



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic indicators
July 2022

I. INTRODUCTION

The main economic indicators below concerned the developments at the end of July 2022, 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.

Year-on-year, the real sector was characterized, in July 2022 by an increase of industrial production, coffee and tea production.

Inflation has increased in July 2022 compared to the same period in 2021.

Compared to the same period of the previous year, the trade balance deficit deteriorated at the end of July 2022. The overall fiscal deficit (excluding grants) has worsened compared to the end of July 2021. The Burundi Franc depreciated against the US Dollar.

The reserve money and money supply rose at the end of July 2022.

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. However, the solvency and profitability ratios fell.

II. PRODUCTION

Year-on-year basis, the industrial production index as well as the production of coffee and green leaf tea increased in July 2022.

II.1 Industrial Production Index

The industrial production index rose by 12.8% in July 2022, standing at 201.6 against 178.7 in July 2021, mainly in connection with the growth of BRARUDI beverages production (+11.7%) and cigarettes (+105.7%).

Similarly, this index grew by 17.9% compared to the previous month, mainly in link with the increase of BRARUDI beverages production (11.0 %) and soaps (16.3%).

II.2. Coffee

Production of Parchment coffee for the 2022/2023 coffee campaign increased sharply by 227.5 percent at the end of July 2022 compared to the same period of the previous campaign, standing at 5,860 tonnes against 1,789 tonnes, due to the cyclicity of the coffee tree.

II.3. Tea

On annual basis, the production of green leaves tea in July 2022 increased by 2.4 percent, reaching at 2,461.4 tonnes against 2,403.7 tonnes in the same period of 2021, in connection with the good rainfall. On the other hand, cumulative production decreased slightly by 1.4 percent at the end of July 2022, standing at 34,770.0 against 35,257.1 tonnes in the same period of 2021.

III. INFLATION DEVELOPMENTS

Year-on-year basis, headline inflation stood at 19.1% at the end of July 2022 against 9.7% in the same period of the previous year. This

acceleration in inflation affected both food inflation (+24.6 against +13.0%) and non-food (+13.0 against +6.2%).

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

	July-2021		July-2022	
	CPI	Inflation	CPI	Inflation
Headline Inflation	129	9.7	153.7	19.1
1. Food	130.3	13.0	162.4	24.6
- Bread and cereals	115.5	3.7	153.4	32.8
- Meat	155.4	5.8	189.5	21.9
- Fish and sea food	172.4	15.8	270.1	56.7
- Milk, cheese and eggs	145.3	19.3	148.9	2.5
- Oils and fats	171.3	40.8	224.2	30.9
- Fruits	155.2	44.2	174.8	12.6
- Vegetables	122.5	13.5	143.0	16.7
- Sugar, jam, honey, chocolate and confectionery	111	-4.4	130.9	17.9
- undefined food elsewhere	126.8	-3.3	135.9	7.2
2. Non food	127.6	6.2	144.2	13.0
- Alcoholic beverages, tobacco	120.2	3.6	130.0	8.2
- clothing and footwear	132.6	4.5	149.3	12.6
- Housing, water, electricity, gas and other fuels	138.9	8.3	152.1	9.5
- Furnishing, household equipment and routine household	127.0	4.1	157.3	23.9
- Health	162.7	37.0	175.4	7.8
- Transport	118.3	1.2	149.4	26.3
- Communication	102.4	0.9	117.8	15.0
- leisure and culture	131.3	0.2	135.5	3.2
- Education	151	6.6	151.7	0.5
- Hotels, Restaurant and café	119	4.8	130.1	9.3
- Other goods and services	124.2	1.4	134.2	8.1
Energy and fuels	160.0	10.0	182.2	13.9
3. Core Inflation	127	7.4	149.9	18.0

Source: BRB, from ISTEEDU data

The rise in food inflation concerned mainly the prices of the "Fish and seafood" sub-items (+56.7 against 15.8%), "bread and cereals" (32.8 against 3.7%), "Meat" (+21.9 against +5.8%), and "Sugar, jams, honey, chocolate and confectionery (+17.9% against -4.4%)".

The increase in non-food inflation is attributable mainly to the sub-items "Transport" (+26.3 against +1.2%), "Furniture, household items and routine household maintenance" (+23.9 against +4.1%), "communications" (+15.0 against +0.9%) and

"miscellaneous goods and services" (+8.1 against +1.4%).

Year-on-year basis, the price index for energy, fuel and other fuels increased at the end of July 2022 compared to the end of July 2021 (+13.9% against +10%).

Compared to the same period of the previous year, headline inflation excluding food and energy prices, which is the proxy for core inflation, increased at the end of July 2022 compared to the same period of 2021 (+18.0 against +7.4%).

