



BANK OF TANZANIA



**MONTHLY
ECONOMIC
REVIEW**

July 2008

Table of Contents

1.0	Inflation Developments	1
2.0	Monetary and Financial Developments	2
	Money Supply	2
	Credit Developments	3
	Interest Rates	3
	Financial Markets Developments	4
3.0	Government Budgetary Operations	4
	Revenue Performance	4
	Government Expenditure	5
	Overall Budget Position	5
4.0	External Sector Performance	5
	Current Account Balance	5
5.0	National Debt Developments	9
	External Debt	9
	Domestic Debt	10
6.0	Economic Developments in Zanzibar	11
	Inflation Developments	11
	Fiscal Performance	11
	Debt Developments	12
	External Sector Performance	14
	Exports Performance	14
	Goods Imports	14
STATISTICAL TABLES		16
GLOSSARY		27



1.0 Inflation Developments

Month-to-month headline inflation increased slightly to 0.2 percent in June 2008 from 0.1 percent recorded in May 2008 on account of rise in prices of most food and non-food items. Excluding seasonal influences, the month-to-month headline inflation decreased to 1.0 percent in June 2008 from 1.5 percent recorded in May 2008. Similarly, the annual headline inflation increased to 9.3 percent in June 2008, from 9.1 percent recorded in the previous month (**Table 1.1 and Chart 1.1**). The 12-months average annual headline inflation rose to 8.4 percent in June 2008 compared to 6.3 percent in the corresponding period (July 2006 to June 2007).

Month-to-month non-food inflation was 1.0 percent in June 2008 compared to 1.2 percent recorded in May. However, non-food items including fuel, charcoal, tea and coffee from restaurants, clothing, footwear, mattresses, blankets, laundry soap, drugs, TV sets and school notebooks recorded prices increases during the month under review. Notwithstanding increases in prices of these items, the annual non-food inflation declined marginally from 6.5 percent in May 2008 to 6.3 percent in June 2008. Similarly, the 12-months annual non-food inflation rate was also lower averaging 6.0 percent in June 2008 compared to 8.1 percent in the corresponding period a year before.

Month-to-month food inflation was -0.3 percent in June 2008 compared to -0.6 percent in May 2008 owing to increases in the average prices food. However, prices of cereals, sweet potatoes, vegetables and fruits recorded slightly decreases following recent harvests. Annual food inflation rose to 11.4 percent in June 2008 from 11.0 percent recorded in the year ending May 2008. The 12-months average to June 2008 was also higher at 10.0 percent compared to 5.0 percent in the previous period indicating a general increase in prices.

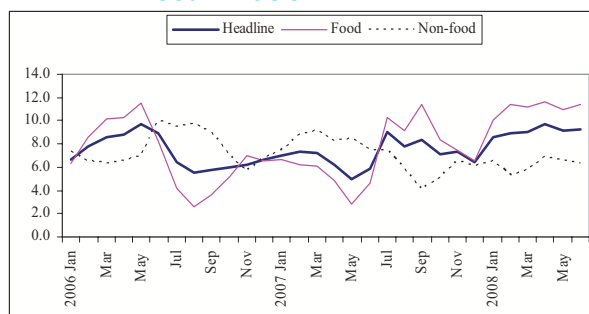
Table 1.1: Annual Percentage Change in Consumer Price Index (All-Urban)

(Base: Dec 2001 = 100)

Major Commodity Group	Weight (%)	2006			2007			2008		
		Apr	May	Jun	Apr	May	Jun	Apr	May	Jun
Headline/Overall	100.0	8.8	9.7	8.9	6.1	5.0	5.9	9.7	9.1	9.3
Food	55.9	10.3	11.5	8.2	4.8	2.8	4.6	11.6	11.0	11.4
Non-food	44.1	6.6	7.0	10.1	8.2	8.4	7.5	6.9	6.5	6.3
Transportation	9.7	8.1	9.6	12.3	8.3	8.0	5.9	7.6	6.0	6.7
Fuel, Power and Water	8.5	7.6	5.9	15.3	5.0	7.5	6.4	11.3	11.7	10.6
Drinks and Tobacco	6.9	4.6	6.3	7.2	14.7	13.0	12.3	8.6	7.5	7.7
Clothing & Footwear	6.4	7.3	7.2	7.6	6.7	7.4	7.3	1.1	1.1	0.9
Education	2.6	1.0	2.7	2.5	11.8	10.1	10.3	6.1	6.4	6.3
Furniture & Household Equip.	2.1	5.7	7.3	7.5	10.5	8.4	8.7	4.9	5.1	5.5
H/h Operations Maintenance	2.1	-1.1	0.7	1.4	11.8	11.1	10.1	2.8	2.5	2.8
Personal Care & Health	2.1	14.3	12.7	13.9	3.6	4.7	4.3	3.3	3.9	4.0
Rents	1.4	6.1	7.9	9.1	4.3	4.2	3.1	2.1	2.1	2.1
Recreation & Entertainment	0.8	5.7	5.1	5.6	9.4	9.4	10.2	4.2	4.2	4.0
Misc. Goods & Services	1.5	7.8	7.6	7.6	1.9	2.0	2.4	1.5	0.4	0.4

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

Chart 1.1: Annual Headline, Food and Non-food Inflation



1.1 Food Supply Situation

Food supply situation was generally satisfactory throughout the country in June 2008, despite the reported deficit of 74,312 tons in various regions and districts. Food shortage in some areas was caused by drought, floods, and to a lesser extent by wild animals' destructions. The Prime Minister's Office purchased a total of 2,223 tons of maize and sorghum from SGR stock while World Food Program (WFP) purchase was 7,597 tons and private traders purchased 64,492 tons to cover food shortage countrywide. Although the Government had allowed importation of 300,000 tons of maize duty free for a period January-May 2008 to mitigate food shortage, only 8,070 tons of maize had been imported under the program due to global food price increases.

The wholesale prices of selected food crops increased significantly in June 2008 when compared with the same period last year (**Table 1.2**). However, on month to month basis, rice and maize recorded decrease in prices in June 2008 compared to the preceding month, mainly due to on set of the early harvesting season in some areas in the country.

Table 1.2: National average Wholesale Prices for Selected Food Items

TZS per 100 kg

Item	2007	2008		Percentage change	
	June	June	May	June 07 to June-08	May -08 to June-08
Maize	16,665	28,476	30,278	70.9	-6.0
Rice	59,405	85,206	97,486	43.4	-12.6
Beans	63,162	85,900	83,426	36.0	3.0
Sorghum	25,339	40,477	38,539	59.7	5.0
Potatoes	33,416	40,927	38,173	22.5	7.2

Source: Ministry of Industry, Trade and Marketing

1.2 The Strategic Grain Reserves

By the end of June 2008, the SGR stock decreased by 3.4 percent from 79,369 tons recorded in May 2008 to 76,649 tons, while on annual basis the stock decreased by 40.5 percent from 128,804 tons recorded in June 2007 (**Table 1.3**).



The decline in stock was due to total sell of 74,312 tons of maize and sorghum to the WFP, the Prime ministers Office and private traders to offset food shortages in some districts in the country.

Table 1.3: Strategic Grain Reserve (SGR) Stock

Period	2003	2004	2005	2006	2007	2008	% Change 2007-2008
January	59,961	35,342	119,924	76,813	112,343	139,765	24.4
February	59,493	23,791	116,383	43,593	117,838	133,898	13.6
March	58,976	22,903	114,760	8,055	121,046	119,022	-1.7
April	54,118	32,387	115,262	3,165	125,509	94,509	-24.7
May	52,857	31,732	113,823	6,210	128,350	79,369	-38.2
June	51,060	37,091	112,823	15,560	128,804	76,649	-40.5
July	50,661	39,195	112,323	13,811	129,306		
August	52,681	45,988	112,067	28,440	125,653		
September	61,364	67,685	111,971	80,248	131,937		
October	59,379	92,710	111,695	87,461	143,717		
November	52,054	108,448	106,428	100,828	142,624		
December	41,649	114,030	93,051	110,203	142,044		

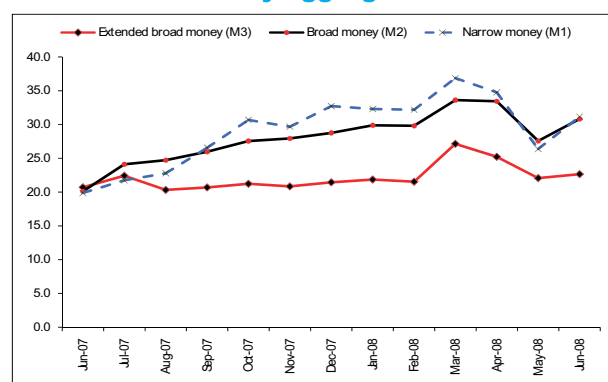
Source: Food Security Department and BOT computation.

2.0 Monetary and Financial Developments

Money Supply

During the year ending June 2008, the growth rate of extended broad money supply (M3) accelerated at 22.7 percent from 22.1 percent recorded in May 2008 and 20.7 percent during the corresponding period in 2007. Similarly, the growth of broad money supply (M2) rose to 30.8 percent from 27.6 percent and 20.1 percent, respectively (Chart 2.1). The increase in growth of both monetary aggregates was in connection with the growth of demand and time deposits, which grew at 40.6 percent and 48.8 percent respectively, from 30.9 percent and 44.5 percent in May 2008.

Chart 2.1: Tanzania - Annual Growth Rates of Monetary aggregates



Source: Bank of Tanzania

On the asset side, the growth of money supply was largely linked with the increase in net domestic assets (NDA) of the banking system. The NDA grew at 43.8 percent during the month under review as compared to the growth rate of 35.8 percent in May 2008. During the period net foreign asset (NFA) grew at 3.3 percent in June 2008 lower compared to 7.9 percent registered during the preceding month.

On month to month basis, that is the period between May 2008 and June 2008, the extended broad money (M3) increased significantly by TZS 163.9 billion compared to a decrease of TZS 49.6 billion recorded between April and May 2008. Similarly, broad money (M2) increased by TZS 178.6 billion during the period compared to the previous decrease of TZS 10.2 billion. The increase in both M2 and M3 resulted mainly from an increase in currency in circulation as well as the demand and time deposits as indicated in Table 2.1

Table 2.1: Tanzania - Selected Money Supply Components

	2007/08		Monthly Change		Annual growth rate (%)		
	May-08	Jun-08	May-08	Jun-08	Jun-07	May-08	Jun-08
Extended broad money (M3)	6,202.0	6,365.9	-49.6	163.9	20.7	22.1	22.7
Broad money (M2)	4,450.5	4,629.1	-10.2	178.6	20.1	27.6	30.8
Currency outside the Banking system	1,185.6	1,272.3	28.6	86.7	22.6	21.1	21.2
Demand deposits	1,489.8	1,555.8	-77.3	66.0	17.4	30.9	40.6
Time deposits	749.6	770.2	40.3	20.6	13.8	44.5	48.8
Savings deposits	1,025.5	1,030.8	-1.8	5.3	25.0	20.2	19.3
Foreign currency deposits	1,751.5	1,736.8	-39.3	-14.7	22.0	10.0	5.1
FCD in millions of USD	1,463.0	1,470.7	-27.9	7.7	20.6	15.7	12.9
Private sector deposits in DMBs	5,016.4	5,093.6	-78.2	77.2	20.3	22.3	23.0
Government deposits in DMBs	321.4	253.2	1.0	-68.2	28.3	15.3	0.2
Total deposits	5,337.8	5,346.8	-77.2	9.0	20.7	21.9	21.7
Net Foreign assets	3,534.6	3,487.4	-123.7	-47.2	16.0	7.9	3.3
Bank of Tanzania	2,998.3	2,900.1	-70.1	-98.3	23.9	21.2	14.3
DMBs	536.3	587.3	-53.6	51.0	-2.7	-33.3	-29.9
Net domestic assets	3,276.6	3,487.7	74.1	211.1	21.2	35.8	43.8
Domestic credit	3,324.3	3,347.8	58.3	23.5	13.3	29.4	27.2
Net claims on government by the banking system	132.3	78.9	12.7	-53.4	-44.2	-59.1	-78.8
Claims on government by the banking system	2,126.4	1,925.8	16.9	-200.6	71.3	19.8	0.3
Government deposits in the banking system	1,994.1	1,846.9	4.2	-147.2	241.6	37.3	19.4
Claims on the private sector	3,192.0	3,268.9	45.6	76.9	36.4	42.1	44.6

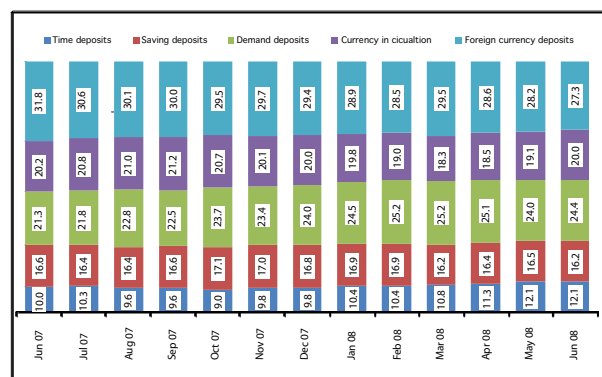
Source: Bank of Tanzania

As far as the composition of monetary aggregates is concerned, foreign currency deposits continued to dominate preference of the public in holding money when compared with other components. However, since June 2007, the proportion of foreign currency deposits in the extended broad money supply generally experienced a persistent decline from 31.8 percent to 28.2 percent in May 2008 and declined further to 27.3 percent in June 2008. The continuous decrease in the proportion of FCD as part of the extended broad money was mainly on account of appreciation of shilling against the US dollar. Similarly, the proportion of savings deposits followed the same trend as the FCD, declining from 16.5 percent to 16.2 percent of the M3 during the period under review. To the contrary, the proportion of demand deposits and currency in circulation to money supply revealed an increasing trend from 24.0 percent and 19.1 percent in May to 24.4 percent and 20.0 percent in June, 2008 respectively. The proportion of time



deposits to extended broad money remained unchanged as shown in [Chart 2.2](#)

Chart 2.2: Components of Money Supply as a Percentage of M3

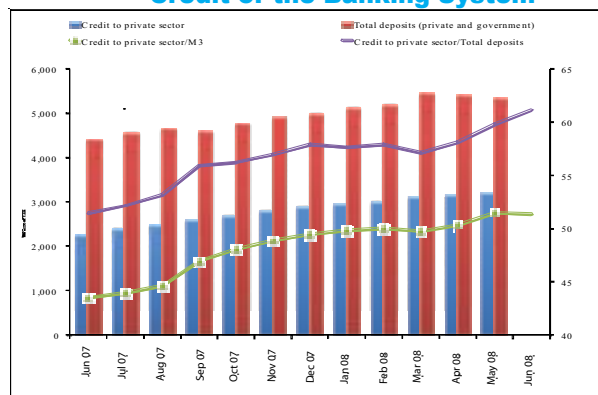


Credit Developments

During the period under review, credit to private sector grew by 44.6 percent, higher than an annual growth rate of 42.1 percent recorded in the preceding month. During the month ending June 2008, the ratio of private sector credit to total deposits stood at 61.1 percent compared to the ratio of 59.8 percent registered in May 2008. Similarly, the share of private sector credit to M3 remained unchanged from 51.5 percent that was recorded in May 2008 to 51.4 in June 2008 and higher than 43.6 percent in the corresponding month a year earlier ([Chart 2.3](#)).

During the month, a total credit of TZS 76.9 billion was extended to private sector by commercial banks compared to TZS 45.6 billion in May 2008. During the month under review, the largest share of credit was went to personal services which accounted for 19.3 percent of total credit, followed by trade activities which accounted for 16.2 percent, manufacturing 13.5 percent, while other services received 12.3 percent. Transport and communication accounted for 8.8 percent and agricultural activities received 7.9 percent of the total credit to the private sector.

Chart 2.3: Tanzania – Total Deposits and Credit of the Banking System



Source: Bank of Tanzania

Interest Rates Developments

Developments in interest rates during June 2008 exhibited mixed developments. The overall Treasury bills rate increased from 7.00 percent in May 2008 to 7.84 percent in June 2008. Similarly, the rate of Treasury bills with longer maturities followed the same trend. The 364 days Treasury bills rate increased from 9.03 percent in May 2008 to 10.0 percent in June 2008. On the other hand, the overall lending rate decreased slightly from 14.78 percent to 14.76 percent in the same period. However, the negotiated lending rates increased from 12.57 percent in May 2008 to 13.07 percent in June 2008.

During the review period, savings deposits rate increased from 2.74 percent to 2.79 percent. Negotiated deposit rate declined from 11.07 percent in May to 10.62 percent in June 2008 as depicted in [Table 2.2](#). Meanwhile, average overnight rate decreased from 3.59 percent in May 2008 to 3.45 percent in June reflecting high liquidity amongst commercial banks.

