



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic Indicators
August 2019

I. INTRODUCTION

The following main economic indicators are related to the developments at the end of August 2019, in the real sector and prices, the public finance, the foreign trade, the exchange rate, the broad money and its counterparts, the main financial soundness indicators.

Year-on-year basis, the real sector was characterized by an increase of industrial and the tea production while coffee production decreased. The deflation's trend continued in August 2019 compared to the same period in 2018.

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

The monetary sector was characterized by an increase of the both, reserve money and money supply. The balance sheet of the banking sector rose at the end of August 2019 compared to the same period in 2018; the deposits and credit to private sector also increased. In terms of financial soundness, the banking sector remained sufficiently capitalized, solvent and profitable.

II. PRODUCTION

Year-on-year basis, the industrial production and tea production increased

while coffee production declined in August 2019.

II.1 Industrial Production Index

Year-on-year basis, the industrial production index rose by 2.7% in August 2019 to 194.6 from 189.5, mainly driven by the increase of BRARUDI beverages (+ 10.1%) and cigarettes (+ 7.3%). Likewise, compared with the previous month, the index rose by 6.5%, mainly due to the increase of BRARUDI beverages (+8.7%), sugar (+7.0%) and cigarettes (+ 8.1%).

II.2. Coffee

Coffee production of 2019/2020 season decreased by 31.0% at the end of August 2019 compared to the same period of the previous season, amounting to 12,993 tonnes against 18,854 tonnes, due to the cyclicity of coffee.

II.3. Tea

Green leaf tea harvest increased by 29.3 % in August 2019, from 2,072.1 tonnes to 2,679.0 tonnes on one hand. On the other hand, cumulative production slightly increased by 4.8 %, amounting to 38,611.0 tonnes against 36,847.7 tonnes in the same period of 2018.

III. INFLATION DEVELOPMENTS

Deflation continued in August 2019 but at a slower pace compared to the same period of 2018 (-0.6 against -2.3%). This deflation concerned food prices (-2.9 against -10.9%), non-food prices increased but at a slower pace (+1.6 against + 8.2%).

The decline of food prices concerned the subheadings "Fruits" (-0.8 against -1.5%) and "Vegetables" (-8.2 against -18.8%). On the other hand, the prices of the subheadings: meat (+5.6 against +5.7%), fish and seafood (+4.9 against +22.4%) and "milk, cheese and egg (+1.3 against 5.1%) increased but at a slower pace.

The prices under the headings "Breads and cereals" (+2.7 against -20.2%) and "Sugar, jams, honey, chocolate and confectionery" (+1.1 against -2.7%) increased August 2019 when they declined in the same period of the previous year.

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

	august-18		august-19	
	CPI	Inflation	CPI	inflation
Headline Inflation	111.1	-2.3	110.4	-0.6
1. Food	107.0	-10.9	103.9	-2.9
-Bread and cereals	98.9	-20.2	101.6	2.7
- Meat	116.6	5.7	123.1	5.6
- Fish	141.1	22.4	148.0	4.9
- Milk, cheese and eggs	111.5	5.1	113.0	1.3
-Oils and fats	135.2	26.8	129.5	-4.2
- Fruits	119.2	-1.5	118.3	-0.8
- Vegetables	100.3	-18.8	92.1	-8.2
-Sugar, jam, honey, chocolate and confectionery	107.6	-2.7	108.8	1.1
-undefined food elsewhere	109.6	2.0	116.2	6.0
2. Non food	115.6	8.2	117.4	1.6
- Alcoholic beverages, tobacco	117.7	8.5	116.9	-0.7
- clothing and footwear	116.6	6.4	121.3	4.0
- Housing, water, electricity, gas and other fuels	119.5	13.2	120.4	0.8
- Furnishing, household equipment and routine maintenance	115.8	5.5	120.8	4.3
- Health	112.9	8.1	116.5	3.2
- Transport	116.7	7.4	119.0	2.0
- Communication	101.4	0.9	101.8	0.4
- leisure and culture	113.8	3.5	123.3	8.3
- Education	136.2	34.1	139.1	2.1
- Hotels, Restaurant and café	114.6	7.6	111.7	-2.5
- Other goods and services	116.4	8.2	118.8	2.1
Energy and fuels	133.8	22.0	133.9	0.1
3. Core Inflation	112.4	2.4	114.2	1.6

Source: BRB based on data of ISTEERU

The rise of non-food prices is related to the increase of sub-headings, "Housing, water, electricity, gas and other fuels" (+0.8 against +13.2%), " Health (+3.2 against +8.1%), "Transportation" (+2.0 against +7.4%) and "Education" (+2.1 against +34.1%). On the other hand, the prices of sub-headings "Alcoholic beverages and tobacco" (-0.7 against + 8.5%) and "Restaurants and hotels" (-2.5 against +7.6%) decreased.