IV. TRADE BALANCE

The Trade balance deficit at the end of July 2022 worsened compared to the same period in 2021 (BIF 1,118.2 billion against 1,013.3 billion). This deterioration of the deficit is explained by a greater increase in imports (BIF 1,291.9 billion against 1,138.9 billion) compared to that in exports (BIF 173,683.9 million against 125,573.6 million). However, at the end of July 2022, the coverage rate of imports by exports increased, standing at 13.4% against 11.0%.

IV.1 Exports

At the end of July 2022, cumulative exports grew in value (38.3%) and volume (4.0%) compared to the same period in 2021.

In value, the significant rise in exports concerned both exports of primary products (BIF 103,588.2 million compared to 62,603.2

million) and manufactured products (BIF 70,095.7 million against 62,970.4 million).

The increase in exports of primary products is mainly explained by exports of non-monetary gold equivalent to BIF 50,466.6 million, while there were no exports of this product in the same period of 2021. Similarly, the export of tea increased, amounting to BIF 29,091.3 against 24,668.7 million. However, exports of coffee (BIF 18,909.7 million against 22,755.6 million) and Niobium ores (BIF 2,861.5 million compared to 12,122.9 million) fell.

Regarding exports of manufactured products, their rise was largely due to exports of cigarettes (BIF 11,276.5 million against 6,643.9 million), beer (BIF 9,612.7 million against 6,725.2 million), and the re-export of kerosene (BIF 7,143.1 million compared to 2,483.6 million).

In volume, the increase in exports concerned manufactured products (47,229 against 38,949 tonnes). The volume of primary products has decreased (9,606 against 15,724 tonnes).

Likewise, exports for the month of July 2022 increased by 15.7% compared to the same period of 2021 (BIF 13,935.4 million against 12,042.2 million). This rise is explained by an increase in exports of primary products (BIF 5,858.3 million against 3,645.7 million). On the other hand, exports of manufactured products fell by 3.8%, standing at BIF 8,077.0 million compared to 8,396.5 million.

IV.2 Imports

Cumulative imports at the end of July 2022 rose in value (13.4%), while they decreased in volume (-11.2%) compared to the same period of 2021.

The increase in the value of imports concerned all categories of imported goods, namely intermediary goods (BIF 621,347.7 million compared to 504,741.6 million), consumer goods (BIF 447,908.1 million against 412,834.0 million), and to lesser extent, capital goods (BIF 222,629.9 compared to 221,345.6 million).

The increase in imports of intermediary goods is supported mainly by mineral oils imports (BIF 263,322.2 million compared to 161,049.9 million) and goods for agriculture and livestock (BIF 79,139.9 million against 41,632.2 million). On the other hand, imports of goods for metallurgy (BIF 86,192.1 million compared to 110,863.3 million), and food industry (BIF 69,821.6 million against 72,321.1 million) decreased.

Regarding imports of consumer goods, their increase is attributable to imports of durable consumer goods, namely textiles (BIF 67,542.0 million against 46,660.3 million), vehicles (BIF 44,487.1 million against 41,011.4 million) as well as other durables consumer products (BIF 118,865.5 million compared to BIF 94,129.5 million). On the other hand, imports of non-durable consumer goods fell slightly, settling at BIF 217,013.5 million compared to 231,032.8 million. This decrease concerned food goods

(BIF 107,644.0 million against 115,945.9 million) and pharmaceuticals products (BIF 73,229.3 million against 85,528.2 million).

The increase in imports of capital goods concerned mainly boilers and construction equipment (BIF 76,089.0 million against 68,237.9 million) and other capital goods (BIF 24,020.7 million against 23,232.9 million). However, imports of electrical materials (BIF 42,455.6 against 46,055.2 million), and those of parts and tools (BIF 21,858.6 compared to 25,689.5 million) fell.

In volume, the decrease in imports concerned intermediary goods (489,671 against 523,026 tonnes), capital goods (30,110 against 36,082 tonnes), and consumer goods (152,621 against 198,196 tonnes).

Imports for the month of July 2022 increased by 14% compared to those for the same month of 2021, standing at BIF 195,777.4 compared to 171,263.9 million. This increase concerned both imports of intermediary goods (BIF 97,591.4 compared to 79,371.3 million), consumer goods (BIF 64,887.5 against 60,256.2 million), and capital goods (BIF 33,298.4 against 31,636.4 million).

V. EXCHANGE RATE

Compared to the same period of 2021, the BIF depreciated by 2.90% against the US Dollar in the month of July 2022; the average exchange rate stood at BIF 2,036.00 against 1,978.55 for one unit of US Dollar.

At the end of the period, the BIF depreciated annually by 2.89% against the US dollar. The exchange rate stood at BIF 2,038.25 against 1,980.86 at the end of July 2021 for one unit of US Dollar.

