



BANQUE DE LA REPUBLIQUE DU BURUNDI



**Economic indicators
September 2020**

I. INTRODUCTION

The following main economic indicators concerned the developments at the end of September 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 September 2020. The deposits and credits to private sector also increased. In terms of financial soundness, the banking sector remained sufficiently capitalized, solvent and profitable.

II. PRODUCTION

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

II.1 Industrial Production Index

Year-on-year basis, the industrial production index rose by 24.0% in September 2020, standing at 210.6 from 169.9. This increase was mainly driven by the rise production of BRARUDI beverages (+ 8.4%), sugar (+ 16.3%) and cigarettes (+ 100.1%).

Compared to the previous month, this index declined by 1.5%, mainly related to the decrease of BRARUDI beverages (-7.7%) and sugar (-3.9%) which offset the increase of cigarettes (+ 18.3% °) and soaps production (+ 19.4%).

II.2. Coffee

The production of parchment coffee for the 2020/2021 campaign increased by 78 percent at the end of September 2020 compared to the same period of the previous campaign, amounting to 14,815 against 8,327.0 tonnes, following the cyclicity of the coffee tree.

II.3. Tea

Year-on-year basis, the production of green leaf tea fell by 17.0 percent in September 2020 compared to the same month of previous year, reaching 1,635.1 against 1,979 tonnes, due to the poor rainfall that prevailed during that period.

III. INFLATION DEVELOPMENTS

Year-on-year basis, headline inflation stood at 6.3% in September 2020 compared to 2.0% recorded in the same period of the previous year. This increase of inflation is mainly driven by the rise prices of food products (+10.6 against + 2.9%) and, to a lesser extent, of non-food products prices (+2.0 against + 1.1%).

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

	sept-19		sept-20	
	CPI	Inflation	CPI	inflation
Headline Inflation	111,1	2,0	118,1	6,3
1. Food	105,1	2,9	116,2	10,6
-Bread and cereals	106,3	8,4	114,4	7,6
- Meat	122,4	4,8	143,8	17,5
- Fish and seafood	130,0	7,5	144,9	11,5
- Milk, cheese and eggs	113,2	1,2	122,9	8,6
-Oils and fats	126,2	-1,3	120,8	-4,3
- Fruits	117,6	-5,2	133,6	13,6
- Vegetables	95,0	0,7	109,1	14,8
-Sugar, jam, honey, chocolate and confectionery	109,3	1,1	112,7	3,1
-undefined food elsewhere	119,5	5,0	126,4	5,8
2. Non food	117,7	1,1	120,1	2,0
- Alcoholic beverages ,tobacco	116,2	-0,9	116,4	0,2
- Clothing and footwear	120,2	1,7	125,5	4,4
- Housing,water,electricity,gas and other fuels	121,4	1,5	130,0	7,1
- Furnishing, household equipment and routine maintenance	120,0	2,8	122,1	1,8
- Health	116,9	2,2	117,8	0,8
- Transport	118,9	0,2	116,7	-1,9
- Communication	101,8	-0,4	101,5	-0,3
- leisure and culture	129,2	12,3	130,1	0,7
- Education	139,1	1,8	141,7	1,9
- Restaurants and hotels	112,4	-1,1	112,8	0,4
- Other goods and services	119,7	0,9	123,1	2,8
Energy and fuels	134,4	0,7	146,8	9,2
3. Core Inflation	115,1	2,4	118,2	2,7

Source: BRB, from ISTEUBU data

The rise food inflation is explained by the increase of the most sub-headings: "meat" (+17.5 against + 4.8%), "fruits" (+13.6 against - 5.2%), "vegetables" (+14.8 against +0.7), "milk, cheese and eggs" (+8.6 against + 1.2%); "Fish and seafood" (+11.5 against +7.5) and "sugar, jams, honey, chocolate and confectionery" (+3.1 against + 1.1%). On the other hand, the prices of "breads and cereals"

slightly decelerated (+ 7.6 against + 8.4%).

The moderate rise of non-food inflation is mainly explained by the increase of the prices of the sub-items: housing, water, electricity, gas and other fuels (+7.1 against +1.5%); Articles of clothing and footwear (+4.4 against +1.7%); restaurants and hotels (+0.4 against -0.1%); miscellaneous goods and services (+ 2.8 against +0.9%) combined with the fall prices of the sub-headings transport (-1.9 against +0.2%) and communications (-0.3 against -0.4%).

