



**BANQUE DE LA REPUBLIQUE DU BURUNDI**



**Economic indicators**  
**June 2021**

## **I. INTRODUCTION**

The following main economic indicators concerned the developments at the end of June 2021, in the real sector and prices, the public finance, the foreign trade, the exchange rate, the broad money and its counterparts and the main financial soundness indicators.

On an annual basis, the real sector was marked, in June 2021 by an increase of industrial production and parchment coffee production and the end of the 2020/2021 coffee campaign.

Inflation has increased in June 2021 compared to the same period in 2020.

The trade balance deteriorated at the end of June 2021 while the overall fiscal deficit (excluding grants) deteriorated at the end of June 2021, relative to the same period in 2020. The Burundi Franc depreciated against the US Dollar.

The reserve money and money supply increased at the end of June 2021.

The aggregated balance sheet of the banking sector improved as well as the deposits and credit to the private sector. In terms of financial soundness, the banking sector remained sufficiently capitalized, solvent and profitable.

## **II. PRODUCTION**

Year -on- year basis, industrial production index and the production of green leaf tea increased.

### **II.1 Industrial Production Index**

Year-on-year basis, the industrial production index increased by 6.6% in June 2021, standing at 147.8 from 138.7 recorded in the previous year, mainly due to the increase in the production of BRARUDI beverages (+ 8.1%) and cigarettes (+ 26.3%).

On the other hand, compared to the previous month, this index increased by 7.4%, in line with the increase in the production of BRARUDI beverages (+7.1%).

### **II.2. Coffee**

In June 2021, no production of parchment coffee was recorded, following the closure of the 2020/2021 coffee campaign.

### **II.3. Tea**

The production of green leaf tea increased by 9.5 percent in June 2021, reaching at 5,043.1 tonnes against 4,607.0 tonnes in the same month of 2020. Likewise, cumulative production fell by 2.1 percent at the end of June 2021, standing at 32,853.5 tonnes against 33,543.5 tonnes in the same period of 2020.

## **III. INFLATION DEVELOPMENTS**

Year-on-year basis, headline inflation upturn to 9.1% in June 2021 compared to 8.5% in the same period of the previous year. The rise in inflation is mainly explained by an acceleration in the prices of non-food products (+ 5.7 against + 3.4%) while food prices (+ 12.2 against + 13.9%) glided down.

## Headline inflation and its main components, (base 2016/2017=100)

	June-20		June-21	
	CPI	Inflation	CPI	inflation
<b>Headline Inflation</b>	<b>117.8</b>	<b>8.5</b>	<b>128.5</b>	<b>9.1</b>
<b>1. Food</b>	<b>115.6</b>	<b>13.9</b>	<b>129.7</b>	<b>12.2</b>
- Bread and cereals	112	14.4	115.6	3.2
- Meat	144.5	20.5	156.2	8.1
- Fish and sea food	147.7	2.6	163.8	10.9
- Milk, cheese and eggs	120.9	8.1	134.2	11.0
- Oils and fats	126.2	-0.2	158.0	25.2
- Fruits	103.2	-13.2	142.3	37.9
- Vegetables	107.9	19.1	125.0	15.8
- Sugar, jam, honey, chocolate and confectionery	116.2	7.8	112.2	-3.4
- undefined food elsewhere	130.9	16.1	126.2	-3.6
<b>2. Non food</b>	<b>120.3</b>	<b>3.4</b>	<b>127.2</b>	<b>5.7</b>
- Alcoholic beverages ,tobacco	116.7	3.2	120.3	3.1
- clothing and footwear	125.8	5.0	132.3	5.2
- Housing, water, electricity, gas and other fuels	126.4	3.9	136.9	8.3
- Furnishing, household equipment and routine household	123.2	4.6	125.1	1.5
- Health	118.7	3.0	160.0	34.8
- Transport	117.1	0.2	121.5	3.8
- Communication	101.5	-0.3	102.3	0.8
- leisure and culture	129.5	8.5	130.3	0.6
- Education	141.7	1.9	151.3	6.8
- Hotels, Restaurant and café	115.4	4.5	118.2	2.4
- Other goods and services	122	3.0	125.2	2.6
<b>Energy and fuels</b>	<b>142.1</b>	<b>4.0</b>	<b>163.3</b>	<b>14.9</b>
<b>3. Core Inflation</b>	<b>118.8</b>	<b>5.9</b>	<b>125.6</b>	<b>5.7</b>

**Source: BRB, from ISTEEBU data**

The sluggishness in food inflation is mainly explained by a drop in the prices of the sub-headings "Sugar, jams, honey, chocolates and confectionery" (-3.4 against +7.8%) and "Miscellaneous food products" (-3.6 against +16.1%) combined with the slowdown in the prices of the sub-headings "Breads and cereals" (+3.2 against +14.4%), "Meat" (+8.1 against +20.5%) and "Vegetables" (+15.8 against +19.1%).

