



**BANK OF TANZANIA**



## **MONTHLY ECONOMIC REVIEW**

**February 2019**



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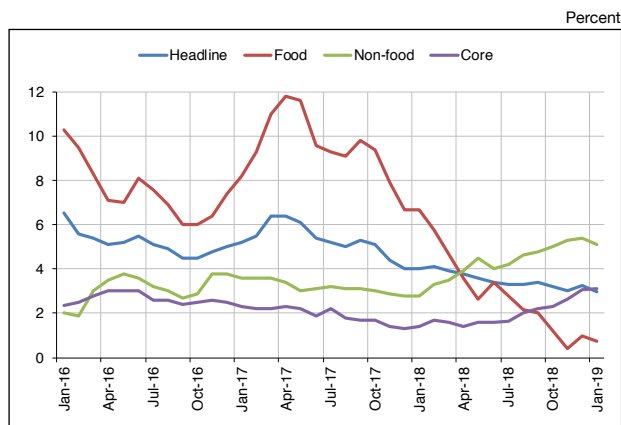


# 1.0 Inflation and Food Stocks

## 1.1 Inflation Developments

Consumer price inflation remained stable and below country's medium-term target and East Africa Community (EAC) convergence criteria of 5.0 percent and a ceiling of 8.0 percent, respectively. Twelve-month headline inflation eased to 3.0 percent in January 2019 from 3.3 percent in December 2018 and 4.0 percent in the corresponding month of 2018 (**Chart 1.1** and **Table 1.1**). The benign inflation performance was due to slow down in both food and non-food inflation rates. On month-to-month basis, headline inflation was 0.5 percent in January 2019, lower than 0.8 percent recorded in corresponding month of 2018.

**Chart 1.1: Annual Inflation Rates**



Source: National Bureau of Statistics and Bank of Tanzania computations

Annual food and non-alcoholic beverages inflation decreased to 0.7 percent in January 2019 from 1.0 percent and 6.3 percent in December 2018 and January 2018, respectively. On monthly basis, food and non-alcoholic inflation was 1.4 percent in January 2019 compared with 1.7 percent in January 2018.

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

Base: Dec 2015 = 100

Main groups	Weight	Monthly change			Annual change		
		Jan-18	Dec-18	Jan-19	Jan-18	Dec-18	Jan-19
Food and non-alcoholic beverages	38.5	1.7	1.1	1.4	6.3	1.0	0.7
Alcoholic, tobacco and narcotics	3.7	0.1	0.8	0.1	2.6	2.2	2.2
Clothing and footwear	8.3	0.4	0.6	0.5	2.7	3.6	3.7
Housing, water, electricity, gas and other fuel	11.6	0.1	-1.3	-0.3	7.1	12.1	11.7
Furnishing, housing equipment and routine maintenance of the house	6.3	0.4	1.3	0.3	1.8	4.0	3.9
Health	2.9	0.2	0.3	0.1	1.6	1.0	1.0
Transport	12.5	0.2	0.3	-0.8	0.3	5.1	4.0
Communication	5.6	0.0	0.1	0.2	-1.0	-2.6	-2.4
Recreation and culture	1.6	0.3	0.3	0.3	2.0	0.1	0.2
Education	1.5	1.8	0.0	1.4	2.5	2.4	2.0
Restaurants and hotels	4.2	0.4	0.8	0.4	0.8	2.7	2.6
Miscellaneous goods and services	3.1	0.2	0.9	0.2	2.7	2.6	2.5
All items (headline inflation)	100.0	0.8	0.5	0.5	4.0	3.3	3.0
Other selected groups:							
Food and non-alcoholic beverages - combining food consumed at home and food consumed in restaurants	37.1	1.8	1.1	1.5	6.7	2.6	2.3
Energy and fuels - combining electricity and other fuels for use at home with petrol and diesel	8.7	0.3	-1.2	-1.4	10.4	17.7	15.7
All items less food (non-food)	62.9	0.3	0.2	0.0	2.8	5.4	5.1
All items less food and energy	54.3	0.3	0.5	0.3	1.4	3.1	3.1

Source: National Bureau of Statistics and Bank of Tanzania Computations

Similarly, twelve-month non-food inflation eased to 5.1 percent in January 2019 from 5.4 percent in December 2018 largely on account of decrease in prices of petroleum products. However, the rate was higher than 2.8 percent recorded in the similar month in 2018. Annual energy and fuel inflation was 15.7 in January 2019 compared with 17.7 percent and 10.4 percent in the previous month and similar month of 2018, respectively. On month-to-month basis, energy and fuel inflation was negative 1.4 percent in January 2019 compared to 0.3 percent in January 2018.

Twelve-month inflation for all items excluding food and energy—a proxy for core inflation—was 3.1 percent in January 2019, same as in December 2018, but lower than 1.4 percent recorded in the corresponding month of 2018 (**Table 1.1**).

## 1.2 Food Stocks

Food supply remained adequate in most parts of the country following good harvests in the 2017/18 crop-season. Food stocks held by the National Food Reserve Agency at the end of January 2019 was 93,037 tonnes, higher than 91,947 tonnes at the end of January 2018 (**Table 1.2**). During the month, the Agency purchased 5,536.3 tonnes of maize to replenish its stocks and sold 8,033.2 tonnes of maize to World Food Program, Prisons department and private traders.



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

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

Source: National Food Reserve Agency

### 1.3 Prices of Food Crops

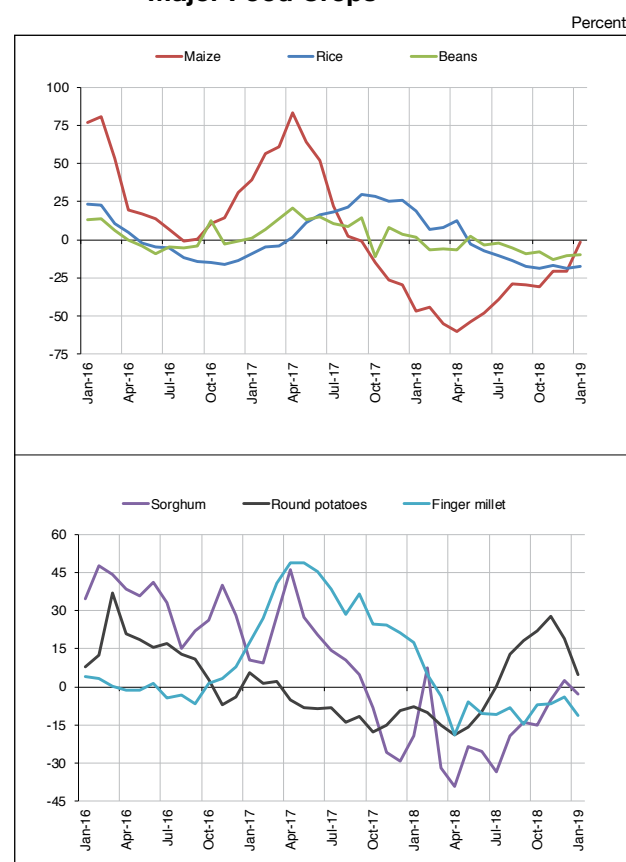
Reflecting satisfactory food supply in the country, wholesale prices of all major food crops<sup>1</sup> were lower in January 2019 than in the corresponding month of 2018, save for round potatoes (Table 1.3). However, with the exception of sorghum, round potatoes and finger millet, other major food crops registered prices increase compared with the preceding month. Chart 1.2 shows annual change in prices of major food crops in the last three years.

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

Crop	Jan-18	Dec-18	Jan-19	Percentage change	
				Dec-18 to Jan-19	Jan-18 to Jan-19
Maize	49,807.5	47,174.5	49,011.1	3.9	-1.6
Rice	193,578.1	155,522.6	160,282.9	3.1	-17.2
Beans	178,823.7	158,694.4	161,710.6	1.9	-9.6
Sorghum	76,435.6	75,592.3	74,328.7	-1.7	-2.8
Round potatoes	76,789.4	85,526.3	80,484.7	-5.9	4.8
Finger millet	154,334.8	141,113.1	136,845.5	-3.0	-11.3

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

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



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

### 1.4 Domestic Fuel Prices

Domestic pump prices of petrol, diesel and kerosene were generally higher in January 2019 than in the corresponding month of 2018 due to price increase in the world market (Table 1.4). On monthly basis however, domestic pump prices declined in January 2019 in line with world market prices. Chart 1.3 shows annual changes in domestic pump prices.

**Table 1.4: Domestic Pump Prices**

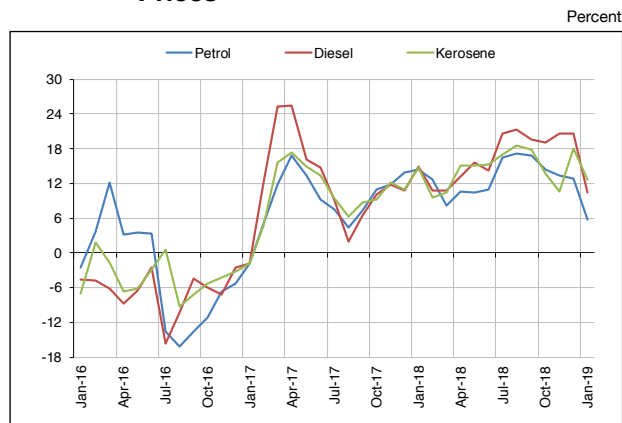
Item	Jan-18	Dec-18	Jan-19	Percentage change	
				Dec-18 to Jan-19	Jan-18 to Jan-19
Petrol	2,260.8	2,528.2	2,389.2	-5.5	5.7
Diesel	2,113.1	2,509.2	2,333.8	-7.0	10.4
Kerosene	2,077.9	2,396.6	2,341.8	-2.3	12.7

Source: National Bureau of Statistics and Bank of Tanzania computations

<sup>1</sup> Include maize, rice, beans, sorghum, round potatoes and finger millet

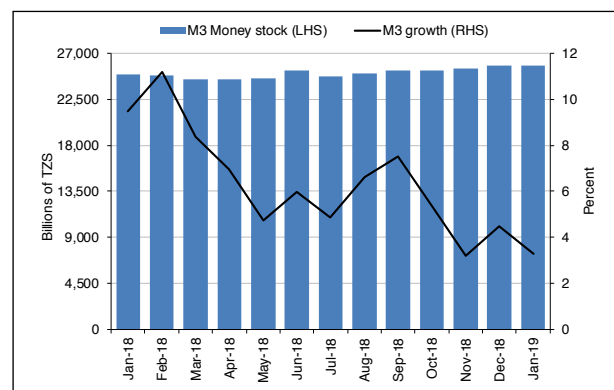


**Chart 1.3: Annual Change in Domestic Pump Prices**



Source: National Bureau of Statistics and Bank of Tanzania computations

**Chart 2.1: Developments in Money Supply**



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

## 2.0 Monetary and Financial Markets

### 2.1 Money Supply and Credit

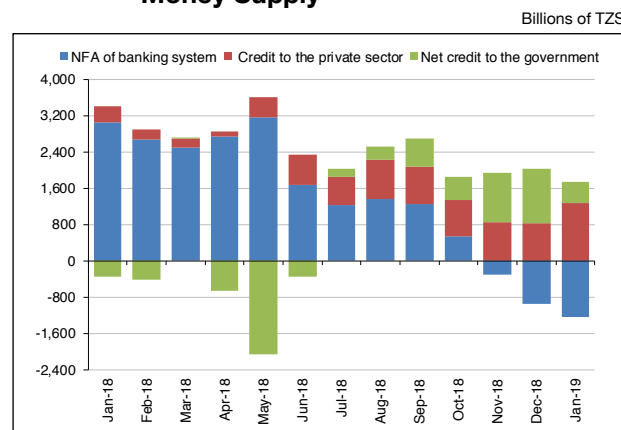
Responding to sustained accommodative monetary policy stance and measures taken by banks to improve their asset quality, monetary aggregates continued to record growth, albeit at a slower pace. In January 2019, extended broad money supply (M3) registered an annual growth of 3.3 percent compare with 4.5 percent in the preceding month and 7.5 percent in the corresponding month of 2018. Slowdown in M3 growth was on account of decrease in net foreign assets of the banking system (**Table 2.1, Chart 2.1 and Chart 2.2**).

**Table 2.1: Money Supply and Components**

Item	Outstanding stock			Annual growth (%)		
	Jan-18	Dec-18	Jan-19	Jan-18	Dec-18	Jan-19
Net foreign assets of the banking system	11,380.8	10,642.3	10,153.5	36.8	-8.2	-10.8
Bank of Tanzania	11,771.7	10,692.3	10,290.4	40.0	-12.0	-12.6
Banks	-390.9	-50.0	-136.9	---	-91.0	-65.0
Net domestic assets of the banking system	13,566.4	15,181.0	15,609.6	-6.2	15.7	15.1
Domestic claims	20,913.1	22,208.2	22,229.0	0.0	10.1	6.3
Claims on central government (net)	3,989.6	4,481.6	4,064.4	-8.3	36.8	1.9
o/w Securities held by banks	5,404.2	4,993.6	5,097.4	28.8	-10.7	-5.7
Claims on the private sector	16,923.5	17,726.6	18,164.6	2.1	4.9	7.3
Other items net	-7,346.6	-7,027.2	-6,619.4	13.7	-0.4	-9.9
Extended broad money supply (M3)	24,947.2	25,823.3	25,763.1	9.5	4.5	3.3
Foreign currency deposits	6,405.2	6,783.1	6,796.7	0.8	6.6	6.1
Broad money supply (M2)	18,542.0	19,040.3	18,966.4	12.9	3.8	2.3
Other deposits	7,195.1	7,316.7	7,362.3	12.4	1.7	2.3
Narrow money supply (M1)	11,346.9	11,723.6	11,604.1	13.2	5.1	2.3
Currency in circulation	3,676.3	3,866.6	3,709.2	5.9	0.9	0.9
Transferable deposits	7,670.6	7,857.0	7,894.9	17.1	7.3	2.9

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

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



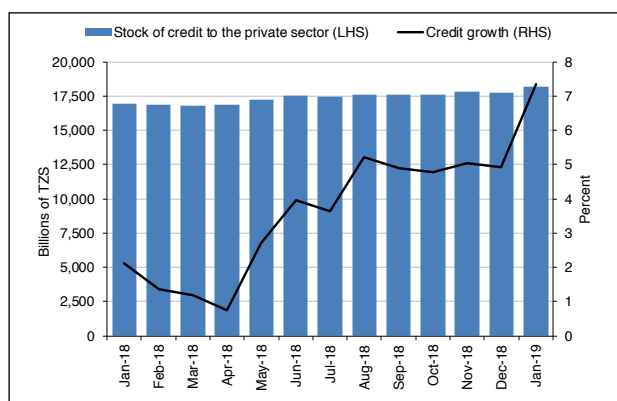
Source: Bank of Tanzania, banks and Bank of Tanzania computations  
Note: NFA stands for net foreign assets

During the year ending January 2019, net foreign assets of the banking system contracted by 10.8 percent compared to a growth of 36.8 percent in the corresponding period of 2018. Much of the decrease occurred in foreign assets of the Bank of Tanzania due to payment of government foreign obligations in favour of on-going public investments.

