

I. INTRODUCTION

The following main economic indicators are related to the developments at the end of January 2019, 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 a decrease of industrial production, while tea and coffee production increased. The inflation declined in January 2019 compared to the same period in 2018.

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

The monetary sector was characterized by an increase of the reserve money whereas money supply decreased. The balance sheet of the banking sector rose at the end of January 2019 compared to the same period in 2018; 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 coffee production for 2018/2019 campaign and green tea harvest increased at the end of January 2019.

II.1 Industrial Production Index

Year-on-year basis, the industrial production index fell by 4.6% in January 2019 to 123.2 from 129.2, mainly due to the end of the sugar production season

and the decrease of cigarettes production (-47.8%).

On the other hand, it increased by 1.8% compared to the previous month, amounting to 123.2 against 121.0, mainly driven by the increase of BRARUDI beverages production (+ 12.0%).

II.2. Coffee

The coffee production of the 2018/2019 season increased by 51% at the end of January 2019 compared to the same period of the previous season, from 21,535 to 32,543 T.

II.3. Tea

The green tea leaves harvest rose by 21.8% in January 2019 compared to the previous month, from 4,608.7 to 5,613.6 T. Compared to the same period of the previous year, production increased by 26.2%; amounting to 5,613.6 T from 4,448.8T.

III. INFLATION DEVELOPMENTS

At the end of January 2019, inflation decreased year-on-year basis (-3.8 against +6.1%). This decline concerned food inflation (-10.9 against +3.2%), while non-food inflation slowly decelerated (+4.4 against +7.9%).

The decline of food inflation is mainly due to the fall prices of the sub-headings: "Breads and cereals" (-17.1 against +9.4%) and "Vegetables" (-16.7 against +1, 5%).

The deceleration of non-food inflation mainly concerned sub-headings: "alcoholic beverages and tobacco" (+3.0 against +7.1%), "Furniture,

household goods and household maintenance" (+3.3 against +7.6%), "Transportation" (+4.2 against +11.9%), "Leisure and culture" (+5.5 against +9.4%) and "Education" (+ 1.7 against +31.5%).

Year-on-year basis, the combined price index for energy, fuel and other fuels increased by 7.8% compared 16.4% recorded in the same period in 2018.

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

	Jan-18		Jan-19	
	CPI	Inflation	CPI	inflation
Headline Inflation	114.2	6.1	109.9	-3.8
1. Food	116.4	3.2	103.7	-10.9
-Bread and cereals	125.2	9.4	103.8	-17.1
- Meat	115.0	9.9	118.0	2.6
- Fish	124.5	14.0	138.7	11.4
- Milk, cheese and eggs	108.7	3.6	113.7	4.6
-Oils and fats	100.5	5.5	107.4	6.9
- Fruits	119.2	10.8	119.5	0.3
- Vegetables	115.4	1.5	96.1	-16.7
-Sugar, jam, honey, chocolate and confectionery	107.3	15.6	107.4	0.1
-undefined food elsewhere	107.2	4.0	115.7	7.9
2. Non food	111.8	7.9	116.7	4.4
- Alcoholic beverages, tobacco	110.1	7.1	113.4	3.0
- clothing and footwear	113.7	5.9	120.3	5.8
- Housing, water, electricity, gas and other fuels	113.7	9.8	119.4	5.0
- Furnishing, household equipment and routine maintenance	113.7	7.6	117.4	3.3
- Health	104.2	3.1	114.8	10.2
- Transport	114.9	11.9	119.7	4.2
- Communication	100.6	0.5	101.9	1.3
- leisure and culture	111.1	9.4	117.2	5.5
- Education	136.0	31.5	138.3	1.7
- Hotels, Restaurant and café	110.0	5.8	114.3	3.9
- Other goods and services	111.1	8.2	115.6	4.1
Energy and fuels	122.9	3.1	132.5	7.8
3. Core Inflation	112.5	16.4	112.5	0.0

Source: BRB based on data of ISTEERU

On a year-on-year basis, headline inflation excluding food prices and energy, which is the proxy for underlying inflation, declined (0.0 against 3.1%).