VI. GOVERNMENT FINANCIAL OPERATIONS

In July 2022, the overall fiscal deficit (excluding grants) rose compared to the same period of the previous year, standing at BIF 621,323.7 million against BIF 349,006.3 million, following the greater increase in expenditure than in public revenue.

VI.1. Revenue

Revenue of July 2022 grew by 23.4 percent, standing at BIF 121,089.9 million against BIF 98,153.0 million in the same period of 2021. This improvement concerned both tax revenue (BIF +12,821.6 million) and non-tax (BIF +10,115.3 million). Similarly, cumulative revenue increased by 20.0 percent at the end of July 2022, standing at BIF 829,206.8 million compared to BIF 691,181.0 million in the same period of the previous year, in line with the increase in both tax revenue (BIF +85,215.4 million) and non-tax (BIF +52,810.4 million).

VI.2. Expenditure

Expenditure incurred in the month of July 2022 increased by 24.6 percent compared to the same period of 2021, standing at BIF 182,892.8 million against BIF 146,824.5 million.

Similarly, cumulative expenditure increased by 39.4 percent at the end of July 2022, settling at

BIF 1,450.5 billion against BIF 1,040.2 billion in the same period of 2021. Cumulative compensation of employees increased by 10.3 percent at the end of July 2022, standing at BIF 310,191.7 million compared to BIF 281,200.0 million in the same period of 2021.

VI.3. Public debt

The outstanding public debt increased by 14.5% at the end of July 2022, settling at BIF 4,763.7 against 4,161.3 billion in the same period of the previous year, in line with the increase of, both domestic debt (+11.8%) and external debt (+22.0%).

Compared to the previous month, public debt fell by 0.2% in link with the decrease in domestic debt (-0.2%) and external debt (-0.7%).

VI.3.1 Domestic Debt

Year-on-year, domestic debt increased by 11.8%, at the end of July 2022, from BIF 3,086.8 to 3,452.5 billion, in connection with the increase in Government debt to the banking sector (+BIF 373,733.4 million) and the non-financial sector (BIF +3,250 million), Government debt to Financial Institutions having decreased by BIF 11,300 million.

Compared to the previous month, the domestic debt fell by BIF 5,730.1 million, in line with the reduction in the Government debt to the banking sector (BIF -7,730.1 million), the Government debt to the non-financial sector having increased (BIF+2,000.0 million).

VI.3.2. External Debt

Year-on-year, the external debt increased by 22.0% at the end of July 2022, going from BIF 1,074.4 to 1,311.2 billion, in link with drawings (BIF +276,422.7 million), partially offset by lower revaluation losses (BIF 11,831.8 million) and debt amortization (BIF 27,799.8 million).

Compared to the previous month, the external debt decreased by 0.7% at the end of July 2022, standing at BIF 1,311.2 against 1,320.3 billion, in connection with the revaluation losses (BIF 6,811.2 million) and debt amortization (BIF 2,945.7 million), partially offset by new drawings (BIF +691.0 million).

Expressed in US dollars, the external debt increased by USD 101.0 million at the end of July 2022, settling at 644.0 against USD 543.0 million in the corresponding period of 2021.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

On an annual basis, the broad money and the money supply rose in July 2022, mainly driven by the net domestic assets.

VII.1. Broad Money

On an annual basis, the base money broadened by 22.8% at the end of July 2022 against 22.6% at the same period of 2021, standing at BIF 1,023,162.4 million against 833,365.9 million. This outturn in the growth rate of the monetary base resulted from the sharp increase in commercial bank deposits at the Central Bank (+56.4% against +37.2%). On the other hand,

currency outside the central bank slowed their growth (+11.8 against +22.3%).

VII.2. Money supply

In July 2022, the money supply (M3) growth decelerated compared to the same period in 2021 (+27.4 against +29.9%), standing at BIF 4,049.2 billion against 3,178.6 billion. This slowdown concerned the M2 monetary aggregate (+27.4 against +32.2%), while residents' foreign currency deposits grew faster compared to the same period of 2021 (+27.8 against +5.9%).

The decrease in M2 growth resulted from the currency in circulation outside banks (+10.1 against +20.0%) and demand deposits (+35.6% against +44.2%) while term deposits accelerated their growth rate (+20.8 against +19.4%).

The deceleration in demand deposits in BIF reflects that of household deposits (+17.5 against +36.1%), public non-financial corporations (-8.7 against +69.1%) and those classified in other accounts (+17.9 against +34.2%) which offset the increase in other non-financial deposits (+56.6 against +53.1%) and financial institutions (+373.7 against -62.7%).

The rise in the growth of time and savings deposits denominated in BIF is attributable to the increase in household deposits (+26.8 against +4.9%) and those classified in other accounts (+49.3 against -3.8%). Deposits from other non-financial corporations (+13.1 versus +43.3%) slowed their growth rate, while

deposits from public non-financial corporations (-47.8 vs. +3.3%) and local governments (-53.5 vs. -26.9%) fell.