Total domestic credit by the banking system, comprising of credit extended to the government and private sector, grew by 6.3 percent in the year ending January 2019, largely driven by continued recovery of credit to the private sector. Credit to the private sector grew by 7.3 percent in January 2019 year-on-year compared with 2.1 percent and 4.9 percent in January 2018 and the preceding month, respectively (**Chart 2.3**). The continuing recovery of credit growth reflects the sustained accommodative monetary policy stance, on-going government efforts to improve business environment and credit risk measures taken by banks, including use of credit reference system prior to loan approval.



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



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

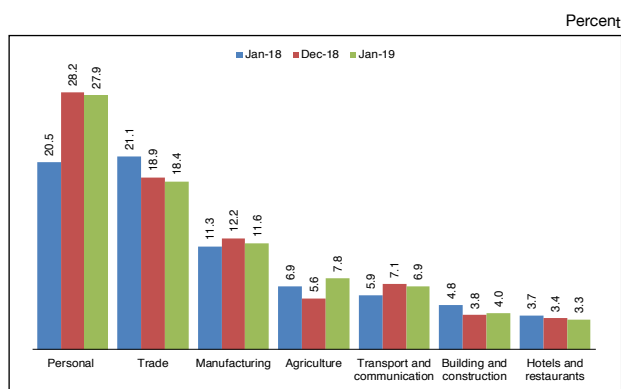
Credit to agricultural activities recorded positive growth in the year to January 2019 after a sustained shrinkage since January 2018. Meanwhile, loans extended by banks to personal-related undertakings—usually used for small and medium financing; transport and communication; and mining and quarrying continued to expand (**Table 2.2**). Personal-related undertakings and trade activities continued to account for the largest share of banks' outstanding credit, at 27.9 percent and 18.4 percent in January 2019, respectively (**Chart 2.4**).

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

Economic activity	Jan-18	Mar-18	Jun-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Personal	9.4	56.3	50.5	60.1	56.9	54.1	47.9	47.1
Building and construction	9.6	15.0	5.7	-20.2	-17.8	-18.1	-23.2	-11.0
Mining and quarrying	-1.5	3.5	5.8	34.9	16.0	15.8	28.2	23.3
Hotels and restaurants	17.4	11.9	3.4	-4.0	-4.4	-2.2	-1.3	-3.5
Manufacturing	17.6	-1.5	-3.9	6.2	6.5	6.9	17.5	11.5
Trade	2.1	-9.2	-2.0	-1.8	-2.8	-2.1	-2.4	-5.7
Agriculture	3.9	-4.1	-5.2	-9.7	-14.5	-17.3	-16.0	22.8
Transport and communication	-15.4	-7.7	4.9	0.3	-3.1	-7.7	25.2	27.1

Source: Banks and Bank of Tanzania computations

**Chart 2.4: Share of Outstanding Credit Extended by Banks to Major Economic Activities**

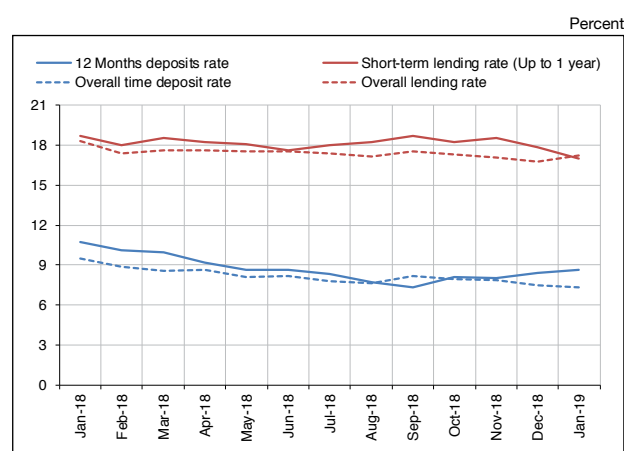


Source: Banks and Bank of Tanzania computations

## 2.2 Interest Rates

Interest rates charged by banks on loans and offered on deposits were low in January 2019 compared to the corresponding month in 2018. Overall lending and one-year lending rates decreased to an average of 17.21 percent and 17.00 percent in January 2019, from 18.31 percent and 18.65 percent in January 2018, respectively. Similarly, overall and 12-month deposits rates declined to an average of 7.33 percent and 8.65 percent, from 9.50 percent and 10.77 percent in January 2018, respectively (**Chart 2.5**).

**Chart 2.5: Selected Banks' Interest Rates**



Source: Banks and Bank of Tanzania computations

## 2.3 Financial Markets

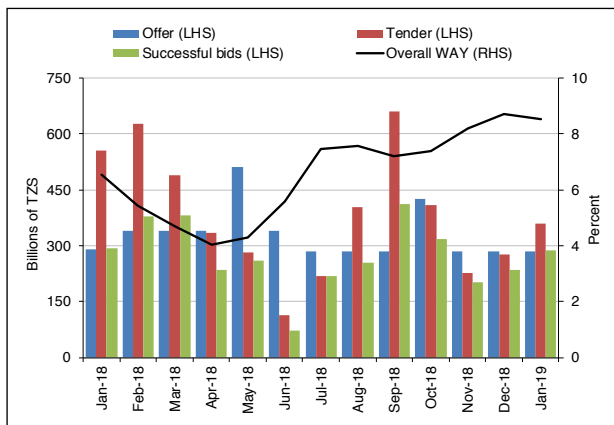
### 2.3.1 Treasury Bills Market

The Treasury bills market remained active and was characterized by high demand. In January 2019, the Bank of Tanzania conducted two Treasury bills auctions, maintaining a tender size of TZS 141.7 billion per auction as in December 2018. Both auctions were oversubscribed, altogether receiving bids worth TZS 358.5 billion compared with TZS 277.3 billion in December 2018. Bids worth TZS 286.3 billion, higher than TZS 236.0 billion in the preceding month, were successful. Owing to high demand, overall weighted average yield decreased to 8.54 percent from 8.72 percent in the December 2018 (**Chart 2.6**).





**Chart 2.6: Performance in Treasury Bills Market**



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

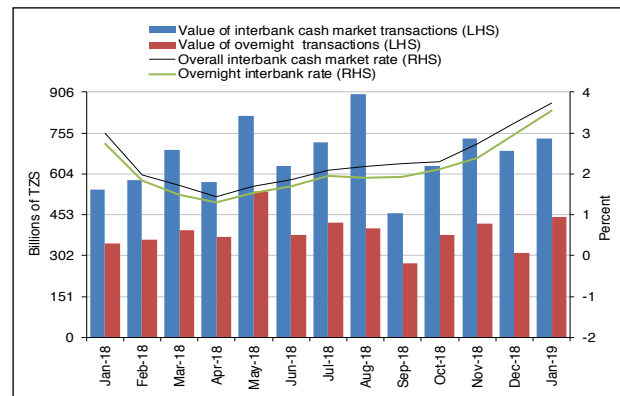
### 2.3.2 Treasury Bonds Market

In January 2019, the Bank of Tanzania offered on behalf of the government 2-, 7- and 15-year Treasury bonds worth TZS 64.4 billion, TZS 88.7 billion and TZS 91.4 billion, respectively, for government financing needs. All auctions were undersubscribed with bids received amounting to TZS 45.4 billion, TZS 47.9 billion and TZS 49.2 billion, respectively. However, the Bank accepted bids worth TZS 34.5 billion for a 2-year Treasury bond, TZS 22.7 billion for 7-year Treasury bond and TZS 9.0 billion for a 15-year Treasury bond. Weighted average yield to maturity (WAY) for a 2-year Treasury bond rose to 11.39 percent from 10.49 percent when it was last issued, while that of 7-year and 15-year Treasury bond increased to 13.23 percent and 15.46 percent, from 12.56 percent and 15.03 percent, respectively.

### 2.3.3 Interbank Cash Market

Reflecting liquidity condition among banks and seasonal demand for banks reserves, total transactions in the interbank cash market (ICM) increased to TZS 736.5 billion in January 2019, from TZS 689.9 billion in December 2018. Overnight placements accounted for 60.5 percent of total ICM transactions, higher than 45.4 percent in the preceding month. Correspondingly, overnight interbank cash market interest rate rose to an average of 3.55 percent in January 2019 from 2.98 percent in December 2018, while overall interbank cash market interest rate averaged 3.74 percent compared with 3.25 percent (Chart 2.7).

**Chart 2.7: Interbank Cash Market Transactions**

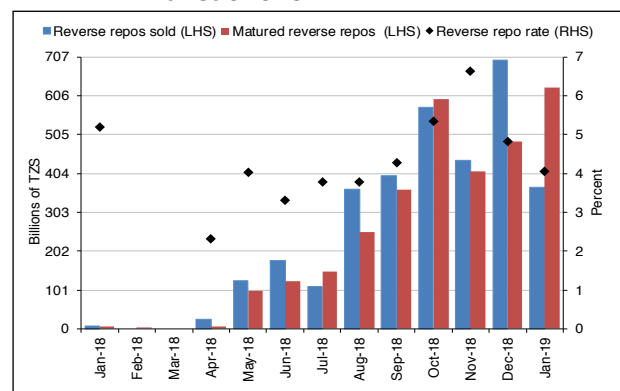


Source: Bank of Tanzania  
Note: LHS denotes left hand scale; and RHS, right hand scale

### 2.3.4 Repurchase Agreements

The Bank of Tanzania continued to use repurchase agreements (repo) to smoothen short-term liquidity needs among banks. During January 2019, the Bank conducted reverse repo<sup>2</sup> worth TZS 368.15 billion with banks compared with TZS 699.4 billion in the preceding month. Reverse repo worth TZS 626.6 billion fell due during the month compared with TZS 485.8 billion in December 2018. Reverse repo rate decreased to an average of 4.06 percent in January 2019 from 4.86 percent recorded in the preceding month, and 5.19 percent in January 2018 (Chart 2.8).

**Chart 2.8: Reverse Repurchase Agreements Transactions**



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

### 2.3.5 Interbank Foreign Exchange Market

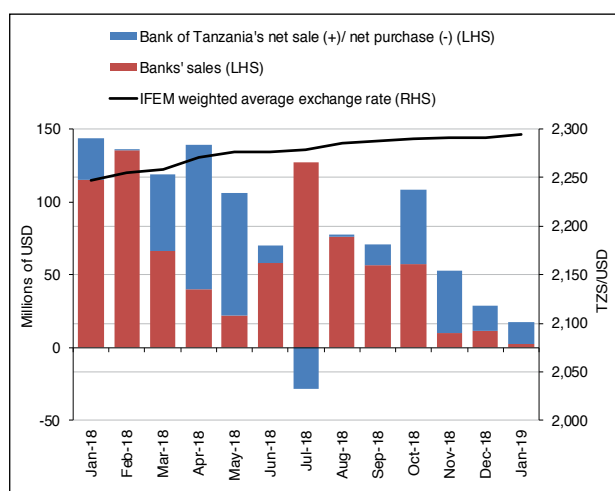
The interbank foreign exchange market (IFEM) remained calm. Transactions worth USD 17.48 million were conducted in the IFEM in January 2019 compared with USD 32.85 million in the preceding month. The Bank was in the market for liquidity

<sup>2</sup> Reverse repo are initiated by Bank of Tanzania to inject liquidity in banks.



management, selling USD 15.00 million on net-basis compared with USD 17.75 million in December 2018. The shilling remained stable, trading at an average of TZS 2,293.93 per US dollar compared with TZS 2,291.29 per US dollar in December 2018. On annual basis, the shilling depreciated by 2.10 percent from TZS 2,246.73 per US dollar in January 2018 (Chart 2.9).

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



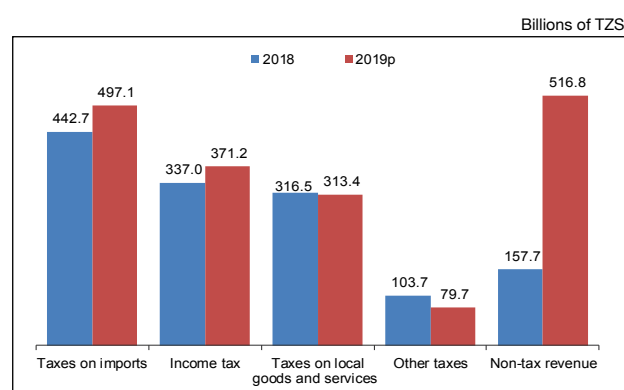
Source: Bank of Tanzania

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

## 3.0 Government Budgetary Operations

Reflecting continued measures taken by the government to strengthen tax administration and compliance, government revenue collections maintained growth. In January 2019, domestic revenue realized by the government amounted to TZS 1,830.0 billion, higher by 31.0 percent compared with collections in January 2018. Out total revenue, TZS 1,778.1 billion was collected by central government and TZS 51.8 billion by local governments from their own sources. Tax collections accounted for 70.9 percent of domestic revenue in January 2019 and were higher by 5.1 percent compared with collections in the corresponding month of 2018. Likewise, local government collections increased by 14.1 percent from TZS 45.4 billion recorded in January 2018. **Chart 3.1** shows Government resources during January 2018 and 2019.

