



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic indicators
August 2021

I. INTRODUCTION

The following main economic indicators concerned the developments at the end of August 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 characterized, in August 2021 by a decrease of industrial production, parchment coffee production while green leaf tea production increased.

In August 2021, inflation increased compared to the same period in 2020.

The trade balance worsened at the end of August 2021 while the overall fiscal deficit (excluding grants) deteriorated. The Burundi Franc depreciated against the US Dollar.

The reserve money and money supply picked up at the end of August 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, while solvency and profitability ratios declined.

II. PRODUCTION

Year-on-year basis, the industrial production index and parchment coffee production decreased while the production of green leaf tea increased in August 2021.

II.1 Industrial Production Index

Year-on-year basis, the industrial production index fell by 8.3% in August 2021, standing at 196.0 from 213.8 recorded in the previous year, mainly

driven by the decrease production of BRARUDI beverages (-0.2%), sugar (-17.3%) and cigarettes (-33.4%).

On the other hand, compared to the previous month, this index increased by 9.7%, due to the increase production of BRARUDI beverages (+7.2%), sugar (+13.1%) and cigarettes (+8.8%).

II.2. Coffee

In August 2021, the production of parchment coffee decreased by 76.7% compared to the same period of the previous campaign, amounting to 3,189.8 against 13,690.8 tonnes, due to the cyclicity of the coffee tree.

II.3. Tea

The production of green leaf tea picked up by 6.6 percent in August 2021, amounting to 1,958.8 against 1,836.8 tonnes, due to the good rainfall. However, cumulative production fell by 2.1 percent at the end of August 2021, standing at 38,008.4 from 37,215.9 tonnes.

III. INFLATION DEVELOPMENTS

Year-on-year basis, headline inflation rose to 10.5% in August 2021 compared to 6.7% recorded in the same period of the previous year. This rise is mainly explained by an increase prices of food prices (+14.2% against +11.0%) and non-food products (+6.6% against +2.6%).

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

	August-20		August-21	
	CPI	Inflation	CPI	inflation
Headline Inflation	117.5	6.7	129.8	10.5
1. Food	114.8	11.0	131.1	14.2
-Bread and cereals	112.4	10.5	117.1	4.2
- Meat	145.6	18.1	159.4	9.5
- Fish and sea food	137.5	-7.1	159.3	15.9
- Milk, cheese and eggs	122	7.9	135.3	10.9
-Oils and fats	118.9	-8.2	185.2	55.8
- Fruits	119.3	0.8	157.5	32.0
- Vegetables	108.6	19.1	122.6	12.9
- Sugar, jam, honey, chocolate and confectionery	112.5	3.4	108.8	-3.3
-undefined food elsewhere	129.2	11.2	125.8	-2.6
2. Non food	120.5	2.6	128.4	6.6
- Alcoholic beverages ,tobacco	117.1	0.9	121.7	3.9
- clothing and footwear	126.4	4.1	133.3	5.5
- Housing, water, electricity, gas and other fuels	129.8	7.8	138.9	7.0
- Furnishing, household equipment and routine household	122.8	1.7	129.7	5.6
- Health	118.7	1.6	168.1	41.6
- Transport	116.9	-1.6	117.7	0.7
- Communication	101.6	-0.2	102.4	0.8
- leisure and culture	132.3	7.3	131.1	-0.9
- Education	141.7	1.9	151.0	6.6
- Hotels, Restaurant and café	113.2	1.3	118.8	4.9
- Other goods and services	122.3	3.5	126.0	3.0
Energy and fuels	146.9	9.9	159.5	8.6
3. Core Inflation	118.1	1.6	129.0	9.2

Source: BRB, from ISTEERU data

The rise of food inflation is mainly explained by the increase prices of the sub-headings “oils and fats” (+55.8% against -8.2%), “Fruits” (+32.0 against +0, 8%) and “Fish and Seafood” (+15.9 against -7.1%). On the other hand, the prices of “Miscellaneous food products” (-2.6 against +11.2%) and of “Sugar, jams, honey, chocolate and confectionery” (-3.3 against +3.4%) declined.

