



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic Indicators
July 2019

I. INTRODUCTION

The following main economic indicators are related to the developments at the end of July 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 an increase of industrial and tea production whilst coffee production decreased. The deflation's trend continued in July 2019 compared to the same period in 2018.

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

The monetary sector was characterized by an increase of both, reserve money and money supply. The balance sheet of the banking sector rose at the end of July 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 tea production increased while coffee production declined in July 2019.

II.1 Industrial Production Index

Year-on-year basis, the industrial production index slightly rose by 0.6% in July 2019 to 182.8 from 181.8, mainly driven by the increase of paints production (+31.6%) and soaps (+22.3%).

Likewise, compared to the previous month, the index increased by 44.8%, from 126.2 to 182.8, mainly due to the increase of sugar and beverages production of BRARUDI (+17.3%).

II.2. Coffee

At the end of July 2019, coffee production of 2019/2020 season amounted to 5,510 against 11,129 tonnes recorded in the same period of the previous season. According to ARFIC forecasts, the total volume of parchment coffee expected for this undergoing season would amount to 15,185 against 32,786 tonnes in the previous season, a decrease of 53.7% linked to cyclicity of coffee production.

II.3. Tea

Green leaf tea production increased by 31.7 % in July 2019, from 2,374.6 to 3,128 tonnes. On the other hand, cumulative production slightly increased by 3.3 % at the end of July 2019, amounting to 35,931.9 against 34,775.6 tonnes recorded in the same period of 2018.

III. INFLATION DEVELOPMENTS

Year-on-year, the consumer price index fell by 2.6% in July 2019 compared to a decline of 0.8% recorded in the same period of the previous year. The decline of food prices continued at a less accelerated pace (-6.2 against -8.5%), while non-food prices rose, but at a slower pace (+ 1.1 against + 8.8%).

The deceleration of food prices mainly concerned the sub-headings such as: "Breads and cereals" (-1.8 against -18.6%), "Vegetables" (-11.8 against -15, 5%) and "Sugar, jams, honey, chocolate and confectionery" (-0.3 against -4.0%).

The deceleration of non-food prices mainly concerned the sub-headings "Housing, water, electricity, gas and other fuels" (+2.3 against +15.9%), "Health (+2.0 against +8.3%), "Transport" (+1.8 against + 8.3%) and "Education" (+2.5 against

+ 34.0%). However, prices of the sub-headings "Alcoholic beverages and tobacco" (-2.5 against +6.6%) and "Restaurants and hotels" (-2.6 against +6.9%) fell.

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

	CPI	Inflation	CPI	inflation
Headline Inflation	112.4	-0.8	109.5	-2.6
1. Food	109.6	-8.5	102.8	-6.2
-Bread and cereals	100.2	-18.6	98.4	-1.8
- Meat	117.0	6.6	121.2	3.6
- Fish	150.4	26.9	154.4	2.7
- Milk, cheese and eggs	111.4	5.4	111.5	0.1
-Oils and fats	134.0	23.5	126.4	-5.7
- Fruits	119.4	4.7	115.9	-2.9
- Vegetables	103.9	-15.5	91.6	-11.8
-Sugar, jam, honey, chocolate and confectionery	107.9	-4.0	107.6	-0.3
-undefined food elsewhere	107.6	0.0	112.7	4.7
2. Non food	115.4	8.8	116.7	1.1
- Alcoholic beverages ,tobacco	116.7	6.6	113.3	-2.9
- clothing and footwear	117.1	7.1	119.6	2.1
- Housing,water,electricity,gas and other fuels	119.4	15.9	122.2	2.3
- Furnishing, household equipment and routine maintenance	115.4	6.1	119.4	3.5
- Health	113.1	8.3	115.4	2.0
- Transport	117.4	8.3	119.5	1.8
- Communication	101.4	0.8	101.9	0.5
- leisure and culture	114.4	6.5	118.7	3.8
- Education	136.3	34.0	139.7	2.5
- Hotels, Restaurant and café	113.3	6.9	110.3	-2.6
- Other goods and services	114.3	6.5	116.0	1.5
Energy and fuels	132.8	25.4	137.2	3.3
3. Core Inflation	112.4	2.6	112.5	0.1

Source: BRB based on data of ISTEERU

Year-on-year basis, the price index combining the prices of energy, fuel and other fuels slightly increased in July 2019 (+3.3 against +25.4%). Headline inflation excluding food prices and energy, which is the proxy of core inflation slowed in July 2019 (+0.1 against +2.6%).