Year-on-year basis, the price index combining energy, fuel and other fuels slightly rose in August 2019 (+0.1 against +22.0%).

Headline inflation excluding food and energy prices, which is the proxy for core inflation slowed down in August 2019 (+1.6% against +2.4%).

IV. EXTERNAL TRADE

The total foreign trade increased by 13.2% at the end of August 2019 compared to the same period of 2018, related to the increase of imports (BIF 1,090.5 against 922.6 billion). However, exports declined to BIF 200,197.7 million from BIF 217,416.3 million. Consequently, the trade balance deteriorated further, to -BIF 890,347.3 from -BIF 705,158.2 million.

IV.1 Exports

Cumulative exports declined by 7.9% in value while they increased by 22.2% in volume compared to the same period in 2018.

In terms of value, the decline of exports concerned primary products, amounted to BIF 151,529.2 from BIF 170,187.8 million; while manufactured products slightly

increased, amounted to BIF 48,668.5 from 47,228.5 million. The decrease of primary products items, mainly concerned tea exports (-BIF 10,672.1 million), non-monetary gold (- BIF 9,474.6 million) and niobium ores (-BIF 7,451.7). However, coffee exports increased by BIF 12,040.9 million.

In volume, the increase is driven by both primary products (26,196 against 21,761 tonnes) and manufactured products (57,032 against 46,356 tonnes).

IV.2 Imports

Cumulative imports increased by 18.2% in value and by 15.7% in volume at the end of August 2019.

In terms of value, on one hand, the increase of imports concerned intermediary goods (BIF 490,741.7 million against 406,474.8 million) and consumer goods (BIF 408,651.9 million against 319,016.1 million). On the other hand, capital goods decreased to BIF 191,151.4 from BIF 197,083.6 million).

The rise of intermediary goods is mainly attributable to construction materials (+BIF 33,974.4 million), mineral oils (+BIF 25,149.4 million), food industry (+BIF 15,951.3 million) and metallurgy (+BIF 6,201.6 million).

The increase in imports of consumer goods concerned all categories of goods, durable and non-durable goods. For non-durable goods, pharmaceutical products increased by BIF 26,364.9 million, food goods by BIF 4,965.1 million and others non-durable goods by BIF 6,004.9 million.

In terms of durable goods, the imports of vehicles increased by BIF 16,208.1 million, textiles by BIF 7,104.7 million and others durable goods by BIF 28,988.1 million.

The decline of capital goods was affected electrical equipment (BIF -20,620.4 million) and boilers and mechanical equipment (BIF -5,822.0 million). On the other hand, imports of tractors, vehicles and transport vehicles increased by BIF 21,466.4 million.

In terms of volume, imports of intermediary goods significantly rose (566,504 against 455,757 tonnes) and those of capital goods slightly increased (29,566 against 26,609 tonnes). However, the volume of consumer goods slightly declined (158,687 against 161,245 tons).

V. EXCHANGE RATE

Compared to the same period of the previous year, the BIF exchange rate depreciated by 4.0% against the US Dollar

in August 2019; standing at BIF 1,854.39 against 1,783.03 for one US Dollar unit.

At the end of the period, the BIF exchange rate depreciated by 4.2% against the US Dollar, from BIF 1,784,645 to 1,857.22 for a US Dollar unit from the end of August 2018 to the end of August 2019.

VI. GOVERNMENT FINANCIAL OPERATIONS

The overall fiscal deficit (excluding grants) worsened at the end of August 2019, compared to the same period of the previous year, from BIF 328,015.0 million to BIF 345,022.8 million, driven by the increase of public expenditure than revenue.

VI.1. Revenue

Cumulative Government revenue rose by 15.7% at the end of August 2019 amounting to BIF 639,140.6 million against BIF 552,180.6 million recorded in the same period of the previous year, due to the increase of tax revenue (BIF 68,581.4 million) and non-tax revenue (BIF 18,378.5 million).