**Chart 3.1: Government Resources in January**

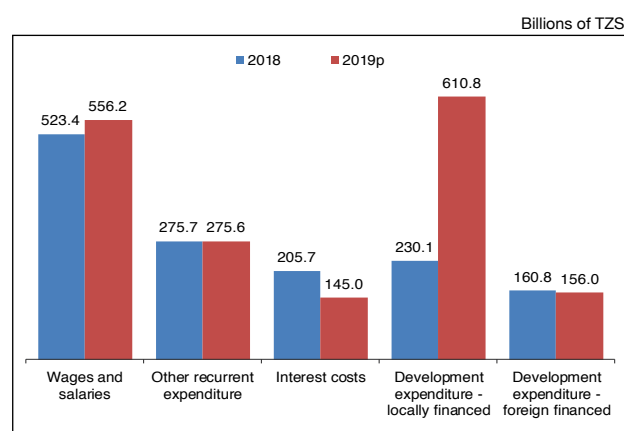


Source: Ministry of Finance and Planning, and Bank of Tanzania calculations

Note: p denotes provisional data

The Government continued to embark on measures to enhance expenditure management. In January 2019, government expenditure amounted to TZS 1,743.6 billion, of which recurrent expenditure was TZS 976.8 billion and TZS 766.8 billion was spent on development projects. Out of the resources spent on development projects, 79.9 percent was from domestic sources (Chart 3.2).

**Chart 3.2: Government Expenditure in January**



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

Note: p denotes provisional data

## 4.0 National Debt

### 4.1 External Debt

External debt stock—comprising public and private sector debt—amounted to USD 21,184.2 million at the end of January 2019, a USD 123.7 million and USD 1,766.1 million increase from the levels at the end of the previous month and corresponding month of 2018, respectively (Table 4.1). The increase was mainly on account of appreciation of the US dollar against other currencies in which the debt is denominated.



Central government debt which accounted for 76.0 percent of the external debt stock, increased by USD 105.3 million between December 2018 and January 2019, and by USD 792.5 million year-on-year.

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

Millions of USD						
Borrower	Jan-18		Dec-18		Jan-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	15,307.4	78.8	15,994.5	75.9	16,099.8	76.0
DOD	14,467.9	74.5	15,107.4	71.7	15,206.9	71.8
Interest arrears	839.4	4.3	887.1	4.2	892.9	4.2
Private sector	3,884.8	20.0	4,897.4	23.3	4,914.2	23.2
DOD	3,189.9	16.4	4,009.8	19.0	4,017.1	19.0
Interest arrears	694.8	3.6	887.6	4.2	897.1	4.2
Public corporations	226.0	1.2	168.6	0.8	170.2	0.8
DOD	203.5	1.0	136.8	0.6	137.5	0.6
Interest arrears	22.5	0.1	31.8	0.2	32.7	0.2
External debt stock	19,418.2	100.0	21,060.5	100.0	21,184.2	100.0

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

Note: DOD denotes disbursed outstanding debt

Debt owed to multilateral institutions remained dominant, accounting for 46.5 percent of the external debt stock, followed by debt from commercial banks. **Table 4.2** summarizes the composition of external debt stock by creditor.

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

Millions of USD						
Creditor	Jan-18		Dec-18		Jan-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	9,143.2	47.1	9,758.7	46.3	9,855.7	46.5
DOD	9,120.7	47.0	9,718.9	46.1	9,815.9	46.3
Interest arrears	22.5	0.1	39.8	0.2	39.8	0.2
Bilateral	1,836.2	9.5	1,908.6	9.1	1,923.2	9.1
DOD	996.8	5.1	1,025.4	4.9	1,034.2	4.9
Interest arrears	839.4	4.3	883.2	4.2	889.0	4.2
Commercial	6,289.0	32.4	6,979.7	33.1	6,991.3	33.0
DOD	5,958.8	30.7	6,471.7	30.7	6,475.6	30.6
Interest arrears	330.2	1.7	508.0	2.4	515.7	2.4
Export credit	2,149.8	11.1	2,413.5	11.5	2,414.0	11.4
DOD	1,785.0	9.2	2,038.0	9.7	2,035.8	9.6
Interest arrears	364.7	1.9	375.5	1.8	378.2	1.8
External debt stock	19,418.2	100.0	21,060.5	100.0	21,184.2	100.0

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

Note: DOD denotes disbursed outstanding debt

Transportation and telecommunication; social welfare and education; and energy and mining sectors continued to be the main beneficiaries of the disbursed outstanding external debt (**Table 4.3**).

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

Millions of USD						
Activity	Jan-18		Dec-18		Jan-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Transport and telecommunication	4,031.4	22.6	4,302.0	22.3	4,325.0	22.3
Social welfare and education	2,795.7	15.7	3,009.0	15.6	3,049.0	15.7
Energy and mining	2,929.3	16.4	3,016.0	15.7	3,020.0	15.6
BoP and budget support	2,915.4	16.3	2,753.1	14.3	2,764.8	14.3
Other	1,665.4	9.3	1,859.2	9.7	1,865.7	9.6
Agriculture	1,185.5	6.6	1,243.0	6.5	1,252.0	6.5
Finance and insurance	921.0	5.2	1,185.0	6.2	1,185.0	6.1
Real estate and construction	811.0	4.5	1,078.7	5.6	1,091.0	5.6
Industries	540.0	3.0	656.0	3.4	657.0	3.4
Tourism	66.6	0.4	152.0	0.8	152.0	0.8
Total	17,861.3	100.0	19,254.0	100.0	19,361.5	100.0

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

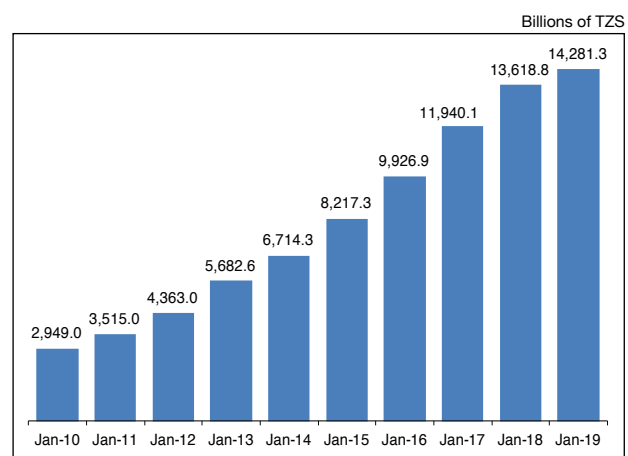
Note: BoP denotes balance of payments

During January 2019, external debt disbursed amounted to USD 39.4 million, of which 99.7 percent was received by the central government. As for the year ending January 2019, external debt disbursed totalled USD 1,711.0 million, of which the central government received USD 1,499.9 million. Debt service in January 2019 was USD 43.0 million, USD 17.3 million being principal repayment and the balance interest payment. In the year ending January 2019, debt service amounted to USD 914.3 million, of which USD 651.9 million was principal repayment.

## 4.2 Domestic Debt

Domestic debt stock was TZS 14,281.3 billion at the end of January 2019, a TZS 350.1 billion decrease from the stock at the end of the preceding month and an increase of TZS 662.6 billion from the end of January 2018 (**Chart 4.1**).

**Chart 4.1: Government Domestic Debt Stock**



Source: Bank of Tanzania



The composition of domestic debt stock by maturity was in line with the government medium-term debt management strategy of mitigating refinancing risk by lengthening the maturity of the debt portfolio. Treasury bonds and stocks altogether accounted for 70.1 percent of domestic debt stock (Table 4.4).

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

Instrument	Jan-18		Dec-18		Jan-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Government securities	12,628.1	92.7	12,878.3	88.0	12,937.8	90.6
Treasury bills	3,432.9	25.2	2,633.8	18.0	2,677.2	18.7
Government stocks	257.1	1.9	252.7	1.7	252.7	1.8
Government bonds	8,938.1	65.6	9,991.7	68.3	10,007.9	70.1
Tax certificates	0.1	0.0	0.1	0.0	0.1	0.0
Non-securitized debt	990.6	7.3	1,753.2	12.0	1,343.5	9.4
Other liabilities*	972.2	7.1	18.4	0.1	18.4	0.1
Overdraft	18.3	0.1	1,734.8	11.9	1,325.1	9.3
Total dom. debt (without liquidity papers)	13,618.7	100.0	14,631.4	100.0	14,281.3	100.0

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

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

Banks remained major creditors to the Government, accounting for 35.3 percent of domestic debt stock, followed by pension funds at 26.2 percent. Summary of the composition of domestic debt by holder is presented in Table 4.5.

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

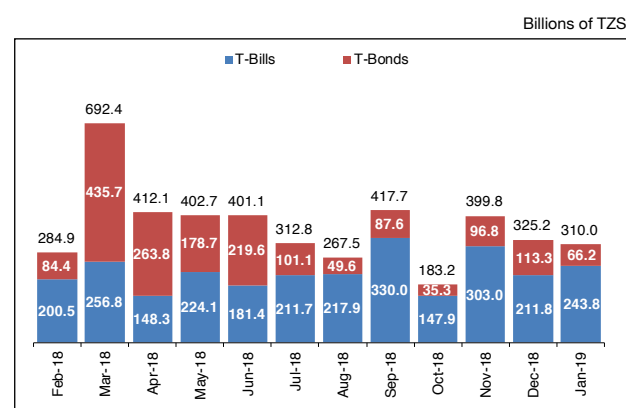
Holder	Jan-18		Dec-18		Jan-19	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	5,451.8	40.0	5,037.2	34.4	5,047.2	35.3
Pension funds	3,804.8	27.9	3,707.0	25.3	3,737.6	26.2
Bank of Tanzania	2,307.0	16.9	3,071.1	21.0	2,609.7	18.3
Insurance	1,095.4	8.0	1,280.4	8.8	1,324.3	9.3
Others	771.2	5.7	1,246.8	8.5	1,273.5	8.9
BOT's special funds	188.6	1.4	289.0	2.0	289.0	2.0
Total	13,618.8	100.0	14,631.4	100.0	14,281.3	100.0

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

Note: Others include other public institutions, private companies and individuals

Domestic debt issued in January 2019 amounted to TZS 310.0 billion, out of which TZS 243.8 billion was Treasury bills and the balance was Treasury bonds. Total debt issued during the year ending January 2019 was TZS 4,409.2 billion, of which TZS 2,677.2 billion was Treasury bills and the balance was Treasury bonds (Chart 4.2).

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



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

Note: Figures on top of each bar are totals

Domestic debt that fell due during January 2019 was TZS 285.6 billion, of which principal amounting to TZS 200.4 billion was rolled over whilst interest amounting to TZS 85.2 billion was paid out of government resources. Meanwhile, debt service in the year ending January 2019 was TZS 5,359.6 billion, of which TZS 4,025.0 billion was principal that was rolled over and the balance was interest paid out.

## 5.1 External Sector Performance

The overall balance of payments recorded a deficit of USD 856.3 million in the year ending January 2019 compared to a surplus of USD 1,587.4 million in the corresponding period in 2018, partly on account of widening of current account deficit. Gross official reserves amounted to USD 4,884.4 million at the end of January 2019, sufficient to cover 4.8 months of projected imports of goods and services excluding foreign direct investments related imports. The import cover was above the country and EAC benchmarks of not less than 4.0 months and 4.5 months, respectively. Meanwhile, foreign assets of banks amounted to USD 931.7 million at the end of January 2019.

During the year ending January 2019, current account recorded a deficit of USD 2,939.8 million compared with a deficit of USD 1,702.6 million in the year to January 2018, mainly due to the growing imports (Table 5.1).



**Table 5.1 Current Account**

Items	Millions of USD					
	Jan-18	Dec-18	Jan-19	Year ending January		Percentage change
				2018	2019 <sup>p</sup>	
Goods account	-209.7	-397.8	-478.7	-2,840.5	-4,068.5	43.2
Exports*	461.4	332.6	340.1	4,781.8	4,253.0	-11.1
Imports	671.0	730.4	818.8	7,622.4	8,321.5	9.2
Services account	129.6	195.6	186.7	1,775.6	1,908.4	7.5
Receipts	323.8	397.4	358.5	3,860.4	4,049.4	4.9
Payments	194.1	201.8	171.8	2,084.8	2,141.0	2.7
Goods and services	-80.0	-202.2	-292.0	-1,065.0	-2,160.2	---
Export of goods and services	785.1	730.0	698.6	8,642.3	8,302.4	-3.9
Import of goods and services	865.1	932.2	990.6	9,707.2	10,462.6	7.8
Primary income account	-115.0	-126.7	-63.8	-1,077.9	-1,208.6	12.1
Receipts	13.2	26.4	9.0	128.7	141.6	10.1
Payments	128.3	153.1	72.8	1,206.6	1,350.2	11.9
Secondary income account	60.5	48.5	17.9	440.3	428.9	-2.6
Inflows	66.3	55.7	27.5	521.7	496.9	-4.7
o/w: General government	36.3	25.2	0.0	158.1	134.0	-15.3
Outflows	5.9	7.3	9.6	81.4	68.0	-16.5
Current account balance	-134.6	-280.4	-337.9	-1,702.6	-2,939.8	72.7

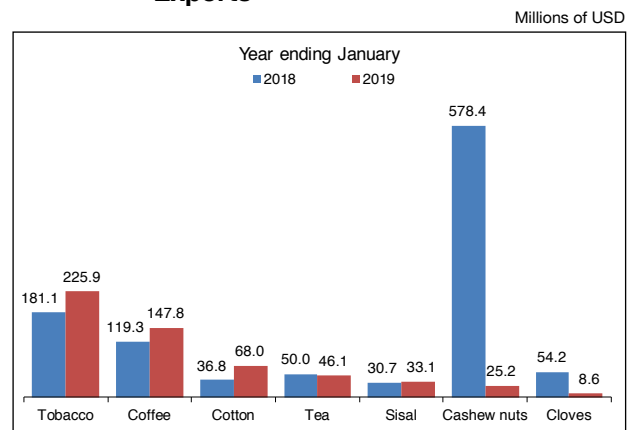
Source: Tanzania Revenue Authority, banks and Bank of Tanzania computations  
Notes: \* includes adjustments for informal cross border exports; p denotes provisional data; o/w, of which; and "----", change that exceeds 100 percent

## 5.1 Exports

The value of exports of goods and services declined to USD 8,302.4 million in the year ending January 2019 from USD 8,642.3 million in the corresponding period in 2018, explained by decrease in export of traditional goods.