The rise in non-food inflation is mainly linked to an increase in the prices of sub-items such as "Housing, water, electricity, gas and other fuels" (+8.3 against +3.9%), "Health" (+34.8 against +3.0%) and "Transport" (+3.8 against +0.2%).

Year-on-year basis, the price index combining the prices of energy, fuel and other fuels increased by 14.9% in June 2021 against 4.0% in the same period of the previous year.

Headline inflation excluding food and energy prices, which is the proxy for core inflation, slowed down in June 2021 compared to the same period in previous year (+5.7 against +5.9%).

## IV. TRADE BALANCE

The trade balance deficit deteriorated at the end of June 2021, standing at BIF 854,125.9 million against 767,876.6 million at the corresponding period in 2020. This result is linked to the significant rise in imports (BIF 967,657.3 million against 849,763.4 million) than exports (BIF 113,531.4 million against 81,886.8 MBIF).

### IV.1 Exports

Year-on-year basis, exports increased by 38.6% in value and by 70.0% in volume, at the end of June 2021.

In value, the increase concerned both exports of primary products (mainly coffee and niobium ores) which stood at BIF 58,957.5 against 41,909.7 million and manufactured products (BIF 54,573.9 against 39,977.1 million).

In volume terms, the increase was mainly related to the exports of manufactured products (50,629 against 23,262 tonnes), mainly in relation to the increase of beer exports (24,331 against 5,215 tonnes). On the other hand, primary products fell slightly

(14,226 against 14,897 tonnes)

#### **IV.2 Imports**

Imports increased both in value (+13.9%) and in volume (+14.5%) at June 2021 relative to the same period a year earlier.

In value, the increase in imports covered all categories: intermediate goods (to BIF 425,370.2 million from BIF 386,025.9 million), capital goods (to BIF 189,709 million from 186,457 million) and consumer goods (to BIF 352,578 from 279,280 million).

The increase in imports of production goods has, primarily, concerned imports of metallurgical goods (+31.3%), goods intended for the production of food products (+24.4%), chemicals (+75.2%), goods for agriculture and livestock (+12.1%) and those intended for construction (+15.4%). However, imports of mineral oils fell (-11.3%).

The rise in imports of capital goods focused on the parts and tools (+63.4%), boilers and mechanical devices (+15.4%) and tractors, vehicles and transport equipment (+ 8.2%). In contrast, imports of electrical equipment fell at 35.6%

Regarding imports of consumer goods, the increase concerned mainly pharmaceutical goods (+86.3%), food goods (+ 19.6%) and textiles (+ 49.3%). In contrast, car imports fell at 11.1%.

In terms of volume, imports of intermediate goods increased to tonnes 439,048 from 428,917 tonnes. Likewise, capital goods rose to tonnes 30,754 from 27,271 as well as

consumer goods, tonnes 172,318 from 104,582 at the end of June 2020.

#### **V. EXCHANGE RATE**

Year-on Year basis, the BIF depreciated by 3.19% against the US dollar in June 2021; the monthly average exchange rate was BIF 1,976.04 against BIF 1,915.00 per a unit of US dollar.

At the end of the period from the end of June 2020 - 2021, the BIF depreciated by 3.20% against the US dollar and the exchange rate rising from BIF 1,912.32 to 1,973.45 per a unit of US dollar.

#### **VI. GOVERNMENT FINANCIAL OPERATIONS**

At the end of June 2021, the overall fiscal deficit (excluding grants) worsened compared to the same period of the previous year, standing at BIF 274,176.7 million against BIF 164,637.9 million, following the higher increase in revenue than in expenditure.

##### **VI.1. Revenue**

In June 2021, revenue increased by 15.5 percent compared to the same month of 2020, standing at BIF 121,489.1 million against BIF 105,149.5 million. This increase was mainly related to the tax revenue (BIF +15,728.9 million) and non-tax revenue (BIF +610.7 million). As the same, cumulative revenue increased (+16.3 percent), expanding at BIF 593,028.0 million against BIF 509,836.1 million in the same period of 2020, in line with the increase in both tax revenue (BIF +71,634.4 million) and non-tax revenue (BIF +11,557.4 million).

## **VI.2. Expenditure**

The expenditure incurred in June 2021 increased by 75.9 percent compared to the same month of 2020, reaching BIF 229,632.1 million against BIF 130,554.9 million. Likewise, cumulative expenditure increased by 28.6 percent at the end of June 2021, standing at BIF 867,204.7 million against BIF 674,474.0 million in the same period of 2020.

Cumulative personnel compensation slightly increased by 2.1 percent reaching to BIF 240,586.5 million against BIF 235,618.3 million in the same period of 2020.

## **VI.3. Public debt**

On an annual basis, public debt increased by 19.2% at the end of June 2021 compared to the same period of the previous year, standing at BIF 4,175.2 against 3,502.0 billion, in relation to the increase of both domestic debt (+ 23.9%) and external debt (+ 7.3%).

Compared to the previous month, the outstanding public debt increased by 4.6%, in connection with the increase in domestic debt (+ 6.2%) and external debt (+ 0.2%).