Year-on-year basis, the price index combining the prices of energy, fuel and other fuels increased in September 2020 compared to the same period of the previous year (+9.2 against +0.7%).

Headline inflation excluding food and energy prices, which is the proxy of core inflation, slightly increased in September 2020 compared to the corresponding period in 2019 (+2.7 against + 2.4%).

IV.1 Exports

Cumulative exports decreased at the end of September compared to the same period in 2019, both in value (-13.7%) and in volume (-10.0%).

In value, primary exports have been affected by this decline (to BIF 160,035.1 million from 212,152.8 million) while those of manufactured products increased (BIF 68,409.5 million from BIF 52,491.2 million).

Regarding primary exports, the decrease mainly concerned exports of coffee (- 53.7%) and non-monetary gold (-21.7%).

However, the increase of manufactured products was driven by cigarettes (+98.6%), and products classified under "other" (+50.9%).

In terms of volume, the decrease is attributable to both primary products (28,863 against 30,648 tonnes) and manufactured products (39,742 against 45,566 tonnes).

IV.2 Imports

Compared to the same period in 2019, cumulative imports increased by 9.9% in value and by 3.0% in volume at the end of September 2020.

In terms of value, all categories of imports goods have increased intermediate goods to BIF 576,987.7 million from 534,999.6 million, capital goods to 274,033.0 million from 208,996.9 million and consumer goods to BIF 470,409.0 million from 458,225.2 million in the corresponding period of the previous year.

Concerning imports of capital goods, the largest increase was recorded in metallurgical goods (+49.0%), goods intended for agriculture and livestock (+42.1%) and chemicals products (+36.0%). However, food goods declined by 12.9% in the same period.

The increase of capital goods is mainly driven by electrical materials (+94.0%) and boilers

and mechanical equipment (+34.2%).

The rise of consumer goods is mainly attributable to vehicles (+20.4%) and food goods products (+6.9%) while imports of textiles decreased (-17.2%).

In volume, the increase concerned intermediate goods (650,424.7 against 619,424.7 tonnes) and capital goods (40,475.0 against 39,073.0 tonnes). However, the consumer goods declined to 173,879.0 from 181,153.0 tonnes.

V. EXCHANGE RATE

Compared to the same period in 2019, the BIF depreciated by 3.69% against the US Dollar in September 2020; the monthly average exchange rate was 1,929.07 against BIF 1,860.40 per unit of US Dollar.

At the end of the period, the BIF depreciated by 3.66% against the US Dollar, the exchange rate falling from 1,863.43 to 1,931.60 BIF for one unit of the US Dollar from the end of September 2019 to the end of September 2020.

VI. GOVERNMENT FINANCIAL OPERATIONS

At the end of September 2020, the overall fiscal deficit (excluding grants) eased compared to the same period of the previous year, amounting to BIF 380,380.7 million against BIF 400,764.0 million, due to the increase of revenue more than expenditure.

VI.1. Revenue

Cumulative public revenue rose by 8.7 percent at the end of September, amounting to BIF 792,396.2 million against BIF 728,832.2 million in the same period of the previous year, driven by the increase of both tax revenue (BIF+ 59,688.0 million) and non-tax revenue (BIF+3,876.0 million).

Compared to the same month of the previous year, public revenue increased by 15.3 percent in September 2020, standing at BIF 103,379.3 million against BIF 89,691.7 million. This increase resulted from the rise of tax revenue (+13.832.2 MBIF), non-tax revenue declined (BIF-144.5 million).

VI.2. Expenditure

Cumulative expenditure at the end of September 2020 picked up by 3.8 percent compared to the same period in 2019, amounting to BIF 1,172.8 billion against BIF 1,129.6 billion. Likewise, expenditure of September 2020 increased compared to the same month of 2019, reaching BIF 255,742.7 million against BIF 144,925.4 million.

Compensation of employee increased by 25.6 percent at the end of September 2020, reaching BIF 413,007.2 million against BIF 328,771.2 million recorded in the same period of the previous year.

VI.3. Public debt

Public debt picked up by 19.6% at the end of September 2020, amounting to 3,790.7 against BIF 3,168.7 billion recorded in the same period of the previous year, due to the increase, of both domestic debt (+ 24.5%) and external debt (+ 7.8%).

