

I. INTRODUCTION

The following main economic indicators are related to the developments at the end of October 2018, 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 production, tea and coffee production. The inflation declined in October 2018 compared to the same period in 2017.

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 reserve money and the money supply. The balance sheet of the banking sector rose at the end of October 2018 compared to the same period in 2017; 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, coffee production for 2018/2019 campaign and green tea harvest increased at the end of October 2018.

II.1 Industrial Production Index

Year-on-year basis, industrial production index fell by 2.9% in October 2018, from 157.7 to 153.1, mainly due to the decline of cigarette production (-46.0%).

Compared to the previous month, it fell by 8.2%, standing to 153.1 from 166.8, mainly due to the decrease of BRARUDI's beverage production (-5.8%), sugar (-14.8%) and cigarettes (-27.5%).

II.2. Coffee

The production of 2018/2019 coffee season increased by 32.4% at the end of October 2018 compared to the same period of the previous season, amounted to 26,756 from 20,209 T.

II.3. Tea

Green tea leaves harvest increased by 26% in October 2018, reaching 3,713.2 against 2,947.2 T recorded in the same period in 2017. Cumulative production increased by 6.6% year on year basis, from 36,994.9 to 43,145.7 T.

III. INFLATION DEVELOPMENTS

At the end of October 2018, inflation decreased compared to the same period of the previous year (-8.4 against +17.6%). This declining concerned food prices (-20.2 against +28.0%) mainly due to lower prices for the sub-headings such as: "Breads and cereals" (-24.4%), "Vegetables" (-25.9%), "Fish and seafood" » (-24.6%), « Milk, cheese and egg » (-1.5%) and « Sugar, jam, honey, chocolate and confectionery » (-1.4%), while non-food prices slightly slowed down (+6.2 against +7.6%).

The decline of non-food product prices mainly concerned the following sub-headings: "Furniture, household goods and household maintenance" (+5.7 against +7.4%), "Transport" (+7.2 against +11.1%), "Leisure and culture" (+3.9 against 7.9%), "Education" (+0.6 against

+35.8%) and "Restaurants and hotels" (4.5 against 8.2%).

Year-on-year basis, inflation combining energy, fuel and other fuel prices slightly increased from 11.9 to 20.1%. Compared to the previous month, it slightly increased (+ 0.4 against -0.7%).

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

	Oct-17		Oct-18	
	CPI	Inflation	CPI	inflation
Headline Inflation	117.5	15.3	107.6	-8.4
1. Food	125.1	23.9	99.8	-20.2
-Bread and cereals	131.0	27.8	99.0	-24.4
- Meat	111.9	12.0	115.1	2.9
-Fish and seafood	149.0	25.6	112.3	-24.6
- Milk, cheese and eggs	113.1	5.9	111.4	-1.5
-Oils and fats	102.3	4.1	109.4	6.9
- Fruits	122.5	6.7	126.7	3.4
- Vegetables	126.4	28.7	93.6	-25.9
-Sugar, jam, honey, chocolate and confectionery	109.1	25.5	107.6	-1.4
-undefined food elsewhere	108.8	4.3	117.2	7.7
2. Non food	109.3	7.1	116.1	6.2
- Alcoholic beverages, tobacco	110.0	9.5	115.2	4.7
- clothing and footwear	111.2	5.5	117.3	5.5
- Housing, water, electricity, gas and other fuels	107.2	7.4	119.3	11.3
- Furnishing, household equipment and routine maintenance	111.1	7.4	117.5	5.8
- Health	103.2	2.3	113.7	10.2
- Transport	111.6	7.8	119.6	7.2
- Communication	100.6	0.5	101.7	1.1
- leisure and culture	110.9	6.4	115.2	3.9
- Education	135.4	44.5	136.2	0.6
- Hotels, Restaurant and café	108.6	8.0	113.5	4.5
- Other goods and services	109.2	4.4	116.4	6.6
Energy and fuels	111.8	8.5	134.3	20.1
3. Core Inflation	112.6	11.3	111.1	-1.3

Source: BRB based on data of ISTEERU

Overall inflation excluding food and energy, which is the proxy of core inflation decreased year –on- year (-1.3 against +11.7%). Likewise, compared to the previous month, it declined (- 1.1 against +0.6%).

