arrears	536.8	2.6	586.9	2.6	583.9	2.6
Export credit	2,232.4	10.9	2,367.8	10.6	2,383.7	10.8
DOD	1,869.4	9.1	2,007.0	9.0	2,016.4	9.1
Interest arrears	363.0	1.8	360.8	1.6	367.3	1.7
<b>External debt stock</b>	<b>20,555.6</b>	<b>100.0</b>	<b>22,265.1</b>	<b>100.0</b>	<b>22,171.9</b>	<b>100.0</b>

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

Note: DOD denotes disbursed outstanding debt

Transport and telecommunication activities remained the major beneficiaries of disbursed outstanding debt, accounted for 26.9 percent of the debt, followed by social welfare and education and energy and mining (Table 4.3).

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

Activity	Millions of USD					
	Sep-18		Aug-19		Sep-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Transport and telecommunication	4,058.0	21.6	5,304.1	26.0	5,462.0	26.9
Social welfare and education	2,959.0	15.8	3,272.0	16.0	3,401.0	16.8
Energy and mining	2,990.0	15.9	3,082.0	15.1	3,068.4	15.1
BoP and budget support	2,766.0	14.7	2,823.9	13.9	2,792.7	13.8
Other	1,916.4	10.2	1,707.0	8.4	1,598.0	7.9
Agriculture	1,216.0	6.5	1,258.0	6.2	1,043.0	5.1
Finance and insurance	1,045.0	5.6	1,018.0	5.0	1,016.0	5.0
Real estate and construction	1,076.0	5.7	1,113.0	5.5	1,099.0	5.4
Industries	640.0	3.4	640.0	3.1	639.0	3.1
Tourism	109.0	0.6	169.0	0.8	169.0	0.8
<b>Total</b>	<b>18,775.4</b>	<b>100.0</b>	<b>20,387.0</b>	<b>100.0</b>	<b>20,288.1</b>	<b>100.0</b>

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

Note: BOP denotes balance of payments

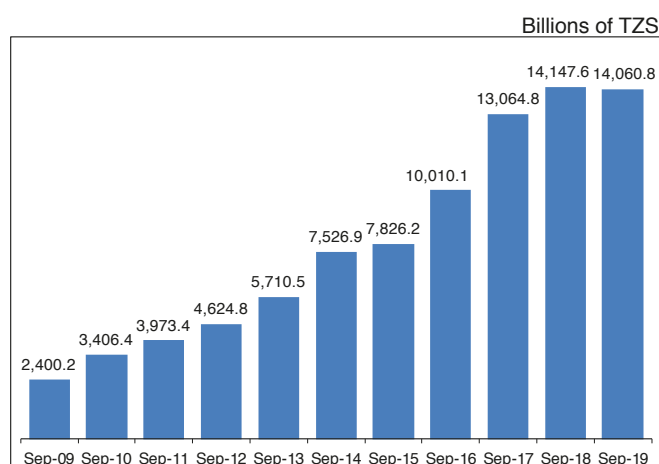
External loans disbursed in September 2019 amounted to USD 96.1 million, all of which for the central government. Disbursements during the year ending September 2019 was USD 2,314.2 million, of which USD 2,147.8 million was received by the central government and the balance by private sector. Debt service in September 2019 was USD

146.2 million, of which USD 117.7 million was principal repayment and the balance was interest payment. For the year ending September 2019, debt service payments amounted to USD 1,325.0 million, of which USD 1,018.8 million was principal repayment.

## 4.2 Domestic Debt

The stock of domestic debt was TZS 14,060.8 billion at the end of September 2019, a decrease of TZS 14.4 billion and TZS 86.8 billion from the stock at the end of August 2019 and September 2018, respectively (Chart 4.1). The decrease was on account of debt repayment, which more than offset new issuance.

**Chart 4.1: Government Domestic Debt Stock**



Source: Bank of Tanzania

Debts of longer-term maturity—treasury bonds and stocks—sustained dominance in the composition of the debt stock in terms of maturity profile, altogether representing 78.9 percent of the total debt (Table 4.4). This is in line with the Medium-term Debt Management Strategy of mitigating refinancing risk by lengthening the maturity of debt portfolio.



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

Instrument	Billions of TZS					
	Sep-18		Aug-19		Sep-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	12,967.7	91.7	14,056.8	99.9	14,042.4	99.9
Treasury bills	2,741.7	19.4	3,074.8	21.8	2,947.8	21.0
Government stocks	252.7	1.8	252.7	1.8	252.7	1.8
Government bonds	9,973.2	70.5	10,729.2	76.2	10,841.9	77.1
Tax certificates	0.1	0.0	0.1	0.0	0.1	0.0
Non-securitized debt	1,180.0	8.3	18.4	0.1	18.4	0.1
Other liabilities*	18.4	0.1	18.4	0.1	18.4	0.1
Overdraft	1,161.6	8.2	0.0	0.0	0.0	0.0
Total dom. debt (without liquidity papers)	14,147.6	100.0	14,075.2	100.0	14,060.8	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

Commercial banks remained the largest creditor, holding 37.8 percent of the debt stock, followed by pension funds at 28.5 percent (**Table 4.5**).

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

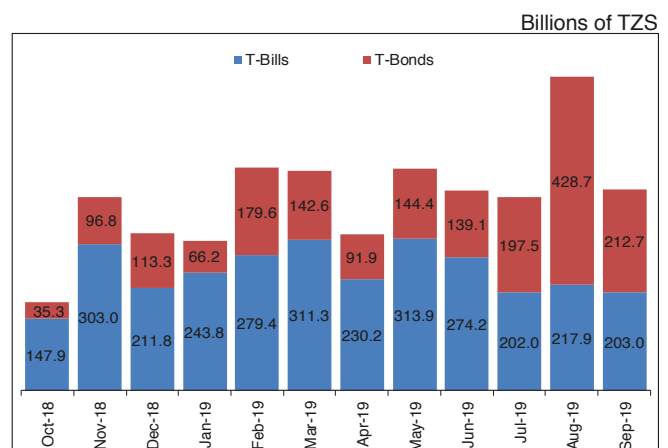
Holder	Billions of TZS					
	Sep-18		Aug-19		Sep-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	5,333.5	37.7	5,485.4	39.0	5,318.6	37.8
Pension funds	3,679.7	26.0	3,962.0	28.1	4,011.9	28.5
Others	1,179.4	8.3	1,676.9	11.9	1,786.9	12.7
Insurance	1,220.7	8.6	1,341.4	9.5	1,347.9	9.6
Bank of Tanzania	2,450.3	17.3	1,288.2	9.2	1,280.4	9.1
BOT's special funds	284.0	2.0	321.3	2.3	315.1	2.2
Total	14,147.6	100.0	14,075.2	100.0	14,060.8	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

Government debt securities issued for budgetary financing amounted to TZS 415.7 billion, of which TZS 203.0 billion was Treasury bills and the balance was Treasury bonds (**Chart 4.2**). Debt securities issued during the year ending September 2019 amounted to TZS 4,786.2 billion, of which TZS 2,938.3 billion was Treasury bills and the balance was Treasury bonds.

