



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic indicators

June 2022

I. INTRODUCTION

The main economic indicators below concerned the developments at the end of June 2022, 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, the real sector was marked, in June 2022 by the end of the 2021/2022 coffee campaign, an increase in industrial and a decrease in green leaf tea production.

Inflation has increased in June 2022 compared to the same period in 2021.

Compared to the same period of the previous year, the trade balance deficit deteriorated at the end of June 2022. The overall fiscal deficit (excluding grants) has worsened compared to the end of June 2021. The Burundi Franc depreciated against the US Dollar.

The reserve money and money supply rose at the end of June 2022.

The aggregated balance sheet of the banking sector improved as well as the deposits and credit to the private sector. In terms of financial soundness, the banking sector remained sufficiently capitalized. However, the solvency and profitability ratios fell.

II. PRODUCTION

Year-on-year basis, the industrial production index increased while the green leaf tea production decreased in June 2022.

II.1 Industrial Production Index

The industrial production index increased by 15.7 percent in June 2022, settling at 171.1 against 147.8 in June 2021, mainly in connection with the increase of BRARUDI beverages production (3.7 percent) and cigarettes (+96.3 percent).

Similarly, this index increased by 5.9 percent compared to the previous month, particularly in connection with the increase in the production of cigarettes (+26.5 percent), partially offset by the decline of BRARUDI beverages production (-0.7 percent).

II.2. Coffee

During June 2022, no production of parchment coffee was recorded, following the close of the 2021/2022 coffee campaign. According to the forecasts of ODECA, the total volume of parchment coffee expected for the 2022/2023 campaign would amount to 19,602.0 tonnes compared to the production of 8,552.2 tonnes in the previous campaign, such an increase of 129.2 percent, linked to the cyclicity of the coffee tree.

II.3. Tea

On annual basis, the production of green leaf tea fell by 11.6 percent in June 2022, standing at 4,455.5 tonnes against 5,043.1 tonnes in the same period of 2021, in connection with poor rainfall. Likewise, cumulative production decreased at the end of June 2022 (-1.7

percent), standing at 32,308 tonnes compared to 32,853.5 tonnes in the same period of 2021.

III. INFLATION DEVELOPMENTS

Year-on-year basis, headline inflation increased to 17.6 percent at the end of June 2022 from 5.3 percent in the same period of the previous year. This increase concerned both, food inflation (21.3 against 5.2 percent) and non-food inflation (13.5 against 5.3 percent).

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

	June-2021		June-2022	
	CPI	Inflation	CPI	Inflation
Headline Inflation	128.6	5.3	151.2	17.6
1. Food	129.7	5.2	157.3	21.3
- Bread and cereals	115.6	-0.1	150.3	30.0
- Meat	156.2	6.5	186.3	19.3
- Fish and sea food	163.8	-3.2	235.3	43.7
- Milk, cheese and eggs	134.2	10.4	147.8	10.1
- Oils and fats	158.0	17.0	221.1	39.9
- Fruits	142.3	33.8	164.7	15.7
- Vegetables	125	7.0	139.8	11.8
- Sugar, jam, honey, chocolate and confectionery	112.2	-5.0	130.3	16.1
- undefined food elsewhere	126.2	-2.7	134.5	6.6
2. Non food	127.4	5.3	144.6	13.5
- Alcoholic beverages, tobacco	120.3	1.8	129.5	7.6
- clothing and footwear	132.3	5.8	149.8	13.2
- Housing, water, electricity, gas and other fuels	136.9	6.2	154.7	13.0
- Furnishing, household equipment and routine household	125.1	1.5	157.6	26.0
- Health	164.7	37.9	175.2	6.4
- Transport	121.5	0.8	148.7	22.4
- Communication	102.3	0.9	117.8	15.2
- leisure and culture	130.3	2.1	136.2	4.5
- Education	151.3	6.6	151.7	0.3
- Hotels, Restaurant and café	118.2	2.6	130.0	10.0
- Other goods and services	125.1	1.0	133.9	7.0
Energy and fuels	163.3	7.8	186.3	14.1
3. Core Inflation	125.8	4.7	148.9	18.4

Source: BRB, from ISTEEDU data

The rise in food inflation mainly concerned the prices of sub-headings "Fish and seafood" (43.7 against -3.2 percent), "Oils and fats" (39.9 against 17.0 percent), "Bread and cereals"

(30.0 against -0.1 percent) and "Meat" (19.3 against 6.5 percent).

The increase in non-food inflation was mainly explained by the rise of sub-headings prices "Furniture, household goods and routine household maintenance" (26.0 against 1.5 percent), "Transport" (22.4 against 0.8 percent) and "Housing, water, electricity, gas and other fuels" (13.0 against 6.2 percent). In contrast, inflation in the "Health" (6.4 against 37.9 percent) and "Education" (0.3 against 6.6 percent) subheadings decelerated.

