



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic indicators
September 2022

I. INTRODUCTION

The main economic indicators below concerned the developments at the end of September 2022, in the real sector and prices, the public finance, the foreign trade, the exchange rate, the broad and supply money and its counterparts and the main financial soundness indicators.

Year-on-year, the real sector was marked, in September 2022 by a growth in industrial production, inflows of parchment coffee and production of green leaf tea.

Inflation has increased in September 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 September 2022. The overall fiscal deficit (excluding grants) has worsened compared to the end of September 2021. The Burundi Franc depreciated against the US Dollar.

The reserve money grew at a faster pace while the money supply decelerated in September 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. The solvency and profitability ratios remained stable.

II. PRODUCTION

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

II.1 Industrial Production Index

The industrial production index rose by 16.0% in September 2022, standing at 199.5 against 171.9 in September 2021, particularly in connection with the rise of the BRARUDI beverages production (+5.9%), sugar (+52.7%) and cigarettes (+20.5%).

On the other hand, this index fell by 2.4% compared to the previous month, mainly in connection with the decrease in the production of sugar (-10.5%), cigarettes (-9.6%), partially offset by the growth in the BRARUDI beverages production (+2.9%).

II.2. Coffee

Parchment coffee production for the 2022/2023 coffee campaign increased at the end of September 2022 compared to the same period of the previous campaign, standing at 21,395 tonnes against 3,313 tonnes, in line with the cyclicity of the coffee tree.

II.3. Tea

On annual basis, the production of green leaf tea increased by 11.7 percent in September 2022, reaching at 2,364.6 tonnes against 2,117.5 tonnes in the same period of 2021, in connection with the good rainfall. Likewise, cumulative production increased slightly by 1.2 percent at the end of September 2022,

standing at 39,795.2 tonnes against 39,333.4 tonnes in the same period of 2021.

III. INFLATION DEVELOPMENTS

Year-on-year, headline inflation stood at 20.9 percent in September 2022 against 10.5 percent in the same period of the previous year. This acceleration resulted from the rise of both food inflation (+26.3 against +13.7 percent) and non-food (+14.5 against +7.1 percent).

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

	September-2021		September-2022	
	CPI	Inflation	CPI	Inflation
Headline Inflation	130.5	10.5	157.8	20.9
1. Food	132.1	13.7	166.8	26.3
- Bread and cereals	121.8	6.5	175.1	43.8
- Meat	156.6	9.1	204.3	30.5
- Fish and sea food	168.6	16.4	217.1	28.8
- Milk, cheese and eggs	142.8	16.2	152.3	6.7
- Oils and fats	184.1	52.4	230.2	25.0
- Fruits	162.8	21.9	182.5	12.1
- Vegetables	121.3	11.2	147.0	21.2
- Sugar, jam, honey, chocolate and confectionery	109.1	-3.2	127.3	16.7
- undefined food elsewhere	129.4	2.4	136.5	5.5
2. Non food	128.6	7.1	147.6	14.8
- Alcoholic beverages, tobacco	134.7	7.6	136.7	1.5
- clothing and footwear	133.9	6.8	153.3	14.5
- Housing, water, electricity, gas and other fuels	137.7	5.9	153.3	11.3
- Furnishing, household equipment and routine household	132.0	8.1	162.0	22.7
- Health	167.8	37.6	176.4	5.1
- Transport	118.5	1.5	152.5	28.7
- Communication	102.5	1.0	118.2	15.3
- leisure and culture	131.6	1.2	170.1	29.3
- Education	151.1	6.6	151.8	0.5
- Hotels, Restaurant and café	119.2	5.7	133.0	11.6
- Other goods and services	126.7	3.8	136.7	7.9
Energy and fuels	157.0	6.9	183.4	16.8
3. Core Inflation	130.3	10.1	157.1	20.6

Source: BRB, from INSBU data

The rise in food inflation was mainly due to rise prices of the sub-headings: "bread and cereals" (43.8 against 6.5 percent), "Sugar, jam, honey, chocolate and confectionery (+16.7 against

-3.2 percent) "Fish and seafood" (+28.8 against 16.4 percent), and "Meat" (+30.5 against +9.1 percent), Vegetables (21.2 against 11.2 percent).