Table 2.2: Tanzania – Weighted Average Interest Rates Structure

Item	2007							2008					
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Overnight	6.67	9.79	12.05	12.07	18.64	10.19	5.37	6.47	4.52	4.11	3.85	3.59	3.45
Overall Interbank cash rate	7.24	10.46	12.11	12.27	18.92	9.67	5.83	6.74	4.81	4.24	4.12	3.83	3.61
Treasury bills WAY	17.07	15.41	15.11	15.59	16.42	12.45	11.4	10.89	8.37	7.39	7.05	7.00	7.84
364 days Treasury bills	18.39	15.84	15.95	16.98	17.86	13.68	12.95	12.8	9.82	9.40	9.43	9.03	10.00
Savings Deposits	2.59	2.7	2.71	2.62	2.59	2.61	2.75	2.76	2.64	2.64	2.75	2.74	2.79
12 month deposits	9.25	9.04	9.42	9.64	10.22	9.85	10.08	10.1	9.97	9.33	9.18	8.76	8.29
Negotiated deposits	8.65	8.91	9.82	9.83	10.61	10.96	11.04	11.17	10.52	10.29	11.20	11.07	10.62
Overall Lending	15.82	16.07	16.27	15.95	15.78	15.94	15.25	15.24	15.08	15.15	14.74	14.78	14.76
Up to 1 year loans	13.95	14.12	14.3	14.06	13.85	14.06	14.7	13.96	14.19	13.90	13.08	13.58	13.93
Negotiated Lending	12.2	12.14	12.63	11.91	11.89	11.68	11.98	11.5	11.76	11.82	12.77	12.57	13.07
Interest rate spread	4.70	5.08	4.88	4.42	3.63	4.21	4.62	3.86	4.22	4.57	3.90	4.82	5.64

Source: Bank of Tanzania



Financial Markets Developments

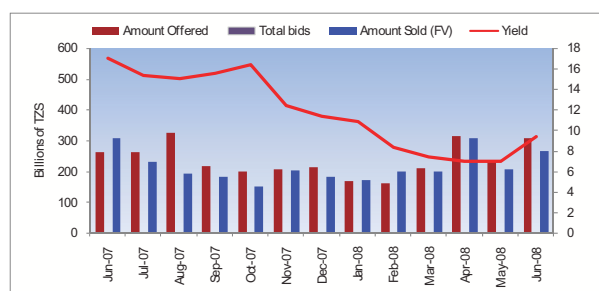
Treasury Bills

During the month of June 2008, Treasury bills market experienced higher demand of TZS 344.8 billion compared to TZS 313.6 billion recorded in the previous month. The Bank offered Treasury bills worth TZS 306.4 billion for sale, leading to an oversubscription of TZS 38.4 billion.

Due to presence of outlier bidders, the Bank intervened and accepted bids with face value of TZS 263.8 billion (TZS 247.6 billion) accounting for about 76.5 percent of the total bids. Redemptions during the month amounted to TZS 337.3 billion leading to an injection of TZS 89.7 billion in the economy.

Contrary to high demand during the month, the overall weighted average Treasury bills rate increased to average of 7.84 percent in June 2008 from 7.0 recorded in May 2008.

Chart 2.4: Tanzania - Treasury Bills Market Developments



Source: Bank of Tanzania

Treasury Bonds

In June 2008, the demand for Treasury bonds amounted to TZS 17.2 billion, lower than the previous month level of TZS 55.9 billion. The Bank offered 7-year T-bonds worth TZS 27.9 billion. However, due to undersubscription of TZS 10.7 billion, the Bank sold Treasury bonds worth TZS 17.2 billion. Interest rate on 7-year Treasury bond decreased slightly from 17.2 percent in February 2008, when 7-year Treasury bond was last sold, to 17.0 percent in June 2008.

Repurchase Agreements

The Bank conducted repurchase agreements ranging from overnight to 14 days maturity in an effort to roll over the maturing obligations as well as for fine tuning the liquidity in the economy. Specifically, Repurchase agreements amounting to TZS 728.4 billion were conducted against redemption of TZS 729.6 billion. During the month, repo rate averaged at 3.75 percent while repo rate of May 2008 averaged at 3.66 per cent.

Inter-Bank Cash market Developments

During the period under review, inter-bank cash market transactions amounted to TZS 232.6 billion as compared to TZS 135.95 billion transacted in the preceding month. Overnight transactions continued to dominate, amounting to TZS 121.8 billion and accounting for 52.4 percent of the total transactions. During the previous month, overnight transactions amounted to TZS 80.6 billion which was 59.3 percent of the total interbank cash transactions.

During the month, the interbank cash market rate averaged 3.45 percent down from 3.59 percent registered in May 2008.

3.0 Government Budgetary Operations

The end of financial year pressure on government budgetary operations pushed the overall deficit before grants to TZS 160.6 billion in June 2008. The overall financial position including grants of TZS 70.0 billion improved to TZS 90.5 billion.

Revenue Performance

Total revenue collected by Government during the month of June 2008 was TZS 375.7 billion of which 346.7 billion was tax revenue while 29.0 billion was non-tax revenue. Both tax and non-tax revenue were above the target by 15 percent and 13 percent respectively. The major tax revenue contributors were VAT, Corporate tax and PAYE that recorded TZS 96.1 billion, TZS 78.0 and TZS 48.9 billion respectively as a result of conducting special audits and recovery of tax arrears and regular visits to taxpayers that enhanced voluntary compliance.



Government Expenditure

Total operating and development expenditure of the Government during the month under review stood at TZS 536.3 billion. Development projects were allocated TZS 85.1 billion, while TZS 451.1 billion was used to cover recurrent expenses.

Overall Budget Position

Government budgetary operations recorded an overall deficit of TZS 78.1 billion, after adjustments, compared to TZS 46.9 billion registered in the preceding month due to expenditure done at the end of financial year in order to clear outstanding commitments. The government financed the deficit by borrowing a total of TZS 2.7 billion from foreign sources and by drawing down TZS 75.4 billion from its deposits in the banking system.

4.0 External Sector Performance

Current Account Balance

During June 2008, the current account deficit narrowed to USD 329.6 million from a deficit of USD 431.8 million recorded in May 2008. This development was mainly on account of a decrease in imports of goods and services. On annual basis, the current account deficit widened from USD 1,720.8 million recorded in the year ending June 2007 to a deficit of USD 2,782.1 million following a surge in imports that could not be matched with the increase in exports. While imports of goods and services increased by 29.1 percent, exports grew by 14.2 percent (Table 4.1).

Table 4.1: Tanzania: Current Account Balance

Millions of USD

Item	June		2008p		Year Ending June		%
	2006	2007	May	June	2007p	2008p	
Goods Account (net)	-193.0	-239.2	-447.7	-358.1	-2,484.2	-3,621.4	45.8
Exports	140.1	145.1	176.8	188.1	1,851.4	2,082.2	12.5
Imports	333.1	384.3	624.4	546.2	4,335.6	5,703.6	31.6
Services Account (net)	21.4	25.0	17.6	15.4	301.4	285.8	-5.2
Receipts	130.7	137.9	154.5	151.2	1,614.9	1,876.3	16.2
Payments	109.3	113.0	136.9	135.8	1,313.5	1,590.5	21.1
Goods and services (net)	-171.5	-214.2	-430.1	-342.7	-2,182.7	-3,335.6	52.8
Exports of goods and services	270.9	283.1	331.3	339.3	3,466.4	3,958.5	14.2
Imports of goods and services	442.4	497.3	761.3	682.0	5,649.1	7,294.1	29.1
Income Account (net)	-5.1	-12.9	-5.9	4.5	-56.4	-53.7	-4.8
Receipts	6.4	1.5	9.8	14.9	88.5	131.9	49.0
Payments	11.4	14.4	15.7	10.3	144.9	185.6	28.1
Current Transfers (net)	14.2	8.9	4.1	8.5	518.4	607.2	17.1
Inflows	19.7	19.8	9.7	8.6	590.5	671.4	13.7
o/w General Government	11.5	4.9	2.8	0.6	496.9	575.2	15.8
Outflows	5.5	10.9	5.6	0.1	72.1	64.1	-11.1
Current Account Balance	-162.4	-218.1	-431.8	-329.6	-1,720.8	-2,782.1	61.7

Source: Bank of Tanzania

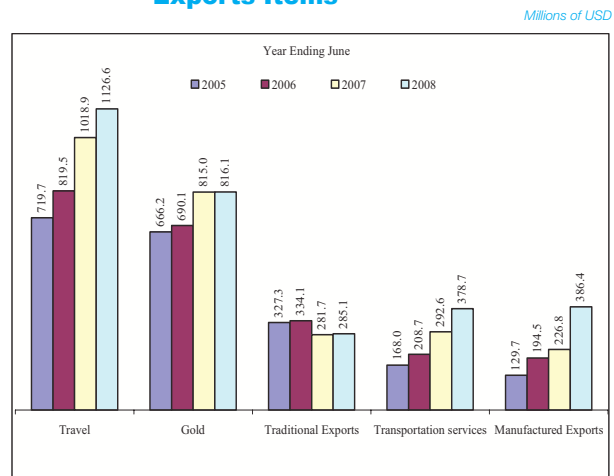
Note: P = Provisional

Totals June not add up due to rounding of numbers

Exports Performance

During the year ending June 2008, Tanzania exported goods and services worth USD 3,958.5 million from USD 3,466.4 million recorded in the corresponding period a year ago. As a share of total exports, travel¹ and gold receipts continued to dominate the export sector accounting for about 27 percent and 21 percent, respectively. Improvement was also recorded in transportation services as receipts increased from USD 292.6 million during the year ending June 2007 to USD 378.7 million. This development is largely attributable to increase in transit trade to the neighboring countries. Chart 4.1 summarizes the performance of selected export items during the past four years.

Chart 4.1: Tanzania: Performance of Selected Exports Items

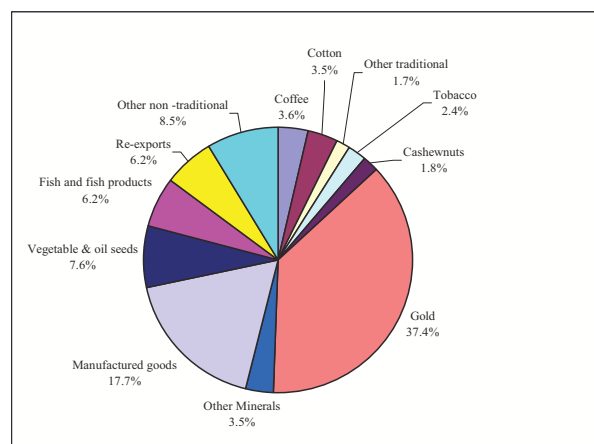


¹ Tourism is about 80 percent of travel



Merchandise goods export increased by 12.5 percent to USD 2,082.2 million on account of the improved performance in both traditional and non-traditional exports. Gold continued to dominate accounting for about 37.4 percent of total merchandise exports, followed by manufactured goods which accounted for about 17.7 percent (Chart 4.2).

Chart 4.2: Tanzania: Contribution of Selected Items to Total Exports of Goods



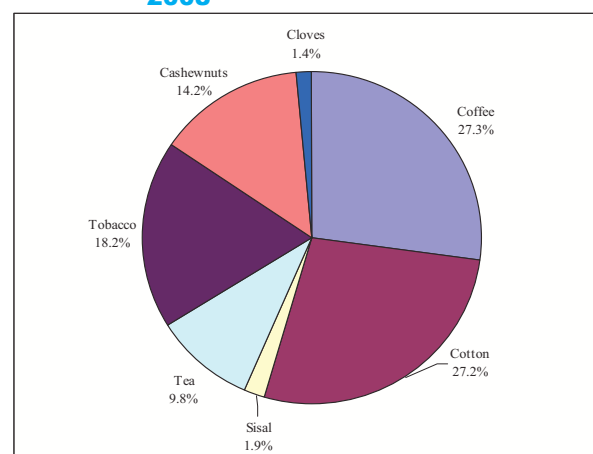
Note:

1. Other non-traditional include horticultural products and other exports
2. Other traditional exports include sisal, tea and cloves
3. Other minerals include Tanzanite, rubies, sapphires, emeralds, copper, silver and other precious stones.
4. Re-exports refers to goods that are imported and later exported to neighboring countries. Major items in this category include wheat and refined petroleum products

Traditional Exports

In June 2008, the value of traditional exports decreased by 13.0 percent to USD 12.2 million, mainly on account of a decline in the export volumes reflecting the low season for most export crops. Likewise, slight decrease in export unit prices was recorded in cotton, coffee and sisal. During the year ending June 2008, traditional exports increased by 1.6 percent to USD 286.3 million largely due to a significant increase in export volumes of cotton following increase in production amid improvement in weather and reforms in the cotton industry. Also, there was an increase in the value of cashewnuts export largely due to increase in export prices as volumes recorded a slight decline. The increase in cashewnuts price is due to a decline in supply of the crop in the world market following unfavorable weather condition in Vietnam and Brazil, the major producers of cashewnuts. **Chart 4.3** depicts the contribution of individual crops to total traditional exports.

Chart 4.3: Contribution to Total Traditional Exports for the Year Ending June 2008



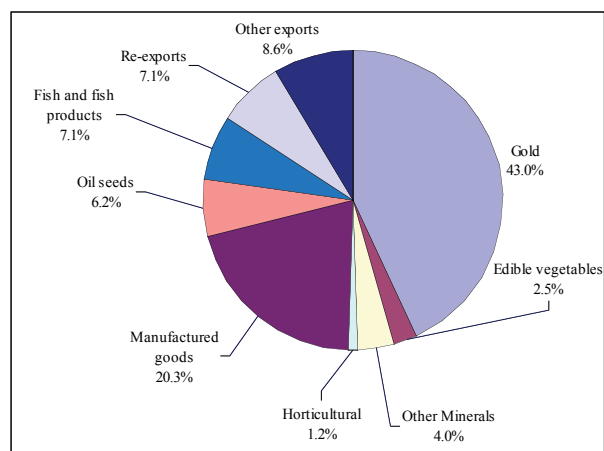
Non-Traditional Exports

During the month under review, non-traditional exports increased to USD 175.9 million from USD 162.7 recorded in the previous month mainly on account of the increase in exports of minerals and manufactured goods.

On annual basis, non-traditional exports increased by 14.4 percent to USD 1,795.9 million. Much of the increase was largely due to a good performance in manufactured goods export, which rose by 70.3 percent to USD 386.4 million. Notable increases were recorded in wheat flour, plastic items and electrical equipment. The growth in manufactured exports is largely attributable to the ongoing macro-economic reforms that have resulted into increase in investments in the manufacturing sector. In addition, security and political stability in the neighbouring countries, which are major destination of manufactured goods, partly contributed to the impressive performance. On the other hand, gold exports increased slightly to USD 816.1 million following an increase in prices in the world market as export volumes recorded notable decline. The volume of gold exports went down to 34.9 tons compared to 44.5 tons, recorded in the corresponding period last year, while prices of gold in the world market increased from USD 638.43 per troy ounce recorded last year to USD 822.98 per troy ounce. **Chart 4.4** depicts the composition of non-traditional exports for the year ending June 2008.



Chart 4.4: Contribution to total Non Traditional Exports for the Year Ending June 2008

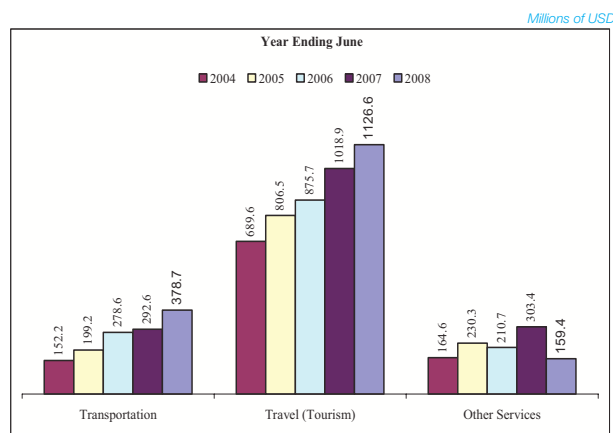


Service Exports

During June 2008, export of services decreased slightly to USD 151.2 million emanating from the declined performance in transportation and government services². On annual basis, services receipts increased by 16.2 percent to USD 1,876.3 million following improvement in transportation, travel, financial and other business services receipts. During the period under review, travel receipts increased to USD 1,126.6 million from USD 1,018.9 million recorded during the corresponding period a year before. This development is mainly attributable to the international recognition of Tanzania's magnificent tourist attractions such as snow capped Mount Kilimanjaro and the shimmering beaches of Zanzibar. Other factors which contributed to positive development include the improved air access to Tanzania. For example, Qatar Airways and Air Malev are new airlines which fly directly from tourist sources to Tanzania. There is also an improvement of accommodation facilities on both the Mainland and Zanzibar Island.

Likewise, other business services receipts went up by 52.2 percent to USD 274.5 million in line with openness of the economy. **Chart 4.5** depicts performance of the main service exports during the past four years.

Chart 4.5: Service Receipts 2005 – 2008



Note: 'Other Services' include: Communication, Construction, Insurance, Financial, Computer Information, Government, Royalties, and Personal and Other business services

Imports Performance

During the month under review, goods imports decreased by 12.5 percent to USD 546.2 million. Capital goods decreased by 21.6 percent to USD 227.9 million with much of the decline driven by importation of transport equipment. Likewise, intermediate goods decreased by 22.2 percent to USD 230.7 million with oil imports accounting for much of the decrease. Similarly, the value of industrial raw material decreased to USD 55.6 million compared to USD 61.7 million in the preceding month. Importation of consumer goods declined from USD 99.2 million recorded in the previous month to USD 87.6 million, mainly on account of the drop in importation of other consumer goods (**Table 4.2**).

Table 4.2: Tanzania Imports

Millions of USD

Item	2007 ^p	2008 ^p		% Change		Year Ending June ^p		
	June	May	June	June 07- June 08	May to June 08	2007	2008	Change
Capital Goods	132.8	290.6	227.9	71.6	-21.6	1,622.5	2,165.2	33.5
Transport Equipments	26.9	120.3	48.4	79.8	-59.8	401.5	660.7	64.5
Building and								
Constructions	28.3	51.0	60.6	113.8	18.7	375.1	504.8	34.6
Machinery	77.5	119.2	118.9	53.4	-0.2	845.9	999.7	18.2
Intermediate Goods	159.4	296.4	230.7	44.7	-22.2	1,758.2	2,339.8	33.1
Oil imports	109.1	215.3	151.0	38.3	-29.9	1,298.3	1,683.4	29.7
Fertilizers	1.2	19.4	24.1	--	24.0	57.3	98.1	71.3
Industrial raw materials	49.0	61.7	55.6	13.3	-10.0	402.7	558.2	38.6
Consumer Goods	92.1	99.2	87.6	-4.9	-11.7	954.9	1,198.6	25.5
Food and food stuffs	33.1	11.1	15.3	-53.6	37.5	238.9	299.5	25.4
All other consumer goods ¹	59.1	88.0	72.3	22.4	-17.9	716.0	899.1	25.6
Grand Total (F.O.B)	384.3	624.4	546.2	42.1	-12.5	4,335.6	5,703.6	31.6
Grand Total (C.I.F)	422.3	686.2	600.2	42.1	-12.5	4,764.4	6,267.7	31.6

Source: Bank of Tanzania and Tanzania Revenue Authority

Note:

Oil imports refers to refined petroleum products

P = provisional data

¹ It includes pharmaceutical products, paper products, plastic items, optical/photographic materials, textile apparels.

