

## I. INTRODUCTION

The following main economic indicators are related to the developments at the end of December 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 headline inflation declined in December 2018 compared to the same period in 2017.

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

The monetary sector was characterized by a decrease of the reserve money while the money supply increased. The balance sheet of the banking sector, the deposits and credit to private sector also increased. In terms of financial soundness, the banking sector remained sufficiently capitalized, solvent and profitable.

## II. PRODUCTION

Year-on-year basis, the industrial production and the coffee production, green tea harvest increased at the end of December 2018.

### II.1 Industrial Production Index

Year-on-year basis, the industrial production index fell by 19.1% in December 2018, standing at 120.9 from 149.4, mainly as a result of declining both BRARUDI's beverage production (-2.7%), sugar (-66.6%) and cigarettes (-40.5%).

Compared to the previous month, it fell by 17.5% to 120.9 from 146.6, mainly due to the declining of sugar production (-74.2%) and soaps (-32.8%).

### II.2. Coffee

The production of the 2018/2019 season increased by 42.2% at the end of December 2018 compared to the same period of the previous season, from 21,535 to 30,633 tonnes.

### II.3. Tea

The green tea leaves harvest increased by 18.7% in December 2018, standing at 4,608.7 against 3,883.4 tonnes recorded in the same period of the previous year. Likewise, cumulative production in 2018 progressed by 12.9% compared to the previous year, amounting to 50,814.4 against 44,988.8 tonnes.

## III. INFLATION DEVELOPMENTS

At the end of December 2018, headline inflation decreased year-on-year (-5.6 against + 10.0%). This drop concerned food inflation (-15.2 against +9.6%) while non-food inflation slowly rose (+5.9 against + 8.9%).

The fall of food inflation mainly concerned prices of the sub-headings: "Breads and cereals" (-20.4% against + 18.0%) and "Vegetables" (-21.5% against + 10.2%).

The deceleration of the growth rate of non-food inflation mainly concerned sub-headings: "alcoholic beverages and tobacco" (+3.6 against + 5.5%), "Furniture, household goods and household maintenance" (+4.2 against + 7.1%), "Transportation" (+7.4 against + 8.8%), "Leisure and culture" (+3.9 against

+ 10.0%), "Education" (+ 1.6 against + 36.4%).

Year-over-year basis, inflation combining energy, fuel and other fuel prices increased from 17.3 to 19.2%. On the other hand, it slightly decreased (+0.3 against + 1.0%) compared to the previous month.

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

	déc-17		déc-18	
	CPI	Inflation	CPI	Inflation
<b>Headline Inflation</b>	<b>115,4</b>	<b>10,0</b>	<b>108,9</b>	<b>-5,6</b>
<b>1. Food</b>	<b>120,0</b>	<b>9,6</b>	<b>101,8</b>	<b>-15,2</b>
-Bread and cereals	129,2	18,0	102,8	-20,4
- Meat	113,6	9,1	115,2	1,4
-Fish and seafood	128,6	-0,5	132,5	3,0
- Milk, cheese and eggs	107,2	-1,5	111,3	3,8
-Oils and fats	100,4	-0,7	105,0	4,6
- Fruits	121,7	21,3	120,2	-1,2
- Vegetables	120,0	10,2	94,2	-21,5
-Sugar, jam, honey, chocolate and confectionery	108,1	2,8	107,8	-0,3
-undefined food elsewhere	106,5	2,3	115,7	8,6
<b>2. Non food</b>	<b>110,2</b>	<b>8,9</b>	<b>116,7</b>	<b>5,9</b>
- Alcoholic beverages, tobacco	109,8	5,5	113,8	3,6
- clothing and footwear	113,0	3,4	118,8	5,1
- Housing, water, electricity, gas and other fuels	109,1	10,3	121,4	11,3
- Furnishing, household equipment and routine maintenance	112,7	7,1	117,4	4,2
- Health	104,2	3,5	114,3	9,7
- Transport	110,6	8,8	118,8	7,4
- Communication	100,6	0,6	101,8	1,2
- leisure and culture	112,1	10,0	116,5	3,9
- Education	136,0	36,4	138,2	1,6
- Hotels, Restaurant and café	109,3	1,1	114,3	4,6
- Other goods and services	111,7	9,0	118,8	6,4
<b>Energy and fuels</b>	<b>114,6</b>	<b>17,3</b>	<b>136,6</b>	<b>19,2</b>
<b>3. Core Inflation</b>	<b>112,6</b>	<b>7,1</b>	<b>111,7</b>	<b>-0,7</b>