The increase in non-food inflation mainly concerned the sub-items "Furnishing, household equipment and routine maintenance" (+22.7 against +8.1 percent), "Leisure and culture" (29.3 against 1.2 percent), "Transport" (+28.7 against +1.5 percent), "Communication" (+15.3 against +1.0 percent), "other goods and services" (+7.9 against +3.8 percent), Restaurants and hotels (11.6 against 5.7 percent).

Year-on-year basis, the price index combining the price of energy and fuels increased in September 2022 compared to the same period of the previous year (+16.8 against 6.9 percent).

Compared to the same period of the previous year, headline inflation excluding food and energy prices, which is proxy for core inflation, increased at the end of September 2022 (+20.9 against +10.1 percent).

IV. TRADE BALANCE

In September 2022, the trade balance deficit worsened compared to the same period in 2021 (BIF 1,544.6 billion against 1,347.3 billion). This deterioration of the deficit is explained by a greater increase in imports (BIF 1,774.3 billion against 1,511.8 billion) compared to that of exports (BIF 229,659.4

million against 164,518.5 million). However, the coverage rate of imports by exports increased, standing at 12.9% against 10.9% at the end of September 2022.

IV.1 Exports

At the end of September 2022, cumulative exports grew in value (39.6%) and volume (2.0%) compared to the same period in 2021.

In value, the growth in exports concerned both exports of primary products (BIF 133,501.6 million against 83,078.8 million) and manufactured products (BIF 96,157.8 million against 81,439.7 million).

Regarding exports of manufactured products, the increase was largely due to exports of cigarettes (BIF 14,723.8 million against 8,999.9 million) and beer (BIF 13,451.5 million against 9,922.3 million).

In volume, the growth in exports concerned exports of manufactured products (61,912 tonnes against 52,418 tonnes). The volume of primary products decreased (16,140 against 24,134 tonnes).

Likewise, exports in September 2022 increased by 65.6% compared to the same period of 2021 (BIF 28,601.6 million against 17,273.1 million). This increase concerned exports of primary products (BIF 15,655.0 million against 7,122.5 million) and those of manufactured products (BIF 12,946.6 million compared to 10,150.6 million).

IV.2 Imports

In September 2022, cumulative imports increased in value (17.4%) while they decreased in volume (9.7%) compared to the same period in 2021.

In value, the increase in imports concerned all categories of imported goods, namely, intermediary goods (BIF 871,358.7 million compared to 690,277.6 million), consumer goods (BIF 608,150.7 million against 537,336.5 million), and capital goods (BIF 294,802.3 million compared to 284,260.5 million).

The increase in imports of intermediary goods concerned goods for agriculture and livestock (BIF 110,027.9 million compared to 60,195.6 million) and mineral oils (BIF 379,984.1 million against 233,596.8 million). However, imports of goods for metallurgy (BIF 108,071.8 million compared to 132,166.0 million), food industry (BIF 101,276.0 million against 102,973.3 million), and construction (BIF 78,193.5 million against 80,898.9 million) have decreased.

Regarding imports of consumer goods, the increase is attributable to imports of durable consumer goods, namely textiles (BIF 84,092.0 million against 59,977.0 million), vehicles (BIF 59,889.1 million against 54,968.0 million), and other durable consumer products (BIF 168,431.2 million against 125,210.2 million). On the other hand, imports of non-durable consumer goods fell slightly, settling at 295,738.3 compared to 297,181.2 million of BIF, especially food goods (BIF 151,297.2

million against 155,768.0 million) and pharmaceutical products (BIF 91,560.0 million against 102,328.7 million).

The increase in imports of capital goods concerned boilers and construction equipment (BIF 102,338.4 million against 87,701.1 million) and, to a lesser extent, parts and tools (BIF 30,941.2 million compared to 30,395.5 million). However, imports of electrical materials (BIF 56,926.8 million against 58,721.2 million), and those of Tractors, vehicles, and transport machinery (BIF 74,140.7 million against 77,812.4 million) decreased.

In volume, the decrease in imports concerned intermediary goods (662,482 tonnes against 710,961 tonnes), capital goods (39,817 tonnes against 45,705 tonnes), and consumer goods (203,803 tonnes against 247,066 tonnes).

