



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic indicators
October 2022

I. INTRODUCTION

The main economic indicators below concerned the developments at the end of October 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 marked, in October 2022 by a growth in industrial production, inflows of parchment coffee and a decrease in the production of green leaf tea.

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

The Monetary base and the money supply grew in October 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 have improved.

II. PRODUCTION

Year -on- year basis, the industrial production index has expanded as well as the production of coffee and green leaf tea decreased in October 2022.

II.1 Industrial Production Index

The industrial production index grew by 18.7% in October 2022, settling at 194.2 against 163.6 in the corresponding period of 2021, in connection with the increase in sugar production (+154.2%) and cigarettes (+27.9%); the production of BRARUDI beverages having decreased (-2.9%).

On the other hand, this index fell by 5.2% compared to the previous month, mainly in connection with the fall in the production of beverages by BRARUDI (-2.3%), sugar (-0.8%) and of cigarettes (-18.7%).

II.2. Coffee

Parchment coffee production for the 2022/2023 campaign increased sharply at the end of October 2022 compared to the same period of the previous campaign, standing at 22,668 tonnes against 3,368 tonnes. This increase is linked to the cyclicity of the coffee tree. Coffee production increased by 39.7 percent.

II.3. Tea

On annual basis, green leaf tea production decreased by 6.2 percent in October 2022, settling at 3,407.2 tonnes against 3,632.9 tonnes in the same period of 2021, in

connection with poor rainfall. On the other hand, cumulative production increased slightly (0.5 percent) at the end of October 2022, standing at 43,202.4 tonnes compared to 42,966.3 tonnes in the same period of 2021.

III. INFLATION DEVELOPMENTS

Year-on-year basis, headline inflation accelerated in October 2022, standing at 22.1 percent compared to 9.9 percent recorded in the same period of the previous year. This acceleration is explained by both food inflation (+29.7 against +11.7 percent) and non-food inflation (+13.8 against +8.0 percent).

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

	Oct-21		Oct-22	
	CPI	Inflation	CPI	Inflation
Headline Inflation	131.3	9.9	160.3	22.1
1. Food	132.2	11.7	171.5	29.7
- Bread and cereals	114.1	7.3	182.9	60.3
- Meat	160.1	11.5	203.5	27.1
- Fish and sea food	174.5	12.4	224.1	28.4
- Milk, cheese and eggs	140	13.4	153.8	9.9
- Oils and fats	161.1	38.0	209.5	30.0
- Fruits	176.0	24.3	208.0	18.2
- Vegetables	121.8	9.7	154.6	26.9
- Sugar, jam, honey, chocolate and confectionery	110.8	-0.7	115.6	4.3
- undefined food elsewhere	128.4	0.1	135.3	5.4
2. Non food	130.2	8.0	148.2	13.8
- Alcoholic beverages, tobacco	125.2	8.9	134.5	7.4
- clothing and footwear	135.5	5.0	152.1	12.3
- Housing, water, electricity, gas and other fuels	142.9	10.9	152.0	6.4
- Furnishing, household equipment and routine household	134.5	10.7	161.6	20.1
- Health	165.8	36.1	177.5	7.1
- Transport	118.8	1.7	150.2	26.4
- Communication	102.4	1.0	117.9	15.1
- leisure and culture	132.1	0.9	170.4	29.0
- Education	151.2	6.5	151.9	0.5
- Hotels, Restaurant and café	119.1	5.1	137.0	15.0
- Other goods and services	128.7	5.9	141.5	9.9
Energy and fuels	163.6	13.1	181.5	10.9
3. Core Inflation	130.3	9.4	157.5	20.9

Source: BRB, from INSBU data

The rise in food inflation mainly is explained by the rise prices of the sub-headings: «bread and cereals" (60.3 against 7.3 percent), "oils and fats" (30.0 against 38.0 percent), "Fish and Seafood" (+28.4 against 12.4 percent), "Meat" (+27.1 against 11.5 percent), "Vegetables" (26.9 against 9.7 percent), "Fruit" (18, 2 against 24.3 percent), "Sugar, jam, honey, chocolate and confectionery" (4.3 against -0.7 percent).

