

I. INTRODUCTION

The following main economic indicators are related to the developments at the end of August 2018, in the real sector and prices, the public finance, the foreign trade, the exchange rate, the broad money and its counterparts, the main financial soundness indicators.

Year-on-year basis, the real sector was characterized by an increase of the industrial production, tea and coffee production. The inflation declined in August 2018 compared to the same period in 2017.

The fiscal deficit improved and the trade balance worsened. Burundi Franc depreciated against the US Dollar.

The monetary sector was characterized by an increase of the reserve money and the money supply. The balance sheet of the banking sector rose at the end of August 2018 compared to the same period in 2017; the deposits and credit to private sector increased. In terms of financial soundness, the banking sector remained sufficiently capitalized, solvent and profitable.

II. PRODUCTION

Year-on-year, the industrial production, the coffee production for 2018/2019 campaign and the green tea harvest production increased.

II.1 Industrial Production Index

Year-on-year basis, the industrial production index rose by 6.8% in August 2018 up to 189.4 from 177.3, mainly due to the increase of the production of BRARUDI's beverages (+ 4.2%) and sugar

(+ 25.7%). Compared to the previous month, it increased by 4.3%.

II.2. Coffee

The coffee collected at the end of August 2018 increased by 39% compared to the same period in the previous season, from 13,561 to 18,854 T.

II.3. Tea

The green tea leaves harvest increased by 19.8% in the August 2018, amounted to 2,072.1 against 1,729.4 T recorded in the same period of the previous year. Likewise, cumulative harvest increased by 12.1% year-on-year basis, from 32,859.5 to 36,847.7 T.

III. INFLATION DEVELOPMENTS

At the end of August 2018, the headline inflation fell by 2.3 against an increase of 13.9%; due to the decrease of food prices (-10.9 against 22.7%) despite a slight increase of non-food prices (+8.2 against + 5.5%).

The fall of food prices mainly concerned the prices of the sub-headings: "Breads and cereals" (-20.2%), "Vegetables" (-18.8%) and "Sugar, jam, honey, chocolate and confectionery" (-2.7%) and "Fruits" (-1.5%).

The slight increase of non-food inflation (+8.2 against +5.5%) was mainly driven by the rise index of "Education" (+ 34.1 against +1.9%), "Housing, water, electricity, gas and other fuels" (+13, 2 against +5.1%) and "Health" (+8.1 against 3.2%).

Year-on-year basis, inflation combining energy, fuel and other fuel prices increased from 4.9 to 22.0%. Compared to the previous month, it rose by 0.6 against 3.4% in the same period in 2017.

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

	Août-17		Août-18	
	CPI	Inflation	CPI	Inflation
Headline Inflation	113,7	13,9	111,1	-2,3
1. Food	120,2	22,7	107,1	-10,9
-Bread and cereals	123,9	23,7	98,9	-20,2
- Meat	110,3	12,6	116,6	5,7
- Fish	115,3	71,6	141,1	22,4
- Milk, cheese and eggs	106,2	2,9	111,6	5,1
-Oils and fats	106,6	6,4	135,2	26,8
- Fruits	121,0	10,9	119,2	-1,5
- Vegetables	123,7	19,3	100,4	-18,8
-Sugar, jam, honey, chocolate and confectionery	110,6	21,6	107,6	-2,7
-undefined food elsewhere	107,5	2,1	109,6	2,0
2. Non food	106,7	5,5	115,5	8,2
- Alcoholic beverages ,tobacco	108,5	7,5	117,7	8,5
- clothing and footwear	109,7	7,5	116,7	6,4
- Housing,water,electricity,gas and other fuels	104,8	5,1	118,6	13,2
- Furnishing, household equipment and routine maintenance	109,8	5,9	115,8	5,5
- Health	103,9	3,2	112,3	8,1
- Transport	108,7	7,7	116,7	7,4
- Communication	100,5	0,5	101,4	0,9
- leisure and culture	109,9	7,1	113,8	3,5
- Education	101,6	1,9	136,2	34,1
- Hotels, Restaurant and café	106,5	5,7	114,6	7,6
- Other goods and services	107,6	6,2	116,4	8,2
Energy and fuels	109,9	10,7	133,6	22,0
3. Core Inflation	110,9	10,0	112,3	2,4

Source: BRB based on data of ISTEERU

Year-on-year basis, headline inflation excluding food and energy, which is the proxy for core inflation, declined (+ 2.4% against +10.0%). Compared to the previous month, core inflation stabilized (0.0%) and was at 0.4% in the same period in 2017.