Likewise, imports for the month of September 2022 increased by 41.2% compared to those for the same month of 2021, settling at BIF 245,974.2 million compared to BIF 174,143.1 million. This increase concerned imports of intermediary goods (BIF 128,334.5 million against 84,184.0 million), consumer goods (BIF 80,154.1 compared to 59,333.4 million), and capital goods (BIF 37,485.5 against 30,625.6 million).

V. EXCHANGE RATE

Compared to the same period of 2021, the BIF depreciated by 3.0 percent against the US Dollar in September 2022, the monthly average

exchange rate stood at 2,046.20 against 1,988.67 BIF for one unit of US Dollar.

At the end of the period, the BIF depreciated by 3.0 percent annually against the US dollar. The exchange rate stood at BIF 2,048.7 against BIF 1,991.16 at the end of September 2021 for one unit of US Dollar.

VI. GOVERNMENT FINANCIAL OPERATIONS

At the end of September 2022, the overall fiscal deficit (excluding grants) increased compared to the same period of the previous year, standing at BIF 701,157.9 million against BIF 400,661.8 million, following the greater increase in public expenditure than in revenue.

VI.1. Revenue

Revenue of September 2022 increased by 17.8 percent, standing at BIF 136,420.9 million against BIF 115,816.3 million in the same period of 2021. This improvement concerned both tax revenue (BIF +17,530.8 million) and non-tax revenue (BIF +3,073.9 million).

Similarly, cumulative revenue increased by 18.5 percent at the end of September 2022, amounting to BIF 1,095.3 billion against BIF 924.5 billion in the same period of the previous year, in line with the increase in tax-revenue (BIF +98,930.4 million) and non-tax revenue (BIF +71,990.0 million).

VI.2. Expenditure

Expenditure incurred in September 2022 increased by 24.6 percent compared to the same period of 2021, standing at BIF 161,751.3 million against BIF 129,788.1 million. Similarly, cumulative expenditure increased by 35.6 percent at the end of September 2022, settling at BIF 1,796.5 billion against BIF 1,325.1 billion in the same period of 2021.

Cumulative personnel compensation increased by 9.6 percent at the end of September 2022, standing at BIF 398,252.6 million compared to BIF 363,405.9 million in the same period of 2021.

VI.3. Public debt

Public debt increased by 23.4% at the end of September 2022, settling at BIF 5,196.1 billion against BIF 4,212.0 billion in the corresponding month of the previous year, in line with the increase of, both, domestic debt (+25.7%) and external debt (+16.9%).

Compared to the previous month, the public debt grew slightly by 2.2% in link with the augmentation in the domestic debt (3.2%), the external debt having decreased slightly (-0.6%).

VI.3.1 Domestic Debt

Year-on-year, the outstanding domestic debt increased by 25,7% at the end of September 2022, rising from 3,093.1 to BIF 3,888.5 billion, in line with the increase of the Government debt to the banking sector (BIF +814,357.4 million).

Compared to the previous month, the domestic debt increased by BIF 119,902.5 million, in connection with the increase of the Government debt to the banking sector (BIF +119,942.5 million).

VI.3.2. External Debt

Year-on-year, the stock of external debt increased by 16.9% at the end of September 2022, rising from 1,118.8 to BIF 1,307.7 billion, in relation to drawings (BIF +239,719.8 million, partially offset by revaluation losses (BIF 23,346.2 million) and debt amortization (BIF 27,538.7 million).

Compared to the previous month, the external debt decreased by 0.6% at the end of September 2022, standing at 1,307.7 against BIF 1,315.1 billion, in connection with the revaluation losses (BIF 8,687.8 million) and the debt amortization (BIF 2,480.2 million), partially offset by new drawings (BIF +3,704.9 million).

Expressed in US dollars, the external debt increased by 13,6% at the end of September 2022, settling at USD 639.1 million against 562.6 million in the corresponding period of 2021.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

In September 2022, the reserve money and the money supply expanded due to the increase in net domestic assets.

VII.1. Monetary base

Year-on-year basis, the reserve money edged up by 61.0% at the end of September 2022 against 9.9% at the same period of the previous year, standing at BIF 1,354.0 against 840.9 billion. This increase resulted from commercial bank deposits that went up by 198.3% against a drop of 7.7% recorded a year earlier. However, currency in circulation rose at a slower pace than in the same period of 2021 (15.4 against 21.4%).