Totals June not add up due to rounding of numbers

Food Imports

In June 2008, total value of imported maize, rice and wheat decreased slightly to USD 2.9 million. This development was a result of the drop in importation of cereals in the



² Other business services include legal, accounting, consultancy, research and development, and other technical and professional services.

wake of improvement in food supply in the country. **Table 4.3** summarizes the import of selected cereals during the last four months beginning March 2008.

Table 4.3: Summary of Selected Food Imports

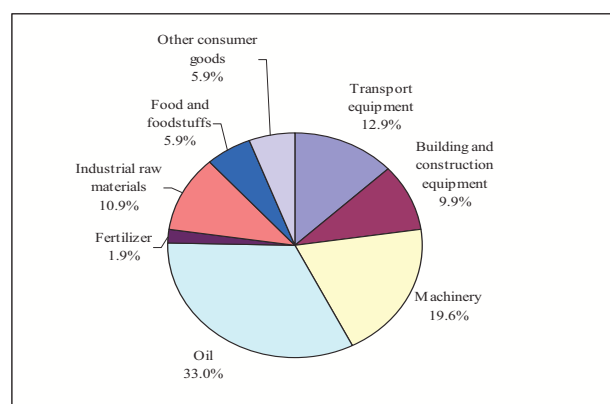
Descriptions	2008				% Change (May 08 – June 08)
	Mar	Apr	May	Jun	
Maize					
Tons	259	9,669	2.25	1.98	-12.0
Value (Mill. USD)	0.09	3.70	0.001	0.002	45.5
Rice					
Tons	9,092	18,259	1,543	1,054	-31.7
Value (Mill. USD)	1.41	2.89	0.25	0.21	-17.6
Wheat					
Tons	38,326	0	7,203	7,019	-2.6
Value (Mill. USD)	18.54	0.00	2.76	2.72	-1.4
Total tons	47,678	27,929	8,748	8,075	-7.7
Total Value (Mill. USD)	20.0	6.6	3.0	2.9	-2.7

Source: Tanzania Revenue Authority

On annual basis, goods import went up by 31.6 percent to USD 5,703.6 million. Importation of capital goods increased from USD 1,622.5 million in the previous year to USD 2,165.2 million in line with the growth of economic activities in the construction, communication and manufacturing sectors.

Similarly, intermediate goods import rose significantly to USD 2,339.8 million following a significant increase in oil imports. The huge increase in oil imports is largely attributable to a surge in oil prices in the world market. During the period under review, oil prices in the world market rose to USD 878.59 per ton from USD 601.0 per ton recorded in the previous year. Meanwhile, the volume of imported oil went down significantly to 950,632.0 tons from 1,220,570.2 tons recorded in the previous year. Consumer goods import also increased by 25.5 percent to USD 1,198.6 million largely due to a rise in food and other consumer goods such as pharmaceutical products, plastic items and paper products (**Chart 4.6**).

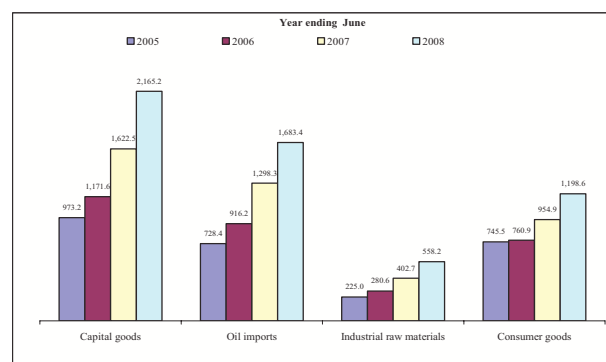
Chart 4.6: Tanzania: Contribution to Total Imports for the Year Ending June 2008



During the past four years, capital goods dominated the total imports followed by intermediate goods (**Chart 4.7**).

Chart 4.7: Tanzania: Total Merchandise Imports: 2005-2008

Millions of USD



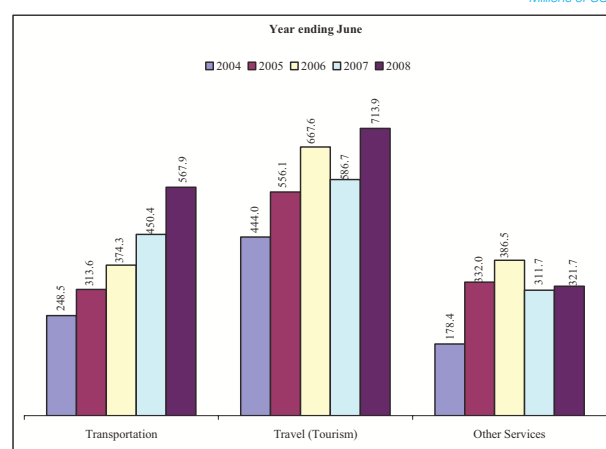
Services Import

During the month under review, services payments decreased slightly to USD 135.8 million from USD 136.9 million recorded in the previous month mainly on account of the decline in freight, construction, communication and other business services.

On annual basis, services payment increased by 21.1 percent to USD 1,590.5 million, largely due to an increase in payments of freight, travel, insurance and other business services. While the increase in freight and insurance payments was in line with the increase in merchandise imports, the surge in other business services was largely associated with the growth of economic activities as well as openness of the economy. The performance of the major service payment categories in the past four years is illustrated on **Chart 4.8**.

Chart 4.8: Service Payments 2005 – 2008

Millions of USD



Note: 'Other Services' include: Communication, Construction, Insurance, Financial, Computer Information, Government, Royalties, and Personal and Other business services

World Commodity Prices

In June 2008, the world market prices of most commodities recorded increases save for cloves and sisal (Table 4.4). The price of cloves declined by 5.2 percent to USD 4,550.0 per ton, while the price of sisal remained unchanged at USD 1,025.0 per metric ton. The average prices of coffee Robusta and Arabica recorded slight increases to USD 2.5 per kg and USD 3.2 per kg, respectively. The price of tea (Average price) and (Mombassa Auction) went up by 5.2 percent and 9.5 percent to USD 2.6 per kg and USD 2.3 per kg, respectively. Price of tea rose largely due to strong demand from Russia, Middle East and Pakistan coupled with adverse weather condition in Kenya and India. Likewise, cotton "A Index" and Memphis registered price increases to USD 1.7 per kg, as farmers diverged to production of food crops amid strong demand for food and bio-fuel.

The average prices of crude oil (UK Brent), Dubai (f.o.b) and white products recorded modest increases to USD 131.5 per barrel, USD 127.6 per barrel and USD 1221.3 per ton, respectively. This development was largely driven by concerns of supply disruptions as a result of tensions in the Middle East, strikes in Nigeria and storm threat in the Gulf of Mexico. Meanwhile, gold prices increased marginally to USD 889.5 per troy ounce.

On annual basis, commodity prices in the world market recorded increases. The notable increase in the coffee prices was mainly a result of the decline in the global coffee stocks due to the effects of Biennial cycle in Brazil, and unfavourable weather condition in Vietnam. Meanwhile, the increase in price of cotton was on account of a reduction in cotton acreage in US following farmers' decision to shift to food production, which is more lucrative. During the year to June 2008, prices of oil significantly increased following supply disruption in the major oil producing countries in the Middle East and Nigeria. The price of gold increased by 28.9 percent to USD 823.0 per troy ounce largely driven by strong investment demand following weakening of U.S dollar and instability in financial markets. In addition gold was used as a hedge against inflation and rising energy prices.

Table 4.4: World Commodity Prices

Commodity	Units	2008			% Change	Year ending June			% Change
		Apr	May	Jun		2006	2007	2008	
Robusta Coffee	US \$ per kg	2.45	2.40	2.46	2.50	1.25	1.72	2.24	29.99
Arabica Coffee	US \$ per kg	3.10	3.13	3.22	2.88	2.43	2.57	3.03	17.80
Tea (Average price)	US \$ per kg	2.49	2.48	2.61	5.24	1.76	1.89	2.30	21.83
Tea (Mombasa auction)	US \$ per kg	2.20	2.10	2.30	9.52	1.78	1.76	1.96	11.08
Cotton, "A Index"	US \$ per kg	1.66	1.64	1.70	3.66	1.25	1.28	1.59	24.28
Cotton, Memphis"	US \$ per kg	1.74	1.66	1.72	3.61	1.32	1.34	1.63	21.46
Sisal (UG)	US \$ per metric ton	1025.00	1,025.00	1,025.00	0.00	898.75	925.00	1,025.83	10.90
Cloves	US \$ per metric ton	5000.00	4,800.00	4,550.00	-5.21	3,590.28	3,760.21	4,014.36	6.76
Crude oil*	US \$ per barrel	108.76	122.63	131.52	7.25	61.47	62.79	94.35	50.26
Crude oil**	US \$ per barrel	103.47	118.95	127.59	7.26	57.64	61.18	90.29	47.58
White products***	US \$ per ton	1042.33	1176.30	1221.25	3.82	595.39	601.00	878.59	46.19
Jet/Kerosene	US \$ per ton	1131.55	1282.66	1304.55	1.71	622.68	619.86	925.65	49.33
Premium Gasoline	US \$ per ton	938.45	1025.00	1108.57	8.15	600.48	617.13	830.28	34.54
Heat Oil	US \$ per ton	1057.00	1221.25	1250.62	2.40	563.02	566.02	879.84	55.44
Gold	US \$ per troy ounce	909.70	888.70	889.50	0.09	526.62	638.43	822.98	28.91

Note: * Average of U. K. Brent, Dubai and West Texas Intl

** f. o. b. Dubai

*** Average of Premium gasoline, Gas oil and Jet/Kerosene, f.o.b. West Mediterranean

Source: <http://worldbank.org/prospects>, World Bank Public Ledger, Bloomberg Professional

5.0 National Debt Developments

The overall national debt stock stood at USD 7,581.4 million at the end of June 2008, being an increase of 1.4 percent from USD 7,474.1 million reported in May 2008. The increase is mainly on account of the exchange rate fluctuations, accumulated arrears as well as recording of new disbursements. Out of the total debt stock, external debt accounted for 77.1 percent while domestic debt accounted for 22.9 percent.

External Debt

At the end of June 2008, the external debt stock amounted to USD 5,846.4 million representing an increase of 1.7 percent from USD 5,748.5 million registered at the end of the preceding month. Out of the amount, disbursed outstanding debt (DOD) was USD 4,483.1 million (76.7 percent) and interest arrears USD 1,363.3 million (23.3 percent).

The profile of DOD by creditor category indicates that, debt owed to multilateral institutions stood at USD 2,620.2 million (58.4 percent) while the amount of debt owed to bilateral creditors stood at USD 934.1 million (20.8 percent). Commercial and export credits amounted to USD 617.9 million (13.8 percent) and USD 310.8 million (6.9 percent) respectively (Table 5.1).



Table 5.1 Disbursed Outstanding Debt by Creditor Category

Million of USD

Item	May-08	Jun-08	% Change	% of Total
Bilateral Debt	931.0	934.1	0.3	20.8
Multilateral Debt	2,545.0	2,620.2	3.0	58.4
Commercial Debt	615.2	617.9	0.4	13.8
Export Credits	310.5	310.8	0.1	6.9
Total	4,401.7	4,483.1		100.0

In terms of borrower category, the Central Government remained the leading borrower with a debt amounting to USD 3,582.5 million (79.9 percent) followed by private sector debt of USD 744.4 million (16.6 percent) and parastatal companies debt amounting to USD 156.3 million (3.5 percent). **Table 5.2** depicts disbursed outstanding debt by borrower category.

Table 5.2: Disbursed Outstanding Debt by Borrower Category

Millions of USD

Item	May-08	Jun-08	% Change	% of Total
Central Government	3,501.6	3,582.5	2.3	79.9
Parastatal Companies	157.8	156.3	-1.0	3.5
Private Sector	742.3	744.4	0.3	16.6
Total	4,401.7	4,483.1		100.0

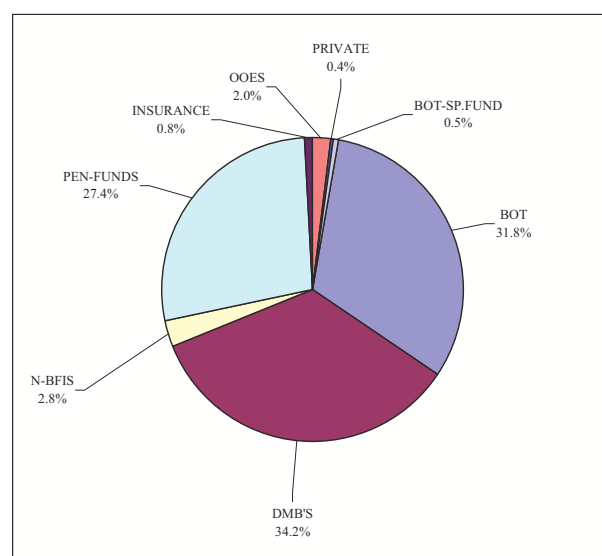
During the month under review, there were no new loans contracted. However, the recorded new disbursements amounted to USD 51.0 million. External debt service payments during the month amounted to USD 6.3 million, out of which, principal repayments were USD 3.9 million and interest payments were USD 2.4 million.

Domestic Debt

The stock of domestic debt decreased by 0.8 percent from TZS 2,065.8 billion registered at the end of the preceding month to TZS 2,048.9 billion at the end of June 2008. Out of the total domestic debt stock, Government securities accounted for 99.6 percent while other Government debt accounted for 0.4 percent.

The profile of domestic debt by holder category shows that commercial banks remained the leading creditors to the Union Government by holding 34.2 percent of the total domestic debt, followed by Bank of Tanzania with 31.8 percent and Pension Funds 27.4 percent. Non-Bank Financial Institutions (NBFIs), other official entities, and insurance companies were holding 2.8 percent, 2.0 percent and 0.8 percent respectively. The remaining portion of 0.9 percent was held by private sector and BOT special fund (**Chart 5.1**).

Chart 5.1: Government Domestic Debt by Creditor Category



During the month under review domestic debt amounting to TZS 104.6 billion fell due for payment, out of which principal amounting to TZS 71.4 billion was rolled over while interest amounting to TZS 33.2 billion was paid.



6.0 Economic Developments in Zanzibar

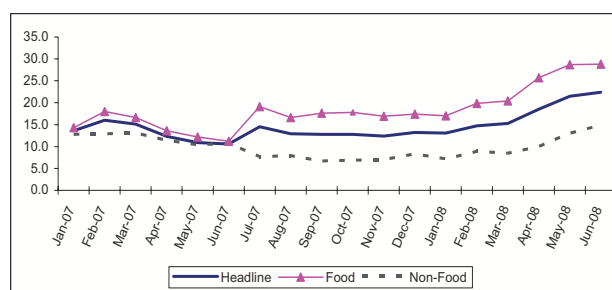
Inflation Developments

Annual headline inflation moved upwards in June 2008, mainly driven by increase in non-food inflation; which increased from 21.5 percent in the year ended May 2008 to 22.4 percent during the period under review. However, the month-to-month headline inflation decelerated to 0.5 percent in June 2008 compared with 2.9 percent registered in previous month on account of decrease in both month-to-month food and non-food inflation (**Table 6.1 and Chart 6.1**).

Annual food inflation basically stabilized at 28.8 percent in June 2008 compared to 28.7 percent registered in the year ended May 2008. The stability in food prices was due to partial impact of tax exemptions on rice imports, coupled with start of food crops harvesting period. Month-to-month inflation rate fell from 3.2 percent registered in May 2008 to negative 1.0 in June 2008 due to the increase in food supply.

Annual non-food inflation increased from 13.0 percent in May 2008 to 14.8 percent June 2008 attributed to increase in prices of petroleum products, and clothing and footwear items (Table 6.1). Nevertheless, on month -to-month basis, non-food inflation decreased from 2.7 percent in May 2008 to 2.5 percent during the month under review.

Chart 6.1: Annual Headline, Food and Non-food Inflation



Source: Office of Chief Government Statistician (OCGS)

Table 6.1: Annual Percentage change in Consumer Price Index (CPI)

Base: Dec.2005=100

Major commodity group	Weights (%)	2007			2008		
		Apr	May	Jun	Apr	May	Jun
Headline/Overall	100	12.4	10.8	11.9	18.5	21.5	22.4
Food	57.4	13.6	12.2	13.7	25.7	28.7	28.8
Non-Food	42.6	11.5	9.9	10.3	10.0	13.0	14.8
Alcoholic beverages, tobacco & narcotics	0.6	23.0	23.0	23.0	-0.9	-0.7	-0.1
Clothing and footwear	6.2	7.4	7.6	6.8	4.7	4.7	9.3
Housing, water, electricity, gas and other fuels	15.6	10.2	8.3	8.4	6.8	11.2	12.7
Furnishing, household equipment and routine household maintenance	5.3	11.3	10.6	10.9	13.2	12.5	15.4
Health	2.1	12.2	10.1	10.1	18.6	18.6	25.1
Transport	3.4	20.2	12.9	21.5	11.7	27.7	19.9
Communication	2.4	-3.9	-3.9	-5.3	-2.3	-2.3	-0.8
Recreation and culture	0.4	16.7	10.8	12.9	9.7	9.9	7.3
Education	1.1	12.1	12.1	12.1	6.1	7.8	7.8
Restaurants and hotels	3.1	25.2	25.4	25.2	25.4	24.3	28.2
Miscellaneous goods & services	2.4	-3.5	-3.3	-4.3	21.1	21.4	26.3

Source: Office of Chief Government Statistician (OCGS)

Fiscal Performance

During the month ending June 2008, the government budgetary operations on cheques cleared basis registered a deficit of TZS 0.5 billion compared with TZS 0.1 billion posted in the previous month. Total revenue and grants amounted to TZS 13.6 billion, out of which domestic sources amounted to TZS 8.8 billion or 64.7 percent of total resources. Foreign grants were TZS 4.8 billion or 35.3 percent of total resources. Total government expenditure reached TZS 14.4 billion up from TZS 11.8 billion spent in May 2008. The budget deficit was fully financed by foreign sources.

