



**BANK OF TANZANIA**

**MONTHLY  
ECONOMIC  
REVIEW**

**March 2021**



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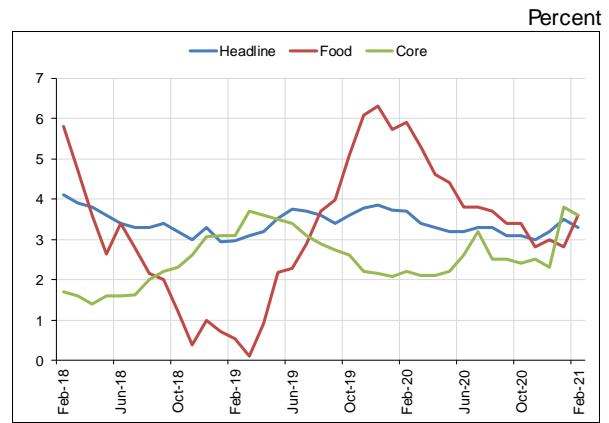
## 1.0 Prices and Food Stocks

### 1.1 Inflation Developments

Inflation continued to be low, evolving within the country and regional targets<sup>1</sup>. Twelve-month consumer price index (CPI) headline inflation eased to 3.3 percent from 3.5 percent in the previous month, largely driven by slowdown in prices of non-food consumer goods and services (**Chart 1.1a**, **Chart 1.1b** and **Table 1.1**). On month-to-month basis, headline inflation was 0.9 percent in February 2021, compared with 0.8 percent in the preceding month. Inflation is projected to remain within the target range of 3-5 percent for the remaining period of 2020/21.

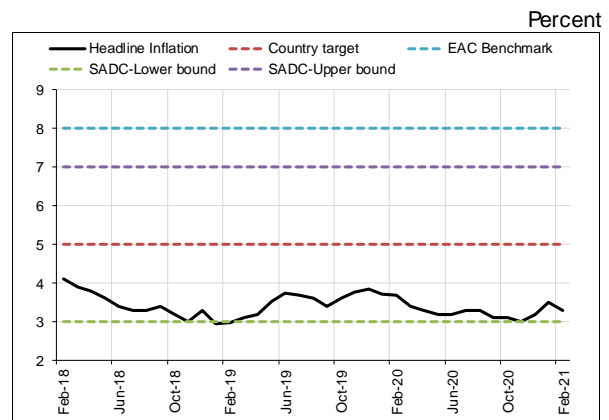
Twelve-month core inflation, which represents changes in prices of consumer goods and services, besides those of unprocessed food, energy, fuel and utilities, eased to 3.6 percent from 3.8 percent<sup>2</sup>. The decline was driven by decrease in prices of housing and information and communication. Food inflation (food and non-alcoholic beverages) rose to 3.6 percent from 2.8 percent, mainly on account of increase in prices of wheat grain, finger millet grain, fresh fish, sardines, fruits, fresh vegetables, fresh cassava, cocoyam and cooking banana. Inflation of consumer goods and services, which excludes unprocessed food, rose to 2.2 percent from 1.4 percent. Inflation of energy, fuel and utilities was 1.4 percent compared to 1.6 percent in the same period (**Table 1.1**).

**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

<sup>1</sup> The country inflation target is a range of 3-5 percent, while for EAC and SADC the benchmarks are utmost 8 percent and 3-7 percent, respectively.

<sup>2</sup> Core inflation index accounts for 73.9 percent of the overall CPI.

**Table 1.1: Inflation Rates**

Base December 2020 = 100

Main groups	Weight	Monthly change			Annual change		
		Feb-20	Jan-21	Feb-21	Feb-20	Jan-21	Feb-21
Food and non-alcoholic beverages	28.2	1.0	-0.4	1.8	5.9	2.8	3.6
Alcoholic beverages and tobacco	1.9	0.0	0.6	0.2	0.1	1.8	2.0
Clothing and footwear	10.8	0.2	1.9	0.5	2.1	3.7	4.0
Housing, water, electricity, gas and other fuels	15.1	3.4	1.1	0.6	4.5	7.3	4.4
Furnishings, household equipment and routine household maintenance	7.9	0.0	2.2	0.1	2.2	3.1	3.2
Health	2.5	0.0	1.0	0.7	0.9	2.2	2.8
Transport	14.1	0.6	1.5	0.7	2.2	0.9	1.0
Information and communication	5.4	0.4	0.2	0.1	0.7	2.4	2.0
Recreation, sport and culture	1.6	0.0	3.2	0.5	1.1	1.6	2.1
Education services	2	0.5	0.3	0.7	1.5	0.9	1.1
Restaurants and accommodation services	6.6	0.3	1.6	1.3	2.1	3.0	4.1
Insurance and financial services	2.1	0.0	0.1	0.2	n.a	0.1	0.3
Personal care, social protection and miscellaneous goods and services	2.1	-0.1	2.2	0.3	1.5	2.4	2.8
<b>All items-(headline inflation)</b>	<b>100</b>	<b>1.1</b>	<b>0.8</b>	<b>0.9</b>	<b>3.7</b>	<b>3.5</b>	<b>3.3</b>
<b>Other selected groups</b>							
Core index	73.9	0.8	1.7	0.5	2.2	3.8	3.6
Non-core index	26.1	1.4	-1.3	2.0	n.a	1.5	2.1
Unprocessed food index	20.4	1.2	-1.2	2.0	n.a	1.4	2.2
All items less unprocessed food index	79.6	0.9	1.4	0.6	n.a	3.7	3.4
Food crops and related items index	11	1.8	-1.6	1.6	n.a	1.3	1.0
Energy, fuel and Utilities index	5.7	2.0	-1.7	1.8	3.2	1.6	1.4
Services index	37.2	1.3	1.2	0.6	n.a	2.9	2.3
Goods index	62.8	0.8	0.7	1.0	n.a	3.4	3.7
Education services and products ancillary to education index	4.1	0.2	2.1	0.2	n.a	2.5	2.5

Source: National Bureau of Statistics and Bank of Tanzania computations

Note: n.a denotes not available

## 1.2 Food Stocks Held by NFRA

Food stocks held by the National Food Reserve Agency (NFRA) remained almost unchanged since September 2020, averaging 110,350 tonnes, indicating adequate food in the country (Table 1.2). The food stocks comprised maize grain, rice and sorghum.

**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	110,389
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

## 1.3 Prices of Food Crops

Prices of maize, rice, beans and sorghum were lower in February 2021 than in the preceding month, while those of round potatoes and finger millet increased (Table 1.3)<sup>3</sup>. Over the past year, prices of these food crops generally declined, except finger millet (Chart 1.2). The decline in prices of most of the staple food reflected adequate food supply in the country.

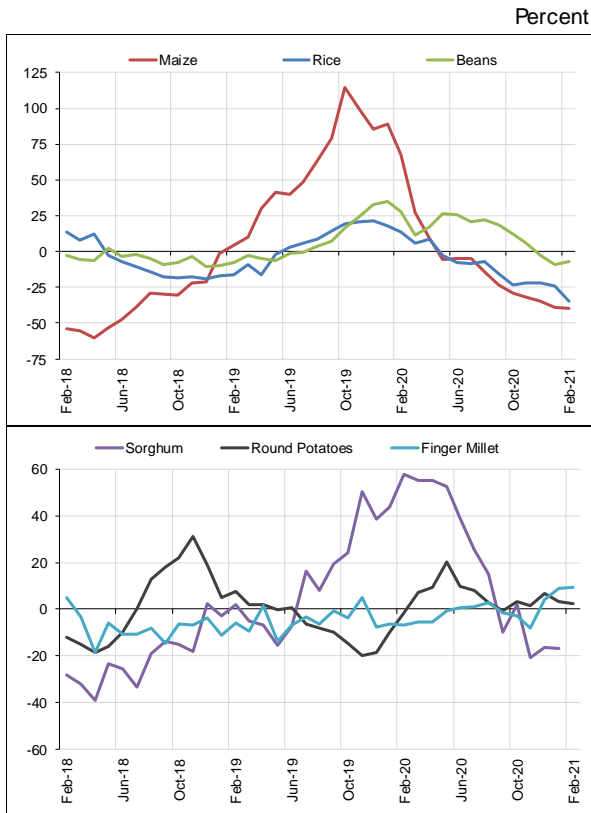
**Table 1.3: Wholesale Prices of Selected Food Crops**

Food crop	TZS per 100kg				
	Feb-20	Oct-20	Dec-20	Jan-21	Feb-21
Maize	85,038.0	57,188.1	56,892.1	56,866.7	51,450.1
Rice	190,898.0	139,603.4	147,654.2	144,285.4	124,829.0
Beans	210,208.0	199,022.0	205,164.1	198,531.6	195,554.6
Sorghum	116,055.0	95,498.7	87,528.7	88,660.2	n.a
Round potatoes	73,993.0	72,265.4	74,198.7	74,860.3	75,674.1
Finger millet	128,866.0	124,249.2	135,678.6	139,094.0	140,904.4

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

<sup>3</sup> Major food crops are maize, rice, beans, sorghum, round potatoes and finger millet.

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

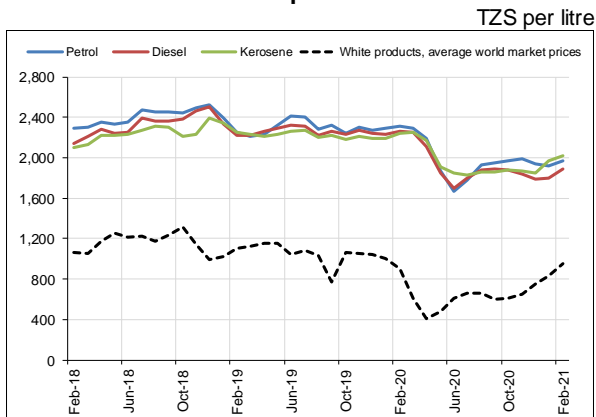


Source: Ministry of Industry and Trade, and Bank of Tanzania computations

## 1.4 Fuel Prices

Domestic pump prices of petroleum products continued to rise moderately, the trend observed since June 2020, reflecting increasing global demand (Chart 1.3). However, the pump prices were lower in February 2021 compared with those registered in the corresponding period in 2020, indicating a subdued recovery in prices.

**Chart 1.3: Domestic Pump Prices**



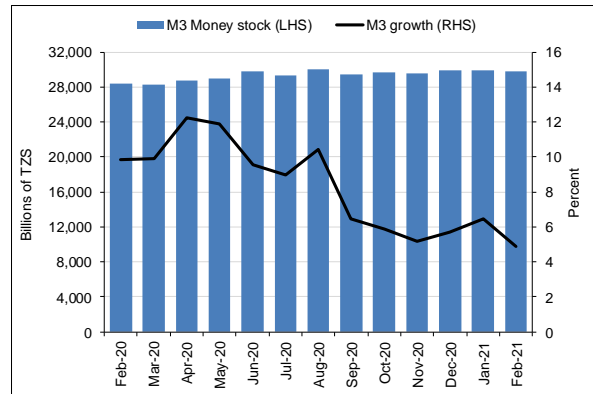
Source: National Bureau of Statistics

## 2.0 Money and Credit

### 2.1 Money Supply

In February 2021, the Bank of Tanzania sustained implementation of monetary policy easing to support banks in lending to the private sector. This contributed to increase in extended broad money supply (M3) to TZS 29,806.6 billion in February 2021 from TZS 28,417.0 billion in February 2020. The increase translated to an annual growth of 4.9 percent in February 2021 compared with 6.4 percent in the preceding month. Broad money supply (M2) grew by 7.1 percent compared with 7.7 percent (Table 2.1 and Chart 2.1).