VII.2. Money supply

Year-on-year basis, the money supply (M3) slowed its growth rate in September 2022 compared to the same period of 2021 (+23.4 against +29.1%) standing at BIF 4,105.5 against 3,326.7 billion at the end of September 2021. This slowdown results from that of M2 monetary aggregate, which softened from 30.9 to 23.4% at the end of September 2022 while residents' foreign currency deposits accelerated in growth compared to September 2021 (+22.2 against +9.3%).

The slowdown in M2 monetary aggregate concerned time and saving deposits in BIF (+14.9 against +42.2%) while currency in circulation outside depository institutions and demand deposits slightly increased their growth rate from +16.3 to +17.8% and from +29.3 to +30.0% respectively.

The deceleration in growth of time and saving deposits in BIF is attributable to household deposits (+7.8 against +23.1%), deposits of

other non-financial corporations (+18.4 against +71.9%) coupled with the decline in deposits from public non-financial corporations (-38.4 against +47.6%) and local administrations (-66.2 against +359.7%). Deposits classified in other accounts increased at a higher rate than in the same period of 2021 (+36.1 against +17.2%).

Concerning demand deposits, the slowdown in household deposits (+14.1 against 36.6%), local administrations' deposit (112.4 against 705.3%) and those classified in other accounts (14.7 against 26.0%) was offset by the significant increase in deposits of public non-financial corporations (50.7 against 46.6%), other financial corporations deposits (+659.4 against -64.9%) and other non-financial corporations deposits (+43.2 against 21.6%).

The progress in residents' foreign currency assets concerned household assets which increased by 31.9 after 10.1% and those classified in other accounts (+23.7 against -13.3%). Deposits of other non-financial corporations slowed their growth rate (+6.6 against 32.4%) and assets in foreign currencies of public non-financial corporations continued to decline (-83.0 after -59.3%) over the twelve months to the end of September 2022.

VII.3. Counterparts

Year-on-year basis, domestic credit accelerated its growth rate in September 2022 compared to 2021 (+33.6 against 26.6%) amounting to BIF 5,759.5 billion at the end of

September 2022 against BIF 4,309.5 billion at the end of September 2021. This increase is due to the rise in net claims on Government, which accelerated in growth (+20.5 against +5.9%) while claims on the economy increased at a slower pace than in the same period of 2021 (+46.7 against +56.9%).

The rise in net claims on Government was driven by those of the Central Bank (+154.1 against -26.2% in 2021) which largely outpaced the fall in those of commercial banks (-3.2 against +14.8%).

Net foreign assets continued to decline at the same pace from one year to the next (-44.0 after -44.7%) at the end of September 2022. This drop resulted from the increase in foreign liabilities (BIF +95,888.1 million) combined with the decrease of gross foreign assets (BIF - 113,346.6 million) in the year to September 2022.

The official reserves assets decreased by BIF 182,957.2 million in the year to the end of September 2022 and covered 1.8 months of imports of goods and services against 3.3 months at the same period of 2021.

VIII. MAIN INDICATORS OF BANKING SECTOR

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

refinancing.

VIII.1. Assets

Banking sector assets grew by 28.2% year-on-year, standing at BIF 6,196.3 billion at the end of September 2022 from BIF 4,832.6 billion at the end of September 2021. This was linked to the 47.4% increase in loans to the economy which rose from BIF 2,694.5 billion to BIF 1,827.6 billion.

The proportion of loans to the economy increased by 18 points of percentage, reaching 55.8% of total assets in the banking sector at the end of September 2022 against 37.8% at the end of September 2021. The share of State commitments remained stable at 38.0%.

VIII.2. Liabilities

The customer deposits increased by 27.0% year-on-year, standing at BIF 3,574.3 billion from BIF 2,813.7 billion at the end of September 2021. Central Bank refinancing increased by 66.8%, standing at 625.6 against BIF 375.1 billion, following the rise in financing favoring growth-leading sectors.

