



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic indicators
August 2020

I. INTRODUCTION

The following main economic indicators concerned the developments at the end of August 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 coffee production while tea production decreased.

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

The trade balance worsened whilst the fiscal deficit (excluded grants) improved. 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 August 2020. The deposits and credit to private sector also increased. In terms of financial soundness, the banking sector remained sufficiently capitalized, solvent and profitable.

II. PRODUCTION

Year –on- year basis, the industrial production and tea production increased in June 2020.

II.1 Industrial Production Index

Year –on- year basis, the industrial production index increased by 9.9 percent in August

2020, standing at 213.8 against 194.5, mainly driven by the rise of sugar production (+9.6 percent) and cigarettes (+70.3 percent).

This index were higher in August (+2.2 percent) than the previous month, mainly linked to the increase of BRARUDI beverages (+1.8 percent), sugar (+3.5 percent) and cigarettes (+3.4 percent).

II.2. Coffee

The production of parchment coffee for the 2020/2021 campaign increased by 82.0 percent at the end of august 2020 compared to the same period of the previous campaign, amounting to 13,691 against 7,483.4 tonnes. This increase was due to the cyclicity of coffee.

II.3. Tea

On annual basis, the production of green leaf tea decreased by 31.0 percent in august 2020 compared to the same period of the previous year, standing to 1,836.8 against 2,679.0 tonnes, due to the poor rainfall that prevailed during that period. Cumulative production slightly declined by 1.6 percent at the end of august 2020, amounting to 38,008.4 against 38,611.2 tonnes recorded in the same period of the previous year.

III. INFLATION DEVELOPMENTS

Year –on- year basis, headline inflation stood at 6.7 percent in August 2020 while there was

a deflation of 0.6 percent in the same period of the previous year. This increase of headline inflation mainly concerned the prices of food products (+11.0 against -2.9 percent) and, to a lesser extent, on the prices of non-food products (+2.6 against +1, 6 percent).

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

	Aug-21		Aug-21	
	CPI	Inflation	CPI	inflation
Headline Inflation	110.1	-0.6	117.5	6.7
1. Food	103.4	-2.9	114.8	11.0
-Bread and cereals	101.6	2.7	112.3	10.5
- Meat	123.1	5.6	145.4	18.1
- Fish	148.0	4.9	137.5	-7.1
- Milk, cheese and eggs	113.1	1.3	122.0	7.9
-Oils and fats	129.5	4.2	118.9	-8.2
- Fruits	118.3	-0.8	119.3	0.8
- Vegetables	91.1	-8.2	108.5	19.1
-Sugar, jam, honey, chocolate and confectionery	108.8	1.1	112.5	3.4
-undefined food elsewhere	116.2	6.0	129.2	11.2
2. Non food	117.4	1.6	120.5	2.6
- Alcoholic beverages ,tobacco	116.9	-0.7	117.9	0.9
- clothing and footwear	121.3	4.0	126.3	4.1
- Housing,water,electricity,gas and other fuels	120.4	0.8	129.8	7.8
- Furnishing, household equipment and routine maintenance	120.8	4.3	122.8	1.7
- Health	116.6	3.2	118.5	1.6
- Transport	118.8	2.0	116.9	-1.6
- Communication	101.8	0.4	101.6	-0.2
- leisure and culture	123.3	8.3	132.3	7.3
- Education	139.1	2.1	141.7	1.9
- Hotels, Restaurant and café	111.7	-2.5	113.2	1.3
- Other goods and services	118.7	2.1	122.9	3.5
Energy and fuels	133.7	0.1	146.9	9.9
3. Core Inflation	114.2	1.6	118.1	3.4

Source: BRB, from ISTEERU data

The increase of food inflation is mainly explained by the rise prices of the sub-headings “Bread and cereals” (+10.5 against -2.7 percent), “Meat” (+18.1 against +5.6 percent) “Vegetables” (+19.0 against -11.8 percent) and “Sugar, jam, honey, chocolate and confectionery” (+3.4 against -0.3 percent) as well as other food products (+ 11.2 against 6.0 percent).