### **VI.3.1 Domestic Debt**

Year-on-year basis, domestic debt increased by BIF 602,277.3 million at the end of June 2021, from 2,524.3 to BIF 3,126.6 billion, mainly with the increase in government debt in the form of Treasury securities held by commercial banks (+BIF 250,369.1 million) and overdraft from the Central Bank to the Government (+BIF 221,417.6 million).

Compared to the previous month, the stock of

domestic debt increased by BIF 181,939.1 million, in line with the increase in government debt to the banking sector (+BIF 89,239.1 million) and the non-financial sector (BIF 92,700.0 million).

### **VI.3.2. External Debt**

Year-on-year basis, the external debt grew by BIF 70,935.1 million at the end of June 2021, going from BIF 977.7 to 1,048.7 billion. This rise is linked to drawings (BIF 28,956.9 million) and revaluation gains (BIF 61,354.0 million) which exceeded the amortization of the debt (BIF 19,375.8 million).

Compared to the previous month, the external debt increased by 0.2% at the end of June 2021, standing at 1,048.7 against BIF 1,046.7 billion, in relation to the drawings (BIF 817.6 million) and the revaluation gains (BIF 1,121.1 million).

Expressed in US dollars, the external debt extended by USD 20.1 million at the end of June 2021, reaching USD 531.4 million against USD 511.3 million at the end of June 2020.

## **VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS**

Year-over-year basis, the reserve money and the money supply expanded at the end of June 2021.

### **VII.1. Broad Money**

On a year-over-year basis, the monetary base increased by 14.7% at the end of June 2021, compared to 7.0% in the same period of 2020, standing at BIF 807,326.5 million from BIF 703,931.1 million. This growth focused to the

currency outside the central bank (+23.6 against + 13.4%) while the commercial bank deposits at the Central Bank fell in the same period of 2020 (+0.3 against -6.4%).

## **VII.2. Money supply**

Year-on-year basis, the money supply (M3) picked up at the end of June 2021 (+ 25.7% against + 18.9%), standing at BIF 3,017.9 billion from BIF 2,401.6 billion. The acceleration in M3 growth concerned both the M2 monetary aggregate (+26.9 against + 18.9%) and the resident foreign currency deposits (+12.1 against + 17.7%).

The increase in the growth rate of M2 money supply concerned demand deposits which speed up (+28.9 against + 9.8%), while the growth of currency outside deposit institutions (+22.0 against + 18.7%) and that of term and savings deposits(+ 26.4 against + 40.2%) slowed down.

The higher demand deposits growth resulted from a rapid pace of the rise in deposits classified in other accounts (+39.7 against - 2.5%) as well as from the recovery in growth of other non-financial corporations deposits (+46.2 against -15.0%) and of public non-financial corporations (+25.8 against -7.7%). On the other hand, the growth rate of household demand deposits fell to 18.5 from 32.6%.

The slowdown in the growth rate of term deposits and savings denominated in BIF concerned deposits from other non-financial corporations (+57.4 against + 67.8%),

households (+8.4 against +33.1%). In contrast, time deposits and savings of public non-financial corporations fell as in the same period of the previous year (-0.6 against -18.5%).

With regard to the foreign currency deposits of residents, those of households grew more rapidly in a year ending June 2021 than in the same period of the previous year (+22.9 against + 16.0%) and other non-financial corporations increased less rapidly (+ 7.4 against +9.4%).

On the other hand, foreign currency deposits of public non-financial corporations fell, as they did in the same period of the previous year (-47.9 against -13.6%) and those classified in other accounts (-5.3 against + 14.2%) decreased in the year ending June 2021, while they had grown during the corresponding period in 2020.

## **VII.3. Counterparts**

Year-on-year basis, domestic credit (BIF 3,961.5 billion against BIF 3,105.2 billion) grew at a more accelerated pace than in the same period of 2020 (+ 27.6% against + 20.4%).

This increase in growth rate mainly concerned claims on the economy (+40.5 against + 19.0%) and net claims on the Government to a lesser extent (+18.1 against + 21.5%).

The central bank's net claims on the government recovered after declining over the same period of 2020 (+33.4 against -19.6%), while those of commercial banks slowed down their progress (+14.8 versus + 36.4%).

Year-on-year basis, net foreign assets increased by 8.3% at the end of June 2021, against a decrease of 71.5% in the year ending June 2020. This increase resulted from the growth of gross foreign assets (+21.7 against -1.0%) which offset that of external liabilities (+5.9 against +27.3%).

On an annual basis, the growth of official foreign exchange reserves increased by 20.0% at the end of June 2021, up from a decrease of 21.3% recorded at the end of June 2020. These reserves covered 0.8 months of imports of goods and services, against 0.7 month registered at the same period of 2020.

## VIII. MAIN INDICATORS OF BANKING SECTOR

The banking sector improved in June 2021, following a rise in Treasury securities and loans to the economy on the asset side and customer deposits on the liability side. The quality of the credit portfolio improved slightly, and the banking sector remained sufficiently capitalized.