**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

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

	Outstanding stock (Billion of TZS)			Annual growth (%)		
	Feb-20	Jan-21	Feb-21	Feb-20	Jan-21	Feb-21
Net foreign assets	11,958.4	11,862.2	11,517.5	12.4	0.4	-3.7
Bank of Tanzania	12,009.0	11,389.7	11,371.9	13.9	-4.9	-5.3
Banks	-50.6	472.6	145.6	---	---	---
Banks	15.4	19.2	18.9	17.3	22.4	
Net domestic assets	16,458.5	18,061.6	18,289.1	8.1	10.8	11.1
Domestic claims	23,539.5	25,161.9	25,154.5	5.8	6.2	6.9
Claims on central government (net)	3,635.5	4,838.4	4,755.4	-5.0	24.6	30.8
o/w Bank of Tanzania	-999.0	-576.5	-680.5	---	-24.9	-31.9
Claims on central government	8,989.0	12,081.2	12,506.0	14.4	39.2	39.1
o/w Securities held by banks	5,337.4	5,707.4	5,720.3	4.5	7.2	7.2
Liabilities to Central Government	5,353.5	7,242.8	7,750.6	---	51.0	44.8
Claims on the private sector	19,904.0	20,323.5	20,399.0	8.0	2.6	2.5
o/w Extended in Shillings	14,249.5	15,266.6	15,280.9	-90.2	8.2	7.2
Extended in foreign currency	5,654.5	5,056.9	5,118.1	-82.5	-11.3	-9.5
Other items (net)	-7,081.0	-7,100.4	-6,865.3	0.9	-3.9	-3.0
Extended broad money (M3)	28,417.0	29,923.8	29,806.6	9.9	6.4	4.9
Foreign currency deposits	7,154.2	7,167.5	7,042.6	8.5	2.6	-1.6
Broad money supply (M2)	21,262.7	22,756.3	22,764.0	10.3	7.7	7.1
Other deposits	7,923.2	8,535.1	8,337.8	4.8	8.9	5.2
Narrow money supply (M1)	13,339.5	14,221.1	14,426.2	13.9	7.0	8.1
Currency in circulation	4,026.3	4,198.7	4,326.7	7.8	4.2	7.5
Transferable deposits	9,313.2	10,022.5	10,099.5	16.7	8.2	8.4

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

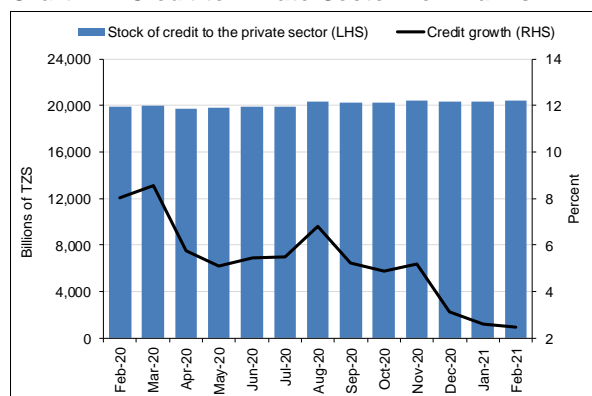
Note: "----" denotes a change that exceeds 100 percent

Domestic credit, comprising credit extended to the private sector and central government, grew at an

annual rate of 6.9 percent in February 2021, higher than 6.2 percent in January 2021 and 5.8 percent in February 2020. Credit extended by banks to the central government, which was through purchase of government securities, grew by 7.2 percent, within the borrowing limit set forth in 2020/21 Government budget. Credit extended to the private sector increased by TZS 495.1 billion, equivalent to an annual growth of 2.5 percent, almost as in January 2021 (**Table 2.1** and **Chart 2.2**). The subdued growth of credit to the private sector was attributable to the adverse impact of COVID-19 to some economic activities, particularly those directly exposed to external shocks, such as tourism.

Economic activities, which recorded strong positive credit growth include personal activities (largely representing lending for micro and small enterprises), hotel and restaurant, and transport and communication (**Table 2.2**). In terms of share to private sector credit outstanding, loans extended for personal activities continued to dominate, followed by trade and manufacturing activities (**Chart 2.3**).

**Chart 2.2: Credit to Private Sector from Banks**



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

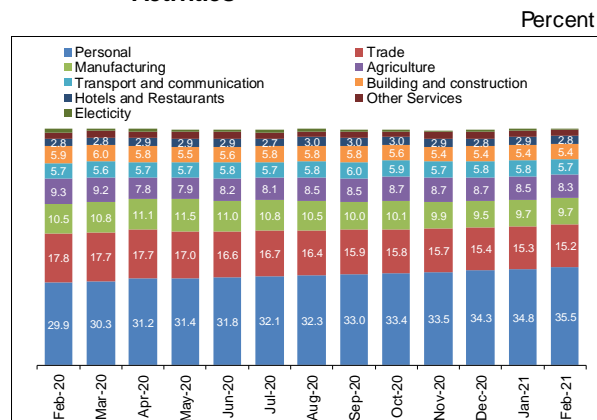
Note: LHS denotes left hand scale; and RHS, right hand scale

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

	Percent						
	Feb-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
Personal	13.7	16.3	17.0	17.8	23.9	21.3	22.1
Hotels and restaurants	-5.9	9.5	10.6	8.7	-1.0	5.3	4.3
Transport and communication	17.3	23.6	20.8	16.7	7.8	8.0	3.9
Mining and quarrying	-12.2	-20.1	-16.4	-4.9	1.1	1.3	1.0
Manufacturing	-2.8	-0.1	-1.3	-3.0	-10.0	-8.5	-4.9
Building and construction	51.9	6.5	3.0	-3.2	-5.1	-5.4	-7.0
Agriculture	22.9	-0.5	-4.0	-3.4	-5.4	-6.3	-7.2
Trade	3.3	-3.9	-5.9	-7.4	-9.6	-12.4	-11.9

Source: Banks and Bank of Tanzania computations

**Chart 2.3: Share of Credit by Major Economic Activities**



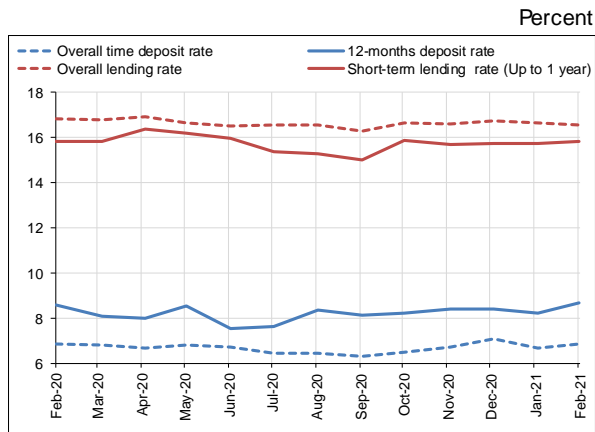
Source: Banks and Bank of Tanzania computations

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 charged by banks on loans slightly declined in February 2021, responding slowly to accommodative monetary conditions and regulatory measures implemented by the Bank of Tanzania to improve financial intermediation. Overall lending interest rate was 16.57 percent compared with 16.84 percent in February 2020, while one-year lending interest rate remained almost unchanged, at 15.82 percent from 15.84 percent. Interest rates offered on deposits also remained virtually unchanged, with overall and one-year time deposits interest rates of 6.88 percent and 8.67 percent compared with 6.87 percent and 8.60 percent, respectively (**Chart 2.4**).

**Chart 2.4: Selected Banks' Lending and Deposits Interest Rates**



Source: Banks and Bank of Tanzania computations

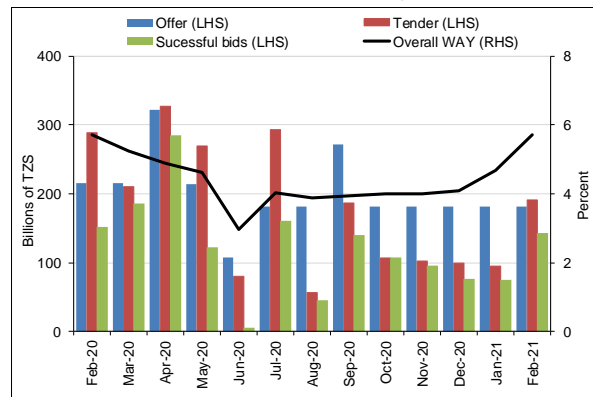
## 2.3 Financial Markets

Domestic financial markets performed satisfactorily in February 2021, characterized by low and stable interbank interest rates and increase in investors' demand for long-term government debt securities. The foreign exchange market remained stable, supported by a narrowing current account deficit and sustained prudence in fiscal and monetary policies.

### 2.3.1 Treasury Bills Market

The Bank of Tanzania conducted two Treasury bills auctions in February 2021, with a tender size of TZS 90.73 billion per auction, largely for rolling over. The auctions were over-subscribed, recording bids worth TZS 190.86 billion, of which TZS 143.4 billion were successful. Weighted average yield was 5.71 percent in February 2021 compared to 4.69 percent in January 2021 (**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

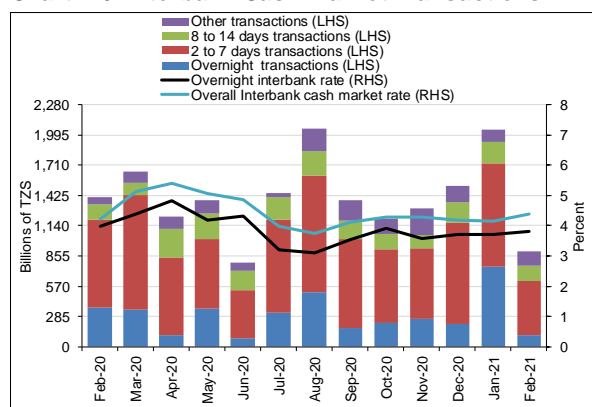
In February 2021, the Bank of Tanzania auctioned 15-year and 20-year Treasury bonds for Government budgetary operations worth TZS 122.3 billion and TZS 136.6 billion, respectively. The 15-year Treasury bond auction was under-subscribed by TZS 47.6 billion, while the 20-year Treasury bond auction was over-subscribed by TZS 215.0 billion. Successful bids amounted to TZS 69.2 billion for the 15-year bond and TZS 250.0 billion for the 20-year bond. Average yield to maturity for 15-year bond was 13.60 percent in February 2021 compared with 13.57 percent when it was last issued, while that of 20-year bond rose to 15.41 percent from 15.01 percent.

### 2.3.3 Interbank Cash Market

Transactions in the interbank cash market amounted to TZS 893.9 billion in February 2021, compared with TZS 2,040.7 billion in the preceding month, reflecting adequate liquidity in the banking system. Transactions of 2-7 days tenure accounted for 56.9 percent of total market turnover. The overall and overnight IBCM interest rate remained low, at 4.39 percent and 3.81 percent, compared with 4.16 percent and 3.70 percent in the preceding month, respectively (**Chart 2.6**).



**Chart 2.6: Interbank Cash Market Transactions**

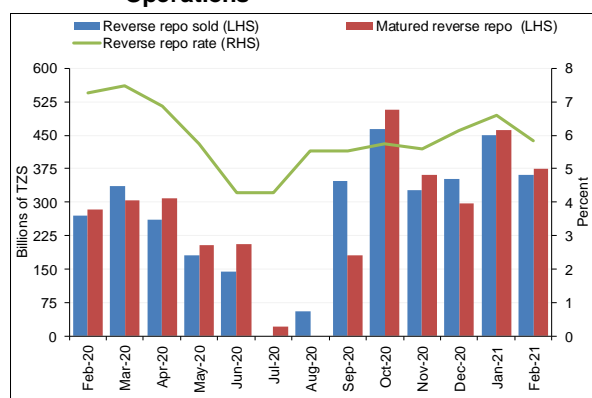


Source: Bank of Tanzania  
 Note: LHS denotes left hand scale; and RHS, right hand scale

### 2.3.4 Repurchase Agreements

In February 2021, the Bank of Tanzania conducted auction of reverse repurchase agreements (reverse repo) for the purpose of injecting liquidity in banks, consistent with the prevailing monetary policy easing stance. Auctions of reverse repo amounted to TZS 360.8 billion compared with TZS 449.8 billion in the preceding month. Meanwhile, reverse repo worth TZS 374.2 billion matured, compared with TZS 461.0 billion in January 2021. Interest rate on reverse repo decreased to 5.84 percent from 6.60 percent (Chart 2.7).