IV. GOVERNMENT FINANCIAL OPERATIONS

At the end of August 2018, Government Financial Operations recorded a low overall deficit (excluding grants) compared to the corresponding month in 2017, amounting to BIF -23,798.8 against

BIF -41,096.6 million, due to the decrease of expenditures and an increase of fiscal revenue.

IV.1. Revenue

Government revenue increased by 4.7% in August 2018 compared to the same period in 2017, from 72,246.7 to BIF 75,622.2 million. This improvement concerned both tax revenue (BIF 1,408.6 million) and non-tax revenue (BIF 1,666.9 million).

Year-on-year basis, cumulative government revenue increased by 12.9 %, from BIF 489,093.8 to BIF 552,180.6 million, linked to the rise of tax revenue (BIF 55,519.6 million) and non-tax revenue (BIF 7,567.2 million).

IV.2. Expenditure

Expenditures decreased by BIF 13,922.3 million in August 2018 compared to the corresponding month in 2017, amounting to BIF 99,420.9 from BIF 113,343.3 million. Cumulative expenditures increased by 21.5%, standing at BIF 864,332.3 million at the end of August 2018 against BIF 711,228.2 million recorded in the same period in 2017. Compensation of employees rose by 4.6%, amounting to BIF 269,905.5 million from BIF 257,961.9 million in the same period in 2017.

IV.3. Public debt

The public debt rose by 15.6% at the end of August 2018, reaching 2.601.6 against BIF 2.251.4 billion recorded in the same period of the previous year due to the increase of the domestic debt (+22.3%) and external debt (+2.1%).

Compared to the previous month, the public debt increased by 0.6% due to the rising of domestic debt (+ 1.2%), while the external debt slightly fell (-0.6%).

-Domestic Debt

Year-on-year basis, domestic debt rose by BIF 330,922.8 million at the end of August 2018, from 1,484.3 to BIF 1,815.2 billion, mainly driven by Government's debt towards banking sector (+BIF 320,824.8 million), especially Treasury bills (+BIF 310,297.1 million).

Compared to the previous month, domestic debt increased by BIF 20,869.6 million, amounted to 1,794.3 to BIF 1,815.2 billion. This increase concerned Government's debt towards banking sector (+BIF 25,324.5 million) and the commitment towards non-banking sector fell by BIF 4,454.9 million.

-External Debt

Year-on-year basis, the external debt increased by BIF 16,027.2 million at the end of August 2018, from 770,343.8 to BIF 786,371.1 million. This increase is mainly driven by new drawings (BIF 21,151.8 million) and revaluation gains (BIF 12,340.5 million) which offset the repayment of principal (BIF 17,465.1 million).

On the other hand, compared to the previous month, the external public debt slightly fell (-0.6%), amounting to BIF 786,371.1 against BIF 791,304.1 million, due to the revaluation losses (-BIF 4,294.7 million) and repayment of the principal (BIF 1,086.8 million) which offset the new drawings (BIF 448.5 million).

Expressed in the USD, outstanding external debt decreased by USD 1.7 million year-on-year basis, from USD 442.7 million to USD 441.0 million.

V. EXTERNAL TRADE

The cumulative trade (exports and imports of goods) increased by 14.3 % at the end of August 2018 compared to the same period in 2017. This increase is driven by imports (BIF 912,147.1 million, from BIF 820,677.5 million) and exports (BIF 193,313.7 million from BIF 146,245.0 million).

However, the trade balance deficit worsened during the same period, standing at -BIF 718,833.4 million from -BIF 674,432.5 million, due to a larger increase of imports (+BIF 91,469.6 million) than exports (+BIF 47,068.7 million).

V.1 Exports

Year-over-year basis, cumulative exports increased by 32.2 % in value while it decreased by 9.9 % in volume at the end of August 2018.

The increase in value was driven by primary products to BIF 143,020.7 million, from BIF 85,250.4 million. However, manufactured goods dropped to BIF 34,036.8 million from BIF 37,855.0 million.