Likewise, compared to the previous month, the outstanding public debt rose by 5.5%, driven by the increase of domestic debt (+ 7.5%) and external debt (+ 0.2%).

VI.3.1 Domestic Debt

Year-on-year basis, domestic debt increased by BIF 549,675.4 million at the end of September 2020, from 2,241.0 to BIF 2,790.7 billion. This increase is mainly due to the rise of Government's debt vis-à-vis the banking sector, in the form of Treasury securities (+BIF 308,573.0 million) and overdraft from the Central Bank (BIF 150,000 million).

Compared to the previous month, the domestic debt increased by BIF 194,830.0 million, driven by the increase of Government's debt to the banking sector (+BIF 195,310 million).

VI.3.2. External Debt

Year -on- year basis, the outstanding of external debt increased by BIF 72,301.4 million at the end of September 2020, from 927.7 to BIF 1,000.0 billion. This increase resulted from drawings (BIF 36,791.2 million) and revaluation gains (BIF 55,641.6 million)

which exceeded the amortization of the principal debt (BIF 20,131.4 million).

Compared to the previous month, the outstanding external debt slightly rose (+BIF 2,175.8 million), driven by drawings (BIF 2,729.8 million) and revaluation gains (BIF 4,351.1 million) which offset the amortization of the principal debt (BIF 4,905.1 million).

Expressed in US Dollar, the external debt increased by USD 19.7 million year -on- year basis, amounting to USD 518.4 million at the end of September 2020 against USD 498.7 million recorded in the same period of the previous year.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

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

VII.1. Reserve Money

The reserve money rose by 18.8% at the end of September 2020, against 16.8% in the same period of the previous year, from BIF 644,436.4 million to BIF 765,530.6 million, mainly due to the increase of currency outside the Central Bank (+21.6 against +16.6%) and deposits from commercial banks (+12.8 against +15.8%).

VII.2. Broad money

The broad money (M3) picked up by 23.5% at the end of September 2020 against 22.9% in the corresponding period in 2019, amounting to BIF 2,562.9 billion against BIF 2,076.0 billion, driven by the increase of M2 money supply (+24.2 against +25.1%) and resident's deposits denominated in foreign currencies (+15.7 against +4.7%).

The growth of M2 money supply concerned the demand deposits (+15.1% against +33.8%), the time and savings deposits (+47.5 against +10.8%) as well as the currency outside banks (+22.9 against +19.5%).

The increase of demand deposits denominated in BIF was mainly driven by household deposits (+27.7 against +30.2%), those of public non-financial corporations (+16.6 compared to +1.9%), other non-financial corporations (+4.6 against +48.5%) and those classified in other accounts (+22.4 against -3.9%).

The increase of term deposits and savings denominated in BIF concerned the deposits of other non-financial corporations (+77.8 against +20.5%), households (+39.2 against +12.7%) and those classified as other accounts (+33.6 versus -4.4%). In contrast, term and savings deposits of public non-financial corporations continued to decline (-41.3 against -21.5%).

The rise of foreign currency deposits by residents concerned those of households (+28.8 against +9.2%), of public non-financial corporations (+100.1 compared -76.0%) and those classified in other accounts (+5.7 against +14.9%).

VII.3. Counterparts

Year-on-year basis, domestic credit (BIF 3,388.6 billion against BIF 2,683.6 billion) picked up by 6.3% at the end of September 2020 against 18.5% recorded in the same period of the previous year, driven by the increase of both net claims on the government (+35.5 against +21.5%) and claims on the economy (+14.5 against +14.8%).

The increase of net claims on the government concerned those of commercial banks (+40.0 against +44.4%) and those of Central Bank (+55.8 against -26.1%).

Year-on-year basis, net foreign assets declined by 29.2% at the end of September 2020. This decline was the result from the increase of foreign liabilities (+26.5 against -6.7%) which offset the increase of gross foreign assets (+24.4 versus -8.3%).

The Official foreign exchange reserves improved by 14.9% at the end of September 2020. These reserves covered 0.9 month of imports of goods and services, the same level as what recorded in the same period in 2019.

VIII. MAIN INDICATORS OF BANKING SECTOR

Year-on-year basis, the banking sector's aggregate balance sheet increased in September 2020. This increase is mainly explained by the rise of Treasury securities and loans on the assets side while it resulted from customer deposits in the liabilities side. The quality of the loans portfolio slightly improved and the banking sector remained sound and liquid at the end of September 2020.