Year-on-year, the price index for energy, fuel, and other fuels increased at the end of June 2022 compared to the end of June 2021 (14.1 percent against 7.8 percent).

Compared to the same period of the previous year, headline inflation excluding food prices and energy, which is the proxy for core inflation, increased at the end of June 2022 (18.4 against 4.7 percent).

IV. TRADE BALANCE

Compared to the same period in 2021, the BIF depreciated by 2.93 percent against the US Dollar in June 2022; the average exchange rate was BIF 2,031.35 against 1,973.45 for one unit of US Dollar.

At the end of the period, the BIF depreciated annually by 2.91 percent against the US Dollar; the exchange rate went from 1,976.04 at the end of June 2021 to BIF 2,033.55 per US Dollar unit at the end of June 2022.

IV.1 Exports

Compared to the same period in 2021, cumulative exports increased at the end of June 2022 in value (60.5 percent) and in volume (3.8 percent).

In value, this increase concerned both primary products (BIF 100,659.8 compared to 58,957.5 million) and manufactured products (BIF 81,546.7 against 54,573.9 million).

The increase in exports of primary products is mainly explained by exports of non-monetary gold equivalent to BIF 50,466.6 million, while there were no exports of this product in the same period of 2021, and those of tea (BIF 24,064.7 against 21,705.3 million). On the other hand, exports of coffee (BIF 17,517.2 against 22,608.7 million) and Niobium ores (BIF 4,514.4 against 11,789.9 million) fell.

Regarding the rise in exports of manufactured products, it mainly concerned exports of soaps (BIF 26,248.6 against 568.2 million).

In volume, the slight increase in exports resulted from the increase in the volume of exports of manufactured products (41,200 against 33,310 tonnes) which slightly exceeded the decrease in that of exports of primary products (8,140 against 14,226 tonnes).

IV.2 Imports

At the end of June 2022, cumulative imports increased in value (17.3 percent), while they decreased in volume (10.7 percent).

The increase in value of imports concerned all categories of imported goods, namely intermediary goods (BIF 540,751.3 compared to 425,370.2 million), consumer goods (BIF 399,375.1 against 352,577.9 million) as well as those of capital (BIF 194,552.4 compared to 189,709.2 million).

The largest increase in imports of intermediary goods concerned mineral oils (BIF 230,311.8 compared to 129,751.7 million), and goods for agriculture and livestock (BIF 72,802.7 against 39,210.7 million). On the other hand, imports of goods for metallurgy (BIF 67,675.5 compared to 94,521.8 million), and food (BIF 57,334.4 against 61,133.8 million) decreased.

The increase in imports of consumer goods is attributed to imports of durable consumer goods, specifically textiles (BIF 61,215.5 against 39,501.7 million), vehicles (BIF 39,641.7 against 34,353.5 million) as well as other durable consumer products (BIF 108,216.6 compared to 79,144.7 million). On the other hand, imports of non-durable consumer goods fell, settling at BIF 190,301.2 compared to 199,578.0 million. This decrease concerned foodstuffs (BIF 95,296.1 against 97,631.5 million) and pharmaceuticals (BIF 64,473.1 against BIF 79,319.6 million).

The increase in imports of capital goods mainly concerned boilers and construction equipment (BIF 67,236.2 against 56,596.4 million) and electrical materials (BIF 38,581.7 against 37,683.6 million). However, imports of spare

parts and tools (BIF 18,610.0 compared to 22,939.3 million) and those of tractors, vehicles, and transport equipment (BIF 48,226.8 against 50,879.9 million) decreased.

The decrease volume of imports concerned intermediary goods (413,679 against 439,048 tonnes), capital goods (26,100 against 30,754 tonnes), and consumer goods (133,661 against 172,318 tonnes).

In June 2022, imports increased by 34 percent compared to those of the same month of 2021, standing at BIF 226,376.0 compared to 168,576.1 million. This increase is explained by an increase in imports of intermediary goods (BIF 110,200 compared to 63,810.5 million), consumer goods (BIF 77,284 against 68,732.1 million) as well as imports of capital goods (BIF 38,892 against 36,033.5 million).

V. EXCHANGE RATE

Compared to the same period in 2021, the BIF depreciated by 2.93 percent against the US Dollar in June 2022; the average exchange rate was BIF 2,031.35 against 1,973.45 for one unit of US Dollar.

At the end of the period, the BIF depreciated annually by 2.91 percent against the US Dollar; the exchange rate went from 1,976.04 at the end of June 2021 to BIF 2,033.55 per US Dollar unit at the end of June 2022.

VI. GOVERNMENT FINANCIAL OPERATIONS

In June 2022, the overall fiscal deficit (excluding grants) increased compared to the same period of the previous year, standing at BIF 566,335.1 million against BIF 300,334.8 million, following the greater increase of expenditure than revenue.

