



BANQUE DE LA REPUBLIQUE DU BURUNDI



## Economic indicators

July 2023

## I. INTRODUCTION

The main economic indicators below relate to the developments at the end of July 2023, in the real sector and prices, public finance, foreign trade, the exchange rate, broad money and its counterparts and the main financial soundness indicators.

Year-on-year, real sector was marked by decline of industrial production and green leaf tea, there was no production of parchment coffee. Inflation accelerated compared to the same period of 2022.

The trade balance deficit has worsened. The Burundi Franc has depreciated against the US Dollar. The global public finance deficit (excluding grants) decreased compared to the end of July 2022.

Year-on-year, the reserve money base and money supply have decelerated.

Banking sector activity has improved. Customer deposits and credits to the economy have increased. Regarding financial stability indicators, the banking sector remained sufficiently capitalized. However, the solvency and profitability ratios fell compared to the end of July 2022.

## II. PRODUCTION

Year-on-year basis, the industrial production index fell even if the production

of green leaf tea rose and there has not production of parchment coffee for the 2023/2024 coffee campaign of July 2023.

### II.1 Industrial Production Index

The industrial production index fell by 9.8 percent in July 2023, standing at 179.0 compared to 198.5 in the corresponding month of 2022, particularly in connection with the drop in production of BRARUDI beverages (-6.5 percent), sugar (-66.8 percent) and cigarettes (-0.4 percent).

This index increased by 14.5 percent compared to the previous month, in connection with the start of the sugar campaign and the increase in the production of BRARUDI beverages (+6.3 percent), cigarettes (+ 9.2 percent) and soaps (+29.4 percent).

### II.2. Coffee

During the month of July 2023, there were no parchment coffee supplies for the 2023/2024 coffee season.

### II.3. Tea

Year-on-year, green leaf tea production fell by 5.2 percent in July 2023, to 2,333.2 tonnes compared with 2,461.4 tonnes in the same period of 2022, as a result of poor rainfall. On the other hand, cumulative production increased slightly to 34,828.5

tonnes compared with 34,770.0 tonnes for the same period in 2022.

**III. INFLATION DEVELOPMENTS** Year-on-year, headline inflation stood at 26.1 percent in July 2023, compared with 19.1 percent in the same period of the previous year. This acceleration in inflation mainly concerned food inflation (+35.9 against 24.6 percent).

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

	july-22		july-23	
	CPI	Inflation	CPI	inflation
<b>Headline Inflation</b>	<b>153.5</b>	<b>19.1</b>	<b>193.5</b>	<b>26.1</b>
<b>1. Food</b>	<b>162.4</b>	<b>24.6</b>	<b>220.7</b>	<b>35.9</b>
- Bread and cereals	153.4	32.8	210.3	37.1
- Meat	189.5	21.9	210.2	10.9
- Fish and seafood	270.1	56.7	286.8	6.2
- Milk, cheese and eggs	148.9	2.5	169.7	14.0
- Oils and fats	224.0	30.9	262.2	17.1
- Fruits	174.8	12.6	217.6	24.5
- Vegetables	143.0	16.7	220.3	54.1
- Sugar, jam, honey, etc	130.9	17.9	122.7	-6.3
- undefined food else	135.9	7.2	142.8	5.1
<b>2. Non food</b>	<b>144.0</b>	<b>13.0</b>	<b>164.0</b>	<b>13.9</b>
- Alcoholic beverages	130.0	8.2	149.9	15.3
- Clothing and footwear	149.3	12.6	169.2	13.3
- Housing, water, electricity	152.1	9.5	180.5	18.7
- Furnishing, household	157.3	23.9	176.7	12.3
- Health	175.4	7.8	179.2	2.2
- Transport	149.4	26.3	167.8	12.3
- Communication	114.5	15.0	115.9	1.2
- Leisure and culture	135.6	3.2	180.5	33.1
- Education	151.7	0.5	173.7	14.5
- Restaurants and hotels	130.1	9.3	153.8	18.2
- Other goods and services	134.1	8.1	149.1	11.2
<b>Energy and fuels</b>	<b>182.2</b>	<b>13.9</b>	<b>230.9</b>	<b>26.7</b>
<b>3. Core Inflation</b>	<b>149.7</b>	<b>18.0</b>	<b>174.6</b>	<b>16.6</b>

**Source: BRB, from INSBU data**

The rise in food inflation mainly concerned prices in the sub-headings "bread and

cereals" (37.1 against 32.8 percent), "milk, cheese and eggs" (14.0 against 2.5 percent), "fruit" (24.5 against 12.6 percent) and "vegetables" (54.1 against 16.7 percent).

The slight increase in non-food inflation was mainly due to higher prices for products under the subheadings "Alcoholic beverages and tobacco" (15.3 against 8.2 percent); "Housing, water, gas, electricity and other fuels" (18.7 against 9.5 percent); "Energy, fuel and combustibles" (26.7 against 13.9 percent); "Restaurants and hotels" (18.2 against 9.3 percent); "Education" (14.5 against 0.5 percent); "Leisure and culture" (33.1 against 3.2 percent). However, prices in the sub-headings "Transport" (12.3 against 26.3 percent) and "Furniture, household goods and routine household maintenance" (12.3 against 23.9 percent), "Health" (2.2 against 7.8 percent) and "Communications" (1.2 against 15.0 percent) fell significantly.