The increase in non-food inflation mainly concerned the sub-headings: "Leisure and culture" (29.0 against 0.9% percent), "Transport" (+26.4 against +1.5 percent) "Furniture, household items and routine home maintenance" (+20.1 vs. +10.7 percent), "Communications" (+15.3 vs. +1.0 percent), "Restaurants and hotels" (15.0 against 5.1 percent), "Articles of clothing" (12.3 against 5.0 percent), "Miscellaneous goods and services" (9.9 against 5.9 percent).

Year-on-year basis, the price index combining the prices for energy, fuel decreased in October 2022 compared to the same month of the previous year (10.9 against 13.1 percent).

Headline inflation excluding food and energy prices, which is the proxy of core inflation, increased in October 2022 compared to the corresponding period in October 2021 (20.9 against 9.4 percent).

IV. TRADE BALANCE

The trade balance deficit at the end of October 2022 worsened, standing at BIF 1,674.6 billion

against 1,476.3 billion in the same period of 2021. This deterioration of the deficit is explained by a greater increase in imports (BIF 1,942.9 billion compared to 1,669.9 billion) compared to exports (BIF 268,257.4 million against 193,706.9 million). On the other hand, the coverage rate of imports by exports increased, standing at 13.8% against 11.6%.

IV.1 Exports

Compared to the same period in 2021, cumulative exports at the end of October 2022 increased in value (38.5%) and volume (9.8%).

In value, the increase in exports concerned both over-exports of primary products (BIF 146,625.8 against 100,691.4 million) and manufactured products (BIF 121,631.5 against 93,015.5 million).

The increase in cumulative exports of primary products mainly explained by exports of coffee (BIF 59,628.9 against 35,940.0 million) and exports of non-monetary gold (BIF 50,466.6 million, while this product has not exported in the same period of 2021). However, exports of tea (BIF 28,216.9 against 38,440.2 million) and niobium ores (BIF 3,645.7 against 18,633.2 million) have decreased.

The growth in exports of manufactured products concerned exports of cigarettes (BIF 11,762.4 against 10,338.0 million), beers (BIF 14,998.3 against 11,551.8 million), and wheat flour (BIF 14,773.5 against 9,101.5 million).

In volume, the increase in exports is explained by exports of manufactured products (76,898 against 57,858 tonnes), while exports of primary products fell to (16,882 against 27,544 tonnes).

Exports in October 2022 increased by 37.5% compared to the same period of 2021 (BIF 40,121.2 compared to 29,188.4 million). This increase concerned primary products (BIF 27,975.0 against 17,612.5 million) and manufactured products (BIF 12,146.2 against 11,575.8 million).

IV.2 Imports

Compared to the same period in 2021, cumulative imports increased in value (16.3%), at the end of October 2022, while they decreased in volume (-10.7%).

In value, the increase in imports concerned all categories of imported goods, namely intermediary goods (BIF 967,148.1 against 754,922.4 million), consumer goods (BIF 646,249.5 against 602,028.4 million), and capital goods (BIF 329,535.1 against 313,047.9 million).

The increase in imports of intermediary goods related to goods for agriculture and livestock (BIF 120,731.4 against 69,724.0 million) and mineral oils (BIF 421,006.4 against 260,673.1 million). However, imports of goods for metallurgy (BIF 127,187.2 compared to 135,988.9 million), food (BIF 105,595.5 against

107,277.0 million), and construction (BIF 85,923.9 against 90,477.4 million) fell.

The increase in imports of consumer goods is attributable to the increase in imports of durable consumer goods, notably textiles (BIF 86,003.5 against 64,027.5 million) and vehicles (BIF 65,549.4 against 60,684.8 million) as well as to other durable consumer products (BIF 180,448.5 compared to 140,052.1 million). On the other hand, imports of non-durable consumer goods fell (BIF 314,248.1 compared to 337,264.1 million). This decrease concerned food goods (BIF 161,880.5 against 173,783.5 million) and pharmaceuticals products (BIF 94,698.2 against 120,996.6 million).

With regard to imports of capital goods, their increase mainly concerned boilers and construction equipment (BIF 113,492.0 against 96,728.5 million) and parts and tools (BIF 36,445.9 against 32,095.1 million). On the other hand, imports of electrical materials (BIF 62,330.9 compared to 66,112.4 million), and those of tractors, vehicles, and transport equipment (BIF 82,955.6 compared to 86,050.5 million), fell.

