

I. INTRODUCTION

The following main economic indicators are related to the developments at the end of September 2018, 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 the industrial production, tea and coffee production. The inflation declined in September 2018 compared to the same period in 2017.

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

The monetary sector was characterized by an increase of the reserve money and the money supply. The balance sheet of the banking sector rose at the end of September 2018 compared to the same period in 2017; 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, coffee production for 2018/2019 campaign and the green tea harvest increased at the end of September 2018.

II.1 Industrial Production Index

Year-on-year basis, the industrial production index rose by 3.1% in September 2018 to 166.8 from 161.8, mainly due to the increase of BRARUDI's beverages production (+ 10.5%) and sugar (+ 2.9%).

On the other hand, compared to the previous month, it fell by 11.9%, to 166.8 against 189.5, mainly due to the decrease of BRARUDI's beverages production (-14, 2%), sugar (-11.6%) and cigarettes (-5.1%).

II.2. Coffee

The production of the 2018/2019 coffee season rose by 11,487 T at the end of September 2018 compared to the same period of the previous season, from 14,309 to 25,796 T.

II.3. Tea

The green tea leaves harvest increased by 1,396.5 T in September 2018, standing at 2,584.7 against 1,188.2 T recorded in the same period of the previous year.

Likewise, cumulative production increased by 15.8% year-on-year basis, from 34,047.7 to 39,432.4 T.

III. INFLATION DEVELOPMENTS

At the end of September 2018, inflation fell by 5.6% while it increased by 15.3% in the same period of the previous year. This drop concerned food inflation (-15.8 against 23.9%) and a slight decrease of non-food inflation (+6.8 against 7.1%).

The drop of food inflation is mainly due to the fall in the price index of sub-headings: "Breads and cereals" (-22.7%), "Vegetables" (-23.5%), "Fish and Seafood" (-4.2%) and "Sugar, jam, honey, chocolate and confectionery" (-2.3%).

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

	Sep-17		Sep-18	
	CPI	Inflation	CPI	inflation
Headline Inflation	115,6	15,3	109,1	-5,6
1. Food	121,9	23,9	102,6	-15,8
-Bread and cereals	126,9	27,8	98,1	-22,7
- Meat	111,5	12,0	116,8	4,8
- Fish	126,2	25,6	120,9	-4,2
- Milk, cheese and eggs	112,7	5,9	112,0	-0,6
-Oils and fats	103,8	4,1	127,8	23,1
- Fruits	118,9	6,7	124,0	4,3
- Vegetables	124,6	28,7	95,3	-23,5
-Sugar, jam, honey, chocolate and confectionery	110,7	25,5	108,1	-2,3
-undefined food elsewhere	107,8	4,3	113,9	5,7
2. Non food	108,8	7,1	116,2	6,8
- Alcoholic beverages ,tobacco	111,3	9,5	117,3	5,4
- clothing and footwear	110,7	5,5	118,3	6,9
- Housing,water,electricity,gas and other fuels	107,0	7,4	118,9	11,1
- Furnishing, household equipment and routine maintenance	110,4	7,4	116,7	5,7
- Health	103,2	2,3	114,2	10,7
- Transport	108,9	7,8	119,1	9,4
- Communication	100,5	0,5	101,7	1,2
- leisure and culture	110,5	6,4	115,1	4,2
- Education	137,0	44,5	136,6	-0,3
- Hotels, Restorant and café	109,0	8,0	113,7	4,3
- Other goods and services	107,2	4,4	118,6	10,6
Energy and fuels	112,6	8,5	133,7	18,7
3. Core Inflation	111,5	11,3	112,3	0,7

Source: BRB based on data of ISTEEBU

The decrease of non-food inflation is mainly due to the slowdown in the prices of sub-headings "Alcoholic beverages and tobacco (+5.4 against + 9.5%)," Furniture, household goods and household maintenance" (+5.7 against +7.4%), "Leisure and culture" (+4.2 against 6.4%) and "Restaurants & hotels" (4.3 against 8.0%) and the drop price index for education (-0.3 against + 44.5%).

On a year-over-year basis, inflation including energy, fuel and other fuel prices increased from 8.5 to 18.7%. Compared to the previous month, it still stable (0.0%).

