



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic indicators

June 2023

I. INTRODUCTION

The main economic indicators below relate to the developments at the end of June 2023, in the real sector and prices, public finance, foreign trade, the exchange rate, broad money and its counterparts and the main financial soundness indicators.

Year-on-year, the real sector was marked in June 2023 by a drop in industrial production and green leaf tea as well as the absence of parchment coffee production.

Inflation accelerated in June 2023 compared to the same period of 2022.

Compared to the same period of the previous year, the trade balance deficit has worsened at the end of June.

The overall public finance deficit (excluding grants) decreased compared to the end of June 2022. The Burundi Franc has depreciated against the US Dollar.

The reserve money base and money supply decelerated in June 2023 while money supply accelerated

The aggregate balance sheet banking sector activity has improved. In terms of financial soundness, the banking sector remained sufficiently capitalized. However, the solvency and profitability ratios fell at the end of June 2023.

II. PRODUCTION

Year-on-year basis, the industrial production index and the production of green leaf tea decreased and there has not production of parchment coffee for the 2023/2024 coffee campaign of June 2023.

II.1 Industrial Production Index

The industrial production index fell by 8.6 percent in June 2023, standing at 156.3 compared to 171.1 in the corresponding month of 2022, mainly in connection with the drop in the BRARUDI beverages production (-2.4 percent) and cigarettes (-24.0 percent).

This index decreased by 4.8 percent compared to the previous month, particularly following the decline in the BRARUDI beverages production (-7.3 percent) and cigarettes (-2.2 percent).

II.2. Coffee

During the month of June 2023, there were no parchment coffee supplies for the 2023/2024 coffee season.

II.3. Tea

Year-on-year basis, green leaf tea production rose by 15.9 percent in June 2023, to 5,162.6 tonnes compared with 4,455.1 tonnes in the same period of 2022, as a result of good rainfall. On the other hand, cumulative production remained almost stable at 32,495.2 tonnes at the end of June 2023,

compared with 32,308.6 tonnes for the same period in 2022.

III. INFLATION DEVELOPMENTS

Year-on-year basis, headline inflation stood at 27.1 percent in June 2023, compared with 17.5 percent in the same period of the previous year. This acceleration in inflation concerned food inflation (+39.7 against 21.2 percent) whereas non-food inflation decelerated slightly (12.1 against 13.3 percent).

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

	June-22		June-23	
	CPI	Inflation	CPI	inflation
Headline Inflation	151.1	17.1	192.0	27.1
1. Food	157.3	20.7	219.7	39.7
-Bread and cereals	150.3	30.1	211.4	40.7
- Meat	186.3	19.9	210.3	12.9
- Fish and seafood	235.3	36.5	252.7	7.4
- Milk, cheese and egg	147.8	1.7	169.8	14.9
-Oils and fats	221.1	29.1	261.1	18.1
- Fruits	164.7	6.1	196.5	19.3
- Vegetables	139.8	14.1	222.9	59.4
-Sugar, jam, honey, c	130.3	17.4	122.8	-5.8
-undefined food else	134.5	6.7	142.3	5.8
2. Non food	144.4	13.1	161.9	12.1
- Alcoholic beverage	129.5	7.9	147.8	14.1
- Clothing and footw	149.8	13.0	166.7	11.3
- Housing,water,elec	154.7	1,012.9	179.9	16.3
- Furnishing, househ	157.5	24.1	181.7	15.4
- Health	175.3	4.7	182.0	3.8
- Transport	148.7	1,215.9	155.8	4.8
- Communication	114.5	15.0	115.1	0.5
- leisure and culture	136.2	3.7	179.7	31.9
- Education	151.7	0.5	157.6	3.9
- Restaurants and ho	130.0	9.2	153.0	17.7
- Other goods and se	133.8	7.8	147.2	10.0
Energy and fuels	186.3	16.4	226.2	21.4
3. Core Inflation	148.7	17.0	173.5	16.7

Source: BRB, from INSBU data

The rise in food inflation mainly concerned the prices of the sub-headings "bread and cereals" (40.7 against 30.1 percent), "milk, cheese and eggs" (14.9 against 1.7 percent) and "vegetables" (59.4 against 14.1 percent).

The slight deceleration in non-food inflation was mainly due to the fall in prices of products under the sub-headings "furniture, household goods and routine household maintenance" (15.4 against 24.1 percent); "transport" (4.8 against 13.3 percent); "communications" (0.5 against 15.0 percent) and "health" (3.8 against 4.7 percent). However, prices rose significantly in the sub-headings "beverages and tobacco" (14.1 against 7.9 percent), "leisure and culture" (31.9 against 3.7 percent), "education" (3.9 against 0.5 percent) and "restaurants and hotels" (17.7 against 9.2 percent).