IV. EXTERNAL TRADE

At the end of July 2019, the total trade increased by 15.2% compared to the same period of 2018. Cumulative imports increased (953,132.4 against BIF 796,763.4 million) while cumulative exports slightly fell (185,816.7 against BIF 191,776.2 million). As a result, the trade balance deficit worsened (-767,315.8 against -BIF 604,987.2 million).

IV.1 Exports

Year-on-year basis, cumulative exports fell by 3.1% in value at the end of July 2019 while they increased by 12.7% in volume.

In terms of value, the decline of exports concerned primary commodities (BIF 141,652.5 against BIF 151,620.5 million) while exports of manufactured products increased (44,164.1 against BIF 40,155.7 million). The decline of primary commodities concerned all products, mainly non-monetary gold (BIF -9,703.1 million), tea (BIF -8,516.9 million) and niobium ores (BIF -5,248.4 million). On the other hand, exports of coffee increased by BIF 15,641.7 million

In terms of volume, the increase affected both primary commodities (24,504 against 19,426 tonnes) and manufactured products (40,703 against 38,430 tonnes).

IV.2 Imports

Year-on-year basis, cumulative imports increased by 19.6% in value and by 17.6% in volume at the end of July 2019.

In value, the increase focused on imports of intermediate goods (421,066.8 against BIF 339,794.0 million) and consumer goods (363,538.9 against BIF 279,809.5 million). On the other hand, capital goods declined (168,526.7 against BIF 177,159.9 million).

The increase of intermediate goods mainly concerned construction materials (+BIF 24,793.5 million), food industry (+BIF 21,865.4 million) and mineral oils (+BIF 16,029.7 million) as well as goods intended for agriculture and livestock (+BIF 7,798.1 million).

The increase of consumer goods concerned all categories, mainly pharmaceuticals (+BIF 25,699.2 million), vehicles (+BIF 14,433.4 million), textiles (+BIF 8,007.0 million) and other durable consumer goods (+BIF 28,340.9 million).

Imports of capital goods mainly decreased due to electrical materials (-BIF 19,239.8 million) and boilers and mechanical equipment (-BIF 4,422.4 million), whilst imports of tractors, vehicles and transport

equipment increased (+BIF 16,415.1 million).

In term of volume, the increase was mainly driven by intermediate commodities (468,703 against 374,036 tonnes) and, to a lesser extent of, capital goods (23,643 against 23,406 tonnes), the imports of consumer goods slightly decreased (141,274 against 141,413 tonnes).

V. EXCHANGE RATE

Compared to the same period of the previous year, the BIF exchange rate against the US Dollar depreciated by 3.8% in July 2019; standing at 1,848.43 against BIF 1,780.37 for one US Dollar unit.

At the end of the period, the BIF depreciated by 3.9% against the US Dollar, the exchange rate rising from BIF 1,781.45 at the end of July 2018 to BIF 1,851.34 at the end of July 2019 for one US Dollar unit.

VI. GOVERNMENT FINANCIAL OPERATIONS

At the end of July 2019, the overall fiscal deficit (excluding grants) worsened compared to the same period of the previous year, from BIF 300,855.8 million to BIF 342,981.9 million, driven by the

increase of Government expenditure than public revenue.

VI.1. Revenue

Cumulative Government revenue increased by 14.8 % at the end of July 2019, amounting to BIF 547,288.9 million against BIF 476,558.5 million recorded in the same period of the previous year, due to the increase of tax revenue (BIF +60,892.6 million) and non-tax income (+BIF 9,837.9 million).

