



BANK OF TANZANIA

**MONTHLY
ECONOMIC
REVIEW**

February 2021

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1.0 Prices and Food Stocks

1.1 Consumer Price Index Rebasing

The Consumer Price Index (CPI) is rebased at least once every five years, to reflect current consumption pattern of goods and services by households, due to changes in taste, preference and technology. In January 2021, the National Bureau of Statistics (NBS) rebased CPI to base year of December 2020 (December 2020=100) from December 2015. The rebasing exercise is based on household consumption pattern obtained from household budget survey conducted in 2017/18. The rebasing also adhered to guidelines issued by the East African Community, International Labour Organization, and United Nations Statistical Commission on Classification of Individual Consumption According to Purpose.

The new CPI (December 2020=100 based CPI) covers 383 consumer goods and services compared to 278 in the old CPI. In the new CPI, 67 consumer goods and services have been incorporated, while 28 items were dropped. In addition, the weighting pattern of broad categories of CPI has changed. The proportion of core CPI in overall CPI increased to 73.9 percent from 54.3 percent, while that of food (food and non-alcoholic beverages) decreased to 28.2 percent from 38.5 percent. The share of energy, fuels and utilities sub-group declined to 5.7 percent from 8.1 percent.

On the monetary policy front, the large proportion of core CPI implies an increase in the effect of monetary policy on the general price level,

depending on the efficacy of the transmission mechanism. Changes in CPI (inflation) will henceforth be analysed and reported based on the new CPI.

1.2 Inflation Developments

Inflation released based on the new CPI remained low, within the target range of 3-5 percent for 2020/21, and consistent with EAC and SADC convergence criteria (**Chart 1.1a**, **Chart 1.1b** and **Table 1.1**)¹. Twelve-month headline inflation was 3.5 percent in January 2021 from 3.2 percent in the previous month, and is projected to remain low in the remaining period of 2020/21. On month-to-month basis, overall prices rose by 0.8 percent in January 2021 compared with 0.4 percent in the corresponding month in 2020.

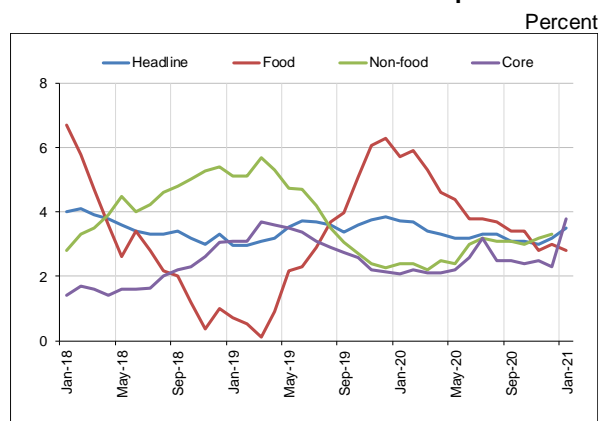
Twelve-month food inflation (food and non-alcoholic beverages) eased to 2.8 percent in January 2021 from 3.0 percent in the preceding month, mainly driven by prices of maize, rice, sorghum and beans. Inflation of unprocessed food was 1.4 percent, while inflation rate of all items excluding unprocessed food was 3.7 percent.

Core inflation, calculated from core CPI, which accounts for 73.9 percent of the overall CPI, edged up to 3.8 percent in January 2021 from 2.3 percent in December 2020. The increase was on account of increase in prices of non-food and non-energy consumer goods and services, including household utensils, materials for minor maintenance of households such as tiles, clothing and rents for private households. Energy, fuel and utilities inflation decreased to 1.6 percent in January 2021, compared with 4.0 percent recorded in the corresponding period in 2020 and

¹ Regional benchmarks imply the headline inflation for EAC, being not more than 8 percent; and SADC ranging between 3 and 7 percent.

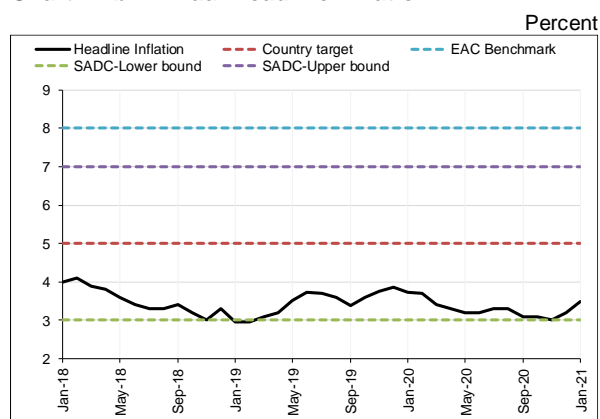
8.0 percent in the previous month, mainly driven by a fall in prices of electricity, gas, water and oil. The huge decline is partly explained by the change of items under the group “energy, fuel and utilities index” which now includes water and electricity bills (utilities). The utilities items prices are somehow stable hence making prices of the whole group to slowdown.

Chart 1.1a: Annual CPI Inflation Developments



Source: National Bureau of Statistics, Bank of Tanzania Computations

Chart 1.1b: Annual Headline Inflation



Source: National Bureau of Statistics, Bank of Tanzania computations

Table 1.1: Inflation Rates

Main groups	Weight	Base December 2020 = 100					
		Monthly change			Annual change		
		Jan-20	Dec-20	Jan-21	Jan-20	Dec-20	Jan-21
Food and non-alcoholic beverage	28.2	0.9	1.5	-0.4	5.7	3.0	2.8
Alcoholic beverages and tobacco	1.9	0.0	0.6	0.6	0.5	-0.2	1.8
Clothing and footwear	10.8	0.3	1.2	1.9	2.1	2.7	3.7
Housing, water, electricity, gas and other fuels	15.1	0.2	0.4	1.1	4.8	10.2	7.3
Furnishings, household equipment and routine household maintenance	7.9	0.2	0.0	2.2	2.5	1.3	3.1
Health	2.5	0.0	0.1	1.0	1.4	1.0	2.2
Transport	14.1	0.0	0.0	1.5	1.7	0.9	0.9
Information and communication	5.4	0.2	0.0	0.2	1.1	0.3	2.4
Recreation, sport and culture	1.6	0.1	0.0	3.2	1.1	0.4	1.6
Education services	2.0	1.0	0.0	0.3	1.3	1.3	0.9
Restaurants and accommodation services	6.6	0.0	0.4	1.6	2.8	1.9	3.0
Insurance and financial services	2.1	n.a	n.a	0.1	n.a	n.a	0.1
Personal care, social protection and miscellaneous goods and services	2.1	0.0	0.0	2.2	1.6	0.3	2.4
All Items-(headline inflation)	100.0	0.4	0.8	0.8	3.7	3.2	3.5
Other selected groups							
Core index	73.9	0.2	0.3	1.7	2.1	2.3	3.8
Non-Core index	26.1	n.a	n.a	-1.3	n.a	n.a	1.5
Unprocessed Food index	20.4	n.a	n.a	-1.2	n.a	n.a	1.4
All Items less unprocessed food index	79.6	n.a	n.a	1.4	n.a	n.a	3.7
Food Crops and Related Items index	11.0	n.a	n.a	-1.6	n.a	n.a	1.3
Energy, Fuel and Utilities index	5.7	-0.3	0.3	-1.7	4.0	8.0	1.6
Services index	37.2	n.a	n.a	1.2	n.a	n.a	2.9
Goods index	62.8	n.a	n.a	0.7	n.a	n.a	3.4
Education services and products ancillary to education index	4.1	n.a	n.a	2.1	n.a	n.a	2.5

Source: National Bureau of Statistics and Bank of Tanzania computations

Note: n.a denotes not available

1.3 Food Stocks Held by NFRA

Food stocks held by the National Food Reserve Agency (NFRA), comprising maize grain, rice and sorghum, remained almost unchanged from October 2020 to January 2021, indicating that food was adequate in the country. The food stocks amounted to 110,398 tonnes at the end of January 2021, same as in the preceding month. There were neither purchases nor sales of food made in January 2021 (**Table 1.2**).

Table 1.2: Food Stock Held by National Food Reserve Agency

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

Source: National Food Reserve Agency

1.4 Prices of Food Crops

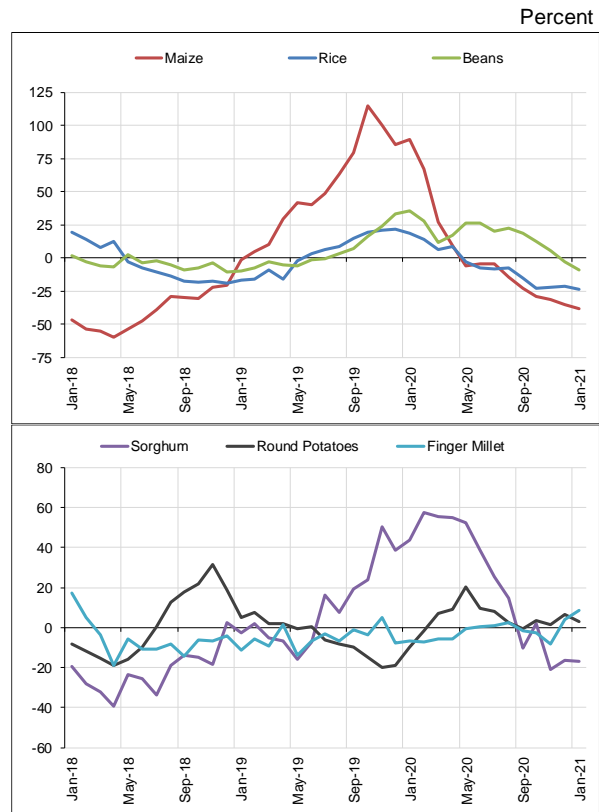
Prices of most of selected food crops² except for round potatoes and finger millet, continued to decline in January 2020, compared to the corresponding period in 2020, owing to adequate food supply in the market. However, relative to the previous month wholesale market prices of finger millet, sorghum, and round potatoes increased in January 2021, while those of beans, rice and maize decreased reflecting adequate food supply (Table 1.3).

Table 1.3: Wholesale Prices of Selected Food Crops
TZS per 100kg

Food crop	Jan-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
Maize	92,795.8	54,551.7	57,188.1	58,012.9	56,892.1	56,866.7
Rice	189,486.2	143,206.9	139,603.4	144,332.0	147,654.2	144,285.4
Beans	218,789.3	199,059.7	199,022.0	208,249.1	205,164.1	198,531.6
Sorghum	106,981.3	82,150.8	95,498.7	86,438.9	87,528.7	88,660.2
Round potatoes	72,527.9	72,397.7	72,265.4	71,501.9	74,198.7	74,860.3
Finger millet	127,849.8	123,233.5	124,249.2	131,673.9	135,678.6	139,094.0

Source: Ministry of Industry and Trade, and Bank of Tanzania Computations

Chart 1.2: Annual Change in Wholesale Prices for Selected Food Crops



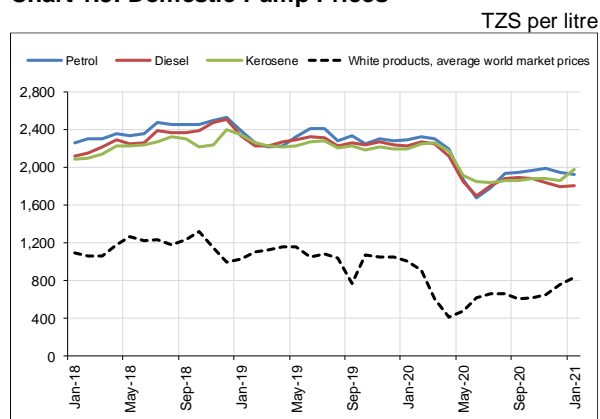
Source: Ministry of Industry and Trade, and Bank of Tanzania Computations

1.5 Fuel Prices

Pump prices of petroleum products have been rising moderately since June 2020, owing to gradual increase in prices in the world market (Chart 1.3). However, the prices were lower in January 2021 compared with the corresponding month in 2020. Compared to December 2020, pump prices of all petroleum products, with exception of petrol, were higher in January 2021.

² Major food crops are maize, rice, beans, sorghum, round potatoes and finger millet.

