

## I. INTRODUCTION

The following main economic indicators related to developments at the end of April 2018 in the real sector and prices, public finance, foreign trade, exchange rate, broad money and its counterparts, main indicators of the financial soundness.

Year-on-year basis, the real sector was characterized by an increase of industrial production, coffee and tea production. Inflation decreased in April 2018 compared to the same period of 2017.

The fiscal deficit slowed down while 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 total balance sheet of the banking sector rose at the end of April 2018 compared to the same period of 2017. Deposits and credit to private sector increased. In terms of financial soundness, the banking sector remained sufficiently capitalized, solvent and profitable.

## II. PRODUCTION

On a year-on-year basis, industrial production, coffee production and green tea harvest increased.

### II.1 Industrial Production Index

Year-on-year basis, the industrial production index rose by 4.1% from 112.1 to 116.8, mainly due to the increase of BRARUDI's beverage (+ 1.8%) and cigarettes (+ 24.7%). Compared to the previous month, the industrial production index increased by 2.8% in April 2018, from 114.3 to 116.8.

### II.2. Coffee

Compared to the previous season, the coffee production at the end of April 2018 stood at 21,583 T against 17,906 T recorded in the same period 2017.

### II.3. Tea

The green tea leaves harvest increased by 7.7% at the end of April 2018, from 19,620.2 to 21,505.1 T, due to the good rainfall.

However, compared to the same period of the previous year, the tea production decreased by 9.4% in April 2018 amounted to 5,589 against 6,167.3 T.

## III. INFLATION DEVELOPMENTS

Headline inflation decreased by 1.7% against an increase of 19.4 % in the same period in 2017.

This decrease concerned both food prices (-9.6 against 30.2%) and non-food prices (7.7 against 8.3%).

The decrease of food prices concerned particular those items "vegetables" (-17.4%), "sugar, jam, honey, chocolate and confectionery" (-13.3%) and "bread and cereals (-13.9%) and Fruits (-3.9%).

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

	Apr-17	Apr-18	Inflation
<b>1. Food</b>	<b>124.7</b>	<b>112.7</b>	<b>-9.6</b>
- Bread and cereals	125.2	107.8	-13.9
- Meat	108.4	114.4	5.5
- Fish	112.8	159.5	41.4
- Milk, cheese and eggs	107.2	110.2	2.8
- Oils and fats	106.4	113.8	7.0
- Fruits	114.8	110.3	-3.9
- Vegetables	132.2	109.2	-17.4
- Sugar, jam, honey, chocolate and confectionery	124.8	108.2	-13.3
- undefined food elsewhere	105.8	107.3	1.4
<b>2. Non food</b>	<b>105.6</b>	<b>113.7</b>	<b>7.7</b>
- Alcoholic beverages, tobacco	107.2	113.6	6.0
- clothing and footwear	108.8	115.0	5.7
- Housing, water, electricity, gas and other fuels	107.2	118.5	10.5
- Furnishing, household equipment and routine household maintenance	106.1	114.6	8.0
- Health	100.5	112.4	11.8
- Transport	106.6	117.2	9.9
- Communication	100.6	101.4	0.8
- leisure and culture	104.6	113.6	8.6
- Education	101.6	136.2	34.1
- Hotels, Restaurant and café	105.2	112.6	7.0
- Other goods and services	104.4	114.6	9.8
<b>Overall index</b>	<b>115.6</b>	<b>113.6</b>	<b>-1.7</b>

Source: BRB based on data of ISTEERU

Non-food inflation also decreased (6.0 against 15.3%), following price declining in most components, mainly Alcoholic beverages and tobacco (+6.0 against 15.3%), Articles of Clothing and footwear" (+5.7 against + 18.3%), Furniture, household items and household maintenance" (+8.0 against + 12.1%), "Recreation and culture" (+8.6 against 9.3%).

## IV. GOVERNMENT FINANCIAL OPERATIONS

At the end of April 2018, Government financial operations recorded a low overall deficit (excluding grants) compared to the same period in 2017, due to the increase of revenue than expenditures.

## IV.1. Revenue

Revenue increased by BIF 13,989.9 million in April 2018 compared to the same period 2017, from BIF 51,144.7 million to BIF 65,134.6 million. This improvement concerned both tax revenue (BIF 12,069.6 million) and non-tax revenue (BIF 1,920.3 million).