IV. GOVERNMENT FINANCIAL OPERATIONS

Compared to the same period of the previous year, fiscal deficit (excluding grants) worsened in January 2019, from

BIF 9.310.7 to BIF 62.457 million, due to the increase of expenditure than public revenue.

IV.1. Revenue

Year-on-year basis, Government revenue increased by 6.1%, from BIF 62,945.1 to BIF 66,765.74 million. This increase mainly concerned tax revenue (BIF 8.281.8 million), while non-tax revenue decreased by BIF 4,461.2 million.

IV.2. Expenditure

In January 2019, expenses incurred increased by BIF 56,967 million compared to the same month in 2018, amounting to BIF 129,222.8 against BIF 72,255.8 million. On year-on-year basis, compensation of employees rose by 9.2%, from BIF 33,737.9 to BIF 36,827.1 million.

IV.3. Public debt

Outstanding public debt increased by 14.2% at the end of January 2019, amounting to 2,745.9 from BIF 2,404.3 billion recorded in the same period of the previous year, mainly driven by the increase of domestic debt (+ 20.3%).

Compared to the previous month, outstanding public debt rose by 1.4% due to the increase of domestic debt (+ 1.7%) and external debt (+0.6%).

IV.3.1 Domestic Debt

Year-on-year basis, domestic debt increased by BIF 328,242.4 million at the end of January 2019, from 1,616.3 to BIF 1,944.6 billion, mainly driven by Government's debt towards the banking sector (+BIF 330,385.9 million).

The increase of the Government's debt towards the banking sector mainly concerned Treasury securities (+BIF 311,860.4 million).

Compared to the previous month, outstanding domestic debt increased by 33,152.2 million, from 1.911.4 billion to BIF 1.944.6 billion, due to the increase of Government's debt towards banking (+BIF 24,045.9 million) and non-banking sectors (+BIF 9,106.3 million).

IV.3.2. External Debt

Year-on-year basis, the external debt increased by BIF 13,348.2 million at the end of January 2019, from 787,987.1 to BIF 801,335.4 million. This increase is driven by drawings (BIF 22,207.8 million) and revaluation gains (BIF 2,647.5 million) which exceeded the amortization of the principal debt (BIF 11,507.1 million).

Compared to the previous month, the external debt slightly increased (+ 0.6%), amounting to 801,335.4 against BIF 796,282.4 million, mainly driven by capital gains of revaluation (BIF 5,463.7 million).

Expressed in USD, outstanding external debt fell by USD 3.9 million, year –on-year basis, standing at 442.3 against USD 446.2 million.

V. EXTERNAL TRADE

Cumulative trade (exports and imports of goods) increased by 6.9 % in January 2019 compared to the same period in 2018. This increase is driven by imports, amounting to BIF 132,445.6 million from 112,145.7 million. Exports decreased at the same period, standing at 20,249.4 from BIF 30,709.5 million.

Therefore, the trade balance worsened, to BIF 112,196.2 from BIF 81,436.4 million.

V.1 Exports

Year -on- year basis, exports of goods decreased by 34.1% in value and by 15.7%.

In value, the decrease of exports is attributed to primary products amounted to BIF 15,265.8 million from 25,690.3 million. The manufactured products remained almost the same (BIF 4,893.6 million against BIF 5,019.1 million).

Concerning primary products exports, the decrease is mainly a result of misperformance of coffee exports (-BIF 4,685.7 million), non-monetary gold (-BIF 3,701.1 million) and tea (-BIF 1,587.2 million).

The decrease in volume is driven by primary products, to 3,152 tonnes from 4,811 tonnes. Manufactured products remained almost stable (5,206 tonnes against 5,107 tonnes).

V.2 Imports

Year-on- year basis, imports increased by 18.1 % in value and decreased by 16.5 % in volume. The increase in value concerned consumer goods (BIF 54,405.8 against 41,401.8 million), capital goods (BIF 25,506.4 against 19,612.2 million) and intermediate goods (BIF 52,533.4 against 51,131.8 million).

