



**BANQUE DE LA REPUBLIQUE DU BURUNDI**



**Economic Indicators**

**June 2020**

## I. INTRODUCTION

The following main economic indicators concerned the developments at the end of June 2020, in the real sector and prices, the public finance, the foreign trade, the exchange rate, the broad money and its counterparts and the main financial soundness indicators.

Year-on-year basis, the real sector was characterized by an increase of industrial and tea production while 2019/2020' coffee campaign ended.

The inflation increased compared to the deflation recorded in the same period in 2019.

The fiscal deficit (excluded grants) improved whilst the trade balance worsened. Burundi Franc 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 improved at the end of June 2020. The deposits and credits 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 in June 2020.

### II.1 Industrial Production Index

Year-on-year basis, the industrial production index rose by 8.5 percent in June 2020,

standing at 137.0 from 123.9. This increase was mainly driven by the rise of production of BRARUDI beverages (+ 6.0 percent) and cigarettes (+ 3.0 percent).

Likewise, this index increased by 10.5 percent compared to the previous month, mainly driven by the production of BRARUDI beverages (+ 0.7 percent) and cigarettes (+ 8.5 percent).

### II.2. Coffee

During June 2020, no production of parchment coffee was recorded, following the closure of the 2019/2020 campaign. According to the forecasts of the ODECA (*Office pour le Développement du Café du Burundi*), the total expected volume of parchment coffee for the 2020/2021 campaign would attain 27,320 against 10,885 tonnes of the previous campaign, such an increase of 151.0 percent, due to the cyclicity of the coffee.

### II.3. Tea

On an annual basis, the production of green leaf tea rose by 15.2 percent in June 2020, standing at 4,607.0 against 4,000.7 tonnes in the same month of the previous year, driven by the good rainfall. Likewise, cumulate tea production slightly increased by 2.0 percent at the end of June 2020, amounting to 33,543.5 against 32,803.8 tonnes recorded in the same period of the previous year.

### III. INFLATION DEVELOPMENTS

Year-on-year basis, headline inflation rose 8.5 percent in June 2020 while there was deflation of 4.0 percent in the same period of the previous year. This increase of inflation mainly concerned the prices of food products (+13.9 against -8.6 percent) and, to a lesser extent, non-food products (+3.4 against + 0.9 percent).

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

	june-19		june-20	
	CPI	Inflation	CPI	inflation
<b>Headline Inflation</b>	<b>108.6</b>	<b>-4.0</b>	<b>117.8</b>	<b>8.5</b>
<b>1. Food</b>	<b>101.5</b>	<b>-8.6</b>	<b>115.6</b>	<b>13.9</b>
-Bread and cereals	97.9	-5.0	112.0	14.4
- Meat	119.9	3.6	144.5	20.5
- Fish and seafood	143.9	-5.5	147.7	2.6
- Milk, cheese and eggs	111.8	2.1	120.8	8.1
-Oils and fats	126.5	-2.5	126.2	-0.2
- Fruits	118.9	6.1	103.2	-13.2
- Vegetables	90.6	-14.6	107.9	19.1
-Sugar, jam, honey, chocolate and confectionery	107.8	0.3	116.2	7.8
-undefined food elsewhere	112.7	2.8	130.9	16.1
<b>2. Non food</b>	<b>116.2</b>	<b>0.9</b>	<b>120.2</b>	<b>3.4</b>
- Alcoholic beverages ,tobacco	113.1	-1.0	116.7	3.2
- clothing and footwear	119.8	3.4	125.8	5.0
- Housing,water,electricity,gas and other fuels	121.7	0.8	126.5	3.9
- Furnishing, household equipment and routine maintenance	117.9	2.4	123.3	4.6
- Health	114.7	1.5	118.1	3.0
- Transport	116.9	-0.4	117.1	0.2
- Communication	101.8	0.4	101.5	-0.3
- leisure and culture	119.4	4.6	129.5	8.5
- Education	139.0	2.0	141.7	1.9
-Restaurants and Hotels	110.4	-2.0	115.4	4.5
- Other goods and services	118.2	2.6	121.8	3.0
<b>Energy and fuels</b>	<b>136.6</b>	<b>1.4</b>	<b>142.1</b>	<b>4.0</b>
<b>3. Core Inflation</b>	<b>112.1</b>	<b>-0.2</b>	<b>118.7</b>	<b>5.9</b>

Source: BRB, from ISTEERU data

Food inflation is mainly explained by the rise prices of the sub-headings “Breads and cereals” (+14.4 against -5.0 percent), “Fish and seafood” (+2.6 against -5.5 percent) and “Vegetables” (+19.1 against -14.6 percent) as well as by a sharp increase prices of the

“Meat” sub-heading (+20.5 against + 3.6 percent).

Non-food inflation is mainly due to the increase prices of the sub-headings: “Alcoholic beverages and tobacco” (+3.2 against -1.0 percent), “Clothing and footwear” (+5.0 against + 3.4 percent), “Housing, water, electricity, gas and other fuels” (+ 3.9 against + 0.8 percent), “Leisure and culture” (+ 8.5 against + 4.6 percent) and “Restaurants and Hotels” (+4.5 against -2.0 percent).