The decrease in imports in volume concerned intermediary goods (720,345 against 787,539 tonnes), capital goods (45,325 against 49,329 tonnes), and consumer goods (222,207 against 269,619 tonnes).

Imports in October 2022 increased by 18.4% compared to the same period in 2021, standing at BIF 187,176.3 compared to 158,124.2

million. This growth is driven by an increase in intermediary goods (BIF 98,376.6 against 64,644.8 million) and capital goods (BIF 36,568.4 against 28,787.5 million). On the other hand, imports of consumer goods decreased, standing at BIF 52,231.2 million compared to 64,691.9 million.

V. EXCHANGE RATE

Compared to the same period in 2021, the BIF depreciated by 2.9 percent against the US Dollar in October 2022; the monthly average exchange rate stood at BIF 2,051.03 against 1,993.51 for one unit of US Dollar.

At the end of the period, the BIF depreciated by 2.9 percent against the US dollar; the exchange rate falling from BIF 1,995.68 to 2,053.13 for one unit of the US Dollar.

VI. GOVERNMENT FINANCIAL OPERATIONS

In October 2022, the overall fiscal deficit (excluding grants) improved compared to the same period of the previous year, standing at BIF 693,425.3 million against BIF 421,451.6 million, following the more significant growth in expenditure than in revenue.

VI.1. Revenue

In October 2022, revenue has expanded by 25.8 percent, standing at BIF 136,166.7 million against BIF 108,200.9 million in the same period of 2021. This improvement concerned both tax revenue (BIF +11,942.5 million) and non-tax (BIF+16,023.3 million).

Similarly, cumulative revenue increased by 19.3 percent at the end of October 2022, standing at BIF 1,231.5 billion against BIF 1,032.7 billion in the same period of the previous year, in line with the increase in tax revenue (BIF+110,873.0 million) and non-tax revenue (BIF+88,013.3 million).

VI.2. Expenditure

Expenditure incurred in October 2022 grew by 2.3 percent compared to the same period of 2021, standing at BIF 128,536.2 million against BIF 125,646.3 million. Similarly, cumulative expenditure increased by 32.4 percent at the end of October 2022, settling at BIF 1,925.0 billion against BIF 1,454.1 billion in the same period of 2021.

Cumulative personnel compensation increased by 11.3 percent at the end of October 2022, standing at BIF 449,269.5 million compared to BIF 403,770.8 million in the same period of 2021.

VI.3. Public debt

Public debt increased by 17.6% at the end of October 2022, standing at BIF 5,149.1 billion against 4,377.0 billion in the corresponding period of the previous year, in line with the increase of, both, domestic debt (+24.1%) and external debt (+2.0%).

Compared to the previous month, public debt fell by 0.9% in line with the decrease in domestic (-1.1%) and external (-0.2%) debt.

VI.3.1 Domestic Debt

Year-on-year, the outstanding domestic debt increased by BIF 747,052.4 million at the end of October 2022, rising from 3,097.6 to BIF 3,844.6 billion, in connection with the increase of the Government debt to the banking sector (BIF +771,142.4 million), partially offset by the reduction of the Government debt to the non-financial sector (BIF -24,090.0 million).

Compared to the previous month, the domestic debt decreased by BIF 43,885.3 million, in connection particularly with the drop of the Government debt to the banking sector (BIF -44,185.3 million).

VI.3.2. External Debt

Year-on-year, the outstanding external debt increased by BIF 25,099.6 million at the end of October 2022, rising from 1,279.4 to BIF 1,304.4 billion, in relation to drawings (BIF +78,772.4 million), partially offset by revaluation losses (BIF 25,707.8 million) and debt amortization (BIF 27,964.9 million).

Compared to the previous month, the external debt decreased by 0.2% at the end of October 2022, from 1,307.7 to BIF 1,304.5 billion, in connection with revaluation gains (BIF 2,376.1 million) and the amortization debt (BIF 3,285.0 million), partially offset by new drawings (BIF +2,515.0 million).

Expressed in US dollars, the external debt fell by USD 5.8 million at the end of October 2022,

settling at 636.0 against USD 641.8 million in the corresponding period of 2021.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

On an annual basis, the reserve money and the broad money broadened following the rise in net domestic assets.

