



**BANK OF TANZANIA**



**MONTHLY  
ECONOMIC  
REVIEW**

**April 2018**



## Contents

1.0	Inflation and Food Stocks.....	1
1.1	Inflation Developments.....	1
1.2	Food Stocks.....	2
1.3	Prices of Food Crops.....	2
2.0	Monetary and Financial Markets.....	2
2.1	Money Supply and Credit.....	2
2.2	Interest Rates.....	4
2.3	Financial Markets.....	4
	2.3.1 Treasury Bills Market.....	4
	2.3.2 Treasury Bonds Market.....	5
	2.3.3 Inter-Bank Cash Market.....	5
	2.3.4 Repurchase Agreements.....	5
	2.3.5 Inter-Bank Foreign Exchange Market.....	5
3.0	Government Budgetary Operations.....	6
4.0	External Sector Performance.....	6
4.1	World Commodity Prices.....	7
5.0	National Debt .....	8
5.1	External Debt.....	8
5.2	Domestic Debt.....	9
6.0	Economic Developments in Zanzibar.....	10
6.1	Inflation Developments.....	10
6.2	Government Budgetary Operations.....	10
6.3	External Sector Performance.....	11
	6.3.1 Current Account.....	11
	6.3.2 Exports.....	11
	6.3.3 Imports.....	12
	Statistical Tables.....	13
	Glossary.....	23



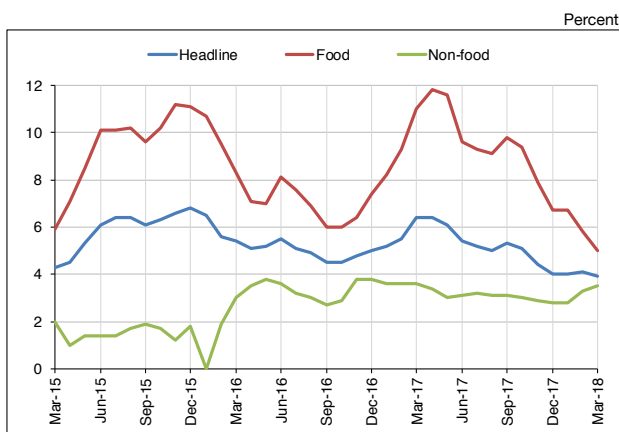


# 1.0 Inflation and Food Stocks

## 1.1 Inflation Developments

Twelve-month headline inflation in March 2018 remained below the medium-target target of 5.0 percent for five months in a row, at 3.9 percent from 4.1 in the preceding month and 6.4 percent in March 2017 (**Chart 1.1** and **Table 1.1**). The decrease was on account of food inflation. On month-to-month basis, headline inflation was 1.2 percent in March 2018, lower than 1.4 percent in the similar month in 2017.

**Chart 1.1: Annual Inflation Rates**



Source: National Bureau of Statistics

As in the preceding month, all main groups of consumer basket recorded annual inflation rates below headline inflation, except those for food and non-alcoholic beverages; and housing, water, electricity, gas and other fuel sub-groups. Twelve-month food and non-alcoholic beverages inflation declined to 4.7 percent in March 2018 from 5.4 percent and 11.0 percent in February 2018 and March 2017, respectively. On monthly basis, food and non-alcoholic inflation was 2.1 percent in March 2018 compared with 2.8 percent in the corresponding month in 2017 (**Table 1.1**).

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

Base December 2015 = 100

Main groups	Weight	Monthly change			Annual change		
		Mar-17	Feb-18	Mar-18	Mar-17	Feb-18	Mar-18
Food and non-alcoholic beverages	38.5	2.8	1.4	2.1	11.0	5.4	4.7
Alcoholic, tobacco and narcotics	3.7	0.3	0.0	0.0	5.2	2.3	2.0
Clothing and footwear	8.3	0.2	0.6	0.1	3.4	3.3	3.2
Housing, water, electricity, gas and other fuel	11.6	0.7	2.7	2.4	6.8	8.6	10.4
Furnishing, housing equipments and routine maintenance	6.3	0.4	0.2	0.7	3.9	1.6	1.9
Health	2.9	0.0	0.0	0.0	3.0	1.6	1.6
Transport	12.5	0.4	0.8	0.2	1.6	1.6	1.4
Communication	5.6	0.0	0.2	0.0	-0.1	-0.2	-0.2
Recreation and culture	1.6	0.3	0.0	0.0	1.2	1.5	1.1
Education	1.5	0.0	0.2	0.0	0.8	2.5	2.4
Restaurants and hotels	4.2	0.2	0.2	0.1	3.6	0.9	0.8
Miscellaneous goods and services	3.1	1.5	0.1	0.0	3.6	2.7	1.2
All items (headline inflation)	100.0	1.4	1.1	1.2	6.4	4.1	3.9
Other selected groups:							
Food and non-alcoholic beverages - combining food consumed at home and food consumed in restaurants							
	37.1	2.9	1.5	2.2	11.7	5.8	5.0
Energy and fuels - combining electricity and other fuels for use at home with petrol and diesel							
	8.7	1.4	3.7	3.3	11.5	12.1	14.1
All items less food (non-food)	62.9	0.4	0.9	0.6	3.6	3.3	3.5
All items less food and energy	54.3	0.2	0.4	0.1	2.2	1.7	1.6

Source: National Bureau of Statistics and Bank of Tanzania computations

Twelve-month inflation for non-food items rose to 3.5 percent in March 2018 from 3.3 percent in the preceding month, but was lower than 3.6 percent recorded in the similar month in 2017. On month-to-month basis, non-food inflation increased marginally to 0.6 percent from 0.4 percent in March 2017.

Annual energy and fuel annual inflation was 14.1 percent, higher than 12.1 percent and 11.1 percent in February 2018 and March 2017, respectively. Meanwhile, monthly energy and fuel inflation rose to 3.3 percent in March 2018 from 1.4 percent in the corresponding month in 2017.

Annual inflation for all items excluding food and energy, used as proxy for core inflation, eased to 1.6 percent in March 2018 from 1.7 percent in February 2018 and 2.2 percent in the corresponding period in 2017. On month-to-month basis, core inflation was 0.1 percent in March 2018 compared with 0.2 percent in March 2017.

## 1.2 Food Stocks

Food stocks held by the National Food Reserve Agency (NFRA) decreased to 83,650 tonnes in March 2018 from 91,313 tonnes recorded in February 2018 (**Table 1.2**). During the month, sales to private traders, World Food Program and prison department increased to 7,662.4 tonnes from 635 tonnes sold in the previous month. There was no



purchase of new stock during the month.

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

	Tonnes				
	2014	2015	2016	2017	2018
January	235,309.0	459,561.0	125,668.0	86,833.5	91,947.0
February	228,014.0	454,592.0	88,414.0	86,444.0	91,312.7
March	214,157.0	452,054.0	68,727.0	86,443.8	83,650.3
April	195,246.0	433,547.0	64,825.0	86,278.0	
May	195,956.0	406,846.0	63,341.0	74,826.0	
June	189,494.0	353,702.0	61,837.5	70,393.0	
July	182,200.0	282,401.0	49,632.0	68,697.0	
August	196,854.0	268,514.9	59,832.0	78,434.0	
September	299,624.0	265,046.0	86,545.0	85,403.0	
October	426,999.0	253,655.2	90,905.0	89,248.0	
November	460,295.0	238,133.6	90,900.0	93,353.7	
December	466,583.0	180,746.3	89,691.8	92,074.0	

Source: National Food Reserve Agency

### 1.3 Prices of Food Crops

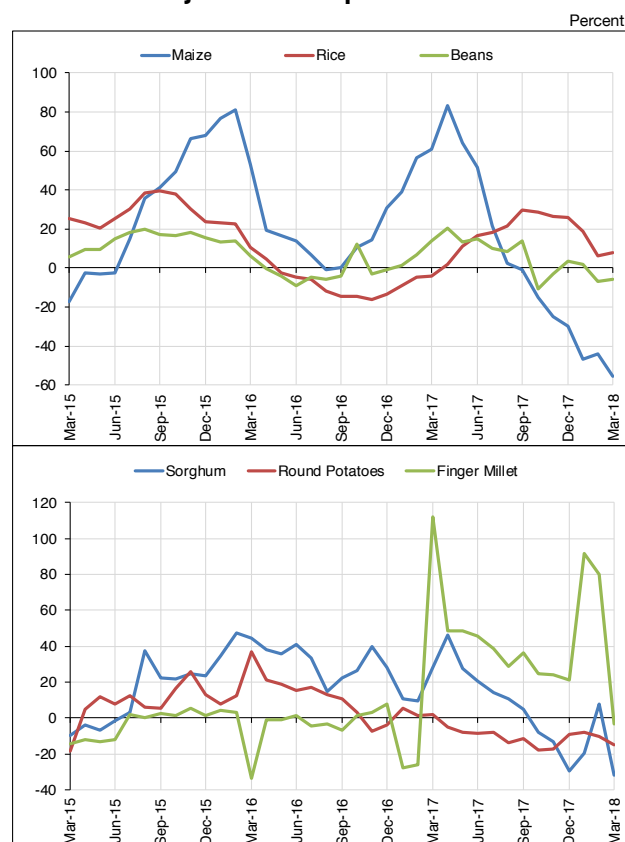
Wholesale prices for all major food crops—maize, rice, beans, sorghum, potatoes and finger millet—declined in March 2018 compared to prices recorded in the corresponding month in 2017, save for those of rice (**Table 1.3**). On month-to-month basis, all major crops recorded price declines, except finger millet. Price easing was more noticeable in sorghum and maize. **Chart 1.2** shows price developments for the major food crops in the last three years.

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

Crop	TZS per 100kg				
	Mar-17	Feb-18	Mar-18	Percentage change	
				Feb-18 to Mar-18	Mar-17 to Mar-18
Maize	103,142.7	58,834.3	46,094.1	-21.7	-55.3
Rice	171,760.1	186,509.2	185,735.4	-0.4	8.1
Beans	180,705.2	170,566.8	170,139.8	-0.3	-5.8
Sorghum	117,287.6	108,144.5	79,712.1	-26.3	-32.0
Potatoes	78,960.1	71,506.8	67,032.8	-6.3	-15.1
Finger millet	154,341.3	147,339.8	148,837.1	1.0	-3.6

Source: Ministry of Industry, Trade and Investment

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



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

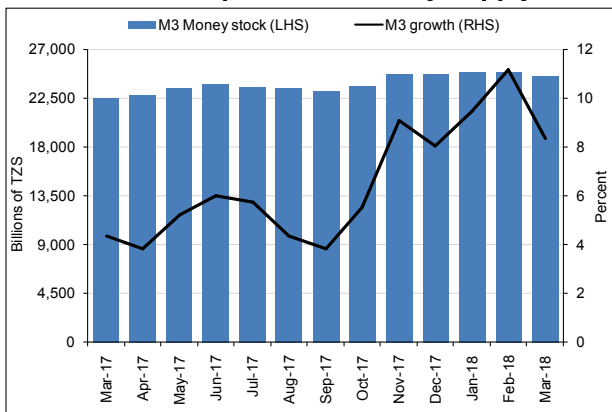
## 2.0 Monetary and Financial Markets

### 2.1 Money Supply and Credit

Since September 2017, growth of money supply remained steady and narrowly fluctuating. In March 2018, annual growth of extended money supply (M3) was 8.3 percent compared with 11.2 percent in the preceding month and 4.3 percent in March 2017. The growth was driven by expansion of foreign assets of the banking system coupled with a modest recovery of the domestic credit (**Chart 2.1** and **Table 2.1**).



**Chart 2.1: Developments in Money Supply**



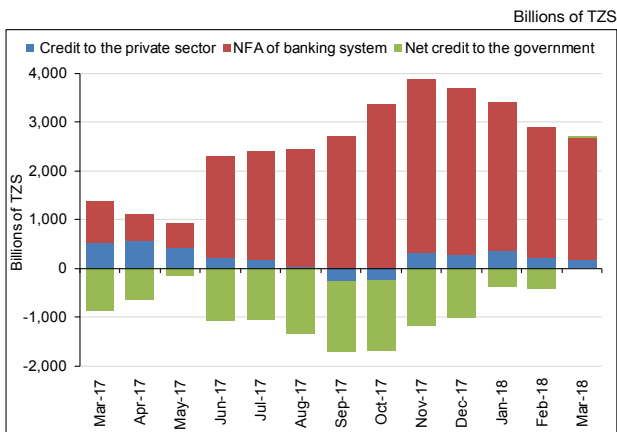
Source: Bank of Tanzania  
Note: LHS refers left hand scale and RHS, right hand scale

**Table 2.1: Money Supply and Components**

	Billions of TZS					
	Outstanding stock			Annual growth (%)		
	Mar-17	Feb-18	Mar-18	Mar-17	Feb-18	Mar-18
Net foreign assets of the banking system	8,388.2	11,196.2	10,881.1	11.4	31.4	29.7
Bank of Tanzania	8,827.8	11,687.6	11,149.2	20.7	36.3	26.3
Banks	-439.6	-491.4	-268.0	---	---	---
Net domestic assets of the banking system	14,201.7	13,683.6	13,594.2	0.6	-1.3	-4.3
Domestic claims	20,626.9	20,543.9	20,838.4	-1.6	-0.9	1.0
Claims on central government (net)	4,011.3	3,675.4	4,037.0	-17.9	-10.1	0.6
o/w Securities held by banks	4,635.4	5,486.2	5,545.2	12.1	25.2	19.6
Claims on the private sector	16,615.6	16,868.5	16,801.5	3.3	1.4	1.1
Other items net	-6,425.2	-6,860.3	-7,244.2	-6.2	-0.2	12.7
Extended broad money supply (M3)	22,589.9	24,879.8	24,475.3	4.3	11.2	8.3
Foreign currency deposits	6,171.1	6,700.1	6,287.0	0.2	5.0	1.9
Broad money supply (M2)	16,418.8	18,179.7	18,188.3	6.0	13.6	10.8
Other deposits	6,694.0	7,204.5	7,061.2	8.0	17.4	5.5
Narrow money supply (M1)	9,724.8	10,975.2	11,127.1	4.7	11.3	14.4
Currency in circulation	3,394.6	3,614.1	3,704.4	-2.1	5.9	9.1
Transferable deposits	6,330.1	7,361.1	7,422.7	8.7	14.1	17.3

Source: Bank of Tanzania, and banks  
Note: "----" denotes a change that exceeds 100 percent in absolute terms, and o/w, of which

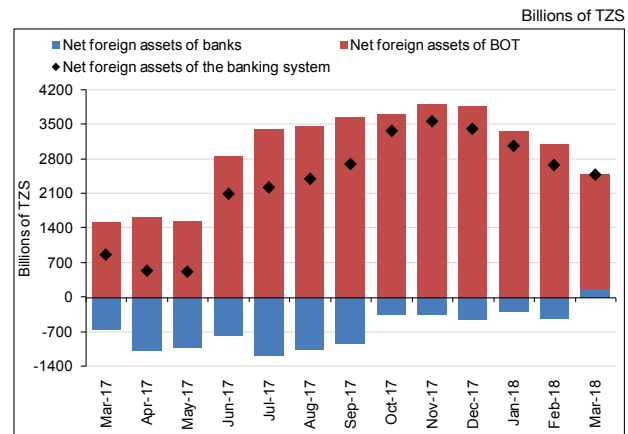
**Chart 2.2: Annual Changes in Major Sources of Money Supply**



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

Net foreign assets (NFA) of the banking system remained high, growing at 29.7 percent, year-on-year in March 2018, lower than 31.4 percent in the preceding month but higher than 11.4 percent in March 2017. Much of the movement occurred in the net foreign assets of the Bank of Tanzania, which more than offset changes in NFA of banks (Chart 2.3).

