

## I. INTRODUCTION

The following main economic indicators are related to the developments at the end of March 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 coffee production, while tea production decreased. The inflation declined in March 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 both, reserve money and money supply. The balance sheet of the banking sector rose at the end of March 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 increased while green tea harvest declined in March 2019.

### II.1 Industrial Production Index

Year-on-year basis, the industrial production index slightly rose by 0.9% in March 2019, standing at 115.3 against 114.3, mainly driven by the increase of

BRARUDI's beverage (+ 8.4%), paint (+ 12.4%) and soaps (+ 105.3%).

Similarly, it increased by 18.1% compared to the previous month (97.6), mainly due to the increase of BRARUDI's beverage (+ 34.0%), paint (+ 13.4%) and soaps (+ 13.6%).

### II.2. Coffee

The coffee production of 2018/2019 season rose by 51.7% at the end of March 2019 compared to the same period of the previous season, amounted to 32,813 T from 21,628 T.

### II.3. Tea

Year-on-year basis, green leaves tea harvest decreased by 16.7% in March 2019, amounting to 5,139.1 T against 6,167.3 T. However, cumulative production increased by 5.4% compared to the same period in 2018, standing at 16,779.9 T against 15,915.7 T.

## III. INFLATION DEVELOPMENTS

Year-on-year basis, inflation further declined in March 2019 (-2.9 against -2.6%). This decline concerned food inflation (-7.8 against -11.0%), while non-food inflation rose at a slower pace (+2.3 against + 8.3%).

The decrease of food inflation was mainly due to the fall of sub-headings prices: "Breads and cereals" (-11.3 against -7.4%), "Fruits" (-1.9 against +3.4 %), "Vegetables" (-12.5 against -19.3%) and the less accelerated increase of prices for the sub-headings "Meat" (+ 1.6% against + 7.4%) and "Fish and seafood" (+6.1 against + 21.8%).

The deceleration growth rate of non-food inflation was due to lower prices for the sub-headings "alcoholic beverages and tobacco" (-0.2 against + 6.7%) and "Restaurants and hotels" (-0, 2 against + 6.2%) combined with a slight increase prices of the other sub-headings particularly: "Housing, water, electricity, gas and other fuels" (+3.1 against + 10.0%)," Furniture, household goods and household maintenance "(+3.4 against + 7.3%)," Health "(+ 1.3 against + 10.7%)," Transportation "(+2.3 against + 11.5%), "Leisure and culture" (+3.6 against + 8.9%) and "Education" (+2.7 against +33.3).

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

	févr-18		févr-19	
	CPI	Inflation	CPI	inflation
<b>Headline Inflation</b>	<b>113,4</b>	<b>-1,3</b>	<b>108,8</b>	<b>-4,1</b>
<b>1. Food</b>	<b>114,1</b>	<b>-8,7</b>	<b>101,7</b>	<b>-10,9</b>
-Bread and cereals	118,4	-9,4	103,9	-12,2
- Meat	114,0	8,4	118,0	3,5
- Fish	130,6	30,8	134,4	2,9
- Milk, cheese and eggs	109,0	4,1	112,8	3,5
-Oils and fats	104,3	-0,1	107,1	2,7
- Fruits	116,3	-1,6	118,9	2,2
- Vegetables	112,5	-15,2	93,0	-17,3
-Sugar, jam, honey, chocolate and confectionery	107,3	-9,7	107,8	0,5
-undefined food elsewhere	107,2	1,3	113,0	5,4
<b>2. Non food</b>	<b>112,9</b>	<b>8,5</b>	<b>116,4</b>	<b>3,1</b>
- Alcoholic beverages ,tobacco	113,0	5,1	114,0	0,9
- clothing and footwear	115,0	8,4	117,9	2,5
- Housing,water,electricity,gas and other fuels	115,6	10,8	121,7	5,3
- Furnishing, household equipment and routine	114,9	9,1	117,8	2,5
- Health	105,9	4,2	114,0	7,6
- Transport	115,6	13,1	119,7	3,5
- Communication	100,8	0,2	101,8	1,0
- leisure and culture	112,3	8,1	116,8	4,0
- Education	135,4	33,3	139,0	2,7
- Hotels, Restorant and café	110,9	5,3	111,8	0,8
- Other goods and services	111,0	7,4	117,3	5,7
<b>Energy and fuels</b>	<b>126,3</b>	<b>23,6</b>	<b>135,9</b>	<b>7,6</b>
<b>3. Core Inflation</b>	<b>112,1</b>	<b>2,6</b>	<b>111,9</b>	<b>-0,2</b>