**Chart 2.7: Reverse Repurchase Agreements Operations**

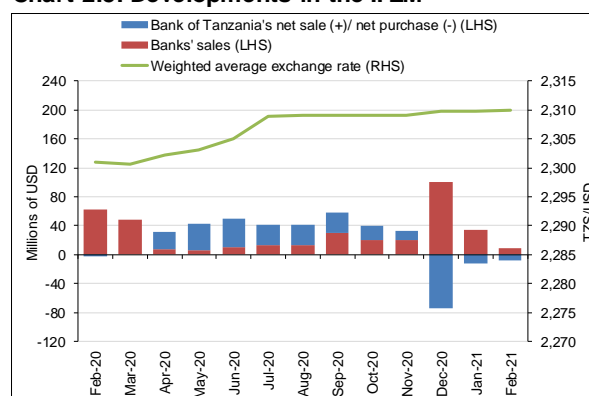


Source: Bank of Tanzania  
 Note: LHS denotes left hand scale; and RHS, right hand scale

### 2.3.5 Interbank Foreign Exchange Market

Transactions in the interbank foreign exchange market (IFEM) amounted to USD 17.2 million in February 2021, down from USD 41.6 million traded in the preceding month. The Bank of Tanzania participated in the market to ensure orderly foreign exchange operations, selling USD 8.0 million compared to a net purchase of USD 12.4 million in the preceding month. The shilling remained stable against the US dollar, trading at an average of TZS 2,309.96 per US dollar compared to TZS 2,309.77 per US dollar in the preceding month, and TZS 2,300.89 per US dollar in the corresponding period of 2020, which is an annual depreciation of about 0.4 percent (Chart 2.8).

**Chart 2.8: Developments in the IFEM**

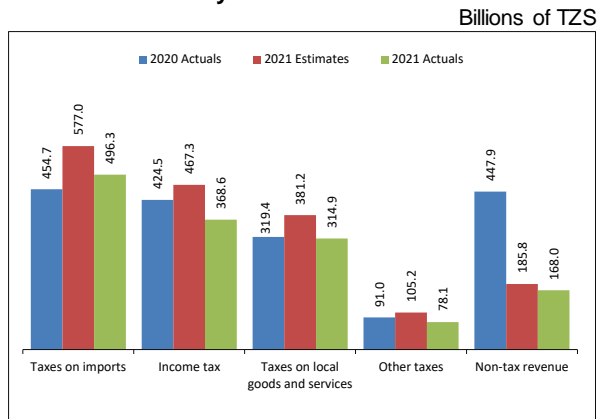


Source: Bank of Tanzania  
 Note: LHS denotes left hand scale; and RHS, right hand Scale

## 3.0 Government Budgetary Operations

Domestic revenue performance in February 2021 continued to be at a reasonable level, though lower than targets. Revenue amounted to TZS 1,490.2 billion, with central government revenue amounting to TZS 1,425.7 billion and the balance representing collections from local government own sources. Tax revenue amounted to TZS 1,257.7 billion, while non-tax revenue was TZS 168.0 billion (Chart 3.1).

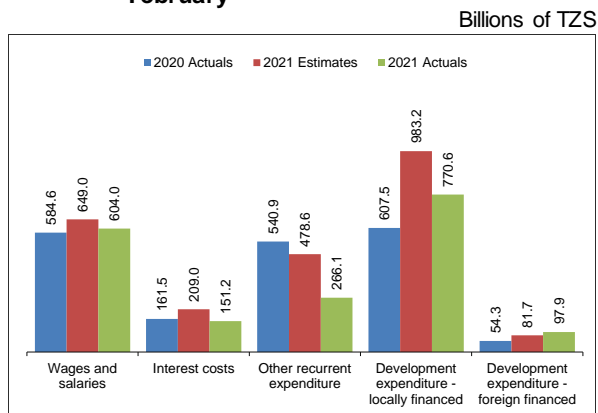
**Chart 3.1: Central Government Revenue in February**



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

Government expenditure continued to be streamlined with available resources and priorities. During the month under review, expenditure amounted to TZS 1,889.8 billion, of which recurrent expenditure was TZS 1,021.3 billion and development expenditure was TZS 868.5 billion (Chart 3.2). Local funding in development expenditure amounted to TZS 770.6 billion, which accounted for 88.7 percent, with the balance being foreign funding.

**Chart 3.2: Central Government Expenditure in February**



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

## 4.0 Debt Developments

### 4.1 External Debt

The stock of external debt, comprising public and private sector, amounted to USD 24,652.8 million at the end of February 2021. The debt stock

represented an increase of USD 82.5 million and USD 2,199.0 million from the preceding month and the corresponding month in 2020, respectively. The increase in debt stock during the month was mainly on account of new disbursements, which outweighed repayment. Disbursements amounted to USD 53.2 million, of which USD 52.2 million was received by the central government for development projects. Debt service payments amounted to USD 6.9 million, of which USD 3.8 million was principal repayment and the balance was interest payment. The increase for year-on-year was mainly on account of new disbursements and variations in exchange rates in which the debt is denominated.

The profile of external debt by borrower category remained unchanged in February 2021, with debt owed by central government accounting for 77.7 percent, and the balance by the private sector and public corporations (Table 4.1). In terms of creditor category, the composition of external debt also remained broadly unchanged, with debt owed to multilateral institutions accounting for the largest share of 47.0 percent, followed by debt contracted from commercial sources at 33.3 percent of total external debt (Table 4.2).

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

Borrower	Millions of USD					
	Feb-20		Jan-21		Feb-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	17,483.2	77.9	19,088.9	77.7	19,158.4	77.7
DOD	16,529.8	73.6	18,037.6	73.4	18,102.7	73.4
Interest arrears	953.4	4.2	1,051.3	4.3	1,055.7	4.3
Private sector	4,896.4	21.8	5,430.9	22.1	5,442.4	22.1
DOD	3,891.0	17.3	4,284.6	17.4	4,293.6	17.4
Interest arrears	1,005.4	4.5	1,146.3	4.7	1,148.8	4.7
Public corporations	74.2	0.3	50.5	0.2	52.0	0.2
DOD	63.1	0.3	36.9	0.2	37.0	0.2
Interest arrears	11.1	0.0	13.6	0.1	15.0	0.1
External debt stock	22,453.8	100.0	24,570.3	100.0	24,652.8	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					
	Feb-20		Jan-21		Feb-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	10,331.8	46.0	11,549.4	47.0	11,581.9	47.0
DOD	10,291.1	45.8	11,507.8	46.8	11,538.8	46.8
Interest arrears	40.7	0.2	41.6	0.2	43.1	0.2
Bilateral	2,026.3	9.0	2,221.2	9.0	2,218.4	9.0
DOD	1,073.0	4.8	1,169.9	4.8	1,162.7	4.7
Interest arrears	953.3	4.2	1,051.3	4.3	1,055.7	4.3
Commercial	7,568.4	33.7	8,166.6	33.2	8,210.0	33.3
DOD	7,025.8	31.3	7,540.7	30.7	7,582.3	30.8
Interest arrears	542.6	2.4	625.9	2.5	627.7	2.5
Export credit	2,527.3	11.3	2,633.0	10.7	2,642.5	10.7
DOD	2,094.0	9.3	2,140.6	8.7	2,149.5	8.7
Interest arrears	433.3	1.9	492.4	2.0	493.0	2.0
<b>External debt stock</b>	<b>22,453.8</b>	<b>100.0</b>	<b>24,570.3</b>	<b>100.0</b>	<b>24,652.8</b>	<b>100.0</b>

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

Note: DOD denotes disbursed outstanding debt

The profile of external debt in terms of use of funds was dominated by transport and telecommunication activities, accounting for about 26.4 percent, followed by social welfare and education (Table 4.3). In terms of currency composition, the US dollar and Special Drawing Rights (SDR) were the main currencies in which the disbursed outstanding external debt is denominated (Table 4.4).

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

Activity	Millions of USD					
	Feb-20		Jan-21		Feb-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Transport and telecommunication	5,401.6	26.4	5,916.0	26.5	5,932.0	26.4
Social welfare and education	3,515.2	17.2	3,960.3	17.7	3,975.0	17.7
Energy and mining	3,080.0	15.0	3,156.0	14.1	3,157.0	14.1
BoP and budget support	2,699.5	13.2	2,742.2	12.3	2,745.0	12.2
Real estate and construction	1,034.0	5.0	1,671.0	7.5	1,705.6	7.6
Agriculture	1,286.0	6.3	1,385.0	6.2	1,380.0	6.2
Other	1,500.6	7.3	1,399.8	6.3	1,402.0	6.2
Finance and insurance	1,078.0	5.3	1,142.4	5.1	1,146.0	5.1
Industries	717.0	3.5	799.0	3.6	803.7	3.6
Tourism	172.0	0.8	187.4	0.8	187.0	0.8
<b>Total</b>	<b>20,483.9</b>	<b>100.0</b>	<b>22,359.1</b>	<b>100.0</b>	<b>22,433.3</b>	<b>100.0</b>

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**

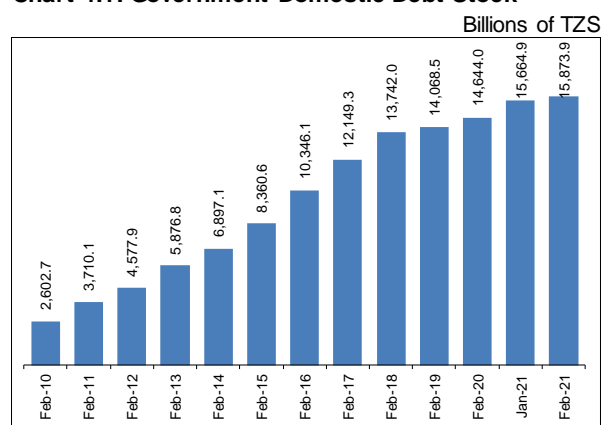
Currency	Millions of USD					
	Feb-20		Jan-21		Feb-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Special Drawing Rights	7,493.5	36.6	8,344.5	37.3	8,353.5	37.2
United States Dollar	9,034.3	44.1	9,696.5	43.4	9,748.8	43.5
African Unit of Account	2,060.5	10.1	2,297.5	10.3	2,297.7	10.2
Euro	632.0	3.1	703.3	3.1	710.9	3.2
Japanese Yen	496.5	2.4	516.2	2.3	518.9	2.3
Other	767.1	3.7	801.1	3.6	803.5	3.6
<b>Total</b>	<b>20,483.9</b>	<b>100.0</b>	<b>22,359.1</b>	<b>100.0</b>	<b>22,433.3</b>	<b>100.0</b>

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

Note: DOD denotes disbursed outstanding debt

## 4.2 Domestic Debt

Domestic debt stock amounted to TZS 15,873.9 billion in February 2021, an increase of TZS 209.0 billion and TZS 1,229.9 billion from the preceding month and February 2020, respectively (Chart 4.1). The increase was on account of new issuance of Treasury bills and bonds, which outweighed repayments. In terms of maturity profile, domestic debt was dominated by longer-term debt instruments, in the form of Treasury bonds and stocks, which accounted for 89.9 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	Billions of TZS					
	Feb-20		Jan-21		Feb-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	14,625.6	99.9	15,646.6	99.9	15,855.6	99.9
Treasury bills	2,768.3	18.9	1,592.9	10.2	1,578.6	9.9
Government stocks	252.7	1.7	252.7	1.6	252.7	1.6
Government bonds	11,604.6	79.2	13,800.9	88.1	14,024.1	88.3
Tax certificates	0.1	0.0	0.1	0.0	0.1	0.0
Non-securitized debt	18.4	0.1	18.4	0.1	18.4	0.1
Other Liabilities*	18.4	0.1	18.4	0.1	18.4	0.1
<b>Overdraft</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Domestic debt (without liquidity paper)	14,644.0	100.0	15,664.9	100.0	15,873.9	100.0

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

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

Commercial banks held the largest share of domestic debt, accounting for 35.4 percent, followed by pension funds with 29.1 percent (Table 4.6).