VIII.1. Assets

The banking sector's assets increased by 18.7% in September 2020, amounting to BIF 3,665.9 billion from BIF 3,089.6 billion in September 2019, driven by the increase of Treasury securities (+24.1%) and credit to the private sector (+20.3%).

The share of Treasury securities in the total assets remained predominant at the end of September 2020 compared to the corresponding period in 2019 (42.5 against 40.6%) while the proportion of loans slightly rose from 34.2% to 34.7%.

VIII.2. Liabilities

The customer deposits increased year-on-year by 23.1%, amounting to BIF 2.150.6 billion in September 2020 from BIF 1.746.8 billion. The Central bank refinancing towards commercial bank fell by 8.3%, standing to BIF 360,531.7 million in September 2020 from BIF 393,162.5 million recorded in September 2019.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

At the end of September 2020, the banking sector remained adequately capitalized. Likewise, the quality of the loans portfolio improved.

IX.1. Capital Adequacy

The overall banking sector equity increased by 24.0% year-on-year basis, amounting to BIF 438,090.9 million in September 2020 from BIF 353,358.5 million. Thus, Tier 1 and overall solvency ratios improved, standing respectively to 29.6% and 31.8% in September 2020 from 25.2% and 27.4% in September 2019. Likewise, the Leverage ratio slightly increased from 10.5% in September 2019 to 11.1% in September 2020, given a minimum regulatory threshold of 5.0%.

IX.2. Quality of loans portfolio

The loans portfolio's quality has improved year-on-year basis. The overall deterioration rate fell from 8.1% to 6.5% in September 2020, driven by the decline of loss loans (-16.0%) due to write-off of loss loans exceeding maturity of twenty-four months in the balance sheets of banking sector.

Year-on-year basis, the quality of loans portfolio improved in industry (0.1% against 17.8%), retail (5.7 against 7.5%), construction (5.0 against 7.2%) and tourism (39.5 against 48.0%) sectors. However, the loans portfolio allocated in agriculture deteriorated further compared to the corresponding month in

2019, reaching a deterioration rate of 9.5% compared to 5.6% in the same period of the previous year.

The loans provision for non-performing loans fell by 25.2%, amounting to BIF 54,308.9 million in September 2020 from BIF 72,631.8 million in the corresponding period in 2019, due to loans losses write-off. The concentration risk on large exposures declined albeit significant, standing to 16.6% in September 2020 from 26.5% in the corresponding period in 2019.

The concentration risk towards the retail sector remained significant whilst declining to 29.1% in September 2020 from 31.9 in September 2019.

IX.3. Profitability

The Banking Sector's Gross Income rose by 17.4% in September 2020, amounting to BIF 217,362.1 million from BIF 185,100.3 million in the corresponding period of the previous year. Likewise, Net Profit increased by 25.4%, from BIF 90,413.7 million to BIF 113,420.7 million.

As a result, the Returns on Assets (ROA) and Equity (ROE) slightly improved, standing respectively to 3.09% and 25.89% in September 2020 from 2.93% and 25.59% in the corresponding period of the previous year.

IX.4. Liquidity

Year-on-year basis, the Liquidity Coverage Ratio (LCR) in BIF declined in September 2020, standing at 229.0% from 241.2%. On the other hand, the short-term liquidity ratio in foreign currencies increased, to 186.2% from 94.4% in September 2019. However, these two ratios remain well above the threshold of 100.0%.

The concentration risk on deposits remained high albeit slightly decline, the ten large depositors representing 44.9% of the sector's total deposits in September 2020 from 44.6% in the corresponding period of the previous year.

