



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic indicators
September 2021

I. INTRODUCTION

The following main economic indicators concerned the developments at the end of September 2021, 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.

On an annual basis, the real sector was characterized, in September 2021 by a decrease of industrial production, inputs of parchment coffee while production of green leaf tea increased.

Inflation increased in September 2021 compared to the same period in 2020.

The trade balance deteriorated at the end of September 2021 while the overall fiscal deficit (excluding grants) improved at the end of September 2021, compared to the same period in 2020. The Burundi Franc depreciated against the US Dollar.

The reserve money and money supply picked up at the end of September 2021.

The aggregated balance sheet of the banking sector improved, driven by the increase of deposits and credit to the private sector. In terms of financial soundness, the banking sector remained sufficiently capitalized, whilst solvency and profitability ratios declined but remained above regulatory standards.

II. PRODUCTION

Year-on-year basis, the industrial production index and inputs of parchment coffee decreased while the production of green leaf tea increased in September 2021.

II.1 Industrial Production Index

Year-on-year basis, the industrial production index fell by 18.4% in September 2021, standing at 171.9 from 210.6 recorded in the previous year, mainly due to the decrease of BRARUDI beverages production (-5.0%), sugar (-43.2%) and cigarettes (-27.5%).

Likewise, this index declined by 12.3% compared to the previous month, mainly driven by the decrease of BRARUDI beverages production (-12.1%) and sugar (-34.0%), while cigarettes production increased (+ 28.9%).

II.2. Coffee

In September 2021, the production of parchment coffee decreased by 75.4% compared to the same period of the previous campaign; amounting to 3,648.4 against 14,815.2 tonnes, due to the cyclicity of the coffee tree.

II.3. Tea

The production of green leaf tea increased by 29.5 percent in September 2021, reaching at 2,117.5 against 1,635.1 tonnes, due to the good rainfall. In contrast, cumulative production fell by 0.8 percent at the end of

September 2021, amounting to 39,333.4 from 39,643.5 tonnes.

III. INFLATION DEVELOPMENTS

Year-on-year basis, headline inflation rose to 10.5% in September 2021 compared to 6.3% recorded in the same period of the previous year. This rise of inflation is mainly explained by an acceleration prices of food prices (+ 13.7 against + 10.6%) and non-food products (+7.1 against + 2.0%).

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

	September-20		September-21	
	CPI	Inflation	CPI	inflation
Headline Inflation	118.2	6.3	130.6	10.5
1. Food	116.2	10.6	132.1	13.7
- Bread and cereals	114.4	7.6	121.8	6.5
- Meat	143.6	17.5	156.6	9.1
- Fish and sea food	144.9	11.5	168.6	16.4
- Milk, cheese and eggs	122.9	8.6	142.8	16.2
- Oils and fats	120.8	-4.3	184.1	52.4
- Fruits	133.6	13.6	162.8	21.9
- Vegetables	109.1	14.8	121.3	11.2
- Sugar, jam, honey, chocolate and confectionery	112.7	3.1	109.1	-3.2
- undefined food elsewhere	126.4	5.8	129.4	2.4
2. Non food	120.3	2.0	128.9	7.1
- Alcoholic beverages ,tobacco	116.4	0.2	125.2	7.6
- clothing and footwear	125.5	4.4	134.0	6.8
- Housing, water, electricity, gas and other fuels	130	7.1	137.7	5.9
- Furnishing, household equipment and routine household	122.1	1.7	132.0	8.1
- Health	121.9	0.7	167.7	37.6
- Transport	116.7	-1.9	118.5	1.5
- Communication	101.5	-0.3	102.5	1.0
- leisure and culture	130.1	0.7	131.6	1.2
- Education	141.7	1.9	151.1	6.6
- Hotels, Restaurant and café	112.8	0.4	119.2	5.7
- Other goods and services	122.2	2.8	126.8	3.8
Energy and fuels	146.8	9.2	157	6.9
3. Core Inflation	118.3	2.7	130.3	10.1

Source: BRB, from ISTEERU data

The rise of food inflation is mainly driven by the increase prices of the sub-items "oils and fats" (+52.4 against -4.3%), "fruit" (+21.9 against +13.6%), "fish and seafood" (+16.4 against

+11.5%), "milk, cheese and egg" section (+16.2 against +8.6%). On the other hand, the prices of sub-items "bread and cereals" (+6.5 against +7.6%), "meat" (+9.1 against +17.5%), "vegetables" (+11.2 against +14.8%) and those of "miscellaneous food products" (+2.4 against +5.8%) decelerated.