Chart 1.3: Domestic Pump Prices



Source: National Bureau of Statistics

Table 2.1: Money Supply and its Main Components

	Outstanding stock (Billion of TZS)			Annual growth (%)		
	Jan-20	Dec-20	Jan-21	Jan-20	Dec-20	Jan-21
Net foreign assets	11,811.0	10,722.5	11,862.2	13.9	-10.9	0.4
Bank of Tanzania	11,973.5	10,308.8	11,389.7	16.4	-14.5	-4.9
Banks	-162.6	413.8	472.6	---	---	---
Net domestic assets	16,303.2	19,198.0	18,061.6	5.9	17.9	10.8
Domestic claims	23,692.0	26,139.6	25,161.9	6.6	10.8	6.2
Claims on central government (net)	3,882.3	5,831.3	4,838.4	-4.5	49.8	24.6
Claims on the private sector	19,809.7	20,308.3	20,323.5	9.1	3.1	2.6
Other items (net)	-7,388.8	-6,941.6	-7,100.4	8.1	-5.0	-3.9
Extended broad money (M3)	28,114.2	29,920.6	29,923.8	9.1	5.7	6.4
Foreign currency deposits	6,982.8	6,887.9	7,167.5	2.7	-2.1	2.6
Broad money supply (M2)	21,131.3	23,032.6	22,756.3	11.4	8.2	7.7
Other deposits	7,840.0	8,711.0	8,535.1	6.5	9.5	8.9
Narrow money supply (M1)	13,291.4	14,321.7	14,221.1	14.5	7.5	7.0
Currency in circulation	4,030.4	4,500.5	4,198.7	8.7	6.6	4.2
Transferable deposits	9,261.0	9,821.1	10,022.5	17.3	7.9	8.2

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

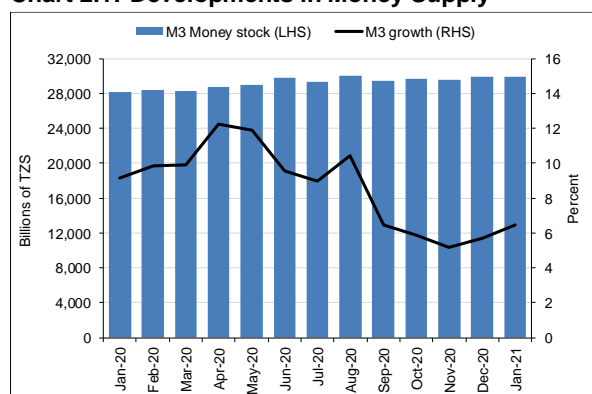
Note: "----" denotes a change that exceeds 100 percent

2.0 Money and Credit

2.1 Money Supply

Growth of money supply continued to improve, as the Bank of Tanzania sustained implementation of monetary policy easing to facilitate economic activities and private sector credit growth. Extended broad money supply (M3) grew by 6.4 percent in the year ending January 2021 compared with 5.7 percent and 9.1 percent in December 2020 and January 2020, respectively (Table 2.1 and Chart 2.1). Broad money supply (M2), grew by 7.7 percent compared to 8.2 percent and 11.4 percent.

Chart 2.1: Developments in Money Supply



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

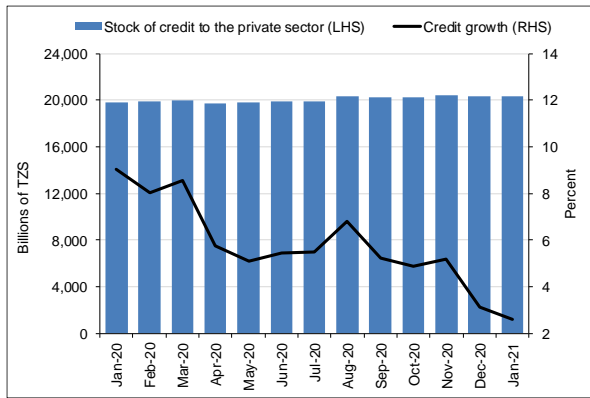
Note: LHS denotes left hand scale; and RHS, right hand scale

Credit extended by banks to the central government and private sector grew at an annual rate of 6.2 percent in January 2021 compared with 10.8 percent in December 2020 and 6.6 percent in January 2020. Credit to the central government, which was through banks purchase of government securities, rose by 24.6 percent. Credit extended to the private sector rose by TZS 513.8 billion, translating to an annual growth of 2.6 percent, compared to 3.1 percent in December 2020 (Table 2.1 and Chart 2.2)³. The slow growth of credit to private sector partly reflected spillover effects to businesses in the country, from the impact of COVID-19.

The profile of private sector credit by economic activities indicates a growth in lending to personal activities (largely micro, small and medium enterprises), transport and communication, and hotels and restaurants (Table 2.2). In terms of share, personal activities remained dominant, followed by trade and manufacturing activities accounting for 34.8 percent, 15.3 percent and 9.7 percent of total outstanding credit, respectively (Chart 2.3).

³ Revised from 3.0 percent

Chart 2.2: Credit to Private Sector from Banks



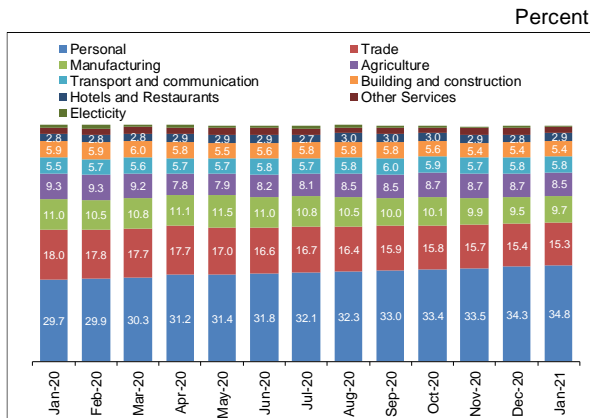
Source: Bank of Tanzania, banks and Bank of Tanzania computations
 Note: LHS denotes left hand scale; and RHS, right hand scale

Table 2.2: Annual Growth of Credit to Selected Economic Activities

	Jan-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
Personal	12.2	14.5	16.0	16.3	17.0	17.8	23.9	21.3
Transport and communication	17.4	17.5	22.1	23.6	20.8	16.7	7.8	8.0
Hotels and restaurants	-6.7	-4.1	11.7	9.5	10.6	8.7	-1.0	5.3
Mining and quarrying	3.2	-1.9	-4.6	-20.1	-16.4	-4.9	1.1	1.3
Building and construction	63.0	32.2	7.2	6.5	3.0	-3.2	-5.1	-5.4
Agriculture	31.3	-3.1	2.4	-0.5	-4.0	-3.4	-5.4	-6.3
Manufacturing	3.9	6.2	2.2	-0.1	-1.3	-3.0	-10.0	-8.5
Trade	7.0	-3.0	-4.7	-3.9	-5.9	-7.4	-9.6	-12.4

Source: Banks and Bank of Tanzania computations

Chart 2.3: Share of Credit by Major Economic Activities



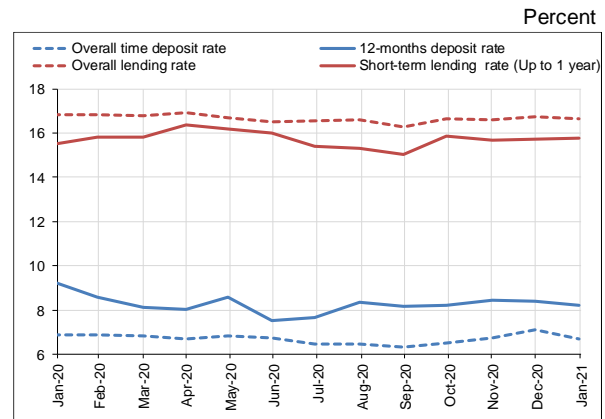
Source: Banks and Bank of Tanzania computations
 Note: Other activities include fishing, forest, hunting, financial intermediaries, mining and quarrying, real estate, mortgage, leasing, tourism, warehousing and storage, gas, water, education and health

2.2 Interest Rates

Interest rates on loans and deposits were lower in January 2021 than the corresponding period in 2020, partly responding to sustained monetary policy easing and regulatory measures implemented by the Bank of Tanzania. Overall

lending interest rate averaged 16.63 percent, declining from 16.81 percent. One-year lending interest rate averaged 15.76 percent compared with 15.51 percent. The overall and one-year time deposit interest rates averaged 6.68 percent and 8.23 percent, compared with 6.89 percent and 9.27 percent, respectively (Chart 2.4).

Chart 2.4: Selected Banks' Lending and Deposits Interest Rates



Source: Banks and Bank of Tanzania computations

2.3 Financial Markets

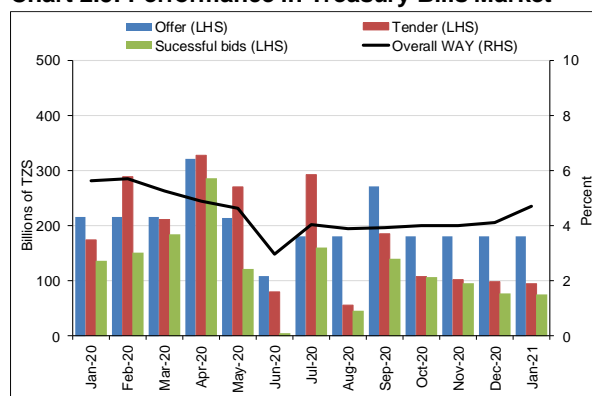
During January 2021, domestic money markets operations were generally satisfactory, and interest rates remained stable at low levels, consistent with monetary policy easing conditions. This sets environment for decline in cost of funds to public and private sectors. The shilling remained stable against major trading currencies.

2.3.1 Treasury Bills Market

The Bank of Tanzania conducted two Treasury bills auctions in January 2021 in line with the Government Issuance Plan for 2020/21. Tender size of TZS 90.73 billion per auction was maintained to cater for government budgetary operations and financial market developments. The auctions were under-subscribed, recording bids worth TZS 95.13 billion, out of which TZS 75.6 billion were successful. The overall weighted average yields remained at single digit, at an average of 4.69 percent in January 2021, up from

4.10 percent recorded in December 2020 (**Chart 2.5**).

Chart 2.5: Performance in Treasury Bills Market



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

2.3.2 Treasury Bonds Market

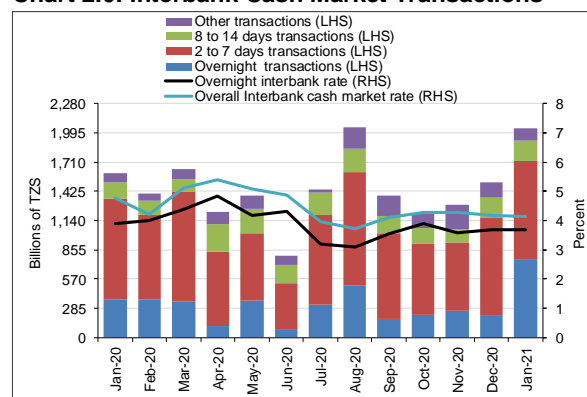
In January 2021, the Bank of Tanzania on behalf of the Government, conducted 2-year, and 15-year Treasury bonds worth TZS 122.5 billion and TZS 122.3 billion, respectively, for government budgetary financing. The auctions were undersubscribed, attributable to lagged impact of end-year payment obligations. The 2-year bond attracted bids worth TZS 34.6 billion, bids for 15-year bond amounted to TZS 100.1 billion. Successful bids for the 2-year and 15-year Treasury bonds amounted to TZS 34.6 billion and TZS 95.0 billion, respectively. Weighted average yields to maturity for 2-year and 15-year Treasury bonds increased to 7.51 percent and 13.57 percent from 7.09 percent and 13.53 percent in the preceding auctions, respectively.

2.3.3 Interbank Cash Market

Interbank cash market (IBCM) continued to be active, with market turnover of TZS 2,040.7 billion in January 2021 compared with TZS 1,513.5 billion in the preceding month. Transactions of 2-7 days tenure accounted for the largest share with 47.3 percent of total market turnover. Overnight IBCM interest rates remained unchanged, averaging 3.70 percent, while overall IBCM interest rates

decreased slightly to 4.16 percent from 4.17 percent in the preceding month (**Chart 2.6**).

Chart 2.6: Interbank Cash Market Transactions

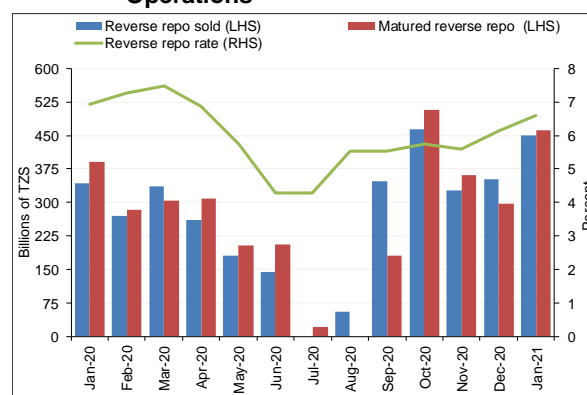


Source: Bank of Tanzania
Note: LHS denotes left hand scale; and RHS, right hand scale

2.3.4 Repurchase Agreements

In January 2021, reverse repurchase agreement (reverse repo), a monetary policy instrument for injecting liquidity in banks, amounted to TZS 449.8 billion compared with TZS 351.5 billion in the preceding month. Meanwhile, reverse repo worth TZS 461.0 billion matured compared with TZS 298.4 billion. Interest rate on reverse repo averaged 6.60 percent compared with 6.13 percent (**Chart 2.7**).

Chart 2.7: Reverse Repurchase Agreements Operations



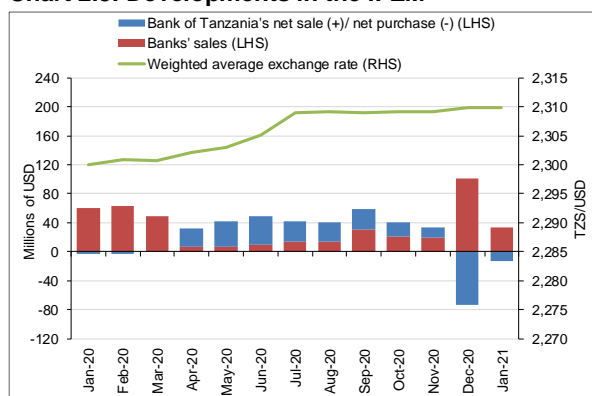
Source: Bank of Tanzania
Note: LHS denotes left hand scale; and RHS, right hand scale

2.3.5 Interbank Foreign Exchange Market

Transactions in the interbank foreign exchange market (IFEM) amounted to USD 41.6 million in January 2021, down from USD 109.5 million

traded in the preceding month. The Bank of Tanzania participated in the market for liquidity and reserves management purposes, with a net purchase of USD 12.4 million, compared to a net purchase of USD 73.6 million in the preceding month. The shilling remained stable against the US dollar, trading at an average of TZS 2,309.77 per US dollar compared to TZS 2,309.83 per US dollar traded in the preceding month and TZS 2,299.97 per US dollar in the corresponding period a year earlier. This development represents annual depreciation of 0.43 percent (**Chart 2.8**).