### VIII.1. Assets

The banking sector's assets increased by 26.3% year-on-year, standing at BIF 4,432.4 billion in June 2021 from BIF 3,509.4 billion in June 2020. This increase resulted from the rise in government commitments in terms of Treasury securities (16.8%) and loans to customers (33.6%).

The share of Treasury securities in the total assets remained predominant compared to

other assets. It stood at 39.2% of total assets by the end of June 2021 from 42.4% at the end of June 2020. The share of loans reached 36.6% of the sector's assets from 34.6%.

### VIII.2. Liabilities

The customer deposits increased by 33.7% on a yearly basis, standing to BIF 2,664.1 billion at the end of June 2021 from BIF 1,992.8 billion at the end of June 2020. The Central Bank refinancing to credit institutions declined by 17.6%, standing to BIF 339.1 billion at the end-June 2021 against BIF 411.3 billion at the end-June 2020.

## IX. KEY FINANCIAL SOUNDNESS INDICATORS

The banking sector's equity improved in June 2021. However, the solvency ratios decreased slightly. The return on equity stabilized while the return on assets declined.

### IX.1. Capital Adequacy

The banking sector's capital increased by 31.6% year-on-year, standing to BIF 545,801.0 million at the end-June 2021 from BIF 414,848.7 million in the same period last year. The core and overall capital adequacy ratios<sup>1</sup> declined slightly, to 26.0% and 27.8% respectively in June 2021 from 28.7% and 30.9% in the corresponding period of 2020. Conversely, the leverage ratio<sup>2</sup> increased slightly from 11.0% to 11.5%.

### IX.2. Quality of loans portfolio

The quality of loans portfolio slightly improved at the end of June 2021. The overall

---

<sup>1</sup> The regulatory threshold is 12.5% for Tier 1 capital adequacy ratio and 14.5% for overall capital adequacy ratio.

<sup>2</sup> The regulatory threshold is 5% for leverage ratio.

deterioration rate fell from 6.2% in June 2020 to 4.1% in June 2021.

The loan portfolio's default rate decreased in retail trade (3.8 from 4.9%), construction (3.5 from 6.4%), tourism (9.0 from 38.7%) and equipment (4.2 from 6.2%) sectors.

However, the default rate increased in agriculture (15.6 from 14.7%) and industry (1.5 from 0.9%).

The non-performing loans fell by 11.8% in June 2021, standing to BIF 66,503.6 million from BIF 75,401.9 million in the corresponding month of 2020, following a write-off of two years old loss loans in credit institutions' balance sheets.

### **IX.3. Concentration of loan portfolio**

The banking sector's large exposures<sup>3</sup> rose by 39.0% in June 2021, reaching BIF 560,288.8 million from BIF 403,183.0 million in the corresponding month of 2020. The concentration of large exposures over the overall loan portfolio grew from 33.1% to 34.5% on an annual basis.

The sector's exposure to retail trade remains very high. The outstanding loans on retail trade reached BIF 504,982.0 million at the end of June 2021 from BIF 404,657.7 million at the end of June 2020. The share of loans granted

to retail trade over the overall loan portfolio stood at 31.1% from 33.3% in the corresponding month of 2020.

### **IX.4. Profitability**

The sector's Gross Income increased by 12.5% year-on-year, amounting to BIF 157,203.0 million in June 2021 from BIF 139,776.9 million in June 2020. The Net profit grew by 15.7%, reaching BIF 77,920.2 million from BIF 67,340.6 million. The return on assets (ROA) declined from 1.9% to 1.8% and The return on equity (ROE) decreased from 16.2% to 14.3%.

### **IX.5. Liquidity**

The Liquidity coverage ratio (LCR)<sup>4</sup> in domestic currency fell to 195.6% at the end of June 2021 from 242.8% at the end of June 2020. Similarly, the Liquidity coverage ratio in foreign currency declined from 192.5% by the end-June 2020 to 177.4% by the end-June 2021.

The amount of large deposits<sup>5</sup> increased by 40.5% at the end of June 2021, standing to BIF 1,239.6 billion from BIF 882.0 billion at end June 2020. As a result, the share of large deposits in the total banking sector deposits fell from 44.3% to 46.5%.

---

<sup>3</sup> According to Circular n°06/2018 relating to the credit risk structure a large exposure is a loan amount that is greater than 10% of core capital.

<sup>4</sup> Circular n°04/2018 on Liquidity Coverage Ratio defines the LCR as a ratio between the outstanding high-quality liquid assets (i.e. assets that can be easily and immediately convertible

into liquidity without or with a slight loss in value during periods of high liquidity stress) and the total net cash outflows in the following 30 calendar days.

<sup>5</sup> Large deposits are the sum of the Top 10 deposits in each credit institution.



