



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic indicators
February 2023

I. INTRODUCTION

The main economic indicators below relate to trends in the sectors of production, prices, foreign trade and the exchange rate, public finances, the money supply and its counterparts, as well as the activity and soundness indicators of the banking sector, at the end of February 2023.

Year-on-year, the real sector was marked by an increase in industrial production and green leaf tea and the absence of parchment coffee inputs. With regard to consumer prices, inflation increased in February 2023 compared to the same period of 2022.

The trade balance deficit worsened. The Burundi Franc depreciated against the US Dollar. The overall public finance deficit (excluding grants) decreased compared to end-February 2022.

Regarding the monetary sector, the monetary base and money supply have increased. Banking sector activity has improved. Customer deposits and loans to the economy increased.

Financial stability indicators, the banking sector remained sufficiently capitalized. Nevertheless, the solvency and profitability ratios have deteriorated.

II. PRODUCTION

On a year-on-year basis, the industrial production index and the production of green leaf tea increased while there were no

parchment coffee inputs for the 2022/2023 coffee campaign, in February 2023.

II.1 Industrial Production Index

The industrial production index increased by 5.5 percent in February 2023, settling at 129.5 against 122.7 in the corresponding month of 2022, mainly in relation with the increase in the production of BRARUDI beverages (15.5 percent), essentially offset by the drop in the production of cigarettes (-4.7 percent) and soaps (-22.4 percent).

On the other hand, this index fell by 10.8 percent compared to the previous month, particularly in connection with the drop in the production of BRARUDI beverages (-14.8 percent), partially offset by the increase in the production of cigarettes (+17.1 percent).

II.2. Coffee

In February of the 2022/2023 coffee campaign, no production of parchment coffee recorded. On the other hand, production for the same period of the 2021/2022 coffee campaign stood at 23.3 tonnes.

II.3. Tea

On annual basis, the production of green leaf tea increased by 16.4 percent in February 2023, settling at 5,674.0 tonnes against 4,873.4 tonnes in the same period of 2022, in connection with the good rainfall. Similarly, cumulative production increased slightly by 0.5 percent at the end of February 2023, standing

at 10,265.0 tonnes against 10,215.7 tonnes in the same period of 2022.

III. INFLATION DEVELOPMENTS

Year-on-year, headline inflation accelerated in February 2023 standing at 28.0 percent compared to 13.4 percent in the same period of *the previous year*. This acceleration in inflation is explained by both food inflation (+40.9 against +16.3 percent) and non-food (+12.6 against +10.0 percent).

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

	feb-23		feb-23	
	CPI	Inflation	CPI	inflation
Headline Inflation	140,4	13,4	179,7	28,0
1. Food	144,9	16,3	204,2	40,9
-Bread and cereals	151,5	26,4	214,0	41,3
- Meat	173,1	13,5	196,8	13,7
- Fish and seafood	173,8	20,4	185,6	6,8
- Milk, cheese and eggs	139,6	15,2	160,9	15,3
-Oils and fats	179,8	46,2	221,9	23,4
- Fruits	154,3	4,9	196,5	27,3
- Vegetables	132,4	8,3	209,2	58,0
-Sugar, jam, honey, chocolate and	117,9	9,3	115,7	-1,9
-undefined food elsewhere	129,2	2,1	139,4	7,9
2. Non food	135,4	10,0	152,4	12,6
- Alcoholic beverages ,tobacco	125,3	2,2	139,0	10,9
- Clothing and footwear	142,9	10,0	156,9	9,8
- Housing,water,electricity,gas	147,5	11,7	159,2	7,9
- Furnishing, household equipment	146,2	18,2	169,7	16,1
- Health	168,8	38,0	179,2	6,2
- Transport	124,4	4,5	153,1	23,1
- Communication	109,5	7,5	115,0	5,0
- leisure and culture	135,0	1,9	172,2	27,6
- Education	151,4	6,6	152,1	0,5
- Restaurants and hotels	121,5	2,3	141,7	16,6
- Other goods and services	132,3	7,9	142,4	7,6
Energy and fuels	170,6	13,7	192,6	12,9
3. Core Inflation	139,8	15,0	165,9	18,7

Source: BRB, from INSBU data

The rise in food inflation has mainly concerned on the prices of sub-headings:

“breads and cereals ” (41.3 against 26.4 percent), “meat” (+13.7 against 13.5 percent), “fruit” (27.3 against 4.9 percent), “vegetables” (58.0 against 8.3 percent), “milk, cheese and egg” (15.3 against 15.2 percent),” undefined food elsewhere” (7,9 against 2,1 percent).

The increase in non-food inflation mainly concerned the sub-items “alcoholic beverages and tobacco” (10.9 against 2.2 percent), “transport” (23.1 against 4.5 percent), “ leisure and culture” (27.6 against 1.9 percent) and “restaurants and hotels” (16.6 against 2.3 percent).