Chart 2.8: Developments in the IFEM

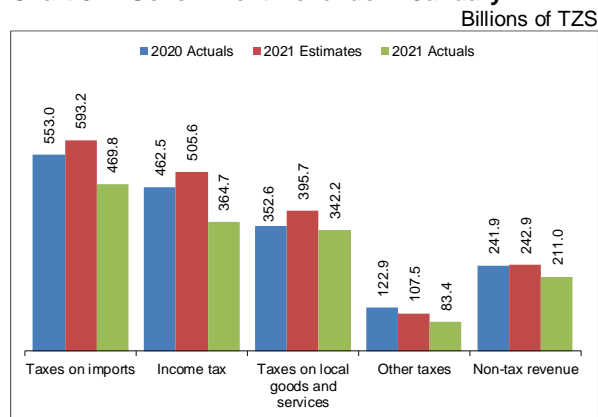


Source: Bank of Tanzania
Note: LHS denotes left hand scale; and RHS, right hand Scale

3.0 Government Budgetary Operations

In January 2021, domestic revenue performance was satisfactory across revenue sources, albeit moderately fairing below targets. Revenue amounted to TZS 1,535.5 billion, of which TZS 1,471.1 billion was from central government, and the balance was from local government own sources. Tax revenue amounted to TZS 1,260.1 billion, while non-tax revenue was TZS 211.0 billion (**Chart 3.1**).

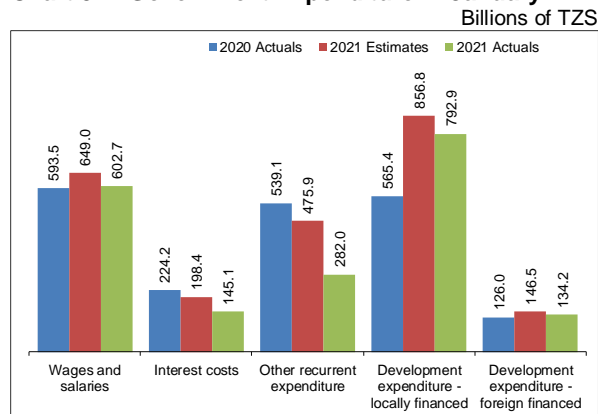
Chart 3.1: Government Revenue in January



Source: Ministry of Finance and Planning, and Bank of Tanzania computations
Note: 2021 actuals are provisional

Government expenditure, which continued to be aligned with available resources and priorities, amounted to TZS 1,956.8 billion in January 2021. Recurrent expenditure was TZS 1,029.8 billion, whereas development expenditure was TZS 927.0 billion (**Chart 3.2**). Development expenditure from local sources accounted for 85.5 percent of the amount spent on development projects.

Chart 3.2: Government Expenditure in January



Source: Ministry of Finance and Planning, and Bank of Tanzania computations
Note: 2021 actuals are provisional

4.0 Debt Developments

4.1 External Debt

The stock of external debt, comprising public and private sector, amounted to USD 24,500.3 million at the end of January 2021. The debt level represented an increase of USD 398.94 million from the preceding month. This is on the account

of new disbursements of external loans from the commercial window amounting to USD 471.4 million, all of which were received by the Central Government for development projects. Debt service payments amounted to USD 15.3 million, of which USD 6.9 million was principal repayment and the balance was interest payment.

The profile of external debt by borrower category remained unchanged, with debt owed by central government accounting for 77.9 percent, and the balance by the private sector (Table 4.1). In terms of creditor category, the composition of external debt remained broadly unchanged, with debt owed to multilateral institutions continuing to account for the largest share of 47.1 percent. Debt contracted from commercial sources placed second, accounting for 33.2 percent of total external debt (Table 4.2).

Table 4.1: External Debt Stock by Borrowers

Borrower	Millions of USD					
	Jan-20		Dec-20		Jan-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	17,566.0	78.1	18,554.0	77.0	19,088.9	77.9
DOD	16,613.9	73.9	17,555.8	72.8	18,037.6	73.6
Interest arrears	952.1	4.2	998.2	4.1	1,051.3	4.3
Private sector	4,835.2	21.5	5,495.6	22.8	5,360.9	21.9
DOD	3,833.5	17.0	4,293.3	17.8	4,284.6	17.5
Interest arrears	1,001.7	4.5	1,202.3	5.0	1,076.3	4.4
Public corporations	85.6	0.4	51.7	0.2	50.5	0.2
DOD	74.6	0.3	36.8	0.2	36.9	0.2
Interest arrears	11.0	0.0	14.9	0.1	13.6	0.1
External debt stock	22,486.8	100.0	24,101.4	100.0	24,500.3	100.0

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

Note: DOD denotes disbursed outstanding debt

Table 4.2: External Debt Stock by Creditors

Creditor	Millions of USD					
	Jan-20		Dec-20		Jan-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	10,354.9	46.0	11,531.0	47.8	11,549.4	47.1
DOD	10,319.9	45.9	11,482.4	47.6	11,507.8	47.0
Interest arrears	35.0	0.2	48.6	0.2	41.6	0.2
Bilateral	2,027.5	9.0	2,174.2	9.0	2,221.2	9.1
DOD	1,075.4	4.8	1,176.7	4.9	1,169.9	4.8
Interest arrears	952.1	4.2	997.5	4.1	1,051.3	4.3
Commercial	7,655.7	34.0	7,719.5	32.0	8,126.6	33.2
DOD	7,106.3	31.6	7,080.3	29.4	7,540.7	30.8
Interest arrears	549.4	2.4	639.2	2.7	585.9	2.4
Export credit	2,448.7	10.9	2,676.5	11.1	2,603.0	10.6
DOD	2,020.4	9.0	2,146.4	8.9	2,140.6	8.7
Interest arrears	428.3	1.9	530.1	2.2	462.4	1.9
External debt stock	22,486.8	100.0	24,101.4	100.0	24,500.3	100.0

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

Note: DOD denotes disbursed outstanding debt

In terms of use of funds, transport and telecommunication activities continued to account for the largest share of external debt at 26.5 percent, while funds used for social welfare and education was 17.7 percent (Table 4.3). The profile of the debt by currency composition points to dominance of debt contracted in US dollar and Special Drawing Rights (Table 4.4).

Table 4.3: External Debt by Use of Funds

Activity	Millions of USD					
	Jan-20		Dec-20		Jan-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Transport and telecommunication	5,535.9	27.0	5,898.1	26.9	5,916.0	26.5
Social welfare and education	3,497.0	17.0	3,962.5	18.1	3,960.3	17.7
Energy and mining	3,050.0	14.9	3,132.7	14.3	3,156.0	14.1
BoP and budget support	2,718.0	13.2	2,733.7	12.5	2,742.2	12.3
Real estate and construction	1,034.0	5.0	1,218.0	5.6	1,671.0	7.5
Other	1,501.1	7.3	1,452.1	6.6	1,399.8	6.3
Agriculture	1,288.0	6.3	1,389.8	6.4	1,385.0	6.2
Finance and insurance	1,074.0	5.2	1,104.7	5.0	1,142.4	5.1
Industries	652.0	3.2	803.4	3.7	799.0	3.6
Tourism	172.0	0.8	191.0	0.9	187.4	0.8
Total	20,522.0	100.0	21,886.0	100.0	22,359.1	100.0

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

Note: DOD denotes disbursed outstanding debt; and BOP balance of payments

Table 4.4: External Debt by Currency Composition

Currency	Millions of USD					
	Jan-20		Dec-20		Jan-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Special Drawing Rights	7,512.1	36.6	8,349.1	38.1	8,344.5	37.3
United States Dollar	9,059.1	44.1	9,243.1	42.2	9,696.5	43.4
African Unit of Account	2,060.6	10.0	2,269.2	10.4	2,297.5	10.3
Euro	632.3	3.1	704.9	3.2	703.3	3.1
Japanese Yen	488.2	2.4	522.5	2.4	516.2	2.3
Other	769.7	3.8	797.2	3.6	801.1	3.6
Total	20,522.0	100.0	21,886.0	100.0	22,359.1	100.0

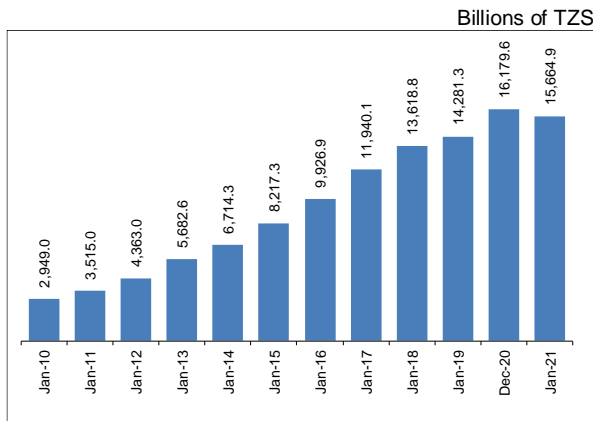
Source: Ministry of Finance and Planning, and Bank of Tanzania

Note: DOD denotes disbursed outstanding debt

4.2 Domestic Debt

Stock of domestic debt amounted to TZS 15,644.9 billion in January 2021, a decrease of TZS 514.6 billion from the preceding month, and an increase of TZS 1,027.1 billion from January 2020 (Chart 4.1). The decrease in debt was on account of settlement of statutory overdraft loan from the central bank. The composition of debt in terms of maturity profile continued to be dominated by longer-term debt instruments in form of Treasury bonds and stocks, accounting for 89.7 percent (Table 4.5).

Chart 4.1: Government Domestic Debt Stock



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

Table 4.5: Government Domestic Debt by Borrowing Instruments

Instruments	Jan-20		Dec-20		Jan-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	14,619.4	99.9	15,604.1	96.4	15,646.6	99.9
Treasury bills	2,844.6	19.4	1,642.2	10.1	1,592.9	10.2
Government stocks	252.7	1.7	252.7	1.6	252.7	1.6
Government bonds	11,522.1	78.7	13,709.1	84.7	13,800.9	88.1
Tax certificates	0.1	0.0	0.1	0.0	0.1	0.0
Non-secured debt	18.4	0.1	575.5	3.6	18.4	0.1
Other Liabilities*	18.4	0.1	18.4	0.1	18.4	0.1
Overdraft	-	-	557.1	3.4	-	-
Domestic debt (without liquidity paper)	14,637.8	100.0	16,179.6	100.0	15,664.9	100.0

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

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

The profile of domestic debt by creditor category continued to be dominated by commercial banks, accounting for 35.5 percent. The debt was through purchase of government securities issued for budgetary operations. Debt owed to pension funds, mainly through holdings of government securities, was 31.2 percent (Table 4.6).

Table 4.6: Government Domestic Debt by Creditor

Holders	Jan-20		Dec-20		Jan-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	5,483.8	37.5	5,632.1	34.8	5,392.6	34.4
Bank of Tanzania	1,313.2	9.0	1,801.0	11.1	1,243.7	7.9
Pension funds	4,326.8	29.6	4,833.7	29.9	4,890.5	31.2
Insurance	1,289.4	8.8	1,328.8	8.2	1,359.0	8.7
BOT's special funds	317.4	2.2	373.6	2.3	373.9	2.4
Others	1,907.3	13.0	2,210.4	13.7	2,405.4	15.4
Total	14,637.8	100.0	16,179.6	100.0	15,664.9	100.0

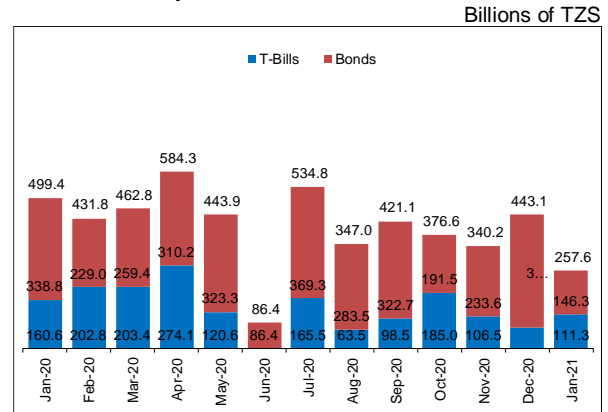
Source: Ministry of Finance and Planning, and Bank of Tanzania

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

In January 2021, Government securities worth TZS 257.6 billion were issued for budgetary operations, of which Treasury bonds amounted to TZS 146.3 billion and the balance was Treasury

bills (Chart 4.2). Domestic debt service amounted to TZS 352.9 billion, of which TZS 215.1 billion was principal repayment and the balance was interest payment.