Concerning non-food inflation, the increase mainly related to the prices of the sub-headings “Health” (+41.6 against +1.6%) and “Education” (+6.6% against +1.9%).

Headline inflation excluding food and energy prices, which is the proxy of core inflation, slightly slowed in August 2021 compared to the same period of the

previous year (8.6% against 9.9%).

IV. TRADE BALANCE

The trade balance deficit worsened at the end of August 2021, amounting to BIF 1,188.5 billion against 994.0 billion in the corresponding period in 2020. This result is linked to the significant rise of imports (BIF 1,337.5 billion against 1,146.2 billion) combined with the drop of exports (BIF 148.9 billion against 202.2 billion).

IV.1 Exports

Year-on-year basis, exports decreased by 26.3% at the end of August 2021 in value while they increased by 54.9% in volume. In value, this decrease concerned exports of primary products, from BIF 144,416.3 million to 69,849.1 million, following the decline of non-export of non-monetary gold during this period whereas in the same period of 2020, it was BIF 88,036.5 million. However, export of coffee (BIF 25,010.1 million against 15,556.2 million) and niobium ores (+BIF 15,233.3 against 4,684.3 million) increased.

On the other hand, exports of manufactured products improved, from BIF 57,812.7 million to 79,098.8 million. This improvement is mainly attributable to beers (+71.3%), dark glass bottles (+40.5%) and products classified as “other” (+83.6%). However, exports of wheat flour fell by 36.2%.

In volume, exports of manufactured products increased to 63,222 from 33,585 tonnes, mainly driven by exports of beers (26,534 against 6,906 tonnes). On the other hand, the volume of primary products exports decreased to 20,162 from 22,794 tonnes at the end of August 2020.

IV.2 Imports

Compared to the same period in 2020, total imports increased by 16.7% at the end of August 2021 in value and by 12.5% in volume.

In value, the increase of imports covered all categories: intermediate goods (to BIF 605,926.9 million from BIF 506,882.3 million), capital goods (to BIF 253,633.3 million from 242,633.7 million) and consumer goods (to BIF 477,935.8 from 396,681.6 million).

The increase of intermediate goods is mainly related to metallurgical goods (+39.0%), food goods (+38.8%), chemicals goods (+45.9%) and those intended for construction (+15.5%), mineral oils (+5.6%) and goods for agriculture and livestock (+16.2%).

The rise of capital goods concerned boilers and heavy machines (+21.9%), parts and tools (+47.4%), and tractors, vehicles and transport equipment (+13.1%). However, imports of electrical equipment fell by 32.9%.

Concerning imports of consumer goods, the increase is mainly attributable to pharmaceutical products (+51.0%), food products (+14.8%) and textiles (+47.7, whilst imports of vehicle declined (-6.0%). In terms of volume, consumer goods increased to 225,031 against 154,005 tonnes in the same period in 2020, capital goods amounted to 40,883 from 36,714 tonnes and intermediate goods slightly increased to 589,874 from 569,697 tonnes recorded at the end of August 2020.

V. EXCHANGE RATE

Year-on year basis, the BIF depreciated by 3.12% against the US Dollar in August

2021; the monthly average exchange rate was BIF 1,983.5 against BIF 1,923.5 per a unit of US Dollar.

At the end of the period, the BIF depreciated by 3.11% against the US Dollar, the exchange rate falling from BIF 1,926.14 to 1,985.95 per a unit of US Dollar from the end of August 2020 to the end of August 2021.

VI. GOVERNMENT FINANCIAL OPERATIONS

At the end of August 2021, the overall fiscal deficit (excluding grants) worsened compared to the same period of the previous year, amounting to BIF 371,472.5 million against BIF 254,052.2 million, following the higher increase of expenditure than fiscal revenue.

VI.1. Revenue

In August 2021, fiscal revenue increased by 19.0 percent compared to the same month in 2020, standing at BIF 117,462.4 million against BIF 98,712.3 million. This increase was mainly related to the tax revenue (BIF +18,055.1 million) and non-tax revenue (BIF +695.1 million). Likewise, cumulative revenue picked up (+17.4 percent), amounting to BIF 808,643.4 million against BIF 689,016.9 million recorded in the same period in 2020, driven by the increase both by the tax revenue (BIF +103,717.9 million) and non-tax revenue (BIF +15,908.6 million).

