



BANQUE DE LA REPUBLIQUE DU BURUNDI



Economic indicators

October 2023

## I. INTRODUCTION

The main economic indicators below relate to the developments at the end of October 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; in real sector, industrial production increased by 8.6 percent while that of green leaf tea decreased by 5.4 percent (3,220.8 against 3,407.2 tonnes) and there was no contribution of parchment coffee during the month under review.

Inflation remains high (26.5 against 22.1 percent) compared to the same period of 2022.

Compared the same period of 2022; trade balance remains in deficit of 2,029.1 to BIF 1,765.6 billion in connection with the increase in imports. The Burundi Franc depreciated sharply (38.70 percent) against the US Dollar, following the effects of the unification of the rate of change which took place in May 2023 as part of the monetary and change policy reforms initiated since October 2022.

The overall public finance deficit (excluding grants) increased during the 2023/2024 budget year, compared to that of the 2022/2023 financial year, amounting to BIF263,401.8 against 135,147.5 million at the end of October 2022.

The reserve and money supply decelerated their annual/monthly growth rate to 0.8

percent from 64.9 percent and 18.5 from 26.1 percent, respectively.

The activity of the banking sector improved in relation to the increase in customer deposits of 19.8 percent (4,381.9 against 3,656.8 billion BIF), on the one hand and credits to the economy by 35.6 percent (BIF 3,664.5 against 2,701.5 billion), on the other hand.

Regarding financial stability indicators, the banking sector remained sufficiently capitalized. However, the overall solvency ratio (20.6 against 24.0 percent), returns on assets (1.8 against 2.2 percent) and equity (15.1 against 18.2 percent) fell by report at the end of October 2022.

## II. PRODUCTION

Year-on-year, the industrial production index increased. However, both production of green leaf tea and parchment coffee fell in October 2023.

### II.1 Industrial Production Index

The industrial production index increased by 8.6 percent in October 2023, standing at 210.7 from 194.0 in the corresponding month of 2022, mainly due to the rise in production of BRARUDI drinks (+12.6 percent) and cigarettes (+13.0 percent), partially offset by the drop in sugar production (-10.6 percent).

Likewise, this index increased slightly by 0.3 percent compared to the previous month, mainly linked to the increase in production

of BRARUDI drinks (+3.3 percent), partially offset by the decrease in production sugar (-12.2percent) and cigarettes (-5.0 percent).

## II.2. Coffee

In October 2023, there were no parchment coffee deliveries for the current 2023/2024 coffee year. Cumulative production remained at the previous month's level of 8,230 tonnes, compared with 22,668 tonnes in October 2022.

## II.3. Tea

Year-on-year, green leaf tea production fell by 5.4 percent in October 2023 to 3,220.8 tonnes compared with 3,407.2 tonnes in the same period of 2022, as a result of poor rainfall. Similarly, cumulative production fell by 6.7 percent to 40,856.9 tonnes at the end of October 2023, compared with 43,795.2 tonnes for the same period in 2022.

## III. INFLATION DEVELOPMENTS

Year-on-year, headline inflation stood at 26.5 percent in October 2023, compared with 22.1 percent in the same period of the previous year. This acceleration in inflation concerned both food inflation (34.3 against 29.7 percent) and non-food inflation (16.5 against 13.8 percent).

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

	oct-22		oct-23	
	CPI	Inflation	CPI	inflation
<b>Headline Inflation</b>	<b>160,2</b>	<b>22,1</b>	<b>202,6</b>	<b>26,5</b>
<b>1. Food</b>	<b>171,5</b>	<b>29,7</b>	<b>230,4</b>	<b>34,3</b>
- Bread and cereals	182,9	60,3	232,4	27,1
- Meat	203,5	27,1	222,1	9,1
- Fish and seafood	224,1	28,4	264,7	18,1
- Milk, cheese and eggs	153,8	9,9	180,0	17,0
- Oils and fats	209,5	30,0	264,5	26,3
- Fruits	208,0	18,2	234,5	12,7
- Vegetables	154,6	26,9	229,5	48,4
- Sugar, jam, honey, chocolate and confectionery	115,6	4,3	145,0	25,4
- undefined food else	135,3	5,4	145,6	7,6
<b>2. Non food</b>	<b>147,9</b>	<b>13,8</b>	<b>172,3</b>	<b>16,5</b>
- Alcoholic beverages and tobacco	134,5	7,4	163,1	21,3
- Clothing and footwear	152,1	12,3	179,8	18,2
- Housing, water, gas, electricity and other fuels	152,0	6,4	183,0	20,4
- Furnishing, household equipment	161,6	20,1	186,7	15,5
- Health	177,5	7,1	188,7	6,3
- Transport	150,2	26,4	176,2	17,3
- Communication	112,8	15,1	115,9	2,7
- leisure and culture	170,4	29,0	191,8	12,6
- Education	151,9	0,5	164,5	8,3
- Restaurants and hotels	137,0	15,0	167,7	22,4
- Other goods and services	141,5	9,9	155,2	9,7
<b>Energy and fuels</b>	<b>181,5</b>	<b>10,9</b>	<b>237,1</b>	<b>30,6</b>
<b>3. Core Inflation</b>	<b>157,2</b>	<b>20,9</b>	<b>185,3</b>	<b>17,9</b>