VI.1. Revenue

Revenue of June 2022 increased by 24.6 percent, standing at BIF 151,416.4 million compared to BIF 121,489.1 million in the same period of 2021. This improvement concerned both tax revenue (BIF +28,489.8 million) and non-tax revenue (BIF +1,437.4 million).

Likewise, cumulative revenue increased by 18.3 percent at the end of June 2022, standing at BIF 701,302.5 million compared to BIF 593,028.0 million in the same period of the previous year, driven by the both increase of tax revenue (BIF +89,921.2 million) and non-tax (BIF +18,353.4 million).

VI.2. Expenditure

Expenditure incurred in June 2022 increased by 46.8 percent compared to the same period of 2021, standing at BIF 342,706.4 million against BIF 233,398.4 million. Likewise, cumulative expenditure increased by 41.9 percent at the end of June 2022, standing at BIF 1,267.6 billion against BIF 893,362.8 million in the same period of 2021.

Cumulative personnel expenditure increased by 11.7 percent at the end of June 2022, standing at BIF 268,757.0 million against BIF 240,586.5 million in the same period of 2021.

VI.3. Public debt

Public debt increased by 16.0 percent at the end of June 2022, standing at 4,478.5 against BIF 4,120.1 billion in the corresponding month of the previous year, driven by both, rise of domestic debt (+13.7 percent) and external debt (+22.3 percent).

Compared to the previous month, public debt increased by 6.3 percent in link with the increase in domestic debt (+8.6 percent) and external debt (+0.7 percent).

VI.3.1 Domestic Debt

Year-on-year, domestic debt increased by BIF 417,857.6 million at the end of June 2022, rising from 3,040.4 to BIF 3,458.2 billion, in connection with the increase of the Government debt to the banking sector (BIF +433,307.6 million), partially offset by the decrease of the Government debt to Financial Institutions (BIF -11,300 million) and Non-Financial Sector (BIF -4,150.0 million).

Compared to the previous month, the domestic debt stood to BIF 273,586.9 million, driven by the rise of the Government debt to the banking sector (BIF 288,036.9 million), partially offset by the drop of the Government debt towards the non-financial sector (BIF -14,450.0 million).

VI.3.2. External Debt

Year-on-year, the external debt increased by BIF 240,535.0 million at the end of June 2022, rising from 1,079.7 to BIF 1,320.3 billion, in line with drawings (BIF +275,864.1 million), partially offset by the revaluation losses (BIF 7,651.9 million) and amortization (BIF 27,677.1 million).

Compared to the previous month, the external debt increased by 0.7 percent at the end of June 2022, standing at 1,320.3 against BIF 1,311.0 billion, in connection with new drawings (BIF +8,313.1 million) and revaluation gains (BIF +2,226.9 million), partially offset by debt amortization (BIF 1,261.5 million).

Expressed in US dollar, the external debt increased by USD 102.8 million at the end of June 2022, standing at 650.0 against USD 547.1 million in the corresponding period of 2021.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

On an annual basis, the reserve money and the money supply rose in June 2022, mainly driven by the net domestic assets.

VII.1. Broad Money

Year-on-year basis, broad money grew by 26.7 percent at the end of June 2022 versus 14.7 percent at the same period of 2021, standing at BIF 1,023,162.4 against 807,326.5 million. The acceleration in the growth of the base money concerned commercial bank deposits at the Central Bank, which increased whereas they

were almost stabilized a year earlier (+81.2 against 0.3 percent), currency outside the central bank slowed their growth rate (+14.1 against +23.6 percent).

VII.2. Money supply

In June 2022, the money supply (M3) slowed its growth rate compared to the same period of 2021, +20.5 against +28.9 percent or BIF 3,730.8 against 3,094.9 billion. This slowdown is attributable to the M2 monetary aggregate (+20.8 against +30.4 percent) while residents' foreign currency deposits grew faster compared to the same period of 2021 (+17.8 against +12, 1 percent).

The fall in M2 concerned currency in circulation outside banks (+13.3 against +21.2 percent), demand deposits (+ 20.8 percent against + 34.7 percent), term, and saving deposits (+24.8 against +27.9 percent).

The deceleration in demand deposits in BIF reflects that of household deposits (+16.0 against +31.1 percent), other non-financial corporations (+26.0 against +39.8 percent), public non-financial corporations (-14.6 against +48.7 percent) and those classified in other accounts (17.1 against 25.9 percent). However, demand deposits in BIF from other financial institutions resumed after a decline in the same period of 2021 (+73.1 against -47.0 percent).

The deceleration in the growth of time and savings deposits denominated in BIF is due to the decrease in deposits from other non-financial corporations (21.3 against +57.3

percent) and a marked decline in public non-financial corporations (-55.6 against -0.6 percent). This decrease outpaced the increase in the growth of household deposits (27.2 against 11.8 percent) and those classified in other accounts (+46,3 against -0.1 percent).