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



Source: Bank of Tanzania

Note: Figures on top of each bar are totals

Domestic debt service, excluding government overdraft from the central bank, amounted to TZS 573.6 billion in September 2019, of which TZS 457.2 billion was principal repayment that was rolled over, and the balance was interest payment. Cumulative debt service during the year ending September 2019 amounted to TZS 4,911.6 billion, out of which TZS 3,620.5 billion was principal repayment and the balance was interest payment.

## 5.0 External Sector Performance

The overall balance of payments was a deficit of USD 37.7 million in the year ending September 2019 compared with a deficit of USD 276.4 million in year ending September 2018. Meanwhile the current account deficit widened to USD 2,122.7 million from USD 1,841.4 million, owing to higher goods imports, particularly capital and intermediate goods which are used for production, coupled with a decline in official current transfers (**Table 5.1**).



**Table 5.1 Current Account**

Item	Millions of USD					Percentage change
	Sep-18	Aug-19	Sep-19 <sup>P</sup>	2018	2019 <sup>P</sup>	
Goods account	-216.1	-132.0	-281.4	-3,126.1	-3,902.6	24.8
Exports*	382.2	635.1	538.8	4,821.2	5,010.9	3.9
Imports	598.2	767.1	820.2	7,947.4	8,913.5	12.2
Services account	169.4	241.7	231.3	1,719.7	2,206.4	28.3
Receipts	361.5	406.2	396.0	3,930.8	4,194.3	6.7
Payments	192.2	164.4	164.7	2,211.0	1,987.9	-10.1
Goods and services	-46.7	109.7	-50.1	-1,406.4	-1,696.2	20.6
Export of goods and services	743.7	1,041.3	934.8	8,752.0	9,205.2	5.2
Import of goods and services	790.4	931.5	984.9	10,158.4	10,901.4	7.3
Primary income account	-83.0	-71.6	-56.4	-871.2	-808.3	-7.2
Receipts	15.2	13.6	16.3	151.0	201.9	33.8
Payments	98.2	85.2	72.7	1,022.1	1,010.3	-1.2
Secondary income account	36.1	32.7	35.1	436.1	381.9	-12.4
Inflows	40.8	36.7	39.1	515.3	437.6	-15.1
o/w: General government	10.5	1.0	2.5	151.0	58.4	-61.3
Outflows	4.7	3.9	4.0	79.1	55.8	-29.5
Current account balance	-93.6	70.9	-71.4	-1,841.4	-2,122.7	15.3

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

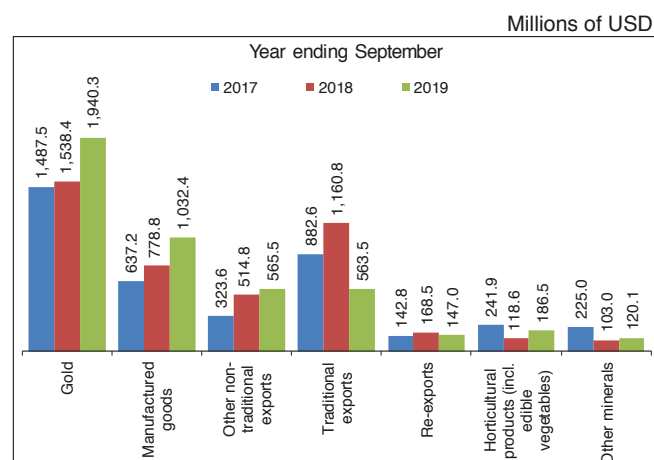
Gross official foreign reserves amounted to USD 5,306.5 million at the end of September 2019 compared with USD 5,437.1 million in September 2018. The reserves were sufficient to cover 6.1 months of projected imports of goods and services, well above the country benchmark of not less than 4.0 months, and EAC and SADC benchmarks of at least 4.5 and 6.0 months, respectively. Foreign assets of banks increased to USD 1,177.7 million from USD 949.7 million in September 2018.

## 5.1 Exports

The value of goods and services exports rose by 5.2 percent to USD 9,205.2 million in the year ending September 2019, due to increase in services receipts and value of non-traditional goods exports. Specifically, export of non-traditional goods was USD 3,991.9 million, higher than USD 3,222.1 million in the corresponding period in 2018. Earnings from all major categories of non-traditional goods exports increased, except for fish and fish products, and re-exports. Export of gold accounted for 48.6 percent of non-traditional goods exports and increased by 26.1 percent to USD 1,940.3 million on account of volume and price effects. Export value of

manufactured goods grew by 32.6 percent to USD 1,032.4 million, driven by exports of sisal products, iron and steel, glass and glassware, manufactured tobacco, and fertilizers.

Traditional goods exports declined to USD 563.5 million in the year ending September 2019 from USD 1,160.8 million in the corresponding period in 2018, as all traditional goods declined, save for coffee and tea. Cashew nuts exports, in particular, decreased owing to a fall in prices in the world market and volume due to delays in exporting after government intervention to safeguard farmers' earnings. Noteworthy, buyers from Vietnam have been secured for the 2018/19 crop-season stock. It is estimated that about 90,000 tonnes of cashew nuts were exported in August and September 2019. Exports of coffee and tea improved, supported by favourable weather conditions.

**Chart 5.1: Performance of Goods Exports**

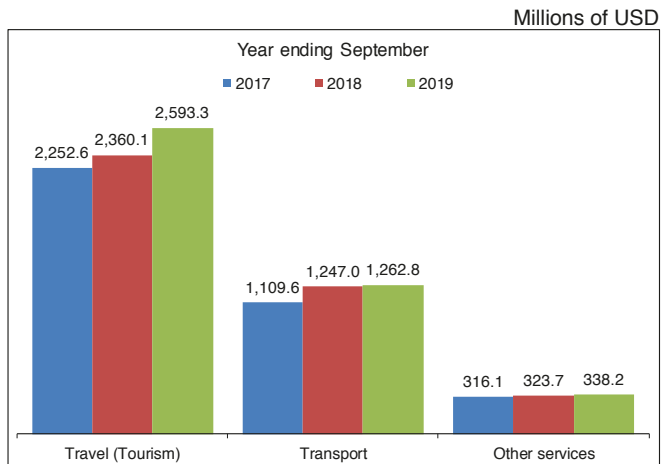
Source: Tanzania Revenue Authority and Bank of Tanzania Computations

Note: Other non-traditional exports include fish and fish products, and other exports

Foreign exchange earnings from services amounted to USD 4,194.3 million in year ending September 2019 compared with USD 3,930.8 million in the corresponding period in 2018, largely driven by tourism (**Chart 5.2**). Receipts from tourism accounted for 61.8 percent of service receipts and grew by 9.9 percent to USD 2,593.3 million, owing to increase in the tourist arrivals. Service receipts accounted for 45.6 percent of total export of goods and services.



**Chart 5.2: Services Receipts by Category**



Source: Banks and Bank of Tanzania computations

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

## 5.2 Imports

Imports of goods and services increased to USD 10,901.4 million in the year ending September 2019 from USD 10,158.4 million in the year ending September 2018, largely driven by capital and intermediate goods, particularly oil. Capital goods imports, mostly for infrastructure projects, grew by 21.6 percent to USD 3,840.5 million. Oil imports rose by 15.8 percent to USD 2,158.3 million and accounted for 22.5 percent of goods import (Table 5.2). The increase was associated with usage of oil for the ongoing infrastructure projects.