The value of traditional goods exports fell to USD 554.6 million in the year ending January 2019 from USD 1,050.5 million the year to January 2018 on account of decline in export of raw cashew nuts, tea and cloves (**Chart 5.1**). Performance of raw cashew nuts exports during the year was associated with delays in export. The value of tea exports decreased mainly due to low export prices, while that of cloves was due to a decline in volume owing to cyclical nature of the crop. Meanwhile, export value of coffee, cotton, sisal and tobacco increased because of high export volumes following good harvest in 2017/18 crop season, supported by government efforts to revive cotton cultivation and favourable weather condition. The price movements of traditional exports were broadly consistent with the developments in world markets prices.

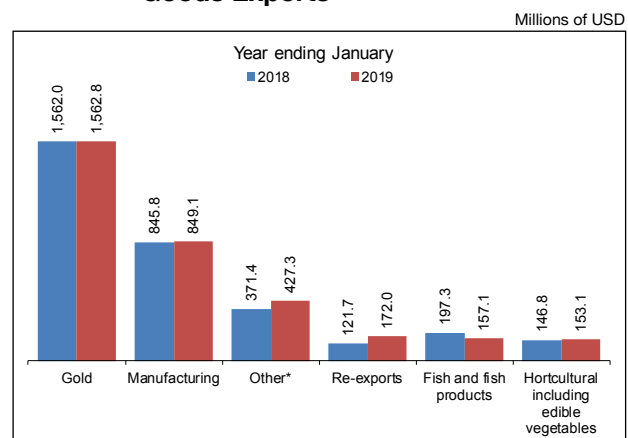
**Chart 5.1: Performance of Traditional Goods Exports**



Source: Tanzania Revenue Authority and Bank of Tanzania computations

Export value of non-traditional exports increased to USD 3,311.8 million in the year ending January 2019 from USD 3,296.6 million in corresponding period of 2018, driven by gold, manufacturing, horticultural products, re-exports and other exports (**Chart 5.2**).

**Chart 5.2: Performance of Non-traditional Goods Exports**



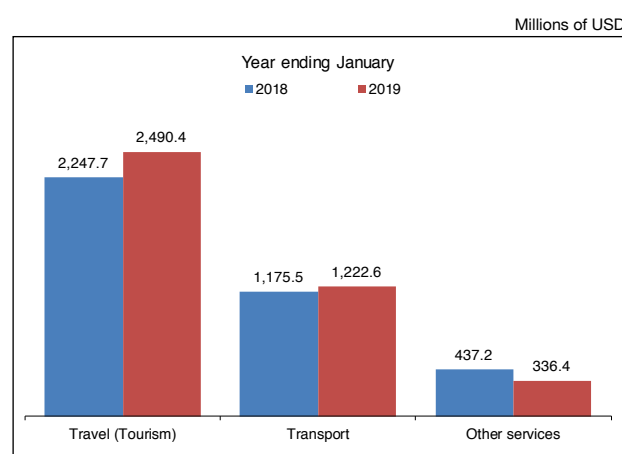
Source: Tanzania Revenue Authority and Bank of Tanzania computations  
Notes: Other exports includes minerals (excluding gold), oil seeds, cereals, cocoa, hides and skins

Foreign exchange receipt from services increased to USD 4,049.4 million in the year to January 2019 from USD 3,860.4 million in the corresponding period of 2018, largely driven by travel and transport receipts (**Chart 5.3**). Travel receipts (dominated by tourism) increased following rise in the number of tourist arrivals. Likewise, receipts from transport related activities rose due to growth in volume of transit goods to-and-from neighbouring countries particularly Zambia, Democratic Republic of Congo, Rwanda and Burundi. This is partly associated with improved competitiveness at the Dar es Salaam port, including removal of Value Added Tax on transit goods' auxiliary services.





Chart 5.3: Services Receipts by Category



Source: Banks, and Bank of Tanzania computations

Notes: Other services include; construction, insurance and pension, financial, telecommunication, computer and information, charges for use of intellectual property, government, royalties, personal, cultural and recreational and other business services

## 5.2 Imports

Goods and services import bill increased by 9.2 percent to USD 10,462.6 million in the year to January 2019 from the amount recorded in the year ending January 2018. Goods import, which accounted for 79.5 percent of the import bill increased to USD 8,323.7 million from USD 7,624.6 million in the year to January 2018 (Table 5.2). The increase in the value of goods import was driven by capital and intermediate goods. Value of consumer goods imports decreased due to substantial decline in importation of food and food stuff following good harvest during 2017/18 crop-season.

Table 5.2: Goods Imports

Millions of USD

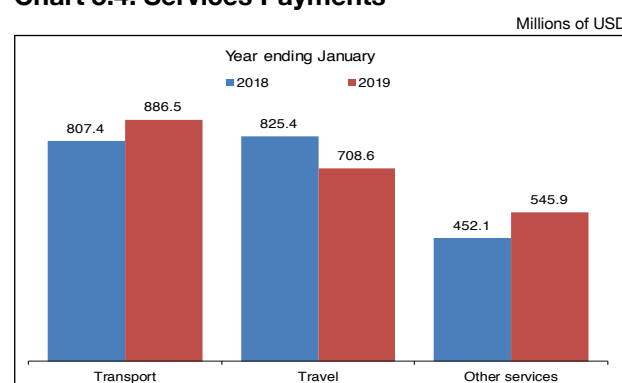
Items	Dec-18	Jan-19	Percentage change	Year ending January		Percentage change	Percentage contribution, year to January 2019
				2018 <sup>a</sup>	2019 <sup>a</sup>		
Capital goods	284.7	303.4	6.6	2,720.3	3,229.6	18.7	38.8
Transport equipment	70.5	77.4	9.7	715.5	883.4	23.5	10.6
Building and constructions	85.1	91.5	7.5	597.1	887.7	48.7	10.7
Machinery	129.1	134.5	4.2	1,407.7	1,458.5	3.6	17.5
Intermediate goods	275.0	334.3	21.6	2,724.7	2,924.9	7.3	35.1
Oil imports	202.8	254.8	25.7	1,853.5	1,984.0	7.0	23.8
Fertilizers	9.9	11.1	12.3	121.4	174.3	43.5	2.1
Industrial raw materials	62.3	68.3	9.7	749.8	766.6	2.2	9.2
Consumer goods	170.8	181.1	6.1	2,177.4	2,167.1	-0.5	26.0
Food and food stuffs	13.8	15.1	9.5	393.6	248.6	-36.8	3.0
All other consumer goods <sup>1</sup>	157.0	166.1	5.8	1,783.8	1,918.5	7.5	23.0
Grand total	730.4	818.8	12.1	7,624.6	8,323.7	9.2	100.0

Source: Tanzania Revenue Authority and Bank of Tanzania computations

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

Services payment amounted to USD 2,141.0 million compared with USD 2,084.8 million in the year to January 2018, on account of increase in transport and other services payments (**Chart 5.4**). Transport payment particularly freight, which constitutes the largest share of the services payment rose by 9.9 percent in line with increased goods imports.

Chart 5.4: Services Payments



Source: Banks, and Bank of Tanzania computations

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

Primary income account, comprising of income from capital related transactions and compensation of employees, recorded a deficit of USD 1,208.6 million in the year to January 2019 compared with a deficit of USD 1,077.9 million in the corresponding period of 2018. Meanwhile, balance in secondary income account—that captures unilateral current transfers—contracted by 2.6 percent year-on-year to USD 428.9 million, following decrease in official current transfers.

## 5.3 World Commodity Prices

World market prices of all selected commodities were higher in January 2019 than in the preceding month, save for tea and cotton (**Table 5.3**). Prices of tea and cotton decreased largely on account of excess supply coupled with high stocks of cotton in China. Cloves price increase was attributed to shortage in supply following low production in Indonesia. Meanwhile, prices of crude oil and white products rose because of high global demand mainly following extremely cold weather particularly in North America. The increase in gold prices was primarily supported by continued investors preference of gold as an effective diversifier and hedge against systemic risk.

On annual basis, world market prices of all selected commodities decreased, except for cotton and oil (**Table 5.3**). Prices of coffee and tea fell due to high supply following increase in production in Brazil, Vietnam, and Honduras; and India and Kenya, respectively. Likewise, the prices of cloves decreased largely on account of low global demand. As to the price of cotton, the increase was mainly due to high global demand. Prices of oil went up largely due to tight supply, falling global inventories and geopolitical tension.



Table 5.3: World Commodity Prices

Commodity	Unit measure	Dec-18	Jan-19	Percentage change	Year ending January		Percentage change
					2018	2019	
Robusta coffee	USD per kg	1.7	1.7	0.6	2.2	1.9	-15.5
Arabica coffee	USD per kg	2.8	2.8	1.1	3.3	2.9	-11.3
Tea (average price)	USD per kg	2.6	2.6	-2.7	3.1	2.8	-11.5
Tea (Mombasa auction)	USD per kg	2.3	2.3	-0.4	2.9	2.5	-15.1
Cotton, "A index"	USD per kg	1.9	1.8	-4.2	1.9	2.0	7.5
Sisal (UG)	USD per kg	1.8	1.8	0.0	1.8	1.7	-2.3
Cloves	USD per kg	7.6	7.8	2.9	8.6	7.9	-8.1
Crude oil*	USD per barrel	56.5	59.2	4.9	55.6	70.4	26.6
Crude oil**	USD per barrel	56.5	59.0	4.4	54.2	68.4	26.3
White products	USD per tonne	566.2	585.4	3.4	497.8	664.7	33.5
Gold	USD per troy ounce	1,250.4	1,291.8	3.3	1,267.5	1,265.9	-0.1

Source: <http://www.Worldbank.org/Prospects>, World Bank Public Ledger, Bloomberg, Tanzania Sisal Board and Bank of Tanzania computations

Note: \*Average of Brent, Dubai and West Texas Intermediate, and \*\* f.o.b. Dubai, and UG, under grade

## 6.0 Economic Developments in Zanzibar

### 6.1 Inflation Developments

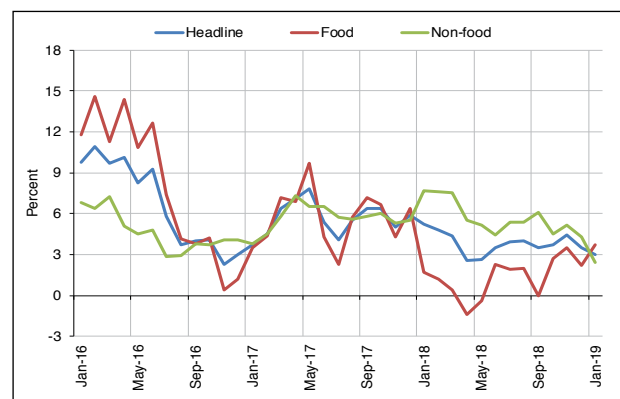
Year-on-year headline inflation eased to seven-months low of 3.0 percent in January 2019 from 3.5 percent in the previous month and 5.2 percent in January 2018 (**Table 6.1** and **Chart 6.1**). The development was on account of decrease in non-food inflation mainly due to a decline in prices of petroleum products. Non-food inflation eased to 2.4 percent in January 2019 from 4.3 percent and 7.7 percent in December 2018 and January 2018, respectively. On month-to-month basis, headline inflation was negative 0.4 percent compared to 0.1 percent registered in the similar month of 2018.

Table 6.1: Headline Inflation and its Main Components

Main groups	Weight	Base: Jan 2017=100					
		Monthly change			Annual change		
		Jan-18	Dec-18	Jan-19	Jan-18	Dec-18	Jan-19
Food and non-alcoholic beverages	43.6	-2.4	1.6	-1.1	1.7	2.2	3.6
Alcoholic beverages, tobacco and narcotics	0.2	0.0	0.0	0.2	3.3	6.6	6.9
Clothing and footwear	6.9	0.9	0.0	-0.1	5.0	2.9	1.8
Housing, water, electricity, gas and other fuels	18.4	0.1	-0.5	-1.4	11.0	3.0	1.5
Furnishing, household equipment	5.5	10.8	0.1	1.3	13.1	12.5	2.9
Health	2.1	0.0	0.0	2.5	4.6	1.5	4.0
Transport	9.6	3.5	0.6	-0.7	9.4	8.5	4.1
Communication	4.2	0.1	0.0	0.0	0.3	-1.1	-1.1
Recreation and culture	1.3	0.8	0.0	0.0	3.5	4.8	4.0
Education	1.9	5.3	0.0	3.1	5.3	6.3	4.2
Restaurants and hotels	3.9	0.1	0.0	5.4	2.0	-1.1	4.1
Miscellaneous goods and services	2.3	1.7	-0.2	1.3	2.0	3.8	3.5
All items (Headline inflation)	100.0	0.1	0.6	-0.4	5.2	3.5	3.0
Other selected groups:							
Food	42.7	2.5	1.6	-1.1	1.7	2.3	3.7
Non-food	57.3	2.0	-0.1	0.1	7.7	4.3	2.4

Source: Office of the Chief Government Statistician, Zanzibar

Chart 6.1: Twelve-Month Inflation Developments

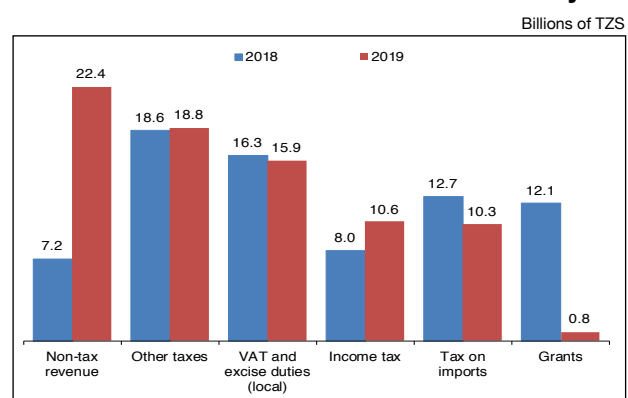


Source: Office of the Chief Government Statistician, Zanzibar

### 6.2 Government Budgetary Operations

Government resource envelope—revenue and grants—amounted to TZS 78.8 billion in January 2019, of which revenue was TZS 78.0 billion and the balance grants. Domestic revenue surpassed the target for the month by 10.1 percent, largely driven by non-tax revenue following receipt of dividend from Bank of Tanzania. Out of domestic revenue, tax collections accounted for 71.3 percent and the balance was non-tax revenue. Meanwhile, disbursed grants amounted to TZS 0.8 billion, 70.8 percent above the monthly estimates. **Chart 6.2** shows government resources during January 2018 and 2019.