**Table 4.6: Government Domestic Debt by Creditor**  
Billions of TZS

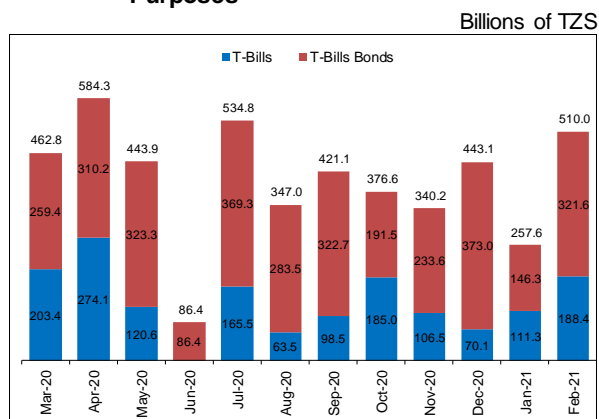
Holders	Feb-20		Jan-21		Feb-21	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	5,482.2	37.4	5,392.6	34.4	5,618.8	35.4
Bank of Tanzania	1,286.7	8.8	1,243.7	7.9	1,241.2	7.8
Pension funds	4,305.2	29.4	4,890.5	31.2	4,618.7	29.1
Insurance	1,297.4	8.9	1,359.0	8.7	1,391.7	8.8
BOT's special funds	316.5	2.2	373.9	2.4	353.4	2.2
Others	1,956.0	13.4	2,405.4	15.4	2,650.0	16.7
<b>Total</b>	<b>14,644.0</b>	<b>100.0</b>	<b>15,664.9</b>	<b>100.0</b>	<b>15,873.9</b>	<b>100.0</b>

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 February 2021, Government securities worth TZS 510.0 billion were issued for budgetary operations, of which Treasury bonds amounted to TZS 321.6 billion and the balance was Treasury bills (Chart 4.2). Domestic debt service was TZS 414.3 billion, of which TZS 300.4 billion was principal repayment and the balance was interest payment.

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



Source: Bank of Tanzania

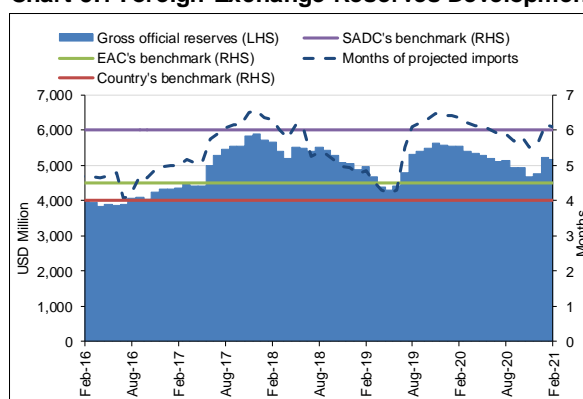
## 5.0 External Sector Performance

The external sector continued to regain momentum as the global impact of COVID-19 pandemic fades and the global economy gradually recovers, partly reflected by improvement in the current account. During the year ending February 2021, the current account deficit narrowed to USD 858.2 million from a deficit of USD 1,525.7 million in the corresponding period of 2020, mainly driven by decrease in imports. The overall balance of

payments was a deficit of USD 242.6 million, compared with a surplus of USD 603.9 million in the year ending February 2020, owing to relatively low external financial inflows.

Foreign exchange reserves remained sufficient, amounting to USD 5,178.7 million during the year ending February 2021, adequate to cover 6.1 months of projected imports of goods and services excluding foreign direct investment related imports. The import cover surpassed the country benchmark of not less than 4.0 months, convergence criteria of at least 4.5 months for EAC and SADC benchmark of 6.0 months. During the same period, foreign assets of banks amounted to USD 1,316.3 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**

Items	Millions of USD					
	Year ending February					
	Feb-20	Jan-21	Feb-21	2019	2020	2021 <sup>p</sup>
Goods account	-266.4	-228.3	-290.9	-3,714.4	-3,509.9	-1,517.0
Exports*	407.1	435.5	374.2	4,653.6	5,432.5	6,221.4
Imports	673.5	663.8	665.1	8,368.0	8,942.3	7,738.4
Services account	225.16	163.6	158.6	2,261.0	2,529.4	1,153.4
Receipts	374.6	265.1	263.9	4,075.7	4,331.5	2,324.0
Payments	149.4	101.5	105.3	1,814.7	1,802.1	1,170.6
Goods and services	-41.2	-64.7	-132.4	-1,453.5	-980.5	-363.6
Export of goods and services	781.6	700.7	638.1	8,729.3	9,764.0	8,545.4
Import of goods and services	822.9	765.4	770.5	10,182.7	10,744.5	8,909.0
Primary income account	-57.1	-66.2	-86.2	-638.6	-968.8	-875.4
Receipts	13.8	4.4	2.4	166.5	211.0	83.0
Payments	70.9	70.6	88.7	805.0	1,179.8	958.4
Secondary income account	14.2	39.4	22.8	450.2	423.6	380.8
Inflows	18.6	43.4	26.7	513.5	479.2	431.9
o/w General government	0.0	16.1	0.0	148.1	132.4	110.2
Outflows	4.4	4.0	4.0	63.3	55.5	51.1
<b>Current account balance</b>	<b>-84.2</b>	<b>-91.5</b>	<b>-195.8</b>	<b>-1,641.8</b>	<b>-1,525.7</b>	<b>-858.2</b>

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

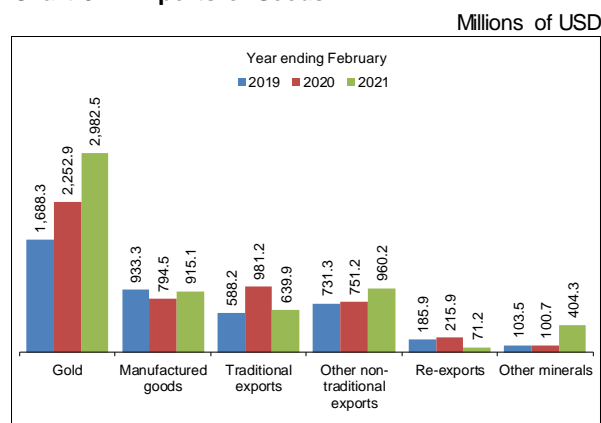
## 5.1 Exports

The value of exports of goods and services amounted to USD 8,545.4 million during the year ending February 2021 lower than USD 9,764.0 million in the corresponding period in 2020, largely driven by decline in services receipts. The value of traditional exports decreased to USD 631.9 million from USD 961.1 million, owing to decline in the value of cash crop exports namely, cotton, tea, sisal, cashew nuts, clove and tobacco.

The value of non-traditional exports increased to USD 5,295.3 million from USD 4,129.7 million in the corresponding period in 2020, driven by good performance in manufactured goods, horticultural products, gold and other minerals (**Chart 5.2**). Gold exports, which accounted for 56.3 percent of non-traditional exports, increased by USD 729.6 million to USD 2,982.5 million in February 2021, due to volume and price effect. The increase in volume of exported gold is partly associated with government efforts to closely oversee the mining activity.

On month-to-month, the value of exports of goods and services declined to USD 638.1 million compared with USD 781.6 million in February 2020. The value of traditional exports also decreased to USD 24.1 million from USD 90.6 million, largely explained by low export values of cashew nuts, tobacco and cloves. Export value of non-traditional exports rose to USD 333.6 million from USD 295.6 million in February 2020, largely explained by increase in minerals exports.

Chart 5.2: Exports of Goods

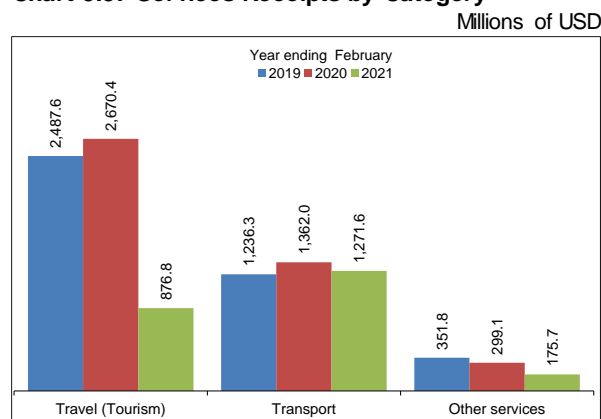


Source: Tanzania Revenue Authority and Bank of Tanzania computations

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

Services receipts amounted to USD 2,324.0 million during the year ending February 2021, lower than USD 4,331.5 million in the corresponding period in 2020, owing to decrease in travel receipts (**Chart 5.3**). Travel receipts declined by 67.2 percent to USD 876.6 million explained by containment measures taken in the fight against COVID-19 pandemic which included lockdowns and travel restrictions. Accordingly, the number of international arrivals declined to 509,773 visitors from 1,553,686 visitors in the year ending February 2020. During February 2021, services receipts amounted to USD 263.9 million compared to USD 374.6 million in the preceding year.

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

During the year ending February 2021, imports bill for goods and services decreased to USD 8,909.0 million from USD 10,744.5 million in the corresponding period of 2020, largely driven by decrease in imports of capital and intermediate goods (**Table 5.2**). The value of goods imports declined to USD 7,738.4 million from USD 8,942.3 million, with much of the decrease recorded in the value of oil and transport equipment. The value of oil imports, which account for 15.4 percent of goods import, declined by 35.0 percent to USD 1,193.0 million, owing to decrease in both price and volume. Conversely, the value of transport equipment decreased by 18.9 percent to USD 781.3 million. On monthly basis, goods import bill decreased to USD 665.1 million from USD 673.5 million recorded in February 2020, largely attributed to a decline in both capital goods (excluding machinery) and intermediate goods particularly oil.