The moderate rise of non-food inflation is mainly driven by a slight increase of prices of

most of the sub-items combined with the declined prices of "Transport" (-1.6 against + 2.0 percent) and " Communications" (-0.2 against 0.4 percent).

Year-on-year basis, the price index combining the prices of energy, fuel and other fuels increased in August 2020 compared to the same period of the previous year (+9.9 against + 0.1 percent).

Headline inflation excluding food and energy prices, which is the proxy of core inflation rose in August 2020 compared to the same period of the previous year (+ 3.4 against + 1.6 percent).

IV. EXTERNAL TRADE

The trade deficit worsened at the end of August 2020, amounting to BIF 943,968.6 million from BIF 869,449.2 million in the corresponding period in 2019.

This deterioration is explained by more imports, which reached BIF 1,146.2 billion from BIF 1,072.1 billion and, to a lesser extent low exports, BIF 202,229.0 million from BIF 202,635.7 million. Total exports and imports increased during the same period (+5.8 percent).

IV.1 Exports

The trade deficit deteriorated at the end of August 2020, amounting to BIF 943,968.6 million compared to BIF 869,449.2 million recorded in the corresponding period in 2019. This expansion is linked to more imports, which reached 1,146.2 billion from BIF 1,072.1

billion and, to a lesser extent, low exports, BIF 202,229.0 million from 202,635.7 million. Total exports and imports increased at the same period (+5.8 percent)).

IV.2 Imports

Compared to the same period in 2019, cumulative imports increased by 6.9 percent in value and by 3.8 percent in volume at the end of August 2020.

In value, only exports of intermediate goods (BIF 506,822.3 million against BIF 471,653.0 million) and capital goods (BIF 242,633.7 million against BIF 190,917.4) increased. On the other hand, consumer goods declined to BIF 396,681.6 million from BIF 409,514.4 million in the corresponding period in 2019.

The capital goods increase was recorded in metallurgical goods (+BIF 29,562.6 million), in goods intended for agriculture and livestock (+ BIF 11,164.4 million), in mineral oils (+BIF 5,983.9 million) and in chemicals products (+BIF 4,817.6 million). However, food goods imports declined by BIF 11,349.7 million.

The capital goods rising is largely driven by electrical equipment (+BIF 36,661.3 million), boilers and mechanical equipment (+BIF 12,610.0 million) as well as parts and tools (+BIF 8,134.5 million).

Consumer goods decreasing, largely concerned pharmaceutical products (-BIF 20,544.3 million) and textiles (-BIF

4,882.3 million) while the imports of passenger vehicles increased (+BIF 6,013.3 million).

In volume, imports of intermediate goods amounted to 569,696.6 from 542,555.3 tonnes and alike capital goods to 36,714.1 from 29,554.5 tonnes. However, the volume of consumer goods declined to 154,005.4 from 160,420.6 tonnes.

V. EXCHANGE RATE

Compared to the same period of the previous year the BIF depreciated by 3.73 percent against the US Dollar in August 2020; the monthly average exchange rate was 1,923.54 compared to BIF 1,854.39 per unit of US Dollar.

At the end of the period, the BIF depreciated by 3.71 percent against the US Dollar, the exchange rate stood at 1.926.14 at the end of August 2020 from BIF 1.857.22 at the end of August 2019 for a unit of US Dollar.

VI. GOVERNMENT FINANCIAL OPERATIONS

At the end of August 2020, the overall fiscal deficit (excluding grants) eased compared to the same period of the previous year, amounting to 227,572.3 million against BIF 345,530.3 million, due to the increase of revenue combined with the decrease of expenditure.

VI.1. Revenue

Cumulative public revenue increased by 7.8 percent at the end of August 2020, amounting

to BIF 689,016.9 million against BIF 639,140.6 million recorded in the same period of the previous year, due to both tax revenue (BIF +45,855.8 million) and non-tax revenue (BIF+4,020.5 million).