Year-on-year basis, the price index for energy, fuel and other combustibles reached a level of 21.4 percent in June 2023, against 16.4 percent in June 2022.

Compared with the same period last year, headline inflation excluding food and energy prices, which is the proxy for core inflation, fell at the end of June 2023 compared with the same period in 2022 (+16.7 against 17.0 percent).

IV. TRADE BALANCE

The trade balance deficit widened at the end of June 2023 and stood at BIF 1,124.5 compared to 1,018.2 billion at the same

period of 2022. It related to the increase in CIF imports (BIF 1,298.9 against 1,186.8 billion) and those of CIF exports (BIF 174,425.6 against 168,643.5 billion). Consequently, the commercial coverage rate deteriorated slightly, standing at 13.4 percent compared to 14.2 percent in June 2022.

IV.1 Exports

In June 2023, cumulative exports increased both in value (+3.4 percent) and in volume (+15.7 percent) compared to the same period of 2022.

In value, the increase in exports concerned only manufactured products (BIF 90,301.1 against 65,184.9 million) while primary products (BIF 84,124.5 against 103,458.6 million) fell.

The drop in exports of primary products is mainly explained by exports of niobium ore (BIF 1,622.3 against 11,439.7 million) and the absence of exports of non-monetary gold. On the other hand, exports of coffee (BIF 53,318.4 against 17,899.2 million) and tea (BIF 28,149.2 against 22,293.9 million) increased.

Regarding exports of manufactured products, their increase concerned exports of beers (BIF 13,016.1 against 8,450.4 million), wheat flour (BIF 13,663.2 against 6,508.1 million), dark glass bottle (BIF 6,233.6 against 4,017.0 million), Kerosene (BIF 6,184.7 against

2,113.6 million) and those of cigarettes (BIF 11,258.1 against 10,538.9 million).

In volume, the increase in exports concerned both primary products (19,866 against 12,638 tonnes) and manufactured products (43,492 against 42,106 tonnes).

IV.2 Imports

Cumulative imports in June 2023 increased both in value (+9.4 percent) and in volume (+4.3 percent) compared to the same period of 2022.

In value terms, the increase in imports concerned intermediary goods (BIF 677,350.3 against 587,085.0 million) and capital goods (BIF 244,385.6 against 198,936.0 million). On the other hand, imports of consumer goods decreased (BIF 377,153.8 against 400,797.9 million).

The increase in imports of intermediary goods is mainly explained by the increase in imports of goods intended for agriculture and livestock (BIF 156,037.1 against 78,304.7 million), food (BIF 94,450.8 against 58,115.8 million), construction (BIF 67,892.6 against 54,309.3 million) and mineral oils (BIF 205,402.8 against 161,626.7 million). On the other hand, imports of metallurgical production goods (BIF 55,022.4 against 79,207.1 million) and mineral oils (BIF 234,149.4 against 254,955.9 million) fell.

The increase in imports of capital goods concerned boilers and mechanical equipment

(BIF 81,870.8 against 69,886.5 million), parts and tools (BIF 21,460.6 against 19,236.1 million), electrical equipment (BIF 45,901.8 against 39,123.2 million) and tractors, vehicles and machinery/transport (BIF 59,668.2 against 50,707.0 million).

Regarding imports of consumer goods, their decline is attributable to imports of textiles (BIF 28,742.9 against 60,199.6 million), as well as non-durable pharmaceutical consumer goods (BIF 49,503.5 against 60,962.0 million) and food (BIF 95,402.8 against 99,391.0 million) while those intended for vehicles increased (BIF 50,857.9 against 41,527.1 million).

In volume, the increase in imports mainly concerned intermediary goods (487,566 against 450,334 tonnes) and capital goods (30,948 against 27,346 tonnes) while those of consumer goods fell (125,641 against 140,006 tonnes).

V. EXCHANGE RATE

Compared to the same period in 2022, the BIF depreciated by 39 percent against the US Dollar in June 2023. The average exchange rate was BIF2,824.85 against BIF2,031.35 per US dollar unit.

At the end of the period, the BIF also depreciated annually by 39 percent against the US Dollar; the exchange rate went from BIF 2,033.55 at the end of June 2022 to BIF

2,827.18 at the end of June 2023, per US Dollar unit.