Year-on-year, headline inflation excluding food and energy, which is the proxy of core inflation declined (+0.7 against + 11.3%) while it still stable month- on-month basis (0.0%).

IV. GOVERNMENT FINANCIAL OPERATIONS

Government Financial Operations recorded a high overall deficit (excluding grants) in September 2018 compared to the same month in 2017, from 13,155.9 to BIF 22,081.1 million, linked to large increase of expenditure than revenue.

IV.1. Revenue

Government revenue in September 2018 increased by 6.4% compared to the same period in 2017, amounting to 73,977.3 against BIF 69,515.0 million. This increase concerned both tax revenue (+BIF 4,211.2 million) and non-tax revenue (+BIF 251.1 million).

On a year-over-year basis, cumulative government revenue rose by 12.1 percent, from 558,608.8 million to BIF 626,157.9 million, due to the increase of tax revenue (+BIF 59,730.8 million) and non-tax revenue (+BIF 7,818, 3 million).

IV.2. Expenditure

Expenditures incurred in September 2018 increased by 16.2% compared to the same month in 2017, from 82,670.9 to BIF 96,058.4 million.

Cumulative expenditure increased by 21% at the end of September 2018, amounting to BIF 960,390.8 million at the end of September 2018 against BIF 793,899.1 million recorded in the same period in 2017.

The cumulative salaries and wages rose by 5.0%, amounted to BIF 304,148.1 million at the end of September 2018 against BIF 289,553.1 million in the same period in 2017.

IV.3. Public debt

The outstanding public debt rose by 16.3% at the end of September 2018, from 2.261,1 to BIF 2.629.3 billion at the same period of the previous year, mainly due to the increase of domestic debt (+ 23.7%), and to a lesser extent of external debt (+ 1.7%).

Compared to the previous month, the public debt went up by 1.1%, linked to the increase of domestic debt (+ 1.4%) and external debt (+ 0.3%).

-Domestic Debt

Year-on-year basis, domestic debt increased by BIF 352,324.3 million at the end of September 2018, from 1,488.7 to BIF 1,841.0 billion, linked to the increase of Government debt towards banking sector (+BIF 318.069.5 million).

Compared to the previous month, domestic debt went up by BIF 25,780.4 million, from 1,815.2 to BIF 1,841.0 billion, due to the increase of the Government's debt towards banking sector (+BIF 26,688.2 million).

-External Debt

Year-on-year basis, the external debt increased by BIF 13,386.5 million at the end of September 2018, from 774,953.3 to BIF 788,339.8 million. This increase is mainly due to the drawings (BIF 21,589.3 million) and revaluation gains (BIF 10,761.1 million) which offset the repayment of principal (BIF 18,963.6 million).

Compared to the previous month, the external debt slightly increased by 0.3%, from 786,371.1 to BIF 788,339.8 million, linked to the new drawings (BIF 853.4 million) and the revaluation gains (BIF 3,942.8 million) higher than the repayment of principal (BIF 2,827.4 million).

Expressed in USD, the stock of external debt fell by USD 2.3 million year-on-year basis, amounting to USD 441.2 million against USD 443.5 million recorded in the same period of the previous year.

V. EXTERNAL TRADE

The cumulative trade (exports and imports of goods) increased by 10.1% at the end of September 2018 compared to the same period in 2017. This increase is driven by imports (BIF 1,041,407.9 from BIF 965,116.7 million) and exports

(BIF 212,414.9 from BIF 173,999.6 million).

However, the trade balance worsened compared to the same period of the previous year, amounted to BIF 828,993.0 million in September 2018 against BIF 791,117.1 million.

V.1 Exports

Exports of goods and services increased by 22.2 % in value and decreased by 9.6% in volume at the end of September 2018.

The increase of exports in value was driven by primary products, amounted to BIF 168,526.4 from BIF 124,742.1 million, driven by non-monetary gold (+BIF 26,833.4 million), niobium ores (+ BIF 9,362.4 million) and commercial coffee (+BIF 8,589.0 million).