VI.2. Expenditure

The total expenditure at the end of August 2021 picked up by 2.4 percent compared to the same month in 2020, reaching BIF 155,146.1 million against BIF 151,466.2 million. Likewise, cumulative expenditure increased by 25.1 percent at the end of August 2021, amounting to BIF 1,180.1

billion against BIF 943,069.1 million recorded in the same period in 2020.

Cumulative compensation of employee slightly increased by 0.7 percent, standing to BIF 322,229.0 million against BIF 320,115.3 million in the same period in 2020.

VI.3. Public debt

On an annual basis, public debt picked up by 16.6% at the end of August 2021 compared to the same period of the previous year, amounting to BIF 4,188.7 against BIF 3,591.7 billion, driven by the increase of both domestic debt (+ 19.8%) and external debt (+ 8.3%).

Compared to the previous month, the outstanding public debt rose by 1.2%, due to the increase of domestic debt (+0.6%) and external debt (+2.9%).

VI.3.1 Domestic Debt

Year-on-year basis, domestic debt rose by BIF 513,767.6 million at the end of August 2021, from 2,590.8 to BIF 3,104.5 billion, mainly driven by the increase of Government debt in the form of Treasury securities held by commercial banks (+BIF 281,993.2 million) and overdraft from the Central Bank to the Government (+BIF 186,294.6 million).

Compared to the previous month, the outstanding domestic debt increased by BIF 19,792.0 million, due to the rise of the Government debt to the banking sector (BIF 9,992.0 million) and the non-financial sector (BIF 9,800.0 million).

VI.3.2. External Debt

Year-on-year basis, the external debt grew by BIF 83,250.1 million at the end of August 2021, from BIF 1,000.9 to 1,084.2 billion.

This rise is linked to drawings (BIF 64,218.9 million) and revaluation gains (BIF 40,470.9 million) which exceeded the amortization of the debt (BIF 21,439.8 million).

Compared to the previous month, the external debt rose by 2.9% at the end of August 2021, standing at 1,084.2 against BIF 1,053.6 billion, driven by new drawings (BIF 29,184.4 million) and revaluation gains (BIF 1,685.8 million) which exceeded the amortization of the debt (BIF 259.1 million).

Expressed in US Dollar, the external debt picked up by USD 26.2 million at the end of August 2021, amounting to USD 546.6 million against USD 520.4 million recorded at the end of August 2020.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

Year-on-year basis, the reserve money and the money supply rose at the end of August 2021, driven by the increase of net domestic assets.

VII.1. Broad Money

Year-on-year basis, the reserve money increased by 20.4% at the end of August 2021, compared to 12.4% recorded in the same period in 2020, amounting to BIF 845,153.2 million from BIF 702,211.5 million. The increase of reserve money was driven by commercial bank deposits in the Central Bank which rose by 27.9% against a declining of 13.3% in the same period of previous year, while the currency in circulation maintained growth rate of 20.7%.

VII.2. Money supply

Year-on-year basis, the money supply (M3) picked up at the end of August 2021 (+ 29.3% against + 20.4%), standing at BIF

3,230.9 billion from BIF 2,498.7 billion. This acceleration of M3 growth rate concerned both the M2 monetary aggregate (+31.6 against +20.6%) and the residents foreign currency deposits (+4.7 against + 18.1%). The increase of M2 money supply concerned demand deposits (+41.2 against +6.6%), while the growth of currency outside deposits institutions (+17.6 against +21.3%) and that of term and savings deposits (+23.4 against + 53.8%) slowed down.

The higher increase of demand deposits growth rate resulted from public non-financial corporation (+52.6 against -8.6%), non-financial corporation's deposits (+50.0 against +1.7%) However, deposits from other financial institutions decreased like in the same period in 2020 (-7.8 against - 20.4%).

