



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic Indicators

May 2020

I. INTRODUCTION

The following main economic indicators are related to the developments at the end of May 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 production whereas tea production decreased and 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 May 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 increased while tea production declined in May 2020.

II.1 Industrial Production Index

Year-on-year basis, the industrial production index rose by 9.1% in May 2020, standing at 123.9 from 113.6. This increase was mainly driven by the rise of the production of BRARUDI beverages (9.1%) and cigarettes (+7.1%).

Likewise, this index rose by 9.9% compared to the previous month, mainly driven by the increase of BRARUDI beverages (18.9%).

II.2. Coffee

During May 2020, no production of parchment coffee recorded, following the closure of the 2019/2020 coffee campaign. The total production of parchment coffee for the whole 2019/2020 campaign stood at 10,885 tonnes against a forecast of 15,185 tonnes.

II.3. Tea

On annual basis, the production of green leaf tea decreased by 1.5 percent in May 2020, amounting to 5,164.0 against 5,242.4 tonnes, driven by the poor rainfall that prevailed during that period. On the other hand, cumulative production slightly rose by 0.5 percent at the end of May 2020, reaching 28,936.5 against 28,803.0 tonnes recorded in the same period of the previous year.

III. INFLATION DEVELOPMENTS

Year-on-year basis, headline inflation rose by 9.2% in May 2020 while there was a deflation of 2.4% in the same period of the previous year. This increase of inflation is mainly driven by rise prices of food products (+15.3 against -5.7%) and to a lesser extent prices of non-food products (+3.3 against + 1.2%).

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

	may-19		may-20	
	CPI	Inflation	CPI	inflation
Headline Inflation	111.5	-2.4	121.8	9.2
1. Food	106.8	-5.7	123.1	15.3
- Bread and cereals	101.0	0.3	114.9	13.8
- Meat	120.5	-12.0	145.2	20.5
- Fish	147.6	-23.4	166.4	12.7
- Milk, cheese and eggs	112.6	33.8	119.3	6.0
- Oils and fats	121.5	-5.2	123.6	1.7
- Fruits	116.3	10.3	104.5	-10.1
- Vegetables	100.0	4.4	119.4	19.4
- Sugar, jam, honey, chocolate and confectionery	108.3	-6.4	117.5	8.5
- undefined food elsewhere	111.3	0.3	130.0	16.8
2. Non food	116.5	1.2	120.3	3.3
- Alcoholic beverages ,tobacco	112.9	-1.8	117.0	3.6
- clothing and footwear	119.1	2.4	124.8	4.8
- Housing,water,electricity,gas and other fuels	122.1	0.1	128.7	5.4
- Furnishing, household equipment and routine maintenance	118.5	3.9	122.7	3.5
- Health	114.4	2.8	117.7	2.9
- Transport	117.8	1.2	116.6	-1.0
- Communication	102.0	0.6	101.5	-0.5
- leisure and culture	118.5	4.2	129.9	9.6
- Education	139.1	2.1	141.8	1.9
- Hotels, Restaurant and café	111.0	-1.5	114.9	3.5
- Other goods and services	118.2	3.2	122.9	4.0
Energy and fuels	137.3	0.1	145.7	6.1
3. Core Inflation	112.4	0.4	118.9	5.8

Source: BRB, from ISTEERU data

The rise of food prices is mainly explained by the increase of the prices of the sub-headings “Meat” (+20.5 against -12.0%), “Fish” (+12.7 against - 23.4%) and “Sugar, jams, honey, chocolate and confectionery” (+ 8.5 against -6.4%) as well as the increase in prices for the

sub-heading “Bread and cereals” (+13.8 against + 0.3%).

The rise prices of non-food products is mainly due to the increase prices of sub-headings “Alcoholic beverages and tobacco” (+3.6 against -1.8%), “Articles of clothing and footwear” (+ 4.8 against + 2.4%) and “Leisure and culture” (+9.6 against + 4.2%), “Housing, water, electricity, gas and other fuels” (+ 5.4 against 0.1%) and “Restaurants and Hotels” (+ 3.5 against -1.5%), the prices of the sub-items “Transport” (-1.0 against + 1.2%) and “Communications” (-0.5 against + 0.6%) declined.