Source: BRB, from INSBU data

The rise in food inflation mainly concerned the prices of products in the sub-headings "Milk, cheese and eggs" (17.0 against 9.9 percent), "Sugar, jam, honey, chocolate and confectionery" (25.4 against 4.3 percent) and "Vegetables" (48.4 against 26.9 percent).

The rise in non-food inflation was mainly due the rise of prices for products in the subheadings "Alcoholic beverages and tobacco" (21.3 against 7.4 percent); "Housing, water, gas, electricity and other fuels" (20.4 against 6.4 percent); "Restaurants and hotels" (22.4 against 15.0 percent) and "Education" (8.3 against 0.5

percent). However, prices fell in the sub-headings "Transport" (17.3 against 26.4 percent), "Furniture, household goods and routine household maintenance" (15.5 against 20.1 percent), "leisure and culture" (12.6 against 29.0 percent) and "Communications" (2.7 against 15.1 percent).

The price index for energy, fuel and other combustibles reached a high level of 30.6 percent in October 2023, year-on-year, compared with 10.9 percent recorded in the corresponding month of 2022.

Global inflation excluding food and energy prices reached 17.9 percent at the end of October 2023. This inflation, which is an approximation of underlying inflation, fell compared with (20.9 percent) in the same period of 2022.

#### IV. TRADE BALANCE

The trade balance deficit in October 2023 widened further, standing at 2,029.1 compared to BIF 1,765.6 billion in the same period of 2022, in connection with the greater increase in imports (BIF 2,397.0 against 2,051.3 billion) higher than those of exports (BIF 367.9 against 285.7 billion). On the other hand, the commercial coverage rate improved, standing at 15.3 percent compared to 13.9 percent in October 2022.

#### IV.1 Exports

Cumulative exports in October 2023 increased both in value (+28.8 percent) and in volume (+3.4 percent) compared to the same period of 2022.

The increase in exports in value focused on primary products (BIF 214,682.3 against 168,393.4 million) and manufactured products (BIF 153,218.7 against 117,352.3 million).

For exports of primary products, their increase concerned exports of coffee (BIF 73,392.4 against 61,092.8 million), tea (BIF 43,097.7 against 39,096.1 million) and non-monetary gold (BIF 86,790.1 against 5 0,466.6 million). Exports of niobium ore, on the other hand, decreased (BIF 8,172.4 million against 15,579.2).

Regarding exports of manufactured products, their increase concerned exports of beers (BIF 20,646.4 against 15,410.5 million), wheat flour (BIF 22,123.1 against 14,794.7 million), cigarettes (2 BIF 2,604.5 against 17,657. 2 million) and dark glass bottle (BIF 12,244.6 against 7,190.3 million).

The increase in export volume concerned primary products (32,757 against 24,002

tonnes) while manufactured products decreased (69,918 against 75,292 tonnes).

## IV.2 Imports

In October 2023, cumulative imports increased both in value (+16.9 percent) and in volume (+5.7 percent) compared to the same period of 2022.

In value, the increase in imports concerned intermediary goods (BIF 1,217.0 against 1,038.0 billion), capital goods (BIF 459.7 against 340.9 billion), as well as imports of consumer goods (BIF 720.3 against 672.3 billion).

The increase in imports of intermediary goods is mainly explained by the increase in goods intended for agriculture and livestock (BIF 188,386.3 against 128,804.6 million), food (BIF 172,834.6 against 107,814.5 million), construction (BIF 121,840.7 against 93,932.9 million) and mineral oils (BIF 512,199.2 against 451,188.2 million). Imports of metallurgical goods, on the other hand, fell, standing at BIF 105,186.2 against 139,204.2 million.

The increase in imports of capital goods concerned boilers and mechanical machines (BIF 140,511.4 against 118,294.1 million), parts and tools (BIF 44,372.6 against 37,668.7 million), electrical

equipment (BIF 122,414.1 against 64,655.4 million) and tractors, vehicles and machinery/transport (BIF 99.8-987.2 against 86,318.9 million).

Concerning imports of consumer goods, their increase is attributable to imports of vehicles (BIF 91,605.9 against 68,778.0 million), as well as to non-durable food consumer goods (BIF 195,371.1 against 169,405.1 million) while those intended to textiles (63,987.5 against BIF 85,351.4 million) and pharmaceuticals (87,899.5 against BIF 101,803.9 million) decreased.