The increase of primary products is mainly driven by non-monetary gold (+BIF 35,119.4 million), coffee (+BIF 13,907.5 million) and niobium ores (+ BIF 8,619.2 million).

The decline in volume (48,341.0 against 51,453.0 tones) concerned both primary products (19,426.0 against 21,328.0 tones) and manufactured products (28,915.0 against 30,125.0 tones).

V.2 Imports

Year-on-year basis, cumulative imports increased both in value (+ 11.1 %) and in volume (+ 28.8 %).

The increase in value concerned intermediate goods, amounted to BIF 399,595.2 million from BIF 312,101.3 million and capital goods, amounted to BIF 196,331.1 million from BIF 152,562.1 million. In contrast, consumer goods decreased to BIF 316,220.8 million from BIF 356,014.1 million.

The increase of intermediate goods mainly concerned mineral oils (+BIF 62,171.3 million) and good for metallurgy (+BIF 19,797.5 million).

The rise of capital goods is driven by electrical equipment (+BIF 30,022.3 million), boilers and mechanical machinery (+BIF 28,287.5 million). On the other hand, the imports of tractors, vehicles and transport equipment declined (- BIF 19,445.8 million) due to the decline of textile (- BIF 24,293.6 million) and pharmaceuticals products (-BIF 14,686.9 million).

In volume, the increase concerned all categories of goods; intermediate goods (433,222 against 318,349 tones), capital goods (25,134 against 18,676 tones) and consumer goods (155,942 against 140,056 tones).

VI. EXCHANGE RATE

The BIF exchange rate against USD depreciated by 2.46% on average in August 2018, standing at 1,783.03 compared to BIF 1,740.14 in the same period of the previous year. Compared to the previous month, the BIF depreciated by 0.18% against the USD.

At the end of the period, the BIF exchange rate against USD depreciated by 2.35%, standing at BIF 1,784.65 at the end of August 2018 compared to BIF 1,743.71 recorded in the same period in 2017.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

Year-on-year basis, reserve money and broad money rose at the end of August 2018, due to the increase of net domestic assets.

VII.1. Reserve Money

The reserve money rose by 17.8% in August 2018, amounted to BIF 597,353.6 million from BIF 507,305.0 million at the same period in 2017. This increase was mainly driven by the rise of deposits of commercial banks (+BIF 52,255.6 million), microfinances (+BIF 4,677.6 million), NGOs (+BIF 5,594.7 million) as well as currency outside banks (+BIF 28,373.2 million).

VII.2. Broad money

The extended broad money (M3) recorded a year-on-year growth of 19.0% in August 2018, from BIF 1,436.5 billion to BIF 1,709.5 billion. The increase concerned money supply M2 (+18.6%) and deposits of residents denominated in foreign currencies (+ 22.6%).

This growth was driven by demand deposits (+22.4%), time and savings deposits (+22.3%), and currency outside banks (+3.9%).

The rise in demand deposits denominated in BIF was mainly due to the improvement occurred in deposits of other non-financial corporations (+BIF 150,708.9 million), households (+BIF 4,885.4 million) and public non – financial corporations (+ BIF 3,421.0 million). On the other hand, deposits classified in other deposits decreased (-BIF 2,159.1 million).

The increase of time and savings deposits is linked to the progress recorded in deposits of other non-financial corporations (+BIF 36,209.8 million), households (+ BIF 12,592.0 million), public non-financial corporations (+ BIF 3,774.7 million) and those classified in “other deposits” (+BIF 19,953.9 million).

The rising of residents’ deposits in foreign currency was driven by those of households (+BIF 17,208.0 million), other non-financial corporations (+BIF 16,136.4 million) and those classified in other deposits (+BIF 5,528.6 million), whilst deposits of public non-financial corporations denominated in foreign currency decreased by BIF 5,930.1 million.

VII.3. Counterparts

Year-on-year basis, domestic credit rose by 14.8% at the end of August 2018, from BIF 1,937.7 billion to BIF 2,224.6 billion as a result of the increase of net claims on government (+19.0%) and claims on the economy (+10.0%).