Source: BRB based on data of ISTEUBU

Year-on-year basis, the price index combining the prices of energy, fuel and other fuels increased in March 2019 at a slower pace (+ 4.5 against + 21.2%). Likewise, headline inflation excluding food prices and energy, which is the proxy for

core inflation declined in March 2019 (-0.3 against + 3.2%).

#### IV. GOVERNMENT FINANCIAL OPERATIONS

Compared to the same period of the previous year, the overall fiscal deficit (excluding grants) widened in March 2019, from BIF 98,775.5 million to BIF 113, 859.9 million, driven by the larger increase of expenditure than public revenue.

##### IV.1. Revenue

At the end of March 2019, government revenues increased by 6.1% compared to the same period in 2018, from BIF 90,994.6 million to BIF 96,570.8 million, mainly driven by the increase of tax revenues (+BIF 5,671.0 million). Non-tax revenues slightly decreased (-BIF 94.7 million).

Year-on-year basis, government revenues rose by 8.6% at the end of March 2019, from BIF 212,518.1 million to BIF 230,764.3 million due to the increase of tax revenues (+BIF 20,366.2 million), while non-tax revenues declined by BIF 2,119.9 million.

##### IV.2. Expenditure

Expenses incurred at the end of March 2019 decreased by 10.3% compared to the same period in 2018, amounting to BIF 99.138.7 million against BIF 110.541.5 million.

However, cumulative expenditure rose by 10.7%, reaching BIF 344,624.2 million at the end of March 2019 against BIF 311,293.5 million recorded in the same period in 2018.

Year-on-year basis, cumulative compensation of employees increased by 7.2% at the end of March 2019, from BIF 102,164.1 million to BIF 109,514.5 million.

### **IV.3. Public debt**

The public debt rose by 16.1% at the end of March 2019, amounting to 2,859.1 against BIF 2,462.6 billion recorded in the same period of the previous year, driven by the increase of the domestic debt (+ 22.0%) and external debt (+ 3.6%).

Compared to the previous month, the public debt rose by 1.2% due to the increase of domestic debt (+1.5%) and external debt (+ 0.3%).

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

Year-on-year basis, outstanding domestic debt increased by BIF 367,523.4 million at the end of March 2019, from 1,667.5 to BIF 2,035.0 billion, driven by the increase of government's debt towards the banking sector mainly Treasury securities (+BIF 299.568.2 million ).

Compared to the previous month, the domestic debt increased by BIF 30,332.6 million, from BIF 2,004.7 to 2,035.0 billion, mainly due to the increase of government's debt towards the banking sector (+BIF 27.356.9 million ).

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

Year-on-year basis, the external debt increased by BIF 28,935.9 million at the end of March 2019, from BIF 795,087.8 to BIF 824,023.7 million. This increase is related to new drawings (BIF 38,237.0 million) and revaluation gains (BIF 3,876.4 million) which exceeded the amortization

of the principal debt (BIF 13,177.5 million).

Compared to the previous month, the external debt slightly rose (+ 0.3%), amounting to 824.023.7 against BIF 821.396.1 million recorded in the previous month, due to the new drawings (BIF 539.8 million) and the revaluation gains (BIF 2.974.2 million) which offset the amortization of the principal debt (BIF 886.5 million).

Expressed in US Dollar, outstanding external debt increased by USD 3.4 million year-on-year basis, amounting to USD 451.5 million at the end of March 2019 against USD 448.2 million recorded in the same period in 2018.