Year-on-year the price index for energy, fuel and other fuels stood at 12.9 percent in February 2023, compared to 13.7 percent recorded in February 2022.

Headline inflation excluding food and energy prices, which is the approximation of core inflation, increased at the end of February 2023 compared to the same period of 2022 (+18.7 against 15.0 percent).

IV. TRADE BALANCE

The trade balance deficit worsened during the month of February 2023, standing at 322,422.2 compared to 219,272.1 million of BIF, following a significant increase in imports (BIF 372,771.7 against 302,818.7million) combined with a slight

drop in exports (BIF 50,396.5 against 83,499.6 million). The coverage rate of imports by exports decreased to 13.5 against 27.6 percent compared to the same period of 2022.

IV.1 Exports

Compared to the same period of 2022, exports decreased in value (-39.6 percent) while they increased in volume (+34.6 percent) during the month of February 2023.

In value, the fall in exports concerned only primary products (BIF 32,036.4 against 69,191.2 million) while manufactured products (BIF 18,360.2 to 14,308.4 million) increased.

The decline in exports of primary products mainly concerned tea (BIF 7,156.6 against 8,573.1 million). On the other hand, coffee exports increased (BIF 24,468.6 against 8,696.1 million).

With regard to exports of manufactured products, their increase related to exports of beer (BIF 3,098.1 against 2,111.0 million), wheat flour (BIF 3,720.4 against 1,353.2 million), dark glass bottle (BIF 1,654, 9 against 1,082.8 million) and those of cigarettes (BIF 3,256.2 against 2,361.2 million).

In volume, the increase in exports concerned both primary products (5,634 against 2,685 tonnes) and manufactured products (11,280 against 9,879 tonnes).

IV.2 Imports

In February 2023, imports increased both in value (23.1 percent) and in volume by (20.4 percent) compared to the same period of 2022.

In value, the increase in imports concerned imports of intermediary goods (BIF 185,912.1 against 115,670.1 million) and capital goods (BIF 76,179.9 against 54,998.1 million). On the other hand, imports of consumer goods fell (BIF 110,726.7 against 132,103.5 million).

The increase in imports of intermediary goods is mainly explained by the increase in imports of goods for agriculture and livestock (BIF 48,465.2 against 4,348.5 million), food (BIF 22,638.1 against 10,443.8 million), construction (BIF 21,582.4 against 16,189.1 million) and mineral oils (BIF 65,812.2 against 43,064.2 million). On the other hand, imports of metallurgical goods decreased (BIF 9,293.6 against 27,786.7 million).

The increase in imports of capital goods related to boilers and construction of equipment (BIF 29,029.4 against 21,518.4

million), parts and tools (BIF 6,209.3 against 3,851.3million), electrical equipment (BIF 12,541.1 against 11,576.5million) and tractors, vehicles and machines/transport (BIF 14,407.8 against 10,597.9 million).

Concerning imports of consumer goods, their fall is attributable to imports of textiles (BIF 7,842.2 against 32,144.7 million), as well as pharmaceutical non-durable consumer goods (BIF 14,186.6 against 22,350.0 million) while those intended to vehicles increased (BIF 13,939.1 against 11,622.9 million). However, imports of non-durable food consumer goods increased (BIF 27,477.5 against 23,618.7 million).

In volume, the increase in imports concerned all categories of imported goods. : intermediary (145,143 against 117,223 tonnes), capital goods (11,402 against 6,982 tonnes) as well as consumer goods (43,682 against 42,124 tonnes).

V. EXCHANGE RATE

Compared to the same period of 2022, the BIF depreciated by 2.88 percent against the US Dollar in February 2023. The average exchange rate stood at 2,071.28 against 2013.31 BIF for one unit of US Dollar.

At the end of the period, the BIF depreciated by 2.88 percent against the US dollar, the exchange rate having gone from 2,015.37 BIF at the end of February 2022 to 2,073.42 BIF for

one unit of US dollar at the end of February 2023.

VI. GOVERNMENT FINANCIAL OPERATIONS

At the end of February 2023, the overall fiscal deficit (excluding grants) eased compared to the same period of the previous year, standing at BIF 113,778.3 million compared to BIF 249,214.8 million, following the increase in revenue combined with the decrease in expenditure.

VI.1. Revenue

Revenue of February 2023 increased by 9.1 percent, standing at BIF 97,932.9 million against BIF 89,754.4 million in the same period of 2022. This improvement concerned both tax revenue (BIF+3,313.3 million) and non-tax revenue (BIF+4,865.2 million).