Source: BRB based on data of ISTEUBU

Headline inflation excluding food prices and energy, which is the proxy for core inflation decreased year -on- year basis, from 7.1 to -0.7%.

## IV. GOVERNMENT FINANCIAL OPERATIONS

Compared to the same period of the previous year, Government financial operations recorded a low overall deficit (excluding grants) in December 2018, amounting to BIF 45,555 against BIF

61,847.4 million due to the increase of revenue than expenditure.

### IV.1. Revenue

Total revenue increased by 12.7% in December 2018 compared to the same month in 2017, from BIF 69,552.5 to BIF 78,361.6 million. This increase concerned both tax revenue (BIF 6,153.4 million) and non-tax revenue (BIF 2,655.7 million).

Likewise, cumulative revenue rose by 11.8 % in year-on-year basis, from BIF 754,142.6 million to BIF 836,889.2 million, due to the increase of tax revenue (BIF 71,787.0 million) and non-tax revenue (BIF 10,959.6 million).

### IV.2. Expenditure

Total expenditure decreased by 5.7% at the end of December 2018 compared to the same month in 2017, amounting to BIF 123,916.6 against BIF 131,399.9 million.

On the other hand, cumulative expenditure increased by 14.6%, standing at BIF 1,293.3 billion at the end of December 2018 against BIF 1,128.5 billion at the same period in 2017. Cumulative personnel expenses edged up 0.9% year-over-year, from BIF 385,815.5 to BIF 408,657.4 million.

Compensation of employees rose by 0.9% year-on-year basis, from BIF 385,815.5 to BIF 408,657.4 million.

### IV.3. Public debt

Year-on-year, public debt went up by 11.6% at the end of December 2018 from BIF 2,426.1 billion to 2,707.7 billion, due

to the increase of domestic debt (+16.0%) and external debt (+2.3%).

Compared to the previous month, the public debt slightly rose (+1.2%), linked to the increase of domestic debt (+1.4%) and external debt (+0.7%).

#### **IV.3.1 Domestic Debt**

Year-on-year basis, domestic debt rose by BIF 263,612.1 million at the end of December 2018, from BIF 1,647.8 to 1,911.4 billion, mainly driven by increase of Government's debt towards the banking sector (+BIF 283,325.8 million), especially treasury securities (+BIF 270,684.9 million).

Compared to the previous month, domestic debt increased by BIF 25,621.6 million, from BIF 1,885.8 to 1,911.4 billion, due to the increase of Government's debt towards the banking sector (+BIF 36,145.4 million) which offset the deleveraging from the non-banking sector (-BIF 10,523.8 million).

#### **IV.3.2. External Debt**

Year-on-year basis, the external debt increased by 17,990.0 million at the end of December 2018, from 778,292.4 to BIF 796,282.4 million. This increase is linked to new drawings (BIF 22,207.8 million) and revaluation gains (BIF 7,726.8 million) which exceeded the amortization of the principal debt (BIF 11,944.6 million).

Compared to the previous month, the external debt slightly increased (+ 0.7%), amounted to 796,282.4 against BIF 790,883.7 million, linked to the new drawings (BIF 3,043.4 million) and revaluation gains (BIF 2,355.3 MBIF).

Expressed in US Dollar, outstanding external debt slightly increased year-on-year, standing at 441.1 against USD 440.9 million in the same period of the previous year.

#### **V. EXTERNAL TRADE**

Total exports and imports of goods increased by 4.8% at the end of December 2018 compared to the same month in 2017. This increase is driven by imports, to BIF 1,406.3 billion from BIF 1,307.2 billion) while exports decreased at the same period, amounted to BIF 276,351.6 from BIF 298,500.1 million.