The slowdown growth rate of time deposits and savings in BIF concerned that of other non-financial corporations (+51.1 against + 93.8%) and household deposits (+4.6 against +41.7%). However, term and savings deposits classified in other accounts decreased by 2.9%, compared to an increase of 26.9% recorded in the same period in 2020.

The deceleration growth rate of residents' foreign currency deposits is mainly attributable to those of households (+ 10.6 against + 21.2%). On the other hand, the deposits of public non-financial corporations (-62.8 against + 55.7%) and those classified in other accounts (-11.3 against + 16.4%) decreased while they increased during the same period in 2020.

VII.3. Counterparts

Year-on-year basis, domestic credit (BIF 4,272.3 billion against BIF 3,159.8

billion) grew at a more accelerated rate than in the same period in 2020 (+35.2% against +19.6%).

This increase mainly concerned claims on the economy (+50.6 against +22.7%) and net claims on the Government to a lesser extent rate (+22.7 against +17.2%).

The Central Bank's net claims on the Government increased whereas they declined during the same period in 2020 (+82.5 against -33.4%). On the other hand, the growth rate of net claims on the Government to the commercial banks slowed (+ 14.6 against + 30.7%).

Year-on-year basis, net foreign assets decreased at the end of August 2021 as in the same period in 2020 (-34.7 against - 6.6%). This decrease was the result of the increase of external liabilities (+ BIF 49,410.4 million) which exceeded that of gross foreign assets (+ BIF 406,587.5 million).

Official foreign exchange reserves picked up (+240.3 against + 34.9%), driven by the increase of Special Drawings Right holdings, following the new SDR allocation granted by the IMF to Burundi (SDR 147.6 Million). These reserves covered 3.1 months of imports of goods and services at the end of August 2021, compared to 0.6 months recorded at the end of August 2020.

VIII. MAIN INDICATORS OF BANKING SECTOR

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

VIII.1. Assets

The banking sector's assets grew by 30.5% year-on-year basis, amounting to BIF 4,739.8 billion in August 2021 from BIF 3,632.0 billion in August 2020, driven by an increase of Treasury securities (BIF 1,820.3 billion from BIF 1,528.2 billion) and credit to the private sector (BIF 1,764.4 billion from BIF 1,294.8 billion).

The share of Treasury securities in the total assets decreases by 3.7 percentage points, from 42.1% in August 2020 to 38.4% in August 2021. However, the share of credit to the private sector picked up by 1.5 percentage points, from 35.7 to 37.2%.

VIII.2. Liabilities

The customer deposits rose by 35.7% on a yearly basis, standing at BIF 2,819.9 billion at the end of August 2021 from BIF 2,078.3 billion at the end of August 2020. The Central Bank refinancing to credit institutions declined by 13.9%, amounting to BIF 391.6 billion at the end August 2021 against BIF 454.8 billion at the end August 2020.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

The banking sector's equity improved at the end of August 2021. However, the solvency ratios slightly decreased.

IX.1. Capital Adequacy

Year-on-year basis, the banking sector's equity picked up by 31.2% at the end of August 2021, from BIF 427.7 billion to 561.2 billion. The core and overall solvency

ratios¹ fell from 27.9 to 21.3% and from 30.0 to 22.7%, respectively. The leverage ratio² slightly increased from 11.0% to 11.1%; while the threshold is fixed to 5.0%.

IX.2. Quality of loans portfolio

Year-on-year, the quality of loans portfolio improved in August 2021. The overall loans portfolio default rate decreased from 6.4 to 3.9%.

The default rate decreased in the construction (4.8 from 5.6%), trade (3.1 from 4.9%), tourism (8.3 from 40.2%) and equipment (3.5 from 6.7%) branches. However, the default rate increased in industry sector (3.3 from 0.6%) and agriculture (13.6 from 9.7%).

Non-performing loans fell by 16.1% at the end of August 2021, to BIF 69,433.4 million from BIF 82,804.8 million in the corresponding month in 2020, due to the write-off of compromised loans which reached two years of default in balance sheet of banking sector.

IX.3. Concentration of loans portfolio

The amount of large exposures³ reached BIF 489,096.6 million from BIF 437,795.6 million in the corresponding month of 2020. It represented 27.7% of the total loans portfolio at the end of August 2021 from 33.8% in the corresponding month in 2020.