Year-on-year basis, the price index combining the prices of energy, fuel and other fuels rose in May 2020 compared to the same period of the previous year (+6.1 against +0.1%).

During the month of May 2020, headline inflation excluding food and energy prices which is the proxy of core inflation increased compared to the same period of the previous year (+5.8 against + 0.4%).

IV. EXTERNAL TRADE

At the end of May 2020, the trade balance deficit deteriorated compared to the corresponding period in 2019, amounting to -BIF 603,096.5 million from -BIF 485,546.7 million. This deterioration is explained by the increase of cumulative imports (to BIF

670,772.8 from BIF 635,833.4 million) and by the decrease of cumulative exports (to BIF 67,676.3 from BIF 150,286.6 million). Total trade (imports plus exports) decreased by 6.1% in the same period of the previous year.

IV.1 Exports

Exports declined at the end of May 2020 both in value (-55.0%) and in volume (-33.4%) compared to the corresponding period in 2019.

In value, the decrease of exports concerned both categories, primary product (to BIF 37,179.7 from BIF 115,992.9 million) and manufactured products (to BIF 30,496.5 million from BIF 34,293.7 million).

The decline of primary products exports is mainly driven by coffee (BIF 9,860.5 against BIF 36,086.5 million) and niobium ores (BIF 4,623.0 million against BIF 8,880.0 million).

For manufactured products, their decline mainly concerned, wheat flour (BIF 6,396.6 from BIF 8,464.8 million), kerosene (BIF 2,245.3 from BIF 3,632.7 million) and others manufactured products (11,829.8 from BIF 16,465.3 million).

However, exports of dark glass bottles (BIF 2,216.8 from BIF 431.6 million), cigarettes (BIF 4,031.4 from BIF 2,520.3 million) and beer (BIF 2,881.9 from BIF 1,578.9 million) increased.

In terms of volume, the decrease is driven by both products primary (12,954 against 18,863 tonnes) and manufactured products (18,443 against 28,290 tonnes).

IV.2 Imports

Compared to the same period in 2019, imports increased by 5.5% in value and by 9.4% in volume at the end of May 2020.

In value, the increase concerned imports of intermediate goods (BIF 311,465.6 from BIF 276,358.9 million) and capital goods (BIF 133,433.1 million from 115,072.7). Nevertheless, consumer goods slightly decreased, from BIF 244,401.7 million to BIF 225,847.1 million.

For imports of intermediate goods, the most significant increase is recorded in metallurgical goods (+BIF 26,333.3 million), minerals oils (+BIF 5,763.0 million) and goods for construction (+BIF 5,639.2 million).

The increase of capital goods is mainly driven by parts and tools (+BIF 5,289.7 MBIF), boilers and mechanical equipment (+BIF 8,407.3 million) and electrical material (+BIF 3,733.5 million).

On the other hand, the decrease of consumer goods imports mainly concerned pharmaceuticals (-BIF 17,880.5 million) and food goods (- BIF 8,250.2 million) whilst imports vehicles for business increased (+BIF 3,733.5 million).

In terms of volume, the increase concerned intermediate goods (345,530 against 295,292 tonnes) and capital goods (23,263 against 16,090 tonnes). However, imports of consumer goods slowed down to 85,806 against 104,199 tonnes recorded in the same period of the previous year.

V. EXCHANGE RATE

Compared to the same period of 2019, the BIF depreciated by 3.82% against the US Dollar in May 2020; the exchange rate reached 1,907.14 against BIF 1,837.04 for one unit of US Dollar.

At the end of the period, the BIF depreciated annually by 3.79% against the US Dollar, the exchange rate stood at BIF 1,909.35 for one unit of US Dollar at the end of May 2020 from BIF 1,839.64 at the end of May 2019.

VI. GOVERNMENT FINANCIAL OPERATIONS

At the end of May 2020, the overall fiscal deficit (excluding grants) eased compared to the same period of the previous year, amounting to BIF 132,621.5 million against BIF 255,092.9 million, following the increase of revenue and the decrease of expenditure.