Consequently, the trade balance worsened year –on- year basis, amounted to BIF 1,129.9 billion from BIF 1.008,7 billion.

#### **V.1 Exports**

Cumulative exports of goods decreased by 7.4% in value and by 4.9% in volume at the end of December 2018 compared to the same period in 2017.

In value, the decline of exports concerned both primary products (BIF 218,648.9 million against BIF 233,498.0 million) and manufactured products (BIF 57,702.7 million against BIF 65,002.1 million).

For the primary products, the decrease is related especially to non-monetary gold (-BIF 26,705.0 million), despite the increasing of Niobium ores exports (+BIF 7,936.1 million) and coffee (+ BIF 6,371.0 million).

For manufactured goods exports, the decrease concerned beer (-BIF 6,924.3 million), dark glass bottles exports (- BIF 6,421.5 million) and cigarettes (-BIF

5,924.6 million). Nevertheless, the re-export of kerosene increased by BIF 9,401.9 million.

In volume of exports, the decline is mainly driven by both primary product, to 40,319 from 42,313 tonnes and manufactured goods, to 48,237 from 50,812 tonnes.

## V.2 Imports

Year-on-year basis, cumulative imports increased both in value (+7.6%) and volume (+14.6%) at the end of December 2018.

The increase in value concerned intermediate goods, which went up to BIF 626,510.6 million from BIF 537,693.6 million recorded in the previous year. The capital goods also increased, amounted to BIF 274,795.0 million from BIF 229,884.5 million. However, consumer goods imports declined at the same period, from BIF 539,609.5 million to BIF 504,990.9 million.

The intermediate goods exports rose, especially mineral oils (+BIF 55,674.4 million), goods for metallurgy (+BIF 34,026.6 million), and goods for agriculture and livestock (+BIF 14,071.4 million). However, imports of food goods declined (-BIF 20,156.5 million).

For capital goods imports, the increase is mainly on account of boilers and mechanical equipment (+BIF 34,910.6 million) and electrical equipment (+BIF 23,493.0 million). However, imports of tractors, vehicles and transport equipment declined (-BIF 21,682.0 million).

The decline of consumer goods mainly concerned textiles (-BIF 23,115.4 million)

and the category “other durable consumer goods” (-BIF 14,708.4 million).

In terms of volume imports, the increase concerned all categories of goods; intermediate goods (to 663,280 from 552,643 tonnes), capital goods (to 37,894 from 30,408 tonnes) and consumer goods (to 241,819 from 239,463 tonnes).

## VI. EXCHANGE RATE

In December 2018, the BIF exchange rate against USD depreciated by 3.32, with an exchange rate of 1,805.4 against BIF 1,747.4 in the same period of the previous year. At the end of the period, the BIF exchange rate against USD depreciated by 3.28%; with an exchange rate of 1,808.30 compared to BIF 1,750.8 at the end of December 2017.

## VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

Year-on-year basis, reserve money decreased while the broad money rose during at the end of December 2018 due to the increase of net domestic assets.

### VII.1. Reserve Money

The reserve money declined by 3.3%, amounted to BIF 563,600.6 million in December 2018, from BIF 582,685.1 million in the same month in 2017. This decline concerned the deposits of commercial banks (-BIF 54,787.5 million), public non-financial corporations (-BIF 9,598.7 million) and NGOs (-BIF 2,012.8 million). On the other hand, currency outside the Central Bank (+BIF 42,061.1 million), the deposits of microfinances (+ BIF 1,884.4 million) and

other financial corporations's deposits (+BIF 1,369.2 million) increased.

## **VII.2. Broad money**

The broad money supply (M3) rose by 18.2% at the end December 2018, from BIF 1,499.5 billion to BIF 1,772.4 billion. This growth was on account of the increase of money supply M2 (+19.4%) and deposits of residents denominated in foreign currencies (+8.3%).

The increase of money supply M2 was driven by demand deposits (+22.2%), time and savings deposits (+18.8%) as well as currency outside banks (+12.2%).