Chart 4.2: Government Securities for Financing Purposes



Source: Bank of Tanzania

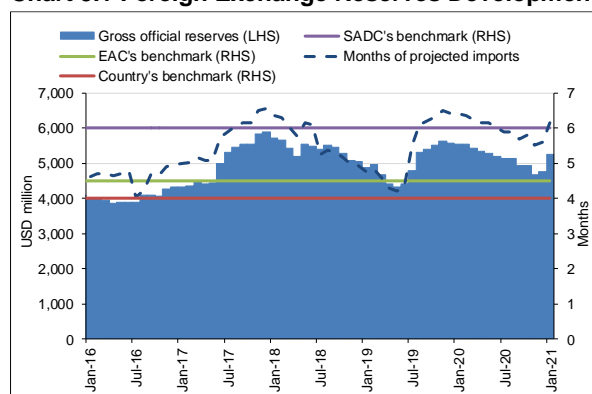
5.0 External Sector Performance

The performance of external sector of the economy remained satisfactory, despite facing spillover effects from the global impact of COVID-19. During the year ending January 2021, the current account deficit narrowed significantly to USD 372.5 million in the corresponding period of 2020 (Table 5.1). The improvement was largely driven by decrease in imports of goods and services, which declined by USD 1,786.6 million, much of it reflected in imports of goods. The overall balance of payments recorded a deficit of USD 264.8 million, compared with a surplus of USD 700.7 million in the corresponding period of 2020, owing to relatively low external financial inflows during the year to January 2021.

Foreign exchange reserves remained sufficient, amounting to USD 5,237.9 million at the end of January 2021. The reserves could cover about 6.2 months of projected imports of goods and services. The import cover was above the country benchmark of not less than 4 months, and

convergence criteria of at least 4.5 months and 6 months for EAC and SADC, respectively (**Chart 5.1**). Foreign assets of banks amounted to USD 1,337.1 million.

Chart 5.1 Foreign Exchange Reserves Development



Source: Bank of Tanzania

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

Table 5.1 Current Account

Millions of USD

Items	Year ending January					
	Jan-20	Dec-20	Jan-21	2019	2020	2021 ^p
Goods account	-229.9	-67.9	-228.3	-3,968.7	-3,177.2	-1,226.5
Exports*	556.8	621.6	435.5	4,381.4	5,521.2	6,307.4
Imports	786.7	689.6	663.8	8,350.1	8,698.4	7,533.9
Services account	188.42	158.2	163.3	2,168.8	2,500.5	1,224.7
Receipts	366.7	267.9	264.9	4,024.3	4,314.4	2,434.4
Payments	178.3	109.8	101.5	1,855.4	1,813.9	1,209.7
Goods and services	-41.5	90.2	-65.0	-1,799.9	-676.7	-1.8
Export of goods and services	923.5	889.6	700.4	8,405.6	9,835.5	8,741.8
Import of goods and services	965.0	799.3	765.4	10,205.6	10,512.2	8,743.6
Primary income account	-68.1	-73.7	-57.6	-592.1	-1,012.5	-742.9
Receipts	19.2	8.2	4.4	161.7	212.6	94.3
Payments	87.3	81.9	62.0	753.9	1,225.2	837.3
Secondary income account	55.3	42.7	39.4	431.4	450.5	372.2
Inflows	60.0	47.4	43.4	500.0	504.3	423.7
o/w General government	43.0	20.4	16.1	134.0	146.5	110.2
Outflows	4.6	4.7	4.0	68.6	53.8	51.5
Current account balance	-54.3	59.2	-83.2	-1,960.6	-1,238.7	-372.5

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

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

5.1 Exports Performance

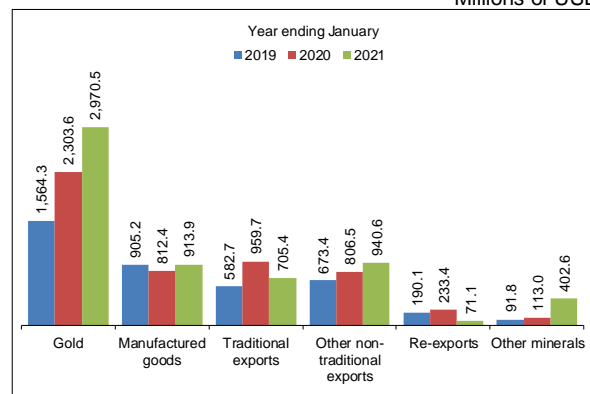
Exports of goods and services amounted to USD 8,741.8 million in year ending January 2021, a slight decrease from USD 9,835.5 million recorded in the corresponding period in 2020. Traditional exports amounted to USD 705.4 million from USD 959.7 million, accounting for 8.1 percent of total exports. Export of all major cash crop exports namely coffee, cotton, tea, sisal, cashew nuts, clove and tobacco declined. Non-traditional exports increased to USD 5,298.7 million from

USD 4,268.9 million, driven by good performance of minerals (except diamond), manufactured goods and horticultural products particularly edible vegetables and fruits (**Chart 5.2**). Export of gold increased by USD 666.9 million to USD 2,970.5 million on account of both volume and price effects, and accounted for 49.5 percent of the non-traditional exports.

On month-to-month basis, exports of goods and services amounted to USD 700.7 million in January 2021 compared with USD 923.5 million in the same period in 2020. The value of traditional goods exports decreased to USD 48.1 million from USD 161.8 million, largely explained by low export performance of cashew nuts, tobacco, and cloves. Non-traditional exports rose to USD 369.8 million from USD 365.1 million.

Chart 5.2: Exports of Goods

Millions of USD



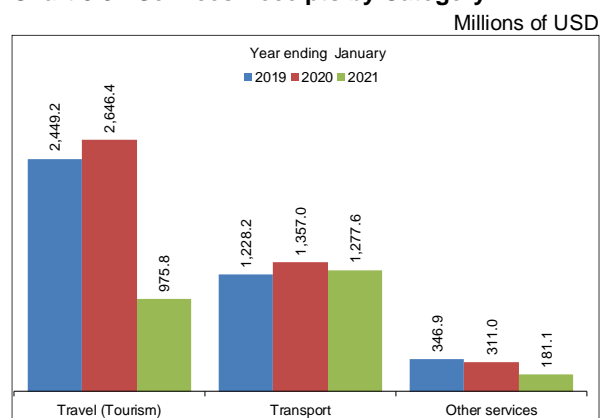
Source: Tanzania Revenue Authority and Bank of Tanzania computations

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

Foreign exchange from export of services amounted to USD 2,434.7 million during the year ending January 2021 compared to USD 4,314.4 million in the corresponding period in 2020. This was on account of decrease in travel receipts, which is mainly tourism, to USD 975.8 million from USD 2,646.4 million (**Chart 5.3**). The dismal performance of travel receipts was due to containment measures implemented globally to limit the spread of COVID-19 pandemic, which included lockdown and travel restrictions. The

impact manifested in decline in the number of tourists to 567,314 from 1,539,411. During January 2021, services receipts amounted to USD 264.9 million compared to USD 366.7 million in January 2020.

Chart 5.3: Services Receipts by Category



Source: Banks and Bank of Tanzania computations
 Note: Other services include construction, insurance, financial, telecommunication, computer and information, charges for the use of intellectual property, government, personal and other business services

5.2 Imports

Imports of goods and services decreased to USD 8,743.6 million in the year ending January 2021 from USD 10,512.2 million in the corresponding period of 2020 (Table 5.2). Much of the decrease was manifested in imports of oil and transport equipment. Oil imports declined by 35.6 percent to USD 1,187.9 million, and accounted for 15.8 percent of goods import and 13.6 percent of imports of goods and services. The low oil import bill is largely explained by decline in prices in the world market by 35.2 percent to USD 41.5 per barrel in the year to January 2021. Meanwhile, imports of transport equipment dropped by 21.2 percent to USD 763.8 million. On monthly basis, goods import bill decreased to USD 663.8 million from USD 786.7 million recorded in January 2020, largely attributed to a decline in intermediate goods particularly industrial raw materials.

Table 5.2: Goods Imports

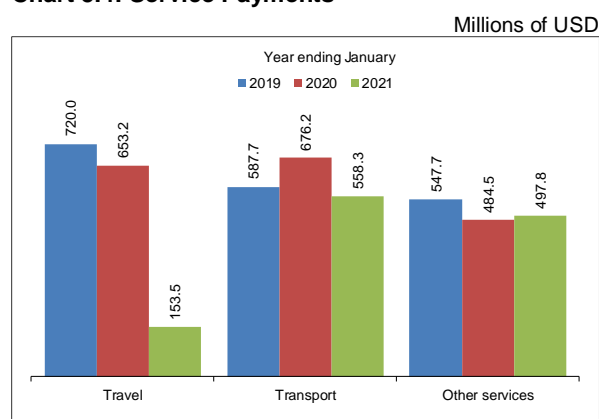
Items	Year ending January			Percentage change	Year ending January		Percentage change	Percentage contribution, year ending January 2021
	Jan-20	Dec-20	Jan-21		2020	2021 ^p		
Capital goods	305.3	282.7	297.1	5.1	3,675.7	3,156.2	-14.1	41.9
Transport equipment	77.0	74.7	91.9	23.1	969.5	763.8	-21.2	10.1
Building and constructions	101.6	81.7	82.5	1.0	1,041.2	896.5	-13.9	11.9
Machinery	126.7	126.2	122.6	-2.9	1,665.0	1,495.8	-10.2	19.9
Intermediate goods	265.6	201.4	172.2	-14.5	2,748.1	2,084.3	-24.2	27.7
Oil imports	170.6	106.1	105.3	-0.7	1,845.8	1,187.9	-35.6	15.8
Fertilizers	24.4	21.1	10.8	--	141.3	159.0	12.5	2.1
Industrial raw materials	70.6	74.2	56.1	-24.5	761.0	737.3	-3.1	9.8
Consumer goods	215.7	205.5	194.6	-5.3	2,274.5	2,293.5	0.8	30.4
Food and food stuffs	17.2	21.9	18.6	-15.4	217.3	227.2	4.5	3.0
All other consumer goods ¹	198.5	183.6	176.0	-4.1	2,057.2	2,066.3	0.4	27.4
Grand total	786.7	689.6	663.8	-3.7	8,698.4	7,533.9	-13.4	--

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: ¹ includes pharmaceutical products, paper products, plastic items, optical/photographic materials, and textile apparels; and p denotes provisional data

Services payment amounted to USD 1,209.7 million in the year ending January 2021, lower than USD 1,813.9 million recorded in similar period in 2020 (Chart 5.4). This was associated with a decline in resident travel abroad owing to travel restrictions implemented by trade partners to limit the spread of COVID-19. On month-to-month, services payments amounted to USD 101.5 million in January 2021 compared with USD 126.1 million in the corresponding period in 2020.

Chart 5.4: Service Payments



Source: Banks and Bank of Tanzania computations
 Note: Other services include construction, insurance, financial, telecommunication, computer and information, government, personal and other business services

The deficit in the primary income account narrowed to USD 742.9 million from USD 1,012.5 million recorded in the year ending January 2020, largely due to decrease in payments. On monthly basis, the deficit narrowed to USD 57.6 million in January 2021 compared with USD 68.1 million in the corresponding month in 2020.

Secondary income account recorded a lower surplus of USD 372.2 million compared to a surplus of USD 450.5 million in the corresponding period a year earlier, owing to decline in inflows. On monthly basis, the secondary income account recorded a surplus of USD 39.4 million in January 2021 compared to a surplus of USD 55.3 million in January 2020.

5.3 World Commodity Prices

In January 2021, prices of major commodities in the world market increased from the preceding month, except Robusta coffee and cloves (**Table 5.3**). Prices of crude oil and white products increased due to supply cut agreements made by OPEC, coupled with increase in global demand. Cotton and tea (Mombasa auction) prices rose due to increased demand, while that of Arabica coffee edged up owing to supply concerns in Brazil and Colombia. The price of gold increased slightly during the month due to financial market downturns (low yields and interest rates) which increased investment demand for gold as a safe haven. Meanwhile, clove prices fell on account of subdued demand.

On annual basis, most prices declined, except for Arabica coffee, gold and average tea prices. Lower oil and agricultural product prices was attributed to the effects of the prevailing global pandemic, which resulted in a decrease in demand and slowdown of some economic activities. The price of gold increased because of low interest rates and uncertainty on financial markets, prompting investors' preference for gold (**Table 5.3**).

Table 5.3: World Commodity Prices

Commodity	Unit measure	Dec-20	Jan-21	percentage change	Year ending January		percentage change
					(Twelve months average) 2020	2021	
Crude oil*	USD per barrel	49.9	54.6	9.4	64.4	41.5	-35.5
Crude oil**	USD per barrel	49.3	54.2	9.9	63.6	41.4	-34.9
White products***	USD per tonne	427.0	472.6	10.7	586.0	366.9	-37.4
Sisal under grade (UG)	USD per kg	1.7	1.7	0.0	1.7	1.7	-0.8
Cotton, "A Index"	USD per kg	1.8	1.9	7.7	1.7	1.6	-6.4
Robusta Coffee	USD per kg	1.6	1.6	-1.3	1.6	1.5	-5.7
Arabica Coffee	USD per kg	3.5	3.5	2.5	2.9	3.4	15.5
Tea (Average prices)	USD per kg	2.6	2.7	0.6	2.6	2.7	6.1
Tea (Mombasa auction)	USD per kg	1.9	2.0	4.8	2.2	2.0	-11.0
Cloves	USD per kg	5.2	4.4	-16.0	6.3	5.4	-15.1
Gold	USD per troy ounce	1858.4	1867.0	0.5	1,414.9	1,795.8	26.9

Source: www.worldbank.org/en/research/commodity-markets, Bloomberg and Tanzania Sisal Board

Note: * denotes crude oil Brent; ** crude oil Dubai f.o.b.; UG, under grade and *** average of jet/kerosene, premium gasoline and heat oil

6.0 Economic Performance in Zanzibar

6.1 Inflation

Inflation remained low and falling since early 2020. In January 2021, twelve-month headline CPI inflation was 0.5 percent, same as in the preceding month, but lower than 4.9 percent in the corresponding period in 2020 (**Table 6.1** and **Chart 6.1**). The decrease was driven by prices of rice, maize flour, cement, and petroleum products⁴. On month-to-month basis, overall prices rose by 1.1 percent in January 2021 compared with 1.2 percent in the corresponding period in 2020.