VI. GOVERNMENT FINANCIAL OPERATIONS

Year-on-year basis, fiscal deficit (excluding grants) narrowed by 11.7 percent, standing at BIF492,898.3 at the end of June 2023 against BIF558,183.6 million at the same period of the previous year. This deficit was driven by a greater increase in cumulative revenue (+23.2percent) than expenditure (7.8 percent).

Compared to the previous month, the fiscal deficit increased in June 2023, amounting to BIF139,741.1 against 126,055.6 million.

VI.1. Revenue

Public revenue increased by 41.2 percent in June 2023 compared to those of the same month of 2022, standing at BIF 219,774.9 against 155,595.9 million. This rise concerned tax revenue (BIF +27,945.0 million) and non-tax revenue (BIF +36,234.0 million).

Likewise, cumulative revenue edged up by 23.2 percent at the end of June 2023, standing at BIF 872,428.8 against BIF 708,116.8 million in the same period of 2022, following the increase in tax revenue (BIF +100,074.7 million) and non-tax revenue (BIF +64,237.2 million).

VI.2. Expenditure

In June 2023, public expenditure rose by 4.5 percent compared to the same month of 2022, amounting BIF 359,516.0 against 344,004.0 million. Likewise, cumulative expenditure

increased by 7.8 percent, standing at BIF1,365.3 against 1,266.3 billion at the end June 2022.

The cumulative personnel's expenses decreased by 17.5 percent compared to the same month of 2022, standing at BIF54,515.8 against 66,104.9 million.

VI.3. Public debt

Public debt accumulated by 26.1 percent at the end of June 2023, going from 4,779.3 to BIF 6,027.6 billion, in connection with the increase, at the same time, in domestic debt (+22.0 percent) and external debt (+37.0 percent).

Compared to the previous month, the outstanding public debt increased by 4.6 percent in connection with the increase in domestic debt (4.8 percent) and external debt (4.0 percent).

VI.3.1 Domestic Debt

Year-on-year, domestic debt increased by BIF 760,758.7 billion at the end of June 2023, from BIF 3,461.7 billion to BIF 4,222.5 billion, in relation to the increase in State indebtedness to the banking sector. (+765,273.7 MBIF) especially in the form of advances from the BRB (BIF 476,896.5 million) and Treasury securities (BIF234,783.8 million).

Compared to the previous month, the domestic debt increased by BIF 194,315.9 million, especially in connection with the increase in State indebtedness to commercial

banks (+14,847.8 MBIF) and the BRB (BIF+183,068, 1 million).

VI.3.2. External Debt

Year-on-year, external debt increased by BIF 487,528.8 million at the end of June 2023, going from BIF 1,317.6 to 1,805.1 billion, in relation to drawings (BIF +31,965.3 million) and losses. revaluation values (BIF 499,971.2 million), partially offset by the amortization of the principal debt (BIF44,407.7 million).

Compared to the previous month, the stock of external debt increased by 4.0 percent at the end of June 2023, standing at 1,805.1 against BIF 1,735.0 billion, in relation to new drawings (BIF7,920.9 million) revaluation capital gains (BIF 63,791.2 million) offset by debt amortization (BIF 1,639.4 million).

Expressed in US dollars, external debt fell by USD 9.6 million at the end of June 2023, standing at USD 639.0 compared to USD 648.6 million in the corresponding period of 2022.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

Year-on-year, the monetary base growth decelerated while that of the money supply accelerated

VII.1. Broad Money

On annual basis, monetary base growth decelerated at the end of June 2023 (9.9 percent against 29.9 percent) and amounted to BIF 1,152.7 billion against BIF 1,048.7

billion at the same period of 2022. This deceleration mainly concerned the reduction in the variation of currency in circulation (BIF -50,315.6 million against BIF +75,789.8 million), deposits of other depository institutions (BIF +60,120.1 million against BIF + 368,273.1 million), deposits of other financial institutions (BIF -6,601.3 million against BIF +9,355.7 million) and those of other deposits in foreign currencies (BIF +6,686.4 million against BIF +8,381.6 million).

Month-on-month, the monetary base fell by 2.9 percent in June 2023 compared to the increase of 4.8 percent in the previous month.

VII.2. Money supply

Year-on-year, the money supply (M3) increased by 27.7 percent at the end of June 2023, standing at BIF 4,769.1 billion, compared to growth of 20.7 percent at the same period of 2022. This acceleration focused on the increase in the variation of the monetary aggregate M2 (BIF +890,456.6 million against BIF +592,684.3 million) and in foreign currency deposits of residents (BIF +143,523.2 million against BIF +47,437.7 million).