The price index for energy, fuel and other combustibles reached a year-on-year level of 26.7 percent in July 2023, compared with 13.9 percent in the corresponding month of 2022.

Headline inflation excluding food and energy prices, which is a proxy for

underlying inflation, fell compared with the same period in 2022 (16.6 against 18.0 percent).

#### **IV. TRADE BALANCE**

The trade balance deficit widened in July 2023 and stood at 1,358.7 compared to 1,201.1 billion BIF in the same period of 2022, in relation to the increase in CIF imports (BIF 1,552.1 against 1,386.8 billion) greater than those of CIF exports (BIF 193,327.9 against 185,763.7 million). Consequently, the commercial coverage rate deteriorated, standing at 12.5 percent compared to 13.4 percent in July 2022

##### **IV.1 Exports**

Over the seven months to the end of July 2023, cumulative exports increased both in value (4.1 percent) and in volume (16.6 percent) compared to the same period of 2022.

In value, the increase in exports concerned only manufactured products (BIF 99,534.0 against 75,615.6 million) while primary products (BIF 93,793.9 against 110,148.1 million) decreased.

The drop in exports of primary products is explained by exports of niobium ore (BIF 5,525.1 against 13,081.5 million) and the absence of exports of non-monetary gold.

On the other hand, exports of coffee (BIF 55,458.9 against 19,824.6 million) and tea (BIF 31,571.6 against 25,322.4 million) increased.

Concerning exports of manufactured products, their increase concerned the exports of beers (BIF 14,323.9 against 10,017.7 million), wheat flour (BIF 15,989.5 against 7,257.4 million), dark glass bottle (BIF 7,525.2 against 4,738.7 million), Kerosene (BIF 6,184.7 against 3,699.2 million) and cigarettes (BIF 14,017.3 against 12,237.8 million).

In volume, the increase in exports concerned both primary products (21,556 against 13,908 tonnes) and manufactured products (50,559 against 47,998 tonnes).

##### **IV.2 Imports**

Cumulative imports increased both in value (11.9 percent) and in volume (5.3 percent), in July 2023 compared to the same period of 2022.

In value terms, the increase in imports concerned imports of intermediary goods (BIF 808,150.5 against 687,218.7 million) and capital goods (BIF 286,464.2 against 232,242.7 million).

On the other hand, imports of consumer goods decreased (BIF 457,448.6 against 465,389.4 million).

The increase in imports of intermediary goods is mainly explained by the increase in imports of goods intended for agriculture and livestock (BIF 163,425.3 against 85,323.7 million), food (BIF 111,860.2 against 72,894.7 million), construction (BIF 80,128.6 against 63,900.0 million) and mineral oils (BIF 296,626.8 against 293,114.5 million). On the other hand, imports of metallurgical goods (BIF 74,253.0 against 97,784.6 million) decreased.

The increase in imports of capital goods concerned boilers and construction equipment (BIF 96,523.3 against 81,229.7 million), parts and tools (BIF 26,164.5 against 22,770.2 million), electrical equipment (BIF 56,932.2 against 43,739.6 million) and tractors, vehicles and machinery/transport (BIF 67,167.5 against 61,951.5 million).

Regarding imports of consumer goods, their decline resulted from that of imports of textiles (BIF 37,727.6 against 67,094.9 million) and non-durable pharmaceutical consumer goods (BIF 56,724.2 against 74,987.9 million) while imports vehicles

(BIF 60,423.3 against 48,182.0 million) and food consumer goods (BIF 116,552.4 against 114,032.8 million) had increased.

In volume, the increase in imports concerned intermediary goods (576,671 against 530,095 tonnes) and capital goods (35,028 against 31,871 tonnes) while those of consumer goods fell (148,099 against 159,885 tonnes).

## V. EXCHANGE RATE

Compared with the same period in 2022, the BIF depreciated by 38.98 percent against the US Dollar in July 2023, with an average exchange rate of BIF 2,829.66 against BIF 2,036.00 per US Dollar unit.

At the end of the period, the BIF also depreciated by 38.94 percent against the US Dollar, with the exchange rate falling from BIF 2,038.25 at the end of July 2022 to BIF 2,832.09 per US Dollar unit at the end of July 2023.

## VI. GOVERNMENT FINANCIAL OPERATIONS

The fiscal deficit (excluding grants) totalled BIF 537,460.2 million, in the seven months to July 2023, against BIF619,820.6 million at the same period in 2022. The overall deficit decreased by 13.3 percent. This fall reflects the greater increase in cumulative revenue (BIF997,140.6

against 829,206.8 million) than expenditure (BIF1,534.6 against 1,449.0 billion).

Compared to the previous month, the fiscal deficit decreased in July 2023, standing at BIF32,097.0 against 99,328.3 million.

### VI.1. Revenue

Public revenue increased by 3.0 percent, in July 2023, standing at BIF124,711.8 against 121,089.9 million in July 2022. This rise concerned tax revenue (+BIF7,744.9 million) while non-tax revenues decreased (-BIF4,123.0 million).

Likewise, cumulative revenue grew by 20.3 percent, at the end of July 2023, amounting to BIF997,140.6 against 829,206.8 million at the same period of the previous year, following a pick-up in tax revenue (BIF+107,819.6 million) and non-tax revenue (BIF+60,114.2 million).