## **V. EXTERNAL TRADE**

Total trade (exports and imports of goods) slightly dropped (-0.8 percent) at the end of March 2019 compared to the same month in 2018. Exports decreased by BIF 39,538.9 million, amounting to BIF 68,789.1 against BIF 108,328.0 million while imports increased by BIF 35,687.2 million, standing at BIF 397,107.9 million from BIF 361,420.7 million. Consequently, the trade deficit widened to BIF 328,318.8 from BIF 253.092, 7 million.

### **V.1 Exports**

At the end of March 2019, cumulative exports fell in value (-36.5 percent) whilst they increased in volume (+7.4 percent) compared to the corresponding period in 2018.

In terms of value, the decrease of exports affected primary products, to BIF 49,767.1 million from BIF 93,652.5 million,

especially the exports of non-monetary gold, which dropped by BIF 44,028.2 million. However, exports of manufactured products slightly increased, to BIF 18,822.0 from BIF 14,675.5 million.

In terms of volume, the increase concerned both primary products (11,493 against 10,714 tonnes) and manufactured products (17,186 against 15,980 tonnes).

## V.2 Imports

At the end of March 2019, cumulative imports increased by 9.9% in value and by 1.9% in volume compared to the same month in 2018.

In value, the increase of imports concerned intermediate goods, amounting to BIF 173,010.1 from BIF 154,322.5 million and consumer goods, to BIF 151,796.8 from BIF 115,546.3 million. Nevertheless, imports of capital goods decreased to BIF 72,301.0 from BIF 91,551.9 million.

The increase of imports of intermediate goods mainly concerned goods for construction (+BIF 9,004.6 million), and the category “others intermediate goods” (+BIF 7,030.4 million).

The increase of consumer goods imports is mainly driven by pharmaceutical goods (+BIF 21,386.1 million) and vehicles (+BIF 6,820.2 million). The decrease of capital goods is mainly on account of electrical equipment (-BIF 27,148.6 million).

In volume, the increase concerned intermediate goods, to 189,579 from 180,184 tonnes. However, capital goods (9,595 against 10,262 tonnes) and

consumer goods (63,737 against 67,477 tonnes) decreased.

## VI. EXCHANGE RATE

Compared to the same period in 2018, the BIF depreciated by 2.87% against the US Dollar in March 2019, the exchange rate was 1.824.89 against 1.774.05 BIF for a unit of US Dollar.

At the end of the period, the BIF depreciated by 2.97% against the US Dollar, the exchange rate rising from 1.775.59 to 1.824.25 BIF for a unit of US Dollar at the end of March 2019.

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

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

### VII.1. Reserve Money

The reserve money increased by 17.0% at the end of March 2019, amounted to BIF 606,977.6 million from BIF 518,671.2 million at the end of March 2018. This increase concerned the currency outside the Central Bank (+BIF 27,188.8 million), the deposits of commercial banks (+BIF 55,946.6 million), microfinance institutions (+BIF 5,033.8 million), other financial corporations (+BIF 682.4 million) and those of NGO's (+BIF 5,288.7 million). On the other hand, the deposits of public non-financial corporations decreased by BIF 6,070.3 million.

## VII.2. Broad money

Year-on-year basis, the broad money (M3) rose by 19.9% at the end of March 2019, from BIF 1,576.4 billion to BIF 1,889.8 billion. This growth was on account of the increase of money supply M2 (+21.3%) and deposits of residents denominated in foreign currencies (+8.2%).

The increase of money supply M2 was driven by demand deposits (+26.6%), time and savings deposits (+17.1%) as well as currency outside banks (+10.8%).

The rise in demand deposits denominated in BIF was mainly due to the increase occurred in deposits of other non-financial corporations (+BIF 145,665.1 million), households (+BIF 23,230.9 million), public non-financial corporations (+ BIF 18,447.5 million) and those classified in other deposits (+BIF 20,643.3 million).