Concerning non-food inflation, this increase is driven by the rise prices of sub-items: "health" (+37.6 against +0.7%), "education" (+6.6 against +1.9%), "restaurants and hotels" (+5.7 against +0.4%), "alcoholic beverages and tobacco" (+7.6 against +0.2%) and "clothing and footwear" (+6.8 against +4.4%).

Headline inflation excluding food and energy prices, which is the proxy of core inflation also increased in September 2021 compared to the same period of the previous year (10.1 against 2.7%).

IV. TRADE BALANCE

The trade balance deficit deteriorated at the end of September 2021, standing at BIF 1,347.4 billion against 1,093.0 billion recorded in the corresponding period in 2020. This result is linked to the significant increase of imports (BIF 1,511.9 billion against 1,321.4 billion) combined with the decline of exports (BIF 164.5 billion against 228.4 billion).

IV.1 Exports

Year-on-year basis, exports decreased by 28.0% in value while they increased by 36.8%

in volume, at the end of September 2021.

In value, this decrease concerned exports of primary products, from BIF 160,035.1 million to 83,078.8 million, following the non-export of non-monetary gold.

On the other hand, exports of manufactured products improved, from BIF 68,409.5 million to 81,439.7 million. This increase mainly concerned exports of beer (9,922.3 against BIF 5,689.7 million), dark glass bottles (5,399.4 against BIF 3,935.7 million) and products classified under the "other" (43,945.5 against BIF 30,342.7 million). However, some products of manufactured goods category fell, wheat flour (8,371.1 against BIF 13,139.7 million) and cigarettes (8,999.9 against BIF 10,159.0 million).

In volume, exports of manufactured products increased to 69,736 from 39,742 tonnes, mainly driven by exports of beers (29,463 against 8,169 tonnes). On the other hand, the volume of primary products decreased to 24,134 from 28,863 tonnes at the end of September 2020.

IV.2 Imports

Compared to the same period of the previous year, imports increased both in value (+14.4%) and in volume (+16.0%) at the end of September 2021.

In value, this increase of imports covered all categories: intermediate goods (to BIF 690,277.6 million from BIF 576,978.7 million)

and consumer goods (to BIF 537,336.5 from 470,408.8 million).

The increase of capital goods is mainly due to metallurgical goods (+42.5%), food production (+41.0%), mineral oils (+9.7%), chemical goods (+40.8%), and goods for construction (+16.6%).

The increase of consumer goods mainly concerned food (+18.4%), textiles (+34.2%) and pharmaceuticals (+13.0%).

Imports of capital goods mainly increased driven by boilers and mechanical machinery (+16.9%), parts and tools (+47.7%), and tractors, vehicles and transport machinery (+11.4%). On the other hand, imports of electrical equipment declined by 31.1%.

Likewise, in volume, the increase of imports concerned all categories of goods: production goods (710,961 against 650,640 tonnes), consumer goods (247,066 against 173,879 tonnes) and capital goods (45,705 against 40,475 tonnes).

V. EXCHANGE RATE

Year-on- Year basis, the BIF depreciated by 3.09% against the US Dollar in September 2021; the monthly average exchange rate stood at BIF 1,988.67 against BIF 1,929.07 per a unit of US Dollar.

At the end of the period, the BIF depreciated by 3.08% against the US Dollar, the exchange rate falling from BIF 1,931.60 to 1,991.16 for a

unit of US dollar from the end of September 2020 to the end of September 2021.

VI. GOVERNMENT FINANCIAL OPERATIONS

At the end of September 2021, the overall fiscal deficit (excluding grants) eased at the end of September 2021 compared to the same period of the previous year, standing at BIF 386,505.1 million against BIF 560,554.5 million, following the higher increase of revenue than expenditure.

VI.1. Revenue

In September 2021, revenue rose by 11.7 percent compared to the same month in 2020, amounting to BIF 115,432.8 million against BIF 103,379.3 million. This increase was mainly related to the tax revenue (BIF +6,273.3 million) and non-tax revenue (BIF +5,780.1 million). Likewise, cumulative revenue rose by 16.6 percent, amounting to BIF 924,076.1 million against BIF 792,396.2 million recorded in the same period in 2020, driven by the increase both of tax revenue (BIF +109,991.3 million) and non-tax revenue (BIF +21,688.7 million).

VI.2. Expenditure

The expenditure incurred in September 2021 decreased by 68.6 percent compared to the same month in 2020, reaching BIF 128,840.4 million against BIF 409,881.6 million. Likewise, cumulative expenditure fell by 3.1 percent at the end of September 2021, standing at BIF

1,310.6 billion against BIF 1,353.0 billion in the same period in 2020.