Chart 6.2: Government Resources in January



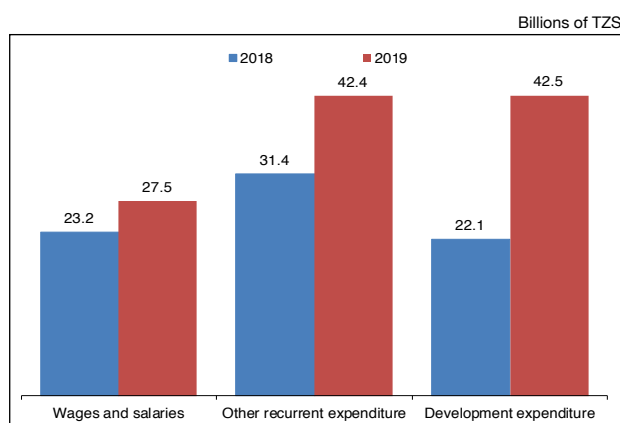
Source: Ministry of Finance and Planning, Zanzibar

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

In January 2019, the Government expenditure amounted to TZS 112.4 billion, of which TZS 69.9 billion was spent on recurrent activities and TZS 42.5 billion on development projects (**Chart 6.3**). Out of the amount spent on development projects, 63.3 percent was from foreign sources and the balance was from local sources.



Chart 6.3: Government Expenditure in January



Source: Ministry of Finance and Planning, Zanzibar

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

## 6.3 External Sector Performance

### 6.3.1 Current Account

Current account recorded a deficit of USD 60.7 million in the year ending January 2019 compared to a surplus of USD 42.2 million in the corresponding period in 2018. This development was due to increase in imports coupled with a decline in exports, mainly cloves (Table 6.2).

Table 6.2: Current Account Balance

	Millions of USD					
	Jan-18	Dec-18	Jan-19 <sup>p</sup>	Year ending January 2018	Year ending January 2019 <sup>p</sup>	Percentage change
Goods account	-15.7	-18.2	-13.0	-97.4	-203.2	---
Exports	3.0	0.5	0.6	66.7	20.6	-69.2
Imports (fob)	18.7	18.8	13.6	164.0	223.7	36.4
Services account	9.1	10.1	10.6	93.9	105.7	12.6
Receipts	15.5	15.8	16.2	159.6	175.1	9.7
Payments	6.3	5.7	5.7	65.8	69.4	5.5
Goods and services	-6.5	-8.1	-2.5	-3.5	-97.4	---
Exports of goods and services	18.4	16.4	16.8	226.3	195.7	-13.5
Imports of goods and services	25.0	24.5	19.2	229.8	293.1	27.5
Income account	1.0	0.9	0.9	9.2	9.5	3.3
Receipts	1.4	1.2	1.2	13.8	15.1	9.0
Payments	0.4	0.3	0.3	4.6	5.6	20.2
Current transfers	7.9	10.0	0.7	36.5	27.2	-25.5
Inflows	8.1	10.2	0.9	38.5	29.1	-24.3
Outflows	0.2	0.2	0.2	1.9	1.9	-1.2
Current account balance	2.3	2.8	-0.9	42.2	-60.7	N/A

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

Note: p denotes provisional data; fob, free on board; N/A, not applicable; and "----", change that exceeds 100 percent

### 6.3.2 Exports

The value of exports of goods and services decreased by 13.5 percent to USD 196.0 million in the year ending January 2019 (Table 6.2). The development

was mainly on account of decline in the volume of cloves exported associated with the cyclical nature of the crop (Table 6.3). Export value of fish and fish products more than tripled due to growing market for anchovies in the neighbouring countries. Meanwhile, receipts from services increased to USD 175.1 million in the year ending January 2019 from USD 159.6 million in the corresponding period in 2018 owing to increase in earnings from tourism related activities.

Table 6.3: Goods Export Performance

	Units	Jan-18	Dec-18	Jan-19 <sup>p</sup>	Year ending January		Percentage change
					2018	2019 <sup>p</sup>	
Traditional exports:							
Clove							
Value	'000' USD	1,975.0	0.0	0.0	55,677.8	8,468.5	-84.8
Volume	'000' Tonnes	0.3	0.0	0.0	7.0	1.1	-85.1
Unit price	USD/Tonne	7,900.0	0.0	0.0	7,923.4	8,065.2	1.8
Non-traditional exports:							
Seaweeds							
Value	'000' USD	343.3	295.7	368.6	2,785.9	4,228.3	51.8
Volume	'000' Tonnes	0.6	0.7	0.8	8.0	10.4	30.2
Unit price	USD/Tonne	622.6	405.0	434.1	359.6	405.8	12.8
Manufactured goods	'000' USD	508.7	184.9	164.8	6,117.4	6,609.2	8.0
Fish and fish products	'000' USD	63.6	10.7	7.1	115.8	461.3	---
Others exports	'000' USD	70.3	47.8	12.7	1,963.1	784.6	-60.0
Sub total	'000' USD	985.9	539.0	553.2	10,982.2	12,083.5	10.0
Grand total	'000' USD	2,960.9	539.0	553.2	66,660.0	20,552.0	-69.2

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

Value of goods (fob) and services imports rose by 27.5 percent in the year ending January 2019, from USD 229.8 million recorded in the year ending January 2018. Much of the increase was observed in merchandise imports, which accounted for 76.3 percent of the total imports (Table 6.2 and Table 6.4).

Table 6.4: Imports by Major Categories

	Millions of USD					
	Jan-18	Dec-18	Jan-19 <sup>p</sup>	Year ending January 2018	Year ending January 2019 <sup>p</sup>	Percentage change
Capital goods	5.0	4.1	3.6	45.0	60.4	34.3
Transport equipment	1.5	1.4	1.7	17.7	22.1	24.6
Building and construction	0.9	1.1	0.5	7.3	11.7	59.4
Machinery	2.6	1.6	1.4	19.9	26.6	33.6
Intermediate goods	8.5	8.9	8.2	75.7	104.7	38.2
Oil imports	5.3	6.6	6.4	53.2	72.1	35.5
Industrial raw materials	3.1	2.2	1.9	22.6	32.6	44.6
Consumer goods	6.0	7.6	3.1	53.7	72.5	34.9
Food and food stuffs	2.3	3.4	0.6	19.8	28.3	43.0
All other consumer goods	3.7	4.2	2.5	34.0	44.2	30.1
Grand total (c.i.f)	19.4	20.6	14.9	174.5	237.6	36.2
Grand total (f.o.b)	18.7	18.8	13.6	164.0	223.7	36.4

Source: Tanzania Revenue Authority and Bank of Tanzania computations  
Note: p denotes provisional data



## Statistical Tables

**Table A1: Selected Economic Indicators**

	Unit	2012	2013	2014	2015	2016	2017 <sup>f</sup>
<b>National accounts and prices</b>							
1.1 Change in GDP at current prices	Percent	16.4	15.5	12.4	14.0	13.5	12.5
1.2 Change in GDP at constant 2007 prices	Percent	5.1	7.3	7.0	7.0	7.0	7.1
1.3 GDP per capita-current prices (TZS)	'000' TZS	1,408.2	1,576.5	1,716.7	1,896.2	2,086.2	2,275.6
1.4 GDP per capita-current prices (USD)	USD	896.0	986.1	1,038.9	955.1	958.2	1,021.0
1.5 Change in consumer price index (Inflation)	Percent	16.1	7.9	6.1	5.6	5.2	5.3
1.6 Saving to GNDI ratio	Percent	13.2	8.7	16.7	19.4	17.2	15.5
<b>Money, credit and interest rates</b>							
2.1 Change in extended broad money supply (M3)	Percent	12.5	10.0	15.6	18.8	3.4	8.0
2.2 Change in broad money supply (M2)	Percent	16.0	10.9	17.0	13.4	5.3	10.4
2.3 Change in narrow money supply (M1)	Percent	17.3	10.4	14.8	15.6	5.3	10.6
2.4 Change in reserve money (M0)	Percent	10.1	11.1	17.5	15.6	0.3	1.5
2.5 Total credit to GDP ratio <sup>1</sup>	Percent	17.7	17.7	19.4	21.6	19.3	17.0
2.6 Non-government sector credit to GDP ratio <sup>1</sup>	Percent	14.5	14.2	15.0	16.4	15.3	14.2
2.7 Ratio of credit to non-government sector to total credit	Percent	81.7	80.3	77.3	76.0	79.5	83.8
2.8 12-Months deposit rate <sup>2</sup>	Percent	11.3	11.6	10.8	10.8	11.5	11.7
2.9 Overall treasury bill rate <sup>2</sup>	Percent	13.6	14.2	13.6	12.9	16.2	11.1
2.10 Long-term lending rate <sup>2</sup>	Percent	16.0	15.7	16.2	15.3	15.6	17.9
<b>Balance of payments</b>							
3.1 Exports of goods (f.o.b)	Mill. USD	5,889.2	5,258.1	5,194.1	5,316.8	5,661.2	4,827.8
3.2 Imports of goods (f.o.b)	Mill. USD	-10,319.1	-11,029.1	-10,917.8	-9,843.1	-8,463.6	-7,551.7
3.3 Trade balance	Mill. USD	-4,429.9	-5,771.1	-5,723.7	-4,526.3	-2,802.5	-2,723.9
3.4 Current account balance	Mill. USD	-3,769.6	-4,988.5	-5,048.6	-3,986.9	-1,953.2	-1,481.2
3.5 Overall balance	Mill. USD	326.2	507.9	-251.8	-199.1	305.5	1,669.6
3.6 Gross official reserves	Mill. USD	4,068.1	4,676.2	4,377.2	4,093.7	4,325.6	5,900.3
3.7 Reserves months of imports (of goods and services) (excluding FDI related imports)	Months	4.1	4.5	4.7	4.9	6.0	6.6
3.8 Exchange rate:							
Annual average	TZS/USD	1,571.7	1,598.7	1,652.5	1,985.4	2,177.1	2,228.9
End of period	TZS/USD	1,571.6	1,578.6	1,725.8	2,148.5	2,172.6	2,230.1
		2012/13	2013/14	2014/15	2015/16	2016/17 <sup>f</sup>	2017/18 <sup>p</sup>
<b>Public finance</b>							
4.1 Current revenue to GDP ratio <sup>1</sup>	Percent	12.8	13.5	12.9	14.3	15.6	15.1
4.2 Grants to GDP ratio <sup>1</sup>	Percent	2.1	2.1	1.2	0.5	1.0	0.8
4.3 Current expenditure to GDP ratio <sup>1</sup>	Percent	13.7	13.3	12.8	13.8	10.9	10.8
4.4 Development expenditure to GDP ratio <sup>1</sup>	Percent	5.5	5.2	4.4	4.5	6.8	6.4
4.5 Budget balance to GDP ratio (excluding grants) <sup>1</sup>	Percent	-6.5	-5.0	-4.3	-4.0	-2.1	-2.1
4.6 Budget balance to GDP ratio (including grants) <sup>1,3</sup>	Percent	-4.4	-2.9	-3.1	-3.5	-1.5	-1.9
<b>Total external debt stock</b>	Mill. USD	12,482.2	14,236.9	15,884.0	17,180.9	18,491.5	20,503.0
5.1 Disbursed debt	Mill. USD	11,086.4	12,632.1	14,548.3	15,948.1	17,091.6	18,765.1
5.2 Interest Arrears	Mill. USD	1,395.8	1,604.8	1,335.7	1,232.8	1,399.9	1,737.9

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 expenditure float, adjustment to cash and other items (net); GNDI denotes Gross National Disposable Income; n.a., not available; r, revised data; and p, provisional data



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

Million of TZS

	Budget	July 2018 - January 2019		January 2019	
	2018/19	Estimate	Actual	Estimate	Actual
Total revenue (including LGAs)	20,894,577.8	12,042,710.1	11,006,503.1	1,866,546.6	1,829,952.9
Central government revenue	20,158,989.1	11,592,535.3	10,634,814.9	1,810,738.0	1,778,103.6
Tax revenue	17,867,311.6	10,203,762.2	9,038,331.6	1,439,241.5	1,261,303.9
Taxes on imports	6,134,952.2	3,549,209.0	3,298,591.4	510,746.3	497,052.3
Sales/VAT and excise on local goods	4,436,453.2	2,581,081.9	2,246,863.1	433,067.2	313,402.5
Income taxes	6,109,593.2	3,385,903.9	2,950,482.5	398,917.7	371,191.7
Other taxes	1,186,313.0	687,567.4	542,394.6	96,510.3	79,657.4
Non- tax revenue	2,291,677.6	1,388,773.2	1,596,483.3	371,496.5	516,799.7
LGA own sources	735,588.6	450,174.7	371,688.2	55,808.6	51,849.2
Total expenditure <sup>1</sup>	26,206,296.6	14,696,727.0	11,353,230.3	1,898,019.2	1,743,639.5
Recurrent expenditure	14,199,023.1	8,431,560.8	7,092,932.8	1,197,099.6	976,838.7
Wages and salaries	7,409,952.4	4,289,903.2	3,866,227.1	624,009.8	556,230.2
Interest payments	2,103,298.0	1,446,903.0	1,140,413.8	174,425.0	144,991.9
Domestic	1,413,631.0	995,589.0	748,705.0	111,204.0	85,201.0
Foreign	689,667.0	451,314.0	391,708.8	63,221.0	59,790.9
Other goods, services and transfers	4,685,772.7	2,694,754.6	2,086,291.9	398,664.8	275,616.6
Development expenditure and net lending	12,007,273.5	6,265,166.2	4,260,297.6	700,919.6	766,800.8
Local	9,876,393.5	5,001,798.8	3,294,384.1	533,834.9	610,787.8
Foreign	2,130,880.0	1,263,367.4	965,913.5	167,084.7	156,013.0
Balance before grants	-5,311,718.8	-2,654,017.0	-346,727.2	-31,472.7	86,313.4
Grants	1,081,408.0	595,041.3	233,914.7	62,748.5	830.4
Program	236,263.9	95,728.7	0.0	0.0	0.0
Project	752,981.5	439,239.2	119,637.1	62,748.5	830.4
Basket funds	92,162.5	60,073.4	114,277.6	0.0	0.0
Balance (cheques issued) after grants	-4,230,310.9	-2,058,975.7	-112,812.5	31,275.8	87,143.8
Expenditure float	0.0	0.0	-10,216.4	0.0	0.0
Adjustments to cash and other items (net)	0.1	0.0	-429,738.9	0.0	258,212.0
Overall balance	-4,230,310.8	-2,058,975.7	-552,767.8	31,275.8	345,355.8
Financing	4,230,310.8	2,058,975.7	552,767.8	-31,275.8	-345,355.8
Foreign financing (net)	3,036,642.1	571,493.8	54,767.5	62,696.2	113,292.4
Loans	4,706,295.1	1,490,774.8	857,394.8	104,336.2	155,182.6
Program loans	309,501.0	130,644.0	125,396.0	0.0	0.0
Development project loans	4,363,092.9	1,326,429.6	718,848.1	104,336.2	155,182.6
o/w: Non-concessional borrowing	3,111,058.2	596,076.0	0.0	0.0	0.0
Basket support	33,701.2	33,701.2	13,150.6	0.0	0.0
Amortization	-1,669,653.0	-919,281.0	-802,627.2	-41,640.0	-41,890.2
Domestic (net) <sup>2</sup>	1,193,668.6	1,487,481.9	498,000.2	-93,972.0	-458,648.2
Bank and non-bank financing	1,193,668.6	1,487,481.9	498,000.2	-93,972.0	-458,648.2
Bank borrowing	1,074,301.8	1,338,733.7	234,956.4	-84,574.8	-417,259.1
Non-bank (net of amortization)	119,366.9	148,748.2	263,043.9	-9,397.2	-41,389.0
Borrowing/roll-over	4,600,000.0	2,638,336.8	1,856,394.5	443,538.0	186,504.9
Domestic and contingent debt amortization	-4,600,000.0	-2,638,336.8	-1,856,394.5	-443,538.0	-186,504.9