Year-on-year basis, the price index combining the prices of energy, fuel and other fuels rose in June 2020 compared to the same period of the previous year (+4.0 against. +1.4 percent).

Headline inflation excluding food and energy prices, which is the proxy of the core inflation, increased in June 2020 compared to the same period of the previous year (+5.9 against -0.2 percent).

### IV. EXTERNAL TRADE

At the end of June 2020, the trade balance deficit deteriorated compared to the corresponding period in 2019, amounting to -BIF 769,094.9 million from -BIF 597,700.1 million. This deterioration is explained by the increase of imports (to BIF 849,414.8 from BIF 765,603.3 million) combined by the decrease of exports (to BIF 80,319.9 from BIF 167,903.2 million).

## IV.1 Exports

Compared to the corresponding period in 2019, exports declined at the end of June 2020 both in value (-52.2 percent) and in volume (-31.4 percent).

In value, this decline of exports concerned primary products (to BIF 43,662.7 from BIF 128,792.0 million) and manufactured products (to BIF 36,657.2 million from BIF 39,111.2 million).

The decline of primary products exports is explained by no export gold recorded during the period from January to June 2020 while its export was equivalent to BIF 54,003.7 million in the same period of 2019. Likewise, exports of coffee (10,275.7 against BIF 39,312.0 million) and niobium ores (BIF 4,623.0 against BIF 10,302.4 million) decreased.

Regarding exports of manufactured products, their decline mainly concerned wheat flour (to BIF 8,601.3 from BIF 9,491.5 million) and kerosene (to BIF 2,588.4 from BIF 4,365.6 million). However, exports of others manufactured products increased, mainly dark glass bottles (to BIF 2,216.8 from BIF 804.8 million), cigarettes (to BIF 5,037.6 from BIF 3,207.2 million) and beer (to BIF 3,478.8 from BIF 1,993.5 million).

In terms of volume, the decrease is attributable to both primary products (15,940 against 21,478 tonnes) and manufactured products (22,943 against 35,215 tonnes).

## IV.2 Imports

Imports picked up by 10.9 percent in value and by 11.2 percent in volume at the end of June 2020.

In value, this increase concerned imports of intermediate goods which grew to BIF 385,364,8 from BIF 332,493.6 million) and capital goods, to BIF 184,392.6 million from BIF 139,965.1 million. Nevertheless, consumer goods decreased, to BIF 279,657.4 from 293,144.7 million.

The most significant increase in imports of intermediate goods is driven by metallurgical goods (+BIF 32,998.4 million), minerals oils (+BIF 6,452.5 million), goods for construction (+BIF 6,792.2 million) and goods for agriculture and livestock (+BIF 4,049.2 million).

The increase of capital goods is mainly driven by electrical material (+BIF 27,407.2 million), boilers and mechanical equipment (+BIF 11,193.1 million) and parts and tools (+BIF 5,135.7 MBIF).

Concerning the decrease of consumer goods, it is attributable to pharmaceutical products (-BIF 20,744.8 million) and food goods (- BIF 5,181.4 million).

In volume of imports, the increase concerned intermediate goods (428,242 against 363,191 tonnes) and capital goods (27,211 against 19,555 tonnes). However, the volume of consumer goods declined (106,105 against 122,130 tonnes).

## V. EXCHANGE RATE

Compared to the same period of 2019, the BIF depreciated by 3.79 percent against the US Dollar in June 2020, the exchange rate reached BIF 1,912.32 compared to BIF 1,842.42 per unit of US Dollar.

At the end of the period, the BIF depreciated annually by 3.79 percent against the US Dollar, the exchange rate stood at BIF 1,915.00 at the end of June 2020 against BIF 1,845.14 at the end of June 2019 for one unit of the US Dollar.

## VI. GOVERNMENT FINANCIAL OPERATIONS

At the end of June 2020, the overall fiscal deficit (excluding grants) eased compared to the same period of the previous year, standing at BIF 157,032.9 million against BIF 272,570.9 million, following the increase of revenue combined with the decrease of expenditure.

### VI.1. Revenue

Cumulative revenue rose by 7.0 percent at the end of June 2020, amounting to BIF 509,836.1 million against BIF 476,395.7 million recorded in the same period of the previous year, driven by the increase of both tax revenue (BIF +30,408.2 million) and non-tax revenue (BIF +3,032.2 million).

Revenue collected in June 2020 increased by 6.0 percent compared to the same month of 2019 by reaching BIF 105,149.5 million against BIF 99,216.1 million recorded in the same

period of the previous year. This increase concerned both tax revenue (BIF +5,565.6 million) and non-tax revenue (BIF +367.9 million) revenue.