The acceleration growth in residents' foreign currency assets is driven by that of the household foreign currency assets (29.1 against 23.8%), other non-financial corporations (+44.6 against -3.0%) and those classified in the other accounts (+5.2 against -19.1%). On the other hand, the foreign currency holdings of public non-financial corporations decreased compared to the same period of 2021 (-93.6 against -29.7%).

VII.3. Counterparts

Year-on-year basis, domestic credit increased at a faster pace at the end of July 2022 than in the same period of 2021 (+32.6 against +26.7%), standing at BIF 5,271.7 against 3,974.8 billion.

This growth resulted from the claims on the economy (+65.3 against +32.6%) owing to the refinancing of the growth-promoting sectors while net claims on Government slowed their growth rate (+5.0 against +22.2%).

The decline in net claims on the Government reflects the fall in net claims of commercial banks to the Government (-1.4 against +15.2%) combined with the slowdown in the Central Bank net claims on the Government's growth (+32.4 against +64.1%) over the twelve-months period.

The increase in State deposits (52.8 against 13.3%) resulting from the funds from the IMF's Rapid Credit Facility outweighed the increase in advances to the Government (+44.0 against 30.8%).

Year-on-year basis, net foreign assets narrowed by BIF 133,916.0 million to the end of July 2022. This decline is linked to expansion in external liabilities (BIF +477,045.0 million) than that of gross foreign assets (BIF +343,129.0 million).

However, official reserve assets rose sharply from BIF 107,642.9 to 412,245.7 million in the year to the end of July 2022 mainly in connection to the increase in holdings of SDRs (BIF +273,133.0 million) following the allocation of SDRs granted by the IMF. In terms of months of imports, these reserves covered 1.7 months of imports in goods and services against 0.6 months at the end of July a year earlier.

VIII. MAIN INDICATORS OF BANKING SECTOR

Year-on-year, the banking sector activities improved at the end-July 2022. On the asset side, this improvement relied on loans to the economy and Treasury securities. The increase in liabilities was linked to customer deposits and Central Bank refinancing.

VIII.1. Assets

Banking sector assets grew by 31.3% year-on-year, standing at BIF 6,045.4 billion at the end of July 2022 from BIF 4,603.6 billion at the end of July 2021. This was linked to the 53.2%

increase in loans to the economy which rose from BIF 1,662.7 billion to BIF 2,547.4 billion.

The proportion of loans to the economy increased by 19.2 percentage points, reaching 55.3% of total assets in the banking sector at the end of July 2022 against 36.1% at the end of July 2021.

VIII.2. Liabilities

The customer deposits increased by 31.7% year-on-year, standing at BIF 3,627.4 billion from BIF 2,753.6 billion at the end of July 2021. Central Bank refinancing increased by 66.7%, standing at 586.8 against BIF 352.0 billion, following the rise in financing favoring growth-leading sectors.

The proportion of deposits in the main liabilities rose by 19.0 percentage points, standing at 78.8% at the end-July 2022 from 59.8% at the end-July 2021. On the other hand, the proportion of Central bank increased by 5.1 percentage point, from 7.6% at the end of July 2021 to 12.7% at the end-July 2022.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

At the end-July 2022, the equity capital of the banking sector increased compared to the situation in the corresponding period in 2021. Conversely, solvency and profitability ratios fell slightly.

IX.1. Capital Adequacy

The banking sector's equity capital rose by 29.9% at the end-July 2022, settling at BIF

717.0 billion from BIF 552.0 billion at the end-July 2021. On the other hand, the core capital adequacy ratio¹ fell to 22.9% from 25.3%. Likewise, the overall capital adequacy ratio declined from 27.0% to 24.4%. The leverage ratio² declined slightly, settling at 11.1% from 11.3%.

IX.2. Quality of loans portfolio

The amount of non-performing loans fell by 8.8% at the end of July 2022, settling at BIF 61,423.9 million from BIF 67,355.1 million in the corresponding period in 2021. Therefore, the overall loan default rate stood at 2.4% from 4.1%.

The loan default rates fell in the various sectors of activities, in particular, in agriculture, from 17.5% to 1.7%, in construction, from 4.0% to 2.2%, in trade, from 4.6% to 2.3% and in equipment, from 3.4% to 3.1%.

IX.3. Concentration of loans portfolio

The exposure of the banking sector to large loan risks³ grew by 125.0% at the end-July 2022, the large exposition amounted to BIF 878.3 billion from BIF 377.0 billion, in line with the increase in refinancing in favor to growth-leading-sectors. The large loan risks represented 51.0% of the overall loan portfolio

at the end-July 2022 from 22.7% at the end-July 2021.