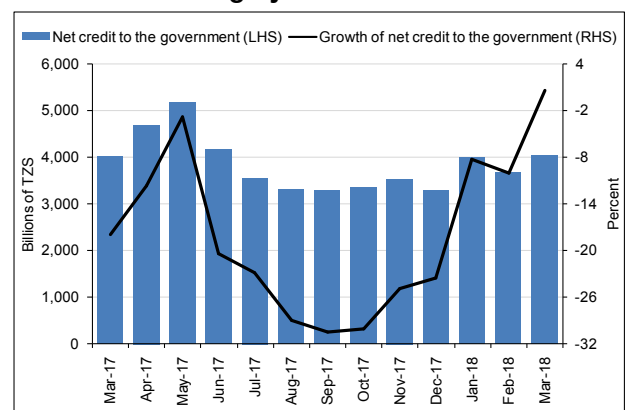
**Chart 2.3: Annual Changes in Net Foreign Assets of the Banking System**



Source: Bank of Tanzania, and banks

Domestic credit—comprising of banks' credit to the government and private sector—grew by 1.0 percent in the year to March 2018, compared to a contraction of 1.6 percent and 0.9 in the year ending March 2017 and February 2018, respectively. Expansion in net credit to government from the banking system was the main driver of the growth (Chart 2.4). Meanwhile, banks' net credit to the government—which is reflected in the banks' holding of government securities—grew by 19.6 percent in March 2018, year-on-year, compared with 12.1 percent and 25.2 percent in the similar period in 2017 and preceding month, respectively.

**Chart 2.4: Net Credit to Government from Banking System**



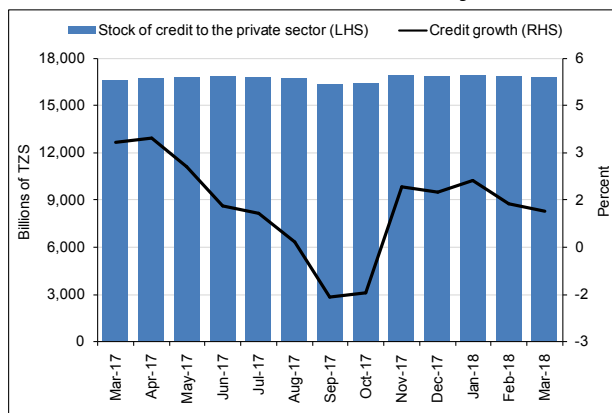
Source: Bank of Tanzania  
Note: LHS denotes left hand scale and RHS right hand scale



Annual growth of credit to the private sector remained positive at 1.1 percent in March 2018, albeit lower than 3.3 percent and 1.4 percent in March 2017 and February 2018, respectively (**Chart 2.5**).

In relation to growth of credit to major economic activities, all economic activities recorded expansions except transport and communication; agriculture; trade; and other activities. Personal loans recorded significant annual growth rate reflecting reclassification of salaried loans that was previously considered as part of loans to other services in favour of health and education.

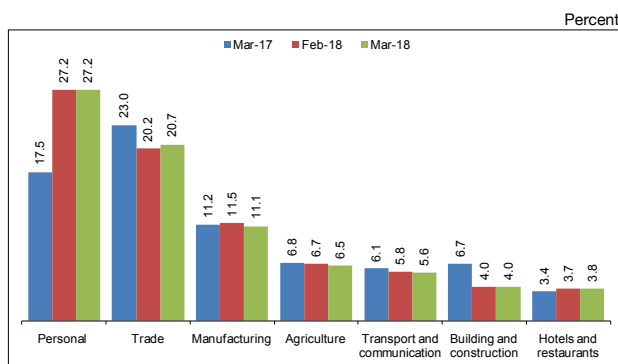
**Chart 2.5: Credit to Private Sector by Banks**



Source: Banks and Bank of Tanzania computations  
 Note: LHS denotes left hand scale and RHS right hand scale

In terms of shares to outstanding credit to the private sector, personal loans and trade activities remained dominant, accounting for 27.2 percent and 20.7 percent, respectively (**Chart 2.6**).

**Chart 2.6: Share of Outstanding Credit Extended by Banks to Major Economic Activities**

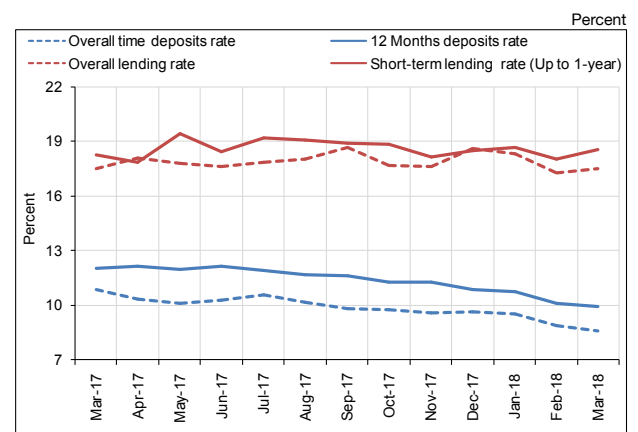


Source: Banks and Bank of Tanzania computations

## 2.2 Interest Rates

Lending and deposits interest rates in banks was mixed during March 2018 relative to the preceding month. The overall lending rate was 17.51 percent in March 2018, same as in the similar month in 2017, but slightly higher than 17.27 percent in the preceding month. On the other hand, the overall weighted average deposits rate declined to 8.57 percent, from 10.89 percent and 8.91 in March 2017 and February 2018, respectively. Specifically, one-year lending rate increased by 53 basis points from the rate in February 2018 to 18.54 percent, while one-year deposits rate declined to an average rate of 12.08 percent in March 2018 from 12.21 percent in February 2018 (**Chart 2.7**).

**Chart 2.7: Selected Banks Interest Rates**



Source: Banks and Bank of Tanzania computations

## 2.3 Financial Markets

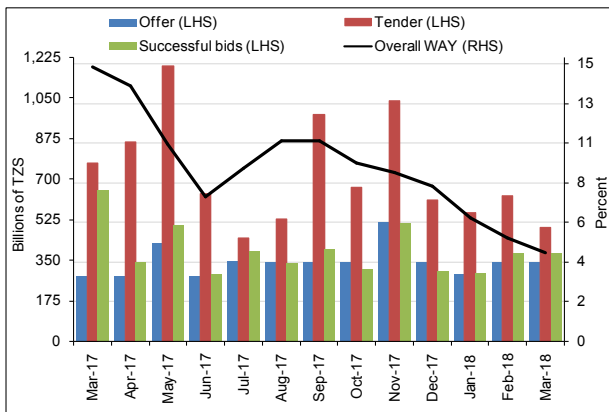
### 2.3.1 Treasury Bills Market

The Bank of Tanzania conducted two Treasury bills auctions worth TZS 340.0 billion in March 2018, same as in the preceding month. Bids received amounted to TZS 489.8 billion, lower than TZS 627.6 billion in the preceding month. Successful bids worth TZS 329.0 billion were registered compared with TZS 338.2 billion in the preceding month (**Chart 2.8**). Reflecting sustained demand, the overall weighted average yield declined further to 4.69 percent from 5.45 percent recorded in February 2018 and 14.52 percent in March 2017.



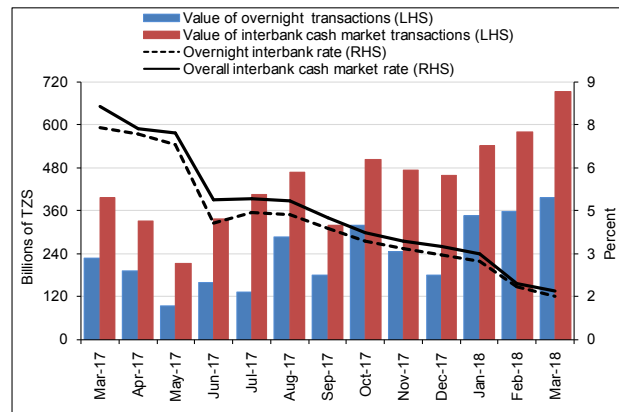


**Chart 2.8: Performance in Treasury Bills Market**



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

**Chart 2.9: Inter-Bank Cash Market Transactions**



Source: Bank of Tanzania  
Note: LHS refers left hand scale and RHS right hand scale

### 2.3.2 Treasury Bonds Market

In the Treasury bonds market, the Bank of Tanzania issued 5-year and 10-year Treasury bonds worth TZS 90.0 billion and TZS 111.4 billion, respectively. Both auctions were highly oversubscribed, receiving bids worth TZS 255.2 billion and TZS 163.6 billion for a 5-year and 10-year bond, respectively. The successful bids were TZS 90.0 billion for the 5-year bond and TZS 134.1 billion for 10-year bond. Like in the Treasury bills auctions, weighted average yields to maturity also declined to 11.06 percent from 12.16 percent in February 2018 for the 5-year Treasury bond, and to 13.86 percent from 15.09 percent for a 10-year bond.

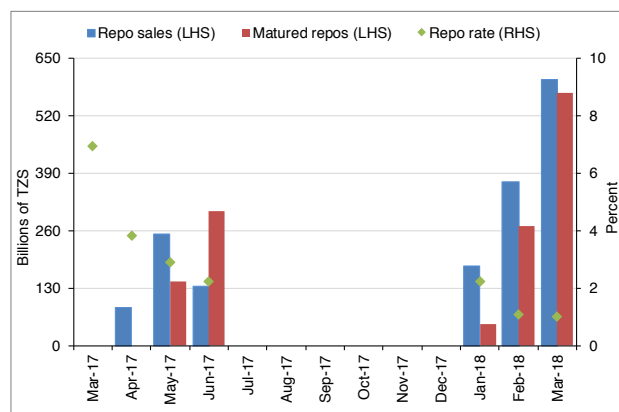
### 2.3.3 Inter-Bank Cash Market

The value of transactions in the inter-bank cash market increased to TZS 693.97 billion in March 2018, from TZS 581.90 billion in February 2018, of which 57.2 percent were overnight placements. Consistent with the increase of liquidity in the banking system, overnight interbank cash market interest rate declined further to an average of 1.50 percent from 1.83 percent in the preceding month. The overall interbank cash market interest rate also eased to an average of 1.71 percent from 1.97 percent (Chart 2.10).

### 2.3.4 Repurchase Agreements

During March 2018, the Bank of Tanzania conducted repurchase agreements (repo)<sup>1</sup> with banks worth TZS 600.0 billion to fine tune the level of liquidity in the banking system, compared with TZS 370.0 billion in the preceding month. Repo worth TZS 570.0 billion matured during the month compared with TZS 270.0 billion in February 2018, implying net mop up of TZS 30 billion and TZS 100 billion, respectively. Like other money market rates, the repo rate also fell to an average of 1.00 percent in March 2018 from 1.10 percent in the preceding month (Chart 2.10).

**Chart 2.10: Repurchase Agreements Transactions**



Source: Bank of Tanzania  
Note: LHS refers left hand scale and RHS right hand scale

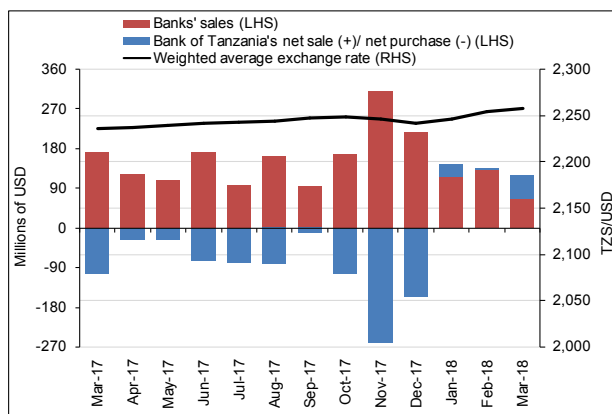
<sup>1</sup> Repo is initiated by the Bank of Tanzania for mopping up



### 2.3.5 Inter-Bank Foreign Exchange Market

The value of transactions in the inter-bank foreign exchange market (IFEM) declined to USD 118.5 million in March 2018 from USD 186.0 million in the preceding month. The Bank of Tanzania remained in the IFEM for the purpose of managing liquidity and maintaining an orderly market. In March 2018, the Bank was on the selling side of the market, selling a total of USD 52.25 million to meet seasonal demand for foreign exchange. During the month, the shilling depreciated slightly to an average of TZS 2,258.2 per US dollar from TZS 2,254.5 per US dollar in the preceding month. On annual basis, the shilling depreciated by 1.0 percent from TZS 2,236.5 per US dollar in March 2017 (**Chart 2.11**).