### VI.2. Expenditure

Cumulative expenditure declined by 11.0 percent at the end of June 2020, amounting to BIF 666,869.0 million against BIF 748,966.7 million in the same period of 2019. On the other hand, expenditure incurred in June 2020 increased by 11.0 percent compared to the same month of 2019, standing at BIF 129,560.9 million against BIF 116,694.2 million.

Cumulative compensation of employee increased by 8.0 percent at the end of June 2020, reaching BIF 235,618.3 million against BIF 218,146.8 million in the same period of previous year.

### VI.3. Public debt

The outstanding public debt picked up by 13.8 percent at the end of June 2020, standing at 3,503.0 against BIF 3,077.1 billion recorded in the same period of the previous year, driven by the increase of domestic debt (+ 16.9%) and external debt (+ 6.6%).

Compared to the previous month, public debt rose by 1.8%, due to the increase of domestic debt (+ 2.0%) and external debt (+ 1.1%).

### **VI.3.1 Domestic Debt**

Year-on-year basis, domestic debt increased by BIF 365,798.9 million at the end of June 2020, from 2,161.1 to BIF 2,526.9 billion, mainly driven by the rise of the Government's debt towards the banking sector, mainly in the form of Treasury securities (+BIF 325,531.4 million).

Compared to the previous month, the domestic debt increased by BIF 50,568.5 million, due to the increase of Government's debt towards the banking sector (+BIF 56,768.5 million), partially offset by the decrease of the non-financial sector debt (-BIF 6,200.0 million).

### **VI.3.2. External Debt**

Year on year basis, the external debt increased by BIF 60,084.2 million at the end of June 2020, from 916,027.0 to BIF 976,111.1 million. This increase is linked to the drawings (BIF 49,948.3 million) and the revaluation gains (BIF 30,299.4 million) which exceeded the amortization of the principal debt (BIF 20,163.6 million).

Compared to the previous month, the outstanding external debt increased by 1.1 percent and stood at 976,111.1 against BIF 965,285.1 million, driven by the new drawings (BIF 2,677.1 million) and revaluation gains (BIF 9,423.8 million) which were partially offset by the amortization of the principal debt (BIF 1,274.9 million).

Expressed in US Dollar, external debt increased by USD 13.2 million, year –on- year basis, amounting to USD 510.4 million at the end of June 2020 against USD 497.2 million.

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

The reserve money and the money supply increased at the end of June 2020 resulting from the increase of net domestic assets.

### **VII.1. Reserve Money**

At the end of June 2020, the reserve money rose at a less pace than that of the same period of 2019, with a growth of 7.0 percent against an increase of 19.9 percent recorded in the same period of the previous year. It increased from 657,931.1 million of BIF to BIF 703,931.1 million. This slowdown of reserve money was the result of contrasting developments of its main components. In fact, the currency in circulation maintained a high growth rate (13.4 against 14.6 percent), while commercial bank deposits decreased (-6.4 against +34.1 percent).

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

Year-on-year, the money supply (M3) rose by 18.6 percent at the end of June 2020 against a growth of 25.2 percent in the same period of the previous year, amounting to 2,407.3 billion of BIF against BIF 2,029.5 billion, driven by the increase of M2 monetary aggregate (19.2 against 26.6 percent) and deposits of

residents denominated in foreign currencies (12.7 against 13.1 percent).

The growth of M2 money supply concerned demand deposits (10.7 against 34.6 percent), time and savings deposits (39.0 against 19.9 percent) as well as currency outside banks (19.4 against 12.7 percent).

The increase of demand deposits denominated in BIF was mainly driven by progress in household deposits (35.0 against 13.7 percent). On the other hand, demand deposits of public non-financial corporations (-15.0 against + 1.4 percent), of other non-financial corporations (-2.5 against +66.5 percent) and those classified in other accounts (-7.7 against +16.1 percent) decreased, whereas they increased during the same period of 2019.

The increase of time and savings deposits in BIF concerned those of other non-financial corporations (66.1 against 48.8 percent), households (31.3 against 14.4 percent) and those classified in the other accounts (20.0 against 10.2 percent). In contrast, time and savings deposits of public nonfinancial corporations decreased as in the same period of 2019 (-18.5 against -21.1 percent).

The increase of deposits of residents denominated in foreign currencies was driven by those of other non-financial corporations (7.4 against 13.5 percent), households (16.0 against 12.3 percent) and those classified in

other accounts (14.2 against 24.3 percent). In contrast, deposits in foreign currency holdings of public nonfinancial corporations decreased (-13.6 against -42.0 percent).

### VII.3. Counterparts

Year-on-year basis, domestic credit (BIF 3,088.2 billion against BIF 2,578.3 billion) increased by 17.8 percent at the end of June 2020 against 19.4 percent in the same period of the previous year. This increase was in relation to the rise, both in net claims on the government (21.5 against 24.0 percent) and claims on the economy (13.1 against 13.7 percent).

This increase of net claims on the government was driven by those of commercial banks (30.3 against 40.6 percent), while those of the Central Bank declined as in the same period of 2019 (- 7.8 against -7.7 percent).