The increase of net claims on government was mainly driven by the rising of Treasury bills and bonds held by commercial banks (+ BIF 310,297.1 million or 58.1%).

The net foreign assets and official reserves decreased by 17.2% and 33.2%, respectively at the end of August 2018. These reserves covered 1.0 month of imports at the end of August 2018 compared with 1.6 month recorded in the previous month.

VIII. MAIN INDICATORS OF THE BANKING SECTOR

At the end of August 2018, the banking sector’s balance sheet rose. Compared to the same period of the previous year, deposits and credit increased. In terms of soundness, the banking sector remained well capitalized, solvent and profitable.

VIII.1 Assets

On year-on-year basis, total banking sector assets rose by 26.2%, from BIF 2,006.4 billion to BIF 2,531.1 billion recorded in August 2018, following the increase of Treasury securities (847,531.1 against BIF 534,245.0 million) and the amount loans (932,439.4 against BIF 832,350.4 million).

The share of Treasury Securities in the total assets increased, from 26.6 to 33.5% at the end of August 2018. However, the share of loans to the private sector in the total assets decreased, from 51.0% to 44.0% at the end of August 2018.

VIII.2 Liabilities

Compared to the same period in 2017, total deposits increased by 16.4%, from BIF 1,193.0 billion to BIF 1,388.8 billion at the end of August 2018. During the same period, the Central Bank refinancing rose on weekly average, from BIF 108,716.0 million to BIF 275,747.0 million recorded in August 2018.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

In August 2018, the banking sector has sound indicators and complied with all prudential standards. The banking sector remained well-capitalized and the profitability indicators increased.

IX.1 Capital Adequacy

At the end of August 2018, the banking sector was adequately capitalized and has enough capital buffers to absorb inherent risks. The total capital Tier 2 and the core capital Tier 1 adequacy ratios remained above the regulatory requirement that encompasses the capital buffers requirement of 12.5 and 14.5% respectively. The core capital adequacy ratio and the global capital adequacy improved, from 19.5 to 20.5% and from 22.3 to 23.0% respectively from August 2017 to August 2018.

Over the same period, the leverage ratio was 11.8% against 12.9% at the end of August 2017 with a minimum standard of 7%.

IX.2 Quality of loans portfolio

Compared to the same period in 2017, the quality of the loans portfolio improved at the end of August 2018; the impairment

rate increased, from 19.7% to 17.5%. Over the same period, overdue loans decreased by 0.1%, from BIF 163,655.8 million to BIF 163,430.1 million.

An analysis of loans by class shows that the watch loans and substandard decreased by 5.5% and 43.2% respectively, established at 46,725.9 against BIF 49,419.6 million and 12,315.5 against BIF 21,683.2 million respectively. The doubtful loans decreased by 48.4%, amounted to 19,943.2 against BIF 37,793.5 million recorded in the same period in 2017. Therefore, the loss increased respectively by 23.0%, from BIF 82,095.9 million to BIF 100,973.1 million at the end of August 2018.

The rate of impairment loans in “Tourism and hotel” sector was 45.6%. “Agriculture” and “trade” sectors have impairment’s rates of 4.4% and 12.4% respectively whereas “construction” and “manufacturing” sectors have impairment rates of 10.7% et 26.3% respectively.

Given that high impairment of loans, the banking sector was more cautious and made a lot of provisions in order to face potential losses. The provisioning rate was 86.5% at the end of August 2018 against 71.9% in the same period in 2017.

The concentration risk towards the large exposure is minimized. Loans to large exposures was 21.4% of total loans in August 2018 against 21.8% at the end of August 2017. However, the banking sector faces a concentration risk towards “trade” sector which represented 31.8% of total loans.

IX.3 Profitability

Compared to the same period of the previous year, the banking sector's profitability increased by 60.6%, amounted to BIF 44,029.6 million against BIF 27,416.1 million recorded in the same period in 2017. The net banking product rose by 23.8%, from BIF 112,062.9 to BIF 138,693.2 million.

The return-on-assets (ROA) and the return-on-equity (ROE) established at 1.9% and 15.6% respectively at the end of August 2018 against 1.6% and 11.5% at the end of August 2017.