VII.1. Monetary base

In the year to October 2022, the reserve money extended by 64.9% against an increase of 19.7% at the same period of 2021. Reserve money totaled to BIF 1,386.8 billion in October 2022 against 840.8 billion in October 2021. This rise is due to an increase in commercial bank deposits at the Central Bank (202.1%) higher than that of the same period in 2021 (26.0%). However, currency in circulation have decelerated (17.2 against 18.6%).

VII.2. Broad Money

Year-on-year basis, the growth rate of the M3 decreased in October 2022 compared to the same period of 2021 (24.7 against 29.2%). The deceleration of M3 was resulted from a slowdown growth of M2 money aggregate and residents' foreign currency deposits, which fell from 29.9 to 25.7% and from 21.0 to 12.7% respectively.

The slowdown in M2 growth resulted from the decline in time deposits and savings in BIF (16.1 against 38.2%), while currency in circulation outside depository corporations and demand deposits accelerated their growths from 15.2 to 16.0% and from 29.9 to 33.2%, respectively.

The decline in the growth of time deposits and savings in BIF resulted from the decrease in deposits from public non-financial corporations (-85.3 against +78.5%), other non-financial corporations (7.3 against 58.5%) and local administrations (-66.2 against +335.3%). However, households' time deposits savings and those classified in other accounts has accelerated in growth by 26.1 versus 20.3% and 41.2 versus 37.8%, respectively.

The slow growth of demand deposits was driven by the rise in deposits from other financial corporations (+669.8 vs. -65.7%) and non-financial (+52.6 vs. +25.2) corporations, as well as deposits classified in other accounts (+14.8 against -7.1%). Nevertheless, the demand deposits of public non-financial corporations decelerated (+35.3 against 70.9%), as well as those of households (+17.0 against +41.2%) and local government (-69.0 against +536.8%).

The slowdown growth in residents' foreign assets concerned household deposits (+8.7 against 35.5%) and public non-financial corporations (-67.2 against -27.5%). On the other hand, deposits from other non-financial corporations (29.4 against 13.0%) and those classified in other accounts (+4.9 against +3.4%) increased in growth, compared to the same period of 2021.

VII.3. Counterparts

Year-on-year basis, domestic credit accelerated at the end of October 2022, compared to the same period of 2021 (+ 38.6 against 24.2%), standing at BIF 5,833.4 billion at the end of October 2022 against BIF 4,208.8 billion in the same period of 2021. This growth reflected the rise in net claims on Government (+33.0% against 1.9%) and claims on the economy (+43.4 against +61.9%). The increase in net claims on the Government is driven by that of the Central Bank (+464.5% against 60%), those of commercial banks having decelerated (-3.2 against +11.8%).

Net foreign assets decreased at the end of October 2022 (-107.3% against an increase of 0.8% a year earlier). This drop is attributable to the decline in gross foreign assets (BIF - 303,659.6 million). Thus, official reserves decreased by BIF 366,252.1 million at the end of October 2022 and covered 1.8 months of imports of goods and services against 4.3 months at the end of October 2021.

VIII. MAIN INDICATORS OF BANKING SECTOR

Banking sector activity improved at the end of October 2022, in line with the increase in loans to the economy on the asset side and the increase in customer deposits on the liability side. On the other hand, refinancing decreased slightly for the same period.

VIII.1. Assets

Year-on-year, banking sector assets grew by 29.6%, standing at BIF 6,290.7 billion at the end

of October 2022 from BIF 4,855.1 billion. This was due to the 42.8% increase in loans to the economy (BIF 2,699.6 billion against BIF 1,890.0 billion). Loans to the State grew slightly by 0.5%, standing at BIF 1,845.7 billion from BIF 1,837.4 billion.

The proportion of loans to the economy in total assets increased by 4.0 percentage points, reaching 42.9% from 38.9% in October 2021. The proportion of State debt stood at 29.3 % against 37.8%.

VIII.2. Liabilities

The Customer deposits increased by 28.5% year-on-year, standing at BIF 3,653.8 billion in October 2022 from BIF 2,843.1 billion in October 2021. Central Bank refinancing decreased by 28.1%, standing at BIF 306,035.2 million from BIF 425,527.0 million, while inter banks loans and similar increased by 115.8%, standing at BIF 969.6 billion at the end-October 2022 from BIF 449.2 billion at the end-October 2021.