Likewise, Government revenue in July 2019 rose by 17.1 %, standing at BIF 70,893.2 million from BIF 60,554.7 million in the same period of the previous year. This rise resulted from the increase of tax revenue (+BIF 8,248.7 million) and non-tax revenue (+BIF 2,089.8 million).

VI.2. Expenditure

Cumulative expenditure rose by 14.5 % in July 2019, amounting to BIF 890,270.8 million against BIF 777,414.2 million in the same period of 2018. Expenditure incurred in July 2019 increased by 62.5 % compared to the same month in 2018, amounting to BIF 128,659.6 million against BIF 79,155.4 million.

Compensation of employees rose by 8.0 % at the end of July 2019, reaching BIF 254,557.7 million against BIF 235,725.4 million recorded in the same period in 2018.

VI.3. Public debt

The public debt increased by 16.8% at the end of July 2019, amounting to 3,044.5 against BIF 2,606.4 billion recorded in the same period of the previous year, driven by the increase of domestic debt (+ 17.4%) and external debt (+ 15.4%).

Compared to the previous month, the stock of public debt slightly declined by 0.9%, due to the decrease of domestic debt (-1.9%), while the external debt slightly increased (+1.5%).

VI.3.1 Domestic Debt

Year-on-year basis, domestic debt rose by BIF 314,455.2 million at the end of July 2019, from 1,802.5 to BIF 2,166.9 billion, mainly driven by the increase of Government's debt towards the banking sector in the form of Treasury securities (+BIF 367,438.6 million).

Compared to the previous month, the stock of domestic debt fell by BIF 41,684.3 million, mainly due to the decrease of the Government's debt towards central bank (-BIF 59,694.1 million), which offset the

increase of the Government's debt towards commercial banks (+BIF 26,769.8 million).

VI.3.2. External Debt

Year-on-year basis, the external debt increased by BIF 123,589.3 million at the end of July 2019, from 803,941.0 to BIF 927,530.4 million. This increase is related to drawings (BIF 117,412.8 million) and revaluation gains (BIF 19,974.6 million) which exceeded the amortization of the principal debt (BIF 13,798.1 million).

Compared to the previous month, the stock of external debt rose by 1.5%, due to the new drawings (BIF 16,817.3 million) which exceeded the revaluation losses (BIF 790.9 million) and the amortization of principal debt (BIF 2.144.8 million).

Expressed in US Dollar, outstanding external debt increased by USD 50.2 million year-on-year, standing at USD 501.8 million at the end of July 2019 against USD 451.6 million.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

Year-on-year basis, reserve money and broad money rose at the end of July 2019 due to the increase of net domestic and foreign assets.

VII.1. Reserve Money

Year-on-year, the reserve money increased by 11.0% at the end of July 2019, amounted to BIF 640,774.1 million, from BIF 577,438.7 million. This rise was driven by the currency outside the Central Bank (+BIF 52,261.7 million) as well as the deposits of microfinance institutions (+BIF 10,283.6 million) and NGOs (+BIF 2,994.2 million). On the other hand, the deposits of public non-financial corporations decreased by BIF 3,544.7 million.

VII.2. Broad money

Year-on-year basis, the broad money (M3) expanded by 23.6% at the end July 2019, amounted to BIF 2,041.3 billion from BIF 1,652.1 billion. This growth was on account of the increase of M2 money supply (+26.0%) and the deposits of residents denominated in foreign currencies (+3.3%).

The increase of M2 money supply was driven by demand deposits (+34.9%), time and savings deposits (+15.4%) as well as currency outside banks (+14.8%).

The rise of demand deposits denominated in BIF was mainly due to the increase occurred in deposits of other non-financial corporations (+BIF 231,752.1 million),

households (+BIF 42,057.4 million), public non-financial corporations (+ BIF 804.3 million) and those classified in other deposits (+ BIF 3,676.5 million).

The increase of time and savings deposits is linked to the progress of deposits of other non-financial corporations (+ BIF 32,112.5 million), households (+ BIF 29,556.0 million) and those classified in “other deposits” (+BIF 3,252.1 million). However, the deposits of public non-financial corporations and those of other financial corporations declined by BIF 294.6 million and by BIF 4,182.3 million, respectively.