### VI.2. Expenditure

In July 2023, public expenditure fell by 7.4 percent year-on-year basis and stood at BIF169,226.3 against 182,727.0 million. Cumulative expenditure rose by 6.1 percent over the seven months to July 2023, standing at BIF1,537.4 against 1,449.0 billion at the same period in 2022. Cumulative personnel expenses went up by 20.5 percent, amounting to BIF72,356.0 against 41,434.7 million at the same period of 2022.

### VI.3. Public debt

Public debt increased by 18.6 percent at

the end of July 2023, going from 5,087.2 to BIF 6,031.6 billion, in relation with the increase, at the same time, in domestic debt (+11.6 percent) and external debt (+38.8 percent).

Compared to the previous month, the outstanding public debt increased by 4,002.6 MBIF (or 0.1 percent) in connection with the increase in external debt (BIF+10,875.2 million) while the domestic debt decreased by (-6,872.6 MBIF).

#### VI.3.1 Domestic Debt

Year-on-year, domestic debt increased by BIF 436,964.3 billion at the end of July 2023, going from BIF 3,778.7 billion to BIF 4,215.6 billion, in relation to the increase of the Government debt to the banking sector. (BIF+439,484.3 million) especially in the form of advances from the BRB (BIF+144,246.1 million) and Treasury securities (BIF+238,380.5 million).

Compared to the previous month, the domestic debt decreased slightly by BIF6,872.6 million, especially in connection with the reduction in Government debt to commercial banks (BIF-9,304.1 million) and the BRB (BIF-1,568.5 million).

### VI.3.2. External Debt

Year-on-year, external debt increased by BIF 507,476.0 billion at the end of July 2023, from 1,308.5 to BIF 1,816.0 billion, in relation to drawings (+BIF 33,542.5 million) and capital gains. revaluation (BIF515,469.0 million), partially offset by the amortization of the debt (BIF41,835.6 million).

Compared to the previous month, the stock of external debt increased slightly by 0.6 percent at the end of July 2023, standing at 1,816.0 against BIF 1,805.1 billion, in relation to the new drawings (BIF2,268.2 million) and revaluation gains (BIF8,980.4 million) offset by the amortization of the debt (BIF375.5 million).

Expressed in US dollars, external debt fell slightly by USD 0.9 million at the end of July 2023, standing at 641.8 compared to USD 642.7 million at the corresponding period of 2022.

## VII. RESERVE MONEY, BROAD MONEY AND ITS COUNTERPARTS

Year-on-year basis, reserve money and money supply growth decelerated at July 2023

### VII.1. Broad Money

Year-on-year basis, reserve money decelerated at the end of July 2023 (-4.5 against 59.9 percent) and stood at BIF1,272.4 against 1,332.9 billion on the same period in 2022. This deceleration mainly concerned the decrease in deposits of other deposit corporations (-BIF220,424.5 against +416,390.1 million) and the less variation of currency in circulation (+BIF17,941.3 against +82,290.5 million). However, miscellaneous deposits in foreign currencies increased significantly (+BIF80,924.4 against +10,241.6 million).

Month-on-month basis, reserve money rose by 10.4 percent in July 2023 compared to a decrease of 2.9 percent in the previous month.

### VII.2. Money supply

Year-on-year basis, money supply (M3) decelerated in July 2023 (20.5 against 27.9 percent). It totalled BIF4,897.3 against 4,064.8 billion in July 2022. This deceleration resulted from the variation of monetary aggregate M2 (+BIF614,244.6 against +814,070.3 million), while residents' foreign currency deposits accumulated (+BIF218,268.0 against +71,655.9 million).

The change in M2 monetary aggregate reflected a deceleration in demand deposits (12.7 against 34.9 percent) and currency outside depository corporations (5.4 against

13.2 percent), term deposits and savings having accelerated (30.1 against 21.2 percent).

The deceleration in demand deposits is mainly linked to the decrease of other non-financial corporations' deposits (-BIF201,520.5 against +415,881.2 million) and other accounts deposits change (+BIF12,061.6 against +24,024.3 million). This deceleration was partially offset by the increase in public non-financial corporations' deposits (+BIF208,603.4 against -5,812.7 million), households' deposits (+BIF201,661.9 against +135,466.5 million) and local administrations deposits (+BIF53,902.4 against +5,870.1 million).

The acceleration in term and savings deposits is mainly due to the rise in other non-financial corporations' deposits (+BIF162,147.2 against +53,701.6 million), households' deposits (+BIF111,793.9 against +92,574.3 million) and public non-financial corporations deposit change (-BIF2,916.5 against -6,818.4 million)

The rise in residents' foreign currency deposits was driven by households' deposits growth (+BIF112,963.1 against +37,194.1 MBIF) as well as public non-financial corporations (+BIF5,499.2 against -1,390.2 million).

On a monthly basis, the M3 monetary aggregate grew by 2.7 percent in July 2023 compared to a regression of 0.6 percent a month before.

### VII.3. Counterparts

Year-on-year basis, domestic credit decelerated at 18.1 compared to 38.9 percent

at the end of July 2022 and stood at BIF6,521.0 billion at the end of July 2023. Underlying this outturn was a growth deceleration of claims on the economy (26.2 against 66.3 percent) and net claims on the Government (8.4 against 15.7 percent) following the increase in deposits combined with reimbursements on chemical fertilizer subsidy agreements and rescheduling of advances.