In volume, the increase in imports concerned intermediary goods (819,468 against 775,326 tonnes), capital goods (49,539 against 47,226 tonnes), as well as consumer goods (249,569 against 232,270 tonnes).

## V. EXCHANGE RATE

Compared with the same period in 2022, the BIF depreciated by 38.70 percent against the US Dollar in October 2023, with an average exchange rate of BIF 2,844.96 against BIF 2,051.03 per US Dollar unit.

At the end of the period, the BIF also depreciated by 38.67 percent against the US Dollar, with the exchange rate falling from BIF 2,053.13 at the end of October 2022 to BIF

2,847.20 per US Dollar unit at the end of October 2023.

## VI. GOVERNMENT FINANCIAL OPERATIONS

In the 2023/2024 budgetary year, the overall fiscal deficit (excluding grants) stood at BIF 263,401.6 million compared to BIF 135,147.5 million in the 2022/2023 at the end of October 2023. Cumulative revenues and expenditures increased at BIF 630,897.8 million and BIF 523,429.9 million against BIF 894,299.6 million and BIF 658,577.5 million, at the same period of the year 2022, respectively.

Compared to the same month of 2022, the deficit stood at BIF 2,815.8 million in October 2023 compared to a budget surplus of BIF 5,086.7 million.

### VI.1. Revenue

Revenue of October 2023 increased by 24.7 percent, compared to that of the same month 2022, standing to BIF 169,855.1 million. This improvement concerned tax revenue (+BIF 97,965.5 million) and non-tax revenue (+BIF 4,379.5 million).

In comparison with the previous financial year, the cumulative revenue for the 2023/2024 financial year increased by 20.5 percent in connection with the increase in cumulative tax revenue (+BIF 97,965.5

million) and cumulative non-tax revenue (BIF +9,502.3 million).

### VI.2. Expenditure

In October 2023, public expenditure increased by 31.7 percent compared to the same month of 2022. It stood at BIF 172,670.9 million against BIF 131,079.9 million. Likewise, the cumulative expenditure increased by 35.8 percent, reaching at BIF 894,299.6 million in the 2023/2024 financial year compared to BIF 658,577.5 million in the same month of the previous financial year.

Personnel compensation stood at BIF 64,701.8 million compared to BIF 51,017.0 million in October 2022, due to the lifting of the annals freeze implemented since July 2023. Likewise, the cumulative of personnel costs increased by 54.4 percent, in the 2023/2024 financial year standing to BIF 278,622.8 million against BIF 180,512.5 million in the same period of the previous financial year.

### VI.3. Public debt

Public debt accumulated by 18.9 percent at the end of October 2023, standing at 6,112.4 against BIF 5,140.7 billion, in connection with the increase, both in domestic debt (+12.6 percent) and external debt (+37.4 percent).

Compared to the previous month, the outstanding public debt decreased slightly by 0.6 percent in connection with the slight decrease in both domestic (-0.7 percent) and external debt (-0.4 percent).

### VI.3.1 Domestic Debt

Year-on-year, domestic debt increased by BIF 484,620.3 billion at the end of October 2023, ranging from BIF 3,839.0 to 4,323.6 billion, particularly in line with the increase in State indebtedness to the banking sector (BIF+585,568.2 million) especially in the form of advances from the BRB (BIF+248,030.1 million) and Treasury securities (BIF+269,132.5 million).

Compared to the previous month, the domestic debt decreased slightly by BIF31,587.1 million in connection with the reduction of government debt at BRB (-BIF74,843.0 million) partially offset by the increase in debt of BIF55,615.0 million at the level of commercial banks.

### VI.3.2. External Debt

Year-on-year, external debt increased by BIF 487,068.2 billion at the end of October 2023, from BIF 1,301.6 to 1,788.7 billion, in relation to drawings (+BIF 28,285.6 million) and losses. revaluation values (BIF 514,767.4 million), partially offset by the amortization of the debt (BIF 55,984.8 million).

Compared to the previous month, the stock of external debt fell slightly by 0.4 percent at the end of October 2023, standing at 1,788.7 against 1,795.5 billion BIF, in relation to revaluation losses (-BIF2,412.8 million) and debt amortization (BIF4,426.8 million).

Expressed in US dollars, external debt fell by USD 5.9 million at the end of October 2023, to stand at USD 628.7 million compared to USD 634.6 million in the corresponding period of 2022.

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

Year on year basis, reserve money and money supply decelerated in October 2023.

### VII.1. Broad Money

Reserve money increased by 0.8 percent, year-on-year basis, against an increase of 64.9 percent for the same period of the previous year, standing at BIF1,397.2 billion. This deceleration concerned currency in circulation (8.5 against 17.2 percent) combined with a decline in deposits of other depository corporations (-25.6 against +183.6 percent).