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

	Jul-19	Aug-19	Sep-19	Jul-20	Aug-20	Sep-20
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	182.8	194.5	169.9	209.2	213.8	210.6
2. Production of Arabica parchment Coffee (cumulation in T)	5,509.8	7,483.4	8,327.0	12,518.3	13,690.8	14,815.2
3. Production of Tea (cumulation in T of tea leaves)	35,931.9	38,611.2	40,590.2	36,171.6	38,008.4	33,643.5
4. Consumer price index (1991 = 100)	109.2	110.1	111.1	117.6	117.5	118.1
5. Inflation rate	-2.6	-0.6	2.0	7.7	6.7	6.3
II. Public Finances						
1. Total Budget revenue (in BIF million)	547,288.9	639,140.6	728,832.2	590,304.6	689,016.9	792,396.2
1.1. Tax revenue	499,258.6	575,936.4	659,854.9	539,423.0	621,792.3	719,542.8
1.2. Non-tax revenue	48,030.4	63,204.1	68,977.3	50,881.6	67,224.6	72,853.4
1.3. Exceptional receipts	0.0	0.0		0.0	0.0	0.0
2. Expenditure	878,971.5	984,670.9	1,129,596.2	776,844.7	916,589.2	1,172,776.9
2.1. Compensation of employees (in BIF million)	254,557.7	292,015.7	328,771.2	276,336.0	320,115.3	413,007.2
3. Public debt (in BIF million)	3,048,453.4	3,145,202.7	3,168,700.5	3,549,750.3	3,593,671.6	3,790,677.4
3.1. Domestic debt outstanding	2,119,402.9	2,212,506.9	2,240,984.0	2,563,371.4	2,595,829.4	2,790,659.4
Including: Treasury bills and bonds	1,357,433.8	1,393,116.1	1,417,542.6	1,709,574.6	1,727,319.1	1,745,687.9
BRB ordinary advance	158,917.5	0.0	0.0	0.0	0.0	0.0
3.2. External debt outstanding	929,050.5	932,695.8	927,716.5	986,378.9	997,842.2	1,000,018.0
3.3. External debt outstanding (in BIF million)	502.6	503.0	498.7	514.3	518.8	518.4
3.3. External debt service (in BIF million)	3,471.1	203.6	5,459.7	0.0	1,348.4	6,054.6
including amortization	2,144.8	138.8	3,671.7	0.0	1,018.1	4,905.1
3.4. Drawings on external loans	16,566.3	1,749.1	399.0	2,581.9	245.7	2,729.8
III. MONEY						
1. Reserve Money (in BIF million)	640,774.1	624,568.8	644,436.4	679,755.0	702,111.5	765,530.6
2. Broad money M3 (in BIF million)	2,046,483.1	2,076,361.8	2,076,038.7	2,438,964.8	2,494,710.6	2,562,927.4 (p)
2.1. Broad money M2 (in BIF million)	1,864,951.6	1,897,243.3	1,890,926.3	2,225,317.5	2,283,115.8	2,348,779.0 (p)
3. Domestic credit (in BIF million)	2,620,666.5	2,641,464.0	2,683,638.7	3,143,546.3	3,152,917.0	3,388,597.4 (p)
4. Net foreign to government (in BIF million)	1,477,063.4	1,487,528.5	1,503,930.6	1,775,692.2	1,763,290.7	2,037,544.9 (p)
5. Net foreign assets (in BIF million)	-234,029.1	-242,519.7	-227,582.3	-312,670.5	-273,527.0	-294,063.3
6. Tenders operations						
6.1. Normal liquidity providing	349,550.0	344,080.0	389,190.0	401,550.0	449,070.0	349,400.0
6.2. Injecting liquidity						
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	2.49	2.44	2.36	-	-	3.74
7.2. Treasury bill to 26 weeks	2.63	2.62	2.54	3.25	3.25	3.45
7.3. Treasury bill to 52 weeks	3.08	3.08	3.02	3.32	3.36	3.60
7.4. Recovery of liquidity	-	-	-	-	-	-
7.5. Injecting liquidity	2.55	2.55	2.59	2.74	2.77	2.58
7.6. Marginal lending facility	5.45	5.35	5.29	6.00	6.00	6.60
7.7. Interbank market	3.63	3.58	3.40	4.07	4.27	4.42
7.8. Deposit interest rates	5.00	5.26	5.40	5.65	5.55	5.55
7.9. Lending interest rates	15.74	15.74	15.80	15.11	15.26	15.39
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	186,538.1	202,635.7	264,644.0	185,377.2	202,229.0	228,444.6
including Arabica coffee	42,993.7	45,676.5	51,335.7	11,870.5	15,556.2	23,772.7
1.1. Volume of exports (in T)	62,998.8	68,816.0	76,215.0	45,939.0	56,378.0	68,606.0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	56.9	28.8	47.7	58.9	69.3	32.4
- BIF/Kg	2,292.0	1,164.3	1,954.9	2,490.2	2,909.6	1,335.6
1.3. Coffee sold d(in BIF million)	55,229.3	60,402.2	62,944.1	17,985.9	21,055.2	25,813.8
2. Import CIF (in BIF million)	953,047.5	1,072,084.9	1,202,221.8	997,736.0	1,146,197.0	1,321,421.0
including petroleum products	175,608.2	186,453.8	210,314.9	166,526.5	192,437.7	212,899.8
2.1. Volum of imports (in T)	633,820.0	735,073.0	839,651.0	659,162.0	760,416.0	864,993.0
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	92.5	93.0	93.4	89.9	88.1	88.0
3.1.2. Real	91.1	92.2	93.5	93.3	91.4	91.8
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,851.2	1,857.2	1,863.4	1,920.7	1,926.1	1,931.6
3.2.2. Exchange rate BIF/USD (monthly average)	1,848.4	1,854.4	1,860.4	1,918.0	1,923.5	1,929.1
(p) : Provisional n.a. : not available - : Nonexistent data..						