The increase in time and savings deposits is driven by the progress of deposits of other non-financial corporations (+ BIF 33,507.6 million), households (+ BIF 21,272.8 million) and those classified in “other deposits” (+BIF 15,123.9 million). By contrast, deposit of public non-financial corporations and other financial corporations declined by BIF 3,176.1 million and BIF 4,235.0 million respectively.

The rise of residents’ deposits denominated in foreign currencies was driven by those of households (+BIF 14,373.8 million) and those classified in other deposits (+ BIF 4,319.1 million).

By contrast, deposits of other non-financial corporations and those of public non-financial corporation declined by BIF 740.3 and BIF 3,890.0 million, respectively.

## VII.3. Counterparts

Year-on-year basis, domestic credit grew by 18.8% at the end of March 2019, from BIF 2,055.1 billion to BIF 2,440.7 billion recorded in the corresponding period in 2018, as a result of the increase of net claims on government (+22.5%) and claims on the economy (+14.1%).

The progress of net claims on government was mainly driven by the rising in Treasury bills and bonds held by commercial banks (+ BIF 299,568.1 million).

Year-on-year basis, net foreign assets and official reserves declined by 35.5 and 22.2% respectively, at the end of March 2019. These reserves covered 0.7 month of imports of goods at the end of March 2019 compared with 1.0 month recorded in the corresponding period in 2018.

## VIII. BANKING SECTOR'S MAIN INDICATORS

At the end of March 2019, the banking sector’s balance sheet increased. Compared to the same period of the previous year, deposits and credit also increased. In terms of soundness, the banking sector remained well capitalized, solvent and profitable.

### VIII.1. Assets

Year-on-year basis, total banking sector assets increased by 22.7%, from BIF 2,265.1 to BIF 2,778.2 billion in March 2019, following the increase of Treasury

securities. Compared to the same period in 2018, the Treasury securities increased by 49.6%, amounting to BIF 1045.4 against BIF 716.1 million. At the same period, the total amount loans rose by 18.0%, from BIF 810,756.2 to BIF 957,083.0 million at the end of March 2019.

The share of Treasury Securities in the total assets increased, from 31.6% to 37.6% at the end of March 2019. However, the share of loans to the private sector in the total assets established at 38.2% at the end of March 2019 against 40.7% in the same period in 2018.

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

Compared to the same period of the previous year, total deposits increased by 26.9%; from BIF 1,284.5 billion to BIF 1,630.3 billion at the end of March 2019. During the same period, the Central Bank refinancing rose, from BIF 182, 298.5 to BIF 287,105.3 million in March 2019.

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

In March 2019, the banking sector has sound indicators and complied with all prudential standards. Even though loans portfolio improved, the banking sector remained well-capitalized and the profits indicators have increased.

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

At the end of March 2019, 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 22.2 to 23.5% and from 25.3 to 25.4% respectively from March 2018 to March 2019. Over the same period, the leverage ratio was 10.5% against 11.4% at the end of March 2018 with a minimum standard of 5%.

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

Compared to March 2018, the quality of loans portfolio improved; the impairment rate decreased from 22.0% to 16.9% at the end of March 2019, even the overdue loans decreased by 9.1%, from BIF 178,900.2 million in March 2018 to BIF 162,056.9 million in March 2019.

An analysis of loans by class shows that the watch loans increased by 60.7%, meanwhile the sub standards (68.7%), doubtful (66.1%) and lost loans (13.9%) decreased respectively compared to the same period in 2018.

The rate impairment of loans in “Tourism and hotel” sector was 30.3% against 38.8% in the same period in 2018. At the end of March 2019, “Agriculture” and “trade” sectors have impairment’s rates of 5.2% and 10.2% respectively against 10.9 and 15.3% in March 2018 whereas “construction” and “manufacturing” sectors have impairment rates of 7.5% and 12.8% against 15.3 and 30.8 % respectively in the same period in 2018.