IX.4 Liquidity

At the end of August 2018, the liquidity ratios both in local and in foreign currency remained above the regulatory threshold of 20% (Liquid Assets/Total deposits) with respectively 63.1% and 105.0% against 51.1 and 114.9% at the end of August 2017.

However, the banking sector undergoes relatively high concentration risks on deposits, since only the share of ten deposits represented 44.3% of total deposits at the end of August 2018 against 32.2% in the same period in 2017.

APPENDIX 1: SELECTED MONTHLY INDICATORS

	2,017			2,018		
	June	July	August	June	July	August
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	143.60	194.60	177.30	121.50	181.60	189.40
2. Production of Arabica parchment Coffee (cumulation in T)	2,672.00	10,080.00	13,561.00	8,189.00	11,129.00	18,854.00
3. Production of Tea (cumulation in T of tea leaves)	28,854.90	31,130.00	32,859.50	32,401.00	34,775.60	34,847.00
4. Consumer price index (1991 = 100)	113.80	113.10	114.00	113.30	112.20	111.10
5. Inflation rate	15.10	13.60	13.90	-0.40	-0.80	-2.30
II. FINANCE PUBLIC						
1. Total Budget revenue (in BIF million)	349,104.17	416,847.04	489,093.78	416,003.74	476,558.46	552,180.64
1.1. Tax revenue	323,867.03	384,254.95	451,835.45	380,956.26	438,366.01	507,355.05
1.2. Non-tax revenue	25,237.14	32,592.09	37,258.34	35,047.48	38,192.45	44,825.59
1.3. Exceptionnal receipts	0.00	0.00	0.00	0.00	0.00	0.00
2. Expenditure	510,330.44	597,884.82	711,228.15	687,729.80	764,911.32	864,332.31
2.1. Compensation of employees (in BIF million)	193,281.74	225,345.52	257,961.88	202,227.21	235,725.36	269,905.54
3. Public debt (in BIFmillion)	2,221,307.85	2,210,006.92	2,251,373.72	2,620,057.82	2,585,642.62	2,601,579.12
3.1. Domestic debt outstanding	1,466,639.30	1,449,886.80	1,484,285.30	1,828,820.53	1,794,338.50	1,815,208.07
Including: Treasury bills and bonds	676,889.00	676,920.90	709,627.00	986,452.33	992,658.30	1,030,022.07
BRB ordinary advance	141,652.80	126,976.70	129,280.90	201,181.60	162,239.00	148,049.10
3.2. External debt outstanding	754,428.36	760,152.90	770,343.83	791,237.28	791,304.12	786,371.05
3.3. External debt outstanding (in BIF million)	437.37	438.78	442.69	444.82	444.46	441.03
3.3. External debt service (in BIF million)	545.10	2,220.17	559.18	1,282.42	0.00	1,540.92
including amortization	228.55	1,367.94	209.38	944.17	0.00	1,086.79
3.4. Drawings on external loans	2,679.68	0.00	2,300.86	1,600.37	1,883.85	448.46
III. MONEY						
1. Reserve Money (in BIF million)	467,625.50	467,852.70	507,305.00	548,546.90	577,438.70	597,353.60
2. Broad money M3 (in BIF million)	1,417,053.10	1,420,411.42	1,436,509.03	1,632,452.00	1,666,100.30	1 709 454,5(p)
2. 1. Broad money M2 (in BIF million)	1,276,237.30	1,272,117.32	1,290,730.93	1,474,811.90	1,490,439.00	1 530 731,5(p)
3. Domestic credit (in BIF million)	1,881,479.30	1,888,341.78	1,937,702.87	2,149,228.10	2,200,381.70	2 224 636,6(p)
4. Net foreign to government (in BIF million)	1,010,411.00	995,614.98	1,030,724.77	1,188,728.10	1,207,249.40	1,226,955.20
5. Net foreign assets (in BIF million)	-153,117.40	-155,023.10	-177,899.00	-201,255.70	-199,654.90	-208,563.50
6. Tenders operations						
6.1. Normal liquidity providing	54,580.00	108,410.00	107,910.00	255,500.00	290,770.00	310,580.00
6.2. Injecting liquidity	0.00	0.00		0.00	0.00	0.00
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	4.46	4.07	4.30	2.53	2.21	2.17
7.2. Treasury bill to 26 weeks	5.86	5.68	5.48	3.61	3.34	2.85
7.3. Treasury bill to 52 weeks	6.70	6.41	6.21	5.32	5.24	5.05
7.4. Recovery of liquidity	0.00	0.00	0.00	0.00	0.00	0.00
7.5. Injecting liquidity	2.92	3.34	2.70	3.82	3.17	2.60
7.6. Marginal lending facility	7.14	6.98	7.45	5.07	5.13	5.29
7.7. Interbank market	4.20	4.83	4.32	4.17	0.00	3.00
7.8. Deposit interest rates	6.17	6.01	5.85	6.17	5.47	5.36
7.9. Lending interest rates	16.30	16.28	16.19	16.31	15.61	15.69
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	98,594.62	123,105.40	146,244.93	166,600.50	177,057.55	193,313.64
including Arabica coffee	6,255.26	12,054.91	17,761.97	25,712.30	25,962.41	30,569.38
1.1. Volume of exports (in T)	44,085.61	51,453.00	59,388.26	45,041.00	48,340.78	53,506.01
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	143.20	147.70	142.30	42.50	133.90	123.70
- BIF/Kg	5,443.80	5,646.30	5,954.60	1,651.20	5,209.30	4,818.10
1.3. Coffee sold d(in BIF million)	75.99	510.56	789.30	3,703.57	1,445.03	3,699.20
2. Import CIF (in BIF million)	600,213.13	692,019.07	820,677.55	679,535.10	790,202.08	912,147.07
including petroleum products	87,466.51	97,096.18	117,990.37	137,363.53	159,527.52	180,161.64
2.1. Volum of imports (in T)	329,573.39	391,798.56	477,080.37	453,584.85	518,054.31	614,298.03
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	96.00	94.00	92.10	93.20	93.50	94.10
3.1.2. Real	107.00	103.90	102.20	99.80	98.80	98.20
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,728.52	1,736.10	1,743.71	1,781.45	1,781.45	1,784.65
3.2.2. Exchange rate BIF/USD (monthly average)	1,724.93	1,732.44	1,740.14	1,778.77	1,780.37	1,783.03
(p) : Provisional						
n.a. : not available						
- : Nonexistent data..						