The increase of residents’ deposits denominated in foreign currencies was driven by those of households (+BIF 5,411.5 million), other non-financial corporations (+ BIF 1,173.4 million) and those classified in other deposits (+ BIF 2,856.3 million). On the other hand, the deposits in foreign currencies of public non-financial corporation declined by BIF 5,429.4 million.

VII.3. Counterparts

Year-on-year, domestic credit grew by 17.9% at the end of July 2019, from BIF 2,214.4 billion to BIF 2,610.3 billion, resulting from the increase of net claims

on government (+22.3%) and claims on the economy (+12.6%).

The progress of net claims on government was mainly driven by the rising of Treasury bills and bonds held by commercial banks (+ BIF 367,438.6 million).

Year-on-year, net foreign assets and the official reserves increased by 17.2% and 2.0%, respectively, at the end of July 2019. This official reserves covered 0.9 month of imports of goods at the end of July 2019, compared with 1.0 month recorded in the same period in 2018.

VIII. BANKING SECTOR'S MAIN INDICATORS

The balance sheet of the banking sector improved in July 2019, following an increase of Treasury securities. The quality of the loans portfolio slightly improved. The banking sector remained well capitalized, solvent and profitable.

VIII.1. Assets

Banking sector total assets rose by 20.2% in July 2019, standing at BIF 2,977.8 billion against BIF 2,477.4 billion in July 2018. This growth was mainly driven by the increase of Treasury securities (+38.0%) and loans to the private sector (+11.3%).

The outstanding of Treasury securities held by commercial banks remained dominant in balance sheet, with a share of 39.8% at the end of July 2019 against 34.4% in the same period. On the other hand, the share of the loan portfolio allocated to the private sector fell year-on-year, standing to 34.5 in July 2019 compared to 37.3% in the corresponding period in 2018.

VIII.2. Liabilities

The customer deposits increased by 28.0% year-on-year, amounting to BIF 1,712.7 billion in July 2019 from BIF 1,338.4 billion BIF in July 2018. Likewise, the refinancing towards central bank rose by 19.8%, standing to BIF 348,427.4 million from BIF 290,876.6 million.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

The banking sector's regulatory capital increased in July 2019 compared to the corresponding period in 2018. Likewise, the capital adequacy ratios and profitability ratio improved over the same period.

IX.1. Capital Adequacy

The total regulatory capital of the banking sector increased by 10.9% year-on-year, from BIF 306,769.2 million at the end of

July 2018 to 340,282.5 at the end of July 2019. Thus, Tier 1 and total capital adequacy ratios grew as well, standing respectively at 25.1 and 27.2% in July 2019 from 21.2 and 23.8. However, the leverage ratio deteriorated from 11.5% to 10.5% in July 2019, whilst remaining above the regulatory threshold.

IX.2. Quality of loans portfolio

The loans portfolio of the banking sector improved yearly. The overall deterioration rate fell from 12.9% to 9.3% in July 2019, following a decrease of various categories of substandard (-8.4%), doubtful (-54.0%) and loss (-18.0%).

Year-on-year basis, the portfolio allocated to the Agriculture sector deteriorated at the rate of 13.7% at the end of July 2019, compared to 4.2% in the same period in 2018.

Likewise, the loans portfolio allocated in the Construction and Equipment sectors improved yearly, recording respective deterioration rates of 9.1% and 4.2% in July 2019 from 14.5% and 7.2%.

On the other hand, the portfolio allocated in the Hotel and Tourism, and Retail sectors stabilized year-on-year, with a deterioration rates of 37.4% and 11.3%, from 37.6% and 11.6%, respectively.

Nevertheless, the quality of loans allocated to the Industry sector slightly deteriorated, with a deterioration rate of 30.3% in July 2018 from 19.1%.