Given that high impairment of loans, the banking sector was more cautious and made a lot of provisions in order to face potential losses. The provisioning rate was

79.1% at the end of March 2019 against 74.2 recorded in the same period in 2018. The concentration risk towards the large exposure is more important than in the same period in 2018. Loans to large exposures were 18.4% of total credit against 17.4% of total loans in March 2018. However, the banking sector faces a concentration risk towards “trade” sector which has 27.6% of total loans against 27.9% in the same period in 2018.

### **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 16,019.1 million to BIF 26,008.6 million at the end of March 2019. The net banking income rose by 16.2%, from BIF 49,277.5 million to BIF 57,348.0 in March 2019.

The return-on-Assets (ROA) and return on equity (ROE) increased, from 0.7 to 0.9 % and from 5.4 to 8.2% respectively from March 2018 to March 2019.

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

At the end of March 2018, the short term liquidity ratios both in local and in foreign currency remained above the regulatory threshold of 100% (outstanding high quality liquid assets on cash outflow), established at 276.6 and 97.7% respectively

However, the banking sector undergoes relatively high concentration risks on deposits, since only the share of ten deposits represented 46.4% of total deposits in March 2019 against 41.5% at the end of March 2018.

## APPENDIX1: SELECTED MONTHLY INDICATORS

	Jan-18	Feb-18	March-18	Jan-19	Feb-19	March-19
<b>I. PRODUCTION AND PRICE</b>						
1. Industrial Production Index (monthly average, 1989 = 100)	129,4	110,1	114,3	123,2	97,6	115,3
2. Production of Arabica parchment Coffee (cumulation in T)	21717,5	21583	21 583,0	32 543,0	32 813,0	32 813,0
3. Production of Tea (cumulation in T of tea leaves)	4448,8	9748,4	15 915,7	5 613,6	11 640,8	16 779,9
4. Consumer price index (1991 = 100)	114,2	113,4	112,9	109,9	108,8	109,6
5. Inflation rate	6,1	-1,3	-2,6	-3,8	-4,1	-2,9
<b>II. Public Finances</b>						
1. Total Budget revenue (in BIF million)	62945,11643	121523,4978	212 518,0	66 766	134 193,5	230 764,3
1.1. Tax revenue	54845,95127	109972,509	195 966,9	63 128	124 667,7	216 333,1
1.2. Non-tax revenue	8099,165158	11550,98877	16 551,1	3 638	9 525,8	14 431,2
1.3. Exceptional receipts	0	0	0,0	0	0,0	0,0
2. Expenditure	72255,77211	200752,0226	311 293,5	129 223	245 485,5	344 624,2
2.1. Compensation of employees (in BIF million)	33737,92245	67528,6623	102 164,1	36 827	73 263,9	109 514,5
3. Public debt (in BIFmillion)	2403288,143	2429609,052	2 462 558,6	2 766 698	2 826 057,7	2 859 017,8
3.1. Domestic debt outstanding	1615301,022	1639749,791	1 667 470,8	1 944 880	2 004 661,5	2 034 994,1
Including: Treasury bills and bonds	839987,222	860401,7911	890 327,3	1 149 704	1 190 336,7	1 198 740,3
BRB ordinary advance	154611,4	156799,4	151 279,3	174 199	195 688,4	221 728,4