Year-on-year basis, net foreign assets decreased by 71.0 percent at the end of June 2020. This declined was the result of the increase of foreign liabilities (27.3 against -0.5 percent) combined by a decrease of gross assets (-1.0 against -0.5 percent).

Likewise, official foreign exchange reserves declined by 24.6 percent against an increase of 10.6 percent in the same period of the previous year. These reserves covered 0.7 month of imports of goods and services at the end of June 2020 against 1.0 month recorded in the same period of the previous year.

## VIII. MAIN INDICATORS OF BANKING SECTOR

At the end of June 2020, the banking sector's total balance sheet increased compared to the corresponding period of the previous year, driven by the increase of loans to the government and to the economy. Thus, the liabilities increased due the increase of customer deposits and refinancing from the Central Bank.

### VIII.1. Assets

The banking sector's total assets increased by 19.1 percent year-on-year basis, amounting to BIF 3,509.4 billion in June 2020 from BIF 2,946.6 billion in June 2019. This increase was mainly due to the rise of Treasury securities (from BIF 1,151.2 billion to BIF 1,487.1 billion) and loans to the economy (from BIF 993.0 billion to BIF 1,215.2 billion).

On the liabilities side, despite the increase of customer deposits, Central Bank refinancing increased.

Following the increase of Treasury securities (29.2 percent) and loans to the economy (22.4 percent), the shares of Treasury securities and loans in the total assets slightly rose at the end of June 2019, from 39.1 percent and 33.8 percent respectively, to 42.4 percent and 34.6 percent in June 2020.

### VIII.2. Liabilities

The banking sector's customer deposits increased by 17.6 percent yearly, from BIF 1,694.5 billion in June 2019 to BIF 1,992.8

billion in June 2020. Despite such increase of customer deposits, the refinancing from the Central Bank to commercial banks grew by 22.9 percent, amounting to BIF 411.3 billion from BIF 334.6 billion.

## IX. KEY FINANCIAL SOUNDNESS INDICATORS

At the end of June 2020, the banking sector were sufficiently capitalized, solvent and profitable. Likewise, the quality of loans portfolio improved. However, the main profitability indicators slightly deteriorated compared to June 2019.

### IX.1. Capital Adequacy

By the end of June 2020, the banking sector had enough equity capital to cover the risks. The Tier 1 and Total Capital ratios remained above the respective regulatory thresholds of 12.5 percent and 14.5 percent, standing respectively from 25.2 and 27.4 percent in June 2019 to 28.7 percent and 30.9 percent in June 2020. Likewise, the leverage ratio improved from 10.4 percent to 11.0 percent, given a minimum regulatory threshold of 5,0 percent.

### IX.2. Quality of loans portfolio

Yearly, the loans portfolio deterioration rate improved, from 9.3 percent in June 2019 to 6.2 percent in June 2020, as result of a decline of overdue loans, from BIF 159,706.5 million to BIF 145,860.7 million.



The doubtful loans decreased by 14.4 percent year-on-year basis, standing at BIF 16,099.4 million in June 2020 from BIF 18,807.6 million in June 2019 while the special mention and substandard loans increased by 5.3 and 10.5 percent, respectively.

The quality of the loans portfolio allocated to the "agriculture" sector further deteriorated, reaching 14.7 percent in June 2020 from 6.7 percent, in the corresponding month of the previous year. Likewise, the deterioration rate in the "tourism" and "Equipment" sectors slightly increased to 38.7 percent and 5.1 percent from 37.4 percent and 4.2 percent, respectively.

However, the quality of the loans portfolio in the "industry", the "construction" and the "Commerce" sectors improved compared to the corresponding month of 2019. The deterioration rates reached 0.9 percent from 19.1 percent in the Industry sector, 6.4 percent from 9.1 percent in the construction sector and 4.9 percent from 11.3 percent in commerce sector.

The provisions made by the banking sector to safeguard the loans portfolio deterioration declined year-on-year basis, the provisioning rate declined from 79.4 percent in June 2019 to 67.7 percent in June 2020.

The loans concentration towards large exposures increased by 45.2 percent yearly,

amounting to 33.2 percent of the total loans in June 2020 from 28.0 percent in June 2019.

The concentration in the "commerce" and "equipment" sectors grew to 33.3 and 37.6 percent, respectively in June 2020 from 31.9 and 36.3 percent in the corresponding month of the previous year.

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

The banking sector's Gross Income grew by 17.6 percent year-on-year, from BIF 118,819.3 million in June 2019 to BIF 139,776.9 million in June 2020. Over the same period, the Net Profit increased by 17.5 percent, from BIF 57,303.2 million to BIF 67,340.6 million.

The Returns on Assets (ROA) and Equity (ROE) declined year-on-year basis, standing respectively to 1.92 percent and 16.23 percent in June 2020 from 1.95 percent and 17.28 percent in June 2020.

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

At the end of June 2020, the liquidity coverage ratios (LCR) in BIF and in foreign currencies stood above a minimum regulatory threshold of 100 percent with respective averages of 242.8 percent and 192.5 percent in June 2020 from 235.8 percent and 114.1 percent in June 2019.