Similarly, cumulative revenue increased by 10.9 percent at the end of February 2023, standing at BIF 212,384.2 million against 191,559.2 million in the same period of the previous year, in line with the increase in tax revenue (BIF+7,618.2 million) as well as in non-tax revenue (BIF+13,206.8 million).

VI.2. Expenditure

Expenditure incurred in February 2023 decreased by 21.0 percent compared to the same period of 2022, standing at BIF 123,403.9 million against BIF 156,139.8 million. Likewise, cumulative expenditure decreased by 26.0 percent at the end of February 2023, settling at

BIF 326,162.5 million against BIF 440,773.9 million in the same period of 2022.

Cumulative compensation of employees increased by 15.3 percent at the end of February 2023, standing at BIF 93,471.7 million compared to BIF 81,065.3 million in the same period of 2022.

VI.3. Public debt

Public debt increased by 20.2 percent at the end of February 2023, rising from 4,557.0 to BIF 5,478.7 billion, in connection with the increase in both domestic debt (+28.1 percent) and external debt (+1.1 percent).

Compared to the previous month, public debt increased by 1.1 percent in line with the increase in domestic debt (1.6 percent). However, the external debt decreased by 0.5 percent.

VI.3.1 Domestic Debt

Year-on-year, domestic debt increased by 906,845.0 million at the end of February 2023, rising from 3,229.7 to BIF 4,136.5 billion, in line with the increase of the Government debt to the banking sector (BIF +933,015.0 million) especially in the form of advances from the BRB (BIF 650,733.1 million) and Treasury securities (BIF 264,978.7 million), partially offset by the reduction of the Government debt to the non-financial sector (BIF-26,170.0 million).

Compared to the previous month, the domestic debt increased by BIF 66,028.4 million, in connection with the increase of the

Government debt to the banking sector (BIF +66,628.4 million).

VI.3.2. External Debt

Year-on-year, the outstanding external debt increased by BIF 14,843.7 million at the end of February 2023, rising from 1,327.3 to BIF 1,342.2 billion, in relation to drawings (BIF +44,334.9 million) and revaluation gains (BIF 8,208.3 million), partially offset by the debt amortization (BIF 37,693.9 million).

Compared to the previous month, the stock of external debt fell slightly by 0.5 percent at the end of February 2023, settling at 1,342.2 against BIF 1,349.4 billion, in connection with the absence of the new drawings and the debt amortization (BIF 1,764.2 million), partially offset by revaluation gains (BIF 1,759.4 million). Expressed in US dollars, the external debt fell by USD 11.3 million at the end of February 2023, standing at 648.0 against USD 659.3 million in the corresponding period of 2022.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

On a year-on-year basis, both the reserve money and the money supply increased following the net domestic assets growth.

VII.1. Broad Money

In the 12-months to February 2023, the reserve money rose by 19.2 percent against 35.9 percent at the same period of the previous year, totaling BIF1,138.1 billion. This deceleration in the monetary base growth reflected the drop in

commercial bank deposits at the Central Bank (-4.9 against +141.5 percent). However, currency in circulation (20.7 against 14.1 percent), microfinance's deposits (125.6 against -36.0 percent) and public non-financial corporations (140.6 against 2.7 percent) accelerated their growth rate. Compared to the previous month, the monetary base edged by 1.4 percent in February 2023 after a drop of 1.3 percent in January 2023.

VII.2. Money supply

On a year-on-year basis, the money supply (M3) went up by 30.0 percent in February 2023 against 22.6 percent in the same period of 2022. It amounted to BIF4,483.1 billion at the end of February 2023. This growth related to the increase in the M2 monetary aggregate (+32.8 against +22.0) while residents' foreign currency deposits decreased (-0.3 against 29.2 percent).

The increase in the M2 monetary aggregate is driven by sight deposits in BIF (+43.1 percent), term and savings deposits (+19.6 percent) and currency outside depository corporation (+23.8 percent). The increase in demand deposits concerned deposits from households (35.0 against 20.2 percent), other financial corporations (313.2 against -59.6 percent), public non-financial corporations (149.3 against 20.4 percent) and other non-financial corporations (52.0 against +13.1 percent). However, deposits classified in other accounts

(2.9 against 15.4 percent) and those of local administrations (-84.1 against +998.5 percent) decreased.

Time and savings deposits decelerated their growth rate (19.6 against 36.2 percent) in connection with the decline in public non-financial corporation's deposits (-67.5 against 97.1 percent) and the deceleration in household deposits (+13.2 against +27.5 percent) and other non-financial corporation's deposits (23.8 against +47.5 percent). However, deposits classified in other accounts accelerated their growth (+37.6 against +20.9 percent).

Concerning residents' foreign currency deposits, their decrease is attributable to that of household deposits (-9.8 against +63.2 percent). Deposits from other non-financial corporations increased at almost constant pace (19.3 against 19.5 percent) and deposits classified in other accounts increased (13.2 against -35.0 percent).