3.2. External debt outstanding	787987,1205	789859,2608	795 087,8	821 818	821 396,1	824 023,7
3.3. External debt outstanding (in BIF million)	446,1651134	446,020465	448,2	454	451,6	451,5
3.3. External debt service (in BIF million)	1137,788073	2179,374147	1 491,0	551	4 655,8	1 391,8
including amortization	848,2918892	1425,388085	1 136,2	411	3 345,5	886,5
3.4. Drawings on external loans	0	0	5 173,6	1 044	572,6	539,8
<b>III. MONEY</b>						
1. Reserve Money (in BIF million)	560392,5	544979,7	518 671,2	518679,5	586 037,1	606 977,6
2. Broad money M3 (in BIF million)	1518403,733	1551244,167	1 576 438,5	1 837 276	1 862 852,9	1 889 803,6(p)
2. 1. Broad money M2 (in BIF million)	1360423,833	1385227,167	1 405 197,9	1 664 501	1 680 524,7	1 704 502,1(p)
3. Domestic credit (in BIF million)	2001913,633	2055013,467	2 055 107,2	2 366 384	2 424 917,8	2 440 727,5(p)
4. Net foreign to government (in BIF million)	1110381,05	1139112,7	1 146 225,4	1 350 294	1 398 874,1	1 404 055(p)
5. Net foreign assets (in BIF million)	-177 508,5	-128 269,4	-169 295,5	-238 326,4	-204 845,3	-229 403,1
6. Tenders operations						
6.1. Normal liquidity providing	174680	172670	163 700,0	247 530	267 170,0	287 000,0
6.2. Injecting liquidity	0	0	0,0			
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	4,91	4,12	3,92	2,49	2,50	2,52
7.2. Treasury bill to 26 weeks	5,49	5,43	5,15	2,61	2,66	2,69
7.3. Treasury bill to 52 weeks	6,13	5,93	5,57	3,54	3,33	3,13
7.4. Recovery of liquidity	0,00	0,00	0,00	0,00	0,00	0,00
7.5. Injecting liquidity	2,75	2,54	2,84	2,48	2,28	2,41
7.6. Marginal lending facility	7,02	6,98	6,59	5,53	5,50	5,50
7.7. Interbank market	3,77	3,64	0,00	3,11	0,00	0,00
7.8. Deposit interest rates	5,90	5,81	5,59	5,33	5,24	5,46
7.9. Lending interest rates	16,13	16,08	15,97	15,54	15,66	15,69
<b>IV. EXTERNAL SECTOR</b>						
1. Export (in BIF million, fob DSL & Buja FOT)	30445,7	87224,18152	108 328,1	20 249	41 928,0	68 789,0
including Arabica coffee	12138,44338	15750,84451	21 535,5	7 453	17 516,1	24 795,7
1.1. Volume of exports (in T)	9302	15776,79119	26 694,3	8 358	19 171,3	28 678,8
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	103,7	114	94,8	85	72,7	69,4
- BIF/Kg	4013,7	4397,9	3 518,9	3328,9	2860,9	2 730,5
1.3. Coffee sold d(in BIF million)	7664,4	13816	19 173,4	8 895	26684,66918	34 466,1
2. Import CIF (in BIF million)	111490,91	218049,7	361 420,7	132 446	263 845,5	397 107,9
including petroleum products	20919,70479	45198,7724	68 467,9	21 561	35 334,4	67 357,4
2.1. Volum of imports (in T)	93218,162	168070	257 923,0	79 234	176 852,3	262 911,8
<b>V. EXCHANGE RATE</b>						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	89,4	88,4	88,3	nd	nd	nd
3.1.2. Real	98,3	96,2	95,2	nd	nd	nd
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1769,61	1772,51	1 775,6	1 815,7	1 821,6	1 828,3
3.2.2. Exchange rate BIF/USD (monthly average)	1768,184545	1771,05	1 774,0	1 811,9	1 818,9	1 824,9
(p) : Provisional n.a. : not available - : Nonexistent data..						