VI.1. Revenue

Cumulative revenue increased by 7.3 percent at the end of May 2020, standing at BIF 404,686.6 million against BIF 377,179.6 million recorded in the same period of the previous year, driven by the increase of tax revenue (BIF +24,842 , 7 million) and non-tax

revenue (BIF +2.664.3 million).

Revenue collected in May 2020 decreased by 7.3 percent, standing at BIF 64,197.0 million against BIF 69,221.8 million in the same month in 2019. This decrease resulted from low tax revenue (BIF -3.976.8 million) and non-tax revenue (BIF -1.048.0 million).

VI.2. Expenditure

Cumulative expenditure decreased by 15.0 percent at the end of May 2020, reaching BIF 537,308.1 million against BIF 632,272.5 million in the same period in 2019. Likewise, expenditure incurred in May 2020 declined by 28.8 percent compared to the same month of 2019, amounting to BIF 92,377.3 million against BIF 129,765.0 million.

Cumulative compensation of employers rose by 8.4 percent at the end of May 2020, standing at BIF 197,471.7 million against BIF 182,106.2 million recorded in the same period in 2019.

VI.3. Public debt

Public debt increased by 14.0% at the end of May 2020, amounting to 3,441.6 against BIF 3,018.7 billion in the same period of the previous year, following the increase of domestic debt (+ 17.3%) and external debt (+ 6.3%).

Compared to the previous month, the outstanding public debt picked up by 1.5%, driven by the rise of domestic debt (+ 2.0%) and external debt (+ 0.4%).

VI.3.1 Domestic Debt

Year-on-year basis, the outstanding of domestic debt increased by BIF 365.847.8 million at the end of May 2020, from 2.110.5 to BIF 2.476.3 billion, mainly driven by the increase of the Government's debt towards the banking sector in the form of Treasury securities (+BIF 293,693.0 million).

Compared to the previous month, the domestic debt increased by BIF 48,001.1 million, linked to the increase of the debt of the Government's debt towards the banking (+BIF 21.451.1 million) and non-banking (+BIF 26.550.0 million).

VI.3.2. External Debt

Year on year basis, the outstanding external debt increased by BIF 57,101.6 million at the end of May 2020, from 908,183.5 to BIF 965,285.1 million . This increase is driven by the drawings (BIF 52,130.3 million) and revaluation gains (BIF 23,860.1 million) which exceeded the amortization of the principal debt (BIF 18,888.7 million).

Compared to the previous month, the outstanding external debt slightly increased by 0.5%, amounting to 965,285.1 against BIF 961,727.1 million , due to the new drawings (BIF 2,296.1 million) and revaluation gains (BIF 2,500.8 million) which partially offset the amortization of the principal debt (BIF 1.238.9 million).

Expressed in US Dollar, external debt increased by 11.8 MUSD, year -on- year basis, amounting to 506.1 MUSD at the end of May 2020 from 494.4 MUSD.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

Reserve money and the money supply increased in May 2020 resulting from the increase of net domestic assets.

VII.1. Reserve Money

Year-on- year basis, the reserve money increased in May 2020 by 13.4 against 10.3 percent in the same period of the previous, amounting to BIF 673,899.2 million from BIF 594,139.2 million. This increase was driven, both, by commercial bank deposits which rose by 22.5% while they decreased by 7.4 percent in the corresponding period in 2019 and currency outside the Central Bank (11.4 against 19.4%).

VII.2. Broad money

Year-on-year basis, the money supply (M3) picked up by 16.2% at the end of May 2020 against 23.1% in the same period in 2019, amounting to BIF 2,271.5 billion against BIF 1,954.7 billion, driven by the increase of M2 monetary aggregate (16.5 against 24.9 percent) and foreign currency deposits by residents (13.3 against 7.3 percent).

The growth in M2 money supply concerned demand deposits (4.8 against 32.1 percent), time and savings deposits (43.0 against 14.8 percent) and currency in circulation outside banks (18.7 against 17.7 percent).

Household deposits (27.4 against 13.7 percent) mainly driven the slight increase deposits in BIF and those classified in other accounts (6.1 against -0.3 percent). In contrast, demand deposits of public non-financial corporations (-24.5 against +18.0 percent) and other non-financial corporations (-9.6 against +61.3 percent) fell, whereas they increased in the same period in 2019.