**Table 5.2: Goods Imports**

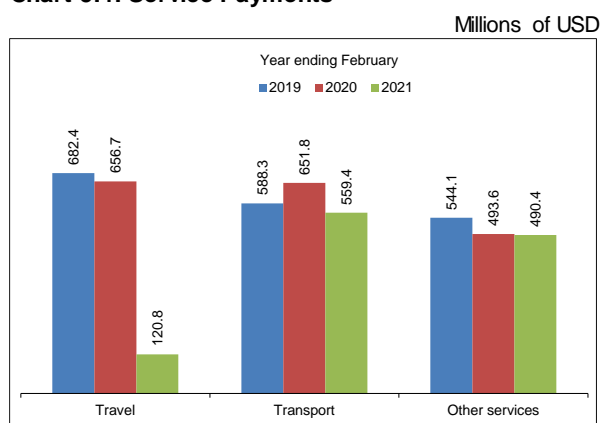
Items	Millions of USD								
	Year ending February		Percentage change		Year ending February		Percentage change		Percentage contribution, year ending February
	Feb-20	Jan-21	Feb-21	2020	2021*	2020	2021*		
Capital goods	298.9	297.1	269.7	-9.2	3,694.0	3,178.1	-14.0	41.1	
Transport equipment	80.7	91.9	67.0	-27.2	963.2	781.3	-18.9	10.1	
Building and constructions	89.0	82.5	68.1	-17.4	1,075.4	895.3	-16.7	11.6	
Machinery	129.3	122.6	134.6	9.9	1,655.4	1,501.5	-9.3	19.4	
Intermediate goods	212.5	172.2	200.1	16.2	2,787.0	2,121.7	-23.9	27.4	
Oil imports	138.1	105.3	117.2	11.3	1,834.2	1,193.0	-35.0	15.4	
Fertilizers	27.0	10.8	6.5	--	171.6	150.9	-12.1	1.9	
Industrial raw materials	47.3	56.1	76.3	36.1	781.2	777.8	-0.4	10.1	
Consumer goods	162.1	194.6	195.3	0.4	2,461.4	2,438.6	-0.9	31.5	
Food and food stuffs	15.3	18.6	25.2	35.8	416.6	384.2	-7.8	5.0	
All other consumer goods <sup>1</sup>	146.7	176.0	170.1	-3.4	2,044.8	2,054.4	0.5	26.5	
Grand total	673.5	663.8	665.1	0.2	8,942.3	7,738.4	-13.5	--	

Source: Tanzania Revenue Authority and Bank of Tanzania computations

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

Services payment amounted to USD 1,170.6 million in 2021, lower than USD 1,802.1 million recorded in 2020, owing to a decline in travel payments associated with containment measures at global level to limit the spread of COVID-19 (**Chart 5.4**). On month-to-month, services payments declined by 29.5 percent to USD 105.3 million in February 2021.

**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

Primary income account narrowed to a deficit of USD 875.4 million from USD 968.8 million registered in the year ending February 2020, largely due to decrease in payments. On monthly basis, deficit in the primary income account widened to USD 86.2 million in February 2021 compared with USD 57.1 million in the corresponding month in 2020.

Secondary income account was a surplus of USD 380.8 million lower than a surplus of USD 423.6 million in the corresponding period in 2020, associated with decrease in inflows. On monthly basis, secondary income account recorded a surplus of USD 22.8 million in February 2021 compared to a surplus of USD 14.2 million in the corresponding period in 2020.

## 5.3 World Commodity Prices

In February 2021, most of commodity prices in the world market increased from the preceding month, with the exception of tea, gold and cloves (**Table 5.3**). The increase in price of crude oil and white products is explained by picking up of oil demand as supply remains tight due to OPEC+ induced supply curbs. Cotton and coffee prices improved on account of demand. Meanwhile, the price of gold declined on account of rising yields of Treasury bonds in the United States.



Annually, most prices declined except Arabica coffee, average tea prices and gold. Gold price increased on account of the previous upward trend in the face of COVID-19, where it served as a safe haven (Table 5.3). Lower prices of oil and agricultural products were explained by subdued demand amidst the global pandemic.

**Table 5.3: World Commodity Prices**

Commodity	Unit measure	Jan-21	Feb-21	Year ending February (Twelve months average)		Percentage change	
				2020	2021		
Crude oil*	USD per barrel	54.6	62.0	13.6	63.6	42.1	-33.8
Crude oil**	USD per barrel	54.2	60.4	11.5	62.8	41.9	-33.3
White products***	USD per tonne	472.6	538.8	14.0	579.3	369.3	-36.3
Sisal under grade (UG)	USD per kg	1.7	1.7	3.0	1.7	1.7	-0.8
Cotton, "A Index"	USD per kg	1.9	2.0	6.3	1.7	1.6	-4.2
Robusta Coffee	USD per kg	1.6	1.6	3.4	1.6	1.5	-4.0
Arabica Coffee	USD per kg	3.5	3.7	3.3	2.9	3.4	16.9
Tea (Average prices)	USD per kg	2.7	2.6	-2.9	2.6	2.7	6.8
Tea (Mombasa auction)	USD per kg	2.0	2.0	-0.4	2.2	2.0	-11.2
Cloves	USD per kg	4.4	4.0	-8.1	6.2	5.2	-17.2
Gold	USD per troy ounce	1,867.0	1,808.2	-3.2	1,438.0	1,813.4	26.1

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 Developments

Annual headline inflation decreased to 0.7 percent in February 2021 lower than 6.2 percent registered in the corresponding period in 2020 (Table 6.1 and Chart 6.1). The decrease was attributed to slowdown in the prices of cement, maize flour, Mbeya rice and petroleum products<sup>4</sup>. On monthly basis, inflation was 1.0 percent in February 2021 compared with 0.8 percent in the corresponding period in 2020.

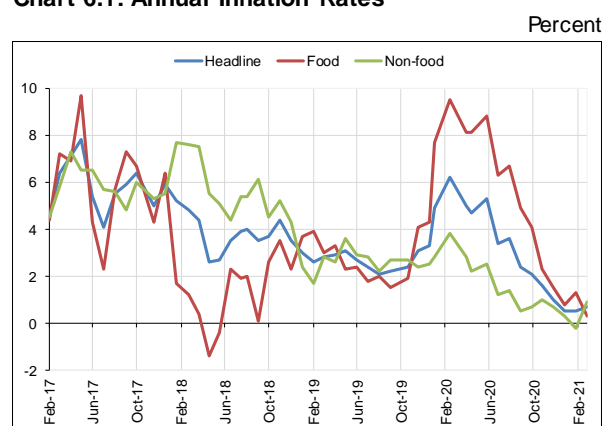
**Table 6.1: Inflation Developments**

Base: Jan 2017=100

Main groups	Weight	Monthly Change			Annual change		
		Feb-20	Jan-21	Feb-21	Feb-20	Jan-21	Feb-21
Food and non-alcoholic beverages	43.6	1.5	2.7	0.4	9.5	1.3	0.3
Alcoholic beverages, tobacco and narcotics	0.2	0.0	0.0	0.0	22.4	0.2	0.2
Clothing and footwear	6.9	-0.1	-0.1	0.2	0.3	0.9	1.1
Housing, water, electricity, gas and other fuels	18.4	0.4	-1.2	3.6	2.7	-1.1	2.0
Furnishing, household equipment	5.5	0.1	0.2	1.2	3.0	1.3	2.3
Health	2.1	2.3	0.0	-0.2	11.7	7.1	4.4
Transport	9.6	0.5	-0.2	1.1	3.7	-4.9	-4.3
Communication	4.2	0.0	0.0	0.0	15.8	0.1	0.1
Recreation and culture	1.3	0.0	0.0	-1.4	2.3	3.4	2.0
Education	1.9	0.0	10.3	0.3	3.2	10.3	10.7
Restaurants and hotels	3.9	0.0	0.0	0.0	0.4	0.3	0.3
Miscellaneous goods and services	2.3	0.1	4.0	0.0	3.7	0.6	0.4
<b>All items (Headline inflation)</b>	<b>100.0</b>	<b>0.8</b>	<b>1.1</b>	<b>1.0</b>	<b>6.2</b>	<b>0.5</b>	<b>0.7</b>
Food	42.7	1.5	2.7	0.4	9.5	1.3	0.3
Non-food	57.3	0.4	-0.1	1.4	3.8	-0.2	0.9

Source: Office of the Chief Government Statistician

**Chart 6.1: Annual Inflation Rates**



Source: Office of the Chief Government Statistician

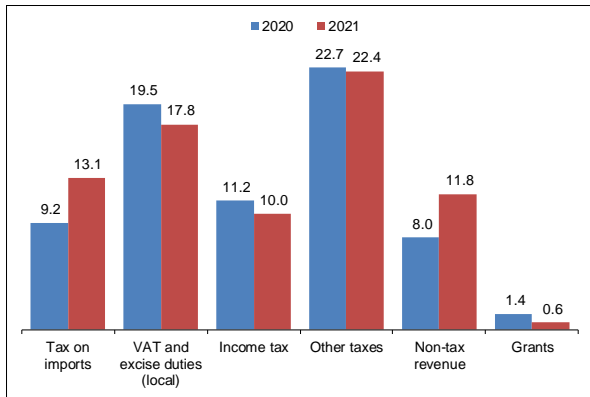
### 6.2 Government Budgetary Operations

Government resources amounted to TZS 75.7 billion in February 2021, of which domestic revenue was TZS 75.1 billion and grants was 0.6 billion. The performance was attributed to the effects of COVID-19 pandemic on major tax sources. Tax revenue was TZS 63.3 billion, equivalent to 78.6 percent of the target, while non-tax revenue was TZS 11.8 billion, equivalent to 11.0 percent above the target (Chart 6.2).

<sup>4</sup> Petroleum products include, kerosene, diesel and petrol.

Chart 6.2: Government Resources in February

Billions of TZS



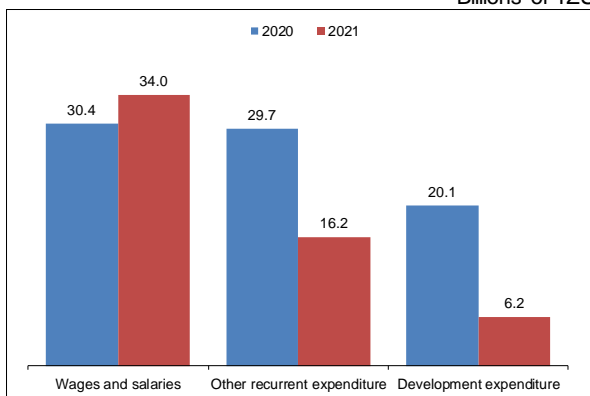
Source: President's Office, Finance and Planning, Zanzibar

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

Government expenditure amounted TZS 56.4 billion, of which recurrent expenditure was TZS 50.2 billion and TZS 6.2 billion was for development projects (Chart 6.3). Local financing to development projects was TZS 3.2 billion, equivalent to 39.0 percent of the target, while foreign financing amounted to TZS 2.9 billion, equivalent to 67.3 percent of the target. Deficit after grants and adjustment to cash and other items was TZS 2.3 billion, financed by program loans.

Chart 6.3: Government Expenditure in February

Billions of TZS



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 155.6 million in the year ending February 2021 from a deficit of USD 52.8 million registered during the corresponding period in 2020. This was largely attributed to increase in imports of goods coupled with decrease in services receipts (Table 6.2).

Table 6.2: Current Account

Millions of USD

	Year ending February					Percentage change
	Feb-20	Jan-21	Feb-21 <sup>P</sup>	2020	2021 <sup>P</sup>	
Goods account (net)	-20.4	-22.6	-31.6	-231.1	-304.6	31.8
Exports	5.5	0.5	1.8	29.5	24.9	-15.5
Imports (fob)	25.9	23.1	33.5	260.6	329.5	26.4
Services account (net)	7.1	-1.7	0.9	86.9	35.9	-58.7
Receipts	19.8	10.3	12.4	209.4	145.0	-30.8
Payments	12.7	12.0	11.5	122.5	109.1	-10.9
Goods and services (net)	-13.3	-24.2	-30.8	-144.2	-268.7	86.3
Exports of goods and services	25.3	10.9	14.2	238.9	169.9	-28.9
Imports of goods and services	38.6	35.1	45.0	383.1	438.6	14.5
Income account (net)	2.8	0.9	1.2	17.4	8.9	-48.7
Receipts	2.8	1.5	1.2	23.8	16.7	-29.9
Payments	0.0	0.6	0.1	6.4	7.8	21.4
Current transfers (net)	14.7	8.2	6.9	74.0	104.2	40.8
Inflows	15.7	8.9	7.5	98.7	113.3	14.8
Outflows	1.0	0.7	0.6	24.7	9.2	-62.9
Current account balance	4.2	-15.2	-22.7	-52.8	-155.6	--

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

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

### 6.3.2 Exports

In the year ending February 2021, exports of goods and services decreased to USD 169.9 million from USD 238.9 million in the preceding year, driven by poor performance of services receipts, in particular tourism (Table 6.2). Earnings from cloves exports decreased to USD 2.3 million from USD 18.6 million in the year ending February 2020 (Table 6.3). On month-to-month basis, goods exports decreased to USD 1.8 million in February 2021 compared to USD 5.5 million in February 2020, largely due to decline in export of cloves.