## APPENDIX 1: SELECTED MONTHLY INDICATORS AT THE END OF JUNE 2021

	April-2020	May-2020	June-2020	April-2021	May-2021	June-2021
<b>I. PRODUCTION AND PRICE</b>						
1. Industrial Production Index (monthly average, 1989 = 100)	112.8	123.9	138.7	133.4	137.6	147.8
2. Production of Arabica parchment Coffee (cumulation in T) (1)	10,885.4	10,885.4	10,885.4	18,867.8	18,867.8	18,867.8
3. Production of Tea (cumulation in T of tea leaves)	23,772.5	28,936.5	33,543.5	22,477.6	27,810.4	32,853.5
4. Consumer price index (1991 = 100)	119.7	121.8	117.8	127.4	128.0	128.5
5. Inflation rate	7.6	9.2	8.5	6.4	5.1	9.1
<b>II. Public Finances</b>						
1. Total Budget revenue (in BIF million)	340489.6	404,686.6	509,836.1	384953.9	471,538.8	593,028.0
1.1. Tax revenue	313902.6	374,625.3	464,008.4	350781.6	430,530.8	535,642.8
1.2. Non-tax revenue	26587.0	30,061.3	45,827.7	34172.3	41,008.0	57,385.2
1.3. Exceptional receipts	0.0	-	-	0.0	-	-
2. Expenditure	451196.5	543,919.1	674,474.0	496002.9	637,572.6	867,204.7
2.1. Compensation of employees (in BIF million)	157721.5	197,471.7	235,618.3	160161.4	201,615.5	240,586.5
3. Public debt (in BIF million)	3,389,200.2	3,440,071.2	3,502,022.9	3,963,618.3	3,991,357.4	4,175,235.3
3.1. Domestic debt outstanding	2,426,121.5	2,473,170.1	2,524,291.4	2,923,465.7	2,944,629.6	3,126,568.7
Including: Treasury bills and bonds	1,569,310.4	1,621,691.9	1,673,338.5	1,866,450.8	1,899,966.9	2,020,127.6
BRB ordinary advance	0.0	-	-	0.0	-	57,076.7
3.2. External debt outstanding	963,078.7	966,901.1	977,731.5	1,040,152.6	1,046,727.8	1,048,666.6
3.3. External debt outstanding (in BIF million)	506.4	507.0	511.3	529.8	531.8	531.4
3.3. External debt service (in BIF million)	3,345.5	2,123.0	1,678.9	533.5	3,647.1	-
including amortization	2,871.9	1,238.9	1,274.9	392.2	2,013.8	-
3.4. Drawings on external loans	2,864.5	2,556.8	2,677.1	725.0	183.4	817.6
<b>III. MONEY</b>						
1. Reserve Money (in BIF million)	672,233.9	673,899.2	703,931.1	750,542.5	767,579.7	807,326.5
2. Broad money M3 (in BIF million)	2,256,936.6	2,266,854.8	2,401,552.5	2,809,743.9	2,874,368.5	3,017,920.1
2.1. Broad money M2 (in BIF million)	2,063,466.2	2,074,187.8	2,200,633.5	2,596,790.0	2,658,951.9	2,792,763.4
3. Domestic credit (in BIF million)	2,953,031.1	3,001,731.8	3,105,155.0	3,675,772.7	3,771,925.4	3,961,517.5
4. Net foreign to government (in BIF million)	1,704,074.0	1,687,634.0	1,791,939.1	2,013,609.7	2,040,374.7	2,115,800.7
5. Net foreign assets (in BIF million)	-306,201.1	-340,584.4	-333,131.6	-248,826.1	-272,173.8	-305,472.5
6. Tenders operations						
6.1. Normal liquidity providing	432,880.0	435,000.0	413,368.8	180,000.0	190,000.0	160,000.0
6.2. Injecting liquidity						
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	3.00	3.00	3.00	3.98	4.08	4.09
7.2. Treasury bill to 26 weeks	3.15	3.21	3.24	4.62	4.54	4.47
7.3. Treasury bill to 52 weeks	3.25	3.28	3.29	4.96	5.05	5.03
7.4. Recovery of liquidity	-	-	-	-	-	-
7.5. Injecting liquidity	2.87	2.85	2.96	2.24	2.46	2.53
7.6. Marginal lending facility	6.00	6.00	6.00	7.12	7.04	7.06
7.7. Interbank market	4.07	4.16	4.11	5.16	5.25	5.31
7.8. Deposit interest rates	5.47	5.24	5.32	5.54	5.56	5.60
7.9. Lending interest rates	15.23	15.27	15.41	15.29	15.15	15.08
<b>IV. EXTERNAL SECTOR</b>						
1. Export (in BIF million, fob DSL & Buja FOT)	61,165.6	69,243.1	81,886.8	81,828.1	98,513.8	113,531.4
including Arabica coffee	9,860.5	9,860.5	10,275.7	20,596.5	22,264.4	22,608.7
1.1. Volume of exports (in T)	26,660.9	30,672.9	38,159.0	52,217.1	59,450.3	64,855.0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	86.7	-	-	-	-	-
- BIF/Kg	2975.7	-	-	-	-	-
1.3. Coffee sold d(in BIF million)	14,054.2	15,240.1	16,963.7	22,616.2	24,205.6	24,817.2
2. Import CIF (in BIF million)	556,471.3	670,786.3	849,763.4	629,478.7	799,081.3	967,657.3
including petroleum products	102,428.1	122,474.9	146,328.4	93,731.3	112,033.4	129,751.7
2.1. Volum of imports (in T)	380,715.8	453,659.0	560,770.0	455,192.4	563,256.5	642,119.0
<b>V. EXCHANGE RATE</b>						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	93.94	93.66	91.23	85.90	84.76	84.86
3.1.2. Real	99.45	100.97	94.99	94.66	93.65	93.94
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,904.60	1,909.35	1,915.00	1,965.85	1,970.55	1,976.04
3.2.2. Exchange rate BIF/USD (monthly average)	1,901.90	1,907.14	1,912.32	1,963.39	1,968.32	1,973.45