Compared to the previous month, revenue decreased by BIF 25,859.9 million following the slowdown of tax revenues (BIF -27,611.1 million) whereas non-tax revenue increased by BIF 1,751.2 million.

## IV.2. Expenditure

Government expenditures incurred in April 2018 amounted to BIF 101,237.7 million against BIF 98,418.7 million recorded in the same period of the previous year, or an increase of BIF 2,819.9 million.

However, compared to the previous month, they decreased by BIF 6,376.8 million.

## IV.3. Public debt

Year-on-year basis, outstanding public debt rose by 15.2% , amounted to BIF 2,466.3 billion at the end of April 2018 against BIF 2,140.1 billion recorded in the same period 2017, due to the increase both in domestic debt (+ 17.0%) and external debt (+ 11.8%).

Compared to the previous month, the public debt increased by 0.6%, mainly concerned by domestic debt (+ 0.3%) and external debt (+ 1.0%).

## **-Domestic Debt**

Year-on-year basis, outstanding domestic debt rose by BIF 241,168.8 million, from BIF 1,421.4 to 1,662.5 billion, linked to the increase of Government's debt towards banking sector (BIF +219,283.1 million) and non-banking sector (BIF +21,885.7 million).

On a monthly basis, domestic debt increased by BIF 5,337.1 million compared to the previous month, amounted to BIF 1,662.5 against 1,657.2 billion, following the increase of Government's debt towards banking sector (BIF +7,453.0 million) whilst non-banking sector declined (BIF -2,115.9 million).

## **-External Debt**

Year-on-year basis, the external debt rose by BIF 85,030.8 million at the end of April 2018, amounted to BIF 803,786.0 against 718,755.2 million. This increasing is linked to new drawings (BIF 26,326.7 million) and revaluation gains (BIF 75,752.7 million) which exceeded the repayment of principal (BIF 17,048.5 million).

Compared to the previous month, the external debt increased by 8,187.4 million, from BIF 795,598.6 to 803,786.0 million, due to new drawings (BIF 10,448.4 million) and the revaluation gains (BIF 505.3 million) which offset the repayment of principal debt (BIF 2,766.3 million).

Expressed in US Dollar, the outstanding external debt increased by USD 32.6 million compared to the same period in 2017, from 419.9 to 452.5 MUSD.

## **V. EXTERNAL TRADE**

Total exports and imports of goods reached BIF 593,580.6 million at the end of April 2018 against BIF 452,959.5 million in the same period in 2017, an increase of 31.0%.

This increase concerned both imports (BIF 463,168.3 against 390,008.9 million) and exports (BIF 130,412.3 against 62,950.6 million).

The trade balance worsened during the same period (- BIF 332,756.0 million against -BIF 327,058.3 million) linked to the large increase of imports (+BIF 73,159.4 million) than exports (+BIF 67,461.7 million).

### **V.1 Exports**

Cumulative exports increased in value and volume at the end of April 2018 compared to the same period in 2017.

The increase in value concerned primary products (BIF 110,136.8 against 42,052.4 million) while manufactured goods have almost stabilized (BIF 20,275.5 against 20,898.2 million).

The rise of primary exports products concerned all categories, particular non-monetary gold (+BIF 40,147.5 million), coffee (+BIF 18,451.6 million) and niobium ores (+BIF 7,929.0 million).

In volume, the increase concerned both primary products (14,138 tons against 12,714 tons) and manufactures (18,012 tons against 15,666 tons).

## V.2 Imports

Cumulative imports increased in value and volume at the end of April 2018 compared to the same period in 2017.

The increase in value concerned intermediate goods (BIF 198,902.3 against 144,548.4 million) and capital goods (BIF 113,226.0 against 90,224.1 million), whilst the imports of consumer goods declined (BIF 151,040.0 against 155,236.4 million).

The rise of intermediates goods was mainly driven by mineral oils (+BIF 38,409.6 million) and goods for metallurgy (+ BIF 9,842.7 million).

The increase of capital goods imports was mainly driven by electrical equipment (+BIF 32,214.3 million) and boilers, mechanical machinery (+BIF 10,757.1 million). However, the imports of tractors, vehicles and machinery transport dropped by BIF 24,840.6 million.