The proportion of deposits in the main liabilities fell slightly by 0.5 percentage points, standing at 58.1% at the end-October 2022 from 58.6% at the end-October 2021. On the other hand, the proportion of Central bank refinancing decreased by 3.9 percentage points, from 8.8 to 4.9%. On the other hand, the share of inter-banks loans and similar increased by 6.2 percentage point, from 9.3% to 15.4%.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

The banking sector's capital and solvency ratios increased at the end of October 2022. Nevertheless, profitability ratios fell slightly.

IX.1. Capital Adequacy

The banking sector's equity capital rose by 29.2% at the end-October 2022, settling at BIF 747,081.9 million from BIF 578,298.7 million at the end-October 2021. Consequently, the basic solvency ratio stood at 22.3 from 20.9% and the overall solvency ratio stood at 23.6 from 22.3%. Furthermore, the leverage ratio remained at 11.2% as in the same period of the previous year.

IX.2. Quality of loans portfolio

The amount of non-performing loans increased by 7.2% at the end-October 2022, settling at BIF 72,352.5 million from BIF 67,482.9 million in the corresponding period of 2021. Furthermore, the overall loan default rate improved, standing at 2.7 from 3.6%.

The loan default rates fell in the various sectors of activities, in particular, in agriculture, from 13.5 to 3.5%, from 4.2% to 2.6% in construction, from 3.4% to 2.6% in trade, from 8.1% to 7.4% in hotels and tourism and from 3.1 to 2.9% in equipment. On the other hand, the loan default rates increased from 0.6 to 0.8% in industry.

IX.3. Concentration of loans portfolio

The exposure of the banking sector to large loan risks grew by 58.8% at the end-October 2022, standing at BIF 1,037.9 billion from BIF

653,449.3 million. The proportion of main risks in total loans represents 38.4% of the overall loans portfolio at the end of October 2022 compared to 34.6% at the end of October 2021. Equipment is the most financed sector by the banking sector at the end-October 2022, at a rate of 32.0% of the overall portfolio from 35.9%. The outstanding credit allocated to this sector stood at BIF 864.8 billion against BIF 679.0 billion.

IX.4. Profitability

Year-on-year, the Banking sector's Gross Income increased by 20.1%, standing at BIF 328,254.3 million at the end-October 2022 from BIF 273,263.5 million. However, the net result decreased slightly by 1.6%, going from BIF 141,477.1 million to BIF 139,280.9 million. Nonetheless, the return on assets (ROA) and equity (ROE) fell, settling respectively at 2.2 and 18.6% at the end-October 2022 from 2.9 and 24.5% at the end-October 2021.

IX.5. Liquidity

The Liquidity coverage ratio (LCR) in BIF stood at 181.4% at the end-October 2022 from 185.6% at the end-October 2021. On the other hand, LCR in foreign currencies stood at 204.2 from 153.4%. The large deposits increased by 51.6% at the end of October 2022, settling at BIF 1,909.5 billion from BIF 1,259.4 billion at the end-October 2021. Similarly, the proportion of large deposits in total deposits increased by 8.0 percentage points, settling at 52.3 against 44.3%.