Year-on-year basis, net foreign assets deteriorated by 83.3 percent at the end of July 2023, standing at -BIF1,013.9 against -BIF553.1 billion at the same period in 2022. This deterioration is mainly driven by an accrual in external commitments (+BIF546,995.0 million) partially offset by the increase in gross foreign assets (BIF86,104.1 million). Consequently, official foreign exchange reserves decelerated at 2.4 against 207.8 percent, year-on-year basis and 152.0 percent on a monthly comparison.

In terms of months of imports of goods and services, these reserves covered 1.0 months against 1.7 months of imports in July 2022.

## VIII. MAIN INDICATORS OF BANKING SECTOR

Banking sector activity improved at the end of July 2023, in line with the increase in credit to the economy on the asset side, the increase in customer deposits and interbank operations on the liabilities side.

### VIII.1. Assets



Banking sector assets grew by 17.9 percent year-on-year. It stood at BIF 7,149.8 billion at the end of July 2023 against BIF 6,062.5 billion at the end of July 2022. This increase results from the fact that loans allocated to the economy increased by 29.3 percent (3,292.8 against BIF 2,547.6 billion). Similarly, loans granted to Government grew by 14.2 percent, settling at BIF 2,014.2 billion against BIF 1,763.9 billion. The share of credit to the economy increased by 4.1 percentage points, reaching 46.1 percent of banking sector assets in July 2023 against 42.0 percent in July 2022. The share of Government commitments stood at 28.2 against 29.1 percent at the end of July 2022, translating into a decline of 0.9 percentage points.

### **VIII.2. Liabilities**

The customer deposits increased by 14.3 percent year-on-year, rising to BIF 4,150.2 billion in July 2023 against BIF 3,630.0 billion in the same month of 2022. On contrary, Central Bank refinancing decreased by 15.5 percent, standing at BIF 484.4 billion against 573.8 billion at the end of July 2022. In addition, interbank operations increased by 2.5 percent reaching BIF 572.0 billion at the end of July 2023 from BIF 586.8 billion at the end of July 2022. Nevertheless, interbank

transactions experienced an increase of 61.8 percent, amounting to 935.8 billion at the end of July 2023 compared to 578.4 billion at the end of July 2022

Deposits as a share in sector liabilities fell by 1.9 percentage point to reach 58.0 percent for July 2023 from 59.9 percent at the end of July 2022.

Moreover, the share of Central bank refinancing decreased by 1.7 percentage points reaching 8.0 percent at the end of July 2023 from 9.7 percent for July 2022.

On the other hand, the share of debts to banks and similar increased by 3.6 percentage points, amounting to 13.1 percent at the end of July 2023 compared to 9.5 percent at the end of July 2022.

## **IX. KEY FINANCIAL SOUNDNESS INDICATORS**

At the end of July 2023, the banking sector's equity increased compared to the corresponding period of 2022. On the other hand, the solvency and profitability ratios deteriorated

### **IX.1. Capital Adequacy**

The banking sector's equity increased by 16.8 percent at the end of July 2023, standing at 852.9 compared to BIF 730.3 billion at the end of July 2022. On the contrary, the core solvency ratio stood at 19.2 against 23.3 percent and the overall

solvency ratio stood at 21.0 against 24.8 percent. In addition, the leverage ratio decreased to 10.9 percent from 11.3 percent.

### **IX.2. Quality of loans portfolio**

The amount of non-performing loans increased by 31.2 percent at the end of July 2023, reaching BIF 80,583.6 million compared to BIF 61,423.9 million in the corresponding period of 2022. Furthermore, the rate of deterioration of the credit portfolio has stagnated, standing at 2.4 percent over the entire period compared.

Year-on-year, the credit portfolio allocated in certain sectors of activity improved at the end of July 2023, the rate of deterioration of the credit portfolio stood at 0.7 percent at the end of July 2023 compared to 1.0 percent at the end of July 2023 same period of 2022 in industry, at 1.8 against 2.2 percent in construction, at 6.0 against 9.1 percent in tourism and 2.5 against 3.1 percent in equipment. On the other hand, the credit portfolio allocated respectively to the agriculture and commerce sectors deteriorated at the end of July 2023, the deterioration rates therefore stood at 2.5 percent compared to 1.7 percent and 3.1 percent compared to 2.3 percent. to the corresponding period of

2022

### **IX.3. Concentration of loans portfolio**

The exposure of the banking sector to major risks increased to 54.3 percent at the end of July 2023, standing at 1,309.2 billion compared to 848.3 billion BIF for the month of July 2022. The amount of large risks measures 39.8 percent of the overall credit portfolio at the end of July 2023 compared to 33.3 percent at the end of July 2022. On the one hand, equipment and commerce are the most financed sectors of which the Equipment sector has seen an increase by 10.4 percentage points at the end of July 2023, standing at 36.7 percent of the overall portfolio compared to 26.3 percent at the end of July 2022. Although counted among the most financed sectors, financing of the Trade sector fell slightly by 0.8 percentage point, going from 30.1 percent of the overall portfolio to 29.3 percent at the end of July 2023.

The outstanding credit allocated to these respective sectors stood at the end of July 2023 at 1,207.6 against BIF 670.7 billion and 964.8 against BIF 767.5 billion for the corresponding period of 2022.

On the other hand, the Construction sector was among the most financed sectors at the end of July 2022. But, the financing

allocated to this sector saw a drop of 4.7 percentage points, reaching 16.5 percent at the end of July 2023 compared to 21.2 percent at the end of July 2022.