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

Units	Year ending February					Percentage change	
	Feb-20	Jan-21 <sup>P</sup>	Feb-21 <sup>P</sup>	2020	2021 <sup>P</sup>		
Traditional exports							
Clove							
Value	000' USD	4,169.9	0.0	0.0	18,574.8	2,310.0	-87.6
Volume	000 Tonnes	0.8	0.0	0.0	3.8	0.4	-88.5
Unit price	USD/Tonne	5,212.4	4,372.6	0.0	5,299.2	5,068.3	-4.4
Non-traditional exports							
Seaweeds							
Value	000' USD	572.6	154.1	753.5	4,960.8	13,789.7	--
Volume	000 Tonnes	0.8	0.5	1.5	7.9	17.4	--
Unit price	USD/Tonne	715.8	307.6	516.8	637.2	988.3	55.1
Manufactured goods	000' USD	471.5	240.2	732.1	3,882.9	5,089.2	31.1
Fish and fish products	000' USD	21.4	123.9	76.0	1,087.6	1,418.2	30.4
Others exports	000' USD	260.5	19.3	264.5	992.7	2,318.9	--
Sub-total	000' USD	1,326.0	537.6	1,826.1	10,924.0	22,616.0	--
Grand-total	000' USD	5,495.9	537.6	1,826.1	29,498.8	24,926.0	-15.5

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 438.6 million in the year ending February 2021 from USD 383.1 million in the corresponding period in 2020 (**Table 6.2**). This development was associated with an increase in imports of capital and consumer goods. On month-to-month basis, imports (f.o.b) amounted to USD 33.5 million compared to USD 25.9 million in February 2020 and USD 23.1 million in January 2021. The bulk of imports in February 2021 comprised oil and other consumer goods at 42.7 percent compared to 53.6 percent in the preceding month and 45.1 percent in February 2020 (**Table 6.4**).

**Table 6.4: Imports of Goods**

	Millions of USD					Percentage change
	Feb-20	Jan-21 <sup>P</sup>	Feb-21 <sup>P</sup>	2020	2021 <sup>P</sup>	
Capital goods	10.9	6.3	16.0	70.4	180.3	---
Transport equipment	0.8	1.8	9.7	16.4	45.7	---
Building and construction	1.0	1.0	1.4	16.9	30.2	78.6
Machinery	9.1	3.4	4.9	37.1	104.4	---
Intermediate goods	12.0	10.9	13.1	119.8	79.5	-33.6
Oil imports	9.8	7.6	7.6	88.6	46.8	-47.1
Industrial raw materials	2.2	3.3	5.5	31.2	32.7	4.7
Consumer goods	5.6	8.2	7.7	96.2	102.3	6.3
Food and food stuffs	3.7	3.4	1.0	50.2	35.1	-30.1
All other consumer goods	1.9	4.8	6.7	46.0	67.2	46.1
Grand total (c.i.f)	28.5	25.4	36.8	286.4	362.1	26.4
Grand total (f.o.b)	25.9	23.1	33.5	260.6	329.5	26.4

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	2016	2017	2018	2019 <sup>P</sup>
<b>National accounts and prices</b>						
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 <sup>f</sup>	Percent	14.5	19.0	17.5	18.3	18.8
<b>Money, credit and interest rates</b>						
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 <sup>1</sup>	Percent	21.6	19.3	17.0	17.2	16.9
2.7 Non-government sector credit to GDP ratio <sup>1</sup>	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 <sup>2</sup>	Percent	10.8	11.5	11.7	8.8	8.8
2.10 Overall treasury bill rate <sup>2</sup>	Percent	12.9	16.2	11.1	6.4	7.7
2.11 Long-term lending rate (3-5 years) <sup>2</sup>	Percent	15.3	15.6	17.9	17.4	16.6
<b>Balance of payments</b>						
3.1 Exports of goods (f.o.b)	Mill. USD	4,826.7	4,873.9	4,510.8	4,445.1	5,377.6
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	-3,222.4
3.4 Current account balance	Mill. USD	-4,476.2	-2,739.1	-1,830.5	-1,897.8	-1,290.5
3.5 Overall balance	Mill. USD	598.1	-748.7	1,780.9	-841.7	490.5
3.6 Gross official reserves	Mill. USD	5,282.4	4,371.1	6,058.4	5,567.6	5,567.6
3.7 Reserves months of imports (of goods and services) (excluding FDI related imports)	Months	4.9	5.0	6.6	4.9	6.4
3.8 Exchange rate:						
Annual average	TZS/USD	1,985.4	2,177.1	2,228.9	2,264.1	2,288.2
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
<b>Public finance</b>						
4.1 Current revenue to GDP ratio <sup>1</sup>	Percent	13.9	14.7	14.6	13.9	14.6
4.2 Grants to GDP ratio <sup>1</sup>	Percent	0.5	1.0	0.8	0.7	0.7
4.3 Current expenditure to GDP ratio <sup>1</sup>	Percent	13.2	10.2	10.5	10.4	9.8
4.4 Development expenditure to GDP ratio <sup>1</sup>	Percent	4.3	6.4	6.2	6.4	6.4
4.5 Budget balance to GDP ratio (excluding grants) <sup>1</sup>	Percent	-4.1	-3.8	-2.0	-2.1	-2.9
4.5 Overall Budget balance to GDP ratio <sup>1,3</sup>	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: <sup>1</sup> Calculated on the basis of GDP at current market prices; <sup>2</sup> annual average; <sup>3</sup> includes grants, expenditure float, adjustment to cash and other items (net); GDP denotes gross domestic product; GNDI, gross national disposable income; r, revised data; p, provisional data and n.a., not available

The National Bureau of Statistics has revised national account statistics using 2015 as the base year

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

	Million of TZS				
	Budget 2020/21	July 2020 - February 2021		February 2021	
		Estimate	Actual	Estimate	Actual
Total revenue (including LGAs)	24,065,542.3	15,456,306.4	13,514,441.3	1,779,638.5	1,490,150.7
Central government revenue	23,250,581.3	14,896,581.5	12,987,520.8	1,716,615.7	1,425,730.2
Tax revenue	20,135,956.8	13,146,142.0	11,439,788.5	1,530,825.8	1,257,749.5
Taxes on imports	7,168,841.7	4,721,124.5	4,264,370.9	577,047.0	496,253.2
Sales/VAT and excise on local goods	4,473,393.9	3,082,314.8	2,625,385.4	381,234.0	314,868.1
Income taxes	7,173,649.0	4,470,284.4	3,849,209.0	467,306.7	368,572.0
Other taxes	1,320,072.2	872,418.3	700,823.3	105,238.1	78,056.1
Non- tax revenue	3,114,624.5	1,750,439.5	1,547,732.3	185,789.9	167,980.7
LGA own sources	814,961.0	559,724.9	526,920.6	63,022.9	64,420.5
Total expenditure <sup>1</sup>	29,100,434.0	18,153,623.0	15,240,149.0	2,401,532.6	1,889,765.1
Recurrent expenditure	16,321,179.0	10,688,003.2	9,273,045.6	1,336,561.0	1,021,283.4
Wages and salaries	7,762,389.5	5,166,475.9	4,836,881.1	648,978.4	604,017.6
Interest payments	2,870,582.5	1,682,251.8	1,504,758.3	208,974.9	151,152.7
Domestic	1,630,668.6	1,070,079.5	1,066,236.4	148,651.2	124,981.5
Foreign	1,239,913.8	612,172.3	438,521.9	60,323.7	26,171.2
Other goods, services and transfers	5,688,207.0	3,839,275.6	2,931,406.1	478,607.7	266,113.1
Development expenditure and net lending	12,779,255.0	7,465,619.8	5,967,103.5	1,064,971.6	868,481.6
Local	10,043,206.1	5,698,623.3	4,562,474.7	983,249.6	770,587.0
Foreign	2,736,048.9	1,766,996.6	1,404,628.8	81,721.9	97,894.6
Balance before grants	-5,034,891.7	-2,697,316.6	-1,725,707.7	-621,894.1	-399,614.3
Grants	949,322.5	581,613.0	424,051.0	30,853.9	919.4
Program	138,323.3	0.0	0.0	0.0	0.0
Project	614,461.0	396,807.3	363,678.9	29,888.2	919.4
Basket funds	196,538.3	184,805.7	60,372.1	965.7	0.0
Balance (cheques issued) after grants	-4,085,568.3	-2,115,703.7	-1,301,656.7	-591,040.2	-398,694.9
Expenditure float	0.0	0.0	-7,318.0	0.0	0.0
Adjustments to cash and other items (net)	0.0	0.0	323,274.8	0.0	101,423.6
Overall balance	-4,085,568.3	-2,115,703.7	-985,699.9	-591,040.2	-297,271.3
Financing	4,085,568.3	2,115,703.7	985,699.9	591,040.2	297,271.3
Foreign financing (net)	2,497,399.1	1,148,539.2	960,929.8	172,056.1	156,929.0
Loans	4,960,679.7	2,586,443.6	2,222,454.2	284,378.0	234,293.6
Program loans	0.0	0.0	210,238.6	0.0	59,314.0
Development project loans	4,881,675.1	2,533,498.5	1,960,652.6	284,378.0	174,979.5
o/w: Non-concessional borrowing	3,035,630.0	1,401,060.0	1,138,831.7	233,510.0	78,004.4
Basket support	79,004.6	52,945.1	51,563.0	0.0	0.0
Amortization	-2,463,280.6	-1,437,904.4	-1,261,524.4	-112,321.9	-77,364.5
Domestic (net) <sup>2</sup>	1,588,169.2	967,164.5	24,770.1	418,984.0	140,342.2
Bank and non-bank financing	1,588,169.2	967,164.5	24,770.1	418,984.0	140,342.2
Bank borrowing	1,419,911.0	864,698.4	-1,092,399.6	374,594.8	-82,999.8
Non-bank (net of amortization)	168,258.2	102,466.0	1,117,169.7	44,389.2	223,342.1
Borrowing/roll-over	3,316,078.4	2,156,507.1	1,965,880.5	448,430.1	289,324.7
Domestic and contingent debt amortization	-3,316,078.4	-2,156,507.1	-1,965,880.5	-448,430.1	-289,324.7

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; MDRI, multilateral debt relief initiative; MCA(T), millennium challenge account (Tanzania); NDF, net domestic financing; and o/w, of which

**Table A3: Depository Corporations Survey**

	Billions of TZS												
Items	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec20 <sup>r</sup>	Jan-21	Feb-21 <sup>p</sup>
Net foreign assets	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	10,722.5	11,862.2	11,517.5
Bank of Tanzania	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	11,371.9
Other depository corporations	-50.6	259.4	143.7	-21.7	30.3	363.4	656.2	599.5	356.3	51.5	413.8	472.6	145.6
Net domestic assets	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	19,198.0	18,061.6	18,289.1
Domestic claims	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	26,139.6	25,161.9	25,154.5
Claims on central government (net)	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	5,831.3	4,838.4	4,755.4
Claims on central government	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	12,599.1	12,081.2	12,506.0
Liabilities to central government	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	7,750.6
Claims on non-government sector	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	20,308.3	20,323.5	20,399.0
Other items (net)	-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	-6,941.6	-7,100.4	-6,865.3
Broad money liabilities	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	29,920.6	29,923.8	29,806.6
Currency outside depository corporations	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	4,500.5	4,198.7	4,326.7
Transferable deposits	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	14,029.4	14,429.6	14,500.6
Non-transferable (other) deposits	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	11,390.6	11,295.5	10,979.2
Memorandum Items:													
Monetary aggregates													
Reserve money (M0)	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	6,935.5
Extended broad money (M3)	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	29,920.6	29,923.8	29,806.6
Deposits in foreign Currency (FCD)	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	6,887.9	7,167.5	7,042.6
<i>FCD in millions of USD</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>2,996.8</i>	<i>3,118.4</i>	<i>3,064.0</i>
Broad money (M2)	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	23,032.6	22,756.3	22,764.0
Other deposits in national currency (i.e. savings and time deposits)	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	8,711.0	8,535.1	8,337.8
Narrow money (M1)	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	14,321.7	14,221.1	14,426.2
Currency in circulation	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	4,500.5	4,198.7	4,326.7
Transferable deposits in national currency	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	9,821.1	10,022.5	10,099.5