However, the banking sector faces a concentration risk on customer deposits. The share of the ten large depositors represented 44.3 percent of total deposits in June 2020 from 44.9 percent in the corresponding month of 2019.

## APPENDIX 1: SELECTED MONTHLY INDICATORS AT THE END OF JUNE 2020

	Apr-19	May-19	Jun-19	Apr-20	May-20	Jun-20
<b>I. PRODUCTION AND PRICE</b>	102.2	113.6	126.2	112.8	123.9	137.0
1. Industrial Production Index (monthly average, 1989 = 100)	32,786.0	-	-	10,885.4	-	-
2. Production of Arabica parchment Coffee (cumulation in T)	23,560.6	28,803.0	32,803.8	23,772.5	28,936.5	33,543.5
3. Production of Tea (cumulation in T of tea leaves)	111.2	111.5	108.6	119.6	121.8	117.8
4. Consumer price index (1991 = 100)	-2.2	-2.4	-4.0	7.6	9.2	8.5
5. Inflation rate						
<b>II. Public Finances</b>	307,957.8	377,179.6	476,395.7	340,489.6	404,686.6	509,836.1
1. Total Budget revenue (in BIF million)	285,083.1	349,782.6	433,600.1	313,902.6	374,625.3	464,008.4
1.1. Tax revenue	22,874.6	27,397.0	42,795.6	26,587.0	30,061.3	45,827.7
1.2. Non-tax revenue	-	-	-	-	-	-
1.3. Exceptional receipts	502,507.5	632,272.5	748,966.7	444,930.8	537,308.1	666,869.0
2. Expenditure	146,387.5	182,106.2	218,146.8	157,721.5	197,471.7	235,618.3
2.1. Compensation of employees (in BIF million)	2,947,882.1	3,018,772.5	3,077,114.2	3,390,043.6	3,441,602.7	3,502,997.2
3. Public debt (in BIFmillion)	2,080,103.2	2,110,589.0	2,161,087.2	2,428,316.5	2,476,317.6	2,526,886.1
3.1. Domestic debt outstanding	1,264,065.9	1,309,285.8	1,339,778.2	1,569,510.9	1,622,178.8	1,673,669.6
Including: Treasury bills and bonds	195,994.1	191,866.3	216,009.2	0.0	0.0	0.0
BRB ordinary advance	867,778.9	908,183.5	916,027.0	961,727.1	965,285.1	976,111.1
3.2. External debt outstanding	473.9	494.4	497.2	505.7	506.1	510.4
3.3. External debt outstanding (in BIF million)	2,019.6	2,981.0	183.2	3,345.5	2,123.0	1,678.9
3.3. External debt service (in BIF million)	374.6	2,289.9	-	2,871.9	1,238.9	1,274.9
including amortization	22,671.2	41,609.3	4,859.0	241.4	2,296.1	2,677.1
3.4. Drawings on external loans						
<b>III. MONEY</b>	595,763.0	594,139.2	657,960.5	672,233.9	673,899.2	703,931.1
1. Reserve Money (in BIF million )	1,901,027.8	1,954,704.6	2,029,488.7	2,259,705.8	2,271,508.0	2,407,284.2 (p)
2. Broad money M3 (in BIF million)	1,724,972.5	1,784,711.0	1,851,232.1	2,066,235.4	2,078,841.0	2,206,365.2 (p)
2.1. Broad money M2 (in BIF million)	2,489,089.5	2,495,539.3	2,578,326.0	2,948,612.8	2,991,573.0	3,088,216.6(p)
3. Domestic credit (in BIF million)	1,444,923.9	1,423,501.8	1,474,620.4	1,706,220.3	1,690,733.2	1,794,533.1 (p)
4. Net foreign to government (in BIF million)	-236,973.7	-190,248.0	-194,252.9	-306,201.1	-340,584.4	-333,131.6
5. Net foreign assets (in BIF million)						
6. Tenders operations	295,000.0	320,000.0	12:00 AM	432,880.0	435,000.0	413,368.8
6.1. Normal liquidity providing						
6.2. Injecting liquidity						
7. Weighted average interest rates	2.5	2.5	2.5	3.0	3.0	3.0
7.1. Treasury bill to 13 weeks	2.7	2.7	2.7	3.2	3.2	3.2
7.2. Treasury bill to 26 weeks	3.0	3.0	3.1	3.3	3.3	3.3
7.3. Treasury bill to 52 weeks	-	-	-	-	-	-
7.4. Recovery of liquidity	2.6	2.7	2.8	2.9	2.9	3.0
7.5. Injecting liquidity	5.5	5.5	5.5	6.0	6.0	6.0
7.6. Marginal lending facility	3.7	3.7	3.7	4.1	4.2	4.1
7.7. Interbank market	5.3	5.3	5.2	5.5	5.2	5.3
7.8. Deposit interest rates	15.6	15.7	15.7	15.2	15.3	15.4
7.9. Lending interest rates						
<b>IV. EXTERNAL SECTOR</b>	91,386.4	150,286.6	167,903.2	61,012.4	67,676.3	80,319.9
1. Export (in BIF million, fob DSL & Buja FOT)	30,118.8	36,086.5	39,312.0	9,860.5	9,860.5	10,275.7
including Arabica coffee	37,819.4	47,153.3	56,692.9	27,297.0	31,397.1	38,882.9
1.1. Volume of exports (in T)						
1.2. Average price sales contracts	72.7	69.4	59.0	52.5	81.5	nd
Arabica coffee fob DSL-us cts/lb	2,860.9	2 730.5	2,337.5	2,185.5	3,354.8	nd
- BIF/Kg	32,100.2	44,966.4	48,449.5	14,014.0	15,199.8	nd
1.3. Coffee sold d(in BIF million)	524,119.9	635,833.4	765,603.3	556,457.8	670,772.8	849,414.8
2. Import CIF (in BIF million)	96,178.2	116,612.1	139,776.0	102,329.2	122,375.1	146,228.5
including petroleum products	343,449.5	415,581.1	504,876.1	381,656.5	454,599.7	561,557.5
2.1. Volum of imports (in T)						
<b>V. EXCHANGE RATE</b>						
3.1. Effective exchange rate index of BIF (2016/2017=100)	93.2	93.5	92.5	93.9	93.7	91.2
3.1.1. Nominal	94.0	94.4	90.8	99.5	101.0	95.0
3.1.2. Real						
3.2. Exchange rate	1,834.0	1,839.6	1,845.1	1,904.6	1,909.5	1,915.0
3.2.1. Exchange rate BIF/USD (end of period)	1,831.1	1,837.0	1,842.4	1,901.9	1,907.1	1,912.3
3.2.2. Exchange rate BIF/USD (monthly average )						
(p) : Provisional						
n.a. : not available						
- : Nonexistent data..						