IV. GOVERNMENT FINANCIAL OPERATIONS

At the end of October 2018, Government Financial Operations recorded a low overall deficit (excluding grants) compared to the same period of the previous year, amounting to BIF 47,727.6 against 63,459.5 million linked to the larger increase of revenue than expenditure.

IV.1. Revenue

Government revenue increased by 16.9% in October 2018 compared to the corresponding month in 2017, amounting to BIF 70,957.3 against 60,683.3 million. This improvement concerned both tax revenue (+BIF 6,455.1 million) and non-tax revenue (+BIF 3,818.9 million).

On a year-on-year basis, cumulative Government revenue rose by 12.6 %, from 619,292.1 to BIF 697,115.3 million, linked to the increase of tax revenue (+BIF 66,185.9 million) and non-tax revenue (+BIF 11,637.3 million).

IV.2. Expenditure

Expenditure incurred in October 2018 decreased by 4.4% compared to the same month in 2017, amounting to BIF 118,684.9 against 124,147.8 million.

However, cumulative expenditure rose by 17.7%, reaching at BIF 1,080.4 billion at the end of October 2018 against BIF 918.1 billion recorded in the same period in 2017.

Cumulative compensation of employees increased by 5.4%, standing at BIF 338,798.2 million at the end of October 2018 against BIF 321,309.4 million recorded in the same period in 2017.

IV.3. Public debt

The public debt rose by 16.5% at the end of October 2018, amounting to BIF 2.669.8 against BIF 2.290.9 billion recorded in the same period in 2017, driven by the increase of domestic debt (+ 24.2%) and external debt (+ 1.6%).

Compared to the previous month, the public debt rose by 1.5%, linked to the increase of domestic debt (+ 2.3%), while the external debt slightly decreased (-0.3%).

IV.3.1 Domestic Debt

Year-on-year basis, domestic debt rose by BIF 366,725.5 million at the end of October 2018, from BIF 1,517.2 to 1,883.9 billion, driven by the increase of the Government's debt towards the banking sector (+BIF 370,896.1 million), which largely offset the decrease of the government's debt towards the non-banking sector (-BIF 4,170.6 million).

The increase of government's debt towards the banking sector mainly concerned Treasury securities (+BIF 338,398.3 million).

Compared to the previous month, the domestic debt rose by BIF 42,900.5 million, from BIF 1,840.9 to BIF 1,883.9 billion, mainly driven by the increase of the government's debt towards the banking sector (+BIF 46,867.5 million).

IV.3.2. External Debt

Year-on-year basis, the external debt increased by BIF 12,222.4 million at the end of October 2018, from 773,687.4 to BIF 785,909.8 million. This increase is linked to the new drawings (BIF 19,434.8

million) and revaluation gains (BIF 9,273.9 million) which exceeded the repayment of principal (BIF 16,486.3 million).

Compared to the previous month, the external debt fell by 0.3%, amounted to BIF 785,909.3 million from BIF 788,339.8 million, mainly related to the revaluation losses (BIF1,982,2 million) and amortization of the principal(BIF 674.5 million).

Expressed in USD, outstanding external debt fell by USD 2.8 million, year-on-year, amounted to USD 438.3 million from USD 441.1 million.

V. EXTERNAL TRADE

Trade (total exports and imports of goods) increased by 7.1% at the end of October 2018 compared to the same period in 2017. This increase was driven by imports (BIF 1,197.5 billion against BIF 1,092.9 billion) while exports decreased (BIF 231,430.7 million against BIF 241,180.5 million). Thus, the trade balance deficit worsened in the same period, from BIF 851,691.7 million to BIF 966,049.7 million.

V.1 Exports

The cumulative exports fell by 4.0% at the end of October 2018 in value and by 6.9% in volume compared to the same period in 2017.

In terms of value, the decrease concerned both primary products (BIF 183,603.8 million against BIF 186,897.5 million) and manufactured products (BIF 47,826.9 million against BIF 54,283.0 million).

The decline in the value concerned non-monetary gold (-17,926.0 MBIF) and tea (-BIF 1,872.9 million), while the value of exports of coffee and niobium ores increased respectively by BIF 7,588.2 million and BIF 8,081.5 million.