The rise in residents' foreign currency deposits related to foreign currency deposits of other non-financial corporations (+25.1 versus +9.4 percent) and those classified in other accounts (0.2 against -5.3 percent). On the other hand, the foreign currency assets of households (21.8 against 22.9 percent) and those of public non-financial corporations (-93.2 against -47.9 percent) slowed their growth in the 12-months to June 2022 compared to the same period. 2021.

VII.3. Counterparts

In the year to June 2022, domestic credit (5,161.1 against BIF 3,872.1 billion) increased at a faster pace than in the same period of 2021 (+ 33.3 against +24.7 percent).

The increase in domestic credit is driven by the growth in claims on the economy (+66.0 against +33.7 percent) mainly in connection with the refinancing of growth-promoting sectors while net claims on Government slowed their growth (+6.2 against +18.1 percent).

The decrease of net claims on the Government is on account of net claims of commercial banks to the Government (-1.0 against +14.8 percent) although the net claims of the Central Bank on the Government grew compared to the same

period of 2021 (+36.6 against +33.4 percent). The net claims of the Central Bank on the Government is due to the rise in advances to the Government (45.1 against 30.1 percent) which more than offset the growth in public deposits resulting from the funds from the IMF's Rapid Credit Facility.

Year-on-year basis, net foreign assets fell by 141,889.3 MBIF at the end of June 2022. This drop resulted from the external liabilities expansion (+496,919.7 MBIF) which exceeded that of gross foreign assets (+355,030, 4 MBIF). However, official foreign exchange reserves rose by 280,525.6 MBIF mainly in connection to the increase in holdings of SDRs (+273,133.0 MBIF) following the allocation of SDRs granted by the IMF. In terms of months of imports, these reserves cover 1.9 against 0.8 months of imports of goods and services at the end of June a year earlier.

VIII. MAIN INDICATORS OF BANKING SECTOR

Year-on-year, the banking sector activities improved at the end of June 2022. On the asset side, this improvement relied on loans to the economy and Treasury securities. The increase in liabilities was linked to customer deposits and Central Bank refinancing.

VIII.1. Assets

Banking sector assets grew by 27.6 percent year-on-year, standing at BIF 5,656.2 billion at the end of June 2022 from BIF 4,432.4 billion at the end of June 2021. This was linked to the 50.5% increase in loans to the economy which

rose from BIF 1,623.9 billion to BIF 2,444.4 billion.

The proportion of loans to the economy increased by 6.6 percentage points, reaching 43.2 percent of total assets in the banking sector at the end of June 2022 against 36.6 percent at the end of June 2021.

VIII.2. Liabilities

The customer deposits increased by 25.1 percent year-on-year, standing at BIF 3,334.1 million from BIF 2,664.1 million at the end of June 2021. Central Bank refinancing increased by 69.2 percent, standing at 573.8 against BIF 339.1 billion, following the rise in financing favouring growth-leading sectors.

The proportion of deposits in the main liabilities fell by 1.2 percentage point, standing at 58.9 percent at the end of June 2022 from 60.1 percent at the end of June 2021. On the other hand, the proportion of Central bank refinancing fell by 1.5 percentage point, from 28.0 percent at the end of June 2021 to 26.5 percent at the end of June 2022.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

At the end of June 2022, the equity capital of the banking sector increased compared to the situation in the corresponding period in 2021. Conversely, the solvency and profitability ratios fell slightly.

IX.1. Capital Adequacy

The banking sector's equity capital rose by 29.4 percent at the end of June 2022, settling at BIF 706,269.2 billion from BIF 545,801.0 billion at the end of June 2021. On the other hand, the core capital adequacy ratio¹ fell to 24.0 percent from 26.0 percent. Meanwhile, the overall capital adequacy ratio declined from 27.8 to 25.5 percent. However, the leverage ratio² increased slightly, settling at 11.5 to 11.7 percent.

IX.2. Quality of loans portfolio

The amount of non-performing loans fell by 6.5 percent at the end of June 2022, settling at BIF 62,156.0 million from BIF 66,503.6 million in the corresponding period in 2021. Therefore, the overall loan default rate stood at 2.5 from 4.1 percent.

The loan default rates fell in the various sectors of activities, in particular, in agriculture, from 15.6 to 2.4 percent, in industry, from 1.5 percent to 1.4 percent, in construction, from 3.5 percent to 2.6 percent, in trade, from 3.8 percent to 2.5 percent, in tourism, from 9.0 to 7.7 percent and equipment, from 4.1 percent to 2.5 percent.

IX.3. Concentration of loans portfolio

The exposure of the banking sector to large loan risks³ grew by 55.0 percent at the end-

June 2022, the large exposition amounted to BIF 868.2 billion from BIF 560.3 billion, owing to the increase in refinancing in favour to growth-leading-sectors. The large loan risks represented 35.5 percent of the overall loan portfolio at the end of June 2022 from 34.5 percent at the end June 2021.