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; and o/w, of which



**Table A3: Depository Corporations Survey**

Items	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19 <sup>P</sup>
Net foreign assets	11,380.8	11,196.2	10,881.2	10,750.8	11,249.5	11,236.7	11,217.4	11,637.1	11,643.1	11,522.5	11,130.9	10,642.3	10,153.5
Bank of Tanzania	11,771.7	11,687.6	11,149.2	10,734.0	11,530.2	11,514.9	11,330.4	11,621.4	11,495.8	11,142.1	10,693.4	10,692.3	10,290.4
Other depository corporations	-390.9	-491.4	-268.0	16.8	-280.7	-278.2	-113.0	15.7	147.3	380.4	437.5	-50.0	-136.9
Net domestic assets	13,566.4	13,683.6	13,595.7	13,683.0	13,273.4	14,057.9	13,487.8	13,405.3	13,632.7	13,745.0	14,359.4	15,181.0	15,609.6
Domestic claims	20,913.1	20,543.8	20,851.3	20,890.7	20,390.2	21,362.7	21,176.1	21,167.5	21,480.0	21,439.2	22,309.8	22,208.2	22,229.0
Claims on central government (net)	3,989.6	3,675.4	4,037.0	4,037.9	3,125.2	3,829.4	3,740.4	3,584.5	3,910.7	3,845.5	4,507.1	4,481.6	4,064.4
Claims on central government	8,225.0	8,512.7	8,877.7	8,937.1	7,912.3	9,124.7	8,240.3	8,179.7	8,240.8	8,200.0	8,469.8	8,522.5	8,217.1
Liabilities to central government	4,235.4	4,837.3	4,840.8	4,899.2	4,787.0	5,295.3	4,499.9	4,595.2	4,330.1	4,354.5	3,962.7	4,040.9	4,152.7
Claims on non-government sector	16,923.5	16,868.4	16,814.3	16,852.8	17,265.0	17,533.3	17,435.6	17,583.0	17,569.3	17,593.7	17,802.7	17,726.6	18,164.6
Other items (net)	-7,346.6	-6,860.3	-7,255.6	-7,207.7	-7,116.8	-7,304.9	-7,688.2	-7,762.2	-7,847.3	-7,694.2	-7,950.3	-7,027.2	-6,619.4
Broad money liabilities	24,947.2	24,879.8	24,476.8	24,433.8	24,522.9	25,294.5	24,705.2	25,042.4	25,275.8	25,267.5	25,490.4	25,823.3	25,763.1
Currency outside depository corporations	3,676.3	3,614.1	3,704.0	3,620.3	3,749.0	3,926.2	3,885.1	3,865.8	3,835.1	3,756.2	3,773.5	3,866.6	3,709.2
Transferable deposits	11,356.2	11,408.0	11,047.2	10,963.3	10,836.5	11,569.7	11,054.2	11,287.7	11,562.2	11,494.9	11,782.3	11,835.8	11,960.4
Non-transferable (other) deposits	9,914.6	9,857.6	9,725.6	9,850.2	9,937.4	9,798.6	9,765.9	9,888.9	9,878.5	10,016.4	9,934.6	10,121.0	10,093.5
Memorandum Items:													
Monetary aggregates													
Reserve money (M0)	7,169.2	7,143.2	6,744.9	6,487.7	6,811.9	7,136.6	6,680.3	6,753.2	6,487.3	6,587.2	6,790.0	6,992.9	6,707.2
Extended broad money (M3)	24,947.2	24,879.8	24,476.8	24,433.8	24,522.9	25,294.5	24,705.2	25,042.4	25,275.8	25,267.5	25,490.4	25,823.3	25,763.1
Deposits in foreign Currency (FCD)	6,405.2	6,700.1	6,287.0	6,359.3	6,218.3	6,343.3	6,439.5	6,605.0	6,674.4	6,706.5	6,597.5	6,783.1	6,796.7
FCD in millions of USD	2,861.1	2,984.8	2,796.0	2,810.9	2,744.7	2,798.8	2,835.1	2,903.4	2,930.7	2,942.1	2,895.2	2,973.4	2,976.4
Broad money (M2)	18,542.0	18,179.7	18,189.8	18,074.5	18,304.7	18,951.2	18,265.7	18,437.4	18,601.3	18,561.0	18,892.8	19,040.3	18,966.4
Other deposits in national currency (i.e. savings and time deposits)	7,195.1	7,204.5	7,063.1	7,046.1	7,193.9	7,189.3	7,085.6	7,083.8	7,065.3	7,189.3	7,139.7	7,316.7	7,362.3
Narrow money (M1)	11,346.9	10,975.2	11,126.7	11,028.3	11,110.7	11,762.0	11,180.0	11,353.6	11,536.0	11,371.7	11,753.2	11,723.6	11,604.1
Currency in circulation	3,676.3	3,614.1	3,704.0	3,620.3	3,749.0	3,926.2	3,885.1	3,865.8	3,835.1	3,756.2	3,773.5	3,866.6	3,709.2
Transferable deposits in national currency	7,670.6	7,361.1	7,422.7	7,408.0	7,361.7	7,835.7	7,294.9	7,487.8	7,700.9	7,615.5	7,979.7	7,857.0	7,894.9

Source: Bank of Tanzania and banks  
Note: p denotes provisional data



**Table A4: Interest Rate Structure**

Items	2018												Percent
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov <sup>r</sup>	Dec <sup>p</sup>	2019 Jan <sup>p</sup>
<b>A: Domestic currency</b>													
<b>1. Interbank cash market rates</b>													
Overnight	2.74	1.83	1.50	1.29	1.53	1.69	1.95	1.89	1.93	2.10	2.39	2.98	3.55
2 to 7 days	3.15	2.07	1.95	1.73	2.01	2.06	2.28	2.42	2.71	2.55	3.14	3.40	3.95
8 to 14 days	4.08	2.60	1.87	1.70	2.01	2.15	2.46	2.74	3.33	2.92	3.90	4.08	4.80
15 to 30 days	4.19	3.90	3.53	3.53	3.50	3.33	1.50	4.00	4.00	4.25	4.33	4.69	4.49
31 to 60 days	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
61 to 90 days	8.50	8.50	3.25	3.25	3.25	3.25	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Overall interbank cash market rate	3.00	1.97	1.71	1.45	1.70	1.85	2.09	2.19	2.26	2.29	2.74	3.25	3.74
2. Lombard rate	5.10	3.91	3.00	3.00	3.69	3.69	3.56	3.97	4.10	4.08	4.08	4.50	5.32
3. REPO rate	2.24	1.10	1.00	1.21	2.46	2.46	2.37	2.37	2.37	2.37	2.37	2.37	2.37
4. Reverse repo rate	5.19	5.19	5.19	2.31	4.03	3.31	3.79	3.78	4.27	5.35	6.63	4.82	4.06
<b>5. Treasury bills rates</b>													
35 days	3.40	2.61	2.00	2.00	2.00	2.00	2.25	2.65	2.73	2.72	2.72	3.00	3.00
91 days	3.75	3.45	2.52	2.05	1.91	2.70	2.87	2.96	2.98	2.99	3.00	3.50	3.50
182 days	4.29	3.85	3.35	3.06	2.69	2.68	3.83	5.31	5.07	4.98	5.22	5.26	5.27
364 days	7.48	6.58	5.48	4.74	4.80	6.27	7.63	8.11	7.98	8.08	8.59	9.22	9.33
Overall treasury bills rate	6.54	5.45	4.69	4.04	4.28	5.59	7.45	7.57	7.19	7.40	8.19	8.72	8.54
<b>6. Treasury bonds rates</b>													
2-years	11.10	9.21	9.21	8.52	8.52	8.52	8.52	9.00	9.00	10.49	10.49	10.49	11.39
5-years	12.16	12.16	11.06	11.06	11.06	11.30	11.30	11.88	11.88	11.88	12.00	12.00	12.00
7-years	13.98	12.96	12.96	12.96	12.23	12.23	12.23	12.27	12.27	12.27	12.56	12.56	12.56
10-years	15.09	15.09	13.86	13.86	13.94	13.94	14.41	14.41	14.39	14.39	14.39	14.94	14.94
15-years	14.65	14.65	14.65	14.17	14.17	14.47	14.80	14.80	14.80	15.03	15.03	15.03	15.46
20-years									17.69	17.69	17.69	17.73	17.73
7. Discount rate	9.00	9.00	9.00	9.00	9.00	9.00	9.00	7.00	7.00	7.00	7.00	7.00	7.00
8. Savings deposit rate	2.86	2.76	2.77	2.19	2.11	2.09	2.25	2.65	2.66	2.63	2.63	2.64	2.60
9. Overall time deposits rate	9.50	8.91	8.57	8.64	8.13	8.19	7.83	7.63	8.15	7.93	7.84	7.50	7.33
1 month	10.41	10.31	9.51	9.17	8.89	9.19	7.95	8.19	8.83	9.77	9.87	8.89	9.24
2 months	11.16	10.09	8.69	9.10	8.77	8.20	8.58	8.25	9.36	8.43	7.68	8.20	7.31
3 months	10.01	8.41	8.89	8.51	7.70	8.63	7.62	7.90	7.97	7.55	7.92	7.29	6.61
6 months	9.72	9.26	8.99	8.96	9.14	8.80	8.41	8.37	8.76	8.25	7.56	7.35	7.43
12 months	10.77	10.09	9.92	9.22	8.68	8.68	8.35	7.75	7.36	8.11	8.03	8.40	8.65
24 months	12.36	12.21	12.08	13.54	11.80	11.94	11.98	11.94	13.68	11.38	11.31	10.32	10.10
10. Negotiated deposit rate	10.90	10.40	10.19	9.87	9.39	9.37	9.43	9.36	9.02	8.41	8.85	9.17	8.85
11. Overall lending rate	18.31	17.39	17.59	17.57	17.53	17.50	17.39	17.09	17.52	17.27	17.09	16.72	17.21
Short-term (up to 1 year)	18.65	18.01	18.54	18.19	18.05	17.61	17.98	18.19	18.68	18.20	18.54	17.83	17.00
Medium-term (1-2 years)	20.08	18.85	19.43	19.49	18.75	18.65	18.41	17.89	18.33	17.88	17.77	17.61	18.17
Medium-term (2-3 years)	18.76	17.34	17.04	17.00	17.27	17.79	17.43	17.44	17.77	17.46	17.34	17.08	17.76
Long-term (3-5 years)	18.82	17.96	17.92	17.87	17.93	17.47	17.61	16.76	17.05	16.75	16.57	16.20	17.07
Term Loans (over 5 years)	15.24	14.79	15.03	15.32	15.64	15.97	15.51	15.01	15.78	15.93	15.11	14.88	16.08
12. Negotiated lending rate	15.88	16.20	16.47	16.23	16.01	16.23	16.19	15.92	15.69	14.90	15.87	15.28	14.93
<b>B: Foreign currency</b>													
<b>1. Deposits rates</b>													
Savings deposits rate	0.70	1.16	0.81	0.77	1.07	1.02	0.75	0.70	2.75	0.71	1.61	1.92	2.02
Overall time deposits rate	4.21	4.10	3.90	4.04	3.65	3.49	3.41	3.52	4.83	3.53	3.60	3.57	3.43
1-months	3.70	3.95	4.18	3.79	4.20	3.84	3.33	3.42	3.44	3.45	3.23	3.41	3.27
2-months	4.25	4.42	3.74	4.44	3.76	3.39	3.64	3.17	3.94	4.03	4.54	4.55	4.46
3-months	4.59	3.72	4.36	5.23	3.45	3.66	3.73	3.84	3.78	3.14	3.30	3.27	3.19
6-months	4.69	4.65	3.87	3.77	3.73	3.73	3.49	4.13	4.72	3.93	3.62	3.26	3.19
12-months	3.83	3.74	3.35	2.99	3.11	2.82	2.87	3.02	8.25	3.08	3.32	3.37	3.06
2. Overall lending rate	7.96	8.39	8.02	8.31	8.32	8.38	8.32	7.97	7.54	6.92	7.70	8.31	8.00
Short-term (up to 1 year)	8.48	8.84	8.32	8.30	8.54	8.55	8.99	8.68	9.35	7.27	7.46	8.93	6.76
Medium-term (1-2 years)	7.29	7.92	8.34	8.35	8.03	8.18	8.86	8.01	8.07	6.94	8.06	9.17	8.38
Medium-term (2-3 years)	8.34	8.27	7.71	8.31	8.42	8.40	7.44	7.62	7.68	7.22	7.50	7.80	8.03
Long-term (3-5 years)	8.01	8.03	8.17	8.17	8.17	8.47	8.33	8.12	6.86	6.15	8.11	8.19	8.87
Term loans (over 5 years)	7.69	8.89	7.57	8.43	8.44	8.28	8.01	7.43	5.72	7.02	7.38	7.49	7.98