On a monthly basis, the M3 monetary aggregate increased by 1.0 percent in February 2023 against 1.6 percent a month before.

VII.3. Counterparts

In the year to the end-February 2023, domestic credit went up by 34.0 against 29.6 percent in the same period of the previous year, amounting to BIF6,122.4 billion, in connection with the rise in net claims on the central Government (34.0 against 2.2 percent) following the chemical fertilizer subsidy

agreements and the rescheduling of advances. Claims on the economy slowed down their growth (34.1 against 66.4 percent).

Year-on-year basis, net foreign assets fell by BIF255,305.3 million after the drop of BIF149,673.8 million recorded in the same period of 2022. This fall is mainly driven by that of gross foreign assets of BIF198,577.8 million. Thus, the official foreign exchange reserves fell by BIF210,959.1 million whereas they had accrued a year earlier (MBIF +292,826.5). In terms of months of imports of goods and services, these reserves covered 1.5 months of imports of goods and services against 2.4 months at the end of February 2022.

VIII. MAIN INDICATORS OF BANKING SECTOR

Banking sector activity improved at the end of February 2023, in line with the increase in loans to the economy on the asset side and the increase in customer deposits and the refinancing on the liabilities side.

VIII.1. Assets

Year-on-year, banking sector assets grew by 26.9 percent, standing at BIF 6,606.6 billion at the End-February 2023 from BIF 5,205.2 billion at the end- February 2022. This was due to the 37.4 percent increase in loans to the economy (BIF 2,876.6 billion against BIF 1,995.9 billion). Loans to the State grew by 14.5 percent, standing at BIF 2,083.9 billion from BIF 1,820.5 billion.

The proportion of loans to the economy in total assets increased by 3.3 percentage points, reaching 43.5 percent in February 2023 from 40.2 percent in February 2022. The proportion of State debt stood at 31.5 percent against 35.0 percent.

VIII.2. Liabilities

The customer deposits increased by 30.3 percent year-on-year, standing at BIF 3,932.1 billion in February 2023 from BIF 3,017.8 billion in February 2022. Central Bank refinancing decreased significantly by 23.7 percent, standing at BIF 527.8 billion from BIF 426.7 billion.

Thus, interbank operations increased by 25.7 percent from BIF 554.2 billion to BIF 696.8 billion by February 2023.

The proportion of deposits in the main liabilities increased by 1.6 percentage points, standing at 59.5 percent at the end- February 2023 from 57.9 percent at the end- February 2022. Moreover, the proportion of Central bank refinancing decreased by 0.2 percentage points, from 8.1 percent to 7.9 percent. On the other hand, the share of inter-banks loans and similar decreased by 0.1 percentage point, from 10.5 percent at the end- February 2022 to 10.6 percent at the end- February 2023.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

At the end- February 2023, the equity capital of the banking sector increased compared to the corresponding period in 2022. But, the solvency

and profitability ratios deteriorated slightly.

IX.1. Capital Adequacy

The banking sector's equity capital increased significantly by 25.7 percent at the end-February 2023, settling at BIF 782.3 billion from BIF 622.6 billion at the end-February 2022. The core solvency ratio¹ stood at 20.0 percent from 24.2 percent and the global solvency ratio stood at 21.9 percent from 25.9 percent. In addition, the leverage ratio² decreased to 10.8 from 11.2 percent.

IX.2. Quality of loans portfolio

The amount of non-performing loans increased by 9.0 percent at the end-February 2023, standing at BIF 76,886.6 million from BIF 70,555.2 million in the corresponding period in 2022. Furthermore, the overall loan default rate improved, standing at 2.7 percent from 3.4 percent.

On a year basis, the loan portfolio allocated to some sectors of activities improved. The loan default rates fell in industry from 1.0 percent to 0.2 percent, from 4.1 percent to 3.5 percent in construction, from 2.6 percent to 2.5 percent in trade, from 10.6 percent to 7.3 percent in tourism and from 4.1 percent to 2.7 percent in equipment. On the other hand, the loan default rates increased in agriculture sector from 3.1 to

4.2 percent.

IX.3. Concentration of loans portfolio

The exposure of the banking sector to large loan risks³ grew by 61.1 percent at the end-February 2023, standing at BIF 1,126.8 billion from BIF 699.5 billion in February 2022. The proportion of main risks in total loans represents 39.2 percent of the overall loan portfolio at the end of February 2023 compared to 34.5 percent at the end of February 2022. Trade is the most financed sector, at a rate of 31.9 percent of the overall portfolio from 31.0 percent at the End of February 2022. The outstanding credit allocated to this sector stood at BIF 918,6 billion against BIF 649.7 billion.