Source: BRB

**APPENDIX 2: MAIN INDICATORS OF BANKING SECTOR IN JUNE 2020 (in BIF million).**

	Commercial banks			Other financial corporations			Total banking sector		
	6/30/2019	6/30/2020	Change in %	6/30/2019	6/30/2020	Change in %	6/30/2019	6/30/2020	Change in %
<b>I. ASSETS</b>	<b>2,759,249.9</b>	<b>3,278,946.4</b>	<b>18.8</b>	<b>187,397.6</b>	<b>230,494.6</b>	<b>23.0</b>	<b>2,946,647.5</b>	<b>3,509,440.9</b>	<b>19.1</b>
<b>I.1. Main assets</b>	<b>2,348,006.9</b>	<b>2,852,392.7</b>	<b>21.5</b>	<b>155,441.6</b>	<b>194,825.5</b>	<b>25.3</b>	<b>2,503,448.5</b>	<b>3,047,218.1</b>	<b>21.7</b>
<b>A. Liquid assets</b>	<b>1,496,435.7</b>	<b>1,806,065.7</b>	<b>20.7</b>	<b>13,966.2</b>	<b>25,926.4</b>	<b>85.6</b>	<b>1,510,402.0</b>	<b>1,831,992.1</b>	<b>21.3</b>
. Cash	71,013.0	69,144.6	- 2.6	12.2	10.2	- 16.3	71,025.3	69,154.8	- 2.6
. Balance in B.R.B.	224,668.9	206,574.3	- 8.1	2,578.9	2,586.4	0.3	227,247.8	209,160.6	- 8.0
. Interbank claims	55,973.9	61,156.6	9.3	4,988.0	5,468.7	9.6	60,961.9	66,625.3	9.3
. Treasury securities	1,127,814.9	1,409,985.6	25.0	6,387.1	17,861.1	179.6	1,134,202.1	1,427,846.7	25.9
. Other securities	16,965.0	59,204.6	249.0	-	-	-	16,965.0	59,204.6	249.0
<b>B. Crédits</b>	<b>851,571.2</b>	<b>1,046,327.0</b>	<b>22.9</b>	<b>141,475.4</b>	<b>168,899.1</b>	<b>19.4</b>	<b>993,046.5</b>	<b>1,215,226.1</b>	<b>22.4</b>
Court terme	449,787.91	585,051.7	30.1	2,063.5	2,851.2	38.2	451,851.5	587,902.9	30.1
Moyen terme	299,628.41	295,773.2	- 1.3	46,179.6	37,120.1	- 19.6	345,808.0	332,893.3	- 3.7
Long terme	102,154.86	165,502.2	62.0	93,232.2	128,927.8	38.3	195,387.1	294,429.9	50.7
Crédits bail	-	-	-	-	-	-	-	-	-
<b>I.2. Actif Immobilisé</b>	<b>134,615.58</b>	<b>158,487.9</b>	<b>17.7</b>	<b>8,069.6</b>	<b>8,113.4</b>	<b>0.5</b>	<b>142,685.1</b>	<b>166,601.2</b>	<b>16.8</b>
<b>I.3. Autres</b>	<b>276,627.41</b>	<b>268,065.8</b>	<b>- 3.1</b>	<b>23,886.5</b>	<b>27,555.7</b>	<b>15.4</b>	<b>300,513.9</b>	<b>295,621.6</b>	<b>- 1.6</b>
<b>II. LIABILITIES</b>	<b>2,759,249.9</b>	<b>3,278,946.4</b>	<b>18.8</b>	<b>187,397.6</b>	<b>230,494.6</b>	<b>23.0</b>	<b>2,946,647.5</b>	<b>3,509,440.9</b>	<b>19.1</b>
<b>II.1. Main liabilities</b>	<b>2,376,239.8</b>	<b>2,834,238.6</b>	<b>19.3</b>	<b>131,418.8</b>	<b>170,274.0</b>	<b>29.6</b>	<b>2,507,658.6</b>	<b>3,004,512.5</b>	<b>19.8</b>
. Customer deposits	1,605,041.71	1,868,636.6	16.4	89,472.8	124,169.7	38.8	1,694,514.5	1,992,806.3	17.6
amongst: Ten large deposits	750,040.54	863,303.2	15.1	11,173.0	18,729.9	67.6	761,213.5	882,033.1	15.9
. Borrowing from B.R.B. (Refinancing)	334,675.35	411,332.1	22.9	-	-	-	334,675.3	411,332.1	22.9
Capital et reserves	254,450.43	320,500.9	26.0	34,632.8	39,592.9	14.3	289,083.2	360,093.8	24.6