Revenue development

Revenue outturn amounted to TZS 8.8 billion above the target of TZS 7.9 billion. Tax revenue reached TZS 7.8 billion against the target of TZS 7.2 billion, and accounted for 85.0 percent of total collections; while non-tax revenue reached TZS 0.9 billion against the target of TZS 0.8 billion.

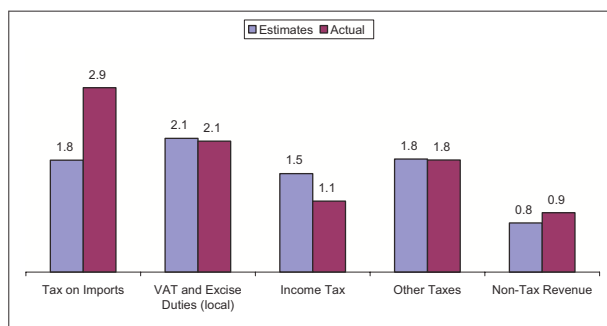
Revenue performance by source category showed that, local VAT and excise duty collections amounted to TZS 2.1 billion, in line with target, and accounted for 25.6 percent of the tax revenue. Tax on imports reached TZS 2.9 billion exceeding target of TZS 1.8 billion; mainly due to increase in importation of fuel prompted by power blackout which culminated into using more fuel. Income tax collection amounted to TZS 1.1 billion, below the target of TZS 1.5 billion mainly due to under collection of PAYE. Other taxes amounted to TZS 1.8 billion in line with set target. Non-tax sources amounted to TZS 0.9 billion, above the target TZS 0.8 billion due to improved performance by ministries (**Chart 6. 2**).



Annual total revenue collection for 2007/08 amounted to TZS 109.0 billion, accounting for 95.0 percent of the annual target of TZS 114.6 billion.

Chart 6.2: Government Revenue by Source – June 2008

Billions of TZS



Source: Ministry of Finance and Economic Affairs, Zanzibar.

Expenditure

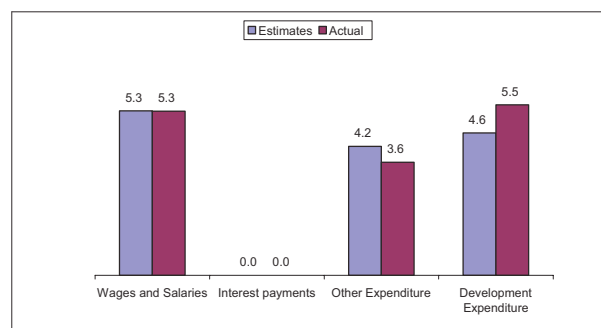
Total government expenditure as at end June 2008 stood at TZS 14.4 billion, above the target of TZS 14.0 billion, due to increased development expenditure. Recurrent expenditure reached TZS 8.9 billion, below the target of TZS 9.4 billion; and accounted for 61.8 percent of the total expenditure. Expenditure on wages and salaries amounted to TZS 5.3 billion, accounting for 36.8 percent of the total expenditure. Expenditure on other charges amounted to TZS 3.6 billion, compared to the target of TZS 4.2 billion and accounted for 25.0 percent of the total expenditure.

Development expenditure stood at TZS 5.5 billion, above the target of TZS 4.6 billion, on account of more than expected donor disbursements (Chart 6.3). Government contributions amounted to TZS 0.2 billion below the target of TZS 0.5 billion and accounted for 3.6 percent of the total development expenditure. Donor funds reached TZS 5.3 billion, above the target of TZS 4.1 billion; accounting for 96.4 percent of the total development expenditure.

Annual total expenditure for 2007/08 amounted to TZS 176.4 billion, representing 66.1 percent of the projected annual target of TZS 266.9 billion.

Chart 6.3: Government Expenditure by Components – June 2008

Billions of TZS



Source: Ministry of Finance and Economic Affairs, Zanzibar.

Debt Developments

Zanzibar debt as at end of June 2008, stood at TZS 128.2 billion (USD 108.6 million) marginally below TZS 128.4 billion (USD 107.1 million) recorded in previous month. External debt stood at TZS 74.0 billion (USD 62.7 million) representing 57.7 percent of the total debt, while domestic debt amounted to TZS 54.2 billion (USD 45.0 million), standing for 42.3 percent of total debt. Debt to GDP ratio stood at 25.0 percent.

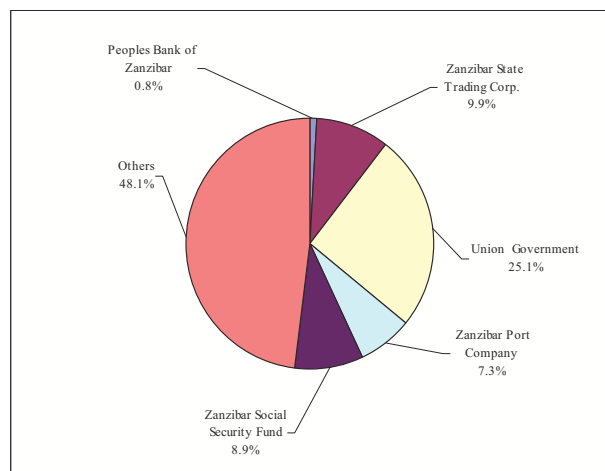
Domestic Debt

During the month under review, domestic debt slightly increased to TZS 54.2 billion, from TZS 53.2 billion recorded in May 2008, associated with increase in gratuity claims by government retirees.

Domestic suppliers and pensioners remained major creditors, with claims amounting to TZS 26.0 billion representing 48.1 percent of the total domestic debt. Union Government debt remained at TZS 13.6 billion, accounting for 25.1 percent of the domestic debt. Zanzibar State Trading Corporation (ZSTC) and Zanzibar State Social Security Fund (ZSSF) claims amounted to TZS 5.3 billion and TZS 4.8 billion, accounting for 9.9 percent and 8.9 percent of total domestic debt, respectively. Zanzibar Port Company (ZPC) claims amounted TZS 3.9 billion, representing 7.3 percent of domestic debt, whereas debt due to the Peoples Bank of Zanzibar (PBZ) stood at TZS 0.4 billion or 0.8 percent of domestic debt (Chart 6.4).



Chart 6. 4: Domestic debt by Creditor as at End – June 2008



Source: Ministry of Finance and Economic Affairs-Zanzibar

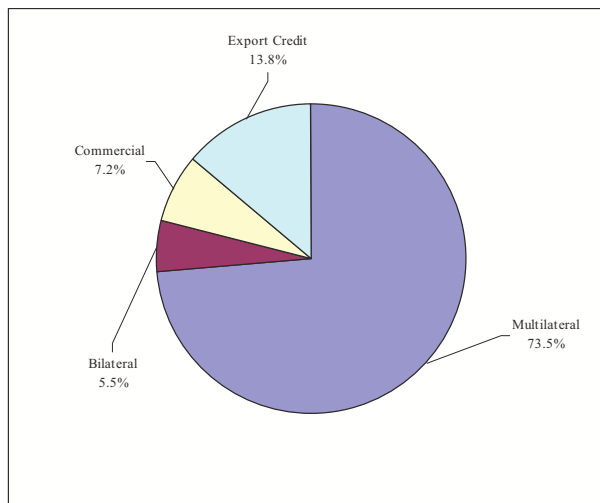
Debt maturity profile showed that, debt with “undetermined maturity” (predominantly gratuity and supplier’s claims) amounted to TZS 33.0 billion, accounting for 60.9 percent of domestic debt. Debt maturing between 2 and 5 years stood at TZS 14.7 billion or 27.1 percent of domestic debt. Debt maturing in less than a year amounted to TZS 6.5 billion, representing 12.0 percent of the total domestic debt.

External Debt

External debt declined marginally to TZS 74.0 billion (USD 62.7 million), from TZS 75.2 billion (USD 62.7 million) registered in the previous month, on account of appreciation of Tanzania shilling. Debt guaranteed by the Union government stood at USD 46.7 million representing 74.5 percent of the external debt, while non-guaranteed debt stood at USD 16.0 million or 25.5 percent of total external debt.

Debt owed to multilateral creditors was USD 46.1 million (TZS 54.4 billion) accounting for 73.5 percent of the external debt, while bilateral creditors was at USD 3.5 million (TZS 4.2 billion), equivalent to 5.5 percent of total external debt. Commercial debt stood at USD 4.5 million (TZS 5.3 billion) or 7.2 percent of external debt, whereas export credit amounted to USD 8.6 million (TZS 10.2 billion), accounting for 13.8 percent of total external debt (Chart 6. 5).

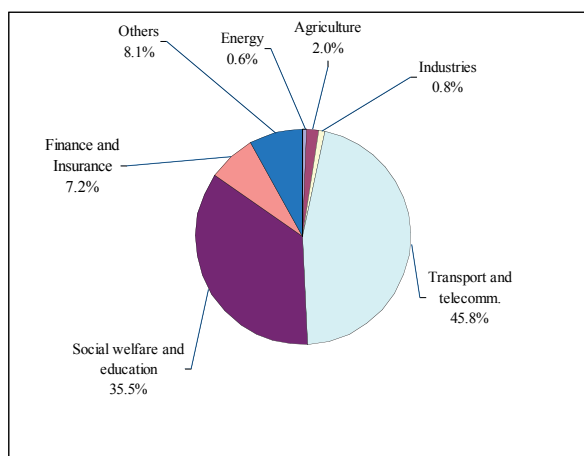
Chart 6.5: External debt by Creditor as at End – June 2008



Source: Ministry of Finance and Economic Affairs-Zanzibar

During the month under review; no new disbursements were effected; hence transport and telecommunications sectors maintained, a lead registering USD 28.7 million and accounting for 45.8 percent of the external debt. Social welfare and education sectors recorded USD 22.3 million or 35.5 percent of external debt. Finance and Insurance sector had USD 4.5 million representing 7.2 percent, while agriculture and energy sectors maintained USD 1.3 million and USD 0.4 million, standing for 2.0 percent and 0.6 percent, respectively. Industrial sector registered USD 0.5 million equivalent to 0.8 percent, and other sectors absorbed USD 5.1 million or 8.1 percent of external debt (Chart 6.6).

Chart 6.6: External debt by Use of Funds as at End – June 2008



Source: Ministry of Finance and Economic Affairs-Zanzibar



External Sector Performance

Current Account

Current account during June 2008, registered a deficit of USD 1.5 million, below USD 4.7 million recorded in the previous month, on account of improvement in services receipts and foreign current inflows. Trade account deficit improved to USD 7.9 million from USD 9.0 million posted in May 2008.

On annual basis, the current account surplus slumped to USD 8.9 million from USD 33.1 million recorded during the corresponding period in 2007. The down turn was linked with substantial rise in goods import. Trade account deficit widened to USD 77.8 million from USD 65.1 million posted in corresponding period in 2007, largely related with escalation in food and food stuffs import bill (Table 6.2).

Table 6.2: Zanzibar Current Account Balance

Millions of USD

Item	2007	2008p		Year Ending June			%Change	
	Jun	May	Jun	2006	2007	2008p	Monthly	Annual
Goods Account (net)	-5.7	-9.0	-7.9	-67.0	-65.1	-77.8	-12.8	19.6
Exports	0.9	1.2	0.9	11.8	15.9	16.0	-22.6	0.8
Imports (fob)	6.6	10.3	8.8	78.8	81.0	93.8	-13.9	15.9
Services Account (net)	-0.1	2.4	2.5	19.9	41.6	34.1	5.9	-17.9
Receipts	7.2	6.7	7.4	81.2	92.2	75.9	9.8	-17.7
Payments	7.3	4.4	4.9	61.3	50.7	41.8	12.0	-17.6
Goods and Services (net)	-5.9	-6.7	-5.4	-47.1	-23.5	-43.7	-19.4	85.9
Exports of Goods and Services	8.1	8.0	8.4	93.0	108.1	91.9	4.9	-15.0
Imports of Goods and Services	13.9	14.7	13.8	140.1	131.6	135.6	-6.2	3.0
Income Account (net)	-0.03	-0.15	-0.19	0.36	0.21	-1.02	28.8	-579.7
Receipts	0.00	0.02	0.02	0.36	0.30	0.17	-16.7	-42.5
Payments	0.03	0.17	0.21	0.00	0.08	1.19	23.3	
Current Transfers (net)	3.0	2.1	4.1	50.2	56.4	53.7	96.6	-4.8
Inflows	3.0	2.1	4.1	50.2	56.4	53.7	96.6	-4.8
Outflows	0.0	0.0	0.0	0.0	0.0	0.0		
Current Account Balance	-2.9	-4.8	-1.5	3.4	33.1	8.9	-68.5	-73.0

p= Provisional

Source: Tanzania Revenue Authority and BOT.

Exports Performance

During the period under review, total export receipts amounted to USD 8.4 million, slightly above USD 8.0 million, recorded in May 2008; due to increase in services receipts. Merchandise exports realized USD 0.9 million, down from USD 1.2 million earned in the previous month; while services activities earned USD 7.4 million, representing 88.1 percent of total exports.

On annual basis, total exports (goods and services) declined to USD 91.9 million, from USD 108.1 million posted in 2007. The decline was associated with shrinkage in services receipts. Services receipts declined to USD 75.9 million, below USD 92.2 million recorded in 2007, and

represented 82.6 percent of total exports. Clove exports declined in volume and value to USD 4.3 million, standing for 4.7 percent of total exports. Seaweeds fetched USD 2.6 million, and accounted for 2.8 percent of total exports, whereas manufactured goods fetched USD 3.9 million equivalent to 4.2 percent of total export receipts. Fish and fish produce fetched USD 0.2 million or 0.2 percent of total export receipts (Table 6.3).

Table 6.3: Zanzibar Exports by Major Categories

Item	Units	2007	2008p		Year Ending June			%Change	
		June	May	June	2006	2007	2008p	Monthly	Annual
Traditional									
Cloves									
Value	Millions	0.05	0.21	0.13	9.3	9.7	4.3	-37.2	-56.0
Volume	000 Tons	0.02	0.05	0.03	3.2	3.0	1.1	-36.0	-63.6
Unit Price	USD/Ton	2,907.1	4,100.0	4020.8	2,927.3	3,206.8	3,876.0	-1.9	20.9
Non-Traditional									
Seaweeds									
Value	Millions	0.13	0.15	0.24	1.37	1.80	2.63	62.6	46.5
Volume	000 Tons	0.45	0.52	0.89	7.09	8.34	10.34	70.2	24.1
Unit Price	USD/Ton	283.8	283.6	271.0	193.73	215.56	254.52	-4.5	18.1
Manufactured Goods									
		0.36	0.35	0.22	0.19	2.81	3.86	-37.8	37.3
Fish and Fish Produce									
		0.00	0.00	0.00	0.39	0.12	0.23	45.2	86.9
Others Exports									
		0.34	0.52	0.35	0.55	1.41	5.00	-31.3	253.7
Sub Total		0.8	1.0	0.8	2.5	6.1	11.7	-19.6	90.8
Grand Total		0.9	1.2	0.9	11.8	15.9	16.0	-22.6	0.8

P= Provisional

Source: Tanzania Revenue Authority

Goods Import

During June 2008, the value of goods import (c.i.f) amounted to USD 9.7 million, below USD 11.3 million recorded in the previous month; largely associated with decline in oil imports. Capital goods imports amounted to USD 4.6 million, up from USD 4.3 million, driven by rise in machinery and building & construction items. Oil imports declined to USD 1.7 million from USD 5.1 million, on account of sufficient old stock. Consumer goods imports amounted to USD 2.6 million, up from USD 1.4 million recorded in the preceding month; attributed to rise in both food & food stuffs, and other consumer items.

On annual basis, goods imports (c.i.f) increased to USD 93.8 million, exceeding USD 81.0 million imports for the year ended in June 2007, on account of rise in oil and food imports. Capital goods import declined to USD 42.9 million, from USD 43.6 million registered in previous corresponding period, driven by decline in building and construction and machinery imports. The decline was associated with completion or near completion of major construction projects. Intermediate goods rose to USD 37.2 million from USD 26.1 million, driven by increase in oil import bill, which accounted for 28.4 percent of total imports from 23.2 percent registered in the corresponding period in 2007. Imports of food and food stuffs amounted to USD 10.3 million, higher than USD 5.0 million for the previous year, in response to hike in global food prices (Table 6.4).