At the end-July 2022, trade remained the most financed sector by the banking sector. However, the share of financing declined to 30.1% of the overall portfolio from 31.1% at the end-July 2021. The outstanding loans to the trade sector amounted to BIF 767.6 billion from BIF 517.7 billion in the corresponding period of 2021.

IX.4. Profitability

The Banking sector's Gross Income increased by 20.5% year-on-year, standing at BIF 224,993.6 million at the end-July 2022 from BIF 186,648.1 million. Likewise, Net profit rose by 20.5%, reaching BIF 101,785.8 million from BIF 95,880.6 million. Nonetheless, the return on assets (ROA) and equity (ROE) fell slightly, settling to 1.7% and 14.2% respectively, at the end-July 2022 from 2.1 and 17.4% at the end-July 2021.

IX.5. Liquidity

The Liquidity coverage ratio (LCR)⁴ in BIF stood at 191.6% at the end-July 2022 from 183.9% at the end-July 2021. On the other hand, LCR in foreign currencies declined from 196.6% to 174.5%. The large deposits⁵ increased by

¹ The minimum regulatory threshold is 12.5% for the base solvency ratio and 14.5% for the overall solvency ratio).

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

³ Circular n°06/2018 defines a large risk as a loan exceeding 10% of its core equity capital.

⁴ Circular n°04/2018 defines LCR as the ratio between high-quality liquid assets (i.e. assets that can be easily

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

⁵ Large deposits is the sum of the deposits of the first 10 depositors in each credit institution.

38.8% at the end-July 2022, settling at 1,738.5 from BIF 1,252.9 billion at the end-July 2021. However, the proportion of large deposits in

the total deposits decreased by 1.5 percentage point, from 47.9% to 45.5%.

APPENDIX 1: SELECTED MONTHLY INDICATORS AT THE END OF JULY 2022

	May-2021	June-2021	July-2021	May-2022	June-2022	July-2022
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	137.6	147.8	178.7	161.6	171.1	201.6
2. Production of Arabica parchment Coffee (cumulation in T) (1)	-	1,028.9	1,789.2	-	-	5,859.6
3. Production of Tea (cumulation in T of tea leaves)	27,810.4	32,853.5	35,257.1	27,853.0	32,308.6	34,770.0
4. Consumer price index (1991 = 100)	125.8	128.6	129.1	152.0	151.2	153.7
5. Inflation rate	6.4	5.3	9.7	18.6	17.6	19.1
II. Public Finances						
1. Total Budget revenue (in BIF million)	471538.8	593,028.0	691,181.0	552520.9	708,116.8	829,206.8
1.1. Tax revenue	430530.8	535,642.8	625,085.8	484826.7	608,036.6	710,301.2
1.2. Non-tax revenue	41008.0	57,385.2	66,095.1	67694.3	100,080.3	118,905.5
1.3. Exceptional receipts	0.0	-	-	0.0	-	-
2. Expenditure	659964.4	893,362.8	1,040,187.3	924931.3	1,267,637.7	1,450,530.5
2.1. Compensation of employees (in BIF million)	201615.5	240,586.5	281,200.0	202652.1	268,757.0	310,191.7
3. Public debt (in BIF million)	4,016,866.2	4,120,106.1	4,161,228.2	4,495,633.2	4,778,498.7	4,763,702.7
3.1. Domestic debt outstanding	2,944,629.6	3,040,358.1	3,086,802.2	3,184,628.8	3,458,215.7	3,452,485.6
Including: Treasury bills and bonds	1,899,966.9	1,935,027.6	1,988,324	2,006,370.8	1,977,691.7	1,964,617.7
BRB ordinary advance	0.0	57,076.7	63,146.5	57950.6	258,620.2	258,620.2
3.2. External debt outstanding	1,072,236.6	1,079,747.9	1,074,426.0	1,311,004.4	1,320,283.0	1,311,217.1
3.3. External debt outstanding (in BIF million)	544.7	547.1	543.0	646.8	650.0	644.0
3.3. External debt service (in BIF million)	3,647.1	-	3,620.7	4,451.7	1,350.8	3,785.2
including amortization	2,013.8	-	2,823.0	3,597.1	1,215.1	2,945.7
3.4. Drawings on external loans	4,354.2	6,322.1	132.4	2,868.7	8,313.1	691.0
III. MONEY						
1. Reserve Money (in BIF million)	767,579.7	807,326.5	833,365.9	955 156,9(p)	1 023 162,4(p)	1,023,162.4
2. Broad money M3 (in BIF million)	2,926,490.5	3,094,992.5	3,178,620.6	3 648 093,8(p)	3 730 889,9(p)	4,049,245.4
2.1. Broad money M2 (in BIF million)	2,711,073.9	2,869,835.8	2,952,426.2	3 353 634,5(p)	3 465 699,6(p)	3,760,235.7
3. Domestic credit (in BIF million)	3,688,693.3	3,872,113.8	3,974,807.1	4 789 587,1(p)	5 161 151,2(p)	5,271,729.3
4. Net foreign to government (in BIF million)	2,041,348.0	2,116,150.1	2,154,646.0	2 051 437,7(p)	2 247 022,7(p)	2,262,673.6
5. Net foreign assets (in BIF million)	-272,198.0	-305,508.8	-340,523.4	-252,344.5	-447,398.1	-474,439.4
6. Tenders operations						
6.1. Normal liquidity providing	190,000.0	160,000.0	142,000.0	90,000.0	10,080.0	10,080.0
6.2. Injecting liquidity						
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	4.08	4.09	4.01	3.90	3.95	3.95
7.2. Treasury bill to 26 weeks	4.54	4.47	4.46	4.59	4.64	4.64
7.3. Treasury bill to 52 weeks	5.05	5.03	4.99	4.68	4.58	4.71
7.4. Recovery of liquidity	0.00	0.00	0.00	0.00	0.00	0.00
7.5. Injecting liquidity	2.46	2.53	3.96	4.45	4.46	2.00
7.6. Marginal lending facility	7.04	7.06	6.96	6.96	6.95	6.95
7.7. Interbank market	5.25	5.31	5.16	5.96	6.16	6.21
7.8. Deposit interest rates	5.56	5.60	5.64	6.08	6.13	6.05
7.9. Lending interest rates	15.15	15.08	14.79	13.09	12.66	13.27
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	98,513.8	113,531.4	125,573.6	165,624.0	182,206.5	173,683.9
including Arabica coffee	22,264.4	22,608.7	22,755.6	17,281.9	17,517.2	18,909.7
1.1. Volume of exports (in T)	42,132.0	47,536.0	54,673.0	40,088.0	49,340.0	56,835.0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	-	-	-	214.1	-	210.3
- BIF/Kg	-	-	-	9570.8	-	8,934.8
1.3. Coffee sold d(in BIF million)	24,573.5	25,170.1	25,253.7	18,750.9	20,566.1	22,943.3
2. Import CIF (in BIF million)	799,081.3	967,657.3	1,138,921.3	908,302.8	1,134,679.0	1,291,885.7
including petroleum products	112,033.4	129,751.7	161,049.9	163,075.6	230,311.8	263,322.2
2.1. Volum of imports (in T)	563,256.0	642,119.0	757,305.0	462,080.0	573,440.0	672,402.0
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	85.90	84.76	85.85	90.63	90.81	93.01
3.1.2. Real	91.49	90.47	91.22	104.89	104.09	107.83
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,970.55	1,976.04	1,980.86	2,029.12	2,033.55	2,038.25
3.2.2. Exchange rate BIF/USD (monthly average)	1,968.32	1,973.45	1,978.55	2,026.92	2,031.35	2,036.00