Cumulative compensation of employee slightly decreased by 12.0 percent, amounting to BIF 363,405.9 million against BIF 413,007.2 million recorded in the same period in 2020.

VI.3. Public debt

On an annual basis, public debt increased by 10.6% at the end of September 2021 compared to the same period of the previous year, standing at BIF 4,196.7 against 3,794.7 billion, driven by the increase of both domestic debt (+11.2%) and external debt (+9.1%).

Compared to the previous month, the outstanding public debt picked up by 0.2%, due to the increase of external debt (+0.9%), the internal debt slightly fell (-0.1%).

VI.3.1 Domestic Debt

Year-on-year basis, domestic debt rose by BIF 311,284.1 million at the end of September 2021, from 2,791.0 to BIF 3,102.3 billion, mainly due to the increase of Government debt as the form of Treasury securities held by commercial banks (+BIF 292,166.7 million) and overdraft from the Central Bank to the Government (+BIF 288,494.1 million).

Compared to the previous month, the outstanding domestic debt fell by BIF 2,219.5 million, driven by the increase of Government debt to the banking sector (BIF -10,619.5 million), partially offset by the increase of the

Government debt to the non-financial sector (BIF 8,400.0 million).

VI.3.2. External Debt

Year-on-year basis, the external debt grew by BIF 91.2 billion at the end of September 2021, from BIF 1,003.1 to 1,094.3 billion. This rise is on account of drawings (BIF 71,824.8 million) and revaluation gains (BIF 38,695.5 million) which exceeded the amortization of the debt in the principal (BIF 19,315.4 million).

Compared to the previous month, the external debt picked up by 0.9% at the end of September 2021, standing at 1,094.3 against BIF 1,084.2 billion, due to new drawings (BIF 10,335.6 million) and revaluation gains (BIF 2,584.2 million) which exceeded the amortization of the debt (BIF 1,312.1 million).

Expressed in US Dollars, the external debt rose by USD 30.3 million at the end of September 2021, amounting to USD 550.3 million against USD 520.0 million recorded at the end of September 2020.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

Year-on-year basis, the reserve money and the money supply rose at the end of September 2021, driven by the increase of net domestic assets.

VII.1. Reserve Money

Year-on-year basis, the reserve money rose by 9.9% at the end of September 2021, compared to 18.8% recorded in the same period in 2020, amounting to BIF 840,987.5 million from BIF 765,530.6 million. The deceleration of the growth rate of reserve money was driven by the decrease deposits of commercial bank in the Central Bank while it rose in the same period in 2020 (-7.7% against +12.8%) combined with the stable growth of currency outside the Central Bank (+21.4% against +21.6%).

VII.2. Money supply

Year-on-year basis, the money supply (M3) picked up at the end of September 2021 (+28.5% against +24.2%), standing at BIF 3,312.9 billion from BIF 2,577.7 billion. The acceleration of M3 growth rate concerned both the M2 monetary aggregate (+30.3 against +25.1%), while the growth rate resident's foreign currency deposits decelerated (+9.3 against +15.7%).

The increase of M2 money supply concerned demand deposits which speed up (+28.0 against +15.9%), while the currency outside deposit institutions (+18.0 against +22.6%) and term and savings deposits (+41.7 against +49.3%) decelerated.

The increase of demand deposits concerned public non-financial corporation (+21.7 against +5.2%), households (+32.7 against +29.4%)

and those of non-financial corporations deposits (+57.7 against +16.6%). However, deposits from other financial institutions decreased while they increased during the same period of 2020 (-64.9 against +3.8%).

The slowdown growth rate of term deposits and savings in BIF mainly concerned those of households (+21.9 against +43.3%) and those classified in other accounts (+17.0 against +33.6%). The growth rate of other non-financial corporation deposits slightly declined but remained strong (+72.1 versus +77.2%). In contrast, term and savings holdings of public nonfinancial corporations increased by 47.1%, while they fell by 41.3% in the same period in 2020.

The deceleration of foreign currency assets of residents mainly focused on those of households (+10.1 against +28.8%).

The declining growth rate of net claims on the Government concerned net claims of the Central Bank, whereas they increased in the same period in 2020 (-39.8 against +50.7%), combined with the slowdown growth rate of those of commercial banks (+14.8 against +30.9%).

VII.3. Counterparts

Year-on-year basis, domestic credit (4,217.5 against BIF 3,404.0 billion) recorded a lower growth rate at the end of September 2021 than in the same period in 2020 (+23.9 against +26.9%). This deceleration concerned net claims on the Government (+2.9 against

+34.6%), while claims on the economy grew at a faster pace compared at the end of September 2020 (+54.7 against +17.0%).