The increase of consumer goods mainly concerned pharmaceutical goods (+BIF 6,355.9 million), vehicles imports (+BIF 4,337.5 million) and the category of "other durable consumer goods"

(+BIF 2,881.9 million). The increase of capital goods is mainly on account of tractors, vehicles (+BIF 5,423.5 million). The increase of intermediate imports was mainly driven by building material (+BIF 3,360.8 million).

In terms of volume, the decrease of imports was mainly due to intermediate goods which dropped to 53,857 tonnes from 70,197 tonnes, especially goods intended for agriculture and livestock (-6,584 tonnes), for building material (-5,031 tonnes) and goods intended for food (-4,327 tonnes).

VI. EXCHANGE RATE

Compared to the same period in 2018, the BIF average exchange rate against US Dollar depreciated by 2.50% in January 2019, standing at BIF 1.811.95 against BIF 1.768.18.

At the end of the period, the BIF exchange rate against US Dollar depreciated by 2.60%, standing at BIF 1,815.68 at the end of January 2019 against BIF 1,769.61 at the end of January 2018.

VII. RESERVE MONEY, BROAD MONEY AND IT'S COUNTERPARTS

Reserve money decreased year-on-year while broad money rose due to the increase of net domestic assets.

VII.1. Reserve Money

The reserve money declined by 7.4% at the end of January 2019, amounting to BIF 518,679.5 million from BIF 560,392.5 million at the end of the same month in 2018. The decrease was related to the fall both of commercial banks deposits by BIF

59,075.8 million, public non-financial corporation's deposits by BIF 14,197.3 million and those of microfinance institutions by BIF 4,551.4 million. On the other hand, currency outside the Central Bank (+BIF 32,187.5 million), as well as NGOs' deposits (+BIF 1.549,0 million) and other financial corporation's deposits (+BIF 1,815.4 million) increased.

VII.2. Broad money

Money supply (M3) rose by 20.9% at the end of January 2019 compared to the corresponding month in 2018, amounting to BIF 1,837.0 billion from BIF 1,519.5 billion. This growth was driven by the increase of monetary aggregate M2 which rose by 22.2% and foreign currencies deposits of residents which grew by in 9.4%. The rise of M2 was a result of the increase of sight deposits (+26.3%), in time and savings deposits (+20.1%) and the currency outside banks (+12.6%).

The rise of sight deposits in local currency mainly concerned the increase of other non-financial corporations' deposits (+BIF 165,148.0 million) and households deposits (+BIF 32,920.3 million) and deposits of other financial corporations (+BIF 904.5 million). However, public non-financial corporations' deposits and other deposits declined by BIF 3,365.5 million and BIF 4,663.2 million respectively.

The increase of time and savings deposits were linked to the progress of non-financial corporation's deposits (+BIF 41,478.0 million), household's deposits (+BIF 21,871.1 million) and "other deposits" (+BIF 18,220.8 million).

The rise of residents' deposits in foreign currencies concerned household's deposits (+BIF 13,543.1 million), other non-financial corporation's deposits (+BIF 9,074.3 million) and other deposits (+ BIF 2,773.0 million) while public non-financial corporation's deposits in foreign currencies declined by BIF 10,601.5 million.

VII.3. Counterparts

Year -on- year basis, domestic credit grew by 18.1% in January 2019, standing to BIF 2,366.1 billion from BIF 2,003.0 billion in the corresponding month in 2018, due to the increase of net claims on government (+21.5%) and claims on the economy (+14.0%).

The progress of net claims on government was mainly driven by the rise of Treasury bills and bonds held by commercial banks (+ BIF 324,338.9 million. However, net foreign assets and official reserves declined respectively by 34.9 and 35.3% at the end of January 2019. Thus, official reserves covered 0.8 month of imports of goods compared with 1.3 months recorded in the corresponding period in 2018.

VIII. BANKING SECTOR'S MAIN INDICATORS

The banking sector's balance sheet improved at the end of January 2019. Deposits and credit to the economy also increased. Thus, commercial banks remained well capitalized, solvent and profitable.

VIII.1. Assets

The banking sector assets increased year-on-year by 14.4%, amounting to BIF

2,639.4 billion in January 2019 from BIF 2,307.3 in the corresponding month in 2018, following the sharp rise of Treasury securities. In fact, the outstanding treasury securities grew by 50.9% in January 2019, from BIF 662,266.3 million to BIF 999,165.2 million. Similarly, the outstanding loans rose by 16.4%, standing to BIF 926,778.3 million from BIF 796,346.7 million in January 2018.