(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 JULY 2022 (in BIF million)

	Commercial banks			Other financial corporations			Banking sector		
	July-2021	July-2022	Change in %	July-2021	July-2022	Change in %	July-2021	July-2022	Change in %
I. ASSETS	4,287,357.6	5,934,465.0	38.4	316,241.3	110,902.9	- 64.9	4,603,598.9	6,045,367.9	31.3
I.1. MAIN ASSETS	3,680,404.5	5,074,429.0	37.9	270,101.3	94,897.4	- 64.9	3,950,505.8	5,169,326.4	30.9
A. Liquid assets	2,267,766.8	2,616,914.4	15.4	20,007.8	5,041.2	- 74.8	2,287,774.6	2,621,955.6	14.6
. Cash	84,261.2	120,649.9	43.2	18.9	21.7	14.6	84,280.1	120,671.6	43.2
. Balance in B.R.B.	238,190.1	622,886.9	161.5	452.9	1,003.2	121.5	238,643.1	623,890.1	161.4
. Interbank claims	167,391.2	112,113.2	- 33.0	2,062.9	1,364.3	- 33.9	169,454.1	113,477.5	- 33.0
. Loan to government	1,777,924.3	1,761,264.5	- 0.9	17,473.0	2,652.0	- 84.8	1,795,397.3	1,763,916.5	- 1.8
Treasury securities	1,677,375.3	1,655,940.3	- 1.3	17,473.0	2,652.0	- 84.8	1,694,848.3	1,658,592.3	- 2.1
Other securities	100,549.0	105,324.2	4.7	-	-	-	100,549.0	105,324.2	4.7
B. Loans	1,412,637.7	2,457,514.6	74.0	250,093.6	89,856.2	- 64.1	1,662,731.3	2,547,370.8	53.2
. Short term	716,090.4	1,145,619.6	60.0	2,836.8	811.8	- 71.4	718,927.2	1,146,431.4	59.5
. Medium term	438,198.4	658,890.8	50.4	38,164.1	42,664.3	11.8	476,362.5	701,555.1	47.3
. Long term	258,348.8	653,004.3	152.8	209,092.7	46,380.1	- 77.8	467,441.5	699,384.3	49.6
. Leasing	-	-	-	-	-	-	-	-	-
I.2. Fixed assets	190,309.34	229,174.9	20.4	11,798.8	2,844.5	- 75.9	202,108.1	232,019.3	14.8
I.3. Others assets	416,643.77	630,861.1	51.4	34,341.2	13,161.1	- 61.7	450,985.0	644,022.1	42.8
II. LIABILITIES	4,287,357.6	5,934,465.0	38.4	316,241.3	110,902.9	- 64.9	4,603,598.9	6,045,367.9	31.3
II.1. Main liabilities	3,373,033.9	4,731,709.3	40.3	198,909.9	61,003.0	- 69.3	3,571,943.8	4,792,712.3	34.2
. Customer deposits	2,576,621.9	3,594,063.5	39.5	177,004.8	33,350.6	- 81.2	2,753,626.7	3,627,414.1	31.7
amongst: Ten large deposits	1,213,741.2	1,738,480.4	43.2	39,118.5	-	-	1,252,859.8	1,738,480.4	38.8
. Borrowing from B.R.B. (Refinancing)	338,519.6	562,645.2	66.2	13,485.7	24,170.2	-	352,005.3	586,815.4	66.7
. Interbank liabilities	457,892.4	575,000.6	25.6	8,419.4	3,482.2	- 58.6	466,311.8	578,482.8	24.1
. Capital and reserves	417,840.4	557,631.1	33.5	46,600.3	24,743.8	- 46.9	464,440.7	582,374.9	25.4
II.2. Other liabilities	496,483.3	645,124.6	29.9	70,731.2	25,156.1	- 64.4	567,214.4	670,280.7	18.2