Regarding exports of manufactured goods, the decline concerned beers (-BIF 6,743.6 million), cigarettes (-BIF 5,164.0 million) and dark glass bottles (-BIF 5,593.1 million). On the other hand, exports of wheat flour (+BIF 1,179.8 million) and re-exports of kerosene (+BIF 7,539.9 million) increased.

The decline in the volume concerned both primary products (30,088 against 33,605 tonnes) and manufactured products (40,258 against 41,938 tonnes).

V.2 Imports

Compared to the same period in 2017, the cumulative imports increased both in value (+ 6.6%) and volume (+ 20.1%) at the end of October 2018.

The increase in the value was driven by intermediary goods (BIF 534,817.5 million against BIF 434,520.8 million) and capital goods (BIF 229,009.5 million against BIF 195,316.9 million) whereas imports of consumer goods fell (BIF 433.653.4 million against BIF 463.035.1 million).

The increase in the value of intermediary goods mainly concerned mineral oils (+71.293.5 MBIF), metallurgical goods (+BIF 26.465.5 million) and those intended for agriculture and livestock (+BIF 11,605.0 million).

The increase of capital goods mainly concerned electrical equipment (+BIF 28,162.4 million) as well as boilers and mechanical equipment (+BIF 27,416.9 million), while imports of tractors, vehicles and transport equipment (-BIF 25,634.7 million) decreased.

The decline of consumer goods was driven by textiles (-BIF 19,675.6 million) and the category "other durable consumer goods" (-BIF 13,521.6 million).

In terms of volume, the rise of imports concerned intermediary goods (564,568.5 against 448,266.7 tonnes), capital (31,116.3 tonnes against 24,744.8 tonnes) and consumer goods (202,269.3 against 191.165.2 tonnes).

VI. EXCHANGE RATE

In October 2018, the BIF exchange rate against US Dollar depreciated by 2.23%, standing at 1,793.09 against 1,753.93 BIF/USD recorded in the same period in 2017.

At the end of the period, the BIF depreciated by 2.27% against the US Dollar; standing at 1,796.63 against 1,756.78 BIF/USD at the end of October 2017.

VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

Year-on-year basis, reserve money and broad money rose, mainly driven by the increase of net domestic assets.

VII.1. Reserve Money

The reserve money rose by 10.7%, amounted to BIF 569,708.7 million at the end of October 2018 from BIF 514,519.9 million recorded in the corresponding month in 2017. This increase concerned deposits of commercial banks (+BIF 20,341.7 million) and currency outside the Central Bank (+BIF 35,784.3 million). On the other hand, deposits of public non-financial corporations and NGOs decreased by BIF 4,374.9 million and BIF 6,985.4 million, respectively.

VII.2. Broad money

Year-on-year basis, the extended broad money (M3) increased by 20.4% at the end of October 2018, from BIF 1,448.9 billion to BIF 1,744.7 billion. Regarding the components, the growth concerned the money supply M2 (+22.1%) and the deposits of residents denominated in foreign currencies (+6.4%).

The increase of money supply M2 was driven by the demand deposits (+27.2%), time and savings deposits (+20.5%) and currency outside banks (+9.9%).

The rise of demand deposits denominated in BIF was mainly due to the increasing occurred in deposits of other non-financial corporations (+BIF 165,913.3 million), households (+BIF 16,527.5 million) and other financial corporations (+ BIF 2,015.1 million). On the other hand, deposits

of public non-financial corporations declined by BIF 4,280.6 million.

The increase of time and savings deposits is linked to the progress of public non-financial corporations deposits (+BIF 26,800 million), households (+BIF 15,496.1 million), other non-financial corporations (+BIF 12,497.7 million) and those classified in "other deposits" (+BIF 17,737.9 million).

The rise of residents' deposits denominated in foreign currencies was driven by those of households (+BIF 17,086.5 million) and other non-financial corporations (+BIF 6,719.1 million) while public non-financial corporations deposits and those classified in other deposits declined by BIF 7,858.8 million and by BIF 5,760.1 million, respectively.

VII.3. Counterparts

Year-on-year, domestic credit grew by 19.5% at the end of October 2018, amounted to BIF 2,304.7 billion from BIF 1,928.2 billion, as a result of the increase of net claims on government (+27.8%) and claims on the economy (+10.7%).

The progress of net claims on government was mainly driven by the rising of Treasury bills and bonds held by commercial banks (+BIF 338,398.3 million).