Year-on-year basis, net foreign assets recorded almost a same decrease in September 2020 (-23.4 against -23.0%). This decline resulted from the increase of external liabilities (+ BIF 496,410.4 million) which exceeded that of gross external assets (+ BIF 406,587.5 million).

On the other hand, official exchange reserves significantly increased (+299.9 against +14.9%), driven by the increase Special Drawings Right (SDR) holdings, following the new allocation given by the International Monetary Funds(IMF) to its member countries, Burundi having received SDR 147.6 Million. This official reserves covered 3.3 months of imports of goods and services at the end of September 2021 compared to 0.9 month recorded at the end of September 2020.

VIII. MAIN INDICATORS OF BANKING SECTOR

The banking sector balance sheet improved in September 2021, following the rise of Treasury securities and loans to the economy on the asset side and customer deposits on the liability side. Likewise, the quality of the credit portfolio slightly improved, and the banking sector remained sufficiently capitalized.

VIII.1. Assets

The banking sector's assets grew by 31.8% year-on-year, standing at BIF 4,832.6 billion in September 2021 from BIF 3,665.9 billion in September 2020. This increase was driven by the rise of loans to the private sector (BIF 1,827.6 billion from BIF 1,270.5 billion) and Treasury securities (BIF 1,836.7 billion from BIF 1,557.3 billion).

The share of Treasury securities in the total assets fell by 4.5 percentage points, from 42.5% in September 2020 to 38.0% in September 2021. In contrast, the share of loans to private sector grew by 3.1 percentage points, from 34.7 to 37.8%

VIII.2. Liabilities

The customer deposits picked up by 30.8% yearly, standing to BIF 2,813.7 billion at the end of September 2021 from BIF 2,150.6 billion at the end of September 2020. The Central Bank refinancing to credit institutions increased by 4.1%, amounting to BIF 375.1 billion at the end of September 2021 against BIF 360.5 billion at the end of September 2020.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

The banking sector's equity improved at the end September 2021. However, the solvency ratios slightly decreased.

¹ The minimum regulatory threshold is 12.5% for the core capital adequacy ratio while 14.5% for the overall capital adequacy ratio.

² The minimum regulatory threshold is 5% for the leverage ratio.

IX.1. Capital Adequacy

Year-on-year basis, the banking sector's equity rose by 30.2% at the end of September 2021, from BIF 438.1 billion to 570.5 billion. The core and overall capital adequacy ratios¹ decreased, respectively from 29.6% to 21.2% and from 31.8% to 22.6%. The leverage ratio² stabilized at 11.1%.

IX.2. Quality of loans portfolio

Year-on-year, the quality of loans portfolio improved at the end of September 2021. The overall loans portfolio default rate decreased from 6.5% to 4.0%.

The loans portfolio's default rate decreased in branches of trade (3.6 from 5.4%), industry (0.6 from 0.7%), tourism (8.3 from 42.8%) and equipment (3.4 from 5.4%). On the other hand, it increased in agriculture (13.3 from 10.8%) and construction (5.6 from 5.0%).

Compared to the end of September 2020, the non-performing loans decreased by 12.6% at the end of September 2021, amounting to BIF 72,710.2 million from BIF 83,184.4 million.

IX.3. Concentration of loan portfolio

The banking sector's exposure to large risks³ increased. Indeed, the outstanding large

³ Circular No. 06/2018 related to the division of credit risks defines a large exposure as a loan whose amount exceeds 10% of Core Capital.

exposure rose by 50.1%, reaching BIF 316,802.3 million at the end of September 2021 from BIF 211,022.3 million in the corresponding month in 2020. It represented 17.3% of the total loans portfolio at the end of September 2021 compared to 16.6% at the end of September 2020.

The banking sector's exposure to retail trade remains preponderant. The retail trade's loans portfolio stood at 28.8% of the total at the end of September 2021 from 29.1% at the end of September 2020. However, the outstanding loans to retail trade significantly increased from BIF 369,940.5 to BIF 525,475.5 million.

IX.4. Profitability

The Gross Income increased by 13.2%, year-on-year basis, amounting to BIF 246,032.4 million at the end of September 2021 from BIF 217,362.1 million. Likewise, the Net Profit rose

by 13.5%, from BIF 113,420.7 to BIF 128,706.4 million. On the other hand, the returns on assets (ROA) and equity (ROE) decreased, respectively from 3.1% to 2.7% and from 25.9% to 22.6% at the end of September 2020 to the end of September 2021.