MAIN INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Tier 1 capital (in BIF billion)	471,141.8	650,646.2	38.1	47,145.8	22,847.2	- 51.5	518,287.7	673,493.4	29.9
. Total regulatory capital (in BIF billion)	495,925.0	689,414.7	39.0	56,049.7	27,551.6	- 50.8	551,974.7	716,966.3	29.9
. Risk weighted assets	1,789,816.2	2,825,535.5	57.9	256,284.1	115,123.4	- 55.1	2,046,100.3	2,940,658.8	43.7
. Tier 1 capital adequacy ratio (threshold 12.5%)	26.3	23.0	-	18.4	19.8	-	25.3	22.9	-
. Total regulatory capital adequacy ratio (threshold 12.5%)	27.7	24.4	-	21.9	23.9	-	27.0	24.4	-
. Leverage Ratio (threshold 7%)	11.0	11.0	-	14.9	20.6	-	11.3	11.1	-
Loan concentration									
. Large exposures	372,497.3	845,574.4	127.0	4,544.7	2,758.8	- 39.3	377,042.0	848,333.2	125.0
. Large exposures to Loans ratio (%)	26.4	34.4	-	1.8	3.1	-	22.7	33.3	-
. Loans to Assets ratio (%)	32.9	41.4	-	79.1	81.0	-	36.1	42.1	-
. Government claims to assets ratio (%)	41.5	29.7	-	5.5	2.4	-	39.0	29.2	-
. Government Loans/Tier 1 capital ratio (%)	377.4	270.7	-	37.1	11.6	-	346.4	261.9	-
Quality of loan portfolio									
. Past due loans	119,864.8	219,824.5	83.4	41,432.9	1,338.9	- 96.8	161,297.7	221,163.4	37.1
Special mention loans	61,229.8	159,663.2	160.8	32,712.8	76.4	- 99.8	93,942.6	159,739.6	70.0
Non performing loans	58,635.0	60,161.3	2.6	8,720.1	1,262.5	- 85.5	67,355.1	61,423.9	- 8.8
Substandard loans	8,337.0	19,616.5	135.3	3,895.1	651.8	- 83.3	12,232.1	20,268.3	65.7
Doubtful loans	9,323.4	13,714.2	47.1	2,959.8	498.7	- 83.1	12,283.2	14,212.9	15.7
Loss loans	40,974.7	26,830.7	- 34.5	1,865.2	112.0	- 94.0	42,839.9	26,942.7	- 37.1
. Loan loss provisions	39,868.3	31,307.7	- 21.5	2,409.8	491.5	- 79.6	42,278.1	31,799.2	- 24.8
. Non performing loan rate	4.2	2.4	-	3.5	1.4	-	4.1	2.4	-
. Impairment rate	8.5	8.9	-	16.6	1.5	-	9.7	8.7	-
. Provisioning rate	68.0	52.0	-	27.6	38.9	-	62.8	51.8	-
Liquidity									
. LCR* in BIF (threshold 100%)	183.9	191.6	-	-	-	-	183.9	191.6	-
. LCR in f.c.** (threshold 100%)	196.6	174.5	-	-	-	-	196.6	174.5	-
. Loans/Customer deposits	54.8	68.4	-	141.3	269.4	-	60.4	70.2	-
. Stable funds /Fixed Assets (threshold 60%)	89.3	94.8	-	174.3	296.0	-	100.9	96.8	-
. Ten large deposits/Customer deposits	47.1	48.4	-	22.1	-	-	45.5	47.9	-
Profitability and performance									
. Income before tax	92,679.5	104,568.8	12.8	8,100.1	4,794.3	- 40.8	100,779.7	109,363.1	8.5
. Net income	88,618.4	98,641.5	11.3	7,262.2	3,144.3	- 56.7	95,880.6	101,785.8	6.2
. Gross Income	171,636.5	218,581.6	27.4	15,011.5	6,412.0	- 57.3	186,648.1	224,993.6	20.5
. ROA	2.07	1.66	-	2.30	2.84	-	2.1	1.7	-
. ROE	17.87	14.31	-	12.96	11.41	-	17.4	14.2	-