The increase of term and savings deposits in BIF concerned those of other non-financial corporations (81.9 against 24.2 percent), households (31.4 against 14.9 percent) and those classified in the other accounts (18.4 against 15.3 percent). On the other hand, those of public nonfinancial corporations decreased as in the same period in 2019 (-20.9 against -17.1 percent).

The rise of time and savings deposits denominated in BIF concerned those of other non-financial corporations (81.9 against 24.2 percent), households (31.4 against 14.9 percent) and those classified in the other accounts (18.4 against 15.3 percent). On the other hand, those of public nonfinancial corporations decreased as in the same period in 2019 (-20.9 against -17.1 percent).

The growth of deposits of resident denominated in foreign currencies was driven by those of public non-financial corporations (+68.4 versus -42.5 percent), other non-financial corporations (23.9 versus 4.6 percent), households (6.1 versus 13.4 percent) and those classified in other accounts (14.0 versus 4.5 percent).

VII.3. Counterparts

Year-on-year basis, domestic credit (BIF 2,991.5 billion against BIF 2,495.5 billion) increased by 19.9% at the end of May 2020 against 20.2% in the same period of 2019. This rise was driven by the increase, both in net claims on the Government (18.8 against 22.1%) and claims on the economy (21.3 against 17.9%).

The increase of net claims on the government was driven by those of commercial banks (28.3 against 50.4%), while those the Central Bank declined as in the same period in 2019 (- 12.0 against -24.0 percent).

Year-on-year basis, net foreign assets decreased by 79.0% at the end of May 2020. This declined was the result of the increase of foreign liabilities (23.5 against 8.1%) combined with a decrease in gross assets (-8.4 against + 7.5%).

Likewise, official foreign exchange reserves declined by 24.6% against an increase of 1.8% recorded in the same period of 2019. These reserves covered 0.7 month of imports of

goods and services at the end of May 2020 against 1.0 month recorded in the same period of the previous year.

VIII. MAIN INDICATORS OF BANKING SECTOR

The banking sector's balance sheet increased compared to the corresponding period of the previous year. This increase in assets was driven by credit to the Government and credit to the private sector. In the liabilities side, deposits of customer and refinancing to commercial banks drove this increase.

VIII.1. Assets

Year-on-year basis, the banking sector's total assets increased by 20.7% in May 2020, amounting to BIF 3,445.5 billion from BIF 2,854.2 billion in May 2019. This increase was driven by Treasury securities, amounting to BIF 1,379.6 billion from BIF 1,109.4 billion and loans to the economy, from BIF 969.6 billion to BIF 1,206.9 billion.

The shares of Treasury securities and loans in the total assets increased respectively to 41.5 and 35.0 percent in May 2020 from 38.9 and 34.0 percent in May 2019.

VIII.2. Liabilities

The total deposits increased by 17.2 percent year-on-year basis, amounting to BIF 1,932.1 billion in May 2020 from BIF 1,646.5 billion in May 2019. Likewise, the Central Bank refinancing towards commercial banks grew by 36.0%, amounting to BIF 435.2 billion in May 2020 from BIF 320.1 billion in May 2019.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

The banking sector remained sufficiently capitalized, solvent and profitable. Likewise, the quality of the loans portfolio and the main profitability indicators improved.

IX.1. Capital Adequacy

The banking sector had sufficient capital buffers to absorb the risks. The Tier 1 and Total Capital ratios remained above the respective regulatory thresholds of 12.5 and 14.5 percent and reached respectively 27.4 and 29.5 percent in May 2020 from 26.7 and 28.9 percent in May 2019. Likewise, the leverage ratio stood at 11.1 from 10.7 percent, while the minimum threshold was 5%.

IX.2. Quality of loans portfolio

Year-on-year basis, the loan portfolio's deterioration rate improved, standing to 6.2% in May 2020 from 8.9% in May 2019. This improvement was driven by the decrease of overdue loans (10.7%), from BIF 164,560.9 million in May 2019 to BIF 147,031.4 million in May 2020.