However, exports of manufactured goods declined by BIF 43,888.5 million at the end of September 2018 from BIF 49,257.5 million, mainly driven by a decrease of exports of beer (-BIF 6,809.5 million), dark glass bottles (-5,374.2 BIF million) and cigarettes (-BIF 4,656.7 million).

Exports decreased in volume by 9.6%, mainly driven by primary products, amounted to 24,318 against 29,436

tonnes, and manufactured goods (37,032 from 38,419 tonnes).

V.2 Imports

Year-on-year basis, cumulative imports increased both in value (+7.9%) and in volume (+27.7%) at the end of September 2018.

The increase in value concerned intermediate goods imports, which grew up to BIF 466,912.3 million from BIF 368,376.7 million in September 2017 and capital goods, standing at BIF 211,281.4 million from BIF 181,301.5 million. However, consumer goods imports declined in the same period, from BIF 415,438.5 million to BIF 363,214.2 million.

The higher increase of intermediate goods was mainly driven by mineral oils (+BIF 74,477.1 million), good for metallurgy (+BIF 20,560.5 million) and goods for agriculture and livestock (+BIF 11,756.8 million). Concerning capital goods, the increase is mainly linked to electrical equipment (+BIF 27,124.8 million) and boilers and mechanical equipment (+BIF 26,759.6 million). However, imports of tractors, vehicles and transport equipment declined by BIF 27,700.3 million.

The declining of consumer goods mainly concerned textile (-BIF 25,877.1 million) and pharmaceuticals products (-BIF 16,387.9 million) and “other durable consumer goods” (-BIF 19,630.9 million).

The rise in volume concerned all categories of goods; intermediate goods (500,196.2 from 369,024.7 tonnes), capital goods (27,744.2 from 22,138.2 tonnes) and consumer goods (177,126.0 from 161,020.7 tonnes).

VI. EXCHANGE RATE

In September 2018, the exchange rate of BIF against the USD depreciated by 2.26%, standing at BIF 1,787.0 from BIF 1,747.44 recorded in the same period of the previous year. At the end of the period, BIF depreciated by 2.2% against the US dollar; standing at BIF 1,789.59 compared to BIF 1,750.79 recorded at the end of September 2017.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

Year-on-year basis, reserve money and broad money rose at the end of September 2018, due to the increase of net domestic assets.

VII.1. Reserve Money

The reserve money rose by 5.4% amounted to BIF 557,715.3 million at the end of September 2018, from BIF 523,365.8 million in the same period in 2017. This increase was mainly driven by the rise of deposits of commercial banks (+BIF 16,477.8 million), NGOs (+BIF 5,586.1 million) as well as currency outside the Central Bank (+BIF 22,837.3 million). On the other hand, deposits of microfinances and those of public non-financial corporations decreased by BIF 6,065.2 million and by BIF 12,264.0 million respectively.

VII.2. Broad money

The extended broad money (M3) rose by 18.5% at the end of September 2018, from BIF 1,428.1 billion to 1,697.9 billion. This increase concerned money supply M2 (+18.3%) and deposits of residents denominated in foreign currencies (+24.3%).

The increase of money supply (M2) was driven by demand deposits (+18.5%), time and savings deposits (+26.9%) and currency outside banks (+6.7%).

The rise of demand deposits denominated in BIF was mainly due to the increase occurred in deposits of other non-financial

corporations (+BIF 117,406.9 million), households (+BIF 32,558.5 million) and other financial corporations (+ BIF 1,194.4 million). On the other hand, deposits of public non-financial corporations and those classified in other deposits slowdown by BIF 10,651.7 million and BIF 8,806.0 million respectively.

The rise of time and savings deposits is linked to the increase of deposits of other non-financial corporations (+BIF 45,320.5 million), households (+BIF 23,704.5 million), public non-financial corporations (+BIF 3,905.7 million) and those classified in “other deposits” (+BIF 16,948.4 million).

The rise of residents’ deposits in foreign currencies was driven by those of households (+BIF 32,505.0 million), other non-financial corporations (+BIF 3,107.1 million) and those classified in other deposits (+BIF 5,304.3 million), whilst deposits of public non-financial corporations decreased by BIF 6,291.0 million.