IX.4. Profitability

The Banking sector's Gross Income increased by 15.3 percent year-on-year, standing at BIF 68.4 billion at the end-February 2023 from BIF 59.36 billion at the end-February 2022. On the other hand, the net result fell significantly by 25.2 percent from BIF 31.1 billion to BIF 23.2 billion. Thus, the return on assets (ROA) and equity (ROE) fell, settling respectively at 0.4 and 3.0 percent at the end of February 2023 from 0.6 and 5.0 percent at the end of February 2022.

IX.5. Liquidity

The Liquidity coverage ratio (LCR)⁴ in BIF stood

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

² The minimum threshold is 5 percent for the leverage ratio

³ Circular n°06/2018 defines a large risk as a loan exceeding 10 percent 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

at 174.7 percent at the end- February 2023 from 173.1 percent at the end-February 2022. On the other hand, the LCR in foreign currencies stood at 156.8 from 179.6 percent. The large deposits increased by 40.0 percent at the end of February 2023, settling at BIF 1,857.1

billion from BIF 1,326.7 billion at the end of February 2022. Similarly, the proportion of large deposits⁵ in total deposits increased by 3.3 percentage points, settling at 47.2 percent from 43.9 percent in February 2022.

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 FEBRUARY 2023

	déc.-21	Jan.-22	Feb-22	Dec-22	Jan.-23	Feb-23
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	168,1	151,1	122,7	183,7	145,0	129,5
2. Production of Arabica parchment Coffee (cumulation in T)	7 951,7	8 528,9	8 552,2	23 125,9	23 125,9	23 125,9
3. Production of Tea (cumulation in T of tea leaves)	52 124,9	5 342,4	10 215,7	50 539,1	4 591,1	10 265,0
4. Consumer price index (1991 = 100)	135,4	138,0	140,4	171,6	177,5	179,7
5. Inflation rate	10,0	12,3	13,3	26,6	28,6	28,0
II. Public Finances						
1. Total Budget revenue (in BIF million)	1 237 322,0	101 804,7	191 559,2	1 468 152,1	114 451,3	212 384,2
1.1. Tax revenue	1 098 871,5	94 225,5	175 793,5	1 234 128,8	98 530,4	183 411,7
1.2. Non-tax revenue	138 450,5	7 579,3	15 765,7	234 023,3	15 920,9	28 972,5
1.3. Exceptional receipts	-	-	-	-	-	-
2. Expenditure	1 710 136,3	284 634,1	289 452,7	2 255 553,7	202 758,5	326 162,5
2.1. Compensation of employees (in BIF million)	484 297,8	41 242,0	81 065,3	542 715,4	46 574,6	93 471,7
3. Public debt (in BIF million)	4 353 279,5	4 515 262,4	4 556 980,3	5 338 788,7	5 419 889,3	5 478 669,0
3.1. Domestic debt outstanding	3 063 201,0	3 218 093,4	3 229 655,0	4 004 636,0	4 070 471,6	4 136 500,0
Including: Treasury bills and bonds	2 046 057,7	2 033 444,3	2 046 154,0	2 185 496,9	2 260 148,1	2 284 962,7
BRB ordinary advance	36 124,9	57 950,6	57 950,6	3 346,5	-	-
3.2. External debt outstanding	1 290 078,5	1 297 169,0	1 327 325,3	1 334 152,7	1 349 417,7	1 342 169,0
3.3. External debt outstanding (in BIF million)	645,6	645,8	659,3	647,4	653,0	648,0
3.3. External debt service (in BIF million)	300,0	2 111,7	2 770,4	2 983,7	2 214,8	10 453,0
including amortization	265,5	1 787,6	2 068,6	2 497,0	1 764,2	9 008,0
3.4. Drawings on external loans	5 232,0	4 549,9	28 872,7	6 049,5	5 027,6	-
III. MONEY						
1. Reserve Money (in BIF million)	787 639,5	955 156,9	955 156,9	1138018,4(P)	1122773,7(P)	1138148,2(p)
2. Broad money M3 (in BIF million)	3 293 170,2	3 430 397,4	3 448 477,8	4372089,1(P)	4437822,4(P)	4483134,8(p)
2.1. Broad money M2 (in BIF million)	3 038 459,5	3 178 135,9	3 159 311,9	4071877,6(P)	4129653,9(P)	4194829,6(p)
3. Domestic credit (in BIF million)	4 311 478,2	4 492 470,3	4 567 299,7	5891637,4(P)	6022218,1(P)	6122422,7(p)
4. Net foreign to government (in BIF million)	1 930 722,3	2 076 107,1	2 068 986,3	2534710,9(P)	2656216,5(P)	2772029(p)
5. Net foreign assets (in BIF million)	- 322 390,5	- 354 545,2	- 339 075,1	-561569(P)	-544249,3(P)	-594380,4(p)
6. Tenders operations						
6.1. Normal liquidity providing	150 000,0	90 000,0	90 000,0	-	-	-
6.2. Injecting liquidity	-	-	-	-	-	-
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	3,8	4,0	3,9	2,23	2,25	2,8
7.2. Treasury bill to 26 weeks	4,2	4,3	4,5	3,4	3,3	3,45
7.3. Treasury bill to 52 weeks	4,6	4,6	4,6	4,3	4,3	4,3
7.4. Recovery of liquidity	-	-	-	-	-	-
7.5. Injecting liquidity	2,9	3,2	3,3	2,0	2,0	2,0
7.6. Marginal lending facility	6,9	6,9	6,8	5,0	5,4	6,9
7.7. Interbank market	5,8	5,3	5,7	2,5	2,8	2,3
7.8. Deposit interest rates	6,1	6,1	6,1	6,2	6,2	6,2
7.9. Lending interest rates	13,4	13,3	13,3	13,0	13,0	13,3
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	326 247,1	16 302,20	83 499,60	405 990,00	33 188,30	50 396,5
including petroleum products	54 427,9	3 164,9	8 696,1	106 934,1	19 754,6	24 468,60
1.1. Volume of exports (in T)	100 505,0	7 419,0	12 564,0	112 326,0	10 181,0	16 914,0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	191,4	176,9	228,6	169,6	153,4	152,6
- BIF/Kg	8 422,1	7 138,0	9 582,9	8 222,4	6 157,0	6 937,0
1.3. Coffee sold d(in BIF million)	59 087,5	3 888,1	10 812,0	106 390,8	20 512,1	na
2. Import CIF (in BIF million)	2 035 263,8	183 707,5	302 771,7	2 455 564,2	209 278,0	372 818,7
including petroleum products	329 495,1	24 838,7	43 064,2	571 261,4	28 317,7	65 812,2
2.1. Volum of imports (in T)	1 331 987,0	101 285,0	166 329,0	1 265 692,0	115 055,6	200 227,0
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	87,2	86,9	86,5	90,10	na	na
3.1.2. Real	99,6	100,3	101,0	113,9	na	na
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	2 006,1	2 011,0	2 015,4	2 063,5	2 068,9	2 073,4
3.2.2. Exchange rate BIF/USD (monthly average)	2 003,55	2 008,7	2 013,3	2 060,91	2 066,5	2 071,3
(1): the coffee campaign starts in April and ends in March of the following year						
(p) : Provisional						
n.a. : not available						
-:data not available						