Table 6.1: Inflation Developments

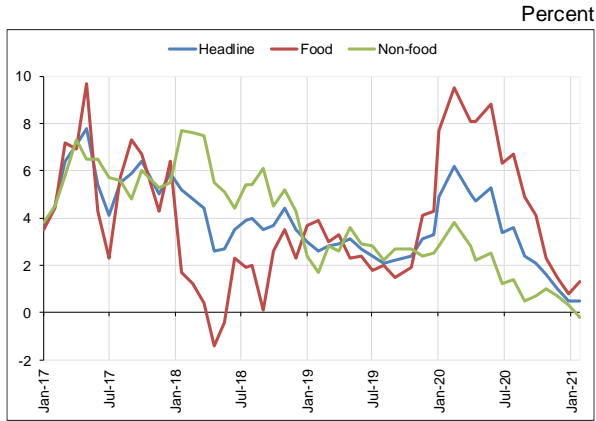
Base: Jan 2017=100

Main groups	Weight	Monthly change			Annual change		
		Jan-20	Dec-20	Jan-21	Jan-20	Dec-20	Jan-21
Food and non-alcoholic beverages	43.6	2.2	1.2	2.7	7.7	0.9	1.3
Alcoholic beverages, tobacco and narcotics	0.2	0.0	0.0	0.0	22.2	0.2	0.2
Clothing and footwear	6.9	0.0	-0.1	-0.1	0.2	1.0	0.9
Housing, water, electricity, gas and other fuels	18.4	0.0	-0.9	-1.2	1.7	0.1	-1.1
Furnishing, household equipment	5.5	-0.1	-0.1	0.2	2.6	0.9	1.3
Health	2.1	3.9	0.0	0.0	9.1	11.3	7.1
Transport	9.6	0.6	-0.6	-0.2	0.9	-4.1	-4.9
Communication	4.2	0.0	0.0	0.0	15.8	0.1	0.1
Recreation and culture	1.3	0.0	-0.2	0.0	2.3	3.5	3.4
Education	1.9	3.2	0.0	10.3	3.2	3.2	10.3
Restaurants and hotels	3.9	0.4	0.0	0.0	0.4	0.8	0.3
Miscellaneous goods and services	2.3	0.8	0.0	4.0	3.6	1.0	0.6
All items (Headline inflation)	100.0	1.2	0.3	1.1	4.9	0.5	0.5
Food	42.7	2.2	1.2	2.7	7.7	0.9	1.3
Non-food	57.3	0.4	-0.4	-0.1	2.8	0.3	-0.2

Source: Office of the Chief Government Statistician

⁴ Petroleum products include, Kerosene, Diesel and Petrol.

Chart 6.1: Annual Inflation Rates

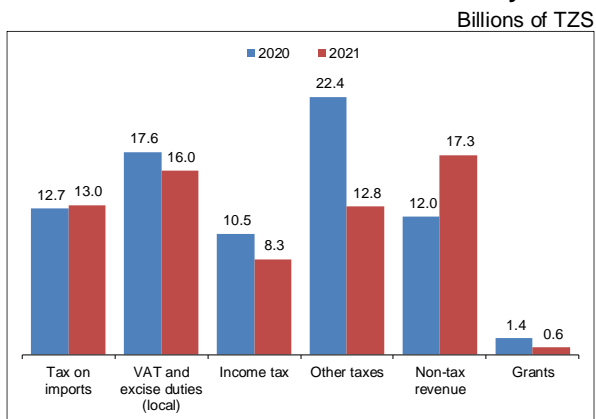


Source: Office of the Chief Government Statistician

6.2 Government Budgetary Operations

Government resources, comprising domestic revenue and foreign grants, amounted to TZS 68.0 billion in January 2021, of which domestic revenue was TZS 67.4 billion, while grants amounted to 0.6 billion. The domestic revenue was 75.2 percent of the target for the month, attributed to the effects of COVID-19 pandemic on major tax sources, particularly tourism. Tax revenue was TZS 50.1 billion, equivalent to 63.4 percent of the target, while non-tax revenue was TZS 17.3 billion, equivalent to 62.3 percent above the target (Chart 6.2).

Chart 6.2: Government Resources in January



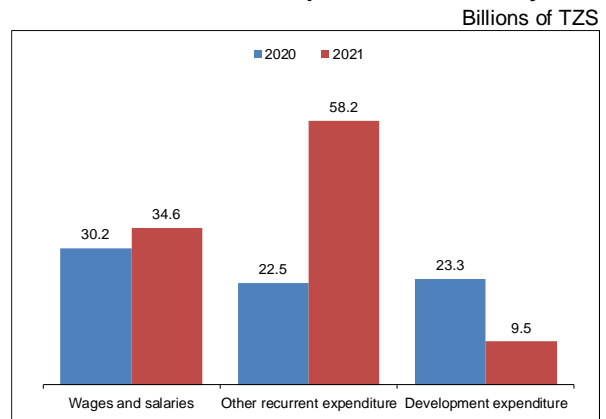
Source: President's Office, Finance and Planning, Zanzibar

Note: Other taxes include hotel and restaurant levies, tour operator levy, revenue stamps, airport and seaport service charges, road development fund and petroleum levy.

Expenditure amounted to TZS 102.3 billion, of which recurrent expenditure was TZS 92.8 billion

and TZS 9.5 billion was utilized for development projects (Chart 6.3). Local financing to development projects was TZS 6.4 billion, equivalent to 76.3 percent of the target, while foreign financing amounted to TZS 3.2 billion, equivalent to 71.9 percent of the target. Deficit after grants and adjustment to cash and other items was TZS 4.0 billion. The deficit was financed through domestic borrowing and program loans.

Chart 6.3: Government Expenditure in January



Source: President's Office, Finance and Planning, Zanzibar

Note: Other recurrent expenditure includes transfers, domestic debt interest payments, consolidated fund service and other charges

6.3 External Sector Performance

6.3.1 Current Account

Current account deficit increased to USD 128.7 million in the year ending January 2021 from a deficit of USD 68.2 million in the corresponding period in 2020. This was largely attributed to increase in imports of goods, coupled with decrease in services receipt (Table 6.2).

Table 6.2: Current Account

	Millions of USD					
	Jan-20	Dec-20	Jan-21 ^P	Year ending January		Percentage change
				2020	2021 ^P	
Goods account (net)	-16.3	-8.6	-22.6	-230.9	-293.4	27.1
Exports	10.1	12.4	0.5	24.2	28.6	18.3
Imports (fob)	26.5	21.0	23.1	255.1	322.0	26.2
Services account (net)	6.7	-3.4	-1.7	85.5	42.1	-50.7
Receipts	15.1	10.7	10.3	205.2	152.4	-25.7
Payments	8.4	14.2	12.0	119.7	110.3	-7.9
Goods and services (net)	-9.6	-12.0	-24.2	-145.4	-251.3	72.8
Exports of goods and services	25.2	23.1	10.9	229.4	181.0	-21.1
Imports of goods and services	34.9	35.1	35.1	374.8	432.3	15.3
Income account (net)	2.5	0.7	0.9	12.8	10.5	-17.7
Receipts	3.3	1.4	1.5	23.0	18.2	-20.7
Payments	0.8	0.7	0.6	7.2	7.7	7.1
Current transfers (net)	12.7	8.0	8.2	64.4	112.0	73.9
Inflows	13.3	8.8	8.9	92.6	121.6	31.3
Outflows	0.6	0.7	0.7	28.2	9.6	-66.1
Current account balance	5.6	-3.3	-15.2	-68.2	-128.7	88.7

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

Exports of goods and services amounted to USD 181.0 million in the year ending January 2021 compared with USD 229.4 million in the year ending January 2020, on account of dismal performance of services receipt, in particular tourism (Table 6.2). Earnings from cloves export declined by more than half to USD 6.5 million compared to USD 14.4 million earned in the year ending January 2020. (Table 6.3). On month-to-month basis, goods exports contracted to USD 0.5 million in January 2021 from USD 12.4 million in the previous month and USD 10.1 million in January 2020, largely due to decline in manufactured goods and other exports.

Table 6.3: Performance of Export of Goods

	Units	Year ending January					Percentage change
		Jan-20	Dec-20 ^P	Jan-21 ^P	2020	2021 ^P	
Traditional exports							
Clove							
Value	000' USD	9,123.8	356.7	0.0	14,404.9	6,479.9	-55.0
Volume	000 Tonnes	1.9	0.1	0.0	3.0	1.2	-58.7
Unit price	USD/Tonne	4,802.0	5,199.5	4,372.6	5,320.9	5,084.3	-4.4
Non-traditional exports							
Seaweeds							
Value	000' USD	525.1	9,237.3	154.1	4,479.4	13,608.8	--
Volume	000 Tonnes	0.8	1.4	0.5	7.3	16.7	--
Unit price	USD/Tonne	656.4	6,466.5	307.6	615.9	1,004.9	63.1
Manufactured goods	000' USD	136.9	2,094.7	240.2	3,467.0	4,828.6	39.3
Fish and fish products	000' USD	88.8	164.1	123.9	1,077.2	1,363.6	26.6
Others exports	000' USD	256.7	9,774.0	173.5	740.0	11,890.7	--
Sub-total	000' USD	1,007.5	12,032.8	537.6	9,763.6	21,858.4	--
Grand-total	000' USD	10,131.3	12,389.5	537.6	24,168.5	28,338.2	17.3

Source: Tanzania Revenue Authority and Bank of Tanzania computations

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

6.3.3 Imports

The value of imports of goods and services amounted to USD 432.3 million in the year ending January 2021 from USD 374.8 million in the corresponding period in 2020 (Table 6.2). This development was associated with increase in imports of capital and consumer goods. Most of the imported capital goods is machinery, transport equipment, building and construction materials. On month-to-month basis, imports (f.o.b) amounted to USD 23.1 million in January 2021 compared to USD 26.5 million in January 2020 and USD 21.0 million in December 2020. The bulk of imports in January 2021 comprised oil and other consumer goods at 48.8 percent compared to 20.9 percent in the preceding month and 38.5 percent in January 2020 (Table 6.4).

Table 6.4: Imports of Goods

	Millions of USD					
	Jan-20	Dec-20 ^P	Jan-21 ^P	Year ending January		Percentage change
				2020	2021 ^P	
Capital goods	6.7	12.2	6.3	64.6	175.2	---
Transport equipment	0.8	2.3	1.8	18.1	36.8	---
Building and construction	3.9	2.7	1.0	16.8	29.8	77.2
Machinery	2.0	7.2	3.4	29.7	108.6	---
Intermediate goods	8.6	4.2	10.9	115.8	78.5	-32.2
Oil imports	5.7	1.4	7.6	85.0	49.1	-42.2
Industrial raw materials	2.9	2.8	3.3	30.8	29.4	-4.6
Consumer goods	13.8	6.7	8.2	99.9	100.2	0.3
Food and food stuffs	8.3	3.3	3.4	51.4	37.8	-26.5
All other consumer goods	5.5	3.4	4.8	48.5	62.4	28.6
Grand total (c.i.f)	29.1	23.1	25.4	280.3	353.8	26.2
Grand total (f.o.b)	26.5	21.0	23.1	255.1	322.0	26.2

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: p denotes provisional data; "---", change that exceed 100 percent; c.i.f., cost, insurance, and freight; and f.o.b., free on board