Likewise, the public revenue collected in august 2020 improved by 7.5 percent, standing at BIF 98,712.3 million against BIF 91,851.6 million on the same month of the previous year. This increase concerned both tax revenue (BIF+5,691.4 million) and non-tax revenue (BIF+1,169.3 million).

VI.2. Expenditure

Cumulative public expenditure decreased by 6.9 percent at the end of august 2020, standing at BIF 916,589.2 million against BIF 984,670.9 million of the same period in 2019. As the same, the expenditure incurred in august 2020 rose by 32.2 percent compared to the same month in 2019, amounting to BIF 139,744.5 million against BIF 105,699.4 million.

Compensation of employee increased by 9.6 percent at the end of august 2020, reaching to BIF 320,115.3 million against BIF 292,015.7 million of the same period in 2019.

VI.3. Public debt

The outstanding public debt increased by 14.3 percent at the end of August 2020, amounting to 3,593.7 against BIF 3,145.2 billion in the same period of the previous year, driven by the increase, in both, domestic debt

(+17.3 percent) and external debt (+7.0 percent).

Compared to the previous month, public debt slightly rose by 1.2 percent, driven by the increase of domestic debt (+ 1.3 percent) and external debt (+ 1.2 percent).

VI.3.1 Domestic Debt

Year -on- year basis, domestic debt picked up by BIF 383,322.5 million at the end of August 2020, from 2,212.5 to BIF 2.595.8 billion, mainly due to the increase of Treasury securities held by banking sector (+BIF 308.573.0 million).

Compared to the previous month, the domestic debt increased by BIF 32,458.0 million, mainly due to the increase of the Government's debt towards the banking sector (+BIF 35,858.0 million) which offset the decrease of Government's debt towards non-financial sector (-BIF 3,400.0 million).

VI.3.2. External Debt

Year on year basis, external debt increased by BIF 65,146.5 million at the end of August 2020, from BIF 932,695.8 to BIF 997,842.2 million. This rise is driven by drawings (BIF 34,460.5 million) and revaluation gains (BIF 49,584.0 million) which exceeded the amortization of the principal debt (BIF 18,898.0 million).

Compared to the previous month, the external debt kept slightly going on (+1.2 percent), standing at 997,842.2 against BIF

986.378.9 million, in connection with new drawings (BIF 245.7 million) and revaluation gains (BIF 12,235.8 million) which offset the amortization of the principal debt (BIF 1.018.1 million).

Expressed in US dollars, external debt increased by USD 15.8 million Year on year, standing at USD 518.8 million at the end of August 2020 against USD 503.0 million.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

The reserve money and the money supply rose in the August 2020 resulting from the increase of net domestic assets.

VII.1. Reserve Money

The reserve money increased by 12.4 percent at the end of August 2020, against 4.6 percent in the same period of the previous year, from BIF 624,568.8 million to BIF 702,111.5 million. The main components of the reserve money recorded contrasting developments. In fact, currency outside the Central Bank maintained a high growth rate (+20.7 against +14.2 percent), while commercial bank deposits declined (-13.3 against - 4.4 percent).

VII.2. Broad money

Year -on- year basis, the broad money (M3) increased by 20.1 percent at the end of August 2020 against 22.4 percent in the same period of 2019, amounting to BIF 2,494.7 billion against BIF 2,076.4 billion, driven by the rise of M2 monetary aggregate (+15.0

against +20.3 percent) and deposits of residents denominated in foreign currency (+18.1 against +3.3 percent).

The growth of M2 money supply concerned demand deposits (+6.6 percent against +30.7 percent), term and savings deposits (+52.6 against +16.7 percent) as well as currency outside banks (+21.5 against +19.2 percent).

The increase of demand deposits denominated in BIF was mainly driven by household deposits (+23.6 against +36.7 percent), those classified in other accounts (+12.7 against +1.9 percent), public non-financial corporations (+1.7 against +1.9 percent). On the other hand demand deposits of other non-financial corporations declined while they rose in the same period of the previous year (-8.8 against +34.8 percent).