At the end of June 2022, trade remained the most financed sector by the banking sector. However, the share of financing declined to 30.1 percent of the overall portfolio from 33.2 percent at the end of June 2021. The outstanding loans to the trade sector amounted to BIF 728.8 billion from BIF 591.4 billion in the corresponding period of 2021.

IX.4. Profitability

The Banking sector's Gross Income increased by 22.0 percent year-on-year, standing at BIF 191,860.1 million at the end of June 2022 from BIF 157,203.0 million. Likewise, Net profit rose by 11.7 percent, reaching BIF 87,012.0 million from BIF 77,920.2 million. Nonetheless, the return on assets (ROA) and equity (ROE) fell slightly, settling to 1.5 percent and 12.3 percent respectively, at the end of June 2022 from 1.8 and 14.3 percent at the end of June 2021.

IX.5. Liquidity

The Liquidity coverage ratio (LCR)⁴ in BIF stood

¹ The minimum regulatory threshold is 12.5 percent for the base solvency ratio and 14.5 percent for the overall solvency ratio).

² The minimum threshold is 5 percent for the leverage ratio.

³ Circular n°06/2018 defines a large risk as a loan exceeding 10 percent of its core equity capital.

⁴ Circular n°04/2018 defines LCR as the ratio between high-quality liquid assets (i.e. assets that can be easily and immediately converted into cash without or with a slight loss of value in periods of high liquidity stress) and the total net cash outflows within the following 30 days.

at 182.6 percent at the end-June 2022 from 195.6 percent at the end-June 2021. On the other hand, LCR in foreign currencies increased, from 177.4 to 296.5 percent. The large deposits⁵ increased by 20.7 percent at the

end-June 2022, settling at 1,496.3 from BIF 1,239.6 billion at the end-June 2021. However, the proportion of large deposits in the total deposits decreased by 1,5 percentage point, from 28.0 to 26.5 percent.

⁵ Large deposits is the sum of the deposits of the first 10 depositors in each credit institution.