Table 6.4: Zanzibar Imports by Major Categories

Millions of USD

Import Category	2007	2008p		Year Ending June			%Change	
	Jun	May	Jun	2006	2007	2008p	Monthly	Annual
Capital Goods	2.8	4.3	4.6	34.8	43.6	42.9	8.0	-1.6
Transport Equipment	1.3	3.2	2.8	10.2	13.2	23.4	-12.6	77.0
Building and Constructions	0.4	0.3	0.4	9.2	12.5	5.8	54.6	-53.5
Machinery	1.1	0.8	1.4	15.4	17.8	13.6	73.2	-23.5
Intermediate Goods	0.2	5.6	2.5	27.3	26.1	37.2	-55.8	42.5
Oil imports	0.01	5.1	1.7	22.1	20.7	29.3	-66.9	41.6
Fertilizers	0.02	...		
Industrial raw materials	0.2	0.5	0.8	5.2	5.4	7.9	52.3	46.7
Consumer Goods	2.1	1.4	2.6	24.6	19.3	23.0	88.6	19.5
Food and food stuffs	0.7	0.7	1.5	12.5	5.0	10.3	127.2	105.7
All other consumer goods	1.4	0.7	1.1	12.0	14.2	12.7	52.2	-10.9
Grand Total (Cif)	5.0	11.3	9.7	86.6	89.0	103.1	-13.9	15.9
Grand Total (Fob)	4.6	10.3	8.8	78.8	81.0	93.8	-13.9	15.9

p = provisional
... = Very small value
Source: Tanzania Revenue Authority

Services Account

During the period under review, services account surplus was USD 2.5 million, slightly above USD 2.4 million recorded in the previous month. The rise was associated with increased receipts, predominantly from tourism related activities. Services receipts rose to USD 7.4 million from USD 6.7 million, whereas foreign payments reached USD 4.9 million from USD 4.4 million recorded in the previous month. Transportation receipts reached USD 2.8 million, representing 37.8 percent of total foreign services proceeds, while travel receipts USD 3.2 million, accounted for 47.7 percent of total services receipts.

On year to year basis, the services account surplus narrowed to USD 34.1 million, below USD 41.6 million registered in the corresponding period in 2007. Total foreign receipts decreased to USD 75.9 million, below USD 92.2 million earned in 2007, while foreign payments declined to USD 41.8 million relative to USD 50.6 million paid out in the corresponding period in 2007. Travel related receipts declined to USD 36.1 million from USD 80.3 million earned in the corresponding period in 2007; and accounted for 47.6 percent of total receipts, whereas travel payments declined to USD 21.8 million, below USD 42.3 million paid out in the corresponding period in 2007 and accounted for 52.1 percent of total payments.



STATISTICAL TABLES



Table A1: Selected Economic Indicators (Annual)

Item	Unit	2001	2002	2003	2004	2005	2006 ^r	2007*
1. National Accounts and Prices								
1.1 Change in GDP at Factor Cost--Current Prices	Percent	11.6	14.8	15.9	15.4	14.3	12.4	16.8
1.2 Change in GDP at Factor Cost--Constant 2001 Prices ²	Percent	6.0	7.2	6.9	7.8	7.4	6.7	7.1
1.3 GDP Per Capita--Current Prices ¹	TZS	276,604.1	310,848.4	354,007.6	396,132.4	441,152.1	478,051.4	546,955.7
1.4 GDP Per Capita--Current Prices ¹	USD	315.6	321.6	340.9	363.7	390.6	381.7	439.5
1.5 Change in Consumer Price Index (Inflation)	Percent	5.2	4.5	3.5	4.2	4.4	7.3	7.0
1.6 Saving to GNDI Ratio ³	Percent	7.2	8.0	9.6	10.4	8.7	8.5	6.4
2. Money Credit and Interest Rates								
2.1 Change in Extended Broad Money Supply (M3)	Percent	17.1	25.1	16.1	19.3	38.2	22.0	21.4
2.2 Change in Broad Money supply (M2)	Percent	12.3	18.5	14.2	19.2	36.9	13.7	28.8
2.3 Change in Narrow Money Supply (M1)	Percent	10.2	25.2	16.1	18.2	33.7	9.8	32.7
2.4 Change in Reserve Money	Percent	5.0	19.1	12.6	23.6	27.7	16.8	30.2
2.5 Total Credit to GDP Ratio ¹	Percent	7.1	8.0	6.9	7.2	10.5	11.7	12.6
2.6 Private Sector Credit to GDP Ratio ¹	Percent	4.4	5.5	6.7	7.6	8.9	11.3	13.8
2.7 Ratio of Private Credit to Total Credit	Percent	62.7	68.4	97.4	104.8	84.6	96.3	109.7
2.8 Average Deposit Rate (12-Month) ⁴	Percent	6.9	5.9	5.3	5.7	6.2	8.3	9.3
2.9 Weighted Average Treasury Bill Rate	Percent	3.9	4.5	7.7	9.6	14.8	15.0	11.4
2.10 Average Long-Term Lending Rate ⁴	Percent	18.0	16.8	12.2	12.7	13.4	14.9	16.1
3. Balance of Payments								
3.1 Exports of goods (f.o.b)	Mill. USD	851.3	979.6	1,220.9	1,481.6	1,679.1	1,917.6	2,226.6
3.2 Imports of goods (f.o.b)	Mill. USD	-1,560.3	-1,511.3	-1,933.5	-2,482.8	-2,997.6	-3,864.1	-4,860.6
3.3 Trade Balance	Mill. USD	-709.0	-531.7	-712.6	-1,001.2	-1,318.5	-1,946.5	-2,634.1
3.4 Balance on Current Account	Mill. USD	-395.2	78.6	-118.1	-366.7	-864.3	-1,171.6	-1,855.8
3.5 Overall Balance	Mill. USD	-167.5	-317.9	389.1	206.0	-222.4	460.7	532.7
3.7 Gross Official Reserves	Mill. USD	1,156.6	1,528.4	2,037.8	2,296.1	2,048.4	2,128.3	2,755.2
3.8 Reserves Months of Imports (of goods and services)	Months	6.5	6.9	7.1	6.6	4.8	4.0	4.5
3.9 Exchange Rate:								
3.9.1 Annual Average	TZS/USD	876.4	967.1	1,038.9	1,089.1	1,129.2	1,253.9	1,244.1
3.9.2 End of Period	TZS/USD	916.3	976.3	1,063.6	1,043.0	1,165.5	1,261.6	1,132.1
4. Population (TZ Mainland)								
	Million	32.9	33.6	34.2	35.3	36.2	37.5	38.3
5. Public Finance								
		2001/02	2002/03	2003/04	2004/05	2005/06^r	2006/07^r	2007/08*
5.1 Current Revenue to GDP Ratio ¹	Percent	11.8	12.3	12.1	13.3	13.8	17.1	
5.2 Grants to GDP Ratio ¹	Percent	4.3	3.2	3.7	7.4	6.8	6.2	
5.2 Current Expenditure to GDP Ratio ¹	Percent	12.7	13.0	12.9	15.1	17.3	20.4	
5.3 Development Expenditure to GDP Ratio ¹	Percent	3.9	3.3	3.6	8.6	8.7	8.7	
5.4 Deficit to GDP Ratio (excluding grants) ¹	Percent	-4.8	-4.0	-4.4	-10.4	-12.2	-12.0	
5.5 Deficit to GDP Ratio (including grants) ¹	Percent	-0.5	-0.8	-0.6	-3.0	-5.4	-5.8	
6. Total External Debt Stock								
Disbursed Debt	Mill. USD	7,464.0	7,268.1	7,857.0	8,134.8	8,229.5	4,660.9	5,846.4
Interest	Mill. USD	6,559.7	6,233.0	6,678.3	6,799.5	6,971.1	3,442.3	4,483.1
Total External Debt as % of GDP	Percent	904.3	1,035.1	1,178.7	1,335.3	1,258.3	1,218.6	1,363.3
		78.5	75.9	83.5	77.5	72.0	36.7	34.6

Note:

¹ Calculated on the basis of GDP at market price

² Calculated on the basis of GDP at factor cost

³ GNDI stands for gross national disposable income

⁴ Annual Average

^r Revised

* Provisional

Source: Bank of Tanzania Database and National Bureau of Statistics (Economic Survey, National Accounts)





Table A2: Central Government Operations –Monthly Flows

Item	BUDGET 2007/08	2007/08 Millions of TZS											
		Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08
Total Revenue	3,502,583.0	262,189.8	275,917.4	326,363.8	284,598.3	269,707.4	340,260.8	286,549.5	274,655.6	329,330.6	314,155.5	314,155.5	375,721.0
Tax Revenue	3,188,415.0	237,589.7	251,039.3	312,249.8	262,860.0	260,539.4	307,685.0	268,127.5	274,263.0	310,189.9	267,070.1	267,070.1	346,698.0
Taxes on Imports	1,245,641.9	110,674.5	108,331.1	112,819.9	110,072.5	111,339.9	105,032.7	100,513.8	92,207.8	91,505.1	110,051.6	110,051.6	116,282.0
Sales/VAT and Excise on Local Goods	688,639.0	52,327.2	60,588.6	58,566.1	64,164.0	67,467.9	57,000.2	53,772.5	62,187.8	56,499.0	67,077.1	67,077.1	63,321.0
Refunds	-124,641.4	-13,064.9	-12,955.3	-9,866.8	-9,866.8	-10,386.8	-10,386.8	-10,386.8	-10,386.8	-10,386.1	-10,386.8	-10,386.8	10,387.0
Income Taxes	826,866.7	47,867.6	53,714.0	106,796.9	53,342.2	50,228.6	134,434.0	84,489.6	60,912.1	130,466.9	55,495.1	55,495.1	141,077.0
Other taxes	427,267.4	26,720.4	28,405.6	34,066.9	35,281.3	31,503.0	31,218.1	29,351.6	31,955.3	31,718.9	34,446.3	34,446.3	36,614.0
Non-tax Revenue	314,168.0	24,600.1	24,878.1	14,114.0	21,738.3	9,168.0	12,575.8	18,422.0	27,392.6	19,140.7	47,085.4	47,085.4	29,023.0
Total Expenditure /1	5,998,082.5	338,712.1	703,789.7	571,464.2	430,611.5	415,991.4	419,938.1	497,304.2	370,411.8	399,192.5	342,421.3	301,666.6	536,276.0
Recurrent expenditure	3,796,986.2	210,421.5	263,395.4	285,322.4	308,254.8	252,174.1	230,661.5	374,027.2	297,791.6	229,876.2	238,621.7	256,337.6	451,140.0
Road/toll fund	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
Retention fund	71,706.9	5,175.5	6,221.0	7,763.1	7,186.1	7,098.9	7,363.3	4,584.0	5,295.4	3,306.6	1,649.2	349.7	2,022.0
Wages and salaries	1,113,134.0	93,080.1	93,275.7	93,891.5	93,154.7	93,617.6	93,477.0	93,490.3	94,959.5	95,133.7	95,501.1	97,429.9	97,698.0
Interest payments	276,000.0	9,624.2	4,161.4	7,902.4	38,184.3	9,576.3	11,325.6	39,790.9	7,399.5	9,942.5	38,176.5	3,807.7	84,942.0
Domestic 2/	240,000.0	9,359.3	4,045.2	5,318.6	36,049.3	7,583.2	8,370.9	37,880.9	6,815.2	5,882.0	35,737.0	919.0	79,412.0
Foreign	36,000.0	264.9	116.3	2,583.8	2,135.0	1,993.1	2,954.7	1,909.9	584.2	4,060.4	2,439.4	2,888.8	5,530.0
Other goods, services and transfers	2,407,852.2	107,717.2	165,958.2	183,528.4	176,915.8	148,980.2	125,858.9	240,746.1	195,432.7	124,800.0	104,944.1	155,099.9	268,500.0
Dev. Expenditure and net lending	2,201,096.3	128,290.6	440,394.3	286,141.8	122,356.8	163,817.4	189,276.6	123,277.0	72,620.2	169,316.3	103,799.5	45,328.9	85,138.0
Local	739,203.5	61,600.3	100,521.7	150,000.0	26,000.0	40,412.0	34,000.0	42,387.0	36,500.0	34,000.0	10,000.0	18,000.0	14,000.0
Foreign	1,461,892.8	66,690.3	339,872.6	136,141.8	96,356.8	123,405.4	155,276.6	80,890.0	36,120.2	135,316.3	93,799.5	27,328.9	71,138.0
Overall Balance (cheque issued) before Grants	-2,495,495.5	-76,522.3	-427,872.3	-245,100.4	-146,013.2	-146,284.0	-79,677.3	-210,754.7	-95,756.2	-69,861.9	-28,265.8	-13,119.0	-160,557.0
Grants	1,690,873.0	468,160.9	53,979.5	116,704.1	59,141.6	121,792.1	154,979.6	9,798.4	6,672.6	31,427.3	51,785.1	325.3	70,045.0
Program (CIS/OGL)	607,524.1	391,170.2	27,770.2	84,739.8	32,826.9	37,950.1	19,165.1	0.0	0.0	0.0	0.0	0.0	13,261.0
Project	684,438.3	15,905.6	1,172.7	3,146.0	7,268.1	76,670.8	105,842.1	5,367.5	2,407.8	24,926.8	9,914.9	325.3	52,969.0
Basket funds	192,874.1	22,377.3	436.4	23,007.1	16,857.3	0.0	22,849.0	0.0	1,091.4	6,500.5	28,733.8	0.0	724.0
<i>Multilateral Debt Instrument (MDRI) *</i>	<i>206,036.6</i>	<i>38,707.8</i>	<i>24,600.3</i>	<i>5,811.2</i>	<i>2,189.3</i>	<i>7,171.2</i>	<i>7,123.5</i>	<i>4,430.9</i>	<i>3,173.3</i>	<i>0.0</i>	<i>13,136.4</i>	<i>0.0</i>	<i>3,091.0</i>
Overall defc. (cheq.issued) after Grants	-804,626.5	391,638.6	-373,892.8	-128,396.3	-86,871.6	-24,491.9	75,302.4	-200,956.3	-89,083.6	-38,434.6	23,519.3	-12,793.6	-90,512.0
Expenditure float	0.0	-186,585.9	-12,803.2	-9,825.0	-11,909.3	-10,769.0	-9,514.8	-13,407.0	-12,908.4	-8,027.3	-8,027.3	-7,553.3	-7,553.0
Adjustments to cash and other items (net)	0	90,031	51,112	70,465	-66,655	-55,794	-48,455	71,976	-17,066	-91,196	-69,501	-7,495	19,982
Overall Balance (cheques issued)	-804,626.5	295,084.0	-335,584.1	-67,755.8	-165,435.9	-91,055.1	17,332.6	-142,387.3	-119,057.7	-137,657.4	-54,008.5	-27,841.6	-78,084.0
Financing:	804,626.5	-295,084.0	335,584.1	67,755.8	165,435.9	91,055.1	-17,332.6	142,387.3	119,057.7	137,657.4	54,008.5	27,841.6	78,084.0
Foreign Financing (net)	818,616.7	123,223.5	337,889.6	352,985.9	69,537.8	45,250.6	43,462.4	74,854.7	31,443.5	100,356.8	48,558.6	20,600.9	2,096.0
Loans	858,376.7	123,962.0	338,263.4	356,427.5	72,231.3	46,734.6	47,007.5	75,522.4	32,620.9	103,889.0	55,150.8	27,003.6	0.0
Program loans	273,796.2	95,554.6	0.0	246,438.8	0.0	0.0	20,422.0	0.0	0.0	0.0	0.0	0.0	0.0
Development Project loans	504,260.2	23,655.7	338,263.4	35,761.0	55,163.7	21,188.6	25,713.6	58,990.6	20,034.7	103,889.0	30,420.4	27,003.6	17,445.0
Basket Support	80,320.2	4,751.7	0.0	74,227.7	17,067.7	25,546.0	871.9	16,531.9	12,586.2	0.0	24,730.4	0.0	0.0
Amortization	-39,760.0	-7,38.5	-373.9	-3,441.6	-2,693.6	-1,483.9	-3,545.1	-667.7	-1,177.5	-3,532.2	-6,592.2	-6,402.7	-14,750.0
Domestic (net)	-13,990.2	-418,307.5	-2,305.5	-285,230.1	95,898.1	45,804.4	-60,795.1	67,531.8	87,614.2	33,660.9	5,449.9	7,240.7	75,388.0
Domestic Financing	-0.2	-418,307.5	-1,775.5	-285,230.1	95,972.6	45,804.4	-59,089.8	70,115.4	88,814.2	33,660.9	8,301.8	10,092.6	78,239.0
Bank borrowing	0.0	-382,880.4	-42,300.5	-304,053.8	50,654.0	76,153.7	-29,948.5	105,714.7	123,026.3	167,556.3	-23,740.2	21,914.8	-82,437.8
Non-Bank (net of amortization)	0.0	-35,427.1	40,525.0	18,823.7	45,318.6	-30,349.3	-29,141.3	-35,599.3	-34,212.1	-133,895.4	32,042.0	-11,822.1	160,676.7
Amortization of contingent debt	-15,000.0	0.0	-530.0	0.0	-74.5	0.0	-1,705.3	-2,583.6	-1,200.0	0.0	-2,851.9	-2,851.9	-2,851.0
Privatization Proceeds	-13,990.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Note:

/1 Exclude amortization and Expenditure Float, includes Road fund and Retention expenditures

/2 Domestic interest payments and amortization include Cash and Non cash

* From 2007/08 HIPC was replaced by MDRI

Source: Ministry of Finance

Table A3: Monetary Survey (Revised)