The special mention loans decreased by 8.0 percent, from BIF 78,677.6 million in May 2019 to BIF 72,418.4 million in May 2020, while the substandard and doubtful loans increased, respectively by 7.3 and 21.3 percent.

The deterioration rate of the loans portfolio to the "agriculture" sector worsened, standing to 17.3 in May 2020 from 5.7 percent in the corresponding month of the previous year. The loans portfolio in "Tourism" and "Equipment" sectors also deteriorated further from 36.5 and 4.4 percent, respectively in May 2019 to 39.4 and 4.9 percent in May 2020.

However, the loans portfolio improved in the "Industry", "Retail" and "Construction" sectors in May 2020 compared to the corresponding month of 2019. The deterioration rates stood at 0.8 from 18.2 percent in the Industry, to 4.7 from 9.7 percent in Commerce and 6.7 from 9.4 percent in the Construction.

The provisions made by the banking sector to cover these risks of deteriorations declined year –on- year basis, the provisioning rate stood at 68.0 from 79.1 percent in the corresponding period of the previous year.

The loans concentration on large exposures rose by 9.2 percentage points yearly, thus, sharing 34.8 percent of the total loans in May 2020 from 25.6 percent in May 2019.

Compared to the same period, the credit concentration in the "trade" and "Equipment" sectors remained significant at the end of May

2020, representing respectively 33.4 and 37.6 in May 2020 from 30.7 and 36.4 of total credit.

IX.3. Profitability

The banking sector's Gross Income grew by 14.5 percent year –on- year basis, amounting to BIF 111,843.9 million from BIF 97,666.7 million. Over the same period, the Net Profit increased by 4.1%, from BIF 51,147.1 million to BIF 53,265.1 million.

However, the Returns on Assets (ROA) and Equity (ROE) slightly declined and stood at 1.5 and 12.8 percent, respectively at the end of May 2020 compared to 1.7 and 15.4 percent recorded in the corresponding month in 2019.

IX.4. Liquidity

The Liquidity Coverage Ratio (LCR) in BIF and in foreign currencies stood above a minimum regulatory threshold of 100 percent with the respective averages of 226.7 and 150.6 percent in May 2020 from 227.8 and 116.1 percent in the corresponding month in 2019.

However, the banking sector faces a concentration risk towards deposits, the share of the ten large depositors represented 45.7 percent of total deposits in May 2020 from 45.3 percent in the corresponding month in 2019.