In volume, the increase of imports mainly concerned intermediate goods (226,263 against 138,742 tons), capital goods (12,005 against 9,660 tons) and consumer goods (80,478 against 62,853 tons).

## VI. EXCHANGE RATE

The average exchange rate of BIF against USD depreciated by 3.8% in April 2018, standing at BIF 1,776.28 compared to BIF 1,711.54 recorded in the same period of the previous year. Compared with the previous month, the average exchange rate of the BIF against USD depreciated by 0.12%. At the end of the period, the exchange rate BIF against USD depreciated by 3.6%, standing at BIF 1,776.91 at the end of April 2018

compared to BIF 1,714.48 in the same period in 2017.

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

Year-on-year basis, reserve money and broad money rose in April 2018, due to the increase of net domestic assets.

### VII.1. Reserve Money

The reserve money rose by 16.5% in April 2018, from BIF 482,272.8 million in April 2017 to BIF 562,023.4 million in April 2018. The increase was mainly driven by the rising of currency outside banks (+BIF 30,883.8 million), deposits of commercial banks (+BIF 40,283.0 million) and public non-financial corporations (+BIF 3,729.1 million).

### VII.2. Broad money

Year-on-year basis, the money supply M3 increased by 16.3%, amounted to BIF 1,542.9 billion in April 2018 from BIF 1,326.0 billion. This rise was resulted from the growth of money supply M2 which increased by 14.4% and deposits of residents denominated in foreign currencies (+33.6%).

The increase of M2 was attributed to the currency outside banks (+7.2%), demand deposits (+14.2%) and time and savings deposits (+20.6%).

The rise of demand deposits denominated in BIF was due to the improvement occurred in deposits of other non-financial corporations (+BIF 77,841.1 million), deposits of households (+6,529.6 million) and public non-financial corporations (+BIF 4,939.1 million).

The increase in time and savings deposits is linked to the progress of deposits of other non-financial corporations (+BIF 37,351.0 million), households (+ BIF 17,722.5 million and those classified in “other deposits” (+BIF 4,864.0 million).

The rising of residents’ deposits in foreign currency was driven by those of households (+BIF 24,431.1 million), other non-financial corporations (+BIF 11,342.0 million) and deposits classified in other deposits (+BIF 6,880.9 million).

### **VII.3. Counterparts**

Year on year basis, domestic credit rose by 13.8%, from BIF 1,811.7 billion in April 2017 to BIF 2,061.6 billion due to the increase of net claims on government (+14.1%) and claims on the economy (+13.4%).

The increase of net claims on government was mainly driven by the rising of Treasury bills and bonds held by commercial banks (+51.1%).

On year-on- year basis, the net foreign assets increased by 3.7% at the end of April 2018 while official reserves decreased by 8.5%. These reserves covered 1.2 month of imports compared to 1.6 month recorded in the same period in 2017.

## **VIII. MAIN INDICATORS OF THE BANKING SECTOR**

At the end of April 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.

### **VIII.1 Assets**

Year-on-year basis, total banking sector assets rose by 21.2%, from BIF 1,869.1 billion to BIF 2,265.1 billion in April 2018, following the increase of Treasury securities (744,753.3 against 473,890.7 MBIF). However, the total loans rose by 9.5%, from BIF 746,551.4 million to BIF 817,548.9 million at the end of April 2018.

The share of Treasury Securities in the total assets increased, from 26.4% to 32.9% at the end of April 2018. However, the share of loans to the private sector in the total assets decreased, from 39.9% to 36.1% at the end of April 2018.

### **VIII.2 Liabilities**

Compared to the same period of the previous year; total deposits increased by 17.5%, from BIF 1,079.5 billion to BIF 1,268.1 billion at the end of April 2018.

During the same period, the Central Bank refinancing rose, amounted to BIF 209,053 million against BIF 98,014 million recorded in the same period of the previous year.

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

In April 2018, the banking sector has sound indicators and complied with all prudential standards. The banking sector remained well-capitalized and profitable.

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

At the end of April 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 21.0 to 23.0% and from 24.4 to 25.8% respectively from April 2017 to April 2018.

Over the same period, the leverage ratio was 12.4% against 14.7% at the end of April 2017 with a minimum standard of 7%.