Source: BRB

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

	Commercial banks			Other financial corporations			Total banking sector		
	9/30/2020	9/30/2020	Change in %	9/30/2020	9/30/2020	Change in %	9/30/2020	9/30/2020	Change in %
I. ASSETS	2,894,993.1	3,416,472.4	18.0	194,585.3	249,434.6	28.2	3,089,578.4	3,665,907.0	18.7
I.1. Main assets	2,507,698.8	2,950,304.7	17.6	160,709.8	215,106.7	33.8	2,668,408.6	3,165,411.4	18.6
A. Liquid assets	1,597,965.6	1,870,076.0	17.0	14,493.6	24,847.7	71.4	1,612,459.2	1,894,923.7	17.5
. Cash	62,712.8	83,883.0	33.8	9.6	23.7	146.7	62,722.4	83,906.8	33.8
. Balance in B.R.B.	203,780.8	162,197.7	- 20.4	2,551.9	4,087.4	60.2	206,332.7	166,285.1	- 19.4
. Interbank claims	84,080.7	84,117.3	0.0	4,175.0	2,590.8	- 37.9	88,255.7	86,708.2	- 1.8
. Treasury securities	1,247,391.3	1,539,877.9	23.4	7,757.0	18,145.7	133.9	1,255,148.3	1,558,023.6	24.1
B. Customer Loans	909,733.3	1,080,228.7	18.7	146,216.2	190,259.0	30.1	1,055,949.4	1,270,487.7	20.3
. Short term	499,376.68	592,567.0	18.7	2,270.1	3,116.1	37.3	501,646.8	595,683.1	18.7
. Medium term	310,385.43	315,850.8	1.8	46,803.6	35,666.3	- 23.8	357,189.1	351,517.2	- 1.6
. Long term	99,971.15	171,810.9	71.9	97,142.4	151,476.6	55.9	197,113.6	323,287.5	64.0
. Leasing	-	-	-	-	-	-	-	-	-
I.2. Fixed assets	136,604.74	160,522.2	17.5	7,971.3	8,248.1	3.5	144,576.1	168,770.3	16.7
I.3. Others assets	250,689.54	305,645.5	21.9	25,904.2	26,079.8	0.7	276,593.7	331,725.3	19.9
II. LIABILITIES	2,894,993.1	3,416,472.4	18.0	194,585.3	249,434.6	28.2	3,089,578.4	3,665,907.0	18.7
II.1. Main liabilities	2,221,759.5	2,577,443.5	17.2	100,118.2	143,785.0	36.1	2,608,384.6	3,082,135.2	18.2
. Customer deposits	1,653,395.94	2,013,447.2	21.8	93,425.2	137,131.5	46.8	1,746,821.1	2,150,578.7	23.1
<i>amongst: Ten large deposits</i>	765,995.43	938,038.0	22.5	13,474.4	26,971.2	100.2	779,469.8	965,009.2	23.8
. Borrowing from B.R.B. (Refinancing)	393,162.51	360,531.7	- 8.3	-	-	-	393,162.5	360,531.7	- 8.3
. Interbank liabilities	175,201.08	203,464.6	-	6,693.0	6,653.5	-	181,894.1	210,118.1	-
II.2. Capital and reserves	251,874.1	321,313.9	27.6	34,632.8	39,592.9	14.3	286,506.9	360,906.7	26.0
II.3. Other liabilities	421,359.5	517,715.0	22.9	59,834.3	66,056.8	10.4	481,193.8	583,771.8	21.3
MAIN INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Tier 1 capital (in BIF billion)	292,154.94	373,207.1	27.7	33,781.2	34,999.6	3.6	325,936.2	408,206.7	25.2