(1): the coffee campaign starts in April and ends in March of the following year

(p) : Provisional

n.a. : not available

**APPENDIX 2 : MAIN INDICATORS OF BANKING SECTOR IN JUNE 2021 (in BIF million)**

	Commercial banks			Other financial corporations			Financial sector		
	June 2020	June 2021	Change in %	June 2020	June 2021	Change in %	June 2020	June 2021	Change in %
<b>I. ASSETS</b>	<b>3,278,946.4</b>	<b>4,119,373.7</b>	<b>25.6</b>	<b>230,494.6</b>	<b>313,026.0</b>	<b>35.8</b>	<b>3,509,440.9</b>	<b>4,432,399.6</b>	<b>26.3</b>
<b>I.1. Main assets</b>	<b>2,852,061.1</b>	<b>3,542,172.7</b>	<b>24.2</b>	<b>194,825.5</b>	<b>269,049.3</b>	<b>38.1</b>	<b>3,046,886.5</b>	<b>3,811,222.0</b>	<b>25.1</b>
<b>A. Liquid assets</b>	<b>1,805,734.1</b>	<b>2,161,101.2</b>	<b>19.7</b>	<b>25,926.4</b>	<b>26,209.3</b>	<b>1.1</b>	<b>1,831,660.5</b>	<b>2,187,310.5</b>	<b>19.4</b>
. Cash	69,144.6	77,678.3	12.3	10.2	16.3	59.0	69,154.8	77,694.6	12.3
. Balance in B.R.B.	206,574.3	210,232.5	1.8	2,586.4	3,260.9	26.1	209,160.6	213,493.4	2.1
. Interbank claims	61,156.6	153,962.9	151.8	5,468.7	5,604.1	2.5	66,625.3	159,567.0	139.5
Financial corporations	73.6	6,016.7	8,070.8	5,468.7	5,604.1	2.5	5,542.4	11,620.8	109.7
Microfinance	0.1	240.1	202,517.8	-	-	-	0.1	240.1	202,517.8
Foreign correspondents	58,582.9	98,205.2	67.6	-	-	-	58,582.9	98,205.2	67.6
Other financial corporations	2,500.0	49,500.9	-	-	-	-	2,500.0	49,500.9	-
. Loan to government	1,468,858.6	1,719,227.6	17.0	17,861.1	17,328.0	- 3.0	1,486,719.7	1,736,555.6	16.8
Treasury securities	1,409,654.0	1,625,537.7	15.3	17,861.1	17,328.0	- 3.0	1,427,515.1	1,642,865.7	15.1
Other securities	59,204.6	93,689.9	58.2	-	-	-	59,204.6	93,689.9	58.2
<b>B. Loans</b>	<b>1,046,327.0</b>	<b>1,381,071.5</b>	<b>32.0</b>	<b>168,899.1</b>	<b>242,840.0</b>	<b>43.8</b>	<b>1,215,226.1</b>	<b>1,623,911.5</b>	<b>33.6</b>
. Short term	585,051.68	699,126.4	19.5	2,851.2	2,961.9	3.9	587,902.9	702,088.3	19.4
. Medium term	295,773.15	440,831.5	49.0	37,120.1	38,581.4	3.9	332,893.3	479,412.9	44.0
. Long term	165,502.17	241,113.6	45.7	128,927.8	201,296.6	56.1	294,429.9	442,410.2	50.3
. Leasing	-	-	-	-	-	-	-	-	-
<b>I.2. Fixed assets</b>	<b>158,487.87</b>	<b>189,210.1</b>	<b>19.4</b>	<b>8,113.4</b>	<b>10,888.3</b>	<b>34.2</b>	<b>166,601.2</b>	<b>200,098.4</b>	<b>20.1</b>
<b>I.3. Others assets</b>	<b>268,397.46</b>	<b>387,990.8</b>	<b>44.6</b>	<b>27,555.7</b>	<b>33,088.4</b>	<b>20.1</b>	<b>295,953.2</b>	<b>421,079.3</b>	<b>42.3</b>
<b>II. LIABILITIES</b>	<b>3,278,946.4</b>	<b>4,119,373.7</b>	<b>25.6</b>	<b>230,494.6</b>	<b>313,026.0</b>	<b>35.8</b>	<b>3,509,440.9</b>	<b>4,432,399.6</b>	<b>26.3</b>
<b>II.1. Main liabilities</b>	<b>2,834,238.6</b>	<b>3,647,735.9</b>	<b>28.7</b>	<b>170,274.0</b>	<b>241,570.6</b>	<b>41.9</b>	<b>3,004,512.5</b>	<b>3,889,306.4</b>	<b>29.4</b>
. Customer deposits	1,868,636.6	2,487,544.7	33.1	124,169.7	176,527.3	42.2	1,992,806.3	2,664,072.0	33.7
amongst: Ten large deposits	863,303.2	1,200,438.0	39.1	18,729.9	39,164.7	-	882,033.1	1,239,602.7	40.5
. Borrowing from B.R.B. (Refinancing)	411,332.1	326,958.8	- 20.5	-	12,119.7	-	411,332.1	339,078.5	- 17.6
. Interbank liabilities	233,769.0	415,398.0	77.7	6,511.4	6,323.4	- 2.9	240,280.4	421,721.3	75.5