At the end of October 2018, net foreign assets declined by BIF 97,026 million and the official reserves decreased by 40.9%. These reserves covered 0.9 month of imports of goods at the end of October 2018 compared with 1.8 month recorded in the corresponding period in 2017.

VIII. MAIN INDICATORS OF THE BANKING SECTOR

At the end of October 2018, the banking sector's balance sheet rose. Compared to the same period of the previous year, deposits and credit increased. In terms of soundness, the banking sector remained well capitalized, solvent and profitable, unless the credit portfolio quality decreased.

VIII.1. Assets

On year-on-year basis, total banking sector assets rose by 23.4%, from BIF 2,096.99 to 2,587.6 billion at the end of October 2018, following the increase of Treasury securities (BIF 893,678.2 against 550,779.6 million) and the loans (BIF 972,717.6 against 848,743.5 million).

The share of Treasury Securities in the total assets increased, from 26.3 to 34.5% at the end of October 2018. However, the share of loans to the private sector in the total assets decreased, from 40.5% to 37.6% at the end of October 2018.

VIII.2. Liabilities

Compared to the same period in 2017, total deposits increased by 18.1%, from BIF 1,211.3 billion to BIF 1,430.9 billion at the end of October 2018. However, during the same period, the Central Bank refinancing rose from BIF 118,903.3 to 292,086.0 million at the end of October 2018.

IX. KEY FINANCIAL SOUNDNESS INDICATORS

In October 2018, the banking sector has sound indicators and complied with all prudential standards. The banking sector remained well-capitalized and the profitability indicators increased while the credit portfolio quality decreased.

IX.1. Capital Adequacy

At the end of October 2018, the banking sector was adequately capitalized and has enough capital buffers to absorb inherent risks. The total capital Tier 2 and the core capital Tier 1 adequacy ratios remained above the regulatory requirement that encompasses the capital buffers requirement of 12.5 and 14.5% respectively. The core capital adequacy ratio and the global capital adequacy improved, from 19.3 to 21.1% and from 22.8 to 23.6%, respectively year-on-year basis.

Over the same period, the leverage ratio was 11.9% against 12.7% at the end of October 2017 with a minimum standard of 7%.

IX.2. Quality of loans portfolio

Compared to October 2017, the quality of the loans portfolio improved; the impairment decreased from 19.8% to 17.1% of the outstanding credit at the end of October 2018. Over the same period, overdue loans decreased by 1.1%, from BIF 168,258.7 million to BIF 166,433.5 million in October 2018.

An analysis of loans by class shows that the watch and doubtful loans increased by 7% and 10% respectively, established at BIF 50,943.08 and 17,947.18 million against BIF 47,622.5 and

16,282.7 million at the end of October 2017. Therefore, the loss increased respectively by 25.8%, from BIF 64,902.9 million to BIF 87,488.7 million at the end of October 2018.

The rate of impairment in “Tourism and hotel” sector was 42.8%. “Agriculture” and “trade” sectors have impairment’s rates of 3.1% and 11.3% respectively whereas “construction” and “manufacturing” sectors have impairment rates of 10.1% et 31.8% respectively.

Given that high impairment of loans, the banking sector was more cautious and made a lot of provisions in order to face potential losses. The provisioning rate was 87.7% at the end of October 2018 against 75.4% in the same period in 2017.

The concentration risk towards the large exposure was minimized. Loans to large exposures are 22.3% of total loans at the end of October 2018 against 22.5% in the same period in 2017. However, the banking sector faces a concentration risk towards “trade” sector which has 27.1% of total loans.

IX.3. Profitability

Compared to the same period of the previous year, the banking sector’s profitability increased by 68.6%, amounted to BIF 61,547.9 million against BIF 36,495.5 million recorded in the same period in 2017. The net banking product rose by 22.7%, from BIF 144,354.2 million to BIF 177,156.8 million.

The return-on-assets (ROA) and the return-on-equity (ROE) established at 2.6% and 21.0% respectively at the end of October 2018 against 2.0% and 14.8% at the end of October 2017.

IX.4. Liquidity

At the end of October 2018, the liquidity ratios both in local and in foreign currency remained above the regulatory threshold of 20% (Liquid Assets/Total deposits) with respectively 59.1% and 103.4% against 51.0 and 117.6% at the end of October 2017.