The share of Treasury securities in total assets increased by 9.2 percentage points, from 28.7% to 37.9% in January 2019 while the share of loans to the private sector in the total assets went down to 41.4% in January 2019 compared to 42.8% recorded in the corresponding month in 2018.

VIII.2. Liabilities

Commercial banks liabilities are mainly composed by deposits and claims on the Central bank. The total deposits grew by 25.9% in January 2019, standing to BIF 1,556.6 billion from BIF 1,235.9 billion in January 2018. Similarly, commercial banks claims on Central bank also rose by 33.9%, from BIF 175, 423.5 million to BIF 234,870.0 million in January 2019.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

In January 2019, the banking sector remained well capitalized with sufficient capital buffers to absorb related risks while complying with prudential requirements. In addition, the loans portfolio and the main profitability indicators improved.

IX.1. Capital Adequacy

The core capital and Tier 2 capital stood well above the regulatory requirement, set respectively to 12.5 and 14.5%. The core capital and Tier 2 capital adequacy ratios slightly grew to 25.0% and 27.2% in January 2019 from 24.0 and 27.0% in the corresponding month in 2018. The leverage ratio stabilized year –on- year to 11.0%, above the minimum requirement of 5%.

IX.2. Quality of loans portfolio

The quality of loans portfolio improved in January 2019. The impairment rate decreased from 20.3% to 14.9% at the end of January 2019. Year-on-year, the overdue loans declined by 14.3%, from BIF 161,516.9 million to BIF 138,473.2 million. Only watch loans increased by 12.3%, reaching BIF 54,216.5 million in January 2019 against BIF 48,269.2 million recorded in the corresponding month in 2018.

However, substandard (BIF 8,277.1 million against BIF 15,223.4 million), doubtful (BIF 7,305.1 million against BIF 21,231.1 million) and loss loans (BIF 68,597.3 million against BIF 76,676.7 million) fell as components of NPLs.

The quality of loans portfolio in different sectors (“Tourism and hotel”, “agriculture”, “trade” and “construction” and “manufacturing”) sectors slowly improved. The impairment rate loans in this sector declined, falling from 50.1% in January 2018 to 30.1% in January 2019. The impairment rate on loans in “Agricultural sector” stood to 4.9% in January 2019 compared to 7.2% recorded in January 2018 while the impairment rate

on loans in trade sector fell, from 14.7% in January 2018 to 11.6% in January 2018. The impairment rates in “construction” and “manufacturing” sectors declined, reaching 8.1% and 12.3% respectively in January 2019 compared to 14.9 and 19.0 % recorded in January 2018.

Given the level of loans portfolio deterioration, banks set up provisions to guard against potential loans portfolio losses. The provisioning rate reached 86.7% in January 2019 against 78.7 in the corresponding month in 2018.

The credit risk exposure is significant compared to the same period in 2018. Loans to large borrowers (with an outstanding above 10% of Tier 1 core capital) represented 24.8% of total credit in January 2019 against 19.7% of total loans in January 2018. In addition, the banking sector remained concentrated towards “trade sector”. However, the risk concentration on trade sector decreased in January 2019, standing at 25.4% of total loans against 26.4% in the corresponding month in 2018.

IX.3. Profitability

The banking sector’s income improved in January 2019. The overall gross income grew by 19.9%, amounting to BIF 18,684.4 million from BIF 15,585.4 million, the net profit increased from BIF 4,296.4 million to BIF 9,098.7 million in January 2019. The main profit ratios improved as well, as the return-on-Assets (ROA) slightly rose, from 0.2% to 0.3% and the return on equity (ROE) increased, from 1.5% to 2.9% in January 2019.

IX.4. Liquidity

The *liquidity coverage ratio*¹ (LCR) both in local currency remained above the regulatory threshold of 100%, with 257.9% in January 2019; while the ratio in foreign currency is far below the regulatory threshold and stood to 79.6%.