Likewise, Government revenue in August 2019 rose by 21.5% compared to same period of the previous year, standing at BIF 91,851.6 million from BIF 75,622.2 million, driven by the increase by both tax

(BIF 7,688.8 million) and non-tax revenue (BIF 8,540.6 million).

VI.2. Expenditure

Cumulative expenditure increased by 11.8% in August 2019, amounting to BIF 984,163.4 million against BIF 880,195.7 million in the same period of 2018. Expenditure incurred in August 2019 declined by 10.2% compared to the same month in 2018, amounting to BIF 92,296.3 million against BIF 102,781.4 million.

Compensation of employer increased by 8.2% at the end of August 2019, amounting to BIF 292,015.7 million compared to BIF 269,905.5 million recorded in the same period of 2018.

VI.3. Public debt

The public debt rose by 19.8% at the end of August 2019, amounting to 3,139.4 against BIF 2,621.1 billion in the same period of the previous year, mainly driven by the increase in both, domestic debt (+21.5%) and external debt (+15.9%).

Compared to the previous month, the stock of public debt slightly picked up by 3.1%, mainly due to the increase of domestic debt (+ 4.4%) and, to a lesser extent of external debt (+ 0.2%).

VI.3.1 Domestic Debt

Year-on-year basis, domestic debt increased by BIF 314,455.2 million at the end of August 2019, from 1,819.0 to BIF 2,210.0 billion, mainly linked to the rise of the Government's debt to the banking sector, particular as form of Treasury securities (+BIF 362.002.2 million).

Compared to the previous month, the domestic debt rose by BIF 93,104.0 million, mainly due to the increase of the Government's debt towards the banking sector (+BIF 99,804.0 million) which offset the decrease of the Government's debt towards the non-financial sector (BIF -7,400.0 million).

VI.3.2. External Debt

Year-on-year basis, the external debt picked up by BIF 127,244.5 million at the end of August 2019, from 802,130.7 to BIF 929,375.3 million. This increase is related to drawings (BIF 114,001.4 million) and revaluation gains (BIF 26,093.3 million) that offset the repayment of principal (BIF 12,850.2 million).

Compared to the previous month, the external debt slightly increased (0.2%), amounting to BIF 929,375.3 against BIF 927,530.4 million, driven by new drawings (BIF 395.7 million) and revaluation gains

(BIF 1,586.2 million) which offset the repayment of principal (BIF 138.8 million).

Expressed in US Dollar, the external debt increased by USD 51.3 million year-on-year basis, standing at 501.2 MUSD at the end of August 2019 against USD 449.9 million.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

Year-on-year basis, reserve money and the broad money rose at the end of August 2019 due to the increase of net domestic assets.

VII.1. Reserve Money

Year-on-year basis, the reserve money increased by 4.6% at the end of August 2019, amounted to BIF 624,568.8 million from BIF 597,356.4 million. This rise was driven by the currency out of the Central Bank (+BIF 52,261.7 million) and the deposits of other financial corporations (+BIF 676.3 million). On the other hand, the deposits of commercial banks (- BIF 8,605.0 million), microfinances (- BIF 4,554.0 million), public non-financial corporations (- BIF 6,779.6 million), NGOs (- BIF 206.0 million) and other deposits (- BIF 1,135.9 million) decreased.

VII.2. Broad money

Year-on-year basis, the broad money (M3) rose by 21.9% at the end of August 2019, amounted to BIF 2,068.5 billion from BIF 1,696.9 billion. This growth was on account of the increase of M2 money supply (+24.9%) and in the deposits of residents denominated in foreign currencies (+4.5%).

The increase of M2 money supply was driven by demand deposits (+29.8%), time and savings deposits (+16.3%) as well as currency outside banks (+19.5%).

The rise of demand deposits denominated in BIF was mainly due to the increase occurred in deposits of other non-financial corporations (+BIF 141,278.2 million), households (+BIF 107,352.0 million), other financial corporations (+BIF 3,715.8 million) and those classified in other deposits (+ BIF 1,677.3 million). On the other hand, the deposits of public non-financial corporations (- BIF 369.2 million) and those of local administrations (-BIF 377.5 million) decreased.

The increase of time and savings deposits was driven by the progress of other non-financial corporations deposits (+ BIF 37,719.2 million), households (+ BIF 31,138.0 million) and those

classified in “other deposits” (+BIF 870.1 million). By contrast, the deposits of public non-financial corporations and those of other financial corporations declined by BIF 3,608.8 million and BIF 2,177.4 million, respectively.