However, the banking sector undergoes relatively high concentration risks on deposits, since only the share of ten deposits was 45.2% of total deposits in October 2018 against 30.6% in the same period in 2017.

APPENDIX 1: SELECTED MONTHLY INDICATORS

	2 017			2 018		
	August	September	october	August	September	october
I. PRODUCTION AND PRICE						
1. Industrial Production Index (monthly average, 1989 = 100)	177,30	161,80	157,70	189,50	166,80	153,10
2. Production of Arabica parchment Coffee (cumulation in T)	13 561,00	14 309,00	20 209,30	18 854,00	25 796,00	26 755,70
3. Production of Tea (cumulation in T of tea leaves)	32 859,50	34 047,70	36 994,90	36 847,70	39 432,40	43 145,70
4. Consumer price index (1991 = 100)	114,00	115,60	117,60	111,10	109,10	107,60
5. Inflation rate	13,90	15,30	17,60	-2,30	-5,60	-8,40
II. Public Finances						
1. Total Budget revenue (in BIF million)	489 093,78	558 608,80	619 292,09	552 180,64	626 157,97	697 115,29
1.1. Tax revenue	451 835,45	517 671,35	574 390,11	507 355,05	577 402,18	640 576,04
1.2. Non-tax revenue	37 258,34	40 937,44	44 901,98	44 825,59	48 755,79	56 539,26
1.3. Exceptional receipts	0,00	0,00	0,00	0,00	0,00	0,00
2. Expenditure	711 228,15	793 899,05	918 041,90	864 332,31	961 739,35	1 080 424,24
2.1. Compensation of employees (in BIF million)	257 961,88	289 553,11	321 309,39	269 905,54	304 148,06	338 798,21
3. Public debt (in BIFmillion)	2 251 373,72	2 261 051,14	2 290 850,81	2 601 579,12	2 629 328,24	2 669 798,74
3.1. Domestic debt outstanding	1 484 285,30	1 488 664,07	1 517 163,36	1 815 208,07	1 840 988,42	1 883 888,90
Including: Treasury bills and bonds	709 627,00	731 279,47	735 555,36	1 030 022,07	1 053 468,62	1 069 783,10
BRB ordinary advance	129 280,90	112 382,30	144 881,70	148 049,10	151 767,00	182 655,40
3.2. External debt outstanding	770 343,83	774 952,98	773 687,45	786 371,05	788 339,82	785 909,84
3.3. External debt outstanding (in BIF million)	442,69	443,48	441,12	441,03	441,15	438,30
3.3. External debt service (in BIF million)	559,18	1 612,81	4 736,33	1 540,92	4 119,51	1 034,18
including amortization	209,38	1 328,90	3 151,78	1 086,79	2 827,39	674,49
3.4. Drawings on external loans	2 300,86	415,86	2 381,29	448,46	853,40	226,73
III. MONEY						
1. Reserve Money (in BIF million)	507 305,00	523 365,80	514 519,90	597 353,60	551 715,30	569 708,70
2. Broad money M3 (in BIF million)	1 436 509,03	1 428 077,75	1 448 987,80	1 709 454,50	1 697 921,20	1 744 708,50
2.1. Broad money M2 (in BIF million)	1 290 730,93	1 285 849,05	1 289 812,60	1 530 731,50	1 521 067,00	1 575 346,80
3. Domestic credit (in BIF million)	1 937 702,87	1 958 233,95	1 928 205,10	2 224 636,60	2 235 354,00	2 304 663,90
4. Net foreign to government (in BIF million)	1 030 724,77	1 036 676,85	994 883,77	1 226 955,20	1 234 703,80	1 271 656,80
5. Net foreign assets (in BIF million)	-177 899,00	-176 379,50	-114 198,30	-208 563,50	-216 993,10	-211 224,30
6. Tenders operations						
6.1. Normal liquidity providing	107 910,00	116 400,00	118 810,00	310 580,00	282 430,00	292 050,00
6.2. Injecting liquidity	0,00	0,00				
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	4,30	4,61	4,85	2,17	2,35	2,46
7.2. Treasury bill to 26 weeks	5,48	5,12	5,15	2,85	2,63	2,43
7.3. Treasury bill to 52 weeks	6,21	6,15	6,16	5,05	4,77	4,50
7.4. Recovery of liquidity	0,00	0,00	0,00	0,00	0,00	0,00
7.5. Injecting liquidity	2,70	2,73	2,52	2,60	2,65	2,76
7.6. Marginal lending facility	7,45	7,92	8,19	5,29	5,57	5,50
7.7. Interbank market	4,32	4,21	0,00	3,00	0,00	3,00
7.8. Deposit interest rates	5,85	5,92	5,55	5,36	5,45	5,47
7.9. Lending interest rates	16,19	16,13	16,25	15,69	15,57	15,56
IV. EXTERNAL SECTOR						
1. Export (in BIF million, fob DSL & Buja FOT)	146 244,93	173 999,58	241 180,50	193 313,64	212 414,90	231 430,70
including Arabica coffee	17 761,97	28 609,26	40 515,71	30 569,38	37 198,25	48 103,88
1.1. Volume of exports (in T)	59 388,26	67 855,32	75 543,17	53 506,01	61 349,70	70 345,86
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	142,30	146,3	140,90	123,70	128,70	115,50
- BIF/kg	5 954,60	5 279,40	5 369,20	4 818,10	5 014,80	4 507,00
1.3. Coffee sold d(in BIF million)	11 475,00	16 482,30	25 943,00	34 433,00	37 809,80	45 044,90
2. Import CIF (in BIF million)	820 677,55	965 116,78	1 092 872,20	912 147,07	1 041 407,86	1 197 480,39
including petroleum products	117 990,37	137 272,35	169 165,44	180 161,64	211 749,49	240 458,96
2.1. Volum of imports (in T)	477 080,37	552 183,62	664 176,64	614 298,03	705 066,38	797 954,12
V. EXCHANGE RATE						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	92,10	91,00	103,00	94,10	nd	nd
3.1.2. Real	102,20	103,10	105,10	98,20	nd	nd
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1 743,71	1 750,79	1 756,78	1 784,65	1 789,59	1 796,73
3.2.2. Exchange rate BIF/USD (monthly average)	1 740,14	1 747,44	1 753,93	1 783,03	1 787,00	1 793,09
(p) : Provisional						
n.a. : not available						