The rise of demand deposits denominated in BIF was mainly due to the increasing of deposits of other non-financial corporations (+BIF 143,452.9 million) and households (+BIF 29,590.1 million). On the other hand, deposits of public non-financial corporations (-BIF 6,662.2 million), those classified in other deposits (-BIF 2,945.9 million) and those of other financial corporations (- BIF 138.8 million) declined.

The increase of time and savings deposits is linked to the progress of deposits of public non-financial corporations (+ BIF 35,332.9 million), households (+ BIF 18,624.8 million) and those classified in "other deposits" (+BIF 12,822.6 million).

The rise in residents' deposits denominated in foreign currencies was driven by those of households (+BIF 10,934.7 million), other non-financial corporations (+BIF 11,324.1 million) and those classified in other deposits (+ BIF 1,401.5million). On the other hand, deposits of public non-

financial corporations denominated in foreign currencies declined by BIF 10,455.0 million.

## **VII.3. Counterparts**

Year-on-year basis, domestic credit grew by 16.2% at the end of December 2018, from BIF 2,004.9 billion in the same month of the previous year to BIF 2,328.9 billion, as a result of the increase of net claims on government (+18,6%) and claims on the economy (+13.1%).

The progress of net claims on government was mainly driven by the rising of Treasury bills and bonds held by commercial banks (+ BIF 270,684.9 million or + 42.1%).

At the end of December 2018, net foreign assets and official reserves declined by 32.6% and 31.2% respectively. These reserves covered 1 month of imports of goods at the end of December 2018 compared with 1.7 month recorded in the corresponding period in 2017.

## **VIII. MAIN INDICATORS OF THE BANKING SECTOR**

At the end of December 2018, the banking sector's balance sheet rose. Compared to the same period of the previous year, deposits and credit to private sector increased. In terms of soundness, the banking sector remained well capitalized, solvent and profitable, unless the portfolio quality decreased.

### **VIII.1. Assets**

Year-on-year basis, total banking sector assets increased by 18.4%, from BIF 2,164.7 to BIF 2,562.3 billion in December 2018, following the increase of Treasury

securities. Compared to the same period in 2017, the Treasury Securities increased by 43.9 %, established at BIF 925,707.1 against BIF 643,143.9 million. At the same period, the total loans rose by 18.1%, from BIF 795,480.6 million to BIF 939,105.5 million at the end of December 2018.

The share of Treasury Securities in the total assets increased, from 32.0% to 38.5% at the end of December 2018. However, the share of loans to the private sector in the total assets established at 36.7% at the end of December 2018.

### **VIII.2. Liabilities**

Compared to the same period of the previous year, total deposits increased by 21.3% from BIF 1,234.1billion to BIF 1,496.5 billion at the end of December 2018. In the same period, the Central Bank refinancing rose by 50.5%, from BIF 160,080.0 to BIF 240,860.0 million in December 2018.

## **IX. KEY FINANCIAL SOUNDNESS INDICATORS**

In December 2018, the banking sector has sound indicators and complied with all prudential standards. Loans portfolio improved, the banking sector remained well-capitalized and the profits indicators increased.

### **IX.1. Capital Adequacy**

At the end of December 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 increased, from 20.8 to 21.9% and from 23.7 to 24.1% respectively from December 2017 to December 2018. Over the same period, the leverage ratio was 11.1% against 10.8% at the end of December 2017 with a minimum standard of 7%.

### **IX.2. Quality of loans portfolio**

Compared to December 2017, the quality of the loans portfolio improved, the impairment rate decreased, from 14.6% to 9.2% at the end of December 2018, and the overdue loans decreased by 12.0%, from BIF 157,432.1 million at the end of December 2017 to 138,530.0 million at the end of December 2018.

An analysis of loans by class shows that the watch loans increased by 25.6%, while the substandard (41,5%), doubtful (56, 9%) and loss loans (14,4%) decreased respectively compared to the same period in 2017. The decrease of loss loans is driven by the write off the large exposures by some banks at the end of December 2018.