VII.3. Counterparts

Year-on-year basis, domestic credit grew by 14.2% at the end of September 2018, from BIF 1,958.2 billion to BIF 2,235.4 billion, as a result of the increase of net

claims on government (+19.1%) and claims on the economy (+8.6%).

The increase of net claims on government was mainly driven by the rising in Treasury bills and bonds held by commercial banks (+ BIF 318,069.5 million or +57.8%).

In September 2018, net foreign assets and official reserves declined by 23.0% and 40.6% respectively. These reserves covered 0.8 month of imports at the end of September 2018 compared with 1.6 month recorded in the same period in 2017.

VIII. MAIN INDICATORS OF THE BANKING SECTOR

The total banking sector's balance sheet increased at the end of September 2018. Deposits and loans to the economy increased. Over the same period, the banking sector remained well capitalized and profitable.

VIII.1 Assets

On year-on-year basis, the banking sector's total assets increased by 23.5%, from BIF 2,048.89 to 2,530.2 billion, mainly due to the increase of Treasury securities (BIF 873,396.7 against BIF 548,701.4 million) and the outstanding

loans to the economy (BIF 941,553.3 against BIF 836,870.9 million).

The share of Treasury securities in the total assets rose compared to the same period of the previous year, from 26.8 à 34.5%. However, the share of loans to the private sector stood at 37.2 against 40.8% at the end of September in 2017.

VIII.2 Liabilities

Year-on-year basis, the banking sector deposits increased by 21.0% at the end of September 2018, from BIF 1,160.7 to BIF 1,404.4 billion. Despite this increase, the commercial banks' refinancing amounted to BIF 283,220 against BIF 100,032 million, on weekly average, at the end of September 2017.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

At the end of September 2018, the banking sector remained adequately capitalized, and complied with all prudential standards. The main indicators of profitability improved whereas the loans portfolio quality deteriorated.

IX.1 Capital Adequacy

At the end of September 2018, the banking sector remained sufficiently capitalized and has capital buffers to cover risks. The core and total capital adequacy ratios remained above the

regulatory thresholds of 12.5 and 14.5%, respectively. Year-on-year basis, the core and total capital adequacy ratios slightly increased, from 19.0 to 21.4% and from 21.8 to 24.1%.

Over the same period, the leverage ratio was 11.6% against 12.2% at the end of September 2017 with a regulatory threshold of 7%.

IX.2 Quality of loans portfolio

At the end of September 2018, the loans portfolio quality slightly improved; the default rate was 17.3 against 19.6 % in the same period in 2017. Likewise, the overdue loans decreased by 0.5%, amounted to BIF 163,211.7 million at the end of September 2018 against BIF 163,980.8 million recorded in the same period of the previous year.

The analysis by class shows that substandard and doubtful loans decreased by 104.8% and 61.4% respectively standing at BIF 11,466.7 and 18,934.19 against BIF 23,485.3 and BIF 30,564.8 million.

The rate of impairment loans in « tourism and hostel » sectors was 45.7%. The sectors of « Agriculture » and « Trade » have default rates of 4.1 and 12.2% respectively. Similarly, loans to

« Construction » and « Industry » sectors deteriorated by 10.7 and 30.5% respectively.

According to the high impairment of loans, the banking sector was more cautious and made provisions to cover risks. The coverage ratio was 86.3% against 73.6% recorded in the same period of the previous year.

The concentration risk towards the large exposure was minimized. Loans to large exposures stood at 16.8% of total loans in September 2018 against 23.7% in the corresponding period of 2017. However, the banking sector faced a concentration risk towards “trade” sector with 27.4% of total loans.

IX.3 Profitability

Compared to the same period of the previous year, the banking sector’s profitability increased by 22.6% at the end of September 2018, from BIF 128,238.2 to BIF 157,218.5 million. The net banking product rose by 48.9%, from BIF 35,645.2 to BIF 53,087.7 million.

The return-on-assets (ROA) and the return-on-equity (ROE) stood at 2.1% and 16.9% respectively at the end of September 2018 against 1.7% and 13.0 % in the corresponding period in 2017.

IX.4 Liquidity

At the end of September 2018, the liquidity ratios both in local and in foreign currency remained above the regulatory threshold of 20% (Liquid Assets/Total deposits) respectively with 35.7 and 97.1% on average against 52.0 and 119.1% at the end of September in 2017.