Source: BRB



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

	Banking Sector			Financial Institutions			Total Banking sector		
	3/31/2018	3/31/2019	Variation in %	3/31/2018	3/31/2019	Variation in %	3/31/2018	3/31/2019	Variation in %
<b>I. ASSETS</b>	<b>2,106,165.2</b>	<b>2,593,428.1</b>	<b>62.7</b>	<b>158,886.6</b>	<b>184,739.3</b>	<b>252.2</b>	<b>2,265,051.8</b>	<b>2,778,167.4</b>	<b>22.7</b>
<b>MAIN ASSETS</b>	<b>1,869,304.0</b>	<b>2,349,117.9</b>	<b>59.6</b>	<b>124,575.8</b>	<b>155,801.4</b>	<b>267.9</b>	<b>1,993,879.8</b>	<b>2,504,919.3</b>	<b>25.6</b>
<b>A. Liquid assets</b>	<b>1,051,163.8</b>	<b>1,395,322.1</b>	<b>32.7</b>	<b>3,849.4</b>	<b>13,195.9</b>	<b>242.8</b>	<b>1,055,013.2</b>	<b>1,408,518.0</b>	<b>33.5</b>
. Cash	59,275.2	62,057.8	4.7	11.7	14.1	20.5	59,286.9	62,071.9	4.7
. B.R.B.	186,495.9	240,642.2	29.0	562.5	855.0	52.0	187,058.4	241,497.2	29.1
. Holding in banks and Fis	89,247.1	54,692.9	38.7	3,275.2	4,849.7	48.1	92,522.3	59,542.6	35.6
. Treasury bills and bonds	716,145.6	1,037,929.2	44.9	-	7,477.1	-	716,145.6	1,045,406.3	46.0
<b>B. Loans</b>	<b>697,773.2</b>	<b>822,695.3</b>	<b>17.9</b>	<b>112,983.0</b>	<b>134,387.7</b>	<b>18.9</b>	<b>810,756.2</b>	<b>957,083.0</b>	<b>18.0</b>
. Short term	433,812.7	446,647.1	3.0	1,939.6	1,740.9	10.2	435,752.3	448,388.0	2.9
. Medium term	157,719.6	276,048.3	75.0	53,475.0	46,043.7	13.9	211,194.6	322,092.0	52.5
. Long term	106,240.9	100,000.0	5.9	57,568.4	86,603.1	50.4	163,809.3	186,603.1	13.9
. Leasing	-	-	-	-	-	-	-	-	-
<b>C. Fixed assets</b>	<b>120,367.0</b>	<b>131,100.5</b>	<b>8.9</b>	<b>7,743.4</b>	<b>8,217.8</b>	<b>6.1</b>	<b>128,110.4</b>	<b>139,318.3</b>	<b>8.7</b>
<b>D. Others</b>	<b>236,861.2</b>	<b>244,310.2</b>	<b>3.1</b>	<b>34,310.8</b>	<b>28,937.9</b>	<b>15.7</b>	<b>271,172.0</b>	<b>273,248.0</b>	<b>0.8</b>
<b>II. LIABILITIES</b>	<b>2,106,165.2</b>	<b>2,593,428.1</b>	<b>23.1</b>	<b>158,886.6</b>	<b>184,739.3</b>	<b>16.3</b>	<b>2,265,051.8</b>	<b>2,778,167.4</b>	<b>22.7</b>
<b>Main liabilities</b>	<b>1,790,883.9</b>	<b>2,250,825.9</b>	<b>25.7</b>	<b>74,354.6</b>	<b>119,864.6</b>	<b>61.2</b>	<b>1,897,117.8</b>	<b>2,370,690.5</b>	<b>25.0</b>
. Deposit from customers	1,217,367.5	1,544,805.8	26.9	67,151.3	85,525.3	27.4	1,284,518.8	1,630,331.1	26.9
amongst: Ten large deposits	525,282.9	745,612.4	41.9	7,991.1	11,246.7	-	533,274.0	756,859.1	41.9
. Refinancing from B.R.B.	182,298.9	287,105.3	57.5	-	-	-	182,298.9	287,105.3	57.5
. Others	-	-	-	-	-	-	-	-	-
. Debts to banks and Fis	171,967.9	180,891.0	5.2	7,203.3	7,164.8	0.5	179,171.2	188,055.8	5.0
. Capital and reserves	219,249.6	238,023.9	8.6	31,879.3	27,174.5	14.8	251,128.9	265,198.3	5.6
<b>Others</b>	<b>315,281.3</b>	<b>342,602.3</b>	<b>8.7</b>	<b>84,532.0</b>	<b>64,874.6</b>	<b>23.3</b>	<b>367,934.0</b>	<b>407,476.9</b>	<b>10.7</b>