#### **IX.4. Profitability**

The Banking Sector's Gross Income increased by 15.9 percent year-on-year, standing at BIF261,281.1 million at the end of July 2023 compared to BIF225,483.4million at the end of July 2022. On the contrary, the Banking Sector Net Income fell by 11. 0 percent, going from 101,312.7 MBIF at the end of July 2022 to 90,186.4 MBIF at the end of May 2023. Likewise, the Return on Assets (ROA) and Equity (ROE) also decreased, standing respectively at 1, 3 percent and 10.6 percent at the end of July 2023 compared to 1.7 percent and 13.9 percent at the end of July 2022.

#### **IX.5. Liquidity**

The Liquidity coverage ratio for short-term (LCR)<sup>1</sup> in BIF stood at 169.0 percent at the

end of July 2023 compared to 191.9 percent at the end of July 2022. Likewise, the liquidity coverage ratio in foreign currencies set at 149.9 percent compared to 174.5 percent at the end of July 2022.

The amount of large deposits increased slightly by 1.8 percent, standing at BIF 1,772.5 billion at the end of July 2023 compared to BIF 1,741.0 billion at the end of July 2022.

The amount of large deposits increased slightly by 1.8 percent, standing at BIF 1,772.5 billion at the end of July 2023 compared to BIF 1,741.0 billion at the end of July 2022.

The proportion of the 10 large deposits in the sector's deposits fell by 5.3 percent, standing at 42.7 percent at the end of July 2023 compared to 48.0 percent at the end of July 2022.

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<sup>1</sup> 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.

## APPENDIX 1: SELECTED MONTHLY INDICATORS AT THE END OF JULY 2023

	May-22	Jun-22	Jul-22	May-23	Jun-23	Jul-23
<b>I. PRODUCTION AND PRICE</b>						
1. Industrial Production Index (monthly average, 1989 = 100)	161.6	171.1	198.5	164.1	156.3	179.0
2. Production of Arabica parchment Coffee (cumulation in T) (1)	-	-	5,859.6	-	-	-
3. Production of Tea (cumulation in T of tea leaves)	27,853.0	32,308.6	34,770.0	27,332.6	32,495.2	34,828.5
4. Consumer price index (1991 = 100)	152.0	151.2	153.7	195.8	192.0	193.5
5. Inflation rate	18.6	17.6	19.0	28.9	27.1	26.1
<b>II. Public Finances</b>						
1. Total Budget revenue (in BIF million)	552,520.9	708,116.8	829,206.8	652,653.9	872,428.8	997,140.6
1.1. Tax revenue	484,826.7	608,036.6	710,301.2	556,956.3	708,111.3	818,120.8
1.2. Non-tax revenue	67,694.3	100,080.3	118,905.5	95,697.5	164,317.5	179,019.8
1.3. Exceptional receipts	-	-	-	-	-	-
2. Expenditure	922,296.4	1,266,300.4	1,449,027.4	1,005,858.5	1,368,261.4	1,537,487.8
2.1. Compensation of employees (in BIF million)	202,652.1	268,757.0	310,191.7	247,038.1	301,554.0	373,910.0
3. Public debt (in BIFmillion)	4,463,004.8	4,779,386.2	5,087,231.0	5,763,280.1	6,027,668.7	6,031,671.2
3.1. Domestic debt outstanding	3,154,680.1	3,461,788.8	3,778,705.6	4,028,226.6	4,222,542.5	4,215,669.9
Including: Treasury bills and bonds	2,006,370.8	1,977,691.7	1,964,617.7	2,195,145.7	2,207,955.5	2,200,478.2
BRB ordinary advance	57,950.6	266,435.9	28,468.2	123,094.8	314,986.5	-
3.2. External debt outstanding	1,308,324.7	1,317,597.4	1,308,525.4	1,735,053.5	1,805,126.2	1,816,001.3
3.3. External debt outstanding (in BIF million)	645.5	648.6	642.7	639.1	639.0	641.8
3.3. External debt service (in BIF million)	4,451.7	1,350.8	3,785.2	2,318.1	2,053.8	411.0
including amortization	3,597.1	1,215.1	2,945.7	1,435.6	1,639.4	373.5
3.4. Drawings on external loans	2,903.2	8,313.1	691.0	-	7,920.9	2,268.2
<b>III. MONEY</b>						
1. Reserve Money (in BIF million )	848,910.8	1,048,669.8	1,332,872.0	1,187,061.90	1,152,742.40	1,272,475.80
2. Broad money M3 (in BIF million)	3,637,060.2	3,735,114.5	4,064,806.2	4,795,988.20	4,769,094.50	4,897,318.80
2.1. Broad money M2 (in BIF million)	3,344,693.1	3,462,520.1	3,766,955.9	4,402,258.80	4,352,976.70	4,381,200.50
3. Domestic credit (in BIF million)	4,649,523.0	5,142,852.2	5,519,880.2	6,384,535.20	6,435,119.80	6,521,070.70
4. Net foreign to government (in BIF million)	1,909,666.9	2,228,992.3	2,492,728.2	2,660,925.30	2,670,505.00	2,701,312.40
5. Net foreign assets (in BIF million)	- 248,778.6	- 422,641.9	- 553,107.3	(1,036,960.70)	(1,049,806.40)	(1,013,998.20)
6. Tenders operations						
6.1. Normal liquidity providing				-	-	-
6.2. Injecting liquidity				-	-	-
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	3.90	3.95	3.95	4.7	4.6	4.6
7.2. Treasury bill to 26 weeks	4.6	4.6	4.6	3.9	4.5	4.9
7.3. Treasury bill to 52 weeks	4.7	4.6	4.7	4.3	4.4	4.4
7.4. Recovery of liquidity	-	-	-	-	-	-
7.5. Injecting liquidity	4.5	4.5	2.0	2.0	2.0	2.0
7.6. Marginal lending facility	7.0	7.0	7.0	7.8	7.5	10.8
7.7. Interbank market	6.0	6.2	6.2	3.1	3.5	5.0
7.8. Deposit interest rates	6.1	6.1	6.1	6.0	6.1	5.6
7.9. Lending interest rates	13.1	12.7	13.3	12.7	12.9	12.9
<b>IV. EXTERNAL SECTOR</b>						
1. Export (in BIF million, fob DSL & Buja FOT)	151,535.4	168,643.5	185,763.7	136,694.1	168,127.8	193,327.9
including petroleum products	17,128.4	17,899.2	19,824.6	50,343.3	53,318.4	55,458.9
1.1. Volume of exports (in T)	45,913.0	54,744.0	61,906.0	53,225.0	63,358.0	72,155.0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	214.1	-	210.3	97.7	133.2	132.1
- BIF/Kg	9,570.8	-	8,934.8	5,846.3	6,792.3	8,243.6
1.3. Coffee sold d(in BIF million)	18,750.9	20,566.1	22,943.3	44,559.8	47,130.5	48,798.7
2. Import CIF (in BIF million)	953,177.9	1,186,819.0	1,386,850.8	1,079,208.7	1,298,889.7	1,552,063.3
including petroleum products	188,291.4	254,955.9	293,114.5	205,526.3	234,149.4	296,626.8
2.1. Volum of imports (in T)	507,250.0	617,687.0	721,851.0	554,858.0	644,155.0	759,798.0
<b>V. EXCHANGE RATE</b>						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	90.6	90.8	93.2	67.5	65.0	64.0
3.1.2. Real	104.8	104.0	107.8	95.7	90.3	89.3
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	2,029.1	2,033.6	2,038.3	2,822.2	2,827.2	2,832.1
3.2.2. Exchange rate BIF/USD (monthly average)	2,026.92	2,031.35	2,036.0	2,714.8	2,824.86	2,829.66
(1): the coffee campaign starts in April and ends in March of the following year						
(p) : Provisional						
n.a. : not available						
-:data not available						