**Chart 2.11: IFEM Transactions and Exchange Rate**



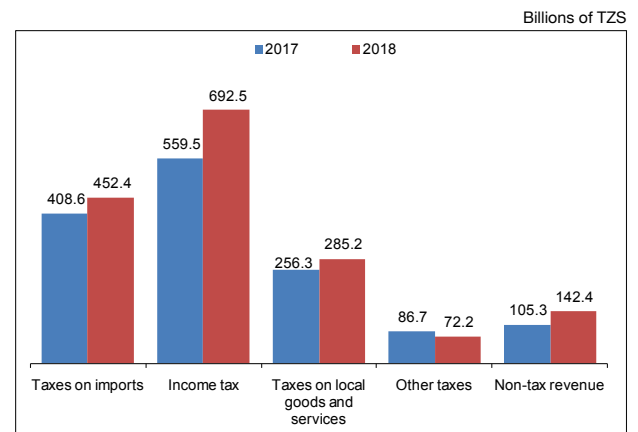
Source: Bank of Tanzania  
 Note: LHS refers left hand scale and RHS right hand scale

## 3.0 Government Budgetary Operations

Domestic revenue realized by the Government in March 2018 amounted to TZS 1,690.0 billion, of which with TZS 1,644.7 billion was revenue collections by the central government and the balance was by local government authorities from their own sources. Tax revenue amounted to TZS 1,502.3 billion, an increase of 14.6 percent from similar month in 2017. Local government collections from own sources amounted to TZS 45.4 billion, compared with TZS 49.4 billion recorded in March 2017. **Chart 3.1** shows Government resources during March 2017 and 2018.



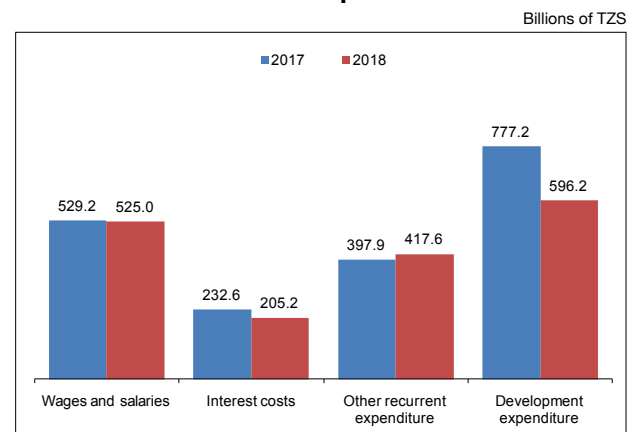
**Chart 3.1: Government Resources in March**



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

In March 2018, government expenditure amounted to TZS 1,744.0 billion, of which recurrent expenditure was TZS 1,147.8 billion and development expenditure was TZS 596.2 billion (**Chart 3.2**).

**Chart 3.2: Government Expenditure in March**



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

## 4.0 External Sector Performance<sup>2</sup>

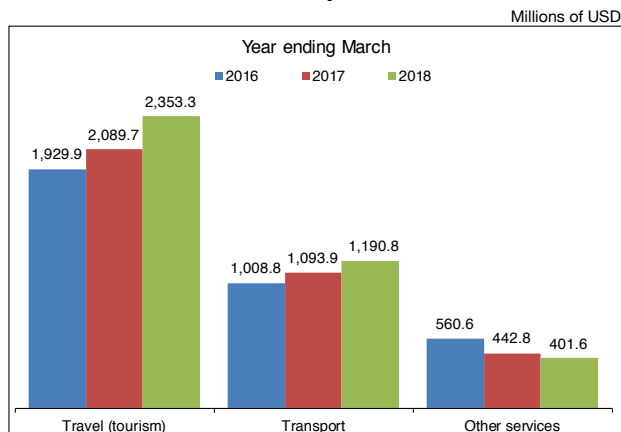
The overall balance of payments position was a surplus of USD 1,051.5 million in the year ending March 2018, nearly double of a surplus of USD 616.1 million in the year to March 2017. The improvement was explained by an increase in official current transfers in the form of project funds from development partners, coupled with external non-concessional loans.

<sup>2</sup> Compilation of trade statistics for the period under review had not been completed by the time of this publication due to statistical challenges associated with implementation of single custom territory under the EAC. Steps are being taken in to addressing the challenges.

Gross official foreign reserves amounted to USD 5,462.7 million at the end March 2018 compared with USD 4,482.7 million at the end of March 2017. The reserves were sufficient to cover 5.6 months of projected import of goods and services, excluding imports financed by foreign direct investment. Meanwhile, gross foreign exchange reserves held by banks amounted to USD 787.9 million.

Services account improved by 20.8 percent to a surplus of USD 1,830.6 million in the year ending March 2018 from March 2017. The improvement was a result of a growth in services receipts by 8.8 percent to USD 3,945.7 million. This came mainly from travel and transport receipts (**Chart 4.1**). Specifically, travel receipts rose by USD 262.6 million to USD 2,353.3 million following increase in the number of tourist arrivals, which is partly associated with sustained tourism promotion. Receipts from transport services amounted to USD 1,190.8 million compared with USD 1,093.9 million in the corresponding period in 2017, driven mostly by increase in volume of transit goods to-and-from neighbouring countries.

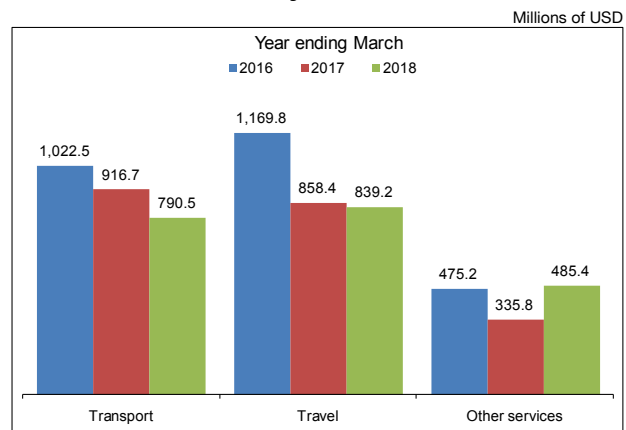
**Chart 4.1: Services Receipt**



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

Service payments amounted to USD 2,115.1 million, broadly the same as in the year to March 2017 (**Chart 4.2**). Transportation service payments, which accounted for the largest share of total services payments, fell by 13.8 percent to USD 790.5million, largely associated with a decline in goods import.

**Chart 4.2: Services Payments**



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

The balance in primary income account, which comprises income from capital related transactions and compensation of employees, was a deficit of USD 1,260.6 million compared with a deficit of USD 1,121.8 million in the corresponding period in 2017. Widening of primary income account deficit was on account of increase in payments under compensation of employees and investment income, particularly interest payments.

In contrast, secondary income account balance, which comprises of current transfers by the central government and other sectors, improved by 18.6 percent to a surplus of USD 438.3 million from balance in the year ending March 2017. The improvement was explained by increase in official current transfers, which more than doubled to USD 158.1 million from USD 75.3 million.

## 4.1 World Commodity Prices

During March 2018, prices of selected agricultural and non-agricultural commodities in the world market moved in diverse directions from the preceding month (**Table 4.1**). Prices of coffee, tea, gold and white petroleum products decreased, while those of cotton and crude oil rose. Prices of tea and coffee declined due to increase in supply from major producing countries, particularly India and East Africa, while that of cotton rose because of a decline in supply. Crude oil prices rose due to tight supplies following geopolitical tension in the Middle East and compliance with extended production cut by Organization of Petroleum Exporting Countries (OPEC) members and some non-OPEC countries. Gold prices decreased due to lower demand for it as an investment portfolio.



On annual basis, the world market prices of the selected agricultural and non-agricultural commodities rose, save for those of sisal and coffee (**Table 4.1**). While prices of crude oil and white petroleum products rose due to extension of production cut by OPEC members and some non-OPEC countries, that of gold went up on account of high demand for gold as safe investment portfolio. Increase in the price of tea was attributed to strong demand coupled with decline in production in major producing countries following unfavourable weather conditions. Likewise, cotton price of cotton rose mainly due to high global demand.

**Table 4.1: World Commodity Prices**

Commodity	Unit measure	Percentage		Year ending March		Percentage Change	
		Feb-17	Mar-17	2017	2018		
Robusta coffee	USD per kg	2.0	1.9	-1.5	2.1	2.1	-0.4
Arabica coffee	USD per kg	3.0	3.0	-0.7	3.7	3.2	-14.3
Tea (Average price)	USD per kg	2.9	2.8	-4.9	2.8	3.1	12.1
Tea (Mombasa auction)	USD per kg	2.8	2.7	-5.9	2.4	2.8	15.8
Cotton "A Index"	USD per kg	1.9	2.0	4.3	1.7	1.9	8.3
Sisal (UG)	USD per kg	1.7	1.7	0.0	1.8	1.8	-1.1
Cloves	USD per kg	8.1	8.1	0.0	8.4	8.6	2.8
Crude oil*	USD per barrel	63.5	64.2	1.1	47.9	55.7	16.4
Crude oil**	USD per barrel	62.8	63.3	0.8	46.8	55.9	19.5
White products***	USD per tonne	616.0	611.3	-0.8	459.9	543.2	18.1
Jet/Kerosine	USD per tonne	618.5	618.3	0.0	427.8	522.9	22.2
Premium gasoline	USD per tonne	613.4	604.4	-1.5	492.0	563.6	14.5
Gold	USD per troy ounce	1,330.7	1,324.7	-0.5	1,258.6	1,284.9	2.1

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

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

## 5.0 National Debt

### 5.1 External Debt

External debt stock, comprising both public and private sector debt, amounted to USD 20,156.6 million at the end of March 2018, an increase of USD 46.7 million and USD 2,489.5 million from the end of the preceding month and March 2017, respectively. The increases were on account of new disbursements, exchange rate fluctuations and accumulation of interest arrears. Central government external debt remained dominant, accounting for 77.3 percent of the debt stock, having increased by USD 7.2 million from the end of February 2018 and by USD 1,810.0 million from the the end of March 2017 (**Table 5.1**).

**Table 5.1: External Debt Stock by Borrowers**

Borrower	Millions of USD					
	Mar-17		Feb-18		Mar-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Central government	13,761.9	77.9	15,564.7	77.4	15,571.9	77.3
DOD	12,981.5	73.5	14,722.4	73.2	14,725.8	73.1
Interest arrears	780.4	4.4	842.3	4.2	846.1	4.2
Private sector	3,604.8	20.4	4,308.0	21.4	4,345.3	21.6
DOD	2,989.4	16.9	3,515.6	17.5	3,533.6	17.5
Interest arrears	615.4	3.5	792.4	3.9	811.7	4.0
Public corporations	300.4	1.7	237.2	1.2	239.4	1.2
DOD	275.3	1.6	207.4	1.0	208.1	1.0
Interest arrears	25.1	0.1	29.8	0.1	31.3	0.2
External debt stock	17,667.1	100.0	20,109.9	100.0	20,156.6	100.0

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

Note: DOD denotes disbursed outstanding debt

The composition of external debt stock in terms of creditor category remained almost unchanged from the previous month and corresponding period in 2017, where debt owed to multilateral institutions was dominant at 47.4 percent of the stock, followed by commercial debt, which accounted for 30.8 percent. **Table 5.2** summarizes composition of external debt stock by creditor profile.

**Table 5.2: External Debt Stock by Creditors**

Creditor	Millions of USD					
	Mar-17		Feb-18		Mar-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	8,328.7	47.1	9,609.2	47.8	9,551.7	47.4
DOD	8,318.1	47.1	9,584.7	47.7	9,525.7	47.3
Interest arrears	10.6	0.1	24.5	0.1	26.0	0.1
Bilateral	1,732.2	9.8	1,861.0	9.3	2,056.5	10.2
DOD	961.6	5.4	1,019.1	5.1	1,210.1	6.0
Interest arrears	770.6	4.4	841.9	4.2	846.4	4.2
Commercial	5,784.0	32.7	6,324.9	31.5	6,202.5	30.8
DOD	5,422.7	30.7	5,981.9	29.7	5,851.3	29.0
Interest arrears	361.3	2.0	343.0	1.7	351.2	1.7
Export credit	1,822.3	10.3	2,314.8	11.5	2,345.9	11.6
DOD	1,543.8	8.7	1,859.7	9.2	1,880.4	9.3
Interest arrears	278.4	1.6	455.1	2.3	465.5	2.3
External debt stock	17,667.1	100.0	20,109.9	100.0	20,156.6	100.0

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

Note: DOD denotes disbursed outstanding debt.

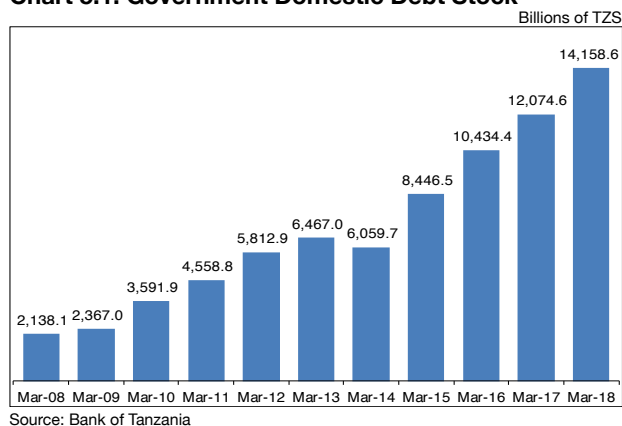
In terms of debt flows, external debt disbursed in March 2018 amounted to USD 132.9 million, 69.1 percent of which was received by the central government. Cumulative disbursements for the year ending March 2018 was USD 1,672.2 million, of which USD 1,331.6 million was received by the central government and the balance by private sector. Meanwhile, total debt service during March 2018 was USD 184.6 million, out of which USD 143.1 million was principal repayment and the balance was interest payment. Debt service payments during the year ending March 2018 amounted to USD 1,053.4 million, of which principal repayments were USD 705.8 million and the balance was interest payment.