However, the banking sector suffers from the concentration risk on deposits, the share of ten large depositors is high and kept growing. The outstanding amount of ten large depositors stood to 44.6% of the total deposits in January 2019 compared to 35.0 recorded in the corresponding period in 2018.

¹ The *liquidity coverage ratio* (LCR) refers to the proportion of highly liquid assets held by financial institutions to ensure their ongoing ability to meet short-term obligations.

APPENDIX1: SELECTED MONTHLY INDICATORS

	Nov-17	Dec-17	Jan-18	Nov-18	Dec-18	Jan-19
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	144,9	149,4	129,4	146,6	121,0	123,2
2. Production of Arabica parchment Coffee (cumulation in T)	21 458,0	22 009,0	22 009,0	30 291,0	30 633,0	32 543,0
3. Production of Tea (cumulation in T of tea leaves)	41 105,5	44 988,8	4 448,4	46 205,8	50 814,4	5 613,6
4. Consumer price index (1991 = 100)	117,5	115,4	114,2	108,9	109,0	109,9
5. Inflation rate	15,3	10,0	6,1	-7,4	-5,6	-3,8
II. Public Finances						
1. Total Budget revenue (in BIF million)	684 590,1	754 142,6	62 945,1	758 527,5	836 889	66 766
1.1. Tax revenue	633 158,6	699 090,9	54 846,0	698 792,2	770 878	63 128
1.2. Non-tax revenue	51 431,5	55 051,7	8 099,2	59 735,4	66 011	3 638
1.3. Exceptionnal receipts	0,0	0,0	0,0	0,0	0	0
2. Expenditure	997 143,2	1 128 543,1	72 255,8	1 169 388,7	1 293 305	129 223
2.1. Compensation of employees (in BIF million)	355 294,1	385 815,5	33 737,9	374 050,8	408 657	36 827
3. Public debt (in BIFmillion)	2 307 238,0	2 426 579,1	2 404 342,4	2 676 707,7	2 707 728	2 745 933
3.1. Domestic debt outstanding	1 533 016,6	1 649 286,6	1 616 355,3	1 885 824,0	1 911 446	1 944 598
Including: Treasury bills and bonds	750 243,2	829 763,9	839 987,2	1 072 461,9	1 080 735	1 149 704
BRB ordinary advance	150 659,0	194 279,5	154 611,4	182 857,3	210 409	174 199
3.2. External debt outstanding	774 221,5	777 292,5	787 987,1	790 883,7	796 282	801 335
3.3. External debt outstanding (in BIF million)	443,3	441,1	446,2	439,5	441	442
3.3. External debt service (in BIF million)	5 444,3	321,8	1 137,8	208,7	0	551
including amortization	4 541,7	0,0	848,3	0,0	0	411
3.4. Drawings on external loans	2 416,4	0,0	0,0	2 146,1	3 043	0
III. MONEY						
1. Reserve Money (in BIF million)	516 389,8	580 870,9	560 392,5	535 198,3	564 828,8	518 679,5
2. Broad money M3 (in BIF million)	1 465 561,5	1 499 512,9	1 519 458,0	1 756 637,1	1 801 537	1 836 993,3(p)
2.1. Broad money M2 (in BIF million)	1 298 318,7	1 340 926,6	1 361 478,1	1 582 866,5	1 630 027	1 664 218,9(p)
3. Domestic credit (in BIF million)	1 982 177,1	2 004 966,2	2 002 967,9	2 377 585,4	2 375 597	2 366 101,4(p)
4. Net foreign to government (in BIF million)	1 038 469,7	1 112 214,4	1 111 435,4	1 312 329,6	1 336 983	1 350 011,6(p)
5. Net foreign assets (in BIF million)	-144 343,3	-154 400,0	-177 508,5	-194 714,4	-204 852,9	-238 326,4
6. Tenders operations						
6.1. Normal liquidity providing	134 100,0	159 990,0	174 680,0	235 400,0	248 180	247 530
6.2. Injecting liquidity	0,0	0,0	0,0			
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	5,1	5,1	4,9	2,5	2,5	2,5
7.2. Treasury bill to 26 weeks	5,3	5,4	5,5	2,5	2,5	2,6
7.3. Treasury bill to 52 weeks	6,3	6,3	6,1	4,1	3,7	3,5
7.4. Recovery of liquidity	0,0	0,0	0,0	0,0	0,0	0,0
7.5. Injecting liquidity	2,5	2,8	2,8	2,3	2,4	2,5
7.6. Marginal lending facility	8,3	7,1	7,0	5,5	5,5	5,5
7.7. Interbank market	4,1	4,0	3,8	3,0	3,3	3,1
7.8. Deposit interest rates	5,9	6,0	5,9	5,5	5,4	5,3
7.9. Lending interest rates	16,2	16,2	16,1	15,7	15,5	15,5
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	268 512,9	298 500,1	30 709,5	255 195,5	296 108,8	20 249
including Arabica coffee	50 801,6	63 433,4	12 138,4	60 622,1	69 804	7 453
1.1. Volume of exports (in T)	84 474,7	93 125,1	9 918,2	79 751,6	88 557	8 358
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	125,1	107,0	103,7	101,1	101,1	85,0
- BIF/Kg	47 773,2	4 046,9	4 013,7	3 945,3	3 955,6	3 328,9
1.3. Coffee sold d(in BIF million)	32 637,0	44 152,9	7 664,4	51 901,1	59 183	8 895
2. Import CIF (in BIF million)	1 195 499,3	1 307 187,7	112 145,7	1 307 279,5	1 406 297	132 446
including petroleum products	195 123,1	218 454,6	20 919,7	204 192,0	274 129	21 561
2.1. Volum of imports (in T)	746 238,2	822 513,7	94 895,0	888 914,6	942 993	79 234
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	103,0	102,0	89,4	105,5	105,3	na
3.1.2. Real	104,4	101,6	98,3	94,5	94,4	na
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1 762,9	1 766,7	1 769,6	1 802,5	1 808,3	1 815,7
3.2.2. Exchange rate BIF/USD (monthly average)	1 759,9	1 765,1	1 768,2	1 799,7	1 805,4	1 811,9
(p) : Provisional						
n.a. : not available						
- : Nonexistent data..						