IX.5. Liquidity

The liquidity coverage ratio (LCR)⁴ in BIF decreased to 200.1% at the end of September 2021 from 229.0% at the end of September 2020⁴. Likewise, the LCR in foreign currency decreased from 186.2% to 159.7%.

The amount of large deposits⁵ increased by 31.2% at the end of September 2021, to BIF 1,266.3 billion from BIF 965.0 billion at the end of September 2020. Likewise, their share in the total deposits increased from 44.9% to 45.0%.

⁴ Circular No. 04/2018 on banks' short-term liquidity ratio defines the LCR as the ratio between the outstanding amount of high-quality liquid assets (i.e. assets that can be easily and immediately converted into liquidity with little or without loss in value in times

of high liquidity stress) and the total net cash outflows within the next 30 calendar days.

⁵ Large deposits are defined as the sum of the deposits of the top 10 depositors at each credit institution.

APPENDIX 1: SELECTED MONTHLY INDICATORS AT THE END OF SEPTEMBER 2021

	July-2020	August-2020	Sept-2020	July-2021	August-2021	Sept-2021
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	209.2	213.8	210.6	178.7	196.0	171.9
2. Production of Arabica parchment Coffee (cumulation in T) (1)	12,518.3	13,690.8	14,815.2	36,171.6	38,008.4	39,643.5
3. Production of Tea (cumulation in T of tea leaves)	36,171.6	38,008.4	39,643.5	35,257.1	37,215.9	39,333.4
4. Consumer price index (1991 = 100)	117.6	117.5	118.2	129.0	129.8	130.6
5. Inflation rate	7.7	6.7	2.7	9.7	10.5	10.1
II. Public Finances						
1. Total Budget revenue (in BIF million)	590304.6	689,016.9	792,396.2	691181.0	808,643.4	924,076.1
1.1. Tax revenue	539423.0	621,792.3	719,542.8	625085.8	725,510.2	829,534.1
1.2. Non-tax revenue	50881.6	67,224.6	72,853.4	66095.1	83,133.2	94,542.0
1.3. Exceptional receipts	0.0	-	-	0.0	-	-
2. Expenditure	791602.9	943,069.1	1,352,950.7	1025291.0	1,181,740.8	1,310,581.2
2.1. Compensation of employees (in BIF million)	276336.0	320,115.3	413,007.2	281200.0	322,229.0	363,405.9
3. Public debt (in BIF million)	3,554,166.0	3,591,698.8	3,794,147.0	4,138,313.4	4,188,716.4	4,196,636.1
3.1. Domestic debt outstanding	2,566,162.0	2,590,779.0	2,791,043.0	3,084,754.6	3,104,546.6	3,102,327.1
Including: Treasury bills and bonds	1,709,342.7	1,727,229.2	1,744,967.4	1,988,324.3	2,023,132.4	2,059,924.1
BRB ordinary advance	0.0	-	-	63146.5	33,670.8	-
3.2. External debt outstanding	988,004.0	1,000,919.8	1,003,104.0	1,053,558.8	1,084,169.8	1,094,309.0
3.3. External debt outstanding (in BIF million)	515.1	520.4	520.0	532.5	546.6	550.3
3.3. External debt service (in BIF million)	0.0	1,348.4	6,054.6	3,620.7	409.2	4,092.8
including amortization	0.0	1,018.1	4,905.1	2,823.0	259.1	2,780.7
3.4. Drawings on external loans	2,581.9	1,693.4	2,729.8	132.4	29,184.4	10,335.6
III. MONEY						
1. Reserve Money (in BIF million)	679,755.0	702,111.5	765,530.6	833,365.9	845,153.2	2,716,987.5
2. Broad money M3 (in BIF million)	2,446,474.9	2,498,725.4	2,577,494.4	3,172,655.4	3,239,303.1	3,312,863.4
2.1. Broad money M2 (in BIF million)	2,232,827.6	2,287,130.6	2,363,346.0	2,946,461.0	3,017,751.7	3,078,695.7
3. Domestic credit (in BIF million)	3,136,682.8	3,151,327.8	3,404,019.3	3,962,708.8	4,021,694.4	4,217,530.7
4. Net foreign to government (in BIF million)	1,763,775.6	1,743,469.0	2,023,332.5	2,152,783.7	2,139,390.1	2,082,261.0
5. Net foreign assets (in BIF million)	-297,863.2	-258,555.5	-279,912.6	-340,492.7	-364,378.4	-345,337.2
6. Tenders operations						
6.1. Normal liquidity providing	401,550.0	449,070.0	349,400.0	142,000.0	80,000.0	70,000.0
6.2. Injecting liquidity						
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	0.00	0.00	3.74	4.01	3.20	3.40
7.2. Treasury bill to 26 weeks	3.25	3.25	3.45	4.46	4.22	4.29
7.3. Treasury bill to 52 weeks	3.32	3.36	3.60	4.99	4.88	4.82
7.4. Recovery of liquidity	0.00	0.00	0.00	0.00	0.00	0.00
7.5. Injecting liquidity	2.74	2.77	2.58	3.96	2.60	2.99
7.6. Marginal lending facility	6.00	6.00	6.60	6.96	6.60	6.33
7.7. Interbank market	4.07	4.27	4.42	5.16	5.48	5.56
7.8. Deposit interest rates	5.65	5.55	5.55	5.64	5.66	5.58
7.9. Lending interest rates	15.11	15.26	15.39	14.79	13.79	13.56
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	185,377.3	202,229.0	228,444.6	124,490.4	148,947.9	164,518.5
including Arabica coffee	11,870.5	15,556.2	23,772.7	22,755.6	25,010.1	28,053.3
1.1. Volume of exports (in T)	45,939.0	56,378.2	68,605.6	71,167.0	83,383.7	93,870.0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	58.9	69.3	32.4	-	187.1	197.3
- BIF/Kg	2490.2	2,909.6	1,335.6	-	8,160.9	8,518.7
1.3. Coffee sold d(in BIF million)	18,026.2	21,095.5	25,095.5	25,137.7	27,467.7	30,758.1
2. Import CIF (in BIF million)	997,735.9	1,146,197.6	1,321,420.9	1,138,820.5	1,337,496.0	1,511,874.6
including petroleum products	166,526.5	192,437.7	212,899.8	161,049.9	203,146.7	233,596.8
2.1. Volum of imports (in T)	659,162.0	760,416.1	864,993.5	732,215.0	855,788.4	1,003,731.0
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	89.90	88.10	88.00	85.80	85.50	85.10
3.1.2. Real	93.30	91.40	91.80	95.00	94.90	95.00
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,920.73	1,926.14	1,931.60	1,980.86	1,985.95	1,991.16
3.2.2. Exchange rate BIF/USD (monthly average)	1,917.98	1,923.50	1,929.07	1,978.55	1,983.50	1,988.67
(1): the coffee campaign starts in April and ends in March of the following year						
(p) : Provisional						
n.a. : not available						