On a monthly basis, the reserve money increased by 7.6 percent at the end of October 2023 compared to an increase of 5.0 percent a month earlier

## VII.2. Money supply

Year-on-year basis, the money supply (M3) expanded by 18.5 percent at the end of October 2023, compared to 26.1 percent at the same period of 2022, standing at BIF4,984.3 billion. This growth is linked to M2 monetary aggregate (12.7 against 27.2 percent) and residents' foreign currency deposits (97.4 against 12.7 percent).

The variation in M2 resulted from that of demand deposits in BIF (12.1 percent), term and savings deposits (13.0 percent) and currency outside depository corporations (14.2 percent).

The increase in demand deposits resulted from deposits of households (+BIF151,692.4 million) and public non-financial corporations (+BIF181,769.2 million), partially offset by a drop in deposits of other non-financial corporations (-BIF49,907.8 million) and local administrations (-BIF18,788.3 million). The increase in term and savings deposits affected deposits of other non-financial corporations (+BIF135,553.7 million) and households' deposits (+BIF15,515.0 million) while local administrations deposits (-BIF1,529.1 million) and those classified in other accounts (-BIF4,889.1 million) fell.

The sharp increase in residents' foreign currency assets mainly concerned household's deposits (+BIF234,724.0

million) and to a lesser extent other non-financial corporations (+BIF24,507.8 million), public non-financial corporations (+BIF3,334.8 million) and those classified in other accounts (+BIF19,514.0million).

On a monthly comparison, M3 monetary aggregate rose by 2.3 percent at the end of October 2023 compared to 3.5 percent a month before.

## VII.3. Counterparts

Domestic credit decelerated to 20.9 percent, year-on-year basis against 38.9 percent in the same period of the previous year. It stood at BIF7,067.8 billion at the end of October 2023. This deceleration concerned both net claims on the governments (8.7 against 32.7 percent) and claims on the economy (30.7 against 44.3 percent).

Year-on-year basis, net foreign assets decreased by BIF621,757.6 million compared to the decrease of BIF297,077.5 million over the same period of 2022. This fall affected gross foreign assets (-BIF 110,105.8 million) combined with an increase external commitments (+BIF511,651.8 million). As a result, official foreign exchange reserves fell by BIF138,141.4 million. In terms of months of import of goods and services, these reserves covered 0.7 months compared to 1.8 months of import in October 2022.

## VIII. MAIN INDICATORS OF BANKING SECTOR

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

### VIII.1. Assets

Banking sector assets grew by 18.8 percent year-on-year. It stood at BIF 7,496.7 billion at the end of October 2023 against BIF 6,308.2 billion at the end of October 2022. This increase results from the fact that loans allocated to the economy increased by 35.6 percent (BIF 3,664.5 against 2,701.5 billion). Similarly, loans granted to Government grew by 9.3 percent, settling at BIF 2,018.1 billion against BIF 1,845.7 billion.

The share of credit to the economy increased by 6.1 percentage points, reaching 48.9 percent of banking sector assets in October 2023 against 42.8 percent in October 2022. The share of State commitments also suffered a decline of 2.3 percentage points and stood at 26.9 percent compared to 29.3 percent at the end of October 2022.

### VIII.2. Liabilities

The customer deposits increased by 19.8 percent year-on-year, rising to BIF 4,381.9 billion in October 2023 from BIF 3,656.8 billion in the same month of 2022. On the contrary, Central Bank refinancing decreased by 5.3 percent, standing at BIF

664.4 billion against 630.7 billion at the end of October 2022. In addition, interbank operations increased by 30.7 percent reaching BIF 843.1 billion at the end of October 2023 from BIF 644.9 billion at the end of October 2022.

Deposits as a share in sector liabilities increased by 0.5 percentage point to reach 58.5 percent for October 2023 from 58.0 percent at the end of October 2022.

Likewise, the share of Central bank refinancing increased by 1.1 percentage points reaching 8.8 percent at the end of October 2023 from 9.9 percent for October 2022.

Moreover, the share of inter-banks loans increased by 1.2 percent, reaching 14.3 percent at the end of October 2023 against 13.1 percent at the end of October 2022.

## IX. KEY FINANCIAL SOUNDNESS INDICATORS

At the end of October 2023, the equity of the banking sector increased in relation to the corresponding period of 2022. However, the solvency and profitability ratios deteriorated.

### IX.1. Capital Adequacy

The equity of the banking sector rose of 16.7 percent at the end of October 2023 reaching 887.2 from BIF 760.3 billion at the end of October 2022. On the contrary, the

core solvency<sup>1</sup> reached 18.9 against 22.7 percent and the overall solvency ratio settled at 20.6 percent against 24.0 percent. Nevertheless, the leverage ratio<sup>2</sup> slightly decreased to reach 10.9 against 11.4 percent.

## IX.2. Quality of loans portfolio

At the end of October 2023, non-performing loans increased by 33.3 percent totaling BIF 96,445.9 Million against BIF 72,352.5 Million at the corresponding period of 2022.