The increase in the monetary aggregate M2 concerned demand deposits in BIF (34.9 percent), term and savings deposits (27.7 percent), and fiduciary circulation excluding deposit institutions having decreased (-12.1 percent).

The growth in checkable deposits is mainly linked to the increase in the variation of deposits of public non-financial corporations (BIF +206,797.6 million against BIF -6,534.4 million), of households (BIF +267,746.4 million against BIF +104,950.9 million), local administrations (BIF +45,263.6 million against BIF +15,183.6 million) and those classified in other accounts (BIF 71,990.9 million against BIF 23,248.9 million).

The growth of term and savings deposits accelerated (27.7 percent against 24.8 percent) mainly due to the increase in the variation of household deposits (BIF 139,440.8 million against BIF 89,703.1 million), other non-financial corporations (BIF +126,799.2 million against BIF 85,978.8 million) and public non-financial corporations (BIF -779.2 against BIF -6,693.6 million).

The acceleration in foreign currency deposits of residents was driven by the increase in deposits of households (BIF 109,318.1 million against BIF 26,965.3 million), of other non-financial companies (BIF 24,741.0 million against BIF 14,348.9 million), of non-financial public corporations (BIF 710.8 million against BIF -1,384.4 million) and deposits classified in other accounts (BIF 8,753.3 million against BIF 7,507.9 million).

On monthly basis, the monetary aggregate M3 fell by 0.6 percent in June 2023 compared to an increase of 1.4 percent the month before.

VII.3. Counterparts

On annual basis, domestic credit growth decelerated (25.1 percent compared to 32.8 percent at the end of June 2022) reaching BIF 6,435.1 billion at the end of June 2023. This deceleration is due to the decrease in the growth of claims on the economy (29.2 percent against 65.9 percent), net claims on the central administration having accelerated (19.8 against 5.3 percent), mainly linked to the subsidy agreements of the chemical fertilizers and rescheduling of advances to the government.

Year-on-year, net foreign assets deteriorated sharply by 148.4 percent at the end of June 2023, standing at BIF -1,049.8 billion compared to BIF -422.6 billion recorded at the same period of 2022. This deterioration is mainly driven by the drop in the variation of gross foreign assets (BIF -325,224.3 million) and the increase in foreign commitments (BIF +301,940.2 million). Thus, net international reserves fell by 46.6 percent compared to an increase of 118.4 percent in the same period of 2022. In terms of months of imports, these reserves covered 0.4 months of imports of goods and services compared to 1.9 months of imports in June 2022.

VIII. MAIN INDICATORS OF BANKING SECTOR

Banking sector activity improved at the end of June 2023, in line with the increase in credit to the economy on the asset side, the increase in customer deposits and interbank operations on the liabilities side.

VIII.1. Assets

Banking sector assets grew by 24.6 percent year-on-year. It stood at BIF 7,066.4 billion at the end of June 2023 against BIF 5,670.8 billion at the end of June 2022. This increase results from the fact that loans allocated to the economy increased by 32.9 percent (3,249.4 against BIF 2,444.4 billion). Similarly, loans granted to Government grew by 12.9 percent, settling at BIF 2,007.5 billion against BIF 1,778.8 billion.

The share of credit to the economy increased by 2.9 percentage points, reaching 46.0 percent of banking sector assets in June 2023 against 43.1 percent in June 2022. The share of Government commitments stood at 28.4 percent against 32.4 percent, translating into a decline of 3.0 percentage points.

VIII.2. Liabilities

The customer deposits increased by 24.2 percent year-on-year, rising to BIF 4,141.7 billion in June 2023 from BIF 3,334.1 billion in the same month of 2022. On contrary, Central Bank refinancing decreased by 15.5 percent, standing at BIF 484.4 billion against

573.8 billion at the end of June 2022. In addition, interbank operations increased by 67.0 percent reaching BIF 883.4 billion at the end of June 2023 from BIF 528.9 billion at the end of June 2022.

Deposits as a share in sector liabilities fell by 0.2 percentage point to reach 58.6 percent for June 2023 from 58.8 percent at the end of June 2022.

However, the share of Central bank refinancing increased by 3.2 percentage points reaching 10.1 percent at the end of June 2023 from 6.9 percent for June 2022.