Statistical Tables

Table A1: Selected Economic Indicators

	Unit	2015 ^r	2016 ^r	2017 ^r	2018 ^r	2019 ^p
National accounts and prices						
1.1 Annual change in GDP at current prices	Percent	14.2	14.9	9.6	8.7	8.4
1.2 Annual change in GDP at constant 2015 prices	Percent	6.2	6.9	6.8	7.0	7.0
1.3 GDP per capita-current prices (TZS)	'000' TZS	1,969.0	2,191.2	2,327.4	2,452.4	2,578.0
1.4 GDP per capita-current prices (USD)	USD	991.7	1,006.5	1,044.2	1,083.2	1,126.5
1.5 Annual 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
Money, credit and interest rates						
2.1 Annual change in extended broad money supply (M3)	Percent	18.8	3.4	8.0	4.5	9.6
2.2 Annual change in broad money supply (M2)	Percent	13.4	5.3	10.4	3.8	11.8
2.3 Annual change in narrow money supply (M1)	Percent	15.6	5.3	10.6	5.1	13.7
2.4 Annual change in reserve money (M0)	Percent	15.6	0.3	1.5	0.6	6.8
2.5 Annual change in credit to the private sector	Percent	24.8	7.2	1.7	4.9	11.1
2.6 Total credit to GDP ratio ¹	Percent	21.6	19.3	17.0	17.2	16.9
2.7 Non-government sector credit to GDP ratio ¹	Percent	16.4	15.3	14.2	13.7	14.1
2.8 Ratio of credit to non-government sector to total credit	Percent	76.0	79.5	83.8	79.8	83.5
2.9 12-Months deposit rate ²	Percent	10.8	11.5	11.7	8.8	8.8
2.10 Overall treasury bill rate ²	Percent	12.9	16.2	11.1	6.4	7.7
2.11 Long-term lending rate (3-5 years) ²	Percent	15.3	15.6	17.9	17.4	16.6
Balance of payments						
3.1 Exports of goods (f.o.b)	Mill. USD	4,826.7	4,873.9	4,510.8	4,445.1	5,504.2
3.2 Imports of goods (f.o.b)	Mill. USD	-9,843.1	-8,463.6	-7,551.7	-8,298.6	-8,600.0
3.3 Trade balance	Mill. USD	-5,016.3	-3,589.8	-3,041.0	-3,853.5	-3,095.9
3.4 Current account balance	Mill. USD	-4,477.4	-2,739.3	-1,827.1	-1,897.8	-1,161.1
3.5 Overall balance	Mill. USD	-224.8	279.8	1,643.9	-790.0	587.0
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	6.3	6.5
3.8 Exchange rate:						
Annual average	TZS/USD	1,985.4	2,177.1	2,228.9	2,264.1	2,288.6
End of period	TZS/USD	2,148.5	2,172.6	2,230.1	2,281.2	2,287.9
		2015/16	2016/17	2017/18	2018/19	2019/20
Public finance						
4.1 Current revenue to GDP ratio ¹	Percent	13.9	14.7	14.6	13.9	14.6
4.2 Grants to GDP ratio ¹	Percent	0.5	1.0	0.8	0.7	0.7
4.3 Current expenditure to GDP ratio ¹	Percent	13.2	10.2	10.5	10.4	9.8
4.4 Development expenditure to GDP ratio ¹	Percent	4.3	6.4	6.2	6.4	6.4
4.5 Overall Budget balance to GDP ratio ^{1,3}	Percent	-3.4	-1.4	-1.9	-3.2	-1.4
Total external debt stock	Mill. USD	17,222.8	18,651.1	20,503.0	21,920.9	22,522.7
5.1 Disbursed debt	Mill. USD	15,948.1	17,251.2	18,765.1	20,029.3	20,561.7
5.2 Interest Arrears	Mill. USD	1,274.7	1,399.9	1,737.9	1,891.7	1,961.0

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

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

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

	Budget	July 2020 - January 2021		January 2021	
	2020/21	Estimate	Actual	Estimate	Actual
Total revenue (including LGAs)	24,065,542.3	13,676,667.9	12,002,716.1	1,918,777.1	1,535,543.7
Central government revenue	23,250,581.3	13,179,965.8	11,561,790.6	1,844,901.1	1,471,123.2
Tax revenue	20,135,956.8	11,615,316.2	10,182,039.0	1,602,020.7	1,260,147.1
Taxes on imports	7,168,841.7	4,144,077.6	3,768,117.6	593,248.8	469,780.4
Sales/VAT and excise on local goods	4,473,393.9	2,701,080.8	2,310,517.3	395,707.7	342,248.5
Income taxes	7,173,649.0	4,002,977.7	3,480,636.9	505,604.5	364,688.2
Other taxes	1,320,072.2	767,180.2	622,767.2	107,459.7	83,430.0
Non- tax revenue	3,114,624.5	1,564,649.5	1,379,751.5	242,880.4	210,976.0
LGA own sources	814,961.0	496,702.1	440,925.5	73,876.0	64,420.5
Total expenditure ¹	29,100,434.0	15,692,090.4	13,089,310.9	2,326,668.7	1,956,823.1
Recurrent expenditure	16,321,179.0	9,311,442.2	7,962,437.5	1,323,326.2	1,029,792.3
Wages and salaries	7,762,389.5	4,517,497.4	4,232,863.6	648,978.4	602,722.6
Interest payments	2,870,582.5	1,473,276.8	1,479,660.5	198,416.0	145,117.8
Domestic	1,630,668.6	921,428.3	1,067,309.8	130,903.5	124,981.5
Foreign	1,239,913.8	551,848.5	412,350.7	67,512.4	20,136.2
Other goods, services and transfers	5,688,207.0	3,320,667.9	2,249,913.4	475,931.8	281,952.0
Development expenditure and net lending	12,779,255.0	6,380,648.3	5,126,873.4	1,003,342.5	927,030.8
Local	10,043,206.1	4,695,373.6	3,783,063.7	856,843.7	792,875.5
Foreign	2,736,048.9	1,685,274.6	1,343,809.7	146,498.8	134,155.3
Balance before grants	-5,034,891.7	-2,015,422.6	-1,086,594.8	-407,891.5	-421,279.5
Grants	949,322.5	550,759.1	460,207.2	56,163.7	72,539.9
Program	138,323.3	0.0	0.0	0.0	0.0
Project	614,461.0	366,919.0	362,759.5	30,228.7	35,464.4
Basket funds	196,538.3	183,840.1	97,447.7	25,935.0	37,075.6
Balance (cheques issued) after grants	-4,085,568.3	-1,464,663.5	-626,387.6	-351,727.8	-348,739.6
Expenditure float	0.0	0.0	-7,318.0	0.0	0.0
Adjustments to cash and other items (net)	0.0	0.0	-54,723.0	0.0	145,661.0
Overall balance	-4,085,568.3	-1,464,663.5	-688,428.6	-351,727.8	-203,078.6
Financing	4,085,568.3	1,464,663.5	688,428.6	351,727.8	203,078.6
Foreign financing (net)	2,497,399.1	976,483.0	804,000.7	1,083,727.5	1,106,473.2
Loans	4,960,679.7	2,302,065.5	1,988,160.6	1,257,885.0	1,122,442.8
Program loans	0.0	0.0	150,924.6	0.0	0.0
Development project loans	4,881,675.1	2,249,120.4	1,785,673.1	1,257,885.0	1,122,442.8
o/w: Non-concessional borrowing	3,035,630.0	1,167,550.0	1,060,827.4	1,167,550.0	1,060,827.4
Basket support	79,004.6	52,945.1	51,563.0	0.0	0.0
Amortization	-2,463,280.6	-1,325,582.5	-1,184,159.9	-174,157.6	-15,969.6
Domestic (net) ²	1,588,169.2	488,180.5	-115,572.2	-731,999.7	-903,394.6
Bank and non-bank financing	1,588,169.2	488,180.5	-115,572.2	-731,999.7	-903,394.6
Bank borrowing	1,419,911.0	436,460.3	-969,498.1	-654,448.1	-952,975.9
Non-bank (net of amortization)	168,258.2	51,720.2	853,925.9	-77,551.5	49,581.3
Borrowing/roll-over	3,316,078.4	1,708,076.9	1,965,880.5	286,622.6	289,324.7
Domestic and contingent debt amortization	-3,316,078.4	-1,708,076.9	-1,965,880.5	-286,622.6	-289,324.7

Table A3: Depository Corporations Survey

	Billions of TZS												
Items	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec20 ^r	Jan21 ^p
Net foreign assets	11,811.0	11,958.4	12,009.1	11,724.1	11,444.9	11,289.2	11,431.5	11,806.0	11,267.1	11,049.6	10,387.9	10,740.2	11,862.2
Bank of Tanzania	11,973.5	12,009.0	11,749.7	11,580.4	11,466.7	11,258.9	11,068.1	11,149.8	10,667.5	10,693.3	10,336.4	10,308.8	11,389.7
Other depository corporations	-162.6	-50.6	259.4	143.7	-21.7	30.3	363.4	656.2	599.5	356.3	51.5	431.4	472.6
Net domestic assets	16,303.2	16,458.5	16,233.4	17,043.7	17,585.9	18,552.4	17,907.4	18,197.2	18,162.1	18,651.6	19,233.0	19,178.0	18,061.6
Domestic claims	23,692.0	23,539.5	23,730.2	24,379.3	24,902.4	25,697.1	25,180.0	25,759.3	25,247.8	25,806.0	26,153.0	26,082.8	25,161.9
Claims on central government (net)	3,882.3	3,635.5	3,717.4	4,664.7	5,131.3	5,807.9	5,260.0	5,445.7	5,038.9	5,533.9	5,767.5	5,791.4	4,838.4
Claims on central government	8,677.7	8,989.0	9,170.3	9,411.8	9,880.3	9,137.2	11,500.7	12,027.0	12,313.4	12,768.6	13,034.5	12,559.2	12,081.2
Liabilities to central government	4,795.4	5,353.5	5,452.9	4,747.1	4,749.0	3,329.2	6,240.7	6,581.3	7,274.5	7,234.7	7,267.0	6,767.7	7,242.8
Claims on non-government sector	19,809.7	19,904.0	20,012.8	19,714.5	19,771.1	19,889.2	19,920.0	20,313.6	20,209.0	20,272.1	20,385.5	20,291.4	20,323.5
Other items (net)	-7,388.8	-7,081.0	-7,496.8	-7,335.5	-7,316.5	-7,144.7	-7,272.7	-7,562.1	-7,085.7	-7,154.4	-6,920.0	-6,904.9	-7,100.4
Broad money liabilities	28,114.2	28,417.0	28,242.4	28,767.9	29,030.8	29,841.6	29,338.8	30,003.2	29,429.2	29,701.2	29,620.9	29,918.2	29,923.8
Currency outside depository corporations	4,030.4	4,026.3	3,911.9	3,943.2	4,077.9	4,231.8	4,270.3	4,264.2	4,323.7	4,494.4	4,478.4	4,496.8	4,198.7
Transferable deposits	13,505.5	13,546.2	13,395.2	13,804.8	13,907.5	14,466.9	14,029.7	14,582.1	13,670.4	13,998.2	13,882.3	14,018.1	14,429.6
Non-transferable (other) deposits	10,578.3	10,844.5	10,935.3	11,019.9	11,045.4	11,142.9	11,038.8	11,156.9	11,435.0	11,208.6	11,260.3	11,403.3	11,295.5
Memorandum Items:													
Monetary aggregates													
Reserve money (M0)	7,200.8	7,114.5	6,876.6	7,445.4	7,509.8	8,302.4	7,609.5	8,124.5	7,627.9	8,068.3	7,437.5	7,169.3	7,105.6
Extended broad money (M3)	28,114.2	28,417.0	28,242.4	28,767.9	29,030.8	29,841.6	29,338.8	30,003.2	29,429.2	29,701.2	29,620.9	29,918.2	29,923.8
Deposits in foreign Currency (FCD)	6,982.8	7,154.2	7,209.9	6,741.0	6,879.7	6,630.1	6,771.5	7,369.0	7,138.6	6,704.4	6,715.2	6,903.0	7,167.5
<i>FCD in millions of USD</i>	<i>3,051.2</i>	<i>3,125.0</i>	<i>3,148.5</i>	<i>2,942.0</i>	<i>3,001.8</i>	<i>2,885.7</i>	<i>2,946.9</i>	<i>3,207.3</i>	<i>3,107.0</i>	<i>2,917.9</i>	<i>2,922.6</i>	<i>3,003.3</i>	<i>3,118.4</i>
Broad money (M2)	21,131.3	21,262.7	21,032.5	22,026.9	22,151.1	23,211.6	22,567.3	22,634.3	22,290.6	22,996.8	22,905.7	23,015.2	22,756.3
Other deposits in national currency (i.e. savings and time deposits)	7,840.0	7,923.2	8,051.3	8,144.0	8,214.0	8,341.7	8,231.1	8,320.7	8,623.3	8,424.0	8,577.8	8,701.6	8,535.1
Narrow money (M1)	13,291.4	13,339.5	12,981.2	13,882.9	13,937.1	14,869.9	14,336.3	14,313.6	13,667.3	14,572.8	14,327.9	14,313.6	14,221.1
Currency in circulation	4,030.4	4,026.3	3,911.9	3,943.2	4,077.9	4,231.8	4,270.3	4,264.2	4,323.7	4,494.4	4,478.4	4,496.8	4,198.7
Transferable deposits in national currency	9,261.0	9,313.2	9,069.3	9,939.7	9,859.2	10,638.1	10,066.0	10,049.4	9,343.5	10,078.4	9,849.5	9,816.8	10,022.5