Financial corporations	12,199.3	8,228.1	- 32.6	-	-	-	12,199.3	8,228.1	- 32.6
Microfinance	39,686.8	84,917.8	114.0	-	-	-	39,686.8	84,917.8	114.0
Foreign correspondents	9,572.4	34,089.0	256.1	-	-	-	9,572.4	34,089.0	256.1
Other financial corporations	172,310.5	288,169.8	-	6,511.4	6,323.4	-	178,821.9	294,493.2	-
Capital and reserves	320,500.9	417,834.3	30.4	39,592.9	46,600.3	17.7	360,093.8	464,434.6	29.0
<b>II.3. Other liabilities</b>	<b>444,707.8</b>	<b>471,637.8</b>	<b>6.1</b>	<b>60,220.6</b>	<b>71,455.4</b>	<b>18.7</b>	<b>504,928.4</b>	<b>543,093.2</b>	<b>7.6</b>
<b>MAIN INDICATORS OF THE BANKING SECTOR</b>									
<b>Capital adequacy</b>									
. Tier 1 capital (in BIF billion)	351,997.2	464,188.7	31.9	33,417.3	46,544.1	39.3	385,414.5	510,732.9	32.5
. Total regulatory capital (in BIF billion)	373,406.0	490,380.7	31.3	41,442.7	55,420.3	33.7	414,848.7	545,801.0	31.6
. Risk weighted assets	1,257,186.1	1,717,108.9	36.6	84,450.8	243,789.2	188.7	1,341,637.0	1,960,898.1	46.2
. Tier 1 capital adequacy ratio (threshold 12,5%)	28.0	27.0	-	39.6	19.1	-	28.7	26.0	-
. Total regulatory capital adequacy ratio (threshold 14,5%)	29.7	28.6	-	49.1	22.7	-	30.9	27.8	-
. Leverage Ratio (threshold 7%)	10.7	11.3	-	14.5	14.9	-	11.0	11.5	-
<b>Loan concentration</b>									
. Large exposures	399,462.7	554,674.6	38.9	3,720.3	5,614.2	50.9	403,183.0	560,288.8	39.0
. Large exposures to Loans ratio (%)	38.2	40.2	-	2.2	2.3	-	33.2	34.5	-
. Loans to Assets ratio (%)	31.9	33.5	-	73.3	77.6	-	34.6	36.6	-
. Government claims to assets ratio (%)	44.8	41.7	-	7.7	5.5	-	42.4	39.2	-
. Government Loans/Tier 1 capital ratio (%)	417.3	370.4	-	53.4	37.2	-	385.7	340.0	-
<b>Quality of loan portfolio</b>									
. Past due loans	110,615.5	111,158.0	0.5	35,231.0	36,781.2	4.4	145,846.5	147,939.2	1.4
Special mention loans	45,458.0	53,168.4	17.0	24,986.6	28,267.2	13.1	70,444.6	81,435.6	15.6
Non performing loans	65,157.5	57,989.6	- 11.0	10,244.4	8,514.0	- 16.9	75,401.9	66,503.6	- 11.8
Substandard loans	9,626.1	8,234.4	- 14.5	4,223.4	3,925.2	- 7.1	13,849.5	12,159.6	- 12.2
Doubtful loans	12,779.2	11,913.0	- 6.8	3,320.2	2,828.7	- 14.8	16,099.4	14,741.7	- 8.4
Loss loans	42,752.2	37,842.2	- 11.5	2,700.7	1,760.1	- 34.8	45,452.9	39,602.3	- 12.9
. Loan loss provisions	46,901.7	37,746.3	- 19.5	4,138.9	2,170.5	- 47.6	51,040.6	39,916.8	- 21.8
. Non performing loan rate	6.2	4.2	-	6.1	3.5	-	6.2	4.1	-
. Impairment rate	10.6	8.0	-	20.9	15.1	-	12.0	9.1	-
. Provisioning rate	72.0	65.1	-	40.4	25.5	-	67.7	60.0	-
<b>Liquidity</b>									
. LCR* in BIF (threshold 100%)	242.8	195.6	-	-	-	-	242.8	195.6	-
. LCR in f.c.** (threshold 100%)	192.5	177.4	-	-	-	-	192.5	177.4	-
. Loans/Customer deposits	56.0	55.5	-	136.0	137.6	-	61.0	61.0	-
. Stable funds /Fixed Assets (threshold 60%)	97.2	99.4	-	219.0	188.6	-	118.6	111.4	-
. Ten large deposits/Customer deposits	46.2	48.3	-	15.1	22.2	-	44.3	46.5	-
<b>Profitability and performance</b>									
. Income before tax	66,474.4	75,424.4	13.5	4,578.3	6,730.1	47.0	71,052.7	82,154.4	15.6
. Net income	63,408.7	71,852.6	13.3	3,931.9	6,067.6	54.3	67,340.6	77,920.2	15.7
. Gross Income	130,308.0	144,909.8	11.2	9,468.9	12,293.3	29.8	139,776.9	157,203.0	12.5
. ROA	1.9	1.7	-	1.7	1.9	-	1.9	1.8	-
. ROE	17.0	14.7	-	9.5	10.9	-	16.2	14.3	-