Source: BRB

APPENDIX 2: MAIN INDICATORS OF THE BANKING SECTOR IN January 2019 (in BIF million).

	Banking Sector			Financial Institutions			Total Banking sector		
	1/31/2018	1/31/2019	Variation in %	1/31/2018	1/31/2019	Variation in %	1/31/2018	1/31/2019	Variation in %
I. ASSETS	2,149,584.5	2,464,657.1	14.7	157,675.0	174,730.8	10.8	2,307,259.5	2,639,387.9	14.4
MAIN ASSETS	1,748,475.2	2,095,157.6	19.8	114,313.9	141,596.2	23.9	1,862,789.1	2,236,753.9	20.1
A. Liquid assets	1,063,775.9	1,299,148.6	22.1	2,666.5	10,826.9	306.0	1,066,442.4	1,309,975.6	22.8
. Cash	63,251.4	64,162.2	1.4	3.0	3.9	30.7	63,254.4	64,166.1	1.4
. B.R.B.	220,513.4	183,069.0	-17.0	130.1	2,859.8	2,098.1	220,643.5	185,928.8	-15.7
. Holding in banks and Fis	117,744.8	58,652.7	-50.2	2,533.4	2,062.7	-18.6	120,278.2	60,715.5	-49.5
. Treasury bills and bonds	662,266.3	993,264.7	50.0	-	5,900.5	-	662,266.3	999,165.2	50.9
B. Loans	684,699.3	796,009.0	16.3	111,647.4	130,769.3	17.1	796,346.7	926,778.3	16.4
. Short term	421,840.1	441,175.0	4.6	2,008.2	1,720.8	-14.3	423,848.3	442,895.8	4.5
. Medium term	171,518.8	259,689.0	51.4	53,988.8	46,465.2	-13.9	225,507.6	306,154.3	35.8
. Long term	91,340.4	95,145.0	4.2	55,650.4	82,583.3	48.4	146,990.8	177,728.2	20.9
. Leasing	-	-	-	-	-	-	-	-	0.0
. Other loans	-	-	-	-	-	-	-	-	-
C. Fixed assets	121,200.7	133,966.5	10.5	7,931.1	8,694.1	9.6	129,131.8	142,660.6	10.5
D. Others	279,908.6	235,533.0	-15.9	35,430.0	24,440.5	(31.0)	315,338.6	259,973.4	-17.6
II. LIABILITIES	2,149,584.5	2,464,657.1	14.7	157,675.0	174,730.8	10.8	2,307,259.5	2,639,387.9	14.4
Main liabilities	1,697,889.4	2,088,551.0	23.0	70,656.3	87,610.5	24.0	1,551,263.8	1,956,565.9	26.1
. Deposit from customers	1,172,099.9	1,476,076.8	25.9	63,889.7	80,545.7	26.1	1,235,989.6	1,556,622.5	25.9
amongst: Ten large deposits	425,099.9	685,214.1	61.2	7,968.1	9,621.8	-	433,068.0	694,836	60.4
. Refinancing from B.R.B.	175,423.5	234,870.0	33.9	-	-	-	175,423.5	234,870.0	33.9
. Others	-	-	0.0	-	-	-	-	-	0.0
. Debts to banks and Fis	133,084.1	158,008.6	18.7	6,766.6	7,064.8	4.4	139,850.7	165,073.4	18.0
Capital and reserves	217,281.9	219,595.5	1.1	30,748.2	31,879.3	3.7	248,030.1	251,474.8	1.4
Others	451,695.0	376,106.1	-16.7	87,018.7	87,120.3	0.1	755,995.7	682,822.0	-9.7