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

	Aug-2021	Sept-2021	Oct-2021	Aug-2022	Sept-2022	Oct-2022
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	196.0	171.9	163.6	204.4	204.8	194.2
2. Production of Arabica parchment Coffee (cumulation in T) (1)	2,790.3	3,312.9	3,368.1	20,052.7	21,394.9	22,668.3
3. Production of Tea (cumulation in T of tea leaves)	37,215.9	39,333.4	42,966.3	37,430.7	39,795.2	43,202.4
4. Consumer price index (1991 = 100)	129.8	130.6	131.3	155.2	157.8	160.3
5. Inflation rate	10.4	10.5	9.9	19.6	20.9	22.1
II. Public Finances						
1. Total Budget revenue (in BIF million)	808643.4	924,459.6	1,032,660.5	958959.2	1,095,380.1	1,231,546.8
1.1. Tax revenue	725510.2	829,682.4	914,983.5	806909.8	928,612.8	1,025,856.5
1.2. Non-tax revenue	83133.2	94,777.3	117,677.0	152049.4	166,767.3	205,690.3
1.3. Exceptional receipts	0.0	-	-	0.0	-	-
2. Expenditure	1198677.7	1,328,465.8	1,454,112.1	1638063.2	1,796,435.9	1,924,972.1
2.1. Compensation of employees (in BIF million)	322229.0	363,405.9	403,770.8	351723.4	398,252.6	449,269.5
3. Public debt (in BIFmillion)	4,211,290.0	4,211,955.4	4,376,974.4	5,083,718.4	5,196,157.8	5,148,992.0
3.1. Domestic debt outstanding	3,106,200.8	3,093,135.6	3,097,565.3	3,768,600.5	3,888,503.0	3,844,617.7
Including: Treasury bills and bonds	2,023,132.4	2,048,624.1	2,052,647	1,970,857.1	2,030,569.9	2,042,557.0
BRB ordinary advance	33670.8	-	-	17695.5	82,611.8	25,854.9
3.2. External debt outstanding	1,105,089.2	1,118,819.8	1,279,409.1	1,315,117.9	1,307,654.8	1,304,374.3
3.3. External debt outstanding (in BIF million)	557.1	562.6	641.8	644.4	639.1	636.0
3.3. External debt service (in BIF million)	409.2	5,340.9	3,481.1	1,256.2	3,889.0	4,075.1
including amortization	259.1	3,531.5	2,858.7	1,049.3	2,480.2	3,419.5
3.4. Drawings on external loans	29,184.4	14,619.6	163,462.5	3,396.3	3,704.9	2,515.0
III. MONEY						
1. Reserve Money (in BIF million)	845,153.3	840,987.5	840,891.7	1 321 862,2 (p)	1 354 055,1(p)	1 386 776,7(p)
2. Broad money M3 (in BIF million)	3,248,792.6	3,326,752.6	3,336,442.5	4 044 765,8(p)	4 105 509,9(p)	4 162 018,7(p)
2.1. Broad money M2 (in BIF million)	3,027,241.2	3,092,584.9	3,079,465.4	3 758 910(p)	3 819 433,1(p)	3 872 404(p)
3. Domestic credit (in BIF million)	4,043,449.9	4,309,525.8	4,208,824.0	5 628 712,3(p)	5 759 521,9(p)	5 833 424,4(p)
4. Net foreign to government (in BIF million)	2,140,673.6	2,143,548.1	1,962,973.0	2 578 319,2(p)	2 582 859,5(p)	2 611 767,3(p)
5. Net foreign assets (in BIF million)	-364,439.6	-405,163.9	-276,837.5	-538,259.1	-583,434.7	-573 796,3
6. Tenders operations						
6.1. Normal liquidity providing	80,000.0	70,000.0	70,000.0	0.0	0.0	0.0
6.2. Injecting liquidity						
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	3.20	3.40	3.31	3.95	3.83	3.63
7.2. Treasury bill to 26 weeks	4.22	4.29	4.27	4.64	4.61	4.54
7.3. Treasury bill to 52 weeks	4.88	4.82	4.73	4.86	4.89	4.85
7.4. Recovery of liquidity	0.00	0.00	0.00	0.00	0.00	-
7.5. Injecting liquidity	2.60	2.99	4.16	2.00	2.00	2.00
7.6. Marginal lending facility	6.60	6.33	6.46	6.95	6.73	5.93
7.7. Interbank market	5.48	5.56	5.45	5.64	3.66	3.50
7.8. Deposit interest rates	5.66	5.94	5.88	6.12	6.14	6.14
7.9. Lending interest rates	13.79	13.59	13.76	13.43	13.21	12.90
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	147,245.4	164,518.5	193,706.9	201,057.8	229,659.4	268,257.4
including Arabica coffee	25,010.1	28,053.3	35,940.0	26,167.9	37,016.4	59,628.9
1.1. Volume of exports (in T)	67,895.0	76,552.0	85,402.0	66,040.0	78,052.0	93,780.0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	187.1	197.3	180.3	223.6	194.1	221.7
- BIF/Kg	8160.9	8,518.7	7,890.2	10030.2	8,719.2	8,169.5
1.3. Coffee sold d(in BIF million)	27,583.7	30,874.1	40,436.1	32,309.7	52,213.4	63,154.7
2. Import CIF (in BIF million)	1,337,731.5	1,511,874.6	1,669,998.9	1,526,413.2	1,774,311.7	1,942,932.7
including petroleum products	203,146.7	233,596.8	260,673.1	317,277.1	379,984.1	421,006.4
2.1. Volum of imports (in T)	881,034.0	1,003,731.0	1,106,487.0	790,910.0	906,102.0	987,877.0
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	85.50	85.10	86.00	92.80	94.59	95.08
3.1.2. Real	91.40	91.80	92.80	108.10	111.38	113.26
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,995.95	1,991.16	1,995.68	2,043.49	2,048.70	2,053.13
3.2.2. Exchange rate BIF/USD (monthly average)	1,983.50	1,988.67	1,993.51	2,040.95	2,046.20	2,051.03
(1): the coffee campaign starts in April and ends in March of the following year						
(p) : Provisional						
n.a. : not available						