The progress of residents’ deposits denominated in foreign currencies was driven by those of households (+BIF 11,895.8 million) and those classified in other deposits (+ BIF 1,030.7 million). On the other hand, the deposits in foreign currencies of other non-financial corporations and those of public nonfinancial corporation declined by BIF 7,574.4 million and BIF 4,957.2 million, respectively.

VII.3. Counterparts

Year-on-year basis, domestic credit grew by 16.8% at the end of August 2019, from BIF 2,245.5 billion to BIF 2,623.3 billion, resulting from the increase of net claims on government (+21.1%) and claims on the economy (+11.7%).

The progress of net claims on government was mainly driven by the rising of Treasury bills and bonds held by commercial banks (+ BIF 352,896.2 million).

Year-on-year, net foreign assets and the official reserves decreased by 16.2% and 7.3%, respectively, at the end of August 2019. These official reserves covered 0.8 month of imports of goods and services at the end of August 2019, compared to 1.0 month recorded in the same period in 2018.

VIII. MAIN INDICATORS OF BANKING SECTOR

Year-on-year basis, the balance sheet of the banking sector improved at the end of August 2019, following an increase of Treasury securities and loans to the private sector. Likewise, the quality of the loans portfolio slightly improved.

VIII.1. Assets

Banking sector assets rose by 19.4% in August 2019, amounting to BIF 3,022.9 billion from BIF 2,531.1 billion in August 2018, driven by the increase of Treasury securities (+46.4%) and loans to the private sector (+10.7%).

The share of Treasury securities the total assets grew, up to 43.6% from 40.8%. On the other hand, the share of loans portfolio in the private sector fell, from 36.8% in August 2018 to 34.1% in August 2019.

VIII.2. Liabilities

Total deposits increased by 24.4% in August 2019, standing to BIF 1,728.1 billion from BIF 1,338.8 billion in August 2018. Likewise, the refinancing from Central Bank rose by 17.9%, from BIF 310,686 million to BIF 366,353 million.

IX. KEY FINANCIAL SOUNDNESS

INDICATORS

The banking sector's regulatory capital increased in August 2019 compared to the corresponding month in 2018. Similarly, the capital adequacy ratios and profitability ratio improved over the same period.

IX.1. Capital Adequacy

The total regulatory capital of the banking sector increased by 11.5% in August 2019, from BIF 310,982.0 million in August 2018 to BIF 346,685.1 million. Thus, Tier 1 and total capital adequacy ratios improved as well, standing respectively at 26.0% and 28.2% in August 2019 from 20.5% and 23.0%. However, the leverage ratio slightly declined from 10.9% to 10.6% in August 2019.

IX.2. Quality of loans portfolio

The quality of loans portfolio improved in August 2019. The overall deterioration rate fell from 12.5% to 8.7% in August

2019, following a decrease of doubtful (-54.1%) and loss (-28.0%) loans.

The loans portfolio allocated in Agriculture and Tourism deteriorated in August 2019, with respective deterioration rates of 6.0% and 46.0% from 4.4% and 45.6% in the corresponding month of 2018.

However, the loans portfolio allocated in the Manufacturing, Construction, Trade and small Equipment improved. The deterioration rate in the Manufacturing sector fell from 26.3% to 16.9 % while it declined from 10.7% to 8.1% in Construction. The deterioration rate in Trade stood at 8.7% from 12.4% whereas it declined from 7.3% to 4.5% in Small Equipment.

Given this improvement of loans portfolio quality, the provisions of the non-performing loans decreased by 25.7% in August 2019, amounting to BIF 75,069.3 billion from BIF 100,973.1 billion in August 2018. The coverage ratio rose up 83.6% from 86.5%.

The concentration risks loans on the large exposures increased over the period, representing 29.6% of the overall loans portfolio in August 2019 from 21.4% in August 2018. Moreover, the concentration risks in Trade and

Equipment were significant compared to others, with respective rates of 31.7% and 35.9% in August 2019 against 31.8% and 32.4% in August 2018.

IX.3. Profitability

The banking sector's Gross Income grew by 18.4% in August 2019, standing to BIF 164,230.0 from BIF 138,693.2 million in the corresponding month of 2018. The Net Income rose by 81.0%, from BIF 44,029.6 million to BIF 79,711.2 million. As a result, the Return on Assets and Return on Equity also improved, reaching respectively 2.6% and 23.0% in August

2019 from 1.7% and 14.2% in August 2018.