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

Compared to April 2017, the quality of the loans portfolio deteriorated; the impairment rate increased, from 20.6% to 21.8% at the end of April 2018. Over the same period, overdue loans increased by 15.8%, from BIF 153,722.1 million to BIF 177,934.6 million in April 2018.

An analysis of loans by class shows that the watch loans and loss increased respectively by 0.5% and 44.9%. The doubtful loans decreased by 35.5% on year-on year basis, from BIF 36,784.3 million to BIF 23,738.0 million at the end of April 2018.

The rate of impairment of loans in “Tourism and hotel” sector was 47.8%. “Agriculture” and “trade” sectors have impairment’s rates of 7.7% and 14.9% respectively whereas “construction” and

“manufacturing” sectors have impairment rates of 13.2% et 31.7% respectively.

Given this 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 is 77.3% at the end of April 2018 against 73.0% in the same period of 2017.

The concentration risk towards the large exposure is minimized. Loans to large exposures are 14.0% of total loans in April 2018 against 10.5% at the end of April 2017. However, the banking sector faces a concentration risk towards “trade” sector which represented 28.4% of total loans.

### **IX.3 Profitability**

Compared to the same period of the previous year, the banking sector’s profitability increased, the sectoral net profit amounted to 21,953.4 million at the end of April 2018.

The net banking product rose by 67.5%, from BIF 39,387.5 to 65,987.3 million. The return-on-assets (ROA) and the return-on-equity (ROE) established at 1.0% and 7.4% respectively at the end of April 2018.

### **IX.4 Liquidity**

At the end of April 2018, the liquidity ratios both in local and in foreign currency remained above the regulatory threshold of 20% (Liquid Assets/Total deposits) with respectively 62.9% and 103.4% against 57.6 and 124.4% at the end of April 2017.

However, the banking sector undergoes relatively high concentration risks on deposits, since only the share of ten deposits represented 40.8% of total deposits in April 2018 against 23.8% in the same period in 2017.