## APPENDIX 2: MAIN INDICATORS OF BANKING SECTOR IN JULY 2023 (in BIF million)

	Commercial banks			Other financial corporations			Banking sector		
	July-22	July-23	change in %	July-22	July-23	change in %	July-22	July-23	Change in %
<b>I. ASSETS</b>	<b>5,951,658.5</b>	<b>6,973,846.0</b>	<b>17.2</b>	<b>110,902.9</b>	<b>175,971.7</b>	<b>58.7</b>	<b>6,062,561.4</b>	<b>7,149,817.7</b>	<b>17.9</b>
<b>I.1. MAIN ASSETS</b>	<b>5,077,908.1</b>	<b>5,853,216.2</b>	<b>15.3</b>	<b>94,897.4</b>	<b>144,984.3</b>	<b>52.8</b>	<b>5,172,805.5</b>	<b>5,998,200.5</b>	<b>16.0</b>
<b>A. Liquid assets</b>	<b>2,620,098.4</b>	<b>2,689,301.8</b>	<b>2.6</b>	<b>5,041.2</b>	<b>16,017.7</b>	<b>217.7</b>	<b>2,625,139.6</b>	<b>2,705,319.5</b>	<b>3.1</b>
. Cash	120,826.5	86,168.5	- 28.7	21.7	17.8	- 17.8	120,848.2	86,186.3	- 28.7
. Balance in B.R.B.	625,894.3	407,580.9	- 34.9	1,003.2	12,842.0	1,180.1	626,897.5	420,423.0	- 32.9
. Interbank claims	112,113.2	183,996.1	64.1	1,364.3	505.9	- 62.9	113,477.5	184,502.0	62.6
. Loan to government	1,761,264.5	2,011,556.3	14.2	2,652.0	2,652.0	-	1,763,916.5	2,014,208.3	14.2
Treasury securities	1,655,940.3	1,762,546.7	6.4	2,652.0	2,652.0	-	1,658,592.3	1,765,198.7	6.4
Other securities	105,324.2	249,009.6	136.4	-	-	-	105,324.2	249,009.6	136.4
<b>B. Loans</b>	<b>2,457,809.7</b>	<b>3,163,914.4</b>	<b>28.7</b>	<b>89,856.2</b>	<b>128,966.6</b>	<b>43.5</b>	<b>2,547,665.9</b>	<b>3,292,881.0</b>	<b>29.3</b>
. Short term	1,145,679.1	1,499,039.7	30.8	811.8	1,713.3	111.0	1,146,490.9	1,500,752.9	30.9
. Medium term	658,919.3	562,884.9	- 14.6	42,664.3	45,371.4	6.3	701,583.6	608,256.3	- 13.3
. Long term	653,211.4	1,101,989.8	68.7	46,380.1	81,881.9	76.5	699,591.5	1,183,871.7	69.2
. Leasing	-	-	-	-	-	-	-	-	-
<b>I.2. Fixed assets</b>	<b>231,195.9</b>	<b>360,757.4</b>	<b>56.0</b>	<b>2,844.5</b>	<b>12,647.3</b>	<b>344.6</b>	<b>234,040.4</b>	<b>373,404.7</b>	<b>59.5</b>
<b>I.3. Others assets</b>	<b>642,554.4</b>	<b>759,872.4</b>	<b>18.3</b>	<b>13,161.1</b>	<b>18,340.1</b>	<b>39.4</b>	<b>655,715.5</b>	<b>778,212.5</b>	<b>18.7</b>
<b>II. LIABILITIES</b>	<b>5,951,658.5</b>	<b>6,973,846.0</b>	<b>17.2</b>	<b>110,902.9</b>	<b>175,971.7</b>	<b>58.7</b>	<b>6,062,561.4</b>	<b>7,149,817.7</b>	<b>17.9</b>
<b>II.1. Main liabilities</b>	<b>4,734,390.7</b>	<b>5,515,409.8</b>	<b>16.5</b>	<b>61,003.0</b>	<b>142,822.6</b>	<b>134.1</b>	<b>4,795,393.7</b>	<b>5,658,232.4</b>	<b>18.0</b>
. Customer deposits	3,596,745.0	4,082,424.8	13.5	33,350.6	67,860.7	103.5	3,630,095.6	4,150,285.5	14.3
<i>amongst: Ten large deposits</i>	1,741,074.7	1,772,588.0	1.8	-	-	-	1,741,074.7	1,772,588.0	1.8
. Borrowing from B.R.B. (Refinancing)	562,645.2	537,222.0	- 4.5	24,170.2	34,839.0	44.1	586,815.4	572,061.0	- 2.5
. Interbank liabilities	575,000.6	895,762.9	55.8	3,482.2	40,122.9	1,052.2	578,482.8	935,885.8	61.8
<b>II.2. Capital and reserves</b>	<b>572,631.1</b>	<b>667,250.3</b>	<b>16.5</b>	<b>24,743.8</b>	<b>29,379.6</b>	<b>18.7</b>	<b>597,374.9</b>	<b>696,629.9</b>	<b>16.6</b>