Source: BRB

APPENDIX 2: MAIN INDICATORS OF BANKING SECTOR IN SEPTEMBER 2021 (in BIF million)

	Commercial banks			Other financial corporations			Financial sector		
	Sept_2020	Sept_2021	Changes in %	Sept_2020	Sept_2021	Changes in %	Sept_2020	Sept_2021	Changes in %
I. ASSETS	3,416,472.4	4,737,344.7	38.7	249,434.6	95,228.3	- 61.8	3,665,907.0	4,832,572.9	31.8
I.1. Main assets	2,949,584.2	4,082,586.5	38.4	215,106.7	83,104.4	- 61.4	3,164,690.9	4,165,690.9	31.6
A. Liquid assets	1,869,355.5	2,331,103.6	24.7	24,847.7	7,036.2	- 71.7	1,894,203.2	2,338,139.8	23.4
. Cash	83,883.0	110,113.3	31.3	23.7	12.8	- 46.1	83,906.8	110,126.1	31.2
. Balance in B.R.B.	162,197.7	212,174.6	30.8	4,087.4	407.7	- 90.0	166,285.1	212,582.3	27.8
. Interbank claims	84,117.3	177,491.6	111.0	2,590.8	1,222.1	- 52.8	86,708.2	178,713.7	106.1
. Loan to government	1,539,157.4	1,831,324.2	19.0	18,145.7	5,393.6	- 70.3	1,557,303.1	1,836,717.8	17.9
Treasury securities	1,480,593.0	1,731,045.1	16.9	18,145.7	5,393.6	- 70.3	1,498,738.7	1,736,438.7	15.9
Other securities	58,564.4	100,279.1	71.2	-	-	-	58,564.4	100,279.1	71.2
B. Loans	1,080,228.7	1,751,482.9	62.1	190,259.0	76,068.2	- 60.0	1,270,487.7	1,827,551.1	43.8
. Short term	592,567.0	813,196.4	37.2	3,116.1	257.5	- 91.7	595,683.1	813,453.9	36.6
. Medium term	315,850.8	494,525.6	56.6	35,666.3	9,285.2	- 74.0	351,517.2	503,810.7	43.3
. Long term	171,810.9	443,760.9	158.3	151,476.6	66,525.5	- 56.1	323,287.5	510,286.4	57.8
. Leasing	-	-	-	-	-	-	-	-	-
I.2. Fixed assets	160,522.17	199,598.7	24.3	8,248.1	3,242.1	- 60.7	168,770.3	202,840.8	20.2
I.3. Others assets	306,366.05	455,159.5	48.6	26,079.8	8,881.8	- 65.9	332,445.8	464,041.3	39.6
II. LIABILITIES	3,416,472.4	4,737,344.7	38.7	249,434.6	95,228.3	- 61.8	3,665,907.0	4,832,572.9	31.8
II.1. Main liabilities	2,898,757.4	4,068,343.7	40.3	183,377.8	60,459.7	- 67.0	3,082,135.2	4,128,803.4	34.0
. Customer deposits	2,013,447.2	2,786,633.1	38.4	137,131.5	27,072.4	- 80.3	2,150,578.7	2,813,705.5	30.8
amongst: Ten large deposits	938,038.0	1,266,288.5	35.0	26,971.2	-	-	965,009.2	1,266,288.5	31.2
. Borrowing from B.R.B. (Refinancing)	360,531.7	359,320.4	- 0.3	-	15,824.1	-	360,531.7	375,144.6	4.1
. Interbank liabilities	203,464.6	489,811.6	140.7	6,653.5	4,136.0	- 37.8	210,118.1	493,947.6	135.1
. Capital and reserves	321,313.9	432,578.5	34.6	39,592.9	13,427.2	- 66.1	360,906.7	446,005.7	23.6
II.2. Other liabilities	517,715.0	669,001.0	29.2	66,056.8	34,768.5	- 47.4	583,771.8	703,769.6	20.6
MAIN INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Tier 1 capital (in BIF billion)	373,207.1	516,090.0	38.3	34,999.6	18,516.2	- 47.1	408,206.7	534,606.2	31.0