. Total regulatory capital (in BIF billion)	311,884.82	394,858.7	26.6	41,473.7	43,232.2	4.2	353,358.5	438,090.9	24.0
. Risk weighted assets	1,149,260.26	1,289,507.2	12.2	142,445.2	89,063.6	- 37.5	1,291,705.4	1,378,570.9	6.7
. Tier 1 capital adequacy ratio (threshold 12,5%)	25.4	28.9	-	23.7	39.3	-	25.2	29.6	-
. Total capital adequacy ratio (threshold 14,5%)	27.1	30.6	-	29.1	48.5	-	27.4	31.8	-
. Leverage Ratio (threshold 7%)	10.1	10.9	-	17.4	14.0	-	10.5	11.1	-
Loans concentration									
. Large exposures	275,539.6	208,290.6	- 24.4	3,980.4	2,731.8	- 31.4	279,520.0	211,022.3	- 24.5
. Loans/Assets (in %)	31.4	31.6	-	75.1	76.3	-	34.2	34.7	-
. Government Loans/Assets ratio	42.1	43.4	-	4.0	7.3	-	39.7	40.9	-
. Government Loans/Tier 1 capital	417.3	396.9	-	23.0	51.8	-	376.4	367.3	-
. Coverage ratio (in %)	90.1	68.6	-	44.1	41.0	-	84.5	65.3	-
. Large exposures to Loans ratio (in %)	30.3	19.3	-	2.7	1.4	-	26.5	16.6	-
Loans quality									
. Overdue loans	111,888.5	125,652.1	12.3	29,307.1	31,098.3	6.1	141,195.6	156,750.4	11.0
Watch loans	36,352.7	52,417.4	44.2	18,919.9	21,148.5	11.8	55,272.6	73,566.0	33.1
Non-performing loans	75,535.8	73,234.6	- 3.0	10,387.3	9,949.8	- 4.2	85,923.1	83,184.4	- 3.2
Substandard loans	12,671.2	7,215.5	- 43.1	4,866.4	4,447.1	- 8.6	17,537.6	11,662.6	- 33.5
Doubtful loans	5,100.6	18,056.9	254.0	3,091.7	2,921.7	- 5.5	8,192.3	20,978.6	156.1
Loss loans	57,764.0	47,962.2	- 17.0	2,429.2	2,581.0	6.2	60,193.2	50,543.2	- 16.0
. Provisions on loans	68,051.7	50,233.5	- 26.2	4,580.1	4,075.3	- 11.0	72,631.8	54,308.9	- 25.2
. Non-performing loans ratio	8.3	6.8	-	7.1	5.2	-	8.1	6.5	-
. Overdue loans ratio	12.3	11.6	-	20.0	16.3	-	13.4	12.3	-
Liquidity									
. LCR* in BIF (threshold 100%)	241.2	229.0	-	-	-	-	241.2	229.0	-
. LCR in f.c.** (threshold 100%)	94.4	186.2	-	-	-	-	94.4	186.2	-
. Loans/Customer deposits	55.0	53.7	-	156.5	138.7	-	60.4	59.1	-
. Stable funds /Fixed Assets (threshold 60%)	89.8	88.8	-	245.5	195.9	-	-	104.8	-
. Ten large deposits/Customer deposits	46.3	46.6	-	14.4	15.1	-	44.6	44.9	-
Profitability and performance									
. Income before tax	91,920.3	111,230.7	21.0	4,561.2	8,139.6	78.5	96,481.5	119,370.3	23.7
. Net income after tax	86,622.5	106,325.8	22.7	3,791.2	7,095.0	87.1	90,413.7	113,420.7	25.4
. Gross Income	174,738.4	201,721.7	15.4	10,361.9	15,640.3	50.9	185,100.3	217,362.1	17.4
. ROA	2.99	3.11	-	1.95	2.84	-	2.93	3.09	-
. ROE	27.77	26.93	-	9.14	16.41	-	25.59	25.89	-
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.