## APPENDIX 1: SELECTED MONTHLY INDICATORS

	2 017			2 018		
	February	March	April	February	March	April
<b>I. PRODUCTION AND PRICE</b>						
1. Industrial Production Index (monthly average, 1989 = 100)	98.0	102.0	112.1	110.1	114.3	116.8
2. Production of Arabica parchment Coffee (cumulation in T)	17 906.0	17 906.0	17 906.0	21 583.0	21 628.0	21 628.0
3. Production of Tea (cumulation in T of tea leaves)	4 650.0	13 965.0	19 620.2	9 748.4	15 915.7	21 505.1
4. Consumer price index (1991 = 100)	114.9	115.9	115.7	113.4	112.9	113.6
5. Inflation rate	20.5	21.1	19.4	-1.3	-2.6	-1.7
<b>II. FINANCE PUBLIC</b>						
1. Total Budget revenue (in BIF million)	105 284.6	178 349.4	229 494.2	121 523.5	212 518.0	277 652.7
1.1. Tax revenue	99 480.9	167 379.2	213 692.8	109 972.5	195 966.9	254 350.2
1.2. Non-tax revenue	5 803.8	10 970.3	15 801.4	11 551.0	16 551.1	23 302.5
1.3. Exceptional receipts	0.0	0.0	0.0	0.0	0.0	0.0
2. Expenditure	148 689.7	239 062.7	337 481.4	200 818.8	308 433.3	409 671.0
2.1. Compensation of employees (in BIF million)	65 282.8	97 090.4	129 074.3	67 528.7	102 164.1	135 713.7
3. Public debt (in BIF million)	2 107 722.8	2 146 927.0	2 140 355.1	2 425 377.6	2 452 788.9	2 466 313.3
3.1. Domestic debt outstanding	1 373 318.0	1 417 624.4	1 421 358.6	1 635 451.4	1 657 190.3	1 662 527.3
Including: Treasury bills and bonds	613 931.0	627 821.5	643 307.1	860 401.8	890 327.3	916 907.0
BRB ordinary advance	107 598.6	130 042.5	122 074.2	156 799.4	151 279.3	130 576.4
3.2. External debt outstanding	734 769.8	729 097.8	718 755.2	789 926.2	795 598.6	803 786.0
3.3. External debt outstanding (in BIF million)	432.3	427.8	420.1	446.0	448.5	452.5
3.3. External debt service (in BIF million)	2 324.8	1 785.0	2 661.5	2 179.4	1 491.0	3 596.2
including amortization	1 390.7	1 167.8	1 744.2	1 425.4	1 136.2	2 766.3
3.4. Drawings on external loans	2 871.9	0.0	171.1	0.0	5 617.3	10 448.4
<b>III. MONEY</b>						
1. Reserve Money (in BIF million)	459 433.8	486 327.8	482 272.8	544 979.7	518 671.2	562 023.4
2. Broad money M3 (in BIF million)	1 246 198.3	1 292 013.2	1 326 905.3	1 522 847.0	1 533 249.8	1 542 889.6
2.1. Broad money M2 (in BIF million)	1 128 061.1	1 170 765.8	1 199 928.5	1 356 830.0	1 362 009.2	1 373 283.9
3. Domestic credit (in BIF million)	1 754 406.9	1 803 204.5	1 811 737.4	2 062 766.8	2 056 074.5	2 061 598.9
4. Net foreign to government (in BIF million)	930 521.5	986 447.7	1 000 284.7	1 135 913.1	1 137 771.2	1 141 234.2
5. Net foreign assets (in BIF million)	-146 442.1	-164 630.2	(163 087.5)	-127 948.3	-169 690.1	-157 125.6
6. Tenders operations						
6.1. Normal liquidity providing	95 000.0	87 840.0	100 000.0	172 670.0	163 700.0	218 600.0
6.2. Injecting liquidity	0.0	0.0	0.0	0.0	0.0	0.0
7. Weighted average interest rates						
7.1. Treasury bill to 13 weeks	5.0	5.5	5.6	4.1	3.9	3.6
7.2. Treasury bill to 26 weeks	5.6	5.7	5.7	5.4	5.2	4.7
7.3. Treasury bill to 52 weeks	7.6	7.5	7.3	5.9	5.6	5.5
7.4. Recovery of liquidity	0.0	0.0	0.0	0.0	0.0	0.0
7.5. Injecting liquidity	3.7	4.9	5.4	2.5	2.8	3.2
7.6. Marginal lending facility	8.5	9.0	8.0	7.0	6.6	6.2
7.7. Interbank market	5.1	6.0	6.0	3.6	0.0	0.0
7.8. Deposit interest rates	6.8	6.6	6.3	5.8	5.6	5.9
7.9. Lending interest rates	16.3	16.3	16.1	16.1	16.0	16.2
<b>IV. EXTERNAL SECTOR</b>						
1. Export (in BIF million, fob DSL & Buja FOT)	33 430.2	49 157.2	62 950.7	87 224.2	108 190.2	130 412.2
including Arabica coffee	4 689.7	5 460.7	5 461.1	15 750.8	21 535.5	23 912.7
1.1. Volume of exports (in T)	14 120.3	21 733.2	28 379.5	15 776.8	24 627.6	32 149.9
1.2. Average price sales contracts						
Arabica coffee fob DSL-us cts/lb	35.2	70.5	99.4	114.0	94.8	80.3
- BIF/Kg	1 272.6	2 638.7	3 706.2	4 397.9	3 518.9	3 118.0
1.3. Coffee sold d(in BIF million)	2 616.6	1 663.5	292.5	6 151.6	5 357.5	5 388.1
2. Import CIF (in BIF million)	181 615.0	303 561.0	390 008.9	218 049.7	359 901.7	463 168.3
including petroleum products	27 313.3	40 400.8	54 266.4	45 198.8	68 467.9	92 676.1
2.1. Volum of imports (in T)	107 608.0	164 334.8	211 254.9	168 070.0	254 023.5	318 745.6
<b>V. EXCHANGE RATE</b>						
3.1. Effective exchange rate index of BIF (2016/2017=100)						
3.1.1. Nominal	100.7	100.2	99.1	88.5	88.4	88.9
3.1.2. Real	113.7	113.6	111.9	96.3	95.4	96.3
3.2. Exchange rate						
3.2.1. Exchange rate BIF/USD (end of period)	1 701.6	1 775.6	1 714.5	1 772.5	1 775.6	1 776.9
3.2.2. Exchange rate BIF/USD (monthly average)	1 698.7	1 704.9	1 711.5	1 771.1	1 774.0	1 776.3
(p) : Provisional n.a. : not available - : Nonexistent data..						