However, the banking sector undergoes relatively high concentration risks on deposits, the share of ten deposits was 44.0% of total deposits in September 2018 against 27.4% in the same period of the previous year.

APPENDIX 1: SELECTED MONTHLY INDICATORS

	2 017			2 018		
	July	August	September	July	August	September
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average,	194,6	177,3	161,8	181,8	189,5	166,8
2. Production of Arabica parchment Coffee (cur	10 080,0	13 561,0	14 309,0	11 129,0	18 854,0	25 796,0
3. Production of Tea (cumulation in T of tea leave:	31 130,0	32 859,5	34 047,7	34 775,6	36 847,7	39 432,4
4. Consumer price index (1991 = 100)	113,1	114,0	115,6	112,2	111,1	109,1
5. Inflation rate	13,6	13,9	15,3	-0,8	-2,3	-5,6
II. Public Finances						
1. Total Budget revenue (in BIF million)	416 847,0	489 093,8	558 608,8	476 558,5	552 180,6	626 158,0
1.1. Tax revenue	384 255,0	451 835,4	517 671,4	438 366,0	507 355,1	577 402,2
1.2. Non-tax revenue	32 592,1	37 258,3	40 937,4	38 192,4	44 825,6	48 755,8
1.3. Exceptionnal receipts	0,0	0,0	0,0	0,0	0,0	0,0
2. Expenditure	597 884,8	711 228,2	793 899,1	764 911,3	864 332,3	960 390,8
2.1. Compensation of employees (in BIF million)	225 345,5	257 961,9	289 553,1	235 725,4	269 905,5	304 148,1
3. Public debt (in BIFmillion)	2 210 006,9	2 251 373,7	2 261 051,1	2 585 642,6	2 601 579,1	2 629 328,2
3.1. Domestic debt outstanding	1 449 886,8	1 484 285,3	1 488 664,1	1 794 338,5	1 815 208,1	1 840 988,4
Including: Treasury bills and bonds	676 920,9	709 627,0	731 279,5	992 658,3	1 030 022,1	1 053 468,6
BRB ordinary advance	126 976,7	129 280,9	112 382,3	162 239,0	148 049,1	151 767,0
3.2. External debt outstanding	760 152,9	770 343,8	774 953,0	791 304,1	786 371,1	788 339,8
3.3.External debt outstanding (in BIF million)	438,8	442,7	443,5	444,5	441,0	441,2
3.3. External debt service (in BIF million)	2 220,2	559,2	1 612,8	0,0	1 540,9	4 119,5
including amortization	1 367,9	209,4	1 328,9	0,0	1 086,8	2 827,4
3.4. Drawings on external loans	0,0	2 300,9	415,9	1 883,8	448,5	853,4
III. MONEY						
1. Reserve Money (in BIF million)	467 852,7	507 305,0	523 365,8	577 438,7	597 353,6	551 715,3
2. Broad money M3 (in BIF million)	1 420 411,4	1 436 509,0	1 428 077,8	1 666 100,3	1 709 454,5	1 697 921,2(p)
2. 1. Broad money M2 (in BIF million)	1 272 117,3	1 290 730,9	1 285 849,1	1 490 439,0	1 530 731,5	1 521 067(p)
3. Domestic credit (in BIF million)	1 888 341,8	1 937 702,9	1 958 234,0	2 200 381,7	2 224 636,6	2 235 354(p)
4. Net foreign to government (in BIF million)	995 615,0	1 030 724,8	1 036 676,9	1 207 249,4	1 226 955,2	1 234 703,8(p)
5. Net foreign assets (in BIF million)	-155 023,1	-177 899,0	-176 379,5	-199 654,9	-208 563,5	-216 993,1
6. Tenders operations						
6.1. Normal liquidity providing	108 410,0	107 910,0	116 400,0	290 770,0	310 580,0	282 430,0
6.2. Injecting liquidity	0,0	0,0	0,0			
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	4,1	4,3	4,6	2,2	2,2	2,4
7.2. Treasury bill to 26 weeks	5,7	5,5	5,1	3,3	2,9	2,6
7.3. Treasury bill to 52 weeks	6,4	6,2	6,2	5,2	5,1	4,8
7.4. Recovery of liquidity	0,0	0,0	0,0	0,0	0,0	0,0
7.5. Injecting liquidity	3,3	2,7	2,7	3,2	2,6	2,7
7.6. Marginal lending facility	7,0	7,5	7,9	5,1	5,3	5,6
7.7. Interbank market	4,8	4,3	4,2	0,0	3,0	0,0
7.8. Deposit interest rates	6,0	5,9	5,9	5,5	5,4	5,5
7.9. Lending interest rates	16,3	16,2	16,1	15,6	15,7	15,6
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	123 105,4	146 244,9	173 999,6	177 057,5	193 313,6	212 414,9
including Arabica coffee	12 054,9	17 762,0	28 609,3	25 962,4	30 569,4	37 198,3
1.1. Volume of exports (in T)	51 453,0	59 388,3	67 855,3	48 340,8	53 506,0	61 349,7
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	147,7	142,3	146,3	133,9	123,7	128,7
- BIF/Kg	5 646,3	5 954,6	5 279,4	5 209,3	4 818,1	5 014,8
1.3. Coffee sold d(in BIF million)	10 685,7	11 475,0	16 482,3	30 733,7	34 433,0	37 809,8
2. Import CIF (in BIF million)	692 019,1	820 677,6	965 116,8	790 202,1	912 147,1	1 041 407,9
including petroleum products	97 096,2	117 990,4	137 272,3	159 527,5	180 161,6	211 749,5
2.1. Volum of imports (in T)	391 798,6	477 080,4	552 183,6	518 054,3	614 298,0	705 066,4
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	94,0	92,1	91,0	93,5	94,1	nd
3.1.2. Real	103,9	102,2	103,1	98,8	98,2	nd
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of perioi	1 736,1	1 743,7	1 750,8	1 781,5	1 784,7	1 789,6
3.2.2. Exchange rate BIF/USD (monthly aver	1 732,4	1 740,1	1 747,4	1 780,4	1 783,0	1 787,0
(p) : Provisional						
n.a. : not available						
- : Nonexistent data..						