The proportion of deposits in the main liabilities rose by 15.8 percentage points, standing at 74.0% at the end-September 2022 from 58.2% at the end-September 2021. On the other hand, the proportion of refinancing increased by 5.1 percentage point, from 7.8% at the end of September 2021 to 12.9% at the end-September 2022.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

In September 2022, the equity capital of the banking sector increased compared to the situation in the corresponding period in 2021. However, the solvency and profitability ratios remained stable.

IX.1. Capital Adequacy

The banking sector's equity capital rose by 25.1% at the end of September 2022, settling at BIF 713.5 billion from BIF 570.5 billion at the end of September 2021. On the other hand, the core capital adequacy ratio¹ and the overall capital adequacy remained stable at 21.2% and 22.6%. The leverage ratio² declined slightly, settling at 10.8% from 11.1%.

IX.2. Quality of loans portfolio

The amount of non-performing loans fell by 5.0% at the end of September 2022, settling at BIF 69,442.5 million from BIF 73,064.8 million in the corresponding period in 2021. Therefore, the overall loan default rate stood at 2.6% from 4.0%.

The loan default rates fell in the various sectors of activities, in particular, in agriculture, from 13.3% to 1.6%, in construction, from 5.6% to 3.0%, in trade, from 3.6% to 2.4% and in equipment, from 3.4% to 3.2%. On the other hand, it increased from 0.6 to 1.0% in industry

and from 8.3% to 9.9% in hotels and tourism.

IX.3. Concentration of loans portfolio

The exposure of the banking sector to large loan risks³ grew by 274.0% at the end of September 2022, the large exposition amounted to BIF 1,184.8 billion from BIF 316.8 billion, in line with the increase in refinancing in favor to growth-leading-sectors. The large loan risks represented 64.8% of the overall loan portfolio at the end-September 2022 from 17.3% at the end-September 2021.

At the end-September 2022, trade remained the most financed sector by the banking sector. However, the share of financing increased to 32.1% of the overall portfolio from 28.1% at the end-September 2021. The outstanding loans to the trade sector amounted to BIF 864.4 billion from BIF 525.5 billion in the corresponding period of 2021.

IX.4. Profitability

The Banking sector's Gross Income increased by 20.0% year-on-year, standing at BIF 295.3 billion at the end-September 2022 from BIF 246,0 billion. On the other hand, Net profit slightly decreased standing at BIF 127.8 billion from BIF 128.7 million. Nonetheless, the return on assets (ROA) and equity (ROE) fell slightly, settling to 2.1% and 17.9% respectively, at the end-September 2022 from 2.7 and 22.6% at the

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.

end-September 2021.

IX.5. Liquidity

The Liquidity coverage ratio (LCR)⁴ in BIF stood at 186.5% at the end-September 2022 from 200.1% at the end-September 2021. On the other hand, LCR in foreign currencies stood at 194.0% from 159.7%. The large deposits⁵

increased by 46.8% at the end-September 2022, settling at 1,859.4 from BIF 1,266.3 billion at the end-September 2021. On the other hand, the proportion of large deposits in the total deposits increased by 7.0 percentage point, from 45.0% to 52.0 %.

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.