The rise of term deposits and savings in BIF concerned deposits of other non-financial corporations (+94.2 against +32.5 percent), households (+38.9 against +17.3 percent) and those classified in other accounts (+26.9 against +1.4 percent). In contrast, term and savings deposits of public non-financial corporations continued to decline (-12.0 against -20.9 percent).

The progress of foreign currency deposits by residents concerned those of other non-financial corporations (+11.6 against -13.8 percent), households (+21.2 against +15.2

percent), public non-financial corporations (+55.7 against -65.8 percent) and those classified in other accounts (+16.4 against +2.7 percent).

VII.3. Counterparts

Year -on- year basis, domestic credit (BIF 3,152.9 billion against BIF 2.641.5 billion) picked up by 19.4 percent at the end of August 2020 against 17.6 percent in the same period in 2019, driven by the increase of both net claims on the Government (+18.1 against +21.2 percent) and claims on the economy (+20.4 against +13.3 percent).

The increase of net claims on the Government concerned those of commercial banks (+30.7 against +43.7 percent) while those of Central Bank continued to decline (-18.3 against -25.1 percent).

Year -on- year basis, net foreign assets fell by 12.8 percent at the end of August 2020. This decrease was the result of the increase of foreign liabilities (+21.8 against -4.1 percent) which offset the increase of gross foreign assets (+29.7 against -4.7 percent). The Official foreign exchange reserves decreased by 12.8 percent at the end of August 2020. These reserves covered 0.8 month of imports of goods and services at the end of August 2020 against 0.9 month recorded in the same period of the previous year.

VIII. MAIN INDICATORS OF BANKING SECTOR

At the end of August 2020, the total balance sheet of the banking sector rose compared to the same period of the previous year. This increase is mainly driven by the rise of government and economy loans on assets side and customer deposits and refinancing from the Central Bank on liabilities side.

VIII.1. Assets

Year -on- year basis, the total assets picked up by 20.5 percent at the end of August 2020, from BIF 3,022.8 billion to BIF 3,642.7 billion, following the increase of Treasury securities (22.6 percent). During the same period, the credit to the private sector increased by 25.5 percent, from BIF 1,031.8 billion to BIF 1,294.8 billion.

The share of Treasury securities and credit to the private sector in total assets slightly increased, reaching 41.5 from 42.2 percent and 34.1 from 35.5 percent, respectively.

VIII.2. Liabilities

Customer deposits rose by 20.3 percent at the end of August 2020, from BIF 1,728.1 billion to BIF 2,078.3 billion. Despite this increase, banks' refinancing from the Central Bank picked up by 32.7 percent, amounting to BIF 454.8 billion from BIF 342.8 billion at the end of August 2019.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

At the end of August 2020, the banking sector remained adequately capitalized and

profitable. Likewise, the quality of the loans portfolio improved.

IX.1. Capital Adequacy

At the end of August 2020, the banking sector was sufficient capital to absorb the risks inherent in its activity.

The Tier 1 and overall solvency ratios improved, setting above the regulatory thresholds of 12.5 and 14.5 percent, from 26.0 percent to 27.9 percent and 28.2 to 30.0 percent, respectively. The leverage ratio stood at 10.9 from 10.6 percent for a minimum threshold of 5.0 percent.

IX.2. Quality of loans portfolio

Year -on- year basis, the deterioration rate of measured by the ratio of non-performing loans to total loans to the economy, improved to 6.4 percent at the end of August 2020 from 8.7 percent at the end of August 2019. This improvement in the loans quality is related to the decrease of non-performing loans due to the write-off loss loans dated more than two years old in the banking balance sheet.

Substandard and loss loans decreased by 31.9 and 19.5 percent year –on- year, from BIF 18,309.2 million to BIF 12,467.3 million and from BIF 62,499.5 million to BIF 50,328.9 million, respectively, while special mention loans and doubtful loans increased by 34.9 and 123.4 percent, respectively.