Source: BRB

APPENDIX 2: MAIN INDICATORS OF THE BANKING SECTOR IN SEPTEMBER 2018 (in BIF Million)

	Commercial Banks			Financial Institution			Total Banking Sector		
	9/30/2017	9/30/2018	Variation in %	9/30/2017	9/30/2018	Variation in %	9/30/2017	9/30/2018	Variation in %
I. ASSETS	1,897,623.8	2,359,280.2	24.3	151,265.2	170,937.9	13.0	2,048,889.0	2,530,218.1	23.5
MAIN ASSETS	1,564,819.9	1,994,192.0	27.4	111,817.8	135,029.9	20.8	1,676,637.7	2,129,221.9	27.0
A. Liquid Assets	836,310.6	1,177,207.7	40.8	3,456.2	10,460.9	202.7	839,766.8	1,187,668.6	41.4
. Cash	58,378.0	66,763.4	14.4	6.7	18.3	173.1	58,384.7	66,781.7	14.4
. B.R.B.	150,075.6	176,458.8	17.6	683.8	2,504.3	266.2	150,759.4	178,963.1	18.7
. Holding and loans with banks and Fis	79,155.6	65,088.8	-17.8	2,765.7	3,438.3	24.3	81,921.3	68,527.1	-16.4
. Treasury Bills and Bonds	548,701.4	868,896.7	58.4	-	4,500.0	0.0	548,701.4	873,396.7	59.2
B. Loans	728,509.3	816,984.3	12.1	108,361.6	124,569.0	15.0	836,870.9	941,553.3	12.5
. Short term	462,355.8	502,864.3	8.8	1,780.1	1,862.4	4.6	464,135.9	504,726.7	8.7
. Medium term	182,995.0	217,804.6	19.0	53,810.6	53,069.4	-1.4	236,805.6	270,874.0	14.4
. Long term	83,158.5	96,315.4	15.8	52,770.9	69,637.2	32.0	135,929.4	165,952.6	22.1
. Leasing	-	-	-	-	-	-	-	-	-
. Other loans	-	-	-	-	-	-	-	-	-
Fixed Assets	122,688.3	124,563.9	1.5	7,652.9	7,623.9	(0.4)	130,341.2	132,187.8	1.4
C. Others	332,803.9	240,524.3	(27.7)	39,447.4	28,284.1	(28.3)	372,251.3	268,808.4	-27.8
II. Liabilities	1,897,623.8	2,359,280.2	24.3	151,265.2	170,937.9	13.0	2,048,889.0	2,530,218.1	23.5
Main resources	1,361,912.6	1,773,529.6	30.2	69,079.4	78,517.3	13.7	1,430,992.0	1,852,046.9	29.4
. Customers	1,098,141.2	1,333,123.7	21.4	62,593.1	71,319.9	13.9	1,160,734.3	1,404,443.6	21.0
<i>amongst: ten large deposits</i>	380,512.5	610,200.4	60.4	6,598.1	8,024.3	21.6	387,110.6	618,224.7	59.7
. BRB Refinancing	116,470.7	282,564.1	142.6	-	-	-	116,470.7	282,564.1	142.6
. Others	-	-	-	-	-	-	-	-	-
. Debts towards banks and Fis	147,300.7	157,841.8	7.2	6,486.3	7,197.4	11.0	153,787.0	165,039.2	7.3
<i>amongst: Residents</i>	78,606.7	79,228.6	0.8	6,486.3	3,770.0	-41.9	85,093.0	82,998.6	-2.5
Capital and reserves	205,754.5	220,562.9	7.2	31,879.3	31,879.3	-	237,633.8	252,442.2	6.2