Likewise, the share of inter-banks loans rose of 3.2 percentage points, amounting to 12.5 percent at the end of June 2023 against 9.3 percent in June 2022.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

At the end of June 2023, the equity of the banking sector increased in relation to the corresponding period of 2022. However, the solvency and profitability ratios deteriorated

IX.1. Capital Adequacy

The equity of the banking sector rose of 17.4 percent at the end of June 2023 reaching 847.0 from BIF 721.2 billion at the end of June 2022. On the contrary, the core solvency ratio¹ fell down to 19.7 percent from 24.5 percent and the overall solvency ratio declined to settle at 21.6 percent from 26.1

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

percent by the end of June 2022. In addition, the leverage ratio² decreased to reach 10.9 percent from 11.9 percent.

IX.2. Quality of loans portfolio

At the end of June 2023, non-performing loans increased largely with 28.7 percent year-on-year, totaling BIF 79,982.6 Million against BIF 62,156.0 Million at the end of June 2022. Yet, the overall default rate of credit portfolio remained unchanged along with the compared period, i.e. 2.5 percent.

Regarding year-on-year basis, the loan portfolio which is allocated in some sectors of activities improved at the end of June 2023 on a hand. The loan default rates improved to stand at 2.1 percent at the end of June 2023 from 2.4 percent by the end of June 2022 in agriculture, at 0.5 percent from 1.4 percent in industry, at 1.7 percent from 2.6 percent in construction and at 5.8 percent from 7.8 percent in tourism. On the other hand, the loan portfolio allocated to trade and equipment sectors deteriorated. They are respectively settled at 2.8 percent by the end of June 2023 against 2.5 percent at the end of June 2022 and 3.2 percent at the end of June 2023 against 2.6 percent at the same period of 2022.

IX.3. Concentration of loans portfolio

The banking sector exposure to large loan risks³ grew until 53.4 percent at the end of

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.

June 2023, standing at BIF 1,331.6 billion from BIF 868.2 billion along June 2022. The main risks as a share in overall loan portfolio rose to 41.0 percent at the end of June 2023 from 35.5 percent at the end of June 2022.

Trade and equipment are the most financed sectors, with respectively 30.9 percent and 28.1 percent of the overall loan portfolio against 30.1 percent and 29.8 percent at the end of June 2022. The outstanding loan allocated to these sectors increased and reached respectively BIF 1,005.5 billion and BIF 911.8 billion at the end of June 2023 against BIF 736.3 billion and BIF 728.8 billion at the end of June 2022.

IX.4. Profitability

The Banking Sector's Gross Income increased by 15.3 percent on a basis of year-on-year. To this end, the Gross Income performed by the present Banking sector amounted BIF 221,699.4 million at the end of June 2023 against BIF 192,232.5 million at the end of June 2022. On the contrary, the Banking Sector Net Income fell by 9.2 percent from BIF 76,600.0 million at the end

of June 2022 to BIF 86,573.3 million at the end of June 2023. Moreover, return on assets (ROA) and return on equity (ROE) also fell in settling respectively at 1.1 and 9.3 percent at the end of June 2023 from 1.5 and 12.0 percent at the end of June 2022.

IX.5. Liquidity

The Liquidity coverage ratio for short-term (LCR) 4 in BIF decreased stepping at 172.4 percent at the end of June 2023 against 175.8 percent at the end of June 2022. Likewise, the short-term liquidity ratio in foreign currencies fell down settling at 144.9 percent compared to 224.5 percent at the end of June 2022.

The large deposits increased till 18.6 percent to reach BIF 1,774.4 billion at the end of June 2023 from BIF 1,496.3 billion at the end of June 2022.

The 10 large deposits⁵ as a proportion in total sector deposits fell slowly by 2.0 percentage point standing at 42.8 percent at the end of June 2023 against 44.8 percent at the end of June 2022.

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 are the sum of the deposits of the first 10 depositors in each credit institution