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

Note: r denotes revised data and p, provisional data

Table A4: Interest Rates Structure

Items	2020												Percent
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug ^f	Sep	Oct	Nov	Dec ^f	Jan ^p
A: Domestic currency													
1. Interbank cash market rates													
Overnight	3.90	3.99	4.40	4.83	4.19	4.32	3.20	3.09	3.54	3.91	3.58	3.70	3.70
2 to 7 days	4.91	4.88	5.22	5.37	5.24	4.75	3.99	3.76	4.01	4.23	4.24	4.09	4.36
8 to 14 days	5.41	5.59	5.62	5.34	5.56	5.07	4.83	4.55	4.51	4.50	4.61	4.58	4.63
15 to 30 days	5.21	5.59	5.29	5.68	5.25	5.05	4.70	4.21	4.22	4.37	4.16	4.25	4.44
31 to 60 days	7.18	7.35	6.85	6.80	6.19	5.73	5.78	3.95	5.18	5.32	5.31	5.12	4.93
61 to 90 days	6.50	6.00	6.00	6.00	5.30	5.30	5.30	5.30	4.75	4.75	5.35	7.25	4.77
91 to 180 days	7.25	8.70	8.70	8.70	5.75	5.36	5.00	5.88	5.49	5.67	5.62	5.62	5.12
181 and above	7.33	7.33	7.33	7.71	7.56	7.69	10.00	10.00	6.77	6.96	7.95	8.35	8.35
Overall interbank cash market rate	4.79	4.20	5.14	5.41	5.08	4.87	3.97	3.74	4.12	4.28	4.29	4.17	4.16
2. Lombard rate	6.75	6.75	6.75	7.25	6.29	6.49	4.80	4.64	5.31	5.87	5.38	5.55	5.55
3. REPO rate	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
4. Reverse REPO rate	6.93	7.26	7.49	6.88	5.75	4.27	4.27	5.54	5.52	5.73	5.60	6.13	6.13
5. Treasury bills rates													
35 days	2.80	2.80	2.98	2.95	2.58	2.30	2.14	1.99	1.99	1.99	1.99	1.99	1.99
91 days	3.50	3.49	3.48	3.46	3.09	2.77	2.55	2.42	2.42	2.42	2.46	2.50	2.50
182 days	4.23	4.28	4.26	4.06	3.69	3.30	3.02	2.58	2.58	2.58	2.59	2.61	2.58
364 days	5.91	5.77	5.27	4.94	4.77	4.70	4.14	3.98	3.94	4.00	4.29	4.45	4.92
Overall treasury bills rate	5.64	5.72	5.25	4.88	4.64	2.97	4.04	3.88	3.94	4.01	4.01	4.10	4.69
6. Treasury bonds rates													
2-years	10.26	10.26	8.34	8.34	8.34	8.34	8.34	7.09	7.09	7.09	7.09	7.09	7.51
5-years	11.95	11.95	11.95	11.95	11.95	11.95	11.95	11.95	11.95	9.10	9.10	9.10	9.10
7-years	12.89	12.89	12.89	12.89	11.20	11.20	11.20	11.20	11.20	10.09	10.09	10.09	10.09
10-years	14.53	14.53	12.90	12.90	12.90	12.90	12.02	11.49	11.49	11.49	11.47	11.56	11.56
15-years	15.19	14.54	14.54	14.19	14.19	14.30	13.83	13.83	13.50	13.50	13.50	13.53	13.57
20-years	16.76	16.30	16.30	15.85	15.79	15.79	15.64	15.64	15.51	15.51	15.39	15.01	15.01
Bank rate	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
7. Discount rate	7.00	7.00	7.00	7.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
8. Savings deposit rate	2.29	2.27	2.30	2.38	2.43	2.26	2.32	2.35	2.32	2.35	2.34	2.45	2.50
9. Overall time deposits rate													
1 month	7.27	9.09	8.73	8.15	7.18	8.33	8.15	8.15	8.88	7.74	7.44	8.48	9.09
2 months	6.91	5.01	7.41	6.34	5.94	6.84	6.59	5.69	4.30	6.80	7.02	8.09	6.16
3 months	5.78	6.44	6.45	5.96	6.33	6.70	6.05	6.84	7.22	7.28	7.63	7.61	7.53
6 months	7.54	7.96	8.06	6.54	7.71	6.85	7.65	7.90	7.57	7.80	6.73	7.48	6.37
12 months	9.27	8.60	8.10	8.01	8.57	7.54	7.63	8.37	8.16	8.22	8.43	8.41	8.23
24 months	10.23	9.79	7.84	10.28	10.56	9.63	7.71	7.01	6.79	6.57	8.98	8.59	8.50
10. Negotiated deposit rate	9.51	9.50	9.41	9.66	9.53	9.27	9.39	9.31	9.05	9.12	8.20	9.22	9.22
11. Overall lending rate													
Short-term (up to 1 year)	15.51	15.84	15.83	16.37	16.20	15.99	15.38	15.30	15.04	15.87	15.70	15.72	15.76
Medium-term (1-2 years)	18.65	18.73	18.30	18.38	18.29	18.12	18.23	18.24	17.11	18.27	18.38	18.69	18.51
Medium-term (2-3 years)	17.92	17.85	17.52	17.63	17.50	17.35	17.41	17.44	17.68	16.90	16.87	16.83	16.85
Long-term (3-5 years)	16.51	16.39	16.30	16.28	16.06	15.88	16.20	16.11	16.20	16.20	16.19	16.23	16.06
Term Loans (over 5 years)	15.45	15.42	15.94	15.90	15.31	15.21	15.54	15.80	15.46	15.93	15.92	16.24	15.99
12. Negotiated lending rate	13.19	13.26	13.32	13.51	14.48	14.52	13.62	13.10	13.69	13.97	13.97	13.86	13.38
B: Foreign currency													
1. Deposits rates													
Savings deposits rate	2.55	2.62	2.64	2.56	1.56	0.80	1.12	1.17	1.16	0.95	0.83	1.04	0.79
Overall time deposits rate	2.36	1.86	1.84	2.60	2.26	2.24	2.29	2.24	2.14	2.23	2.59	2.45	2.39
1-months	1.31	1.46	1.01	1.06	1.01	1.07	1.05	1.79	1.18	1.15	1.17	1.35	1.73
2-months	2.59	1.13	1.11	2.99	2.32	2.03	2.25	2.36	2.04	2.70	4.13	2.11	2.68
3-months	2.43	1.37	1.21	3.09	2.96	3.27	3.23	2.13	2.84	2.30	3.21	3.33	2.70
6-months	2.28	2.23	2.74	2.96	2.40	2.36	2.62	2.80	2.76	2.83	2.40	1.92	1.75
12-months	3.20	3.13	3.12	2.92	2.62	2.49	2.33	2.10	1.87	2.15	2.04	3.53	3.09
2. Overall lending rate	6.17	6.40	6.24	6.37	6.39	6.45	6.50	6.37	6.51	6.87	6.97	6.82	6.84
Short-term (up to 1 year)	6.31	7.10	7.17	7.30	8.24	8.16	8.07	7.66	8.61	8.94	8.74	8.94	8.41
Medium-term (1-2 years)	5.03	5.11	5.38	5.56	4.81	4.67	4.70	4.63	4.59	4.07	4.34	4.00	4.50
Medium-term (2-3 years)	5.99	5.96	5.90	6.23	5.99	6.80	6.36	6.04	6.07	5.33	5.89	5.79	5.33
Long-term (3-5 years)	7.29	7.64	7.80	7.87	7.48	7.19	7.65	7.84	7.79	8.99	8.88	8.36	8.98
Term loans (over 5 years)	6.23	6.18	4.95	4.88	5.42	5.45	5.73	5.70	5.48	6.99	6.99	6.99	6.98

Source: Bank of Tanzania and banks

Note: p denotes provisional data

Table A5: Tanzania Balance of Payments

	Millions of USD					
Item	2014 ^f	2015 ^f	2016 ^f	2017 ^f	2018 ^f	2019 ^p
A. Current account	-5,062.0	-4,477.4	-2,739.3	-1,827.1	-1,897.8	-1,161.1
Goods: exports f.o.b.	5,160.3	4,826.7	4,873.9	4,510.8	4,445.1	5,504.2
Traditional	622.5	699.5	932.4	1,021.8	674.6	834.6
Non-traditional	3,973.1	3,688.5	3,498.4	3,078.9	3,366.4	4,169.2
o/w: Gold	1,288.4	1,374.6	1,508.8	1,541.1	1,524.1	2,215.1
Unrecorded trade	564.8	438.8	443.1	410.1	404.1	500.4
Goods: imports f.o.b.	-10,917.8	-9,843.1	-8,463.6	-7,551.7	-8,298.6	-8,600.0
Balance on goods	-5,757.5	-5,016.3	-3,589.8	-3,041.0	-3,853.5	-3,095.9
Services: credit	3,396.0	3,412.4	3,599.3	3,831.9	4,014.7	4,280.6
Transport	902.6	1,024.9	1,053.6	1,141.0	1,227.5	1,355.5
Travel	2,010.1	1,902.0	2,131.6	2,250.3	2,449.4	2,604.5
Other	483.2	485.5	414.1	440.5	337.8	320.6
Services: debit	-2,648.3	-2,629.1	-2,176.4	-2,039.9	-1,902.3	-1,761.7
Transport	-1,142.6	-1,047.0	-893.7	-800.3	-592.9	-662.1
Travel	-1,101.6	-1,195.3	-922.3	-807.3	-738.1	-651.1
Other	-404.1	-386.8	-360.4	-432.3	-571.3	-448.5
Balance on services	747.7	783.3	1,422.9	1,792.0	2,112.3	2,518.9
Balance on goods and services	-5,009.8	-4,233.1	-2,166.9	-1,249.0	-1,741.2	-577.0
Primary income: credit	118.4	110.3	98.5	125.3	155.9	212.4
o/w: Investment income	86.5	87.8	67.6	86.1	108.5	150.4
Compensation of employees	31.9	22.5	31.0	39.3	47.4	62.1
Primary income: debit	-647.9	-834.6	-1,053.6	-1,105.4	-781.1	-1,215.1
o/w: Direct investment income	-445.0	-550.0	-625.2	-700.0	-439.0	-790.2
Interest payments	-150.9	-248.6	-379.9	-358.0	-302.1	-384.6
Compensation of employees	-49.1	-33.2	-46.1	-45.0	-37.6	-37.9
Balance on primary income	-529.5	-724.3	-955.1	-980.1	-625.2	-1,002.6
Balance on goods, services and primary income	-5,539.3	-4,957.4	-3,122.0	-2,229.0	-2,366.4	-1,579.6
Secondary income: credit	535.5	560.1	452.7	485.2	535.8	474.9
Government	177.9	194.8	81.1	121.8	170.3	103.5
o/w: Miscellaneous current transfers (Multilateral HIPC relief)	0.0	0.0	0.0	0.0	0.0	0.0
Financial corporations, nonfinancial corporations, households and NPISH	357.6	365.3	371.6	363.4	365.5	371.4
o/w: Personal transfers	357.6	365.3	371.6	363.4	365.5	371.4
Secondary income: debit	-58.2	-80.2	-70.0	-83.2	-67.3	-56.4
Balance on secondary income	477.3	479.9	382.7	402.0	468.5	418.5
B. Capital account	547.9	380.1	446.2	376.8	255.0	420.5
Capital transfers: credit	547.9	380.1	446.2	376.8	255.0	420.5
General government	483.7	316.1	383.0	313.6	191.2	356.1
Other capital transfer (Investment grant)	457.9	290.3	357.3	287.8	185.2	356.1
Debt forgiveness (including MDRI)	25.8	25.8	25.8	25.8	6.0	0.0
Financial corporations, nonfinancial corporations, households and NPISH	64.2	64.0	63.2	63.2	63.8	64.4
Capital transfers: debit	0.0	0.0	0.0	0.0	0.0	0.0
Total, groups A plus B	-4,514.1	-4,097.3	-2,293.1	-1,450.3	-1,642.8	-740.6
C. Financial account, excl. reserves and related items	-3,022.6	-2,586.0	-1,734.9	-1,811.1	-1,668.1	-2,371.4
Direct investments	-1,416.1	-1,506.0	-864.0	-937.7	-971.6	-990.6
Direct investment abroad	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	1,416.1	1,506.0	864.0	937.7	971.6	990.6
Portfolio investment	-11.5	-27.6	5.0	-2.9	3.7	-35.2
Other investment	-1,595.0	-1,052.3	-875.8	-870.5	-700.3	-1,345.6
Assets	-29.7	331.8	-129.1	-117.8	149.8	31.8
Loans (Deposit-taking corporations, except the central bank)	-24.8	186.9	-95.8	-34.5	35.2	60.8
Currency and deposits	-4.9	144.9	-33.3	-83.4	114.5	-34.9
Deposit-taking corporations, except the central bank	-87.9	69.5	-150.1	-4.9	206.9	32.4
Other sectors	83.0	75.4	116.8	-78.5	-92.4	-67.3
Other assets	0.0	0.0	0.0	0.0	0.0	5.9
Liabilities	1,565.3	1,384.1	746.7	752.6	850.1	1,377.3
Trade credits	-1.0	-0.1	0.2	9.7	21.4	-8.9
Loans	1,551.8	1,481.6	815.8	760.0	791.2	1,411.0
Monetary authority	0.0	0.0	0.0	0.0	0.0	0.0
General government	1,115.2	1,013.3	296.2	363.1	455.4	1,342.5
Drawings	1,280.3	1,232.8	768.5	895.0	1,161.9	2,117.8
Repayments	-165.1	-219.5	-472.3	-531.9	-706.5	-775.3
Banks	14.6	97.0	209.2	176.1	-32.2	88.2
Other sectors	422.0	371.3	310.3	220.8	367.9	-19.7
Drawings	494.5	547.4	453.3	318.9	467.6	391.0
Repayments	-72.5	-176.4	-142.9	-98.1	-99.7	-410.7
Currency and deposits	14.4	-97.5	-69.3	-17.1	37.6	-24.7
Total, groups A through C	-1,491.5	-1,511.3	-558.3	360.8	25.3	1,630.8
D. Net errors and omissions	1,239.7	1,312.2	863.8	1,308.8	-809.4	-1,043.8
Overall balance	-251.8	-199.1	305.5	1,669.6	-784.0	587.0
E. Reserves and related items	-251.8	-199.1	305.5	1,669.6	-784.0	587.0
Reserve assets	-307.3	-273.7	232.2	1,598.7	-871.9	525.0
Use of Fund credit and loans	55.5	74.6	73.3	70.9	87.9	62.0
Memorandum items:						
CAB/GDP	-10.1	-9.4	-5.5	-3.4	-3.3	-1.9
CAB/GDP (excluding current official transfers)	-10.5	-9.8	-5.7	-3.7	-3.6	-2.1
Gross official reserves	4,377.2	4,093.7	4,325.6	5,900.3	5,044.6	5,567.6
Months of imports	4.2	4.6	5.4	6.9	5.8	6.2
Months of imports (excluding FDI related imports)	4.7	4.9	5.9	7.5	6.3	6.5
Exchange rate, TZS/USD (end of period)	1,725.8	2,148.5	2,172.6	2,230.1	2,281.2	2,287.9
Exchange rate, TZS/USD (annual average)	1,652.5	1,985.4	2,177.1	2,228.9	2,264.1	2,288.6