Source: BRB

**APPENDIX 2: MAIN ACTIVITY INDICATORS OF THE BANKING SECTOR IN APRIL 2018 (in BIF Million)**

	Commercial Banks			Other Banking Institutions			Total banking sector		
	4/30/2017	4/30/2018	Variation en %	4/30/2017	4/30/2018	Variation en %	4/30/2017	4/30/2018	Variation en %
<b>I. ASSETS</b>	<b>1 725 786.8</b>	<b>2 106 175.2</b>	<b>22.0</b>	<b>143 356.8</b>	<b>158 888.6</b>	<b>10.8</b>	<b>1 869 143.6</b>	<b>2 265 063.8</b>	<b>21.2</b>
<b>Main ASSETS</b>	<b>1 415 137.7</b>	<b>1 801 970.8</b>	<b>27.3</b>	<b>107 759.7</b>	<b>117 953.6</b>	<b>9.5</b>	<b>1 522 897.4</b>	<b>1 919 924.4</b>	<b>26.1</b>
<b>A. Liquid Assets</b>	<b>771 505.1</b>	<b>1 098 390.1</b>	<b>42.4</b>	<b>4 840.9</b>	<b>3 985.4</b>	<b>(17.7)</b>	<b>776 346.0</b>	<b>1 102 375.5</b>	<b>42.0</b>
. Cash	45 758.3	61 048.7	33.4	3.2	12.2	281.3	45 761.5	61 060.9	33.4
. B.R.B.	168 309.9	216 397.7	28.6	317.0	860.7	171.5	168 626.9	217 258.4	28.8
. Banking sector	64 309.7	76 190.4	18.5	4 520.7	3 112.5	-31.2	68 830.4	79 302.9	15.2
<i>Treasury securities</i>	493 127.2	744 753.3	51.0	-	-	-	493 127.2	744 753.3	51.0
<b>B. Loans</b>	<b>643 632.6</b>	<b>703 580.7</b>	<b>9.3</b>	<b>102 918.8</b>	<b>113 968.2</b>	<b>10.7</b>	<b>746 551.4</b>	<b>817 548.9</b>	<b>9.5</b>
. Short term	384 086.0	436 865.4	13.7	15 759.5	1 988.8	-87.4	399 845.5	438 854.2	9.8
. Medium term	168 388.1	162 098.3	-3.7	44 083.5	53 637.7	21.7	212 471.6	215 736.0	1.5
. Long term	91 158.5	104 617.0	14.8	43 075.8	58 341.7	35.4	134 234.3	162 958.7	21.4
. Leasing	-	-	-	-	-	-	-	-	-
. Other loans	-	-	-	-	-	-	-	-	-
<b>C. Others</b>	<b>310 649.1</b>	<b>304 204.4</b>	<b>(2.1)</b>	<b>35 597.1</b>	<b>40 935.0</b>	<b>15.0</b>	<b>346 246.2</b>	<b>345 139.4</b>	<b>-0.3</b>
<b>II. LIABILITIES</b>	<b>1 725 786.8</b>	<b>2 106 175.2</b>	<b>22.0</b>	<b>143 356.8</b>	<b>158 888.6</b>	<b>10.8</b>	<b>1 869 143.6</b>	<b>2 265 063.8</b>	<b>21.2</b>
<b>Main liabilities</b>	<b>1 254 603.3</b>	<b>1 600 378.8</b>	<b>27.6</b>	<b>56 189.1</b>	<b>75 328.7</b>	<b>34.1</b>	<b>1 310 792.4</b>	<b>1 675 707.5</b>	<b>27.8</b>
. Deposits	1 027 827.4	1 199 946.5	16.7	51 653.8	68 087.9	31.8	1 079 481.2	1 268 034.4	17.5
<i>among which ten large deposits</i>	249 510.7	509 211.2	104.1	7 462.1	8 016.6	7.4	256 972.8	517 227.8	101.3
. Refinancing from BRB	100 060.0	246 263.1	146.1	-	-	-	100 060.0	246 263.1	146.1
. Others	-	-	-	-	-	-	-	-	-
Banking sector	126 715.9	154 169.2	21.7	4 535.3	7 240.8	59.7	131 251.2	161 410.0	23.0
<i>among which residents</i>	62 621.4	85 740.3	36.9	4 535.3	3 689.7	-18.6	67 156.7	89 430.0	33.2
<b>Others</b>	<b>471 183.5</b>	<b>505 796.4</b>	<b>7.3</b>	<b>87 167.7</b>	<b>83 559.9</b>	<b>(4.1)</b>	<b>558 351.2</b>	<b>589 356.3</b>	<b>5.6</b>
<b>IV. BANKING SECTOR INDICATORS</b>									
<b>Capital adequacy</b>									