According to the coverage of non-performing loans, the provisions decreased by 23.2% year-on-year, to BIF 74,473.9 million in July 2019 from BIF 100,901.9 million, following a slight improvement in the overall loans portfolio. The coverage ratio was 80.6% compared to 84.8% recorded in the same month in 2018.

However, the concentration risk on large exposures¹ remained significant over the period, representing 27.9% of the total loans portfolio in July 2019 from 18.8% in the corresponding month in 2018.

Moreover, the concentration risk in Trade and Equipment sectors were significant in the overall loans portfolio, with a respective rates of 32% and 20%.

IX.3. Profitability

The banking sector's Gross Income grew by 16.3% in July 2019, standing to 140,758.2 from 121,031.0 MBIF in the corresponding month in 2018.

¹ Circular No. 06/2018 on the credit risk division, a large exposure is a loan of more than 10% of the core capital.

Likewise, the Net Income rose by 90.6%, from BIF 36,119.5 million to BIF 68,838.8 million. The Returns on Assets and Return on Equity also improved, standing at 2.3% and 20.2% in July 2019 from 1.5% and 11.8% in July 2018, respectively.

IX.4. Liquidity

The Liquidity Coverage Ratio (LCR) in BIF significantly improved in July 2019, to

248.3% from 61.4% while the LCR in foreign currencies fell to 40.9% from 119.8%; with a minimum standard of 100%. However, deposits were concentrated on a small number of depositors; 45.6% of total deposits was concentrated in 100 customers while it was 44.9% in the same period of the previous year.