<b>III. BANKING SECTOR'S INDICATORS</b>									
<b>Capital adequacy</b>									
. Net core capital (in MBIF)	235,732.6	260,662.9	10.6	23,163.7	31,132.5	34.4	258,896.3	291,795.4	12.7
. Total capital (in MBIF)	258,281.3	277,255.4	7.3	36,254.2	38,651.4	6.6	294,535.5	315,906.8	7.3
. Risk weighted assets	1,031,632.1	1,081,005.1	4.8	132,874.8	161,380.8	21.5	1,164,506.9	1,242,385.9	6.7
. Core capital adequacy (threshold 12,5%)	22.9	24.1		17.4	19.3		22.2	23.5	
. Total capital adequacy Ratio (threshold 14,5%)	25.0	25.6		27.3	24.0		25.3	25.4	
. Leverage Ratio (threshold 7%)	11.2	10.1		14.6	16.9		11.4	10.5	
<b>Loans quality and concentration</b>									
. Large exposures	128,958.0	169,744.0	31.6	12,154.4	6,029.1	50.4	141,112.4	175,773.1	24.6
. Watch loans	34,938.9	68,036.1	94.7	14,735.5	11,796.1	19.9	49,674.4	79,832.2	60.7
. Non-performing loans	112,820.5	72,265.6	35.9	15,783.2	9,959.0	36.9	128,603.7	82,224.7	36.1
. Overdue loans	147,759.4	140,301.7	5.0	30,518.7	21,755.1	28.7	178,278.1	162,056.9	9.1
. Depreciations	84,397.7	62,444.5	26.0	11,067.8	2,559.6	76.9	95,465.5	65,004.0	31.9
. Gross total loans/Gross total assets (en %)	23.2	31.7		71.1	72.7		35.8	34.5	
. Loans to the Government/Gross total assets (*)	37.3	40.0		-	4.0		37.3	40.0	
. Loans to the Government/Core capital (*)	296.0	398.2		-	24.0		313.2	358.3	
. Non-performing loans rate	26.0	8.8		14.0	7.4		15.9	8.6	
. Overdue loans rate	34.1	17.1		27.0	16.2		22.0	16.9	
. Provisioning rate (in %)	74.8	86.4		70.1	25.7		74.2	79.1	
. Large exposures/Gross total loans (in %)	29.7	20.6		10.8	4.5		17.4	18.4	
<b>Liquidity</b>									
. Liquidity ratio in BIF		276.6		-	-		-	276.6	
. Liquidity ratio in foreign currency		97.7		-	-		-	97.7	
. Total loans/total deposits	57.3	53.3		168.3	157.1		63.1	58.7	
. Ratio of stable funds to fixed assets	115.9	104.7		301.7	240.7		142.4	125.5	
. Ten large deposits/Total deposits	43.1	48.3		11.9	13.2		41.5	46.4	
<b>Profitability and performance</b>									
. Before tax profit	16,591.3	27,871.8	68.0	1,151.8	1,276.6	10.8	17,743.1	29,148.4	64.3
. Net profit	15,078.1	24,989.6	65.7	941.0	1,019.0	8.3	16,019.1	26,008.6	62.4
. Net banking product	45,992.0	53,123.8	15.5	3,285.5	4,224.3	28.6	49,277.5	57,348.0	16.4
. ROA							0.7	0.9	
. ROE							5.4	8.2	

Source: BRB

### APPENDIX 3: SELECTED ANNUAL INDICATORS

	2014	2015	2016	2017	2018
<b>GROSS DOMESTIC PRODUCT AND PRICE</b>					
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
<b>FOREIGN SECTOR</b>					
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
<b>MONEY AND CREDIT</b>					
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
<b>FINANCE AND PUBLIC DEBT</b>					
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
<b>As a reminder</b>					
GDP at market prices ( BIF billion)	4,185.0	4417.88	4,824.2	5,397.2	6,010.3

Source: BRB.