IX.4. Liquidity

The Liquidity Coverage Ratio (LCR) in BIF significantly improved in August 2019, reaching 240.4% from 63.1%. The LCR in foreign currencies grew from 105.2% to 142.5%. However, although the deposits concentration risk remained high, the share held by one hundred large depositors slightly decreased in August 2019, representing 43.9% of the total deposits compared to 44.3% recorded in the corresponding month in 2018.

APPENDIX 1: SELECTED MONTHLY INDICATORS

	June-18	July-18	August-18	Jun-19	Jul-19	Aug-19
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	121.6	181.8	185.9	126.2	182.8	194.6
2. Production of Arabica parchment Coffee (cumulation in T)	8,189.0	11,129.0	18,854.0	0.0	5,510.0	12,993.0
3. Production of Tea (cumulation in T of tea leaves)	32,401.0	34,775.6	36,847.7	32,803.8	35,931.9	38,611.0
4. Consumer price index (1991 = 100)	113.3	112.4	111.1	108.8	109.5	110.4
5. Inflation rate	-0.4	-0.8	-2.3	-4.0	-2.6	-0.6
II. Public Finances						
1. Total Budget revenue (in BIF million)	416,003.7	476,558.5	552,180.6	476,395.7	547,288.9	639,140.6
1.1. Tax revenue	380,956.3	438,366.0	507,355.1	433,600.1	499,258.6	575,936.4
1.2. Non-tax revenue	35,047.5	38,192.4	44,825.6	42,795.6	48,030.4	63,204.1
1.3. Exceptional receipts	0.0	0.0	0.0	0.0	0.0	0.0
2. Expenditure	698,260.9	777,414.2	880,195.7	761,611.2	891,867.1	984,163.4
2.1. Compensation of employees (in BIF million)	202,227.2	235,725.4	269,905.5	218,146.8	254,557.7	292,015.7
3. Public debt (in BIFmillion)	2,637,314.8	2,606,407.1	2,621,126.0	3,072,254.2	3,044,451.6	3,139,400.5
3.1. Domestic debt outstanding	1,835,475.2	1,802,466.0	1,818,995.3	2,158,605.5	2,116,921.2	2,210,025.2
Including: Treasury bills and bonds	993,081.2	1,003,048.5	1,034,907.2	1,339,778.2	1,357,433.8	1,393,116.1
BRB ordinary advance	201,181.6	162,239.0	148,049.1	216,009.2	158,917.5	0.0
3.2. External debt outstanding	801,839.6	803,941.0	802,130.7	913,648.7	927,530.4	929,375.3
3.3. External debt outstanding (in BIF million)	450.8	451.6	449.9	495.9	501.8	501.2
3.3. External debt service (in BIF million)	1,282.4	0.0	1,540.9	181.7	3,471.1	203.6
including amortization	944.2	0.0	1,086.8	0.0	2,144.8	138.8
3.4. Drawings on external loans	1,600.4	3,855.7	3,808.9	4,075.3	16,817.3	397.5
III. MONEY						
1. Reserve Money (in BIF million)	548,546.9	577,438.7	597,356.4	657,960.5	640,774.1	624,568.8
2. Broad money M3 (in BIF million)	1,620,461.3	1,652,078.5	1,696,857.6	2,027,007.0	2,041,329.4	2 068 536 (p)
2.1. Broad money M2 (in BIF million)	1,462,821.2	1,476,417.2	1,518,131.8	1,848,750.4	1,859,797.9	1 889 417,5 (p)
3. Domestic credit (in BIF million)	2,159,954.3	2,214,424.1	2,245,451.1	2,575,844.3	2,610,345.6	2 623 303,8 (p)
4. Net foreign to government (in BIF million)	1,189,574.3	1,205,891.8	1,226,849.8	1,472,138.7	1,474,802.3	1 485 488 (p)
5. Net foreign assets (in BIF million)	-201,255.7	-199,752.1	-208,757.9	-194,252.9	-234,029.1	-242,519.7
6. Tenders operations						
6.1. Normal liquidity providing	255,500.0	290,770.0	310,580.0	334,540.0	349,550.0	344,080.0
6.2. Injecting liquidity						
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	2.53	2.21	2.17	2.48	2.49	2.44
7.2. Treasury bill to 26 weeks	3.61	3.34	2.85	2.66	2.63	2.62
7.3. Treasury bill to 52 weeks	5.32	5.24	5.05	3.06	3.08	3.08
7.4. Recovery of liquidity	0.00	0.00	0.00	0.00	0.00	0.00
7.5. Injecting liquidity	3.82	3.17	2.60	2.82	2.55	2.55
7.6. Marginal lending facility	5.07	5.13	5.29	5.50	5.45	5.35
7.7. Interbank market	4.17	0.00	3.00	3.69	3.63	3.58
7.8. Deposit interest rates	6.17	5.47	5.36	5.16	5.00	5.26
7.9. Lending interest rates	16.31	15.61	15.69	15.74	15.74	15.74
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	168,274.8	191,776.2	217,416.3	167,903.2	185,816.7	200,197.8
including Arabica coffee	25,712.3	27,309.3	33,592.9	39,312.0	42,951.0	45,633.8
1.1. Volume of exports (in T)	48,637.6	57,856.0	68,116.5	56,692.9	65,207.0	83,228.0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	42.5	133.9	123.7	61.8	56.9	28.8
- BIF/Kg	1,651.2	5,209.3	4,818.1	2,493.3	2,292.0	1,164.3
1.3. Coffee sold d(in BIF million)	29,288.7	30,733.7	34,433.0	48,449.5	55,229.3	60,402.2
2. Import CIF (in BIF million)	681,920.2	796,763.4	922,574.5	765,603.3	953,132.4	1,090,545.0
including petroleum products	137,363.5	159,568.9	180,163.1	139,776.0	175,598.6	205,312.5
2.1. Volum of imports (in T)	459,361.0	538,856.0	643,610.4	504,876.0	633,619.0	744,756.3
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	93.2	93.5	94.1	92.5	92.5	nd
3.1.2. Real	99.8	98.8	97.8	91.8	91.7	nd
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1,779.3	1,781.5	1,784.7	1,845.1	1,851.3	1,857.2
3.2.2. Exchange rate BIF/USD (monthly average)	1778.768	1780.4	1,783.0	1,842.4	1,848.4	1,854.4
(p) : Provisional n.a. : not available - : Nonexistent data..						