**Table 5.2: Goods Imports**

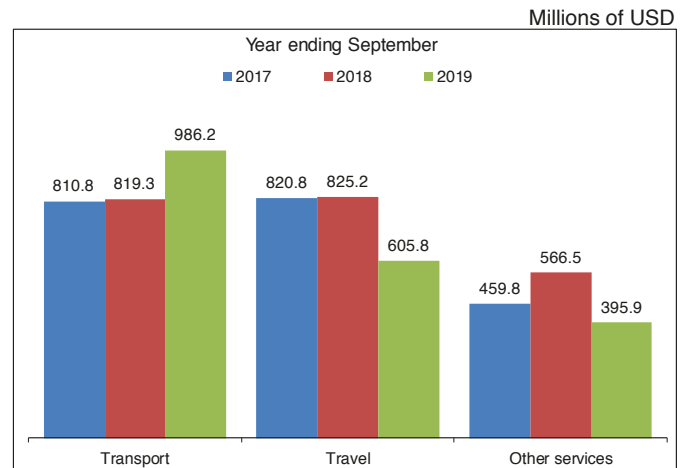
Category	Aug-19	Sep-19	Percentage change	Year ending September		Percentage change	Percentage contribution, year ending November
				2017	2018 <sup>1</sup>		
Capital goods	321.1	360.2	12.2	3,159.0	3,840.5	21.6	43.1
Transport equipment	79.3	147.2	85.6	1,141.4	1,137.6	-0.3	12.8
Building and constructions	92.3	89.3	-3.2	736.9	989.4	34.3	11.1
Machinery	149.5	123.6	-17.3	1,280.7	1,713.5	33.8	19.2
Intermediate goods	234.7	245.2	4.5	2,650.1	2,914.7	10.0	32.7
Oil imports	148.6	168.9	13.7	1,732.8	2,005.8	15.8	22.5
Fertilizers	10.4	16.5	59.0	141.9	162.6	14.6	1.8
Industrial raw materials	75.7	59.7	-21.1	775.5	746.3	-3.8	8.4
Consumer goods	211.3	214.8	1.7	2,138.2	2,158.3	0.9	24.2
Food and food stuffs	18.2	19.0	4.0	283.2	199.5	-29.6	2.2
All other consumer goods <sup>1</sup>	193.1	195.9	1.5	1,855.0	1,958.8	5.6	22.0
Grand total (f.o.b)	767.1	820.2	6.9	7,947.4	8,913.5	12.2	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; and p, provisional data

Services payments fell by 10.1 percent to USD 1,987.9 million in the year to September 2019, mainly on account of a decline in travel payments (Chart 5.3). Foreign payments for transport services, particularly freight, increased by 18.8 percent to USD 986.2 million in line with the increase in goods import.

**Chart 5.3: Services Payments**



Source: Banks, and Bank of Tanzania computations

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

Primary income account, which comprises income from capital related transactions and compensation of employees, recorded a deficit of USD 808.3 million in the year ending September 2019 from USD 871.2 million. This was on account of increase in interest receipts from overseas investments and compensation to employees working abroad, coupled with a decline in interest payment. The balance in secondary income account—that captures unilateral current transfers—was a surplus of USD 381.9 million, lower than USD 436.1 million in the year ending September 2018, on account of a decline in official current transfers.

## 5.3 World Commodity Prices

World market prices of all selected commodities were higher in September 2019 than in the preceding month, except for Robusta coffee, cloves and sisal (Table 5.3). Prices of tea and cotton increased on account of low global supply, while the increase in price of gold was mainly associated with weak global





economic outlook. Oil price increased owing to geopolitical instability in the Middle East, as well as production cut by Organization of the Petroleum Exporting Countries.

**Table 5.3: World Commodity Prices**

Commodity	Unit of measure	Aug-19	Sep-19	Percentage change	Year ending September		Percentage change
					2018	2019	
Robusta coffee	USD per kg	1.56	1.56	-0.2	1.93	1.68	-12.8
Arabica coffee	USD per kg	2.78	2.84	2.2	2.96	2.84	-4.1
Tea (average price)	USD per kg	2.63	2.59	-1.5	2.98	2.60	-12.9
Tea (Mombasa auction)	USD per kg	2.13	2.21	3.8	2.73	2.25	-17.6
Cotton, "A index"	USD per kg	1.56	1.57	0.6	1.99	1.78	-10.3
Sisal (UG)	USD per kg	1.70	1.70	0.0	1.71	1.71	0.2
Cloves	USD per kg	6.00	5.62	-6.3	7.93	6.98	-12.0
Crude oil*	USD per barrel	59.25	62.33	5.2	69.60	65.21	-6.3
Crude oil**	USD per barrel	58.85	60.84	3.4	67.24	64.53	-4.0
White products	USD per tonne	587.69	622.27	5.9	645.02	629.12	-2.5
Gold	USD per oz t	1,500.41	1,510.58	0.7	1,280.85	1,329.31	3.8

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

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

## 6.0 Economic Developments in Zanzibar

### 6.1 Inflation Developments

Annual headline inflation remained low, hovering below the medium-term target of 5.0 percent. Twelve-month headline inflation was 2.2 percent in September 2019 compared with 2.1 percent in the preceding month and 3.5 percent in September 2018 (Table 6.1 and Chart 6.1). Food Inflation eased to 1.5 percent from 2.0 percent owing to moderation in the prices of fish, rice and bananas.

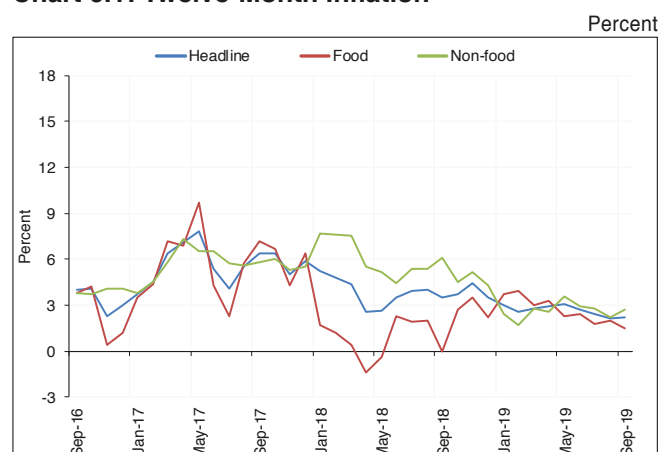
**Table 6.1: Headline Inflation and its Main Components**