Source: BRB

APPENDIX 2: MAIN INDICATORS OF THE BANKING SECTOR IN OCTOBER 2018 (in BIF million).

	Commercial Banks			Financial Institutions			Total Banking sector		
	10/31/2017	10/31/2018	change in %	10/31/2017	10/31/2018	change in %	10/31/2017	10/31/2018	change in %
I. ASSETS	1,943,870.5	2,414,878.9	24.2	153,121.0	172,686.6	12.8	2,096,991.5	2,587,565.5	23.4
MAIN ASSETS	1,611,838.7	2,040,361.7	26.6	113,290.4	137,189.8	21.1	1,725,129.1	2,177,551.5	26.2
A. Liquid Assets	872,428.9	1,194,373.1	36.9	3,956.7	10,460.8	164.4	876,385.6	1,204,833.9	37.5
. Cash	50,959.4	65,780.6	29.1	13.4	7.0	-47.8	50,972.8	65,787.6	29.1
. B.R.B.	166,882.9	185,190.5	11.0	917.7	3,431.8	274.0	167,800.6	188,622.3	12.4
. Holding and loans with banks and Fis	103,806.8	54,223.8	-47.8	3,025.6	2,522.0	-16.6	106,832.4	56,745.8	-46.9
. Treasury Bills and Bonds	550,779.8	889,178.2	61.4	0.0	4,500.0	0.0	550,779.8	893,678.2	62.3
B. Loans	739,409.8	845,988.6	14.4	109,333.7	126,729.0	15.9	848,743.5	972,717.6	14.6
. Short term	464,620.2	532,518.8	14.6	2,111.6	1,806.8	-14.4	466,731.8	534,325.6	14.5
. Medium term	180,126.3	214,050.7	18.8	53,623.8	52,781.5	-1.6	233,750.1	266,832.2	14.2
. Long term	94,663.3	99,419.1	5.0	53,598.3	72,140.7	34.6	148,261.6	171,559.8	15.7
. Leasing	0.0	0.0	-	0.0	0.0	-	0.0	0.0	-
. Other loans	0.0	0.0	-	0.0	0.0	-	0.0	0.0	-
Fixed Assets	122,688.3	182,653.0	48.9	7,652.9	7,623.9	-0.4	130,341.2	190,276.9	46.0
C. Others	332,031.8	249,951.3	-24.7	39,830.6	27,872.9	-30.0	371,862.4	277,824.2	-25.3
II. Liabilities	1,943,870.5	2,414,878.9	24.2	153,121.0	172,686.6	12.8	2,096,991.5	2,587,565.5	23.4
Main resources	1,405,834.3	1,813,930.6	29.0	69,207.8	79,647.6	15.1	1,475,042.1	1,893,578.2	28.4
. Customers	1,148,881.6	1,358,465.2	18.2	62,433.9	72,414.0	16.0	1,211,315.5	1,430,879.2	18.1
<i>amongst: ten large deposits</i>	363,551.5	638,090.1	75.5	7,490.5	8,025.9	7.1	371,042.0	646,116.0	74.1
. BRB Refinancing	118,903.3	292,086.0	145.7	0.0	0.0	0.0	118,903.3	292,086.0	145.7
. Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
. Debts towards banks and Fis	138,049.4	163,379.4	18.3	6,773.9	7,233.6	6.8	144,823.3	170,613.0	17.8
<i>amongst: Residents</i>	66,321.5	84,960.5	28.1	6,773.9	3,806.2	-43.8	73,095.4	88,766.7	21.4
Capital and reserves	205,754.5	220,447.1	7.1	31,879.3	31,879.3	0.0	237,633.8	252,326.4	6.2