APPENDIX 1: SELECTED MONTHLY INDICATORS AT THE END OF JUNE 2023

	Avri.-22	May-22	June-22	Avri.-23	May-23	June-23
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	172.7	161.6	171.1	132.4	164.1	156.3
2. Production of Arabica parchment Coffee (cumulation in T) (1)	8,552.2	-	-	-	-	-
3. Production of Tea (cumulation in T of tea leaves)	22,752.1	27,853.0	32,308.6	21,601.4	27,332.6	32,495.2
4. Consumer price index (1991 = 100)	147.9	152.0	151.2	195.6	195.8	192.0
5. Inflation rate	16.1	18.6	17.6	32.6	28.9	27.1
II. Public Finances						
1. Total Budget revenue (in BIF million)	452,390.0	552,520.9	708,116.8	529,225.5	652,653.9	872,428.8
1.1. Tax revenue	400,618.8	484,826.7	608,036.6	455,244.5	556,956.3	708,111.3
1.2. Non-tax revenue	51,771.2	67,694.3	100,080.3	73,980.9	95,697.5	164,317.5
1.3. Exceptional receipts	-	-	-	-	-	-
2. Expenditure	776,228.5	922,296.4	1,266,300.4	756,327.1	1,005,858.5	1,365,374.5
2.1. Compensation of employees (in BIF million)	161,640.5	202,652.1	268,757.0	188,547.1	247,038.1	301,554.0
3. Public debt (in BIF million)	4,510,601.3	4,463,004.8	4,779,386.2	5,417,300.3	5,763,280.1	6,027,668.7
3.1. Domestic debt outstanding	3,190,684.9	3,154,680.1	3,461,788.8	4,081,804.3	4,028,226.6	4,222,542.5
Including: Treasury bills and bonds	2,033,104.8	2,006,370.8	1,977,691.7	2,264,816.0	2,195,145.7	2,207,955.5
BRB ordinary advance	57,950.6	57,950.6	266,435.9	-	123,094.8	314,986.5
3.2. External debt outstanding	1,319,916.4	1,308,324.7	1,317,597.4	1,335,496.0	1,735,053.5	1,805,126.2
3.3. External debt outstanding (in BIF million)	652.6	645.5	648.6	641.6	639.1	639.0
3.3. External debt service (in BIF million)	5,282.0	4,451.7	1,350.8	3,455.8	2,318.1	2,053.8
including amortization	4,330.7	3,597.1	1,215.1	2,968.5	1,435.6	1,639.4
3.4. Drawings on external loans	4,593.4	2,903.2	8,313.1	-	-	7,920.9
III. MONEY						
1. Reserve Money (in BIF million)	848,910.8	848,910.8	1,048,669.8	1,132,453.20	1,187,061.90	1,152,742.40
2. Broad money M3 (in BIF million)	3,557,917.4	3,637,060.2	3,735,114.5	4,729,509.10	4,795,988.20	4,769,094.50
2.1. Broad money M2 (in BIF million)	3,291,847.1	3,344,693.1	3,462,520.1	4,433,688.70	4,402,258.80	4,352,976.70
3. Domestic credit (in BIF million)	4,587,224.5	4,649,523.0	5,142,852.2	6,306,347.60	6,384,535.20	6,435,119.80
4. Net foreign to government (in BIF million)	1,942,901.4	1,909,666.9	2,228,992.3	2,760,560.50	2,660,925.30	2,670,505.00
5. Net foreign assets (in BIF million)	- 279,254.9	- 248,778.6	- 422,641.9	- 732,419.80	- 1,036,960.70	- 1,049,806.40
6. Tenders operations						
6.1. Normal liquidity providing				-	-	-
6.2. Injecting liquidity				-	-	-
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	3.9	3.90	3.95	4.4	4.7	4.6
7.2. Treasury bill to 26 weeks	4.6	4.6	4.6	3.8	3.9	4.5
7.3. Treasury bill to 52 weeks	4.7	4.7	4.6	4.3	4.3	4.4
7.4. Recovery of liquidity	-	-	-	-	-	-
7.5. Injecting liquidity	3.7	4.5	4.5	2.0	2.0	2.0
7.6. Marginal lending facility	6.9	7.0	7.0	7.6	7.8	7.5
7.7. Interbank market	6.0	6.0	6.2	2.9	3.1	3.5
7.8. Deposit interest rates	6.1	6.1	6.1	6.0	6.0	6.1
7.9. Lending interest rates	13.2	13.1	12.7	12.8	12.7	12.9
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	135,263.0	151,535.4	168,643.5	114,182.7	140,666.8	174,425.6
including petroleum products	15,931.4	17,128.4	17,899.2	44,773.9	49,741.1	53,318.4
1.1. Volume of exports (in T)	38,130.0	45,912.6	54,743.9	42,120.4	53,225.3	63,358.0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	213.2	214.1	-	168.6	97.7	133.2
- BIF/Kg	10,142.6	9,570.8	-	7,738.3	5,846.3	6,792.3
1.3. Coffee sold d(in BIF million)	18,467.8	18,750.9	20,566.1	40,310.1	44,559.8	47,130.5
2. Import CIF (in BIF million)	772,335.0	953,177.9	1,186,819.0	813,637.2	1,079,208.7	1,298,889.7
including petroleum products	139,711.6	188,291.4	254,955.9	168,082.7	205,526.3	234,149.4
2.1. Volum of imports (in T)	416,440.5	507,250.2	617,686.6	451,359.1	554,857.9	644,155.0
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	89.0	90.6	90.8	87.2	67.4	64.9
3.1.2. Real	101.1	104.9	104.1	123.8	95.7	90.3
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	2,024.63	2,029.12	2,033.55	2,083.6	2,822.2	2,827.2
3.2.2. Exchange rate BIF/USD (monthly average)	2,022.60	2,026.92	2,031.35	2,081.4	2,714.8	2,824.8
(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 JUNE 2023 (in BIF million)