Base: Jan 2017=100

Main groups	Weight	Monthly change			Annual change		
		Sep-18	Aug-19	Sep-19	Sep-18	Aug-19	Sep-19
Food and non-alcoholic beverages	43.6	-0.6	2.0	-3.0	0.0	2.0	1.5
Alcoholic beverages, tobacco and narcotics	0.2	0.0	10.6	0.0	6.7	24.5	22.4
Clothing and footwear	6.9	-1.1	0.3	0.1	2.3	1.5	1.8
Housing, water, electricity, gas and other fuels	18.4	0.9	0.2	-0.4	3.4	-1.7	-0.9
Furnishing, household equipment	5.5	0.0	0.2	1.1	13.8	2.3	2.9
Health	2.1	0.8	0.3	0.0	1.9	7.3	7.3
Transport	9.6	-6.3	-1.9	1.1	18.7	0.9	2.1
Communication	4.2	0.0	0.0	0.0	-0.9	15.8	15.8
Recreation and culture	1.3	-5.5	0.0	0.0	8.7	4.7	4.7
Education	1.9	0.0	0.0	0.0	5.4	4.0	4.0
Restaurants and hotels	3.9	0.0	0.0	0.0	-0.9	6.0	6.0
Miscellaneous goods and services	2.3	0.0	0.5	0.5	2.4	4.9	5.4
All items (Headline inflation)	100.0	-0.8	0.8	-1.2	3.5	2.1	2.2
Other selected groups:							
Food	42.7	-0.6	2.0	-3.0	0.0	2.0	1.5
Non-food	57.3	-1.1	-0.1	0.2	6.2	2.2	2.7

Source: Office of the Chief Government Statistician, Zanzibar

**Chart 6.1: Twelve-Month Inflation**



Source: Office of the Chief Government Statistician, Zanzibar

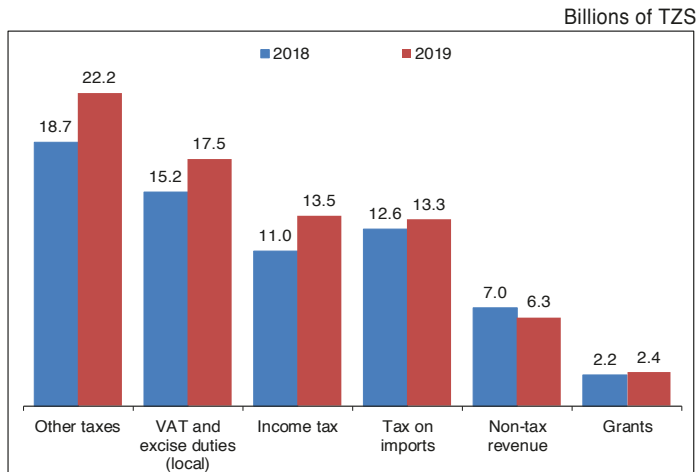
### 6.2 Government Budgetary Operations

During September 2019, government resources, comprising of revenue collections and foreign grants, amounted to TZS 75.2 billion, of which TZS 72.9 billion was revenue and the balance was grants. Revenue collections were 85.5 percent of the target for the month and higher than the amount collected in September 2018 by 12.9 percent. Out of domestic revenue, TZS 66.5 billion was tax collections and TZS 6.3 billion was non-tax revenue (Chart 6.2). Foreign grants disbursed during the month amounted to TZS 2.4 billion, higher than projections by 5.4 percent. Revenue collections from July to September 2019 amounted to TZS 197.7 billion, equivalent to 84.7 percent of the target.





Chart 6.2: Government Resources in September

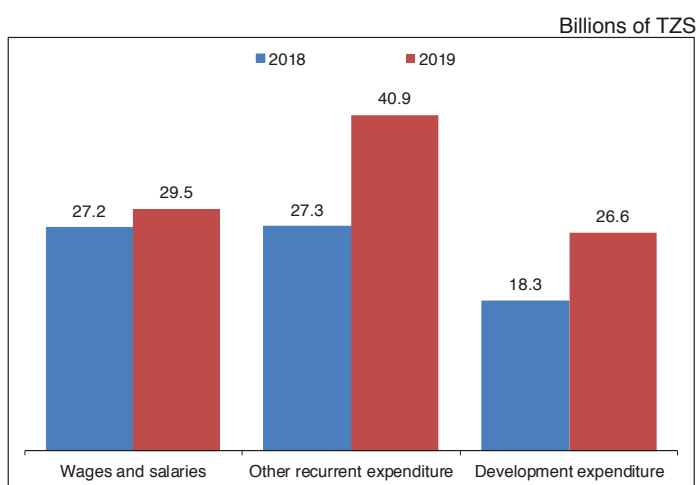


Source: Ministry of Finance and Planning, Zanzibar

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 for the month, priorities and available resources. During September 2019, the Government expenditure amounted to TZS 97.1 billion, of which TZS 70.4 billion was recurrent expenditure and the balance was development expenditure (**Chart 6.3**). Local funding in development projects was TZS 7.9 billion, while foreign funding was TZS 18.7 billion. The overall fiscal deficit amounted to TZS 16.3 billion and was financed through foreign loans. Cumulative expenditure from July to September 2019 amounted to TZS 291.8 billion, equivalent to 86.3 percent of the estimates.

Chart 6.3: Government Expenditure in September



Source: Ministry of Finance and Planning, Zanzibar

Note: Other expenditure include transfers, domestic debt interest payment, consolidated fund service and other charges

## 6.3 External Sector Performance

### 6.3.1 Current Account

Current account recorded a deficit of USD 73.1 million in the year ending September 2019 compared to a surplus of USD 2.8 million in the similar period in 2018. This was mainly due to increase in imports coupled with decline in exports (**Table 6.2**).

Table 6.2: Current Account Balance

Millions of USD

	Year ending September			2018	2019 <sup>p</sup>	Percentage change
	Sep-18	Aug-19	Sep-19 <sup>p</sup>			
Goods account	-15.5	-18.8	-21.9	-135.7	-224.8	65.7
Exports	1.1	1.9	0.9	64.9	12.2	-81.2
Imports (fob)	16.6	20.7	22.8	200.6	237.0	18.1
Services account	9.6	5.2	5.7	100.3	99.4	-0.8
Receipts	15.7	21.7	23.2	170.1	192.9	13.4
Payments	6.1	16.5	17.5	69.8	93.4	33.8
Goods and services	-6.0	-13.6	-16.2	-35.5	-125.4	---
Exports of goods and services	16.8	23.6	24.1	235.0	205.0	-12.7
Imports of goods and services	22.7	37.2	40.3	270.4	330.4	22.2
Income account	0.9	1.2	1.4	9.2	11.7	27.9
Receipts	1.3	2.0	2.1	14.9	17.1	15.0
Payments	0.4	0.8	0.8	5.8	5.4	-5.4
Current transfers	1.4	5.4	7.9	29.1	40.6	39.4
Inflows	1.6	9.9	12.1	31.1	64.5	107.3
Outflows	0.2	4.5	4.2	2.0	23.9	---
Current account balance	-3.7	-7.0	-6.9	2.8	-73.1	---

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

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

### 6.3.2 Exports

During the year ending September 2019, the value of goods and services exports declined by 12.7 percent from the amount recorded a year earlier to USD 205.0 million, driven by goods exports. The value of goods exports fell by 81.2 percent to USD 12.2 million largely on account of a decline in the volume of cloves exported associated with cyclical nature of the crop (**Table 6.3**). Cloves worth USD 2.3 million were exported during the year to September 2019 compared with USD 49.6 million exported in the year ending September 2018. Likewise, exports value of seaweeds, the second



major export commodity, declined by 15.7 percent to USD 4.4 million. On the other hand, export value of fish and fish products grew significantly on account of continued improvement of fish farming and higher demand in the neighbouring countries.