Millions of TZS															
End of Period	Domestic assets (net)					M3	Extended Broad Money					Memorandum item:			
	Domestic credit (net)					TOTAL	Broad Money					Foreign currency deposits	TOTAL sum (9,15)	Reserves	of which: CB
	Foreign assets	Claims on government	Claims on private sectors*	Other items	sum (2-5) or sum (9-13)		M1, Narrow Money								
							Currency in circulation								
							2	3	4	5	sum (9-10)				
M2	M3	M0, Base Money													
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
1998	458,003.6	276,586.7	248,276.2	44,118.1	1,026,984.7	844,929.4	545,517.0	307,798.7	237,718.3	134,401.0	165,011.4	182,055.2	418,734.0	110,935.3	
1999	622,286.8	366,596.2	311,533.0	-82,789.1	1,217,626.9	972,088.6	632,571.2	384,848.0	247,723.2	149,257.1	190,260.3	245,538.3	508,674.0	123,826.0	
2000	842,755.0	375,146.0	340,628.1	-160,840.2	1,397,688.8	1,093,610.9	695,006.5	392,404.2	302,602.3	170,051.6	228,552.8	304,077.9	556,430.9	164,026.7	
2001	1,209,820.4	239,201.4	404,512.3	-216,803.4	1,636,730.7	1,233,667.0	766,019.9	411,638.9	354,381.0	208,101.4	259,545.7	403,063.7	584,369.1	172,730.2	
2002	1,558,627.1	264,608.6	570,668.3	-346,221.0	2,047,683.1	1,507,386.5	958,786.6	495,445.6	463,340.9	223,898.7	324,701.2	540,296.5	695,701.2	200,255.6	
2003	2,182,072.0	12,937.0	817,125.2	-623,818.1	2,388,316.1	1,721,109.9	1,113,379.1	553,045.8	560,333.3	230,958.8	376,771.9	667,206.2	783,309.0	230,263.2	
2004	2,379,909.3	-47,719.7	1,060,077.3	-544,146.8	2,848,120.0	2,050,886.0	1,315,739.4	664,148.0	651,591.3	276,396.4	458,750.2	797,234.1	967,776.0	303,628.0	
2005	2,560,852.1	413,782.4	1,425,062.3	-464,710.2	3,934,986.6	2,808,247.6	1,758,810.2	843,157.4	915,652.8	422,269.4	627,168.0	1,126,738.9	1,236,080.6	392,923.2	
2006	3,399,819.5	77,952.2	2,028,294.3	-707,243.9	4,798,822.1	3,193,785.0	1,930,421.5	975,585.9	954,835.7	469,679.2	793,684.3	1,605,037.1	1,443,529.9	467,944.0	
2007	3,528,866.1	-254,063.1	2,883,789.5	-330,874.3	5,827,718.2	4,112,108.3	2,562,143.8	1,164,184.8	1,397,959.0	569,970.0	979,994.5	1,715,610.0	1,879,108.2	714,923.4	
2007-Jan	3,535,953.5	64,257.8	2,044,818.9	-790,561.0	4,854,469.3	3,239,482.0	1,960,407.5	968,717.6	991,689.9	473,156.3	805,918.2	1,614,987.2	1,576,593.5	607,875.9	
February	3,447,311.2	179,989.1	2,079,071.8	-766,237.7	4,940,134.4	3,308,265.7	2,008,424.0	967,307.8	1,041,116.3	483,297.3	816,544.3	1,631,868.7	1,549,845.2	582,537.5	
March	3,321,533.3	144,647.7	2,133,897.1	-686,040.7	4,914,037.4	3,295,310.9	1,986,159.5	972,299.6	1,013,859.8	481,413.6	827,737.8	1,618,726.5	1,476,908.9	504,609.3	
April	3,435,509.1	158,245.0	2,193,766.9	-795,159.8	4,992,361.2	3,342,706.4	2,021,436.9	968,975.5	1,052,461.4	490,802.8	830,466.7	1,649,654.7	1,632,957.8	663,982.3	
May	3,276,619.4	323,589.9	2,246,312.1	-766,155.0	5,080,366.5	3,488,567.6	2,116,611.3	978,672.9	1,137,938.4	518,770.6	853,185.7	1,591,798.9	1,615,252.5	636,579.6	
June	3,374,549.7	372,422.0	2,260,321.2	-807,308.3	5,189,984.6	3,538,165.8	2,156,271.7	1,049,608.5	1,106,663.3	517,776.1	864,118.0	1,651,818.8	1,598,491.3	548,882.8	
July	3,767,930.5	84,274.5	2,385,900.4	-809,765.7	5,428,339.7	3,766,403.5	2,314,902.3	1,131,638.3	1,183,264.0	561,622.2	889,879.0	1,661,936.3	1,711,508.9	579,870.7	
August	3,620,681.5	-36,160.2	2,468,623.3	-520,774.6	5,532,370.0	3,866,255.9	2,428,015.9	1,164,491.1	1,263,524.8	529,537.2	898,702.8	1,666,114.1	1,755,836.9	591,345.8	
September	3,760,380.9	-307,854.2	2,577,508.2	-539,633.6	5,490,401.3	3,842,315.5	2,400,856.6	1,166,527.6	1,234,328.9	528,786.5	912,672.4	1,648,085.8	1,685,013.4	518,485.8	
October	3,593,321.2	-280,466.3	2,679,033.4	-418,627.3	5,573,261.0	3,929,813.7	2,475,375.6	1,154,461.6	1,320,914.0	499,971.3	954,466.8	1,643,447.3	1,822,761.3	668,299.7	
November	3,587,521.5	-214,044.9	2,796,110.4	-451,179.8	5,718,407.2	4,020,316.6	2,487,639.4	1,150,235.8	1,337,403.7	558,322.8	974,354.4	1,698,090.7	1,821,935.3	671,699.6	
December	3,528,866.1	-254,063.1	2,883,789.5	-330,874.3	5,827,718.2	4,112,108.3	2,562,143.8	1,164,184.8	1,397,959.0	569,970.0	979,994.5	1,715,610.0	1,879,108.2	714,923.4	
2008-Jan	3,603,917.3	-145,407.8	2,947,534.0	-490,749.0	5,915,294.5	4,207,276.3	2,593,582.0	1,142,804.8	1,450,777.2	614,720.7	998,973.5	1,708,018.2	2,040,947.8	898,143.0	
February	3,577,445.0	-41,222.7	3,002,948.0	-535,580.8	6,003,589.4	4,294,878.0	2,654,975.4	1,140,637.1	1,514,338.3	624,553.2	1,015,349.3	1,708,711.4	1,891,426.8	750,789.6	
March	3,890,879.6	128,579.5	3,109,698.3	-881,625.5	6,247,531.8	4,402,805.7	2,718,707.3	1,143,058.8	1,575,648.5	672,584.9	1,011,513.4	1,844,726.1	1,943,864.1	800,805.4	
April	3,658,303.4	119,579.2	3,146,421.6	-672,757.9	6,251,546.3	4,460,728.4	2,724,099.8	1,156,965.1	1,567,134.8	709,296.4	1,027,332.1	1,790,818.0	1,984,613.1	827,648.0	
May	3,534,623.9	132,252.1	3,192,014.0	-656,894.6	6,201,995.4	4,450,516.5	2,675,389.2	1,185,597.6	1,489,791.6	749,628.4	1,025,498.8	1,751,478.9	1,968,014.6	782,417.0	
June	3,487,404.4	78,893.3	3,268,914.3	-469,315.8	6,365,896.1	4,629,090.6	2,828,070.4	1,272,293.0	1,555,777.4	770,203.7	1,030,816.5	1,736,805.5	2,079,615.5	807,322.6	
Note: * Formerly known as "Claims on other domestic sectors"															

Table A4 : Interest Rate Structure

Item	2007 ^P							2008 ^P					
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Percent													
A: Domestic Currency													
1 Interbank Cash Market Rates													
Overnight	6.67	9.79	12.05	12.07	18.64	10.19	5.37	6.47	4.52	4.11	3.85	3.59	3.45
2 to 7 days	7.60	11.27	12.28	12.77	19.47	8.19	5.99	7.11	5.20	4.34	4.08	4.04	3.68
8 to 14 days	7.03	12.00	11.98	12.00	24.04	5.86	5.86	6.82	5.00	4.43	4.20	3.80	3.99
15 to 30 days	6.00	6.00	6.00	6.50	6.50	9.00	9.22	7.50	6.50	6.50	5.18	4.82	4.85
31 to 60 days	9.59	6.55	8.81	11.16	6.42	5.15	5.84	5.60	5.60	6.32	5.40	4.73	4.73
61 to 90 days	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75	5.93	5.93	5.93	5.93	5.93
91 to 180 days	12.50	13.00	13.83	14.80	14.80	14.80	9.75	9.50	6.50	6.25	6.25	6.25	5.50
181 and above	12.87	12.87	12.87	15.23	15.23	12.10	12.10	12.10	12.10	7.00	7.00	7.88	7.88
Overall Interbank cash market rate	7.24	10.46	12.11	12.27	18.92	9.67	5.83	6.74	4.81	4.24	4.12	3.83	3.61
2 Lombard Rate	10.01	14.69	18.07	18.11	27.97	15.29	8.19	9.90	7.18	5.72	7.16	7.00	7.55
3 REPO Rate	6.25	9.10	11.02	11.56	11.34	7.36	5.13	6.60	4.79	3.82	3.67	3.66	3.75
4 Treasury Bills Rates													
35 days	6.47	6.07	6.32	6.27	6.35	4.94	5.46	5.96	5.99	5.36	4.77	4.67	5.03
91 days	12.62	12.88	13.76	14.78	15.14	11.31	9.90	9.54	7.05	5.69	5.12	4.95	5.76
182 days	16.74	16.23	15.83	16.37	16.62	12.96	10.15	10.33	8.02	7.03	6.90	6.75	7.63
364 days	18.39	15.84	15.95	16.98	17.86	13.68	12.95	12.80	9.82	9.40	9.43	9.03	10.00
Overall Treasury bills rate	17.07	15.41	15.11	15.59	16.42	12.45	11.40	10.89	8.37	7.39	7.05	7.00	7.84
5 Treasury Bonds:													
2-years	18.25	17.67	18.91	20.07	17.29	14.99	14.97	14.97	14.97	14.97	12.23	12.23	12.87
5-years	18.37	17.31	19.43	20.54	18.69	17.60	17.60	16.81	16.81	14.49	14.49	14.49	14.49
7-years	18.58	18.50	20.43	19.25	18.80	17.90	18.15	18.15	17.18	17.18	17.18	17.18	17.18
10-years	17.48	17.52	19.63	19.92	20.28	17.87	17.68	17.68	17.68	17.68	17.68	17.09	17.09
6 Discount Rate	21.42	21.05	20.11	20.59	21.42	17.44	16.40	15.89	13.36	12.39	12.08	12.00	12.84
7 Savings Deposit Rate	2.63	2.70	2.71	2.62	2.59	2.61	2.75	2.66	2.64	2.64	2.75	2.74	2.79
8 Time Deposits Rates:	7.69	7.55	7.76	8.21	8.24	8.15	8.29	8.17	8.23	8.04	7.66	6.71	6.66
Call Accounts	1.31	1.36	0.21	1.14	0.50	1.11	0.78	0.88	0.93	0.94	1.33	0.82	0.80
1 month	6.65	6.44	6.54	7.44	7.99	7.52	9.26	7.22	8.68	7.59	7.79	6.31	6.05
2 months	7.78	7.87	8.51	8.65	9.87	8.94	6.97	9.42	8.75	8.82	7.10	7.14	6.90
3 months	8.61	8.59	8.78	9.89	9.50	9.25	9.34	9.63	10.10	9.00	8.69	7.56	7.92
6 months	9.31	9.97	9.99	8.82	9.30	10.22	8.71	10.00	9.10	9.89	9.93	9.54	8.97
12 months	8.88	9.04	9.42	9.64	10.22	9.85	10.08	10.10	9.97	9.41	8.95	8.76	8.29
24 months	11.27	9.75	10.89	11.91	10.31	10.19	12.92	9.95	10.11	10.66	9.48	6.87	7.71
9 Negotiated Deposit Rates	8.65	8.91	9.82	9.83	10.61	10.96	11.04	10.72	10.52	10.29	11.20	11.07	10.62
10 Lending rates:	15.71	16.07	16.27	15.95	15.78	15.94	15.25	15.24	15.08	15.09	14.67	14.78	14.76
Call Loans	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	19.25	20.25
Short-term (up to 1 year)	13.95	14.12	14.30	14.06	13.85	14.06	14.70	13.96	14.19	13.57	12.76	13.25	13.93
Medium-term (1-2 years)	17.01	17.15	16.94	16.84	16.86	16.79	16.60	16.72	15.80	16.11	15.88	15.50	15.56
Medium-term (2-3 years)	14.60	15.65	15.17	15.15	15.27	15.43	15.48	15.32	15.39	15.37	15.08	14.95	14.58
Long-term (3-5 years)	15.61	16.04	16.76	16.53	15.90	16.37	16.66	16.49	16.54	16.86	16.37	16.13	16.64
Term Loans (over 5 years)	17.37	17.42	18.20	17.15	17.04	17.04	12.84	13.69	13.47	13.52	13.25	13.66	13.07
11 Negotiated Lending Rates	12.20	12.14	12.63	11.91	11.89	11.68	11.98	11.50	11.76	11.82	12.77	12.57	13.07
B: Foreign Currency													
1 Deposits Rates													
Savings Deposits	0.82	1.40	1.43	1.71	1.75	1.65	1.60	1.86	1.61	1.43	1.74	1.72	1.99
Time Deposits	2.73	2.61	2.86	3.54	4.08	4.69	4.27	4.58	4.63	4.62	4.28	4.69	4.42
1-months	1.79	2.03	2.07	3.21	2.71	4.77	4.65	3.60	4.58	4.79	2.96	4.84	5.04
2-months	2.18	1.91	2.72	3.48	4.95	5.36	3.60	4.75	4.94	3.03	5.12	5.31	4.46
3-months	2.87	2.57	3.02	3.87	4.89	3.76	3.86	4.85	3.17	4.88	4.89	3.80	3.95
6-months	3.02	2.85	3.47	3.85	3.87	3.86	4.64	4.78	4.73	3.42	3.99	4.97	5.17
12-months	3.81	3.69	3.00	3.27	3.99	5.72	4.58	4.92	5.72	6.95	4.43	4.52	3.48
2 Lending Rates	7.56	8.17	7.89	7.57	8.10	8.40	7.75	7.76	7.87	7.86	7.95	8.05	8.19
Short-term (up to 1 year)	8.03	8.41	7.49	5.89	5.77	7.41	3.85	3.82	4.55	4.79	6.43	6.75	6.74
Medium-term (1-2 years)	8.57	8.46	8.31	8.45	8.48	8.51	8.45	8.69	8.72	8.67	8.88	8.75	8.70
Medium-term (2-3 years)	7.91	7.97	8.27	8.19	8.69	8.67	8.94	8.95	8.74	8.67	8.55	8.55	8.56
Long-term (3-5 years)	7.11	7.90	6.89	7.00	8.93	8.68	8.97	8.46	8.47	8.47	8.37	8.19	8.29
Term Loans (over 5 years)	6.17	8.09	8.49	8.33	8.64	8.73	8.54	8.86	8.86	8.69	7.53	7.99	8.68

Note: The Lombard rate is 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 50% of the highest rate.

Source: Bank of Tanzania



Table A5(a): Exports by Type of Commodity

Item	2007 ^p	2008		% Change		Year Ending June ^p		
	Jun	May	Jun	Jun 07- Jun 08	May 08-Jun 08	2007	2008	% Change
Traditional Exports:								
COFFEE								
Value	4.1	4.0	4.1	1.2	3.8	92.2	77.9	-15.5
Volume	2.3	1.5	1.6	-28.7	8.3	45.7	33.7	-26.2
Unit Price	1,774.8	2,627.2	2,519.2	41.9	-4.1	2,018.3	2,308.9	14.4
COTTON								
Value	0.3	5.7	4.7	--	-17.6	27.0	77.5	--
Volume	0.3	2.7	2.5	--	-8.5	26.7	63.5	138.2
Unit Price	920.3	2,091.1	1,882.3	104.5	-10.0	1,013.4	1,219.3	20.3
SISAL								
Value	0.9	1.1	0.3	-68.2	-73.2	8.4	6.9	-17.6
Volume	1.0	1.0	0.3	-71.3	-71.4	10.1	7.3	-27.2
Unit Price	903.8	1,065.5	1,000.0	10.6	-6.1	832.4	1,034.4	24.3
TEA								
Value	4.2	3.0	2.8	-31.9	-6.9	32.7	27.9	-14.6
Volume	3.0	1.7	1.5	-49.5	-11.1	22.5	18.3	-18.4
Unit Price	1,374.6	1,769.0	1,853.0	34.8	4.7	1,454.2	1,521.7	4.6
TOBACCO								
Value	0.0	0.0	0.0	--	--	82.9	52.0	-37.3
Volume	0.0	0.0	0.0	--	--	34.9	23.6	-32.4
Unit Price			1,056.1	--	--	2,379.0	2,205.3	-7.3
CASHEWNUTS								
Value	0.0	0.00	0.0	--	--	28.7	40.1	39.6
Volume	0.0	0.00	0.0	--	--	58.0	55.6	-4.2
Unit Price		0.0		--	--	494.7	726.2	46.8
CLOVES								
Value	0.1	0.21	0.2	--	-0.7	9.8	4.1	-58.3
Volume	0.0	0.05	0.1	--	0.0	3.0	1.2	-61.9
Unit Price	2,908.8	4,107.0	4,079.4	40.2	-0.7	3,207.7	3,510.8	9.4
Sub Total	9.5	14.1	12.2	28.4	-13.0	281.7	286.3	1.6
Non-Traditional Exports:								
Minerals	67.1	86.6	91.0	35.5	5.0	867.2	891.4	2.8
Gold	60.8	74.3	76.8	26.3	3.3	815.0	816.1	0.1
Diamond	2.7	2.0	1.9	-30.7	-5.0	23.3	23.9	2.5
Other minerals ¹	3.6	10.3	12.3	--	19.3	28.8	51.5	78.5
Manufactured Goods	21.8	37.2	40.0	83.6	7.5	226.8	386.4	70.3
Cotton Yarn	0.4	0.6	0.1	-61.9	-73.4	7.1	6.9	-3.2
Manufactured Coffee	0.2	0.1	0.0	-100.0	-100.0	1.6	1.0	-41.6
Manufactured Tobacco	0.2	0.0	0.2	-26.1	-	1.0	0.8	-22.0
Sisal Products (Yarn & Twine)	0.4	0.8	0.8	--	1.4	4.3	10.5	--
Other manufactured Goods ²	20.6	35.8	38.9	89.0	8.7	212.8	367.3	72.6
Fish and Fish Products	13.0	13.3	14.9	14.3	11.8	155.2	134.4	-13.4
Horticultural products	1.6	2.0	1.8	16.2	-6.5	17.8	22.0	23.9
Re-exports	8.0	5.5	3.4	-57.6	-37.8	141.0	149.7	6.2
Others Exports³	24.1	18.2	24.8	3.0	36.6	161.8	211.9	31.0
Sub Total	135.6	162.7	175.9	95.0	8.1	1,569.7	1,795.9	14.4
GRAND TOTAL	145.1	176.8	188.1	29.6	6.4	1,851.4	2,082.2	12.5

Note:

1 Include tanzanite, rubbies, sapphires, emeralds, copper, silver and other precious stones

2 Include plastic items, textile apparels iron/steel and articles thereof

3 Include edible vegetables, oil seeds, cereals, cocoa, raw hides and skins, woods and articles thereof

p = Provisional data.