	commercial banks			Others financial corporations			Banking sector		
	June-22	June-23	change in %	June-22	June-23	change in %	June-22	June-23	change in %
I. ASSETS	5,559,176.2	6,900,037.4	24.1	111,663.1	166,388.5	49.0	5,670,839.3	7,066,425.9	24.6
I.1. MAIN ASSETS	4,707,036.0	5,809,875.9	23.4	95,721.2	136,955.6	43.1	4,802,757.2	5,946,831.5	23.8
A. Liquid assets	2,353,105.7	2,687,552.9	14.2	5,208.3	9,820.3	88.6	2,358,314.0	2,697,373.2	14.4
. Cash	127,384.9	100,928.1	- 20.8	16.8	6.2	- 63.1	127,401.7	100,934.3	- 20.8
. Balance in B.R.B.	331,107.2	471,872.9	42.5	650.9	5,499.0	744.8	331,758.1	477,371.9	43.9
Interbank claims	118,430.5	109,829.7	- 7.3	1,911.4	1,685.9	- 11.8	120,341.9	111,515.6	- 7.3
. Loan to government	1,776,183.1	2,004,922.2	12.9	2,629.2	2,629.2	-	1,778,812.3	2,007,551.4	12.9
Treasury securities	1,669,938.9	1,774,277.0	6.2	2,629.2	2,629.2	-	1,672,568.1	1,776,906.2	6.2
Other securities	106,244.2	230,645.2	117.1	-	-	-	106,244.2	230,645.2	117.1
B. Loans	2,353,930.4	3,122,323.0	32.6	90,512.9	127,135.3	40.5	2,444,443.3	3,249,458.3	32.9
. Short term	1,070,217.4	1,467,418.9	37.1	822.4	1,697.2	106.4	1,071,039.8	1,469,116.1	37.2
. Medium term	646,154.0	590,825.4	- 8.6	43,198.0	46,876.5	8.5	689,352.0	637,701.9	- 7.5
. Long term	637,559.0	1,064,078.7	66.9	46,492.5	78,561.7	69.0	684,051.5	1,142,640.3	67.0
. Leasing	-	-	-	-	-	-	-	-	-
I.2. Fixed assets	229,623.4	360,744.0	57.1	3,214.1	12,557.5	290.7	232,837.5	373,301.5	60.3
I.3. Others assets	622,516.8	729,417.5	17.2	12,727.8	16,875.5	32.6	635,244.5	746,292.9	17.5
II. LIABILITIES	5,559,176.2	6,900,037.4	24.1	111,663.1	166,388.5	49.0	5,670,839.3	7,066,425.9	24.6
II.1. Main liabilities	4,376,571.1	5,410,363.2	23.6	60,355.3	99,769.8	65.3	4,436,926.4	5,510,133.0	24.2
. Customer deposits	3,300,683.7	4,081,067.0	23.6	33,483.6	60,644.0	81.1	3,334,167.4	4,141,711.0	24.2
amongst: Ten large deposits	1,496,336.6	1,774,458.8	18.6	-	-	-	1,496,336.6	1,774,458.8	18.6
Borrowing from B.R.B. (Refinancing)	550,425.8	451,115.3	- 18.0	23,417.8	33,860.1	44.6	573,843.6	484,975.3	- 15.5
Interbank liabilities	525,461.6	878,180.9	67.1	3,453.9	5,265.8	52.5	528,915.4	883,446.7	67.0
II.2. Capital and reserves	572,843.6	667,250.3	16.5	24,743.8	29,379.6	18.7	597,587.5	696,629.9	16.6
II.3. Other liabilities	609,761.4	822,423.8	34.9	26,564.0	37,239.2	40.2	636,325.4	859,663.0	35.1
III. MAIN INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Tier 1 capital (in BIF billion)	654,653.9	746,315.5	14.0	22,625.0	27,308.0	20.7	677,278.9	773,623.5	14.2
. Total regulatory capital (in BIF bill)	693,898.9	812,978.9	17.2	27,337.9	33,926.1	24.1	721,236.9	846,905.0	17.4
. Risk weighted assets	2,651,806.1	3,755,698.7	41.6	115,372.1	163,311.7	41.6	2,767,178.2	3,919,010.3	41.6
. Tier 1 capital adequacy ratio (thresh)	24.7	19.9	-	19.6	16.7	-	24.5	19.7	-
. Total regulatory capital adequacy rat	26.2	21.6	-	23.7	20.8	-	26.1	21.6	-