The quality of loans portfolio in the industry, construction, trade and tourism sectors improved with respective deterioration rates of 0.6 against 16.9 percent; 5.6 against 8.1 percent; 4.9 against 8.7 percent and 40.2 against 46.0 percent from the end of August 2019 to the end of August 2020.

However, the quality of loans in the agriculture and equipment sectors deteriorated by 9.7 against 6.0 percent and 6.7 against 4.5 percent, respectively.

Faced with these deteriorations of loans portfolio, the banking sector has set aside regulatory provisions to safeguard against this risk. The coverage rate stood at 64.2 against 83.6 percent during the same period of the previous year.

The concentration risk towards large exposure remains significant at the end of August 2020. Their concentration risk represented 33.8 percent of total loans compared to 29.6 percent at the end of August 2019.

Likewise, the concentration risks in the trade and equipment sectors remain significant. The concentration rates in these two sectors stood at 33.2 percent and 36.9 percent, respectively at the end of August 2020 compared to 31.7 percent and 35.9 percent at the end of August 2019.

IX.3. Profitability

Year -on- year basis, Net Banking Income increased by 16.3 percent at the end of August 2020, from BIF 164,230.0 million to BIF 191,026.6 million. During the same period, the Net Profit rose by 22.4 percent, standing at BIF 97,529.2 million against BIF 79,711.2 million.

Compared to the end of August 2019, Return on Assets (ROA) increased to 2.7 percent from 2.6 percent, while Return on Equity (ROE) slightly declined to 22.8 percent from 23.0 percent in the same period of the previous year.

IX.4. Liquidity

At the end of August 2020, the Liquidity Coverage Ratios (LCR) in BIF and in foreign currencies were above the minimum regulatory threshold of 100 percent, reaching 238.9 and 200.0 percent respectively, compared to 240.4 and 142.5 percent recorded in the same period of the previous year.

However, the banking sector faces the risk of deposits concentration. Thus, the share of ten largest depositors represented 44.0 percent of the total deposits at the end of August 2020 compared to 43.9 percent in the corresponding period of the previous year.