<b>II.3. Other liabilities</b>	<b>644,636.7</b>	<b>791,186.0</b>	<b>22.7</b>	<b>25,156.1</b>	<b>3,769.5</b>	<b>- 85.0</b>	<b>669,792.8</b>	<b>794,955.5</b>	<b>18.7</b>
<b>III. MAIN INDICATORS OF THE BANKING SECTOR</b>									
<i>Capital adequacy</i>									
. Tier 1 capital (in BIF billion)	664,006.9	752,144.2	13.3	22,847.2	27,231.2	19.2	686,854.1	779,375.5	13.5
. Total regulatory capital (in BIF billion)	702,778.3	819,077.9	16.5	27,551.6	33,843.9	22.8	730,329.9	852,921.8	16.8
. Risk weighted assets	2,830,319.1	3,895,299.0	37.6	115,123.4	167,411.2	45.4	2,945,442.5	4,062,710.2	37.9
. Tier 1 capital adequacy ratio (threshold 12.5%)	23.5	19.3	-	19.8	16.3	-	23.3	19.2	-
. Total regulatory capital adequacy ratio (threshold)	24.8	21.0	-	23.9	20.2	-	24.8	21.0	-
. Leverage Ratio (threshold 7%)	11.2	10.8	-	20.6	15.5	-	11.3	10.9	-
<i>Loan concentration</i>									
. Large exposures	845,574.4	1,303,567.5	54.2	2,758.8	5,703.7	106.7	848,333.2	1,309,271.1	54.3
. Large exposures to Loans ratio (%)	34.4	41.2	-	3.1	4.4	-	33.3	39.8	-
. Loans to Assets ratio (%)	41.3	45.4	-	81.0	73.3	-	42.0	46.1	-
. Government claims to assets ratio (%)	29.6	28.8	-	2.4	1.5	-	29.1	28.2	-
. Government Loans/Tier 1 capital ratio (%)	265.2	267.4	-	11.6	9.7	-	256.8	258.4	-
<i>Quality of loan portfolio</i>									
. Past due loans	219,824.5	311,152.8	41.5	1,338.9	5,970.5	345.9	221,163.4	317,123.3	43.4
Special mention loans	159,663.2	235,362.9	47.4	76.4	1,176.8	1,440.3	159,739.6	236,539.7	48.1
Non performing loans	60,161.3	75,789.8	26.0	1,262.5	4,793.7	279.7	61,423.9	80,583.6	31.2
Substandard loans	19,616.5	18,965.4	- 3.3	651.8	2,554.1	291.8	20,268.3	21,519.5	6.2
Doubtful loans	13,714.2	21,861.7	59.4	498.7	1,425.7	185.9	14,212.9	23,287.4	63.8
Loss loans	26,830.7	34,962.6	30.3	112.0	814.0	626.8	26,942.7	35,776.6	32.8
. Loan loss provisions	31,307.7	42,924.5	37.1	491.5	2,037.6	314.6	31,799.2	44,962.2	41.4
. Non performing loan rate	2.4	2.4	-	1.4	3.7	-	2.4	2.4	-
. Impairment rate	8.9	9.8	-	1.5	4.6	-	8.7	9.6	-
. Provisioning rate	52.0	56.6	-	38.9	42.5	-	51.8	55.8	-
<i>Liquidity</i>									
. LCR* in BIF (threshold 100%)	191.9	169.0	-	-	-	-	191.9	169.0	-
. LCR in f.c.** (threshold 100%)	174.5	149.9	-	-	-	-	174.5	149.9	-
. Loans/Customer deposits	68.3	77.5	-	269.4	190.0	-	70.2	79.3	-
. Stable funds /Fixed Assets (threshold 60%)	95.7	93.0	-	296.0	262.3	-	90.1	96.2	-
. Ten large deposits/Customer deposits	48.4	43.4	-	-	-	-	48.0	42.7	-
<i>Profitability and performance</i>									
. Income before tax	104,095.7	117,966.5	13.3	4,794.3	3,978.2	- 17.0	108,890.0	121,944.7	12.0
. Net income	98,168.4	87,681.0	- 10.7	3,144.3	2,505.4	- 20.3	101,312.7	90,186.4	- 11.0
. Gross Income	219,071.4	252,767.8	15.4	6,412.0	8,513.3	32.8	225,483.4	261,281.1	15.9
. ROA	1.65	1.26	-	2.84	1.42	-	1.67	1.26	-
. ROE	13.97	10.70	-	11.41	7.40	-	13.87	10.57	-