The banking sector's exposure to retail trade remained predominant. The share of loans in this sector stood at 29.6% at the end of August 2021 from 33.2% in the

¹ The minimum regulatory threshold is 12.5% for the core capital adequacy ratio while 14.5% for the overall capital adequacy ratio.

² The minimum regulatory threshold is 5% for the leverage ratio.

³ Circular No. 06/2018 related to the division of credit risks defines a large exposure is a loan whose amount exceeds 10% of Core Capital.

corresponding period in 2020. The outstanding loans to this sector increased by 21.3%, amounting to BIF 521,730.9 million from BIF 430,071.8 million.

IX.4. Profitability

The Gross Income increased by 11.8% yearly, amounting to BIF 213,540.6 million at the end of August 2021 from BIF 191,026.6 million. Likewise, the Net Profit picked up by 15.7%, from BIF 97,529.2 million to BIF 112,820.9 million.

On the other hand, the returns on assets (ROA) and on equity (ROE) decreased respectively from 2.7% and 22.8% at the end of August 2020 to 2.4% and 20.1% at the end of August 2021.

IX.5. Liquidity

The Liquidity Coverage ratio (LCR)⁴ in BIF declined to 184.7% at the end of August 2021 from 238.9% at the end of August 2020. Likewise, the LCR in foreign currency decreased from 200.0% to 172.8%.

The amount of large deposits⁵ increased by 38.6% at the end of August 2021, amounting to BIF 1,268.3 billion at the end of August 2021 from BIF 915.3 billion at the end of August 2020. Likewise, the share of large depositors in the total deposits slightly increased from 44.0% at the end of August 2020 to 45.0% at the end of August 2021.

⁴ Circular No. 04/2018 on banks' short-term liquidity ratio defines the LCR as the ratio between the outstanding amount of high-quality liquid assets (i.e. assets that can be easily and immediately converted into liquidity with little or without loss in value in times

of high liquidity stress) and the total net cash outflows within the next 30 calendar days.

⁵ Large deposits are defined as the sum of the deposits of the top 10 depositors at each credit institution.