Source: BRB

APPENDIX 2: MAIN INDICATORS OF BANKING SECTOR IN AUGUST 2019 (in BIF million).

	Commercial banks			Other financial institutions			Banking sector		
	8/31/2018	8/31/2019	Variation in %	8/31/2018	8/31/2019	Variation in %	8/31/2018	8/31/2019	Variation in %
I. ASSETS	2,363,883.8	2,829,552.3	19.7	167,241.7	193,312.5	15.6	2,531,125.5	3,022,864.8	19.4
I.1. MAIN ASSETS	1,992,090.3	2,469,986.0	24.0	129,195.6	159,353.3	23.3	2,121,285.9	2,629,339.3	24.0
A. Liquid assets	1,178,818.2	1,582,472.1	34.2	10,117.3	14,979.7	48.1	1,188,935.5	1,597,451.8	34.4
. Cash	67,953.3	59,532.9	-12.4	14.5	10.3	-29.3	67,967.8	59,543.2	-12.4
. Balance in B.R.B.	200,179.0	182,745.4	-8.7	854.3	2,481.2	190.4	201,033.3	185,226.6	-7.9
. Interbank deposits	68,654.8	91,640.7	33.5	3,748.5	5,275.9	40.7	72,403.3	96,916.6	33.9
. Treasury securities	842,031.1	1,233,447.1	46.5	5,500.0	7,212.4	0.0	847,531.1	1,240,659.5	46.4
. Other securities	-	15,106.0	-	-	-	-	-	15,106.0	-
B. Loans	813,272.1	887,513.9	9.1	119,078.3	144,373.5	21.2	932,350.4	1,031,887.4	10.7
. Short term	499,948.4	490,900.7	-1.8	1,934.7	2,302.5	19.0	501,883.1	493,203.2	-1.7
. Medium term	217,396.4	289,718.9	33.3	53,343.1	47,069.5	-11.8	270,739.5	336,788.4	24.4
. Long term	95,927.3	106,894.3	11.4	63,800.5	95,001.5	48.9	159,727.8	201,895.8	26.4
. Leasing	-	-	0.0	-	-	0.0	-	-	0.0
I.2. Fixed assets	123,215.2	135,430.4	9.9	7,685.7	8,025.9	4.4	130,900.9	143,456.3	9.6
I.3. Others assets	248,578.3	224,135.8	-9.8	30,360.4	25,933.4	-14.6	278,938.7	250,069.2	-10.3
II. LIABILITIES	2,363,883.8	2,829,552.3	19.7	167,241.7	193,312.5	15.6	2,531,125.5	3,022,864.8	19.4
II.1. Main liabilities	1,787,593.3	2,193,744.9	22.7	77,869.1	134,586.7	72.8	1,865,462.4	2,293,698.8	23.0
. Customer deposits	1,318,086.2	1,634,870.1	24.0	70,731.5	93,270.1	31.9	1,388,817.7	1,728,140.2	24.4
<i>amongst: Ten large deposits</i>	607,132.5	746,039.4	22.9	8,022.5	13,474.4	0.0	615,155.0	759,513.8	23.5
. Borrowing from B.R.B. (Refinancing)	310,686.4	366,352.5	17.9	-	-	0.0	310,686.4	366,353	17.9
. Interbank deposits	-	-	0.0	-	-	0.0	-	-	0.0
II.2. Capital and reserves	158,820.7	192,522.3	21.2	7,137.6	6,683.8	-6.4	165,958.3	199,206.1	20.0
II.3. Other liabilities	220,525.6	254,650.3	15.5	31,881.3	34,632.8	8.6	252,406.9	289,283.1	14.6