Thus, the rate of deterioration of the credit portfolio has improved decreasing by 0.1 percent to reach 2.6 against 2.7 percent at the end of October 2022.

Regarding year-on-year basis, the loan portfolio which is allocated in some sectors of activities improved at the end of October 2023. The loan default rates reached 2.8 percent at the end of October 2023 against 7.4 percent the same period in tourism, at 1.6 against 3.5 percent in agriculture, at 2.3 against 2.6 percent in construction and at 2.5 against 2.6 percent in commerce. On the other hand, the loan portfolio allocated respectively to industry and equipment

sectors deteriorated at the end of October 2023. The overall default rates of credit portfolio therefore increased to reach respectively 2.8 against 0.8 percent, 3.5 against 2.9 percent at the corresponding period of 2022.

## IX.3. Concentration of loans portfolio

The banking sector exposure to large loan risks<sup>3</sup> grew up to 48.9 percent at the end of October 2023, standing at BIF 1,545.4 billion against BIF 1,037.9 billion for the month of October 2022. The main risks amount as a share in overall loan portfolio rose to 42.2 percent at the end of October 2023 against 38.4 percent at the end of October 2022.

On the one hand, commerce and equipment are the most financed sectors, of which the Commerce sector experienced an increase in financing of 2.0 percentage points at the end of October 2023 where the concentration stood at 33.9 percent of the overall portfolio compared to 31.9 percent at the end of October 2022. Although counted among the most financed sectors in October 2023, financing of the Equipment sector decreased by 5.5

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<sup>1</sup>The minimum regulatory limit is 12.5% for the core solvency ratio and 14.5% for the overall solvency ratio).

<sup>2</sup>The minimum threshold is 5% for the leverage ratio

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

percentage points, going from 32.0 percent of the overall portfolio to 26.5 percent at the end of October 2023. Outstanding credits concentrated in these sectors at the end of October 2023 reach 1,241.2 against BIF 862.6 billion in the Commerce sector and 969.9 against BIF 864.9 billion for the period matching 2022 in equipment.

On the other hand, the Construction sector was among the most financed sectors at the end of October 2022. But, financing concentrated in this sector fell by 4.1 percentage points, reaching 15.5 percent at the end of October 2023 compared to 19.6 percent at the end of October 2022. Furthermore, financing concentrated in the Agriculture sector increased by 7.9 percentage points, standing at 14.5 against 6.6 percent, with outstanding credit of 529,647 MBIF against 177,657 MBIF at the end of October 2022.

#### IX.4. Profitability

The Banking Sector's Gross Income increased by 18.1 percent on a basis of year-on-year to reach BIF 388,813.4 million at the end of October 2023 against BIF 329,150.3 million at the end of October 2022. On the contrary, the Banking Sector

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<sup>4</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.

Net Income fell by 3.2 percent, from BIF 138,664.7 million at the end of October 2022 to BIF 134,214.6 million at the end of October 2023. Likewise, return on assets (ROA) and return on equity (ROE) also fell in settling respectively at 1.8 and 15.1 percent at the end of October 2023 against 2.2 and 18.2 percent at the end of October 2022.

#### IX.5. Liquidity

The Liquidity coverage ratio for short-term (LCR)<sup>4</sup> in BIF reached 165.3 percent at the end of October 2023 against 181.4 percent at the end of October 2022. Likewise, the short-term liquidity ratio in foreign currencies settled at 119.6 percent compared to 204.2 percent at the end of October 2022.

The large deposits amount slightly increased by 3.4 percent to reach BIF 1,975.5 billion at the end of October 2023 against BIF 1,909.7 billion at the end of October 2022.

The large deposits<sup>5</sup> as a proportion in total sector deposits fell by 7.1 percentage point standing at 52.2 percent at the end of October 2023 against 45.1 percent at the end of October 2022.

<sup>5</sup> Large deposits are the sum of the deposits of the first 10 depositors in each credit institution