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

	Jun-19	Jul-19	Aug-19	Jun-20	Jul-20	Aug-20
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	126.24	182.83	194.50	138.66	209.16	213.80
2. Production of Arabica parchment Coffee (cumulation in T)	-	5,509.82	7,483.40	-	12,518.27	13,690.80
3. Production of Tea (cumulation in T of tea leaves)	32,803.77	35,931.88	38,611.20	33,543.53	36,171.59	38,008.40
4. Consumer price index (1991 = 100)	108.60	109.20	110.10	117.80	117.60	117.50
5. Inflation rate	-4.00	-2.60	-0.60	8.50	7.70	6.70
II. Public Finances						
1. Total Budget revenue (in BIF million)	476,395.71	547,288.94	639,140.58	509,836.11	590,304.60	689,016.88
1.1. Tax revenue	433,600.12	499,258.58	575,936.45	464,008.37	539,423.00	621,792.26
1.2. Non-tax revenue	42,795.59	48,030.36	63,204.13	45,827.74	50,881.60	67,224.62
1.3. Exceptional receipts	-	-	-	-	-	-
2. Expenditure	748,966.66	878,971.49	984,670.88	666,868.97	776,844.66	916,589.19
2.1. Compensation of employees (in BIF million)	218,146.80	254,557.67	292,015.73	235,618.34	276,335.95	320,115.32
3. Public debt (in BIFmillion)	3,077,114.15	3,048,453.36	3,145,202.74	3,502,997.21	3,549,750.27	3,593,671.64
3.1. Domestic debt outstanding	2,161,087.20	2,119,402.90	2,212,506.90	2,526,886.10	2,563,371.40	2,595,829.40
Including: Treasury bills and bonds	1,339,778.20	1,357,433.80	1,393,116.10	1,673,669.60	1,709,574.60	1,727,319.10
BRB ordinary advance	216,009.20	158,917.50	-	-	-	-
3.2. External debt outstanding	916,026.95	929,050.46	932,695.84	976,111.11	986,378.87	997,842.24
3.3. External debt outstanding (in BIF million)	497.19	502.62	502.97	510.43	514.28	518.75
3.3. External debt service (in BIF million)	183.20	3,471.07	203.63	1,678.90	-	1,348.37
including amortization	-	2,144.82	138.84	1,274.87	-	1,018.15
3.4. Drawings on external loans	4,859.02	16,566.31	1,749.15	2,677.10	2,581.86	245.70
III. MONEY						
1. Reserve Money (in BIF million)	657,960.50	640,774.10	624,568.80	703,931.10	679,755.00	702,111.50
2. Broad money M3 (in BIF million)	2,029,488.70	2,046,483.13	2,076,361.77	2,403,816.10	2,438,964.80	2,494,710.60
2.1. Broad money M2 (in BIF million)	1,851,232.10	1,864,951.63	1,897,243.27	2,202,897.10	2,225,317.50	2,283,115.80
3. Domestic credit (in BIF million)	2,578,326.00	2,620,666.53	2,641,463.97	3,107,418.60	3,143,546.30	3,152,917.00
4. Net foreign to government (in BIF million)	1,474,620.40	1,477,063.40	1,487,528.50	1,794,534.30	1,775,692.20	1,763,290.70
5. Net foreign assets (in BIF million)	-194,252.90	-234,029.10	-242,519.70	-333,131.60	-312,670.50	-273,527.00
6. Tenders operations						
6.1. Normal liquidity providing	334,540.00	349,550.00	344,080.00	413,368.80	401,550.00	449,070.00
6.2. Injecting liquidity						
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	2.48	2.49	2.44	3.00	-	-
7.2. Treasury bill to 26 weeks	2.66	2.63	2.62	3.24	3.25	3.25
7.3. Treasury bill to 52 weeks	3.06	3.08	3.08	3.29	3.32	3.36
7.4. Recovery of liquidity	-	-	-	-	-	-
7.5. Injecting liquidity	2.82	2.55	2.55	2.96	2.74	2.77
7.6. Marginal lending facility	5.50	5.45	5.35	6.00	6.00	6.00
7.7. Interbank market	3.69	3.63	3.58	4.11	4.07	4.27
7.8. Deposit interest rates	5.16	5.00	5.26	5.32	5.65	5.55
7.9. Lending interest rates	15.74	15.74	15.74	15.41	15.11	15.26
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	167,903.22	186,538.08	202,635.70	81,886.80	185,377.20	202,635.70
including Arabica coffee	39,312.00	42,993.70	45,676.50	10,275.70	11,870.50	15,556.20
1.1. Volume of exports (in T)	56,692.88	62,998.77	68,816.00	38,159.00	45,939.00	56,378.00
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	61.80	56.90	28.80	74.90	58.90	69.30
- BIF/Kg	2,493.30	2,292.00	1,164.30	3,127.30	2,490.20	2,909.60
1.3. Coffee sold d(in BIF million)	48,449.50	55,229.30	60,402.20	16,923.50	17,985.90	21,055.20
2. Import CIF (in BIF million)	765,603.34	953,047.50	1,072,084.90	849,762.95	997,736.00	1,146,187.00
including petroleum products	139,776.02	175,608.17	186,453.80	146,328.35	166,526.50	192,437.70
2.1. Volum of imports (in T)	504,876.25	634,759.00	732,530.00	560,770.00	659,162.00	760,416.00
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	92.52	92.54	93.00	91.20	89.90	88.12
3.1.2. Real	91.80	91.09	93.40	94.99	93.29	91.35
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,845.14	1,851.24	1,857.22	1,915.00	1,920.73	1,926.14
3.2.2. Exchange rate BIF/USD (monthly average)	1,842.42	1,848.43	1,854.39	1,912.32	1,917.98	1,923.54
(p) : Provisional						
n.a. : not available						
- : Nonexistent data..						