Source: BRB

APPENDIX 3: SELECTED ANNUAL INDICATORS

GROSS DOMESTIC PRODUCT AND PRICE	2017	2018	2019	2020	2021 (p)
Real Growth of GDP (in %)	3.8	5.3	4.5	-0.5	3.1
Inflation rate (annual)	16.1	-2.6	-0.8	7.5	8.3
FOREIGN SECTOR					
Exports, f.o.b. (USD million)	172.3	180.0	179.7	162.4	165.1
Imports, CIF (USD million)	756.0	793.5	887.7	909.6	1,030.0
Volume of exports (in tons)	93,125.0	103,218.0	103,030.0	105,858.0	102,500.0
Volume of imports (in tons)	822,514.0	976 694	1,143,866.0	1,175,731.0	1,331,987.4
Current account balance (USD million)	-370.9	-345.9	-348.4	-315.8	-421.9
Exchange rate BIF/USD (period average)	1,732.2	1,784.8	1,848.6	1,915.1	1,976.0
Exchange rate BIF/USD (end of period)	1,766.7	1,808.3	1,881.6	1,946.4	2,006.1
International reserves (USD million, end of période)	102.2	70.3	113.4	94.3	266.6
International reserves (Month of imports)	1.7	1.0	1.5	1.1	3.2
MONEY AND CREDIT					
Net foreign assets (BIF million)	-154,400.0	-203,201.0	-206,340.3	-205,016.1	-322,600.5
Domestic credit (BIF million)	2,005.0	2,369.5	2,827.6	3,475.3	4,285.7
Net credits to the Government	1,112.2	1,337.5	1,618.9	2,025.8	1,932.4
Credits to the economy	892.9	1,038.6	1,208.6	1,449.5	2,352.3
Broad money (M3)	1,499.5	1,797.5	2,202.8	2,728.0	3,344.1
Money and quasi money (M2)	1,340.9	1,326.0	2,014.7	2,520.7	3,089.4
Velocity of the money (GDP/M2, end of period)	4.3	4.5	3.1	2.6	2.4
Reserve money (growth rate)	39.0	-3.3	23.6	11.6	1.1
Liquidity providing rate (in %)	2.79	2.90	2.65	2.86	3.00
Marginal lending rate (in %)	7.13	5.80	5.43	6.22	6.80
Commercial banks average deposit rates (end of period)	5.96	5.60	5.25	5.45	5.75
Treasury securities	14.03	13.23	12.45	12.46	11.66
Commercial banks average lending rates (end of period)	16.16	15.65	15.49	15.24	14.54
FINANCE AND PUBLIC DEBT					
Revenues and grants (as % of GDP)	15.8	17.7	20.0	20.0	19.9
Expenses (as % of GDP)	20.1	22.2	24.4	26.1	22.7
Overall fiscal balance (as % of GDP , accrual basis)					
- excluded grants	-6.9	-8.0	-8.4	-9.9	-6.2
- included grants	-4.3	-4.5	-4.4	-6.1	-2.9
Domestic debt (BIF million)	1,647.8	1,937.8	2,317.5	2,851.2	3,063.2
External debt (in USD million , at the end of period)	440.5	451.1	504.1	532.2	638.1
External debt service ratio (as % of exports)	5.1	3.2	5.0	5.4	5.3
Public external debt (as % of GDP)	13.6	13.8	15.3	15.6	17.0
GDP at market prices (BIF billion)	5,702.1	5,914.4	6,216.9	6,655.6	7,506.4
P:provisional					

Source: BRB