Receipts from services increased to USD 192.9 million in the year ending September 2019 from USD 170.1 million in the corresponding period in 2018 owing to increase in earnings from tourism related activities.

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

Units	Year ending September					Percentage change
	Sep-18	Aug-19	Sep-19 <sup>p</sup>	2018	2019 <sup>p</sup>	
<b>Traditional exports:</b>						
<b>Clove</b>						
Value '000' USD	0.0	1,088.0	0.0	49,629.7	2,312.0	-95.3
Volume '000' Tonnes	0.0	0.2	0.0	6.3	0.3	-94.6
Unit price USD/Tonne	N/A	N/A	N/A	7,874.0	6,800.0	-13.6
<b>Non-traditional exports:</b>						
<b>Seaweeds</b>						
Value '000' USD	289.9	401.4	563.1	5,171.4	4,359.1	-15.7
Volume '000' Tonnes	0.7	0.6	0.8	13.2	8.4	-36.7
Unit price USD/Tonne	420.9	692.0	695.2	391.4	521.3	33.2
Manufactured goods '000' USD	593.8	334.7	238.3	7,200.7	4,168.9	-42.1
Fish and fish products '000' USD	73.7	43.0	82.7	437.2	865.7	98.0
Others exports '000' USD	104.5	59.8	25.5	2,441.7	467.7	-80.8
Sub total '000' USD	1,061.8	838.9	909.5	15,250.9	9,861.4	-35.3
Grand total '000' USD	1,061.8	1,926.9	909.5	64,880.5	12,173.4	-81.2

Source: Tanzania Revenue Authority, and Bank of Tanzania computations

Note: Other exports mainly include souvenirs and spices; and p denotes provisional data

### 6.3.3 Imports

Imports of goods and services amounted to USD 237.0 million in the year ending September 2019, an increase of 18.1 percent from the corresponding period in 2018. Imports of intermediate and consumer goods, as well as payments for services were the major drivers. As shown in **Table 6.4**, all major categories of goods import increased, except capital goods. Noteworthy, goods imports accounted for 71.7 percent of imports of goods and services during the year ending September 2019.

**Table 6.4: Imports by Major Categories**

	Millions of USD					
	Sep-18	Aug-19	Sep-19 <sup>p</sup>	Year ending September		Percentage change
				2018	2019 <sup>p</sup>	
Capital goods	3.0	3.1	7.2	57.3	56.2	-2.0
Transport equipment	0.9	1.5	1.8	23.9	17.7	-26.0
Building and construction	0.9	0.7	2.2	9.8	13.9	42.2
Machinery	1.1	0.9	3.2	23.7	24.6	4.0
Intermediate goods	9.2	8.0	6.9	98.1	113.1	15.3
Oil imports	6.0	7.6	6.1	66.3	83.4	25.8
Industrial raw materials	3.3	0.4	0.7	31.8	29.7	-6.7
Consumer goods	6.0	11.7	11.0	65.0	91.2	40.3
Food and food stuffs	3.6	5.4	7.1	26.7	42.7	59.9
All other consumer goods	2.5	6.3	3.9	38.3	48.5	26.6
Grand total (c.i.f)	18.2	22.7	25.1	220.4	260.4	18.1
Grand total (f.o.b)	16.6	20.7	22.8	200.6	237.0	18.1

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	2014 <sup>r</sup>	2015 <sup>r</sup>	2016 <sup>r</sup>	2017 <sup>r</sup>	2018 <sup>p</sup>
<b>National accounts and prices</b>						
1.1 Change in GDP at current prices	Percent	13.2	14.2	14.9	9.6	8.9
1.2 Change in GDP at constant 2015 prices	Percent	6.7	6.2	6.9	6.8	7.0
1.3 GDP per capita-current prices (TZS)	'000' TZS	1,778.8	1,969.0	2,191.2	2,327.4	2,461.9
1.4 GDP per capita-current prices (USD)	USD	1,076.4	991.7	1,006.5	1,044.2	1,087.5
1.5 Change in consumer price index (Inflation)	Percent	6.1	5.6	5.2	5.3	3.5
1.6 Saving to GNDI ratio	Percent	23.5	24.4	29.4	29.7	30.3
<b>Money, credit and interest rates</b>						
2.1 Change in extended broad money supply (M3)	Percent	15.6	18.8	3.4	8.0	4.5
2.2 Change in broad money supply (M2)	Percent	17.0	13.4	5.3	10.4	3.8
2.3 Change in narrow money supply (M1)	Percent	14.8	15.6	5.3	10.6	5.1
2.4 Change in reserve money (M0)	Percent	17.5	15.6	0.3	1.5	0.6
2.5 Total credit to GDP ratio <sup>1</sup>	Percent	19.4	21.6	19.3	17.0	17.2
2.6 Non-government sector credit to GDP ratio <sup>1</sup>	Percent	15.0	16.4	15.3	14.2	13.7
2.7 Ratio of credit to non-government sector to total credit	Percent	77.3	76.0	79.5	83.8	79.8
2.8 12-Months deposit rate <sup>2</sup>	Percent	10.8	10.8	11.5	11.7	8.8
2.9 Overall treasury bill rate <sup>2</sup>	Percent	13.6	12.9	16.2	11.1	6.4
2.10 Long-term lending rate (3-5 years) <sup>2</sup>	Percent	16.2	15.3	15.6	17.9	17.4
<b>Balance of payments</b>						
3.1 Exports of goods (f.o.b)	Mill. USD	5,194.1	5,316.8	4,949.7	4,523.9	4,379.6
3.2 Imports of goods (f.o.b)	Mill. USD	-10,917.8	-9,843.1	-8,463.6	-7,551.7	-7,752.0
3.3 Trade balance	Mill. USD	-5,723.7	-4,526.3	-3,513.9	-3,027.8	-3,372.4
3.4 Current account balance	Mill. USD	-5,028.2	-3,987.4	-2,664.7	-1,813.9	-1,890.3
3.5 Overall balance	Mill. USD	251.8	199.1	-305.5	-1,669.6	784.0
3.6 Gross official reserves	Mill. USD	4,377.2	4,093.7	4,325.6	5,900.3	5,044.6
3.7 Reserves months of imports (of goods and services) (excluding FDI related imports)	Months	4.7	4.9	5.9	7.5	5.7
3.8 Exchange rate:						
Annual average	TZS/USD	1,652.5	1,985.4	2,177.1	2,228.9	2,263.8
End of period	TZS/USD	1,725.8	2,148.5	2,172.6	2,230.1	2,281.2
		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	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; and p, provisional data