Others	538,036.2	380,382.4	-29.3	83,913.2	61,159.7	-27.1	621,949.4	441,542.1	-29.0
III. INDICATORS OF THE BANKING SECTOR									
Capital adequacy									
. Core capital (in MBIF)	214,176.5	256,166.0	19.6	27,231.2	28,465.4	4.5	241,407.7	284,631.4	17.9
. Total capital (in MBIF)	239,040.6	279,044.8	16.7	38,080.3	40,425.6	6.2	277,120.9	319,470.4	15.3
. Risks weighted	1,114,779.0	1,192,905.4	7.0	138,407.4	159,089.2	14.9	1,253,186.4	1,351,994.6	7.9
. Core capital adequacy Ratio (threshold 12,5%)	19.2	21.5		19.7	17.9		19.3	21.1	
. Total capital adequacy Ratio (threshold 14,5%)	21.4	23.4		27.5	25.4		22.1	23.6	
. Leverage Ratio (threshold 7%)	12.0	11.9		19.2	17.9		12.7	11.9	
Loans quality and concentration									
Large exposures	180,566.1	206,171.2	14.2	10,372.4	10,668.7	2.9	190,938.5	216,839.9	13.6
Watch loans	32,516.6	34,350.8	5.6	15,105.9	16,592.3	9.8	47,622.5	50,943.1	7.0
Non-performing loans	104,022.5	100,619.4	-3.3	16,613.7	14,871.1	-10.5	120,636.2	115,490.5	-4.3
Overdue loans	136,539.1	134,970.2	-1.1	31,719.6	31,463.3	-0.8	168,258.7	166,433.5	-1.1
Depreciations	83,229.3	91,480.2	9.9	7,786.4	9,788.9	25.7	91,015.7	101,269.1	11.3
Total gross loans/Total gross assets (in %)	38.0	35.0		71.4	73.4		40.5	37.6	
Loans to the Government/Total gross assets (*)	28.3	36.8	0.0	0.0	2.6		28.3	36.8	
Loans to the Government/Core capital (*)	257.2	347.1	0.0	0.0	15.8		257.2	347.1	
Non-performing loans rate	14.1	11.9		15.2	11.7		14.2	11.9	
Overdue loans rate	18.5	16.0		29.0	24.8		19.8	17.1	
Provisioning rate (in %)	80.0	90.9		46.9	65.8		75.4	87.7	
. Large exposure/Total gross loans (in %)	24.4	24.4		9.5	8.4		22.5	22.3	
Liquidity									
. Liquidity coefficient in BIF	51.0			0.0	0.0		51.0	59.1	
. Liquidity Coefficient in foreign currency	117.6			0.0	0.0		117.6	103.4	
Total loans/total deposits	64.4	62.3		175.1	175.0		70.1	68.0	
Stable fundings over fixed assets	114.0	142.7		234.3	261.1		131.3	164.0	
Ten large deposits/total deposits	31.6	47.0		12.0	11.1		30.6	45.2	
Profitability and performance									
Before tax profit	38,097.3	61,856.4	62.4	3,022.5	5,270.2	74.4	41,119.8	67,126.6	63.2
Net profit	33,852.1	57,136.6	68.8	2,643.4	4,411.3	66.9	36,495.5	61,547.9	68.6
Net Banking Product	133,694.2	165,540.9	23.8	10,660.0	11,615.9	9.0	144,354.2	177,156.8	22.7
ROE							14.8	21.0	
ROA							2.0	2.6	