III. BANKING SECTOR'S INDICATORS									
Capital adequacy									
. Net core capital (in MBIF)	226,851.3	260,850.7	15.0	27,774.5	29,470.9	6.1	254,625.8	290,321.7	14.0
. Total capital (in MBIF)	247,558.7	279,003.1	12.7	38,686.4	36,894.6	-4.6	286,245.1	315,897.7	10.4
. Risk weighted assets	913,506.3	1,012,357.8	10.8	145,685.8	149,661.9	2.7	1,059,192.1	1,162,019.7	9.7
. Core capital adequacy (threshold 12,5%)	24.8	25.8		19.1	19.7		24.0	25.0	
. Total capital adequacy Ratio (threshold 14,5%)	27.1	27.6		26.6	24.7		27.0	27.2	
. Leverage Ratio (threshold 5%)	10.6	10.6		17.6	16.9		11.0	11.0	
Loans quality and concentration									
Large exposures	146,626.8	222,574.6	51.8	10,374.5	7,279.1	(29.8)	157,001.3	229,853.7	46.4
Watch loans	31,668.8	39,807.2	25.7	16,600.8	14,409.3	(13.2)	48,269.6	54,216.5	12.3
Non-performing loans	98,053.5	73,907.8	(24.6)	15,194.3	10,348.9	(31.9)	113,247.8	84,256.7	(25.6)
Overdue loans	129,721.8	113,714.9	(12.3)	31,795.1	24,758.2	(22.1)	161,516.9	138,473.2	(14.3)
Depreciations	81,018.5	67,777.5	(16.3)	8,059.3	5,232.5	(35.1)	89,077.8	73,010.1	(18.0)
Gross total loans/Gross total assets (en %)	31.9	32.3		70.8	74.8		34.5	35.1	
Loans to the Government/Gross total assets (*)	30.8	40.3		-	3.4		30.8	40.3	
Loans to the Government/Core capital (*)	291.9	380.8		-	20.0		291.9	380.8	
Non-performing loans rate	14.3	9.3		13.6	7.9		14.2	9.1	
Overdue loans rate	18.9	14.3		28.5	18.9		20.3	14.9	
Provisioning rate (in %)	82.6	91.7		53.0	50.6		78.7	86.7	
. Large exposures/Gross total loans (in %)	21.4	28.0		9.3	5.6		19.7	24.8	
Liquidity									
. Liquidity ratio in BIF		257.9		-	-		-	257.9	
. Liquidity ratio in foreign currency		79.6		-	-		-	79.6	
Total loans/total deposits	58.4	53.9		174.8	162.4		64.4	59.5	
Ratio of stable funds to fixed assets	143.2	138.5		255.1	234.4		147.2	137.5	
Ten large deposits/Total deposits	36.3	46.4		12.5	11.9		35.0	44.6	
Profitability and performance									
Before tax profit	5,787.1	9,396.3	62.4	214.4	265.2	23.7	3,445.6	9,661.5	180.4
Net profit	4,143.4	8,894.5	114.7	153.0	204.1	33.4	4,296.4	9,098.7	111.8
Net banking product	14,510.0	17,471.7	20.4	1,075.4	1,212.7	12.8	15,585.4	18,684.4	19.9
ROA							0.2	0.3	
ROE							1.5	2.9	