The rate of impairment of loans in “Tourism and hotel” sector was 40.9% against 52.0% in the same period in 2017. “Agriculture” and “trade” sectors have impairment’s rates of 2.5% and 11.2% respectively against 8.6 and 14.2% in December 2017 whereas “construction” and “manufacturing” sectors have impairment rates of 9.4% and 11.4% respectively.

Due to this 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 is 86.8% at the end of December 2018 against 80.0% in the same period in 2017. The concentration risk towards the large exposure is minimized. Loans to large exposures are 27.7% of total credit, against 19.0% of total loans in December 2017. However, the banking sector faced a concentration risk towards “trade” sector which has 27.0% of total loans.

### **IX.3. Profitability**

Compared to the same period of the previous year, the banking sector’s profitability increased. Indeed, the sectoral net profit increased from BIF 41,942.7 million to 70,596.3 million at the end of December 2018. The net banking product rose by 19.5%, from BIF 162,298.5 million to 193,878.3 million at the end of December 2018.

The return-on-Assets (ROA) and return on equity (ROE) increased, from 2.0% to 2.8 % and from 14.8% to 21.6% respectively from December 2017 to December 2018.

### **IX.4. Liquidity**

At the end of December 2018, the liquidity ratios both in local and in foreign currency remained above the regulatory threshold of 20% (Liquid Assets/Total deposits) with respectively 58.9 and 101.3% against 54.1% and 125.6% at the end of December 2017.

However, the banking sector undergoes relatively high concentration risks on deposits, since only the share of ten deposits was 25.5% of total deposits in December 2018 against 35.5% at the end of December 2017.