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

	Millions of TZS				
	Budget 2019/20	July 2019 - September 2019		September 2019	
		Estimate	Actual <sup>P</sup>	Estimate	Actual <sup>P</sup>
Total revenue (including LGAs)	23,045,337.5	5,399,143.4	4,966,869.9	2,077,053.2	1,930,880.3
Central government revenue	22,279,854.1	5,196,695.3	4,796,795.6	2,011,149.8	1,867,627.6
Tax revenue	18,955,186.2	4,446,092.9	4,228,074.8	1,763,871.5	1,698,145.8
Taxes on imports	6,723,512.1	1,617,726.8	1,542,903.5	564,035.7	497,231.1
Sales/VAT and excise on local goods	4,863,780.9	1,119,577.8	961,283.4	407,217.7	325,700.1
Income taxes	6,321,096.9	1,455,670.8	1,444,337.9	701,556.4	762,287.6
Other taxes	1,046,796.3	253,117.5	279,550.0	91,061.7	112,927.0
Non- tax revenue	3,324,667.9	750,602.4	568,720.9	247,278.3	169,481.8
LGA own sources	765,483.4	202,448.1	170,074.3	65,903.4	63,252.7
Total expenditure <sup>1</sup>	27,669,093.8	5,345,627.7	4,289,496.7	1,976,262.8	1,702,887.7
Recurrent expenditure	15,420,491.5	3,636,309.2	3,032,703.9	1,252,238.9	1,112,050.2
Wages and salaries	7,558,974.4	1,789,824.2	1,711,323.3	616,118.4	576,655.4
Interest payments	2,426,262.0	497,548.1	493,751.9	182,851.1	176,008.0
Domestic	1,438,950.0	330,719.0	342,526.8	116,410.0	116,410.5
Foreign	987,312.0	166,829.1	151,225.1	66,441.1	59,597.5
Other goods, services and transfers	5,435,255.2	1,348,936.9	827,628.6	453,269.5	359,386.8
Development expenditure and net lending	12,248,602.3	1,709,318.5	1,256,792.9	724,023.9	590,837.5
Local	9,737,738.8	1,313,500.5	854,760.3	417,829.0	387,009.7
Foreign	2,510,863.5	395,818.0	402,032.6	306,194.9	203,827.8
Balance before grants	-4,623,756.4	53,515.7	677,373.2	100,790.4	227,992.6
Grants	1,208,523.1	174,815.5	124,624.9	158,859.8	7,991.2
Program	146,822.1	0.0	0.0	0.0	0.0
Project	896,987.5	149,441.2	114,677.2	149,441.2	440.4
Basket funds	164,713.5	25,374.3	9,947.7	9,418.7	7,550.8
Balance (cheques issued) after grants	-3,415,233.3	228,331.2	801,998.1	259,650.2	235,983.8
Expenditure float	0.0	0.0	-15,702.4	0.0	-3.7
Adjustments to cash and other items (net)	0.7	0.0	-357,243.0	0.0	-242,909.0
Overall balance	-3,415,232.5	228,331.2	429,052.7	259,650.2	-6,928.9
Financing	3,415,232.5	-228,331.2	-429,052.7	-259,650.2	6,928.9
Foreign financing (net)	1,915,458.4	1,611,664.2	1,725,852.3	-106,104.4	-28,337.6
Loans	3,891,556.4	2,074,122.5	2,117,970.7	147,335.0	195,836.6
Program loans	125,990.5	0.0	0.0	0.0	0.0
Development project loans	3,730,819.9	2,074,122.5	2,088,889.6	147,335.0	166,755.5
o/w: Non-concessional borrowing	2,316,403.6	1,853,120.0	1,840,563.0	0.0	0.0
Basket support	34,746.0	0.0	29,081.1	0.0	29,081.1
Amortization	-1,976,098.0	-462,458.3	-392,118.3	-253,439.4	-224,174.2
Domestic (net) <sup>2</sup>	1,499,774.2	-1,839,995.4	-2,154,905.0	-153,545.8	35,266.5
Bank and non-bank financing	1,499,774.2	-1,839,995.4	-2,154,905.0	-153,545.8	35,266.5
Bank borrowing	1,043,537.5	-1,287,996.8	-2,606,286.0	-107,482.1	-136,162.7
Non-bank (net of amortization)	456,236.7	-551,998.6	451,381.0	-46,063.7	171,429.2
Borrowing/roll-over	3,460,218.0	890,227.0	1,461,526.5	432,837.0	432,837.1
Domestic and contingent debt amortization	-3,460,218.0	-890,227.0	-1,461,526.5	-432,837.0	-432,837.1

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**

Billions of TZS

Items	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19 <sup>P</sup>
Net foreign assets	11,631.0	11,509.5	11,118.5	10,629.8	10,140.8	10,434.4	10,019.2	9,409.5	8,999.1	9,626.3	10,200.2	11,294.1	11,915.0
Bank of Tanzania	11,495.8	11,142.1	10,693.4	10,692.3	10,290.4	10,543.2	9,890.4	9,273.6	9,090.6	9,420.9	10,212.9	11,437.7	11,682.4
Other depository corporations	135.2	367.4	425.1	-62.5	-149.5	-108.8	128.8	135.9	-91.5	205.4	-12.7	-143.6	232.6
Net domestic assets	13,644.9	13,758.0	14,371.9	15,193.7	15,622.3	15,434.3	15,683.7	16,219.6	16,946.4	17,614.5	16,729.8	15,869.1	15,718.9
Domestic claims	21,480.1	21,439.2	22,310.2	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	22,822.5
Claims on central government (net)	3,910.7	3,845.5	4,507.1	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	3,609.5
Claims on central government	8,240.8	8,200.0	8,469.8	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	7,998.4
Liabilities to central government	4,330.1	4,354.5	3,962.7	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
Claims on non-government sector	17,569.4	17,593.7	17,803.1	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	19,213.0
Other items (net)	-7,835.2	-7,681.2	-7,938.2	-7,014.7	-6,607.1	-6,817.6	-6,606.3	-7,136.2	-7,115.3	-7,459.4	-7,027.7	-6,896.3	-7,103.6
Broad money liabilities	25,275.9	25,267.5	25,490.5	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	27,633.9
Currency outside depository corporations	3,835.2	3,756.2	3,773.6	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	4,120.6
Transferable deposits	11,562.2	11,494.9	11,782.3	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
Non-transferable (other) deposits	9,878.5	10,016.4	9,934.6	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	10,474.3
Memorandum items:													
Monetary aggregates													
Reserve money (M0)	6,487.3	6,587.2	6,790.0	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
Extended broad money (M3)	25,275.9	25,267.5	25,490.5	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	27,633.9
Deposits in foreign Currency (FCD)	6,674.4	6,706.5	6,597.5	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	7,212.5
<i>FCD in millions of USD</i>	2,930.7	2,942.1	2,895.2	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	3,150.4
Broad money (M2)	18,601.4	18,560.9	18,893.0	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	20,421.5
Other deposits in national currency (i.e. savings and time deposits)	7,065.3	7,189.3	7,139.7	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	7,754.3
Narrow money (M1)	11,536.1	11,371.7	11,753.3	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	12,667.2
Currency in circulation	3,835.2	3,756.2	3,773.6	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	4,120.6
Transferable deposits in national currency	7,700.9	7,615.5	7,979.7	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