- = Small value

-- = Very big value

--- = Information not available

Totals may not add up due to rounding of numbers.

Volume in '000 Tons; Value in '000,000 USD; Unit Price in USD/Ton

Source: Bank of Tanzania, TRA





Table A5(b): Imports (f.o.b value) by Major Category

Import Category	2007 ^p Jun	2008		% Change		Year Ending June ^p	
		May	Jun	Jun 07-Jun 08	May 08 - Jun 08	2007	2008
							% Change
Capital Goods	132.8	290.6	227.9	71.6	-21.6	1,622.5	2,165.2
Transport Equipments	26.9	120.3	48.4	79.8	-59.8	401.5	660.7
Building and Constructions	28.3	51.0	60.6	113.8	18.7	375.1	504.8
Machinery	77.5	119.2	118.9	53.4	-0.2	845.9	999.7
Intermediate Goods	159.4	296.4	230.7	44.7	-22.2	1,758.2	2,339.8
Oil imports	109.1	215.3	151.0	38.3	-29.9	1,298.3	1,683.4
Fertilizers	1.2	19.4	24.1	--	24.0	57.3	98.1
Industrial raw materials	49.0	61.7	55.6	13.3	-10.0	402.7	558.2
Consumer Goods	92.1	99.2	87.6	-4.9	-11.7	954.9	1,198.6
Food and food stuffs	33.1	11.1	15.3	-53.6	37.5	238.9	299.5
All other consumer goods ¹	59.1	88.0	72.3	22.4	-17.9	716.0	899.1
Grand Total (f.o.b)	384.3	624.4	546.2	42.1	-12.5	4,335.6	5,703.6
Grand Total (c.i.f)	422.3	686.2	600.2	42.1	-12.5	4,764.4	6,267.7

Note:

¹ It includes pharmaceutical products, paper products, plastic items, optical/photographic materials, textile apparels^p = Provisional data

Totals may not add up due to rounding of numbers.

Source: Bank of Tanzania, TRA.

Table A5.(c): Tanzania's Balance of Payments

	Millions of USD							
Item	2000	2001	2002 ^r	2003 ^r	2004 ^r	2005 ^r	2006 ^p	2007 ^p
A. Current Account	-485.9	-237.4	-37.1	-118.1	-366.7	-864.3	-1,171.6	-1,855.8
Goods: Exports (f.o.b)	733.7	851.3	979.6	1,220.9	1,481.6	1,679.1	1,917.6	2,226.6
Traditional	292.8	231.1	206.1	220.5	297.8	354.5	267.1	319.7
Non-traditional	440.9	620.2	773.5	1,000.4	1,183.9	1,324.6	1,476.2	1,704.5
o/w Gold	112.7	254.1	341.1	502.8	629.9	655.1	786.4	788.2
Goods: Imports (f.o.b)	-1,367.6	-1,560.3	-1,511.3	-1,933.5	-2,482.8	-2,997.6	-3,864.1	-4,860.6
<i>Balance on Goods</i>	<i>-633.9</i>	<i>-709.0</i>	<i>-531.8</i>	<i>-712.6</i>	<i>-1,001.2</i>	<i>-1,318.5</i>	<i>-1,946.5</i>	<i>-2,634.1</i>
Services: Credit	627.3	914.6	920.1	947.8	1,133.6	1,269.2	1,528.1	1,714.0
Transportation	56.8	105.9	117.1	138.9	183.0	222.9	343.7	331.1
Travel	376.7	615.1	635.0	646.5	746.0	823.6	950.2	1,037.1
Other	193.8	193.6	168.0	162.3	204.6	222.7	234.1	345.8
Services: Debit	-682.4	-649.7	-632.5	-725.7	-974.7	-1,207.3	-1,249.4	-1,473.6
Transportation	-205.7	-194.2	-176.9	-214.7	-267.1	-319.5	-418.3	-485.0
Travel	-337.3	-327.3	-337.5	-353.2	-445.3	-553.8	-534.5	-645.3
Other	-139.4	-128.1	-118.1	-157.8	-262.3	-334.0	-296.6	-343.2
<i>Balance on Services</i>	<i>-55.1</i>	<i>264.9</i>	<i>287.6</i>	<i>222.1</i>	<i>158.9</i>	<i>61.8</i>	<i>278.7</i>	<i>240.4</i>
<i>Balance on Goods and Services</i>	<i>-689.0</i>	<i>-444.1</i>	<i>-244.2</i>	<i>-490.5</i>	<i>-842.3</i>	<i>-1,256.6</i>	<i>-1,667.8</i>	<i>-2,393.6</i>
Income: Credit	50.4	55.3	67.9	87.1	81.8	80.9	53.7	80.8
Income: Debit	-240.9	-243.8	-156.8	-225.6	-195.3	-185.0	-146.8	-159.8
<i>Balance on Income</i>	<i>-190.6</i>	<i>-188.5</i>	<i>-88.8</i>	<i>-138.5</i>	<i>-113.5</i>	<i>-104.1</i>	<i>-93.1</i>	<i>-79.0</i>
<i>Balance on Goods, Services and Income</i>	<i>-879.5</i>	<i>-632.6</i>	<i>-333.0</i>	<i>-629.1</i>	<i>-955.8</i>	<i>-1,360.7</i>	<i>-1,760.9</i>	<i>-2,472.7</i>
Current transfers (net)	393.6	395.3	295.9	511.0	589.1	496.3	589.3	616.9
Current transfers: Credit	472.1	474.8	357.2	574.2	654.1	563.9	655.2	689.4
Government	427.8	418.4	307.0	507.6	582.0	478.5	560.3	595.2
o/w Multilateral HIPC relief	40.6	71.3	68.8	68.2	73.7	75.7	42.1	0.0
Other sectors	44.3	56.4	50.2	66.6	72.1	85.4	94.9	94.2
Current transfer: Debit	-78.5	-79.5	-61.3	-63.3	-65.0	-67.5	-65.9	-72.5
B. Capital Account	330.4	361.5	785.7	692.8	459.9	393.2	5,217.7	957.8
Capital transfers: Credit	330.4	361.5	785.7	692.8	459.9	393.2	5,217.7	957.8
General Government	314.7	339.2	755.6	655.5	420.0	350.1	5,169.1	904.6
Other sectors	314.7	339.2	30.1	37.3	39.9	43.1	48.6	53.2
Capital transfers: Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Total, Groups A plus B</i>	<i>-155.5</i>	<i>124.1</i>	<i>748.5</i>	<i>574.6</i>	<i>93.2</i>	<i>-471.2</i>	<i>4,046.1</i>	<i>-897.9</i>
C. Financial Account, excl. reserves and related items	187.8	-353.7	248.1	160.6	278.8	665.3	-3,952.2	1,030.9
Direct investment abroad	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	282.0	467.2	387.6	308.2	330.6	494.1	597.0	647.0
Portfolio investment	0.0	0.0	2.2	2.7	2.4	2.5	2.6	2.8
Other investment	-94.2	-829.1	-141.7	-150.3	-54.2	168.7	-4,551.8	381.2
Assets	-134.0	-76.7	2.9	-59.0	-11.0	-61.5	-175.0	114.8
Liabilities	39.9	-752.5	-144.6	-91.3	-43.2	230.2	-4,376.8	266.4
<i>Total, Groups A through C</i>	<i>118.7</i>	<i>580.0</i>	<i>996.6</i>	<i>735.2</i>	<i>372.0</i>	<i>194.1</i>	<i>93.9</i>	<i>133.0</i>
D. Net Errors and Omissions	-118.7	-580.0	-678.7	-346.2	-166.0	-416.5	366.8	399.7
<i>Overall balance</i>	<i>-86.3</i>	<i>-809.6</i>	<i>317.9</i>	<i>389.1</i>	<i>206.0</i>	<i>-222.4</i>	<i>460.7</i>	<i>532.7</i>
E. Reserves and Related Items	86.3	809.6	-317.9	-389.1	-206.0	222.4	-460.7	-532.7
Reserve assets	-198.8	-182.2	-372.4	-508.8	-258.4	247.7	-126.5	-419.4
Use of Fund credit and loans	49.4	15.6	26.0	-2.9	-33.8	-50.5	-334.2	-113.3
Exceptional financing	235.7	976.2	28.5	122.6	86.2	25.1	0.0	0.0
Rescheduled debt	10.1	131.4	9.8	86.9	0.0	0.0	0.0	0.0
Debt forgiveness	49.4	642.1	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	81.2	67.4	18.4	29.5	21.9	25.1	0.0	0.0
Principal arrears	95.0	135.2	0.4	6.2	64.3	0.0	0.0	0.0
Memorandum Items								
GDP(mp) Mill. TZS	7,277,799.9	8,304,338.6	10,444,508.0	12,107,062.0	13,971,593.0	15,965,295.0	17,749,574.0	20,819,190.7
GDP(mp) Mill. USD	9,092.7	9,475.6	10,799.9	11,653.4	12,828.0	14,139.1	14,155.5	16,734.7
CAB/GDP	-5.3	-2.5	-0.3	-1.0	-2.9	-6.1	-8.3	-11.1
CAB/GDP (excl. current official transfers)	-10.0	-6.9	-3.2	-5.4	-7.4	-9.5	-12.2	-14.6
Gross Official Reserves	974.4	1,156.6	1,529.0	2,037.8	2,296.1	2,048.4	2,260.1	2,755.2
Months of Imports	5.7	6.3	6.9	7.1	6.6	4.8	4.3	4.6
Net International Reserves (year end)	542.7	761.2	1,068.2	1,413.5	1,644.6	1,395.9	1,754.8	2,794.5
Change in Net International Reserves	-137.6	-218.5	-299.6	-366.8	-231.1	248.8	-358.9	-965.9
Exchange rate (end of period)	803.3	916.3	976.7	1,063.6	1,043.0	1,165.5	1,261.6	1,132.1
Exchange rate (Annual Average)	800.4	876.4	967.1	1,038.9	1,089.1	1,129.2	1,253.9	1,244.1

Source: Bank of Tanzania

Notes:

1. Revision is based on new data from the Private Capital Flows survey

and adoption of new data sources for some other items in the services account

2. Change in gross official reserves will not necessarily be equal to reserve assets given a new methodology of computing reserve assets which nets out the impact of valuation was introduced beginning 2006

r = Revised

p = Provisional





Table A6 (a): National Consumer Price Index (All - Urban), Percentage Change on the Previous Year

Period	Weight (%)	Headline (General Index)	Food	Non-Food												Miscel. goods & services
				Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Household Equip.	Household operations	Personal care & Health	Recreation & Entertain.	Transportation	Educ-ation		
2003		100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5	
2004		3.5	4.5	2.0	1.5	2.0	5.9	2.5	2.1	1.1	2.9	2.1	1.2	2.2	2.2	
2005		4.2	5.9	1.6	-0.5	2.3	2.3	4.6	0.2	0.9	0.5	2.1	1.0	0.6	-0.5	
2006		4.4	5.9	2.9	2.1	-0.5	-0.4	7.7	-1.1	0.5	3.5	-1.5	4.7	-0.1	-1.4	
2007		7.3	7.0	7.6	7.7	7.0	5.5	8.5	7.8	2.0	11.2	5.0	9.1	2.5	8.0	
2006 Mar		7.0	7.0	7.0	10.5	5.9	3.6	6.2	7.9	8.7	2.9	8.9	7.0	9.7	0.8	
		7.7	8.3	6.8	5.6	7.9	8.5	7.3	4.7	-1.0	16.9	4.9	7.5	0.3	9.4	
	Jun	9.2	10.0	7.9	6.0	7.4	7.7	9.5	6.8	0.3	13.6	5.5	10.0	2.1	7.7	
	Sep	5.9	3.5	9.4	9.8	6.9	3.9	12.0	10.1	2.6	10.5	7.0	11.2	5.0	8.6	
2007 Mar		6.3	6.2	6.5	9.2	5.9	2.3	5.4	9.8	6.0	4.8	2.8	7.8	2.5	6.6	
		7.2	6.3	8.4	11.7	6.5	5.6	7.9	10.6	10.5	2.1	7.4	9.2	11.6	-0.2	
	Jun	5.7	4.0	8.1	13.3	7.2	3.9	6.3	9.2	11.0	4.2	9.6	7.4	10.7	2.1	
	Sep	8.4	10.3	5.8	8.1	5.5	2.2	4.3	6.2	8.9	3.4	10.4	5.8	8.9	0.4	
2006 Jan		6.9	7.5	5.9	9.1	4.4	2.8	6.2	5.8	4.5	1.9	8.1	5.7	7.5	0.9	
		6.7	6.3	7.3	4.6	9.6	16.6	9.0	4.1	-0.5	19.4	4.5	6.7	1.3	8.7	
	Feb	7.8	8.6	6.6	5.2	7.8	5.0	6.6	4.5	-1.3	18.2	5.9	8.3	-0.5	10.7	
	Mar	8.6	10.2	6.3	6.9	6.5	4.5	6.4	5.4	-1.3	13.4	4.3	7.6	0.0	8.7	
2007 Jan		8.8	10.3	6.6	4.6	7.3	6.1	7.5	5.7	-1.0	14.3	5.8	8.1	1.0	7.9	
		9.7	11.5	7.0	6.3	7.2	7.9	5.9	7.3	0.7	12.7	5.2	9.6	2.7	7.6	
	Jun	8.9	8.2	10.1	7.2	7.6	9.1	15.3	7.5	1.4	13.9	5.6	12.4	2.6	7.5	
	Jul	6.4	4.3	9.5	8.0	8.8	5.0	12.7	8.4	1.5	12.3	5.1	11.9	4.2	7.3	
2007 Feb		5.5	2.6	9.7	10.6	8.1	3.5	13.9	8.2	1.9	14.0	5.5	9.3	4.6	8.7	
		5.8	3.6	9.0	10.7	3.8	3.2	9.6	13.5	4.2	5.3	10.3	12.3	6.1	9.9	
	Sep	6.0	5.2	7.0	8.7	3.0	2.9	9.2	13.1	6.1	4.6	6.1	7.2	1.3	10.1	
	Oct	6.2	7.0	5.7	9.5	5.4	2.2	2.6	6.3	7.1	5.7	1.2	7.8	2.2	4.6	
2007 Dec		6.7	6.6	6.8	9.5	9.3	1.7	4.5	9.9	4.9	4.1	1.0	8.5	4.1	5.0	
		7.0	6.7	7.4	11.9	6.1	4.9	4.8	10.3	9.6	2.0	5.6	8.8	10.0	-1.8	
	Jan	6.2	6.2	8.8	11.2	6.3	6.0	9.6	11.0	10.8	0.9	7.5	9.8	11.8	-0.4	
	Feb	7.3	6.1	9.1	11.8	7.2	5.8	9.3	11.1	11.1	3.4	9.2	9.1	13.0	1.6	
2008 Jan		6.1	4.8	8.2	14.7	6.7	4.3	5.0	10.5	11.8	3.6	9.4	8.3	11.8	1.9	
		5.0	2.8	8.4	13.0	7.4	4.2	7.5	8.4	11.1	4.7	9.4	8.0	10.1	2.0	
	Jun	5.9	4.6	7.6	12.3	7.3	3.2	6.4	8.7	10.1	4.2	10.1	5.8	10.3	2.5	
	Jul	9.0	10.3	7.4	10.8	5.5	1.7	7.3	7.3	7.6	4.5	10.6	6.8	8.6	2.0	
2008 Feb		7.8	9.2	6.0	7.3	6.4	2.1	4.2	6.9	9.5	3.5	10.8	6.5	8.8	0.0	
		8.3	11.4	4.1	6.2	4.5	2.8	1.4	4.1	6.5	2.2	9.7	4.3	9.2	-0.8	
	Sep	7.1	8.4	5.1	7.0	5.4	2.8	3.8	4.6	5.8	1.6	10.5	5.6	7.8	0.3	
	Oct	7.3	7.5	6.5	10.0	5.2	2.8	6.8	6.6	4.8	2.1	7.6	6.2	7.8	1.7	
2008 Dec		6.4	6.6	6.1	10.3	2.5	2.8	8.0	6.2	3.0	3.0	6.1	5.4	6.8	0.8	
		8.6	10.1	6.4	10.4	1.1	2.4	10.1	4.9	3.6	3.7	5.9	5.7	5.6	2.1	
	Jan	8.6	11.4	5.3	10.2	0.3	2.4	6.8	4.1	2.9	3.4	4.0	4.9	5.6	1.8	
	Feb	8.9	11.2	5.8	9.1	1.0	1.7	8.3	4.9	2.9	3.1	3.5	6.0	5.6	1.0	
2009 Jan		9.0	11.6	6.9	8.6	1.1	2.1	11.3	4.9	2.8	3.3	4.2	7.6	6.1	1.5	
		9.1	11.0	6.5	7.5	1.1	2.1	11.7	5.1	2.5	3.9	4.2	6.0	6.4	0.4	
	May	9.3	11.4	6.3	7.7	0.9	2.1	10.6	5.5	2.8	4.0	4.0	6.7	6.3	0.4	

Source: National Bureau of Statistics

Note: Base (1) 2001=100 up to 2005 (2) Dec 2001=100 from January 2006.