APPENDIX 1: SELECTED MONTHLY INDICATORS

	May-18	June-18	July-18	May-19	Jun-19	Jul-19
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	117,5	121,6	181,8	113,6	126,2	182,8
2. Production of Arabica parchment Coffee (cumulation in T)	0,0	8 189,0	11 129,0	0,0	0,0	5 510,0
3. Production of Tea (cumulation in T of tea leaves)	21 505,1	27 392,9	32 401,0	23 560,6	28 803,0	32 803,7
4. Consumer price index (1991 = 100)	114,5	113,3	112,4	111,7	108,8	109,5
5. Inflation rate	-1,0	-0,4	-0,8	-2,4	-4,0	-2,6
II. Public Finances						
1. Total Budget revenue (in BIF million)	340 749,5	416 003,7	476 558,5	377 179,6	476 395,7	547 288,9
1.1. Tax revenue	312 111,3	380 956,3	438 366,0	349 782,6	433 600,1	499 258,6
1.2. Non-tax revenue	28 638,3	35 047,5	38 192,4	27 397,0	42 795,6	48 030,4
1.3. Exceptional receipts	0,0	0,0	0,0	0,0	0,0	0,0
2. Expenditure	535 531,7	698 260,9	777 414,2	645 702,3	761 611,2	890 270,8
2.1. Compensation of employees (in BIF million)	168 988,9	202 227,2	235 725,4	182 106,2	218 146,8	254 557,7
3. Public debt (in BIFmillion)	2 500 588,4	2 637 314,8	2 606 407,1	3 017 684,7	3 072 254,2	3 044 451,6
3.1. Domestic debt outstanding	1 699 666,1	1 835 475,2	1 802 466,0	2 110 469,8	2 158 605,5	2 116 921,2
Including: Treasury bills and bonds	953 009,4	993 081,2	1 003 048,5	1 309 285,8	1 339 778,2	1 357 433,8
BRB ordinary advance	134 896,7	201 181,6	162 239,0	191 866,3	216 009,2	158 917,5
3.2. External debt outstanding	800 922,3	801 839,6	803 941,0	907 214,9	913 648,7	927 530,4
3.3. External debt outstanding (in BIF million)	450,5	450,8	451,6	493,8	495,9	501,8
3.3. External debt service (in BIF million)	457,9	1 282,4	0,0	2 981,0	181,7	3 471,1
including amortization	235,5	944,2	0,0	2 289,9	0,0	2 144,8
3.4. Drawings on external loans	213,1	1 600,4	3 855,7	41 106,0	4 075,3	16 817,3
III. MONEY						
1. Reserve Money (in BIF million)	538 782,6	548 546,9	577 438,7	594 139,2	657 960,5	640 774,1
2. Broad money M3 (in BIF million)	1 587 421,3	1 620 461,3	1 652 078,5	1 954 585,4	2 027 007,0	2 041 329,4
2.1. Broad money M2 (in BIF million)	1 428 951,0	1 462 821,2	1 476 417,2	1 784 591,8	1 848 750,4	1 859 797,9
3. Domestic credit (in BIF million)	2 075 328,6	2 159 954,3	2 214 424,1	2 495 420,1	2 575 844,3	2 610 345,6
4. Net foreign to government (in BIF million)	1 165 982,9	1 189 574,3	1 205 891,8	1 423 382,6	1 472 138,7	1 474 802,3
5. Net foreign assets (in BIF million)	-174 182,1	-201 255,7	-199 752,1	-190 248,0	-194 252,9	-234 029,1
6. Tenders operations						
6.1. Normal liquidity providing	240 220,0	255 500,0	290 770,0	320 000,0	334 540,0	349 550,0
6.2. Injecting liquidity	0,0	0,0	0,0	0,0	0,0	0,0
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	3,1	2,5	2,2	2,5	2,5	2,5
7.2. Treasury bill to 26 weeks	4,3	3,6	3,3	2,7	2,7	2,6
7.3. Treasury bill to 52 weeks	5,5	5,3	5,2	3,0	3,1	3,1
7.4. Recovery of liquidity	0,0	0,0	0,0	0,0	0,0	0,0
7.5. Injecting liquidity	3,6	3,8	3,2	2,7	2,8	2,6
7.6. Marginal lending facility	5,5	5,1	5,1	5,5	5,5	5,5
7.7. Interbank market	4,5	4,2	0,0	3,7	3,7	3,6
7.8. Deposit interest rates	5,4	6,2	5,5	5,3	5,2	5,0
7.9. Lending interest rates	16,2	16,3	15,6	15,7	15,7	15,7
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	147 720,4	168 274,8	191 776,2	150 286,6	167 903,2	185 816,7
including Arabica coffee	24 717,1	25 712,3	27 309,3	36 086,5	39 312,0	42 951,0
1.1. Volume of exports (in T)	41 379,9	48 637,6	57 856,0	47 153,3	56 692,9	65 207,0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	22,6	42,5	133,9	48,3	61,8	56,9
- BIF/Kg	890,4	1 651,2	5 209,3	1 926,2	2 493,3	2 292,0
1.3. Coffee sold d(in BIF million)	25 585,1	29 288,7	30 733,7	44 966,4	48 449,5	55 229,3
2. Import CIF (in BIF million)	582 677,0	681 920,2	796 763,4	635 833,4	765 603,3	953 132,4
including petroleum products	119 214,4	137 363,5	159 568,9	116 612,0	139 776,0	175 598,6
2.1. Volum of imports (in T)	398 662,0	459 361,0	538 856,0	415 581,0	504 876,0	633 619,0
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	92,3	93,2	93,5	93,5	92,5	92,5
3.1.2. Real	100,3	99,8	98,8	95,3	91,8	91,7
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1 778,3	1 779,3	1 781,5	1 839,6	1 845,1	1 851,3
3.2.2. Exchange rate BIF/USD (monthly average)	1 777,7	1 778,8	1 780,4	1 837,0	1 842,4	1 848,4
(p) : Provisional n.a. : not available - : Nonexistent data..						