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

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



**Table A5: Tanzania Balance of Payments**

Millions of USD					
Item	2013	2014 <sup>r</sup>	2015 <sup>r</sup>	2016 <sup>r</sup>	2017 <sup>p</sup>
A. Current account	-4,988.5	-5,048.6	-3,986.9	-1,953.2	-1,481.2
Goods: exports f.o.b.	5,258.1	5,194.1	5,316.8	5,661.2	4,827.8
Traditional	868.9	828.8	793.3	885.6	1,020.2
Non-traditional	3,703.3	3,798.6	4,040.1	4,260.9	3,368.7
o/w: Gold	1,644.8	1,324.1	1,183.3	1,449.4	1,541.1
Unrecorded trade	685.8	566.8	483.3	514.7	438.9
Goods: imports f.o.b.	-11,029.1	-10,917.8	-9,843.1	-8,463.6	-7,551.7
Balance on goods	-5,771.1	-5,723.7	-4,526.3	-2,802.5	-2,723.9
Services: credit	3,201.7	3,396.0	3,412.4	3,599.3	3,831.4
Transport	811.8	902.6	1,024.9	1,053.6	1,140.6
Travel	1,880.4	2,010.1	1,902.0	2,131.6	2,250.3
Other	509.5	483.2	485.5	414.1	440.5
Services: debit	-2,488.5	-2,668.7	-2,629.1	-2,176.4	-2,039.9
Transport	-1,137.8	-1,163.0	-1,047.0	-893.7	-800.3
Travel	-1,033.9	-1,101.6	-1,195.3	-922.3	-807.3
Other	-316.7	-404.1	-386.8	-360.4	-432.3
Balance on services	713.2	727.3	783.3	1,422.9	1,791.5
Balance on goods and services	-5,057.9	-4,996.4	-3,743.0	-1,379.6	-932.4
Primary income: credit	130.1	118.4	110.3	98.5	125.3
o/w: Investment income	99.9	86.5	87.8	67.6	86.1
Compensation of employees	30.2	31.9	22.5	31.0	39.3
Primary income: debit	-835.8	-647.9	-834.6	-1,053.6	-1,076.2
o/w: Direct investment income	-617.0	-445.0	-550.0	-625.2	-672.8
Interest payments	-148.2	-150.9	-248.6	-379.9	-356.0
Compensation of employees	-67.9	-49.1	-33.2	-46.1	-45.0
Balance on primary income	-705.7	-529.5	-724.3	-955.1	-950.8
Balance on goods, services and primary income	-5,763.6	-5,525.9	-4,467.3	-2,334.7	-1,883.2
Secondary income: credit	836.9	535.5	560.5	452.7	485.2
Government	485.2	177.9	195.2	81.1	121.8
o/w: Miscellaneous current transfers (Multilateral HIPC relief)	0.0	0.0	0.0	0.0	0.0
Financial corporations, nonfinancial corporations, households and NPISHs	351.7	357.6	365.3	371.6	363.4
o/w: Personal transfers	351.7	357.6	365.3	371.6	363.4
Secondary income: debit	-61.8	-58.2	-80.2	-71.2	-83.2
Balance on secondary income	775.1	477.3	480.4	381.5	402.0
B. Capital account	658.8	522.2	354.4	420.4	351.0
Capital transfers credit	658.8	522.2	354.4	420.4	351.0
General government	595.2	457.9	290.3	357.3	287.8
Other capital transfer (Investment grant)	595.2	457.9	290.3	357.3	287.8
Financial corporations, nonfinancial corporations, households and NPISHs	63.6	64.2	64.0	63.2	63.2
Capital transfers:debit	0.0	0.0	0.0	0.0	0.0
Total, groups A plus B	-4,329.7	-4,526.4	-3,632.5	-1,532.8	-1,130.2
C. Financial account, excl. reserves and related items	-5,021.0	-3,244.5	-2,819.8	-1,820.6	-2,370.0
Direct investments	-2,087.3	-1,416.1	-1,506.0	-864.0	-1,125.6
Direct investment abroad	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	2,087.3	1,416.1	1,506.0	864.0	1,125.6
Portfolio investment	-4.5	-11.5	-27.6	5.0	-2.9
Other investment	-2,929.3	-1,816.9	-1,286.1	-961.5	-1,241.5
Assets	186.4	-29.4	331.7	-129.1	-117.8
Loans (Deposit-taking corporations, except the central bank)	-0.1	-24.5	186.8	-95.8	-34.5
Currency and deposits	186.6	-4.9	144.9	-33.3	-83.4
Deposit-taking corporations, except the central bank	-20.7	-87.9	69.5	-150.1	-4.9
Other sectors	207.3	83.0	75.4	116.8	-78.5
Other assets	0.0	0.0	0.0	0.0	0.0
Liabilities	3,115.7	1,787.5	1,617.8	832.4	1,123.7
Trade credits	0.8	-1.0	-0.1	0.2	9.7
Loans	2,927.6	1,774.0	1,715.3	901.5	1,131.1
Monetary authority	0.0	0.0	0.0	0.0	0.0
General government	1,750.8	1,337.4	1,247.0	381.9	734.1
Drawings	1,834.4	1,476.8	1,440.7	828.5	1,238.8
Repayments	-83.6	-139.3	-193.8	-446.5	-504.7
Banks	188.5	14.6	97.3	209.2	176.1
Other sectors	988.3	422.0	371.0	310.3	220.8
Drawings	1,070.6	494.5	547.4	453.3	318.9
Repayments	-82.3	-72.5	-176.4	-142.9	-98.1
Currency and deposits	187.3	14.4	-97.5	-69.3	-17.1
Total, groups A through C	-9,350.7	-7,770.9	-6,452.3	-3,353.3	-3,500.2
D. Net errors and omissions	-183.4	1,030.1	613.7	17.8	429.8
Overall balance	507.9	-251.8	-199.1	305.5	1,669.6
E. Reserves and related items	507.9	-251.8	-199.1	305.5	1,669.6
Reserve assets	621.4	-307.3	-273.7	232.2	1,598.7
Use of Fund credit and loans	-113.5	55.5	74.6	73.3	70.9
Memorandum items:					
GDP(mp) billions of TZS	70,953.2	79,718.4	90,863.8	103,168.6	116,101.9
GDP(mp) millions of USD	44,413.6	48,240.9	45,766.1	47,388.8	52,090.3
CAB/GDP	-11.2	-10.5	-8.7	-4.1	-2.8
CAB/GDP (excluding current official transfers)	-12.3	-10.8	-9.1	-4.3	-3.1
Gross official reserves	4,689.7	4,377.2	4,093.7	4,325.6	5,900.3
Months of imports	4.1	4.2	4.6	5.4	6.1
Months of imports (excluding FDI related imports)	4.5	4.7	4.9	6.0	6.6
Exchange rate, TZS/USD (end of period)	1,578.6	1,725.8	2,148.5	2,172.6	2,230.1
Exchange rate, TZS/USD (annual average)	1,597.6	1,652.5	1,985.4	2,177.1	2,228.9

Source: Bank of Tanzania

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	Furnishing, housing equipment and routine maintenance of the house	Clothing and footwear	Restaurants and hotels	Miscellaneous goods and services	Alcoholic, tobacco and narcotics	Communication	Education	Recreation and culture	Health
2017-Jan	5.2	7.6	0.6	9.5	3.3	3.4	3.9	2.3	5.0	-0.9	1.8	0.7	4.8
Feb	5.5	8.7	0.6	8.7	3.8	3.2	3.9	1.9	5.2	-1.5	0.8	1.4	3.3
Mar	6.4	11.0	1.6	6.8	3.9	3.4	3.6	3.6	5.2	-0.1	0.8	1.2	3.0
Apr	6.4	11.8	1.9	5.8	3.1	3.9	0.8	4.3	3.5	-0.5	0.8	1.3	2.5
May	6.1	11.6	1.3	4.6	3.2	3.7	0.9	4.0	3.0	-0.8	0.7	1.2	2.9
Jun	5.4	9.6	0.4	7.1	3.2	3.8	0.7	3.7	3.0	-1.0	0.8	0.8	2.2
Jul	5.2	8.9	0.1	7.1	3.3	3.8	0.8	4.0	2.4	-1.0	0.9	1.0	2.4
Aug	5.0	8.6	-0.6	8.9	2.7	3.4	-0.3	3.7	2.5	-1.1	0.8	1.3	2.0
Sep	5.3	9.3	-0.3	8.8	2.6	3.4	-0.3	3.4	2.5	-1.0	0.8	1.9	1.9
Oct	5.1	8.8	0.2	7.6	2.8	3.4	0.6	3.0	2.6	-0.9	0.8	1.9	2.1
Nov	4.4	7.4	0.1	7.8	1.8	3.1	0.3	2.6	2.5	-1.0	0.8	1.6	2.0
Dec	4.0	6.2	0.0	8.3	1.3	2.9	0.3	2.5	2.6	-1.0	0.8	0.9	2.0
2018-Jan	4.0	6.3	0.3	7.1	1.8	2.7	0.8	2.6	2.6	-1.0	2.5	2.0	1.6
Feb	4.1	5.4	1.6	8.6	1.6	3.3	0.9	2.7	2.3	-0.2	2.5	1.5	1.6
Mar	3.9	4.7	1.4	10.4	1.9	3.2	0.8	1.2	2.0	-0.2	2.4	1.1	1.6
Apr	3.8	3.6	1.8	13.1	2.0	2.6	0.8	0.9	1.6	0.1	2.4	1.2	1.6
May	3.6	2.6	1.9	15.0	2.3	2.4	1.0	1.2	1.3	0.1	2.3	0.7	1.2
Jun	3.4	3.4	1.7	12.0	2.4	2.2	0.7	1.4	0.3	-2.6	2.6	0.5	1.4
Jul	3.3	2.8	2.5	12.3	2.6	2.4	0.8	1.2	0.8	-2.7	2.5	0.4	0.7
Aug	3.3	2.2	3.4	12.3	3.1	2.7	1.1	1.2	1.2	-2.6	2.5	-0.2	1.7
Sep	3.4	2.0	2.8	13.1	3.0	3.2	1.9	1.3	1.9	-2.6	2.5	-0.2	1.3
Oct	3.2	1.2	3.0	14.1	2.8	3.4	1.9	1.6	1.9	-2.7	2.4	-1.0	0.8
Nov	3.0	0.4	5.1	13.3	2.9	3.3	1.9	1.7	1.6	-2.7	2.4	-0.7	0.8
Dec	3.3	1.0	5.1	12.1	4.0	3.6	2.7	2.6	2.2	-2.6	2.4	0.1	1.0
2019-Jan	3.0	0.7	4.0	11.7	3.9	3.7	2.6	2.5	2.2	-2.4	2.0	0.2	1.0

Source: National Bureau of Statistics



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

Base: Dec 2015 = 100

Period	Food (combining food consumed at home and in restaurants)	Energy and fuels (combining electricity and other fuels for use at home with petrol and diesel)	Non-food (all items less food)	All items less food and energy
Weight (%)	37.1	8.7	62.9	54.3
2017-Jan	8.2	11.5	3.6	2.3
Feb	9.3	12.3	3.6	2.2
Mar	11.7	11.5	3.6	2.2
Apr	12.0	9.9	3.4	2.3
May	11.8	7.4	3.0	2.2
Jun	9.8	10.3	3.1	1.9
Jul	9.3	8.8	3.1	2.2
Aug	9.1	10.4	3.1	1.8
Sep	9.8	10.9	3.1	1.7
Oct	9.4	10.6	3.0	1.7
Nov	7.9	11.1	2.9	1.4
Dec	6.7	11.4	2.8	1.3
2018-Jan	6.7	10.4	2.8	1.4
Feb	5.8	12.1	3.3	1.7
Mar	5.0	14.1	3.5	1.6
Apr	4.0	18.4	3.9	1.4
May	3.2	21.2	4.5	1.6
Jun	3.8	16.8	4.0	1.6
Jul	3.0	18.5	4.2	1.6
Aug	3.2	18.7	4.6	2.0
Sep	3.1	18.9	4.8	2.2
Oct	2.5	19.5	5.0	2.3
Nov	2.0	19.2	5.3	2.6
Dec	2.6	17.7	5.4	3.1
2019-Jan	2.3	15.7	5.1	3.1