MAIN INDICATORS OF THE BANKING SECTOR	355,764.9	381,157.1	7.1	57,491.3	24,093.0	-58.1	665,663.1	729,166.0	9.5
Capital adequacy									
. Tier 1 capital (in MBIF)	248,358.2	286,225.9	15.2	27,872.3	33,317.2	19.5	276,230.5	319,543.0	15.7
. Total regulatory capital (in MBIF)	271,626.2	305,637.8	12.5	39,355.8	40,987.3	4.1	310,982.0	346,625.1	11.5
. Risk weighted assets	1,199,194.4	1,087,649.3	-9.3	150,242.4	141,100.3	-6.1	1,349,436.8	1,228,749.6	-8.9
. Core capital adequacy ratio (threshold 12.5%)	20.7	26.3		18.6	23.6		20.5	26.0	
. Total regulatory capital adequacy ratio (threshold 12.5%)	22.7	28.1		26.2	29.0		23.0	28.2	
. Leverage Ratio (threshold 7%)	10.5	10.1		16.7	17.2		10.91	10.57	
Loans quality and concentration									
. Large exposures	187,321.2	300,332.7	60.3	11,926.7	5,221.6	-56.2	199,247.9	305,554.2	53.4
. Watch loans	31,780.7	41,110.7	29.4	14,944.5	17,677.9	18.3	46,725.2	58,788.6	25.8
. Non-performing loans	102,416.2	79,635.5	-22.2	14,288.7	10,129.7	-29.1	116,704.9	89,765.1	-23.1
. Overdue loans	134,196.9	120,746.2	-10.0	29,233.2	27,807.6	-4.9	163,430.1	148,553.7	-9.1
. Provisions on loans	91,091.5	70,388.4	-22.7	9,881.6	4,681.0	-52.6	100,973.1	75,069.3	-25.7
. Loans/Assets (in %)	25.1	31.4		71.2	74.7		36.8	34.1	
. Government Loans/Assets ratio	40.8	43.6		3.3	3.7		40.8	43.6	
. Government Loans/Tier 1 capital	327.5	430.9		19.7	21.6		337.5	388.3	
. Non-performing loans ratio	20.5	9.0		12.0	7.0		12.5	8.7	
. Overdue loans ratio	26.8	13.6		24.5	19.3		17.5	14.4	
. Coverage ratio (in %)	88.9	88.4		69.2	46.2		86.5	83.6	
. Large exposures to Loans ratio (in %)	37.5	33.8		10.0	3.6		21.4	29.6	
Liquidity									
. LCR* in BIF (threshold 100%)	63.1	240.4		-	-		63.1	240.4	
. LCR in f.c.** (threshold 100%)	105.0	142.5		-	-		105.0	142.5	
. Loans/Customer deposits	61.7	54.3		168.4	154.8		67.1	59.7	
. Stable funds /Fixed Assets (threshold 60%)	135.1	89.8		273.2	246.7		142.4	125.5	
. Ten large deposits/Customer deposits	46.1	45.6		11.3	14.4		44.3	43.9	
Profitability and performance									
. Income before tax	44,348.4	79,529.0	79.3	3,872.8	5,533.5	42.9	48,221.2	85,062.5	76.4
. Net income after tax	40,804.5	75,106.3	84.1	3,225.1	4,604.9	42.8	44,029.6	79,711.2	81.0
. Gross Income	129,638.3	152,376.0	17.5	9,054.9	11,853.9	30.9	138,693.2	164,230.0	18.4
. ROA	1.7	2.7		1.9	2.4		1.7	2.6	
. ROE	15.0	24.6		8.2	11.2		14.2	23.0	