Source: BRB

APPENDIX 2: MAIN INDICATORS OF THE BANKING SECTOR IN AUGUST 2018 (in BIF Million)

	31/08/2017	31/08/2018	Variation	31/08/2017	31/08/2018	Variation	31/08/2017	31/08/2018	Variation
I. ASSETS	1 855 922,6	2 363 883,8	27,4	150 456,0	167 241,7	11,2	2 006 378,6	2 531 125,5	26,2
Main ASSETS	1 520 526,6	1 992 090,3	31,0	112 170,7	129 195,6	15,2	1 632 697,3	2 121 285,9	29,9
A. Liquid Assets	796 136,9	1 178 818,2	48,1	4 121,0	10 117,3	145,5	800 257,9	1 188 935,5	48,6
. Cash	49 227,0	67 953,3	38,0	7,1	14,5	104,2	49 234,1	67 967,8	38,1
. B.R.B.	145 506,6	200 179,0	37,6	794,4	854,3	7,5	146 301,0	201 033,3	37,4
. Banking sector	67 158,3	68 654,8	2,2	3 319,5	3 748,5	12,9	70 477,8	72 403,3	2,7
<i>Treasury securities</i>	534 245,0	842 031,1	57,6	-	5 500,0	0,0	534 245,0	847 531,1	58,6
B. Loans	724 389,7	813 272,1	12,3	108 049,7	119 078,3	10,2	832 439,4	932 350,4	12,0
. Short term	463 612,0	499 948,4	7,8	1 815,1	1 934,7	6,6	465 427,1	501 883,1	7,8
. Medium term	171 858,6	217 396,4	26,5	54 178,7	53 343,1	-1,5	226 037,3	270 739,5	19,8
. Long term	88 919,1	95 927,3	7,9	52 055,9	63 800,5	22,6	140 975,0	159 727,8	13,3
. Leasing	-	-	-	-	-	-	-	-	-
. Other loans	-	-	-	-	-	-	-	-	-
Fixed assets	122 688,3	123 215,2	0,4	7 652,9	7 685,7	0,4	130 341,2	130 900,9	0,4
C. Others	212 707,7	248 578,3	16,9	30 632,4	30 360,4	(0,9)	243 340,1	278 938,7	14,6
II. LIABILITIES	1 855 922,6	2 363 883,8	27,4	150 456,0	167 241,7	11,2	2 006 378,6	2 531 125,5	26,2
Main liabilities	1 380 549,4	1 787 593,3	29,5	60 375,2	77 869,1	29,0	1 440 924,6	1 865 462,4	29,5
. Deposits	1 139 106,1	1 318 086,2	15,7	53 924,3	70 731,5	31,2	1 193 030,4	1 388 817,7	16,4
<i>among which ten large deposits</i>	377 501,8	607 132,5	60,8	6 361,8	8 022,5	26,1	383 863,6	615 155,0	60,3
. Refinancing from BRB	107 931,3	310 686,4	187,9	-	-	-	107 931,3	310 686,4	187,9
. Others	-	-	-	-	-	-	-	-	-
Banking sector	133 512,0	158 820,7	19,0	6 450,9	7 137,6	10,6	139 962,9	165 958,3	18,6
<i>among which residents</i>	75 116,8	70 803,2	-5,7	6 450,9	3 729,9	-42,2	81 567,7	74 533,1	-8,6
Capital and reserves	205 754,5	220 525,6	7,2	30 296,3	31 881,3	5,2	236 050,8	252 406,9	6,9
Others	269 618,7	355 764,9	32,0	59 784,5	57 491,3	(3,8)	329 403,2	413 256,2	25,5