Source: National Bureau of Statistics



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

Base: Dec 2015 = 100

Period	Headline overall index	Food and non-alcoholic beverages	Transport	Housing, water, electricity, gas and other fuel	Furnishing, housing equipment and routine maintenance of the house	Clothing and footwear	Restaurants and hotels	Miscellaneous goods and services	Alcoholic, tobacco and narcotics	Communication	Education	Recreation and culture	Health
Weight (%)	100.0	38.5	12.5	11.6	6.3	8.3	4.2	3.1	3.7	5.6	1.5	1.6	2.9
2017-Jan	0.8	1.6	0.0	1.2	-0.1	0.6	0.0	0.1	0.1	0.0	0.1	-0.8	0.5
Feb	1.0	2.3	-0.5	1.3	0.3	0.0	0.1	0.0	0.3	-0.7	0.2	0.5	0.1
Mar	1.4	2.8	0.4	0.7	0.4	0.2	0.2	1.5	0.3	0.0	0.0	0.3	0.0
Apr	0.5	1.3	0.4	-0.8	0.1	0.6	0.0	1.0	0.4	-0.4	0.0	0.0	0.0
May	0.2	0.3	-0.4	0.7	0.0	0.4	-0.1	0.0	0.2	0.0	0.1	0.1	0.6
Jun	-0.1	-0.7	-0.6	1.2	0.1	0.6	0.2	-0.1	0.2	0.0	0.0	0.0	0.1
Jul	-0.2	-0.7	0.0	0.2	0.1	0.2	0.0	0.2	0.0	0.0	0.2	0.1	0.2
Aug	-0.4	-1.3	-0.2	1.7	-0.2	-0.1	-0.2	0.0	0.4	0.0	0.0	0.8	-0.1
Sep	0.0	-0.4	0.2	1.3	0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.2	0.0
Oct	-0.1	-0.2	0.3	-0.2	0.1	0.1	0.0	-0.3	0.1	0.0	0.0	0.3	0.5
Nov	0.5	0.8	0.3	0.9	0.1	0.1	0.2	0.0	0.3	0.0	0.0	0.0	0.0
Dec	0.2	0.5	0.2	-0.2	0.3	0.2	0.0	0.0	0.2	0.0	0.0	-0.5	0.1
2018-Jan	0.8	1.7	0.3	0.1	0.4	0.4	0.4	0.2	0.1	0.0	1.8	0.3	0.2
Feb	1.1	1.4	0.8	2.7	0.2	0.6	0.2	0.1	0.0	0.2	0.2	0.0	0.0
Mar	1.2	2.1	0.2	2.4	0.7	0.1	0.1	-0.1	0.0	0.0	0.0	0.0	0.0
Apr	0.4	0.3	0.8	1.6	0.3	0.1	0.0	0.7	0.0	0.0	0.0	0.1	0.0
May	0.0	-0.7	-0.3	2.4	0.3	0.2	0.1	0.4	-0.1	0.0	0.0	-0.4	0.2
Jun	-0.4	0.0	-0.8	-1.4	0.1	0.4	-0.2	0.1	-0.8	-2.7	0.3	-0.2	0.2
Jul	-0.3	-1.3	0.8	0.4	0.3	0.4	0.1	0.0	0.5	-0.1	0.1	0.0	-0.5
Aug	-0.4	-1.9	0.6	1.7	0.3	0.2	0.2	-0.1	0.8	0.0	0.0	0.1	0.9
Sep	0.1	-0.6	-0.3	2.1	0.0	0.4	0.7	0.1	0.8	0.1	0.0	0.2	-0.4
Oct	-0.3	-1.0	0.5	0.6	0.0	0.2	0.0	0.0	0.0	-0.1	0.0	-0.5	0.0
Nov	0.3	-0.1	2.3	0.3	0.2	0.0	0.2	0.2	0.0	0.0	0.0	0.3	0.0
Dec	0.5	1.1	0.3	-1.3	1.3	0.6	0.8	0.9	0.8	0.1	0.0	0.3	0.3
2019-Jan	0.5	1.4	-0.8	-0.3	0.3	0.5	0.4	0.2	0.1	0.2	1.4	0.3	0.1

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)	Non-food (all items less food)	All items less food and energy
Weight (%)	37.1	54.3	8.7	62.9
2017-Jan	1.7	0.2	1.2	0.3
Feb	2.4	2.1	0.1	0.4
Mar	2.9	1.4	0.4	0.2
Apr	1.2	-1.4	0.2	0.4
May	0.3	0.6	0.1	0.2
Jun	-0.7	1.8	-0.1	0.2
Jul	-0.6	-0.4	0.1	0.2
Aug	-1.3	1.9	0.3	0.0
Sep	-0.4	1.9	0.3	0.0
Oct	-0.3	0.2	0.0	0.0
Nov	0.8	1.4	0.1	0.3
Dec	0.5	0.0	0.1	0.1
2018-Jan	1.8	0.3	0.3	0.3
Feb	1.5	0.4	3.7	0.9
Mar	2.2	3.3	0.6	0.1
Apr	0.3	2.3	0.6	0.2
May	-0.5	3.0	0.7	0.3
Jun	-0.1	-1.9	-0.4	0.0
Jul	-1.3	1.1	0.4	0.2
Aug	-1.2	2.1	0.6	0.3
Sep	-0.5	2.1	0.5	0.2
Oct	-0.8	0.8	0.2	0.1
Nov	0.3	1.1	0.5	0.4
Dec	1.1	-1.2	0.2	0.5
2019-Jan	1.5	-1.4	0.0	0.3

Source: National Bureau of Statistics



**Table A7: National Debt Developments**

Millions of USD													
Item	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
1. Overall total debt committed <sup>2</sup>	26,887.4	27,210.8	27,181.5	27,010.9	28,218.4	28,063.1	28,064.6	28,091.6	27,971.7	28,291.7	28,435.8	28,760.5	28,917.8
Disbursed outstanding debt	17,861.3	18,445.4	18,467.5	18,384.6	18,825.3	18,765.1	18,738.0	18,837.9	18,775.4	18,890.8	19,121.5	19,254.0	19,361.5
Undisbursed debt	9,026.1	8,765.4	8,714.0	8,626.3	9,393.1	9,298.0	9,326.6	9,253.7	9,196.3	9,400.9	9,314.4	9,506.5	9,556.3
2. Disbursed debt by creditor category <sup>2</sup>	17,861.3	18,445.4	18,467.5	18,384.6	18,825.3	18,765.1	18,738.2	18,856.0	18,775.4	18,890.8	19,121.5	19,254.0	19,361.5
Bilateral debt	996.8	1,019.1	1,030.8	1,013.4	991.3	981.7	985.3	1,003.2	1,003.2	988.5	995.1	1,025.4	1,034.2
Multilateral debt	9,120.7	9,584.7	9,705.0	9,622.1	9,541.3	9,509.2	9,478.8	9,489.1	9,531.3	9,635.0	9,596.4	9,718.9	9,815.9
Commercial debt	5,958.8	5,981.9	5,851.3	5,865.7	6,519.4	6,498.5	6,498.5	6,378.5	6,371.5	6,275.6	6,493.9	6,471.7	6,475.6
Export credits	1,785.0	1,859.7	1,880.4	1,883.4	1,773.3	1,775.7	1,775.7	1,985.2	1,869.4	1,991.7	2,036.1	2,038.0	2,035.8
3. Disbursed debt by borrower category <sup>2</sup>	17,861.3	18,445.4	18,467.5	18,384.6	18,825.3	18,765.1	18,738.0	18,837.9	18,775.4	18,890.8	19,121.5	19,254.0	19,361.5
Central government	14,467.9	14,722.4	14,725.8	14,638.2	15,015.6	14,978.8	14,974.0	14,965.8	14,849.8	14,956.9	14,942.9	15,107.4	15,206.9
Public corporations	203.5	207.4	208.1	215.3	212.4	180.4	181.7	168.3	167.6	166.6	166.7	136.8	137.5
Private sector	3,189.9	3,515.6	3,533.6	3,531.1	3,597.3	3,605.9	3,582.3	3,703.8	3,758.0	3,767.3	4,011.9	4,009.8	4,017.1
4. Disbursed debt by use of funds <sup>2</sup>	17,861.3	18,445.4	18,467.5	18,384.6	18,825.3	18,765.1	18,738.0	18,837.9	18,775.4	18,890.8	19,121.5	19,254.0	19,361.5
Balance of payments and budget support	2,915.4	2,845.5	2,850.3	2,820.4	2,772.7	2,723.7	2,723.7	2,768.5	2,766.0	2,726.8	2,754.7	2,753.1	2,764.8
Transport and telecommunication	4,031.4	4,102.0	4,344.0	4,343.0	4,041.0	4,077.0	4,081.3	4,127.6	4,058.0	4,220.0	4,280.0	4,302.0	4,325.0
Agriculture	1,185.5	1,219.0	1,226.0	1,208.0	1,196.0	1,207.0	1,207.0	1,216.1	1,216.0	1,211.0	1,223.6	1,243.0	1,252.0
Energy and mining	2,929.3	2,993.0	3,024.0	3,012.0	2,986.0	2,970.0	2,970.0	2,991.2	2,990.0	2,960.0	2,993.7	3,016.0	3,020.0
Industries	540.0	585.0	587.0	605.0	617.0	605.0	604.0	633.3	640.0	650.0	663.9	656.0	657.0
Social welfare and education	2,795.7	2,902.0	3,018.2	2,987.0	2,972.0	2,999.0	2,999.0	2,922.0	2,959.0	2,967.0	3,003.8	3,009.0	3,049.0
Finance and insurance	921.0	1,004.0	1,015.0	1,023.0	1,024.0	1,049.0	1,009.6	992.5	1,045.0	1,042.0	1,052.2	1,185.0	1,185.0
Tourism	66.6	67.0	68.0	68.0	68.0	68.0	68.2	108.1	109.0	116.0	118.4	152.0	152.0
Real estate and construction	811.0	1,079.0	833.0	839.0	1,092.0	1,096.0	1,096.0	1,098.2	1,076.0	1,078.0	1,087.0	1,078.7	1,091.0
Other	1,665.4	1,648.9	1,502.0	1,479.2	2,056.6	1,970.4	1,979.2	1,980.3	1,916.4	1,920.0	1,944.2	1,859.2	1,865.7
5. Total amount of loan contracted <sup>1</sup>	16.2	104.2	12.7	151.5	47.6	58.8	4.9	46.4	6.7	0.0	0.0	18.6	0.3
Central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	16.2	104.2	12.7	151.5	47.6	58.8	4.9	46.4	6.7	0.0	0.0	18.6	0.3
6. Disbursements <sup>1</sup>	82.3	145.2	120.2	162.4	549.2	171.7	47.0	53.9	94.9	97.6	46.3	183.2	39.4
Central government	68.2	100.0	115.8	59.3	540.5	156.0	24.4	53.2	85.8	97.6	44.8	183.2	39.3
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	14.1	45.2	4.4	103.1	8.7	15.7	22.6	0.7	9.1	0.0	1.5	0.0	0.1
7. Actual debt service <sup>1</sup>	200.0	19.5	184.6	43.2	61.9	109.4	26.1	34.9	138.5	28.8	74.1	150.3	43.0
Principal	135.0	15.0	143.1	29.7	55.8	66.9	25.0	26.9	102.0	16.4	45.5	108.3	17.3
Interest	65.0	4.5	41.5	13.5	6.1	42.5	1.1	8.0	36.5	12.4	28.6	42.0	25.7
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
8. Net flows on debt <sup>1</sup>	-52.7	130.2	-22.9	132.7	493.4	104.8	22.0	27.0	-7.1	81.2	0.8	74.9	22.1
9. Net transfers on debt <sup>1</sup>	-117.7	125.7	-64.4	119.2	487.3	62.3	20.9	19.0	-43.6	68.8	-27.8	32.9	-3.6
10. Arrears by creditors category <sup>2</sup>	3,604.8	3,918.6	4,041.8	4,026.8	4,152.1	4,279.5	4,306.8	4,358.5	4,427.5	4,386.1	4,447.6	4,436.1	4,506.2
Principal	2,048.0	2,254.1	2,352.7	2,383.7	2,451.2	2,541.6	2,560.2	2,604.0	2,647.3	2,586.8	2,642.5	2,629.6	2,683.5
Bilateral debt	319.9	320.0	319.6	317.9	327.0	326.0	325.7	323.2	321.2	311.2	309.0	315.6	320.7
Multilateral debt	88.9	87.4	90.1	98.7	97.3	100.7	101.3	101.4	103.8	113.5	114.6	119.1	123.3
Commercial debt	725.0	810.2	764.3	769.2	776.6	807.3	1,121.5	1,233.3	1,183.4	1,175.7	1,174.1	1,097.0	1,130.6
Export credits	914.2	1,036.5	1,178.7	1,197.9	1,250.3	1,307.6	1,011.7	946.1	1,038.9	986.4	1,044.8	1,097.9	1,108.9
Interest	1,556.8	1,664.5	1,689.1	1,643.1	1,700.9	1,737.9	1,746.5	1,754.5	1,780.2	1,799.3	1,805.1	1,806.5	1,822.7
Bilateral debt	839.4	841.9	846.4	842.9	839.5	840.9	842.3	843.7	847.0	850.1	846.9	883.2	889.0
Multilateral debt	22.5	24.5	26.0	28.4	28.1	29.4	29.4	31.4	33.4	38.0	38.2	39.8	39.8
Commercial debt	330.2	343.0	351.2	300.5	351.7	359.9	519.7	549.4	536.8	569.2	571.5	508.0	515.7
Export credits	364.7	455.1	465.5	471.3	481.6	507.7	355.1	330.0	363.0	342.0	348.5	375.5	378.2
11. External debt stock	19,418.1	20,109.9	20,156.6	20,027.7	20,526.2	20,503.0	20,484.7	20,610.5	20,555.6	20,690.1	20,926.6	21,060.5	21,184.2
12. Domestic debt stock	6,206.2	6,279.7	6,265.4	6,273.9	6,082.3	6,725.2	6,317.3	6,021.1	6,181.3	6,162.0	6,299.6	6,382.1	6,223.3
13. Total debt stock	25,624.3	26,389.6	26,422.0	26,301.5	26,608.5	27,228.2	26,802.0	26,631.6	26,736.9	26,852.1	27,226.2	27,442.6	27,407.6
End of period selling exchange rate (TZS/USD)	2,250.8	2,255.9	2,259.8	2,273.6	2,276.8	2,277.7	2,282.6	2,286.2	2,288.8	2,290.8	2,290.1	2,292.6	2,294.8

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

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



## Glossary

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

A definition of money that comprises of narrow money (M1) plus the shilling time and savings deposits of the Tanzanian residents with other depository corporations (banks) in the country.

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

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

### **Core inflation**

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

### **Discount rate**

The rate of interest that the Bank of Tanzania charges on loans it extends to banks and the Government. It uses the average of 91-day and 182-day Treasury bills yields as a base plus a loaded factor.

### **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 the Tanzanian residents with other depository corporations in the country.

### **Lombard facility**

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

### **Lombard rate**

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

### **Money supply**

The sum of currency circulating outside banking system and Tanzanian residents' deposits with other

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

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

Consists of currency in circulation outside banking system and the shilling demand deposits of Tanzanian residents with other depository corporations in the country.

### **Non-food inflation**

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

### **Other depository corporations**

These are the resident financial corporations and quasi-corporations, except the central bank, whose principal activity is financial intermediation and that issue liabilities in the form of deposits or financial instruments that are close substitutes for deposits included in the measures of money supply. These entities are elsewhere referred to as banks.

### **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 the 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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