APPENDIX 1: SELECTED MONTHLY INDICATORS AT THE END OF AUGUST 2021

	June-2020	July-2020	August-2020	June-2021	July-2021	August-2021
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	138.7	209.2	213.8	147.8	178.7	196.0
2. Production of Arabica parchment Coffee (cumulation in T) (1)	10,885.4	12,518.3	13,690.8	18,867.8	2,182.7	3,189.8
3. Production of Tea (cumulation in T of tea leaves)	33,543.5	36,171.6	38,008.4	32,853.5	35,257.1	37,215.9
4. Consumer price index (1991 = 100)	117.8	117.6	117.5	128.5	129.0	129.8
5. Inflation rate	8.5	7.7	6.7	9.1	9.7	10.5
II. Public Finances						
1. Total Budget revenue (in BIF million)	509836.1	590,304.6	689,016.9	593028.0	691,181.0	808,643.4
1.1. Tax revenue	464008.4	539,423.0	621,792.3	535642.8	625,085.8	725,510.2
1.2. Non-tax revenue	45827.7	50,881.6	67,224.6	57385.2	66,095.1	83,133.2
1.3. Exceptional receipts	0.0	-	-	0.0	-	-
2. Expenditure	674474.0	791,602.9	943,069.1	878306.8	1,024,969.8	1,180,115.9
2.1. Compensation of employees (in BIF million)	235618.3	276,336.0	320,115.3	240586.5	281,200.0	322,229.0
3. Public debt (in BIFmillion)	3,502,022.9	3,554,166.0	3,591,698.8	4,185,491.6	4,138,313.4	4,188,716.4
3.1. Domestic debt outstanding	2,524,291.4	2,566,162.0	2,590,779.0	3,126,568.7	3,084,754.6	3,104,546.6
Including: Treasury bills and bonds	1,673,338.5	1,709,342.7	1,727,229.2	2,020,127.6	1,988,324.3	2,023,132.4
BRB ordinary advance	0.0	-	-	57076.7	63,146.5	33,670.8
3.2. External debt outstanding	977,731.5	988,004.0	1,000,919.8	1,058,922.9	1,053,558.8	1,084,169.8
3.3. External debt outstanding (in BIF million)	511.3	515.1	520.4	536.6	532.5	546.6
3.3. External debt service (in BIF million)	1,678.9	-	1,348.4	0.0	3,620.7	409.2
including amortization	1,274.9	-	1,018.1	0.0	2,823.0	259.1
3.4. Drawings on external loans	2,677.1	2,581.9	1,693.4	4,989.4	132.4	29,184.4
III. MONEY						
1. Reserve Money (in BIF million)	703,931.1	679,755.0	702,111.5	807,326.5	833,365.9	845,153.2
2. Broad money M3 (in BIF million)	2,401,552.5	2,446,474.9	2,498,725.4	3,096,103.1	3,172,655.4	3,230,937.4
2.1. Broad money M2 (in BIF million)	2,200,633.5	2,232,827.6	2,287,130.6	2,870,946.4	2,946,461.0	3,009,386.0
3. Domestic credit (in BIF million)	3,105,155.0	3,145,182.8	3,159,827.8	3,984,704.1	4,131,952.1	4,272,390.9
4. Net foreign to government (in BIF million)	1,791,939.1	1,763,775.6	1,743,469.0	2,117,260.7	2,152,783.7	2,139,390.1
5. Net foreign assets (in BIF million)	-333,131.6	-297,863.2	-258,555.5	-305,508.8	-340,492.7	-348,378.4
6. Tenders operations						
6.1. Normal liquidity providing	413,368.8	401,550.0	449,070.0	160,000.0	142,000.0	80,000.0
6.2. Injecting liquidity						
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	3.00	0.00	0.00	4.09	4.01	3.20
7.2. Treasury bill to 26 weeks	3.24	3.25	3.25	4.47	4.46	4.22
7.3. Treasury bill to 52 weeks	3.29	3.32	3.36	5.03	4.99	4.88
7.4. Recovery of liquidity	0.00	0.00	0.00	0.00	0.00	0.00
7.5. Injecting liquidity	2.96	2.74	2.77	2.53	3.96	2.60
7.6. Marginal lending facility	6.00	6.00	6.00	7.06	6.96	6.60
7.7. Interbank market	4.11	4.07	4.27	5.31	5.16	5.48
7.8. Deposit interest rates	5.32	5.65	5.55	5.60	5.64	5.66
7.9. Lending interest rates	15.41	15.11	15.26	15.08	14.79	13.79
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	81,886.8	185,377.3	202,229.0	113,531.4	124,490.4	148,947.9
including Arabica coffee	10,275.7	11,870.5	15,556.2	22,608.7	22,755.6	25,010.1
1.1. Volume of exports (in T)	38,159.0	45,939.0	56,378.2	64,855.0	71,167.0	83,383.7
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	74.9	58.9	69.3	-	-	187.1
- BIF/Kg	3127.3	2,490.2	2,909.6	-	-	8,160.9
1.3. Coffee sold d(in BIF million)	16,963.7	18,026.2	21,095.5	25,054.1	25,137.7	27,467.7
2. Import CIF (in BIF million)	849,763.4	997,735.9	1,146,197.6	967,657.3	1,138,820.5	1,337,496.0
including petroleum products	146,328.4	166,526.5	192,437.7	129,751.7	161,049.9	203,146.7
2.1. Volum of imports (in T)	560,770.1	659,162.0	760,416.1	642,119.4	732,215.0	855,788.4
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	91.23	89.90	88.10	84.86	85.80	85.50
3.1.2. Real	94.99	93.30	91.40	93.94	95.00	94.90
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,915.00	1,920.73	1,926.14	1,970.55	1,980.86	1,985.95
3.2.2. Exchange rate BIF/USD (monthly average)	1,912.32	1,917.98	1,923.50	1,968.32	1,978.55	1,983.50
(1): the coffee campaign starts in April and ends in March of the following year						
(p) : Provisional						
n.a. : not available						