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

	Aug-22	Sep-22	Oct-22	Aug-23	Sep-23	Oct-23
<b>I. PRODUCTION AND PRICE</b>						
1. Industrial Production Index (monthly average, 1989 = 100)	204.4	204.8	194.0	229.9	210.1	210.7
2. Production of Arabica parchment Coffee (cumulation in T) (1)	20,052.7	21,394.9	22,668.3	7,781.0	8,230.0	8,230.0
3. Production of Tea (cumulation in T of tea leaves)	37,430.7	39,795.2	43,202.4	36,506.1	37,636.1	40,856.9
4. Consumer price index (1991 = 100)	155.1	157.7	160.3	199.8	199.9	199.9
5. Inflation rate	19.6	20.9	22.1	28.8	26.7	26.5
<b>II. Public Finances</b>						
1. Total Budget revenue (in BIF million)	250.8	387.3	523.4	273.2	461.0	630.9
1.1. Tax revenue	198.9	320.6	417.8	230.3	389.2	515.8
1.2. Non-tax revenue	0.2	0.2	0.2	42.9	71.8	115.1
1.3. Exceptional receipts	-	-	-	-	-	-
2. Expenditure	369.1	527.5	658.6	392.5	721.6	891.8
2.1. Compensation of employees (in BIF million)	83.0	129.5	180.5	141.5	213.9	278.6
3. Public debt (in BIF million)	5,080.1	5,187.5	5,140.7	6,076.9	6,150.8	6,112.4
3.1. Domestic debt outstanding	3,767.7	3,882.5	3,839.0	4,275.1	4,355.3	4,323.7
Including: Treasury bills and bonds	1,970.9	2,030.6	2,042.6	2,204.0	2,195.0	2,212.7
BRB ordinary advance	17.7	82.6	25.9	102.4	222.2	248.0
3.2. External debt outstanding	1,312.4	1,305.0	1,301.7	1,801.9	1,795.6	1,788.7
3.3. External debt outstanding (in BIF million)	643.0	637.8	634.6	635.6	632.2	628.7
3.3. External debt service (in BIF million)	1,256.2	3,889.0	4,075.1	17,408.3	2,423.5	5,241.5
including amortization	1,049.3	2,480.2	3,419.5	14,539.6	2,131.8	4,426.8
3.4. Drawings on external loans	3,396.3	3,722.3	2,515.0	2,238.2	1,110.7	-
<b>III. MONEY</b>						
1. Reserve Money (in BIF million)	1,321.9	1,314.6	1,386.8	1,237.6	1,298.9	1,397.3
2. Broad money M3 (in BIF million)	4,055.3	4,113.5	4,206.4	4,706.6	4,870.4	4,984.3
2.1. Broad money M2 (in BIF million)	3,769.4	3,834.8	3,916.8	4,251.3	4,292.4	4,412.6
3. Domestic credit (in BIF million)	5,662.7	5,761.8	5,846.3	6,684.0	7,017.3	7,067.8
4. Net foreign to government (in BIF million)	2,577.4	2,533.0	2,605.3	2,750.8	2,852.2	2,832.2
5. Net foreign assets (in BIF million)	- 538.3	- 579.0	- 573.9	- 1,221.2	- 1,233.7	- 1,195.7
6. Tenders operations						
6.1. Normal liquidity providing	-	-	-	-	-	-
6.2. Injecting liquidity	-	-	-	-	-	-
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	3.95	3.83	3.6	4.52	4.6	4.9
7.2. Treasury bill to 26 weeks	4.6	4.6	4.5	5.1	5.2	5.5
7.3. Treasury bill to 52 weeks	4.9	4.9	4.9	4.4	4.5	4.7
7.4. Recovery of liquidity	-	-	0.0	-	-	-
7.5. Injecting liquidity	2.0	2.0	2.0	2.0	2.0	2.0
7.6. Marginal lending facility	7.0	6.7	5.9	12.0	12.0	12.0
7.7. Interbank market	5.6	3.7	3.5	5.8	6.1	5.8
7.8. Deposit interest rates	6.1	6.1	6.1	5.8	5.7	6.0
7.9. Lending interest rates	13.4	13.2	12.9	13.0	12.9	12.9
<b>IV. EXTERNAL SECTOR</b>						
1. Export (in BIF million, fob DSL & Buja FOT)	213.2	244.1	285.7	220.7	330.7	361.2
including petroleum products	27.5	38.5	61.1	58.3	63.1	72.4
1.1. Volume of exports (in T)	71,311.0	83,308.0	99,294.0	81,980.0	90,586.0	100,312.0
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	223.6	194.1	221.7	241.7	198.1	198.1
- BIF/Kg	10,030.2	8,719.2	8,169.5	13,377.2	12,370.4	12,370.4
1.3. Coffee sold d(in BIF million)	32.5	52.2	63.2	51.2	64.6	77.5
2. Import CIF (in BIF million)	1,620.2	1,862.0	2,051.3	1,836.2	2,102.9	2,376.5
including petroleum products	347.0	409.6	451.2	372.9	435.9	511.8
2.1. Volum of imports (in T)	844,931.0	954,481.0	1,057,823.0	871,922.0	991,612.0	1,110,023.0
<b>V. EXCHANGE RATE</b>						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	92.9	94.8	95.4	64.7	65.7	66.2
3.1.2. Real	108.1	111.4	112.7	93.2	90.5	92.4
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	2,043.5	2,048.7	2,053.1	2,837.8	2,842.5	2,847.2
3.2.2. Exchange rate BIF/USD (monthly average)	2,041.0	2,046.2	2,051.0	2,835.1	2,840.3	2,845.0
(1): the coffee campaign starts in April and ends in March of the following year						
(p) : Provisional						
n.a. : not available						
-:data not available						