Table A6 (b): National Consumer Price Index, Percentage Change on the Previous Month (Month-on-Month)

Period	Weight (%)	Headline (General Index)	Food	Non-Food												Transportation	Education	Miscel. goods & services
				Total	Drinks & Tobacco	Clothing & Footwear	Rent	Fuel, Power & Water	Furniture Equip.	Household operations	Personal care & Health	Recreation & Entertain.						
2005 Jan		100.0	55.9	44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8	9.7	2.6	1.5	1.5		
Feb		0.3	0.4	0.1	1.3	0.2	0.1	0.5	0.8	0.4	-0.9	0.5	1.5	-11.2	0.0	0.0		
Mar		-0.2	-1.0	1.0	0.6	2.5	9.9	2.3	0.9	1.1	2.3	-1.4	-1.3	0.1	-2.3	-2.3		
Apr		0.0	-0.1	0.3	-0.3	0.2	1.3	0.2	-1.2	-0.1	2.2	0.8	0.7	-1.1	0.8	0.8		
May		0.8	0.9	0.5	0.4	-0.4	0.0	2.1	-0.1	0.0	-0.7	-1.6	0.2	0.1	0.3	0.3		
Jun		0.9	0.8	1.0	1.1	0.2	-1.6	2.4	1.0	-0.3	0.3	0.9	1.0	0.2	0.9	0.9		
Jul		0.0	0.6	-1.0	-0.2	0.2	-0.1	-4.2	0.0	0.5	-0.5	-0.3	0.0	0.5	-0.4	-0.4		
Aug		-0.5	-1.5	0.9	0.8	0.0	5.6	1.6	0.3	-0.2	1.3	0.8	0.5	0.1	0.0	0.0		
Sep		1.1	1.1	1.0	0.2	0.3	1.4	1.5	0.5	0.3	-0.3	-0.1	2.4	0.2	0.2	-0.1		
Oct		-0.2	-1.3	1.5	1.3	4.8	0.3	4.3	-3.2	-0.3	9.3	-4.1	-1.3	-1.2	-0.9	-0.9		
Nov		1.4	1.1	1.9	2.5	1.2	0.3	-0.8	1.0	-0.7	2.4	4.4	4.5	6.5	-0.8	-0.8		
Dec		0.7	0.7	0.6	-0.6	-2.0	0.7	3.3	5.4	-0.3	-1.1	6.8	-0.8	-0.9	4.7	4.7		
2006 Jan		1.7	3.3	-0.7	0.3	-1.8	0.5	-3.4	-1.9	4.0	1.9	2.0	0.6	-0.1	0.1	0.1		
Feb		1.0	1.7	0.1	-1.5	4.5	-2.3	-0.4	1.6	-4.3	1.2	-3.3	0.1	-2.9	6.2	6.2		
Mar		0.8	1.2	0.4	1.2	0.7	-1.0	0.1	1.2	0.3	1.3	-0.1	0.2	-1.6	-0.5	-0.5		
Apr		0.8	1.3	0.0	1.3	-1.0	0.9	0.1	-0.3	0.0	-1.9	-0.7	0.2	-0.7	-1.0	-1.0		
May		0.9	1.1	0.7	-1.8	0.3	1.5	3.2	0.1	0.2	0.1	-0.3	0.7	1.1	-0.5	-0.5		
Jun		1.7	1.9	1.4	2.7	0.1	0.1	0.8	2.6	1.5	-1.2	0.3	2.4	1.8	0.7	0.7		
Jul		-0.7	-2.4	1.9	0.7	0.6	1.0	4.2	0.1	1.2	0.5	0.1	2.5	0.4	-0.4	-0.4		
Aug		-2.9	-5.1	0.4	1.5	1.1	1.6	-0.7	1.1	-0.1	-0.1	0.3	0.2	1.7	-0.3	-0.3		
Sep		0.2	-0.5	1.2	2.7	-0.5	0.0	2.6	0.4	0.6	1.3	0.3	0.0	0.6	1.2	1.2		
Oct		0.2	-0.4	0.9	1.4	0.7	0.0	0.4	1.5	1.9	1.0	0.3	1.4	0.2	0.2	0.2		
Nov		1.6	2.6	0.0	0.6	0.4	0.0	-1.2	0.6	1.1	1.7	0.4	-0.3	1.7	-0.6	-0.6		
Dec		0.8	2.3	-0.7	0.2	0.3	0.0	-2.8	-0.8	0.6	-0.1	1.8	-0.2	0.0	-0.6	-0.6		
2007 Jan		2.1	2.9	0.4	0.3	1.8	0.0	-1.7	1.4	1.8	0.4	1.8	1.1	1.8	0.6	0.6		
Feb		1.3	1.8	0.6	0.7	1.5	0.9	-0.1	1.9	0.1	-0.9	1.2	0.4	2.6	-0.6	-0.6		
Mar		1.1	0.7	1.7	0.5	0.9	0.0	4.7	1.8	1.4	0.3	1.7	1.1	0.0	0.9	0.9		
Apr		0.7	1.2	0.2	1.9	-0.2	0.7	-0.2	-0.8	0.3	0.5	0.9	-0.5	0.4	0.9	0.9		
May		-0.1	-0.1	-0.1	0.7	-0.1	0.0	-0.9	0.2	0.9	0.3	-0.1	-0.1	0.1	-0.1	-0.1		
Jun		0.6	-0.1	1.6	1.2	0.8	0.0	3.3	0.6	0.8	0.0	0.4	2.1	0.3	0.8	0.8		
Jul		0.1	-0.6	1.0	0.1	0.5	0.0	3.2	0.4	0.3	0.0	0.7	0.5	0.6	0.0	0.0		
Aug		0.1	0.1	0.2	0.1	-0.6	0.1	0.2	0.2	0.4	0.2	0.7	1.1	0.2	-0.7	-0.7		
Sep		-0.9	-1.6	-0.2	-0.6	0.4	0.4	-0.4	-0.4	-0.4	0.3	0.5	-0.3	0.8	-0.8	-0.8		
Oct		0.6	1.7	-0.9	0.4	-1.1	0.7	-2.3	-1.1	-0.9	-0.3	-0.6	-0.7	0.5	-0.6	-0.6		
Nov		0.4	-0.1	1.0	1.4	1.2	0.0	1.1	1.1	0.4	1.1	1.1	0.9	0.4	0.5	0.5		
Dec		1.1	1.5	0.6	2.9	0.1	0.0	0.0	1.0	-0.4	0.4	-0.8	0.4	0.0	0.8	0.8		
2008 Jan		1.3	2.0	0.1	0.6	-0.8	0.0	-0.6	1.1	0.1	0.2	0.4	0.4	0.9	-0.3	-0.3		
Feb		3.4	5.2	0.9	0.8	0.0	0.4	1.9	0.7	0.7	0.8	0.9	0.7	1.3	0.7	0.7		
Mar		1.4	1.9	0.6	0.4	0.1	0.0	1.6	1.0	0.6	0.0	-0.1	0.4	0.0	0.6	0.6		
Apr		0.9	0.9	0.7	0.8	0.5	0.0	1.2	0.0	0.3	0.2	0.4	0.6	0.4	0.1	0.1		
May		0.5	0.3	1.0	0.3	0.1	0.4	1.8	0.2	0.8	0.5	0.6	1.4	0.7	0.4	0.4		
Jun		0.1	-0.6	1.2	0.1	0.8	0.0	3.6	0.8	0.4	0.5	0.4	0.5	0.6	-0.3	-0.3		
Jul		0.2	-0.3	1.0	0.3	0.3	0.0	2.1	0.8	0.6	0.1	0.5	1.1	0.5	0.0	0.0		

Source: National Bureau of Statistics

Note: Base (1) 2001=100 up to 2005 (2) Dec 2001=100 from January 2006.



Table A7: External Debt Developments

Item	Millions of USD											
	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08
1. Overall Total Debt Committed²	5,248.3	5,447.2	5,635.1	5,880.0	5,908.7	5,915.8	5,958.4	6,335.0	6,842.3	6,685.0	6,717.9	6,776.3
Disbursed outstanding debt	3,471.5	3,556.2	3,685.2	4,010.2	4,038.4	4,057.4	4,086.4	4,118.8	4,347.7	4,399.3	4,401.7	4,483.1
Undisbursed debt	1,776.8	1,891.1	1,949.9	1,869.8	1,870.4	1,858.4	1,872.1	2,216.2	2,494.6	2,285.7	2,316.2	2,293.2
2. Disbursed Debt by Creditor Category²	3,471.5	3,556.2	3,685.2	4,010.2	4,038.4	4,057.4	4,086.4	4,118.8	4,347.7	4,399.3	4,401.7	4,483.1
Bilateral	907.2	901.1	910.4	922.6	928.4	933.4	933.2	936.0	933.1	932.1	931.0	934.1
Multilateral	1,801.2	1,891.0	2,001.4	2,257.9	2,289.4	2,301.9	2,328.2	2,343.1	2,511.5	2,533.7	2,545.0	2,620.2
Commercial	439.6	439.5	447.9	492.8	489.8	499.3	496.7	498.4	499.4	608.5	615.2	617.9
Export credits	323.4	324.7	325.5	336.9	330.8	322.8	328.3	341.2	403.7	324.9	310.5	310.8
3. Disbursed Debt by Borrower Category²	3,471.5	3,556.2	3,685.2	4,010.2	4,038.4	4,057.4	4,086.4	4,118.8	4,347.7	4,399.3	4,401.7	4,483.1
Central Government	2,718.0	2,799.4	2,923.3	3,192.4	3,232.0	3,249.6	3,275.9	3,295.2	3,462.3	3,483.0	3,501.6	3,582.5
Parastatal Companies	168.0	167.9	169.0	170.8	170.8	170.8	170.1	169.5	169.0	169.1	157.8	156.3
Private Sector	585.5	588.9	592.9	647.0	635.5	637.0	640.4	654.1	716.4	747.2	742.3	744.4
4. Disbursed Debt by Use of Funds²	3,471.5	3,556.2	3,685.2	4,010.2	4,038.4	4,057.4	4,086.4	4,118.8	4,347.7	4,399.3	4,401.7	4,483.1
Balance of Payment & Budget Support	1,019.7	1,096.4	1,117.2	1,330.0	1,332.1	1,333.4	1,294.1	1,339.4	1,433.5	1,445.3	1,438.8	1,470.3
Transport & Telecommunication	427.6	431.5	441.2	490.0	507.3	518.9	517.1	529.4	544.3	551.5	550.5	571.5
Agriculture	346.2	350.1	354.0	380.0	383.9	382.1	396.2	399.5	396.7	395.4	403.2	437.0
Energy & Mining	610.5	609.2	615.1	621.0	624.7	624.8	627.5	628.7	637.0	666.4	663.6	670.1
Industries	157.9	158.0	159.5	161.0	159.2	155.1	154.3	154.6	151.0	151.3	134.4	137.4
Social Welfare & Education	444.6	447.1	525.1	538.0	550.8	554.2	567.2	571.5	615.0	607.7	629.6	639.7
Finance and Insurance	66.0	66.0	66.5	68.0	72.2	75.0	75.1	75.4	76.2	75.8	76.7	74.2
Tourism	73.2	73.4	74.8	74.7	73.9	73.8	73.6	73.7	75.5	73.0	70.4	70.7
Others	325.9	324.5	331.6	347.5	334.3	340.2	381.3	346.5	418.5	432.9	434.3	412.2
5. Total Amount of Loans Contracted¹	72.2	5.0	18.8	1.4	2.2	0.0	111.8	0.0	1.2	0.0	0.0	0.0
Government	0.0	0.0	17.3	0.0	0.0	0.0	107.8	0.0	0.0	0.0	0.0	0.0
Parastatal Companies	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	72.2	5.0	1.6	1.4	2.2	0.0	4.0	0.0	1.2	0.0	0.0	0.0
6. Disbursements¹	18.6	14.1	259.9	34.7	17.7	16.2	19.9	15.4	19.6	16.5	13.3	51.0
Government	14.7	9.1	259.9	34.7	16.6	16.2	15.5	11.5	18.4	16.3	13.3	51.0
Parastatal Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0
Private	3.9	5.0	0.1	0.0	1.1	0.0	4.0	3.9	1.1	0.2	0.0	0.0
7. Scheduled Debt Service¹	28.0	3.5	17.0	16.6	8.5	36.2	18.1	4.2	14.3	10.9	9.7	31.7
8. Actual Debt Service¹	3.0	0.7	4.5	3.8	2.8	1.6	1.3	1.8	9.0	14.8	3.8	6.3
Principal	0.8	0.3	3.4	2.2	1.2	1.0	0.3	0.7	3.8	9.9	0.8	3.9
Interest	2.1	0.4	1.1	1.6	1.6	0.6	1.1	1.0	5.2	4.9	3.0	2.5
Others	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 Transfers¹	15.7	13.4	255.5	30.9	14.9	14.6	18.6	13.7	10.5	1.7	9.5	44.6
10. Total Arrears by Creditor Category²	2,226.8	2,228.9	2,260.7	2,254.5	2,267.9	2,315.2	2,424.1	2,582.0	2,612.4	2,363.6	2,398.2	2,453.2
Principal	992.4	986.7	1,005.5	986.3	983.4	1,004.8	1,091.9	1,234.9	1,242.0	997.1	1,051.3	1,089.8
Bilateral	381.6	379.8	387.2	395.7	401.0	408.0	416.8	422.0	422.3	420.1	420.0	423.8
Multilateral	14.7	16.5	15.2	15.4	13.8	16.1	16.6	15.0	15.0	14.9	6.8	8.4
Commercial	346.1	340.9	352.4	319.7	318.0	326.9	333.0	484.0	489.6	330.3	324.3	359.2
Other Private Creditors	250.0	249.4	250.7	255.5	250.6	253.7	325.4	314.0	315.2	231.8	300.2	298.5
Interest	1,234.5	1,242.2	1,255.2	1,268.2	1,284.5	1,310.4	1,332.2	1,347.1	1,370.4	1,366.6	1,346.9	1,363.3
Bilateral	543.3	544.5	549.6	553.5	562.9	579.6	591.8	599.5	611.5	606.1	607.4	611.3
Multilateral*	28.1	28.5	29.5	30.8	30.8	27.4	33.5	32.2	32.2	32.7	4.1	0.1
Commercial	445.5	451.7	458.0	460.2	463.5	476.2	478.4	484.2	488.4	496.1	494.1	517.7
Other Private Creditors	217.6	217.5	218.1	223.6	227.3	227.0	228.5	231.2	238.3	231.8	241.3	234.3
11. External Debt Stock	4,706.0	4,798.4	4,940.4	5,278.4	5,322.8	5,367.7	5,418.6	5,465.9	5,718.1	5,765.8	5,748.5	5,846.4
12. Domestic Debt Stock	1,479.0	1,501.2	1,513.1	1,615.6	1,619.0	1,673.5	1,548.6	1,686.5	1,709.6	1,727.1	1,725.5	1,735.0
13. Total Debt Stock	6,184.9	6,299.6	6,453.5	6,894.0	6,941.8	7,041.3	6,967.2	7,152.4	7,427.7	7,493.0	7,474.1	7,581.4
End Period Exchange Rate	1,281.0	1,275.9	1,229.9	1,167.0	1,170.7	1,132.1	1,171.9	1,173.2	1,236.8	1,201.2	1,197.2	1,180.9

*Multilateral arrears are those owned by private companies

¹ During the period, ² End of May 2008 cumulative

Source: Bank of Tanzania



GLOSSARY



Currency in Circulation Outside Banks

Notes and coins of Tanzanian shillings circulating outside the banking system, i.e. outside the Bank of Tanzania and deposit money banks

Discount Rate

The rate of interest the Bank of Tanzania charges on Loans it extends to Deposit Money Banks and overdrafts to government. It is derived from the weighted average yield of Treasury bills of all maturities plus five-percentage points

Exchange Rate

This is the price at which one unit of a currency can be purchased with another currency, e.g. TZS per US dollar.

Lombard Facility

An overnight facility established to enable commercial banks to borrow at their own discretion, by pledging eligible government securities as collateral.

Lombard Rate

This is the rate payable for the use of the Lombard Facility. The rate is based on the prevailing 35-days Treasury bill yield, REPO rate and overnight inter-bank rate, whichever is higher.

Money Supply, M

The sum of currency circulating outside banks and Tanzanian residents' deposits with depository corporations, are defined at various levels of aggregation as money supply narrowly and broadly defined. That is, narrow money (M1), broad money (M2), and extended broad money (M3).

M1, Narrow Money

Consists of, currency in circulation outside banks and demand deposits of Tanzanian residents with deposit money banks.

M2, Broad Money

Is equivalent to narrow money (M1) plus time and savings deposits of the Tanzanian residents with deposit money banks.

M3, Extended Broad Money

Consists of, broad money (M2) plus foreign currency deposits of the Tanzanian residents with deposit money banks.

Non-Food or Underlying Inflation Rate

This is a measure of price movements caused by factors other than food prices. It provides better indication of the effectiveness of monetary policy on inflation since price movements in these items are caused largely by monetary policy.

Repurchase Agreement (REPO)

These are agreements for the BOT to purchase/sale government securities from/to financial institutions at agreed rate for a specified period, with an understanding that the financial institutions will repurchase/resell the securities to the BoT at the end of the period.

Reserve Money (M0)

The Bank of Tanzania's liabilities in the form of: (1) currency in circulation outside the Bank of Tanzania and (2) deposit money banks' deposits with the Bank of Tanzania. Reserve money is also referred to as base money, or high-powered money.

Seasonally Adjusted Series

Seasonal movements or seasonal variations, refer to identical, or almost identical patterns, which a time series appears to follow during corresponding months or quarters of each year. Such movements are due to recurring events, which take place annually, e.g. the harvest season. Seasonally adjusted series are series that have been processed to remove the impact of seasonal factors.

Weighted Annualized Yields of Treasury Bills of all Maturities

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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