Source: BRB

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

	Commercial banks			Other financial corporations			Financial sector		
	August 2020	August 2021	Changes in %	August 2020	August 2021	Changes in %	August 2020	August 2021	Changes in %
I. ASSETS	3 400 432,6	4 393 608,6	29,2	231 535,6	346 141,5	49,5	3 631 968,3	4 739 750,0	30,5
I.1. Main assets	2 949 200,9	3 785 809,4	28,4	197 633,1	290 183,9	46,8	3 146 834,1	4 075 993,4	29,5
A. Liquid assets	1 839 229,3	2 284 742,1	24,2	12 791,7	26 827,8	109,7	1 852 021,1	2 311 569,9	24,8
. Cash	78 944,7	99 305,8	25,8	13,9	173,8	1 150,4	78 958,6	99 479,5	26,0
. Balance in B.R.B.	163 737,3	233 597,5	42,7	2 324,4	2 472,0	6,4	166 061,7	236 069,5	42,2
. Interbank claims	75 608,1	148 906,3	96,9	3 241,1	6 550,3	102,1	78 849,2	155 456,6	97,2
. Loan to government	1 520 939,2	1 802 932,4	18,5	7 212,4	17 631,8	144,5	1 528 151,6	1 820 564,2	19,1
Treasury securities	1 458 816,9	1 703 064,8	16,7	7 212,4	17 631,8	144,5	1 466 029,3	1 720 696,6	17,4
Other securities	62 122,3	99 867,6	60,8	-	-	-	62 122,3	99 867,6	60,8
B. Loans	1 109 971,6	1 501 067,4	35,2	184 841,4	263 356,1	42,5	1 294 813,0	1 764 423,5	36,3
. Short term	626 484,0	757 564,7	20,9	3 018,0	2 920,5	- 3,2	629 502,0	760 485,2	20,8
. Medium term	322 243,6	477 461,0	48,2	35 950,6	37 549,3	4,4	358 194,1	515 010,3	43,8
. Long term	161 244,0	266 041,7	65,0	145 872,8	222 886,3	52,8	307 116,8	488 927,9	59,2
. Leasing	-	-	-	-	-	-	-	-	-
I.2. Fixed assets	160 329,58	189 363,2	18,1	8 182,0	13 496,3	65,0	168 511,6	202 859,5	20,4
I.3. Others assets	290 902,12	418 435,9	43,8	25 720,5	42 461,2	65,1	316 622,6	460 897,2	45,6
II. LIABILITIES	3 400 432,6	4 393 608,6	29,2	231 535,6	346 141,5	49,5	3 631 968,3	4 739 750,0	30,5
II.1. Main liabilities	2 931 899,2	3 883 220,4	32,4	178 033,2	267 786,0	50,4	3 109 932,4	4 151 006,4	33,5
. Customer deposits	1 946 503,3	2 626 493,5	34,9	131 841,9	193 358,8	46,7	2 078 345,2	2 819 852,3	35,7
amongst: Ten large deposits	892 753,0	1 231 852,3	38,0	22 591,8	36 530,0	-	915 344,8	1 268 382,3	38,6
. Borrowing from B.R.B. (Refinancing)	454 791,8	373 225,1	- 17,9	-	18 381,7	-	454 791,8	391 606,8	- 13,9
. Interbank liabilities	209 782,8	465 893,2	122,1	6 598,4	9 445,3	43,1	216 381,2	475 338,5	119,7
. Capital and reserves	320 821,3	417 608,6	30,2	39 592,9	46 600,3	17,7	360 414,2	464 208,9	28,8
II.2. Other liabilities	468 533,4	510 388,2	8,9	64 277,9	78 355,4	21,9	532 811,4	588 743,6	10,5
MAIN INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Tier 1 capital (in BIF billion)	363 344,0	478 126,8	31,6	34 392,3	48 207,8	40,2	397 736,3	526 334,6	32,3
. Total regulatory capital (in BIF billion)	385 131,6	503 015,8	30,6	42 538,9	58 233,7	36,9	427 670,5	561 249,5	31,2
. Risk weighted assets	1 334 204,3	2 185 183,7	63,8	89 907,2	287 298,6	219,6	1 424 111,5	2 472 482,4	73,6