Source: Bank of Tanzania and banks

Note: p denotes provisional data



**Table A4: Interest Rate Structure**

Items	2018				2019								Percent
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep <sup>p</sup>
<b>A: Domestic currency</b>													
<b>1. Interbank cash market rates</b>													
Overnight	1.93	2.10	2.39	2.98	3.55	4.52	5.27	5.20	5.32	5.47	5.04	4.63	5.15
2 to 7 days	2.71	2.55	3.14	3.40	3.95	5.25	5.82	5.81	5.79	5.77	5.38	4.91	5.41
8 to 14 days	3.33	2.92	3.90	4.08	4.80	5.67	6.34	6.42	6.24	6.21	5.56	5.38	5.58
15 to 30 days	4.00	4.25	4.33	4.69	4.49	5.00	6.95	7.25	7.24	6.89	5.52	5.82	5.76
31 to 60 days	5.00	5.00	5.00	5.00	5.00	5.00	6.67	7.00	7.30	7.75	6.12	6.33	6.09
61 to 90 days	2.50	2.50	2.50	2.50	2.50	2.50	8.00	10.00	10.00	10.00	10.00	10.00	10.00
Overall interbank cash market rate	2.26	2.29	2.74	3.25	3.74	4.72	5.59	5.54	5.60	5.69	5.42	4.91	5.37
2. Lombard rate	4.10	4.08	4.08	4.50	6.75	6.79	7.91	7.79	7.97	8.20	7.57	6.95	7.73
3. REPO rate	2.37	2.37	2.37	2.37	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
4. Reverse repo rate	4.27	5.35	6.63	4.82	4.06	4.18	5.66	5.12	5.09	5.25	5.79	5.41	5.52
<b>5. Treasury bills rates</b>													
35 days	2.73	2.72	2.72	3.00	3.00	3.12	3.27	3.42	3.50	3.64	3.80	3.69	3.55
91 days	2.98	2.99	3.00	3.50	3.50	3.67	3.85	4.09	4.14	4.33	4.39	4.36	4.53
182 days	5.07	4.98	5.22	5.26	5.27	5.28	5.17	5.26	5.14	5.16	5.24	5.18	5.19
364 days	7.98	8.08	8.59	9.22	9.33	9.25	9.15	9.06	9.06	9.04	8.31	7.70	7.09
Overall treasury bills rate	7.19	7.40	8.19	8.72	8.54	8.73	8.67	8.20	8.58	8.69	8.18	7.65	7.05
<b>6. Treasury bonds rates</b>													
2-years	9.00	10.49	10.49	10.49	11.39	11.39	11.39	11.97	11.97	11.97	11.97	11.08	11.08
5-years	11.88	11.88	12.00	12.00	12.00	12.71	12.71	12.71	12.96	12.96	12.96	12.96	12.96
7-years	12.27	12.27	12.56	12.56	12.56	13.23	13.23	13.23	13.23	13.23	13.23	13.23	13.23
10-years	14.39	14.39	14.39	14.94	14.94	14.94	15.11	15.11	15.11	15.70	15.12	15.16	15.16
15-years	14.80	15.03	15.03	15.03	15.46	15.46	15.62	15.62	15.62	15.74	15.67	15.67	15.37
20-years	17.69	17.69	17.69	17.73	17.73	17.45	17.45	17.45	17.39	17.39	17.42	17.42	17.34
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	2.66	2.63	2.63	2.64	2.60	2.54	2.59	2.46	2.45	2.44	2.47	2.37	2.44
<b>9. Overall time deposits rate</b>													
1 month	8.83	9.78	9.87	8.89	9.24	9.66	9.16	8.12	8.64	8.58	8.28	8.19	7.46
2 months	9.38	8.45	7.69	8.22	7.32	7.23	8.28	7.48	7.17	7.46	7.72	5.04	8.28
3 months	7.96	7.55	7.92	7.29	6.61	6.81	8.01	6.99	7.27	7.63	6.80	7.68	8.14
6 months	8.76	8.25	7.56	7.35	7.43	7.51	8.03	7.70	7.99	8.31	8.46	8.04	8.35
12 months	7.37	8.11	8.03	8.40	8.66	8.52	9.01	7.93	8.75	9.06	9.07	8.87	8.63
24 months	13.68	11.42	11.34	10.32	10.10	9.79	9.53	9.73	9.86	9.78	9.76	9.84	9.84
10. Negotiated deposit rate	9.02	8.41	8.85	9.17	8.85	9.13	8.84	9.15	8.65	8.84	8.69	8.98	8.83
<b>11. Overall lending rate</b>													
Short-term (up to 1 year)	17.52	17.27	17.09	16.72	17.21	16.80	17.23	17.24	17.20	16.86	16.86	16.77	16.99
Medium-term (1-2 years)	18.68	18.20	18.54	17.83	17.00	16.38	17.47	16.94	17.07	16.43	16.25	16.34	16.42
Medium-term (2-3 years)	18.33	17.88	17.77	17.61	18.17	17.97	17.80	18.31	18.24	18.17	18.34	18.23	18.38
Medium-term (2-3 years)	17.77	17.46	17.34	17.08	17.76	17.32	18.98	17.97	17.82	17.56	17.40	17.49	17.62
Long-term (3-5 years)	17.05	16.75	16.57	16.20	17.07	16.88	16.84	16.70	17.13	16.58	16.67	16.58	16.60
Term Loans (over 5 years)	15.78	16.08	15.23	14.88	16.08	15.47	15.06	16.27	15.77	15.58	15.65	15.20	15.94
12. Negotiated lending rate	15.69	14.90	15.87	15.28	14.93	14.84	14.62	14.61	15.27	14.41	14.38	14.31	14.09
<b>B: Foreign currency</b>													
<b>1. Deposits rates</b>													
Savings deposits rate	1.09	0.71	1.61	1.92	2.02	2.09	1.72	1.76	1.75	2.11	2.15	2.30	1.58
Overall time deposits rate	3.53	3.53	3.60	3.57	3.43	3.17	3.07	3.15	2.56	2.83	2.28	2.34	2.33
1-months	3.44	3.45	3.23	3.41	3.27	3.30	2.67	2.80	1.63	1.92	1.82	2.23	2.29
2-months	3.94	4.03	4.54	4.55	4.46	3.19	2.95	3.26	2.80	3.42	3.03	3.22	3.02
3-months	3.48	3.14	3.30	3.27	3.19	2.68	3.51	3.74	2.27	2.92	2.34	1.93	1.95
6-months	3.49	3.93	3.62	3.26	3.19	3.37	3.10	2.85	2.76	2.41	1.70	1.93	2.09
12-months	3.31	3.08	3.32	3.37	3.06	3.33	3.11	3.08	3.36	3.46	2.49	2.38	2.31
<b>2. Overall lending rate</b>													
Short-term (up to 1 year)	5.94	6.91	7.70	8.31	8.00	7.72	7.57	7.46	8.20	8.05	8.02	7.52	7.30
Medium-term (1-2 years)	7.11	7.27	7.46	8.93	6.76	6.82	8.23	8.17	8.51	7.93	7.58	7.54	7.43
Medium-term (2-3 years)	5.69	6.90	8.06	9.17	8.38	8.20	5.91	5.39	8.41	8.39	8.56	8.61	8.63
Medium-term (2-3 years)	4.60	7.22	7.50	7.80	8.03	7.61	7.79	7.85	7.71	7.63	8.27	8.32	8.33
Long-term (3-5 years)	5.59	6.15	8.11	8.19	8.87	7.99	8.03	8.03	8.36	8.32	7.71	7.71	7.37
Term loans (over 5 years)	6.70	7.02	7.38	7.49	7.98	7.97	7.87	7.87	7.99	7.99	7.99	5.41	4.76

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

Note: p denotes provisional data.