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

	July-2021	August-2021	Sept-2021	July-2022	August-2022	Sept-2022
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	178.7	196.0	171.9	198.5	204.4	199.5
2. Production of Arabica parchment Coffee (cumulation in T) (1)	1,789.2	2,790.3	3,312.9	5,859.6	20,052.7	21,394.9
3. Production of Tea (cumulation in T of tea leaves)	35,257.1	37,215.9	39,333.4	34,770.0	37,430.7	39,795.2
4. Consumer price index (1991 = 100)	129.0	129.8	130.6	153.7	155.2	157.8
5. Inflation rate	9.8	10.4	10.5	19.0	19.6	20.9
II. Public Finances						
1. Total Budget revenue (in BIF million)	691181.0	808,643.4	924,459.6	829206.8	958,959.2	1,095,380.1
1.1. Tax revenue	625085.8	725,510.2	829,682.4	710301.2	806,909.8	928,612.8
1.2. Non-tax revenue	66095.1	83,133.2	94,777.3	118905.5	152,049.4	166,767.3
1.3. Exceptional receipts	0.0	-	-	0.0	-	-
2. Expenditure	1040187.3	1,195,333.4	1,325,121.5	1450530.5	1,634,786.7	1,796,538.0
2.1. Compensation of employees (in BIF million)	281200.0	322,229.0	363,405.9	310191.7	351,723.4	398,252.6
3. Public debt (in BIF million)	4,161,228.2	4,211,290.0	4,211,955.4	5,094,784.6	5,083,718.4	5,196,157.8
3.1. Domestic debt outstanding	3,086,802.2	3,106,200.8	3,093,135.6	3,783,567.5	3,768,600.5	3,888,503.0
Including: Treasury bills and bonds	1,988,324.3	2,023,132.4	2,048,624	1,964,617.7	1,970,857.1	2,030,569.9
BRB ordinary advance	63146.5	33,670.8	-	28468.2	17,695.5	82,611.8
3.2. External debt outstanding	1,074,426.0	1,105,089.2	1,118,819.8	1,311,217.1	1,315,117.9	1,307,654.8
3.3. External debt outstanding (in BIF million)	543.0	557.1	562.6	644.0	644.4	639.1
3.3. External debt service (in BIF million)	3,620.7	409.2	5,340.9	3,785.2	1,256.2	3,889.0
including amortization	2,823.0	259.1	3,531.5	2,945.7	1,049.3	2,480.2
3.4. Drawings on external loans	132.4	29,184.4	14,619.6	691.0	3,396.3	3,704.9
III. MONEY						
1. Reserve Money (in BIF million)	833,365.9	845,153.3	840,987.5	1332872(p)	1321862,2 (p)	1354055,1(p)
2. Broad money M3 (in BIF million)	3,178,620.6	3,248,792.6	3,326,752.6	4062774,3(p)	4044765,8(p)	4105509,9(p)
2.1. Broad money M2 (in BIF million)	2,952,426.2	3,027,241.2	3,092,584.9	3764924,4(p)	3758910(p)	3819433,1(p)
3. Domestic credit (in BIF million)	3,974,807.1	4,043,449.9	4,309,525.8	5507712,1(p)	5628712,3(p)	5759521,9(p)
4. Net foreign to government (in BIF million)	2,154,646.0	2,140,673.6	2,143,548.1	2497592,8(p)	2578319,2(p)	2582859,5(p)
5. Net foreign assets (in BIF million)	-340,523.4	-364,439.6	-405,163.9	-553,107.7	-538,259.1	-583,434.7
6. Tenders operations						
6.1. Normal liquidity providing	142,000.0	80,000.0	70,000.0	10,080.0	0.0	
6.2. Injecting liquidity						
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	4.01	3.20		3.95	3.95	3.83
7.2. Treasury bill to 26 weeks	4.46	4.22	4.29	4.64	4.64	4.61
7.3. Treasury bill to 52 weeks	4.99	4.88	4.82	4.71	4.86	4.89
7.4. Recovery of liquidity	0.00	0.00	0.00	0.00	0.00	0.00
7.5. Injecting liquidity	3.96	2.60	2.99	2.00	2.00	2.00
7.6. Marginal lending facility	6.96	6.60	6.33	6.95	6.95	6.73
7.7. Interbank market	5.16	5.48	5.56	6.21	5.64	3.66
7.8. Deposit interest rates	5.64	5.66	5.94	6.05	6.12	6.14
7.9. Lending interest rates	14.79	13.79	13.59	13.27	13.43	13.21
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	125,573.6	147,245.4	164,518.5	173,683.9	201,057.8	229,659.4
including Arabica coffee	22,755.6	25,010.1	28,053.3	18,909.7	26,167.9	37,016.4
1.1. Volume of exports (in T)	54,673.0	67,895.0	76,552.0	56,835.0	66,040.0	78,052.0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	-	187.1	197.3	210.3	223.6	194.1
- BIF/Kg	-	8,160.9	8,518.7	8934.8	10,030.2	8,719.2
1.3. Coffee sold d(in BIF million)	25,253.7	27,583.7	30,874.1	22,943.3	32,309.7	52,213.4
2. Import CIF (in BIF million)	1,138,921.3	1,337,731.5	1,511,874.6	1,291,885.7	1,526,413.2	1,774,311.7
including petroleum products	161,049.9	203,146.7	233,596.8	263,322.2	317,277.1	379,984.1
2.1. Volum of imports (in T)	757,305.0	881,034.0	1,003,731.0	672,402.0	790,910.0	906,102.0
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	85.85	85.48	85.14	93.01	92.81	94.64
3.1.2. Real	91.22	90.77	90.60	107.67	107.99	111.25
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,980.86	1,985.95	1,991.16	2,038.25	2,043.49	2,048.70
3.2.2. Exchange rate BIF/USD (monthly average)	1,978.55	1,983.53	1,988.67	2,036.00	2,040.95	2,046.20
(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 SEPTEMBER 2022 (in BIF million)