. Leverage Ratio (threshold 5%)	11.8	10.8	-	20.3	16.4	-	11.9	10.9	-
Loan concentration									
. Large exposures	865,648.7	1,325,916.3	53.2	2,574.7	5,703.7	121.5	868,223.3	1,331,620.0	53.4
. Large exposures to Loans ratio (%)	36.8	42.5	-	2.8	4.5	-	35.5	41.0	-
. Loans to Assets ratio (%)	42.3	45.3	-	81.1	76.4	-	43.1	46.0	-
. Government claims to assets ratio	32.0	29.1	-	2.4	1.6	-	31.4	28.4	-
. Government Loans/Tier 1 capital	271.3	268.6	-	11.6	9.6	-	262.6	259.5	-
Quality of loan portefeuille									
. Past due loans	206,005.6	267,935.9	30.1	1,144.6	3,598.5	214.4	207,150.2	271,534.3	31.1
Special mention loans	144,939.6	191,062.0	31.8	54.6	489.7	797.4	144,994.1	191,551.7	32.1
Non performing loans	61,066.0	76,873.9	25.9	1,090.0	3,108.8	185.2	62,156.0	79,982.6	28.7
Substandard loans	21,245.3	20,518.9	- 3.4	622.1	1,774.8	185.3	21,867.4	22,293.8	1.9
Doubtful loans	13,021.0	25,714.1	97.5	358.9	548.5	52.8	13,380.0	26,262.6	96.3
Loss loans	26,799.7	30,640.8	14.3	109.0	785.4	620.5	26,908.7	31,426.3	16.8
. Loan loss provisions	31,385.8	40,706.4	29.7	412.6	1,414.6	242.8	31,798.4	42,121.0	32.5
. Non performing loan rate	2.6	2.5	-	1.2	2.4	-	2.5	2.5	-
. Impairment rate	8.8	8.6	-	1.3	2.8	-	8.5	8.4	-
. Provisioning rate	51.4	53.0	-	37.9	45.5	-	51.2	52.7	-
Liquidity									
. LCR* in BIF (threshold 100%)	175.8	172.4	-	-	-	-	175.8	172.4	-
. LCR in f.c.** (threshold 100%)	224.5	144.9	-	-	-	-	224.5	144.9	-
. Loans/Customer deposits	71.3	76.5	-	270.3	209.6	-	73.3	78.5	-
. Stable funds /Fixed Assets (thresh)	92.6	98.9	-	281.7	335.0	-	90.1	102.5	-
. Ten large deposits/Customer dep	45.3	43.5	-	-	-	-	44.9	42.8	-
Profitability and performance									
. Income before tax	88,402.3	103,472.4	17.0	4,099.3	3,911.5	- 4.6	92,501.7	107,383.9	16.1
. Net income	83,873.4	75,941.0	- 9.5	2,699.9	2,658.9	- 1.5	86,573.3	78,600.0	- 9.2
. Gross Income	186,789.1	214,428.0	14.8	5,443.4	7,271.4	33.6	192,232.5	221,699.4	15.3
. ROA	1.51	1.10	-	2.42	1.60	-	1.5	1.1	-
. ROE	12.09	9.34	-	9.88	7.84	-	12.0	9.3	-

Source: BRB

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 période)	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	-561,926.3
Domestic credit (BIF million)	2,005.0	2,369.5	2,827.6	3,463.0	4,307.7	5,944.9
Net credits to the Government	1,112.2	1,337.5	1,618.9	2,025.8	1,930.7	2,532.7
Credits to the economy	892.8	1,032.0	1,208.7	1,437.3	2,377.0	3,412.2
Broad money (M3)	1,499.5	1,797.5	2,202.8	2,733.8	3,289.9	4,512.5
Money and quasi money (M2)	1,340.9	1,326.0	2,014.7	2,526.5	3,035.2	4,212.3
Velocity of the money (GDP/M2, end of period)	4.3	4.5	3.1	2.6	2.5	2.2
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 of period)	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 of period)	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 period)	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	n.a
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