IV. BANKING SECTOR INDICATORS									
Capital adequacy									
.Core capital (in MBIF)	210 673,7	248 358,2	17,9	26 824,9	27 872,3	3,9	237 498,6	276 230,5	16,3
.Total capital (in MBIF)	234 872,7	271 626,2	15,6	37 598,0	39 355,8	4,7	272 470,7	310 982,0	14,1
.Risk Weighted assets	1 085 702,6	1 199 194,4	10,5	133 732,4	150 242,4	12,3	1 219 435,0	1 349 436,8	10,7
.Core capital adequacy ratio (threshold 12,5%)	19,4	20,7		20,1	18,6		19,5	20,5	
.Total capital adequacy ratio (threshold 14,5%)	21,6	22,7		28,1	26,2		22,3	23,0	
.Leverage ratio (threshold 7%)	12,4	11,4		19,3	18,5		12,9	11,8	
Quality and concentration of loan portfolio									
Large exposure	171 884,8	187 321,2	9,0	9 269,4	11 926,7	28,7	181 154,2	199 247,9	10,0
Watch loans	34 753,9	31 780,7	- 8,6	14 665,7	14 944,5	1,9	49 419,6	46 725,2	- 5,5
Non Performing loans	98 426,6	102 416,2	4,1	15 809,6	14 288,7	- 9,6	114 236,2	116 704,9	2,2
Overdue loans	133 180,5	134 196,9	0,8	30 475,3	29 233,2	- 4,1	163 655,8	163 430,1	- 0,1
Provisions	74 472,3	91 091,5	22,3	7 623,6	9 881,6	29,6	82 095,9	100 973,1	23,0
Total gross loans/Total gross assets (in %)	39,0	34,4		71,8	71,2		41,5	36,8	
Loans to the Government/Total gross assets (*)	28,8	35,6	-	-	3,3		28,8	35,6	
Loans to the Government/Core capital (*)	253,6	339,0	-	-	19,7		253,6	339,0	
Non Performing loans rate	13,6	12,6		14,6	12,0		13,7	12,5	
Overdue loans rate	18,4	16,5		28,2	24,5		19,7	17,5	
Rate of provisioning (in %)	75,7	88,9		48,2	69,2		71,9	86,5	
.Large exposure/Total gross loans (in %)	23,7	23,0		8,6	10,0		21,8	21,4	
Liquidity									
.Liquidity ratio in local currency (*)	51,1	63,1		-	-		51,1	63,1	
.Liquidity ratio in foreign currency (*)	114,9	105,0		-	-		114,9	105,0	
Total loans/total deposits (*)	63,6	61,7		200,4	168,4		69,8	67,1	
Stable resources/immobilized assets	114,4	135,1		234,4	279,5		134,0	158,0	
Ten large deposits/Total deposits (*)	33,1	46,1		11,8	11,3		32,2	44,3	
Profitability and performance									
Profit before tax	29 228,7	44 348,4	51,7	2 127,4	3 872,8	82,0	31 356,1	48 221,2	53,8
Net profit	25 585,3	40 804,5	59,5	1 830,8	3 225,1	76,2	27 416,1	44 029,6	60,6
Banking net product	103 657,1	129 638,3	25,1	8 405,8	9 054,9	7,7	112 062,9	138 693,2	23,8
ROA							1,6	1,9	
ROE							11,5	15,5	