## 5.2 Domestic Debt

Central government domestic debt stock, including overdraft, amounted to TZS 14,158.6 billion at the end of March 2018, an increase of TZS 416.7 billion and TZS 2,084.1 billion from the preceding month and corresponding period in 2017, respectively (Chart 5.1).

Chart 5.1: Government Domestic Debt Stock



The maturity profile of domestic debt continued to improve, in line with the medium-term debt management strategy, which entails lengthening maturity profile of domestic debt in a bid to reduce refinancing risk. Large part of domestic debt was long-term in the form of Treasury bonds and stocks, which altogether accounted for 68.8 percent of the stock at the end of March 2018, up from 68.6 percent and 61.0 percent at the end of February 2018 and March 2017, respectively (Table 5.3).

Table 5.3: Government Domestic Debt by Borrowing Instruments

Creditor	Mar-17		Feb-18		Mar-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Multilateral	8,328.7	47.1	9,609.2	47.8	9,551.7	47.4
DOD	8,318.1	47.1	9,584.7	47.7	9,525.7	47.3
Interest arrears	10.6	0.1	24.5	0.1	26.0	0.1
Bilateral	1,732.2	9.8	1,861.0	9.3	2,056.5	10.2
DOD	961.6	5.4	1,019.1	5.1	1,210.1	6.0
Interest arrears	770.6	4.4	841.9	4.2	846.4	4.2
Commercial	5,784.0	32.7	6,324.9	31.5	6,202.5	30.8
DOD	5,422.7	30.7	5,981.9	29.7	5,851.3	29.0
Interest arrears	361.3	2.0	343.0	1.7	351.2	1.7
Export credit	1,822.3	10.3	2,314.8	11.5	2,345.9	11.6
DOD	1,543.8	8.7	1,859.7	9.2	1,880.4	9.3
Interest arrears	278.4	1.6	455.1	2.3	465.5	2.3
External debt stock	17,667.1	100.0	20,109.9	100.0	20,156.6	100.0

Source: Bank of Tanzania

Note: \* includes NMB standard loan and duty drawback

In terms of composition of domestic debt stock by holder, commercial banks continued to dominate, accounting for 39.2 percent of the debt, followed by those owed to pension funds and Bank of Tanzania (including advances) at 26.9 percent and 19.9 percent, respectively (Table 5.4).

Table 5.4: Government Domestic Debt by Holders

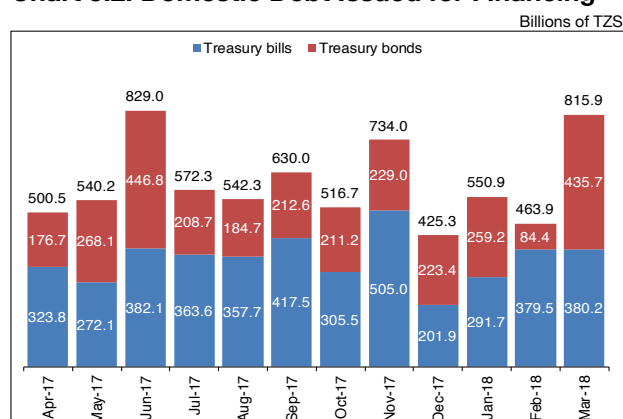
	Billions of TZS					
	Mar-17		Feb-18		Mar-18	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Commercial banks	4,578.8	37.9	5,550.3	40.4	5,545.4	39.2
Bank of Tanzania	2,556.8	21.2	2,481.3	18.1	2,818.1	19.9
Pension funds	2,995.3	24.8	3,809.0	27.7	3,805.4	26.9
Insurance	1,105.8	9.2	1,073.0	7.8	1,123.8	7.9
BOT's special funds	200.6	1.7	178.5	1.3	222.2	1.6
Others	637.3	5.3	650.0	4.7	643.7	4.5
Total	12,074.6	100.0	13,742.0	100.0	14,158.6	100.0

Source: Bank of Tanzania

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

Government securities— Treasury bills and bonds— issued in March 2018 for budget financing amounted to TZS 815.9 billion, of which TZS 380.2 billion was Treasury bills and TZS 435.4 billion Treasury bonds. Cumulative domestic debt raised through government securities during the year to March 2018 was TZS 7,536.6 billion, of which TZS 4,596.2 billion was Treasury bills (Chart 5.2).

Chart 5.2: Domestic Debt Issued for Financing



Source: Bank of Tanzania

Note: Figures on top of each bar are totals

Domestic debt that fell due for payment in March 2018 was TZS 692.5 billion compared with TZS 579.4 billion in the preceding month. Out of debt matured in March 2018, principal amounting to TZS 560.0 billion was rolled-over while interest component of TZS 132.5 billion was paid out. Cumulative debt service in the year to March 2018 amounted to TZS 5,985.2 billion, out of which TZS 4,765.8 billion was rolled-over and TZS 1,218.4 billion was paid out.



## 6.0 Economic Developments in Zanzibar

### 6.1 Inflation Developments

Twelve-month headline inflation in Zanzibar eased to 4.4 percent in March 2018 from 4.8 percent in February 2018 and from 6.4 percent in March 2017 (**Table 6.1** and **Chart 6.1**). The decline in headline inflation was largely driven by food inflation. All main groups of consumer basket recorded inflation rates below headline inflation, except for clothing and footwear; housing, water, electricity, gas and other fuels; and furnishing and household equipment sub-groups. On month-to-month basis, headline inflation was 0.2 percent in March 2018 as in the corresponding month in 2017.

Twelve-month food inflation slowed to 0.4 percent from 1.3 percent and 7.2 percent in February 2018 and March 2017, respectively. The moderation in food inflation was more pronounced in inflation for maize flour, bananas and sugar. Annual non-food inflation was 7.5 percent compared with 7.6 percent in February 2018 and 5.8 percent in March 2017. The increase in annual non-food inflation between March 2017 and March 2018 was on account of fuel prices, which rose by an average of 9.8 percent.

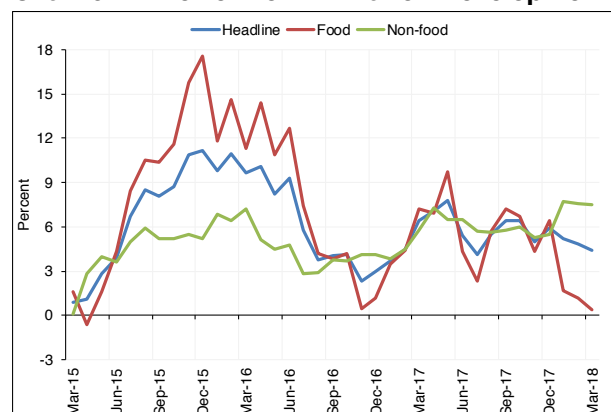
**Table 6.1: Inflation Developments**

Base: January 2017=100

Main groups	Weight	Monthly change			Annual change		
		Mar-17	Feb-18	Mar-18	Mar-17	Feb-18	Mar-18
Food and non-alcoholic beverages	43.6	0.9	-0.3	0.1	7.2	1.3	0.4
Alcoholic beverages, tobacco and narcotics	0.2	0.0	0.0	0.0	3.7	3.3	3.3
Clothing and footwear	6.9	0.0	0.0	0.2	4.3	5.1	5.2
Housing, water, electricity, gas and other fuels	18.4	-0.4	0.0	0.4	6.8	10.2	11.0
Furnishing, household equipment	5.5	0.0	-0.3	0.0	1.3	12.8	12.9
Health	2.1	0.1	-0.1	0.0	9.0	4.5	4.4
Transport	9.6	1.3	0.5	0.3	8.4	8.7	7.7
Communication	4.2	0.0	0.0	0.0	0.0	0.3	0.3
Recreation and culture	1.3	1.8	1.6	0.0	0.4	8.7	6.8
Education	1.9	0.0	0.0	0.0	4.1	5.3	5.3
Restaurants and hotels	3.9	0.0	0.0	0.0	5.7	2.0	2.0
Miscellaneous goods and services	2.3	0.0	0.0	0.0	9.2	2.0	2.0
All items (Headline inflation)	100.0	0.2	0.1	0.2	6.4	4.8	4.4
Non-food	57.3	0.2	0.1	0.2	5.8	7.6	7.5

Source: Office of Chief Government Statistician and Bank of Tanzania computations  
Note: New weights base on Zanzibar 2014/15 Household Budget Survey (HBS)

**Chart 6.1: Twelve-Month Inflation Developments**

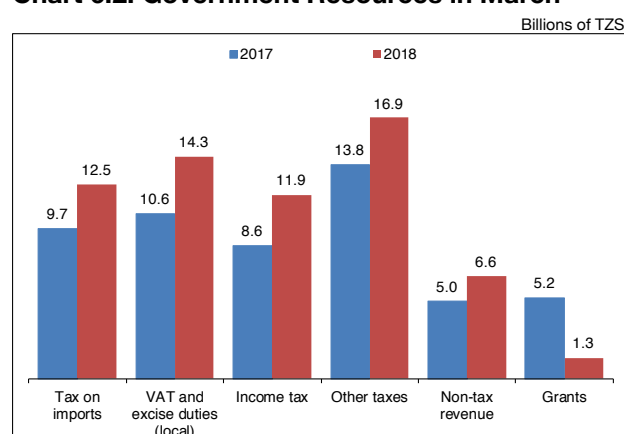


Source: Office of Chief Government Statistician and Bank of Tanzania computations

### 6.2 Government Budgetary Operations

Government resource envelope, which includes domestic revenue and grants, amounted to TZS 63.5 billion in March 2018, of which TZS 62.2 billion was domestic revenue and the balance was grants. Tax revenue amounted to TZS 55.6 billion and accounted for 89.4 percent of domestic revenue, whereas non-tax revenue was TZS 6.6 billion (**Chart 6.2**). Revenue collections were 3.9 percent above March 2018 targets with all tax and non-tax categories surpassing their targets. Foreign grants amounted to TZS 1.3 billion, above the month projections of TZS 1.0 billion. Cumulatively, revenue collection for the July 2017 to March 2018 period was generally satisfactory at 98.1 percent of projections for the period.

**Chart 6.2: Government Resources in March**



Source: Ministry of Finance and Planning - Zanzibar

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

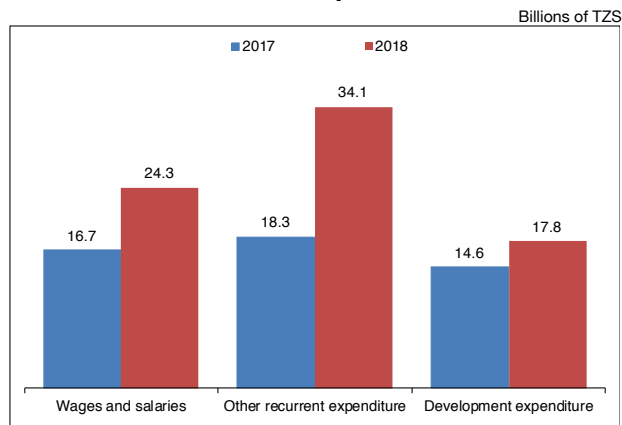
The Government continued to rationalize expenditure based on budget estimates for the month, priorities and available resources. In March 2018, the Government spent TZS 76.2 billion, 98.8 percent of



the month. Out of the total, recurrent expenditure amounted to TZS 58.4 billion and expenditure on development projects was TZS 17.8 billion (**Chart 6.3**). Local financing of development projects was TZS 12.1 billion and TZS 5.7 billion was from external sources. Cumulatively, government expenditure for the period between July 2017 and March 2018 amounted to TZS 594.7 billion, equivalent to 89.9 percent of the period estimates.

Government fiscal operations recorded an overall deficit after grants of TZS 4.4 billion in March 2018 compared with a deficit of TZS 3.9 billion in the similar month in 2017. The deficit was financed through program loans.

**Chart 6.3: Government Expenditure in March**



Source: Ministry of Finance and Planning - Zanzibar  
Note: Other expenditure include transfers, domestic debt interest, consolidated fund service and other charges

## 6.3 External Sector Performance

### 6.3.1 Current Account

During the year ending March 2018, current account balance improved to a surplus of USD 36.0 million from a surplus of USD 33.6 million in the corresponding period in 2017 following an increase in official current transfer and income receipts. The goods account deteriorated to a deficit of USD 104.2 million from a deficit of USD 93.1 million in the corresponding period in 2017. Meanwhile, services account registered a surplus of USD 97.2 million compared with USD 97.7 million, following increase in service payments (**Table 6.2**).

**Table 6.2: Current Account Balance**

	Mar-17	Feb-18	Mar-18 <sup>a</sup>	Year ending March		Percentage change
				2,017.0	2018 <sup>b</sup>	
Goods account	-13.2	-14.8	-9.5	-93.1	-104.2	11.9
Exports	0.4	0.8	6.0	25.2	67.7	---
Imports (fob)	13.7	15.6	15.5	118.3	172.0	45.4
Services account	5.5	7.8	8.0	97.7	97.2	-0.5
Receipts	12.1	14.0	13.6	148.6	162.0	9.0
Payments	6.6	6.1	5.5	50.9	64.9	27.3
Goods and services	-7.7	-6.9	-1.5	4.5	-7.1	---
Exports of goods and services	12.5	14.8	19.6	173.8	229.8	32.2
Imports of goods and services	20.2	21.7	21.1	169.2	236.8	39.9
Income account	1.4	0.9	0.7	5.7	8.3	45.9
Receipts	1.6	1.2	1.1	10.5	13.1	25.0
Payments	0.2	0.4	0.4	4.8	4.8	0.1
Current transfers	3.5	1.5	1.3	23.3	34.8	49.0
Inflows	3.5	1.6	1.5	23.9	36.8	54.0
Outflows	0.0	0.1	0.1	0.6	2.1	---
Current account balance	-2.8	-4.6	0.6	33.6	36.0	7.3

Source: Tanzania Revenue Authority and Bank of Tanzania computations  
Note: p denotes provisional data; "—" denotes change that exceeds 100 percent, in absolute terms

### 6.3.2 Exports

Foreign exchange earnings from export of goods and services increased by 26.5 percent to USD 229.8 million in the year ending March 2018, mainly owing to improved performance of major export commodities—cloves and seaweeds—which altogether accounted for 89.5 percent of total earnings from goods exports (**Table 6.2** and **Table 6.3**). Earnings from export of cloves increased to USD 56.9 million in the year to March 2018 from USD 17.9 million in the corresponding period in 2017 mainly on account of volume, which rose to 7,186 tonnes from 2,306 tonnes. Export earnings from seaweeds also rose to USD 3.7 million from USD 2.0 million in the year to March 2017 following increase in the volume as unit price fell (**Table 6.3**). Meanwhile, export of manufactured goods<sup>3</sup>; and fish and fish products also increased. Exports of fish and fish products rose following large increase in exports of octopus, squids, shrimps and live lobster, and other marine products.