Commercial bank rates have been revised from November 2012 backwards





Table A5: Tanzania Balance of Payments

Item	2014	2015	2016	2017 <sup>r</sup>	2018 <sup>p</sup>
Millions of USD					
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(i): National Consumer Price Index (Urban and Rural), Twelve-Month Percentage Change (Main Groups)

Base: Dec 2015 = 100

	Headline overall index	Food and non-alcoholic beverages			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		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							

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

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, 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

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

Source: National Bureau of Statistics



**Table A7: National Debt Developments**

	Millions of USD											
Item	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19 <sup>P</sup>
1. Overall external debt committed <sup>2</sup>	28,291.7	28,435.8	28,760.5	28,908.5	29,292.5	28,989.4	28,882.3	29,110.6	29,573.9	29,515.5	29,889.3	29,714.1
Disbursed outstanding debt	18,890.8	19,121.5	19,254.0	19,370.2	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,288.1
Undisbursed debt	9,400.9	9,314.4	9,506.5	9,538.3	9,568.7	9,348.1	9,167.2	9,355.4	9,544.6	9,228.4	9,502.3	9,426.0
2. Disbursed external debt by creditor category <sup>2</sup>	18,890.8	19,121.5	19,254.0	19,370.2	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,288.1
Bilateral debt	988.5	995.1	1,025.4	1,034.3	1,033.0	1,033.4	1,035.4	1,041.8	1,057.1	1,051.5	1,063.3	1,052.1
Multilateral debt	9,635.0	9,596.4	9,718.9	9,816.0	9,862.2	9,852.6	9,848.5	9,885.4	9,966.4	9,736.7	9,664.2	9,705.0
Commercial debt	6,275.6	6,493.9	6,471.7	6,484.1	6,779.4	6,705.6	6,818.4	6,800.9	6,922.8	7,421.8	7,652.5	7,514.6
Export credits	1,991.7	2,036.1	2,038.0	2,035.8	2,049.2	2,049.7	2,012.8	2,027.1	2,083.0	2,077.1	2,007.0	2,016.4
3. Disbursed external debt by borrower category <sup>2</sup>	18,890.8	19,121.5	19,254.0	19,370.2	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,288.1
Central government	14,956.9	14,942.9	15,107.4	15,215.6	15,435.5	15,369.1	15,441.0	15,476.6	15,727.2	15,804.4	16,223.5	16,173.8
Public corporations	166.6	166.7	136.8	137.5	125.8	125.2	126.7	124.7	95.0	94.2	82.6	82.4
Private sector	3,767.3	4,011.9	4,009.8	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
4. Disbursed external debt by use of funds <sup>2</sup>	18,890.8	19,121.5	19,254.0	19,370.2	19,723.8	19,641.3	19,715.1	19,755.2	20,029.3	20,287.1	20,387.0	20,288.1
Balance of payments and budget support	2,726.8	2,754.7	2,753.1	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
Transport and telecommunication	4,220.0	4,280.0	4,302.0	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
Agriculture	1,211.0	1,223.6	1,243.0	1,252.0	1,251.0	1,252.0	1,248.0	1,246.0	1,256.0	1,253.0	1,258.0	1,043.0
Energy and mining	2,960.0	2,993.7	3,016.0	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
Industries	650.0	663.9	656.0	657.0	657.0	662.0	660.0	658.0	666.0	663.0	640.0	639.0
Social welfare and education	2,967.0	3,003.8	3,009.0	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
Finance and insurance	1,042.0	1,052.2	1,185.0	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
Tourism	116.0	118.4	152.0	152.0	152.0	152.0	171.0	171.0	171.0	171.0	169.0	169.0
Real estate and construction	1,078.0	1,087.0	1,078.7	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
Other	1,920.0	1,944.2	1,859.2	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
5. Total amount of external loan contracted <sup>1</sup>	0.0	0.0	18.6	51.5	59.9	12.4	17.1	3.9	4.0	1.6	98.7	3.5
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	0.0	0.0	18.6	51.5	59.9	12.4	17.1	3.9	4.0	1.6	98.7	3.5
6. Disbursements <sup>1</sup>	97.6	46.3	183.2	56.8	299.1	63.8	174.0	61.2	291.7	335.2	609.2	96.1
Central government	97.6	44.8	183.2	43.0	260.9	62.3	173.9	60.5	261.5	334.6	529.4	96.1
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	0.0	1.5	0.0	13.8	38.2	1.5	0.1	0.7	30.2	0.6	79.8	0.0
7. Actual external debt service <sup>1</sup>	28.8	74.1	150.3	43.7	83.3	131.2	54.8	60.1	160.6	3.9	387.9	146.2
Principal	16.4	45.5	108.3	18.0	70.2	97.7	37.7	27.1	114.4	0.8	364.9	117.7
Interest	12.4	28.6	42.0	25.7	13.1	33.5	17.1	33.0	46.2	3.1	23.0	28.5
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>	81.2	0.8	74.9	38.8	228.9	-33.9	136.3	34.1	177.3	334.4	244.3	-21.6
9. Net transfers on debt <sup>1</sup>	68.8	-27.8	32.9	13.1	215.8	-67.4	119.2	1.1	131.1	331.3	221.3	-50.1
10. Arrears by creditors category <sup>2</sup>	4,386.1	4,447.6	4,436.1	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
Principal	2,586.8	2,642.5	2,629.6	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
Bilateral debt	311.2	309.0	315.6	320.7	321.2	318.1	321.2	318.7	320.7	319.9	316.2	314.8
Multilateral debt	113.5	114.6	119.1	123.3	133.4	142.1	116.9	117.6	117.2	118.2	110.6	117.9
Commercial debt	1,175.7	1,174.1	1,097.0	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
Export credits	986.4	1,044.8	1,097.9	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
Interest	1,799.3	1,805.1	1,806.5	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
Bilateral debt	850.1	846.9	883.2	889.0	891.2	892.6	893.3	894.9	901.4	900.3	901.8	902.6
Multilateral debt	38.0	38.2	39.8	39.8	41.7	43.4	29.0	29.0	25.2	25.3	28.6	30.0
Commercial debt	569.2	571.5	508.0	515.7	534.1	549.6	553.9	552.8	536.2	589.7	586.9	583.9
Export credits	342.0	348.5	375.5	378.2	383.8	393.1	396.6	404.2	428.9	430.0	360.8	367.3
11. External debt stock	20,690.1	20,926.6	21,060.5	21,192.9	21,574.6	21,520.0	21,587.9	21,636.1	21,920.9	22,232.4	22,265.1	22,171.9
12. Domestic debt stock	6,162.0	6,299.6	6,382.1	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
13. Total debt stock	26,852.1	27,226.2	27,442.6	27,416.3	27,720.6	27,682.2	28,071.4	28,414.7	28,412.8	28,189.6	28,413.1	28,313.6
End of period selling exchange rate (TZS/USD)	2,290.8	2,290.1	2,292.6	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

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; and <sup>2</sup> stock position at the end of period





## 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.

### **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.

### **Disbursed Outstanding Debt**

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

### **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.

### **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.

### **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).

### **Narrow money (M1)**

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

### **Non-food inflation**

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

### **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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