APPENDIX 1: SELECTED MONTHLY INDICATORS AT THE END OF JUNE 2022

	Apr-2021	May-2021	June-2021	Apr-2022	May-2022	June-2022
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	133.4	137.6	147.8	172.7	161.6	171.1
2. Production of Arabica parchment Coffee (cumulation in T) (1)	18,867.8	-	1,028.9	8,552.2	-	-
3. Production of Tea (cumulation in T of tea leaves)	22,477.6	27,810.4	32,853.5	22,752.1	27,853.0	32,308.6
4. Consumer price index (1991 = 100)	125.8	125.8	128.6	141.9	152.0	151.2
5. Inflation rate	7.3	6.4	5.3	16.1	18.6	17.6
II. Public Finances						
1. Total Budget revenue (in BIF million)	384953.9	471,538.8	593,028.0	451492.9	549,886.1	701,302.5
1.1. Tax revenue	350781.6	430,530.8	535,642.8	405145.2	491,962.1	625,563.9
1.2. Non-tax revenue	34172.3	41,008.0	57,385.2	46347.7	57,924.0	75,738.6
1.3. Exceptional receipts	0.0	-	-	0.0	-	-
2. Expenditure	517786.2	659,964.4	893,362.8	778897.9	924,931.3	1,267,637.7
2.1. Compensation of employees (in BIF million)	160161.4	201,615.5	240,586.5	161640.5	202,652.1	268,757.0
3. Public debt (in BIF million)	3,984,880.1	4,016,866.2	4,120,106.1	4,541,115.0	4,495,633.2	4,778,498.7
3.1. Domestic debt outstanding	2,923,465.7	2,944,629.6	3,040,358.1	3,218,490.1	3,184,628.8	3,458,215.7
Including: Treasury bills and bonds	1,866,450.8	1,899,966.9	1,935,028	2,033,104.8	2,006,370.8	1,977,691.7
BRB ordinary advance	0.0	-	57,076.7	57950.6	57,950.6	258,620.2
3.2. External debt outstanding	1,061,414.4	1,072,236.6	1,079,747.9	1,322,624.9	1,311,004.4	1,320,283.0
3.3. External debt outstanding (in BIF million)	540.6	544.7	547.1	653.9	646.8	650.0
3.3. External debt service (in BIF million)	533.5	3,647.1	-	5,282.0	4,451.7	1,397.2
including amortization	392.2	2,013.8	-	4,330.7	3,597.1	1,261.5
3.4. Drawings on external loans	1,723.6	4,354.2	6,322.1	4,593.4	2,868.7	8,313.1
III. MONEY						
1. Reserve Money (in BIF million)	750,542.5	767,579.7	807,326.5	955 156,9(p)	955 156,9(p)	1 023 162,4(p)
2. Broad money M3 (in BIF million)	2,835,804.9	2,926,490.5	3,094,992.5	356 6807,5(p)	3 648 093,8(p)	3 730 889,9(p)
2.1. Broad money M2 (in BIF million)	2,622,851.0	2,711,073.9	2,869,835.8	329 8645,0(p)	3 353 634,5(p)	3 465 699,6(p)
3. Domestic credit (in BIF million)	3,590,940.4	3,688,693.3	3,872,113.8	472 5145,1(p)	4 789 587,1(p)	5 161 151,2(p)
4. Net foreign to government (in BIF million)	2,014,096.4	2,041,348.0	2,116,150.1	2 082 528,7(p)	2 051 437,7(p)	2 247 022,7(p)
5. Net foreign assets (in BIF million)	-248,838.2	-272,198.0	-305,508.8	-282,820.8	-252,344.5	-447,398.1
6. Tenders operations						
6.1. Normal liquidity providing	180,000.0	190,000.0	160,000.0	90,000.0	90,000.0	10,080.0
6.2. Injecting liquidity						
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	3.98	4.08	4.09	3.86	3.90	3.95
7.2. Treasury bill to 26 weeks	4.62	4.54	4.47	4.58	4.59	4.64
7.3. Treasury bill to 52 weeks	4.96	5.05	5.03	4.67	4.68	4.58
7.4. Recovery of liquidity	0.00	0.00	0.00	0.00	0.00	0.00
7.5. Injecting liquidity	2.24	2.46	2.53	3.68	4.45	4.46
7.6. Marginal lending facility	7.12	7.04	7.06	6.94	6.96	6.95
7.7. Interbank market	5.16	5.25	5.31	6.03	5.96	6.16
7.8. Deposit interest rates	5.54	5.56	5.60	6.07	6.08	6.13
7.9. Lending interest rates	15.29	15.15	15.08	13.20	13.09	12.66
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	81,828.1	98,513.8	113,531.4	125,120.6	165,624.0	182,206.5
including Arabica coffee	20,596.5	22,264.4	22,608.7	15,578.2	17,281.9	17,517.2
1.1. Volume of exports (in T)	34,898.8	42,132.0	47,536.0	32,550.1	40,088.0	49,340.0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb						
- BIF/Kg						
1.3. Coffee sold d(in BIF million)	22,924.1	24,573.5	25,170.1	18,467.8	18,750.9	20,566.1
2. Import CIF (in BIF million)	629,478.7	799,081.3	967,657.3	725,362.9	908,302.8	1,134,679.0
including petroleum products	93,731.3	112,033.4	129,751.7	114,298.2	163,075.6	230,311.8
2.1. Volum of imports (in T)	455,192.0	563,256.0	642,119.0	371,837.0	462,080.0	573,440.0
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	86.48	85.90	84.76	89.04	90.63	nd
3.1.2. Real	91.33	91.49	90.47	102.83	107.51	nd
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,965.85	1,970.55	1,976.04	2,024.63	2,029.12	2,033.55
3.2.2. Exchange rate BIF/USD (monthly average)	1,963.39	1,968.32	1,973.45	2,022.60	2,026.92	2,031.35
(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 JUNE 2022 (in BIF million)