As regard to services receipts, they increased by 9.0 percent from the amount realized in the year to March 2017 to USD 162.0 million.

<sup>3</sup> Includes manufactured goods re-exports.



**Table 6.3: Goods Export Performance**

	Units	Mar-17	Feb-18	Mar-18 <sup>p</sup>	Year ending March		Percentage change
					2017	2018 <sup>p</sup>	
<b>Traditional exports;</b>							
<b>Clove</b>							
Value	'000' of USD	243.0	156.0	5,094.0	17,924.6	56,918.3	---
Volume	'000' Tonnes	0.0	0.0	0.6	2.3	7.2	---
Unit price	USD/Tonne	100.0	7,800.0	8,085.7	7,773.0	7,920.7	1.9
<b>Non-traditional exports:</b>							
<b>Sea weeds</b>							
Value	'000' of USD	9.0	368.8	590.9	1,959.1	3,733.9	90.6
Volume	'000' Tonnes	0.0	1.0	1.3	4.3	10.8	---
Unit price	USD/Tonne	450.0	357.9	461.6	459.0	346.8	-24.4
Manufactured goods	'000' of USD	169.2	215.2	300.5	3,166.9	4,903.8	54.8
Fish and fish products	'000' of USD	4.9	42.8	23.6	28.1	174.9	---
Others exports	'000' of USD	14.6	30.1	32.4	2,094.8	2,002.6	-4.4
Sub-total	'000' of USD	197.6	656.9	947.4	7,249.0	10,815.3	49.2
Grand-total	'000' of USD	440.6	812.9	6,041.4	25,173.5	67,733.6	---

Source: Tanzania Revenue Authority and Bank of Tanzania

Note: p denotes provisional data; other exports' mainly includes souvenirs and spices; and "----"change that exceeds 100, in absolute terms

### 6.3.3 Imports

Imports of goods (f.o.b) and services rose to USD 236.8 million from USD 169.2 million in the year ending March 2017, driven by both services payments and goods imports (**Table 6.2**). As in the preceding month, consumer and intermediate goods remained the main drivers of goods imports. Whereas intermediate and consumer goods accounted for 45.2 percent and 30.3 percent of total goods imports (c.i.f), they contributed 48.4 percent and 46.0 percent to the increase, respectively.

Oil imports, which accounted for 69.2 percent and 31.2 percent of intermediate goods imports and total imports (c.i.f), respectively, increased by 33.5 percent from the values recorded in year to March 2017 to USD 56.6 million on account of both volume and price effects. Meanwhile, rice, sugar, wheat flour and cooking oil remained the major items under food and foodstuff imports (**Table 6.4**).

Services payments amounted to USD 64.9 million in the year ending March 2018, a 27.5 percent increase from the year to March 2017 position.

**Table 6.4: Goods Imports by Major Categories**

	Millions of USD					
	Year ending March					Percentage change
	Mar-17	Feb-18	Mar-18 <sup>p</sup>	2017	2018 <sup>p</sup>	change
Capital goods	4.6	4.0	2.6	41.7	44.5	6.7
Transport equipment	3.3	1.3	1.2	19.3	15.7	-18.7
Building and construction	1.2	0.7	0.4	6.9	7.0	1.4
Machinery	0.1	1.9	1.0	15.5	21.8	40.6
Intermediate goods	4.9	8.2	8.1	57.0	81.9	43.7
Oil imports	3.9	5.6	5.4	42.4	56.6	33.5
Industrial raw materials	1.0	2.5	2.8	14.6	25.3	73.3
Consumer goods	5.6	4.1	5.5	31.3	54.9	75.4
Food and food stuffs	0.3	1.2	3.7	9.3	23.3	---
All other consumer goods	5.2	2.9	1.7	22.1	31.6	43.0
Grand total (c.i.f)	15.0	16.2	16.2	130.0	181.4	39.5
Grand total (f.o.b)	13.7	15.6	15.5	118.3	172.0	45.4

Source: Tanzania Revenue Authority and Bank of Tanzania computations

Note: p denotes provisional data; and "----"change that exceed 100 percent in absolute terms





## Statistical Tables

**Table A1: Selected Economic Indicators**

	Unit	2011	2012	2013	2014	2015 <sup>r</sup>	2016 <sup>p</sup>
<b>National accounts and prices</b>							
1.1 Change in GDP at current prices	Percent	20.4	16.4	15.5	12.4	13.9	14.2
1.2 Change in GDP at constant prices	Percent	7.9	5.1	7.3	7.0	7.0	7.0
1.3 GDP per capita-current prices (TZS)	000 TZS	1,222.2	1,408.2	1,582.8	1,730.4	1,918.9	2,131.3
1.4 GDP per capita-current prices (USD)	USD	784.8	896.0	990.1	1,047.1	966.5	979.0
1.5 Change in consumer price index (Inflation)	Percent	12.6	16.1	7.9	6.1	5.6	5.2
1.6 Saving to GNDI ratio	Percent	14.7	13.2	8.7	16.7	19.4	17.3
<b>Money, credit and interest rates</b>							
2.1 Change in extended broad money supply (M3)	Percent	18.2	12.5	10.0	15.6	18.8	3.4
2.2 Change in broad money supply (M2)	Percent	15.0	16.0	10.9	17.0	13.4	5.3
2.3 Change in narrow money supply (M1)	Percent	23.2	17.3	10.4	14.8	15.6	5.3
2.4 Change in reserve money (M0)	Percent	17.6	10.1	11.1	17.5	15.6	0.3
2.5 Total credit to GDP ratio <sup>1</sup>	Percent	17.2	18.0	18.2	20.2	22.4	20.1
2.6 Non-governmentsector credit to GDP ratio <sup>1</sup>	Percent	14.4	14.7	14.6	15.6	17.1	16.0
2.7 Ratio of credit to non-government sector to total credit	Percent	83.8	81.7	80.3	77.3	76.0	79.5
2.8 12-Months deposit rate <sup>2</sup>	Percent	8.0	11.3	11.6	10.8	10.8	11.5
2.9 Overall treasury bill rate <sup>2</sup>	Percent	8.3	13.6	14.2	13.6	12.9	16.2
2.10 Long-term lending rate <sup>2</sup>	Percent	14.8	16.0	15.7	16.2	15.3	15.6
<b>Balance of payments</b>							
3.1 Exports of goods (f.o.b)	Mill. USD	5,097.9	5,889.2	5,258.1	5,194.1	5,316.8	5,661.2
3.2 Imports of goods (f.o.b)	Mill. USD	-9,827.5	-10,319.1	-11,029.1	-10,917.8	-9,843.1	-8,463.6
3.3 Trade balance	Mill. USD	-4,729.6	-4,429.9	-5,771.1	-5,723.7	-4,526.3	-2,802.5
3.4 Current account balance	Mill. USD	-4,380.9	-3,769.6	-4,988.5	-4,843.9	-3,651.3	-2,154.6
3.5 Overall balance	Mill. USD	-202.0	326.2	507.9	-251.8	-240.8	-104.2
3.6 Gross official reserves	Mill. USD	3,744.6	4,068.1	4,676.2	4,377.2	4,093.7	4,325.6
3.7 Reserves months of imports (of goods and services) (excluding FDI related imports)	Months	4.0	4.1	4.5	4.7	5.1	5.3
3.8 Exchange rate:							
Annual average	TZS/USD	1,557.4	1,571.7	1,598.7	1,652.5	1,985.4	2,177.1
End of period	TZS/USD	1,566.7	1,571.6	1,578.6	1,725.8	2,148.5	2,172.6
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17 <sup>r</sup>
<b>Public finance</b>							
4.1 Current revenue to GDP ratio <sup>1</sup>	Percent	12.6	12.8	13.5	12.9	14.3	15.6
4.2 Grants to GDP ratio <sup>1</sup>	Percent	3.2	2.1	2.1	1.2	0.5	1.0
4.3 Current expenditure to GDP ratio <sup>1</sup>	Percent	12.2	13.7	13.3	12.8	13.8	10.9
4.4 Development expenditure to GDP ratio <sup>1</sup>	Percent	6.6	5.5	5.2	4.4	4.5	6.8
4.5 Budget balance to GDP ratio (excluding grants) <sup>1</sup>	Percent	-6.2	-6.5	-5.0	-4.3	-4.0	-2.1
4.6 Budget balance to GDP ratio (including grants) <sup>1,3</sup>	Percent	-3.6	-4.2	-3.3	-3.3	-3.5	-1.5
<b>Total external debt stock</b>							
5.1 Disbursed debt	Mill. USD	10,670.0	12,482.2	14,236.9	15,884.0	17,222.8	18,651.1
5.2 Interest	Mill. USD	9,188.3	11,086.4	12,632.1	14,548.3	15,948.1	17,251.2
	Mill. USD	1,481.6	1,395.8	1,604.8	1,335.7	1,274.7	1,399.9

Source: Bank of Tanzania

Note: <sup>1</sup> Calculated on the basis of GDP at current market prices; GNDI stands for Gross National Disposable Income; <sup>2</sup> annual average; <sup>3</sup> includes expenditure float, and adjustment to cash and other items (net); r denotes revised data; and p, provisional data



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

	Million of TZS				
	Budget 2017/18	July 2017 - March 2018		March 2018	
		Estimate	Actual	Estimate	Actual
Total revenue (including LGAs)	19,977,001.5	14,969,605.4	13,535,730.1	1,810,713.6	1,690,038.6
Central government revenue	19,289,695.3	14,448,407.9	13,138,514.8	1,756,458.8	1,644,658.5
Tax revenue	17,059,639.0	12,954,786.3	11,469,333.9	1,632,861.4	1,502,293.6
Taxes on imports	6,292,627.9	4,852,001.4	4,105,778.1	512,239.2	452,353.2
Sales/VAT and excise on local goods	3,865,213.5	2,959,900.6	2,648,220.8	317,569.1	285,150.8
Income taxes	5,810,731.4	4,300,185.8	3,909,721.7	711,409.9	692,544.6
Other taxes	1,091,066.2	842,698.5	805,613.3	91,643.2	72,245.0
Non- tax revenue	2,230,056.3	1,493,621.6	1,669,180.9	123,597.4	142,364.9
LGA own sources	687,306.1	521,197.5	397,215.2	54,254.9	45,380.2
Total expenditure <sup>1</sup>	25,581,105.8	20,585,150.3	14,023,114.7	2,960,308.8	1,743,996.2
Recurrent expenditure	13,581,514.1	10,480,156.6	8,718,617.4	1,221,751.0	1,147,768.9
Wages and salaries	7,205,768.4	5,351,703.3	4,744,017.0	618,021.7	524,986.7
Interest payments	1,699,037.6	1,665,906.8	1,479,335.7	205,989.2	205,213.0
Domestic	1,025,546.0	1,006,257.3	980,581.8	136,008.3	100,557.4
Foreign	673,491.5	659,649.5	498,753.9	69,980.8	104,655.6
Other goods, services and transfers	4,676,708.1	3,462,546.5	2,495,264.8	397,740.2	417,569.2
Development expenditure and net lending	11,999,591.6	10,104,993.7	5,304,497.3	1,738,557.8	596,227.3
Local	8,969,747.0	7,779,056.6	3,736,807.7	1,525,567.9	366,888.9
Foreign	3,029,844.6	2,325,937.1	1,567,689.6	212,989.8	229,338.4
Balance before grants	-5,604,104.3	-5,615,544.9	-487,384.6	-1,149,595.1	-53,957.6
Grants	1,043,837.8	1,194,580.0	709,951.5	89,326.2	0.0
Program	190,022.6	190,022.6	70,202.2	0.0	0.0
Project	653,194.2	803,935.9	530,304.8	89,326.2	0.0
Basket funds	200,621.1	200,621.5	109,444.5	0.0	0.0
Balance (cheques issued) after grants	-4,560,266.5	-4,420,964.9	222,566.9	-1,060,268.9	-53,957.6
Expenditure float	0.0	0.0	-71,767.9	0.0	0.0
Adjustments to cash and other items (net)	0.1	0.0	-754,628.1	0.0	-309,610.0
Overall balance	-4,560,266.4	-4,420,964.9	-603,829.1	-1,060,268.9	-363,567.6
Financing	4,560,266.4	4,420,964.9	603,829.1	1,060,268.9	363,567.6
Foreign financing (net)	3,339,598.4	1,343,812.7	236,182.4	84,322.3	-105,507.3
Loans	4,522,249.5	2,388,443.3	1,275,795.8	283,162.1	229,338.4
Program loans	751,235.1	159,498.5	0.0	159,498.5	0.0
Development project loans	3,415,560.6	1,972,607.9	1,204,718.1	112,270.9	158,260.6
o/w: Non-concessional Borrowing	1,594,985.0	907,565.0	347,855.6	0.0	0.0
Basket support	355,453.8	256,336.9	71,077.8	11,392.8	71,077.8
Amortization	-1,182,651.1	-1,044,630.6	-1,039,613.5	-198,839.8	-334,845.7
Domestic (net) <sup>2</sup>	1,220,668.0	3,077,152.2	367,646.7	975,946.7	469,074.9
Bank and non-bank financing	1,220,668.0	3,077,152.2	367,646.7	975,946.7	469,074.9
Bank borrowing	1,098,601.2	2,769,437.0	-135,781.1	878,352.0	361,538.1
Non-bank (net of amortization)	122,066.8	307,715.2	503,427.8	97,594.7	107,536.8
Borrowing/roll-over	4,948,229.0	3,766,090.7	3,805,963.8	582,114.5	559,976.0
Domestic and contingent debt amortization	-4,948,229.0	-3,766,090.7	-3,805,963.8	-582,114.5	-559,976.0