Source: BRB

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

	Commercial banks			Other financial institutions			Banking sector		
	7/31/2018	7/31/2019	Variation en %	7/31/2018	7/31/2019	Variation en %	7/31/2018	7/31/2019	Variation en %
I. ASSETS	2,310,545.5	2,787,269.1	20.6	166,701.8	190,574.4	14.3	2,477,247.3	2,977,843.6	20.2
I.1. MAIN ASSETS	1,942,494.6	2,398,398.4	23.5	126,462.4	156,924.2	24.1	2,068,957.0	2,555,322.5	23.5
A. Liquid assets	1,137,265.1	1,514,366.3	33.2	8,717.9	13,295.7	52.5	1,145,983.0	1,527,662.0	33.3
. Cash	64,741.4	75,397.8	16.5	21.7	9.3	-57.1	64,763.1	75,407.1	16.4
. Balance in B.R.B.	190,803.1	181,653.8	-4.8	545.3	3,959.8	626.2	191,348.4	185,613.6	-3.0
. Interbank deposits	78,997.1	87,240.8	10.4	2,650.9	2,939.2	10.9	81,648.0	90,180.0	10.4
. Treasury securities	802,723.5	1,170,073.9	45.8	5,500.0	6,387.4	0.0	808,223.5	1,176,461.3	45.6
. Other securities	0.0	0.0		0.0	0.0		0.0	0.0	
B. Loans	805,229.5	884,032.1	9.8	117,744.5	143,628.4	22.0	922,974.0	1,027,660.5	11.3
. Short term	496,447.4	489,363.6	-1.4	1,953.3	2,151.8	10.2	498,400.7	491,515.5	-1.4
. Medium term	204,268.7	289,072.9	41.5	53,734.9	47,414.8	-11.8	258,003.6	336,487.7	30.4
. Long term	104,513.4	105,595.5	1.0	62,056.3	94,061.8	51.6	166,569.7	199,657.3	19.9
. Leasing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
I.2. Fixed assets	122,913.5	134,999.9	9.8	7,643.0	8,053.9	5.4	130,556.5	143,053.8	9.6
I.3. Others assets	245,137.0	253,870.9	3.6	32,596.4	25,596.3	-21.5	277,733.4	279,467.3	0.6
II. LIABILITIES	2,310,545.5	2,787,269.1	20.6	166,701.8	190,574.4	14.3	2,477,247.3	2,977,843.6	20.2
II.1. Main liabilities	1,748,728.6	2,145,177.1	22.7	77,361.0	132,377.3	71.1	1,826,089.6	2,242,921.7	22.8
. Customer deposits	1,268,175.9	1,622,261.5	27.9	70,263.4	90,392.5	28.6	1,338,439.3	1,712,654.0	28.0
amongst: Ten large deposits	601,309.8	769,253.0	27.9	0.0	11,262.9	0.0	601,309.8	780,515.9	29.8
. Borrowing from B.R.B. (Refinancing)	290,876.6	348,427.4	19.8	0.0	0.0	0.0	290,876.6	348,427.4	19.8
. Interbank deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
II.2. Capital and reserves	189,676.1	174,488.3	-8.0	7,097.6	7,352.1	3.6	196,773.7	181,840.3	-7.6
II.3. Other liabilities	222,027.1	254,796.8	14.8	31,879.3	34,632.8	8.6	253,906.4	289,429.6	14.0
MAIN INDICATORS OF THE BANKING SECTOR	339,789.8	387,295.2	14.0	57,461.5	23,564.3	-59.0	651,157.7	734,921.9	12.9
Capital adequacy									
. Tier 1 capital (in MBIF)	245,157.3	280,697.5	14.5	28,180.0	32,965.8	17.0	273,337.3	313,663.3	14.8
. Total regulatory capital (in MBIF)	267,260.5	299,690.3	12.1	39,508.7	40,592.2	2.7	306,769.2	340,282.5	10.9
. Risk weighted assets	1,142,523.8	1,087,989.2	-4.8	145,314.5	163,215.9	12.3	1,287,838.3	1,251,205.0	-2.8
. Core capital adequacy ratio (threshold 12,5%)	21.5	25.8		19.4	20.2		21.2	25.1	
. Total regulatory capital adequacy ratio (threshold 12,5%)	23.4	27.5		27.2	24.9		23.8	27.2	
. Leverage Ratio (threshold 7%)	10.6	10.1		18.5	17.3		11.0	10.5	
Loans quality and concentration									
. Large exposures	161,011.5	281,370.7	74.8	12,748.8	5,269.2	-58.7	173,760.3	286,639.9	65.0
. Watch loans	32,995.4	44,961.9	36.3	14,070.2	16,662.0	18.4	47,065.6	61,624.0	30.9
. Non-performing loans	103,879.2	82,229.8	-20.8	15,192.6	10,159.0	-33.1	119,071.8	95,128.0	-20.1
. Overdue loans	136,874.6	127,191.8	-7.1	29,262.8	3,418.8	-88.3	166,137.4	130,610.6	-21.4
. Provisions on loans	90,048.5	69,943.4	-22.3	10,853.4	2,245.2	-79.3	100,901.9	72,188.7	-28.5
. Loans/Assets (in %)	34.9	31.7	0.0	70.6	75.4	0.0	37.3	34.5	0.0
. Government Loans/Assets ratio	34.7	42.0	0.0	3.3	3.4	0.0	34.7	42.0	0.0
. Government Loans/Tier 1 capital	327.4	416.8	0.0	19.5	19.4	0.0	337.7	375.1	0.0
. Non-performing loans ratio	12.9	9.3	0.0	12.9	7.1	0.0	12.9	9.3	0.0
. Overdue loans ratio	17.0	31.7	0.0	24.9	2.4	0.0	18.0	12.7	0.0
. Coverage ratio (in %)	86.7	42.0	0.0	71.4	22.1	0.0	84.7	75.9	0.0
. Large exposures to Loans ratio (in %)	20.0	31.8	0.0	10.8	3.7	0.0	18.8	27.9	0.0
Liquidity									
. LCR* in BIF (threshold 100%)	61.4	248.3	0.0	0.0	0.0	0.0	61.4	248.3	0.0
. LCR in f.c.** (threshold 100%)	119.8	40.9	0.0	0.0	0.0	0.0	119.8	40.9	0.0
. Loans/Customer deposits	63.5	54.5	0.0	167.6	158.9	0.0	69.0	60.0	0.0
. Stable funds /Fixed Assets (threshold 60%)	133.5	91.4	0.0	279.5	240.0	0.0	142.4	125.5	0.0
. Ten large deposits/Customer deposits	47.4	47.4	0.0	0.0	12.5	0.0	44.9	45.6	0.0
Profitability and performance									
. Income before tax	36,497.7	68,439.3	87.5	3,306.4	4,706.6	42.3	39,804.1	73,146.0	83.8
. Net income after tax	33,343.4	64,936.6	94.8	2,776.1	3,902.2	40.6	36,119.5	68,838.8	90.6
. Gross Income	113,411.3	130,532.5	15.1	7,619.8	10,225.7	34.2	121,031.1	140,758.2	16.3
. ROA	1.4	2.3		1.7	2.0		1.5	2.3	