APPENDIX 1: SELECTED MONTHLY INDICATORS AT THE END OF MAY 2020

	Mar-19	Apr-19	May-19	Mar-20	Apr-20	May-20
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	115.3	102.2	113.6	125.5	112.8	123.9
2. Production of Arabica parchment Coffee (cumulation in T)	32,786.5	32,786.0	32,786.0	10,885.1	10,885.1	10,885.1
3. Production of Tea (cumulation in T of tea leaves)	16,779.9	23,560.6	28,803.0	17,338.6	23 772.5	28 936.5
4. Consumer price index (1991 = 100)	109.7	111.2	111.5	117.4	119.6	121.8
5. Inflation rate	-2.9	-2.2	-2.4	7.1	7.6	9.2
II. Public Finances						
1. Total Budget revenue (in BIF million)	231,759.7	307,957.8	377,179.6	259,401.3	340,489.6	404,686.6
1.1. Tax revenue	216,466.4	285,083.1	349,782.6	241,950.4	313,902.6	374,625.3
1.2. Non-tax revenue	15,293.2	22,874.6	27,397.0	17,450.9	26,587.0	30,061.3
1.3. Exceptional receipts	0.0	0.0	0.0	0.0	0.0	0.0
2. Expenditure	350,199.2	502,507.5	632,272.5	342,449.7	444,930.8	537,308.1
2.1. Compensation of employees (in BIF million)	109,514.5	146,387.5	182,106.2	117,166.4	157,721.5	197,471.7
3. Public debt (in BIFmillion)	2,915,561.7	2,947,882.1	3,018,653.3	3,410,499.9	3,390,043.6	3,441,602.7
3.1. Domestic debt outstanding	2,072,956.4	2,080,103.2	2,110,469.8	2,444,178.3	2,428,316.5	2,476,317.6
Including: Treasury bills and bonds	1,230,561.3	1,264,065.9	1,309,285.8	1,583,438.6	1,569,510.9	1,622,178.8
BRB ordinary advance	221,728.4	195,994.1	191,866.3	0.0	0.0	0.0
3.2. External debt outstanding	842,605.3	867,778.9	908,183.5	966,321.6	961,727.1	965,285.1
3.3. External debt outstanding (in BIF million)	461.7	473.9	494.4	509.7	505.7	506.1
3.3. External debt service (in BIF million)	1,485.3	2,019.6	2,981.0	4,073.7	3,345.5	2,123.0
including amortization	886.5	374.6	2,289.9	1,630.1	2,871.9	1,238.9
3.4. Drawings on external loans	1,472.9	22,671.2	41,609.3	2,865.6	241.4	2,296.1
III. MONEY						
1. Reserve Money (in BIF million)	606,977.6	595,763.0	594,139.2	643,970.4	672,233.9	673,899.2
2. Broad money M3 (in BIF million)	1,885,235.2	1,901,027.8	1,954,704.6	2,210,428.2	2,259,705.8	2 271 508(p)
2.1. Broad money M2 (in BIF million)	1,699,933.7	1,724,972.5	1,784,711.0	2,019,743.1	2,066,235.4	2 078 841(p)
3. Domestic credit (in BIF million)	2,456,444.2	2,489,089.5	2,495,539.3	2,906,538.2	2,948,612.8	2 991 573(p)
4. Net foreign to government (in BIF million)	1,409,336.6	1,444,923.9	1,423,501.8	1,661,490.0	1,706,220.3	1 690 733,2(p)
5. Net foreign assets (in BIF million)	-229,403.1	-236,973.7	-190,248.0	-284,837.5	-306,201.1	-340,584.4
6. Tenders operations						
6.1. Normal liquidity providing	287,000.0	295,000.0	320,000.0	420,000.0	432,880.0	435,000.0
6.2. Injecting liquidity						
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	2.5	2.5	2.5	3.0	3.0	3.0
7.2. Treasury bill to 26 weeks	2.7	2.7	2.7	3.0	3.2	3.2
7.3. Treasury bill to 52 weeks	3.1	3.0	3.0	3.2	3.3	3.3
7.4. Recovery of liquidity	0.0	0.0	0.0	0.0	0.0	0.0
7.5. Injecting liquidity	2.4	2.6	2.7	2.6	2.9	2.9
7.6. Marginal lending facility	5.5	5.5	5.5	6.0	6.0	6.0
7.7. Interbank market	0.0	3.7	3.7	4.0	4.1	4.2
7.8. Deposit interest rates	5.5	5.3	5.3	5.3	5.5	5.2
7.9. Lending interest rates	15.7	15.6	15.7	15.2	15.2	15.3
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	68,789.0	91,386.4	150,286.6	47,353.4	61,012.4	67,676.3
including Arabica coffee	24,795.7	30,118.8	36,086.5	8,312.5	9,860.5	9,860.5
1.1. Volume of exports (in T)	28,678.8	37,819.4	47,153.3	22,595.7	27,297.0	31,397.1
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	69.4	59.0	48.3	81.5	-	-
- BIF/Kg	2 730,5	2337.5	1926.2	3,354.8	-	-
1.3. Coffee sold d(in BIF million)	25,017.2	32,100.2	44,966.4	13,117.9	14,014.0	nd
2. Import CIF (in BIF million)	397,107.9	524,119.9	635,833.4	433,016.8	556,457.8	670,772.8
including petroleum products	67,357.4	96,178.2	116,612.0	83,187.1	102,329.2	122,375.1
2.1. Volum of imports (in T)	262,911.8	343,449.5	415,581.0	301,282.4	381,656.5	454,599.7
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	93.0	93.2	93.5	92.6	93.9	93.7
3.1.2. Real	93.2	94.0	94.4	96.2	99.5	101.0
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,828.3	1,834.0	1,839.6	1,898.9	1,904.6	1,909.4
3.2.2. Exchange rate BIF/USD (monthly average)	1,824.9	1,831.1	1,837.0	1,896.1	1,901.9	1,907.1
(p) : Provisional n.a. : not available - : Nonexistent data..						