Source: Ministry of Finance and Planning

Note: <sup>1</sup> Exclude amortization and expenditure float, includes road fund and retention expenditure

<sup>2</sup> Positive value means financing and a negative value means repayment/ build up of deposits

LGA stands for Local Government Authority; VAT, value added tax; MDRI, multilateral debt relief initiative; MCA(T), millennium challenge account (Tanzania); NDF, net domestic financing; and o/w, of which



**Table A3: Depository Corporations Survey**

Items	Billions of TZS												
	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18 <sup>p</sup>
Net foreign assets	8,388.2	8,018.9	8,095.9	9,573.1	9,987.4	10,270.8	10,396.3	10,980.9	11,427.6	11,596.1	11,380.7	11,196.2	10,881.1
Bank of Tanzania	8,827.8	8,698.2	8,735.5	10,016.8	10,617.0	11,109.0	11,302.1	11,319.9	11,947.8	12,149.8	11,771.7	11,687.6	11,149.2
Other depository corporations	-439.6	-679.2	-639.6	-443.7	-629.7	-838.2	-905.8	-339.0	-520.2	-553.8	-390.9	-491.4	-268.0
Net domestic assets	14,201.7	14,821.8	15,314.8	14,292.3	13,575.2	13,197.9	12,714.6	12,602.0	13,256.1	13,118.3	13,566.5	13,683.6	13,594.2
Domestic claims	20,626.9	21,418.5	21,993.4	21,038.9	20,378.8	20,021.9	19,636.1	19,761.4	20,493.3	20,171.3	20,913.1	20,543.9	20,838.4
Claims on central government (net)	4,011.3	4,691.7	5,181.3	4,172.7	3,557.6	3,310.7	3,279.8	3,349.7	3,543.0	3,275.7	3,989.6	3,675.4	4,037.0
Claims on central government	7,629.9	7,937.8	8,248.8	8,709.8	8,063.7	7,842.0	7,881.2	7,970.0	8,246.4	8,066.5	8,225.0	8,512.7	8,877.7
Liabilities to central government	3,618.5	3,246.2	3,067.5	4,537.1	4,506.0	4,531.2	4,601.3	4,620.3	4,703.5	4,790.8	4,235.4	4,837.3	4,840.8
Claims on non-government sector	16,615.6	16,726.8	16,812.1	16,866.2	16,821.1	16,711.1	16,356.3	16,411.8	16,950.3	16,895.6	16,923.5	16,868.5	16,801.5
Other items (net)	-6,425.2	-6,596.8	-6,678.6	-6,746.6	-6,803.6	-6,824.0	-6,921.6	-7,159.5	-7,237.2	-7,053.1	-7,346.6	-6,860.3	-7,244.2
Broad money liabilities	22,589.9	22,840.7	23,410.6	23,865.4	23,562.5	23,468.6	23,110.9	23,582.9	24,683.6	24,714.3	24,947.2	24,879.8	24,475.3
Currency outside depository corporations	3,394.6	3,369.0	3,411.2	3,615.3	3,627.3	3,664.7	3,609.1	3,561.8	3,697.3	3,831.6	3,676.3	3,614.1	3,704.4
Transferable deposits	9,911.2	10,222.3	10,746.2	10,985.3	10,786.4	10,545.6	10,288.6	10,561.3	11,064.0	11,012.8	11,356.2	11,408.0	11,047.2
Non-transferable (other) deposits	9,284.1	9,249.4	9,253.2	9,264.8	9,148.8	9,258.3	9,213.2	9,459.7	9,922.4	9,870.0	9,914.6	9,857.6	9,723.7
Memorandum items:													
Monetary aggregates													
Reserve money (M0)	6,356.7	6,486.3	6,560.4	6,827.1	6,709.6	6,861.3	6,551.3	6,682.3	7,189.6	6,954.4	7,169.2	7,143.2	6,744.9
Extended broad money (M3)	22,589.9	22,840.7	23,410.6	23,865.4	23,562.5	23,468.6	23,110.9	23,582.9	24,683.6	24,714.3	24,947.2	24,879.8	24,475.3
Deposits in foreign Currency (FCD)	6,171.1	6,000.3	6,121.5	6,177.9	6,194.0	6,174.6	6,037.2	6,291.6	6,459.0	6,364.4	6,405.2	6,700.1	6,287.0
FCD in millions of USD	2,774.9	2,694.0	2,745.7	2,770.2	2,775.6	2,762.8	2,697.9	2,811.5	2,892.9	2,853.9	2,859.9	2,984.8	2,796.0
Broad money (M2)	16,418.8	16,840.4	17,289.1	17,687.5	17,368.5	17,294.0	17,073.7	17,291.3	18,224.7	18,349.9	18,542.0	18,179.7	18,188.3
Other deposits in national currency (i.e. savings and time deposits)	6,694.0	6,728.5	6,771.3	6,816.2	6,646.8	6,756.5	6,781.5	6,845.6	7,146.2	7,194.6	7,195.1	7,204.5	7,061.2
Narrow money (M1)	9,724.8	10,111.9	10,517.8	10,871.3	10,721.7	10,537.6	10,292.2	10,445.6	11,078.5	11,155.3	11,346.9	10,975.2	11,127.1
Currency in circulation	3,394.6	3,369.0	3,411.2	3,615.3	3,627.3	3,664.7	3,609.1	3,561.8	3,697.3	3,831.6	3,676.3	3,614.1	3,704.4
Transferable deposits in national currency	6,330.1	6,742.8	7,106.5	7,256.0	7,094.4	6,872.9	6,683.0	6,883.8	7,381.2	7,323.7	7,670.6	7,361.1	7,422.7

Source: Bank of Tanzania

Note: p denotes provisional data



**Table A4: Interest Rate Structure**

Items	Percent												
	2017										2018		
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar <sup>P</sup>
<b>A: Domestic currency</b>													
<b>1. Interbank cash market rates</b>													
Overnight	7.42	7.19	6.81	4.08	4.43	4.36	3.87	3.43	3.19	2.95	2.74	1.83	1.50
2 to 7 days	8.73	7.03	7.50	5.66	5.05	5.14	4.56	4.24	3.70	3.40	3.15	2.07	1.95
8 to 14 days	10.56	10.13	6.97	5.58	5.75	7.14	4.93	4.11	3.80	4.04	4.08	2.60	1.87
15 to 30 days	9.97	11.00	9.75	6.06	6.17	7.65	6.30	6.30	4.00	5.43	4.19	3.90	3.53
31 to 60 days	12.50	9.00	9.00	9.00	9.00	7.52	6.50	6.50	9.00	9.00	5.00	5.00	5.00
61 to 90 days	15.75	16.75	16.75	16.75	16.75	16.75	9.00	9.00	9.00	9.00	8.50	8.50	3.25
91 to 180 days	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Overall interbank cash market rate	8.16	7.39	7.23	4.91	4.92	4.87	4.93	3.72	3.46	3.26	3.00	1.97	1.71
2. Lombard rate	11.13	10.79	10.22	8.02	7.22	7.16	7.20	6.90	6.75	6.75	5.10	3.91	3.00
3. REPO rate	6.92	3.82	2.91	2.23	2.23	2.23	2.23	2.23	2.23	2.23	2.24	1.10	1.00
4. Reverse repo rate	8.28	8.41	6.78	4.07	4.89	6.62	4.93	4.00	5.00	4.55	5.19	5.19	5.19
<b>5. Treasury bills rates</b>													
35 days	6.50	6.79	6.53	5.35	4.81	4.77	4.80	4.60	4.50	4.50	3.40	2.61	2.00
91 days	7.20	7.10	6.77	5.53	4.86	4.07	4.10	4.00	4.00	4.00	3.75	3.45	2.52
182 days	13.78	13.02	10.01	7.13	8.54	9.42	8.91	7.51	7.16	5.87	4.29	3.85	3.35
364 days	15.14	14.01	10.99	8.65	9.80	11.42	11.42	10.50	9.60	8.71	7.48	6.58	5.48
Overall treasury bills rate	14.52	13.51	10.44	7.64	9.12	10.61	10.58	9.41	8.93	8.19	6.54	5.45	4.69
<b>6. Treasury bonds rates</b>													
2-years	17.61	17.61	16.22	16.22	12.45	12.45	11.76	11.76	11.76	11.10	11.10	9.21	9.21
5-years	17.68	17.92	17.92	17.92	13.07	13.96	13.96	13.96	13.64	13.64	12.16	12.16	11.06
7-years	18.42	18.42	16.48	16.48	16.48	14.28	14.28	14.98	14.98	13.98	13.98	12.96	12.96
10-years	18.56	18.56	18.56	14.76	14.76	15.75	15.75	15.89	15.89	15.89	15.09	15.09	13.86
15-years	18.78	18.88	18.88	18.88	16.15	16.15	16.74	16.74	15.87	15.87	14.65	14.65	14.65
7. Discount rate	12.00	12.00	12.00	12.00	12.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
8. Savings deposit rate	3.14	3.17	3.14	3.14	3.10	3.15	2.84	2.81	2.81	2.80	2.86	2.76	2.77
<b>9. Overall time deposits rate</b>													
1 month	11.07	11.50	11.95	11.07	11.16	11.24	10.65	9.24	9.68	10.26	10.41	10.31	9.51
2 months	12.77	12.37	11.45	11.11	11.80	11.52	9.82	11.66	10.73	11.19	11.16	10.09	8.69
3 months	12.37	11.40	11.38	12.01	11.26	9.54	11.61	10.53	10.92	10.99	10.01	8.41	8.89
6 months	11.61	11.63	11.13	11.47	11.49	11.28	11.36	11.21	10.49	10.15	9.72	9.26	8.99
12 months	12.03	12.14	11.99	12.14	11.89	11.69	11.65	11.30	11.27	10.86	10.77	10.09	9.92
24 months	13.00	9.83	9.80	11.02	12.81	12.29	11.21	12.24	12.13	11.82	12.36	12.21	12.08
10. Negotiated deposit rate	12.75	12.59	12.93	12.73	12.51	11.82	10.62	10.30	11.11	11.10	10.90	10.40	10.19
<b>11. Overall lending rate</b>													
Short-term (up to 1 year)	18.27	17.88	19.44	18.45	19.18	19.09	18.90	18.86	18.17	18.47	18.65	18.01	18.54
Medium-term (1-2 years)	18.93	19.00	19.71	19.62	19.45	20.02	19.96	18.92	19.17	20.40	20.08	18.85	19.43
Medium-term (2-3 years)	17.39	19.05	17.46	17.19	17.38	17.57	19.00	17.35	17.14	18.79	18.76	16.74	16.60
Long-term (3-5 years)	17.22	18.94	17.61	17.56	17.89	18.01	19.54	18.05	18.06	19.24	18.82	17.96	17.92
Term Loans (over 5 years)	15.72	15.53	14.85	15.21	15.31	15.48	15.86	15.24	15.59	16.21	15.24	14.79	15.03
12. Negotiated lending rate	17.25	15.30	16.85	14.71	15.20	17.38	17.91	17.72	17.08	16.82	15.88	16.20	16.47
<b>B: Foreign currency</b>													
<b>1. Deposits rates</b>													
Savings deposits rate	0.82	0.74	0.82	0.29	0.28	0.28	0.28	0.29	0.29	0.24	0.70	1.16	0.81
<b>Overall time deposits rate</b>													
1-months	2.74	3.26	3.63	3.17	4.10	2.24	1.97	3.21	3.81	2.54	3.70	3.95	4.18
2-months	3.33	4.28	2.67	4.94	3.61	3.28	3.40	3.98	3.79	2.92	4.25	4.42	3.74
3-months	3.15	3.59	0.71	4.26	3.56	3.70	3.84	3.30	3.00	3.91	4.59	3.72	4.36
6-months	3.18	4.10	4.84	3.98	3.73	3.53	3.47	3.72	4.13	4.03	4.69	4.65	3.87
12-months	4.37	3.44	3.65	3.70	3.66	3.77	4.35	4.24	4.21	3.67	3.83	3.74	3.35
<b>2. Overall lending rate</b>													
Short-term (up to 1 year)	9.29	8.70	9.26	9.28	9.50	8.87	9.07	8.15	8.66	7.82	8.48	8.84	8.32
Medium-term (1-2 years)	7.85	8.23	7.66	7.79	8.20	7.39	8.98	7.40	7.38	7.25	7.29	7.92	8.34
Medium-term (2-3 years)	8.61	8.26	8.43	8.85	8.32	8.37	8.42	8.40	8.43	8.29	8.34	8.27	7.71
Long-term (3-5 years)	8.27	8.37	8.21	8.19	8.17	8.25	8.25	8.13	8.11	8.07	8.01	8.03	8.17
Term loans (over 5 years)	8.83	8.88	7.82	8.25	7.68	7.75	8.09	7.63	7.64	7.61	7.69	8.89	7.57

Source: Bank of Tanzania

Note: p denotes provisional data.