## APPENDIX 1: SELECTED MONTHLY INDICATORS

	2,017			2,018		
	october	November	December	october	November	December
<b>I. PRODUCTION AND PRICE</b>						
1. Industrial Production Index (monthly average)	157.7	144.9	149.4	154.3	146.6	120.9
2. Production of Arabica parchment Coffee (in T)	20,209.3	21,458.0	21,717.5	26,755.7	30,291.0	30,633.0
3. Production of Tea (cumulation in T of tea leaf)	36,994.9	41,105.5	44,988.8	43,145.7	46,205.8	50,814.4
4. Consumer price index (1991 = 100)	117.6	117.5	115.4	107.6	108.9	109.0
5. Inflation rate	17.6	15.3	10.0	-8.4	-7.4	-5.6
<b>II. Public Finances</b>						
1. Total Budget revenue (in BIF million)	619,292.1	684,590.1	754,142.6	697,115.3	758,527.5	836,889
1.1. Tax revenue	574,390.1	633,158.6	699,090.9	640,576.0	698,792.2	770,878
1.2. Non-tax revenue	44,902.0	51,431.5	55,051.7	56,539.3	59,735.4	66,011
1.3. Exceptional receipts	0.0	0.0	0.0	0.0	0.0	0
2. Expenditure	918,041.9	997,143.2	1,128,543.1	1,080,424.2	1,169,388.7	1,293,305
2.1. Compensation of employees (in BIF million)	321,309.4	355,294.1	385,815.5	338,798.2	374,050.8	408,657
3. Public debt (in BIF million)	2,293,179.6	2,307,238.0	2,426,579.1	2,669,798.7	2,676,707.7	2,707,728
3.1. Domestic debt outstanding	1,518,484.7	1,533,016.6	1,649,286.6	1,883,888.9	1,885,824.0	1,911,446
Including: Treasury bills and bonds	735,555.4	750,243.2	829,763.9	1,069,783.1	1,072,461.9	1,080,735
BRB ordinary advance	144,881.7	150,659.0	194,279.5	182,655.4	182,857.3	210,409
3.2. External debt outstanding	774,694.9	774,221.5	777,292.5	785,909.8	790,883.7	796,282
3.3. External debt outstanding (in BIF million)	441.7	443.3	441.1	438.3	439.5	441
3.3. External debt service (in BIF million)	3,628.9	5,444.3	321.8	1,034.2	208.7	0
including amortization	2,387.5	4,541.7	0.0	674.5	0.0	0
3.4. Drawings on external loans	2,381.3	2,416.4	0.0	226.7	2,146.1	3,043
<b>III. MONEY</b>						
1. Reserve Money (in BIF million)	514,519.9	516,389.8		569,708.7	535,097.0	563,601
2. Broad money M3 (in BIF million)	1,448,987.8	1,465,561.5	1,499,512.9	1,732,747.2	1,729,509.4	1,772,437
2.1. Broad money M2 (in BIF million)	1,289,812.6	1,298,318.7	1,340,926.6	1,563,385.5	1,556,020.5	1,600,646
3. Domestic credit (in BIF million)	1,928,205.1	1,982,177.1	2,004,966.2	2,315,419.5	2,338,671.3	2,328,907
4. Net foreign to government (in BIF million)	994,883.8	1,038,469.7	1,112,214.4	1,272,532.4	1,295,958.2	1,319,150
5. Net foreign assets (in BIF million)	-114,198.3	-144,343.3	-154,400.0	-211,224.3	-202,348.1	-204,711.6
6. Tenders operations						
6.1. Normal liquidity providing	118,810.0	134,100.0	159,990.0	292,050.0	235,400.0	248,180
6.2. Injecting liquidity	0.0	0.0	0.0			
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	4.9	5.1	5.1	2.5	2.5	2.5
7.2. Treasury bill to 26 weeks	5.2	5.3	5.4	2.4	2.5	2.5
7.3. Treasury bill to 52 weeks	6.2	6.3	6.3	4.5	4.1	3.7
7.4. Recovery of liquidity	0.0	0.0	0.0	0.0	0.0	0.0
7.5. Injecting liquidity	2.5	2.5	2.8	2.8	2.3	2.4
7.6. Marginal lending facility	8.2	8.3	7.1	5.5	5.5	5.5
7.7. Interbank market	0.0	4.1	4.0	3.0	3.0	3.3
7.8. Deposit interest rates	5.6	5.9	6.0	5.5	5.5	5.4
7.9. Lending interest rates	16.3	16.2	16.2	15.6	15.7	15.5
<b>IV. EXTERNAL SECTOR</b>						
1. Export (in BIF million, fob DSL & Buja FOT)	241,180.5	268,512.9	298,500.1	231,430.7	255,195.5	276,352
including Arabica coffee	40,515.7	50,801.6	63,433.4	48,103.9	60,622.1	69,804
1.1. Volume of exports (in T)	75,543.2	84,474.7	93,125.1	70,345.9	79,751.6	88,557
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	140.9	125.1	107.0	115.5	101.1	101.1
- BIF/Kg	5,369.2	47,773.2	4,046.9	4,507.0	3,945.3	3,955.6
1.3. Coffee sold d (in BIF million)	25,943.0	32,637.0	44,152.9	45,044.9	51,901.1	59,183
2. Import CIF (in BIF million)	1,092,872.2	1,195,499.3	1,307,187.7	1,197,480.4	1,307,279.5	1,406,297
including petroleum products	169,165.4	195,123.1	218,454.6	240,459.0	204,192.0	274,129
2.1. Volum of imports (in T)	664,176.6	746,238.2	822,513.7	797,954.1	888,914.6	942,993
<b>V. EXCHANGE RATE</b>						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	103.0	103.0	102.0	105.0	105.5	105.3
3.1.2. Real	105.1	104.4	101.6	93.2	94.5	94.4
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,756.8	1,762.9	1,750.8	1,796.7	1,802.5	1,808.3
3.2.2. Exchange rate BIF/USD (monthly average)	1,753.9	1,759.9	1,747.4	1,793.1	1,799.7	1,805.4
(p) : Provisional						
n.a. : not available						
- : Nonexistent data..						