	Commercial banks			Other financial corporations			Banking sector		
	Sept_2021	Sept_2022	Change in %	Sept_2021	Sept_2022	Change in %	Sept_2021	Sept_2022	Change in %
I. ASSETS	4,737,344.7	6,064,503.5	28.0	95,228.3	131,813.1	38.4	4,832,572.9	6,196,316.7	28.2
I.1. MAIN ASSETS	4,082,586.5	5,228,163.5	28.1	83,104.4	115,716.0	39.2	4,165,690.9	5,343,879.5	28.3
A. Liquid assets	2,331,103.6	2,628,370.3	12.8	7,036.2	20,978.0	198.1	2,338,139.8	2,649,348.4	13.3
. Cash	110,113.3	114,721.2	4.2	12.8	10.9	- 15.1	110,126.1	114,732.0	4.2
. Balance in B.R.B.	212,174.6	530,075.5	149.8	407.7	16,186.2	3,870.2	212,582.3	546,261.8	157.0
. Interbank claims	177,491.6	152,146.3	- 14.3	1,222.1	2,084.2	70.5	178,713.7	154,230.4	- 13.7
. Loan to government	1,831,324.2	1,831,427.3	0.0	5,393.6	2,696.8	- 50.0	1,836,717.8	1,834,124.2	- 0.1
Treasury securities	1,731,045.1	1,727,893.6	- 0.2	5,393.6	2,696.8	- 50.0	1,736,438.7	1,730,590.4	- 0.3
Other securities	100,279.1	103,533.7	3.2	-	-	-	100,279.1	103,533.7	3.2
B. Loans	1,751,482.9	2,599,793.2	48.4	76,068.2	94,738.0	24.5	1,827,551.1	2,694,531.2	47.4
. Short term	813,196.4	1,235,280.3	51.9	257.5	926.0	259.6	813,453.9	1,236,206.2	52.0
. Medium term	494,525.6	556,337.0	12.5	9,285.2	44,713.6	381.6	503,810.7	601,050.7	19.3
. Long term	443,760.9	808,175.9	82.1	66,525.5	49,098.3	- 26.2	510,286.4	857,274.3	68.0
. Leasing	-	-	-	-	-	-	-	-	-
I.2. Fixed assets	199,598.69	231,665.2	16.1	3,242.1	2,932.0	- 9.6	202,840.8	234,597.1	15.7
I.3. Others assets	455,159.47	604,674.8	32.8	8,881.8	13,165.1	48.2	464,041.3	617,840.0	33.1
II. LIABILITIES	4,737,344.7	6,064,503.5	28.0	95,228.3	131,813.1	38.4	4,832,572.9	6,196,316.7	28.2
II.1. Main liabilities	3,635,765.1	4,780,044.6	31.5	47,032.6	80,000.5	70.1	3,682,797.7	4,860,045.1	32.0
. Customer deposits	2,786,633.1	3,524,218.7	26.5	27,072.4	50,105.6	85.1	2,813,705.5	3,574,324.3	27.0
amongst: Ten large deposits	1,266,288.5	1,859,412.9	46.8	-	-	-	1,266,288.5	1,859,412.9	46.8
. Borrowing from B.R.B. (Refinancing)	359,320.4	599,198.8	66.8	15,824.1	26,424.9	67.0	375,144.6	625,623.7	66.8
. Interbank liabilities	489,811.6	656,627.1	34.1	4,136.0	3,470.0	- 16.1	493,947.6	660,097.1	33.6
. Capital and reserves	432,578.5	557,156.2	28.8	13,427.2	24,743.8	84.3	446,005.7	581,900.0	30.5
II.2. Other liabilities	669,001.0	726,348.7	8.6	34,768.5	27,068.8	- 22.1	703,769.6	753,417.5	7.1
MAIN INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Tier 1 capital (in BIF billion)	516,090.0	645,656.6	25.1	18,516.2	23,121.4	24.9	534,606.2	668,778.0	25.1