<b>II.2. Autres</b>	<b>383,010.2</b>	<b>444,707.8</b>	<b>16.1</b>	<b>55,978.8</b>	<b>60,220.6</b>	<b>7.6</b>	<b>438,988.9</b>	<b>504,928.4</b>	<b>15.0</b>
<b>MAIN INDICATORS OF THE BANKING SECTOR</b>									
<b>Capital adequacy</b>									
. Tier 1 capital (in BIF billion)	272,539.20	351,997.2	29.2	32,669.2	33,417.3	2.3	305,208.4	385,414.5	26.3
. Total regulatory capital (in BIF billion)	291,045.38	373,406.0	28.3	40,262.4	41,442.7	2.9	331,307.8	414,848.7	25.2
. Risk weighted assets	1,049,157.20	1,257,186.1	19.8	159,860.0	84,450.8	- 47.2	1,209,017.2	1,341,637.0	11.0
. Tier 1 capital adequacy ratio (threshold 12.5%)	26.0	28.0	-	20.4	39.6	-	25.2	28.7	-
. Total regulatory capital adequacy ratio (threshold 14.5%)	27.7	29.7	-	25.2	49.1	-	27.4	30.9	-
. Leverage Ratio (threshold 7%)	9.9	10.7	-	17.4	14.5	-	10.4	11.0	-
<b>Loans quality and concentration</b>									
. Large exposures	272,517.8	399,462.7	46.6	5,181.4	3,720.3	- 28.2	277,699.3	403,183.0	45.2
. Watch loans	50,263.0	45,458.0	- 9.6	16,624.8	24,986.6	50.3	66,887.8	70,444.6	5.3
. Substandard loans	8,078.5	9,637.2	19.3	4,465.3	4,223.4	- 5.4	12,543.8	13,860.6	10.5
. Doubtful loans	15,511.2	12,779.2	- 17.6	3,309.6	3,320.2	0.3	18,820.9	16,099.4	- 14.5
. Loss loans	59,287.5	42,755.3	- 27.9	2,165.5	2,700.7	24.7	61,453.0	45,456.1	- 26.0
. Non-performing loans	82,877.2	65,171.8	- 21.4	9,940.4	10,244.4	3.1	92,817.6	75,416.1	- 18.7
. Overdue loans	133,140.3	110,629.8	- 16.9	26,565.2	35,231.0	32.6	159,705.5	145,860.7	- 8.7
. Provisions on loans	69,258.7	46,901.7	- 32.3	4,412.4	4,138.9	- 6.2	73,671.1	51,040.6	- 30.7
. Loans/Assets (in %)	30.9	31.9	-	75.5	73.3	-	33.7	34.6	-
. Government Loans/Assets ratio	40.9	43.0	-	3.4	7.7	-	38.5	40.7	-
. Government Loans/Tier 1 capital	413.8	400.6	-	19.6	53.4	-	371.6	370.5	-
. Non-performing loans ratio	9.7	6.2	-	7.0	6.1	-	9.3	6.2	-
. Overdue loans ratio	15.6	10.6	-	18.8	20.9	-	16.1	12.0	-
. Coverage ratio (in %)	83.6	72.0	-	44.4	40.4	-	79.4	67.7	-
. Large exposures to Loans ratio (in %)	32.0	38.2	-	3.7	2.2	-	28.0	33.2	-
<b>Liquidity</b>									
. LCR* in BIF (threshold 100%)	235.8	242.8	-	-	-	-	235.8	242.8	-
. LCR in f.c.** (threshold 100%)	114.1	192.5	-	-	-	-	114.1	192.5	-
. Loans/Customer deposits	53.1	56.0	-	158.1	136.0	-	58.6	61.0	-
. Stable funds / Fixed Assets (threshold 60%)	91.3	97.2	-	240.2	219.0	-	-	-	-
. Ten large deposits/Customer deposits	46.7	46.2	-	12.5	15.1	-	44.9	44.3	-
<b>Profitability and performance</b>									
. Income before tax	56,586.5	66,474.4	17.5	3,988.1	4,578.3	14.8	60,574.6	71,052.7	17.3
. Net income after tax	53,994.2	63,408.7	17.4	3,309.1	3,931.9	18.8	57,303.2	67,340.6	17.5
. Gross Income	110,210.5	130,308.0	18.2	8,608.8	9,468.9	10.0	118,819.3	139,776.9	17.6
. ROA	1.96	1.93	-	1.77	1.71	-	1.94	1.92	-
. ROE	18.55	16.98	-	8.22	9.49	-	17.30	16.23	-