Source: BRB

APPENDIX 3: SELECTED ANNUAL INDICATORS

	2014	2015	2016	2017	2018
GROSS DOMESTIC PRODUCT AND PRICE					
Real Growth of GDP (in %)	4.2	-0.4	3.2	3.6	3.8
Inflation rate (annual)	4.4	5.5	5.6	16	-2.6
FOREIGN SECTOR					
Exports, f.o.b. (USD million)	131.8	120.8	124.7	172.6	180.2
Imports, CIF (USD million)	768.7	721.4	616.2	756.0	793.5
Volume of exports (in tons)	82,825	85,758	84,614	93,125	103,218
Volume of imports (in tons)	798,239	632,337	708,203	822,514	976 694
Current account balance (USD million)	-395.1	-373.2	-339.7	-360.0	-361.8
Exchange rate BIF/USD (period average)	1,546.7	1,571.9	1,654.6	1,729.1	1,782.9
Exchange rate BIF/USD (end of period)	1,553.1	1,617.1	1,688.6	1,766.7	1,808.3
International reserves (USD million, end of période)	317.3	121.2	98.6	109.8	80.5
International reserves (Month of imports)	4.2	2.0	1.4	1.7	1.0
MONEY AND CREDIT					
Net foreign assets (BIF million)	180525.3	-75,870.1	-176,523.1	-154,400.0	-238,326.4
Domestic credit (BIF million)	1135873.8	1410604.3	1767122.4	2004966.2	2 366 101,4
Net credits to the Government	384697	687259.5	905857.4	1112214.4	1 350 011,6
Credits to the economy	751176.8	723344.8	861265	892941.6	1 016 089,8
Broad money (M3)	1045336.7	1060791	1187101.8	1499512.9	1 836 993,3
Money and quasi money (M2)	880206.6	923271.7	1093131.8	1340926.6	1 664 218,9
Velocity of the money (GDP/M2, end of period)	4.8	4.8	4.4	4.1	3.4
Reserve money (growth rate)	15.8	-8.6	29.2	38.99135069	-3.3
Liquidity providing rate (in %)	-	3.4	3.1	2.79	2.9
Marginal lending rate (in %)	8	9.82	8.6	7.13	5.8
Commercial banks average deposit rates (end of period)	8.8	8.7	7.7	5.96	5.6
Commercial banks average lending rates (end of period)	16.7	16.85	16.5	16.16	15.9
FINANCE AND PUBLIC DEBT					
Revenues and grants (as % of GDP)	21.0	16.7	15.7	16.5	17.4
Expenses (as % of GDP)	25.3	24.65299214	21.6	21.1	21.5
primary balance (as % of GDP , accrual basis)	-0.5	-6.0	-2.3	-1.5	-1.3
Overall fiscal balance (as % of GDP , accrual basis)					
- excluded grants	-9.5	-11.2	-8.4	-6.9	-7.9
- included grants	-4.4	-8.0	-5.9	-4.4	-4.1
Domestic debt (BIF million)	727,264.4	1,069,551.8	1,374,144.6	1 647 833,5	1 911 446
External debt (in USD million , at the end of period)	429.6	420	429.6	440.5	441.0
External debt service ratio (as % of exports)	4.1	5.8	6.6	9.1	11.9
Public external debt (as % of GDP)	15.7	15.6	15.2	14.4	13.2
As a reminder					
GDP at market prices (BIF billion)	4,185.0	4417.88	4,824.2	5,397.2	6,010.3

Source: BRB.