Others	535,711.2	365,187.7	-31.8	39,447.4	60,541.3	53.5	575,158.6	425,729.0	-26.0
III. INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Core capital (in MBIF)	212,022.0	251,390.0	18.6	26,935.4	28,605.3	6.2	238,957.4	279,995.3	17.2
. Total capital (in MBIF)	236,065.5	274,314.8	16.2	37,752.9	39,967.1	5.9	273,818.4	314,281.9	14.8
. Risks weighted	1,120,032.9	1,151,941.4	2.8	136,646.4	154,645.7	13.2	1,256,679.3	1,306,587.1	4.0
. Core capital adequacy Ratio (threshold 12,5%)	18.9	21.8		19.7	18.5		19.0	21.4	
. Total capital adequacy Ratio (threshold 14,5%)	21.1	23.8		27.6	25.8		21.1	25.8	
. Leverage Ratio (threshold 7%)	12.4	11.6		19.3	17.9		12.2	11.6	
Loans quality and concentration									
. Large exposures	187,999.4	146,732.1	- 22.0	10,436.1	11,754.8	12.6	198,435.5	158,486.9	- 20.1
. Watch loans	29,835.4	28,829.8	- 3.4	15,282.3	16,492.3	7.9	45,117.7	45,322.1	0.5
. Non-performing loans	102,754.7	103,305.9	0.5	16,108.4	14,583.7	- 9.5	118,863.1	117,889.6	- 0.8
. Overdue loans	132,590.1	132,135.7	- 0.3	31,390.7	31,076.0	- 1.0	163,980.8	163,211.7	- 0.5
. Depreciations	79,641.8	91,941.2	15.4	7,862.7	9,788.9	24.5	87,504.5	101,730.1	16.3
. Total gross loans/Total gross assets (in %)	38.4	34.6		71.6	72.9		40.8	37.2	
. Loans to the Government/Total gross assets (*)	28.9	36.8	-	-	2.6		28.9	36.8	
. Loans to the Government/Core capital (*)	258.8	345.6	-	-	15.7		258.8	345.6	
. Non-performing loans rate	14.1	12.6		14.9	11.7		14.2	12.5	
. Overdue loans rate	18.2	16.2		29.0	24.9		19.6	17.3	
. Provisioning rate (in %)	77.5	89.0		48.8	67.1		73.6	86.3	
. Large exposure/Total gross loans (in %)	25.8	18.0		9.6	9.4		23.7	16.8	
Liquidity									
. Liquidity coefficient in BIF	52.0	35.7		-	-		52.0	35.7	
. Liquidity Coefficient in foreign currency	119.1	97.1		-	-		119.1	97.1	
. Total loans/total deposits	66.3	61.3		173.1	174.7		72.1	67.0	
. Rapport entre ressources Stables et Emplois Immobilisés	111.5	136.6		235.2	262.2		131.3	158.5	
. Dix gros dépôts/Total dépôts	34.7	45.8		10.5	11.3		33.4	44.0	
Profitability and performance									
. Before tax profit	37,381.1	53,304.8	42.6	2,127.4	4,561.2	114.4	39,508.5	57,866.0	46.5
. Net profit	33,593.2	49,296.5	46.7	1,830.8	3,791.2	107.1	35,424.0	53,087.7	49.9
. Net Banking Product	118,748.0	146,856.6	23.7	8,405.8	10,361.9	23.3	127,153.8	157,218.5	23.6