Source: BRB

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

	Commercial Banks			Other financial Institutions			Total of the banking sector		
	5/31/2019	5/31/2020	Variation in %	5/31/2019	5/31/2020	Variation in %	5/31/2019	5/31/2020	Variation in %
I. ASSETS	2,671,055.0	3,240,550.2	21.3	183,157.8	204,977.8	11.9	2,854,212.8	3,445,528.0	20.7
I.1. Main assets	2,274,428.5	2,818,639.6	23.9	150,218.2	181,078.0	20.5	2,424,646.7	2,999,717.6	23.7
A. Liquid assets	1,444,763.4	1,767,811.8	22.4	10,318.0	24,974.7	142.0	1,455,081.4	1,792,786.5	23.2
. Cash	74,744.4	62,107.2	- 16.9	8.5	18.5	117.9	74,752.9	62,125.8	- 16.9
. Balance in B.R.B.	177,921.9	219,855.7	23.6	1,339.1	4,796.6	258.2	179,261.0	224,652.2	25.3
. Interbank claims	89,103.0	74,082.2	- 16.9	2,527.7	2,456.4	- 2.8	91,630.7	76,538.6	- 16.5
. Treasury securities	1,102,994.1	1,361,893.2	23.5	6,442.7	17,703.2	174.8	1,109,436.8	1,379,596.4	24.4
. Other securities	-	49,873.5	-	-	-	-	-	49,873.5	-
B. Loans	829,665.1	1,050,827.7	26.7	139,900.2	156,103.4	11.6	969,565.3	1,206,931.1	24.5
. Short term	434,979.70	592,577.5	36.2	1,857.4	2,944.2	58.5	436,837.1	595,521.7	36.3
. Medium term	294,468.80	289,793.6	- 1.6	45,803.7	40,827.1	- 10.9	340,272.5	330,620.7	- 2.8
. Long term	100,216.60	168,456.6	68.1	92,239.1	112,332.1	21.8	192,455.7	280,788.8	45.9
. Leasing	-	-	-	-	-	-	-	-	-
I.2. Fixed assets	133,463.70	156,953.3	17.6	8,281.4	8,052.7	- 2.8	141,745.1	165,006.0	16.4
I.3. Others assets	263,162.80	264,957.3	0.7	24,658.2	15,847.1	- 35.7	287,821.0	280,804.4	- 2.4
II. LIABILITIES	2,671,055.0	3,240,550.2	21.3	183,157.8	204,977.8	11.9	2,854,212.8	3,445,528.0	20.7
II.1. Main liabilities	2,329,597.8	2,841,927.3	22.0	129,053.6	159,890.2	23.9	2,458,651.4	3,001,817.6	22.1
. Customer deposits	1,561,304.00	1,818,587.3	16.5	87,185.3	113,470.2	30.1	1,648,489.3	1,932,057.5	17.2
amongst: Ten large deposits	735,804.20	866,109.3	17.7	11,173.0	17,554.7	-	746,977.2	883,664.0	18.3
. Borrowing from B.R.B. (Refinancing)	320,092.10	435,227.5	36.0	-	-	-	320,092.1	435,227.5	36.0
Other	-	-	-	-	-	-	-	-	-
. Interbank liabilities	193,721.40	267,749.7	38.2	7,235.5	6,827.1	- 5.6	200,956.9	274,576.8	36.6
Capital and reserves	254,480.30	320,362.8	25.9	34,632.8	39,592.9	14.3	289,113.1	359,955.7	24.5
II.2. Other liabilities	341,457.2	398,622.8	16.7	54,104.2	45,087.6	- 16.7	395,561.4	443,710.4	12.2
III. MAIN INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Tier 1 capital (in BIF billion)	274,043.70	347,007.3	26.6	32,257.3	36,837.5	14.2	306,301.0	383,844.7	25.3
. Total regulatory capital (in BIF billion)	292,033.40	368,411.8	26.2	39,998.6	44,807.3	12.0	332,032.0	413,219.1	24.5
. Risk weighted assets	985,755.20	1,247,859.3	26.6	162,263.4	155,031.8	- 4.5	1,148,018.6	1,402,891.1	22.2