Source: BRB

APPENDIX 3: SELECTED ANNUAL INDICATORS

	2014	2015	2016	2017	2018
GROSS DOMESTIC PRODUCT AND PRICE					
Real Growth of GDP (in %)	4.2	-0.4	3.2	3.6	3.8
Inflation rate (annual)	4.4	5.5	5.6	16.0	-2.6
FOREIGN SECTOR					
Exports, f.o.b. (USD million)	131.8	120.8	124.7	172.6	180.2
Imports, CIF (USD million)	768.7	721.4	616.2	756.0	793.5
Volume of exports (in tons)	82,825.0	85,758.0	84,614.0	93,125.0	103,218.0
Volume of imports (in tons)	798,239.0	632,337.0	708,203.0	822,514.0	976,694.0
Current account balance (USD million)	-395.1	-373.2	-339.7	-360.0	-361.8
Exchange rate BIF/USD (period average)	1,546.7	1,571.9	1,654.6	1,729.1	1,782.9
Exchange rate BIF/USD (end of period)	1,553.1	1,617.1	1,688.6	1,766.7	1,808.3
International reserves (USD million, end of période)	317.3	121.2	98.6	109.8	80.5
International reserves (Month of imports)	4.2	2.0	1.4	1.7	1.0
MONEY AND CREDIT					
Net foreign assets (BIF million)	180,525.3	-75,870.1	-176,523.1	-154,400.0	-238,326.4
Domestic credit (BIF million)	1,135,873.8	1,410,604.3	1,767,122.4	2,004,966.2	2,366,101.4
Net credits to the Government	384,697.0	687,259.5	905,857.4	1,112,214.4	1,350,011.6
Credits to the economy	751,176.8	723,344.8	861,265.0	892,941.6	10,160,898.0
Broad money (M3)	1,045,336.7	1,060,791.0	1,187,101.8	1,499,512.9	1,836,993.3
Money and quasi money (M2)	880,206.6	923,271.7	1,093,131.8	1,340,926.6	1,664,218.9
Velocity of the money (GDP/M2, end of period)	4.8	4.8	4.4	4.1	3.4
Reserve money (growth rate)	15.8	-8.6	29.2	39.0	-3.3
Liquidity providing rate (in %)	-	3.4	3.1	2.8	2.9
Marginal lending rate (in %)	8.0	9.8	8.6	7.1	5.8
Commercial banks average deposit rates (end of period)	8.8	8.7	7.7	6.0	5.6
Commercial banks average lending rates (end of period)	16.7	16.9	16.5	16.2	15.9
FINANCE AND PUBLIC DEBT					
Revenues and grants (as % of GDP)	21.0	16.7	15.7	16.5	17.4
Expenses (as % of GDP)	25.3	24.7	21.6	21.1	21.5
primary balance (as % of GDP , accrual basis)	-0.5	-6.0	-2.3	-1.5	-1.3
Overall fiscal balance (as % of GDP , accrual basis)					
- excluded grants	-9.5	-11.2	-8.4	-6.9	-7.9
- included grants	-4.4	-8.0	-5.9	-4.4	-4.1
Domestic debt (BIF million)	727,264.4	1,069,551.8	1,374,144.6	1 647 833,5	1,911,446.0
External debt (in USD million , at the end of period)	429.6	420.5	429.6	440.5	441.0
External debt service ratio (as % of exports)	4.1	5.8	6.6	9.1	11.9
Public external debt (as % of GDP)	15.7	15.6	15.2	14.4	13.2
As a reminder					
GDP at market prices (BIF billion)	4,185.0	4,417.9	4,824.2	5,397.2	6,010.3

Source: BRB.