Source : BRB

APPENDIX 2: MAIN INDICATORS OF BANKING SECTOR OCTOBER 2023 (in BIF million)

	Commercial banks			Other financial corporations			Banking sector		
	10/31/2022	10/31/2023	Change in %	10/31/2022	10/31/2023	Change in %	10/31/2022	10/31/2023	Change in %
<b>I. ASSETS</b>	<b>6,174,995.9</b>	<b>7,302,246.8</b>	<b>18.3</b>	<b>133,173.8</b>	<b>194,414.9</b>	<b>46.0</b>	<b>6,308,169.6</b>	<b>7,496,661.6</b>	<b>18.8</b>
<b>I.1. MAIN ASSETS</b>	<b>5,303,413.7</b>	<b>6,161,963.1</b>	<b>16.2</b>	<b>116,319.1</b>	<b>155,760.8</b>	<b>33.9</b>	<b>5,419,732.9</b>	<b>6,317,723.9</b>	<b>16.6</b>
<b>A. Liquid assets</b>	<b>2,700,359.8</b>	<b>2,631,009.8</b>	<b>- 2.6</b>	<b>17,846.5</b>	<b>22,228.3</b>	<b>24.6</b>	<b>2,718,206.3</b>	<b>2,653,238.1</b>	<b>- 2.4</b>
. Cash	120,039.8	97,916.2	- 18.4	13.0	13.0	0.7	120,052.7	97,929.2	- 18.4
. Balance in B.R.B.	613,061.4	415,136.7	- 32.3	14,141.7	17,920.1	26.7	627,203.1	433,056.8	- 31.0
. Interbank claims	124,297.1	102,577.4	- 17.5	972.3	1,575.5	62.0	125,269.3	104,152.9	- 16.9
. Loan to government	1,842,961.6	2,015,379.5	9.4	2,719.6	2,719.6	-	1,845,681.2	2,018,099.1	9.3
Treasury securities	1,737,375.4	1,796,403.0	3.4	2,719.6	2,719.6	-	1,740,095.0	1,799,122.6	3.4
Other securities	105,586.2	218,976.5	107.4	-	-	-	105,586.2	218,976.5	107.4
<b>B. Loans</b>	<b>2,603,053.9</b>	<b>3,530,953.3</b>	<b>35.6</b>	<b>98,472.6</b>	<b>133,532.6</b>	<b>35.6</b>	<b>2,701,526.5</b>	<b>3,664,485.8</b>	<b>35.6</b>
. Short term	1,204,947.7	1,411,666.7	17.2	1,054.8	1,926.0	82.6	1,206,002.6	1,413,592.6	17.2
. Medium term	595,889.0	936,909.2	57.2	45,199.0	44,100.3	- 2.4	641,088.0	981,009.5	53.0
. Long term	802,217.2	1,182,377.4	47.4	52,218.8	87,506.3	67.6	854,436.0	1,269,883.7	48.6
. Leasing	-	-	-	-	-	-	-	-	-
<b>I.2. Fixed assets</b>	<b>235880.3802</b>	<b>373084.4473</b>	<b>58.2</b>	<b>3,119.7</b>	<b>12,964.2</b>	<b>315.6</b>	<b>239,000.1</b>	<b>386,048.6</b>	<b>61.5</b>
<b>I.3. Others assets</b>	<b>635701.7365</b>	<b>767,199.2</b>	<b>20.7</b>	<b>13,734.9</b>	<b>25,689.8</b>	<b>87.0</b>	<b>649,436.7</b>	<b>792,889.1</b>	<b>22.1</b>
<b>II. LIABILITIES</b>	<b>6,174,995.9</b>	<b>7,302,246.8</b>	<b>18.3</b>	<b>133,173.8</b>	<b>194,414.9</b>	<b>46.0</b>	<b>6,308,169.6</b>	<b>7,496,661.6</b>	<b>18.8</b>
<b>II.1. Main liabilities</b>	<b>4,853,018.5</b>	<b>5,768,078.6</b>	<b>18.9</b>	<b>79,367.8</b>	<b>121,453.2</b>	<b>53.0</b>	<b>4,932,386.2</b>	<b>5,889,531.8</b>	<b>19.4</b>
. Customer deposits	3,607,042.8	4,300,527.9	19.2	49,735.1	81,428.9	63.7	3,656,777.9	4,381,956.8	19.8
<i>amongst: Ten large deposits</i>	1,909,744.7	1,975,490.0	3.4	-	-	-	1,909,744.7	1,975,490.0	3.4
. Borrowing from B.R.B. (Refinancing)	604,248.8	628,440.1	4.0	26,469.6	35,998.7	36.0	630,718.4	664,438.8	5.3
. Interbank liabilities	641,726.9	839,110.6	30.8	3,163.1	4,025.5	27.3	644,890.0	843,136.2	30.7
<b>II.2. Capital and reserves</b>	<b>572635.4406</b>	<b>684638.8175</b>	<b>19.6</b>	<b>24,743.8</b>	<b>29,379.6</b>	<b>18.7</b>	<b>597,379.3</b>	<b>714,018.4</b>	<b>19.5</b>