Source: BRB



**APPENDIX 2: MAIN INDICATORS OF THE BANKING SECTOR IN DECEMBER 2018 (in BIF million).**

	Banking Sector			Financial Institutions			Total Banking sector		
	12/31/2017	12/31/2018	Variation in %	12/31/2017	12/31/2018	Variation in %	12/31/2017	12/31/2018	Variation in %
<b>I. ASSETS</b>	<b>2 009 942,1</b>	<b>2 390 895,0</b>	<b>19,0</b>	<b>154 753,5</b>	<b>171 427,3</b>	<b>10,8</b>	<b>2 164 695,6</b>	<b>2 562 322,3</b>	<b>18,4</b>
<b>MAIN ASSETS</b>	<b>1 686 924,9</b>	<b>2 030 517,2</b>	<b>20,4</b>	<b>115 700,3</b>	<b>139 181,6</b>	<b>20,3</b>	<b>1 802 625,2</b>	<b>2 169 698,8</b>	<b>20,4</b>
<b>A. Liquid assets</b>	<b>1 001 843,2</b>	<b>1 219 205,4</b>	<b>21,7</b>	<b>5 301,4</b>	<b>11 387,9</b>	<b>114,8</b>	<b>1 007 144,6</b>	<b>1 230 593,3</b>	<b>22,2</b>
. Cash	49 762,4	60 247,0	21,1	9,3	2,2	-76,7	49 771,7	60 249,2	21,1
. B.R.B.	227 785,0	173 032,9	-24,0	1 511,6	2 722,9	80,1	229 296,6	175 755,8	-23,4
. Holding in banks and Fis	81 151,9	65 619,0	-19,1	3 780,5	3 262,3	-13,7	84 932,4	68 881,3	-18,9
. Treasury bills and bonds	643 143,9	920 306,5	43,1	-	5 400,5	-	643 143,9	925 707,1	43,9
<b>B. Loans</b>	<b>685 081,7</b>	<b>811 311,8</b>	<b>18,4</b>	<b>110 398,9</b>	<b>127 793,7</b>	<b>15,8</b>	<b>795 480,6</b>	<b>939 105,5</b>	<b>18,1</b>
. Short term	424 199,5	486 332,5	14,6	2 072,9	1 794,6	-13,4	426 272,4	488 127,1	14,5
. Medium term	163 030,5	225 902,0	38,6	53 144,7	47 245,2	-11,1	216 175,2	273 147,2	26,4
. Long term	97 851,7	99 077,4	1,3	55 181,3	78 753,9	42,7	153 033,0	177 831,3	16,2
. Leasing	-	-	-	-	-	-	-	-	0,0
. Other loans	-	-	-	-	-	-	-	-	-
<b>D. Others</b>	<b>323 017,2</b>	<b>360 377,7</b>	<b>11,6</b>	<b>39 053,2</b>	<b>32 245,7</b>	<b>(17,4)</b>	<b>362 070,4</b>	<b>392 623,4</b>	<b>8,4</b>
<b>II. LIABILITIES</b>	<b>2 009 942,1</b>	<b>2 390 895,0</b>	<b>19,0</b>	<b>154 753,5</b>	<b>171 427,3</b>	<b>10,8</b>	<b>2 164 695,6</b>	<b>2 562 322,3</b>	<b>18,4</b>
<b>Main liabilities</b>	<b>1 473 003,8</b>	<b>2 037 250,5</b>	<b>38,3</b>	<b>70 656,3</b>	<b>115 731,7</b>	<b>63,8</b>	<b>1 543 660,1</b>	<b>1 900 874,2</b>	<b>23,1</b>
. Deposit from customers	1 170 211,4	1 420 256,8	21,4	63 889,7	76 222,2	19,3	1 234 101,1	1 496 479,0	21,3
amongst: Ten large deposits	425 099,9	524 364,3	23,4	6 384,2	9 026,1	41,4	431 484,1	533 390,4	23,6
. Refinancing from B.R.B.	160 080,4	238 680,0	49,1	-	2 179,5	-	160 080,4	240 860	50,5
. Others	-	-	-	-	-	-	-	-	-
. Debts to banks and Fis	142 712,0	156 503,9	9,7	6 766,6	7 031,7	3,9	149 478,6	163 535,7	9,4
Capital and reserves	215 578,8	221 809,7	2,9	30 298,2	30 298,2	30 298,2			
<b>Others</b>	<b>321 359,5</b>	<b>353 644,5</b>	<b>10,0</b>	<b>53 799,0</b>	<b>57 585,3</b>	<b>7,0</b>	<b>621 035,5</b>	<b>661 448,0</b>	<b>6,5</b>
<b>III. BANKING SECTOR'S INDICATORS</b>									