. Total regulatory capital (in BIF billion)	547,433.7	685,599.2	25.2	23,065.1	27,867.4	20.8	570,498.8	713,466.6	25.1
. Risk weighted assets	2,417,572.5	3,032,764.6	25.4	102,832.0	120,833.4	17.5	2,520,404.5	3,153,598.0	25.1
. Tier 1 capital adequacy ratio (threshold 10%)	21.3	21.3		18.0	19.1		21.2	21.2	
. Total regulatory capital adequacy ratio (threshold 15%)	22.6	22.6		22.4	23.1		22.6	22.6	
. Leverage Ratio (threshold 7%)	10.9	10.6		19.4	17.5		11.1	10.8	
Loan concentration									
. Large exposures	310,656.3	1,182,055.0	280.5	6,146.0	2,720.9	- 55.7	316,802.3	1,184,775.9	274.0
. Large exposures to Loans ratio (%)	17.7	45.5	-	8.1	2.9	-	17.3	44.0	-
. Loans to Assets ratio (%)	37.0	42.9	-	79.9	71.9	-	37.8	43.5	-
. Government claims to assets ratio (%)	38.7	30.2	-	5.7	2.0	-	38.0	29.6	-
. Government Loans/Tier 1 capital ratio (%)	354.8	283.7	-	29.1	11.7	-	343.6	274.3	-
Quality of loan portfolio									
. Past due loans	163,856.7	201,044.5	22.7	939.9	2,069.6	120.2	164,796.6	203,114.2	23.3
Special mention loans	91,639.1	133,044.8	45.2	92.7	626.8	576.2	91,731.8	133,671.6	45.7
Non performing loans	72,217.6	67,999.7	- 5.8	847.2	1,442.8	70.3	73,064.8	69,442.5	- 5.0
Substandard loans	20,954.9	25,214.1	20.3	492.6	308.3	- 37.4	21,447.5	25,522.4	19.0
Doubtful loans	12,282.3	14,130.5	15.0	194.6	918.3	371.8	12,476.9	15,048.7	20.6
Loss loans	38,980.4	28,655.2	- 26.5	159.9	216.2	35.2	39,140.3	28,871.4	- 26.2
. Loan loss provisions	38,815.1	32,270.8	- 16.9	138.0	737.0	434.0	38,953.1	33,007.9	- 15.3
. Non performing loan rate	4.1	2.6	-	1.1	1.5	-	4.0	2.6	-
. Impairment rate	9.4	7.7	-	1.2	2.2	-	9.0	7.5	-
. Provisioning rate	53.7	47.5	-	16.3	51.1	-	53.3	47.5	-
Liquidity									
. LCR* in BIF (threshold 100%)	200.1	186.5	-	-	-	-	200.1	186.5	-
. LCR in f.c.** (threshold 100%)	159.7	194.0	-	-	-	-	159.7	194.0	-
. Loans/Customer deposits	62.9	73.8	-	281.0	189.1	-	65.0	75.4	-
. Stable funds /Fixed Assets (threshold 60%)	102.1	89.0	-	338.5	281.7	-	104.6	90.8	-
. Ten large deposits/Customer deposits	45.4	52.8	-	-	-	-	45.0	52.0	-
Profitability and performance									
. Income before tax	130,154.9	136,947.5	5.2	7,751.3	5,626.8	- 27.4	137,906.2	142,574.3	3.4
. Net income	123,625.8	124,057.8	0.3	5,080.6	3,692.8	- 27.3	128,706.4	127,750.6	- 0.7
. Gross Income	239,484.4	286,986.3	19.8	6,548.0	8,313.7	27.0	246,032.4	295,300.0	20.0
. ROA	2.61	2.05		5.34	2.80		2.7	2.1	
. ROE	22.58	18.09		22.03	13.25		22.6	17.9	

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