Source: BRB

APPENDIX 3: SELECTED ANNUAL INDICATORS

	2013	2014	2015	2016	2017
GROSS DOMESTIC PRODUCT AND PRICE					
Real Growth of GDP (in %)	4,9	4,2	-0,4	2,8	2,8
Inflation rate (annual)	7,9	4,4	5,5	5,6	16,1
FOREIGN SECTOR					
Exports, f.o.b. (USD million)	94,0	131,8	120,8	109,4	147,5
Imports, CIF (USD million)	811,0	768,7	721,4	619,6	743,8
Volume of exports (in tons)	57 207,0	79 580,0	85 498,9	84 613,0	93 124
Volume of imports (in tons)	809 077,0	798 246,0	632 337,0	708 203,0	822 520
Current account balance (USD million)	-250,2	-393,2	-373,3	-356,8	351,7
Exchange rate BIF/USD (period average)	1 555,1	1 546,7	1 571,9	1 654,6	1 765,1
Exchange rate BIF/USD (end of period)	1 542,0	1 553,1	1 617,1	1 688,6	1 766,7
International reserves (USD million, end of période)	321,2	317,3	136,4	95,4	112,9
International reserves (Month of imports)	4,2	4,2	2,3	1,5	1,7
MONEY AND CREDIT					
Net foreign assets (BIF million)	229 756,1	180 476,7	-75 870,1	-176 523,1	-149 085,4
Domestic credit (BIF million)	1 050 252,1	1 236 271,6	1 516 320,8	1 773 610,2	2 007 213,7
Net credits to the Government	273 347,7	383 432,0	687 166,2	906 486,1	1 115 726,9
Credits to the economy	776 904,4	852 839,6	829 154,6	867 124,1	891 486,8
Broad money (M3)	983 168,8	1 102 468,5	1 101 095,8	1 180 019,4	1 482 130,5
Money and quasi money (M2)	847 072,6	937 841,8	965 844,0	1 086 049,4	1 321 620,8
Velocity of the money (GDP/M2, end of period)	4,9	5,1	4,8	4,6	3,6
Reserve money (growth rate)	23,6	15,8	-8,6	29,2	39,0
Liquidity providing rate (in %)	-	-	3,4	3,1	2,8
Marginal lending rate (in %)	12,5	8,0	9,8	8,6	7,1
Commercial banks average deposit rates (end of period)	9,0	8,8	8,7	7,7	6,0
Commercial banks average lending rates (end of period)	16,2	16,7	16,9	16,5	16,2
FINANCE AND PUBLIC DEBT					
Revenues and grants (as % of GDP)	22,1	21,0	16,6	15,9	16,5
Expenses (as % of GDP)	25,0	25,3	24,7	22,0	21,1
primary balance (as % of GDP , accrual basis)	-2,4	-0,5	-6,0	-2,3	-1,5
Overall fiscal balance (as % of GDP , accrual basis)					
- excluded grants	-10,1	-9,5	-11,2	-8,5	-7,1
- included grants	-2,9	-4,4	-8,0	-6,0	-4,6
Domestic debt (BIF million)	597 961,8	727 264,4	1 069 551,8	1 376 307,8	1 649 286,6
External debt (in USD million , at the end of period)	413,0	429,6	420,5	429,6	440,0
External debt service ratio (as % of exports)	3,5	4,1	5,8	6,6	9,1

Source: BRB