<b>Capital adequacy</b>									
. Net core capital (in MBIF)	206 330,1	255 853,8	24,0	27 774,5	29 486,8	6,2	234 104,6	285 340,6	21,9
. Total capital (in MBIF)	228 388,0	276 684,8	21,1	38 686,4	36 855,9	-4,7	267 074,4	313 540,7	17,4
. Risk weighted assets	980 336,5	1 145 782,1	16,9	145 685,8	155 476,0	6,7	1 126 022,3	1 301 258,1	15,6
. Core capital adequacy (threshold 12,5%)	21,0	22,3		19,1	19,0		20,8	21,9	
. Total capital adequacy Ratio (threshold 14,5%)	23,3	24,1		26,6	23,7		23,7	24,1	
. Leverage Ratio (threshold 7%)	11,7	10,7		19,4	17,2		14,3	12,3	
<b>Loans quality and concentration</b>									
. Large exposures	140 355,2	252 476,8	79,9	10 581,7	7 415,3	-29,9	150 936,9	259 892,1	72,2
. Watch loans	27 870,0	37 499,8	34,6	13 779,6	14 795,5	7,4	41 649,6	52 295,3	25,6
. Non-performing loans	100 765,3	76 242,5	-24,3	15 017,2	9 992,3	-33,5	115 782,5	86 234,8	-25,5
. Overdue loans	128 635,3	113 742,3	-11,6	28 796,8	24 787,8	-13,9	157 432,1	138 530,0	-12,0
. Depreciations	84 600,1	69 743,5	-17,6	7 974,2	5 141,4	-35,5	92 574,3	74 884,9	-19,1
. Gross total loans/Gross total assets (en %)	34,1	33,9		71,3	74,5		36,7	36,7	
. Loans to the Government/Gross total assets (*)	32,0	38,5	-	-	3,2		32,0	38,5	
. Loans to the Government/Core capital (*)	311,7	359,7	-	-	359,7		311,7	359,7	
. Non-performing loans rate	14,7	9,4		13,6	9,4		14,6	9,2	
. Overdue loans rate	18,8	14,0		26,1	19,4		19,8	14,8	
. Provisioning rate (in %)	84,0	91,5		53,1	51,5		80,0	86,8	
. Large exposures/Gross total loans (in %)	20,5	31,1		9,6	5,8		19,0	27,7	
<b>Liquidity</b>									
. Liquidity ratio in BIF		244,1		-	-		-	244,1	
. Liquidity ratio in foreign currency		48,9		-	-		-	48,9	
. Total loans/total deposits	58,5	57,1		172,8	167,7		64,5	62,8	
. Ratio of stable funds to fixed assets	115,3	147,4		245,8	238,4		147,2	137,5	
. Ten large deposits/Total deposits	36,3	36,9		10,0	11,8		35,0	35,6	
<b>Profitability and performance</b>									
. Before tax profit	40 192,8	64 490,0	60,5	4 187,3	7 154,5	70,9	44 380,1	71 644,5	61,4
. Net profit	35 731,7	59 430,4	66,3	3 730,0	6 454,2	73,0	39 461,7	65 884,6	67,0
. Net banking product	166 534,9	188 713,2	13,3	13 137,6	14 973,3	14,0	179 672,5	203 686,5	13,4
ROA							2,1	2,8	
ROE							16,6	22,9	

Source: BRB

### APPENDIX 3: SELECTED ANNUAL INDICATORS

	2013	2014	2015	2016	2017
<b>GROSS DOMESTIC PRODUCT AND PRICE</b>					
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
<b>FOREIGN SECTOR</b>					
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
<b>MONEY AND CREDIT</b>					
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
Reserve money (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
<b>FINANCE AND PUBLIC DEBT</b>					
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.