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	Transport	Housing, water, electricity, gas and other fuel	Clothing and footwear	Furnishing, housing equipment and routine maintenance	Communication	Restaurants and hotels	Alcohol and tobacco	Miscel. goods and services	Health	Recreation and culture	Education
Weight (%)	100	38.5	12.5	11.6	8.3	6.3	5.6	4.2	3.7	3.1	2.9	1.6	1.5
2019-Jan	3.0	0.7	4.0	11.7	3.7	3.9	-2.4	2.6	2.2	2.5	1.0	0.2	2.0
Feb	3.0	0.5	3.3	12.3	3.3	4.1	-2.0	3.6	2.5	2.6	1.5	0.2	1.8
Mar	3.1	0.1	4.1	13.0	3.4	4.3	-1.2	4.8	3.2	3.1	1.8	0.3	1.9
Apr	3.2	0.9	3.4	11.4	3.6	4.2	-1.1	4.9	3.2	2.7	2.2	0.6	2.1
May	3.5	2.2	4.1	8.8	3.7	4.3	-1.1	4.9	3.4	2.5	2.0	3.2	2.1
Jun	3.7	2.3	4.8	8.9	3.1	4.1	1.0	4.8	4.2	2.4	1.8	3.4	1.8
Jul	3.7	2.9	4.1	8.1	2.7	3.9	1.1	4.7	3.6	2.5	2.3	1.6	1.6
Aug	3.6	3.7	2.8	6.3	2.9	3.7	0.7	4.6	2.1	2.5	1.4	1.9	1.6
Sep	3.4	4.0	3.2	4.3	2.6	3.7	0.6	4.2	1.3	2.4	1.9	2.0	1.6
Oct	3.6	5.1	2.4	3.3	2.2	3.9	0.8	4.1	1.3	2.3	1.8	1.7	1.6
Nov	3.8	6.1	0.4	3.7	2.3	3.9	0.8	4.0	1.3	2.1	1.8	1.4	1.6
Dec	3.8	6.3	0.8	4.4	2.2	2.7	1.1	3.2	0.6	1.8	1.5	1.4	1.6
2020-Jan	3.7	5.7	1.7	4.8	2.1	2.5	1.1	2.8	0.5	1.6	1.4	1.1	1.3
Feb	3.7	5.9	2.2	4.5	2.1	2.2	0.7	2.1	0.1	1.5	0.9	1.1	1.5
Mar	3.4	5.3	-0.5	4.9	2.2	1.7	-0.2	0.7	-0.5	1.0	0.5	1.1	1.4
Apr	3.3	4.6	1.7	6.5	2.2	1.7	0.0	0.7	-0.4	1.1	0.2	0.7	1.3
May	3.2	4.4	1.3	6.7	2.1	1.7	0.0	0.7	-0.3	1.2	0.4	-1.2	1.3
Jun	3.2	3.8	-0.3	9.2	2.4	1.8	0.6	0.9	0.1	0.7	0.9	-1.0	1.3
Jul	3.3	3.8	0.5	9.5	2.3	1.8	0.2	1.9	0.1	0.6	0.9	0.7	1.3
Aug	3.3	3.7	1.7	8.6	1.9	1.7	0.5	1.9	0.9	0.8	0.9	0.4	1.3
Sep	3.1	3.4	1.7	8.5	2.0	1.7	0.5	1.5	-0.6	0.7	0.9	-0.3	1.2
Oct	3.1	3.4	2.0	8.2	2.0	1.5	0.4	1.6	-0.6	0.9	0.9	0.6	1.3
Nov	3.1	2.8	1.6	9.1	1.9	1.5	0.6	1.6	-0.6	0.9	1.0	0.7	1.3
Dec	3.2	3.0	0.9	10.2	2.7	1.3	0.3	1.9	-0.2	0.3	1.0	0.4	1.3

Base: Dec 2020 = 100

	Headline overall index	Food and non-alcoholic beverages	Alcoholic beverages and tobacco	Clothing and footwear	Housing, water, electricity, gas and other fuels	Furnishings, household equipment and routine household maintenance	Health	Transport	Information and communication	Recreation, sport and culture	Education services	Restaurants and accommodation services	Insurance and financial services	Personal care, social protection and miscellaneous goods and services
Weight (%)	100.0	28.2	1.9	10.8	15.1	7.9	2.5	14.1	5.4	1.6	2.0	6.6	2.1	2.1
2021-Jan	3.5	2.8	1.8	3.7	7.3	3.1	2.2	0.9	2.4	1.6	0.9	3.0	0.1	2.4

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)	Non-food (all items less food)	All items less food and energy	Energy and fuels (combining electricity and other fuels for use at home with petrol and diesel)
Weight (%)	37.1	62.9	54.3	8.7
2019-Jan	2.3	5.1	3.1	15.7
Feb	2.3	5.1	3.1	15.4
Mar	2.0	5.7	3.7	15.5
Apr	2.7	5.3	3.6	13.3
May	3.9	4.7	3.5	10.5
Jun	4.3	4.7	3.4	11.0
Jul	4.9	4.2	3.1	9.3
Aug	5.0	3.5	2.9	6.3
Sep	5.1	3.1	2.7	4.6
Oct	6.0	2.7	2.6	3.0
Nov	6.7	2.4	2.2	3.0
Dec	6.9	2.3	2.1	2.8
2020-Jan	6.4	2.4	2.1	4.0
Feb	6.6	2.4	2.2	3.2
Mar	5.9	2.2	2.1	2.9
Apr	5.2	2.5	2.1	4.1
May	5.2	2.4	2.2	3.5
Jun	4.7	3.0	2.6	4.7
Jul	4.9	3.2	2.6	5.7
Aug	4.8	3.1	2.5	5.9
Sep	4.5	3.1	2.5	5.8
Oct	4.4	3.0	2.4	5.7
Nov	3.7	3.2	2.5	6.3
Dec	4.0	3.4	2.3	8.0

Base: 2020=100									
	Core index	Non-core Index	Unprocessed food index	All items less unprocessed food index	Food crops and related items index	Energy, fuel and utilities index	Services index	Goods index	Education services and products ancillary to education index
Weight (%)	73.9	26.1	20.4	79.6	11.0	5.7	37.2	62.8	4.1
2021-Jan	3.8	1.5	1.4	3.7	1.3	1.6	2.9	3.4	2.5

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	Clothing and footwear	Furnishing, housing equipment and routine maintenance	Communication	Restaurants and hotels	Alcohol and tobacco	Miscel. goods and services	Health	Recreation and culture	Education
Weight (%)	100	38.5	12.5	11.6	8.3	6.3	5.6	4.2	3.7	3.1	2.9	1.6	1.5
2019-Jan	0.5	1.4	-0.8	-0.3	0.5	0.3	0.2	0.4	0.1	0.2	0.1	0.3	1.4
Feb	1.1	1.3	0.1	3.3	0.2	0.4	0.5	1.2	0.3	0.2	0.5	0.1	0.0
Mar	1.4	1.7	1.0	3.1	0.2	0.8	0.9	1.3	0.7	0.5	0.4	0.1	0.1
Apr	0.5	1.0	0.2	0.1	0.2	0.2	0.0	0.1	0.0	0.3	0.4	0.4	0.1
May	0.4	0.6	0.3	0.1	0.3	0.4	0.0	0.0	0.0	0.2	0.0	2.2	0.0
Jun	-0.2	0.2	-0.1	-1.3	-0.1	0.0	-0.6	-0.2	0.0	-0.1	0.0	0.0	0.0
Jul	-0.4	-0.7	0.0	-0.4	0.0	0.1	0.0	0.0	0.0	0.1	0.0	-1.8	0.0
Aug	-0.5	-1.1	-0.6	0.1	0.5	0.1	-0.4	0.1	-0.8	-0.1	0.1	0.4	0.0
Sep	-0.1	-0.3	0.1	0.1	0.0	0.0	0.0	0.3	0.0	0.0	0.0	2.0	0.0
Oct	-0.1	0.1	-0.4	-0.3	-0.1	0.1	0.1	-0.1	0.0	-0.1	0.0	-0.9	0.0
Nov	0.5	0.8	0.4	0.6	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Dec	0.6	1.3	0.7	-0.6	0.5	0.2	0.3	0.0	0.2	0.5	0.0	0.3	0.0
2020-Jan	0.4	0.9	0.1	0.1	0.3	0.2	0.2	0.0	0.0	0.0	0.0	0.1	1.0
Feb	1.1	1.4	0.5	3.1	0.2	0.1	0.1	0.5	0.0	0.0	0.0	0.0	0.2
Mar	1.1	1.1	1.0	3.4	0.3	0.3	0.0	-0.1	0.0	0.0	0.0	0.1	0.0
Apr	0.4	0.3	-0.4	1.7	0.3	0.2	0.2	0.0	0.0	0.4	0.1	0.0	0.0
May	0.2	0.4	-0.1	0.2	0.1	0.3	0.0	0.0	0.1	0.3	0.2	0.3	0.0
Jun	-0.2	-0.4	-1.6	1.1	0.2	0.1	0.0	0.0	0.5	-0.5	0.6	0.1	0.0
Jul	-0.2	-0.7	0.9	-0.2	-0.1	0.1	-0.4	1.0	0.0	0.0	0.0	0.0	0.0
Aug	-0.5	-1.2	0.5	-0.8	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Sep	-0.3	-0.7	0.1	-0.7	0.1	0.1	0.0	0.0	-1.5	0.0	0.0	-0.2	0.0
Oct	-0.1	0.0	0.0	-0.6	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nov	0.3	0.3	-0.1	1.5	0.1	0.1	0.2	0.0	0.0	0.0	0.1	0.1	0.1
Dec	0.8	1.5	0.0	0.4	1.2	0.0	0.0	0.4	0.6	0.0	0.1	0.0	0.0

Base: Dec 2020 = 100

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

Source: National Bureau of Statistics

Table A6(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)	Total non-food (all items less food)	All items less food and energy
Weight (%)	37.1	54.3	8.7	62.9
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
2020-Jan	1.1	-0.3	0.1	0.2
Feb	1.5	2.6	0.9	0.5
Mar	1.2	3.2	1.0	0.6
Apr	0.4	1.5	0.4	0.2
May	0.6	-0.2	0.1	0.2
Jun	-0.2	-0.3	0.1	0.2
Jul	-0.7	0.5	0.1	0.0
Aug	-0.2	-0.5	-0.1	0.0
Sep	-0.7	0.2	0.1	0.0
Oct	0.0	-0.8	-0.2	0.0
Nov	0.2	1.6	0.4	0.1
Dec	1.6	0.3	0.3	0.3

Base: Dec 2020 = 100

	Core index	Non-core Index	Unprocessed food index	All items less unprocessed food index	Food crops and related items index	Energy, fuel and utilities index	Services index	Goods index	Education services and products ancillary to education index
Weight (%)	73.9	26.1	20.4	79.6	11.0	5.7	37.2	62.8	4.1
2021-Jan	1.7	-1.3	-1.2	1.4	-1.6	-1.7	1.2	0.7	2.1

Source: National Bureau of Statistics

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.

External debt stock

The stock of a country's debt that is borrowed from foreign lenders through private commercial banks, foreign governments, or international financial institutions. It is the sum of public, publicly guaranteed, and private non-guaranteed long-term debt, use of IMF credit, and short-term debt, which includes all debt having an original maturity of one year or less and interest in arrears on long-term debt.

Food inflation

This is a measure of 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 based on the prevailing weighted average yield of 35-day T-bill, repo or overnight inter-bank rate, whichever is higher in the market plus a margin.

Money supply

The sum of currency circulating outside the banking system and deposits of residents with

banks defined in various levels of aggregation. In Tanzania, three aggregates of money supply are compiled and reported, namely; narrow money (M1), broad money (M2), and extended broad money (M3).

Non-food inflation

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

Narrow money (M1)

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

National debt

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

Public debt

Debt payable or guaranteed by the Government. Tanzania's public debt has two main components, domestic debt (which is incurred principally to finance fiscal deficit) and external debt (which is raised primarily to finance development projects. It comprises 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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