**Source: BRB**

### APPENDIX 3: SELECTED ANNUAL INDICATORS

<b>GROSS DOMESTIC PRODUCT AND PRICE</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Real Growth of GDP ( in %)	-0.4	3.2	3.8	4.2	4.1
Inflation rate (annual)	5.5	5.6	16.1	-2.6	-0.8
<b>FOREIGN SECTOR</b>					
Exports, f.o.b. (USD million )	120.8	124.7	172.6	180.2	179.5
Imports, CIF (USD million)	721.4	616.2	756.0	793.5	871.0
Volume of exports (in tons)	85,758.0	84,614.0	93,125.0	103,218.0	102,721.0
Volume of imports (in tons)	632,337.0	708,203.0	822,514.0	976 694	1,143,866.0
Current account balance (USD million )	-373.2	-339.7	-360.0	-361.8	-349.0
Exchange rate BIF/USD (period average)	1,571.9	1,654.6	1,729.1	1,782.9	1,845.6
Exchange rate BIF/USD (end of period)	1,617.1	1,688.6	1,766.7	1,808.3	1,881.6
International reserves (USD million, end of période)	136.4	95.4	102.2	70.3	113.4
International reserves (Month of imports)	2.0	1.5	1.7	1.0	1.5
<b>MONEY AND CREDIT</b>					
Net foreign assets (BIF million )	-75,870.1	-176,523.1	-154,400.0	-203,201.0	-206,340.3
Domestic credit (BIF million)	1,410,604.3	1,767,122.4	2,004,966.2	2,369,485.6	2,830,022.4
Net credits to the Government	687,259.5	905,857.4	1,112,214.4	1,337,534.0	1,621,458.5
Credits to the economy	723,344.8	861,265.0	892,941.6	1,038,614.2	1,208,563.9
Broad money (M3)	1,060,791.0	1,187,101.8	1,499,512.9	1,797,468.9	2,205,255.2
Money and quasi money (M2)	923,271.7	1,093,131.8	1,340,926.6	1,325,958.7	2,017,166.9
Velocity of the money (GDP/M2, end of period)	4.8	4.4	4.3	4.4	3.1
Reserve money (growth rate)	-8.6	29.2	39.0	-3.3	23.6
Liquidity providing rate (in %)	3.4	3.1	2.8	2.9	2.7
Marginal lending rate (in %)	9.8	8.6	7.1	5.8	5.4
Commercial banks average deposit rates (end of period)	8.7	7.7	6.0	5.6	5.3
Treasury securities	-	-	14.3	12.3	12.3
Commercial banks average lending rates (end of period)	16.85	16.5	16.2	15.9	15.7
<b>FINANCE AND PUBLIC DEBT</b>					
Revenues and grants (as % of GDP)	16.7	15.6	15.7	18.0	19.7
Expenses (as % of GDP)	24.7	21.5	20.0	22.6	24.0
primary balance (as % of GDP , accrual basis)	-6.0	-2.3	-1.4	-0.9	1.4
Overall fiscal balance (as % of GDP , accrual basis)					
- excluded grants	-11.8	-8.4	-6.8	-8.2	-8.2
- included grants	-8.0	-5.9	-4.3	-4.5	-4.3
Domestic debt (BIF million)	1,070,572.8	1,376,307.8	1,647,896.9	1,937,821.9	2,314,985.5
External debt (in USD million , at the end of period)	427.4	429.1	440.5	451.1	502.3
External debt service ratio (as % of exports)	3.9	4.2	5.1	3.4	5.7
Public external debt (as % of GDP)	15.6	14.9	13.6	14.0	15.2
<b>GDP at market prices ( BIF billion)</b>	<b>4,417.9</b>	<b>4,848.2</b>	<b>5,702.1</b>	<b>5,816.7</b>	<b>6,254.8</b>

Source: BRB.