**Table A5: Tanzania Balance of Payments**

	Millions USD				
Item	2012	2013	2014	2015 <sup>r</sup>	2016 <sup>p</sup>
<b>A. Current account</b>	-3,769.6	-4,988.5	-4,843.9	-3,651.3	-2,154.6
Goods: exports f.o.b.	5,889.2	5,258.1	5,194.1	5,316.8	5,661.2
Traditional	956.7	868.9	828.8	793.3	885.6
Non-traditional	4,164.4	3,703.3	3,798.6	4,040.1	4,260.9
o/w: Gold	2,117.4	1,644.8	1,324.1	1,183.3	1,449.4
Unrecorded trade	768.2	685.8	566.8	483.3	514.7
Goods: imports f.o.b.	-10,319.1	-11,029.1	-10,917.8	-9,843.1	-8,463.6
Balance on goods	-4,429.9	-5,771.1	-5,723.7	-4,526.3	-2,802.5
Services: credit	2,786.4	3,201.7	3,396.0	3,412.4	3,607.5
Transport	641.1	811.8	902.6	1,024.9	1,061.8
Travel	1,712.7	1,880.4	2,010.1	1,902.0	2,131.6
Other	432.6	509.5	483.2	485.5	414.1
Services: debit	-2,358.9	-2,488.5	-2,668.7	-2,669.7	-2,231.4
Transport	-1,046.9	-1,137.8	-1,163.0	-1,087.6	-948.7
Travel	-967.0	-1,033.9	-1,101.6	-1,195.3	-922.3
Other	-344.9	-316.7	-404.1	-386.8	-360.4
Balance on services	427.5	713.2	727.3	742.6	1,376.1
Balance on goods and services	-4,002.4	-5,057.9	-4,996.4	-3,783.6	-1,426.4
Primary income: credit	131.1	130.1	118.4	110.3	98.5
o/w: Investment income	109.6	99.9	86.5	87.8	67.6
Compensation of employees	21.4	30.2	31.9	22.5	31.0
Primary income: debit	-705.1	-835.8	-443.2	-458.4	-1,208.3
o/w Direct investment income	-560.2	-617.0	-240.4	-173.8	-779.9
Interest payments	-84.1	-148.2	-150.9	-248.6	-379.9
Compensation of employees	-57.0	-67.9	-49.1	-33.2	-46.1
Balance on primary income	-574.0	-705.7	-324.8	-348.1	-1,109.7
Balance on goods, services and primary income	-4,576.4	-5,763.6	-5,321.2	-4,131.7	-2,536.1
Secondary income: credit	912.3	836.9	535.5	560.5	452.7
Government	543.6	485.2	177.9	195.2	81.1
o/w: Miscellaneous current transfers (Multilateral HIPC relief)	0.0	0.0	0.0	0.0	0.0
Financial corporations, non-financial corporations, households and NPISHs	368.7	351.7	357.6	365.3	371.6
o/w: Personal transfers	368.7	351.7	357.6	365.3	371.6
Secondary income: debit	-105.4	-61.8	-58.2	-80.2	-71.2
Balance on secondary income	806.8	775.1	477.3	480.4	381.5
<b>B. Capital account</b>	777.2	658.8	522.2	354.4	420.4
Capital transfers credit	777.2	658.8	522.2	354.4	420.4
General government	713.6	595.2	457.9	290.3	357.3
Other capital transfers (Investment grant)	713.6	595.2	457.9	290.3	357.3
Financial corporations, non-financial corporations, households and NPISHs	63.6	63.6	64.2	64.0	63.2
Capital transfers:debit	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	-2,992.4	-4,329.7	-4,321.8	-3,297.0	-1,734.2
<b>C. Financial account, excl. reserves and related items</b>	-3,879.6	-5,021.0	-3,244.5	-2,874.4	-2,321.9
Direct investments	-1,799.6	-2,087.3	-1,416.1	-1,560.6	-1,365.4
Direct investment abroad	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	1,799.6	2,087.3	1,416.1	1,560.6	1,365.4
Portfolio investment	-6.1	-4.5	-11.5	-27.6	5.0
Other investment	-2,073.9	-2,929.3	-1,816.9	-1,286.1	-961.5
Assets	-220.6	186.4	-29.4	331.7	-129.1
Loans (Deposit-taking corporations, except the central bank)	-37.2	-0.1	-24.5	186.8	-95.8
Currency and deposits	-183.3	186.6	-4.9	144.9	-33.3
Deposit-taking corporations, except the central bank	-156.3	-20.7	-87.9	69.5	-150.1
Other sectors	-27.0	207.3	83.0	75.4	116.8
Other assets	0.0	0.0	0.0	0.0	0.0
Liabilities	1,853.4	3,115.7	1,787.5	1,617.8	832.4
Trade credits	0.2	0.8	-1.0	-0.1	0.2
Loans	1,820.3	2,927.6	1,774.0	1,715.3	901.5
Monetary Authority	0.0	0.0	0.0	0.0	0.0
General government	971.2	1,750.8	1,337.4	1,247.0	381.9
Drawings	1,022.8	1,834.4	1,476.8	1,440.7	828.5
Repayments	-51.6	-83.6	-139.3	-193.8	-446.5
Banks	30.6	188.5	14.6	97.3	209.2
Other sectors	818.6	988.3	422.0	371.0	310.3
Drawings	872.3	1,070.6	494.5	547.4	453.3
Repayments	-53.7	-82.3	-72.5	-176.4	-142.9
Currency and deposits	32.8	187.3	14.4	-97.5	-69.3
Total, Groups A through C	-6,872.0	-9,350.7	-7,566.2	-6,171.3	-4,056.1
<b>D. Net errors and omissions</b>	-561.1	-183.4	825.5	223.5	-282.2
Overall balance	326.2	507.9	-251.8	-199.1	305.5
<b>E. Reserves and related items</b>	326.2	507.9	-251.8	-199.1	305.5
Reserve assets	324.7	621.4	-307.3	-273.7	232.2
Use of Fund credit and loans	1.5	-113.5	55.5	74.6	73.3
<b>Memorandum items:</b>					
GDP(mp) billions of TZS	61,434.2	70,953.2	79,718.4	90,863.8	103,744.6
GDP(mp) millions of USD	39,087.6	44,382.8	48,240.9	45,766.1	47,653.3
CAB/GDP	-9.6	-11.2	-10.0	-8.0	-4.5
CAB/GDP (excluding current official transfers)	-11.0	-12.3	-10.4	-8.4	-4.7
Gross official reserves	4,068.1	4,689.7	4,377.2	4,093.7	4,325.6
Months of imports	3.6	4.1	4.2	4.6	5.6
Months of imports(excluding FDI related imports)	4.1	4.5	4.7	5.1	6.3
Exchange rate (end of period)	1,571.6	1,574.0	1,725.8	2,148.5	2,172.6
Exchange rate (annual average)	1,571.7	1,598.7	1,652.5	1,985.4	2,177.1

Source: Bank of Tanzania

Notes: r denotes revised data; p, provisional data; and o/w, of which



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

Base: Dec 2015 = 100

Weight (%)	Headline overall index	Food and non-alcoholic beverages	Transport	Housing, water, electricity, gas and other fuel	Furnishing, housing equipment and routine maintenance	Clothing and footwear	Restaurants and hotels	Miscellaneous goods and services	Alcohol and tobacco	Communication	Education	Recreation and culture	Health
	100.0	38.5	12.5	11.6	6.3	8.3	4.2	3.1	3.7	5.6	1.5	1.6	2.9
2016-Jan	6.5	10.7	1.3	1.1	3.5	4.8	4.3	4.0	1.7	0.5	3.4	3.6	4.4
Feb	5.6	9.5	2.0	0.8	3.1	4.5	2.8	3.9	1.8	0.4	3.6	3.3	6.0
Mar	5.4	8.3	2.6	5.5	3.8	4.2	2.8	3.6	2.1	-1.0	2.6	4.1	6.2
Apr	5.1	7.1	2.0	7.0	4.9	4.3	4.8	3.9	4.1	-1.0	2.6	4.1	6.4
May	5.2	7.0	1.6	8.8	4.4	4.5	4.9	3.9	4.9	-0.6	2.7	3.9	6.6
Jun	5.5	8.1	1.3	7.6	4.2	4.6	5.3	3.7	4.9	-0.6	2.7	3.4	6.8
Jul	5.1	7.6	0.4	7.4	3.4	4.2	4.3	4.0	5.5	-0.4	2.8	3.3	6.0
Aug	4.9	6.9	-0.4	6.8	3.6	3.7	5.2	3.9	5.2	-0.2	3.0	3.5	5.9
Sep	4.5	6.0	-0.8	6.5	3.5	4.2	5.2	3.3	5.3	-0.4	2.9	1.2	6.0
Oct	4.5	6.0	0.1	7.2	3.6	3.8	4.3	3.2	5.3	-0.7	2.9	1.5	5.8
Nov	4.8	6.2	0.7	10.9	4.3	3.9	4.4	3.1	5.6	-0.6	2.9	1.8	5.5
Dec	5.0	7.0	0.3	9.9	4.0	3.7	4.2	2.9	5.1	-0.9	2.6	1.8	4.7
2017-Jan	5.2	7.6	0.6	9.5	3.3	3.4	3.9	2.3	5.0	-0.9	1.8	0.7	4.8
Feb	5.5	8.7	0.6	8.7	3.8	3.2	3.9	1.9	5.2	-1.5	0.8	1.4	3.3
Mar	6.4	11.0	1.6	6.8	3.9	3.4	3.6	3.6	5.2	-0.1	0.8	1.2	3.0
Apr	6.4	11.8	1.9	5.8	3.1	3.9	0.8	4.3	3.5	-0.5	0.8	1.3	2.5
May	6.1	11.6	1.3	4.6	3.2	3.7	0.9	4.0	3.0	-0.8	0.7	1.2	2.9
Jun	5.4	9.6	0.4	7.1	3.2	3.8	0.7	3.7	3.0	-1.0	0.8	0.8	2.2
Jul	5.2	8.9	0.1	7.1	3.3	3.8	0.8	4.0	2.4	-1.0	0.9	1.0	2.4
Aug	5.0	8.6	-0.6	8.9	2.7	3.4	-0.3	3.7	2.5	-1.1	0.8	1.3	2.0
Sep	5.3	9.3	-0.3	8.8	2.6	3.4	-0.3	3.4	2.5	-1.0	0.8	1.9	1.9
Oct	5.1	8.8	0.2	7.6	2.8	3.4	0.6	3.0	2.6	-0.9	0.8	1.9	2.1
Nov	4.4	7.4	0.1	7.8	1.8	3.1	0.3	2.6	2.5	-1.0	0.8	1.6	2.0
Dec	4.0	6.2	0.0	8.3	1.3	2.9	0.3	2.5	2.6	-1.0	0.8	0.9	2.0
2018-Jan	4.0	6.3	0.3	7.1	1.8	2.7	0.8	2.6	2.6	-1.0	2.5	2.0	1.6
Feb	4.1	5.4	1.6	8.6	1.6	3.3	0.9	2.7	2.3	-0.2	2.5	1.5	1.6
Mar	3.9	4.7	1.4	10.4	1.9	3.2	0.8	1.2	2.0	-0.2	2.4	1.1	1.6

Source: National Bureau of Statistics



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

Base: Dec 2015 = 100

Period	Food (combining food consumed at home and in restaurants)	Total non-food (all items less food)	All items less food and energy	Energy and fuels (combining electricity and other fuels for use at home with petrol and
Weight (%)	37.1	62.9	54.3	8.7
2016-Jan	10.3	2.0	2.4	0.3
Feb	8.1	1.9	2.5	-0.6
Mar	8.0	3.0	2.8	5.2
Apr	7.3	3.5	3.0	6.6
May	7.2	3.8	3.0	9.0
Jun	8.3	3.6	3.0	7.5
Jul	7.8	3.2	2.6	7.3
Aug	7.0	3.0	2.6	5.9
Sep	6.0	2.6	2.4	4.9
Oct	6.0	2.9	2.5	6.2
Nov	6.4	3.8	2.6	11.7
Dec	7.4	3.8	2.5	11.7
2017-Jan	8.2	3.6	2.3	11.5
Feb	9.3	3.6	2.2	12.3
Mar	11.7	3.6	2.2	11.5
Apr	12.0	3.4	2.3	9.9
May	11.8	3.0	2.2	7.4
Jun	9.8	3.1	1.9	10.3
Jul	9.3	3.1	2.2	8.8
Aug	9.1	3.1	1.8	10.4
Sep	9.8	3.1	1.7	10.9
Oct	9.4	3.0	1.7	10.6
Nov	7.9	2.9	1.4	11.1
Dec	6.7	2.8	1.3	11.4
2018-Jan	6.7	2.8	1.4	10.4
Feb	5.8	3.3	1.7	12.1
Mar	5.0	3.5	1.6	14.1