<b>II.3. Other liabilities</b>	<b>746669.2795</b>	<b>849,529.3</b>	<b>13.8</b>	<b>29,062.2</b>	<b>43,582.1</b>	<b>50.0</b>	<b>775,731.5</b>	<b>893,111.4</b>	<b>15.1</b>
<b>III. MAIN INDICATORS OF THE BANKING SECTOR</b>									
<i>Capital adequacy</i>									
. Tier 1 capital (in BIF billion)	671,865.3	785,398.5	16.9	47,540.9	28,136.8	- 40.8	719,406.2	813,535.3	13.1
. Total regulatory capital (in BIF billion)	712,203.0	852,337.7	19.7	48,116.5	34,824.2	- 27.6	760,319.4	887,161.9	16.7
. Risk weighted assets	3,035,712.8	4,125,631.3	35.9	136,765.9	182,557.3	33.5	3,172,478.7	4,308,188.6	35.8
. Tier 1 capital adequacy ratio (threshold 10%)	22.1	19.0	-	34.8	15.4	-	22.7	18.9	-
. Total regulatory capital adequacy ratio (threshold 10%)	23.5	20.7	-	35.2	19.1	-	24.0	20.6	-
. Leverage Ratio (threshold 7%)	10.9	10.8	-	35.7	14.5	-	11.4	10.9	-
<i>Loan concentration</i>									
. Large exposures	1,035,205.7	1,539,275.4	48.7	2,720.9	6,100.8	124.2	1,037,926.6	1,545,376.1	48.9
. Large exposures to Loans ratio (%)	39.8	43.6	-	2.8	4.6	-	38.4	42.2	-
. Loans to Assets ratio (%)	42.2	48.4	-	73.9	68.7	-	42.8	48.9	-
. Government claims to assets ratio (%)	29.8	27.6	-	2.0	1.4	-	29.3	26.9	-
. Government Loans/Tier 1 capital ratio	274.3	256.6	-	5.7	9.7	-	256.6	248.1	-
<i>Quality of loan portfolio</i>									
. Past due loans	224,300.9	392,434.7	75.0	1,633.2	5,405.9	231.0	225,934.0	397,840.6	76.1
Special mention loans	153,273.4	300,557.9	96.1	308.2	836.8	171.5	153,581.6	301,394.7	96.2
Non performing loans	71,027.5	91,876.8	29.4	1,325.0	4,569.1	244.8	72,352.5	96,445.9	33.3
Substandard loans	25,909.0	31,982.9	23.4	320.1	1,774.0	454.2	26,229.1	33,756.9	28.7
Doubtful loans	17,281.0	18,219.9	5.4	796.8	1,953.3	145.2	18,077.7	20,173.2	11.6
Loss loans	27,837.5	41,674.0	49.7	208.1	841.8	304.4	28,045.6	42,515.7	51.6
. Loan loss provisions	33,048.4	50,675.5	53.3	670.5	2,173.2	224.1	33,719.0	52,848.7	56.7
. Non performing loan rate	2.7	2.6	-	1.3	3.4	-	2.7	2.6	-
. Impairment rate	8.6	11.1	-	1.7	4.0	-	8.4	10.9	-
. Provisioning rate	46.5	55.2	-	50.6	47.6	-	46.6	54.8	-
<i>Liquidity</i>									
. LCR* in BIF (threshold 100%)	181.4	165.3	-	-	-	-	181.4	165.3	-
. LCR in f.c.** (threshold 100%)	204.2	119.6	-	-	-	-	204.2	119.6	-
. Loans/Customer deposits	72.2	82.1	-	198.0	164.0	-	73.9	83.6	-
. Stable funds /Fixed Assets (threshold 60%)	102.5	96.2	-	291.5	124.5	-	104.5	96.7	-
. Ten large deposits/Customer deposits	52.9	45.9	-	-	-	-	52.2	45.1	-
<i>Profitability and performance</i>									
. Income before tax	151,230.1	168,218.4	11.2	6,249.3	6,285.9	0.6	157,479.4	174,504.3	10.8
. Net income	134,564.4	129,921.5	- 3.5	4,100.3	4,293.1	4.7	138,664.7	134,214.6	- 3.2
. Gross Income	319,818.9	376,334.5	17.7	9,331.4	12,478.9	33.7	329,150.3	388,813.4	18.1
. ROA	2.18	1.78	-	3.08	2.21	-	2.2	1.8	-
. ROE	18.89	15.24	-	8.52	12.33	-	18.2	15.1	-

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	(2.6)	(0.7)	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						
n.a: not available						

Source : BRB