APPENDIX 2: MAIN INDICATORS OF BANKING SECTOR IN FEBRUARY 2023 (in BIF million)

	Commercial banks			Others financial corporations			Banking sector		
	February-22	February-23	change in %	February-22	February-23	change in %	February-22	February-23	Change in %
I. ASSETS	5 101 349,1	6 452 366,0	26,5	103 834,2	154 283,0	48,6	5 205 183,3	6 606 649,0	26,9
I.1. MAIN ASSETS	4 345 940,0	5 465 564,7	25,8	87 900,4	125 008,5	42,2	4 433 840,5	5 590 573,2	26,1
A. Liquid assets	2 335 900,4	2 702 181,6	15,7	3 691,3	11 731,3	217,8	2 339 591,8	2 713 912,9	16,0
. Cash	113 716,3	99 830,6	- 12,2	15,0	11,6	- 23,0	113 731,3	99 842,1	- 12,2
. Balance in B.R.B.	252 363,6	412 247,4	63,4	70,8	8 406,4	11 765,4	252 434,4	420 653,8	66,6
Interbank claims	152 666,5	108 695,9	- 28,8	724,8	741,2	2,3	153 391,3	109 437,0	- 28,7
. Loan to government	1 817 154,1	2 081 407,7	14,5	2 880,7	2 572,1	- 10,7	1 820 034,8	2 083 979,9	14,5
Treasury securities	1 711 577,5	1 968 369,7	15,0	2 572,1	2 572,1	-	1 714 149,6	1 970 941,8	15,0
Other securities	105 576,6	113 038,1	7,1	308,5	-	-	105 885,1	113 038,1	6,8
B. Loans	2 010 039,6	2 763 383,1	37,5	84 209,1	113 277,2	34,5	2 094 248,7	2 876 660,3	37,4
. Short term	904 000,6	1 088 982,2	20,5	673,8	1 184,2	75,8	904 674,4	1 090 166,4	20,5
. Medium term	522 317,7	539 343,6	3,3	8 396,3	47 245,0	462,7	530 714,0	586 588,5	10,5
. Long term	583 721,2	1 135 057,4	94,5	75 139,0	64 848,0	- 13,7	658 860,3	1 199 905,3	82,1
. Leasing	-	-	-	-	-	-	-	-	-
I.2. Fixed assets	207 894,6	327 766,8	57,7	3 113,2	12 417,7	298,9	211 007,9	340 184,5	61,2
I.3. Others assets	547 514,4	659 034,4	20,4	12 820,6	16 856,9	31,5	560 335,0	675 891,3	20,6
II. LIABILITIES	5 101 349,1	6 452 366,0	26,5	103 834,2	154 283,0	48,6	5 205 183,3	6 606 649,0	26,9
II.1. Main liabilities	3 944 038,8	5 068 451,6	28,5	54 634,9	88 359,2	61,7	3 998 673,6	5 156 810,8	29,0
. Customer deposits	2 986 457,7	3 881 251,1	30,0	31 313,5	50 876,6	62,5	3 017 771,1	3 932 127,8	30,3
amongst: Ten large deposits	1 326 708,1	1 857 050,9	40,0	-	-	-	1 326 708,1	1 857 050,9	40,0
Borrowing from B.R.B. (Refinancing)	407 350,3	493 830,0	21,2	19 351,9	34 016,9	75,8	426 702,2	527 847,0	23,7
Interbank liabilities	550 230,8	693 370,4	26,0	3 969,5	3 465,6	- 12,7	554 200,3	696 836,1	25,7
II.2. Capital and reserves	455 218,7	579 160,1	27,2	19 314,7	24 743,8	28,1	474 533,3	603 903,9	27,3
II.3. Other liabilities	702 091,7	804 754,3	14,6	29 884,7	41 180,0	37,8	731 976,3	845 934,2	15,6