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	Percent												
	2020											2021	
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan <sup>r</sup>	Feb <sup>p</sup>
<b>A: Domestic currency</b>													
<b>1. Interbank cash market rates</b>													
Overnight	3.99	4.40	4.83	4.19	4.32	3.20	3.09	3.54	3.91	3.58	3.70	3.70	3.81
2 to 7 days	4.88	5.22	5.37	5.24	4.75	3.99	3.76	4.01	4.23	4.24	4.09	4.36	4.43
8 to 14 days	5.59	5.62	5.34	5.56	5.07	4.83	4.55	4.51	4.50	4.61	4.58	4.63	4.66
15 to 30 days	5.59	5.29	5.68	5.25	5.05	4.70	4.21	4.22	4.37	4.16	4.25	4.44	4.25
31 to 60 days	7.35	6.85	6.80	6.19	5.73	5.78	3.95	5.18	5.32	5.31	5.12	4.93	4.44
61 to 90 days	6.00	6.00	6.00	5.30	5.30	5.30	5.30	4.75	4.75	5.35	7.25	4.77	5.05
91 to 180 days	8.70	8.70	8.70	5.75	5.36	5.00	5.88	5.49	5.67	5.62	5.62	5.12	5.51
181 and above	7.33	7.33	7.71	7.56	7.69	10.00	10.00	6.77	6.96	7.95	8.35	8.35	8.35
Overall interbank cash market rate	4.20	5.14	5.41	5.08	4.87	3.97	3.74	4.12	4.28	4.29	4.17	4.16	4.39
2. Lombard rate	6.75	6.75	7.25	6.29	6.49	4.80	4.64	5.31	5.87	5.38	5.55	5.55	5.72
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	7.26	7.49	6.88	5.75	4.27	4.27	5.54	5.52	5.73	5.60	6.13	6.60	5.84
<b>5. Treasury bills rates</b>													
35 days	2.80	2.98	2.95	2.58	2.30	2.14	1.99	1.99	1.99	1.99	1.99	1.99	1.99
91 days	3.49	3.48	3.46	3.09	2.77	2.55	2.42	2.42	2.42	2.46	2.50	2.50	2.50
182 days	4.28	4.26	4.06	3.69	3.30	3.02	2.58	2.58	2.58	2.59	2.61	2.58	2.57
364 days	5.77	5.27	4.94	4.77	4.70	4.14	3.98	3.94	4.00	4.29	4.45	4.92	5.71
Overall treasury bills rate	5.72	5.25	4.88	4.64	2.97	4.04	3.88	3.94	4.01	4.01	4.10	4.69	5.71
<b>6. Treasury bonds rates</b>													
2-years	10.26	8.34	8.34	8.34	8.34	8.34	7.09	7.09	7.09	7.09	7.09	7.51	7.51
5-years	11.95	11.95	11.95	11.95	11.95	11.95	11.95	11.95	9.10	9.10	9.10	9.10	9.10
7-years	12.89	12.89	12.89	11.20	11.20	11.20	11.20	10.09	10.09	10.09	10.09	10.09	10.09
10-years	14.53	12.90	12.90	12.90	12.90	12.02	11.49	11.49	11.47	11.47	11.56	11.56	11.56
15-years	14.54	14.54	14.19	14.19	14.30	13.83	13.83	13.50	13.50	13.50	13.53	13.57	13.60
20-years	16.30	16.30	15.85	15.79	15.79	15.64	15.64	15.51	15.51	15.39	15.01	15.01	15.41
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	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
8. Savings deposit rate	2.27	2.30	2.38	2.43	2.26	2.32	2.35	2.32	2.35	2.34	2.45	2.50	2.53
<b>9. Overall time deposits rate</b>													
1 month	9.09	8.73	8.15	7.18	8.33	8.15	8.15	8.88	7.74	7.44	8.48	9.09	9.70
2 months	5.01	7.41	6.34	5.94	6.84	6.59	5.69	4.30	6.80	7.02	8.09	6.16	7.42
3 months	6.44	6.45	5.96	6.33	6.70	6.05	6.84	7.22	7.28	7.63	7.61	7.53	5.33
6 months	7.96	8.06	6.54	7.71	6.85	7.65	7.90	7.57	7.80	6.73	7.48	6.37	7.32
12 months	8.60	8.10	8.01	8.57	7.54	7.63	8.37	8.16	8.22	8.43	8.41	8.23	8.67
24 months	9.79	7.84	10.28	10.56	9.63	7.71	7.01	6.79	6.57	8.98	8.59	8.50	8.67
10. Negotiated deposit rate	9.50	9.41	9.66	9.53	9.27	9.39	9.31	9.05	9.12	8.20	9.22	9.22	9.50
<b>11. Overall lending rate</b>													
Short-term (up to 1 year)	15.84	15.83	16.37	16.20	15.99	15.38	15.30	15.04	15.87	15.70	15.72	15.76	15.82
Medium-term (1-2 years)	18.73	18.30	18.38	18.29	18.12	18.23	18.24	17.11	18.27	18.38	18.69	18.51	18.27
Medium-term (2-3 years)	17.85	17.52	17.63	17.50	17.35	17.41	17.44	17.68	16.90	16.87	16.83	16.85	16.65
Long-term (3-5 years)	16.39	16.30	16.28	16.06	15.88	16.20	16.11	16.20	16.20	16.19	16.23	16.06	16.15
Term Loans (over 5 years)	15.42	15.94	15.90	15.31	15.21	15.54	15.80	15.46	15.93	15.92	16.24	15.99	15.95
12. Negotiated lending rate	13.26	13.32	13.51	14.48	14.52	13.62	13.10	13.69	13.97	13.97	13.86	13.38	13.96
<b>B: Foreign currency</b>													
<b>1. Deposits rates</b>													
Savings deposits rate	2.62	2.64	2.56	1.56	0.80	1.12	1.17	1.16	0.95	0.83	1.04	0.79	0.92
Overall time deposits rate	1.86	1.84	2.60	2.26	2.24	2.29	2.24	2.14	2.23	2.59	2.45	2.39	2.33
1-months	1.46	1.01	1.06	1.01	1.07	1.05	1.79	1.18	1.15	1.17	1.35	1.73	1.77
2-months	1.13	1.11	2.99	2.32	2.03	2.25	2.36	2.04	2.70	4.13	2.11	2.68	2.44
3-months	1.37	1.21	3.09	2.96	3.27	3.23	2.13	2.84	2.30	3.21	3.33	2.70	2.66
6-months	2.23	2.74	2.96	2.40	2.36	2.62	2.80	2.76	2.83	2.40	1.92	1.75	1.72
12-months	3.13	3.12	2.92	2.62	2.49	2.33	2.10	1.87	2.15	2.04	3.53	3.09	3.06
<b>2. Overall lending rate</b>													
Short-term (up to 1 year)	7.10	7.17	7.30	8.24	8.16	8.07	7.66	8.61	8.94	8.74	8.94	8.41	8.96
Medium-term (1-2 years)	5.11	5.38	5.56	4.81	4.67	4.70	4.63	4.59	4.07	4.34	4.00	4.50	4.00
Medium-term (2-3 years)	5.96	5.90	6.23	5.99	6.80	6.36	6.04	6.07	5.33	5.89	5.79	5.33	5.20
Long-term (3-5 years)	7.64	7.80	7.87	7.48	7.19	7.65	7.84	7.79	8.99	8.88	8.36	8.98	8.99
Term loans (over 5 years)	6.18	4.95	4.88	5.42	5.45	5.73	5.70	5.48	6.99	6.99	6.99	6.98	6.99

Source: Bank of Tanzania and banks

Note: p denotes provisional data

**Table A5: Tanzania Balance of Payments**

	Millions of USD					
Item	2014 <sup>f</sup>	2015 <sup>f</sup>	2016 <sup>f</sup>	2017 <sup>f</sup>	2018 <sup>f</sup>	2019 <sup>p</sup>
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	97.3	209.2	176.1	-32.2	88.2
Other sectors	422.0	371.0	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): Consumer Price Index (Urban and Rural), Twelve-Month Percentage Change (Main Groups), Old Series**

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
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

Source: National Bureau of Statistics

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

Base: Dec 2020 = 100

Period	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
Feb	3.3	3.6	2.0	4.0	4.4	3.2	2.8	1.0	2.0	2.1	1.1	4.1	0.3	2.8

Source: National Bureau of Statistics

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

Base: Dec 2015=100

Period	Food (combining food consumed at home and in restaurants)	Non-food (all items less food)	All items less food and energy	Energy and fuels (combining electricity and other fuels for use at home with petrol and diesel)
Weight (%)	37.1	62.9	54.3	8.7
2020-Jan	6.4	2.4	2.1	4.0
Feb	6.6	2.4	2.2	3.2
Mar	5.9	2.2	2.1	2.9
Apr	5.2	2.5	2.1	4.1
May	5.2	2.4	2.2	3.5
Jun	4.7	3.0	2.6	4.7
Jul	4.9	3.2	2.6	5.7
Aug	4.8	3.1	2.5	5.9
Sep	4.5	3.1	2.5	5.8
Oct	4.4	3.0	2.4	5.7
Nov	3.7	3.2	2.5	6.3
Dec	4.0	3.4	2.3	8.0

Source: National Bureau of Statistics

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

Base: 2020=100

Period	Core index	Non-core Index	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
Feb	3.6	2.1	2.2	3.4	1.0	1.4	2.3	3.7	2.5

Source: National Bureau of Statistics



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

Base: Dec 2015 = 100

Period	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
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

Source: National Bureau of Statistics

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

Base: Dec 2020 = 100

Period	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
Feb	0.9	1.8	0.2	0.5	0.6	0.1	0.7	0.7	0.1	0.5	0.7	1.3	0.2	0.3

Source: National Bureau of Statistics

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

Base: Dec 2015 = 100

Period	Food (combining food consumed at home and food consumed in restaurants)	Energy and fuels (combining electricity and other fuels for use at home with petrol and diesel)	Total non-food (all items less food)	All items less food and energy
Weight (%)	37.1	54.3	8.7	62.9
2020-Jan	1.1	-0.3	0.1	0.2
Feb	1.5	2.6	0.9	0.5
Mar	1.2	3.2	1.0	0.6
Apr	0.4	1.5	0.4	0.2
May	0.6	-0.2	0.1	0.2
Jun	-0.2	-0.3	0.1	0.2
Jul	-0.7	0.5	0.1	0.0
Aug	-0.2	-0.5	-0.1	0.0
Sep	-0.7	0.2	0.1	0.0
Oct	0.0	-0.8	-0.2	0.0
Nov	0.2	1.6	0.4	0.1
Dec	1.6	0.3	0.3	0.3

Source: National Bureau of Statistics

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

Base: Dec 2020 = 100

Period	Core 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
Feb	0.5	2.0	2.0	0.6	1.6	1.8	0.6	1.0	0.2