APPENDIX 2: MAIN INDICATORS OF BANKING SECTOR IN OCTOBER 2022 (in BIF million)

	Commercial banks			Other financial corporations			Banking sector		
	October_2021	October_2022	Change in %	October_2021	October_2022	Change in %	October_2021	October_2022	Change in %
I. ASSETS	4,759,887.6	6,157,490.6	29.4	95,227.2	133,173.8	39.8	4,855,114.8	6,290,664.3	29.6
I.1. MAIN ASSETS	4,052,132.6	5,300,319.5	30.8	79,841.6	116,319.1	45.7	4,131,974.2	5,416,638.7	31.1
A. Liquid assets	2,238,138.2	2,699,231.8	20.6	3,843.8	17,846.5	364.3	2,241,982.1	2,717,078.3	21.2
. Cash	89,510.8	119,605.3	33.6	14.9	13.0	- 13.3	89,525.7	119,618.3	33.6
. Balance in B.R.B.	206,103.0	612,367.8	197.1	98.6	14,141.7	14,236.9	206,201.6	626,509.5	203.8
. Interbank claims	107,834.1	124,297.1	15.3	1,010.7	972.3	- 3.8	108,844.7	125,269.3	15.1
. Loan to government	1,834,690.4	1,842,961.6	0.5	2,719.6	2,719.6	0.0	1,837,410.0	1,845,681.2	0.5
Treasury securities	1,729,489.2	1,737,375.4	0.5	2,719.6	2,719.6	0.0	1,732,208.8	1,740,095.0	0.5
Other securities	105,201.2	105,586.2	0.4	-	-	-	105,201.2	105,586.2	0.4
B. Loans	1,813,994.4	2,601,087.8	43.4	75,997.7	98,472.6	29.6	1,889,992.1	2,699,560.4	42.8
. Short term	814,014.2	1,204,788.7	48.0	238.4	1,054.8	342.4	814,252.7	1,205,843.5	48.1
. Medium term	537,367.4	594,976.5	10.7	8,917.4	45,199.0	406.9	546,284.8	640,175.5	17.2
. Long term	462,612.8	801,322.5	73.2	66,841.9	52,218.8	- 21.9	529,454.6	853,541.3	61.2
. Leasing	-	-	-	-	-	-	-	-	-
I.2. Fixed assets	200,809.05	233,363.8	16.2	3,209.6	3,119.7	- 2.8	204,018.7	236,483.5	15.9
I.3. Others assets	506,945.91	623,807.3	23.1	12,176.0	13,734.9	12.8	519,121.9	637,542.2	22.8
II. LIABILITIES	4,759,887.6	6,157,490.6	29.4	95,227.2	133,173.8	39.8	4,855,114.8	6,290,664.3	29.6
II.1. Main liabilities	3,670,641.6	4,850,006.4	32.1	47,251.3	79,367.8	68.0	3,717,892.8	4,929,374.1	32.6
. Customer deposits	2,816,085.7	3,604,030.7	28.0	27,020.0	49,735.1	84.1	2,843,105.7	3,653,765.8	28.5
amongst: Ten large deposits	1,259,421.4	1,909,490.8	51.6	-	-	-	1,259,421.4	1,909,490.8	51.6
. Borrowing from B.R.B. (Refinancing)	409,154.8	306,035.2	- 25.2	16,372.2	-	- 100.0	425,527.0	306,035.2	- 28.1
. Interbank liabilities	445,401.0	939,940.5	111.0	3,859.1	29,632.7	667.9	449,260.1	969,573.2	115.8
. Capital and reserves	445,811.3	557,635.4	25.1	19,314.7	24,743.8	28.1	465,126.0	582,379.3	25.2
II.2. Other liabilities	643,434.8	747,176.1	16.1	28,661.3	29,062.2	1.4	672,096.1	776,238.3	15.5
MAIN INDICATORS OF THE BANKING SECTOR									
<i>Capital adequacy</i>									