	June 2021	June 2022	Change in %	June 2021	June 2022	Change in %	June 2021	June 2022	Change in %
I. ASSETS	4,119,373.7	5,544,521.5	34.6	313,026.0	111,663.1	- 64.3	4,432,399.6	5,656,184.6	27.6
I.1. MAIN ASSETS	3,542,172.7	4,705,356.2	32.8	269,049.3	95,721.2	- 64.4	3,811,222.0	4,801,077.4	26.0
A. Liquid assets	2,161,101.2	2,351,435.7	8.8	26,209.3	5,208.3	- 80.1	2,187,310.5	2,356,644.0	7.7
. Cash	77,678.3	127,164.8	63.7	16.3	16.8	2.9	77,694.6	127,181.6	63.7
. Balance in B.R.B.	210,232.5	329,657.3	56.8	3,260.9	650.9	- 80.0	213,493.4	330,308.3	54.7
. Interbank claims	153,962.9	118,430.5	- 23.1	5,604.1	1,911.4	- 65.9	159,567.0	120,341.9	- 24.6
. Loan to government	1,719,227.6	1,776,183.1	3.3	17,328.0	2,629.2	- 84.8	1,736,555.6	1,778,812.3	2.4
Treasury securities	1,625,537.7	1,669,938.9	2.7	17,328.0	2,629.2	- 84.8	1,642,865.7	1,672,568.1	1.8
Other securities	93,689.9	106,244.2	13.4	-	-	-	93,689.9	106,244.2	13.4
B. Loans	1,381,071.5	2,353,920.4	70.4	242,840.0	90,512.9	- 62.7	1,623,911.5	2,444,433.4	50.5
. Short term	699,126.4	1,070,214.4	53.1	2,961.9	822.4	- 72.2	702,088.3	1,071,036.8	52.6
. Medium term	440,831.5	646,147.1	46.6	38,581.4	43,198.0	12.0	479,412.9	689,345.1	43.8
. Long term	241,113.6	637,559.0	164.4	201,296.6	46,492.5	- 76.9	442,410.2	684,051.5	54.6
. Leasing	-	-	-	-	-	-	-	-	-
I.2. Fixed assets	189,210.12	228,246.4	20.6	10,888.3	3,214.1	- 70.5	200,098.4	231,460.5	15.7
I.3. Others assets	387,990.84	610,918.9	57.5	33,088.4	12,727.8	- 61.5	421,079.3	623,646.7	48.1
II. LIABILITIES	4,119,373.7	5,544,521.5	34.6	313,026.0	111,663.1	- 64.3	4,432,399.6	5,656,184.6	27.6
II.1. Main liabilities	3,229,901.5	4,376,459.1	35.5	194,970.3	60,355.3	- 69.0	3,424,871.8	4,436,814.4	29.5
. Customer deposits	2,487,544.7	3,300,571.7	32.7	176,527.3	33,483.6	- 81.0	2,664,072.0	3,334,055.3	25.1
amongst: Ten large deposits	1,200,438.0	1,496,291.6	24.6	39,164.7	-	-	1,239,602.7	1,496,291.6	20.7
. Borrowing from B.R.B. (Refinancing)	326,958.8	550,425.8	68.3	12,119.7	23,417.8	-	339,078.5	573,843.6	69.2
. Interbank liabilities	415,398.0	525,461.6	26.5	6,323.4	3,453.9	- 45.4	421,721.3	528,915.4	25.4
. Capital and reserves	417,834.3	557,843.6	33.5	46,600.3	24,743.8	- 46.9	464,434.6	582,587.5	25.4
II.2. Other liabilities	471,637.8	610,218.8	29.4	71,455.4	26,564.0	- 62.8	543,093.2	636,782.7	17.3
MAIN INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Tier 1 capital (in BIF billion)	464,188.7	639,686.7	37.8	46,544.1	22,625.0	- 51.4	510,732.9	662,311.7	29.7
. Total regulatory capital (in BIF billion)	490,380.7	678,931.2	38.4	55,420.3	27,337.9	- 50.7	545,801.0	706,269.2	29.4
. Risk weighted assets	1,717,108.9	2,649,402.9	54.3	243,789.2	115,372.1	- 52.7	1,960,898.1	2,764,775.0	41.0
. Tier 1 capital adequacy ratio (threshold 12.5%)	27.0	24.1	-	19.1	19.6	-	26.0	24.0	-
. Total regulatory capital adequacy ratio (threshold 12.5%)	28.6	25.6	-	22.7	23.7	-	27.8	25.5	-
. Leverage Ratio (threshold 7%)	11.3	11.5	-	14.9	20.3	-	11.5	11.7	-
Loan concentration									
. Large exposures	554,674.6	865,648.7	56.1	5,614.2	2,574.7	- 54.1	560,288.8	868,223.3	55.0
. Large exposures to Loans ratio (%)	40.2	36.8	-	2.3	2.8	-	34.5	35.5	-
. Loans to Assets ratio (%)	33.5	42.5	-	77.6	81.1	-	36.6	43.2	-
. Government claims to assets ratio (%)	41.7	32.0	-	5.5	2.4	-	39.2	31.4	-
. Government Loans/Tier 1 capital ratio (%)	370.4	277.7	-	37.2	11.6	-	340.0	268.6	-
Quality of loan portfolio									
. Past due loans	111,158.0	206,005.6	85.3	36,781.2	1,144.6	- 96.9	147,939.2	207,150.2	40.0
Special mention loans	53,168.4	144,939.6	172.6	28,267.2	54.6	- 99.8	81,435.6	144,994.1	78.0
Non performing loans	57,989.6	61,066.0	5.3	8,514.0	1,090.0	- 87.2	66,503.6	62,156.0	- 6.5
Substandard loans	8,234.4	21,245.3	158.0	3,925.2	622.1	- 84.2	12,159.6	21,867.4	79.8
Doubtful loans	11,913.0	13,021.0	9.3	2,828.7	358.9	- 87.3	14,741.7	13,380.0	- 9.2
Loss loans	37,842.2	26,799.7	- 29.2	1,760.1	109.0	- 93.8	39,602.3	26,908.7	- 32.1
. Loan loss provisions	37,746.3	31,385.8	- 16.9	2,170.5	412.6	- 81.0	39,916.8	31,798.4	- 20.3
. Non performing loan rate	4.2	2.6	-	3.5	1.2	-	4.1	2.5	-
. Impairment rate	8.0	8.8	-	15.1	1.3	-	9.1	8.5	-
. Provisioning rate	65.1	51.4	-	25.5	37.9	-	60.0	51.2	-
Liquidity									
. LCR* in BIF (threshold 100%)	195.6	182.6	-	-	-	-	195.6	182.6	-
. LCR in f.c.** (threshold 100%)	177.4	296.5	-	-	-	-	177.4	296.5	-
. Loans/Customer deposits	55.5	71.3	-	137.6	270.3	-	61.0	73.3	-
. Stable funds /Fixed Assets (threshold 60%)	99.4	92.6	-	188.6	281.7	-	111.4	94.5	-
. Ten large deposits/Customer deposits	48.3	45.3	-	22.2	-	-	46.5	44.9	-
Profitability and performance									
. Income before tax	75,424.4	88,841.0	17.8	6,730.1	4,099.3	- 39.1	82,154.4	92,940.4	13.1
. Net income	71,852.6	84,312.1	17.3	6,067.6	2,699.9	- 55.5	77,920.2	87,012.0	11.7
. Gross Income	144,909.8	186,416.7	28.6	12,293.3	5,443.4	- 55.7	157,203.0	191,860.1	22.0
. ROA	1.74	1.52	-	1.94	2.42	-	1.8	1.5	-
. ROE	14.65	12.42	-	10.95	9.88	-	14.3	12.3	-