. Total regulatory capital (in BIF billion)	394,858.7	547,433.7	38.6	43,232.2	23,065.1	- 46.6	438,090.9	570,498.8	30.2
. Risk weighted assets	1,289,507.2	2,417,572.5	87.5	89,063.6	102,832.0	15.5	1,378,570.9	2,520,404.5	82.8
. Tier 1 capital adequacy ratio (threshold 12,5%)	28.9	21.3	-	39.3	18.0	-	29.6	21.2	-
. Total regulatory capital adequacy ratio (threshold 14,5%)	30.6	22.6	-	48.5	22.4	-	31.8	22.6	-
. Leverage Ratio (threshold 7%)	10.9	10.9	-	14.0	19.4	-	11.1	11.1	-
Loan concentration									
. Large exposures	208,290.6	310,656.3	49.1	2,731.8	6,146.0	125.0	211,022.3	316,802.3	50.1
. Large exposures to Loans ratio (%)	19.3	17.7	-	1.4	8.1	-	16.6	17.3	-
. Loans to Assets ratio (%)	31.6	37.0	-	76.3	79.9	-	34.7	37.8	-
. Government claims to assets ratio (%)	45.1	38.7	-	7.3	5.7	-	42.5	38.0	-
. Government Loans/Tier 1 capital ratio (%)	412.4	354.8	-	51.8	29.1	-	381.5	343.6	-
Quality of loan portfolio									
. Past due loans	125,652.1	163,856.7	30.4	31,098.3	585.3	- 98.1	156,750.4	164,442.0	4.9
Special mention loans	52,417.4	91,639.1	74.8	21,148.5	92.7	- 99.6	73,566.0	91,731.8	24.7
Non performing loans	73,234.6	72,217.6	- 1.4	9,949.8	492.6	- 95.0	83,184.4	72,710.2	- 12.6
Substandard loans	7,215.5	20,954.9	190.4	4,447.1	194.6	- 95.6	11,662.6	21,149.6	81.3
Doubtful loans	18,056.9	12,282.3	- 32.0	2,921.7	159.9	- 94.5	20,978.6	12,442.2	- 40.7
Loss loans	47,962.2	38,980.4	- 18.7	2,581.0	138.0	- 94.7	50,543.2	39,118.4	- 22.6
. Loan loss provisions	50,233.5	38,815.1	- 22.7	4,075.3	257.0	- 93.7	54,308.9	39,072.0	- 28.1
. Non performing loan rate	6.8	4.1	-	5.2	0.6	-	6.5	4.0	-
. Impairment rate	11.6	9.4	-	16.3	0.8	-	12.3	9.0	-
. Provisioning rate	68.6	53.7	-	41.0	52.2	-	65.3	53.7	-
Liquidity									
. LCR* in BIF (threshold 100%)	229.0	200.1	-	-	-	-	229.0	200.1	-
. LCR in f.c.** (threshold 100%)	186.2	159.7	-	-	-	-	186.2	159.7	-
. Loans/Customer deposits	53.7	62.9	-	138.7	281.0	-	59.1	65.0	-
. Stable funds /Fixed Assets (threshold 60%)	88.8	102.1	-	195.9	338.5	-	105.1	104.6	-
. Ten large deposits/Customer deposits	46.6	45.4	-	19.7	-	-	44.9	45.0	-
Profitability and performance									
. Income before tax	111,230.7	130,154.9	17.0	8,139.6	7,751.3	- 4.8	119,370.3	137,906.2	15.5
. Net income	106,325.8	123,625.8	16.3	7,095.0	5,080.6	- 28.4	113,420.7	128,706.4	13.5
. Gross Income	201,721.7	239,484.4	18.7	15,640.3	6,548.0	- 58.1	217,362.1	246,032.4	13.2
. ROA	3.11	2.61	-	2.84	5.34	-	3.1	2.7	-
. ROE	26.93	22.58	-	16.41	22.03	-	25.9	22.6	-