Source: BRB

APPENDIX 3: SELECTED ANNUAL INDICATORS

Real Growth of GDP (in %)	4,9	4,2	-0,4	2,8	2,8
Inflation rate (annual)	7,9	4,4	5,5	5,6	16,1
FOREIGN SECTOR					
Exports, f.o.b. (USD million)	94,0	131,8	120,8	109,4	147,5
Imports, CIF (USD million)	811,0	768,7	721,4	619,6	743,8
Volume of exports (in tons)	57 207,0	79 580,0	85 498,9	84 613,0	93 124
Volume of imports (in tons)	809 077,0	798 246,0	632 337,0	708 203,0	822 520
Current account balance (USD million)	-250,2	-393,2	-373,3	-356,8	351,7
Exchange rate BIF/USD (period average)	1 555,1	1 546,7	1 571,9	1 654,6	1 765,1
Exchange rate BIF/USD (end of period)	1 542,0	1 553,1	1 617,1	1 688,6	1 766,7
International reserves (USD million, end of période)	321,2	317,3	136,4	95,4	112,9
International reserves (Month of imports)	4,2	4,2	2,3	1,5	1,7
MONEY AND CREDIT					
Net foreign assets (BIF million)	229 756,1	180 476,7	-75 870,1	-176 523,1	-149 085,4
Domestic credit (BIF million)	1 050 252,1	1 236 271,6	1 516 320,8	1 773 610,2	2 007 213,7
Net credits to the Government	273 347,7	383 432,0	687 166,2	906 486,1	1 115 726,9
Credits to the economy	776 904,4	852 839,6	829 154,6	867 124,1	891 486,8
Broad money (M3)	983 168,8	1 102 468,5	1 101 095,8	1 180 019,4	1 482 130,5
Money and quasi money (M2)	847 072,6	937 841,8	965 844,0	1 086 049,4	1 321 620,8
Velocity of the money (GDP/M2, end of period)	4,9	5,1	4,8	4,6	3,6
Monetary base (growth rate)	23,6	15,8	-8,6	29,2	39,0
Liquidity providing rate (in %)	-	-	3,4	3,1	2,8
Marginal lending rate (in %)	12,5	8,0	9,8	8,6	7,1
Commercial banks average deposit rates (end of period)	9,0	8,8	8,7	7,7	6,0
Commercial banks average lending rates (end of period)	16,2	16,7	16,9	16,5	16,2
FINANCE AND PUBLIC DEBT					
Revenues and grants (as % of GDP)	22,1	21,0	16,6	15,9	16,5
Expenses (as % of GDP)	25,0	25,3	24,7	22,0	21,1
primary balance (as % of GDP , accrual basis)	-2,4	-0,5	-6,0	-2,3	-1,5
Overall fiscal balance (as % of GDP , accrual basis)					
- excluded grants	-10,1	-9,5	-11,2	-8,5	-7,1
- included grants	-2,9	-4,4	-8,0	-6,0	-4,6
Domestic debt (BIF million)	597 961,8	727 264,4	1 069 551,8	1 376 307,8	1 649 286,6
External debt (in USD million , at the end of period)	413,0	429,6	420,5	429,6	440,0
External debt service ratio (as % of exports)	3,5	4,1	5,8	6,6	9,1
Public external debt (as % of GDP)	16,1	15,7	15,6	15,2	14,4
As a reminder					
GDP at market prices (BIF billion)	3 812,5	4 185,1	4 417,9	4 824,2	5 397,2

Source: BRB