Source: BRB

APPENDIX 3: SELECTED ANNUAL INDICATORS

	2013	2014	2015	2016	2017
GROSS DOMESTIC PRODUCT AND PRICE					
Real Growth of GDP (in %)	4,9	4,2	-0,4	2,8	2,8
Inflation rate (annual)	7,9	4,4	5,5	5,6	16,1
FOREIGN SECTOR					
Exports, f.o.b. (USD million)	94,0	131,8	120,8	109,4	147,5
Imports, CIF (USD million)	811,0	768,7	721,4	619,6	743,8
Volume of exports (in tons)	57 207,0	79 580,0	85 498,9	84 613,0	93 124
Volume of imports (in tons)	809 077,0	798 246,0	632 337,0	708 203,0	822 520
Current account balance (USD million)	-250,2	-393,2	-373,3	-356,8	351,7
Exchange rate BIF/USD (period average)	1 555,1	1 546,7	1 571,9	1 654,6	1 765,1
Exchange rate BIF/USD (end of period)	1 542,0	1 553,1	1 617,1	1 688,6	1 766,7
International reserves (USD million, end of période)	321,2	317,3	136,4	95,4	112,9
International reserves (Month of imports)	4,2	4,2	2,3	1,5	1,7
MONEY AND CREDIT					
Net foreign assets (BIF million)	229 756,1	180 476,7	-75 870,1	-176 523,1	-149 085,4
Domestic credit (BIF million)	1 050 252,1	1 236 271,6	1 516 320,8	1 773 610,2	2 007 213,7
Net credits to the Government	273 347,7	383 432,0	687 166,2	906 486,1	1 115 726,9
Credits to the economy	776 904,4	852 839,6	829 154,6	867 124,1	891 486,8
Broad money (M3)	983 168,8	1 102 468,5	1 101 095,8	1 180 019,4	1 482 130,5
Money and quasi money (M2)	847 072,6	937 841,8	965 844,0	1 086 049,4	1 321 620,8
Velocity of the money (GDP/M2, end of period)	4,9	5,1	4,8	4,6	3,6
Reserve money (growth rate)	23,6	15,8	-8,6	29,2	39,0
Liquidity providing rate (in %)	-	-	3,4	3,1	2,8
Marginal lending rate (in %)	12,5	8,0	9,8	8,6	7,1
Commercial banks average deposit rates (end of period)	9,0	8,8	8,7	7,7	6,0
Commercial banks average lending rates (end of period)	16,2	16,7	16,9	16,5	16,2
FINANCE AND PUBLIC DEBT					
Revenues and grants (as % of GDP)	22,1	21,0	16,6	15,9	16,5
Expenses (as % of GDP)	25,0	25,3	24,7	22,0	21,1
primary balance (as % of GDP , accrual basis)	-2,4	-0,5	-6,0	-2,3	-1,5
Overall fiscal balance (as % of GDP , accrual basis)					
- excluded grants	-10,1	-9,5	-11,2	-8,5	-7,1
- included grants	-2,9	-4,4	-8,0	-6,0	-4,6
Domestic debt (BIF million)	597 961,8	727 264,4	1 069 551,8	1 376 307,8	1 649 286,6
External debt (in USD million , at the end of period)	413,0	429,6	420,5	429,6	440,0
External debt service ratio (as % of exports)	3,5	4,1	5,8	6,6	9,1
Public external debt (as % of GDP)	16,1	15,7	15,6	15,2	14,4
As a reminder					
GDP at market prices (BIF billion)	3 812,5	4 185,1	4 417,9	4 824,2	5 397,2

Source: BRB.