. Tier 1 capital adequacy ratio (threshold 12.5%)	27.8	27.8	-	19.9	23.8	-	26.7	27.4	-
. Total regulatory capital adequacy ratio (threshold 14.5%)	29.6	29.5	-	24.7	28.9	-	28.9	29.5	-
. Leverage Ratio (threshold 7%)	10.3	10.7	-	17.6	18.0	-	10.7	11.1	-
Loans quality and concentration									
. Large exposures	242,911.9	415,623.1	71.1	5,217.6	3,813.1	- 26.9	248,129.5	419,436.2	69.0
. Special mention loans	58,381.0	56,243.1	- 3.7	20,296.6	16,175.3	- 20.3	78,677.6	72,418.4	- 8.0
. Substandard loans	6,889.5	8,419.8	22.2	5,243.4	4,604.1	- 12.2	12,132.9	13,023.9	7.3
. Doubtful loans	9,358.5	12,776.5	36.5	3,477.7	2,792.7	- 19.7	12,836.2	15,569.1	21.3
. Loss loans	58,789.8	43,129.5	- 26.6	2,124.5	2,890.5	36.1	60,914.2	46,020.0	- 24.5
. Non-performing loans	75,037.7	64,325.7	- 14.3	10,845.5	10,287.3	- 5.1	85,883.3	74,613.0	- 13.1
. Overdue loans	133,418.7	120,568.8	- 9.6	31,142.2	26,462.6	- 15.0	164,560.9	147,031.4	- 10.7
. Provisions on loans	63,831.4	46,471.9	- 27.2	4,142.7	4,277.3	3.2	67,974.1	50,749.3	- 25.3
. Loans/Assets (in %)	31.1	32.4	-	76.4	76.2	-	34.0	35.0	-
. Government Loans/Assets ratio	41.3	42.0	-	3.5	8.6	-	41.3	42.0	-
. Government Loans/Tier 1 capital	402.5	392.5	-	20.0	48.1	-	316.5	359.4	-
. Non-performing loans ratio	9.0	6.1	-	7.8	6.6	-	8.9	6.2	-
. Overdue loans ratio	16.1	11.5	-	22.3	17.0	-	17.0	12.2	-
. Coverage ratio (in %)	85.1	72.2	-	38.2	41.6	-	79.1	68.0	-
. Large exposures to Loans ratio (in %)	29.3	39.6	-	3.7	2.4	-	25.6	34.8	-
Liquidity									
Liquidity Coverage Ratio in BIF	227.8	226.7	-	-	-	-	227.8	226.7	-
Liquidity Coverage Ratio in foreign currency	116.1	150.6	-	-	-	-	116.1	150.6	-
. Loans/Customer deposits	53.1	57.8	-	160.5	137.6	-	58.8	62.5	-
. Stable funds /Fixed Assets (threshold 60%)	101.0	102.4	-	234.3	263.7	-	125.5	118.6	-
. Ten large deposits/Customer deposits	47.1	47.6	-	12.8	15.5	-	45.3	45.7	-
Profitability and performance									
. Income before tax	51,194.4	54,529.2	6.5	2,963.4	239.1	- 91.9	54,157.8	54,768.3	1.1
. Net income after tax	48,661.9	52,005.6	6.9	2,485.2	1,259.6	- 49.3	51,147.1	53,265.1	4.1
. Gross Income	90,675.4	107,617.6	18.7	6,991.3	4,226.3	- 39.5	97,666.7	111,843.9	14.5
ROA	1.82	1.60	-	1.36	0.61	-	1.79	1.55	-
ROE	16.66	14.12	-	6.21	2.81	-	15.40	12.89	-

Source: BRB

APPENDIX 3: SELECTED ANNUAL INDICATORS

GROSS DOMESTIC PRODUCT AND PRICE	2015	2016	2017	2018	2019
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
FOREIGN SECTOR					
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
MONEY AND CREDIT					
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
FINANCE AND PUBLIC DEBT					
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
GDP at market prices (BIF billion)	4 417,9	4 848,2	5 702,1	5 816,7	6 254,8

Source: BRB.