Source: BRB

## APPENDIX 3 : SELECTED ANNUAL INDICATORS

	2017	2018	2019	2020	2021	2022 (p)
<b>GROSS DOMESTIC PRODUCT AND PRICE</b>						
Real Growth of GDP ( in %)	3.8	5.3	4.5	-0.5	3.1	1.8
Inflation rate (annual)	16.1	-2.5839009	-0.67554086	7.5	8.3	18.9
<b>FOREIGN SECTOR</b>						
Exports, f.o.b. (USD million )	172.6	180.2	180.0	162.4	163.7	207.9
Imports, CIF (USD million)	756.0	793.5	887.7	909.6	1,025.0	1,260.5
Volume of exports (in tons)	93,125.0	103,218.0	103,030.0	105,857.8	110,208.4	124,293
Volume of imports (in tons)	822,514.0	976,694.0	1,143,866.4	1,175,731.2	1,270,832.6	1,338,119.5
Current account balance (USD million )	-373.6	-389.2	-392.7	-346.9	-397.4	-622.2
Exchange rate BIF/USD (period average)	1,729.1	1,782.9	1,845.6	1,915.1	1,976.0	2,034.3
Exchange rate BIF/USD (end of period)	1,766.7	1,808.3	1,881.6	1,946.4	2,006.1	2,063.5
International reserves (USD million, end of period)	102.2	70.3	113.4	94.3	266.6	176.2
International reserves (Month of imports)	1.7	1.0	1.5	1.1	3.2	1.8
<b>MONEY AND CREDIT</b>						
Net foreign assets (BIF million )	-154.4	-203.2	-206.3	-205.0	-322.4	-561.9
Domestic credit (BIF million)	2,005.0	2,369.5	2,827.6	3,463.0	4,307.7	5,944.9
Net credits to the Government	1,112.2	1,337.5	1,618.9	2,025.8	1,930.7	2,532.7
Credits to the economy	892.8	1,032.0	1,208.7	1,437.3	2,377.0	3,412.2
Broad money (M3)	1,499.5	1,797.5	2,202.8	2,733.8	3,289.9	4,512.5
Money and quasi money (M2)	1,340.9	1,326.0	2,014.7	2,526.5	3,035.2	4,212.3
Velocity of the money (GDP/M2, end of period)	4.3	4.5	3.1	2.6	2.5	2.2
Reserve money (growth rate)	38.6	-2.8	23.6	11.6	1.1	44.5
Liquidity providing rate (in %)	2.8	2.4	3.0	3.9	2.9	2.0
Marginal lending rate (in %)	7.1	5.5	5.6	6.9	6.9	5.0
Commercial banks average deposit rates (end of period)	5.96	5.43	5.28	5.66	6.08	6.15
Treasury securities	14.26	12.57	12.57	12.23	11.15	10.45
Commercial banks average lending rates (end of period)	16.16	15.47	15.49	15.18	13.40	12.95
<b>FINANCE AND PUBLIC DEBT</b>						
Revenues and grants (as % of GDP)	15.8	17.7	20.0	19.1	19.3	19.5
Expenses (as % of GDP)	20.1	22.2	24.4	25.2	22.1	24.5
Overall fiscal balance (as % of GDP , accrual basis)						
- excluded grants	-6.9	-8.0	-8.4	-9.5	-6.0	-8.5
- included grants	-4.3	-4.5	-4.4	-6.1	-2.8	-5.0
Domestic debt (BIF million)	1,647.9	1,937.8	2,314.9	2,850.4	3,063.2	4,005.3
External debt (in USD million , at the end of period)	440.9	451.8	504.9	538.3	645.6	647.4
External debt service ratio (as % of exports)	5.1	3.2	5.0	5.3	5.5	5.9
Public external debt (as % of GDP)	13.6	13.8	15.3	15.4	16.8	14.5
GDP at market prices ( BIF billion)	5,702.1	5,914.4	6,216.9	6,805.6	7,676.4	9,213.9
P:provisional						

Source : BRB