Source: National Bureau of Statistics



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

Base: Dec 2015 = 100

Period	Weight (%)	Headline overall index	Food and non-alcoholic beverages <sup>1</sup>	Transport	Housing, water, electricity, gas and other fuel	Furnishing, housing equipment and routine maintenance	Clothing and footwear	Restaurants and hotels	Miscellaneous goods and services	Alcohol and tobacco	Communication	Education	Recreation and culture	Health
		100.0	38.5	12.5	11.6	6.3	8.3	4.2	3.1	3.7	5.6	1.5	1.6	2.9
2016-Jan		0.7	1.0	-0.3	1.6	0.5	0.9	0.3	0.6	0.2	0.0	1.0	0.3	0.5
Feb		0.7	1.2	-0.5	2.0	-0.2	0.2	0.1	0.4	0.1	0.0	1.2	-0.1	1.5
Mar		0.5	0.7	-0.5	2.5	0.3	0.0	0.5	-0.2	0.3	-1.4	0.0	0.6	0.3
Apr		0.5	0.5	0.1	0.2	0.9	0.2	-0.1	0.3	2.0	0.0	0.1	-0.1	0.5
May		0.5	0.5	0.2	1.8	-0.2	0.6	-0.1	0.3	0.8	0.3	0.1	0.2	0.2
Jun		0.5	1.1	0.4	-1.1	0.1	0.5	0.3	0.2	0.2	0.2	0.0	0.4	0.7
Jul		0.0	-0.1	0.2	0.1	0.0	0.2	0.0	0.0	0.6	0.1	0.1	-0.2	0.0
Aug		-0.2	-1.0	0.6	0.0	0.4	0.3	0.9	0.2	0.2	0.0	0.2	0.5	0.3
Sep		-0.2	-1.0	-0.1	1.5	0.3	0.0	0.0	0.3	0.1	-0.1	0.0	-0.4	0.1
Oct		0.1	0.2	-0.3	0.9	-0.1	0.0	-0.9	0.1	0.0	-0.1	0.0	0.3	0.2
Nov		1.1	2.2	0.4	0.7	1.0	0.3	0.4	0.4	0.4	0.0	0.0	0.3	0.1
Dec		0.7	1.6	0.3	-0.6	0.8	0.4	0.0	0.1	0.1	0.0	0.0	0.1	0.1
2017-Jan		0.8	1.6	0.0	1.2	-0.1	0.6	0.0	0.1	0.1	0.0	0.1	-0.8	0.5
Feb		1.0	2.3	-0.5	1.3	0.3	0.0	0.1	0.0	0.3	-0.7	0.2	0.5	0.1
Mar		1.4	2.8	0.4	0.7	0.4	0.2	0.2	1.5	0.3	0.0	0.0	0.3	0.0
Apr		0.5	1.3	0.4	-0.8	0.1	0.6	0.0	1.0	0.4	-0.4	0.0	0.0	0.0
May		0.2	0.3	-0.4	0.7	0.0	0.4	-0.1	0.0	0.2	0.0	0.1	0.1	0.6
Jun		-0.1	-0.7	-0.6	1.2	0.1	0.6	0.2	-0.1	0.2	0.0	0.0	0.0	0.1
Jul		-0.2	-0.7	0.0	0.2	0.1	0.2	0.0	0.2	0.0	0.0	0.2	0.1	0.2
Aug		-0.4	-1.3	-0.2	1.7	-0.2	-0.1	-0.2	0.0	0.4	0.0	0.0	0.8	-0.1
Sep		0.0	-0.4	0.2	1.3	0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.2	0.0
Oct		-0.1	-0.2	0.3	-0.2	0.1	0.1	0.0	-0.3	0.1	0.0	0.0	0.3	0.5
Nov		0.5	0.8	0.3	0.9	0.1	0.1	0.2	0.0	0.3	0.0	0.0	0.0	0.0
Dec		0.2	0.5	0.2	-0.2	0.3	0.2	0.0	0.0	0.2	0.0	0.0	-0.5	0.1
2018-Jan		0.8	1.7	0.3	0.1	0.4	0.4	0.4	0.2	0.1	0.0	1.8	0.3	0.2
Feb		1.1	1.4	0.8	2.7	0.2	0.6	0.2	0.1	0.0	0.2	0.2	0.0	0.0
Mar		1.2	2.1	0.2	2.4	0.7	0.1	0.1	-0.1	0.0	0.0	0.0	0.0	0.0

Source: National Bureau of Statistics





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

Base: Dec 2015 = 100

Period	Food (combining food consumed at home and food consumed in restaurants)	All items less food and energy	Energy and fuels (combining electricity and other fuels for use at home with petrol and diesel)	Total non-food (all items less food)
Weight (%)	37.1	62.9	54.3	8.7
2016-Jan	1.1	0.5	0.4	1.4
Feb	0.4	0.2	1.4	0.4
Mar	0.7	0.2	2.1	0.5
Apr	0.9	0.3	0.0	0.3
May	0.5	0.2	2.9	0.6
Jun	1.1	0.2	-0.8	0.1
Jul	-0.1	0.1	1.0	0.0
Aug	-1.1	0.3	0.4	0.3
Sep	-1.1	0.3	1.5	0.1
Oct	0.1	0.1	0.5	0.1
Nov	2.3	0.3	1.0	0.4
Dec	1.7	0.2	-0.3	0.1
2017-Jan	1.7	0.3	0.2	1.2
Feb	2.4	0.4	2.1	0.1
Mar	2.9	0.2	1.4	0.4
Apr	1.2	0.4	-1.4	0.2
May	0.3	0.2	0.6	0.1
Jun	-0.7	0.2	1.8	-0.1
Jul	-0.6	0.2	-0.4	0.1
Aug	-1.3	0.0	1.9	0.3
Sep	-0.4	0.0	1.9	0.3
Oct	-0.3	0.0	0.2	0.0
Nov	0.8	0.3	1.4	0.1
Dec	0.5	0.1	0.0	0.1
2018-Jan	1.8	0.3	0.3	0.3
Feb	1.5	0.9	0.4	3.7
Mar	2.2	0.1	3.3	0.6

Source: National Bureau of Statistics



**Table A7: National Debt Developments**

	Millions of USD												
Item	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
1. Overall total debt committed <sup>2</sup>	25,258.3	25,409.7	25,522.6	26,053.2	26,261.8	26,453.2	26,351.1	26,272.0	26,284.5	26,665.7	26,887.4	27,210.8	27,181.5
Disbursed outstanding debt	16,246.2	16,392.1	16,542.8	17,130.6	17,406.2	17,665.2	17,671.9	17,642.9	17,660.4	17,629.4	17,861.3	18,445.4	18,467.5
Undisbursed debt	9,012.0	9,017.6	8,979.7	8,922.5	8,855.6	8,788.0	8,679.3	8,629.1	8,624.1	9,036.3	9,026.1	8,765.4	8,714.0
2. Disbursed debt by creditor category <sup>2</sup>	16,246.2	16,392.1	16,542.8	17,130.6	17,406.2	17,665.2	17,671.9	17,642.9	17,660.4	17,629.4	17,861.3	18,445.4	18,467.5
Bilateral debt	961.6	961.5	968.9	975.0	990.4	999.4	985.4	979.2	970.8	971.7	996.8	1,019.1	1,210.1
Multilateral debt	8,318.1	8,469.2	8,581.7	8,710.0	8,924.6	9,035.4	9,092.1	9,061.6	9,115.3	9,091.9	9,120.7	9,584.7	9,525.7
Commercial debt	5,422.7	5,427.5	5,459.8	5,909.0	5,948.1	6,083.7	5,978.9	5,996.4	5,950.0	5,794.0	5,958.8	5,981.9	5,851.3
Exportcredits	1,543.8	1,533.9	1,532.5	1,536.7	1,543.0	1,546.7	1,615.4	1,605.7	1,624.3	1,771.8	1,785.0	1,859.7	1,880.4
3. Disbursed debt by borrower category <sup>2</sup>	16,246.2	16,392.1	16,542.8	17,130.6	17,406.2	17,665.2	17,671.9	17,642.9	17,660.4	17,629.4	17,861.3	18,445.4	18,467.5
Central government	12,981.5	13,032.2	13,155.6	13,721.6	13,987.7	14,240.5	14,190.3	14,165.4	14,176.3	14,189.6	14,467.9	14,722.4	14,725.8
Public corporations	275.3	276.3	280.9	282.1	285.5	288.5	286.6	285.0	287.7	220.5	203.5	207.4	208.1
Private sector	2,989.4	3,083.6	3,106.3	3,126.9	3,133.0	3,136.2	3,195.0	3,192.6	3,196.4	3,219.3	3,189.9	3,515.6	3,533.6
4. Disbursed debt by use of funds <sup>2</sup>	16,246.2	16,392.1	16,542.8	17,130.6	17,406.2	17,665.2	17,671.9	17,642.9	17,660.4	17,629.4	17,861.3	18,445.4	18,467.5
Balance of payments and budget support	2,311.7	2,353.9	2,368.3	2,771.6	2,827.9	3,005.4	2,931.7	2,882.2	2,874.4	2,812.9	2,915.4	2,845.5	2,850.3
Transport and telecommunication	3,880.2	3,902.7	3,904.0	3,934.2	3,975.3	4,009.9	3,976.6	3,975.1	3,965.2	4,000.9	4,031.4	4,102.0	4,344.0
Agriculture	1,096.6	1,100.5	1,103.1	1,131.1	1,182.8	1,193.6	1,189.6	1,184.1	1,187.3	1,188.7	1,185.5	1,219.0	1,226.0
Energy and mining	2,727.4	2,781.9	2,780.5	2,815.5	2,876.8	2,880.5	2,878.5	2,910.2	2,916.0	2,927.4	2,929.3	2,993.0	3,024.0
Industries	441.4	439.5	437.2	439.7	446.4	458.6	532.8	538.0	541.0	542.4	540.0	585.0	587.0
Social welfare and education	2,427.1	2,457.2	2,485.3	2,540.0	2,588.2	2,611.9	2,657.0	2,645.7	2,662.5	2,697.7	2,795.7	2,902.0	3,018.2
Finance and insurance	761.1	790.3	884.6	905.0	907.1	905.5	913.2	914.6	915.7	924.0	921.0	1,004.0	1,015.0
Tourism	69.0	67.8	67.7	68.0	67.7	67.1	67.6	67.1	67.2	67.6	66.6	67.0	68.0
Real estate and construction	803.8	802.3	802.8	804.9	802.9	801.7	804.4	803.4	816.1	816.4	811.0	1,079.0	833.0
Other	1,728.0	1,696.0	1,709.1	1,720.7	1,731.0	1,730.9	1,720.7	1,722.4	1,715.1	1,651.4	1,665.4	1,648.9	1,502.0
5. Total amount of loan contracted <sup>1</sup>	260.8	122.1	10.8	421.0	7.8	11.5	78.3	1.7	0.4	24.0	32.3	11.0	76.7
Central government	0.0	0.0	0.0	400.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private sector	260.8	122.1	10.8	21.0	7.8	11.5	78.3	1.7	0.4	24.0	32.3	11.0	76.7
6. Disbursements <sup>1</sup>	223.5	136.0	87.7	561.5	136.6	154.5	168.3	44.7	4.6	47.2	91.6	106.5	132.9
Central government	205.2	31.5	65.8	542.4	133.6	151.3	95.4	43.3	4.5	43.0	46.6	82.3	91.9
Public corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private Sector	18.3	104.5	21.9	19.1	3.0	3.2	72.9	1.4	0.1	4.2	45.0	24.2	41.0
7. Actual debt service <sup>1</sup>	153.9	106.5	31.9	57.1	0.0	46.1	147.5	26.1	75.0	159.1	200.0	19.5	184.6
Principal	102.1	25.5	26.1	46.0	0.0	16.6	99.7	14.2	62.5	122.2	135.0	15.0	143.1
Interest	51.8	81.0	5.9	11.1	0.0	29.4	47.8	11.9	12.5	36.9	65.0	4.5	41.5
Other payments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8. Net flows on debt <sup>1</sup>	121.5	110.5	61.6	515.5	136.6	137.9	68.7	30.5	-57.9	-75.0	-43.4	91.6	-10.2
9. Net transfers on debt <sup>1</sup>	69.7	29.5	55.7	504.4	136.6	108.5	20.9	18.6	-70.4	-111.9	-108.4	87.1	-51.7
10. Arrears by creditors category <sup>2</sup>	2,984.1	2,950.4	3,002.6	3,162.2	3,213.7	3,267.5	3,334.5	3,365.0	3,428.7	3,589.5	3,604.8	3,918.6	4,041.8
Principal	1,563.2	1,584.4	1,621.4	1,745.3	1,779.5	1,819.5	1,866.0	1,893.7	1,951.2	2,038.6	2,048.0	2,254.1	2,352.7
Bilateral debt	337.5	338.8	339.8	346.8	348.1	350.5	349.4	302.6	305.1	312.6	319.9	320.0	319.6
Multilateral debt	29.6	37.8	38.3	72.4	76.6	77.2	80.0	91.1	92.0	87.1	88.9	87.4	90.1
Commercial debt	662.2	677.1	688.6	720.6	739.7	770.9	801.2	833.9	849.4	723.2	725.0	810.2	764.3
Export credits	533.9	530.7	554.8	605.4	615.1	620.9	635.4	666.1	704.7	915.8	914.2	1,036.5	1,178.7
Interest	1,420.9	1,366.0	1,381.2	1,416.9	1,434.1	1,448.0	1,468.5	1,471.3	1,477.5	1,550.8	1,556.8	1,664.5	1,689.1
Bilateral debt	770.6	776.1	781.5	784.8	791.7	799.8	799.7	790.8	794.0	827.5	839.4	841.9	846.4
Multilateral debt	10.6	13.6	13.9	15.0	15.4	16.6	17.9	21.7	22.2	23.3	22.5	24.5	26.0
Commercial debt	361.3	366.8	369.7	378.0	385.0	387.8	401.3	405.6	401.5	331.1	330.2	343.0	351.2
Exportcredits	278.4	209.5	216.0	239.1	242.1	243.8	249.7	253.2	259.8	368.9	364.7	455.1	465.5
11. External debt stock	17,667.1	17,758.1	17,924.0	18,547.6	18,840.3	19,113.2	19,140.4	19,114.3	19,137.9	19,180.2	19,418.1	20,109.9	20,156.6
12. Domestic debt stock	4,935.8	4,973.9	5,092.6	5,285.2	5,374.5	5,458.3	5,530.8	5,614.2	5,687.8	6,013.8	6,206.2	6,279.7	6,265.4
13. Total debt stock	22,602.9	22,732.0	23,016.6	23,832.8	24,214.8	24,571.4	24,671.2	24,728.4	24,825.7	25,194.1	25,624.3	26,389.6	26,422.0
End of period exchange rate	2,223.9	2,227.3	2,229.5	2,230.1	2,231.6	2,234.9	2,237.8	2,237.8	2,233.1	2,230.1	2,250.8	2,255.9	2,259.8

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

Note: Multilateral arrears are those owed by the private sector.

<sup>1</sup> denotes debt flows during the period; and <sup>2</sup> denotes stock position at the end of period



## Glossary

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

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

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

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

### **Discount rate**

The rate of interest that the Bank of Tanzania charges on loans it extends to commercial banks and overdrafts to government.

### **Exchange rate**

The price at which one unit of a currency can be purchased with another currency. In Tanzania, exchange rate is defined as amount of shillings required to purchase a unit of foreign currency, e.g. TZS per US dollar.

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

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

### **Lombard facility**

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

### **Lombard rate**

The rate that the Bank of Tanzania charges a bank for borrowing through the use of a Lombard Facility. This rate is determined as the higher of three market rates namely: the weighted average yield for 35-day Treasury bill, the repo rate and overnight inter-bank rate, plus a margin.

### **Money supply**

Constitutes the sum of currency circulating outside banks and Tanzanian residents' deposits with other depository corporations, 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).

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

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

### **Non-food inflation**

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.

### **Other depository corporations**

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

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

These are agreements for the Bank of Tanzania to purchase/sell 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 from/to the Bank of Tanzania at the end of the period.

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

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

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

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



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