\* Liquidity Coverage ratio

\*\* Foreign currencies

Source: BRB

### APPENDIX 3: SELECTED ANNUAL INDICATORS

<b>GROSS DOMESTIC PRODUCT AND PRICE</b>	2016	2017	2018	2019	2020 (p)
Real Growth of GDP ( in %)	3.2	3.8	5.3	4.5	-0.5
Inflation rate (annual)	5.6	16.1	-2.6	-0.8	7.5
<b>FOREIGN SECTOR</b>					
Exports, f.o.b. (USD million )	117.7	172.3	180.0	179.7	162.2
Imports, CIF (USD million)	615.2	756.0	793.5	887.7	909.6
Volume of exports (in tons)	84,614.0	93,125.0	103,218.0	102,721.0	105,858.0
Volume of imports (in tons)	708,203.0	822,514.0	976 694	1,143,866.0	1,175,731.0
Current account balance (USD million )	-326.8	-370.9	-345.9	-348.4	-315.8
Exchange rate BIF/USD (period average)	1,657.4	1,732.2	1,784.8	1,848.6	1,915.1
Exchange rate BIF/USD (end of period)	1,688.6	1,766.7	1,808.3	1,881.6	1,946.4
International reserves (USD million, end of période)	95.4	102.2	70.3	113.4	109.7
International reserves (Month of imports)	1.5	1.7	1.0	1.5	1.1
<b>MONEY AND CREDIT</b>					
Net foreign assets (BIF million )	-176,523.1	-154,400.0	-203,201.0	-206,340.3	-205,016.1
Domestic credit (BIF million)	1,767.1	2,005.0	2,369.5	2,827.6	3,475.3
Net credits to the Government	905.9	1,112.2	1,337.5	1,618.9	2,025.8
Credits to the economy	861.3	892.9	1,038.6	1,208.6	1,449.5
Broad money (M3)	1,187.1	1,499.5	1,797.5	2,202.8	2,728.0
Money and quasi money (M2)	1,093.1	1,340.9	1,326.0	2,014.7	2,520.7
Velocity of the money (GDP/M2, end of period)	4.4	4.3	4.4	3.1	2.6
Reserve money (growth rate)	29.2	39.0	-3.3	23.6	11.6
Liquidity providing rate (in %)	3.10	2.79	2.90	2.65	2.86
Marginal lending rate (in %)	8.60	7.13	5.80	5.43	6.22
Commercial banks average deposit rates (end of period)	7.70	5.96	5.60	5.25	5.45
Treasury securities	-	14.03	13.23	12.45	12.46
Commercial banks average lending rates (end of period)	16.50	16.16	15.90	15.65	15.24
<b>FINANCE AND PUBLIC DEBT</b>					
Revenues and grants (as % of GDP)	15.6	15.8	18.0	20.0	19.5
Expenses (as % of GDP)	21.5	20.1	22.6	24.4	25.6
Overall fiscal balance (as % of GDP , accrual basis)					
- excluded grants	-8.2	-6.9	-8.2	-8.4	-9.5
- included grants	-5.9	-4.3	-4.5	-4.4	-6.1
Domestic debt (BIF million)	1,374.1	1,647.8	1,937.8	2,317.5	2,851.2
External debt (in USD million , at the end of period)	429.1	440.5	451.1	504.1	532.2
External debt service ratio (as % of exports)	4.2	5.1	3.2	5.0	5.4
Public external debt (as % of GDP)	14.9	13.6	14.0	15.3	15.6
<b>GDP at market prices ( BIF billion)</b>	<b>4,938.2</b>	<b>5,702.1</b>	<b>5,914.1</b>	<b>6,216.9</b>	<b>6,655.6</b>
P:provisional					

Source: BRB