Source: National Bureau of Statistics

## Table A7: National Debt Developments

	Millions of USD													
Item	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21 <sup>1</sup>	Feb-21 <sup>1</sup>	
1. Overall total debt committed <sup>2</sup>	32,495.2	32,346.6	32,831.4	32,761.5	33,072.9	33,311.0	33,632.2	33,454.7	34,079.9	34,236.9	34,357.9	34,363.1	34,170.9	
Disbursed outstanding debt	20,483.9	20,485.1	20,631.5	20,594.5	20,958.4	21,176.8	21,372.8	21,439.8	21,544.9	21,715.6	21,886.0	22,359.1	22,433.3	
Undisbursed debt	12,011.3	11,861.5	12,199.9	12,167.0	12,114.5	12,134.2	12,259.4	12,014.9	12,535.0	12,521.3	12,471.9	12,004.0	11,737.6	
2. Disbursed debt by creditor category <sup>2</sup>	20,483.9	20,485.1	20,631.5	20,594.5	20,958.4	21,176.8	21,372.8	21,439.8	21,544.9	21,715.6	21,886.0	22,359.1	22,433.3	
Bilateral debt	1,073.0	1,084.9	1,105.3	1,104.5	1,113.4	1,131.6	1,134.8	1,131.8	1,140.6	1,154.1	1,176.7	1,169.9	1,162.7	
Multilateral debt	10,291.1	10,371.5	10,502.4	10,544.8	10,703.3	10,916.5	11,107.8	11,124.7	11,196.3	11,288.9	11,482.4	11,507.8	11,538.8	
Commercial debt	7,025.8	6,935.4	6,940.0	6,852.6	7,051.8	7,027.0	7,013.5	7,067.9	7,091.2	7,095.4	7,080.3	7,540.7	7,582.3	
Export credits	2,094.0	2,093.3	2,083.8	2,092.6	2,089.9	2,101.7	2,116.7	2,115.4	2,116.9	2,177.2	2,146.4	2,140.6	2,149.5	
3. Disbursed debt by borrower category <sup>2</sup>	20,483.9	20,485.1	20,631.5	20,594.5	20,958.4	21,176.8	21,372.8	21,439.8	21,544.9	21,715.6	21,886.0	22,359.1	22,433.3	
Central government	16,529.8	16,535.6	16,682.6	16,640.9	16,764.6	16,957.4	17,147.3	17,234.5	17,341.9	17,430.7	17,555.8	18,037.6	18,102.7	
Public corporations	63.1	62.8	63.0	63.2	49.2	49.3	48.8	48.6	37.1	37.0	36.8	36.9	37.0	
Private sector	3,891.0	3,886.7	3,885.9	3,890.4	4,144.6	4,170.1	4,176.7	4,156.7	4,165.9	4,247.9	4,293.3	4,284.6	4,293.6	
4. Disbursed external debt by currency <sup>2</sup>	20,483.9	20,485.1	20,631.5	20,594.5	20,958.4	21,176.8	21,372.8	21,439.8	21,544.9	21,715.6	21,886.0	22,359.1	22,433.3	
Special Drawing Rights	7,493.5	7,564.3	7,697.6	7,728.0	7,933.3	8,045.2	8,131.7	8,168.4	8,169.6	8,258.7	8,349.1	8,344.5	8,353.5	
United States Dollar	9,034.3	8,973.3	9,001.4	8,907.7	9,050.5	9,074.1	9,092.1	9,110.9	9,172.6	9,239.6	9,243.1	9,696.5	9,748.8	
African Unit of Accounts	2,060.5	2,057.9	2,051.2	2,062.4	2,120.1	2,124.3	2,190.1	2,200.4	2,223.7	2,225.9	2,269.2	2,297.5	2,297.7	
Euro	632.0	640.3	628.5	638.0	609.9	657.8	654.8	652.1	658.3	679.3	704.9	703.3	710.9	
Japanese Yen	496.5	496.9	496.7	512.2	497.5	511.7	526.9	533.4	537.4	515.5	522.5	516.2	518.9	
Others	767.1	752.4	756.1	746.2	747.1	763.7	777.2	774.6	783.3	796.6	797.2	801.1	803.5	
5. Disbursed debt by use of funds <sup>2</sup>	20,483.9	20,485.1	20,631.5	20,594.5	20,958.4	21,176.8	21,372.8	21,439.8	21,544.9	21,715.6	21,886.0	22,359.1	22,433.3	
Balance of payments and budget support	2,699.5	2,696.1	2,706.4	2,704.5	2,705.4	2,710.3	2,732.8	2,738.2	2,729.2	2,729.0	2,733.7	2,742.2	2,745.0	
Transport and telecommunication	5,401.6	5,422.4	5,460.4	5,483.0	5,733.3	5,742.0	5,811.0	5,746.9	5,856.4	5,889.5	5,898.1	5,916.0	5,932.0	
Agriculture	1,286.0	1,288.0	1,290.0	1,288.0	1,300.0	1,327.0	1,349.0	1,421.0	1,364.7	1,355.0	1,389.8	1,385.0	1,380.0	
Energy & mining	3,080.0	3,101.8	3,109.0	3,118.0	3,083.0	3,110.0	3,105.0	3,082.0	3,106.4	3,130.0	3,132.7	3,156.0	3,157.0	
Industries	717.0	716.0	716.0	717.0	749.0	794.8	798.3	793.0	799.4	802.0	803.4	799.0	803.7	
Social welfare and education	3,515.2	3,537.0	3,628.0	3,649.0	3,705.0	3,795.0	3,842.7	3,747.0	3,867.3	3,950.4	3,962.5	3,960.3	3,975.0	
Finance and insurance	1,078.0	1,077.0	1,077.0	1,038.0	1,071.0	1,083.0	1,091.0	1,091.0	1,095.3	1,097.4	1,104.7	1,142.4	1,146.0	
Tourism	172.0	183.0	183.0	183.0	182.0	180.0	189.0	189.0	189.4	189.1	191.0	187.4	187.0	
Real estate and construction	1,034.0	1,028.0	1,028.0	1,009.0	1,012.0	1,015.0	1,027.0	1,185.0	1,167.4	1,193.2	1,218.0	1,671.0	1,705.6	
Other	1,500.6	1,435.8	1,433.7	1,405.0	1,417.7	1,419.7	1,427.0	1,446.7	1,369.4	1,380.0	1,452.1	1,399.8	1,402.0	
6. Total amount of loan contracted <sup>1</sup>	1.7	1.5	0.0	0.2	0.0	0.0	6.0	0.3	0.0	10.1	0.0	0.0	0.0	
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	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	0.0	
Private sector	1.7	1.5	0.0	0.2	0.0	0.0	6.0	0.3	0.0	10.1	0.0	0.0	0.0	
7. Disbursements <sup>1</sup>	30.7	135.0	148.0	59.9	152.7	58.6	59.7	43.5	41.1	59.3	72.4	471.4	53.2	
Central government	24.2	129.5	148.0	55.7	151.2	57.4	57.1	42.5	33.3	58.8	72.3	471.4	52.2	
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	0.0	
Private Sector	6.5	5.5	0.0	4.2	1.5	1.2	2.6	1.0	7.8	0.5	0.1	0.0	1.0	
8. Actual debt service <sup>1</sup>	116.2	146.6	21.5	133.2	126.6	88.8	33.9	133.3	29.1	54.6	171.2	15.3	6.9	
Principal	96.5	121.4	13.5	102.2	88.4	63.5	4.5	113.9	19.9	41.5	129.6	6.9	3.8	
Interest	19.7	25.2	8.0	31.0	38.2	25.3	29.4	19.4	9.2	13.1	41.6	8.4	3.1	
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	0.0	
9. Net flows on debt <sup>1</sup>	-65.8	13.6	134.5	-42.3	64.3	-4.9	55.2	-70.4	21.2	17.8	-57.2	464.5	49.4	
10. Net transfers on debt <sup>1</sup>	-85.5	-11.6	126.5	-73.3	26.1	-30.2	25.8	-89.8	12.0	4.7	-98.8	456.1	46.3	
11. Arrears by creditors category <sup>2</sup>	4,873.9	4,769.2	4,824.9	4,813.4	4,979.7	5,042.9	5,125.0	5,262.1	5,339.3	5,569.3	5,578.1	5,212.2	5,460.8	
Principal	2,904.0	2,839.4	2,866.9	2,872.7	2,985.4	3,019.6	3,084.1	3,157.8	3,216.0	3,379.1	3,362.7	3,071.0	3,241.3	
Bilateral debt	331.1	332.3	335.6	333.9	329.7	340.3	342.9	341.1	344.9	349.6	358.9	364.5	364.9	
Multilateral debt	134.8	165.1	147.1	130.4	137.1	138.4	149.1	156.4	162.6	164.1	170.1	138.4	150.1	
Commercial debt	1,250.3	1,146.0	1,187.6	1,214.9	1,246.9	1,275.6	1,310.4	1,371.4	1,402.9	1,556.7	1,527.8	1,411.9	1,551.3	
Export credits	1,187.8	1,196.0	1,196.6	1,193.5	1,271.7	1,265.3	1,281.7	1,288.9	1,305.6	1,308.7	1,305.9	1,156.2	1,175.0	
Interest	1,969.9	1,929.8	1,958.0	1,940.7	1,994.3	2,023.3	2,040.9	2,104.3	2,123.3	2,190.2	2,215.4	2,141.2	2,219.5	
Bilateral debt	953.3	957.9	961.8	964.2	969.9	983.0	985.6	987.1	993.4	999.7	997.5	1,051.3	1,055.7	
Multilateral debt	40.7	36.3	36.9	37.2	38.5	39.1	41.3	42.4	46.8	47.1	48.6	41.6	43.1	
Commercial debt	542.6	495.2	515.7	508.0	521.6	535.2	545.0	576.1	580.0	633.6	639.2	585.9	627.7	
Export credits	433.3	440.4	443.6	431.3	464.3	466.0	469.0	498.7	503.1	509.8	530.1	462.4	493.0	
12. External debt stock	22,453.8	22,414.9	22,589.5	22,535.2	22,952.7	23,200.1	23,413.7	23,544.1	23,668.2	23,905.8	24,101.4	24,500.3	24,652.8	
13. Domestic debt stock	6,396.5	6,432.9	6,482.5	6,575.3	6,756.2	6,576.5	6,599.6	6,665.9	6,793.2	6,912.3	7,039.3	6,815.4	6,906.1	
14. Total debt stock	28,850.3	28,847.9	29,072.0	29,110.5	29,708.9	29,776.6	30,013.2	30,210.0	30,461.4	30,818.1	31,140.7	31,315.6	31,558.9	
End period exchange rate	2,289.4	2,289.9	2,291.3	2,291.9	2,296.5	2,297.8	2,297.6	2,297.6	2,297.7	2,297.7	2,298.5	2,298.5	2,298.5	

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

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

## 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 measures the rate of change in prices of goods and services other than energy, utilities and unprocessed food, over a specified period of time. The unprocessed food items, energy and utilities are excluded since they are volatile and hence may be affected by non-monetary events, which do not constitute the underlying monetary inflation.

### **Disbursed outstanding debt**

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

### **Discount rate**

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

### **Exchange rate**

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

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

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

### **External debt stock**

The stock of a country's debt that is borrowed from foreign lenders through private

commercial banks, foreign governments, or international financial institutions. It is the sum of public, publicly guaranteed, and private non-guaranteed long-term debt, use of IMF credit, and short-term debt, which includes all debt having an original maturity of one year or less and interest in arrears on long-term debt.

### **Food inflation**

This is a measure of the rate of change of price of food both processed and unprocessed food.

### **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).

### **Primary income account**

It comprises income from compensation of employees, interest income, dividends and retained earnings from capital investments, rental income from the use of natural resources and other types of primary income including those that relate to insurance policy holders and pension funds.

### **Secondary income account**

It entails transfers between residents and non-residents that corresponds to the provision of a good, service, financial asset, or other non-produced asset with no corresponding return of an item of economic value.

### **Overnight interbank cash market**

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

### **Repurchase agreements (repo)**

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

### **Reverse repo**

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

### **Reserve money (M0)**

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

### **Weighted yields of Treasury bills**

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

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