. Tier 1 capital adequacy ratio (threshold 12,5%)	27,2	21,9	-	38,3	16,8	-	27,9	21,3	-
. Total regulatory capital adequacy ratio (threshold 10%)	28,9	23,0	-	47,3	20,3	-	30,0	22,7	-
. Leverage Ratio (threshold 7%)	10,7	10,9	-	14,9	13,9	-	11,0	11,1	-
Loan concentration									
. Large exposures	434 041,5	482 895,8	11,3	3 754,1	6 200,8	65,2	437 795,6	489 096,6	11,7
. Large exposures to Loans ratio (%)	39,1	32,2	-	2,0	2,4	-	33,8	27,7	-
. Loans to Assets ratio (%)	32,6	34,2	-	79,8	76,1	-	35,7	37,2	-
. Government claims to assets ratio (%)	44,7	41,0	-	3,1	5,1	-	42,1	38,4	-
. Government Loans/Tier 1 capital ratio (%)	418,6	377,1	-	21,0	36,6	-	384,2	345,9	-
Quality of loan portfolio									
. Past due loans	126 036,4	129 709,4	2,9	36 055,2	46 878,9	30,0	162 091,6	176 588,3	8,9
. Special mention loans	53 721,5	73 518,5	36,9	25 565,3	33 636,5	31,6	79 286,8	107 155,0	35,1
. Non performing loans	72 314,9	56 190,9	- 22,3	10 489,8	13 242,4	26,2	82 804,8	69 433,4	- 16,1
Substandard loans	7 395,5	8 058,8	9,0	5 071,8	8 476,9	67,1	12 467,3	16 535,6	32,6
Doubtful loans	17 146,0	9 641,9	- 43,8	2 862,6	2 793,8	- 2,4	20 008,6	12 435,7	- 37,8
Loss loans	47 773,4	38 490,3	- 19,4	2 555,4	1 971,8	- 22,8	50 328,9	40 462,0	- 19,6
. Loan loss provisions	49 096,1	37 811,6	- 23,0	4 061,6	2 399,8	- 40,9	53 157,7	40 211,4	- 24,4
. Non performing loan rate	6,5	3,7	-	5,7	5,0	-	6,4	3,9	-
. Impairment rate	11,4	8,6	-	19,5	17,8	-	12,5	10,0	-
. Provisioning rate	67,9	67,3	-	38,7	18,1	-	64,2	57,9	-
Liquidity									
. LCR* in BIF (threshold 100%)	238,9	185,8	-	-	-	-	238,9	185,8	-
. LCR in f.c.** (threshold 100%)	200,0	172,8	-	-	-	-	200,0	172,8	-
. Loans/ Customer deposits	57,0	57,2	-	140,2	136,2	-	62,3	62,6	-
. Stable funds /Fixed Assets (threshold 60%)	92,1	100,7	-	199,1	167,6	-	118,6	100,9	-
. Ten large deposits/ Customer deposits	45,9	46,9	-	17,1	18,9	-	44,0	45,0	-
Profitability and performance									
. Income before tax	95 884,0	107 890,8	12,5	6 800,9	11 817,7	73,8	102 684,9	119 708,5	16,6
. Net income	91 648,3	103 426,0	12,9	5 880,9	9 394,9	59,8	97 529,2	112 820,9	15,7
. Gross Income	177 494,2	197 840,8	11,5	13 532,4	15 699,8	16,0	191 026,6	213 540,6	11,8
. ROA	2,70	2,35	-	2,54	2,71	-	2,69	2,38	-
. ROE	23,80	20,56	-	13,82	16,13	-	22,80	20,10	-

Source: BRB

APPENDIX 3: SELECTED ANNUAL INDICATORS

GROSS DOMESTIC PRODUCT AND PRICE	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
FOREIGN SECTOR					
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
MONEY AND CREDIT					
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
FINANCE AND PUBLIC DEBT					
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
GDP at market prices (BIF billion)	4,938.2	5,702.1	5,914.1	6,216.9	6,655.6
P:provisional					

Source: BRB