III. MAIN INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Tier 1 capital (in BIF billion)	562 198,4	692 104,5	23,1	19 276,4	24 247,7	25,8	581 474,8	716 352,2	23,2
. Total regulatory capital (in BIF bill)	598 733,1	751 656,0	25,5	23 911,9	30 737,4	28,5	622 645,1	782 393,4	25,7
. Risk weighted assets	2 299 597,2	3 429 808,1	49,1	101 236,9	147 084,2	45,3	2 400 834,1	3 576 892,3	49,0
. Tier 1 capital adequacy ratio (thresh	24,4	20,2	-	19,0	16,5	-	24,2	20,0	-
. Total regulatory capital adequacy rat	26,0	21,9	-	23,6	20,9	-	25,9	21,9	-
. Leverage Ratio (threshold 5%)	11,0	10,7	-	18,6	15,7	-	11,2	10,8	-
Loan concentration									
. Large exposures	695 245,2	1 124 173,0	61,7	4 302,5	2 624,2	- 39,0	699 547,7	1 126 797,1	61,1
. Large exposures to Loans ratio (%)	34,6	40,7	-	5,1	2,3	-	33,4	39,2	-
. Loans to Assets ratio (%)	39,4	42,8	-	81,1	73,4	-	40,2	43,5	-
. Government claims to assets ratio	35,6	32,3	-	2,8	1,7	-	35,0	31,5	-
. Government Loans/Tier 1 capital	323,2	300,7	-	14,9	10,6	-	313,0	290,9	-
Quality of loan portfolio									
. Past due loans	78 471,5	229 921,5	193,0	1 389,9	1 558,5	12,1	79 861,4	231 480,0	189,9
Special mention loans	9 231,4	154 494,7	1 573,6	74,8	98,7	32,0	9 306,2	154 593,4	1 561,2
Non performing loans	69 240,1	75 426,9	8,9	1 315,1	1 459,8	11,0	70 555,2	76 886,6	9,0
Substandard loans	18 826,1	23 987,0	27,4	971,9	288,7	- 70,3	19 798,0	24 275,7	22,6
Doubtful loans	14 741,1	23 010,4	56,1	212,0	566,0	167,0	14 953,1	23 576,4	57,7
Loss loans	35 672,8	28 429,5	- 20,3	131,2	605,1	361,2	35 804,0	29 034,6	- 18,9
. Loan loss provisions	36 560,0	36 095,6	- 1,3	431,6	945,8	119,1	36 991,6	37 041,4	0,1
. Non performing loan rate	3,4	2,7	-	1,6	1,3	-	3,4	2,7	-
. Impairment rate	3,9	8,3	-	1,7	1,4	-	3,8	8,0	-
. Provisioning rate	52,8	47,9	-	32,8	64,8	-	52,4	48,2	-
Liquidity									
. LCR* in BIF (threshold 100%)	173,1	174,7	-	-	-	-	173,1	174,7	-
. LCR in f.c.** (threshold 100%)	179,6	156,8	-	-	-	-	179,6	156,8	-
. Loans/Customer deposits	67,3	71,2	-	268,9	222,7	-	69,4	73,2	-
. Stable funds /Fixed Assets (thresh	98,8	83,9	-	101,0	168,6	-	101,0	85,2	-
. Ten large deposits/Customer dep	44,4	47,8	-	-	-	-	44,0	47,2	-
Profitability and performance									
. Income before tax	31 999,2	30 049,9	- 6,1	851,2	1 026,7	20,6	32 850,4	31 076,6	- 5,4
. Net income	30 332,5	22 600,9	- 25,5	735,4	634,6	- 13,7	31 067,9	23 235,6	- 25,2
. Gross Income	57 667,9	66 178,2	14,8	1 690,1	2 266,0	34,1	59 358,0	68 444,2	15,3
. ROA	0,59	0,35	-	0,71	0,41	-	0,6	0,4	-
. ROE	5,07	3,01	-	3,08	2,06	-	5,0	3,0	-