. Tier 1 capital (in BIF billion)	523,888.9	658,647.8	25.7	18,650.2	47,540.9	154.9	542,539.1	706,188.7	30.2
. Total regulatory capital (in BIF billion)	555,093.3	698,965.5	25.9	23,205.4	48,116.5	107.4	578,298.7	747,081.9	29.2
. Risk weighted assets	2,491,862.0	3,029,083.5	21.6	98,595.4	136,765.9	38.7	2,590,457.4	3,165,849.4	22.2
. Tier 1 capital adequacy ratio (threshold 100%)	21.0	21.7	-	18.9	34.8	-	20.9	22.3	-
. Total regulatory capital adequacy ratio (threshold 100%)	22.3	23.1	-	23.5	35.2	-	22.3	23.6	-
. Leverage Ratio (threshold 7%)	11.0	10.7	-	19.6	35.7	-	11.2	11.2	-
<i>Loan concentration</i>									
. Large exposures	647,303.2	1,035,205.7	59.9	6,146.0	2,720.9	- 55.7	653,449.3	1,037,926.6	58.8
. Large exposures to Loans ratio (%)	35.7	39.8	-	8.1	2.8	-	34.6	38.4	-
. Loans to Assets ratio (%)	38.1	42.2	-	79.8	73.9	-	38.9	42.9	-
. Government claims to assets ratio	38.5	29.9	-	2.9	2.0	-	37.8	29.3	-
. Government Loans/Tier 1 capital	350.2	279.8	-	14.6	5.7	-	338.7	261.4	-
<i>Quality of loan portfolio</i>									
. Past due loans	188,109.6	224,285.8	19.2	1,210.5	1,633.2	34.9	189,320.1	225,919.0	19.3
Special mention loans	121,167.5	153,258.4	26.5	669.7	308.2	- 54.0	121,837.2	153,566.5	26.0
Non performing loans	66,942.1	71,027.5	6.1	540.8	1,325.0	145.0	67,482.9	72,352.5	7.2
Substandard loans	16,146.6	25,909.0	60.5	260.5	320.1	22.9	16,407.2	26,229.1	59.9
Doubtful loans	13,043.7	17,281.0	32.5	137.3	796.8	480.5	13,180.9	18,077.7	37.2
Loss loans	37,751.8	27,837.5	- 26.3	143.0	208.1	45.5	37,894.8	28,045.6	- 26.0
. Loan loss provisions	40,892.3	33,048.4	- 19.2	257.0	670.5	160.9	41,149.2	33,719.0	- 18.1
. Non performing loan rate	3.7	2.7	-	0.7	1.3	-	3.6	2.7	-
. Impairment rate	10.4	8.6	-	1.6	1.7	-	10.0	8.4	-
. Provisioning rate	61.1	46.5	-	47.5	50.6	-	61.0	46.6	-
<i>Liquidity</i>									
. LCR* in BIF (threshold 100%)	185.6	181.4	-	-	-	-	185.6	181.4	-
. LCR in f.c** (threshold 100%)	153.4	204.2	-	-	-	-	153.4	204.2	-
. Loans/Customer deposits	64.4	72.2	-	281.3	198.0	-	66.5	73.9	-
. Stable funds /Fixed Assets (threshold 100%)	92.4	101.7	-	251.2	291.5	-	104.6	103.7	-
. Ten large deposits/Customer deposits	44.7	53.0	-	-	-	-	44.3	52.3	-
<i>Profitability and performance</i>									
. Income before tax	142,207.4	151,846.3	6.8	8,240.9	6,249.3	- 24.2	150,448.3	158,095.6	5.1
. Net income	136,072.7	135,180.6	- 0.7	5,404.4	4,100.3	- 24.1	141,477.1	139,280.9	- 1.6
. Gross Income	265,899.2	318,922.9	19.9	7,364.3	9,331.4	26.7	273,263.5	328,254.3	20.1
. ROA	2.86	2.20	-	5.68	3.08	-	2.9	2.2	-
. ROE	24.51	19.34	-	23.29	8.52	-	24.5	18.6	-

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