Source: BRB

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

	Commercial banks			Other financial corporations			Total banking sector		
	8/31/2019	8/31/2020	Change in %	8/31/2019	8/31/2020	Change in %	8/31/2019	8/31/2020	Change in %
I. ASSETS	2,829,552.3	3,400,432.6	20.2	193,312.5	242,311.1	25.3	3,022,864.8	3,642,743.7	20.5
I.1. Main assets	2,469,986.0	2,949,289.2	19.4	159,353.3	208,408.6	30.8	2,629,339.3	3,157,697.8	20.1
A. Liquid assets	1,582,472.1	1,839,317.6	16.2	14,979.7	23,567.2	57.3	1,597,451.8	1,862,884.8	16.6
. Cash	59,532.9	78,944.7	32.6	10.3	13.9	35.6	59,543.2	78,958.6	32.6
. Balance in B.R.B.	182,745.4	163,737.3	- 10.4	2,481.2	2,324.4	- 6.3	185,226.6	166,061.7	- 10.3
. Interbank claims	91,640.7	75,608.1	- 17.5	5,275.9	3,241.1	- 38.6	96,916.6	78,849.2	- 18.6
. Treasury securities	1,233,447.1	1,458,816.9	18.3	7,212.4	17,987.8	149.4	1,240,659.5	1,476,804.8	19.0
. Other securities	15,106.0	62,210.6	-	-	-	-	15,106.0	62,210.6	-
B. Loans	887,513.9	1,109,971.6	25.1	144,373.5	184,841.4	28.0	1,031,887.4	1,294,813.0	25.5
. Short term	490,900.73	626,484.0	27.6	2,302.5	3,018.0	31.1	493,203.2	629,502.0	27.6
. Medium term	289,718.90	322,243.6	11.2	47,069.5	35,950.6	- 23.6	336,788.4	358,194.1	6.4
. Long term	106,894.31	161,244.0	50.8	95,001.5	145,872.8	53.5	201,895.8	307,116.8	52.1
. Leasing	-	-	-	-	-	-	-	-	-
I.2. Fixed assets	135,430.40	160,329.6	18.4	8,025.9	8,182.0	1.9	143,456.3	168,511.6	17.5
I.3. Others assets	224,135.81	290,813.8	29.7	25,933.4	25,720.5	- 0.8	250,069.2	316,534.3	26.6
II. LIABILITIES	2,829,552.3	3,400,432.6	20.2	158,679.8	242,311.1	52.7	2,988,232.0	3,642,743.7	21.9
II.1. Main liabilities	2,193,744.9	2,611,077.9	19.0	99,953.9	138,440.3	38.5	2,293,698.8	2,749,518.2	19.9
. Customer deposits	1,634,870.06	1,946,503.3	19.1	93,270.1	131,841.9	41.4	1,728,140.2	2,078,345.2	20.3
amongst: Ten large deposits	746,039.40	892,753.0	19.7	13,474.4	22,591.8	67.7	759,513.8	915,344.8	20.5
. Borrowing from B.R.B. (Refinancing)	366,352.54	454,791.8	24.1	-	-	-	366,352.5	454,791.8	24.1
. Interbank liabilities	192,522.27	209,782.8	9.0	6,683.8	6,598.4	- 1.3	199,206.1	216,381.2	8.6
II.2. Capital and reserves	254,650.3	320,821.3	26.0	34,632.8	39,592.9	14.3	289,283.1	360,414.2	24.6
II.3. Other liabilities	381,157.1	468,533.4	22.9	24,093.0	64,277.9	166.8	405,250.2	532,811.4	31.5
MAIN INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Tier 1 capital (in BIF billion)	286,225.85	363,344.0	26.9	33,317.2	34,392.3	3.2	319,543.0	397,736.3	24.5