Source: BRB

* Liquidity Coverage ratio

** Foreign currencies

APPENDIX 3: SELECTED ANNUAL INDICATORS

	2017	2018	2019	2020	2021	2022 (p)
GROSS DOMESTIC PRODUCT AND PRICE						
Real Growth of GDP (in %)	3,8	5,3	4,5	(0,5)	3,1	1,8
Inflation rate (annual)	16,1	(2,6)	(0,7)	7,5	8,3	18,9
FOREIGN SECTOR						
Exports, f.o.b. (USD million)	172,6	180,2	180,0	162,4	165,1	199,6
Imports, CIF (USD million)	756,0	793,5	887,7	909,6	1 030,0	1 207,1
Volume of exports (in tons)	93 125,0	103 218,0	103 030,0	105 858,0	100 504,6	112 326
Volume of imports (in tons)	822 514,0	976 694,0	1 143 866,0	1 175 731,0	1 331 987,4	1 265 692,1
Current account balance (USD million)	-371,7	-346,3	-349,0	-321,9	-418,8	-609,5
Exchange rate BIF/USD (period average)	1 729,1	1 782,9	1 845,6	1 915,1	1 976,0	2 034,3
Exchange rate BIF/USD (end of period)	1 766,7	1 808,3	1 881,6	1 946,4	2 006,1	2 063,5
International reserves (USD million, end of péri	102,2	70,3	113,4	94,3	266,6	176,2
International reserves (Month of imports)	1,7	1,0	1,5	1,1	3,2	1,8
MONEY AND CREDIT						
Net foreign assets (BIF million)	-154 400,0	-203 201,0	-206 340,3	-205 016,1	-322 390,5	-561 569,0
Domestic credit (BIF million)	2 005,0	2 369,5	2 827,6	3 463,0	4 307,7	5 892,0
Net credits to the Government	1 112,2	1 337,5	1 618,9	2 025,8	1 930,7	2 535,4
Credits to the economy	892,8	1 032,0	1 208,7	1 437,3	2 377,0	3 356,7
Broad money (M3)	1 499,5	1 797,5	2 202,8	2 733,8	3 289,9	4 367,5
Money and quasi money (M2)	1 340,9	1 326,0	2 014,7	2 526,5	3 035,2	4 067,3
Velocity of the money (GDP/M2, end of period)	4,3	4,5	3,1	2,6	2,5	2,3
Reserve money (growth rate)	38,6	-2,8	23,6	11,6	1,1	44,5
Liquidity providing rate (in %)	2,8	2,4	3,0	3,9	2,9	2,0
Marginal lending rate (in %)	7,1	5,5	5,6	6,9	6,9	5,0
Commercial banks average deposit rates (end o	5,96	5,43	5,28	5,66	6,08	6,15
Treasury securities	14,26	12,57	12,57	12,23	11,15	10,45
Commercial banks average lending rates (end o	16,16	15,47	15,49	15,18	13,40	12,95
FINANCE AND PUBLIC DEBT						
Revenues and grants (as % of GDP)	15,8	17,7	20,0	19,1	19,3	19,5
Expenses (as % of GDP)	20,1	22,2	24,4	25,2	22,1	24,5
Overall fiscal balance (as % of GDP , accrual basis)						
- excluded grants	-6,9	-8,0	-8,4	-9,5	-6,0	-8,5
- included grants	-4,3	-4,5	-4,4	-6,1	-2,8	-5,0
Domestic debt (BIF million)	1 647,9	1 937,8	2 314,9	2 850,4	3 063,2	4 005,3
External debt (in USD million , at the end of peri	440,9	451,8	504,9	538,3	645,6	647,4
External debt service ratio (as % of exports)	5,1	3,2	5,0	5,4	5,3 nd	
Public external debt (as % of GDP)	13,6	13,8	15,3	15,4	16,8	14,5
GDP at market prices (BIF billion)	5 702,1	5 914,4	6 216,9	6 805,6	7 676,4	9 213,9
P:provisional						
n.a: not available						

Source: BRB