Source: BRB

APPENDIX 3: SELECTED ANNUAL INDICATORS

GROSS DOMESTIC PRODUCT AND PRICE	2017	2018	2019	2020	2021 (p)
Real Growth of GDP (in %)	3.8	5.3	4.5	-0.5	3.1
Inflation rate (annual)	16.1	-2.6	-0.8	7.5	8.3
FOREIGN SECTOR					
Exports, f.o.b. (USD million)	172.3	180.0	179.7	162.4	165.1
Imports, CIF (USD million)	756.0	793.5	887.7	909.6	1,030.0
Volume of exports (in tons)	93,125.0	103,218.0	103,030.0	105,858.0	102,500.0
Volume of imports (in tons)	822,514.0	976 694	1,143,866.0	1,175,731.0	1,331,987.4
Current account balance (USD million)	-370.9	-345.9	-348.4	-315.8	-421.9
Exchange rate BIF/USD (period average)	1,732.2	1,784.8	1,848.6	1,915.1	1,976.0
Exchange rate BIF/USD (end of period)	1,766.7	1,808.3	1,881.6	1,946.4	2,006.1
International reserves (USD million, end of période)	102.2	70.3	113.4	94.3	266.6
International reserves (Month of imports)	1.7	1.0	1.5	1.1	3.2
MONEY AND CREDIT					
Net foreign assets (BIF million)	-154,400.0	-203,201.0	-206,340.3	-205,016.1	-322,600.5
Domestic credit (BIF million)	2,005.0	2,369.5	2,827.6	3,475.3	4,285.7
Net credits to the Government	1,112.2	1,337.5	1,618.9	2,025.8	1,932.4
Credits to the economy	892.9	1,038.6	1,208.6	1,449.5	2,352.3
Broad money (M3)	1,499.5	1,797.5	2,202.8	2,728.0	3,344.1
Money and quasi money (M2)	1,340.9	1,326.0	2,014.7	2,520.7	3,089.4
Velocity of the money (GDP/M2, end of period)	4.3	4.5	3.1	2.6	2.4
Reserve money (growth rate)	39.0	-3.3	23.6	11.6	1.1
Liquidity providing rate (in %)	2.79	2.90	2.65	2.86	3.00
Marginal lending rate (in %)	7.13	5.80	5.43	6.22	6.80
Commercial banks average deposit rates (end of period)	5.96	5.60	5.25	5.45	5.75
Treasury securities	14.03	13.23	12.45	12.46	11.66
Commercial banks average lending rates (end of period)	16.16	15.65	15.49	15.24	14.54
FINANCE AND PUBLIC DEBT					
Revenues and grants (as % of GDP)	15.8	17.7	20.0	20.0	19.9
Expenses (as % of GDP)	20.1	22.2	24.4	26.1	22.7
Overall fiscal balance (as % of GDP , accrual basis)					
- excluded grants	-6.9	-8.0	-8.4	-9.9	-6.2
- included grants	-4.3	-4.5	-4.4	-6.1	-2.9
Domestic debt (BIF million)	1,647.8	1,937.8	2,317.5	2,851.2	3,063.2
External debt (in USD million , at the end of period)	440.5	451.1	504.1	532.2	638.1
External debt service ratio (as % of exports)	5.1	3.2	5.0	5.4	5.3
Public external debt (as % of GDP)	13.6	13.8	15.3	15.6	17.0
GDP at market prices (BIF billion)	5,702.1	5,914.4	6,216.9	6,655.6	7,506.4
P:provisional					

Source: BRB