. Total regulatory capital (in BIF billion)	305,637.80	385,131.6	26.0	40,987.3	42,538.9	3.8	346,625.1	427,670.5	23.4
. Risk weighted assets	1,087,649.27	1,334,204.3	22.7	141,100.3	89,907.2	- 36.3	1,228,749.6	1,424,111.5	15.9
. Tier 1 capital adequacy ratio (threshold 12.5%)	26.3	27.2	-	23.6	38.3	-	26.0	27.9	-
. Total capital adequacy ratio (threshold 14.5%)	28.1	28.9	-	29.0	47.3	-	28.2	30.0	-
. Leverage Ratio (threshold 7%)	10.1	10.7	-	17.2	14.2	-	10.6	10.9	-
Loans concentration									
. Large exposures	300,332.7	434,041.5	44.5	5,221.6	3,754.1	- 28.1	305,554.2	437,795.6	43.3
. Loans/Assets (in %)	31.4	32.6	-	74.7	76.3	-	34.1	35.5	-
. Government Loans/Assets ratio	43.6	42.9	-	3.7	7.4	-	41.0	40.5	-
. Government Loans/Tier 1 capital	430.9	401.5	-	21.6	52.3	-	388.3	371.3	-
. Coverage ratio (in %)	88.4	67.9	-	46.2	38.7	-	83.6	64.2	-
. Large exposures to Loans ratio (in %)	33.8	39.1	-	3.6	2.0	-	29.6	33.8	-
Loans quality									
. Overdue loans	120,746.2	126,036.4	4.4	27,807.6	36,055.2	29.7	148,553.7	162,091.6	9.1
Watch loans	41,110.7	53,721.5	30.7	17,677.9	25,565.3	44.6	58,788.6	79,286.8	34.9
Non-performing loans	79,635.5	72,314.9	- 9.2	10,129.7	10,489.8	3.6	89,765.1	82,804.8	- 7.8
Substandard loans	14,142.1	7,395.5	- 47.7	4,167.1	5,071.8	21.7	18,309.2	12,467.3	- 31.9
Doubtful loans	5,375.7	17,146.0	219.0	3,580.7	2,862.6	- 20.1	8,956.4	20,008.6	123.4
Loss loans	60,117.7	47,773.4	- 20.5	2,381.8	2,555.4	7.3	62,499.5	50,328.9	- 19.5
. Provisions on loans	70,388.4	49,096.1	- 30.2	4,681.0	4,061.6	- 13.2	75,069.3	53,157.7	- 29.2
. Non-performing loans ratio	9.0	6.5	-	7.0	5.7	-	8.7	6.4	-
. Overdue loans ratio	13.6	11.4	-	19.3	19.5	-	14.4	12.5	-
Liquidity									
. LCR* in BIF (threshold 100%)	240.4	238.9	-	-	-	-	240.4	238.9	-
. LCR in f.c.** (threshold 100%)	142.5	200.0	-	-	-	-	142.5	200.0	-
. Loans/Customer deposits	54.3	57.0	-	154.8	140.2	-	59.7	62.3	-
. Stable funds /Fixed Assets (threshold 60%)	89.8	92.1	-	246.7	199.1	-	-	104.8	-
. Ten large deposits/Customer deposits	45.6	45.9	-	14.4	15.1	-	43.9	44.0	-
Profitability and performance									
. Income before tax	79,529.0	95,884.0	20.6	5,533.5	6,800.9	22.9	85,062.5	102,684.9	20.7
. Net income after tax	75,106.3	91,648.3	22.0	4,604.9	5,880.9	27.7	79,711.2	97,529.2	22.4
. Gross Income	152,376.0	177,494.2	16.5	11,853.9	13,532.4	14.2	164,230.0	191,026.6	16.3
. ROA	2.65	2.70	-	2.38	2.43	-	2.64	2.68	-
. ROE	24.57	23.80	-	11.23	13.82	-	23.00	22.80	-
LCR* : Liquidity coverage ratio f.c.** : Foreign currency									

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.