Source: BRB

* Liquidity Coverage ratio

** Foreign currencies

APPENDIX 3: SELECTED ANNUAL INDICATORS

GROSS DOMESTIC PRODUCT AND PRICE	2016	2017	2018	2019	2020 (p)
Real Growth of GDP (in %)	3.2	3.8	5.3	4.5	-0.5
Inflation rate (annual)	5.6	16.1	-2.6	-0.8	7.5
FOREIGN SECTOR					
Exports, f.o.b. (USD million)	117.7	172.3	180.0	179.7	162.2
Imports, CIF (USD million)	615.2	756.0	793.5	887.7	909.6
Volume of exports (in tons)	84,614.0	93,125.0	103,218.0	102,721.0	105,858.0
Volume of imports (in tons)	708,203.0	822,514.0	976 694	1,143,866.0	1,175,731.0
Current account balance (USD million)	-326.8	-370.9	-345.9	-348.4	-315.8
Exchange rate BIF/USD (period average)	1,657.4	1,732.2	1,784.8	1,848.6	1,915.1
Exchange rate BIF/USD (end of period)	1,688.6	1,766.7	1,808.3	1,881.6	1,946.4
International reserves (USD million, end of période)	95.4	102.2	70.3	113.4	109.7
International reserves (Month of imports)	1.5	1.7	1.0	1.5	1.1
MONEY AND CREDIT					
Net foreign assets (BIF million)	-176,523.1	-154,400.0	-203,201.0	-206,340.3	-205,016.1
Domestic credit (BIF million)	1,767.1	2,005.0	2,369.5	2,827.6	3,475.3
Net credits to the Government	905.9	1,112.2	1,337.5	1,618.9	2,025.8
Credits to the economy	861.3	892.9	1,038.6	1,208.6	1,449.5
Broad money (M3)	1,187.1	1,499.5	1,797.5	2,202.8	2,728.0
Money and quasi money (M2)	1,093.1	1,340.9	1,326.0	2,014.7	2,520.7
Velocity of the money (GDP/M2, end of period)	4.4	4.3	4.4	3.1	2.6
Reserve money (growth rate)	29.2	39.0	-3.3	23.6	11.6
Liquidity providing rate (in %)	3.10	2.79	2.90	2.65	2.86
Marginal lending rate (in %)	8.60	7.13	5.80	5.43	6.22
Commercial banks average deposit rates (end of period)	7.70	5.96	5.60	5.25	5.45
Treasury securities	-	14.03	13.23	12.45	12.46
Commercial banks average lending rates (end of period)	16.50	16.16	15.90	15.65	15.24
FINANCE AND PUBLIC DEBT					
Revenues and grants (as % of GDP)	15.6	15.8	18.0	20.0	19.5
Expenses (as % of GDP)	21.5	20.1	22.6	24.4	25.6
Overall fiscal balance (as % of GDP , accrual basis)					
- excluded grants	-8.2	-6.9	-8.2	-8.4	-9.5
- included grants	-5.9	-4.3	-4.5	-4.4	-6.1
Domestic debt (BIF million)	1,374.1	1,647.8	1,937.8	2,317.5	2,851.2
External debt (in USD million , at the end of period)	429.1	440.5	451.1	504.1	532.2
External debt service ratio (as % of exports)	4.2	5.1	3.2	5.0	5.4
Public external debt (as % of GDP)	14.9	13.6	14.0	15.3	15.6
GDP at market prices (BIF billion)	4,938.2	5,702.1	5,914.1	6,216.9	6,655.6
P:provisional					

Source: BRB