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	16.0	-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)	82,825.0	85,758.0	84,614.0	93,125.0	103,218.0
Volume of imports (in tons)	798,239.0	632,337.0	708,203.0	822,514.0	976,694.0
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)	180,525.3	-75,870.1	-176,523.1	-154,400.0	-238,326.4
Domestic credit (BIF million)	1,135,873.8	1,410,604.3	1,767,122.4	2,004,966.2	2,366,101.4
Net credits to the Government	384,697.0	687,259.5	905,857.4	1,112,214.4	1,350,011.6
Credits to the economy	751,176.8	723,344.8	861,265.0	892,941.6	10,160,898.0
Broad money (M3)	1,045,336.7	1,060,791.0	1,187,101.8	1,499,512.9	1,836,993.3
Money and quasi money (M2)	880,206.6	923,271.7	1,093,131.8	1,340,926.6	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	39.0	-3.3
Liquidity providing rate (in %)	-	3.4	3.1	2.8	2.9
Marginal lending rate (in %)	8.0	9.8	8.6	7.1	5.8
Commercial banks average deposit rates (end of period)	8.8	8.7	7.7	6.0	5.6
Commercial banks average lending rates (end of period)	16.7	16.9	16.5	16.2	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	24.7	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	1,911,446.0
External debt (in USD million , at the end of period)	429.6	420.5	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	4,417.9	4,824.2	5,397.2	6,010.3

Source: BRB.