. Core capital (in MBIF)	195 629.2	236 182.8	20.7	25 725.4	27 088.2	5.3	221 354.6	263 271.0	18.9
. Total capital (in MBIF)	219 693.8	258 946.0	17.9	36 410.6	38 249.4	5.1	256 104.4	297 195.4	16.0
. Risk Wweighted assets	927 903.9	1 009 366.8	8.8	123 686.5	137 543.9	11.2	1 051 590.4	1 146 910.7	9.1
. Core capital adequacy ratio (threshold 10%)	21.1	23.4		20.8	19.7		21.0	23.0	
. Total capital adequacy ratio (threshold 10%)	23.7	25.7		29.4	27.8		24.4	25.9	
. Leverage ratio (threshold 7%)	12.4	11.9		19.4	18.6		14.7	12.4	
<b>Quality and concentration of loan portfolio</b>									
. Large exposure	69 256.6	102 498.5	48.0	9 242.6	12 021.7	30.1	78 499.2	114 520.2	45.9
. Watch loans	28 930.4	33 924.2	17.3	18 950.2	18 480.2	-2.5	47 880.6	52 404.4	9.4
. Non Performing loans	91 673.6	112 164.7	22.4	14 167.9	13 365.5	-5.7	105 841.5	125 530.2	18.6
. Overdue loans	120 604.0	146 088.9	21.1	33 118.1	31 845.7	-3.8	153 722.1	177 934.6	15.8
. Provisions	70 041.2	86 456.3	23.4	7 247.1	10 597.3	46.2	77 288.3	97 053.6	25.6
. Total gross loans/Total gross assets (in %)	37.3	33.4		71.8	71.7		39.9	36.1	
. Loans to the Government/Total gross assets	28.6	35.4		-	-		28.6	35.4	
. Loans to the Government/Core capital (*)	252.1	315.3		-	-		252.1	315.3	
. Non Performing loans rate	14.2	15.9		13.8	11.7		14.2	15.4	
. Overdue loans rate	18.7	20.8		32.2	27.9		20.6	21.8	
. Rate of provisionning (in %)	76.4	77.1		51.2	79.3		73.0	77.3	
. Large exposure/Total gross loans (in %)	10.8	14.6		9.0	10.5		10.5	14.0	
<b>Liquidity</b>									
. Liquidity ratio in local currency (*)	57.6	62.9		-	-		57.6	62.9	
. Liquidity ratio in foreign currency (*)	124.4	103.4		-	-		124.4	103.4	
. Total loans/total deposits (*)	62.6	58.6		199.2	167.4		69.2	64.5	
. Stable resources/immobilized assets	117.8	120.8		220.2	285.9		135.1	145.1	
. Ten large deposits/Total deposits (*)	24.3	42.4		14.4	11.8		23.8	40.8	
<b>Profitability and performance</b>									
. Profit before tax	8 997.9	23 984.0	166.6	429.2	1 917.1	346.7	9 427.1	25 901.1	174.8
. Net profit	3 154.4	20 295.1	543.4	429.2	1 658.3	286.4	3 583.6	21 953.4	512.6
. Banking net product	35 448.1	61 699.4	74.1	3 939.4	4 287.9	8.8	39 387.5	65 987.3	67.5
. ROA								1.0	
. ROE								7.4	

Source: BRB



## APPENDIX 3: SELECTED ANNUAL INDICATORS

	2013	2014	2015	2016	2017
<b>GROSS DOMESTIC PRODUCT AND PRICE</b>					
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
<b>FOREIGN SECTOR</b>					
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
<b>MONEY AND CREDIT</b>					
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
Monetary base (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
<b>FINANCE AND PUBLIC DEBT</b>					
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
<b>As a reminder</b>					
GDP at market prices ( BIF billion)	3 812.5	4 185.1	4 417.9	4 824.2	5 397.2

Source: BRB